

**J** Joint Report of the  
Management Committee (July 23, 2008)  
Transportation Committee (July 14, 2008)

Item: 2008-181

For the Metropolitan Council meeting of August 13, 2008

**ADVISORY INFORMATION**

**Date Prepared:** July 30, 2008

**Subject:** Authorization to Amend Lease Agreement between Metropolitan Council and Griggs Midway Corporation

**Proposed Action:**

That the Metropolitan Council authorizes the Regional Administrator to negotiate and execute an amendment to the Lease Agreement between the Council and Griggs Midway Corporation to include an additional 6,500 sq. ft. for a cost of \$122,276 for the first year, \$124,280 the second year and \$86,443 for one-time leasehold improvements.

**Summary of Committee Discussion / Questions:**

Management Committee of 7/23/08:

Mark Fuhrmann and Gary Berger presented item 2008-181. After no further discussion, Mary Hill Smith moved that both items 2008-181 and 2008-182, which are related in nature, be approved. Both items were then unanimously approved.

Transportation Committee of 7/14/08:

This item was presented by Mark Fuhrmann and Gary Berger. The item passed unanimously without discussion.

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Management Committee, July 23, 2008

Transportation Committee, July 14, 2008

Metropolitan Council, August 13, 2008

**Business Item**

Item: 2008 - 181

## ADVISORY INFORMATION

<b>Date:</b>	July 7, 2008
<b>Subject:</b>	Authorization to amend lease agreement between Metropolitan Council and Griggs Midway Corporation
<b>District(s), Member(s):</b>	All
<b>Policy/Legal Reference:</b>	Council Policy 3-3 Expenditures, Federal Transit Administration (FTA) Circular 4220.1d Third Party Contracting Requirements
<b>Staff Prepared/Presented:</b>	Brian J. Lamb, General Manager, 612-349-7510 Mark W. Fuhrmann, Deputy General Manager, 651-602-1942 Gary Berger, Administrative Manager-TSD, 651-602-1945
<b>Division/Department:</b>	Metro Transit

### Proposed Action

That the Metropolitan Council authorizes the Regional Administrator to negotiate and execute an amendment to the Lease Agreement between the Council and Griggs Midway Corporation to include an additional 6,500 sq. ft. for two years at a cost of \$122,276 for the first year, \$86,443 for one-time leasehold improvements, and \$124,280 the second year.

### Background

- On May 23, 2007, the Metropolitan Council authorized the Regional Administrator to negotiate and execute a lease agreement with Griggs-Midway Corporation to provide an office for Central Corridor Light Rail Project staff. The current lease agreement provides 20,000 sq. ft. at \$18.75 per sq. ft. for a monthly cost of \$31,250 and an annual cost of \$375,000. Since move-in on October 1, 2007, CCPO space has served 91 Council and consultant staff in the Griggs Midway building. The Project is realizing work efficiencies of physical co-location of human and data resources.

### Rationale

The current 20,000 sq. ft. of space at the Central Corridor Project Office (CCPO) has reached capacity in Griggs Midway building. By the end of 2008, 26 additional consultant and council staff will join the Project Office (12 consultant staff; 14 Council staff). This will require 6,500 sq. ft of expansion space at \$18.75 per sq. ft. (\$10,156 monthly) from November 1, 2008 through August 31, 2009. Starting September 1, 2009, the rate will increase to \$19.12 per sq. ft. (\$10,357 monthly). The total lease cost will be \$122,276 for the first year. The CCPO is proposing a two-year lease for this additional space. The unit cost for the second year will remain \$19.12 per sq. ft. for an annual total of \$124,280. Preliminary engineering and final design phases of the project are when office space is most intensively used. As the project moves into the construction phase in 2010, the number of engineers and design staff will decrease eliminating the need for the extra space.

Co-locating Council and consultant staff at the Project Office provides a high level of efficiency and teamwork that we need for the aggressive preliminary engineering and final design schedule. In addition, co-location is particularly important due to the size and scale of data and the coordinated electronic filing, storage and review of project documents, reports, and presentations.

### **Funding**

Funds are provided through the 2008 FTA New Starts grant in the amount of \$10,192,000.

### **Known Support / Opposition**

None

**T** Transportation Committee, July 14, 2008  
Management Committee, July 23, 2008  
Metropolitan Council, August 13, 2008

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