



CENTRAL TEXAS REGIONAL  
**MOBILITY AUTHORITY**

August 28, 2024  
**AGENDA ITEM #14**

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Discuss and consider approving an agreement with the North Texas Tollway Authority for TollTag® marketing, promotional services and account enrollment

<b>Strategic Plan Relevance:</b>	Collaboration, Service, Stewardship
<b>Department:</b>	Operations
<b>Contact:</b>	Tracie Brown, Director of Operations
<b>Associated Costs:</b>	TBD
<b>Funding Source:</b>	FY25 Operating Budget
<b>Action Requested:</b>	Consider and act upon draft resolution

**Project Description/Background:** Pre-paid electronic toll collection is the most efficient way to facilitate payment for travel on tolled facilities. Pre-paid electronic toll collection methods include transponders (more commonly known as “tags”) and license plate-based accounts. For customers, electronic toll collection methods are the most economical and most cost-effective way to pay for travel on an open toll road system. Customers with an electronic toll tag account currently pay 33% less for tolls on Mobility Authority operated toll facilities than customers who utilize the Authority’s courtesy Pay By Mail program. They also avoid administrative fees related to late payments and legal consequences resulting from non-payment.

The Mobility Authority benefits from pre-paid electronic toll collection through more efficient transaction processing which results in faster revenue realization. The lower costs to collect and mitigation of toll violations aid the Authority’s credit rating which translates to lower borrowing costs.

The Mobility Authority experienced a sharp decline in prepaid account usage in 2020 while the number of Pay By Mail invoices issued each month increased. The reconstruction of IH-35 will shift travelers to adjacent facilities, including the toll roads

owned and operated by the Mobility Authority. To mitigate a greater increase in Pay By Mail invoices, a substantial increase in the number of customers using pre-paid electronic toll payment methods is necessary.

**Action requested/Staff Recommendation:** As the Mobility Authority contemplated the future of its Pay By Mail program ahead of a March 2027 contract expiration with its current vendor, a Request for Offer was issued to the Harris County Toll Road Authority (HCTRA) and North Texas Tollway Authority (NTTA). In their response NTTA offered the opportunity to partner in increasing pre-paid account usage in the Central Texas region through a focused effort to market and distribute NTTA's TollTag® products. Today's action seeks approval of a negotiated Distribution Agreement between CTRMA and NTTA that includes:

- access to the TRIPS module of NTTA's back-office system;
- training on NTTA TollTag® account creation, management and vehicle updates within the TRIPS module;
- NTTA issue resolution support;
- NTTA assistance in the creation of TollTag® marketing material; and
- NTTA consulting services on marketing and related activities.

CTRMA will compensate NTTA for its efforts at the hourly rate or flat fee set forth in applicable Work Authorizations plus any costs or expenses incurred by NTTA, its vendors, consultants and contractors. Expected Work Authorizations include licensing for access to the TRIPS module for CTRMA's Pay By Mail customer representatives; the development of marketing collateral; and delivery of TollTags for distribution at special events.

The term of the proposed Agreement is two years with automatic renewal for successive one (1) year periods unless terminated. Staff recommends approval of the Distribution Agreement between the Mobility Authority and NTTA for TollTag® marketing and distribution services.

**Previous Actions & Brief History of the Program/Project:** In 2017 the Mobility Authority executed the Central States Interoperability Agreement to facilitate the acceptance and financial reconciliation of electronic toll collection payment methods managed and hosted by the Fort Bend County Regional Transportation Authority, the Harris County Toll Road Authority (HCTRA), the Kansas Turnpike Authority (KTA), the North Texas Tollway Authority (NTTA), the Oklahoma Turnpike Authority (OTA),

and the Texas Department of Transportation (TxDOT). The TollTag® suite of products and TollTag® customers are part of this Agreement. There is no other direct relationship between the Mobility Authority and NTTA for the services being considered by this action.

**Backup provided:** Resolution to be provided at the board meeting  
Distribution Agreement