



**ANNUAL
REPORT**

2021





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MEMBER 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

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Gary Halbrooks
Chairman

When my predecessor Linda Thomas retired in 2021 after 11 years as NET RMA Board Chair, I was honored to step into that position where I could continue to make an impact by helping bring infrastructure solutions to Northeast Texas. During my more than 17 years on the board and 11 years in the role of Vice Chair, I'm proud of the role I've played in developing Toll 49 from its inception to a

33-mile highway that has moved transportation forward in East Texas like never before. I have also taken special pride in how NET RMA has supported its member counties through the years with funding for key airport, road, rail and multimodal projects across the region.

I want to thank Linda Thomas for her many years of distinguished service at the NET RMA. Linda and I started on the board together 18 years ago, and from day one, she showed leadership and vision that helped shape NET RMA's strategic direction. The agency wouldn't be what it is today without Linda's steady and inspired leadership, and we wish her all the best in her next chapter.

2021 was the second consecutive year of uncertainty with the pandemic continuing to cause disruption and anxiety as we learned to live with COVID-19. The NET RMA staff, contractors and Board of Directors stepped up to address the challenges we faced as a community, and I'm humbled to have been a part of such a dedicated team.

Additionally, the NET RMA was proud to award two special grants this past year:

- » Cherokee County Airport Expansion – This project will consist of constructing approximately 0.25 miles of taxiway necessary to access approximately 20-acres of undeveloped county-owned land located directly adjacent to Cherokee County Airport. The new taxiways will provide pad sites for approximately eight new box hangars capable of housing corporate aircraft and twenty new tee hangars.
- » Gregg County – Installing a traffic signal at George Richey and McCann Road will result in less crashes and increased capacity at an intersection that has more than 11,700 vehicles per day.

Finally, throughout 2021, NET RMA continued to enhance Toll 49 with the latest transportation innovations, while keeping our focus on serving our Northeast Texas neighbors. As the agency moves into 2022 and beyond, we see tremendous opportunities for expanding transportation options throughout the region to better connect East Texans to where they live, work and play.

Sincerely,

Gary Halbrooks



Governor Appointed Chairman Gary Halbrooks (right) being sworn in by Smith County Judge Nathaniel Moran (left)



Gary Halbrooks
Chairman
Smith County



Keith Honey
Secretary
Gregg County



Robert Messer
Treasurer
Kaufman County



Cory Floyd
Bowie County



Andrea Williams-McCoy
Bowie County



Brian Whatley
Cass County



Ben Hamilton
Cherokee County



Dan Droege
Gregg County



Dave Spurrier
Gregg County



Dr. James Harris
Harrison County



Robbie Shoults
Harrison County



John Cloutier
Rusk County



Derrick Choice
Smith County



Marcia Daughtrey
Smith County



Nate Priefert
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.

A FOND FAREWELL

During 2021 there were plenty of changes, and the most significant change was receiving the resignation of one of the founding members of the board: Chair Linda Thomas, who had a total of 17 years of service with 11 of those years as board chair. Some of the achievements for NET RMA under Linda Thomas as chair were:



Linda Thomas
Gregg County

- » Oversaw organization go from 0 employees (all contractors) to 9 full-time employees, plus contractors
- » Addition of Segment 4, with almost 7 additional miles of road
- » Oversaw the first time the organization sold bonds for \$250M
- » Expanded East Texas Counties represented, from 12 to 14
- » Supported expansion of SH 271 with more than 24 letters of support
- » Led organization through a pandemic

Jim Payne represented Panola County on the NET RMA Board of Directors from April 2021 to October 2021. Jim served as Chairman and CEO at First State Bank and Trust in Carthage until his retirement. Jim is enjoying farming and playing golf in his leisure time.



Jim Payne
Panola County

Bill Bala represented Smith County on the NET RMA Board of Directors from August 2020 to June of 2021. Bill is a graduate of Purdue and Texas A&M.



Bill Bala
Smith County

Belinda Andrus represented Panola County on the NET RMA Board of Directors from March 2018 to February 2021.

