



Record of Meeting | October 20, 2016

The Illinois State Toll Highway Authority (the “Tollway”) held the regularly scheduled Customer Service & Planning Committee Meeting on Thursday, October 20, 2016 in the Boardroom of Tollway Headquarters in Downers Grove, Illinois. The Meeting was held pursuant to By-Laws of the Tollway upon call and notice of the Meeting executed by Chairman Robert J. Schillerstrom and posted in accordance with the requirements of the Illinois *Open Meetings Act*. The Meeting was open to the public.

[Bolded entries indicate issues which may require follow-up to present or report to Directors.]

Call to Order / Pledge of Allegiance / Roll Call

Committee Chair Schillerstrom called the Meeting to order at approximately 10:03 a.m. and invited attendees to rise and join in the Pledge of Allegiance. Chairman Schillerstrom then asked the Board Secretary to call the roll, those Directors present and absent being as follows:

Committee Members Present:
Committee Chair Bob Schillerstrom
Director Jim Banks
Director Craig Johnson
Director James Sweeney

Committee Members Not Present:
Director Neli Vazquez Rowland

The Board Secretary declared a quorum present.

Public Comment

Committee Chair Schillerstrom opened the floor for public comment. No public comment was offered.

Committee Chair’s Items

Item 1: Approval of the Minutes of the Regular Customer Service & Planning Committee Meeting held on June 16, 2016.



Committee Chair Schillerstrom called for a motion to approve **Committee Chair's Item 1**, the Minutes of the regular Customer Service & Planning Committee meeting held on June 16, 2016, as presented. Director Banks made a motion for approval; seconded by Director Sweeney. Committee Chair Schillerstrom asked if there are any questions, concerns or requests for amendment. Hearing nothing, Committee Chair Schillerstrom called for a vote. The motion was PASSED unanimously.

Having no further items, Committee Chair Schillerstrom called on Executive Director Greg Bedalov.

Executive Director

I-PASS Customer Continuity and Efficiency: Executive Director Bedalov introduced Shana Whitehead, Chief of Business Systems, and Mike Colsch, Chief of Finance, to provide for the Committee a review of the current business rules for video tolling and I-PASS settlement guidelines and to discuss how these align with the agency's commitment to provide efficient and cost-effective customer service. He highlighted that the presentation will include background and outline recommendations being proposed for video tolling and violation collections. [See attached presentation.](#)

During the course of the first portion of the presentation, Ms. Whitehead proposed for Committee discussion the concept of potentially charging an additional sum for I-PASS holders frequently not using transponders (necessitating transaction capture through video tolling). Discussion ensued regarding an appropriate amount for any upcharge, the application to commercial fleet customers, and whether a certain allowable threshold of video tolls should be first exceeded. The Committee additionally discussed the efficacy of other opportunities to achieve broader transponder usage, including potentially eliminating the \$10 deposit requirement for transponders and enhancing customer outreach and public education efforts in advance of any extra charges for video tolling.

Upon conclusion of the discussion, the Committee expressed consensus that staff should move forward with an analysis of an additional charge for I-PASS customers who rely on video tolls instead of placing a transponder in all their vehicles. Executive Director Bedalov advised that staff will use input provided by the Committee to perform additional analysis and develop recommendations for Committee review in the coming months, with aim to having defined a transponder incentive program for launch in 2017.



Minutes of the
Customer Service & Planning Committee Meeting

During the second portion of the presentation, Mr. Colsch presented recommendations to the Committee to modify I-PASS settlement guidelines for collection agencies, including lowering minimum settlement guidelines for use by collection agencies, discontinuing I-PASS settlements after placement with a collection agency, and implementing a tax offset program managed by a collection agency.

Directors and staff discussed the recommendations and their benefits of potentially increasing collections and reducing Tollway staff time required for collection activity. Upon conclusion of the discussion, the Committee expressed consensus in support of advancing the concept presented. Mr. Colsch advised that next steps will include developing new business rules (if necessary) and updating and obtaining Board approval for new settlement guidelines (internal and collection agency). He noted that staff will also be performing a review of collection contracts for any modifications that may be needed.

