

STAFF REPORT



MEETING DATE:	April 24, 2018
SUBJECT:	Approve Memorandum of Understanding Addendum with Caltrans for Performance-Based Planning and Programming
AGENDA ITEM:	5-7
STAFF CONTACT:	Sean Tiedgen, AICP, Senior Transportation Planner

STAFF RECOMMENDATION:

It is recommended that the board of directors approve the addendum to the SRTA/Caltrans Planning and Programming Memorandum of Understanding (MOU).

DISCUSSION:

Federal regulations require an MOU between all Metropolitan Planning Organizations (MPO) and state departments of transportation outlining planning and programming responsibilities involving the Regional Transportation Plan, the Transportation Improvement Program, and other processes. The current MOU between Caltrans and SRTA was last approved in July 2017.

Passage of the federal transportation bill Moving Ahead for Progress in the 21st Century Act (MAP-21) established new performance-based planning and programming requirements for state departments of transportation and MPOs under Title 23 CFR 450.314. This addendum summarizes those new requirements, including responsibilities of SRTA and Caltrans, and ensures the current MOU meets federal regulations. Caltrans prepared the MOU addendum in coordination with California's MPOs. SRTA staff provided comments on the preliminary and final drafts of the MOU. These new requirements are already accounted for in the SRTA budget.

ALTERNATIVES:

The board of directors may direct staff to seek additional revisions in consultation with Caltrans.

OTHER AGENCY INVOLVEMENT:

The Technical Advisory Committee (TAC) concurs with the staff recommendation.

FISCAL IMPACT:

There is no fiscal impact associated with this action. However, without a valid and amended MOU in place, SRTA would no longer be eligible to receive federal and state transportation planning and programming funds through Caltrans.

A handwritten signature in blue ink that reads "Dan Little".

Daniel S. Little, AICP, Executive Director

Attachments: Memorandum of Understanding Addendum
2017 MOU for Comprehensive Federal and State Transportation Planning and Programming is
available online: <https://www.srta.ca.gov/DocumentCenter/View/3747>

MEMORANDUM OF UNDERSTANDING ADDENDUM

This Addendum (Addendum) to the Memorandum of Understanding (MOU), entered into and effective this ____ day of _____, 2018, by and between the State of California acting through its Department of Transportation, herein referred to as “State,” and the Shasta Regional Transportation Agency, acting as the federally designated Metropolitan Planning Organization, herein referred to as “MPO,” further outlines the roles and responsibilities for the State and MPO to meet the performance-based planning and programming requirements established in the Moving Ahead for Progress in the 21st Century Act (MAP-21). This Addendum serves to provide more detail to the requirements identified in Section 4.9 of the existing MOU for Comprehensive Federal and State Transportation Planning and Programming between the State and the MPO, which was entered into effect on July 7, 2017.

In accordance with 23 Code of Federal Regulations (CFR) 450.314 (h), the MPO, State, and the providers of public transportation shall jointly agree upon and develop specific written provisions for cooperatively developing and sharing information related to transportation performance data, the selection of performance targets, the reporting of performance targets, the reporting of performance to be used in tracking progress toward attainment of critical outcomes for the region of the MPO, and the collection of data for the State asset management plans for the National Highway System (NHS).

This Addendum outlines the roles and responsibilities between the State and MPO, as referenced in 23 CFR Part 450, and established in the MAP-21 Planning Final Rule published on May 27, 2016. The Addendum also establishes roles and responsibilities for the State and MPO to meet the requirements of Federal Transportation Performance Management. Specific performance measures related to Performance Management 1 (PM 1) on safety, Performance Management 2 (PM 2) on pavement and bridges, and Performance Management 3 (PM 3) on the use of the Interstate and non-Interstate NHS, freight movement and the Congestion Mitigation and Air Quality Improvement (CMAQ) Program are further described in the Addendum. Appendix A to this Addendum also provides additional information regarding the 23 CFR Part 450 performance management planning and programming requirements for the MPO. The following provisions are hereby added and incorporated into the MOU by reference as part of Chapter 4” of the MOU.

State Coordination for Performance Based Approach

Per 23 CFR 450, Subpart B, Statewide and Nonmetropolitan Transportation Planning and Programming, the State responsibilities are as follows:

23 CFR 450.206(c)(2) - The State shall select and establish performance targets in coordination with the MPOs to ensure consistency to the maximum extent practicable.

MPO Coordination for Performance Based Approach

Per 23 CFR 450, Subpart C, Metropolitan Transportation Planning and Programming, the MPO responsibilities are as follow:

23 CFR 450.306(a) – The MPO, in cooperation with the State and public transportation operators, shall develop long-range transportation plans and Transportation Improvement Programs (TIPs) through a performance-driven, outcome-based approach to planning for metropolitan areas of the State.

