



Washington State Department of Transportation Toll Division

Proviso Report - Fiscal Year 2017, Quarter 2

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Patty Rubstello, Assistant Secretary, Toll Division
Roger Millar, Secretary of Transportation

Good To Go!TM



1. Civil Penalty Process for Toll Violations

Summary:

This report is for the period October through December 2016 and addresses requirements in Section 209 (2) of ESHB 2524 regarding WSDOT's Toll civil penalty process.

In 2012, WSDOT Toll Division instituted a civil penalty process. 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 October through December 2016 (Q2 FY2017).

During this period:

- WSDOT issued 299,656 notices of civil penalty, approximately 2.3 percent of total transactions and \$1.8 million in unpaid tolls.
- Of those infractions, WSDOT recovered \$851,524 in tolls and penalties.
- In addition, WSDOT also collected \$1.2 million of unpaid tolls and penalties from prior time periods.
- Workload costs for FY 2017 Q2 were higher than normal due to work related to implementing the customer service requirements from Engrossed Substitute Senate Bill (ESSB) 5481.

For the second quarter of FY 2017, 46,390 civil penalty transactions, or 15.5 percent of those issued, were paid without disputing them. Only 554 civil penalty transactions, or 0.2 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 258,000 vehicles. These holds represent:

- 2.8 million unpaid toll transactions
- \$15.4 million in unpaid toll revenue

Since WSDOT began the Pay By Mail program in December 2011, registration holds represent only 1.4 percent of total transactions. Through the registration hold program, WSDOT has collected \$15.1 million of the \$123.4 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.
- Work with auto dealerships to sell *Good To Go!* passes.

Working with its vendor, WSDOT has implemented the phone and email customer contact requirement and made some preliminary improvements to its website. WSDOT is continuing to work with its vendors to make further improvements to its website. Originally, our vendor indicated the website would be updated by December 2016. The schedule now reflects a completion date of March 2017, and may continue to slip into late spring. WSDOT has assigned our own project manager to facilitate day-to-day management of this work in order to help recover schedule and ensure successful completion of this project.

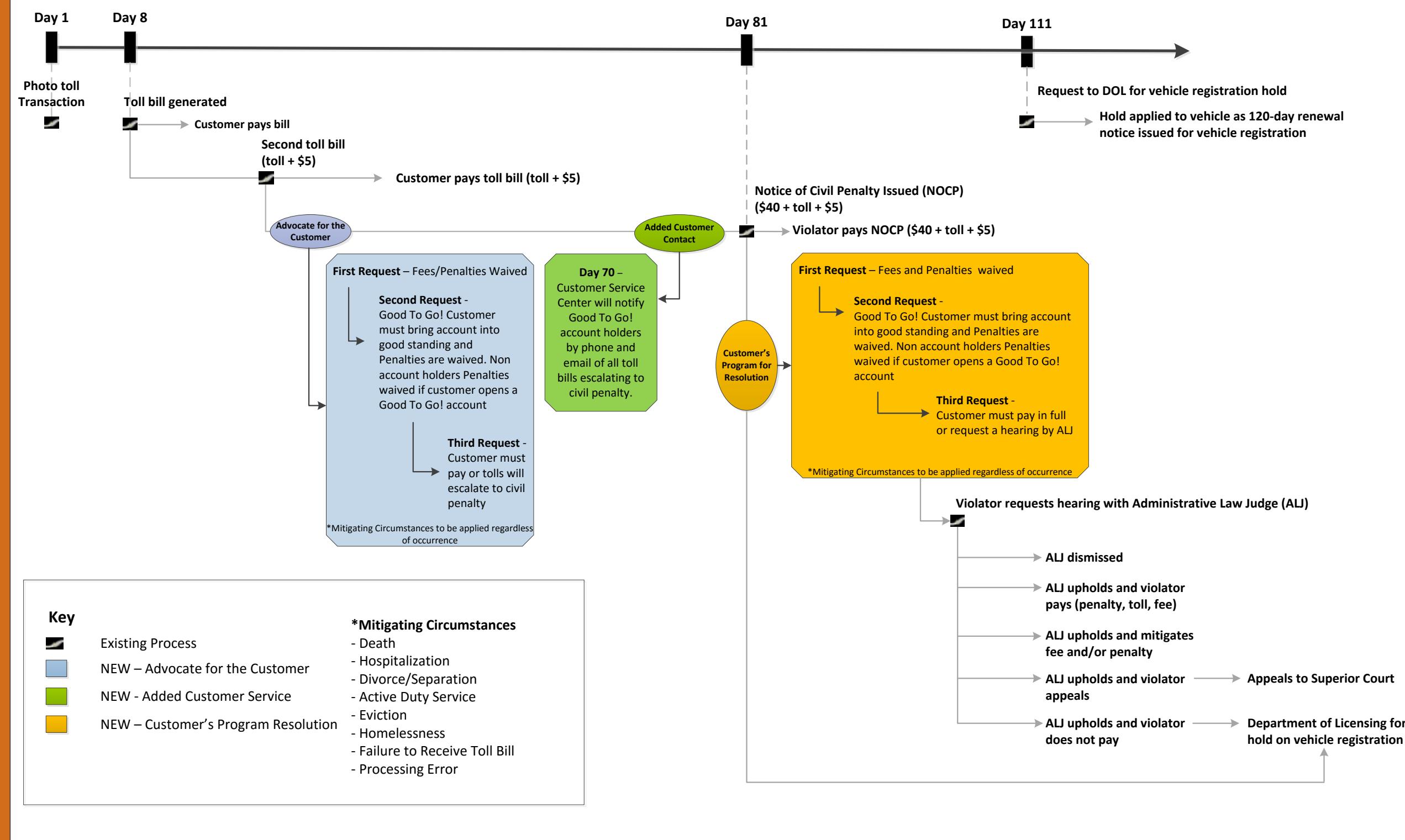
In July 2015, WSDOT launched the Customer Program for Resolution that provides customers with unpaid tolls, fees, and penalties an opportunity to resolve the underlying issues with their late payments and have the fees and penalties waived the first time. If a customer has another challenge with late 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 program between July 2015 and December 2016 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 these 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 were 2.3 percent of total transactions, which is within the rolling eight-quarter range of 2.2 percent to 2.7 percent. In January 2016, the first NOCPs were issued for unpaid trips on the I-405 express toll lanes. The civil penalty assessment rate has reduced each quarter as drivers on I-405 become familiar with the Pay By Mail and notice of civil penalty process. For FY 2017 Q2 the civil penalty rate was 3 percent compared to 4.7 percent in FY 2016 Q4.

