



Washington State Department of Transportation Toll Division

Proviso Report - Fiscal Year 2016, Quarter 3

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Good To Go![™]



Civil Penalty Process for Toll Violations

Summary:

In 2012, WSDOT Toll Division instituted a civil penalty process, and provides quarterly reports on the program as outlined in Section 209 (2) of 2ESHB 1299. WSDOT's goal is to ensure that drivers who utilized toll facilities pay the appropriate tolls, and this enforcement program is designed to both educate drivers about the *Good To Go!* program and encourage those who have not paid their toll bills to work collaboratively with us to resolve the issue.

Below is a summary of program activities for this January through March 2016.

During this period:

- WSDOT issued 279,322 notices of civil penalty, approximately 2.3 percent of total transactions and \$1.4 million in unpaid tolls.
- Of those infractions, WSDOT recovered \$288,000 in tolls and fees (after debt collection costs).
- In addition, WSDOT has also collected \$1.2 million of unpaid tolls from prior time periods. This represents 12 percent over the value of the toll revenue expected for the period as a result of the toll enforcement process.

For the third quarter of FY 2016, 34,987 civil penalty transactions, or 12.5% of those issued, were paid without disputing them. Only 946 civil penalty transactions, or 0.3 percent, were scheduled for an administrative hearing.

Though efforts to work with drivers to resolve unpaid tolls has been successful, some drivers still do not come forward to address their outstanding bills. WSDOT began placing registration holds on owners with unpaid civil penalty transactions in July 2013. Since that date, registration holds were placed on approximately 200,000 vehicles. These holds represent:

- 2.1 million unpaid toll transactions
- \$11.8 million in unpaid tolls

Since WSDOT began the Pay by Mail program in December 2011, registration holds represent only 1.4 percent of total transactions. Through this program, WSDOT has collected \$12.3 million of the \$94.9 million owed by these drivers.

In May 2015, the Legislature passed and the Governor signed SSB 5481 into law. This legislation directs WSDOT to:

- Expand on existing administrative law judge mitigating reasons enacted in ESSB 5024 (July 2013),
- Offer first time customers with unpaid tolls, fees and civil penalties an educational opportunity and relief from the fees and civil penalties if the underlying reason for late payment is resolved,
- Call and/or email customers with pre-paid *Good To Go!* accounts who have unpaid tolls which are about to be assessed a civil penalty,



- Make improvements to its website to allow customers to efficiently manage their accounts regardless of payment method and develop a mobile application, and
- Work with auto dealerships to sell *Good To Go!* passes.

WSDOT is working with its vendor to implement the phone and email customer contact requirement and improve its website. WSDOT coordinated with the toll system vendor during the 2015 legislative session on the timeframe needed to implement these improvements. At that time, the vendor agreed that a June 30, 2016 delivery date was sufficient. Since then, the vendor has been difficult to negotiate with and has demonstrated a lack of the necessary resources to implement these improvements. It is clear to WSDOT that the June 30, 2016 delivery date requirement in SSB 5481 will not be met.

