

Metrorail Safety Commission

March 27, 2018

Agenda Item # 2 – Informational

Staff Report

Background Updates and reports on ongoing activities following the March 13, 2018 Metrorail Safety Commission Board Meeting.

Issues None

Staff
Recommendation Receive staff report

M E M O R A N D U M

Date: March 27, 2018
To: Metrorail Safety Commission Board Members
From: Allison Fultz, Acting Secretary, MSC (Kaplan Kirsch Rockwell LLP)
Subject: March 13, 2018 MSC Board Meeting Follow-Up Items

The following information below is a status report of the action items pending at the conclusion of the March 13, 2018 MSC Board of Commissioners meeting:

March 13, 2018 Meeting Agenda Item #	Item
	Pending Items
5.	Commission Member Greg Hull and Alternate John Contestabile to sign and submit the Comprehensive Acknowledgement Form.
	Completed Items
5.	Alternate John Contestabile has confirmed he was sworn in on November 21, 2017, by Michelle Cutsail, Clerk of the Court, in Carroll County
6.	Action by Acting Secretary: <ol style="list-style-type: none">1. Employer Identification Number obtained from IRS2. Web domain name WMSC.gov obtained from domain registrar.

To: Metrorail Safety Commissioners
From: Sarah Conroy, HR Director (CliftonLarsonAllen)
Metrorail Safety Commission
Date: March 27, 2018
Subject: Directors & Officers Insurance Coverage
For Commissioners

This memo will serve to update the Commission on the status of the request made at the meeting of March 13, 2018 that additional Directors & Officers Insurance coverage be obtained to cover each Commissioner in the carrying out of their duties for the Commission. This coverage has been requested and will be proposed for procurement as soon as possible. In researching the requirements, it is evident that the Commission compact indemnifies the entire commission, including employees, resulting in the need for little additional coverage. I have requested a best-practice recommendation from two brokers who in turn will price this with several carriers for best rates. More detail on this along with proposed coverages and rates will be made available for consideration as soon as the quotes are final.

M E M O R A N D U M

Date: March 27, 2018
To: Metrorail Safety Commission Board Members
From: Nicholas Ramfos, COG/TPB Staff
Subject: FFY 2016 SSOA Grant Application

The FFY206 MSC State Safety Oversight Agency (SSOA) grant application was submitted to the FTA on March 16, 2018. COG applied for \$1,654,058 in FFY16 Section 5329(e) State Safety Oversight (SSO) Program funds towards the activities of the Tri-State Oversight Committee (TOC), which is currently responsible for the oversight of the Washington Metropolitan Area Transit Authority (WMATA) Metrorail system pending the reconstitution of the TOC into the Metro Safety Commission (MSC).

The non-Federal share of \$413,515 will be provided by the District of Columbia, the State of Maryland, and the Commonwealth of Virginia in equal shares of \$137,838.33 each.

Budget:

\$950,000 – Administrative Expenses

MSC staff salaries, benefits, office space, and other direct expenses needed to operate the MSC on a day-to day basis.

This Activity Line Item funds the expenses incurred by COG and future MSC staff to provide SSO grant administration for the TOC/MSC, to include indirect costs. Specific tasks include: 1) Monitoring grant supported activities to ensure compliance with applicable Federal requirements, including compliance with the Federal regulations, the Master Grant Agreement, and applicable FTA circulars. 2) Monitor compliance on the part of agencies, consultants, contractors, and subcontractors working under approved third-party contracts or inter-agency agreements, including expenditure and budget tracking, invoice review, and annual audits. 3) Prepare and submit FTA required reports, including FFRs, MPSRs, semi-annual DBE reports, annual Certifications & Assurances, and required documentation for the Federal Funding Accountability and Transparency Act (FFATA). 4) Maintain FTA required reports and records in an electronic library. 5.0 Provide human resources, procurement and accounting functions.

\$375,000 – INFORMATION SYSTEMS

This Activity Line Item funds the purchase of IT hardware and software equipment and supplies for the TOC/MSC SSO agency personnel, such as laptops, software licenses, printers, phones, phone service, and Wi-Fi, the operation and maintenance of a web site and IT consultant support services.

\$742,573 – Consultant Services – Legal

This Activity Line Item funds legal consulting services to support the organizational, enforcement authority, and regulatory work activities required for the MSC agency to operate as an independent and fully functional SSOA in accordance with MAP-21 requirements under 49 U.S.C. 5329(e). Specific work activities will include: 1) Review and implementation of additional MAP-21, rulemaking, regulations, or guidance for SSOAs and the SSO program, including the preparation of policies and procedures for the MSC. 2) Assistance by a legal consultant team to meet the legislative compact requirements, MSC Bylaws and other daily operating policies and procedures of the organization.

The application is currently under review by the FTA.

M E M O R A N D U M

Date: March 27, 2018
To: Metrorail Safety Commission Board Members
From: Nicholas Ramfos, COG/TPB Staff
Subject: **MSC Board Agenda Item Look Ahead Items**

Below is the anticipated look ahead items for the upcoming MSC Board Meetings:

April 10

Board Elections
MSC Workload Assessment
Personnel
Benefits Package

April 24

MSC Workload Assessment
Personnel
Training
Master Agreement
Budget

May 8

Personnel
Training
Federal Transit Administration

May 22

Training
Program Standard
Standard Operating Procedures

June 5

Program Standard
Standard Operating Procedures

June 19

Certification Application

M E M O R A N D U M

Date: March 27, 2018
To: Metrorail Safety Commission Board Members
From: Nicholas Ramfos, COG/TPB Staff
Subject: MSC Sublease Agreement

A sublease agreement was signed between the Metropolitan Washington Council of Governments (COG) and the International City/County Management Association (ICMA) on February 5, 2018 on behalf of the MSC. The subleased space is approximately 1,663 square feet and is Suites 401 and 402 on the 4th floor of the 777 North Capitol Street, NE, building in Washington, DC 20002.

