

TRANSIT AUTHORITY OF NORTHERN KENTUCKY
Board of Directors
September 13, 2017

The Board of Directors meeting was called to order at 5:30 p.m., Wednesday, September 13, 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.

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

Absent from the meeting was Mr. Dave Anneken, Secretary/Treasurer.

Mr. Donoghue requested a motion to approve the minutes of August 9, 2017 Board Meeting. ***Mr. Parsons made a motion to approve the August 9, 2017 Board minutes. Mr. Kuehne seconded the motion. MOTION PASSED.***

PLANNING & MARKETING COMMITTEE – Mr. Kuehne

- Mr. Kuehne reported the committee met on Tuesday, September 5th. Mr. Kuehne reported the committee was informed about the plans for the upcoming videos regarding ridership on the TANK buses. The videos will include:
 - Two 30-second videos
 - 1 video to promote our Park & Rides and that will be used in our corporate outreach.
 - 1 video for Local Service. These commercials will highlight services that TANK provides.
 - One 60-second video for TV
 - This video will promote all of TANK's services

The videos will be on social media, TV and we will also send the videos to our corporate partners.

- Mr. Kuehne reported the committee was informed about two grant applications that we submitted – one for a *CMAQ Grant* (Congestion Mitigation) through the State of Kentucky for four hybrid electric buses. We are asking for 2.2 million dollars in federal funds.

Mr. Kuehne reported the seconded application is for a *5339 Bus and Bus Facilities Grant* – also for hybrid buses. We are asking for 3.3 million in federal funds.

- Mr. Kuehne reported TANK was recently presented two awards from the Kentucky Public Transit Association (KPTA). He asked Mr. Aiello to provide the update. Mr. Aiello reported KPTA meets every two years in Lexington for the statewide KPTA conference. It is a group of all of the transit agencies in the State of Kentucky along with some of our partners from the Federal Transit Administration (FTA). They have a process through which they present awards to agencies throughout the State.

Mr. Aiello indicated TANK did not apply for any awards. However, TANK received two awards; *Statewide, Best Transit Website* and the *Statewide Overall Transit System Award for 2016-2017*. Mr. Aiello thanked the staff for the work they do each day along with the Board for their leadership. He said the recognition was well deserved for the Operators and Maintenance folks that are out there every day to make sure the work gets done.

FINANCE COMMITTEE – Mr. Guenther

- Mr. Guenther reported the committee met on Tuesday, September 5th and reviewed the July FY 2018 statements. He reported fixed route ridership was down 5.2% and the demand-response ridership was up 2.8% for July which he said is a reflection of the Medicaid service that began in July.

Mr. Guenther reported TANK operated \$24,627 more than the approved operating budget for July. He indicated this is a direct result of delays from overtime experienced due to the Brent Spence Bridge construction – fortunately we are through that now.

- Mr. Guenther reported we discussed the purchase of five hybrid buses that will take place over the next year and a half. We are moving toward issuing a purchase order to Gillig with the anticipated date of delivery of March, 2018. The Board will be kept informed as the order moves along.

Mr. Guenther reported the committee discussed a combined RFP for our next fixed-route bus purchase. We are moving forward with that as well along with other transit authorities throughout Kentucky. At this time, Louisville, Lexington and a few others are on board. Currently, we are working on the RFP. We will put together all of the technical specs and boilerplate information and then send it out to the other systems for their review/comments. He said we hope to have all of this done by November. Our goal is to do a joint RFP with other systems in Kentucky for fixed route buses to get better pricing associated with a larger contract.

- Mr. Guenther informed the Board that the committee discussed the *Kentucky Infrastructure Coalition*. He indicated we will be working with the Kentuckians for Better Transportation which has convened a group called the *Kentucky Infrastructure*

Coalition. TANK is a member of the Coalition (along with Boone County Judge-Executive, Gary Moore) and we will be working as part of this team to help address our funding challenges in Frankfort.

- Mr. Guenther reported to the Board we have begun the *fare analysis* as requested by the Campbell County Fiscal Court. The Board will be advised as we move forward.

OPERATIONS & SAFETY COMMITTEE – Mr. Sogar

- Mr. Sogar reported Mr. Lockman informed the committee that he was pleased that we only had two preventable accidents in the month of August compared to 14 preventable accidents last August. That comes out to 1.9 accidents per 400,000 miles. He reported year-to-date, we are at 50 preventable accidents compared to 61 last year.
- Mr. Sogar reported Mr. Berkley said fortunately the bridge construction is complete – we really had a rough two months. He reported we had to use almost every operator that was available to keep service on time, but we made it work.
- Mr. Sogar reported it was a great day for Riverfest. Ridership for the event was down a little at NKU – 2,400 trips this year compared to 2,800 trips last year. He said Mr. Berkley said, however, we did make more money as expenses were down. Last year we made \$469.00 and this year we made \$659.00.
- Mr. Sogar reported Ms. Pierce and Mr. Berkley will be retiring in 2018 and we have put together a transition plan. He informed the Board that Mr. Aiello advised the committee we are now advertising for the Director of Operations position and have received a number of applicants and interest. Our goal is to get the person hired prior to the end of the year – leaving a three month overlap with Terri and Gary.

