Virginia Department of Rail and Public Transportation

Asset Management / Capital Needs Analysis

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Chief Financial Officer

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- Background
- Definition and Principles
- Business Process
- System Functionality and Concept
- Key Outcomes
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Background

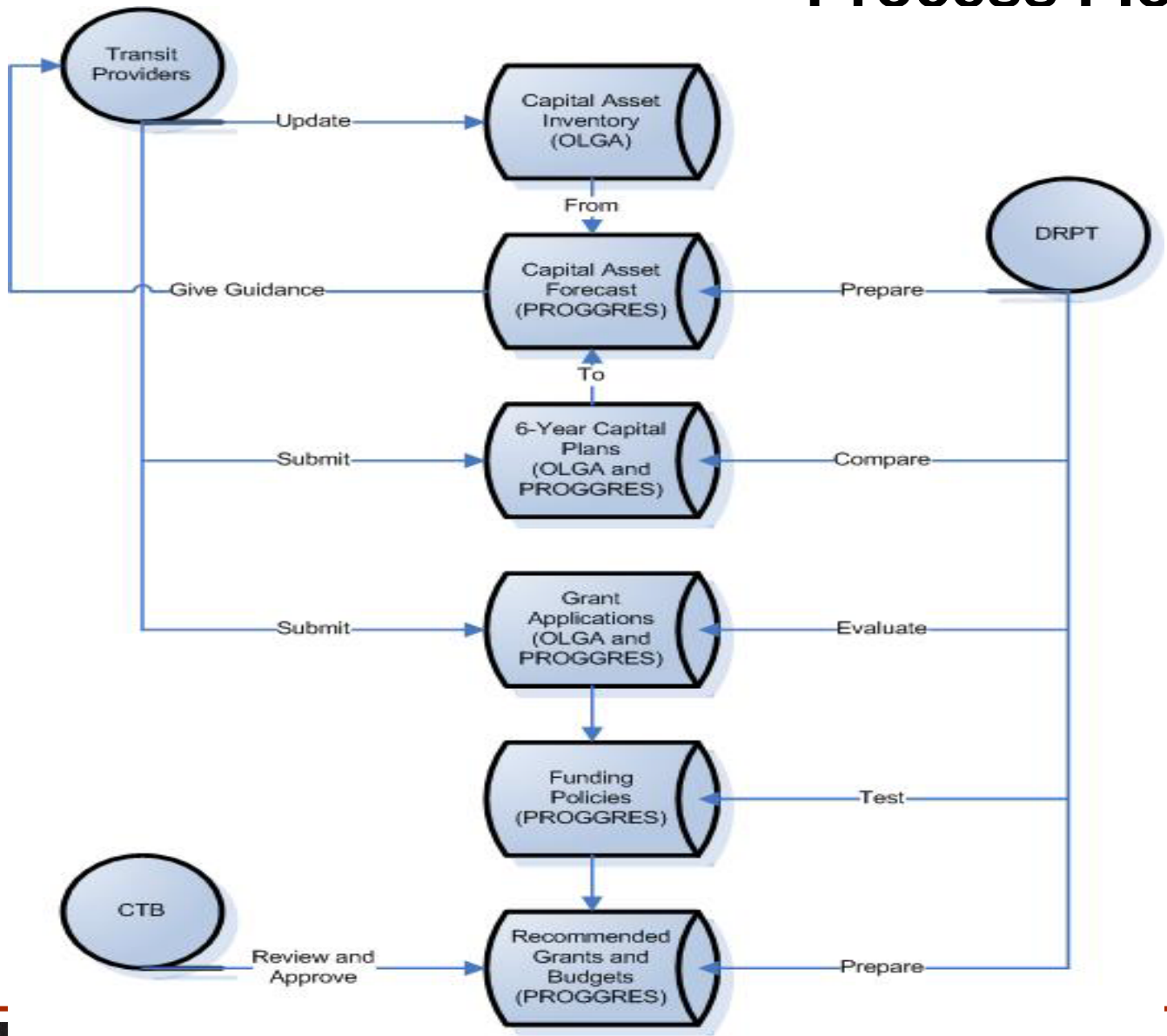
- Spring 2007 organizational assessment
  - Need to increase economic and financial benefit analysis capabilities, including ***managing assets*** and measurement of statewide needs.
  - Allocation by CTB in April 2007 for development of an asset management process.
  - Transit Sustainability Policy
    - " The asset management system shall support the development of a statewide transit and human service capital replacement and improvement program. "

Asset Management Definition and Key Principles

- Definition - A strategic and systematic process of operating, maintaining and expanding physical assets effectively through their life cycle.

- **Key Principles**
  - Policy-driven
  - Performance-based
  - Analysis of options and tradeoffs
  - Decisions based on quality information
  - Monitoring to provide clear accountability and feedback

Asset Management Business Process Flowchart



Asset Management System Functionality

- Forecasting of capital needs
- Analysis of funding scenarios
- Evaluation of grant applications
  - Comparison of calculated needs to capital applications
  - More accurate information for the Six-Year Improvement Plan

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Capital Needs

Update | Print

Activities: All Activites | Grantees: All Grantees | Rolling Stock Approach: Fixed ESL

