



Agenda Item No. 3

To: Finance-Auditing Committee/Committee of the Whole
Meeting of February 13, 2009

From: Joseph M. Wire, Auditor-Controller
Celia G. Kupersmith, General Manager

Subject: **AUTHORIZE CONCURRENCE OF THE BAY AREA TOLL
AUTHORITY'S AWARD OF A CONTRACT TO PLATEPASS, LLC, FOR
AUTOMATED RENTAL CAR TOLL PAYMENT THROUGH THE
FASTRAK[®] SYSTEM**

Recommendation

The Finance-Auditing Committee recommends that the Board of Directors concur in the contract award by the Bay Area Toll Authority to PlatePass, LLC, for automated rental car toll payment through the regional FasTrak[®] system for a period not to exceed five (5) years.

Summary

The District is a partner with the Bay Area Toll Authority (BATA) for the operation and management of the FasTrak[®] Regional Customer Service Center (CSC). The CSC manages automated toll collection (FasTrak[®]) and processes all toll violations for Bay Area toll facilities. Pursuant to the District's Cooperative Agreement with BATA, BATA is the Contracting Agency for all regional CSC contracts. The Cooperative Agreement requires the District's concurrence in the proposed contract with PlatePass, LLC.

PlatePass provides an automated program to collect tolls from rental car vehicles. PlatePass will establish a pre-paid FasTrak[®] "super account" and tolls will be paid automatically via the license plate image of the participating rental car. The "super account" will be replenished automatically. PlatePass has established agreements with Hertz and Avis/Budget to participate in this program.

Currently, if a rental car customer does not have cash to pay a toll they receive a violation notice and are assessed violation penalties. Rental agencies often add an administrative fee on top of the toll and violation penalty. For a service fee of \$1.50 to \$2.50 per day charged to the rental car customer, in addition to the toll amount, PlatePass will ensure customers pay their toll and avoid violation penalties and fees. Rental car customers are not required to use the service and may pay their toll in cash, avoiding the PlatePass service fee.

Rental vehicles currently account for approximately 4% of all violations (12,000/year at the Golden Gate Bridge). Under current processes, when a rental car customer is a toll violator the CSC sends a violation notice to the rental agency. The rental agency then provides the name and address of the rental car customer to the CSC and a second violation notice is sent directly to the customer. The process is costly and time consuming. The PlatePass program will eliminate this violation process for participating rental agency vehicles.

This arrangement is non-exclusive and will not preclude expanding this type of service to other rental vehicle providers; two other companies, Rent-a-Toll and Highway Toll Administration, provide services similar to PlatePass.

Fiscal Impact

There is no negative fiscal impact for this action for the District. It is anticipated that, over time, the program will decrease costs as a result of reducing the amount of toll violation processing required for rental vehicles.