23 CFR 450.306(d)(2) – Establishment of performance targets by metropolitan planning organizations.

23 CFR 450.306(d)(2)(i) - The MPO shall establish performance targets that address the performance measures or standards established under 23 CFR part 490, 49 United States Code (U.S.C.) 5326(c), and 49 U.S.C. 5329(d) to use in tracking progress toward attainment of critical outcomes for the region of the MPO.

23 CFR 450.306(d)(2)(ii) - The selection of targets that address performance measures described in 23 U.S.C 150(c), shall be in accordance with the appropriate target setting framework established at 23 CFR part 490, and shall be coordinated with the State to ensure consistency, to the maximum extent practicable.

23 CFR 450.306(d)(2)(iii) - The selection of performance targets that address performance measures described in 49 U.S.C. 5236(c) and 49 U.S.C. 5329(d) shall be coordinated, to the maximum extent practicable, with public transportation providers to ensure consistency with the performance targets that public transportation providers establish under 49 U.S.C. 5236(c) and 49 U.S.C. 5329(d).

23 CFR 450.306(d)(3) - The MPO shall establish the performance targets, or choose to adopt the State established targets, under paragraph (d)(2) of this section not later than 180 days after the date on which the State or provider of public transportation establishes the performance targets.

23 CFR 450.306(d)(4) - The MPO shall integrate in the metropolitan transportation planning process, directly or by reference, the goals, objectives, performance measures, and targets described in other State transportation plans and transportation processes, as well as any plans developed under 49 U.S.C. chapter 53 by providers of public transportation, required as part of a performance-based program including:

(i) The State Asset Management Plan for the NHS, as defined in 23 U.S.C. 119(e) and the Transit Asset Management Plan, as discussed in 49 U.S.C. 5326;

(ii) Applicable portions of the Highway Safety Improvement Program (HSIP), including the Strategic Highway Safety Plan (SHSP), as specified in 23 U.S.C. 148;

(iii) The Public Transportation Agency Safety Plan in 49 U.S.C. 5329(d);

- (iv) Other safety and security planning and review processes, plans, and programs, as appropriate;
- (v) The Congestion Mitigation and Air Quality Improvement Program performance plan in 23 U.S.C. 149(l), as applicable;
- (vi) Appropriate (metropolitan) portions of the State Freight Plan (MAP-21 section 1118);
- (vii) The congestion management process, as defined in 23 CFR 450.322, if applicable; and
- (viii) Other State transportation plans and transportation processes required as part of a performance-based program.

MPO Responsibilities for Metropolitan Transportation Plan (MTP) Development

Per 23 CFR 450.324, Development and Content of the Metropolitan Transportation Plan, the MPO's Metropolitan Transportation Plan (MTP), also referred to as the Regional Transportation Plan (RTP), shall include:

23 CFR 450.324(f)(3) - A description of the performance measures and performance targets used in assessing the performance of the transportation system in accordance with § 450.306(d).

23 CFR 450.324(f)(4) - A system performance report and subsequent updates evaluating the condition and performance of the transportation system with respect to the performance targets described in 23 CFR 450.306(d), including –

- (i) Progress achieved by the MPO in meeting the performance targets in comparison with system performance recorded in previous reports, including baseline data; and
- (ii) For MPOs that voluntarily elect to develop multiple scenarios, an analysis of how the preferred scenario has improved the conditions and performance of the transportation system and how changes in local policies and investments have impacted the costs necessary to achieve the identified performance targets.

MPO Responsibilities for Transportation Improvement Program (TIP) Development

Per 23 CFR 450.326, Development and Content of the Transportation Improvement Program (TIP), the MPO's TIP shall:

23 CFR 450.326(c) - Be designed such that once implemented, it makes progress toward achieving the performance targets established under 23 CFR 450.306(d).

23 CFR 450.326(d) - Include, to the maximum extent practicable, a description of the anticipated effect of the TIP toward achieving the performance targets identified in the metropolitan transportation plan, linking investment priorities to those performance targets.

Implementation of the Planning Final Rule

23 CFR 450.340(e) - Two years from the effective date of each rule establishing performance measures under 23 U.S.C. 150(c), 49 U.S.C. 5326, and 49 U.S.C. 5329 FHWA/FTA will only determine the conformity of, or approve as part of a State Transportation Improvement Program (STIP), a TIP that is based on a metropolitan transportation planning process that meets the performance based planning requirements in this part and in such a rule.

MPO Coordination with State and Transit Providers for Transit Asset Management (TAM)

49 CFR 625.45 - Requires transit providers to coordinate with the States and MPOs, to the maximum extent practicable, in the selection of State and MPO performance targets.

The State encourages each MPO to update agreements with the transit providers within their region so that local Transit Asset Management (TAM) efforts required by 49 CFR Part 625 may influence MPO and State transportation funding investment decisions that are identified, programmed, committed to, and funded as part of the planning process.

