

WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

Financial Progress Report

Fiscal Year 2026 Quarter 2



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Q2 FY2026 AT-A-GLANCE



Service Excellence

October:

- The first two Novabus electric buses entered service

November:

- Veterans Day Bus, Train and Access vehicle was released to honor veterans
- Tap.Ride.Go. (Bus) was launched throughout the region with all forms of contactless payment accepted

December:

- Winter planned work on the Green line: Dec. 16 – 30
- Metro supported Wreaths Across America – a national day of remembrance
- Fare free rides on New Year's Eve for customers
- Yellow Line extension to Greenbelt began Dec. 31



Talented Teams

October:

- Metro Homecoming celebrated retirees
- Metro Graduation (Bus/Ops) was held

November:

- Metro celebrated its veteran employees
- Annual MTPD Anacostia Thanksgiving event
- Metro Storytime was held at Metro Center - bringing families together to hear transit stories



Financial & Organizational Efficiency

October:

- DMVMoves and media signaling tour at Farragut North showcased aging infrastructure and need for digitization
- Final DMVMoves Taskforce meeting

November:

- WMATA and Metropolitan Washington Council of Governments boards voted to endorse \$460M in dedicated capital funding starting in FY2028 for Metro
- West Falls Church Joint Development Groundbreaking event
- Metro Holiday Pop-Up Shop saw record sales

December:

- New Carrollton groundbreaking event for the Margaux highlighting affordable housing for seniors

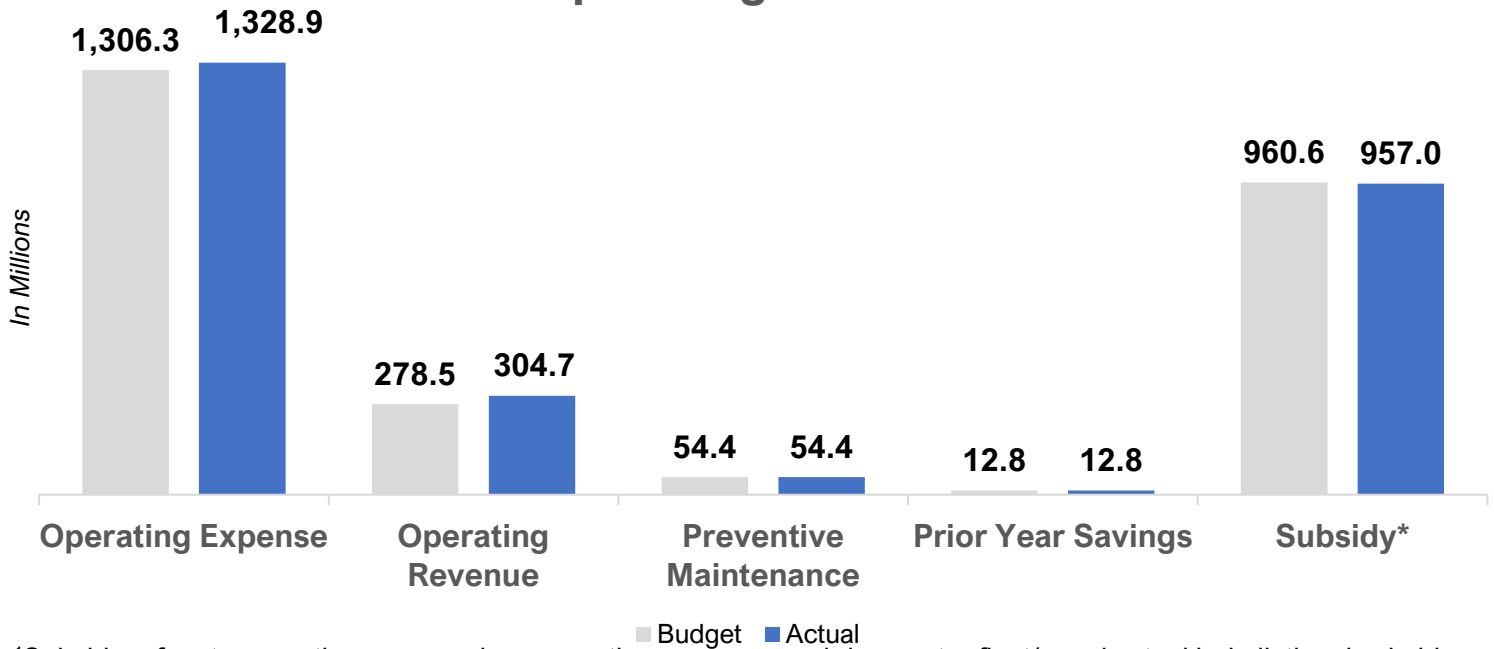


Q2 OPERATING RESULTS

Strong operating revenue highlights Metro’s system-wide financial performance through the second quarter of fiscal year 2026

Gross operating expenses were \$1,328.9 million or \$22.6 million unfavorable to budget. Operating revenues were \$304.7 million, favorable to budget by \$26.3 million funding 23 percent of operating expenses. Passenger revenue was favorable to budget by \$12.5 million. Non-passenger revenue was also favorable to budget, primarily due to higher-than-anticipated parking, joint development revenue, and investment income. Overtime and certain non-personnel expenses were unfavorable to budget. Metro’s net subsidy¹ remains on budget for the fiscal year.

Operating Results



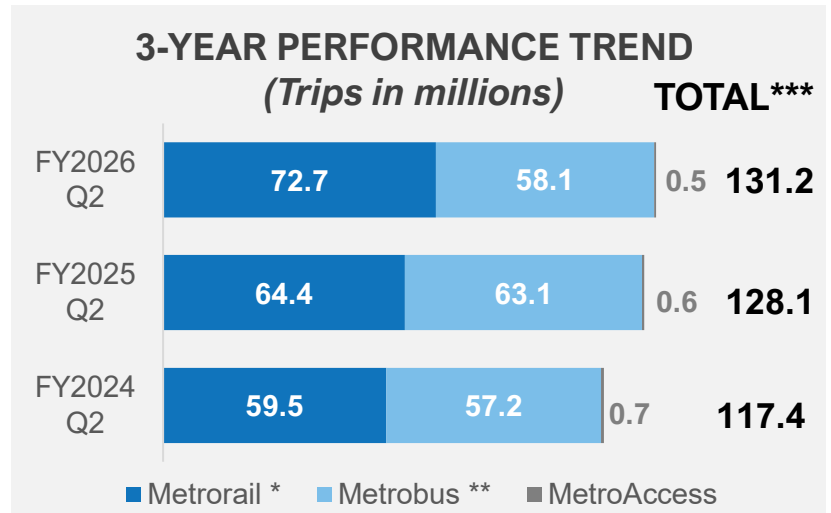
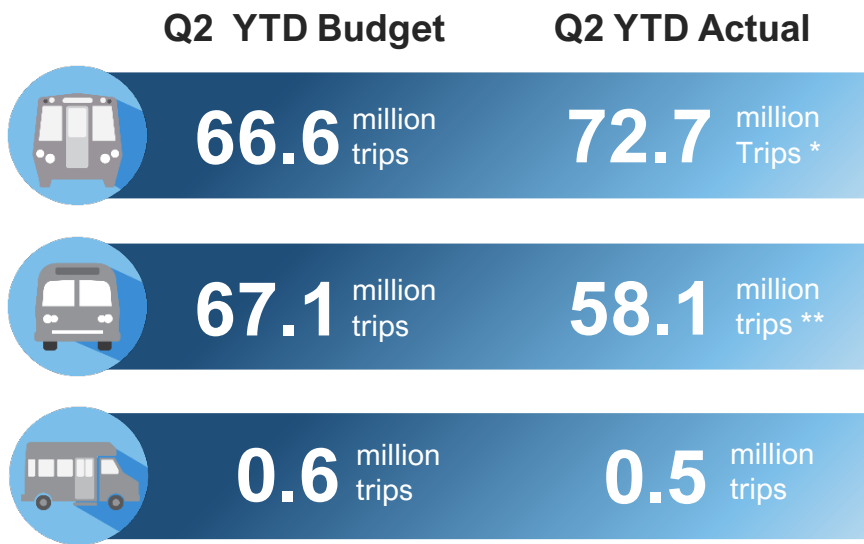
¹Subsidy refers to operating expense less operating revenues and does not reflect/equal actual jurisdictional subsidy payments.



Q2 RIDERSHIP

Actual ridership for Metrorail, Metrobus, and MetroAccess combined was 131.2 million trips through Q2 of FY2026.

Through Q2, total ridership was 2 percent above the prior year. Rail ridership (including tapped and non-tapped ridership) totaled 72.7 million trips*, an increase of 8.3 million or 13 percent from the prior year and favorable to budget by 6.1 million trips or 9.1 percent. When including only tapped ridership, the rail variance was favorable to budget by 4.0 percent and favorable to the prior year by 11.8 percent. Bus ridership, using automated passenger counts (APC), totaled 58.1 million trips through Q2, 9.0 million trips or 13.4 percent below budget and 5.0 million or 8 percent below the prior year. Ridership on MetroAccess through the second quarter was 0.5 million trips, 17.0 percent below budget and 10.3 percent below the prior year.



*Rail total includes 69.2 million tapped ridership and 3.4 million non-tap ridership.

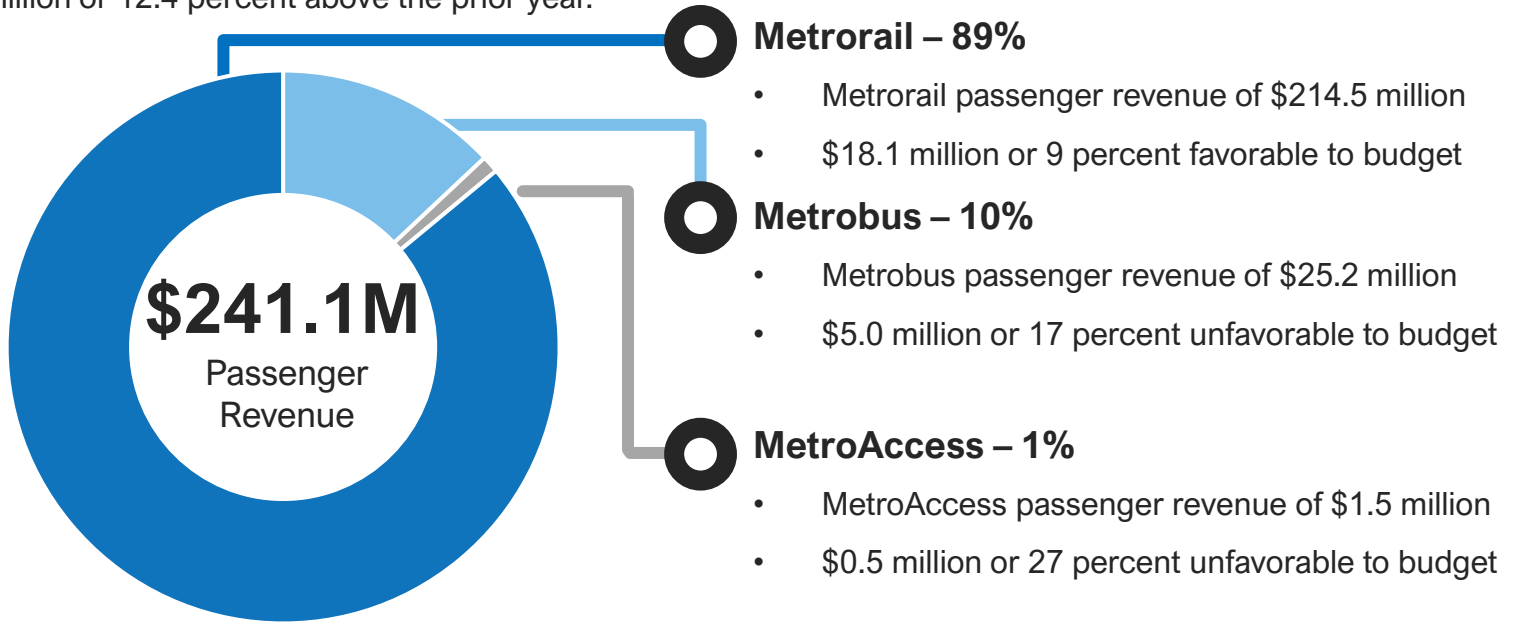
**Bus totals include shuttles to accommodate rail station shutdowns and other track work. Ridership is subject to change.

