



FEDERAL TRANSIT ADMINISTRATION

# Transit Asset Management (TAM)

## *Notice of Proposed Rulemaking (NPRM)*

October 2015



U.S. Department of Transportation  
Federal Transit Administration

# Today's Presentation

- Transit Asset Management Background
- NPRM Outline
- Tools
- Next Steps



# This Webinar Is:

- A forum for FTA to explain what is covered in the NPRM
- This webinar will be recorded and transcribed
- A copy of this presentation will be publicly available in the NPRM docket and on FTA's website.

## This is not:

- A public hearing for providing comments or posing questions about implementation
- A forum to discuss issues not included in the NPRM

## About Questions

We can discuss clarifying questions

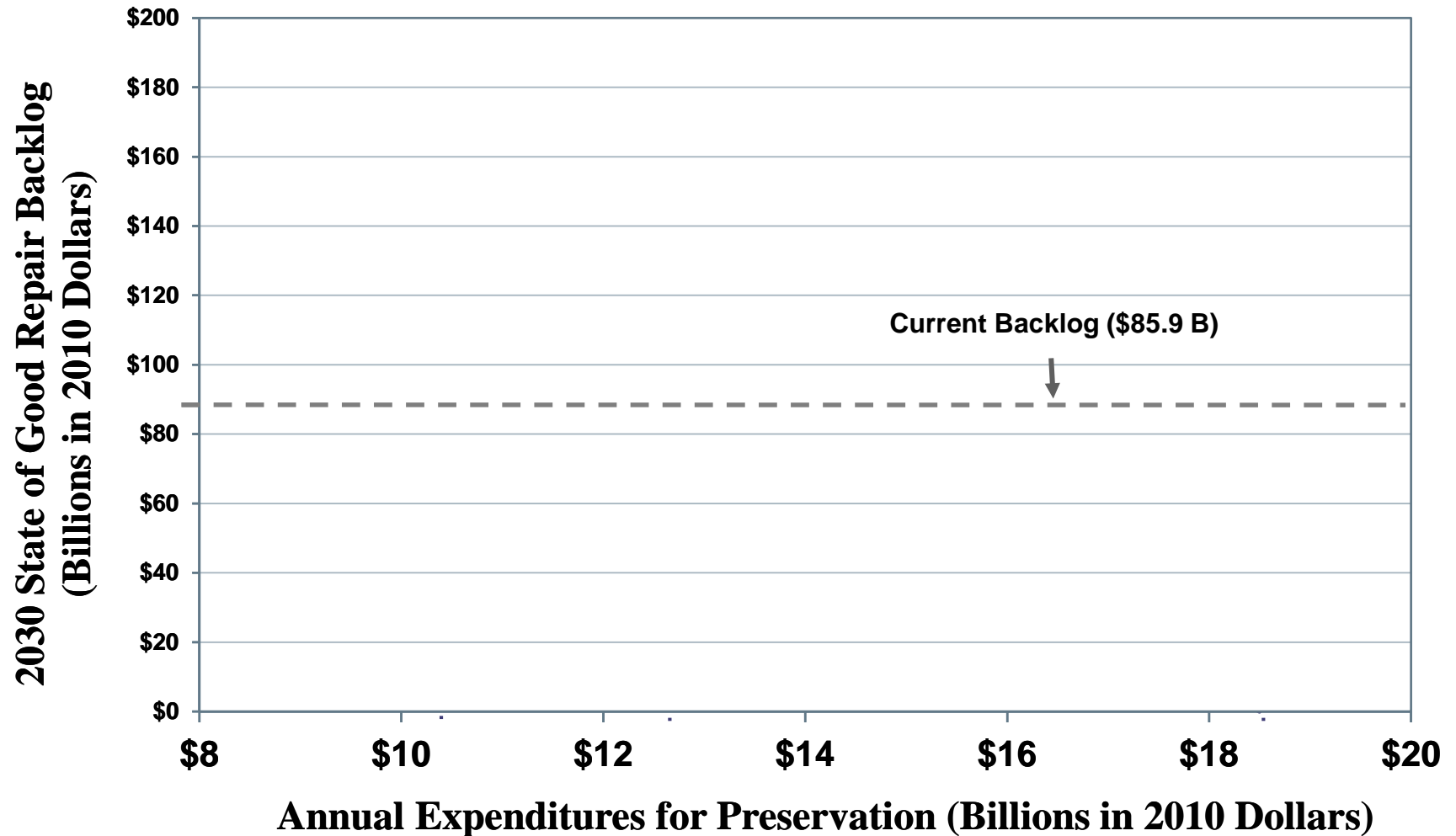
We **cannot** discuss:

- Questions about implementation
- Comments about implementation
- Suggestions related to proposals