Administrative hearing requests remained low with 80 requests for this period. For reference, prior to the implementation of the Customer Program for Resolution (ESSB 5481), WSDOT averaged 5,300 administrative hearing requests per quarter. Based on the previous four quarters and the types of issues which have resulted in hearing requests, WSDOT believes that it can expect between 100 – 300 hearing requests each quarter.

The Customer Program for Resolution continues to provide civil penalty relief for customers with unpaid tolls. Between July 2015 and December 2016, WSDOT:

- Received 707,173 calls at the customer service center related to the program.
- Had a total of 111,706 customers request civil penalty relief (approximately 15.4 percent of total customers with unpaid tolls and 25.6 percent of unpaid violations as of December 31, 2016).
- Collected \$4.1 million in unpaid tolls from 110,246 vehicle owners.
- Dismissed fees and penalties on 881,385 violations for 111,706 customers totaling \$36.7 million in dismissed fees and penalties.

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 FY 2016 and the second quarter of FY 2017.

In total, including toll and penalties collected through the program for resolution and those collected through other civil penalty programs, WSDOT has collected \$5.5 million in unpaid tolls and \$7.8 million in unpaid civil penalties during FY 2016 and the second quarter of FY 2017. This represents a 140.2 percent increase in the amount of unpaid tolls collected and a 50.3 percent reduction in the amount of unpaid civil penalties collected over the six quarters prior to the start of program in July 2015. Costs related to administering the civil penalty program are higher in the last two quarters as WSDOT has worked with its customer service vendor to implement the requirements of ESSB 5481 related to customer service. After these one-time implementation costs are completed, WSDOT expects the costs of the civil penalty program to remain below totals prior to the implementation of the program in July 2015.

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.

During the second quarter of FY 2017, administrative law judges heard 535 cases representing 1,732 unpaid toll trips and \$78,299 in unpaid tolls, fees and civil penalties. Judges mitigated 314 cases associated with 1,218 unpaid toll trips and waived \$48,800 in unpaid fees and civil penalties (58.6 percent of cases heard). This is a 31.4 percent reduction in cases heard through the administrative hearing process than were heard in the previous quarter.

In addition to the cases heard by the judges, customer service staff accepted mitigating reasons from 521 customers representing 3,098 unpaid toll trips and waived \$123,920 in unpaid fees and civil penalties during FY 2017 Q2.

