

Gleason, Tonja

From: Daly, Keith
Sent: Thursday, November 05, 2009 11:33 AM
To: document.control
Cc: Rust, Lynn; Williams, Mike (CRC); Gleason, Tonja
Subject: FW: CRC Project ODOT Billings and 50/50 Share for gca4723 only

Document Control,

Please file this email chain with Agreement GCA4723. It documents our conversations with WSDOT HQ Accounting & Financial Services (Steve Ahlsten) for the automatic billings to be sent to ODOT. This email also provides direction from Doug Ficco to WSDOT HQ Accounting & Financial Services to not charge ODOT for overhead costs on monthly invoices. Doug was supposed to forward my email to Steve Ahlsten with a cc to Don Wagner.

Keith A. Daly

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From: Daly, Keith
Sent: Tuesday, November 03, 2009 3:43 PM
To: Ficco, Doug
Cc: Rust, Lynn; Williams, Mike (CRC)
Subject: FW: CRC Project ODOT Billings and 50/50 Share for gca4723 only

Doug,

This email is to document our conversation this morning with Steve Ahlsten (HQ Accounting & Financial Services Office) regarding Section 1.8 of Agreement GCA 4723 (funding agreement between ODOT and WSDOT for CRC Project) and the direction we gave Steve to not charge ODOT for overhead costs on monthly invoices. The overhead mentioned in Section 1.8 of Agreement GCA 4723 is referring to overhead costs associated with the CRC Office and not WSDOT overhead in general at current rate of 9.58%. Per Steve Ahlsten this email from you will serve as the overhead waiver letter.

From: Ahlsten, Steve [mailto:AhlsteS@wsdot.wa.gov]
Sent: Monday, November 02, 2009 4:15 PM
To: Daly, Keith
Cc: McCollum, Kathleen; Rust, Lynn; Williams, Mike (CRC)
Subject: RE: CRC Project ODOT Billings and 50/50 Share for gca4723 only

Your billing requests can be accommodated. I'm making a note to handle only this GCA4723 with ODOT as follows. As the system generates monthly invoices, I will scan copies to you. At that point, it may be less confusing to have you forward the invoices to their destination after your review and I will cease sending directly to ODOT.

As per the terms of the contract, section 1.8, and the absence of an overhead waiver letter or modified contract, we will turn on the overhead indicator and begin charging overhead. Be advised the current rate is 9.58% and will show as a separate line on all future billings.

Billings on request will be available as your team determines- the system has a weekly billing cycle each Wednesday.

From: Daly, Keith [mailto:dalyk@columbiarivercrossing.com]
Sent: Monday, November 02, 2009 3:26 PM
To: Ahlsten, Steve
Cc: McCollum, Kathleen; Rust, Lynn; Williams, Michael A (CRC)
Subject: RE: CRC Project ODOT Billings and 50/50 Share

Steve,

I have discussed the issue of sending automatic monthly billings to ODOT with Doug Ficco (CRC Project Director), Kris Strickler (CRC Deputy Project Director), and Lynn Rust (Assistant Deputy Project Director) and they are in agreement with this method if the following items can be completed:

- Each month the total amount to be invoiced to ODOT is sent to the CRC Project (Keith Daly) prior to sending to ODOT
- Each month that ODOT is sent an invoice a copy is also sent to the CRC Project (Keith Daly)
- In order to get ODOT closer to a 50/50 split of the total cost there may be an occasion that a manual invoice is required to be sent to ODOT in addition to the automatic monthly invoice
- Once the \$30 million in Work Order XL3679 is exhausted we will switch back to manual billing to ODOT as directed by the CRC Project

Please let me know if you have any questions. Thanks.

From: Ahlsten, Steve [mailto:AhlsteS@wsdot.wa.gov]
Sent: Thursday, October 29, 2009 4:18 PM
To: Daly, Keith
Cc: McCollum, Kathleen
Subject: RE: CRC Project ODOT Billings and 50/50 Share

ODOT'S own expenses are fine, I dont need them for my reconciling.