***Totals may not sum due to independent rounding.

Q2 OPERATING REVENUE

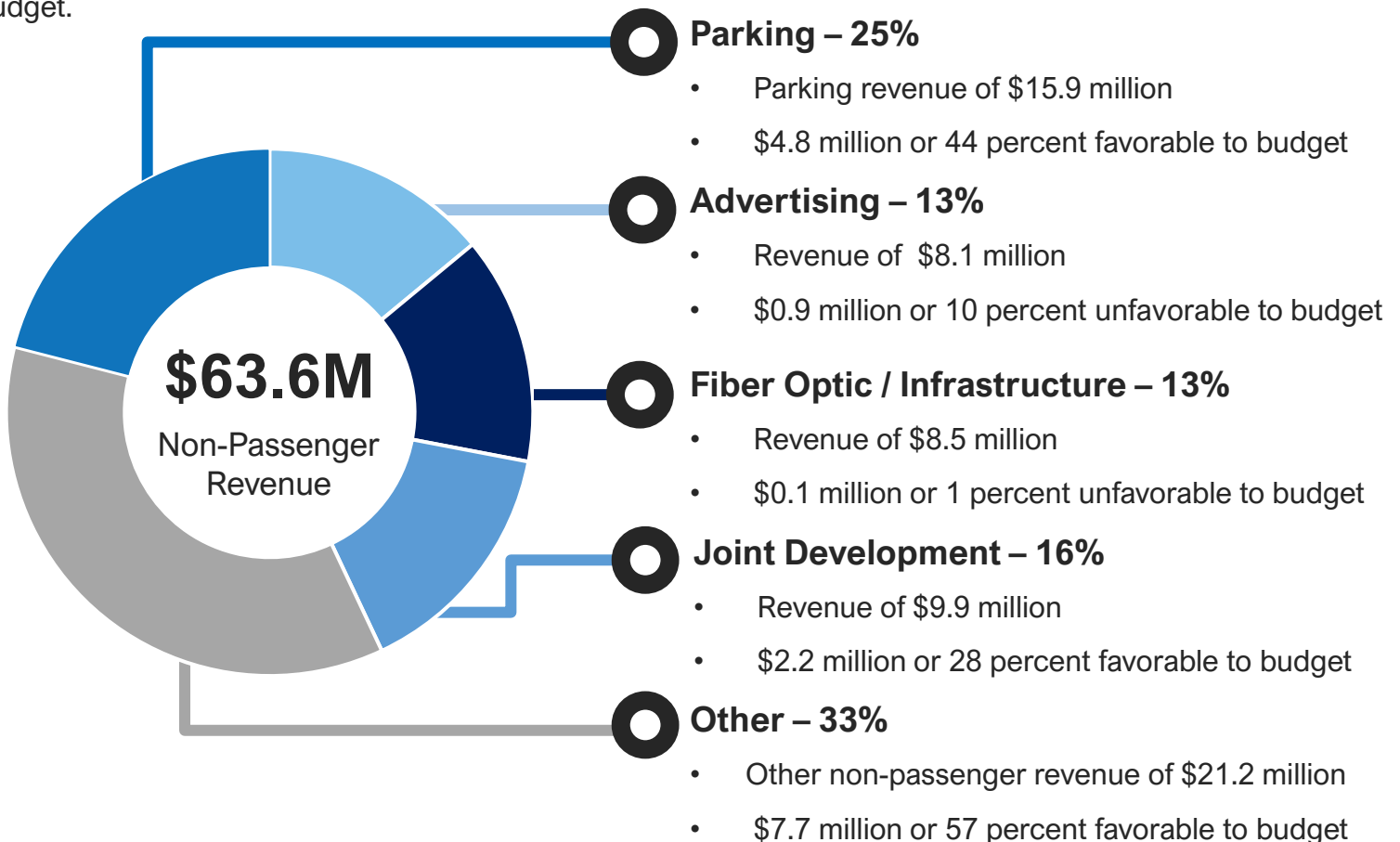
PASSENGER REVENUE

Passenger revenue totaled \$241.1 million, \$12.5 million or 5.5 percent favorable to budget and \$26.6 million or 12.4 percent above the prior year.



NON-PASSENGER REVENUE

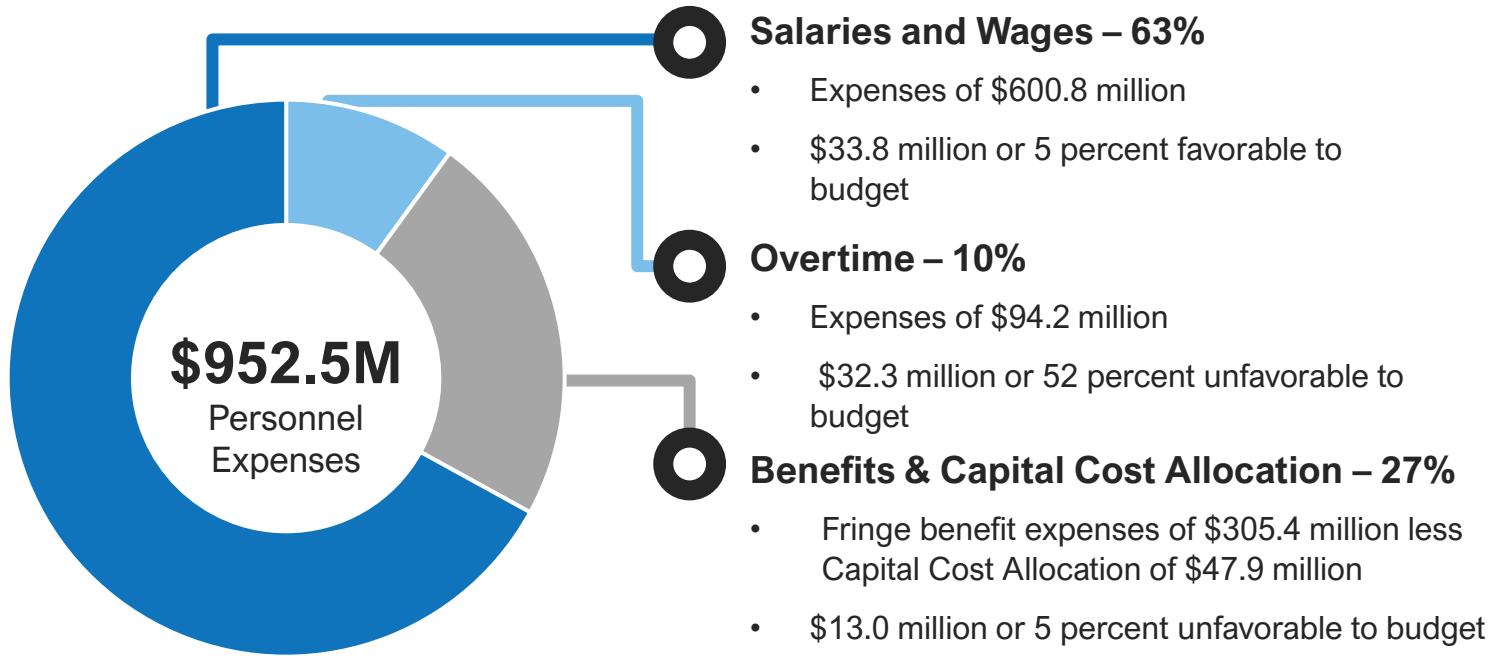
Non-passenger revenue totaled \$63.6 million through Q2, which was \$13.7 million or 27.5 percent favorable to budget.



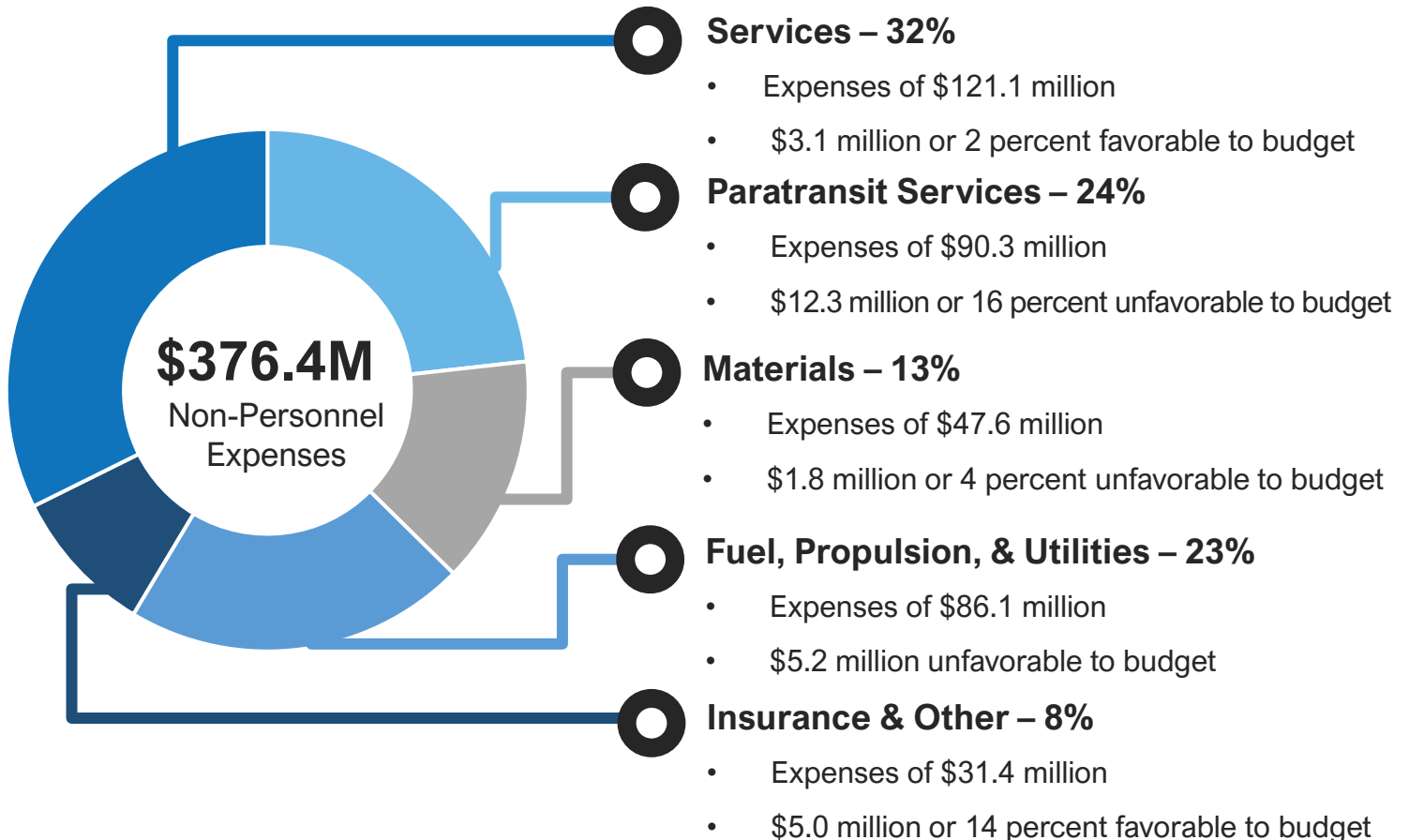
Q2 OPERATING EXPENSES

FY2026 gross operating expenses through Q2 totaled \$1,328.9 million, unfavorable by \$22.6 million to budget.

PERSONNEL EXPENSES



NON-PERSONNEL EXPENSES

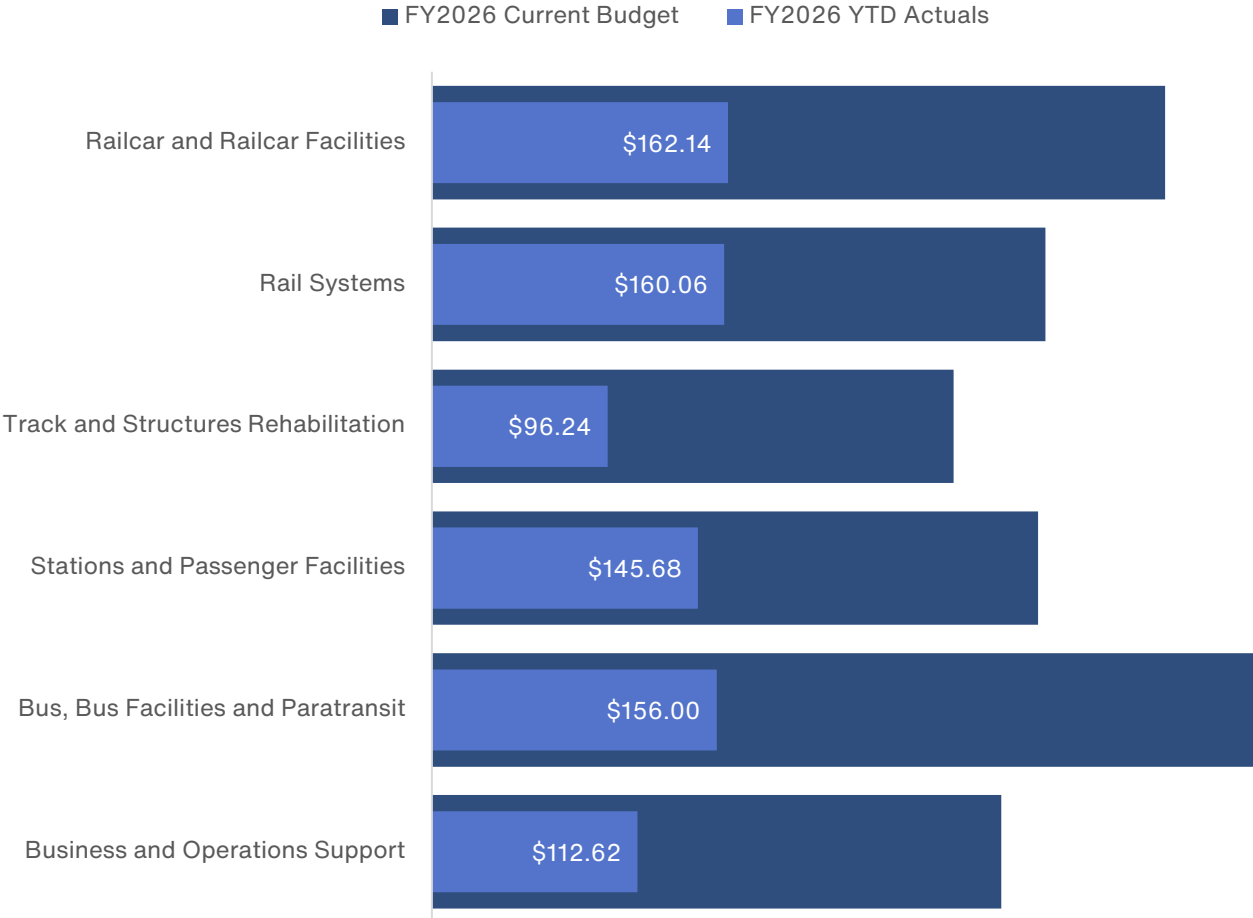


CAPITAL IMPROVEMENT PROGRAM

Metro has invested \$832.7 million in the Capital Improvement Program through Q2.