Performance Management 1 (PM1): Highway Safety Improvement Program (HSIP) and Safety Performance Measures

MAP-21 and subsequent federal rulemaking established five performance measures related to Safety. The final federal rule establishing these performance measures, the selection of performance targets and reporting on the progress of achieving performance targets for these measures is known as “Performance Management 1.” The specific performance measures are:

- Number of fatalities;
- Number of serious injuries;
- Rate of fatalities per 100 million vehicle miles traveled;
- Rate of serious injuries per 100 million vehicle miles traveled; and
- Number of non-motorized fatalities and serious injuries.

Federal regulations require the State to establish and report annual safety performance management targets (SPMTs) related to each of these five performance measures by August 31 of each year. Three of the five targets must be established by July 1 of each year. For each performance measure, the MPO shall establish a target six months after the State establishes targets (February 27) by either: 1) agreeing to plan and program projects so that they contribute toward the accomplishment of the State safety target for that performance measure; or 2) committing to a quantifiable target for that performance measure for their metropolitan planning area.

To provide the MPO with flexibility, the MPO may support all of the State’s SPMTs, establish their own specific numeric SPMTs for all of the performance measures, or any combination. The MPO may support the State’s SPMTs for one or more individual performance measures and establish specific numeric targets for the other performance measures. Annual targets will be expressed as five-year rolling averages and be compared with a five-year rolling average base period comprised of the five calendar years ending prior to the year the targets are due.

The State will:

- Lead SPMT Engagement Workshops to coordinate target-setting efforts with MPO prior to setting annual statewide SPMTs each year.
- Establish and maintain a website with links to videos and/or other information related to SPMT Engagement Workshops and State-hosted training, as well as links to other performance management training resources. The website will provide: 1) county-level daily vehicle miles traveled data for the past 10 years; and 2) county-level data for the most recent previous 10 years from the Fatality Analysis Reporting System (FARS) and the Statewide Integrated Traffic Records System (SWITRS) required to measure performance and set SPMTs; this data will be provided at the outset of annual SPMT Engagement Workshops to set SPMTs for the respective calendar year.
- Coordinate with the Office of Traffic Safety (OTS) to report statewide SPMTs for number of fatalities, number of serious injuries, and rate of fatalities to National Highway Traffic Safety Administration (NHTSA) by July 1 each year, and report statewide SPMTs

for all performance measures to Federal Highway Administration (FHWA) by August 31 each year.

- Prepare and disseminate a summary overview of target setting methodology and proposed State targets to MPOs a minimum of 14 days prior to State target deadline.
- Prepare and disseminate a whitepaper documenting target-setting coordination with MPOs and explaining the analytical methodology the State used to calculate statewide SPMTs by September 30 each year.
- Provide information and guidance to the MPO about the State's statewide SPMT analytical methodology.
- Integrate performance goals, objectives, measures and targets into the State's planning and programming process as required by 23 CFR Part 450.

The MPO will:

- Participate in target-setting efforts with the State through the SPMT Engagement process. SPMT Engagement Workshops provide an important opportunity for the MPO to address the requirement that they coordinate their performance measure target setting efforts with the State.
- By February 27 each year, document with the State for each safety performance measure whether they: 1) agree to plan and program projects so that they contribute toward the accomplishment of the State safety target for that performance measure; or 2) commit to a quantifiable target for that performance measure for their metropolitan planning area.
- Integrate performance goals, objectives, measures and targets into the MPO's planning and programming processes as required by 23 CFR Part 450.

Significant Safety Transportation Performance Management Federal Regulations:

23 CFR 490.205 - Definitions of Terms for Highway Safety Improvement Program National Performance Management Measures

23 CFR 490.207 - Calculating the Highway Safety Improvement Program National Performance Management Measures

23 CFR 490.209 - Establishment of Performance Targets by State DOTs and MPOs

23 CFR 490.213 - Reporting of Targets by MPOs for the Highway Safety Improvement Program

Performance Management 2 (PM 2): Assessing Pavement Condition for the National Highway Performance Program and Bridge Conditional for the National Highway Performance Program

MAP-21 and subsequent federal rulemaking established federal regulation that requires the development of a Transportation Asset Management Plan (TAMP) and the implementation of Performance Management. These regulations require all states to utilize nationally defined performance measures for pavements and bridges on the National Highway System (NHS). The Bridge and Pavement Performance Management (PM) Final Federal Rule established six performance measures related to the performance of the Interstate and non-Interstate National Highway System (NHS) for the purpose of carrying out the National Highway Performance Program (NHPP); to assess pavement and bridge condition. The specific performance measures are:

23 CFR Part 490 Subpart C – Pavement Performance of the NHS

- Percentage of Interstate pavements in Good condition
- Percentage of Interstate pavements in Poor condition
- Percentage of non-Interstate NHS pavements in Good condition
- Percentage of non-Interstate NHS pavements in Poor condition

23 CFR Part 490 Subpart D – Bridge Performance of the NHS

- Percentage of NHS bridges in Good condition
- Percentage of NHS bridges in Poor condition

The Pavement and Bridge Final Federal Rule establishing these performance measures, the selection of performance targets, and reporting on the progress of achieving performance targets for these measures is known as “Performance Management 2.”

