



March 22, 2001

TO: BOARD OF DIRECTORS

FROM: COLONUS MITCHELL *Colonus Mitchell*  
EXECUTIVE OFFICER, PROCUREMENT

SUBJECT: REDUCED FARE ID CARDS

*RS*  
Metropolitan  
Transportation  
Authority

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**ISSUE**

The MTA Board received a letter from 308 Systems dated March 12, 2001 requesting consideration of its claim for damages previously rejected by staff. MTA staff is re-examining the issues raised by 308 Systems and will update the Board at its April meeting.

**BACKGROUND**

At its March 2000 Board meeting, the Board approved a contract with 308 Systems to provide reduced fare ID cards. The reduced fare ID cards contract allowed the MTA to continue to process applications for photo identification cards for students, seniors and disabled patrons, to enable them to purchase MTA fare media at a discount. Eligible customers are issued a security-laminated card with their picture, name and expiration date. The contract services require capturing the data from the applications, and inputting it into a database, generating a card and then mailing it to the customer.

MTA staff identified ongoing quality issues with the work produced under this contract. 308 Systems requested an increase in price and relief from contract performance requirements. MTA did not agree to the requested changes in the performance requirement and 308 Systems ceased work on this contract in December 2000.

**NEXT STEPS**

Staff will meet with 308 Systems to discuss issues raised in the letter. Staff will keep the Board informed regarding this issue.