



Board Document

OVERVIEW			
PRESENTATION NAME	Approval to Amend Potomac Yard Reimbursable Project	DOCUMENT NO.	300090
ACTION OR INFORMATION	Action		
STRATEGIC TRANSFORMATION PLAN GOAL	Service excellence; Financial Stewardship and Resource Management;		
RESOLUTION	Yes		
EXECUTIVE OWNER			
EXECUTIVE TEAM OWNER	Impastato, Theresa M.;		
ORGANIZATION	Infrastructure		
DOCUMENT INITIATOR	Bradley A. Mighdoll		
OTHER INFORMATION			
COMMITTEE	Board Meeting (Consent)	COMMITTEE DATE	1/29/2026
PURPOSE/KEY HIGHLIGHTS	To request Board approval to authorize: • An increase to the Potomac Yard Station reimbursable project budget from \$350 million to \$385 million to close out the project, and • The General Manager and Chief Executive Officer, or his designee, to negotiate and execute an amendment to the Potomac Yard reimbursable agreement to implement the increased project budget and accept reimbursement from the City of Alexandria over two years.		



Board Document

DISCUSSION	The Potomac Yard Station opened for revenue service on May 19, 2023, becoming the 98th station, serving both the Blue and Yellow Lines and increasing transit options to the City of Alexandria. To date the station has served over 2.8 million trips connecting customers to destinations throughout the region and is anticipated to provide its 3,000,000th trip this spring. Adding a new station to Metro's rail service supports Metro's Strategic Plan by increasing access to destinations. This reimbursable project was funded by the City of Alexandria pursuant to Board policy. The reimbursable project policy requires that the Board approve budget increases and that the Board authorize the negotiation and execution of project agreements to close out the project. These expenses are requested as a final close out and settlement with the vendor and are anticipated to be paid by Metro in Fiscal Year 2026. To support our regional partner in addressing the increased costs of this project, the City has requested that Metro accept reimbursement of the \$35 million over FY2027 and FY2028.
INTERESTED PARTIES	City of Alexandria, Potomac Yard Constructors, and Halmar and Schiavone
RECOMMENDATION/NEXT STEPS	Staff recommends that the Board approve the request to increase the project budget to \$385 million and enter into an amendment to the reimbursable project agreement.
FUNDING IMPACT	Metro activates its Strategic Transformation Plan through regional partnerships. By providing this financing, Metro is able to support moving the region forward. At this time, Metro estimates sufficient expense authority in the FY2026 budget to incur this expense. The City of Alexandria will reimburse Metro's coverage of these expenses through payments totaling \$35 million in FY2027 and FY2028. No increase in the FY2026 expense authorization is requested.

PRESENTED AND ADOPTED: January 29, 2026

**SUBJECT: APPROVAL TO INCREASE THE POTOMAC YARD STATION PROJECT BUDGET
AND TO AMEND THE POTOMAC YARD STATION PROJECT REIMBURSABLE
AGREEMENT**

2026-02

**RESOLUTION
OF THE BOARD OF DIRECTORS
OF THE
WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY**

WHEREAS, Resolution 2011-30, as amended, requires Board of Directors approval of reimbursable agreements over \$500,000; and

WHEREAS, On February 29, 2009, the Board approved establishing a reimbursable project with the City of Alexandria for the Potomac Yard Station (Res. 2009-22) and the Board has subsequently approved various amendments to the reimbursable agreement, the most recent of which was in Resolution 2023-20; and

WHEREAS, On May 19, 2023, the Potomac Yard Station successfully opened; and

WHEREAS, Due to necessary project and construction requirements, the Potomac Yard Station Project reimbursable agreement must be amended to increase the funding provided by the City of Alexandria from \$350 million to \$385 million to close out the project;

WHEREAS, The City has approved a \$35 million budget increase; and

WHEREAS, The City has requested to reimburse WMATA for the \$35 million budget increase over two years (WMATA's Fiscal Year 2027 and Fiscal Year 2028);

NOW, THEREFORE, be it

RESOLVED, That the Board of Directors approves increasing the Potomac Yard Station Project reimbursable budget from \$350 million to \$385 million; and be it further

RESOLVED, That the Board of Directors approves receiving reimbursement of the \$35 million budget increase from the City of Alexandria over two years (WMATA's Fiscal Year 2027 and Fiscal Year 2028); and be it further

RESOLVED, That the Board of Directors authorizes the General Manager and Chief Executive Officer or his designee to negotiate and execute an amendment to the Potomac Yard Station Project reimbursable agreement to increase the project budget from \$350

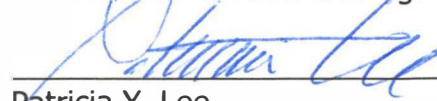
Motioned by Ms. Santos, seconded by Mr. McAndrew

Ayes: 7- Ms. Santos, Mr. McAndrew, Mr. Alcorn, Ms. Rai, Dr. Hadden Loh, Ms. Weber and Mr. Flowers

million to \$385 million and to receiving reimbursement of the \$35 million from the City of Alexandria over two years (WMATA's Fiscal Year 2027 and Fiscal Year 2028); and be it finally

RESOLVED, That this Resolution shall be effective immediately in order to timely amend the Potomac Yard Station Project reimbursable agreement.

Reviewed as to form and legal sufficiency,



Patricia Y. Lee
Executive Vice President, Chief Legal Officer and
General Counsel

WMATA File Structure No.:
4.3.3. Reimbursable Agreements