Finance and Capital Committee

Information Item IV-A

June 11, 2026

Q3 Financial Results

Board Document

OVERVIEW			
PRESENTATION NAME	FY2026 Q3 Financial Results	**DOCUMENT NO.**	300129
ACTION OR INFORMATION	Information		
STRATEGIC TRANSFORMATION PLAN GOAL	Service Excellence, Talented Teams, Financial & Organizational Efficiency		
RESOLUTION	No		
EXECUTIVE OWNER			
EXECUTIVE TEAM OWNER	Rickard, Dave		
DEPARTMENT	Finance		
DOCUMENT INITIATOR	Kim, Jenny P.		
OTHER INFORMATION			
COMMITTEE	FCC	**COMMITTEE DATE**	06/11/2026
PURPOSE/KEY HIGHLIGHTS	Provide the Board with an overview of Metro's financial and operational performance through the third quarter of FY2026, along with the updated end-of-year forecast.		
DISCUSSION	Service improvements, fare modernization, and strong rail ridership are key themes in the FY2026 Operating Budget. Service improvements have provided focused investments in frequency, span, reliability, and customer experience without raising fares. Monthly usage of Tap. Ride. Go. exceeds 2 million customers and is available now for parking at 18 Metro stations. Strong rail ridership offsets operating expense pressures. Multi-year rail ridership growth trend exceeds prior-year results and original estimates.		

Board Document

	Rail performance continues to drive revenue growth. Revenue totaled $453 million, representing growth of $32 million or 7.6 percent year-over-year. Passenger and parking revenue generated $385 million, representing growth of $37 million or 10.7 percent. Federal employee ridership generated 16 million trips – a 34 percent increase from FY2025. Tap. Ride. Go. monthly usage exceeds 2 million for the first time, with market share increasing from 8.9 percent to 11.3 percent in Q3. Advertising, Joint Development, Infrastructure and Other revenue generated $68 million, $12 million above budget. Actual passenger and non-passenger revenue is consistent with the Mid-Year Financial Review forecast. Strong year-to-date revenue performance is tempered by expense pressures. Total revenue of $453 million is $1 million or 0.2 percent less than the FY2026 Mid-Year Forecast. Total Gross Expenses are $2,006 million, $3 million or 0.1 percent below forecast. Expense Less Revenue (before transfers) are $1,553 million, $2 million or 0.2 percent below forecast. Preventive Maintenance Transfer is $87 million, as forecast. Prior-Year Savings are $21 million, as forecast. In FY2027, service increases and higher costs for fuel and employee benefits will put pressure on other cost categories, particularly personnel and contracts. The Capital Budget outlook is consistent with the revised forecast. Funding pressures may affect delivery in the coming years. Through Q3, $1.3 billion has been invested through the Capital Program in ongoing reinvestments for safety and reliability. In November, Metro adjusted the Approved FY2026 Capital Budget from $2.1 billion to $1.9 billion to reflect the impacts of cost reductions, schedule changes, and market conditions affecting spending. The Key Capital Investments Snapshot for Q3 is as follows: • Railcar Acquisition: Pilot railcars anticipated late FY2027 • Metro Training Center: Proceeding with Design & Engineering effort; project approach subject to due diligence and site conditions • Bus Fleet Acquisition: Executed Option 1 of existing five-year contract; preparing to execute Option 2; and developing procurement for 60-foot articulated buses • Northern Bus Garage: On schedule to complete construction by December 2028

	• Fare Systems: Complete installation of Tap. Ride. Go. at parking facilities by Fall 2026 • Fleet Maintenance Facility: Proceeding with Design & Engineering effort; exploring modifications to incorporate automation technology and best practices to increase reliability and operational efficiencies • Rail Modernization Program: Requested entry into the Project Development Phase of CIG Program; awarded contract to develop preliminary design for platform doors • Radio System: Implementation activities continue to be on schedule for December 2027 completion • Bladensburg Bus Garage: On schedule to complete construction by December 2028 • Enterprise Resource Planning Software: All modules go live by June 2027
INTERESTED PARTIES	No interested parties identified
RECOMMENDATION/NEXT STEPS	End-of-Year actual (unaudited) revenue and expenses will be reported to the Board in September
FUNDING IMPACT	No funding impact from this presentation

FY2026 Q3 Financial Results

metro®

Finance and Capital Committee

Washington Metropolitan Area Transit Authority

June 11, 2026

Delivering Your Metro, the Way Forward

Service Excellence
Deliver safe, reliable, convenient, accessible, and world-class service that customers can trust across all modes.