As a part of the requirements related to ESSB 5481, WSDOT was directed to send a notification by email and/or phone to customers who have unpaid toll bills related to license plates associated with their customer account and will be receiving a civil penalty within the next 10 days. WSDOT began this notification program on July 1, 2016. For the second quarter of FY 2017, WSDOT notified more than 26,500 customers of impending civil penalty assessment. This represented 240,000 unpaid toll trips valued at \$1.6 million in tolls and fees. Of the 26,500 customers, 11,600 customers responded to the notifications (42 percent response rate). These customers resolved 112,400 unpaid tolls and paid \$785,000 in tolls and fees (49 percent collection rate). This is a 7.8 percent improvement over the previous quarter.

For FY 2017 Q2, WSDOT collected net cash in excess of expenses of \$75,891, \$253,698, and \$237,676 related to SR 16 Tacoma Narrows Bridge (TNB) transactions, I-405 express toll lanes, and SR 520 Bridge transactions, respectively. This represents a 45.1 percent reduction in net cash collected over the same period last fiscal year. This reduction in net cash collected is primarily due to the increased costs related to one-time expenditures for ESSB 5481 implementation discussed above.

The table on the next page details the results of debt collection activities related to WSDOT's Toll Enforcement Program. Footnotes to the table are located on Page 8.

	SR 16 Tacoma Narrows Bridge				I 405 Express Toll Lanes				SR 520 Bridge				Fiscal Year to Date Totals				
	FY 2017 Q1	FY 2017 Q2	FY 2017 Q3	FY 2017 Q4	FY 2017 Q1	FY 2017 Q2	FY 2017 Q3	FY 2017 Q4	FY 2017 Q1	FY 2017 Q2	FY 2017 Q3	FY 2017 Q4	SR 16 TNB	I 405 ETL	SR 520 Bridge	Combined	Year over Year % Change
Number of toll transactions ¹	3,853,421	3,983,685			2,376,484	2,561,273			5,869,486	6,210,481			7,837,106	4,937,757	12,079,967	24,854,830	28.6%
Number of civil penalty transactions issued	96,894	91,830			80,124	75,893			137,262	131,933			188,724	156,017	269,195	613,936	47.5%
Civil Penalty Activity Results²																	
Number of civil penalty transactions paid upon receipt of the NOCP	10,822	10,245			12,342	11,675			25,482	24,470			21,067	24,017	49,952	95,036	55.8%
Number of civil penalty transactions which did not receive a response	85,900	81,437	0	0	67,712	64,174	0	0	111,638	107,101	0	0	167,337	131,886	218,739	517,962	50.7%
Number of civil penalty transactions requesting a written dispute in lieu of in-person hearing	79	83			68	23			121	52			162	91	173	426	-93.8%
Number of civil penalty transactions requesting an in-person hearing	93	65			2	21			21	310			158	23	331	512	-89.0%
Total number of civil penalty transactions requesting adjudication	172	148	0	0	70	44	0	0	142	362	0	0	320	114	504	938	-91.9%
Vehicle Registration Hold Requests																	
Number of civil penalty transactions forwarded to DOL for registration hold less DOL registration holds resolved ²	19,238	19,423			7,759	26,999			2,337	-1,389			38,661	34,758	948	74,367	8484.1%
Debt Collection Cost and Revenue Collected																	
Cash received related to civil penalty tolls ³	\$349,807	\$299,733			\$139,296	\$137,255			\$484,653	\$430,782			\$649,540	\$276,551	\$915,435	\$1,841,526	6.3%
Cash received related to \$40 civil penalty fee	\$257,166	\$256,059			\$310,025	\$279,804			\$760,726	\$677,355			\$513,226	\$589,829	\$1,438,081	\$2,541,136	-2.6%
Total cash received related to debt collection activities^{4,5}	\$606,973	\$555,792	\$0	\$0	\$449,321	\$417,060	\$0	\$0	\$1,245,379	\$1,108,137	\$0	\$0	\$1,162,765	\$866,381	\$2,353,516	\$4,382,662	1.0%
Workload costs related to debt collection activities ⁶	\$350,599	\$479,901			\$177,320	\$163,362			\$603,434	\$870,461			\$830,500	\$340,682	\$1,473,895	\$2,645,077	125.6%
Net cash received related to debt collection activities (Quarterly)	\$256,374	\$75,891			\$272,001	\$253,698			\$641,945	\$237,676			\$332,265	\$525,699	\$879,621	\$1,737,585	-45.1%
Net cash received related to debt collection activities (FY 2017 To Date)	\$256,374	\$332,265			\$272,001	\$525,699			\$641,945	\$879,621			\$588,639	\$797,700	\$1,521,566	\$2,907,905	-40.4%
Civil Penalties Waived (Customer Education Program)																	
Number of civil penalty transactions w/civil penalty fees waived (WSDOT)	47,125	37,654			41,730	33,759			69,815	58,429			84,779	75,489	128,244	288,512	4.3%
Dollar value of civil penalty fees waived (WSDOT)	\$1,970,034	\$1,573,866			\$1,744,508	\$1,411,052			\$2,918,569	\$2,442,206			\$3,543,900	\$3,155,561	\$5,360,775	\$12,060,236	3.8%
Civil Penalties Waived (Mitigation Reasons)																	
Number of civil penalty transactions w/civil penalty fees reduced (WSDOT Mitigation)	1,274	898			1,128	805			1,887	1,394			2,172	1,933	3,281	7,387	391.5%
Dollar value of civil penalty fees reduced (WSDOT Mitigation)	\$50,953	\$35,937			\$45,120	\$32,219			\$75,486	\$55,764			\$86,890	\$77,339	\$131,250	\$295,480	391.5%
Number of civil penalty transactions adjudicated (OAH)	819	562			150	103			1,556	1,067			1,381	253	2,623	4,257	-22.3%
Dollar value of civil penalty transactions adjudicated (OAH)	\$38,319	\$26,287			\$6,637	\$4,553			\$69,183	\$47,460			\$64,606	\$11,190	\$116,643	\$192,438	-22.3%
Number of civil penalty transactions w/civil penalty fees reduced (OAH)	595	408			36	25			1,145	785			1,003	61	1,930	2,994	-22.1%
Dollar value of civil penalty fees reduced (OAH)	\$23,800	\$16,400			\$1,440	\$1,000			\$45,800	\$31,400			\$40,200	\$2,440	\$77,200	\$117,400	-32.5%



