



Washington State Department of Transportation
Toll Division

Proviso Report - Fiscal Year 2017, Quarter 3

Table of Contents

1. Civil Penalty Process for Toll Violations	Page 2
2. Customer Service Center Procurement	Page 9
3. Use of Consultants Reporting	Page 12
4. Vendor and Non-Vendor Expenditures	Page 19

Patty Rubstello, Assistant Secretary, Toll Division

Roger Millar, Secretary of Transportation

Good To Go![™]



1. Civil Penalty Process for Toll Violations

Summary:

This report is for the period January through March 2017 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 to ensure that drivers who utilized toll facilities pay the appropriate tolls. 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 2017 (Q3 FY2017).

During this period:

- WSDOT issued 363,568 notices of civil penalty, approximately 3.2 percent of total transactions and \$2.1 million in unpaid tolls.
- Of those infractions, WSDOT recovered \$567,493 in tolls and penalties.
- In addition, WSDOT also collected \$2.1 million of unpaid tolls and penalties from prior time periods.
- Workload costs for FY 2017 Q3 were higher than normal due to work related to implementing the customer service requirements from Substitute Senate Bill (ESSB) 5481.

For the third quarter of FY 2017, 49,936 civil penalty transactions, or 13.7 percent of those issued, were paid without disputing them. Only 554 civil penalty transactions, or 0.1 percent, were scheduled for an administrative hearing.

Though efforts to work with drivers to resolve unpaid tolls have 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 273,000 vehicles. These holds represent:

- 2.9 million unpaid toll transactions
- \$16.4 million in unpaid toll revenue

Since WSDOT began the Pay By Mail program in December 2011, registration holds represent only 1.3 percent of total transactions. Through the registration hold program, WSDOT has collected \$16.3 million of the \$131.4 million owed by these drivers.

In May 2015, the Legislature passed and the Governor signed into law SSB 5481. 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 *Good To Go!* 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 April 2017. The team has made strides toward recovering the delivery schedule this quarter and are confident a roll out date for the website in April. (NOTE: The website improvements have been completed; a report will be included in the next proviso report.)

