

WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

QUARTERLY PROGRESS REPORT

Fiscal Year 2021 Quarter 2



Published
February 5, 2021



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Covid-19 pandemic continued to impact service, ridership and revenues; leading to several management actions to ensure a balanced budget

Metro revised its FY2021 budget in November as the region returned to a lockdown, and took further actions to close the \$176.5 million funding gap. Thanks to the leadership of the regional Congressional delegation, the Coronavirus Response and Relief Supplemental Appropriations Act of 2021 was signed into law on December 27. The Act provides Metro an estimated \$610 million in additional funding, thereby avoiding the most severe of the proposed budget-related layoffs and service cuts for FY2021. Unfortunately, the new federal funding is insufficient to fully cover the FY2022 budget gap and additional federal relief would be needed to avoid service reductions and layoffs in FY2022 as the region stabilizes.

As part of Metro's pandemic recovery plan that aims to preserve essential transit service and jobs, Metro announced in December that fare collection and front-door boarding would resume on January 3. The rear-door boarding policy was implemented in March to protect frontline employees at a time when less was known about the coronavirus and its transmission. Because the farebox and SmarTrip equipment is located at the front of the bus, Metro temporarily suspended fare collection on Metrobus. The return of front-door boarding and fare collection provides needed revenue and is consistent with recovery efforts by other major transit agencies.

During the quarter, the Board of Directors accepted Metro's FY2020 Financial Statements and Single Audit report conducted by RSM US LLP, marking the fifth consecutive year that the reports resulted in a clean and on-time audit.

In December, Metro announced the availability of real time crowding information for Metrobus and Metrorail. Metrobus customers can find this real time information when tracking their bus at buseta.wmata.com, and elsewhere using our open data feed. When accessing the data, customers will see a bus or train's capacity in one of the following categories:

- "Many seats available" when a Bus is less than 25% occupied or a Rail car less than 20% occupied
- "Few seats available" when a Bus is 25-49% occupied, a Rail car 20%-32% occupied or
- "Full" when a Bus is occupied 50% or greater and a Rail car is occupied 33% or greater

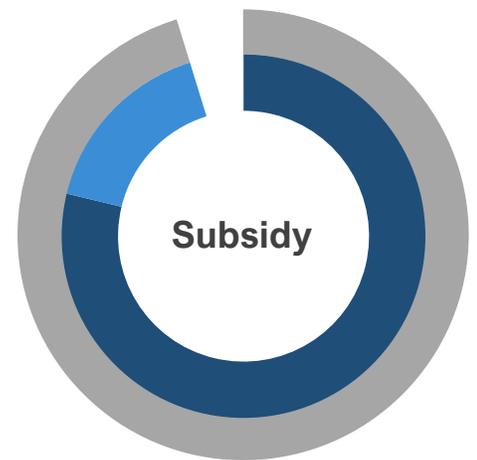
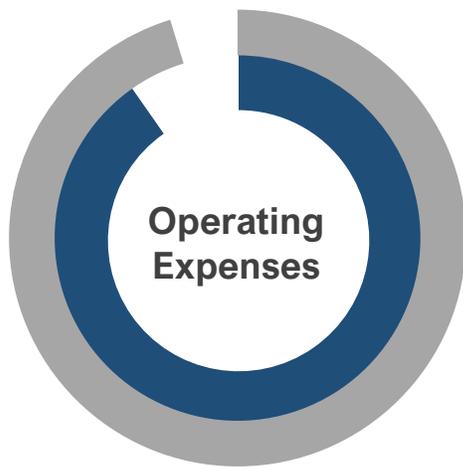
Continued robust capital investment program to keep the system safe and reliable for riders

In Q2, Metro completed platform reconstruction work for the Reagan National Airport station and awarded the contract for Phase 3 of the Platform Rehabilitation Program. Metro also completed wireless service installation on the Red Line north of Dupont Circle which enables cellular use throughout the Metrorail System. Metro continues to advance the Office Consolidation program, having executed a Ground Lease and a Construction Agreement with a developer for the Jackson Graham Building site. Metro also awarded the contract to replace bus fareboxes that includes options for installing rear door payment targets.

OPERATING RESULTS

Financial performance highlights through the second quarter of fiscal year 2021

Metro's net subsidy through the second quarter was on budget. Operating expenses were \$969.6 million or \$53.0 million less than budget. Operating revenues were \$59.7 million (excluding CARES Act) through Q2, funding six percent of operating expenses. Revenue losses from Covid-19, impacting ridership and non-passenger revenue, were offset by CARES Act funding as well as savings from overtime, paratransit and other services. Metro received CARES Act revenue totaling \$431.7 million, of which \$331.7 million was used to offset decreased revenue and \$100.0 million replaced jurisdictional contributions that were reduced as a result of the pandemic; including CARES revenue, total revenue through Q2 was \$491.4M.



● Budget: **\$1,022.7M**
● Actual: **\$969.6M**

● Budget: **\$444.4M**
● Actual: **\$59.7M**
● CARES Act: **\$331.7M**

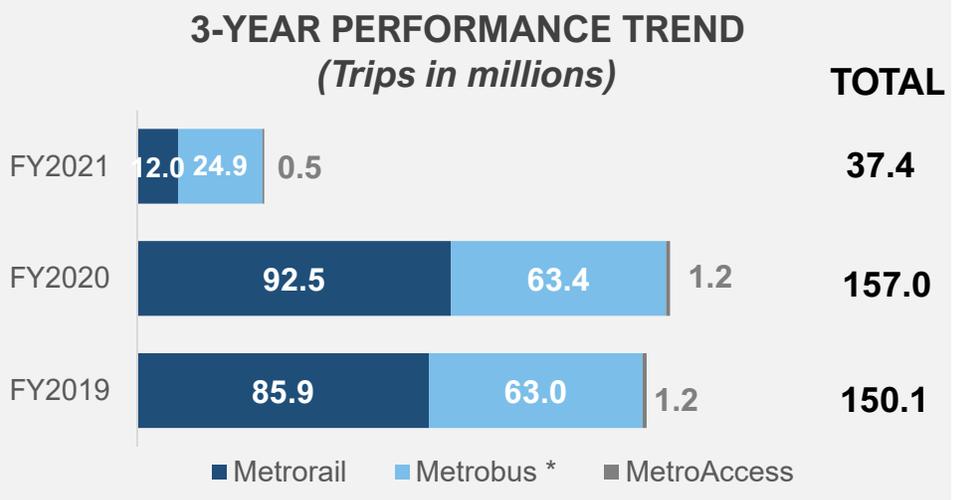
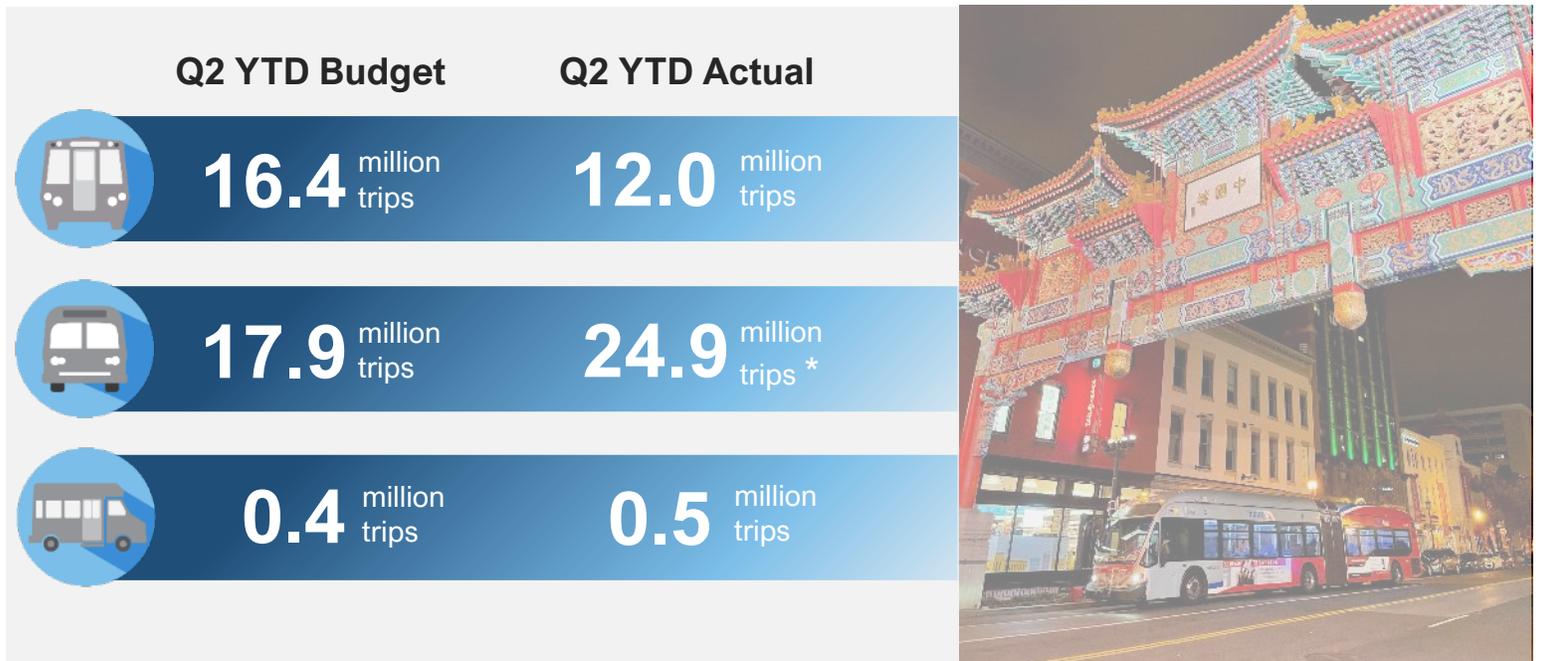
● Budget: **\$578.2M**
● Actual: **\$478.2M**
● CARES Act: **\$100.0M**



