

ANNUAL REPORT 2024





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THE MISSION OF THE NET RMA:

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

49
TOLL







Gary Halbrooks
Chairman

It's been two amazing decades of service to the NET RMA. I'm proud to have a small role in the organization that has changed so much in the landscape of our counties and infrastructure in East Texas. From having no RMA, no tolling, no priority projects to reinvesting in our East

Texas region, to owning and managing a 33 mile toll road, investing more than \$3.6 million in our member counties for roads, airports, utilities, and rail, the NET RMA has come a long way in supporting its' East Texas community. The agency has weathered good economies, challenging economies, a pandemic, and has still persevered and continued with moving infrastructure forward in East Texas.

We have been fortunate to have been granted power by the Texas State legislature to work on projects such as highways, rail, regional transit, airports, various utilities and parking facilities and intermodal hubs. We have exercised those rights thoroughly since our inception in 2004 and I look forward to continuing to help our East Texas region even more in the years to come.

Thank you for your support for the NET RMA and always looking forward to help improve the community in which we live, work, and play. It has been an honor to serve and work with community leaders and I look forward to continuing these partnerships in 2025!

Happy 20th Anniversary NET RMA!

Gary Halbrooks
Chairman, NET RMA 2024





Gary Halbrooks
Smith County
Chairman



Andrea Williams-McCoy
Bowie County
Vice-Chair
Chair of Public Outreach



Keith Honey
Gregg County
Secretary



Robert Messer
Kaufman County
Treasurer



Cory Floyd
Bowie County



Curtis Rath
Camp County



Matthew Nelson
Cass County



Ben Hamilton
Cherokee County



Dan Droege
Gregg County



Dave Spurrier
Gregg County
Chair of ETHG Committee



Mac Abney
Harrison County



Rush Harris
Harrison County



Dr. John Ray
Panola County



John Cloutier
Rusk County
Chair of Outreach
Committee



Marcia Daughtrey
Smith County



Howard Patterson
Smith County



Matthew Watts
Smith County



Nathan Tofoya
Titus County



Larry Morse
Upshur County
Chair of Project Development
& Implementation Committee



Chet Clayton
Van Zandt County
Chair of Personnel
Committee



Jason Ray
Wood County



NEW BEGINNINGS

Matthew Nelson

Judge Travis Ransom appointed Matthew Nelson in May of 2024 to represent Cass County. Mr. Nelson served in the United States Marine Corps. After his service, he obtained a business management degree from the University of Massachusetts. He currently holds a chartered property casualty underwriter (CPCU) designation and runs a personal and commercial insurance agency.



Matthew Nelson
Cass County

FOND FAREWELL

Larry Kellam

Larry Kellam represented Smith County on the NET RMA Board of Directors from August 2022 to June 2024. Since his resignation, he has moved out of state. In his free time, he enjoys spending time with his family.



Larry Kellam
Smith County

Dr. Howard Patterson

Judge Neal Franklin appointed Howard Patterson in August of 2024 to represent Smith County. Dr. Patterson was born in Boston and is an alumnus of Springfield College in Springfield, Massachusetts, where he was senior class president. He began his higher education career as the men's soccer coach and academic instructor at Midwestern State University in Wichita Falls, Texas. After holding multiple roles throughout his career, he recently completed his 23rd year as vice president for Athletics at The University of Texas at Tyler.



