



## **Board Policy No. 463**

### **TRANSIT ASSET MANAGEMENT POLICY**

**ADOPTED:** 2/14/18

**RECENT AMENDMENT:** N/A

**SEE ALSO:** 314, 462

**SUBJECT CATEGORY:** SECTION 400, OPERATIONS

**SUBSECTION:** PROCUREMENT, MATERIALS & ASSET  
MANAGEMENT

**CONTROL DEPARTMENT:** OPERATIONS, CHIEF OPERATING  
OFFICER

#### **I. PURPOSE**

The District is committed to effectively manage its capital assets and maintain its system in a State of Good Repair (SGR) to support safe, efficient, and reliable transit. This directive outlines the District's overall asset management approach in a manner consistent with current federal regulations (49 U.S. Code § 5326) and sets the direction for establishing and following through with transit asset management strategies and plans that are achievable with available funds. This directive complies with the Federal Transit Administration (FTA) Transit Asset Management (TAM) Final Ruling on July 26, 2016.

The purpose of the TAM Board Policy is to communicate to the Board of Directors, management, staff, and external stakeholders the District's commitment to maintain its system in a State of Good Repair; and foster a culture of continuous improvement in asset management planning and performance.

The difference between this policy and Board Policy 462 is this policy is specific to the management of District Transit Assets, as defined by the FTA, which have a value of \$50,000 or more and are included in the District's Transit Asset Inventory maintained in the Enterprise Asset Management System (EAMS).

#### **II. PERSONS AFFECTED**

All District Board members, staff and members of the public are affected since the TAM Policy provides direction needed to assess, fund and maintain District assets in a State of Good Repair.

#### **III. DEFINITIONS**

**"Transit Asset Management Plan (TAM Plan)"** means the Plan through which the District will document its' asset base, asset conditions, backlog and State of Good Repair, asset management policy, TAM goals and objectives, governance structure for asset management, strategy for capital asset funding and prioritization, and key priorities for asset management.

**"Transit Asset"** as defined by the FTA, means both fixed long-life infrastructure assets (including, for example, structures, tunnels, facilities, and maintenance of way) and equipment (bus, rail, and paratransit rolling stock).

**“State of Good Repair (SGR)”** means a condition in which assets are fit for the purpose for which they were intended.

**“TAM Final Ruling”** means a set of federal regulations that sets out minimum asset management practices for transit providers to bring all of the nation’s transit assets into a state of good repair.

**“Capital Improvement Plan (CIP)”** means a short-range plan, usually four to ten years, which identifies capital projects and equipment purchases, provides a planning schedule, and identifies options for funding the plan. See Board Policy No. 314.

**“Tier I Agency”** as defined by the FTA, means agencies that operate rail, or with 101 vehicles or more across all fixed-route modes, or with 101 vehicles or more in one non-fixed route mode. Tier I agencies must develop their own TAM Plan.

#### **IV. POLICY**

##### **A. Commitment to Maintaining Assets in a State of Good Repair**

1. The District is committed to maintaining assets in a State of Good Repair through financial stewardship and reinvestment, transparency, and collaboration with its funding partners; promoting a culture that supports asset management across the organization; and by focusing on high quality data-driven asset condition and performance information to provide with safe, reliable, sustainable service for the communities served by AC Transit.
2. The District’s asset management program supports the timely implementation of projects and programs which maintain District assets in a State of Good Repair.

##### **B. District TAM Vision**

1. The District’s TAM Vision is an extension of its mission statement. It sets the direction for establishing and continually improving asset management strategies and plans, including setting goals, objectives, and measures to monitor and continually improve performance.

##### **C. Lifecycle Management**

1. A data-driven set of activities will be used to evaluate the cost, condition, and performance of each class of assets over their entire lifecycle.

##### **D. Optimizing Use of District Funds across asset lifecycle**

1. The Capital Improvement Plan (CIP) will be aligned with TAM investment priorities:
  - Public and employee safety
  - Optimized useful life and maintain existing assets
  - Replace assets in accordance to TAM targets

- Leverage available funds and optimize District costs
- Improve system-wide reliability
- Environmental sustainability goals

## **E. TAM Plan Elements**

The FTA regulation defines the District as a Tier I agency and, as such, requires the District to implement a TAM Plan that includes the nine TAM Elements listed below.

1. Inventory of assets – A register of capital assets and information about those assets.
2. Condition assessment – A rating of the assets' physical state.
3. Decision support tool – Analytic process or tool to assist in capital asset investment prioritization needs.
4. Prioritized list of investments – A prioritized list of projects or programs to manage or improve the SGR of capital assets.
5. TAM and SGR policy – Executive-level direction regarding expectations for transit asset management.
6. Implementation strategy – Operational actions to achieve District TAM goals and policies.
7. Key annual activities – Describe the key TAM activity four-year plan.
8. Identification of resources – List resources needed to carry out the TAM Plan.
9. Evaluation plan – Monitor and update to support continuous TAM improvement.

## **V. AUTHORITY**

### **A. Board Authority**

The Board of Directors has the authority to approve and amend the District's TAM Policy.

### **B. General Manager Authority**

The General Manager or designee will have overall responsibility for overseeing the development of asset management plans and procedures, in cooperation with the executive leadership team, and reporting to the Board on the status of asset management for the District.

In accordance with this policy, implementation of the TAM Policy will be a shared responsibility for all departments within the District regarding expectations and mandatory requirements.

**VI. ATTACHMENTS**

None.