TRANSIT ASSET MANAGEMENT (TAM) - STATE OF GOOD REPAIRS (SGR) PERFORMANCE MEASURES & TARGETS

Technical Committee (TC) Meeting
DCHC MPO

Wednesday May 24, 2017

Overview of Presentation

- MAP-21 requires the development of a transit asset management system for all FTA grantees, including tribal governments. The FAST Act continues this requirement.

- FTA issued final regulations for transit asset management on July 26, 2016. These rules began taking effect October 1, 2016.

- This presentation will touch on FTA regulations and requirements, DCHC MPO compliance, and proposed draft SGR targets.

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Part II

Department of Transportation

Federal Transit Administration
49 CFR Parts 625 and 630
National Transit Database; Transit Asset Management; Final Rule; Notices;
National Transit Database: Capital Asset Reporting; Transit Asset
Management: Proposed Guidebooks

Transit Asset Management (TAM) Rule 49 CFR Parts 625 and 630

- TAM final Rule requires MPO transit providers (CHT, GoDurham, GoTriangle, OPT and Durham County access) NCDOT-PTD to develop performance measures and targets for State of Good Repairs (SGR) by January1, 2017.

- MPO transit providers MUST provide these measure to the MPO

- **The DCHCMPO must establish SGR targets before June 30, 2017.**

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Reporting

- FTA reports TAM and SGR targets to Congress
- Annually, MPO establishes targets and monitoring

- NCDOT-Public Transportation Division (PTD) and Group-II TAM updates targets

- TAM must be updated in its entirety every 4 years

- Must cover a horizon period of at least 4 years
- Targets to be updated annually

What Is Transit Asset Management?

- As defined in FTA's regulations (at 49 CFR 625.5), **"*Transit asset management (TAM)* means the strategic and systematic practice of procuring, operating, inspecting, maintaining, rehabilitating, and replacing transit capital assets to manage their performance, risks, and costs over their life cycles, for the purpose of providing safe, cost-effective, and reliable public transportation."**

- Under FTA's rules, the key elements of transit asset management include:

  - A plan that includes an inventory of capital assets, a condition assessment of these assets, and a decision support tool that leads to the prioritization of transit capital investments,

  - A policy that documents the transit provider's commitment to achieving and maintaining a state of good repair (SGR) for all of its capital assets, and

  - A strategy for carrying out this policy that includes SGR objectives and performance targets.

Four More Important Definitions

- "*State of Good Repair (SGR)* means the condition in which a capital asset is able to operate at a full level of performance."

- "*Useful Life Benchmark (ULB)* means the expected life cycle or the acceptable period of use in service for a capital asset, as determined by a transit provider, or the default benchmark provided by FTA."

- "*Performance target* means a quantifiable level of performance or condition, expressed as a value for the measure, to be achieved within a time period required by FTA."

- "*Performance measure* means an expression based on a quantifiable indicator of performance or condition that is used to establish targets and to assess progress toward meeting the established targets."

Who Must Follow FTA's TAM Rule?

The details of compliance vary, but all public transit providers receiving FTA funding must comply in some way. These include grantees and subrecipients under:

- Section 5307 urban transit formula grants

- Section 5311 rural public transit formula grants

- Section 5339 bus and bus facilities grants

- Section 5310 grants for transportation of seniors and persons with disabilities, but only when these assets are part of a system that is open to the general public

- Any other FTA grant program that is used to acquire transit capital assets for the transportation of the general public.

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Tier I? Tier II? Where Do MPO Transit Providers Fit?

The FTA TAM rule divides the transit universe into "Tier I" and "Tier II" transit agencies.

- Tier I agencies are those with rail transit, as well as all transit agencies with more than 100 vehicles in revenue service

- Tier II agencies are those without rail transit, and having 100 or fewer vehicles in service

- All Section 5311 subrecipients are defined as Tier II agencies under the rule, unless they also receive Section 5307 assistance and also operate 100 or more vehicles in revenue service (or operate a rail transit program)

- **All DCHCMPO recipients and subrecipients of FTA funding are classified as Tier II agencies under this rule based on the number of fixed route fleet size**

Applicability Tier I or Tier II

- TIER I   TIER II
- Operate Rail   Subrecipients of 5311 funds

- => 101 vehicles   =< 100 vehicles (buses)
- (all fixed route modes)   (fixed rout modes)

- => 100 vehicles   =< 100 vehicles
- In 1 non-fixed route mode   non-fixed route

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Tier II Transit Agency TAM Requirements

In the FTA TAM rule, Tier II agencies (which include all MPO transit agencies) must have transit asset management plans that address these four elements:

1. An inventory of the number and type of capital assets (this is to include all transit capital assets, even those that were not acquired with FTA funding)

2. A condition assessment for these assets

3. A description of the decision-making tools or processes that the transit entity uses to estimate capital needs over time and thus to prioritize its future transit investments

4. A prioritization of its future transit investments, over a four-year planning horizon

Note that capital assets with acquisition values of less than $50,000 (other than transit service vehicles) do NOT need to be included in the agency's TAM plan.

