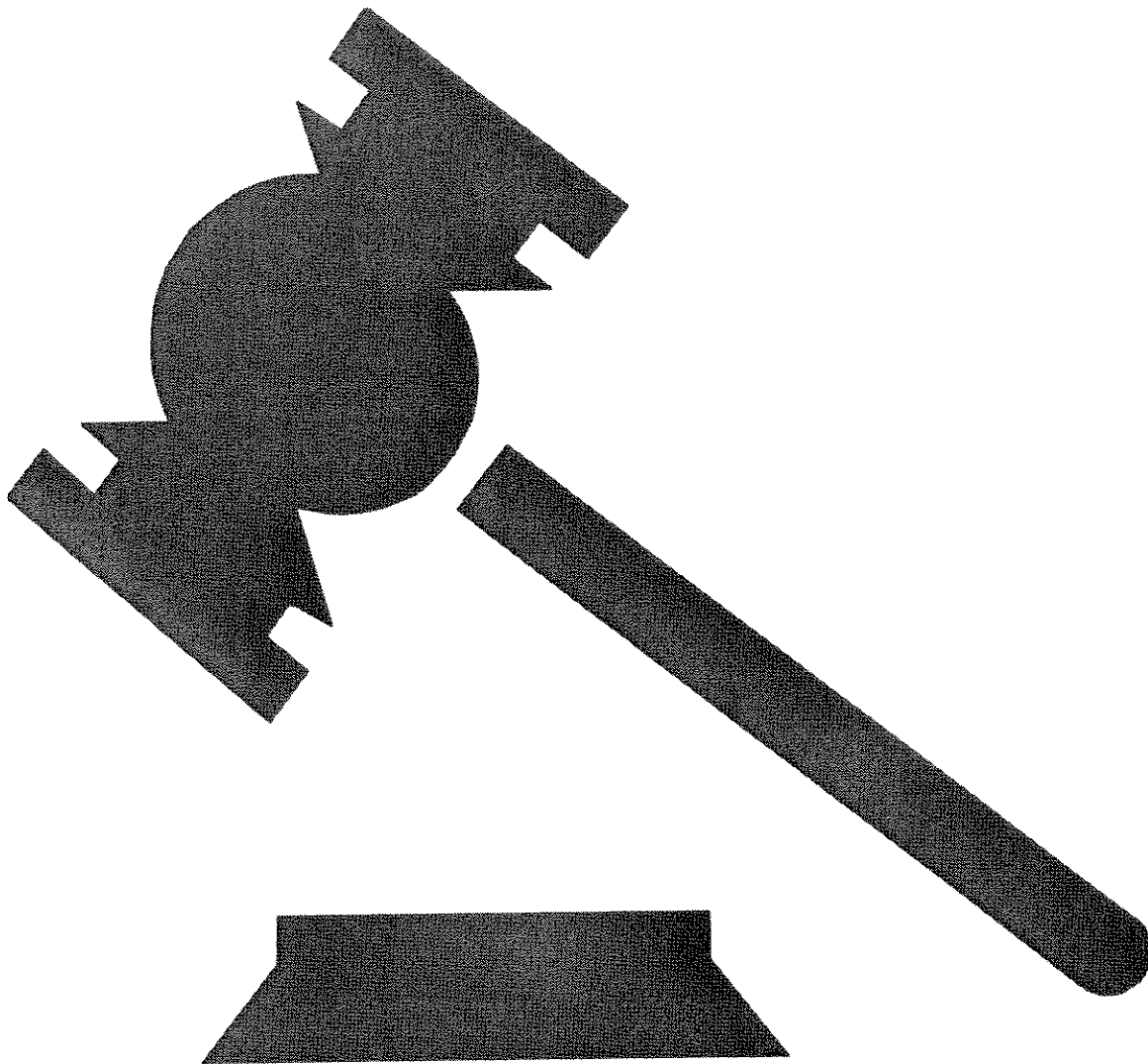




***ADMINISTRATIVE
ACTION/DISCUSSION ITEMS
AGENDA ITEMS VI. B.***

FY 2004-2006 TRIENNIAL PERFORMANCE AUDITS

Council of Fresno County Governments
(Fresno COG)

Fresno Area Express (FAX)

Clovis Transit

Fresno County Rural Transit Agency
(FCRTA)

Fresno County Economic Opportunities
Commission (FCEOC)



FY 2004-2006 TRIENNIAL
PERFORMANCE AUDIT OF
COUNCIL OF FRESNO
COUNTY GOVERNMENTS

SUBMITTED TO

COUNCIL OF FRESNO COUNTY
GOVERNMENTS



SUBMITTED BY

PMC



July 2007

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EXECUTIVE SUMMARY

PMC was retained by the Council of Fresno County Governments (Fresno COG) to conduct its Transportation Development Act (TDA) performance audit for Fiscal Years (FYs) 2003-04 through 2005-06. As a Regional Transportation Planning Agency, Fresno COG is required by Public Utilities Code Sections 99246 and 99248 to prepare and submit an audit of its performance on a triennial basis to the State Department of Transportation (Caltrans) to continue to receive TDA funds. TDA funds are used for Fresno COG administration and planning, and distribution to local jurisdictions for motorized and non-motorized forms of transportation.

This performance audit is intended to describe how well Fresno COG is meeting its administrative and planning obligations under TDA, as well as its organizational management and efficiency. To gather information for the TDA performance audit, PMC conducted interviews with COG staff and the transit operators, reviewed various pertinent documents, and evaluated Fresno COG's responsibilities, functions and performance to the TDA guidelines and regulations.

Below are findings from the analysis:

1. Fresno COG conducts its management of the TDA program in a competent, professional manner while operating in a complex intergovernmental environment.
2. Fresno COG has satisfactorily complied with all State legislative mandates for Regional Transportation Planning Agencies.
3. The COG has increased its visibility with the community, stakeholders and partner agencies through its efforts with the One Voice advocacy program and the passage of the Measure "C" extension.
4. In response to the prior audit recommendation, the COG offered the transit operators the flexibility of utilizing the AB 813 exclusions from the farebox if they chose to. However, the operators have been able to maintain their respective farebox ratios without the need to implement the AB 813 cost exclusions. In addition, some of the cost exclusions expired in January 2007. Therefore, the prior audit recommendation no longer applied.

5. The COG played a central role in the successful renewal of Measure "C", the half cent local transportation sales tax for another 20-years. The COG's role by law was to undertake the planning efforts to develop the package of projects in Measure C with the assumption that the tax extension would be approved.
6. With the region's ability to speak with "one voice", Fresno COG has been instrumental in the formation of the San Joaquin Valley Regional Policy Council comprised of representatives from each participating council of governments. This group will further the collective strength of the partner agencies to advocate for transportation funding and address other issues. The San Joaquin Valley Regional Blueprint will provide the planning process and products to support long-range planning for the eight MPO's in the region and compliment the work of the Council.
7. The COG is currently updating the Policies and Procedures Manual to include written policies and documentation of the agency's operations and work procedures. The policies and procedures will provide a clearinghouse of the standards for work efforts undertaken by the COG.
8. The Executive Director has expressed her intention to retire within the next year. Part of the transition period includes succession planning to ensure strong leadership continues at the COG. This includes cross training for other executive management and enabling staff to take ownership of their work efforts with the various COG subcommittees.
9. An RTP update was adopted by the Board in 2004, with the next update scheduled for adoption the summer of 2007. An Environmental Justice Report was prepared as part of the 2004 RTP which included the efforts and recommendations of the Environmental Justice Task Force. The Environmental Justice Report will be a recurring effort for each RTP update.
10. Several transit related studies have been developed or are in the process of being conducted that review potential regional alternatives to the delivery of public transportation. One effort is a transit consolidation study, while another is the Public Transportation Infrastructure Study (PTIS). A third study is the County's Coordinated Public Transit/Human Services Transportation Plan, a federal requirement.
11. The COG has increased its responsibility to encourage more participation in the transportation planning process. Among the methods used to encourage more public participation include ample time for public comments on regional transportation plans, provision of complete information, timely public

notice of meetings, full public access to key decisions, and early involvement in the planning process. With the growing use of the internet, the COG's website is becoming a more significant and popular method for accessing information.

Three recommendations are provided to improve Fresno COG's administration and management of the Transportation Development Act. The recommendations are summarized below.

1. Consider modifying the annual TDA claim form to include a Standard Assurances list for the transit operators.

The appendix to this audit shows a sample Standard Assurances list that could be included as part of the claims submitted by the transit operators. This list, which could be signed and initialized by the appropriate claimant, serves as an annual reminder of specific TDA compliance measures.

2. Consider developing a simplified comprehensive guide of transportation funding sources for inclusion in the orientation package for new Board members.

The materials included in the Board briefing packet can be used by a Policy Board member as a reference tool, such as the description and role of the COG and a listing of acronyms and definitions. To enhance the use of the briefing package as a reference, the COG should consider adding a comprehensive, user-friendly guide that describes the various funding sources utilized by the COG, local jurisdictions, partner agencies and the transit operators. The guide could simply consolidate the types of revenue from local, state and federal sources under one easy to read brochure.

3. Develop step-by-step desk procedures that document "how to" administer or implement a program.

As part of the COG's current efforts to update and strengthen the policy procedures manual, the agency should consider including the preparation of desk procedures that document the instructions and steps for the activities conducted by each staff position. Documentation could include at a minimum what programs/projects each staff is responsible for, the desk processes or procedures and materials used to execute the programs/projects, target audience or market, and identification of communication channels. These documents would enable a new hire or a staff transfer from another position to be able to fulfill the responsibilities by following the desk procedures.

