



Washington State Department of Transportation Toll Division

Proviso Report - Fiscal Year 2019, Quarter 4

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Ed Barry, Director of Toll Division
Roger Millar, Secretary of Transportation

Good To Go![™]



1. Civil Penalty Process for Toll Violations

Summary:

This report is for the period April 1 through June 30, 2019 and addresses requirements in Section 209 (7) of ESSB 6106 regarding WSDOT's Toll Civil Penalty Process.

During the Fourth Quarter (Q4) of Fiscal Year (FY) 2019:

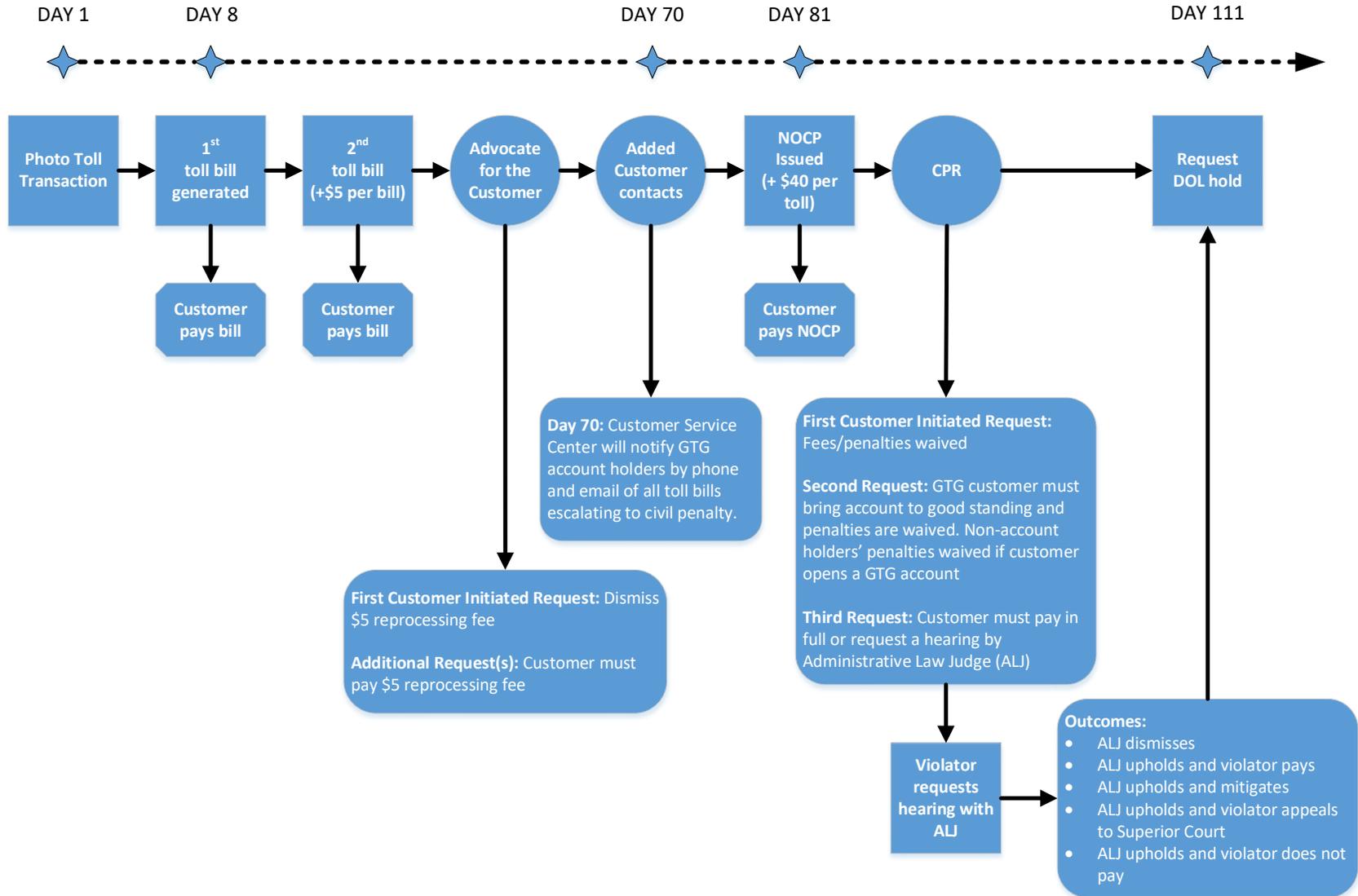
In late July, our existing vendor's back office system experienced a severe failure and we lost access to several reports needed to compile the data for this proviso civil penalty report. The vendor will need to rebuild this reporting system which may take several months. The Toll Division will continue monitoring the progress and provide a status update on during the First Quarter (Q1) of Fiscal Year (FY) 2020.

- As the result of this device failure, the reporting server remains inaccessible at this time.
- Overall civil penalty revenue was up significantly to \$2,295,160 (Q4) from \$767,851 (Q3) due to more certified civil penalties issued.

Beginning in Q4 FY 2018, WSDOT expanded the scope of the Customer's Program for Resolution (CPR) allowing for customer service representatives to mitigate transactions in lieu of a hearing. This process has reduced the overall number of cases heard by Administrative Law Judges as well as work load costs. This has also caused a slight decrease in the amount of civil penalty tolls and fees collected.

Figure 1 shows the current Notice of City Penalty (NOCP) process diagram and how the CPR is integrated with the original process. The graphic shows multiple points where the customer is given the opportunity to pay/resolve overdue toll issues along the way.

Table 1 shows the NOCP data for this quarterly report and the accumulated year-to-date for FY2019 (Q1 through Q4). Each line item is numbered and corresponds to the entries of the Item Details list.



