Agenda

• Introduction to Transit Asset Management (TAM)
• Overview of FTA’s TAM Final Rule
• What this means for ODOT
• Next steps
What is an ‘Asset’?

• An “asset” is something that has potential or actual value to an organization. The value will vary between different organizations and their stakeholders. Value can be tangible or intangible, financial or non-financial. (International Standard ISO 55001:2014)

• In the context of FTA’s TAM Rule, for ODOT and its subrecipients, these primarily include:
  • Buses
  • Facilities
  • Equipment
Asset Management is a process of resource allocation, optimization and utilization.

It’s about doing the right amount of work, at the right time for the right cost to deliver the right level of service.

“The singular purpose for managing assets is to deliver a service.”
Asset Management is not just about maintenance and it is more than technology

To be successful:

- Clear vision and strong leadership
- A framework within which to undertake decisions
- Reliable, accurate asset information
- Technology to support efficient management
- Mindset to monitor, review and continually improve

Remember that PEOPLE do asset management!
FTA defines **Transit Asset Management (TAM)** as:

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).
Why do Asset Management?

Source: FTA, 2016
Benefits include but are not limited to:

- Creating a transparent **audit trail** for what is done, when and why
- Better **understanding and usage of data and information** to provide informed and consistent decisions
- Improved planning (especially **capital prioritization**) and improved **financial performance**
- Consistent, prioritized and auditable **risk management**
- Improved **service and outputs**
Overview of FTA Final Rulemaking
Rulemaking Process

- MAP-21 Effective (2012)
- Informal Outreach (2012-2013)
- ANPRM Open for Comment (2013)
- NPRM Open for Comment (2015)
- FAST Act (12/2015)
- Final Rule Issued (7/26/16)
FTA’s TAM Final Rule Outline

CFR Part 625
• Subpart A – General Provisions
• Subpart B – National Transit Asset Management System
• Subpart C – Transit Asset Management Plans
• Subpart D – Performance Management
• Subpart E – Recordkeeping and Reporting Requirements
Subpart A – General Provisions – lays out the purpose, applicability, and definitions of the proposed rule

- **Purpose:** “Establish a National Transit Asset Management System to monitor and manage public transportation capital assets to improve safety and increase reliability and performance”

- **Applicability:** Applies to recipients and subrecipients of Federal financial assistance under 49 U.S.C. Chapter 53 that own, operate, or manage capital assets used for public transportation
FTA 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.
Tier I and II Applicability

**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
Subpart B – National Transit Asset Management System – elements of the system and SGR principles

- Define state of good repair, including objective standards
- Require TAM Plans for all recipients and sub-recipients
- Establish SGR performance measures, recipients set targets
- Report data to the NTD
- Provide Technical assistance from FTA

Source: FTA, 2016
### Subpart C – Transit Asset Management Plans – describes TAMP requirements

<table>
<thead>
<tr>
<th>Tier I and II</th>
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</thead>
<tbody>
<tr>
<td>1) Inventory of capital assets</td>
<td></td>
</tr>
<tr>
<td>2) Condition assessments</td>
<td></td>
</tr>
<tr>
<td>3) Decision support tools or processes to assist in prioritization</td>
<td></td>
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<tr>
<td>4) Investment prioritization</td>
<td></td>
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</table>

<table>
<thead>
<tr>
<th>Tier I Only</th>
<th></th>
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</thead>
<tbody>
<tr>
<td>5) TAM and SGR policy</td>
<td></td>
</tr>
<tr>
<td>6) TAMP implementation strategy</td>
<td></td>
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<tr>
<td>7) List of key TAM activities</td>
<td></td>
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<tr>
<td>8) Identification of resources</td>
<td></td>
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<tr>
<td>9) Plan for monitoring, updating and evaluating TAMP business practices</td>
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</tr>
</tbody>
</table>
## Tier II Inventory

*Include all assets used in the provision of public transportation – with or without FTA funds*

<table>
<thead>
<tr>
<th>Asset Category</th>
<th>Asset Class</th>
<th>Example Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Rolling Stock</strong></td>
<td>Buses</td>
<td>40 Foot Bus, 60 Foot Articulated Bus</td>
</tr>
<tr>
<td></td>
<td>Other Passenger Vehicles</td>
<td>Cutaway, Van, Minivan</td>
</tr>
<tr>
<td><strong>Equipment</strong></td>
<td>Maintenance</td>
<td>Vehicle Lift</td>
</tr>
<tr>
<td>(valued ≥ $50K)</td>
<td>Non-Revenue Service Vehicles</td>
<td>Tow Truck, Emergency Response Vehicle</td>
</tr>
<tr>
<td><strong>Facilities</strong></td>
<td>Support Facilities</td>
<td>Maintenance Facilities, Administrative Facilities</td>
</tr>
<tr>
<td></td>
<td>Passenger Facilities</td>
<td>Bus Transfer Stations</td>
</tr>
<tr>
<td></td>
<td>Parking Facilities</td>
<td>Parking Garages, Park-and-Ride Lots</td>
</tr>
</tbody>
</table>
**Subpart D – Performance Management** – describes required performance standards and measures