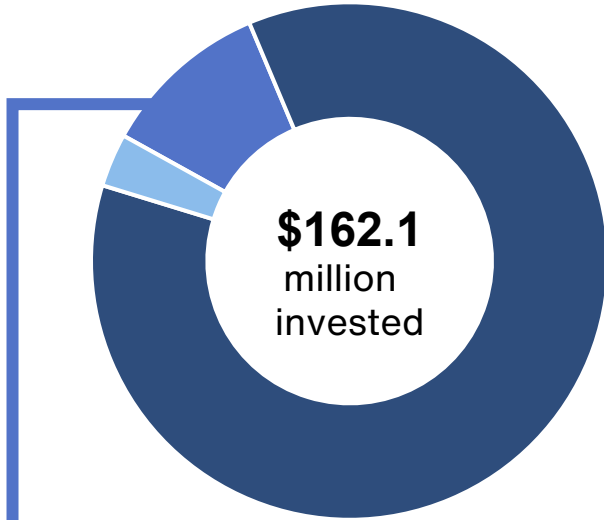
The fiscal year 2026 Board-approved Capital Budget is \$2.12 billion. During the first half of fiscal year 2026 Metro expensed \$832.7 million in the Capital Budget. Metro internally analyzed and restructured its approach to forecasting the Capital Budget and developed an updated forecast of approximately \$1.87 billion for fiscal year 2026. It is important to note that expenditures typically increase later in the fiscal year (i.e., preventive maintenance transfers, delivery of buses, spring/summer construction peaks, and end of year invoices). Metro adopted an aggressive approach to project management and delivery to accelerate outcomes. Metro will continue this approach to forecast expenditures and apply structural changes to advance key initiatives.

FY2026 Current Budget vs Fiscal Year-to-Date Expenditures



Note: Dollars in millions.

RAILCAR AND RAILCAR FACILITIES



Acquisition – \$17.2M

8K Railcar Program Advances Design and System Integration with Supplier Partners

During Q2 of FY2026, the 8K Railcar program continued advancing design qualification and system integration activities in coordination with Hitachi and key suppliers. Carbody and system design qualification testing is ongoing, supported by formal system-level Final Design Review (FDR) activities, including engineering participation in the System FDR held in Italy. Design refinement continued on several features, including

- 5G communication capability to support real-time diagnostics and live video streaming
- Expanded CCTV coverage
- ADA door status indicators
- Underframe maintenance lighting
- Interior/exterior branding alignment, and
- Passenger compartment design updates informed by Fleet of the Future Expo feedback



Pictured Left: 7000 Series Railcar in service



Pictured: The mockup of the 8000-series railcar on the national mall as part of the 'Fleet of the Future' event for the public.

7K Series Program Prioritizes Initiatives for Fleet Reliability and Advanced Design for Inter-Car Barriers

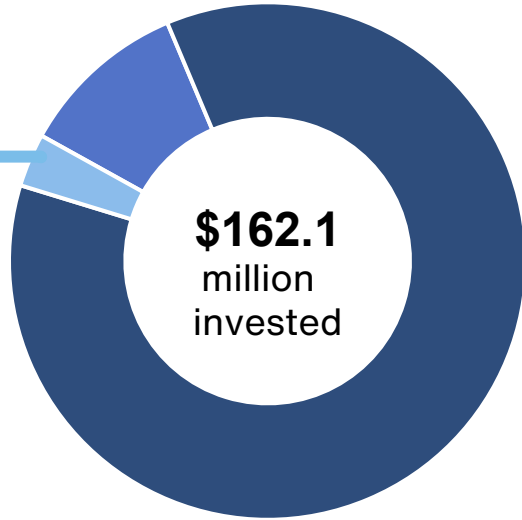
During Q2 of FY2026, the 7000-Series program continued advancing warranty closeout and cybersecurity enhancements supporting fleet reliability and system security.

All warranty milestones have been completed and paid, with the exception of Option 5, which remains pending final documentation. Cybersecurity Phase 2 hardware implementation continued during the quarter, while conceptual software design progressed and is nearing completion.

For Inter-Car Barriers Design, the initial Final Design Requirements (FDR) package was submitted. WMATA Engineering is currently reviewing open technical issues, with resolution required prior to advancing subsequent project milestones.



Pictured Right: 7000 Series Railcar



Maintenance Facilities – \$5.4M

Railyard facility improvement efforts advanced across HVAC replacements, storage optimization, and early-stage design work to support future construction activities

Metro advanced multiple railyard facility improvement efforts across design development, construction closeout, and early execution.

At Greenbelt Railyard, HVAC replacement work reached approximately 98% completion, with units powered, tested, and charged with refrigerant. The project is positioned for final commissioning.

The Sheriff Road HVAC Outfitting project was fully completed and closed out in Q2.

For West Falls Church Yard Cable Trough Rehabilitation, the design-build contract was awarded during the quarter, with Notice to Proceed anticipated by the end of January 2026.

At New Carrollton (Storage Optimization), site survey processing and existing conditions assessments were completed, including geotechnical planning and coordination with Amtrak parcel surveys, supporting continued advancement toward 30% design.

The Dulles Heavy Repair and Overhaul Facility Improvement completed 10% conceptual design and entered administrative closeout. A subsequent task order to advance the project to 30% design kicked off in December 2025, with site surveys underway and design activities progressing.

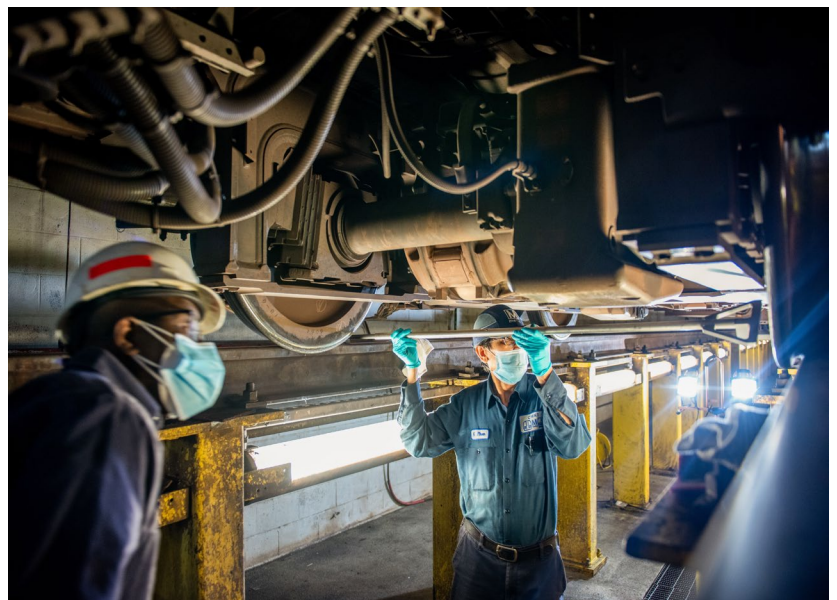
Maintenance & Overhaul – \$139.6M

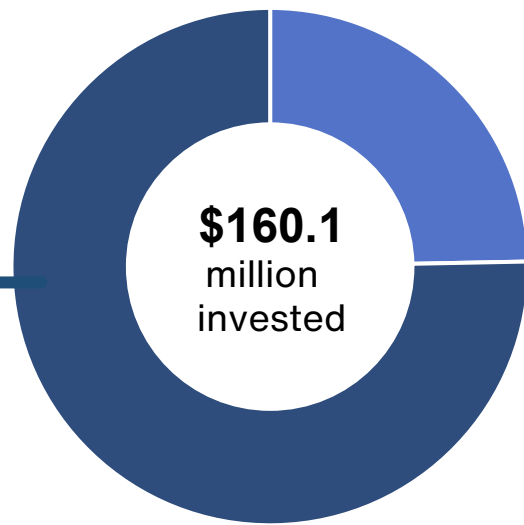
Railcar Scheduled Maintenance Program Ensures Fleet Reliability and Supports Lifecycle Management

During Q2 of FY2026, Metro continued scheduled maintenance and overhaul activities across multiple railcar series, supporting fleet reliability and lifecycle management.

Scheduled Maintenance Program (SMP) work for both the 3000 Series and 7000 Series railcars continued throughout the quarter. The Wheelset Replacement Program (WRP) activities for the 7000 Series is completed in Q2. In addition, the 6000 Series HVAC program advanced into its next phase, with the contract kickoff meeting held in October and production scheduling now underway.

Railcar Series	Q2 Cars Completed
3000 Series Scheduled Maintenance	6
7000 Series Scheduled Maintenance	28
7000 Series Wheelset Replacement	52





\$160.1
million
invested

Signals & Communications – \$120.5M

Automatic Train Control State of Good Repair Program Advances Core System Reliability and Automation Objectives

The Grade of Automation Level 2 systemwide Automatic Train Operation (ATO) remained fully operational throughout Q2, following its June 15, 2025, activation. The project team continued active monitoring and issue mitigation, submitting weekly updates to the Washington Metrorail Safety Commission (WMSC) and advancing work toward final concurrence, including preparation and review of the required 180-day overrun report.

Throughout the quarter, field activities included the replacement of two switch machines, nine cables (cross-bond and multi-conductor), and eight high-current bonds. Cable meggering and insulation testing were completed at five locations to confirm system integrity and reduce failure risk across critical assets.

All design book-of-plans packages covering 24 locations are complete.

Installation work for bonds, speed loops, track circuit modules, remote terminal units (RTUs), and MODBUS Embedded RTU Communication Server continued throughout the quarter. The final lighting installations were completed in December, and the contractor continues operating three shifts to expedite remaining Automatic Train Protection module and system integration work.

The Fiber Optic Program Completes all Installation Activities in Q2 Supporting Communications Resilience

During Q2 of FY2026, the fiber optic program reached a major milestone with all fiber installation activities completed (100%). The team completed 11,500 splices, 5,000 terminations, tested 255 active circuits, and integrated 33 Metro boxes into the system.

OPS4 radio circuit testing was fully completed during the quarter, and Radio Circuit Package (RCP) testing for Fairfax and Alexandria was finalized. RCP testing for OPS1 and OPS2 remains ongoing and will continue into the next quarter to support full systemwide standardization and reliability.

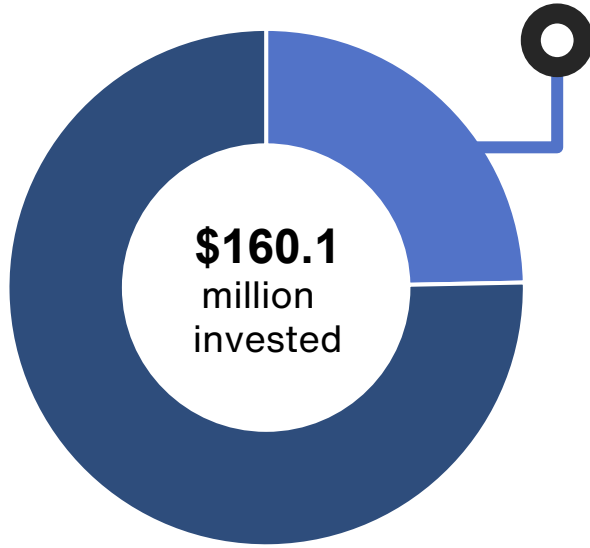
The Communication-Based Train Control (CBTC) Program Advances Preparation for Future System Implementation

The CBTC Program focused on advancing early planning and definition activities to support future system implementation. Work continued on preparation of the Request for Information for suppliers and installers, along with refinement of the railcar conversion strategy, scheduling, and cost estimating.

In parallel, the team began developing the Concept of Operations for the existing system and initiated work on the future CBTC Concept of Operations. Program coordination, marketing and branding activities, and internal alignment efforts continued in support of upcoming procurement and implementation phases.

