



CALAVERAS COUNCIL *of* GOVERNMENTS

FY 2018-2020 TRIENNIAL PERFORMANCE AUDIT OF THE CALAVERAS TRANSIT AGENCY



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Submitted to:
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Submitted by:

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INTERNATIONAL

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Section I

Introduction

California’s Transportation Development Act (TDA) requires that a triennial performance audit be conducted of public transit entities that receive TDA revenues. The performance audit serves to ensure accountability in the use of public transportation revenue.

The Calaveras Council of Governments (CCOG) engaged Michael Baker International to conduct the TDA triennial performance audit of the public transit operator under its jurisdiction in Calaveras County. This performance audit is conducted for the Calaveras Transit Agency (CTA) covering the most recent triennial period, fiscal years 2017–18 through 2019–20.

The purpose of the performance audit is to evaluate the CTA’s effectiveness and efficiency in its use of TDA funds to provide public transportation in its service area. This evaluation is required as a condition for continued receipt of these funds for public transportation purposes. In addition, the audit evaluates the CTA’s compliance with the conditions specified in the California Public Utilities Code (PUC). This task involves ascertaining whether the CTA is meeting the PUC’s reporting requirements. Moreover, the audit includes calculations of transit service performance indicators and a detailed review of transit administrative and operational functions. From the analysis that has been undertaken, a set of recommendations has been made which is intended to improve the performance of transit operations.

In summary, this TDA audit affords the opportunity for an independent, constructive, and objective evaluation of the organization and its operations that otherwise might not be available. The methodology for the audit included in-person and videoconference interviews with transit administration and with the transit manager from the contract operator, collection and review of agency documents, data analysis, and on-site observations. The *Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Entities* published by the California Department of Transportation (Caltrans) was used to guide in the development and conduct of the audit.

Overview of the Transit System

The CTA is the regional public transit provider for Calaveras County. Public transit services were initially provided on a demand-response basis through the Human Resources Council operating under the name Calaveras Stagecoach. In 1999, CCOG implemented a deviated fixed-route service in addition to Dial-A-Ride under the name of Calaveras Transit operated by a private contractor. In 2004, administrative oversight of the transit service was transferred to the Calaveras County Public Works Department.

The CTA was formed under a Joint Powers Agreement between the City of Angels (Angels Camp) and the County of Calaveras on March 6, 2018. The CTA assumed full responsibility for administration of the public transit system from County management on July 1, 2018. The

governing board of the CTA is the same as the CCOG. The CCOG provides administrative and financial oversight for the CTA while operations and maintenance are operated under contract by Paratransit Services, Inc., headquartered in Bremerton, Washington. A rebranding effort and marketing campaign were launched in August 2018. The CTA Board approved the rebranding of the transit system at its December 2018 meeting, which was rolled out in May 2019 as Calaveras Connect.

Calaveras County is geographically located in the central Sierra Nevada foothills of California adjacent to the San Joaquin Valley and the Sierra Nevada. The county was incorporated on February 18, 1850, as one of California’s 27 original counties. Calaveras County is bordered by Amador County to the north, Tuolumne County to the south, Alpine County to the east, and San Joaquin and Stanislaus Counties to the west. The highest elevation in the county is Corral Ridge at 8,174 feet above sea level. The county’s geographical land area encompasses 1,020 square miles and is traversed by 868 miles of roadway. Major highways include State Routes (SR) 4, 12, 26, and 49. A demographic snapshot of key cities and the county is presented in Table I-1:

**Table I-1
Calaveras County Demographics**

City/Jurisdiction	2019 ACS 5-Year Estimates	Change from 2010 US Census	% Population 65 Years & Older 2019 ACS	2021 Department of Finance Estimates	Land Area (in square miles)
Angels Camp (City of Angels)	3,875	+1.0%	31.4%	4,038	3.63
Unincorporated Area	41,639	-0.2%	27.1%	40,998	1,016.38
Total Calaveras County	45,514	-0.1%	27.5%	45,036	1,020.01

2010 US Census; 2019 American Community Survey 5-Year Estimates; California Department of Finance, 2021 Population Estimates

The community of San Andreas is the county seat and the City of Angels Camp (also known as the City of Angels) is the county’s only incorporated city. Rancho Calaveras is the county’s largest census-designated place with a population of 7,026 based on the 2019 American Community Survey 5-Year Estimates. The county’s senior citizen population, composed of residents aged 65 and over, is about 27.5 percent. The 2021 population for Calaveras County is estimated to be 45,036 as reported by the California Department of Finance, a slight decline from the 2019 American Community Survey 5-Year Estimates. Other communities and census-designated places include Arnold, Avery, Copperopolis, Glencoe, Mokelumne Hill, Mountain Ranch, Murphys, Valley Springs, and West Point.

System Characteristics

Calaveras Connect operates five deviated fixed routes serving Calaveras County as well as the adjacent counties of Amador and Tuolumne. Route deviations are available to the general public within 0.75 miles of the regularly scheduled route. All deviations are limited and prioritized on a reservation basis. Flag stops are permitted mid-route between designated bus stops. In addition, interline connections to Amador Transit and Tuolumne County Transit are available on routes to Sutter Creek and Columbia College in Sonora, respectively.

The transit system operates Monday through Friday from 5:20 a.m. to 8:20 p.m. The Saturday Hopper operates from 9:45 a.m. to 7:25 p.m. The service does not operate on Sunday and the following holidays: New Year’s Day, Martin Luther King Jr. Day, Presidents’ Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving, the day after Thanksgiving, Christmas Eve, Christmas, and New Year’s Eve. Holidays falling on weekends are observed on the nearest weekday. The following table contains details of each Calaveras Connect route in place during the audit period.

The 2017 Calaveras Transit Service Plan was adopted by the Calaveras County Board of Supervisors in January 2017. The routes were rebranded to color designations and realigned with better connectivity. Frequencies were increased on the main trunk route between Valley Springs and Angels Camp. Service changes were implemented in April 2017, which are detailed in Table I-2:

**Table I-2
Calaveras Transit Route System**

Route	Description	Frequency/Operation	Destinations
Red Line	Valley Springs – San Andreas – Angels Camp – Columbia College	90–120-minute headways (Monday through Friday from 5:20 a.m. to 7:40 p.m.)	<ul style="list-style-type: none"> ▪ Vista del Lago, Valley Springs ▪ San Andreas Post Office ▪ Government Center ▪ Courthouse ▪ Angels Camp Transfer Stop ▪ Visitors Center, Angels Camp ▪ Columbia College, Sonora
Blue Line	Angels Camp – Murphys – Arnold	Seven bi-directional trips (Monday through Friday from 5:40 a.m. to 8:20 p.m.)	<ul style="list-style-type: none"> ▪ Angels Camp Transfer Stop ▪ Visitors Center, Angels Camp ▪ Hwy 4, Douglas Flat ▪ Murphys, Tom Bell Road ▪ Avery Hotel Road ▪ Big Trees Market, Arnold ▪ Arnold Library
Copper Line	Angels Camp – Copperopolis	Two AM & two PM trips (Monday through Friday from 7:10 a.m. to 7:55 p.m.)	<ul style="list-style-type: none"> ▪ Main Street @ Demarest, Angels Camp ▪ Copper Cove @ Feather Drive, Copperopolis ▪ Copper Cove @ Little John, Copperopolis ▪ O’ Brynes Ferry Road @ Main Street (<i>on demand</i>)

Route	Description	Frequency/Operation	Destinations
Purple Line	Rail Road Flat (<i>on demand</i>) – Mountain Ranch (<i>on demand</i>) – San Andreas – Sutter Creek	Four bi-directional trips (Monday through Friday from 7:35 a.m. to 7:05 p.m.)	<ul style="list-style-type: none"> ▪ Rail Road Flat ▪ Mountain Ranch (<i>on demand</i>) ▪ Government Center ▪ Hwy 49 @ Black Bart Inn ▪ Gold Strike MHP ▪ Mokelumne Hill ▪ Jackson Raley’s ▪ Sutter Creek
Green Line (A & B)	West Point – Mokelumne Hill – San Andreas	Three bi-directional trips (Mondays and Wednesday from 8:00 a.m. to 4:50 p.m.)	<ul style="list-style-type: none"> ▪ West Point Community Hall ▪ Glencoe Post Office ▪ Mokelumne Hill ▪ San Andreas Post Office ▪ Rail Road Flat ▪ Mountain Ranch ▪ Government Center
Saturday Hopper	San Andreas – Angels Camp – Arnold	Eight round trips - 60-minute headways (Saturday from 9:45 a.m. to 7:25 p.m.)	<ul style="list-style-type: none"> ▪ San Andreas Post Office ▪ Government Center ▪ Mountain Ranch ▪ Rail Road Flat ▪ Murphys ▪ Arnold

Source: Calaveras Connect

Calaveras Connect implemented the Saturday Hopper service in July 2016, which runs between San Andreas, Angels Camp, Murphys, and Arnold. Service is not offered on the Saturday after Thanksgiving or the Saturdays before Christmas Eve and New Year’s Eve.

Service modifications were implemented in response to the statewide shelter-in-place order of March 19, 2020, due to the COVID-19 pandemic. On March 30, 2020, regularly scheduled deviated fixed-route services including the Saturday Hopper were suspended. Calaveras Connect implemented a fare-free, on-demand service for essential trips with deviations within 0.75 miles of the regular fixed routes. On August 3, 2020 (outside of the performance audit period), service on the Red Line resumed its regular schedule between Valley Springs, San Andreas, and Angels Camp Monday through Friday. Extended service to Columbia College was also available by request.

Calaveras Connect continued to adjust its operations to the changing pandemic protocols with the implementation of a grocery delivery service on August 24, 2020. The service provided free curbside pickup and delivery from local grocery stores to Calaveras County residents. This service was made available in Valley Springs, Angels Camp, San Andreas, Mokelumne Hill, and Mountain Ranch with delivery available within one mile of Calaveras Connect’s bus routes. On October 6, 2020, Calaveras Connect launched the Direct-Connect dial-a-ride service for residents of San Andreas, West Point, Wilseyville, Mountain Ranch, Railroad Flat, Angels Camp, and Copperopolis.

Fares

Calaveras Connect’s fare structure is composed of three base fare categories and several fare media. Fare media consist of cash, ticket books, and passes. Discounted fares are available for seniors aged 65 and older and eligible persons with disabilities. During the audit period, Calaveras Connect implemented cashless fare payment through the Token Transit mobile app. The mobile app allows for the purchase of passes on demand or stored for future use. The fare schedules are presented in Table I-3 below:

**Table I-3
Calaveras Connect Fare Schedule**

Category	Regular Fare	Student Fare	Discounted Fare
One Way Trip	\$2.00	\$2.00	\$1.00
Ticket Book (15 Tickets)	\$28.00	\$28.00	\$14.00
All-Day Pass	\$5.25	\$5.25	n/a
Monthly Pass	\$60.00	\$45.00	\$40.00
Saturday Hopper	\$3.00	\$3.00	\$1.50
Children under Age 6 (with fare-paying adult)	Free		

Source: Calaveras Connect

Given its regional nature, the transit system’s service area is divided into zones. Passengers traveling within one zone are required to pay the base fare. Passengers wishing to travel into another zone are required to pay an additional \$0.25 per zone. The zones are based on distance traveled.

In response to the COVID-19 pandemic, Calaveras Connect suspended fare collection on all of its routes and services through December 31, 2021.

Fleet

Calaveras Connect has a total fleet of 11 vehicles composed of cutaway buses and vans. Two vehicles are diesel-powered while the remainder are powered by unleaded gasoline. All vehicles are wheelchair-accessible in compliance with the Americans with Disabilities Act (ADA) as well as equipped with bicycle racks mounted on the front of the vehicle. Table I-4 shows the vehicle fleet inventory during the audit period.

**Table I-4
Calaveras Connect Fleet Inventory**

Year	Make & Model	Quantity	Fuel Type	Seating Capacity
2013	Glaval Legacy	2	Diesel	26 (2 W/C)
2014	Braun Low-Floor Minivan	2	Unleaded	6 (1 W/C)

Year	Make & Model	Quantity	Fuel Type	Seating Capacity
2015	Ford El Dorado Aerotech 240	2	Unleaded	21 (2 W/C)
2016	Ford El Dorado Aerotech 240	3	Unleaded	16 (2 W/C)
2019	Ford Glaval	2	Unleaded	17 (2 W/C)
Total		11		

Source: CTA

Section II

Operator Compliance Requirements

This section of the audit report contains the analysis of the CTA’s ability to comply with state requirements for continued receipt of TDA funds. The evaluation uses the guidebook *Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Agencies*, which was developed by Caltrans to assess transit operators. The guidebook contains a checklist of eleven measures taken from relevant sections of the PUC and the California Code of Regulations. Each requirement is discussed in the table below, including a description of the system’s efforts to comply with the requirements. In addition, the findings from the compliance review are described in the text following the table.

Table II-1 Operator Compliance Requirements Matrix		
Operator Compliance Requirements	Reference	Compliance Efforts
The transit operator has submitted annual reports to the RTPA based upon the Uniform System of Accounts and Records established by the State Controller. Report is due within seven (7) months after the end of the fiscal year (on or before January 31). The report shall contain underlying data from audited financial statements prepared in accordance with generally accepted accounting principles, if this data is available.	Public Utilities Code, Section 99243	FY 2018: January 17, 2019 FY 2019: December 3, 2019 FY 2020: February 1, 2021 Conclusion: Complied.
The operator has submitted annual fiscal and compliance audits to the RTPA and to the State Controller within 180 days following the end of the fiscal year (Dec. 27), or has received the appropriate 90-day extension by the RTPA allowed by law.	Public Utilities Code, Section 99245	Completion/submittal dates: FY 2018: January 15, 2019 FY 2019: November 27, 2019 FY 2020: November 19, 2020 A 90-day extension was granted by the RTPA pursuant to the TDA statute for the completion of the FY 2018 compliance audit.

