

MEMORANDUM OF UNDERSTANDING
for
Comprehensive Federal and State Transportation Planning and Programming

This Memorandum of Understanding (MOU), entered into and effective this _____ day of _____, 2026 by and between the State of California acting through its Department of Transportation, hereinafter referred to as "**DEPARTMENT**", and the Association of Monterey Bay Area Governments, acting as the federally designated Metropolitan Planning Organization, herein referred to as "**MPO**", of the urbanized Counties of Monterey and Santa Cruz, and also including the county of San Benito in accordance with 23 U.S.C. 134, and 23 CFR 450.104, collectively referred to as the "**PARTIES**" and individually as "**PARTY**", establishes a general transportation planning and programming process outlining the responsibilities of the **MPO** and the **DEPARTMENT**, in accordance with 23 CFR 450.314.

CHAPTER 1: RECITALS

- 1.1 **Basis for Organization** – **MPO** is a joint powers agency formed pursuant to California Government Code sections 6500 et seq., as designated in 23 U.S.C. 134.
- 1.2 **Ability to Contract and Receive Grants** – **MPO** is empowered to make and enter into contracts in its own name and to accept grants, gifts, donations and other monies to carry out its statutory purposes and functions.
- 1.3 **State Requirement for Transportation Plan** – In accordance with the schedule specified in California Government Code sections 65080 et seq., and the California Transportation Commission's (CTC) Regional Transportation Planning Guidelines, **MPO** shall prepare, adopt and submit a Regional Transportation Plan (RTP) and either Sustainable Communities Strategy (SCS) or, if applicable, Alternative Planning Strategy (APS).
- 1.4 **Federal Requirements for Long Range Transportation Plans** – 23 U.S.C. 134 and 49 U.S.C. 5303, as amended by the Infrastructure Investment and Jobs Act (IIJA) and its successors, require that as a condition of receipt of federal capital or operating assistance, each urbanized area must have a continuing, comprehensive, coordinated transportation planning process, including a Long-Range Transportation Plan, of which the **MPO** RTP is the equivalent. As part of the process, **MPO** shall fulfill the requirements of the joint Federal Highway Administration (FHWA)/Federal Transit Administration (FTA) planning regulations (23 CFR Part 450 and 49 CFR Part 613) and any amendments thereto when developing the financially constrained Long Range Transportation Plan that conforms to the State Implementation Plan (SIP).
- 1.5 **Federal Requirement for Overall Work Program (OWP)** – **MPO** will document metropolitan planning activities and projected expenditures of funds provided under 23 U.S.C. Chapter 104 and 49 U.S.C. Chapter 53 in an annual Unified Planning Work Program, interchangeably referred to as the OWP, in accordance with 23 CFR 450 and 23 CFR 420.
- 1.6 **Federal Requirements for the Federal Transportation Improvement Program (FTIP) and Federal Statewide Transportation Improvement Program (FSTIP)** – 23 U.S.C. 135

and 49 U.S.C. 5304 require the FTIP to be updated at least once every 4 years. However, California Streets and Highways Code Sections 182.6 and 182.7 require the FTIP to be updated biennially. The FTIP shall be financially constrained, shall be consistent with the adopted RTP, and shall conform to the SIP. For purposes of this MOU, **PARTIES** agree that FTIP and FSTIP shall be updated biennially.

- 1.7 **Federal Clearinghouse Requirements** – Presidential Executive Order 12372, entitled Intergovernmental Review of Federal Programs, requires that federal agencies coordinate the review of proposed federal financial assistance and direct development activities, including transportation programs and projects funded under the IIJA and its successors, with affected State and local government entities. In California, the Governor's Office of Land Use and Climate Innovation (LCI) and designated Areawide Clearinghouses are the entities responsible for implementation of Executive Order 12372.

DEPARTMENT fulfills this reporting requirement for the FSTIP and for the Consolidated Planning Grant (CPG). The CPG consists of funds flowing from the FHWA Metropolitan Planning (PL) source, the FTA Metropolitan Planning (Section 5303) source, FHWA State Planning and Research, and FTA Statewide Planning and Research source (Section 5304).

1.8 **Planning Area Boundaries**

Federal Metropolitan Planning Area (MPA) Boundaries

For the purposes of meeting the requirements of 23 U.S.C. 134 and the agreement between the Governor and **MPO**, the MPA Boundaries include the Counties of Monterey, Santa Cruz, and San Benito as shown on Exhibit A.

PARTIES will comply with 23 CFR 450.312 regarding MPA boundaries. **PARTIES** will review the MPA boundary after each census to determine if existing MPA boundaries meet the minimum statutory requirements for new and updated urbanized areas, and the MPA will be adjusted, as necessary, within 2 years of each decennial U.S. census, beginning in the year 2020. To the extent the Governor of California approves an exception request to allow multiple Metropolitan Planning Organizations (MPOs) in an MPA to continue to generate separate planning products pursuant to 23 CFR 450.312(i), **DEPARTMENT** will recognize the exception.

