



FY 2013-2015

TRIENNIAL PERFORMANCE AUDIT OF ROSEVILLE TRANSIT

September 2016

SUBMITTED TO:



PLACER COUNTY
TRANSPORTATION
PLANNING AGENCY

SUBMITTED BY:

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INTERNATIONAL

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Executive Summary

The Placer County Transportation Planning Agency (PCTPA) engaged Michael Baker International to conduct the Transportation Development Act (TDA) triennial performance audit of the public transit operators under its jurisdiction in Placer County. This performance audit is conducted for Roseville Transit (Roseville, City) covering the most recent triennial period, fiscal years 2012–13 through 2014–15.

The audit includes a review of the following areas:

- Compliance with TDA Requirements
- Status of Prior Audit Recommendations
- Transit System Performance Trends
- Detailed Functional Review

From the review, recommendations were developed to improve Roseville’s operational efficiency and effectiveness.

Compliance with TDA Requirements

The City satisfactorily complied with eight of the nine applicable requirements. The City was in partial compliance with regard to the timely submittals of its annual Transit Operators Financial Transactions Reports to the State Controller. Two additional compliance requirements did not apply to the City (i.e., exclusive rural and blended farebox recovery ratios).

Status of Prior Audit Recommendations

The prior triennial performance audit provided no recommendations for discussion and implementation.

System Performance Trends

1. Operating cost per passenger, a measure of cost effectiveness, increased 13.5 percent system-wide from the FY 2012 base year through FY 2015. On a modal basis, cost per passenger increased 1.1 percent on the fixed route and 0.4 percent on the commuter route. In contrast, cost per passenger increased by a higher percentage on Dial-A-Ride, amounting to 21.2 percent. The increase in this cost indicator is attributed to the higher rise in operating costs relative to passenger trips. The geography of the service area also grew which increased operating costs.
2. Operating cost per hour, which is a measure of cost efficiency, increased 15.9 percent system-wide based on audited data. On a modal basis, cost per hour increased 1.8 percent

on the fixed route, 20.7 percent on the commuter service, and 12.5 percent on Dial-A-Ride. The trend is a result of the higher increase in operating costs compared to the increase in vehicle service hours. Commuter routes were added at 10:00 am and 10:00 pm during this audit period while some reverse commuter stops were removed which increased non-revenue service hours and miles, which Roseville Transit does not pay for.

3. Operating cost per mile, another cost efficiency measure, increased 4.8 percent system-wide from the FY 2012 base year to FY 2015. At the modal level, cost per mile decreased 8.4 percent on the fixed route and 17.6 percent on Dial-A-Ride. In contrast, cost per mile increased on the commuter service by 29.3 percent.
4. Passengers per vehicle service hour system-wide increased 2.1 percent. Concurrent with the system-wide trend, passengers per hour increased 0.7 percent on the fixed route, and 20.3 percent on the commuter route. Passengers per hour on Dial-a-Ride decreased 7.2 percent. System-wide, the number of passengers per vehicle service hour fluctuated in a narrow range during the audit period, between 7.9 and 8.1 passengers per hour.
5. Passengers per vehicle service mile is an indicator of service effectiveness which measures service consumption and service outputs. For the audit period, passengers per vehicle service mile decreased by 20.5 percent system-wide. Concurrent with the system-wide trend, passengers per mile decreased 9.4 percent on the fixed route and 32 percent on Dial-A-Ride. Passengers per mile increased on the commuter route by 28.8 percent.

Functional Review

1. Roseville implemented a series of capital and infrastructure upgrades during the audit period. During FY 2014, the City purchased 8 ARBOC buses and 4 large Gillig ISL Low Floor buses that were placed into revenue service in the spring of 2014.
2. Commencing in FY 2013, Roseville embarked on the installation of surveillance cameras on the vehicles and enhanced protective fencing at the City Corporation Yard where the transit vehicles are stored. Seven cameras were installed on the Dial-A-Ride vehicles and 8 cameras were installed on the larger commuter and fixed route vehicles. This effort was completed in March 2014.
3. Roseville Transit has been operated under contract with MV Transportation since June 2009. The management and operations service agreement was for an initial five-year term through June 2014. The contract agreement provided for three one-year extensions. There were five amendments to the agreement executed in November 2009, April 2011, September 2012, June 2014 and July 2015.
4. Roseville was the recipient of the 2014 Outstanding Coordination award at the California Association for Coordination Transportation (CalACT) conference for advancing transit coordination and service in the South Placer County region.

5. The City's FY 2013 FTA Triennial Review was conducted from January 29 through 31, 2014. The final report was issued on February 25, 2014. Of the 18 review areas addressed, Roseville was found deficient in five review areas that were corrected.

Recommendations

Performance Audit Recommendation	Background	Timeline
1. Ensure the timely completion and submittal of the annual State Controller Transit Operators Financial Transactions Reports.	Two of the three Transit Operators Financial Transactions Reports were submitted after the statutory deadline during the audit period. Pursuant to PUC 99243 (a), "the operators shall prepare and submit annual reports of their operation to the transportation planning agencies having jurisdictions over them and to the Controller within 90 days of the end of the fiscal year." If the report is filed in electronic format as mandated by the State Controller, the report shall be furnished within 110 day after the close of the fiscal year. It is recommended that staff from the Alternative Transportation Division and Finance Department work closely with the independent auditor who prepares the report to ensure timely completion and adequate review.	High Priority
2. Account for all labor hours charged to the transit program in the full-time equivalent employee calculation.	Alternative Transportation Division staff indicated that maintenance and some administrative support hours are not included in the full-time equivalent (FTE) employee calculation. Employee hours should include those from the contract operator and City personnel responsible for monitoring the operating contract and maintaining the vehicles. It is suggested that time dedicated to the transit system be tracked as reasonably as possible and tabulated properly since it feeds into the State Controller Reports. Operations data contained in the State Controller Report should be reviewed by Alternative Transportation Division and Finance Department for accuracy and completeness prior to submittal to the State. Proper reporting of FTEs will result in more accurate performance indicators of productivity and responsiveness to the State.	High Priority

Performance Audit Recommendation	Background	Timeline
<p>3. Track and separate rider types for Dial-A-Ride in the quarterly reports.</p>	<p>Dial-A-Ride service is provided to the general public, seniors and the disabled. The City should routinely record passengers by these types, at a minimum, in the quarterly reports to develop trends in ridership patterns and formulate discussion about the continued provision of general public dial-a-ride in light of the presence of a local fixed route service. The identification of the number of general public riders, and consequently if they are younger riders or adults, will help with service planning and other potential methods of delivering dial-a-ride should trends point to significant on-going need for this service. Travel training opportunities could be advertised on the dial-a-ride vehicles for general public dial-a-ride passengers that may need assistance or have questions in transitioning to the fixed route bus. Farebox recovery for the bus and other performance measures could be enhanced through more demand for fixed route and less for dial-a-ride.</p>	<p>Medium Priority</p>

Section I

Introduction

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

The Placer County Transportation Planning Agency (PCTPA) engaged Michael Baker International to conduct the TDA triennial performance audit of the public transit operators under its jurisdiction, Roseville Transit (Roseville, City). This performance audit is conducted for Roseville covering the most recent triennial period, fiscal years 2012–13 through 2014–15.

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

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

Overview of the Transit System

Public transit has been operating in Roseville since 1970. A fixed route service was initially operated by Mountain Transportation Cooperative (MTC), which evolved into a demand responsive service in 1971. With the loss of federal funding in 1973, MTC was forced to shut down which prompted the City of Roseville to contract with the Sacramento Regional Transit District for commuter and fixed route service. Demand response service resumed in 1978 under contract. The service has since evolved into three service modes: local fixed route, commuter and Dial-A-Ride.

The City of Roseville administers the transit system through the Alternative Transportation Division of the Public Works Department. The City owns and maintains the bus fleet and contracts with MV Transportation for the operation of Roseville Transit.

Based on the 2010 US Census, Roseville’s population is 118,788, which has grown 48.8 percent since the 2000 US Census. The senior citizen population, composed of residents aged 65 and over, is 13.36 percent. The 2016 population for Roseville is estimated to be 134,073 as reported by the California Department of Finance. The city covers 42.21 square miles.

Major highways serving Roseville are Interstate 80 (I-80) and State Route (SR) 65. I-80 is the main east–west highway connecting Roseville with Sacramento to the west and Auburn and the Sierra foothills to the east. SR-65 connects Roseville with Rocklin, Lincoln and Yuba County to the north. Major arterial streets traversing Roseville include Atlantic Street, Blue Oaks Boulevard, Cirby Way, Eureka Road, Fiddymont Road, Foothills Boulevard, Galleria Boulevard, Junction Boulevard, Central Avenue, Magnolia Avenue, Pleasant Grove Boulevard, and Vernon Street.

