

Calaveras Transit Agency Triennial Performance Audit FY 2020-21 - 2022-23

FINAL



**Prepared for the
Calaveras Council of Governments**



June 6, 2024

Triennial Performance Audit
of the
Calaveras Transit Agency

Fiscal Years 2020-21 through 2022-23

Prepared for

Calaveras Council of Governments
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EXECUTIVE SUMMARY

The California Public Utilities Code requires that all transit operators that receive funding under Article 4 of the Transportation Development Act (TDA) be subject to a performance audit every three years. This document presents the findings from the performance audit of transit operations managed by the Calaveras Transit Agency (CTA). As the Regional Transportation Planning Agency (RTPA) responsible for TDA funding in Calaveras County, these audits were performed under the authority of the Calaveras Council of Governments (CCOG).

This audit report covers Fiscal Years (FY) 2020-21 through FY 2022-23, and was conducted by LSC Transportation Consultants, Inc. Data collection, initial review, and on-site interviews were conducted in late 2023 and early 2024. The audit process follows guidelines outlined in the *Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Entities* developed by Caltrans (2008).

BACKGROUND

The Calaveras Transit Agency (CTA) was formed through a Joint Powers Agreement between the County of Calaveras and the City of Angels Camp. CTA is an independent entity and is governed by a Board of Directors composed of representatives from both the County and the city. CTA contracts with CCOG for staff services. CTA is the sole regional transit operator for Calaveras County and provides fixed-route and demand-response services.

ORGANIZATION OF TRIENNIAL PERFORMANCE AUDIT REPORT

The following TPA report provides the following:

- Presentation of operating and financial statistics for CTA for the current audit period as well as for the prior audit period.
- Verification and use of performance indicators for all CTA services.
- Review of the transit operator compliance with certain TDA regulations that relate to transit performance.
- The status of prior audit recommendations.
- Detailed review of transit operator functions in order to evaluate standard functions in terms of efficiency and effectiveness.
- Findings and recommendations.

FINDINGS

- Ridership increased by 78.1 percent over the course of the audit period (FY 2020-21 to FY 2022-23). This is a notable achievement, given that many peer transit systems have not seen a similar trend in ridership.
- Productivity systemwide increased from 1.39 to 1.91 one-way passenger trips per vehicle service hour during the audit period. Fixed-route service productivity increased from 1.42 to

2.24 passenger trips per hour. This is below the industry standard of 6-7 passenger-trips per hour for a rural fixed-route service. Dial-A-Ride (DAR) had only slightly lower productivity, decreasing from 1.35 to 1.21 passenger trips per hour, which is also below the industry standard of 2 passenger trips per hour.

- Systemwide operating cost per trip decreased from \$68.51 to \$50.11 during the audit period. This is on par with similar small transit agencies: Tuolumne saw an operating cost per trip of \$52 for FY 2021-22 and Plumas Transit Agency saw an operating cost per trip of \$47 for FY 2020-21, according to their most recent TPAs. The decrease in the figure for CTA over the audit period remains encouraging and is mainly a result of the increase in ridership.
- Reliability of transit service, as measured in terms of on-time performance, met the CTA target with few substantiated exceptions.
- CTA has complied with the requirements listed in the TDA and other statutes related to performance in the *Performance Audit Guidebook* with the following exceptions:
 - On-time submittal of the State Controller Report for FY 2020-21 and FY 2022-23.
 - The definition of Full-Time Equivalent (FTE) Employees.
- Two of the prior audit recommendations are complete, while one remains in progress.
- CTA implemented significant service and fare changes during the audit period.
- CTA and the contractor continue to have an effective working relationship.

RECOMMENDATIONS

The auditor has the following recommendations which relate to the TDA. Recommendations are outlined in greater detail in Section 2.

Recommendation 1: Include deadhead hours and miles in the monthly summary report.

Recommendation 2: Develop a standardized process to reconcile fare and boarding totals.

Recommendation 3: Provide separate fixed-route and DAR operating and financial statistics.

Recommendation 4: Calculate and report Employee Hours/Full-Time Equivalency to the State Controller in accordance with the definition in Appendix B of the *Performance Audit Guidebook*.

Recommendation 5: Update Calaveras Connect website to reflect current Direct Connect reservation options and rider policies.

Recommendation 6: If farebox recovery ratio falls below the 10-percent TDA requirement, consider allowances made by AB 149 (2021).

TRIENNIAL PERFORMANCE AUDIT RESULTS

BACKGROUND

The TDA, also known as the “Mills-Alquist Deddeh Act,” provides two major sources of funding for public transportation providers in California: the Local Transportation Fund (LTF) and the State Transit Assistance (STA). The LTF is derived from 0.25 percent of the 7.25 percent retail sales tax collected statewide and can be used for a variety of transportation purposes, according to a set of priorities detailed in the Act. The State Board of Equalization returns the LTF to each county in accordance with the amount of tax collected in that county. STA funds are derived from statewide sales tax on diesel fuel and the funds are allocated to each county based on the following formula: 50 percent according to population and 50 percent according to operator revenues from the prior fiscal year. STA funds can only be used to pay for transit planning, capital projects, and operations.

The California Public Utilities Code (PUC) requires that a Triennial Performance Audit (TPA) be conducted for all transit operators and Regional Transportation Planning Agencies (RTPAs). A performance audit is a systematic process of evaluating an organization’s effectiveness, efficiency, and economy of operations under management control. The objectives of the audit are to provide a means for evaluating an organization’s performance and to enhance the performance by making recommendations for improvements. In addition, the audit evaluates the adequacy of an organization’s systems and the degree of compliance with established policies and procedures. This TPA covers FY 2020-21 through FY 2022-23.

PERFORMANCE AUDIT AND REPORT ORGANIZATION

The performance audit consists of the following elements:

- Initial review of transit operator functions
- Review of compliance requirements
- Transit program description
- Follow-up review of prior performance audit recommendations
- Verification and use of performance indicators
- Detailed review of various transit operator functions
- Preparation of the Draft Audit report
- Preparation of the Final Audit report

CTA is the regional transit operator for Calaveras County. Public transit in Calaveras County originally began as a demand-response service branded as Calaveras Stagecoach and was managed by the Human Resources Council. In 1999, CCOG implemented deviated fixed-route and Dial-A-Ride services branded as Calaveras Transit. In 2004, the Calaveras County Department of Public Works assumed the administration of the transit program.

In 2018, CTA was formed under a Joint Powers Agreement (JPA) between the County of Calaveras and the City of Angels Camp. In early 2019, CTA transit services were rebranded under the umbrella of Calaveras

Connect. The RTPA (CCOG) and CTA share the same board members and staff members, the latter defined by a contract agreement for transit staff services. A private transportation company, Paratransit Services, is contracted to provide all the drivers, dispatchers, mechanics, and other staff necessary for the operation and management of Calaveras Connect.

CTA SERVICE CHARACTERISTICS

At the start of the audit period, Calaveras Connect was operating significantly reduced services (since its reduction in March 2020) due to impacts of and guidance related to the existing COVID-19 pandemic. This consisted of demand-response services systemwide for essential travel only. In August 2020, regular fixed-route service resumed on the Red Line and a grocery delivery service was implemented. In October 2020, Calaveras Connect began a phased implementation (through April 2021) of a systemwide public Dial-A-Ride service: Direct Connect Dial-A-Ride. In July 2021, regular fixed-route service resumed on the Saturday Hopper. In January 2022, new service and fare policies were instituted, including the extension of the Red Line to service Arnold, the implementation of the Columbia College Shuttle, and the formal adoption of several Dial-A-Ride service areas. The current fixed routes and Dial-A-Ride services evaluated under this TPA are described below.

Red Line

This deviated fixed route connects the communities of Valley Springs and Arnold on-demand, making stops in San Andreas, Angels Camp, Douglas Flat, Murphys, and Avery with pick-up/drop-off stops allowed by request up to three quarters of a mile off the route. Deviation requests must be made at least two hours in advance. Flag stops are also allowed anywhere deemed safe by the driver along the Red Line route. Passengers are encouraged to call in advance if they are boarding at a flag stop. The Red Line operates Monday-Friday between the hours of 6:10 AM and 8:13 PM.

Saturday Hopper

This deviated fixed route connects the communities of San Andreas and Arnold, making stops in Angels Camp and Murphys, with pick-up/drop-offs allowed by request up to three quarters of a mile off the route. Deviation requests must be made at least two hours in advance. The Saturday Hopper operates only on Saturdays between March and November between 9:45 AM and 6:25 PM.

Columbia College Shuttle

This deviated fixed route serves Angels Camp and Columbia College with pick-up/drop-offs allowed by request up to three quarters of a mile off the route. Deviation requests must be made at least two hours in advance. The Columbia College Shuttle operates Monday-Friday when school is in session from 8:15 AM to 6:35 PM. This route enables transfers to Tuolumne County Transit services at Columbia College.

Direct Connect Dial-A-Ride

Dial-A-Ride (DAR) service is available to the general public for destinations in Calaveras County and to communities outside the county under the branding of Direct Connect Dial-A-Ride. Communities within Calaveras County are served Monday through Friday between 8:00 AM and 5:00 PM and include:

- The Highway 12 corridor between San Andreas and Jenny Lind,
- The Mountain Ranch Road/Railroad Flat Road corridor between San Andreas and West Point,
- The Highway 49 corridor between San Andreas and Angels Camp, and
- The Highway 4 corridor between Copperopolis and Arnold.

On-Demand/DAR services to out-of-county destinations between 8:00 AM and 5:00 PM include:

- The Highway 49 corridor between San Andreas and Sutter Creek, served Monday through Friday,
- The Highway 88/26 corridor between Jackson and West Point, served Wednesdays only, and
- The Highway 49 corridor between Angels Camp and Sonora, served Fridays only.

Direct Connect Dial-A-Ride reservations can be made by calling Calaveras Connect. Reservations must be made prior to 3:00 PM the day before a passenger wishes to travel and can be up to seven days in advance.

Other Transit Services

During the audit period, Calaveras Connect operated several specialized transit services within Calaveras County utilizing existing vehicles and personnel. A free grocery delivery service was implemented in FY 2020-21 and continued through FY 2021-22, serving residents in Valley Springs, San Andreas, Mokelumne Hill, Mountain Ranch, and Angels Camp. Free transportation to vaccine sites throughout the county was provided in FY 2020-21 and FY 2021-22 and to emergency heating and cooling centers throughout the audit period in coordination with Calaveras Office of Emergency Services and Public Health. Shuttle service is provided annually to the County Fair and Frog Jumping Jubilee and was free in 2022 and 2023. In FY 2022-23, Calaveras Connect added an additional stop serving the Government Center during voting days.