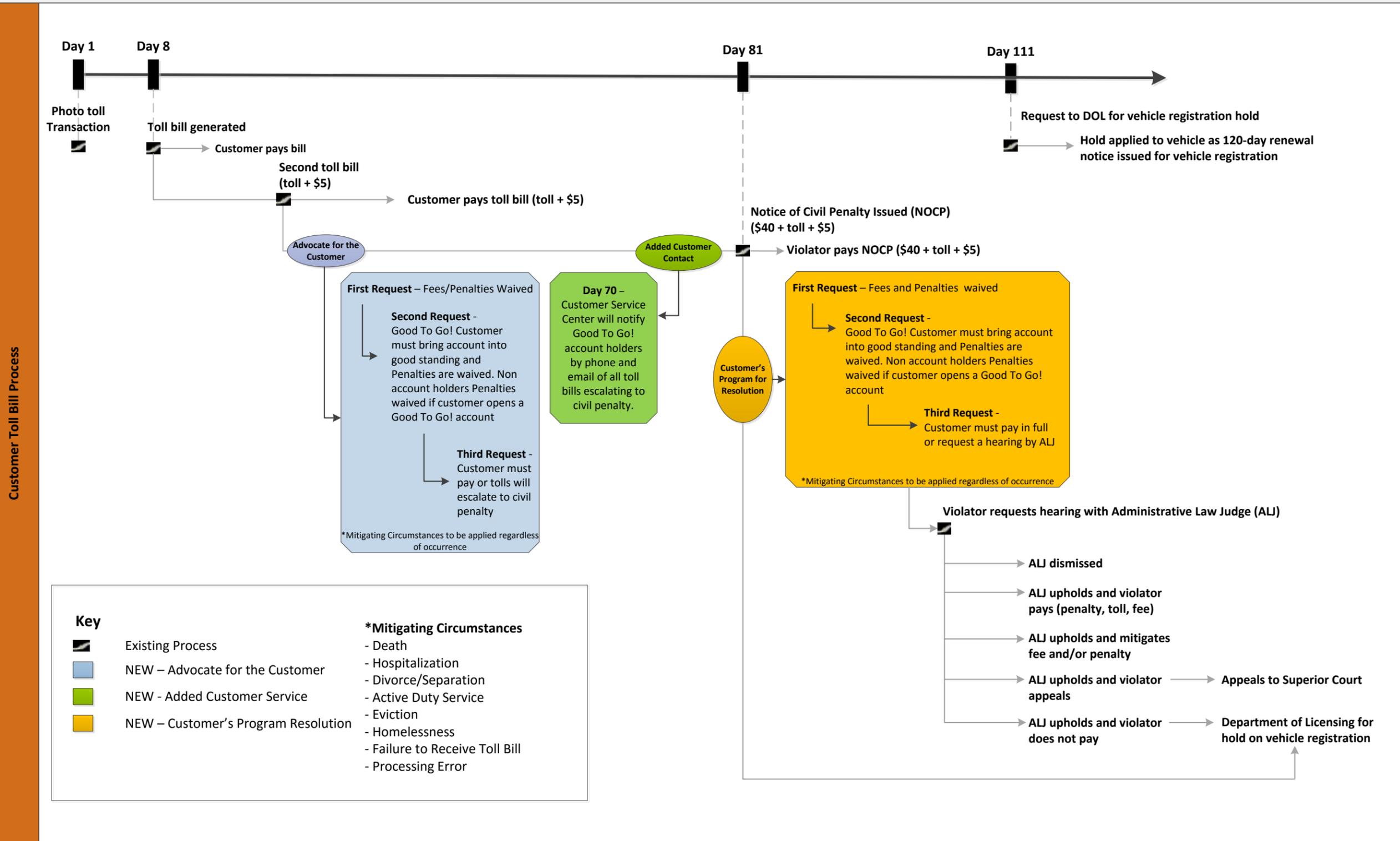
In July 2015, WSDOT launched the Customer Program for Resolution that provides customers with unpaid tolls, fees, and penalties an opportunity to resolve the underlying issues with their late payments and have the fees and penalties waived the first time. If a customer has another challenge with late 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 March 2017 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 3.2 percent of total transactions, which is higher than the rolling eight-quarter range of 2.2 percent to 2.7 percent. WSDOT will continue to track the civil penalty assessment rate to determine if this is a trend or simply a one-time increase based on customer behavior this period.

Administrative hearing requests remained low with 105 requests for this quarter. For reference, prior to the implementation of the Customer Program for Resolution (SSB 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 150 – 300 hearing requests each quarter.

The Customer Program for Resolution (CPR) continues to provide civil penalty relief for customers with unpaid tolls. CPR requests were up by approximately 15.8 percent over the previous quarter. The increase matches the increase in civil penalty issued for the period.

Between July 2015 and March 2017, WSDOT:

- Received 823,093 calls at the customer service center related to the program.
- Had a total of 134,387 customers request civil penalty relief (approximately 26.9 percent of total customers with unpaid tolls and 40.0 percent of unpaid violations as of March 31, 2017).
- Collected \$5.1 million in unpaid tolls from 141,521 vehicle owners.
- Dismissed fees and penalties on 1,071,180 violations for 134,387 customers totaling \$44.6 million in dismissed fees and penalties.

