

Introduction to Transit Asset Management (TAM)

May 19, 2026

Lea Sheridan

Local Programs and Community Mobility



Today's Presentation

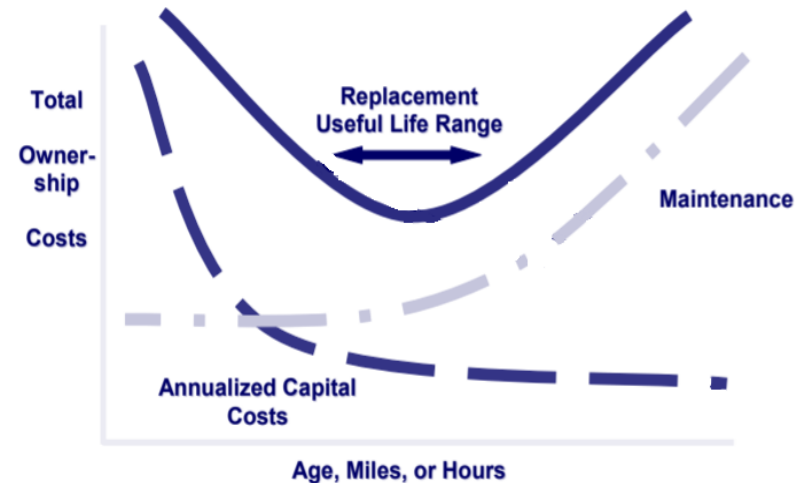
- **Transit Asset Management Background**
- **2022 Group TAM Plan Overview**
- **2026 TAM Plan Requirements**
- **Option A: Group Plan Participant**
- **Option B: Developing a Tier II TAM Plan Development**
- **Next Steps**

Please Note: The information communicated during today's session is for the use of the NJ TRANSIT sub-recipients. All questions should be directed to NJ TRANSIT. Please note today's presentation is *not* on the behalf of the Department of Transportation or the Federal Transit Administration.

Transit Asset Management Background

What is a Transit Asset Management Plan?

According to **49 CFR § 625.5**, FTA defines **Transit Asset Management (TAM)** as a strategic and systematic process of operating, maintaining, and improving public transportation assets effectively through their entire life cycle.



The goal of TAM is to reach a State of Good Repair (SGR) – the condition in which a capital asset operates at a full level of performance.

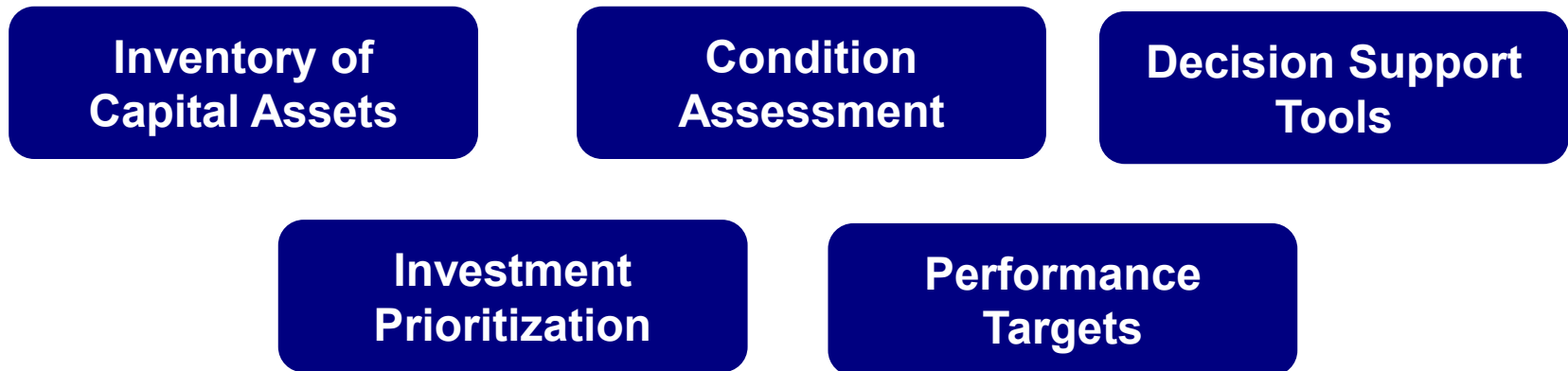
TAM Plans – 49 USC 5326

- “recipients and subrecipients of Federal financial assistance under this chapter develop a transit asset management plan”
- The term “transit asset management plan” means a plan developed by a recipient of funding under this chapter that
 - (A) includes, at a minimum, capital asset inventories and condition assessments, decision support tools, and investment prioritization; and
 - (B) the recipient certifies complies with the rule issued under this section.

