



Finance, Administration and Oversight Committee

Action Item III-J

February 14, 2008

**Relocation of Track & Structures – Systems
Maintenance (TSSM) Function from Twinbrook
to Shady Grove**

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

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| <input checked="" type="checkbox"/> Action <input type="checkbox"/> Information | MEAD Number: 99822 | Resolution: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
|--|-----------------------|--|

PURPOSE

That the Board of Directors approve use of up to \$1,000,000 from the Transit Infrastructure Investment Fund (TIIF) for the interim and permanent relocation of the Twinbrook Track and Structures/System Maintenance (TSSM) facility to Metro's Shady Grove Yard.

DESCRIPTION

The Twinbrook Metrorail station joint development project will displace a TSSM facility, which is located on Metro property at the Twinbrook site.

The Board of Directors approved a term sheet for the Twinbrook project in October 2005 following an amended plan required by annexation of the site into the City of Rockville, a major expansion of proposed development, and incorporation of sale housing into project plans. Pursuant to the term sheet, Metro executed a July 9, 2007 Amended and Restated Joint Development Agreement (JDA) with Twinbrook Commons, LLC (Developer), an affiliate of the JBG Companies. The project is to be developed in three phases for 1,595 sale and rental dwelling units, 220,000 square feet of retail space and a 325,000 square foot office building. The first phase of the development will displace the TSSM facility. The JDA requires the TSSM facility to be vacated by the end of May 2008.

When the Board of Directors approved the term sheet in October 2005, a set-aside of funds for the relocation of the TSSM facility was not requested. At the time, neither a replacement location nor the costs of a new facility were known.

TSSM's Twinbrook facility provides a base for Red Line electrical repair service in Maryland. The facility has a small building and trailer that provide offices and meeting areas for supervisors and common/reporting space and lockers for employees. It also has employee and equipment parking and a number of storage sheds and containers. The 40 TSSM employees at Twinbrook operate on

three shifts with a maximum 15 employees per shift. TSSM staff report for duty at Twinbrook and then disperse to various service locations. Only one or two supervisors remain at the facility during a shift.

Staff investigated numerous locations for a replacement TSSM facility and determined that a location at Shady Grove Yard was superior since it would save on travel time and extra support equipment, reduce response times to unscheduled incidents and centralize electrical service staff and support resources, thereby improving the performance and reliability of the system.

The first step in moving TSSM will be relocating personnel, equipment and large outdoor storage containers to an interim arrangement at Shady Grove. The Office of Engineering Services has determined that this action must commence in April 2008 to enable the Twinbrook facility to be vacated by the May 2008 deadline. Temporary replacement options for personnel are being evaluated, but would involve the use of either trailers or space in the new shop building now being completed at Shady Grove. Permanent options, and the timing of their implementation, are likewise being evaluated. These could include the construction of a new building, continued use of trailers, or other combinations of facilities.

Project funding will come from Twinbrook joint development project payments. Near term payments in FY08 and FY09 are expected to be approximately \$700,000. The JDA projects sales revenue of \$24 million for FY10. Upon construction of all phases, annual lease revenue will total \$2.5 million, and WMATA will have received nearly \$41 million in sales revenue. These payments have been deposited in and are scheduled to be deposited in the TIIF. Staff requests that the Board of Directors approve using a portion of the payments for the TSSM relocation and new facilities without which the full Phase 1 residential and retail development at Twinbrook cannot move forward.

FUNDING IMPACT

TIIF revenues not to exceed \$1,000,000 will ultimately be used for relocating TSSM functions from Twinbrook to Shady Grove. If at the time that this relocation project requires expenditures there is not sufficient TIIF revenue yet available, staff is authorized to temporarily borrow from other capital-related funding sources. Those funding sources are to be repaid as additional revenue is deposited in the TIIF.

RECOMMENDATION

That the Board of Directors approve use of up to \$1,000,000 from the TIIF for the temporary and permanent relocation of the Twinbrook TSSM facility to Metro's Shady Grove Yard.

Relocation of Track and Structures - Systems Maintenance Function from Twinbrook to Shady Grove

Presented to the Board of Directors:

Finance, Administration, and Oversight Committee

February 14, 2008





Purpose

To obtain Board approval to:

- Use up to \$1,000,000 of TIIF to support provision of both interim and permanent facilities for the Office of Track and Structures/System Maintenance (TSSM) at Shady Grove





Agreement with Twinbrook Commons, LLC

- In October 2005, the Board approved the three-phase Twinbrook Station joint development project
- On July 9, 2007, the Joint Development Agreement (JDA) with Twinbrook Commons, LLC, was amended and restated
- First phase of development will displace TSSM Twinbrook facility
- TSSM Twinbrook facility houses supervisors' offices, reporting functions and lockers, break room and canteen, electrical parts storage; and provides parking for TSSM equipment and vehicles, and employee vehicles