The new program focuses on resolving the underlying cause of customer late payment and complete 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 between FY 2016 and the third 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 \$6.6 million in unpaid tolls and \$9.4 million in unpaid civil penalties between FY 2016 and the third quarter of FY 2017. This represents a 158.7 percent increase in the amount of unpaid tolls collected and a 48.2 percent reduction in the amount of unpaid civil penalties collected over seven quarters prior to the start of program in July 2015. Costs related to administering the civil penalty program are higher in the last three quarters as WSDOT has worked with its customer service vendor to implement the requirements of SSB 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 third quarter of FY 2017, administrative law judges heard 681 cases representing 2,202 unpaid toll trips and \$99,662 in unpaid tolls, fees and civil penalties. Judges mitigated 478 cases associated with 1,548 unpaid toll trips and waived \$62,021 in unpaid fees and civil penalties (70.1 percent of cases heard). This is a 27.2 percent increase 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 929 customers representing 2,092 unpaid toll trips and waived \$83,680 in unpaid fees and civil penalties during FY 2017 Q3.

As a part of the requirements related to SSB 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 third quarter of FY 2017, WSDOT notified more than 26,400 customers of impending civil penalty assessment. This represented 247,000 unpaid toll trips valued at \$1.6 million in tolls and fees. Of the 26,400 customers, 12,200 customers responded to the notifications (46 percent response rate). These customers resolved 126,900 unpaid tolls and paid \$838,000 in tolls and fees (52 percent collection rate). This is an 11.2 percent improvement over the previous quarter. Since the inception of the notification program, WSDOT has helped 32,200 customers avoid a civil penalty assessment.

For FY 2017 Q3, WSDOT collected net cash in excess of expenses of \$212,155, \$419,833, and \$276,298 related to State Route (SR) 16 Tacoma Narrows Bridge (TNB) transactions, I-405 express toll lanes, and SR 520 Bridge transactions, respectively. This represents a 43.7 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 SSB 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	3,618,887		2,376,484	2,561,273	2,162,847		5,869,486	6,210,481	5,621,495		11,455,993	7,100,604	17,701,462	36,258,059	15.8%
Number of civil penalty transactions issued	96,894	91,830	110,806		80,124	75,893	84,255		137,262	131,933	168,507		299,530	240,272	437,702	977,504	40.5%
Civil Penalty Activity Results²												Administrative Hearing Requests					
Number of civil penalty transactions paid upon receipt of the NOCP	10,822	10,245	11,250		12,342	11,675	12,561		25,482	24,470	26,125		32,317	36,578	76,077	144,972	51.0%
Number of civil penalty transactions which did not receive a response	85,900	81,437	99,381		67,712	64,174	71,620		111,638	107,101	142,162		266,718	203,506	360,901	831,125	41.6%
Number of civil penalty transactions requesting a written dispute in lieu of in-person hearing	79	83	95		68	23	46		121	52	55		257	137	228	622	-91.6%
