



PLACER COUNTY  
TRANSPORTATION  
PLANNING AGENCY

**FY 2013-2015**

TRIENNIAL PERFORMANCE AUDIT OF  
PLACER COUNTY TRANSPORTATION PLANNING AGENCY

**September 2016**

SUBMITTED TO:



PLACER COUNTY  
TRANSPORTATION  
PLANNING AGENCY

SUBMITTED BY:

**Michael Baker**  
INTERNATIONAL

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## Executive Summary

Placer County Transportation Planning Agency (PCTPA) retained Michael Baker International to conduct the agency's Transportation Development Act (TDA) performance audit for fiscal years (FY) 2012–13 through 2014–15. PCTPA is required by Public Utilities Code (PUC) Section 99246 to prepare and submit an audit of its performance on a triennial basis to the California Department of Transportation as a condition of receiving TDA funding. TDA funds are expended for PCTPA administration and planning of public transportation, and is distributed to local jurisdictions for nonmotorized projects, operations of public transit systems, and street and road purposes.

This performance audit is intended to describe how well PCTPA is meeting its administrative and planning obligations under the TDA, as well as to present a description of its organizational management and efficiency. To gather information for the TDA performance audit, Michael Baker reviewed various documents, conducted interviews with agency staff, and evaluated PCTPA's responsibilities, functions, and performance of the TDA guidelines and regulations.

The audit comprises several sections, including compliance with TDA requirements, status of prior audit recommendations, and review of functional areas. Findings from each section are summarized below, followed by recommendations based on the audit procedures.

### Compliance with TDA Requirements

PCTPA has satisfactorily complied with all applicable state legislative mandates for regional transportation planning agencies. The PCTPA *Transportation Development Act Guidelines*, revised August 2015, clearly identifies and describes the TDA administrative process conducted by the agency, and the steps to address transit funding.

### Status of Prior Audit Recommendations

PCTPA implemented the two recommendations made in the prior performance audit relating to adopting revised farebox ratios and monitoring performance measures for the Health Express.

### Functional Review

1. PCTPA conducts its management of the TDA program in a competent and professional manner.
2. There was some staff turnover due to retirement and slight reorganization during the audit period which prompted the transition of TDA administration duties among the planning staff. A new associate planner has a TDA administrative background. Executive management of the agency has been stable for many years and has provided for solid stewardship of the agency's fiduciary responsibilities for transportation funding in the county.

3. PCTPA is in a position where the agency participates in the Metropolitan Transportation Plan/Sustainable Communities Strategy (MTP/SCS) for the SACOG region, and also develop its own Regional Transportation Plan. PCTPA conducted joint outreach with SACOG but also held its own local outreach with stakeholder organizations. The Final 2036 Regional Transportation Plan was adopted by the PCTPA board in February 2016.
4. Transit planning and oversight by PCTPA are provided through various approaches such as the Transit Operators Working Group, Short Range Transit Plans, focused transit studies for specific areas, and transit coordination with SACOG efforts.
5. PCTPA’s TDA apportionment and allocation process follows the priority process prescribed in state law. On an annual basis during this audit period, PCTPA was responsible for managing new Local Transportation Fund revenues of between \$16.6 and \$19.6 million and between \$1.4 and \$2.1 million in new State Transit Assistance funds.
6. PCTPA follows the annual TDA unmet transit needs process, which is capped by development of the comprehensive *Unmet Transit Needs Analysis & Recommendation Final Report*.

## Recommendations

Four recommendations are provided to improve PCTPA’s administration and management of the TDA and its organization.

Performance Audit Recommendation	Background
#1 Identify SSTAC member term expirations and provide notification.	In the listing of SSTAC membership, PCTPA should add a column identifying each member’s current term (start and end month and year) which should be three years as stipulated in the TDA statute. Close to the expiration of the member’s term, PCTPA should undertake a few actions including: 1) requesting whether the current member desires to serve another three-year period, and 2) should the member not want to continue, actively advertising the open position through posting the flyer at strategic public locations, word of mouth and presentations, email, and other communications means. The listing of membership terms keeps the SSTAC and PCTPA aware of those positions with upcoming term expirations, and allows time for any recruitment if necessary prior to the next SSTAC meeting. Typically, terms are staggered over three years so that not all member terms expire the same year.

Performance Audit Recommendation	Background
<p>#2. Strengthen the evaluation of transit operator trends.</p>	<p>PCTPA facilitates service and planning coordination among the county transit operators through the Transit Operators Working Group (TOWG). Dissemination and discussion of transit performance data on a regional level for different modes such as fixed route and dial-a-ride could lead to productivity improvements. While review of performance data on a collective basis is not an activity regularly undertaken at TOWG meetings, the analysis of such data helps strengthen PCTPA’s ability to comply with the TDA statute provision to annually identify, analyze, and recommend potential productivity improvements.</p> <p>Quarterly ridership data is collected from the transit systems for review by PCTPA and presented to the PCTPA board. A step in the spirit of the TDA and further meeting compliance is for PCTPA to develop performance metrics that identify productivity trends of the operators using basic operations data. The purpose of the performance review would be for technical analysis and sharing with the transit operators about operational and service trends on a more frequent basis (e.g., annually). To note, PCTPA does request a comparison of performance measures for dial-a-ride for the south Placer transit systems in the triennial performance audit. Performance measures that could be generated by PCTPA include TDA-type metrics such as operating cost per hour and per passenger, and passengers per hour and per mile. This analysis could provide additional means for PCTPA and the TOWG to facilitate discussion about transit operational trends and their broader implications on a regional level. Other performance indicators could be included if warranted.</p> <p>The performance data could initially come from existing sources such as each operator’s internal databases, annual State Controller Report, the federal National Transit Database, fiscal audits, or performance audits. Review of performance data in collaboration with transit operator staff could provide PCTPA a conduit toward formulation of a regional transit productivity improvement program (PIP) that complements short-range transit planning efforts. A regional PIP is a tool used to determine whether regional transit goals and objectives are being met as measured by each individual operator’s performance standards or policies expressed in regional documents such as the Regional Transportation Plan.</p>

Performance Audit Recommendation	Background
<p>#3. Schedule updates of Short Range Transit Plans.</p>	<p>The SRTPs for Auburn Transit, Placer County, Roseville Transit, and Western Placer Consolidated Transportation Services Agency were last prepared in late 2011. In the past year, PCTPA commissioned two related transit plan studies: the <i>Rocklin Community Transit Study</i> and the <i>Placer County Rural Transit Study</i>. Each study addresses specific issues within the service areas of the transit operators. The SRTPs, on the other hand, provide system-wide goals and objectives that are consistent with the PCTPA Regional Transportation Plan, and primary data for performance evaluation on a route-by-route basis. In general, SRTPs are updated every five years. There have been significant changes among the transit operators that could warrant an update to their respective transit plans; as an example, the former Lincoln Transit is now operated by Placer County Transit. Planning grant funding is needed for these updates. TDA is one source of potential planning funds that could be available for PCTPA to commission the transit plan updates.</p>
<p>#4. Update TDA Guidelines for inclusion of new state legislation.</p>	<p>The latest revision for the PCTPA TDA Guidelines was in August 2015, just before new state legislation affecting TDA was passed. Since then, a few changes have occurred in relation to TDA and transit operations. New legislation (SB 508) passed in October 2015 significantly modified several provisions of TDA. The legislation has several objectives, including simplifying fare recovery requirements; authorizing funding of bicycle and pedestrian safety education programs; and modifying State Transit Assistance (STA) qualifying criteria for operations. PCTPA's TDA guidelines should be updated to reflect these changes and identify the responsible party for implementing the updates, such as the fiscal auditor for the farebox recovery calculation. PCTPA should also communicate these changes to the transit systems and determine what implication, if any, the changes might have on their respective transit operations.</p> <p>SB 508 rationalizes performance metrics, for example, by applying the same operating cost exemptions to both the farebox recovery ratio and the STA qualifying criteria. In addition, this bill clarifies a few terms that should help ensure expectations are applied uniformly to the transit operators. Highlights of the bill are summarized in the last chapter of this audit. The farebox recovery ratios calculated in the next annual TDA fiscal audit should account for these changes given that operator eligibility for TDA funds is determined in large part by the audited farebox ratios. The revised STA sliding scale test that</p>

<b>Performance Audit Recommendation</b>	<b>Background</b>
	PCTPA must also apply would have certain budgeting and planning implications for those operators that use the revenue for operations.