Howard Patterson
Smith County

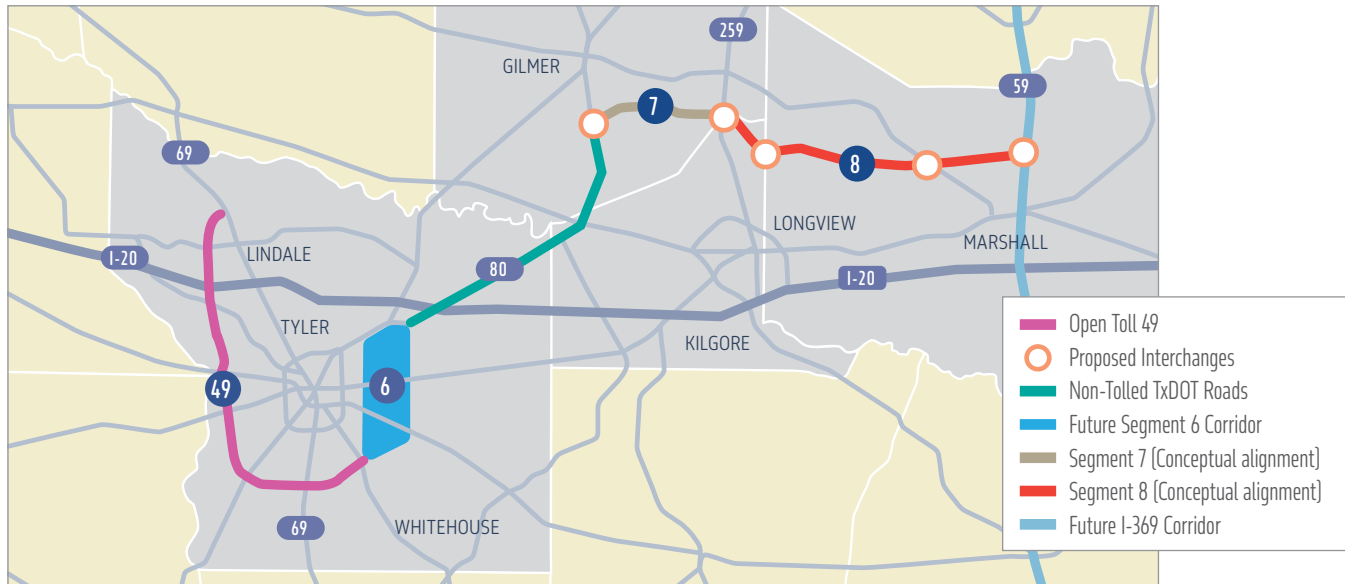


Smith County Judge, Neal Franklin, swears in new board member Dr. Howard Patterson of Smith County.



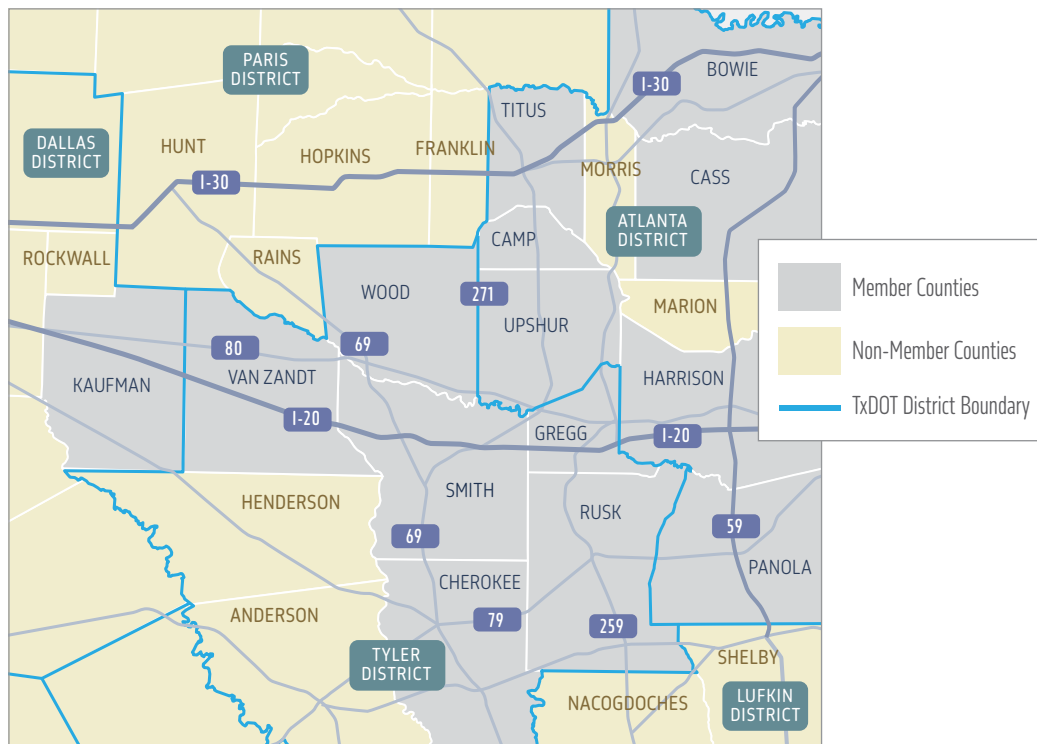
PROJECT CREATION AND HISTORY

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.



