

Anaheim Resort Transportation

1354 South Anaheim Blvd. • Anaheim, CA 92805 888-364-ARTS • RideArt.org



DATE: AUGUST 24, 2016
TO: ATN BOARD OF DIRECTORS
FROM: CRISTINA MONTOYA, PROJECT MANAGER
RE: AGENDA ITEM #2

RECOMMENDATION:

Receive and approve minutes of the ATN Board of Directors meetings held on Wednesday, June 22, 2016 and Thursday, August 18, 2016.



**Anaheim Transportation Network
Board of Directors Meeting Minutes
Wednesday, June 22, 2016
3:00 P.M. – 5:00 P.M.**

**Anaheim Regional Transportation Intermodal Center
2nd Floor Conference Room
2626 East Katella Avenue, Anaheim, CA 92806**

ATN Board Members in Attendance:

Bharat Patel, Castle Inn & Suites
Dan Lee, City of Anaheim
Fred Brown, Desert Palm Springs
Mark Ochoa, Anaheim Marriott
Jerry Alder, Anaheim GardenWalk
Merit Tully, Honda Center
Paul Sanford, Anabella Hotel
Ron Kim, Prospera Hotels
Bill O'Connell, O'Connell Hotels
Jeffrey Runsten, Hilton Anaheim

ATN Staff Present:

Diana Kotler, ATN
DeAndre McCall, ATN
Lita Aguilar, ATN
Lynn Keller, ATN

ATN Legal Counsel:

Eric Williams, Cummins & White, LLP
Todd Priest, Curt, Pringle & Associates

Members of the Public Present:

Rick Baligalcupo, OCTA
Sue Zuhke, OCTA
Felicia Adams, First Transit
Jan Strickland, First Transit
Valente Chacon, First Transit
Mark Gaughan, Genesee Group/First Transit
Linda Johnson, City of Anaheim
Steve Wilks, IBI Group
Michele Abedian, Farber Hass Hurley



CALL TO ORDER – 3:02 PM

Anaheim Transportation Network Board of Directors Meeting

WELCOME & INTRODUCTIONS

ADDITIONS/DELETIONS TO THE AGENDA

PUBLIC COMMENTS -- NONE

SPECIAL CALENDAR:

1. Presentation of Resolutions to:

Miguel Salazar	Operator of the Month of April
Valente Chacon	Operator of the Month of May

Director Kotler announced to the Board of Directors the Operators for the month of April and May. Miguel Salazar could not be present during the meeting, but Valente Chacon was. Valente has been with the company since May of 2013 and has demonstrated exceptional customer service to passengers and co-workers since then. He has no customer complaints, no accidents, receives exceptional reviews from peers and supervision, and has an outstanding attendance record. In Valente's spare time he likes to simply relax with family, also enjoys being a great grandfather. His family is first to him and his time on earth will be dedicated to them all.

CONSENT CALENDAR:

2. Receive and approve minutes of the ATN Board of Directors held on Wednesday, April 27, 2016
3. Receive and file status report pertaining to the Anaheim Transportation Network operations -- ATN Focus Area Reports –April and May 2016
4. Receive and file ART Operating Reports:
 - a. Maintenance: Mileage & Road Call Reports: April and May 2016
 - b. Safety & Training: Safety & Security Report: April and May 2016
 - c. Monthly Contract Payments Adjustments: March and April 2016
 - d. Key Indicator Reports: April and May 2016
5. Receive and file ATN membership report for April and May 2016
6. Receive and file financial reports for the periods of March and April 2016, and approve electronic payments for the period of April and May 2016
7. Receive and file customer service summary for April and May 2016
8. Receive and file sales report summary for April and May 2016



9. Approve and adopt certain revisions and updates to the Anaheim Transportation Network's Drug and Alcohol Program per 49 Code of Federal Regulations(CFR) Part 40 and 49 CFR Part 655
10. Approve and adopt certain revisions and updates to the Anaheim Transportation Network's Fleet Maintenance Plan including Maintenance Policies and Procedures

By motion, Sanford/Patel, Consent Calendar items 2-10 were passed by a single motion.

Yeas: Lee, Brown, Ochoa, Alder, Tully, Kim, O'Connell, Runsten
Noes: None
Abstain: None

11. ART Operational Update – Monthly report provided by First Transit, Inc.
Jan Strickland, General Manager

Monthly operational report to the ATN Board of Directors was provided by ATN contractor, First Transit. Jan Strickland, General Manager at the Anaheim location made a presentation informing ATN Board of Directors that recruiting efforts are still on going. Union negotiations have been pushed back and when resume, will include economical portion of discussion. First Transit management have been focusing on the safety campaigns which culminated in the summer bar—b-que. Driver recruitment efforts will continue to ensure adequate staffing levels.

ACTION CALENDAR:

12. **Subsequent to staff presentation, discuss, review and adopt Anaheim Transportation Network's Operating Budget for Fiscal Year 2016/2017**

ATN Executive Director, Diana Kotler, presented the proposed Fiscal Year (FY) 2016/17 Operating Budget, which presents a balanced plan of available resources and uses of funds necessary for the provision of transportation services for The Anaheim Resort® District and surrounding communities.

The proposed budget utilizing available financial resources required for the provision of Anaheim Resort Transportation (ART) services. ART services are provided to the community by staff from four (4) distinct divisions. The proposed budget does not propose any additions to the current personnel plan. One position will be reclassified to a full-time status. ART services will be managed by the existing thirty five (35) full-time positions, seventeen (17) part-time positions and sixteen (16) key contractor positions. The attached organizational chart provides an overview of the of the ATN organizational structure for FY 2016/17. The proposed Fiscal Year (FY) 2016/17 Operating Budget presents as a balanced plan of available resources and uses



of funds necessary for the provision of transportation services for The Anaheim Resort® District and surrounding communities.

The proposed budget utilizing available financial resources required for the provision of Anaheim Resort Transportation (ART) services. ART services are provided to the community by staff from four (4) distinct divisions. The proposed budget does not propose any additions to the current personnel plan. One position will be reclassified to a full-time status. ART services will be managed by the existing thirty five (35) full-time positions, seventeen (17) part-time positions and sixteen (16) key contractor positions. The attached organizational chart provides an overview of the of the ATN organizational structure for FY 2016/17.

Each division submitted a budget request to the Finance Manager, which was subject to an internal review to ensure conformance with the ATN Work Program, as established and approved by the Board of Directors. The proposed budget warrants a fiscally responsible and sustainable provision of transportation services.

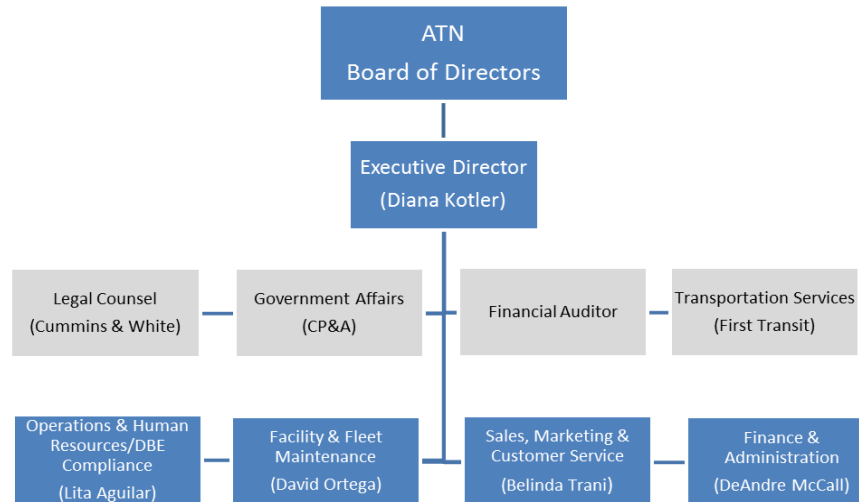
ATN is in a stronger financial position, at the end of the FY 2015/16, than it has been in the years past. However, even though, we had strong operational performance, the agency still needs to seek grant funding to support capital rolling stock replacement of its aging fleet. Grant funding efforts will be pursued to continue to seek grant funds toward this effort.

As the ATN looks forward to FY 2016/17, staff is recommending:

- No increases in the Anaheim Resort Transportation Fare Structure; x
- No increase to the assessment structure for local business establishments; and
- One-time credit to hospitality establishments, in good financial standing, of \$50,000.



