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04/07/2025

TO: Office of Financial Management (OFM)

ExemptionRequest@ofm.wa.gov

FROM: Julie Meredith, P.E.

Secretary of Transportation, WSDOT

SUBJECT: April 7<sup>th</sup>, 2025, WSDOT Governors Freeze Submittal

This memo serves as the signature by the Agency Director for the exceptions reported by Washington State Department of Transportation.

Included attachment outlines the exceptions and describes why the exceptions were necessary to provide critical services related to the two-week reporting timeframe.

## Two-week reporting period:

March 23<sup>rd</sup>, 2025 – April 5<sup>th</sup>, 2025

## **Report Submittal Date:**

April 7<sup>th</sup>, 2025

## **Summary of detailed exceptions:**

Goods and Equipment Total Cost: \$572,015.05

Services Contracts Total Cost: \$5,773,699.94

Travel Approved Total Cost: \$1,333.00

Number of Positions Hired: 0

Thank you,

Julie Meredith, P.E.

Secretary of Transportation

	Hiring Freeze Exception Report to OFM							
Age	ency:							
	gram:							
Age	Agency Director signature:							
			SAP Position Number (8					
Dat	te Approved	Date of Hire	digits)	Position Title	Job Class Code	Job Class Title	Fund Source	Rationale for Approving Exception
	No reporting for this							