I. INTRODUCTION -- INITIAL REVIEW OF FRESNO COG FUNCTIONS

PMC was retained by the Council of Fresno County Governments (Fresno COG) to conduct its Transportation Development Act (TDA) performance audit for FYs 2003-04 through 2005-06. As a Regional Transportation Planning Agency, Fresno COG is required by Public Utilities Code Sections 99246 and 99248 to prepare and submit an audit of its performance on a triennial basis to the State Department of Transportation (Caltrans) to continue to receive TDA funds.

This performance audit, as required by the Transportation Development Act, is intended to describe how well Fresno COG is meeting its administrative and planning obligations under TDA.

OVERVIEW OF FRESNO COG

The Council of Fresno County Governments (Fresno COG) is a voluntary association of local governments, comprised of the County of Fresno and 15 incorporated cities as member agencies. Since 1969, Fresno COG has served as a public forum for regional planning, citizen participation and intergovernmental coordination, with an emphasis on transportation. The COG Policy Board also functions separately as the Abandoned Vehicle Abatement Service Authority.

Each city and the county receive one vote on the Policy Board for a total of 16. Fresno COG has a "double-weighted" voting system in which each member has a percentage vote based upon population. To approve any action the vote must pass two tests:

1. Agencies representing over 40 percent of the population must be in favor of an action, and
2. A majority of all the members must support the action; that is, nine of the sixteen members.

This weighted voting requirement helps to ensure urban and rural consensus on policy matters before Fresno COG.

The member jurisdictions include the following:

- County of Fresno
- City of Coalinga
- City of Fowler
- City of Clovis
- City of Firebaugh
- City of Fresno

- City of Huron
- City of Kerman
- City of Kingsburg
- City of Mendota
- City of Orange Cove
- City of Parlier
- City of Reedley
- City of San Joaquin
- City of Sanger
- City of Selma

Fresno County is the second largest county in the San Joaquin Valley, encompassing about 6,000 square miles. Population growth has been among the most notable characteristics of Fresno County, having the largest population base in the San Joaquin Valley. According to the 2000 U.S. Census, the county's population was 799,407 persons. By July 2006, the county had grown to 917,515 or by 118,108 residents, a 14.8 percent increase according to the State Department of Finance. Slightly more than half the county's population resides in Fresno, which boasts a population of 481,035 (Department of Finance, 2007 estimate). The county's second largest city is Clovis, which has a population of 92,269 (Department of Finance, 2007 estimate). Rural areas of the county have also experienced population growth. Population growth places demands on all public services, but especially transportation. Ensuring that there is adequate mobility for the residents of the county is central to the role of Fresno COG.

ROLE OF FRESNO COG

Fresno COG is a state designated Regional Transportation Planning Agency (RTPA) for purposes of meeting state transportation planning requirements. This designation includes being responsible for a variety of transportation plans and programs as well as the administration of the Transportation Development Act. The COG is also recognized as a Metropolitan Planning Organization (MPO) under federal law for the Fresno area to implement a continuing, coordinated and comprehensive transportation planning process.

An important feature of Fresno COG is that it operates in a complex intergovernmental environment, which requires ongoing communications and coordination with agencies at the local, regional, state and federal levels of government. This means, for example, that its long range transportation plan, its transportation improvement programs and air quality conformity processes are coordinated with those of the other San Joaquin Valley counties to address interregional issues. Fresno COG provides a leadership role in the coordination of planning efforts with the other counties, and has formalized this relationship through execution of an eight county MOU.

To ensure ongoing coordination with local jurisdictions, Fresno COG interacts regularly with county government, the cities in the county and the county's transit operators to ensure coordination between Fresno COG policies and programs and the member agencies' programs and services. Fresno COG also

assumes responsibility as a clearinghouse of census data and information for Fresno County, responding to requests from member agencies and the public. The agency coordinates census information with the Bureau of the Census for public dissemination. Also, as the designated Areawide Planning Organization for the Fresno County Region, the COG adopts housing, land use and open space elements when appropriate in providing comprehensive regional planning.

Fresno COG collaborated with the Fresno County Transportation Authority and the public to deliver the existing Measure "C" highway program expenditure plan. The current highway program is part of the 20-year Measure "C" local transportation sales tax passed by voters in 1986, and expiring in June 2007. The highway capital investment portion of the soon-to-expire sales tax plan is 75 percent of the half-cent sales tax proceeds, by far making it the most significant in the delivery of Measure "C" projects. Some of the major highway projects that have been constructed include the State Route (SR)-168 to Temperance Avenue (The Sierra Freeway), and several segments along SR-180.

The Fresno County Transportation Authority manages the sales tax revenues to ensure that the program of projects adopted by the voters is implemented. The Fresno COG has an important role to play in the overall development and ongoing oversight of the sales tax program. Among the COG's significant activities during the audit period was the planning and development of a new transportation expenditure plan that was placed on the November 2006 ballot as an extension of the sales tax. After prior defeats by voters to achieve the required two-thirds approval, the ballot received the necessary votes (78 percent) to extend the sales tax by another 20-years. While the original Measure C provided a program to allow for expansion of the freeway system, projects funded by the extension of Measure C will be more multimodal and include improvements for transit, bicycle and pedestrian facilities, rail consolidation, and new technologies.

In addition to creating the program of projects, the COG is responsible for evaluating the expenditure plan on a regular basis and updating the plan if necessary. Moreover, the COG is responsible for ensuring that the plan's projects are included in the Regional Transportation Plan and in the State Transportation Improvement Program (STIP).

Overall, the responsibility assigned to the Fresno COG in the sales tax program to plan for and deliver the program of projects is considered essential. The COG is viewed positively in its technical analysis and being a skilled manager of the programming process which results in projects being funded through the STIP. The COG also provides leadership in developing transportation options for the community.

ORGANIZATIONAL STRUCTURE

Fresno COG's governing body is composed of 16 voting member plus one non-voting member, represented by Caltrans' deputy district director. The Fresno COG Policy Board meets on a monthly basis. The Board also has a number of committees to assist in providing policy recommendations in its decision-making process. The committees include the following:

- ❖ **Transportation Policy Committee:** Same membership as the Policy Board but with the Caltrans representative receiving a vote. The committee meets to focus on transportation policy issues.
- ❖ **Budget Committee:** Seven members who meet, as needed, to review budget development and oversight.
- ❖ **Policy Advisory Committee:** Sixteen members including the city managers from each incorporated city and the county administrator or their designees. All items requiring final approval by the Policy Board are reviewed by the Policy Advisory Committee.
- ❖ **Transportation Technical Committee:** Various representatives from a spectrum of interests including planning and public works personnel from the member agencies, transit operators, and community stakeholder groups. The committee provides technical guidance on transportation matters.

Fresno COG also has a number of other committees that focus on specific areas. They include the Model Steering Committee, TEA-21/SAFETEA-LU Committee, Freight Advisory Committee, Rail Committee, Environmental Justice Task Force, and the Social Services Transportation Advisory Council (SSTAC). The SSTAC is of particular importance for this audit, as the council and its appointees are clearly established in the TDA statute and provide a community perspective to the analysis and delivery of public transportation services.

Matters before the Policy Board are first channeled through various committees and technical working groups to provide for consensus building. A transportation technical committee provides technical level review by staff from member agencies and community groups. Next, a Policy Advisory Committee comprised of city managers and the county administrator provides executive management level review of issues prior to being received by the board. If the issue is transportation related, the Policy Board members act through the Transportation Policy Committee to build consensus prior to final adoption.

Through this established process of the Fresno COG, a coordinated and cooperative approach with each member jurisdiction is taken to administer and manage the various programs under state and federal laws.

The Fresno COG Board annually adopts a budget for the agency which is included in the Overall Work Program (OWP). As contained in the OWP, Fresno COG's total budget including carryover for the fiscal years addressed by this audit ranged from \$4.53 million in FY 2004 to \$4.42 million in FY 2006, a 2.4 percent decrease. According to the annual fiscal audits, actual revenues and expenditures are below the budgeted figures in each of the last three years, which are reflective of the annualized budget which does not include carryover.

AUDIT METHODOLOGY

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

- Document Review: PMC conducted an extensive review of documents including various Fresno COG files and internal reports, committee agendas and public documents.
- Interviews: PMC interviewed various Fresno COG staff and the transit operators within its jurisdiction.
- Analysis: PMC evaluated the responses from the interviews as well as the documents reviewed about Fresno COG's responsibilities, functions and performance to the TDA guidelines and regulations.

All of the activities described above were intended to provide PMC with the information necessary to assess Fresno COG's efficiency and effectiveness in two key areas:

- Compliance with State TDA Requirements, and
- Organizational Management and Efficiency.

The remainder of this report is divided into four chapters. In Chapter II, PMC provides a review of the compliance requirements of the TDA administrative process. Chapter III describes Fresno COG's responses to the recommendations provided in the previous performance audit. In Chapter IV, PMC provides a detailed review of Fresno COG's functions, while Chapter V summarizes our findings and provides recommendations.



II. COMPLIANCE WITH STATE REQUIREMENTS

Fourteen key compliance requirements are suggested in the *Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Entities* produced by Caltrans to assess Fresno COG's conformance with the Transportation Development Act. Our findings concerning Fresno COG's compliance with State legislative requirements are summarized in Table II-1.