Toll Transaction to NOCP Process

Figure 1: NOCP Process

Table 1: NOCP Quarterly Data

	FY 2019 Q4				SR 16 Tacoma Narrows Bridge				I 405 Express Toll Lanes				SR 520 Bridge				FY19 Year To Date			
	FY19 Q1	FY19 Q2	FY19 Q3	FY19 Q4	FY19 Q1	FY19 Q2	FY19 Q3	FY19 Q4	FY19 Q1	FY19 Q2	FY19 Q3	FY19 Q4	FY19 Q1	FY19 Q2	FY19 Q3	FY19 Q4	TNB	I-405	SR 520	Combined
1	Number of unpaid toll transactions assessed a civil penalty				116,899	115,396	114,674	**	108,418	113,606	105,830	**	195,008	191,420	177,344	**	346,969	327,854	563,772	1,238,595
2	Customers with <i>Good To Go!</i> accounts who were assessed a civil penalty				6,294	6,786	4,580	4,752	4,375	5,146	3,712	3,307	8,520	9,360	6,815	6,439	22,413	16,540	31,134	70,087
3	Number of transactions associated with the <i>Good To Go!</i> accounts (above)				37,517	41,935	41,435	53,256	26,079	31,803	33,577	26,929	50,786	57,843	61,647	52,429	174,143	118,388	222,705	515,235
Administrative Hearing Requests																				
4	Number of civil penalty transactions paid upon receipt of the NOCP				14,126	12,232	12,037	**	16,494	16,563	14,386	**	36,507	32,194	27,610	**	38,395	47,443	96,311	182,149
5	Number of written administrative hearings requested				5	2	3	0	0	3	1	1	8	4	4	4	10	5	20	35
6	Number of civil penalty transactions related to written hearings				74	21	197	**	0	13	5	**	74	213	150	**	292	18	437	747
7	Number of in-person administrative hearings requested				3	5	4	12	6	12	3	12	21	20	21	23	24	33	85	142
8	Number of civil penalty transactions related to in-person hearing requests				65	95	48	**	91	112	164	**	673	254	226	**	208	367	1,153	1,728
9	Number of civil penalty transactions which did not receive a response				102,634	103,048	102,392	**	91,833	96,918	91,275	**	157,754	158,759	149,358	**	308,074	280,026	465,871	1,053,971
10	<i>Total number of administrative hearings requested</i>				8	7	7	**	6	15	4	**	29	24	25	**	22	25	78	177
11	<i>Total number of civil penalty transactions related to requested administrative hearings</i>				139	116	245	**	91	125	169	**	747	467	376	**	500	385	1,590	2,475
Customer Service Reform Results (CPR and Mitigation)																				
12	Number of customer contacts related to customer relief programs				38,331	32,666	31,311	36,823	26,673	24,774	25,404	25,623	51,931	45,058	46,584	49,888	139,131	102,474	193,461	435,066
13	Number of civil penalty transactions w/civil penalty & fees waived				58,277	50,509	63,388	68,531	40,564	38,341	51,429	47,687	79,138	69,749	94,308	92,844	240,704	178,022	336,040	754,765
14	Dollar value of civil penalty & fees waived				\$2,408,950	\$2,194,770	\$2,510,280	\$1,254,456	\$1,676,768	\$1,665,974	\$2,036,705	\$872,915	\$3,272,018	\$3,030,825	\$3,734,787	\$1,699,524	\$8,368,457	\$6,252,362	\$11,737,154	\$26,357,972
NOCP Revenue, Cash Collected and Debt Collection Costs																				
15	Civil penalty revenue recognized (financial statements)				\$424,971	\$704,513	\$101,473	\$1,123,099	\$463,817	\$763,401	\$146,877	\$376,538	\$1,136,217	\$1,488,415	\$519,501	\$795,523	\$2,354,055	\$1,750,634	\$3,939,657	\$8,044,346
16	Cash collected related to civil penalty tolls				\$296,962	\$291,616	\$375,593	**	\$175,678	\$212,198	\$250,066	**	\$365,817	\$384,949	\$431,244	**	\$964,171	\$637,942	\$1,182,010	\$2,784,123
17	Cash collected related to \$40 civil penalty & fees				\$374,306	\$372,904	\$400,478	**	\$450,595	\$462,147	\$454,785	**	\$1,068,750	\$945,562	\$943,697	**	\$1,147,688	\$1,367,527	\$2,958,009	\$5,473,224
18	<i>Total cash received related to debt collection activities</i>				\$671,268	\$664,520	\$776,071	**	\$626,273	\$674,345	\$704,851	**	\$1,434,567	\$1,330,511	\$1,374,941	**	\$2,111,859	\$2,005,469	\$4,140,019	\$8,257,347
19	Workload costs related to debt collection activities				\$204,410	\$201,323	\$186,309	**	\$168,767	\$165,915	\$153,395	**	\$314,737	\$308,345	\$285,842	**	\$592,042	\$488,077	\$908,924	\$1,989,043
20	<i>Net cash received related to debt collection activities (Quarterly)</i>				\$466,858	\$463,197	\$589,762	**	\$457,506	\$508,430	\$551,456	**	\$1,119,830	\$1,022,166	\$1,089,099	**	\$1,519,817	\$1,517,392	\$3,231,095	\$6,268,304

** **Footnote:** Toll Operations Customer Service Center experienced an IT device failure impacting the data reporting server. The device has been recently replaced, and the data from the back-up center is being re-uploaded which will take some time. After the data is repopulated, Operations will work to bring data reporting services back online. The total 2019 Year To Date (YTD) lacks the Q4 Administrative Requests data for items (4,6,8-12).

NOCP Quarterly Data Item Details (for Table 1)

- 1) The count of unpaid toll transactions assessed a civil penalty during the reporting period.
- 2) Number of customer accounts that were assessed a civil penalty after being notified of a pending civil penalty assessment within the next 10 days.
- 3) Count of civil penalty transactions related to customer accounts in Item 2 above.
- 4) Count of civil penalty transactions where the customer paid within the period to request an administrative hearing (20 days from mailing date of NOCP summary).
- 5) Number of administrative hearings requested in writing instead of appearing in person.
- 6) Count of civil penalty transactions associated with written hearing requests.
- 7) Number of administrative hearings requested in person as opposed to a hearing through written correspondence.
- 8) Count of civil penalty transactions associated with in-person hearing requests.
- 9) Count of civil penalty transactions with no response during period to request an administrative hearing (20 days from mailing of NOCP summary).
- 10) Number of administrative hearings (both in person and in writing) during the reporting period.
- 11) Count of civil penalty transactions associated with administrative hearing requests during the reporting period.
- 12) Count of customer contacts related to the customer relief programs. This includes both the Customer Program for Resolution (CPR) and the civil penalty mitigation program (components of SSB 5481 – Customer Service Reform)
- 13) Count of civil penalty transaction for which the civil penalty and other associated fees were waived.
- 14) The dollar value of the civil penalties and fees which were waived (Item 13).
- 15) The civil penalty revenue that is reported on the AFS Quarterly Financial Statements.
- 16) The dollar value of the tolls portion of the civil penalty transactions which were collected during the reporting period. The amount may include cash recognized as revenue in previous quarters.
- 17) The dollar value of the civil penalties and fees portion of the civil penalty transactions which were collected during the reporting period. The amount may include cash recognized as revenue in previous quarters.
- 18) Sum of tolls, civil penalties and fees collected related to civil penalty transactions which were collected during the reporting period (sum of note 17 and note 18). The amount may include cash recognized as revenue in previous quarters.
- 19) Expenditures related to debt collection activities for the reporting period. Expenditures include; WSDOT staff, consultant support, credit card fees, NOCP summary postage and mailing costs, and administrative hearing costs such as OAH (hearing officers) and courtroom security (security officers).
- 20) Net cash is the difference between the total amount of tolls, civil penalties and fees (note 18) and civil penalty expenditures (note 19)