RIDERSHIP

Systemwide ridership was 37.4 million trips through Q2 of FY2021

Through Q2, total ridership was 80 percent below the prior year. In a departure from historic trends, Metrobus ridership continues to exceed Metrorail ridership. Bus ridership, using automated passenger counts (APC), totaled 24.9 million trips through Q2, 39 percent above budget but 38.5 million (61%) below prior year. In contrast, rail ridership of 12.0 million trips was down 80.4 million or 87 percent from prior year. The rail variance to budget was 4.4 million trips, unfavorable by 27 percent. Ridership on MetroAccess through the second quarter was 0.5 million trips, 32 percent above budget but 57 percent below prior year.

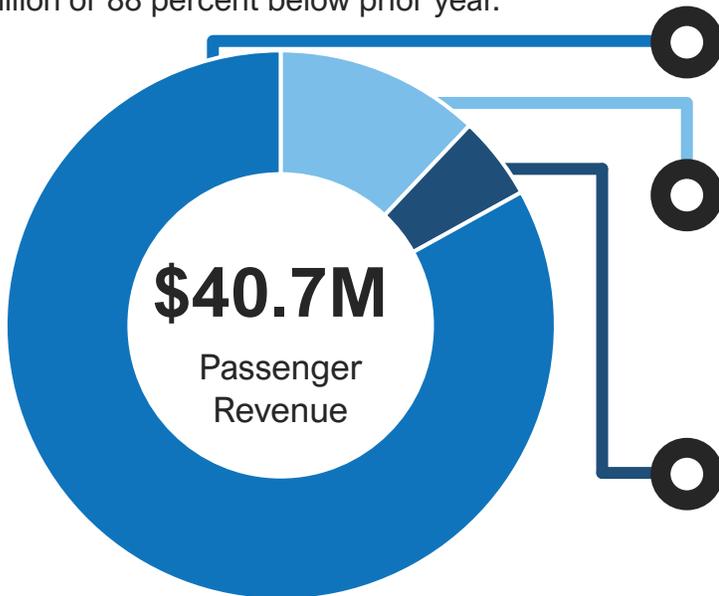


* Bus totals include shuttles to accommodate rail station shutdowns and other track work. Ridership is preliminary and subject to change.

OPERATING REVENUE

PASSENGER REVENUE

Passenger revenue totaled \$40.7 million, which was \$9.9 million or 20 percent below budget and \$298.5 million or 88 percent below prior year.



Metrorail – 83%

- Metrorail passenger revenue of \$33.8 million
- \$15.4 million or 31% below budget

Metrobus – 12%

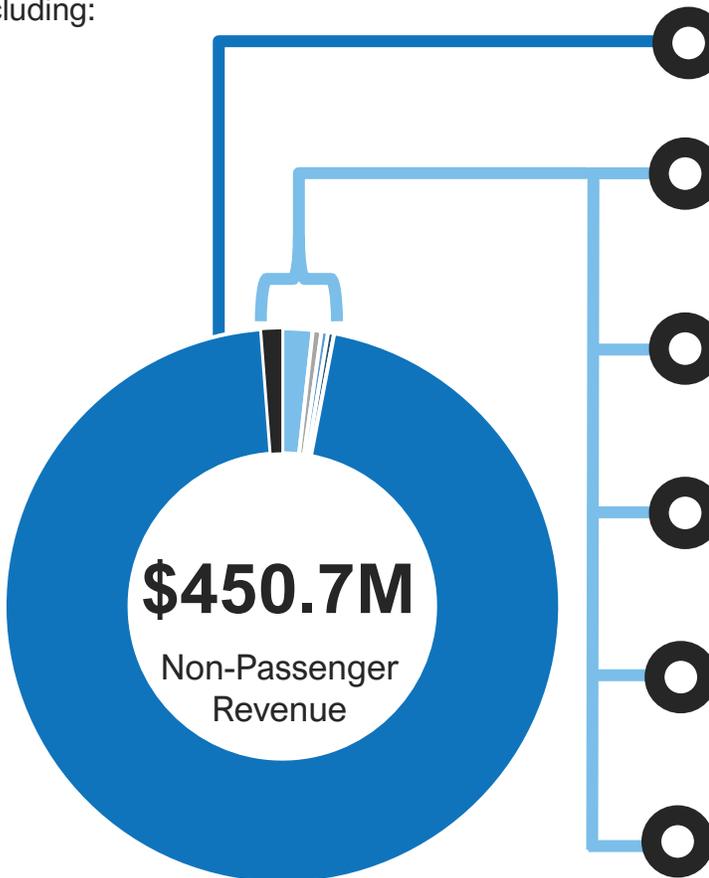
- Metrobus passenger revenue of \$4.9 million
- \$4.9 million above budget; Actual farebox revenue was \$0 due to temporary fare waiver though revenue associated with student pass programs was received

MetroAccess – 5%

- MetroAccess passenger revenue of \$2.0 million
- \$0.6 million or 45% above budget

NON-PASSENGER REVENUE

Non-passenger revenue totaled \$450.7 million through Q2, which was \$56.9 million or 14% above budget, including:



CARES Act – 94%

- Funding of \$431.7 million, including \$100.0 million of Jurisdictional Allocation