TABLE II-1 Fresno COG Compliance Requirements Matrix		
RTPA 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	Fresno COG accounts for its claimants' areas of apportionment and has not allowed those claimants to claim more than what is apportioned for their area. Fresno COG utilizes a formula based on population to determine each claimant's apportionments each year. A resolution is passed by the COG adopting the apportionment findings for each claimant. Conclusion: Complied

TABLE II-1 Fresno COG Compliance Requirements Matrix, continued		
RTPA Compliance Requirements	Reference	Compliance Efforts
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, Section 99233.3 and 99234	Fresno COG includes instructions in its claim packet for the submission of claims for pedestrian and bicycle projects. Through its annual apportionment process of LTF revenues, each member agency is provided with the amount of Article 3 bicycle and pedestrian funds that can be claimed. Conclusion: Complied
The RTPA has established a social services transportation advisory council. The RTPA must ensure that there is a citizen participation process which includes at least an annual public hearing.	Public Utilities Code, Section 99238 and 99238.5	Fresno COG has established a Social Services Transportation Advisory Council (SSTAC) required under PUC 99238.5. The SSTAC membership exceeds the minimum requirements of state law (9 members) and includes 16 community participants. The SSTAC participates on a number of issues, including the annual unmet transit needs hearings that are conducted in both urban and rural locations; review of the CTSA operations program and budgets; coordination of specialized transportation services; and review of performance measures by the transit operators. The unmet transit needs hearings ensure opportunities for public participation. Conclusion: Complied

TABLE II-1 Fresno COG Compliance Requirements Matrix, continued		
RTPA Compliance Requirements	Reference	Compliance Efforts
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. • A committee for the purpose of providing advice on productivity improvements may be formed. • 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.	Public Utilities Code, Section 99244	The Fresno COG develops an Annual Transit Productivity Evaluation document that assesses the progress of transit operators and to recommend potential productivity improvements. The evaluation includes a description of each operator's activities for the past year including significant service changes and activities, and follow up to recommendations provided in performance audits. Productivity data and performance indicators are shown for a four-year period to indicate the operational performance trends for each operator. Graphical displays of the data are also provided for added analysis and information. Recommendations for productivity improvement are then made by the Productivity Committee/SSTAC based on the data. Conclusion: Complied
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).	Public Utilities Code, Section 99245 (continued on next page)	Fresno COG has ensured that all TDA claimants have submitted an annual certified fiscal and compliance audit within the allowable timeline. The following fiscal audits were completed: FYs 2004 & 2005 for Clovis Transit and FCRTA (Brown Armstrong Paulden McCown Starbuck & Keeter, CPAs); FY 2006 for Clovis Transit and FCRTA (Dedekian, George, Small & Markarian,

TABLE II-1 Fresno COG Compliance Requirements Matrix, continued		
RTPA Compliance Requirements	Reference	Compliance Efforts
		Accountancy Corporation); FY's 2004-2006 for FCEOC (Kaku & Mersino, LLP); FY's 2004-2006 for FAX (McGladrey & Pullen, LLP). Each of the fiscal audits was submitted to the State Controller and to Fresno COG within the required schedule. Conclusion: Complied
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.	Public Utilities Code, Sections 99246 and 99248	For the current three year period, Fresno COG has retained the firm of PMC to conduct the audit of Fresno COG and of the four transit operators. The firm of Arthur Bauer & Associates was retained to conduct the previous audit for the three fiscal years that ended June 30, 2003. Conclusion: Complied
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.	Public Utilities Code, Section 99246(c) (continued on next page)	Fresno COG submitted a written letter to Caltrans, dated September 29, 2004 certifying submittal of the COG's performance audit. A separate letter to Caltrans, dated September 29, 2004, certifies the conduct and completion of the operator audits for the previous three-

TABLE II-1 Fresno COG Compliance Requirements Matrix, continued		
RTPA Compliance Requirements	Reference	Compliance Efforts
		year period of FY's 2000-2001 through 2002-2003. Conclusion: Complied
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	Public Utilities Code, Section 99246(d)	The performance audits of the operators include all required elements. Conclusion: Complied
The RTPA has established rules and regulations regarding revenue ratios for transportation operators providing services in urbanized and new urbanized areas.	Public Utilities Code, Section 99270.1 and 99270.2	Fresno COG has established minimum revenue ratios for the urbanized operators (FAX and Clovis Transit). The 20 percent fare recovery ratio is consistent with TDA law. Conclusion: Complied
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.	Public Utilities Code, Section 99275.5	Fresno COG adopted an SB 826 Inventory and Action Plan for Fresno County in 1994. The Action Plan guides the implementation of social service transportation and designation of Consolidated

TABLE II-1 Fresno COG Compliance Requirements Matrix, continued		
RTPA Compliance Requirements	Reference	Compliance Efforts
		Transportation Service Agencies (CTSAs). The Plan designated the City of Fresno and Fresno County Economic Opportunities Commission (FCEOC) as the urban CTSA for the Fresno Metropolitan Area, and FCEOC and Fresno County Rural Transit Agency as the CTSA for the rural area. The City of Clovis was designated the CTSA for the Clovis Urbanized Area. The Action Plan also provides a Financial Matching Strategy for LTF Article 4.5 funding that includes a formula for determining the cost effectiveness of the service. The formula includes a maximum of 45 percent of cost paid by LTF Article 4.5, 45 percent of cost paid by social service funding, and 10 percent of cost paid by farebox revenues. Because FCEOC does not collect fare revenues, the formula allows for a 55 percent social service funding/45 percent LTF Article 4.5 match. Fresno COG also requires CTSAs to prepare an annual Operations Program and Budget (OPB) document that provides the service justification for Article 4.5 claims. The OPB provides a program of operations, including an implementation schedule for new or modified services, and a program budget. Conclusion: Complied

TABLE II-1 Fresno COG Compliance Requirements Matrix, continued		
RTPA Compliance Requirements	Reference	Compliance Efforts
State transit assistance funds received by the RTPA are allocated only for transportation planning and mass transportation purposes. (Note: Since the June 9, 1990 passage of Proposition 116, state transit assistance funds may no longer be used for street and road purposes, as had been permitted in certain cases under PUC Section 99313.3.)	Public Utilities Code, Sections 99310.5 and 99313.3 and Proposition 116.	Fresno COG allocates State Transit Assistance Funds (STA) for transit services only. Conclusion: Complied
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.	Public Utilities Code, Section 99314.3	Fresno COG administers STA funds in accordance with the relevant PUC requirements (i.e. on the basis of population and operator revenues). Conclusion: Complied
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: • Consulted with the Social Services Transportation Advisory Council (SSTAC) established pursuant to Public Utilities Code Section 99238; • Identified transit needs, including:	Public Utilities Code, Section 99401.5 (continued on next page)	TDA funds are used exclusively for public transit in the City of Fresno. Fresno COG conducts the annual unmet transit needs process in both the rural area and in the urban area. In consultation with the SSTAC, Fresno COG produces an annual report of findings which provides an identification and analysis for determination and adoption of unmet transit needs that are reasonable to meet before any allocations are made for streets and roads.

TABLE II-1 Fresno COG Compliance Requirements Matrix, continued		
RTPA Compliance Requirements	Reference	Compliance Efforts
✓ Groups that are transit-dependent or transit disadvantaged, ✓ Adequacy of existing transit services to meet the needs of groups identified, and ✓ Analysis of potential alternatives to provide transportation services; • Adopted or re-affirmed definitions of "unmet transit needs" and "reasonable to meet;" • Identified the unmet transit needs and those needs that are reasonable to meet; • 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. 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.		The definitions of "unmet transit needs" and "reasonable to meet" are reaffirmed in the report, and findings of the unmet needs process are adopted through Board resolution. Evidence of published advertisement of the hearings in each jurisdiction is also provided in the report. LTF funds have only been allocated to streets and roads after completion of the unmet needs process. Conclusion: Complied

TABLE II-1 Fresno COG Compliance Requirements Matrix		
RTPA Compliance Requirements	Reference	Compliance Efforts
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 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 transportation development and accompanying rules and regulations. Financial statements may not commingle the state transit assistance fund, the local transportation fund, or other revenues or funds of any city, county or other agency. The RTPA must maintain fiscal and accounting records and supporting papers for at least four years following fiscal year close.	California Administrative Code, Section 6662	The accounting firm of Brown Armstrong Paulden McCown Starbuck & Keeter, CPAs, conducted the financial audit of Fresno COG for FYs 2004 and 2005. The accounting firm of Dedekian, George, Small & Markarian conducted the financial audit for FY 2006. The reports have been transmitted to the State Controller within the required timelines. Fresno COG also maintains fiscal and accounting records and supporting papers for at least four years following fiscal year close. Conclusion: Complied

Conclusion from Compliance Matrix

In our opinion, Fresno COG has satisfactorily complied with all State legislative mandates for Regional Transportation Planning Agencies. The COG retained a new accounting firm in FY 2005-06 to prepare the annual fiscal audits of the COG, as well as for Clovis Transit and FCRTA. FCEOC and FAX retain different accounting firms for their respective annual fiscal audits.



III. FRESNO COG'S RESPONSES TO PRIOR PERFORMANCE AUDIT RECOMMENDATIONS

This chapter describes Fresno COG's responses to the recommendations included in the prior triennial performance audit prepared by Arthur Bauer & Associates. Each prior recommendation is described, followed by a discussion of Fresno COG's efforts to implement the recommendation. Conclusions concerning the extent to which the recommendations have been implemented by the agency are then presented.

Prior Recommendation 1

Implement the provisions of AB 813 farebox legislation.

