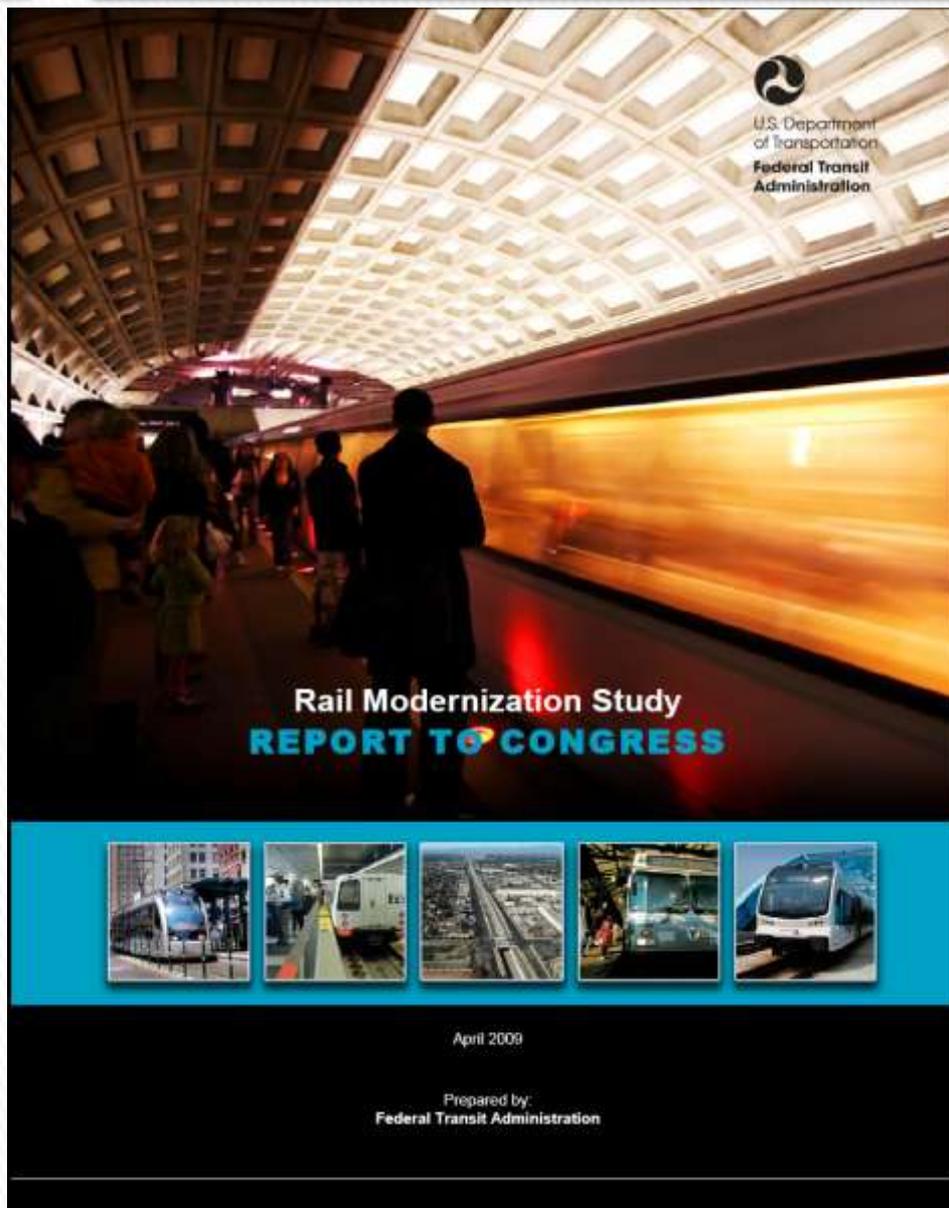


Overview: FTA Rail Modernization Report



2007 Senate Request

- **12 Senators asked the FTA to determine the infrastructure needs of our country's largest rail transit systems and estimate the cost of bringing the infrastructure to a state of good repair.**
 - Request also included in FY 2008 Appropriations bill.
- **Senate signatories: Durbin, Obama, Bayh (D-IN), Casey (D-PA), Clinton (D-NY), Dodd (D-CT), Kerry (D-MA), Kennedy (D-MA), Lieberman (I-CT), Menendez (D-NJ), Schumer (D-NY), and Specter (R-PA).**