The TAMP Final Federal Rule requires the State to develop and implement a risk-based asset management plan for the NHS, covering a 10-year period, that will improve or preserve the condition of the assets and the performance of the system.

The following outlines the roles and responsibilities of the State and MPO with regard to coordinating the establishment of targets for the Performance Management 2 performance measures to ensure consistency, or where applicable, adopting unified targets. Additionally, this documents agreement between the State and MPO in the establishment of good, and poor performance metrics for measuring pavement and bridge performance.

I. Performance Management 2 Initial Target-Setting for Pavement and Bridge Performance Measures – Reporting Cycle 2018 – 2020

Pavement

For the initial performance cycle, the State DOT must establish statewide 2-year and 4-year targets for **non-Interstate National Highway System (NHS)** and 4-year targets for the **Interstate NHS pavement** by **May 20, 2018**.

Within 180 days of the State establishing targets for these measures, the MPO shall establish 2-year and 4-year targets for these measures by agreeing to plan or program projects so that they contribute toward the accomplishment of the State performance targets; or establishing quantifiable targets for these measures for their respective metropolitan planning areas by November 16, 2018. The State DOT and MPO will coordinate on the establishment of these performance targets; the MPO targets will be provided to the State and made available to Federal Highway Administration (FHWA) upon request.

Bridge

For the initial performance cycle, the State must establish statewide 2-year and 4-year targets for **NHS Bridges** by **May 20, 2018**.

Within 180 days of the State establishing targets for these measures, the MPO shall establish 2-year and 4-year targets for these measures by agreeing to plan or program projects so that they contribute toward the accomplishment of the State performance targets; or establishing quantifiable targets for these measures for their respective metropolitan planning areas by November 16, 2018. The State and MPO will coordinate on the establishment of these performance targets; the MPO targets will be provided to the State and made available to FHWA upon request.

II. Performance Management 2 Reporting – Reporting Cycle 2018 - 2020

The State must report 2-year and 4-year performance targets, baseline condition and progress toward achieving performance targets in **Biennial Performance Reports** to FHWA. 23 CFR 490.107 provides the requirements for the **Baseline Performance Period Report** (due **October 1, 2018**), the **Mid Performance Period Progress Report** (due **October 1, 2020**; the State may adjust 4-year performance targets in this report), and **Full Performance Period Progress Report** (due **October 1, 2022**).

III. State and MPO Roles and Responsibilities for the Performance Management 2 Initial Target Setting and Reporting - Cycle 2018 - 2020

The State will:

- Lead Performance Management 2 Engagement Workshops to coordinate target-setting efforts with MPOs prior to setting annual statewide Performance Management 2 targets.
- Collect NHS condition data for pavements and bridges as required for federal reporting.

- Annually and upon request, in an electronic format, provide MPOs with NHS condition data for pavements and bridges.
- Prepare and disseminate a summary overview of target setting methodology and proposed State targets to MPOs a minimum of 14 days prior to State target deadline.
- Prepare and disseminate a whitepaper documenting target-setting coordination with MPOs and explaining the analytical methodology the State used to calculate statewide Performance Management 2 by June 30, 2018.
- Provide information and guidance to MPOs about statewide Performance Management 2 analytical methodology.
- Submit Biennial Performance Reports to FHWA: Baseline Performance Period Report (due October 1, 2018); Mid Performance Period Progress Report (due October 1, 2020); Full Performance Period Progress Report (due October 1, 2022).
- Integrate performance goals, objectives, measures and targets into the State's planning and programing process as required by 23 CFR Part 450.

The MPO will:

- Participate in target-setting efforts with Caltrans through the Performance Management 2 Engagement process. Performance Management 2 Engagement Workshops provide an important opportunity for the MPOs to address the requirement that they coordinate their performance measure target setting efforts with Caltrans.
- Within 180 days after May 20, 2018, when the State will establish performance targets for pavement and bridge measures, the MPO must document with Caltrans whether they: 1) agree to plan and program projects so that they contribute toward the accomplishment of the established statewide target for that performance measure; or 2) commit to a quantifiable target for that performance measure for their metropolitan planning area.
- Integrate performance goals, objectives, measures and targets into the MPO's planning and programing processes as required by 23 CFR Part 450.

