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STATE COMPTROLLER



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STATE OF NEW YORK  
OFFICE OF THE STATE COMPTROLLER

November 14, 1997

Mr. Robert E. Boyle  
Executive Director  
Port Authority of New York and New Jersey  
One World Trade Center  
New York, NY 10048

Re: Report 97-F-23

Dear Mr. Boyle:

According to the State Comptroller's authority as set forth in Article X, Section 5 of the State Constitution, we reviewed the actions taken by officials of the Port Authority of New York and New Jersey, as of July 20, 1997, to implement the recommendations included in our prior audit report 95-S-22. This report, issued June 14, 1996, examined the practices used to deploy toll collectors at the Authority's bridges and tunnels.

**Background**

The Port Authority of New York and New Jersey (Authority) was created by the states of New York and New Jersey in 1921 to support economic development in the New York City/New Jersey metropolitan region. Each weekday, about one million people use the Authority's four bridges and two tunnels, which include the George Washington, Goethals, Outerbridge and Bayonne bridges; and the Lincoln and Holland tunnels. The Authority is self-sustaining financially and derived a net income of \$198.9 million for the year ended December 31, 1996. Its Interstate Transportation Department (Department) manages toll collections at the six crossings. For the year ended December 31, 1996, the Department's revenues and expenses totaled \$496.3 and \$277.1 million, respectively, from bridge and tunnel operations. This produced a surplus of \$219.2 million. The Port employed about 365 full-time equivalent toll collectors. In 1996, collectors' wages and fringe benefits totaled about \$19 million.

In our prior audit, we concluded that the Authority could significantly reduce the size and cost of its toll collection staff if it used meaningful workload standards to allocate staff and expanded the use of automatic equipment to collect tolls. The Department did not use formal workload standards to allocate and deploy collectors. Our analysis of toll collectors' workloads identified underutilized toll collection capacity at the crossings. Also, the Authority had not formally assessed the use of automatic

baskets to collect tolls.

In our follow-up review, we found that the Authority has developed workload criteria to deploy toll collectors. In addition, the Authority has implemented the E-Z pass system, which Authority officials believe will satisfy some of our other recommendations.

### **Summary of Status of Implementation**

In our follow-up review, we found that the Agency had fully implemented 4 of our recommendations, had not implemented 2 of our recommendations, and partially implemented the remaining 2 recommendations.

### **Follow-up Observations**

#### **Recommendation 1**

*Develop appropriate formal workload criteria for deploying toll collectors.*

#### **Status - Fully Implemented**

Agency Action - The Authority has developed formal workload criteria by formulating and applying a computer simulation model of roadway configurations and vehicular mixes for each tunnel and bridge. The model is based on the queuing theory and probabilistic statistics, and is used for determining the deployment of toll collectors.

#### **Recommendation 2**

*Match toll collector deployment to the traffic demand using the workload standards established.*

#### **Status - Fully Implemented**

Agency Action - The workload standards have been applied to hourly traffic demand statistics to determine minimum hourly lane requirements and the optimal deployment of toll collectors.

#### **Recommendation 3**

*Minimize the amount of one-hour meal breaks scheduled for and taken by toll collectors during peak traffic periods.*

**Status - Not Implemented**

Agency Action - The Port Authority maintains that the one-hour meal break conforms with the collective bargaining agreement with the Transport Workers Union. Therefore, the Authority cannot minimize the breaks taken during peak traffic periods.

Auditors' Comments - Authority officials maintain that a long-standing, established past practice, such as the one-hour break during peak traffic periods, cannot be discontinued under the labor agreement. We reviewed the collective bargaining agreement and did not find any reference to the one-hour meal break. We recommend that this issue be raised in future collective bargaining agreement negotiations.

**Recommendation 4**

*End the practice of extending toll collectors' breaks beyond the durations prescribed by the collective bargaining agreements.*

**Status - Partially implemented**

Agency Action - A review of attendance records at the Staten Island Bridge indicated that some toll collectors still extend their breaks beyond the prescribed durations.

Auditors' Comments - Authority officials maintain that this practice has been discontinued. Our observations indicate that complete compliance has not occurred.

**Recommendation 5**

*Ensure that senior toll collectors spend the maximum amount of time possible collecting tolls. Formally assess the amount of time that senior toll collectors should spend collecting tolls under normal circumstances.*

**Status - Fully Implemented**

Agency Action - Effective December 29, 1996, Senior Toll Collectors were assigned to in-lane toll collection duties 100 percent of their time.

### **Recommendation 6**

*Seek to increase, through the collective bargaining process, the number of part-time toll collectors employed by the Authority.*

#### **Status - Not Implemented**

Agency Action - Authority officials indicated that they will advise their Labor Relations staff to maximize the number of part-time toll collectors. They also informed us that to enhance the effectiveness of the use of the E-Z Pass, the need to employ part-time toll collectors will increase.

Auditors' Comments - The current labor contract expired in July 1997. Authority officials have not completed their analysis of the E-Z Pass to determine what changes in part-time staffing will be made.

### **Recommendation 7**

*Make a formal assessment of the long-term fiscal and programmatic benefits of using contemporary automatic toll collection machines, such as coin/token baskets. As appropriate, develop a long-term plan to install and operate such machines.*

#### **Status - Partially Implemented**

Agency Action - Authority officials maintain that implementation of the E-Z Pass system obviates the need for automatic toll collection machines.

Auditors' Comments - Even with E-Z Pass, there will be motorists who will not utilize this system. As such, these motorists could benefit from a coin collection system which would further increase its flow of traffic. We recommend that the Authority conduct a cost/benefit analysis to determine whether the use of coin/token baskets will enhance the efficiency of toll collection for customers who do not use E-Z Pass.

### **Recommendation 8**

*Develop a formal timetable, approved by executive management and the Board, for bringing E-Z Pass into operation.*

#### **Status - Fully Implemented**

Agency Action - The Board approved, at its February 6, 1997 meeting, to initiate the E-Z Pass system; and the system became operative at the Staten Island Bridges during July 1997. Full implementation of its E-Z Pass system is expected by 1998.

Major contributors to this report were William Challice, David R. Hancox, Frank Russo, Aaron Fruchter and Alina Mattie.

We would appreciate your response to this report within 30 days, indicating any action planned or taken to address the unresolved matters discussed in this report.

We also thank your management for the courtesies and cooperation extended to our staff during this review.

Yours truly,

A handwritten signature in cursive script that reads "Carmen Maldonado".

Carmen Maldonado  
Audit Director

cc: P. Woodworth  
E. Jackson  
M. Muriello