## Anaheim Transportation Network

## Board of Directors Meeting

### Wednesday, January 24, 2018

3:00 P.M. – 5:00 P.M.

***Anaheim Regional Transportation Intermodal Center***

2nd Floor Conference Room

2626 East Katella Avenue

Anaheim, CA 92806

## AGENDA

**Board of Directors:**

Paul Sanford

*Chairperson*

Fred Brown

*Vice Chair*

Jerry Alder

*Director*

Jay Burress

*Director*

*Ian Gee*

*Director*

Ronald Kim

*Director*

Dan Lee

*Director*

Carrie Nocella

*Director*

Bharat Patel

*Director*

Bhavesh Bo Patel

*Director*

Jeffrey Runsten

*Director*

Brian Sanders

*Director*

Merit Tully

*Director*

Diana Kotler

*Executive Director*

ATN Board Members in Attendance:

Fred Brown

Jerry Alder,

Jay Burress, Visit Anaheim

Ian Gee

Bharat Patel

Bhavesh Patel

Brian Sanders

Merit Tully

ATN Staff Present: Diana Kotler

Belinda Trani

Paula Eberhart

Justin Petrucelli

Megan Acuna

Members of the public present: Sue Zuhlke, OCTA

 Linda Johnson, City of Anaheim

Gary Steele, Transdev

Gregory Cain, Transdev

Paul Simmons , Kurt Pringle and Associates

**CALL TO ORDER ATN BOARD OF DIRECTORS MEETING: 3:07 pm**

***Anaheim Transportation Network Board of Directors Meeting***

**WELCOME & INTRODUCTIONS**

**Director Kotler introduced Paul Simmons of Kurt Pringle and Associates and congratulated Sue Zuhlke on her retirement and thanked her for her contributions to ART during her time at OCTA**

**NO ADDITIONS/DELETIONS TO THE AGENDA**

**NO PUBLIC COMMENTS**

**SPECIAL CALENDAR:**

1. **Presentation of Resolutions to:**

Elizabeth Nichols & John Lee Operator of the Month of November & December

Steven Roldan Operator of the Quarter

Steven Roldan Operator of the Year

Jasdeep Khabra/Daniel Loaiza Employee of the Year & Employee Excellence

Julio Barberena/Jeremy Clark Perfect Attendance

Jasdeep Khabra/ Daniel Loaiza Perfect Attendance

Juan Torres Perfect Attendance

Director Kotler introducted Jasdeep Khabra and Daniel Loaia and thanked them for their exemplary performance as Employee of the Year, Employee Excellence, and perfect attendance.

1. **Appoint Anaheim Transportation Network’s (ATN) Board of Directors members for ATN Executive Committee**

2018 ATN Officers & Executive Committee

Paul Sanford Chairman

Fred Brown Vice Chair

Merit Tully Treasurer

Carrie Nocella Secretary

By motion, Alder/Bharat, the Board of Directors authorized the selection of Sanford, Brown, Tully, and Nocella to serve as 2018 ATN Officers and Executive Committee.

YEAS: Brown, Alder, Burress, Gee, Patel, Sanders, Tully

NAYS: None

ABSTAINS: None

**BOARD WORKSHOP:**

1. **Receive and file information presented by ATN legal counsel, Cummins & White, LLP, pertaining to Ralph M. Brown Act and ATN Conflict of Interest Policy. Direct ATN Board of Directors and applicable ATN personnel to sign ATN Conflict of Interest Policy**

Legal council explained the Brown Act, what is and is not considered a meeting, accessibility requirements, rights of the public, and rules regarding special, emergency and closed sessions. All board members present received, signed, and returned their Conflict of Interest form.