Transit Asset Management Background

Components of a Transit Asset Management (TAM) Plan

- A TAM Plan sets forth a strategy for maintaining and replacing assets to achieve a state of good repair
- TAM Plans must be updated on a 4-year cycle
- Tier II TAM Plans must include:



Applicability

- Recipient or subrecipient of FTA funds for public transportation.
 - Own transit assets.
 - Operate transit assets.
 - Manages transit assets.
- Excludes intercity bus (not public transportation).
- Recipients and subrecipients includes their contractors.

Group Plans

- Grant recipients must offer a group plan to subrecipients
- 5310 beneficiaries that provide public transportation are included
- The accountable executive participant in the group plan must approve and sign.



2022 Group TAM Plan Overview

New Jersey Tier II Group Transit Asset Management Plan

2022 Group TAM Plan Overview

- The published plan can be viewed by going to S-RIDES Homepage: [NJTierIIGroupTAMPlan2022.pdf](#)
- 54 public transit providers participated
- Assets considered in the plan included revenue vehicles, equipment, and facilities
- 2022 TAM Plan Table of Contents included:

1. Introduction

- 1.1 Plan Purpose
- 1.2 Plan Requirements
- 1.3 Participation Requirements
- 1.4 Roles and Responsibilities
- 1.5 Relationship to Other Plans

2. Asset Inventory and Condition Assessment

- 2.1 Condition Assessment Methodology
- 2.2 Asset Inventory

3. Decision Support Tools

- 3.1 Vehicle Decision Support Formula
- 3.2 Facilities Decision Support Tool

4. Investment Prioritization

- 4.1 Anticipated Funding
- 4.2 Additional Considerations
- 4.3 Investment Scenarios
- 4.4 Comparing the Results
- 4.5 Risks
- 4.6 Using the Results

5. Performance Targets

- 5.1 Performance Measures
- 5.2 Performance Targets

6. Next Steps

- 6.2 Updates and Amendments

2022 Asset Inventory and Condition Assessment

Asset Inventory – Revenue Vehicles and Equipment

Asset Class		Total Number	Average Mileage	Average Age	Useful Life Benchmark	% at or Past ULB	Average Value
Revenue Vehicles	Automobile	36	65,470	9.1	8	61%	\$19,136
	Bus	98	116,678	8.4	14	15%	\$96,674
	Cutaway Bus	869	79,201	6.6	10	16%	\$75,254
	Minivan	87	52,099	6.3	8	29%	\$44,205
	Sport Utility Vehicle	14	9,908	4.0	8	14%	\$27,145
	Van	56	42,726	7.3	8	48%	\$40,536
	Total	1,160	77,147	6.8	-	20%	\$73,064
Equipment	Non-Revenue / Service Automobile	1	-	13.0	8	100%	\$20,221
	Trucks / Other Rubber Tire Vehicles	14	64,400	8.2	14	14%	\$51,176
	Total	15	61,875	8.5	-	20%	\$49,112

Useful Life Benchmarks

- FTA Minimum Useful Life – not eligible for replacement until met
- FTA Default Useful Life Benchmark (ULB) – ideal age for replacement

- Minivans/Vans:
 - FTA Minimum Useful Life – 4 years
 - FTA Default ULB – 8 years
- Cutaways:
 - FTA Minimum Useful Life – 5 years
 - FTA Default ULB – 10 years
- Medium-Duty Cutaways:
 - FTA Minimum Useful Life – 7 years
 - FTA Default ULB – 14 years

QUESTIONS?

Did You Inventory All Your Assets?

- Include all assets regardless of funding source.
- Include all vehicles used for public transportation.
- Include all non-revenue vehicles.
- Each building is considered a separate facility.
- Any equipment over \$50,000 replacement value.

Decision Support Tool

All decision support tools must answer three basic questions:

- Where Are You Right Now?
- Where Do You Want To Be?
 - What vehicles will age into their ULB over the next 4 years?
 - What facilities may deteriorate in condition over the next 4 years?
 - Can we achieve state of good repair in 4 years?
- How Are You Going to Get There?
 - Is your maintenance budget where it needs to be?
 - What capital rehabilitation do you have planned?
 - What capital replacement do you have planned? Are your lead times adequate for the age of the asset?

Decision Support / Scenario Planning

- If you needed to make a cut to your budget, how would you decide what to cut?
- If you could apply for (and receive) additional funds, how would you decide what to spend them on?
- How would these decisions impact your state of good repair goals?