Table II-1		
Operator Compliance Requirements Matrix		
Operator Compliance Requirements	Reference	Compliance Efforts
		Conclusion: Complied.
The CHP has, within the 13 months prior to each TDA claim submitted by an operator, certified the operator’s compliance with Vehicle Code Section 1808.1 following a CHP inspection of the operator’s terminal.	Public Utilities Code, Section 99251 B	<p>Through its contract operator, Paratransit Services, the CTA participates in the California Highway Patrol (CHP) Transit Operator Compliance Program in which the CHP has conducted inspections within the 13 months prior to each TDA claim. Inspections were conducted at the Paratransit Services operations and maintenance facility located at 750 Industrial Way, San Andreas.</p> <p>Transit Operator Compliance Certificates and inspections applicable to the audit period were dated March 8, 2017; March 8, 2018; and March 6, 2019.</p> <p>Inspections were found to be satisfactory.</p> <p style="text-align: center;">Conclusion: Complied.</p>
The operator’s claim for TDA funds is submitted in compliance with rules and regulations adopted by the RTPA for such claims.	Public Utilities Code, Section 99261	The prior audit noted the concerns raised by CCOG regarding the County’s compliance with CCOG’s TDA policies and procedures. Both State Transit Assistance and the larger Local Transportation Fund (LTF) claims submitted by the County were not in conformance. Further information is provided following this matrix.

Table II-1		
Operator Compliance Requirements Matrix		
Operator Compliance Requirements	Reference	Compliance Efforts
		<p>Other concerns with the County TDA claims included inconsistent reporting of performance data relative to audited figures to demonstrate implementation of productivity improvements as required by the CCOG TDA Policies and Procedures.</p> <p>Administration of the public transit system was transferred from County management to the CTA effective July 1, 2018. Since the change in administration, as a condition of approval, CTA’s annual claims for LTF and State Transit Assistance funds have been submitted in compliance with the rules and regulations adopted by CCOG.</p> <p>Conclusion: Complied.</p>
If an operator serves urbanized and non-urbanized areas, it has maintained a ratio of fare revenues to operating costs at least equal to the ratio determined by the rules and regulations adopted by the RTPA.	Public Utilities Code, Section 99270.1	<p>This measure is not applicable, as Calaveras Connect only serves a rural area and is subject to the adopted performance criteria established by CCOG.</p> <p>Conclusion: Not Applicable.</p>
The operator’s operating budget has not increased by more than 15% over the preceding year, nor is there a substantial increase or decrease in the	Public Utilities Code, Section 99266	<p>Percentage change in the CTA’s operating budget:</p> <p>FY 2018: -9.0%</p> <p>FY 2019: +10.8%</p>

Table II-1		
Operator Compliance Requirements Matrix		
Operator Compliance Requirements	Reference	Compliance Efforts
scope of operations or capital budget provisions for major new fixed facilities unless the operator has reasonably supported and substantiated the change(s).		<p>FY 2020: -3.7%</p> <p>The increase in the FY 2019 operating budget is attributed to higher operating and maintenance contract costs, communications, and marketing collateral.</p> <p><i>Source: County of Calaveras Transit Services Budget (FY 2018) & Calaveras Transit Agency Operating Budgets (FYs 2019 & 2020)</i></p> <p>Conclusion: Complied.</p>
The operator’s definitions of performance measures are consistent with Public Utilities Code Section 99247, including (a) operating cost, (b) operating cost per passenger, (c) operating cost per vehicle service hour, (d) passengers per vehicle service hour, (e) passengers per vehicle service mile, (f) total passengers, (g) transit vehicle, (h) vehicle service hours, (i) vehicle service miles, and (j) vehicle service hours per employee.	Public Utilities Code, Section 99247	<p>The CTA’s definition of most performance measures as tracked and recorded by the contract operator is consistent with PUC Section 99247.</p> <p>Conclusion: Complied.</p>
If the operator serves an urbanized area, it has maintained a ratio of fare revenues to operating costs at least equal to one-fifth (20 percent), unless it is in a county with a population of less than 500,000, in which case it must	Public Utilities Code, Sections 99268.2, 99268.3, 99268.12, 99270.1	<p>This measure is not applicable, as Calaveras Transit only serves a rural area and is subject to the adopted performance criteria established by CCOG.</p> <p>Conclusion: Not Applicable.</p>

Table II-1 Operator Compliance Requirements Matrix		
Operator Compliance Requirements	Reference	Compliance Efforts
maintain a ratio of fare revenues to operating costs of at least equal to three-twentieths (15 percent), if so determined by the RTPA.		
If the operator serves a rural area, or provides exclusive services to elderly and disabled persons, it has maintained a ratio of fare revenues to operating costs at least equal to one-tenth (10 percent).	Public Utilities Code, Sections 99268.2, 99268.4, 99268.5	<p>The CTA provides deviated fixed-route service in a rural area that is subject to a 10 percent farebox recovery ratio.</p> <p>The system-wide farebox recovery for the CTA during the audit period is as follows:</p> <p>FY 2018: 10.39% FY 2019: 10.30% *FY 2020: 12.34%</p> <p>*Assembly Bill (AB) 90, passed into law and signed by the governor in June 2020 in response to the COVID-19 pandemic impacts, prohibits the imposition of penalties on a transit operator that does not maintain the required ratio of fare revenues to operating cost during the FY 2019–20 or FY 2020–21.</p> <p><i>Source: County of Calaveras Transit Fund & Calaveras Transit Agency Audited Financial Statements and Compliance Reports</i></p> <p>Conclusion: Complied.</p>
The current cost of the operator’s retirement system is	Public Utilities Code, Section 99271	The CTA contracts with a private provider for operations

Table II-1		
Operator Compliance Requirements Matrix		
Operator Compliance Requirements	Reference	Compliance Efforts
fully funded with respect to the officers and employees of its public transportation system, or the operator is implementing a plan approved by the RTPA which will fully fund the retirement system within 40 years.		and maintenance, while its staff who are CCOG employees are covered under the California Public Employees Retirement System (CalPERS). Conclusion: Complied.
If the operator receives state transit assistance funds, the operator makes full use of funds available to it under the Urban Mass Transportation Act of 1964 before TDA claims are granted.	California Code of Regulations, Section 6754(a)(3)	The CTA receives State Transit Assistance funds and makes use of federal transit grant funds under FTA Section 5311 as follows: FY 2018: \$61,317 (Operations) FY 2019: \$512,618 (Operations) FY 2020: \$658,276 (Operations) <i>Source: National Transit Database</i> Conclusion: Complied.

Findings and Observations from Operator Compliance Requirements Matrix

1. Of the compliance requirements pertaining to the CTA, the operator satisfactorily complied with all nine requirements. Two additional compliance requirements did not apply to the CTA (i.e., blended and urban farebox recovery ratios).
2. Calaveras Connect is held to a 10 percent minimum farebox recovery ratio. For the three-year audit period, the farebox recovery ratio was 10.39 percent in FY 2018; 10.30 percent in FY 2019; and 12.34 percent in FY 2020. The average system-wide farebox recovery ratio was 11.01 percent for the audit period. It is noted that the audited farebox recovery ratios reflect fare revenue and supplemental local support, and operating cost exemptions from service expansion during this time frame as allowed under the TDA. ¹
3. Through its contract operator, Calaveras Connect participates in the CHP Transit Operator Compliance Program and received inspections of its transit vehicles within the 13 months prior to each TDA claim. Satisfactory ratings were made for all inspections conducted during the audit period.
4. The operating budget exhibited fluctuations during the audit period without exceeding 15 percent over the prior year. The budget decreased 9.0 percent in FY 2018 and 3.7 percent in FY 2020. For FY 2019, the operating budget increased 10.8 percent due to adjustments in contractor costs, communication services, and marketing collateral costs.

¹ It is noted that the audited farebox ratio in FY 2020 was adversely impacted from the COVID-19 pandemic and state shelter-in-place order. Supplemental local support funds were applied by the operator to supplement farebox revenues to satisfy the 10 percent fare ratio for the deviated fixed route as permitted by Section 99268.19.

Section III

Prior Triennial Performance Recommendations

The CTA's efforts to implement the recommendations made in the prior triennial audit are examined in this section of the report. For this purpose, each prior recommendation for the agency is described, followed by a discussion of the CTA's efforts to implement the recommendation. Conclusions concerning the extent to which the recommendations have been adopted by the agency are then presented.

Prior Recommendation 1

Continue efforts to pursue partnerships with local educational institutions and tourism industry as a means to support higher ridership and farebox recovery attainment.

Background: The prior audit noted that the transit system could build stronger relationships with student services staff at Columbia College, who serve as gatekeepers for its students and help facilitate further purchases of passes and other incentives to increase ridership. With changes made to increase frequency in the bus schedule to accommodate college bell times, the prior audit called for an additional push for pass sales. Another suggestion involved working with Columbia College to sponsor some on-board passenger amenities favorable for its students, such as free Wi-Fi on the Red Line. The Short-Range Transit Plan (SRTP) on-board survey found that 65 percent of the system's riders access the internet regularly, 75 percent have a cell phone, and 43 percent have a smartphone.

In addition, the implementation of the Saturday Hopper has increased opportunities for partnerships with the local tourism industry as well as increased ridership from local visitors. The CTA entered into a Transit Facilities License Agreement with Wyndham Vacation Ownership in October 2016. The agreement allows CTA vehicles access to the WorldMark Resort at Angels Camp as part of the Saturday Hopper service, which has grown in popularity with riders traveling to Arnold and Murphys. Local routes open to the public serving the tourism industry on weekends and other peak times could help with improved performance. Agreements with the hospitality sector for fare subsidy could be pursued that benefit lodging and tourism attractors. Hotels could purchase tickets and place them inside guest rooms.

Actions taken by Calaveras Transit Agency

Since the formation of the CTA, efforts have been made to work closely with the local tourism industry in promoting the Saturday Hopper, which led to a service expansion to Ironstone. Ridership began increasing until the pandemic and the service was suspended. The CTA also expanded its partnership with Columbia College with the implementation of a student bus pass program in June 2019. In addition, CTA staff has met with various educational institutions,

including the Calaveras County Office of Education, Bret Harte Union High School in Angels Camp, and Calaveras High School in San Andreas, and has provided rider training to students.

Conclusion

This recommendation has been implemented.

Prior Recommendation 2

Ensure performance measures are reviewed and monitored as part of regularly scheduled discussions with the contract operator and policy board.

Background: The prior audit noted that there was regular communication between the former transit administration and the contract operator with the goal to establish a formal meeting each month. With the transit system transitioning to an alternative organizational structure and the execution of a new operations and maintenance contract, the new transit administrator and the contract operator would have the opportunity to develop formalized, regularly scheduled meetings to review performance measures. It was suggested that a formal standing agenda, including an item for performance indicator review, be included for meetings with the contract operator on a more regular (e.g., monthly) basis. Topics would include performance measures review, new services, customer service trends, and general operational issues. The formal meeting would be in addition to other informal types of communication between the transit administration and the transit contractor. Timely discussions would enable staff to discern causes for changes in the data, such as road construction, adverse weather, or changes in the college schedule that impact ridership. The performance summary from these monitoring activities should also be shared regularly with the policy board to enable goal setting, better oversight and monitoring, and discussion of productivity improvements of the service in both the short and longer terms.

Actions taken by Calaveras Transit Agency

CTA staff conducts regular meetings with its operations and maintenance contractor Paratransit Services. Performance reports are provided to the CTA Board on a monthly basis, along with comprehensive semiannual performance reports. The Calaveras Connect Monthly Performance Report is a regular item on the board consent agenda and the Paratransit Services Operations Contractor Report is a standing item on the board's regular agenda. Overall, the CTA reports a significant improvement its relationship with the operations contractor.

Conclusion

This recommendation has been implemented.

Prior Recommendation 3

Improve reporting accuracy in key TDA documents.

Background: As a condition of TDA receipt, the prior audit stressed that the transit claimant must submit key documents and reports that justify the request for transit funds as well as the accurate collection and use of the revenue. It was noted that several instances of incorrect or inconsistent information were submitted by the prior transit administration with respect to the annual LTF claims and State Controller Report. The LTF claims were found to contain budget assumptions that were not consistent with actual and audited costs, prompting CCOG to place conditions on the amount of funds approved for the transit system. It was recommended that an improved internal budgeting process be developed, including review of current or the past year's costs, and budgeting based on projected service hours. The County Auditor certifies the transit revenue and expenditures, which is one step implemented for improvement. Other concerns with the transit TDA claim included inconsistent reporting of performance data relative to audited figures to demonstrate implementation of productivity improvements, as required by the CCOG TDA Policies and Procedures. The TDA claim should have included audited performance data as the fiscal audits are completed prior to the claim submittal. Timely submittal of the claim with justified backup materials would have helped maintain a more stable transit fund balance.

Operating revenue data submitted to the State Controller for the annual report was also incorrect. For example, passenger fare revenue in FY 2017 included not only fares, but also general operating assistance using state funds for Saturday Hopper, and proceeds from the sale of surplus vehicles. The inclusion of these revenue showed a higher farebox recovery in the State Controller Report than actual and audited data. Other revenue line items in the report were appropriate for more accurate reporting of the data. It was recommended that further internal checks for accuracy be undertaken prior to submittal to the State, including spot checks against year-end accounting ledgers, and review of the State Controller instructions for filling out the report.

Actions taken by Calaveras Transit Agency

Since the CTA assumed administrative oversight of the County's transit system, TDA claim procedures and reporting protocols have been in conformance with the CCOG TDA Policies and Procedures and TDA statute. The CTA staff is composed of CCOG staff, which is tasked with the annual allocation of TDA funding and processing of claims. Therefore, the TDA claim form for transit services is prepared internally. In addition, preparation of the Transit Operators Financial Transactions Report submitted to the State Controller has transitioned from the County to the CTA. Operating data presented in the report reflects the data received from the operations contractor reports.

Conclusion

This recommendation has been implemented.

Prior Recommendation 4

Conduct follow-on survey to gauge rider experience from new service plan.

Background: From the service changes made to the system in April 2017, feedback from the rollout is critical to learning and improving upon the changes. This could be accomplished at relatively low cost with periodic brief surveys handed to riders by the drivers and a small drop box on the bus. A request could also be made to have Columbia College administer its own student body survey to expand feedback. The survey could ask pointed questions that assist with future planning, including the following:

- Route or line color
- Purpose of trip
- Origin and destination
- Does the service meet their needs?
 - If yes, why so (checklist of items)
 - If no, why so and how could the service improve (checklist of items)

Survey results could be correlated with operations performance data by route and service to identify noticeable trends and priorities for discussion between the transit administrator and the contract operator. Action items could be developed to address issues that may differ between routes or segments. The survey will provide information along with quantitative data to make those priorities. Following the survey results and development of action items, an implementation strategy should be formulated and discussed with the policy board to deliver modified services, including those that may align with the recommendations in the recent SRTP.

