

# FTA

FEDERAL TRANSIT ADMINISTRATION

## Transit Asset Management (TAM)

*Final Rule*

July/August 2016

Presenter: Mshadoni Smith



U.S. Department of Transportation  
Federal Transit Administration

# Today's Presentation

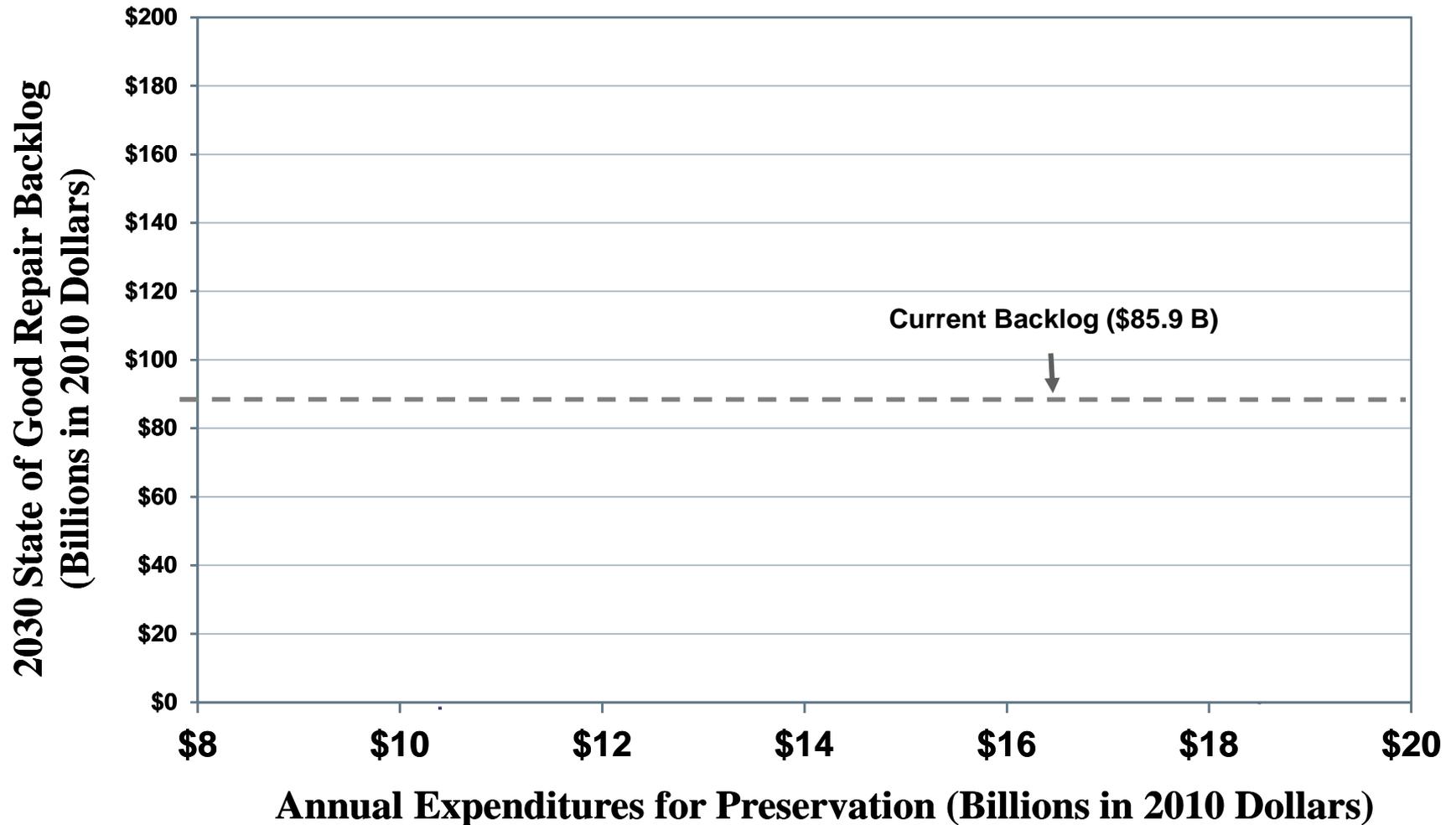
- Transit Asset Management Background
- Final Rule Provisions
- Implementation
- Technical Assistance