The NET RMA wishes all its former board members good luck with their future endeavors.



Belinda Andrus
Panola County

NEW BEGINNINGS

Judge Chris Davis appointed Ben Hamilton to the Board on November 2, 2020, representing Cherokee County. Ben has been the Vice President of GME Inc, a family-owned tool and die business, since 1988, after graduating from UT Tyler with a Bachelor of Science degree.



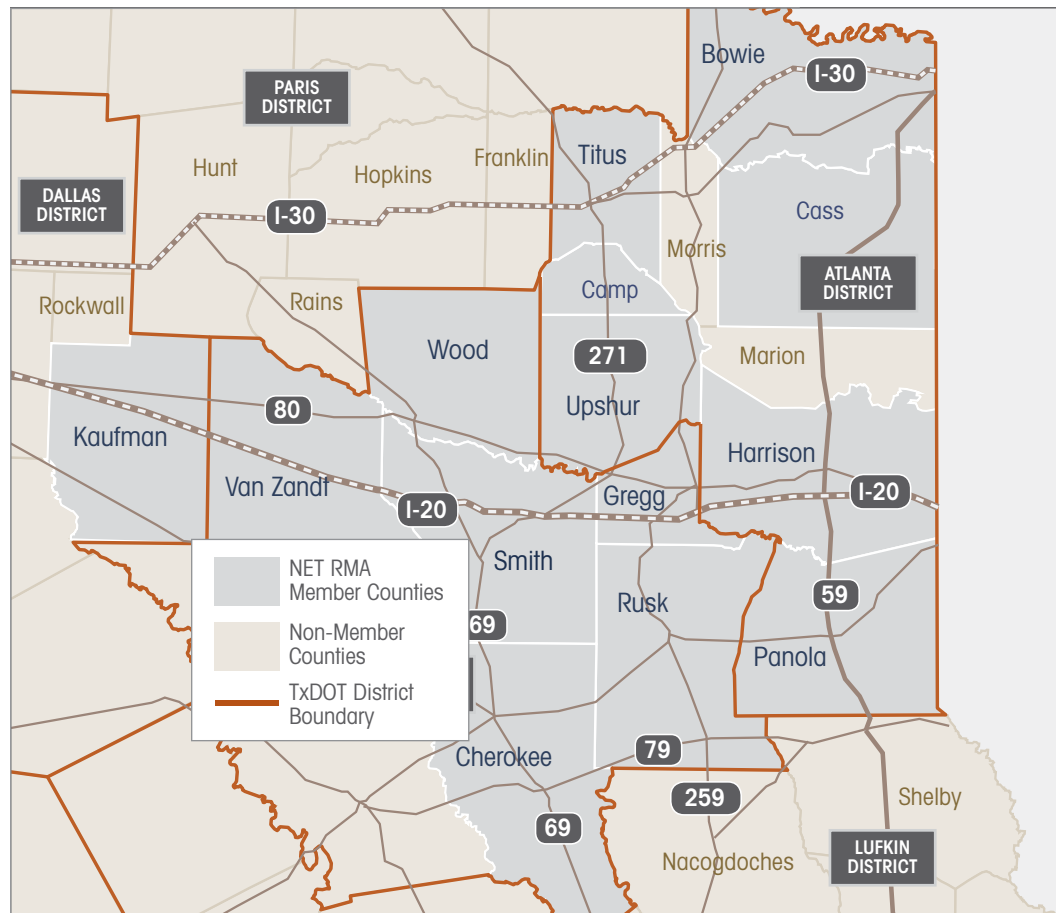
Ben Hamilton
Cherokee County

Judge Nathaniel Moran appointed Marcia Daughtrey on June 2, 2021, to represent Smith County. Marcia Daughtrey is a graduate of the University of Texas at Tyler. Marcia is currently retired from long time ownership of a metal manufacturing business. She has also served on the boards of numerous civic and volunteer organizations.