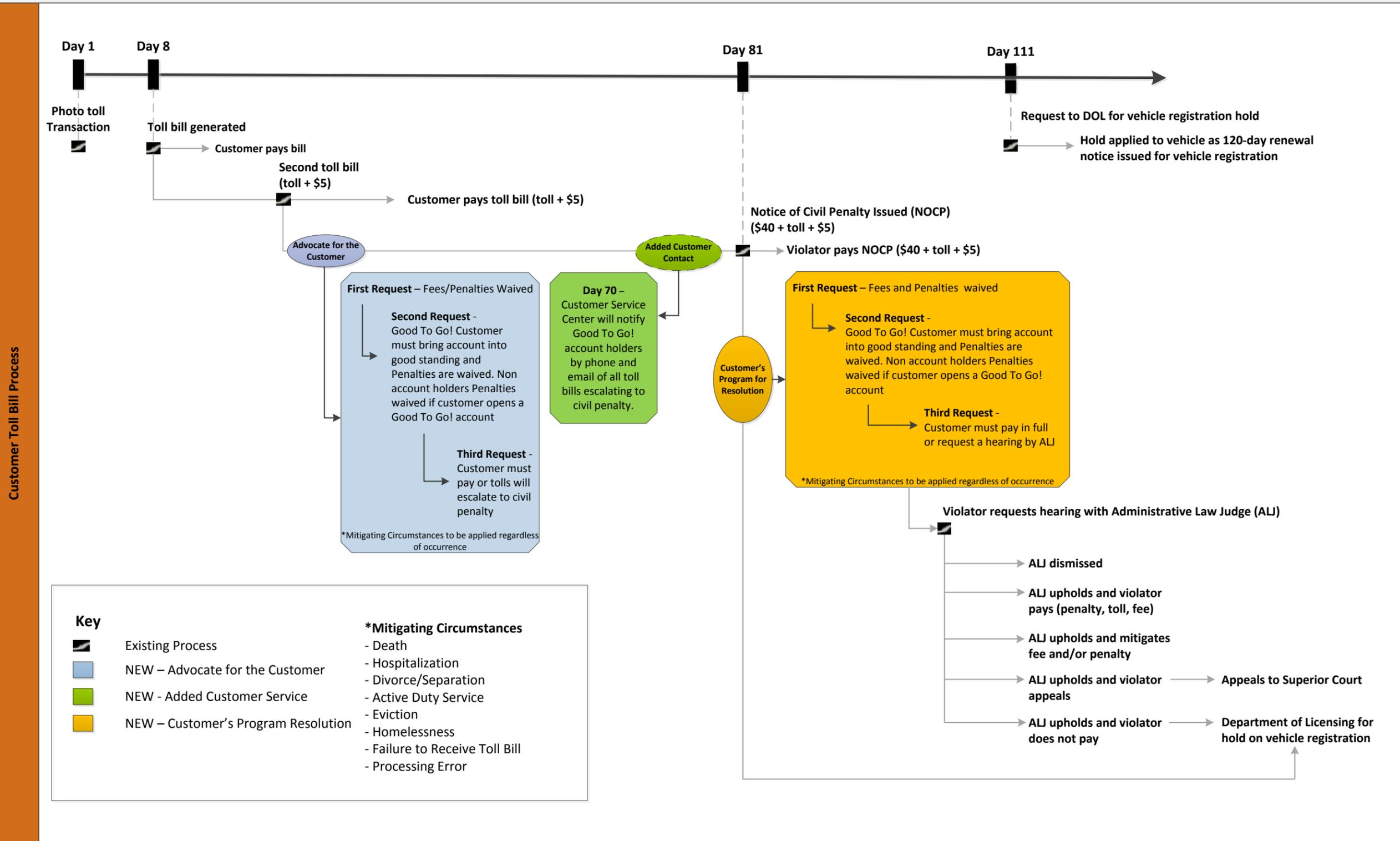
In July 2015, WSDOT launched the Customer Program for Resolution, which provides customers with unpaid tolls, fees, and penalties an opportunity to resolve the underlying issues with their late payments and have the fees and penalties waived the first time. If a customer has another challenge with late payment of tolls, fees and penalties, they can have their civil penalties waived a second time under the condition that they establish a pre-paid *Good To Go!* account. The results of the first nine months of the program are below.

The Civil Penalty Process (Amended with new rules from SSB 5481):

WAC 468-305-500 through 582 contains provisions related to the civil penalty process, which are consistent with RCW 46.63.160. In accordance with the rules, the Department will send a notice of civil penalty (NOCP) to the registered owner or renter of the vehicle who has not paid a toll within 80 days. The new processes associated with the implementation of SSB 5481 are shown in green and orange below.

Customer Service Improvements – CUSTOMER’S PROGRAM FOR RESOLUTION

July 15, 2015



**Project Status:**

The civil penalties assessed, 2.3 percent of total transactions, were within the rolling eight-quarter range of 2.2 – 2.7 percent. A goal of the customer advocacy programs detailed in the graphic above is to reduce the number of customers who are assessed civil penalties. When the first three quarters of FY 2016 is compared to the first three quarters of FY 2015, WSDOT is experiencing a 2.7% reduction in the number of civil penalties assessed. WSDOT will continue to monitor these results.

Administrative hearing requests were down 75.5 percent from last quarter to 231 this period. For reference, prior to the implementation of the Customer Program for Resolution (SSB 5481), WSDOT averaged 5,300 administrative hearing requests per quarter. WSDOT expects the number of administrative hearing requests to continue to drop as customers become increasingly aware of the civil penalty relief programs offered to them without the need for an administrative hearing.

In the first nine months of Customer Program for Resolution, WSDOT:

- Received a total of 313,912 calls at the customer service center with approximately 16 percent related to the program,
- Dismissed fees and penalties on 415,384 violations for 49,686 customers totaling \$17.3 million in dismissed fees and penalties,
- Total number of customers requesting civil penalty relief: 49,686 (approx. 11.8 percent of total customers with unpaid tolls and 16.5 percent of unpaid violations as of March 31, 2016),
- Collected \$1.8 million in unpaid tolls from 46,145 vehicle owners.

The new program for resolution focuses on resolving the underlying cause of customer late payment and on the collection of tolls. The goal is to encourage timely toll payment and improve customer satisfaction with the Pay by Mail payment option. This focus on recovering unpaid tolls over collection of civil penalties is reflected in the amounts collected related to unpaid toll bills during the first three quarters of FY 2016. WSDOT collected \$2.6 million in unpaid tolls and \$3.8 million in unpaid civil penalties during the three-month period. This represents a 122.9 percent increase in the amount of unpaid tolls collected, but a 54.6 percent reduction in the amount of unpaid civil penalties collected over the amounts collected in first three quarters of FY 2015. As projected, the costs related to administering the program for resolution were less than those of the administrative hearing process. Therefore, WSDOT also experienced a 34.2 percent reduction in civil penalty enforcement costs.