2. Customer Service Center Procurement

This report is for the period April 1 through June 30, 2019 and addresses requirements in Section 209 (6) of ESSB 6106 regarding the completion of the procurement and implementation process for the toll back office system and customer service vendors. This report addresses the overall progress toward procuring a new tolling customer service center, the new Back Office System (BOS) implementation and the department's effort to mitigate risk to the State.

Overall Progress

Continuing the work to date, the Toll Division performed the following work in FY 2019 Q4:

Overall, the BOS vendor continues to make positive progress, but at a slower than planned pace in both finalizing development and testing velocity.

BOS Implementation Project Activity: During FY 2019 Q4, WSDOT continued work as follows:

- Continued Milestone 3 final design progress
 - Primary focus on finalization of the development efforts.
 - Test procedure completion
- Continued progress on remaining concurrent Milestones
 - Milestone 4 – Procurement and Installation of all hardware/network infrastructure
 - Installation of primary and disaster recovery data centers complete
 - Installation of secondary network circuits connecting the customer service center (CSC) and walk-in centers (WIC) to the BOS, primary circuits pending
 - Installation of CSC and WIC buildout (IT Rooms, Workstations, peripherals, wifi) near complete
 - Milestone 5 – Testing/Migration
 - Continue Factory Acceptance Testing
 - Continue Integration & Commissioning Testing
 - Data Migration mapping and analysis continues
 - Data Migration Test #1 completed
 - Ongoing coordination between new and legacy vendors to facilitate data migration
 - Milestone 6 – Training
 - Review of training manual components
 - Preparing for operations training
- Continued internal and external BOS project lead and status meetings, expanding to weekly meetings with vendor and WSDOT executive teams.
- Continued Monthly Risk Assessment and Program Budget meetings.
- Continued stakeholder engagement with OFM, Legislative Staff, Office of Chief Information Officer (OCIO), Joint Transportation Committee (JTC), Washington State Transportation Commission (WSTC), Department of Licensing (DOL), Toll Steering Committee, and Toll Executive Committees.

- Continued OFM and OCIO monthly project meetings. OCIO representatives participate in monthly Toll Steering Committee meetings along with Independent Verification & Validation (IV&V) and Quality Assurance (QA) staff.
- Continue IT pool Technology Budget certification process
- Security Design Review (SDR) underway:
 - Review of the security information to the Office of Cyber Security continues. All requested information has been provided.
- Transition planning underway with coordination between the BOS vendor, CSC operations vendor, legacy vendor and WSDOT.

Operations Project:

- Updated project plan and schedule based on new system go-live date.
- Completed facility build-out and moved CSC operations vendor into new Renton facility
- Hired call center training, lead, and walk-in center staff
- AECOM held recruitment open house with legacy vendor to recruit existing staff for future transition
- Communicated upcoming Gig Harbor walk-in center closure to customers, provided new location and reopen date
- WSDOT continues to review and approve various planning and operations documentation provided by the new CSC operations vendor.
- WSDOT and the new CSC operations vendor continue to help review BOS test procedures, training materials and other implementation documentation.

Implementation Plan and Process

In May of 2019, after observing ETAN's progress toward the late June Go-Live date, WSDOT informed ETAN that WSDOT had lost confidence in ETAN's ability to accurately predict when the system would meeting the standards of readiness required for Go-Live and that WSDOT had determined that a more realistic date for a successful Go-Live was on or around Sept. 1, 2019. In June 2019, WSDOT decided to begin SR 99 tolling using the legacy vendor which pushed the Go-Live for the new system beyond Sept. 1, 2019.

The project team continues to meet internally on a weekly basis to plan and execute the remaining work in upcoming milestones while providing review of critical path, final design vendor deliverables, and testing artifacts and data migration related activities. Workshops are held routinely to discuss and resolve deliverable comments, or to identify training needs and transition elements affecting staff and vendors. The implementation contract is divided into two phases:

- **Phase 1** includes replacement of existing core functionality as well as new customer account and payment options and a more modern and user friendly website.
- **Phase 2** includes agency interoperability, data warehouse, collections functionality and increased trip building capability, which are functions delivered outside of the current core functionality.

Mitigation Measures

The Toll Division has taken steps to mitigate risk to the department and the State. The contract with ETCC, our legacy BOS and CSC vendor, has been extended with optional monthly extensions through late-2019,



which will provide stability and flexibility as the department works with the new vendors to implement the BOS and CSC operations. WSDOT continues to closely monitor the current vendor performance from both BOS and CSC operations perspectives. With the new BOS vendor implementation underway, WSDOT has contracted with the legacy vendor to deliver and support BOS data migration and operations transition support. Mitigation has also included project schedule adjustments to accelerate critical path sequences.

Next Steps

In FY 2020 Q1, WSDOT will continue to perform work in three primary areas: (1) CSC Operations Project Implementation; (2) Migration and transition support from our legacy vendor, and (3) BOS Project Implementation, as described below.

