



**CENTRAL TEXAS
Regional Mobility Authority**

AGENDA ITEM #4 SUMMARY

Approve an interlocal agreement with the North East Texas Regional Mobility Authority to provide toll transaction processing and toll collection services by and through the Mobility Authority.

Strategic Plan Relevance:	Regional Mobility
Department:	Operations
Associated Costs:	None
Funding Source:	N/A
Board Action Required:	Yes

Description of Matter: The North East Texas Regional Mobility Authority (“NET RMA”) has requested that the Mobility Authority provide toll transaction processing and toll collection services (including violation processing and past due collection services). The Mobility Authority proposed providing the requested services using its own expertise and that of its existing vendors, including Telvent and Municipal Services Bureau.

The proposed Interlocal Agreement sets forth the terms and conditions under which the Mobility Authority will provide the requested toll transaction processing services for NET RMA. Compensation for the services being performed will be made on a pass-through basis, resulting in a zero cost to the Mobility Authority.

Reference documentation:
Draft Interlocal Agreement
Draft Resolution

Contact for further information:
Tim Reilly, Director of Toll Operations

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

RESOLUTION NO. 13-___

**APPROVING AN INTERLOCAL AGREEMENT WITH THE
NORTH EAST TEXAS REGIONAL MOBILITY AUTHORITY TO PROVIDE TOLL
TRANSACTION PROCESSING AND TOLL COLLECTION SERVICES BY AND
THROUGH THE MOBILITY AUTHORITY.**

WHEREAS, Chapter 791 of the Texas Government Code and Section 370.033 of the Transportation Code authorize a regional mobility authority to enter into an agreement with a governmental entity for the performance of governmental functions and services, including administrative functions; and

WHEREAS, the North East Texas Regional Mobility Authority (“NET RMA”) has requested the Mobility Authority and its contractors to provide toll transaction processing and toll collection services for the NET RMA Loop 49 Toll Project, in accordance with the terms and conditions of a proposed agreement attached as Exhibit 1; and

WHEREAS, the Executive Director recommends approval of the proposed agreement.

NOW THEREFORE BE IT RESOLVED that the proposed interlocal agreement with the North East Texas Regional Mobility Authority is hereby approved; and

BE IT FURTHER RESOLVED that the Executive Director is authorized to finalize and execute the proposed interlocal agreement on behalf of the Mobility Authority, in the form or substantially the same form as Exhibit 1.

Adopted by the Board of Directors of the Central Texas Regional Mobility Authority on the 30th day of January, 2013.

Submitted and reviewed by:

Approved:

Andrew Martin
General Counsel for the Central
Texas Regional Mobility Authority

Ray A. Wilkerson
Chairman, Board of Directors
Resolution Number 13-___
Date Passed 01/30/13

Exhibit 1

**Interlocal Agreement with
the North East Texas Regional Mobility Authority**

[shown on the following 9 pages]

INTERLOCAL AGREEMENT

THIS INTERLOCAL AGREEMENT (the “Agreement”) is made and entered into effective as of the ___ day of _____, 2013, by and between the CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY (“CTRMA”) and the NORTH EAST TEXAS REGIONAL MOBILITY AUTHORITY (“NET RMA”), political subdivisions of the State of Texas (collectively, the “Parties”).

WITNESSETH:

WHEREAS, the CTRMA is a regional mobility authority created pursuant to the request of Travis and Williamson Counties and operating pursuant to Chapter 370 of the Texas Transportation Code (the “RMA Act”) and 43 TEX. ADMIN. CODE §§ 26.1 *et seq.* (the “RMA Rules”); and

WHEREAS, the NET RMA is a regional mobility authority created pursuant to the request of Gregg and Smith Counties and operating pursuant to Chapter 370 of the RMA Act and Sections 26.1 *et seq.* of the RMA Rules; and

WHEREAS, subsequent to the initial formation of the NET RMA the Counties of Cherokee, Rusk, Harrison, Upshur, Bowie, Cass, Panola, Titus, Van Zandt, and Wood joined the Authority and are represented on the Board of Directors of the NET RMA; and