Significant Asset Management Plan, Performance Management 2 Federal Regulations:

23 CFR Part 515 and 667 – Asset Management Plans and Periodic Evaluations of Facilities Repeatedly Requiring Repair and Reconstruction Due to Emergency Events

23 CFR 515.5 – Definitions

23 CFR 515.7 – Process for establishing the asset management plan

23 CFR 515.9 – Asset management plan requirements

23 CFR 515.11 – Deadlines and phase-in of asset management plan development

23 CFR 515.13 – Process, certification and recertification, and annual plan consistency review

23 CFR 515.15 – Penalties

23 CFR 667.3 – Definitions

23 CFR 667.5 – Data time period, availability, and sources

23 CFR 667.7 – Timing of evaluations

23 CFR 667.9 – Consideration of evaluations

23 CFR Part 490 Subpart C – Pavement Performance of the NHS

- **23 CFR 490.307** – National performance management measures for assessing pavement condition
- **23 CFR 490.309** – Data Requirements
- **23 CFR 490.311** – Calculation of pavement metrics
- **23 CFR 490.313** – Calculation of pavement performance management measures
- **23 CFR 490.315** – Establishment of minimum level for condition of pavements

23 CFR Part 490 Subpart D – Bridge Performance of the NHS

- **23 CFR 490.407** – National performance management measures for assessing bridge condition
- **23 CFR 490.409** – Calculation of National performance management measures for assessing bridge condition
- **23 CFR 490.411** – Establishment of minimum level for condition of bridges.

Performance Management 3 (PM 3): Assessing Performance of the National Highway System (NHS), Freight Movement on the Interstate System, and Congestion Mitigation and Air Quality Improvement Program (CMAQ)

The MAP-21 and subsequent federal rulemaking established seven performance measures related to the performance of the Interstate and non-Interstate National Highway System (NHS) for: carrying out the National Highway Performance Program (NHPP); assessing freight movement on the Interstate System; and assessing traffic congestion and on-road mobile source emissions for the purpose of carrying out the Congestion Mitigation and Air Quality (CMAQ) Improvement Program. The final federal rule establishing these performance measures, the selection of performance targets and reporting on the progress of achieving performance targets for these measures is known as “Performance Management 3.” The specific performance measures are:

23 CFR Part 490 Subpart E – Performance of the NHS

- Percent of the person-miles traveled on the Interstate that are reliable (referred to as the Interstate Travel Time Reliability measure).
- Percent of person-miles traveled on the non-Interstate NHS that are reliable (referred to as the Non-Interstate Travel Time Reliability measure).
- Percent change in tailpipe CO₂ emissions on the NHS compared to the calendar year 2017 level (referred to as the Greenhouse Gas (GHG) measure).

23 CFR Part 490 Subpart F – Freight Movement on the Interstate System

- Truck Travel Time Reliability (TTTR) Index (referred to as the Interstate Freight Reliability measure).

23 CFR Part 490 Subpart G – CMAQ Program Traffic Congestion

- Annual Hours of Peak Hour Excessive Delay (PHED) Per Capita (referred to as the PHED measure).
- Percent of Non-Single Occupancy Vehicle (SOV) Travel.

23 CFR Part 490 Subpart H – CMAQ On-Road Mobile Source Emissions

- Total Emissions Reduction.¹

The following outlines the roles and responsibilities of the State and MPO with regard to coordinating the establishment of targets for the Performance Management 3 performance measures to ensure consistency, or where applicable, adopting unified targets. Additionally, this documents agreement between the State and MPO on a single travel time data set and a single set of reporting segments for calculating performance measures and metrics as required by federal regulations.

¹ 2-year and 4-year cumulative reported emission reductions, for all projects funded by CMAQ funds, of each criteria pollutant and applicable precursors (PM_{2.5}, PM₁₀, CO, VOC, and NO_x) under the CMAQ program for which the area is designated nonattainment or maintenance. 25 CFR 490.807

I. Performance Management 3 Initial Target-Setting and Reporting Cycle (2018 - 2020)

Performance Management 3 sets out a 4-year performance target setting and reporting cycle. For the initial performance cycle, the State must establish 2-year and 4-year targets for the **Interstate Travel Time Reliability** measure, but only a 4-year target for the **Non-Interstate Travel Time Reliability** measure, by **May 20, 2018**. The State must also establish 2-year and 4-year targets for the **Interstate Freight Reliability** measure by **May 20, 2018**. **Within 180 days of the State establishing targets for these measures**, the MPO shall establish 4-year targets for these measures by agreeing to plan or program projects so that they contribute toward the accomplishment of State performance targets or by establishing quantifiable targets for these measures for their respective metropolitan planning area by November 16, 2018. The State and MPO will coordinate on the establishment of these performance targets; the MPO targets will be provided to the State and made available to the Federal Highway Administration (FHWA) upon request.