Fares

Passengers on fixed-route services (excluding the Saturday Hopper) have the option to buy single-ride or monthly passes or ticket books of 15 tickets. Passengers on Direct Connect DAR and the Saturday Hopper can purchase single-ride tickets. Discounted fares are available for veterans, seniors over the age of 65, students, youth (7-12 years of age), and Americans with Disabilities Act (ADA) eligible persons. Children under the age of six ride for free with a fare-paying adult.

During the first half of the audit period (FY 2020-21 and the start of FY 2021-22), Calaveras Connect provided free fares on all services. Current fares were implemented in January 2022. Low Carbon Transit Operations Program (LCTOP) funds were used to subsidize/replace fares during the audit period. LCTOP is a Caltrans funding program established in 2014 by SB 862 for transit agencies. LCTOP funds can be used for operating and capital expenditures to reduce greenhouse gas emissions and increase mobility and has a focus on serving disadvantaged communities.

Columbia College students ride for free on Calaveras Connect services, excluding the Saturday Hopper and special event services.

CTA contracts with one software application through which passengers can pay for rides. Passengers can utilize the Token Transit App on their smartphone to purchase tickets and passes for fixed-route service.

CTA OPERATING AND FINANCIAL STATISTICS

The following section quantitatively analyzes the efficiency and effectiveness of public transit services in Calaveras County. Operating data and financial statistics are presented in Tables 1-3 and Figures 1-7. Operating data was obtained from annual monthly summary reports and financial data was obtained from Fiscal and Compliance Audits. CTA operating data for this audit period and the previous audit period is presented in Table 1 for CTA services systemwide. Table 2 presents operating and financial statistics for fixed-route services and Table 3 presents operating and financial statistics for demand-response and special-event services.

Due to the COVID-19 pandemic, year-to-year comparisons of performance statistics during this audit period should be viewed with caution. During FY 2020-21 and FY 2021-22, COVID-19 had tremendous impacts on performance indicators of CTA, including ridership, revenue, farebox ratio, and costs per passenger and may not accurately represent a route's long-term utility or success.

DATA COLLECTION METHODS

As part of the TPA process, the auditor must collect and verify the following transit operator statistics:

- Annual Passenger Count
- Annual Vehicle Service Hours
- Annual Vehicle Service Miles
- Annual Operating Cost
- Annual Employee Hours
- Annual Fare Revenues

It should be noted that DAR performance indicators include Special Services (such as grocery delivery) with the exception of passenger count.

Passenger Count represents one-way passenger trips. CTA's counting of passengers is consistent with this definition. For both fixed-route and demand-response services, passenger count data is inputted into the respective software application by the driver and verified by the operations manager.

Table 1 and Figure 1 present annual ridership data for all CTA services during the audit period, as well as data from the previous three-year period (for purposes of comparison). During the current audit period, overall ridership increased by 78.1 percent. Over the past six years, systemwide ridership has decreased by 27.7 percent with the lowest ridership occurring during FY 2020-21 and the highest ridership occurring in FY 2017-18.

As shown in Table 2, fixed-route ridership increased by 165 percent over the past three fiscal years. This increase is predominantly due to the reinstatement of fixed-route services during the audit period.

Ridership on the DAR service (Table 3) increased by 2.6 percent. Ridership on Special Services decreased by 80 percent over the audit period due to lack of events resulting from COVID restrictions.

TABLE 1: Calaveras Transit Agency Systemwide Performance Measures

Performance Measures	Prior Audit Period			Current Audit Period		
	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
One-Way Passenger-Trips	39,188	38,789	33,955	15,903	20,460	28,321
<i>% Change from Previous Year</i>	6.8%	-8.4%	-4.8%	-53.2%	28.7%	38.4%
Vehicle Service Hours	12,013	11,924	10,951	11,473	12,674	14,823
<i>% Change from Previous Year</i>	0.0%	-3.6%	0.7%	4.8%	10.5%	17.0%
Vehicle Service Miles	321,322	314,493	273,108	207,467	309,935	388,840
<i>% Change from Previous Year</i>	4.2%	-10.6%	0.4%	-24.0%	49.4%	25.5%
Operating Costs ⁽¹⁾	\$1,069,828	\$1,187,855	\$1,054,940	\$1,089,454	\$1,215,615	\$1,419,236
<i>% Change from Previous Year</i>	-3.4%	15.2%	-6.0%	3.3%	11.6%	16.8%
Full-Time Equivalent Employees (FTE)	15	22	15	17	17	17
<i>% Change from Previous Year</i>	-8.3%	4.5%	0.0%	13.3%	0.0%	0.0%
Farebox Revenues ^{(1) (2)}	\$111,145	\$122,314	\$130,192	\$10,009	\$19,571	\$60,681
<i>% Change from Previous Year</i>	-12.1%	9.4%	-8.6%	-92.3%	95.5%	0.0%
Other Qualifying Revenue ⁽³⁾	--	--	--	\$65,592	\$530,922	\$572,829
	--	--	--	--	709.4%	7.9%
Operating Cost per One-Way Passenger-Trip	\$27.30	\$30.62	\$31.07	\$68.51	\$59.41	\$50.11
<i>% Change from Previous Year</i>	-19.3%	25.8%	-1.2%	120.5%	-13.3%	-15.7%
Operating Cost per Vehicle Service Hour	\$89.06	\$99.62	\$96.33	\$94.96	\$95.91	\$95.75
<i>% Change from Previous Year</i>	-9.3%	19.6%	-6.7%	-1.4%	1.0%	-0.2%
Passengers per Vehicle Service Hour	3.26	3.25	3.10	1.39	1.61	1.91
<i>% Change from Previous Year</i>	12.4%	-5.0%	-5.5%	-55.3%	16.5%	18.4%
Passengers per Vehicle Service Mile	0.122	0.123	0.124	0.077	0.066	0.073
<i>% Change from Previous Year</i>	0.1%	2.4%	-5.2%	-38.3%	-13.9%	10.3%
Vehicle Service Hours per FTE	800.87	542.00	730.07	674.88	745.53	871.94
<i>% Change from Previous Year</i>	0.9%	-7.8%	0.7%	-7.6%	10.5%	17.0%
Farebox Recovery Ratio (including qualifying revenue)	10.39%	10.30%	12.34%	6.94%	45.29%	44.64%
<i>% Change from Previous Year</i>	11.4%	10.4%	-0.2%	-43.8%	552.6%	-1.4%
Total Nonoperating Revenue ⁽⁴⁾	--	--	--	\$2,292,228	\$1,272,809	\$1,559,548
	--	--	--	--	-44.5%	22.5%

Note: Previous audit period data obtained from prior performance audit.

Note 1: Excludes route extensions. Applicable to FY 2017-18.

Note 2: Includes local support for the prior audit period.

Note 3: Includes LCTOP and advertising revenue for FY 2020-21. Includes LCTOP funds, advertising revenue, and federal operating funds for FY 2021-22, 2022-23 (5311, 5311-CARES ACT, 5311-CRRSAA) per AB 149 for the purposes of calculating farebox recovery ratio.

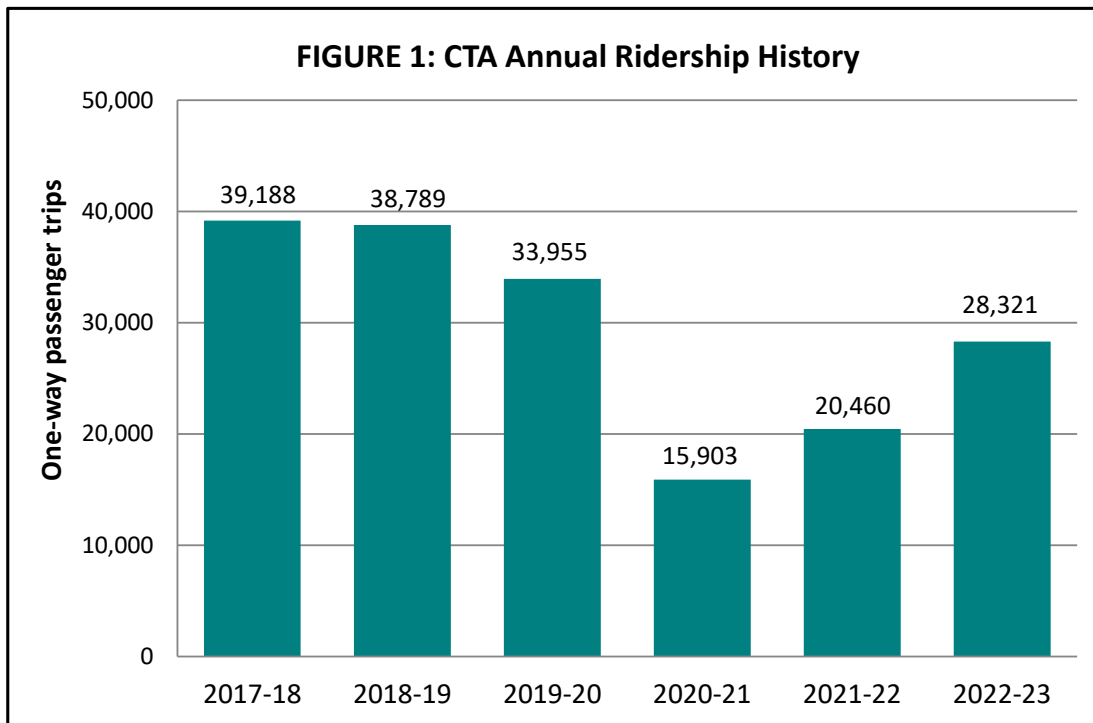
Note 4: Includes all federal, state, and local operating revenue excluding farebox revenue.

TABLE 2: Calaveras Transit Agency Fixed Route Services Performance Measures

Performance Measures	Fixed Routes ⁽¹⁾		
	2020-21	2021-22	2022-23
One-Way Passenger-Trips	8,532	14,776	22,614
<i>% Change from Previous Year</i>	--	73.2%	53.0%
Vehicle Service Hours	5,993	8,147	10,114
<i>% Change from Previous Year</i>	--	35.9%	24.1%
Vehicle Service Miles	108,361	239,072	323,277
<i>% Change from Previous Year</i>	--	120.6%	35.2%
Operating Costs	\$542,747	\$743,115	\$1,074,141
<i>% Change from Previous Year</i>	--	36.9%	44.5%
Farebox Revenues	\$0	\$14,723	\$47,425
<i>% Change from Previous Year</i>	--	--	222.1%
Operating Cost per One-Way Passenger-Trip	\$63.61	\$50.29	\$47.50
<i>% Change from Previous Year</i>	--	-20.9%	-5.6%
Operating Cost per Vehicle Service Hour	\$90.56	\$91.21	\$106.20
<i>% Change from Previous Year</i>	--	0.7%	16.4%
Passengers per Vehicle Service Hour	1.42	1.81	2.24
<i>% Change from Previous Year</i>	--	27.4%	23.3%
Passengers per Vehicle Service Mile	0.08	0.06	0.07
<i>% Change from Previous Year</i>	--	-21.5%	13.2%
Farebox Recovery Ratio	0.00%	1.98%	4.42%
<i>% Change from Previous Year</i>	--	--	122.8%
Note 1: Includes Red Line, Saturday Hopper, Columbia College Shuttle.			