The term of the sublease is one (1) year and can be extended by a year with six months prior written notice. The sublease will also be re-assigned from COG to the MSC once the MSC is fully certified by the FTA. The base annual rent is \$49.00 per square foot at an annual cost of \$81, 487. A copy of the Sublease Agreement is attached along with a floor plan.

COG staff is currently working to have the space re-painted and carpeted and will also be working with a rental firm on floor design and furniture. An IT firm has been retained (Raffa) through CliftonLarsonAllen to wire the office as well as set up the computer equipment, servers, email, the website as well as technology protocols for the MSC.

SUBLEASE AGREEMENT

THIS SUBLEASE AGREEMENT ("Sublease") is made this 5 day of February, 2018, between the INTERNATIONAL CITY/COUNTY MANAGEMENT ASSOCIATION ("ICMA"/"Sublandlord") and the METROPOLITAN WASHINGTON COUNCIL OF GOVERNMENTS ("COG"/"Subtenant"), collectively, "the Parties," to sublease property located at 777 North Capitol Street, N.E., Washington, D.C. 20002 ("Sublease").

ARTICLE I REFERENCE DATA

1.1 Each reference in this Sublease to any of the following subjects shall be construed to incorporate the data stated for that subject in this Section 1.1:

ICMA's/Sublandlord's Address:	777 North Capitol Street, N.E., Suite 500 Washington, D.C. 20002 Attention: _____
COG's/Subtenant's Address:	777 North Capitol Street, N.E., Suite 300 Washington, D.C. 20002 Attention: Rick Konrad, Contracts & Purchasing Manager
Overlandlord:	Center for Public Administration and Service, Inc. ("CPAS"), a District of Columbia not for profit corporation 777 North Capitol Street, N.E., Suite 305 Washington, D.C. 20002
Overlease:	A Fourth Amended and Restated Office Lease, effective December 18, 2015, as amended
Building:	777 North Capitol Street, N.E., Washington, D.C. 20002
Property/ Land:	The Land at 777 North Capitol Street, N.E., Washington, D.C. 20002, and the Building.
Subleased Space/Premises:	Approximately 1,663 square feet of rentable floor area on the fourth (4 th) floor of the Building, known as Suites 401 and 402. ICMA's architect shall have the right to confirm this measurement prior to the Sublease execution. A floor plan with the Subleased Space outlined is attached as <u>Exhibit B</u> .
Sublease Term:	One (1) year from the Sublease Commencement Date. COG has the option to extend the lease for one (1) additional year by providing six (6) months prior written notice, with an escalation of the Annual Base Rent of four percent (4.0%) per year. Notwithstanding the foregoing, in

the event ICMA requires the use of the Premises, at the time of COG's written notice, ICMA will notify COG of its intent to recapture the Premises and COG's right to renew will be null and void.

Rentable Area: Approximately 1,663 square feet.

Sublease Commencement Date: Upon substantial completion of construction of the Subleased Space, estimated to be March 15, 2018.

Term Expiration Date: One (1) year from the Sublease Commencement Date.

Base Annual Rent: \$49.00 per rentable square foot per year, which is equivalent to Eighty-One Thousand Four Hundred Eighty-Seven and 00/100 (\$81,487.00). Full Service.

Permitted Uses: All uses permitted in the Overlease.

1.2 Exhibits. The exhibits listed below are incorporated in this Sublease by reference and are construed as part of this Sublease.

EXHIBIT A Overlease with certain portions thereof and all amendments thereto intentionally deleted.

EXHIBIT B Floor Plan of Subleased Space

EXHIBIT C Building Cleaning Specifications

EXHIBIT D Tenant Improvements

ARTICLE II PREMISES, TERM, RENEWAL AND PARKING

2.1 Premises. Subject to and with the benefit of the provisions of this Sublease, ICMA subleases the Subleased Space to COG, and COG subleases the Subleased Space from ICMA. The Subleased Space is subleased following ICMA's delivery and COG's acceptance of the Premises in substantially complete condition, punch-list items notwithstanding, as set forth in Exhibit D and Section VIII, to be constructed prior to the Sublease Commencement Date.

ICMA further grants COG the right to use, as appurtenant to the Subleased Space and in common with ICMA, CPAS, and all others now or hereafter entitled thereto, the common areas of the Building (except for such common areas reserved for the exclusive use of ICMA, the Metropolitan Washington Council of Governments and/or the International City Management Association Retirement Corporation) as well as the health and fitness room on level B-1 and the Meeting Area (as defined in the Overlease).

2.2 Term. This Sublease shall commence on the "Term Commencement Date" which shall mean the earlier of (i) the Sublease Commencement Date or (ii) the date COG, or anyone

claiming through or under COG, first commences use of the Subleased Space or any portion thereof as office space in the normal course of business. The Sublease shall continue until the Term Expiration Date. The "Term" is the period between the Term Commencement Date and the Term Expiration Date. Notwithstanding the forgoing, however, to the extent that the actual Term Commencement Date shall not occur on the first day of a given calendar month, then the Term hereunder shall also be deemed to include the partial calendar month starting with the actual Term Commencement Date and ending on the last day of the calendar month in which Term Commencement Date shall have actually occurred.