2022 TAM Plan Decision Support Methodology

Vehicle Decision Support Formula

Replacement Score

$$\left(70 \times \frac{\text{Age}}{\text{Useful Life Benchmark}} \right) + \left(45 \times \frac{\text{Average Annual Mileage}}{\text{Expected Annual Mileage}} \right)$$

Asset Class		Useful Life Benchmark	Expected Annual Mileage	Replacement Score				
				Backlog	2026	2027	2028	2029
Revenue Vehicles	Automobile	8	18,570	≥ 115	≥ 100	≥ 91	≥ 82	≥ 73
	Bus	14	21,428	≥ 115	≥ 100	≥ 95	≥ 90	≥ 85
	Cutaway Bus	10	22,500	≥ 115	≥ 100	≥ 93	≥ 86	≥ 79
	Minivan	8	18,570	≥ 115	≥ 100	≥ 91	≥ 82	≥ 73
	Sport Utility Vehicle	8	18,570	≥ 115	≥ 100	≥ 91	≥ 82	≥ 73
	Van	8	18,570	≥ 115	≥ 100	≥ 91	≥ 82	≥ 73
Equip.	Non-Revenue / Service Automobile	8	18,570	≥ 115	≥ 100	≥ 91	≥ 82	≥ 73
	Trucks / Other Rubber Tire Vehicles	14	21,428	≥ 115	≥ 100	≥ 95	≥ 90	≥ 85

2022 TAM Plan Decision Support Example

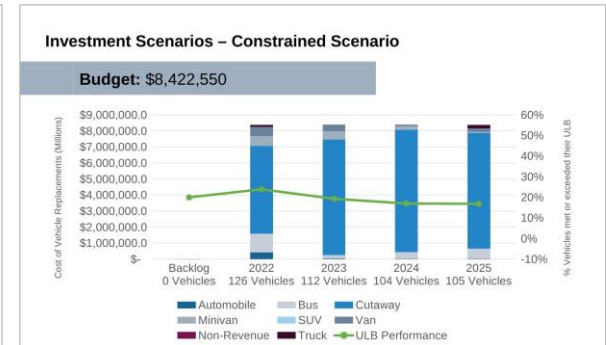
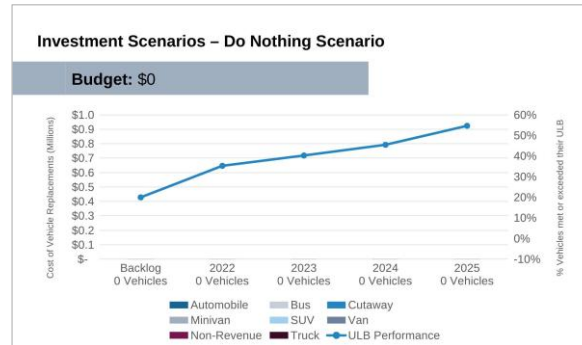
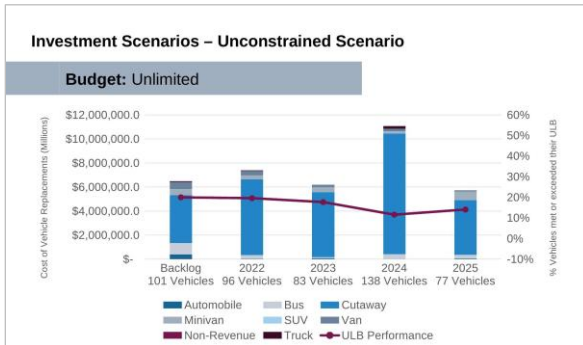
Criteria	Cutaway Vehicles						
	V-1	V-2	V-3	V-4	V-5	V-6	V-7
Purchased	2016	2025	2021	2024	2021	2019	2014
Age (Years)	10	1	5	2	5	7	12
Mileage	12,000	300,000	150,000	24,000	60,000	120,000	45,000
Score for Age	70	7	35	14	35	49	84
Score for Mileage	2	600	60	24	24	34	8
Replacement Score	72	607	95	38	59	83	92
Action	Replace 2029	Replace 2026	Replace 2026			Replace 2028	Replace 2027
Priority	5	1	2			4	3
Age at Replacement	13	1	6			9	13
Mileage at Replacement	15,600	300,000	180,000			154,286	48,750

Investment Prioritization

- Rank projects for the next 4 years.
- Include both the projects you are planning to carry out and the “nice to have” projects.
- Indicate your projected budget availability.