Asset	FY26 Plan	FY26 Q2	FYTD Progress	Completion Percentage
SOGR Switch Replacement (Switch Machines)	17	2	12	71%
SOGR Cable Replacement (Cables)	31	9	16	52%
SOGR High-Current Bond Installation (Bonds)	21	8	14	67%
SOGR Cable Meggering (Locations)	13	5	8	62%

RAIL SYSTEMS (CONTINUED)



Power – \$39.5M

Systemwide traction power upgrades continued to strengthen electrical reliability

During Q2 of FY2026, systemwide traction power upgrades continued to advance, strengthening electrical reliability across multiple rail segments.

Approximately 12,870 linear feet of new cable were installed during the quarter.

State of Good Repair work: construction continued at Medical Center, Grosvenor, and Shady Grove S&I, while new construction activities began at First Street. Closeout activities were initiated at the Shady Grove Traction Power Substation.

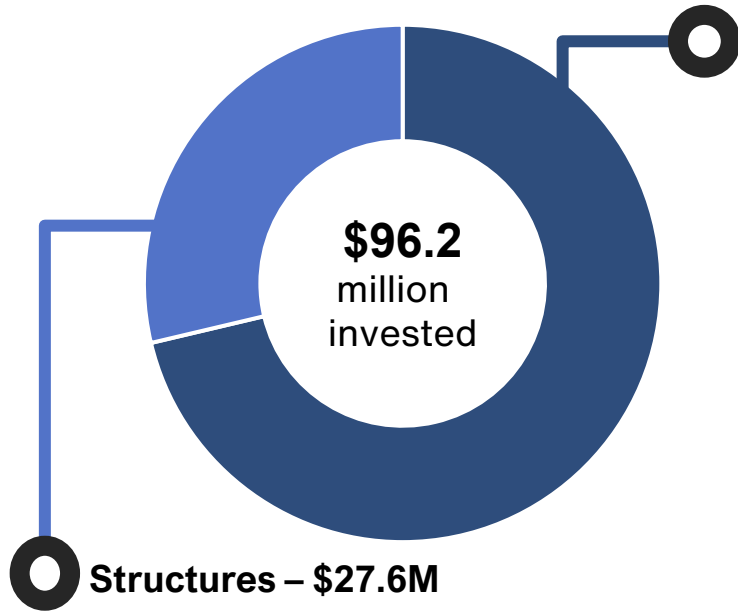
Tagging Relay and Supervisory Control and Data Acquisition system upgrade: construction began at Rosslyn and Kenilworth Avenue and continued at Metro Center, Seward Square, Farragut West, and Federal Center, extending tagging relay and traction power safety improvements.



Asset	FY2026 Plan	FY2026 Q2	Completion Percentage
SOGR Cable Installations (LF) ¹	36,000	32,335	90%
Cable Meggering	2,000	973	49%
Uninterruptable Power Supply Replacement	14	10	71%

1. LF – Linear Feet; All cable installations (replacements and additions) are included in this line.

TRACK AND STRUCTURES REHABILITATION



Fixed Rail – \$68.6M

The Track and Structures team advanced critical state-of-good-repair work across all rail lines

FY2026 Q2 activities included Winter Extended Single Tracking from December 16–31 on the Green and Yellow Lines, along with weekend work on the Red, Blue, Silver, Orange, and Green Lines.

Work focused on grout pad rehabilitation, running rail renewal, joint elimination, and replacement of crossties, fasteners, and insulators. Preventive maintenance activities such as leak mitigation, vegetation management, drain rodding, and track bed cleaning also continued.

Material delivery lead times and track access continued to influence sequencing. During the quarter, crews:

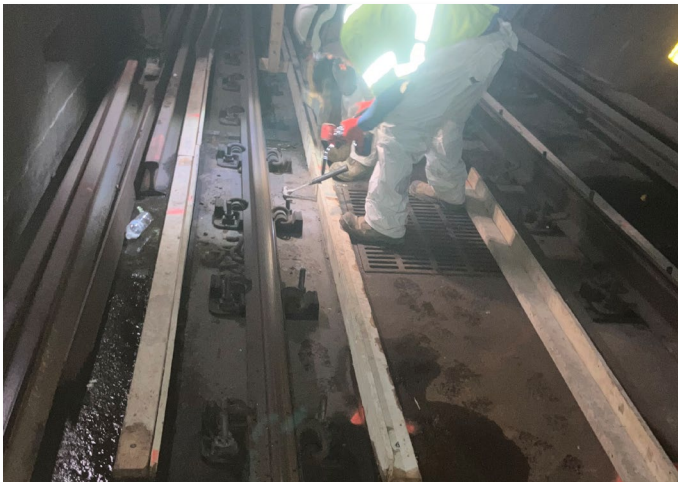
- Rehabilitated 1,851 linear feet of grout pad
- Renewed 18,585 linear feet of rail
- Eliminated 135 joints and
- Replaced 183 crossties, 2,866 fasteners, and 309 insulators

Structures – \$27.6M

Shaft Structural Rehabilitation Program Begins Construction

The Shaft Structural Rehabilitation project transitioned from design into construction in the second quarter for two locations - FA11 (Bethesda and Friendship Heights) and FB8 (Glenmont and Wheaton). Lead-based paint abatement was completed at both locations' shafts, clearing the way for field activities.

Construction is now underway at both locations. Demolition is approximately 65% complete at FA11 and 10% complete at FB8, reflecting staggered mobilization and sequencing between the two shafts. Work will continue to progress through demolition and into subsequent construction phases in the coming quarter.



TRACK AND STRUCTURES REHABILITATION (CONTINUED)

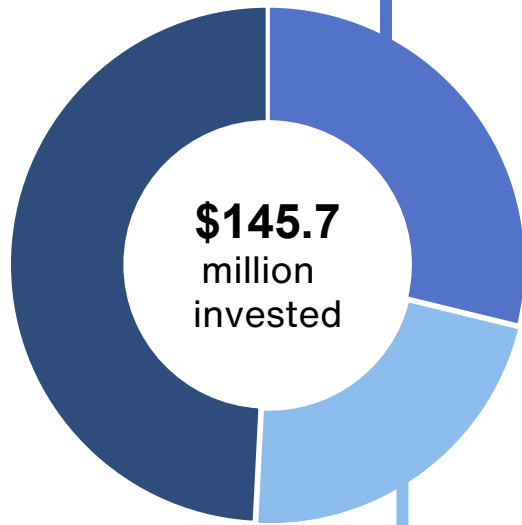
Track Rehabilitation Work by Component Activity

Component Activity	FY26 Plan	Q2 Work	Completion Percentage
Crossties Replaced	5,800	183	47%
Third Rail Insulator Replacement	3,100	309	51%
Joint Elimination	550	135	67%
Running Rail Renewal	53,040	18,585	77%
Third Rail Rehabilitation	7,200	-	1%
Track Fasteners Replaced	8,000	2,981	70%
Track Surfacing	100,000	6,432	35%

Structures Rehabilitation Work by Component Activity

Component Activity	FY26 Plan	Q2 Work	Completion Percentage
Concrete Restoration (LF)	1,580	775	59%
Deck Joint Replacement (LF)	230	105	46%
Drain Rodding (LF)	80,000	29,535	63%
Grout Pad Rehabilitation (LF)	8,800	1,870	43%
Leak Mitigation	1,540	252	17%
Track Bed Cleaning (LF)	350,000	97,379	42%
Track Signage Replaced	700	92	61%

STATIONS AND PASSENGER FACILITIES



Platforms & Structures – \$42.0M

2 Station Restoration Work Completed & 2 Stations Bronzing Work Completed

Restoration work was completed at Takoma and Shaw stations. Construction activity advanced at Medical Center, which reached approximately 95% completion, while work continued at Capitol Heights (50%), Forest Glen (60%), and Clarendon (14%).

At Morgan Boulevard, construction remains on hold due to cold weather conditions. All required tiles have been received, and the station is approximately 95% complete, with platform tile installation remaining.

Bronzing restoration was completed at Shaw and Cleveland Park and continued at Van Ness and Capitol Heights during the quarter. These activities support ongoing efforts to maintain station finishes and improve long-term durability and appearance across the system.

Metrorail Stations Entrance Enhancement Project Near Full Project Delivery

Metrorail Station Entrance Enhancement Project is 98% complete and ramping up change order for a swing gate lock modification.

Rail Passenger Facility State of Good Repair Work Expansion

Construction activities under Sewage Ejector Replacement – Phase A continued at Forest Glen and Congress Heights. Installation of the new sewage ejector systems at both locations has been completed, with system start-up, testing, and turnover anticipated in the coming months. In parallel, the contractor conducted site surveys at Glenmont and Mount Vernon to prepare for subsequent construction, which will begin following completion of the initial two sites.

Sewage Ejector Replacement – Phase B: a requisition was approved during the quarter to initiate design and preparatory activities covering the next 18 locations, advancing the program into its next phase of development.

Crystal City East Entrance Project Advances into Active Construction

Excavation for the new entrance has been completed, and construction progressed with concrete wall pours, structural column installation, and associated system work in preparation for upcoming Rail Service Adjustment activities. Contractor submittals and Requests for Information are under review to support ongoing field activities.

The monitoring of WMATA tunnel, station facilities, and Support of Excavation (SOE) remains ongoing. In parallel, work continued the amendment to the Project Construction Coordination Agreement (PCA) to incorporate WMATA-requested scope additions and associate reimbursement terms with Arlington County.

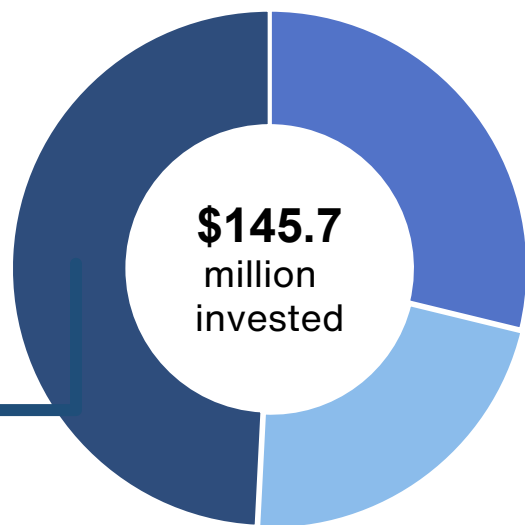
Vertical Transportation – \$32.1M

Elevator Rehabilitation Program on Schedule

The Elevator Rehabilitation Program completed two units at Gallery Place and Pentagon City. Rehabilitation work continued at Glenmont, and construction activities began at McPherson Square and New Carrollton.

Escalator and Elevator Overhaul Program Focuses on Preventive Maintenance

In Q2, the Escalator and Elevator Overhaul Program continued its focus on preventive maintenance, modernization, and infrastructure reliability. A total of 311 work orders were completed, encompassing step chain, handrail, gearbox, and drive chain replacements, as well as welding, and safety-related inspections.



Station Systems – \$71.7M

Fare Collection Modernization Focused on Procurement Readiness, System Deployment, and Transition Planning

The Tap. Ride. Go. Bus program achieved several milestones. User Acceptance Testing and field testing were completed, bus software deployment finalized, and payment encryption features were successfully downloaded and activated. Tap. Ride. Go. Bus was launched during the quarter, while development and testing for parking payment integration remains ongoing.

Procurement activities continued for fare vending machines, with contract award for both fare vending hardware and system integration anticipated in FY2026.

Mobile Ticketing 2.0: the project completed design updates to address Google's new security requirements, while development continued on Android in-wallet Reduced Mobility Program features, including implementation of enhanced security controls.

Digital Display Improvement Program Modernizes Customer Information Visibility

In the second quarter, the Digital Display Improvements Program advanced multiple installation, closeout, and design activities across several project components, with progress reflecting a transition from construction to closeout and next-phase planning.

- **Large Format Digital Displays:** The installation of large-format LED screens at Mt. Vernon Square Station was completed during the quarter. Installation at Navy Yard Station remains deferred to Q3 due to the ongoing escalator entrance closure. In parallel, work began on replacing nine static backlit dioramas with large-format LCD displays; pending track access availability, this effort is expected to be completed by late January 2026. Equipment for the pylon pilot project was delivered in Q2, positioning the pilot for subsequent installation and testing.
- **Passenger Information Display (PID) Enhancements:** Under the Red Line Digital Display Enhancements, all screens have been installed, with contractors addressing minor corrective items at Takoma and Bethesda. Final inspections were completed at four additional stations, and the project remains on track for March 2026 closeout. The Telephone Booth Replacement and Display project at 27 passenger stations was completed in November 2025. For the Bethesda Station PID replacement project, design activities continued during Q2. The project team focused on demolition planning, infrastructure relocation, and PID Design Review to ensure compliance with updated WMATA standards. Final design approvals are underway.