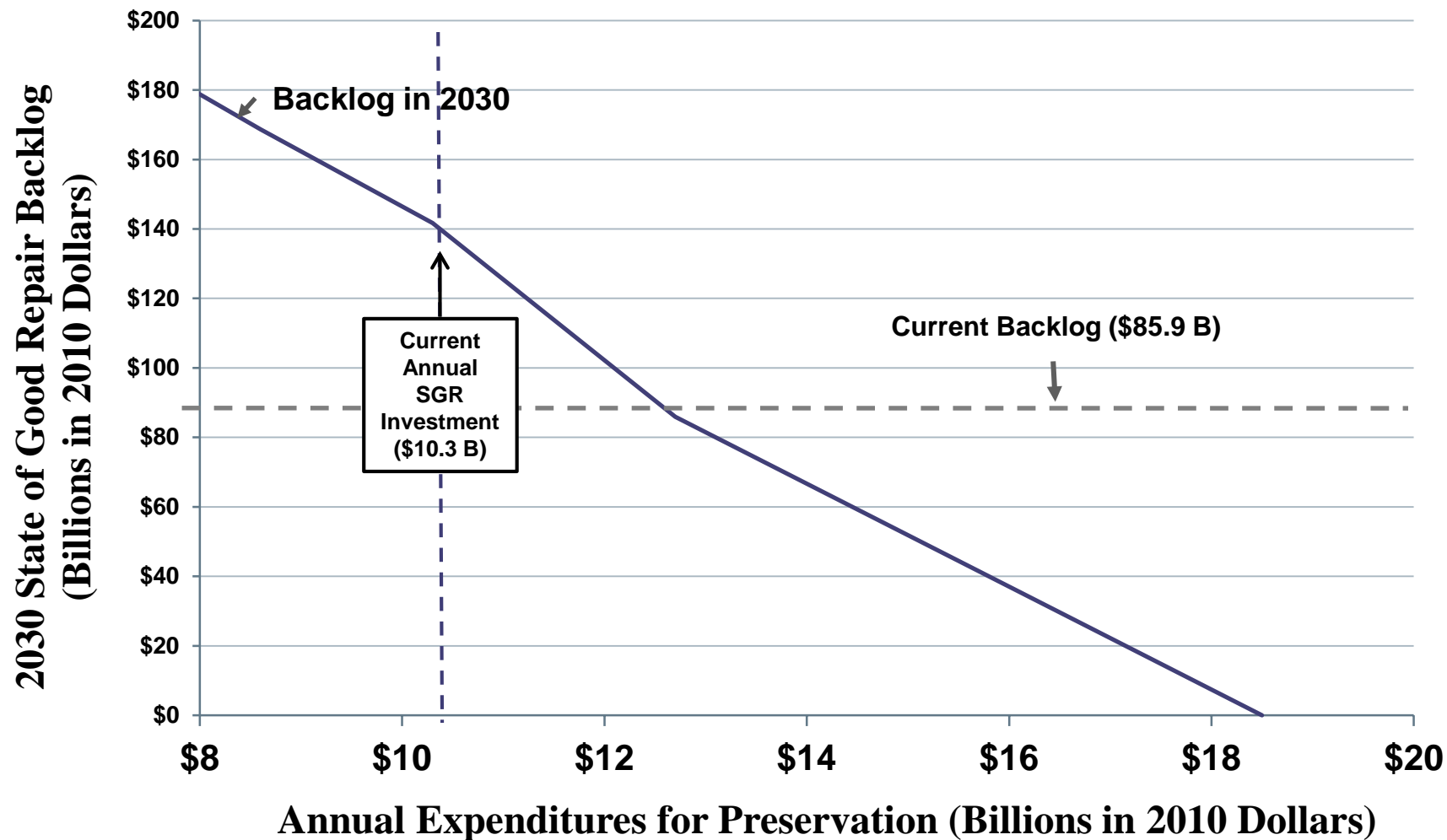
# What is Transit Asset Management?

Transit Asset Management (TAM) is a **business model** that uses the **condition of assets** to guide the **optimal prioritization of funding** at transit properties in order to keep our transit networks in a **State of Good Repair (SGR)**.

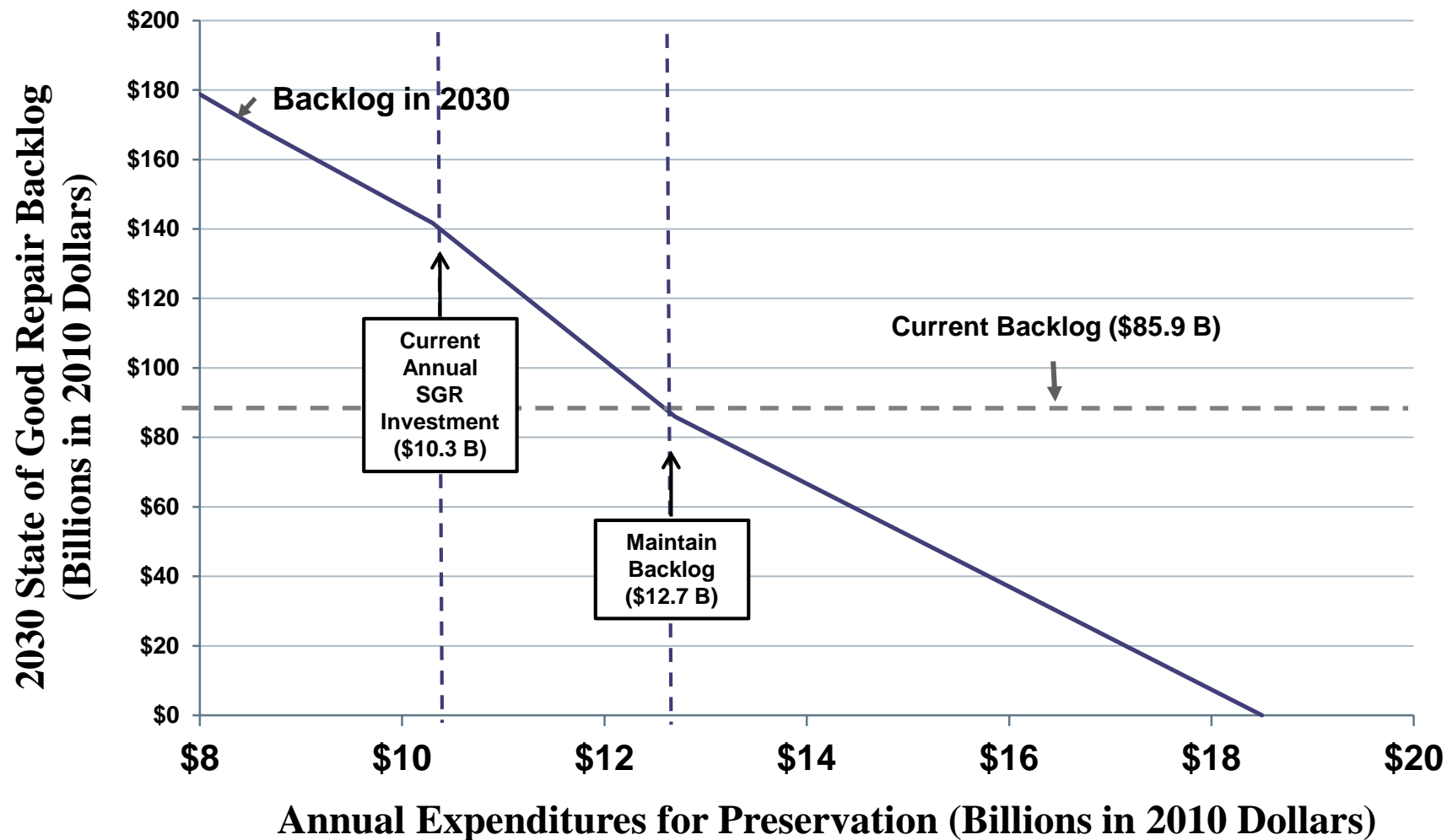
# Transit Asset Management: *Background*