## Section I

### Introduction – Initial Review of PCTPA Functions

Placer County Transportation Planning Agency (PCTPA) retained Michael Baker International to conduct the agency’s Transportation Development Act (TDA) performance audit covering the most recent triennial period, fiscal years (FY) 2012–13 through 2014–15. PCTPA is required by Public Utilities Code (PUC) Section 99246 to prepare and submit an audit of its performance on a triennial basis to the California Department of Transportation (Caltrans) as a condition of receiving TDA funding.

This performance audit is intended to describe how well PCTPA is meeting its administrative and planning obligations under the TDA.

#### Overview of Placer County

Placer County encompasses portions of the Sacramento Valley and the Sierra Nevada foothills and mountain range of California. The county is bordered by El Dorado County to the south, Sacramento County to the southwest, Nevada County to the north, Yuba County to the northwest, state of Nevada/Lake Tahoe to the east, and Sutter County to the west. The elevation varies from 160 feet above sea level in Roseville and Lincoln to nearly 9,000 feet at Mount Baldy-West Ridge in the Sierra Nevada. The county’s geographical land area encompasses 1,407 square miles and is traversed by more than 1,000 miles of roadway. The main east–west highway is Interstate 80 (I-80), which connects the county with the Sacramento region and the Sierra Nevada range. The major north–south highways are State Routes (SR) 49 and 65. Other state highways that traverse the county include SR 28, 89, 174 and 267. SR 28 in the Lake Tahoe Basin is located outside of the PCTPA planning area.

A demographic snapshot of key cities and the county is presented in Table I-1:

**Table I-1  
Placer County Demographics**

City/Jurisdiction	2010 US Census Population	% Change from 2000 US Census	Population 65 Years & Older % of Population	Land Area (in square miles)
Auburn	13,330	+8.3%	18.99%	7.15
Colfax	1,963	+27.7%	11.41%	1.41
Lincoln	42,819	+280.7%	23.47%	20.09
Loomis	6,430	+3.0%	12.97%	7.27
Rocklin	56,974	+56.2%	10.93%	19.55
Roseville	118,788	+48.8%	13.36%	42.21
Unincorporated Areas	108,128	+7.3%	16.49%	1,309.41

City/Jurisdiction	2010 US Census Population	% Change from 2000 US Census	Population 65 Years & Older % of Population	Land Area (in square miles)
Total Placer County	348,432	+40.3%	15.37%	1,407.09

Note: Figures for unincorporated and total county areas include the Lake Tahoe region, which lies outside of the PCTPA planning area.

Source: 2010 US Census

Population growth between the last two census counts has been rapid for several cities in south Placer County, including Lincoln, Rocklin, and Roseville. According to the 2010 US Census, the county’s population was 348,432, an increase of 40.3 percent from the 2000 Census figures. The senior citizen population, comprising residents aged 65 and over, is 15.37 percent countywide. The California Department of Finance 2016 estimate reports a countywide population of 373,796, a 7.2 increase from the 2010 census. The county seat is Auburn and the largest incorporated municipality is Roseville. Notable unincorporated communities and census-designated places in western Placer County include Alta, Applegate, Baxter, Foresthill, Granite Bay, Meadow Vista, Newcastle, North Auburn, Penryn, and Weimar. The local federally recognized Native American tribe is the United Auburn Indian Community of the Auburn Rancheria.

### Role and Structure of PCTPA

PCTPA was created by Title 7.91 of the government code commencing with Section 67910 as the transportation planning agency for Placer County excluding Lake Tahoe. PCTPA has also been designated as the Regional Transportation Planning Agency (RTPA) for Placer County excluding Lake Tahoe. PCTPA executed a memorandum of understanding and Master Fund Transfer Agreement with Caltrans on January 26, 1996, updated in 2012 and 2014, identifying the responsibilities of PCTPA as the RTPA and providing the administrative structure to implement these responsibilities.

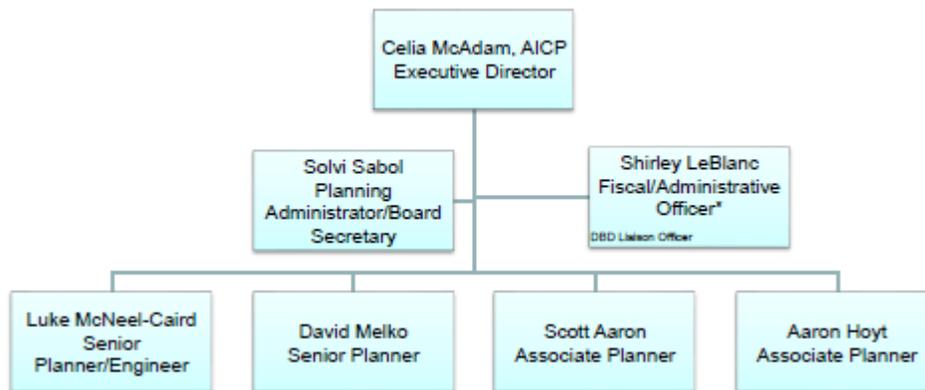
As an RTPA with an urbanized population of over 50,000, PCTPA is responsible for preparing a Regional Transportation Plan (RTP) and Regional Transportation Improvement Program (RTIP). PCTPA is also the county’s Congestion Management Agency, a statutorily designated member of the Capitol Corridor Joint Powers Authority, and the airport land use planning body and hearing board for Lincoln, Auburn, and Blue Canyon Airports. PCTPA is the designated administrator for the South Placer Regional Transportation Authority and the Western Placer Consolidated Transportation Services Agency (WPCTSA). Under an agreement with the Sacramento Area Council of Governments (SACOG), PCTPA also represents Placer jurisdictions in federal planning and programming issues. Since the PCTPA has a local Agency-State Agreement for federal aid projects, it is also eligible to administer federal projects.

It is the responsibility of PCTPA to establish rules and regulations to provide for administration and allocation of the Local Transportation Fund (LTF) and State Transit Assistance (STA) Fund in accordance with applicable sections of the Government Code, PUC, and Administrative Code included in the TDA. This includes the establishment of a Social Service Transportation Advisory

Council (SSTAC), the implementation of a citizen participation process appropriate for Placer County, annual recommendations for productivity improvements for transit operators, the performance of an annual fiscal audit of all LTF claimants, the implementation of a triennial performance audit of all LTF claimants, and the preparation of an annual unmet transit needs determination.

PCTPA staff comprises an executive director, planning administrator/board secretary, fiscal/administrative officer, senior planner/engineer, senior planner, and two associate planners. An organizational flow chart of PCTPA is shown in Figure 1.

**Figure 1**  
**PCTPA Organizational Flow Chart**



Source: PCTPA Overall Work Program

PCTPA’s offices are located at 299 Nevada Street in Auburn. Board meetings are held monthly at the County Board of Supervisors Chambers in Auburn.

## Audit Methodology

To gather information for this performance audit, Michael Baker accomplished the following activities:

- Document Review: Reviewed documents including various files and internal reports, committee agendas, and public documents.
- Interviews: Interviewed PCTPA staff and staff from the transit systems to gain their perspectives about the agency’s efficiency and economy in relation to TDA administration and transportation planning responsibilities.

- Analysis: Evaluated the documents and the interview responses as they related to PCTPA’s responsibilities, functions, and performance to TDA guidelines and regulations.

