



**Anaheim Transportation Network
Board of Directors and General Membership
Meeting Minutes
Wednesday, May 28, 2014
2:15 P.M. – 5:00 P.M.**

**2400 E. Katella Ave., Suite 725
Anaheim, CA 92806**

ATN Board Members in Attendance:

Mindy Abel, AOCVCB
Jerry Alder, Anaheim Gardenwalk
Todd Ament, Anaheim Chamber of Commerce
Fred Brown, Desert Palms Hotel & Suites
Ron Kim, Prospera
Tom Morton, City of Anaheim
Mark Ochoa, Anaheim Hilton
Kyndell Paine, Disneyland Resort
Paul Sanford, Anabella Hotel

ATN Staff Present:

Diana Kotler, ATN
Barbara Adams, ATN
Lita Aguilar, ATN
DeAndre McCall, ATN
Belinda Trani, ATN

ATN Legal Counsel:

Fred Whitaker, Cummins & White, LLP

Ex-Officio Members:

Robert Johnson, MV Transportation

ATN Members Present:

None

Members of the Public Present:

Rick Bacigalupo, OCTA
Eric Estell, First Transit
James Ferris, Penske
Linda Johnson, City of Anaheim
Mike Lewis, Penske
Todd Priest, CP&A

CALL TO ORDER REGULAR ATN BOARD OF DIRECTORS MEETING



The ATN Board of Directors meeting was called to order at 2:27 pm. on the front walk of 2400 East Katella Avenue, Anaheim, CA

ADDITIONS/DELETIONS TO THE AGENDA

None

PUBLIC COMMENTS

None

BOARD WORKSHOP – ARTIC PROJECT SITE TOUR:

1. Off-site tour of the Anaheim Regional Transportation Intermodal Center (ARTIC)
Tour provided by the City of Anaheim.

OPERATIONAL REPORT:

2. ART operational update – monthly report provided by MV Transportation, Inc.

Robert Johnson, General Manager, MV Transportation reported on the 24 hour Disney Day held on May 23, 2014. Mr. Johnson also indicated that in preparation for some, additional driver training and hiring will be continued to ensure adequate staffing levels for the upcoming high season.

ACTION CALENDAR:

3. Pursuant to approval of ART Services Evaluation Committee’s recommendation, in response to RFQ #13-001 and RFP#13-006 authorize Executive Director to execute a five-year operating agreement with First Transit, Inc., as the lowest cost and best qualified transportation services provider for Anaheim Resort Transportation services

In preparation for the selection of the best qualified transportation services provider, due to agreement expiration of the contract currently held by MV Transportation, Inc. (MV), in February 2013, Anaheim Transportation Network (ATN) began procurement and selection process for contracted services for the Anaheim Resort Transportation (ART) system.

A two-phase selection and evaluation process began with the issuance of the Request for Qualifications (RFQ) and subsequent release of the Request for Proposals (RFP). As presented at the ATN Board of Directors meeting on March 28, 2014, meeting, the ATN Board of Directors unanimously approved Resolutions #2014-02 and #2014-03, to award ART services agreement to First Transit Inc., for a five-year term, and authorized Executive Director to commence agreement negotiations.



With the assistance of ATN legal counsel, the terms as presented in the enclosed agreement have been agreed to by both parties and the agreement is ready for execution effective July 29, 2014. The agreement will stay in effect through June 30, 2019.

As directed by the ATN Board, staff and legal counsel confirmed fixed hourly billing rate for the entire 5-year agreement term. Table 1 – First Transit Cost Proposal – depicts final costs for ART service provision and is based upon estimated number of projected live, clock-in to clock-out, vehicle service hours.

TABLE 1 -- FIRST TRANSIT COST PROPOSAL

	Hourly Billing Rate Year 1 7/30/14--6/30/15	Hourly Billing Rate Year 2 7/1/15--6/30/16	Hourly Billing Rate Year 3 7/1/16--6/30/17	Hourly Billing Rate Year 4 7/1/17--6/30/18	Hourly Billing Rate Year 5 7/1/18--6/30/19
Regular Billing Rate	\$24.09 <i>Up to 220,000 Revenue Hours</i>	\$24.68 <i>Up to 240,000 Revenue Hours</i>	\$25.21 <i>Up to 250,000 Revenue Hours</i>	\$25.96 <i>Up to 250,000 Revenue Hours</i>	\$26.75 <i>Up to 250,000 Revenue Hours</i>
Variable Billing Rate	\$21.14 <i>Over 220,000 Revenue Hours</i>	\$21.80 <i>Over 240,000 Revenue Hours</i>	\$22.35 <i>Over 250,000 Revenue Hours</i>	\$23.03 <i>Over 250,000 Revenue Hours</i>	\$23.74 <i>Over 250,000 Revenue Hours</i>