1. CSC Operations Project Implementation: Parallel with the BOS implementation, this project selects the new call center and WIC facilities, including buildout, staffing, training, CSC operations, and management. Tasks include:
 - Update project plan and schedule based on new system go-live date.
 - Complete punch list and achieve operations readiness for all new customer center facilities.
 - Continue coordination between CSC operations vendor and legacy vendor as needed to address staffing needs or current operations activities.
 - Open new Gig Harbor customer center to public.
 - Transition legacy vendor Gig Harbor staff to new CSC operations vendor and reopen Gig Harbor customer center in new location.
 - Transition civil penalty in-person hearings to telehearings.
 - Continue to support BOS test planning and testing.
 - Continue to support BOS Train the Trainer planning and begin training the troops.
2. Support from Legacy Vendor: Continue working with ETCC as they provide support for the operations transition and data migration activities through go-live.
3. BOS Project Implementation:
 - Continue to complete portions of concurrent milestones. Milestone 3: Final Design, Milestone 4: Procurement (Hardware/Software infrastructure), and Milestone 5: Installation & Testing Remaining Phase 1 milestones will be ongoing until go-live
 - Review and approval of key BOS documentation.
 - Finalize Factory Acceptance Test (FAT) procedures and Integration and Commissioning Test (ICT) procedures. Finalize User Acceptance (UAT) and Operations Test procedures
 - Complete Training Materials and Manuals
 - Complete FAT and ICT system test execution with test evidence reviews
 - Continue defect management and triage
 - Complete planning efforts for UAT and Pilot Mode Operations Test
 - Continue active mitigation and decision progression through vendor development and testing sequences
 - Continue data migration planning analysis and mapping from additional data extractions and trial and full migrations
 - Continue cross-vendor management for CSC and WIC infrastructure punch list build out
 - Continue stakeholder engagement



3. Consultant Reporting

Legislative Request

As required by Section 209 (7) of ESSB 6106, 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 2018 and FY 2019. 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 2017-19 Biennium Program B Budget is \$135,540,000. The following is a summary of the Toll Division’s consultant contracts and associated Program B expenditures through the fourth quarter of FY 2019 (eighth quarter of the biennium):

Consultant Name	Contract Number	Title	Current Task Authorization Value	Total Invoiced Through FY 2019 Q4 (2017-2019)	Cumulative Invoiced
AECOM Technology Corporation	OY11503	Tolling Expert Review Panel	\$300,000	\$5,931	\$156,572
Anthro-Tech Inc.	K001036	BOS Web Development Interface Support	\$190,000	\$169,939	\$169,939
CDM Smith Inc.	OY11721	SR 520 Investment Grade Traffic & Gross Revenue Forecast	\$185,869	\$34,446	\$185,869
CliftonLarsonAllen LLP	K000723	SR 520 Tolling System Financial Statements Audit	\$447,631	\$81,440	\$435,104
	K001170	SR 520 Tolling System Financial Statements Audit	\$102,000	\$64,500	\$64,500

Consultant Name	Contract Number	Title	Current Task Authorization Value	Total Invoiced Through FY 2019 Q3 (2017-2019)	Cumulative Invoiced
Enviroissues Inc.	11888AE	Tolling Division Communications and Government Relations Support	\$212,407	\$50,969	\$208,727
Fagan Consulting LLC	0Y12212	Tolling Expert Review Panel	\$148,000	\$21,465	\$21,465
I B I Group	0Y11526	SR 520 Master Bond Resolution	\$193,083	\$31,168	\$128,351
Jacobs Engineering Group Inc.	11038CR	General Toll Consultant Program Management	\$427,884	\$426,465	\$426,465
	11038CS	Toll Division Policy & Planning Support	\$218,042	\$80,702	\$80,702
	11038CT	Toll Division Financial Operations Support	\$604,777	\$404,851	\$404,851
	11038CU	Toll Systems Operation Support	\$184,163	\$100,949	\$100,949
	11038CV	Data & Reporting Support	\$402,372	\$368,979	\$368,979
	11038CW	Toll Division GTC Communications and Marketing Support	\$74,870	\$21,250	\$21,250
	11038CX	Customer Service Operations Support	\$677,167	\$410,503	\$410,503
	11038CY	6-C Interoperability Support	\$242,118	\$225,018	\$225,018
	11038CZ	CSC System Design, Development, Implementation, and Management Support	\$3,333,634	\$3,034,675	\$3,034,675
	11038DA	CSC Operations Request for Proposal, Procurement, and Implementation Support	\$688,288	\$679,937	\$679,937
Public Consulting Group Inc. ("PCG")	K001080	IT Professional Services for Toll Division Customer Service Center ("CSC") and Back office System ("BOS") Independent Verification and Validation ("IV&V")	\$1,268,250	\$1,001,103	\$1,001,103
	K001118	IT Professional Services for Toll Division Customer Service Center ("CSC") and Back office System ("BOS") Quality Assurance ("QA")	\$757,300	\$526,185	\$526,185



Consultant Name	Contract Number	Title	Current Task Authorization Value	Total Invoiced Through FY 2019 Q3 (2017-2019)	Cumulative Invoiced
Stantec Consulting Services Inc.	11392AJ	SR 520 Traffic Revenue Study (Phase II)	\$704,173	\$627,998	\$643,923
	11392AK	Tacoma Narrows Bridge Traffic & Revenue Study	\$93,194	\$27,347	\$27,347
	11392AM	I-405 and SR 167 Traffic & Revenue Study	\$254,815	\$185,932	\$185,932
WSP USA Inc.	0Y12188	Toll Financial Support	\$1,750,000	\$178,374	\$178,374

Consultant Detail

AECOM Technology Corporation

Contract Type: Personal Service Contract

Scope Summary: AECOM shall convene a subgroup of the Toll Division’s previous Expert Review Panel (ERP) to assist in evaluation of the options available to the STATE for providing tolling operations full back office and customer services. This subgroup will focus on operations, systems and customer services only.

Timelines: 12/12/2013 through 12/31/2017

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

Contract Number	Title	Work Orders	Current Task Authorization Value
0Y11503	Tolling Expert Review Panel	TF0041, TF0042, TF0043, TF0044, TF0045	\$300,000

Anthro-Tech, Inc.

Contract Type: Personal Service Contract

Scope Summary: To support the Back Office System (BOS) online Customer Service Center (CSC).

Timelines: 1/20/2016 through 12/31/2019

Deliverables: Usability assessment design support and web accessibility review.

Contract Number	Title	Work Orders	Current Task Authorization Value
K001036	BOS Web Development Interface Support	TF0041, TF0042, TF0043, TF0044, TF0045	\$190,000



CDM Smith, Inc.