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





DEVELOP A TRANSPORTATION PROJECT TO:

- ▶ Issue revenue bonds
- ▶ Establish tolls
- ▶ Acquire property for transportation projects
- ▶ Use surplus revenue to finance other local transportation projects
- ▶ Enter into a Comprehensive Development Agreement [CDA] for certain statutory authorized projects.
- ▶ Apply for federal highway and rail funds
- ▶ Enter into contracts with other governmental entities and Mexico
- ▶ Apply for State Infrastructure Bank loans
- ▶ Maintain a feasibility fund
- ▶ Set speed and weight limits consistent with state guidelines
- ▶ Enter into agreements with other governmental entities to develop a transportation project on behalf of that entity.

NOTE that SB 1489 (83rd Legislature, 2013) modified the definition of a "transportation project" for a RMA.

Debunking Myths of Tolling

Myth: Tolling a road is double tax on drivers.

Truth: Taxes are mandatory. Tolls are a user fee that drivers pay when they make the choice to drive on toll roads. Courts have long ago established the distinction between tolls and taxes.

Myth: We've already paid for the roads.

Truth: Gas taxes are not enough to meet the need for improvements on existing and future corridors, and the cost of road maintenance over time is greater than the initial cost of building the road.

ELIGIBLE RMA PROJECTS <small>(Title 43, Texas Administrative Code, Section 26.2 and Texas Transportation Code, Section 370.003)</small>		TXDOT							RMA						
		Design	Own	Acquire	Finance	Build	Maintain	Operate	Design	Own	Acquire	Finance	Build	Maintain	Operate
HIGHWAYS	Non-tolled Road	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
	Toll Road	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
RAIL	Freight	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
	High Speed	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
	Commuter	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
TRANSIT	Regional Transit		▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
	Bus								▲	▲	▲	▲	▲	▲	▲
OTHER MODES	Airports								▲	▲	▲	▲	▲	▲	▲
	Maritime Ports	▲			▲	▲			▲	▲	▲	▲	▲	▲	▲
	Ferry	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
	GIWW	▲			▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
	Pedestrian/Bicycle	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
	Conveyor Belts								▲	▲	▲	▲	▲	▲	▲
	Freight Shuttle	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
UTILITIES	Electric								▲	▲	▲	▲	▲	▲	▲
	Water								▲	▲	▲	▲	▲	▲	▲
	Cable/Telecom								▲	▲	▲	▲	▲	▲	▲
	Pipelines								▲	▲	▲	▲	▲	▲	▲
	Utility Adjustments				▲		▲		▲	▲	▲	▲	▲	▲	▲
OTHER	Facilities		▲	▲	▲		▲	▲	▲	▲	▲	▲	▲	▲	▲
	Parking Facilities								▲	▲	▲	▲	▲	▲	▲
	Intermodal Hub								▲	▲	▲	▲	▲	▲	▲
	Border Crossing Inspection Station (except in Laredo)								▲	▲	▲	▲	▲	▲	▲

*Data acquired from the TxDOT Publication, Regional Mobility Authorities: A Partnership for Progress.



2024 PUBLIC OUTREACH

As a trusted transportation authority, NET RMA takes its responsibility to promote public safety in the community very seriously. In 2024, the agency worked with the Hahn marketing team to continue promoting safe driving practices in the youth of East Texas with its fourth consecutive year of the Linda Thomas Safe Driving Scholarship program. One hundred forty high school seniors wrote thoughtful essays about safe driving practices and ultimately eleven winners were presented with \$1000 checks. Additionally, another set of safe driving commercials were produced, demonstrating unsafe driving behavior is the most significant contributing factor to accidents on the roadway. The campaign effectively utilized a mix of traditional and digital

channels to raise awareness about distracted driving and promote safer behaviors. NET RMA worked with Hahn to bring public awareness to the forefront of people's minds in April (National Distracted Driving Awareness Month) for the third year in a row. This was a lighthearted social media campaign with a fictitious character, Ted, demonstrating to people what not to do when they are driving. The 'Get a Tag' campaign was also promoted several times throughout the year. Finally, five major events were heavily marketed throughout the year to earn a total of 84 earned media stories, resulting in a significant amount of positive media coverage for NET RMA.

