

Transportation Toll Facility Advisory Committee January 15, 2015

1. Call to Order: Ms. Chappell called the meeting to order at approximately 11:35 a.m.

2. Roll Call:

Committee Members in Attendance

Vonda Chappell
David Todd
George Midgette
Matthew Echaniz (Alternate)
Robert Sciacchitano

Ex-officio Members in Attendance

Kelly Lackey
Eric Martin

Committee Members not in Attendance

Sidney Kellam
Lenard Myers (Alternate)

Non-Committee Members in Attendance

Amar Dwarkanath
Gary Walton
Elizabeth Vaughn
Belinda Malone

Teresa Morgan
Kevin Crum
Veronica Latonio

3. Meeting Discussion:

A motion was made to approve the October 9, 2014 Transportation Toll Facilities Advisory Committee (TTFAC) meeting minutes. The motion was seconded and the minutes were approved.

Ms. Chappell discussed the TTFAC Public Hearing held on December 15, 2014 for the South Norfolk Jordan Bridge (SNJB) toll increase scheduled for January 2015. She reminded the Committee that the SNJB is a private toll facility and is not required to receive approval or authorization from the Committee or the City in regards to their toll schedule. The purpose of the TTFAC Public Hearing was to allow citizens the opportunity to provide feedback to the Committee. The Committee's responsibility is to collect the feedback and provide the comments received to City Council. She composed a letter (see attachment) to City Council summarizing the public feedback and provided each Committee member with a copy of the letter to review. She asked the Committee Members to provide her with comments prior to the letter being submitted to City Council.

Ms. Morgan provided the following financial updates on the Chesapeake Transportation System (CTS):

Chesapeake Expressway

- Year to date, traffic has increased by 5.8%
- Year to date, revenue has increased 5.3% overall. Cash toll revenue continues to decrease as electronic toll revenue continues to increase.

- Expenses increased by 16.7% mainly due to an increase in salaries and benefits, including employee raises, promotions and hiring of permanent staff. Cost allocation charges were \$50,000 which were charged monthly this year, whereas before these charges were applied in the month of January. There was an increase in contractual services of \$61,000 due to an increase in EZ-Pass fees.

Dominion Boulevard

- Expended 65% of project budget thus far.

Mr. Walton provided the following updates on Dominion Boulevard:

- The Veteran's Bridge dedication was in December.
 - Mr. Sciacchitano stated that the dedication ceremony was wonderful and he feels the City did a great job with the dedication ceremony.
- The northbound side of the Dominion Boulevard Bridge was opened for traffic in December.
- There have been issues with the timing of the traffic signals at the Great Bridge Boulevard intersection. There are two closely spaced traffic signals and it has been difficult to implement a timing pattern for the traffic demand.
- The bridge and Dominion Boulevard along with Cedar Road have functioned quite well.
- He recommended that the Committee Members take an opportunity to drive across Dominion Boulevard to view the beauty of the structure and the views from the bridge.

Mr. Martin provided the following updates on Dominion Boulevard:

- There was approximately a 30% increase in traffic on Dominion Boulevard when it opened.
- There were issues going northbound with the signals and roadway markings initially. Additional signage was added to help direct traffic. Signal coordination was implemented to tie the two closely spaced signals together.
 - The committee asked for clarification on the lane markings at the Great Bridge Boulevard intersection. Mr. Martin explained that the City is actively working towards improving the roadway markings, signage and tweaking the timing of the signals to improve the intersection.
- There are no issues to report going southbound.
- Access roads were opened to businesses along Dominion Boulevard.
- The Bainbridge Boulevard connector has been closed.
- There were discussions with some of the property owners with businesses located on Bainbridge Boulevard regarding the naming of the dead end section to Steele Bridge Road as planned; however, business owners objected to the name change. The City accommodated the requests to keep the name the same by modifying Dominion Lakes and by adding some supplemental signage.
- One of the lift spans on the old steel bridge has been removed and will be recycled. The other lift span will be removed next week.
- The project remains on budget and on schedule. At this point, he expects the project to be completed prior to the original deadline. For planning purposes, this means that we will have to plan on opening months before planned, which will prompt City staff to focus on the finalizing the toll system and the back office functions.

- The City is receiving a lot of positive feedback from the public.

Mr. Walton provided the following updates on the Chesapeake Expressway

- Year to date, traffic has increased 5.8% and revenue has increased 5.3%. Year over year in October, November and December the Expressway has not experienced a decrease in traffic or revenue.
- EZ-Pass walk-in traffic and enrollment at the Expressway was up 400% this time last year, which translated into enormous growth in electronic toll revenue on the Expressway and a drop in cash traffic. EZ-Pass usage is up almost 25%, Discount Program usage is up over 5%, and cash traffic is down 8% year over year.
- There has been a dynamic shift away from cash to EZ-Pass, but this may be attributed partially to the off-peak season as the majority of our current traffic are daily commuters. He is interested to see what the trends look like as we get into peak season this year and going forward into the following peak season. EZ-Pass growth is expected to increase with the addition of more EZ-Pass advertisement campaigns and the addition of toll facilities in our area.
- 57% of the budget has been expended.
- A Task Order was submitted to do internal modifications to the building for improvements to the control room, the collectors count room, the lobby, and the administrative office.
- A new Account Technician will be hired to support the CTS.
- The 2015 R&R Inspection Task Order has been submitted.
- We are currently undergoing bridge and sign inspections as required.