Parking – 1%

- Parking revenue of \$1.6 million
- \$2.2 million or 58% below budget

Advertising – 1%

- Revenue of \$5.5 million
- \$9.3 million or 63% below budget

Fiber Optic / Infrastructure – 2%

- Revenue of \$7.9 million
- \$1.6 million or 26% above budget

Joint Development – 1%

- Revenue of \$2.3 million
- \$0.01 million or 0.3% above budget

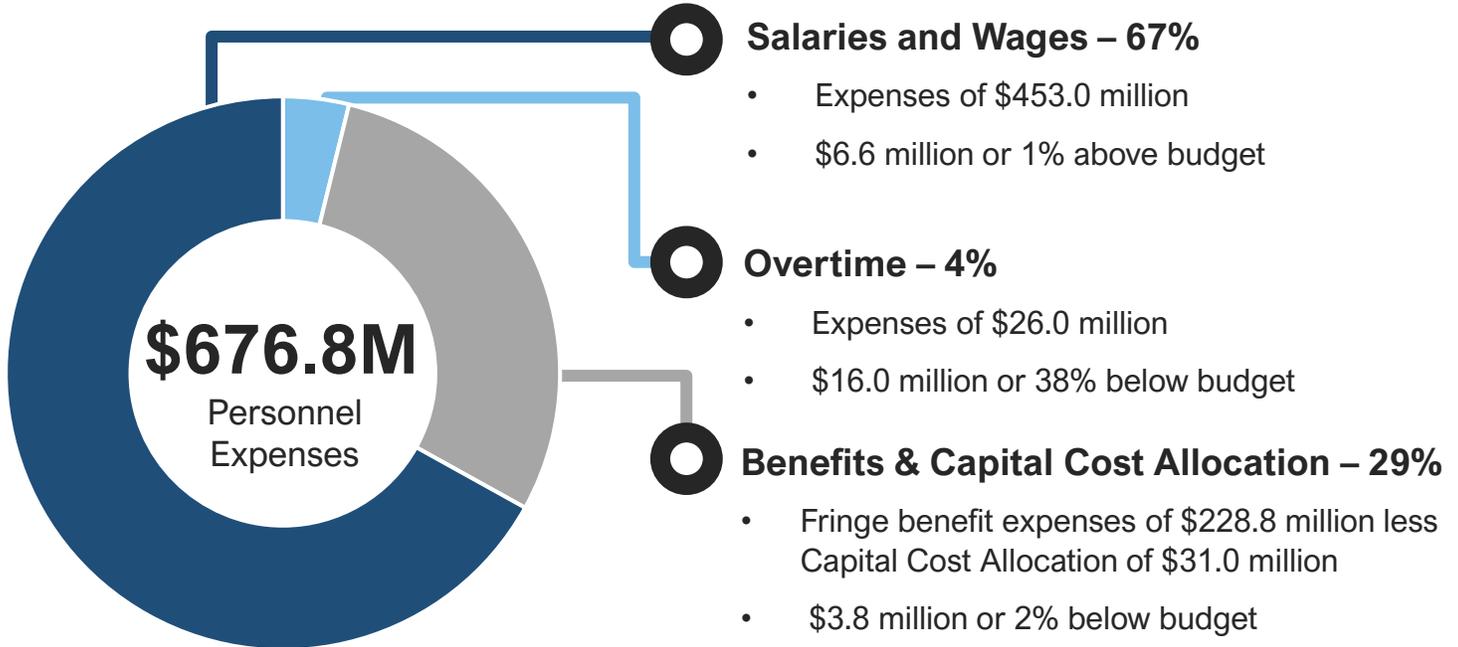
Other – 1%

- Other non-passenger revenue of \$1.7 million
- \$9.2 million or 85% below budget

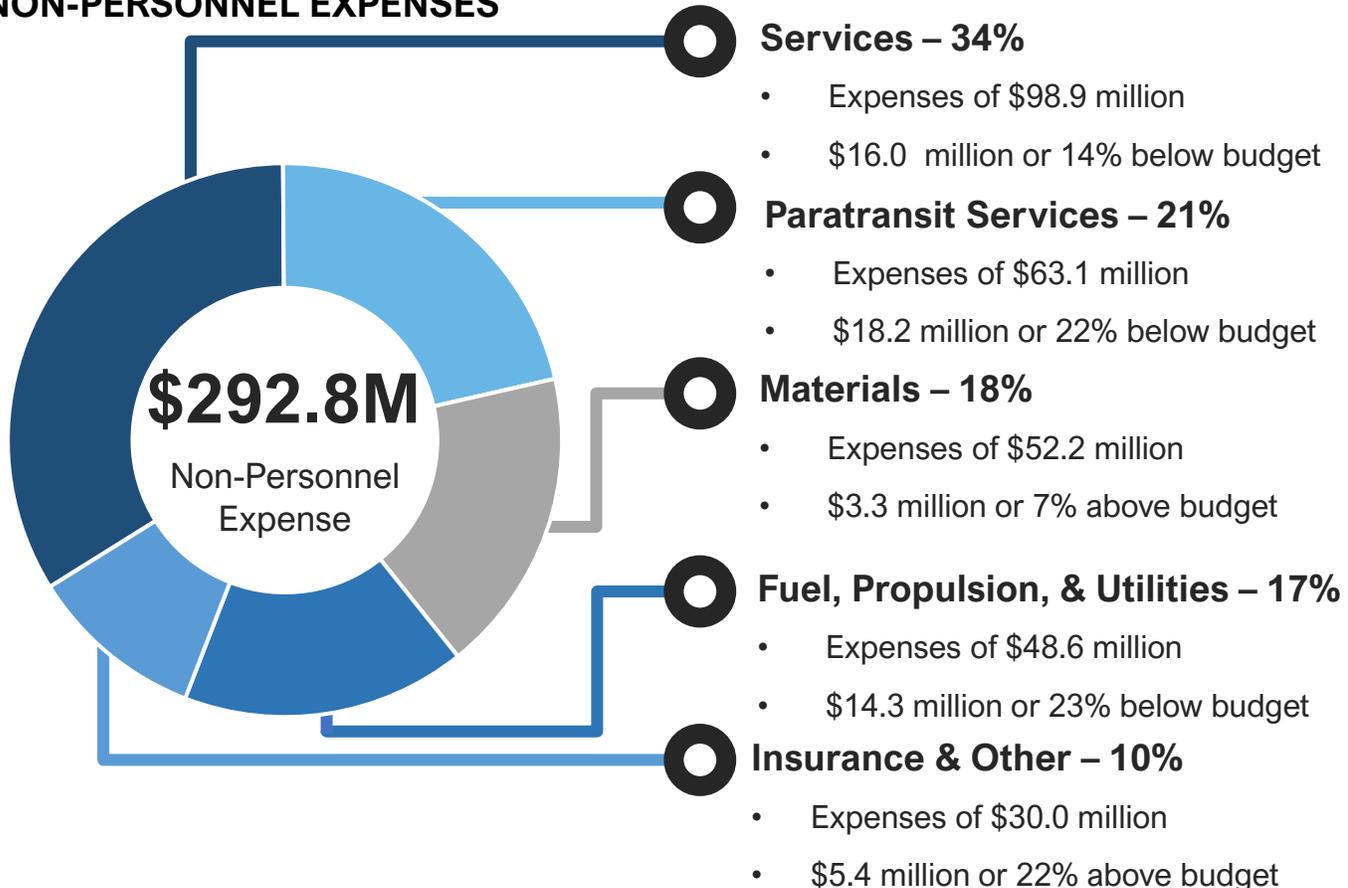
OPERATING EXPENSES

FY2021 operating expenses through Q2 were \$969.6 million, favorable by \$53.0 million to budget due to savings in Overtime, Fringe, Paratransit and other Services.

PERSONNEL EXPENSES



NON-PERSONNEL EXPENSES



CAPITAL IMPROVEMENT PROGRAM

Metro invested \$806.5 million in the Capital Improvement Program through Q2 of FY2021.

