



Memorandum

TO: Planning Committee

DATE: June 2, 2017

FR: Executive Director

W.I. 1212 and 1517

RE: MTC Resolution No. 4295 - Federal Performance Target-Setting Requirements

Background

The Moving Ahead for Progress in the 21st Century Act, also known as MAP-21, was signed into law in 2012 and established a suite of new performance requirements for state Department of Transportation (DOTs), metropolitan planning organization (MPOs), and transit agencies. Over the past five years, the Federal Highway Administration (FHWA) and Federal Transit Administration (FTA) have been working through the rulemaking process to identify a set of performance measures that meet the requirements of the law. With these rules now coming into effect, agencies such as MTC will need to set short-range performance targets on a recurring basis and incorporate these short-range targets into their planning process – most notably, the Transportation Improvement Program (TIP) and the Regional Transportation Plan (RTP).

Under the final performance rules, MTC will be responsible for setting targets for each performance measure on an ongoing rolling basis. Each measure has its own schedule and cycle for target updates, meaning that ongoing collaboration with state, regional, and local partners will be essential. These performance targets will be fundamentally different from those in Plan Bay Area 2040 – focused solely on short-term transportation objectives defined by federal law. The complete list of measures, deadlines, and cycles for target-setting is shown in **Attachment B**.

Near-Term Deadlines for Target-Setting

Staff is currently focused on setting the first set of targets for over two dozen different federally-identified measures, a process that will repeat on an annual basis going forward. This year, transit asset management and roadway safety are the priorities given July 1, 2017 and February 27, 2018 deadlines for federal compliance. The remaining 20 targets – on topics ranging from transit safety to air quality – will need to be set for the first time in spring or fall 2018.

While there are no direct funding impacts from an MPO's failure to achieve a given performance target, MPO target-setting and performance-based planning processes will be evaluated as part of the agency's triennial review. Given that targets are focused on one to four-year timeframes as specified by regulations, FHWA and FTA have advised transportation agencies to be realistic when setting targets, recognizing that financial constraints and other challenges may make it difficult to achieve aspirational targets. In this vein, staff recommends setting achievable targets focused on discrete short-term goals, in contrast to the ambitious, wide-ranging and long-term goals identified in Plan Bay Area 2040.

Federal requirements also mandate that MPOs report their targets to their respective state DOT and that MPOs quantify progress made towards targets in the context of their TIPs and RTPs. Rather than creating a new suite of performance monitoring reports, staff will be expanding the Vital Signs performance monitoring website to incorporate new short-range targets, as well as additional performance indicators. This will provide a greater level of transparency and build off our existing performance monitoring framework.

Delegated Authority for Target-Setting

Unlike MTC's past target-setting work for long-range plans – during which all targets are set concurrently once every four years – this new set of short-range performance targets will need to be updated multiple times each year to align with federally-mandated frequencies and deadlines. For this reason, staff is requesting that the Commission delegate its federal target-setting authority to staff as outlined in ***MTC Resolution 4295 (Attachment A)***. This action will allow for the flexibility necessary to regularly set and update targets.

Staff proposes to update the Planning Committee on short-range targets twice a year around June and December, highlighting regulatory changes to performance requirements, targets set during that time period, and targets to be set in the coming six months. Assuming the Planning Committee delegates authority for target-setting, staff has provided a June 2017 target-setting summary in **Attachments C and D**.

Before adopting any short-range targets, staff will seek input from our partners at the state and local levels. For many of the highway-related targets, MTC will be able to set its targets six months after the state, and the regulations do allow MTC to consider adopting the state target rather than setting a target specific to the Bay Area. MTC has already been engaged in discussions with Caltrans on this topic. Staff will also work through the Bay Area Partnership working groups to get feedback on proposed targets from transit agencies, congestion management agencies, and local jurisdictions before adoption of a given target. We also intend to consult with our counterparts among the “Big 4” MPOs in San Diego, Sacramento and Los Angeles.

Recommendation

MTC staff recommends the Planning Committee approve the staff recommendation of delegation for recurring federal performance target-setting authority, including the provision for staff to provide regular updates to the committee going forward and refer MTC Resolution No. 4295 to the Commission for approval.



Steve Heminger

Attachments:

- **Attachment A:** MTC Resolution No. 4295
- **Attachment B:** List of Federally-Required Performance Measures
- **Attachment C:** June 2017 Target-Setting Summary
- **Attachment D:** Proposed 2017 Targets for Transit Asset Management

SH:dv/sh

Date: June 28, 2017
W.I.: 1212
Referred by: Planning

ABSTRACT

Resolution No. 4295

This resolution delegates authority to staff to set and update short-range performance targets for compliance with new federal requirements.

Further discussion of this action is contained in the MTC Executive Director's Memorandum dated June 2, 2017.