- 1) Toll transactions as reported in the monthly lane systems toll report. SR 16 TNB transactions include tolls collected at the toll booths. The total toll transactions reported reflect FY 2017 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 Department of Licensing (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.



2. Customer Service Center Procurement

This report is for the period October through December 2016 and addresses requirements in Section 209 (11) of Chapter 222, Laws of 2014 (ESSB 6001) regarding the finalization of Washington State Department of Transportation tolling Customer Service Center Back Office System (BOS) request for proposals (RFP), and beginning the procurement and solicitation process for the pre-qualified Vendors. This report addresses the overall progress toward procuring a new tolling customer service center, the recent release of a BOS 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 process will require: procurement scope – determination of what will be procured through the RFP, solicitation through an open bid, contracting with the new vendor, design and implementation then transitioning to the new vendor's BOS. Current efforts include project management, stakeholder engagement, funding, finalizing business requirements, other RFP primary components, reviews and approvals in preparation of the RFP for release. WSDOT released the BOS RFP on Dec. 1, 2016.

Overall Progress

Continuing the work to date, the Toll Division performed the following work in FY 2017 Q2:

Existing contract strategy to extend services with the current vendor (Electronic Transaction Consultants Corporation or ETCC): The existing contract has been extended through June of 2018. Preliminary ETCC discussions have continued on a non-regular basis related to the extension of services with ETCC beyond June of 2018. ETCC would provide services until the transition to the new back office system (BOS) currently scheduled for December 2018. The final implementation approach accommodates SR 99 Bored Tunnel schedule allowing the new system to Go-Live with all facilities.

RFP project activity: During FY 2017 Q2, WSDOT continued work as follows:

- Request for Qualifications (RFQ) Evaluation plan was completed. RFQ received 13 responses; the Evaluation Team scored and pre-qualified 6 Vendors to receive the RFP.
- Completed Agency self-score Project Decision Package Ranking meeting with the state Office of the Chief Information Officer (OCIO).
- Continued the RFP stakeholder engagement schedule for OFM, Legislative Staff, OCIO, Joint Transportation Committee (JTC), Washington State Transportation Commission (WSTC), Washington State Ferries (WSF), Department of Licensing (DOL), Toll Steering Committee and Toll Executive Committees. The Expert Review Panel has reviewed and provided comments to Draft RFP and Key Performance Indicators (KPI's) and Liquidated damages (Oct/Nov).
- Issued a Draft RFP to Industry and received input on the RFP requirements from Vendor perspective. Applicable comment responses were incorporated into the RFP.