System Characteristics

Roseville Transit is composed of a local fixed route, demand response and commuter service. The local fixed route includes 12 lines that intersect at six transfer points situated throughout the city: Alternate Civic Center, Civic Center, Galleria, Junction, Louis/Orlando, and Sierra Gardens. Demand response services are composed of a curb-to-curb general public Dial-A-Ride and origin-to-destination complementary Americans with Disabilities Act (ADA) paratransit service for persons with disability. The Dial-A-Ride and ADA paratransit services both operate within the jurisdictional boundaries of the City of Roseville during regular service hours and on Sundays. The commuter service operates weekdays between Roseville and downtown Sacramento during the commute peak hours.

The local fixed route operates weekdays from 5:30 a.m. to 10:00 p.m. and Saturday from 8:00 a.m. to 5:00 p.m., with no bus service on Sundays and the following holidays: New Year’s Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas. The table below summarizes the local fixed routes operated during the audit period.

**Table I-1
Roseville Transit Local Fixed Routes**

Route	Destination	Frequency/Operation	Key Time Points
Route A	Louis/Orlando, Civic Center, Galleria, Sierra Gardens	30 minutes; 60 minutes after 6:30 p.m. (Monday through Friday from 6:00 a.m. to 9:53 p.m.) 60 minutes (Saturday from 8:00 a.m. to 5:00 p.m.)	<ul style="list-style-type: none"> ▪ Louis/Orlando Transfer Point ▪ Civic Center ▪ Galleria ▪ Sierra Gardens
Route B	Civic Center, Louis/Orlando, Sierra Gardens, Galleria	30 minutes; 60 minutes after 6:40 p.m. (Monday through Friday from 6:10 a.m. to 9:43 p.m.) 60 minutes (Saturday from 8:07 a.m. to 4:50 p.m.)	<ul style="list-style-type: none"> ▪ Civic Center ▪ Louis/Orlando ▪ Sierra Gardens ▪ Galleria

Route	Destination	Frequency/Operation	Key Time Points
Route C	Rocky Ridge, Cirby, Sunrise, Sierra Gardens	2 hours (Monday through Friday from 6:30 a.m. to 6:53 p.m.)	<ul style="list-style-type: none"> ▪ Sierra Gardens ▪ Rocky Ridge @ Hackmore ▪ Sunrise @ Cirby
Route D	Main, McAnally, Junction	60 minutes (Monday through Friday from 6:00 a.m. to 6:24 p.m. and Saturday from 8:00 a.m. to 4:24 p.m.)	<ul style="list-style-type: none"> ▪ Civic Center ▪ Foothills @ Junction ▪ Junction Transfer Point
Route E	Sierra Gardens, Sierra College Campus, Eureka, Douglas	2 hours (Monday through Friday from 7:53 a.m. to 6:30 p.m.)	<ul style="list-style-type: none"> ▪ Sierra Gardens ▪ Sierra College – Rocklin ▪ Sierra College Blvd. @ Douglas
Route F	Sierra Gardens, Sunrise, Cirby, Rocky Ridge	2 hours (Monday through Friday from 7:30 a.m. to 5:53 p.m.)	<ul style="list-style-type: none"> ▪ Sierra Gardens ▪ Rocky Ridge @ Hackmore ▪ Cirby @ Sunrise
Route G	Sierra Gardens, Douglas, Eureka, Sierra College Campus	2 hours (Monday through Friday from 6:53 a.m. to 5:30 p.m.)	<ul style="list-style-type: none"> ▪ Sierra Gardens ▪ Rocklin Road @ Sierra College – Rocklin ▪ Sierra College Blvd. before Douglas
Route I	Junction, McAnally, Main	60 minutes (Monday through Friday from 6:24 a.m. to 6:36 p.m. and Saturday from 8:24 a.m. to 4:36 p.m.)	<ul style="list-style-type: none"> ▪ Civic Center ▪ McAnally @ Foothills ▪ Junction Transfer Point
Route L	Civic Center, Harding, Lead Hill, Douglas, Sierra College Blvd.	60 minutes (Monday through Friday from 6:25 a.m. to 6:15 p.m. and Saturday from 8:25 a.m. to 5:02 p.m.)	<ul style="list-style-type: none"> ▪ Civic Center ▪ Sierra College Blvd. @ Douglas ▪ Sierra Gardens
Route M	Galleria, Fairway, Pleasant Grove, West Park	60 minutes (Monday through Friday from 6:07 a.m. to 10:02 p.m. and Saturday from 8:07 a.m. to	<ul style="list-style-type: none"> ▪ Galleria ▪ Pleasant Grove @ Roseville Pkwy ▪ Rothbury @ Elmsett

Route	Destination	Frequency/Operation	Key Time Points
		5:07 p.m.)	<ul style="list-style-type: none"> ▪ Junction Transfer Point ▪ Fairway @ Pleasant Grove
Route R	Louis/Orlando, Foothills Blvd.	Peak hour service (Monday through Friday from 7:30 a.m. to 8:57 a.m.; and from 3:53 p.m. to 5:20 p.m.)	<ul style="list-style-type: none"> ▪ Louis/Orlando ▪ Foothills @ Junction ▪ Foothills @ PRIDE Industries ▪ Foothills past McAnally
Route S	Galleria, Santucci Justice Center	Peak hour service (Monday through Friday from 7:35 a.m. to 9:25 a.m.; from 11:05 a.m. to 2:25 p.m. and from 4:10 p.m. to 5:25 p.m.)	<ul style="list-style-type: none"> ▪ Galleria Transfer Point ▪ Washington @ Pleasant Grove ▪ Santucci Justice Center

Source: Roseville Transit

Dial-A-Ride and ADA Paratransit

Roseville Transit provides both complementary Americans with Disabilities Act (ADA) paratransit services and general public Dial-A-Ride within the jurisdictional boundaries of the City of Roseville. Dial-A-Ride provides shared-ride, curb-to-curb transport on a reservation basis. Same-day reservation requests are not available between the hours of 7:00 p.m. and 10:00 p.m. Both services operate weekdays from 5:45 a.m. to 10:00 p.m. and weekends from 8:00 a.m. to 5:00 p.m. Neither service is provided on New Year’s Day, Thanksgiving and Christmas. Limited holiday service is provided on Memorial Day, Independence Day and Labor Day from 8:00 a.m. to 5:00 p.m. ADA reservations can be made up to 14 days in advance.

Commuter Service

Roseville Transit provides commuter bus service between Roseville and downtown Sacramento during the weekday peak commute hours of 5:00 a.m. to 9:00 a.m. and 3:30 p.m. to 6:30 p.m. There are 10 morning outbound departures from Roseville Monday through Thursday (8 on Friday) and 10 afternoon inbound departures (9 on Friday). The commuter service does not operate weekends and the following holidays: New Year’s Day, Martin Luther King, Jr. Day, Presidents’ Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving Day, and Christmas. Limited commuter service operates on New Year’s Eve, Cesar Chavez Day, Day after Thanksgiving, and Christmas Eve.

Fares

Roseville Transit’s fares are structured based on passenger category and media. Multi-trip passes are also available for purchase. Discounted fares are available for qualified passengers showing the following forms of valid identification: Roseville Transit Discount ID Card, middle or

high school issued ID card, Medicare card, DMV Senior Citizen photo ID card, and discount ID card issued by another transit agency. The Roseville Transit Discount ID card is issued to qualified persons with disabilities, youth ages 13 to 18, and seniors ages 60 and older. Children age 4 and under ride free (up to 2 children) with a fare paying adult. The fare structure during the audit period is summarized in Table I-2.

**Table I-2
Roseville Transit Fare Schedule**

Fare Category	Local Fixed Route	Dial-A-Ride	Commuter
Single Cash Fare			
General Public	\$1.50	\$3.75	
Discount (with ID)	\$0.75	\$2.50	
Same-Day Trips		\$7.50	
Non-Roseville Resident			\$4.50
Roseville Resident & Reverse			\$3.25
Children ages 4 and under	Free	Free	
Local Daily Pass (Electronic)			
General Public	\$4.00		
Discount (with ID)	\$2.00		
Local 10-Ride Pass			
General Public	\$15.00	\$37.50	
Discount (with ID)	\$7.50	\$25.00	
Non-Roseville Resident			\$45.00
Roseville Resident & Reverse			\$32.50
Local 30-Day Pass			
General Public	\$58.00		
Discount (with ID)	\$29.00		
Non-Roseville Resident			\$155.00
Roseville Resident & Reverse			\$110.00
Summer Youth Bus Pass			
	\$10.00		

Source: Roseville Transit

Fleet

There were 36 vehicles in the transit fleet during the audit period. All vehicles in revenue service are wheelchair accessible with tie-downs in compliance with the Americans with Disabilities Act of 1990. Roseville Transit also has a fleet of 10 non-revenue support vehicles. Table I-3 summarizes the transit fleet.