The activities described above were intended to provide Michael Baker with the information necessary to assess PCTPA’s efficiency and effectiveness in two key areas:

- Compliance with state TDA requirements
- Organizational management and efficiency

The remainder of this report is divided into four chapters. In Section II, Michael Baker provides a review of the compliance requirements of the TDA administrative process. Section III describes PCTPA’s responses to the recommendations in the previous performance audit. In Section IV, Michael Baker provides a detailed review of PCTPA’s functions, while Section V summarizes the audit findings and recommendations.

## Section II

### RTPA Compliance Requirements

Fourteen key compliance requirements are suggested in the *Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Entities*, developed by Caltrans to assess an agency’s conformance with the TDA. Findings concerning PCTPA’s compliance with state legislative requirements are summarized in Table II-1.

TABLE II-1 Compliance Requirements Matrix		
PCTPA Compliance Requirements	Reference	Compliance Efforts
All transportation operators and city or county governments which have responsibility for serving a given area, in total, claim no more than those Local Transportation Fund (LTF) monies apportioned to that area.	Public Utilities Code, Section 99231	<p>PCTPA accounts for its claimants’ areas of apportionment and has not allowed those claimants to claim more than what is apportioned for their areas.</p> <p>Tahoe Regional Planning Agency receives funds proportional to its population in Placer County.</p> <p>PCTPA uses a formula based on annual California Department of Finance population estimates to determine each local jurisdiction’s apportionments. Each year, PCTPA adopts a resolution of the apportionments and the subsequent claims.</p> <p><b>Conclusion: Complied</b></p>
The RTPA has adopted rules and regulations delineating procedures for the submission of claims for facilities provided for the exclusive use of pedestrians and bicycles.	Public Utilities Code, Sections 99233.3 and 99234	<p>At the discretion of the board, PCTPA typically allocates 2 percent of the LTF for bicycle and pedestrian facilities. PCTPA works with staff of the six cities and the County of Placer to develop a cash management plan with a five-year horizon. Allocations are made to each jurisdiction based on existing and</p>

TABLE II-1 Compliance Requirements Matrix		
PCTPA Compliance Requirements	Reference	Compliance Efforts
		<p>projected future population. Any proposed project must also be consistent with the applicable bicycle plan and the RTP.</p> <p>Using the bicycle/pedestrian claim, jurisdictions may submit claims to PCTPA that are consistent with the five-year cash management plan. Payment by PCTPA is on a reimbursement basis upon receipt of invoices and appropriate documents of project progress from the jurisdiction. If a jurisdiction does not claim its allocation of bicycle and pedestrian funds within the five-year window of the cash management plan, the funds revert to apportionment by PCTPA.</p> <p><b>Conclusion: Complied</b></p>
<p>The RTPA has established a social services transportation advisory council. The RTPAs must ensure that there is a citizen participation process which includes at least an annual public hearing.</p>	<p>Public Utilities Code, Sections 99238 and 99238.5</p>	<p>PCTPA has established a SSTAC responsible for annual participation in the identification of transit needs in the jurisdiction, including unmet transit needs. A public hearing is among the methods used by PCTPA to solicit testimony on potential unmet transit needs.</p> <p>The SSTAC advises PCTPA on transportation issues for seniors and people with disabilities, including the coordination and consolidation of specialized transportation services operating in western Placer County, and the identification of unmet transit needs. The SSTAC meets annually and</p>

TABLE II-1 Compliance Requirements Matrix		
PCTPA Compliance Requirements	Reference	Compliance Efforts
		<p>may meet more frequently on an as-needed basis.</p> <p>The SSTAC conforms to the stakeholder categories pursuant to PUC Section 99238, and includes additional members as allowed under the statute. The additional positions include local residents, representatives of the local jurisdictions and public transit systems, a representative from Caltrans and Nevada County Transportation Commission, and a specialized services operator.</p> <p><b>Conclusion: Complied</b></p>
<p>The RTPA has annually identified, analyzed, and recommended potential productivity improvements which could lower the operating costs of those operators which operate at least 50 percent of their vehicle service miles within the RTPA's jurisdiction. Recommendations include, but are not limited to, those made in the performance audit.</p> <ul style="list-style-type: none"> <li>• A committee for the purpose of providing advice on productivity improvements may be formed.</li> </ul>	<p>Public Utilities Code, Section 99244</p>	<p>PCTPA participates in a number of activities in order to review productivity improvements of the transit systems. PCTPA has commissioned several transit plan studies, including the Short Range Transit Plans for each transit system, Rocklin Community Transit Study, and Placer County Rural Transit Study. PCTPA also participates in SACOG studies that affect Placer County, including the <i>Public Transit and Human Services Transportation Coordinated Plan</i> and analysis of the transportation issues faced by seniors and people with disabilities in the six-county SACOG region. These studies provide strategic recommendations for service improvement.</p> <p>PCTPA sponsors the Transit Operators Working Group (TOWG) to regularly</p>

TABLE II-1 Compliance Requirements Matrix		
PCTPA Compliance Requirements	Reference	Compliance Efforts
<ul style="list-style-type: none"> <li>The operator has made a reasonable effort to implement improvements recommended by the RTPA, as determined by the RTPA, or else the operator has not received an allocation which exceeds its prior year allocation.</li> </ul>		<p>gather the transit operators in the western county to discuss transit operations, policy, and issues. Some performance information such as ridership is monitored on a quarterly basis by the TOWG. The TDA performance audit sponsored by PCTPA provides further means for analyzing transit productivity.</p> <p><b>Conclusion: Complied</b></p>
<p>The RTPA has ensured that all claimants to whom it allocates Transportation Development Act (TDA) funds submits to it and to the State Controller an annual certified fiscal and compliance audit within 180 days after the end of the fiscal year (December 27). The RTPA may grant an extension of up to 90 days as it deems necessary (March 26).</p>	<p>Public Utilities Code, Section 99245</p>	<p>PCTPA maintains records of all TDA claimants that submit an annual certified fiscal and compliance audit. This process includes copies of final audits being forwarded to PCTPA. The firms Gallina LLP and Richardson &amp; Company, LLP were retained to conduct the fiscal audits of the transit systems. Gallina was retained through FY 2013 and Richardson &amp; Company was retained for FYs 2014 and 2015.</p> <p>Extensions are granted by PCTPA as appropriate and allowed by the statute. Of the annual fiscal audits prepared for each of the transit systems for the three-year period, only one (City of Auburn Transit) was dated after the extension timeline in FY 2013 due in large part to the city not having a finance director. Email transmissions by the fiscal auditor to the State Controller indicate the dates of transmittal.</p> <p><b>Conclusion: Compliance</b></p>

<b>TABLE II-1 Compliance Requirements Matrix</b>		
<b>PCTPA Compliance Requirements</b>	<b>Reference</b>	<b>Compliance Efforts</b>
<p>The RTPA has designated an independent entity to conduct a performance audit of operators and itself (for the current and previous triennium). For operators, the audit was made and calculated the required performance indicators, and the audit report was transmitted to the entity that allocates the operator's TDA monies and to the RTPA within 12 months after the end of the triennium. If an operator's audit was not transmitted by the start of the second fiscal year following the last fiscal year of the triennium, TDA funds were not allocated to that operator for that or subsequent fiscal years until the audit was transmitted.</p>	<p>Public Utilities Code, Sections 99246 and 99248</p>	<p>For the current three-year period, PCTPA has retained an independent entity, Michael Baker International, to conduct the audit of PCTPA and the transit systems. The transit audits calculate the required performance indicators.</p> <p>LSC Transportation Consultants was retained to conduct the previous audits for the three fiscal years that ended June 30, 2012.</p> <p><b>Conclusion: Complied</b></p>
<p>The RTPA has submitted a copy of its performance audit to the Director of the California Department of Transportation. In addition, the RTPA has certified in writing to the Director that the performance audits of operators located in the area under its jurisdiction have been completed.</p>	<p>Public Utilities Code, Section 99246(c)</p>	<p>PCTPA submitted copies of the operator performance audits to the State Controller, and copies of the operator audits and the PCTPA performance audit to the local Caltrans District. Cover letters dated June 26, 2013, accompanied the audits with a statement that each performance audit was performed in accordance with California PUC.</p> <p><b>Conclusion: Complied</b></p>

