



September 8, 2022

To: Transit Committee
From: Darrell E. Johnson, Chief Executive Officer
Subject: 2022 Transit Asset Management Plan

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Overview

The Federal Transit Administration requires the recipients of federal funds that own, operate, or manage capital assets used for providing public transportation to develop and implement Transit Asset Management plans. The Orange County Transportation Authority is currently finalizing the 2022 Transit Asset Management plan. The plan must be completed by October 1, 2022, and a status report is provided for information purposes.

Recommendation

Receive and file as an information item.

Background

The Orange County Transportation Authority (OCTA) has 502 vehicles available for fixed-route revenue service, 248 vehicles for paratransit services, and 188 non-revenue vehicles to support maintenance, operations, and administrative functions. OCTA also operates and maintains five maintenance and operating bases, two park-and-ride facilities, and five multimodal transportation centers. The facilities are comprised of 54 buildings and structures totaling over 500,000 square feet. While the agency's assets predominantly support bus and paratransit service today, the OC Streetcar is scheduled to begin operations in 2024. OC Streetcar assets will be included in future Transit Asset Management (TAM) plans after that system becomes operational.

Discussion

Among other requirements, TAM plans must include an asset inventory, condition assessment, and a list of investments to support the state of good repair of the agency's capital assets. The federal TAM plan requirement was enacted in 2016, and the inaugural TAM plan for OCTA was completed in August 2018. The plan has been updated and will serve as the 2022 TAM plan. The planning horizon covered under this TAM plan is through the years 2022-2026. Various departments within OCTA track and monitor the state of good repair of OCTA-owned assets and plan for the capital replacement of these assets when they have reached the end of their useful life. Three processes stand out in terms of influencing OCTA's TAM plan development: the Comprehensive Business Plan, the 20-year fleet outlook, and the facility condition assessment process.

The valuation of OCTA's existing transit asset inventory is estimated at approximately \$957 million (in 2021 dollars). Revenue vehicles represent the largest share of asset holdings (68 percent). Facilities, including bus maintenance and administrative facilities, constitute the second largest share of OCTA's asset holdings (23 percent). The remaining nine percent of assets consist primarily of support systems including fare collection, communications, and information technology systems along with minor investments in passenger station-related assets.

The TAM plan, in combination with the above-listed processes, is used to develop the 20-year list of transit capital needs and is updated at least every four years per federal requirements. OCTA uses a decision support tool to evaluate capital projects to maintain a state of good repair of assets and assesses financial requirements of asset investments over time. This document is utilized to inform the annual budget process which may include new needs that emerge between updates. Critical priorities include:

- Large bus replacements,
- Vehicle modifications,
- Facility modifications,
- Small bus replacements, and
- Support equipment.

These priorities are revisited each year through the budget process using information from the latest TAM plan.

The draft 2022 TAM plan executive summary is provided as Attachment A. Key findings of the plan include:

- OCTA's revenue vehicles are in a state of good repair,
- OCTA's facilities are in good condition overall,

- Major reinvestment needs to coincide with the switch to zero-emission buses in 2034 and 2040, and
- The state of good repair backlog is expected to grow over the next 20 years given the incremental costs associated with zero-emission buses and infrastructure.

It should be noted that the TAM plan identifies a current backlog (deferred reinvestment in asset rehabilitation, replacement, and annual capital maintenance). Virtually all transit agencies carry some backlog from year to year. OCTA's current backlog is estimated to be approximately \$114 million or 11.9 percent of the total value of OCTA transit assets. This backlog consists of facilities, vehicles, systems, and stations. However, based on the consultant's review of other TAM plans, this backlog is considered normal compared to other transit agencies. Overall, OCTA's facilities and revenue vehicles are in a state of good repair.

Summary

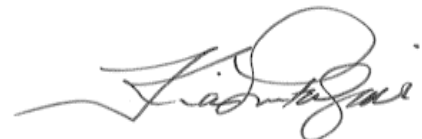
The draft 2022 TAM plan executive summary is provided as Attachment A. The draft plan is currently being reviewed by OCTA staff. The final 2022 TAM plan will be submitted prior to October 1, 2022. Once completed, the TAM plan will remain on file at OCTA.

Attachment

- A. Transit Asset Management Plan, Executive Summary Draft, August 2022

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