



Washington State Department of Transportation Toll Division

Proviso Report - Fiscal Year 2018, Quarter 2

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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 October 1 through December 31, 2017 and addresses requirements in Section 209 (7) of ESB 5096 regarding WSDOT's Toll Civil Penalty Process.

In 2012, WSDOT Toll Division instituted a Notice of Civil Penalty (NOCP) process. WSDOT's goal is to ensure that drivers who utilized toll facilities pay the appropriate tolls, and this enforcement program is designed to both educate drivers about the *Good To Go!* Program and encourage those who have not paid their toll bills to work with Toll Customer Service Center to resolve the issue.

Below is a summary of program activities for this October through December 2017 (Q2 FY2018):

New Format:

This report has undergone a recent process improvement exercise and streamlined for efficiency. The new format remains in compliance with the NOCP quarterly reporting requirements as stipulated by the budget PROVISIO. Table 1 (page 5 out of 22) shows the quarterly NOCP data for the fiscal year including a year-to-date summary. This table is immediately followed by a listing of the line items (page 6 out of 22) which provides more detail for each entry. If you have any questions or comments about the content and format of the new report, please contact Kevin Mizuta at 206-464-1209 or Mizutkk@wsdot.wa.gov.

Note: During the fourth quarter of fiscal year (FY) 2017, the Customer Service Center experienced an unexpected challenge with its image processing software. The remediation of this image processing challenge required WSDOT to halt civil penalty image certification, which is the step required prior to assessing a civil penalty to an unpaid toll trip. The results were fewer NOCPs mailed during Q4 FY2017 and fewer activities associated with NOCPs. The image processing challenge has been remediated and WSDOT has been working proactively to process the image certification backlog. WSDOT noticed a higher than forecasted NOCP activity last quarter (FY18 Q1) due to processing several halted transactions. There was a decrease in NOCP activity this quarter since the peak from the released transactions has passed.

During the Q2 FY 2018 period:

- WSDOT assessed 330,941 civil penalties on unpaid toll trips
- During the same period, WSDOT recovered approximately \$831,000 in unpaid tolls and \$2.1 million in penalties and fees (these totals include cash received from uncollected civil penalty revenue from previous time periods).
- Workload costs for this quarter were lower than the previous quarter due to the drop in NOCP activity
- 48,278 civil penalty transactions, 14.6 percent of those issued, were paid without any dispute.
- 79 hearing request (written and in-person) were made representing 1,457 civil penalty transactions, which is 0.44 percent of civil penalties issued.