Date: June 28, 2017
W.I.: 1212
Referred by: Planning

RE: Federal Performance Target-Setting

METROPOLITAN TRANSPORTATION COMMISSION
RESOLUTION NO. 4295

WHEREAS, the Metropolitan Transportation Commission (MTC) is the regional transportation planning agency for the San Francisco Bay Area pursuant to Government Code Section 66500 *et seq.*; and

WHEREAS the Moving Ahead for Progress in the 21st Century (MAP-21) Act and the Fixing America's Surface Transportation (FAST) Act require metropolitan planning organizations to frequently set short-range performance targets related to national planning goals; and

WHEREAS, final federal rules require metropolitan planning organizations to set these targets on different cycles that are not consistent with existing or future regional transportation plan (RTP) or transportation improvement program (TIP) schedules for the San Francisco Bay Area; and

WHEREAS, short-range federally-required targets will be incorporated into planning and programming processes in the coming years in compliance with the final Metropolitan Planning rule as adopted by the Federal Highway Administration and Federal Transit Administration on May 27, 2016; now, therefore, be it

RESOLVED, that the Metropolitan Transportation Commission delegates authority to staff to identify short-range performance targets and submit them to state and federal transportation agencies as needed; and, be it further

RESOLVED, that Metropolitan Transportation Commission will seek input on proposed short-range targets from partners and other stakeholders through Partnership working group meetings; and be it further

RESOLVED, that staff shall provide regular updates to the Planning Committee or other Committee as appropriate twice each year to inform the Commission of short-range, federally required targets that were recently approved.

METROPOLITAN TRANSPORTATION COMMISSION

Jake Mackenzie, Chair

The above resolution was entered into by the Metropolitan Transportation Commission at a regular meeting of the Commission held in San Francisco, California, on June 28, 2017.

List of Federally-Required Performance Measures

FEDERAL GOALS & PROGRAMS	GENERAL MEASURES IN LAW	FINAL PERFORMANCE MEASURES	TARGET-SETTING FREQUENCY	1 ST CYCLE TARGET-SETTING DUE DATES
Safety HSIP TSOP	Number of Fatalities on Roads	1. Total number of road fatalities	Annual	State: August 31, 2017 MPO: February 27, 2018
	Rate of Fatalities on Roads	2. Road fatalities per VMT	Annual	State: August 31, 2017 MPO: February 27, 2018
	Number of Serious Injuries on Roads	3. Total number of serious injuries on roads	Annual	State: August 31, 2017 MPO: February 27, 2018
	Rate of Serious Injuries on Roads	4. Serious injuries on roads per VMT	Annual	State: August 31, 2017 MPO: February 27, 2018
	Non-Motorized Safety on Roads	5. Combined total number of non-motorized fatalities and serious injuries	Annual	State: August 31, 2017 MPO: February 27, 2018
	Safety of Public Transit Systems	6. Total number of reportable transit fatalities 7. Reportable transit fatalities per RVM by mode (example below) <i>a. Motor bus</i> <i>b. Light rail</i> <i>c. Heavy rail</i> <i>d. etc.</i> 8. Total number of reportable transit injuries 9. Reportable transit injuries per RVM by mode (example below) <i>a. Motor bus</i> <i>b. Light rail</i> <i>c. Heavy rail</i> <i>d. etc.</i> 10. Total number of reportable transit safety events 11. Reportable transit safety events per RVM by mode (example below) <i>a. Motor bus</i> <i>b. Light rail</i> <i>c. Heavy rail</i> <i>d. etc.</i> 12. Mean distance between major mechanical failures by mode (example below) <i>a. Motor bus</i> <i>b. Light rail</i> <i>c. Heavy rail</i> <i>d. etc.</i>	Annual	Operators: TBD* MPO: TBD* * = measures approved in January 2017 regulatory action but transit & MPO safety target-setting requirements are slated for additional regulation later this year