No reporting for this timeframe

Approved	Name of Contraster	Priof Description of Carriers	Torm of Contract	Total Cost	Fund Course	Pationals for Angewing Sycastion
Approved		Brief Description of Services This contract is for maintenance to the Real Estate Services inventory database. The database	Term of Contract	Total Cost	Fund Source	Rationale for Approving Exception
	3/24/2025 SDS-Inc	tracks all parcels acquired for highway purposes, relocation assistance, valuation information, and property management data, as well as payments to WSDOT for leases, real estate contracts, and surplus property sales.	5 yrs		207,500.00 108	SDS-Inc must continue to provide maintenance of IRIS until the new Real Property Management System for Real Estate Services is live. If Real Estate Services doesn't have this database, it cannot provide the required reports for FHWA or collect payments for leases, real estate contracts, or surplus property sales.
	3/25/2025 HDR Engineering Inc	Y11848 DN - A&E consultant support for Change Management for SR 520/I-5 Express Lanes Connection Project (DBB Contract).	6 months		71,000.00 20H - Connecting Washington	n / Project/activity is appropriated in the 2023-25 Transportation Budget; funding is provided by bond proceeds.
	3/25/2025 Shannon & Wilson	To provide geotechnical support to the State Geotechnical Office, Northwest Region Project Engineers Office (PEO) and their subconsultant HNTB for the I-5, SR 524 and SR 525 Fish Passage Project, which includes replacement of multiple fish barriers.	June 30 2025		24,009.00 108	This additional scope to a current contract is necessary due to poor soil conditions identified on the site, which are critical to addressing the project's site risks and finalizing the report. S&W has completed all the design work thus far, and changing the engineer at this stage would lead to significant delays and additional risk to the project.
	3/25/2025 Hill International, Inc.	This Amendment 05 to Task Order AN provides additional funding for the CONSULTANT to evaluate HE160AF vessel configuration suitability for the Vashon Triangle route under a new Work Element AN14. This evaluation will be completed by March 15, 2025, pending timely execution of this task order, and as directed by WSFSEP.	06/30/2025		28,355.00 26A	The 160 Auto Ferry New Construction Final Design Task Order 05 to Agreement Y-12756 is needed to advance the Program that is a priority for the Governor. Limited existing funding was reallocated to priority tasks during the financial freeze to meet critical milestones, such as advertising for new 160AF vessels, completing the conversion of the Wenatchee JMII, and early design for Seattle, Bainbridge, Bremerton, and Clinton Terminals. However, the schedule has slowed due to funding constraints and currently available funding is nearly exhausted. An exemption to the freeze is needed for continued critical path work on the 160 Auto Ferries final design.
	3/25/2025 Hill International, Inc.	This Amendment 07 to Task Order AB provides for additional budget to support scoping studies regarding the Kingston utilities and terminal. This cost increase will be offset by a like reduction of budget in Y-12756 Task BA (Advisor to the Assistant Secretary) so as to present no impact to overall WSFSEP costs	06/30/2025		20,000.00 26A	This Initial Scoping Task Order AB Amendment 07 to Agreement Y-12756 is needed to advance the Program that is a priority for the Governor. Limited existing funding was reallocated to priority tasks during the financial freeze to meet critical milestones, such as advertising for new 160AF vessels, completing the conversion of the Wenatchee JMII, and early design for Seattle, Bainbridge, Bremerton, and Clinton Terminals. However, the schedule has slowed due to funding constraints and currently available funding is nearly exhausted. An exemption to the freeze is needed for continued critical path work on the Initial Scoping of near-future work.
	2/28/2025 TBD	The Washington State Department of Transportation (WSDOT) is seeking a qualified consultant to provide specialized hydraulic engineering services, technical expertise, and project coordination in support of the Interstate Bridge Replacement (IBR) project working directly with the HQ Hydraulics office. This project involves complex hydraulic design considerations and multi-agency coordination and standards.	June 30th 2027		450,000.00 XL6046 Group 70 Work Op 01	The Washington State Department of Transportation's (WSDOT) Interstate Bridge Replacement (IBR) Program aims to replace the aging I-5 bridge across the Columbia River with a modern 10 structure, incorporating Light Rail Transit (LRT), Bus Rapid Transit (BRT) facilities, and new connecting alignments. Given the project's multi-state nature, coordination with numerous agencies and adherence to various design standards are essential. In order to continue moving the project forward extensive hydraulic support is required.
	3/12/2025 Palouse River Rock, 951 Arnold	Palouse River rock supplied railroad ballast to the States Railroad Operator	1 day		27,628.00 218	WSDOT has hired Railroad Operators to provide freight services along the State's Palouse River and Coulee City (PCC) short-line railway system. Under these contracts, the State has an annual obligation to supply materials to the short-line Railroad Operators. These operators use the materials to address track defects identified by the Federal Railroad Administration, ensuring the system remains operational.
	3/12/2025 Eagle Forest Products, 222 Wes	Eagle Forest Products supplied bridge timbers to the States Railroad Operator.	1 Day		32,197.94 218	WSDOT has hired Railroad Operators to provide freight services along the State's Palouse River and Coulee City (PCC) short-line railway system. Under these contracts, the State has an annual obligation to supply materials to the short-line Railroad Operators. These operators use the materials to address track defects identified by the Federal Railroad Administration, ensuring the system remains operational.
						WSDOT is required to control noxious weeds by RCW 17.10.415 State agencies' duty to control spread of noxious weeds—Replacement of noxious weeds with native forage plants that are beneficial to pollinators.
		WSDOT is responsible for providing Vegetative Management (weed spraying) along 25 miles of out-of-service track of the Hooper Subdivision (MP 3.07 to MP 18.70) and P&L Branch (MP				(1) All state agencies shall control noxious weeds on lands they own, lease, or otherwise control through integrated pest management practices. Agencies shall develop plans in cooperation with country noxious weed control boards to control noxious weeds in accordance with standards in this chapter. Agencies shall appoint a liaison whose duties include serving as a common point of contact for all weed boards and developing and implementing noxious weed control plans.
	2/11/2025 Deangelo Contracting Services,	of out-of-service track of the Hooper Subdivision (MP 3.07 to MP 18.70) and P&L Branch (MP 5, 66.10 to MP 74.93) of the Palouse River and Coulee City (PCC) railway system. This service provides ground clearing and broad leaf weed control of WSDOT rail right of way.	Annual		29,930.00 218	(2) All state agencies' lands must comply with this chapter, regardless of noxious weed control efforts on adjacent lands.
						(3) While conducting planned projects to ensure compliance with this chapter, all agencies must give preference, when deemed appropriate by the acting agency for the project and targeted resource management goals, to replacing noxious weeds with native forage plants that are pollen-rich or nectar-rich and beneficial for all pollinators, including honey bees.
						If WSDOT is not compliant with addressing weed control, WSDOT would be in violation of RCW 17.10.230 Violations – Penalty.
	3/28/2025 HDR Engineer Inc.	The Rail, Freight, and Ports Division is seeking consulting services for a deed correction to the state's Palouse River and Coulee City (PCC) shortline railroad system.	12 months		100,000.00 02M	Completing this deed correction requires a two-step process. Since WSDOT lacks real estate staff experienced with railroad property, a consultant was hired to complete the first step. This consultant staff has previously completed two prior deed corrections, maintains a strong working relationship with the railroads, and has 15 years of experience with this shortline's right-of-way. Therefore, they are uniquely qualified to complete this last PCC railroad deed correction. This exception covers the second step, which is completing the workflow the consultant already developed and working hand in hand with Union Pacific Railroad and WATCO Railroad staff to finalize the deed correction.
	3/28/2025 HDR Engineering, Inc.	The Rail, Freight, and Ports Division is seeking consultant services for construction support for railroad signals for the Palouse River and Coulee City (PCC) shortline railroad preservation contract.			75,000.00 26Q	This consultant developed and stamped the engineered Signal Modification Plans packet, which was included in the state's PCC railroad contract (FR02064). This railroad contract is expected to be executed toward the end of March 2025 after which work may commence. This consultant must review and comment on the contractor's proposed changes, modify existing stamped plans, conduct field inspections, and update and sign the as-built signal plans, which will be stored in the signal bungalows per Federal Rail Authority CFRs.
	3/28/2025 Hardesty & Hanover LLC	funding to the agreement to compensate for more work on the project than was originally anticipated.	Through 10/31/2025		30,000.00 P	This supplement to an existing agreement is needed to allow construction to continue to move forward. We aren't able to complete rehabilitation of the Hood Canal Bridge centerlocks without technical support from the Engineer of Record.
	3/28/2025 Too Be Determined using DES r	Independent project management quality assurance on the HPMS-LRS Modernization project	End of FY25, with option to extend if funded		45,500.00 108	This is one of the milestones for WaTech and OFM to consider the project full investment approval and release of funds beyond the first gate and then become exempt from the spending freeze for further contracting.  Real Estate policy for conducting environmental due diligence and valuing contaminated properties requires that environmental site assessments be completed prior to appraisal. A previous consultant task order included funds to complete this work, but since then, project design has proceeded and identified additional locations where a temporary easement or
	2/21/2025 Perteet, Inc.	The North Central Region (NCR) General Engineering Consultant (GEC) will provide hazardous substance assessment services to assist NCR staff in completing Environmental Site Assessments (ESAs) of real property on NCR Projects that will be acquired or used temporarily	8/1/24-7/31/26		20,000.00 20H	permanent acquisition is needed. The environmental site assessments needed will exceed the previous consultant task order fee estimate. The work on the temporary easements would consist of ground disturbing activities and would require the environmental site assessment process. Historic uses of two parcels (gas station and autobody repair) will necessitate Phase II environmental site assessments to be completed. This environmental site assessment work needs to be completed immediately in order for Real Estate Services to move forward with their appraisal process.  This project is entering its 3rd year of design, is beyond the 30% design milestone, and is on-schedule to meet the obligations made to WSDOT partners (Colville Tribes, City of Omak) to administer the project in 2027. Failing to achieve this exemption will result in schedule delays and a failure to meet the 2027 construction start.
		Subject matter expert and designer of record for construction assistance during the construction phase of the project.	18 months		300,000.00 099	In accordance with CPDM, HQ Construction and WSF Finance and Administration the region has determined all WSF preservation projects should move forward under the exception process. This request will support of the construction of a weld shop with Engineer of Record consultant staff.
	3/31/2025 HDR Engineering Inc	Y12305 BH A&E consultant services for Document Control System and Project Management Assistance for litigation (Legal Hold). It is an amendment to authorize additional hours for a subconsultant within the original period of performance.	6 months		151,525.00 Transportation Partnership Ad	cc Project/activity is appropriated in the 2023-25 Transportation Budget; funding is provided by bond proceeds.
	3/14/2025 Hill International, Inc.	Under this Amendment 10 to Task Order AC, Hill International (CONSULTANT) shall continue to provide Program Management support to the Washington State Ferries System Electrification Program (WSFSEP).	06/30/2025		3,383,859.00 26A	The contract supplement is needed to advance the Program that is a priority for the Governor. Limited existing funding was reallocated to priority tasks during the financial freeze to meet critical milestones, such as advertising for new 160AF vessels, completing the conversion of the Wenatchee JMII, and early design for Seattle, Bainbridge, Bremerton, and Clinton Terminals. However, the schedule has slowed due to funding constraints and currently available funding is nearly exhausted. An exemption to the freeze is needed for continued critical path work to
		This Amendment 10 provides for an augmentation of this Task's budget. The completion date for this Task remains to be June 30, 2025.				provide continuing Program Support services for the Washington State Ferries System Electrification Program (WSFSEP).