- 1.9 **Coordination Across Metropolitan Planning Area (MPA) Boundaries** – In accordance with 23 CFR 450.312 and 23 CFR 450.314(e), **MPO** agrees to coordinate with adjacent MPOs in the creation of long-range planning and programming documents to ensure consistent assumptions in the urbanized areas identified in Exhibit A, especially where proposed transportation investments span MPA boundaries. Metropolitan Planning Area (MPA) boundaries, as defined by 23 CFR 450.312 and 23 CFR 450.314, cannot overlap but may be adjacent to one another. MPAs are the geographic areas where MPOs conduct transportation planning activities. These boundaries are determined through agreements between the **MPO** and the Governor and include urbanized areas with populations of 50,000 or more, as well as areas projected to grow over the next 20 years. This includes coordination with local and State air quality agencies, where appropriate. Coordination efforts and planning assumptions will be documented

in **MPO's** OWP, RTP and FTIP. **MPO** will comply with federal regulation in instances where urbanized areas are not encompassed by existing MPA boundaries. Furthermore, **DEPARTMENT** will coordinate with **MPO** in pursuing exceptions to Federal rules regarding MPA boundaries, where applicable. Per, 23 CFR 450.314, if an urbanized area spans multiple states, Governors, MPOs, and public transit operators shall coordinate transportation planning across the entire area.

CHAPTER 2: THE PLANNING AND COORDINATION PROCESS

- 2.1 **Provisions for the Planning and Programming Processes** – **MPO** is recognized as the agency responsible for comprehensive regional transportation planning pursuant to state and federal laws, as amended by the most current federal transportation authorization bill, for each MPO County and each incorporated city included in each county. This responsibility shall include, on a regional basis: providing a forum for regional transportation issues, developing and adopting goals and objectives, performing intermodal corridor and subarea studies, developing and maintaining appropriate management information systems as required by the most current federal transportation authorization bill, providing policy guidance, allocating State and federal transportation funds in accordance with applicable regulations and laws, assuring prioritization of proposed transportation improvements to be funded with State and federal funds as required by applicable regulations, determining air quality conformity with the applicable SIP, complying with the California Environmental Quality Act (CEQA), and coordinating the RTP with other plans and programs as appropriate. The parties hereby express their joint intent to mutually carry out the above-described transportation planning process for this MPO transportation planning area in a manner which will assure full compliance with the laws referred to in Chapter 1 of this MOU, the RTP Guidelines, and the planning constraints of the United States Department of Transportation (USDOT).
- 2.2 **Cooperation and Coordination** – The planning process employed by **MPO** will provide for the cooperation of, and coordination with, public transit and paratransit operators, public airport operators, local public works and planning departments, air pollution control districts, tribal governments, passenger and freight rail operators, port operators, other federal agencies, as appropriate, and the **DEPARTMENT**. **MPO** will provide the level of coordination and cooperation necessary to meet State and federal transportation and air quality laws and regulations. **MPO** will collaborate and adopt planning processes consistent with the **DEPARTMENT**, **MPO's** Air Pollution Control Districts, and the other affected air basin MPOs as needed to develop consistency in travel demand modeling, transportation air emission modeling, air quality conformity determinations on the RTP and FTIP, transportation control measures, OWP, other interregional issues related to the development of plans. **MPO** will implement this cooperative provision by entering into agreements and operating procedures with other MPOs as necessary and appropriate.
- 2.3 **State Cooperation in Transportation Planning** – **DEPARTMENT** has a continuing duty of:
 - (a) Planning transportation systems of statewide significance;
 - (b) identifying potential transportation issues and concerns of overriding statewide interest; and
 - (c) recognizing conflicts in RTIPs.

In carrying out its duties, **DEPARTMENT** will work in partnership with **MPO** relative to activities within its transportation planning area and include **MPO** in its dealings with cities, counties, public transit operators, rail operators, and airports. **MPO** and **DEPARTMENT** will mutually carry out the transportation planning process for this transportation planning area in a manner which will assure full compliance with the laws referenced in Chapter 1 hereinabove and assure cooperation between all participants.

- 2.4 **Formal Public Participation** – In accordance with 23 CFR 450.316(b), the **MPO** planning process shall be conducted in an open manner so members of the public, civic groups, interest groups, businesses and industries, and other agencies can fully participate. Public participation procedures shall be documented, periodically revised, and their effectiveness regularly evaluated. **MPO** shall take appropriate actions to ensure public participation through such formal means as:
- a. posting of public hearing agendas, (b) appointment of eligible citizen members, where appropriate and allowed, to serve as committee members, (c) innovative and creative outreach efforts targeting particularly the traditionally underserved public (e.g., minorities, senior citizens, low-income citizens, and Native Americans), and (d) creation of standing advisory committees. Those committees not composed entirely of citizen members shall post public hearing agendas in accordance with the Brown Act (California Government Code section 54950 et seq.), when applicable, and all committees shall operate according to their adopted bylaws.
- 2.5 **Policy Level Involvement** – There exists within the **MPO** a Transportation Policy Committee, which consists of members of the Governing Board of Directors, members of the **MPO**, and the Department's Director, or their designated representatives and alternates.
- 2.6 **Resolution of Disagreements** – **MPO** and **DEPARTMENT** agree in good faith to resolve any and all disputes arising from the performance or non-performance of the responsibilities in this MOU through existing administrative processes where possible. **MPO** and **DEPARTMENT** agree to notify the other party in writing if a disagreement regarding these responsibilities remains after attempts have been made to resolve at the staff level. Upon receipt of formal notification, the Chief of the Caltrans Division of Transportation Planning or designee will meet with the Executive Director of **MPO**, or designee, within thirty (30) days of notice to reach an understanding and resolution regarding the dispute; provided, however the Executive Director of the **MPO**, or designee, shall have the option to request a meeting with the Director of Caltrans to reach an understanding. Thereafter, **DEPARTMENT** shall document such resolution in writing. During any such dispute, the appropriate administration of the USDOT will be consulted by the **DEPARTMENT**. In cases where a resolution cannot be reached between the Parties regarding the disagreement, **DEPARTMENT** will initiate a request to USDOT for an administrative determination. The determination by USDOT shall be final, binding on each party, not appealable, and rendered within thirty (30) days of the request. Such request will include as an attachment a statement of facts from each party.

