

WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

FINANCIAL PROGRESS REPORT

Fiscal Year 2023 Quarter 3



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Q3 FY2023 AT-A-GLANCE

During Q3 FY2023, Metro released its Zero-Emission Bus Transition Plan, broke ground on its zero-emission bus facility at Bladensburg, celebrated the opening of a new office building at New Carrollton, and marked the 50th Anniversary of Metrobus.

In March, Metro released its Zero-Emission Bus Transition Plan to provide cleaner, Better Bus service for the region with a proposal to transition to a 100 percent zero-emission bus fleet by 2042, accelerating the timeline by three years. The move to zero-emission buses will require significant investments, working with local utilities to upgrade power supplies, install charging equipment and supporting infrastructure, and provide training and maintenance, in addition to the replacement cost of the entire bus fleet. Under the new timeline, half of Metro's fleet will be zero-emission buses in ten years. To accommodate the new buses, Metro will open its first all zero-emission bus garage at Northern in 2027, with five of Metro's nine garages ready for zero-emission buses by 2031 and the remaining by 2041.

The costs of the transition over the lifecycle are estimated to be \$2.3 billion above those associated with the existing fleet. Metro will also seek additional federal, state and regional funding opportunities, such as grants, to help finance the transition. Through the Federal Transit Administration's (FTA) LowNo emission grant, Metro is executing phase 1 with various buses and pantographs starting in FY2024. Deployment of 12 zero-emission buses as a demonstration project is expected to begin this year from Metro's Shepherd Parkway Bus Division.

Progress continues to be made on the Bladensburg Bus Garage project, Metro's second zero-emission bus facility. In Q3 Metro held a ground-breaking ceremony for the garage, which will open with 150 electric buses and will phase out buses that are not zero-emission in subsequent years. The garage, first built in 1962, will be reconstructed to include environmental and infrastructure improvements to support Metro's transition to zero-emission buses. The 17-acre site off Bladensburg Road in Northeast DC will be transformed into a new, modern facility housing 300 buses, approximately half of them all-electric. Integrating zero-emission infrastructure into Metro's new and existing garages aligns with Metro's zero-emission bus plan to transition Metro to an entirely zero-emission fleet by 2042.

The project will also create new construction jobs with a goal of more than 18 percent of the contract going to small, minority and disadvantaged businesses. The LEED® Platinum designed building - the U.S. Green Building Council's highest ranking - will be built in a three-phased demolition and construction process while remaining open. Nearly 500 employees work on-site overseeing bus repairs, maintenance, inspections and other operational needs.

On March 21, Metro and Maryland leaders celebrated the opening of the new Metro Building at New Carrollton. The ribbon cutting ceremony marks the continued transformation of New Carrollton as a transit-accessible hub for office space, housing, and retail. Metro's newest 324,000 square foot office building is LEED® Gold certified and brings together Metro's call centers for customer service, MetroAccess, and parking under one roof, and serves as the headquarters for Metro Transit Police. The opening of the Metro Building at New Carrollton follows the opening of Metro's Headquarters Building at L'Enfant Plaza last year and will be followed by the opening of the Metro Building at Eisenhower Avenue later this year. The three office buildings represent Metro's commitment to the jurisdictions served by the transit system, and consolidating Metro's workforce into fewer buildings to promote efficiency and responsible financial stewardship.

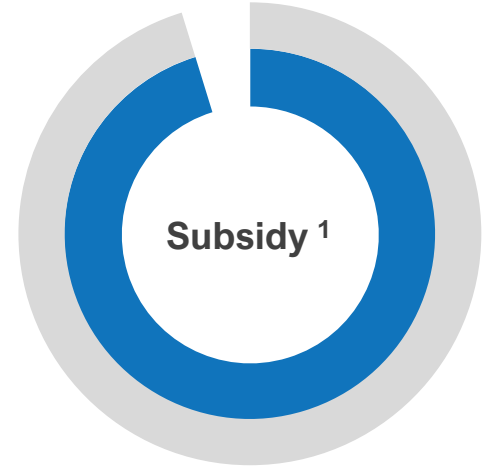
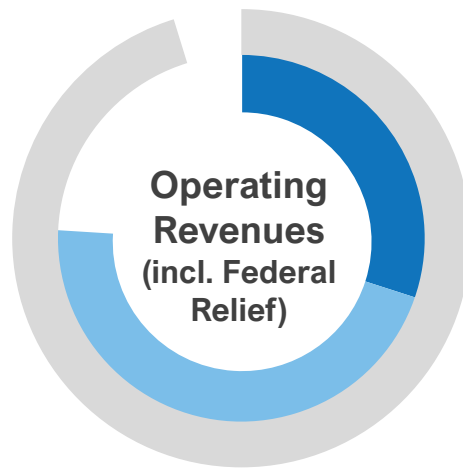
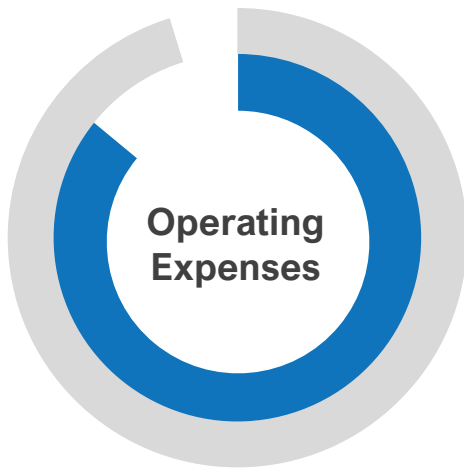
In February, Metro's Board marked the 50th Anniversary of Metrobus service, the nation's sixth largest bus network. The milestone coincides with Metro's Better Bus Initiative to redesign the bus network and improve the Metrobus system for decades to come including new bus facilities, zero-emission buses, more bus lanes and signal priority. On February 4, 1973, Metro took over DC Transit; the Washington, Virginia, and Maryland Coach Company; the Alexandria, Barcroft, and Washington Transit Company in Northern Virginia; and the Washington, Marlboro, and Annapolis Transit Company in Prince George's County to form Metrobus.

Ridership continued to increase through March, meeting expectations for Metrorail and exceeding expectations for Metrobus. Metrorail daily ridership reached a high of 371,000 during March thanks to spring weather, travel to view the Cherry Blossoms, and positive responses to shorter wait times. On Metrorail, the new Silver Line Phase II — which opened in November 2022 — served more than 1.1 million riders in its first five months, with ridership steadily increasing across this period.

OPERATING RESULTS

The following highlights Metro's financial performance through Q3 FY2023.

Operating expenses were \$1,616.3 million or \$85.7 million below budget. Operating revenues were \$269.9 million (excluding federal relief), below budget by \$7.0 million and funding 17 percent of operating expenses. Total revenue was \$741.1 million including federal relief used as revenue replacement and jurisdictional allocations. Passenger revenue was below budget by \$6.8 million through the third quarter. Losses were offset by federal relief funding, advertising revenue, and savings from capital cost allocation, services, paratransit and materials. Metro received total federal relief revenue totaling \$471.2 million, of which \$452.5 million was used to offset decreased revenue, and \$18.7 million replaced jurisdictional contributions that were reduced as a result of the pandemic. Metro's net subsidy¹ is on budget for the fiscal year.



● Budget: **\$1,702.0M**

● Actual: **\$1,616.3M**

● Budget: **\$808.0M**

● Actual: **\$269.9M**

● Federal Relief: **\$452.5M**

● Budget: **\$893.9M**

● Actual: **\$893.9M**

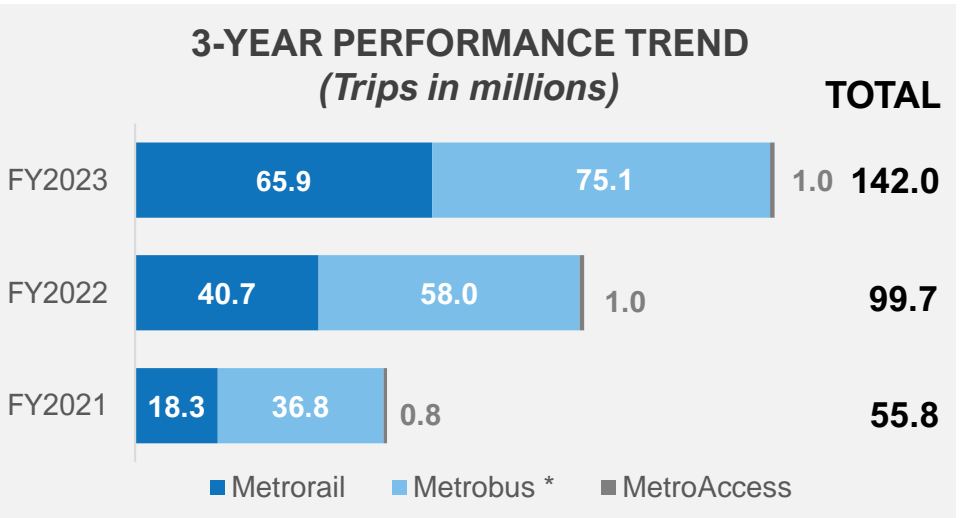
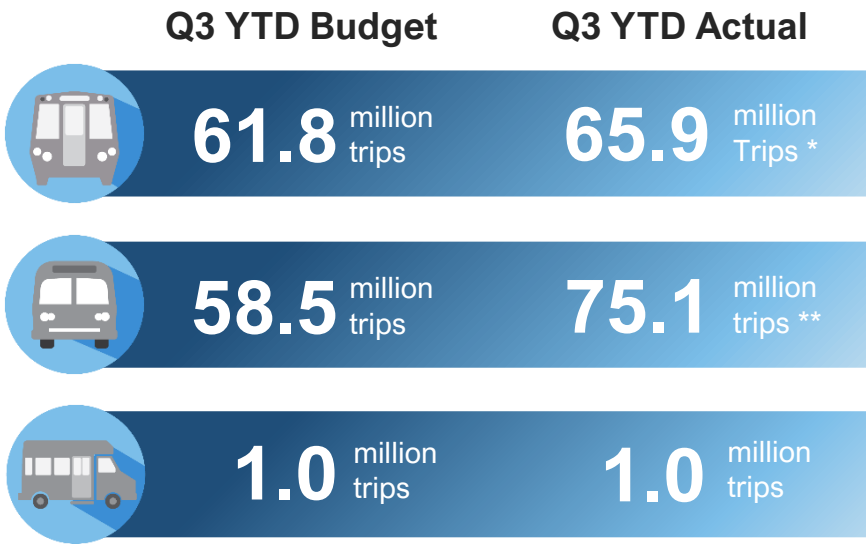
¹ Subsidy refers to operating expense less operating revenues and does not reflect/equal actual jurisdictional subsidy payments.