Objectives of Service Excellence Goal

- **Safety and Security**
- **Reliability**
- **Convenience**

Talented Teams
Attract, develop, and retain world-class talent where individuals feel valued, supported, and proud of their contribution.

Objectives of Talented Teams Goal

- **Recruitment and Retention**
- **Learning and Development**
- **Customer Service Mindset**

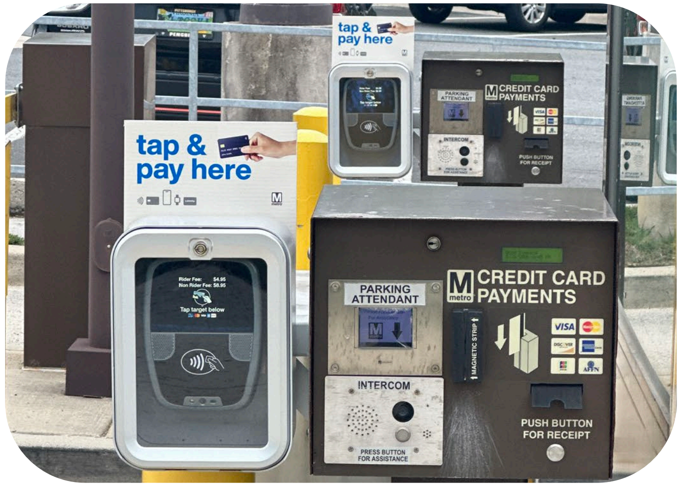
Focus Today

Financial & Organizational Efficiency
Steward public resources and efficiently allocate resources where they drive the most value, to ensure service delivery.

Objectives of Financial & Organizational Efficiency Goal

- **Financial Responsibility**
- **Organizational Efficiency**
- **Energy Management**

Key Themes in FY2026 Operating Budget



Service Improvements

- Focused investments in frequency, span, reliability, and customer experience without raising fares

Strong Rail Ridership

- Multi-year rail ridership growth trend exceeds prior-year results and original estimates
- Strong rail ridership offsets operating expense pressures

Fare Modernization

- Monthly usage of Tap. Ride. Go. exceeds 2 million customers
- Tap. Ride. Go. now available for parking at 18 stations (as of May 21)

Rail Performance Continues to Drive Revenue Growth

Overall Revenue

- **Total revenue reached $452.8M**, increasing by $32.1M or 7.6% year-over-year.

