

**TRANSIT AUTHORITY OF NORTHERN KENTUCKY**  
**Board of Directors**  
**November 8, 2017**

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The Board of Directors meeting was called to order at 5:30 p.m., Wednesday, November 8, 2017 in the Conference Room of the TANK office, 3375 Madison Pike, Ft. Wright, Kentucky, by Mr. Tim Donoghue, Board Chair. Mr. Donoghue requested all to stand for the Pledge of Allegiance.

Mr. Dave Anneken, Secretary/Treasurer called the roll. In attendance were: Mr. Timothy Donoghue, Board Chair; Mr. Brian Ellerman, Vice-Chair; Mr. Scott Guenther; Mr. Ed Kuehne; Mr. Jim Parsons; Mrs. Gina Rittinger; Mr. Dave Sogar; Ms. Laura Thompson; Mr. Bill Voelker; Mr. Andrew Aiello, General Manager; Mr. Mike Duncan, Legal Counsel; Mr. Dave Anneken, Secretary/Treasurer and Mrs. Nancy McClanahan, Executive Assistant.

Mr. Donoghue said prior to the start of the committee reports, he wanted to welcome TANK's newest Board member, Mrs. Gina Rittinger and asked her to introduce herself. Mrs. Rittinger reported she is the Assistant Vice President of Marketing and Communications at Northern Kentucky University and is a NKU alumna. She indicated she was a resident of Grants Lick, KY and was born and raised in and around the Alexandria area. Mrs. Rittinger expressed her pleasure to serve on the TANK Board. She said she was very familiar with TANK as her Grandfather, Ralph Merrill, proudly retired from TANK after more than 40 years of service. The Board members welcomed her.

Mr. Donoghue requested a motion to approve the minutes of October 11, 2017 Board Meeting. ***Mr. Kuehne made a motion to approve the October 11, 2017 Board minutes. Mr. Sogar seconded the motion. MOTION PASSED.***

**FINANCE COMMITTEE – Mr. Parsons**

- Mr. Parsons reported the Finance Committee did not conduct a meeting in October. He asked Mr. Aiello to provide the report. Mr. Aiello reported September 2017 we had one fewer week day than September 2016 and that has about a 4% effect on ridership. With that being said, he indicated ridership is still down overall. He reported all fixed route services decreased by 12.0% and demand response ridership decreased 4.3% compared with last September. Mr. Aiello reported Fixed Route ridership is 8.2% less than ridership for the same period last fiscal year - we are taking seriously and looking into it. He reported nationally, ridership is down in almost every market. In reviewing our statistics, it appears that October ridership is better than September.

Mr. Aiello said the good news on the expense side is we are well under budget for the month. We operated \$91,718 less than the approved operating budget which brings us to \$83,983 less than the operating budget for FY 2018 year-to-date.

- Mr. Aiello referred to the Resolution No. 2018.02 that is in the Board packet. He reported this is an annual Resolution as required by the Federal Transit Administration. This Resolution authorizes the General Manager to execute federal grants with the Federal Government Grant system. This has to be on file in order in order for us to make application and execute federal grants. He said this helps us to buy buses and make facility

improvements. Mr. Aiello indicated this is an *Action Item* and turned the meeting back to Mr. Donoghue.

***Mr. Voelker approved the motion giving Mr. Aiello, TANK's General Manager, authorization to approve grants per Resolution 2018.02. Mr. Kuehne seconded the motion. MOTION PASSED.***

- Mr. Aiello reported the next item is the purchase of Trolley Buses for 2018 delivery. Mr. Aiello reported that back in 2016 we went through an RFP process to identify the contractor/vendor for our Southbank Shuttle replacement buses. He asked Mr. Miller if he had anything else to add.

Mr. Miller reported he has contacted Rohrer Sales, who is our regional sales group for this contract. He referred to the Memo within the Board Packet. He said it is recommendation to the TANK Board to approve the purchase order in accordance with our approved five year procurement contract with Rohrer Bus Sales for the purchase of four thirty-seven foot trolley diesel transit buses at a cost of \$1,012,798 plus a three percent (3%) contingency for vehicle technology equipment and final design for a total of \$1,043,089 with the delivery date to be April/May of 2018.