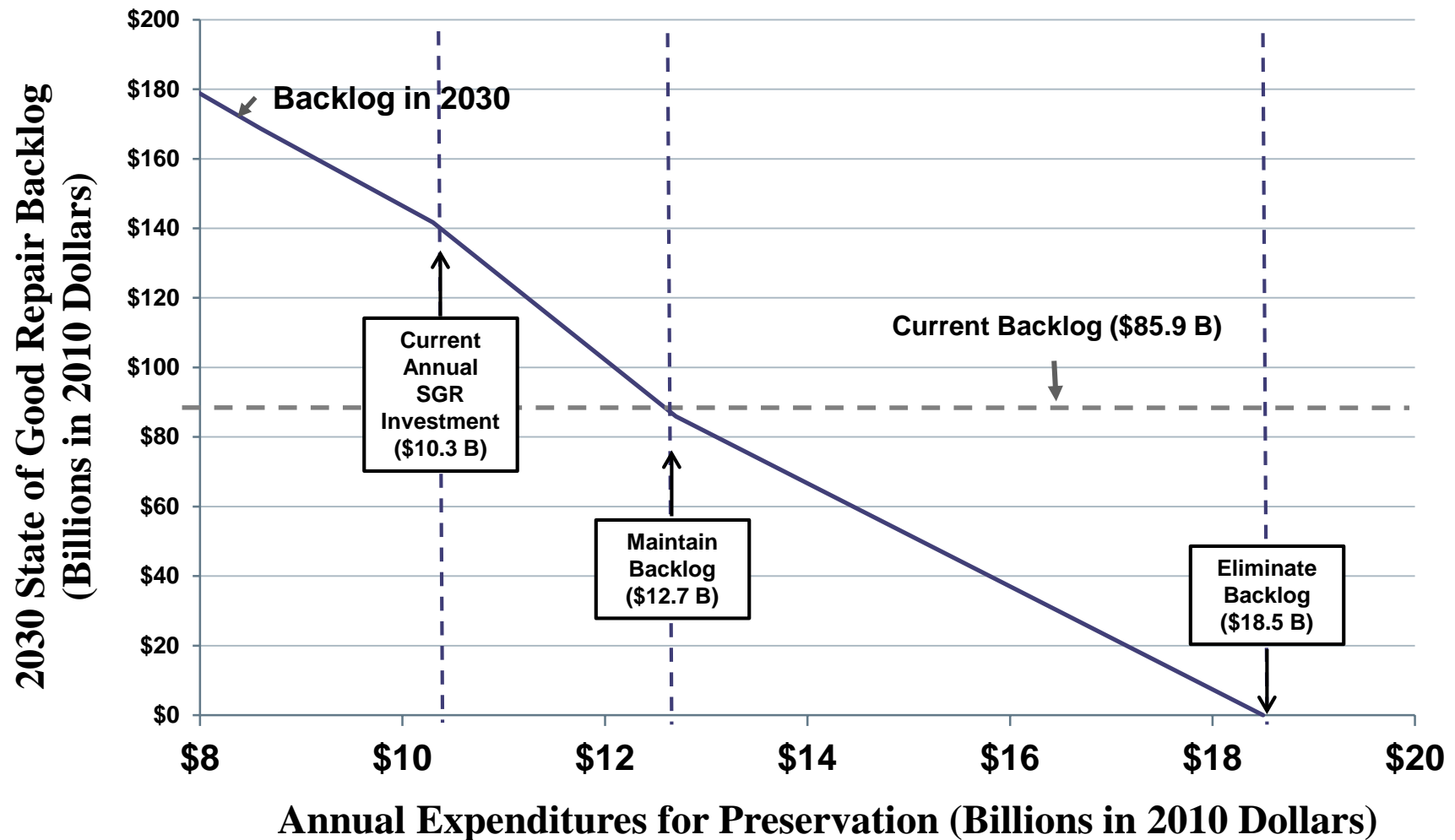
# Transit Asset Management: *Background*



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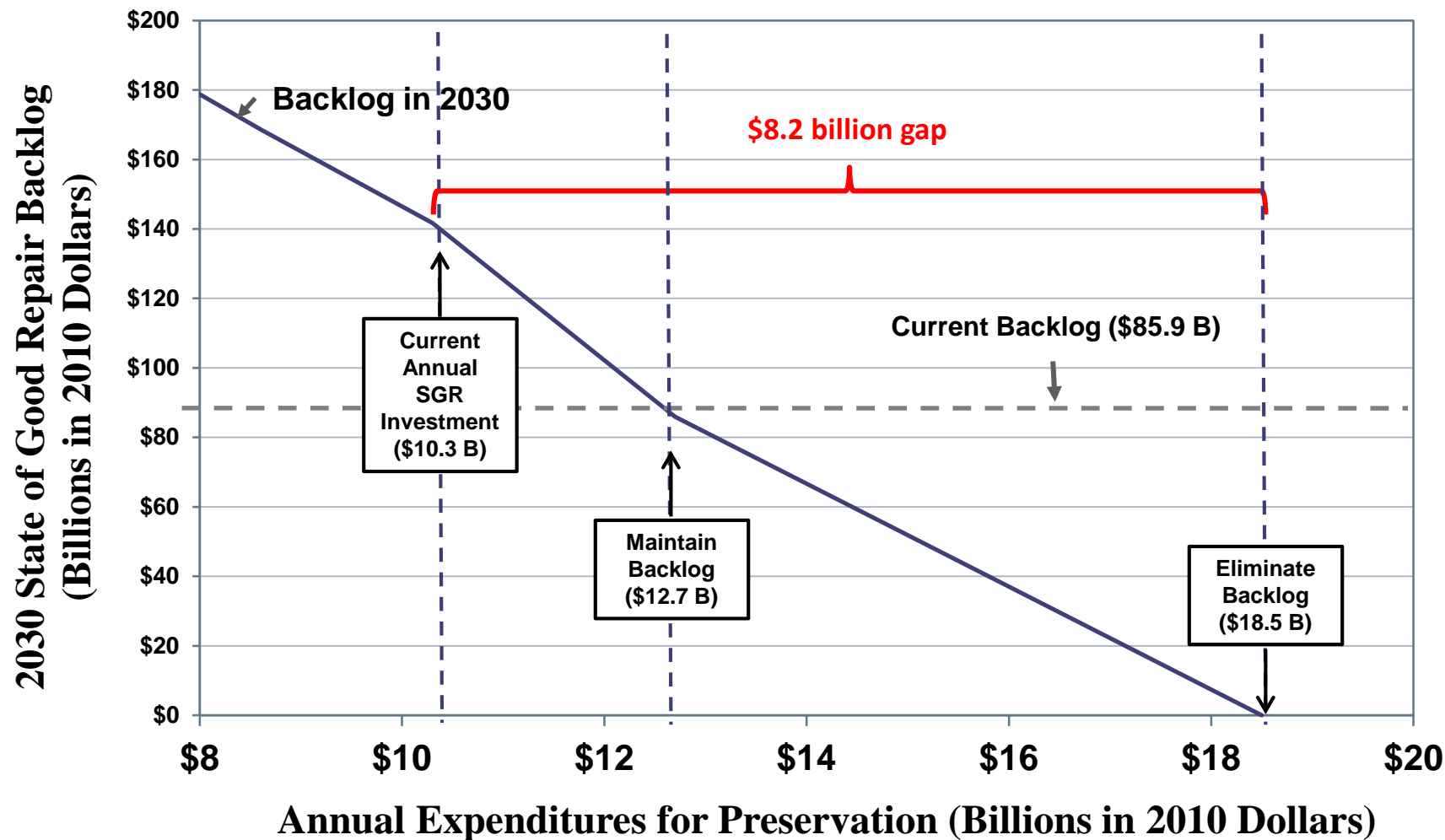


