



# **RiverLink Industry Forum**

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*Back Office System and Customer  
Service Center Operations*

**Sept. 1, 2020**

# INTRODUCTIONS

**Megan McLain, Esq.**

Innovative Finance Manager  
Kentucky Transportation Cabinet

**Jerry Hoover**

Director of Operations  
Ohio River Bridges  
Indiana Department of Transportation

**Rick Herrington**

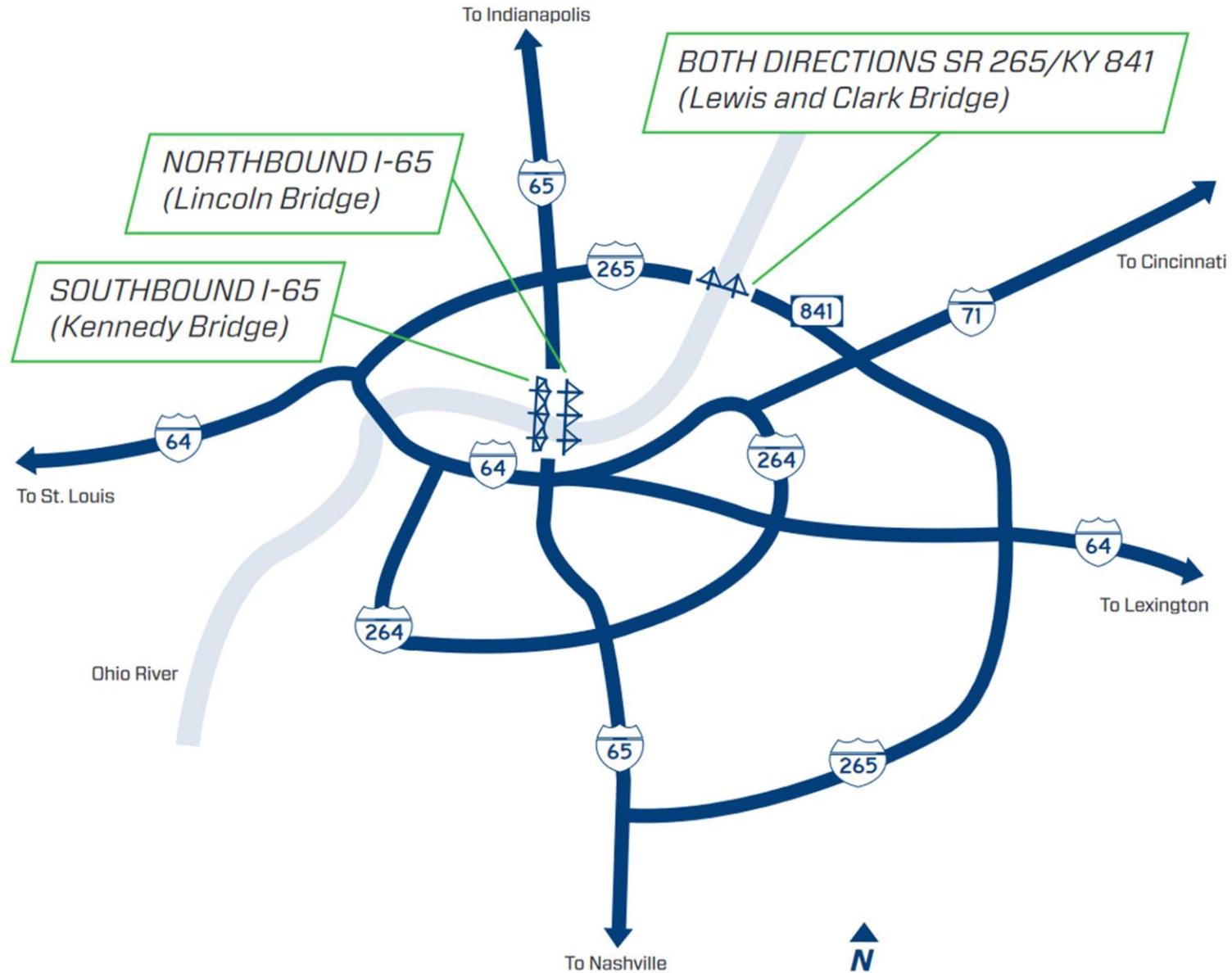
Vice President  
HNTB

# WHAT WE'LL COVER



- Overview
- Scope
- Goals
- RFP schedule
- Schedule
- Contract Terms

# RIVERLINK



# RIVERLINK BY THE NUMBERS - 2019



**33.6 million crossings**



**\$112 million in revenue**

## PREPAID ACCOUNTS

**221,000**  
accounts



**UP 26%**  
FROM 12/31/2018

## TRANSPONDERS

**440,474**  
transponders



**UP 27%**  
FROM 12/31/2018

## CROSSINGS WITH TRANSPONDERS

**OVERALL AVERAGE: 66%**  
**WEEKDAY AVERAGE: 69%**  
**WEEKEND AVERAGE: 56%**



# PROJECT SCOPE

- Toll Services Provider
- Responsible for **all** non-roadside aspects of RiverLink
- Back Office System capable of handling more than 130,000 daily transactions
- Customer Service Center operations



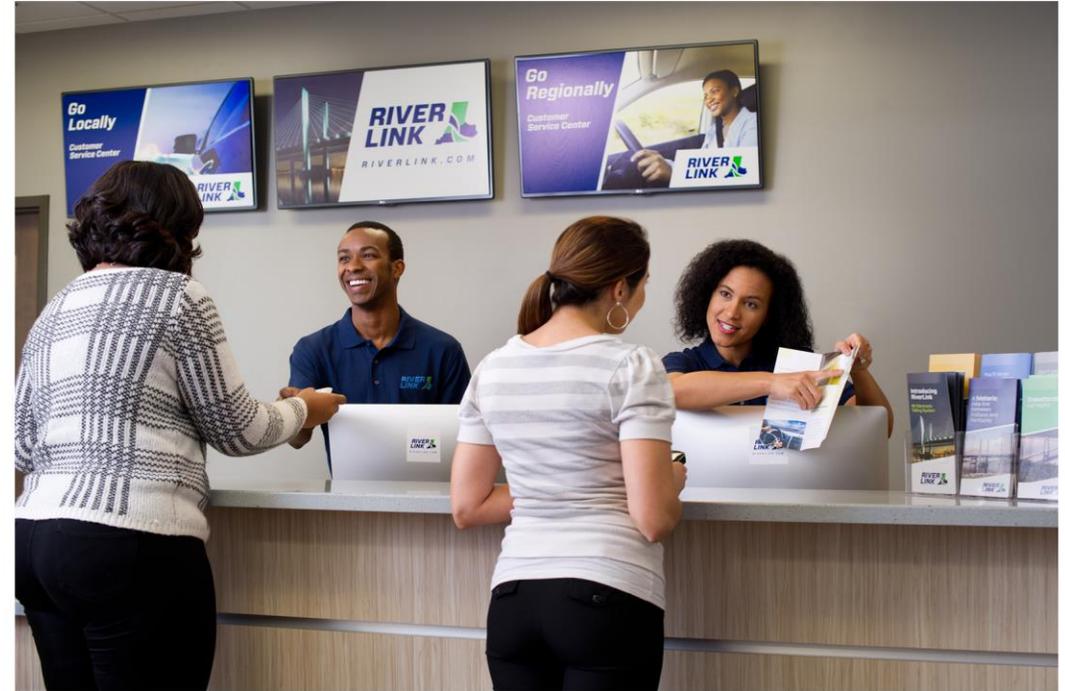
