

TRANSIT AUTHORITY OF NORTHERN KENTUCKY
Board of Directors
April 11, 2018

The TANK Board of Director's Meeting was called to order at 5:30 p.m. on Wednesday, April 11, 2018 at the TANK Offices by Mr. Tim Donoghue, Board Chair.

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; Ms. Laura Thompson; Mr. Bill Voelker; Mr. Andrew Aiello, General Manager; Mr. Mike Duncan, Legal Counsel; Mr. Dave Anneken, Secretary-Treasurer and Mrs. Nancye McClanahan, Executive Assistant.

Absent from the meeting was Mr. Jim Parsons.

Mr. Donoghue asked for a motion to approve the March 14, 2018 Board Minutes. *Mr. Ed Kuehne made a motion to approve the Board Minutes. The motion was seconded by Mr. Dave Sogar. MOTION PASSED.*

AUDIENCE RECOGNITION – Mr. Donoghue

- Mr. Donoghue asked for Audience Recognition and there was none.

FINANCE COMMITTEE – Mr. Ellerman

- Mr. Ellerman reported the committee met on March 6th and went over the Financial Report for the month of January. In addition, the Committee reviewed the 2019 *Draft* Operating Budget. Mr. Ellerman reported Mr. Aiello provided a presentation pertaining to the *Draft* Budget for the Committee that had been presented to the Counties.
 - Mr. Aiello said following up on the Committee's report there are a few things to bring before the Board. Mr. Aiello reported within their packet you will see the second step in the purchase of our buses. The purchase memo details the proposals and options available under the new contract and TANK's available federal funds. *Staff is recommending that we move forward with the purchase of nine buses – five diesel and four diesel-electric hybrid buses.* Mr. Aiello said the Purchase Memo within your packet provides some more of the detail.

Therefore, the Committee is recommending to the TANK Board of Directors to move forward with the purchase of five diesel and four diesel-electric hybrid buses for a total of \$4,798,111 with the delivery date to be in the March/April timeframe of 2019. Mr. Sogar made the motion to move forward with the order of nine buses. Mr. Voelker seconded the motion. MOTION PASSED.

- Mr. Aiello reported the second item the Committee had for consideration was for the purchase of a set of Mobile Column Lifts. These portable lifts are much less

expensive than replacing TANK's existing in-grounds lifts and are more flexible. Over the past three/four years we have purchased two sets of the Portable Mobile Column Lifts which allows us to lift any size vehicle. Mr. Aiello reported this purchase is available on state contract. He indicated full details are included within your Board packet.

Therefore, Staff requests approval from the Board of Directors to allow the General Manager to issue a purchase order for the Mobile Column Lifts per the specifications from Choice Equipment for a total price not to exceed \$35,736. Mr. Guenther made the motion for the purchase of the Mobile Column Lifts. The motion was seconded by Mr. Kuehne. MOTION PASSED.

- Mr. Aiello informed the Board the last item of business, provided separately within your packet, the *FY 2017 Final Financial Audit*. He reported in October when the Auditors were here there were two items that the Auditors were investigating before issuing a final report.
 - The first was the technical means where TANK recognized revenue from the Counties. After research, it was finalized and the recommendation was to adjust the way we recognize that revenue in our financial accounting system. He said it does not change any of the dollars, only an accounting practice. It has now been updated.
 - He reported the second piece, which was more significant, was the pension. The auditors were checking with the new GASB regulations to see if the TANK financial statement needed to reflect the liability associated with TANK's pension. The TANK Pension is an employee owned pension so it sits outside of our budget. Upon further review, the Auditor came to the conclusion the Pension liability needed to be part of the overall TANK balance sheet to comply with the current GASB rules. With that, the audit for the pension, *which is separate*, needed to be complete to finalize the TANK Financial Audit. The Pension Audit has been completed and the numbers are now reflected in the TANK Financial Audit. Mr. Aiello said it is appropriate for the Board, as Mr. Duncan mentioned in Committee, to adopt the FY 2017 Financial Audit.

Mr. Donoghue asked for a motion to approve the FY 2017 Financial Audit. Mr. Kuehne made the motion for approval of the FY 2017 Financial Audit. The motion was seconded by Mr. Sogar.

Prior to the vote Mr. Guenther referenced the seconded page in reference to uncorrected misstatements. Mr. Aiello said you could see the dollar amounts do not change in anyway. It is a journal entry made in 2017 that should have been made in a different category. However, the Auditor did not believe we

should go back to that prior period and make a change. Moving forward the change has been made. Mr. Donoghue asked for further questions and being none the ***MOTION PASSED.***

PLANNING & MARKETING COMMITTEE – Mr. Ed Kuehne

- Mr. Kuehne reported the Committee met on April 3rd. He reported they had an in-depth discussion regarding the Roebling Bridge closure and the hardships that TANK was facing due to the closure. He reported TANK has added another bus to help riders due to the closure and the additional cost we are incurring. We are hoping the repair is complete prior to the proposed June 1st date announced.