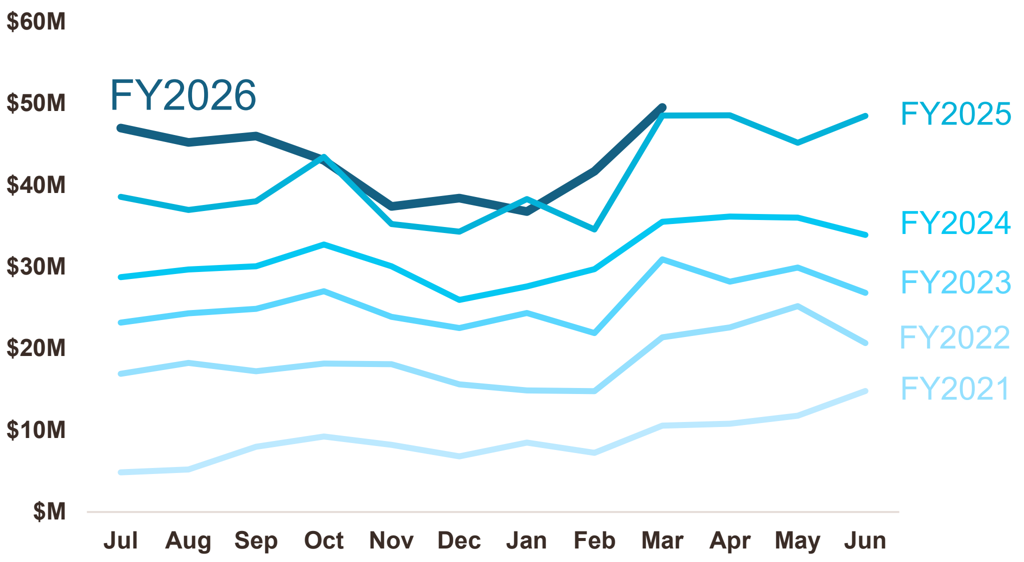
Passenger Revenue

- Passenger and parking revenue generated **$384.9M**, up $37.1 (10.7%) compared to prior year.
- Federal employee ridership reached 16M trips - a 34% increase from FY2025

Non-Passenger Revenue

- Advertising, Joint Development, Infrastructure and Other revenue totaled **$67.9M**, $12M above budget

Passenger and Parking Revenue by Month
($ in M)



$385M total passenger + parking revenue through Q3 FY26

$322.4M in rail revenue through Q3 FY26

$37M in bus revenue through Q3 FY26

$2.2M in access revenue through Q3 FY26

$23.3 million in parking revenue through Q3 FY26

Operating Budget Outlook Maintained as Fiscal Year-End Approaches

$ in M	FY2026 MID-YEAR FORECAST - YTD	FY2026 ACTUAL - YTD		
		Amount	$ vs. Forecast	% vs. Forecast
Total Revenue	$454	$453	-$1	0.2%
Total Gross Expenses	$2,009	$2,006	$3	0.1%
Expense Less Revenue (Before Transfers)	**($1,555)**	**($1,553)**	**$3**	**0.2%**
Preventive Maintenance Transfer	$87	$87	$0	0.0%
Prior-Year Savings	$21	$21	$0	0.0%

In **FY2027**, service increases and higher costs for fuel and employee benefits will put pressure on other cost categories, particularly personnel and contracts

Note: Amounts may not sum due to independent rounding

Metro Invested $1.3 Billion in Capital Projects in First 3 Quarters of FY2026

- Maintain adjusted capital budget forecast of $1.9B and will provide fiscal year-end update in fall
- Adjusted FY2026 Capital Budget forecast in November
- Capital Program continues to work through delivery challenges amid limited funding capacity and increasing costs
  - Managing through unknown conditions, complexities and un-anticipated vendor production delays
  - Incorporating emerging technology to drive long-term operational effectiveness, efficiency, and cost savings

Key Capital Investment Snapshot

Railcar Acquisition

Pilot railcars anticipated late 2027; Impact of exterior railcar design testing on base order schedule under review

Bus Fleet Acquisition

Executed Option 1 of existing five-year contract; preparing to execute Option 2; developing procurement for 60-foot articulated buses

Fleet Maintenance Facility

Proceeding with Design & Engineering effort; exploring modifications to incorporate automation technology and best practices to increase reliability and operational efficiencies

Northern Bus Garage

On schedule to complete construction by October 2028

Bladensburg Bus Garage

On schedule to complete construction by December 2028

Key Capital Investment Snapshot (cont.)

Rail Modernization Program
Requested entry into Project Development Phase of CIG Program

Fare Systems
Awarded customer terminal contract; Complete installation of Tap. Ride. Go. at parking facilities by Fall 2026

Metro Training Center
Proceeding with Design & Engineering effort; project approach may change due to due diligence and site conditions

Radio System
Implementation activities continue, scheduled for December 2027 completion

Enterprise Resource Planning Software
All modules go-live by Summer 2027

Appendix

Key Capital Investment Updates – Q3 of FY2026

Investments Reported Quarterly

- 8000-Series Railcars
- Bladensburg Bus Garage
- Bus Fleet Acquisition
- Enterprise Resource Planning Software
- Fare Systems
- Fleet Maintenance Facility
- Metro Training Center
- Northern Bus Garage
- Radio System
- Rail Modernization Program

8000-Series Railcars

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

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

Current Total Project Cost Estimate: $905.3M

Lifetime Spend to Date: $146.4M (16%)

KEY FEATURES

Railcars

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

Safety & Security

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

8000-Series Railcars (cont.)