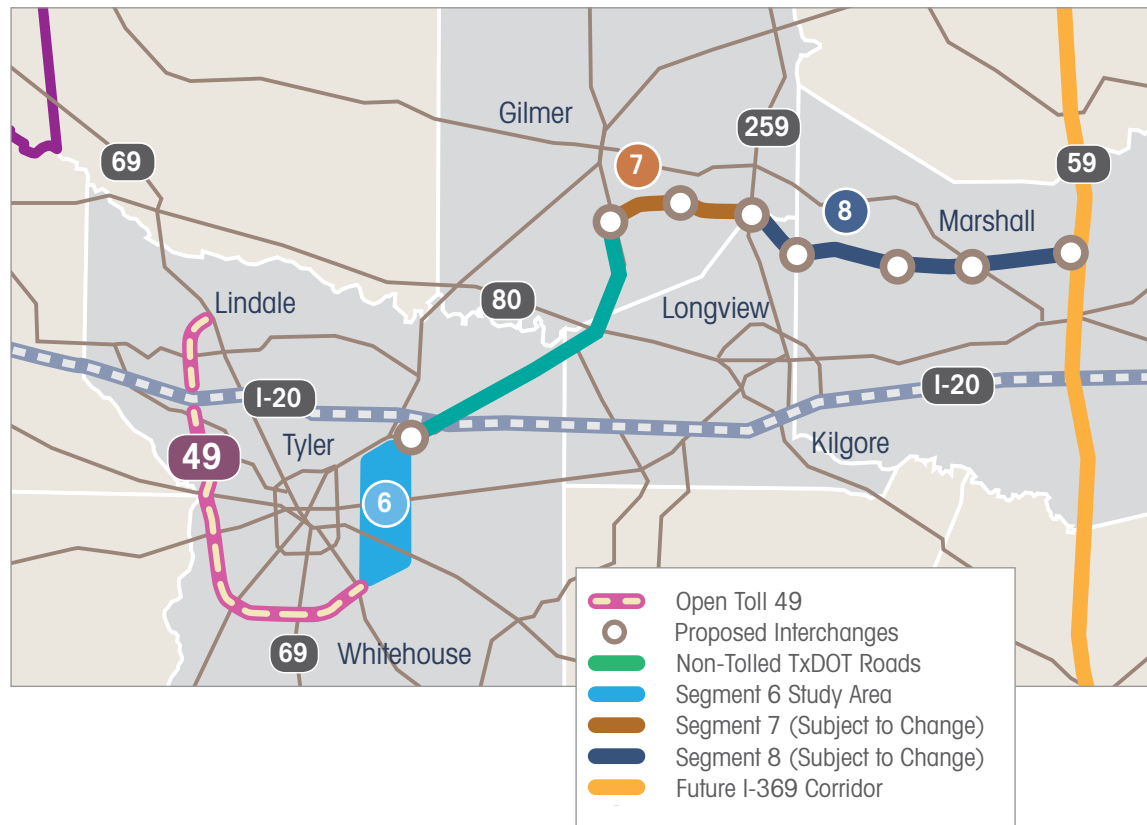
Marcia Daughtrey
Smith County

Bowie County	Cherokee County	Kaufman County	Smith County	Van Zandt County
Camp County	Gregg County	Panola County	Titus County	Wood County
Cass County	Harrison County	Rusk County	Upshur County	



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.



DISTRACTED DRIVING CAMPAIGN

As a trusted transportation authority, the NET RMA takes its responsibility to promote public safety in the community very seriously. In 2021, the organization produced two upbeat campaigns to remind area drivers about some of the bad driving habits we should all try to avoid. For April's "Distracted Driving Awareness Month," NET RMA posted on social media a series of animated videos and images featuring the main character, "Ted," being preoccupied with things other than keeping his eyes on the road. The awareness campaign generated strong community engagement, with more than 147,000 video views on Facebook.