Fire Life Safety System Upgrade Work Planning Underway

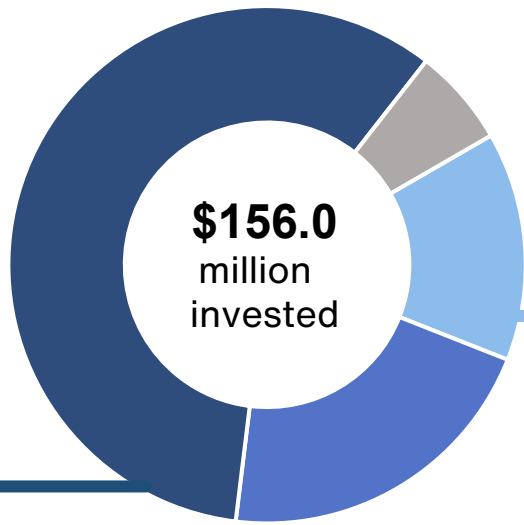
Metro continued maintaining fire alarm and life safety systems across stations and tunnels in a state of good repair, supporting ongoing system reliability and emergency readiness.

Planning and initiation activities advanced for the Fire Life Safety System Upgrade at four initial stations:

1. Crystal City
2. Metro Center
3. Gallery Place
4. Forest Glen

Work during the quarter focused on developing core project documentation, including the project charter, initial design concepts, Transit Project Control materials, and associated procurement packages to support upcoming implementation phases.

BUS, BUS FACILITIES AND PARATRANSIT



Maintenance Facilities – \$91.4M

Northern Bus Garage Replacement to include Battery Electric Bus System implementation

Construction contract change order for the Battery Electric Bus system implementation was completed in Q2.

Construction also advanced across multiple areas of the garage. Structural steel detailing and metal deck installation were completed, along with subgrade preparation, formwork, and reinforced base installation for the bus wash pit. Concrete activities continued throughout the quarter, including topping slab placement at the car parking level.

Interior work progressed with installation of door and window frames, glass, and Concrete Masonry Units walls. Exterior activities included stud framing, sheathing, and air barrier installation. Mechanical, electrical, and plumbing work advanced with installation of hangers, piping, conduit, and ductwork. Additional progress included installation of the Ultra-High-Performance Concrete panel system, building expansion joints, and the car parking roofing system.

Bladensburg Bus Garage Rehabilitation Finalizing Battery Electric Bus Infrastructure Redesign and Construction for Parking Continued

The team continued working through remaining Phase 1 Maintenance Building punch list items as part of closeout. Coordination also advanced on the battery electric bus infrastructure redesign, including finalization of the associated change order to support updated design requirements.

Phase 2 construction for Employee Parking and New Entrance/Bus Parking continued. Activities during the quarter included demolition of existing building and concrete pavement, removal of the sediment basin and underground storage tanks, removal of the existing generator and associated fuel tanks, and backfilling of the former settlement basin area. Concrete and rebar from demolition activities were separated and crushed for recycling.

Acquisition – 22.3M

New MetroAccess Vehicles Received

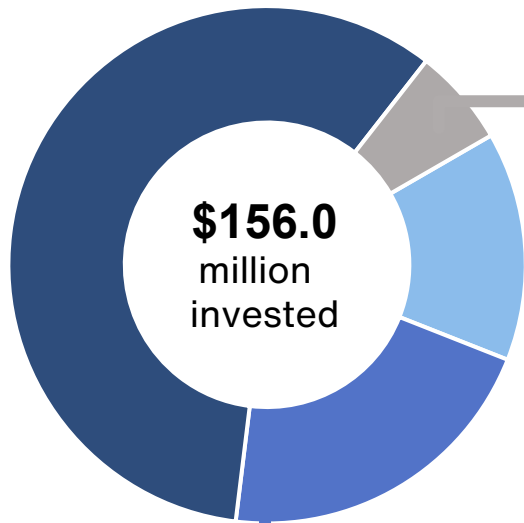
Delivery of new minivans continued during the second quarter, with 39 additional vehicles received, bringing the total to 109 of 181 units delivered for the fiscal year to date. These deliveries support ongoing fleet renewal and operational readiness. Metro also received six additional NextGen vehicles, increasing the FY26 total to seven NextGen vehicles delivered.

Bus Fleet Replacement Program & Zero Emissions Bus Acquisition Underway

Final inspection of the first two buses is expected to be complete while full rollout kick-off for production is expected next quarter. Additionally, delivery is expected to begin in the third quarter. Procurement processed a change order to increase the order of Hybrids from 75 to 100 buses as part of the base (first year) purchase.

During the quarter, Metro received an additional two battery electric buses from Nova Bus and is preparing to put them in revenue service operating from Shepherd Parkway Bus Division.

Bus Type	FY26 Expected Buses	Q2 Delivered
Battery Electric Bus 40-ft	5	2



Bus Fleet Rehabilitation and Operator Safety Improvements

During the quarter, the Bus Rehabilitation Program completed 21 bus rehabilitations, along with 27 engine assemblies and 56 transmission assemblies, through ongoing component replacement and refurbishment activities supporting fleet reliability and asset life extension.

In addition, 210 Driver Barriers were completed for a total of 275 complete to date across the active Metrobus fleet.

Asset	FY26 Plan	Q2
Bus Rehabilitations	93	21
Engine Assemblies	120	27
Transmission Assemblies	150	56

Maintenance and Overhaul – \$32.7M

Bus Location Equipment Replacement

During the quarter, upgrades of the Clever Devices Intelligent Transportation Systems were completed, including Integrated Vehicle Network 5 upgrades, Automatic Passenger Counter installations, array microphone installations, and Transit Control Head relocations. A small number of buses remaining in rehabilitation will be completed under the Year 3 installation effort.

Year 3 equipment was fully received during the quarter, with installations scheduled to begin in January 2026 and conclude by Q4 FY26. Premium Support Services and Intelligent Transportation Systems hardware and software maintenance for the bus fleet continue into the third contract year.

Passenger Facilities & Systems - \$9.5M

The Bus Customer Facility Improvements Program Moving into Early Field Activity

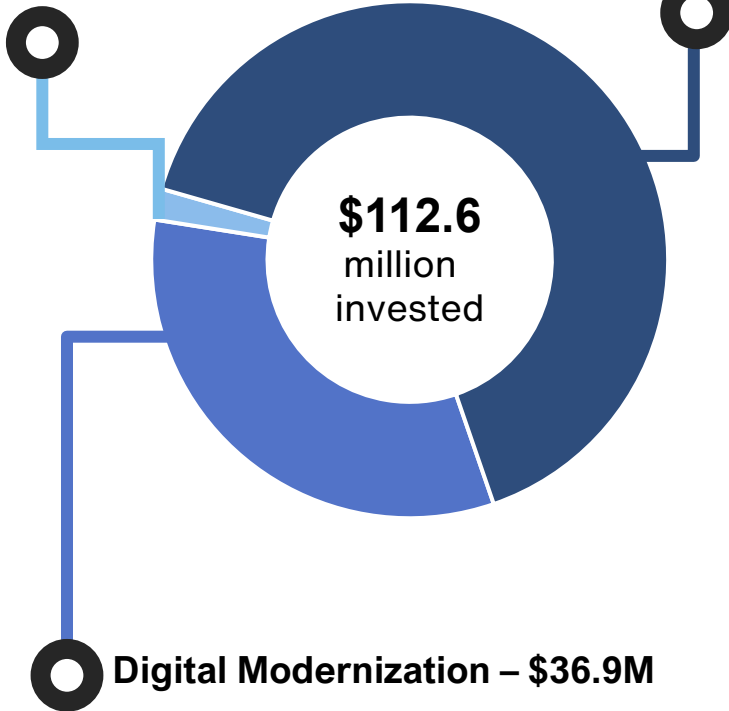
Throughout the quarter, the program made progress on activities that mark the transition into on-site implementation. Bus shelters 2 and 3 were received in November 2025, followed by delivery of shelter 4 in December 2025. Electrical megger testing was completed in December to support installation readiness, and shelter installation began on December 15, 2025.

Bus Priority Program Continued Advancing Automated Enforcement and Corridor Coordination Efforts for the Better Bus Network Redesign

Under Clear Lanes sub-project, the team initiated a re-survey of DC bus stops within the Clear Lanes system, with 299 of 585 stops reactivated by the end of the quarter. The Continuous Improvement Roadmap was approved by Hayden AI and the District, outlining targeted technology, process, and infrastructure enhancements, including refinements to on-bus and back-end systems, performance metrics, roadway configurations, and camera algorithms. The Metro Board approved a Memorandum of Agreement with Montgomery County to extend Clear Lanes enforcement along Georgia Avenue and University Boulevard-Montgomery County executed the agreement shortly thereafter, and installations supporting the expansion were completed on 10 buses in December. A requisition was also approved to procure a third-party consultant to perform biennial system accuracy testing.

BUSINESS AND OPERATIONS SUPPORT

MTPD – \$2.2M



Digital Modernization – \$36.9M

Passenger information Display System Modernization Continues across All Rail Stations

Metro continued ongoing software interface enhancements, customization, and maintenance for the Passenger Information Display System (PIDS) EclipsX. Work focused on maintaining compatibility between the EclipsX platform and legacy PIDS units operating on older software versions to ensure continued functionality across rail stations.

ERP Software Replacement Continues with a Series of Testing

During the quarter, the team continued end-to-end and cross-module testing of the Human Capital Management solution in preparation for User Acceptance Testing and parallel Payroll testing, which are scheduled to begin in Q3 and conclude in Q4.

In addition, a detailed review of grants and project costing functionality was completed, resulting in a recommendation to proceed with full design and configuration of Oracle Fusion's delivered grants and projects capabilities for Financials.

Support Equipment & Services – \$73.5M

Joint Development Program Advances Multiple Transit-Oriented Projects

In Q2, a joint development agreement was executed for the Twinbrook stormwater site, and Metro received Board authorization to enter into an agreement for the Landover project. The second phase of the Grosvenor development also reached closing, clearing the way for construction of a 220-unit senior living building.

Elsewhere, the team reviewed Request for Proposals responses for the Capitol Heights joint development opportunity and continued contract negotiations at Deanwood, Forest Glen, and the Deanwood Library sites.

DC and Virginia Office Consolidations Close Out Underway

In DC, administrative closeout activities continued through Q2, focusing on lease negotiations at the Metro Headquarters for one retail tenants and coordination of tenant improvement plans scheduled for later in FY26.

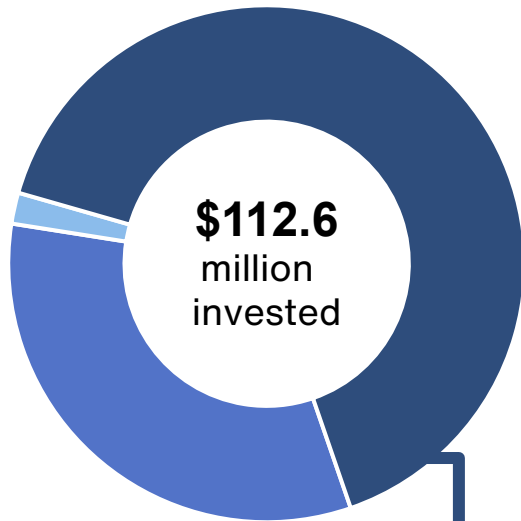
All final mechanical, electrical, plumbing, and life safety systems were completed, with final inspections now underway. The Substantial Completion Inspection (SCI) and Certificate of Occupancy are expected in Q2, keeping final completion on track for January 2026.

In Virginia, administrative closeout continued during Q2, focusing on financial reconciliation, project management support, and ongoing integration of MICC functionality.

Planning Studies Underway for DC, Maryland and Virginia

In DC, the Columbia Heights Design and Evaluation (D&E) Station Capacity Study was delivered, marking the completion of consultant work. The final report is under internal review. In Virginia, the Planning team submitted a revised engineering feasibility report and constructability analysis for the Vienna Guaranteed Access project, incorporating feedback from prior reviews to refine design and cost assumptions.

Separately, Metro's Real Estate and Joint Development team began work on the Takoma Station Transit Requirements Division 01 effort. This activity initiates early-stage coordination for potential joint development opportunities. In Maryland, joint development planning studies continued at Morgan Boulevard, Shady Grove, College Park, Forest Glen, Twinbrook West, Glenmont West, Rockville, Southern, and West Hyattsville. In Virginia, the team advanced site planning and transportation analyses supporting Fairfax County's Bus Rapid Transit (BRT) initiative at Huntington Station.



Support Equipment & Services – \$73.5M

Joint Development Program Advances Multiple Transit-Oriented Projects

During the second quarter, agreements were finalized and groundbreakings held with development partners at West Falls Church, New Carrollton, and Grosvenor, enabling new residential construction adjacent to transit, including affordable housing and senior living units.

Evaluation of RFP responses for the Capitol Heights joint development opportunity was completed during the quarter. A Compact Public Hearing was also conducted at Twinbrook, supporting future joint development activity at that site.

In parallel, contract negotiations and project coordination advanced at several locations, including:

- Deanwood
- Forest Glen
- Landover
- North Bethesda
- Congress Heights and
- Deanwood Library , where housing scope and deliverables continue to be refined

Metro Training Center Progresses into Active Design Phase

In the second quarter, the Metro Training Center project advanced from solicitation into active design and coordination. The Project Charter was approved, and WMATA awarded the General Architecture and Engineering Services design task order, allowing design activities to begin, including condition assessments of the existing facility.