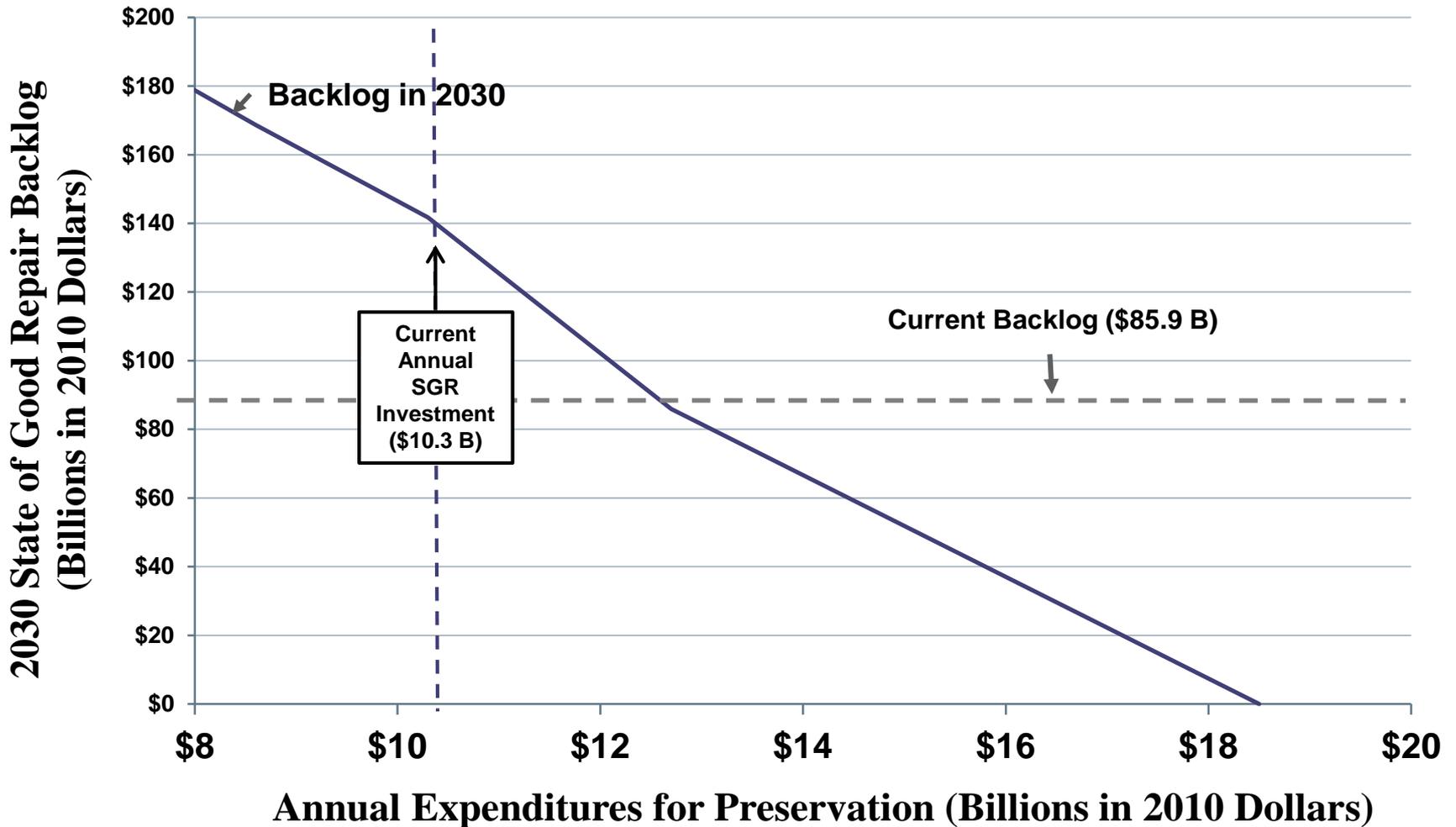
# What is Transit Asset Management?

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)**.