2.3 Renewal Option. Provided that COG is not in default under this Sublease both at the time of exercise of such option and at the commencement of the Renewal Term (as hereinafter defined), and subject to the provisions of this section, COG shall have the option to renew this Sublease subject to all of the same terms, covenants and conditions (except as hereinafter provided) for one (1) additional year (the "Renewal Term") commencing on the day after the expiration of the initial Term. After the expiration of the Renewal Term, there shall be no further renewal options. Time is of the essence in the exercise of such renewal option.

The Base Annual Rent for the Renewal Term shall be an escalation of 4% of the previous year's Base Annual Rent (i.e. \$50.96 per square foot). The parking charges for the Renewal Term shall be based on the rates then prevailing in the Building.

In order to exercise such renewal option, COG shall advise ICMA in writing of its intention to renew not later than six (6) months prior to the end of the initial Term. Within 30 days after receipt of such written notice, ICMA shall advise COG in writing whether it will agree to renewal of the lease. If ICMA and COG agree to the renewal option, the Renewal Term shall apply to the entire Subleased Space then Subleased to COG, and all references in this Sublease (except within this Section) to "Term" shall thereafter refer to a combined period, consisting of the initial Term and the Renewal Term.

2.4 Parking Space. The COG shall, provided it enters into an appropriate contract with the Parking Garage Operator ("Garage Operator"), be allocated one monthly rental parking space (a "monthly rental") in the Building's parking garage ("the Garage") for the exclusive use (on a non-reserved basis) of the COG (and its employees) in connection with the Subleased Space during the Term, including any extension thereto. The rate to be paid by the COG for the monthly rental shall be the prevailing monthly parking rate charged to other monthly contract parking customers of the Garage. The COG's agreement with the Garage Operator shall otherwise contain terms and conditions which are essentially the same as those contained in the Garage Operator's contracts with other contract parking customers of the Garage.

ARTICLE III RENT AND SECURITY DEPOSIT

3.1 Base Annual Rent. COG shall pay ICMA the Base Annual Rent in monthly installments, in advance on the first calendar day of each month included in the Term; and for any portion of a calendar month at the beginning of or end of the Term, the corresponding fraction of the monthly installment of Base Annual Rent in advance. Notwithstanding the foregoing, COG shall pay

ICMA its first monthly installment of Base Annual Rent upon full execution of this Sublease, which monthly installment shall be equal to a full monthly installment, regardless of the expected Term Commencement Date.

3.2 Operating Costs. This is a Full Service lease. Operating costs are included in the Base Rent.

3.3 Basic Annual Rent Increases. Beginning on the first anniversary of the Sublease Commencement Date, the Annual Base Rental Rate shall be increased by four percent (4.0%) per year.

3.4 Payment. All payments of Rent shall be made to the ICMA at ICMA's address set forth in Section 1.1 or to such other address as ICMA may designate by notice to COG from time to time. All installments of Rent shall be due and payable without notice or demand and shall not be subject to any diminution, deduction, set-off or counterclaim by COG.

3.5 Security Deposit. Upon full execution of this Sublease by COG and ICMA and as a condition to the effectiveness of this Sublease, COG shall provide to ICMA a security deposit (the "Security Deposit") in the amount of one month's rent, or \$6,790.58. The Security Deposit shall be considered as security for the payment and performance by COG of all of COG's obligations under this Sublease. The Security Deposit shall be in a form of a good check or, with the permission of ICMA, an electronic deposit. Upon the expiration of the Term or any extension of the Term, if applicable, ICMA shall (provided COG is not in default under the terms of this Sublease) return the Security Deposit to COG, less such portion of the Security Deposit as ICMA shall have appropriated to make good any default by COG with respect to any of COG's obligations, covenants, conditions, and agreements contained in this Sublease. In the event of default by COG under this Sublease during the Term, ICMA shall have the right, but shall not be obligated, to apply all or any portion of the Security Deposit to cure such default, in which event COG shall be obligated promptly to deposit with ICMA the amount necessary to restore the Security Deposit to its original amount. The failure by COG to restore the Security Deposit to its original amount as required by this Section shall constitute an Event of Default under this Sublease, and ICMA shall be entitled to exercise any remedies granted to it under this Sublease or by law after first providing COG with a notice of the Event of Default and a reasonable time period within which to cure the Event of Default. In the event of the assignment by ICMA of its interest in the Overlease, ICMA shall have the right to transfer the Security Deposit to its assignee, in which event COG shall look only to the new sublandlord for the return of the Security Deposit, and ICMA shall thereupon be released from all liability to COG for the return of the Security Deposit.

3.6 Late Payment. If COG fails to pay any installment of Rent within 10 days after such installment becomes due and payable, COG shall pay to ICMA (subject to the limitations hereinafter described) a late charge equal to five percent (5%) of such installment, and, in addition, such unpaid installment shall bear interest at the rate per annum which is three (3) percentage points greater than the prime rate then in effect at Citibank, N.A., New York, New York (or its successor), from the date such installment became due and payable to the date of payment thereof by COG; provided, however, that nothing herein shall be construed or

implemented in such a way as to allow ICMA to charge or receive interest in excess of the maximum legal rate allowed by law. Such late charge and interest shall constitute Additional Rent due and payable within the next monthly installment of Base Annual Rent. ICMA and COG agree that the foregoing provisions shall govern COG's obligation to pay late charges and interest to ICMA.