CHAPTER 3: FORMAL CONSULTATION

- 3.1 **Consultation with Native American Tribal Governments** – In accordance with 23 CFR 450.316 and 49 U.S.C. 5303, **MPO** will appropriately involve any Indian Tribal government(s) within or contiguous to its planning area in the development of the RTP and the FTIP.
- 3.2 **Consultation with Land and Resource Agencies** – In accordance with 23 CFR 450.316, **MPO** will involve any State, and local agencies responsible for land use management, natural resources, environmental protection, conservation, and historic preservation concerning the development of a Long-Range Transportation Plan and the FTIP. The consultation shall involve, as appropriate, comparison of transportation plans with State conservation plans or maps or comparison of transportation plans to inventories of natural or historic resources, if available.
- 3.3 **Consultation with Federal Land Management Agencies (FLMAs)** – In accordance with 23 CFR 450.316 (d), when the MPA includes federal public lands, **MPO** shall appropriately involve the FLMAs in the development of the Long-Range Transportation Plan and the FTIP. To accomplish this, during the **MPO's** next update of its Public Participation Plan (PPP) following the execution of this MOU, the **MPO** should outline FLMA consultation procedures in the **MPO's** public participation plan, detailing proposed approaches to engage FLMAs at key stages of the transportation planning and programming process. **MPO** should include a structured process for consulting with FLMA stakeholders during project identification to ensure FLMA priorities and concerns are addressed. In project identification meetings and consultations, **MPO** should provide FLMA partners with opportunities to discuss alignment of projects with federal lands' access needs and public land stewardship goals.
- 3.4 **Documented Consultation Processes** – In accordance with 23 CFR 450.316, **MPO** will develop documented processes that outlines the procedures that it will follow when consulting with other governments and agencies as identified in paragraph 3.1, 3.2, and 3.3.
- 3.5 **Clean Air Act Consultation** – In nonattainment or maintenance areas, **MPO** shall consult with State and local agencies responsible for SIP and will establish an interagency consultation procedure and will coordinate the development of the RTP and improvement programs with the SIP development process, including the development of transportation control measures.

CHAPTER 4: PARTNERSHIP/COORDINATION

- 4.1 **MPO Role and Responsibilities** – **MPO**, in cooperation with **DEPARTMENT**, the designated air pollution control agency, and public transportation service providers, will be responsible for carrying out the metropolitan transportation planning process. **MPO** will cooperatively develop plans and programs in accordance with the requirements specified in 23 CFR Part 450, 23 U.S.C. 134 and 135; 42 U.S.C. 7410 et seq.; 49 U.S.C. 5303 and 5304; 49 CFR 1.85 and 1.90. In nonattainment and maintenance areas, the **MPO** will follow the requirements of

the Clean Air Act and the EPA's transportation conformity regulations (40 CFR part 93, subpart A).

- 4.2 **MPO Agreement with Transit Operators** – Per 23 CFR 450.314, each MPO, the State DOT, and public transportation providers must cooperatively determine and document, in a written agreement, their mutual responsibilities for carrying out the metropolitan transportation planning process. These responsibilities shall be clearly defined in a written agreement(s) which include specific provisions for the development of financial plans that support the RTP and the FTIP, and development of the annual listing of obligated projects.

MPO agrees to develop and maintain a written agreement(s) with its respective transit operators within their respective MPA boundaries, in accordance with 23 CFR 450.314. This agreement shall define the cooperative process for carrying out the metropolitan transportation planning process and shall, at a minimum, outline the roles and responsibilities of the **MPO** and transit operators in the following areas:

- The development and implementation of the RTP and FTIP, including procedures for incorporating and funding transit projects.
- The establishment, coordination, and reporting of performance-based planning targets related to transit asset management and safety.
- The coordination of transit planning activities into regional planning and programming objectives, such as enhancing multimodal connectivity, advancing equity, and reducing emissions, while ensuring alignment with the metropolitan planning framework and statewide and federal transportation goals.
- The establishment of defined roles and responsibilities for data sharing, public participation, and stakeholder engagement in transit planning and investment decisions.

MPO, in coordination with transit operators and the **DEPARTMENT**, should periodically review and update the agreement(s), as necessary to maintain consistency with State and federal requirements. **MPO** will submit a copy of the fully executed agreement to the **DEPARTMENT**.