Adjournment

There being no further business before the Committee, Committee Chair Schillerstrom called for a motion to adjourn. Director Sweeney made a motion to adjourn; seconded by Director Banks. Committee Chair Schillerstrom called for a vote. The motion was PASSED unanimously.

The Meeting was adjourned at approximately 10:41 a.m.

Minutes taken by: _____

Christi Regnery
Board Secretary
Illinois State Toll Highway Authority



I-PASS CUSTOMER CONTINUITY AND EFFICIENCY

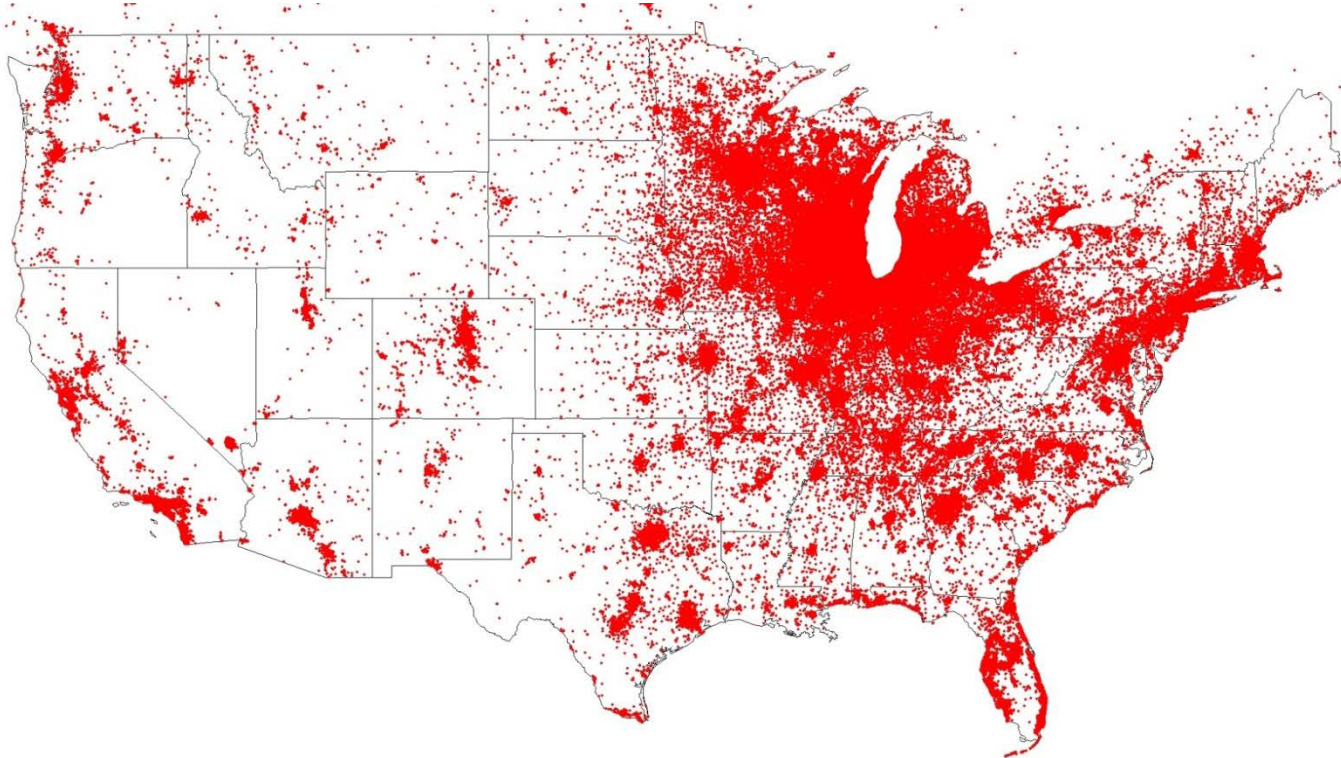
October 20, 2016

Shana Whitehead and Mike Colsch



Who are our I-PASS Customers?