FTA CODE	ACTIVITY NAME	2009	2010	2011	2012	2013	2014
11 . 12 . XX	Bus, Rolling Stock, Replacement	$ 12,030	$ 14,238	$ 15,071	$ 34,502	$ 15,719	$ 19,360
12 . 12 . XX	Rail, Rolling Stock, Replacement	$ 4,312	$ 5,738	$ 7,516	$ 14,041	$ 7,497	$ 6,795
1X . 2X . XX	Transitway Lines (All)	$ 342	$ 146	$ 905	$ 109	$ 259	$ 449
1X.. 3X . XX	Station Stops/Terminals (All)	$ 567	$ 970	$ 873	$ 809	$ 189	$ 405
1X . 4X . XX	Support Facilities & Equipment	$ 463	$ 375	$ 583	$ 585	$ 988	$ 304
1X . 5X . XX	Electrification/Power Dist.	$ 261	$ 128	$ 965	$ 59	$ 604	$ 703
1X . 6X . XX	Signal & Communication	$ 517	$ 53	$ 389	$ 371	$ 113	$ 845
1X . 7X . XX	Other Capital Needs	$ 902	$ 581	$ 917	$ 348	$ 478	$ 332

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EXAMPLE

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Capital Budgets

Print

Activities All Activites **Grantees** All Grantees **Rolling Stock Approach** Fixed ESL

FTA CODE ACTIVITY NAME		2009	2010	2011	2012	2013	2014
11 . 12 . XX Bus, Rolling Stock, Replacement	Needs	$ 29,040	$ 13,520	$ 27,190	$ 19,495	$ 21,070	$ 18,340
	Budget	$ 29,538	$ 13,279	$ 26,148	$ 17,591	$ 17,955	$ 14,480
	Difference	$ 498	$ (241)	$ (1,042)	$ (1,904)	$ (3,115)	$ (3,860)
12 . 12 . XX Rail, Rolling Stock, Replacement	Needs	$ 12,083	$ 6,152	$ 9,280	$ 8,697	$ 9,449	$ 6,493
	Budget	$ 12,155	$ 6,036	$ 9,267	$ 8,154	$ 7,834	$ 4,922
	Difference	$ 71	$ (116)	$ (12)	$ (543)	$ (1,615)	$ (1,571)
1X . 2X . XX Transitway Lines (All)	Needs	$ 698	$ 762	$ 421	$ 503	$ 579	$ 695
	Budget	$ 703	$ 780	$ 418	$ 475	$ 507	$ 538
	Difference	$ 6	$ 18	$ (3)	$ (28)	$ (73)	$ (157)
1X.. 3X . XX Station Stops/Terminals (All)	Needs	$ 516	$ 838	$ 255	$ 998	$ 797	$ 140
	Budget	$ 528	$ 825	$ 244	$ 918	$ 691	$ 105
	Difference	$ 11	$ (13)	$ (11)	$ (81)	$ (105)	$ (35)
1X . 4X . XX Support Facilities & Equipment	Needs	$ 392	$ 941	$ 739	$ 556	$ 838	$ 57
	Budget	$ 396	$ 936	$ 716	$ 505	$ 698	$ 43
	Difference	$ 3	$ (5)	$ (22)	$ (51)	$ (140)	$ (14)
1X . 5X . XX Electrification/Power Dist.	Needs	$ 180	$ 520	$ 946	$ 629	$ 470	$ 218
	Budget	$ 181	$ 513	$ 930	$ 587	$ 406	$ 174
	Difference	$ 1	$ (7)	$ (16)	$ (43)	$ (65)	$ (44)

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Grant Policy

Policy Name: Base FY 2009 Funding

New Policy

MTTF Capital Assistance Funds ($K) $30,000.0

Save Changes

Capital Bond Funds ($K) $60,000.0

Cancel Changes

Funding Policy

FTA Activity	$K Requested	Match %	$K Granted
11.12.XX Bus, Rolling Stock, Replacement	$111,789	52.5	$ 58,689
12.13.XX Rail, Rolling Stock, Replacement	$ 46,498	52.5	$ 24,411
11.13.XX Bus, Rolling Stock, Expansion	$ 8,423	10.0	$ 842
12.13.XX Rail, Rolling Stock, Expansion	$ 11,276	10.0	$ 1,127
1X.4X.XX Buildings, Facilities & Equipment	$ 28,020	10.0	$ 2,802
12.XX.XX Station Stops & Transitways	$ 8,027	10.0	$ 802
12.XX.XX All Other Rail Infrastructure	$ 4,270	10.0	$ 427
1X.XX.XX All Other Capital Activities	$ 6,005	10.0	$ 600

Funds reserved for Facility Bank	$ 0.0
Total Grants and Facility Bank	$ 89,703
Funds Available	$ 90,000
Uncommitted Funds Remaining	$ 297

Screening Policy

Dimension	Range	Min. Value
AM Needs	0 to10	☐
6-Yr Plan	0 to 10	☐
C/B Ratio	0 to 32.5	☐
$ Benefits	0 to $3.25M	☐
Readiness	0 to 10	☐
Other DRPT	-5 to +5	☐
Total Score	0 to 100	☐

Other Policies

☐ Fund alternative fuel buses based on the cost of a diesel bus (conserve funds)

☐ Bank Facility Costs over ____ years

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Asset Management Key Outcomes

- Realistic short and long term capital needs forecast for improved budgeting
- Improved cost-effectiveness and use of available resources
- Lower long-term costs
- Streamlined capital grant application process
- Statewide asset information

Next Steps

- Finalize inventory and capital budget data
- Complete application testing and implementation
- Analyze needs projections and compare to grantee capital budgets
- Evaluate grant applications compared to needs data
- Develop capital allocations for FY2010-2015

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Questions?