

16 - ECM



THE STATE OF NEW HAMPSHIRE
DEPARTMENT OF TRANSPORTATION



Victoria F. Sheehan
Commissioner

William Cass, P.E.
Assistant Commissioner

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
State House
Concord, New Hampshire 03301

Bureau of Turnpikes
December 17, 2018

REQUESTED ACTION

Retroactive

Authorize the Department of Transportation to continue its membership and participation with the E-ZPass Interagency Group (IAG), New York, NY (Vendor No. 175221) by paying annual membership dues in the amount of \$75,000.00 for Calendar Year 2019 to be effective upon Governor and Council approval. 100% Turnpike Funds.

Funding is available as follows:

	<u>FY 2019</u>
04-96-96-961017-70500000	
Toll Collection	\$75,000.00
026-500251 Membership Fees	

EXPLANATION

The IAG is a consortium of Northeast toll agencies and authorities that have mutually agreed to operate the E-ZPass regional electronic toll collection system by use of similar practices, procedures and toll equipment. As a member of the IAG, the Commissioner represents the State and participates in the determination of practices, policies, procedures, and in the selection of equipment and contractors used to provide consistent toll collection throughout the region in accordance with the terms of the Interagency Agreement for Operations.

On August 22, 2001, the Governor and Council authorized the Department to join membership with the IAG as a full member with full voting rights. (G&C Item #317). The annual dues assessment this year is \$75,000.00 (invoice attached).

Membership in the IAG is on a calendar year basis, January 1 through December 31, and fees were invoiced during the month of November 2018 and are due on February 28, 2019. In response to the Governor's Executive Order 2008-11, directing Executive Branch spending reductions, the Department has evaluated all organizational memberships to determine whether each is essential to the core mission of the Department. Membership in the IAG is considered essential for the reasons cited above.

Listed below are answers to standard questions required for Governor and Council organization dues and membership approval submissions:

1. How long has this organization been in existence and how long has this agency been a member of this organization?

The IAG was created in 1990. The Department has been a member of IAG for 17 years, since 2001.

2. Is there any other organization, which provides the same or similar benefits that your agency belongs to?

There are no other organizations that provide these benefits to the Department for the electronic toll industry in New Hampshire.

3. How many other states belong to this organization and is your agency the sole New Hampshire state agency that is a member?

IAG currently has 37 agencies or toll authorities in 16 states. The Department is the only NH state agency that is a member.

4. How is the dues structure established? (Standard fee for all states, based on population, based on other criteria, etc)

Membership dues are based on an agency's most recently completed fiscal year toll revenue and the invoice is attached for reference. On June 12, 2014, IAG Executive Management Committee issued Resolution No. 2014-06-01 which resolved that agencies with toll revenue in excess of \$125 million from the most recent fiscal year be assessed \$75,000 per year (resolution attached). The Department's Traffic and Revenue Summary Report showed NH Turnpikes revenue exceeded \$129 million in FY 2018 (report generated by E-ZPass and Toll Collection Systems, attached).

5. What benefit does the state receive from participating in this membership?

The IAG enables the Department to provide the public with a seamless, accurate, interoperable electronic method of paying tolls while preserving and enhancing the E-ZPass program.

6. Are training or educational/research materials included in the membership? If so, is the cost included? Explain in detail.

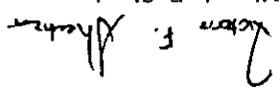
No training or educational/research materials are included in the membership.

7. Is the membership required to receive any federal grants or required in order to receive or participate in licensing or certification exams? Explain.

This membership is not required to receive federal grants, participate in licensing or certification of exams.

8. Is there any travel included with this membership fee? Explain in detail any travel including the number of employees involved, the number of trips, destination of known and purposes of membership-supported trips.

Attachments

Victoria F. Sheehan
Commissioner


Sincerely,

It is respectfully requested that this resolution be approved.