Seven Rail Transit Agencies

Exhibit ES-1

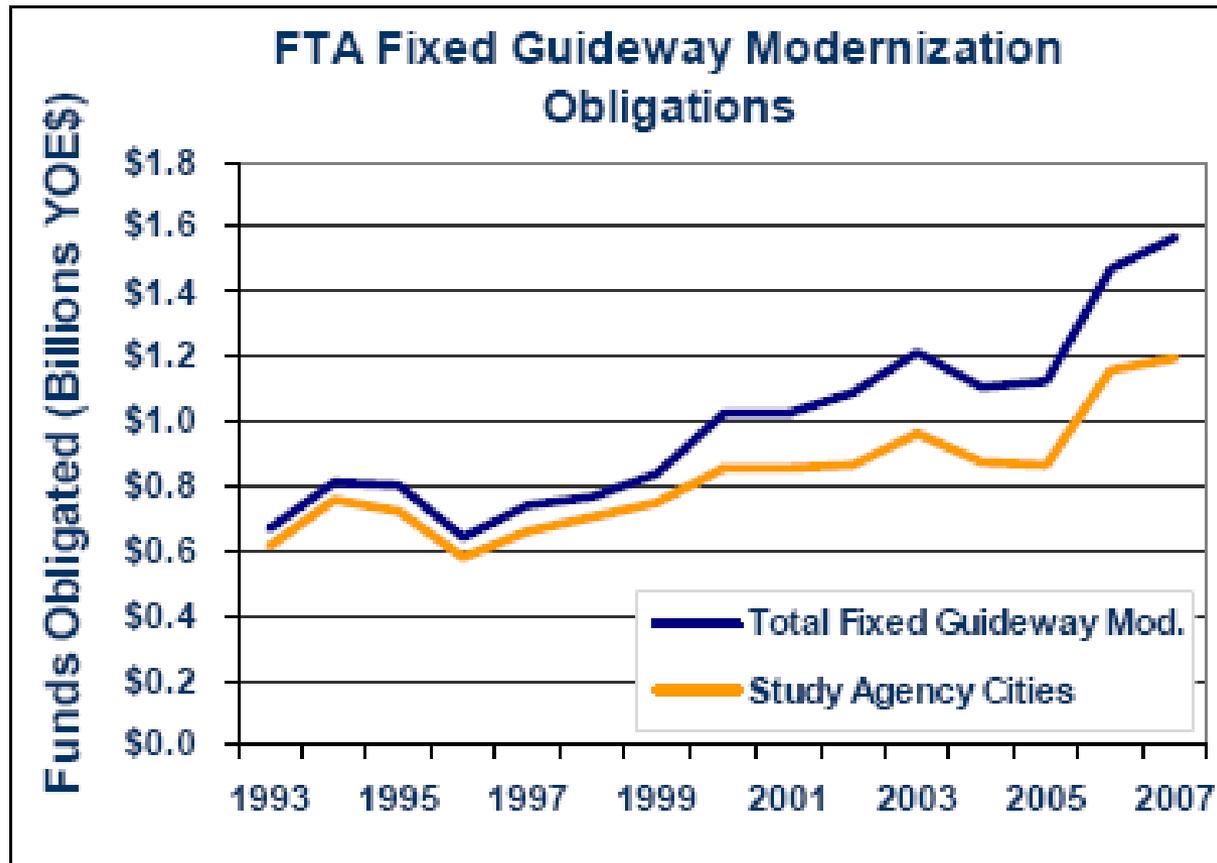
Study Agencies and Rail Modes

Agency	Modes
Chicago Transit Authority (CTA)	Heavy Rail
Massachusetts Bay Transportation Authority (MBTA)	Commuter Rail, Light Rail and Heavy Rail
Metropolitan Transportation Authority (MTA)	Commuter Rail and Heavy Rail
New Jersey Transit Corporation (NJ TRANSIT)	Commuter Rail and Light Rail
San Francisco Bay Area Rapid Transit District (BART)	Heavy Rail
Southeastern Pennsylvania Transportation Authority (SEPTA)	Commuter Rail, Light Rail and Heavy Rail
Washington Metropolitan Area Transit Authority (WMATA)	Heavy Rail