- Completed development of the RFP components and consolidated primary RFP components into full formal review cycles: CSC BOS Requirements, Instructions to Proposers (ITP), Contract, Pricing, Key Performance Indicators (KPIs), Business Rules, and various appendices.
- Continue drafting RFP Evaluation Plan incorporating procurement process and schedule from ITP.
- Continue requirement build-out for WSF utilizing *Good To Go!* as a payment method for Ferries transactions. Included WSF in formal review cycle of requirements.
- Finalized and executed contract with Apparent Successful Vendor for Independent Verification & Validation Quality (IV&V) Consultants for the BOS Project from now through Implementation phase.
- Released Quality Assurance (QA) work Request. Scope negotiations failed resulting in cancellation of work request. Pause procurement next steps until after RFP release.
- Awaiting questions on biennial 17/19 decision package for funding of the BOS implementation and CSC operator solicitation and transition.
- Continued OFM and OCIO monthly project meetings. OCIO representative has been incorporated into monthly steering committee meetings along with IV&V.
- OFM and OCIO were provided review of all RFP and contract materials for comment. WSDOT subsequently received release approval from OFM on December 1, 2016 stating that WSDOT met the budgetary language outlined in ESHB 2524 Section 209.
- Completed Mandatory Pre-Bid Meeting with the prequalified Vendors to establish the expectations of the procurement process and schedule. One Vendor subsequently dropped out citing resourcing concerns.
- Completed Question period for Vendors, formal response by WSDOT issued December 29, 2016.
- Began preparations for Vendor Concept Demonstrations scheduled for January 2017.

WSDOT has emphasized in the RFP requirements that the back office system (BOS) concept architecture will be comprised of two main components: (1) the operational back office where the transaction is formed from the data sent by the lane systems vendor or data from Washington State Ferries (WSF) Transactions; (2) the commercial back office, where the customer information, customer account management, and billing is processed and stored. The RFP was developed to meet the current accounting and functionality requirements in collaboration with the WSDOT Accounting and Financial Services (AFS) and Toll Division. 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.

Procurement Strategic Plan and Process

Now that the RFP has been released, work executing the procurement phase will continue until the contract is awarded, estimated to be in July 2017. The Project team is meeting on a weekly basis to methodically execute the procurement strategy while preparing for the design, development and implementation phase.



Mitigation Measures

The Toll Division has taken steps to mitigate risk to the department and the state. The contract with 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 for eventual replacement and allowing for the implementation of a modern platform capable of needed system upgrades. The separate Operations RFP will overlap with the initial onboarding of the BOS vendor, allowing the operations vendor to be part of the design and development process to achieve efficiency, partnering and best practices prior to Go-Live.

The Toll Division has embraced a 'Best Practice' procurement approach for a large scale IT project that allows for an RFQ phase, provided a draft of the RFP Requirements to the industry for response, and final RFP release with a three-step procurement phase.

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 2017 Q3, WSDOT will continue to perform work in three primary areas: procurement, contract strategy to extend the existing vendor contract with ETCC and project delivery/implementation planning.

Procurement: The procurement phase includes three vendor deliverables; (1) an in-person demonstration of vendor solutions addressing WSDOT requirements, (2) a concept technical submittal highlighting key requirement responses deemed high importance by WSDOT, and (3) the Final Proposal with complete technical response and price. Only the final proposal is scored.

Contract Strategy: Continued planning on strategy to extend the existing vendor (ETCC) contract to ensure coverage until new vendors are in place and ready to take over operations in a single cutover.

Project Delivery and Implementation Planning: following is a list of activities:

- Re-issue work request for Independent and external Quality Assurance.
 - QA Reviews for OCIO and Project Sponsor
 - Update Draft Investment Plan for OCIO
 - Readiness Assessment
 - Implementation PMP
- Begin development of WSDOT Implementation Project Management Plan (PMP)
- Kick-Off Operator RFP development to be released post award of the system contract in order for potential operator providers to be familiar with the system that will be used for customer service operations.
- Plan and attend Vendor Solution Demonstrations Jan. 9-13, 2017.



- Receive Technical Concept Submittals Jan. 27, 2017.
- WSDOT will review and provide structured feedback to the concepts Feb. 24, 2017.
- WSDOT will issue any addenda by March 3, 2017.
- Final Proposals due April 3, 2017.
- WSDOT will continue to emphasize to the vendors the phased schedule of implementation in order to align with the SR 99 construction timeline.
- Respond to Legislative questions related to the procurements.
- Continue stakeholder engagement.