Should the Department no longer be a member with IAG, the Department will no longer be able to participate in the E-ZPass program. Financial reciprocity with the 37 other agencies is seamlessly collect out-of-state revenue on electronic transactions would not be possible without participation in the IAG.

10. Explain in detail any negative impact to the state if the Agency did not belong to this organization.

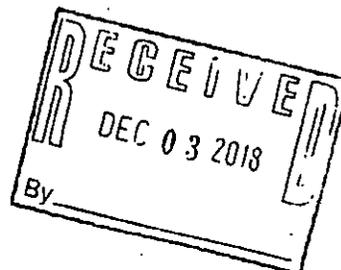
The Turnpike Administrator represents the NHDOT Commissioner on the IAG executive committee. As a member of the IAG, the Commissioner represents the State and participates in the determination of practices, policies, procedures, and in the selection of equipment and contractors used to provide consistent toll collection throughout the region in accordance with the terms of the Interagency Agreement for Operations.

9. Which state agency employees are directly involved with this organization? (Indicate if they are members, voting members, committee members, and/or officers of the organization.

Travel costs are not included in this membership fee; however, the Bureau of Turnpikes has sent employees to IAG meetings in previous years. The trips are budgeted in the Bureau's out of state travel account. Meetings are also attended by participating in teleconference calls.

November 28, 2018

Mr. John Corcoran
Administrator, Bureau of Turnpikes
New Hampshire Department of Transportation
PO Box 2950
Concord, NH 03302-2950



RE: 2019 Annual Assessment

Dear Mr. Corcoran:

In accordance with the E-ZPass® Interagency Group Operating Agreement and the 2019 Budget as approved by the Executive Management Committee, I am forwarding this invoice for your 2019 annual assessment.

Please make the check payable to: **PTC E-ZPASS INTERAGENCY FUND** in the amount of **\$75,000.00** and mail to the attention of:

Nick Grieshaber
Pennsylvania Turnpike Commission
P.O. Box 67676
Harrisburg, PA 17106

OR by ACH Payment: PTC E-ZPass Interagency Fund
Checking Account #4113993901
ABA Routing #121000248

Assessments are due no later than February 28, 2019.

Thank you for your prompt attention to this matter and your participation in the IAG.

Sincerely,

A handwritten signature in cursive script that reads "Linda Wiedenmann".

Linda Wiedenmann
Office Manager

cc: Nick Grieshaber, Treasurer
Renee Dupuis, Policy Committee Member

**E-ZPass INTERAGENCY GROUP
EXECUTIVE MANAGEMENT COMMITTEE**

**Resolution No. 2014-06-01
Dues Structure Changes**

June 12, 2014

WHEREAS, the Full Member Agencies of the E-ZPass® Interagency Group ("IAG") entered into an E-ZPass Operations Interagency Agreement dated as of February 20, 1998, as amended ("Operating Agreement"), to jointly and cooperatively implement an electronic toll collection system known as E-ZPass; and

WHEREAS, the Operating Agreement establishes an Executive Management Committee ("EMC") to provide overall management of the IAG, including the development of an annual estimate of expenses to be incurred for the collective benefit of the Member Agencies and the establishment of a formula and procedure for sharing such expenses; and

WHEREAS, on December 11, 2008 the IAG EMC adopted Resolution No. 2008-12-01 which approved an increase in the annual revenue threshold that distinguishes small IAG Members from large IAG Members for annual assessment purposes from \$100 million to \$150 million, and provided that the IAG EMC will thereafter consider further increases in such threshold based upon cost of living adjustments; and

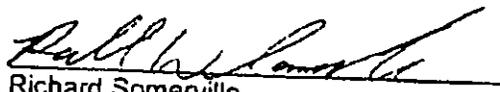
WHEREAS, on December 10, 2009 the IAG EMC adopted Resolution No. 2009-12-01 which provided that the annual revenue threshold that distinguishes small IAG Members from large IAG Members for annual assessment purposes shall be gross toll receipts in excess of \$125 million; and

