

2020 ANNUAL REPORT



NET RMA COUNTIES

Bowie County

Camp County

Cass County

Cherokee County

Gregg County

Harrison County

Kaufman County

Panola County

Rusk County

Smith County

Titus County

Upshur County

Van Zandt County

Wood County



**CONTENTS**

Board Chair Remarks	3
Board of Directors	4
Mission	4
Member Counties	6
NET RMA Hourglass Map	7
Toll 49 Spring & Fall	8
Toll 49 Maintenance & Improvements	10
2020 Priority Projects	12
Toll 49 Customer Service	14
Toll 49 Transactions	15
Executive Director Remarks	16
NET RMA Financial Summary	17

2020 ANNUAL REPORT

BOARD CHAIR REMARKS



BOARD CHAIR REMARKS

It is my honor to serve another year as the Board Chair for NET RMA. I am grateful for such a dedicated and visionary Board of Directors during such a difficult and challenging time with the pandemic impacting each and every one of us. Yet, throughout this year, the board still shares the commitment to enabling faster, and more efficient movement of people and goods throughout our 14 counties.

As 2020 is now behind us, it is not an understatement to say that it has been a historic year, not only for NET RMA, but for the country. For NET RMA, it has not been a year of “business as usual,” but of learning and adapting to daily changes and difficult situations. Through the obstacles that COVID-19 created, NET RMA’s success can be contributed to flexibility and support of the Board of Directors and our team of dedicated employees who have taken the changes in stride. It has made looking forward to 2021 even more exciting, which promises to be a year to continue to deliver a greater mobility future for our communities.

The NET RMA was proud to award three grants through our Priority Project program this year.

- Gregg County – \$270K grant
For installing a traffic signal at the Hawkins Parkway and the widening of the road to accommodate a left turn lane
- Rusk County – \$240K grant
For the upgrading of the Rusk County Rural Rail District – for the Henderson Overton Shortline railroad to maintain a class 1 rating
- Wood County Airport – \$125K grant
For the doubling of the parking apron, improving airport drainage, and updating long term Airport Layout Plans

2020 presented some real challenges, but through implementing proven technologies and other transportation management strategies, the agency is moving the needle, and offering reliable transportation options that keep East Texas communities connected to where they live, work, and play.

Sincerely,

Linda Ryan Thomas



Linda Thomas
Chair



BOARD OF DIRECTORS



Gary Halbrooks
Vice Chair
Smith County



Dr. James Harris
Secretary
Harrison County



Robert Messer
Treasurer
Kaufman County



Cory Floyd
Bowie County



Andrea Williams-McCoy
Bowie County



Brian Whatley
Cass County



Dan Droege
Gregg County



Keith Honey
Gregg County



Dave Spurrier
Gregg County



Robbie Shoults
Harrison County



Belinda Andrus
Panola County



John Cloutier
Rusk County



Bill Bala
Smith County



Derrick Choice
Smith County



Nate Preifert
Titus County



Larry Morse
Upshur County



Chet Clayton
Van Zandt County



Jason Ray
Wood County

Mission: The NET RMA, in cooperation with its regional partners, will provide solutions to expedite transportation and mobility projects that will improve the quality of life, enhance the regional economy and assure efficient mobility in the North East Texas Region.

NEW BEGINNINGS

The NET RMA Board was delighted to welcome new board members from Cass and Smith County in 2020.

Judge Becky Wilbanks appointed Brian Whatley to the Board on January 13, 2020, representing Cass County. Bryan has been a Texas Realtor since 2008 and currently he is the Broker/Owner of United Country-Double Creek Land and Homes which specializes in brokering farms and ranches, timberland, and recreational properties in East Texas. Brian graduated with a master's degree in agricultural education from Texas A&M University.



Brian Whatley
Cass County

Judge Nathaniel Moran appointed Bill Bala and Derrick Choice in August to represent Smith County.

Bill Bala is a graduate of Purdue University and has a bachelor of science in civil engineering from Texas A&M and a master of science degree in safety engineering. Currently, he is Principal Engineer at CB&I and teaches environmental engineering and hydrology at the University of Texas at Tyler.