RIDERSHIP

Actual ridership for Metrorail, Metrobus, and MetroAccess combined as 142.0 million trips through Q3 of FY2023.

Through Q3, total ridership was 39 percent above the prior year, and Metrobus ridership continued to exceed Metrorail ridership. Rail ridership, when using tapped only counts, totaled 62.6 million trips, an increase of 21.9 million trips or 54 percent from prior year. The rail variance to budget was 800K trips, favorable by one percent. Total YTD rail ridership including tapped and non-tap is 65.9 million trips.* Bus ridership, using automated passenger counts (APC), totaled 75.1 million trips through Q3, 28 percent above budget and 17.1 million or 29 percent above prior year. Ridership on MetroAccess through the third quarter was 1.0 million trips, one percent above budget and seven percent above prior year.



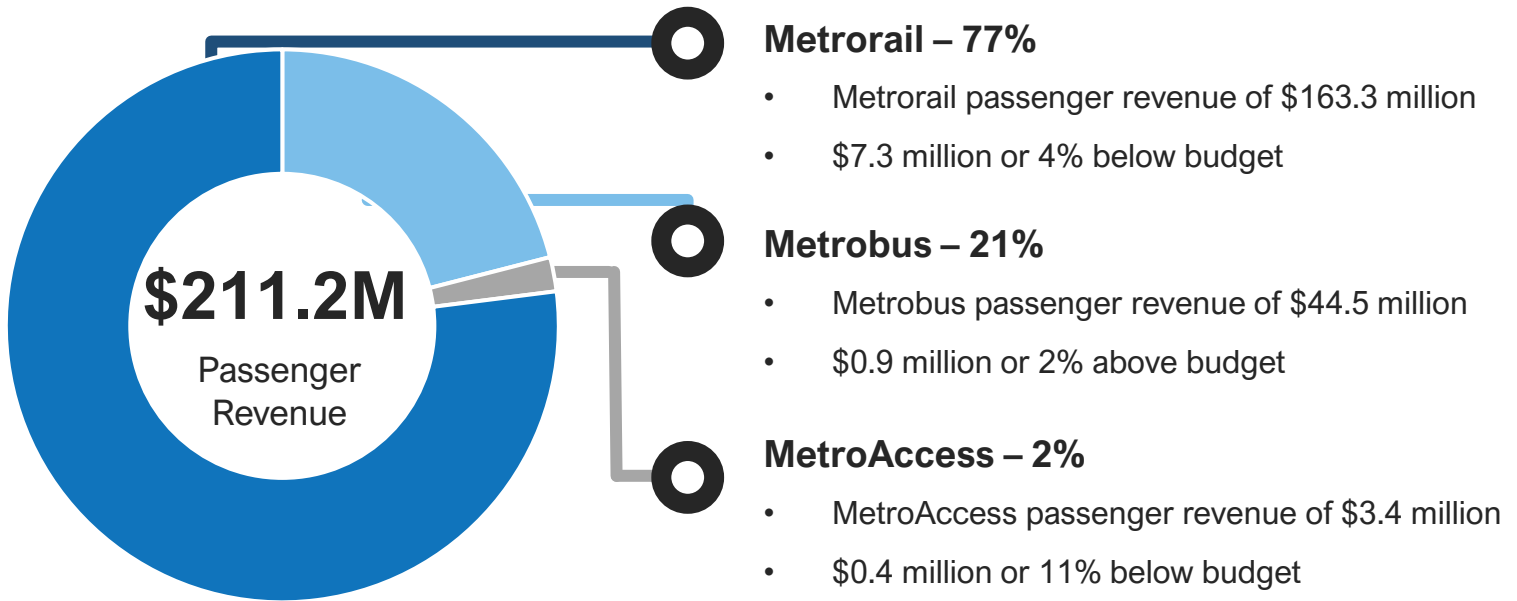
* Rail actual total includes 62.6 million tapped ridership and 3.3 million non-tap ridership. Prior to January 2023, Metro reported only tapped ridership for Metrorail, which understated the total number of riders. The completion in January 2023 of new faregate installation enabled Metro to now report all ridership (tapped and non-tap). FY2023 Budget and prior year totals include only tapped trips.

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

OPERATING REVENUE

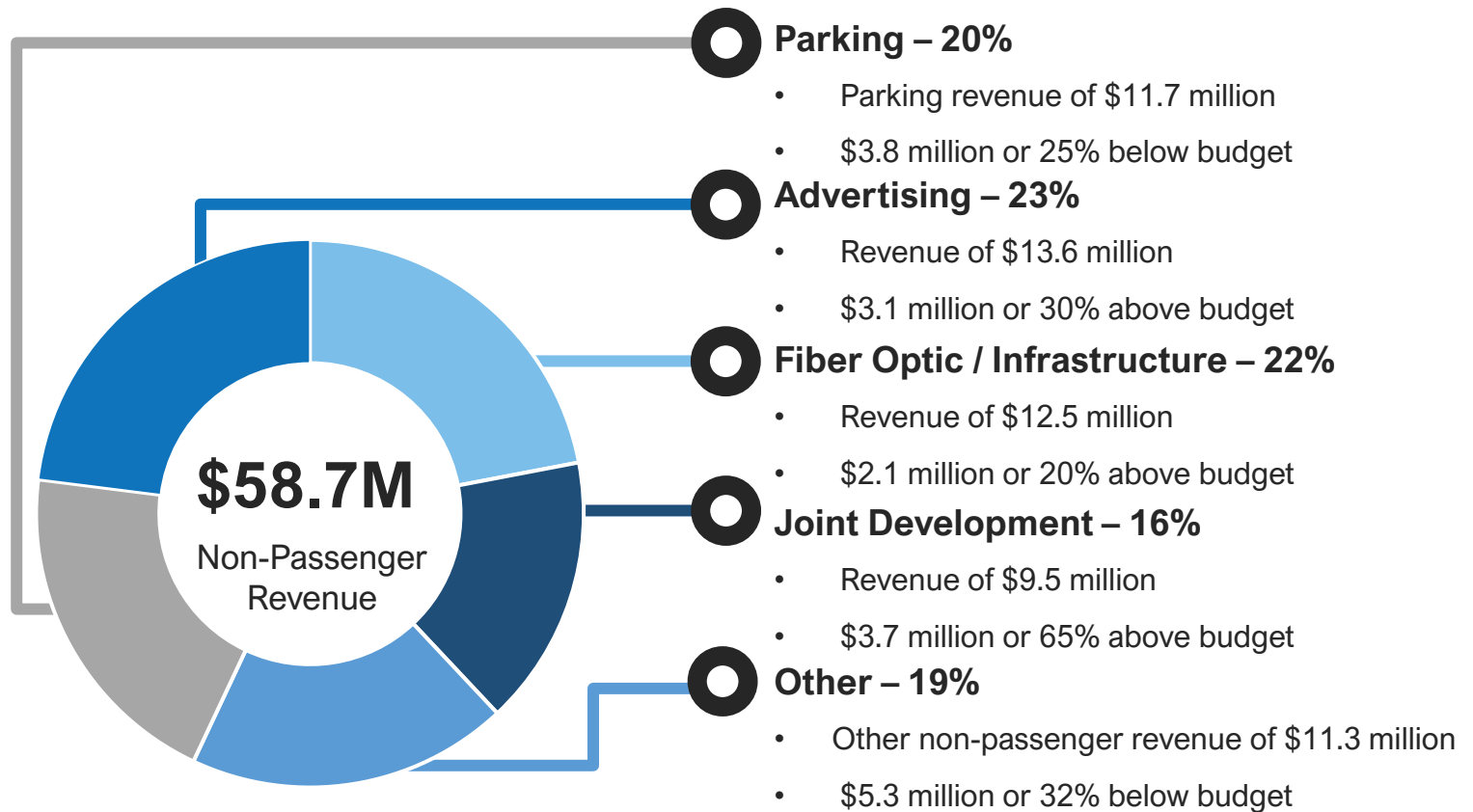
PASSENGER REVENUE

Passenger revenue totaled \$211.2 million, which was \$6.8 million or three percent below budget but \$38.7 million or 42 percent above prior year.



NON-PASSENGER REVENUE

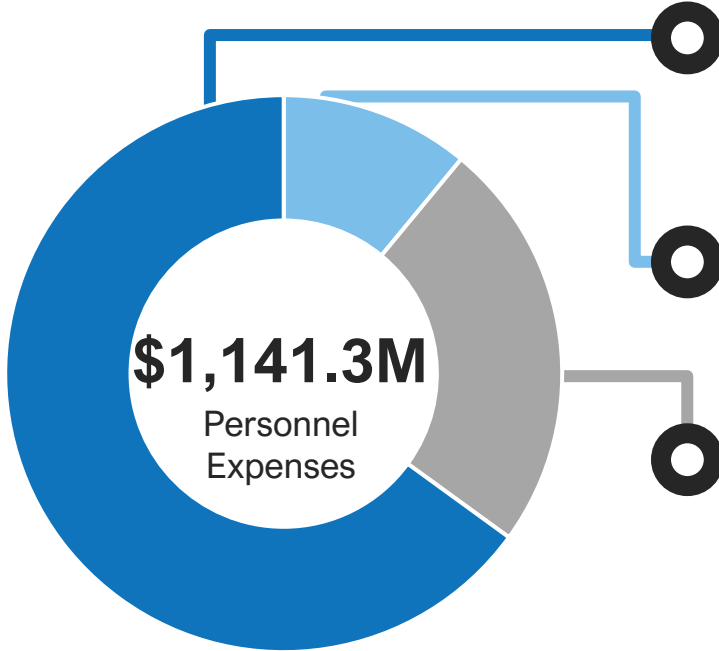
Non-passenger revenue totaled \$58.7 million through Q3, which was \$0.2 million or 0.3% below budget, including:



OPERATING EXPENSES

FY2023 operating expenses through Q3 were \$1,616.3 million, favorable by \$85.7 million to budget due to savings in Benefits & Capital Cost Allocation, Services, Paratransit and Materials.