ARTICLE IV SUBLANDLORD'S COVENANTS AND WARRANTIES

4.1 Sublandlord's Obligations. ICMA shall make all reasonable and necessary efforts to cause CPAS to fulfill its obligations set forth in the Overlease with respect to the Subleased Space including CPAS's obligation to provide utilities and certain services, and including CPAS's obligations to repair, replace and maintain the structural and external parts of the Building, all common and public areas of the Building, windows, the Garage, and the HVAC, mechanical, electrical and plumbing systems of the Building.

4.2 Miscellaneous Representations. ICMA further represents and warrants to COG that:

4.2(1) Authority. ICMA is the lawful and only tenant of the Subleased Space and has full power and authority to enter into this Sublease.

4.2(2) Overlease. The Overlease, as amended, is in full force and effect. ICMA is not in default under the Overlease, nor has ICMA done or failed to do anything which with notice, the passage of time or both could ripen into default. To ICMA's knowledge, CPAS is not in default under any of its obligations under the Overlease. Moreover, ICMA shall not do or suffer anything to be done which would be a default under the Overlease or cause the Overlease to be forfeited due to ICMA's default.

4.3 Quiet Enjoyment. Upon payment of the Rent and performance of and compliance with the covenants, terms and conditions of this Sublease by COG, COG shall lawfully, and peacefully and quietly have, hold, occupy, and enjoy the Subleased Space during the Term without hindrance or molestation by ICMA or any persons lawfully claiming by, through or under ICMA, subject to the terms and conditions of this Sublease and the Overlease.

ARTICLE V SUBTENANT'S COVENANTS

COG covenants during the Term and such further time as COG occupies any part of the Subleased Space:

5.1 Subtenant's Payments. COG shall pay all Rent when due.

5.2 Maintenance and Repair. COG shall keep the Subleased Space in a first-class, clean, neat, orderly, safe, sanitary, and attractive condition at all times, excepting only reasonable wear and tear, damage by fire or other casualty and eminent domain takings.

5.3 Occupancy and Use. COG shall not use the Subleased Space for any uses other than the Permitted Uses, and shall not make use of any of the Subleased Space which is prohibited by applicable law, ordinance, code, regulation, license, permit, variances or governmental order.

5.4 Insurance. COG acknowledges and agrees that throughout the Term it shall comply with every obligation applicable to “Tenant” under the Insurance provisions of the Overlease.

5.5 Events of Default by Subtenant; Remedies. COG agrees and acknowledges that in the event it fails to perform any of its obligations under this Sublease, it shall be subject to the Default provisions of the Overlease and ICMA may exercise any of the remedies specified therein or any other remedy consistent with District of Columbia law. For purposes of this section, each reference to “Landlord” in the Overlease shall mean “Sublandlord” and each reference to “Tenant” shall mean “Subtenant”. References in this section to the Overlease” shall exclude the sections relating to Interest and Late Charge of the Overlease.

5.6 The Subtenant. COG represents and warrants that (i) COG has all necessary power and authority to enter into and perform all of its obligations under this Sublease, (ii) execution and delivery of this Sublease will not result in violation of the terms of the Articles of Incorporation or bylaws or other organizational or governing document of COG, and (iii) COG will use the Subleased Space strictly in accordance with the terms and conditions of this Sublease. COG covenants that it will furnish to ICMA, if requested by ICMA, documents evidencing the matters set forth in this section.

5.7 Assignment of this Sublease; Subletting.

5.7(1) Restrictions. Neither COG nor its successors or assigns shall transfer or assign this Sublease or sublet or otherwise permit any person or entity to use all or any portion of the Subleased Space (“Transfer”) without obtaining the prior written consent of ICMA in each instance, which consent shall not be unreasonably withheld, conditioned or delayed. ICMA and COG agree that the provisions of this section shall govern matters relating to the assignment of this Sublease and any further subletting of the Subleased Premises. ICMA’s refusal to consent to a proposed transfer or assignment shall be deemed reasonable if CPAS refuses to consent to said transfer or assignment. COG shall not mortgage, pledge or otherwise encumber its interest in this Sublease.

5.7(2) Consent to Transfer to Metrorail Safety Commission. ICMA understands that COG is entering into this Sublease in order to provide office space for the new Metrorail Safety Commission (“MSC”). ICMA consents to COG assigning this Sublease to the MSC, in which case the MSC will assume all rights and obligations under this Sublease and COG will relinquish any responsibilities or rights under this Sublease. COG shall give notice to ICMA not less than 30 days prior to the proposed effective date of the proposed Transfer and shall contain (i) the name of the proposed transferee, assignee, subtenant or occupant (in any of such events, the “Transferee”) and (ii) terms and provisions of the proposed Transfer, including the square footage of the Subleased Space to be involved in the proposed Transfer, the price and terms of the proposed Transfer or, if a sublease or occupancy, the term of the sublease or occupancy and the rent and financial terms, and the proposed Transferee’s proposed use of the Subleased Space.

In addition, COG shall provide promptly to ICMA such other financial and other information as ICMA may reasonably request concerning the proposed Transferee.

If COG makes an assignment to the MSC all references in this Sublease (except within this Section) to "Subtenant" shall thereafter refer to the MSC.

5.7(3) Consent for Other Transfers or Assignments.