Actions taken by Calaveras Transit Agency

In FY 2020, during the audit period, CTA embarked on an update of its SRTP. As part of the update, a series of public outreach initiatives were conducted. Those initiatives included stakeholder interviews, an onboard passenger survey, West Point Intercept survey, and interviews with Copperopolis residents.

Conclusion

This recommendation has been implemented.

Prior Recommendation 5

Adopt a new transit mission statement.

Background: The 2016 SRTP update process involved a joint workshop with the Calaveras County Board of Supervisors and the City of Angels Camp City Council to provide input on the goals and

objectives for the SRTP. The input was incorporated into a new recommended mission statement:

To provide safe and cost-effective public transportation services throughout Calaveras County to serve the mobility needs of residents and visitors who need public transportation.

As the administrative and governing structure of the transit system transitioned from the County to a JPA between the City of Angels and the County in mid-2018, it was recommended that the mission statement for the new transit entity be reviewed and adopted as part of the new organization. The mission statement provides the underlying foundation for which the goals and objectives of the system are developed and implemented through the action items.

Actions taken by Calaveras Transit Agency

At the December 2018 CTA Board meeting, the board approved and provided direction to rebrand the system to Calaveras Connect, approving the logo and bus wrap designs. The mission statement was reaffirmed and made a part of the new CTA as follows:

To provide safe and cost-effective public transportation services throughout Calaveras County to serve the mobility needs of residents and visitors who need public transportation.

Conclusion

This recommendation was implemented.

Section IV

TDA Performance Indicators

This section reviews the CTA’s performance in providing transit service to the community in an efficient and effective manner. The TDA requires that at least five specific performance indicators be reported, which are contained in the following tables. Farebox recovery ratio is not one of the five specific indicators but is a requirement for continued TDA funding. Therefore, farebox calculation is also included. Two additional performance indicators, operating cost per mile and average fare per passenger, are included as well. Findings from the analysis are contained in the section following the tables.

Table IV-1 provides the performance indicators for the CTA. The last year of the prior audit period, FY 2016-17, is used as a baseline measure to determine the incremental changes in performance during the current audit period. Table IV-2 provides quarterly performance indicators for the CTA specifically for FY 2019-20 to show the impacts of the COVID-19 pandemic impacts upon the service. The measures for FY 2019-20 reflect the percentage changes from the first quarter to the fourth quarter. Graphs are also provided to depict the trends in the indicators. It is noted that the operating costs and fare revenues in Table IV-1 are based on audited figures.

**Table IV-1
Calaveras Transit Agency
TDA Performance Indicators**

Performance Data and Indicators	Audit Period				% Change FY 2017- 2020
	FY 2017	FY 2018	FY 2019	FY 2020	
Operating Cost	\$1,131,886	\$1,113,897	\$1,187,855	\$1,054,940	-6.8%
Operating Cost (excluding route extensions)*	\$998,753	\$1,069,828	\$1,187,855	\$1,054,940	5.6%
Total Passengers	40,837	39,188	38,789	33,955	-16.9%
Vehicle Service Hours	13,216	12,013	11,924	10,951	-17.1%
Vehicle Service Miles	353,495	321,322	314,493	273,108	-22.7%
Employee FTEs	15	15	22	15	0.0%
Passenger Fares & Local Support	\$103,481	\$113,491	\$122,314	\$130,192	25.8%
Passenger Fares & Local Support (excluding route extensions)*	\$95,736	\$111,145	\$122,314	\$130,192	36.0%
Operating Cost per Passenger	\$27.72	\$28.42	\$30.62	\$31.07	12.1%
Operating Cost per Vehicle Service Hour	\$85.65	\$92.72	\$99.62	\$96.33	12.5%
Operating Cost per Vehicle Service Mile	\$3.20	\$3.47	\$3.78	\$3.86	20.6%
Passengers per Vehicle Service Hour	3.1	3.3	3.3	3.1	0.3%
Passengers per Vehicle Service Mile	0.116	0.122	0.123	0.124	7.6%
Vehicle Service Hours per Employee	881.1	800.9	542.0	730.1	-17.1%
Average Fare per Passenger	\$2.53	\$2.90	\$3.15	\$3.83	51.3%
Fare Recovery Ratio *	9.59%	10.39%	10.30%	12.34%	28.7%

Source: FY 2017 - FY 2020 Annual Fiscal & Compliance Audits; National Transit Database; State Controller's Reports

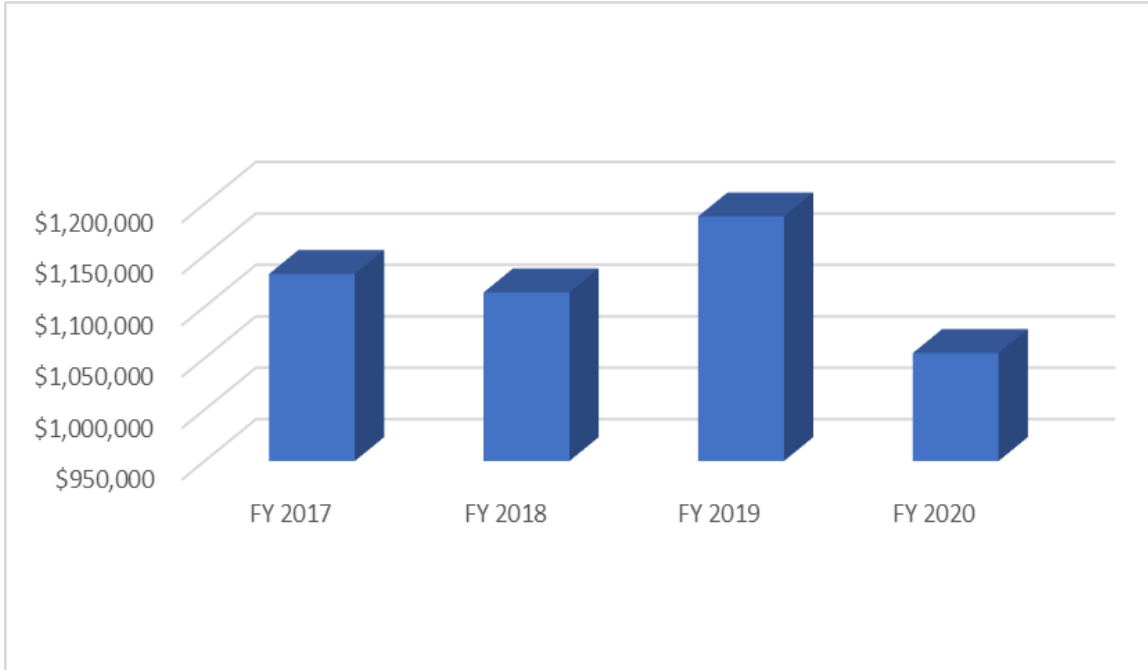
*Route extensions are an eligible exclusion from operating costs and farebox recovery. Applicable to FY 2017 & FY 2018

**Table IV-2
Calaveras Transit Agency
TDA Quarterly Performance Indicators – FY 2019-20**

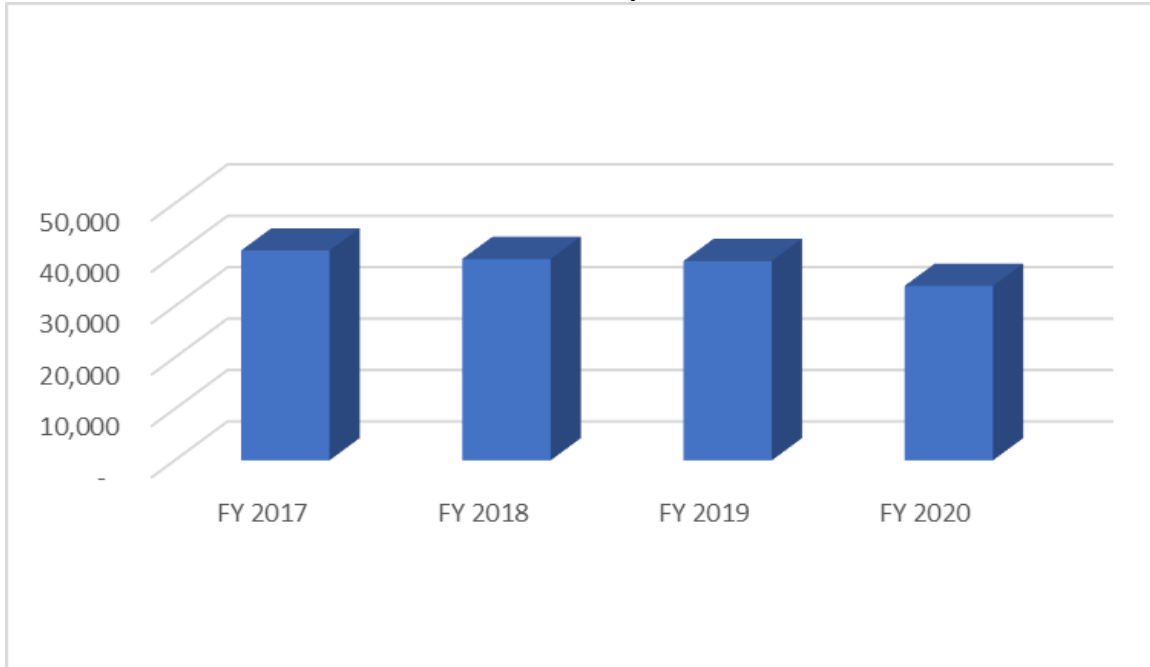
Performance Data and Indicators	FY 2019-20				% Change FY 2019-20
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	
Operating Cost	\$225,711	\$211,694	\$217,425	\$177,198	-21.5%
Total Passengers	11,605	10,690	9,953	1,707	-85.3%
Vehicle Service Hours	3,271	2,845	2,899	1,936	-40.8%
Vehicle Service Miles	87,585	77,019	78,167	30,337	-65.4%
Passenger Fare Revenue	\$24,435	\$14,252	\$19,795	\$2,720	-88.9%
Operating Cost per Passenger	\$19.45	\$19.80	\$21.85	\$103.81	433.7%
Operating Cost per Vehicle Service Hour	\$69.00	\$74.41	\$75.00	\$91.53	32.6%
Operating Cost per Vehicle Service Mile	\$2.58	\$2.75	\$2.78	\$5.84	126.7%
Passengers per Vehicle Service Hour	3.5	3.8	3.4	0.9	-75.1%
Passengers per Vehicle Service Mile	0.132	0.139	0.127	0.056	-57.5%
Average Fare per Passenger	\$2.11	\$1.33	\$1.99	\$1.59	-24.3%
Fare Recovery Ratio	10.83%	6.73%	9.10%	1.54%	-85.8%