WHEREAS, Chapter 791 of the Texas Government Code provides that any one or more public agencies may contract with each other for the performance of governmental functions or services in which the contracting parties are mutually interested; and

WHEREAS, Section 370.033 of the RMA Act provides that a regional mobility authority may enter into contracts or agreements with another governmental entity; and

WHEREAS, the NET RMA is in need of toll transaction processing and toll collection services (including “pay-by-mail” processing, violations processing and debt collection services) related to the Loop 49 Toll Project; and

WHEREAS, the CTRMA previously entered into an Agreement for Violation Processing and Debt Collection Services with Gila Corporation, d/b/a Municipal Services Bureau (“MSB”) for the provision of violation processing, collection management, and court process support services (the “MSB Contract”); and

WHEREAS, the CTRMA, independently and by and through its consultants, has the expertise required to provide toll image processing, violations processing and debt collection services in connection with toll projects; and

WHEREAS, the CTRMA is a party to the Statewide Interoperability of Toll Collection Systems Agreement (the “Interoperability Agreement”), through which toll transactions on various tolled facilities throughout the state are processed and credited to the operator of the facility on which the transaction occurred; and

WHEREAS, the Parties have agreed that it would be to their mutual benefit for the CTRMA to provide needed toll collection processing services to the NET RMA through its expertise and resources, including those available through the MSB Contract and the Interoperability Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the undersigned Parties agree as follows:

I. FINDINGS

Recitals. The recitals set forth above are incorporated herein for all purposes and are found by the Parties to be true and correct. It is further found and determined that the Parties have authorized and approved the Agreement by resolution or order adopted by their respective governing bodies, and that this Agreement will be in full force and effect when approved by each party.

II. ACTIONS

1. Provision of Services. Subject to the terms of this Agreement, the NET RMA shall utilize the resources of the CTRMA and/or its consultants, including the resources and services provided under the MSB Contract and the Interoperability Agreement, in connection with the provision of toll transaction processing, toll collection, violation processing, collection management, and court support services on NET RMA toll projects. The general Scope of Work (the “Services”) to be provided by the CTRMA is set forth in Attachment “A”. In the event that NET RMA becomes a direct party to the Interoperability Agreement the parties agree to amend this Agreement as necessary to accommodate such change.

2. Cost of Services and Payment. The cost of services and payments are governed by underlying agreements between CTRMA and its consultants and the Interoperability Agreement. In accordance with the underlying agreements and established processes, and in accordance with a schedule to be mutually agreed upon by the parties, the CTRMA, by and through its consultants, shall submit to the NET RMA a summary of toll related fees and costs charged and collected in providing the Services under this Agreement and shall also present a reconciliation of the related transactions, invoices and accounts.

The current applicable fees for service are provided in the Rate Schedule set forth in Attachment “B”. The CTRMA agrees to pay, or cause to be paid, any funds collected by the CTRMA on behalf of the NET RMA within 45 days of receiving those funds. The current Schedule for collection of toll related funds is provided in the CTRMA Toll Funds Collection Schedule set forth in Attachment “C”. The CTRMA may deduct applicable processing fees prior to transferring toll related funds to the NET RMA, resulting in a net invoice or payment to the NET RMA. The funds due and fees deducted shall be clearly shown on the associated summary document.

Payments due to either party under this Agreement shall be made to:

Central Texas Regional Mobility Authority
301 Congress Avenue, Suite 650
Austin, TX 78701
Attn: Chief Financial Officer

North East Texas Regional Mobility Authority
909 ESE Loop 323 Suite 360
Tyler, Texas 75701
Attn: Project Director

3. Performance Measures. The toll collection processing services being provided pursuant to this Agreement are an extension of the services being provided to the CTRMA under the MSB Contract. As such, CTRMA shall ensure, through its agreement with MSB and other of its subcontractors, that the same performance measures are established and maintained for toll collection processing services on the Loop 49 Toll Project as are applicable to CTRMA facilities. CTRMA shall enforce such measures and standards on NET RMA's behalf, and CTRMA shall not agree to modify performance measures without the prior written consent of NET RMA.