<b>TABLE II-1 Compliance Requirements Matrix</b>		
<b>PCTPA Compliance Requirements</b>	<b>Reference</b>	<b>Compliance Efforts</b>
<p>The performance audit of the operator providing public transportation services shall include, but not be limited to, a verification of the operator's operating cost per passenger, operating cost per vehicle service hour, passengers per vehicle service mile, and vehicle service hours per employee, as defined in Section 99247. The performance audit shall include, but not be limited to, consideration of the needs and types of passengers being served and the employment of part-time drivers and the contracting with common carriers of persons operating under a franchise or license to provide services during peak hours, as defined in subdivision (a) of Section 99260.2.</p>	<p>Public Utilities Code, Section 99246(d)</p>	<p>The performance audits of the transit systems include all required TDA performance measures plus additional indicators to further assess each system's efficiency, effectiveness, and economy with the use of TDA funds.</p> <p><b>Conclusion: Complied</b></p>
<p>The RTPA has established rules and regulations regarding revenue ratios for transportation operators providing services in urbanized and new urbanized areas.</p>	<p>Public Utilities Code, Sections 99260</p>	<p>PCTPA adopted resolution number 13-13 on June 26, 2013, amending the required TDA fare revenue ratios for public transit operators serving western Placer County. The resolution summarizes the required TDA fare revenue ratios, provides findings, and references the PUC sections supporting the recommended ratio for each public transit operator. The fare revenue ratios were amended based on</p>

TABLE II-1 Compliance Requirements Matrix		
PCTPA Compliance Requirements	Reference	Compliance Efforts
		<p>changes made to the Sacramento urbanized area in the 2010 Census.</p> <p>The resolution was submitted to Caltrans for approval effective July 1, 2013.</p> <p><b>Conclusion: Complied</b></p>
<p>The RTPA has adopted criteria, rules, and regulations for the evaluation of claims under Article 4.5 of the TDA and the determination of the cost-effectiveness of the proposed community transit services.</p>	<p>Public Utilities Code, Section 99275.5</p>	<p>PCTPA allocates up to 5 percent of the remaining LTF for Article 4.5 purposes after apportionments for administrative purposes and for bicycle and pedestrian funds. Article 4.5 claims may be filed for community transit services, including services for those who cannot use conventional transit services, such as disabled persons. PCTPA allocates these funds to the Consolidated Transportation Services Agency (CTSA) for Placer County as designated pursuant to Section 15975 of the Government Code.</p> <p><b>Conclusion: Complied</b></p>
<p>State transit assistance funds received by the RTPA are allocated only for transportation planning and mass transportation purposes.</p>	<p>Public Utilities Code, Sections 99310.5 and 99313.3, and Proposition 116</p>	<p>PCTPA allocates STA funds for transit usage only pursuant to state statutes. The STA revenue under PUC Section 99313 is allocated to the jurisdictions for transit purposes on the basis of population. Prior to allocations to the jurisdictions, 4 percent of unencumbered PUC 99313 revenue is allocated to WPCTSA.</p> <p><b>Conclusion: Complied</b></p>

<b>TABLE II-1 Compliance Requirements Matrix</b>		
<b>PCTPA Compliance Requirements</b>	<b>Reference</b>	<b>Compliance Efforts</b>
<p>The amount received pursuant to Public Utilities Code, Section 99314.3 by each RTPA for state transit assistance is allocated to the operators in the area of its jurisdiction as allocated by the State Controller’s Office.</p>	<p>Public Utilities Code, Section 99314.3</p>	<p>STA funds under this section are allocated to the operators based on the estimates provided in the State Controller's Office Quarter State Transit Assistance Allocation.</p> <p><b>Conclusion: Complied</b></p>
<p>If TDA funds are allocated to purposes not directly related to public or specialized transportation services, or facilities for exclusive use of pedestrians and bicycles, the transit planning agency has annually:</p> <ul style="list-style-type: none"> <li>• Consulted with the Social Services Transportation Advisory Council (SSTAC) established pursuant to Public Utilities Code Section 99238;</li> <li>• Identified transit needs, including: <ul style="list-style-type: none"> <li>✓ Groups that are transit-dependent or transit-disadvantaged;</li> <li>✓ Adequacy of existing transit services to meet the needs of groups identified; and</li> <li>✓ Analysis of potential alternatives to provide</li> </ul> </li> </ul>	<p>Public Utilities Code, Section 99401.5</p>	<p>PCTPA adopts by resolution a finding on unmet transit needs prior to allocating TDA funds for non-transit purposes in the next fiscal year. Annually, PCTPA has solicited testimony regarding unmet transit needs from social service agencies, transit users, and the general public through advertisements, flyers, press releases, the PCTPA website, email distribution, public workshops, Municipal Advisory Council presentations, and a public hearing. Each item of testimony received was analyzed and compared with the definitions of "unmet transit need" and "reasonable to meet" as adopted by the PCTPA in September 2006, and is documented in the <i>Unmet Transit Needs Analysis &amp; Recommendations Final Report</i>. PCTPA consulted with the SSTAC as required by law.</p> <p><b>Conclusion: Complied</b></p>

TABLE II-1 Compliance Requirements Matrix		
PCTPA Compliance Requirements	Reference	Compliance Efforts
<p>transportation alternatives.</p> <ul style="list-style-type: none"> <li>• Adopted or reaffirmed definitions of "unmet transit needs" and "reasonable to meet";</li> <li>• Identified the unmet transit needs and those needs that are reasonable to meet;</li> <li>• Adopted a finding that there are no unmet transit needs, that there are no unmet needs that are reasonable to meet, or that there are unmet transit needs including needs that are reasonable to meet.</li> </ul> <p>If a finding is adopted that there are unmet transit needs, these needs must have been funded before an allocation was made for streets and roads.</p>		
<p>The RTPA has caused an audit of its accounts and records to be performed for each fiscal year by the county auditor, or a certified public accountant. The RTPA must transmit the resulting audit report to the State Controller within 12 months</p>	<p>California Administrative Code, Section 6662</p>	<p>PCTPA has had an audit of its accounts and records performed for each fiscal year by a certified public accountant. The firms Gallina LLP and Richardson &amp; Company, LLP were retained to conduct the fiscal audits.</p> <p>The completion dates were:</p>

TABLE II-1 Compliance Requirements Matrix		
PCTPA Compliance Requirements	Reference	Compliance Efforts
of the end of each fiscal year, and must be performed in accordance with the Basic Audit Program and Report Guidelines for California Special Districts prescribed by the State Controller. The audit shall include a determination of compliance with the TDA and accompanying rules and regulations. Financial statements may not commingle with other revenues or funds. The RTPA must maintain fiscal and accounting records and supporting papers for at least four years following fiscal year close.		<p>FY 2013: December 12, 2013                      FY 2014: December 22, 2014                      FY 2015: December 16, 2015</p> <p>PCTPA also maintains fiscal and accounting records and supporting papers for at least four years following fiscal year close.</p> <p><b>Conclusion: Complied</b></p>

**Findings from RTPA Compliance Requirements Matrix**

PCTPA has satisfactorily complied with all applicable state legislative mandates for RTPAs. The PCTPA *Transportation Development Act Guidelines*, revised August 2015, clearly identifies and describes the TDA administrative process conducted by the agency, and the steps to address transit funding. The process undertaken to apportion and allocate TDA funding in the county, including the conduct of required activities such as the unmet transit needs and submission of updated farebox recovery ratios, follows statutory provisions.

## Section III

### Responses to Prior Triennial Performance Audit Recommendations

This chapter describes PCTPA’s response to the recommendations included in the prior triennial performance audit. Each prior recommendation is described and followed by a discussion of PCTPA’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

PCTPA should adopt the revised farebox ratios presented in Table 2 in the prior audit. The new farebox ratios take into account changes to the Sacramento urbanized area as part of the US Census 2010.