Source: Internal Operations Reports

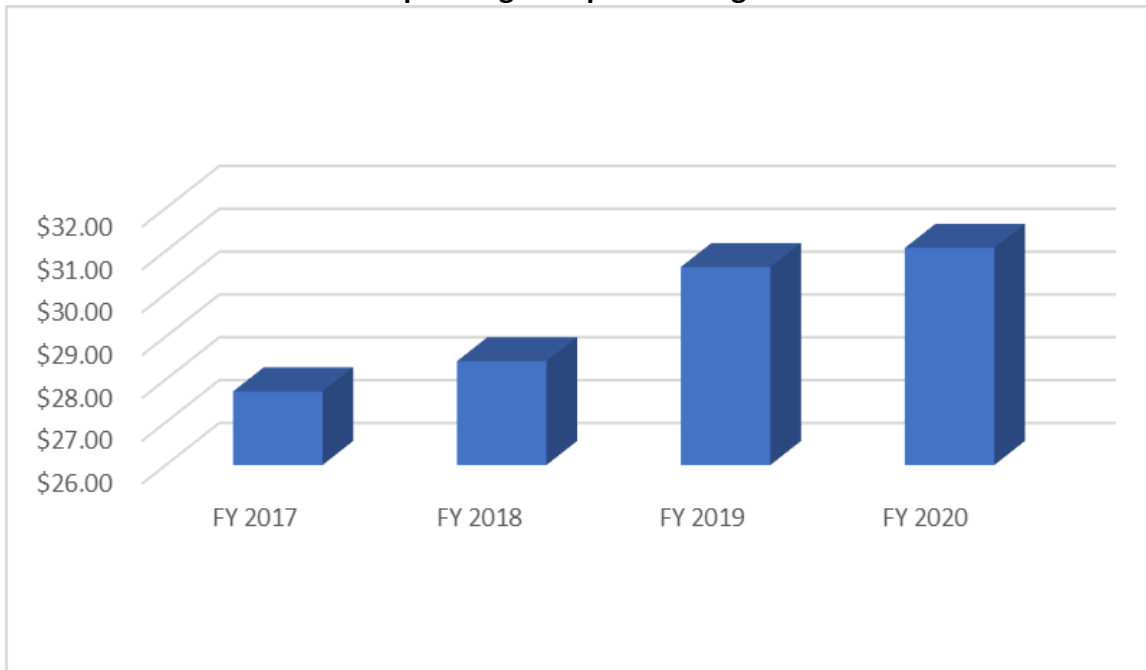
**Graph IV-1
Operating Costs**



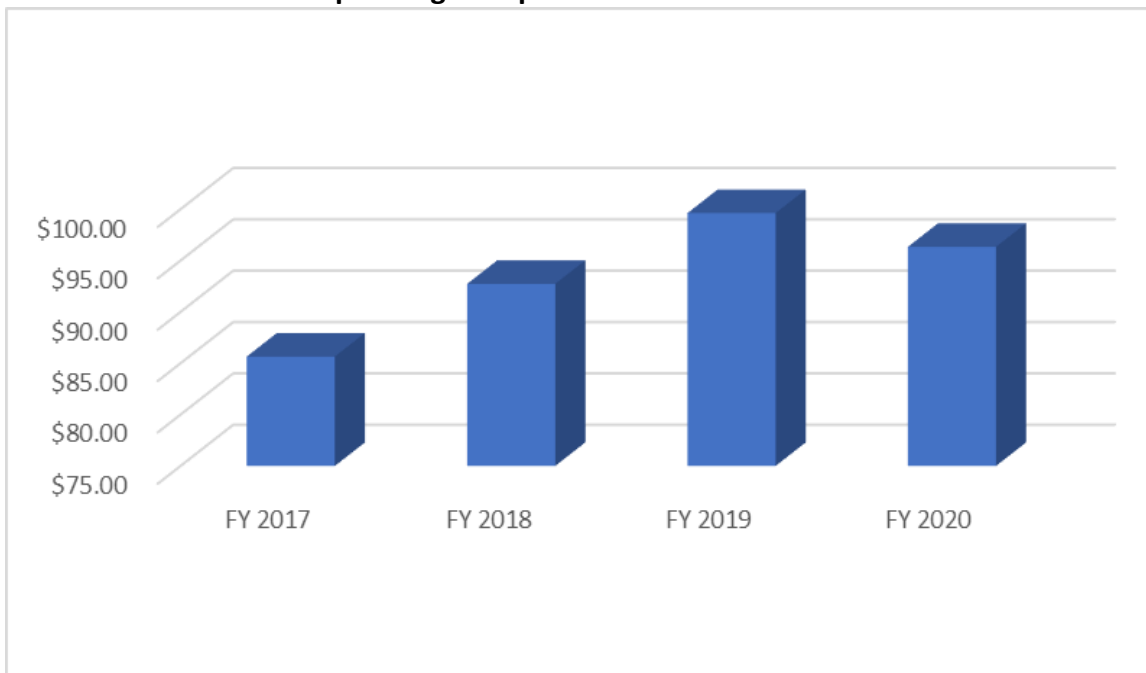
**Graph IV-2
Ridership**



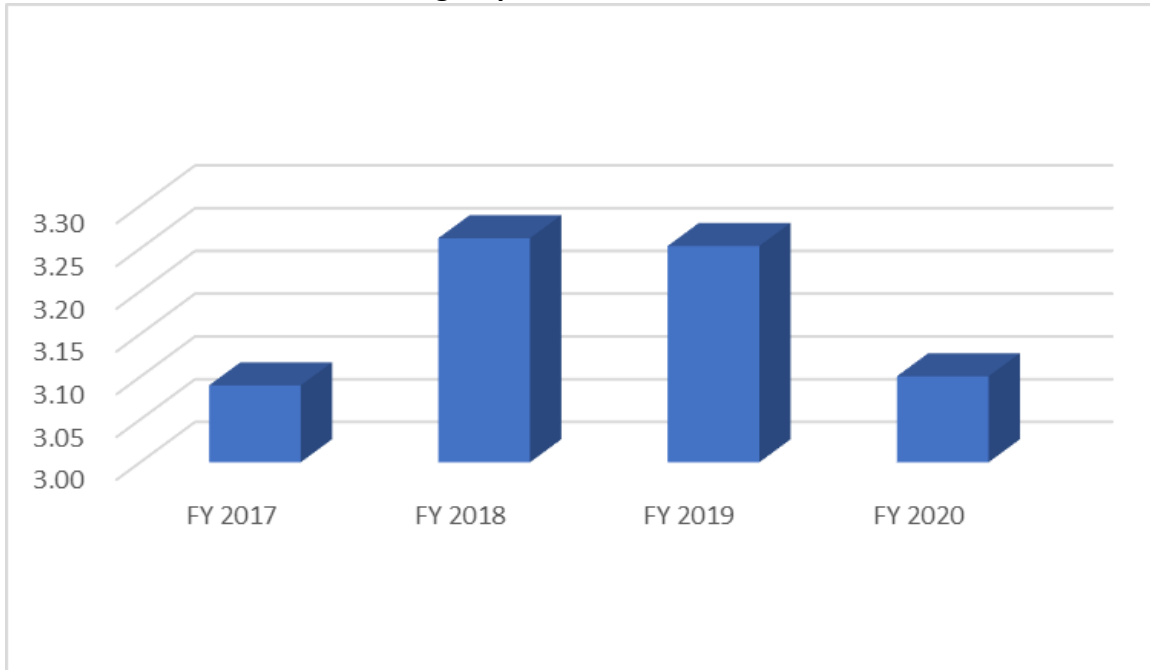
Graph IV-3
Operating Cost per Passenger



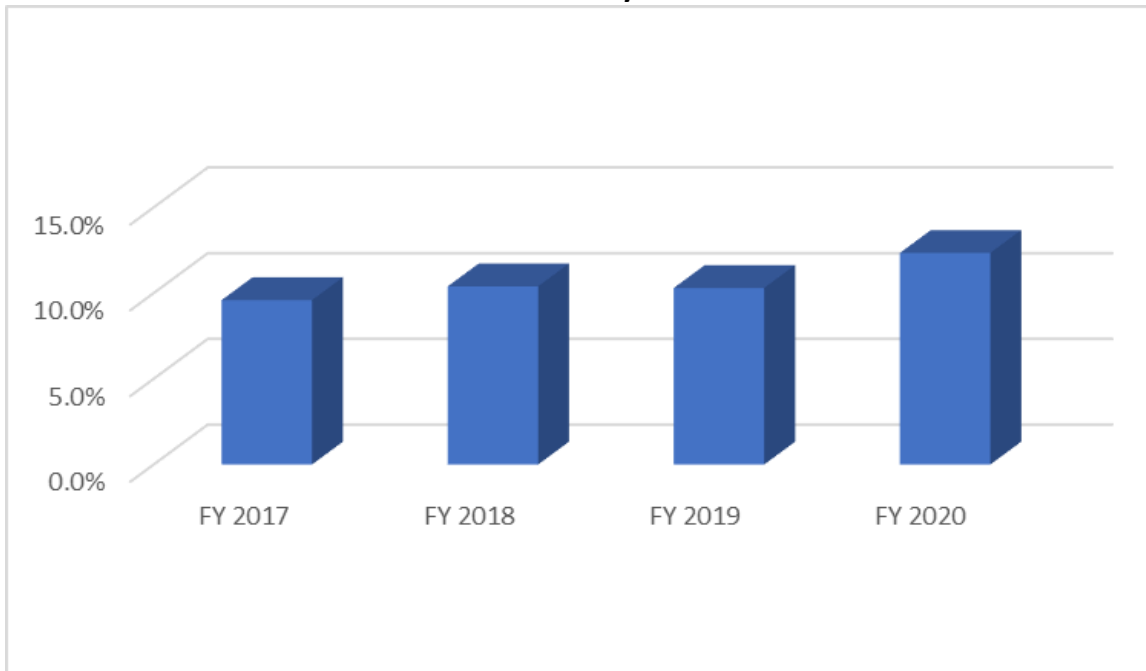
Graph IV-4
Operating Cost per Vehicle Service Hour



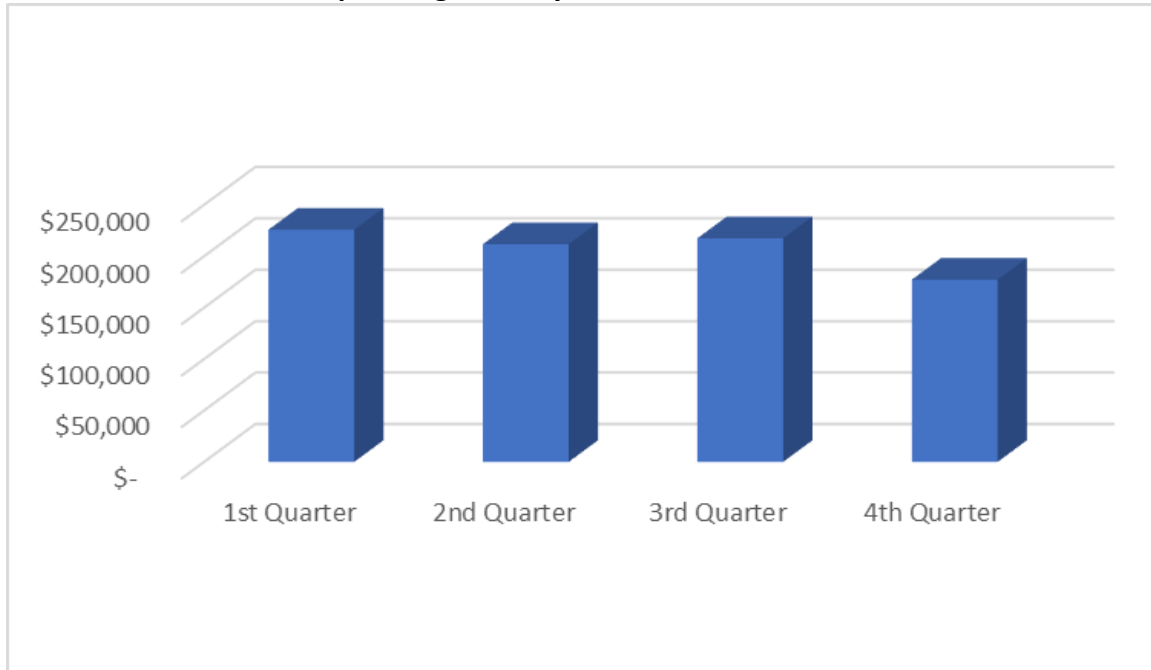
Graph IV-5
Passengers per Vehicle Service Hour



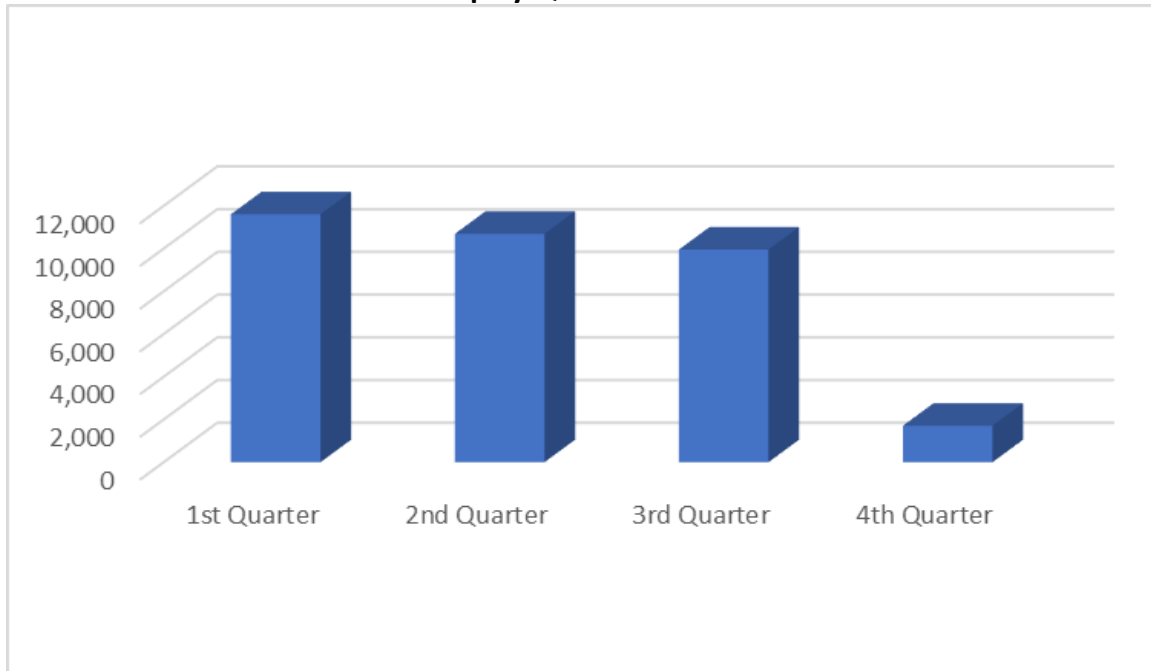
Graph IV-6
Fare Recovery Ratio



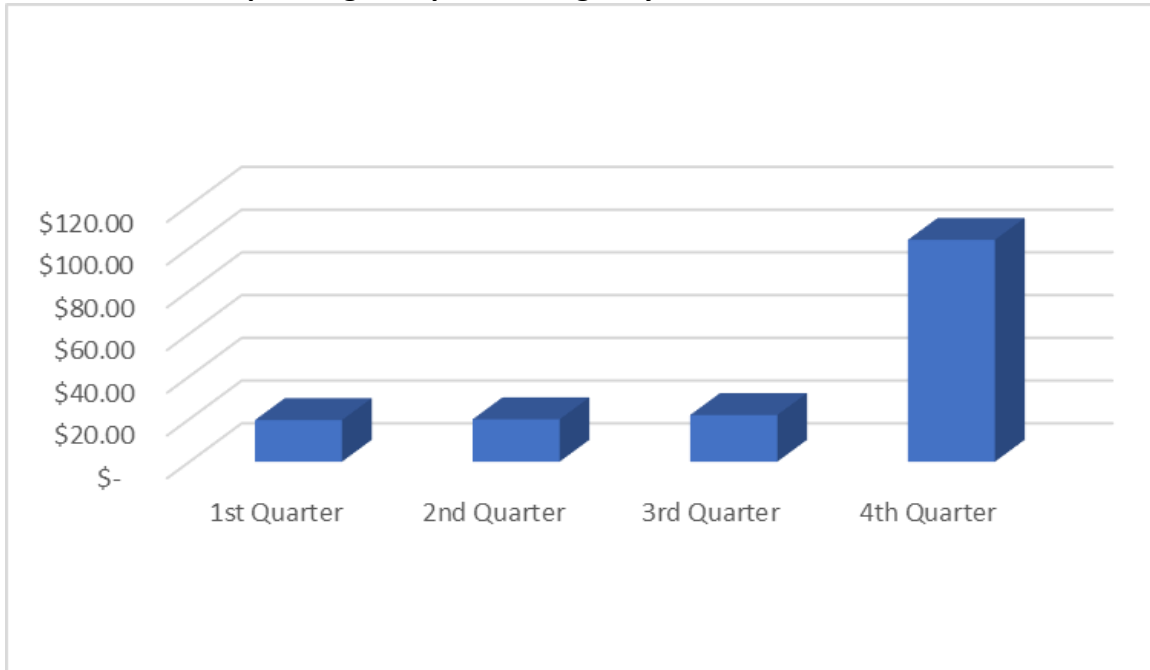
Graph IV-7
Operating Costs by Quarter – FY 2019-20