**Table I-3
Roseville Transit Fleet**

Year	Make/Model	Quantity	Fuel Type	Seating Capacity	Service Mode
2000	Gillig Phantom	4	Diesel	45 (2 W/C)	Commuter
2001	Gillig Phantom	4	Diesel	28 (2 W/C)	Local
2009	Gillig Low Floor	7	Diesel	39 (2 W/C)	Commuter
2009	Gillig Low Floor	6	Diesel	28 (2 W/C)	Local
2011	ARBOC Spirit of Mobility	3	Gasoline	17 (2 W/C)	Dial-A-Ride
2014	Gillig ISL Low Floor	4	Diesel	28 (2 W/C)	Local
2014	ARBOC Entervan	8	Gasoline	17 (2 W/C)	Dial-A-Ride
Total		36			

Note: W/C = wheelchair. Data source: Roseville Transit, National Transit Database

Section II

Operator Compliance Requirements

This section contains the analysis of the City’s ability to comply with state requirements for continued receipt of TDA funds. The evaluation uses the guidebook, *Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Agencies, September 2008 (third edition)*, developed by the California Department of Transportation (Caltrans) to assess transit operators. The guidebook contains a checklist of eleven measures taken from relevant sections of the Public Utilities Code and the California Code of Regulations. Each of these requirements is discussed in the table below, including a description of the system’s efforts to comply with the requirements. In addition, the findings from the compliance review are described in the text following the table.

Table II-1 Operator Compliance Requirements Matrix		
Operator Compliance Requirements	Reference	Compliance Efforts
The transit operator has submitted annual reports to the RTPA based upon the Uniform System of Accounts and Records established by the State Controller. Report is due 90 days after end of fiscal year (Sept. 28/29), or 110 days (Oct. 19/20) if filed electronically (Internet).	Public Utilities Code, Section 99243	Completion/submittal dates: FY 2013: October 20, 2013 FY 2014: November 25, 2014 FY 2015: December 14, 2015 The FY 2014 and FY 2015 Transit Operators Financial Transactions Reports were submitted after the statutory deadline. Conclusion: Partial compliance.
The operator has submitted annual fiscal and compliance audits to the RTPA and to the State Controller within 180 days following the end of the fiscal year (Dec. 27), or has received the appropriate 90-day extension by the RTPA allowed by law.	Public Utilities Code, Section 99245	Completion/submittal dates: FY 2013: March 21, 2014 FY 2014: March 31, 2015 FY 2015: March 22, 2016 A 90-day extension was granted by PCTPA as allowed by the TDA statute. Conclusion: Complied.
The CHP has, within the 13 months prior to each TDA	Public Utilities Code, Section 99251 B	The City through its contract operator participates in the CHP

Table II-1 Operator Compliance Requirements Matrix		
Operator Compliance Requirements	Reference	Compliance Efforts
claim submitted by an operator, certified the operator’s compliance with Vehicle Code Section 1808.1 following a CHP inspection of the operator’s terminal.		<p>Transit Operator Compliance Program in which the CHP has conducted inspections within the 13 months prior to each TDA claim.</p> <p>Inspections were conducted at the MV Transportation operations facility located at City Corporation Yard, 2005 Hilltop Circle in Roseville.</p> <p>Inspection dates applicable to the audit period were January 24 & 25, 2013; January 16 & 17, 2014; and January 30 & February 3, 2015.</p> <p>All inspections conducted were rated satisfactory.</p> <p>Conclusion: Complied.</p>
The operator’s claim for TDA funds is submitted in compliance with rules and regulations adopted by the RTPA for such claims.	Public Utilities Code, Section 99261	<p>As a condition of approval, the annual claims for Local Transportation Funds and State Transit Assistance submitted by the City that administers Roseville Transit are submitted in compliance with the rules and regulations adopted by PCTPA.</p> <p>Conclusion: Complied.</p>
If an operator serves urbanized and non-urbanized areas, it has maintained a ratio of fare revenues to operating costs at least equal to the ratio determined by the rules and regulations adopted	Public Utilities Code, Section 99270.1	<p>This requirement is not applicable, as Roseville Transit service area lies within the Sacramento Urbanized Area.</p> <p>Conclusion: Not applicable.</p>

Table II-1 Operator Compliance Requirements Matrix		
Operator Compliance Requirements	Reference	Compliance Efforts
by the RTPA.		
The operator’s operating budget has not increased by more than 15% over the preceding year, nor is there a substantial increase or decrease in the scope of operations or capital budget provisions for major new fixed facilities unless the operator has reasonably supported and substantiated the change(s).	Public Utilities Code, Section 99266	<p>Percentage change in the transit system’s operating budget:</p> <p>FY 2013: +8.8%</p> <p>FY 2014: +8.0%</p> <p>FY 2015: -2.0%</p> <p>Budget increases were attributed to higher contract services, system repair and maintenance and fuel costs.</p> <p>Source: City of Roseville – Transit Services Budgets for FYs 2012–2015</p> <p>Conclusion: Complied.</p>
The operator’s definitions of performance measures are consistent with Public Utilities Code Section 99247, including (a) operating cost, (b) operating cost per passenger, (c) operating cost per vehicle service hour, (d) passengers per vehicle service hour, (e) passengers per vehicle service mile, (f) total passengers, (g) transit vehicle, (h) vehicle service hours, (i) vehicle service miles, and (j) vehicle service hours per employee.	Public Utilities Code, Section 99247	<p>The transit system’s definition of performance is consistent with Public Utilities Code Section 99247. A review of performance data reports generated during the audit period indicates that correct performance data is being collected.</p> <p>Conclusion: Complied.</p>
If the operator serves an urbanized area, it has maintained a ratio of fare revenues to operating costs at	Public Utilities Code, Sections 99268.2, 99268.3, 99268.12, 99270.1	System-wide operating ratios using audited data were as follows:

Table II-1 Operator Compliance Requirements Matrix		
Operator Compliance Requirements	Reference	Compliance Efforts
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 fare revenues to operating costs of at least equal to three-twentieths (15 percent), if so determined by the RTPA.		FY 2013: 26.83% FY 2014: 23.19% FY 2015: 22.85% Source: Annual Fiscal and Compliance Audits Conclusion: Complied.
If the operator serves a rural area, or provides exclusive services to elderly and disabled persons, it has maintained a ratio of fare revenues to operating costs at least equal to one-tenth (10 percent).	Public Utilities Code, Sections 99268.2, 99268.4, 99268.5	This requirement is not applicable, as Roseville Transit service area lies within the Sacramento Urbanized Area. Conclusion: Not applicable.
The current cost of the 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 within 40 years.	Public Utilities Code, Section 99271	The City contributes to its employees’ retirement through the California Public Employees Retirement System (CalPERS) Miscellaneous Plan, while employees of the contract operator may be eligible for retirement benefits under the contractor’s plan. Conclusion: Complied.
If the operator receives state transit assistance funds, the operator makes full use of funds available to it under the Urban Mass Transportation Act of 1964 before TDA claims are granted.	California Code of Regulations, Section 6754(a)(3)	The transit system receives state transit assistance funds and makes use of federal transit grant funds under FTA Sections 5307 and other programs as follows: FY 2013: Operations (\$2,107,303) FY 2014: Operations (\$3,216,881) FY 2015: Operations (\$257,616) Capital (\$114,255)

Table II-1 Operator Compliance Requirements Matrix		
Operator Compliance Requirements	Reference	Compliance Efforts
		<p>Source: Transit Operators Financial Transactions Reports</p> <p>Conclusion: Complied.</p>

Findings and Observations from Operator Compliance Requirements Matrix

1. Of the compliance requirements pertaining to the City, the operator satisfactorily complied with eight of the nine applicable requirements. The City was in partial compliance with regard to the timely submittals of its annual Transit Operators Financial Transactions Reports to the State Controller. Two additional compliance requirements did not apply to the City (i.e., exclusive rural and blended farebox recovery ratios).
2. The City participates in the CHP Transit Operator Compliance Program through its contract operator in which the California Highway Patrol (CHP) has conducted inspections within the 13 months prior to each TDA claim. The CHP inspection reports submitted for review were found to be satisfactory.
3. The operating budget exhibited modest changes during the audit period. The budget increased 8.8 percent in FY 2013 and 8 percent in FY 2014. The FY 2015 operating budget decreased 2 percent. The budget increases were attributed to higher contract services, system repair and maintenance and fuel costs.
4. Based on the available data from the annual fiscal and compliance audits, the City’s farebox recovery ratio remained above the required 15 percent standard during the audit period. The average farebox during the triennial period was 24.29 percent.

Section III

Prior Triennial Performance Recommendations

The prior triennial performance audit provided no recommendations for discussion and implementation.

Section IV

TDA Performance Indicators

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

Tables IV-1 through IV-4 provide the performance indicators for the transit services system-wide, fixed route, Dial-A-Ride, and commuter. Charts are also provided to depict the trends in the indicators. It is noted that the system-wide operating costs and fare revenues are based on audited figures, while modal costs and fare revenues are unaudited and may not sum up to the system-wide totals. The audited costs deduct depreciation expense and represent reconciled cost figures. Audited fare revenues include auxiliary revenue including advertising, while the modal fare revenue only reflect passenger fares. The annual fiscal audits do not provide a modal breakdown.