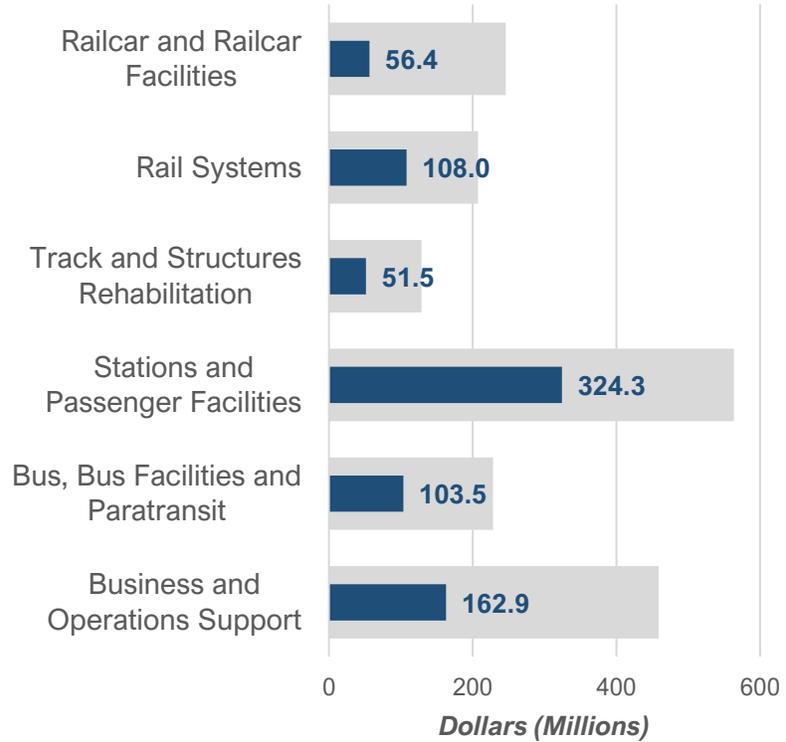
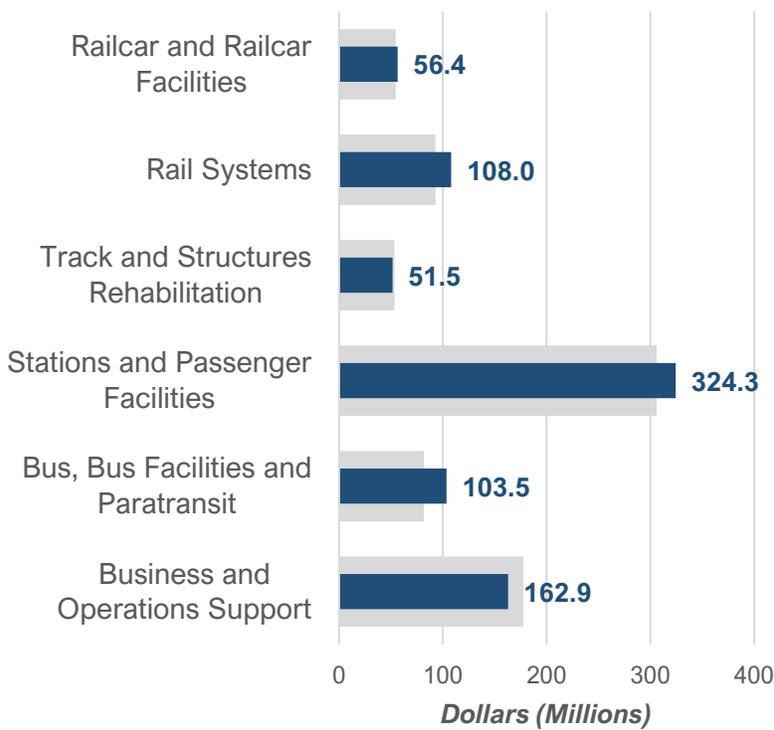
In Q2, Metro continued its aggressive rehabilitation program to improve safety and state of good repair. Low system ridership due to Covid-19 enables Metro to accelerate critical maintenance, reliability, and safety projects with minimized customer and operational impact. A capital budget amendment will be presented in February 2021 to address these program accelerations. This amendment will not increase Jurisdictional Contributions.

The FY2021 capital budget forecast as of the end of Q2 (December 2020) totals between \$1.921 and \$2.154 billion. This forecast reflects Metro’s best estimate of year end results as of the second quarter. The current approved FY2021 budget is \$1.832 billion.

Figures presented in this report are preliminary and unaudited.

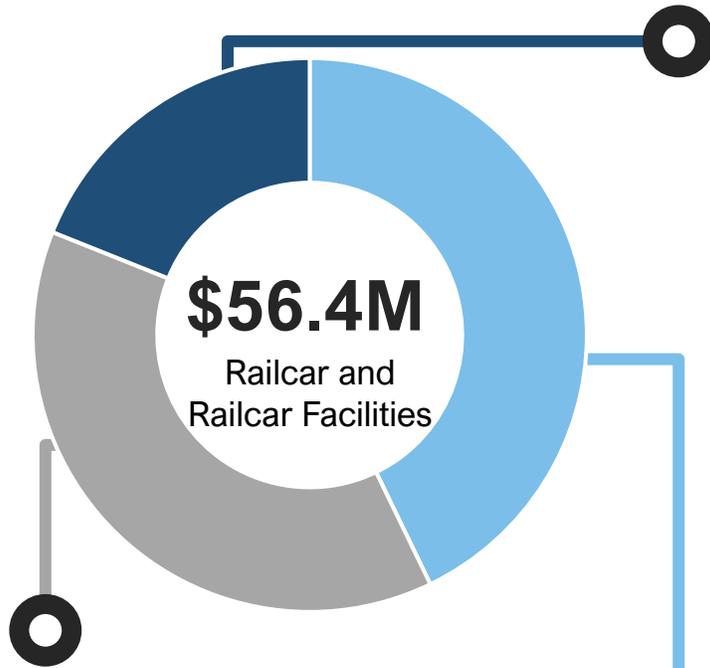
■ Q2 Baseline Projection ■ Q2 Actual Investment

■ FY2021 Current Budget ■ Q2 Actual Investment



RAILCAR AND RAILCAR FACILITIES INVESTMENTS

Through Q2 of FY2021, Metro invested \$56.4 million in Railcar and Railcar Facilities.



Acquisition – \$10.7M

In Q2, Metro continued final negotiations with the selected vendor for the 8000 Series railcar program. It is anticipated that Metro will finalize the contract and the vendor will begin the mobilization and design phases later this fiscal year. The 8000 Series will replace the 2000/3000-Series railcars at the end of their useful life.

Metro continues to work with the manufacturer and sub-contractors on various outstanding 7000 Series modifications for Automatic Train Control (ATC) software upgrades, railcar door wiring, cybersecurity enhancements, reduction of power consumption, and training for railcar maintenance, as well as simulators for training.

Metro’s performance targets for railcar availability and Mean Distance Between Delay (MDBD) make ongoing rail fleet preventative maintenance and the acquisition of more reliable railcars critical. Additional information is available in Metro’s Performance Report.

Maintenance Facilities – \$21.6M

A contract for the replacement of loading equipment (drop table) at the Shady Grove S&I shop was awarded in Q2. The fabrication and installation of non-metallic handrails for the Alexandria Rail Yard Service and Inspection (S/I) Shop continued and is expected to be completed in Q3 of FY2021 due to additional modifications to address ADA requirements. The installation is designed to improve worker safety.

In Q2, pre-construction phase 1 was ongoing for the Railcar Heavy Repair and Overhaul Facility (HRO), which includes design and site preparation work (anticipated to conclude in Q2 of FY2022). The LEED designed HRO facility will consolidate railcar overhaul functions into one facility. Current activities taking place at Brentwood and Greenbelt will benefit from additional yard storage space and continue as normal S&I shops and will support railcar fleet safety and state of good repair.

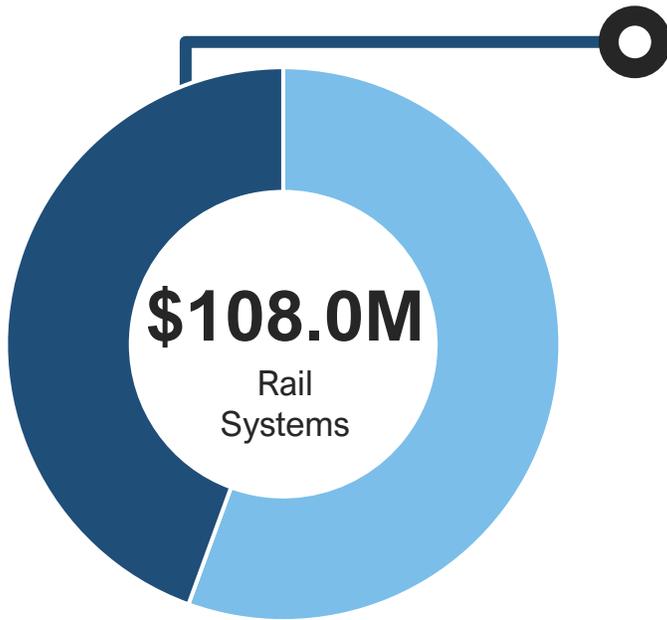
Maintenance & Overhaul – \$24.2M

Metro’s Railcar Rehabilitation Program supports the Scheduled Maintenance Service (SMS) of railcars. Specific deliverables include addressing 3000-Series air compressors, HVAC conversions, truck assemblies, and other components; as well as 6000-Series truck assemblies. In Q2, 18 2000/3000-Series and 14 6000-Series railcars were rehabilitated. FY2021 targets were revised due to engineering and design changes, as well as workforce availability and schedule issues due to Covid-19. Planning for the 7000-Series railcar rehabilitation is ongoing and is expected to begin in FY2022, with two cars being disassembled in FY2021 for engineering and design purposes.

Railcar Series	Original FY2021 Plan	Revised FY2021 Target	FYTD Progress
2000/3000	90	72	36
6000	94	72	36

RAIL SYSTEMS INVESTMENTS

Through Q2 of FY2021, Metro invested \$108.0 million in Rail Systems.