Background: Placer County includes both urbanized and rural areas. As part of the US 2010 Census, the City of Lincoln and portions of unincorporated Placer County were included in the Sacramento urbanized area; however, the City of Auburn was removed from the Sacramento urbanized area. These are important distinctions, as rural or urbanized status determines the TDA farebox ratio requirement. PCTPA requested that as part of the prior TDA triennial performance audit, the auditor identify and recommend farebox ratios for each of the transit operators within PCTPA’s jurisdiction based on changes made to the Sacramento Urbanized area in the 2010 Census. Table 2 of the prior audit presented the auditor’s findings and reference sections of the PUC related to the farebox ratio requirements.

Actions taken by PCTPA: PCTPA adopted resolution number 13-13 on June 26, 2013, amending the required TDA fare revenue ratios for public transit operators serving western Placer County. The resolution summarizes the required TDA fare revenue ratios, provides findings, and references sections of the PUC supporting the recommended ratio for each public transit operator. The fare revenue ratios were amended based on changes made to the Sacramento urbanized area in the 2010 census.

The resolution was submitted to Caltrans for approval effective July 1, 2013.

Conclusion: This recommendation has been implemented.

#### Prior Recommendation 2

Monitor operating cost per trip for the Health Express service.

Background: In the prior WPCTSA performance audit, the auditor generally compared operating data and performance statistics of the Health Express service to Lincoln Transit Dial-A-Ride (DAR), Roseville Transit DAR, and Placer County Transit DAR. Health Express has a limited population

from which to draw passengers. Efficiency is also likely reduced by long trip lengths and a limited ability to group passenger trips. Nevertheless, comparisons were made between the services. The results demonstrated that Health Express had an operating cost per trip greater than the peer average of the other western Placer County DAR operators. PCTPA and WPCTSA should track operating cost per trip for the Health Express service over time. If costs increase significantly without a corresponding increase in ridership or service levels, PCTPA should reevaluate the benefit of the Health Express service.

Actions taken by PCTPA: For the current performance audit of Health Express, the auditor conducted an updated peer comparison between the western Placer DARs as requested by PCTPA. Based on operations and cost data for FYs 2014–15, Health Express had the highest cost per trip at \$99.99. The next closest is Lincoln Transit DAR at \$79.95 per trip. To note, on a cost per hour basis, Health Express was lower than Lincoln Transit DAR. A new contract operator directly reporting to WPCTSA/PCTPA began providing Health Express service during the current triennial period. The new contract increased operating costs, but other performance indicators have improved, such as increased ridership and the number of passengers per hour.

As described in the Health Express performance audit, there are several differences between Health Express and the other DARs. Health Express is a specialized demand response service which is designed to transport only seniors and disabled individuals or those with no other form of transportation to important medical appointments. The other Dial-A-Ride services are open to the general public. Health Express trips are often intercity trips to medical appointment destinations which are out of the service area of one of the other Dial-A-Ride services. In addition, due to the out-of-area locations served by Health Express, trips often can only transport a single passenger. As a result, Health Express trips may be longer distances and there may be fewer opportunities to group passengers, in the interest of efficiency.

Given that Health Express fills transportation needs that the other Dial-A-Rides cannot meet, and is a safety net for those with no other travel options for nonemergency medical care, the peer review shows that the service is essential in spite of relatively lower efficiencies. The use of Article 4.5 TDA funds for this program is justified in part by Health Express's role to help meet the region's comprehensive mobility program.

WPCTSA and PCTPA are aware of the performance trends of Health Express relative to the other local DARs. The annual budgeting by PCTPA accounts for service delivery and discussion with the parties involved with the CTSA. Performance indicators from the new contract operator are anticipated to improve as experience builds from providing the service. However, as the purpose of Health Express is to fill unmet travel needs over a large service area, capturing operating efficiencies will remain a challenge.

Conclusion: This recommendation has been implemented.

## Section IV

### Detailed Review of PCTPA Functions

In this section, a detailed assessment of PCTPA's functions and performance as an RTPA during this audit period is provided. Adapted from Caltrans' *Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Entities*, PCTPA's activities can be divided into the following activities:

- Administration and Management
- Transportation Planning and Regional Coordination
- TDA Claimant Relationships and Oversight
- Marketing and Transportation Alternatives
- Grant Applications and Management

#### **Administration and Management**

The administration of the agency is supported by seven staff. There was some staff turnover and changes in titles during the audit period. The position of executive assistant was refined after retirement of the employee and retitled to the planning administrator/board secretary position. This position was filled by the former alternative transportation manager/freeway service patrol (FSP) coordinator. A new associate planner position was created to replace the alternative transportation/FSP position. Executive management of the agency has been stable for many years and has provided for solid stewardship of the agency's fiduciary responsibilities for transportation funding in the county.

With the staff changes, lead responsibilities for administration of TDA has been transitioning among the planners. Prior to the hiring of the associate planner, TDA administration was divided between a senior planner and another associate planner. The relatively new associate planner has a TDA administration background, enabling a smooth transition of TDA administrative duties including the review and processing of TDA claims and related responsibilities. Transit planning and related responsibilities such as administration of WPCTSA remains with the senior planner.

#### **Overall Work Program**

The Overall Work Program (OWP) serves as PCTPA's annual budget and program guide and an application format for Caltrans-administered funding programs, such as federal grants. The OWP documents the management, budgetary, and monitoring activities performed annually by PCTPA and is developed annually for Caltrans review and for approval by the PCTPA Board of Directors.

The OWP is developed with input from jurisdiction management, public works and planning officials, air district management, tribal governments, elected officials, and the general public. Amendments to the OWP are made and approved as conditions warrant. Several work elements are funded by a mixture of state, federal, and local programs with the remaining funded solely by TDA funds.

TDA administration is one of the work elements. The work program includes all necessary programs and timelines that are administered for the year. A sample of the listed TDA work programs include to solicit public comments on unmet transit needs throughout Placer County, provide for the management of the LTF and STA funds, and coordinate planning efforts for FTA funds.

The OWP includes a summary list of expenditures that estimates person years (PY) and staff costs to each work element. The PYs add up to the total number of PCTPA staff. LTF revenue allocated to PCTPA is shown to contribute to most work elements, the largest LTF expenditures being for TDA implementation, communications/outreach, the RTP, and project programming by the end of the audit period. In FY 2014–15, close to 60 percent of PCTPA’s total LTF allocation for administration and planning was budgeted to these work elements. Given the state of transportation funding, PCTPA has identified that it is even more critical that the public be aware and informed about transportation issues, the role of PCTPA, and the activities the agency is currently doing and planning for the future. This awareness translates to a higher level of public discussion and informed approaches to dealing with transportation issues.

### Personnel Administration

The purpose of the *Personnel Policies and Practices Handbook* is to provide fair and systematic procedures for the administration of all matters affecting the status and activities of employees of PCTPA. The manual, last revised in 2007, is comprehensive and addresses numerous personnel topics including performance evaluations, working conditions, communications, benefits, disciplinary actions, grievance procedures, safety prevention, and other related policies. Each employee must acknowledge receipt of the handbook by signing and dating the handbook, and understand that it is their responsibility to read and comply with the policies contained in the handbook and any revisions.

Supervisors and employees are strongly encouraged to discuss job performance and goals on an informal, day-to-day basis. Formal performance evaluations are conducted at the end of an employee's probationary period. Formal performance evaluations are then conducted on an annual basis to provide both supervisors and employees the opportunity to discuss job tasks, identify and correct weaknesses, encourage and recognize strengths, and discuss positive, purposeful approaches for meeting goals. Merit-based pay adjustments are awarded by PCTPA in an effort to recognize truly superior employee performance. The decision to award such an adjustment is dependent upon numerous factors, including the information documented by this formal performance evaluation process. Merit-based pay adjustments cannot cause the employee’s pay to exceed adopted pay ranges.