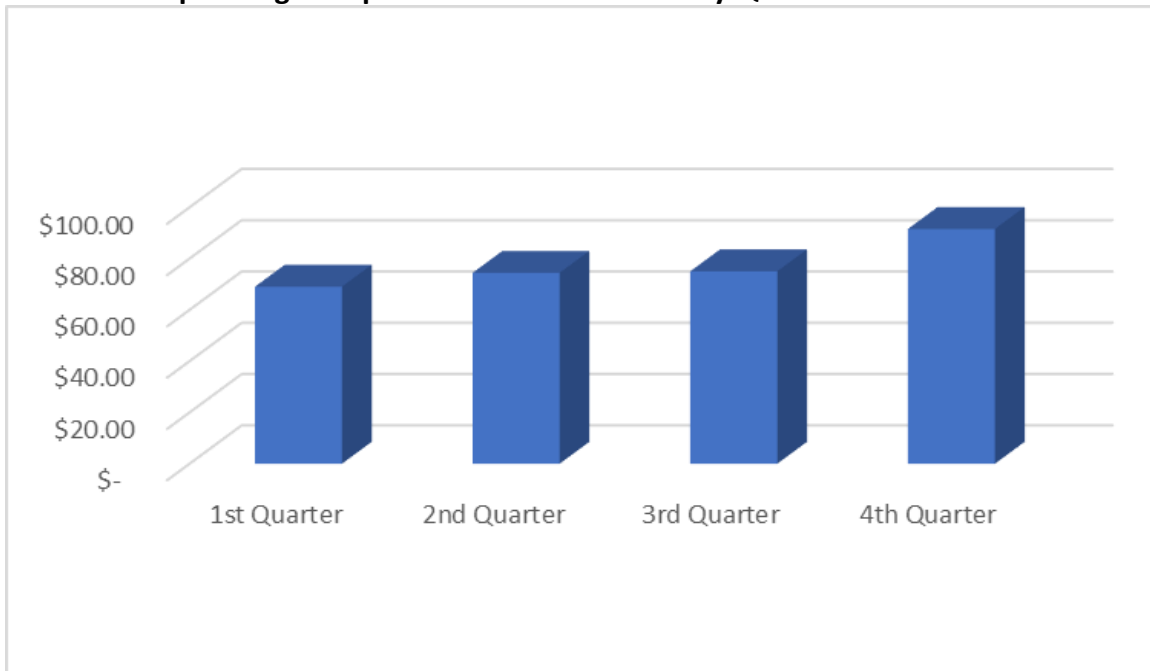
Graph IV-8
Ridership by Quarter – FY 2019-20



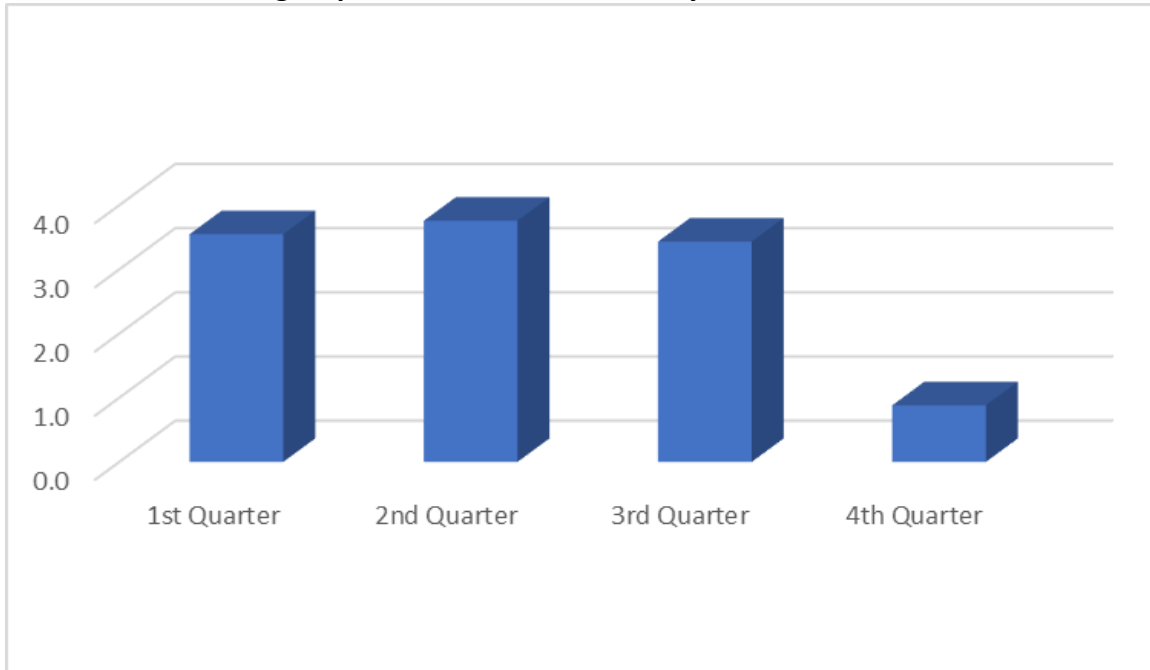
Graph IV-9
Operating Cost per Passenger by Quarter – FY 2019-20



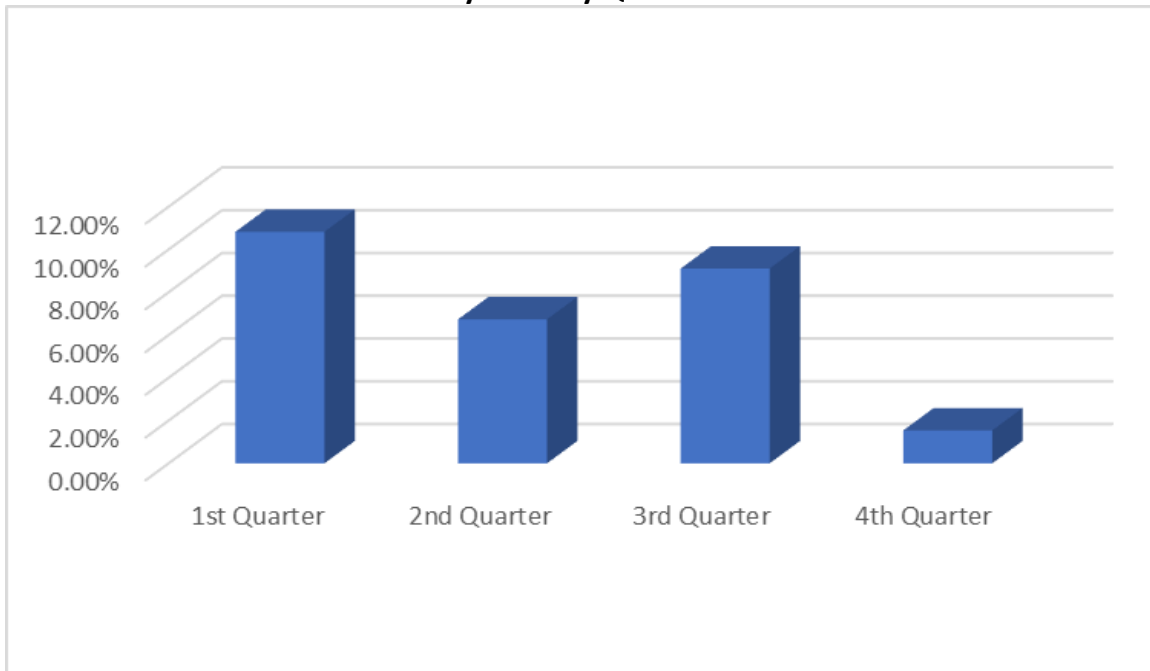
Graph IV-10
Operating Cost per Vehicle Service Hour by Quarter – FY 2019-20



Graph IV-11
Passengers per Vehicle Service Hour by Quarter – FY 2019-20



Graph IV-12
Fare Recovery Ratio by Quarter – FY 2019-20



Findings from Verification of TDA Performance Indicators

1. **Operating cost per vehicle service hour**, an indicator of cost efficiency, increased 12.5 percent from \$85.65 in the FY 2017 baseline year to \$96.33 in FY 2020. Although operating costs decreased by 6.8 percent based on audited data during the audit period, vehicle service hours decreased by 17.1 percent. In consideration of the pandemic toward the latter part of FY 2020 and the adverse impacts on transit, cost per vehicle service hour was \$69.00 in the first quarter of FY 2020, \$74.41 in the second quarter, \$75.00 in the third quarter, and \$91.53 in the fourth quarter, when the statewide shelter-in-place order was in full effect. The average cost per vehicle service hour in FY 2020 was \$77.49.
2. **Operating cost per passenger**, an indicator of cost effectiveness, increased 12.1 percent from \$27.72 in the FY 2017 baseline year to \$31.07 in FY 2020. As noted above, the CTA's operating costs increased during the period; coupled with a decrease in ridership by 16.9 percent, this performance measure has experienced a negative trend. Passenger trips decreased from 40,837 in the FY 2017 base year to 33,955 in FY 2020. In consideration of the pandemic toward the latter part of FY 2020 and the adverse impacts on transit, cost per passenger was \$19.45 in the first quarter of FY 2020, \$19.80 in the second quarter, \$21.85 in the third quarter, and \$103.81 in the fourth quarter, when the statewide shelter-in-place order was in full effect. The average cost per passenger in FY 2020 was \$41.23.
3. **Passengers per vehicle service hour**, which measures the effectiveness of the service delivered, remained relatively unchanged between the FY 2017 baseline year and FY 2020 at approximately 3.1 passengers per hour. The trend in this indicator is reflective of the decrease in ridership by 16.9 percent while vehicle service hours decreased 17.1 percent during the audit period. During FY 2020, passengers per hour were 3.5 in the first quarter, 3.8 in the second quarter, 3.4 in the third quarter, and 0.9 in the fourth quarter, when the statewide shelter-in-place order was in full effect. The average number of passengers per hour in FY 2020 was 2.9 passengers.
4. **Passengers per vehicle service mile**, another indicator of service effectiveness, increased 7.6 percent between the FY 2017 baseline year and FY 2020 from 0.116 passengers to 0.124 passengers. From the FY 2017 base year to FY 2020, total vehicle service miles decreased 22.7 percent from 353,495 vehicle service miles to 273,108 vehicle service miles while the number of passengers decreased 16.9 percent. During FY 2020, passengers per mile were 0.132 in the first quarter, 0.139 in the second quarter, 0.127 in the third quarter, and 0.056 in the fourth quarter, when the statewide shelter-in-place order was in full effect. The average number of passengers per mile in FY 2020 was 0.11 passengers.
5. **Vehicle service hours per employee** decreased 17.1 percent between the FY 2017 baseline year and FY 2020, as vehicle service hours decreased 17.1 percent during the period while the number of full-time employee (FTEs) equivalents remained relatively

unchanged at 15 FTEs. This measure is based on the number of employee FTEs using employee pay hours from the State Controller Report and dividing by 2,000 hours per employee.

6. **Farebox recovery** increased 28.7 percent from 9.59 percent in the FY 2017 baseline year to 12.34 percent in FY 2020 based on audited data. Passenger fares and local support revenue increased 36 percent while operating costs increased 5.6 percent (factoring in the farebox ratio exemptions for new service extensions). The CTA is held to a 10 percent minimum farebox recovery ratio. Allowable under state law, additional funds were used in the farebox ratio, including Low Carbon Transit Operations Program (LCTOP) fare subsidies. Advertising revenue was also counted in each year.

Conclusion from the Verification of TDA Performance Indicators

Calaveras Connect's performance indicators reflect the efforts to contain operating costs while implementing service and marketing improvements. Although passenger trips decreased 16.9 percent from the FY 2017 baseline year to FY 2020, the decline in ridership has stabilized as compared to the prior audit period due to route and scheduling improvements as well as focused marketing and rebranding efforts. Much of the period decrease is attributed to the COVID-19 pandemic impacts in FY 2020, which saw a 12.5 percent decrease in ridership. Decreases in vehicle service hours and miles were attributed to the elimination of the Delta Gold Line in FY 2018 and adjustments made to the Saturday Hopper schedule in FY 2019. The service changes implemented in FY 2019 were focused on addressing technical and schedule issues while maintaining existing levels of service. Given that the decreases in vehicle service hours and miles exceeded operating costs, the respective efficiency cost indicators (cost per vehicle hour and cost per vehicle mile) trended higher.

Controlling and stabilizing operating costs has been a key focus of the CTA during the audit period. Operating costs decreased 1.6 percent from the FY 2017 baseline year to FY 2018 and increased 6.6 percent from FY 2018 to FY 2019. During FY 2020, the 11.2 percent decrease in operating costs is attributed to the cost containment measures of the CTA as well as the impacts of the COVID-19 pandemic, which impacted operations during the late third quarter and fourth quarter of FY 2020. The pandemic impacts resulted in a decrease in fuel costs and operator variable costs that was counterbalanced with an increase in purchases of personal protective equipment and supplies.

Passenger fare and local support revenue exhibited increases during the audit period in large part to the inclusion of allowable supplemental revenues and expanded local partnerships. This represents a departure from the 10-year trend of declining fare revenues. Passenger fare revenues increased each year due to the more stable ridership trends; receipt of State LCTOP funding has been used to support expanded services, the student bus pass program with Columbia College, and the Saturday Hopper. Local advertising revenue has also been a steady supplemental revenue source for farebox recovery.

Section V

Review of Operator Functions

This section provides an in-depth review of various functions within the CTA. The review highlights accomplishments, issues, and/or challenges that were determined during the audit period. The following functions were reviewed at the contract operator facility in San Andreas and with the CTA administrative staff via videoconference:

- Operations
- Maintenance
- Planning
- Marketing
- General Administration and Management

Within some departments are subfunctions that require review as well, such as Grants Administration that falls under General Administration.

Operations

Calaveras Connect operations during the audit period reflect the extensive administrative and service changes implemented. Prior to these changes, the transit system had been struggling with low productivity, high operating costs, and declining ridership. These trends were partly attributed to reduced class schedules and online learning at the local community colleges as well as other various reasons including fluctuations in fuel prices, insufficient outreach and marketing of services, and frequent changes to bus schedules and routes.

During the prior audit period, the transit system expanded services to the communities of Burson and Rancho Calaveras pursuant to unmet transit needs findings. In addition, the Delta Gold Line, which operated service to Stockton, was implemented in January 2016; it was eventually terminated in July 2017 due to lack of ridership and increasing costs.

Local demographic shifts have also contributed to fluctuations in ridership since the 2015 Butte Fire, primarily affecting service to West Point, Rail Road Flat, and Mountain Ranch. The wildfire caused major disruption for the transit service and the county as a whole while having longer term repercussions, including small segments of the community moving out of the county. In FY 2017, ridership on the transit system was less than half of what it was ten years prior.

