

**TRANSIT AUTHORITY OF NORTHERN KENTUCKY**  
**Board of Directors**  
**April 10, 2019**

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The TANK Board of Directors meeting was called to order at 5:30 p.m. on Wednesday, April, 10, 2019 at the TANK Offices at 3375 Madison Pike, Ft. Wright, KY 41017 by Mr. Tim Donoghue, Board Chair. Mr. Donoghue requested all to stand for the Pledge of Allegiance.

In attendance were: Mr. Tim Donoghue, Board Chair; Mr. Brian Ellerman, Vice-Chair; Mr. Scott Guenther; Mr. Ed Kuehne; Mrs. Gina Rittinger; Mr. Dave Sogar; Mr. Bill Voelker; Mr. Andrew Aiello, General Manager; Mr. Mike Duncan, Legal Counsel; and Mrs. Nancye McClanahan, Executive Assistant.

Absent from the meeting were Mr. Jim Parsons, Ms. Laura Thompson and Mr. Dave Anneken, Secretary-Treasurer.

Mr. Donoghue asked for a motion to approve the March 13, 2019 Board Minutes. *Mr. Kuehne made a motion to accept the minutes of March 13, 2019. The motion was seconded by Mr. Voelker. MOTION PASSED.*

**AUDIENCE RECOGNITION – Mr. Donoghue**

- Mr. Donoghue asked if there was any audience recognition and there was none.

Mr. Donoghue reported we did not have any committees this month and asked Mr. Aiello to handle the reports.

**COMMITTEE REPORT UPDATES – Mr. Aiello**

Mr. Aiello reported that over the past couple of weeks we did not have a lot of *Action* to take care of in Committee so he along with Staff will be providing updates of ongoing activities. Mr. Aiello indicated that most of our work has been focused on the *Draft Budget* which has been delivered to the three county Administrators and we expect to be hearing some feedback from them in the next couple of weeks.

Mr. Aiello indicated there is a lot of work going on here at TANK. He said Staff has a number of things to bring you up-to-date on and to keep you plugged-in on the work we are doing. We anticipate quite a bit of *Action* in May.

- **FINANCE** – Mr. Aiello reported that February was a solid month for the Authority. Overall Fixed Route services were down 0.3% and Demand Response was up 1.2%. He reported Express Routes were up 2.1%, Local Routes were down 1.9% and the Southbank Shuttle ridership was up 7.3%.

- **Revenues & Expenses** - Mr. Aiello reported passenger revenue was \$27,067 less than the monthly budgeted amount. TANK also operated \$238,097 less than the operating budget for February, and is \$641,523 less than the approved operating budget for FY 2019 year-to-date.

Mr. Aiello said most of what is causing us to be under budget at this time is related to our fringe expenses. This year TANK moved to self-insurance. This means instead of paying a set amount for premiums each month we are paying claims as they come in up to a certain amount. We anticipated January and February being somewhat of a lag period with us paying claims but it has stretched into March. We are curious to see how long this will last – there may be a large catch-up at some point and that is where we are seeing the saving at this time.

- Mr. Aiello indicated there are two *Action Items* for the Board’s consideration. The first *Action Item* is regarding the purchase of a forklift – he referred to the Memo within your Board packet and asked Mr. Hock for the report.

Mr. Hock reported we are currently operating a 32 year-old forklift that is fully depreciated. Although it is operational, it is in need of approximately \$5,000.00 in repairs – the original purchase price for the forklift was around \$15,000.00. We have investigated and found a forklift available on the Kentucky State Purchase Contract for \$27,818.00. He indicated this will also improve our operation and is requesting the Board to approve a purchase order for the forklift for the said amount.