PERSONNEL EXPENSES



Salaries and Wages – 65%

- Expenses of \$741.8 million
- \$12.3 million or 2% below budget

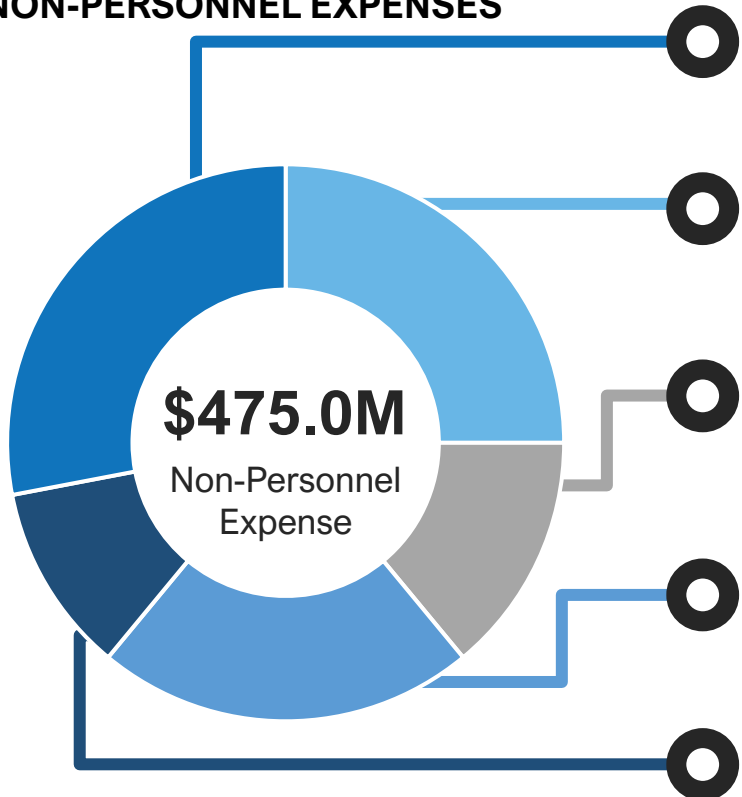
Overtime – 11%

- Expenses of \$124.0 million
- \$56.2 million or 83% above budget

Benefits & Capital Cost Allocation – 24%

- Fringe benefit expenses of \$368.6 million less Capital Cost Allocation of \$93.1 million
- \$55.8 million or 17% below budget

NON-PERSONNEL EXPENSES



Services – 33%

- Expenses of \$156.7 million
- \$34.6 million or 18% below budget

Paratransit Services – 23%

- Expenses of \$108.7 million
- \$18.2 million or 14% below budget

Materials – 13%

- Expenses of \$59.9 million
- \$27.7 million or 32% below budget

Fuel, Propulsion, & Utilities – 21%

- Expenses of \$101.3 million
- \$4.7 million or 5% above budget

Insurance & Other – 10%

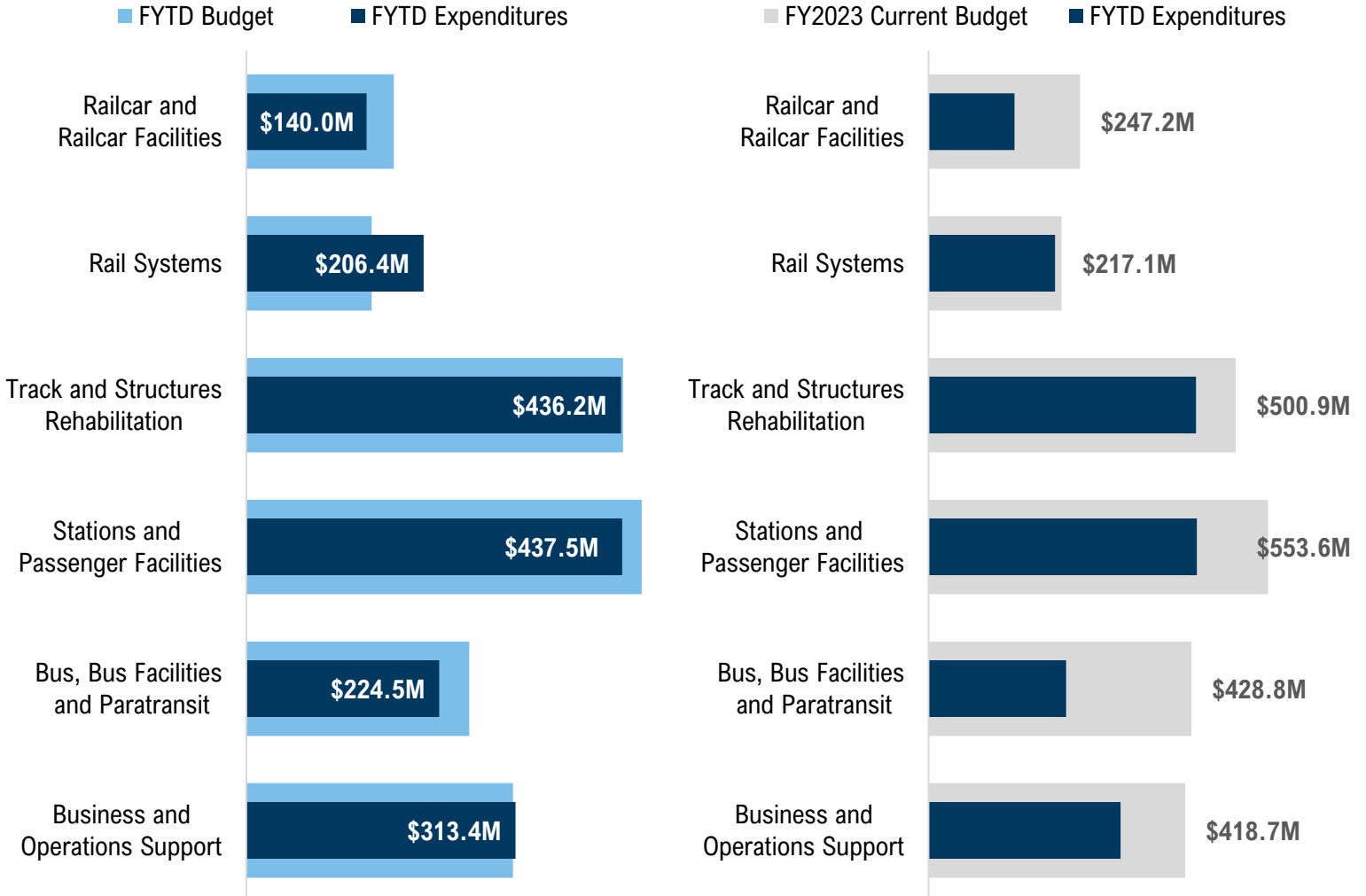
- Expenses of \$48.4 million
- \$2.1 million or 4% above budget

CAPITAL IMPROVEMENT PROGRAM

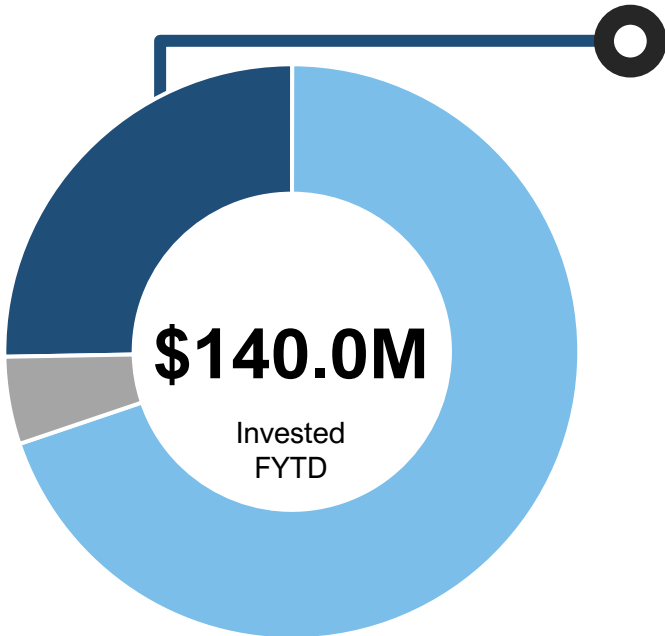
Metro invested \$1.76 billion in the Capital Improvement Program through Q3.

The capital improvement program for FY2023 aims to address existing backlogged needs while also preventing the creation of new ones. This program is focused on advancing projects that enhance the state of good repair, reliability, and customer experience, all while prioritizing safety.

As anticipated, on March 2, 2023, WMATA issued Dedicated Revenue Bonds, Series 2023A, receiving approximately \$425 million in capital project funds.