3/19/2025 Financial Technology Corp., DB	Maintenance of the IRIS database for Real Estate Services. This database is the inventory system for real estate transactions, leasing, surplus property, and real estate contracts statewide.	5 years	207,539.00 108
3/31/2025 B2GNow dba Ask Reply, Inc.	B2Gnow Contract Compliance System Add-On. The Interstate Bridge Project (IBR) is similar to a Mega program with multiple contracts, and within each contract are numerous subcontracts. Tracking prompt pay, terminations, and small business expenditures across multiple contracting elements and two states is highly labor-intensive and subject to discrepancies. To remain in compliance with state and federal laws and to minimize the cost of additional FTEs, B2GNow (Ask-Reply) has a software add-on designed to address this multi-contract business need.		19,150.00 IBR Program
4/1/2025 BoreDM	55 system user licenses	1 year	12,039.00 108
4/2/2025 WHPacific/NV5	Perform construction support services curing the fish barrier correction project at US 2 Sexton Creet to Pilchuck River project (XE3597)	05/01/2025 to 12/31/2026	60,000.00 14
4/2/2025 Perteet, Inc.	A CONSULTANT will provide cultural resource services to assist in the compliance of Section 106 of the National Historic Preservation Act (NHPA).	6/26/23-12/31/25	120,000.00 26P
3/14/2025 Hill International, Inc.	Under Task AM Amendment 04, the GEC team shall continue to provide General Engineering Consultant (GEC) assistance to the Washington State Ferries System Electrification Program (WSFSEP) by providing Clinton Terminal Preliminary Engineering (CTPE).  Phase 1 deliverables; and also selected deliverables related to Clinton Terminal Final Engineering (CTFE) – Phase 2 to be completed in conjunction with future Y-12756 Task AZ.	6/30/2025	218,468.00 26A
4/2/2025 KPFF	This Task will supplement the WSF Structures Team work force with experienced structural engineers. They will perform QA/QC checks of structural engineering calculations and provide additional guidance regarding Structural design and Structural Analysis.	4/22/2025-12/31/2026	140,000.00 IW039