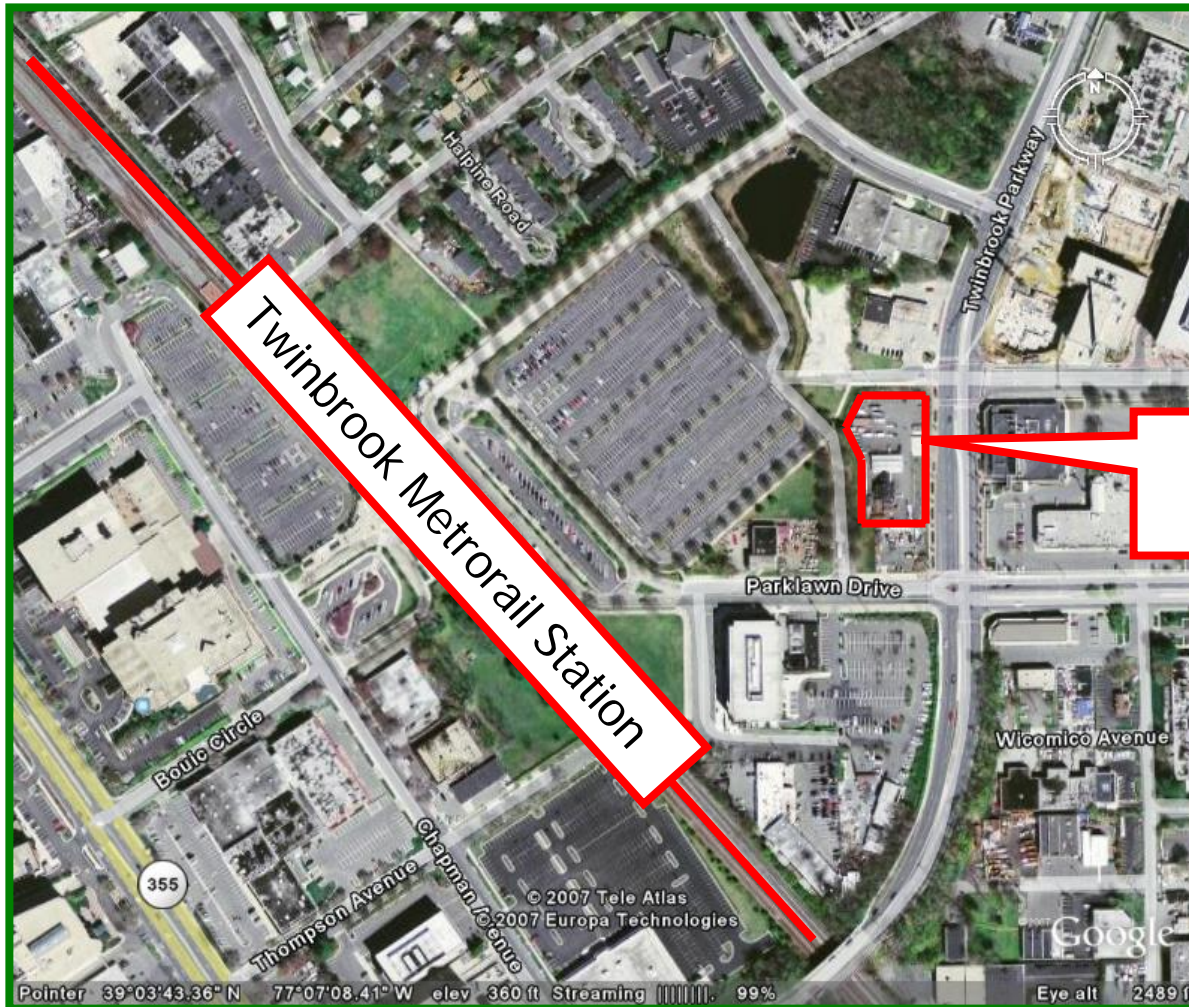


TSSM Twinbrook Facility Replacement Concept

- JDA calls for TSSM Twinbrook facility to be vacated by end of May 2008
- TSSM Shady Grove facility will replace TSSM Twinbrook facility
- When the Board approved term sheet in October 2005, a set-aside of funds for relocation of TSSM Twinbrook facility was not requested. At that time, neither a replacement location nor the costs of a new facility were known



TSSM Twinbrook Facility





Current TSSM Twinbrook Facility

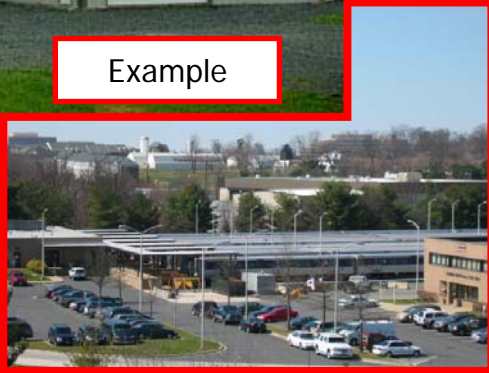




TSSM Shady Grove Facility



Example



Shady Grove Yard

Preliminary Planning Concept

- 71 ft by 42 ft building
- 10,000 sq ft lay down area
- Implement in phases
 - ✓ Vacate TSSM Twinbrook by 5/08
 - ✓ Provide interim facility (approximately six months)
 - ✓ Provide permanent facility (approximately two years)