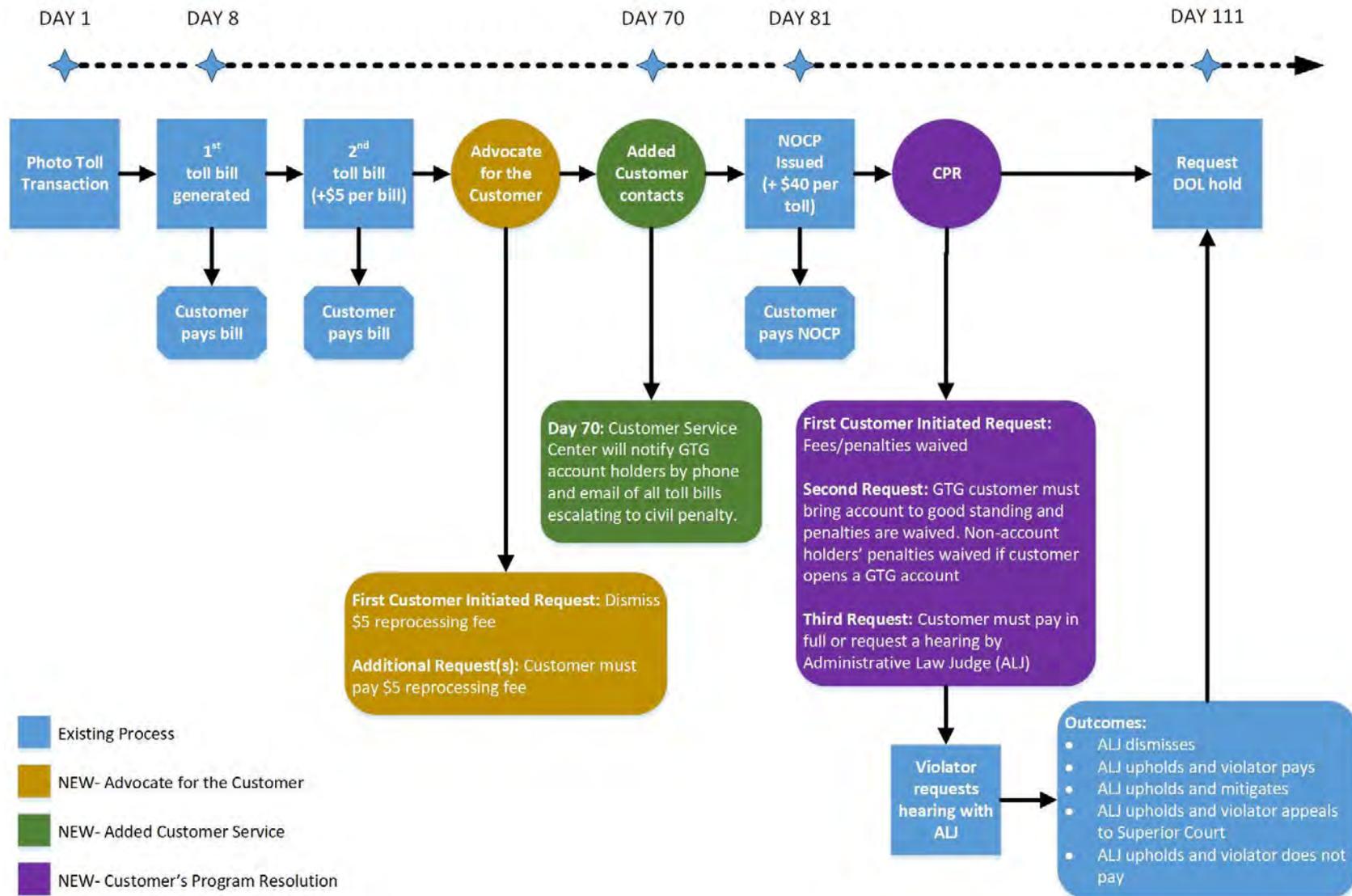
Although the peak effect of the released transactions has passed, the levels are still volatile and another increase in NOCP activity, though less pronounced, is expected next quarter as NOCP activity returns to equilibrium.



As of this reporting period (FY 2018 Q2), the hearing office space in Fife no longer supports in-person hearings. The lease agreement for the hearing space was coming to an end and the new planned location at the Fife City Hall did not meet the requirements set by the Administrative Law Judges. As a result, the decision to no longer provide hearings in Fife location was made to reduce an overall adjudication costs. The hearings in Fife location ceased on Oct. 16, 2017, which makes the University District CSC the sole location available for in-person hearings. This may explain why the number of in-person hearing requests related to Tacoma Narrows Bridge (TNB) have dropped although the number of TNB related NOCP transactions remains about the same.

Figure 1 (page 4 out of 22) shows the current NOCP process diagram and how the Customer Program for Resolution (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 (page 5 out of 22) shows the NOCP data for this quarterly report and the accumulated year-to-date for FY2018 (Q1 and Q2). Each line item is numbered and corresponds to the entries of the Item Details list shown on page 6 out of 22.