5,773,699.94

Revenue generating with surplus property sales, real estate contracts, and leasing revenue.

The Interstate Bridge Project (IBR) is similar to a Mega program with multiple contracts. Tracking prompt pay, terminations, and small business expenditures across multiple contracting elements and two states is highly labor-intensive. If this request were not approved, IBR and WSDOT would risk compliance with state and federal laws and face the need for additional FTEs to address program compliance. IBR is willing to finance this add-on.

To improve efficiency and reduce overtime for our field exploration inspectors, we have been developing a digital data collection system for our field crews, the Geotech office is developing a digital data collection system for our field crews. Last year, they worked with two software developers and acquired tablets for this purpose. After evaluating both options, they selected BoreDM and are now moving toward full implementation.

To proceed, they need to purchase software licenses. They had a few licenses last year, but renewal was delayed due to negotiations. At this point, it makes sense to purchase the full number of licenses needed for complete implementation.

Correction of this fish barrier is a legislature-funded project that is going to construction in mid-2025. As the engineer of record, it is necessary to have WHPacific/NV5 available during construction to review submittals, address questions or conflicts that arise, and provide general construction support during the project.

No funds are currently available to complete the work required by the Cultural Resources which includes added scope to complete a survey of the built environment (e.g., sites, districts, traditional cultural properties, buildings and structures such as roads, bridges, railways, vessels, and other features of the landscape). This work is completed by an Architectural Historian. WSDOT has one Architectural Historian at Headquarters, but they are unable to assist with this work due to a lack of capacity to help with large projects.

Peabody Creek requires this work to be conducted as soon as possible to help inform alternative selection. Any delay to this task order being exempted will directly impact the delivery of the project.

The Clinton Terminal Preliminary Engineering - Phase 1 Task Order AM-04 to agreement Y-12756 is needed to advance the Program that is a priority for the Governor. Limited existing funding was reallocated to priority tasks during the financial freeze to meet critical milestones, such as advertising for new 160AF vessels, completing the conversion of the Wenatchee JMII, and early design for Seattle, Bainbridge, Bremerton, and Clinton Terminals. However, the schedule has slowed due to funding constraints and currently available funding is nearly exhausted. An exemption to the freeze is needed for continued critical path work to provide General Engineering Consultant (GEC) assistance to the Washington State Ferries System Electrification Program (WSFSEP) by providing Clinton Terminal Preliminary Engineering (CTPE) – Phase 1 deliverables.

