



Washington State Department of Transportation Toll Division

Proviso Report - Fiscal Year 2019, Quarter 1

Table of Contents

1. Civil Penalty Process for Toll Violations	Page 2-5
2. Customer Service Center Procurement	Page 6-8
3. Use of Consultants Reporting	Page 9-19
4. Vendor and Non-Vendor Expenditures	Page 20

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 July 1 through September 30, 2018 and addresses requirements in Section 209 (7) of ESSB 6106 regarding WSDOT's Toll Civil Penalty Process.

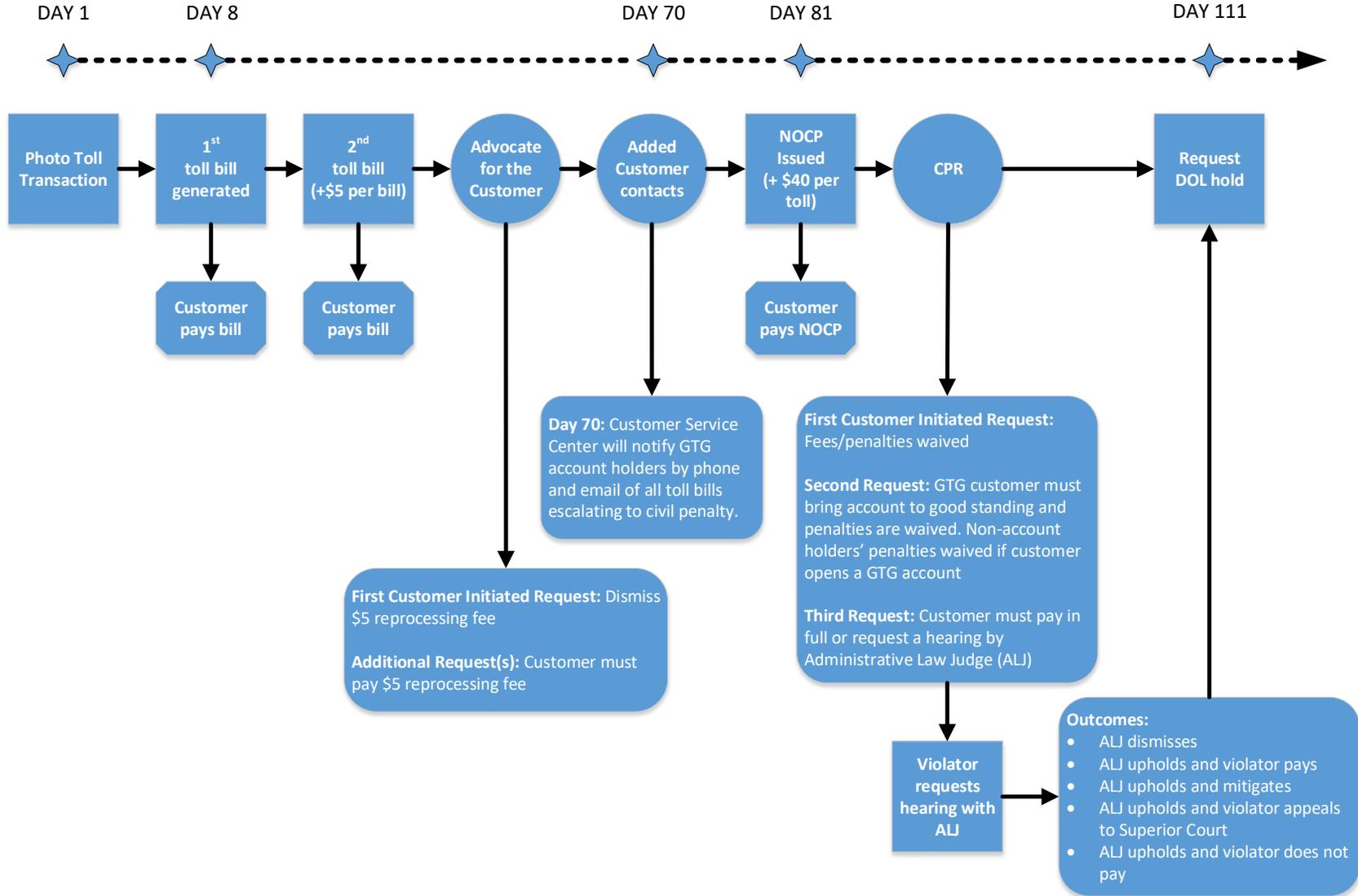
During the Q1 FY2019 period:

- WSDOT assessed 420,325 civil penalties on unpaid toll trips, a 13 percent increase from last quarter which aligns with seasonal fluctuation.
- During the same period, WSDOT recovered approximately \$838,457 in unpaid tolls and \$1.89 million in penalties and fees (these totals include cash received from uncollected civil penalty revenue from previous time periods).
- 108,427 civil penalty transactions, 25.8 percent of those issued, were paid without any dispute.
- 43 hearing requests (written and in-person) were made representing 980 civil penalty transactions, which is 0.23 percent of all civil penalties issued.
- With Q1 of the fiscal year, occurring during the summer months, there was an increase of hearing requests of approximately 13 percent overall for all facilities. We would expect to see a decrease in overall transactions during Q2 FY 2019 due to seasonality.

Due to the ongoing Customer Program for Resolution (CPR), there was a 52 percent reduction in hearing requests (written and in-person) from the previous quarter despite the expected seasonal increase. Last quarter, WSDOT expanded the scope of the CPR mitigation program allowing for customer service representatives to mitigate transactions in lieu of hearings. This has allowed for lower relative costs of debt collection activities. Overall net cash received related to debt collection activities increased by 19.2 percent.

Figure 1 shows the current 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

NOCP Quarterly Report

	FY 2019 Q1				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				108,418				195,008						116,899	108,418	195,008	420,325	
2	Customers with <i>Good To Go!</i> accounts who were assessed a civil penalty	6,294				4,375				8,520						6,294	4,375	8,520	19,190	
3	Number of transactions associated with the <i>Good To Go!</i> accounts (above)	37,517				26,079				50,786						37,517	26,079	50,786	114,382	
Administrative Hearing Requests																				
4	Number of civil penalty transactions paid upon receipt of the NOCP	14,126				16,494				36,507						14,126	16,494	36,507	67,127	
5	Number of written administrative hearings requested	5				0				8						5	0	8	13	
6	Number of civil penalty transactions related to written hearings	74				0				77						74	0	77	151	
7	Number of in-person administrative hearings requested	3				6				21						3	6	21	30	
8	Number of civil penalty transactions related to in-person hearing requests	65				91				673						65	91	673	829	
9	Number of civil penalty transactions which did not receive a response	102,634				91,833				157,751						102,634	91,833	157,751	352,218	
10	Total number of administrative hearings requested	8				6				29						8	6	29	43	
11	Total number of civil penalty transactions related to requested administrative hearings	139				91				750						139	91	750	980	
Customer Service Reform Results (CPR and Mitigation)																				
12	Number of customer contacts related to customer relief programs	38,331				26,673				51,931						38,331	26,673	51,931	116,935	
13	Number of civil penalty transactions w/civil penalty & fees waived	58,277				40,564				79,138						58,277	40,564	79,138	177,980	
14	Dollar value of civil penalty & fees waived	\$2,408,950				\$1,676,768				\$3,272,018						\$2,408,950	\$1,676,768	\$3,272,018	\$7,357,736	
NOCP Revenue, Cash Collected and Debt Collection Costs																				
15	Civil penalty revenue recognized (financial statements)	\$424,971				\$463,817				\$1,136,217						\$424,971	\$463,817	\$1,136,217	\$2,025,005	
16	Cash collected related to civil penalty tolls	\$296,962				\$175,678				\$365,817						\$296,962	\$175,678	\$365,817	\$838,457	
17	Cash collected related to \$40 civil penalty & fees	\$374,306				\$450,595				\$1,068,750						\$374,306	\$450,595	\$1,068,750	\$1,893,651	
18	Total cash received related to debt collection activities	\$671,268				\$626,273				\$1,434,567						\$671,268	\$626,273	\$1,434,567	\$2,732,108	
19	Workload costs related to debt collection activities	\$204,410				\$168,767				\$314,737						\$204,410	\$168,767	\$314,737	\$687,914	
20	Net cash received related to debt collection activities (Quarterly)	\$466,858	\$0	\$0	\$0	\$457,506	\$0	\$0	\$0	\$1,119,830	\$0	\$0	\$0	\$0	\$0	\$466,858	\$457,506	\$1,119,830	\$2,044,194	