ATN ORGANIZATIONAL CHART



Kotler reviewed the proposed revenue sources to account for growth of the hospitality establishments, continuation of services for areas outside of The Anaheim Resort and Platinum Triangle, federal reimbursement funds, Project V Transportation funding from the Orange County Transportation Authority (OCTA), alternative fuel tax revenue and advertising sales. Total annual revenue for FY 2016/17 is projected at \$16,278,311, a 3.1% increase from the FY 2015/16 level of \$15,787,140. Actual revenues for FY 2015/16 project an increase in revenue of 4.0%.

The uses of funds include provision of transportation services, consulting agreements, personnel expenditures, maintenance, fuel and operating expenses. Total expenditures are budgeted at \$15,310,078 for FY 2016/17. The proposed expenditure plan represents a 2.1% increase from FY 2015/16 expenditure levels of \$14,987,598.

The proposed expenditure plan also includes the following initiatives:

1. Marketing, re-branding and public outreach efforts to promote services through ARTIC, mobile ticketing applications and sales missions
2. Continuation of initiatives to determine future ATN operating structure
3. Support for special events and conventions at Disneyland® Resort and Anaheim Convention Center
4. Continued deployment of zero emission bus technologies
5. Relocation of electric bus charging infrastructure
6. Operation of new, grant funded, services between ARTIC and Downtown Anaheim; and Costa Mesa
7. Development of Mobility on Demand initiatives to meet future transportation needs
8. Operation of ARTIC Sports Complex Line for six (6) months, through December 2016
9. Additional advertising revenue from the City of Anaheim Economic Development Department toward operation of Downtown Packing District Line



Anaheim Resort Transportation

1354 South Anaheim Blvd. • Anaheim, CA 92805 888-364-ARTS • RideArt.org

Fiscal Year 2016/2107 Sources of Revenue

	FY15 Budget	FY16 Forecast	FY17 Proposed
Sources of Revenue			
4000 - ART Revenue			
4010 - Participation Assessment Fees	\$ 2,047,000	\$ 1,808,757	\$ 1,976,400
4011 - Assessment - Route 20 Hours	\$ 4,875,000	\$ 5,280,601	\$ 5,429,300
4012 - Assessment - Route 20 Fuel	\$ 548,000	\$ 642,481	\$ 640,200
4020 - Retail Assessment Fees	\$ 152,000	\$ 290,911	\$ 302,200
4040 - ART Pass Sales	\$ 4,766,000	\$ 4,761,936	\$ 4,788,111
4050 - ART Group Sales	\$ 450,000	\$ 632,453	\$ 517,300
4060 - TVM Leases	\$ 120,000	\$ 119,000	\$ 120,000
4070 - Advertising	\$ 748,000	\$ 768,755	\$ 814,800
4111 - Cooperative Agreements (Metrolink & LOSSAN)	\$ 33,711	\$ 47,319	\$ 70,800
4201 - Contract Penalties (Contract Reimbursements)	\$ 120,000	\$ 285,900	\$ -
4310 - Grant Income			
4311 - Anaheim Canyon Service (Proj S)	\$ 32,571	\$ 36,299	\$ 33,600
4313-A - Downtown ARTIC Service (Proj V)	\$ -	\$ -	\$ 80,000
4314-B-Costa Mesa Service (Proj V)	\$ -	\$ -	\$ 200,000
4316 - Angel/Duck Express (MSRC Grant)	\$ 151,858	\$ 86,340	\$ -
4321 - Grant Apportionment_Bus & Bus Facilities	\$ 75,000	\$ 87,278	\$ 90,000
4322 - Grant Apportionment_PM	\$ 775,000	\$ 611,808	\$ 775,000
4323 - Caltrans Planning Grant	\$ 163,000	\$ 142,000	\$ -
4324 - ATID ARTIC Service	\$ 409,000	\$ 409,000	\$ -
Total 4300 - Grant Income	\$ 1,606,429	\$ 1,372,725	\$ 1,178,600
4400 - Membership Revenues	\$ 40,000	\$ 31,273	\$ 30,000
4771 - Liquefied Petroleum Gas(LPG)	\$ 55,000	\$ 64,439	\$ 65,300
4772 - Compressed natural Gas (CNG)	\$ 83,000	\$ 92,753	\$ 83,100
4773 - Liquefied natural gas (LNG)	\$ 131,000	\$ 185,742	\$ 186,000
4774 - Electricity	\$ -	\$ -	\$ 30,000
Total 4770 - Alternative Fuel Tax Credits	\$ 268,000	\$ 342,934	\$ 364,400
4700 - Other Income	\$ -	\$ -	\$ -
4701 - OCTA & Metrolink Tickets	\$ 13,000	\$ 29,985	\$ 30,000
4710 - Interest Income	\$ -	\$ 728	\$ -
4712 - Late Fees and Interest	\$ -	\$ 4,455	\$ -
4720 - Miscellaneous Income	\$ -	\$ 19,461	\$ 15,600
4700 - Other Income - Other	\$ -	\$ 600	\$ 600
Total 4700 - Other Income	\$ 13,000	\$ 55,229	\$ 46,200
Total Sources of Revenue	\$ 15,787,140	\$ 16,409,001	\$ 16,278,311



Anaheim Resort Transportation

1354 South Anaheim Blvd. • Anaheim, CA 92805 888-364-ARTS • RideArt.org

Fiscal Year 2016/2107 Proposed Uses of Funds

Proposed Uses of Funds		FY15 Budget	FY16 Forecast	FY17 Proposed
	6000 · Personnel Expenses			
	6010 · Salaries and Wages	\$ 2,018,004	\$ 2,117,500	\$ 2,294,200
	6022 · Employer Contribution	\$ -	\$ 12,280	\$ 15,000
	6030 · Medical Insurance	\$ 220,800	\$ 232,023	\$ 257,500
	6040 · Payroll Taxes	\$ 282,000	\$ 237,363	\$ 251,174
	7000 · Transp Svc - First Transit	\$ 7,134,000	\$ 6,497,062	\$ 7,122,100
	7020 · Participation Usage Credit	\$ 215,000	\$ 220,778	\$ 222,000
	7030 · ART Ticket Production Expense	\$ 45,000	\$ 58,032	\$ 45,000
	7031 · ART Refunds (2000)	\$ 3,000	\$ 939	\$ 1,200
	7033 · ART Kiosk Change	\$ 3,000	\$ 899	\$ 1,200
	7040 · Rideshare	\$ 6,000	\$ 36,087	\$ 40,200
	7110 · Tax Expense (Property & UBID)	\$ 93,000	\$ 58,459	\$ 69,190
	7180 · Fees and Permits	\$ 3,000	\$ 1,549	\$ 3,000
	7210 · Postage and Delivery	\$ 8,000	\$ 6,719	\$ 8,400
	7240 · Fuel Supplies	\$ 1,783,000	\$ 1,579,653	\$ 1,684,500
	7250 · Supplies & Uniforms	\$ 128,000	\$ 149,528	\$ 137,900
	7300 · Website Develop/Maint Exp	\$ 28,000	\$ 34,490	\$ 27,000
	7310 · Marketing	\$ 174,000	\$ 264,557	\$ 298,400
	7400 · Board and Committee Expenses	\$ 600	\$ 467	\$ 600
	7500 · Dues & Subscriptions	\$ 26,000	\$ 26,041	\$ 28,801
	7610 · Legal and Government Affairs	\$ 248,000	\$ 189,316	\$ 192,000
	7620 · Accounting, Audit & Tax	\$ 50,000	\$ 35,000	\$ 40,000
	7630 · Technology	\$ 106,800	\$ 52,300	\$ 111,600
	7640 · Grant Writing	\$ 15,000	\$ 34,848	\$ 30,000
	7650 · ADP Service	\$ 5,000	\$ 7,576	\$ 7,400
	7670 · Marketing and Advertising Svcs	\$ 137,000	\$ 137,559	\$ 141,400
	7680 · Copy Machine Maintenance	\$ 12,000	\$ 15,831	\$ 15,600
	7690 · Other Consulting	\$ 350,000	\$ 141,500	\$ 25,000
	7632 · Fleet Management (Zonar)	\$ -	\$ 24,821	\$ 48,000
	7700 · Auto Expense-Gas/Mileage/Parking	\$ 14,000	\$ 14,000	\$ 14,000
	7710 · Travel & Entertainment	\$ 36,000	\$ 82,873	\$ 72,000
	7800 · Repairs and Maint-Facilities	\$ 80,000	\$ 56,430	\$ 72,000
	7810 · Mobile Ticketing Service Fees	\$ 42,000	\$ 35,266	\$ 42,800
	7820 · Preventative Maintenance	\$ 865,800	\$ 1,078,924	\$ 818,334
	7880 · Facility Rental	\$ 54,000	\$ 56,081	\$ 85,800
	7890 · Vehicle Leases	\$ 513,000	\$ 54,872	\$ 14,400
	7900 · Equip/Furniture/Software Exp	\$ 57,080	\$ 75,272	\$ 85,200
	8002 · Prof Development & Training	\$ 9,000	\$ 5,037	\$ 20,400
	8003 · Conferences and Assn Events	\$ 15,000	\$ 14,539	\$ 18,000
	81300 · Utilities - Building	\$ 181,920	\$ 121,437	\$ 151,393
	8200 · Telecommunications	\$ 152,400	\$ 113,182	\$ 155,600
	8300 · Storage Expense	\$ 2,000	\$ 2,200	\$ 2,640
	8310 · Grant Expense	\$ -	\$ -	\$ 77,400
	8400 · Miscellaneous Expense	\$ 21,720	\$ 32,004	\$ 22,800
	8500 · Finance charges	\$ 194,200	\$ 190,272	\$ 216,600
	8600 · Insurance	\$ 156,000	\$ 172,243	\$ 180,000
	LNG Fleet Buy Out	\$ -	\$ 664,500	\$ -
	Total Expense	\$ 14,955,525	\$ 14,987,598	\$ 15,310,078
	Excess Revenue	\$ 831,615	\$ 1,421,403	\$ 968,233