Actions taken by Fresno COG: This legislation was adopted in September 2003 and allowed various cost exclusions from the calculation of the farebox recovery ratio. The intent of the legislation was to provide temporary farebox relief for transit agencies that were having trouble meeting their TDA farebox requirements. The COG had offered the transit operators the flexibility of utilizing the AB 813 exclusions from the farebox if they chose to. However, provided that TDA law allows local funds such as local Measure "C" transportation sales tax revenues to be counted toward the farebox ratio, the operators have been able to maintain their respective farebox ratios without the need to implement the AB 813 cost exclusions. In addition, some of the cost exclusions expired in January 2007.

Conclusion: This recommendation is no longer applicable.



IV. DETAILED REVIEW OF FRESNO COG FUNCTIONS

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

- Administration, Management and Coordination
- Transportation Planning and Programming
- TDA Claimant Relationships and Oversight
- Public Information and External Affairs
- Grant Application and Management

Administration, Management and Coordination

Fresno COG is guided by an Executive Director who provides overall management and liaison with the COG's partners and funding agencies. The Executive Director was instrumental in the transition of the COG in December 2005 to its new physical location at 2035 Tulare Street, Suite 201 in downtown Fresno. The additional space has enabled the COG to expand its staffing, including the recruitment of an Executive Assistant and a new Modeler. The relatively new space for the COG was previously occupied by the Workforce Investment Board (WIB) which consolidated its operations to its Manchester Center Mall offices. The WIB continues to utilize the COG board room which has wireless internet access.

The core function of the agency is planning, where the majority of staff is charged to implement the various planning programs under its purview. To facilitate the coordination of its activities, Fresno COG has a number of MOUs and agreements. A sampling of these MOUs include: 1) working agreements with COG member governments to carry out respective programs contained in the OWP; 2) an eight county MOU with San Joaquin Valley counties to provide close coordination of transportation planning activities where interregional issues are involved, particularly the impacts of travel and air quality. The other parties to the MOU have contributed financially to the partnership which helps pay for COG staff to provide the air quality analysis; and 3) an agreement with both

Kings and Madera Counties to perform air quality conformity findings that solidify the joint agency effort in assuring conformity for the San Joaquin Valley Air Basin. Both Kings and Madera Counties have since received MPO status as a result of their population growth based on the 2000 U.S. Census, and have elected to conduct their own conformity analysis.

During the audit period, the COG played a central role in the successful renewal of Measure "C", the 20-year half-cent local transportation sales tax. The COG's role by law was to undertake the planning efforts to develop the program of projects in Measure "C" with the assumption that the tax extension would be approved.

After a prior attempt to extend the tax failed at the ballot box in 2002, the COG regrouped the Measure "C" parties through mediation meetings to build on the lessons from the last vote, and to begin the process of another attempt to extend the tax. The new expenditure plan for the successful vote in November 2006 was developed over an 18-month period, which included bi-monthly meetings with a new twenty-four member "Reauthorization Steering Committee" and subcommittees. A different approach to the sales tax strategy included the hiring of a professional facilitator and a pollster (behavioral scientist) to test attitudes of likely voters before and after the plan's development. Another key strategy was to focus on the values of the voters who were classified as "probable" to voting in favor of the tax extension.

Provided the adjustment in strategy, the new expenditure plan included a larger share for public transit (24 percent) and local projects (35 percent), with highway construction projects receiving a smaller share (30 percent) compared to the current tax's expenditure plan (75 percent for highway construction).

One Voice Program

Fresno COG, working in conjunction with private sector groups, has taken the leadership role in creating the One Voice Program, an annual advocacy trip to Washington, D.C. The objective of the program is to inform Fresno County's congressional delegation, congressional committee staff, agency administrators and others of the Fresno community's priority programs and projects for the year. The One Voice Program began in 2003 and has been the first of its kind for Fresno County. Only local funds are used, with no state or federal contributions. The most recent trip was to advocate for about \$11 million of transportation projects.

A resource binder with pertinent information and trip logistics is prepared by COG staff for each participant. The COG develops the prioritized list of projects after soliciting input from various public and private sector organizations in the

county. While the focus of the program is transportation projects, other programs and projects may be included as well. At the end of the prioritization process, the stakeholders, because of the outreach process, are in a position to join with the COG to speak with "one voice" on the priority transportation needs of Fresno County when they travel to Washington.

With the region's ability to speak with "one voice", Fresno COG has been instrumental in the formation of the San Joaquin Valley Regional Policy Council comprised of representatives from each participating council of governments. This group will further the collective strength of the partner agencies to advocate for transportation funding and address other issues. The San Joaquin Valley Regional Blueprint will provide the planning process and products to support long-range planning for the eight MPO's in the region and compliment the work of the Council.

Board Briefing Packet

New COG Policy Board members receive a packet of resource materials introducing the COG's activities and its role in transportation. The packet includes a copy of the most recent OWP, governance information, and other COG related data to provide a thorough overview of the agency to the new board member. The Executive Director also meets individually with the board member to answer questions and further welcome them to the COG.

The materials included in the briefing packet can be used by a Board member as a reference tool, such as the description and role of the COG and a listing of acronyms and definitions. To enhance the use of the briefing package as a reference, the COG should consider adding a comprehensive, user-friendly guide that describes the various funding sources utilized by the COG, local jurisdictions, partner agencies and the transit operators. The guide could simply consolidate the types of revenue from local, state and federal sources under one easy to read brochure.

Renewal of Measure "C"

In November of 1986, the Fresno County voters passed Measure "C", a one-half percent sales tax increase, by a margin of 57.6 percent. Measure C's title and purpose as presented to the voters was "Improving Roads and Transportation in Fresno County."

The Fresno County Transportation Authority, which was created by the enabling legislation, was authorized to impose the sales tax ordinance for a 20-year period beginning on July 1, 1987. Measure "C" represented 10 percent of the

total cost of project needs. In addition, Measure "C" revenues and allocations are kept separate from TDA and the unmet needs process.

The original Measure "C" (1987-2007) allocated 75 percent towards regional road projects and 25 percent to local jurisdictions. Under the Measure "C" Extension, which was approved by 78 percent of Fresno County voters in November 2006, there is a greater emphasis on multi-modalism, with alternative transportation projects receiving a larger share of the sales tax. This is evidenced by the new categories of the expenditure plan, including the Regional Public Transit Program, Alternative Transportation Program and Environmental Enhancement Program. Other categories include the Local Transportation Program, Regional Transportation Program, and Administration/Planning. Administration expense for COG planning is limited to 0.5 percent of the sales tax revenue. In addition, within the expenditure plan are non-motorized projects including a bicycle and pedestrian component and designation for a dedicated bicycle commuter lane.

As the sales tax revenue is not enough by itself to fund all needed transportation improvements, especially highway projects, the COG set parameters for matching local funds to leverage the sales tax revenue. By 2009, a regional transportation impact fee program is anticipated to be adopted by the local jurisdictions that could generate additional local revenue toward the Measure "C" highway projects. It was indicated that the Building Industry Association (BIA), representing developers who would pay the impact fee, concurred with this concept.

The transit operator allocations are categorized into primary and secondary funding programs. Primary Programs are those that are anticipated to reasonably be funded by the new Measure "C" program. Secondary Programs are improvements that will be funded after Primary Programs are fulfilled and provided that funding is available. Each of the transit operators (City of Fresno-FAX, City of Clovis and FCRTA) has developed their respective primary and secondary investment programs.

Further, as stipulated in the expenditure plan, each transit operator is required to implement a senior fare subsidy earmark program offering free fares for general transit ridership for seniors 65 years of age and older. A secondary program, upon available Measure "C" funding, is that each of the three transit agencies will commit to develop a Taxi Script Program for persons 70 years of age and older, who do not meet ADA eligibility requirements for access to paratransit services.

At five year intervals, each transit agency would conduct a performance evaluation to determine if the program is meeting its goals of increasing ridership among eligible seniors. Measure "C" funds can be also be used by the transit operators to provide new or demonstration service for a period of up to three years. The service must meet the minimum performance standards established by each operator.

Intergovernmental Management

Fresno COG has made strides in improving mobility in Fresno County by effectively managing its relations with various local, regional, state and federal entities. This is important, as the successful development of transportation facilities is dependent on supportive actions by many government agencies at all levels. It is apparent from the perceptions of peer transportation planning agencies, among others, that Fresno COG has built good relationships with these agencies.

In addition, Fresno COG has maintained good relationships with each of its neighboring commissions and planning agencies. With voter approval of the statewide infrastructure bond, Proposition 1B, over one billion is slated for improvements along SR-99. Fresno COG has been involved with other central valley planning agencies to develop a Highway 99 business plan that will outline the spending priorities of the proposition bond proceeds.

Internal Management

The day-to-day management of COG staff is guided by the provisions contained in the Policies and Procedures Manual that was last updated in August 2002. The manual contains provisions such as employment policies, compensation/work schedules, employee benefits and expenses, and general office procedures.

The COG is currently updating the Policies and Procedures Manual to include written policies and documentation of the agency's operations and work procedures. The policies and procedures will provide a clearinghouse of the standards for work efforts undertaken by the COG. As part of this effort to develop a procedural manual, it is recommended that the agency should prepare desk procedures that document the instructions and steps for the activities conducted by each COG staff, essentially a "how to" perform at a position. Documentation should include at a minimum what programs/projects each staff is responsible for, the desk processes or procedures and materials used to execute the programs/projects, target audience or market, and identification of communication channels. These documents would enable a

new hire or a staff transfer from another position to be able to fulfill the responsibilities by following the desk procedures.