Signals & Communications – \$48.0M

In Q2, Metro continued to install fiber cable as part of the Radio Infrastructure Replacement project and completed cellular cable installation on the Red Line north of Dupont Circle. Once cellular carriers initiate wireless service on the section next quarter (along with the Yellow Line from L’Enfant Plaza to the Potomac River portal and the Silver Line Tysons Corner tunnel), all 100 miles of Metrorail tunnel track will have cellular and data service available for riders to talk, text, and stream. This project was initiated by the Congressional Passenger Rail Investment and Improvement Act (PRIIA) to enhance safety - in the event of an emergency, customers and employees can communicate more easily with first responders while underground.

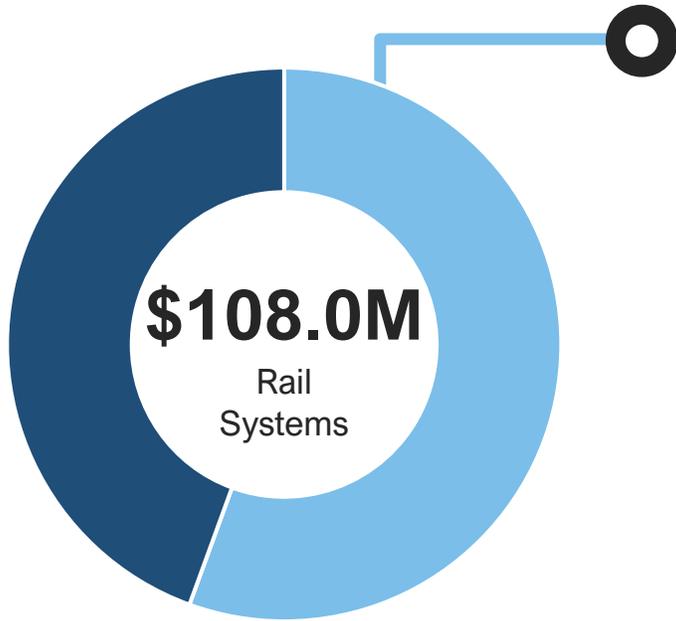


Metro continued to replace the Automatic Train Control (ATC) system at the Alexandria Yard, test power supplies at various locations, and conduct training for the new Switch Machine power supplies replacements as part of the ATC State of Good Repair Program. Metro closed Franconia-Springfield and Van Dorn Street stations for two weeks at the end of Q2 to complete ATC work along the Alexandria Yard leads, including installing new switches, signals, fiber cable upgrades and connections for the new train control bungalows. Metro anticipates awarding a contract for the replacement of ATC equipment at 10 train control rooms in Q3 of FY2021. ATC equipment provides train position, communication between the train and wayside, and automatic control of train speed and spacing of trains.

Asset	FY2021 Plan	FYTD Plan	FYTD Progress	Completion Percentage
SGR Switch Replacement – Mainline*	55	27	15	27%
SGR Switch Replacement – Brentwood Yard*	12	4	3	25%
SGR High-Current Bond Installation	105	26	23	22%
SGR Cross-Bonding Cable Installation	55	6	7	13%
SGR Interlocking Rehabilitation	26	17	15	58%

*Metro is currently reprioritizing and rescheduling switch-machine replacement activities.

RAIL SYSTEMS INVESTMENTS (CONTINUED)



Propulsion – \$60.0M

In Q2, Metro completed installation of Tie Breaker Station equipment at Fort Totten and College Park, and continued installation at Silver Spring. Installation of Traction Power Substation (TPSS) equipment was completed at Pentagon City and continued at Van Dorn. Metro also began installation of equipment at West Hyattsville and College Park. These actions to improve rail power infrastructure will allow Metro to increase the number of 8-Car trains that it can run on the system.

Metro is advancing the second large-scale TPSS and Tie Breaker Station equipment supply and installment contract, and completed transformer installs at Forest Glen, Shady Grove, Brookland, Naylor Road, and West Falls Church in Q2. Transformer installs began at three additional locations. Metro released an RFP for the replacement and relocation of the Rosslyn cable tray in Q2 and expects to award the contract in Q3. This work will coincide with the Arlington Cemetery/Blue Line shutdown.

Construction continued on AC Switchgear replacements at Deanwood, East Falls Church, Farragut West, Gallery Place, Silver Spring, and Vienna in Q2. Metro awarded contracts for the replacement of AC Switchgear at 10 locations. Uninterruptable Power Supply (UPS) replacement construction was initiated at Anacostia, Franconia-Springfield, Foggy Bottom, Gallery Place, Grosvenor, Medical Center, and NoMa.

Asset	FY2021 Plan	FYTD Progress	Completion Percentage
Cable Replacements (LF)	27,000	24,317	89%
Cable Additions (LF)	8,000	7,409	93%
Cable Meggering	2,200	1,038	47%
Uninterruptable Power Supply Replacement	21	14	67%

TRACK AND STRUCTURES REHABILITATION INVESTMENTS

Through Q2 of FY2021, Metro invested \$51.5 million in Track and Structures Rehabilitation.

The Track and Structures Rehabilitation Program supports a safe and reliable rail system through comprehensive inspection, maintenance and rehabilitation that enhances the condition of the tracks, guideways, and structures.

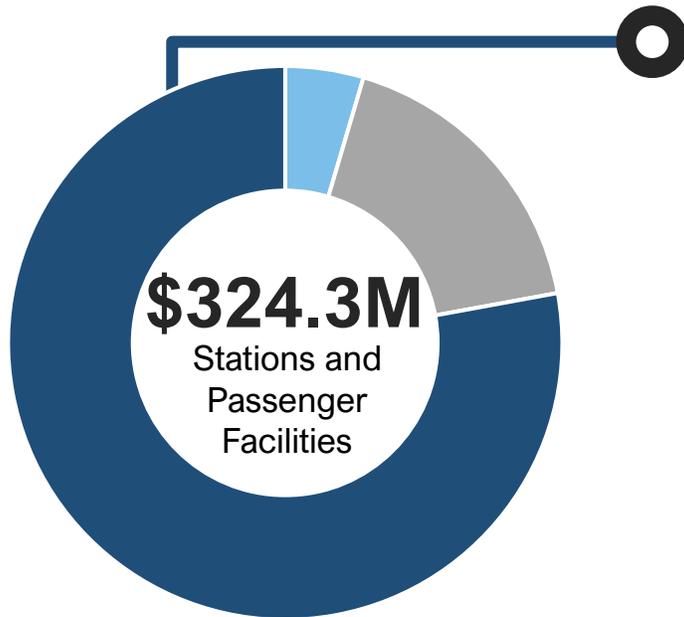
Asset	FY2021 Plan	FYTD Progress	Completion Percentage
Concrete Restoration (SF)	5,000	458	9%
Crossties Replaced	5,865	2,309	39%
Deck Joint Replacement (LF)	1,000	225	23%
Direct Fixation Fasteners Replaced	31,320	2,319	7%
Drain Rodding (LF)	140,000	32,255	23%
Grout Pad Rehabilitation (LF)	18,525	3,484	19%
Joint Elimination	700	151*	22%
Leak Mitigation	1,050	475	45%
Running Rail Renewal (MI)	7.8	4.7	60%
Third Rail Insulator Replacement	7,000	996	14%
Third Rail Rehabilitation (MI)	1	0	0%
Track Bed Cleaning (LF)	900,000	164,394	18%
Track Signage Replaced	2,500	40	2%
Track Stabilization (LF)	200	0	0%
Track Tamping (MI)	30	11.7	39%
Turnouts Rehabilitated	12	0	0%

Metro will take delivery of down and under prime movers, a drain cleaner, dual rail e-clip installers and ride-on plate inserters throughout FY2021 and into FY2022.

*Q1 total adjusted, resulting in modified FYTD progress.

STATIONS AND PASSENGER FACILITIES INVESTMENTS

Through Q2 of FY2021, Metro invested **\$324.3 million** in **Stations and Passenger Facilities**.



Platforms & Structures – \$252.5M

The Platform Rehabilitation Program addresses rehabilitation of station platform structures, tiles, and granite edges, as well as 36 other station systems including information displays, lighting, signage, recycling bins, bathrooms, drainage pumps, and public address, security and fire systems.

In Q2, Metro continued work on CCTV equipment installation and other remaining work for Phase 2 of the Platform Rehabilitation Program. The majority of project work was completed in Q1 when East Falls Church, West Falls Church, Dunn Loring, and Vienna stations returned to revenue service after a three-month shutdown.