Distracted Driving Awareness Month animation

In the summer of 2021, NET RMA rolled out a wide-reaching safe driving campaign to continue to remind the public about distracted driver behaviors. The content tone was friendly and non-judgmental to get audiences to relate to each experience (eating, applying makeup, texting, etc.). The campaign, consisted of a series of over-the-top characters, included television commercials, radio ads, billboards and digital ads to reach the widest possible audience. The relatable creativeness in this campaign enhanced NET RMA's reputation in the community and led to higher than average clicks on the agency's ads.



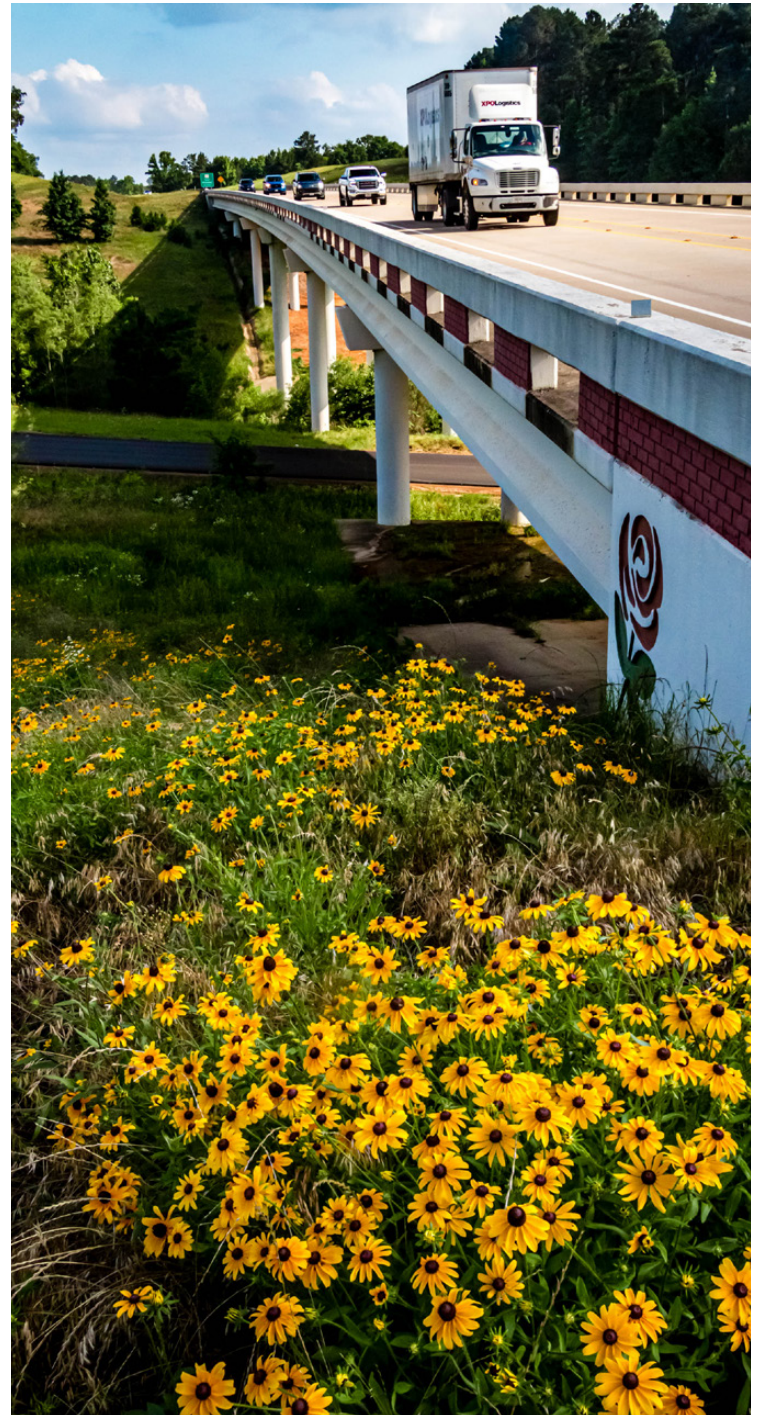
"Safe driving" campaign ads



SAFE-DRIVING IMPROVEMENTS

In 2021, the NET RMA continued its on-going efforts to add permanent road enhancements to aid and encourage safe driving. These aids include lane delineators and reflective lane dividers, audible rumble strips in lane medians and road edges, and increased signage and directional markers. Along with permanent signage additions – up to 10 temporary electronic signs can be utilized to caution drivers about short term changes in road conditions and maintenance activities.





