



Citizens Advisory Committee Minutes

Wednesday, September 13, 2023

Location: via: Zoom

Attendance:

New Jersey: Reggie Haynes, Alan Becker, Judy Boldurian, Steve Benigno, Ben Saracco

Pennsylvania: Bob Melikian, Tyrone Wesley

Emeritus Member(s):

Potential Member(s):

DRPA/PATCO: John Hanson, CEO; Jim White, CFO; John Rink, GM, Mike Venuto, CE; CSS, Rob Finnegan; Barbara Wagner, Executive Assistant

Public Member(s):

Call to Order

A motion was made to approve the August 9, 2023 minutes. The minutes were approved.

CEO, John Hanson

Can DRPA post on Social Media platforms of DRPA CAC Memberships?

CEO Hanson reported that we are trying to recruit members on variable message boards, including PATCO's, and will continue to renew the campaign on social media. In addition, we are working on a campaign that's close to being fully developed and will highlight and spotlight our existing CAC members on social media.

Will DRPA police resume monitoring the morning trains?

CEO Hanson reported that our police have never stopped monitoring morning trains.

CFO, Jim White

Finance Update:

CFO White reported that the DRPA and PATCO are both in a holding pattern. DRPA traffic revenues through June 30th are \$5M ahead of last year when our annual revenues were approximately \$311-314M, however, we're still at \$10-15M behind where we were at our peak in 2018-2019. Obviously, that impacts the Authority's cash flow, the general fund, the ability to fund our Capital Program, and funding for the PATCO subsidy. However, in terms of traffic and revenues, we are ahead.

CFO White reported that PATCO is beginning to show some nice numbers being up 442K riders through July vs. last year. We have \$1.1M more in revenue this year than last year even though we are still in the 45-49 percent range of pre-Covid numbers. For the most part, we see ups and downs due to concerts and special events, but we haven't reached numbers above 50 percent, except one or two times this year.

Regarding the budget, CFO White reported that the Authority is doing well at approximately \$10M under budget between the DRPA and PATCO. Lower personnel costs (salaries, FICA, pension, employee service expenses) are largely due to unfilled positions which account for 60 percent of reduced total DRPA expenses. We have been under budget for the last 20 years, but this time it's largely due to unfilled positions.

CFO White reported that we are in the budget process. Budget submissions for Capital and Operating were due on August 31st. In October when we begin our budget hearings, we will discuss with the Directors their budgets and what requires funding. After the conclusion of all budget hearings, we will then scrub the numbers for the last time and present the budgets to the CEO. CE Venuto will be presenting his capital budget to the Finance and O&M Committees in November, and we submit the operating budget in late November, early December.

CFO White also reported that the Authority passed a Resolution through Finance for Financial Advisors and expects to be assembling a bond team in the next 3-4 weeks so we can complete the refunding of our 2013 bonds that are around \$250M. One of the strategies is to reduce our overall debt service in the early years to help balance the budget.

Bob Melikian asked if there has been a rise in ridership since Comcast mandated all their employees to come back to the office four days per week starting after Labor Day?

GM Rink reported that yesterday, PATCO was up 54 percent but it's hard to discern because children are going back to school. We will be more certain if there has been an uptick after looking at the numbers for this week. He reported that this Tuesday was the highest number in a significant period so it may be that we will see some extra riders and will know better next month.

Bob Melikian asked if the Authority looked into credit card processing fees as there are new processors that are reducing credit card expenses?

He also asked if there was a loading charge when people get an E-Z Pass? If you load the card with \$50 and don't use it within a six-month period, where does the money go?

CEO Hanson reported that there is no loading fee but a dollar a month service charge which offsets the administrative expenses of the back office. The money on the card remains in the account and is not on our balance sheet because it's not our organization. We participate as a cooperative organization but a separate entity. Decisions are made based on the share of revenue generated. The DRPA is the second largest entity involved with the largest entity being the New Jersey Turnpike. All other entities do not equal the New Jersey Turnpike which means the Turnpike dictates what happens. It is an entity on its own that has its own expenses and revenues. To the extent that they have interest income, it's a revenue source that offsets the cost of operating, so we indirectly do get the benefit if it's managed appropriately. He reported that, collectively, we are all outvoted by the New Jersey Turnpike. We spoke to the Pennsylvania Turnpike several times and they have no interest, so we're stuck with the back office but do indirectly get the benefit.

CFO White added that regarding the E-Z Pass, our expenses are allocated and based on revenues and/or the number of transactions, so we don't get the benefit of any funds held in an EZ Pass account.

CEO Hanson added that, indirectly, to the extent that there are revenues or benefits from the working capital, then that's less money that we have to put in.

Bob Melikian asked if there was a benefit to maintaining and issuing your own EZ Pass program?

CEO Hanson reported that we don't maintain the E-Z Pass. It's done by a separate organization and if we didn't participate, we wouldn't be able to collect.