Contract Type: Personal Service Contract

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

Timelines: 9/1/2015 through 12/31/2017

Deliverables: Traffic and revenue forecast to actuals analysis – Update the toll model developed by CDM for prior SR 520 forecasts by updating economic forecast using its independent techniques, incorporating data gathered and analysis conducted, generate revised traffic and gross toll revenue potential forecast, perform basic input parameter sensitivity tests, perform additional alternative forecasts as requested and participate in forecasting processes.

Contract Number	Title	Work Orders	Current Task Authorization Value
OY11721	SR 520 Investment Grade Traffic & Gross Revenue Forecast	TF0009	\$185,869

CliftonLarsonAllen, LLP

Contract Type: Personal Service Contract

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.

Timelines: 4/16/2013 through 4/15/2018

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.

Contract Number	Title	Work Orders	Current Task Authorization Value
K000723	SR 520 Tolling System Financial Statements Audit	TF0009	\$447,631

CliftonLarsonAllen, LLC

Contract Type: Personal Service Contract

Scope Summary: Conduct an independent audit of the SR 520 Tolling System Financial Statements (Washington State System of Eligible Toll Facilities). The audit must be performed with sufficient audit work necessary to express an opinion on the fair presentation of the SR520 Tolling System Financial Statements under Generally Accepted Auditing Standards (GAAS) as established by the Auditing Standards Board of the American Institute of Certified Public Accountants (AICPA).

Timelines: 4/15/2018 through 4/15/2024



Deliverables: Conduct an entrance meeting with WSDOT, identify critical audit areas and significant provisions of laws and regulations, perform a preliminary overall risk assessment, establish a protocol and timetable for the fieldwork phase of the audit, test controls over certain key cycles, and provide WSDOT with status reports during the course of the audit fieldwork. As in all phases of the audit, the CONTRACTOR will be in communication with WSDOT to determine that all identified issues are resolved in a timely manner. The CONTRACTOR will also hold a final exit conference with WSDOT to summarize the results of the fieldwork and review significant findings. The CONTRACTOR will provide an Independent Auditors' Report and Management Letter, and also make a formal presentation of the results of the audit to those charged with governance of the WSDOT, if requested.

Contract Number	Title	Work Orders	Current Task Authorization Value
K001170	SR 520 Tolling System Financial Statements Audit	TF0009	\$102,000

EnviroIssues, Inc.

Contract Type: Personal Service Contract

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

Timelines: 10/3/2016 through 3/31/2018

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

Contract Number	Title	Work Orders	Current Task Authorization Value
11888AE	Tolling Division Communications and Government Relations Support	TF0006, TF0007, TF0008, TF0009, TF0014	\$212,407

Fagan Consulting, LLC

Contract Type: Personal Service Contract

Scope Summary: FAGAN CONSULTING (CONSULTANT) has been directed by the DIRECTOR OF TOLLING to convene an Expert Review Panel (ERP) to assist WSDOT (STATE) by providing independent industry review, advice and feedback as requested on any toll business practice, with a near term focus on implementing new back office and customer service vendor contracts at the end of the current vendor's contract term. To the extent possible it is desired to maintain continuity with the previous Toll Division Expert Review Panel to take maximum advantage of knowledge and history gained through experience with the WSDOT toll program.

Timelines: 9/4/2018 through 6/30/2022

Deliverables: Provide agendas, meeting notes, evaluation and options memos, document review memos, and monthly progress reports.

Contract Number	Title	Work Orders	Current Task Authorization Value
OY12212	Tolling Expert Review Panel	TF0008	\$148,000



IBI Group:

Contract Type: Personal Service Contract

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

Timelines: 1/1/2015 through 6/30/2019

Deliverables: Certification and report on the review of the assumptions for operations and maintenance costs. Review and certify the reasonableness of Repair and Replacement (“R&R”) and Operations and Maintenance (“O&M”) cost estimates prepared by the STATE in compliance with SR 520 Master Bond Resolution.

Contract Number	Title	Work Orders	Current Task Authorization Value
0Y11526	SR 520 Master Bond Resolution	TF0009	\$193,083

Jacobs Engineering Group, Inc.

Contract Type: Personal Service Contract

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.

Timelines: 7/6/2010 through 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.

Contract Number	Title	Work Orders	Current Task Authorization Value
11038CR	General Toll Consultant Program Management	TF0006, TF0007, TF0009, TF0014	\$427,884
11038CS	Toll Division Policy & Planning Support	TF0006, TF0007, TF0009, TF0014	\$218,042
11038CT	Toll Division Financial Operations Support	TF0006, TF0007, TF0009, TF0014	\$604,777
11038CU	Toll Systems Operation Support	TF0006, TF0007, TF0009, TF0014	\$184,163
11038CV	Data & Reporting Support	TF0006, TF0007, TF0009, TF0014	\$402,372
11038CW	Toll Division GTC Communications and Marketing Support	TF0006, TF0007, TF0009, TF0014	\$74,870
11038CX	Customer Service Operations Support	TF0006, TF0007, TF0009, TF0014	\$677,167
11038CY	6-C Interoperability Support	TF0006, TF0007, TF0009, TF0014	\$242,118
11038CZ	CSC System Design, Development, Implementation, and Management Support	TF0041, TF0042, TF0043, TF0044, TF0045	\$3,333,634



11038DA	CSC Operations Request for Proposal, Procurement, and Implementation Support	TF0041, TF0042, TF0043, TF0044, TF0045	\$688,288
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Contract Y11038-CR

Scope Summary: Provide a broad spectrum of management and technical services via an integrated tolls management team, including a co-located staff, as well as off-site services as needed. Services may be requested by the STATE, as necessary, to accomplish individual work elements. The CONSULTANT shall furnish all services and labor necessary to accomplish these tasks, and shall provide all materials, supplies, equipment, and incidentals, except where designated in the Agreement, necessary to prepare and deliver to the STATE all requested items of work and deliverable item(s) requested by the STATE.

The STATE's Toll Division is in need of on-going toll program management and operations support that includes a range of tasks for day-to-day management support for Program Management. The CONSULTANT shall provide ongoing support and expertise as part of the integrated toll management team.

Timelines: 7/1/2017 through 6/30/2019

Deliverables: Task management and administration, program administration & contract management, and toll program management.

