

GROUP TRANSIT ASSET MANAGEMENT PLAN

NEBRASKA

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DEPARTMENT OF TRANSPORTATION

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December 2023

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Jim Pillen, Governor

Approval

Transit asset management (TAM) plans and Group transit asset management plans are required for all Federal Transit Administration (FTA) grantees per MAP-21 legislation (P.L. 112-141), FAST Act (P.L. 114-94), IIJA (P.L. 117-58), and the FTA Transit Asset Management Final Rule (49 CFR Part 625).

Moreover, developing a group transit asset management plan makes good business sense as the previous four years under the original TAM Plan have proven for the Nebraska Department of Transportation (NDOT) and its subrecipient grantees. The benefits from enhanced asset management practices include improved system safety and reliability, reduced costs, better customer service, optimized resource allocation, and the ability to target investments to where they are needed most to maintain a state of good repair.

With an aging fleet and associated infrastructure, and growing demand for service NDOT and our subrecipients must identify ways to better manage and extend the life of its existing assets while optimizing its investment in new capital projects. This understanding is borne out in NDOT's 2040 Statewide Transportation Plan. The TAM Plan is critical to achieving the 2040 Statewide Transportation Plan and is woven into each goal and initiative as depicted in Section 1.4 of this TAM Plan. To not only meet all the Federal requirements, but to also reach beyond the requirements to identify, target, and guide investments that prioritize and maintain a state of good repair for our vehicles and other assets to provide safe, reliable, affordable, and efficient mobility solutions and facilities for our customers and personnel.

Approval:

I, Vicki Kramer, Nebraska Department of Transportation Director, on behalf of NDOT and its Tier 2 subrecipients do fully authorize and endorse the NDOT Group Transit Asset Management Plan, dated December 27, 2023.

Vicki Kramer, Director NDOT

27 DEC 23

Date

Vicki Kramer, Director

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1 Introduction

The Nebraska Department of Transportation (NDOT) is committed to provide mobility and accessibility to Nebraskans, connecting residents and visitors to important destinations such as employment, educational institutions, recreational spots, and healthcare facilities. As significant piece of the state's multimodal transportation system, public transit promotes personal independence while delivers substantial economic, social, and environmental benefits to both urban and rural areas. Nebraska features over 50 public transit providers and human service agencies, collectively ensuring comprehensive transportation services across the state.

Transit Asset Management (TAM) is defined as:

FTA TAM Definition

"The Strategic and systematic practice of procuring, operating, inspecting, maintaining, rehabilitating, and replacing transit capital assets, to manage their performance, risk, and costs over their life cycles, for the purpose of providing safe, cost-effective, and reliable public transportation." 49 CFR §625 and 630

The NDOT Group Transit Asset Management Plan (TAMP) is a comprehensive plan that outlines NDOT's strategy for managing its transit assets. The TAMP is designed to help NDOT achieve the following goals:

- Extend the useful life of transit assets
- Improve the performance of transit assets
- Reduce the cost of transit asset management

The TAMP is a living document that will be updated on a regular basis to reflect changes in the transit system and in the asset management environment.

Monitor asset conditions and strategically allocating state and Federal funds is essential for maintaining a State of Good Repair (SGR). This Nebraska Department of Transportation (NDOT) TAM Plan outlines the participants of this Group TAM Plan, along with their roles and the processes and tools utilized to address asset management policy.

This Group TAM Plan has been developed in accordance with the requirements stated under 49 CFR § 625 and § 630 and reviewed against the FTA TAM Plan compliance checklist provided in Appendix A—TAM Plan Checklist

1.1 Key Definitions

Accountable Executive: A single identifiable person who has ultimate responsibility for carrying out the safety management system of a public transportation agency; responsibility for carrying out transit asset management practices; and control or direction of the human and capital resources needed to develop and maintain both the agency's public transportation agency safety plan, in accordance with 49 U.S.C. 5329(d), and the transit asset management plan in accordance with 49 U.S.C 5326.

Asset category: A grouping of asset classes, including a grouping of equipment, a grouping of rolling stock, a grouping of infrastructure, and a grouping of facilities.

Asset class: A subgroup of capital assets within an asset category.

Asset inventory: A register of capital assets, and information about those assets.

Capital asset: An element of asset class used in the provision of providing public transportation.

Condition assessment: The process of inspecting, analyzing or testing assets to collect data that is used to measure condition and performance. Plan participants must provide a condition assessment of assets on an annual basis. The assessment must generate information at a level of detail sufficient to monitor and predict the performance of the assets and to inform the investment prioritization. Tier II participants will be responsible for providing condition assessments to NDOT.

Condition assessments for all assets included in the TAM plan will be collected annually as follows:

Facilities—Plan participants with facilities that support operations and/or administrative activities will be required to submit a maintenance plan to NDOT. In addition, the facility must be inspected and an asset condition checklist submitted to NDOT annually. Templates for the maintenance plan and checklist are available from NDOT.

Rolling stock and Equipment—Tier II agencies will report the condition of vehicle assets annually as part of the operating assistance application process. Agencies are encouraged to use the condition assessment tool provided in the appendix of this document.

Decision support tool: An analytical process or methodology used to:

Help prioritize project to improve and maintain the state of good repair of capital assets within a public transportation system, based on available condition data and objective criteria; or

Assess the financial needs for asset investments over time.

Equipment: An article of nonexpendable, tangible property having a useful life of at least one year.

Facility: A building or structure that is used in providing public transportation.

Group TAM Plan: A single TAM Plan that is developed by a sponsor on behalf of at least one Tier II provider.

Horizon period: The fixed period of time within which a transit provider will evaluate the performance of its TAM Plan.

Infrastructure: The underlying framework or structures that support a public transportation system.

Life-cycle cost: The cost of managing an asset over its whole life.

Participant: A Tier II provider that participates in a group TAM Plan.

Performance target: A quantifiable level of performance or condition, expressed as a value for the measure, to be achieved within a time period required by the FTA.

Rolling stock: A revenue vehicle used in providing public transportation including vehicles used for carrying passengers on fare-free services.

Introduction

Service vehicles: A unit of equipment that is used primarily either to support maintenance repair work for a public transportation system or for delivery of materials, equipment, or tools.

Sponsor: A State, designated recipient, or a direct recipient that develops a group TAM Plan for at least one Tier II provider, such as NDOT in the state of Nebraska.

State of Good Repair: The condition in which a capital asset is able to operate at a full level of performance.

TERM scale: The five (5) category rating system used in the FTA's Transit Economic Requirements Model (TERM) to describe the condition of an asset.

Transit asset management (TAM): The strategic and systematic practice of procuring, operating, inspecting, maintaining, rehabilitating, and replacing transit capital assets to manage their performance, risks, and costs over their life cycles, for the purpose of providing safe, cost-effective, and reliable public transportation.

Useful life benchmark (ULB): The expected life cycle or the acceptable period of use in service for a capital asset, as determined by a transit provider, or the default benchmark provided by the FTA.

Figure 1. Nebraska Transit Assets, Open Plains Transit



1.2 Transit Asset Management Plan Elements:

This TAM Plan is organized into six chapters:

Chapter 1: Introduction	Summarizes Group TAM Plan requirements, resources, and participants.
Chapter 2: Capital Asset Inventory	Summarizes the Plan participants' capital assets and condition data for equipment.
Chapter 3: Condition Assessment	Summarizes the condition data for equipment.
Chapter 4: Proposed Investments	Summarizes the processes and tools used to support investment decision-making.
Chapter 5: Decision Support	Provides an overview of the investments needed to maintain or achieve a state of good repair.
Chapter 6: Appendix	Supplement information and tables that contributes to the TAMP.

1.3 Group TAM Plan Purpose and Requirements

The purpose of the Nebraska Group Transit Asset Management Plan (TAM Plan) is to support NDOT and the participating transit agencies in achieving and maintaining an SGR for public transportation assets operated in the state of Nebraska. This TAM Plan, therefore, outlines asset management within the context of the management of capital assets and expenditures with the following objectives:

- Ensure agency asset needs are met to provide safe, reliable transportation options to citizens and visitors of the Cornhusker State.
- Provide affordable public transit options and encourage coordination among the state's governing bodies and the transit providers.
- Recognize the importance of investment planning under defined funding constraints in order to maintain transit alternatives.
- Promote transparency and accountability among state agencies.

Nebraska's transit providers maintain and operate revenue and non-revenue rolling stock, equipment, and facilities to provide services within the state and among neighboring states. The transit providers are responsible for maintenance, potential rehabilitation, and replacement of

assets, subject to local funding matches as required. The TAM Plan process seeks to provide Nebraska and the State's transit providers with data on timing, tracking, and the projected capital needs.

In accordance with the FTA Transit Asset Management Final Rule (49 CFR § 625), NDOT is required to develop a Group Transit Asset Management Plan as the sponsoring agency for its *Tier II* subrecipients, excluding those subrecipients that are also direct recipients under the 49 U.S.C. 5307 Urbanized Area Formula Grant Program, unless they choose to opt out via written notification to NDOT. The Nebraska Department of Transportation holds a primary compliance role to coordinate the group plan, set performance targets, and report required information annually into the National Transit Database (NTD).

As the plan sponsor for Nebraska's Tier II transit agencies, NDOT completed the state's first Group TAM Plan in 2018 and updated it in 2021. Nebraska Public Transit took the lead in developing the Group TAM Plan in close partnership with over 50 transit agencies across Nebraska. Per the TAM Rule, the Group TAM Plan must undergo a full *update* at least once every four years (the TAM Plan horizon). An agency may *amend* its TAM Plan at any time during the TAM Plan horizon, triggered by a significant change to the asset inventory, condition assessments, or investment prioritization that a provider did not reasonably anticipate during the development of the TAM Plan.

NDOT's Group TAM Plan includes the four required elements of:

- Asset inventory,
- Condition assessment,
- Decision support tools, and
- Investment prioritization.

The subrecipients' Accountable Executive will annually approve the Group TAM Plan as part of the certifications and assurances process. Examples of transit asset inventory include:



Figure 2. Nebraska Transit Assets, RYDE Transit Station

1.4 NDOT TAM Objectives and Participations

The Nebraska Department of Transportation (NDOT) is responsible for overseeing and managing the transportation infrastructure and services within the state of Nebraska. NDOT plays a crucial role in the planning, development, and maintenance of Nebraska's transportation systems, including a broad spectrum of roads, highways, bridges, railways, airports, and public transportation. The passage of 49 CFR § 625 and § 630 mandates that every State produces a Transit Asset Management Plan for its Teir II transit providers in the form of a Group TAM Plan. In Nebraska, the Nebraska DOT stands as the sponsor of the Group TAM Plan.

1.4.1 2040 Statewide Transportation Plan

NDOT finalized its 2040 Statewide Transportation Plan, and Nebraska's Long-Range Transportation Plan (LRTP) in 2020. The plan outlines a visionary perspective for transportation development over the next two decades, establishing goals to address the state's transportation needs and priorities leading up to the year 2040. The plan encompasses five goal areas:

- **Asset Preservation:** Maintain Nebraska's multimodal transportation assets in a State of Good Repair (SGR).
- **Mobility Choices for People and Freight:** Provide efficient, affordable, and equitable options across all modes for moving people and goods throughout Nebraska and beyond.
- **Secure and Resilient Transportation:** Manage the risk and magnitude of disruptions to Nebraska's transportation systems.
- **Safety:** Provide a transportation system in Nebraska that is safe for all users
- **Support for Economic and Community Vitality:** Choose investments in Nebraska's transportation system that best support the vitality of Nebraska's economy and all of its communities.

For NDOT's 2040 Asset Preservation's goal, related influences and objectives are outlined as follows.

Related Influences:

- The cost of maintaining or replacing the growing share of aging infrastructure on Nebraska's transportation system will necessitate wise investment decisions at all levels of Government in Nebraska to achieve the best return for each dollar spent on keeping transportation assets in a state of good repair.
- Adequacy of funding for asset preservation, which is a major portion of NDOT's overall budget, could be at risk if widespread adoption of electric vehicles or other external influences drive a decline in gas tax revenues or Federal funding.
- The gradual, but steady concentration of population in urban and suburban areas of the state will create difficult decisions on how to best use NDOT's limited funds to preserve the existing system.
- Nebraska is seeing an increasing risk of widespread and recurrent damage to assets caused by flooding that surpasses historic trends and which puts greater pressure on asset preservation funding and spending priorities.