# Transit Asset Management: *Background*





# Transit Asset Management: *Background*



# MAP-21 Performance Management Framework

## FTA

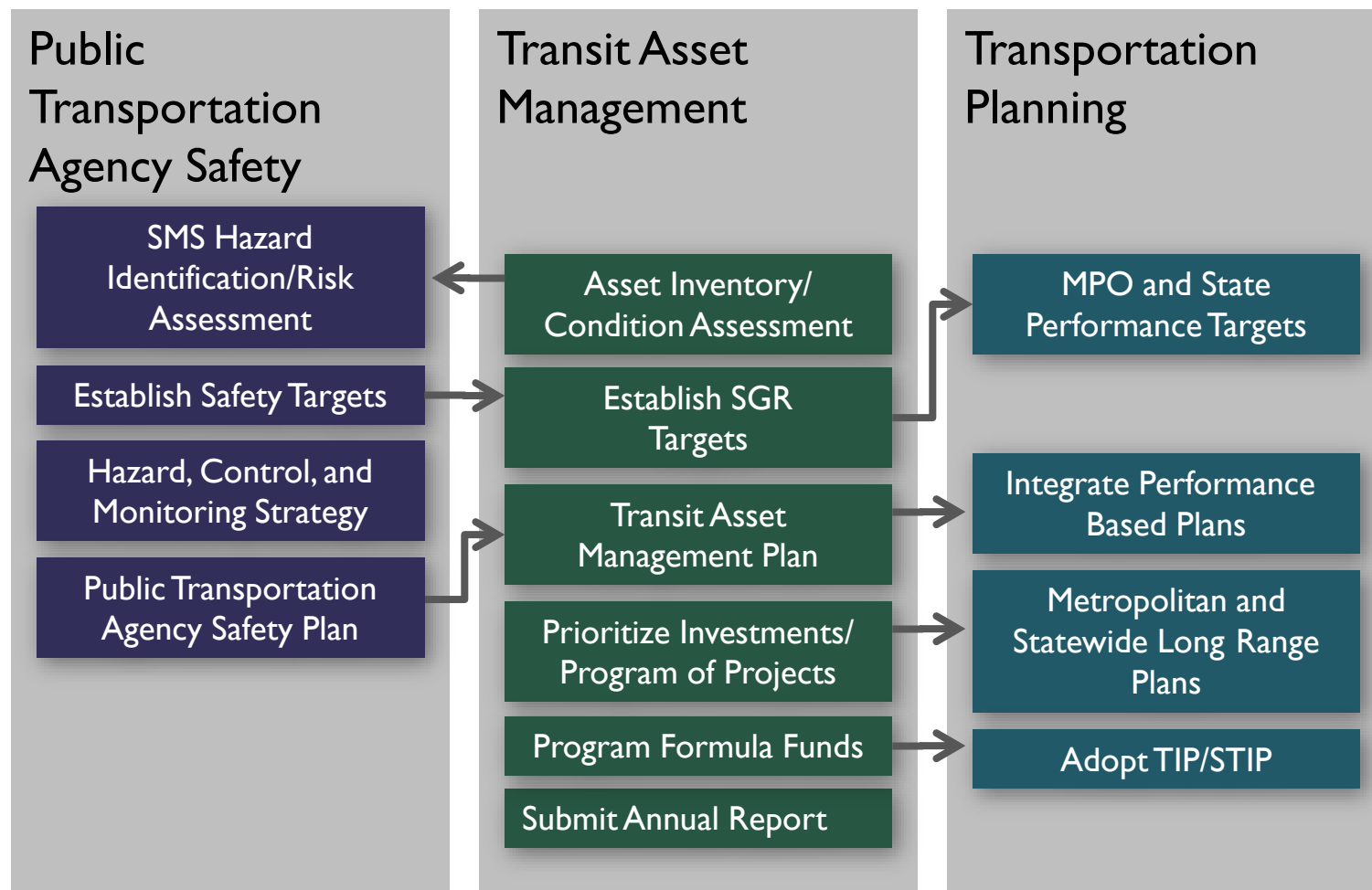
- National Public Transit Safety Plan
- Public Transportation Agency Safety Plan
- Transit Asset Management

## FHWA

- Safety Performance
- Pavement and Bridge Condition
- System Performance & CMAQ
- Highway Safety Improvement Program
- Highway Asset Management Plan