Contract Y11038-CS

Scope Summary: The State of Washington, acting as the Washington State Department of Transportation (the "STATE") within a competitive selection executed a contract with Jacobs Engineering Group (the "CONSULTANT") on July 6, 2010 to provide General Tolling Consultant (GTC) services for the STATE's Toll Division. As the GTC, the CONSULTANT is to provide a broad spectrum of management and technical Services via an integrated tolls management team. Services may be requested by the STATE, as necessary, to accomplish individual work elements. The CONSULTANT shall furnish all services and labor necessary to accomplish these tasks and shall provide all materials, supplies, equipment, and incidentals except where designated in the Agreement necessary to prepare and deliver to the STATE as requested items of work and deliverable item(s) requested by the STATE. The STATE's Toll Division is in need of on-going toll program management and operations support that includes a range of tasks for day-to-day management support for Policy and Planning. The CONSULTANT shall provide ongoing support and expertise as part of the integrated toll management team. **Timelines:** 7/1/2017 through 6/30/2019

Deliverables: Program task management and administration, toll planning and policy support, cost of toll collection reporting, Washington State Transportation Support, toll rate setting.

Contract Y11038-CT

Scope Summary: Provide General Tolling Consultant (GTC) services for the STATE's Toll Division. As the GTC, the CONSULTANT is to provide a broad spectrum of management and technical Services via an integrated tolls management team, including a co-located staff, as well as off-site services as needed. Services may be requested by the STATE, as necessary, to accomplish individual work elements. The CONSULTANT shall furnish all services and labor necessary to accomplish these tasks, and shall provide all materials, supplies, equipment, and incidentals, except where designated in the Agreement, necessary to prepare and deliver to the STATE all requested items of work and deliverable item(s) requested by the STATE.

The STATE's Toll Division is in need of on-going toll program management and operations support that includes a range of tasks for day-to-day management support for Financial Operations. The CONSULTANT shall provide ongoing support and expertise as part of the integrated toll management team.

Timelines: 7/1/2017 through 6/30/2019



Deliverables: Task management, coordination and project administration, financial planning and analysis support, general financial support.

Contract Y11038-CU

Scope Summary: Provide a broad spectrum of management and technical Services via an integrated tolls management team, including a co-located staff, as well as off-site services as needed. Services may be requested by the STATE as necessary, to accomplish individual work elements. The CONSULTANT shall furnish all services and labor necessary to accomplish these tasks, and shall provide all materials, supplies, equipment, and incidentals, except where designated in the Agreement, necessary to prepare and deliver to the STATE all requested items of work and deliverable item(s) requested by the STATE. The STATE's Toll Division is in need of on-going toll program management and operations support that includes a range of tasks for day-to-day management support for System Operations. The CONSULTANT shall provide ongoing support and expertise as part of the integrated toll management team.

Timelines: 7/1/2017 through 6/30/2019

Deliverables: Task management, coordination, project administration and customer service center system support.

Contract Y11038-CV

Scope Summary: Provide a broad spectrum of management and technical Services via an integrated tolls management team. Services may be requested by the STATE, as necessary, to accomplish individual work elements. The CONSULTANT shall furnish all services and labor necessary to accomplish these tasks, and shall provide all materials, supplies, equipment, and incidentals, except where designated in the Agreement necessary to prepare and deliver to the STATE all requested items of work and deliverable item(s) requested by the STATE. The STATE's Toll Division is in need of on-going toll program management and operations support that includes a range of tasks for day-to-day management support for Data and Reporting. The CONSULTANT shall provide ongoing support and expertise as part of the integrated toll management team.

Timelines: 7/1/2017 through 6/30/2019

Deliverables: Task management, coordination, project administration, data & reporting.

Contract Y11038-CW

Scope Summary: Provide a broad spectrum of management and technical Services via an integrated tolls management team, including a co-located staff: as well as offsite services as needed. Services may be requested by the STATE, as necessary, to accomplish individual work elements. The CONSULTANT shall furnish all services and labor necessary to accomplish these tasks, and shall provide all materials, supplies, equipment, and incidentals except where designated in the Agreement, necessary to prepare and deliver to the STATE all requested items of work and deliverable item(s) requested by the STATE. The STATE's Toll Division is in need of on-going toll program management and operations support that includes a range of tasks for day-to-day management support for Communications and Marketing. The CONSULTANT shall provide ongoing support and expertise as part of the integrated toll management team.

Timelines: 7/1/2017 through 6/30/2019

Deliverables: Task management, coordination, project administration, toll division communications, marketing and communications general support, completion of I-405 surveys.

Contract Y11038-CX

Scope Summary: Provide a broad spectrum of management and technical Services via an integrated tolls management team, including a co-located staff, as well as off-site services as needed. Services may be requested by the STATE, as necessary, to accomplish individual work elements. The CONSULTANT shall



furnish all services and labor necessary to accomplish these tasks, and shall provide all materials, supplies, equipment, and incidentals, except where designated in the Agreement, necessary to prepare and deliver to the STATE all requested items of work and deliverable item(s) requested by the STATE. The STATE's Toll Division is in need of on-going toll program management and operations support that includes a range of tasks for day-to-day management support for Customer Service Operations. The CONSULTANT shall provide ongoing support and expertise as part of the integrated toll management team.

Timelines: 7/1/2017 through 6/30/2019

Deliverables: Task management, coordination, project administration, customer service center operations support, adjudication support.

Contract Y11038-CY

Scope Summary: Provide a broad spectrum of management and technical Services via an integrated tolls management team, including a co-located staff, as well as off-site services as needed. Services may be requested by the STATE, as necessary, to accomplish individual work elements. The CONSULTANT shall furnish all services and labor necessary to accomplish these tasks, and shall provide all materials, supplies, equipment, and incidentals, except where designated in the Agreement, necessary to prepare and deliver to the STATE all requested items of work and deliverable item(s) requested by the STATE. The STATE's Toll Division is in need of on-going toll program management and operations support that includes a range of tasks for day-to-day management support for Division 6-C Interoperability. The CONSULTANT shall provide ongoing support and expertise as part of the integrated toll management team.

Timelines: 7/1/2017 through 6/30/2019

Deliverables: Task management, coordination, project administration, support 6-C protocol RFID technology, interoperability strategies and technical support.

Contract Y11038-CZ

Scope Summary: Provide project management support subject matter expertise, staff augmentation and consulting support to assist WSDOT in managing the BOS tender's delivery of the implementation of the new CSC BOS solution.