Programming and design requirements continue advancement. In parallel, the Construction Manager at Risk solicitation progressed, with bids received and technical evaluations underway. Contract award is anticipated in February 2026, with a full Notice To Proceed expected in early March 2026.

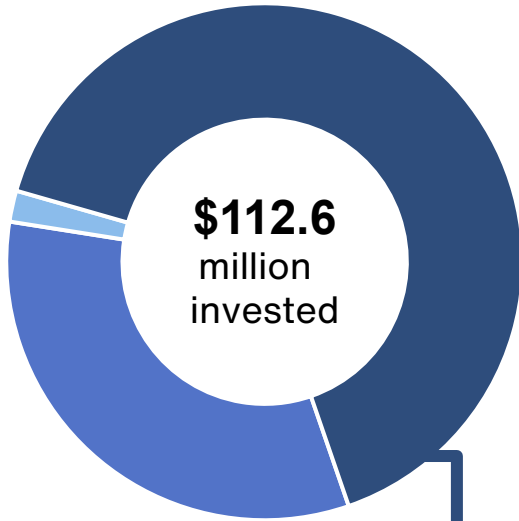
Facilities and Curriculum Development activities continued, including development of a utilization-tracking tool for classrooms and labs, facilitation of staff input sessions to inform Facilities and Curriculum Development standard operating procedures, refinement of job descriptions, and ongoing project management coordination and materials handoff.

Planning Studies Underway for DC, Maryland and Virginia

FY26 Q2 Planning Support for DC advanced planning and real estate coordination activities in the second quarter:

- A new station capacity study was initiated at Stadium-Armory,
- Work continued to finalize the Transit Requirements report for Takoma Station.
- Real Estate continued coordination on the Takoma Transit Requirements effort and
- Completed a parking garage study at Anacostia Station to inform future planning and investment decisions.

BUSINESS AND OPERATIONS SUPPORT (CONTINUED)



In Virginia, the final report for the Vienna Guaranteed Access Study was submitted for review. The Real Estate and Joint Development teams continue master planning, including the review of the Bus Rapid Transit project and ongoing collaboration with Fairfax County at Huntington Station. The design review for West Falls Church has been fully completed. At Braddock Station, the Public Hearing documents related to transit modifications have been prepared.

Support Equipment & Services – \$73.5M

In Maryland, Real Estate and Joint Development conducted a public hearing regarding transit modifications at Twinbrook. There is continued progress on joint development planning studies for:

- Morgan Boulevard
- Shady Grove
- College Park
- North Bethesda
- Forest Glen
- Glenmont West
- Rockville
- Southern Avenue and
- West Hyattsville

The design review of Bus Rapid Transit stations at Rockville and Wheaton is underway with Montgomery County.

REAL ESTATE UPDATE

Metro proactively manages its 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

See Metro's 10-Year Strategic Plan for Joint Development [2025 Progress Report](#).

- **Capitol Heights:** Metro completed evaluation of Joint Development proposals and selected a developer.
- **Grosvenor-Strathmore:** Metro held a groundbreaking for the second phase of joint development with Fivesquares Development and NexCore Group that will feature a 220-unit senior living building.
- **New Carrollton:** Metro closed and held a groundbreaking for the next phase of development at New Carrollton on Pennsy Dr. with Urban Atlantic that will feature four buildings and a total of 364 affordable housing units, including senior housing.
- **Twinbrook:** Metro conducted a Compact Public Hearing for transit facility changes, including the relocation of the bus loop and elimination of the surface parking lot to enable future joint development.
- **West Falls Church:** Metro closed and held a groundbreaking for a multi-phase joint development project that will feature up to 810 apartments and 82 townhomes.

Incidental Use

- All 119 ATMs from First National Bank have been installed in Metro stations. This initiative provides Metro with non-passenger operating revenue.



Pictured: New Carrollton development rendering



Pictured: West Falls Church development rendering

FEDERAL AWARDS UPDATE - SUMMARY

FTA Active Awards

- 17 active awards (8 Formula, 4 Capital PRIIA, 1 OIG PRIIA, 4 Discretionary)

FTA Grant Post Award and New Grant Actions

There are 11 separate FFY25 Formula Grant applications/amendments underway

- This includes Formula Urban Section 5307 and State of Good Repair, Low No Grant applications (FFY23 for \$104M and FFY25 for \$50M); Congestion Mitigation and Air Quality Discretionary application for buses and 5310 Discretionary application for paratransit vans
- The federal application adds 15 new Capital Projects (CIPs) to the Federal program

Awaiting publication of the Federal FY26 Apportionment Close Outs

- The OIG PRIIA was closed, 2 closeouts are in progress (PRIIA/Discretionary), and 3 additional Formula grants are planned for closeout by the end of WMATA FY26.

Other Active Awards

- 3 DHS/FEMA Transit Security Grant Program (TSGP) awards (includes recently awarded TSGP 2025 grant) and 1 USDOT Office of the Secretary SMART Grant
- 2025 TSGP -- WMATA resubmitted its request based on the revised allocation of \$9.3M from DHS

Discretionary programs

- FTA Low/No Emission Program – WMATA was selected in November 2025 for a \$50M Low/No Grant to purchase Hybrid Buses
- Working with Fairfax County on purchasing buses using the \$104M Low/No Grant award

FFY26 PRIIA Grant planning

- WMATA is planning for the FFY2026 PRIIA grant
- Plan is under revision based on FFY2025 Formula Grant application and is awaiting finalization of WMATA's FY2027 Proposed 6 Year Capital Budget

Note: Drawn numbers are from inception through 12/31/2025 which include updated period of performance end dates.

FEDERAL AWARDS UPDATE

Federal Award ID	Application Name	Period of Perform End Date	Federal Award	Drawn	Balance
DC-2021-003	FFY20 5339 (c) Low-No Metrobus Zero-Emission Fleet Program	6/30/2026	\$4.2 M	\$3.7 M	\$0.5 M
DC-2021-012	FFY21 5312 COVID-19 Research and Demonstration Project	3/30/2026	\$0.6 M	\$0.3 M	\$0.3 M
DC-2021-014	FFY21 5339 Bladensburg Bus Garage	12/30/2027	\$33.6 M	\$33.3 M	\$0.3 M
DC-2022-012	FFY22 Section 5337 Railcar Preventive Maintenance, Railcar Scheduled Maintenance Program and Track Preventive Maintenance Program	6/30/2026	\$301.3 M	\$278.7 M	\$22.6 M
DC-2022-014	FFY 2022 Section 5307 Bladensburg Bus Garage, Northern Bus Garage and Rail Station Revitalization Program	12/30/2027	\$355.9 M	\$320.2 M	\$35.7 M
DC-2022-015	FFY22 5307 Bus Replacements, Van Replacements, Bus Rehabilitation, and Bus Preventive Maintenance	12/30/2027	\$160.4 M	\$84.7 M	\$75.7 M
DC-2022-016	FFY22 Section 5337 Rehabilitation of Yellow Line Bridge and Tunnel, Rehabilitation of Bridge Structures and Construction of Heavy Repair Overhaul Facility	7/30/2027	\$198.3 M	\$106.9 M	\$91.4 M
DC-2022-017	FFY22 Section 5307 Station Entrance Canopies and Stairways, Rehabilitation of Parking Facilities, Rail Station Cooling, and AC Power and Switches	12/30/2026	\$35.4 M	\$27.8 M	\$7.7 M
DC-2022-018	FFY22 PRIIA WMATA Vertical Transportation, Support Facility Fire System Rehabilitation, Tunnel Water Leak Mitigation, Platform Rehab (Phase 4), Automatic Train Control and Radio Infrastructure	3/1/2026	\$143.5 M	\$140.0 M	\$3.5 M
DC-2023-007	FFY23 PRIIA WMATA Vertical Transportation, Yellow Line Tunnel and Bridge Rehabilitation, Tunnel Water Leak Mitigation, Automatic Train Control Rooms	6/30/2026	\$143.5 M	\$139.0 M	\$4.5 M
DC-2024-002	FFY24 VA CMAQ WMATA Bus Replacement	12/30/2026	\$3.4 M	\$0.0 M	\$3.4 M
DC-2024-009	FFY24 PRIIA WMATA - ELES Water Intrusion, Escalator Replacement, Prime Mover Replacement, ATC Train Control Rooms, AC Switchgear Rehab, Railcar SMP and Tunnel Leak Mitigation	6/30/2027	\$143.5 M	\$69.4 M	\$74.1 M
DC-2024-013	Section 5337 Preventive Maintenance Track and Railcars, Station Cooling, Parking Rehab, Station Gate Replacements	6/30/2026	\$184.5 M	\$56.1 M	\$128.4 M
DC-2024-014	FFY24 Section 5307 Bus Preventive Maintenance and Rehabilitation, Security Systems, MTPD Projects, and ADA L'Enfant Elevator	12/1/2027	\$45.6 M	\$30.4 M	\$15.2 M

Note: Drawn numbers are from inception through 06/30/2025 which include updated period of performance end dates.



FEDERAL AWARDS UPDATE

Federal Award ID	Application Name	Period of Perform End Date	Federal Award	Drawn	Balance
DC-2025-004	PRIIA WMATA Office of Inspector General	6/30/2028	\$5.0 M	\$0.0 M	\$5.0 M
DC-2025-005	FFY25 PRIIA WMATA-Railcar SMP, Escalator Replacement, ATC Train Control Rooms, AC Switchgear Rehab, and Tunnel Leak Mitigation	12/29/2028	\$143.5 M	\$18.3 M	\$125.2 M
DC-2025-006	FFY25 VA CMAQ WMATA Bus Replacement	1/31/2028	\$3.8 M	\$0.0 M	\$3.8 M

Note: Drawn numbers are from inception through 06/30/2025 which include updated period of performance end dates.

APPENDIX I: OPERATING FINANCIALS & RIDERSHIP

FY2026 – Q2 Year-To-Date Financials (\$ in millions)¹

	FY2026 Budget	FY2026 Actual	Variance \$	Variance %
Passenger Revenue	\$228.6	\$241.1	\$12.5	5.5%
Non-Passenger Revenue	\$49.9	\$63.6	\$13.7	27.5%
Total Revenue	\$278.5	\$304.7	\$26.3	9.4%
Total Gross Expenses	\$1,306.3	\$1,328.9	\$22.6	1.7%
Preventive Maintenance	\$54.4	\$54.4	\$0.0	0.0%
Total Net Expenses	\$1,251.9	\$1,274.6	\$22.6	1.8%
Prior Year Savings	\$12.8	\$12.8	\$0.0	0.0%
Jurisdictional Subsidy	\$952.9	\$952.9	\$0.0	0.0%
Net Income	\$(7.7)	\$(4.1)	\$3.6	47.0%
Cost Recovery Ratio ²	22%	24%		
Farebox Recovery Ratio	18%	19%		

1. All figures exclude reimbursables; totals may not sum due to independent rounding; In FY2026 Q2, Metro's headcount and total authorized positions were 12,418 and 13,590, respectively.

2. Cost Recovery Ratio is calculated using total net expenses (total gross expenses minus preventive maintenance)

FY2026 – Q2 Year-To-Date Ridership (Trips in millions)¹

Ridership	FY2025 Actual	FY2026 Budget	FY2026 Actual	Variance Prior Year	Variance Budget
Metrorail ²	64.4	66.6	72.7	12.8%	9.1%
Metrobus ³	63.1	67.1	58.1	-8.0%	-13.4%
MetroAccess	0.6	0.6	0.5	-10.3%	-17.0%
All Modes	128.1	134.3	131.2	2.5%	-2.3%

1. Totals may not sum due to independent rounding

2. Rail total includes 36.2 million tapped ridership and 1.7 million non-tap ridership.

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

APPENDIX I (continued): OPERATING FINANCIALS & RIDERSHIP

FY2026 – Q2 Only Financials (\$ in millions)¹

	FY2025 Q2	FY2026 Q2	Variance \$	Variance %
Passenger Revenue	\$106.9	\$111.6	\$4.7	4.4%
Non-Passenger Revenue	\$77.7	\$30.9	\$(46.8)	-60.3%
Total Revenue	\$184.6	\$142.5	\$(42.1)	-22.8%
Total Gross Expenses	\$689.5	\$662.7	\$(26.9)	-3.9%
Preventive Maintenance	\$50.2	\$34.7	\$(15.6)	-31.0%
Total Net Expenses	\$639.3	\$628.0	\$(11.3)	-1.8%
Gross Subsidy	\$454.7	\$485.5	\$30.8	6.8%
Federal Relief	\$46.1	\$0.0	\$(46.1)	-100%
Prior Year Savings	\$0.0	\$7.8	\$7.8	100%
Jurisdictional Subsidy	\$408.6	\$477.7	\$69.1	16.9%
Net Income	\$0.0	\$(1.2)	\$(1.2)	-100%
Cost Recovery Ratio²	29%	23%		
Farebox Recovery Ratio	17%	18%		

1. All figures exclude reimbursables; includes total federal relief funding

2. Cost Recovery Ratio includes federal relief and is calculated using total net expenses (total gross expenses minus preventive maintenance)

FY2026 – Q2 Only Ridership (Trips in millions)¹

Ridership	FY2025 Actual	FY2026 Budget	FY2026 Actual	Variance Prior Year	Variance Budget
Metrorail ²	32.2	33.2	34.8	8.0%	4.6%
Metrobus ³	31.3	33.2	28.6	-8.5%	-13.9%
MetroAccess	0.2	0.3	0.2	-4.5%	-20.9%
All Modes	63.7	66.8	63.6	-0.1%	-4.7%

1. Totals may not sum due to independent rounding

2. Rail total includes 33.1 million tapped ridership and 1.7 million non-tap ridership. Prior to January 2023, Metrorail ridership reported only tapped ridership, which understated the total number of riders.