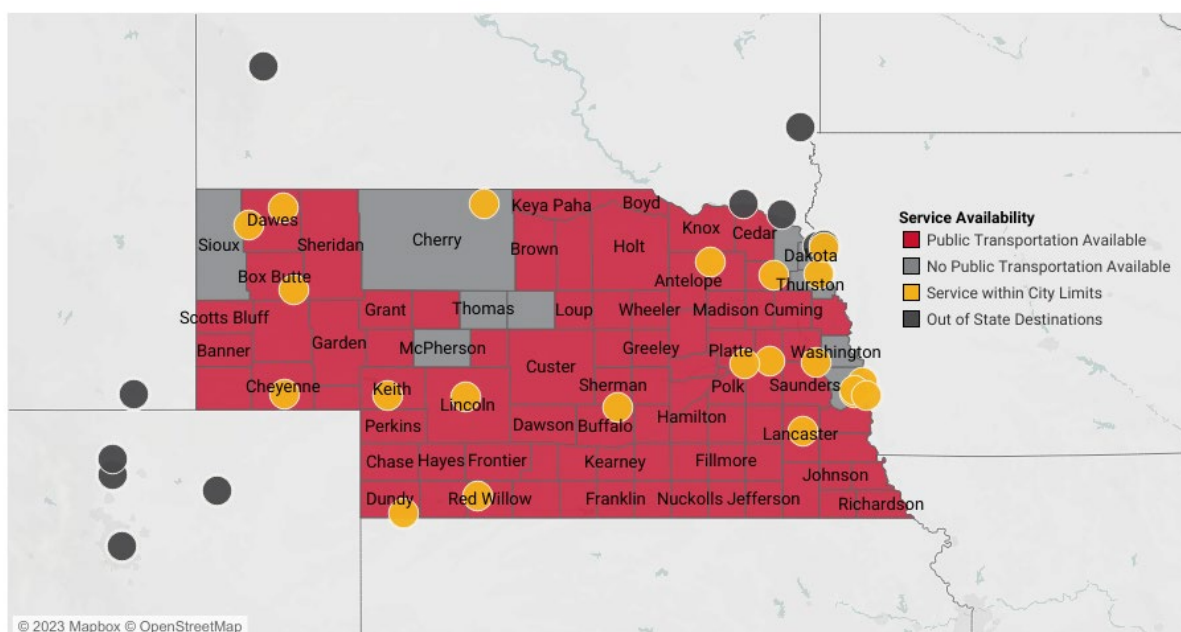
Objectives:

- Invest in the preservation of other important transportation assets including aviation, bicycle and pedestrian systems, transit facilities and vehicles, intelligent transportation systems (ITS), and rest areas.
- Maximize the useful life of transportation assets by using condition data and responding with appropriate maintenance actions.

1.4.2 Participating Agencies

The objectives outlined in this plan align with NDOT's 2040 vision, mission, and the supporting visions and goals in the 2045 Statewide Transportation and Transit Plan. The TAM objectives inform Plan participants and NDOT in decision-making as they develop, refine, and implement TAM policies, processes, and practices.

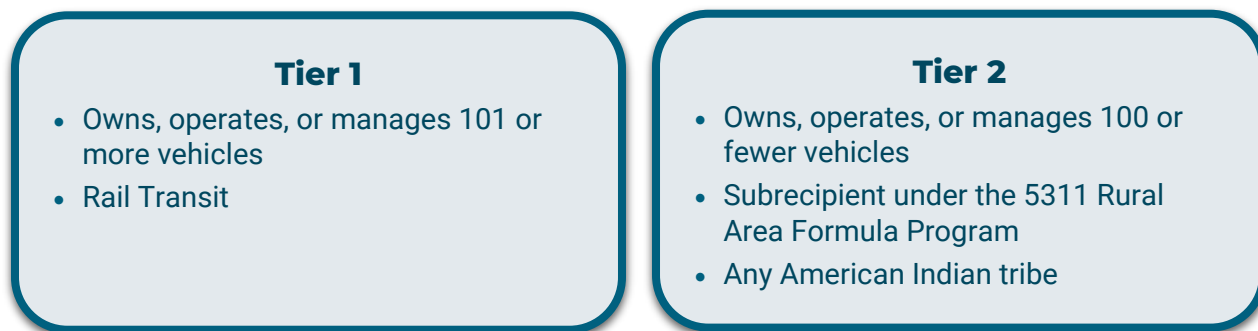
Figure 3. Map of Transit Providers in Nebraska



Introduction

NDOT's 2024 Group TAM Plan incorporates asset planning from 51 public transit providers that operate a combination of fixed-route, on-demand, and specialized transportation services in the State of Nebraska. Small urbanized agencies receiving Section 5307 funds directly from FTA may also participate in NDOT's Group TAM Plan.

Transportation agencies are organized by Tier:



Group TAM Plans exclusively involve Tier II agencies, and while agencies have the option to opt out of participation in the group plan and develop their own plan, no such agencies elected to do so in Nebraska. The 51 agencies participating in this plan include:

Table 1. List of Participating Agencies

Participating Agencies	
1. Avera Creighton Hospital	27. Harlan Co. Public Transit
2. Avera St. Anthonys Hospital	28. Hooker Co
3. Blue River AAA	29. Kimball County
4. Blue Valley Community Action Partnership	30. Lancaster Co Rural Transit
5. Butler County Senior Service Program	31. Loup City
6. Callaway District Hospital	32. Mid Nebraska Community Action
7. Cambridge Memorial Hospital	33. Midland Area Agency
8. Cedar County Transit	34. Morrill County Handi Bus
9. Chase County	35. Nance Trans
10. City of Crawford	36. Oakland Heights
11. City of Chadron	37. Ogallala Transit System
12. City of Alliance	38. Open Plains Transit
13. City of Fremont	39. Perkins County Public Transit
14. City of Columbus	40. Phelps County Senior Citizen
15. City Of McCook Public Transit	41. Saline County Area Transit
16. City of Neligh	42. Saunders County Transportation
17. City of North Platte	43. Schuyler
18. City of Plainview	44. Scotts Bluff Public Transit
19. City Of Sidney	45. Scotts Bluff Public Transit
20. City Of Tecumseh	46. Senior Information Center York

Participating Agencies	
21. Community Memorial Health Center Burwell	47. Seward County Handibus
22. Community Concern	48. Southeast Nebraska Community Action Partnership
23. Garden County	49. Stratton Industrial Commission
24. Grant County	50. Valley County Hospital
25. Franciscan Healthcare	51. Wolf Memorial Good Samaritan Center
26. Wayne Public Transit	

1.5 Performance Targets and Measures

The transit agencies in this Group TAM Plan operate under default useful life benchmarks (ULB) established by FTA for all assets, provided on the [FTA ULB Cheat Sheet](#) (updated 2021). As Tier II agencies, the default useful life is sufficient to ensure service is able to be maintained by the agency without exceeding funding capacity for capital replacement at the end of the asset's useful life. Adopting the philosophy of "if it ain't broke, don't fix it," Nebraska's agencies often opt for asset replacement when default useful life benchmarks are nearing exceedance, or the asset has become critically damaged. Table 2 shows adopted useful life benchmarks for the asset classes utilized by agencies in this Group TAM Plan.

Table 2. NDOT Adopted Useful Life Benchmarks (ULB)

Category	Class	ULB—Years
Rolling Stock	Cutaway Bus	10
Rolling Stock	Bus	14
Rolling Stock	Minivan/Van/Auto	8
Rolling Stock	Van	8
Equipment	Automobile	8
Equipment	Truck	14
Facility	Admin/Storage	50 (FTA TERM ≥3)

The Group TAM Plan agencies consider the age of the asset for performance measurement. Generally, the agencies want no more than one third of assets to exceed the useful life benchmark. The exceptions to this rule include facilities, which aim for all assets to exceed the FTA TERM Scale rating of 3, and rolling stock automobiles/SUVs where the goal is to keep all assets under the ULB. The following tables detail the performance metrics and performance of the agencies from the 2022 NTD agency reports.

Table 3. FTA TERM Scale—Facilities

Rating	Condition	Description
5	Excellent	No visible defects, new or near new condition, may still be under warranty if applicable
4	Good	Good condition, but no longer new, may be slightly defective or deteriorated, but is overall functional
3	Adequate	Moderately deteriorated or defective; but has not exceeded useful life
2	Marginal	Defective or deteriorated in need of replacement; exceeded useful life
1	Poor	Critically damaged or in need of immediate repair; well past useful life

Table 4. Performance Targets of Rolling Stock

Rolling Stock	2022 Target (%)	2022 Performance (%)	2022 Difference	2023 Target (%)
AO—Automobile	0%	100.00%	-100.00	100%
BU—Bus	30%	21.43%	8.57	30%
CU—Cutaway	30%	27.92%	2.08	30%
MV—Minivan	30%	32.92%	-2.92	40%
SV—Sports Utility Vehicle	100%	77.78%	22.22	100%
VN—Van	30%	48.89%	-18.89	30%

Table 5. Performance Targets of Equipment (Non-Revenue Vehicles)

Equipment	2022 Target (%)	2022 Performance (%)	2022 Difference	2023 Target (%)
Automobile	30%			30%

Table 6. Performance Targets of Facilities

Facilities	2022 Target (FTA Scale)	2022 Performance (%)	2022 Difference	2023 Target (FTA Scale)
Administrative/Office	All Facilities ≥ 3	0%	0	All Facilities ≥ 3
Storage/Parking	All Facilities ≥ 3	0%	0	All Facilities ≥ 3

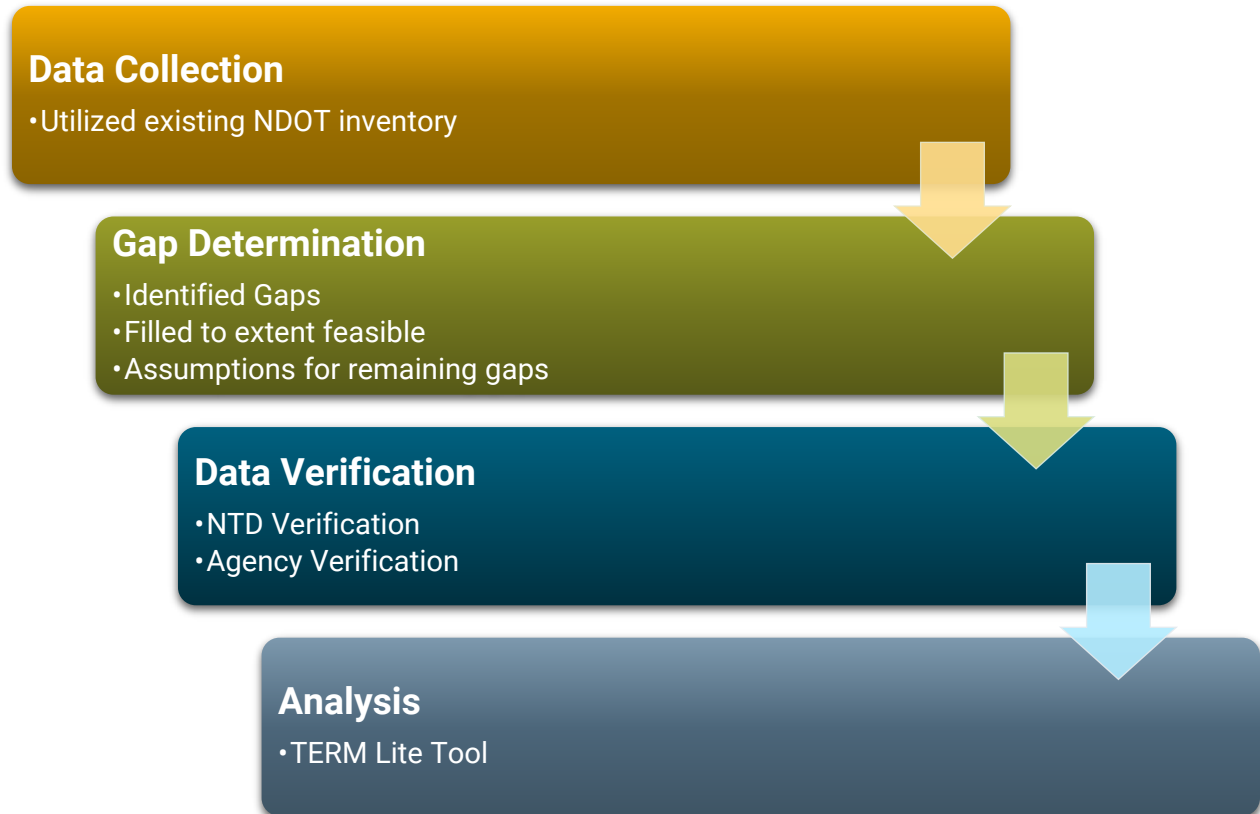
In 2020, NDOT received \$27.1 million from the Federal CARES Act to support Nebraska’s rural transit program. NDOT leveraged over \$4.6 million of this funding to update the rural fleet and replace vehicles that were past their useful life benchmark or in poor condition. To date, 28 vehicles have been delivered with an additional 31 ordered representing approximately 15% of the rural fleet.

The following chapters offer detailed insights into the asset management plan, reflecting presenting conditions based on October 2023.

2 Capital Asset Inventory

2.1 Data Resources and Data Collection Efforts

The capital assets inventory represents the foundational stage in the asset management plan. Auditing the asset inventory to identify those assets that need to be included in the TAM Plan ensures completeness of the data and will more reliably reflect the capital needs of the agencies. This process required four key components: data collection, gap determination, data verification, and analysis.



An established inventory of assets for all subrecipients is available in their inhouse, online system. As part of the group TAM Plan process, a comprehensive gap analysis was conducted in conjunction with development of the data elements essential to run the FTA Decision Support and Capital needs analysis tool, TERM Lite. Gaps were identified and closed with agency support. For any remaining data gap elements, assumptions based on averages were made across similar asset classes. The inventory underwent verification against NTD reports and agency validation, resulting in a comprehensive asset inventory across all agencies. Finally, an analysis through the TERM Lite tool was conducted, the results of which are detailed in subsequent chapters.

2.2 Asset Inventory Summary

The following sections summarize the data in the asset inventory by asset category. The summaries are high-level statistics of the asset inventory providing a perspective on the types and magnitude of assets across the 51 agencies in the Group TAM Plan.

In accordance with NTD reporting, NDOT classifies its group assets into these three main categories:

- Rolling Stock.
- Equipment (includes non-revenue vehicles).
- Facilities.

Assets are further categorized by specific asset classification within these broader classes. The full asset inventory covers 10 different asset sub-classifications, eight of which cover the different types of vehicles.

2.2.1 Vehicles—Rolling Stock and Equipment Inventory

Nebraska's agencies are unique in that they lack non-vehicle equipment that exceeds the cost threshold for asset management planning. Since maintenance operations are outsourced, the Group TAM Plan exclusively encompasses vehicles not associated with revenue mileage, such as trucks and other rubber-tired vehicles. This section thoroughly presents all vehicles associated with both rolling stock and equipment.