**CONSENT CALENDAR:**

*Items 4-9 on the consent calendar will be acted on by one roll call vote unless members 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:*

1. **Receive and approve minutes of the ATN Board of Directors meeting held on Wednesday, November 15, 2017**
2. **Receive and file status report pertaining to the Anaheim Transportation Network operations -- ATN Focus Area Reports – November and December 2017**
3. **Receive and file ART Operating Reports for November through December 2017:**
	1. **Maintenance: Mileage & Road Call Reports**
	2. **Safety & Training: Safety & Security Report for October, November, December**
	3. **Operations Contract Penalty Report for October, November, December**
4. **Receive and file ATN membership report for November through December 2017 and Receive and file customer service summary November thorugh December 2017**
5. **Receive and file October through December 2017 financial statements, and approve credit card payment for the November through December 2017**
6. **Receive and file sales report summary for November through December 2017**

***END OF CONSENT CALENDAR***

By motion, Brown/ Burress, items 2-9 on the consent calendar were passed in a single motion.

Yeas: Brown, Alder, Burress, Gee, Patel, Sanders, Tully

Nays: None

Abstain: None

**OPERATIONAL REPORT:**

1. **ART Operational Update – Monthly report provided by TransDev Transit Services, Inc.**

***Gregory Cain, General Manager***

The operational report was provided by Transdev General Manager Gregory Cain. Mr. Cain explained his concerns regarding our safety record and explained what is being done to investigate our safety programs. He explained that the majority of issues are collisions with stationary objects in the pm. He explained that he has set up a plan to go to different “hotspots” where the accidents are occurring to observe the drivers over the next few weeks. He also explained that at these locations, food with safety messages attached would be distributed to drivers as a reminder.

He explained that 119 active, full time driver are currently on staff. He says that the target is to get to 140 full time drivers. He explained that he doesn’t want to rely on part-time drivers on the casual roster. He believes that increasing the number of drivers will make the service smoother. These candidates are being found through hiring events and are being trained in larger training classes. He explained that there are currently 7 drivers behind the wheel training, and 3 doing cadet work, and all current drivers are being evaluated to make sure that they are operating safely.

He spoke about the wheelchair securement campaign, which is about 85% complete, and is expected to be 100% complete by the middle of February. He explained that some vehicles are more challenging, and that those vehicles are being looked at.

Director Brown asked if labor negotiations are still going on. Mr. Cain responded that they are meeting with the Union on 28th and 29th of January to discuss the “sticking point” of pension plans, and that most other issues have been resolved.

**ACTION CALENDAR:**

1. **Approve business terms and conditions, Scope of Work and schedule for ART2Go Mobile Application between ATN and RouteMatch**

In 2015, the Anaheim Transportation Network (ATN) began to develop a vision for Mobility on Demand (MoD) initiatives to create an impetus for deployment of Smart Transportation Applications. In 2016, with assistance of the Anaheim Tourism Improvement District Transportation Committee, ATN received funding for real-time information and signage systems and awarded an agreement to Synchromatics for the project totaling $1.2 million.

Concurrently, ATN staff began discussions with software and APP developers for the development of a multi-modal, multi-disciplinary trip planning and booking APP, using transportation and ART service to link destinations, attractions, employment centers, etc. At the November 2017 Board of Directors meeting, ATN Board authorized staff and legal counsel to begin agreement negotiations for the project with RouteMatch.

At the core of this initiative is a Public Private Partnership (P3) structure that allows ATN to access APP development at no direct cost to the agency. In return, ATN will share revenue generated by the APP with RouteMatch. Principal tenants of this P3 partnership arrangement have been agreed upon and final discussions of software license terms are still on going and today’s action by the ATN Board of Directors would provide direction for the Scope of Work, schedule and general business terms.

The Scope of Work and schedule are driven by the events in The Anaheim Resort in the summer of 2019. Scope Work is divided into nine specific tasks, in order of implementation, with Task #9 providing overall guidance for the life of project.