**Table IV-1
TDA Performance Indicators
System-wide**

Performance Data and Indicators	Audit Period				% Change FY 2012-2015
	FY 2012	FY 2013	FY 2014	FY 2015	
Operating Cost	\$4,067,685	\$3,625,219	\$4,962,352	\$5,145,868	26.5%
Total Passengers	367,998	376,834	402,400	410,120	11.4%
Vehicle Service Hours	46,616	47,688	49,580	50,862	9.1%
Vehicle Service Miles	626,063	642,224	696,034	755,778	20.7%
Employee FTE's	50	50	53	47	-6.0%
Passenger Fares	\$931,607	\$972,666	\$1,150,564	\$1,176,008	26.2%
Operating Cost per Passenger	\$11.05	\$9.62	\$12.33	\$12.55	13.5%
Operating Cost per Vehicle Service Hour	\$87.26	\$76.02	\$100.09	\$101.17	15.9%
Operating Cost per Vehicle Service Mile	\$6.50	\$5.64	\$7.13	\$6.81	4.8%
Passengers per Vehicle Service Hour	7.9	7.9	8.1	8.1	2.1%
Passengers per Vehicle Service Mile	0.59	0.59	0.58	0.54	-7.7%
Vehicle Service Hours per Employee	932.3	953.8	935.5	1,082.2	16.1%
Average Fare per Passenger	\$2.53	\$2.58	\$2.86	\$2.87	13.3%
Fare Recovery Ratio	22.90%	26.83%	23.19%	22.85%	-0.2%

Note: System-wide audited operations costs deduct depreciation expense. Audited passenger fares include auxiliary revenue such as advertising.

Source: Annual Fiscal & Compliance Audits; National Transit Database; State Controller Report

**Table IV-2
TDA Performance Indicators
Local Fixed Route**

Performance Data and Indicators	Audit Period				% Change FY 2012-2015
	FY 2012	FY 2013	FY 2014	FY 2015	
Operating Cost	\$2,837,196	\$3,100,701	\$3,037,018	\$3,211,056	13.2%
Total Passengers	210,340	222,283	243,298	235,475	11.9%
Vehicle Service Hours	29,557	31,765	33,010	32,846	11.1%
Vehicle Service Miles	349,775	390,597	426,878	432,298	23.6%
Passenger Fares	\$226,211	\$227,475	\$241,934	\$263,087	16.3%
Operating Cost per Passenger	\$13.49	\$13.95	\$12.48	\$13.64	1.1%
Operating Cost per Vehicle Service Hour	\$95.99	\$97.61	\$92.00	\$97.76	1.8%
Operating Cost per Vehicle Service Mile	\$8.11	\$7.94	\$7.11	\$7.43	-8.4%
Passengers per Vehicle Service Hour	7.1	7.0	7.4	7.2	0.7%
Passengers per Vehicle Service Mile	0.60	0.57	0.57	0.54	-9.4%
Average Fare per Passenger	\$1.08	\$1.02	\$0.99	\$1.12	3.9%
Fare Recovery Ratio	7.97%	7.34%	7.97%	8.19%	2.8%

Note: Passenger fares do not include auxiliary revenue such as advertising.

Source: National Transit Database; State Controller Report

**Table IV-3
TDA Performance Indicators
Dial-A-Ride**

Performance Data and Indicators	Audit Period				% Change FY 2012-2015
	FY 2012	FY 2013	FY 2014	FY 2015	
Operating Cost	\$1,029,790	\$1,199,483	\$1,134,089	\$1,306,744	26.9%
Total Passengers	28,834	25,981	28,654	30,200	4.7%
Vehicle Service Hours	10,772	10,237	10,916	12,154	12.8%
Vehicle Service Miles	123,952	111,778	127,034	190,853	54.0%
Passenger Fares	\$89,025	\$83,461	\$93,008	\$88,869	-0.2%
Operating Cost per Passenger	\$35.71	\$46.17	\$39.58	\$43.27	21.2%
Operating Cost per Vehicle Service Hour	\$95.60	\$117.17	\$103.89	\$107.52	12.5%
Operating Cost per Vehicle Service Mile	\$8.31	\$10.73	\$8.93	\$6.85	-17.6%
Passengers per Vehicle Service Hour	2.7	2.5	2.6	2.5	-7.2%
Passengers per Vehicle Service Mile	0.23	0.23	0.23	0.16	-32.0%
Average Fare per Passenger	\$3.09	\$3.21	\$3.25	\$2.94	-4.7%
Fare Recovery Ratio	8.64%	6.96%	8.20%	6.80%	-21.3%

Note: Passenger fares do not include auxiliary revenue such as advertising.

Source: National Transit Database; State Controller Report

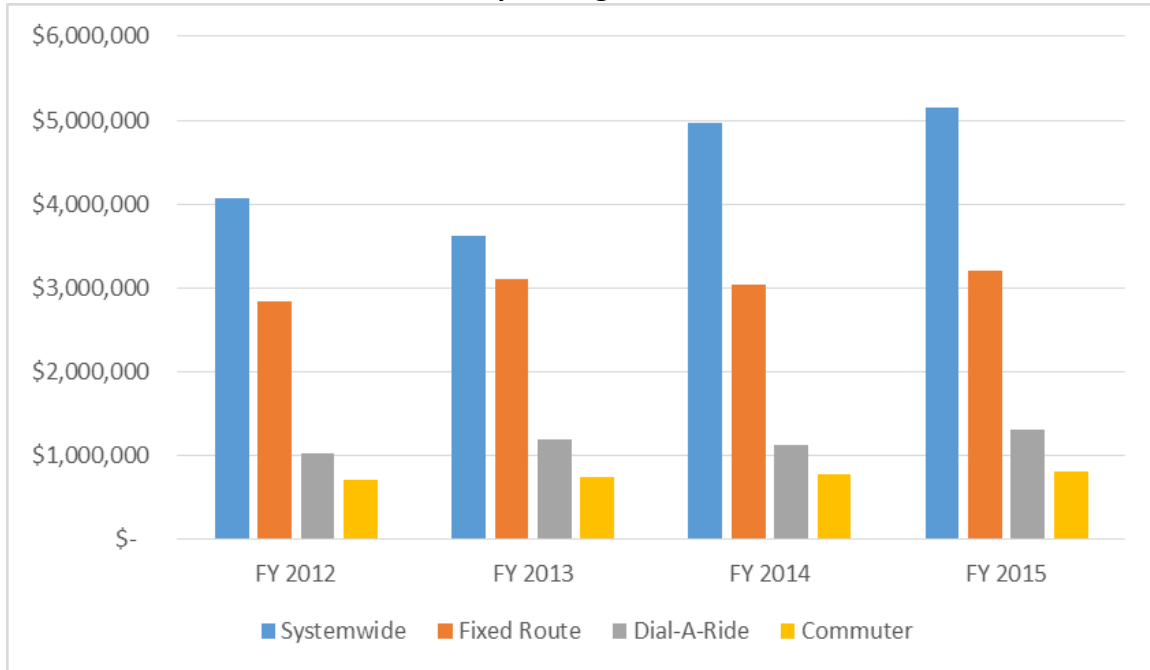
**Table IV-4
TDA Performance Indicators
Commuter**

Performance Data and Indicators	Audit Period				% Change FY 2012-2015
	FY 2012	FY 2013	FY 2014	FY 2015	
Operating Cost	\$715,327	\$740,821	\$770,294	\$805,101	12.6%
Total Passengers	128,824	128,570	130,448	144,445	12.1%
Vehicle Service Hours	6,287	5,686	5,654	5,862	-6.8%
Vehicle Service Miles	152,336	139,849	142,122	132,627	-12.9%
Passenger Fares	\$537,635	\$570,001	\$567,961	\$592,015	10.1%
Operating Cost per Passenger	\$5.55	\$5.76	\$5.90	\$5.57	0.4%
Operating Cost per Vehicle Service Hour	\$113.78	\$130.29	\$136.24	\$137.34	20.7%
Operating Cost per Vehicle Service Mile	\$4.70	\$5.30	\$5.42	\$6.07	29.3%
Passengers per Vehicle Service Hour	20.5	22.6	23.1	24.6	20.3%
Passengers per Vehicle Service Mile	0.85	0.92	0.92	1.09	28.8%
Average Fare per Passenger	\$4.17	\$4.43	\$4.35	\$4.10	-1.8%
Fare Recovery Ratio	75.16%	76.94%	73.73%	73.53%	-2.2%