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Can Tier II Transit Agencies Team Up on Their TAM Plans?

The FTA TAM rule allows Tier II agencies to participate in "group" TAM plans. Requirements about group TAM plans are found at 49 CFR 625.27, and include:

- A group plan cannot include any Tier I transit agencies

- A group plan must have a sponsor. NCDOT-PTD will sponsor group TAM plans for their subrecipients. For example, Durham County Access cannot be under NCDOT and the MPO (or GoDurham)

- A Tier II transit agency cannot be a member of more than one group TAM plan

- Tier II transit agencies are not required to participate in group TAM plans, but any agency that opts not to be in a group plan must develop its own TAM plan

- In a group TAM plan, the sponsor sets a single set of performance targets for the entire group, and must submit a consolidated annual report for FTA's National Transit Database on the group's progress toward meeting these performance targets.

Group TAM Plan

- All MPO transit providers are classified as Tier-II
  - Chapel Hill Transit
  - GoDurham
  - GoTriangle

  - **Orange Public Transportation (OPT)**
  - **Durham County Access**
  - **Chatham Transit Network**

- Chatham Transit Network, OPT and Durham County elected to be under the umbrella NCDOT Group TAM Plan.

The SGR Performance Measures

FTA has established the following four State of Good Repair Performance Measures:

a) *Equipment: non-revenue service vehicles.* The performance measure for non-revenue, support-service and maintenance vehicles is the percentage of those vehicles that have either met or exceeded their Useful Life Benchmark (ULB).

b) *Rolling Stock.* The performance measure for rolling stock is the percentage of revenue vehicles within a particular asset class that have either met or exceeded their ULB.

c) *Infrastructure: rail/fixed-guideway track, signals, and systems.* The performance measure for rail and fixed-guideway track, signals and systems is the percentage of track segments with performance restrictions.

d) *Facilities.* The performance measure for facilities is the percentage of facilities within an asset class, rated below condition 3 on the TERM scale.

Examples: Asset Categories & Classes

Category	Class	
Equipment	▪ Construction ▪ Service Vehicles	▪ Maintenance
Rolling Stock	▪ Railcars ▪ Buses ▪ Other Passenger Vehicles	▪ Ferries
Infrastructure	▪ Fixed Guideway ▪ Signal Systems ▪ Structures	▪ Power
Facilities	▪ Support Facilities ▪ Passenger Facilities	▪ Parking Facilities

Performance Measures - EQUIPMENT

- Percentage of equipment that have met or exceeded their Useful Life Benchmark (ULB). All tangible assets used in the provision of transportation

- (Replacement/Annual Rental Cost >$100)

- All equipment shall be updated by the Transit System with each reimbursement claim. The equipment asset category also includes any asset valued at greater than $50,000

- Note 4 Asset Categories established by FTA. Infrastructure (for rail) not applicable for now.

Measures – ROLLING STOCK

- Percentage of revenue vehicles within a particular asset class that have met or exceeded their ULB.

- Tracking all revenue vehicles including NCDOT funded vehicles and locally-owned vehicle assets. All rolling stock shall be updated annually.

- The ULB for Vans= five (5) years, Light Transit Vehicle (LTV) = Seven (7) years, Bus = ten (10) years.
- ☐ 3 Asset Classes
- ☐ Assessed according to Age based on Model Year
- ☐ Benchmarks determined by Capital Replacement Plan

Performance Measures - FACILITIES

- Calculated according to percentage of facilities with a condition rating below 3.0 on the FTA Transit Economic Requirements Model (TERM)

- scale (1=Poor to 5=Excellent). This includes entire existing inventory. All facilities shall be updated by
- the Transit System with each reimbursement claim.

- Facility asset classes are categorized as follows:
  - Passenger
  - Administrative
  - Maintenance
  - Storage

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Proposed Initial MPO SGR Targets

- **To be revised and updated as part of 2045 MTP development in coordination with CAMPO**

- **Collect data from MPO transit providers and NTD Asset Inventory Module (AIM)**

- **Revised performance targets to be brought back for Board approval at a later date.**

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Target Development Methodology & Data Sources - Equipment & Rolling Stock

- Involves accounting for existing inventories and anticipated additions and replacements

- Targets are determined using asset stored in NTD and remaining Useful Life Benchmark (ULB) methodology

- Acquisition dates stored in NTD and anticipated service lives are used to determine age and asset over or under ULB

- Baseline= <u>anticipated assets under ULB on 7/01/2017</u>

- total assets anticipated on /1/2017

- Target= <u>anticipated assets under ULB on 7/01/2018</u>

- total assets anticipated on 7/1/2018

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Target Development Methodology & Data Sources - Facilities

- Targets for facilities are determined using FTA Transit Economic Resource Model (TERM) quantitative scale of conditions 5-point scale, poor=1 to 5=excellent

- Asset classes are : passenger, administrative, maintenance and storage

- Baseline for all classes is 0% because it is anticipated all facilities for MPO transit are good or excellent condition