Anaheim Resort Transportation


1354 South Anaheim Blvd. • Anaheim, CA 92805 888-364-ARTS • RideArt.org

Proposed FY 2016/17 Operating Budget

	FY 16 Budget	FY 16 Projected Actual	FY 17 Proposed Budget
Total Sources of Revenue	\$15,787,140	\$16,409,001	\$16,278,311
Total Uses of Funds	\$14,955,525	\$14,987,598	\$15,310,078
<i>Excess Revenue</i>	<i>\$831,615</i>	<i>\$1,421,403</i>	<i>\$968,233</i>
<u>Debt Service:</u>			
Bank of America _ Property Loan		\$144,000	\$144,000
Bank of America _ ZEB Bus Fleet		<u>\$168,000</u>	<u>\$336,000</u>
<i>TOTAL DEBT SERVICE</i>		<i>\$312,000</i>	<i>\$480,000</i>
Reserve Fund		\$240,000	\$240,000
Remaining Excess Revenue		\$869,403	\$248,233
<u>Proposed Use of Funds Capital Improvement/Investment:</u>			
Contingency Heavy Repairs LNG Bus Fleet		\$208,000	
Maintenance/Facilities Equipment		\$30,600	
Parking Lot Resurfacing		<u>\$400,000</u>	
<i>TOTAL CAPITAL IMPROVEMENTS</i>		<i>\$638,000</i>	
Membership Credit		\$50,000	
Net Excess Revenue		\$181,403	
Electric Bus Infrastructure Capital Improvement Project <i>Revenue Source: City of Anaheim Public Utilities</i>		\$500,000	

ATN Reserve Fund:

FY 14 Balance	\$440,000
FY 15 Appropriation	\$240,000
FY 16 Appropriation	<u>\$240,000</u>
TOTAL RESERVES	\$920,000




Agenda
Item 11

Subsequent to staff presentation, discuss, review and adopt Anaheim Transportation Network's Operating Budget for Fiscal Year 2016/2017

ACTION CALENDAR:

12. *Subsequent to staff presentation, discuss, review and adopt Anaheim Transportation Network's Operating Budget for Fiscal Year 2016/2017*

- ✓ The proposed Fiscal Year (FY) 2016/17 Operating Budget presents as a balanced plan
- ✓ Use available financial resources required for the provision of ART services
- ✓ ART services are provided to the community by staff from four (4) distinct divisions
- ✓ ART services will be managed by the existing thirty five (35) full-time positions, seventeen (17) part-time positions and sixteen (16) key contractor positions
- ✓ The proposed budget warrants a fiscally responsible and sustainable provision of transportation services

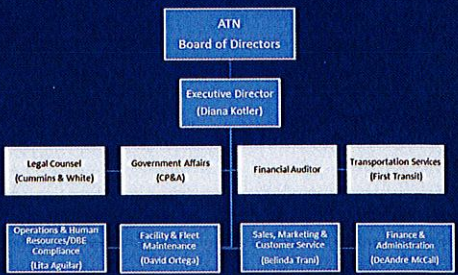


Agenda
Item 12

Subsequent to staff presentation, discuss, review and adopt Anaheim Transportation Network's Operating Budget for Fiscal Year 2016/2017


ACTION CALENDAR:

12. *Subsequent to staff presentation, discuss, review and adopt Anaheim Transportation Network's Operating Budget for Fiscal Year 2016/2017*



```

graph TD
    A["ATN Board of Directors"] --> B["Executive Director (Diana Kotler)"]
    B --> C["Legal Counsel (Cummins & White)"]
    B --> D["Government Affairs (CP&A)"]
    B --> E["Financial Auditor"]
    B --> F["Transportation Services (First Transit)"]
    C --> G["Operations & Human Resources/DBE Compliance (Uta Aguilar)"]
    D --> H["Facility & Fleet Maintenance (David Ortega)"]
    E --> I["Sales, Marketing & Customer Service (Belinda Trani)"]
    F --> J["Finance & Administration (DeAndre McCall)"]
    
```




Subsequent to staff presentation, discuss, review and adopt Anaheim Transportation Network's Operating Budget for Fiscal Year 2016/2017

Agenda Item 12

ACTION CALENDAR:

12. *Subsequent to staff presentation, discuss, review and adopt Anaheim Transportation Network's Operating Budget for Fiscal Year 2016/2017*

- ✓ ATN is in a strong financial position at the end of the FY 2015/16
- ✓ Agency will need to continue to seek grant funding to support its rolling stock replacement
- ✓ As the ATN looks forward to FY 2016/17, staff is recommending:
 - No increases in the Anaheim Resort Transportation Fare Structure
 - No increase to the assessment structure for local business
 - One-time credit to hospitality establishments, in good financial standing, of \$50,000




Subsequent to staff presentation, discuss, review and adopt Anaheim Transportation Network's Operating Budget for Fiscal Year 2016/2017

Agenda Item 12

ACTION CALENDAR:

12. *Subsequent to staff presentation, discuss, review and adopt Anaheim Transportation Network's Operating Budget for Fiscal Year 2016/2017*

- ✓ The proposed revenue sources account for growth in:
 - ✓ Hospitality establishments, continuation of services for areas outside of The Anaheim Resort and Platinum Triangle
 - ✓ Federal reimbursement funds
 - ✓ Project V Transportation funding from OCTA
 - ✓ Alternative fuel tax revenue
 - ✓ Advertising sales
- ✓ Total annual revenue for FY 2016/17 is projected at \$16,278,311, a 3.1% increase from FY 2015/16. Actual revenues for FY 2015/16 project an increase in revenue of 4.0%