1. Master Work Plan

2. Agreements with 3rd Party Transportation Providers – Lyft, Taxi, Enterprise Car Rental, Karmel

3. Ticketing Agreement with Attractions and Other Venues – WDTC, Knott’s, Sport Teams

4. Pre-Arrival & Wholesale Packaging & Sales Agreements – the Wallet Concept

5. ART Ticket Sales at Hotel Properties – replacement of Ticket Vending Machines

6. Integration & Deep Links with Other Apps – MicroTransit, Parking

7. Integration with Syncromatics and Real-Time Passenger Information System

8. Future Deployment Opportunities – Open Table, Annual ART Pass, Hotel POS Systems

9. Project Management

The basic tenants of the business terms are:

1. 50/50 revenue share on all commissionable ticket sales

2. 50/50 revenue share on all transactional fees and surcharges

3. 25% commission on sale of all new ART tickets sales – consistent with approve current wholesale sale of ART passes

4. 8% commission/transaction fee on sale of ART passes through existing ART distribution channels

5. $200,00 annual cap on the sale of ART passes

6. No financial cap on commissionable or transactional sales

In addition to the contractual terms and conditions between ATN and RouteMatch, Net Rate Sales Agreement will need executed with each participating partner. A separate agreement, will be also negotiated with a Clearing House to facilitate banking and other financial transactions.

It is the intent of both parties to finish contractual discussions by mid-February and roll-out initial APP, with functions outlined in Task #2, by summer 2018.

Director Brown asked about the logistics of the revenue share on all transactional fees and surcharges.

Director Kotler explained that any service fees that the guest is charged through the app will be split between ART and Routematch.

Direct Brown asked about the definition of a new ART Ticket?

Director Kotler explained that the definition includes purchases through the app or a new guest through a wholesaler.

Director Brown asked why Routematch would get commission from sales made at a hotel property.

Belinda Trani from the ART Staff responded that the geofencing of hotel properties will guide the electronic transaction in the app to track it back to the hotel.

Director Patel asked if a guest staying at one hotel could purchase a pass on their phone from another property that they are not staying at and credit that property.

Belinda Trani of ART staff responded that the geofencing will be very close to the property to provent this from happening accidentally.

Asked if we had any culpability for insuring rideshare programs booked through the app.

The legal council stated that he will look at it, but does not believe so, as the user will use a deeplink to the Lyft app, and would need to accept the Lyft terms and conditions to use it.

Director Tully advised Director Kotler to leave room to work with third parties down the road.

Director Brown asked if Routematch gets a commission on tickets are sold to Getaway Today.

Belinda Trani replied that no, ART will make our own deals with our existing wholesalers, but they will be given an electronic ticket.

Director Brown asked if the commission cap is taking money out of ART’s pockets.

Director Kotler explained that it is actually expanding our reach into potential sales markets that do not exist right now.

Director Alder asked if the app would be able to tell if a ticketed guest had been waiting too long for the bus.

Belinda Trani responded that that question had not been asked, but that it could be broached with Routematch.

By motion, Brown/Sanders, the board approved business terms and conditions, Scope of Work and schedule for ART2Go Mobile Application between ATN and Routematch.

YEAS: Brown, Alder, Burress, Gee, Patel, Sanders, Tully

NAYS: None

ABSTAINS: None

1. **Authorize ATN Executive Director to submit to the City of Anaheim ATN non-exclusive franchise update for a 12-month administrative extension**

The Anaheim Transportation Network (ATN) provides Anaheim Resort Transportation (ART) services under the authority of two guiding documents:

1. Pertinent Specific Plans Provide regulatory oversight for transportation

services and obligatory participation of mitigated business establishments located in the identified geographic areas.

2. Non-exclusive Franchise Agreement Provides self-imposed operating and

administrative standards for operation of transportation services by ATN and other entities

The ATN received its non-exclusive franchise from the City of Anaheim in 2004 per Section 1400 of the Charter of the City of Anaheim. The Charter establishes procedures for the award of franchises by the City and states that any person, firm or corporation furnishing the City of Anaheim or it inhabitants with transportation services may be required, by ordinance, to have a franchise. The Charter further states that the City Council is empowered to grant such franchises and to establish additional procedures, terms and conditions, as appropriate.

On April 27, 2004, the Anaheim City Council adopted Section 1.02.010 of the Anaheim Municipal Code requiring any person, firm or corporation furnishing the City or its inhabitants with transportation services to have a valid and existing franchise. In addition, on April 27, 2004, the City Council adopted Ordinance No. 5911 granting a non-exclusive franchise to the Anaheim Transportation Network to provide public transportation service within The Anaheim Resort® and other areas within the City of Anaheim.

