9. TRANSIT ASSET MANAGEMENT PERFORMANCE MEASURES UPDATE

BACKGROUND

Transit Asset Management (TAM) is a process established under the Moving Ahead for Progress in the 21st Century Act (MAP-21) and continued under the Fixing America's Surface Transportation (FAST) Act and the Infrastructure Investment and Jobs Act (IIJA) in 2021. The law directs the Federal Transit Administration (FTA), an operating administration of the U.S. Department of Transportation, to establish a process to maintain and track transit capital assets over their life cycle.

This reporting is also an integral part of both the development and updating of the Regional Transportation Plan (RTP) and the Transportation Improvement Program (TIP). This rule, known as the TAM Final Rule became effective October 1, 2016, and established four categories of assets for transit agencies to track performance:

1. **Rolling Stock:** The percentage of revenue vehicles that have met or exceeded the useful life benchmark.
2. **Equipment:** The percentage of non-revenue service vehicles that have met or exceed the useful life benchmark.
3. **Facilities:** The percentage of facilities that are rated less than 3.0 on the Transit Economic Requirements Model scale.
4. **Infrastructure:** The percentage of track segments that have performance restrictions.

Each public transportation transit agency must prepare a TAM plan that outlines the condition of assets in each of the above categories and must be updated at least every four years. Transit providers also establish performance targets for applicable asset categories.

The MPO is required to work with the transit agencies to coordinate and establish regional performance targets for each of these categories. This process is designed to help ensure that transit assets remain in a state of good repair. This process also allows the MPO to identify categories of assets in need of investment.

CURRENT SITUATION

H-GAC staff used the most recent available agency-submitted data, including official NTD (National Transit Database)-reported TAM target submissions, and then coordinated with the region's public transit agencies to set 2028-2030 regional targets. Where no newer NTD or agency-submitted data was available, H-GAC carried forward the most recent available agency-submitted TAM data and targets.

Performance measure targets for 2028 and 2030 were endorsed by the Regional Transit Coordination Subcommittee on September 3, 2026. Please see the attached report for more information.

ACTION REQUESTED

Transportation Policy Council approval of Resolution No. 2026-21

Resolution

No. 2026-21

AUTHORIZING ADOPTION OF FEDERAL PERFORMANCE TARGETS FOR TRANSIT ASSET MANAGEMENT PERFORMANCE MEASURES REQUIRED BY THE FAST ACT AND THE BIPARTISAN INFRASTRUCTURE LAW (ALSO KNOWN AS THE INFRASTRUCTURE INVESTMENT AND JOBS ACT)

WHEREAS, the Houston-Galveston Area Council (H-GAC) is designated as the Metropolitan Planning Organization (MPO) for the Houston - Galveston Metropolitan Planning Area by the Governor of Texas in accordance with federal law, and;

WHEREAS, the Transportation Policy Council (TPC) is the regional transportation policy body, and;

WHEREAS, H-GAC is committed to maintaining and improving the conditions of public transportation assets to a State of Good Repair; resulting in a safe, reliable multimodal transit network that the region can depend on, and;

WHEREAS, federal law assigns the MPO the responsibility for carrying out the metropolitan planning process, in cooperation with the State and publicly owned transit service providers, and;

WHEREAS, the federal law assigns the MPO the responsibility for developing and approving regional performance targets and to incorporate these measures and a performance-based planning process into the Transportation Improvement Program (TIP) and the Regional Transportation Plan (RTP) documents, and;

WHEREAS, the federal law requires the adoption of regional Transit Asset Management performance targets in four (4) asset categories: 1). Rolling Stock – Revenue Vehicles; 2). Equipment – Non-Revenue Vehicles; 3). Facilities – All Buildings and Structures; and 4). Infrastructure – Fixed Rail Guideway, as shown in Attachment 1- Transit Asset Management Performance Measures Report, and;

NOW, THEREFORE, BE IT RESOLVED THAT THE TRANSPORTATION POLICY COUNCIL FOR THE HOUSTON-GALVESTON METROPOLITAN PLANNING AREA ADOPTS THE REGIONAL TRANSIT ASSET MANAGEMENT TARGETS FOR 2028 AND 2030, AS IDENTIFIED IN THE ATTACHED TRANSIT ASSET MANAGEMENT PERFORMANCE MEASURES TABLE, AND AMENDS THE PERFORMANCE MEASURES INTO THE 2027–2030 TRANSPORTATION IMPROVEMENT PROGRAM AND THE 2050 REGIONAL TRANSPORTATION PLAN.

PASSED AND APPROVED this 25th day of September 2026, at a regularly called meeting of the Transportation Policy Council.