III. GENERAL AND MISCELLANEOUS

1. Term and Termination. Subject to the following, this Agreement shall be effective as of the date first written above and shall continue in force and effect until June 30, 2015. The term of the Agreement may be extended by written agreement of the Parties. Notwithstanding the foregoing:

- a. if the MSB Contract is terminated pursuant to Article 3 of that agreement, this Agreement shall terminate on the same day that the MSB Contract terminates, provided that 1) the CTRMA shall give the NET RMA written notice of the termination within ten (10) days of providing notice to or receiving notice from MSB in accordance with Article 3 of the MSB Contract; and 2) in the event that the CTRMA enters into a contract for toll transaction processing services with another provider upon termination of the MSB Contract, the CTRMA shall use its best efforts to continue to provide the Services to the NET RMA pursuant to the terms of this Agreement under the contract between the CTRMA and its new provider of toll collection processing services;
- b. either party may terminate this Agreement in the event of a material breach of its terms, which may include, but is not limited to, failure to make timely payments of amounts owed and failure of the toll collection processing services to be provided in accordance with this Agreement, provided that the party seeking to terminate the Agreement has provided written notice to the other of the alleged default and the default has not been cured within thirty (30) days of receipt of such notice; and

c. the parties may mutually agree to terminate this Agreement.

2. Prior Written Agreements. This Agreement is without regard to any and all prior written contracts or agreements between the Parties regarding any other subject matter and does not modify, amend, ratify, confirm, or renew any such other prior contract or agreement between the Parties.

3. Other Services. Nothing in this Agreement shall be deemed to create, by implication or otherwise, any duty or responsibility of either of the Parties to undertake or not to undertake any other service, or to provide or not to provide any service, except as specifically set forth in this Agreement or in a separate written instrument executed by both Parties.

4. Governmental Immunity. Nothing in this Agreement shall be deemed to waive, modify, or amend any legal defense available at law or in equity to either of the Parties nor to create any legal rights or claims on behalf of any third party. Neither of the Parties waives, modifies, or alters to any extent whatsoever the availability of the defense of governmental immunity under the laws of the State of Texas and of the United States.

5. Amendments and Modifications. This Agreement may not be amended or modified except in writing and executed by both Parties to this Agreement and authorized by their respective governing bodies.

6. Severability. If any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof, but rather this entire Agreement will be construed as if not containing the particular invalid or unenforceable provision(s), and the rights and obligations of the Parties shall be construed and enforced in accordance therewith. The Parties acknowledge that if any provision of this Agreement is determined to be invalid or unenforceable, it is their desire and intention that such provision be reformed and construed in such a manner that it will, to the maximum extent practicable, give effect to the intent of this Agreement and be deemed to be validated and enforceable.

7. Execution in Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall be considered fully executed as of the date first written above, when both Parties have executed an identical counterpart, notwithstanding that all signatures may not appear on the same counterpart.

IN WITNESS WHEREOF, the Parties have executed and attested this Agreement by their officers thereunto duly authorized.

**CENTRAL TEXAS REGIONAL
MOBILITY AUTHORITY**

By: _____
Mike Heiligenstein,
Executive Director

**NORTH EAST TEXAS
REGIONAL MOBILITY AUTHORITY**

By: _____
Everett Owen, P.E.
Project Director

ATTACHMENT “A”

SCOPE OF SERVICES

The CTRMA shall provide toll transaction processing, image processing, Pay-by-Mail invoicing, violation processing services, and court support services for the purpose of collecting toll-related funds on behalf of the NET RMA. The Scope of Services may include, but not be limited to, the following tasks on behalf of the NET RMA:

1. The CTRMA shall collect and distribute to the NET RMA toll funds collected on behalf of the NET RMA.
2. The CTRMA shall provide assistance to the NET RMA in properly reconciling the payments from CTRMA to NET RMA and, if applicable, payments from CTRMA’s Consultants to the NET RMA.
3. The CTRMA shall process all transactional and image data from specified in-lane toll collection systems for the Loop 49 Toll Project.
4. The CTRMA shall process transactional and image-based data in accordance with the agreed to business rules, policies, and procedures.
5. The CTRMA shall submit transponder-based and applicable image-based transactions to the Texas Statewide Interoperable Hub, in accordance with the approved Texas statewide interoperable business rules and interface control documents.
6. To facilitate the processing of NET RMA transactions, the CTRMA shall submit any required changes to the Statewide Interoperability Committee per Attachment A - Section 2 of the Texas Statewide Interoperability of Toll Collection Systems Agreement.
7. The CTRMA shall make an effort to include the NET RMA in the review of toll transaction processing agreements that affect the processing of NET RMA transactions or may result in a change to the toll transaction fee structure or performance measures.
8. Either directly or through access to consultant-provided systems and reports, the CTRMA shall make all reasonable efforts to provide to the NET RMA the same access to information and reports that the CTRMA requires to audit, reconcile, or resolve customer service or financial related matters.
9. CTRMA shall make all reasonable efforts to provide to the NET RMA the same ownership of toll transaction related information that the CTRMA is afforded through their consultant agreements.
10. CTRMA shall assist with the migration of all NET RMA toll transaction information to a NET RMA Central Repository System (Host) in the event that the NET RMA elects to operate independently of CTRMA at some point in the future.

ATTACHMENT “B”

RATE SCHEDULE

In accordance with the provisions of Appendix “B” of the Agreement between the CTRMA and the MSB for Violation Processing and Debt Collection Services, the Texas Statewide Interoperability of Toll Collection Systems Agreement, and in accordance with the CTRMA’s response to NET RMA’s Request for Information Regarding Toll System Implementation and Support for the Loop 49 Toll Project, the amount CTRMA is to receive for each NET RMA transponder-based and image-based process item is as follows:

Process Item	Fees due to the CTRMA (or their consultants and partners) from NET RMA for each process item	Funds due to the NET RMA from CTRMA (or directly from their consultants) for each process item
*Transactions submitted to the Statewide Interop Hub and paid by the away agency	8% of the toll amount	92% of the toll amount
* Pay-by-Mail invoice processing and mailing	12% of the Pay-by-Mail total toll amount plus a \$1.00 handling fee for each mailing	88% of the Pay-by-Mail total toll amount
*First violation notice processing and mailing	\$10	\$5
*Second violation notice processing and mailing	\$10	\$5
*Final Collection Notice processing and mailing	\$20	\$10
Court Packet development and mailing	\$25	n/a
License plate image review per transaction	\$.095	n/a
** Marketing related processing and mailings	Processing and mailing cost, plus no more than 15%	n/a

*For these items, no fees or funds are due unless the associated toll and/or fees are collected from the customer or violator.

** During the initial tolling operations for the Loop 49 Toll Project, the CTRMA and their consultants may be asked to process license plate images and send marketing related material to the vehicles registered owner.

The rates paid to the CTRMA have no influence on the toll amount or administrative fees that the NET RMA may charge its transponder-based customers, image-based customers, and violators.

CTRMA has agreed to charge the NET RMA, without adjustment, the fees incurred by CTRMA for processing of a NET RMA transaction and images in accordance with the provisions of the above-mentioned agreements. These rates, while currently in effect, are subject to periodic review and adjustment by mutual agreement of CTRMA, NET RMA, and MSB.

ATTACHMENT “C”

CTRMA TOLL FUNDS COLLECTION SCHEDULE

Currently, the CTRMA collects toll related revenue per the schedule below. Unless an agreement is made for direct payment, NET RMA funds will be collected by the CTRMA on the same schedule.

1. Funds are transferred to the CTRMA on a monthly basis from agencies that are a party to the Texas Statewide Interoperability of Toll Collection Systems Agreement.
2. Funds are transferred to the CTRMA on a weekly basis from the Municipal Services Bureau. Generally, the funds transferred are for payments received the previous week.