- 4.3 **Long-range Transportation Plan Coordination** – In accordance with 23 CFR 450.324, the **MPO** will prepare, adopt and update a long-range transportation plan, in the form of the **MPO's** RTP. The RTP will be updated at least every 4 years to incorporate new data and cost estimates, or 5 years in air quality attainment areas, and ensure that the horizon of the plan extends at least 20 years as required by law. Per 23 CFR 450.316 (c) and (d), when the MPA includes Indian Tribal lands or Federal public lands, the **MPO** shall appropriately involve the Indian Tribal government(s) and FLMAs in the development of the RTP and FTIP. In accordance with the provisions in 23 CFR 450.316 (b), in the development of the RTP and FTIP, the **MPO** shall also consult with agencies and officials responsible for other planning activities within the MPA that are affected by transportation (including agencies responsible for State and local planned growth, economic development, tourism, natural disaster risk reduction, environmental protection, transit and rail operators, airport operations, or freight movements) or coordinate its planning processes (to the maximum extent practicable) with such planning

activities. **MPO** shall fulfill the requirements of the joint FHWA/FTA planning regulations (23 CFR 450 and 49 CFR 613) and any amendments thereto. The RTP will also be prepared in accordance with the provisions specified in California Government Code section 65080, including the adoption of a Sustainable Communities Strategy or, if applicable, Alternative Planning Strategy. **MPO** will give public transportation service providers, including regional and state providers as applicable, the opportunity to actively participate in the development of the RTP. **DEPARTMENT**, in collaboration with the CTC and in consultation with **MPO**, resource agencies, Tribal governments, and other stakeholders, prepare and update the Regional Transportation Plan Guidelines for adoption by the CTC on an as needed basis.

- 4.4 **Federal Transportation Improvement Program (FTIP) Coordination** – **MPO** shall prepare, adopt, and biennially update at least a four-year FTIP in accordance with the requirements of 23 CFR 450.300 et seq. In alignment with 23 CFR 450.316, and 23 CFR 450.324, this function will be carried out by **MPO** in consultation with **MPO's** Air Pollution Control District, the **DEPARTMENT**, local government agencies, public transit owners and operators in **MPO's** County, Native American Tribal Governments in the region, and with the participation of the public. In accordance with the provisions in 23 CFR 450.326, **MPO** and **DEPARTMENT** will work with public transportation operators to cooperatively develop estimates of available federal and State funds which **MPO** can utilize in developing the FTIP.
- 4.5 **Federal Statewide Transportation Improvement Program (FSTIP) Development Coordination** – **DEPARTMENT** shall prepare and biennially update the four-year FSTIP in accordance with the requirements of 23 CFR 450.200 et seq. The FSTIP shall include all MPO FTIPs along with projects from the rural non-MPO regions of the State. The FSTIP will be financially constrained by year according to the appropriate Code of Federal Regulations. The biennially prepared FSTIP will be submitted to the FHWA and FTA for joint approval.
- 4.6 **State Highway Operations and Protection Program (SHOPP) Coordination** – Under California Government Code section 14526.5, **DEPARTMENT** is required to prepare a SHOPP for the expenditure of transportation funds for major capital improvements which are necessary to preserve and protect the state highway system. Projects are limited to capital improvements relative to maintenance, safety, operations, and rehabilitation of State highways and bridges which do not add new capacity to the system. The program must be submitted no later than January 31 of each even numbered year. SHOPP is a four-year program of projects adopted separately from the State Transportation Improvement Program (STIP) cycle. Prior to submitting the SHOPP, **DEPARTMENT** will make available, within a reasonable amount a time, to **MPO** and transit agencies a draft of the SHOPP for review and comment and will consider and include any comments received from **MPO** or transit agency in the final SHOPP.
- 4.7 **State Highway System Planning Coordination** – In conducting its Transportation System Planning Program, **DEPARTMENT** will coordinate its studies with those being conducted by **MPO**. As one means of coordinating transportation planning activities, **DEPARTMENT** will provide information on its system planning and Statewide transit and rail planning activities for **MPO's** use in development of the OWP, RTP, RTIP, and FTIP, including required traffic and transit data, as applicable.

- 4.8 **Overall Work Program (OWP) Coordination** – **MPO** will develop, adopt, and submit to the **DEPARTMENT** and FHWA/FTA an annual OWP which documents the transportation planning activities performed by **MPO** with funds provided under Title 23 U.S.C and Title 49 U.S.C Chapter 53. These activities support the development and implementation of the State and federal transportation plans and programs and act as the basis for the **MPO's** annual budget. The draft OWP, and any amendments thereto, will be subject to review and approval by the **DEPARTMENT** and FHWA/FTA as needed. As a basis for review of amendment requests, **MPO** will submit reasons for changes, scope of work revisions, and funding enhancements or reductions. **MPO** will require the same information from its subgrantees and should include transit agencies if any. Activities funded by other federal sources not included in the OWP will be listed in its appendix and managed through agreements with subrecipients, as applicable.
- MPO** shall cooperatively develop the OWP with the **DEPARTMENT** and with public transportation operator(s). **MPO** will provide the publicly owned transportation service providers timely notice of plans, programs, and studies and the full opportunity to participate in and comment on OWP development and implementation and transit agencies' planning activities should be appropriately reflected in the OWP to ensure coordination across regional transportation planning efforts.
- 4.9 **State Clearinghouse Requirements** – If **MPO** has been designated by the State of California and LCI as the Areawide Clearinghouse for its constituent counties it shall review regionally significant transportation projects in accordance with procedures developed by LCI as described in CEQA.
- 4.10 **Data Collection** – The **DEPARTMENT** and **MPO** will collaborate to fulfill the data requirements applicable to the **DEPARTMENT** as outlined in 23 CFR 420.105(b). To meet these requirements, responsibilities will be shared between the **DEPARTMENT** and **MPO**, to the extent possible. The **DEPARTMENT** will be responsible for data on State Highways, and **MPO** will be responsible for data on local streets and roads of regional significance, as appropriate. For transit data, the **DEPARTMENT** and **MPO** will share the responsibility of data collection, as applicable. Additional details regarding the coordination of data collection efforts and related provisions can be found in 23 CFR 450.
- 4.11 **Provisions for Performance-Based Planning and Programming (PBPP)** – In accordance with 23 CFR 490, 49 U.S.C. 5326(c), and 49 U.S.C. 5329(d), **MPO** and **DEPARTMENT** agree to collaborate to implement the performance reporting and performance-based planning provisions first incorporated in MAP-21, further revised in the FAST Act, and reinforced by the IIJA/BIL. Specifically, **MPO** and **DEPARTMENT** agree to share information with regards to performance data and target-setting and to report on performance in attaining targets per the requirements established in federal final rule-making. **MPO** will integrate in the metropolitan transportation planning process, directly or by reference, the goals, objectives, performance measures, and targets described in other **DEPARTMENT** transportation plans and transportation processes required as part of a performance-based program.

