



Anaheim Transportation Network Board of Directors

Wednesday, May 22, 2019
3:00 P.M. – 5:00 P.M.

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

BOARD OF DIRECTORS:

Paul Sanford
Chairperson

Fred Brown
Vice Chair

Charles Harris
Director

Ian Gee
Director

Ronald Kim
Director

Dan Lee
Director

Carrie Nocella
Director

Bharat Patel
Director

Bhavesh "Bo" Patel
Director

Jeffrey Runsten
Director

Shaheen Sadeghi
Director

Brian Sanders
Director

Merit Tully
Director

Vacant
Director

Vacant
Director

Diana Kotler
Executive Director

AGENDA

ATN Board Members in Attendance:

Bharat Patel, Castle Inn & Suites
Carrie Nocella, Proxy for Matt Hicks
Charles Harris, Visit Anaheim
Dan Lee, City of Anaheim
Fred Brown, Desert Palms Hotel & Suites
Ian Gee, Sheraton Park
Paul Sanford, Westin Anaheim Hotel
Ron Kim, Prospera Hotels
Shaheen Sadeghi, LAB Holding
Trent Nielsen, Proxy for Merit Tully

ATN Staff Present:

Diana Kotler
Belinda Trani
Paula Eberhardt
Jacquelyn Sutterman
Araceli Castaneda

Members of the Public Present:

Linda Johnson, City of Anaheim
Fred Whitaker, Cummins & White
Gary Steele, Transdev
Paul Simonds, Curt Pringle & Associates
Todd Priest, Todd Priest and Associates
Melinda Andrade, Todd Priest and Associates
Kris Murray, KLM Strategies
Jonathan Thompson, OCTA



Call to order ATN Board of Directors meeting 3:05 PM.

Welcome and Introductions – Director Diana Kotler welcomed the ATN Board of Directors to our March 2019 Board Meeting and announced the following:

- Announced ATN’s 17-year anniversary (May 22, 2019) and referenced anniversary treats
- Introduced new ATN staff member to the Board of Directors, Araceli Castaneda

Additions and/or deletions to the meeting agenda – None

Public Comments – None

SPECIAL CALENDAR:

1. Executive Director Diana Kotler invited staff to make special recognition of and presentation of Resolutions to:
 - Operator of the Month for March – Elmer Leon
 - Operator of the Month for April – Jared Parsons
 - Operator of the Quarter – Alberto Lopez

Operators were not able to attend, therefore, Director Kotler commended them on their loyalty to guest, community and to Anaheim Resort Transportation.

CONSENT CALENDAR:

Items 2-9 on the consent calendar will be acted on by one roll call vote unless member of the ATN Board of Directors, staff or the public request the item to be discussed and/or removed from the consent calendar for separate action.

2. Receive and approve minutes of the ATN Board of Directors meeting held on Wednesday, March 27, 2019
3. Receive and file status report pertaining to the Anaheim Transportation Network operations ATN Focus Area Reports – March through April 2019
4. Receive and file ART Operating Reports for March through April 2019
 - a. Maintenance: Mileage & Road Call Reports
 - b. Safety & Training: Safety & Security Report
 - c. Operations Contract Penalty Report
 - d. Operational Performance Reports
5. Receive and file customer service summary report for March through April 2019
6. Receive and file ATN Financial Statements for February and March 2019. Approve credit card payments for March through April 2019
7. Receive and file sales report summary for March through April 2019





8. Receive and file ATN membership report for March through April 2019
9. Receive and approve proposed updates and amendments to the ATN Procurement Policy and direct staff to follow ATN Procurement Policy

By Motion Paul Sanford moved to accept items 2-9 on the Consent Calendar. Items passed in a single motion. Seconded by Fred Brown and passed.

YEAS: Bharat Patel, Carrie Nocella, Charles Harris, Dan Lee, Fred, Ian Gee, Ron Kim, Shaheen Sadeghi, Trent Nielsen

NAYS: NONE

ABSTAIN: NONE

END OF CONSENT CALENDAR

OPERATIONAL REPORT:

10. ART Operational Update – Monthly report provided by Transdev Transit Services, Inc. Gary Steele, Assistant General Manager, Transdev.