The complete inventory of vehicle assets is available in Appendix B—Vehicle Asset Inventory, while high-level vehicle inventory statistics are provided in the following tables. Table 7 illustrates the count of vehicles, average age, and applicable useful life for each vehicle type.

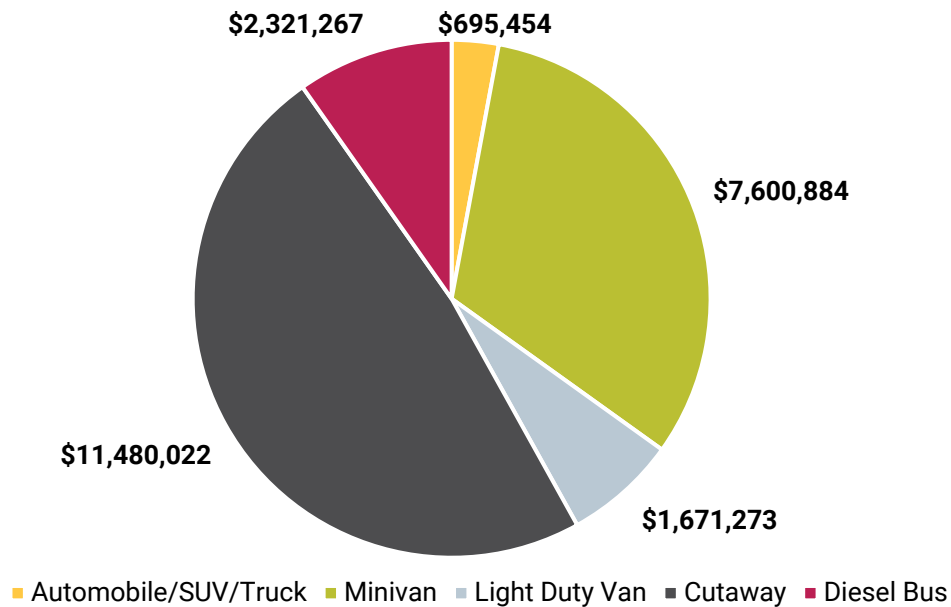
Table 7. Vehicle Inventory and Characteristics by Type

Vehicle Type	Count	Average Age	ULB
Automobile	1	15.0	8
SUV	14	9.6	8
Truck	2	6.0	14
Minivan	186	6.9	8
Passenger Van	38	8.5	10
Cutaway	162	7.4	10
Diesel Bus	6	3.0	14
Total	409	7.3	-

The full asset inventory incorporates the purchase prices in the year each asset was acquired. The asset base value is reported in current dollar value, representing the cost required to replace an asset today. Table 8 shows the three asset group's asset count and asset base value. Figure 4 shows the breakdown of asset base value by vehicle type for the rolling stock and equipment non-revenue vehicles.

Table 8. Asset Base (2023\$) by Asset Category

Asset Type	Count	Asset Base (\$2023)
Rolling Stock—Revenue Vehicles	402	\$23,524,435
Equipment—Non-revenue Vehicles	7	\$258,587
Facilities	13	\$23,794,414
Total	422	\$47,577,436

Figure 4. Vehicles Asset Base (2023\$) by Vehicle Type

2.2.2 Facilities Inventory

Facilities are defined as any structure used to support public transportation services owned or have a direct capital responsibility for the group's agencies. The inventory includes 13 facilities used for administrative/office space and vehicle storage. These facilities are relatively new and generally no more than a decade old. Therefore, these assets are in very good or excellent condition; condition assessments were conducted between 2019 and 2022 for all facilities. The full inventory of facilities is provided in Table 9.

Table 9. NDOT Group TAM Plan Facilities Inventory

Agency	Address	Condition Rating	Year Built or Reconstructed as New	Sq. Ft.
Sidney Public Transit	1115 13th Ave, Sidney NE 69162	4	2012	5,330
Midland AAA in Webster County	429 N Elm St, Red Cloud NE 68970	5	2013	2,100
Dawson County Public Transit	605 Plum Creek Parkway, Lexington	5	2013	3,200

Capital Asset Inventory

Agency	Address	Condition Rating	Year Built or Reconstructed as New	Sq. Ft.
RYDE Transit	715 E 11th St, Kearney, NE 68847	5	2013	26,944
Butler County Public Transit	455 6th St, David City NE 68632	4	2018	3,000
Saline County Area Transit	107 S West Ave, Western NE 68464	5	2015	6,272
North Platte Public Transit	1520 N Jeffers St, North Platte, NE 69101	5	2013	10,000
Phelps County Public Transit	416 Garfield St, Holdrege NE 68949	4	2012	3,680
Tri-City Roadrunner	785 Rundell Rd, Gering NE 69341	4	2014	4,000
Kimball County Public Transit	233 S Chestnut St, Kimball NE 69145	5	2020	10500
Cedar County Public Transit	56253 Highway 84, Hartington NE 68739	5	2022	9,750
Columbus Public Transit	2518 14th St, Columbus NE 68601	5	2017	4,000
Garden County Transportation	611 Main St, Oshkosh NE 69154	4	2018	1,862

Facility asset capital base values are calculated based on a standard unit cost per square footage of space. The unit cost used was \$228/sq. ft. as a representation of industrial space in Nebraska. This provided values that conservatively represented the replacement value of all facilities, meaning the cost per square foot to replace the facilities in 2023 dollars is lower than the unit cost utilized in the analysis. Figure 5 through Figure 7 show images from the Columbus Area Transit Facility, Saline County Area Transit Facility, and the Kimball County Transit Service Facility. These are examples of the typical extent and nature of NDOT group facilities.

Figure 5. Columbus Area Transit Facility



Figure 6. Saline County Area Transit Facility**Figure 7. Kimball County Transit Service Facility**

2.2.2.1 Planned Inventory Changes

As of now, no planned inventory changes are in place. Agencies interested in utilizing Federal funds to construct a transit-related facility typically contact NDOT for technical assistance and additional information.

3 SGR Methodology and Asset Condition

The Condition Assessment chapter of the Group TAM Plan plays a pivotal role in establishing a continuous process for measuring, monitoring, and evaluating SGR for all transit agencies in Nebraska. This chapter outlines both the SGR methodology employed to formulate performance and condition measures, crucial for evaluating and maintaining the optimal condition of transit assets. Additionally, it offers insights into the existing conditions of the NDOT's group assets, utilizing the applied methodology.

The condition data, an integral component described in this chapter, is maintained by NDOT. It is sourced from individual agencies, each contributing condition data attributes. This collaborative effort ensures a comprehensive and accurate representation of the current state of group assets, facilitating informed decision-making and strategic planning for the sustained performance and longevity of transit infrastructure in Nebraska.

3.1 SGR Methodology

The Group TAM Plan employs a State of Good Repair (SGR) methodology, aligning with the Federal Transit Administration's (FTA) SGR definition. The FTA SGR definition is used for the TAM Plan:

FTA SGR Definition

"State of Good Repair means the condition in which a capital asset is able to operate at a full level of performance."

The framework established for determining NDOT's SGR incorporates key elements, including:

1. **Asset's Useful Life Benchmark (ULB):** The SGR methodology begins with defining the ULB, representing the expected lifecycle or acceptable period of use for a capital asset. The FTA defines ULB as, "...the expected lifecycle or the acceptable period of use in service for a capital asset, as determined by a transit provider, or the default benchmark provided by the FTA."
2. **Asset condition and Rating Scale:** Utilizing the FTA TERM asset condition rating scale, the methodology employs a scale from 1 (poor condition) to 5 (excellent condition). The ratings provide a detailed assessment, categorizing assets based on visible defects, deterioration, and overall functionality.

3.1.1 Determining Useful Life Benchmarks

The determination of ULBs for NDOT assets involved drawing upon various sources from the Federal Transit Administration (FTA) to establish typical or default ULBs. The following references served as examples or reference points in this determination:

- Default ULB Cheat Sheet.¹
- ULB default values integrated into the TERM Lite Inventory Publisher.²

¹ ULB Cheat Sheet is accessible at: <https://www.transit.dot.gov/TAM/ULBcheatsheet>

² TERM Lite Inventory Publisher is accessible at: <https://www.transit.dot.gov/TAM/TERMLite>

- Guidance extracted from FTA's Asset Management FAQ-pages.
- Award Management Requirements Circular 5010.1E and Program Circulars.

This multifaceted approach ensured a strong foundation for setting ULBs, incorporating both practical examples and authoritative guidelines from FTA resources and relevant circulars.

3.1.2 Asset Condition and Rating Scale

The FTA TERM asset condition rating scale is a simple 1 to 5 scale. A rating of 1 represents the asset is in "poor condition" (or "0" for non-functioning assets), while a rating of 5 represents it is in "excellent condition," as illustrated in Figure 8.

Figure 8. TERM Condition Rating Scale



Rating	Condition	Description
5	Excellent	No visible defects, new or near new condition, may still be under warranty if applicable or an existing asset recently rehabilitated back to a new condition.
4	Good	Good condition, but no longer new, may have some slightly defective or deteriorated component(s), but is overall functional
3	Adequate	Moderately deteriorated or defective components; but has not exceeded useful life and maintenance costs are beginning to rise.
2	Marginal	Defective or deteriorated component(s) in need of replacement; exceeded useful life; obsolete components; higher maintenance costs and requires replacement or rehabilitation.
1	Poor	Critically damaged component(s) or in need of immediate repair; well past useful life; or at a level of deterioration where the asset is no longer serviceable and needs to be replaced.

Ratings of 1 and 2 are considered not in SGR where the asset's performance is somewhat impaired. Ratings of 3 and above indicate the asset is in an SGR, performing safely and close to its designed levels.

Asset condition ratings are often not based on integer values, but rather score values with one decimal place which allows for better accuracy along asset-specific condition decay curves, or to aggregate scores across multiple facility assets to one score for a whole building. Ultimately, when reported to FTA, all condition ratings at the highest level are rounded to full integer values.

The most common approaches to perform asset condition assessments are:

1. **Age based**—A new asset starts at a rating of “5” and decreases to 2.5 at its Useful Life Benchmark (ULB). Assets older than their ULB have condition ratings below 2.5 and are considered not in SGR. NDOT utilizes the FTA Default Useful Life Benchmarks as its ULBs for fleet assets.
2. **Usage or Performance based**—Analogous to age-based condition measurements, the condition determining factor is asset usage and typically involved the measurement of key or specific functional outputs of the asset (e.g., measured in hours performed or miles run).
3. **Condition based**—Asset condition ratings are developed by assessing the condition of the assets, usually through onsite visual and/or physical assessments during routine inspection or maintenance work or as separate condition assessment effort. The likelihood of the asset changing condition in the future years is used to determine future SGR need. The FTA uses this approach for the assessment of facilities (using the TERM scale) and the assets within, and is based on an overall conditional score where three (3) and above is considered to be in SGR.

NDOT is adopting the TERM Lite process in this plan to forecast asset condition and replacement needs. Good maintenance and managing key components for optimal performance can extend an asset's life well beyond its useful life, as supported by best practice research.

3.1.3 Use of the TERM Lite Model

Figure 9 illustrates the concept of applying specific decay curves over an asset's lifespan and beyond, indicating an asset condition score at any point in time. In this model, an asset condition score of 2.5 (rounded to 3) signifies a state within SGR, representing the minimum threshold for inclusion in SGR considerations. This Group TAM Plan uses the FTA's TERM Lite model for decision support, utilizing a generic decay curve adjusted for various asset classes, some of which are based on data collected in empirical studies³.