The Executive Director has indicated her retirement within the next year. Part of the transition period includes succession planning to ensure strong leadership continues at the COG. This includes cross training for other executive management and enabling staff to take ownership of their work efforts with the various COG subcommittees. By implementing these transitional activities, the Executive Director is maintaining a strong base of internal candidates and empowering staff to continue the COG's collaboration with its stakeholders.

Transportation Planning and Programming

This functional area addresses planning functions required of Fresno COG, including development of the Regional Transportation Improvement Program (RTIP) and the Regional Transportation Plan (RTP), and Transit Planning including the Short Range Transit Planning process. Additional transportation programs administered by the agency are also discussed, including the Freeway Service Patrol.

Regional Transportation Improvement Program (RTIP)

Fresno COG is responsible for allocating federal and state funds that are available to eligible projects under its jurisdiction. This is accomplished through the RTIP (and Federal TIP for federal regulations) which essentially provides the incremental implementation on three year cycles of the Regional Transportation Plan (RTP). The RTIP is generally updated every two-years and is approved for consistency with the RTP, the air quality plans for the Fresno County Area, and the TIPs developed by the other San Joaquin Valley counties. While the RTIP contains projects over the short term for funding, the RTP is a 25-year blueprint for guiding transportation development in the long term.

The development of the RTIP is guided by principles established by Senate Bill (SB) 45 which provides for mainly local control over the programming of projects for state and federal funding. The plans are financially constrained, meaning that only those projects with expected available funding could be included. Within the program of projects comprising the RTIP and FTIP are several significant funding programs, including the federal Congestion Mitigation and Air Quality program (CMAQ), Regional Surface Transportation Program (RSTP), and the Transportation Enhancement Activities Program (TE).

Regional Transportation Plan (RTP)

Fresno COG is required to develop a long range Regional Transportation Plan as the state designated RTPA and federally designated MPO. The RTP provides the short and long range strategies and actions for implementing an integrated intermodal transportation system, including highways, streets and roads, public transit, rail and goods movement, aviation and bicycle and pedestrian facilities. An RTP update was adopted by the Board in 2004. An Environmental Justice Report was prepared as part of the 2004 RTP which included the efforts and recommendations of the Environmental Justice Task Force. The Environmental Justice Report will be a recurring effort for each RTP update.

Consistent with California Transportation Commission guidelines, the RTP included performance measures for the various transportation modes that reflect the goals and objectives adopted in the RTP. These performance measures are used to evaluate and select plan alternatives. The RTP provides an evaluation of candidate projects using a 10-step project evaluation process that numerically scores the projects according to specific criteria. Select criteria include cost/benefit, improved level of service, improved air quality and environmental sensitivity.

The COG has been updating the 2004 RTP, scheduled for adoption in the summer of 2007. The latest RTP will integrate the Measure "C" expenditure plan, given its approval in November 2006. The update also includes planning and programming compliance elements of SAFETEA-LU which were published in the Federal Register in January 2006. These updated requirements include an updated public participation program and safety/security compliance. A Gap Analysis is also conducted which compares existing planning and programming activities against the requirements of SAFETEA-LU. In addition, the updated RTP includes components of the Congestion Management Plan (CMP). Provided that a Steering Committee was formed for the Measure "C" renewal, there is no separate steering committee formed for the 2007 update.

New to the RTP is the introduction of visualization technology that enables staff to visually show the impacts from the RTP policies and projects contained in the plan. This tool provides a significant aspect to the usefulness of the RTP.

The RTP planning process includes significant opportunities for public participation, including hearings and workshops. A visioning workshop was held in May 2006 with the COG Board and discussed during numerous stakeholder and community meetings. The Fresno COG Blueprint Program provides a summary of outreach activities. Over a four month period from October 2006 through January 2007, the COG held 15 stakeholder meetings with 40 stakeholder groups, and 5 community events in which over 2,300 community

members were surveyed. Native American Tribes have also been represented through the Native American Heritage Foundation at Technical Advisory Committee meetings, and through notification of agency actions and proposals. In addition, a new requirement of public participation is for the COG to update the RTP with input from State and Federal resource agencies.

Air Quality

The COG has performed an important service by defining the air quality issues, and is viewed by many as the collective voice of the community on air quality. Moreover, the COG is recognized for providing leadership among its peer agencies in the San Joaquin Valley and for ensuring that adequate attention is being given throughout the Valley to the issue of air quality, especially as it relates to transportation.

The RTP is closely coordinated with the state air quality implementation plan prepared by the San Joaquin Valley Air Pollution Control District (SJVAPCD). The RTP must be consistent and in conformance with the air quality plan to comply with both state and federal regulations. Because the eight San Joaquin Valley counties share the common non-attainment air basin, the counties have coordinated their respective RTPs to clearly distinguish all issues that are valleywide in scope and that the issues are presented consistently. Among the current air quality issues include the need to address Particulate Matter (PM) 2.5 which the Valley experiences during winter months that are at least twice the national ambient air quality standard for this pollutant.

Fresno COG has long provided the lead in the area of air quality modeling and conformance for the San Joaquin Valley transportation planning agencies. Fresno COG has been utilizing a policy based consultant as well as a separate technical consultant to help manage the coordination of modeling activities among the valley counties. The policy consultant was used for the 2004 RTP Update and addressed the long term policies and implications of air quality measures. The technical consultant provides conformity analysis modeling. The Model Coordination Committee meets regularly to discuss modeling issues and is recognized by the Valley planning agencies as the body to address regional air quality impacts. The valley coordinated effort is in concert with the activities of the San Joaquin Valley Unified Air Pollution Control District as well as Caltrans.

Goods Movement

The COG is participating in the San Joaquin Valley (SJV) Goods Movement Study project which will provide improvements to the eight-county SJV truck model and integration with local models. The project is spread over three phases, with the first two phases completed. The first phase described the goods

movement system and freight flows for the region and identified key issues. The second phase developed the SJV truck model tool. COG staff is engaged with the third phase which is to re-validate the existing truck model and test goods movement scenarios in future years, including a truck bypass in Fresno County. The model is intended to be used by each of the San Joaquin Valley MPO's and Caltrans.

Transit Planning including the Short Range Transit Planning Process

Fresno COG is responsible for the coordination of transit among all of the operators in the County to ensure an efficient delivery of services. In this capacity, the agency has provided a regional perspective to facilitating the provision of public transit. For example, staff provides technical assistance to the operators and coordinates the transit planning efforts.

A transit consolidation study has been commissioned through Fresno COG to determine whether consolidation of the county's transit agencies would be viable. The study analyzed Fresno County's public transit agencies and their operation under three options: (1) an MOU or other agreement to better coordinate services; (2) a Joint Powers Agreement (JPA) defining joint operations; or (3) physical consolidation under a single entity. Under the Measure "C" Extension, funding would be provided to implement study recommendations should consolidation be warranted.

The Public Transportation Infrastructure Study (PTIS) commissioned by Fresno COG was released in May 2006 and serves as a regional transit blueprint for Fresno County through the evaluation of the pedestrian, bicycle, and transit-supportive infrastructure throughout the County with a focus on primary travel corridors. It presents several case studies from other cities and regions across the United States regarding the integration of transit with adjacent land uses. The study included the identification and development of transit corridors, street design and traffic management strategies that would enhance transit development and usage. The Measure "C" extension will provide additional funding for the second phase of this project which includes gathering input from the local jurisdictions to devise implementation strategies for the transit blueprint plan. The PTIS is also anticipated to be integrated with a relatively new Caltrans software model. However, COG staff indicated the assumptions in the model could not be verified, nor could be it run by an outside entity other than the consultant.

Based on new federal SAFETEA-LU requirements, the COG is also conducting the County's Coordinated Public Transit/Human Services Transportation Plan which will help guide the use of certain federal transit funding sources. The Federal transportation law includes funding programs that provide additional resources

for special projects that could meet anticipated demand. One revenue source is the Job Access and Reverse Commute Program (JARC) (FTA Section 5316) which became a formula program under SAFETEA-LU. JARC might be used for transit services to transport welfare recipients and other low-income individuals to employment. The New Freedom Program (FTA Section 5317) is a competitive grant program that could address transportation services and capital improvements that go beyond those required by the American with Disabilities Act (ADA).

The COG has a unique relationship with the largest transit provider in the County, Fresno Area Express (FAX), in that the COG's transit planning staff also serves as the planning staff for the transit system. FAX contracts with Fresno COG for transit planning, service evaluation and service development functions. This was the result of a major reorganization of FAX in 1987, in which FAX's Research and Development Division was eliminated. This cooperative agreement between the two agencies eliminated duplication of effort. The contract COG Planning and Scheduling staff is located in the same city offices as FAX. Interviews with the transit planning staff indicated that this unique organizational structure has been working despite occasional challenges with essentially serving dual roles. On occasion when there is an issue that might pose a potential conflict of interest for the transit planner, the issue is raised to the executive level of both agencies to work out a resolution.

Fresno COG is also closely linked with the rural operator, Fresno County Rural Transit Agency (FCRTA). Both agencies share the same floor space at the new office location, and the COG provides financial management and accounting services, and certain administrative assistance under contract to FCRTA.

Each transit operator is required to prepare and deliver a Short Range Transit Plan (SRTP) to Fresno COG that outlines the planned service for the next five years. The SRTP provides the justification for the operator to receive TDA funds for both capital and operations expenditures. Separate bound versions of the SRTP are provided for the rural area and for the urban area. The urban area SRTP combines the transit plans of Clovis Transit and FAX. Although the combined urban SRTP separates the plans for Clovis and Fresno, the document demonstrates the planned coordinated efforts between the systems for the Fresno metropolitan area. The SRTP's are updated every two years, which during the audit period included an update for FYs 2005-2010 and FYs 2007-2012.