The Committee inquired about incorporating additional EZ-Pass lanes on the Chesapeake Expressway. Mr. Walton informed the Committee that the Expressway staff and the contracted vendor are in the process of upgrading the auxiliary toll plazas and may convert one cash lane in each direction in the main toll plaza to EZ-Pass only lanes at some point in the future. Mr. Walton also informed the Committee that despite the addition of more EZ-Pass lanes the problem still remains with the traffic congestion that occurs during the peak season going southbound into Moyock. The toll plaza is currently acting as a meter to help relieve the traffic congestion. The Committee asked if NCDOT has any plans to improve or add a bypass to alleviate the southbound traffic congestion. Mr. Walton stated that the only improvement plan that he knows of is for US 158.

Mr. Crum provided the following updates on the SNJB:

- He introduced Veronica Latonio as the Director of Collections and Treasury for the SNJB.
- He thanked the Committee for the support they provided for the toll increase and administering the Public Hearing.
- December was a strong month.
- There are currently 2 aircraft carriers in the Shipyard, which has contributed to the strong increase in traffic numbers.
- The 7 day average in January is 9,200 vehicles, which is mainly due to tunnel closures every weekend.

- They have not seen a significant impact to traffic due to the toll increase implemented in January.
- The truck traffic is averaging about 4-5% (400-500 trucks per day consistently).
- The EZ-Pass penetration on a weekday is about 72%, which is higher when compared to last year. Their goal is to reach a 75% penetration this year.
- Weekends closures at the tunnels are posing a challenge as far as affecting the weekend EZ-Pass penetration. EZ-Pass penetration on the weekends has fallen to approximately 60%.
- The SNJB is sponsoring a Commuters Care Food Drive for the month of February. Commuters that donate 5 cans will receive a \$10 EZ-Pass reload card. The canned food donations will be given to the Oasis Ministry in Portsmouth.

Ms. Latonio provided the following updates on the SNJB:

- She joined the SNJB team about 10 months ago. She has extensive experience in customer finance and customer call center operations.
- Changes have been made to their operating processes to optimize toll recovery.
 - A lot of time was spent listening to calls handled by their vendor to ensure their customer's needs were being met. She shared feedback with their vendor to improve customer relations.
 - A process was implemented to allow CSRs and Collectors to negotiate fees in order to resolve customer accounts before they go into collections, which has helped resolve outstanding toll balances and has helped customers repay their debt without having to pay the full fee amounts.
 - The Committee inquired about the success of using this method. Ms. Latonio responded that this process is going very well.
 - The business rules have been streamlined. Invoices are issued every 14 days.
 - There was focus placed on accelerating the payment rate and optimizing collections performance with the vendor, which prompted modification of the notification process to the customer before they are sent to collections. This allows the customer the opportunity to pay the balance before additional fees are added.
 - The Committee inquired if customers may pay with a credit card to avoid collections. Ms. Latonio stated that customers could use credit cards as a form of payment.
 - The toll invoice format was revised significantly to comply with Virginia State Code. Additional recognition was added to the envelopes as well to draw attention to it once it is received.
 - Monthly goals were implemented with their vendor, which includes an incentive plan for the CSRs. As a result, the collection vendor achieved over 90% of the accumulative goal for 2014.
- There has been focus placed on legal escalations. They are identifying high balance toll violators and processing them through the civil court process. They have signed numerous agreements with violators. The payment rate is low, but the key is setting the precedent and to send the message that tolls must be paid.
- Through 2015, they continue to identify areas for improvement and enforcement through various initiatives, including aligning themselves with the recycle process that ERC uses

to collect missed tolls from EZ-Pass accounts and initiating vehicle registration holds for non-payment of tolls.

4. New Business:

Mr. Walton announced that Ms. Malone was promoted to the Toll Operations Manager position on January 1, 2015.

Mr. Martin informed the Committee of requests received from citizens for local toll rates and proximity toll rates on Dominion Boulevard, which is an adjustment in toll rates for those that live close to the toll facility. These requests have been reviewed by the City Attorney's Office and it has been determined that accommodating these requests are not legal and are not in accordance with the bond covenants.

Mr. Martin also announced that a Customer Service Manager will be hired to oversee back office operations for the CTS. Next year, another Accountant may be added to the CTS staff.

A schedule of all 2015 TTFAC meetings was set (April 16, July 16, and October 15). Mr. Walton stated that he would send all TTFAC members and City Staff meeting invitations for the agreed upon meeting dates.

5. Adjournment: The meeting was adjourned at approximately 12:30 p.m. The next meeting is scheduled for Thursday, April 16, 2015 at the Chesapeake Expressway.