I-PASS Transponders – May 2015



Key I-PASS Account Features

- Discounted toll rates
- Seamless open road tolling for time savings
- Interoperability with E-ZPass
- Shared account balance for multiple vehicles
- Self-service, including reports capability
- Account notifications for low balance and declined credit cards
- Credit card updater program for new and updated cards
- Video tolling – customer convenience at no additional cost
- Settlement guidelines for I-PASS customers with violations



A Video Toll

A video toll occurs when:

- The signal from an I-PASS transponder cannot be read
 - Missing, improperly mounted, inactive battery, lost signal
- Multiple vehicles share one I-PASS transponder

The transaction is digitally recorded and later matched to a license plate

“VIDEO TOLL” appears next to the transaction when customers review account records

Video Toll Transactions

- There are more than 70 million video toll transactions involving I-PASS customers per year
- Currently, there is no additional charge for a video toll transaction
- Cost of a video toll transaction averages 23 cents per dollar collected, which is more than twice as much as a standard transponder-based transaction

Recommendation

Charge additional 50 percent for video toll transactions to recoup additional costs

Key next steps

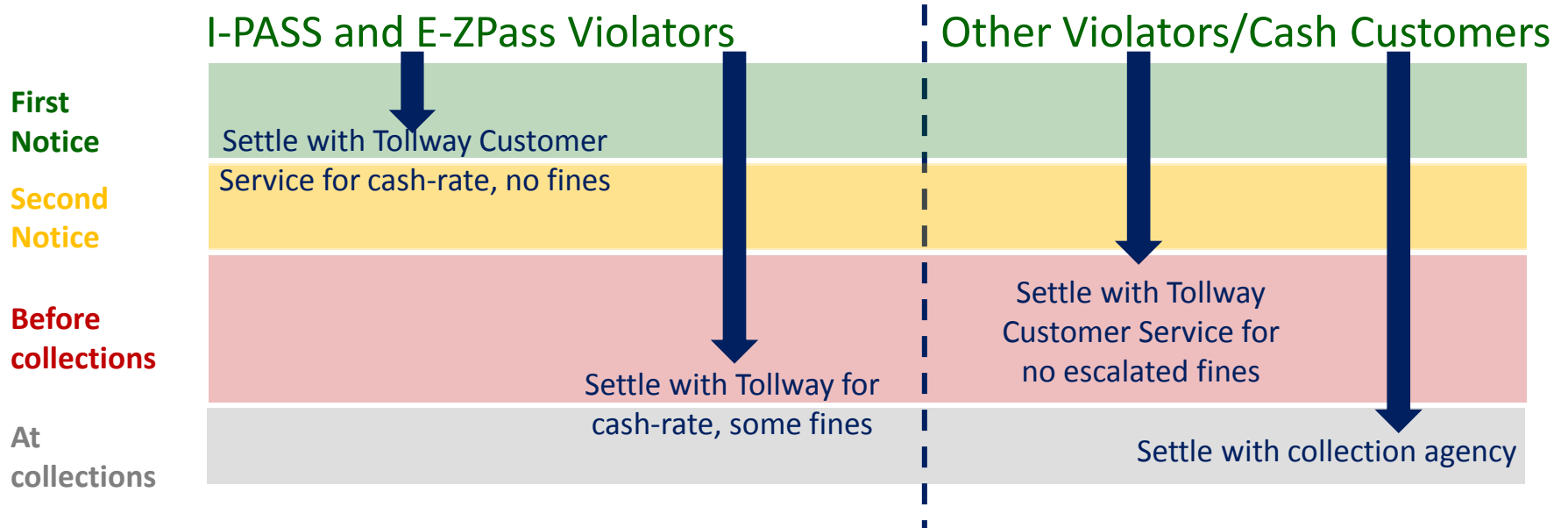
- Determine video tolling business rules, including allowable thresholds, account requirements, a dispute framework and notifications
- Implement system changes to support new business rules
- Determine if revisions to the I-PASS Agreement are required
- Ensure transponder inventory is adequate to meet additional demand
- Develop public communications plan

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Settlement Guidelines Overview

