



**TANK Board of Directors Meeting**

November 11, 2020

Call to Order: 5:30 p.m. via Zoom conference

**ATTENDANCE, Board Members:**

- Brian Ellerman, Chair
- Ed Kuehne, Vice-Chair
- Tim Donoghue
- Jim Parsons
- Laura Thompson
- Scott Guenther
- Dave Sogar
- Bill Voelker
- Gina Rittinger

**ATTENDANCE, Staff/Other:**

- Andrew Aiello, General Manager
- Mike Duncan, Legal Counsel
- Gina Douthat, Deputy General Manager
- Sean O’Leary, Director of Operations
- Bill Hock, Director of Maintenance
- Alex Fuchs, Director of Finance

**AUDIENCE RECOGNITION:**

Mr. Ellerman noted that staff will be monitoring the comments section of the Facebook Live event. Staff will relay questions to the Board throughout the meeting. **See summary below.**

**APPROVAL OF MINUTES:**

It was noted by Mr. Voelker that he attempted to connect to the meeting on October 14<sup>th</sup>, but ultimately did not attend. His name will be removed from the list of attendees.

*Motion to approve the October 14<sup>th</sup> Board Minutes as amended.*

Motion: Dave Sogar  
 Second: Tim Donoghue  
 Discussion: None  
 Action: **Motion Passed**, Unanimously

**REPORTS:**

**Pension Committee Report**

Gina Douthat provided the Pension Committee Report. The meeting began at 10:00 a.m. Committee Members present included Chairman Phil Wiedeman, Tim Donoghue and Gina Douthat. John Boland was absent. No action was taken at the meeting.



Guests in attendance were Ken Donaldson and Thomas Poe (US Bank), Paul Thiel (TANK Accounting dept/plan member), Harold Kremer (Barnes Dennig).

Harold Kremer from Barnes Dennig provided a review of the 2019 Plan audit. The Audit was a smooth audit, with no material weaknesses or deficiencies.

Ken Donaldson from US Bank reviewed the performance of the market over the 3rd quarter of the year. Seven months into the COVID19 pandemic, the market has been unpredictable, with lots of ups and downs. The total portfolio balance reported 9/30/2020 is \$12,428,570, up from the July quarter end portfolio value of \$11,860,011.

See notes included in the Board Packet for details.

**September FY21 Financial Statement**

Mr. Fuchs reviewed the September FY21 Financial Statement. Due to the pandemic, we continue to see ridership down about 50% when compared to the same month in 2019. Passenger revenue was \$90,943 more than the monthly budgeted amount and TANK operated \$268,054 under the operating budget for September. For Fiscal Year-to-Date, TANK continues to run under budget by \$762,574. TANK is drawing \$818,000 less in operating assistance than budgeted at this point in the fiscal year.

**Fare Simplification Recommendation**

Mr. Aiello shared an overview presentation with the Board. This information was also covered in the respective committee meetings, so tonight’s remarks will be brief.

He reminded the Board that Fare Simplification was a non-service recommendation for the TANK System Redesign, it is aimed at making our complicated fare structure easier to use, and the recommendation is revenue neutral.

The Board and staff tested a number of simplification scenarios. One scenario (Scenario D) was taken out for public feedback. After an extensive outreach effort, TANK staff collected and summarized the feedback. Overall, feedback was light, most passengers would be positively impacted by the recommendation, but a few important concerns were raised:

- There was some concern about eliminating paper transfers
- There was some concern about increasing the Southbank Shuttle fare by 50%

Based on the public feedback and the Title VI analysis, the Finance Committee Recommendation is to move forward with the Fare Simplification proposal shared with the public with the following adjustments:

- Keep Southbank Fare at \$1.00. A higher fare could be implemented in the future when Route #12 and the Southbank Shuttle combine.
- Keep the \$3.50 Day Pass, keep the \$0.25 Paper Transfer, and offer free transfers on the app.
- Recommend to SORTA to keep M/T 30-Day Pass at \$105.



This adjusted proposal would have no discernable impact on ridership or revenue, and it would greatly simplify the fare structure, reducing the number of fare payment options from 23 to 10.

See Board Packet for presentation and details.