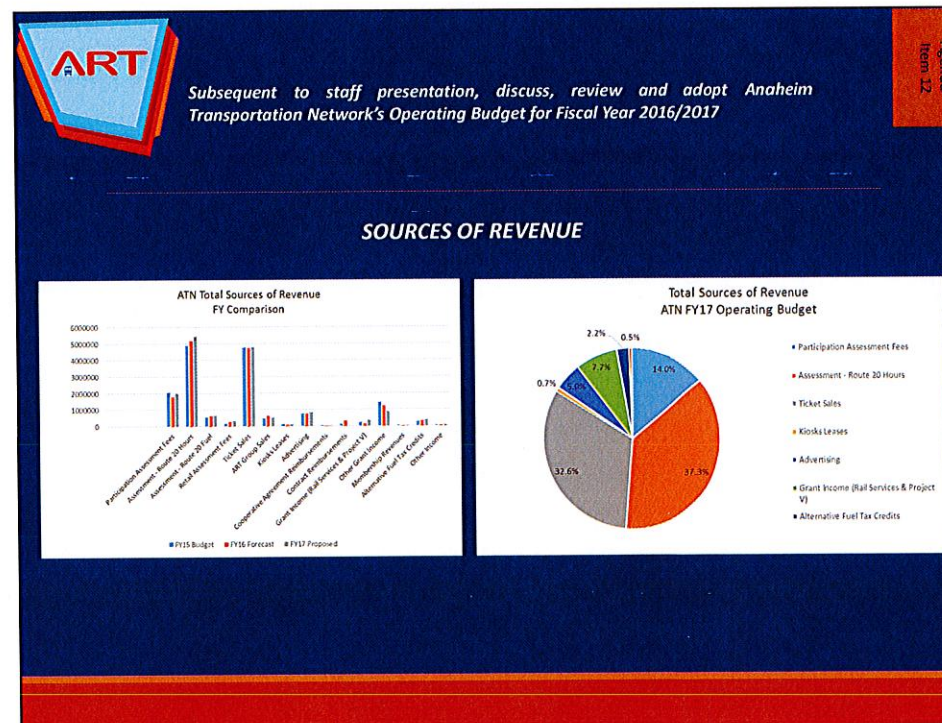


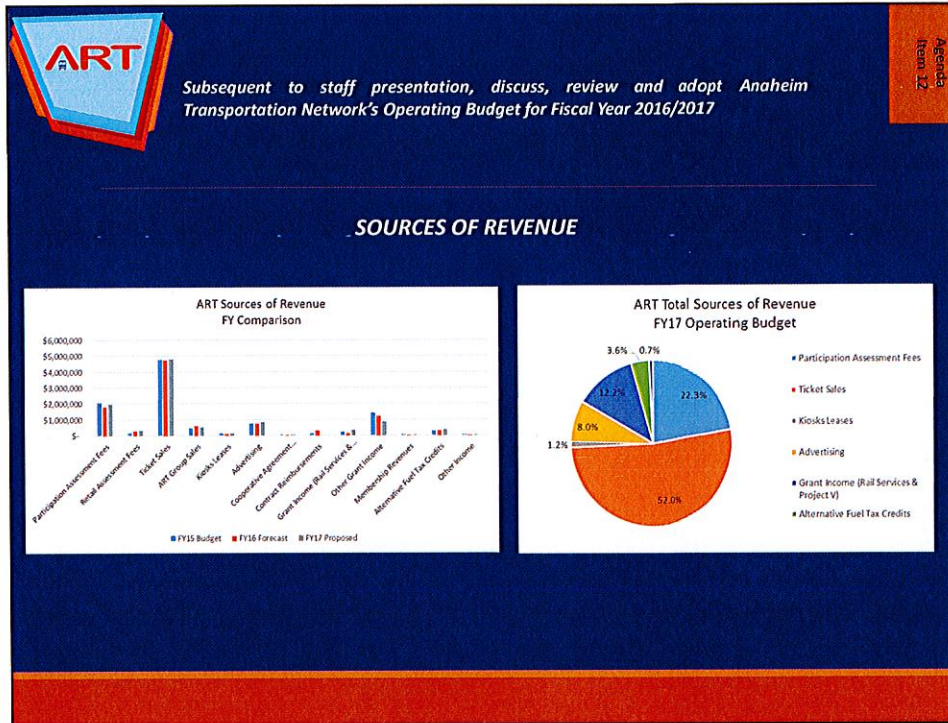
Subsequent to staff presentation, discuss, review and adopt Anaheim Transportation Network's Operating Budget for Fiscal Year 2016/2017

Agenda Item 12

SOURCES OF REVENUE

	FY15 Budget	FY16 Forecast	FY17 Proposed
Participation Assessment Fees	\$ 2,047,000	\$ 1,808,757	\$ 1,976,400
Assessment - Route 20 Hours	\$ 4,875,000	\$ 5,195,221	\$ 5,429,300
Assessment - Route 20 Fuel	\$ 548,000	\$ 642,481	\$ 640,200
Retail Assessment Fees	\$ 152,000	\$ 290,911	\$ 302,200
Ticket Sales	\$ 4,766,000	\$ 4,761,935	\$ 4,788,111
ART Group Sales	\$ 450,000	\$ 632,453	\$ 517,300
Kiosks Leases	\$ 120,000	\$ 119,000	\$ 120,000
Advertising	\$ 748,000	\$ 768,755	\$ 814,800
Cooperative Agreement Reimbursements	\$ 140	\$ 11,020	\$ 37,200
Contract Reimbursements	\$ 120,000	\$ 345,753	\$ -
Grant Income (Rail Services & Project V)	\$ 217,000	\$ 153,192	\$ 347,200
Other Grant Income	\$ 1,422,000	\$ 1,250,086	\$ 865,000
Membership Revenues	\$ 40,000	\$ 31,273	\$ 30,000
Alternative Fuel Tax Credits	\$ 268,000	\$ 342,934	\$ 364,400
Other Income	\$ 14,000	\$ 55,228	\$ 46,200
TOTAL SOURCES OF REVENUE	\$ 15,787,140	\$ 16,409,001	\$ 16,278,311






ART

Subsequent to staff presentation, discuss, review and adopt Anaheim Transportation Network's Operating Budget for Fiscal Year 2016/2017

SOURCES OF REVENUE

	FY15 Budget	FY16 Forecast	FY17 Proposed
Participation Assessment Fees	\$ 2,047,000	\$ 1,808,757	\$ 1,976,400
Assessment - Route 20 Hours	\$ 4,875,000	\$ 5,195,221	\$ 5,429,300
Assessment - Route 20 Fuel	\$ 548,000	\$ 642,481	\$ 640,200
Retail Assessment Fees	\$ 152,000	\$ 290,911	\$ 302,200
Ticket Sales	\$ 4,766,000	\$ 4,761,935	\$ 4,788,111
ART Group Sales	\$ 450,000	\$ 632,453	\$ 517,300
Kiosks/Leases	\$ 120,000	\$ 119,000	\$ 120,000
Advertising	\$ 748,000	\$ 768,755	\$ 814,800
Cooperative Agreement Reimbursements	\$ 140	\$ 11,020	\$ 37,200
Contract Reimbursements	\$ 120,000	\$ 345,753	\$ -
Grant Income (Rail Feeder Services & Project V)	\$ 217,000	\$ 153,192	\$ 347,200
Other Grant Income	\$ 1,422,000	\$ 1,250,086	\$ 865,000
Membership Revenues	\$ 40,000	\$ 31,273	\$ 30,000
Alternative Fuel Tax Credits	\$ 268,000	\$ 342,934	\$ 364,400
Other Income	\$ 14,000	\$ 55,228	\$ 46,200
TOTAL SOURCES OF REVENUE	\$ 15,787,140	\$ 16,409,001	\$ 16,278,311




Subsequent to staff presentation, discuss, review and adopt Anaheim Transportation Network's Operating Budget for Fiscal Year 2016/2017

Agenda
Item 12

Proposed Uses of Funds

- ✓ The uses of funds include:
 - Provision Of Transportation Services
 - Consulting Agreements
 - Personnel Expenditures
 - Maintenance
 - Fuel
 - Other Related Operating Expenses
- ✓ Total FY 2016/17 expenditures budgeted at \$ \$15,310,078
2.1% increase from FY 2015/16 levels




Subsequent to staff presentation, discuss, review and adopt Anaheim Transportation Network's Operating Budget for Fiscal Year 2016/2017

Agenda
Item 12

Proposed Uses of Funds

- ✓ Proposed expenditure plan also includes the following initiatives:
 - Marketing, re-branding and public outreach efforts
 - Continuation of initiatives to determine future ATN operating structure
 - Support for special events and conventions at Disneyland® Resort and Anaheim Convention Center
 - Continued deployment of zero emission bus technologies
 - Relocation of electric bus charging infrastructure
 - Operation of new, grant funded, services between ARTIC and Downtown Anaheim; and Costa Mesa
 - Development of Mobility on Demand initiatives to meet future transportation needs
 - Operation of ARTIC Sports Complex Line for six (6) months, through December 2016
 - Additional advertising revenue from the City of Anaheim Economic Development Department toward operation of Downtown Packing District Line