2022 Investment Prioritization

Investment Scenarios – Comparison Summary



	Unconstrained	Do Nothing	Constrained
Budget	Unlimited	\$0	\$8,422,550
Backlog	101 Vehicles	0 Vehicles	0 Vehicles
2022	96 Vehicles	0 Vehicles	126 Vehicles
2023	83 Vehicles	0 Vehicles	112 Vehicles
2024	138 Vehicles	0 Vehicles	104 Vehicles
2025	77 Vehicles	0 Vehicles	105 Vehicles
ULB Current	20.0%	20.0%	20.0%
ULB 2025	14.1%	54.7%	16.9%

2022 Performance Measures and Targets

Performance Measures

Performance Targets

Asset Category / Performance Measure		Asset Class	FY 2021 Target	FY 2022 Target	FY 2023 Target	FY 2024 Target	FY 2025 Target
Revenue Vehicles	Age - % of revenue vehicles within a particular asset class that have met or exceeded their Useful Life Benchmark (ULB)	Automobile	55% ●	55%	55%	56%	57%
		Bus	34% ●	35%	23%	20%	19%
		Cutaway Bus	15% ●	14%	30%	29%	28%
		Minivan	29% ●	30%	36%	37%	38%
		Sport Utility Vehicle	45% ●	45%	22%	20%	19%
		Van	39% ●	40%	56%	50%	49%
Equipment	Age - % of vehicles that have met or exceeded their Useful Life Benchmark (ULB)	Non-Revenue / Service Automobile	55% ●	100%	90%	80%	82%
		Trucks and Other Rubber Tire Vehicles	30% ●	15%	27%	39%	9%



2026 TAM Plan Requirements

New Jersey Tier II Group Transit Asset Management Plan

First Step is “Know Thyself”

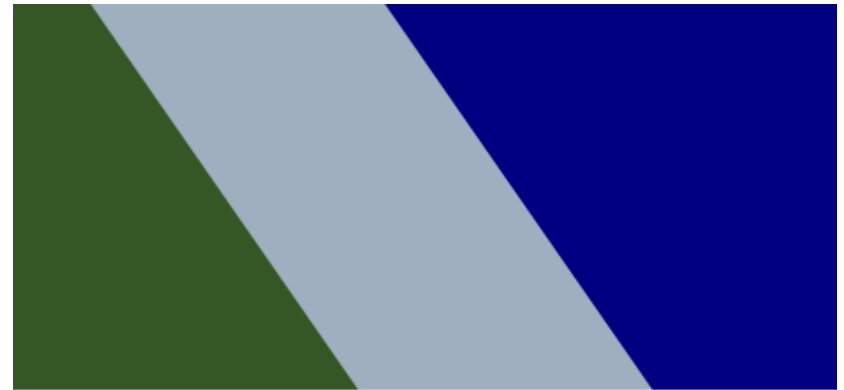
- Who is the legal entity of record for your grant?
- Who is the legal entity that provides your service?
- Who is the legal entity that owns your assets?
- Are you part of a group plan?

2026 TAM Requirements

- Transit agencies are required by FTA Regulation 49 CFR Part 625 to participate in a TAM Plan
 - *This requirement applies to all recipients or subrecipients of Federal financial assistance under 49 U.S.C. Chapter 53 that own, operate, or manage capital assets used in the provision of public transportation*
- Agencies must confirm their Accountable Executive by **June 26**
- Agencies have two options for satisfying the TAM Plan requirements:
 - **Option A:** *Participate in a Group Tier II TAM Plan*
 - **Option B:** *Develop a Tier II TAM Plan*

Option A: Group Plan Development

- NJ TRANSIT is the Designated/Direct Recipient in New Jersey and will Sponsor the NJ Tier II Group TAM Plan
- Agencies that participate in the Group TAM Plan are responsible for:
 - *Defining an Accountable Executive*
 - *Providing data, including a complete asset inventory*
 - *Approving the final plan*
- Agencies will be automatically included in the Group Plan unless they opt out before **August 5**



Option A: Group Plan Development

Asset Inventory and Condition

Defines assets used by all agencies, including all equipment, vehicles, and facilities whether owned or third-party.

Age is used to define **vehicle condition** and FTA Transit Economic Requirements Model (**TERM**) **1-5** scale is used for **Facilities Condition**.

Performance Targets

NJ TRANSIT calculates current performance and sets annual targets for each asset class for National Transit Database (NTD) reporting based on % of vehicles that have met/exceeded Useful Life Benchmark (ULB).

Group Plan **targets apply collectively** to the group.