RAILCAR AND RAILCAR FACILITIES



Acquisition – \$35.4M

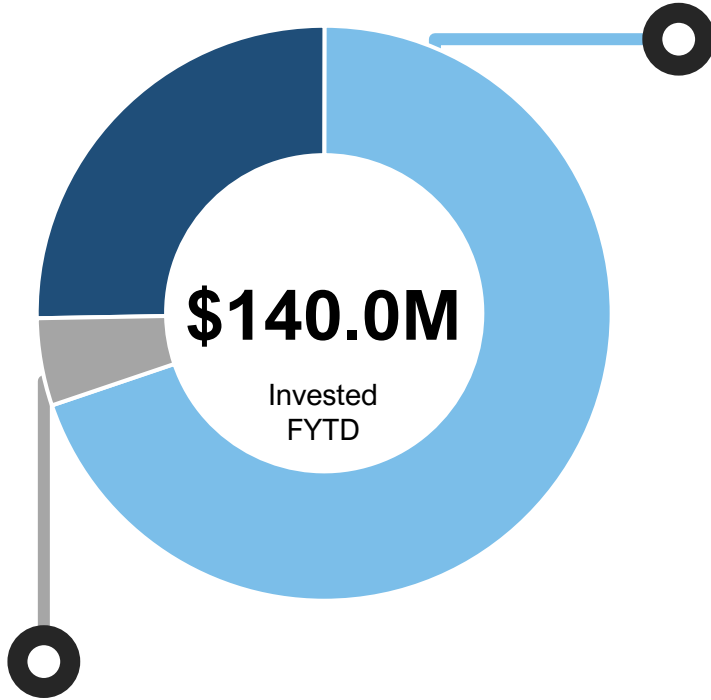
The 8000-series railcars are being developed with a focus on enhancing the customer experience through the incorporation of amenities such as digital screens and real-time information, and electrical outlets. The new railcars will be safer, more dependable, and will also feature improved ventilation, increased energy efficiency, and advanced security features. They are being designed to replace the aging 2000- and 3000-series railcars, which have been in service since the 1980s.

The National Transportation Safety Board (NTSB) investigation into the October 2021 7000-series derailment continues, with the full report expected later in 2023. In April 2023, the Washington Metrorail Safety Commission (WMSC) concurred with Metro's Final Return to Service plan, which extends the interval between wheelset measurements to 15 days, with permission to move to 30 days later in the spring. Metro's program to replace the wheelsets was submitted to WMSC on March 31 and remains under review. Once approved, Metro plans to replace all the wheelsets on the 7000-series fleet.

Metro is working with WMSC to incorporate the use of Automated Wayside Inspection System (AWIS) Equipment as part of the inspection process. The installation of AWIS was finished at the Shady Grove station in Q2, increasing the number of AWIS installed to three. Additionally, three more stations are planned to have the AWIS equipment installed by the end of the fourth quarter.



Pictured: Hitachi, Metro's vendor for the 8000-series railcars, stated that the 300,000-square-foot facility about 70 miles northwest of Washington will be its main rail-car factory in North America.



Maintenance & Overhaul – \$97.7M

The Rail Vehicle Scheduled Maintenance Program (SMP) is in place to keep various subsystems of railcars, including the car body, propulsion and control system, friction brakes, auxiliary power, truck assemblies, couplers, side doors, and HVAC systems, in good working condition.

The 2000-series rehabilitation has progressed slower than anticipated due to the need for extensive flooring repairs. The start of 7000-series rehabilitation has been delayed due to the focus on the 7000-series Wheelset Replacement Program.

Completion of the coupler campaign for the 6000-series has been delayed by problems with parts provided by the vendor. Notwithstanding the overall delay, 46 coupler assemblies have been replaced through Q3.

Railcar Series	FY2023 Rehabilitation Plan	FYTD Progress
2000	74	22
3000	2	0
6000	4	2
7000	22	0

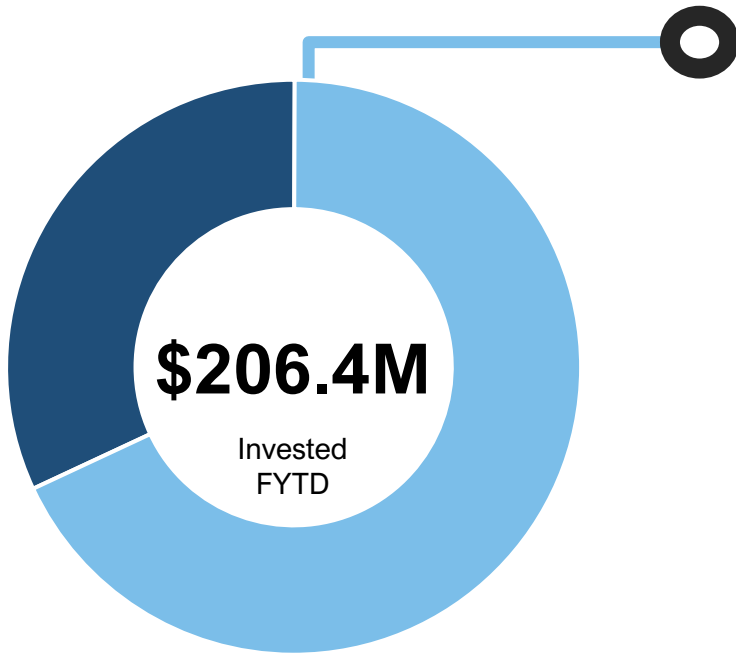
Regular and ongoing preventive maintenance of the rail fleet, including weekly, monthly, and semi-annual inspections, repairs, and upgrades, is anticipated to increase availability and performance of railcars. Further details on the reliability of the rail fleet can be found in Metro's Performance Report.

Software upgrades were completed in Q3 for 2000- and 3000-series railcars, barring a few open items, to enable use of automated Precision Station Stopping and Stop & Proceed in passenger service. This project is anticipated to reduce red signal overruns. Final invoices for this project are expected in Q4.

Maintenance Facilities – \$6.9M

Metro is designing new train wash systems to be installed at seven locations. The new systems will improve the reliability of trains undergoing scheduled maintenance, increase maintenance efficiency, and reduce employee injuries by incorporating updated safety features. The design also incorporates LEED (Leadership in Energy and Environmental Design) standards.





Signals & Communications – \$140.3M

Work continues on underground construction in shafts, stations and control rooms and on revenue and non-revenue rail cars. Construction of above-ground antenna sites to support the upgraded radio system is also still in progress. The upgrades aim to increase safety by improving the communication systems and equipment used by employees, the Operations Control Center, and first responders in surrounding jurisdictions. These improvements are anticipated to lead to better communications during emergency situations throughout the system.

As a part of the Automatic Train Control (ATC) State of Good Repair Program, testing of power supplies is underway at various locations, while training for replacing new Switch Machine power supplies is also in progress. In Q3, design and survey work continues for the replacement of ATC equipment at 14 locations and renewal of train control rooms at 24 locations.

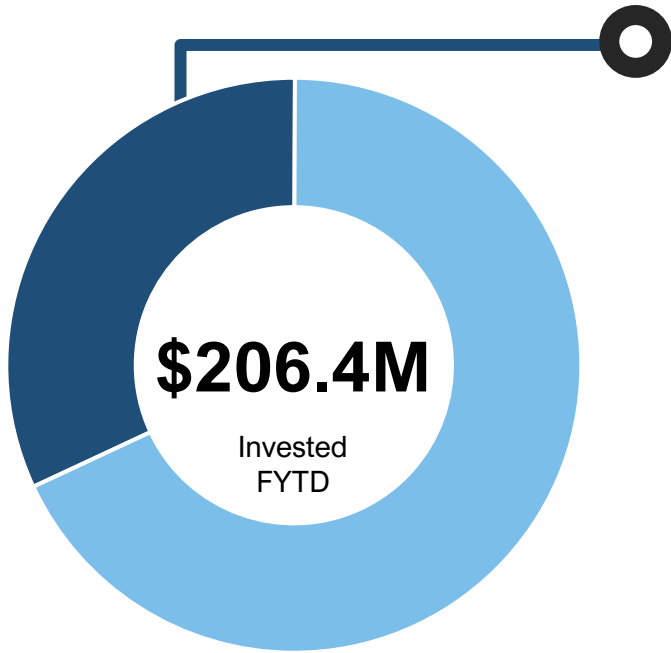
ATC equipment can improve efficiency of operations by providing train position information, communication between the train and wayside, and control of train speed and spacing of trains.



Asset	FY2023 Plan	FYTD Progress	Completion Percentage
SOGR Switch Replacement	29	26	90%
SOGR Cable Replacement	60	32	53%
SOGR High-Current Bond Installation	50	31	62%
SOGR Cable Meggering *	45	50	111%

* number of locations

RAIL SYSTEMS (CONTINUED)



Power – \$66.0M

In Q3, work continued on the estimated four-year effort to replace equipment at 12 Traction Power Substations (TPSS) and nine Tie Breaker Stations.

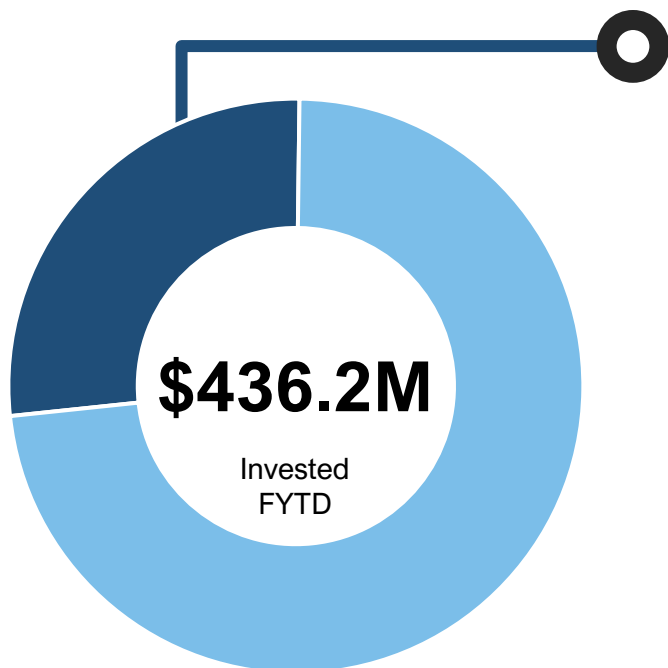
The upgrades to the rail power system will allow the operation of more eight-car trains in passenger service, minimize potential speed restrictions and reduce the risk of safety incidents.

Asset	FY2023 Plan	FYTD Progress	Completion Percentage
SOGC Cable Installations (LF)	18,000	15,773	88%
Cable Additions (LF) ¹	6000	2,995	50%
Cable Meggering	2,200	1,403	64%
Uninterruptable Power Supply Replacement	28	11	39%

1. In support of 100 percent eight-car trains



TRACK AND STRUCTURES REHABILITATION



Fixed Rail – \$117.2M

The Track Rehabilitation Program ensures a safe and reliable rail system through the repair and replacement of track and structures components.