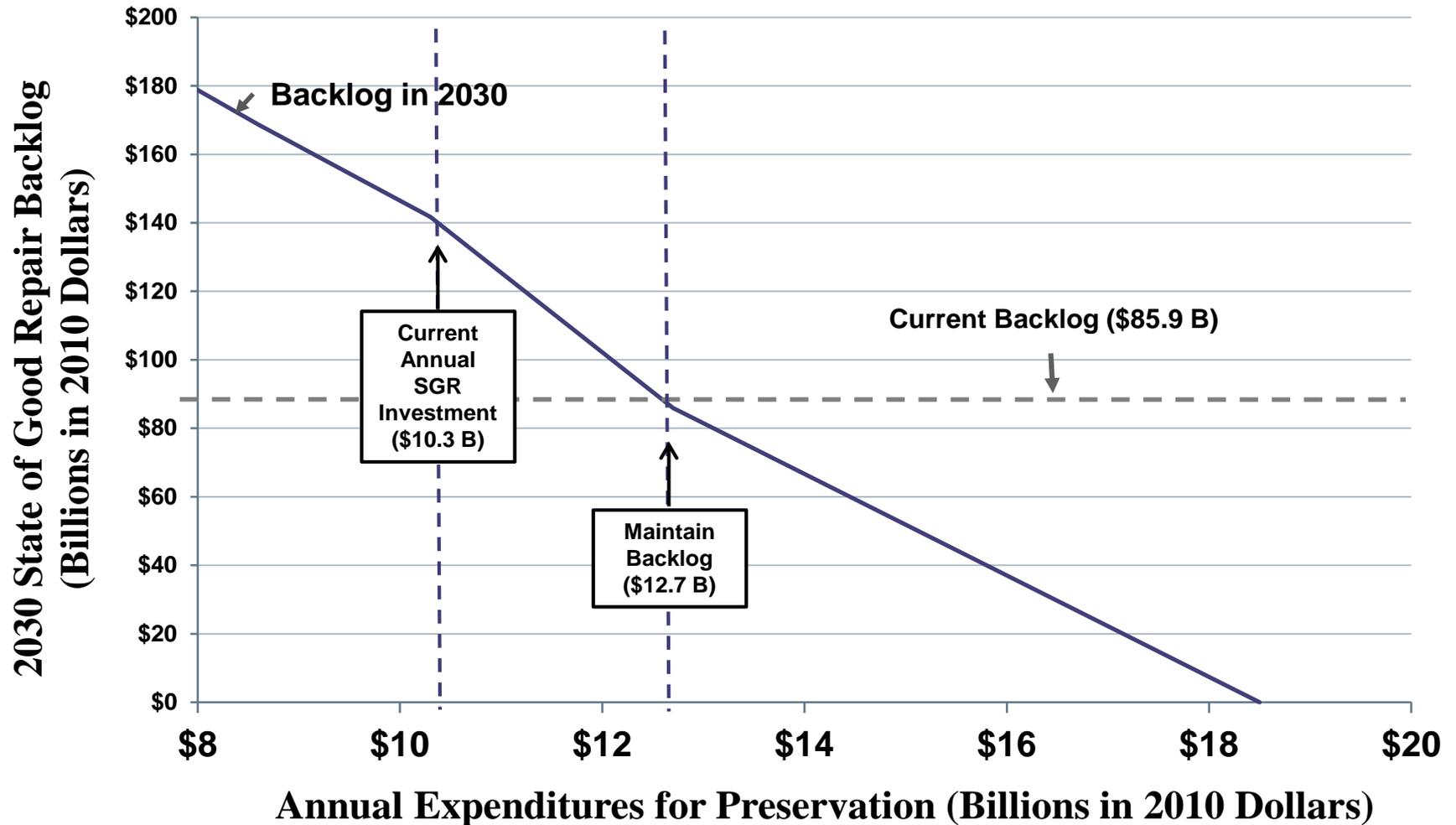
# Transit Asset Management: *Background*