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

APPENDIX II: CAPITAL PROGRAM FINANCIALS BY INVESTMENT CATEGORY

Dollar amounts in millions

Capital Investments	FY2026 Current Budget	FY2026 Q2 Actuals	YTD % Budget Expended
Acquisition	\$95.1	\$17.2	18%
Maintenance & Overhaul	\$259.8	\$139.6	54%
Maintenance Facilities	\$46.6	\$5.4	12%
Railcar and Railcar Facilities	\$401.5	\$162.1	40%
Power	\$112.1	\$39.5	35%
Signals & Communications	\$224.0	\$120.5	54%
Rail Systems	\$336.0	\$160.1	48%
Fixed Rail	\$209.3	\$68.6	33%
Structures	\$76.5	\$27.6	36%
Track and Structures Rehabilitation	\$285.8	\$96.2	34%
Platforms & Structures	\$95.8	\$42.0	44%
Vertical Transportation	\$64.1	\$32.1	50%
Station Systems	\$172.1	\$71.7	42%
Stations and Passenger Facilities	\$331.9	\$145.7	44%
Acquisition	\$102.1	\$22.3	22%
Maintenance & Overhaul	\$79.5	\$32.7	41%
Maintenance Facilities	\$240.1	\$91.4	38%
Passenger Facilities & Systems	\$28.9	\$9.5	33%
Bus, Bus Facilities and Paratransit	\$450.5	\$156.0	35%
IT	\$125.7	\$36.9	29%
MTPD	\$5.2	\$2.2	42%
Support Equipment & Services	\$181.0	\$73.5	41%
Business and Operations Support	\$311.9	\$112.6	36%
Total Capital Expenditures	\$2,117.6	\$832.7	39%

APPENDIX III: WEEKDAY PARKING FACILITY USAGE

Station	Lot Capacity	YTD Paid Utilization (% of Capacity)	Variance, Year-Over-Year (Change in YTD Utilization %)
Montgomery County			
Grosvenor-Strathmore	1,627	66%	15%
North Bethesda	1,270	29%	13%
Twinbrook	1,097	34%	2%
Rockville	524	78%	18%
Shady Grove	5,745	46%	13%
Glenmont	2,998	58%	32%
Wheaton	977	23%	12%
Forest Glen	596	113%	59%
Montgomery County Total	14,834	51%	18%
Prince George's County			
New Carrollton	3,677	73%	9%
Landover	1,185	65%	34%
Cheverly	475	142%	60%
Addison Road	1,268	17%	7%
Capitol Heights	372	57%	19%
Greenbelt	3,399	43%	12%
College Park-U of MD	1,290	37%	8%
Hyattsville Crossing	1,068	23%	6%
West Hyattsville	453	60%	12%
Southern Avenue	1,980	29%	1%
Naylor Road	368	33%	-57%
Suitland	1,890	21%	2%
Branch Avenue	2,768	46%	10%
Morgan Boulevard	633	57%	21%
Downtown Largo	2,200	57%	23%
Prince George's County Total	23,026	45%	11%
Maryland Total	37,860	49%	15%

APPENDIX III: WEEKDAY PARKING FACILITY USAGE (CONTINUED)

Station	Lot Capacity	YTD Paid Utilization (% of Capacity)	Variance, Year-Over-Year (Change in YTD Utilization %)
District of Columbia			
Deanwood	194	15%	3%
Minnesota Ave	333	67%	15%
Rhode Island Ave	221	76%	20%
Fort Totten	408	102%	12%
Anacostia	786	33%	13%
District of Columbia Total	1,942	57%	13%
Virginia			
Huntington	2,732	57%	17%
West Falls Church	1,864	53%	28%
Dunn Loring	1,964	28%	10%
Vienna	5,169	55%	19%
Franconia-Springfield	5,069	31%	4%
Van Dorn Street	361	76%	-6%
East Falls Church	329	123%	20%
Ashburn	1,555	45%	16%
Loudoun Gateway	2,115	15%	4%
Herndon Monroe	3,751	11%	3%
Innovation Center	2,072	6%	3%
Wiehle-Reston East	2,300	27%	6%
Virginia Total	29,281	36%	11%
System Total	69,083	43%	13%

- Notes:
- A. Landover Spaces given for CDL training, 684 spaces
 - B. West Falls Church, Joint Development, 145 spaces
 - C. Branch Ave. - Bus operator training, 304 spaces
 - D. Anacostia rehab; Solar panel project, 22 spaces
 - E. Cheverly rehab; Solar panel project, 25 spaces
 - F. East Falls Church; Bus Bay Expansion, 93 spaces
 - G. Grosvenor; Next phase of new building construction, 20 spaces

APPENDIX IV: KEY CAPITAL INVESTMENT UPDATES

8000-Series Railcars

Acquire new railcars to replace legacy fleet and support safety and reliability

Current Total Project Cost Estimate: \$905.3M

Lifetime Spend to Date: \$140.5M (16%)

Description & Context

- Metro is procuring 8000-series railcars to replace legacy railcars that have been in service for nearly 40–45 years
- Procurement initiated in 2018 for railcars, spare parts and special tools, training and training aids, and cab simulators
- Contract awarded in 2020 for base order (256 railcars)
- Metro has been working with the supplier to finalize a design incorporating customer feedback throughout the process

Key Features

Railcars

- Fully ADA compliant
- Additional handholds and multi-purpose area for gear
- Enhanced passenger comfort features such as heated floors
- Gangways to connect railcars
- Aluminum exteriors
- Enhanced inter-car barriers
- Undercar lighting

Safety & Security

- Improved video surveillance
- Integrated digital displays with real time information
- Developed to latest cyber security standards



Current Status

- Base contract (256 railcars) underway
- Option 1 and all future options are unfunded in the Proposed Capital Program and can only advance if Metro receives additional funding through DMVMoves efforts
- Previously announced schedule delays due to design finalization for various components of the railcars, including car body, brakes, door system, HVAC and lighting
- Manufacturer railcar testing identified need for additional design modifications; reviewing schedule impact

Key Milestones

<input type="checkbox"/> June 2026	Delivery of full-scale mockup
<input type="checkbox"/> December 2026	Deadline to execute Option 1 (+104 railcars)
<input type="checkbox"/> June 2027	Deadline to execute Option 2 (+104 railcars)
<input type="checkbox"/> Late FY2028	Delivery of first pilot cars
<input type="checkbox"/> May 2030	All base order railcars in revenue service

Identified Risks & Mitigations

Risk	Mitigation
Additional delivery delays	Focused and in-person meetings between Metro and the vendor to resolve critical issues
Updating railcar design based on public input	Streamline review of materials submitted by vendor and plan for timely stakeholder participation

APPENDIX IV: KEY CAPITAL INVESTMENT UPDATES

Bladensburg Bus Garage

Rebuild & modernize outdated facility built in 1962 that has reached its end of useful life to continue to provide reliable, efficient service

Current Total Project Cost Estimate: \$541.0M

Lifetime Spend to Date: \$306.3M (57%)

Description & Context

- Metro is rebuilding the existing 60+ year old bus garage while providing service to customers
- Will have capacity for ~300 buses (mix of diesel, compressed natural gas, and electric buses)
- Facility runs the most bus service in the region
- Provides transportation services to customers on routes throughout the District of Columbia and parts of Maryland
- Facility includes operations and maintenance, fueling, and bus parking
- Improves work environment and condition for employees

Key Features

Facility

- Supports multiple fueling types
- Parking for ~300 buses
- Includes Metro Transit Police substation

Efficiency

- Consolidates multiple buildings into single modern bus operations and maintenance facility



Current Status

- Operations and maintenance building open; parking facility construction underway
- Potential cost increase of ~\$150M was mitigated through scope reduction of battery electric bus components and value engineering efforts resulting in a revised total project cost increase of \$48.3M for higher equipment costs and project delays

Key Milestones

<input checked="" type="checkbox"/> July 2025	Operations & Maintenance Building Open
<input checked="" type="checkbox"/> August 2025	Begin Parking Facility Construction
<input type="checkbox"/> January 2028	Complete Parking Facility and New Entrance; Begin Surface Lot
<input type="checkbox"/> July 2028*	Construction complete; complete bus parking, gantries and charging equipment

Identified Risks & Mitigations

Risk	Mitigation
Complexity of installing new charging technology	Work with bus equipment supplier and project delivery team to minimize delays

**13-month delay due to redesign, and long lead times for equipment*

APPENDIX IV: KEY CAPITAL INVESTMENT UPDATES

Bus Fleet Acquisition

Purchase new buses to deliver reliable and efficient service for the region

Current Total Project Cost Estimate: \$121.1M

Lifetime Spend to Date: \$22.5M (19%)

Description & Context

- Metro replaces buses to maintain a ~15-year lifecycle to support bus reliability
- Metrobus fleet size is ~1,400 buses
- Procurement for new buses awarded in November 2024 to replace up to 500 buses
 - ~100 buses per year
 - Mix of fueling types
- Only two domestic bus manufacturers facing high demand
- Create runtime savings and reliability improvements, allowing Metro to deliver better services with fewer resources

Key Features

Safety

- Bus operator protective shields included in new bus contract and are being retrofitted into existing vehicles
- New cameras on buses
- Collision avoidance technology

Modern Elements

- Real-time tracking
- Durable vinyl seats
- New layout for more standing room and expanded multi-purpose area



Current Status

- Five battery electric buses delivered in FY2026
- Delivery of 100 hybrid buses for the first phase of the current acquisition contract expected by March 2027
- The first two Nova Bus electric buses entered service in October 2025
- 60-foot articulated bus procurement in development

Upcoming Strategic Decision

- Work with region and industry to standardize bus requirements

Key Milestones

<input checked="" type="checkbox"/> November 2024	Executed base contract for 100 buses
<input checked="" type="checkbox"/> February 2026	Executed Option 1 for additional 100 buses
<input type="checkbox"/> June 2026	Anticipate delivery of 22 buses
<input type="checkbox"/> March 2027	Anticipate completion of base contract bus delivery

Identified Risks & Mitigations

Risk	Mitigation
Supply chain constraints affect manufacturers' ability to build buses	Close coordination with vendor
Customization of transit buses	Participate in industry effort to reduce customization
Base contract is subject to production delays	Execute option years in a timely manner to maintain spot in production line and speed up delivery of buses in FY2026

APPENDIX IV: KEY CAPITAL INVESTMENT UPDATES

Enterprise Resource Planning System

Streamline operations by modernizing legacy on-premises Enterprise Resource Planning (ERP) system

Current Total Project Cost Estimate: \$370.0M

Lifetime Spend to Date: \$105.3M (28%)

Description & Context

- Software that automates and streamlines core business processes by linking multiple systems and reporting on an integrated digital platform
- Transforms Metro’s current human capital management, financial planning, management and reporting, and payroll processes using modern, secure, industry-standard software

Key Features

Human Capital Management

- Secure management of personnel documentation and efficient job creation and hiring processes
- Modernized, automated payroll processes

Financial Management

- Automating, centralizing, and unifying budgeting, funding, accounting and reporting; and implementing controls to reduce errors and ensure auditability

Procurement

- Automate manual processes and improve reporting and tracking of contract activities



Current Status

- Continue implementation of the new ERP system, including integration of new ERP and various Metro software and modules
- Finance modules were temporarily paused to allow for a comprehensive fit-gap analysis, which was necessary to re-baseline the project plan and establish a realistic new go-live date
- Total project cost increase of \$144M from \$226M to \$370M due to additional testing, deployment delays, and additional business process transformation

Key Milestones

<input checked="" type="checkbox"/> December 2025	Go/No-go (Go) Decision on Grants Made
<input checked="" type="checkbox"/> March–April 2026	Parallel Payroll Testing Round 2 & 3
<input type="checkbox"/> June 2026	Human Capital Management and Payroll modules go live
<input type="checkbox"/> July 2027	Finance Management modules go live

Identified Risks & Mitigations

Risk	Mitigation
Oracle uses “train the trainer” model and end-user training not yet included in the project plan	Staff augmentation for end-user training and training plan and strategy developed in December 2025

APPENDIX IV: KEY CAPITAL INVESTMENT UPDATES

Fare Systems

Expand and modernize payment options, improve the customer experience, and reduce fare evasion

