

**Washington Metropolitan Area Transportation Authority
Board Action/Information Summary**

<input checked="" type="checkbox"/> Action <input type="checkbox"/> Information	MEAD Number: 99838	Resolution: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
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PURPOSE

To obtain Board approval of a lease with JBG/RIC L.L.C., including indemnification provisions, for WMATA's communications system at Reston International Center in Reston, Virginia.

DESCRIPTION

WMATA has leased a portion of the roof and the lower level at Reston International Center, 1800 Sunrise Valley Drive in Reston, Virginia for antennas and ancillary equipment since August 1, 2001. WMATA has a continuing need for this location to maintain its regional communications network. The original term of the lease expired July 31, 2006. The lease contains a renewal option of five (5) years, which WMATA duly exercised, and includes indemnification provisions which require Board approval.

The indemnification language in the lease is as follows:

1) WMATA shall reimburse Landlord for, and shall indemnify, defend upon request and hold Landlord, its employees and agents harmless from and against, all costs, damages, claims, liabilities, expenses (including attorneys' fees), losses and court costs suffered by or claimed against Landlord, directly or indirectly, based on or arising out of, in whole or in part, (a) use and occupancy of the Premises or the equipment located herein including, without limitation, any radio frequency radiation and/or electromagnetic fields produced thereon or emanating therefrom, (b) any act or omission of WMATA or any Invitee, (c) any breach of WMATA's obligations under this Lease, including failure to surrender the Premises and/or vacate the Antenna Area and/or the Associated Equipment Area upon the expiration or earlier termination of the Lease Term, or (d) any entry by WMATA or any Invitee upon the land prior to the Lease Commencement Date.

2) WMATA covenants and agrees to indemnify and to hold the Landlord harmless from and against all expenses incurred by Landlord and the claims of any third parties, including any consequential damages, as a result of any damage or injury resulting from WMATA's personal property, the operation thereof, and WMATA's failure to

observe and perform each and every covenant, condition and agreement on WMATA's part to be kept, observed or performed under this Lease.

3) WMATA covenants and agrees to comply at its own expense, with all present and future laws, orders, ordinances, and regulations, including without limitation, the Occupational Safety and Health Act, the Federal Communication Act of 1934, as amended, and any requirements imposed by the Federal Aviation Administration (collectively, "Laws") of, and to pay all taxes, impositions, and charges imposed, or levied, by Federal, State, County and Municipal authorities (including directions of public officers thereunder), with respect to all matters of occupancy, condition, or maintenance of the Premises and the presence of the Permitted Equipment on the Premises, whether such Laws, taxes, charges or impositions shall be directed to WMATA or Landlord, and WMATA shall hold Landlord harmless from any cost or expense on account thereof. If any such expense is attributable to the permitted equipment of more than one (1) tenant, each tenant shall bear a proportionate share of such total cost or expense.

4) WMATA expressly agrees to hold Landlord harmless from and against all loss and damages, direct and consequential, which Landlord may suffer in connection with claims by other parties against Landlord arising out of the holding over by WMATA, including, without limitation, attorney's fees which may be incurred by Landlord in defense of such claims.

5) WMATA shall indemnify and hold Landlord harmless from and against any claim for brokerage or other commissions asserted by any broker, agent, or finder employed by WMATA or with whom WMATA has dealt other than the Broker(s).

6) WMATA will provide a letter of self-insurance which sets forth the amounts and extent of WMATA's self-insurance to satisfy the insurance requirements as set forth in the Lease.

FUNDING IMPACT

	FY08	FY09	FY10	FY11	Total
Budget:	\$55,622	\$57,847	\$60,160	\$5,029	\$178,658
This Action:	\$55,622	\$57,847	\$60,160	\$5,029	\$178,658
Prior Approval:	0	0	0	0	0
Remaining Budget:	0	0	0	0	0

Remarks: Payments under this Lease beyond FY08 are subject to Board appropriation of funds.

There is no immediate financial impact associated with the proposed indemnification action. Indemnification of the landlord as described above could, however, result in a potential financial exposure which cannot be quantified at this time. WMATA is self-insured up to \$5 million per occurrence with excess liability coverage beyond that.

RECOMMENDATION

That the Board approves the lease, including indemnification provisions, with JBG/RIC L.L.C. for WMATA's communications system at Reston International Center in Reston, Virginia.