

**DRAFT**

# *Texas Transportation Commission Workshop*

*Item 3.*

*Toll Operations and Management Services  
Discussion*

*August 25, 2010*



## **Discussion Topics**

- **Statewide toll agency coordination**
- **Cost saving measures**
- **Operational improvements for increasing revenue**
- **Truck incentives**



## Toll Operations and Management

- Statewide Toll Agency Meeting
  - Conducted June 22
  - Discuss consolidated customer service centers
  - ~15 invitation letters sent out
  - 22 individuals attended (8 RMA, NTTA, HCTRA, TxDOT)
- Outcome
  - Concerns regarding consolidation of CSC
  - Interested in creating uniform business rules between agencies
  - Want consistency in statutes
  - Consistency in application of administrative fees
  - Out of state plate contract
  - SH 99 in Chambers County
  - Recommend additional meetings



## CTTS Toll Collection Per Quarter

Payment Method	Percent of Transactions	Collection Rate
Cash	9.1	100%
TxTag	71.5	99.1%
Pay by Mail	19.4	62.6%
Overall	100	95.7%



## Cost Savings Measures

### Implemented

- Address of Record
- Optical Character Recognition (OCR) on the CTTS
- Reduce operating hours of the CSC
- Eliminate the Account Management Card
- Initiate the Lockbox Program
- Reduce number of Violation Conversion offers
- Restructure and renegotiate Collections and BOS Maintenance contracts to reduce costs
- **Total savings to date: \$2.9m/yr.**



## Operational Improvements for Increasing Revenue

- Rental Car Fleet Accounts
  - Solution to facilitate the efficient processing and management of rental fleet toll accounts
  - Third party vendors guarantee payment of tolls
  - Entities enrolled with vendors: Avis Budget Group (Avis, Budget, PV Holdings), Enterprise Holdings, Inc. (Alamo, National, Enterprise), ARI, Bright Leasing, Dollar Thrifty, Hertz, Penske
- Violation Fee Negotiations
  - For customers with multiple violations, fees can be aggregated and reduced
- Payment Plans
- Began Court Proceedings for Toll Violators



## Courts

- Last chance letters mailed to 200 people
- Payment plans set up for 15 individuals
- 26 individuals have requested payment plans
- 3 individuals updated DMV records
- Last chance letter deadline pending for 113 individuals
- Filed complaints on 27 defendants
- 9 cases taken to court and all ruled in TxDOT favor
- Court dates for remainder will be set in September
- Will be accelerating courts process



## Cost Savings Measures

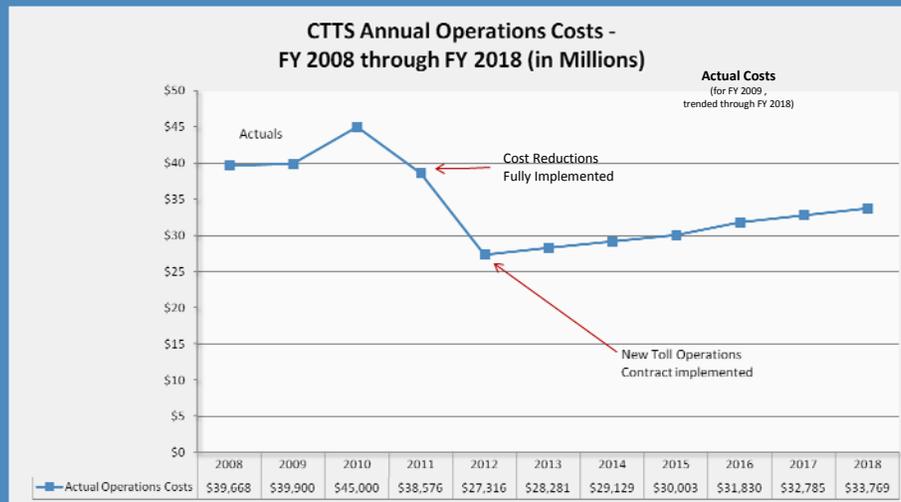
### Pending

- Systematically require a license plate number when opening a TxTag Account \*
- Charge for TxTags \*
- Pay by Mail Threshold Invoicing changes \*
- Fully integrated voice response (IVR) \*
- Review the effectiveness of the administrative fees being charged by TTA
- Cashless conversion

\* Awaiting Back Office Procurement



## Toll Operations and Management



## Toll Operations and Management

### Enforcement

- Enforcement options directly correlate to methods of toll collection offered
- Examples of Different Enforcement Policies
  - Minimal Enforcement
    - SANDAG - HOT/HOV Managed Lanes - No Video Billing
      - Visual Enforcement by a Patrol Officer
      - Estimated 10% Violation Rate
  - Moderate Enforcement
    - CTTS - Combined Methods of Toll Collection with Video Billing
      - Video Enforcement
      - 4.3% Violation Rate after Video Bill Cycle Expires
    - NTA - Combined Methods of Toll Collection with Video Billing
      - Video Enforcement
      - 6.2% Violation Rate after Video Bill Cycle Expires
  - Strict Enforcement
    - HCTRA - Combined Methods of Toll Collection - No Video Billing
      - Video Enforcement
      - Registration Holds and Court Process
      - 3.4% Violation Rate
    - TCA (Southern California) Combined Methods of Toll Collection No Video Billing
      - On-Road with Patrol Officer and Video Enforcement
      - Vehicle Registration (DMV) Holds, Judgments *in absentia*
      - 1% Violation Rate



## Truck Incentives

- Preliminary financial analysis showed a 25% reduction in truck tolls to be revenue neutral
- Traffic & Revenue certification due mid-September 2010
- TIFIA approval
- Disclose new rates to bond holders and financial markets
- Need Texas Transportation Commission approval of revised rates



*Questions?*