The system has continued to operate as a deviated fixed route or “flex route” service. The formation of the CTA offered an opportunity to redesign the transit system. CTA staff engaged the CTA board at its July 2018 meeting. Staff reviewed the service changes with the Social

Services Transportation Advisory Council (SSTAC) later that month and finalized the recommendations into new schedules that were implemented in September 2018.

The revisions on the Red Line included adjustments to the schedule for consistent 90-minute headways; timing adjustments on the route to Columbia College to better match class schedules; and timed connections to the Tuolumne County Orange Line for service to Sonora and Jamestown. On the Purple Line, revisions included a direct connection to the Sutter Creek Transfer Station to interline with Amador Transit routes to Sacramento and around Amador County; a stop at Walmart; schedule tightening to eliminate driver wait times; and timed connections with the Red Line for better connectivity to Angels Camp, Columbia, and Arnold.

With the implementation of the system-wide service changes in September 2018, the CTA reevaluated the Saturday Hopper service with a focus on the key travel destinations for Saturday visitors and more consistent and robust service. Changes included elimination of service to Valley Springs, increased frequency along the core route, and later trips. With the adoption of the new schedule, the Saturday Hopper began service on February 16, 2019, Presidents Day Weekend under a seasonal schedule, suspending service from November through February when weekend tourist travel is low. A stop at Ironstone Vineyards in Murphys was implemented on May 1, 2019.

Technical upgrades implemented by the CTA included the adoption of the ZOOM! and Geotab fleet tracking and management software programs. In July 2018, the CTA executed a Professional Services Agreement (PSA) with McGuire Management Consultancy for the development of a custom Transit Management Solution for the CTA and to purchase Geotab hardware and software for the integration of fleet tracking and management.

The data management software programs were implemented in November 2018 and provide real-time bus information and electronic data collection. The ZOOM! manifest software component replaced paper-based data collection and data entry for drivers and dispatchers. With ZOOM!, drivers enter data onto a mobile tablet while in service and dispatchers manage and see the data in real time. The software tracks mileage, revenue hours, and other key performance metrics. Geotab tracks locations, speed, odometer readings, and other real-time information of the buses. The CTA is looking at the procurement of a computer-aided dispatching software program for Dial-a-Ride operations.

Prior to the implementation of Geotab and ZOOM!, drivers collected passenger, fare, time, and other data using paper records while at each stop on their schedule. Data from paper records was entered into numerous Excel workbooks by dispatch staff in order to prepare the various management reports, including the report provided in the board packet each month and semi-annually.

The CTA has been working with local jurisdictions on identifying viable bus stop projects from the County's Phase IV bus stop project. The agency procured and installed new bus stop signs for approximately 35 locations throughout the service area. The CTA continues to pursue bus stop improvements in Mokelumne Hill and Angels Camp along State right-of-way, which requires coordination with Caltrans. The latest SRTP update identified two existing bus stop improvement

projects. The first is at Bret Harte High School in Angels Camp, which is being funded through Caltrans’s State Highway Operation and Protection Program. The second bus stop improvement project is located on Mountain Ranch Road adjacent to the Department of Motor Vehicles in San Andreas. The CTA does not have any financial involvement in these two bus stop improvement projects.

The CTA completed the Calaveras Connect ADA Paratransit Compliance Plan in January 2019 and adopted it in February 2019. The ADA Paratransit Plan was last updated in 2015. An updated plan or annual certification is required for Federal Transit Administration (FTA) funding.

Building on the momentum of the new branding and marketing initiatives, the CTA seized the opportunity to implement other service enhancements and started researching various online or digital payment options. In February 2019, the CTA entered into a software and subscription services agreement with Token Transit for mobile ticketing. A fee of between 7 and 10 percent is charged depending on transaction and on the gross total proceeds of the transaction processed by Token Transit. This fee is applicable to fares sold on the application and does not impact fares sold through other media.

The Columbia College Student Pass Agreement was executed between the CTA and Columbia College in June 2019 and became effective on August 15, 2019. The agreement has an annual renewal clause and allows Columbia College students who utilize Calaveras Connect to ride free with their student identification card.

One of the vehicle operational measures is on-time performance. The criteria for Calaveras Connect are that buses depart no more than five minutes late from any scheduled stop and shall not leave any point prior to the scheduled departure time. The system-wide standard is a minimum of 95 percent on-time departures. Table V-1 provides a summary of on-time performance during the audit period for Calaveras Transit:

**Table V-1
Calaveras Connect On-Time Performance**

FY 2017	FY 2018	FY 2019*	FY 2020
99.90%	99.15%	99.75%	94.00%

Source: Calaveras Connect

**On-time performance data reported from July 2018 to October 2018*

Reporting of on-time performance data on the monthly summary report were omitted for most of FY 2019. Major factors impacting on-time performance include deviations, road closures or traffic due to roadwork, extreme weather, or accidents. Other impacts include passenger transfers and assistance for persons with disabilities or seniors.

Regarding vehicle safety, Calaveras Transit tracks the number of accidents, which are categorized as “preventable.” According to the Federal Motor Carrier Safety Administration, a preventable accident is one which occurs because the driver fails to act in a reasonably expected manner to prevent it. The PSA states that the total vehicle miles between accidents shall be greater than

50,000 miles measured quarterly. There have been no preventative accidents reported other than bird and deer strikes. Calaveras Connect has logged one million miles without an accident.

Paratransit Services has been the contract operator since July 2011 when the transit system was administered through the County Public Works Department. The initial PSA had a four-year term from July 1, 2011, through June 30, 2015, with an option for two additional years. Paratransit Services is a Bremerton, Washington-based company that manages transit systems in several other rural California counties as well as in Oregon and Washington.

On March 13, 2018, the County entered into a new PSA with Paratransit Services to provide the personnel and services required for the operation of the County's transit system. Pursuant to the agreement, the County retained the right to assign its County's rights and obligations to another public agency or organization. On June 27, 2018, the County and the newly formed CTA executed an agreement assigning the PSA with Paratransit Services to the CTA effective July 1, 2018. In addition, vehicle maintenance was transferred from the County to the contractor on May 1, 2018.

The term of the PSA with the contractor was for one year from April 2018 through March 2019 with two one-year extension options. In February 2019, the CTA board approved an amendment to the PSA, executing nine months of the first option year, which extended the contract to December 31, 2019. The purpose was to give the CTA an opportunity to evaluate the existing contract, establish a relationship with the current contractor, and develop a new Request for Proposals (RFP) and contract specific to CTA needs and direction.

In May 2019, the CTA released an RFP for an operations and maintenance contract. The RFP offered a base term of three years and six months. During the first six-month period, from January 1, 2020, to June 30, 2020, the contract was brought in line with the CTA's fiscal year budget. The new contract allows for an additional three two-year option extensions. Three proposals were received in June 2019 including from the incumbent, Paratransit Services. All three proposals were reviewed and vetted in August 2019. The CTA staff reviewed the procurement process and award recommendations with Caltrans Division of Rail and Mass Transportation (DRMT). The CTA received a letter from the DRMT in October 2019, approving the CTA's selection protocols and the third-party contract with Paratransit Services. In November 2019, the CTA board approved the contract award with Paratransit Services. The PSA has a liquidated damages clause pertaining to metrics such as vehicle destination signage, minimum staffing levels, vehicle appearance, on-time performance, running ahead of schedule, missed trips, preventable accidents, CHP compliance, and farebox recovery attainment.

Operating performance data are reported to the CTA by the operations contractor in a monthly operations report. The report contains the general manager's summary of operational highlights such as on-time performance, preventable accidents, and ridership trends for each route. In addition, the report provides the billing invoice to the CTA, fare deposit summary, system-wide performance data, service disruptions, wheelchair lift usage, and the number of passengers carried categorized according to route and run. The number of route deviations are accounted for in the report.

The monthly summary report offers an overview of the performance measures during the fiscal year. The report includes metrics such as ridership, vehicle miles and hours, on-time performance, and fare revenues. The vehicle miles data show a breakdown of revenue, deadhead, and total vehicle miles. However, for the monthly summary report compiled for FY 2020, deadhead hours were omitted from the vehicle hours data calculation. It is recommended that the contractor report include the deadhead hours in the vehicle hours data calculation on the monthly summary report.

Another measure that is tracked and reported concerns customer complaints and compliments. According to the PSA, the contractor is required to provide a separate report addressing customer service complaints and compliments. Information from each complaint is to include the time and date of the incident as well as the name, address, phone, and an accurate account of the complaint expressed by the customer. The contractor would also comment on the action taken to address the complaint. A sampling of the monthly operations reports provided for this audit do not include a summary of complaints. It is recommended that a process be implemented for complaints to be reported regularly to the CTA management.

All fares collected by the contract operator are the property of the CTA. Farebox handling and reconciliation are conducted on a manual basis daily. Calaveras Connect buses are equipped with nonelectronic Diamond fareboxes that have security aspects to prevent mishandling. The farebox vaults are pulled at the end of the driver's run. The farebox proceeds are counted by two contract staff who use the driver's manifest for reconciliation. To ensure the integrity of the process, staff assigned to the count are rotated.

Pass sale information is entered into the ZOOM! data management program, which feeds into the fare reconciliation process. Since the rebranding of transit system to Calaveras Connect, the passes are inventoried and enumerated. The counting process takes place in the dispatching office behind locked doors and closed blinds. The procedure generally averages 20 minutes. The fare count is entered into a financial software program, which generates a reconciliation sheet. Once counted and reconciled, the farebox proceeds are picked up by the CTA. Any variances encountered are generally overages.

Operations Personnel

Operations and maintenance personnel is provided through Paratransit Services. Staffing levels during the audit period and through the administrative transition have been fairly stable. Most of the turnover is attributed to retirements. There are 15 employees including the general manager, 7 full-time drivers, 3 part-time drivers (on-call), 2 full-time dispatchers, 1 full-time maintenance manager, and 1 part-time bus washer. Since assuming maintenance responsibilities as part of the PSA, the contractor hired a maintenance manager/technician and bus washer. The longest tenured employee has been with the operation since 2011.

The duties of the general manager are the day-to-day operational management functions. These include, among others, responsibility for service quality, liaison with CTA administrative staff, fare collection, driver oversight, dispatching, and accident and complaint monitoring.

Drivers are recruited through the Paratransit Services website (<http://www.paratransit.net/careers.html#california>) as well as through local media publications. Candidates must be at least 21 years of age, have had a valid driver's license for at least five years, and have the ability to obtain a Class B commercial driver's license as necessary for contractual requirements. In addition, candidates must be able to successfully pass a criminal background check, a motor vehicle records check, preemployment drug screening, and functional capacities assessment. They must also be able to obtain a CPR/First Aid and Defensive Driving certification.

The training protocol consists of 40 hours of classroom, 40 hours of behind-the-wheel (20 hours minimum), and between 15 and 20 hours of route training. There is also an eight-hour Verification of Transit Training certification course. The classroom training encompasses 20 core subjects. The behind-the-wheel training course involves maneuvering around cones, defensive driving, and on the road exposure. Ongoing training consists of quarterly assessments focused on specific subject areas. For example, the January through March assessment covers pre-trip inspections, wheelchair securement, winter driving conditions, and distractive driving. Drivers undergo a defensive driving course every two years as well as an annual driver skills assessment. Subjects covered in the defensive driving course include fire extinguisher skills, human trafficking, bloodborne pathogens, de-escalation techniques, and active shooter scenarios.

Paratransit Services has tried to attract and retain employees given the constraints of the minimum wage increase to \$15.00 an hour. The contractor offers full-time employees a compensation package encompassing health insurance coverage, sick and vacation leave, and retirement. The company may contribute up to \$917 a month combined toward employee premiums. Medical coverage is provided through Premera Blue Cross, dental coverage is provided through Delta Dental, and vision coverage is provided through Vision Service Plan. Full-time employees accrue six days of sick leave annually with a maximum accumulation of 480 hours. Annual leave accrual is 80 hours after the first anniversary of eligibility, 120 hours after five years, and 160 hours after 15 years of eligible employment. Paratransit Services contributes 1 percent of employees' annual salaries into a 403(b)-retirement plan. Employee contributions are not required, but employees may make pre-tax contributions to the plan.

Efforts at boosting employee morale and recognizing excellent performance include year-end safety bonuses, cookouts, and an annual Christmas party.

COVID-19 Pandemic Impacts

As impacts from the novel coronavirus started to be realized in California, a state of emergency was declared on March 4, 2020. Subsequently, a mandatory statewide shelter-in-place order was implemented on March 19. In response to the order and pursuant to Centers for Disease Control and Prevention protocols, Calaveras Connect suspended service on the Saturday Hopper on

March 21 and suspended service on the regular fixed routes on March 30. In lieu of the fixed route service, Calaveras Connect implemented an on-demand service with deviations within 0.75 miles of the regular fixed routes for essential trips only. Fare collection was also suspended in an effort to reduce transmission of the virus. Free fares have been extended through December 31, 2021.

Since that time, Calaveras Connect has put many layers of safety protocols into place to comply with CDC recommendations. COVID-19 safety protocols have been posted on the Calaveras Connect website (<http://calaverasconnect.org/on-demand-service-covid-19/>). As per local and federal mandates, masks are required to ride the system. Buses are cleaned daily and undergo weekly sanitization fogging. Masks, gloves, and sanitizer have been made available to employees and riders. Plastic sheeting was installed between the driver and boarding passengers; social distancing is enforced, with barriers to keep seats behind drivers and every other seat unavailable. In addition, staffing levels were adjusted to accommodate the reduced service levels with four drivers available to provide service.

As the pandemic continued beyond the audit period into FY 2021, Calaveras Connect resumed its regular service schedule on the Red Line on August 3 between Valley Springs, San Andreas, and Angels Camp. Extended service to Columbia College in Sonora was made available upon request. Another initiative implemented during the pandemic was a grocery delivery service on August 24. Calaveras Connect began offering free curbside pickup and delivery from local grocery stores to Calaveras County residents. This service has been made available in Valley Springs, Angels Camp, San Andreas, Mokelumne Hill, and Mountain Ranch with delivery available within one mile of Calaveras Connect's bus routes.