TABLE 3: Calaveras Transit Agency Demand Response Services Performance Measures

Performance Measures	Dial-A-Ride and Special Services		
	2020-21	2021-22	2022-23
One-Way Passenger-Trips - Dial-A-Ride	5,113	5,343	5,248
<i>% Change from Previous Year</i>	--	4.5%	-1.8%
One-Way Passenger-Trips - Special Services	2,258	341	459
<i>% Change from Previous Year</i>	--	-84.9%	34.6%
Vehicle Service Hours	5,480	4,528	4,709
<i>% Change from Previous Year</i>	--	-17.4%	4.0%
Vehicle Service Miles	99,106	70,307	65,563
<i>% Change from Previous Year</i>	--	-29.1%	-6.7%
Operating Costs	\$582,079	\$400,139	\$500,154
<i>% Change from Previous Year</i>	--	-31.3%	25.0%
Farebox Revenues	\$0	\$4,848	\$11,960
<i>% Change from Previous Year</i>	--	--	0.0%
Operating Cost per One-Way Passenger Trip	\$78.97	\$70.40	\$87.64
<i>% Change from Previous Year</i>	184.6%	-10.9%	24.5%
Operating Cost per Vehicle Service Hour	\$106.22	\$88.37	\$106.21
<i>% Change from Previous Year</i>	--	-16.8%	20.2%
Passengers per Vehicle Service Hour	1.35	1.26	1.21
<i>% Change from Previous Year</i>	--	-6.7%	-3.5%
Passengers per Vehicle Service Mile	0.07	0.08	0.09
<i>% Change from Previous Year</i>	--	8.7%	7.7%
Farebox Recovery Ratio	0.00%	1.21%	2.39%
<i>% Change from Previous Year</i>	--	--	97.4%
Note 1: All performance measures are DAR and Special Services combined except for passenger trips.			



Operating Cost data (Tables 1-3) for CTA services systemwide was obtained from fiscal and compliance audits. Per TDA, operating costs include the annual cost of running a transit operation exclusive of depreciation, capital expenditures, vehicle lease costs, and direct costs of providing charter service. Extension of service can be excluded per Section 6633.8, as well as a variety of other costs, when calculating farebox ratio per AB 149.

Systemwide operating costs increased by 30.3 percent between FY 2020-21 and FY 2022-23. Combined fixed-route operating costs nearly doubled during the audit period, mainly due to a significant increase in service. Operating costs for DAR services decreased by 14.1 percent during the audit period, corresponding to a decrease in vehicle service hours and miles. The swings in operating costs for fixed-route and DAR services reflect the significant service changes implemented post-COVID.

The significant increase in overall operating costs can mainly be attributed to an increase in service levels during this audit period. Other compounding factors include a rise in fuel costs.

Vehicle Service Hour data (Tables 1-3) was obtained from CTA internal performance summary reports. Appendix B of the *Performance Audit Guidebook* defines vehicle service hours as the time during which a revenue vehicle is available to carry fare-paying passengers. In other words, the time between the first and last scheduled stop (for fixed routes) and the time between the first scheduled passenger pickup and the last passenger drop off (for DAR). Vehicle service hours were recorded and reported in accordance with TDA *Performance Audit Guidebook* definitions; however, deadhead hours are not recorded for all but two months of the audit period. A recommendation has been made by the auditor to record deadhead hours.

As shown in Table 1, over the three-year audit period, CTA systemwide service hours increased by 29.2 percent during the audit period. Over the past six years, vehicle hours have increased by 23.4 percent. As

seen in Tables 2 and 3, this increase in hours can be attributed to a significant increase in fixed route service due to reinstatement of service post-COVID (despite a reduction in DAR and Specialized services during the same timeframe).

Vehicle Service Mile data is shown in Tables 1-3. Vehicle service miles are defined in Appendix B of the *Performance Audit Guidebook* as the miles travelled during vehicle service hours. CTA records and reports vehicle service miles to the State Controller in accordance with the TDA definition although deadhead miles are not recorded. A recommendation has been made by the auditor to record deadhead miles.

As shown in Table 1, during this audit period, systemwide annual vehicle service miles increased by 87.4 percent. This is due to a 198.3 percent increase in fixed route vehicle service miles. DAR vehicle service miles decreased by 33.8 percent.

The **Full-Time Equivalent (FTE) Employee** data (Table 1) was obtained from the State Controller Reports. Appendix B of the *Performance Audit Guidebook* defines full-time equivalent employee hours as dividing the number of person-hours worked by transit related employees by 2,000. As CCOG staff serve as CTA staff through a contract for staff services, the agency employs a timesheet tracking tool in an effort to accurately track hours spent on transit verses other functions. Reports are then sent to the County Auditor to complete the State Controller Reports. CTA and the contractor calculate FTE Employees by dividing the number of person-hours worked by transit-related employees by 2,080. FTE numbers stayed consistent during the audit period at 17.

Fare Revenue data (Tables 1-3) was obtained from fiscal and compliance audits. It should be noted that PUC Section 99205.7 states that fare revenues are defined as revenue object classes 401, 402, and 403, as specified in Section 630.12 of Title 49 of the Code of Federal Regulations:

- Object class 401 revenues include full adult, senior, student, child, handicapped, Park-and-Ride lot revenues (must be operated by transit operator), special and reduced fares collected from passengers.
- Object class 402 revenues include guaranteed revenues collected from an organization rather than a rider for rides given along special routes.
- Object class 403 revenues include revenues collected from schools for providing service to children to and from school.

Fare revenue also includes the amount of revenue received by an entity under contract for transit services not yet transferred to the claimant. Additionally, the definition of fare revenues includes fares collected (1) for a specified group of employees, members, or clients, or (2) to guarantee a minimum revenue on a line operated especially for the benefit of the paying entity (e.g., an employer, shopping center, university, etc.), or (3) cash donations made by individual passengers in lieu of a prescribed fare.

Fare revenue differs from and does not include local support or local funds, which have been recently redefined as any nonstate grants or other revenues generated by, or distributed to, the operator, per AB 149. Local funds can be used to supplement fare revenues for farebox ratio calculation purposes if fare revenues alone are not sufficient. Charter revenue cannot be included in the fare revenue category. CTA has a practice of not offering charter services to avoid violating federal regulations and due to staffing constraints.

It should be noted that Low Carbon Transit Operations Program (LCTOP) funds acquired for the purpose of having fare-free transit service can be categorized as fare revenue for the purpose of calculating fare recovery ratios, calculated as the current full retail value of the fare. In Table 1, LCTOP funds are included with other qualifying revenue sources.

CTA provided free fares across all services during FY 2020-21 and for the first half of FY 2021-22. LCTOP funds and other local funding sources were used in place of farebox revenues to create revenue during this time. Beginning in January 2022, fares were again collected onboard buses and shown as farebox revenue in Table 1.

CALCULATION AND EVALUATION OF PERFORMANCE INDICATORS

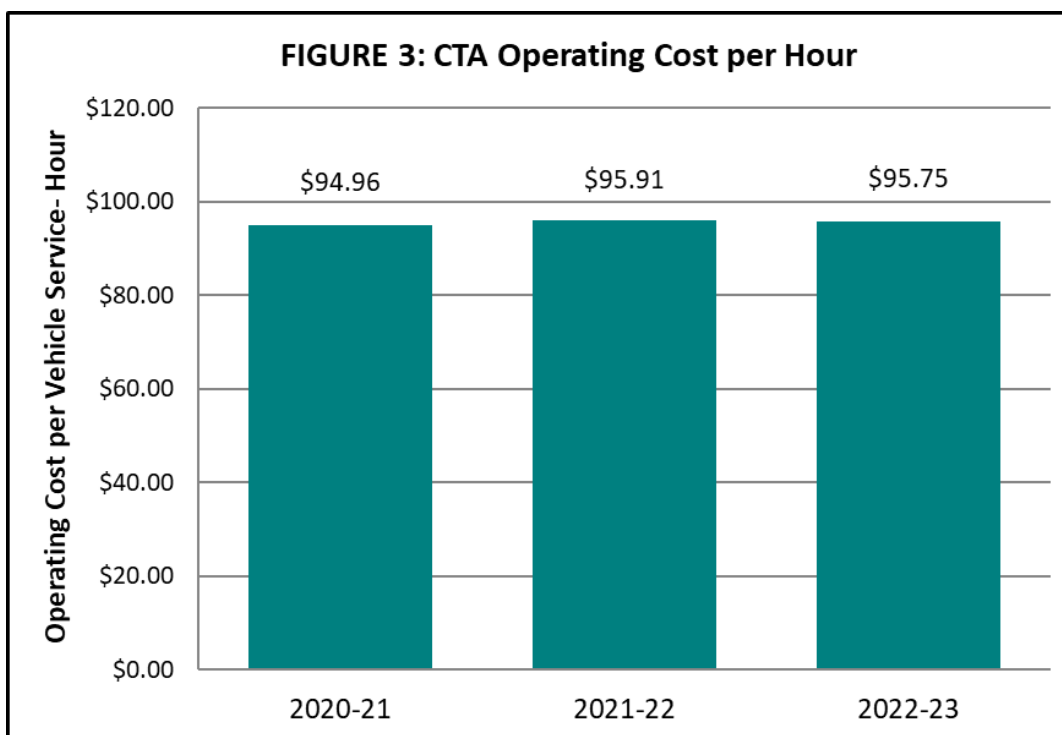
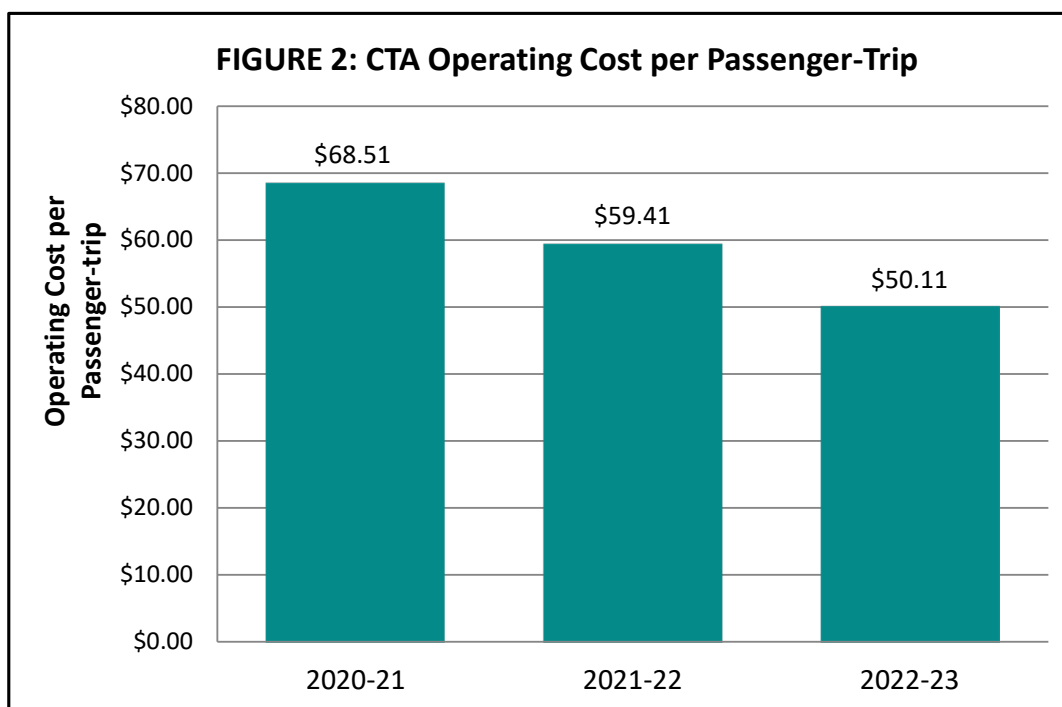
Performance indicators are frequently used to quantify and review the efficiency and effectiveness of a transit operator's activities. Such indicators can provide insight into current operations as well as the operator's performance over a period of time. Using the data described above, the following performance indicators are calculated as required in Section 99246(d) of the Public Utilities Code:

- Operating Cost per Passenger
- Operating Cost per Vehicle Service Hour
- Passengers per Vehicle Service Hour
- Passengers per Vehicle Service Mile
- Vehicle Revenue Hours per Employee

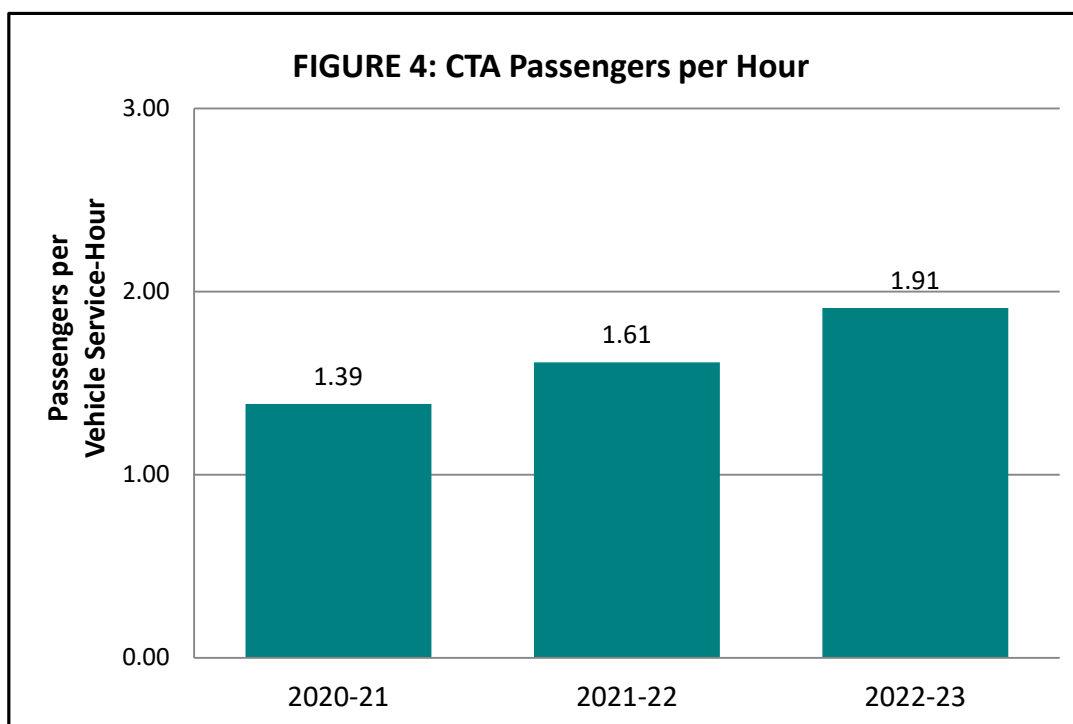
In addition, the Farebox Recovery Ratio is calculated and evaluated herein, as required in Section 99268 et seq. of the Public Utilities Code. Lastly, on-time performance is discussed as this performance metric is included in the contract with the transit operator.

The **Operating Cost per (One-way) Passenger-Trip** data is presented in Tables 1-3 and Figure 2. This performance measure is a key indicator of a transit system's cost effectiveness. Systemwide operating cost per trip decreased by 26.8 percent over the audit period (from \$68.51 in FY 2020-21 to \$50.11 in FY 2022-23). Much of this is due to the significant increase in ridership. Over the six-year period, operating cost per trip increased by 83.6 percent. The fixed-route operating cost per trip decreased by 25.3 percent (from \$63.61 in FY 2020-21 to \$47.50 in FY 2022-23) while the DAR operating cost per trip increased by 11 percent from \$78.97 in FY 2020-21 to \$87.64 in FY 2022-23. Demand-response services, such as DAR services, are the least cost-effective type of service; thus, it is reasonable that the operating cost per trip was higher for DAR. The significant reduction in Special Service passenger trips and the subsequent inclusion of these numbers in the DAR figures undoubtedly contributed to this increase.

The **Operating Cost per Vehicle Service Hour** data is presented in Tables 1-3 and Figure 3. This performance measure is a key indicator of a transit system's cost efficiency. Systemwide operating cost per vehicle service hour increased by 0.8 percent during the audit period from \$94.96 in FY 2020-21 to \$95.75 in FY 2022-23. Over a six-year period, this represents a 7.5 percent increase in operating cost per hour from FY 2017-18. Operating cost per hour on the combined fixed-route services was \$90.56 in FY 2020-21, increasing to \$106.20 in FY 2022-23. DAR operating cost per vehicle hour was strikingly similar at \$106.22 in FY 2020-21 and \$106.21 in FY 2022-23.



The **Passengers per Vehicle Service Hour** (commonly referred to as “productivity”) data is presented in Tables 1-3 and Figure 4. Systemwide productivity over the audit period increased from 1.39 to 1.91 passenger trips per service hour (a 37.8 percent increase over the audit period). Although productivity in FY 2022-23 is still far below the six-year high of 3.26 passenger trips per service hour (in FY 2017-18), this audit period showed improvement.



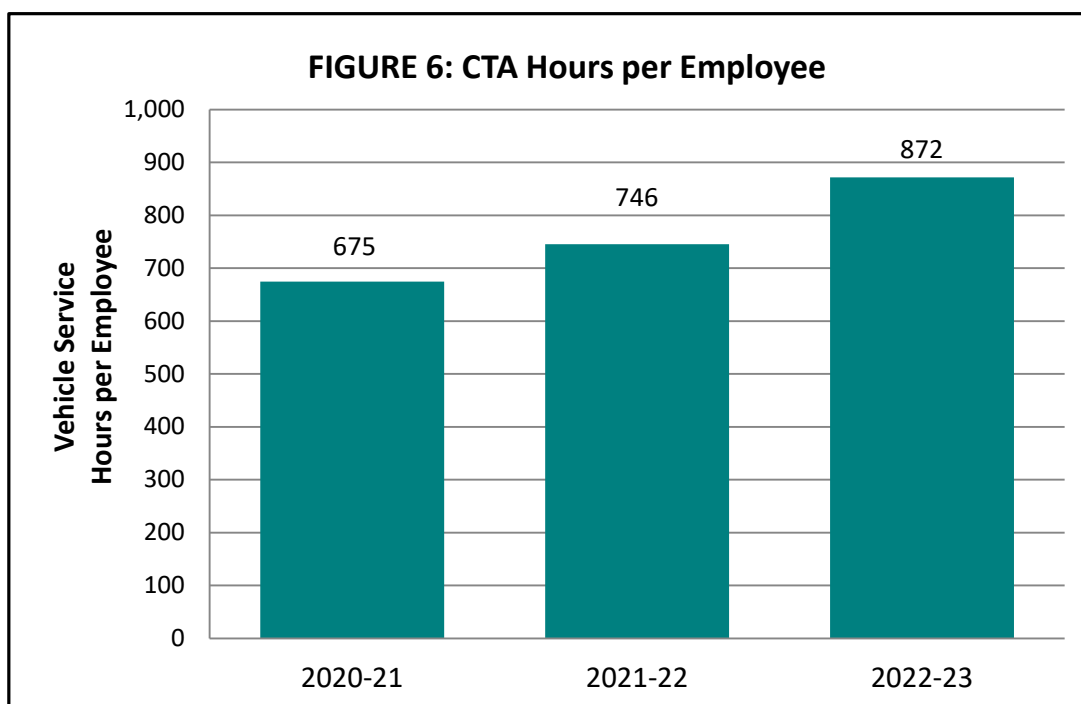
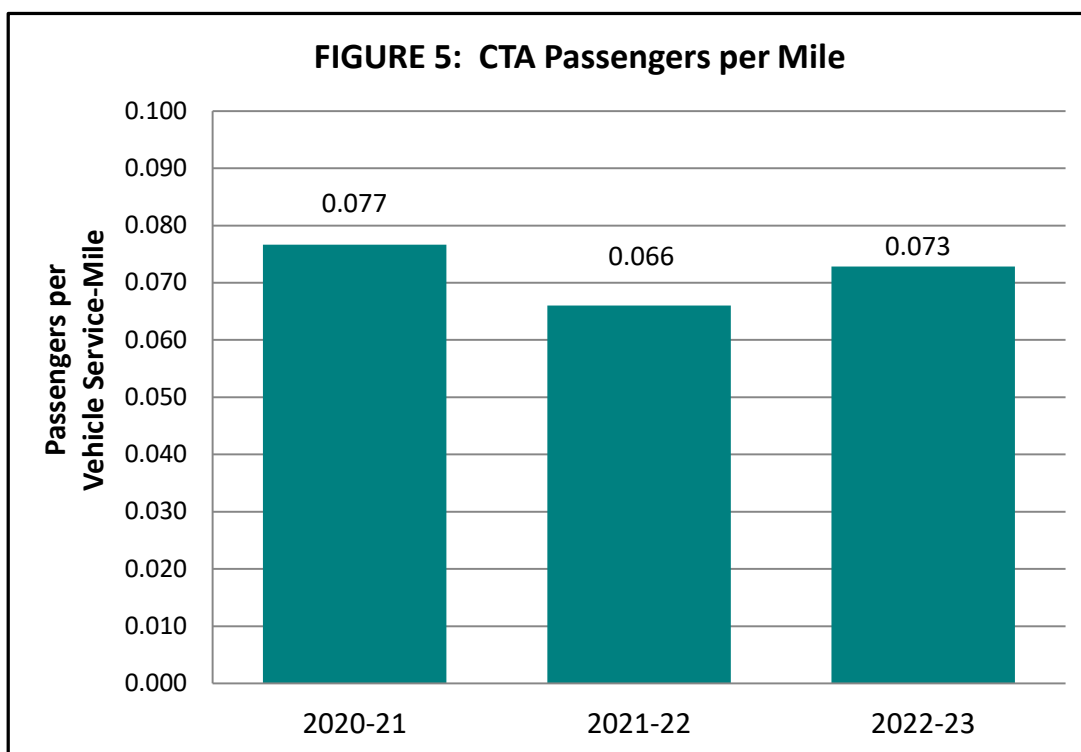
Looking at productivity by type of service (Tables 2 and 3), fixed-route passenger trips per vehicle service hour increased over this audit period (from 1.42 to 2.24 trips per hour) yet remains well below the standard of 6-7 passenger trips per vehicle service hour for rural transit operations. DAR service productivity saw a decrease over the audit period (from 1.35 to 1.21 trips per hour) and remains below the 2 trips per hour standard for DAR services.

