

## **Summary of TSDAC Policy Principles**

### **June 1, 2018**

#### **Priorities:**

- The priority for transit capital investment is to attain and maintain a state of good repair for transit assets. With that in mind, there are needs beyond state of good repair that would enhance transit utilization, efficiency, and reduce congestion that should be considered for funding through the transit capital program.
- Regardless of structure established to fund state of good repair, minor enhancement, and major expansion projects, the CTB will have the discretion to move funding annually from major expansion and minor enhancement to meet state of good repair needs.
- The application, scoring, and prioritization will be conducted in an open and transparent manner.

#### **Program Structure:**

- State of Good Repair (SGR) projects involve the replacement of existing assets at the end of their useful life. The majority of the program is focused on SGR related replacements.
- Minor Enhancement (MIN) projects are new, small increases in system assets, less than \$2 million in total cost, less than 5% increase in total fleet, or no more than 5 expansion vehicles. Examples of minor enhancement projects include deployment of new technologies, purchase of additional revenue vehicles to increase spare ratios or reduce headways, or make modest expansions of transit service. The CTB should have the discretion to set aside funding (not to exceed 10% of the funding allocated for state of good repair projects) to support minor enhancements.
- Major Expansions (MAJ) are significant increases in service or infrastructure improvements that are beyond the definition of MIN projects. The Revenue Advisory Board recommended that up to 20% of the capital program could be used for Major Expansion projects.

#### **Project Scoring:**

- State of Good Repair (SGR): Projects will be scored on a 100 point scale with 60 points attributed based on age/condition of the asset and 40 points attributed based on service quality/impact. Replacement age will be determined based on Federal Transit Administration established life cycle benchmarks. For vehicles, the age/condition points will be awarded based on a combination score (50% based on age and 50% based on mileage). Asset age and condition data will be drawn from the TransAM asset management system.
- Minor Enhancement (MIN): Projects will be scored on a 40 point scale based on service quality/impact of the investment.

#### **Match Rates:**

- State of Good Repair (SGR) & Minor Expansion (MIN): In order to provide predictability and to ensure projects are funded at a level sufficient for projects to move forward, a 68% match rate is proposed for all assets.

- Major Expansion (MAJ): The Revenue Advisory Board recommended a maximum match rate of 50% for major expansion projects.

**Eligibility Criteria:**

- Applications from agencies that exhibit poor fleet maintenance or asset management as documented in comparison to their local Transit Asset Management Plan or audit findings may be deferred until corrective actions are demonstrated.