



## MEMORANDUM

DATE: September 24, 2018

TO: Ed Reiskin  
Director of Transportation

FROM: Jonathan Rewers   
Manager, Design Strategy and Delivery

**SUBJECT: Amending the SFMTA Capital Plan and Program Policies - Asset Management**

In June 2011, the San Francisco Municipal Transportation Agency (SFMTA) developed and approved its *Capital Plan and Program Policies* that govern the planning, programming and various procedures related to SFMTA capital management.

Policy 13.2 of the Capital Plan and Program Policies states that the Director of Transportation may amend these policies at any time. I am recommending that you approve an **amendment to add Section 16 Asset Management and Section 17 State of Good Repair**.

The addition of these policies fulfills a legislative and regulatory requirement set forth in July 2012 through the Moving Ahead for Progress in the 21<sup>st</sup> Century (MAP-21) and reinforced in the Fixing America's Surface Transportation Act (FAST) signed in December 2015. The proposed policies define Asset Management and State of Good Repair (SGR) for the SFMTA as well lays out how an Asset Management Program will be implemented within the SFMTA, consistent with the SFMTA Strategic Plan.

Once approved, these policies will be integrated into the SFMTA's Transit Asset Management Plan until changed or amended.

**RECOMMENDATION APPROVED:**



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Edward D. Reiskin  
Director of Transportation

CC: John Haley, Director of Transit  
Tom Maguire, Director of Sustainable Streets  
Sonali Bose, Chief Financial Officer

Attachment (1):

- SFMTA Asset Management and State of Good Repair Policies

# CAPITAL PLAN & PROGRAM POLICIES

Amendment 10: September 26, 2018 (Asset Management & SGR Policies)

## Section 16: Asset Management

- 16.1 Asset Management is a strategic and systematic decision making process to maximize the performance, reliability and safety of the transportation system through optimal maintenance and supported through data-driven decision making (condition, cost, performance, etc.).
- 16.2 The SFMTA shall have an Asset Management Program in the Finance and Information Technology Division (“Asset Management Program”) responsible for the SFMTA Asset Management Framework including a strategy, related plans and policy as well as the implementation of procedures to support efficient asset lifecycle management.
- 16.3 The Director of Transportation is defined as the “Accountable Executive” in accordance with the Federal Transportation Administration Public Transportation Safety Program, 49 U.S.C. 5329(d), and FTA Transit Asset Management Rule 49 U.S.C. 5326.
- 16.4 Asset Management policies and procedures will be reviewed and approved by the Asset Management Steering Committee consisting of the Director of Transportation, Director of Transit, Director of Sustainable Streets and Chief Financial Officer.
- 16.5 The Asset Management Program will include the Asset Hierarchy and the related performance and reporting baseline for management and monitoring of agency assets.
- 16.6 The Asset Hierarchy will identify appropriate asset classes, types and sub-types for the measure of performance.
- 16.7 The Asset Management Program will include policies and procedures for managing the SFMTA Asset Inventory and asset maintenance across the Asset Hierarchy.
- 16.8 The Asset Management Program will include the development of an Agency Asset Management Plan minimally every 4-years consistent with FTA Transit Asset Management Rule 49 U.S.C. 5326.
- 16.9 The Asset Management Program will include the development of an Asset Management Strategy minimally every 10-years with a program of periodic updates of the Asset Hierarchy, Asset Inventory, Asset Condition Assessments and components of the Asset Management Plan.
  - (1) The Asset Management Strategy is a policy document laying out the plans and assessments required to be completed over the next 10-years based on legislative, regulatory and other policy requirements.
  - (2) The Asset Hierarchy is the policy document that sets the pathway for components and assets to be reported on for the purposes of performance and related financial, legislative, regulatory and operational reports.
  - (3) Asset Condition Assessments are planning work that establish through a scoring methodology whether an asset is in a State of Good Repair.

- (4) The Asset Management Plan is the Transit Asset Management Plan required by the Federal Transit Administration including the assets that are a part of the SFMTA's Street/Department of Transportation functions.
- 16.10 Divisions will assign subject matter experts (SMEs) by asset classes, asset-types and sub-types who will assist in the Asset Program.
- 16.11 An asset is a physical object with the following attributes:
  - (1) A value of at least \$5,000.
  - (2) A useful life of more than 1 year
  - (3) An object of work (workorder, preventative maintenance, capital investment)
  - (4) Owned and maintained by the SFMTA
  - (5) Reported on by the SFMTA for regulatory requirements
- 16.12 Asset Program reporting shall consider the City's financial record-keeping, work-order management, materials management, and other financial systems.

#### **Section 17: State of Good Repair**

- 17.1 State of Good Repair is when an asset condition results the operation of that asset at a full level of performance.
- 17.2 The Asset Management Program shall set the framework for standard and reporting methods for asset condition to classify the level of performance of asset classes within the agency's Asset Hierarchy.
- 17.3 Each asset class will have defined metrics for evaluating State of Good Repair based on condition, safety, or other defined data metric.
- 17.4 State of Good Repair metrics will be reviewed and approved by the Asset Management Steering Committee.
- 17.5 Divisions through their respective SMEs will regularly evaluate the State of Good Repair by identifying investment levels required in the appropriate asset classes in the Capital Improvement Program.
- 17.6 The Capital Financial Planning and Analysis Section of the Finance and Information Technology Division shall prepare an annual State of Good Repair Report detailing capital investment impacts on SFMTA asset classes.