Mr. Aiello reported we have updated our detour routing to make it more direct during the bridge closure. He indicated the P & M Committee and Operations & Safety Committee discussed how we might react to the closure, other than just changing our detours. The question was raised about what if anything we could do to lessen the burden on our customers and riverfront businesses during the closure. The Staff investigated issues and there were two:

1. How long is the Roebling Bridge to be closed? We have been receiving updates from the Transportation Cabinet and as of now we do not have any definitive update on their opening date for the Bridge. Hopefully we will have updates by the end of the week.
2. As suggested by the committee, we tested the scenario about removing the fare from the Southgate Shuttle – operate “Free” until the Bridge opens. He indicated it would be between \$37,000/\$40,000 per month – he explained the impact based on the time period we might use. Mr. Aiello said it would be a simple thing to implement if so desired – it is at the pleasure of the Board.

The Board discussed the impact on ridership we could experience due to the closure of the Bridge due to other options, although more expensive, folks could consider. Mr. Donoghue indicated he was the person that brought this up at Committee due to decreasing ridership over the past couple of years. He said we always seem to be reactive and his thought process was to step out in front of it this time – take advantage of the opportunity to do something for existing passengers and maybe encourage new riders.

Following additional discussion, Mr. Aiello said this decision is completely at the pleasure of the Board and staff will follow your recommendations. We need to know how much you wish to spend on the effort and for what period of time are you willing to do this promotion. A fare change is a policy decision of the Board.

Mr. Ellerman made a motion to go forward with the promotion of “Free” ridership on the Southbank Shuttle April 12th through May 31st. Mr. Sogar seconded the motion. MOTION PASSED.

- Mr. Kuehne reported the Committee reviewed the marketing plan that is currently in place. He also reported the Covington Transit Center is currently closed for concrete work and is scheduled for re-opening on April 30th.

OPERATIONS & SAFETY COMMITTEE – Mr. Sogar

- Mr. Sogar reported Mr. O’Leary, Director of Operations, informed the committee about our recent uniform initiative and the importance of looking professional. There have been full length mirrors installed in the Operators Lounge and outside the RAMP Dispatch window. With these efforts we have started to see a more professional-looking workforce.
- Mr. Sogar reported Mr. Lockman informed the committee we ended the month of March 2018 with only three preventable accidents compared to last March when we had six. This is the eighth month in a row where we have exceeded our goal. He said Mr. Lockman reported the 3 preventable accidents came out to 2.9 per 400,000 miles driven. Year-to-date it come out to 12 preventable accidents or 3.88 per 400,000 miles driven. Last year at this time, we had 18 preventable accidents of 5.53 per 400,000 miles driven. We continue to share the good news with drivers whenever possible.
- Mr. Sogar reported Mr. O’Leary informed the committee about the *New Bus Equipment Committee*. The *New Bus Equipment Committee* is made-up of Bus Operators, Supervisors and Managers. What this committee did was go over the features of a bus that an operator would like to see, deficiencies, safety related items and other things. Mr. Sogar indicated they compiled a list that will be consulted as part of the bus build. It gives the employees buy-in and an opportunity to contribute to something outside of their daily work routine.
- Mr. Sogar said Mr. Busofsky reported Opening Day is typically one of the busiest days of the year for the Southbank Shuttle. This year was different as the parade was not held on Opening Day. He reported Mr. Busofsky reviewed the statistics and it showed we were down about 11% from last year, but when you take into account the parade was not held on Opening Day and that Opening Day was moved at the last minute back one day, he felt the 11% was understandable.

- Mr. Sogar announced we have hired a new Director of Maintenance, Mr. Bill Hock. Mr. Hock started work on Monday. Mr. Hock worked for Cincinnati Metro for twenty years in almost every area of the Maintenance Department and we welcome him to TANK.

Mr. Donoghue congratulated the Operators, Supervisors, Staff and Maintenance for a job well done as shown by our excellent safety numbers....thank you for a job well done.

GENERAL MANAGERS REPORT – Mr. Aiello

- Mr. Aiello reported on the following:
 - Mr. Aiello reported we continue our FY 2019 budget process. We met with the three County Administrators today to go through the budget.

GENERAL COUNSEL REPORT – Mr. Duncan

- Mr. Duncan said he did not have a report but would be happy to answer any question or concerns and there were none.

NEW BUSINESS – Mr. Donoghue

- Mr. Donoghue asked for any New Business and there was none.

OLD BUSINESS – Mr. Donoghue

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

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

The TANK Board of Directors meeting adjourned at 6:05 p.m.

Respectfully Submitted:
Nancye McClanahan
Executive Assistant

David L. Anneken, Secretary-Treasurer

Tim Donoghue, Board Chair