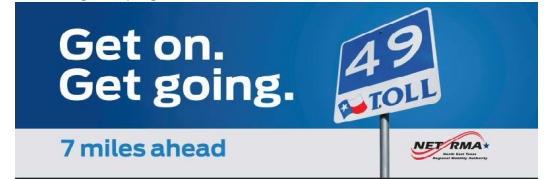
Linda Thomas Safe Driving scholarship winners



National Distracted Driving Awareness Month campaign



Get A Tag campaign



New Safe Driving campaign commercials



Quarterly Newsletters





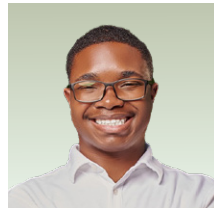
2024 SCHOLARSHIP WINNERS

The NET RMA was proud to announce the winners of its 4th annual Linda Thomas Safe Driving Scholarship program. This program supports safe driving practices among North East Texas high school students and their communities.

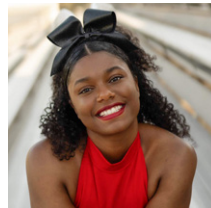
Eleven outstanding students from NET RMA's member counties received \$1000 each for college expenses. The winners were chosen from a total of 140 applicants based on their essays, academic achievements, and extracurricular activities.

"Each year NET RMA receives an increased number of scholarship applications from highly qualified students, making the task of our selection committee very difficult, it's a great problem to have."

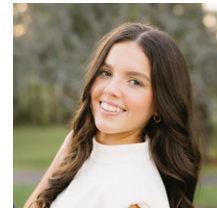
Andrea Williams-McCoy
Vice-Chair
Chair of Public Outreach



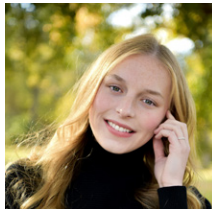
Amari Graves
Gregg County
Future Plans:
University of Texas
in Tyler, Electrical
Engineering



MaKayla Smith
Gregg County
Future Plans:
Tarleton State
University, Animal
Science



Addyson Hearron
Harrison County
Future Plans:
Texas A&M,
Biomedical
Engineering



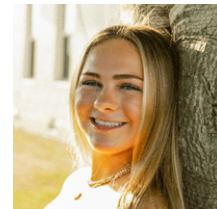
Natalie Sullivan
Harrison County
Future Plans:
LeTourneau
University,
Biomedical Science



Brady Roberts
Harrison County
Future Plans:
Texas State Technical
College, Electric Line
Worker and Management
Technology



Bhavini Mali
Harrison County
Future Plans:
Texas A&M, Public
Health



Sadie Vidrine
Smith County
Future Plans:
Texas Christian
University, Nursing



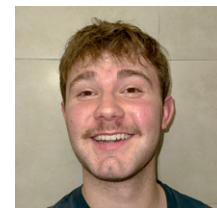
Mallory Bowin
Upshur County
Future Plans:
Tyler Junior
College, Education



**Joseph-Hoang
Nguyen**
Wood County
Future Plans:
University of Texas in
Austin, Biology



Hunter Wernecke
Wood County
Future Plans:
Texas A&M,
Agribusiness



Logan Foster
Wood County
Future Plans:
Texas Tech
University, Music
Education





*"The agency has weathered challenging economies,
a pandemic, and has still persevered and continued
with moving infrastructure forward in East Texas."*