Customer Service Improvements- Customer's Program for Resolution

Figure 1: NOCP Process

Table 1: NOCP Quarterly Data

NOCP Quarterly Report

FY 2018 Q2		SR 16 Tacoma Narrows Bridge				I 405 Express Toll Lanes				SR 520 Bridge				FY18 Year To Date			
	FY18 Q1	FY18 Q2	FY18 Q3	FY18 Q4	FY18 Q1	FY18 Q2	FY18 Q3	FY18 Q4	FY18 Q1	FY18 Q2	FY18 Q3	FY18 Q4	TNB	I-405	SR 520	Combined	
1	Number of unpaid toll transactions assessed a civil penalty	126,060	120,814			107,266	64,086			187,920	146,041			246,874	171,352	333,961	752,187
2	Customers with <i>Good To Go!</i> accounts who were assessed a civil penalty	6,383	4,571			3,320	3,181			6,002	6,193			10,954	6,501	12,195	29,650
3	Number of transactions associated with the <i>Good To Go!</i> accounts (above)	55,206	36,246			28,717	25,221			51,918	49,105			91,451	53,938	101,023	246,413
Administrative Hearing Requests																	
4	Number of civil penalty transactions paid upon receipt of the NOCP	11,999	13,100			15,828	9,762			32,340	25,416			25,099	25,590	57,756	108,444
5	Number of written administrative hearings requested	4	7			4	5			10	12			11	9	22	42
6	Number of civil penalty transactions related to written hearings	39	75			76	35			30	46			114	111	76	301
7	Number of in-person administrative hearings requested	15	10			4	12			11	33			25	16	44	85
8	Number of civil penalty transactions related to in-person hearing requests	445	441			30	172			210	688			886	202	898	1,986
9	Number of civil penalty transactions which did not receive a response	113,577	107,198			91,332	54,117			155,340	119,891			220,775	145,449	275,231	641,456
10	Total number of administrative hearings requested	19	17			8	17			21	45			36	25	66	127
11	Total number of civil penalty transactions related to requested administrative hearings	499	526			110	219			251	767			1,025	329	1,018	2,372
Customer Service Reform Results (CPR and Mitigation)																	
12	Number of customer contacts related to customer relief programs	48,057	31,128			24,998	21,661			45,196	42,172			79,185	46,659	87,368	213,212
13	Number of civil penalty transactions w/civil penalty & fees waived	68,221	49,166			35,292	34,077			63,926	66,533			117,387	69,369	130,459	317,215
14	Dollar value of civil penalty & fees waived	\$2,828,967	\$2,043,887			\$1,463,769	\$1,416,837			\$2,651,248	\$2,765,985			\$4,872,853	\$2,880,606	\$5,417,233	\$13,170,693
NOCP Revenue, Cash Collected and Debt Collection Costs																	
15	Civil penalty revenue recognized (financial statements)	\$759,825	\$457,168			\$813,419	\$285,938			\$1,612,623	\$979,004			1,216,993	1,099,357	2,591,627	\$4,907,977
16	Cash collected related to civil penalty tolls	\$318,236	\$310,979			\$171,568	\$165,898			\$334,400	\$354,396			629,215	337,466	688,796	\$1,655,477
17	Cash collected related to \$40 civil penalty & fees	\$274,864	\$497,984			\$411,849	\$459,798			\$890,019	\$1,157,219			772,848	871,647	2,047,238	\$3,691,733
18	Total cash received related to debt collection activities	\$593,100	\$808,963			\$583,417	\$625,696			\$1,224,419	\$1,511,615			\$1,402,063	\$1,209,113	\$2,736,034	\$5,347,210
19	Workload costs related to debt collection activities	\$272,810	\$184,320			\$140,148	\$149,222			\$253,703	\$259,176			457,130	289,370	512,879	\$1,259,379
20	Net cash received related to debt collection activities (Quarterly)	\$320,290	\$624,643			\$443,269	\$476,474			\$970,716	\$1,252,439			\$944,933	\$919,743	\$2,223,155	\$4,087,831

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 October 1 through December 31, 2017 and addresses requirements in Section 209 (6) of ESB 5096 regarding the completion 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, initiation of the Back-Office-System (BOS) implementation and the department's effort to mitigate risk to the state.

WSDOT has reflected in the Request-for-Proposal (RFP) requirements and the Vendor has confirmed in their proposal that the BOS concept architecture, which is 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 BOS contract execution, BOS implementation initiation of preliminary design milestones, implementation project/program management, stakeholder engagement, and ongoing independent oversight (QA and IV&V). WSDOT released the BOS RFP on December 1, 2016 and executed the contract on July 17, 2017.

Overall Progress

Continuing the work to date, the Toll Division performed the following work in FY 2018 Q2:

Existing contract strategy to extend services with the current vendor (Electronic Transaction Consultants Corporation or ETCC): The existing contract has been extended through November 2018, with an additional two possible monthly extensions through January 2019. ETCC will provide services until the transition to the new back office system (BOS), which is currently scheduled for December 2018.