Current Total Project Cost Estimate: \$237.7M

Average Annual Spend (FY2020-FY2025): \$55.2M

Description & Context

- Metro must continue to innovate and modernize to adapt to evolving customer payment expectations
- To support modern payment methods and reduce fare evasion, Metro replaced faregates systemwide and fareboxes fleetwide, enabled acceptance of contactless debit and credit cards at all faregates and on-board all Metro Buses
- Beginning the process of replacing fare vending machines with modern customer kiosks and updating parking payment system

Key Features

Customer Experience

- Implement new methods for customers to pay through virtual Smart Trip cards and Tap. Ride. Go. functionality
- Streamlined fare policy and passes

Fare Evasion

- Modified 1,200 faregates with tall barrier doors and raised mezzanine fencing height to deter fare evasion
- Metro Transit Police enforcement policy on buses



Current Status

- Implementing Tap. Ride. Go. (i.e., acceptance of contactless credit and debit cards) at parking facilities
- Finalizing procurement to replace fare vending machines with customer kiosks that accommodate modern customer payment opportunities through a contemporary interface

Key Milestones

<input checked="" type="checkbox"/> May 2025	Launched Tap. Ride. Go. (i.e., open fare payment) for Metro Rail
<input checked="" type="checkbox"/> November 2025	Launched Tap. Ride. Go. for Metro Bus
<input type="checkbox"/> Spring 2026	Award contract for customer fare kiosks
<input type="checkbox"/> Fall 2026	Complete installation of Tap. Ride. Go. at parking facilities

APPENDIX IV: KEY CAPITAL INVESTMENT UPDATES

Fleet Maintenance Facility

Centralize railcar maintenance functions to be more efficient and increase number of railcars rehabilitated

Current Total Project Cost Estimate: \$194.9M

Lifetime Spend to Date: \$1.0M (1%)

Description & Context

- To improve railcar reliability, Metro is increasing the frequency of scheduled maintenance
- Facility will be constructed to support expanded scheduled maintenance program (SMP)
- Repurposing existing space at the Dulles Railyard in lieu of previously planned Heavy Repair and Overhaul Facility in Landover, Maryland, to reduce overall investment cost

Key Features

Facility

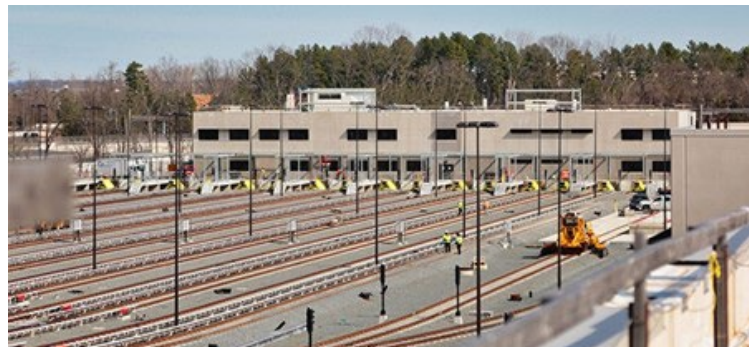
- Conversion of existing warehouse for additional repair bays and shop space
- Maintenance facility connected to mainline to efficiently move railcars

Operations

- Specialized railcar maintenance equipment
- Connection from maintenance shop to railyard

Financial Efficiency

- New facility will maximize use of existing infrastructure and minimize cost
- Additional capacity will improve timely output of SMP



Current Status

- Investment currently on track and proceeding through the Design & Engineering phase
- Exploring automation technology and best practices for future benefit and increased reliability and operational efficiencies

Key Milestones

<input checked="" type="checkbox"/> Fall 2025	10% design (conceptual) complete
<input type="checkbox"/> Spring 2026	Anticipated 30% design completion
<input type="checkbox"/> Summer 2026	Anticipated Notice to Proceed for construction
<input type="checkbox"/> Summer 2028	Anticipated construction completion

APPENDIX IV: KEY CAPITAL INVESTMENT UPDATES

Metro Training Center

To support modernizing the Metro system, Metro needs to modernize training

Current Total Project Cost Estimate: \$114.0M

Lifetime Spend to Date: \$2.9M (3%)

Description & Context

- Consolidated training facility that will centralize Metro training
- Provides modern and dedicated training spaces, and allows Metro to better utilize resources
- Currently, training is in disparate locations and in outdated and inefficient facilities
- Establishes best in class facility to support a world-class transit system with modular classrooms, simulators, augmented reality/virtual reality training

Key Features

Facility

- State-of-the-art facility and technology
- Maximize existing infrastructure utilizing previously purchased land/building
- Reconstructed lot in Landover, Maryland, for bus, commercial driver, and MTPD training

Benefits

- Allows improved delivery of Metro Bus, Metro Rail and Metro Access service
- Jurisdictional first responders use
- Supports regional transit with potential shared services

Efficiency

- Reduce impact of training exercises and new maintenance techniques on the system
- Establish economies of scale and efficiencies through integrated facility



Current Status

- Investment currently on track and proceeding through the Design & Engineering phase
- Site and building due diligence underway

Key Milestones

- | | |
|--|---|
| <input checked="" type="checkbox"/> Fall 2025 | Construction Manager at Risk contract advertised |
| <input type="checkbox"/> Winter 2026 | Award Construction Manager at Risk design phase services contract |
| <input type="checkbox"/> Summer 2026 | Anticipate 30% design completion |
| <input type="checkbox"/> Spring 2028 | Anticipate construction completion |

APPENDIX IV: KEY CAPITAL INVESTMENT UPDATES

Northern Bus Garage

Rebuild and modernize outdated facility built in 1906 passed the end of useful life and closed in 2019

Current Total Project Cost Estimate: \$790.4M

Lifetime Spend to Date: \$424.4M (54%)

Description & Context

- Metro is rebuilding the 100+ year facility, originally a streetcar barn
- Garage closed in 2019 as it was deteriorating and could not support modern bus operations and maintenance needs
- Facility is being reconstructed into a modern bus operations and maintenance facility that will support an electric bus fleet
- Facility provides service to many routes in the Frequent Service Network

Key Features

Facility

- Charging infrastructure and equipment to fully support battery electric buses
- Provides multiple access points and parking for ~150 buses, including articulated buses

Community

- New retail opportunities and improved streetscapes
- Keeps the historical facade
- Provides community space
- Includes Metro Transit Police substation



Current Status

Changes in strategic direction to include battery electric buses and project design drove schedule delays which led to a total project cost increase of \$125.4M

- Additional staff and contractor support for extended construction timeframe
- Long lead times for battery electric bus equipment
- Fire life safety requirements associated with battery electric bus
- Additional environmental cleanup

Key Milestones

<input checked="" type="checkbox"/>	July 2025	Complete Steel Structure
<input checked="" type="checkbox"/>	September 2025	Begin Plumbing Overhead Rough-In
<input type="checkbox"/>	April 2026	Complete Pepco Electrical Feeder Design
<input type="checkbox"/>	July 2029*	Anticipated Completion

Identified Risks & Mitigations

Risk	Mitigation
Complexity of installing new fueling technology	Work with battery electric bus equipment supplier and project delivery team to minimize delays

**19-month delay due to battery electric bus redesign and long lead times for batter electric equipment*

APPENDIX IV: KEY CAPITAL INVESTMENT UPDATES

Radio System

Essential for staff to provide service, communicate with Metro Integrated Command and Communications Center, first responders, and provide systemwide cellular coverage for customers

Current Total Project Cost Estimate: \$608.7M

Lifetime Spend to Date: \$506.0M (83%)

Description & Context

- Metro's current internal communication and public safety radio systems are outdated, causing communication gaps
- Started in 2017, this project seeks to replace Metro's radio infrastructure and add cellular coverage throughout the system
- All tunnel, facility, above ground infrastructure, as well as obsolete radio devices, will be replaced
- Project implemented alongside Fiber Optic Cable replacement

Key Features

Below Ground

- Systemwide cellular and radio coverage
- New fiber optic cabling throughout system to support new radio system

Above Ground

- Radio towers installed at 25 of 27 sites
- Provides coverage to 95% of Metro service area

Devices

- State-of-the-art radio units distributed to personnel and installed in vehicles



Current Status

Total project cost increase of \$38.8M due to:

- Project delays
- Contractor performance issues
- Staffing extensions
- Additional fiber lease costs and design changes

Key Milestones

- Fall 2025** Activated upgraded public safety radio system in Arlington County
- Summer 2026** Complete radio upgrades at six of nine rail yards and on 6000-series railcars*
- Summer 2027** Complete installation of a new radio system in remaining jurisdictions** and take delivery of all handheld radio and subscriber units
- December 2027** Anticipated completion

Identified Risks & Mitigations

Risk	Mitigation
Failure of legacy radio system	Increased maintenance of existing system
Dependent on vendor to construct remaining tower sites	Coordinate with vendor to complete in timely manner; explore options to complete work with third party contractor

*3000- and 7000-series railcars already complete

** Fairfax County, City of Alexandria, Montgomery County, Prince George's County, and the District of Columbia

APPENDIX IV: KEY CAPITAL INVESTMENT UPDATES

Rail Modernization & Automation

Metro's highest priority need

Description & Context

- Metro's legacy rail signaling system is approaching obsolescence and faces growing maintenance costs and difficulty sourcing replacement parts
- The required investment will be implemented incrementally in phases to improve the safety, reliability, capacity, and efficiency of the existing 128-mile rail system with modern, automated operations
- Start systemwide rail modernization on the Red Line allowing communications-based train control (CBTC) equipped railcars to operate in fully automatic train operation (GoA 4) with platform screen doors (PSDs) between Grosvenor-Strathmore and Silver Spring Stations

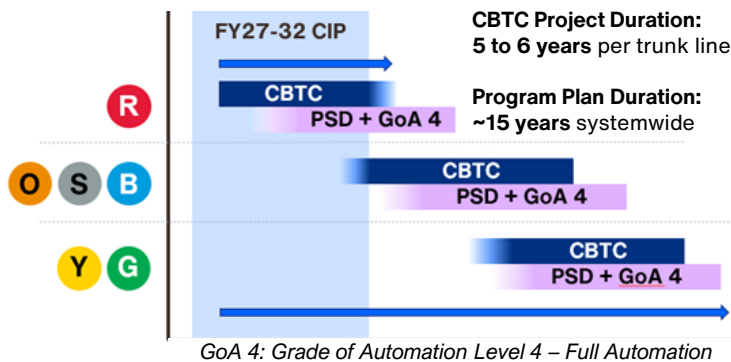
Key Features

Rail Modernization

- Construct a parallel, new rail signaling system with modern technology (CBTC), enabling efficient automated operations
- Phase out inefficient, legacy rail signaling system

Automatic Train Control

- Metro was originally designed for semi-automatic operation (GoA 2) which automates setting a train in motion and stopping a train
- Full automation (GoA 4) expands automated capabilities to closing doors and operating in the event of a disruption



Current Status

- Seek approval of a contract modification for Strategic Implementation Plan Development to support RFP for Red Line Modernization & Automation
- Develop federal funding strategy
- Perform pre-bid due diligence to inform procurement strategy
- Monitor status of additional regional funding
- Complete engineering study to inform scope/RFP development

Key Milestones

<input checked="" type="checkbox"/> February 2026	Hold informational meetings with FTA
<input type="checkbox"/> Q2 2026	Request entry into federal CIG Program as Core Capacity project*
<input type="checkbox"/> Q1 2027	Select Locally Preferred Alternative (LPA)
<input type="checkbox"/> Q1-Q2 2027	Release RFP and award contracts for CBTC and PSD design work

* Local funding for the cost to complete all Project Development activities must be committed and available upon request to enter the CIG Program.

APPENDIX IV: KEY CAPITAL INVESTMENT UPDATES

Rail Modernization & Automation (Cont.)

Metro's highest priority need

Budget Outlook

- The Proposed FY2027-FY2032 Capital Improvement Program budgets for planning work to develop the systemwide implementation strategy and Red Line Modernization & Automation
- Pursue Capital Investment Grants (CIG) Program funding and other federal sources, e.g., federal financing through the Transportation Infrastructure Finance and Innovation Act (TIFIA) loan program
- DMVMoves funding needed to implement systemwide

Identified Risks & Mitigations

Risk	Mitigation
Program Management	Establish core team to support internal coordination
Regulatory	Begin frequent, close coordination with FTA to ensure compliance with federal requirements (NEPA, etc.)
Schedule	Secure timely approvals to facilitate quick program delivery
Procurement	Work with industry partners to gauge interest and capability to deliver CBTC
Funding	Coordinate with funding partners to obtain additional regional funding

Investment	Phase	Rough Order of Magnitude (\$M)	Funded in Proposed Budget	Est. Percentage Federal
Strategic Implementation Plan Development	Underway Project	28.0	Yes	0%
Red Line Modernization & Automation	Design & Engineering	1,612.0	Yes	40-60%
Orange, Blue, Silver, Yellow, and Green Signal Modernization	Concept	3,845.0	No	TBD
Platform Screen Doors (Remaining Systemwide)	Concept	2,161.0	No	TBD
TOTAL		7,646.0		