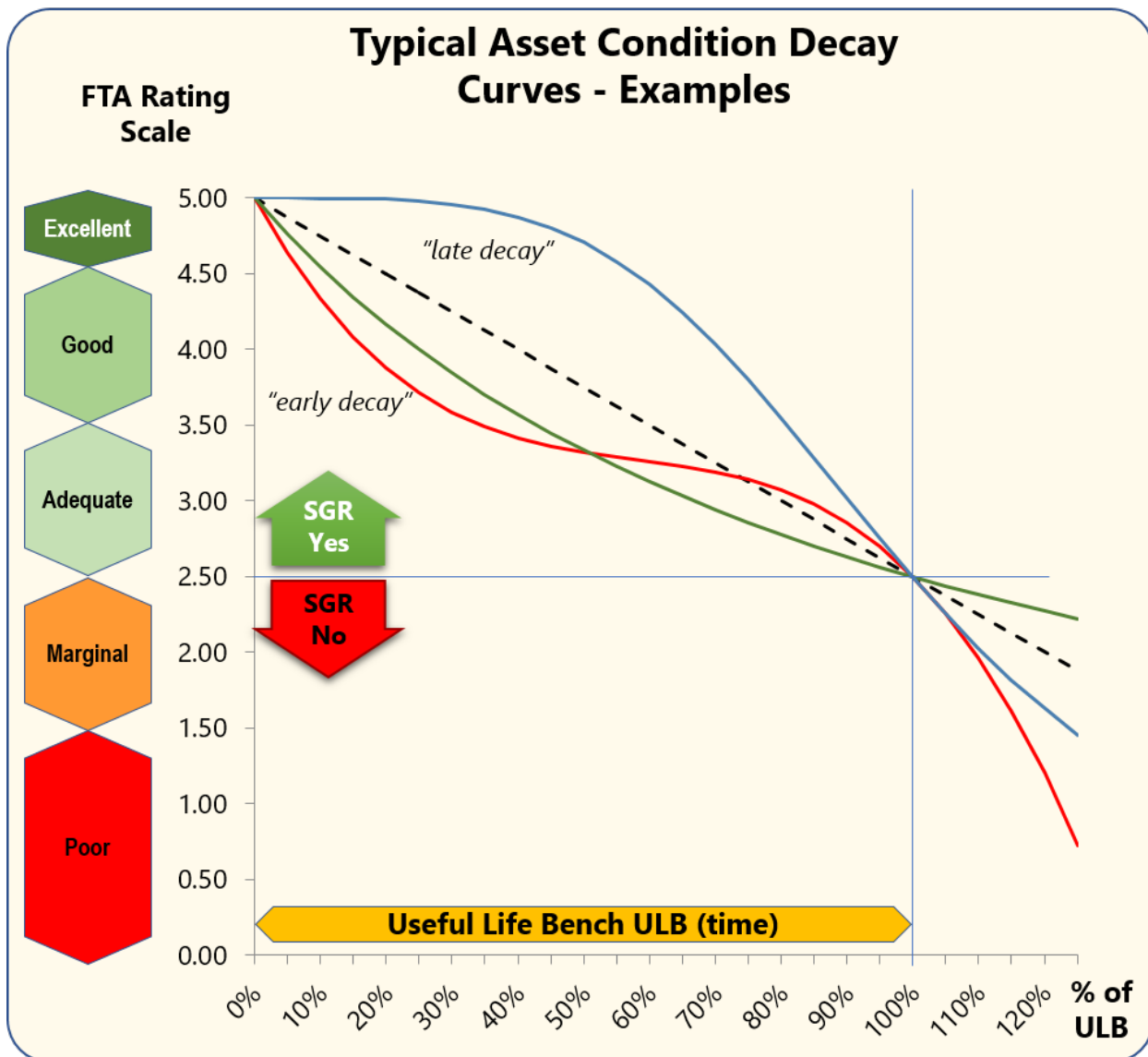
These asset-specific decay curves facilitate the annual projection of an asset's condition, extending beyond the asset's assumed useful life.

Decay curve shapes vary based on asset types; for instance, early decay curves are typical for assets like buses or light rail vehicles, whereas software products normally do not follow typical deterioration patterns, as they can become obsolete due to new product updates or technology developments. Late or very late decay curves better represent decreasing condition as software approaches the end of its useful life.

Asset-specific decay curves modeled by TERM Lite help NDOT to predict an asset's future condition and determine optimal replacement times before the performance falls below SGR levels.

³ FTA Research on Decay Curves Between 1998 and 2006, Asset Conditions Decay over Time: 40 Foot Buses SGR Spline—Bus (High/Avg/Low PM), also referenced in “Forecasting Asset Conditions with Decay Curves,” April 16, 2012, 9th National Conference on Transportation Asset Management San Diego, CA.”

Figure 9. Typical Asset Condition Decay Curves Used by TERM Lite Model



3.2 Asset Condition

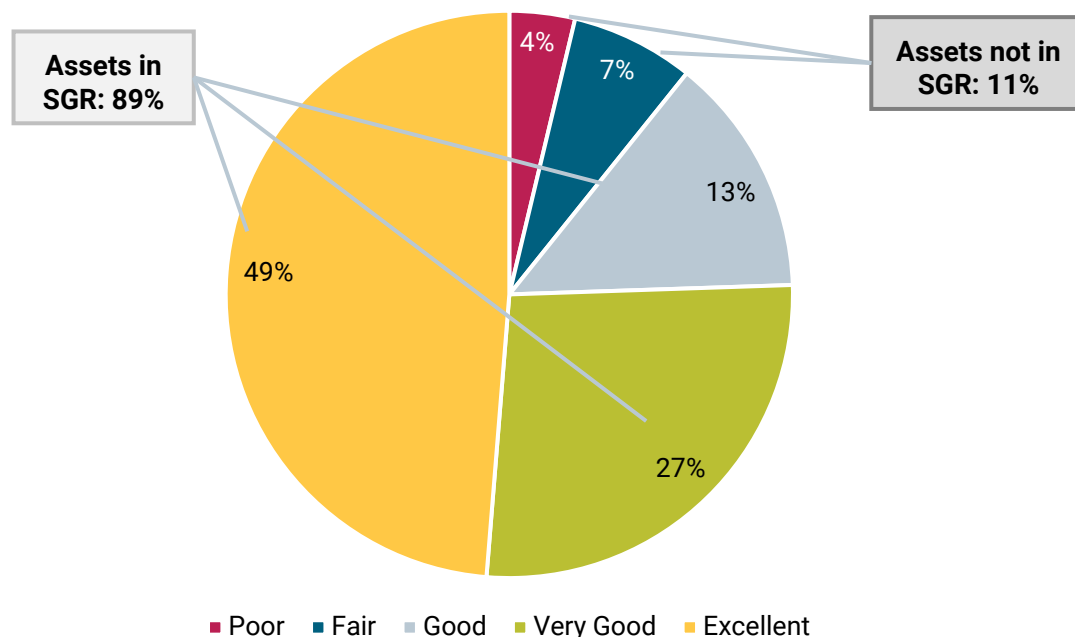
This section delves into NDOT's SGR baseline, both in aggregate and across specific asset groups, utilizing the SGR methodology described above. In alignment with FTA's reporting requirements, the asset inventory as specified in Chapter 2 is supplemented with condition information sourced from NTD.

The SGR baseline is quantified in dollar values to distinguish between SGR and non-SGR. For certain assets like buses (homogeneous asset group), the number of assets in SGR is relevant; however, for many other groups, this count can be misleading and may not accurately reflect the need for replacements.

NDOT's complete asset base, including revenue and non-revenue vehicles and facilities (valued at \$47.6 million), was assessed for its condition applying the TERM condition rating scale. Overall, the condition ratings indicate that 11% of all of NDOT's assets (\$5.1 million in 2023

dollars) are currently not in SGR, classified as “Marginal” or “Poor.” Figure 10 provides the distribution of condition ratings across NDOT’s entire asset portfolio.

Figure 10. Complete Asset Base 47.6M (2023 Dollars)



The condition assessment methodology for revenue vehicles is based on the ULB and the age of the asset. The TERM decay curves are used to determine future condition. While vehicles usage measured in mileage will be incorporated in the future, TERM currently does not support asset usage. Table 10 outlines the percentages of revenue vehicles in SGR by asset value, including diesel buses, minivans, light-duty vans (e.g., 12-passenger vans), cutaway vehicles (which are technically coded at medium-duty vans in TERM Lite), and SUVs. Notably, 78% of revenue vehicles are currently in a state of good repair (based on vehicle age and mileage).

Table 10. Percent of Revenue Vehicles in SGR (by Asset Value)

Asset Class	Total Value	Total in SGR	Not in-SGR	% SGR
Rolling Stock, Revenue Vehicles, Diesel Bus	\$2,321,000	\$2,321,000	\$0.00	100%
Rolling Stock, Revenue Vehicles, Minivan	\$7,601,000	\$6,070,000	\$1,531,000	80%
Rolling Stock, Revenue Vehicles, Light Duty Van	\$1,671,000	\$1,110,000	\$562,000	66%
Rolling Stock, Revenue Vehicles, Cutaway	\$11,480,000	\$8,532,000	\$2,948,000	74%
Rolling Stock, Revenue Vehicles, SUV	\$451,000	\$372,000	\$79,000	82%
Total	\$23,524,000	\$18,405,000	\$5,120,000	78%

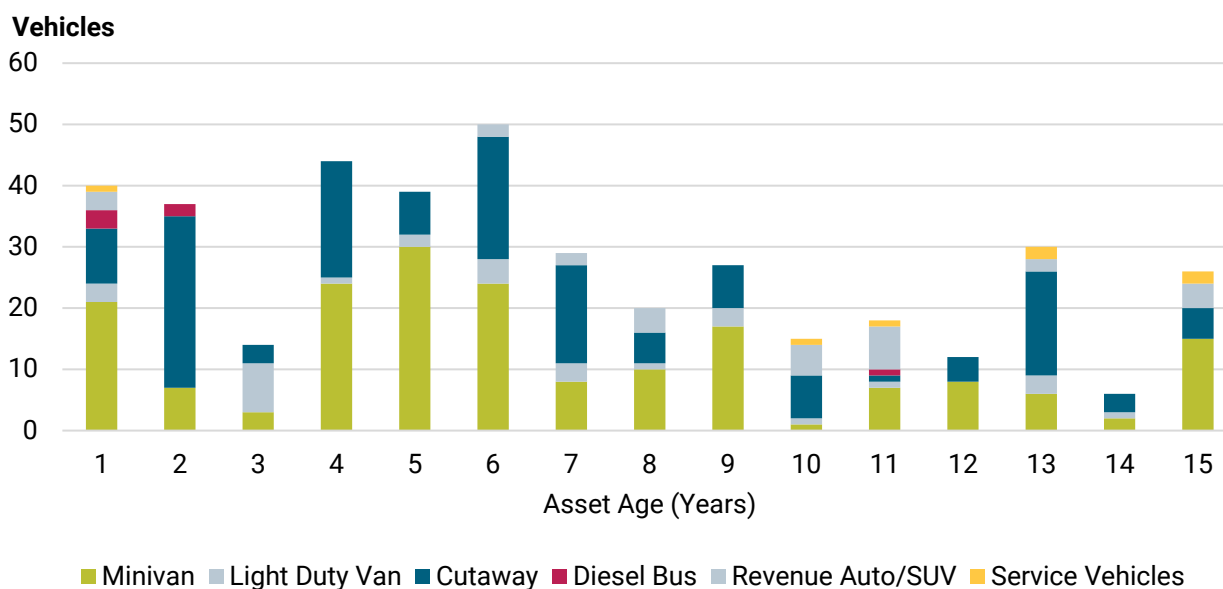
The average lifetime mileage of revenue and service vehicle varies significantly across asset classes from only 10,800 miles for non-revenue SUVs to over 300,000 miles for revenue diesel buses (Table 11). This speaks to the agencies' ability to utilize assets to their maximum potential while also maintaining SGR.

Table 11. Vehicle Average Lifetime Mileage Across Fleet as of 2023

Asset Class	Average Lifetime Mileage Across Fleet
Rolling Stock, Revenue Vehicles, Diesel Bus	304,746
Rolling Stock, Revenue Vehicles, Minivan	81,229
Rolling Stock, Revenue Vehicles, Light Duty Van	77,060
Rolling Stock, Revenue Vehicles, Cutaway	58,809
Rolling Stock, Revenue Vehicles, SUV	171,762
Equipment, Non-Revenue Vehicles, SUV	10,800
Equipment, Non-Revenue Vehicles, Automobile	141,819

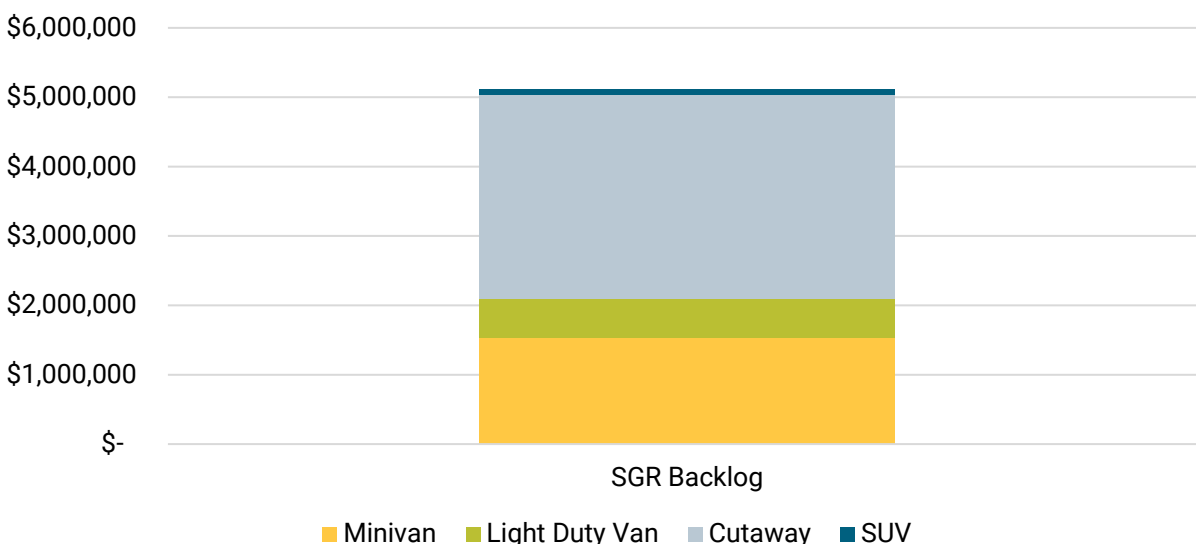
The age distribution of the active vehicle fleet is shown in Figure 11, revealing a majority vehicles are under 8 years old, but there are more than 100 vehicles surpassing 10 years. This distribution includes both revenue vehicles and service vehicles.

Figure 11. Age Distribution of Active Vehicle Fleet (409 Vehicles)



3.2.1 Current State-of-Good-Repair Backlog

The current state of good repair backlog is exclusively composed of revenue vehicle assets, totaling \$5.12 million. Cutaway buses make up the largest share, accounting for \$2.95 million of the backlog, with minivans also representing a substantial portion of the backlog at \$1.53 million. These vehicles are beyond their useful life, and will be prioritized for replacement under the decision policies outlined in the subsequent chapter. The current backlog is shown in Figure 12.

Figure 12. Current SGR Backlog by Vehicle Type, \$5.12M (2023 Dollars)

Note: all SGR backlog in current year is from revenue vehicles.