5.7(3)(A) Notice. Other than for transfer or assignment in accordance with Section 5.7(2) above, subject to Landlord's approval and in compliance with the Overlease, if COG desires to transfer or assign this Sublease, or sublet or otherwise permit any person or entity to occupy or use all or any part of the Subleased Space (in any of such events, a "Transfer"), COG shall first give written notice to ICMA of the proposed Transfer. The notice shall be given not less than 30 days prior to the proposed effective date of the proposed Transfer and shall contain (i) the name of the proposed transferee, assignee, subtenant or occupant (in any of such events, the "Transferee") and (ii) terms and provisions of the proposed Transfer, including the square footage of the Subleased Space to be involved in the proposed Transfer, the price and terms of the proposed Transfer or, if a sublease or occupancy, the term of the sublease or occupancy and the rent and financial terms, and the proposed Transferee's proposed use of the Subleased Space. In addition, COG shall provide promptly to ICMA such other financial and other information as ICMA may reasonably request concerning the proposed Transferee. In determining whether to consent to the proposed Transfer, ICMA may consider any reasonable factor. ICMA and COG agree that any one of the following factors will be reasonable grounds for deciding COG's request: (i) the financial strength of the proposed Transferee (if not equivalent to the COG's), (ii) the business reputation of the proposed Transferee (if not in accordance with generally acceptable commercial standards, as determined by ICMA in its sole and reasonable discretion), (iii) the use of the Subleased Space by the proposed Transferee (if not a Permitted Use), (iv) the proposed Transfer contravening the terms of any financing or refinancing secured by Owner or CPAS with respect to the Building or otherwise impairing the ability of Owner or CPAS to refinance any such financing or refinancing, (v) the use of the Subleased Space by the proposed Transferee increasing in any way the rate of fire insurance or other insurance on the Building or violating or creating any potential violation of any applicable laws or insurance requirements applicable to the Building, (vi) the use of the Subleased Space by the proposed Transferee violating this Sublease or any other agreements affecting the Subleased Space, Owner, CPAS or the ICMA or other tenants or otherwise adversely affecting the ability of Owner, CPAS or ICMA to retain other existing tenants or subtenants of the Building or to attract and retain new tenants and subtenants of the Building, and (vii) the existence of an Event of Default (as defined in the Overlease) by COG.

5.7(3)(B) Conditions to Effectiveness of Consent. Any Transfer consented to by ICMA, or as agreed to herein pursuant to Section 5.7(2), shall not be effective unless and until the Transferee delivers to the ICMA (i) a mutually satisfactory written agreement pursuant to which the Transferee assumes all of the obligations and liabilities of COG under this Sublease with respect to the portion of the Subleased Space which is the subject of the Transfer, (ii) a certified copy of the document effecting the Transfer, and (iii) any required approvals from the Overlease have been received. Any Transfer without the ICMA's prior written consent shall be

void, and shall, at the option of ICMA, constitute an Event of Default (as defined in the Overlease) under this Sublease.

5.7(3)(C) Denial of Waiver. Neither the consent by the ICMA to any Transfer nor the collection or acceptance of rent from any Transferee shall constitute or be construed as a waiver or release of Subtenant from any obligation or liability of Subtenant contained in this Sublease; nor shall any Transfer be construed to relieve COG from giving ICMA the 30 days' notice required by Section 5.7(3)(A), or from obtaining the consent in writing of ICMA to any further Transfer.

5.7(4) Assignment of Rent. COG assigns to ICMA, effective upon the occurrence of an Event of Default (as defined in the Overlease), the rent due from any Transferee or from any other occupant using all or any portion of the Subleased Space and authorizes each such subtenant and occupant to pay its rent directly to ICMA.

ARTICLE VI CASUALTY AND TAKING

6.1 Termination of Overlease. In the event that, during the Term, all or any part of the Subleased Space, Building or Land are destroyed or damaged by fire or other casualty or taken by eminent domain, and either ICMA or CPAS terminates the Overlease pursuant to its terms because of such damage, destruction or taking, then this Sublease shall likewise terminate on the same date that the Overlease terminates. ICMA shall give COG prompt notice of such termination and the date on which it shall occur.

6.2 Repair and Restoration. In the event (i) any such damage, destruction or taking of the Subleased Space occurs and this Sublease is not terminated pursuant to Section 6.1 above, and (ii) the Subleased Space is not substantially unusable for the Permitted Uses based on customary standards of tenantability, then ICMA shall cause CPAS to repair and restore the Subleased Space as require by the terms of the Overlease. A just proportion of the Rent hereunder shall be abated until CPAS shall have put the Subleased Space or what may remain thereof into proper condition for use and occupancy, and in the case of a taking which permanently reduces the area of the Subleased Space, a just proportion of Rent shall be abated for the remainder of the Term, unless the Subleased Space has been rendered substantially unusable for the Permitted Uses, in which case the Rent shall abate in its entirety. If the Subleased Space has not been put into proper condition for use and occupancy within four (4) months after such damage, destruction or taking, then either COG or ICMA may terminate this Sublease by notice to the other party, which termination shall be COG's sole remedy with respect to any failure to restore.

6.3 Reservation of Award. Any and all rights to receive awards made for damages to the Subleased Space, Building or Land and the leasehold estate hereby created, or any one or more of them, accruing by reason of exercise of eminent domain or by reason of anything lawfully done in pursuance of public or other authority, are reserved to ICMA and CPAS. COG hereby releases and assigns to ICMA and CPAS all of COG's rights to such award and covenants to deliver such further assignments and assurances thereof as ICMA or CPAS may from time to time request. Notwithstanding the foregoing, COG may make a separate claim against the

condemning authority (but in no event against ICMA) for a separate award for the value of the COG's personal property.

ARTICLE VII OVERLEASE

7.1 Sublease Subject to Overlease. This Sublease is expressly subordinate to and subject to the Overlease.

7.2 Incorporation of Overlease. To the extent not otherwise inconsistent with the agreements and understandings expressed in this Sublease or applicable only to the original parties to the Overlease, the terms, provisions, covenants, and conditions of the Overlease are incorporated herein by reference to the following understandings:

(a) The term "Landlord" as used in the Overlease shall refer to ICMA hereunder and the term "Tenant" as used therein shall refer to COG hereunder.