3. Consultant Reporting

Legislative Request

As required by Section 209 (9) of ESHB 2524, the following is the report to the governor and the transportation committees of the Legislature on the use of consultants in the toll operations budgets for FY 2016 and FY 2017. 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, Expenditures

The Toll Division's 2015-17 Biennium Program B Budget is \$90,920,000. The following is a summary of the Toll Division's consultant contracts and associated Program B expenditures through the second quarter of FY 2017 (sixth quarter of the biennium):

Consultant Name	Contract Number	Title	Task Authorization Value	Total Invoiced Through 2017 Q2 (FY 2017)	Cumulative Invoiced
AECOM Technical Services, Inc.	Y-11503	Tolling Expert Review Panel	\$300,000.00	\$66,687.58	\$116,994.84
Anthro-Tech	K001047	Website Usability Services	\$225,000.00	\$98,543.44	\$184,208.14
CliftonLarsonAllen	K000723	Independent Audit of SR 520	\$353,664.00	\$92,124.00	\$353,663.40
Cocker Fennessy Inc	Y-11371-AE	Create a Good To Go! Customer Service Business Advisory Committee	\$39,595.00	15,367.53	\$29,137.39
EnviroIssues, Inc.	Y-11888-AA	Team Management Strategy Toll Division	\$49,995.80	\$27,139.01	\$46,616.84
	Y-11888-AE	Toll Division Communications and Government Support	\$125,376.88	--	\$45,099.89
HNTB Corporation	Y-8092 Supplement 46	HNTB Congestion Reduction Project	\$250,000.00	\$717.32	\$250,000.00
IBI Group	Y-11526	SR 520 Master Bond Resolution Operations & Maintenance Certification	\$193,082.60	\$29,796.57	\$90,869.90
Jacobs	Y-11038-CE	Biennial Toll Division Operations Support	\$3,056,858.00	\$633,991.53	\$2,748,250.59
	Y-11038-CI	CSC System Request for Proposal & Procurement Support	\$1,106,569.00	\$663,359.16	\$760,575.83
	Y-11038-CK	I-405 Data Reporting Support	\$299,238.00	\$56,885.42	\$96,160.83
	Y-11038-CM	Toll Division Marketing, Communications & Outreach Support	\$383,054.00	\$76,707.91	\$101,862.81
	Y-11038-CN	6C, Interoperability & Emerging Technologies Support	\$120,721.00	\$32,261.45	\$47,142.07
Stantec Consulting Services	Y-11392-AG	TNB Traffic & Revenue Study	\$110,468.00	\$6,217.06	\$37,328.66
	Y-11392-AH	I-405 Traffic & Revenue Study	\$284,877.00	\$38,533.41	\$242,589.27



Consultant Detail

AECOM Technology Corporation

Contract Type: Personal services

Scope Summary: Toll Expert Review Panel

Timeliness: Current expiration is December 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.

Anthro-Tech

Contract Type: Personal services

Scope Summary: Usability and user centered design for WSDOT's MyGoodtoGo.com website

Timeliness: Current expiration is December 31, 2017

Deliverables: Report and presentation

Task Order Scope and Value:

Task Name	Task Description	Task Work Order	Task Value
K001047	Website Usability	TF0016	\$225,000

Task K001047

Scope Summary: WSDOT's Toll Division would like to improve the MyGoodtoGo.com website by conducting baseline usability and incorporating user centered design practices into our web development practices.

Timeliness: Contract window: 02/12/16 through 07/31/17

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

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 6/15/17

Deliverables: Traffic and revenue forecast to actuals analysis

Task Activity Scope and Value:

Task Name	Task Description	Task Work Order	Task Value
Y-11721	SR 520 Actuals Analysis	TF0012	\$166,393.37



(CDM Smith, Inc. continued) Task

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 01/31/17, extended to 06/30/17

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

CliftonLarsonAllen, 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	TF0020	\$353,664

Cocker Fennessy, Inc.

Contract Type: Personal services

Scope Summary: Establish a group of business and nonprofit leaders to share their expertise and advise the STATE and its vendors to improve customer service

Timeliness: May 1, 2016 through September 30, 2016

Deliverables: Set up a committee with up to 6 members, identify and recruit executives from local companies with high-volume customers, create a schedule for agendas, review and finalize meeting materials, prepare final report for group

Task Order Scope and Value:

Task Name	Task Description	Task Work Order	Task Value
Y-11371-AE	Assist State in establishing & coordinating a customer service peer review committee	TF0007, TF0006, TF0009, TF0014	\$39,595.00

EnviroIssues, Inc

Contract Type: Personal services

Scope Summary: The Consultant is supporting WSDOT with communications, government relations, and team management strategy.