For the initial performance cycle, the **Peak Hour Excessive Delay (PHED)** and **Non-Single Occupancy Vehicle (SOV)** performance measures apply to urbanized areas of more than 1 million people that are also in non-attainment or maintenance areas for ozone, carbon monoxide or particulate matter. The State and MPO with NHS mileage within an applicable urbanized area must coordinate on a *single, unified* 4-year PHED performance target and *as well a single, unified* 2-year and 4-year Non-SOV target for each applicable urbanized area by **May 20, 2018**.

For the initial performance cycle, the State must report 2-year and 4-year targets for **Total Emissions Reductions** under the CMAQ program by **May 20, 2018**. MPOs with a population more than 1 million and with designated nonattainment and maintenance areas must develop both 2-year and 4-year quantifiable targets (otherwise, only 4-year targets). **Within 180 days of the State establishing targets for these measures**, the MPO shall establish performance targets for this measure by agreeing to plan or program projects so that they contribute toward the accomplishment of the State performance targets or by establishing quantifiable targets for these measures for their respective metropolitan planning areas by November 16, 2018. The State and MPO will coordinate on the establishment of these performance targets; the MPO performance targets will be provided to the State and made available to the FHWA upon request.

On September 28, 2017, FHWA published a notice in the Federal Register making the **GHG measure** effective. On October 5, 2017, FHWA published a notice of proposed rulemaking (NPRM) in the Federal Register proposing to repeal the GHG measure and seeking public comments on that proposal. Under the originally published final rule, the State must establish initial 2-year and 4-year targets for the GHG Measure by **September 28, 2018**. The MPO shall establish 4-year performance targets for this measure by agreeing to plan or program projects so that they contribute toward the accomplishment of State performance targets or establishing quantifiable 4-year targets for these measures **within 180 days of the State establishing targets for these measures by November 16, 2018**. The State and MPO will coordinate on the establishment of these performance targets, as applicable; MPO performance targets will be

provided to State and made available to FHWA upon request. All clauses related to the GHG performance measure would become null if the repeal is approved by FHWA.

The State must report 2-year and 4-year performance targets, baseline condition and progress toward achieving performance targets in **Biennial Performance Reports** to FHWA. 23 CFR 490.107 provides the requirements for the **Baseline Performance Period Report** (due **October 1, 2018**), the **Mid Performance Period Progress Report** (due **October 1, 2020**; the State may adjust 4-year performance targets in this report), and **Full Performance Period Progress Report** (due **October 1, 2022**). MPOs with urbanized areas of more than 1 million people that are also in non-attainment or maintenance areas must provide the State with a **CMAQ Performance Plan** to be included as an attachment to the Biennial Performance Reports to FHWA (CMAQ Performance Plan requirements are set forth in 23 CFR § 490.107). The CFR will dictate requirements for reporting taking place after 2022.

II. Travel Time Data and Reporting Segments: State and MPO Concurrence

23 CFR 490.103(e) requires the State, in coordination with MPOs, to establish a single travel time data set that will be used to calculate the annual metrics in 23 CFR Part 490 subpart E (Performance of the NHS), Subpart F (Freight Movement on the Interstate System), and Subpart G (CMAQ Program Traffic Congestion). Per 23 CFR 490.103(e), the State intends to use the National Performance Management Research Data Set (NPMRDS) travel time data to annually calculate the performance under subpart E, subpart F, and subpart G.

Additionally, 23 CFR 490.103(f) requires the State, in coordination with MPOs, to define a single set of reporting segments on the Interstate System and non-Interstate NHS for use in calculating the travel time-based measures specified in subpart E, subpart F, and subpart G. The State intends to exercise the option described in 23 CFR 490.103(f) to accept the travel time segments in NPMRDS as the reporting segments.

III. State and MPO Roles and Responsibilities for the Performance Management 3 Initial Target Setting and Reporting Cycle (2018 - 2020)

The State will:

- Lead Performance Management 3 Engagement Workshops to coordinate target-setting efforts with MPOs prior to setting annual statewide Performance Management 3 targets. The State and MPO must coordinate to the maximum extent practicable when setting Performance Management 3 targets to ensure consistency, and in certain instances, adopt unified targets. Performance Management 3 Engagement Workshops provide an important opportunity for the State and MPO to address the requirement that they coordinate their performance measure target setting efforts with the State.
- Establish and maintain a website with links to videos and/or other information related to Performance Management 3 and State-hosted training, as well as links to other performance management training resources. The website will host a web-based tool

(PeMS for MAP-21 Reporting) that will provide MPO-level and county-level NPMRDS performance data required to measure performance and set Performance Management 3 targets. This data will be provided at the outset of annual Engagement Workshops to set targets for the respective calendar year.