***Mr. Sogar made the motion to approve the purchase of the forklift in the amount of \$27,818.00 as listed on the Kentucky State Purchase Contract. Mr. Kuehne seconded the motion.*** Mr. Donoghue asked for any discussion prior to the vote. Mr. Guenther said he did not see within the memorandum a reference to obtaining any competitive bids and asked for an explanation. Mr. Aiello said the forklift would be purchased off of the State contract. He reported the State goes out and receives competitive bids for a number of different items then chooses the best value and puts it into a catalogue. By using the State Contract we are using their competitive process, and are meeting both state and federal expectations.  
***MOTION PASSED.***

- Mr. Aiello asked Mr. Hock to present the second *Action Item* regarding our engineering support for HVAC replacement. Mr. Aiello said he would provide some context and Mr. Hock will then talk about the work that will be done. Mr. Aiello reported we went through a Qualification Selection Process to select an architect/engineering firm to help us with the assessment of the building. One item that needs to be fast-tracked is the replacement of our HVAC system – it is original to the building (37 years old) and is in need of repair. Instead of investing in repair, it is time to replace that system. Staff does not have the expertise to draw the specs to create that system therefore we are using our engineering contractor to do so.

Mr. Hock said we use the same selection process to maintain our relation with MSA Architects who are subcontracting KLH Engineers to do the engineering. With that we will get back bids, specs, drawings and construction oversight. Mr. Hock said we are requesting the Board to approve a purchase order, using Capital funding, for the development of a bid package and construction oversight at a cost of **\$26,150.00 plus a reserve contingency of 10%** for unknowns that may arise during the construction phase of the project.

Mr. Donoghue asked for a motion. *Mr. Guenther made the motion to approve the engineering for the replacement for HVAC replacement at the TANK facility. Mr. Kuehne seconded the motion.* Prior to the vote Mr. Kuehne asked if this could be on the State Contract and Mr. Hock indicated that it could not as it will be a unit specifically designed for our building. Mr. Hock said this is just for the engineering services to make the bid plan to buy the unit. Mr. Aiello added the unit itself will probably cost between \$200,000.00/\$300,000.00 to outfit the full facility with HVAC. The unit itself will be procured under a separate RFP. **MOTION PASSED.**

- Mr. Aiello said you may have recently seen the press release where TANK was awarded a \$2.2M in CMAQ money for hybrid buses. Mr. Aiello thanked Mr. Busofsky for his time and diligence in the application process. Mr. Busofsky indicated the application was submitted August 2017. Mr. Aiello said we are really excited about money and working through the process to encumber the funds so we can plan for buses to be delivered in February 2020.
- Mr. Aiello reported on Transit Worker Appreciation Day. Mr. Aiello said two weeks ago we had National Transit Worker Appreciation Day. There was a huge push to say *thanks* to our employees. Staff showed up at three o'clock in the morning to greet the first Operators as they came to work and then on the street a five o'clock in the afternoon waving signs thanking Operators downtown and encouraging our passengers to thank our Operators as well...it was certainly a team effort! It was a good event and we have received good feedback. Mr. Aiello encouraged folks to follow us on social media to see all that goes on at TANK.
- Mr. Aiello reported the three buses we loaned to Lextran have been returned. We loaned the buses to help them out while they were dealing with some fleet issues. They were buses that were not in service at TANK and are currently not in service. We will now use parts off of them as we need to. It was a good partnership and we appreciate the Board allowing us to do that and be good neighbors.
- Mr. Aiello reported on Opening Day....We provided a good operation for our passengers; we had good weather and a good turnout! The Operation crew along with Administrative staff was out on the street. Our preliminary numbers show the Southbank Shuttle was up about 29% and overall system wide we were up about 10% compared to Opening Day 2018. Good day, good numbers, operation went really smoothly and no complaints. Thanks to our

Operators as well as we are relatively short-staffed. Anytime we do something extra it means those folks are working additionally hard to get it done....thanks again for a job well done.

- Mr. Busofsky provided an update on TANK's Network Study Procurement. Mr. Busofsky reported we are in the process of updating our Network Study. Our last Network Study was done in 2014. In February we put out an RFP and it closed on March 20<sup>th</sup> - we were pleased to receive eight proposals. Currently we are in the process of evaluating these proposals and hopefully we will be interviewing the short-listed firms next week. We will bring to May's meeting the recommendation for the Board to approve a contract.

Mr. Busofsky said the selection committee is made up of Mr. Aiello, Mrs. Douthat, Ms. Robyn Bancroft from OKI, Mr. Mark McEwan from SORTA and himself. Mr. Busofsky indicated we like to have a couple of people outside of the Authority that are familiar with regional planning and regional transit to participate and we feel really strong about the evaluation team. Mr. Aiello said these folks have experience with other consultants and have been through multiple planning projects so it helps to get some more expertise around the table when making a selection.