Passengers per Vehicle Service Mile data is presented in Tables 1-3 and Figure 5. This performance indicator stayed relatively constant during the audit period, decreasing from 0.077 in FY 2020-21 to 0.066 in FY 2022-23. This does, however, represent a 40-percent decrease since FY 2017-18. The passengers per service mile decreased slightly over the current audit period for the fixed routes (from 0.077 to 0.073 passengers per mile) and increased slightly for DAR (from 0.07 to 0.09 passengers per mile), resulting in DAR carrying more passengers per mile by FY 2022-23.

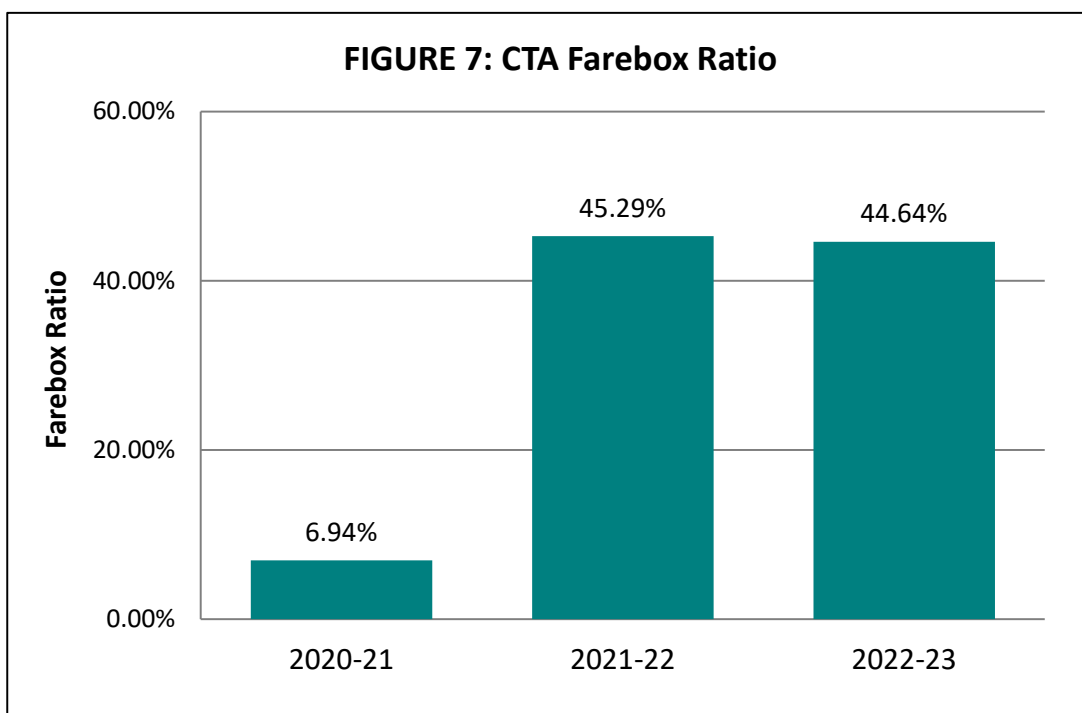
Fixed-route passengers per vehicle service mile decreased by 11.2 percent during the audit period, even as passengers per service hour increased by 57.1 percent. This is due to an increase in vehicle service miles per vehicle service hour from 18 to 32 under a new more direct routing implementation – a 77-percent increase in operating speed.

DAR passengers per mile increased at the same time that passengers per hour decreased. This is due to DAR providing 23 percent less vehicle service miles per vehicle service hour in FY 2022-23 verses FY 2020-2021.

The **Vehicle Service Hours per Full-Time Equivalent (FTE) Employee** data is presented in Table 1 and Figure 6. As presented, the number of vehicle revenue hours per Full Time Equivalent (FTE) increased slightly during the audit period (from 674 in FY 2020-21 to 872 in FY 2022-23) as a result of more service hours.



The **Farebox Recovery Ratio** data is presented in Tables 1-3 and Figure 7. The farebox ratio represents the proportion of operating costs paid for by fare revenues. Prior to the COVID-19 pandemic, the California Transportation Development Act (TDA) required rural transit agencies (such as CTA) to have a farebox ratio of at least 10 percent (or to make up the difference using local funds). If the 10-percent farebox ratio were not attained, the difference between the amount of actual fare revenue collected and the



required amount of fare revenue needed to meet the 10-percent ratio would be assessed as a penalty. One grace year is allowed per TDA.

During the COVID-19 pandemic in FY 2019-20 and FY 2020-21, transit operators who did not meet the required minimum farebox-recovery ratio requirement could not be penalized (per Assembly Bill 90). This temporary relief was extended through FY 2022-23, per Assembly Bill 149.

Farebox-recovery ratio for the CTA system as a whole was calculated using data obtained from fiscal and compliance audits for all fiscal years. TDA law does not require a performance auditor to calculate farebox-recovery ratio and determine compliance with TDA farebox-ratio minimums, as this is the role of the Fiscal and Compliance Auditor. However, as farebox ratio has historically determined TDA funding eligibility, it is worthwhile to review this performance indicator.

Since the beginning of FY 2021-22, local funds, allowable per TDA to supplement fare revenue to meet the 10-percent requirement, are defined in Assembly Bill (AB) 149 passed in July 2021 as, “any nonstate grant funds or other revenues generated by, earned by, or distributed to an operator.” Examples include advertising revenue, lease revenue, or funds provided by a local agency. Note that federal grant funds can now be classified as local funds. For FY 2021-22 and FY 2022-23, therefore, federal grant funds allocated for operating expenditures, such as 5311, 5311-CARES ACT, and 5311-CRRSSA, are included in the calculation of the farebox-recovery ratio along with advertising revenue.

On the expense side, operating cost increases beyond the change in the Consumer Price Index for the following categories can be excluded from farebox-ratio calculation:

- Complementary paratransit service,
- Fuel,
- Alternative fuel programs,

- Power, including electricity,
- Insurance premiums and payments,
- State and federal mandates, and
- Startup costs for new services for a period of not more than two years.

Beginning in FY 2021-22, operating cost increases for additional categories can also be excluded per AB 149 such as costs and revenue vehicle hours required to operate demand-response and microtransit services that expand access to transit service beyond fixed-route corridors, costs of funding or improving payment and ticketing systems and services, costs of security services and public safety contracts, any expense greater than the actuarially determined contribution associated with pensions and other post-employment benefits as required by Government Accounting Standards, costs of planning improvements in transit operations, integration with other operators and agencies, and transitioning to zero-emission operations.

Table 1 and Figure 7 present systemwide farebox ratios including local funds. In Calaveras County, local funds include advertising revenue and LCTOP funds, with the addition of FTA 5311, CARES Act, CRRSAA for FY 2021-22 and FY 2022-23. Farebox ratio is only calculated at the systemwide level.

As shown, CTA did not meet the 10 percent minimum requirement for FY 2020-21 and far exceeded the minimum TDA farebox-ratio requirements for FY 2021-22 and FY 2022-23, bolstered by the inclusion of federal grant funds as local support per AB 149. CTA will not be penalized, however, for FY 2020-21.

The importance of relying on farebox-recovery ratio as an indicator of performance has decreased as unprecedented service interruptions and changes in calculation requirements have occurred during the audit period. CTA staff, however, continue to evaluate route efficiency and have made significant changes to services to increase efficiency and ridership. CTA implemented fare-free services within the first half of the audit period as part of CTA's immediate response to COVID to offer essential trip service, and LCTOP funds have been utilized to produce fare revenue for the purpose of calculating farebox ratio.

The transit operator is required to meet a 95-percent on-time performance standard per the current contract. For fixed-route service, "on-time" is defined as the bus not departing a stop early and departing no more than 5 minutes and 59 seconds past the scheduled time. For DAR, "on-time" is defined as picking up a passenger within a window of 15 minutes before to 15 minutes after the scheduled pick-up time. During the audit period, the transit operator failed to meet the 95-percent on-time performance standard for three months with percentages ranging from 86 percent to 93 percent; however, this was attributed to a combination of roadwork, accidents of others, and weather. Therefore, CTA staff considered this performance metric met and no contract penalties based on on-time performance were levied.

OVERALL PERFORMANCE

In recent years, the US has been experiencing an overall downward trend in public transit ridership for a variety of reasons including decreasing gas prices and low cost of auto ownership. CTA ridership followed this trend during the previous audit period with a 13.4 percent decrease from FY 2017-18 to FY 2019-20, being magnified by the start of the COVID-19 pandemic. Although ridership has not fully rebounded to FY 2017-18 levels, the auditor finds the 78.1 percent increase in ridership between FY 2020-21 and FY 2022-23 to be a very positive trend for Calaveras Connect as a system. Systemwide operating costs did

increase more than 15 percent between FY 2021-22 and FY 2022-23; however, this increase can be substantiated as this is mainly due to a significant increase in service levels systemwide as service was reinstated post-COVID. Productivity is higher on the combined fixed routes than DAR, carrying over two passengers per hour compared to about one on DAR.

