

**THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY
MINUTES OF THE
CUSTOMER SERVICE COMMITTEE MEETING
May 16, 2012**

The Illinois State Toll Highway Authority held a Customer Service Committee Meeting on Thursday May 16, 2012 at approximately 12:00 p.m. at the Central Administration Building in Downers Grove, Illinois.

Committee members present:

Committee Chair Jeff Redick

Director Carl Towns

Director Redick called for public comment. No public comment was offered.

Committee Chair Redick called the meeting to order and requested a motion to approve the minutes of the Customer Service Committee meeting held on November 8, 2012 and January 17, 2013. Director Towns made the motion to approve the minutes; seconded by Committee Chair Redick. The motion was approved unanimously.

Committee Chair

Committee Chair Redick informed the committee of several customer service improvements implemented since the January 2013 Customer Service meeting. These improvements include improving ADA accommodations; creating dedicated separate windows for handling large I-PASS settlements and I-PASS replenishment to improve efficiency; updated window signage to inform customers of available personnel; and transaction close outs are taking place at the window to bring awareness of the Tollway's customer service improvements.

Committee Work Plan Re-cap and Violations Framework

Chief of Staff Mike Stone introduced Shana Whitehead, Chief of Business Systems, to re-cap the work plan and provide an overview of the current settlement guidelines as shown on the [attached presentation](#).

Committee Chair Redick asked if the language has been submitted to Joint Committee on Administrative Rules (JCAR) for approval. Ms. Whitehead responded this language has been submitted to JCAR and a response is expected within the next few weeks.

Discussion ensued on I-PASS settlements for customers in the bankruptcy process and government organization cash rate guidelines.

There was discussion on the guidelines geared towards first-time offenders over 65 years of age. Committee Chair Redick asked what other ideas were vetted and the reasons for their consideration. Ms. Whitehead responded that the age of the driver was a common reason put forth for unintentionally violating a toll. Discussion ensued on the difficulty of defining first-time offenders.

General Counsel Goldberg provided further clarification on how unique, well-documented situations are handled with the Business Systems department to allow flexibility for both the Tollway and the customer. The settlement guidelines are under review with Legal for additional language refinement and considerations.

The committee agreed consideration and refinement of the settlement guidelines should continue.

Fleet Policies

Ms. Whitehead introduced Tim Grywalski, Senior Manager of Customer Service Fleet. Mr. Grywalski provided information on the improvements being implemented to assist fleet customers.

Discussion ensued on the salient issues of fleet owners and how technology can be utilized to assist customers and streamline the current processes involving fleets.

Indiana Toll Concession Fee

Ms. Whitehead provided an Indiana Toll Concession Fee timeline.

Committee Chair Redick requested confirmation of the information gathered on the concession fee as well as the legality of the pass-through fee on I-PASS customers.

General Counsel David Goldberg clarified the \$0.03 administrative fee derives from the agreement which the Tollway and Indiana is party to. Passing along the cost of the fee is not something addressed in that agreement, but further analysis is ongoing.

Discussion ensued on different approaches to address the matter. Staff will provide analysis and recommendations on next steps.

Electronic Tolling Technology and Data Contracts

Ms. Whitehead and Chief of Procurement John Donato provided information on the procurement of electronic tolling technology and data contracts. Highlights include a summary of the requested services; the procurement options; sole source considerations and a look ahead at potential sole source contracts.

Discussion ensued on the sole source process and possible impacts.

Ms. Whitehead then presented the following **Business System** item:

Item 1: Award of contract to Law Enforcement Services, Inc. (LES) for Out of State License Plate Retrieval Services in an amount not to exceed \$1,200,000 (Sole Source).

Director Redick made a motion for approval of **Business Systems Item 1** to be placed on the consent agenda; seconded by Committee Chair Redick. The motion was approved unanimously.

There being no further business, Committee Chair Redick requested a motion to adjourn. Director Towns moved to adjourn; seconded by Committee Chair Redick. The motion was approved unanimously.

Meeting adjourned at approximately 1:36 p.m.