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In 2021, the agency continued to perform regular maintenance on the current road. Additional areas that were focused on included ridge quality, pavement preservation, subgrade stabilization, along with approach slab stabilization and leveling.

The maintenance team continued to replace delineators, guard rails, luminaries, and signs to ensure the road is well maintained. This included clearing out under bridges and trimming trees near and under bridges as needed.

Evening operations for road work was also implemented to ensure minimal impact on Toll 49 drivers.



DID YOU KNOW?

The annual Toll 49 maintenance tasks are no small feat!



4800 LBS
of tire rubber
removed annually



2000 TREES
are removed
annually



**750
DELINEATORS**
were repaired or
replaced in 2021



**5500 LBS
OF METAL**
are removed
annually





2021: MORE PRIORITY PROJECTS

In 2021, the NET RMA Board of Directors continued to provide organizational support and grant money to participating counties through the Priority Projects program. The agency was proud to award two grants in 2021 for vital transportation projects in Gregg and Cherokee counties.





GREGG COUNTY

- » Project: Installation of a warranted traffic signal
- » Location: George Richey Road (FM 2275) and McCann Road
- » Project Specifics: Installation of a traffic signal at George Richey and McCann Road to positively impact intersection that has more than 11,700 vehicles per day.
- » Benefit of Project: To reduce crashes and increase capacity for the area along a significant arterial and busy intersection.
- » Economic Development Impact: Project completion will serve as a catalyst for economic development.
- » Monies allocated: \$200,000



CHEROKEE COUNTY

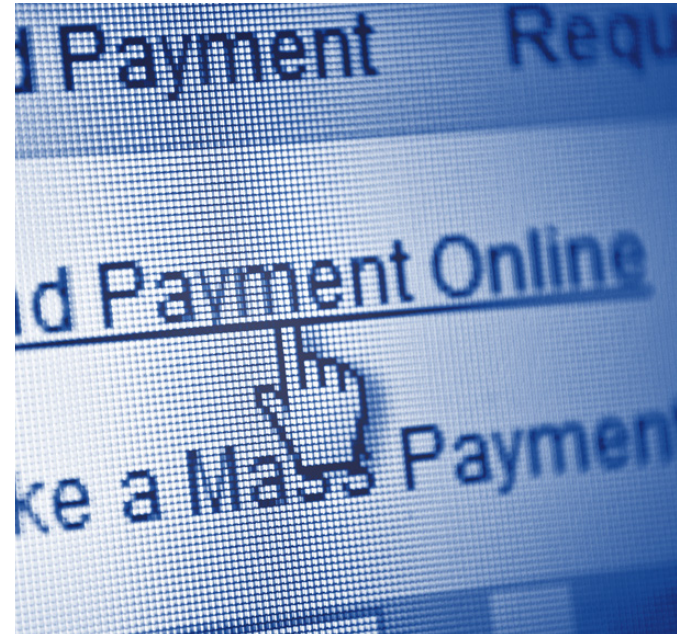
- » Project: Construction of .25 mile of taxiway, development of pad sites and Tee hangers
- » Location: Cherokee County Airport
- » Project Specifics: This project includes the construction of approximately .25 miles of taxiway necessary to access approximately 20 acres of undeveloped county-owned land located directly adjacent to Cherokee County Airport. The new taxiways will provide pad sites for approximately eight (8) new box hangers capable of housing corporate aircraft and twenty (20) new Tee hangers.
- » Benefit of Projects: Cherokee County Airport is the “welcome mat” for many regional corporations, their clients, and prospective businesses.
- » Economic Development Impact: This project will directly expand the local tax base, the sources of revenue, and it will serve as a tool to attract new businesses and corporate travel.
- » Monies allocated: \$125,000

ADMINISTRATIVE PERSPECTIVE

Administratively, the NET RMA continues to evolve. An HR firm was hired, and a new electronic HR system was also implemented.