Bill Bala
Smith County

Derrick Choice is a graduate of University of Texas at Tyler with a bachelor's degree in criminal justice. His current position is with Texas Department of State Health Services as Regional Program Manager for the Northeast Texas Region.



Derrick Choice
Smith County

A FOND FAREWELL

The NET RMA Board also said good-bye to long-time board members Mike Thomas and Barham Fulmer in 2020.

Mike Thomas represented Smith County on the NET RMA Board of Directors from June 2010 to August 2020. During his time on the board Mike served on the Audit committee.



Mike Thomas
Smith County

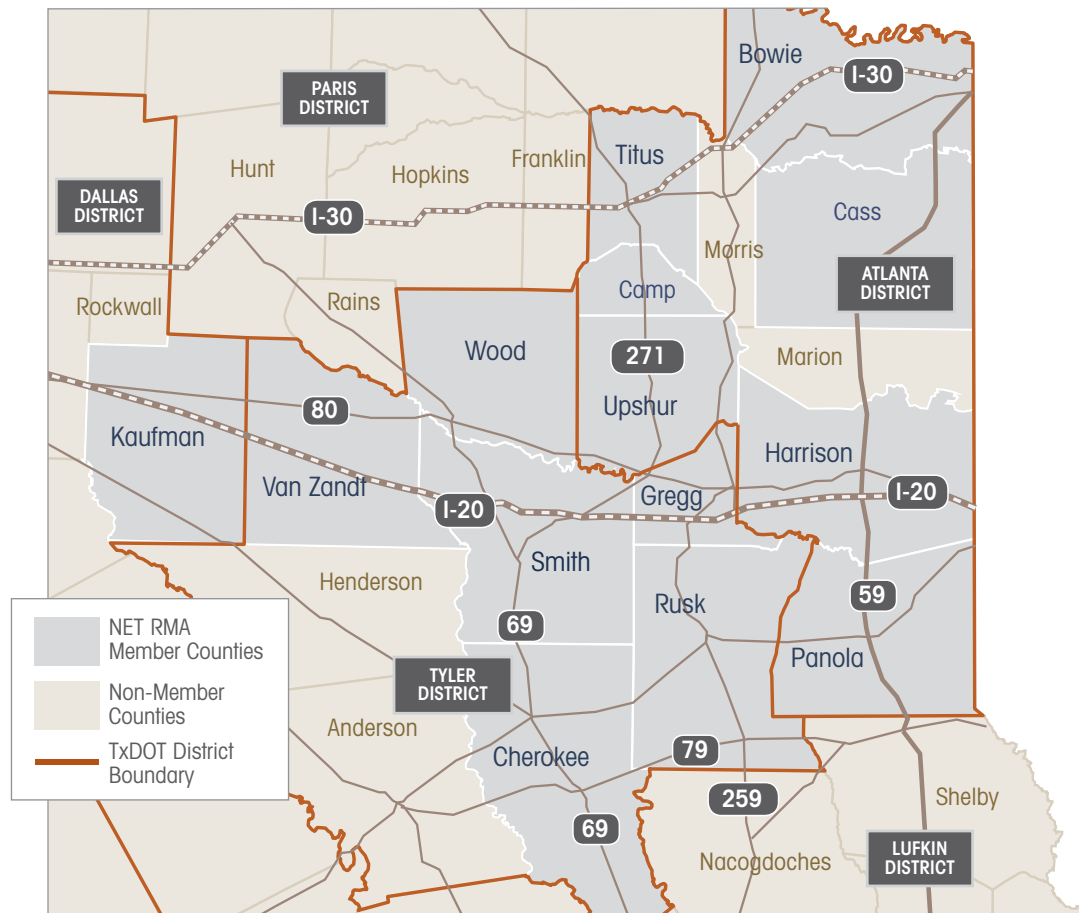


Barham Fulmer
Smith County

Barham Fulmer represented Smith County on the NET RMA Board of Directors from January 2011 to August 2020. Barham served on the following committees, Executive, Personnel, East Texas Hourglass, Investment, and most recently served as Chair of the Construction and Maintenance Committee.

Both Mike's and Barham's commitment and dedication to the NET RMA was critical to the success of the organization and to the ability of the NET RMA to plan, develop, and operate major transportation infrastructure projects which benefit mobility and quality of life throughout the North East Texas Region. A sincere thanks to both of them for their selfless and thoughtful dedication to the NET RMA throughout the past decade.