Planning efforts for Consolidated Transportation Service Agencies (CTSAs), including the Fresno County Economic Opportunities Commission Transit Systems (FCEOC) and Clovis Transit, are captured in the annual Operations Program and Budget (OPB) documents. The OPB is intended to provide a program of operations, including an implementation schedule for new or modified services,

and a program budget for CTSA coordinated and consolidated social service transportation services. The OPB also serves as a resource document for local elected officials, social service agencies, and citizens while demonstrating compliance with the relevant State Public Utilities Codes and TDA regulations.

As a means of providing oversight and productivity recommendations for the operators, Fresno COG develops the Annual Transit Productivity Evaluation Report that summarizes the annual activities and challenges of each transit provider, including FAX, Clovis Transit, FCRTA and FCEOC. The report documents the activities in each functional element such as operations, maintenance, planning and marketing, while providing performance statistics and indicators for the last four years. The data provides trends in service and helps to determine each operator's efficiency and effectiveness in the delivery of public transportation.

Other elements of the transit productivity evaluation report include progress to follow up with prior TDA audit recommendations and the development of recommendations by the Fresno COG Productivity Committee/SSTAC to enhance operations. One benefit of the document is that it provides a comprehensive picture of the transit operators in a user-friendly format, and demonstrates the COG's compliance with the TDA statute. While the COG is not in the business of determining transit service, the evaluation report provides consolidated data to assist the operators with self-management of their respective systems.

Fresno County Freeway Service Patrol

Fresno COG administers the Freeway Service Patrol (FSP) in cooperation with the California Highway Patrol and Caltrans. The FSP provides quick motorist assistance on freeways during peak traffic conditions to remove minor incidents rapidly, thereby reducing congestion from backups and potentially secondary accidents. The FSP provides assistance with changing a flat tire, jump starting a car, refilling radiator and taping hoses, and providing fuel. Should further help be warranted, free towing is provided to the nearest CHP identified location off the freeway.

The FSP operates along an estimated 21.4 miles of SR-41, SR-99, SR-168 and SR-180 in the City of Fresno. During the audit period, the FSP served its eleventh, twelfth and thirteenth year of operation. Fresno COG awarded a new three-year contract beginning in FY 2005-06. However, to improve performance, the geographic extent of the FSP program was reduced and the hours of operation were slightly adjusted beginning in FY 2005-06.

TDA Claimant Relationships and Oversight

This functional area addresses Fresno COG's interaction with the transit operators in Fresno County and its administration of the provisions of TDA. The sub-functions described include administration of the program, technical and managerial assistance to operators, TDA claims processing and the unmet transit needs process.

TDA Administration and Planning

The uses of TDA revenues (Local Transportation Funds) apportioned to Fresno County flow through a priority process prescribed in state law. Prior to allocation of funds to the member jurisdictions, a very small portion (less than 1 percent) is allocated to the Fresno County Auditor Controller for administration of the revenue. The LTF allocations are then distributed to the jurisdictions based on the latest population figures from the State Department of Finance. In order of priority for claims to the funds is the following:

- Bicycle and pedestrian facilities (2 percent)
- CTSAs (5 percent)
- Regional transportation planning (3 percent)
- Public transit; and
- Streets and roads.

Regional transportation planning activities are undertaken by Fresno COG. During the audit years of 2004 through 2006, Fresno COG utilized the following amounts:

Table IV-1
LTF Revenues Utilized by Fresno COG
For Regional Transportation Planning

Fiscal Year	LTF Revenues
2004	\$760,062
2005	\$805,056
2006	\$891,528

Source: Fiscal Audit, FYs 2004-2006.

Technical and Managerial Assistance to Operators

The COG's Director of Finance is the primary contact for providing TDA assistance to the claimants and transit operators, including issuing the annual TDA claim forms and distributing TDA revenues to the transit operators for operating cost and capital purchases, and to the cities and the county for use on streets and roads and pedestrian and bicycle projects. To manage the accounting of the revenues, the Finance Director utilizes a detailed accounting system to record and track the inflow and outflow of the TDA revenues. A chart of accounts was developed with specific expenditure categories that are consistent with the allowable uses provided in law. This customized system for the TDA program has enabled the COG to effectively manage the revenues and provide technical assistance to the operators.

TDA Claim Processing

On an annual basis during this audit period, Fresno COG was responsible for managing the apportionment of between \$25.2 and \$30.9 million in Local Transportation Fund revenues, and between \$1.4 and \$2.7 million in State Transit Assistance Funds (annual financial audit figures).

Fresno COG prepares and distributes several documents during the TDA claims process. The documents include the initial and final estimates of apportionment to each jurisdiction, and a packet providing claimants with the necessary forms and funding information needed to prepare TDA claims. Initial revenue projections are provided by the County in January, with final revenue estimates provided in early May. The COG Finance Director fills in available information to assist each claimant.

The TDA claims are generally adopted by each jurisdiction and the COG in mid-summer to early fall. The claims are prepared by the transit operators, CTSA, and cities/county, and adopted by each claimant's governing board or council. Article 4.5 claims by the CTSA's (FCEOC and Clovis Transit) are based on approved Operations and Planning Budgets (OPBs) for the urban and rural areas.

As a priority, about one-quarter of the annual transit claims are paid first to the transit operators before revenues for street and roads are paid to the local jurisdictions. Both State Transit Assistance Funds and Local Transportation Fund revenues are claimed under the same funding form and comply with procedures and formulas established in the TDA statute. Each claimant also prepares a contingency claim for any surplus funds from the prior year, which are distributed for both transit and street and road purposes. Given the claims

process implemented by the COG, each jurisdiction receives its fair share of TDA revenues upfront which is based primarily on population.

The operator claims must include supplemental information of a number of TDA requirements, including attachment of specific documentation such as the budget, prior year revenues and expenditures, CHP terminal inspection certification, and transit efficiency calculation if the operator chooses to use STA monies for operations. To ensure the claimants are conforming to the TDA statute as a condition of receiving LTF and STA funds, the auditor recommends that Fresno COG consider expanding the list of standard assurances to ensure their conformance with the TDA statute. A sample list of the standard assurances that could be used by Fresno COG is shown in Appendix A.

The standard assurances include elements contained in the compliance matrix in the transit operator performance audits. Each submitting claimant certifies that all conformance requirements are satisfied to receive both LTF and STA funds. Examples are the timely conduct of the annual state controller and fiscal audits, and full use of available federal funding. The attachment of CHP compliance certificates to the claim is another example of a standard assurance that the COG already requires. The purpose of the list is to hold the operators accountable for compliance with certain TDA provisions to be able to receive the funds, and as an annual reminder of these provisions.

Unmet Transit Needs

Unmet transit needs hearings are required by TDA where claims can be made for streets and roads. TDA funds are used exclusively for public transit in the City of Fresno. Fresno COG conducts the annual unmet transit needs process in both the rural area and in the urban area to allow both the rural and urban transit operators to plan for future services. Three information-gathering meetings during the month of February and March are held, two in rural cities, and one in Fresno. During the audit period, meetings in rural cities have been held in Sanger and Coalinga (2003-04), in San Joaquin and Parlier (2004-05), and in Huron and Kingsburg (2005-06). A mailing list for comments regarding unmet transit needs is also used by the COG to gain input to the process.

In consultation with the SSTAC, Fresno COG produces an annual report of findings that provides an identification and analysis for determination and adoption of unmet transit needs that are reasonable to meet before any allocations are made for streets and roads. The definitions of "unmet transit needs" and "reasonable to meet" are reaffirmed in the report, and findings of the unmet needs process are adopted through Board resolution. Evidence of published advertisement of the hearings in each jurisdiction as well as a mailing list of interested parties is also provided in the report.

Testimony and written comments by the public are recorded and included in the unmet needs findings reports. The affected transit operator provides a written response to each written request for transit service. In FY 2003-04, the unmet needs hearings focused on issues surrounding the continuation of the I-5 Express Route from Huron to Coalinga. The FCRTA proposed implementing the Huron Intercity Demonstration Service for a six month period, with four roundtrips during an eight hour service period on weekdays. FCRTA used its operating reserve to fund the service for a full fiscal year. Although ridership during the demonstration period was below FCRTA standards, the City of Huron uses its TDA funds to continue the service, which provides two roundtrips during a five hour service period on weekdays.

In FYs 2004-05 and 2005-06, the COG made findings that there were no unmet transit needs that were reasonable to meet. LTF funds have only been allocated to streets and roads after completion of the unmet needs process. The findings from the process are adopted annually in June or July prior to adoption of TDA claims. A copy of the unmet needs findings report is then forwarded to Caltrans in August.

Public Information and External Affairs

During the renewal of Measure "C", Fresno COG conducted extensive media outreach, including providing notice of steering committee meetings, hosting a reporter at each meeting, and sending email to all interested parties. The COG has also been working to enhance its public information and participation program in response to Title VI and Environmental Justice requirements. Per SAFETEA-LU requirements, changes to the public participation process were made, including engaging public participation during early development of each RTP.

The COG has also increased its responsibility to encourage more participation in the transportation planning process. Among the methods used to encourage more public participation include ample time for public comments on regional transportation plans, provision of complete information, timely public notice of meetings, full public access to key decisions, and early involvement in the planning process. All Policy Board meetings and Unmet Transit Needs hearings are open to the public, among other committee meetings.

