

**TRANSIT AUTHORITY OF NORTHERN KENTUCKY**  
**Board of Directors**  
**April 12, 2017**

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The Board of Directors meeting was called to order at 5:30 p.m., Wednesday, April 12, 2017 in the Conference Room of the TANK office, 3375 Madison Pike, Ft. Wright, Kentucky by Mr. Ed Kuehne, Board Chair. Mr. Kuehne requested all to stand for the Pledge of Allegiance.

Mr. Kuehne called the roll due to the absence of Mr. Dave Anneken the Secretary/Treasurer. In attendance were: Mr. Ed Kuehne, Board Chair; Mr. Timothy Donoghue, Board Vice-Chair; Mr. Brian Ellerman; Mr. Steve McCoy; Mrs. Jean Miller; Mr. Jim Parsons; Ms. Jody Robinson; Mr. Dave Sogar; Mr. Bill Voelker; Mr. Andrew Aiello, General Manager and Mr. Mike Duncan, Legal Counsel.

Absent from the meeting was: Mr. Dave Anneken, Secretary/Treasurer and Mrs. Nancy McClanahan, Executive Assistant.

Mr. Kuehne reported the first order of business was to approve the minutes of the Special Board Meeting which was held on the afternoon of March 8, 2017. ***Mr. Sogar made a motion to approve the minutes of the Special Board Meeting which was held on March 8, 2017. Mr. Donoghue seconded the motion to approve the minutes of the Special Board Meeting. MOTION PASSED.***

Mr. Kuehne then asked the for a motion to approve the Board of Directors meeting which was conducted on Wednesday, March 8, 2017 at 5:30 p.m. ***Mr. Voelker made a motion to approve the minutes for the Board of Directors meeting on March 8, 2017. Mr. McCoy seconded the motion to approve the minutes of the Board of Directors meeting. MOTION PASSED.***

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

- Mr. McCoy reported Mrs. Douthat informed the committee about our service reduction proposal and Public Involvement Process. Mr. McCoy reported Mr. Busofsky reviewed the proposed changes with the committee and will provide an overview of the proposed changes this evening.
- Mr. McCoy reported we have put into service, within the past three weeks, our CVG shuttle which is meeting the need of the new DHL shifts. Ridership at this is time is low but it is expected with any new service. We continue to monitor ridership to DHL along with ridership to the CVG Center where all airport property badges and security clearances are obtained. Mr. McCoy reported we are looking at this because when we re-write the #2X we are going to be serving DHL/CVG Center on a continuous trip. We want to make sure we service it in the right way.
- Mr. McCoy reported Mrs. Holgate informed the committee in regard to DHL we have been marketing our service by being at DHL from 10:00 p.m. to 2:00 a.m. certain days to promote

the service. We are also working with their HR team to insure that transit information is included as part of their recruiting and new-hire packet information.

**FINANCE COMMITTEE – Mr. Kuehne**

- Mr. Kuehne reported the committee met on April 4<sup>th</sup> and went over the operational expenses of the organization in depth. Mr. Kuehne reported that TANK's expenses this year are very close to budget.

Mr. Kuehne reported the committee then reviewed the Draft Budget for FY 2018. He emphasized that this is only the "Draft" Budget and it will not be voted on until June after the counties have reviewed the Draft budget and given their approval.

Mr. Kuehne reported we had no other Action Items.

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

- Mr. Donoghue reported that Mr. Lockman informed the committee we had 6 preventable accidents in March compared to 7 preventable accidents March 2016. He said this comes out to 5.71 accidents per 400,000 miles driven. We have not received the actual miles for March but estimate it to be close to 420,000 miles. March 2016 was 6.18 accidents per 400,000 miles driven. Mr. Donoghue said Mr. Lockman was pleased to say we have done better this year. He reported, year-to-date, we are at 18 preventable accidents compared to 17 last year. This puts us at 5.71 accidents per 400,000 miles driven compared to 5.26 accidents for 2016.