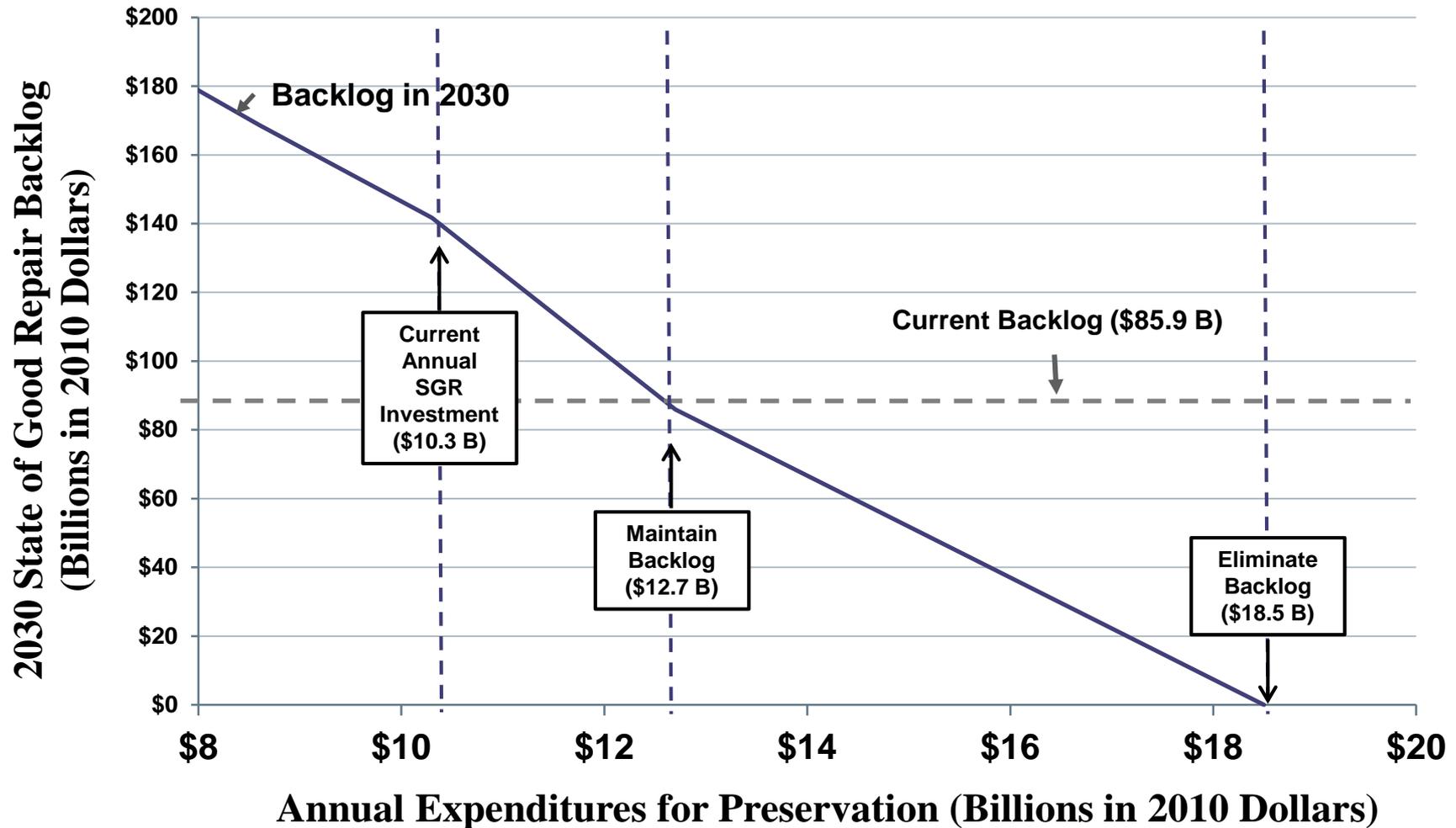
# Transit Asset Management: *Background*