An increased emphasis has been placed on outreach and input from historically underserved populations in Fresno County. In 2003, the Fresno COG Policy Board adopted an updated version of the "Public Involvement Procedures", which includes enhanced approaches to outreach to the underserved populations.

and is consistent with state and federal guidelines. The COG is currently updating these procedures. During the TIP and RTP update processes, outreach and consultation was conducted with various members of the community, including Native American Tribes through notification of agency actions and proposals.

The annual OWP that drives Fresno COG's activities provides evidence of the agency's commitment to continuing its public outreach efforts. During the three-year audit period, the OWP showed 25 tasks and 13 products related to public information and participation. Resource allocation increased to reflect the emphasis on outreach, increasing from \$119,013 in FY 2004 to \$136,186 in FY 2006, a 14 percent increase.

The products of public participation and public information include several publications, including "COG Outlook", a quarterly publication highlighting recent activities and issues, and the Fresno COG Annual Report that recaps the year's progress on program development. The newsletter is mailed out to over 4,200 interested members.

News releases, presentations through the speaker's bureau, and news conferences by the COG provide media coverage of important transportation issues. The COG's website enables quick access to minutes and agendas, reports and data online, thereby providing expanded outreach of public information. With the growing use of the internet, the COG's website is becoming a more significant and popular method for accessing information. Significant changes are anticipated for the website, including the creation of a "Get Involved" link that provides the public with a venue for getting involved with COG activities. A transportation forum was also hosted on the website the last two years to enable the public to voice their opinions about the RTP. Weblinks are also provided, including to and from the Fresno Transportation Authority.

The Blueprint Program is an RTP multi-jurisdictional outreach effort that includes an email list of about 700 names. A "what's new" link is electronically submitted to the names on the list to alert of new activities. Outreach has also been made to Fresno State University service clubs and marketing students to help promote the functions of the COG.

Additional public information published by the COG include the following:

- Regional Directory – a public resource guidebook providing general information about Fresno COG, its committees and functional activities. The Directory also provides information about each member jurisdiction, Caltrans, and State and Federal legislative representatives. Contact

information and telephone numbers are provided for each agency. The guidebook is updated annually. The Regional Directory is now on-line, with 500 hardcopies still published and mailed to interested members. Changes to information are reflected on the on-line version.

- Fresno County Transportation Guide – a bilingual (English and Spanish) guidebook providing information about travel options in the county, including transit, carpooling, airlines, and private transportation carriers. Telephone numbers of the transportation agencies are included. Common destinations throughout the county such as retail centers, educational institutions, government offices and recreational facilities are identified with the transit route that could transport the passenger. Color maps and bus schedules are included, as well as a tear-out trip planner to assist the traveler. While the Guide has not been updated in the past several years, efforts are being made by the COG to update the document with fresh information.
- Citizen's Guide – user-friendly brochure introducing and outlining the transportation planning process and the role of the Fresno COG in this process.
- Fresno/Clovis Bikeways Map – with assistance from a member of the TTC, the COG designed and published a bikeway map in November 2006 laying out the various bike lanes and bike routes in Fresno and Clovis. Multi-purpose trails and planned trails are also identified, along with other landmarks such as hospitals and railroad tracks.

Central Valley Ridesharing Program

A responsibility delegated to Fresno COG is the management and promotion of a multi-county ridesharing program. Since 1984, Central Valley Ridesharing (CVR) has provided this program free of charge to commuters, employers and other organizations in Fresno, Kings, Madera and Tulare Counties. With the aim of reducing congestion and mitigating poor air quality, CVR provides carpool matching services and assistance to employers to promote commute options at the work place. CVR also provides a clearinghouse function of marketing information for travel options including walking, bicycling, park and ride lots, vanpooling, public transit and employer programs.

The COG hosts a website at www.valleyrides.com in partnership with Cal State Fresno. The site provides free computer rideshare matching for those interested in carpooling or vanpooling in/from Fresno County. A user simply provides their email address along with the starting point and destination information, and

standard work or class schedule. Valleyrides.com will then provide the user with a matchlist of compatible commuters that have also registered for this service.

The City of Fresno has since taken over the vanpool program and the COG provides management assistance. The program also assists employers in setting up commute alternative programs for their employees. The current list of rideshare participants is about 1,000.

Grant Application and Management

Fresno COG serves as the clearinghouse for federal grant applications that are reviewed to determine if there is any duplication of effort among agencies and that there is no conflict with local plans and policies. The COG's role for the Fresno County region is to review and be an integral part to state and federal funding assistance that promote inter-jurisdictional coordination.

The COG assists the transit operators with obtaining federal grants from the FTA by ensuring the programming of resources and projects in the appropriate federal implementation plans. Federal grants have played an important role in funding continued operations and capital replacement of the transit operators. Three of the four operators that receive TDA revenues have also acquired federal grant funds, whether for operations or for capital purchases. The fourth operator, Clovis Transit, has not elected to apply for federal funding. The operators do not compete for the same pot of funds, as each operator is eligible for different federal grant programs based on their status as an urban, rural, or non-profit operator.

V. FINDINGS AND RECOMMENDATIONS

The following material summarizes the major findings obtained from this Triennial Audit covering FYs 2004 through 2006. A set of recommendations is then provided.

TRIENNIAL AUDIT FINDINGS

1. Fresno COG conducts its management of the TDA program in a competent, professional manner while operating in a complex intergovernmental environment.
2. Fresno COG has satisfactorily complied with all State legislative mandates for Regional Transportation Planning Agencies.
3. The COG has increased its visibility with the community, stakeholders and partner agencies through its efforts with the One Voice advocacy program and the passage of the Measure "C" extension
4. In response to the prior audit recommendation, the COG offered the transit operators the flexibility of utilizing the AB 813 exclusions from the farebox if they chose to. However, the operators have been able to maintain their respective farebox ratios without the need to implement the AB 813 cost exclusions. In addition, some of the cost exclusions expired in January 2007. Therefore, the prior audit recommendation no longer applied.
5. The COG played a central role in the successful renewal of Measure "C", the half cent local transportation sales tax for another 20-years. The COG's role by law was to undertake the planning efforts to develop the package of projects in Measure C with the assumption that the tax extension would be approved.
6. With the region's ability to speak with "one voice", Fresno COG has been instrumental in the formation of the San Joaquin Valley Regional Policy Council comprised of representatives from each participating council of governments. This group will further the collective strength of the partner agencies to advocate for transportation funding and address other issues. The San Joaquin Valley Regional Blueprint will provide the planning process and products to support long-range planning for the eight MPO's in the region and compliment the work of the Council.

7. The COG is currently updating the Policies and Procedures Manual to include written policies and documentation of the agency's operations and work procedures. The policies and procedures will provide a clearinghouse of the standards for work efforts undertaken by the COG.
8. The Executive Director has expressed her intention to retire within the next year. Part of the transition period includes succession planning to ensure strong leadership continues at the COG. This includes cross training for other executive management and enabling staff to take ownership of their work efforts with the various COG subcommittees.
9. An RTP update was adopted by the Board in 2004, with the next update scheduled for adoption the summer of 2007. An Environmental Justice Report was prepared as part of the 2004 RTP which included the efforts and recommendations of the Environmental Justice Task Force. The Environmental Justice Report will be a recurring effort for each RTP update.
10. Several transit related studies have been developed or are in the process of being conducted that review potential regional alternatives to the delivery of public transportation. One effort is a transit consolidation study, while another is the Public Transportation Infrastructure Study (PTIS). A third study is the County's Coordinated Public Transit/Human Services Transportation Plan, a federal requirement.
11. The COG has increased its responsibility to encourage more participation in the transportation planning process. Among the methods used to encourage more public participation include ample time for public comments on regional transportation plans, provision of complete information, timely public notice of meetings, full public access to key decisions, and early involvement in the planning process. With the growing use of the internet, the COG's website is becoming a more significant and popular method for accessing information.

TRIENNIAL AUDIT RECOMMENDATIONS

1. Consider modifying the annual TDA claim form to include a Standard Assurances list for the transit operators.

The appendix to this audit shows a sample Standard Assurances list that could be included as part of the claims submitted by the transit operators. This list, which could be signed and initialized by the appropriate claimant, serves as an annual reminder of specific TDA compliance measures.

2. Consider developing a simplified comprehensive guide of transportation funding sources for inclusion in the orientation package for new Board members.

The materials included in the Board briefing packet can be used by a Policy Board member as a reference tool, such as the description and role of the COG and a listing of acronyms and definitions. To enhance the use of the briefing package as a reference, the COG should consider adding a comprehensive, user-friendly guide that describes the various funding sources utilized by the COG, local jurisdictions, partner agencies and the transit operators. The guide could simply consolidate the types of revenue from local, state and federal sources under one easy to read brochure.

3. Develop step-by-step desk procedures that document "how to" administer or implement a program.

As part of the COG's current efforts to update and strengthen the policy procedures manual, the agency should consider including the preparation of desk procedures that document the instructions and steps for the activities conducted by each staff position. Documentation could include at a minimum what programs/projects each staff is responsible for, the desk processes or procedures and materials used to execute the programs/projects, target audience or market, and identification of communication channels. These documents would enable a new hire or a staff transfer from another position to be able to fulfill the responsibilities by following the desk procedures.