NET RMA MEMBER COUNTIES



Bowie County

Cherokee County

Panola County

Upshur County

Camp County

Gregg County

Rusk County

Van Zandt County

Cass County

Harrison County

Smith County

Wood County

Kaufman County

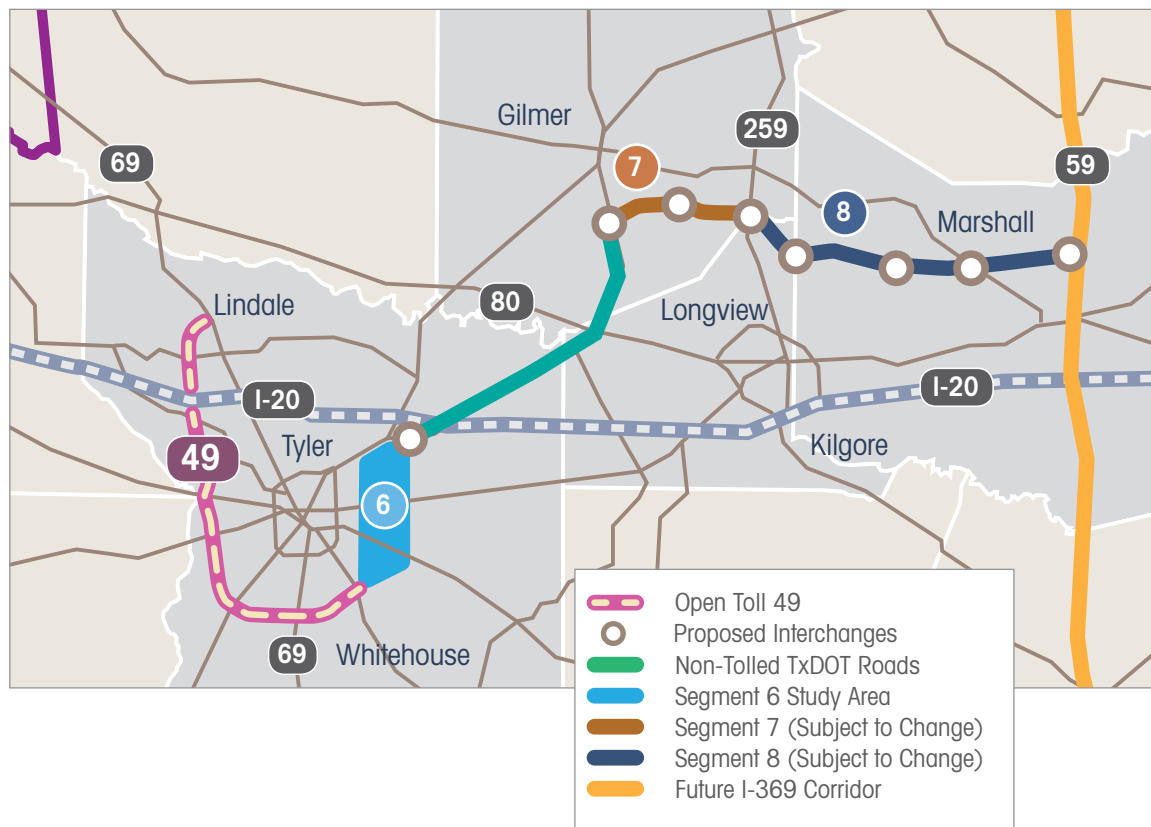
Titus County

2020 ANNUAL REPORT

NET RMA HOURGLASS MAP

PROJECT CREATION AND HISTORY

The East Texas Hourglass project is depicted below. The entire project is a proposed extension of the existing Toll 49 (pink below) that includes Segments 6, 7, and 8. Segments 1-6 total more than 46 miles in length, and Segments 7 and 8 would add more than 38 additional miles.







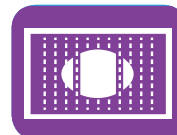


TOLL 49 MAINTENANCE & IMPROVEMENTS



DID YOU KNOW?

The annual Toll 49 maintenance tasks are no small feat!



