

TRANSIT AUTHORITY OF NORTHERN KENTUCKY
Board of Directors
August 9, 2017

The Board of Directors meeting was called to order at 5:30 p.m., Wednesday, August 9, 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 called the roll. In attendance were: Mr. Timothy Donoghue, Board Chair; Mr. Scott Guenther; Mr. Ed Kuehne; Mr. Jim Parsons; Mr. Bill Voelker; Mr. Andrew Aiello, General Manager; Mr. Mike Duncan, Legal Counsel; Mr. Dave Anneken, Secretary/Treasurer and Mrs. Nancy McClanahan, Executive Assistant.

Absent from the meeting were Mr. Brian Ellerman, Vice-Chair, and Mr. Dave Sogar.

Mr. Donoghue said prior to the start of the committee reports, he wanted to welcome TANK's new Board member, Mr. Scott Gunther and asked Mr. Guenther to introduce himself. Mr. Guenther reported he was appointed by Judge Knochelmann of Kenton County and approved by the Fiscal Court. He indicated he was very proud and privileged to serve on this Board along with all of you. Mr. Guenther reported he is an attorney practicing in Covington with Adams, Stepler, Woltermann & Dusing since 1999 and has been practicing law since 1993. He and his wife live in Edgewood. They have three sons. Again he said he is happy to be here and looking forward to serving.

Mr. Donoghue requested a motion to approve the minutes of July 12, 2017 Board Meeting. ***Mr. Kuehne made a motion to approve the July 12, 2017 Board minutes. Mr. Parsons seconded the motion. MOTION PASSED.***

PLANNING & MARKETING COMMITTEE – Mr. Kuehne

- Mr. Kuehne indicated the committee discussed the *Business Outreach and Pilot* programs. He reported we are working closely with CVG Airport, DHL and Amazon. Mr. Kuehne indicated Mr. Aiello would provide information on these programs during his GM Report.
- Mr. Kuehne reported the committee discussed *Regional Transit*. Mr. Kuehne indicated we have been having discussions with elected officials regarding a regional (multi-state) transit system. Mr. Kuehne said we will continue to have these discussions and provide our cost of operation to officials when asked.
- Mr. Kuehne reported the committee discussed the problems we are experiencing with the Brent Spence Bridge during the construction period. He indicated we are doing our best with the delays we are dealing with every day. He complimented and thanked the bus operators for their hard work. He said we are doing everything possible to meet the needs of the passengers during this difficult time.

FINANCIAL COMMITTEE – Mr. Parsons

- Mr. Parsons reported the committee met August 1st and reviewed the financial statement ending June 30th. He indicated it was actually our year-end report. Mr. Parsons reported that overall our ridership is trending down which has impacted revenue. He reported that overall, our expenses were still under budget but we did end up with a loss due to revenue issues relative to the ridership situation.
- Mr. Parsons reported the committee reviewed the Quarterly Investment Report.
- Mr. Parsons reported TANK has a new auditing firm, *Clark Schaefer Hackett*. They will be on site August 14th to get their work started.
- Mr. Parsons reported currently we do not have a contract for paratransit vehicles – *Demand Response Vehicles*. Mr. Parsons said we found an existing contract with TARC that we can purchase some paratransit vehicles off of. The price for each vehicle is \$67,900.00 and we believe that is a good price.

Mr. Parson made a motion, as recommended by the Finance Committee, for the Board to approve the purchase of thirteen (13) Rohrer Buses at a cost of \$67,900.00 per unit plus a three percent (3%) contingency for vehicle technology equipment and final design for a total of \$909,181.00 with the delivery date to be February of 2018. Mr. Parsons indicated these funds are in the budget and are federal funds that will not affect our local funds. The motion was seconded by Mr. Kuehne. MOTION PASSED.

- Mr. Parsons reported the committee had a detailed discussion that staff provided about “ridership trends” over the past many years and how different issues are affecting the trends in bus ridership. He reported staff would be going back to review and get some additional information. We are not only looking closely at trends but understanding where we have been and what is happening that might help us make some recommendations for the best way to move forward to address the needs of the future.
- Mr. Parsons said in addition we did discuss the Brent Spence Bridge construction impact. We did commend staff on dealing with a very difficult situation.