CURRENT STATUS

- Approved Capital Program does not fund railcar acquisition above the current base order of 256 railcars
- Exterior railcar design testing identified need for additional modifications; schedule impacts to base order under review
- Future options are dependent on additional regional investment
- Deadlines to execute future railcar options are contingent upon successful completion of exterior railcar design testing; anticipate delays

Identified Risks & Mitigations

Risk	Mitigation
Additional delivery delays	▪ Focused and in-person meetings between Metro and the supplier to resolve critical issues
Updated railcar design based on public input	▪ Streamline review of materials submitted by supplier

Key Milestones

June 2026
Delivery of full-scale mockup

TBD
Deadline to execute Option 1 (+104 railcars)

TBD
Deadline to execute Option 2 (+104 Railcars)

Late 2027
Delivery of pilot cars

May 2030
All base order railcars in revenue service

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

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, CNG, 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

Current Total Project Cost Estimate: $541.0M

Lifetime Spend to Date: $328.1M (61%)

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

Bladensburg Bus Garage (cont.)

CURRENT STATUS

- Revised schedule to accommodate design changes for reduced electric bus fleet size
- Parking deck foundation complete, starting work on parking garage structure
- Future service will include a mix of 60-foot articulated and 40-foot electric buses to meet service requirements

Identified Risk & Mitigation

Risk: Complexity of installing new charging technology

Mitigation: Work with bus equipment supplier and project delivery team to minimize delays

Key Milestones

- ☑ **July 2025** Operations & Maintenance Building Open
- ☑ **August 2025** Begin Parking Facility Construction
- ☐ **August 2027** Complete parking facility and new entrance
- ☐ **December 2028** Construction complete, including surface parking lot and electric bus charging equipment

Bus Fleet Acquisition

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

Description & Context

- Metro replaces buses to maintain a 12- to 15-year lifecycle to support reliability
- Metro Bus fleet size is ~1,350 buses
- Procurement for new buses awarded in November 2024 to replace up to 500 buses
  - ~100 buses per contract 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

Current Total Project Cost Estimate: $121.1M*

Lifetime Spend to Date: $34.9M (29%)

**Base order for 100 New Flyer 40-foot hybrid buses*

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

Bus Fleet Acquisition (cont.)

CURRENT STATUS:

- Executed Option 1 of existing five-year contract for 25 electric and 75 hybrid buses; preparing to execute Option 2
- Procurement for 60-foot articulated buses, including electric buses, is in development
- Exploring ability to modify propulsion mix for Options 3 & 4 of existing five-year contract to meet fleet needs
- Identifying root cause of hybrid-diesel bus incident

UPCOMING STRATEGIC DECISION:

- Work with region and industry to standardize bus requirements

Identified Risks & Mitigations

Risk	Mitigation
Supply chain constraints affect manufacturers' ability to build buses	Close coordination with vendor
Customization of transit buses	Engage in industry effort to reduce customization
Vendor production delays and high demand for domestic buses	Execute option years in a timely manner to maintain spot in production line and speed up delivery of buses in FY2026

Key Milestones

November 2024
Executed base contract for 100 buses

February 2026
Executed Option 1 for additional 100 buses

June 2026
Execute Option 2 for additional 100 buses; anticipate delivery of 9 hybrid buses

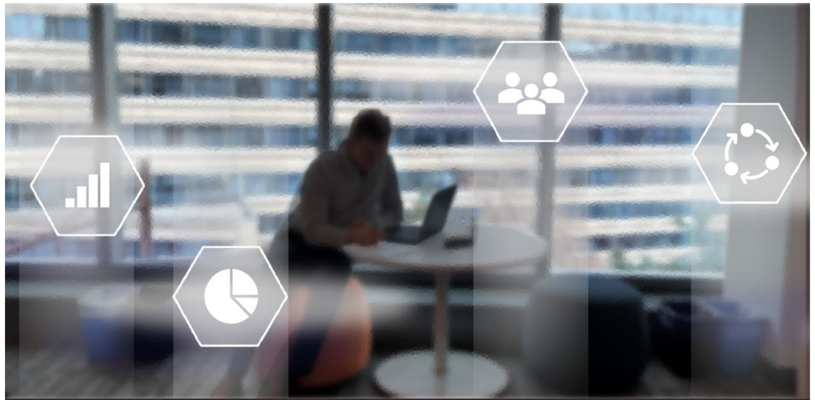
March 2027
Anticipate completion of base contract bus delivery

Enterprise Resource Planning Software

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

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



Total Project Cost: $370.0M

Lifetime Spend to Date: $133.0M (36%)

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

Enterprise Resource Planning Software (cont.)