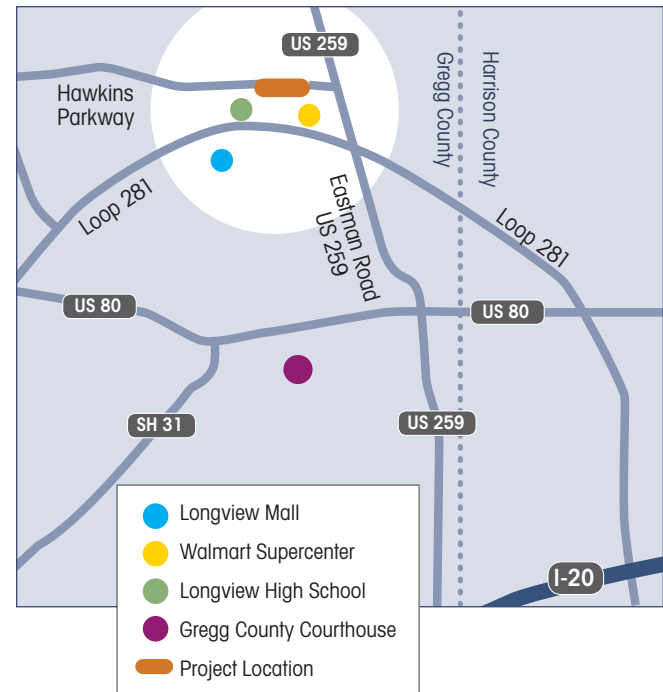
4300 ACRES
mowed annually,
which is equivalent to
3,251 football fields



1500 TREES
are removed
annually



1000 DELINEATORS
were repaired or
replaced in 2020



GREGG COUNTY

Project: Hawkins Parkway & Good Shepherd Safety Enhancements

Funding: Partnership City of Longview & NET RMA

Monies allocated: \$270K

This project will reduce crashes, improve east to west connectivity, reduce congestion, and serve as a catalyst to continue attracting economic development.



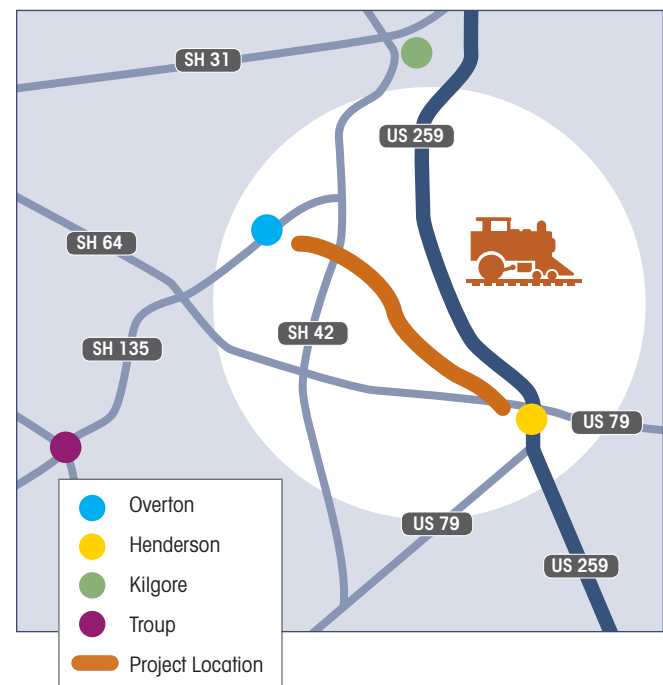
WOOD COUNTY

Project: Wood County – Wood County Airport – Collins Field Apron Expansion & Airport Layout Plan.

Funding: Wood County, NET RMA and TxDOT

Monies Allocated: \$125K

This project will increase the volume of aircraft that can be located at the airport and will enlarge the aircraft fueling areas. The completion of the upgrades will allow more aircraft to conduct business locally and will support more economic growth in the East Texas Region.



RUSK COUNTY

Project: Rusk County Rural Rail District – Henderson-Overton Shortline 2020 Upgrade

Funding: NET RMA

Monies Allocated: \$240K

This project will reduce truck traffic, by allowing the railroad to maintain a Class 1 rating. Once complete, it will serve as a catalyst to bring new business to the region.

