

Washington Metropolitan Area Transit Authority
Board Action/Information Summary

<input checked="" type="radio"/> Action <input type="radio"/> Information	MEAD Number: 100058	Resolution: <input checked="" type="radio"/> Yes <input type="radio"/> No
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TITLE:

Dollar Coin Dispensing

PURPOSE:

To request approval from the Board of Directors to 1) authorize the General Manager to negotiate and execute a cooperative agreement with the United States Mint to advance the circulation of the dollar coin in the Metrorail System, 2) approve a sole source action to Cubic Transportation Systems for software changes and 3) authorize an interim funding source as a financial backstop until receipt of funds from the Mint.

DESCRIPTION:

The Presidential Dollar Coin Act of 2005 (Act) mandated the redesign and issuance of circulating \$1 coins to honor past presidents of the United States. The Act mandates that any business operations involving coins or currency conducted by "transit systems that receive operational subsidies or any disbursement of funds from the Federal Government" must be capable of accepting and dispensing the \$1 coins and must display signage noting such capability.

The Authority has taken steps to accept the dollar coin on board Metrobus, at metered parking locations and at all Metrorail fare vendors. However, because the Metrorail fare vendors dispense change, they must be upgraded to dispense the dollar coin. This upgrade involves the development, testing and deployment of new device-level software and the retrofit of coin hoppers to dispense the dollar coin.

To accomplish this last step, the US Mint and the Authority are proposing to enter into a mutually beneficial cooperative agreement to enhance the circulation of the dollar coin to Metrorail customers.

The software embedded in the farecard vendors was developed by Cubic Transportation Systems of San Diego, California, who is the only firm that can modify the existing software at minimal risk.

FUNDING IMPACT:

An interim funding source is required until completion of the work covered by the agreement. The interim funding source will be Services - Smart Card account in the FY09 operating budget totaling \$750,000. Under the terms of the cooperative agreement, these funds will be reimbursed by the United States Mint.

From a long-term operating impact, the dollar coin should not have an adverse impact on servicing of the fare machines and, although there will be a higher value of un-deposited revenue in the system, lost investment revenue should be less than \$20,000 annually.

RECOMMENDATION:

Staff recommends approval from the Board of Directors to 1) authorize the General Manager to negotiate and execute a cooperative agreement with the United States Mint to advance the circulation of the Dollar Coin in the Metrorail System, 2) approve a sole source action to Cubic Transportation Systems for software changes and 3) authorize an interim funding source as a financial backstop until receipt of funds from the Mint.

PRESENTED AND ADOPTED:

SUBJECT: APPROVAL OF COOPERATIVE AGREEMENT WITH THE UNITED STATES MINT

PROPOSED
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

WHEREAS, The United States Mint has introduced a new dollar coin; and


WHEREAS, The Congress of the United States mandated that various entities, including transit agencies, accept and dispense the dollar coin; and

WHEREAS, The United States Mint is interested in using Metro to increase consumer awareness of the new dollar coin; now, therefore be it

RESOLVED, That the Board of Directors authorizes the General Manager to negotiate and execute a cooperative agreement with the United States Mint to both enhance the circulation of the dollar coin and Metro's acceptance and distribution of the coin; and be it finally

RESOLVED, that this Resolution is effective immediately.

Reviewed as to legal form and sufficiency:



Carol B. O'Keeffe
General Counsel