FEDERAL GOALS & PROGRAMS	GENERAL MEASURES IN LAW	FINAL PERFORMANCE MEASURES	TARGET-SETTING FREQUENCY	1 ST CYCLE TARGET-SETTING DUE DATES
Infrastructure Condition NHPP NTAMS	Pavement Condition on the IHS	13. Percentage of pavements on the IHS in good condition 14. Percentage of pavements on the IHS in poor condition	Every 2-4 years	State: May 21, 2018 MPO: November 21, 2018
	Pavement Condition on the NHS	15. Percentage of pavements on the non-IHS NHS in good condition 16. Percentage of pavements on the non-IHS NHS in poor condition	Every 2-4 years	State: May 21, 2018 MPO: November 21, 2018
	Bridge Condition on the NHS	17. Percentage of NHS bridges classified in good condition 18. Percentage of NHS bridges classified in poor condition	Every 2-4 years	State: May 21, 2018 MPO: November 21, 2018
	State of Good Repair for Public Transit Assets	19. Percentage of revenue vehicles that have met or exceeded their useful life benchmark (ULB) by asset class (example below) <i>a. 40-foot bus</i> <i>b. 30-foot bus</i> <i>c. Light rail vehicle</i> <i>d. etc.</i> 20. Percentage of facilities within a condition rating below fair by asset class (example below) <i>a. Maintenance yards</i> <i>b. Stations</i> <i>c. Electrical substations</i> <i>d. etc.</i> 21. Percentage of guideway directional route-miles with performance restrictions 22. Percentage of non-revenue vehicles that have met or exceeded their ULB	Every 2-4 years	Operators: January 1, 2017 MPO: July 1, 2017
System Reliability NHPP	Performance of the Interstate System	23. Percentage of person-miles traveled on the IHS that are reliable	Every 2-4 years	State: May 21, 2018 MPO: November 21, 2018
	Performance of the NHS	24. Percentage of person-miles traveled on the non-IHS NHS that are reliable	Every 2-4 years	State: May 21, 2018 MPO: November 21, 2018
		25. Percent change in NHS tailpipe CO₂ emissions (compared to 2017 baseline)	Every 2-4 years	State: TBD** MPO: TBD** ** = performance measure on hold indefinitely due to change in federal climate policies under new Administration

FEDERAL GOALS & PROGRAMS	GENERAL MEASURES IN LAW	FINAL PERFORMANCE MEASURES	TARGET-SETTING FREQUENCY	1 ST CYCLE TARGET-SETTING DUE DATES
Freight Movement and Economic Vitality NHFP	Freight Movement on the Interstate System	26. Percentage of IHS mileage providing reliable truck travel times	Every 2-4 years	State: May 21, 2018 MPO: November 21, 2018
Congestion Reduction CMAQ	Traffic Congestion	27. Annual hours of peak-hour excessive delay per capita by urbanized area a. San Francisco-Oakland UA b. San Jose UA c. Concord UA *** d. Santa Rosa UA *** e. Antioch UA *** <i>*** = not required during 1st target-setting cycle</i>	Every 2 years	State: May 21, 2018 MPO: May 21, 2018
Congestion Reduction (continued) CMAQ	Traffic Congestion (continued)	28. Percent of non-SOV travel by urbanized area a. San Francisco-Oakland UA b. San Jose UA c. Concord UA *** d. Santa Rosa UA *** e. Antioch UA *** <i>*** = not required during 1st target-setting cycle</i>	Every 2 years	State: May 21, 2018 MPO: May 21, 2018
Environmental Sustainability CMAQ	On-Road Mobile Source Emissions	29. Total emissions reductions from CMAQ-funded projects by pollutant a. PM _{2.5} b. PM ₁₀ c. CO d. VOC e. NO _x	Every 2 years	State: May 21, 2018 MPO: May 21, 2018
Reduced Project Delivery Delays	<i>none</i>	<i>none</i> (neither MAP-21 nor FAST included performance measures for this goal)	<i>n/a</i>	<i>n/a</i>

June 2017 Target-Setting Summary: Transit Asset Management Targets

Overview

The transit asset management (TAM) final rule published by FTA in July 2016 established a National TAM System in accordance with MAP-21. The rule contained new requirements for public transit providers, and designated recipients such as MTC. The major requirements of the rule include:

- 1) **State of Good Repair (SGR) Performance Targets** – Targets must be set for each applicable asset including Rolling Stock, Equipment, Infrastructure, and Facilities. The final rule establishes SGR standards and SGR performance measures as shown below:

Asset Category	Performance Measure
Rolling Stock: All revenue vehicles	Percentage of revenue vehicles within a particular asset class that have either met or exceeded their Useful Life Benchmark (ULB)
Facilities: All buildings or structures and parking facilities	Percentage of facilities within an asset class, rated below condition 3 (fair) on the TERM scale
Infrastructure: Only rail fixed guideway, tracks, signals and systems	Percentage of guideway directional route-miles with performance restrictions
Equipment: Only non-revenue (service) vehicles	Percentage of non-revenue vehicles that have either met or exceeded their ULB

In the case of rolling stock and facilities, the major asset categories are further broken down into distinct asset classes, with targets required for each asset class. For the 2017 target-setting effort, targets for rolling stock were set by asset class (trains, buses, trolleys, etc.) but a single target was set for all the facilities combined, as MTC does not have all the information required to classify facilities components into the classes defined by FTA.

Note that over time some targets improve relative to existing performance measures if there is funding available to replace or repair assets that are in poor condition. On the other hand, if there is no funding available to replace or repair assets, targets can worsen due to these assets aging another year and exceeding their useful lives.

