

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

☒ Action ☐ Information

MEAD Number:  
202220

Resolution:  
☒ Yes ☐ No

**TITLE:**

Indemnification of Parking Providers

**PRESENTATION SUMMARY:**

Metro is undertaking a 6-month pilot program to eliminate the early morning and late night “employee trains” and instead provide parking spaces for Metrorail station managers in 46 Metro’s parking facilities and in 45 private parking garages. In anticipation of property owners and/or parking operators requiring that Metro indemnify them, which is an unfunded liability, staff seeks Board approval to indemnify property owners and/or parking operators, if required.

**PURPOSE:**

To request Board approval to execute parking space agreements with up to 25 property owners and/or parking operators, which agreements may include indemnification provisions.

**DESCRIPTION:**

Staff has identified parking sites at 45 Metrorail stations to be used primarily by station managers that open and close the Metrorail system each day. Metro is in negotiations with multiple owners of parking spaces and/or parking management companies covering the 45 stations throughout the Metrorail system. It is anticipated that several agreements will contain indemnification language, which require Board approval as an unfunded liability. Staff is in the process of identifying locations and the numerous parking owners and operators with whom staff will negotiate. The Board will receive the final list of interested parties upon the finalization of parking space agreements.

**Key Highlights:**

- In support of a six-month pilot to eliminate “employee trains” beginning January 2021, Metro will provide parking for Metrorail station managers.
- The benefit to the Metrorail system of eliminating employee trains is increased overnight track access time for maintenance activities.
- Metro will provide parking spaces at 46 Metro-owned parking facilities, and will enter into parking space agreements at the remaining 45 Metrorail stations where Metro does not own parking.
- Staff anticipates that several property owners and/or parking operators will require indemnification for use of their parking spaces.

**Background and History:**

Metro provides morning and evening employee trains which deliver and pick up station managers at the 91 Metrorail stations in order to open and close the rail system each day. In an effort to maximize the Metro nightly operational repair and maintenance window during non-revenue hours, a pilot program will be launched in January 2021 that eliminates the employee train, thereby lengthening the window and allowing for greater operational efficiency.

As a result of eliminating the employee trains, arrangements are being made to provide parking spaces for station managers who open and close the Metrorail system. Of the 91 stations, staff has identified 46 stations where designated parking spaces can be provided on Metro property. For the remaining 45 Metrorail stations, Metro cannot provide parking on its own property. Negotiations are underway with up to 25 property owners and/or parking management companies (i.e. parking operators). Staff anticipates that several of these entities will not agree to an indemnification-free agreement.

#### **Discussion:**

While Metro does not typically indemnify third-parties because such a provision subjects Metro to a potentially unfunded liability, agreeing to indemnify another party is required from time to time and requires Board approval. Given that Metro does not own parking at every single Metrorail station and needs to enter into parking space agreements with private parking owners or operators to effectuate the station manager parking pilot program, staff recommends Board approval of the indemnification, if necessary.

#### **FUNDING IMPACT:**

The indemnification language in the leases do not allow for quantitative analysis of any future impact on funding, if any.	
Project Manager:	Anabela Talaia
Project Department/Office:	CFO/LAND

#### **TIMELINE:**

Previous Actions	None
Anticipated actions after presentation	December 2020: Execute parking space agreements January/February 2021: Start 6-month pilot

#### **RECOMMENDATION:**

Board approval to execute parking space agreements with up to 25 property owners and/or parking operators, which agreements may include indemnification provisions.

**SUBJECT: APPROVAL TO INDEMNIFY PARKING OWNERS AND/OR OPERATORS FOR  
STATION MANAGER PARKING**

**2020-41**

**RESOLUTION  
OF THE  
BOARD OF DIRECTORS  
OF THE  
WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY**

WHEREAS, Resolution 2011-30 requires Board approval for WMATA to indemnify a counterparty; and

WHEREAS, In order to provide parking spaces for Metrorail station managers at all Metro stations, WMATA must enter into parking space agreements; and


WHEREAS, Staff anticipates that these parking space agreements will contain an indemnity in favor of the respective counterparties which is common in the industry;

NOW, THEREFORE be it

*RESOLVED*, That the Board of Directors authorizes the General Manager/Chief Executive Officer or his designee to include an indemnity in favor of the counterparties as may be required by their respective agreements to provide parking spaces for Metrorail station managers; and be it finally

*RESOLVED*, That in order to timely execute the parking space agreements, this Resolution shall be effective immediately.

Reviewed as to form and legal sufficiency,

  
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Patricia Y. Lee  
Executive Vice President and General Counsel

WMATA File Structure No.:  
15.2.1 Grants of Indemnification

**Motioned by Mr. Smedberg, seconded by Ms. Gidigbi  
Ayes: 8- Mr. Smedberg, Ms. Gidigbi, Mr. Goldman, Mr. Horner, Mr. Letourneau, Mr. Marootian, Mr. Graham  
and Mr. McMillin**