3.3 Conclusion

TAM assesses the performance toward achieving a state of good repair for each asset class within an asset category. The summary below outlines the performance measures for each asset category:

Table 12. Share of Assets Exceeding Useful Life Benchmark

Asset Category	Asset Count	% of Assets Exceeding Useful Life Benchmark	Average Replacement Cost
Rolling Stock (Revenue Vehicles)	402	22%	\$58,518
Equipment	7	0%	\$34,924
Facilities	13	0%	\$1,830,340

It is noteworthy that no equipment (i.e., non-revenue service vehicles) or facilities have exceeded ULB. However, 22% of rolling stock (revenue vehicles) have exceeded ULB. The following chapter will delve into the outcomes of decision support tools and the investment strategy associated with maintaining and enhancement of assets across all agencies.

4 Decision Support

This chapter outlines the investment decision-making process that NDOT employ to forecast state of good repair and asset replacement over the next 20 years.

4.1 General Processes and Tools

In compliance with FTA's TAM Rule, the TAM Plan should include "a description of any analytical processes or decision-support tool used to estimate capital investment needs over time and to develop the investment prioritization."⁴ The process implemented by NDOT utilizes FTA's TERM Lite tool to generate investment needs schedule, analyze funding gaps, and track state of good repair through the life cycle of the 20-year scenario. The decision support tool, decision-making process, is described in Table 13 below.

Table 13. Decision-Making Process

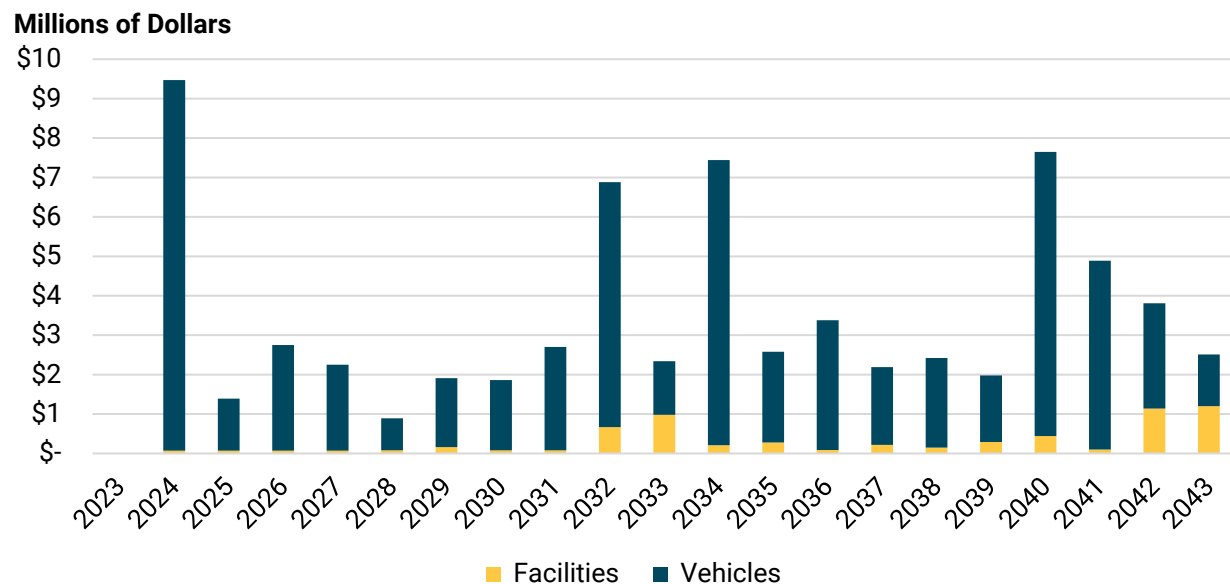
Step	Description	Notes
Step 1	Estimate future funding.	Using recent historical funding trends and expectations, project capital funding over the next 20 years.
Step 2	Define NDOT's replacement procedure.	Include assumptions on inflation or adopt the inflation percentage provided by NDOT, how NDOT decides when to replace a vehicle, prioritization criteria, and rehabilitation policy.
Step 3	Analyze financially constrained scenario.	Using TERM Lite's schedule of replacement needs under projected funding investment.
Step 4	Analyze investment need for ideal SGR criteria.	Using TERM Lite's schedule of replacement needs under backlog target seek/ unconstrained funding.
Step 5	Develop final list of expected investments (Ch. 5)	Based on the analysis results and final funding expectation.

This chapter details the underlying assumptions used in the decision support process and describes the results of the TERM Lite tool for the assets under the group agencies' purview.

4.2 20-year Capital Forecast Needs for SGR

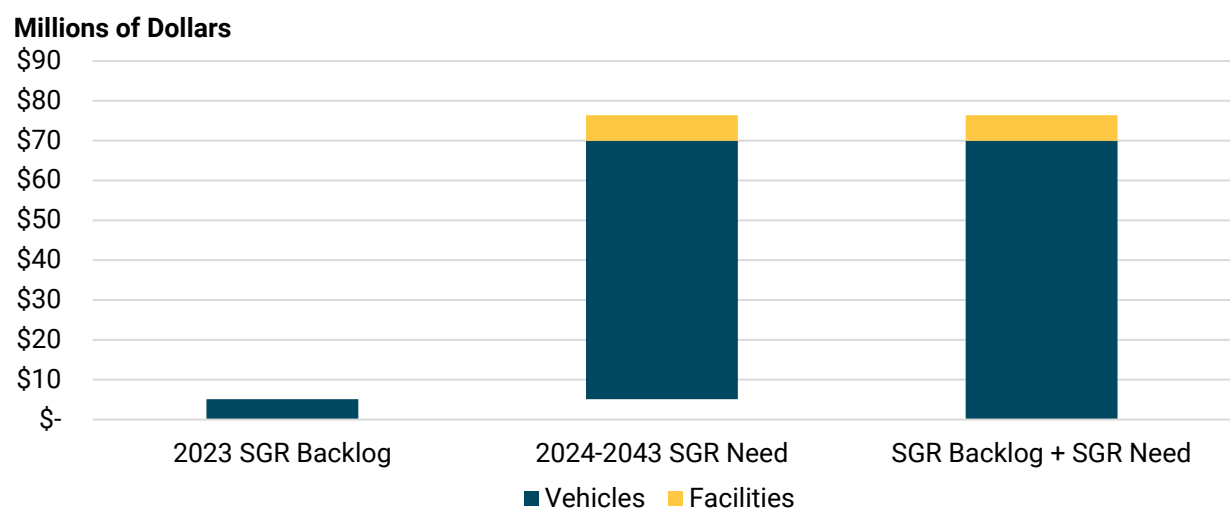
The decision support process begins with estimating anticipated future funding, defining NDOT's replacement procedure, and analyzing financially constrained and unconstrained scenarios. Every year a number of assets reach their ULB and are up for replacement. The annual capital SGR need is the dollar value of assets that need to be replaced in a particular year to prevent SGR backlog. According to the useful life designations and current age/condition of NDOT agencies' assets, the annual capital forecast for SGR needs over the next 20 years varies from \$9.8 million to \$0.8 million, totaling approximately \$76.4 million. Figure 13 shows the annual capital SGR needs by year and asset category.

⁴ 49 CFR §625.25(b)(3) (FTA Transit Asset Management Final Rule), July 26, 2016.

Figure 13. Annual Capital Forecasted SGR Needs, 2024–2043


The forecasted SGR needs over the next 20 years totals approximately \$76.4 million, equal to an average capital need of \$3.8 million per year. The value represents a more aggressive needs approach, with cost assumptions that are higher than will be expected for the agencies. There is large variation in SGR needs across years; some years require less than \$1 million and other years require more than \$9 million this is primarily due to the cyclical nature of age-based assets renewals and can be “smoothed” over the 20-years by postponing the replacement of more reliable assets to future years if necessary. A detailed list of priority investments by year is provided in Appendix D.

Figure 14 shows the total need over the 20-year horizon. 2023 SGR Backlog totals \$5.1 million related to vehicles, while 2024 to 2043 SGR need is \$71.3 million (\$64.8 million for vehicles and \$6.5 million for facilities). In total, the sum of facilities SGR Backlog and Needs is \$6.5 million and for vehicles it is \$70.0 million.

Figure 14. SGR Backlog and SGR Need over the 20-Year Horizon


4.3 Estimated Funding Level

NDOT currently secures fundings for its capital investments through various programs and sources, each serving a specific purpose in advancing the state's transportation initiatives:

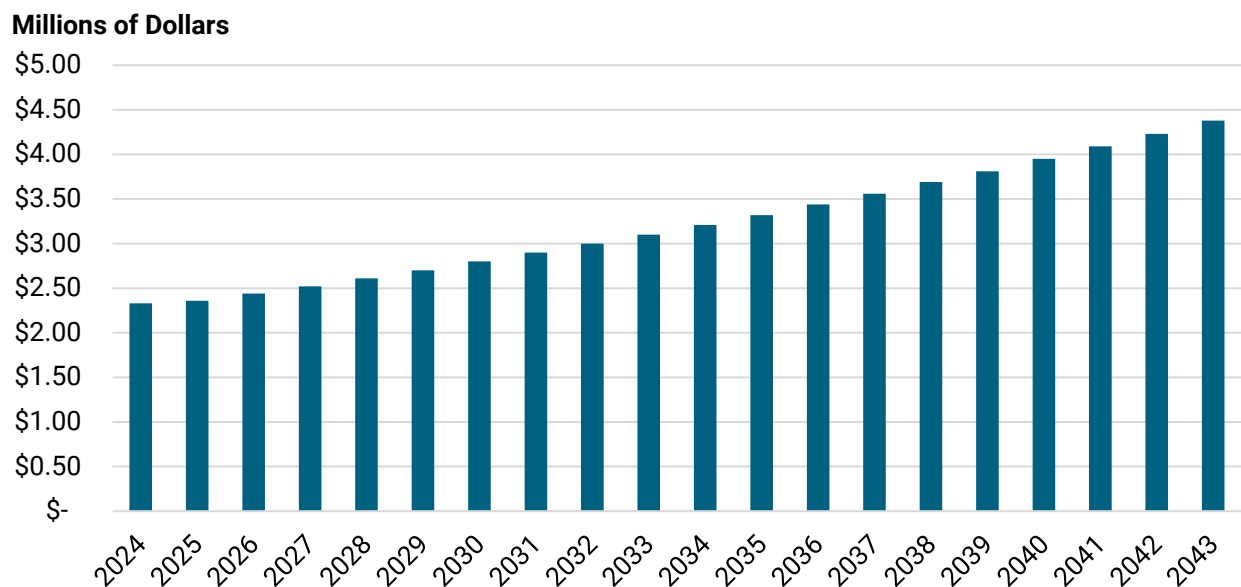
- **Section 5311, Rural Area Formula Program.** NDOT was designated the administrative agency for Section 5311 program funds in 1979. This FTA program allocates funds to states for rural area projects. These funds support planning, public transportation capital projects, operating costs, job access reverse commute projects, and the acquisition of public transportation service.
- **Section 5310, Enhanced Mobility of Seniors and Individuals with Disabilities Formula Program.** NDOT oversees the statewide Section 5310 program since 1974, aiming to enhance mobility for seniors and individuals with disabilities by eliminating transportation service barriers. Apportionments are provided separately for large urban, small urban, and rural areas, with a minimum of 55% designated for “traditional” Section 5310 program activities.
- **Section 5339 Bus and Bus Facilities.** These funds provide capital investment in bus-related projects, including the replacement, rehabilitation, and purchase of buses and associated equipment, as well as the construction of bus-related facilities. NDOT receives an apportionment for small urban areas of the state in addition to a statewide apportionment. At NDOT’s discretion the state Section 5339 apportionment may be transferred to the large urbanized areas in the state. The small urban Section 5339 funds are distributed through an application process.
- **State Program 305.** The state legislature allocates funds to provide assistance for public transportation operating expenses and capital purchase of vehicles in each biennium budget. State funds are distributed to rural, intercity bus, small urban, small cities and large urban transportation systems.
- **Local Agency Match.** Some Federal funding requires local matching funds between 10-20% of the project or acquisition cost. Required local match can come from various sources other than U.S. Department of Transportation, including State, local Government, unrestricted Federal or private funds. Human service agencies' payments and donations can also contribute to fulfilling the local match requirement, following FTA rules.

The funding assumptions for NDOT projections are based on historical funding levels and forecasts derived from recent Federal legislation. The capital funding estimate for the base year 2023 is \$2.2 million, calculated as the average of the most recent four years’ funding levels. While funding spiked in the most recent years due to additional funding opportunities provided by the Bipartisan Infrastructure Law (BIL), the estimate remains conservative, anticipating a consistent increase in funding availability annually for NDOT. Table 14 provides a comprehensive overview of capital funding from all sources for NDOT’s group agencies over the past decade, indicating annual changes and trends (rounded to the nearest thousand).