Number of civil penalty transactions requesting an in-person hearing	93	65	80		2	21	28		21	310	165		238	51	496	785	-84.7%
Total number of civil penalty transactions requesting adjudication	172	148	175		70	44	74		142	362	220		495	188	724	1,407	-88.7%
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	19,238	19,423	14,211		7,759	26,999	14,260		2,337	-1,389	4,905		52,872	49,018	5,853	107,743	398.2%
Debt Collection Cost and Revenue Collected												Debt Collection Costs and Revenue Collected					
Cash received related to civil penalty tolls ³	\$349,807	\$299,733	\$465,049		\$139,296	\$137,255	\$230,909		\$484,653	\$430,782	\$521,462		\$1,114,589	\$507,460	\$1,436,897	\$3,058,945	15.9%
Cash received related to \$40 civil penalty fee	\$257,166	\$256,059	\$332,629		\$310,025	\$279,804	\$339,392		\$760,726	\$677,355	\$817,938		\$845,854	\$929,222	\$2,256,020	\$4,031,095	5.9%
Total cash received related to debt collection activities^{4,5}	\$606,973	\$555,792	\$797,677		\$449,321	\$417,060	\$570,301		\$1,245,379	\$1,108,137	\$1,339,400		\$1,960,443	\$1,436,682	\$3,692,916	\$7,090,041	10.0%
Workload costs related to debt collection activities ⁶	\$350,599	\$479,901	\$585,522		\$177,320	\$163,362	\$150,468		\$603,434	\$870,461	\$1,063,102		\$1,416,022	\$491,150	\$2,536,997	\$4,444,169	153.7%
Net cash received related to debt collection activities (Quarterly)	\$256,374	\$75,891	\$212,155		\$272,001	\$253,698	\$419,833		\$641,945	\$237,676	\$276,298		\$544,421	\$945,532	\$1,155,919	\$2,645,872	-43.7%
Net cash received related to debt collection activities (FY 2017 To Date)	\$256,374	\$332,265	\$544,421		\$272,001	\$525,699	\$945,532		\$641,945	\$879,621	\$1,155,919		\$1,133,060	\$1,743,231	\$2,677,486	\$5,553,777	-42.0%
Civil Penalties Waived (Customer Education Program)												Civil Penalty Mitigation Results					
Number of civil penalty transactions w/civil penalty fees waived (WSDOT)	47,125	37,654	55,804		41,730	33,759	47,001		69,815	58,429	84,898		140,583	122,490	213,142	476,215	15.9%
Dollar value of civil penalty fees waived (WSDOT)	\$1,970,034	\$1,573,866	\$2,326,417		\$1,744,508	\$1,411,052	\$1,959,417		\$2,918,569	\$2,442,206	\$3,539,315		\$5,870,317	\$5,114,978	\$8,900,090	\$19,885,384	15.3%
Civil Penalties Waived (Mitigation Reasons)																	
Number of civil penalty transactions w/civil penalty fees reduced (WSDOT Mitigation)	1,274	898	622		1,128	805	524		1,887	1,394	946		2,794	2,457	4,227	9,479	144.2%
Dollar value of civil penalty fees reduced (WSDOT Mitigation)	\$50,953	\$35,937	\$24,878		\$45,120	\$32,219	\$20,953		\$75,486	\$55,764	\$37,848		\$111,768	\$98,293	\$169,099	\$379,160	90.1%
Number of civil penalty transactions adjudicated (OAH)	819	562	702		150	103	137		1,556	1,067	1,366		2,083	390	3,990	6,463	-10.7%
Dollar value of civil penalty transactions adjudicated (OAH)	\$38,319	\$26,287	\$32,859		\$6,637	\$4,553	\$6,055		\$69,183	\$47,460	\$60,748		\$97,464	\$17,245	\$177,391	\$292,101	-15.1%
Number of civil penalty transactions w/civil penalty fees reduced (OAH)	595	408	510		36	25	33		1,145	785	1,005		1,513	94	2,936	4,543	-13.9%
Dollar value of civil penalty fees reduced (OAH)	\$23,800	\$16,400	\$20,500		\$1,440	\$1,000	\$1,330		\$45,800	\$31,400	\$40,192		\$60,700	\$3,770	\$117,392	\$178,091	-23.7%