As a result of the program for resolution, WSDOT has seen a net reduction in the total number of unpaid toll trips that are associated with vehicle registration holds. For FY 2016Q3, WSDOT requested vehicle registration holds on approximately 35,243 fewer unpaid toll trips than it resolved through the program for resolution. For comparison, during the third quarter of FY 2015, WSDOT had a net increase of 82,124 unpaid toll trip hold requests. This represents a 142.9 percent decrease in the net unpaid toll trips



eligible for vehicle registration hold. For the quarter that ended March 31, 2016, WSDOT collected \$1.1 million in unpaid tolls, fees, and civil penalties related to vehicle registration holds. This represents 52.4 percent of the total amount collected for the period.

In addition to relieving civil penalties through the program for resolution, WSDOT continues to offer opportunities for relief through the civil penalty mitigation process. Customers with certain mitigating reasons, as outlined in RCW 46.63.160, for late payment can have their civil penalties waived by calling the customer service center, or they can have their issue heard by an administrative law judge through the administrative hearing process.

For the first three quarters of FY 2016, administrative law judges heard 1,335 cases representing 10,049 unpaid toll trips and \$525,889 in unpaid tolls, fees and civil penalties. Judges provided relief in 883 cases associated with 7,727 unpaid toll trips and relieved \$399,987 in unpaid fees and civil penalties (66.1percent of cases heard). This is an 84.7 percent reduction in cases heard through the administrative hearing process than were heard during the same period in FY 2015.

In addition to the cases heard by the judges, customer service staff accepted mitigating reasons from 552 customers representing 4,539 unpaid toll trips and relieved \$181,560 in unpaid fees and civil penalties during the first three quarters of FY 2016.

For FY 2016 Q3, WSDOT collected net cash in excess of expenses of \$454,444, \$156,172 and \$917,969 related to SR 16 Tacoma Narrows Bridge transactions, I 405 Express Toll Lanes, and SR 520 Bridge transactions, respectively. This represents a 32.1 percent reduction in net cash collected over the same period last fiscal year. As discussed above, this reduction in net cash collected was anticipated with the change in focus of collecting tolls over collecting civil penalties.

The table below details the results of debt collection activities related to WSDOT's Toll Enforcement Program.

	SR 16 Tacoma Narrows Bridge				I 405 Express Toll Lanes				SR 520 Bridge				Fiscal Year to Date Totals				
	FY 2016 Q1	FY 2016 Q2	FY 2016 Q3	FY 2016 Q4	FY 2016 Q1	FY 2016 Q2	FY 2016 Q3	FY 2016 Q4	FY 2016 Q1	FY 2016 Q2	FY 2016 Q3	FY 2016 Q4	SR 16 TNB	I 405 ETL	SR 520 Bridge	Combined	Year over Year % Change
Number of toll transactions ¹	3,747,973	3,860,159	3,577,919		0	0	2,760,971		5,833,854	5,886,115	5,656,512		11,186,051	2,760,971	17,376,481	31,323,503	16.7%
Number of civil penalty transactions issued	79,674	81,261	80,471		0	0	73,917		132,606	122,668	124,934		241,406	73,917	380,208	695,531	-2.7%

Civil Penalty Activity Results ²												Administrative Hearing Requests					
Number of civil penalty transactions paid upon receipt of the NOCP	7,606	7,459	7,372		0	0	9,568		23,865	22,069	18,047		22,437	9,568	63,981	95,986	26.6%
Number of civil penalty transactions which did not receive a response	69,327	72,764	72,632		0	0	64,257		103,046	98,540	106,500		214,723	64,257	308,086	587,066	3.1%
Number of civil penalty transactions requesting a written dispute in lieu of in-person hearing	1,063	1,021	161		0	0	92		2,994	1,811	220		2,245	92	5,025	7,362	-75.4%
Number of civil penalty transactions requesting an in-person hearing	1,678	17	306		0	0	0		2,701	248	167		2,001	0	3,116	5,117	-87.2%
Total number of civil penalty transactions requesting adjudication	2,741	1,038	467		0	0	92		5,695	2,059	387		4,246	92	8,141	12,479	-82.1%

Vehicle Registration Hold Requests												Vehicle Registration Hold Requests					
Number of civil penalty transactions forwarded to DOL for registration hold less DOL registration holds resolved ²	9,733	6,455	-11,481		0	0	0		-556	-16,519	-23,761		4,707	0	-40,836	-36,129	-113.0%