- Mr. Busofsky provided an update to the Board on the Uber Pilot Project. He reported Staff had a call from Uber a few weeks ago to discuss some potential next steps for a pilot. As we discussed at previous meetings, we have a proposal from TransLoc and we are at the point where we would like to get an Uber proposal in a similar manner for comparison. The conversation went well with Uber and we were provided some information about current pilots. We are now reviewing information so we can see how we can possibly offer an option to our customers. There will be more to come and you will be kept updated.
- Mrs. Douthat provided a Mobile Ticketing Procurement update to the Board. Mrs. Douthat said we have talked about this before and we are still in the procurement process which is being led by Metro. She reported they have wrapped up the procurement process and we have selected a vendor. In the meantime, a *new* product has been introduced to us by a group of transit agencies in Northern Ohio and it is a similar product with a different spin. She indicated we are now evaluating that product - comparing it to the product we specified, determining what the differences might be, what we would get, what the cost differences are, does it meet all of our requirements, etc. Our current plan is to wrap up that evaluation early next week and make a final decision the following week. Mrs. Douthat said she expects by next month we will have a decision and a plan to move forward. We may not have *Action* next month but will have a plan to move forward.
- Mr. Aiello reported on the Regional Fare Policy Consultant Procurement - this is a Metro procurement as well. Metro wanted to look at the fare structures in the region - what fares will be loaded into this product to make sure riders can use this system seamlessly. Metro will be hiring a consultant to review the information and TANK is part of the selection

committee to review the work of the consultant. He told the Board members they would be kept informed as we move forward.

- Mr. Aiello asked Ms. Rennekamp to provide her report regarding the Spring/Summer Marketing push. Ms. Rennekamp provided the Board members with a copy of the proposed strategic campaign plan. (*See Enclosed*) She reported we have contracted with Intrinzic as TANK's Strategic Marketing Partner. Ms. Rennekamp indicated we want to promote why transit is the best option for transportation – the freedom it provides, the convenience and the environmental impact it provides. She reported our marketing program is now live and are marketing to multiple demographics that will most effectively impact TANK's ridership. She reviewed with the Board:
  - Traditional Media
    - Radio advertising
    - Billboard – Located in the cut in the hill
  - Digital Advertising
    - Printed
    - Animated – Changing advertising

Ms. Rennekamp reviewed with the Board the breakdown:

- Media Budget Buy - \$82,752.89
- Set Up and optimize with the media buyer - \$3,300.00
- Intrinzic – Creative Development, Project Management - \$21,000.00
- Pay Per Click – Ad on line - \$2,250.00
- Current Estimate - \$109,302.89

Mrs. Rittinger asked if this was the budget for the full year and Ms. Rennekamp indicated it was for the Spring/Summer promotion. Mr. Aiello said all of these expenses are in the budget. Ms. Rennekamp reported at the end of the summer we will review the plan.

### **OLD BUSINESS – Mr. Donoghue**

- Mr. Donoghue asked if there was any Old Business and there was none.

### **NEW BUSINESS – Mr. Donoghue**

- Mr. Donoghue asked if there was any New Business. Mr. Kuehne asked about the vehicle incidents for the month. Mr. Aiello reported we have had (6) preventable collisions in March 2019 compared to (3) in March 2018. To date, we have had (20) preventable collisions compared to (16) this time last year. Last year was a record setting year and we are on pace to be very close or meet our goal in 2019. In March we did not have any significant incidents to report.

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**GENERAL COUNSEL REPORT – Mr. Duncan**

- Mr. Duncan said he did not have anything to report at this time.

Mr. Donoghue requested a motion to adjourn the meeting. *Mr. Kuehne made the motion to adjourn the Board Meeting. The motion was seconded by Mr. Voelker. MOTION PASSED.*

The TANK Board of Directors meeting adjourned at 6:15 p.m.

**Respectfully Submitted**  
**Nancye McClanahan**  
**Executive Assistant**

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David L. Anneken, Secretary-Treasurer

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Tim Donoghue, Board Chair