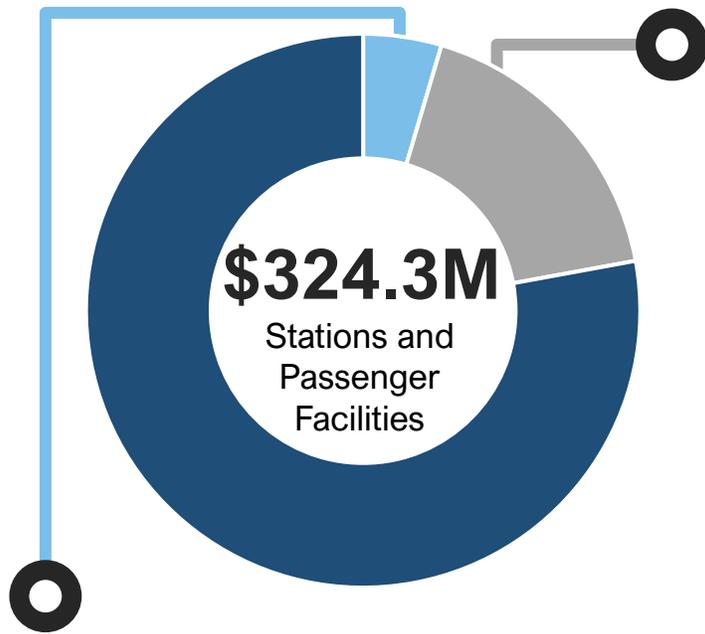
The platform reconstruction work for the Reagan National Airport station that commenced in Q1 was completed in Q2. This work focused on the reconstruction of the platform structures, installation of non-slip paver tiles, and rehabilitation of granite edging only.

Metro awarded the contract and notice to proceed for the Platform Rehabilitation Phase 3 in Q2. Station rehabilitation work will require the shutdown of Arlington Cemetery and Addison Road in February 2021 for three months. Similarly, four additional stations on the Green Line stations (West Hyattsville, Prince George's Plaza, College Park, and Greenbelt) will shutdown in Q4 for platform and station systems replacement.

In Q2, Metro continued installing the Dupont Circle north entrance canopy as well as new stairs at the Judiciary Square south entrance. A procurement package for Phase 4 of the Station Entrance Canopy Installation project, including canopy installations at eight entrances and stairs at four entrances, is being developed for release in Q3 of FY2021.



STATIONS AND PASSENGER FACILITIES INVESTMENTS (CONTINUED)



Vertical Transportation – \$14.8M

Metro plans to rehabilitate 11 elevators in FY2021 (revised from Q1). Rehabilitation work on three elevators is underway (one unit at Vienna and two units at Friendship Heights).

Metro plans to rehabilitate 13 escalators across the system (revised from Q1). Six escalators are currently being rehabilitated, one at Fort Totten, two at Dupont Circle, one at College Park, and two at Navy Yard.

Metro is taking advantage of low ridership by accelerating the installation of two escalators at the Huntington station south entrance, which will be completed in Q3 of FY2021. Metro also awarded a contract and issued a Notice to Proceed for the replacement of 127 escalators over a six-year period. Work is scheduled to begin in late FY2021.

Metro's Performance Report includes elevator and escalator availability data in comparison with performance targets.

Station Systems – \$56.9M

Metro continues to advance the mobile payment capabilities, with Android devices deployment expected this year (Apple devices launched in Q1 of FY2021). The new payment solutions give customers enhanced payment and account capabilities while reducing touch points and contact with Metro payment equipment and employees.

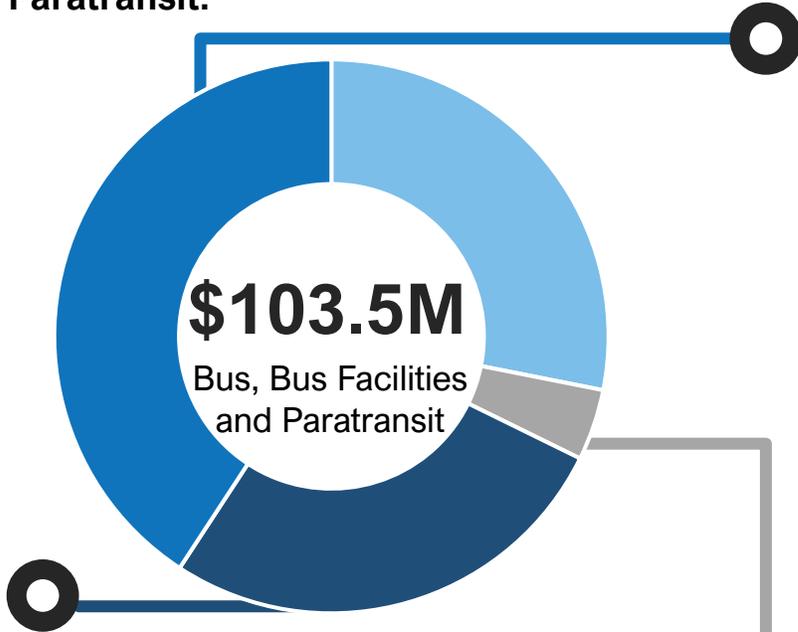
As part of the Fare Collection Modernization Program, Metro continued the development of new faregates that will be deployed throughout rail stations and awarded a contract for the replacement of bus fareboxes in Q2. Existing bus fareboxes are approximately two decades old, have failing components, and are no longer manufactured. Rail faregate pilot testing is now anticipated to occur in Q4 of FY2021 at 10 stations to address additional evaluation and integration requirements. Installations at remaining stations will take place throughout FY2022. A contract to replace emergency swing gates at 32 locations is anticipated to be awarded in Q3. This program improves fare collection functionality thereby limiting fare evasion.

The Station Lighting Improvements Program upgrades lighting at platforms, station mezzanines, and around Metro stations and properties to provide enhanced illumination and safety for customers and reduce energy use. Station ceiling LED lighting was installed at Rosslyn in Q2, with seven additional locations to be completed in FY2021. Parking lot and walkway lighting improvements will also be addressed.



BUS, BUS FACILITIES AND PARATRANSIT INVESTMENTS

Through Q2 of FY2021, Metro invested \$103.5 million in Bus, Bus Facilities and Paratransit.



Acquisition – \$42.2M

In Q2, one 40-foot and eight 60-foot clean diesel buses were delivered. The remaining vehicles are anticipated by the end of FY2021. These new buses enable Metro to maintain the bus fleet in a state of good repair and achieve emissions reductions and fuel savings as they replace buses that have reached the end of their useful life.

Bus Type	FY2021 Planned Deliveries	FYTD Progress
Clean Diesel 40-ft.	100	1
Clean Diesel 60-ft.	41	10
CNG 40-ft.	12	12

Maintenance Facilities – \$27.9M

In Q2, pre-construction activities continued on the Bladensburg bus maintenance and operations facility. An off-site bus parking lot that will allow demolition of the existing Bladensburg Bus Garage Facility to proceed is anticipated to be in service in Q4 of FY2021. Metro will increase the size of the Bladensburg site by approximately one acre to incorporate a garage designed for LEED certification and accommodating up to 300 buses, separate entrances for buses and employee vehicles, and on-site employee parking.

Pre-construction activities also continued in preparation for demolition and construction at the Northern Bus Garage Facility. The new LEED designed facility will include an underground parking level, a maintenance and operations level and a rooftop parking deck. The facility will accommodate up to 150 buses.

Both new bus facilities will be built to support future electric vehicle charging infrastructure and equipment.

Metro has received two pilot hybrid sedans for Paratransit service. The remaining 175 vehicles are anticipated to be delivered in Q3 and Q4 of FY2021. The new vehicles will be more fuel efficient than existing vans.

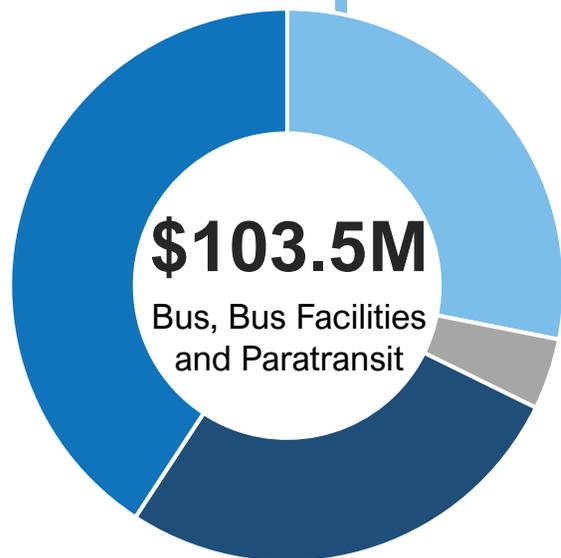
Passenger Facilities & Systems– \$4.3M

Metro is installing new Customer Information Electronic Display Signs (CIEDS) at Metrobus stops to show real-time bus arrivals. Delivery of 56 signs occurred in Q2 and will be installed later this fiscal year.