Debt Collection Cost and Revenue Collected												Debt Collection Costs and Revenue Collected					
Cash received related to civil penalty tolls ³	\$359,222	\$288,935	\$386,275		\$0	\$0	\$50,868		\$612,987	\$471,262	\$470,448		\$1,034,432	\$50,868	\$1,554,697	\$2,639,997	122.9%
Cash received related to \$40 civil penalty fee	\$303,553	\$282,680	\$254,707		\$0	\$0	\$191,939		\$1,119,528	\$902,043	\$753,446		\$840,940	\$191,939	\$2,775,017	\$3,807,896	-54.6%
Total cash received related to debt collection activities^{4,5}	\$662,775	\$571,615	\$640,982		\$0	\$0	\$242,807	\$0	\$1,732,515	\$1,373,305	\$1,223,894	\$0	\$1,875,372	\$242,807	\$4,329,714	\$6,447,893	-32.6%
Workload costs related to debt collection activities ⁶	\$241,243	\$198,012	\$186,538		\$0	\$0	\$86,635		\$444,786	\$288,424	\$305,925		\$625,793	\$86,635	\$1,039,135	\$1,751,563	-34.2%
Net cash received related to debt collection activities (Quarterly)	\$421,532	\$373,603	\$454,444		\$0	\$0	\$156,172	\$0	\$1,287,729	\$1,084,881	\$917,969	\$0	\$1,249,579	\$156,172	\$3,290,579	\$4,696,330	-32.1%
Net cash received related to debt collection activities (FY 2016 To Date)	\$421,532	\$795,135	\$1,249,579	\$1,249,579	\$0	\$0	\$156,172	\$156,172	\$1,287,729	\$2,372,610	\$3,290,579	\$3,290,579					

Civil Penalties Waived (Customer Education Program)												Civil Penalty Mitigation Results					
Number of civil penalty transactions w/civil penalty fees waived (WSDOT)	50,578	44,608	38,595		0	0	30,742		118,014	63,401	64,907		133,781	30,742	246,322	410,845	N/A
Dollar value of civil penalty fees waived (WSDOT)	\$2,090,380	\$1,922,506	\$1,615,438		\$0	\$0	\$1,286,732		\$4,877,552	\$2,732,471	\$2,716,746		\$5,628,324	\$1,286,732	\$10,326,769	\$17,241,824	N/A

Civil Penalties Waived (Mitigation Reasons)																	
Number of civil penalty transactions w/civil penalty fees reduced (WSDOT Mitigation)	451	543	495		0	0	394		1,052	772	832		1,489	394	2,656	4,539	N/A
Dollar value of civil penalty fees reduced (WSDOT Mitigation)	\$18,036	\$21,724	\$19,792		\$0	\$0	\$15,764		\$42,084	\$30,876	\$142,378		\$59,551	\$15,764	\$215,339	\$290,654	N/A
Number of civil penalty transactions adjudicated (OAH)	2,319	523	1,537		0	0	0		3,157	940	1,573		4,379	0	5,670	10,049	-84.7%
Dollar value of civil penalty transactions adjudicated (OAH)	\$107,630	\$24,212	\$99,564		\$0	\$0	\$0		\$140,174	\$41,723	\$112,586		\$231,406	\$0	\$294,483	\$525,889	-82.6%
Number of civil penalty transactions w/civil penalty fees reduced (OAH)	1,649	514	1,258		0	0	0		2,195	825	1,286		3,421	0	4,306	7,727	-73.8%
Dollar value of civil penalty fees reduced (OAH)	\$76,518	\$20,560	\$78,240		\$0	\$0	\$0		\$97,429	\$33,000	\$94,240		\$175,318	\$0	\$224,669	\$399,987	-70.1%



- 1) Toll transactions as reported in the monthly lane systems toll report. SR 16 Tacoma Narrows Bridge transactions include tolls collected at the toll booths. The transactions reported reflect FY 2016 Q1 transaction counts. Since civil penalty transactions lag their underlying toll transactions by at least 80 days, this allows for the most accurate correlation with civil penalty transactions issued.
- 2) WSDOT submits hold requests with DOL on a weekly basis. The hold request is not officially entered until 120 days prior to the vehicle's registration expiration date. For this reason, it can take as long as 12 months for the registered owner to be notified of the hold request.
- 3) Civil penalty tolls collected related to SR 520 Bridge transactions are pledged to bondholders as a part of SR 520 bond covenants.
- 4) Amounts reported represent cash received from civil penalty debt collection activities.
- 5) Financial statements report total revenues earned after the civil penalty recipient has been found liable through an administrative hearing or deemed liable for not responding to the notice by the due date (20 days). This differs from the amount of cash collected, which is presented here.
- 6) Workload costs represent the total costs charged to each toll facility in relation to all debt collection activities during this reporting period.