Subsequent to staff presentation, discuss, review and adopt Anaheim Transportation Network's Operating Budget for Fiscal Year 2016/2017

Agenda
Item 12

Proposed Uses of Funds

	FY16 Budget	% of Total Expense	FY16 Forecast	% of Total Expense	FY17 Proposed	% of Total Expense
Personnel Expenses	\$ 2,520,804	16.86%	\$ 2,586,885	17.26%	\$ 2,802,374	18.30%
Transp Svc - First Transit	\$ 7,134,000	47.70%	\$ 6,497,062	43.35%	\$ 7,122,100	46.52%
Fuel Supplies	\$ 1,783,000	11.92%	\$ 1,579,653	10.54%	\$ 1,684,500	11.00%
Preventative Maintenance	\$ 865,800	5.79%	\$ 1,078,924	7.20%	\$ 818,334	5.35%
Other Administrative Expenses	\$ 2,651,921	17.73%	\$ 3,245,074	21.65%	\$ 2,882,770	18.83%
TOTAL EXPENSES	\$ 14,955,525	100.00%	\$ 14,987,598	100.00%	\$ 15,310,078	100.00%

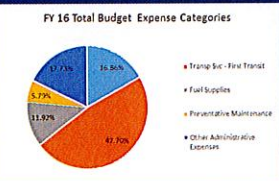


Subsequent to staff presentation, discuss, review and adopt Anaheim Transportation Network's Operating Budget for Fiscal Year 2016/2017

Agenda
Item 12

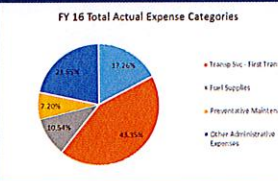
Proposed Uses of Funds

FY 16 Total Budget Expense Categories



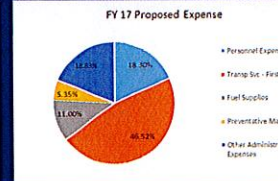
- Transp Svc - First Transit
- Fuel Supplies
- Preventative Maintenance
- Other Administrative Expenses
- Personnel Expenses

FY 16 Total Actual Expense Categories



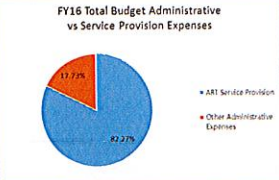
- Transp Svc - First Transit
- Fuel Supplies
- Preventative Maintenance
- Other Administrative Expenses
- Personnel Expenses

FY 17 Proposed Expense



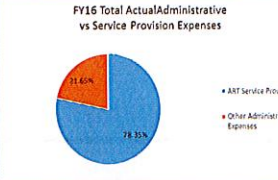
- Personnel Expenses
- Transp Svc - First Transit
- Fuel Supplies
- Preventative Maintenance
- Other Administrative Expenses

FY16 Total Budget Administrative vs Service Provision Expenses



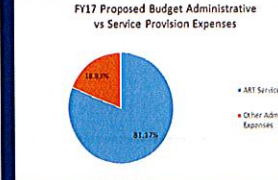
- ART Service Provision
- Other Administrative Expenses

FY16 Total Actual Administrative vs Service Provision Expenses



- ART Service Provision
- Other Administrative Expenses

FY17 Proposed Budget Administrative vs Service Provision Expenses



- ART Service Provision
- Other Administrative Expenses

Proposed Uses of Funds

Agenda
Item 12

	FY 16 Budget	FY 16 Projected Actual	FY 17 Proposed Budget
Total Sources of Revenue	\$15,787,140	\$16,409,001	\$16,278,311
Total Uses of Funds	\$14,955,525	\$14,987,598	\$15,310,078
Excess Revenue	\$831,615	\$1,421,403	\$968,233
Debt Service:			
Bank of America _ Property Loan		\$144,000	\$144,000
Bank of America _ ZEB Bus Fleet		<u>\$168,000</u>	<u>\$336,000</u>
TOTAL DEBT SERVICE		\$312,000	\$480,000
Reserve Fund		\$240,000	\$240,000
Remaining Excess Revenue		\$869,403	\$248,233
Proposed Use of Funds Capital Improvement/Investment:			
Contingency Heavy Repairs LNG Bus Fleet		\$208,000	
Maintenance/Facilities Equipment		\$30,600	
Parking Lot Resurfacing		<u>\$400,000</u>	
TOTAL CAPITAL IMPROVEMENTS		\$638,000	
Membership Credit		\$50,000	
Net Excess Revenue		\$181,403	
Electric Bus Infrastructure Revenue Source: City of Anaheim Public Utilities		\$500,000	



Subsequent to staff presentation, discuss, review and adopt Anaheim Transportation Network's Operating Budget for Fiscal Year 2016/2017

Agenda
Item 12

✓ **ATN Reserve Fund:**

FY 14 Balance	\$440,000
FY 15 Appropriation	\$240,000
FY 16 Appropriation	<u>\$240,000</u>

TOTAL RESERVES \$920,000

✓ **FY17 budget based on a series of programmatic assumptions:**

- Growth of the hospitality community
- Changes in contract reimbursement and billing rates
- Expansion of the ATN services to outlying communities
- Advertising and ticket sales
- Grant opportunities and other reimbursables

✓ **ATN will continue to support over 200 local jobs in FY 2016/17**



The development of the budget was based on a series of programmatic assumptions including additional growth of the hospitality community, changes in contract reimbursement and billing rates, expansion of the ATN services to outlining communities, advertising and ticket sales, grant opportunities and other reimbursables.

The ATN, through the provision of ART transportation services, directly, supports over 200 jobs. In addition, through the provision of contracts for professional services, the ATN supports additional 50 jobs.

Director Kotler reported that the ATN is in a stronger financial position. However, even though, FY 2015/16 led to a strong operational performance, the agency needs to continue to seek grant-funding opportunities to support its capital rolling stock replacement of its aging fleet.

Director O'Connell stated that it is quite an accomplishment to see ATN transform from a small organization with uncertain financial future into a solid transit asset for The Anaheim Resort Community.

Director Brown inquired when the \$50,000 hotel credits would be issues. Director Kotler responded that credits would be issued on the September billing statements.

Full budget presentation is attached as part of the minutes for June 22nd, 2016 ATN Board of Directors meeting.

By motion, Sanford/O'Connell approved staff recommendation to approve ATN Fiscal Year (FY) 2016/17 Operating Budget for the provision of transportation services for The Anaheim Resort® District and surrounding communities.

Yeas: Lee, Brown, Ochoa, Alder, Tully, Kim, Patel, Runsten
Noes: None
Abstain: None

13. Award a three-year agreement for financial auditing services with Farber Hass Hurley LLP. Authorize Executive Director, with assistance from ATN legal counsel, to execute an agreement commencing July 1, 2016

Executive Director Kotler, reported that at its March 23, 2016 Board of Directors meeting, the ATN Board authorized release of a Request for Proposals, RFP #2016-003 – Independent Auditing Services, to select a vendor to provide financial and auditing services for the ATN.

RFP #2016-003 provided guidelines for the submission of proposals from the qualified independent auditing firms. Upon completion of the proposal review process, the best-



qualified vendor would be awarded a three-year service agreement. To select the independent auditing services provider, the ATN distributed RFP #2016-003 to qualified forty-eight (48) qualified financial auditing firms. In response to RFP #2016-003, the ATN received two (2) proposals from Farber Hass Hurley LLP and Lopez and Company LLP.

Based on the evaluation criteria, received proposals were evaluated and scored based on the demonstrated staff experience and qualifications, cost proposal, and firm qualifications. Based on the results highlighted in Table 1 – Summary of Proposal Evaluation, staff recommendation is to award an agreement to Farber Hass Hurley LLP as the best-qualified independent auditing services firm. Proposed costs are presented in Table 2. These costs are for services that included financial statement auditing and state and federal tax preparation and filing for both the ATN and ATN Asset Holding Company LLC.