The **DEPARTMENT**'s goal is to align long-term planning at the local and regional levels with PBPP processes and procedures as required by federal regulations. **DEPARTMENT** encourages and recommends **MPO** and regional partners to develop performance targets and measures in their RTPs and FTIPs for inclusion in the FSTIP. **DEPARTMENT** is committed to working with partners to implement performance target setting guidance and will work to implement performance target guidance to best meet the intent of the 2025 FSTIP federal recommendations now and moving forward.

DEPARTMENT encourages **MPO** to utilize and incorporate PBPP targets and performance measures in the next and future FTIP submittals. Per federal regulations, **MPO** is required to conduct their planning and programming processes using performance-driven processes. In doing so, **DEPARTMENT** is committed to supporting the **MPO** in integrating standardized yet flexible PBPP practices. **DEPARTMENT** will conduct regular meetings with MPOs to discuss the implementation of the PBPP to track performance measures, compare results, and adjust the performance targets as needed.

- 4.12 **Project Cost Estimates** – For **DEPARTMENT** sponsored programs and projects, **DEPARTMENT** will collect and analyze data to be used in evaluating alternative transportation projects. For these projects, **DEPARTMENT** will supply **MPO** with project level cost and other data necessary for **MPO** to demonstrate in its financial plans that the entire system will be adequately maintained and operated. FHWA guidance for project cost estimates can be found at <http://www.fhwa.dot.gov>. **MPO** and local project sponsors will collect and analyze data reflecting existing and historical information which will be the basis for local project estimates cost and revenue projections for transportation planning, programs, and projects.
- 4.13 **Annual Listing of Obligated Projects** – In accordance with 23 CFR 450.332, the **DEPARTMENT**, public transportation operators, and **MPO** will cooperatively develop an annual listing of projects, including active transportation facilities, for which funds under 23 U.S.C. or 49 U.S.C. Chapter 53 were obligated in the preceding program year. The listing will include all federally funded projects authorized or revised to increase obligations in the preceding program year, and will at a minimum include the Transportation Improvement Program (TIP) information under 23 CFR 450.326(g) (1) and (4) and identify, for each project, the amount of federal funds requested in the TIP, the federal funding that was obligated during the preceding year, and the federal funding remaining and available for subsequent years. This listing will be created no more than 90 days after the end of the federal program year and published or otherwise be made available in accordance with the **MPO**'s public participation criteria for the TIP.

CHAPTER 5: FEDERAL TRANSPORTATION PERFORMANCE MANAGEMENT

- 5.1 **Metropolitan Planning Agreements** – In accordance with 23 CFR 450.314(h), the **MPO**, **DEPARTMENT**, 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**, the collection of data for the State asset

management plans for the NHS, and the collection of performance data for federal reporting.

5.2 **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:

- a. 23 CFR 450.206(c)(2) – The **DEPARTMENT** shall select and establish performance targets in coordination with the relevant MPOs to ensure consistency to the maximum extent practicable.
- b. 23 CFR 450.206(c)(5) – The **DEPARTMENT** shall consider the performance measures and targets when developing policies, programs, and investment priorities reflected in the long-range statewide transportation plan and statewide transportation improvement program.

5.3 **MPO Coordination for Performance Based Approach** – Per 23 CFR 450, Subpart C, Metropolitan Transportation Planning and Programming, the **MPO** responsibilities are as follows:

- a. 23 CFR 450.306(a) – The **MPO**, in cooperation with the **DEPARTMENT** and public transportation operators, shall develop long-range transportation plans and TIPs through a performance-driven, outcome-based approach to planning for metropolitan areas of the State.
- b. 23 CFR 450.306(d)(2) – Establishment of performance targets by **MPO**.
- c. 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 (where applicable), 49 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**.
- d. 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 **DEPARTMENT** to ensure consistency, to the maximum extent practicable.
- e. 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).
- f. 23 CFR 450.306(d)(3) – The **MPO** shall establish the performance targets, or choose to adopt the **DEPARTMENT** established targets, under paragraph (d)(2) of this section not later than 180 days after the date on which the **DEPARTMENT** or provider of public transportation establishes the performance targets.