- 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 January through March 2017 and addresses requirements in Section 209 (11) of Chapter 222, Laws of 2014 (ESSB 6001) regarding the beginning of 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.

WSDOT has reflected in the RFP requirements that the back office system (BOS) concept architecture, built on a modern platform, 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 also developed to meet the current accounting and functionality requirements in collaboration with the WSDOT Accounting and Financial Services (AFS) and Toll Division.

Based on industry trends and advancements, the Toll Division must anticipate the replacement of the existing customer service center system. The overall 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, onboarding independent oversight (QA and IV&V) funding support, finalizing business requirements, providing needed addenda and clarification to the RFP and guiding the pre-qualified Vendors through the three-phase procurement. WSDOT released the BOS RFP on December 1, 2016.

Overall Progress

Continuing the work to date, the Toll Division performed the following work in FY 2017 Q3:

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 the current SR 99 Bored Tunnel schedule allowing the new system to Go-Live with all facilities.



BOS RFP and Procurement Project Activity: During FY 2017 Q3, WSDOT continued work as follows:

- Prior to the Vendor Demonstrations one of the five vendors removed themselves from consideration of the BOS citing resource concerns. This left 4 pre-qualified vendors remaining within the procurement.
- Completed all Addenda to the RFP by March 3, 2017.
- Continued the RFP stakeholder engagement schedule for OFM, Legislative Staff, Office of Chief Information Officer (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 been regularly updated and reviewed and provided comments to the Procurement Evaluation Plan (March).
- The Q3 procurement phase completed two of three vendor deliverables; (1) an in-person demonstration of vendor solutions addressing WSDOT requirements, and (2) a concept technical submittal highlighting key requirement responses deemed high importance by WSDOT. WSDOT then provided structured feedback to this concept to each of the pre-qualified Vendors.
- Finalized RFP Evaluation Plan for overall evaluation process, scoring instructions, and best value.
- Finalized and executed contract with Apparent Successful Vendor for Quality Assurance (QA) Consultants for the BOS Project from now through Implementation phase.
- Responded to all questions on the biennial 17/19 decision package to fund the BOS implementation and CSC operator solicitation and transition.
- Continued OFM and OCIO monthly project meetings. OCIO representatives have been incorporated into monthly steering committee meetings along with IV&V and QA.
- Began development of WSDOT Implementation Project Management Plan (PMP)
- Began updated draft of WSDOT Investment Plan (IP) for OCIO review

Procurement Strategic Plan and Process

WSDOT continues work executing the procurement phase and will continue until the contract is awarded. Award is estimated to be in July 2017. The Project team is meeting on a weekly basis to methodically execute the procurement plan 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 design phases of the BOS vendor, allowing the operations vendor to be part of the design process to achieve efficiency, partnering and best practices prior to Go-Live.



The Toll Division has modeled a 'Best Practice' procurement approach for a large scale IT project that began with 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 as mentioned above.

WSDOT continues to closely monitor the current vendor performance. Upon completion and determination of the BOS Apparent Successful Vendor (ASV), WSDOT will communicate expectations for deliverables during the BOS implementation.

Next Steps

In FY 2017 Q4, WSDOT will continue to perform work in three primary areas: (1) Procurement (finalization, Evaluation, determination of the Apparent Successful Vendor (ASV), (2) Contract Strategy (negotiations with the ASV, extend the existing vendor contract with ETCC), and (3) Project Delivery and Implementation Planning. The three areas are described more fully below.

Procurement: The Q4 procurement phase will include the final vendor deliverable - the Final Proposal with complete technical response and price. Final Proposals are due April 3, 2017. WSDOT begins Evaluation Period.

- Establish BOS ASV and begin preliminary negotiations
- Operator RFP development in progress with planned release in August and award in January

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:

- Finalize Draft Investment Plan for OCIO
- QA Readiness Assessment
- Finalize development of WSDOT Implementation Project Management Plan (PMP)
 - Complete all internal documentation and reviews by OCIO, OFM and Leg Staff for contract execution.
- Execute BOS Vendor Contract
- WSDOT will continue to monitor alignment of the BOS Implementation 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 third quarter of FY 2017 (seventh quarter of the biennium):

Consultant Name	Contract Number	Title	Task Authorization Value	Total Invoiced Through 2017 Q3 (FY 2017)	Cumulative Invoiced
AECOM Technical Services, Inc.	Y11503	Tolling Expert Review Panel	\$300,000	\$66,687.58	\$116,994.84
Anthro-Tech	K001047	Website Usability Services	\$268,000	\$158,807.52	\$223,455.82



