



Board of Directors – Operations Committee – Approved

Meeting Details

Date: April 21, 2022

Time: 9:30 AM

Location: Webinar & NCDOT Board Room –
Room 150
1 S. Wilmington St.
Raleigh, NC 27601

Attendance

Members Present

Members Present Virtually

Montell Irvin, Mary Clayton, Charles Travis

Members Absent

Sam Hunt

1. Welcome/Introductions, Call to Order & Declaration of Quorum

Montell Irvin, Chair

Discussion Summary

Chairman Montell Irvin called the April 21, 2022, North Carolina Turnpike Authority Operations Committee meeting to order and welcomed those in attendance. Mr. Irvin called roll and declared a quorum.

Actions Taken

Information only/no action required.

2. Approval of January 27, 2022, Meeting Minutes

Montell Irvin, Chair

Discussion Summary

Mr. Irvin noted everyone received a copy of the meeting minutes prior to the meeting and announced he would accept a motion to approve the January 27, 2022, meeting minutes as written.

Actions Taken

The January 27, 2022, Operations Committee meeting minutes were unanimously approved upon a motion by Mayor Charles Travis and seconded by Ms. Mary Clayton.

3. Opening Comments

J.J. Eden, NCTA Executive Director

Discussion Summary

Mr. J.J. Eden started his opening comments by welcoming everyone to the meeting and by making announcements and introductions.

Mr. Eden announced that Mr. Andy Lelewski, P.E., Director of Program Development, will be leaving after thirteen years of valuable contributions to the foundation and success of the Turnpike Authority. Mr. Lelewski will be moving on to a new position in Florida with the Tampa Hillsborough Expressway Authority. Mr. Lelewski talked about the early days of the Turnpike Authority. He shared his appreciation with the Board Members and staff for their years of hard work, teamwork, and vision. He mentioned a newspaper article from 2009 which highlighted the challenges and accomplishments of that period.

Mr. Marvin Butler, Chief of Staff, also expressed his appreciation to Mr. Lelewski for being the catalyst and the 'go to' guy for all things Turnpike. Mr. Butler stated that Mr. Lelewski would be missed. Mr. Montell Irvin also gave his thanks to Mr. Lelewski and wished him the very best with his new professional endeavor. Ms. Mary Clayton voiced her thanks to Mr. Lelewski for being a great resource regarding project work during her tenure with the Turnpike Board. Mayor Charles Travis agreed with the accolades of the other board members and added that he thought Mr. Lelewski was a wonderful person and loved his dedication and enthusiasm. Mayor Travis agreed that he wished Mr. Lelewski the best.

Mr. Eden welcomed and introduced Ms. Tiffanie Lee to the Administrative Staff. She will be an integral part of Logann Perry's team. Ms. Lee is originally from Maryland and relocated to Raleigh in 1995. She has been in the administrative field her entire career and comes to the Turnpike Authority after 27 years of experience at IBM. Her hobbies include helping with her family's bakery, cooking, and college football.

Mr. Eden then told the Board Members that there is an ongoing protest with a company regarding a Toll Equipment bid.

In regard to corporate changes, Mr. Eden stated that TransCore was sold to ST Engineering. ST Engineering is a company based in Singapore. In cooperation with a professional group of executive directors Turnpike signed a letter asking for information. There was a quick response and a conversation with both C.E.O.'s involved in the sale. Mr. Eden informed the Board that several other agency boards have some concerns with this business transaction, as it does involve a Chinese company and several Russian contracts. The transaction was vetted by NSA (U.S. National Security Agency). Mr. Eden said that he has discussed this issue with the Secretary of Transportation, Mr. Eric Boyette. Mr. Eden was presenting the issue because he wanted the members of the Committee to be aware of it. Mr. Eden also noted that another NCTA Contractor is for sale: Conduent Company.

Mr. Eden discussed how the 'churn' on the Corporate Side of the industry reflects the dramatic changes currently taking place in the tolling industry. Some of the changes (such as the use of transponders and in-vehicle payment systems) are good for the agencies, but not necessarily the companies. For instance, he continued, ST Engineering is a Smart City company. A video produced by Sirius XM regarding in-vehicle payment systems was played for the Board. Mr. Eden mentioned that he planned to share the video at the next NC Chamber Meeting. He stated that he is not endorsing Sirius XM. The Sirius XM - Visa advertising campaign begins in 2022. The pilot program will launch in Florida, California, and here in North Carolina.

Mr. Eden shared that there are now 85,000,000 connected vehicles in this country. He added that 95% of vehicles being sold in the U.S. now are connected, and if an application on a cell phone can open a car door, etc., then it is 'connected.' He continued by stating that those vehicles manufactured after 2017 are included in this group. Mr. Eden discussed how the changing trends affect costs, audit responsibilities, privacy, and payment systems. Mayor Travis asked how these changes affected the transponders utilized by NC Quick Pass. Mr. Eden predicted that there will be a bridge connecting current and future payment processes. Eventually, the car will replace the transponders as the point-of-sale mechanism. Mr. Irvin made comments about the costs of these changes going forward. Mr. Eden closed this section mentioning that Covid-19 had accelerated the use of cashless systems.

Mr. Eden summarized the February 2022 statistics. He stated that Triangle Expressway transactions totaled 4.61 million with \$4.14 million in revenue. Monroe Expressway transactions were at 2.93 million bringing the revenue for that period to \$1.85 million. Over 15,000 transponders were distributed. Turnpike has distributed nearly 1,156,000 transponders to date.

Actions Taken

Information only/no action required.

4. Complete 540 Construction Update

Alan Shapiro, P.E., Triangle Expressway Roadway Manager

Discussion Summary

Mr. Alan Shapiro provided the committee with an update on Complete 540 construction and public outreach.