Minutes taken by: _____  _____

Marlene Vick
Assistant Board Secretary
Illinois State Toll Highway Authority



Customer Service Committee

May 2013

Customer Service: Key Topics

■ Violation framework

- Settlement guidelines
- Two-year “look-back”

■ Fleet policies

■ Indiana Toll concession fee

■ In-person customer service improvements

■ Electronic tolling technology and data contracts

■ Procurement

- Planning
- Contract for vote



Customer Service Workplan Update

Key Decisions	Decision-Making Timeframe		
	4-6 months	6-12 months	12+ months
Violations Framework <ul style="list-style-type: none"> • Fines analysis (complete) • Implement “30-day notices” • Evaluate settlement guidelines • Analyze two-year “look-back” 		X	X
Fleet Policies <ul style="list-style-type: none"> • Fill Fleet Senior Manager Role (complete) • Identify and implement quick wins • Plan and pilot new fleet program 			X
Feedback Transponders (“beeping transponders”) <ul style="list-style-type: none"> • Test transponders • Assess longevity of new readers with respect to interoperability 		X	
American Express Fees (complete)	X		



Violations Framework: Settlement Guidelines

■ Overview of current parameters

- All or most fines removed for I-PASS customers in good standing, regardless of level of escalation
- Only \$50 fines removed for non-I-PASS customers up until debt is sent to collections
- Disputes reviewed and processed at any point in the process
- Non-standard settlement requests (hardships) reviewed and processed at any point in the process

■ Considering flexibility in settlement guidelines

- Common customer concern
- Measurable customer concern
- Documentable customer concern
- Impact is revenue neutral



Violations Framework: Settlement Guidelines

■ Potential for greater flexibility

- I-PASS settlements for qualifying customers, even if court-determined bankruptcy settlement amounts are higher
- Government organizations pay cash rate tolls only
- First-time offenders over the age of 65 pay cash rate tolls, plus one \$20 fine per notice
- Other unique, well-documented situations



Violations Framework: Two-Year “Look-Back”

Analysis in process.

Goal is to balance rapid notification with costs.

Fleet Policies: Overview

■ In-progress quick wins

- Website and literature review and update
- Piloting of fleet-specific email link from website
- Fleet industry round-table discussions
- Toll industry benchmarking

Timeframe

Summer

Summer

Fall

Fall

■ Future pilot programs?



Indiana Fee Timeline

- **2006-2007:** Indiana leases toll roads to Cintra (which partners with the MacQuarie Infrastructure Group), a private tolling company. Cintra introduces electronic tolling and i-Zoom brand.
- **2008-2009:** The Chicago Skyway contracts with Cintra. The Chicago Skyway does not issue its own transponders to this day.

The E-ZPass Group requires private entities like Cintra to pay \$0.03 for every transaction of a non-Cintra driver on the Indiana Toll Road and the Chicago Skyway. The goal was to avoid the use of the public funds used for E-ZPass customer service in the subsidization of Cintra's private profit.
- **2009-2010:** The E-ZPass Group negotiates with Indiana to continue extending E-ZPass toll rate discounts to non-Indiana drivers.



Indiana Fee Timeline (cont.)

- **2010:** The Illinois Tollway estimates that more than 60 percent of Cintra's toll transactions are from I-PASS customers, at the cost of approximately \$0.06 per transaction to the Illinois Tollway. The Illinois Tollway chooses to impose on Cintra the optional E-ZPass fee of \$0.03.
- **2011:** Cintra chooses to pass the \$0.03 fee imposed by the Illinois Tollway directly to the I-PASS drivers on their roads.