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 16 and note 17). 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 July 1 through Sept. 30, 2018 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 Q1:

Existing contract strategy to extend services with the current vendor (Electronic Transaction Consultants Corporation or ETCC): The existing contract has been extended for operations through January 2019. WSDOT is continuing discussions with ETCC about additional monthly contract extensions to provide services until the transition to the new BOS is completed. At this time, we are negotiating optional monthly extensions through mid-2019, to ensure continuity of operations and to maintain flexibility through the transition period.

BOS Implementation Project Activity: During FY 2019 Q1, WSDOT continued work as follows:

- Continued Milestone 3 final design progress
 - Primary focus on critical path test procedure development and review.
 - Approval of all Phase 1 interface control documentation.
- Continued progress on remaining concurrent Milestones 4 (procurement of hardware/network infrastructure for the future CSC and provisioning of primary and disaster recovery data centers), 5 (installation and testing), and 6 (training).
- Continued internal and external BOS project lead and status meetings, expanding to bi-monthly 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.
- Security design review underway:
 - The Vendor and the Toll Division have collaboratively compiled the checklist which is under draft review by WSDOT IT Department.
- Completed third data migration exchange from current vendor database. Ongoing coordination between new and legacy vendors to facilitate mapping and analysis.
- Initial trial migration analysis and mapping complete.
- Network and CSC infrastructure coordination with vendor and operations continues. New CSC IT room sizing specs under development.



- Transition planning underway with coordination between the BOS vendor, CSC operations vendor, legacy vendor and WSDOT.

Operations Project:

- Weekly project meetings with Vendor
- Identified final locations of new CSC and three new walk-in center locations (WIC):
 - New CSC with WIC will be located in Renton, WA.
 - New WIC near Alderwood Mall (Lynnwood, WA).
 - New WIC in Gig Harbor, WA, about 1.5 miles from current Gig Harbor WIC location.
- Lease negotiations and tenant improvement plans are underway.
- 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 are working closely with the legacy vendor to plan the transition of current CSC staff in order to provide a seamless transition of customer services.
- WSDOT and the new CSC operations vendor continue to support the BOS implementation.

Implementation Plan and Process

WSDOT was notified by the BOS vendor early in 2018 that the contractual go-live date of Dec. 1, 2018 would be delayed to Feb. 15, 2019. It became apparent this quarter that further delay past the Feb. 15 date is likely. WSDOT is working closely with the vendor to minimize this delay and investigate schedule recovery options.

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 data migration related activities. Workshops are held routinely to discuss requirements needing further design and clarification for development, 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, 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 existing BOS and CSC vendor, has been extended through Jan. 31, 2019. Negotiations continue with ETCC to allow for additional optional monthly extensions to 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.