Activity	FY2021 Plan	FYTD Progress
CIEDS Installed	135	30

In Q2, construction began on the Chevy Chase bus loop and facility. Once complete (anticipated in Q1 of FY2022), rehabilitation of the Calvert St. and Colorado Ave bus terminals will proceed sequentially.

BUS, BUS FACILITIES AND PARATRANSIT INVESTMENTS (CONTINUED)



Maintenance & Overhaul – \$29.1M

Metro’s bus maintenance and overhaul investments are focused on maintaining the reliability and safe operating condition of equipment as well as achieving the maximum useful life of the assets.

In Q2, 26 buses were rehabilitated, along with the rebuilding of engine assemblies, transmissions and fare boxes. Fourteen Energy Storing Systems (ESS) were replaced. Covid-19 impacts delayed progress for several assets listed below.

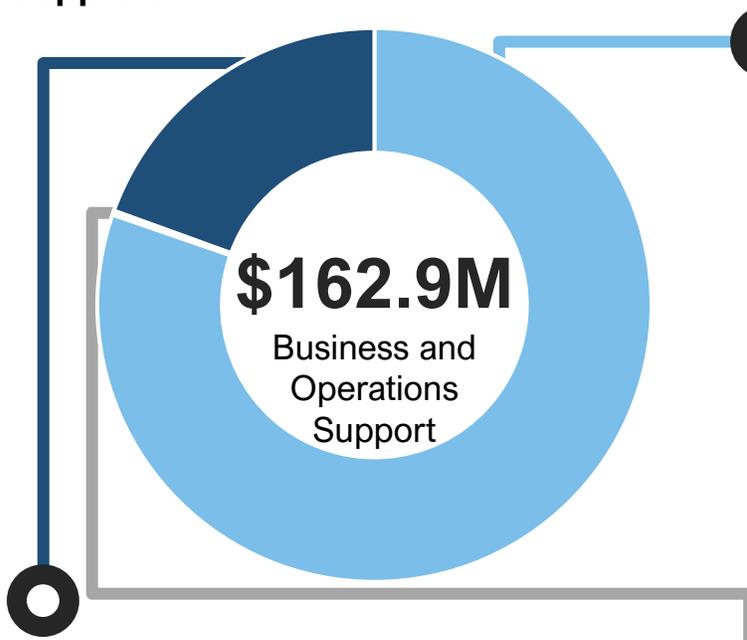
These investments are critical to meeting Metro’s Mean Distance Between Failure (MDBF) target for the bus fleet and providing customers with reliable service. Metro’s Performance Report includes specific MDBF data for the bus fleet.

Asset	FY2021 Plan	FYTD Plan	FYTD Progress	Completion Percentage
Bus Rehabilitations	100	50	45	45%
Energy Storage Systems	100	50	40	40%
Ultracapacitors	77	38	45	58%
Engine Assemblies	125	62	49	39%
Transmission Assemblies	150	75	62	41%
Fare Boxes	232	116	95	41%



BUSINESS AND OPERATIONS SUPPORT INVESTMENTS

Through Q2 of FY2021, Metro invested **\$162.9 million** in **Business and Operations Support**.



Information Technology – \$31.7M

Metro’s IT investments improve internal operations and the customer experience.

As part of the office consolidation initiative, Metro is constructing a new data center to replace the existing center at the Jackson Graham Building. The end of life and maintenance assessment were completed for the Jackson Graham Building and the Carmen Turner Facility. A study of the latest available technology will be performed as part of an analysis to determine what technology will be adopted during the office consolidation. An RFP is being developed and is expected to be released by the end of FY2021

Metro Transit Police Department (MTPD) – \$0.4M

Support Equipment & Services – \$130.8M

In Q2, Metro completed structural steel erection for the additional three floors at the DC office building location and continued installation of the new curtain wall. Building foundation pre-construction work at the VA office building location was completed in Q2 and vertical construction will begin on the 10-floor structure. Pre-construction and mobilization began at the Maryland office location in Q2.

The DC office building is anticipated to be completed in FY2022, and the VA and MD office buildings in FY2023. The Office Consolidation Strategy will enable Metro to downsize from 10 current office buildings throughout the region to four, which will reduce operating expenses and improve operations. The facilities are being designed to meet LEED certification standards.



In Q2, Metro completed the rehabilitation of the roof at the Glenmont Train Wash Facility and Shady Grove S&I Shop. Metro plans to rehabilitate 15 additional roofs for a total of 18 roofs in FY2021.

Metro is awaiting permits to begin construction on the New Hampshire Ave. Chiller Water Treatment Facility and continued replacement of the Underground Storage Tank at the Alexandria Railyard. These projects are part of the Environmental Compliance Program and protect the region’s natural resources and health.

REAL ESTATE UPDATE

Metro's Office of Real Estate and Parking proactively manages Metro's real estate and parking assets to maximize transit access, stimulate economic development, and generate non-fare revenue and transit ridership through transit-oriented development.

Joint Development

Jackson Graham Building: The Joint Development Agreement, Ground Lease, and Construction Agreement for Metro's current headquarters site were executed in December 2020. The developer plans to reuse the existing structure and add three additional floors of office space to the existing building, plus ground floor retail, resulting in a 400,000 square foot office and retail project. Project closing is anticipated January 2023; construction expected to be complete in 2025.

Grosvenor-Strathmore: Construction of the Grosvenor parking garage expansion was largely completed and opened in December 2020. The expansion replaces surface parking spaces and will promote additional development. Metro utilized the Parksmart certification framework to ensure sustainability was a priority.

White Flint: Metro entered into a three-year Memorandum of Understanding with Montgomery County, which articulates the respective roles and responsibilities needed to successfully create a transit-oriented, mixed-use life sciences community.

Tenleytown (Chiller): Metro received an unsolicited offer from an adjacent property owner, with whom Metro is negotiating to dispose of the site under a fee simple sale. The property will be assembled with the adjacent property and developed into a 24-unit moderate income multi-family building.

New Carrollton: Completion of the Phase 1B multi-family building is expected in 2021. Phase 2 of the project has commenced design and includes the new Metro Maryland office building, a multi-family building, and a new commuter garage to replace surface parking spaces. Construction of the new multi-family building is expected to begin in Q3 of FY2021. Construction of the new parking garage is expected to begin in Q4 of FY2021.

Dispositions

Metro did not dispose of any excess property in Q2 FY2021.

Acquisitions

Railcar Heavy Repair & Overhaul Facility: Condemnation proceedings were completed in Q2 for three properties required for a new railcar HRO facility in Landover, Maryland. Former property owners are appealing the fair market value of the condemnation.

Bladensburg Bus Facility: Metro received FTA concurrence in September 2020 to condemn two properties required for the redevelopment of Bladensburg Bus Facility. U.S. Department of Justice is expected to begin condemnation proceedings in Q3 of 2021.

Incidental Use

Solar Development: Metro has begun the entitlement process for the 12MW solar project that will take place at no cost to Metro. Under the innovative lease agreement, SunPower Goldman Sachs Renewable Power LLC will own the system and pay Metro annually for 25 years, providing Metro a long-term revenue stream.

SUSTAINABILITY UPDATE

Metro's Office of Sustainability implements and advances policies, programs and partnerships to make Metro resilient, equitable, fiscally responsible, and to foster economic prosperity and environmental stewardship.

In November 2020, Metro presented draft sustainability principles to the Metro Board of Directors for consideration. These principles recognize sustainability as a core value within Metro and acknowledge that sustainability can be the most cost-effective and beneficial way to improve performance and contribute to livable and equitable communities. Adoption of these principles will allow Metro to help the region to meet its sustainability and equity goals.