ASSESSMENT OF INTERNAL CONTROLS

To ensure that the information gathered as part of this audit is dependable and valid, a review of internal controls is necessary. A transit operator's internal controls are intended to do the following:

- Provide reasonable assurance that program goals and objectives are met.
- Ensure that resources are adequately safeguarded and efficiently used.
- Ensure that reliable data are obtained, maintained, and fairly disclosed in reports.
- Ensure that the transit operator complies with laws and regulations.

CTA appears to have a reasonably well-developed system of internal controls appropriate to the size of the transit system. This statement is echoed in interviews with CTA and contractor staff.

REVIEW OF COMPLIANCE REQUIREMENTS

As an entity receiving TDA funds for transit purposes, CTA is required to comply with laws and statutes set forth in the Act. Below is a discussion of CTA's compliance with sections of the Public Utilities Code which relate to transit performance, as recommended in the *Performance Audit Guidebook*. Table 4 displays the results of the compliance analysis:

1. According to Public Utilities Code Section 99243, CTA must submit annual reports to CCOG, based on the Uniform System of Accounts and Records established by the State Controller. These reports must be filed with CCOG and the State Controller seven months after the end of the fiscal year. The County Auditor prepares and submits the annual audit reports for CTA upon approval from the Executive Director. During this audit period, CTA submitted reports on time for FY 2021-22 and one to three days late for FY 2020-21 and FY 2022-23. Therefore, CTA is not in compliance with PUC 99243.
2. Regarding Public Utilities Code Section 99245, CTA must submit annual Fiscal and Compliance Audits to CCOG and the State Controller within 180 days of the end of the fiscal year or file and receive a 90-day extension. For this audit period, Fiscal and Compliance Audits were completed on time for all fiscal years, with an extension being filed for FY 2020-21 and FY 2022-23 and the subsequent deadline being met. Therefore, CTA is in compliance with PUC 99245.
3. In accordance with Public Utilities Code Section 99251, CTA has submitted evidence that the California Highway Patrol (CHP) has certified compliance with Vehicle Code Section 1808.1 within the 13 months prior to each TDA claim submitted. The Paratransit Services Terminal received a "Satisfactory" carrier rating for each of the three years.
4. In accordance with Public Utilities Code Section 99261, CTA's claims for TDA funds are submitted in compliance with rules and regulations adopted by CCOG for such claims. As CCOG and CTA share the same staff, the TDA claims process is relatively simple and goes smoothly.

TABLE 4: Transit Operator Compliance Requirements - Calaveras Transit Agency

Requirement		PUC Reference	In Compliance?		Notes
			Yes	No	
(1)	The transit operator submitted annual reports to the RTPA based upon the Uniform System of Accounts and Records established by the State Controller within the specified time period.	99243		X	FY 2020-21 - 2/3/22 FY 2021-22 - 1/27/23 FY 2022-23 - 2/1/24
(2)	The operator has submitted annual fiscal and compliance audits to its RTPE and to the State Controller within 180 days following the end of the fiscal year, or has received the 90-day extension allowed by law.	99245	X		FY 2020-21 - 2/14/22 FY 2021-22 - 12/1/22 FY 2022-23 - 1/18/24
(3)	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 CHP inspection of the operator's terminal.	99251 b	X		
(4)	The operator's claim for TDA funds is submitted in compliance with rules and regulations adopted by the RTPA for such claims.	99261	X		
(5)	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.	99270.1	NA		
(6)	The operator's operating budget has not increased by more than 15 percent over the preceding year, nor is there a substantial increase or decrease in the scope of operations or capital budget provisions for major new fixed facilities.	99266	X		Increases in operating cost have been substantiated by significant service changes
(7)	The operator's definitions of performance measures are consistent with Public Utilities Code Section 99247.	99247		X	CTA uses 2080 hours per year to calculate FTEs
(8)	If the operator serves an urbanized area, it has maintained a ratio of fare revenue to operating cost 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 maintain a ratio of at least three-twentieths (15 percent).	99268.2, 99268.3, and 99268.1	NA		
(9)	If the operator serves a rural area, it has maintained a ratio of fare revenues to operating costs at least equal to one-tenth (10 percent).	99268.2, 99268.4, and 99268.5	X		
(10)	The current cost of operator's retirement system is 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 for 40 years.	99271	X		
(11)	If the operator receives state transit assistance funds, the operator makes full use of funds if available to it under the Urban Mass Transportation Act of 1964 before TDA claims are granted.	California Code of Regulations, Section 6754 (a) (3)	X		
Note 1: Per Assembly Bill 90 (2020), any penalty on transit operators for non-compliance of farebox recovery ratio requirements is prohibited in FY 2020-21 and FY 2021-22. AB 149 (2021) extended this relief through FY 2022-23.					

5. There are no urbanized areas in Calaveras County as designated by the US Census. Therefore, PUC 99270.1 does not apply to CTA services.
6. Public Utilities Code Section 99266 requires that CTA's operating budget not increase by more than 15 percent over the preceding year and no substantial increase or decrease in the scope of operations or capital budget provisions for major new fixed facilities be realized unless the operator has reasonably supported and substantiated the change(s). See Table 1 for actual operating costs for FY 2020-21 to FY 2022-23. During the audit period, annual operating costs for CTA services exceeded the 15-percent threshold over the preceding year in FY 2022-23; however, significant service changes can be substantiated. In January 2022, new services were instituted, including increased frequency of the Red Line and extension of the route to serve Arnold and the implementation of the Columbia College Shuttle, appropriately reflecting ridership demand. The cost to operate these new services is reflected in FY 2022-23 operating costs.
7. CTA's definition of performance measures is consistent with Public Utilities Code Section 99247, with the exception of Full-time Equivalent (FTE) Employee calculations. CTA and the transit operator calculate FTEs by dividing the total annual hours worked per employee by 2080 hours instead of 2000. The auditor has included a recommendation to address this inconsistency.
8. As the CTA service area is located within a rural area, CTA is not subject to a 20-percent farebox ratio requirement.
9. CTA met the minimum 10-percent farebox ratio requirement for rural transit services for the final two fiscal years of the audit period. CTA did not meet the minimum farebox-recovery ratio for FY 2020-21, but will not be penalized.
10. In reference to PUC Section 99271, CCOG offers a retirement plan to its employees through the California Public Employees Retirement System (PERS). As the staff that serve CTA are CCOG employees, they are covered by PERS. As of June 2018, reports show that the CalPERS responsibilities were only around 70 percent funded. CalPERS is taking steps to increase the funded status, such as shortening the amortization period and adopting new strategic asset allocation. Additionally, as referenced above, GASB 68 and 75 now require that employers show the pension and OPEB liabilities on their balance sheets instead of in the footnotes. This is a way of forcing employers (including cities, counties, and joint powers authorities) to recognize their share of the state's unfunded liability in hopes that the employers take more interest in having these liabilities paid off.

Despite the changes to the balance sheets, actuarial valuations performed by CalPERS assume that the amortization period for the unfunded liability for CalPERS is 30 years or less. Therefore, the retirement system will be funded within 40 years, per PUC 99271.
11. In accordance with California Code of Regulations Section 6754(a)(3), CTA makes full use of funds available to it under the Urban Mass Transportation Act of 1964 and its successors (in particular, FTA Section 5311 Non-Urbanized Area Formula Program funds) before TDA claims are granted. During the audit period, CTA received funding from a variety of sources for planning and

operating expenses in addition to TDA including Federal Transit Administration and Low Carbon Transit Operations Program.

STATUS OF PRIOR AUDIT RECOMMENDATIONS

The previous audit was completed by Michael Baker International in 2021. The recommendations from that effort are enumerated below.

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

Implementation Complete: During the audit period, CCOG/CTA made significant steps towards the preparation for the transition to ZEBs by putting into the service the first fully-electric vehicle in the CTA fleet and completing the Calaveras Transit Agency Zero Emissions Bus Rollout and Implementation Plan.

Recommendation 2: Include deadhead hours in the monthly summary report.

Implementation In Progress: Staff changes during the audit period and a focus on alternative agency priorities lead to this recommendation not being completed during the audit period. Each monthly summary report for this audit period includes a line item for deadhead hours/miles and deadhead hours were reported for two months during FY 2020-21. This audit provides another recommendation to further encourage inclusion of deadhead data in the monthly reports.

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

Implementation Complete: Staff changes during the audit period and a focus on alternative agency priorities lead to this recommendation not being completed during the audit period. Discussion during the on-site interview revealed, however, that customer complaints have been included in monthly reports since January 2024.

DETAILED REVIEW OF TRANSIT OPERATOR FUNCTIONS

This section presents a review of the various functions of CTA. In general, transit operator functions can be divided into the following areas:

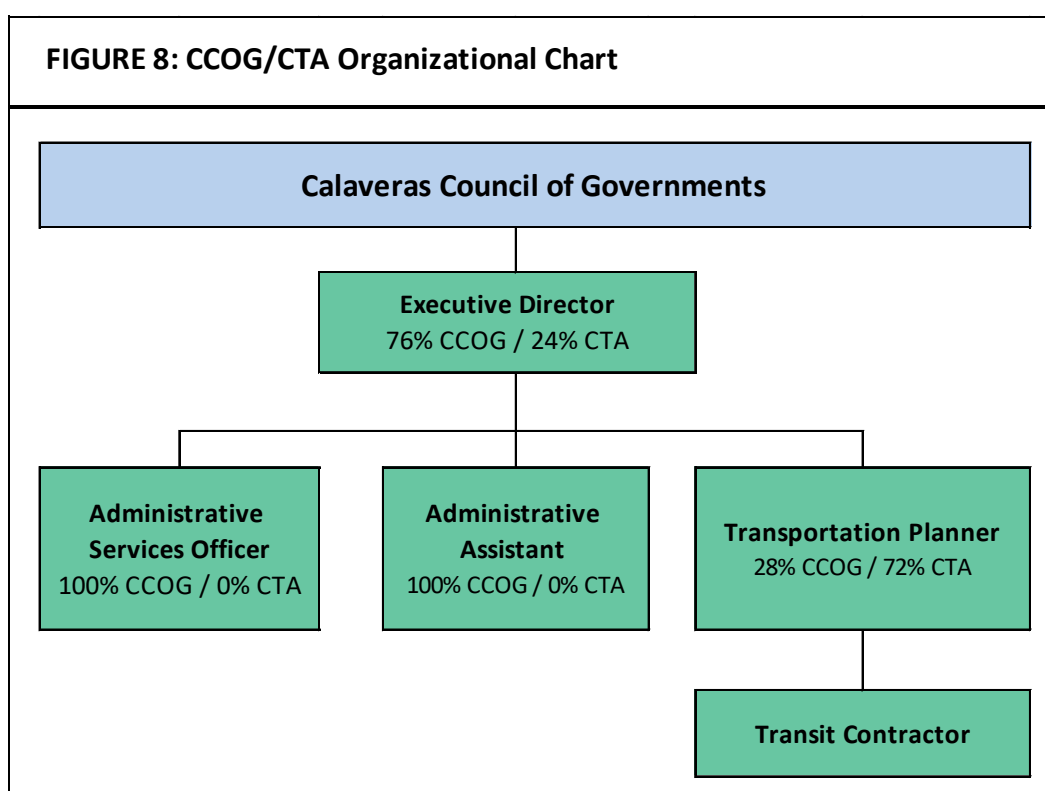
- General Management and Organization
- Service Planning
- Scheduling, Dispatch, and Operations
- Personnel Management and Training
- Administration
- Marketing and Public Information
- Maintenance

General Management and Organization

CTA is a Joint Powers Agreement (JPA) between the County of Calaveras and the City of Angels Camp and share the same board members and individual staff as CCOG, the latter through a contract for staff services. CTA/CCOG staff consist of an Executive Director, Administrative Services Officer, Administrative

Assistant, and Transportation Planner. As shown in the organizational chart presented as Figure 8, each staff member allocates various proportions of his/her time to RTPA or transit-related job duties. On the CTA side, the Executive Director acts as the Transit Manager and is responsible for ensuring that public transit services are run efficiently and in accordance with TDA rules and CTA goals and objectives. The Transportation Planner prepares transportation plans and studies, grants, and oversees the unmet transit needs process. CCOG staff use a time-tracking spreadsheet to track staff time spent on CTA transit duties verses CCOG functions.