- Target for all facility classes is 0% because condition of facilities change much mor**e slowly over time. Transit facilities are relatively new (assumption).**

Proposed DCHCMPO Initial Targets

Asset Category*	Performance Measure	Asset Class	Baseline	Target
Rolling Stock	Age - % of revenue vehicles within a particular asset class that have met or exceeded their Useful Life Benchmark (ULB)	Class 1	0%	50%
		Class 2	50%	50%
		Class 3	50%	50%
Equipment	Age - % of non-revenue vehicles that have met or exceeded their Useful Life Benchmark (ULB)	All vehicles	50%	50%
Facilities	Condition - % of facilities with a condition rating below 3.0 on the FTA **TERM Scale**	Passenger	0%	0%
		Administrative	0%	0%
		Maintenance	0%	0%
		Storage	0%	0%

TAM: Its Links with Other Regulations
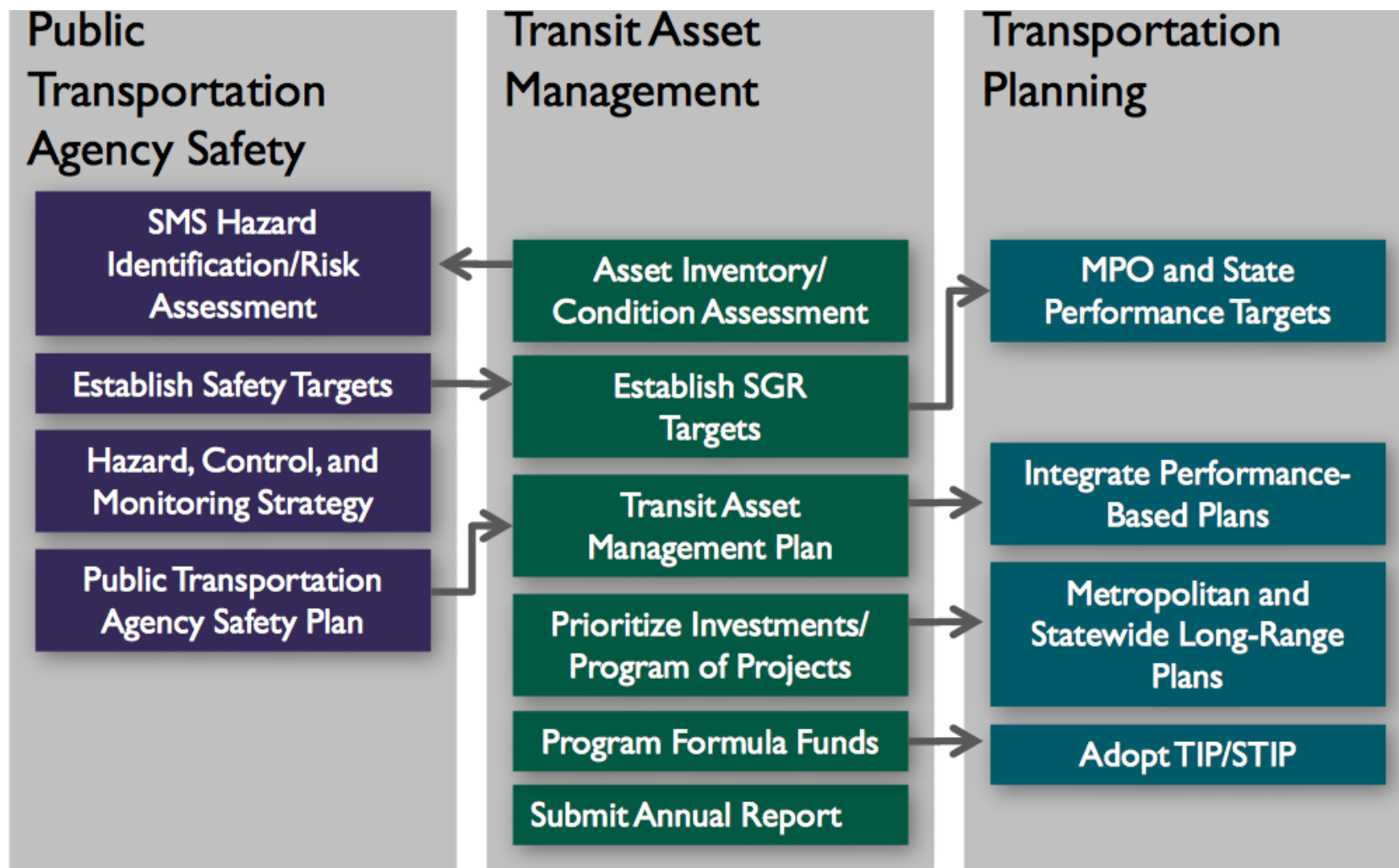
Staff Recommendations – TC Action

- Staff Recommendation:
  - Recommend Board approval of the initial SGR performance targets

- TC Action:
  - Recommend Board approval of the initial SGR performance targets

  - OR

  - Authorize subcommittee to forward a recommendation to the Board

Questions?