2020 ANNUAL REPORT

TOLL 49 CUSTOMER SERVICE



MULTIPLE WAYS TO PAY

There are multiple ways to pay for toll bills. Choose any tag-based provider in the state and benefit from discounted toll rates across Texas. Tag providers automatically deduct tolls from a prepaid account, so there's no need to worry about checking the mail for a bill.

Without a tag, bills are delivered through the mail. There are options to pay the toll charges online, over the phone, or by check.



DID YOU KNOW?

The NET RMA team answers the challenge for customer service.

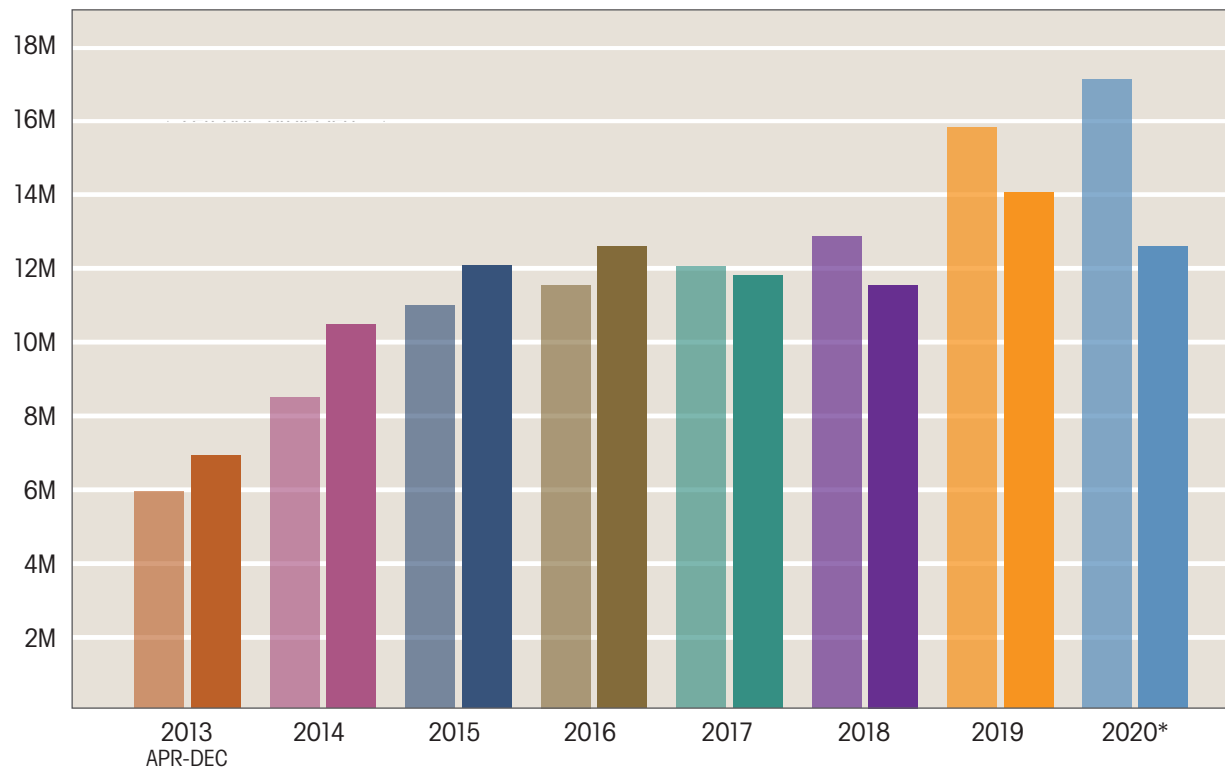


4,410 CUSTOMER SERVICE CALLS

were answered through phone, private social messaging, and email

TOLL 49 TRANSACTIONS

Toll 49 Usage Annual Transactions in Millions



Notes:

1. Forecasted transactions for 2013 and 2014 are based on CDM Smith's 2014 Study
2. Forecasts for 2015 and beyond are based on CDM Smith's 2016 Study with 2017 Analysis Update
3. CDM Smith's 2017 Update assumed Segment 4 opening on January 1, 2019, whereas the actual facility opened on November 7, 2018

*4. Although actual transactions in 2020 were impacted by the COVID-19 pandemic, the recovery of transactions continued to be better than several other toll facilities in Texas

2020 ANNUAL REPORT

EXECUTIVE DIRECTOR REMARKS



Glenn H. Green
Executive Director

I am excited to be the NET RMA's new Executive Director. As a Tyler native and TxDOT veteran, I am looking forward to working closely with our Board Members and County Judges in 2021. Going forward NET RMA has the opportunity to forge the future of transportation mobility issues in East Texas.

