



Washington Metropolitan Area Transit Authority

Pay Phone Program Update

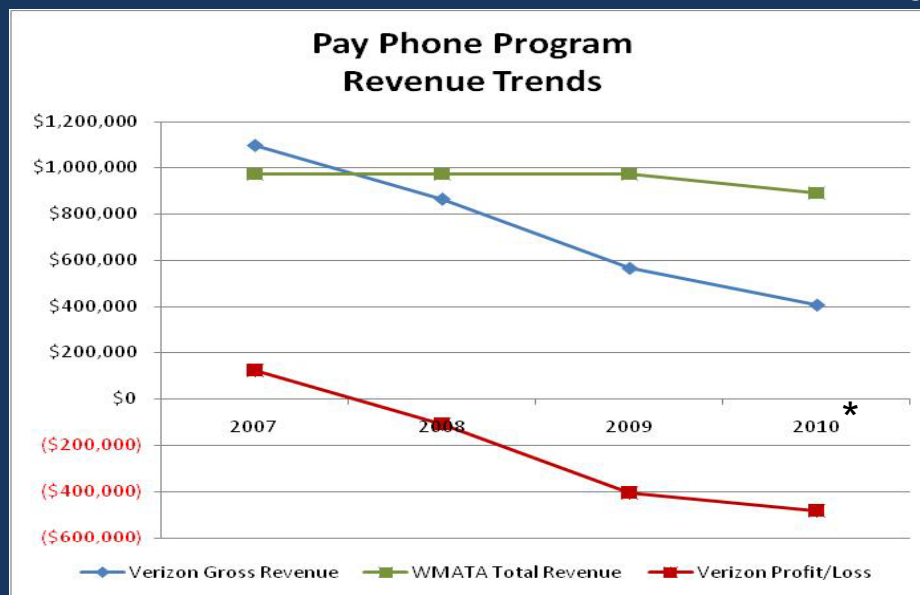
Riders' Advisory Council (RAC)

January 5, 2011



Current Pay Phone Program

1. Existing 10-year revenue generating contract with Verizon ends March 2011
2. Revenue (Commission and Guaranteed Payments)



*2010 includes January to November (11 months)

3. RFP issued September 2010 and no offers received.
4. Market Research—Largest 12 transit agencies are abandoning pay phone services as contracts expire. There is no legal requirement to maintain.



Future Pay Phone Program Options

Option	Description	Assessment	Financial Impact*
1	Maintain all pay phones	<ul style="list-style-type: none">•1,074 phones•\$85/phone per month	Annual Cost \$1.07MM
2	Maintain only profitable and TTY pay phones	<ul style="list-style-type: none">•214 phones•Requires service agreement•Locations are not optimal•Profitability continues to decline	Net Annual Cost \$85K (Revenue \$25K + Cost \$110K)
3	Maintain only TTY pay phones inside paid areas	<ul style="list-style-type: none">•108 phones (1 per station entrance)•Requires service agreement•Potential additional installation costs	Net Annual Cost \$110K
4	Abandon pay phone service	<ul style="list-style-type: none">•0 phones•No revenue or cost•Potential public safety concerns and political implications	Net Annual Cost \$0

*FY12 Budget assumes no revenue or cost from Pay Phone Program. Each option results in an annual revenue loss of \$1MM.



Next Steps

1. Obtain key stakeholder input on options

ACC—Completed December 6, 2010

JCC—Completed December 17, 2010

RAC—January 5, 2011

2. Determine impact to Silver Spring Transit Center and Dulles Extension Projects

3. Present recommendation to Board—January 27, 2011