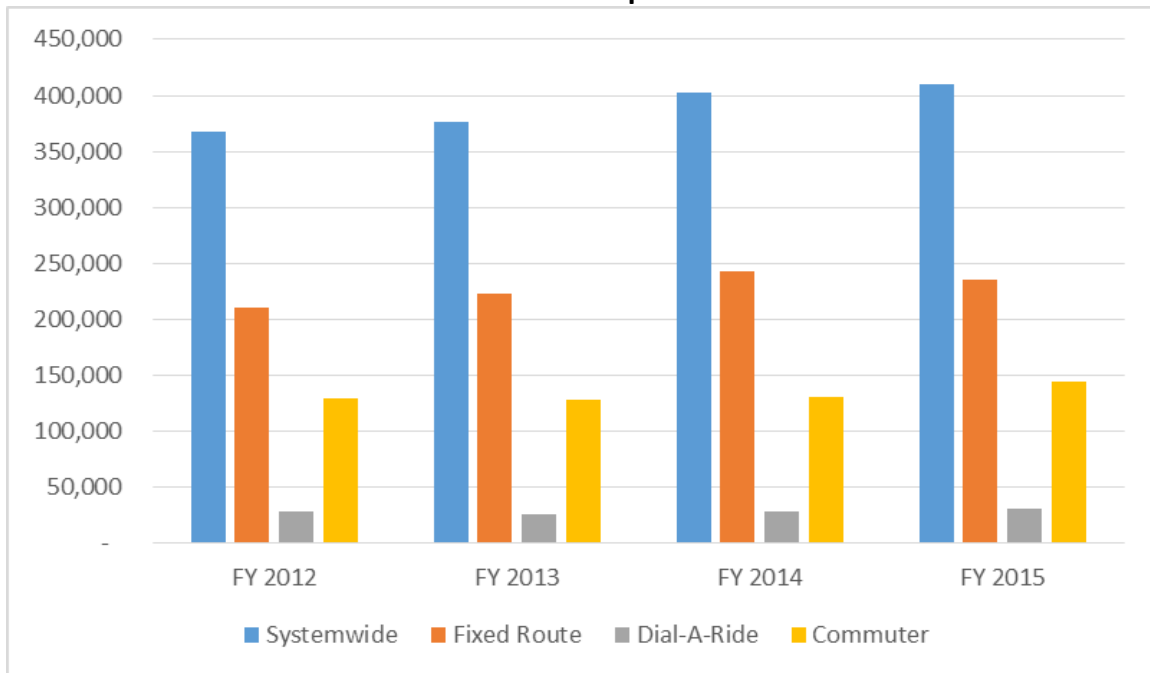
Note: Passenger fares do not include auxiliary revenue such as advertising.

Source: National Transit Database

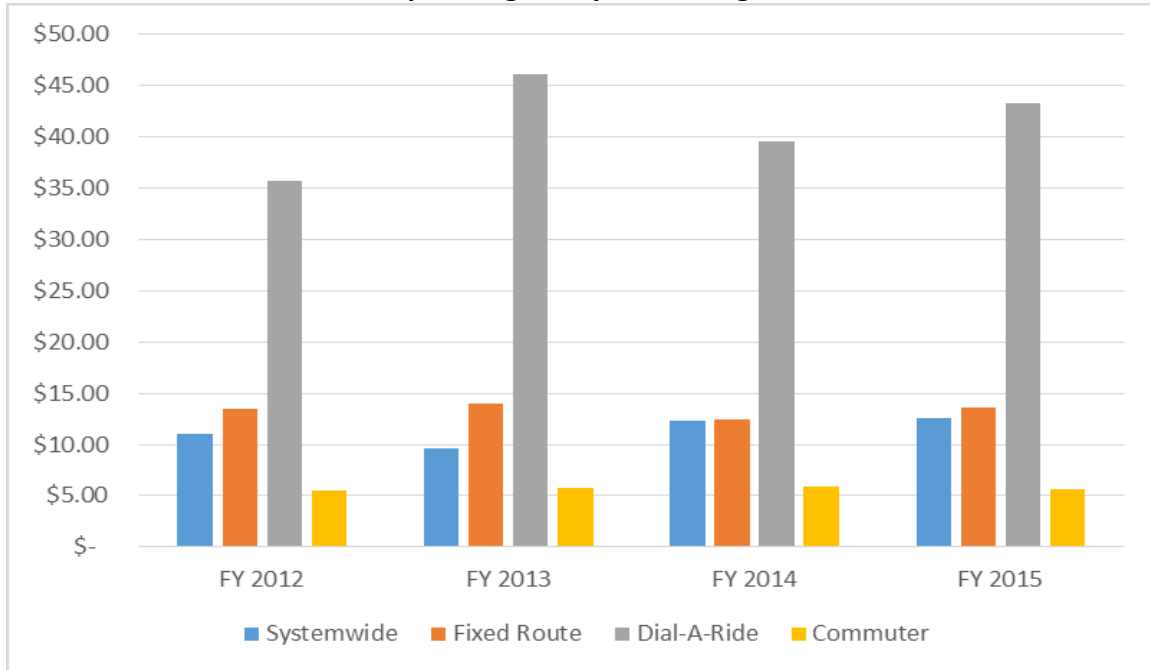
**Graph IV-1
Operating Costs**



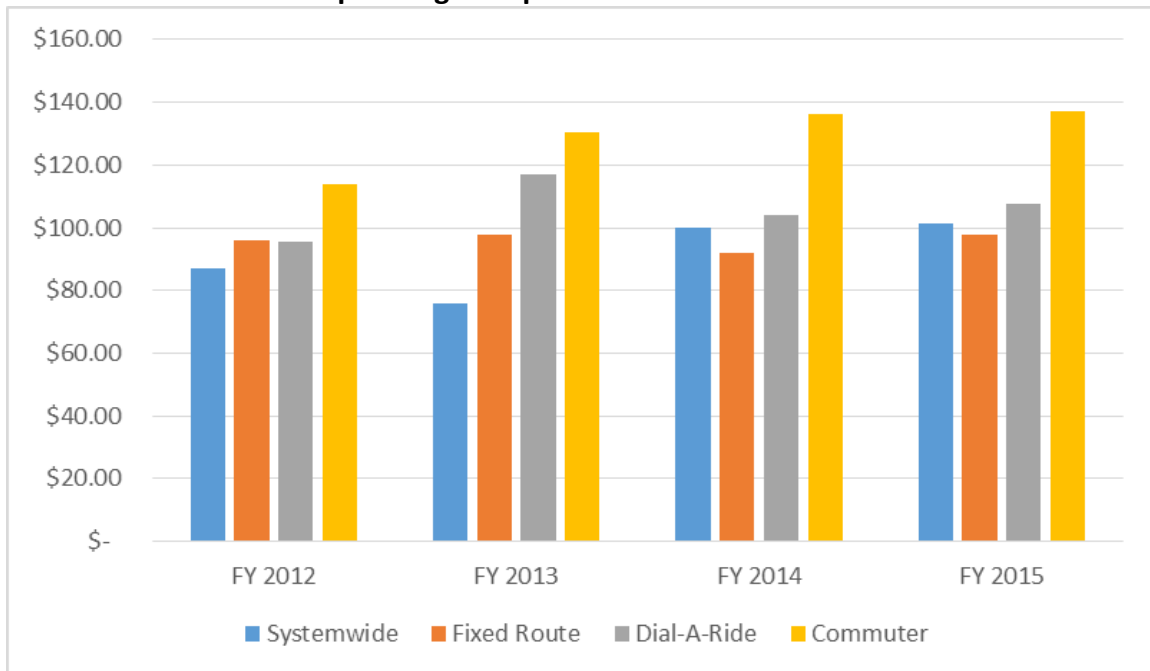
**Graph IV-2
Ridership**



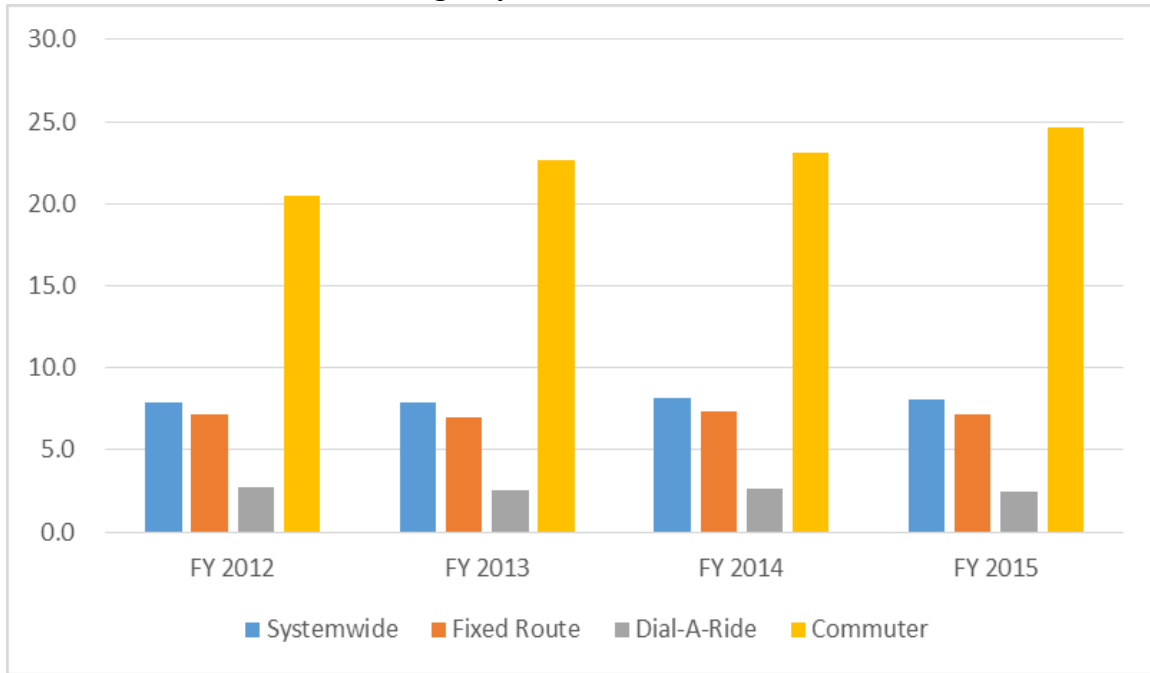
**Graph IV-3
Operating Cost per Passenger**