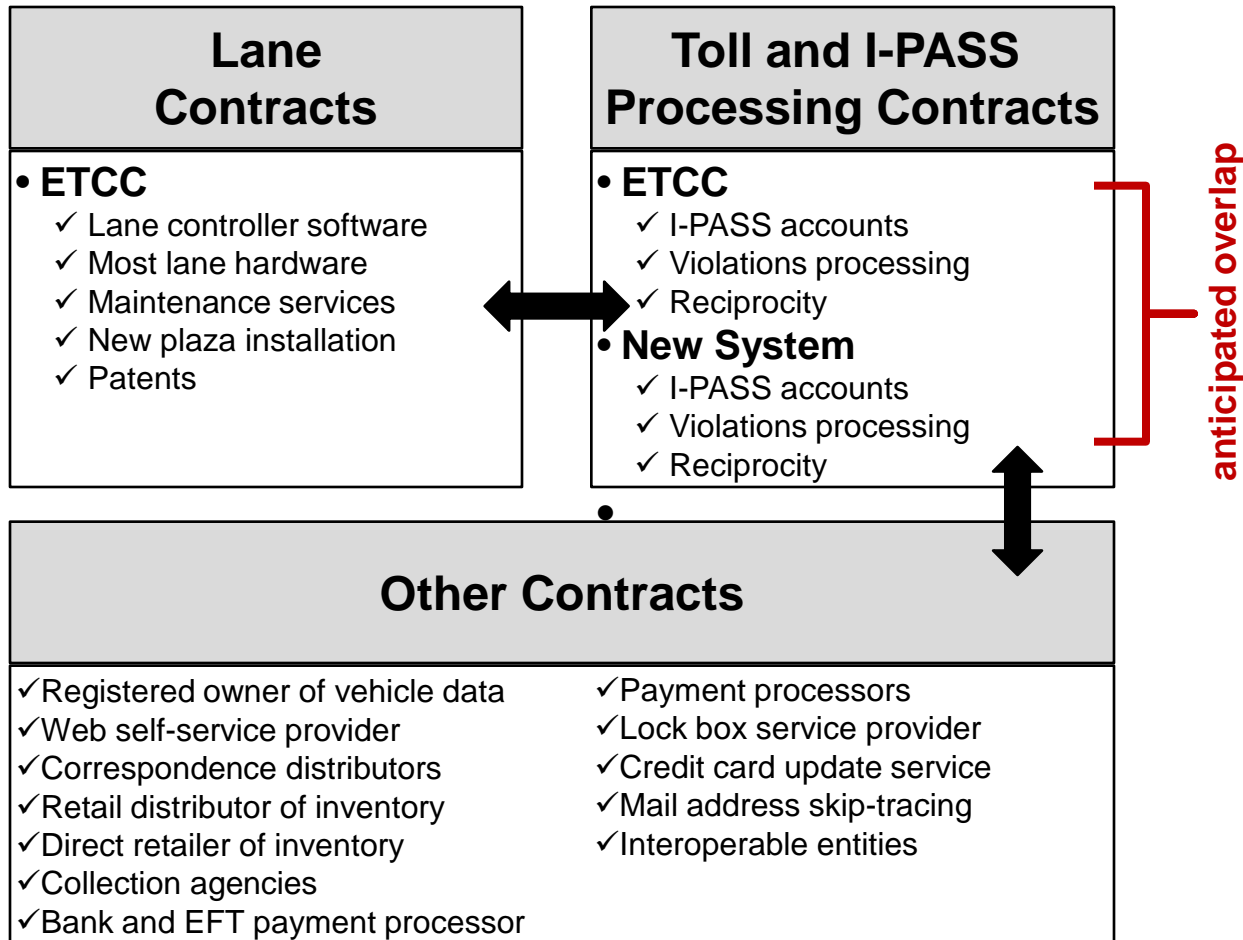


Indiana Toll Concession Fee

- **Cintra avoids an estimated \$1.5 million in customer service costs by serving I-PASS drivers**
 - I-PASS customers on Cintra's roads pay the collective \$750,000 to Cintra every year via the pass-through \$0.03 fee, which is then remitted to the Illinois Tollway
 - The Illinois Tollway absorbs the remaining \$750,000 of customer service costs associated with I-PASS drivers on Cintra's roads
- **Cintra collects approximately \$95,000 from the Illinois Tollway on an annual basis for Cintra drivers on Illinois Tollway roads**
- **Next steps?**