(b) In any case where CPAS reserves the right to enter the Subleased Space, said right shall inure to the benefit of ICMA, as well as to CPAS.

(c) Each party hereto agrees to perform and comply with the terms, provisions, covenants, and conditions of the Overlease and not to do or suffer or permit anything to be done which would result in a default under or cause the Overlease to be terminated or forfeited.

(d) Except in the event that CPAS's failure to perform its obligations under the Overlease arises as a result of ICMA's default in the performance of any of its obligations under the Overlease that is not attributable to a default by COG under this Sublease, ICMA shall have no obligation or liability to COG in the event that CPAS fails to perform any of its obligations under the Overlease, and COG shall look solely to CPAS (and not to ICMA) for the performance of any such obligations.

7.3 Overlandlord's Rights. CPAS shall have all rights with respect to the Subleased Space which it has reserved to itself as landlord under the Overlease.

7.4 Termination of Overlease. In the event that the CPAS terminates the Overlease pursuant to its terms or the Overlease otherwise terminates or expires, this Sublease shall likewise and simultaneously terminate.

7.5

ARTICLE VIII CONSTRUCTION OF THE SUBLEASED SPACE AND SUBTENANT'S ALTERATIONS OF THE SUBLEASED SPACE

8.1 Construction. Prior the commencement of the Sublease, ICMA shall construct the Subleased Space to the reasonable specifications of COG and as outlined on the attached plan.

(**Exhibit B**) Notwithstanding the foregoing, ICMA agrees to provide a cutout in the existing drywall to open up Suite 401 into Suite 402. In addition, ICMA agrees to provide new paint and carpet throughout the Premises.

8.2 Telecom. The Building has access to fiber through Allied Telecom in addition to Comcast for telecom services. COG shall coordinate directly with Allied Telecom or Comcast for access.

8.3 Alterations. COG acknowledges and agrees that, if it desires to make any Alteration (as defined in the Overlease) to the Subleased Space, other than the initial construction by ICMA, it shall be subject to the limitations, and follow the procedures applicable to "Tenant" in said Section, and shall in all regards be subject to the terms and conditions set forth therein.

ARTICLE IX MISCELLANEOUS

9.1 Notices from One Party to the Other. All notices required or permitted hereunder shall be in writing and addressed, if to COG, at COG's Address or such other address as COG shall have designated by notice in writing to ICMA and, if to ICMA, at ICMA's Address or such other address as ICMA shall have last designated by notice in writing to COG. Any notice shall be deemed duly given when mailed to such address postage prepaid, registered or certified mail, return receipt requested, or when delivered to such address by hand.

9.2 Estoppel Certificate. Upon not less than 15 days prior notice by the requesting party, either party shall execute, acknowledge and deliver to the other a statement in writing, addressed to such person as the requesting party shall designate, certifying (a) that this Sublease is unmodified and in full force and effect, (b) the dates to which Rent has been paid, and (c) that the requesting party is not in default hereunder (or, if in default, specifying the nature of such default in reasonable detail). Any such certificate may be relied upon by the person to which it is addressed as to the facts stated therein.

9.3 Brokerage. ICMA acknowledges that Bradley J. Wilner, Charlene Bogdanor & Emanuel G. Fitzgerald of CBRE, Inc. is representing the interests of ICMA, and are the only brokers involved in this Sublease. ICMA will pay a commission to CBRE in accordance with the terms of a separate agreement.

9.4 Waiver of Jury Trial. ICMA and COG waive trial by jury in any action, proceeding or counterclaim brought by either of the Parties against the other on or in respect of any matter whatsoever arising out of or in any connected with (i) this Sublease, (ii) the relationship of ICMA and COG under this Sublease, (iii) COG's use or occupancy of the Subleased Space and/or (iv) any claim of injury or damage arising out of any of the matters described in clauses (i) through (iii) of this section.

9.5 Building Hours of Operation; HVAC Hours of Operation; Off Hours HVAC Service. In accordance with the Overlease, the hours of operation of the Building shall be 8:00 a.m. to 7:00 p.m., Monday through Friday, and 9:00 a.m. to 1 p.m. on Saturdays, legal holidays excepted.

The HVAC hours of operation shall be from 7:00 a.m. to 7:00 p.m., Monday through Friday, and 9:00 a.m. to 1 p.m. on Saturdays, legal holidays excepted. COG may directly request Off Hours (as defined in the Overlease) HVAC service from the management agent for the Building (presently STOLADI) under the terms and conditions set forth in the Overlease.

9.6 Cleaning Service. CPAS will provide janitorial services for the Subleased Space in accordance with the Building Cleaning Specifications, attached as Exhibit C. Such services will be provided each weekday after normal Building hours, legal holidays excepted.

9.7 Access. COG shall have access to the Building 24 hours per day; 365 days per year, subject only to required preventive maintenance and emergencies. The Building's security system includes an electronic system that provides access control at the main entry of the Building.

9.8 ADA Compliance. CPAS shall be responsible for compliance of the common areas of the Building with the Americans with Disabilities Act ("ADA"). COG shall be responsible for compliance of the Subleased Space with the ADA in connection with the exercise of the COG's rights pursuant to Article VIII herein.