BOS Implementation Project Activity: During FY 2018 Q2, WSDOT continued work as followings:

- Continued review and approval of Initiation Milestone 1- 30, 60, 90 days vendor deliverables.
- Completed BOS Project Partnering with BOS Vendor



- Continued Internal and external BOS project meetings.
- Established Monthly Risk Assessment and Budget meetings.
- 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), Department of Licensing (DOL), Toll Steering Committee, and Toll Executive Committees. The Expert Review Panel has been regularly updated.
- Continued OFM and OCIO monthly project meetings. OCIO representatives have been incorporated into monthly steering committee meetings along with Independent Verification & Validation (IV&V) and Quality Assurance (QA).
- Completed WSDOT BOS Technology Budget gate 1 request and approval process with OCIO and OFM

Operations RFP:

- The separate procurement for the Customer Service Operations began with the RFP release in August 2017.
- The high level procurement schedule progress is as follows:
 - Completed RFP Release (August) - Complete
 - Proposals Received (October) - Complete
 - Evaluations (October/November) - Complete
 - Vendor Interviews (November) – Complete
 - Best and Final Offer (BAFO) initiated (December) - Complete
 - Announce Apparent Successful Vendor (ASV) (January, 2018)
 - Execute Contract (March , 2018)

Implementation Strategic Plan and Process

WSDOT continues managing the BOS Implementation phase with the expected Go-Live Date of December 1, 2018. The Project team continues to meet internally on a weekly basis to execute a near term requirement refinement work plan and vendor deliverable review for the initiation and preliminary design milestones. System requirement refinement and planning has begun lead by Vendor and WSDOT functional leads. Workshops will be used to convey and discuss requirements and further define future business rules with the WSDOT stakeholders. The Implementation contract is divided into two phases with the first phase containing seven (7) milestones designed to track the software development lifecycle, issue payments for progress achieved and deliver the Phase 1 core functionality on Go-Live. Phase 2 will deliver functionality outside of the current core functionality including agency interoperability, collections and increased trip building capability.

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 existing CSC vendor (both Ops and BOS), has been extended through December 2018. This transition period provides stability into the future as the department works to implement the new Back Office System and Customer Service operations.



The procurement of new CSC vendors 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 new operations vendor will bring in a lead team early to be part of the remaining BOS development and implementation. This allows time for new operator to focus on their own implementation work, to train up on our toll system and thoroughly plan for a better product that will reduce rework. It will also provide opportunity for the new operator to become familiar with existing customer service staff and identify those they might choose to include in transition.

The Toll Division has completed a 'Best Practice' procurement approach for a large scale IT project and has begun implementation. Similarly the Toll Division has tailored its approach for both RFP requirement gathering and CSC Operations vendor procurement strategy around the operations industry 'Best Practices'. The CSC operations planning phase compiled research from local business workshops that utilize an operations vendor, operations tour of other state tolling facilities, release of the CSC Operations RFP Requirements to the industry for response, and lessons learned from the current CSC vendor.

WSDOT continues to closely monitor the current vendor performance from both BOS and Operations perspectives. With the BOS Vendor implementation underway, WSDOT has now begun communicating expectations to the current vendor for deliverables (e.g. migration support and transition) needed during implementation.

Next Steps

In FY 2018 Q3, WSDOT will continue to perform work in three primary areas: (1) Complete evaluation, announcement of Apparent Successful Vendor (ASV), and new Ops Vendor integration/onboarding; (2) Establish transition support with ETCC, and (3) continue BOS Project Implementation. The three areas are described more fully below.

Ops Procurement: The procurement phase included evaluation of the Ops vendor final proposals including complete technical response, interviews and price. Next steps include the following:

- Initiate Best and Final Offer with final candidates
- Announce ASV
- Contract Negotiations (January)
- Contract Execution (March)
- Transition Planning
- WSDOT/ETAN/Ops Vendor Partnering Workshop

Contract Strategy: Execute contract change order(s) with ETCC to provided transition support through Go-Live.

BOS Project Implementation: Next steps include:

- Continue approval of 30, 60, 90 day vendor initiation deliverables. Complete Milestone 1.