## **Transportation Planning and Regional Coordination**

### **Regional Transportation Plan**

The RTP is PCTPA’s planning document which guides the development of transportation in Placer County. PCTPA is in a position where the agency participates in the Metropolitan Transportation Plan/Sustainable Communities Strategy (MTP/SCS) for the SACOG region, and also develops its own RTP. Technical reasons for this joint effort include reference to the PCTPA/SACOG memorandum of understanding (MOU) dated April 11, 2001, which states SACOG provides air quality conformity and other federal requirements for the RTP.

With the updated PCTPA RTP due in 2015, staff began work in the summer of 2013 to update the current plan. The RTP update incorporated the work of and coordination with SACOG’s MTP/SCS to include the most current information and meet the current RTP guidelines, with a focus on avoiding duplicative effort. SACOG had already begun the update of its MTP/SCS as PCTPA commenced its plan update, which provided a good opportunity to coordinate the two efforts to maximize efficiency and effectiveness in addressing Placer’s needs and goals.

PCTPA conducted joint outreach with SACOG, but also held its own local outreach with stakeholder organizations. About 30 meetings were held locally. Several public polling and focus groups were also conducted to gain input on projects and funding strategies. The RTP development and outreach efforts provided input to PCTPA’s Transportation Investment Plan, which would be funded by a half percent local transportation sales tax ballot measure being considered on the November 2016 ballot that would expire no later than 30 years.

Work conducted on the PCTPA RTP during the audit period included developing performance measures that assess the effectiveness of the implementation of the RTP; soliciting new and updated transportation projects already incorporated in the RTP from local jurisdictions; developing a draft list of transportation projects; and updating RTP elements for each transportation mode. The Final 2036 Regional Transportation Plan was adopted by the PCTPA board in February 2016.

### **Regional Transportation Improvement Program**

PCTPA develops and programs transportation projects that are funded with state and federal funds. PCTPA staff coordinates with Caltrans, SACOG, and other agencies regarding the various funding programs. PCTPA submits regional transportation projects to the California Transportation Commission for funding through the RTIP. PCTPA also advocates for the allocation of Caltrans's Interregional Transportation Improvement Program funds for shared priorities on state highways, including SR 65 and I-80. Projects in the RTIP are approved by the California Transportation Commission and are combined into the statewide State Transportation Improvement Program (STIP). The RTIP and STIP are updated every two years and propose projects at the county and state levels for a five-year period. During the audit period, PCTPA updated its RTIP in 2013 and 2015 for the 2014 and 2016 biennial programming cycles.

The last project completed in Placer County using STIP funding was Phase 1 of the State Route 65 Lincoln Bypass, which was completed in 2012. Significant STIP funding was advanced to complete the Lincoln Bypass, which resulted in a project with significant benefits to the public but also resulted in a currently overdrawn balance of approximately \$34 million for Placer County's regional choice STIP funding. Without additional funding available, no projects were completed in Placer County using STIP funding between adoption of the 2014 RTIP and the current 2016 RTIP. Due to the lack of STIP funding available, the continuation of one project is identified for a \$3 million funding request for rail corridor track capacity improvements – Sacramento to Roseville.

### Transit Planning and Oversight

Transit planning and oversight by PCTPA are provided through various approaches. The principal planning guides have been the SRTPs prepared for each of the transit operators. A listing of the SRTPs and their completion dates are shown below:

- Auburn Transit Short Range Transit Plan (2011)
- Lincoln Transit Short Range Transit Plan (2009)
- Placer County Transit Short Range Transit Plan (2011)
- Roseville Transit Short Range Transit Plan (2011)
- System Plan Update for Tahoe Truckee Area Regional Transit (April 2016)
- Western Placer CTSA Short Range Transit Plan (2011)

The SRTPs are generally updated every five years. For most of the transit operators, an update should be planned in the near term, subject to funding availability. Changes to the urbanized status of the western Placer area, plus some recent institutional activity such as transit services for former Lincoln Transit becoming part of Placer County Transit, provide impetus for transit plan updates.

More recent transit planning and coordination by PCTPA include development of the *Rocklin Community Transit Study* and *Placer County Rural Transit Study*. The Rocklin study, completed in February 2015, examined the need to modify existing transit services or to establish new routes or services to better serve Rocklin residents. The aging population in Rocklin and the growth of college campuses are anticipated to increase transit demand in the future. A variety of transit alternatives were reviewed and recommended strategies were developed to provide guidance for implementation of transit improvements. The alternatives analysis demonstrated that serving Rocklin Crossings/Commons will meet many transit needs identified through the public input process as well as boost overall ridership and farebox ratio with relatively low marginal operating costs.

The *Placer County Rural Transit Study*, conducted after the audit period, considered a wide range of potential transit strategies to serve rural areas. The PCTPA board conducted a public workshop on this study, which provided an opportunity for public input and direction on developing a preferred set of transit strategies to improve mobility for many rural residents. Six strategies show promise and are being recommended by for implementation as demonstration service(s).

PCTPA also participates in SACOG studies that affect Placer County, such as the *Public Transit and Human Services Transportation Coordinated Plan* and analysis of the transportation issues faced by seniors and people with disabilities in the six-county SACOG region. These studies provide strategic recommendations for service improvement.

PCTPA sponsors the TOWG to regularly gather the transit operators in the western county to discuss transit operations, funding, coordinated policies, and issues. Some performance information such as ridership is monitored on a quarterly basis by the TOWG.

### **TDA Claimant Relationships and Oversight**

PCTPA is responsible for the administration of the TDA program. The uses of TDA revenues apportioned to Placer County flow through a priority process prescribed in state law. The LTF apportionments to the jurisdictions are based on the latest population figures from the California Department of Finance. In order of priority, LTF funds are allocated in Placer County as follows<sup>1</sup>:

- County Auditor administrative costs
- PCTPA administrative and planning costs, based on final OWP and budget
- Pedestrian and bicycle allocation
- Community Transit Service Article 4.5 Allocation
- South Placer Transportation Call Center - FY 2009–10 unmet transit need
- Area apportionments to local jurisdictions

Prior to allocation of funds to the pedestrian and bicycle program and the claimants, PCTPA is able to claim TDA revenues for administration of the fund and for regional transportation planning and programming purposes. During the audit fiscal years of 2013 through 2015, PCTPA claimed the amounts shown in Table IV-1 below. The totals are between 10 and 11 percent of the annual LTF revenues added each year. It is noted that the planning allocation includes an amount exceeding \$400,000 annually that goes to SACOG for federal planning and programming purposes.

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<sup>1</sup> Placer County LTF is initially divided between the share for Tahoe Regional Planning Agency (3 percent), and the share for PCTPA (97 percent). The split is based on an annual special population estimate provided by the State Department of Finance. The apportionment and allocation description is for the PCTPA share.

**Table IV-1**  
**LTF Revenue Claims by PCTPA for**  
**Administration and Planning**

Fiscal Year	LTF Claim for Administration	LTF Claim for Planning	Total
2013	\$425,000	\$646,502	\$1,071,502
2014	\$425,000	\$674,450	\$1,099,450
2015	\$425,000	\$755,070	\$1,180,070

Source: PCTPA audited financial statements, Schedule of Allocations and Expenditure – LTF

TDA Claim Processing

On an annual basis during this audit period, PCTPA was responsible for managing new LTF revenues of between \$16.6 and \$19.6 million and between \$1.4 and \$2.1 million in new STA funds<sup>2</sup>. The following amounts of LTF and STA funds (new and carryover funds) were allocated to Placer County transit claimants, as shown in Table IV-2.