Timelines: 7/1/2017 through 6/30/2019

Deliverables: Task management, coordination, project administration, WA state Office of Chief Information Officer (OCIO) and Office of Financial Management (OFM) coordination, OFM/OCIO documentation, OFM/OCIO coordination, expert review panel coordination, customer services center back office system (BOS) implementation support and vendor oversight, state project manager support, subject matter system development and implementation oversight, pre-initiation support, preliminary and final design support, data migration and transition support & oversight, procurement support, installation and testing support, training support, production cut-over and Phase I acceptance support, Phase I and final system acceptance, state testing support, BOS/CSC operator coordination.

Contract Y11038-DA

Scope Summary: Complete the procurement process and to provide implementation oversight services.

Timelines: 7/1/2017 through 6/30/2019

Deliverables: Task management, coordination, project administration, RFP development support, procurement support, expert review panel coordination.



Public Consulting Group (“PCG”)

Contract Type: Personal Service Contract

Scope Summary: IT Professional Services for Toll Division Customer Service Center (“CSC”) and Back office System including Independent Verification and Validation (“IV&V”) and Quality Assurance (“QA”).

Timelines: 10/10/2016 through 12/31/2019

Deliverables: Regular meetings, status reports, and project management.

Contract Number	Title	Work Orders	Current Task Authorization Value
K001080	IT Professional Services for Toll Division Customer Service Center (“CSC”) and Back office System (“BOS”) Independent Verification and Validation (“IV&V”)	TF0041, TF0042, TF0043, TF0044, TF0045	\$1,268,250
K001118	IT Professional Services for Toll Division Customer Service Center (“CSC”) and Back office System (“BOS”) Quality Assurance (“QA”)	TF0041, TF0042, TF0043, TF0044, TF0045	\$757,300

Contract K1080

Scope Summary: Develop a detailed schedule of all IV&V activities based upon the WSDOT project schedule. PCG will perform a review of agreed upon project artifacts anticipating under the pre-implementation planning and procurement phase of the CSC BOS system integrator. Work collaboratively with the WSDOT project team to provide expert advice that will contribute to the overall success of the project. Provide independent bi-weekly status reports that are reflection of best practices, industry standards, and the knowledge and experience of the team.

Timeliness: 10/10/2016 through 12/31/2019

Deliverables: Monthly briefings, status reports, prepare and submit a work plan, assess and recommend improvements as needed to assure executive stakeholder support, verify Project Management Plan is being followed, review and evaluate ongoing project document artifacts, review and make recommendations on the procurement process, and review the technical proposal and work plan of apparent selected CSC BOS vendor in preparation for contract negotiations.

Contract K1118

Scope Summary: Develop a detailed schedule of all QA activities based upon the WSDOT project schedule. PCG will perform a read for information (FYI) or review and provide input of agreed upon project artifacts anticipating under the pre-implementation planning phase of the CSC BOS vendor. Work collaboratively with the WSDOT project team to provide expert advice that will contribute to the overall success of the project. Provide independent bi-weekly status reports that are reflection of best practices, industry standards, and the knowledge and experience of the team.

Timeliness: 4/10/2017 through 6/30/2019

Deliverables: Participate in Project Management meetings, create the QA plan, review the investment plan, conduct QA reviews and create written report status of the project readiness assessment, address risk areas that can affect or delay the project, review project change requests, continuously update the Quality Records



Library, and on-going/regular assessment of project plan, schedule, project status reporting, and execution of project management plan.

Stantec Consulting Services, Inc.

Contract Type: Personal Service Contract

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

Timelines: 5/1/2017 through 6/30/2019

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

Contract Number	Title	Work Orders	Current Task Authorization Value
11392AJ	SR 520 Traffic Revenue Study (Phase II)	TF0009	\$704,173
11392AK	Tacoma Narrows Bridge Traffic & Revenue Study	TF0007	\$93,194
11392AM	I-405 and SR 167 Traffic & Revenue Study	TF0006	\$254,815

Contract Y11392-AJ

Scope Summary: Stantec, as the statewide traffic and revenue consultant is tasked to develop a traffic and revenue forecast for SR 520 Toll Bridge. The forecast is required under SR 520 Master Bond Resolution (MBR). The results of the forecast support the debt coverage sufficiency analysis by Office of State Treasury (OST), the toll rate verification process by Transportation Commission, and the quarterly revenue forecast update by State Traffic and Revenue Forecast Council (TRFC).

Timelines: 5/1/2017 through 6/30/2019

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

Contract Y11392-AK

Scope Summary: The purpose of this task order is to develop traffic and revenue estimates for the Tacoma Narrows Bridge (TNB) to support the bond financing.

Timelines: 8/28/2017 through 6/30/2019

Deliverables: Finalize the overall project schedule including the identification of key milestones and deliverables, review historical travel patterns on the Tacoma-Narrows Bridge and analyze prior traffic response to toll increases (or decreases), provide two updates of the recently constructed model to develop a baseline traffic and revenue forecast for the TNB for FY 2018 and FY 2019 plus two additional forecast updates to incorporate rate change decisions made by the Transportation Commission in Spring 2018 and Spring 2019, track the monthly performance of the TNB, coordinate with and provide support for the STATE during the rate setting process for both FY 2018 and FY 2019, including any support as requested for the Transportation Commission's TNB Toll Payer Relief work group study.

Contract Y11392-AM

Scope Summary: The purpose of this task order is to provide annual updates to the I-405 ETL and SR 167 HOT Lanes T&R forecast as part of the November Transportation Revenue Forecast Council (TRFC) cycle.



Timelines: 9/25/2017 through 6/30/2019

Deliverables: Finalize the overall project schedule including the identification of key milestones and deliverables, review historical travel patterns on the I-405 ETLs and SR 167 HOT Lanes and analyze traffic, update the recently developed I-405 ETLs/SR 167 HOT Lanes forecast model to incorporate recent performance, estimate the annual adjusted gross toll revenue projections from the forecasts of gross toll revenue potential and toll plus toll-free trips, provide civil penalty and transponder sales forecasts, track the monthly performance of the I-405 ETLs Traffic and Gross Revenue Potential, coordinate with and provide support for the STATE to analyze any potential changes to the toll policy assumptions.

WSP USA, Inc.