Further service modifications included the implementation of the Direct-Connect Dial-a-Ride service on October 6 for residents of San Andreas, West Point, Wilseyville, Mountain Ranch, Rail Road Flat, Angels Camp and Copperopolis. In April 2021, Direct-Connect was expanded to provide service outside of the county such as to Jackson, Sutter Creek, Sonora, and Columbia College. A vaccination appointment service was implemented in March 2021. In spite of the challenges posed by the pandemic, Calaveras Connect has used the period to reset its operations and seek new opportunities and methods to serve the community.

Maintenance

Vehicle maintenance is conducted by the contract operator, Paratransit Services, at its facility located at 750 Industrial Way in San Andreas. Maintenance of the transit vehicles was previously conducted by the County. With the expiration of the PSA in March 2018, the County released an RFP in December 2017 to solicit proposals for the management and operation of the transit service. The new contract structure encompasses vehicle maintenance in addition to operations, thus transferring maintenance duties from the County to the contract operator. Subsequent PSAs executed between the CTA and Paratransit Services have continued this arrangement.

The facility is equipped with two maintenance bays and a wash station. The contractor utilizes four portable 4-post lifts. Infrastructure and security upgrades were made to the facility in 2020.

An electronic gate was installed, and the driveway was graded. In addition, between four to six surveillance cameras were installed around the facility.

Paratransit Services utilizes the FleetMax fleet maintenance software program. The preventative maintenance inspection (PMI) program is structured on an A-B-C schedule summarized in the following table.

**Table V-2
Preventive Maintenance Schedule**

	A	B	C
Miles	5,000–6,000	10,000	30,000
Number of Days	60	(includes A items)	(includes A & B items)

Source: CTA

Type “A” maintenance includes an oil and filter change, chassis lubrication, and brake check and adjustment as well as checks of all lights, belts, tires, fluids, wipers, air filter, wipers, radiator, and hoses. Type “B” maintenance includes all “A” items as well as checks of the electrical system, suspension, wheelchair lift, and replacement of the fuel filter. The “C” maintenance schedule includes all “A” and “B” items as well as bit inspections, annual smoke testing, and belt replacements. The PMI schedule for vans is 7,500 miles for type “A” maintenance and 12,000 miles for type “B” maintenance. The contractor uses high-end synthetic motor oil. Oil samples are routinely taken and sent off to be analyzed.

The parts inventory includes most preventive maintenance items. The contractor procures parts from local vendors such as Napa Auto Parts, O’Reilly Auto Parts, Auto Zone, and ASAP Auto Parts, which is a disadvantaged business enterprise (DBE). Parts are ordered on an as-needed basis. Bulk purchases are made from the DBE vendor on a quarterly schedule.

Drivers complete a daily vehicle inspection and damage form prior to each run. The daily vehicle inspection consists of 44 points and three major categories: (1) vehicle exterior checks; (2) vehicle interior checks; and (3) brakes system checks. The form consists of a top copy and two carbon copies. The vehicle exterior checks focus on dents, scratches, and body damage before and after each run.

Vehicle fueling is performed at Hunt and Sons located at 746 Pool Station Road in San Andreas. Drivers utilize a CFN fuel card, and an email of fuel activity is sent to the contract transit manager for review. The contract operator cleans the exterior of the vehicle, which has resulted in considerable cost savings. Through the contract operator, the CTA participates in the CHP Transit Operator Compliance Program and has received satisfactory ratings for all inspections conducted during the audit period.

Road calls are recorded when a tow truck and/or mechanic responds to a mechanical/service problem for a disabled transit vehicle that is in revenue service. Vehicles are pulled out of service if a safety issue is identified, and vehicles are not allowed back into service until the safety issue

has been resolved. Road calls reported during the period have been negligible and have primarily involved flat tires.

The CTA board adopted a Transit Asset Management (TAM) Plan in October 2018 pursuant to the FTA TAM Final Rule for submittal to Caltrans. The CTA staff and its consultant worked to evaluate the transit fleet for purposes of both developing its own bus replacement plan and fulfilling TAM guidelines. This process also included input provided by the contractor regarding the current and projected condition of the fleet for purposes of forecasting its useful life. The TAM Plan includes a fleet listing, useful life benchmarks, and a rough replacement schedule for the fleet. Newer vehicles procured by the CTA will be smaller and narrower in size to better navigate route deviations.

Planning

Planning efforts carried out during the audit period involved the implementation of the 2016 Calaveras County Short-Range Transit Plan (SRTP), Calaveras Transit Service Plan, and a comprehensive update to the SRTP. Additional planning efforts have involved an update to the Calaveras County Coordinated Public Transit-Human Services Transportation Plan, 2020-2024 (Coordinated Plan).

The CCOG has supported transit through funding and managing various planning efforts such as the SRTP updates, Calaveras Transit Service Plan, and Coordinated Plan. These are initiated by the CCOG to ensure the CTA remains eligible for funding and to assist with addressing efficiency issues. The 2016 SRTP update was finalized in January 2016. The aim of the 2016 SRTP update was to evaluate services provided by the transit system at the time and to develop a plan to improve system performance and provision over a five-year horizon.

The SRTP is composed of an executive summary; introduction; an analysis of existing and future transit needs, fares, services, and performance; goals and performance standards; organizational assessment; service plan alternatives; financial assessment and plan; recommended service plan; and a marketing plan and recommendations. Included as an appendix to the SRTP is the Transit Maintenance and Organizational Analysis Working Paper, which determined cost elements responsible for the higher-than-average operating cost per vehicle service hour in comparison with comparable rural transit systems.

Most of the recommendations in the 2016 SRTP were implemented during the audit period. Those key recommendations included the creation of the CTA, better utilization of LTF revenues for transit purposes, implementation of a comprehensive service monitoring program, and the adoption of a new mission statement.

The Calaveras Transit Service Plan, adopted in January 2017, outlined a system of convenient bus routes and schedules designed to maximize ridership and passenger convenience. The plan rebranded the routes from a numbered to a color designation; modified the Saturday Hopper schedule to include service to Arnold and reduce the number of stops in Valley Springs; changed the Saturday Hopper base fare to \$3.00 and allowed for the use of monthly passes on Saturdays;

and modified the Delta Gold Line schedule to facilitate better connections in the county. The Delta Gold Line service was eventually discontinued in July 2017.

During the audit period, in May 2019, an update to the SRTP was initiated in concert with the Coordinated Plan update. The CCOG partnered with the Tuolumne County Transportation Council on both efforts. The council administered the consultant contract on behalf of both agencies and awarded a contract to AMMA Transit Planning, which subcontracted the SRTP development to Mobility Planners.

The SRTP update has a five-year planning horizon from FY 2020-21 to FY 2024-25 and is the first SRTP commissioned since the formation of the CTA and the rebranding of the transit service to Calaveras Connect. Much of the work for the SRTP was completed prior to the COVID-19 pandemic and the shelter-in-place order. This includes the public outreach and service assessment tasks. As the pandemic began to impact the demand for transit services and as service adjustments were made, it became necessary to reassess the policy direction of the SRTP and what a service plan would potentially look like. A COVID-19 response and service plan were developed and presented to the CTA board in June 2020. A working draft of the SRTP was provided to CCOG/CTA staff that included post-COVID scenarios.

A final full report of the Calaveras Connect SRTP 2020-2025 was released in January 2021. About 80 percent of the work on the first four chapters was completed prior to the COVID-19 pandemic. The chapters are composed of an introduction, existing services and performance, transit needs assessment, service and fare alternatives analysis, recommended service plan, and operating and capital financial plan.

The recommended service plan includes a mix of fixed route and general public dial-a-ride service operated five days a week within Calaveras County and two-day-a-week Direct Connect service to destinations outside Calaveras County. In addition, the SRTP includes an update on zero-emission bus (ZEB) requirements.

Appendix C of the 2020-2025 SRTP expounds upon efforts by the CTA to integrate ZEB fleet and infrastructure. In December 2018, the California Air Resources Board (CARB) approved the Innovative Clean Transit (ICT) regulation that outlines the requirements for transit agencies to gradually transition to a 100 percent zero emission vehicle fleet. California transit agencies are required to develop and submit a ZEB Rollout Plan that demonstrates how the agency will meet a goal of full transition to ZEBs by 2040 and identifies the type of zero-emission technology the agency will deploy. The rollout plan must also include schedules for construction of ZEB infrastructure and bus purchases or the conversion of combustion engine vehicles to zero-emission buses.

The CTA Board is committed to a phased procurement of zero-emission vehicles pursuant to the ZEB Rollout Plan. Charging infrastructure is a crucial part of the ZEB strategy that must be factored into the transition. According to the 2020-2025 SRTP, ZEB vehicles typically have a range of about 150 miles that can fluctuate depending on vehicle size, battery specifications, vehicle load and the grade of streets and highways. It has been suggested that charger purchases

begin in FY 2023-24 in anticipation of the procurement of the first ZEB vehicles and the purchase of an additional vehicle in FY 2025-26.

The annual unmet transit needs process moderated by the CCOG also serves as a planning assessment tool for the transit system. As part of the annual unmet transit needs process, the CCOG prepares a detailed report documenting the conditions of the transit system and service area and public testimony of any potential unmet needs. The Unmet Transit Needs Report contains a chapter on the adequacy of TDA-funded transit services that provides an overview of existing services, SRTP performance benchmarks, and recommendations as well as a section on the adequacy of Calaveras Connect services. Transit performance is compared against the SRTP performance targets and recommendations along with an analysis of operating costs and ridership as well as gaps between planning and implementation.

Marketing

The formation of the CTA necessitated new marketing strategies and outlook for the transit system. In meetings with community stakeholders and organizations, it became apparent that there was a lack of awareness and dissemination of information about transit services in Calaveras County. Brochures had not been printed or distributed since prior to the service changes in 2017. Furthermore, upon the formation of the CTA, there were no new brochures or marketing collateral to distribute to agencies or the public. The new agency was limited to 8.5" x 11" printed sheets of the route schedules and maps.

In August 2018, the CTA board approved a contract with Transit Marketing, LLC, to develop a branding and marketing strategy for the newly formed agency. This process was broken up into two phases: Phase 1 was composed of the branding plan effort and Phase 2 involved the implementation of the new branding and execution of a marketing campaign effort.

The overall goals of the marketing and rebranding effort were to:

- Create a new identity and brand for the transit system;
- Enhance resident and tourist awareness of services;
- Communicate the safety, comfort, and convenience of local transit;
- Create awareness, relationships, and coordination with events, attractions, and key destinations throughout Calaveras County; and
- Develop collateral specific for different target markets and services.

A new schedule brochure was released on September 4, 2018. In December 2018, the CTA board approved and provided direction to rebrand the system to Calaveras Connect and approved the logo and bus wrap designs. New bus stop signs, passenger notices, and displays at bus stops were installed the week of April 22, 2019, in anticipation of the launch. Two buses were wrapped with the new bus graphics, with the full fleet being wrapped toward the end of May 2019. Ads were placed in local newspapers and online news sources during the week of April 29.

Calaveras Connect is marketed through various media and outreach. The primary form of printed collateral is the transit schedule. The schedule at the beginning of the audit period was composed of stabled 8.5" x 11" sheets of the routes and schedules with fares and passenger information. The schedule underwent several updates to reflect the service changes and route rebranding implemented as part of the 2017 Calaveras Transit Service Plan. After the CTA was formed, a tri-fold brochure was developed featuring a route map that folded out along with fares, schedules, customer service and passenger etiquette information.

Transit information is also accessible online through a dedicated website (<http://calaverasconnect.org/>). The new rebranded website went live on May 1, 2019. The Google Transit trip planner went live in February 2019. The website includes the same general information as the previous website but also encompasses the upgraded trip planner as well as the Title VI policy, ADA application, and operation reports. Social media outreach consists of a Facebook page maintained by CTA staff. Calaveras Connect adopted a new email and text alert service designed to notify passengers of disruptions or changes in routes due to inclement weather or road obstructions. A Calaveras Connect transit app is under development.

More focused community outreach undertaken by the transit system has included well-known events and presentations. The CTA board approves an annual schedule of events to be served by Calaveras Connect. Transit service to community events is a great opportunity to build consistent transit presence and provide benefits to throughout the community. Calaveras Connect has operated service to various annual events in the past such as the Calaveras County Fair, Gold Rush Days, Ironstone Vineyards Saturday Concerts, Mark Twain Wild West Fest, and Big Trees Family Day.

The transit service has a booth and runs shuttles to and from the fairgrounds from the Calaveras County Government Center that cost \$1.00 per trip. The service to Ironstone is part of the Saturday Hopper service extension and is \$3.00 per trip. Also, in coordination with The Resource Connection Food Bank, Calaveras Transit participates in the annual "Stuff the Bus" event that collects donated food items for hungry families during the months of November and December.

Another source of system revenue is advertising space. The CTA Board approved a formal advertising policy for CTA vehicles in September 2018. The advertising program is managed by Helen and Company, located in neighboring Jackson. In August 2018, the CTA board approved a PSA with Helen and Company to manage the advertising sales program for the agency. External advertising consists of bus wraps in four space configurations. Bus wraps consist of long-lasting transparent vinyl sheets with vibrant colors that are designed to create an impression. Monthly advertising rates range from \$225.00 to \$475.00 per month.

Pursuant to the federal Civil Rights Act of 1964, the CTA adopted a Title VI Program and Language Assistance Plan in May 2018, which was amended in October 2018. Administrative changes were made in October 2019 to reflect the new branding of the transit system to Calaveras Connect. Title VI of the Civil Rights Act of 1964 requires that no person in the United States, on the grounds of race, color, or national origin be excluded from, be denied the benefits of, or be subjected to discrimination, under any program or activity receiving federal financial

assistance. Program compliance includes Title VI notices posted on the Calaveras Connect website, in all transit vehicles and shelters, on the CTA office bulletin board and customer service counter, and in the Calaveras Connect Customer Service Center in San Andreas. Complaint forms are available on the website in English and Spanish. The Title VI Program was updated in September 2020.

General Administration and Management

The CTA was created under a Joint Powers Agreement (JPA) executed between the County of Calaveras and City of Angels. The JPA was approved by the Calaveras County Board of Supervisors on February 13, 2018. The agreement was subsequently approved by the City of Angels Council on February 20, 2018. The final adopted JPA was signed on March 6, 2018 and implemented on July 1, 2018.