**Table IV-2**  
**Total TDA Funding Allocations to Transit Claimants**

Fiscal Year	Local Transportation Fund (LTF)	State Transit Assistance (STA)	Total
2013	\$9,015,723	\$2,092,190	\$11,107,913
2014	\$9,207,132	\$1,465,047	\$10,672,179
2015	\$7,662,583	\$1,640,019	\$9,302,602

Source: PCTPA audited financial statements, Schedule of Allocations and Expenditure – LTF and STA

The reduced LTF transit allocations between FYs 2014 and 2015 occurred primarily for Roseville Transit which had a reduced allocation from \$3.5 to \$2.2 million, and for City of Rocklin which reduced its allocation for Placer County Transit service from \$562,000 to \$336,000. The allocation of LTF for streets and roads by these two jurisdictions subsequently increased. The street and road allocation for City of Lincoln and Placer County also increased from the prior year.

According to the TDA audited financial statements for Roseville, the transit system has a positive annual net balance in the transit fund, but reduced it during the audit period from \$11.1 million to \$8.8 million. PCTPA has been monitoring this balance and indicated that the funds are being reserved for a new maintenance facility. For comparison, Placer County Transit, which has similar operating costs, also reduced its annual net balance during the same time period from about \$9.8

<sup>2</sup> PCTPA Final Findings of Apportionment for Local Transportation Fund, and PCTPA State Transit Assistance Final Fund Allocation (excluding Tahoe Basin).

million to \$7.8 million, based on its audited financial statements. Each operator maintains its own policy regarding LTF reserves and net balances.

PCTPA provides assistance on TDA to the transit claimants. PCTPA prepares and distributes several documents during the TDA claims process. The documents include the estimates of apportionment (less PCTPA administration) and a packet providing claimants with the necessary forms and funding information needed to prepare TDA claims. The claims packet is a PDF file that can be filled out electronically. Each local jurisdiction submits a claim to PCTPA, which then reviews the claims for consistency against fund estimates and maximum eligibility. Backup documentation to the claim is provided to substantiate the request for funds, including a TDA compliance checklist, TDA annual project and financial plan, and certified copy of the resolution from the claimant's governing board approving the claim and its submittal to PCTPA.

PCTPA indicated that some claims are not submitted according to the prescribed schedule contained in the TDA statutes, although the PCTPA TDA Guidelines state that any claimant may submit an LTF or STA claim at any time during the year. The TDA statute enables a RTPA to set its own rules and regulations consistent with the statute pertaining to claim submittal. A review of board resolutions allocating the funds to the jurisdictions generally show dates in the second half of the fiscal year of the claim. PCTPA's audit policy also states that claimants will only receive 50 percent of their LTF allocation at the time of the claim until the TDA fiscal audit is completed. During the audit period, only the City of Auburn's fiscal audit was relatively late (in FY 2013) due to the city not having a finance director. STA claims are paid in full following approval of an STA claim, regardless of whether a completed TDA audit has been received.

### Unmet Transit Needs

Unmet transit needs hearings are required by the TDA where claims can be made for streets and roads. PCTPA undertakes the full unmet needs process required by the TDA as allocations are made for streets and roads. The process follows these steps:

1. Solicit testimony on unmet transit needs that may exist in Placer County;
2. Analyze transit needs in accordance with adopted definitions of "unmet transit needs" and "reasonable to meet";
3. Consult with the SSTAC; and
4. Adopt a finding regarding unmet transit needs that may exist for implementation in the next fiscal year.

PCTPA develops tables showing current year LTF expenditures by jurisdiction in Placer County for transit and for streets and roads purposes, and four-year trends in LTF expenditure, both using the most current data available. LTF spent on transit per capita for each jurisdiction is also shown. For a portion of the audit period where data was available, LTF allocated to transit averaged approximately 60 percent while LTF allocated to streets and roads averaged about 40 percent. PCTPA does place caveats that LTF allocations between transit and streets and roads may vary

widely from year to year depending upon the determination of unmet transit needs, current economic conditions, and budget considerations.

The culmination of these steps and evaluation of existing transit services results in the annual *Unmet Transit Needs Analysis & Recommendation Final Report*. Resolutions approved by the PCTPA board made findings that there were no new unmet needs that are reasonable to meet during the audit period. Prior to making a reasonable-to-meet finding, PCTPA takes a cautious approach to further study and collect comments and information about the proposed unmet transit need.

PCTPA solicits public interest for service on the SSTAC through a flyer explaining the purpose and role of the council. Contact information is offered, including mailing address, phone number, and website address to obtain an application. The one-page application includes the type of position the applicant is interested in, and a request to summarize the reason they would like to participate in the SSTAC, and any qualifying experience. Each of the required nine positions were filled during the triennial period by agencies and at large members who have served for a number of years. While the listing of members identifies which position each member fills, the list does not show the membership term for each or when their three-year term expires. As described in the TDA statute, members serve three-year terms, at which point they can be reappointed to another three-year term or end their term. PCTPA should identify the membership terms of the SSTAC and provide notice as each member's term expires.

### **Marketing and Transportation Alternatives**

Through its Congestion Management Program, PCTPA promotes the use of alternative transportation modes such as carpooling, vanpooling, telecommuting, biking, taking public transit, riding the train, or walking. Several programs, incentives, and resources are made available through the program that aim to get people out of their single-occupancy vehicles with the goal of improving air quality and reducing traffic congestion in Placer County. Both year-round and seasonal programs are available. The primary resource for transit connections in South Placer County begins with South Placer Transit Information. The website (<http://pctpa.net/sptransitinfo>) is an information hub where Placer County Transit, Roseville Transit, Auburn Transit, and Health Express provide links to their respective websites and show how a rider connects between the different service providers. Direct access to transit transfer points are available on the website as well as to the Transit Ambassador program to help first-time passengers or passengers who have questions about using the bus. There are also downloadable transit maps and contact information. The South Placer Transit Information is shown in both English and Spanish. PCTPA has indicated a potential shift of the administration of this site to the City of Roseville, which already administers the South Placer Transportation Call Center and Transit Ambassador Program.

Carpooling and vanpooling are offered through the Sacramento Region Commuter Club website (<http://www.sacregioncommuterclub.com>), administered by SACOG, which offers tools and information to commuters and employers to encourage carpooling, vanpooling, walking,

bicycling, and riding transit. The companion Sacramento Region 511 Travel Info website features Google mapping for bicycle routes in the region while Google Transit provides real-time feeds for public transit users.

Seasonal programs that PCTPA promotes for alternative transportation include 1) Bucks for Bikes and Spare the Air for Bucks, which offer monetary prizes for alternative transportation use especially during the summer, 2) summer youth bus passes for unlimited rides, and 3) Way to Go project that encourages and enables more students and their parents to walk, bike, carpool, or take public transportation.

The PCTPA website (<http://pctpa.net>) provides an extensive array of information about the agency's projects and programs, the governing body, and upcoming meetings. It contains the names, email addresses, and phone numbers for staff, current planning documents, and major projects. A sign-up is available to receive the PCTPA newsletter. The agency also has a social media presence through Facebook and Twitter and a blog for latest information. PCTPA contracts with an outside media consultant to assist with media content.

### **Grant Applications and Management**

PCTPA serves an important role for state and federal transit grant applications in the county to coordinate and determine whether there is any duplication of effort among agencies and that there is no conflict with local plans and policies. For example, under the State Proposition 1B program, PCTPA is responsible for calculating allocations for each jurisdiction applying for funds, and, as needed, the management, financial, and planning capability to submit grant applications from the California Emergency Management Agency Transit System Safety, Security, and Disaster Response Account (TSSSDRA). PCTPA approves resolutions of these actions including fund allocation and ensuring projects are projects derived from transit operator SRTPs, the Placer County RTP, and the SACOG MTP/SCS. Total allocations to the jurisdictions were about \$230,000 for FY 2013–14, and a smaller amount for FY 2014–15.

Similarly, PCTPA has responsibility to distribute funds from the Public Transportation Modernization, Improvement and Service Enhancement Account (PTMISEA). Total allocations to the jurisdictions were about \$3.0 million for FY 2014–15, as well as remaining balances from earlier years.