To ensure quality of transportation services to be provided by First Transit provides, Liquidated Damages have been structured to objectively measure contractor’s performance. A full list of Liquidated Damages was provided for the Board’s review and consideration. A “Grace Period” of 90 days was provided to First Transit when no Liquidated Damages will be assessed for customer service related issues. However, Liquidated Damages for safety related matters, compliance with ADA rules and regulations, as well as any incidents and/or accidents that may occur during the initial 90 days of the agreement, will be assessed.

First Transit has begun personnel recruitment and training process. Based upon the preliminary informational meetings with existing driving personnel, it is anticipated that 75% to 80% of current driving personnel will be retained. Staff for certain administrative positions has been also retained from the current contract to ensure continuity and seamless transition.

ATN Directors asked if any outstanding issues still remained to be discussed by the respective organizations. Staff and legal counsel indicated that the only issue still to be investigated related to the ownership of the DriveCam system currently provided by MV Transportation. There is some uncertainty as to the final ownership of the equipment. The final determination is not material to the



execution of the agreement, as First Transit is able to provide DriveCamm equipment whether or not the ATN assumes ownership of DriveCams, or not.

By Motion, Sanford/Ament, authorized ATN to execute a five-year operating agreement with First Transit, Inc. as the lowest cost and best qualified transportation services provider for Anaheim Resort Transportation Services contingent upon 1. Adding specific legal language be added to the contract regarding time constraints for disputed payments for billings to be limited to 90 days from payment received date. 2. Receipt of letter saying that there will be no price increases in the next five (5) years 3. Determination of ownership of the vehicle surveillance system.

Ayes: Abel, Alder, Ament, Brown, Kim, Morton, Ochoa, Paine, Stanford
Noes: None

4. Approve staff recommendation for amendment of a cooperative agreement between ATN and Orange County Transportation Authority (OCTA) for lease of 35 LNG buses. Authorize Executive Director to execute amendment to the agreement.

In a true public/private partnership effort, in 2010, the ATN and Orange County Transportation Authority (OCTA) and ATN entered into a cooperative agreement for the lease, maintenance and fueling of 35 40-foot Liquefied Natural Gas (LNG) buses to provide transportation services for ATN's Route 20 – Toy Story Circulator service. As this cooperative partnership is coming to a close, both, OCTA and ATN agreed to amend their current agreement for ATN to assume all maintenance and fueling responsibilities, as well as the fleet of 35 LNG buses.

Under the proposed amendment to the agreement, the ATN will continue it the lease of the 35 LNG buses (with buy-out provision) through November 30, 2015. Since this fleet of buses is considered to be federalized, OCTA is required to continue its monitoring of the bus maintenance activities. In addition, amendment calls for continued cooperation and allows the ATN and OCTA to fuel at our respective fueling facilities should emergencies arise.

The proposed amendment to the cooperative agreement is mutually beneficial to OCTA and ATN. OCTA will retain a small revenue stream for the lease of the buses, while maintaining the FTA-regulated spare ratio, while ATN will be able to lease natural gas buses needed for transit operations in The Anaheim Resort®.

Director Brown inquired if any additional insurance and depreciation costs would be incurred by the ATN. The Executive Director responded that these LNG buses are already included on the ATN's policy and are fully depreciated over their federal useful life of 12 years.

By Motion, Sanford/Brown, The ATN Board of Directors approved staff recommendation for amendment of a cooperative agreement between ATN and Orange County Transportation Authority



(OCTA) for lease of 35 LNG buses. Authorize Executive Director to execute amendment to the agreement.

Ayes: Abel, Alder, Ament, Brown, Kim, Morton, Ochoa, Paine, Stanford
Noes: None

5. Approve staff recommendation for award of a maintenance services agreement for 35 LNG buses to Penske Truck Leasing Company LP (Penske), in response to RFP #2014-005. Authorize Executive Director to execute agreement with Penske and commence maintenance activities.

As a continuation of discussion related to the lease, maintenance and fueling of the 35-bus fleet of LNG buses, staff informed the ATN Board of Directors at on January 22, 2014, ATN Board of Directors meeting, the Board authorized release of RFP# 14- 005 – ART Maintenance Services for 35 Low-Floor LNG Transit Buses. RFP# 2014-005 requested interested parties to submit proposals to provide a turn-key maintenance program including, but not limited to, technical staff; fully-equipped maintenance facilities; access to discounted components and parts; and on-call road assistance to ensure ATN’s continued compliance with federal and state standards.