Contract Type: Personal Service Contract

Scope Summary: Prepare updated SR 520 and SR 99 Annual Net Revenue Forecast, provide SR 520 and SR 99 Toll Policy/Rate Setting support, and provide on-going financial planning and analysis support for SR 520, I-405 and SR 99 upon toll commencement (additional facilitates may be added as needed).

Timelines: 7/18/2018 through 6/30/2021

Deliverables: SR 520 and SR 99 Toll Collection O&M and R&R cost memorandum, combined Facility Cost Tech Memorandum, revenue adjustment forecasts, net revenue projections, toll policy and financial planning support and documentation. Update monthly T&R tables, assist on tolled facilities financial plans, including by not limited to for SR 520, I-405 and SR 99 upon toll commencement, and provide meeting notes (if needed), presentation materials, charts and/or tables.

Contract Number	Title	Work Orders	Current Task Authorization Value
0Y12188	Toll Financial Support	TF0009, TF0014	\$1,750,000



4. Vendor and Non-Vendor Expenditures

Legislative Request

As required by Section 209 (7) of ESSB 6106, 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. This includes 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. In addition, it includes the costs of the customer service center, cash collections on the Tacoma Narrows Bridge, electronic payment processing, toll collection equipment maintenance, renewal, and replacement.

<u>Non-Vendor Expenditures¹</u>	<u>FY 2019 Q1</u>	<u>FY 2019 Q2</u>	<u>FY 2019 Q3</u>	<u>FY 2019 Q4</u>	<u>FY 2019 to Date</u>	<u>Biennia to Date</u>
WSDOT Staff	1,255,313	1,255,051	1,219,853	1,306,835	\$ 5,037,052	\$ 9,775,756
Consultants	910,164	1,372,005	1,005,660	1,041,749	\$ 4,329,578	\$ 8,768,722
Bridge Insurance	3,852,397	11,787	34,628	19,401	\$ 3,918,212	\$ 7,447,375
Credit Card and Bank Fees	1,203,260	1,064,791	922,733	1,287,220	\$ 4,478,005	\$ 8,752,812
Transponder Costs	343,116	292,021	306,893	431,703	\$ 1,373,734	\$ 2,617,803
Pay by Mail	737,334	575,046	529,717	598,353	\$ 2,440,449	\$ 5,004,876
Washington State Patrol	316,390	124,708	183,616	246,632	\$ 871,346	\$ 1,832,622
Other Miscellaneous Non-Vendor Expenditures ²	540,561	582,759	449,870	550,135	\$ 2,123,324	\$ 4,120,000
Quarterly Non-Vendor Expenditures	\$ 9,158,534	\$ 5,278,169	\$ 4,652,969	\$ 5,482,028	\$ 24,571,700	\$ 48,319,965

<u>Vendor Expenditures³</u>	<u>FY 2019 Q1</u>	<u>FY 2019 Q2</u>	<u>FY 2019 Q3</u>	<u>FY 2019 Q4</u>	<u>FY 2019 to Date</u>	<u>Biennia to Date</u>
CSC Vendor ⁴	5,876,060	5,524,476	5,708,363	6,529,021	\$ 23,637,920	\$ 39,469,081
Cash Collections (SR-16 Tacoma Narrows Bridge)	848,856	853,989	851,883	909,120	\$ 3,463,848	\$ 6,773,182
Electronic Payment Processing (SR-16 Tacoma Narrows Bridge) ⁵	17,407	15,607	14,491	17,203	\$ 64,708	\$ 134,191
Toll Collection System Operations and Maintenance ⁶	272,768	382,118	486,198	781,239	\$ 1,922,324	\$ 3,855,364
Office of Administrative Hearings	6,477	1,006	2,033	7,061	\$ 16,576	\$ 35,905
Other Miscellaneous Vendor Expenditures ⁷	938	623	458	888	\$ 2,907	\$ 12,397
Quarterly Vendor Expenditures	\$ 7,022,506	\$ 6,777,819	\$ 7,063,426	\$ 8,244,531	\$ 29,108,282	\$ 50,280,120
Combined Quarterly Expenditures	\$ 16,181,040	\$ 12,055,987	\$ 11,716,395	\$ 13,726,559	\$ 53,679,983	\$ 98,600,085

Notes:

- 1) Non-vendor expenditures include both regular toll operations and civil penalty program expenditures.
- 2) Other Non-vendor expenditures includes; misc. CSC letters, out of state lookups, NOCP mailings, rent, supplies/materials, computers, telephones, data, and TEF charges.
- 3) Vendor expenditures include vendors who support both regular toll collection and civil penalty programs.
- 4) CSC Vendor includes both vendors who support CSC systems and operations (ETCC and ETAN).
- 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.
- 7) Other vendor expenditures includes civil penalty support provided by Fife Municipal Court and Phoenix Security.

Notable

- Bridge Insurance decreased due to a correcting entry for expenditures from July through December 2018.
- Credit Card and Bank Fees increased due to the increase in traffic and toll revenue, and because fees were down in Q3 from the February snow storm.
- Transponder Costs increased due to a physical inventory count at fiscal year-end recognizing an increase in costs, and ordering more than usual "welcome kits" anticipating SR 99 go-live.
- Pay by Mail usage increased due to seasonality and because Q3 had a low amount toll bills and Notice of Civil Penalties costs from the February snow storm.
- Washington State Patrol increase is attributed to more patrols because of additional daylight hours and traffic.
- Other Miscellaneous Non-Vendor Expenditures increased due to IBTTA membership, computer equipment and telephone upgrade/maintenance.



- CSC Vendor increased due to ETCC having a higher billing rate to continue supporting operations past Q3, and the increase work they have done to support BOS transitions; ETAN achieving a major milestone which allowed for a milestone payment; and because AECOM expenditures were down in Q3 since they did not reach any major milestones.
- Electronic Payment Processing (SR-16 Tacoma Narrows Bridge) increased due higher volumes of traffic during the spring/summer months.
- Toll Collection System Operations and Maintenance increased due to booking the yearly accrual in Q4 for the annual Statement of Compliance -SOC1 and performance audit on SR 167, SR 520, and I-405, and for the BOS integration.
- Office of Administrative Hearings increased because there was a large amount of administrative hearings in May and June, as a result of converting to tele-hearings from in-person.
- Other Miscellaneous Vendor Expenditures (Phoenix Security) increased due having a large amount of in-person hearings in May and June, as a result of converting to tele-hearings from in-person.