Mr. Donoghue said we are keeping track of the experience of drivers compared to accidents that have occurred. He reported of the 18 accidents that have occurred the first three months of this year, 9 operators had less than one year's experience and if you bump it up to two years, 13 of the 18 accidents have occurred with operators with less than two years' experience. Mr. Donoghue said Mr. Berkley pointed out that we have many more operators that fall into this category than we had a few years ago.

Mr. Donoghue said he thinks we are doing very well but if this trend continues he asked if we could have a trainer work with them after six months. Mr. Donoghue reported Ms. Pierce indicated we do have refresher training at six months of employment and every-other year everyone gets refresher training as well.

- Mr. Donoghue reported Mr. Lockman reported on the "Experience Modification Factor". The experience modification factor (Mod Factor) is a number used in the pricing of Worker's Compensation Insurance to adjust the premium upward or down based on an employer's claim history. It is a number that is assigned to a company through their insurance company – they go to an organization called the National Council on

Compensation Insurance. They take a lot of factors into play and come up with a number assigned to TANK or any other industry out there. It gives an idea as to the pricing for Workers Compensation. They take into consideration your payroll, the type of accidents you have, and the type of business you are in.

Mr. Donoghue reported having a Mod Factor of 1.0 indicates an employer's claims performance is average. A factor higher than 1.00 means your premium will be higher than that of the average company in your category. They give you an average over a three year look-back. Mr. Donoghue said Mr. Lockman informed the committee last year we were at 0.76 which is good and this year we are at 0.73. Our experience with Worker's Compensation is generally pretty good – fortunately we do not have many claims, on average 15 to 17 claims per year and they mostly minor in nature.

- Mr. Donoghue said that Mr. Berkley reported we transported 4,333 people on Opening day and that is down considerably from last year. He said the threat of rain all day may have played a factor in lower ridership and ridership at the Levee is not what it once was. He reported it is felt more people are now going to Cincinnati to hang out before the game. We were steady but not the full loads we had in the past.

Mr. Kuehne reported on a daily average, morning and afternoon, we have 108 vehicles on the street. On a monthly basis, we travel approximately 420,000 miles. He reported in February 2016 we transported 284,347 compared to February 2017 where we transported 260,557 riders - a reduction of approximately 8%. Mr. Kuehne said he wanted to point out ridership is down – more folks driving, lower gas prices and it has made a big difference in our budget projections for next year.

### **GENERAL MANAGERS REPORT – Mr. Aiello**

- Mr. Aiello reported on the following:
  - Mr. Aiello presented a short budget presentation. He reported the Board has seen this presentation in a much greater detail. This is a summary of what our budget situation is for this year. It explains some of the forces and trends and really provides a context for why most of you are here this evening – to discuss our service reduction proposals for FY 2018.

Mr. Aiello said we are in the middle of a public involvement process. The recommendation for service reductions have been out publicly for a couple of weeks and will continue to be out for the entire month of April. We will be having other public meetings - we have a meeting in Campbell County next week. We have a telephone “hot line” and an email address for comments.

Our goal today is to provide as much information as we can so you will know about the *why* and the *how*. We also have this meeting so the Staff and Board

can listen. We have been through service changes dozens of times in the past. We are committed to public meetings in order to get feedback prior to making a final decision. Often through comments we receive we have made some adjustments to our initial recommendations where the budget allows.

Mr. Aiello said the first thing will be for him to review the budget and then turn it over to Mr. Busofsky who will provide some technical information about the proposed service changes at which point through *Audience Recognition* we will welcome comment. Our goal is to listen to your comments. He pointed out, for those interested in addressing the Board; there is a sign-in sheet.

Mr. Aiello reviewed the power point presentation for TANK's FY 2018 proposed budget.

Mr. Busofsky said he was going to go over the rationale of the staff in making proposed service reductions. On an annual basis TANK conducts a *substandard route review*. It analyzes all of our local routes and express routes to determine their median criteria and then see what routes fall below that median in three out of four criteria. This is done by taking the total number of hours, total number of miles and total amount of revenue received from these routes.