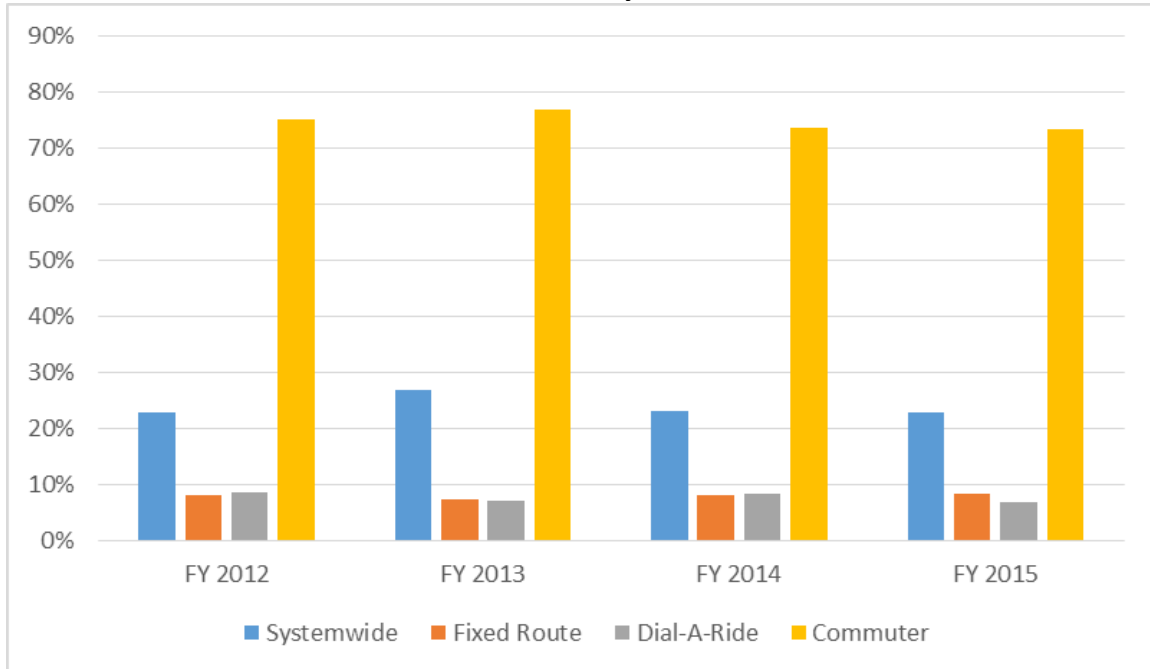
**Graph IV-4
Operating Cost per Vehicle Service Hour**



Graph IV-5
Passengers per Vehicle Service Hour



Graph IV-6
Fare Recovery Ratio



Findings from Verification of TDA Performance Indicators

1. Operating cost per passenger, a measure of cost effectiveness, increased 13.5 percent system-wide from the FY 2012 base year through FY 2015. On a modal basis, cost per passenger increased 1.1 percent on the fixed route and 0.4 percent on the commuter route. In contrast, cost per passenger increased by a higher percentage on Dial-A-Ride, amounting to 21.2 percent. The increase in this cost indicator is attributed to the higher rise in operating costs relative to passenger trips. The geography of the service area also grew which increased operating costs.
2. Operating cost per hour, which is a measure of cost efficiency, increased 15.9 percent system-wide based on audited data. On a modal basis, cost per hour increased 1.8 percent on the fixed route, 20.7 percent on the commuter service, and 12.5 percent on Dial-A-Ride. The trend is a result of the higher increase in operating costs compared to the increase in vehicle service hours. Commuter routes at 10:00 am and 10:00 pm were added during this audit period while some reverse commuter stops were removed which increased non-revenue service hours and miles, which Roseville Transit does not pay for.
3. Operating cost per mile, another cost efficiency measure, increased 4.8 percent system-wide from the FY 2012 base year to FY 2015. At the modal level, cost per mile decreased 8.4 percent on the fixed route and 17.6 percent on Dial-A-Ride. In contrast, cost per mile increased on the commuter service by 29.3 percent.
4. Passengers per vehicle service hour system-wide increased 2.1 percent. Concurrent with the system-wide trend, passengers per hour increased 0.7 percent on the fixed route, and 20.3 percent on the commuter route. Passengers per hour on Dial-a-Ride decreased 7.2 percent. System-wide, the number of passengers per vehicle service hour fluctuated in a narrow range during the audit period, between 7.9 and 8.1 passengers per hour.
5. Passengers per vehicle service mile is an indicator of service effectiveness which measures service consumption and service outputs. For the audit period, passengers per vehicle service mile decreased by 20.5 percent system-wide. Concurrent with the system-wide trend, passengers per mile decreased 9.4 percent on the fixed route and 32 percent on Dial-A-Ride. Passengers per mile increased on the commuter route by 28.8 percent.
6. Vehicle hours per full-time equivalent (FTE), which measures labor productivity, increased during the audit period by 16.1 percent. The calculation of this measure follows the correct definition of one FTE equal to 2,000 labor hours. Discussions with City transit staff indicated that the FTE count reported in the State Controller Report does not include all labor hours including maintenance and some administrative support. The City should report all labor hours associated with the transit system.
7. The audited system-wide fare recovery ratio exhibited a slight decrease of 0.2 percent from 22.90 percent in FY 2012 to 22.85 percent in FY 2015. The system-wide farebox

recovery ratio increased 17.2 percent in FY 2013, but decreased in FY 2014 and in FY 2015 by 13.6 and 1.4 percent, respectively. The audited ratios deduct depreciation expense and are reconciled which might cause a difference in costs between the system-wide and modal figures. Farebox recovery for most service modes decreased during the period, while the local fixed route saw an increase of 2.8 percent based on unaudited data. Total system-wide passenger revenues increased 26.2 percent, which reflects the trend at the modal level.

Section V

Review of Operator Functions

This section provides an in-depth review of various functions within Roseville Transit. The review highlights accomplishments, issues, and challenges that were determined during the audit period. The following functions were reviewed with the transit administration staff at the City of Roseville Alternative Transportation Department:

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

Within some departments are subfunctions that also require review, such as grants administration that falls under General Administration.

Operations

The Mission Statement for Roseville Transit is as follows:

We provide and continually enhance reliable, convenient and safe transportation options.

Roseville has managed to sustain service levels since the changes made in 2010 during the Great Recession. The City has sought to use existing resources efficiently. As a result, there has been limited service expansion unless deemed necessary. Nevertheless, the objectives of Roseville Transit have been to:

- *Expand the customer base by increasing its share of “choice riders”;*
- *Achieve sustainable growth in ridership and fare revenue;*
- *Maximize the efficiency of transit service in Roseville; and*
- *Work with other transit operators in the region to leverage buying power for capital acquisitions.*

Local routes operating in the Roseville service area generally run on 60 minute headways. Evening service hours were extended to 10:00 p.m. on Routes A, B and M. Route S provides service to the Bill Santucci Placer County Justice Center in Roseville. Roseville Transit operated a demonstration shuttle service to Sierra College in Rocklin that was not successful.

Commuter routes are used primarily by State employees who work in downtown Sacramento. There are 10 trips in each direction averaging between 138,000 and 144,000 trips annually. Service hours were extended in September 2012 and another provisional trip was added in April 2013 that was made permanent in October 2015.

The Dial-A-Ride service hours were extended after 6:00 p.m. on a reservation only basis. Dial-A-Ride service is available to the general public in addition to seniors and persons with disabilities certified under the ADA. Seniors comprise about 30 percent of Dial-A-Ride riders.