Metro uses comprehensive track condition data to identify and rate component defects, which are grouped by location (operable segment) and prioritized by the following codes:

- Priority Code A (Highest): Segments likely to have critical needs within one year or with pending corrective action requirements.
- Priority Code B (Medium): Segments with components nearing end of useful life and could become critical in upcoming years.
- Priority Code C (Lower): Segments without any critical issues but with components that are due for replacement in the near future.

Priority segment work is scheduled and completed through dedicated track closures (Revenue Service Adjustments – RSAs), RSAs for other major capital projects, or non-passenger service/overnight hours. The priority A segment work for FY2023 is shown in the table on the next page. However, the work may be added, downgraded, or deferred throughout the year based on revised assessments of the segment components.

Defects identified in track inspections that pose a risk to passenger service are addressed during overnight work hours. Metro aims to minimize reactive rehabilitation by implementing better planning and increasing proactive maintenance. Proactive maintenance improves the condition of the guideway and reduces unexpected track and speed restrictions. Further information on track availability can be found in Metro's Performance Report.

All roadway maintenance equipment expected in FY2023 was delivered by the end of Q3, including two bridge inspection machines.



TRACK AND STRUCTURES REHABILITATION (CONTINUED)

Current Priority A Segments¹

Operable Segment	Component	Planned Scope	Completed FY2022	Completed FY2023 YTD	Total Completed	% Completed
A03-A06 Dupont Circle - Van Ness-UDC	Grout Pad Rehabilitation (LF) ¹	3,000	0	128	128	4%
A10-A11 Bethesda - Medical Center	Grout Pad Rehabilitation (LF) ¹	3,500	0	1,923	1923	55%
A10 Medical Center	Turnouts ²	2	None planned	0	0	0%
B03-B04 Union Station - Rhode Island Ave	Crosstie Replacement ³	300	0	280	280	93%
B07 Takoma	Turnouts ²	1	0	0	0	0%
B08-B09 Silver Spring - Forest Glen	Grout Pad Rehabilitation (LF)	1,500	0	940	940	63%
B08-B09 Silver Spring - Forest Glen	Direct Fixation Fasteners ³	1,000	0	239	991	99%
B08 Silver Spring	Turnout	1	1	1	1	100%
B10 Wheaton	Turnouts	2	2	2	2	100%
C02-D02 McPherson Sq - Smithsonian	Grout Pad Rehabilitation (LF) ⁴	600	None planned	0	0	0%
C08-C10 Pentagon City - National Airport	Crosstie Replacement ⁴	200	None planned	0	0	0%
D08-D13 Stadium-Armory - New Carrollton	Grout Pad Rehabilitation (LF) ⁵	800	None planned	800	800	100%
D08-D13 Stadium-Armory - New Carrollton	Turnouts ⁵	2	None planned	2	2	100%
K05-K08 East Falls Church - Vienna	Hay Rail Replacement (LF) ⁶	18,720	None planned	0	0	0%
K05-K08 East Falls Church - Vienna	Crosstie Replacement (LF) ⁷	200	None planned	0	0	0%

1. Plan adjusted to include Priority A needs only.
2. Repairs made to A10 interlocking on hold until replacement can occur in FY2024. B07 Partial Rehab complete in Q2
3. Critical work completed. The remaining segment work has been downgraded to Priority B.
4. Remaining work is scheduled for FY2023 Q4.
5. Work completed during the D-Route Summer Shutdown in Q1.
6. Hay Rail prioritized for FY2023 to mitigate bobbing track circuits and address useful life.
7. Crossties/switch ties to be replaced in the K05 and K06 interlockings.

TRACK AND STRUCTURES REHABILITATION (CONTINUED)

Track Rehabilitation Work by Component Activity

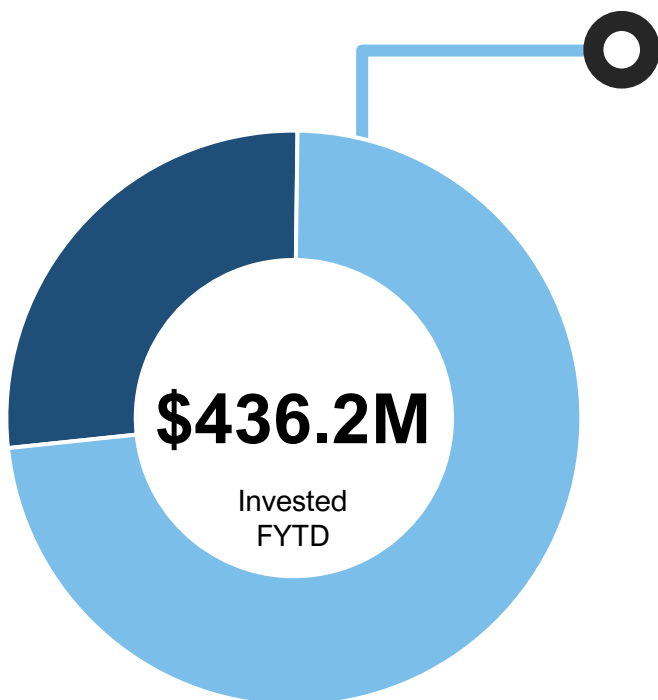
Component Activity	FY2023 Plan	Total FYTD Complete	Completion Percentage
Crossties Replaced ²	12,000	7,799	65%
Third Rail Insulator Replacement	3,000	2,863	95%
Joint Elimination ¹	600	353	59%
Running Rail Renewal ³	14.5	5.9	41%
Third Rail Rehabilitation	3,000	3,050	102%
Track Stabilization	200	400	200%
Turnouts Rehabilitated ⁵	8	5	75%
Aerial Structure Bolts Torqued	40	21	53%
Direct Fixation Fasteners Replaced ⁴	11,000	5,765	52%
Track Surfacing	17.3	16.3	94%

1. Joint Elimination will increase in conjunction with the K-Route Hay Rail Replacement.
2. This activity will continue in FY2023 Q4.
3. Material delivery delays related to steel availability; K-Route Hay Rail Replacement has been rescheduled for Q4.
4. Procurement delays slowed work through Q3; activity is scheduled to accelerate in FY2023 Q4 and FY2024.
5. In Q2, six turnouts were reported in error; one of the six turnouts was repaired but full rehabilitation of that turnout will be completed in FY2025.

Structures Rehabilitation Work by Component Activity

Component Activity	FY2023 Plan	Total FYTD Complete	Completion Percentage
Concrete Restoration(SF)	950	597	63%
Deck Joint Replacement(LF) ¹	0	329	N/A
Drain Rodding (LF)	50,000	38,325	77%
Grout Pad Rehabilitation (LF)	4,800	8,848	184%
Leak Mitigation ²	1,500	536	36%
Track Bed Cleaning(LF)	297,405	280,995	94%
Track Signage Replaced	250	258	103%

1. No goal set for FY2023; Structures replacing deck joints as needed.
2. Activity pace scheduled to continue during FY2023 Q4. Represents number of leaks patched.



Structures – \$319.0M

The Structural Rehabilitation – Package A project is a comprehensive initiative aimed at addressing structural issues in various areas of the transportation system. The project includes repairs to the Minnesota Avenue aerial structure, the Grosvenor aerial structure, the West Hyattsville aerial structure, and six segmental bridges. Additionally, it involves the rebuild of the Rockville platform canopy and associated lighting, speaker systems, and surveillance cameras. This phase of the project will address priority structural issues across the system, ensuring the safety and reliability of the infrastructure for the benefit of the riders and the community.

Repair work nears completion on the aging Yellow Line tunnel and bridge, which will reopen on May 7, 2023, as well as the critical improvements necessary to open the new Potomac Yard Station on May 19, 2023. This project addressed the structural degradation of the Yellow Line Tunnel and the Bridge, both of which were constructed over 40 years ago, and shut down the Yellow Line from L'Enfant to Huntington.

Construction of mezzanine platforms over Metrorail tracks on the Red Line between Woodley Park and Cleveland Park Stations is ongoing. This infrastructure is designed to support upgraded ventilation fans and electrical systems, providing increased station and tunnel safety in emergency situations such as smoke or fire. This is a pilot project, and we are monitoring the progress and results to inform designs for future tunnel ventilation improvements across the entire Metrorail system. These upgrades are anticipated to maintain safety and well-being of Metro customers.

Tunnel Leak Mitigation Program is ongoing after a third-party review to ensure equipment meets Metro's safety standards was completed. Two segments of the Red Line (Silver Spring to Forest Glen and Tenleytown/AU to Friendship Heights) are the main segments of the mitigation work, which previously required periodic weekend single-tracking. Once complete, an evaluation will determine the effectiveness of this technique for potential further use throughout the system.