Decision Support Tools Investment Prioritization

NJ TRANSIT will rank projects by planned year using a modified 2022 **Decision Support Tool**, prioritizing assets based on **age and mileage**.

Funding estimates will develop **investment scenarios** that will be used to set NTD reporting targets.

Plan Development

NJ TRANSIT will be responsible for writing the Tier II Group Plan.

The Accountable Executive at each participating agency must approve the final plan.

Option B: Individual Tier II TAM Plan

- Agencies may elect to develop their own Tier II TAM Plan
- Agencies that choose to develop their own TAM Plan must opt out of the Group TAM Plan no later than **June 12**
- Plans must be submitted to NJ TRANSIT by **August 5**
- Tier II TAM Plans must include:

**Inventory of
Capital Assets**

**Condition
Assessment**

**Performance
Targets**

**Decision Support
Tools**

**Investment
Prioritization**

- Resources, including templates, are available to assist agencies with developing their own TAM Plan

Resources for Developing a TAM Plan

- TAMPLATE (TAM Plan Template)
<https://www.transit.dot.gov/regulations-and-programs/asset-management/template>
 - Allows users to upload their most recent NTD data and edit the inventory to ensure its accuracy
 - Uses inputs to develop a downloadable TAM Plan
 - Organized into 5 chapters that cover the required elements of a TAM Plan
 - Includes an optional Fleet Replacement Module that can help estimate replacement needs and cost
- FTA information on Transit Asset Management
<https://www.transit.dot.gov/TAM>
- Asset Management Guide for Small Providers
<https://www.transit.dot.gov/regulations-and-guidance/asset-management/asset-management-guide-small-providers-report-0092>

Checklist for Group Plan Participants

Due Date	Responsible	Step	
5/19/26	Primary Contact & Accountable Executive	Attend webinar / review webinar materials	<input type="checkbox"/>
6/26/26	Primary Contact	Update/verify asset inventory data in S-RIDES <ul style="list-style-type: none">• Vehicle make/model• Vehicle mileage• Purchase/build date• Estimated replacement cost	<input type="checkbox"/>
6/26/26	Primary Contact	Provide funding estimates for 2026-2030	<input type="checkbox"/>
6/26/26	Primary Contact	Submit Capital Investment Plans	<input type="checkbox"/>
7/22/26	Primary Contact & Accountable Executive	Review 2026 New Jersey Tier II Group Transit Asset Management Plan	<input type="checkbox"/>
8/5/26	Accountable Executive	Approve plan	<input type="checkbox"/>

Vehicle Inventory

Filter Data:

[Add New Vehicle](#)

Vehicle	License Plate	VIN
CR--1740	test123458	test123333333333

[View Vehicle Details and Edit](#)

[Save changes and Submit](#) [Cancel](#)

*RVI ID

*Mileage

*Year of Purchase

*Year Manufactured

*Manufacturer

*Model

*Vehicle Type

*Vehicle Length (in feet)

Checklist for developing a TAMP

Tier II TAM Plan Requirements

Performance Targets, Facilities (as applicable)	% of facilities with a condition rating of 3.0 or below on the TERM scale	The plan includes the current performance of facilities	<input type="checkbox"/>
		The plan includes facilities performance targets	<input type="checkbox"/>
Decision Support Tools	The plan describes an analytical process or tool capable of prioritizing investment needs or estimating capital investment needs over time		<input type="checkbox"/>
Investment Prioritization	The plan contains a ranked list of projects or programs		<input type="checkbox"/>
	The list demonstrates an effort to manage or improve the state of good repair of capital assets over the four-year period		<input type="checkbox"/>
	All assets for which the agency has direct capital responsibility were considered in the prioritization process		<input type="checkbox"/>
Plan Submittal	Submit draft plan to NJ TRANSIT by 6/26/2026		<input type="checkbox"/>
	Submit final plan approved by the Accountable Executive to NJ TRANSIT by 8/5/2026		<input type="checkbox"/>

Next Steps

- Start to receive communications from NJT after the webinar
 - Confirming opt-in
 - Confirming Accountable Executive
 - Confirming data in S-RIDES
 - Requesting estimated capital funding for 2026-2030
 - Identifying additional next steps, as needed
- Contact ls Sheridan@njtransit.com by **June 12th** if you do not intend to participate in the Group Plan, formal notification and submittal of a draft agency TAM Plan must happen by **June 26th**

The deadline to participate in the Group TAM Plan and provide your asset inventory data is **June 26, 2026**

Thank you!

Lea Sheridan

lsheridan@njtransit.com

<https://s-rides.njtransit.com>