Roseville implemented a series of capital and infrastructure upgrades during the audit period. During FY 2014, the City purchased 8 ARBOC buses and 4 large Gillig ISL Low Floor buses that were placed into revenue service in the spring of 2014. Commencing in FY 2013, Roseville embarked on the installation of surveillance cameras on the vehicles and enhanced protective fencing at the City Corporation Yard where the transit vehicles are stored. Seven cameras were installed on the Dial-A-Ride vehicles and 8 cameras were installed on the larger commuter and fixed route vehicles. This effort was completed in March 2014.

Roseville has been working with its regional transit partners and the Sacramento Area Council of Governments (SACOG) in the implementation of the Connect Card system. The Connect Card is a regional reloadable transit pass that would allow seamless travel on Roseville Transit and 8 other transit agencies in the Sacramento region. Roseville has equipped most of its vehicles with the card readers in anticipation of full roll out by 2017.

The City has also been involved in the engineering and design of the Louis Orlando Transfer Point improvements at the intersection of Louis Lane and Orlando Avenue, which were completed in FY 2014. Right-of-way acquisition was completed in FY 2015. The project is a joint endeavor involving the City, Placer County Transit and the Sacramento Regional Transit District that would enhanced passenger amenities, fare machines, bus information displays and a park and ride lot.

Roseville Transit has contracted with MV Transportation for operations since June 2009. The management and operations service agreement was for an initial five-year term through June 2014. The contract agreement provided for three one-year extensions. There were five amendments to the agreement executed in November 2009, April 2011, September 2012, June 2014 and July 2015.

The second amendment incorporated the operation of the South Placer County Transit Information Center. The third amendment pertained to the application of advertising wraps on the buses. The fourth amendment extended the contract through end of FY 2015. A fifth amendment involved a second contract extension through the end of FY 2016. Alternative Transportation Division staff report open communication between the City and the contract operator.

The contractor reports vehicle service hours and mileage in accordance with the TDA statute. Driver trip sheets show the clock-in time, yard departure, first in-service pick-up, last drop-off,

yard arrival, clock-out time and total pay hours. Fare and passenger categories are denoted. Breaks and lunch times are also accounted for on the trip sheet.

Personnel

Daily transit operations are provided by a staff of more than 40 full and part-time employees under contract with MV Transportation. Non-exempt personnel are represented by the Amalgamated Transit Union (ATU), Local 256. Full-time equivalent levels for MV were 47.36 in FY 2013; 49.76 employees in FY 2014; and 44.51 employees in FY 2015. City of Roseville transit administrative staff held steady at 2.98 FTEs each year. As noted earlier, however, other staff associated with the transit system including from maintenance and the finance department should be included in the labor hour calculation.

Driver candidates are required to undergo 50 hours of classroom training, 25 hours of behind-the-wheel and 25 hours of cadetting, which involves route mapping and daily functions. Additional vetting includes drug and alcohol testing and wheelchair lift training. Contract drivers are General Public Paratransit Vehicle (GPPV) certified and are required to hold a Class B license. Candidates with Class C licenses are hired while they obtain their Class B license, which requires an additional 40 hours of training. The majority is cross-trained on the fixed route and demand response services.

Contract employees receive group medical, dental, vision and \$5,000 in life insurance. The contractor also provides a 401K retirement program and matches up to 10 percent of the employee's contribution to a maximum of six percent. Employees are eligible for seven paid holidays per year and vacation time starting at one week's leave after one year of service. MV Transportation provides incentives for attendance and safety. Employees who have perfect attendance for a year receive a bonus of \$150 for that year. In addition to a strong attendance record, drivers that have exhibited safe driving behavior receive a \$200 annual bonus on the anniversary of their hire date.

Maintenance

Roseville Transit vehicles are maintained by the City at the City Corporation Yard located at 2075 Hilltop Circle in Roseville. The facility has an adequate number of service bays, bus wash facility and a fueling station that dispenses diesel and gasoline. The corporation yard has been adaptable to new technologies.

The City employs Squarerigger fleet maintenance software to keep abreast of preventive maintenance inspection schedules and parts supplies. Preventive maintenance inspections performed are based on manufacturer specifications. The older Gillig vehicles have been retrofitted with rebuilt engines and repowered transmissions.

Drivers conduct pre- and post-trip vehicle inspections by utilizing Zonar Electronic Verified Inspection Reporting (EVIR) technology. The EVIR reader scans the data-encoded RFID tags on each vehicle component to determine its operating condition. When a defect is discovered, the

driver selects a description from a predefined list and indicates whether the vehicle is safe to operate. Fault codes generated by the device are transmitted to the lead mechanic for attention.

Road calls are recorded when a tow truck and/or mechanic responds to a mechanical/service problem for a disabled transit vehicle that is in revenue service. The City receives a daily dispatch log and road call spreadsheet.

The California Highway Patrol is responsible for certifying the maintenance facility and for inspecting vehicles on an annual basis. Inspections conducted during the audit period were rated satisfactory.

Planning

Transit planning and oversight are engaged through various approaches in a coordinated effort between the City and the PCTPA. The most recent transit plan commissioned by the PCTPA was the City of Roseville Short Range Transit Plan (SRTP), released in September 2011. The purpose of the SRTP is to objectively and comprehensively evaluate the City of Roseville’s public transit program’s performance, identify and quantify transit demand, and identify strategies for enhancing community mobility.

The SRTP includes a geographic and demographic profile of the service area, an overview of the existing transit system, public outreach methodology, system performance analysis, service plan, capital plan, and a financial plan. In addition, the SRTP contains a series of service goals and objectives as well as performance standards. Public outreach efforts included onboard rider surveys, community surveys, stakeholder surveys, and a community visioning workshop.

In addition to the SRTP, local jurisdiction Specific Plans mention and support the role of transit in the service area. Future service planning considerations involve direct service to the Sierra College Annex being planned for downtown Roseville and American River College. The City has also identified potential collaboration with ride-sharing service providers Uber and Lyft.

Roseville was the recipient of the 2014 Outstanding Coordination award at the California Association for Coordination Transportation (CalACT) conference for advancing transit coordination and service in the South Placer County region. Of particular note, the award was in recognition of Roseville’s leadership and coordination surrounding the South Placer Transit Information Center.

Marketing

Roseville utilizes a number of methods and partnerships to market its transit services to the community. The focus has been on creating a brand identity and attracting more choice riders. The marketing program is overseen by a part-time staff member with the Alternative Transportation Division.

PCTPA has an agreement with Roseville for the City to manage the South Placer Transit Information Center which provides coordinated transit information that includes Roseville Transit and access to the transit ambassador program. The City also publishes glossy, multi-fold brochures corresponding to each service mode: local fixed-route, commuter and Dial-A-Ride. Roseville Transit information is also featured in the South Placer Transit Information Transit Connections Map along with other transit providers in the region.

Transit information is accessible online on a dedicated page through the City's main web portal (http://www.roseville.ca.us/transportation/roseville_transit/default.asp). The website features general information and schedules (in PDF form) for each route, trip planner, fares information, service announcements, ADA and Title VI policies, rider etiquette, links to other transit providers, and contact information. The website is updated as needed. South Placer Transit Information also has a website accessed through the PCTPA website at (<http://pctpa.net/sptransitinfo/>).

The Alternative Transportation Division is engaged with social media and has a presence on Twitter and YouTube. Travel training and promotional videos have been produced and posted on YouTube and the Roseville Transit webpage. The transit advertising program was started in 2013, which included public service announcements on local media. Roseville Transit also provides a bus tracker app for mobile devices.

The Transit Ambassador program was initiated in 2008 and has since expanded throughout South Placer County. This volunteer-based program was created in order to assist prospective transit riders on how to access and navigate the transit system. Free trips are offered during the local Earth Day event. Route changes are announced through posters and flyers posted on the buses.

Recent transit surveys conducted during the audit period have been focused on how riders learn about transit. Surveys are conducted through the Transit Ambassador program, social service agencies and senior groups. The profile of the average local fixed route rider is female, lower income between the ages of 30 and 40 and commuting to work. Roseville Transit also conducts an annual online survey of commuter route passengers.

Pursuant to the federal Civil Rights Act of 1964, a Title VI Program was adopted by the City. Title VI of the Civil Rights Act of 1964 requires that no person in the United States, on the grounds of race, color, or national origin be excluded from, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance. Program compliance includes Title VI notices and complaint forms posted on the Roseville Transit website in English and Spanish.

General Administration and Management

The City of Roseville is a Charter City that was incorporated on April 10, 1909. The City has a Council-Manager form of government, with an elected five member City Council that serves as the principal legislative body. Council members serve for staggered terms of four years. The

Council member receiving the highest number of votes in the latest election is seated as Vice Mayor for the first two years of his or her four-year term, and as Mayor for the final two years. The Council provides policy direction to the City Manager, who is responsible for administering City operations. The City Council meets on the first and third Wednesday of the month at 7:00 p.m. in the City Council Chambers located at 311 Vernon Street.

Roseville Transit is administered by the Alternative Transportation Division of the Public Works Department from offices located at 401 Vernon Street. The Alternative Transportation Manager oversees the operating contract. The manager is assisted by an administrative analyst, office assistant and administrative technician who provide day-to-day oversight of the operating contract and other aspects of the system.