Actions Taken

Information only/no action required.

5. I-485 Express Lanes Update

Andy Lelewski, P.E., Director of Program Development

Discussion Summary

Mr. Andy Lelewski provided the committee with updates on the I-485 Express Lanes, NCTA construction-related activities, and NCDOT Project Development Support.

Mr. Lelewski introduced Mr. Brian Davis, P.E., Division 10 Resident Engineer. Mr. Davis provided an update on the construction of the I-485 Express Lanes project and showed pictures of toll sites under construction.

Ms. Mary Clayton asked Mr. Davis about a term of time in regard to the Supplemental Agreement. Mr. Davis reported that the time of the agreement had been accepted for late December of 2024 for a full contract completion. Mayor Travis asked if late 2024 was the timeframe that had been communicated to the public in the past. Mr. Davis said yes. Mayor Charles Travis asked about phased delivery. Mr. Davis stated that there was a possibility that phased delivery might apply. He could not commit to that happening because of recent project turnover with the design-build team. Mayor Travis stated that he believes this is an issue that needs to stay on the agenda in order to relieve the traffic in South Charlotte. Mr. Montell Irvin also stressed the importance of pushing the completion dates forward as quickly as possible. Ms. Clayton suggested that informing the Board about the schedule and cost summary should be done periodically going forward. She added that having a routinely scheduled cost summary would help with benchmarking by the end of 2024. In addition, it would aid understanding of phased delivery by the Turnpike Board and Blythe Construction. The other board members agreed with her. Mr. Irvin asked Mr. Lelewski if Turnpike had items included in this Supplemental Agreement. Mr. Lelewski answered that most items in this Supplemental Agreement contained time component adjustments affecting Turnpike. Mr. Lelewski provided further details about the steps in the construction process.

Mr. Lelewski introduced Ms. Kathryn Lorbacher, NCTA Program Manager. Ms. Lorbacher informed the Board about the project schedule and design plans for the ongoing construction of the new NC Quick Pass Customer Call Service Center in Rocky Mount.

Mr. Montell Irvin asked a question regarding the specific building being renovated and intended for NCTA use, and Ms. Lorbacher explained that it was the building to the left of the tall main office building.

Actions Taken

Information only/no action required.

6. Customer Service & Toll Technology Update

Manish Chourey, Chief Technology Officer

Discussion Summary

Mr. Manish Chourey provided the committee an update on Customer Service and Toll Technology. In addition, he detailed the Triangle Expressway and Monroe Expressway Transactions.

Referring to the Call Center – Longest and Average Wait Time Chart Mr. Montell Irvin asked about the possible causes for the illustrated increase in Call Wait Time. Mr. Chourey explained that it was a combination of factors. Covid-19 impact started the trend in late Summer of 2021. Staff wages caused a number of Agents to leave NC Quick Pass in the last quarter of 2021 in search of different opportunities. Beginning February 2022 NC Quick Pass increased the wages for CSRs (Customer Service Representatives). That is the point that staff retention and new hire levels increased. Mr. J. J. Eden discussed the competitive nature of salary increases in relationship to other employers in the area. He said that it continues to be a challenge, but it is now a better environment. Mr. Irvin asked how automation (nixie processing, i.e.) would affect these factors, and Mr. Chourey explained that Turnpike is continuing to look for efficiencies which can be applied at the call center. Examples of this are the electronic processing of return mail and the upgrade process for the phone system (Ring Central and Call Back features).

Actions Taken

Information only/no action required.

7. Adjourn

Montell Irvin, Chair

Discussion Summary

Mr. Montell Irvin opened the floor for questions or comments.

Mr. J.J. Eden shared information regarding a recently commissioned culture assessment of the North Carolina Turnpike Authority team members, including consultants. The administrator who managed the assessment stated that NCTA is a great organization. Mr. Eden said he would share details of the findings with the Board at future meetings. Mr. Irvin voiced his support to Mr. Eden for having undertaken this project. Mr. Eden explained that there would be more informational and social events planned for the staff on an ongoing basis.

Mr. Eden also explained that NCTA is working on two projects. One is in cooperation with Federal Highways in the Eastern Corridor Coalition (previously named the I-95 Corridor Coalition) on mileage-based user fees. He explained that this is a connector hub using collected vehicle data and transponders on the front end and working to collect the gas tax on the toll model. It is a pilot designed to assess how this concept would work in application. Turnpike team members are also working with the Turnpike trade organization, IBTTA (The International Bridge, Tunnel & Turnpike Association), to create a central application, minimizing the need for each tolling authority to have its own application and multiple vendor agreements.

Mr. Eden also discussed how he encourages staff members to support outside organizations to promote networking and visibility for Turnpike. As an example, he pointed out that Mr. David Roy is leading the EZ Pass Executive Management Finance Committee. Mr. Roy was able to help launch a financial model for future cooperation between 37 tolling agencies. Mr. Manish Chourey is Co-Chair of the Technical Committee for EZ Pass. He is having success coordinating a hub of EZ Pass tolling agency members to share tolling applications as well. Mr. Eden explained that North Carolina has been a pioneer in the tolling Industry by creating, testing, implementing, and sharing multiple tolling innovations worldwide. He mentioned that the efforts of Angela Queenland at the Call Center, in addition to other staff members, make him proud of the work and direction of the Turnpike Authority.

Mr. Irvin called for a motion to adjourn the April 21, 2022, North Carolina Turnpike Authority Operations Committee meeting.

Actions Taken

A motion to adjourn the April 21, 2022, Operations Committee meeting was approved upon a call for motion from Mr. Montell Irvin and seconded by Mr. Montell Irvin.