

Toll Division Customer Service Center Procurement Quarterly Report

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July - September 2014

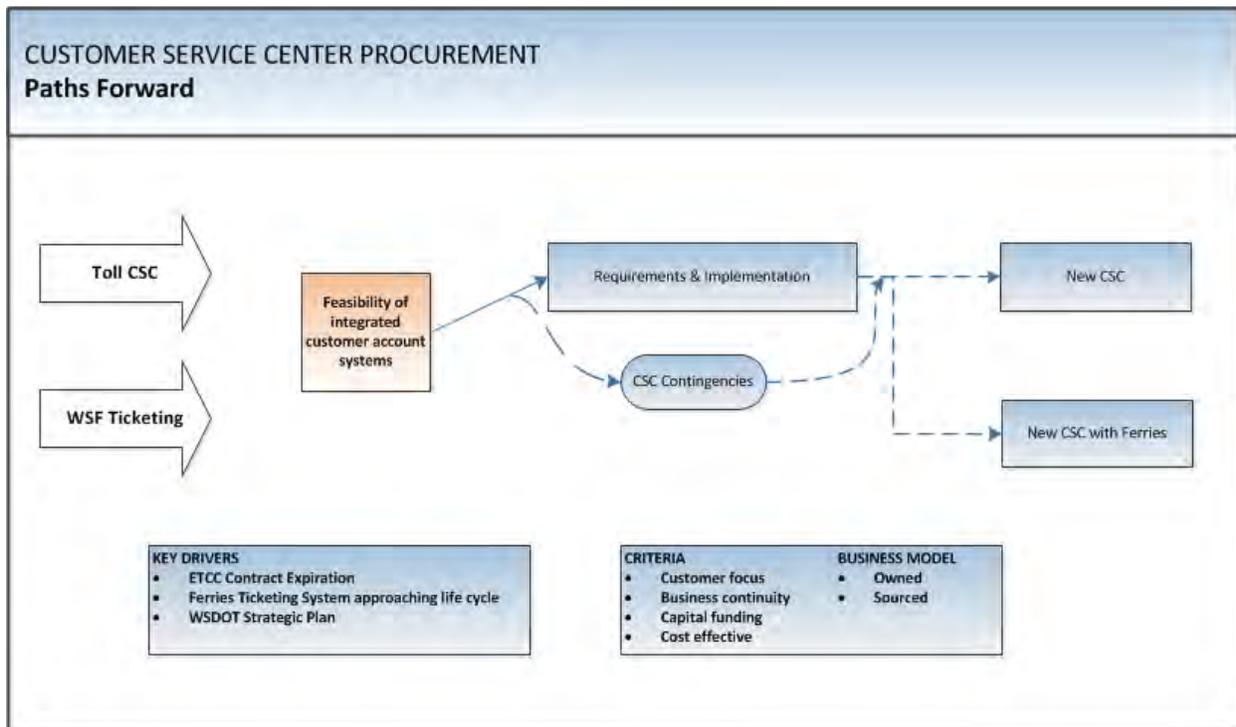
Summary

The attached report is for the period July – September 2014 and addresses requirements in Section 209 (11) of Chapter 222, Laws of 2014 (ESSB 6001) regarding the anticipation of, and preparation for, the procurement of a new Washington State Department of Transportation tolling Customer Service Center. This report will address the overall progress toward procuring a new tolling Customer Service Center, the development of a request for proposals and the department’s effort to mitigate risk to the State.

Based on industry trends and advancements, the Toll Division must anticipate the replacement of the existing Customer Service Center system. The replacement will require: procurement scope - determination of what will be procured, solicitation through an open bid; contracting with the new vendor and transitioning to the new vendor. This strategic planning phase of the procurement process is to determine what to procure. There are various approaches to CSC operations management, including analysis of an alternative to include integration with the Washington State Ferries Wave2Go card into a single transportation account with centralized account management. This approach advances the recommendation from the Joint Toll and Ferries Feasibility Study (January 2014), looking at the feasibility of a single account-based system for toll road and ferry users. Once the strategic plan of the procurement is complete, the Department will enter the next phase of the procurement process, development of the request for proposals.

Overall Progress

The Toll Division has identified two potential paths, one to meet the Division’s short-term needs and one for long-term potential integration with Washington State Ferries. Each path will be analyzed for cost/benefit, risk, feasibility and schedule. The Toll Division has begun initial discussions with Washington State Ferries.



Request for Proposal Strategic Plan and Development

The Toll Division is developing a strategic plan outlining the various alternatives and options for a CSC procurement business model. Options presented will weigh the benefits, challenges, risks and costs of including WSF into a single transportation account as part of the procurement process.

The RFP will address options for providing both operations and systems for the back office. The planning stage of the RFP development will determine which of the potential services will be part of the final RFP process and the method by which procurement will be pursued.

The deliverables for this effort will include Workshop materials and outcome reports, toll industry review, procurement method research and recommendations, Expert Review Panel review and a final strategic plan.

Mitigation Measures

The Toll Division has taken steps to mitigate risk to the department. The contract with Electronic Transaction Consultants Corporation (ETCC), the Toll Division's Customer Service Center vendor, has been extended through June of 2016 with an additional optional two year extension to 2018. This provides stability into the future as the department works to procure a vendor with the goal of having them in place in 2018.

On-going negotiations between the department and ETCC have successfully resolved issues that would have otherwise hindered support of the immediate WSDOT toll program development work. The added CSC scope required to bring I-405 express toll lanes live (Wave 2) has been further negotiated and is close to becoming a signed change order.

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

Next Steps

In FY 2015 Q2, the Department anticipates finalizing of the scope of the procurement and will begin development of the RFP components. In addition, the Department will finalize the Project Management Plan, organizational structure and a detailed work plan to deliver the CSC system. During Q2, the Department will hold an initial meeting with both the project Steering Committee and the first Expert Review Panel.

To that end, the Department anticipates the need to reappropriate a portion of the funds for the RFP development to account for the additional time for analysis to incorporate multiple modes, as described above. The Department is working with OFM to incorporate that need into the budget.