Next Steps



In FY 2019 Q2, 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, CSC operations, and management. Tasks include:
 - Update project plan and schedule based on new system go-live date.
 - Finalize new CSC and WIC facility leases and build out plans and complete tenant improvements.
 - Begin buildout construction for new facilities.
 - Hire remaining key positions that will serve as the call center management: Quality Manager, Training Manager, Finance Manager.
 - Continue to work with the existing CSC operations vendor to plan and come to an agreement on approach for staff transition.
 - Support BOS test planning and testing.
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), and planning for Milestone 5: Installation & Testing. Remaining Phase 1 milestones will be ongoing until go-live.
 - Review and approval of key BOS documentation.
 - Factory Acceptance Test (FAT) procedures and review of Integration and Commissioning Test (ICT) procedures.
 - Approval of data migration specifications
 - Approval of web visual design
 - Submit security design review to OCIO
 - Begin FAT and ICT system test execution
 - Continue internal project action item and decision progression through vendor development and testing sequences.
 - Continue data migration planning analysis and mapping from additional data extractions and trial migrations.
 - Continue cross-vendor management for CSC and WIC infrastructure build out.
 - Continue stakeholder engagement.

WSDOT will continue to monitor alignment of the BOS implementation with the SR 99 construction completion timeline.



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 Committee 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 first quarter of FY 2019 (fifth quarter of the biennium):

Consultant Name	Contract Number	Title	Task Authorization Value	Total Invoiced Through 2019 Q1 (FY 2019)	Cumulative Invoiced
AECOM Technical Services, Inc.	Y11503	Tolling Expert Review Panel	\$300,000	\$5,931	\$156,572
Anthro-Tech	K1036	BOS Web Development Interface Support	\$175,000	\$142,911	\$142,911
CDM Smith	Y-11721	SR 520, Investment Grade Traffic & Gross Revenue Forecast	\$185,869	\$34,446	\$185,869



Consultant Name	Contract Number	Title	Task Authorization Value	Total Invoiced Through 2019 Q1 (FY 2019)	Cumulative Invoiced
CliftonLarsonAllen	K723	SR 520 Tolling System Financial Statements Audit	\$447,631	\$81,440	\$435,104
EnviroIssues, Inc.	Y11888-AE	Toll Division Communications and Government Relations Support	\$212,407	\$50,969	\$208,727
IBI Group	Y-11526	SR 520 Master Bond Resolution	\$193,083	\$31,168	\$128,351
Jacobs	Y11038-CR	General Toll Consultant Program Management	\$427,884	\$262,935	\$262,935
	Y11038-CS	Toll Division Policy and Planning Support	\$218,042	\$69,238	\$69,238
	Y11038-CT	Toll Division Financial Operations Support	\$604,777	\$391,483	\$391,483
	Y11038-CU	Toll System Operations Support	\$184,163	\$91,771	\$91,771
	Y11038-CV	Data and Reporting Support	\$402,372	\$246,620	\$246,620
	Y11038-CW	Toll Division GTC Communications and Marketing Support	\$74,870	\$21,250	\$21,250
	Y11038-CX	Customer Service Operations Support	\$677,167	\$248,505	\$248,505
	Y11038-CY	6-C Interoperability Support	\$242,118	\$135,251	\$135,251
	Y11038-CZ	CSC System Design, Development, Implementation, and Management Support	\$3,333,634	\$1,744,467	\$1,744,467

Consultant Name)	Contract Number	Title	Task Authorization Value	Total Invoiced Through 2019 Q1 (FY 2019)	Cumulative Invoiced
Jacobs	Y11038-DA	Customer Service Center Operations Request for Proposal, Procurement, and Implementation Support	\$641,222	\$548,475	\$548,475
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")	\$1,268,250	\$426,159	\$426,159
	K1118	IT Professional Services for Toll Division Customer Service Center ("CSC") and Back office System ("BOS") Quality Assurance ("QA")	\$757,300	\$341,370	\$341,370
Stantec Consulting Services	Y11392-AJ	SR 520 Traffic and Revenue Study(Phase II)	\$704,173	\$368,622	\$384,547
	Y11392-AK	TNB Traffic and Revenue Study	\$93,194	\$4,461	\$4,461
	Y11392-AM	I405 and SR167 Traffic and Revenue Updates	\$254,815	\$44,436	\$44,436

Consultant Detail

AECOM Technology Corporation

Contract Type: Personal services

Scope Summary: Tolling Expert Review Panel

Timelines: Contract expired 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.