- **SGR standards** – a capital asset is in SGR if:
  - It can perform its intended function
  - Its use does not represent an unacceptable safety risk
  - Lifecycle investment needs have been recovered

<table>
<thead>
<tr>
<th>Asset category</th>
<th>Tier</th>
<th>Assets this applies to</th>
<th>Measure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equipment</td>
<td>I+II</td>
<td>Non-revenue vehicles</td>
<td>% ≥ ULB</td>
</tr>
<tr>
<td>Rolling stock</td>
<td>I+II</td>
<td>All class types in inventory</td>
<td>% ≥ ULB</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>I</td>
<td>Track, guideway, signals, systems</td>
<td>% with performance restrictions</td>
</tr>
<tr>
<td>Facilities</td>
<td>I+II</td>
<td>All class types in inventory</td>
<td>% rated &lt; 3 on TERM scale</td>
</tr>
</tbody>
</table>

- **Useful life benchmark (ULB)** = expected lifecycle of capital asset for the Transit Provider’s environment, or acceptable period of use in service for the Transit Provider’s operating environment
# Tier II Performance Measures – Examples

<table>
<thead>
<tr>
<th>Asset Category</th>
<th>Measure Applicability</th>
<th>Measure</th>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Rolling Stock</strong></td>
<td>All revenue vehicles used in the provision of public transit -- by vehicle class/mode</td>
<td>Age (ULB)</td>
<td>Van = 5 years</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Cutaway = 6 years + 120K miles</td>
</tr>
<tr>
<td><strong>Equipment</strong></td>
<td>Only non-revenue service vehicles with direct capital responsibility, no third party assets</td>
<td>Age (ULB)</td>
<td>Lift = 5 years</td>
</tr>
<tr>
<td><strong>Facilities</strong></td>
<td>Only facilities with direct capital responsibility (not bus structures – only maintenance, administrative and passenger stations/parking facilities)</td>
<td>Condition (TERM)</td>
<td>Maintenance Facility = 3</td>
</tr>
</tbody>
</table>
Subpart D – Performance Management – describes required performance standards and measures

• Targets must:
  • Be set annually for each asset class included in TAM
  • Be supported by data
  • Be reported to NTD
  • Be approved by the agency’s Accountable Executive every fiscal year
  • No penalty for not meeting.

• Implementation deadline: SGR targets to be set within 3 months of rule’s effective date

• To the extent it is practical, providers and sponsors must coordinate with States and MPOs to select performance targets.
Subpart E – Recordkeeping and Reporting Requirements for Transit Asset Management

- TAM Plans records and documentation must be kept at all times.

- TAM Plans should be shared with State and MPO, and they should be kept for their period of applicability.

- Reports to be submitted annually to NTD:
  - **Data report**: discussion of SGR performance targets and current assessment of system condition and performance.
  - **Narrative report**: description of condition changes in transit system and progress towards meeting targets.
What this means to ODOT
## Ohio DOT’s Group TAM Plan

<table>
<thead>
<tr>
<th>Group TAM Plan Role</th>
<th>Participants</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sponsor</strong></td>
<td>ODOT</td>
</tr>
</tbody>
</table>
| **Group TAM Plan Participants**     | ODOT Subrecipients  
(5311s and 5310s that are not direct recipients of Federal dollars and offer open door service) |

**Notes:**
- Does not cover 5307 Recipients and MPOs
- A Subrecipient may opt-out of Group TAM Plan by providing written notification to ODOT. A provider that opts out either must develop its own TAM Plan (in which ODOT would need to certify it) or participate in another Sponsor’s Group TAM Plan.
Next Steps
Introduction to Transit Asset Management

ODOT Anticipated TAM Implementation Timeline

Introduction & Overview of TAM and FTA Final Rule
*Summer 2016*

Data Collection; Begin Developing Performance Targets
*Fall 2016*

Identify Group TAM Plan Participants
*Fall 2016*

Set Performance Targets
*Jan 2017*

Development of Draft and Final Group TAM Plan
*2017-2018*

Certify Group TAM Plan
*No later than Oct 2018*

*Performance targets are to be updated annually and TAM Plans are to be updated at least every four years*
Questions?