I am perfectly positioned to move the NET RMA

forward, utilizing my TxDOT experience and familiarity with the infrastructure needs across NET RMA's fourteen counties. This gives me a unique perspective that will contribute to continued success of our organization. Additionally, I worked on the development and construction of Toll 49 from its foundation through all five segments before it became a tolled facility.

With the dedication of the NET RMA Board, staff, and collaboration with NET RMA's many partners throughout Northeast Texas, the following achievements were made:

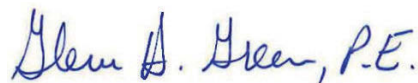
- NET RMA continues to evolve, as the agency has successfully maneuvered through the challenges of COVID-19 guidelines while maintaining agency efficacy
- Following COVID-19 guidelines board meetings transitioned from in person to video conference meetings

- Payroll responsibilities were transferred internally to the controller
- Paper invoicing was transferred to electronic processing
- Continued strong commitment to quality operation and maintenance of Toll 49
- NET RMA's Court Liaison and Customer Service area continued to support drivers by answering customer's questions regarding the toll road.
- Completed a pavement analysis of Toll 49 by segment with a future goal to budget for projects that provide the highest quality riding surface possible

The NET RMA has already made several changes to the road over the last handful of years including adding rumble strips, more passing lanes, signs to indicate a passing lane is coming, highly reflective paint and delineators to enhance the road way. Additionally, the agency will be highlighting it's commitment to quality and road enhancements in a public outreach program going forward.

I am looking forward to working with the Board of Directors, the staff, and in the community. 2021 has the potential to be a year of continued advancement in the mobility and economic issues for Northeast Texas and I am thrilled to be a part of the process.

Sincerely,



Glenn H. Green
Executive Director, NET RMA 2019

2020 ANNUAL REPORT

NET RMA FINANCIAL SUMMARY

Actual and Budgeted Revenues and Expenses for the Fiscal Year Ended September 30, 2020 and
Budgeted Revenues and Expenses for the Fiscal Year Ending September 30, 2021

	FY 2020 ADOPTED BUDGET	FY 2020 ACTUAL	FY 2021 ADOPTED BUDGET
Revenue:			
Toll revenue – electronic	14,000,000	12,124,470	12,621,000
Toll revenue – video	7,640,000	8,971,483	8,292,900
County contributions	40,000	40,000	40,000
Other Income	0	105,743	0
Income on investments	0	(7,083)	0
Interest income	650,552	294,583	38,374
Total Revenues	22,330,552	21,529,196	20,992,274
Expenses:			
Administration	2,451,389	2,285,658	2,357,709
General engineering consultants	315,050	164,284	341,536
Project development support	1,417,817	0	767,817
Roadway maintenance	1,469,780	1,071,893	1,427,965
Toll processing/collection costs	3,049,200	3,397,469	3,503,353
Toll maintenance support	581,194	318,000	555,000
Toll operations support	454,801	395,508	359,500
Total Expenses	\$ 9,739,231	\$ 7,632,812	\$ 9,312,880
Net Before Financing Costs	\$ 12,591,321	\$ 13,896,384	\$ 11,679,394
Financing Costs			
Interest expense	7,664,751	7,647,251	7,622,931
Net After Financing Costs	\$ 4,926,570	\$ 6,249,133	\$ 4,056,463
Other Non-Cash Expenses			
Other expense	0	28,580	0
Depreciation expense	10,523,788	10,605,166	10,850,000
Total Other Non-Cash Expenses	\$ 10,523,788	\$ 10,633,746	\$ 10,850,000
Change In Net Assets (Decrease)	\$ (5,597,218)	\$ (4,384,613)	\$ (6,793,537)