The transit contractor employs 19 employees, including a General Manager, Dispatcher/Operations Assistant, Dispatcher/Trainer/Supervisor, Maintenance Manager, 8 full-time Drivers, 6 part-time on-call Drivers, and 1 part-time Bus Washer. The General Manager is responsible for administration of all operations and personnel and reports to the CTA Executive Director.



Administrative Oversight

CTA has an appropriately well-defined program of administrative oversight. It regularly receives, reviews, and acts upon performance and financial information. The Transportation Planner receives detailed operating reports monthly from the transit contractor and reviews them for accuracy before submitting monthly summary reports to the CTA Board. Performance reports are prepared by the Transportation Planner and submitted to the Board bi-annually.

As CTA contracts with CCOG for administrative staff, there is good oversight of CTA by CCOG. CTA staff meets with transit contractor staff quarterly; however, they talk weekly. Overall, CTA and its contractor

(Paratransit Services) have a well-developed set of operating standards and procedures to make the transit system effective and efficient. Given the size of the transit program, CTA's internal organization structure is appropriate. Lines of reporting are clearly defined and appropriate.

Recent Program Changes and Innovations

CTA made a number of service and programmatic changes during the current audit period to better meet passenger needs, attract choice riders, and respond to the COVID-19 pandemic:

- Regular fixed-route service resumed on the Red Line and a grocery delivery service was implemented in August 2020.
- Calaveras Connect began and completed a phased implementation of a systemwide public DAR service: Direct Connect Dial-A-Ride from late 2020 to early 2021.
- Regular fixed-route service resumed on the Saturday Hopper in July 2021.
- New service and fare policies were instituted, including the extension of the Red Line to service Arnold, the implementation of the Columbia College Shuttle, and the formal adoption of several already-operating DAR service areas in January 2022.

Communication with Other Government Agencies

The Executive Director acts as the intergovernmental liaison for CTA.

Service Planning

Strategic Planning

The effectiveness of a transit system is highly dependent upon the continued development of short- and long-range transit plans. CCOG updated the Short-Range Transit Development Plan (SRTP) for Calaveras Connect in 2021 and the Coordinated Public Transit-Human Services Transportation Plan for Calaveras County in 2020.

CCOG/CTA completed a Zero Emission Bus Rollout and Implementation Plan in early 2023 to plan for the long-term transition of the CTA vehicle fleet to zero emission, in accordance with California Air Resource Board (CARB) and Innovative Clean Transit (ICT) guidelines.

CCOG/CTA has been proactive during the audit period to update strategic planning documents for CTA and has set clear, reasonable goals and objectives in the SRTP. The long-term vision and mission of CTA is 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.

CTA staff have been proactive in looking for potential changes to public transit service that will increase ridership while meeting the needs of transit-dependent riders. This is evident in the extensive service changes during this audit period, including the implementation of Direct Connect DAR. These continued efforts by CTA align with the goals and recommendations of the 2020 Coordinated Public Transit-Human Services Transportation Plan.

CCOG/CTA staff coordinate with City/County planners regarding transit issues and new project development. During the audit period, CCOG/CTA staff worked closely with County and City staff to allocate funding to the purchase of property that will be the future home of the CTA administrative and operations facility.

Evaluation of Existing Services

Each month, the Transportation Planner receives and reviews a comprehensive report from the contractor. CTA staff calculates performance measures for each fiscal year. These reports are presented to the CTA board semi-annually. Although there is no formal evaluation process in place, CTA staff review performance metrics such as cost per mile, cost per hour, and cost per passenger. CTA staff indicated in the on-site interview that pilot programs are given at least a year before any determination of continuation is made. Any major service changes warrant a public hearing, a 30-day comment period, and Board approval.

On-board surveys were most recently conducted as part of the 2021 SRTP update.

Planning For and Serving Special Transportation Needs

All of CTA's active fleet of vehicles are wheelchair accessible. Direct Connect DAR and the deviation of the Red Line (within a three-quarter mile of the fixed route) serve as the ADA complementary paratransit service for Calaveras Connect. Discounted fares for veterans, seniors over the age of 65, students, youth (7-12 years of age), and ADA-eligible persons are part of the fare structure for both fixed-route and DAR, although all services were fare free for the first half of the audit period.

Public Participation

All CTA meetings are open to the public and are conducted in an accessible facility per the requirements of the ADA. Public meetings are held at the Board of Supervisors Chambers and a virtual attendance option is provided. Meeting agendas and minutes are accessible on the CCOG website and posted on site at the CTA offices. In addition, CTA staff are continually looking for and receiving input through the website, transit contractor, and stakeholders. The CCOG Social Services Transportation Advisory Council (SSTAC) acts as an important conduit for soliciting public input. Efforts to update strategic documents, such as the SRTP, also act periodically as ways to gather important public input.

Scheduling, Dispatch, and Operations

This functional area concerns the short-term scheduling of routes, drivers, and vehicles, the daily coordination and assurance that each customer is served, and the specific function of providing transportation service.

Assignment of Drivers to Routes

CTA drivers are appropriately certified and trained for the types of vehicles operated. All drivers can drive all routes and operate all buses. Drivers are generally assigned to routes by seniority as part of an annual bid process. Vehicles are assigned to routes based on availability; however, the General Manager tries to keep drivers assigned to the same vehicles for consistency.

Assignment of Passengers to Demand Responsive Routes

Currently, DAR scheduling is handled manually by the transit operator dispatchers. In order to schedule a ride, individuals must call the transit operator via phone. A dispatcher then manually coordinates rides and communicates with the driver via radio or text (if radio communication is unavailable). CTA has contracted with Spare for most of the audit period to perform DAR scheduling and reservations; however, the ability to directly book reservations via the app has been paused due to routing issues. The rural nature of the county has made it challenging for the software mapping system to accurately route DAR vehicles to/from pick up/drop off locations. CTA staff indicated that the software does not recognize roads that are, in fact, impassable for DAR buses. Additionally, there are many locations within the DAR service area that lack cell service, rendering the routing feature unreliable. Staff still utilize Spare to schedule and track DAR services and provide reports as needed.

CTA and transit contractor staff indicated in the on-site interview that they are actively working to make the scheduling system more efficient by working with Spare to resolve routing issues.

CTA has established an ADA eligibility certification process which complies with federal regulations and is accessible on the Calaveras Connect website. Subscription service for DAR is allowed.

Part-time and Cover Drivers

Most Paratransit Services drivers are full-time. Paratransit Services has six part-time drivers and one part-time bus washer. The Paratransit Services Employee Handbook details policies regarding benefits and time off and each employee is required to read and sign the Handbook which is recorded with the Human Resources Department.

Personnel Management and Training

Recruiting

Paratransit Services recruits through a variety of means including Indeed, the local paper, the County website, My Motherlode website, and word of mouth. Paratransit Services is willing to hire individuals without experience and provide training. New drivers must pass a probation period of 90 days after initial training is completed. There was some driver turnover during the audit period, but Paratransit Services was able to fill vacant positions and is currently able to staff all routes and services.

Motivation

Paratransit Services recognizes safe driving with annual safety bonuses for both full-time and part-time drivers that are calculated based on hours worked. Paratransit Services offers employee appreciation BBQs and an annual holiday party.

All wages were increased during the audit period. Hiring bonuses were offered in 2022 and 2023. The sick-leave policy was updated during the audit period.

Training and Safety

Both new and experienced CTA drivers are trained at the Paratransit Services operations facility in San Andreas. Paratransit Services has an established comprehensive initial driver training and all drivers receive annual training. Safety training is conducted annually and safety meetings are held at least quarterly. Performance and skills assessments are conducted annually for all positions. The General Manager conducts quarterly video assessments of drivers. If concerns emerge, the General Manager meets with the driver and corrective action is taken.

The Paratransit Services Employee Handbook details employee safety and discipline policies and procedures. The Handbook was recently updated in January 2024. All safety-sensitive employees are covered by Paratransit Services' FTA Drug and Alcohol Policy, which appears to meet all applicable state and federal requirements and was last updated in 2022. Post-accident drug and alcohol testing is conducted on-site at the CTA operations facility by a third-party mobile collection lab. Paratransit Services has adopted an Equal Opportunity Employment Policy that is included in the Employee Handbook.

Administration

Budgeting and Management Information Systems

CTA has a reasonably well-developed budget and reporting system that is appropriate to the size and scope of the transit program. The Administrative Services Officer prepares the budget and the Executive Director reviews and approves it prior to presentation to the board. The CTA Board must approve substantial changes in the budget and/or spending. During this audit period there were no substantial excesses in the budget.

CTA contracts with CCOG for staff services. CCOG contracts with an external bookkeeper to prepare paystubs, including calculation of taxes and PERS, based on timecards provided by CCOG staff. CCOG staff then use paystubs to create payroll "batches" that are reviewed and approved by Executive Director prior to submission through the County Auditor.

Financial and Grants Management

CTA staff prepares FTA and some discretionary grant applications and handles grant administrative duties, depending on the type of grant. An on-call consultant prepares some grant applications. FTA grants are typically managed by the Transportation Planner. During the audit period, CTA did not lose a grant due to negligence or improper procedure. In addition to recurring grants, CTA has been successful during the audit period in obtaining LCTOP funding, FTA 5311 and FTA 5339 grants, as well as FTA CARES Act, CRRSAA, and ARPA relief funding.