- Continue Milestone 2 – Preliminary Design deliverable review and system requirement documentation.
- Continue internal expectation workshops, action item and decision progression.
- Continue joint technical team requirement workshops for BOS preliminary design.
- Continue ETAN/WSDOT Workshops are broken into 6 functional categories. The workshops will serve to refine and clarify requirements with the Vendor for approval for development (staggered submittals estimated completion/approval by April 2019).
 - Commercial Back Office (Account Level)
 - Operational Back Office (Transaction Level)
 - Accounting and finance
 - Data Migration
 - Website and Interactive Voice Response (IVR)
 - Interfaces to BOS
- WSDOT will continue to monitor alignment of the BOS Implementation with the SR 99 construction completion timeline.
- Continue stakeholder engagement.



3. Consultant Reporting

Legislative Request

As required by Section 209 (7) of ESB 5096, 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 \$122,379,000. The following is a summary of the Toll Division’s consultant contracts and associated Program B expenditures through the second quarter of FY 2018 (second quarter of the biennium):

Consultant Name	Contract Number	Title	Task Authorization Value	Total Invoiced Through 2018 Q2 (FY 2018)	Cumulative Invoiced
AECOM Technical Services, Inc.	Y11503	Tolling Expert Review Panel	\$300,000	\$5,931.47	\$156,571.82
CDM Smith	Y-11721	SR 520, Investment Grade Traffic & Gross Revenue Forecast	\$182,426	\$28,771.14	\$180,194.02

Consultant Name	Contract Number	Title	Task Authorization Value	Total Invoiced Through 2018 Q2 (FY 2018)	Cumulative Invoiced
CliftonLarsonAllen	K723	SR 520 Tolling System Financial Statements Audit	\$447,631	\$81,440.26	\$435,103.66
Envirolssues, Inc.	Y11888-AE	Toll Division Communications and Government Relations Support	\$212,406.73	\$42,462.54	\$200,221.39
IBI Group	Y-11526	SR 520 Master Bond Resolution	\$193,083	\$13,410.42	\$110,592.94
Jacobs	Y11038-CR	General Toll Consultant Program Management	\$386,612	\$88,359.79	\$88,359.79
	Y11038-CS	Toll Division Policy and Planning Support	\$218,042	\$26,906.36	\$26,906.36
	Y11038-CT	Toll Division Financial Operations Support	\$604,777	\$167,296.68	\$167,296.68
	Y11038-CU	Toll System Operations Support	\$184,163	\$57,648.60	\$57,648.60
	Y11038-CV	Data and Reporting Support	\$402,372	\$94,690.02	\$94,690.02
	Y11038-CW	Toll Division GTC Communications and Marketing Support	\$70,692	\$10,054.28	\$10,054.28
	Y11038-CX	Customer Service Operations Support	\$677,167	\$69,281.93	\$69,281.93
	Y11038-CY	6-C Interoperability Support	\$242,118	\$43,862.36	\$43,862.36
	Y11038-CZ	CSC System Design, Development, Implementation, and Management Support	\$3,333,634	\$482,662.55	\$482,662.55



Consultant Name)	Contract Number	Title	Task Authorizati on Value	Total Invoiced Through 2018 Q2 (FY 2018)	Cumulative Invoiced
Jacobs	Y11038-DA	Customer Service Center Operations Request for Proposal, Procurement, and Implementation Support	\$641,222	\$295,551.98	\$295,551.98
Public Consulting Group ("PCG")	K1080	IT Professional Services for Toll Division Customer Service Center ("CSC") and Back office System ("BOS") Independent Verification and Validation ("IV&V")	\$1,074,030	\$143,001.80	\$143,001.80
	K1118	IT Professional Services for Toll Division Customer Service Center ("CSC") and Back office System ("BOS") Quality Assurance ("QA")	\$700,000	\$105,287.90	\$105,287.90
Stantec Consulting Services	Y11392-AJ	SR 520 Traffic and Revenue Study(Phase II)	\$380,896	\$249,793.01	\$249,793.01
	Y11392-AK	TNB Traffic and Revenue Study	\$93,194	\$4,003.34	\$4,003.34
	Y11392-AM	I405 and SR167 Traffic and Revenue Updates	\$254,815	\$34,993.18	\$34,993.18

Consultant Detail

AECOM Technology Corporation

Contract Type: Personal services

Scope Summary: Tolling 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	TF0041, TF0042, TF0043, TF0044, TF0045	\$300,000

Task Y11503

Scope Summary: Under this task, AECOM shall convene a subgroup of the Toll Division's previous Expert Review Panel ("ERP") to assist in evaluation of the options available to Washington for providing tolling



operations full back office and customer services at the end of the current contract term. This subgroup will focus on operations, systems and customer services only.

