

Date: July 29, 2013

To: Transit Service Delivery Advisory Committee

From: Department of Rail and Public Transportation Staff

Subject: Capital Asset Tier Categories and Definitions

Overview

As requested by the Transit Service Delivery Advisory Committee (TSDAC), the Department of Rail and Public Transportation (DRPT) staff has prepared a list of proposed capital asset tiers and definitions of each tier. DRPT has defined major capital projects as projects costing \$100 million or more. DRPT's goal is 25 percent participation of the total cost of major capital projects, but this may have to be adjusted to provide stability in providing capital funding to transit entities from year to year.

Capital Asset Tiers

1. **Replacement and Expansion Vehicles** – cost of replacement or expansion rolling stock including line inspection, farebox, radios, and surveillance cameras. Aftermarket installation of farebox, radios, and surveillance cameras would also be covered under this tier. This tier also includes vehicle tracking hardware and software and scheduling hardware and software. Rebuilds and mid-life repower of rolling stock are also included in this tier.
2. **Infrastructure/Facilities** – cost of real estate used for a transit purpose and items you build or install such as facilities, bus shelters, signage, and surveillance/security equipment for facilities. Rehabilitation or renovation of infrastructure and facilities would also be included in this tier.
3. **Other** – all support vehicles, shop equipment, spare parts, hardware and software not related to vehicle tracking or scheduling hardware and software, project development, office furniture and other equipment, and handheld radios.

Funds allocated for debt service and lease payments will be included in the tier that applies to the capital asset tier that is being leveraged.