CURRENT STATUS:

- Began transition to new Human Capital Management and Payroll modules
- Progressing design of Finance Management module to be delivered Summer 2027

Identified Risk & Mitigation

Risk: Change management, i.e., user adoption and ability to use the new system

Mitigation: Blended learning approach to training users and additional contractor support for the immediate post go-live period to minimize disruption

Key Milestones

☑	☑	☐	☐
December 2025	**March and April 2026**	**June 2026**	**Summer 2027**
Go/No-go (**Go**) Decision on Grants Made	Parallel Payroll Testing Round 2 & 3	Human Capital Management and Payroll modules go-live	Finance Management modules go-live

Fare Systems

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

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 modernizing fare vending machines with customer terminals and updating parking payment system

FY2027 - FY2032 Program Budget: $237.7M

Average Annual Spend (FY20 - FY25): $55.2M

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 taller barrier doors and raised mezzanine fencing height to deter fare evasion
- Metro Transit Police enforcement policy on buses

Fare Systems (cont.)

CURRENT STATUS:

- Implementing Tap. Ride. Go. (i.e., acceptance of contactless credit and debit cards) on existing equipment at parking facilities
- Modernizing parking facility fare collection system, including license plate readers at select locations to collect revenue and facilitate ease of payment

one year of Tap. Ride. Go.

- **17M** transactions
- **15%** of rail transactions in April
- **Top stations:** Arlington Cemetery, Dulles, College Park
- **Top bus routes:** D80, D50, C53
- **Top day:** March 28, 2026

Key Milestones

- ☑ **May 2025** Launched Tap. Ride. Go. for Metro Rail
- ☑ **November 2025** Launched Tap. Ride. Go. for Metro Bus
- ☑ **April 2026** Awarded contract for customer fare terminals
- ☐ **Fall 2026** Complete installation of Tap. Ride. Go. at parking facilities

Fleet Maintenance Facility

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

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, MD, to reduce overall investment cost

Total Project Cost: $194.9M

Lifetime Spend to Date: $1.3M (1%)

KEY FEATURES

Facility

- Conversion of existing warehouse for additional repair bays and shop space
- Connection from maintenance facility to mainline efficiently move railcars

Operations

- Specialized railcar maintenance equipment
- Connection from maintenance shop to railyard improves operational performance

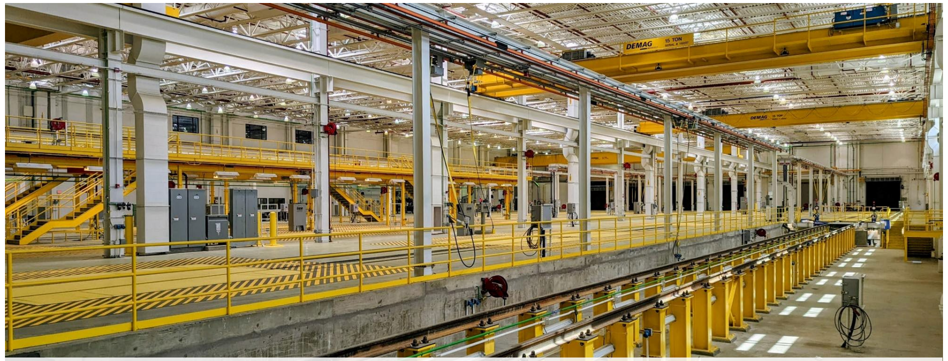
Financial Efficiency

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

Fleet Maintenance Facility (cont.)