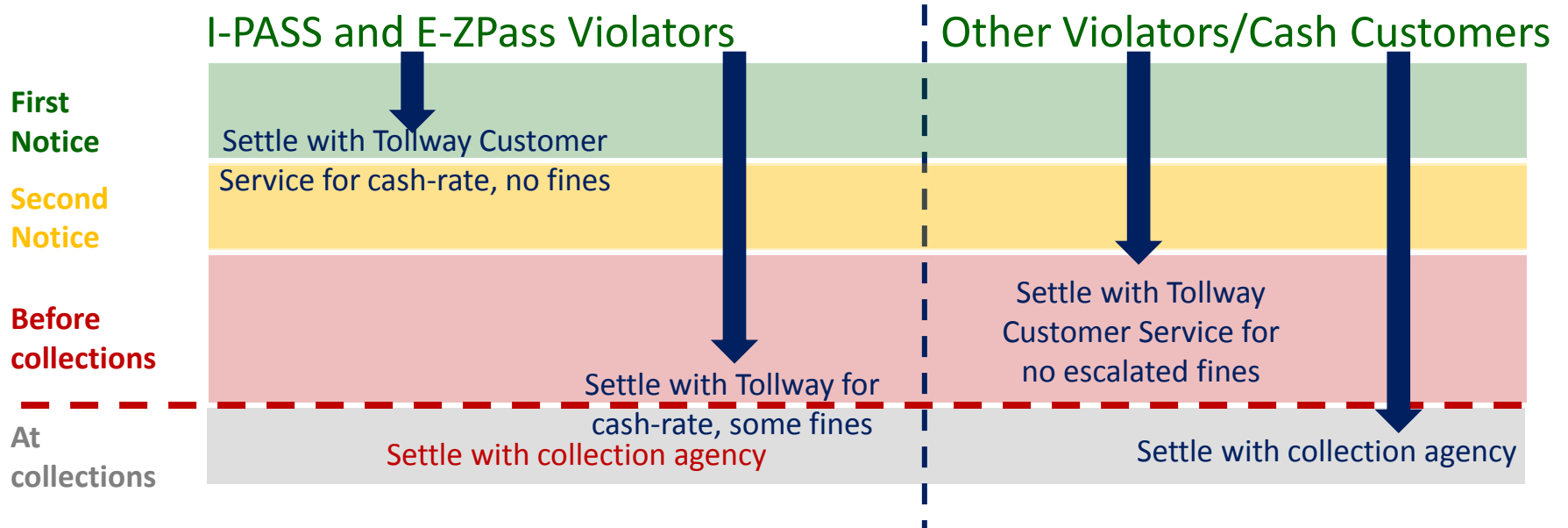


Why are Customers in Collections?

Customer failed to otherwise satisfy their payment obligations to the Tollway



Increase Continuity and Efficiency



Recommendation to Increase Continuity and Efficiency

Current collection agency settlement guidelines

- Collection agency approved to dismiss up to the \$50 fines assessed on a violation notice

Recommendation

- Discontinue I-PASS settlements after placement with collection agency
- Lower minimum settlement guidelines for collection agency
- Consider offset program managed by collection agency

Benefits

- Potentially increase collections
- Reduce Tollway involvement in settlements



Key Next Steps

- Develop new business rules, if necessary
- Implement any necessary system changes for automated settlement calculations
- Update and obtain Board approval for new settlement guidelines
- Update and obtain Board approval for new Collection Agency Settlement Guidelines
- Review collection contracts and determine if additional parameters for transparency and traceability are needed