- 2) **Development of TAM Plans** – Tier I operators (rail operators and any operators with 101 or more vehicles) must do their own TAM plan consisting of nine required elements. Tier II operators (operators with 100 vehicles or less) may do their own plan or participate in a group plan. There are only four required elements to the TAM plan for Tier II operators.
- 3) **Reporting** – Operators must report annually to FTA on SGR targets, asset conditions, and progress made towards meeting set targets.

The TAM Rule required transit providers to set SGR performance targets by January 1, 2017. The Planning Rule requires that each MPO establish targets no later than 180 days after the date on which the transit providers establish their performance targets. Therefore, staff has developed proposed targets to meet the year 2017 target-setting deadline of July 1st for transit asset management.

Target-Setting Approach and Rationale

To set the initial targets, MTC staff assessed the current condition of operators’ assets using data from the Regional Transit Capital Inventory (RTCI). The RTCI is a comprehensive regional database of the transit assets that are owned by transit agencies across the region. MTC developed the RTCI in order to collect consistent and comparable data on the region’s transit capital assets and associated replacement and rehabilitation costs from each operator.

To set the target for each asset category, MTC staff provided each operator with existing performance measures (by asset class) for their asset inventory included in the RTCI and requested that each operator conduct an analysis of expected funding from all sources for the coming fiscal year that will be used to repair or replace transit assets. Operators used this assessment to predict which vehicle assets would be replaced or repaired, and presented MTC with a target percentage of assets expected not to be in a state of good repair by the end of the fiscal year.

Staff worked with the operators to keep the targets realistic and base them on reasonable financial projections. For revenue vehicles, facilities, and non-revenue vehicles, MTC staff consolidated the targets for all operators to identify a regional target for each asset class. For infrastructure (i.e., rail guideway), MTC staff selected a slightly more ambitious target than the consolidated target of regional operators, which forecast a slight decline in conditions in 2017. By setting a target of preserving current conditions, this target may be more difficult to achieve given available funding.

Summary of Proposed Targets

As presented in detail in **Attachment D**, staff recommends setting the following targets for transit asset management for year 2017. As shown below, the regional targets seek to reduce the share of revenue vehicles, facilities, and non-revenue vehicles considered not to be in a state of good repair, while allowing for a slight increase in the infrastructure target.

Percent of Assets Not in a State of Good Repair

Asset Category	Current Performance	2017 Target
Revenue Vehicles	31%	28%
Facilities	32%	25%
Infrastructure	2.4%	2.4%
Non-Revenue Vehicles	55%	48%

Targets to be Set in the Next Six Months

Staff will continue working on 2018 *road safety* targets in coordination with Caltrans and other stakeholders. These targets must be adopted by MTC by February 27, 2018.

Proposed 2017 Targets for Transit Asset Management

General Information

Goal	Infrastructure Condition
Performance Measure(s)	<ul style="list-style-type: none">• Percentage of revenue vehicles that have met or exceeded their useful life benchmark (ULB) by asset class• Percentage of facilities within a condition rating below fair by asset class• Percentage of guideway directional route-miles with performance restrictions• Percentage of non-revenue vehicles that have met or exceeded their ULB
Target(s) for Year	2017
Target(s) Deadline for MTC Approval	July 1, 2017

Current Conditions and Proposed Targets

Measure	Subcategory	Current (2016)	Target (2017)	Total #	Measure ID
Percentage of revenue vehicles that have met or exceeded their useful life benchmark (ULB)	Articulated bus	24%	13%	400	US-19a
	Automated guideway vehicle	0%	0%	12	US-19b
	Bus	22%	18%	2,120	US-19c
	Bus rapid transit	0%	0%	29	US-19d
	Cable car	0%	0%	42	US-19e
	Commuter rail – locomotive	57%	58%	35	US-19f
	Commuter rail – passenger coach	40%	42%	129	US-19g
	Commuter rail – self-propelled passenger car	42%	44%	50	US-19h
	Ferryboat	28%	29%	18	US-19i
	Heavy rail	88%	85%	669	US-19j
	Light rail	0%	0%	250	US-19k
	Over-the-road bus	3%	12%	176	US-19l
	Trolley bus	0%	0%	333	US-19m
	Van	39%	37%	622	US-19n
	Vintage trolley	46%	25%	43	US-19o
Percentage of facilities with a condition rating below fair	n/a*	32%	25%	N/A	US-20
Percentage of guideway directional route-miles with performance restrictions	n/a	2.4%	2.4%	N/A	US-21
Percentage of non-revenue vehicles that have met or exceeded their ULB	n/a	55%	48%	1,941	US-22

* = For the 2017 target-setting effort, a single target was set for all facilities combined. This is due to the fact that MTC does not currently have sufficient information from operators required to classify facilities and components of facilities into the specific classes defined by FTA.