CURRENT STATUS

- Continuing with Design & Engineering effort
- Exploring modification to 30% design to incorporate automation technology and best practices that will increase reliability and operational efficiencies
- Anticipate scope, schedule, and cost impacts



Current Dulles Maintenance Shop

Key Milestones

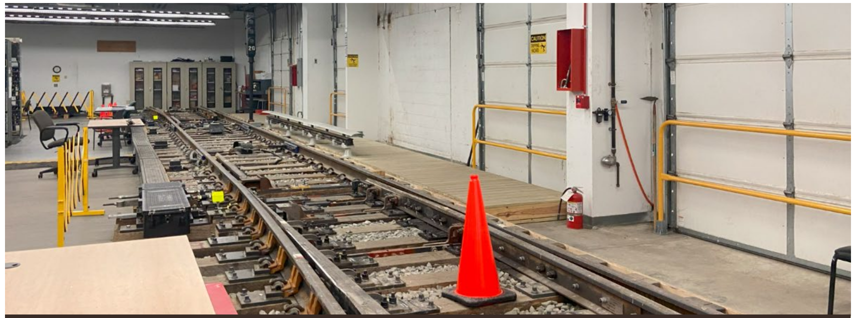
- ☑ **Fall 2025** 10% design (conceptual) complete
- ☑ **Spring 2026** 30% design complete
- ☐ **Late 2026** Award contract
- ☐ **Early 2027** Issue Notice to Proceed
- ☐ **Late 2028** Anticipate construction completion

Metro Training Center

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

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



Total Project Cost: $114.0M

Lifetime Spend to Date: $4.7M (4%)

KEY FEATURES

Facility

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

Benefits

- Allows improved delivery of bus, 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

Metro Training Center (cont.)

CURRENT STATUS:
- Completed site condition assessment
- Proceeding with Design & Engineering effort
- Reviewing proposed project approach that may impact scope, schedule, and cost

Key Milestones

- ☑ **Fall 2025** Advertised Construction Manager at Risk contract
- ☐ **Spring 2026** Advance 30% design
- ☐ **Summer 2026** Anticipate 30% design completion
- ☐ **Fall 2026** Start Early Works construction package*
- ☐ **Late 2028** Anticipate construction completion

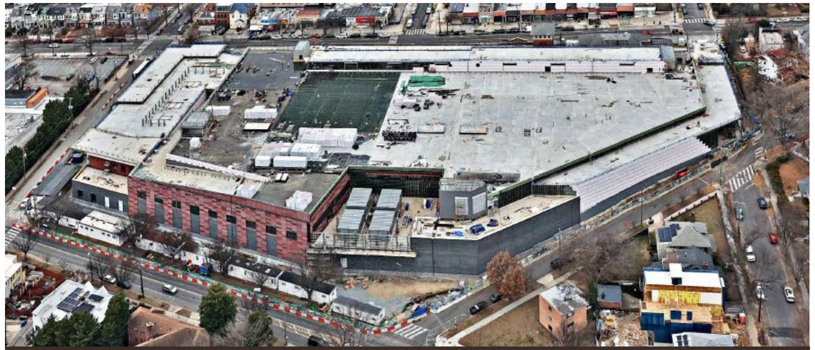
* Subject to permit approvals

Northern Bus Garage

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

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



Total Project Cost: $790.4M

Lifetime Spend to Date: $465.4M (59%)

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

Northern Bus Garage (cont.)

CURRENT STATUS:

- Metro will begin advertising for retail tenants in the next 30-60 days
- Garage will operate with a combination of 40-foot and 60-foot electric buses
  - 40-foot electric buses to be ordered through Options 1 & 2 of existing five-year contract
  - 60-foot articulated buses to be ordered through forthcoming procurement

Identified Risk & Mitigation

Risk: Complexity of installing new fueling technology

Mitigation: Work with battery electric bus equipment supplier and project delivery team to minimize delays

Key Milestones

- ☑ **July 2025** Complete steel structure
- ☑ **September 2025** Begin plumbing overhead rough-in
- ☐ **Spring 2027** Partial occupancy of facility (MTPD, retail space, community space)
- ☐ **October 2028** Construction complete
- ☐ **December 2028** Begin revenue service

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

Description & Context

- Metro's current internal communication and public safety radio systems are outdated, causing communication gaps
- Started in 2017, this project replaces Metro's radio infrastructure and adds 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

Total Project Cost: $608.7M

Lifetime Spend to Date: $513.7M (84%)

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 23 of 27 sites
- Provides coverage to 95% of Metro service area
- 3 of 6 jurisdictional systems complete and operational

Devices

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

Radio System (cont.)