*The TANK Finance Committee recommends that the TANK Board of Directors approve the Fare Simplification Proposal as amended above. This includes a \$1.50 fare for both local and express services, a \$1.00 fare for the Southbank Shuttle, and changes to passes and products as detailed in the presentation.*

Motion: Scott Guenther  
Second: Ed Kuehne  
Discussion: None  
Action: **Motion Passed**, Unanimously

**Cellular Service Contract for Revenue Vehicles**

Mr. Hock informed the Board that TANK is researching costs and vendors to provide cellular service to our fleet. You may recall that TANK has purchased mobile routers for the buses that will enable many of our new technologies (WiFi video upload, passenger WiFi, mobile ticketing, etc.). Cell service is the last piece of this infrastructure that will allow the data to flow and allow these technology projects to be fully implemented.

We reached out to cell service reps in the area, reviewed state contracts, and reviewed the federal GSA procurement list as well. The best pricing we found was on the federal GSA purchasing contract; a Verizon unlimited plan, \$39.99 per month per vehicle which works out to \$5,356.66 monthly, \$64,303.92 annually.

Mr. Sogar asked if we need to outfit all buses at one time. Mr. Hock stated that we need to outfit all 100 fixed-route buses right away and we can delay the timing for RAMP vehicles until the service becomes necessary. Furthermore, he stated that the contract does not lock us in for a year, but is a month-to-month agreement, with fixed pricing for a year.

Mr. Sogar asked if we need to move these projects forward now, or should we wait until next March when the pandemic is over.

Mr. Aiello stated that our strategic plan was to continue to move forward with these keys projects so that we would be ready to welcome back passengers as the pandemic tapers off and travel picks up on the system. Also, we have identified funding for this project and delaying the project would not impact (or improve) TANK’s overall ability to provide service to the community.

Jim Parsons stated that this technology sets the stage for all of the other technology projects that we have invested in over the last couple of years. We need to meet the needs of the

modern customer. Mr. Ellerman stated that this will augment our ability to bring back passengers.

*Motion to authorize a contract with Verizon Wireless using the GSA pricing of \$39.99 per month per vehicle for an unlimited data plan. TANK will be adding this service to all 134 vehicles in the fleet, using local operating funding, at an annual cost not to exceed \$64,303.92*

Motion: Jim Parsons

Second: Laura Thompson

Discussion: None.

Action: **Motion Passed**, Unanimously

### **SNK Grant Award**

Ms. Douthat provided an update on TANK's recently awarded SNK Grant. TANK applies for federal SNK funds through OKI on an annual basis, almost always seeking funds for bus replacement projects. This time, TANK applied for facility rehabilitation funds and were awarded \$1.6 million in federal funds. These funds will be used to implement some of the projects identified in Phase 1A of TANK's facility assessment master plan. These funds will be available in Fiscal Year 2023.

Phase 1A projects consist of critical infrastructure repair projects such as electrical system upgrades, fire suppression system updating, stabilizing underground voids, replacing the aging bus wash, etc.

### **TANK System Redesign Update**

Ms. Douthat provided a brief update on the implementation of the TANK System Redesign. We are working on final design files for our maps, bus stop signs, public schedules, etc. Materials will be produced by our vendor/printer in December.

Gary McCulley is working on scheduling the new work and processing the work through our new scheduling software.

Externally, we are beginning to discuss the Redesign as the "January Service Change" and have started pushing media and social media messages to our passengers. We are also preparing our spring advertising campaign that will help to promote the changes and develop ridership. We are on target to implement the full Redesign in January of 2021; quite an accomplishment given the other challenges (pandemic) that have occurred in 2020.

### **Monthly Safety Stats**

Mr. Aiello informed the committee that in October of 2019 we had 7 preventable accidents. In October of 2020, we had 5 preventable accidents. For the month, this translates to 5.7 accidents per 400,000 miles traveled, just over the goal of 4.9. Year-to-date, we have had 47 preventable accidents; last year at this time we had 64. Overall, we are near our goal and in good shape with respect to safety statistics.



Mr. Aiello also mentioned that TANK continues to work on hiring operators. This has been a challenge as the labor market in Northern Kentucky is tight in our particular sector.

**General Manager’s Report**

Mr. Aiello referenced the printed General Manager’s report in the packet. He thanked staff for their hard work over the last nine months, implementing the redesign while navigating the pandemic and a closed Brent Spence Bridge.

He noted that today is Veteran’s Day and we made an effort to thank our employees who have served our country, some of whom are on the call this evening.

**OLD BUSINESS:**

None.

**NEW BUSINESS:**

None.

**GENERAL COUNSEL’s REPORT:**

None.

**AUDIENCE RECOGNITION:**

No comments.

**ADJOURN:**

*Motion to adjourn the meeting.*

Motion: Bill Voelker  
Second: Tim Donoghue  
Discussion: None  
Action: **Motion Passed**, Unanimously, 6:05 p.m.