Anthro-Tech, Inc

Contract Type: Personal services

Scope Summary: To support the Back Office System online CSC

Timelines: 01/16/18-12/31/18

Deliverables: Usability assessment design support and web accessibility review

Task Order Scope and Value:

Task Name	Task Description	Task Work Order	Task Value
K1036	Back Office System web development interface support	TF0041, TF0042, TF0043, TF0044, TF0045	\$175,000

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.

Timelines: Contract window: 9/1/2015 through 12/31/2017 (expired)

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	\$185,869

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.

Timelines: 9/1/2015 - 12/31/2017 (expired)

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.

Timelines: Contract window: 4/16/13 through 4/15/18 (expired)

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.

Timelines: Contract window: 10/03/2016 through 03/31/2018 (expired)

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	\$212,407

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

Timelines: 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	\$193,083



Task -Y11526

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

Timelines: 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.

Timelines: 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	\$427,884
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	\$74,870
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.

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

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

Timelines: 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.

Timelines: 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.

Timelines: 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.

Timelines: 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.

Timelines: 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.

Timelines: 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.

Timelines: 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 tender's delivery of the implementation of the new CSC BOS solution.

Timelines: 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.

Timelines: 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").

Timelines: 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	\$1,268,250
K1118	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

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.

Timelines: Current expiration is 6/30/2021

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	\$704,173
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 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: 5/1/17 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.



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.

Timelines: 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.

Timelines: 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 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 Expenditures</u> ¹	<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				\$ 1,255,313	\$ 5,994,017
Consultants	910,164				\$ 910,164	\$ 5,349,308
Bridge Insurance	3,852,397				\$ 3,852,397	\$ 7,381,559
Credit Card and Bank Fees	1,203,260				\$ 1,203,260	\$ 5,478,067
Transponder Costs	343,116				\$ 343,116	\$ 1,587,186
Pay by Mail	737,334				\$ 737,334	\$ 3,301,760
Washington State Patrol	316,390				\$ 316,390	\$ 1,277,666
Other Miscellaneous Non-Vendor Expenditures ²	540,561				\$ 540,561	\$ 2,537,237
Quarterly Non-Vendor Expenditures	\$ 9,158,534				\$ 9,158,534	\$ 32,906,800
<u>Vendor Expenditures</u> ³	<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				\$ 5,876,060	\$ 21,707,221
Cash Collections (SR-16 Tacoma Narrows Bridge)	848,856				\$ 848,856	\$ 4,158,190
Electronic Payment Processing (SR-16 Tacoma Narrows Bridge) ⁵	17,407				\$ 17,407	\$ 86,890
Toll Collection System Operations and Maintenance ⁶	272,768				\$ 272,768	\$ 2,205,809
Office of Administrative Hearings	6,477				\$ 6,477	\$ 25,805
Other Miscellaneous Vendor Expenditures ⁷	938				\$ 938	\$ 10,428
Quarterly Vendor Expenditures	\$ 7,022,506				\$ 7,022,506	\$ 28,194,344
Combined Quarterly Expenditures	\$ 16,181,040				\$ 16,181,040	\$ 61,101,143
<u>Notes:</u>						
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 premium are paid during the first quarter each year. Therefore, first quarter expenditures tend to be the highest of the year.
- Transponder sales tend to increase during the summer months.
- Pay by Mail usage increases with summer vacation travel.
- CSC Vendor are higher due to the increase in ETC monthly lump sum payment per Amendment No 1 starting July 2018.
- Q4 of FY 2018 Toll Collection System O&M expenditures were higher than normal due to the accruals of the Annual Performance Audits. These accruals were reversed in Q1 of FY 2019 but the invoices for the Annual Performance Audits have not been received.