STATIONS AND PASSENGER FACILITIES

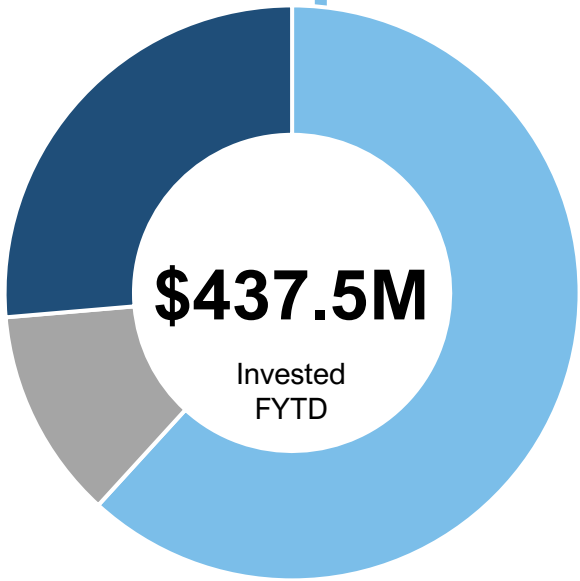
Platforms & Structures – \$270.3M

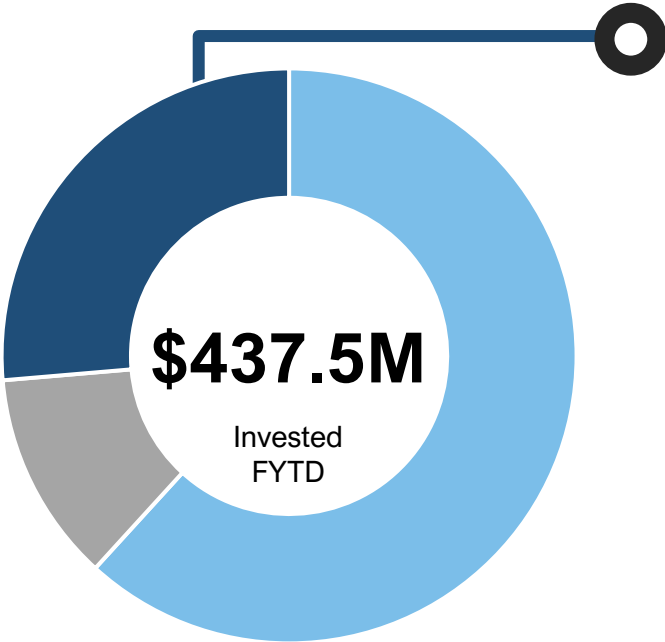
Major construction for Phase 4 of the Platform Rehabilitation project is complete and service has resumed at Minnesota Avenue, Deanwood, Cheverly, Landover, and New Carrollton Stations. Continuous single tracking in Q4 will be necessary to allow access for workers to address feeder cables that travel over roofing and right-of-way at these locations. The project includes new slip-resistant tiles, brighter LED lighting, renovated bathrooms, illuminated handrails, and stainless-steel platform shelters with power outlets and digital displays. Additionally, the project rehabilitates platform structures, tiles, granite edges, and 36 other station systems. It will also renovate three aerial structures and bridges on the Orange Line.

Phase 4 of the Station Entrance Canopy Installation project includes canopy installations at eight entrances and stair installations at four entrances. Focus is on completing the Bethesda stairs punch list in Q4. Work on the Smithsonian Canopy is ongoing with a planned completion date of Winter 2024. Canopies provide protection for customers and station escalators from the elements reducing slip and fall incidents and mechanical wear.

Construction of the Potomac Yard Station is nearing completion, with opening set for May 19, 2023. The new LEED-designed station will support increased access and local economic development in the City of Alexandria.

Wheaton garage rehabilitation is nearly complete, with bus loop, kiosk and other work to be completed by the end of Q4. Construction work began at Addison Road garage site in January 2023.





Station Systems – \$115.3M

The Fare Collection Modernization Program enhances fare collection process and enables customers to have better payment and account options, as seen in the launch of mobile SmarTrip® applications. All 124 station mezzanines have been outfitted with new, modern faregates, completing the installation throughout the system. The new faregates allow Metro to more accurately count riders who fail to tap at the faregates, and beginning in January 2023, Metro has begun including “non-tapped” riders in ridership totals. Additionally, new faregate designs to reduce fare evasion are being tested.

The current bus fareboxes are outdated and in need of replacement as they are around 20 years old, have malfunctioning parts, and are no longer produced. Installation of new fareboxes began in FY2023 Q3 and is ongoing.

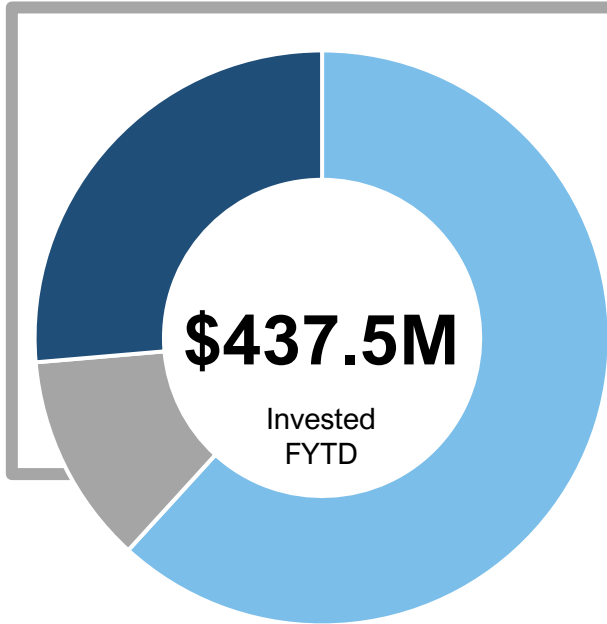
The Station Lighting Improvements Program, as part of the Energy Action Plan, aims to improve lighting on platforms, increase safety for customers and employees, and decrease energy consumption. The program includes upgrading escalator incline lighting and procuring edge lighting. The work is scheduled to encompass 48 stations and begin in FY2024. Additionally, designs for above-ground station site lighting at 12 priority stations are currently being developed.



Pictured: Anti-Hurdle Saloon Doors Prototype Faregate

STATIONS AND PASSENGER FACILITIES (CONTINUED)

Vertical Transportation – \$51.9M



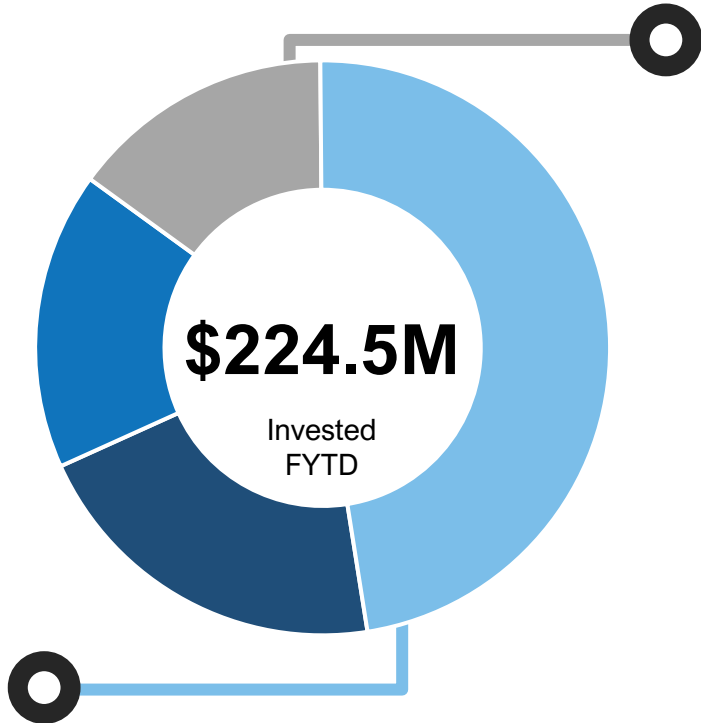
Seven escalators were rehabilitated across the system in Q3: Fort Totten, Gallery Place, College Park, Greenbelt, Eisenhower, Minnesota Ave and Hyattsville Crossing. In addition, ten escalators were replaced.

These investments support performance goals by providing dependable and comfortable vertical transportation experience for our customers. Metro's Performance Report shows the elevator and escalator availability trend data.

Activity	FY2023 Plan	FYTD Progress	Completed in Contract	Remaining in Contract
Elevators Rehabilitated	5	6	100	4
Escalators Rehabilitated	28	23	51	35
Escalators Replaced	33	27	34	80



BUS, BUS FACILITIES AND PARATRANSIT



Acquisition – \$33.4M

New buses contribute to improved customer experience and operational savings by replacing less reliable and less fuel-efficient buses.

Bus Type	FY2023 Planned Deliveries	FYTD Progress
Clean Diesel 40-ft. ¹	100	17

1. The bus manufacturer is projecting 95 buses by September 2023.

A Request for Proposal (RFP) for 100 next generation paratransit vans was issued in Q3. All remaining of the 50 anticipated hybrid sedans were delivered in Q2.

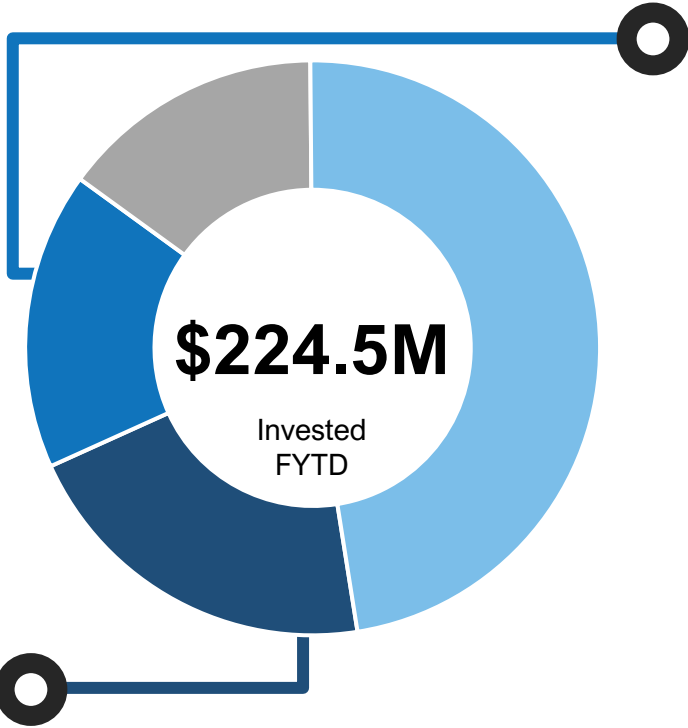
Bus and paratransit acquisitions have resulted in an improvement in the percentage of vehicles in good repair, defined as vehicles which have not exceeded their useful life benchmarks.



Maintenance Facilities – \$106.9M

Foundation work for the Bladensburg Garage Facility is ongoing. The completed facility will be LEED-designed and will have a capacity of up to 300 buses, with the capability to support electric vehicle charging infrastructure and equipment, separate entrances for buses and employee vehicles, a green roof and on-site employee parking. The stormwater retention design is being updated to retain stormwater onsite, which will prevent significant maintenance costs for the facility in the form of Stormwater Retention Credits (SRC) or fees in the future.

