



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

IDENTIFICATION			
MEAD ID:	98238	ACTION:	N/A
AWARD VALUE:	(Not yet awarded)	CONTRACT: (Proposed)	
FUND SOURCES: ( <a href="#">View</a> )	Operating Funds	CONTRACTOR:	
LAST MODIFIED:	08/11/2005		

DESCRIPTION	
SUBJECT:	Additional MACS office space at 8405 Colesville Road, Silver Spring, Maryland.
PURPOSE:	To amend the existing lease between WMATA and TrizecHahn Silver Spring Metro Plaza LLC for an additional 8,600 square feet of office space at 8405 Colesville Road, Silver Spring, Maryland.

ORIGINATION				
INITIATOR			DEPARTMENTAL APPROVAL	
ANABELA TALAIA on 08/01/2005			Approved by SALPEAS , PANAGIOTIS 08/09/2005	
PHONE:	--	OFFICE:	LAND	DEPT: Secretary and Chief of St

COORDINATION (ROUTING)		
OFFICE	NAME	ACTION/DATE
LAND (7310)	MALASKY, GARY	Approved 08/08/2005
LAND (7310)	MALASKY, GARY	Approved 08/08/2005
SCOS (7100)	BARTLETT, HAROLD	Re-assigned 08/05/2005
AGMM (4100)	SALPEAS, PANAGIOTIS	Approved 08/09/2005
COUN (1410)	O'KEEFFE, CAROL	Approved w/ Comments 08/09/2005
BEMR (7600)	WILKINS, PAMELA	Approved 08/08/2005
FIMA (2310)	BOULDRY JR, BURTON	Re-assigned 08/10/2005

FINAL APPROVALS	
OFFICE	NAME/ACTION
BEMR	HAROLD BARTLETT (Not Yet Approved)
PLN_DEV_CMTE	Approved for AGMM by PANAGIOTIS SALPEAS on 08/09/2005
BEMR	Approved for SCOS by HAROLD BARTLETT on 08/12/2005
GM	Approved for GMGR by GMGR CEO on 08/12/2005
BOARD	BOARD WMATA (Not Yet Approved)



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**NARRATIVE**

**BACKGROUND:**

WMATA has occupied three floors (30,500 square feet) of office space at 8405 Colesville Road in Silver Spring, Maryland since October of 1999. The third and fifth floors are occupied by the Office of Customer Service (CSVC); the fourth floor is occupied by the Office of Metro Access (MACS) and its paratransit service provider, LogistiCare. Additional office space is required for a transition of responsibility between the current paratransit contractor and a successor contractor to perform the new contract services.

The 9,000 square feet of office space on the fourth floor is entirely occupied by employees of LogistiCare except for the five MACS employees who manage the contract. The second floor of 8405 Colesville Road contains approximately 8,600 square feet, is currently vacant, and would accommodate a parallel operation during the anticipated transition period between contractors as well as serve as permanent office space for the WMATA staff. MACS has explored the possibility of creating a parallel office at the Carmen Turner Facility, but the cost of installing a switch for the telephone system alone was estimated at \$1,000,000, an expense not necessary for the existing location. Additionally, there already exist system redundancies at the location as back-up in case of primary systems failures.

TrizecHahn Silver Spring Metro Plaza LLC, the Landlord, has agreed to lease the second floor at \$23.00 per square foot per year (\$198,000) with 3% annual increases. This rental rate is in line with WMATA's appraisal of the market. Trizec has also agreed to a \$60,000 (\$7.00 per square foot) Tenant Improvement Allowance for new carpeting and the installation of a separately metered Heating, Ventilating, and Air Conditioning (HVAC) unit. The MACS contractor operation has employees working on the premises virtually 24 hours per day, seven days per week, requiring that the Landlord supply the space with continuous HVAC, which is not a standard practice in office building leases.

The current lease expires September 30, 2009. The space requirements for the restructured paratransit group are unknown. Trizec would not agree to a month-to-month tenancy for the second floor, however, it has agreed to an amendment adding the second floor to the existing lease for a term beginning October 1, 2005 and expiring on September 30, 2009. WMATA has the option of terminating the amendment for the second floor on December 31, 2006 by sending the Landlord written notice no later than March 31, 2006 and by paying the unamortized costs of the Tenant Improvement Allowance (\$43,000).

This lease is essential to the timely and organized transition of the paratransit service provider and funds are provided in the FY06 budget. WMATA estimated move-in cost is \$325,000.

**ALTERNATIVE:**

Do not lease additional space for MACS at 8405 Colesville Road. Any alternative space elsewhere would be extraordinarily costly to duplicate in terms of the communications infrastructure and would very likely cause delay in transitioning the paratransit contractors.

**IMPACT ON FUNDING:**

Project Title: Paratransit Services Operating Budget  
 Budget Information: FY2006 - FY2010  
 Account Title: Paratransit Transportation  
 Account Number: 5030-2010

Rental expenses for the period of October 1, 2005 through September 30, 2009 are projected as follows:

FY06	\$160,000	prorated for 9 months
FY07	\$225,000	
FY08	\$230,000	
FY09	\$240,000	

FY10	\$ 60,000	prorated for 3 months
Total	\$915,000	
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RECOMMENDATION:

That the Board approve amending the existing lease between WMATA and TrizecHahn Silver Spring Metro Plaza LLC for an additional 8,600 square feet of office space at 8405 Colesville Road, Silver Spring, Maryland.