The ATN received two (2) proposals: 1) Penske Truck Leasing Company LP (Penske) and 2) Vonic Fleet Services, Inc. Upon review of the submitted proposal, staff recommends to award a maintenance agreement for three (3) years with two (2) one-year options to Penske, as the best qualified service provider.

The cost of maintenance service provision will be comprised of three categories:

1. Fixed Month Preventive Maintenance Costs;
2. Variable Cost for Components Repair; and
3. Cost of Parts and Components



TABLE 1 – ESTIMATED LNG FLEET MAINTENANCE COSTS

	COST PER UNIT	MONTHLY COST	PROJECTED ANNUAL COST
Fixed Monthly Preventive Maintenance Costs	\$450.00/bus	\$15,750	\$189,000
Hourly Labor Rate Components Repair	\$92.00/hr	\$5,000	\$ 60,000
Parts & Components	10% discount	\$16,000	\$192,000
Total Estimated Value Of Penske Agreement			\$441,000
Additional Maintenance Costs Tire Lease		\$4,666	\$56,000
Additional ATN Utility Staff (Fueling & Bus Washing)	\$11.00/hr 4 Positions	\$9,350	\$112,500
Additional ATN Maintenance Staff (Liaison & Quality Control)	\$25/hr 1 Position	\$4,000	\$48,000
Total Maintenance Costs for 35 LNG Buses		\$54,776	\$657,192
ATN Budget for LNG Maintenance Program			\$732,000
Current ATN Maintenance Cost for LNG Bus Fleet			\$1,450,000

Director Morton, requested to see and compare cost proposal submitted by Vonic in response to RFP 2014-005. To accommodate Director Morton's request, the Board directed staff to schedule a Special Meeting within 2 weeks to provide cost comparison for the maintenance proposals submitted by Penske and Vonic. The decision to award Penske's agreement has been postponed to the Special Meeting, which will be scheduled at a later time.

6. Approve Operations Plan developed for the Anaheim Sports Center (ASC) and authorize Executive Director to execute a parking lease agreement with ASC for 35 LNG buses.



To securely store and park 35 40-foot liquefied natural gas (LNG) buses, ATN needs to provide safe parking location for this bus fleet, as the current ATN location at 1354 South Anaheim Boulevard does not have adequate capacity to park these fleet of buses.

Through discussions and meetings with the City of Anaheim Community Services Department, ATN was informed that a parking facility is available and would present a suitable multi-purpose and use option. The proposed location is along the Southern California Edison (SCE) easement at 1626 South Claudina Way, Anaheim. The City of Anaheim paved this facility to accommodate occasional parking demands by the ASC. Current sub-lease agreements exist between SCE, ASC and the City of Anaheim for a 30-year term. Taking into consideration that ATN parking needs would not conflict with ASC, the City of Anaheim facilitated a meeting and discussion between ATN and ASC.

ATN staff prepared an Operations Plan, which was approved by the ASC outlining the following terms and conditions:

1. Parking lease is to commence on July 7, 2014. ATN would be allowed to park 35-40 buses from 12:30 a.m. till 6:30 a.m. No maintenance functions would be performed this facility.
2. Under supervision of Lead Staff Supervisor, ATN will transport drivers from the main ATN administrative facility to the proposed location where a pre-trip inspection will occur. Upon conclusion of the pre-trip inspection, buses will be deployed into service. Same practices would occur at the end of each service day.
3. ATN will install three (3) cameras along the building wall of Storage West facility.
4. Surveillance, via wireless communications, will be available 24 hours per day with video feed to ATN Operations and Stanley Security.
5. The ATN will compensate ASC a flat rate of \$2,000 per month and add ASC as an additional insured.

By Motion, Sanford / Alder, approve Operations Plan developed for Anaheim Sports Center (ASC) and authorize Executive Director to execute a parking lease with ASC for 35 LNG buses.

Ayes: Abel, Alder, Ament, Brown, Kim, Morton, Ochoa, Paine, Stanford

Noes: None

7. Other business:

- a. Relocation of ATN Administrative Offices

ATN moved into the new Administrative Offices on May 1, 2014.



b. ATN Open House – Thursday, June 12, 2014

Invitations are being sent out for the ATN Open House being held on June 12, 2014 from 3 to 5 pm.

Adjourn ATN Board of Directors Meeting at 4:35 pm