Mr. Donoghue expressed his appreciation to Andy and everyone in attendance along with the drivers and maintenance people for their work during the two months of the bridge construction. For everything that you had to do we got through it and he wanted to thank everyone at TANK. Plus....during all of that rush we had, it was the best month for accidents! We only had two accidents and that was exceptional. He just wanted to thank everyone. Mr. Sogar suggested we prepare a *thank you letter* to give to all of the operators and maintenance people to show our appreciation for the job they did during the bridge construction.

GENERAL MANAGERS REPORT – Mr. Aiello

- Mr. Aiello reported on the following:
 - Mr. Aiello said, circling back on the Brent Spence Bridge Construction and the traffic and delays, you saw the financial statement from July at the September committee meetings and at the next meeting you will see the same trend for August. Those two months, we experienced a significant amount of delays therefore we had to pay overtime to cover the delays and that impacted our financial statement in a negative way.

He reported two things that will happen:

1. As the bridge is now open, the delay has been dramatically reduced. It was the decision of this Board and our management team to make sure to get passengers where they needed to go even though there were delays and cost associated with it. We are committed to making up that delay and making sure over the next ten months to stay within budget.
 2. The other thing is our *August pick* that went into effect on 8/12 - this included a service cut that was planned in association with our FY 2018 budget. That *pick* primarily impacted Campbell County. This will help further the reduction in our expenses and bring back into budget.
- Mr. Aiello reported we are continuing to seek *grant* opportunities. The grants mentioned earlier were the *CMAQ Grant, the 5339 Bus and Bus Facilities Grant* and the *VW Settlement funds*. He said we receive a certain formula allocation from the federal government each year that allows us to purchase buses. That alone is not enough to sustain our bus replacement program, so it does take these efforts to go out and be competitive. Mr. Busofsky and the Planning Department continue to search for these opportunities.
 - Mr. Aiello reported on the *Kentucky Infrastructure Coalition* group. They continue to meet and the Coalition continues to get bigger. He reported, the Coalition is now up to over forty members and they met last week in Frankfort. The group represents a lot of different industries – agriculture to road builders to transit to waterways and railroad. Their message is really strong; current funding levels in the State of Kentucky are inadequate to maintain our infrastructure.

The Coalition has identified the problem and is now working on a solution. What we hear in the news is the State of Kentucky is going to struggle to

balance its budget due to the pension situation. What we need to know is transportation funding is, for the most part, outside of the general fund budget. So there are opportunities to fix our infrastructure problem and deal with infrastructure funding which is separate from the pension and those issues. The gas tax, at the State level, cannot be used for pension. Mr. Aiello said the discussion in Frankfort is rather grim but we will continue to have this infrastructure discussion.

- Mr. Aiello thanked everyone involved with Riverfest. We had a good day. We do not spend a lot to promote Riverfest as our goal is break even. It is a community service that we provide getting folks to and from the riverfront for the fireworks safely. It was a successful event.
- Mr. Aiello reported the search for the Assistant Director of Maintenance is complete. An announcement will be out next week after we get everything finalized.
- Mr. Aiello announced we are approaching TANK's 45th Anniversary. So there will be discussion with the Board on how we will be promoting the celebration.

GENERAL COUNSELS REPORT – Mr. Duncan

- Mr. Duncan reported each year our auditors conduct an audit to determine the financial position of the organization. Each year the auditors ask us, as the attorney's, to give our opinions based upon claims and litigation as it might reflect on our financial position. Mr. Duncan said he has been working on that for thirty years and this year he is pleased to inform the Board that is the absolute lowest number of lawsuits pending that he can remember. Mr. Duncan said he can attribute that to a number of factors.
 1. The Board and the management's focus on safety.
 2. The Operators carrying out the work safely and the Maintenance Department for keeping the equipment safe.
 3. Bob Lockman, TANK's Risk Manager, his excellent claims handling practices and working with us when there is litigation.
 4. He said he also attributes our success in keeping litigation down and being successful in litigation to the best witnesses you can have – the video cameras on our buses.

Mr. Donoghue said before going further he would like to introduce our newest member to our Board of Directors from Boone County, Laura Thompson. He asked that she introduce herself.

She said her name was Laura Webb Thompson from Boone County. Ms. Thompson said for the past twelve years she worked in Human Resource for Toyota. They moved to Texas and she now works for Toyota Boshoku. Judge Gary Moore appointed her to the TANK Board and she is excited to serve.

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. Kuehne 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 5:50 p.m.

Respectfully Submitted:
Nancye McClanahan
Executive Assistant

David L. Anneken, Secretary-Treasurer

Tim Donoghue, Board Chair