***Mr. Parsons approved the motion for the purchase of 4 thirty-seven trolley diesel transit buses for a total of \$1,043,089. Mr. Sogar seconded the motion. Mr. Parsons noted this is Federal Funds and will not affect our local funds or local operating budget. MOTION PASSED.***

- Mr. Aiello provided a health insurance update to the Board. He reported we have gone through the health insurance renewal with our Broker and due to our relatively high experience, our premium increase would have been 19% to keep our same plan and that was not sustainable. Working with our Broker, we pulled together a plan we could afford within our budget. Mr. Aiello reported there are two main changes we are looking at this year. They are:
  - Moving toward the consumer-driven health plan. We currently offer a High Deductible Health Plan and we will be moving everyone to the HDHP with this renewal. The cost saving that comes with that is significant. Mr. Aiello reported with the change, it allows TANK to put \$1000.00 into the employees' Health Saving Account (HSA).

He reported the premiums for the employees stay close to flat and some cases will go down a bit.

- Secondly, to incentivize healthy behavior, we will be doing a two-tier premium system. There will be a Wellness Premium for those that do not smoke and are willing to do an annual physical. There will be a higher Premium for smokers and those not wanting to do a yearly physical.

Mr. Parsons indicated there are a number of groups that do things like this – the Kentucky Retirement Systems does this and you must agree to do the health and wellness program. Mr. Aiello informed the Board that all of the Campbell County Fiscal Court employees are on a similar program to what we are going to now - it is very common now in the workplace. He reported tomorrow we will be conducting meetings throughout the day for Insurance Open Enrollment where the plans will be reviewed for the employees and answer any questions they might have regarding the change.

**PLANNING & MARKETING COMMITTEE – Mr. Kuehne**

- Mr. Kuehne indicated the committee did not meet in November. He asked Mrs. Douthat to present an update.
- Mrs. Douthat reported she had two items to present to the Board.
  - Mrs. Douthat said as reported in their committee meetings over the past couple of months, TANK will be investing in a marketing campaign this year. Typically, we do not spend a lot of money in advertising and marketing – we primarily do a lot of public relations and education about our services. She reported this year with the declining ridership we have put money in the budget to do a relatively significant marketing program. Details are now being finalized and you will begin to see a lot of marketing materials and advertising coming out. The campaign will begin the first of January.
  - Mrs. Douthat reported on Sunday, November 19<sup>th</sup> TANK will be hosting a celebration for TANK’s 45<sup>th</sup> Anniversary. We will be inviting all of our employees, families, retirees, Board members and friends to come to the facility. All of our fleet from over the years will be on display. There will be tours of the facility and a museum showing many historical items in the Conference Center. In addition, she reported there will be a *Chili Cook-off* and *Photo Contest*, provided by the Team TANK Council as part of the event. She extended an invitation to the Board to attend.

**OPERATIONS & SAFETY COMMITTEE –Mr. Sogar**

- Mr. Sogar requested Mr. Berkley to give the report for the Operations & Safety Committee.
  - Mr. Berkley reported it was another excellent month in October. He reported we had four preventable accidents in the month of October – year-to-date we have had 57 preventable accidents compared to 84 preventable accidents at this time last year. Mr. Berkley reported within the last three months we have had only nine preventable accidents and we have driven 1.32 million miles. Mr. Berkley reported we had a total of 100 preventable accidents last year and we are currently well below that number. He reported the lowest number of preventable accidents for a year on record was in 2005 with a total of 74 and it appears we are on track to beat that number. He thanked the operators for a good job.

**GENERAL MANAGERS REPORT – Mr. Aiello**

- Mr. Aiello reported on the following:
  - Mr. Aiello welcomed our next Director of Operations, Mr. Sean O’Leary, to TANK. We are fortunate to have time for this transition. Mr. O’Leary is now working with Ms. Pierce as the Incoming Director of Operations and in January will move to the position of Director of Operations. Mr. O’Leary brings with him over 22 years of transit experience, most recently serving as Director of Transit Operation for SORTA. We are happy to have Sean joining our team with all of his expertise.
  - Mr. Aiello reported along the lines of our legislative agenda we have been talking about the needs for State funding for transit. This need is exasperated by the fact that toll-credits are about to expire within the State. He informed the Board he will be testifying November 14<sup>th</sup> to the House Working Group on transportation which is chaired by Representative Sal Santoro from Boone County. The group is convening a series of meetings in between sessions to focus on transportation and the need for more investment in the State. Most importantly, they will be discussing toll-credits and the impact it will have on our ability to match our federal funds when buying new buses and making facility improvements. We use the toll-credits to match the federal funds; which means we do not burden the county. It is a big issue and hopefully the testimony will be received in a positive way by the committee.
  - We held our All Employee meeting this month where a number of important items were covered. The included:
    - The *thank you* for safety and focus on Preventable Accidents
    - Information on a drug free workplace
    - How to assist employees with keeping up with their medical requirements for their CDL and DOT.
  - Mr. Aiello reported that October it a very busy month within the Finance Department. We are required to submit massive amounts of information to the National Transit Database. Because we spend federal funds, they collect a lot of information from us on an annual basis. They are very prescriptive about how we provide that information to them and define how we calculate our numbers. That is done because they compare the numbers across the country. Mr. Aiello reported Mr. Harsaran and his team along with Mr. McCulley, Manager of Scheduling, have spent a lot of time contributing to the NTD report.