Consultant list continued from prior page

Consultant Name	Contract Number	Title	Task Authorization Value	Total Invoiced (FY 2017)	Cumulative Invoiced
CliftonLarsonAllen	K000723	Independent Audit of SR 520	\$353,664	\$92,124.00	\$353,663.40
EnviroIssues, Inc.	Y11888-AA	Team Management Strategy Toll Division	\$49,996	\$27,139.01	\$46,616.84
	Y11888-AE	Toll Division Communications and Government Support	\$125,377	\$84,607.19	\$84,607.19
HNTB Corporation	Y8092 Supplement 46	HNTB Congestion Reduction Project	\$250,000	\$717.32	\$250,000.00
IBI Group	Y11526	SR 520 Master Bond Resolution Operations & Maintenance Certification	\$193,083	\$37,303.34	\$94,559.15
Jacobs	Y11038-CE	Biennial Toll Division Operations Support	\$3,056,858	\$987,913.51	\$2,962,269.16
	Y11038-CI	CSC System Request for Proposal & Procurement Support	\$1,106,569	\$903,644.35	\$903,644.35
	Y11038-CK	I-405 Data Reporting Support	\$299,238	\$99,604.89	\$124,812..87
	Y11038-CM	Toll Division Marketing, Communications & Outreach Support	\$383,054	\$149,717.97	\$149,717.97
	Y11038-CN	6C, Interoperability & Emerging Technologies Support	\$120,721	\$62,569.11	\$62,569.11
	Y11038-CP	On-Line CSC Website Updates	\$113,486	\$67,429	\$67,429
Stantec Consulting Services	Y11392-AC/AG	TNB Traffic & Revenue Study	\$117,336	\$102,728.44	\$102,728.44
	Y11392-AH	I-405 Traffic & Revenue Study	\$284,877	\$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 12/31/2017

Deliverables: Report and presentation

Task Order Scope and Value:

Task Name	Task Description	Task Work Order	Task Value
Y11503	Tolling Expert Review Panel	TF0006, TF0007, TF0009	\$300,000

Task Y11503

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 the state for providing tolling operations full back office and customer services at the end of the current contract term.

Timeliness: Contract window: 12/12/2013 through 12/31/2017

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 12/31/2017

Deliverables: Report and presentation

Task Order Scope and Value:

Task Name	Task Description	Task Work Order	Task Value
K001047	Website Usability	TF0016	\$268,000

Task K001047

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

Timeliness: Contract window: 02/12/2016 through 07/31/2017

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: 7/1/2015 through 6/15/2017

Deliverables: Traffic and revenue forecast to actuals analysis

Task Activity Scope and Value:

Task Name	Task Description	Task Work Order	Task Value
Y11721	SR 520 Actuals Analysis	TF0009	\$182,426



(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: 7/1/2015 through 01/31/2017, extended to 06/30/2017

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 10/31/2017

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
K000723	SR 520 Tolling System Financial Statements Audit	TF0009	\$447,631

EnviroIssues, Inc

Contract Type: Personal services

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

Timeliness: 5/18/2016 through 07/31/2016, extended to 06/30/2017

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	TF0007, TF0006, TF0009, TF0014	\$49,996
Y-11888-AE	Communications and Government Relations	TF0008	\$125,377

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: 5/1/2016 through 9/30/2016



Deliverables: Report and presentation materials.

Task Order Scope and Value:

Task Name	Task Description	Task Work Order	Task Value
Y08092	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
Y11526	SR 520 Master Bond Resolution O&M Certification	TF0009	\$193,083

Task -Y11526

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 6/30/2021

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
Y11038-CE	Toll Operations Program, Admin & Contract Management	TF0006, TF0007, TF0009, TF0014	\$3,532,801
Y11038-CI	CSC System Request for Proposal & Procurement Support	TF0006, TF0007, TF0009	\$1,106,569
Y11038-CK	I-405 Data & Reporting	TF0014	\$299,238
Y11038- CM	Marketing, Communications & Outreach Support	TF0006, TF0007, TF0009, TF0014	\$383,054
Y11038-CN	6C, Interoperability & Emerging Technologies Support	TF0006, TF0007, TF0009, TF0014	\$120,721
Y11038-CP	On-Line CSC Website Updates	TF007, TF009	\$113,486



Task Y11038-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: 7/1/2015 through 6/30/2017

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

Task Y11038-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 7/1/2016 through 6/30/2017

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 Y11038-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 4/15/2016 through 6/30/2017

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

Task Y11038-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 7/1/2016 through 6/30/2017

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

Task Y11038-CN

Scope Summary: The state is using the 6C protocol Radio Frequency identification technology for electronic toll collection. Primary focus is 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 7/1/2016 through 6/30/2017

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.