Table 14. Capital Funding for NDOT Group Agencies, 2012–2022

Year	Capital Expenditures	Annual % Change
2022	\$2,783,00	+24%
2021	\$2,252,000	+6%
2020	\$2,132,000	+27%
2019	\$1,684,000	-21%
2018	\$2,131,000	97%
2017	\$1,080,000	+21%
2016	\$894,000	+83%
2015	\$489,000	-73%
2014	\$1,822,000	+5%
2013	unknown	-
2012	\$1,655,000	-

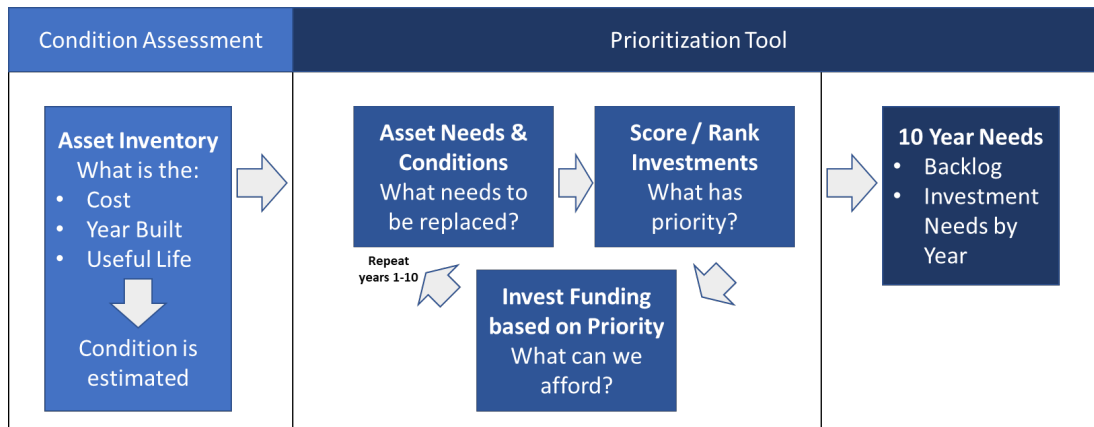
The long-term trend in capital funding growth since 2012 has been 3.5% per year. Although the increase has been much higher for intermittent spans, this growth rate serves as a reasonable and conservative assumption for estimating future funding for NDOT. Using this base year and growth assumption, funding availability is projected to increase from \$2.33 million in 2024 to \$4.38 million in 2043, as shown in Figure 15.

Figure 15. Assumed Funding Availability Projection, FY2024-FY2043

4.4 Replacement Process and Prioritization Criteria

Given the limitations on funding for State of Good Repair (SGR) investments, NDOT is strategically focusing on assets with the highest risk factors. This section describes how FTA's TERM Lite model was used to estimate NDOT's capital investment needs over the 20-year horizon. Additionally, it describes the asset prioritization methodology used to rank assets based on their criticality. Figure 16 shows the conceptual processes used by the TERM Lite tool for backlog development and investment prioritization.

Figure 16. TERM Lite Conceptual Model



Since this TAM Plan represents a group of Tier II facilities, NDOT elected to use FTA default prioritization weighting criteria for all its assets. This decision is grounded in the acknowledgment that asset pricing varies depending on the location of the agency and its respective markets. The default prioritization weighting is structured as follows:

- **Asset Condition (weight 65%):** This represents the condition score assigned to assets in TERM Lite based on age and decay curves.
- **Safety & Security (weight 10%):** This corresponds to the safety score (out of 5) assigned by asset classification in TERM Lite by default, signifying the impact of reinvestment on the safety and security of passengers/employees.
- **Reliability (weight 20%):** Reflecting the reliability score (out of 5) assigned by asset classification in TERM Lite by default, indicating the impact of reinvestment on service reliability and the reduction of service failures.
- **O&M Cost Impact (weight 5%):** This involves the O&M cost impact score (out of 5) assigned by asset classification in TERM Lite by default, expressing the impact of reinvestment on reducing operating costs.

TERM Lite's prioritization routine combines these values into an overall prioritization score, accounting for the weighted average across the relevant criteria assigned. The total prioritization score for each asset determines its relative rank in the case where funding availability is constrained in a given fiscal year.

4.4.1 Inflation Assumptions

NDOT adopted the TERM Lite default value for inflation of 2.0%. This basic assumption aligns with the Federal Open Market Committee's target for general inflation in the economy⁵. Despite recent years witnessing inflation levels above this target, long-term averages support a more moderate assumption. This inflation value impacts the forecast of future replacement costs. Section 4.5 provides an analysis of the impacts of assuming higher annual cost inflation over the study period.

Table 15. Average Inflation From Previous Year

Year	Percentage ¹
2018	2.4%
2019	1.8%
2020	1.2%
2021	4.7%
2022	8.0%
2023 (through Oct.)	4.3%
Future Assumption	2.0%

¹ U.S. Bureau of Labor Statistics. CPI data, monthly.

4.4.2 Rehabilitation Policies

Currently, there is no rehabilitation policy on vehicles for NDOT. Vehicles receive routine operating maintenance, including preventative maintenance. Capital overhauls aimed at extending the life of vehicles are not performed by the subrecipients and therefore not included in the analysis of capital needs.

Facility rehabilitation is a necessary aspect of capital planning over a facility's planning lifecycle. With a useful life of 50 years, as facilities age, they require certain annual capital repairs, along with milestone rehabilitation projects to maintain their state of good repair. The rehabilitation policy for facilities and vehicle assets are shown in Table 16.

Table 16. Rehabilitation Policies

Asset Type	Rehabilitation Description	Annual Capital Maintenance Required
All Vehicles	None	—
Facilities	• 10% of asset value at 40% useful life • 10% of asset value at 60% useful life • 5% of asset value at 80% useful life	0.3% of asset value per year

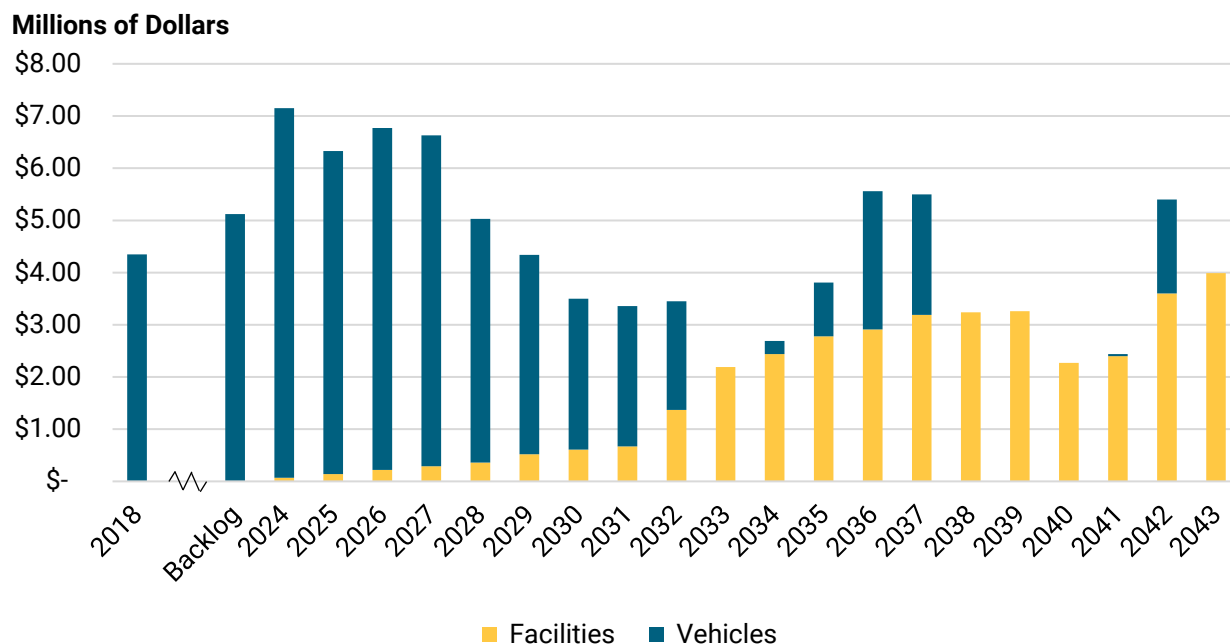
⁵ Federal Reserve. https://www.federalreserve.gov/faqs/economy_14400.htm

4.5 SGR at Projected Funding Level

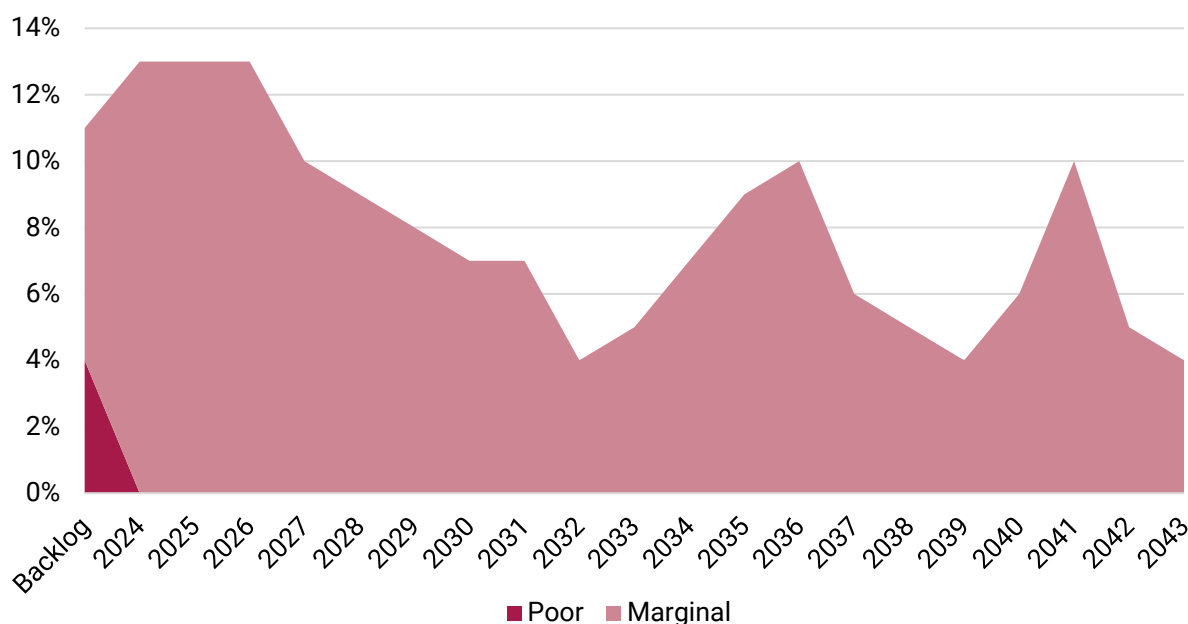
Under the projected funding level, and utilizing the conservative asset pricing and rehabilitation describing, the SGR backlog is expected to generally shrink over the next 20 years. This indicates that anticipated funding should not only meet, but exceed the required amount to maintain the current SGR. The current forecasted SGR backlog, shown in Figure 17, exceeds \$5.1 million, but is expected to decrease to just over \$4.0 million by 2043. This compares to an estimated SGR backlog of \$4.4 million in 2018, the year of the previous TAM Plan effort. This estimate was derived from available vehicle condition and purchase values from 2018 and is an approximate estimate. The SGR backlog thus grew 16.4%, or 3.3% per year, between 2018 and 2023. Funding is typically in the form of either State or Federal grants and is “rolled over” from year to year until fully expended in line with the scope of the grant.

Notably, the entire vehicle backlog, identified as the priority asset, is projected to be eliminated over the next 10 years. The facility backlog, primarily driven by the rehabilitation policy described earlier, adopts the most conservative assumption applied, utilizing a per-unit cost assumption expected to exceed the actual cost of the asset and therefore its rehabilitation needs. Overall, NDOT is well positioned to fund the group agency vehicle needs, and strategically fund facilities needs as they become evident.

Figure 17. Forecast of SGR Backlog at Estimated Funding Levels, FY2023-FY2043



Under current funding assumptions, NDOT is on track to reduce the share of its assets in poor or marginal condition from an estimated upper level of 14% in 2024 to an estimated lower level of 4% in 2043. Assets in poor condition are anticipated to be replaced within one year, ensuring that all assets are maintained above poor condition over this period. Asset condition as a share of total asset base is shown in Figure 18.

Figure 18. Development of Asset Condition (% by Value), FY2023–43

4.5.1 Inflation Sensitivity

Due to recent trends in cost inflation, it is appropriate to explore scenarios with higher inflation assumptions to address potential concerns given a significant number of assets reach their useful lives over the next calendar year. A brief analysis executing TERM Lite’s asset condition model under increased inflation assumptions provides valuable perspective.

If inflation was slightly higher, at 2.25 percent, the expected nominal backlog would increase from \$5.1 to \$6.1 million by the end of the 20-year analysis, with the share of assets in poor or marginal condition declining from 11% to 4%. However, at 3.5 percent inflation, the backlog is projected to grow drastically to approximately \$18 million, and the share of assets in poor or marginal condition is projected to rise slightly to 13%. These projections were made without adjustments to the projected capital funding availability. Table 17 includes the results of the SGR analysis under varying inflation assumptions, showing that above 2.5% inflation, expected SGR results degrade to significantly more challenging levels.

Table 17. Inflation Sensitivity Analysis

Inflation Scenario	Backlog by 2043 (Millions)	Share of Asset Base in Poor or Marginal Condition
2.0%	\$4.0	4%
2.25%	\$6.1	4%
2.5%	\$8.0	5%
3.0%	\$12.3	9%
3.5%	\$17.7	13%

However, the relationship between inflation and capital funding availability is dynamic, and it is reasonable to assume increased capital funding availability if inflation is higher long term.

5 Proposed Investments

With the asset conditions assessed and the future SGR backlog defined, the final step is to review any programmed capital expenditures. This comprehensive review aims to reconcile any gaps that may exist between the needs and the programmed funding. The focal point for this analysis is the 2024 State Transportation Improvement Program (STIP), a strategic document that outlines the anticipated future funding allocated to each asset class.

The STIP serves as a vital reference point, providing a framework for evaluating the alignment between programmed funding and the insights derived from the TERM Lite results. This comparative analysis sheds light on potential gaps that may exist and informs the decision-making process. The synergy between the assessment outcomes and the STIP offers a nuanced perspective, allowing for precise identification of priority areas and strategic investment avenues that align seamlessly with the overarching goals of sustaining and enhancing the state's transportation infrastructure.