9.9 Applicable Law and Construction. This Sublease shall be governed by and construed in accordance with the laws of the District of Columbia. If any term, covenant, condition, or provision of this Sublease or the application thereof to any person or circumstance shall be declared invalid or unenforceable by the final ruling of a court of competent jurisdiction having final review, the remaining terms, covenants, conditions, and provisions of this Sublease and their application to persons or circumstances shall not be affected thereby and shall continue to be enforced and recognized as valid agreements of the parties.

There are no oral or written agreements between the Parties affecting this Sublease. This Sublease may be amended, and the provisions hereof may be waived or modified, only by instruments in writing executed by both Parties.

The titles of the several Articles and Sections contained herein are for convenience only and shall not be considered in construing this Sublease. The words "Sublandlord" and "Subtenant" appearing in this Sublease shall be construed to mean those named above and their respective successors and assigns.

- SIGNATURES ON NEXT PAGE -

Executed as a sealed instrument effective as of the day and year first above written.

SUBLANDLORD:

INTERNATIONAL CITY/COUNTY
MANAGEMENT ASSOCIATION,
An Illinois not-for-profit corporation

By: Sabina G. Agarunova

Name: Sabina Agarunova
Title: Chief Financial Officer

SUBTENANT:

METROPOLITAN WASHINGTON COUNCIL
OF GOVERNMENTS,
A District of Columbia not-for-profit corporation

By: Chuck Bean

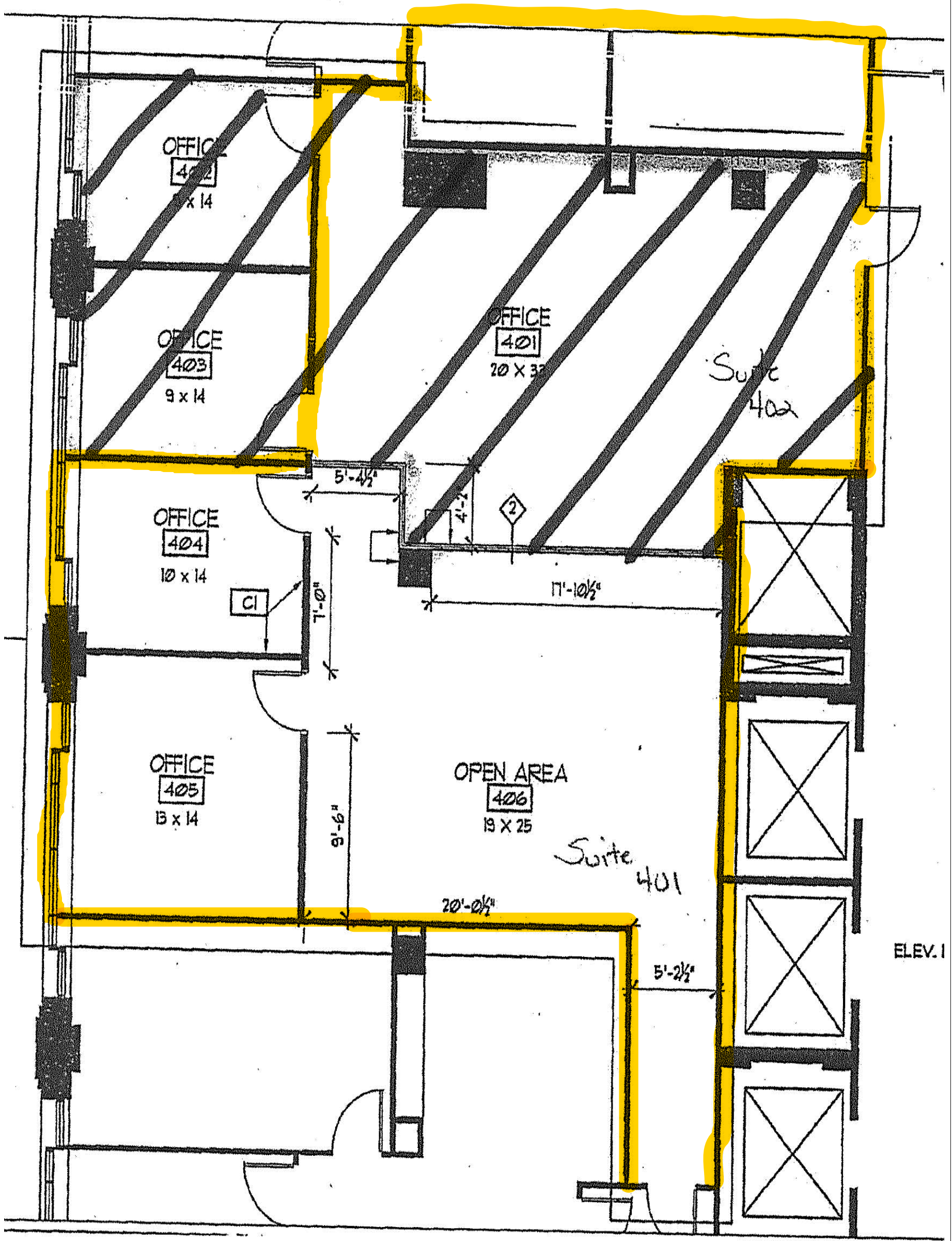
Name: Chuck Bean
Title: Ex. Dir.

The Owner and the Overlandlord join in and execute this Sublease to evidence their consent to this Sublease and their agreement to be bound by all the provisions set forth in this Sublease.

