

**TRANSIT AUTHORITY OF NORTHERN KENTUCKY**  
**Board of Directors**  
**May 9, 2018**

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The TANK Board of Director's Meeting was called to order at 5:30 p.m. on Wednesday, May 9, 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; 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. Nancye McClanahan, Executive Assistant.

Mr. Donoghue asked for a motion to approve the May 9, 2018 Board Minutes. Mr. Parsons abstained as he did not attend the April 11<sup>th</sup> Board meeting. *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.
  - Mr. Aiello welcomed Mr. Pete Papucci, TANK's new Manager of Buildings and Grounds. He has joined us with many years of experience. We are very pleased to have him on board.
  - Mr. Aiello also announced that Mrs. Lesley Holgate, Assistant Director of Communications & Development, will be moving on to take a part-time position with a local law firm. Mrs. Holgate has been with TANK for fourteen years. She has been a tremendous asset to TANK and has been a huge advocate for transit. She will be missed and we wish her well.

**FINANCE COMMITTEE – Mr. Parsons**

- Mr. Parsons reported the Finance Committee met on Tuesday, May 1<sup>st</sup> at 8:30 a.m. and reviewed the financial conditions of the Transit Authority. He reported Fixed Route ridership is down 5.9% when compared to the same month last year and overall the Fixed Route ridership is down 7.9%. He reported that with the lower ridership the revenues are down \$37,982 for the month. He said on the positive, expenses are down for the month \$74,233 and overall for the year expenses are down \$458,862.00; less than the approved operating budget. Mr. Parsons indicated even though we do not like to see ridership down the fact is it has not negatively impacted our balance sheet, primarily from the fact that the operating costs are down. We continue to talk about ways to increase ridership.
- Mr. Parsons reported for the past couple of months we have been discussing the investment policy of TANK. Mr. Parsons said once a quarter the committee reviews TANK's investments. Currently TANK has over five million dollars in investments - \$3,360,000 is local dollars and the remaining are federal funds that are invested at an average rate of 2.036%. We have been looking into the possibility of amending our investment policy to see if we should go into certain areas that are legal investments but would give us a higher

return while maintaining very safe investments. Mr. Parsons indicated TANK's investment policy is even more restrictive than legally allowed by State law. At this point, we do not have any recommendations as Staff continues to look at the issue closer and will come back with some model investment policies from other organizations. At some point, we may be coming back to you with some updates on our investment policy.

- Mr. Parsons asked Mr. Aiello about the RFP regarding TANK's Benefit Broker. Mr. Aiello reported we received eight proposals – more than we expected. The Benefit Broker helps us plan for and purchase major lines of insurance, specifically health insurance. We go out to bid every five years for a Broker. With this RFP, we were surprised with the number of good proposals received. With that number we did not feel we had the time to adequately go through them and conduct interviews in time for this meeting. Therefore, we are pushing the timeline to the next committee meeting. Currently we are in the process of conducting the interviews with some of the firms based on the scoring of the proposals and will have a lot more to discuss at the next round of committee meetings.
- **Final Fiscal Year 2019 Operating & Capital Budget**

Mr. Parsons reported the three counties appear to be supportive of the draft Budget that was recommended by the Board back in March. Therefore, the finance committee voted to recommend to the Board to approve the Final Budget that is in your packet. The Final Fiscal Year 2019 Operating & Capital Budget is identical to the draft budget the Board approved in March.

- *Mr. Parsons, as recommended by the Finance Committee, made a motion asking the TANK Board of Directors to approve and adopt the Final FY 2019 Budget as presented. Mr. Voelker seconded the motion. MOTION PASSED.*

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

- Mr. Kuehne reported the Planning & Marketing Committee did not conduct a meeting. He said, as approved at last month's Board meeting, TANK would provide rides on the Southbank Shuttle for *Free* through the month of May. He asked Mr. Aiello for an update. Mr. Aiello reported the promotion has been well received by the passengers that were inconvenienced by the closure of the Roebling Bridge. He indicated we are continuing to track the numbers. We have received a lot of positive feedback from Operators and riders. In the first week of May, ridership is up 17% over the same period last year. The *Fare Free* promotion is going well.

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

- Mr. Sogar reported the Operations & Safety Committee did not conduct a meeting. Mr. Donoghue asked Mr. Aiello for an update. He reported we had another good month with only 5 Preventable Accidents and we exceeded our goal of 5.2 accidents per 400,000 miles

driven. Mr. Donoghue noted the accidents were all minor in nature. Mr. Aiello referred to the information within the Board packets.

**GENERAL MANAGERS REPORT – Mr. Aiello**

- Mr. Aiello reported on the following:
  - Mr. Aiello reported during the month of April we were heavily involved with Union Contract Negotiations. He said Negotiations have gone very well and during our Executive Session, at the conclusion of the Board meeting, he would provide an update.
  - He reported from the Operations side a lot of things have been changing – the new Director of Operations has been looking at our business from a slightly new perspective and finding opportunities to make improvements.
  - Mr. Aiello reported in April we kicked off a project “*Maintenance Blitz*” where we had Staff in the garage to make sure vehicles were fit for pull-out. Also, Operations staff has been doing “*ride alongs*”. Managers have taken the time to ride both fixed route and RAMP service so they could interact with the operators and passengers.
  - He reported we are now celebrating folks that are coming out of Training with a graduation. We want to let them know we are thrilled to have them on the TANK team. A lot of good things are going on – a lot of positive energy.
  - Mr. Aiello said on the Maintenance side we are staffing up. We have had a number of unfilled positions within the Maintenance Department so Mr. Hock and his team are making sure we are up to speed. Mr. Aiello again welcomed Mr. Papucci to the TANK team.
  - Mr. Aiello said within the Planning & Marketing area we will be hiring a marketing manager to fill the position that Mrs. Holgate that will be leaving. We will keep you posted as we move along.
  - Also, Mr. Aiello informed the Board TANK will again participate in “National Bike to Work” day – Friday, May 18th. Individuals that bring their bikes to the bus are allowed to ride *Free* for the day. We have done this for many years with very minimal revenue impact.

Mr. Kuehne asked Mr. Aiello to inform the Board about the various committees where you represent TANK. Mr. Aiello reported TANK is represented far and wide throughout the community – they include:

- OKI. Mr. Aiello said he sits on the Policy Level Board and Mr. Busofsky, Manager of Planning, sits on the Technical Committee of OKI.
- TANK is represented on the Northern Kentucky Workforce Investment Board.
- TANK is represented on a couple of Board/Committees at NKU.
- Our Staff participates in the Northern Kentucky Emergency Management Committee.
- Many others

**OLD BUSINESS – Mr. Donoghue**

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

**NEW BUSINESS – Mr. Donoghue**

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

**GENERAL COUNSEL REPORT – Mr. Duncan**

- Mr. Duncan reported the Board will meet in Closed Session.

Mr. Donoghue said as there was no Old or New Business the Board would go into *Executive Session pursuant to KRS 61.810(1)(f) to discuss personnel matters and pursuant to KRS 61.810(1)(e) for discussion related to collective bargaining negotiations.*

*Mr. Voelker made the motion to go into Executive Session. The motion was seconded by Mr. Kuehne. MOTION PASSED.*

*Mr. Kuehne made the motion to come out of Executive Session. Mr. Ellerman seconded the motion. MOTION PASSED.*

Mr. Donoghue reported that *no action* was taken during the Executive Session.

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. 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