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.

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: Contract window: 9/1/2015 through 12/31/2017

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, Investment Grade Traffic & Gross Revenue Forecast	TF0009	\$182,426

Task Y11721

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: 9/1/2015 - 12/31/2017

Deliverables: 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.

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: Contract window: 4/16/13 through 4/15/18

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
K723	SR 520 Tolling System Financial Statements Audit and Attestation Engagement	TF0009	\$447,631



EnviroIssues, Inc.

Contract Type: Personal services

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

Timeliness: Contract window: 10/03/2016 through 03/31/2018

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-AE	Tolling Division Communications and Government Relations Support	TF0006, TF0007, TF0008, TF0009, TF0014	\$207,175.73

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: Contract window: 1/1/15 through 06/30/19

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.

Task Order Scope and Value:

Task Name	Task Description	Task Work Order	Task Value
Y11526	SR 520 Master Bond Resolution	TF0009	\$193,082.60

Task -Y11526

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

Timeliness: Contract window: 1/1/15 through 6/30/19

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: Contract window: 7/6/10 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.



Task Order Scope and Value:

Task Name	Task Description	Task Work Order	Task Value
Y11038-CR	General Toll Consultant Program Management	TF0006, TF0007, TF0009, TF0014	\$386,612
Y11038-CS	Toll Division Policy and Planning Support	TF0006, TF0007, TF0009, TF0014	\$218,042
Y11038-CT	Toll Division Financial Operations Support	TF0006, TF0007, TF0009, TF0014	\$604,777
Y11038-CU	Toll System Operations Support	TF0006, TF0007, TF0009, TF0014	\$184,163
Y11038-CV	Data and Reporting Support	TF0006, TF0007, TF0009, TF0014	\$402,372
Y11038-CW	Toll Division GTC Communications and Marketing Support	TF0006, TF0007, TF0009, TF0014	\$70,692
Y11038-CX	Customer Service Operations Support	TF0006, TF0007, TF0009, TF0014	\$677,167
Y11038-CY	6-C Interoperability Support	TF0006, TF0007, TF0009, TF0014	\$242,118
Y11038-CZ	CSC System Design, Development, Implementation, and Management Support	TF0041, TF0042, TF0043, TF0044, TF0045	\$3,333,634
Y11038-DA	Customer Service Center Operations Request for Proposal, Procurement, and Implementation Support	TF0041, TF0042, TF0043, TF0044, TF0045	\$641,222

Task 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.

Timeliness: 7/1/17-6/30/19

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

Task 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.

Timeliness: 7/1/17-6/30/19

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

Task 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.

Timeliness: 7/1/17-6/30/19

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

Task 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.

Timeliness: 7/1/17-6/30/19

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

Task 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.



Timeliness: 7/1/17-6/30/19

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

Task 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.

Timeliness: 7/1/17-6/30/19

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

Task 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.

Timeliness: 7/1/17-6/30/19

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

Task 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.

Timeliness: 7/1/17-6/30/19

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



Task Y11038-CZ

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

Timeliness: 7/1/17-6/30/19

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.

Task Y11038-DA

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

Timeliness: 7/1/17-6/30/19

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

Public Consulting Group (“PCG”)

Contract Type: Personal services

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”).

Timeliness: 10/10/16-12/31/19

Deliverables:

Task Order Scope and Value:

Task Name	Task Description	Task Work Order	Task Value
K1080	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	\$1,074,030
K1118	IT Professional Services for Toll Division Customer Service Center (“CSC”) and Back office System (“BOS”) Quality Assurance (“QA”)	TF0041, TF0042, TF0043, TF0044, TF0045	\$700,000

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-AJ	SR 520 Traffic and Revenue Study (Phase II)	TF0009	\$380,896
Y11392-AK	TNB Traffic and Revenue Study	TF0007	\$93,194
Y11392-AM	I405 and SR167 Traffic and Revenue Updates	TF0006, TF0014	\$254,815

Task 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 Treasure (OST), the toll rate verification process by Transportation Commission, and the quarterly revenue forecast update by State Traffic and Revenue Forecast Council (TRFC).