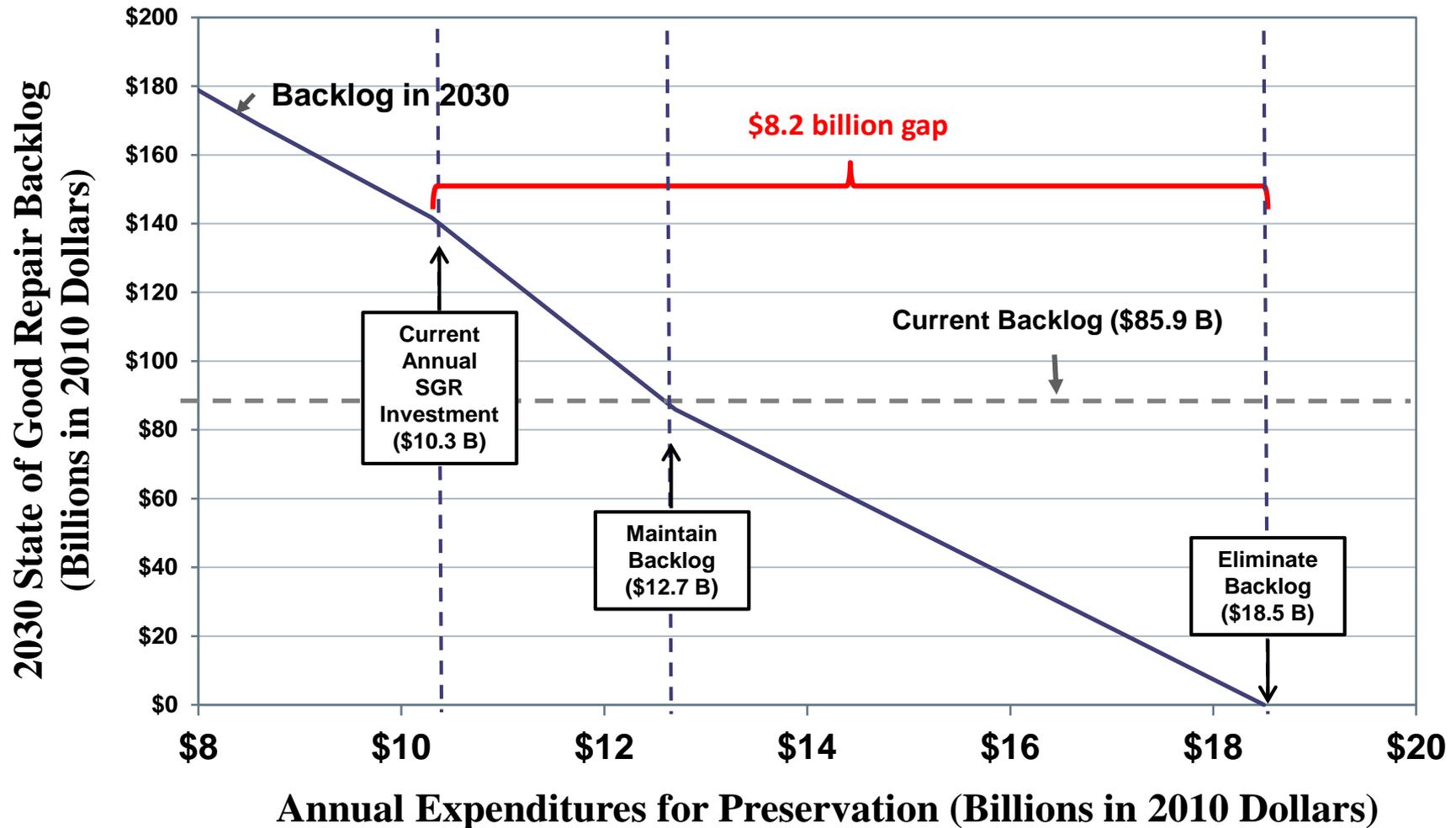
# Transit Asset Management: *Background*



# Transit Asset Management: *Background*



# Transit Asset Management: *Background*



# Anticipated Benefits of TAM

1. Improved transparency and accountability
2. Optimized capital investment and maintenance decisions
3. More data-driven maintenance decisions
4. Potential safety benefits

