

TRANSIT AUTHORITY OF NORTHERN KENTUCKY
Board of Directors
September 11, 2019

The TANK Board of Directors meeting was called to order at 5:30 p.m. on Wednesday, September 11, 2019 at the TANK Offices at 3375 Madison Pike, Ft. Wright, KY 41017 by Mr. Ed Kuehne, Board Vice-Chair. Mr. Kuehne requested all to stand for the Pledge of Allegiance.

In attendance were: Mr. Ed Kuehne, Vice-Chair; Mr. Tim Donoghue; Mr. Scott Guenther; Mrs. Gina Rittinger; Mr. Dave Sogar; Mr. Bill Voelker; Mr. Andrew Aiello, General Manager; Mr. Mike Duncan, Legal Counsel and Mrs. Nancy McClanahan, Executive Assistant/Board Secretary.

Absent from the meeting was: Mr. Brian Ellerman, Board Chair; Mr. Jim Parsons and Ms. Laura Thompson.

Mr. Kuehne asked for a motion to approve the August 14, 2019 Board Minutes. *Mr. Bill Voelker made a motion to accept the minutes of August 14, 2019. The motion was seconded by Mr. Tim Donoghue. MOTION PASSED.*

Prior to starting the Board meeting, Mr. Kuehne read a few words pertaining the 18th anniversary of September 11, 2001 and asked for a moment of silence.

AUDIENCE RECOGNITION – Mr. Kuehne

- Mr. Kuehne asked if there was any audience recognition and there was none.

FINANCE COMMITTEE – Mr. Guenther

- Mr. Guenther reported the Finance Committee met on Tuesday, September 3rd, 2019 and reviewed several items. He reported the first item of business was a Legislative update provided by Mr. Aiello. He said Mr. Aiello outlined our efforts in Frankfort, especially the Toll Credit issue which is the primary focus for this fiscal year. Mr. Guenther reported Mr. Aiello has enlisted the help of the Northern Kentucky Chamber as well as becoming involved with the Kentucky Chamber's Infrastructure Council where they will help push this Legislative item. Mr. Guenther informed the Board that after this fiscal year there are no promises that Toll Credits will be available.
- Mr. Guenther reported on the current year-to-date financial statement that is the first month of the new fiscal year. He reported ridership was down 0.8%.

Mr. Guenther reported, in regard to our revenues and operating expenses, we are seeing a trend of less revenue than budgeted - \$43,382 less than budgeted for the month. However, the good news was we operated \$200,388 under the operating budget for July. With that being said, for TFY20 year-to-date, TANK used \$165,707 less operating assistance than budgeted, in order to balance operating expenses and revenues.

- Mr. Guenther reported the committee discussed *Advertising Naming Rights*. He indicated this information was presented to all of the committees. The Finance Committee discussed primarily two potential approaches for consideration – one approach was a complete “rebrand” and the second was a “sponsorship” model. There are pros and cons to each option and we the committee recommended proceeding with both – it is important to continue to explore ways to generate more outside revenue for the system.
- Mr. Guenther reported the committee discussed briefly the Mt. Zion Road right-of-way purchase. We discussed the recent negotiations with the Kentucky Transportation Cabinet and reported the process is complete and we have received the check from KYTC in the amount of \$165,500 in accordance with the negotiation agreement.
- Mr. Guenther reported we discussed the TANK Targets Strategic Plan.

PLANNING & MARKETING COMMITTEE – Mr. Kuehne

- Mr. Kuehne requested Mr. Aiello to provide an update on the System Redesign. Mr. Aiello reported, at the end of August we held a series of meetings relative to our System Redesign – a Stakeholder group, Discussion group and a Public involvement meeting too. He indicated that so far the process has gone well. We had better attendance at our Public meeting than we had anticipated and in regard to our on-line survey response it has far exceeded our expectation with over 600 responses to this point. Mr. Aiello thanked Mr. Busofsky and the consultant team for their work as they begin to draft ideas regarding our future network.
- Mr. Kuehne asked Mrs. Douthat to provide an update regarding Mobile Ticketing. Mrs. Douthat reported we still plan to go live with Mobile Ticketing the week of October 21st. She said at this time there is a lot of coordination taking place with all involved. We plan to do a lot of marketing prior to the rollout. We will be working with Metro and BCRTA from an advertising standpoint but also a lot of grassroots marketing – at our park-n-rides, at our hubs and downtown with one-on-one type of marketing. She said over the next month we will be very busy leading up to the launch.