Timeliness: 5/1/17 through 6/30/2018

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.

Task 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.

Timeliness: 8/28/17 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.

Task 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.

Timeliness: 9/25/17 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.

4. Vendor and Non-Vendor Expenditures

Legislative Request

As required by Section 209 (7) of ESB 5096, 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.

Non-Vendor Expenditures ¹	FY 2018 Q1	FY 2018 Q2	FY 2018 Q3	FY 2018 Q4	FY 2018 to Date	Biennia to Date
WSDOT Staff	\$ 1,134,864	\$ 1,139,327			\$ 2,274,191	\$ 2,274,191
Consultants	\$ 1,029,150	\$ 1,317,992			\$ 2,347,142	\$ 2,347,142
Bridge Insurance	\$ 3,472,055	\$ 22,618			\$ 3,494,674	\$ 3,494,674
Credit Card and Bank Fees	\$ 998,495	\$ 1,149,426			\$ 2,147,921	\$ 2,147,921
Transponder Costs	\$ 344,232	\$ 314,138			\$ 658,370	\$ 658,370
Pay by Mail	\$ 642,020	\$ 692,637			\$ 1,334,657	\$ 1,334,657
Washington State Patrol	\$ 272,702	\$ 144,371			\$ 417,073	\$ 417,073
Other Miscellaneous Non-Vendor Expenditures ²	\$ 557,930	\$ 517,163			\$ 1,075,093	\$ 1,075,093
Quarterly Non-Vendor Expenditures	\$ 8,451,447	\$ 5,291,209	\$ -	\$ -	\$ 13,749,121	\$ 13,749,121
Vendor Expenditures ³	FY 2018 Q1	FY 2018 Q2	FY 2018 Q3	FY 2018 Q4	FY 2018 to Date	Biennia to Date
CSC Vendor ⁴	\$ 3,686,033	\$ 3,493,280			\$ 7,179,312	\$ 7,179,312
Cash Collections (SR-16 Tacoma Narrows Bridge)	\$ 822,878	\$ 828,081			\$ 1,650,959	\$ 1,650,959
Electronic Payment Processing (SR-16 Tacoma Narrows Bridge) ⁵	\$ 17,510	\$ 14,391			\$ 31,901	\$ 31,901
Toll Collection System Operations and Maintenance ⁶	\$ 274,369	\$ 463,200			\$ 737,569	\$ 737,569
Office of Administrative Hearings	\$ 3,878	\$ 4,409			\$ 8,287	\$ 8,287
Other Miscellaneous Vendor Expenditures ⁷	\$ 5,147	\$ 2,341			\$ 7,488	\$ 7,488
Quarterly Vendor Expenditures	\$ 4,809,814	\$ 4,812,168	\$ -	\$ -	\$ 9,615,517	\$ 9,615,517
Combined Quarterly Expenditures	\$ 13,261,261	\$ 10,103,377	\$ -	\$ -	\$ 23,364,638	\$ 23,364,638
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

- Consultant expenditures were higher in the 2nd quarter due to the following reasons:
 - Increased costs related to tracking, analyzing and mitigating the challenges related to the “delayed transaction” issue (ETCC RITE system challenge);
 - Increased costs related to support of the BOS design workshops,
 - Increased costs related to the BAFO on the CSC Ops RFP,



- Increased costs related to delivery and analysis of updated T&R studies in preparation for the fall rate setting season and financial plan updates.
- Bridge Insurance premiums are paid during the first quarter each year. Therefore, first quarter expenditures tend to be the highest of the year.
- Credit Card Fees increase due to image transaction delays.
- Washington State Patrol typically reduces enforcement during the winter months, and does a ramp up in the spring through fall.
- Toll Collection System Operations and Maintenance increase due to the SR 520 system did not achieve system acceptance until the end of the August 2018, and WSDOT was not invoiced for that expense until November.
- Other Miscellaneous Vendor Expenditures decrease due to City of Fife court room was not needed in November and December.