On May 5, 2011, the ATN submitted an application to amend the franchise for the provision of public transportation services within the City of Anaheim and other designated areas within the City of Anaheim. Anaheim City Council adopted Ordinance No. 6219 to extend ATN’s non-exclusive franchise for seven (7) years through May 5, 2018, as well as allowing for a 12-month administrative extension by the City Manager, if the terms and condition of the franchise agreement remain unchanged and if ATN meets or exceeds the terms and conditions identified by the franchise.

Staff recommends submission of a 12-month administrative extension to the City of Anaheim through May 5, 2019. Meanwhile, ATN staff will continue to work with its Executive Committee and consultants to develop an application for renewal of the franchise agreement with the City of Anaheim that would take into consideration the impacts of new developments in The Anaheim Resort, Platinum Triangle and CtrCity, incorporate technological developments, changes in vehicular and clean fuel technologies to further:

1. Maintaining cohesive resort standard of transportation services to help to protect investments made by the City of Anaheim and business community;

2. Mitigate traffic and air quality impacts to enhance environmental benefits for the citizens of Anaheim and surrounding communities; and

3. Ensure that all transportation providers possess a valid franchise for transportation services based on the Anaheim City Charter.

The enclosed administrative renewal requests that the City of Anaheim approve a 12-month Administrative Extension of the ATN Franchise Agreement. This extension, as allowed under the terms of the current agreement, will extent the franchise agreement through May 5, 2019. Administrative Extension of the ATN Franchise Agreement consists of two (2) documents:

1. 12-Month Administrative Extension

a. Table 1 – ART Performance Indicators

b. Table 2 – ART Fleet

c. Table 3 – Background/Accomplishments

2. Franchise Service Standards Table

With the submittal of the ATN Administrative Extension, ATN is not requesting any changes in the franchise service standards, which were approved by the City of Anaheim in 2004 and 2011. ATN will continue provision of ART service with full commitment to meeting, and exceeding, these standards through the one-year administrative extension period, while preparing for the full franchise renewal in early 2019.

Director Patel asked if the 12-month extension is the only option.

Director Kotler explained that other than the 7 year agreement, yes.

Director Burress asked if the City Council is the decision makers?

Linda Johnson explained that the City Manager makes the decision.

Director Burress asked when it will go to the City of Anaheim.

Diana explained that it will be given to the City on Monday.

Director Burress asked if working on the 7 Year Agreement will conflict with IPW.

Director Kotler explained that no, the public hearing will need to take place in March 2019.

By motion, Brown/Runsten authorizes the Executive Director to submit to the City of Anaheim ATN non-exclusive franchise update for a 12-month administrative extension

**OTHER UPDATES:**

1. **ATN Grant Application Submittal to Transit and Intercity Rail Program**

***Adjourn Anaheim Transportation Network Board of Directors Meeting 4:07***

***CLOSED SESSION: 1 ITEM***

Conference with real property negotiator Executive Director Diana Kotler and Paul Simonds with Curt Pringle & Associates, pursuant to Government Code Section 54956.8, concerning potential terms and conditions of acquisition and/or disposition of the property identified below:

a. Property Location: 1354 South Anaheim Boulevard, Anaheim, California 92805

    Owner/Negotiating Party: ATN Asset Holding Company, LLC.

***Reconvene Anaheim Transportation Network Board of Directors Meeting***

***Report from ATN Legal Counsel***

***Adjourn Anaheim Transportation Network Board of Directors Meeting 4:28 pm***

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, March 28, 2018

POSTING STATEMENT: On January 19, 2018, a true and correct copy of this agenda was posted at the ATN Office at 1354 South Anaheim Blvd., Anaheim, 92805 and on ATN web site at [www.rideart.org](http://www.rideart.org).

If requested, the agenda and backup materials will be made available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and the federal rules and regulations adopted in implementation thereof.

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