# PROJECT GOALS

- Provide a user-friendly customer service experience
- Process current and anticipated transaction volumes
- Trace transactions through entire lifecycle
- Provide a “one account” orientation with cumulative invoicing



# PROJECT GOALS (CONTINUED)

- Implement an innovative, adaptable, scalable and sustainable solution
- Replace full suite of CSC operations
- Implement a robust financial reporting solution
- Transition seamlessly from existing provider



# RFP SCHEDULE

Event	Time
Industry one-on-ones complete	Sept. 9, 2020
Publish RFP	Sept. 30, 2020
Proposal due date	Dec. 14, 2020
Notification of initial short-list	Jan. 8, 2021
Demonstrations/Interviews	Jan. 25 – 29, 2021
Notification of final short-list	Feb. 5, 2021
Proof of concept	Apr. 2021
Due date for best and final offer	May 14, 2021
Anticipated notification of preferred proposer	May 31, 2021

# PROJECT SCHEDULE

Event	Time
Contract awarded	Jul. 1, 2021
System design and development	Jul. 2021 – Nov. 2022
System integration and user acceptance testing	Nov. 2022 – Apr. 2023
Limited parallel testing	Apr. 2023 – Jun. 2023
Go live	Jul. 1, 2023
System acceptance	Nov. 2023