Pre-construction activities are underway for the Northern Bus Garage Facility. The new facility will accommodate up to 150 buses and it will support electric bus operations and maintenance.



Maintenance & Overhaul – \$37.6M

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

In Q3, four buses were rehabilitated, along with the rebuilding of 24 engine assemblies, 24 bus energy storage systems, 26 transmissions, and 17 fare boxes.

The investments in bus maintenance are crucial for achieving Metro's Mean Distance Between Failure (MDBF) goal for its bus fleet, and for ensuring that customers receive dependable service. Metro's Performance Report contains trend data for MDBF for both the bus and Access fleets.

Passenger Facilities & Systems – \$46.6M

The installation of new bus shelters at College Park-UMD continues, with an expected completion date in Q4 FY2023. This project aims to enhance the comfort of Metrobus users and improve the dissemination of customer information.

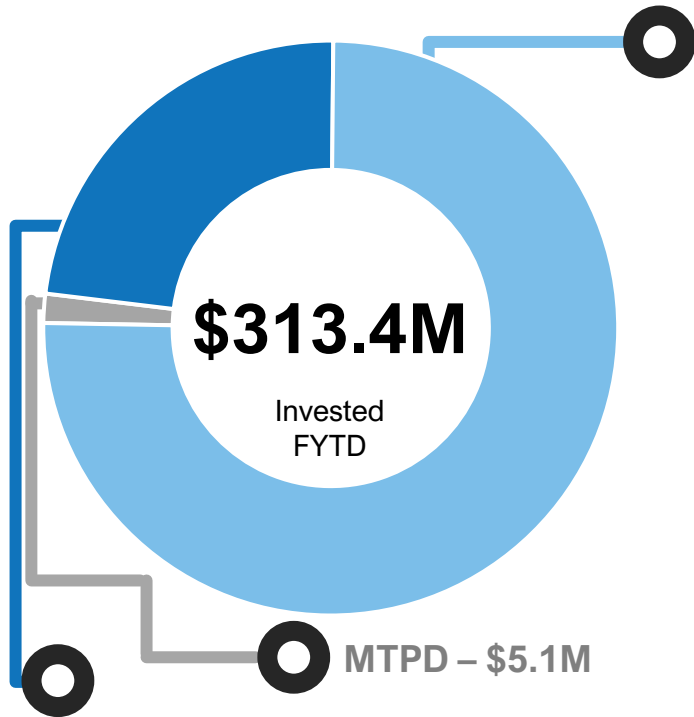
Foundation work on the New Carrollton parking garage continued through Q3; utilities and pre-cast erection were scheduled to begin in Q4 and continue through FY2024. This project supports joint development at the site.

Rehabilitation of the historic Calvert St. and Bus Terminal continues, which includes the installation of new real-time customer information signs, new bus shelters, brighter LED lighting, remodeled canopies, new roofing, electrical and plumbing infrastructure, and resurfacing of the bus loops. Final rehabilitation punch list items were completed at the Colorado Avenue site in Q3.

Asset	FY2023 Plan	FYTD Progress	Completion Percentage
Bus Rehabilitations	100	31	31%
Energy Storage Systems	100	69	69%
Engine Assemblies	100	44	44%
Fare Boxes	225	51	23%
Transmission Assemblies	100	51	51%



Pictured: Historic Calvert Street Bus Terminal



Support Equipment & Services – \$235.5M

The Metro headquarters at L'Enfant Plaza and Maryland office buildings are open and occupied. The Maryland building in New Carrollton opened in Q2 and a ribbon-cutting ceremony was held in March. Tenant improvements are ongoing at the L'Enfant building, expected to be completed in Q4. The Virginia building is expected to be available for occupancy in Q4.

The Office Consolidation Strategy is an initiative undertaken by Metro to streamline its operations and reduce expenses by consolidating its office space. These new facilities are being designed to meet the Leadership in Energy and Environmental Design (LEED) certification standards, which recognizes buildings that are designed and constructed to be environmentally sustainable and energy-efficient. This not only aligns with the organization's goal to reduce its environmental impact but also provides a healthy and productive work environment for employees.

Metro is replacing the skylights at the Glenmont bus bay canopy and several facility roofs to safeguard infrastructure and address potential safety hazards. Construction of the New Hampshire Ave. Chiller Water Treatment Facility is ongoing as part of the Environmental Compliance Program to preserve the region's natural resources and public health.

Metro's fleet of service vehicles, which includes maintenance and police vehicles, is currently facing delays due to supply chain issues. These delays are expected to continue through Q4 FY2023.

Information Technology (IT) – \$72.8M

IT investments are being made to enhance internal operations and improve the customer experience. Part of this initiative includes the construction of new data centers as part of an office consolidation effort to replace the existing data center at the Jackson Graham Building. This includes receiving, installing and testing equipment.



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

Metro continues to advance its joint development program, guided by its [10 Year Strategic Plan for Joint Development](#).

- **Grosvenor-Strathmore:** WMATA and the developer closed on a ground lease for the first phase of this project, a 330-unit multifamily building. Groundbreaking held in September.
- **College Park:** Construction is underway on a 451-unit multifamily building. This is being developed on property ground leases from WMATA to the Gilbane Development Company. Ongoing coordination with the Maryland Transit Administration (MTA) on Purple Line construction.
- **West Falls Church:** WMATA executed a Joint Development Agreement for a 24-acre, mixed-use transit-oriented development at the West Falls Church Metro Station, in August of 2021. WMATA is seeking FTA joint development concurrence for this project. Compact Public Hearing held in Q3.
- **New Carrollton:** Implementation of phases 3-5 of the New Carrollton Joint Development is underway, including the new Metro Maryland office building, a 291-unit multifamily building, and a new commuter garage to replace surface parking spaces. Construction of the new multifamily building and the new parking garage began in Q4 of FY2022. WMATA took occupancy of the new office building in late 2022. WMATA and Prince George's County are working together to develop a transportation development vision for the ½-mile surrounding the New Carrollton station.



Washington Metropolitan Area Transit Authority

10-Year Strategic Plan for Joint Development



OFFICE OF REAL ESTATE AND PARKING

2022

Dispositions

- **Southern Avenue Parcel C:** Purchase and sale agreement for six acres of property near Southern Avenue was fully executed, and sale closing is anticipated in Q4 FY2023.

Acquisitions

- **Western Bus Garage project:** WMATA is pursuing a protective acquisition for a site to replace the Western Bus Garage.
- **Heavy Repair and Overhaul Facility:** Demolition work expected to begin in Q4 FY2023.

FEDERAL AWARDS UPDATE

As of March 31, 2023, Metro had 22 active awards from the Federal Transit Administration (FTA) with a combined value of \$3.06 billion. This includes Federal Fiscal Year 2022 formula funding and a supplemental \$120 million of American Rescue Plan Act (ARPA) assistance.

One application is in progress with a federal request of \$3.5 million for CMAQ funding.

In Q3 of 2023, Metro received reimbursements totaling \$303.68 million for projects that include, but are not limited to, assisting the operating budget revenue shortfall through the ARPA grant, the purchase of new buses, the construction of new bus garages, and repairing station and track infrastructure.

In April 2023, Metro submitted competitive applications under the Buses and Bus Facilities and the Low or No Emissions Grant Program funding announcements for Electrification of Cinder Bed Bus Division and the procurement of battery electric buses. Announcement of selected projects is pending.

Active FTA Awards as of 03/31/2023 (Dollars in Millions)

Federal Award ID	Date of Award	Application Name	Federal Award	Drawn	Balance	POP End Date
DC-2017-011-01	08/15/2017	Track Inspector Location Awareness with Enhanced Transit Worker Protection ¹	\$1.9	\$1.9	\$0.0	09/30/2023
DC-2018-012-00	09/09/2018	Bus Shelters Replacement	\$3.6	\$0.0	\$3.6	06/30/2024
DC-2019-010-00	08/13/2019	FFY2019 5307/5340 Formula Funding	\$191.4	\$187.3	\$4.1	03/30/2024
DC-2020-007-00	05/27/2020	FFY19 Section 5310 Metro Access Replacement Vehicles	\$0.9	\$0.0	\$0.9	12/30/2023
DC-2020-010-01	07/10/2020	FFY20 5307 Bus Replacements & Rehabilitation, Bus & Rail Facility Improvements, and Rail Systemwide ATC & Propulsion improvement	\$328.7	\$268.4	\$60.3	06/30/2024
DC-2020-016-00	08/13/2020	FFY2020 H.R.1865 RSI (Section 75) Funding Railcar Acquisition & Rehab, Train Control, Vertical Improvements, Ventilation, & Platforms Phase II	\$148.5	\$130.1	\$18.4	12/30/2023
DC-2020-017-01	08/14/2020	FFY20 5337 Rail System Rehabilitation, Railcar Preventive Maintenance, Railcar Procurement and HRO Facility	\$293.8	\$189.5	\$104.3	09/30/2024

Note: Drawn numbers are from inception through 3/31/2023

1. This award must remain active until the final report is submitted.

FEDERAL AWARDS UPDATE (CONTINUED)

Active FTA Awards as of 03/31/2023 (Dollars in Millions)