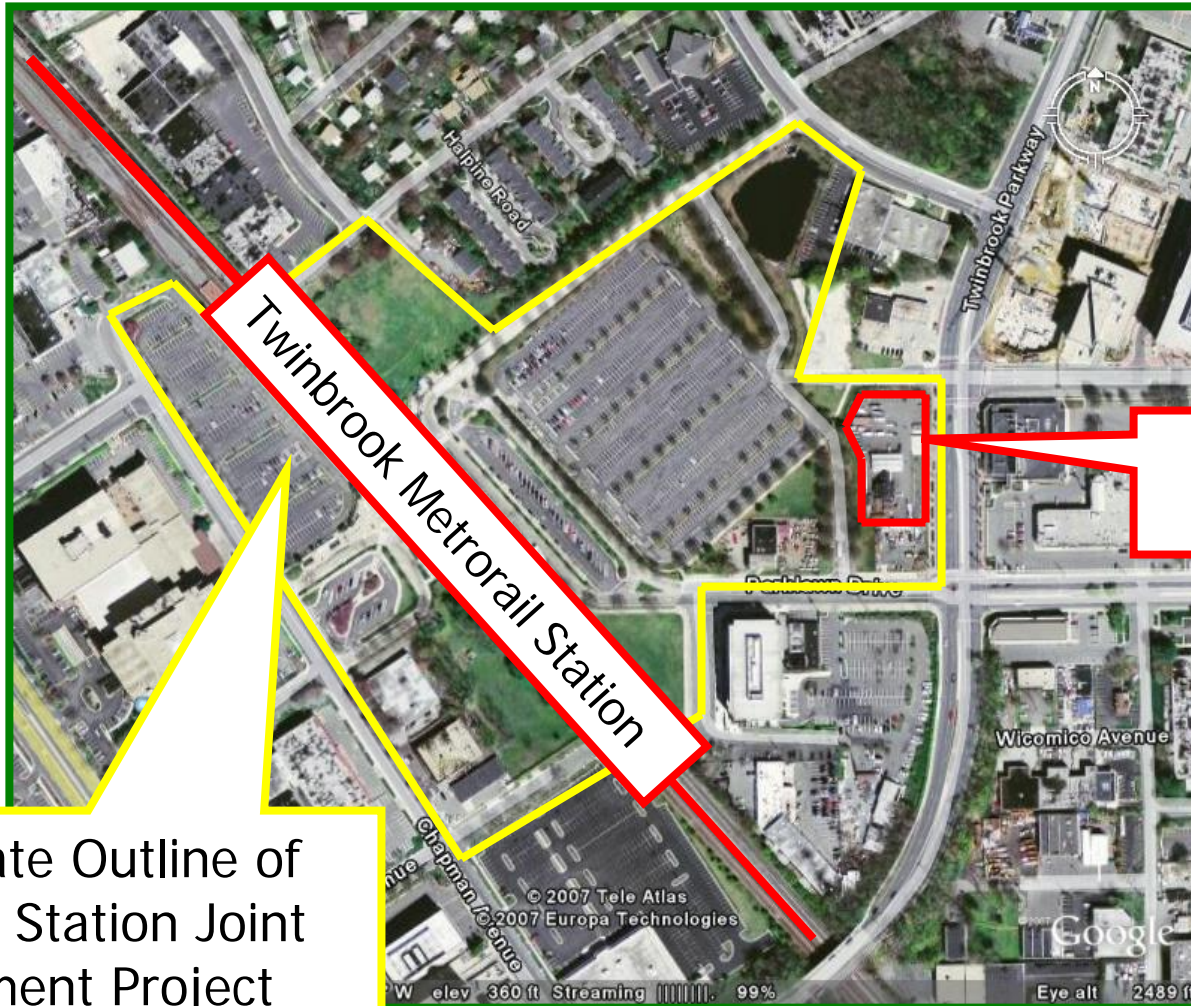
TSSM Shady Grove Facility

TIIF Funding Plan

- Use up to \$1,000,000 of TIIF to support provision of both interim and permanent TSSM Shady Grove facility
- If near term TIIF revenue is not sufficient to satisfy cash flow requirement, borrow from other capital related funding sources
- In such case, repay those funding sources as additional revenue is deposited in TIIF



Twinbrook Station Joint Development Project



Twinbrook Metrorail Station

TSSM Facility

Approximate Outline of Twinbrook Station Joint Development Project



Twinbrook Station Joint Development Project

Before

After



- 1,595 sale and rental dwelling units
- 220,000 sq ft of retail space
- 325,000 sq ft office building





Recommendation

Recommend the Board approve:

- Using up to \$1,000,000 of TIIF to support provision of both interim and permanent facility for the Office of Track and Structures/System Maintenance at Shady Grove