The governing board of the CTA is the same as the governing board of the CCOG. The positions of chair and vice chair are same as for the CCOG board. The board meets the first Wednesday of the month at 5:30 p.m. following the CCOG board meeting in the Board of Supervisors Chambers in the County Government Center, located at 891 Mountain Ranch Road in San Andreas.

The executive director of the CCOG also serves as the executive director of the CTA. A PSA was executed between the CTA and the CCOG on April 1, 2018. Execution of the PSA was necessary to define the relationship of staffing between the two agencies. This agreement is similar to the agreement that is executed between the CCOG and the County for accounting services through the Auditor-Controller and Treasurer departments.

Prior to the formation of the CTA, administration of the transit system had been the purview of the Calaveras County Public Works Department. Previously, transit administration and planning had been contracted out to a Southern California-based consultant for less than a year but was still managed through Public Works.

A total of eight public works employees had supported the transit program in various labor capacities including from public works administration and maintenance. The public works analyst had served as transit manager with support from the deputy director of operations and maintenance. The public works analyst retired from the County in September 2017 after 20 years of service. With the retirement of the analyst, the County solicited a replacement for the transit manager position on an extra-hire basis in August 2017.

With regard to the potential future administration and oversight of the transit system, the County initiated a discussion in September 2017 on exploring the development and feasibility of an alternative organizational structure for the transit system as recommended in the SRTP. The CCOG Board provided staff direction to work with the respective City and County liaisons to identify next steps and approaches. The board also directed staff to include funding in the CCOG FY 2017-18 Overall Work Program Amendment No. 1 for consultant services to assist in facilitating and guiding the process.

The City and County liaisons, along with staff from CCOG and the County Public Works Department, met on September 21, 2017, to discuss goals for the process and next steps moving forward. Consensus was reached by the group to move forward with exploring an alternative organizational structure that involved the formation of a JPA. The CCOG released an RFP on September 26, 2017, for consulting firms and executed a contract on November 1, 2017 to facilitate and assist in a transition plan for the transit system and formation of a JPA.

The CTA adopted a reserve fund policy in October 2019. The reserve policy provides direction to CTA staff on two reserve funds that should be addressed when developing annual budgets. More importantly, this policy will guide CTA on decisions when either funding shortfalls or windfalls result in relatively large deviations from budget projections. The main purpose of the policy is for cash flow purposes while CTA waits for reimbursement through various fund sources.

Pursuant to the TDA, the County receives LTF proceeds and State Transportation Assistance Funds (STAF). TDA funding is used primarily for operations as well as for some capital expenditures. Based on audited financial data, LTF revenues received during the audit period were \$641,423 in FY 2018 and \$157,734 in FY 2019. There was \$2,688 allocated to capital in FY 2018. STAF revenues received were \$275,642 in FY 2018; \$340,227 in FY 2019; and \$266,472 in FY 2020. The Transit Operators Financial Transactions Reports sent to the State Controller were prepared by the business administrator in the Public Works Department or the County Auditor-Controller's office. The Auditor-Controller has been reviewing and certifying the report since 2013. Under the CTA, the reports are prepared by the CCOG staff and signed by the executive director.

Grants Management

In addition to TDA funding, the CTA relies on a variety of federal and state grants to support its operations and capital procurement efforts. Under County administration, efforts were made in spending down unexpended grant proceeds before their termination date. Pursuant to Resolution FY 18-20 approved on April 4, 2018, the CTA executive director was granted authorization to sign, submit, and execute applications, agreements, and related documents to receive federal and state funding. This is an annual resolution authorized by the CTA.

Rural FTA Section 5311 grant funds received were applied toward operations and capital. Federal funds received toward operations were \$512,618 in FY 2019 and \$658,276 in FY 2020. The CCOG submits a Program of Projects that identifies subrecipients and projects to receive FTA Section 5311 funds in their planning area by December 31 of each year. The CTA submits quarterly and semi-annual performance and accountability reports to gauge grant activity. The County was not eligible to receive FY 2017-18 FTA Section 5311 operating funds until a new operations contract was executed that met procurement requirements.

State grant funding has been derived from the Low Carbon Transit Operations Program (LCTOP) and Public Transportation Modernization, Improvement & Service Enhancement Account (PTMISEA) programs toward service expansion, farebox support, and capital procurements. LCTOP was established by SB 862 to provide funds to transit agencies to reduce greenhouse gas

emissions and improve mobility through operating and capital grants. LCTOP funds received were \$50,747 in FY 2019 and \$32,197 in FY 2020. The funds were used toward the implementation of the Saturday Hopper service and the Columbia College Student Bus Pass Program.

The CCOG board approved a PTMISEA Program Expenditure Plan totaling \$1,768,286 since the passage of Proposition 1B in 2008. Funding from the PTMISEA program has been used toward bus procurement, engine replacements, bus shelters, bus stop improvements, and a vehicle maintenance lift. PTMISEA funds received were \$12,624 (capital) in FY 2018 and \$89,719 in FY 2019 (\$43,991 for operations and \$45,728 for capital). The CTA also received funding through the Proposition 1B CalOES grant program for capital. CalOES funding received were \$44,114 in FY 2018 and \$6,475 in FY 2019. The CCOG has had to approve many extensions as well as amendments/revisions to the PTMISEA and CalOES expenditure plans to help ensure project delivery and reporting. State of Good Repair funding received under SB 1 was \$61,317 in FY 2018 and \$60,489 in FY 2020.

Section VI

Findings

The following summarizes the findings obtained from this triennial audit covering fiscal years 2018 through 2020. A set of recommendations is then provided.

Triennial Audit Findings

1. Of the compliance requirements pertaining to the CTA, the operator satisfactorily complied with all nine requirements. Two additional compliance requirements did not apply to the CTA (i.e., blended and urban farebox recovery ratios).
2. Calaveras Connect is held to a 10 percent minimum farebox recovery ratio. For the three-year audit period, the farebox recovery ratio was 10.39 percent in FY 2018; 10.30 percent in FY 2019; and 12.34 percent in FY 2020. The average system-wide farebox recovery ratio was 11.01 percent for the audit period. It is noted that the audited farebox recovery ratios reflect fare revenue and supplemental local support, and operating cost exemptions from service expansion during this time frame as allowed under the TDA.²
3. Through its contract operator, Calaveras Connect participates in the CHP Transit Operator Compliance Program and received inspections of its transit vehicles within the 13 months prior to each TDA claim. Satisfactory ratings were made for all inspections conducted during the audit period.
4. The operating budget exhibited fluctuations during the audit period without exceeding 15 percent over the prior year. The budget decreased 9.0 percent in FY 2018 and 3.7 percent in FY 2020. For FY 2019, the operating budget increased 10.8 percent due to adjustments in contractor costs, communication services, and marketing collateral costs.
5. The CTA satisfactorily implemented the five prior audit recommendations. The completed recommendations pertained to efforts to pursuing partnerships with local educational institutions and tourism industry as a means to support higher ridership and farebox recovery attainment; ensuring performance measures are reviewed and monitored consistently; improving the reporting accuracy in key TDA documents; conducting a follow-on survey to gauge rider experience from new service plan; and adopting a new transit mission statement.

² It is noted that the audited farebox ratio in FY 2020 was adversely impacted from the COVID-19 pandemic and state shelter-in-place order. Supplemental local support funds were applied by the operator to supplement farebox revenues to satisfy the 10 percent fare ratio for the deviated fixed route as permitted by Section 99268.19.

6. Operating cost per vehicle service hour, an indicator of cost efficiency, increased 12.5 percent from \$85.65 in the FY 2017 baseline year to \$96.33 in FY 2020. Although operating costs decreased by 6.8 percent based on audited data during the audit period, vehicle service hours decreased by 17.1 percent. In consideration of the pandemic toward the latter part of FY 2020 and the adverse impacts on transit, cost per vehicle service hour was \$69.00 in the first quarter of FY 2020, \$74.41 in the second quarter, \$75.00 in the third quarter, and \$91.53 in the fourth quarter, when the statewide shelter-in-place order was in full effect. The average cost per vehicle service hour in FY 2020 was \$77.49.
7. Operating cost per passenger, an indicator of cost effectiveness, increased 12.1 percent from \$27.72 in the FY 2017 baseline year to \$31.07 in FY 2020. As noted above, the CTA's operating costs increased during the period; coupled with a decrease in ridership by 16.9 percent, this performance measure has experienced a negative trend. Passenger trips decreased from 40,837 in the FY 2017 base year to 33,955 in FY 2020. In consideration of the pandemic toward the latter part of FY 2020 and the adverse impacts on transit, cost per passenger was \$19.45 in the first quarter of FY 2020, \$19.80 in the second quarter, \$21.85 in the third quarter, and \$103.81 in the fourth quarter, when the statewide shelter-in-place order was in full effect. The average cost per passenger in FY 2020 was \$41.23.
8. Passengers per vehicle service hour, which measures the effectiveness of the service delivered, remained relatively unchanged between the FY 2017 baseline year and FY 2020 at approximately 3.1 passengers per hour. The trend in this indicator is reflective of the decrease in ridership by 16.9 percent while vehicle service hours decreased 17.1 percent during the audit period. During FY 2020, passengers per hour were 3.5 in the first quarter, 3.8 in the second quarter, 3.4 in the third quarter, and 0.9 in the fourth quarter, when the statewide shelter-in-place order was in full effect. The average number of passengers per hour in FY 2020 was 2.9 passengers.
9. Technical upgrades implemented by the CTA included the adoption of the ZOOM! and Geotab fleet tracking and management software programs. The data management software programs were implemented in November 2018 and provide real-time bus information and electronic data collection. The ZOOM! manifest software component replaced paper-based data collection and data entry for drivers and dispatchers.
10. In February 2019, the CTA entered into a software and subscription services agreement with Token Transit for mobile ticketing. A fee of between 7 and 10 percent is charged depending on transaction and on the gross total proceeds of the transaction processed by Token Transit. The Columbia College Student Pass Agreement was executed between the CTA and Columbia College in June 2019 and became effective on August 15, 2019.
11. In response to the 2020-21 COVID-19 pandemic, Calaveras Connect suspended service on the regular fixed routes in late March 2020. In lieu of the fixed-route service, Calaveras Connect implemented an on-demand service with deviations within 0.75 miles of the regular fixed routes for essential trips only. Another measure implemented during the

- pandemic was a grocery delivery service in August 2020. Calaveras Connect began offering free curbside pickup and delivery from local grocery stores to Calaveras County residents.
12. Vehicle maintenance is conducted by the contract operator, Paratransit Services, at its facility located at 750 Industrial Way in San Andreas. Maintenance of the transit vehicles was previously conducted by the County. The facility is equipped with two maintenance bays and a wash station. The contractor utilizes four portable 4-post lifts. Infrastructure and security upgrades were made to the facility in 2020.
 13. An update to the SRTP was initiated in May 2019 in concert with the Coordinated Public Transit-Human Services Transportation Plan update. The SRTP has a five-year planning horizon from FY 2020-21 to FY 2024-25 and is the first SRTP commissioned since the formation of the CTA and the rebranding of the transit service to Calaveras Connect. A final full report of the Calaveras Connect SRTP 2020-2025 was released in January 2021. About 80 percent of the work on the first four chapters was completed prior to the COVID-19 pandemic.
 14. The formation of the CTA necessitated new marketing strategies and outlook for the transit system. In August 2018, the CTA board approved a contract with Transit Marketing, LLC, to develop a branding and marketing strategy for the newly formed agency. A new schedule brochure was released on September 4, 2018. In December 2018, the CTA board approved and provided direction to rebrand the system to Calaveras Connect and approved the logo and bus wrap designs.
 15. The CTA was created under a JPA executed between the County of Calaveras and City of Angels. The final adopted JPA was signed on March 6, 2018 and implemented on July 1, 2018. The governing board of the CTA is the same as the governing board of the CCOG. The positions of chair and vice chair are same as for the CCOG board. The executive director of the CCOG also serves as the executive director of the CTA. A PSA was executed between the CTA and the CCOG on April 1, 2018.
 16. The CTA relies on a variety of federal and state grants to support its operations and capital procurement efforts. Pursuant to Resolution FY 18-20 approved on April 4, 2018, the CTA executive director was granted authorization to sign, submit, and execute applications, agreements, and related documents to receive federal and state funding. This is an annual resolution authorized by the CTA.

Recommendations

1. Continue efforts to study and prepare for Zero-Emission Bus (ZEB) infrastructure.

The CTA Board is committed to a phased procurement of zero-emission vehicles pursuant to the ZEB Rollout Plan. Charging infrastructure is a crucial part of the ZEB strategy that must be factored into the transition. According to the 2020-2025 SRTP, ZEB vehicles typically have a range of about 150 miles that can fluctuate depending on vehicle size, battery specifications, vehicle load and the grade of streets and highways. It has been suggested that charger purchases begin in FY 2023-24 in anticipation of the procurement of the first ZEB vehicles and the purchase of an additional vehicle in FY 2025-26. This would further support charging capabilities as future ZEB vehicles are delivered. It is recommended that the CTA continue to study and make the necessary preparations for the integration of ZEB infrastructure.

2. Include deadhead hours in the monthly summary report.

The monthly summary report compiled by the contractor shows key performance measures such as ridership, vehicle miles and hours, on-time performance, and fare revenues. The vehicle miles data show a breakdown of revenue, deadhead, and total vehicle miles. However, for the monthly summary report compiled for FY 2020, deadhead hours were omitted from the vehicle hours data calculation. A definition of vehicle service hours is contained in the PSA between the CTA and Paratransit Services. According to the definition, for deviated fixed-route service, “time is calculated from the first timed stop to last timed stop. This time does not include vehicle check-in/check-out time, time required to travel to and from the vehicle storage facility, time needed for fueling the vehicles, driver breaks, time when vehicle is inoperable on the road or schedule gaps of more than 20 minutes.” It is recommended that the contractor report include the deadhead hours in the vehicle hours data calculation on the monthly summary report.

3. Utilize the ZOOM! data management program to track customer complaints and include in the monthly operations report.

According to the PSA, the contractor is required to provide a separate report addressing customer service complaints and compliments. Information from each complaint is to include the time and date of the incident as well as the name, address, phone, and an accurate account of the complaint expressed by the customer. The contractor would also comment on the action taken to address the complaint. A sampling of the monthly operations reports provided for this audit do not include a summary of complaints. It is recommended that a process be implemented for complaints to be reported regularly to the CTA management.