# CONTRACT LENGTH

- Initial Operations and Maintenance Term: 7 years after system acceptance
- Potential renewal: Two 3-year renewal options



# PAYMENT TERMS

Cost Component	Basis for Payment
1. Initial costs	lump sum
2. BOS administration	fixed monthly cost
3. Variable operations	variable unit costs
4. Fixed operations	fixed monthly costs
5. End of contract transition	lump sum

# PAYMENT TERMS - Variable Unit Costs



- Automated transponder-based transactions
- Posted V-tolls
- Posted image-based transactions
- Image-Based transactions that cannot post to an account
- Monthly billing statements that are paid in full

# PAYMENT TERMS - Variable Unit Costs - Example

Description	Max Volume	Unit Costs		
		Year 1	Year 2	Etc.
Automated transponder-based transactions				
Level 1				
Level 2				
Level 3	>			

- Bidders fill in cells highlighted in blue

# KEY PERFORMANCE INDICATORS - BOS

- Point system
- Example

Functional Area	KPI	Compliance Threshold	Points for Every Additional Hour Above Threshold	Measurement Frequency
System Availability	Self-service website unavailability	2 hours cumulative	2.0	Monthly
	Internal BOS/CSC application unavailability	2 hours cumulative	2.0	Monthly

# KEY PERFORMANCE INDICATORS - BOS



## Functional areas

- System availability
- Transponder transmittal
- Image processing
- Transaction processing
- Printing/mailing
- Payment processing
- System repair
- Loss of data

# KEY PERFORMANCE INDICATORS - BOS

- Liquidated damages

Non-Performance Level	Total points for a calendar month	Reduction in Monthly Invoice
Level 1	0 - 5	0%
Level 2	6 - 10	10%
Level 3	11 - 20	20%
Level 4	21 - 30	35%
Level 5	31 or above	50%

# KEY PERFORMANCE INDICATORS - CSC

- Liquidated damages and incentives tied to the KPIs
- Example

Operational Activity	Source	Minimum Performance	LD Amount	Incentive Amount	Measurement Frequency
telephone wait time	telephony system	80% within 60 seconds	\$1,000 for every percent below 80%	\$100 for every % above 90%	semi-monthly
maximum hold time	telephony system	10 minutes	\$100 for every call with a wait time of 10 minutes or more	\$500 for no calls exceeding 10-minute wait time in a month	per event

# KEY PERFORMANCE INDICATORS - CSC

## Functional areas

- Customer service
- Customer service monitoring
- Written correspondence
- Image review
- Financial
- Reporting



# PROOF OF CONCEPT DURING PROCUREMENT

## Goals

- Evaluate proposed BOS using sample data
- Provide proposers with opportunity to demonstrate BOS
- Identify potential issues and risks associated with implementation
- Verify proposal responses
- Up to two proposers will participate
- Participants will have six weeks to prepare
- States will access system remotely
- The proposer that is not selected will receive a \$200,000 stipend

# PROOF OF CONCEPT DURING PROCUREMENT

## Examples of required proof of concept functionality

- Account management
- Transaction processing
- Customer portal features
- Case management
- Reporting
- System administration features
- Editing and logging features
- BOS monitoring system dashboard
- Finance
- Image processing and image review
- Other

# CONCLUSION

## Q&A



# RULES OF CONTACT

As of the date of the Industry Forum Day, the following rules of contact shall apply<sup>1</sup>:

- No Proposer or representative thereof, nor any of its team members or representatives thereof, through either of their respective employees, agents or representatives shall have any *ex parte* communications regarding the procurement or the Project with any member of the Joint Board, or any States' Party, or with any IFA, KYTC, Joint Board, or any States' Party's board, staff, advisors, contractors, counsel or consultants involved with the procurement
- Proposers and their team members shall not directly contact the following identified stakeholders (including employees, representatives and members of the entities listed below) regarding the procurement or the Project:
  - Kapsch TrafficCom IVHS Inc., in its capacity as the current Toll System Provider, and any of its major subcontractors;
  - HNTB Corporation;
  - Strothman and Company;
  - Ernst & Young;
  - MBI Consulting;
  - KPMG LLP; and
  - C2 Strategic Communications.

*Any Proposer engaging in such prohibited communications may be disqualified at the sole discretion of the Joint Board.*

<sup>1</sup> Such "Rules of Contact" to be superseded by the more specific Rules of Contact described in and effective as of the date of issuance of the ITP.



**Thank You**

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Sept. 1, 2020