Procurement: Electronic Tolling Technology and Data Contracts



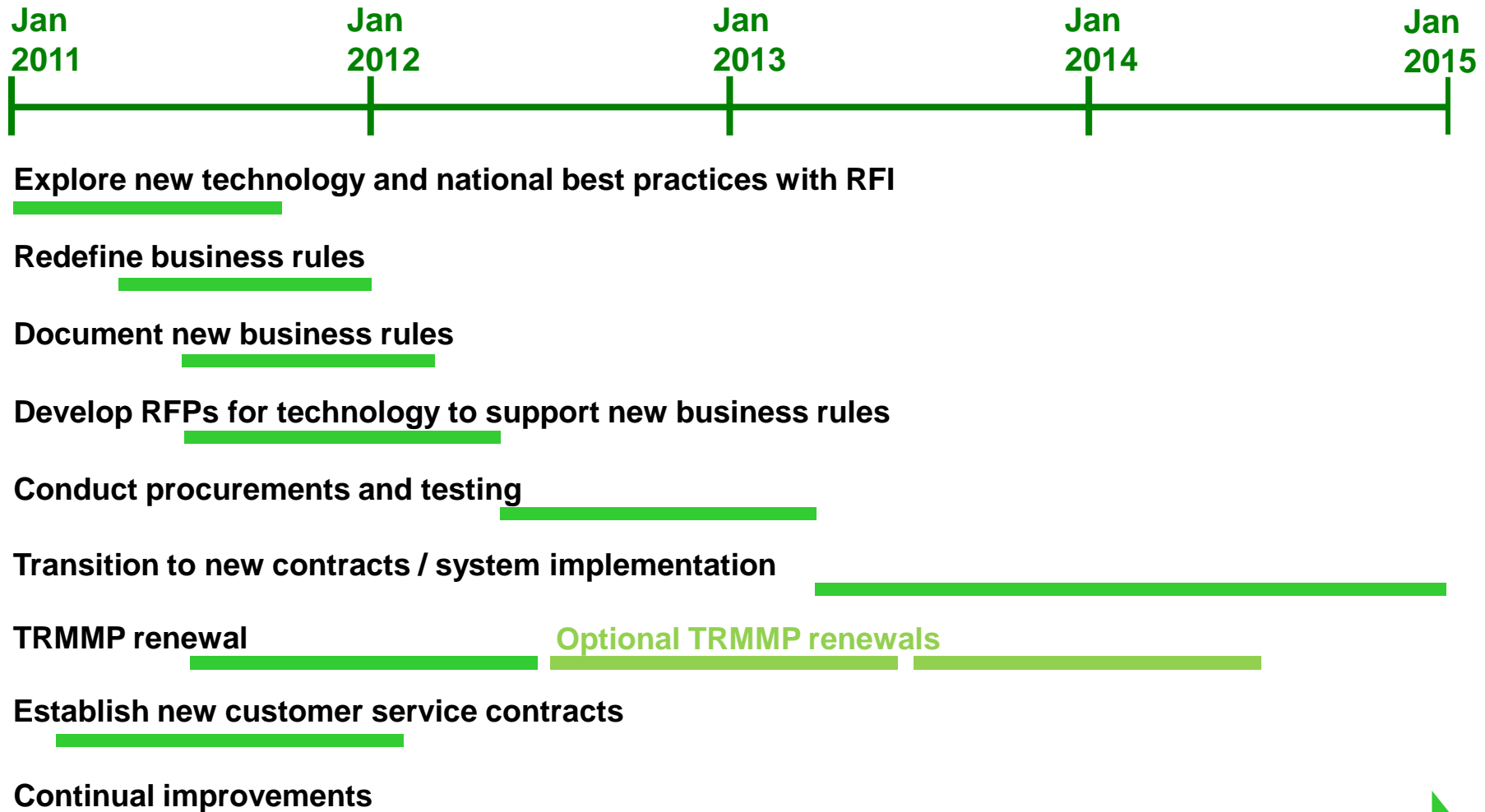
Procurement: Key Procurement Options

- **Small purchase**
- **Competitive invitation to bid (IFB)**
- **Master contract**
- **State Use Program**
- **Competitive request for proposal (RFP)**
- **Competitive request for proposal – professional and artistic (RFP – P & A)**
- **Sole source**