Customer Service Center Procurement

Summary

This report is for the period January through March 2016 and addresses requirements in Section 209 (11) of Chapter 222, Laws of 2014 (ESSB 6001) regarding the anticipation of, and preparation for, the procurement of a new Washington State Department of Transportation tolling customer service center. This report addresses the overall progress toward procuring a new tolling customer service center, the development of a request for proposals (RFP) and the department's effort to mitigate risk to the state. Based on industry trends and advancements, the Toll Division must anticipate the replacement of the existing customer service center system. The replacement will require: procurement scope – determination of what will be procured, solicitation through an open bid, contracting with the new vendor and transitioning to the new vendor. Current efforts include project management, funding and the beginning stages of RFP development to meet a December 1, 2016 advertisement date. WSDOT will continue development of the RFP documents into FY 2017 with an emphasis on completing detailed RFP requirements and preliminary budget development by December 1, 2016.

Overall Progress

Continuing the work to date, the Toll Division performed the following work in FY 2016 Q3:

Existing contract strategy to extend services with ETCC: WSDOT continued discussions regarding extending the existing CSC vendor contract through its final, two-year term ending June 30, 2018. The extension discussion focused on determining a contract price increase related to the impact and resulting workload of adding I-405 express toll lanes (ETL) to the *Good To Go!* program. The existing contract expires on June 30, 2016 and WSDOT has completed the extension negotiations and has proceeded with executing the two-year contract option.



RFP project activity: During FY 2016 Q3, WSDOT continued work as follows:

- Completed customer service center (CSC) 2020 visioning workshops addressing the future vision of customer service in the next decade, by looking at what practices should be discontinued or changed and what new features, functionalities and services WSDOT should consider for the customer service center. This along with lessons learned, will help inform the project scope and has been disseminated to the functional requirement teams for vetting and requirement buildout.
- Continued development of project management tools to include project management plan (final draft), budgets, schedule (final draft) and a Deliverables Roles and Responsibilities, tracking process.
- Developed 6 month RFP stakeholder engagement/review schedule for OFM, Legislative Staff, OCIO, JTC, WSTC, WSF, DOL, Toll Steering Committee and Toll Executive Committees. In addition, dates have been identified for three key review periods for the Expert Review Panel to provide input on progress.
- Continued development of the RFP documents by organizing smaller groups to concentrate on the following areas: CSC System Requirements and Functionality, Contract Type and Procurement Plan, Pricing and Funding Sources, and integration with Ferries Ticketing System and DOL.
- Identified CSC System policy decision topics with implications to requirements and business functionality development.

WSDOT anticipates the back office system architecture to comprise of two components - the operational back office where the transaction is formed from the data sent by the lane systems provider to include fare assignment before transferring the transaction to the commercial back office, where the customer information, customer account management, and billing is processed and stored. This divisional approach provides a clear vision of responsibility and flexibility expected by future proposers and will be reflected in the RFP back office system scope and general requirements.

Request for Proposal Strategic Plan and Development

The project team leads are meeting on a weekly basis to methodologically develop the sections of the RFP. This work will continue for the next 6 months.

Mitigation Measures

The Toll Division has taken steps to mitigate risk to the department. The contract with Electronic Transaction Consultants Corporation (ETCC), the Toll Division's current CSC vendor, has been extended through June 2018. This provides stability into the future as the department works to procure a new vendor.

The procurement of a new CSC will mitigate risks in the long run by preparing the Toll Division for eventual replacement and allowing for the implementation of needed system upgrades.

WSDOT continues to closely monitor the current vendor whose performance, which had been improving, has, with recent issues, required additional scrutiny.

Next Steps

In FY 2016 Q4, WSDOT continues to perform work in two areas: contract strategy to extend the existing ETCC contract and project delivery strategy to continue with the RFP development and project planning.



Contract Strategy: WSDOT will execute the contract extension effective April 1, 2016.

Project strategy: Following is a list of activities:

- Complete Project Management Tools
- Develop and submit OCIO Project Investment plan and risk assessment
- Develop and submit Decision Package for estimated funding for award.
- RFP and Technical Requirement teams in full development phase to meet a Dec. 1, 2016 RFP advertisement for back office system.
- Complete DRAFT RFP Scope and Requirements by Mid-July for initial reviews.
- Toll Industry Review of Draft RFP scheduled for early fall. Subsequent 1:1 meetings with interested vendors.
- RFQ release scheduled for Fall.
- Operator RFP to be released after the award of the system contract so potential operator providers know what system will be used for customer service operations.

Consultant Reporting

Legislative Request:

As required by Section 209 (7) of 2ESHB 1299, the following is the quarterly report to the governor and the transportation committees of the Legislature on the use of consultants in the toll operations budgets. The report includes the name of all consultants, the scope of work, the type of contract, timeliness, and deliverables and any new task orders and extensions added to the consulting contracts during the quarter reported.