We then look at four criteria:

1. Passenger trips per revenue mile
2. Passenger trips per revenue hour
3. Cost recovery
4. Net operating cost

Mr. Busofsky reported we have been tracking these routes for a number of years. The service changes include:

- #11 Ft. Thomas/NKU – Recommendation: Consolidate route with the #16
- #20 South Newport – Recommendation: Elimination
- #17 Villa Hills Express – Recommendation: End route at Buttermilk P & R
- #19 Beechgrove Express – Recommendation: Elimination
- #2X Airport Express – Recommendation: Mineola industrial section is moved to the #1X. #2X connection to Dixie Highway is eliminated.
- #9 Taylor Mill – Recommendation: Elimination of low-ridership trips
- #39X Limaburg Express & #40 North Bend Express – Recommendation: Elimination of low-ridership trips.

At the conclusion of Mr. Busofsky's report he indicated due to low ridership these are the proposed routes for elimination or reduction of service.

Mr. Aiello said at this point we will go to the General Counsel's report followed by Audience Recognition.

**GENERAL COUNSEL REPORT – Mr. Duncan**

- Mr. Duncan indicated he had no report to present.

Mr. Kuehne advised those present that one of the things the Board has approved and have purchased is the large buses. He reported that many of the large buses are hybrid buses, operated with battery assistance. By using these buses, our fuel consumption has gone down considerably. Every vehicle we have on the street is paid for by federal dollars – none of the buses are paid for with local tax dollars.

**AUDIENCE RECOGNITION – Mr. Kuehne**

- Mr. Kuehne indicated a number of people have signed-up to address the Board with their concerns. Each person will be given two minutes for their comments. When you come to the podium please provide us your name and your concerns.

Mr. Parsons indicated this is a recommended budget. Until we know if the fiscal courts approve what we recommend, even with these cuts, we don't have those numbers back. He said, even if we approve the budget as presented, with the recommendations, if we don't get the request we make to the fiscal courts, we may have to make other adjustments. Ultimately what happens, we put a budget together, it goes to the fiscal courts and they then approve it or not.

Mr. Aiello said this was a good point and thanked Mr. Parsons. He indicated once we have a *final* public involvement report, with all of the comments received through the different avenues, it will be provided to the fiscal courts as well.

Mrs. Douthat then indicated as she calls a person's name please come to the podium to identify yourself and you have two minutes to address the Board.

1. Gerald Blum – Mr. Blum expressed concern regarding the #9. He indicated it was important for him to use the 3:15 p.m. bus to get to his doctor. He also mentioned the needs for kids to ride the bus.
2. Debbie Smith – Ms. Smith indicated she was here along with 8 other people that ride the #19X. She said most of the people have taken the TANK bus for over 20 years. They even help a blind lady that rides the bus and she has no other means of transportation. Would it be possible to combine the #19X with the #18X? She feels it is unfair to eliminate this route.
3. Eric Rolf – Mr. Rolf expressed similar concerns as Ms. Smith did about the #19X. He has used TANK for many years and works at the Levee. Due to round-about construction he is not riding the bus. He expressed concern about attitude of some

drivers and reliability. He complimented Mrs. Douthat and Mrs. Holgate – they don't always agree but always very nice to work with. The group on the #19X is a family.