Timeliness: 5/18/16 through 07/31/16, extended to 06/30/17

Deliverables: Agenda's and technical review recommendations report, communications and governmental relations support.

**Task Order Scope and Value:**

Task Name	Task Description	Task Work Order	Task Value
Y-11888-AA	Team Management Strategy for Toll Division	TF0025	\$49,995.80
Y-11888-AE	Communications and Government Relations	TF0008	\$125,376.88

HNTB Corporation

Contract Type: Personal services

Scope Summary: Engineering services for I-405 ETL for the identification and prioritization of projects that will help reduce congestion and provide added capacity on the I-405 tolling corridor between SR 522 and I-5.

Timeliness: 5/1/16 through 9/30/16

Deliverables: Report and presentation materials.

Task Order Scope and Value:

Task Name	Task Description	Task Work Order	Task Value
Y-08092	I-405 Capacity Improvement Study	TF0014	\$250,000

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 12/31/16, extending to 06/30/17 to cover 2017 legislative window and WSTC rate setting window(s).

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
Y-11526	SR 520 Master Bond Resolution O&M Certification	TF0009	\$193,083

Task -Y-11526

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

Timeliness: 1/1/15 through to 06/15/17 to cover 2017 legislative window and WSTC rate setting window(s).

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

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-CE	Toll Operations Program, Admin & Contract Management	TF0006, TF0007, TF0009, TF0014	\$3,056,858
Y-11038-CI	CSC System Request for Proposal & Procurement Support	TF0006, TF0007, TF0009	\$1,106,569
Y-11038-CK	I-405 Data & Reporting	TF0014	\$299,238
Y-11038-CM	Marketing, Communications & Outreach Support	TF0006, TF0007, TF0009, TF0014	\$383,054
Y-11038-CN	6C, Interoperability & Emerging Technologies Support	TF0006, TF0007, TF0009, TF0014	\$120,721

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-CI

Scope Summary: The Toll Division is developing a Request for Proposal for the procurement of a back office system. 6.1 Task management, coordination, project Administration, 6.2 Toll Industry Services and Vendor Review, 6.3 Washington State Office of Chief Information Officer & Office of Financial Management Coordination, 6.3.1/6.3.2 OFM/OCIO Documentation & Coordination, 6.4 Expert Review Panel Coordination, 6.5 Procurement Method assessment, 6.6 Contracting for a Customer Services Center Back Office System, 6.6.1/6.6.2 System Requirements Gathering and Qualifications Phase. 6.6.3 RFP Development Support, 6.6.4 Pre-Proposal Support, 6.6.5 Evaluation Plan Development, 6.6.6 Proposal Review, 6.6.7 contract Negotiation Support.

Timeliness: The period of performance for Task CI is from 7/1/16 through 6/30/17

Deliverables: The deliverables for Task CI include meeting materials, Project schedule & Management plan, Risk mitigation plan with risk register, Monthly progress reports, monthly invoice and Communication Plan. Toll Industry Workshop Outline and agenda, Technical memoranda, Meeting notes, Summary documentation of toll industry workshops, RFP review materials, IT Project Risk Assessment, OCIO Project Investment Plan & Change Management Log, supporting documents, Agendas, meeting notes and /or materials. Quarterly Expert Review Panel meetings and notes. Bi-weekly AG & ACO meeting Agendas and notes, Risk and benefit analysis spreadsheet, Contract Method comment management and comment.

Task Y-11038-CK

Scope Summary: The legislative budget proviso requires quarterly performance measure, travel time, volume, and travel time data reporting for the I-405 ETL Project. In addition, the Toll Division is required to



monitor the operation of the Express Toll Lanes and report the findings. This task order is to support the state in preparing the report as well as with managing the collection of vehicle occupancy and local arterial traffic data to support I-405 operations monitoring.

Timeliness: The period of performance for Task CK is from 4/15/16 through 6/30/17

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

Task Y-11038-CM

Scope Summary: To assist the state marketing, communication and educational outreach support as a part of the integrated toll management team

Timeliness: The period of performance for Task CM is from 7/1/16 through 6/30/17

Deliverables: The deliverables for Task CM include Agenda and meeting notes, Project Schedule and Technical memorandums.