The City's Transportation Commission is a seven-member advisory body that deals with issues related to four primary areas: public transit; traffic circulation; bikeways and pedestrian facilities; and transportation systems management. It is also a forum to provide public input for issues related to transportation. The Transportation Commission meets on the third Tuesday of the month at 7:00 p.m. in the City Council Chambers. The Alternative Transportation Manager serves as the liaison to the Commission.

Preparation of the Transit Operators Financial Transactions Report submitted to the State Controller is contracted out by the Finance Department to an independent auditor. During the audit period, the Alternative Transportation Division generally has not had opportunity to review and verify the financial and operations data in the Controller's report until when submitted to the State. In the last year of the performance audit period, however, the division was more involved in reviewing the report and identified some data issues such as the total full time equivalents.

Pursuant to TDA, the City receives Local Transportation Fund (LTF) proceeds and State Transportation Assistance Funds (STAF). TDA revenues are used primarily toward operating expenditures. Based on annual fiscal audit and internal financial reporting data, LTF revenues received to the Transit Fund during the audit period were \$2,795,658 in FY 2013; \$4,088,545 in FY 2014; and \$1,761,127 in FY 2015. The City used its TDA balance to supplement service in FY 2015. STAF revenues received were \$600,801 in FY 2013; \$490,408 in FY 2014; and \$502,826 in FY 2015.

The City's FY 2013 FTA Triennial Review was conducted from January 29 through 31, 2014. The final report was issued on February 25, 2014. Of the 18 review areas addressed, Roseville was found deficient in five review areas: Legal, Technical Capacity, Procurement, Disadvantaged Business Enterprise (DBE) Program, and ADA. In particular, the deficiency in the ADA concerned the City's no-show policy. The City addressed all the deficiencies in its corrective response to the findings.

Grants Management

In addition to TDA funding, the City relies on several federal and state grant programs to support its operations and capital procurement needs. The City receives federal funding from the FTA Section 5307 grant program for operations and capital allocations. The City applied for FTA Section 5310 grant funding for mobility management. In addition to the federal formula grants, the City receives discretionary grants. State-derived grants are tracked on a spreadsheet listing the grant number, project or procurement, funding cycle, grant type, and the amount, disbursements, encumbrances and remaining balance. Federal grants are tracked based on the project or procurement. Each tracking sheet shows the federal/local match ratio, funding amount, disbursements, drawdowns, and balances.

Funding for capital has also been awarded through the State’s Proposition 1B Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA). PTMISEA funding has been applied toward Dial-A-Ride vehicle procurement, intelligent transportation systems technology, and Corporation Yard security enhancement. Another component of the Proposition 1B program is the Transit System Safety, Security & Disaster Response Account (TSSSDRA) administered by the Governor’s Office of Emergency Services. The TSSSDRA funds awarded to Roseville have been used toward the procurement of on-board surveillance cameras.

The City has also applied for Low Carbon Transit Operations Program funding for the expansion of Route S. The grant is based upon the acquisition of a zero-emission vehicle. The City also applied for a Sacramento Emergency Clean Air & Transportation program grant for a Zero-Emission Truck and Bus Pilot Commercial Deployment Projects by the Sacramento Metropolitan Air Quality Management District, in partnership with the Sacramento Regional Transit District, Yolo County Transportation District, Placer County Transit and the Sacramento Municipal Utility District.

Section VI

Findings

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

Triennial Audit Findings

1. Of the compliance requirements pertaining to the City, the operator satisfactorily complied with eight of the nine applicable requirements. The City was in partial compliance with regard to the timely submittals of its annual Transit Operators Financial Transactions Reports to the State Controller. Two additional compliance requirements did not apply to the City (i.e., exclusive rural and blended farebox recovery ratios).
2. The City participates in the CHP Transit Operator Compliance Program through its contract operator in which the California Highway Patrol (CHP) has conducted inspections within the 13 months prior to each TDA claim. The CHP inspection reports submitted for review were found to be satisfactory.
3. Based on the available data from the annual fiscal and compliance audits, the City's farebox recovery ratio remained above the required 15 percent standard during the audit period. The average farebox during the triennial period was 24.29 percent.
4. Operating cost per passenger, a measure of cost effectiveness, increased 13.5 percent system-wide from the FY 2012 base year through FY 2015. On a modal basis, cost per passenger increased 1.1 percent on the fixed route and 0.4 percent on the commuter route. In contrast, cost per passenger increased by a higher percentage on Dial-A-Ride, amounting to 21.2 percent. The increase in this cost indicator is attributed to the higher rise in operating costs relative to passenger trips. The geography of the service area also grew which increased operating costs.
5. Operating cost per hour, which is a measure of cost efficiency, increased 15.9 percent system-wide based on audited data. On a modal basis, cost per hour increased 1.8 percent on the fixed route, 20.7 percent on the commuter service, and 12.5 percent on Dial-A-Ride. The trend is a result of the higher increase in operating costs compared to the increase in vehicle service hours. Commuter routes were added at 10:00 am and 10:00 pm during this audit period while some reverse commuter stops were removed which increased non-revenue service hours and miles, which Roseville Transit does not pay for.
6. Passengers per vehicle service hour system-wide increased 2.1 percent. Concurrent with the system-wide trend, passengers per hour increased 0.7 percent on the fixed route, and 20.3 percent on the commuter route. Passengers per hour on Dial-a-Ride decreased 7.2 percent.

System-wide, the number of passengers per vehicle service hour fluctuated in a narrow range during the audit period, between 7.9 and 8.1 passengers per hour.

7. Roseville implemented a series of capital and infrastructure upgrades during the audit period. During FY 2014, the City purchased 8 ARBOC buses and 4 large Gillig ISL Low Floor buses that were placed into revenue service in the spring of 2014.
8. Commencing in FY 2013, Roseville embarked on the installation of surveillance cameras on the vehicles and enhanced protective fencing at the City Corporation Yard where the transit vehicles are stored. Seven cameras were installed on the Dial-A-Ride vehicles and 8 cameras were installed on the larger commuter and fixed route vehicles. This effort was completed in March 2014.
9. Roseville Transit has been operated under contract with MV Transportation since June 2009. The management and operations service agreement was for an initial five-year term through June 2014. The contract agreement provided for three one-year extensions. There were five amendments to the agreement executed in November 2009, April 2011, September 2012, June 2014 and July 2015.
10. Roseville was the recipient of the 2014 Outstanding Coordination award at the California Association for Coordination Transportation (CalACT) conference for advancing transit coordination and service in the South Placer County region.
11. The City's FY 2013 FTA Triennial Review was conducted from January 29 through 31, 2014. The final report was issued on February 25, 2014. Of the 18 review areas addressed, Roseville was found deficient in five review areas that were corrected.

Recommendations

1. **Ensure the timely completion and submittal of the annual State Controller Transit Operators Financial Transactions Reports. (High Priority)**

Two of the three Transit Operators Financial Transactions Reports were submitted after the statutory deadline during the audit period. Pursuant to PUC 99243 (a), “the operators shall prepare and submit annual reports of their operation to the transportation planning agencies having jurisdictions over them and to the Controller within 90 days of the end of the fiscal year.” If the report is filed in electronic format as mandated by the State Controller, the report shall be furnished within 110 day after the close of the fiscal year. It is recommended that staff from the Alternative Transportation Division and Finance Department work closely with the independent auditor who prepares the report to ensure timely completion and adequate review.

2. **Account for all labor hours charged to the transit program in the full-time equivalent employee calculation. (High Priority)**

Alternative Transportation Division staff indicated that maintenance and some administrative support hours are not included in the full-time equivalent (FTE) employee calculation. Employee hours should include those from the contract operator and City personnel responsible for monitoring the operating contract and maintaining the vehicles. It is suggested that time dedicated to the transit system be tracked as reasonably as possible and tabulated properly since it feeds into the State Controller Reports. Operations data contained in the State Controller Report should be reviewed by Alternative Transportation Division and Finance Department for accuracy and completeness prior to submittal to the State. Proper reporting of FTEs will result in more accurate performance indicators of productivity and responsiveness to the State.

3. **Track and separate rider types for Dial-A-Ride in the quarterly reports. (Medium Priority)**

Dial-A-Ride service is provided to the general public, seniors and the disabled. The City should routinely record passengers by these types, at a minimum, in the quarterly reports to develop trends in ridership patterns and formulate discussion about the continued provision of general public dial-a-ride in light of the presence of a local fixed route service. The identification of the number of general public riders, and consequently if they are younger riders or adults, will help with service planning and other potential methods of delivering dial-a-ride should trends point to significant on-going need for this service. Travel training opportunities could be advertised on the dial-a-ride vehicles for general public dial-a-ride passengers that may need assistance or have questions in transitioning to the fixed route bus. Farebox recovery for the bus and other performance measures could be enhanced through more demand for fixed route and less for dial-a-ride.