- Establish statewide targets for Performance Management 3 measures by May 20, 2018 (except the statewide GHG performance target, which will be established by September 28, 2018).
- Prepare and disseminate a summary overview of target setting methodology and proposed State targets to MPOs a minimum of 14 days prior to State target deadline.
- Prepare and disseminate a whitepaper documenting target-setting coordination with the MPOs and explaining the analytical methodology the State used to calculate statewide Performance Management 3 by June 30, 2018.
- Provide information and guidance to the MPO about the State's statewide Performance Management 3 analytical methodology.
- Submit Biennial Performance Reports to FHWA: Baseline Performance Period Report (due October 1, 2018); Mid Performance Period Progress Report (due October 1, 2020); Full Performance Period Progress Report (due October 1, 2022).
- Integrate performance goals, objectives, measures and targets into the State's planning and programming process and report on progress toward target achievement as required by federal regulations, including 23 CFR Part 450.
- Ensure the MPO has access to information regarding progress towards statewide target achievement.

The MPO will:

- Participate in target-setting efforts with the State through the Performance Management 3 Engagement process. The State and MPO must coordinate to the maximum extent practicable when setting Performance Management 3 targets to ensure consistency, and in certain instances, adopt unified targets. Performance Management 3 Engagement Workshops provide an important opportunity for the State and MPO to address the requirement that they coordinate their performance measure target setting efforts with the State.
- MPOs with NHS mileage in applicable urbanized areas must document agreement with the State on a single, unified set of targets for the PHED and Non-SOV performance measures for each applicable urbanized area by May 20, 2018.
- Not later than November 16, 2018, 180 days after May 20, 2018 when the State establishes performance targets for the Interstate Travel Time Reliability, Non-Interstate Travel Time Reliability, and Interstate Freight Reliability measures, the MPO must document with the State whether they: 1) agree to plan and program projects so that they contribute toward the accomplishment of the State target for that performance measure; or 2) commit to a quantifiable target for that performance measure for their metropolitan planning area.
- Not later than March 27, 2019, 180 days after September 28, 2018 when the State will establish performance targets for the GHG performance measure, as applicable, the MPO must document with the State whether they: 1) agree to plan and program projects so that they contribute toward the accomplishment of the State target for that performance

- measure; or 2) commit to a quantifiable target for that performance measure for their metropolitan planning area.
- MPOs with urbanized areas of more than 1 million people that are also in non-attainment or maintenance areas must provide the State with a CMAQ Performance Plan pursuant to 23 CFR 490.107 to be included as an attachment to the Biennial Performance Reports to FHWA. These MPOs will provide CMAQ Performance Plans to the State by: September 15, 2018; September 15, 2020; and September 15, 2022.
- Integrate performance goals, objectives, measures and targets into the MPO's planning and programming processes and report on progress toward target achievement as required by 23 CFR Part 450.
- Ensure the State has access to information regarding progress toward the MPO target achievement.

Significant Performance Management 3 Federal Regulations:

23 CFR 490.101 – Definitions

23 CFR 490.103 – Data Requirements

23 CFR 490.105 – Establishment of Performance Targets

23 CFR 490.107 – Reporting of Performance Targets

23 CFR 490.109 – Significant Progress Determination

23 CFR Part 490 Subpart E – Performance of the NHS

- **23 CFR 490.507** – National performance management measures for system performance (i.e., the Interstate Travel Time Reliability measure, Non-Interstate Travel Time Reliability measure, GHG Measure).
- **23 CFR 490.509** – Data Requirements
- **23 CFR 490.511** – Level of Travel Time Reliability (LOTTR) Metric

23 CFR Part 490 Subpart F – Freight Movement on the Interstate System

- **23 CFR 490.607** – National Performance Management Measures to Assess Freight Movement on the Interstate System (i.e., Interstate Freight Reliability measure)
- **23 CFR 490.609** – Data Requirements
- **23 CFR 490.611** – Calculation of Truck Travel Time Metrics
- **23 CFR 490.613** – Calculation of Interstate Freight Reliability Measure

23 CFR Part 490 Subpart G – CMAQ Program Traffic Congestion

- **23 CFR 490.703** – Applicability: PHED and Non-SOV Travel Measures
- **23 CFR 490.707** – PHED Measure and Non-SOV Travel Measures
- **23 CFR 490.709** – Data requirements
- **23 CFR 490.711** – Calculation of PHED
- **23 CFR 490.713** – Calculation of Traffic Congestion Measures

23 CFR Part 490 Subpart H – CMAQ On-Road Mobile Source Emissions

- **23 CFR 490.803** – Applicability of CMAQ On-Road Mobile Source Emissions
- **23 CFR 490.807** – CMAQ On-Road Mobile Source Emissions Measure

- **23 CFR 490.809** – Data Requirements
- **23 CFR 490.813** – Calculation of CMAQ On-Road Mobile Source Emissions

IN WITNESS WHEREOF the Parties hereto have caused this Memorandum of Understanding Addendum to be executed by their respective officers duty authorized.

