

Washington Metropolitan Area Transit Authority
Board Action/Information Summary

<input checked="" type="radio"/> Action <input type="radio"/> Information	MEAD Number: 100110	Resolution: <input checked="" type="radio"/> Yes <input type="radio"/> No
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TITLE:

Pay Phone Bills & Upgrade Com.

PURPOSE:

The purpose of this request is to obtain approval to use existing operating funds to procure equipment and services to upgrade WMATA's communication system (as approved in MEAD #99545), and to grant the indemnification associated with the purchase of the new communication system.

DESCRIPTION:

IT proposes to maintain the FY 2008 and 2009 operating budget levels for IT Services - Other, to cover all telephone system bills and expenses including the cost of upgrading WMATA's voice communication system via a sixty-month lease.

All telephone system costs including the annual lease cost for the upgraded communication system will be covered by the FY 2009 operating budget. Commitments for FY 2010 and beyond are subject to Board approval of the FY 2010 thru FY 2014 budgets and availability of funds.

Indemnification

The leasing documents for the system require the Authority to indemnify CIT Communications Finance Corporation against all losses due to the Authority's actions, inactions, negligence or willful misconduct directly or indirectly arising out of or connected with the Equipment or Fundamental Agreement. Indemnification is a matter for which Board consent is required.

FUNDING IMPACT:

Budget: Operating Budget

Office: Network and Communications

Project: Services - Other (Non-Personnel Operating Budget)

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Budget Information:	FY09	FY10	FY11-FY14	TOTAL
Budget Amount:	\$3,000,000	\$3,000,000	\$12,000,000	\$18,000,000
This Action Upgrade Phone System:	\$558,270	\$1,116,540	\$3,907,890	\$5,582,700
This Action Other Communication Expenses:	\$2,182,040	\$1,561,740	\$7,046,520	\$10,790,300
Total This Action:	\$2,740,310	\$2,678,280	\$10,954,410	\$16,373,000
Prior Actions:	\$259,690	\$321,720	\$1,045,590	\$1,627,000
Subtotal:	\$3,000,000	\$3,000,000	\$12,000,000	\$18,000,000
Remaining Budget:	\$0	\$0	\$0	\$0

OPERATING BUDGET IMPACT: There are no operating budget impacts associated with this MEAD.

CAPITAL BUDGET IMPACT: There are no capital budget impacts associated with this MEAD.

REMARKS: This system will be financed by a sixty-month term lease, with a \$1 dollar buy-out.

This action is subject to Board approval of the FY10 through FY14 budgets and availability of funds.

RECOMMENDATION:

The Board approves the use of existing Operating funds in lieu of the previously approved capital funds to procure equipment and services to upgrade WMATA's communication system maintaining the FY 2008 and 2009 telecommunication expense budget levels. This action is subject to Board approval of the FY10 through FY14 budgets and availability of funds.

The Board approves the granting of the indemnification described above to CIT Communications Finance Corporation.