Risk Management and Insurance

The contractor maintains insurance through Clear Risk Solutions that includes liability insurance. Paratransit Services is responsible for handling any vehicle insurance claims. In terms of risk management, Paratransit Services details its Workplace Safety policy in the Employee Handbook.

In 2023, CCOG completed the Calaveras County Evacuation and Access Needs Assessment and Preparedness Plan, which indicated the availability of transit vehicles in the case of an evacuation and identified the development of a county-wide evacuation plan as a high-priority project.

Safety

Accidents/incidents are included in the monthly summary report and are broken down by type. Paratransit Services has accident-response procedures in place. Both the drivers and dispatch have post-accident checklists to guide any accident response. The General Manager and Maintenance Manager, as well as CTA staff, are notified in the event of an accident.

Paratransit Services has a company Safety Officer that conducts safety audits of the San Andreas facility every six months.

Contract Management

CTA employs a transit contractor, Paratransit Services, for the operation of both fixed-route and DAR service. The current contract with Paratransit Services was executed in 2019 and Option 1 of the contract was exercised by CTA staff to extend the contract through FY 2024-25. Both CTA and Paratransit Services staff indicated that there is a good working relationship between the two entities and that they were satisfied with the level of communication.

CTA maintains a contract with ZOOM! software services for fleet tracking and management, with Token Transit to facilitate digital fare payment, and with Spare to provide scheduling and reporting software services for DAR. CTA entered into the contract with Spare during the audit period, concurrent with the rollout of Direct Connect DAR.

Facility Management

The CTA operations and maintenance facility is located at 750 Industrial Way, San Andreas, California. The facility has two offices, a training room/driver break room, three bus bays, one wash bay, and parking for 11 buses plus personal vehicles. One level II electric bus charger was installed at the facility during the audit period, as well as a generator and automatic entrance gates. The lease on the site was extended in April 2024 until June 2027.

During the audit period, CTA purchased property in San Andreas to be the future site of the CCOG/CTA administrative and operations facility. CCOG/CTA plans to utilize SB 125 funds to complete this project.

Revenue Collection and Cash Management

On-vehicle fare collection is secure on CTA buses and procedures for fare-revenue collection are in place. All buses use a locked-vault manual farebox system. Two Paratransit Services staff members pull locked vaults off buses at the end of each week and the vaults are stored in a secure location at the facility over the weekend. Fare revenue is counted at the beginning of the following week by two staff members, one of which is the General Manager, before being deposited with CTA staff. The CTA Administrative Assistant and Administrative Services Officer then recount the deposit and the Transportation Planner reviews it

before the Executive Director signs the deposit slip. The Administrative Assistant is then responsible for the deposit to the County.

Procurement

CTA follows a purchasing policy which is compliant with FTA rules and regulations. All professional services and vehicles are procured competitively through Calact. All fiscal duties are performed by CTA staff. Although the Executive Director is empowered to make purchases of under \$10,000 without the Board's approval, CTA staff indicated that all purchases are taken to the Board for approval.

Marketing and Public Information

Public Information

The Calaveras Connect website is a good source of route and schedule information as well as providing clear avenues to provide input or contact the agency via email, phone, or in person. In addition to the website, Calaveras Connect maintains a Facebook account and regularly posts service updates or alerts. The Columbia College website includes a link to the Calaveras Connect website. During the audit period, CTA kept the public informed on service changes and COVID-19 requirements through its website and social media.

Marketing

CTA actively marketed Calaveras Connect and Direct Connect during the audit period, highlighting the sweeping service and fare changes that were implemented in addition to keeping the public aware of required COVID-19-related changes. CTA marketed the services through email blasts, print ads in local newspapers, Facebook, My Motherlode, and on the CTA website. CTA recently developed a printed Rider's Guide that has been distributed throughout the County to wineries, hotels, and local service agencies.

CTA took its new electric transit bus to the county fair in 2023 to market Calaveras Connect and promote the new bus.

Passenger complaints and compliments are received either directly by the CTA Transportation Planner through the website comment form or by Paratransit Services staff via phone. Any comments received by the contractor are addressed and reported to CTA in the monthly report. CTA's Title VI Program is well defined and the document is available to the public on the CTA website.

Maintenance

Paratransit Services performs fleet maintenance at the CTA maintenance and operations facility. Paratransit Services appears to have a good preventative-maintenance schedule in place and no service disruptions occurred due to a vehicle being unavailable. All consumables are kept in stock at the San Andreas facility and parts inventory is well organized and relatively secure with security cameras in place at the facility. The majority of repairs are completed in-house, with transmission replacement, windshields, and body work being sent out.

All vehicles are parked inside the fenced lot at the facility. CHP inspections for the audit period show a satisfactory rating for CTA's terminal inspection.

Any driver who experiences a breakdown notifies the Maintenance Manager through dispatch and there appears to be good communication between mechanics and dispatchers with respect to maintenance.

Vehicle Condition

CTA has a fleet of 11 active revenue vehicles. The average age of the fleet is seven years, and the average vehicle mileage is 226,896. One vehicle was acquired during the audit period: an electric bus. The majority of CTA active-fleet vehicles are beyond their useful life. In the 2021 SRTP, CTA established a Five-Year Vehicle Procurement Plan to replace ten buses by FY 2024-25; however, the availability of new buses for purchase during the audit period has limited the ability of CTA to replace vehicles on schedule.

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CONCLUSIONS AND RECOMMENDATIONS

The Auditor's analysis of CTA indicates that, in terms of operations, the system was efficiently run and well managed during the audit period. Demand for public transit significantly decreased during the pandemic, particularly for elderly, disabled, and group-social service trips. However, CTA has made significant service changes to encourage ridership throughout Calaveras County. Overall, CTA adheres to TDA laws and regulations in an efficient and effective manner and is in compliance with TDA rules and regulations with two exceptions. CTA has a well-rounded public transit system, as it offers public transit services to both the transit-dependent and choice riders. The following notes the auditor's findings and recommendations:

FINDINGS

- Ridership increased by 78.1 percent over the course of the audit period (FY 2020-21 to FY 2022-23). This is a notable achievement, given that similar transit systems have not seen a similar trend in ridership.
- Productivity systemwide increased from 1.39 to 1.91 one-way passenger trips per vehicle service hour during the audit period. Fixed-route service productivity increased from 1.42 to 2.24 passenger trips per hour. This is below the industry standard of 6-7 passenger-trips per hour for a rural fixed-route service. DAR had only slightly lower productivity, decreasing from 1.35 to 1.21 passenger trips per hour, which is also below the industry standard of 2 passenger trips per hour.
- Systemwide operating cost per trip decreased from \$68.51 to \$50.11 during the audit period. This is on par with similar small transit agencies: Tuolumne saw an operating cost per trip of \$52 for FY 2021-22 and Plumas Transit Agency saw an operating cost per trip of \$47 for FY 2020-21, according to their most recent TPAs. The decrease in the figure for CTA over the audit period remains encouraging.
- Reliability of transit service, as measured in terms of on-time performance, met the CTA target with few substantiated exceptions.
- CTA has complied with the requirements listed in the TDA and other statutes related to performance in the *Performance Audit Guidebook* with the following exceptions:
 - On-time submittal of the State Controller Report for FY 2020-21 and FY 2022-23.
 - The definition of Full-Time Equivalent (FTE) Employees.
- Two of the prior audit recommendations are complete while one remains in progress.
- CTA implemented significant service and fare changes during the audit period.
- CTA and the contractor continue to have an effective working relationship.

RECOMMENDATIONS

The auditor has the following recommendations which relate to the TDA.

Recommendation 1: Include deadhead hours and miles in the monthly summary report.

CTA correctly reports vehicle service hours and miles to the State Controller Office; however, it is recommended that deadhead vehicle hours and miles are recorded and included in the monthly summary report. This action will provide a more complete overall picture of route efficiency and can be used in future service planning efforts. The monthly summary reports currently include a line-item for deadhead hours and miles; therefore it is a matter of including them.

Recommendation 2: Develop a standardized process to reconcile fare and boarding totals.

It is recommended that CTA work with the transit contractor to develop a standardized process to track fare-cash totals collected from fareboxes along with boarding counts. This will provide the ability to reconcile fares collected verses expected totals to ensure accuracy of the fare collection and fare reporting process.

Recommendation 3: Provide separate fixed-route and DAR operating and financial statistics.

CTA and the transit contractor should separate fixed-route and DAR operating and financial statistics in internal transit summary reports and report separate operating data to CCOG and the State Controller Office in financial transaction reports. Reporting separate fixed-route and DAR statistics is vital to providing a comprehensive and accurate picture of the cost, efficiency, and productivity of each individual type of service.

Recommendation 4: Calculate and report Employee Hours/Full-Time Equivalency to the State Controller in accordance with the definition in Appendix B of the *Performance Audit Guidebook*:

“Transportation system-related hours worked by persons employed in connection with the public transportation system (whether or not the person is employed by the operator, for example, a city accounts payable person whose time is partly charged to transit operations). Such persons include contractor staff. A Full-Time Equivalent employee count can be calculated by dividing the number of person-hours worked by 2,000.”

TDA outlines definitions for performance indicators so that all transit operators report similar data to the state controller, which is available to the public and can be used for comparison purposes. For some transit agencies, reporting employee hours can be challenging as several different departments or companies contribute to the transit program. In an effort to meet the spirit of TDA, CTA should do the following in terms of calculation of FTEs going forward:

- Total hours worked by Paratransit Services staff on CTA services.
- Continue to separate hours worked by CCOG/CTA staff on transit-related tasks and estimate the total hours worked on CTA duties.
- Divide total hours worked by CTA and Paratransit Services staff by 2,000 and include this figure in the state controller reports.

Recommendation 5: Update Calaveras Connect website to reflect current Direct Connect reservation options and rider policies.

CTA should update the Calaveras Connect website to reflect the fact that passengers cannot reserve Direct Connect rides via the Spare app and must reserve rides via phone. Providing accurate information on how to reserve a ride will alleviate potential confusion and ensure potential passengers can access DAR services.

Recommendation 6: If farebox-recovery ratio falls below the 10-percent TDA requirement, consider allowances made by AB 149 (2021).

The passage of AB 149 (2021) allows for federal grants to be included with local funds for farebox-ratio calculation purposes in the Fiscal and Compliance Audit.

“The bill, for purposes of meeting certain ratios of fare revenues to operating costs, would authorize an operator to calculate all free and reduced transit fares at their current full retail value, and to include federal grant funds as local funds for those purposes.”