Terms Defined:

For the purpose of this report the requested items were interpreted to mean the following:

Consultant: a contractor providing personal services to the Toll Division of WSDOT.

Scope of work: a general description of the contracted services.

Type of contract: contract categorization according to the Washington State Department of Enterprise Services (DES).

Timeliness: the status of task activity during the biennium.

Deliverables: a list of work products delivered during the biennium.

Summary Report:

The Toll Division's 2015-17 Biennium Program B Budget is \$85,028,000. The following is a summary of the Toll Division's consultant contracts and associated Program B expenditures through the third quarter of FY 2016:



Consultant Name	Contract #	Title	Task Authorization Value	Total Invoiced (FY 2015-17)	Cumulative Invoiced
AECOM Technical Services, Inc.	Y-11503	Tolling Expert Review Panel	\$300,000	\$20,283	\$47,532
CDM Smith, Inc.	10942AI	SR 520 Actuals Analysis	\$191,015	\$30,205	\$166,393
Clifton Larson Allen LLP	K-723	SR 520 Tolling System Financial Statements Audit	\$90,318	\$90,318	\$90,318
IBI Group	0Y11526	SR 520 Master Bond Resolution Operations & Maintenance Certification	\$193,083	\$46,014	\$48,757
Jacobs Engineering, Inc.	Y-11038-BQ	CSC RFP Support	\$1,117,445	\$428,368.92	\$820,712.06
	Y-11038-CE	Operations Support	\$3,056,858	\$1,597,212.02	\$1,597,212.02
	Y-11038-CF	SR 167 Extension Change Order	\$36,898	\$22,191	\$22,191
	Y-11038-CH	SR 167 Transition & Extension	\$227,609	\$14,090	\$14,090
Stantec Consulting Services, Inc.	Y-11392-AC	Tacoma Narrows Bridge Traffic & Revenue Study	\$110,468	\$0	\$0

Consultant Details for AECOM Technology Corporation:

Contract Type: Personal services

Scope Summary: Toll Expert Review Panel

Timeliness: Current expiration is Dec. 31, 2017

Deliverables: Report and presentation

Task Order Scope and Value:

Task Name	Task Description	Task Work Order	Task Value
Y-11503	Tolling Expert Review Panel	TF0006, TF0007, TF0009	\$300,000

Task Y-11503

Scope Summary: Under this task, AECOM shall convene a subgroup of the Toll Division's previous Expert Review Panel to assist in evaluation of the options available to Washington for providing tolling operations full back office and customer services at the end of the current contract term.

Timeliness: Contract window: 12/12/13 through 12/31/17

Deliverables: Reports and presentations of the evaluation results for the Secretary, Transportation Commission, and Legislative Committees.

Consultant Details for CDM Smith, Inc.:

Contract Type: Personal services



Scope Summary: Assessing the revenue potential of tolling the existing SR 520 Bridge to support bond sales through the development of an investment grade revenue study.

Timeliness: 7/1/15 through 6/30/17

Deliverables: Traffic and revenue forecast to actuals analysis

Task Order Scope and Value:

Task Name	Task Description	Task Work Order	Task Value
Y-10942-AI	SR 520 Actuals Analysis	TF0012	\$191,050

Task Y-10942-AI

Scope Summary: CDM Smith provides monthly estimated breakouts of toll forecast system for determining seasonal, monthly, and daily variations. In addition, developed methodology and performed analysis in support of monthly forecast to actual traffic and revenue reporting.

Timeliness: 7/1/15 through 6/30/17

Deliverables: Breakouts of FY 16/17 SR 520 Bridge traffic and revenue by monthly and average daily levels, monthly reporting approach, and monthly actuals estimates

Consultant Details for Clifton Larson Allen LLP:

Contract Type: Personal services

Scope Summary: An independent audit of the Washington State System of Eligible Toll Facilities (the SR 520 Tolling System Financial Statements), with sufficient audit work necessary to express an opinion on the fair presentation of the financial statements under generally accepted auditing standards as established by the Auditing Standards Board of the American Institute of Certified Public Accountants, as required by the SR 520 bond covenants.

Timeliness: Current expiration is October 2017

Deliverables: The deliverables for this contract include entrance and exit conferences with WSDOT executives, semi-monthly progress reporting, final audit report and work papers, and a presentation to the Washington State Transportation Commission.

Task Order Scope and Value:

Task Name	Task Description	Task Work Order	Task Value
K-723	SR 520 Tolling System Financial Statements Audit	TF0009	\$90,318

Consultant Details for IBI Group:

Contract Type: Personal services

Scope Summary: The SR 520 Master Bond Resolution provides requirements for the issuance of bonds. One such requirement is for an annual independent review of operations and maintenance (O&M) assumptions and costs for the SR 520 program and certification that the assumptions and costs are reasonable

Timeliness: 7/1/13 through 6/30/15

Deliverables: Certification and report on the review of the assumptions for operations and maintenance costs.