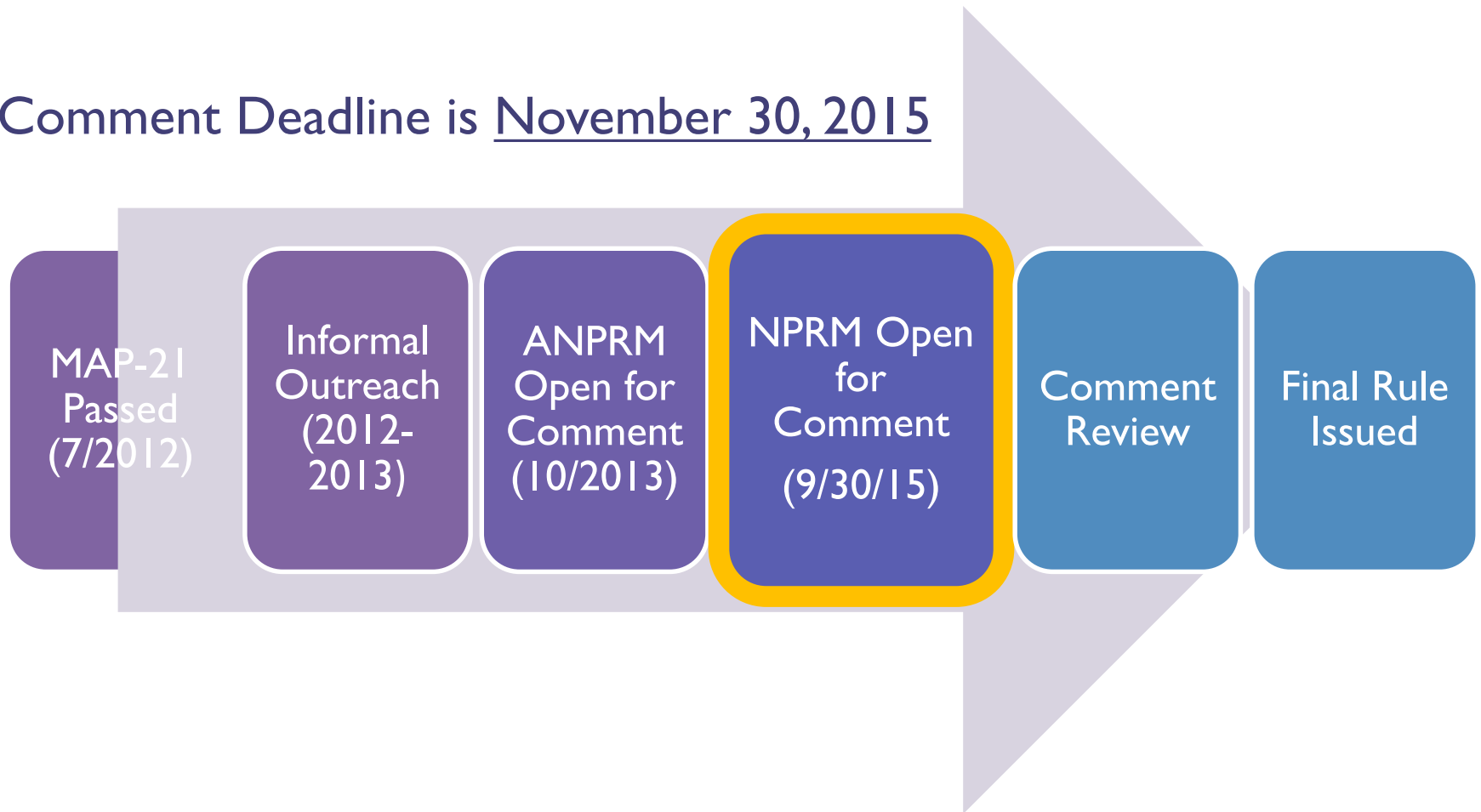
- Statewide and Metropolitan Planning

# Linking Proposed Regulations



# Where Are We In the Process?

Comment Deadline is November 30, 2015



# Prior Outreach

- Conducted **Online Dialogue** Dec. 2012 to Jan. 2013
  - 739 registered users, 146 total comments, and nearly 1,500 votes on comments
- Released an **Advance Notice of Proposed Rulemaking (ANPRM)** October 2013
  - Posed 123 questions on TAM and Safety
  - Received comments from 167 responders

# Transit Asset Management NPRM Outline

- A. General Provisions
- B. National Transit Asset Management System
- C. Transit Asset Management Plans
- D. Performance Management
- E. Recordkeeping and Reporting Requirements

# A. General Provisions



# A. General Provisions

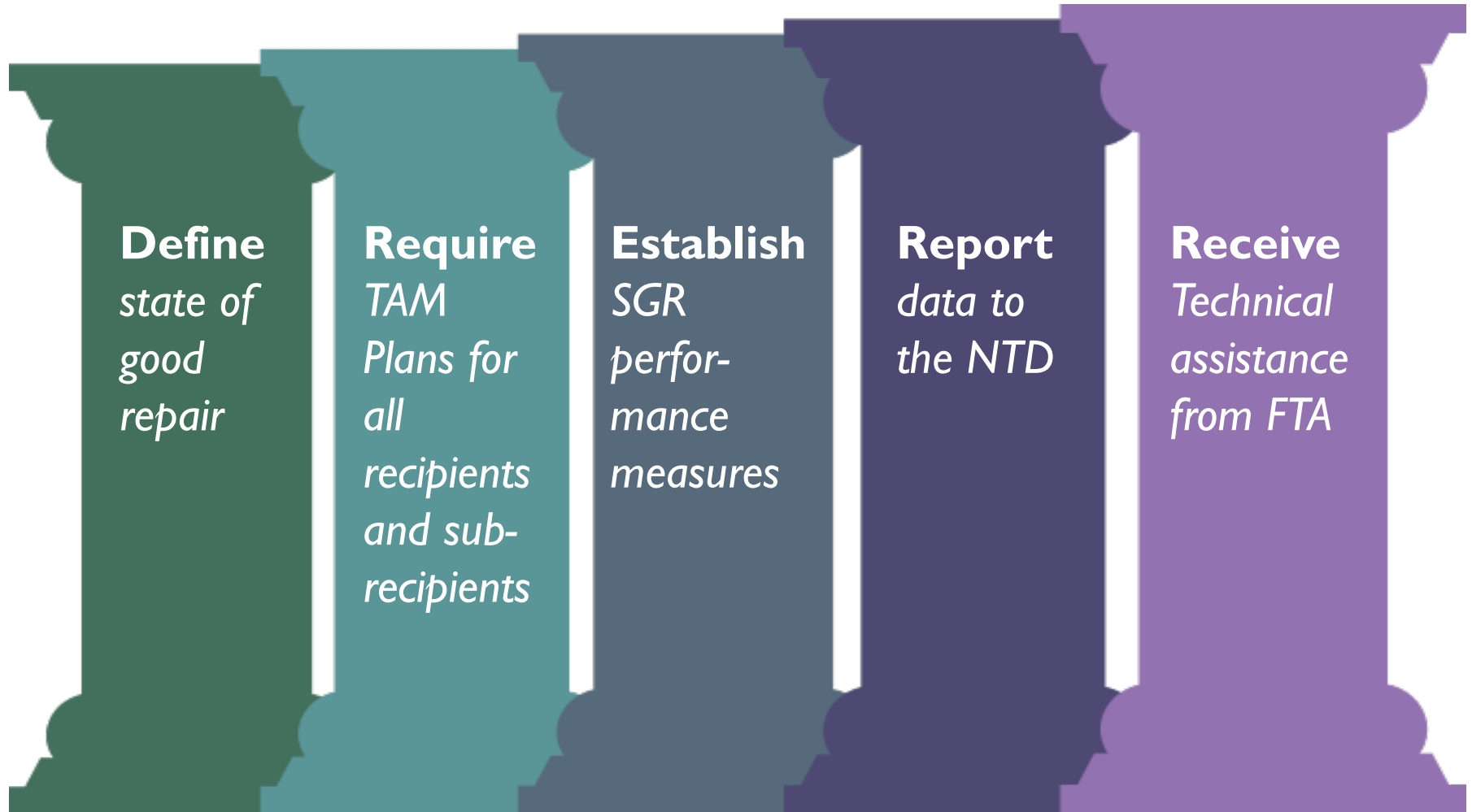
- Purpose
  - To help achieve and maintain a state of good repair for the nation's public transportation systems
- Applicability
  - All recipients or subrecipients of Federal financial assistance under 49 U.S.C. Chapter 53 that own, operate, or manage capital assets used in the provision of public transportation
- Definitions