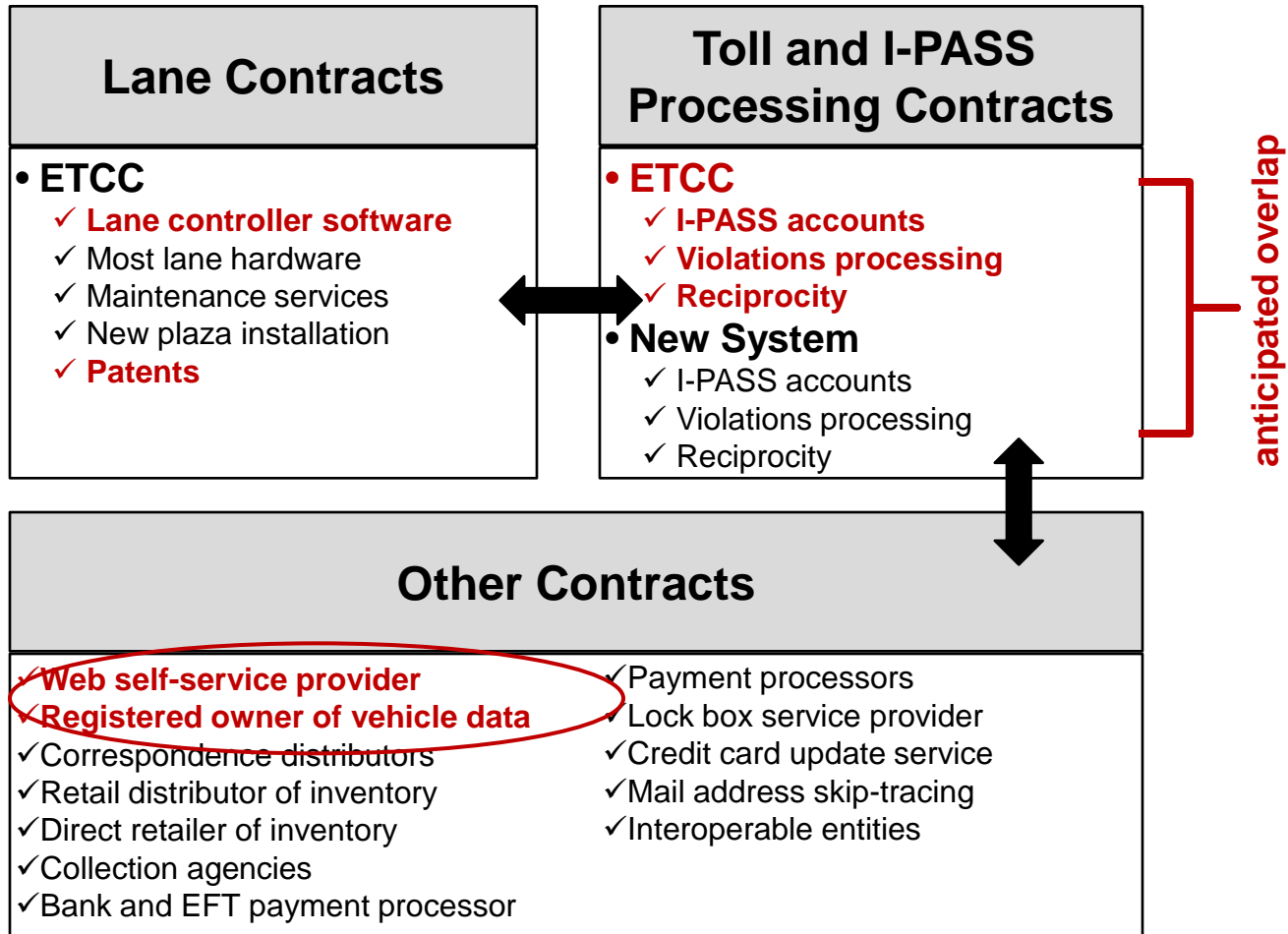
Procurement: Key Sole Source Considerations

- Plan to move beyond sole source in future
- Existing revenue dependencies are significant
- Cost avoidance opportunities are significant
- Complexity and/or uniqueness of good or service

Procurement: Back Office System Timeline



Procurement: Potential Sole Source Contracts



Procurement: Law Enforcement Services Inc.

- **Anticipated sole source with Law Enforcement Services Inc. (LES), hearing scheduled for May 22, 2013**
- **Anticipated contract term of three years**
- **Anticipated cost of \$400,000/year**
- **Key sole source considerations**
 - Risk of establishing a new, complex, heavily customized integration when data provides approximately \$11 million in revenue recovery every year
 - Cost to integrate with a new vendor when current system sunsets in approximately two years
 - Similar to the integration with Unisys for web functionality, LES is a uniquely risky integration





THANK YOU