Task Order Scope and Value:



Task Name	Task Description	Task Work Order	Task Value
0Y11526	SR 520 Master Bond Resolution O&M Certification	TF0009	\$193,083

Task 0Y11526

Scope Summary: Services related to the SR 520 Master Bond Resolution for operations and maintenance certification.

Timeliness: 1/1/15 through 12/31/16

Deliverables: Operations and Maintenance Certification in compliance with SR 520 Master Bond Resolution.

Consultant Details for Jacobs Engineering, Inc.:

Contract Type: Personal services

Scope Summary: A broad spectrum of management and technical services via an integrated toll management team, including a co-located staff, as well as offsite services as needed

Timeliness: Current expiration is June 30, 2021

Deliverables: Primary focus is to provide core resource staff for technical, policy, and operations support to the Toll Division. Deliverables as requested by the state.

Task Order Scope and Value:

Task Name	Task Description	Task Work Order	Task Value
Y-11038-BQ	CSC RFP Support	TF0006, TF0007, TF0009	\$1,117,443
Y-11038-CE	Toll Operations Program, Admin & Contract Mgmt	TF0006, TF0007, TF0009, TF0014	\$3,056,858
Y-11038-CF	SR 167 Extension Change Order	MX7402, XL2571	\$36,898
Y-11038-CH	SR 167 Transition & Extension	MX7402, MS7457	\$227,609

Task Y-11038-BQ

Scope Summary: Based on industry trends and advancements, the Toll Division must anticipate the replacement of the existing Customer Service Center system. The replacement will require: procurement scope – determination of what will be procured, solicitation through an open bid, contracting with the new vendor and transitioning to the new vendor. This phase of the procurement process is to determine what to procure. There are various approaches to CSC operations management. This phase will determine which business operation method the state prefers.

Timeliness: The period of performance for Task BQ is from 7/1/15 to 6/30/16.

Deliverables: The deliverables for Task BQ include workshop materials and outcome reports, toll industry review and summary reports, procurement method research and recommendations (including cost and risk analysis), and a final determination report.

Task Y-11038-CE

Scope Summary: There are eight key work elements that make up Task Order CE for toll operations support during the 15/17 biennium. Jacobs shall provide engineering and subject matter expertise to



support program management, data and reporting, rate setting, policy, roadside toll system operations, adjudication and toll finance as it relates to the Toll Division. Jacobs shall also provide experienced customer service personnel on an ongoing basis to support state project managers with customer service center vendor oversight for both operator and system functions. General operations coordination/management will also be provided between communications groups, development groups and toll division leadership.

Timeliness: Contract window: 7/1/15 through 6/30/17

Deliverables: Level of effort contract provides approximately 5.5 FTEs of support

Task Y-11038-CF

Scope Summary: SR 167 operations are transitioning between Roadway toll vendors and Customer Service Center vendors. Stage four of the SR 167 extension with additional toll points is occurring in conjunction with the vendor change. Jacobs will provide support during the associated transition to address the termination of responsibilities for the current roadway toll vendor and support the new vendor in facilitating the knowledge transfer.

Timeliness: The period of performance for Task CF is from 8/1/15 to 5/31/16.

Deliverables: The deliverables for Task CF include Monthly Progress Reports and drafting of Final Change Orders for both the SR 167 Transition and the SR 167 Extension.

Task Y-11038-CH

Scope Summary: SR 167 HOT Lanes are transitioning to a new toll collection vendor and deploying the new collection system to the SR 167 HOT Lanes southern extension. Jacobs will help drive the project from planning, design and development through to installation and integration.

Timeliness: The period of performance for Task CH is from 2/15/16 through 3/31/17.

Deliverables: The deliverables for Task CH include Progress Reports, Documentation and Technical Analyses.

Consultant Details for Stantec Consulting Services, Inc.:

Contract Type: Personal services

Scope Summary: Primary focus is to provide core resource staff for traffic and revenue forecasting and analytical support of the Toll Division.

Timeliness: Current expiration is June 30, 2017

Deliverables: Deliverables as requested by the state. Examples include traffic forecasting, impact analyses, revenue projections, and feasibility studies.

Task Order Scope and Value:

Task Name	Task Description	Task Work Order	Task Value
Y-11392-AC	Tacoma Narrows Bridge Traffic & Revenue Study	TF0007	\$140,168



Task Y-11392-AC

Scope Summary: Stantec, as the statewide traffic and revenue consultant is tasked to develop a traffic and revenue estimate for WSDOT Traffic and Revenue Forecast Council (TRFC) quarterly adoption for FY 2016-17.

Timeliness: 9/1/14 through 6/30/2017

Deliverables: Various memorandums in support of a final report for a traffic and revenue forecast detailing approach and methodology on an annual basis.