As for the billing; any reimbursable agreement left on a work order when charges accumulate will create automatic bill for any charge \$30.00 or greater. There are a couple of billing interruption techniques that are effective but would likely make an auditor frown. What we had been doing in the past is allowing charges to accumulate against fed or state coding and transferring the expenditures against the reimbursable agreement upon request. From an auditing standpoint this is "less than a frown", but still not a smile. The "smile" would be for

I re-read the original contract. Section 1.5 sounds like the parties agreed to monthly statements and invoices. Section 1.8 also speaks of charging overhead and admin costs and I see we have not done that. Am I reading this right?

From: Daly, Keith [mailto:dalyk@columbiarivercrossing.com]
Sent: Thursday, October 29, 2009 3:08 PM
To: Ahlsten, Steve
Cc: McCollum, Kathleen
Subject: RE: CRC Project ODOT Billings and 50/50 Share

I believe we are talking the same language as for ODOT's direct expenses. When I say ODOT direct expenses I mean salary for their staff, travel expenses, etc. that they report to us monthly. It appears that with the setup of Work Order XL3679 that billings will be sent to ODOT automatically every month. I have discussed this with the CRC Project Director's and they do not want billings sent out automatically and request a manual billing cycle that is initiated by the

CRC office working with region Program Management office and HQ AFS office as has been done in the past. Please let me know if future ODOT billings can be sent manually under XL3679 as we have done in the past.

Keith A. Daly

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From: Ahlsten, Steve [mailto:AhlsteS@wsdot.wa.gov]
Sent: Thursday, October 29, 2009 2:01 PM
To: Daly, Keith
Subject: RE: CRC Project ODOT Billings and 50/50 Share

I want to be sure we are talking the same language. When you say I wont see ODOT's direct expenses, I trust you literally mean ODOT's costs {charges that ODOT may be servicing themselves}, rather than the costs we as DOT incur and are "billing" ODOT 50% for. If so, that is fine. I only need to reconcile costs we incur and bill to them or not.

About the billing; . If there are charges in a given month, you can expect an invoice will be sent about 2 or three days after trains month end. Customers have 38 days from the date the invoices are printed to make a timely payment. That allows us enough time for the customer to receive the bill with 30 days to spare.

From: Daly, Keith [mailto:dalyk@columbiarivercrossing.com]
Sent: Thursday, October 29, 2009 1:37 PM
To: Ahlsten, Steve
Cc: McCollum, Kathleen
Subject: RE: CRC Project ODOT Billings and 50/50 Share

Steve,

Work Orders XL2268, XL3604, and XL3679 are directly related of ODOT's 50/50 share with respect to Agreement GCA4723. Once we exhaust all funds under Work Order XL3679 we plan to open XL3604 back up and begin charging to this work order. One thing you will not be able to account for in your review of the 50/50 share is ODOT's direct expenses towards the project which they report to the CRC Project monthly (currently around \$4.0 million).

You mentioned that under XL3679 ODOT will get a monthly bill if there are any charges on work order. Does this billing get sent out automatically on a specific date and is the amount of billing automatically calculated or will the CRC office know amount of billing prior to being sent to ODOT?

Let me know if you need any additional information from me and thanks for your help.

Keith A. Daly

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From: Ahlsten, Steve [mailto:AhlsteS@wsdot.wa.gov]
Sent: Thursday, October 29, 2009 10:40 AM
To: Daly, Keith
Cc: McCollum, Kathleen
Subject:

I just thought; in the past we have flip flopped between monthly, quarterly and on demand billing requests to ODOT on the CRC project. With XL3679, all charges being reimbursed by ODOT, they will get a bill monthly (if there are any charges). Now that we are closing all the old work orders in favor of new ones, can you give

me a list of all the CRC projects directly related of ODOT's 50/50 share with respect to GCA4723. Looks like XL3679 and XL2268 are the only ones? As we start over again, I'd like to see how close to 50/50 everything is.

Steve Ahlsten, FA3

Division of Accounting & Financial Services

6:30am-5:00pm; M,T,TH,F