Task Y11038-CP

Scope Summary: This task provides program management of the Toll Vendor/operator to complete Customer Service change orders and Website Updates, mobile web.

Timeliness: The period of performance for Task CP is from 9/5/2016 through 5/31/2017

Deliverables: The deliverables for Task CP include Agenda and meeting notes, Project Schedule and Technical memorandums, Project Management Plan, monthly progress reports and invoices.

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 1/1/2019

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
Y11392-AC/AG	Tacoma Narrows Bridge Traffic & Revenue Study	TF0007	\$117,336
Y11392-AH	I-405 Express Toll Lanes Traffic & Revenue	TF0014	\$284,877

Tasks Y11392-AC and AG

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 Y11392-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

<u>Non-Vendor Expenditures¹</u>	<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	\$ 1,032,602		\$ 2,851,529	\$ 5,782,721
Consultants	\$ 842,139	\$ 1,416,513	\$ 899,371		\$ 3,158,023	\$ 6,731,350
Bridge Insurance	\$ 3,330,830	\$ 28,683	\$ 14,719		\$ 3,374,232	\$ 6,822,031
Credit Card and Bank Fees	\$ 997,589	\$ 933,969	\$ 804,120		\$ 2,735,678	\$ 6,097,698
Transponder Costs	\$ 359,276	\$ 315,705	\$ 282,337		\$ 957,318	\$ 3,265,384
Pay by Mail Processing ²	\$ 920,866	\$ 769,784	\$ 757,342		\$ 2,447,992	\$ 5,311,868
Washington State Patrol	\$ 346,446	\$ 57,336	\$ 127,830		\$ 531,613	\$ 1,476,253
Other Miscellaneous Non-Vendor Expenditures ³	\$ 182,517	\$ 143,021	\$ 240,806		\$ 566,344	\$ 1,538,268
Quarterly Non-Vendor Expenditures	\$ 7,897,855	\$ 4,565,747	\$ 4,159,126	\$ -	\$ 16,622,728	\$ 37,025,574

<u>Vendor Expenditures⁴</u>	<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	\$ 4,145,360		\$ 11,149,396	\$ 19,909,792
Cash Collections (SR-16 Tacoma Narrows Bridge)	\$ 807,390	\$ 807,531	\$ 852,667		\$ 2,467,588	\$ 5,655,606
Electronic Payment Processing (SR-16 Tacoma Narrows Bridge) ⁵	\$ 16,965	\$ 13,496	\$ 14,037		\$ 44,499	\$ 102,081
Toll Collection System Operations and Maintenance ⁶	\$ 560,709	\$ 550,073	\$ 563,887		\$ 1,674,670	\$ 2,817,033
Office of Administrative Hearings	\$ 113,670	\$ 78,021	\$ 20,917		\$ 212,608	\$ 559,847
Other Miscellaneous Vendor Expenditures ⁷	\$ 852	\$ 7,670	\$ 2,397		\$ 10,919	\$ 111,054
Quarterly Vendor Expenditures	\$ 4,791,571	\$ 5,168,842	\$ 5,599,266	\$ -	\$ 15,559,679	\$ 29,155,415
Combined Quarterly Expenditures	\$ 12,689,426	\$ 9,734,589	\$ 9,758,392	\$ -	\$ 32,182,407	\$ 66,180,988

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 continued to be higher than normal in FY 2017 Q3 due to increased work related to implementation of the CSC Reform requirements (SSB 5481) and due to the support for procurement of 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. Insurance costs in FY 2017 Q3 are for Department of Enterprise Services support for insurance premium payment and analysis.
- Office of Administrative Hearing costs were lower in FY 2017 Q3 as backlog of existing written hearing requests were completed.