TABLE 1 – SUMMARY OF PROPOSAL EVALUATION

Evaluation Category	Total Points	Farber Hass Hurley LLP	Lopez and Company LLP
Relevant Experience and Staff Qualifications	30	29	29
Cost	40	39.5	31
Qualifications of Firm	30	27	29
Total	100	95.5	89

**TABLE 2 – FINANCIAL AUDITING SERVICES COSTS
FISCAL YEAR 2017, 2018, AND 2019**

	Financial Statements	State and Federal Taxes
Farber Hass Hurley LLP	\$22,000	\$2,200
Lopez and Company LLP	\$33,892	\$2,200



Farber Hass Hurley LLP has five offices across California and Arizona. It has been in business since 1990 with numerous clients nationwide. It is registered with the Public Company Accounting Oversight Board (PCAOB) and a member of the American Institute of Certified Public Accountants' Center for Audit Quality and the Employee Benefit Plan Audit Quality Center. Some of the firm's clients include Goodwill Industries of Ventura and Santa Barbara, The Thacher School, Center for Nonprofit Management, and Big Brothers Big Sisters Ventura County.

A representative from Farber Hass Hurley LLP, Michel Abedian, was present at the meeting. Chair Sanford, ask Mr. Abedian if the firm is familiar with the requested work and is prepared to perform as outlined in the RFP and on the schedule important to the ATN. Mr. Abedian reassured the Board that Farber Hass Hurley LLP has been performing auditing services for over 20 years and the firm stands by its proposal and established performance schedule. Mr. Abedian also informed the ATN Board of Directors that the firm is excited by the award and will assign qualified resources to complete all required tasks.

By motion, Sanford/Brown approved staff recommendation to award a three-year professional services agreement for financial & auditing services to Farber Hass Hurley LLP.

Yeas: Lee, O'Connell, Ochoa, Alder, Tully, Kim, Patel, Runsten
Noes: None
Abstain: None

14. Authorize Executive Director, with assistance from legal counsel and Curt Pringle & Associates to initiate review of ATN By-Laws. Appoint an Ad Hoc Committee to review proposed By-Law amendments and develop a recommendation for consideration of the ATN Board of Directors

Director Kotler reported to the Board, that due to the ongoing ART 2035 study effort, and potential decisions related to the institutional structure of the, review of the ATN by-laws was not conducted, as originally intended. ATN, as a private not-for-profit 501(c)4, transportation management association, last amended its –laws in 2011.

By-law amendments typically occur at the ATN's annual meeting of the membership in November of each year. In order to present proposed amendments at the November annual membership meeting, the review of the ATN By-Laws need to occur on following schedule:

June 2016	ATN Board of Directors appoints Ad Hoc By-Law Review Committee
July – August 2016	AD Hoc By-Law Review Committee Meetings
September 2016	Preliminary review and consideration of the proposed By-Law amendments by the ATN Board of Directors



October 2016 ATN Board of Director's approval of the ATN By-Law amendment and authorization for a vote at the annual membership meeting

November 2016 By-Law amendments vote at the ATN annual membership meeting

In addition to the ATN staff and Ad Hoc Committee members, legal and government affairs staff will provide assistance and guidance toward development and presentation of the to be proposed amendments to the ATN governing document(s). Director Brown inquired if the Executive Committee is an Ad Hoc Committee. Director Kotler replied that all ATN committees are Ad Hoc.

By motion, Sanford/Brown approved staff recommendation to begin review of the ATN by-laws with assistance from ATN legal and government affairs staff.

Yeas: Lee, O'Connell, Ochoa, Alder, Tully, Kim, Patel, Runsten

Noes: None

Abstain: None

STATUS REPORTS:

15. ACTIVITIES UNDERTAKEN IN APRIL THROUGH JUNE 2016

a. Political events/rallies in The Anaheim Resort® and City of Buena Park

Diana Kotler informed the Board of Directors that ATN provided service, as part of its Mutual Aid Agreement with the City of Anaheim, to the Anaheim Police Department (APD), to assist with political events at the Anaheim Convention Center. The ATN was glad to accommodate demands/needs of the APD.

b. Federal triennial review summary – June 7, 2016

Diana Kotler reported that the Federal triennial review process was completed on June 7, 2016. No material issues were found and reviewers report will be presented at the next ATN Board of Directors meeting. Sue Zuhlke, representing OCTA, made remarks by thanking ATN staff and Board for a smooth and cooperative process. Todd Priest with Curt Pringle & Associates thanked OCTA for their ongoing guidance and assistance, as well as technical support for the ATN.

c. Award of grant applications from OCTA's Project V Program



Diana Kotler reported that both Project V grants were awarded by OCTA Board. Further information will be presented at the future ATN Board of Directors meeting.

d. Mobility of Demand Grant Application to Federal Transit Administration

Staff, in cooperation with several industry leaders, such as TransDev, Lyft, Passport, and others, submitted a grant application to FTA to fund Mobility of Demand initiatives.

BOARD WORKSHOPS

16. *ART 2035 Capacity Building Study Update* – Summary of Steering Committee Recommendations and Next Steps – Presentation Attached.

Discussion further occurred to update the ATN Board on the future initiative for ARC project, which will be delegated to OCTA as part of their Harbor Corridor Study. City of Anaheim will provide all project-related documentation to OCTA and all future planning efforts will be relegated to OCTA.

Adjourn ATN Board of Directors Meeting 5:07 PM.


Next regular ATN Board of Directors and general membership meeting will take place at the Anaheim Regional Transportation Intermodal Center (ARTIC) 2nd Floor Conference Room 2626 East Katella Avenue, Anaheim, on Wednesday, July 27, 2016.



ART 2035 Capacity Building Study Update
Summary of Steering Committee Recommendations and Next Steps

ART 2035
Imagine Possibilities

Board Mtg. June 22, 2016



Anaheim Transportation Network/
Anaheim Resort Transportation

Board Workshop

AGENDA

A. The Product

i. Dynamic Development & Operating Environment

- The Changing Development Landscape
 - Opportunities for Entrepreneurial Partnerships & Potential New Services

ii. ART Operations - Opportunities

- Route Restructuring - Looking to the Future – Post Harbor Blvd./ARC

iii. Enhanced Administrative/Ancillary Opportunities

- Mobility Management & beyond

B. Governance

iv. Alternatives & Analysis - *Conclusions*

- Framework & Criteria for Assessing Institutional Arrangements
- Institutional Arrangements and the Scope of Transportation Services

C. Next Steps

ART 2035 – Imagine Possibilities

- Develop a Vision & Implementation Strategy
 - Study Effort is Stakeholder Driven
- Develop a Sustainable Long-Term Financial Model
- Recommend ATN's Institutional Structure Suitable for Future Operations
 - Evaluate Governance Options (& Administrative Responsibilities)



- Position ART in Dynamic Operating Environment
 - Need to Plan as Other Transportation Initiatives Come to Fruition
- Opportunity to Leverage Other Regional Destinations
 - Extended hotel stays/occupancy

Guiding Principles & Opportunities

- ✓ Focus on the customer – guest experience
 - Continue to focus & *build upon the current market*
- ✓ Rebranding/Identity: *ART of Shopping, ART of Dining*
 - Local. Unique. Relevant.
- ✓ Need to Address Role of TNCs
- ✓ Cutting Edge Use of Technology: WiFi, real-time customer info., infotainment, cashless fare payment, etc.
- ✓ Regional Destinations: Beach access, JWA, Fullerton, etc.
- ✓ High Frequency Service – core services
- ✓ Modernization of Fleet & Infrastructure - *Capital Investment Strategy*

Opportunities

Significant new development – hotel, retail & residential

- Building on successes in Resort Area – opportunities in Buena Park, Garden Grove & Costa Mesa

Need to best understand future demand and new & emerging technologies

Opportunity for one-stop/turn-key solutions: Brokering/mobility management - Part of vacation planning; Luggage concierge

Capital Investment Strategy

- Transition ART’s fleet to all zero-emission buses with next-generation design attributes [low floor accessible; branded exterior design; larger doors and windows; perimeter seating; GPS, onboard video and audible messaging.]
- Elevate the guest waiting experience at ART bus stops to the standards of the Disney brand [expanded waiting areas, customized shelters, real-time bus arrival information, and interactive LED screens offering venue information, and promotional messaging.]