Gary Halbrooks
Chairman, NET RMA 2024



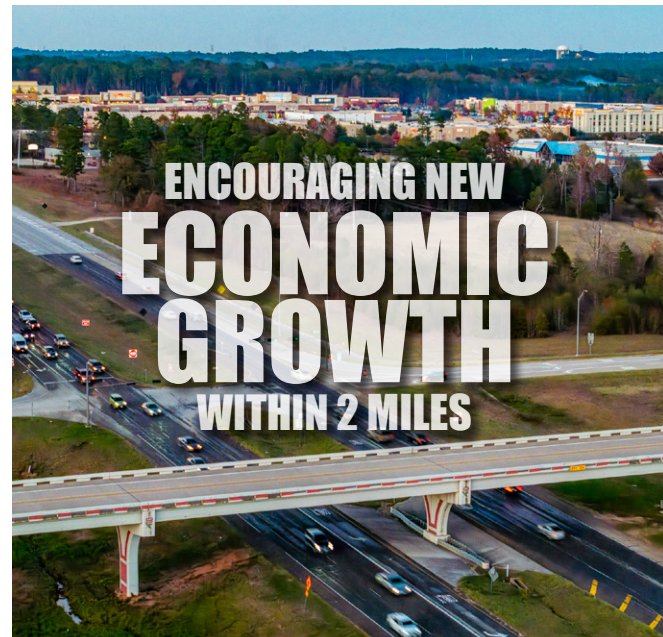


SAVING TIME, REROUTING REGIONAL TRAFFIC & GROWING ECONOMIC OPPORTUNITIES



Due to Tyler's job growth rate being twice the national average, and a continual influx of people relocating to the city, Toll 49 has also experienced increasing volumes on its 33-mile road.

Since 2014, the area within a 2-mile radius of the toll road has seen many new developments. This includes the Village at Cumberland Park, which at the time of construction was the largest retail center being build in Texas. Additional growth included a second police sub-station, a new 41,000-square-foot hospital, and an expansion of a local park, all near the South Broadway intersection with Toll 49. In 2021, a state-of-the art 55,000 square foot Veterans' Administration Tyler Outpatient Clinic opened only 3 minutes away from Toll 49.



Other areas near the road that have also seen expansions include a new 300-acre East Texas fairgrounds location on the west side. There is also an entirely new event venue called The Cannery which opened in Lindale near the north end of Toll 49.

The NET RMA believes in and supports the accelerated development of infrastructure projects in Northeast Texas. To demonstrate this commitment, the agency has donated hundreds of thousands of dollars to its member counties in the form of priority project grants during the past 10 years. This includes air, train, road way and infrastructure projects.





▼ Toll 49 Fun Facts



The NET RMA Toll 49 maintenance team replaces and fixes an average of \$68k worth of signs every year.



To improve the beautiful scenic route along Toll 49, mowing cycles are timed just right to help bring more flowers every year.



1200



The NET RMA diligently makes conscientious efforts to maintain the habitat for the protected Barn Swallows of Texas, along toll road bridges.



In support of Tyler being the Rose Capital of America, there are 48 roses along the toll road bridges. Can you find them all?



1400

An average of 12-14 hundred delineators are replaced every year along the toll road.



Road pavement markers, [RPM's] are replaced every 2 years with one additional replacement cycle as needed every 6 months.



BUSIEST MONTH?

2024 highest traveled month: October



Consistent mowing cycles



On-going road safety maintenance



Temporary signage placement and programming (screen one)



Temporary signage placement and programming (screen two)



Installation of new electronic delineators



Installation & maintenance of permanent signage



▼ Financial & Administrative Perspective

FINANCIAL PERSPECTIVE

Gross toll revenues collected through September 2023 (end of the fiscal year) were \$24,392,459.

The NET RMA's member counties contributed \$40,000 for the organization's annual operations. The Authority has \$123,260,000 in Senior Lien Revenue Bonds and \$53,215,000 in Subordinate Lien Revenue Bonds at this time.