# MAP-21 Performance Management Framework

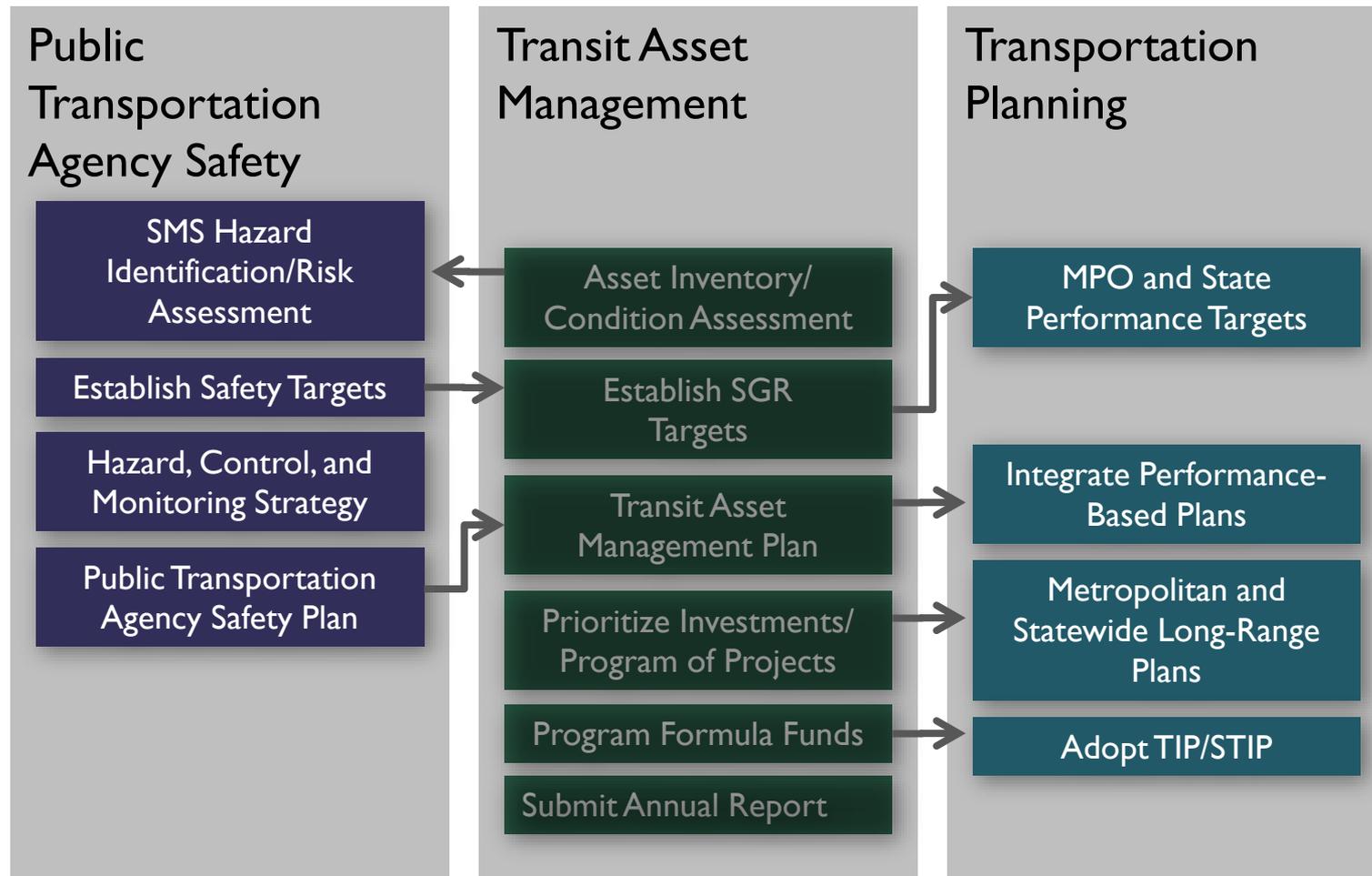
## FTA

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

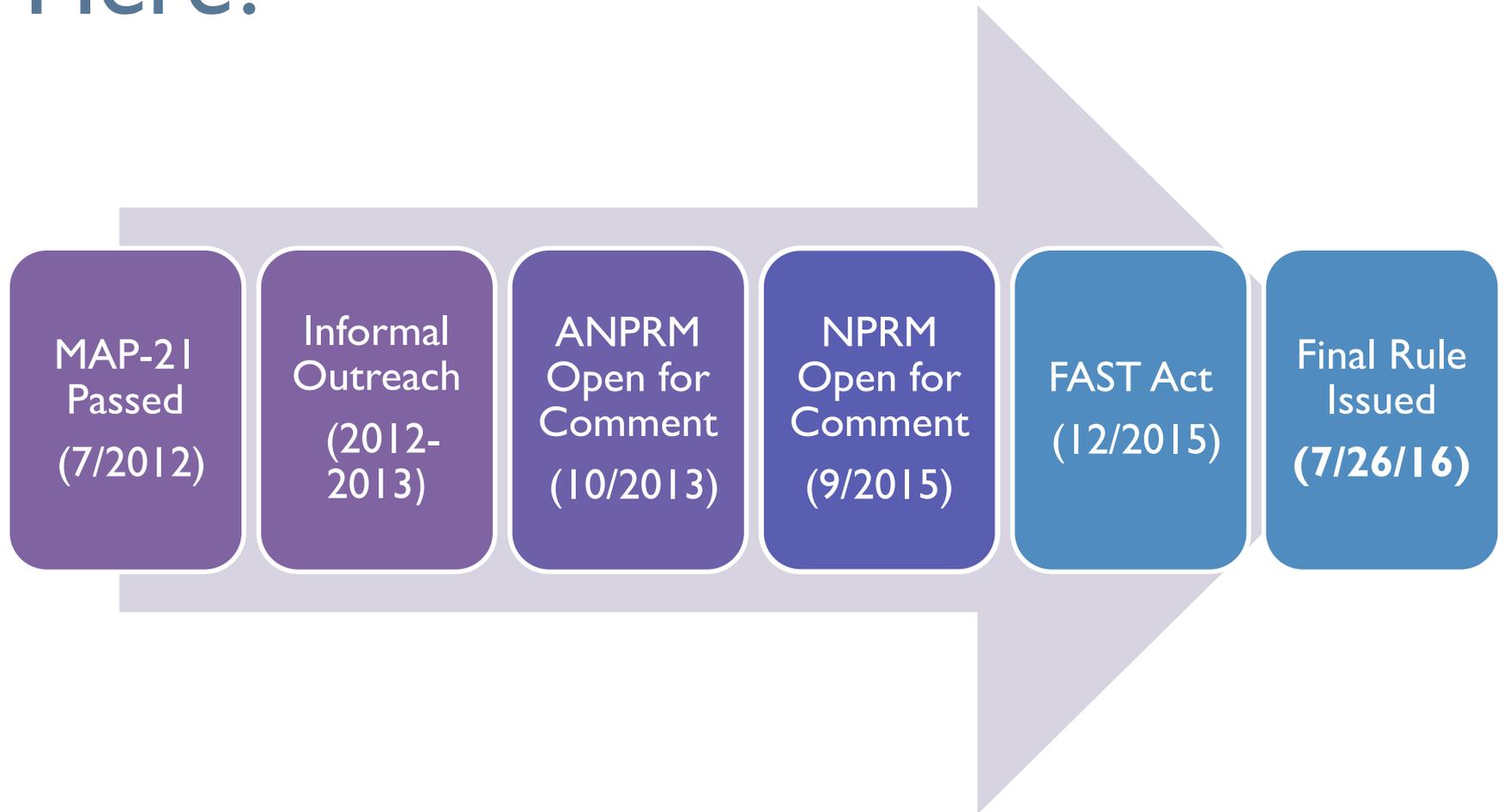
## FHWA

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

# Linking Proposed Regulations



# What Process Did We Take to Get Here?



# CFR Part 625

## Transit Asset Management Final Rule

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

# Changes from NPRM to Final Rule

- Definitions
  - Tier II Provider
- Asset Tracking
  - Equipment
  - Third party assets
- 5310 Applicability
- Group Plans
- Performance Targets

# 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

# Definition of 'Public Transportation'



The term "public transportation" is defined at 49 U.S.C. 5302 and means regular, continuing shared-ride surface transportation services that are open to the general public or open to a segment of the general public defined by age, disability, or low income.





# 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.

# TAM and State of Good Repair

- The purpose of the National TAM System is to keep our Nation's assets in a State of Good Repair (SGR)
- Consequences of not being in a SGR include:
  - Safety risks,
  - Decreased system reliability,
  - Higher maintenance costs, and
  - Lower system performance

# C. Transit Asset Management Plans



# Applicability – Tier I or Tier II



## Tier I

Operates Rail

**OR**

≥ 101 vehicles across all fixed route modes

**OR**

≥ 101 vehicles in one non-fixed route mode

## Tier II

Sub-recipient of 5311 Funds

**OR**

American Indian Tribe

**OR**

≤ 100 vehicles across all fixed route modes

**OR**

≤ 100 vehicles in one non-fixed route mode

# Responsibility for TAM Plan Development $\Delta$

- 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 single 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/Direct Recipient
  - Sponsor is not the Accountable Executive for its Group TAM Plan participants
  - Small urban operators (5307 Recipients) are not required to be offered a group plan but **CAN** be based on mutual agreement between sponsor and operator.