Vendor and Non-Vendor Expenditures

Legislative Request:

As required by Section 209 (9) of ESHB 2524, the following is the quarterly report to the governor and the transportation committees of the Legislature on the non-vendor costs of administering toll operations, including the costs of staffing the division, consultants and other personal service contracts required for technical oversight and management assistance, insurance, payments related to credit card processing, transponder purchases and inventory management, facility operations and maintenance, and other miscellaneous non-vendor costs and the vendor-related costs of operating tolled facilities, including the costs of the customer service center, cash collections on the Tacoma Narrows bridge, electronic payment processing, and toll collection equipment maintenance, renewal, and replacement.



Summary Report:

<u>Non-Vendor Expenditures¹</u>	<u>FY 2016 Q1</u>	<u>FY 2016 Q2</u>	<u>FY 2016 Q3</u>	<u>FY 2016 Q4</u>	<u>FY 2016 to Date</u>
WSDOT Staff	\$ 682,714	\$ 654,613	\$ 767,025		\$ 2,104,352
Consultants	\$ 589,761	\$ 697,973	\$ 670,074		\$ 1,957,807
Bridge Insurance	\$ 3,378,312	\$ 16,565	\$ 25,183		\$ 3,420,061
Credit Card and Bank Fees	\$ 799,517	\$ 879,682	\$ 769,320		\$ 2,448,519
Transponder Costs	\$ 421,354	\$ 1,141,034	\$ 497,524		\$ 2,059,912
Pay by Mail Processing ²	\$ 539,252	\$ 693,845	\$ 641,834		\$ 1,874,931
Washington State Patrol	\$ -	\$ 380,119	\$ 232,525		\$ 612,644
Other Miscellaneous Non-Vendor Expenditures ³	\$ 194,028	\$ 272,127	\$ 274,405		\$ 740,560
Quarterly Non-Vendor Expenditures	\$ 6,604,936	\$ 4,735,959	\$ 3,877,890	\$ -	\$ 15,218,786

<u>Vendor Expenditures⁴</u>	<u>FY 2016 Q1</u>	<u>FY 2016 Q2</u>	<u>FY 2016 Q3</u>	<u>FY 2016 Q4</u>	<u>FY 2016 to Date</u>
CSC Vendor	\$ 2,143,732	\$ 1,989,058	\$ 2,010,888		\$ 6,143,678
Cash Collections (SR-16 Tacoma Narrows Bridge)	\$ 787,717	\$ 785,484	\$ 808,414		\$ 2,381,615
Electronic Payment Processing (SR-16 Tacoma Narrows Bridge) ⁵	\$ 15,463	\$ 12,907	\$ 13,324		\$ 41,695
Toll Collection System Operations and Maintenance ⁶	\$ 199,719	\$ 205,894	\$ 210,996		\$ 616,609
Office of Administrative Hearings	\$ 116,916	\$ 27,501	\$ 59,188		\$ 203,604
Other Miscellaneous Vendor Expenditures ⁷	\$ 22,106	\$ 21,350	\$ 32,182		\$ 75,638
Quarterly Vendor Expenditures	\$ 3,285,652	\$ 3,042,196	\$ 3,134,991	\$ -	\$ 9,462,839
Combined Quarterly Expenditures	\$ 9,890,588	\$ 7,778,155	\$ 7,012,882	\$ -	\$ 24,681,625

Notes:

- 1) Non-vendor expenditures include both regular toll operations and civil penalty program expenditures.
- 2) Pay by mail processing includes expenditures related to registered owner information retrieval, mail consumables and services provided by DES Printing.
- 3) Other Non-vendor expenditures includes; rent, supplies/materials, computers, telephones, data, TEF charges and other purchased services.
- 4) Vendor expenditures include vendors who support both regular toll collection and civil penalty programs.
- 5) Electronic payment processing are expenditures related to credit card payments at the SR16 TNB toll booths.
- 6) Toll Collection System Operations and Maintenance includes support from WSDOT regional offices such as NWR Signals and TMC.
- 7) Other vendor expenditures includes civil penalty support provided by Fife Municipal Court and Phoenix Security.

Notable:

- Non-vendor expenditures in FY 2016 Q1 are higher than average due to the annual payment of bridge insurance for SR16 TNB and SR520 Bridge in August.
- FY 2016 Q2 transponder expenditures reflect the high volume of transponders being sold to support the toll commencement of I405 Express Toll Lanes.
- Washington State Patrol expenditures were higher in FY 2016 Q2 due to increased enforcement support during the first three months of I405 Express Toll Lanes operations.
- The reduction in Office of Administrative Hearing expenditures reflects the change from the civil penalty mitigation program authorized in RCW 46.63.160 to the Customer Program for Resolution (CPR), which was authorized by SSB 5481.