Federal Award ID	Date of Award	Application Name	Federal Award	Drawn	Balance	POP End Date
DC-2021-003-00	03/08/2021	FFY2020 5339 (c) Low-No Metrobus Zero-Emission Fleet Program	\$4.2	\$0.2	\$4.0	06/30/2024
DC-2021-008-00	05/19/2021	WMATA FFY19 Section 5312 Public Safety Pilot Study	\$0.2	\$0.1	\$0.1	09/30/2023
DC-2021-012-00	8/17/2021	FFY2021 5312 COVID-19 Research and Demonstration Project	\$0.6	\$0.2	\$0.4	12/30/2023
DC-2021-014-00	8/13/2021	FFY2021 5339 Bladensburg Bus Garage	\$10.9	\$6.1	\$4.8	06/30/2023
DC-2021-015-00	8/13/2021	ARPA Section 5307 - WMATA Operating Assistance	\$1,209.0	\$462.7	\$827.3	12/30/2024
DC-2021-017-00	9/7/2021	FFY2021 PRIIA WMATA Railcars Rehabilitation, Platform Rehab (Phase 3), Vertical Transportation, Automatic Train Control and Radio Infrastructure	\$148.5	\$114.5	\$34.0	06/30/2024
DC-2022-008-00	8/18/2022	FFY2022 Section 5339 Bus Farebox Replacements	\$10.5	\$6.2	\$4.3	12/30/2023
DC-2022-010-00	8/26/2022	FFY2022 PRIIA WMATA Office of Inspector General	\$5.0	\$1.6	\$3.4	8/31/2023
DC-2022-011-00	8/30/2022	FFY 2021 American Rescue Plan (ARP) Additional Assistance for WMATA Operations	\$120.1	\$0.0	\$120.1	3/30/2024
DC-2022-012-00	9/1/2022	FFY2022 Section 5337 Railcar Preventive Maintenance, Railcar Scheduled Maintenance Program and Track Preventive Maintenance Program	\$102.4	\$32.3	\$70.1	6/31/2025
DC-2022-014-00	9/7/2022	FFY 2022 Section 5307 Bladensburg Bus Garage, Northern Bus Garage and Rail Station Revitalization Program	\$115.6	\$49.2	\$66.5	12/30/2027
DC-2022-015-00	9/9/2022	FFY2022 5307 Bus Replacements, Van Replacements, Bus Rehabilitation, and Bus Preventive Maintenance	\$69.9	\$9.7	\$60.2	12/30/2025

Note: Drawn numbers are from inception through 3/31/2022

FEDERAL AWARDS UPDATE (CONTINUED)

Active FTA Awards as of 03/31/2023 (Dollars in Millions)

Federal Award ID	Date of Award	Application Name	Federal Award	Drawn	Balance	POP End Date
DC-2022-016-00	9/9/2022	FFY2022 Section 5337 Rehabilitation of Yellow Line Bridge and Tunnel, Rehabilitation of Bridge Structures and Construction of Heavy Repair Overhaul Facility	\$125.5	\$62.0	\$63.5	3/30/2026
DC-2022-017-00	9/12/2022	FFY2022 Section 5307 Station Entrance Canopies and Stairways, Rehabilitation of Parking Facilities, and Rail Station Cooling and AC Power and Switches	\$24.2	\$5.1	\$19.1	12/30/2023
DC-2022-018-00	9/14/2022	FFY2022 PRIIA WMATA Vertical Transportation, Support Facility Fire System Rehabilitation, Tunnel Water Leak Mitigation, Platform Rehab (Phase 4), Automatic Train Control and Radio Infrastructure	\$143.5	\$102.1	\$41.4	6/30/2025

FTA Awards Closed in FY2023 (Dollars in Millions)

Federal Award ID	Date of Award	Application Name	Federal Award	Closed Date
DC-2021-010-00	06/01/2021	WMATA FFY21 Section 5307 CRRSAA Operating Assistance	\$713.9	9/30/2022

Note: Drawn numbers are from inception through 3/31/2022

FEDERAL AWARDS UPDATE (CONTINUED)

FTA Applications in Progress Pending Award as of 03/31/2023 (Dollars in Millions)

Federal Award ID	Application Name	Federal Request
1398-2022-11	FFY23 CMAQ - Bus Replacements	\$3.5

Active Non-FTA Awards as of 03/31/2023 (Dollars in Millions)

Federal Award ID	Date of Award	Application Name	Federal Award	Drawn	Balance	POP End Date
EMW-2019-RA-00011	09/01/2019	DHS Transit Security Grant Program	\$4.1	\$1.1	\$3.0	08/30/2023
EMW-2020-RA-00019	09/01/2020	DHS Transit Security Grant Program	\$3.2	\$0.4	\$2.8	08/30/2023
EMW-2021-RA-00030	09/01/2021	DHS Transit Security Grant Program	\$4.4	\$0.0	\$4.4	08/30/2024
15PBJA-21-GG-04422-BWCX	12/01/2021	DOJ Body Worn Camera Program	\$9.4	\$0.0	\$9.4	12/30/2024

Closed Non-FTA Awards as of 03/31/2023 (Dollars in Millions)

Federal Award ID	Date of Award	Application Name	Federal Award	Drawn	Balance	POP End Date
EMW-2018-RA-00028	09/01/2018	DHS Transit Security Grant Program	\$5.4	\$5.0	\$0.4	08/30/2022

APPENDIX I: OPERATING FINANCIALS & RIDERSHIP

FY2023 – Q3 Year-To-Date (\$ in millions) *

	Budget	Actual	Variance \$	Variance %
Passenger Revenue	\$218.0	\$211.2	(\$6.8)	-3.1%
Non-Passenger Revenue	\$58.9	\$58.7	(\$0.2)	-0.3%
Total Revenue	\$276.9	\$269.9	(\$7.0)	-2.5%
Personnel	\$1,153.2	\$1,141.3	\$11.9	1.0%
Non-Personnel	\$548.8	\$475.0	\$73.8	13.4%
Total Expenses	\$1,702.0	\$1,616.3	\$85.7	5.0%
Gross Subsidy	\$1,425.1	\$1,346.4	\$78.7	5.5%
Federal Relief	\$531.1	\$452.5	(\$78.7)	-14.8%
Net Subsidy **	\$893.9	\$893.9	\$0.0	0.0%
Cost Recovery Ratio ***	47%	46%		
Farebox Recovery Ratio	13%	13%		

* All figures exclude reimbursables

** Reflects \$18.7 million in federal relief for jurisdictional credits

*** Includes total federal relief funding of \$531.1 million (budget) and \$471.2 million (actual)

FY2023 – Q3 Year-To-Date (Trips in millions)

Ridership	FY2022 Actual	FY2023 Budget	FY2023 Actual	Variance Prior Year	Variance Budget
Metrorail*	40.7	61.8	65.9	61.8%	6.6%
Metrobus**	58.0	58.5	75.1	29.4%	28.2%
MetroAccess	1.0	1.0	1.0	6.9%	1.4%
All Modes	99.7	121.4	142.0	42.4%	17.0%

* Rail actual total includes 62.6 million tapped riders, which is one percent higher than budget and 54 percent higher than the prior year, as well as 3.3 million non-tap riders. Prior to January 2023, Metro reported only tapped ridership for Metrorail, which understated the total number of riders. The completion in January 2023 of new faregate installation enabled Metro to now report all ridership (tapped and non-tap). FY2023 Budget and FY2022 prior year totals include only tapped trips.

** 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 are in millions.

Capital Investments	FY2023 Current Budget	FY2023 Actuals	YTD % Budget Expended
Acquisition	78.5	35.4	45%
Maintenance & Overhaul	135.7	97.7	72%
Maintenance Facilities	33.0	6.9	21%
Railcar and Railcar Facilities	\$247.2	\$140.0	57%
Power	65.6	66.0	101%
Signals & Communications	151.5	140.3	93%
Rail Systems	\$217.1	\$206.4	95%
Fixed Rail	131.7	117.2	89%
Structures	369.2	319.0	86%
Track and Structures Rehabilitation	\$500.9	\$436.2	87%
Platforms & Structures	317.9	270.3	85%
Vertical Transportation	68.1	51.9	76%
Station Systems	167.7	115.3	69%
Stations and Passenger Facilities	\$553.6	\$437.5	79%
Acquisition	75.8	33.4	44%
Maintenance & Overhaul	94.8	37.6	40%
Maintenance Facilities	197.9	106.9	54%
Passenger Facilities & Systems	60.3	46.6	77%
Bus, Bus Facilities and Paratransit	\$428.8	\$224.5	52%
IT	117.9	72.8	62%
MTPD	13.3	5.1	39%
Support Equipment & Services	287.5	235.5	82%
Business and Operations Support	\$418.7	\$313.4	75%
Total Capital Programs	\$2,366.4	\$1,758.0	74%

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	1,647	34%	20%
North Bethesda	1,270	12%	6%
Twinbrook	1,097	19%	6%
Rockville	524	35%	21%
Shady Grove	5,745	22%	14%
Glenmont	2,998	26%	12%
Wheaton	977	10%	3%
Forest Glen	596	38%	21%
Montgomery County Total	14,854	24%	13%
Prince George's County			
New Carrollton	1,717	33%	13%
Landover	1,185	18%	6%
Cheverly	500	11%	1%
Addison Road-Seat Pleasant	968	12%	6%
Capitol Heights	372	36%	16%
Greenbelt	3,399	29%	13%
College Park-U of MD	1,290	24%	13%
Hyattsville Crossing	1,068	12%	6%
West Hyattsville	453	61%	21%
Southern Avenue	1,299	16%	8%
Naylor Road	91	94%	77%
Suitland	1,890	14%	6%
Branch Avenue	2,768	26%	13%
Morgan Boulevard	633	29%	17%
Downtown Largo	2,200	28%	15%
Prince George's County Total	19,833	24%	12%
Maryland Total	34,687	24%	12%

APPENDIX III: WEEKDAY PARKING FACILITY USAGE (CONTINUED)

Station	Lot Capacity	YTD Paid Utilization (% of Capacity)	Variance, Year-Over-Year (Change in Utilization %)
District of Columbia			
Deanwood	194	9%	2%
Minnesota Ave	333	63%	14%
Rhode Island Ave-Brentwood	221	46%	19%
Fort Totten	408	79%	31%
Anacostia	808	10%	7%
District of Columbia Total	1,964	37%	14%
Northern Virginia			
Huntington	2,732	16%	3%
West Falls Church-VT	2,009	18%	10%
Dunn Loring-Merrifield	1,964	11%	5%
Vienna/Fairfax-GMU	5,169	21%	11%
Franconia-Springfield	5,069	15%	5%
Van Dorn Street	361	39%	10%
East Falls Church	422	83%	48%
Ashburn	1,555	24%	24%
Loudoun Gateway	1,705	27%	27%
Herndon	3,751	5%	5%
Innovation Center	2,072	2%	2%
Wiehle-Reston East	2,300	28%	10%
Northern Virginia Total	29,109	18%	6%
System Total	65,760	22%	10%