- g. 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 **DEPARTMENT** 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.

5.4 **MPO Responsibilities for Metropolitan Transportation Plan (MTP) Development** – Per 23 CFR 450.324, the **MPO's** MTP, also referred to as the RTP, shall include:

- a. 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 23 CFR 450.306(d).
- b. 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.

5.5 **MPO Responsibilities for Transportation Improvement Program (TIP) Development** – Per 23 CFR 450.326, the **MPO's** TIP shall:

- a. 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).
- b. 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.

5.6 **MPO Coordination with State and Transit Providers for Transit Asset Management (TAM)** – Per 49 CFR 625.45, transit providers are required to coordinate with the States and MPOs, to the maximum extent practicable, in the selection of State and MPO performance targets.

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

5.7 **MPO Coordination for the State Transportation Safety Plan** – Per 49 CFR 673.15, a State or transit agency must make its safety performance targets available to States and **MPO** to aid in the planning process. To the maximum extent practicable, a State or transit agency must coordinate with the States and MPOs in the selection of State and MPO safety performance targets.

5.8 **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 serious injuries and fatalities.

Federal regulations require the **DEPARTMENT** to establish and report annual safety performance management targets (SPMTs) related to each of these five performance measures by August 31 of each year. For each performance measure, the **MPO** shall establish a target within 180 days after the **DEPARTMENT** establishes targets (February 27) by either: 1) agreeing to support the **DEPARTMENT** statewide safety target for that performance measure; or 2) establishing a quantifiable target for that performance measure for their metropolitan planning area.

To provide the **MPO** with flexibility, the **MPO** may support all the **DEPARTMENT'S** SPMTs, establish their own specific numeric SPMTs for all the performance measures, or any combination. The **MPO** may support the **DEPARTMENT'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.

DEPARTMENT will:

- Lead SPMT Engagement Workshops to coordinate target-setting efforts with **MPO** prior to setting annual statewide SPMTs each 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 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 **DEPARTMENT** target deadline.
- Prepare and disseminate a whitepaper documenting target-setting coordination with MPOs and explaining the analytical methodology the **DEPARTMENT** used to calculate statewide SPMTs by September 30 each year.
- Provide information and guidance to the **MPO** about the **DEPARTMENT'** 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.

MPO will:

- Participate in target-setting efforts with the **DEPARTMENT** 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 **DEPARTMENT**.
- By February 27 each year, document with the **DEPARTMENT** for each safety performance measure whether they: 1) agree to plan and program projects so that they contribute toward the accomplishment of the **DEPARTMENT** 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.

5.9 **Performance Management 2 (PM2): Assessing Pavement Condition for the National Highway Performance Program (NHPP) and Bridge Condition for the NHPP**

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 NHS for the purpose of carrying out the 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 PM2.

The TAMP Final Federal Rule requires the **DEPARTMENT** 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 **DEPARTMENT** and **MPO** with regard to coordinating the establishment of targets for the PM2 performance measures to ensure consistency, or where applicable, adopting unified targets. Additionally, this documents agreement between the **DEPARTMENT** and **MPO** in the establishment of good, and poor performance metrics for measuring pavement and bridge performance.

PM2 Target-Setting for Pavement and Bridge Performance Measures – Reporting Cycle

- a. **Pavement** – **DEPARTMENT** establishes PM2 targets for non-Interstate and Interstate NHS pavement through a collaborative process involving MPOs during the development of the TAMP.
- b. **Bridge** – **DEPARTMENT** establishes PM2 targets for NHS Bridges through a collaborative process that involved MPOs as part of the TAMP development.

In accordance with 23 CFR 515.13, **DEPARTMENT** is required to update the TAMP every four years to incorporate improvements and re-evaluate conditions, targets and performance. **MPO** will be given time and opportunity to revise its existing PM2 targets during TAMP development.

State and MPO Roles and Responsibilities for the PM2 Initial Target Setting and Reporting

DEPARTMENT will:

- Lead PM2 Engagement Workshops to coordinate target-setting efforts with MPOs prior to setting annual statewide PM2 targets.
- Collect NHS condition data for pavements and bridges as required for federal reporting.
- Provide NHS data as part of the TAMP development process.
- Prepare and disseminate a summary overview of target setting methodology and proposed **DEPARTMENT** targets to MPOs during its TAMP development workshops.
- Provide information and guidance to MPOs about statewide PM2 analytical methodology.
- Submit Biennial Performance Reports to FHWA.
- Integrate performance goals, objectives, measures and targets into the **DEPARTMENT'S** planning and programming process as required by 23 CFR Part 450.

MPO will:

- Participate in target-setting efforts with **DEPARTMENT** through the PM2 Engagement process. PM2 Engagement Workshops provide an important opportunity for the MPOs to address the requirement that they coordinate their performance measure target setting efforts with **DEPARTMENT**.
- Commit to a quantifiable target for that performance measure for their MPA.
- Integrate performance goals, objectives, measures and targets into the **MPO's** planning and programming processes as required by 23 CFR Part 450.

5.10 **Performance Management 3 (PM3): Assessing Performance of the National Highway System (NHS) Freight Movement on the Interstate System, and Congestion Mitigation 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 NHS for: carrying out the 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 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 PM3. 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).