CFO White reported that the Authority has a back office called Conduit and all transponders are sent out by Conduit. In 2004, we moved our Customer Service operation with New Jersey ETC (as they were called then) to New Jersey E-Z Pass. The cost of the Authority acting separately would be prohibitive.

Bond Refinancing – Will costs impact cash funds or operational funds?

Alan Becker asked if we have enough capital to go five years?

CFO White reported that the Authority is at \$240M in the general fund that will take us out two years based on our spending. However, the rating agencies want us to keep between \$100-150M in liquidity and if we had to use all the money it would last two years. We are looking at a revenue enhancement for next year which will put the Authority in a position where we can fund the capital program for the next three to five years.

Finance Update including Tolls and potential Fare Hikes:

Bob Melikian asked if revenue enhancement means increasing tolls and PATCO fares?

CFO White stated that is correct. CEO Hanson added that the Authority's biggest revenues are bridge tolls and PATCO fares. We are also looking at the possibility of a toll increase and fare increase and recommending to the Board a \$1.00 increase for bridge tolls which is a 20 percent increase. The higher commercial trucks may be a little higher, but it's all to be determined.

CE, Mike Venuto

Engineer Department Update:

Status on construction projects:

CE Venuto reported that on the Walt Whitman Bridge, we started to mill and repave the New Jersey Corridor and the ramps. The Pennsylvania corridor, from the Toll Plaza to Passyunk Avenue, was done in 2020/2021. We received some grant funding to do the New Jersey side, which has been in the long-term plan. We are nearing completion of the project and have been paving the shoulders, line striping, and guard rail remaining.

He also reported on the Ben Franklin Bridge which is our biggest ongoing project. The project is moving along well. The north side is complete, and we continue working on the southside cable which is 80 percent complete. We have been taking off the existing wrapping and re-wrapping the main cable, which is the first step before we start the humidification system. We also did significant structural repairs on the suspension span and we're about 90 percent complete on all structural repairs. The suspension span will also have an overcoat of painting.

CE Venuto reported on the Betsy Ross Bridge where there is painting taking place for the final phases. The first phase was the New Jersey side and phase two/final phase will be the Pennsylvania side as well as the main truss. The contractor installed the platforms, the containments are in place, and they started the abrasive blasting. The project will take place for the next few years, and we limit the amount of containment at any one time because we analyze the structure and the wind forces against it.

At the Betsy Ross, we also continue to work with PennDOT as they advance their projects on the PA side for the Interchange.

GM, John Rink

PATCO update:

CE Venuto reported that the rail replacement that he reported on last month between Ferry Avenue and Broadway took all of 27 weekends to complete the work. We received an engineering proposal where we negotiated and agreed to take out each track, track one and track two, for a four-week period. We did, however, complete the second phase a week early so it was

complete the Saturday before Labor Day and the track was back in service. We have some additional work for weekends, but a major part of the project is complete and in operation. We laid out the logistics for this project and it really couldn't have been done without CEO Hanson's support, the Engineering Department, and working with the CM and GM Rink who looked at the schedule to minimize any impacts to our customers and headways and having his staff's support on a 24-hour basis.

Franklin Square Station Update:

CE Venuto reported that the project is moving along and on schedule for substantial completion in Spring 2024. The concrete structures are starting to come up from the ground including the formwork for the elevator shafts. The micro piles for the headhouse supports are finished. The escalator has been received and stored offsite. As the concrete work advances, the escalator will be brought to site over the next month or so.

Steve Benigno asked when they do the blasting, is there a third-party to monitor the air quality?

CE Venuto reported that a third-party does the monitoring and it's a part of their contract to monitor the air quality and take periodic samples. See attached Independent Health and Safety Firm that was circulated to the Committee on September 14, 2023.

Stats on Weekend Monthly PATCO Pass:

GM Rink reported that PATCO sold 868 passes of which 721 were bought by Smart Card users and multiple passes were purchased by 62 customers. Of the 868 passes recorded, close to 6400 station entries were recorded during the pilot period. We broke it into three buckets: high usage which is greater than 16 rides, medium usage which was 6-16, and low usage. 230 passengers purchased the high usage, 167 purchased the medium usage, and the low usage purchases were 471. Of the 16 rides over a 30-day period, 3,600 or 57 percent of the rides were the high pass usage. Looking at the travel patterns, we believe a majority of those were already weekend worker commuters that bought the pass and took advantage of it. The low usage only made-up 17 percent of the total rides and most used it for one or two days during a 30-day period. The same for the medium usage, we think they also used it for commuting to work. At the end of the Pilot using our revenue calculation, PATCO broke even with no real gain.

Possibility of creating PATCO App:

CEO Hanson reported that creating a PATCO App is not something we are planning right now. Our main focus is maintaining the financial viability of PATCO. Creating additional enhanced services is not something that we're looking at currently.