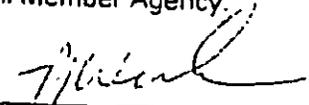
WHEREAS, The EMC has directed the IAG Finance Committee to develop alternative assessment schedules and after reviewing the alternatives the EMC has determined that a change in the annual assessment schedule is appropriate;

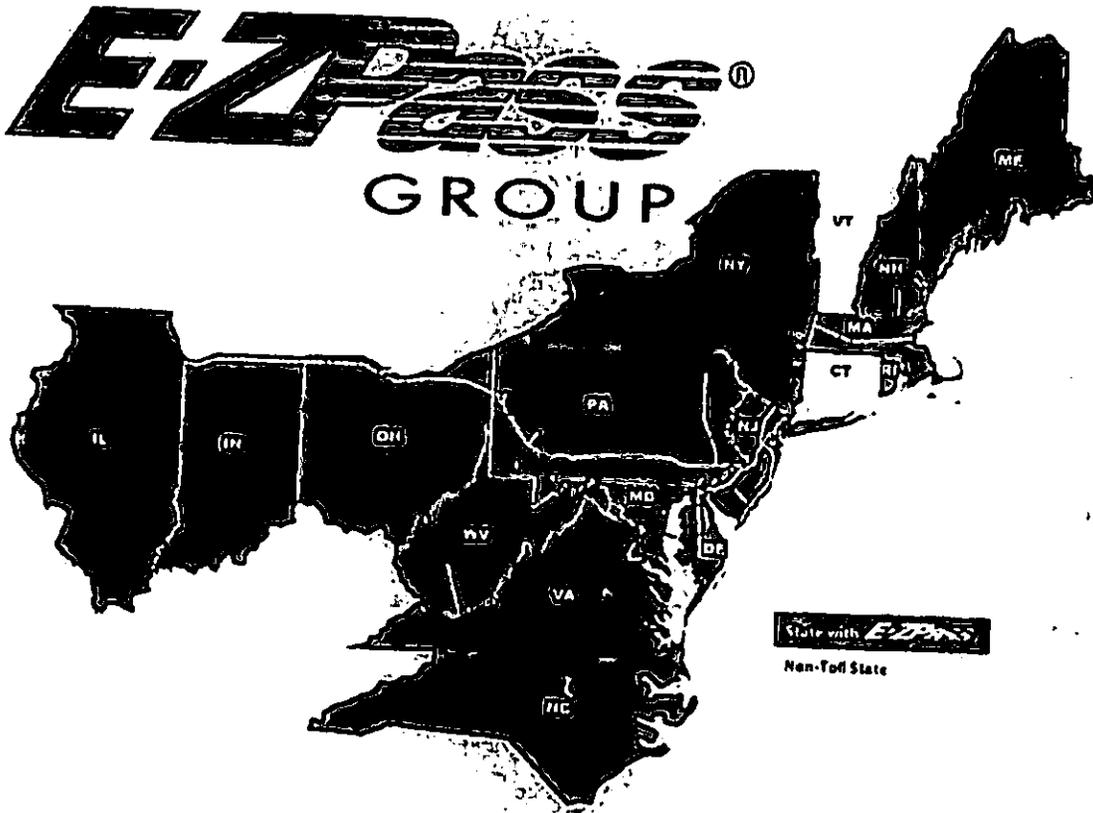
NOW, THEREFORE, BE IT RESOLVED THAT,

1. The IAG Member Annual Assessments for large IAG Members shall change from the present \$70,000 to a new amount of \$75,000, effective with the Annual Assessment due in 2016; and
2. The IAG Member Annual Assessments for small IAG Members shall change from the present \$17,500 to the new amount of \$25,000, effective with the Annual Assessment due in 2016.
3. The annual revenue threshold that distinguishes small IAG members from large IAG members will remain gross toll receipts in excess of \$125 million.

The IAG Executive Management Committee unanimously adopted this Resolution this 12th day of June 2014 with no veto being cast by a Full Member Agency.