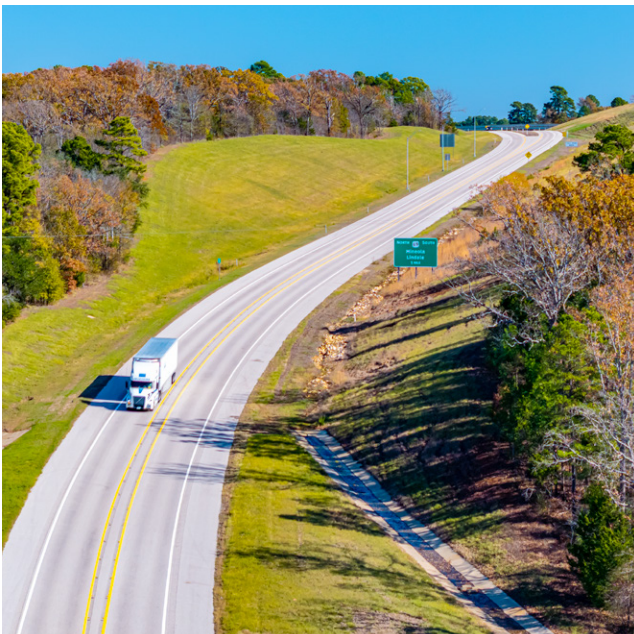
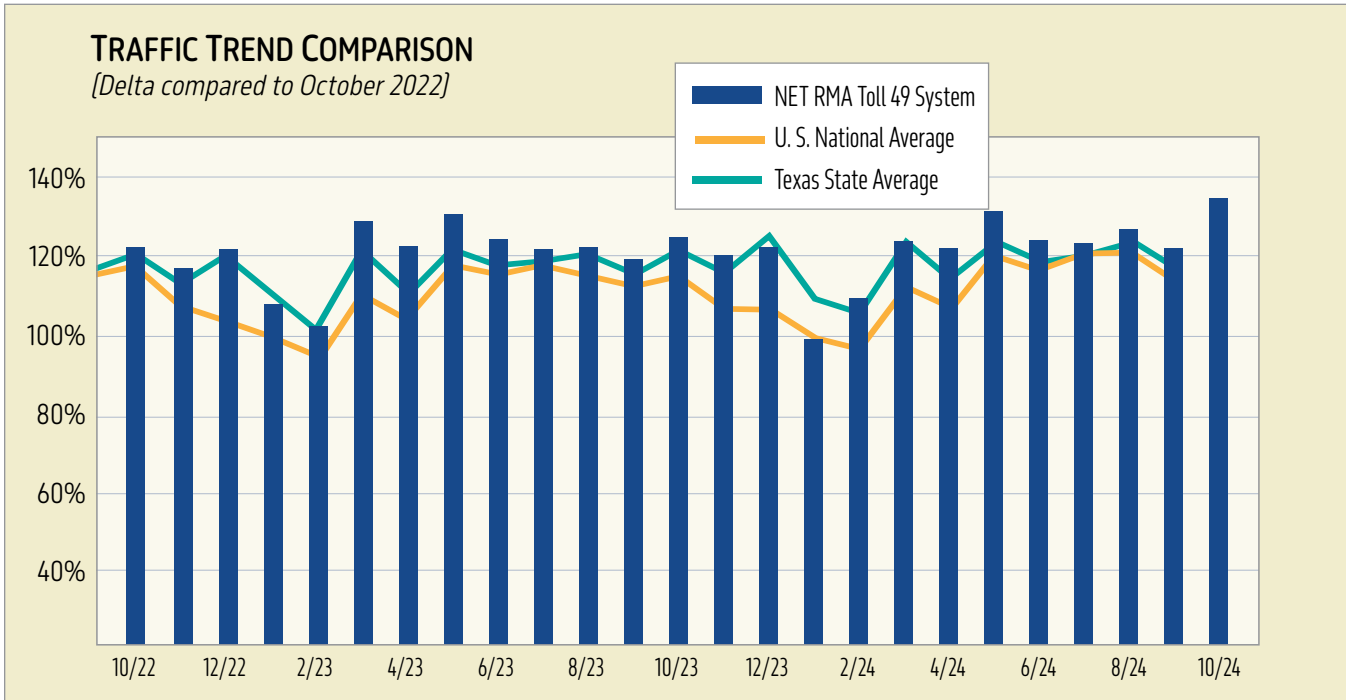
ADMINISTRATIVE PERSPECTIVE

NET RMA held eight public Board Meetings, 38 committee/miscellaneous meetings and 16 meetings with elected officials in 2024.





TOLL 49 USAGE TRANSACTIONS



Qualified Disabled Veteran Discount Program

The NET RMA continues to offer toll charge exemptions for qualified disabled veterans on Toll 49. Veterans with a Disabled Veteran license plate, and an electronic tag can visit www.netrma.org to view additional requirements and sign up for the program. The NET RMA is grateful for the service of the brave men and women who have served this county.



