

May 04, 2023

FY 2023

ESSB 5689 Progress Report – New Tolling Back Office System



**Washington State
Department of Transportation**

Prepared by:

WSDOT Toll Division

This report is in response to the requirement in the 2022 Supplemental Transportation Budget (ESSB 5689, Section 209 (3)(b)) which states, “The office of financial management shall place the amounts provided in this subsection in unallotted status until the department submits a detailed progress report on the progress of the new tolling back-office system.” The Washington State Department of Transportation (WSDOT) is requesting approval to transfer \$1.0 million of the \$4.0 million unallotted budget appropriation for planned, back-office system (BOS) expenditures expected prior to the end of fiscal year 2023.

The Legislature has authorized a total of \$27.9 million for WSDOT to replace the existing tolling customer service center and back-office systems (project).

This project has completed implementation of the core components of the new BOS and customer service centers. In July 2021, the transition from our legacy system to our new system was completed, and the new system has since been supporting toll collection and customer support services. The new tools and services provided by the BOS reflect industry best-practices, technological advancements, and input from our customers over the years. It was a big change for many, but we have heard from customers who find the new system simpler to view their accounts, add vehicles or funds and even dispute charges when necessary.

During its first year of operation, fiscal year 2022, the new BOS supported:

- Collection of \$83.3 million of tolls.
- Processing of 57.3 million toll trips.
- Delivery of 4.3 million statement and notifications to customers.
- More than 470,000 customer contacts via phone at the customer service center (CSC).
- Issuance of 272,000 passes (transponders).
- Resolution of more than 154,000 customer disputes.

Utilizing the new BOS, the customer service staff completed this work while maintaining an 87% customer satisfaction rating.

In March 2023, WSDOT, with the assistance of its toll system and customer service vendors, restarted the escalation process for unpaid toll bills which includes the assessment of increased tolls and fees for late payment among other functionalities.

In advance, WSDOT conducted robust engagement to encourage people to pay their bills. This included outreach to customers via billing inserts, emails and letters, media engagement, digital and in-language advertising, and use of highway message signs.

To date, this rollout has gone well. WSDOT began sending reminder bills for unpaid tolls on March 5th. Due to this activity, the number of statements mailed each day in March quadrupled when compared to last fall. In April, WSDOT resumed sending notices of civil penalty to customers with bills that remain unpaid as well as requesting vehicle registration holds from the Department of Licensing for unpaid civil penalties.

The following contracted phase 1 deliverables are driving this request for an allotment increase (see Expenditure Table below):

- ETAN (BOS vendor)
 - Phase 1 system go-live (delivered).
 - Go-live system release notes (delivered).
 - Post Go-live Service Organization Controls (SOC 1 & SOC 2) audit 3rd party attestation (delivered).
 - Post Go-live PCI Audit and security tests (delivered).
 - Updated training materials (to be delivered by 06/30/2023).
- Shimmick (CSC vendor)
 - Staff training complete (delivered).
 - Standard Operating Procedures for operating the BOS (delivered).
 - Continuous improvement plan (to be delivered by 06/30/2023).
 - Business continuity plan (to be delivered by 06/30/2023).

- Transition to successor operator plan (to be delivered by 06/23/2023).
- ETCC (Former CSC/BOS Vendor)
 - Transition support (delivered)

| Vendor | Delivered | To Be Delivered | Total |
|--------------------------------|---------------------|------------------------|---------------------|
| ETAN | \$ 2,946,375 | \$ 133,600 | \$ 3,079,975 |
| Shimmick | \$ 479,883 | \$ 154,233 | \$ 634,116 |
| ETCC | \$ 88,837 | \$ - | \$ 88,837 |
| Total Expenditures | \$ 3,515,095 | \$ 287,833 | \$ 3,802,928 |
| Current Allotments | \$ 2,758,000 | \$ - | \$ 2,758,000 |
| Current Unallotted | \$ 4,000,000 | \$ - | \$ 4,000,000 |
| Allotment Increase Need | \$ 757,095 | \$ 287,833 | \$ 1,044,928 |

Based on vendor schedules, WSDOT will need access to \$1.04 million of New Tolling Customer Service Center proviso funds currently held in unallotted status by June 30, 2023, for work completed and planned prior to the end of the 2021-23 biennium.

Additionally, at WSDOT's request the Legislature has reappropriated \$1.776 million of the current unallotted amounts above to the 2023-25 budget appropriation to support planned enhancements to the system which include a data warehouse for improved reporting and regional interoperability to support *Good To Go!* customers who use other toll facilities throughout the western United States. This reappropriation will reduce the unallotted total for 2021-23 to \$2.224 million. The reappropriation to 2023-25 does not represent an increase in project budget but is a reappropriation of approved budgets to 2023-25.