# TAM Plan Elements

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

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

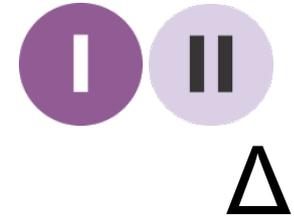


5. TAM and SGR Policy
6. Implementation Strategy
7. List of Key Annual Activities
8. Identification of Resources
9. Evaluation Plan

**Tier I only**



# I. Inventory of Capital Assets



- A listing of all capital assets:
  - Owned by the transit provider
    - Equipment: Non service vehicles & equipment > \$50,000
  - Include third-party exclusive-use non-equipment
  - Level of detail is same as in Capital Program of Projects
- May use existing inventories already collected
  - E.g., existing rolling stock and equipment reports
- Include assets acquired without FTA funds

# Examples of Asset Categories and Classes

Category	Class
Equipment	<ul style="list-style-type: none"><li>Construction</li><li>Service Vehicles</li><li>Maintenance</li></ul>
Rolling Stock	<ul style="list-style-type: none"><li>Railcars</li><li>Buses</li><li>Other Passenger Vehicles</li><li>Ferries</li></ul>
Infrastructure	<ul style="list-style-type: none"><li>Fixed Guideway</li><li>Signal Systems</li><li>Structures</li><li>Power</li></ul>
Facilities	<ul style="list-style-type: none"><li>Support Facilities</li><li>Passenger Facilities</li><li>Parking Facilities</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
- Condition assessments may include vulnerabilities to natural/climate hazards
- Condition assessments are only required for assets with **direct capital responsibility**



### 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 specialized 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



## 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 (**October 2018**)





# Targets for 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)
  - [www.transit.dot.gov/ntd/ntd-asset-inventory-modules-and-information](http://www.transit.dot.gov/ntd/ntd-asset-inventory-modules-and-information)

# 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 (i.e. geography, service frequency, etc.)
- There are default ULB values, but agencies are welcome to develop their own





# E. Recordkeeping and Reporting Requirements

Including the role of the National Transit Database



# Annual Reporting Requirements

- Submit to NTD
  1. Data Reports
    - Projected performance targets for next fiscal year
    - System Condition and Performance Report
  2. Narrative Report
    - Change in condition
    - Progress toward targets
- Group Plan Sponsors submit consolidated reports on behalf of their participants
- A [TAM-NTD Crosswalk](#) can be found on the TAM website

# National Transit Database Webpage



ps://www.transit.dot.gov/ntd/ntd-asset-inventory-modules-and-information

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Federal Transit Administration

About Funding Regulations & Guidance

Home » National Transit Database

- National Transit Database
- About the NTD
- NTD Data
- Reference Materials
- Manuals**
- Asset Inventory Module
- Trainings and Conferences
- Reporting Forms
- Presentations and Webinars
- Rules and Regulations
- NTD Glossary
- Reporting Login

## NTD Asset Inventory Modules and Information

The Asset Inventory Modules for the National Transit Database

- Asset Reporting Manual
- Asset Module Reporting Template (Excel) ←
- Asset Inventory Expansion Federal Register Notice
- Asset Inventory Expansion Overview Webinar
- Asset Inventory Expansion Webinar Presentation (PDF)
- Webinar Q&A Transcript - 12/16/15 (PDF)
- Webinar Q&A Transcript - 12/18/15 (PDF)

Updated: Wednesday, March 9, 2016

### Related Links

- NTD Internet Reporting System Forms
- Manuals
- Federal Register Notices, Rules & Regulations
- Census Updates
- Presentations and Webinars

Asset Module Reporting Template

### Accessibility Contact

**National Transit Database**  
1200 New Jersey Avenue, SE  
Federal Transit Authority  
Washington, DC 20590  
United States  
NTDhelp@dot.gov

<https://www.transit.dot.gov/ntd/ntd-asset-inventory-modules-and-information>



# 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

# 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





# TAM Timelines

*Items in blue Submitted to NTD*

Activity	Initial Due Date	Ongoing Submittal Frequency
Final Rule Effective Date	October 1, 2016	n/a
SGR Targets	<i>Set by 1/1/17</i>	<i>Annually within 4 months of end of provider's FY as part of NTD Report</i>
TAM Plan	October 1, 2018	Every 4 years
Asset Inventory and Condition Reporting*	<i>Within 4 months of end of provider's FY 2018</i>	<i>As part of NTD Report</i>
Narrative Report	<i>Within 4 months of end of provider's FY 2019</i>	<i>Annually within 4 months of end of provider's FY</i>

*\* Only 1/3 of facilities condition assessments are due in NTD report year 2018*

## TAM Plan Example

# What type of TAM plan do I need to develop?

1. Is this rule applicable to me?
2. Am I Tier I or Tier II?
3. Can I participate in a Group Plan?