Energy Action Plan

Metro continues to reduce energy use, contain operating costs, modernize the system's operations, promote innovation, and help the region meet its sustainability goals through its Energy Action Plan. Recent project highlights include:

- Updated enterprise energy monitoring software (EEMS) and conducted interdepartmental training – enabling enhanced utility data tracking, insight into operations, and opportunities for cost savings.
- Installed LED lighting in all rail yard S&I shops and in backrooms at 19 Virginia stations – saving energy while improving lighting for staff maintaining, repairing, and operating the system.
- Installed LED lighting for pathways, bus loops, and parking areas at four stations (Brookland, Congress Heights, Deanwood, and Fort Totten) in partnership with the DC Sustainable Energy Utility and a small local Certified Business Enterprise.
- Advanced site design for the construction of 12MW of solar panels on parking facilities at four Metro stations in DC and Maryland (Anacostia, Cheverly, Naylor Road, and Southern Avenue).
- Continued to incorporate green design standards in major facilities under development (Heavy Rail Overhaul facility, Potomac Yard Station, Northern and Bladensburg Bus Garages, Grosvenor-Strathmore Parking Garage and the three new Metro headquarters buildings).

Zero Emission Bus Program

Metro has launched a zero-emission bus program to ensure readiness and a successful fleet transition as funding becomes available. By converting to zero-emission bus service, Metro is helping regional partners reach sustainability goals and improve the customer experience (as outlined in the Washington Area Bus Transformation Project and the Zero-Emission Bus Update). Recent program highlights include:

- Initiated the Electric Bus Test & Evaluation project, which will inform the future large-scale rollout of a zero-emission fleet. As a result of a \$4.2 million grant from the FTA Low or No Emission Program, Metro anticipates releasing an RFP for two battery electric buses in FY2022. In Q2, Metro advanced site design at the Shepherd Parkway Bus Garage to prepare for facility upgrades required for electric bus technology.
- Continued to incorporate 'electric bus ready' design in new bus garages currently under development (Northern and Bladensburg).
- Issued an RFP for renewable natural gas (award anticipated by Q4 of FY2021).
- Initiated the development of a new Metrobus fleet plan, which will focus around zero-emission technology planning. Anticipated to conclude by the end of FY2021.
- Established ongoing engagement with Pepco to identify, define, and plan for electric service capacity and infrastructure investment required for electrification, including for Northern and Bladensburg Bus Garages.
- Launched a regional stakeholder collaboration with bus transit providers, electric utilities, regional government and funding partners.

APPENDIX I: OPERATING FINANCIALS & RIDERSHIP

FY2021 – Q2 Year-To-Date (\$ in millions)

	Budget	Actual	Variance \$	Variance %
Passenger Revenue	\$50.6	\$40.7	(\$9.9)	-19.6%
Non-Passenger Revenue *	\$393.8	\$450.7	\$56.9	14.4%
Total Revenue	\$444.4	\$491.4	\$47.0	10.6%
Personnel	\$690.0	\$676.8	\$13.2	1.9%
Non-Personnel	\$332.6	\$292.8	\$39.8	12.0%
Total Expenses	\$1,022.7	\$969.6	\$53.0	5.2%
Gross Subsidy	\$578.2	\$478.2	(\$100.0)	-17.3%
Jurisdictional Allocation	--	(\$100.0)	(\$100.0)	--
Net Subsidy	\$578.2	\$578.2	\$0.0	0.0%
Cost Recovery Ratio	43%	51%		

* includes CARES Act funding of \$355.8 million (budget) and \$431.7 million (actual); excludes reimbursables

FY2021 – Q2 Year-To-Date (Trips in millions)

Ridership	FY2020 Actual	FY2021 Budget	FY2021 Actual	Variance Prior Year	Variance Budget
Metrorail	92.5	16.4	12.0	-87.0%	-26.8%
Metrobus*	63.4	17.9	24.9	-60.7%	39.0%
MetroAccess	1.2	0.4	0.5	-56.9%	32.1%
All Modes	157.0	34.7	37.4	-76.2%	7.8%

*Bus totals include shuttles to accommodate rail station shutdowns and other track work. Ridership is preliminary and subject to change.

APPENDIX II: CAPITAL PROJECT FINANCIALS BY INVESTMENT CATEGORY

(\$ in Millions)

Capital Investments	FY2021 Current Budget	FY2021 Forecast Range	FY2021 Actuals YTD	YTD % Forecast Expended
Acquisition	90.3	79.8 – 89.8	10.7	12%
Maintenance & Overhaul	115.6	105.4 – 118.4	24.2	21%
Maintenance Facilities	39.9	35.4 – 40.4	21.6	54%
Railcar and Railcar Facilities	\$245.9	\$220.6 – 248.6	\$56.4	23%
Propulsion	100.4	113.9 – 129.9	60.0	60%
Signals & Communications	107.0	108.6 – 128.6	48.0	45%
Rail Systems	\$207.4	\$222.5 – 258.5	\$108.0	52%
Fixed Rail	107.1	103.3 – 109.8	43.7	41%
Structures	21.7	18.9 – 27.9	7.8	36%
Track and Structures Rehabilitation	\$128.7	\$122.2 – 137.7	\$51.5	40%
Platforms & Structures	408.2	592.6 – 644.1	252.5	62%
Vertical Transportation	40.6	32.1 – 33.1	14.8	37%
Station Systems	114.6	114.5 – 125.5	56.9	50%
Stations and Passenger Facilities	\$563.4	\$739.2 – 802.7	\$324.3	58%
Acquisition	99.4	98.1 – 99.1	42.2	42%
Maintenance & Overhaul	74.5	61.5 – 69.5	29.1	39%
Maintenance Facilities	40.0	38.4 – 40.4	27.9	70%
Passenger Facilities & Systems	14.2	16.6 – 18.6	4.3	30%
Bus, Bus Facilities and Paratransit	\$228.2	\$214.5 – 227.5	\$103.5	45%
IT	95.2	94.4 – 103.4	31.7	33%
MTPD	1.7	1.6	0.4	21%
Support Equipment & Services	361.7	305.7 – 373.7	130.8	36%
Business and Operations Support	\$458.6	\$401.7 – 478.7	\$162.9	36%
Total Capital Programs	\$1,832.2	\$1,920.7 – 2,153.7	\$806.5	44%

APPENDIX III: WEEKDAY PARKING FACILITY USAGE

Station	Lot Capacity	YTD Paid Utilization (% of Capacity)	Variance, Year-Over-Year (Change in Utilization %)
Montgomery County			
Grosvenor-Strathmore	1,659	5%	-69%
White Flint	1,270	4%	-48%
Twinbrook	1,097	3%	-39%
Rockville	524	4%	-63%
Shady Grove	5,745	4%	-52%
Glenmont	2,998	5%	-55%
Wheaton	977	3%	-27%
Forest Glen	596	3%	-65%
Montgomery County Total	14,866	4%	-52%
Prince George's County			
New Carrollton	2,349	6%	-55%
Landover	1,185	5%	-51%
Cheverly	500	4%	-50%
Addison Road-Seat Pleasant	1,268	3%	-35%
Capitol Heights	372	8%	-54%
Greenbelt	3,399	4%	-44%
College Park-U of MD	1,290	3%	-47%
Prince George's Plaza	1,068	3%	-33%
West Hyattsville	453	6%	-49%
Southern Avenue	1,980	4%	-38%
Naylor Road	368	8%	-63%
Suitland	1,890	4%	-41%
Branch Avenue	3,072	6%	-65%
Morgan Boulevard	608	6%	-59%
Largo Town Center	1,950	6%	-56%
Prince George's County Total	21,752	5%	-49%
Maryland Total	36,618	4%	-49%

APPENDIX III: WEEKDAY PARKING FACILITY USAGE (CONTINUED)

Station	Lot Capacity	YTD Paid Utilization (% of Capacity)	Variance, Year-Over-Year (Change in Utilization %)
District of Columbia			
Deanwood	194	2%	-32%
Minnesota Ave	333	13%	-48%
Rhode Island Ave-Brentwood	221	12%	-60%
Fort Totten	408	18%	-60%
Anacostia	808	1%	-27%
District of Columbia Total	1,964	8%	-45%
Northern Virginia			
Huntington	2,732	6%	-37%
West Falls Church-VT/UVA	1,275	4%	-46%
Dunn Loring-Merrifield	1,964	4%	-31%
Vienna/Fairfax-GMU	4,240	5%	-52%
Franconia-Springfield	5,069	5%	-31%
Van Dorn Street	361	15%	-44%
East Falls Church	422	6%	-102%
Wiehle-Reston East	2,300	7%	-63%
Northern Virginia Total	18,363	5%	-41%
System Total	56,945	5%	-47%