- These agencies “***encompass roughly two-thirds of the nation’s total investment in rail transit assets as well as the majority of the nation’s oldest rail transit infrastructure... Together, the seven rail agencies serve more than 80 percent of all rail transit riders.***”

Finding: Share of Rail Mod Funds Declining

- As newer transit agencies are eligible for Fixed Guideway funding – aka “rail modernization” funds – the percentage dedicated to the largest transit agencies has declined from 90% to 75%.

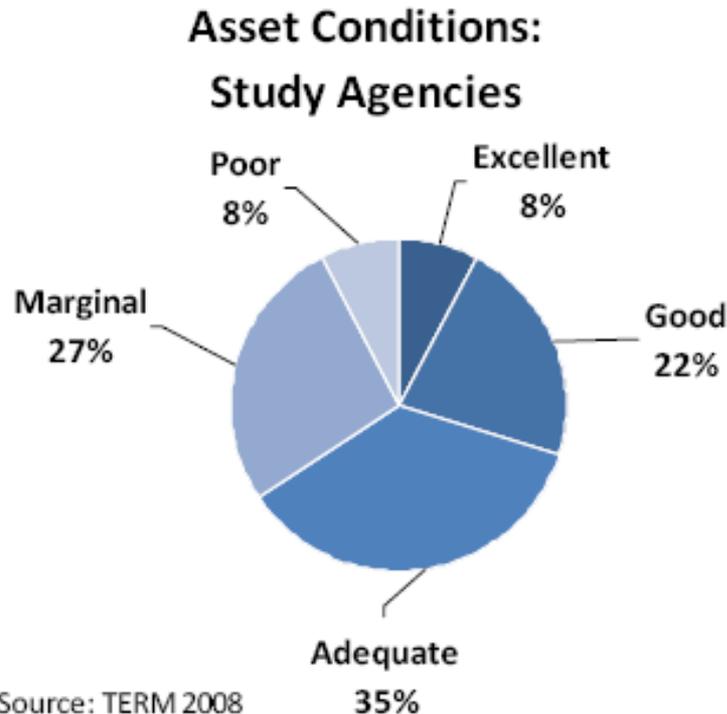


\$50 Billion to Attain State of Good Repair

- **Using a transit economic model, FTA found that the seven agencies had a \$50 billion state of good repair backlog.**
- **Once a state of good repair is attained, \$5.9 billion is needed per year to maintain the state of good repair.**
 - **The CTA needs \$800 million per year once state of good repair attained.**
- **An asset is considered to be in a “State of Good Repair” when the physical condition of the asset is at or above the mid-point between marginal and adequate.**