Appendix

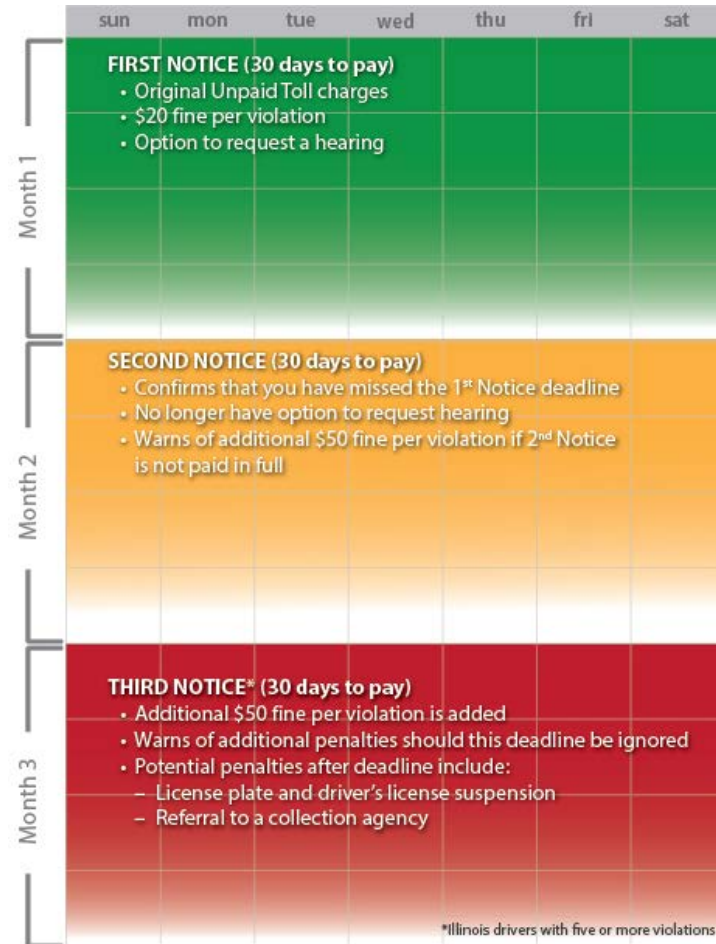


Cost Per Transaction

Cost Per Transaction (2015 est.)	
Transaction Type	Total Expense per \$1 collected
Cash – Manual Lane	\$ 0.48
Transponder	\$ 0.08
Video Toll	\$ 0.23
Seven Days to Pay	\$ 0.20



Violation Life Cycle



Note: Fines for the new IL 390 plazas are \$10 , and escalated fines are \$25.



Settlement Guideline Detail

# Violating Incidents	Settlement Amount	Number of Paid Fines
1 - 5	Cash tolls + \$20	1
6 - 9	Cash tolls + \$40	2
10 - 49	Cash tolls + \$100	5
50 - 99	Cash tolls + \$200	10
100 - 149	Cash tolls + \$300	15
150 - 199	Cash tolls + \$400	20
200 - 249	Cash tolls + \$500	25
250 - 299	Cash tolls + \$600	30
300 - 349	Cash tolls + \$700	35
350 - 399	Cash tolls + \$800	40
400 - 449	Cash tolls + \$900	45
450 - 500	Cash tolls + \$1,000	50
501 - 750	Cash tolls + \$1,500	75
751 and above	Cash tolls + \$2,000	100

Note: Fines for the new Illinois Route 390 Tollway plazas are \$10 , and a new settlement table reflects this for those notices.



Non-Standard Settlements: Financial Need

Any Violator

↓
Complete and submit non-standard settlement form

↓
Tollway reviews form and documents recommendation

↓
Tollway obtains necessary approvals

- < \$7,500: Proj. Coord, CSM, and Asst. AG. Approval by SPM or Senior Business Manager
- \$7,500 - \$15,000: Additional approval by Chief of Business Systems
- \$15,001 - \$30,000: Additional approval by Chief of Finance
- \$30,001 - \$50,000: Additional approval by Executive Director
- >\$50,000: Additional approval by Board

By due date on
Final Notice
of Liability

(2nd Notice)

Note: Non-standard settlements were previously known as “hardships.”

Non-Standard Settlements: Unique Issues

Any Violator

Escalate a complaint

Tollway researches complaint and documents recommendation

Tollway obtains necessary approvals

- < \$7,500: Proj. Coord, CSM, and Asst. AG. Approval by SPM or Senior Business Manager
- \$7,500 - \$15,000: Additional approval by Chief of Business Systems
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THANK YOU