CURRENT STATUS

- Implementation activities continue
- Have planned for and expect additional change orders to base contract

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

Key Milestones

☑ **Fall 2025**
Activated upgraded public safety radio system in Arlington County

☐ **Fall 2026**
Complete radio upgrades at six of nine railyards and on 6000-series railcars*

☐ **Summer 2027**
Complete installation of new radio system in remaining jurisdictions** and take delivery of all handheld radio and subscriber units

☐ **December 2027**
Anticipated completion

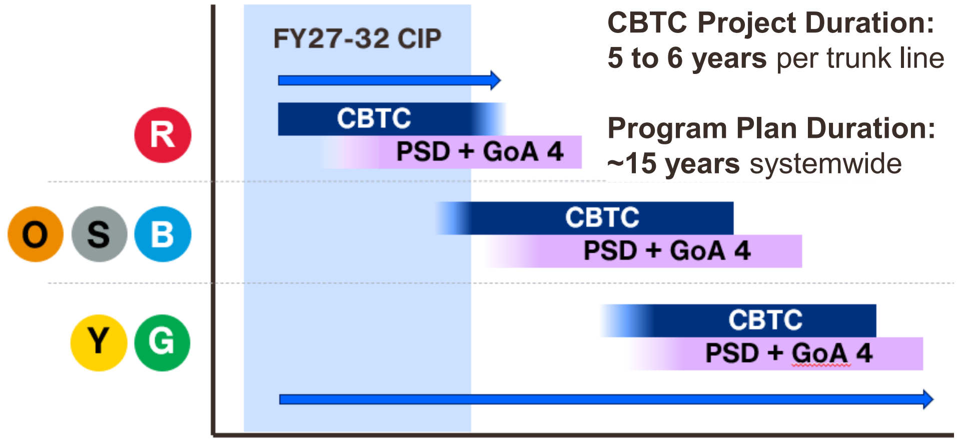
**3000- and 7000-series railcars already complete*
***Fairfax County, City of Alexandria, Montgomery County, Prince George's County, and the District of Columbia*

Rail Modernization Program

Rail Modernization Program is 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 doors between Grosvenor-Strathmore and Silver Spring Stations.



GoA 4: Grade of Automation Level 4 – Full Automation; PSD: Platform Doors

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

Rail Automation

- 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

Rail Modernization Program (cont.)

BUDGET OUTLOOK:

- The Approved FY2027-FY2032 Capital Improvement Program includes planning work to develop the systemwide implementation strategy and Red Line Modernization Project
- 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
- DMV*Moves* funding needed to implement systemwide

Investment	Phase	ROM ($M)	Funded in Approved Budget	Est. Percentage Federal
Strategic Implementation Plan Development	Underway Project	28	Yes	0%
Red Line Modernization Project	Design & Engineering	1,612	Yes	40-60%
Orange, Blue, Silver, Yellow, and Green Lines Signal Modernization	Concept	3,845	No	TBD
Platform Doors (Remaining Systemwide)	Concept	2,161	No	TBD
TOTAL		**7,646**		

Rail Modernization Program (cont.)

CURRENT STATUS:

- Hired new Senior Vice President, Rail Modernization Program Executive
- Received Regional Infrastructure Accelerator grant ($1.2M) to develop federal funding strategy
- Continue preliminary coordination with FTA to build familiarity with the endorsed program and Red Line Modernization Project
- Requested entry into Project Development Phase of CIG Program
- Awarded contract to develop preliminary design for platform doors

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

Key Milestones

- ☑ **March 2026** Held Industry Week
- ☑ **April 2026** Met with FTA and hosted APTA Peer Review
- ☑ **May 2026** Requested entry into federal CIG Program as Core Capacity project*
- ☐ **Winter 2027** Select Locally Preferred Alternative (LPA)
- ☐ **Spring 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.*