APPROVED:

Hon. Justin Beckendorff, Chairman
Transportation Policy Council

ATTEST:

Hon. Sally Branson, Secretary
Transportation Policy Council

1. Introduction

Transit Asset Management (TAM) is a process established under the Moving Ahead for Progress in the 21st Century Act (MAP-21) and continued under the Fixing America's Surface Transportation (FAST) Act and the Infrastructure Investment and Jobs Act (IIJA). The law directs the Federal Transit Administration (FTA), an operating administration of the U.S. Department of Transportation, to establish a process to maintain and track transit capital assets over their life cycle. This reporting is also an integral part of both the development and updating of the Regional Transportation Plan (RTP) and the Transportation Improvement Program (TIP). This rule, known as the TAM Final Rule became effective October 1, 2016, and outlined four categories of assets for transit agencies to track performance:

Asset Category	Performance Measure
Rolling Stock	Age - % of Revenue Vehicles exceeding their Useful Life Benchmark (ULB)
Equipment	Age - % of Non-revenue Vehicles exceeding their Useful Life Benchmark (ULB)
Facilities	Condition - % of Facilities with a condition rating below 3 on the TERM scale (Marginal or Poor)
Infrastructure (Tier I Agencies)	Performance - % of Rail track segments, signals and systems with performance restrictions

Each transit operating agency must prepare a TAM plan that outlines the condition of assets in each of the above categories and must be updated at least every four years. Transit providers also establish annual performance targets for applicable asset categories. MPOs are required to work with the region's transit agencies to coordinate and establish regional performance targets for each of these categories. This process is designed to help ensure that transit assets remain in a state of good repair. This process also allows the MPO to identify categories of assets in need of investment. The table below calculates 2026 asset conditions and proposes 2028 and 2030 asset condition targets. A breakdown of these metrics can be found below.

Regional TAM Performance Targets

Performance Targets and Actuals by Year

Asset Category	2022			2024			2026			Proposed Targets*	
	Targets	Actuals	Met	Targets	Actuals	Met	Targets	Actuals	Met	2028	2030
Rolling Stock (revenue vehicles)	10%	10%	✓	10%	20%	✗	20%	19%	✓	20%	20%
Equipment (non-revenue vehicles)	46%	46%	✓	46%	55%	✗	55%	32%	✓	30%	30%
Facilities (buildings and structures)	54%	45%	✓	45%	28%	✓	28%	8%	✓	8%	8%
Infrastructure (rail tracks, signals & systems)	0%	0%	✓	0%	1%	✗	1%	1%	✓	1%	1%

Note: A lower percentage indicates better condition of transit assets

Source: H-GAC Tabulation of Transit Agency TAM Plans; 2024 National Transit Database Data (Retrieved June 2026)

Transit Asset Management (TAM)
2028-2030 Regional Performance Measures Report

2. Transit Agency Classification

Transit agencies are classified as Tier I or Tier II providers under the Federal Transit Administration's Transit Asset Management rule (49 CFR Part 625), based on the size and type of transit service they own, operate or manage.

TAM Provider Tier	Agency	Criteria
Tier I	City of Galveston Island Transit METRO	• Rail transit service, regardless of fleet size; or • 101 or more vehicles in revenue service during peak regular service: o across all fixed-route modes, or in any one non-fixed-route mode.
Tier II	City of Conroe Fort Bend Transit Gulf Coast Transit District Harris County Transit The Woodlands Township	• 100 or fewer vehicles in revenue service during peak regular service across all non-rail fixed-route modes; or • 100 or fewer vehicles in revenue service during peak regular service in any one non-fixed-route mode; or • Is a subrecipient of FTA Section 5311 Rural Area Formula Program funds; or • Is an American Indian Tribe.
Tier II (Excluded)	Colorado Valley Transit	As a rural provider, reports its data to TxDOT as part of the statewide group TAM plan. (Source: Colorado Valley Transit)
	Brazos Transit District	Does not itemize the condition data for applicable assets in the H-GAC Metropolitan Planning Area. (Source: Brazos Transit District)
N/A	Sugar Land On Demand	Started in March 2025, this micro transit pilot program does not currently receive FTA funding therefore the City of Sugar Land is not required to have a TAM plan. (Source: City of Sugar Land)

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3. Plans Submitted

Staff coordinated with regional transit providers and reviewed the most recent available Transit Asset Management (TAM) Plans, supplemental narratives, and NTD (National Transit Database)-reported TAM performance targets available as of June 2026.

For agencies that submitted updated 2026-cycle TAM documents, H-GAC used the updated agency values.

For agencies that did not submit an updated 2026 TAM Plan, H-GAC used the most recent available agency-submitted data, including official NTD target submissions where available. Where no newer NTD or agency-submitted data was available, H-GAC carried forward the most recent available agency-submitted TAM data and targets.

Brazos Transit District is not included in the regional TAM calculations because it is unable to itemize condition data for applicable assets in the H-GAC Metropolitan Planning Area. Colorado Valley Transit is also excluded because, as a rural provider, it reports to TxDOT as part of the statewide group TAM plan.