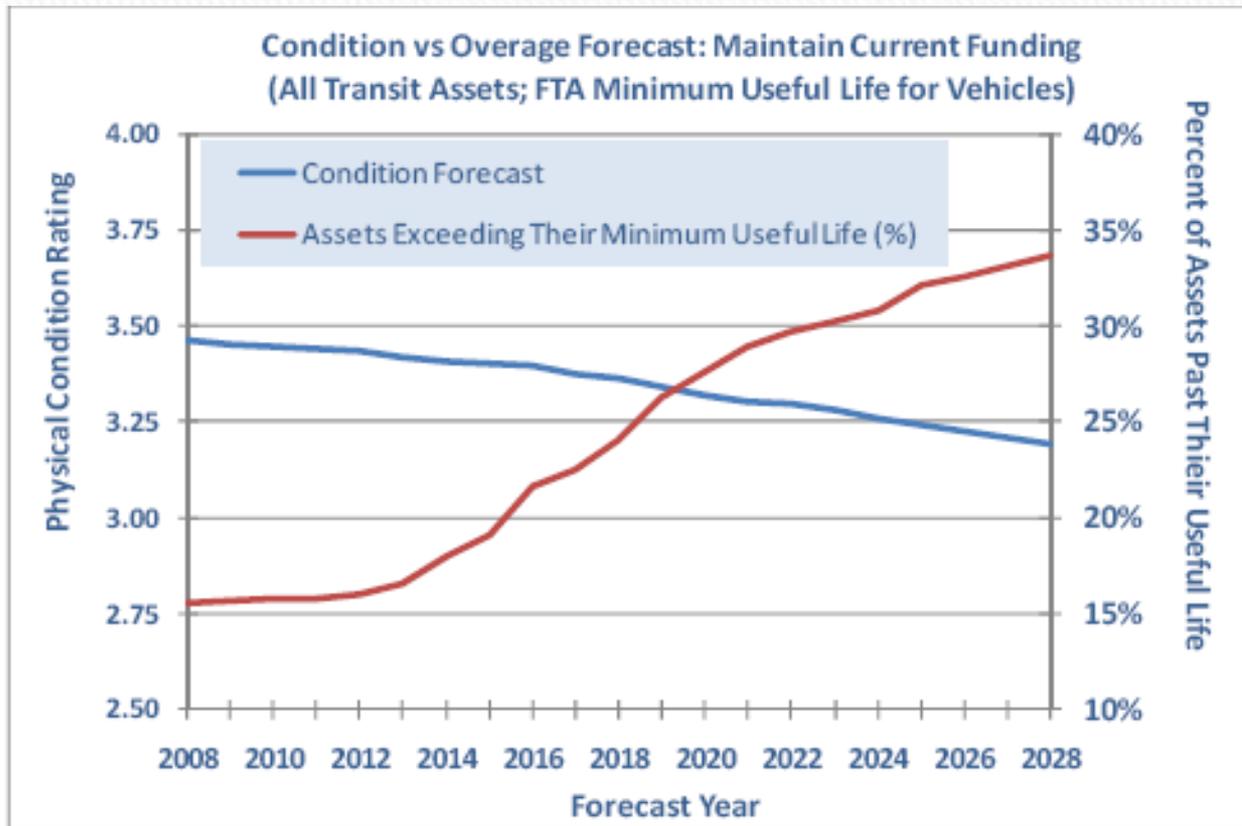
Study Agencies' Needs Greater than Others

- While systems are safe, 35 percent of study agencies assets are in marginal or poor condition— i.e. have exceeded useful life.
 - In comparison, the percent of transit assets in marginal or poor condition for the rest of the nation is less than 20 percent.



Current Funding = Decline in Condition

- As share of funding declines, percent of assets exceeding their useful life will increase.



Assets and Investment Prioritization

- **All seven agencies maintain asset inventories, but wide variation in level of detail and type of data reported.**
- **Only one of the agencies – New York MTA – commits to conducting a comprehensive asset condition assessment on an ongoing basis.**
 - **CTA has completed two assessments since mid-90's, but doesn't do so on a regular basis.**
- **Only one agency utilizes a decision support tool to determine what level of investment is needed to attain state of good repair.**
- **Only two agencies – DC and Boston – use an objective scoring process that helps rank and prioritize investments.**

FTA Recommendations

1. Modify Fixed Guideway formula

- Redirect funds based on need and vehicle revenue miles – revised formulas would cover roughly 15% of each system's capital needs.

2. Implement a state of good repair investment fund for the seven study agencies

- \$50 billion over 12 years would cover two surface transportation authorization cycles.

Recommendations (cont.)

- 3. FTA should offer technical assistance programs for asset management**
 - **Programs would include capital project prioritization methods.**

- 4. FTA should develop a national capital asset reporting system**
 - **Will help ensure regular asset reporting and a consistent, harmonized level of reporting across all urban transit agencies.**

Next Steps

- **Meet with six other study agencies to adopt an approach to implementing the FTA recommendations.**
 - **This includes working with other transit agencies to learn their best practices on decision support tools and investment prioritization.**
- **Work with Senator Durbin's office and the Illinois Congressional Delegation to develop legislation based on FTA Report.**
- **Lobby key Members of Congress to include the FTA recommendations in the surface transportation bill, which is due to be reauthorized this fall.**