## B. National Transit Asset Management System



# National Transit Asset Management System



# State of Good Repair

The condition in which a capital asset is able to operate at a **full level of performance**. This means the asset:

1. Is able to perform its designed function,
2. Does not pose a known unacceptable safety risk, and
3. Its **lifecycle investments** have been met or recovered.

# Potential Cross-Cutting Impacts of SGR Definition

- State of Good Repair Grants( § 5337) are to “maintain [transit] systems in a *state of good repair*”
- The National Public Transportation Safety Plan( § 5329) must include the definition of state of good repair
- Metropolitan and Statewide Plans( § 5303 & 5304) must include transit state of good repair performance targets
- Core Capacity projects ( § 5309(a)(2)) exclude “elements designed to maintain a state of good repair”
- Expedited Project Delivery Certifies that system is in state of good repair

## C. Transit Asset Management Plans



# Applicability

All providers who are recipients or subrecipients of Federal financial assistance under 49 U.S.C. Chapter 53.

## Tier I

- **Operates** rail
- **Over 100** vehicles in peak revenue service



## Tier II

- **Does not operate** rail
- **and**
- **100 or fewer** vehicles in peak revenue service
- **or**
- Exclusively receives Federal funds from 5310 or 5311 programs



# Responsibility for TAM Plan Development

- Each transit provider must designate an **Accountable Executive**
- Plan Coordination
  - A Tier I provider must develop its own TAM Plan
  - A Tier II provider may participate in a Group Plan or opt out and develop its own TAM Plan
  - A Group Plan participant must collaborate with the sponsor in the development of the plan
- Eligible activity under § 5337, § 5307 & § 5311

# Group Plans

- Group Plans compiled by a **sponsor**
  - Generally the State DOT or Designated § 5307 or § 5310 Recipient
- Tier II providers may participate in a **single Group Plan** or may choose to opt out and develop their own TAM Plans
- A Tier I provider can only participate in a Group Plan as a **sponsor**



# Proposed TAM Plan Elements

1. Inventory of Capital Assets
2. Condition Assessment
3. Decision Support Tools
4. Investment Prioritization

**All Providers**  
(Tier I & II)



5. TAM and SGR Policy
6. Implementation Strategy
7. List of Key Annual Activities
8. Identification of Resources
9. Evaluation Plan

**Tier I only**



# I. Inventory of Capital Assets



- A listing of all capital assets that a transit provider owns, operates, or manages
  - Includes leased assets and assets operated under contract
  - Includes all assets that would be included in a Program of Projects
- May use existing inventories already collected
  - E.g., existing rolling stock and equipment reports
- Include assets acquired without FTA funds

Category	Class	
Rolling Stock	<ul style="list-style-type: none"><li>▪ Railcars</li><li>▪ Buses</li><li>▪ Paratransit Vehicles</li></ul>	<ul style="list-style-type: none"><li>▪ Cutaways</li><li>▪ Cars and Vans</li><li>▪ Ferries</li></ul>
Facilities	<ul style="list-style-type: none"><li>▪ Administration</li><li>▪ Maintenance</li></ul>	<ul style="list-style-type: none"><li>▪ Depots or Terminals</li><li>▪ Parking Garages</li></ul>
Infrastructure	<ul style="list-style-type: none"><li>▪ Rail-Fixed Guideway</li><li>▪ Signal Systems</li><li>▪ Structures</li><li>▪ Catenary</li></ul>	<ul style="list-style-type: none"><li>▪ Mechanical Systems</li><li>▪ Electrical Systems</li><li>▪ IT Systems</li></ul>
Equipment	<ul style="list-style-type: none"><li>▪ Construction</li><li>▪ Service Vehicles</li></ul>	<ul style="list-style-type: none"><li>▪ Maintenance</li></ul>

## 2. Condition Assessment



- A rating of the inventoried assets
  - E.g., age; good/fair/poor; percentage of residual life
- Ratings should be sufficiently detailed to monitor performance and plan capital investment
- Condition assessments may be collected at the individual or asset class level

### 3. Decision Support Tools



- List analytical process(es) used to make investment prioritization
  - To estimate capital investment needs over time
  - To assist in prioritization
- The tool does not have to be software

## 4. Investment Prioritization



- A ranked listing of proposed projects and programs ordered by year of planned implementation
- Prioritization locally determined based on policy and need
- Must adequately consider
  - Identified unacceptable safety risks
  - Accessibility requirements
- Fiscally constrained based on estimated funding levels

## 5. TAM and SGR Policy



- Transit provider's vision
- Executive-level direction to support the goals of the TAM program
- Documented commitment to achieving SGR
- Defines TAM objectives
- Defines and assigns roles and responsibilities

## 6. Implementation Strategy



- Operational level process for implementing TAM Plan

## 7. List of Key Annual Activities



- Description of actions needed to implement TAM Plan for each year of the plan's horizon
  - E.g., software development, coordination between maintenance and finance offices



## 8. Identification of Resources



- E.g., staff time, technology requirements, funding, etc.