CENTER FOR PUBLIC ADMINISTRATION
AND SERVICE, INC.,
A District of Columbia not-for-profit corporation

By: Richard P. Whitty

Name: Richard P. Whitty
Title: Assistant Treasurer



Schematic of Office Space Leased for Metrorail Safety Commission - Suites 401 and 402

From: [Ouellette, Audra \(FTA\)](#) on behalf of [Garcia Crews, Terry \(FTA\)](#)
To: ["pwiedefeld@wmata.com"](mailto:pwiedefeld@wmata.com)
Cc: [Garcia Crews, Terry \(FTA\)](#)
Subject: Notification Re: 5% Withholding of 2018 Section 5307 Urbanized Area Formula Funds for Washington Metropolitan Area Transportation Authority (WMATA)
Date: Monday, March 19, 2018 4:54:00 PM
Attachments: [FTA 5 percent withholding FFY18 Through March 23, 2018.pdf](#)

Good Afternoon, Mr. Wiedefeld:

As explained in our letter dated February 10, 2017, the Federal Transit Administration (FTA) is withholding the full five percent (5%) of your Urbanized Area Formula Funds until a certified State Safety Oversight Program (SSOP) for Washington Metropolitan Area Transit Authority (Metrorail) is in place. As a result, FTA is immediately withholding five percent of fiscal-year 2018 Section 5307 Urbanized Area Formula Funds to transit systems in Maryland, Virginia, and the District of Columbia. Under the current continuing resolution budget, which provides funding through March 23, 2018, the amount to be withheld from all three jurisdictions totals approximately \$7.3 million. Formula funds withheld from your State's Urbanized Areas are shown on the attached spreadsheet.

Federal law requires that states with federally-funded rail transit agencies establish a State Safety Oversight Agency (SSOA) responsible for safety oversight of those agencies pursuant to an SSOP. In the absence of a certified SSOP, future appropriations will also be subject to withholding. It is important to note the formula funds are being withheld and not forfeited.

The funds will once again be available when FTA certifies an SSOP for Metrorail. Please note that Maryland, Virginia, and the District of Columbia have established the Metrorail Safety Commission (MSC); however, the work of the MSC must result in a certified SSOP. Upon certification, all of the withheld funds will be released.

If you have any questions, please feel free to contact me.

Sincerely,

Theresa "Terry" Garcia Crews

Regional Administrator

United States Department of Transportation

Federal Transit Administration-Region III

1760 Market Street, Suite 500

Philadelphia, PA 19103

Telephone: 215.656.7263

Cell phone: 267.353.4970 (Telework contact due to inclement weather)

FTA funds withheld from DC-MD-VA due to the absence of a State Safety Oversight Program

Amounts based on Further Extension of Continuing Appropriations Act, 2018 (Pub. L. 115-123) for the period from October 1, 2017 through March 23, 2018. When a full year of funding is appropriated, additional funds could be withheld.

State	Urbanized Area	Designated Recipients	Urbanized Area Grant Program Apportionment	Amount Withheld (5%)	Amount available to Urbanized Areas after withholding	Notes
DC	Washington, DC-VA-MD	Washington Metropolitan Area Transit Authority (WMATA); Maryland Transit Administration (MTA); Potomac and Rappahannock Transportation Commission (PRTC)	\$84,877,039	\$4,243,852	\$80,633,187	The funds are apportioned by FTA to the entire urbanized area. The three designated recipients listed have a local agreement that determines the amount each recipient will receive.
MD	Baltimore, MD	Maryland Transit Administration (MTA)	\$32,403,205	\$1,620,160	\$30,783,045	
MD	Aberdeen-Bel Air South-Bel Air North, MD	Maryland Transit Administration (MTA)	\$1,514,492	\$75,725	\$1,438,767	
MD	MD Statewide Apportionment	Maryland Transit Administration (MTA)	\$6,150,533	\$307,527	\$5,843,006	The small urbanized areas in Maryland are listed below.
VA	Virginia Beach, VA	Hampton Roads Transit (HRT)	\$8,529,865	\$426,493	\$8,103,372	
VA	Richmond, VA	Greater Richmond Transit Company (GRTC) and the City of Petersburg	\$5,630,062	\$281,503	\$5,348,559	The funds are apportioned by FTA to the entire urbanized area. The two designated recipients listed have a local agreement that determines the amount each recipient will receive.
VA	Roanoke, VA	Greater Roanoke Transit Company (GRTC)	\$1,287,672	\$64,384	\$1,223,288	
VA	VA Statewide Apportionment	Virginia Department of Rail and Public Transportation (VDRPT)	\$6,554,482	\$327,724	\$6,226,758	The small urbanized areas in Virginia are listed below.
TOTAL			\$146,947,350	\$7,347,368	\$139,599,983	

Statewide Apportionment Detail Information

Urbanized Areas in Maryland Statewide Apportionment	\$6,150,533	\$307,527	\$5,843,006	The state governor determines how the statewide apportionment is distributed among the urbanized areas listed. These are urbanized areas with population greater than 50,000 and less than 200,000.
Cumberland, MD-WV-PA Frederick, MD Hagerstown, MD-WV-PA Lexington Park-California-Chesapeake Ranch Estates, MD Salisbury, MD-DE Waldorf, MD Westminster-Eldersburg, MD				
Urbanized Areas in Virginia Statewide Apportionment	\$6,554,482	\$327,724	\$6,226,758	The state governor determines how the statewide apportionment is distributed among the urbanized areas listed. These are urbanized areas with population greater than 50,000 and less than 200,000.
Blacksburg, VA Bristol-Bristol, TN-VA Charlottesville, VA Fredericksburg, VA Harrisonburg, VA Kingsport, TN-VA Lynchburg, VA Staunton-Waynesboro, VA Williamsburg, VA Winchester, VA				