Gary Steele, Assistant General Manager of Trans Dev, addressed ongoing challenges regarding operator attentiveness and availability. As a solution to the growing concerns for safety, Trans Dev is increasing the number of facilities the training is available, thus increasing safety training.

PUBLIC HEARING AND BOARD WORKSHOP:

11. By Resolution No. 2019-003 receive and approve proposed service changes for Anaheim Resort Transportation (ART) effective June 1, 2019.
 - a. Public comments and proposed ART route and stop revisions
 - b. ART service agreement amendments
 - c. ART fare increase
 - d. Title VI report and Equity Analysis
 - e. Assessment rate structures for all ART operating areas of Anaheim Resort, Platinum Triangle, and Center City

DISCUSSION:

Director Kotler presented information, as outlined in the Staff Report to the Board of Directors and identified ART routes that require adjustment in order to address growth in the Anaheim Resort. Chairman Paul Sanford expresses some questions regarding proposed new routes.





Director Diana Kotler stated that these questions were addressed by participating in the Public Participation Process (PPP) and by applying the Service and Fare Change Policy. During the PPP, there were two public workshops during which it was determined that ATN will be operating smaller (60-foot) buses on the Stanford Inn & Suites route. Director Kotler stated that the Element Hotel & Country Inn routes will also be accommodated.

Chairman Sanford inquired on the progress of the new signage.

Linda Johnson, City of Anaheim, addresses the signage concern and explained that the City of Anaheim has been working with ATN on the planning and Mobility Plan. Johnson reports that there are existing Orange County Transportation Authority (OCTA) bus stops with existing electricity, but they do not run 24/7, as ATN requires. To address this, the City of Anaheim recommends submitting a list of concerns.

Director Kotler addresses the room and asked if there are any further questions regarding route changes, specifically on routes: Harbor Line (North and South) and Clementine Line.

Chairman Sanford opens for public comment on item 11a.

– No Comments –

Chairman Sanford motions to approve item 11a. Seconded by Director Kim.

YEAS: Bharat Patel, Carrie Nocella, Charles Harris, Dan Lee, Fred Brown, Ian Gee, Ron Kim, Shaheen Sadeghi, Trent Nielsen

NAYS: NONE

ABSTAIN: NONE

Director Ronald Kim questions retail rates in service agreement (11e). Director Kotler stated that retail rates are covered separately, as agenda item 11e, which also needs to be approved. Director Kim asked about an appropriate rate for mixed-use properties. Legal counsel advises the BOD to open item 11e for a separate discussion.

Director Kotler provided a staff report and summary of the work effort since discussion began in January 2019 and presented a third reiteration of the retail fee structure proposal.

Several Board members participated in an extensive discussion about the proposed revisions to the retail rate structure. With advice from legal counsel advised that any further changes to the retail structure would require a separate public hearing therefore no further action for agenda item 11e can be taken at the Board meeting. Director Kotler recommends for the BOD to establish an Ad Hoc Committee to further discuss this matter and prepare a recommendation for the full BOD for the next Board meeting on August 28, 2019.



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ATN retail rates Ad Hoc Sub-Committee members are:

- Paul Sanford
- Charles Harris
- Ron Kim
- Shaheen Sadeghi

Chairman Sanford proceeds to motion to continue item 11e and directs staff to convene Retail Rates Sub-Committee. Motion seconded by Vice Chair Fred Brown.

YEAS: Bharat Patel, Carrie Nocella, Charles Harris, Dan Lee, Ian Gee, Ron Kim, Shaheen Sadeghi, Trent Nielsen

NAYS: NONE

ABSTAIN: NONE

ITEM 11c. – Public Comments and Proposed ART Route and Stop Revisions

Director Diana Kotler provided staff report for item 11c which deals with the necessity to replace current service contractor Transdev. Given history with the transition from one contractor to another, ATN experienced increases in operating costs. In order to stay ahead of the anticipated operating costs, ATN is proposing a fare increase to help cover additional operating costs.

