



June 25, 2025
AGENDA ITEM #13

Discuss and consider approving the second amendment to the agreement with Kapsch TrafficCom North America for license plate image review services

Strategic Plan Relevance:	Safety, Stewardship, Collaboration, Innovation, Service
Department:	Operations
Contact:	Tracie Brown, Director of Operations
Associated Costs:	\$0.0222 per automated reviewed transaction & \$0.0454 per manually review transaction (<i>adjusted annually per CPI</i>)
Funding Source:	Operating Budget
Action Requested:	Consider and act on draft resolution

Project Description/Background: Kapsch TrafficCom North America (Kapsch) is the Authority's toll system integrator. In this role Kapsch implements new toll and intelligent transportation (ITS) systems and maintains such systems. Under an agreement executed in July 2018, Kapsch also provides license plate image review services to the Mobility Authority.

The Kapsch image review solution uses proprietary software and hardware to transcribe license plate images using optical character recognition (OCR) technology or human intervention. Once determined, the license plate result is matched to the corresponding toll transaction information and forwarded to the Central United States Interoperability (CUSIOP) Hub to post to a customer electronic tag account or to the Authority's Pay By Mail vendor for customer billing. Approximately 55% of the Authority's toll transactions require image review.

Action Requested: Today’s action seeks approval of the second and final two-year renewal option of the Kapsch Image Review Services Agreement. Under this Second Amendment, the term for the Agreement will extend through July 31, 2027. Per the First Amendment approved by the CTRMA Board in June 2023, the pricing under the term of the Second Amendment will be automatically adjusted annually in accordance with the CPI. Kapsch will continue to perform image reviews related to exempt vehicles (buses, registered vanpools, qualified veterans, emergency vehicles, etc.) at no cost to the Authority.

The following table highlights the change in CPI:

Review Type	Current Pricing FY25	CPI %	New Pricing FY26
Optical Character Recognition (OCR)	\$0.0218 per transaction	1.9%	\$0.0222 per transaction
Manual Review	\$0.0446 per transaction	1.9%	\$0.0454 per transaction

Previous Actions & Brief History of the Program/Project: In July 2018 the CTRMA Board approved an Agreement with Kapsch TrafficCom North America (then Kapsch TrafficCom USA) for license plate image review services. The initial term of the Agreement was five (5) years, concluding on July 30, 2023. The Agreement provided two (2) successive two-year renewal terms following the expiration of the initial five-year period. This Agreement replaced a similar contract with the Authority’s Pay By Mail vendor, Municipal Services Bureau (MSB).

In June 2023, the CTRMA Board approved the First Amendment to the Agreement extending the term through July 31, 2025. The First Amendment also added an annual CPI escalation clause to the Agreement.

Financing: Not applicable.

Action requested/Staff Recommendation: Staff recommends approval of the second amendment to the Kapsch Agreement for image review services.

Backup provided: Draft resolution
Draft amendment

**GENERAL MEETING OF THE BOARD OF DIRECTORS
OF THE
CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY**

RESOLUTION NO. 25-0XX

**APPROVING THE SECOND AMENDMENT TO THE AGREEMENT WITH
KAPSCH TRAFFICCOM NORTH AMERICA, INC. FOR LICENSE PLATE IMAGE
REVIEW SERVICES**

WHEREAS, the Central Texas Regional Mobility Authority (the “Mobility Authority”) was created pursuant to the request of Travis and Williamson Counties and in accordance with provisions of the Transportation Code and the petition and approval process established in 43 Tex. Admin. Code § 26.01, et. Seq. (the “RMA Rules”); and

WHEREAS, performing image reviews of license plates is an essential element of the processing of pay-by-mail transactions for the use of Mobility Authority facilities; and

WHEREAS, by Resolution No. 18-033, dated July 25, 2018, the Board of Directors approved an agreement with Kapsch TrafficCom USA, Inc. for image review services for a term of five (5) years, concluding on July 30, 2023, with two (2) two-year renewal terms (the “Agreement”); and

WHEREAS, by Resolution No. 23-023, dated June 26, 2023, the Board of Directors approved the first amendment to the Agreement, to exercise the first renewal term, which will conclude on July 30, 2025, and to provide for an annual adjustment of certain pricing in accordance with the customer price index; and

WHEREAS, the Executive Director and Kapsch TrafficCom North America have negotiated a proposed second amendment to the Agreement to exercise the second renewal term, such that the Agreement will conclude on July 30, 2027; and

WHEREAS, the Executive Director requests that the Board of Directors authorize the execution of the proposed second amendment to the Agreement for image review services, a copy of which is attached hereto as Exhibit A.

NOW THEREFORE, BE IT RESOLVED that the Board of Directors hereby authorizes the Executive Director to execute the second amendment to the Agreement for image review services in the form or substantially the same form attached hereto as Exhibit A.

Adopted by the Board of Directors of the Central Texas Regional Mobility Authority on the 25th day of June 2025.

Submitted and reviewed by:

Approved:

James M. Bass
Executive Director

Nikelle Meade
Vice Chair, Board of Directors

Exhibit A

SECOND AMENDMENT TO AGREEMENT FOR IMAGE REVIEW SERVICES

THIS SECOND AMENDMENT is made effective as of the ____ day of _____, 2025, by and between the by and between the Central Texas Regional Mobility Authority (the “CTRMA”) and Kapsch TrafficCom North America (the “Contractor”) (collectively, the “Parties,” and each individually, a “Party”).

W I T N E S S E T H:

WHEREAS, pursuant to Resolution No. 18-033, approved on July 25, 2018, the CTRMA Board of Directors (the “Board”) approved an Agreement for Image Review Services (the “Agreement”) with the Contractor to provide image review services in connection with CTRMA’s transaction processing and toll collection activities (the “Services”); and

WHEREAS, the Parties executed the Agreement, effective July 30, 2018; and

WHEREAS, Section II of the Agreement provides for a term of five (5) years, concluding on July 30, 2023, with two (2) two-year renewal terms; and

WHEREAS, the First Amendment to the Agreement regarding the first two-year renewal term was approved on June 26, 2023 and expires on July 30, 2025; and

WHEREAS, the Contractor is currently providing the Services; and

WHEREAS, the CTRMA has determined that it is in its best interests for the Contractor to continue to provide the Services; and

WHEREAS, it is the desire of the parties to exercise the second renewal term, such that the Agreement will conclude on July 30, 2027; and

WHEREAS, this Agreement has been negotiated and finalized between the parties whereby services will be provided by the Contractor and compensation will be paid by the CTRMA pursuant to the terms hereof.

NOW, THEREFORE, and in consideration of the mutual covenants and agreement between the Parties, the Parties hereby agree to the following:

I. AGREEMENT PERIOD.

Pursuant to Article 2 of the Agreement, the parties agree to exercise the second of two renewal terms, such that the “Agreement Period” shall conclude on July 30, 2027.

II. REMAINING TERMS AND CONDITIONS.

Except to the extent expressly modified herein, all remaining terms and conditions of the Agreement by and between the CTRMA and the Contractor shall continue in full force and effect.

IN WITNESS WHEREOF, the parties hereto have signed or have caused their respective names to be signed to multiple counterparts hereof as of the effective date first above written.

**CENTRAL TEXAS
REGIONAL MOBILITY AUTHORITY**

By: _____

James Bass

Executive Director

Date: _____

KAPSCH TRAFFICCOM NORTH AMERICA

By: _____

Date: _____