Task Y-11038-CN

Scope Summary: The state is using the 6C protocol Radio Frequency identification technology for electronic toll collection. Primary focus is to assist with 6C protocol development and testing, including OmniAir Certification, Support 6C research, procurement, implementation, testing and maintenance initiatives. Coordinate with California Toll Operators Committee (CTOC) to ensure consistency between 6C TOC and CTOC's transition to the 6C protocol.

Timeliness: The period of performance for Task CN is from 7/1/16 through 6/30/17

Deliverables: The deliverables for Task CN include 6C TOC quarterly and ad-hoc technical meeting agendas and notes, including action items, Review and comment on 6C specification and testing documents and 6C TOC Issues Tracking Matrix and monthly updates.

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	\$110,468
Y-11392-AH	Tacoma Narrows Bridge Traffic & Revenue Study	TF0007	\$284,877

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.



Task Y-11392-AH

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: 2/29/16 through 6/30/2016, extended 6/30/17

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



4. 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

Non-Vendor Expenditures1

	<u>FY 2017 Q1</u>	<u>FY 2017 Q2</u>	<u>FY 2017 Q3</u>	<u>FY 2017 Q4</u>	<u>FY 2017 to Date</u>	<u>Biennia to Date</u>
WSDOT Staff	\$ 918,192	\$ 900,736			\$ 1,818,928	\$ 4,750,119
Consultants	\$ 842,139	\$ 1,416,513			\$ 2,258,652	\$ 5,831,979
Bridge Insurance	\$ 3,330,830	\$ 28,683			\$ 3,359,513	\$ 6,807,312
Credit Card and Bank Fees	\$ 997,589	\$ 933,969			\$ 1,931,558	\$ 5,293,578
Transponder Costs	\$ 359,276	\$ 315,705			\$ 674,980	\$ 2,983,047
Pay by Mail Processing2	\$ 920,866	\$ 769,784			\$ 1,690,650	\$ 4,554,526
Washington State Patrol	\$ 346,446	\$ 57,336			\$ 403,782	\$ 1,348,423
Other Miscellaneous Non-Vendor Expenditures3	\$ 182,517	\$ 143,021			\$ 325,538	\$ 1,297,462
Quarterly Non-Vendor Expenditures	\$ 7,897,855	\$ 4,565,747	\$ -	\$ -	\$ 12,463,601	\$ 32,866,447

Vendor Expenditures4

	<u>FY 2017 Q1</u>	<u>FY 2017 Q2</u>	<u>FY 2017 Q3</u>	<u>FY 2017 Q4</u>	<u>FY 2017 to Date</u>	<u>Biennia to Date</u>
CSC Vendor	\$ 3,291,986	\$ 3,712,051			\$ 7,004,036	\$ 15,764,432
Cash Collections (SR-16 Tacoma Narrows Bridge)	\$ 807,390	\$ 807,531			\$ 1,614,921	\$ 4,802,939
Electronic Payment Processing (SR-16 Tacoma Narrows Bridge)5	\$ 16,965	\$ 13,496			\$ 30,462	\$ 88,045
Toll Collection System Operations and Maintenance6	\$ 560,709	\$ 550,073			\$ 1,110,782	\$ 2,253,146
Office of Administrative Hearings	\$ 113,670	\$ 78,021			\$ 191,691	\$ 538,930
Other Miscellaneous Vendor Expenditures7	\$ 852	\$ 7,670			\$ 8,521	\$ 108,657
Quarterly Vendor Expenditures	\$ 4,791,571	\$ 5,168,842	\$ -	\$ -	\$ 9,960,413	\$ 23,556,149
Combined Quarterly Expenditures	\$ 12,689,426	\$ 9,734,589	\$ -	\$ -	\$ 22,424,015	\$ 56,422,596

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 RTS Vendor expenditures as well as 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

- WSDOT staff expenditures are forecasted to be higher in FY 2017 as Toll Division continues to fill vacant positions.
- Consultant costs and CSC Vendor costs were up in FY 2017 Q2 due to increased work related to implementation of the CSC Reform requirements (ESSB 5481) and due to the release of the RFP for a new CSC system to support toll revenue and customer account management.
- Bridge Insurance premiums are paid during the first quarter each year. Therefore, first quarter expenditures tend to be the highest of the year.
- Pay by mail and other printing-related expenditures were down in FY 2017Q2 due to seasonality. Summer months – July through September – see the highest pay by mail use as the greater Seattle area is visited by more infrequent users.