There are a shortage of experienced Structural Bridge Engineers (BE) available in Washington State to perform specialized Structural Engineering work. Recognizing the shortage of BE's, WSDOT has declared hiring BE's exempt from the hiring freeze. Within the WSF TE Structures Team 2 Positions, seeking experienced Structural Engineers are currently vacant. This vacancy can attest to the difficulty in finding qualified individuals. The WSDOT Bridge Design group has had similar problems in hiring qualified individuals.

Structural BE's are an important skill set for WSF TE. Bridge Engineers evaluate existing structures and design new structures such as bridges (Terminal Structures) and buildings. Within the WSF TE Structural Section these engineers are responsible for keeping the terminal structures safe for travel for all users. The Structures team responsibility is to support capital preservation projects, maintenance projects, and to maintain safe load carrying capacity of Terminal Structures.

This Task will supplement the WSF Structures Team work force with experienced structural engineers. They will perform QA/QC checks of structural engineering calculations and provide additional guidance regarding Structural design and Structural Analysis.

## Goods and Equipment Freeze Exception Report to OFM

Agency:

Program:
Agency Director signature:

Date Approved	Description of Goods or Equipment	Total Cost	Fund Source	Rationale for Approving Exception
	3/17/2025 Expansion joints for alternator cooling		14,616.96 FV8105-41-9700-367321	These fittings are necessary to maintain safe operation of the vessel. Fittings currently in place are beyond normal service life of 5 years
	3/25/2025 State furnished materials (12 tons of basalt columns) for Contract XE3590, Alaskan Way S & S Washington St Ballast Island Marker Project (DBB contract).		11,240.00 09H - Transportation Partners	hi Project/activity is appropriated in the 2023-25 Transportation Budget; funding is provided by bond proceeds.
	IT equipment/supplies to replenish stock issue items for WSF customers. This includes 3/25/2025 monitors, keyboards, mice, docking station, and Teams Meeting accessories such as headphones and webcams.		60,912.22 109 State	Without replenishing our stock, we won't have items on hand to issue to customers in a timely manner. Bulk purchasing allows us to reduce the amount of administrative time for procuring goods and typically results in reduced per unit costs.
	3/26/2025 IBM Cognos Analytics renewal for critical AFS reporting needs		97,981.36 C6	IBM Cognos Analytics is critical to the legacy TRAINS system which will continue to be operated in this license period (beginning June 1st). Critical accounting processes such as fiscal year end depend on Cognos. Cognos is an operational contract. Failure to renew will result in immediate and total loss of system operation on June 1st. This would mean AFS and others are completely unable to generate any TRAINS financial reporting whatsoever. This would adversely impact financial mandates of the agency.
	3/27/2025 6 Onmisight radar detection - 8 Mimosa radios - 4 Axis CCTV cameras - 8 Pole mounted cabinets - 4 Timber poles - 8 Miscellaneous modems, switches, and cabling		304,817.50 FMCSA ITD Grant	Funding for this project is through a Federal grant where funds are already approved and made available for project delivery
	This equipment will allow for the necessary tolling equipment to be installed along the new SR509 gateway project ramps. This equipment is necessary to get that gear on the network.		82,447.01 108	This supports a revenue generating operation - tolling
			572,015.05	

	Travel Freeze Exception Report to OFM					
Agency: Program: Agency Director s	signature:					
Date Approved	Position Title	Total Cost	Fund Source	Rationale for Approving Exception		
3/31/2025 Deputy State Design Engineer			583.00 DPS	This exception is for Mike Fleming to continue his service on the WSU CEE Program Executive Advisory Board. This request is for in-state travel to Pullman, at WSU's campus, for end of the college year civil engineering program evaluations, capstone project assessments, industry innovations/technologies from research, new CEE Program Chair Interviews, student engagement, curriculum development activities and professor feedback for continuous program improvement. The results of these efforts will significantly benefit one of our state's major CE programs and talent pipeline, as well as WSDOT in perpetuity by continuing to develop positive WSDOT relations and credibility with graduating students and teaching faculty, contributing to the program's ABET accreditation, improving student experience, tailoring curriculum, advocacy for WSDOT as an employer of choice and pursuit of new WSDOT research opportunities.		
	/25/2025 IT Cybersecurity Manager & IT Security Senior		750.00 C3	Cybersecurity is performing a hardware firewall replacement onsite at the Ferries 2901. (Seattle) on March 19th at 2am to maintain compliance with payment card industry (PCI) standards. Compliance is required to maintain the agency's ability to accept credit cards as payment. Requesting travel expenses for Brett and Jory, to include one night of hotel stay and parking.		
		-	1,333.00			