The second piece is our financial audit – as you know last month we received an update as to where we stand. Now we are waiting for the Pension Auditors to finish their work so we can come back and provide a final report to you on our Financial Audit.

- Mr. Aiello reported the Operations Department has done a massive amount of work to help transition some of the tasks, roles, and responsibilities to others given the fact

that our Director and Assistant Director will be retiring in 2018. Thanks to Terri and Gary and their team for doing a lot of work to make sure to have all of the Standard Operating Procedures (SOP) in place so we can transition successfully into the next year.

- From the Planning & Marketing side, Mr. Aiello reported we are being inundated with requests from businesses for additional service. We have been doing *pilot programs* for reverse-commute to businesses outside of I-275 and in the suburbs. The requests have been compounded with the unemployment being where it is, the competition for workforce, and now we are going into the peak season. It seems every week there is another company that wants to potentially fund a pilot for us to get workers to their front door. We have to be selective about what we can do, how much time we have, and how much physical space we have with operators and buses to try and keep these things on the road. He said Mrs. Holgate and our planning folks continue to work on that.
- Mr. Aiello said lastly he would like to mention the Boone County Transportation Plan. He reported that he and Mr. Busofsky, Manager of Planning, have been involved with the Project Management Team for the Boone County Plan. The Plan is very interesting – there are a lot of roadway, traffic improvement, truck traffic concerns, etc. They are also looking at ways to improve transit and access the jobs in Boone County. There are some specific recommendations in regard to TANK in the Plan. We are currently looking at that and will be providing the information to the Planning & Marketing Committee so the Board can understand where Boone County is going. It has been a good process – OKI has been managed the process. We are pleased to be involved.

#### **OLD BUSINESS – Mr. Donoghue**

- Mr. Donoghue asked if Mr. Aiello would provide a report regarding the passenger's concern from last month's meeting. Mr. Aiello said last month a passenger had concerns about obtaining a regular trip on RAMP to and from work. Our staff has worked with that individual. We had capacity in the afternoon to get the person into a subscription trip – a regular recurring trip within the threshold allowed by the Feds. Currently, we are on a temporary arrangement for the morning while we await a more permanent solution for that subscription trip. Mr. Donoghue expressed his appreciation for everyone's efforts.

#### **NEW BUSINESS – Mr. Donoghue**

- Mr. Donoghue asked if there was any new business to discuss. Mr. Kuehne asked about the Turfway Park & Ride. Mr. Aiello reported TANK has a Contractual Agreement with Turfway to use their parking lot for Park & Ride services. Within the agreement, there is a sixty day termination clause. We were informed a couple of months ago that Turfway wanted to execute that clause and did not want to provide Park & Ride services from their lot any more - with that we had to find an alternative. The Houston Road Park & Ride lot is

not far away. Staff had to be creative and reorganize our 1X schedule to meet that need – the change to now serve the Houston Road lot goes into effect this Saturday. This change was out of our control and we had to react. There will be a sign indicating that the Park & Ride has been moved.

- Mr. Parsons mentioned the request to move the *Audience Recognition* to the top our agenda. It was agreed to make the change to move it to before the Committee Reports.
- Mrs. McClanahan reminded the Board to make their reservations for the annual Board Dinner by December 5<sup>th</sup>.

**GENERAL COUNSELS REPORT – Mr. Duncan**

- Mr. Duncan said he did not have a report unless someone had questions.

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

The TANK Board of Directors meeting adjourned at 6:10 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**