“We operate a 20th century form of transportation and need to transition to the 21st century”

34

ART Operations / Service Delivery – Near-Term

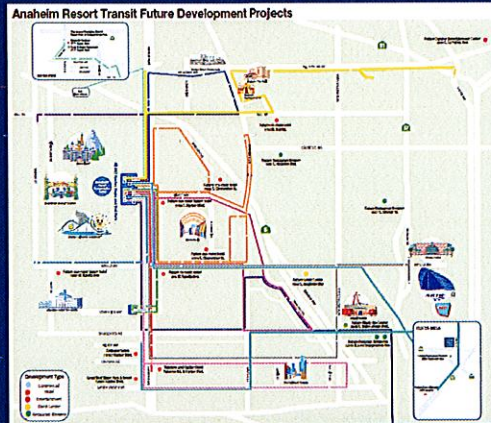
- **Simplify core route network**
 - Fewer routes/rebranding/consolidate
 - Several - high frequency schedules - 10 minutes or better
 - Minimal use of route variants
- **Project V – Anaheim Circulator (Jan. 2017) – (ARTIC to downtown)**
- **Relocation of Disney Transportation Center**

Route	Annual Ridership (Thousands)
Grand Plaza (3,4,5)	~700
Hotel Circle Clementine (6,7,8)	~650
Harbor Blvd (1,2)	~400
Manchester (12)	~200
ARTIC Sports Complex (14,15)	~180
Bah (11)	~150
Katella (9)	~120
Downtown/Packing District (10)	~100
Orange (16)	~80
Buena Park (18)	~50
Santa Ana (19)	~40
Canyon (17)	~30
Costa Mesa (22)	~20

35

Changing Development Landscape

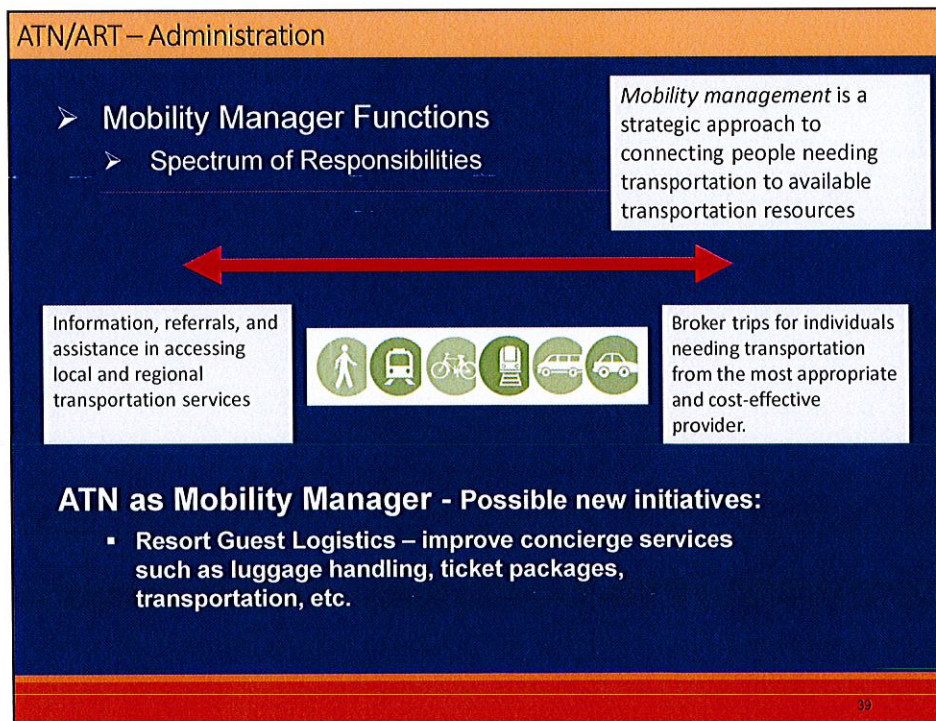
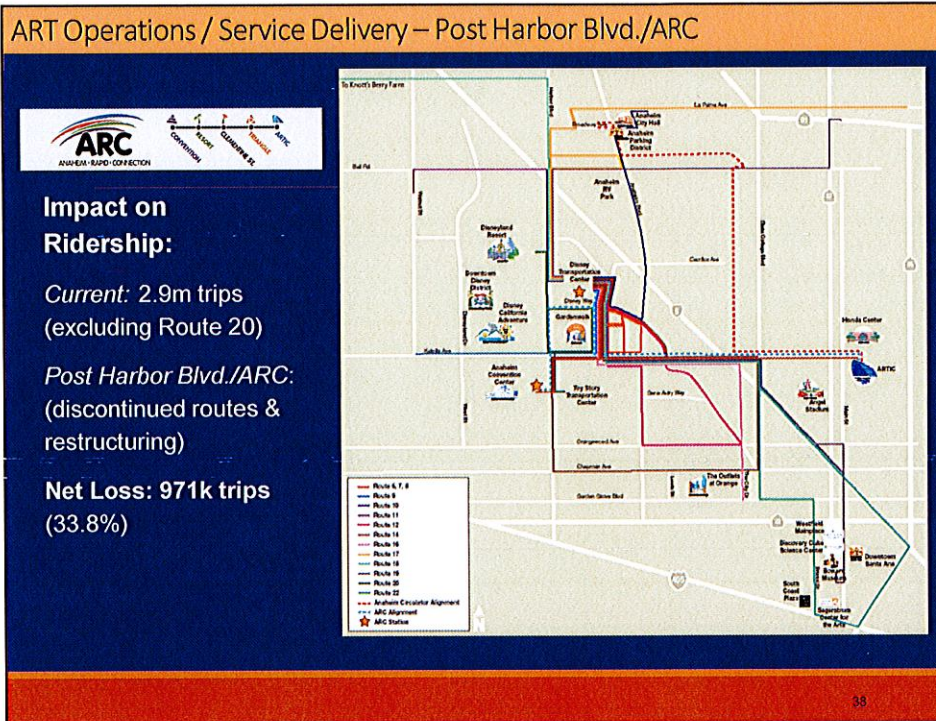
- **Build/expand supplemental services** – additional regional destinations – less frequent service, one-seat ride, demand-response services
- **Provide rubber-tire precursor to ARC** – provide for early start establishing support travel patterns & promoting favorable land use choices in corridor.
- **Integrated delivery framework** – First/last mile connections - broker other services (i.e., TNCs, ride-share, etc.)
An "Uber" bus with dynamic routing"



ART Operations / Service Delivery – Post Harbor Blvd./ARC

Route	Pre-ARC		Post-Harbor Corridor/ARC
	Frequency (# of min)	Alignment	
1 & 2	20	Harbor Blvd. Line	Discontinue
3, 4 & 5	20	Grand Plaza Line via Harbor Blvd. & Convention Way	Discontinue
6, 7 & 8	20	Hotel Circle/Clemence Line (via Clemence St.) (6 - to RV Park)	Rts. 7 & 8 - Remain unchanged. Serves sites outside 1/4 mile of ARC stops. Rt. 6 - Eliminate portion on Anaheim Blvd. (north of Disney Way) RV Park will be served by realignment of Rt. 10.
9	20	Katella Line	Unchanged. One-seat ride to Resort.
10	30	Downtown Packing District Line (via Harbor Blvd. & Anaheim Blvd.)	Anaheim Blvd. realignment - Downtown & Packing House - south to Disney Way, west to (relocated) Disney Transportation Center. Eliminate Harbor Blvd. (Express bus/Streetcar alignment)
11	20	Bell Road Line	Unchanged. One-seat ride to Resort.
12	20	Manchester Ave. (via Disney Way)	Realignment - Eliminate portion on Katella between Clemence & Harbor. New: North on Clemence, West on Disney Way - to Transportation Center.
14 & 15	20	ARTIC Sports Complex Line (E/W - Katella & Chapman)	Rt. 14 - Unchanged. One-seat ride to Resort. Rt. 15 - Discontinue (ARC - ARTIC to Resort)
16	60	Orange Line (via Chapman Ave.) Harbor, City Dr., Garden Grove Blvd.	Short-turn bus at Best Western (Garden Grove Blvd. & City Dr.) HI Express - served by Harbor Blvd. - Eliminate Harbor Blvd. leg of Rt. 16.
17		Canyon Line (via E. La Palma)	Maintain - AM & PM Peak service. [8-year funding agreement (OCTA) to 2021/22]
18	60	Buena Park Line (via W. La Palma Ave.)	Maintain Crescent Ave./Lincoln Ave. alignment. Explore franchise agreement with Buena Park.
19	60	Extension of Canyon Line	Review/monitor ridership. TNCs on-demand service.
20	120	Santa Ana Line (via I-5 & Main St.)	Review/monitor ridership. TNCs on-demand service.
20	10	Toy Story	Maintain - (permits to 2024). Drop-off at current Transportation Center (not relocating to new Disney Transportation Center)
22		Costa Mesa/South Coast Plaza Line. Project W - increased frequency.	Alternate delivery scheme. Coordinate with SC Plaza. Opportunity for TNC in 2017. Provision of demand-response service requiring (night before) advance reservation.
new		ARTIC/City Anaheim Circulator - Project V - January 2017 implementation.	Ongoing monitoring of ridership. Determination of sustainability.