NET RMA's Court Liaison handled 1497 customer/court case contacts. Additionally, there were 4779 customer contacts through December 31st.

The agency held 9 board meetings this past year. The board meetings evolved from in-person to over-the-phone and ultimately transformed into video conference meetings. These enhancements have allowed the agency to follow COVID-19 guidelines while keeping the agency efficient. When NET RMA board meetings are virtual, the public was able to view the meeting live from the agency's website.



DID YOU KNOW?

The NET RMA team answers the challenge for customer service.



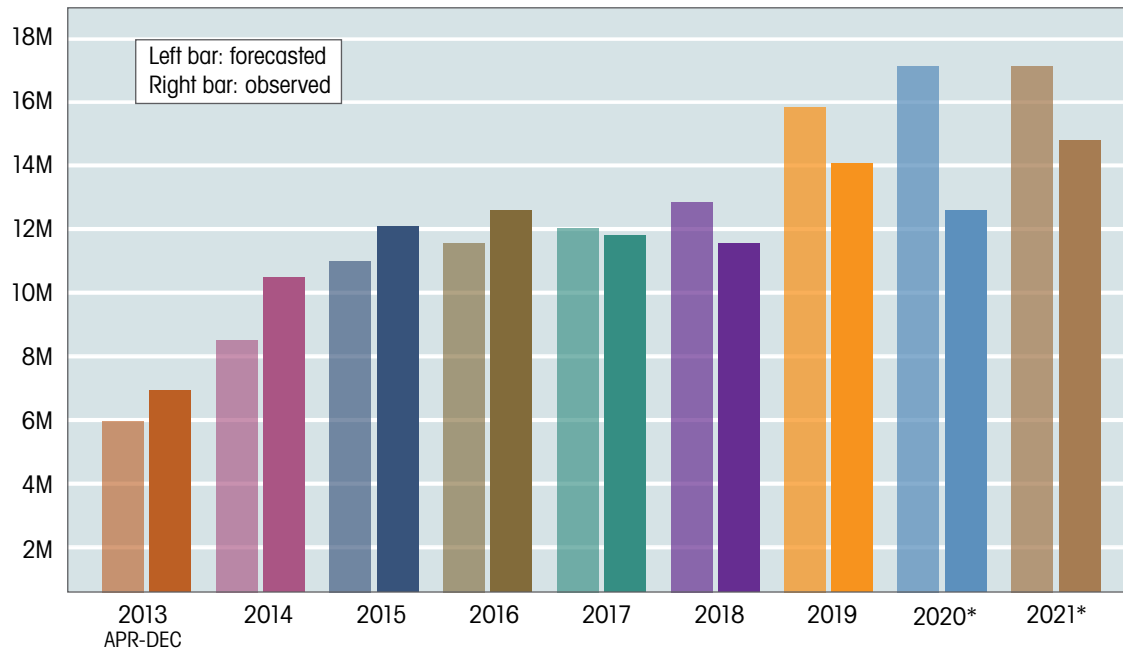
4779 CUSTOMER SERVICE CALLS

were answered through phone, private social messaging, and email.



TOLL 49 USAGE ANNUAL TRANSACTIONS IN MILLIONS

Total transactions for 2021 had reached 14.7 million by December.



The NET RMA team created an area-wide campaign of electronic gas pump advertisements reminding motorists in the area to use Toll 49 for quick and convenient local travel. This effort helped to rebuild transaction totals impacted by COVID-19.