TAM information used to calculate 2026 TAM performance and inform setting 2028 and 2030 TAM targets includes:

TAM Provider Tier	Transit Agency	Source Data Used for 2026 TAM Update
Tier I	City of Galveston Island Transit	March 2025 TAM Plan
	METRO	Most recent available TAM and NTD-reported performance data
Tier II	City of Conroe	2023 TAM Plan and most recent NTD-reported TAM target data
	Fort Bend Transit	January 2024 TAM Plan Revision and most recent NTD-reported TAM target data
	Gulf Coast Transit District	2026 TAM Plan
	Harris County Transit	Most recent available TAM and NTD-reported data
	The Woodlands Township	2025 TAM Plan Update, signed February 2026
Tier II (Excluded)	Colorado Valley Transit	As a rural provider, reports its data to TxDOT as part of the statewide group TAM plan. (Source: Colorado Valley Transit)
	Brazos Transit District	Does not itemize the condition data for applicable assets in the H-GAC Metropolitan Planning Area. (Source: Brazos Transit District)

4. 2026 Performance Measures: Results and Findings

Table 4.1: Rolling Stock						
Asset Category	Performance Measure	2026			2028	2030
		Target	Actual	Met?	Target	Target
Rolling Stock	Age - % of Revenue Vehicles exceeding their Useful Life Benchmark (ULB)	20%	19%	Yes	20%	20%

Regional target met for 2026: The regional target for 2026 was to have no more than 20% of rolling stock/vehicles in revenue service beyond their useful life. This target was met as a region. Findings included:

- METRO: METRO has the largest concentration of all rolling stock assets (~91%), of which ~16% are at or past ULB. METRO has provided a rolling stock asset replacement schedule to H-GAC demonstrating acceptable future performance and asset turnover.
- Galveston Island Transit: A majority of rolling stock assets are beyond useful life. The TAM Plan outlines asset overhaul, repair, disposal, and replacement strategies. Vehicle replacements have been programmed through federal funding, including Section 5339 funds, and updated fleet conditions will be reflected in subsequent TAM plans and NTD submissions.
- The Woodlands Township: Per the 2025 Woodlands TAM Plan Update, all six rubber-tire trolleys have reached the end of useful life. Replacement trolleys have been purchased and were scheduled for delivery in early 2026. Updated fleet conditions will be reflected in subsequent TAM plans and NTD submissions.
- Gulf Coast Transit District: The updated 2026 TAM Plan reflects improved rolling stock conditions through replacement of vans and cutaway buses. Gulf Coast Transit District also proposes purchasing Park and Ride buses in 2026 for approximately $550,000.

Table 4.2: Equipment						
Asset Category	Performance Measure	2026			2028	2030
		Target	Actual	Met?	Target	Target
Equipment	Age - % of Non-revenue Vehicles exceeding their Useful Life Benchmark (ULB)	55%	32%	Yes	30%	30%

The regional equipment target was 55%, and the region met the target. 32% of applicable non-revenue vehicles exceeding ULB:

- METRO: METRO owns 98% of the region's equipment assets. Over the last two years, METRO disposed of equipment at or past ULB.
- Harris County Transit: Harris County has one FTA-funded non-revenue vehicle. Transportation services are provided through third-party turnkey contracts in which the contractors own the vehicles, which are non-FTA funded, and provide drivers, fuel, maintenance, insurance, and oversight. (Source: Harris County)

Table 4.3: Facilities						
Asset Category	Performance Measure	2026			2028	2030
		Target	Actual	Met?	Target	Target
Facilities	Condition - % of Facilities with a condition rating below 3 on the TERM scale (Marginal or Poor)	28%	27%	Yes	27%	25%

The regional facilities target was to have no more than 28% of the region's facilities below a Federal Transit Administration Transit Economic Requirements Model (TERM) score of 3. The region met the target, with 27% of facilities having a TERM score below 3:

Gulf Coast Transit District: The 2026 TAM Plan proposes a new Texas City maintenance facility in 2027 for approximately $10 million. The project's effect on facility condition will be captured in a subsequent TAM Plan.

Table 4.4: Rail Infrastructure						
Asset Category	Performance Measure	2026			2028	2030
		Target	Actual	Met?	Target	Target
Rail Infrastructure	Performance - % of Rail track segments, signals and systems with performance restrictions	1%	1%	Yes	1%	1%
This performance measure was met and is applicable to Tier I agencies with rail infrastructure, including METRO and City of Galveston Island Transit. METRO: Of the approximately 46 miles of track within its service area, 0.26 miles are restricted. This represents approximately one-half of one percent of total mileage, which rounds to 1%. H-GAC carried forward the most recent available infrastructure data and expects updated rail performance data in the subsequent TAM Plan.						

5. Future Investment

Looking ahead, H-GAC expects transit assets to continue aging, with some asset classes requiring increased reinvestment as they approach or exceed their useful life benchmarks.

To support transit asset replacement, maintain reliable service, and promote rider safety, more than $1.9 billion in transit investments are programmed in the regional Transportation Improvement Program over the next few years.

Additional asset investments are also expected through the ongoing project prioritization process.