5.1 Existing Programmed Investment

The NDOT STIP provides insight on the state's Enhanced Mobility of Seniors and Individuals with Disabilities funding and the Rural Area Grants/Rural Transit Assistance Program (RTAP) funding, 5310 and 5311, respectively⁶. The expected Federal share of funding from 5310 and 5311 sources over the next four fiscal years includes dedicated funding for rolling stock, equipment and facilities, and non-operating assistance. These Federal funding streams, earmarked for rolling stock, equipment, facilities, and non-operating assistance, play a pivotal role in shaping the investment outlook for the next four fiscal years.

Table 18 shows the STIP forecasted non-operating 5310 and 5311 funding over the next four fiscal years, providing a granular view of the expected financial allocations. Rolling stock is scheduled to exceed \$2.3 million by the 2026-2027 fiscal year. Additionally, available funds are expected to grow from \$12.3 million to \$15.0 million over the next four fiscal years.

Table 18. STIP Non-Operating Funding, 5310 and 5311

Year	2023–2024 (Dollars)	2024–2025 (Dollars)	2025–2026 (Dollars)	2026–2027 (Dollars)
Rolling Stock (5310)	\$720,000	\$750,000	\$800,000	\$850,000
Rolling Stock (5311)	\$900,000	\$1,000,000	\$1,250,000	\$1,500,000
Bus Support Equip. & Facilities (5311)	\$2,300,000	\$2,950,000	\$3,000,000	\$3,000,000
Non-Operating Assistance (5311)	\$6,500,000	\$7,000,000	\$7,250,000	\$7,500,000
Total	\$10,420,000	\$11,700,000	\$12,300,000	\$12,850,000

⁶ [2024-stip.pdf \(nebraska.gov\)](https://2024-stip.pdf(nebraska.gov))

The STIP shows an expected funding level robust enough to effectively underpin the targeted SGR for the agencies included in this Group TAM Plan. NDOT has generally held the good faith policy that agencies will, responsibly, identify assets that are beyond their useful life, with a commitment to fund the match required for replacement needs. The agencies are accountable to this policy through their annual NTD reporting submitted through NDOT and regular inventory updates submitted to NDOT. This has resulted in streamlined asset replacement and healthy coordination between these agencies and NDOT. Given the absence of funding gaps, the following section describes the investment schedule over the 20-year forecast.

5.2 Proposed 20-Year Investment Forecast

In each year, TERM Lite generates a comprehensive roster of asset replacements, overhauls, procurements. These actions are tailored based on the highest investment prioritization ranking and availability of funds. It is essential to note that assets not classified within SGR, yet requiring replacement, remain in the investment/SGR backlog.

These TERM investments serves as an initial blueprint for NDOT's careful review, prompting a thorough assessment to understand whether TERM-identified replacements can be deferred or if there is a compelling need to expedite investments into other critical assets. As illustrated in Figure 19, the expenditure forecast is on an upward trajectory. Notably, expenditures for vehicles will gradually increase, while expenditures for facilities does not exhibit a clear pattern or trend. In more detail, Table 19 and Table 20 summarizes the list of prioritized investments over this Group TAM Plan's horizon. The top 60 percent of TERM Lite-prioritized SGR investments over the next five years by cost, totaling \$7.4 million are shown in Table 20.

Figure 19. Expenditures Forecast by Category, 2024–2043

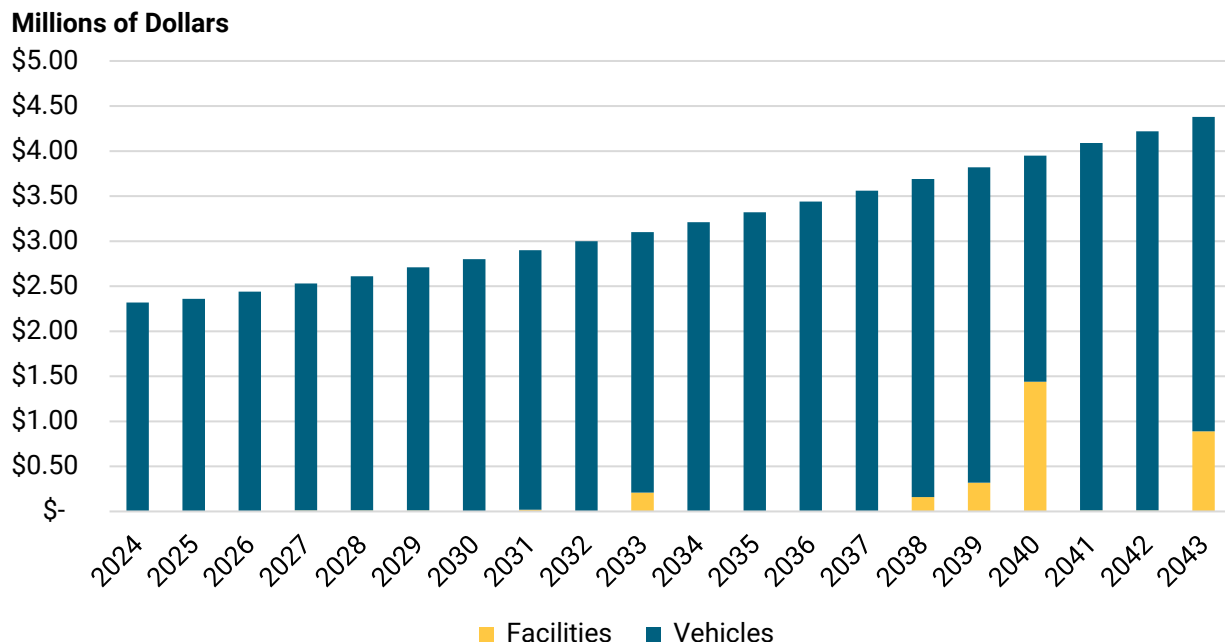


Table 19. TERM-Lite Prioritized SGR Asset Class Investments, 2024–2028 by Asset Classification

Asset Classification	Assets Prioritized 2024–28	Replacement Cost (\$Millions)
Rolling Stock, Revenue Vehicles, Diesel Bus	0	\$0
Rolling Stock, Revenue Vehicles, Minivan	107	\$4.96
Rolling Stock, Revenue Vehicles, Light Duty Van	31	\$1.39
Rolling Stock, Revenue Vehicles, Cutaway	75	\$5.40
Rolling Stock, Revenue Vehicles, SUV	10	\$0.48
Equipment, Non-Revenue Vehicles, SUV	0	\$0
Equipment, Non-Revenue Vehicles, Automobile	0	\$0
Facilities Rehabilitation	–	\$0.02

Table 20. Top TERM-Lite Prioritized SGR Investments, 2024–2028

Asset ID / VIN	Asset Description	Agency	Replacement Year	Priority Score in Replacement Year	SGR Investment (\$ per Unit)
1FBSS31L52HB32290	Econoline Club Wagon	Butler County Rural Service	2024	94.88	59,249
1FBSS31L22HB32294	E350	Avera Creighton Hospital	2024	94.88	59,249
1FBSS31L64HB33340	Van 15 Passenger Modified	Blue Rivers AAA	2024	93.46	58,420
1FBSS31L84HB33341	Van 11 Passenger Modified	Blue Rivers AAA	2024	93.46	58,420
1FDXE45506DA38195	Starcraft Allstar Cutaway	City of Schuyler	2024	91.64	73,835
1FBSS31I12HB63973	Cutaway Bus	City of Crawford	2024	91.22	96,388
1GBJG31U541205451	Cutaway Bus 12+2	Avera St. Anthony Hospital	2024	89.31	95,040
1FDWE35S14HB50743	Cutaway Bus	Kimball County	2024	89.31	69,539
1GBDV13W98D150660	Uplander	Ponca Tribe	2024	89.31	60,184
1FDXE45S56DA40556	Starcraft Allstar Cutaway	City of Neligh	2024	87.00	73,835
1GBJG31U061244659	Cutaway Bus	Blue Rivers AAA	2024	87.00	73,644
1GBJG31U861246854	Cutaway Bus	Grant County	2024	87.00	73,644
1GAZGRDG5A1154254	Twelve Passenger Van	Scotts Bluff County	2024	86.34	48,449
2C4RDGBG0CR180735	Lowered floor minivan	Cedar County	2024	84.56	49,740
1FD4E45S88DB56839	Cutaway Bus	Blue Rivers AAA	2024	84.18	81,044
1FD4E45518DB51630	Cutaway Bus Goshen Coach	Panhandle Transit Services	2024	84.18	75,180
1GBJG31K691109253	Cutaway Bus	Community Action Partnership of Mid-NE	2024	82.55	81,044
1FD4E4FS2ADA46544	Cutaway Bus 12+2 StarTrans	SENCA	2025	82.55	80,396
1FD4E4FS4ADA46528	Star Trans Cutaway Bus	Panhandle Transit Services	2025	82.55	72,192
1GBJG31K591109020	Goshen Coach	CRANE	2024	82.55	71,977
1FD4E4FS5ADA46540	Cutaway Bus 12+2 Star Trans	Scotts Bluff County	2025	82.55	69,949
1FTSS34L79DA37903	E 350	Ponca Tribe	2024	82.55	67,429
1GAZGRDG3A1153698	Twelve Passenger Van	Saline County Area Transit	2025	82.55	49,418

Proposed Investments

Asset ID / VIN	Asset Description	Agency	Replacement Year	Priority Score in Replacement Year	SGR Investment (\$ per Unit)
1FD4E4FS8ADA97577	Cutaway Bus 12+2 StarTrans	City of Sidney.	2025	82.55	49,418
2C4RDGBG2CR324981	Lowered floor minivan	Community Action Partnership of Mid-NE	2024	82.55	48,627
1FD4E4FS1ADA46535 1FD4E4FS6ADA46532 1FD4E4FS8ADA46533 1FD4E4FSXADA46534	4x Cutaway Bus 12+2 StarTrans	Blue Rivers AAA	2025	80.75	80,396
1FD4E4FS2ADA46530	Cutaway Bus 12+2, Star Trans	Kimball County	2025	80.75	80,396
1FD4E4FS4ADA62986	Cutaway Bus 12+2 StarTrans	Morrill County	2025	80.75	80,396
1FD4E4FS9BDB22696	Cutaway Bus Goshen Coach	York County	2025	80.75	78,188
1FD4E4FS0BDB22697	Cutaway Bus Goshen Coach	City of Tecumseh	2025	80.75	78,188
1FD4E4FS4CDA39209	Goshen Coach 12+2 Cutaway Bus	Scotts Bluff County	2025	80.75	72,619
1FD4E4FS0ADA46526 1FD4E4FS0ADA62984	2x Cutaway Bus	Community Action Partnership of Mid-NE	2025	80.75	72,192
2C7WDGBG3HR712962	Lowered floor minivan	North Fork Area Transit	2028	80.27	62,165
2C7WDGBG2HR618359	Lowered floor minivan	City of Oakland	2028	80.27	50,652
1GKKUPED7CJ204151	Arcadia	North Fork Area Transit	2028	80.27	50,380
2C7WDGBG8ER140914	Lowered floor minivan	Saline County Area Transit	2025	80.27	49,053
2C7WDGBG2HR618342	Lowered floor minivan	Chase County Transit	2028	80.27	48,973
2C7WDGBG3HR618371	Lowered Floor Minivan	Midland AAA	2028	80.27	48,973
2C7WDGBG5HR618355	Lowered floor minivan	Eastern NE Office on Aging	2028	80.27	48,973
2C7WDGBG3HR618337	2x Lowered floor minivan	Avera Creighton Hospital	2028	80.27	48,973
2C7WDGBG0HR687115	Lowered floor minivan	Morrill County	2028	80.27	48,973
2C7WDGBG1HR710191	Lowered floor minivan	NanceTrans	2028	80.27	48,973
2C7WDGBG0HR710201	Lowered floor minivan	Valley County Health Systems	2028	80.27	48,973

Proposed Investments

Asset ID / VIN	Asset Description	Agency	Replacement Year	Priority Score in Replacement Year	SGR Investment (\$ per Unit)
2C7WDGBG3HR710192 2C7WDGBG3HR710208	2x Lowered floor minivan	Avera St. Anthony Hospital	2028	80.27	48,973
2C7WDGBGXHR828725	Lowered floor minivan	Stratton Industrial Commission	2028	80.27	48,146
1GBJG31J3Y1148436	Cutaway Bus	Perkins County	2027	78.77	104,586
1FD4E4FS7ADA46538 1FD4E4FS9ADA46539	2x Cutaway Bus 12+2 StarTrans	CRANE	2027	78.77	125,466
1FD4E4FS7ADA46541	Cutaway Bus 12+2 StarTrans	Lancaster County	2027	78.77	83,644
1FD4E45SX8DB56809	Cutaway Bus	Perkins County	2027	78.77	82,166
1FD4E45S58DB51632	Cutaway Bus	Panhandle Transit Services	2027	78.77	82,166
1FD4E4FS9ADA46542	Cutaway Bus 12+2 StarTrans	Lancaster County	2027	78.77	81,347
1FD4E4FS8ADA62988	Cutaway Bus 12+2	Community Action Partnership of Mid-NE	2025	78.77	80,396
1FD4E4FS4ADA46531	Cutaway Bus 12+2 StarTrans	Cambridge Memorial Hospital, Inc.	2025	78.77	80,396
1FD4E4FS7DDA44731	Star Trans Cutaway Bus 12+2	Stratton Industrial Commission	2027	78.77	80,223
1FD4E4FS3KDC27685	Goshen Coach Cutaway Bus 12+2	City of Broken Bow	2027	78.77	78,871
1FD4E45S59DA32683	Cutaway Bus	City of Loup City	2027	78.77	77,411
1FD4E45S96DA28622	Cutaway Bus	Lincoln Area Agency on Aging dba Aging Partners	2027	78.77	76,942
1FD4E4FS2CDA32517	Cutaway Bus Goshen Coach	Wolf Memorial Good Samaritan Public Transit	2027	78.77	75,552
1FD4E4FS6EDA60565	Cutaway Bus	Community Action Partnership of Mid-NE	2027	78.77	74,097
1FD4E4FS9DDA44732	Cutaway Bus 12+2	CRANE	2027	78.77	73,725
1FD4E4FS1KDC09282	Goshen Coach Cutaway Bus 12+2	Scotts Bluff County	2025	78.77	73,298