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 and 2021 were impacted by the COVID-19 pandemic, the recovery of transactions continued to be better than several other toll facilities in Texas



Glenn H. Green
Executive Director

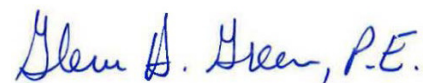
As Executive Director, it is my great honor to report that 2021 was a year of significant change with the pandemic, but Toll 49 weathered the storm. Notably, the agency did accomplish a significant amount. Through the leadership and direction of the NET RMA Board of Directors, the hard work and dedication of the NET RMA staff, contractors and collaboration with the NET RMA's many partners throughout Northeast Texas, the following achievements were accomplished:

- » Managed an organization through a pandemic (completely remote) for a significant period of time
- » Launched the first new Distracted Driving Campaign through all media channels
- » Laid the groundwork for the transition for a new back-office provider
 - Negotiated and finalized Operations Agreement (NTTA Tolling Services) with ability of direct negotiations to enhance customer service along with better customer billing experience
- » Negotiated and finalized an agreement with CDM Smith to provide more in-depth analysis for the agency and utilized additional specific project analysis to identify the viability of future revenue generating NET RMA projects
- » Focused on ride quality, pavement preservation, and areas in need of subgrade stabilization
- » Prepared for potential future expansion on west side to 4-lane highway between SH31 and SH 64
- » Implemented night work for all major projects to minimize travel disruption to customers
- » Developed and began implementing 10-year pavement plan to extend the pavement life of Toll 49 and improve surface quality

- » Implemented pavement stabilization measures and adjusted roadbed gradeline based on design profile elevations to improve ride at various bridge approaches ensuring a better driving experience
- » Implemented minimum frequency for reflective pavement marker replacement and reflective audible delineation at night for traveling public. Utilized thermoplastic with imbedded glass beads for maximum reflectivity for all permanent striping
- » Upgraded virtual presentation equipment and held virtual video meetings
- » Held nine board meetings (virtual and in person)
- » Utilized more executive committee meetings for better communication and committee involvement
- » Engaged various judges frequently for potential projects being developed in their prospective areas
- » Helped evaluate and analyze current facilities to ensure room for growth
- » Hired a HR firm
- » Streamlined document archival
- » Developed and implemented internal intranet site for easy access by all staff to all business documents improving redundancy of knowledge

Within this upcoming year NET RMA will continue to expand its reach by developing new transportation projects as well as advancing and completing some current initiatives.

Sincerely,



Glenn H. Green, P. E.
Executive Director, NET RMA 2021

Actual and Budgeted Revenues and Expenses for the Fiscal Year Ended September 30, 2021 and
Budgeted Revenues and Expenses for the Fiscal Year Ending September 30, 2022

	FY 2021 ADOPTED BUDGET	FY 2021 ACTUAL	FY 2022 ADOPTED BUDGET
Revenue:			
Toll revenue – electronic	\$ 12,621,000	\$ 13,036,074	\$ 13,538,000
Toll revenue – video	8,292,900	123,199	10,900,000
County contributions	40,000	40,000	40,000
Other Income	0	3,413	0
Interest income	38,374	8,684	6,920
Total Revenues	20,992,274	23,211,370	24,484,920
Expenses:			
Administration	2,357,709	2,248,954	2,405,007
General engineering consultants	341,536	327,471	286,000
Project development support	767,817	77,817	600,000
Roadway maintenance	1,427,965	1,249,374	1,470,000
Toll processing/collection costs	3,503,353	3,664,082	3,700,957
Toll maintenance support	555,000	359,750	476,270
Toll operations support	359,500	287,351	306,000
Total Expenses	9,312,880	8,214,799	9,244,234
Net Before Financing Costs	11,679,394	14,996,571	15,240,686
Financing Costs			
Interest expense	7,622,931	7,618,262	7,585,972
Net After Financing Costs	4,056,463	7,378,309	7,654,714
Other Non-Cash Expenses			
Other expense	0	0	0
Depreciation expense	10,850,000	10,813,004	11,725,030
Total Other Non-Cash Expenses	10,850,000	10,813,004	11,725,030
Change In Net Assets (Decrease)	\$ (6,793,537)	\$ (3,434,695)	\$ (4,070,316)







16FT 9IN

SPEED
LIMIT
75
HOV-3+
65

NORTH
49
TOLL



1011 Pruitt Place

Tyler, TX 75703

903.630.7894

NETRMA.org