



(Board Copy)  
Washington Metropolitan Area Transit Authority  
**METRO ELECTRONIC ACTION  
DOCUMENT**

| IDENTIFICATION          |                   |                      |                  |
|-------------------------|-------------------|----------------------|------------------|
| MEAD ID:                | 99382             | ACTION:              | Initiate & Award |
| AWARD VALUE:            | (Not yet awarded) | CONTRACT: (Proposed) |                  |
| FUND SOURCES:<br>(View) | Operating Funds   | CONTRACTOR:          |                  |
| LAST MODIFIED:          | 05/09/2006        |                      |                  |

| DESCRIPTION |  |
|-------------|--|
| SUBJECT:    | Increase of contract authority for the Bank of America DR/CR processing.   |
| PURPOSE:    | Increase the authorized spending level of the second contract option year. |

| ORIGINATION                |              |         |  |       |         |
|----------------------------|--------------|---------|--|-------|---------|
| INITIATOR                  |              |         | DEPARTMENTAL APPROVAL                  |       |         |
| ASIA BULLOCK on 03/20/2006 |              |         | Approved by WOODRUFF, HARRY 05/10/2006 |       |         |
| PHONE:                     | 202-962-2203 | OFFICE: | ACCT                                   | DEPT: | Finance |

| COORDINATION (ROUTING) |                 |                     |
|------------------------|-----------------|---------------------|
| OFFICE                 | NAME            | ACTION/DATE         |
| CFO1 (2110)            | WOODRUFF, HARRY | Approved 05/10/2006 |
| CFO1 (2110)            | WOODRUFF, HARRY | Approved 05/10/2006 |
| AUDT (7210)            | STEWART, JAMES  | Approved 05/10/2006 |
| COUN (1410)            | O'KEEFFE, CAROL | Approved 05/10/2006 |

| FINAL APPROVALS |   |
|-----------------|---|
| OFFICE          | NAME/ACTION                                 |
| BUDGET_CMTE     | PETER BENJAMIN (Not Yet Approved)           |
| BEMR            | Approved for by Emeka Moneme on 05/12/2006  |
| GM              | Approved for GMGR by GMGR CEO on 05/12/2006 |
| BOARD           | BOARD WMATA (Not Yet Approved)              |



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**NARRATIVE**

Discussion:

The Authority contracts with Bank of America to Process bankcard transactions. This allows customers to purchase fare media with their credit and debit cards. This contract had a three year base and two one year options. Option two is currently in effect.

|                 |                                      |
|-----------------|--------------------------------------|
| Base Period     | December 1, 2001 - November 30, 2004 |
| Option Year One | December 1, 2004 - November 30, 2005 |
| Option Year Two | December 1, 2005 - November 30, 2006 |

The contract contains a fixed cost per transaction. The volume of customers using plastic to purchase fare media has increased at a rate much faster than assumed when the contract was awarded in 2001.

The contract award contained a maximum value that will be surpassed unless additional contract authority is approved. Staff estimates a need to increase the contract authority by \$2 million. The contract authority increase would apply to option year two and allow WMATA to continue accepting credit and debit cards for payment through the end of the contract.

Alternatives:

Stop accepting credit and debit cards for payment when the maximum contract authority is reached. Or, continue accepting credit and debit payments but exceed the Board authorized contract authority for this activity.

Impact on Funding:

What is being requested by this action is an increase in contract authority. No change to the budget is being proposed. The expense for credit and debit transaction fees is budgeted within the Division of Finance, and as of March 31, 2006 the Division is under budget in total. The proposed fiscal 2007 budget already reflects the higher use of credit and debit cards and needs no further increase.

Remarks:

None

Affirmative Action Requirements:

Equal Employment Opportunity:

Disadvantaged Business Enterprise:

Recommendation:

Authorize a \$2 million increase in contract authority and allow for the continued acceptance of credit and debit cards for customers purchasing fare media.