Glenn H. Green
Executive Director

to continue to pursue a wide variety of opportunities that make our communities a better place to live and work.

The agency accomplished the following during 2024:

- ▶ Reselected Hahn to provide marketing consulting services through a five-year contract to support public outreach for the agency.
- ▶ Awarded Fagan Consulting a new toll system consulting services contract.
- ▶ Completed a phased feasibility study for State Highway 42.
- ▶ Prepared a 5-year budget projection plan for the agency to utilize for incorporation of future projects.
- ▶ Worked on the plans, specifications and estimates for a new, high-quality overlay project on Segment 3B on Toll 49.
- ▶ Launched the fourth, new Safe Driving Campaign through all media channels.
- ▶ Awarded \$11,000 to East Texas High School seniors for their essay submissions to the fourth annual Linda Thomas Safe Driving Scholarship Program. This year the agency selected 11 winners from the 14 NET RMA counties.

I'm excited and enthusiastic about leading the NET RMA for my fifth year. Since inception, the agency's goal has always been to enhance mobility, infrastructure and create economic opportunity in the North East Texas Region. I am looking forward to the upcoming year

- ▶ Held 8 public board meetings (virtual and in person).
- ▶ Continued vegetation, slope, and erosion control measures at various locations along the toll road right-of-way.
- ▶ S&P Global Ratings continued its long-term rating of 'A-' on the NET RMA's senior-lien toll revenue bonds.
- ▶ Assisted other local entities utilizing our staff expertise to provide solutions allowing them to move forward with their development and infrastructure projects.
- ▶ Toll traffic continued to outperform national trends.
- ▶ Partnered with Tyler Economic Development Council to support the widening of State Highway 155 at the new Tyler Interstate Commerce Park.
- ▶ The agency completely retooled its utility permitting process, so it is more streamlined and effective.
- ▶ Performed an engineering and pavement design for a potential future project for a member county.
- ▶ Performed an engineering analysis on Toll 49 to establish a 10-year pavement management plan.

I look forward to continuing the growth of the agency, while making East Texas a better place for everyone.

Sincerely,

Glenn H. Green, P. E.

Executive Director, NET RMA 2024



NORTH EAST TEXAS REGIONAL MOBILITY AUTHORITY

Actual and Budgeted Revenues and Expenses for the Fiscal Year Ended September 30, 2024
and Budgeted Revenues and Expenses for the Fiscal Year Ending September 30, 2025.

	FY 2024 ADOPTED BUDGET	FY 2024 ACTUAL	FY 2025 ADOPTED BUDGET
REVENUE:			
Toll revenue – electronic	\$ 17,385,350	\$ 17,941,229	\$ 18,470,400
Toll revenue – video	8,816,000	8,224,251	8,500,000
County contributions	40,000	40,000	0
Other Income	0	76,101	0
Income on investments	0	332,377	0
Interest income	1,687,035	1,857,682	1,965,500
TOTAL REVENUES	27,928,385	28,471,640	28,935,900
EXPENSES:			
Administration	3,180,442	2,655,668	3,298,178
General engineering consultants	465,000	491,068	520,000
Project development support	206,000	141,151	675,000
Roadway maintenance	1,750,000	1,755,389	2,347,000
Roadway striping (renewal & replacement)	250,000	130,178	250,000
Toll processing/collection costs	4,118,960	4,023,928	3,985,025
Toll maintenance support	614,230	585,655	650,042
Toll operations support	499,940	283,160	362,510
Other nonoperating expense	0	111,569	0
TOTAL EXPENSES	11,084,572	10,177,766	12,087,755
NET BEFORE FINANCING COSTS	16,843,813	18,293,874	16,848,145
FINANCING COSTS			
Interest expense	7,439,724	7,432,694	7,335,814
NET AFTER FINANCING COSTS	9,404,089	10,861,180	9,512,331
OTHER NON-CASH EXPENSES			
Depreciation expense	11,700,000	11,367,454	11,500,000
TOTAL OTHER NON-CASH EXPENSES	11,700,000	11,367,454	11,500,000
CHANGE IN NET ASSETS (DECREASE)	\$ [2,295,911]	[506,274]	\$ [1,987,669]







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