OPERATIONS & SAFETY COMMITTEE – Mr. Donoghue

- Mr. Donoghue reported the committee met on Wednesday, September 4th. He informed the Board that Mr. Lockman reported for the month we had 8 preventable accidents that came to 7.62 accidents per 400,000 miles driven. Last August, we had 5 preventable accidents that came to 4.76 accidents per 400,000 miles driven. Year-to-date we have had 54 preventable accidents or 6.58 per 400,000 miles driven while last year, at this time, we had 45 preventable accidents or 5.33 per 400,000 miles driven.

- Mr. Donoghue reported that Mr. Hock informed the committee that about a year ago we started a Facility Assessment to address some the deferred maintenance at the nearly 40-year-old facility. We hired MSA Architects to complete the assessment. Mr. Hock reviewed with the committee the draft plan that is it broken out into three phases/categories:
 - 1A – Immediate/Priority
 - 1B – Priority as funding is available
 - 2 – Future items

He said those groups total about \$3, \$4, and \$5 million respectively. As we do not have funding to complete any of these groups in their entirety, we asked MSA to go back and re-work the projects into \$500,000 groupings of similar items based on scope and priority.

Mr. Hock said the report shows the HVAC project that is nearing completion. That project has been funded and is 90% complete. We are also exploring some quotes for garage door fixes throughout the facility – this is a 1A item. These are more urgent items that are being pushed ahead as smaller amounts of funding become available.

- Mr. Donoghue informed the Board that Mr. O’Leary reported Sunday, September 1st was Riverfest and we provided *shuttle service* from Northern Kentucky University (NKU) to Newport. Mr. O’Leary said we sold 1,063 tickets and that equates to 2,126 trips. Along with the Southbank Shuttle (approximately 900 rides) we had a total ridership of 3,002. He indicated that all in all it cost us \$1,500 to operate the service (net after passenger revenue). Part of the cost was the increased Supervisor presence during the event to make sure we had ambassadors in Newport and at NKU.

GENERAL MANAGERS REPORT – Mr. Aiello

- Mr. Aiello reported on the following:
 - Mr. Aiello said the first item will be an *Action Item* that was sent to the Board last week regarding the purchase of Gillig Buses for 2021 delivery. We have been waiting for our bus manufacture to provide us with pricing for the next annual round of purchases. This is part of our five-year contract with Gillig. Every year we get an updated price based on a price index. He asked Mr. Hock, Director of Maintenance, to comment. Mr. Hock said this is a standard Purchase Price Index (PPI) for commercial trucking and buses. This is set by the U.S. government and is included in the contract we have with Gillig. This year the Index is 5.66% or almost \$25,000 per bus.

Mr. Aiello said the request is to allow staff to execute our next purchase order to replace buses from 2006 and 2007. He asked for any questions. Mr. Donoghue asked about the funding for our buses. Mr. Aiello reported the funds come from capital

grants we receive so the purchase of these buses will not impact our operating budget in any way – it is Federal funding.

Mr. Sogar made the motion to accept the proposal as presented in the attached memo. Mr. Donoghue seconded the motion. Prior to the vote Mr. Voelker reported that all of the buses are *American Made* per federal law. Mr. Aiello said it is a requirement by the FTA since we are using Federal funds that the buses have to meet the *Buy America* requirement. Also, there is an audit process and inspection process to insure that the *Buy America* requirements are met. ***MOTION PASSED.***

- Mr. Aiello reported that our hiring efforts are paying off. We are nearly close to being fully staffed and that is the first time in a couple of years – good news. This is a team effort and we appreciate everyone’s hard work.
- Mr. Aiello reported that in addition to our big push on hiring, staff has put forth effort for things happening within the community. The staff has worked on Riverfest and the Kentucky’s Edge Conference that will be coming in a couple of weeks. The conference will require some effort on our part to meet their needs. Also, BLINK will be coming in October. This will require extra effort from staff and most especially from our Operators. We want to thank our Operators and Maintenance personnel for all they do. It will be a busy fall and we appreciate all of their efforts to make it possible.

OLD BUSINESS – Mr. Kuehne

- Mr. Kuehne asked if there was any Old Business and there was none.

NEW BUSINESS – Mr. Kuehne

- Mr. Donoghue said he would like to congratulate our drivers. The roads and traffic are a mess and for us to keep our schedules and the few accidents we experience it shows everyone is doing a great job.

GENERAL COUNSEL REPORT – Mr. Duncan

- Mr. Duncan said nothing of a legal matter to report; however he asked that we keep the family of David Anneken in our thoughts and prayers. Mr. Anneken was a longtime friend of TANK – Board member plus the Secretary/Treasurer for the Board.

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.***

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The TANK Board of Directors meeting adjourned at 5:55 p.m.

Respectfully Submitted:
Nancye McClanahan
Executive Assistant/Board Secretary

Ed Kuehne, Board Vice-Chair

Nancye McClanahan, Secretary