

**A Report to the Maryland General Assembly**

**Senate Finance Committee**

**and**

**House Environment and Transportation Committee**

**Maryland Transportation Authority –**

**Third Generation Electronic Toll Collection System**

TR § 4-101 MDTA Third Generation Electronic Toll Collection System

**December 2017**

**MSAR # 11244**

**The Maryland Department of Transportation**

**Maryland Transportation Authority**

## **Maryland Transportation Authority Third Generation Electronic Toll Collection System**

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This report on the Maryland Transportation Authority's (MDTA) Third Generation Electronic Toll Collection System (3G-ETC) was prepared in accordance with House Bill 290, now Chapter 719, passed by the Maryland General Assembly in 2017, which directs:

***“Third Generation Electronic Toll Collection System:*** (HB 290, Ch. 719) – *MDTA shall issue a report to the Governor and, in accordance with § 2-1246 of the State Government Article, the Senate Finance Committee and the House Environment and Transportation Committee on the procurement and implementation of the Third Generation-Electronic Toll Collection System that includes for each component of the System: (1) a summary of key issues being addressed in the procurement and implementation of the System, including: (i) efforts to review and analyze the location of a toll plaza adjacent to a bridge that is a transportation facilities project to ensure that the Authority is appropriately charging a toll for vehicles that traverse the transportation facilities project; and (ii) a projected time frame for: 1. Board of Public Works approval of contracts for the System; and 2. Implementation of the System; (2) if a contract has been approved by the Board of Public Works: (i) a summary of the key contract terms, including duration and cost; (ii) the selected vendors and their qualifications; (iii) a description of the factors that made a selected vendor the best value selection; (iv) major changes made with respect to the previous tolling system contract, including new payment options for tolls; and (v) a description of the performance measures included in the contract and the actions that may be taken if the performance measures are not met; and (3) if a component of the System has been implemented, the impact on: (i) the tolling operations of and customer service provided by the Authority; and (ii) the possibility of implementing all electronic tolling or changes to toll rates.”*

MDTA is in the final stages of its toll collection system procurement process, with recommendations for awards anticipated by December 31, 2017.<sup>1</sup> 3G-ETC will modernize tolling operations, increase flexibility for customers, and establish measurable performance

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<sup>1</sup> COMAR §21.05.03.02G states that:

- (1) Proposals and modifications shall be held in a secure place until the established due date. Proposals may not be opened publicly but shall be opened in the presence of at least two State employees. After the established due date, a register of proposals shall be prepared that identifies each offeror.*
- (2) The identity of an offeror and the register of proposals may not be disclosed before the procurement officer makes a determination recommending the award of the contract pursuant to Regulation .03F of this chapter. After contract award, proposals shall be open to public inspection subject to the provisions of State Government Article, Title 10, Subtitle 6, Annotated Code of Maryland.*

Therefore, MDTA is prohibited from discussing details beyond those contained herein regarding this ongoing and active procurement.

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standards. The implementation of the 3G-ETC contracts makes possible the conversion to all-electronic tolling, which may allow for relocation or removal of existing toll plazas and gantries to facilitate that process in the future. MDTA anticipates presenting the 3G-ETC contracts to the Board of Public Works for approval in the first quarter of 2018. Upon the Board of Public Works (BPW) approval, MDTA will issue a Notice to Proceed (NTP) in the first quarter of 2018.

Following BPW approval, there is a necessary two-year transition from the current single contract to the two contracts. Upon complete transition, there will be three months of acceptance testing, with full implementation by second quarter of 2020. MDTA looks forward to continuing to share detailed information about implementation of the new contracts once they are approved by the BPW.

Regarding efforts to ensure that the Authority is appropriately charging a toll for vehicles that traverse the transportation facilities project, MDTA continues to work on its facilities, including not just the bridges but also the associated approaches, interchanges, entrance plazas, and toll stations that MDTA owns, operates, and maintains. While MDTA's Trust Agreement with its Bondholders prohibits free passage, MDTA continues to work with affected stakeholders in all of our facilities to improve operations and customer service.