Governance

Looking to the Future and Potential New Services

- Private Nonprofit 501(c)(4) – *current status*
- Joint Powers Agreements/JPA
- Municipal Transit System
- Transit Authority or District
- Private Nonprofit 501(c)(3)
 - Discussed – 501(c)(4) – paired with 501 (c)(3) and possibly (c)(6)
 - Reviewed pros & cons:
 - **Conclusion** - Current governance enables leveraging some Federal funds.
 - Not desirable to "compete" with OCTA for same dollar (other public funding/formula grants)

(Cap & Trade -- State decision – concluded ATN is considered a public agency.)

Framework for Assessing Institutional Arrangements



- Funding
- Representation
- Management Structure
- Adaptability

40

Discussion / Next Steps

- **Tourism Improvement District** – long term funding opportunities – should there be a strategy?
- **Revisit mitigation monitoring program** – opportunities to tie to development [development of cost-allocation model/pro-rata share]
- **“Reshaping” of service network** – preparation of service & financial plans and Capital Investment Strategy.
- **Additional discussions with TNCs** – complement service delivery framework
- **Strengthen relationships with nearby communities that have tourist venues** - Promote *Tourism Improvement District* assessment financing for ATN/ART services in other communities (prospect of expanding the board to include hospitality industry representatives or local officials)
 - **Governance structure** – *not preclude other franchise agreements*

41



Adjourn ATN Board of Directors Meeting

Next regular ATN Board of Directors
Anaheim Regional Transportation Intermodal Center (ARTIC)
2nd Floor Conference Room 2626 East Katella Avenue, Anaheim, CA
Wednesday, July 27, 2016



**ATN Board of Directors Meeting
June 22, 2016
3:00 p.m. – 5:00 p.m.
Anaheim Regional Transportation Intermodal Center
2nd Floor Conference Room
2626 East Katella Ave.
Anaheim, CA 92806**

Name

Affiliation

Steve Wilks

IBI Group.

Jaw Strickland

First Transit

Lynn Helber

ATN

Don K. Grogan

Genesco Group / First Transit

Sue Zuhlke

OCTA

Felicia Adams

First Transit

Valente Q. U.

FIRST TRANSIT

JEFFREY RYNSTEN

HILTON ANAHEIM

Bharat Patel

Castle Inn

Michel Abedian

Farber Hess Hurlay

Ron Kim

PROSPERA

DeAndre McCall

ATN

Linda Johnson

City of Anaheim

Mark Ochoc

MP

LOP

DESERT PALMS



**Special meeting of the
Anaheim Transportation Network
Board of Directors Meeting Minutes**

**Wednesday, August 18, 2016
2:00 P.M. – 4:00 P.M.**

**Desert Palms Hotel & Suites
631 West Katella Avenue
Anaheim, CA 92802**

ATN Board Members in Attendance:

Bharat Patel, Castle Inn & Suites
Fred Brown, Desert Palm Springs
Mark Ochoa, Anaheim Marriott
Jerry Alder, Anaheim GardenWalk
Merit Tully, Honda Center
Paul Sanford, Anabella Hotel
Bill O'Connell, O'Connell Hotels
Sarah Monks, Hilton Anaheim
Carrie Nocella, Disneyland Resort

ATN Staff Present:

Diana Kotler, ATN
Lita Aguilar, ATN

ATN Legal Counsel:

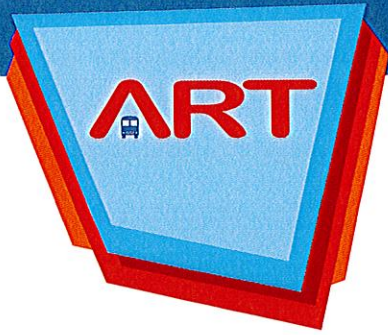
Fred Whitaker, Cummins & White, LLP
Todd Priest, Curt, Pringle & Associates

Members of the Public Present:

Felicia Adams, First Transit
Jan Strickland, First Transit
George Lee, MV Transportation

Anaheim Resort Transportation

1354 South Anaheim Blvd. • Anaheim, CA 92805 888-364-ARTS • RideArt.org



CALL TO ORDER at 2:07 PM

Special meeting of the Anaheim Transportation Network Board of Directors

WELCOME & INTRODUCTIONS

ADDITIONS/DELETIONS TO THE AGENDA

PUBLIC COMMENTS -- NONE

ATN legal counsel, Fred Whitaker with Cummins & White, LLP, announced that the ATN Board of Directors will go into a Closed Session_pursuant to Government Code Section 54956.9(b) -- Significant exposure to litigation. All member of the public were asked to leave the room. Discussion will be led by the ATN contract administrators: Diana Kotler, Todd Priest and Lita Aguilar.

ATN Special Board of Directors meeting reconvened at 2:43 PM. ATN Legal Counsel made a report – no actions were taken by the ATN Board of Directors.

2. Authorize ATN staff to release potential Request for Proposals #16-010 to solicit proposals from qualified firms for Anaheim Resort Transportation (ART) Services.

Executive Director, Diana Kotler, presented to the ATN Board of Directors information pertaining to this Agenda Item. Director Kotler informed the Board at on May 28, 2014, Board of Directors meeting, the ATN Board of Directors awarded a five-year operating agreement to First Transit Group (First Transit) for the provision of Anaheim Resort Transportation (ART) services. The award followed a rigorous and thorough review process, based on the criteria outlined in the Request for Proposals (RFP) #2013-001 and First Transit's proposal to the ATN. Subsequently, ATN and First Transit executed an agreement for the provision of ART services. The agreement went into effect on August 1, 2014, for a five-year term through June 30, 2019.

Based on the recently transpired events, ATN plans to release RFP #2016-010 to seek proposals to provide optimal service through cost-effective and efficient delivery methods for ART transportation system. Draft RFP and Operating Agreement were provided to the ATN Board of Directors for review and comment.

Three additional items will be included in the final RFP document, which will be released to the public on Friday, August 19:

1. Cost Proposal with represented labor force
2. Cost Proposal without represented labor force
3. Disclaimer that ATN will be evaluated submitted proposals to determine feasibility of direct operations.

Pertinent language for applicable DBE requirements will also be included in the final RFP document.

Anaheim Resort Transportation

1354 South Anaheim Blvd. • Anaheim, CA 92805 888-364-ARTS • RideArt.org



Proposed RFP #2016-010 will provide private sector contractors with an opportunity to submit proposals for ART transportation services. Upon release, final solicitation document will provide a detailed procurement schedule, as well as a comprehensive listing of contractor responsibilities and expectations. The ATN Board of Directors intends to award an operating agreement, to the best-qualified transportation provider, effective December 1, 2016.

Director Alder inquired if there is a sufficient universe of potential contractors to submit proposals to the ATN. Director Kotler replied that the list of potential proposers included 20 firms and additional four firms will be added to this list. During the last round of proposals, in 2012/2103, ATN received eight proposals and conducted interviews with three firms.

Director Nocella asked if the ATN has capacity to adhere to the proposed implementation schedule to ensure to interruptions in service. Director Kotler reassured ATN Board of Directors that the ATN will meet the proposed evaluation schedule to select a provider to start on December 1, 2016, with any service interruptions.

By motion, Sanford/Nocella approved staff recommendation to release RFP \$2016-010 for Anaheim Resort Transportation Services.

Yeas: O'Connell, Ochoa, Alder, Tully, Patel, Monks, Brown
Noes: None
Abstain: None

Special ATN Board of Directors Meeting Adjourned at 3:05 PM.

Next regular ATN Board of Directors meeting will take place at the Anaheim Regional Transportation Intermodal Center (ARTIC) second Floor Conference Room 2626 East Katella Avenue, Anaheim, on Wednesday, August 24, 2016.