Proposed Investments

Asset ID / VIN	Asset Description	Agency	Replacement Year	Priority Score in Replacement Year	SGR Investment (\$ per Unit)
1FD4E4FS0FDA23951 1FD4E4FS9FDA23950	2x Supreme Cutaway Bus 12+2	CRANE	2028	78.77	72,759
1FD4E4FS8ADA49268	Cutaway Bus 12+2 StarTrans	Community Action Partnership of Mid-NE	2025	78.77	72,192
1FD4E4FS3HDC78659 1FD4E4FSXHDC78657	2x Goshen Coach Cutaway Bus	Scotts Bluff County	2025	78.77	71,895
1FD4E4FS8EDA60566	Cutaway Bus	Community Action Partnership of Mid-NE	2027	78.77	71,280
1FD4E4FS4EDA56692	Cutaway Bus	Avera Creighton Hospital	2027	78.77	71,280
1FD4E4FS0EDA56690	Cutaway Bus	City of Benkelman	2027	78.77	71,280
1FD4E4SXXKDC09278	Goshen Coach Cutaway Bus 12+2	Scotts Bluff County	2025	78.77	70,867
1FD4E45S18DB51627	Bus Goshen Coach	Panhandle Transit Services	2027	78.77	70,777
1FD4E4FS2FDA23952	Supreme Cutaway Bus 12+2	Scotts Bluff County	2026	78.77	69,934
1FD4E4FS2EDA56691	Cutaway Bus	Garden County Transportation	2026	78.77	69,883
1FD4E4FS9EDA78770	Supreme Cutaway Bus 12+2	CRANE	2027	78.77	68,917
2C7WDGBG8ER319597	Lowered floor minivan	Community Action Partnership of Mid-NE	2027	78.77	49,342
1FD4E4FS8JDC42827	Goshen Coach 12+2	Seward County.	2028	77.70	76,326
1FD4E4FS2HDC78667	Goshen Coach Cutaway Bus 12+2	Community Action Partnership of Mid-NE	2027	77.70	74,799
1FMJU1GT3FEF23986	Expedition XL	York County	2026	77.70	69,945
1GAWGRFA2E1202648	Twelve Passenger Van	Community Action Partnership of Mid-NE	2026	77.70	68,057
1GNFK13017R393641	Tahoe	North Fork Area Transit	2026	77.70	64,565
1GNFK16327J203804	Suburban	North Fork Area Transit	2026	77.70	64,565

Proposed Investments

Asset ID / VIN	Asset Description	Agency	Replacement Year	Priority Score in Replacement Year	SGR Investment (\$ per Unit)
2C4RDGCG1GR321459 2C4RDGCG8GR321460	2x Caravan	Ponca Tribe	2026	77.70	64,497
1FDFG5GYOGEA86005	2x E550	North Fork Area Transit	2026	77.70	54,869
2C4RDGBG9CR374101	Lowered Floor Minivan	Midland AAA	2026	77.70	52,038
2C4RDGBG8CR180739	Lowered floor minivan	Midland AAA	2026	77.70	51,750
2C4RDGBG2CR180736	Lowered floor minivan	City of Plainview	2026	77.70	51,750
2C7WDGBG7HR718585	Lowered floor minivan	Community Action Partnership of Mid-NE	2028	77.70	48,973
2C7WDGBG2HR618362 2C7WDGBG7HR618339	2x Lowered floor minivan	Cedar County	2028	77.70	48,973
2C7WDBGXER140915	Caravan Minivan	Chase County Transit	2026	77.70	48,375
2C7WDGBG4ER220355 2C7WDGBG6ER220356	2x Lowered floor minivan	CRANE	2026	77.70	48,375
2C7WDGBG4ER140912 2C7WDGBGXER319598	2x Lowered floor minivan	York County	2026	77.70	48,375
1GAWGRFA9D1193655	Twelve Passenger Van	City of Columbus	2026	77.70	48,345
1FD4E4FS0DDB29023	Cutaway Bus 12+2 StarTrans	Blue Rivers AAA	2026	76.58	82,004
1FD4E4FS0DDA44733	Star Trans Cutaway Bus 12+2	Community Action Partnership of Mid-NE	2026	76.58	72,279
1FD4E4FS5DDA44730 1FD4E4FS9DDA44729	2x Cutaway Bus	Blue Rivers AAA	2026	76.58	72,279
1FD4E4FS4DDE29025	Cutaway Bus	Blue Rivers AAA	2026	76.58	69,883
2C4RDGBG7FR668973	Grand Caravan SE	Wolf Memorial Good Samaritan Public Transit	2026	74.79	60,378
Total of Top 60 percent of TERM-Lite Prioritized Investments in 2024–2028					\$7.412M

This breakdown delineates the allocation of funds across distinct asset classifications, providing a robust foundation for NDOT's consideration and decision-making. The investments are not static; they embody a dynamic framework that necessitates continuous evaluation and fine-tuning to align with evolving priorities and emerging infrastructure needs. The detailed list of prioritized investments by year is provided in Appendix D.

5.3 Additional Funding Opportunities

In line with the investment and capital replacement plan outlined in Chapter 4, NDOT has sufficient access to capital funding to effectively prevent the escalation of its SGR backlog. Over the next 20 years, NDOT anticipates that its capital funding will successfully eliminating all recurring vehicle backlog. However, as this period unfolds, NDOT's facility assets will be progressively aging, with many entering the later stages of their useful life. Consequently, there will be a heightened demand for rehabilitation. Under default inflation assumptions, this backlog is deemed manageable. However, with any funding disruption or higher cost inflation, NDOT may need to manage a growing SGR backlog. Should NDOT be in such a scenario, there are other FTA funding opportunities to address needs, as shown in Table 21.

NDOT is the recipient of Federal transportation funds for the State and, therefore, responsible for ensuring that funds are expended in accordance with applicable laws and regulations. Funds from the Federal Highway Administration (FHWA) are passed through NDOT to subgrantees for transportation projects. Table 21 includes a synopsis of grant opportunities for programs funded by the Federal Transit Administration and administered by the Nebraska Department of Transportation.

Table 21. Potential Discretionary Funding Sources

Grant	Grant Description
Grants for Buses and Bus Facilities Program	This program provides funding through a competitive allocation process to states and transit agencies to replace, rehabilitate and purchase buses and related equipment and to construct bus-related facilities.
All Stations Accessibility Program	The All Stations Accessibility Program provides competitive funding to assist in the financing of capital projects to repair, improve, modify, retrofit, or relocate infrastructure of stations or facilities for passenger use, including load-bearing members that are an essential part of the structural frame; or (2) for planning projects to develop or modify a plan for pursuing public transportation accessibility projects, assessments of accessibility, or assessments of planned modifications to stations or facilities for passenger use.
Better Utilizing Investments to Leverage Development (BUILD) Transportation Grants Program (formerly TIGER)	U.S. DOT's Better Utilizing Investments to Leverage Development (BUILD) Transportation Discretionary Grants program funds investments in transportation infrastructure, including transit.

Grant	Grant Description
Low or No Emission Vehicle Program—5339(c)	The Carbon Reduction Program requires NDOT to develop a Carbon Reduction Strategy in consultation with Nebraska’s metropolitan planning organizations (MPOs). This program provides funding to states and transit agencies to purchase or lease low or no emission transit buses and related equipment, or to lease, construct, or rehabilitate facilities to support low or no emission transit buses. This could be particularly helpful when replacing the Gillig diesel buses.
Section 5303/5304—Metropolitan and Statewide Planning Program	NDOT receives Federal funding for planning activities in the Metropolitan areas of the state (Lincoln, Omaha, Grand Island and Sioux City). The Metropolitan Planning Organizations (MPOs) apply to NDOT annually for Section 5303 funds. The funds are disbursed using a formula that is based on population.
Public Transportation on Indian Reservations Program; Tribal Transit Competitive Program	The Tribal Transit Program is a set-aside from the Formula Grants for Rural Areas program consisting of a \$30 million formula program and a \$5 million discretionary grant program subject to the availability of appropriations. A 10-percent local match is required under the discretionary program, however, there is no local match required under the formula program.

Source: [Grant Programs | FTA \(dot.gov\)](https://www.fta.dot.gov/grant-programs)

5.4 Conclusion

While the funding levels under the existing conditions are enough to support the rehabilitation and replacement of assets, discretionary funding can be leveraged for capital projects as they become more viable. This Group TAM Plan details the future of capital management across the agencies NDOT represents, and provides a framework for understanding funding and capital needs in the context of transit SGR with regards to the existing asset base.

Additional investments in newer technology such as Low or no emissions vehicles and associated infrastructure or any of the criteria outlined in 49 CFR § 625 and § 630 will require an amendment to this Group TAM Plan if developed within the plan horizon or captured in the mandatory 2026 update.

While the funding levels under the existing conditions are enough to support the rehabilitation and replacement of assets, discretionary funding can be leveraged for capital projects as they become more viable. This Group TAM Plan details the future of capital management across the agencies NDOT represents, and provides a framework for understanding funding and capital needs in the context of transit SGR. The appendix details the Group TAM Plan checklist, the asset inventory, and a glossary of terms.

Appendices

Appendix A—TAM Plan Checklist



Compliance-Checklist-2021 - NDOT.pdf

Appendix B—Vehicle Asset Inventory



Vehicle Asset Inventory.xlsx

Appendix C—Glossary of Terms

Accountable Executive: A single identifiable person who has ultimate responsibility for carrying out the safety management system of a public transportation agency; responsibility for carrying out transit asset management practices; and control or direction of the human and capital resources needed to develop and maintain both the agency's public transportation agency safety plan, in accordance with 49 U.S.C. 5329(d), and the transit asset management plan in accordance with 49 U.S.C 5326.

Asset category: A grouping of asset classes, including a grouping of equipment, a grouping of rolling stock, a grouping of infrastructure, and a grouping of facilities.

Asset class: A subgroup of capital assets within an asset category.

Asset inventory: A register of capital assets, and information about those assets.

Capital asset: An element of asset class used in the provision of providing public transportation.

Condition assessment: The process of inspecting, analyzing or testing assets to collect data that is used to measure condition and performance. Plan participants must provide a condition assessment of assets on an annual basis. The assessment must generate information at a level of detail sufficient to monitor and predict the performance of the assets and to inform the investment prioritization. Tier II participants will be responsible for providing condition assessments to NDOT.

Condition assessments for all assets included in the TAM plan will be collected annually as follows:

Facilities—Plan participants with facilities that support operations and/or administrative activities will be required to submit a maintenance plan to NDOT. In addition, the facility must be inspected and an asset condition checklist submitted to NDOT annually. Templates for the maintenance plan and checklist are available from NDOT.

Rolling stock and Equipment—Tier II agencies will report the condition of vehicle assets annually as part of the operating assistance application process. Agencies are encouraged to use the condition assessment tool provided in the appendix of this document.

Decision support tool: An analytical process or methodology used to:

Help prioritize project to improve and maintain the state of good repair of capital assets within a public transportation system, based on available condition data and objective criteria; or

Assess the financial needs for asset investments over time.

Equipment: An article of nonexpendable, tangible property having a useful life of at least one year.

Facility: A building or structure that is used in providing public transportation.

Group TAM Plan: A single TAM Plan that is developed by a sponsor on behalf of at least one Tier II provider.

Horizon period: The fixed period of time within which a transit provider will evaluate the performance of its TAM Plan.

Infrastructure: The underlying framework or structures that support a public transportation system.

Life-cycle cost: The cost of managing an asset over its whole life.

Participant: A Tier II provider that participates in a group TAM Plan.

Performance target: A quantifiable level of performance or condition, expressed as a value for the measure, to be achieved within a time period required by the FTA.

Rolling stock: A revenue vehicle used in providing public transportation including vehicles used for carrying passengers on fare-free services.

Service vehicles: A unit of equipment that is used primarily either to support maintenance repair work for a public transportation system or for delivery of materials, equipment, or tools.

Sponsor: A State, designated recipient, or a direct recipient that develops a group TAM Plan for at least one Tier II provider, such as NDOT in the state of Nebraska.

State of Good Repair: The condition in which a capital asset is able to operate at a full level of performance.

TERM scale: The five (5) category rating system used in the FTA's Transit Economic Requirements Model (TERM) to describe the condition of an asset.

Transit asset management (TAM): The strategic and systematic practice of procuring, operating, inspecting, maintaining, rehabilitating, and replacing transit capital assets to manage their performance, risks, and costs over their life cycles, for the purpose of providing safe, cost-effective, and reliable public transportation.

Useful life benchmark (ULB): The expected life cycle or the acceptable period of use in service for a capital asset, as determined by a transit provider, or the default benchmark provided by the FTA.

Appendix D—Investment Prioritization



Full%20Investments
%20List%20by%20Ye