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 **DEPARTMENT** and **MPO** with regard to coordinating the establishment of targets for the PM3 performance measures to ensure consistency, or where applicable, adopting unified targets. Additionally, this documents agreement between the **DEPARTMENT** 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.

PM3 Initial Target-Setting and Reporting Cycle (2022- 2025)

For PM3, the USDOT initially required states to set a 4-year target, expressed as a percent, for Green House Gas (GHG) emissions reductions. The target was specific to carbon dioxide (CO₂) reduction resulting from vehicles on the NHS. PM3 adhered to a 4-year performance-target setting and reporting cycle. Working closely with the **DEPARTMENT**, MPOs assist in establishing, reporting, and monitoring PM3 targets for integration into the California Transportation Plan (CTP) and STIP. MPOs play intermediary and collaborative roles between local jurisdictions and **DEPARTMENT** to report PM3 data, set targets, and integrate performance measures to meet federal requirements. Key performance measures for MPOs include Travel Time Reliability (Interstate non-Interstate), freight information (i.e., Truck Travel Time Reliability), and CMAQ measures (Peak Hour Excessive Delay, Non-SOV Travel, and total emissions reductions for CMAQ-funded projects. **MPO** targets will be provided to the **DEPARTMENT** and made available to the FHWA upon request.

The original USDOT guidance required the **DEPARTMENT** to report 2-year and 4-year performance targets, baseline condition, and progress toward achieving performance targets in Biennial Performance Reports to FHWA. The current cycle, Cycle 2, is applicable for the four years from 2022-2025 with a mid-cycle report in 2024 and a final report due in 2026. Cycle 3 runs from 2026-2029 with a mid-cycle report in 2028 and a final report in 2030. MPOs with urbanized areas of more than 1 million people that are also in non-attainment or maintenance areas must provide the **DEPARTMENT** 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).

Travel Time Data and Reporting Segments: State and MPO Concurrence

23 CFR 490.103(e) requires the **DEPARTMENT**, in coordination with MPOs, to establish a single travel time data set that will be used to calculate the annual metrics in 23

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

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 **DEPARTMENT** 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 **DEPARTMENT**, 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 **DEPARTMENT** intends to exercise the option described in 23 CFR 490.103(f) to accept the travel time segments in NPMRDS as the reporting segments.

Department and MPO Roles and Responsibilities for the PM3 Initial Target Setting and Reporting Cycle (2022-2025)

DEPARTMENT will:

- Lead PM3 Engagement Workshops to coordinate target-setting efforts with **MPO** prior to setting annual statewide PM3 targets. **DEPARTMENT** and **MPO** must coordinate to the maximum extent practicable when setting PM3 targets to ensure consistency, and in certain instances, adopt unified targets.
- Employ advance coordination opportunities to allow **MPO** sufficient time to finalize targets through their respective processes prior to submission dates. **DEPARTMENT** will work with MPOs to establish fair and appropriate lead time to finalize targets. PM3 Engagement Workshops provide an important opportunity for the **DEPARTMENT** and MPOs to address the requirement that they coordinate their performance measure target setting efforts with the **DEPARTMENT**.
- Establish and maintain a resource with links to videos and/or other information related to PM3 and **DEPARTMENT**-hosted training, as well as links to other performance management training resources. The resource will provide access to a web-based tool that will provide MPO-level and county-level NPMRDS performance data required to measure performance and set PM3 targets. This data will be provided at the outset of annual Engagement Workshops to set targets for the respective calendar year.
- Prepare and disseminate a summary overview of target setting methodology and proposed **DEPARTMENT** targets to MPOs a minimum of 14 days prior to **DEPARTMENT** target deadline.
- Prepare and disseminate a paper documenting the target-setting process. Provide information and guidance to the **MPO** about the **DEPARTMENT'S** statewide PM3 analytical methodology.
- Submit Biennial Performance Reports to FHWA: Full Performance Period Progress Report (due October 1, 2026). Mid Performance Period Progress Report (due October 1, 2028); Full Performance Period Progress Report (due October 1, 2030).
- Integrate performance goals, objectives, measures and targets into the **DEPARTMENT'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.
- Support the use of the Regional Integrated Transportation Information System platform for managing NPMRDS data under PM3. MPOs are advised to consult with the **DEPARTMENT** for further discussions.

MPO will:

- Participate in target-setting efforts with the **DEPARTMENT** through the PM3 Engagement process. The **DEPARTMENT** and MPOs must coordinate to the maximum extent practicable when setting PM3 targets to ensure consistency, and in certain instances, adopt unified targets. PM3 Engagement Workshops provide an important opportunity for the **DEPARTMENT** and MPOs to address the requirement that they coordinate their performance measure target setting efforts with the **DEPARTMENT**.
- MPOs with urbanized areas of more than 1 million people that are also in non-attainment or maintenance areas must provide the **DEPARTMENT** with a CMAQ Performance Plan pursuant to 23 CFR 490.107 to be included as an attachment to the Biennial Performance Reports to FHWA. 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 **DEPARTMENT** has access to information regarding progress toward the **MPO** target achievement.