Chairman Sanford opens item 11c for public comment at 3:58 PM.

– No Comments –

Public comment closed at 4:00 PM.

Chairman Sanford motions to approve item 11c. Seconded by Director Sadeghi

YAYS: Bharat Patel, Carrie Nocella, Charles Harris, Dan Lee, Fred Brown, Ian Gee, Ron Kim, Trent Nielsen

NAYS: NONE

ABSTAIN: NONE

ITEM 11d. – Title VI Report and Equity Analysis

Director Diana Kotler presents the Title VI report and Equity Analysis.

Chairman Paul Sanford opens agenda item 11d for public comment at 4:07 PM.

– No Comments –

Item closed for public comment at 4:09 PM

Chairman Sanford motions item 11d for approval. Seconded by Director Bharat Patel.

YAYS: Carrie Nocella, Charles Harris, Dan Lee, Fred Brown, Ian Gee, Ron Kim, Shaheen Sadeghi, Trent Nielsen

NAYS: NONE

ABSTAIN: NONE



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ITEM 11b. – ART Service Agreement Amendments

Director Kotler and ATN’s legal counsel provided an overview of the proposed changes to the ATN boilerplate service agreement.

Chairman Sanford motions for approval of item 11b – “ART Service Agreement Amendments”

Item opened for public comment at 4:11 PM.

– No Comments –

Closed for public comment at 4:12 PM

Agenda Item 11b is opened for Board Discussion.

Director Sadeghi asked about the requirements about CPI percentage. Director Kotler explained that rate increases can be applied without a public hearing up to three percent (3%); however, any proposed CPI adjustment would need BOD approval during annual budgetary approval process

Carrie Nocella inquired about Exhibit 6 “Silver Pass”. The Silver Pass is overinclusive, in fact, Disney employees currently use the Silver Pass.

Director Kim asked if a subcommittee will impact all previously approved items when an item is reopened.

Director Kotler asserted that since all ATN rates have been moved to the “exhibit” portion of the agreement, any future changes to the ATN rate structure(s) will be sent out to the Membership as an addendum. A mitigation measure for impacted imposed by the City of Anaheim during entitlement process by the City of Anaheim Planning Commission and City Council as a requirement and condition of approval, most ATN members should abide by the requirements as set forward in the agreement, which are consistent with the development-specific mitigation measures. Director Kim asked if the most recent approval considered all tenants as members. Director Kotler that this determination is based on the language in the mitigation monitoring program and subsequent list of conditions of approval.

Director Sadeghi asked if item can be moved to August 28, 2019, since the subcommittee would like the number to remain low.

ATN legal counsel Fred Whitaker advises BOD that this item can be discussed in concert with the retail rate discussion at the August 28th BOD meeting.

Chairman Sanford proceeds to motion agenda item for 11b for approval at 4:29 PM. Seconded by Director Sadeghi



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YAYS: Bharat Patel, Carrie Nocella, Charles Harris, Dan Lee, Fred Brown, Ian Gee, Ron Kim, Shaheen Sadeghi, Trent Nielsen

NAYS: NONE

ABSTAIN: NONE

(Director Sadeghi exits the meeting at 4:30 PM.)

12. Review and approve Anaheim Transportation Network's:
 - a. Fiscal Year 2019/2020 Operating Budget; and
 - b. Amendments to the 2019/2023 Capital Improvement Program

Director Diana Kotler presented Staff Report pertaining to the ATN Fiscal Year 2019/2020 Operating Budget and amendments to the 2018/2023 Capital Improvement Program.

Chairman Sanford asked if the budget includes just approved fares and funding strategy for capital improvements. Director Kotler explained that the budget does include just approved ART fare increase and that Capital Improvement Programs are funded by several grant-funded programs. Chairman Sanford inquired about a strategy for addressing monthly funding and cash flow fluctuations ATN's Controller, Paula Eberhardt, explained careful process for management of ATN's cash flow.