Richard Somerville
Chair, Executive Management Committee


PJ Wilkins
IAG Executive Director

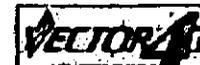


05/05/14



Report Date : 07/19/2018
Time : 12:40:11PM

NEW HAMPSHIRE DOT



Report No: HOST0036

TRAFFIC AND REVENUE SUMMARY REPORT

Reporting Period From: 6/1/2018 To: 6/30/2018

Parameters selected: Revenue Day From: 6/1/2018 - To: 6/30/2018 - Plaza: ALL

System Total

TRAFFIC	Start Date to End Date					Start Date Fiscal Year Begin to End Date			
	Class	This Year	Last Year	Difference	% Change	This Year	Last Year	Difference	% Change
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	
Unknown	644,163	500,660	143,503	28.66	5,971,057	3,839,011	2132046	55.54	
1	9,780,564	9,766,410	14,154	0.14	108,080,368	108,350,928	(270560)	(0.25)	
2	73,544	63,188	10,356	16.39	545,133	536,744	8389	1.56	
3	54,988	48,018	6,970	14.52	422,501	407,545	14956	3.67	
4	3,945	3,356	589	17.55	19,475	22,922	(3447)	(15.04)	
5	196,192	199,044	(2,852)	(1.43)	2,196,033	2,178,297	17736	0.81	
6	50,845	54,630	(3,785)	(6.93)	561,238	545,574	15664	2.87	
7	52,338	50,321	2,017	4.01	533,209	512,726	20483	3.99	
8	271,865	271,926	(61)	(0.02)	3,062,126	3,060,019	2107	0.07	
9	67,235	62,320	4,915	7.89	718,995	690,084	28911	4.19	
10	2,710	2,403	307	12.78	23,832	20,370	3462	17.00	
11	1,116	723	393	54.36	7,386	7,232	154	2.13	
12	1,241	236	1,005	425.85	3,870	1,951	1919	98.36	
Total	11,200,746	11,023,235	177,511	1.61	122,145,223	120,173,403	1,971,820	1.64	
Cars (0-4)	10,557,204	10,381,632	175,572	1.69	115,038,534	113,157,150	1,881,384	1.66	
Trucks (5-12)	643,542	641,603	1,939	0.30	7,106,689	7,016,253	90,436	1.29	
Total	11,200,746	11,023,235	177,511	1.61	122,145,223	120,173,403	1,971,820	1.64	
Non-Revenue	51,639	54,330	(2,691)	(4.95)	626,549	629,929	(3,380)	(0.54)	

REVENUE	Start Date to End Date				Start Date Fiscal Year Begin to Selected End Date			
	This Year	Last Year	Difference	% Change	This Year	Last Year	Difference	% Change
	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
Cash Revenue	\$2,544,022.32	\$2,746,585.44	(\$202,563.12)	(7.38)	\$27,901,747.45	\$31,602,871.80	(\$3,701,124.35)	(11.71)
E-ZPass Revenue	\$9,318,721.56	\$8,945,837.46	\$372,884.10	4.17	\$99,484,196.84	\$95,469,621.86	\$4,014,574.98	4.21
Violation Tolls	\$260,708.58	\$141,608.68	\$119,099.90	84.10	\$1,977,028.37	\$1,067,933.35	\$909,095.02	85.13
Total	\$12,123,452.46	\$11,834,031.58	\$289,420.88	2.45	\$129,362,972.66	\$128,140,427.01	\$1,222,545.65	0.95

- Notes:
1. E-ZPass Revenue - Source : ACS Report Q15
 2. Violation Tolls - Source : ACS Report 38
 3. Traffic is based on revenue day (11:45 pm to 11:45 pm)
 4. 'Unknown' class is indicated for no transponder reads.
 5. Class is based on the Toll Collector/AVI classification.
 6. Retail Sales revenue is not included in the cash revenue on this report.
 7. The class will not be listed in column A if there is no data.