## 9. Evaluation Plan



- How TAM activities will be monitored, evaluated, and updated to ensure the continuous improvement of TAM practices

# TAM Plan Timeframes

- Plans would be updated in their entirety at least every **4 years**
  - Coincide with relevant (Statewide) Transportation Improvement Program
  - Cover at least **4 years**
  - Should be amended during the horizon period when there is a **significant change**
- Initial TAM Plans completed no later than **2 years** after effective date.

## D. Performance Measurement



## Performance Tracked by Asset Class

Category	Class
Rolling Stock	▪ Class Types in Provider's Inventory
Facilities	▪ Class Types in Provider's Inventory
Infrastructure	▪ Rail Track, Guideway, Signals and Systems
Equipment	▪ Nonrevenue Vehicles

# Proposed Performance Measures

- **Rolling Stock: Age**
  - Percentage of revenue vehicles within a particular asset class that have met or exceeded their Useful Life Benchmark (ULB)
- **Facilities: Condition**
  - Percentage of facilities with a condition rating below 3.0 on the FTA Transit Economic Requirements Model (TERM) scale (*1=Poor to 5=Excellent*)
- **Infrastructure: Performance**
  - Percentage of guideway directional route miles with performance restrictions by class
- **Equipment: Age**
  - Percentage of vehicles that have met or exceeded their ULB

# Useful Life Benchmark (ULB)

- ULB  $\neq$  Useful life for FTA grant programs
- **Useful Life Benchmark** is defined as the expected lifecycle of a capital asset for a particular Transit Provider's operating environment, or the acceptable period of use in service for a particular Transit Provider's operating environment.
- ULB takes into account a provider's unique operating environment (geography, service frequency, passenger loads)

# Targets for Proposed Performance Measures

- Set targets annually for each asset class
- Supported by data
  - Most recent condition data
  - Reasonable financial projections
- Targets for Group Plans apply to the group as a whole
- Reported annually to National Transit Database (NTD)

# E. Recordkeeping and Reporting Requirements

Including the role of the National Transit Database





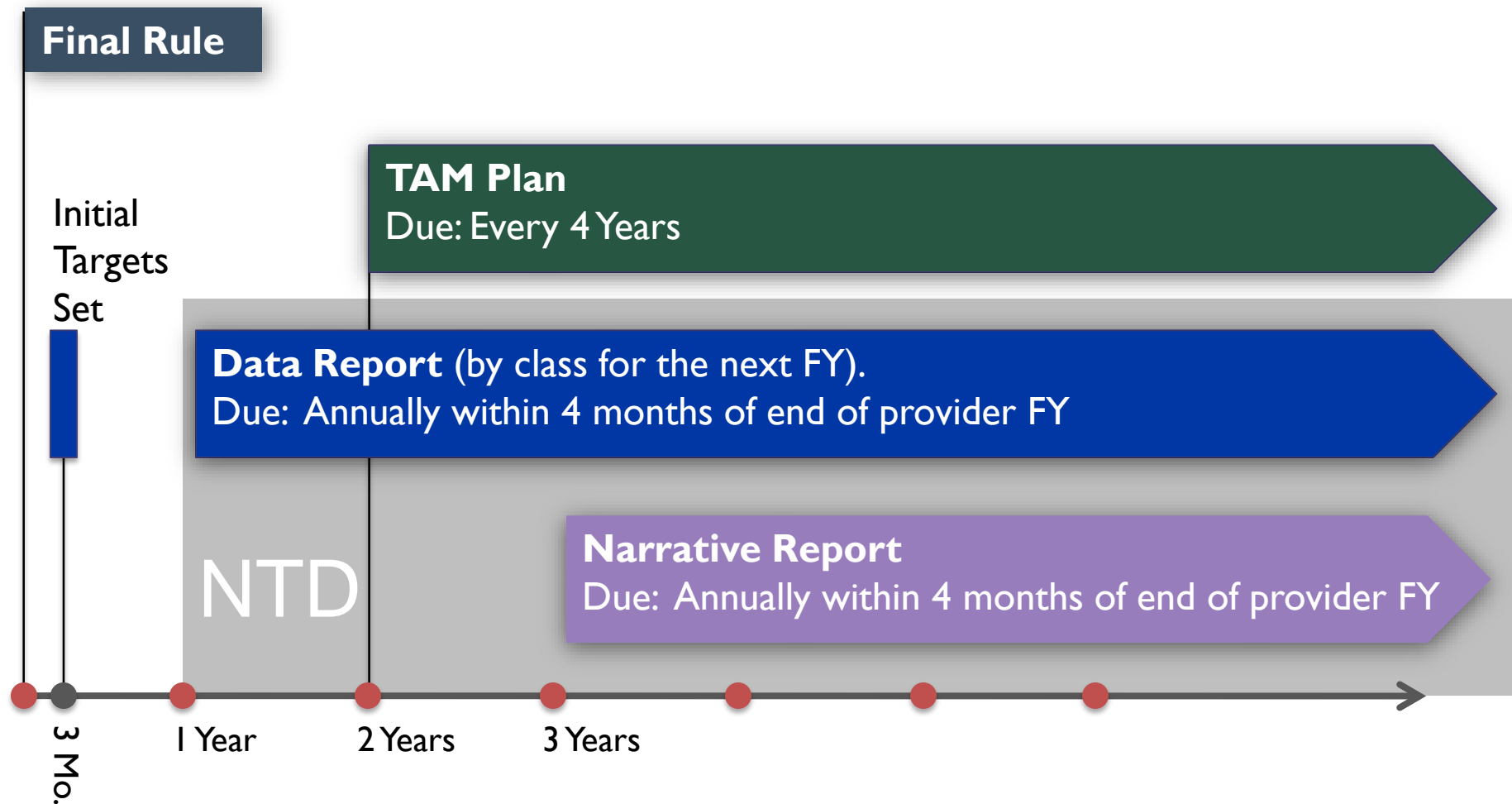
# Annual Reporting Requirements

- **Submit to NTD**
  1. **Data Report**
    - Projected performance targets for next fiscal year
    - System Condition and Performance Reports
  2. **Narrative Report**
    - Change in condition
    - Progress toward targets
- **Group Plan Sponsors submit consolidated reports on behalf of their participants**