Chairman Sanford asked when ART will be moving to construction of the new facility. Director Kotler answers that planning, and construction process will begin in Fiscal Year 2019/20. Chairman Sanford asked why proposed operating costs are increasing by \$1.0 million. Director Kotler explained that in anticipation in change of the contractor, ATN needs to plan accordingly. Just approved ART fare increase is intended to fund the anticipated costs due to the change in the contractual relationship between ATN and Transdev.

Chairman Sanford opens item for discussion at 4:45 PM

– No Comments –

Closes discussion at 4:46 PM

Chairman Sanford motions for approval of agenda item 12a – “ATN Fiscal Year 2019/2020 Operating Budget”. Seconded by Vice Chair Fred Brown.

YAYS: Bharat Patel, Carrie Nocella, Charles Harris, Dan Lee, Ian Gee, Ron Kim, Shaheen Sadeghi, Trent Nielsen

NAYS: NONE

ABSTAIN: NONE



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13. Approve recommendation of the Executive Committee and authorize Executive Director to execute agreement, for one year with Todd Priest and Associates (TPA) the provision of Government Affairs and Legislative Advocacy services for an annual amount not to exceed \$120,000 commencing on July 1, 2019

Director Kotler introduces one-year agreement with Todd Priest and Associates (TPA) commencing July 1, 2019.

Director Charles Harris asked what happens after one year. Director Kotler answered that any future extension of the agreement would need to be considered by the ATN Board of Directors. Director Kotler explained that anything greater than \$200,000 requires could be approved by the BOD.

Chairman Sanford stated that he would like to see a Request for Proposals (RFP) for advocacy services on a regular basis.

Chairman Sanford motions to approve item 13. Seconded by Director Kim

YAYS: Bharat Patel, Carrie Nocella, Charles Harris, Dan Lee, Fred Brown, Ian Gee, Shaheen Sadeghi, Trent Nielsen

NAYS: NONE

ABSTAIN: Carrie Nocella and Trent Nielsen

OTHER UPDATES:

14. Franchise application - Director Kotler reported that ATN amendment to the Franchise with the City of Anaheim received unanimous approval from the City of Anaheim City Council
15. 2019 IPW – Director Kotler reviewed ART participation and involvement in the upcoming IPW trade show
16. Social Media campaign & partnership with Visit Anaheim – Belinda Trani provided an overview of the partnership relationship with Visit Anaheim and reported that Social Media overview will become part of regular reporting to the ATN BOD
17. Grant Application FY 2019/20 Cycle – Director Kotler mentioned that ATN will be entering a new cycle of grant application requests and that ATN will be submitting grants to federal and local agencies

Adjourn Anaheim Transportation Network Regular Board of Directors meeting adjourned at 4:58pm. ATN Legal Counsel announced items to be considered in the Closed Session of the Board.



CLOSED SESSION – 2 ITEMS

18. Conference with legal counsel - Anticipated litigation
Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of California Government Code Section 54956.9: One potential case.
19. Conference with real property negotiator Executive Director Diana Kotler pursuant to Government Code Section 54956.8, concerning potential terms and conditions of acquisition and/or disposition of the property identified below:

*Property Location: 1354 South Anaheim Blvd., Street, Anaheim, CA
Owner/Negotiating Party: ATN Asset Holding Company*

Reconvene Anaheim Transportation Network Board of Directors Meeting. Legal counsel announced that the ATN Board of Directors unanimously approved real estate transaction for the sale of ATN property to the City of Anaheim and authorized ATN staff to proceed with the relocation plans with the City of Anaheim and GreenLaw Partners.

Adjourn Anaheim Transportation Network Board of Directors Meeting.

Next regular ATN Board of Directors meeting will take place at the Anaheim Regional Transportation Intermodal Center (ARTIC) 2nd Floor Conference Room 2626 East Katella Avenue, Anaheim, on Wednesday, August 28, 2019.