With regard to certain federal transit grants, PCTPA in its role as the RTPA provides verification that project applications submitted by local transportation providers are consistent with transportation plans. As an example, in April 2013, PCTPA reviewed and scored a FTA Section 5310 applications submitted by PRIDE Industries One, Inc. for replacement vehicles to be funded under the FTA 5310 program. PCTPA passed a resolution making a finding that the application is in conformance with the RTP and included in the local transportation planning and programming process, as well as adopting the regional priority list.

## Section V

### Findings and Recommendations

The following material summarizes the findings obtained from the triennial audit covering FYs 2013 through 2015. A set of recommendations is then provided.

#### Findings

1. PCTPA conducts its management of the TDA program in a competent and professional manner.
2. PCTPA has satisfactorily complied with all applicable state legislative mandates for RTPAs. The PCTPA *Transportation Development Act Guidelines*, revised August 2015, clearly identifies and describes the TDA administrative process conducted by the agency, and the steps to address transit funding.
3. PCTPA implemented the two recommendations made in the prior performance audit relating to adopting revised farebox ratios and monitoring performance measures for the Health Express.
4. There was some staff turnover due to retirement and slight reorganization during the audit period which prompted the transition of TDA administration duties among the planning staff. A new associate planner has a TDA administrative background. Executive management of the agency has been stable for many years and has provided for solid stewardship of the agency's fiduciary responsibilities for transportation funding in the county.
5. PCTPA is in a position where the agency participates in the Metropolitan Transportation Plan/Sustainable Communities Strategy (MTP/SCS) for the SACOG region, and also develops its own Regional Transportation Plan. PCTPA conducted joint outreach with SACOG and also held its own local outreach with stakeholder organizations. The Final 2036 Regional Transportation Plan was adopted by the PCTPA board in February 2016.
6. Transit planning and oversight by PCTPA are provided through various approaches such as the Transit Operators Working Group, SRTPs, focused transit studies for specific areas, and transit coordination with SACOG efforts.
7. PCTPA's TDA apportionment and allocation process follows the priority process prescribed in state law. On an annual basis during this audit period, PCTPA was responsible for managing new Local Transportation Fund revenues of between \$16.6 and \$19.6 million and between \$1.4 and \$2.1 million in new State Transit Assistance funds.

8. PCTPA follows the annual TDA unmet transit needs process, which is capped by development of the comprehensive *Unmet Transit Needs Analysis & Recommendation Final Report*.

## Recommendations

### 1. Identify SSTAC member term expirations and provide notification.

In the listing of SSTAC membership, PCTPA should add a column identifying each member's current term (start and end month and year) which should be three years as stipulated in the TDA statute. Close to the expiration of the member's term, PCTPA should undertake a few actions including: 1) requesting whether the current member desires to serve another three-year period, and 2) should the member not want to continue, actively advertising the open position through posting the flyer at strategic public locations, word of mouth and presentations, email, and other communications means. The listing of membership terms keeps the SSTAC and PCTPA aware of those positions with upcoming term expirations, and allows time for any recruitment if necessary prior to the next SSTAC meeting. Typically, terms are staggered over three years so that not all member terms expire the same year.

### 2. Strengthen the evaluation of transit operator trends.

PCTPA facilitates service and planning coordination among the county transit operators through the Transit Operators Working Group. Dissemination and discussion of transit performance data on a regional level for different modes such as fixed route and dial-a-ride could lead to productivity improvements. While review of performance data on a collective basis is not an activity regularly undertaken at TOWG meetings, the analysis of such data helps strengthen PCTPA's ability to comply with the TDA statute provision to annually identify, analyze, and recommend potential productivity improvements.

Quarterly ridership data is collected from the transit systems for review by PCTPA and presented to the PCTPA board. A step in the spirit of the TDA and further meeting compliance is for PCTPA to develop performance metrics that identify productivity trends of the operators using basic operations data. The purpose of the performance review would be for technical analysis and sharing with the transit operators about operational and service trends on a more frequent basis (e.g., annually). To note, PCTPA does request a comparison of performance measures for dial-a-ride for the south Placer transit systems in the triennial performance audit. Performance measures that could be generated by PCTPA include TDA-type metrics such as operating cost per hour and per passenger, and passengers per hour and per mile. This analysis could provide additional means for PCTPA and the TOWG to facilitate discussion about transit operational trends and their broader implications on a regional level. Other performance indicators could be included if warranted.

The performance data could initially come from existing sources such as each operator's internal databases, annual State Controller Report, the federal National Transit Database, fiscal audits, or performance audits. Review of performance data in collaboration with transit operator staff could provide PCTPA a conduit toward formulation of a regional transit productivity improvement program (PIP) that complements short-range transit planning efforts. A regional PIP is a tool used to determine whether regional transit goals and objectives are being met as measured by each individual operator's performance standards or policies expressed in regional documents such as the RTP.

### **3. Schedule updates of Short Range Transit Plans.**

The SRTPs for Auburn Transit, Placer County, Roseville Transit, and Western Placer Consolidated Transportation Services Agency were last prepared in late 2011. In the past year, PCTPA commissioned two related transit plan studies: the *Rocklin Community Transit Study* and the *Placer County Rural Transit Study*. Each study addresses specific issues within the service areas of the transit operators. The SRTPs, on the other hand, provide system-wide goals and objectives that are consistent with the PCTPA Regional Transportation Plan, and primary data for performance evaluation on a route-by-route basis. In general, SRTPs are updated every five years. There have been significant changes among the transit operators that could warrant an update to their respective transit plans; as an example, the former Lincoln Transit is now operated by Placer County Transit. Planning grant funding is needed for these updates. TDA is one source of potential planning funds that could be available for PCTPA to commission the transit plan updates.

### **4. Update TDA Guidelines for inclusion of new state legislation.**

The latest revision for the PCTPA TDA Guidelines was in August 2015, just before new state legislation affecting TDA was passed. Since then, a few changes have occurred in relation to TDA and transit operations. New legislation (SB 508) passed in October 2015 significantly modified several provisions of TDA. The legislation has several objectives, including simplifying fare recovery requirements; authorizing funding of bicycle and pedestrian safety education programs; and modifying State Transit Assistance (STA) qualifying criteria for operations. PCTPA's TDA guidelines should be updated to reflect these changes and identify the responsible party for implementing the updates, such as the fiscal auditor for the farebox recovery calculation. PCTPA should also communicate these changes to the transit systems and determine what implication, if any, the changes might have on their respective transit operations.

SB 508 rationalizes performance metrics, for example, by applying the same operating cost exemptions to both the farebox recovery ratio and the STA qualifying criteria. In addition, this bill clarifies a few terms that should help ensure expectations are applied uniformly to the transit operators. Highlights of the bill are summarized below.

#### *Farebox Recovery*

- Deletes the requirement for transit operators to maintain higher farebox requirements based on 1978–79 fiscal year.
- Revises definition of “local funds” to mean any nonfederal or nonstate grant funds or other revenues generated by, earned by, or distributed to an operator.
- Revises definition of “operating cost” to exclude principal and interest payments on capital projects funded with certificates of participation.
- Exempts startup costs for new transit services for up to two years.
- Exempts additional categories of expenditures from “operating cost” (cost increases above the Consumer Price Index for fuel, alternative fuel programs, power, insurance premiums and claims, and state and federal mandates).

#### *Claims for Funds*

- Authorizes the funding of bicycle and pedestrian safety education programs up to 5 percent of the 2 percent bicycle and pedestrian allocation found under Article 3 (PUC Section 99234(a)).

#### *STA Qualifying Criteria for Operations*

- Uses of a “sliding scale” to reduce the operator’s STA allocation for operations, rather than “pass/fail.”
- STA qualifying criteria requirement is exempt through fiscal year 2015–16.
- New “sliding scale” effective July 1, 2016.

The farebox recovery ratios calculated in the next annual TDA fiscal audit should account for these changes given that operator eligibility for TDA funds is determined in large part by the audited farebox ratios. The revised STA sliding scale test that PCTPA must also apply would have certain budgeting and planning implications for those operators that use the revenue for operations.