GTFS Update – Status to convert PATCO's internal schedule data to GTFS and alternatives if the vendor can't deliver:

Update on the notification form on the website for users to receive updates of GTFS data:

If PATCO is not going to be pushing out GTFS in a timely manner, can PATCO explore resourcing or working with a vendor to, at least, publish alerts in the GTFS-RT Service Alerts format?

CEO Hanson reported that the regular schedule is on GTFS and this deals with trying to include track schedules and other schedules and it's not something that we're able to do beyond what we are already doing.

CSO, Robert Finnegan

Safety and Security Update:

Bob Melikian asked for an update on the Scofflaw situation on drivers that just go through a toll lane. Is there any success in trying to collect money after the fact?

CSO Finnegan reported that when a driver goes through a toll lane while a collector is working, the collector puts the information out regarding the vehicle tag, and we have a good rate of being able to stop those vehicles to enforce theft or other motor vehicle violations that may stem from those stops. The problem or issue with EZ Pass violations is that most often those lanes are not manned so we don't know about it until well after the fact.

CSO Finnegan also reported that we have attempted to collect money and a lot of man hours go into a lengthy investigation pertaining to the highest percentage of EZ Pass violators and EZ Pass accounts, but after months of investigating and running through hoops that the legal system throws at us, it ends up being very unrewarding. The Courts find certain parties guilty of owing money, but it's a civil matter not a criminal matter. The only states or areas where I've seen success in EZ Pass violations are states that collaborate with their Motor Vehicle Commission or Authorities where registration for vehicles is suspended after they get to a certain threshold. So far, we have been unsuccessful with those attempts.

Bob Melikian asked if there was any politician who sits on the Board who could help the DRPA go after the scofflaws without it being a huge waste of time?

CEO Hanson reported that there is, and we have a Government Relations Department, as well, who is working on it. This has gone to the Committee in the past and they tabled it, according to my understanding, because of concerns about possible effects on specific members of the community. We are continuing to work on it, we do have politicians on the Board, we have a Government Relations Department, but we have not had much success or receptivity.

Bob Melikian asked if the arms don't open if a toll isn't paid or an EZ Pass doesn't register, is it too complicated to send someone out to take a picture of the license plate?

CSO Finnegan reported that it would essentially be a roadblock which we are, by law, unable to do. From a Law Enforcement perspective, we are not permitted to do those types of things because it stops the flow of vehicles.

Social Media, Larry Davis

Old Business:

Upcoming Advance Notice on Public Events: None

New Business:

Possible live social for the October meeting:

Reggie Haynes asked the members to come up with suggestions for a get together/social event in lieu of the October meeting. Please forward all suggestions to Reggie Haynes via e-mail.

Members transitioning to Emeritus Status:

Reggie Haynes reported that there are no members transitioning to Emeritus Status until March 2024. Ben Saracco will be the next member going Emeritus Status in March 2024.

He reported that next year, the Chair, Vice Chair and Secretary will all be going Emeritus in September 2024.

New CAC members:

Bob Melikian reported that we had 3 new applicants and received several new names that he invited to tonight's meeting. The newest applicant didn't respond and the second one was in Hawaii at a business meeting. Leah Straub couldn't make it because she had to attend a meeting. The fourth woman, who is a Neurologist at Penn, had a family emergency and couldn't attend. The fifth gentleman withdrew his application.

Updated e-mail list:

Reggie Haynes sent by e-mail a list of all Committee Members with additional information showing active or inactive status and a list of each members voting status. Please review and make sure all dates are accurate.

DRPA CAC Active Membership Drive:

Bruce Schwartz and Daniel Norfleet were the last members to transition to Emeritus Status in June 2023.

Ben Saracco will be the next member to transition to Emeritus Status in March of 2024.

Dan McArdle will transition from Emeritus Status to an Active Member in September 2023.

Reggie Haynes and Alan Becker will transition to Emeritus Status in 2024 which will make for an interesting election year.

Reggie Haynes informed the Committee that, at present, there are only 6-7 individuals that can vote. The only voting members on the Committee are Ben Saracco, Alan Becker, Pamela Mack-Brooks, Reggie Haynes, Tyrone Wesley, Bob Melikian, Straso Jovanovski, Scott Cohen, and Judy Boldurian.

He informed that Steve Benigno is presently an Emeritus Member and can reapply for Acting Member in January 2024. The By-Laws state a member has to be Emeritus for one full year. Daniel McArdle can reapply for Acting Member in November 2024.

Reggie Haynes also stated that the committee needs more members. Most of the members joined because they are PATCO riders, which is where we see the most advertising. Some people have not come back to riding PATCO after Covid and are driving and their commute consists of the bridge and tolls. He stated that the members have to figure out what can be done to attract individuals from road transportation.

For the Good of the Order:

Next CAC Meeting: Will be held on October 11, 2023, at 6:00 p.m. – Zoom Web Conference

Next DRPA Board Meeting: Will be held on September 20, 2023, at 9:00 a.m. – Zoom Web Conference