Susie Baugh, Chair
Shasta Regional Transportation Agency

Date

Laurie Berman, Director
Department of Transportation

Date

Appendix A - Performance Management Planning and Programming Reporting Requirements

This appendix provides additional information regarding the 23 CFR Part 450 performance management planning and programming requirements for the MPO Metropolitan Transportation Plans (or MPO Regional Transportation Plans (RTP)), Caltrans' long-range statewide transportation plan (or California Transportation Plan (CTP)), MPOs Transportation Improvement Program (or MPO Federal Transportation Improvement Program (FTIP)) and the Caltrans' Statewide Transportation Improvement Program (or Caltrans' FSTIP).

Per 23 CFR § 450.324, the MPO's MTP/RTP shall include:

- 23 CFR § 450.324(f)(3) - A description of the performance measures and performance targets used in assessing the performance of the transportation system in accordance with § 450.306(d).
- 23 CFR § 450.324(f)(4) - A system performance report and subsequent updates evaluating the condition and performance of the transportation system with respect to the performance targets described in 23 CFR § 450.306(d), including –
 - (i) Progress achieved by the MPO in meeting the performance targets in comparison with system performance recorded in previous reports, including baseline data; and
 - (ii) For MPOs that voluntarily elect to develop multiple scenarios, an analysis of how the preferred scenario has improved the conditions and performance of the transportation system and how changes in local policies and investments have impacted the costs necessary to achieve the identified performance targets.

Each MPO that adopts an MTP/RTP after May 27, 2018 must include a description of performance measures and targets and a system performance report that meets the requirements of 23 CFR § 450.324. Additionally, amendments to approved MPO MTP/RTPs will include a short cover memorandum explaining how the amendment supports the performance targets in the approved MTP/RTP.

The Federal Highway Administration (FHWA) Transportation Performance Management website (<https://www.fhwa.dot.gov/tpm/>) provides examples of Noteworthy Practices for performance reporting, and FHWA California Division staff have specifically cited two best practices to Caltrans for performance reporting format:

- 1) The Sacramento Area Regional Progress Report, <https://www.sacog.org/post/regional-progress-report>; and
- 2) The Seattle Department of Transportation 2017 Performance Report, [http://www.seattle.gov/Documents/Departments/SDOT/About/DocumentLibrary/Reports/SDOT Move the Needle 2017.pdf](http://www.seattle.gov/Documents/Departments/SDOT/About/DocumentLibrary/Reports/SDOT%20Move%20the%20Needle2017.pdf)

Caltrans recommends that you review these reports as well as FHWA Noteworthy Practices and consult directly the FHWA California Division staff if you need additional guidance on meeting the 23 CFR § 450.324 requirements.

In December 2020, California will adopt its next five year long-range statewide transportation plan/CTP. Per 23 CFR 450.216, Caltrans next the long-range statewide transportation plan shall include:

- 23 CFR 450.216(f)(1) – A description of the performance measures and performance targets used in assessing the performance of the transportation system in accordance with 450.206(c); and
- 23 CFR 450.216(f)(2) – A system performance report and subsequent updates evaluating the condition and performance of the transportation system with respect to performance targets described in 450.206(c), including progress achieved by the MPOs in meeting the performance targets in comparison with system performance recorded in previous reports.

On or after May 27, 2018, MPOs must update their current 2017 FTIPs through their next amendment to acknowledge the new Performance Management Requirements and to explain their efforts in working toward meeting these requirements. Caltrans is required by state statute (Statutes Government Code 65074) to submit the Caltrans FSTIP to the FHWA and Federal Transit Administration (FTA) by December 1 of each even-numbered year. Each MPO must provide a Board-adopted 2019 FTIP to Caltrans by October 1, 2018 per Streets and Highways Codes sections 182.6 and 182.7. Development and content of the FTIP must be in accordance with Title 23 CFR § 450.326. The MPO's FTIP shall:

- 23 CFR 450.326(c) - Be designed such that once implemented, it makes progress toward achieving the performance targets established under 23 CFR 450.306(d).
- 23 CFR 450.326(d) - Include, to the maximum extent practicable, a description of the anticipated effect of the TIP toward achieving the performance targets identified in the metropolitan transportation plan, linking investment priorities to those performance targets.

A subgroup has been formed through the Caltrans/MPO California Federal Programming Group (CFPG) to discuss how California MPOs intend to address the Performance Management requirements and make recommendations.

Development and content of the Caltrans FSTIP must be in accordance with 23 CFR 450.218. The Caltrans FSTIP shall include:

- 23 CFR 450.218(q) – to the maximum extent practicable, a discussion of the anticipated effect of the STIP toward achieving the performance targets identified by the State in the statewide transportation plan or other State performance-based plan, linking investment priorities to those performance targets.

The MPO FTIPs and Caltrans FSTIP must include discussions to describe the adopted performance targets and what the MPOs did in their process to prioritize the programming of projects that would move performance toward those targets and how the system is performing.