OPERATIONS & SAFETY COMMITTEE – Mr. Donoghue

- Mr. Donoghue reported that Mr. Lockman informed the committee we had 8 preventable accidents in July compared to 4 preventable accidents in July 2016. He reported year-to-date, we are at 48 preventable accidents compared to 47 last year. Mr. Donoghue said Mr. Aiello reported we are very close to our goal for 2017 and Mr. Lockman agreed. Mr. Donoghue said Mr. Lockman advised the committee he is looking at the service years and accidents are still trending a little bit toward those with less than two years of service. He indicated the report showed five accidents with folks with less than 2 years and 3

accidents with those that have more than 2 years of service. He indicated Mr. Lockman has talked to some of the instructors about this trend and they are helping to address the issue.

Mr. Donoghue reported we operated over 400,000 miles and of the 8 accidents, 3 of these accidents were actually in the garage. Of our 8 accidents, we only had 5 accidents on the road and with all of the construction that is going on that is pretty remarkable. We will continue to make efforts to improve our driving record.

GENERAL MANAGERS REPORT – Mr. Aiello

- Mr. Aiello reported on the following:
 - Mr. Aiello reported we are off and running with the Medicaid service. TANK is a subcontractor to the Broker that is new to our region. Medicaid service will be a source of positive revenue for the agency. We had short notice in terms of what we had to do to get up and running. Through the State we had to receive certain sign-offs and Medicaid numbers. We had to train operators in a way that is particular to the Medicaid contract and we had to have vehicles inspected to meet the Medicaid requirements. Mr. Aiello indicated that Mr. Kail Clifton was responsible for managing that process and he did an excellent job. Mr. Aiello reported we are starting our second month of service for Medicaid. We are being reimbursed for this service between \$23.00 to \$26.00 per client compared to the current rate of \$2.50 per trip on the RAMP system. This is a significant increase in revenue and a way to off-set some of the RAMP expenses. So far all is working well and we are having a good experience coordinating with our Broker.
 - Mr. Aiello reported on TANK's *Business Outreach*. We are always communicating with major employers in the region. Mrs. Holgate, Assistant Directors of Development, is responsible for building those relationships with the employers and understanding their shift times and needs. We are again looking at making adjustments to our airport service to make sure we are meeting the needs of DHL and Amazon Prime Air.

In regard to Hebron, our planning and scheduling staff is looking at how we can meet their needs. There is some discussion about another Amazon facility that is being constructed in Hebron that will employ another 1,500 folks so we are trying to adjust our service there as well.

Mr. Aiello reported that when we try to grow a service we do it under a *pilot* which means that company pays for our incremental costs for the service. We see what kind of ridership we get from the service and then come back to the Board and counties to see if we will adopt it. If the ridership is not good the company generally does not elect to keep it. Currently, in Kenton County, we serve Convergys 5 days a

week. This month, TANK will pilot a weekend service to this area and Convergys will pay for the pilot program to assist their employees in their call center.

- Mr. Aiello reported we have begun the interviewing process for the Assistant Director of Maintenance. We have had some well qualified candidates to consider.
- Lastly, Mr. Aiello said he wanted to reiterate the comments from the Board members in expressing his appreciation for the excellent job the staff, management team and maintenance staff has been doing during the bridge construction. Most especially, a big thank you to the Operators who have been bearing the brunt of the difficulties in dealing with the construction and delays over the past six weeks. Again thanks for a great job.

Mr. Donoghue said he wanted to thank him and the staff and actually all of the Board members for getting the Medicaid up and running. We have been dealing with the project for quite a while and he feels we got in at the right time. Mr. Donoghue thanked all involved.

AUDIENCE RECOGNITION – Mr. Donoghue

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

OLD BUSINESS – Mr. Donoghue

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

NEW BUSINESS – Mr. Donoghue

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

Mr. Donoghue requested a motion to adjourn the meeting. Mr. Parsons 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 5:45 p.m.

Respectfully Submitted:
Nancye McClanahan
Executive Assistant

David L. Anneken, Secretary-Treasurer

Tim Donoghue, Board Chair