



REVISED July 6, 2009
Agenda Item No. 3

To: Finance-Auditing Committee/Committee of the Whole
Meeting of July 10, 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 RENT A TOLL, LTD,
AND TO HIGHWAY TOLL ADMINISTRATION, 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 contracts proposed by the Bay Area Toll Authority to Rent A Toll, Ltd, and Highway Toll Administration, 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 contracts with Highway Toll Administration, LLC (HTA) and Rent A Toll, Ltd.

On February 13, 2009, the Board authorized concurrence for BATA's contract award to PlatePass, LLC, a provider of rental car toll payment services similar to HTA and Rent A Toll. PlatePass began providing toll payment services for the Hertz rental car company in late June. BATA entered into discussions with HTA and Rent A Toll this spring in order to expand rental agency coverage; HTA has established agreements with Avis/Budget, National, Alamo and Enterprise, and Rent A Toll has agreements with Dollar and Thrifty. All three programs provide toll payment services to other toll collection agencies in the country.

Rental vehicles 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 for the CSC and expensive for customers; rental agencies often add an administrative fee on top of the \$6 toll and \$25 violation penalty. These programs will eliminate this violation process for participating rental agency vehicles.

HTA and Rent A Toll provide automated methods for collecting tolls from rental car vehicles when the drivers do not have a FasTrak[®] account. Any time one of the rental cars managed by HTA or Rent A Toll uses a FasTrak[®] lane on a toll bridge, the toll will be paid based on the rental car license plate. Both HTA and Rent A Toll will establish individual prepaid accounts with the CSC and will manage the license plate databases for the rental cars. The tolls due to the District will then be automatically deducted from the prepaid accounts.

HTA and Rent A Toll are responsible for collecting the tolls directly from the rental car customer. HTA charges rental customers \$2.50 per day (maximum \$10.00 per week), in addition to the toll amount, to use their service and Rent A Toll charges rental customers a flat fee of \$8.95/day, which includes service fees and unlimited tolls. If a rental agency customer does not wish to participate in the program they need only pay their toll in cash.

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.