4. Jacquelyn Wolfe – Ms. Wolfe said she has been riding TANK for a long time. She indicated she is visually impaired. At this time she walks ¼ mile to the bus stop. If the #19X is eliminated she would have to walk 2 miles to get a #1 and that would be too much of a hazard for her. Please reconsider your decision.
5. Mary Jane Uhl – Ms. Uhl said she has been riding TANK for 47 years – she lives off of N. Ft. Thomas Avenue. She feels there is more ridership than we are aware of and wonders if the farebox is providing accurate information. She along with other riders are just plain people trying to make a living and get to work. Please reconsider.
6. Karen Massaron – Ms. Massaron indicated she also rides the #11 and has done so for over 20 years as she works in downtown Cincinnati. Please consider keeping the peak hours in the morning as ridership is heavier at that time. Going to the Newport Pavilion she does not feel is a good option and there are no Park & Ride locations for consideration.
7. Gary Foose – Mr. Foose expressed his concern regarding the #11. He rides TANK 3 to 5 times a week. Mr. Foose asked TANK to reconsider keeping service for the #11 during the peak period time. Thought perhaps ridership was lower due to the construction of the round-about near the Levee. Asked if we had considered a fare increase – maybe 5%. Thanked the Board for their service.
8. Bob Yoder – Mr. Yoder indicated he was a resident of Newport and has worked on economic development within the city. He expressed his concern about the #20 and with its reduction of service the impact it would have on the part of Newport with lower income.
9. Marjorie Hull – Ms. Hull expressed her concern regarding the #11. For 5 years she has taken the 7:09 a.m. The service is reliable and she purchases a monthly pass at the Mercantile Building. Over the years she has observed the three types of people that ride TANK. They include those that ride for convenience, economics and those that ride out of necessity. She indicated there are 20 people that consistently ride the bus and she provided their names to the Board. Please help us keep the #11.
10. Carol Beiting – Ms. Beiting indicated she has ridden the bus since 2012 -#19X. Lives by herself and depends on TANK for transportation. Plus, she knows that many kids take the bus home after school.
11. Michelle Leong – Ms. Leong spoke about the #19X. She said we like our bus and have used TANK for a long time. Have we considered combining the #18X and the

#19X? The riders proposed reducing service to 2 buses in the morning and 2 buses in the afternoon.

12. Laura Jones – Ms. Jones said she was part of the #19X group and had a question. In listening to conversation she hears TANK has new routes to Amazon in Hebron. What are you doing to increase ridership for the older routes? The people at the meeting tonight are not filled with young professions but with 20 year plus riders so what is TANK doing to increase this ridership on the exiting routes?
13. Anna Mitts – Ms. Mitts said she was also a #19X rider and rides the bus for safety.

Mr. Aiello thanked everyone for attending and expressed appreciation for the comments. He said “We hear you”. Mr. Aiello also appreciated the comments regarding TANK’s out-reach efforts – we can always do a better job. We have sent this message out by text alerts, email alerts, website, bus postings, and newspapers and we can use your help in spreading the word. Again, we appreciate your feedback.

Mr. Aiello also said from a transit perspective, we believe in public transit – it is very important. Our staff believes in our mission and works hard to provide the best service possible as we know what it means to those that ride.

When it comes to considering these alternatives and considering what we can do we are still faced with some very serious decisions we must make. He said every email/suggestion that comes through spurs discussions about ways to further refine the recommendations to have the least impact possible within the existing constraints. If there is perception that decisions have been made already that is not the case. He thanked them for their time, their commitment and their patronage to TANK.

Mr. Kuehne thanked everyone for their attendance at tonight’s Public Hearing. He indicated at the close of this Board meeting we will be here to talk with you and listen to your concerns for another half hour. He recommended they attend their fiscal court meetings and express their concerns. When asked, Mr. Aiello said that all final service adjustments will be distributed by email alerts, text alerts, Facebook page, and our website. All final adjustments will be provided well before they hit the street which is currently planned to happen in August.

**OLD BUSINESS – Mr. Kuehne**

- Mr. Kuehne asked for Old Business and there was none.

**NEW BUSINESS - Mr. Kuehne**

- Mr. Kuehne asked for New Business and there was none.

**Board of Directors**  
**April 12, 2017**  
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*Mr. Kuehne requested a motion to adjourn the meeting. Mr. Donoghue 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 6:50 p.m.

Respectfully Submitted:  
Nancye McClanahan  
Executive Assistant

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**David L. Anneken, Secretary-Treasurer**

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**Ed Kuehne, Board Chair**