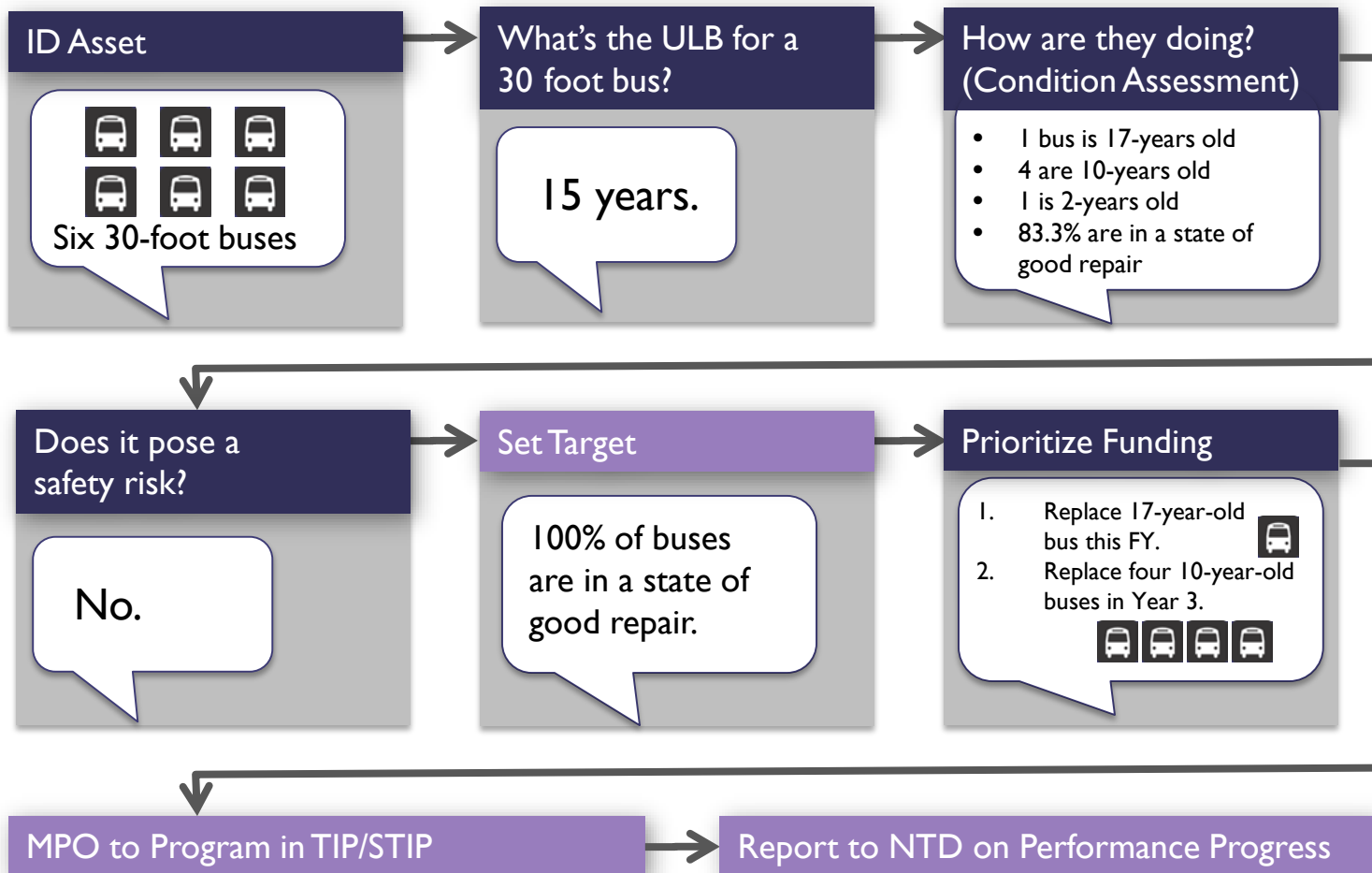
# Recordkeeping Requirements

- Maintain records supporting TAM Plan
- Share with State and metropolitan planning organization (MPO) planning agencies
  - TAM Plan
  - Performance targets
  - Investment strategies
  - Annual condition assessments

# Illustration of Proposed TAM Timelines



# TAM Workflow (Example – 30-ft bus)



# Certification

- TAM Plans are Self-Certified by the Accountable Executive
- FTA will update Certifications and Assurances to reflect TAM Plan requirements
- FTA will review Plans and Progress during Triennial and State Management Reviews, as well as during MPO Certification Reviews

# Tools



# Technical Assistance from FTA



[www.fta.dot.gov/sgr](http://www.fta.dot.gov/sgr)

## Next Steps



Receive FTA email updates on State of Good Repair and Asset Management at [www.fta.dot.gov/sgr](http://www.fta.dot.gov/sgr)



# Schedule and Timeline

Time Period	Providers	FTA
Comment Period (through November 30)	Provide feedback on the NPRM	Present summary webinars
Post-comment period	Begin/continue asset management planning	Conduct industry readiness assessment
Final rule issued	Implement rule	Ongoing technical Assistance

# Specific Requests for Feedback

- Cost implications
  - Cost assumptions/estimates. Provide examples from your TAM Projects, experiences
  - Additional costs for states and MPOs in target setting?
  - Any information that could assist in quantifying the costs, benefits, and transfers
- Estimating benefits – information sources and methodologies for estimating the benefits

## Feedback (con't)

- Non-statutory criteria
  - Appropriate for Tier I providers?
  - Extended to Tier II providers?
- Proposed group TAM plan requirements
- Proposed deadlines
- How to analyze the benefits and costs of addressing the SGR backlog

# Submitting Comments

- **Electronically:** <http://www.regulations.gov>
- **U.S. Mail:**
  - Docket Operations
  - USDOT
  - 1200 New Jersey Avenue SE,
  - West Building
  - Room W12-140
  - Washington, DC 20590-0001
- **Hand Deliver:** Docket Operations in Room W12-140 of the West Building, Ground Floor, at 1200 New Jersey Avenue SE, Washington, DC (M-F, 9:00 am – 5:00 pm)
- **FAX:** 202-493-2251

# Providing Feedback

- Comments accepted until November 30, 2015
- Comments should identify

Docket # FTA-2014-0020 or

**RIN # 2132-AB07**

- For clarifying questions or more information, please contact:

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