CHAPTER 6: AIR QUALITY CONFORMITY

- 6.1 **Conformity** – In accordance with Title 42, section 176(c)(4)(C) of the Clean Air Act and the final rule on U.S. EPA Transportation Conformity (40 CFR, Parts 51 and 93, hereafter "the Final Rule"), and the USDOT Planning Regulations (23 CFR 450), **MPO**, in cooperation with **MPO's** Air Pollution Control District, will make air quality conformity determinations for regional transportation plans and plan amendments, as applicable. **MPO** will collect and analyze data necessary to carry out its responsibilities under the Final Rule. The Air Quality Conformity determination will be made in accordance with the rules of **MPO's** Air Pollution Control District and consistent with the MOU and/or approved interagency consultation procedures among air basin MPOs and/or RTPAs where applicable. **DEPARTMENT** will fully participate and carry out its responsibilities as defined in the Final Rule, including public and interagency consultation, making project level conformity analysis for **DEPARTMENT** sponsored projects, and facilitating statewide discussion of SIP revisions and other conformity related issues.

CHAPTER 7: ENVIRONMENTAL PROTECTION AND STREAMLINING COORDINATION

- 7.1 **Environmental Protection and Streamlining** – **MPO** will be an equal partner with **DEPARTMENT** to promote environmental stewardship in planning and programming projects for California's transportation systems. **MPO** and **DEPARTMENT** will work to streamline the environmental review and wetlands permitting process and expedite the development of transportation projects. **MPO** and **DEPARTMENT** agree to comply with all applicable environmental laws, regulations and policies, and cooperatively address any informational needs

associated with such statutes. **MPO** will consult with federal and State resource agencies to seek their input, coordinate environmental protection issues with its constituents and any other entities for which it has assumed federal planning and programming responsibilities in the most current transportation authorization bill, and resolve any disputes using the processes defined in the most current federal regulations. **DEPARTMENT** will assist **MPO** in developing its plans and programs by making available existing information to **MPO** as feasible, participating in relevant planning activities and, wherever possible, improving the available environmental data.

CHAPTER 8: CERTIFICATION

- 8.1 **Certification Requirement** – Federal Metropolitan Transportation Planning Regulations require that **MPO**, undergo certification that the planning process is being carried out in conformance with all applicable requirements of 23 CFR 450.336.
- 8.2 **Certification Process** – For purposes of certification, **MPO** will establish a process which includes the following:
- a. Fully executed copies of the FHWA Metropolitan Planning Process Self-Certification and FTA Certifications and Assurances are to be included as part of the final adopted and approved OWP.
 - b. **MPO** will provide **DEPARTMENT** with documentation (e.g., quarterly reports, public notices, finished work element products, etc.) to support **MPO**'s planning process.

CHAPTER 9: GENERAL PROVISIONS

- 9.1 **Review** – This MOU has been reviewed and endorsed by both **PARTIES** to assure its continued effectiveness. Any proposed amendments shall be submitted in writing for the consideration by each **PARTY**.
- 9.2 **Amendment** – This MOU constitutes an expression of desire and a means of accomplishing the general requirements for a comprehensive transportation planning process for the **MPO**. It may be modified, altered, revised or expanded as deemed appropriate to that end by written agreement of both **PARTIES**.
- 9.3 **Rescission of Prior Agreements** – Upon execution by **PARTIES**, this MOU supersedes the MOU entitled "Comprehensive Federal and State Transportation Planning and Programming" executed by **PARTIES** on July 7, 2017 and the corresponding addendum executed on May 23, 2018.
- 9.4 **Monitoring** – **PARTIES** jointly agree to meet periodically to address and review issues of consistency with this MOU. Meetings will be held as often as is mutually agreed. Other issues and activities of mutual interest or concern may also be addressed. During the term of the MOU, **PARTIES** mutually agree to notify the other of events which have a significant impact upon the MOU.

- 9.5 **Termination** – Subject to the provisions in Section 2.6 (Resolution of Disputes), either **PARTY** may terminate this understanding upon written notice provided at least ninety (90) days prior to the effective date of termination and specifying that effective date of termination.
- 9.6 **No Third-party Beneficiaries** – This MOU is for the benefit of and applies to the **PARTIES**. There are no third-party beneficiaries, intended or otherwise.

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

[Insert BOARD CHAIR], Chairperson
Association of Monterey Bay Area Governments

Date

Dina El-Tawansy, 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)), long-range statewide transportation plan (or California Transportation Plan (CTP)), MPOs Federal Transportation Improvement Program (FTIP) and the Federal Statewide Transportation Improvement Program (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 23 CFR 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 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 Council of Governments 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/SDOTMoveTheNeedle2017.pdf>

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

In December 2025, California will adopt its next five-year long-range statewide transportation plan/CTP. Per 23 CFR 450.216, 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.

MPOs must update their FTIP through their next amendment to ensure Performance Management Requirements and explain their efforts in working toward meeting these requirements. Caltrans is required by state statute (Statutes Government Code 65074) to submit the FSTIP to the FHWA and Federal Transit Administration (FTA) by December 1 of each even-numbered year. 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 FSTIP must be in accordance with 23 CFR 450.218. The 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 FSTIP must include discussions to describe the adopted performance targets and what the MPO did in their process to prioritize the programming of projects that would move performance toward those targets and how the system is performing.

Appendix B – Performance Management Federal Regulations

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

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.

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

AMBAG Region

Exhibit A