Appendix A

Sample TDA Standard Assurances

**STANDARD ASSURANCES FOR APPLICANTS
TRANSPORTATION DEVELOPMENT ACT (TDA) FUNDS
Local Transportation Funds and State Transit Assistance Funds**

Claimant _____

Fiscal Year 2006 (Project Year)

Please initial all applicable paragraphs pursuant to which the attached claim is being submitted.

Init
ial

1. **180-DAY CERTIFIED FISCAL AUDIT** - Claimant certifies that it has submitted a satisfactory, independent fiscal audit, with required certification statement, to the COG and State Controller, pursuant to PUC 99245 and CCR 6664 for the prior fiscal year (project year minus two). Claimant assures that this audit requirement will be completed for the current fiscal year (project year minus one). 
2. **90-DAY ANNUAL REPORT** - Claimant certifies that it has submitted a State Controller's report in conformance with the uniform system of accounts and reports to the COG and State Controller, pursuant to PUC 99243.5, for the prior year (project year minus two). Claimant assures that this report will be completed for the current fiscal year (project year minus one). 
3. **REVENUE RATIOS FOR OPERATORS IN FRESNO COUNTY** - Claimant filing a claim pursuant to PUC 99268.2, 99268.3, 99268.4, or 99270.1 certifies that it will maintain for the project year a ratio of fare revenues to operating costs of: a) 20% if the claimant is serving an urbanized area; b) 10% if the claimant is serving a non-urbanized area, or an intermediate ratio established by the COG. 
4. **REVENUE RATIOS FOR EXCLUSIVE SERVICES TO ELDERLY AND HANDICAPPED** - Claimants filing a claim pursuant to PUC 99268.5 certifies that, for the purposes of that claim, it provides services using vehicles for the exclusive use of elderly and handicapped persons and that it will maintain for the project year a ratio of fare revenues to operating costs of 10%. 

5. **EXTENSION OF SERVICE** - Claimant that received an allocation of LTF funds for an extension of service pursuant to PUC 99268.8 certifies that it will file a report of these services pursuant to PUC 6633.8b within 90 days after the close of the fiscal year in which that allocation was granted. (pk)
6. **RETIREMENT SYSTEM** - Claimant filing a claim pursuant to PUC 99260 certifies that: a) the current cost of its retirement system is fully funded with respect to the officers and employees of its public transportation system; or, b) the operator is implementing a plan approved by the transportation planning agency which will fully fund the retirement system for such officers and employees within 40 years; or, c) the operator has a private pension plan which sets aside and invests, on a current basis, funds sufficient to provide for the payment of future pension benefits and which is fully in compliance with the requirements stated in PUC 99272 and PUC 99273. (pk)
7. **USE OF FEDERAL FUNDS** - Claimant filing a claim for TDA funds for capital intensive projects pursuant to PUC 99268.7 certifies that it has made every effort to obtain federal funding for any project which is funded pursuant to PUC 99268.7. (pk)
8. **CALIFORNIA HIGHWAY PATROL (CHP) CERTIFICATION** - Claimant certifies compliance with Driver Pull Notice Requirements of PUC 99251 and Vehicle Code 1808.1 (attach copy of CHP certification). (pk)
9. **ANNUAL FISCAL AUDIT** - Claimant agrees to follow the annual fiscal audit process established by the Council of Governments. (pk)
10. **TRIENNIAL PERFORMANCE AUDIT** - Claimant agrees to make a reasonable effort to address all issues and recommendations made in the last Triennial Performance Audit. (pk)
11. **PRODUCTIVITY IMPROVEMENT PROGRAM** - Claimant agrees to make a reasonable effort to implement the productivity improvements recommended pursuant to Public Utilities Code Section 99244. (pk)
12. **STATE TRANSIT ASSISTANCE FOR OPERATIONS** - Claimant receiving funds pursuant to PUC 99314.6 certify that it meets one of the efficiency standards as described in PUC 99314.6a. (pk)



13. **STATE TRANSIT ASSISTANCE FOR OPERATION** - Claimant agrees that it is not precluded by any contract from employing part-time drivers or contracting with common carriers or persons operating under a franchise or license. 

(Legal Name of Applicant/Claimant)

(Authorizing Signature)

(Print Name and Title)



FY 2004-2006 TRIENNIAL
PERFORMANCE AUDIT OF
FRESNO AREA EXPRESS

SUBMITTED TO

COUNCIL OF FRESNO COUNTY
GOVERNMENTS

Final

SUBMITTED BY

PMC

PMC


July 2007

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Section I

Introduction

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

The Council of Fresno County Governments (Fresno COG) has engaged the firm of PMC to conduct a performance audit of the Fresno Area Express (FAX) covering the most recent triennial period, Fiscal Years (FYs) 2003-04 through 2005-06. The purpose of the performance audit is to evaluate the system's effectiveness and efficiency in its use of TDA funds to provide public transit in its service area. This is required as a condition for continued receipt of these funds for public transportation purposes. In addition, the audit evaluates FAX's compliance with the conditions specified in the California Public Utilities Code. This task involves ascertaining whether the City is meeting the PUC's reporting requirements and that it is endeavoring to implement prior audit recommendations made to the agency. Moreover, the audit includes calculations of transit service performance indicators and a detailed review of the agency's departments and organizational functioning. From the analysis that has been undertaken, a set of recommendations have been made for the agency which are intended to improve the performance of transit operations.

In summary, this TDA audit affords the City's governing council and management the opportunity for an independent, constructive and objective evaluation of the organization and its operations that otherwise might not be available. The methodology for the audit included in-person interviews with management, collection and review of agency documents, data analysis, and on-site observations. The Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Entities published by the California Department of Transportation was used to guide in the development and conduct of the audit.

Overview of the Transit System

The Fresno Area Express (FAX) is the largest public transportation operator in Fresno County. FAX is a department of the City of Fresno and is governed by the Fresno City Council. The City has been directly operating public transit service since 1961. FAX operates a general public fixed route bus service and a paratransit service (Handy Ride) to elderly and disabled persons who are unable

to ride the bus. The fixed route service is comprised of 17 routes, which follow a modified grid pattern with intersecting north-south and east-west bus lines and 3 specialized express routes. In addition, FAX operates a circulator service in southeast Fresno, called FANS (Fresno Area Neighborhood Service, Route 12). The service provides passengers with a deviated fixed route demand responsive hybrid service in an area where traditional fixed route service is not viable.

FAX is the co-designated Consolidated Transportation Services Agency (CTSA) with the Fresno County Economic Opportunities Commission (FCEOC) for the urbanized area. In its capacity, FAX provides coordinated efforts with FCEOC in the provision of consolidated transportation for social service agencies and community programs.

The FAX service area comprises the City of Fresno, parts of the City of Clovis and adjacent areas of unincorporated Fresno and Madera counties. A portion of FAX Route 28 operates in the City of Clovis and is subsidized by Clovis based on the number of service hours and miles provided in Clovis. Payments include only direct fixed route service costs. Another route serves Children's Hospital of Central California located just to the north in Madera County.

Fresno is the sixth largest city in California and is the principal commercial hub of the central San Joaquin Valley. According to the 2000 U.S. Census, Fresno had a population of 427,244 residents. Based on the California Department of Finance 2007 estimate, the population grew to 481,035 residents, a 12.6 percent increase.

Fleet

FAX operates a current bus fleet of 121 active vehicles, including 30 Compressed Natural Gas (CNG) vehicles, four Hybrid Electric Buses, four 25-foot minibuses, and three trolleys. All vehicles are wheelchair accessible and are equipped with bike racks, allowing up to two bicycles per bus. In addition, 12 FAX buses are low floor vehicles, which are outfitted with ramps that are much easier to maneuver than traditional lifts. All buses are owned by the City.

Handy Ride's fleet is composed of 30 wheelchair equipped vehicles that are operated and maintained by a private service provider, currently MV Transportation. A detailed description of FAX's fixed-route fleet is presented in Table I-1.

**Table I-1
FAX Fleet Inventory**

Year	Manufacturer	Quantity	Fuel type
1990	Flexible 4102GT	11	Diesel
1991	Gillig Phantom	12	Diesel
1993	Gillig Phantom	20	Diesel
1994	Gillig Phantom	12	Diesel
1996	Gillig Phantom	6	Diesel
1997	Gillig Phantom	14	Diesel
1999	Gillig Phantom	12	Diesel
2000	Orion HybriDrive	2	Hybrid Electric
2003	Orion CNG	25	CNG
2005	New Flyer	5	CNG
2005	Orion HybriDrive	2	Hybrid Electric
Total		121	

Source: Fresno-Clovis Urbanized Area Short Range Transit Plan, 2005-2010 and the City of Fresno

Route System

There are 20 fixed routes that are configured in a grid pattern. Nine routes intersect at the Downtown Transit Center, six connect at Manchester Transit Center, and seven connect at the Market Place Shopping Center. FAX service also operates within the City of Clovis along Shaw Avenue and some unincorporated pockets in the urban area. The agency receives funding from the City of Clovis and Fresno County for these services. A description of each current route is presented in Table I-2. It should be noted FAX recently eliminated the Route 2 Downtown Midday Trolley and added a new Route 40.

**Table I-2
FAX Route System**

Route Number	Description	Frequency/Operation	Destinations
4	Downtown Circulator Trolley	Every 20 minutes (10 minutes during A.M. peak hours) Monday through Friday 6:30 a.m. to 6:30 p.m.	▪ Chukchansi Park Stadium; ▪ Broadway Plaza; and ▪ Fulton Mall
9	Shaw Crosstown	Every 30 minutes Monday through Friday 5:40 a.m. to 10:22 p.m. Saturday and Sunday 6:35 a.m. to 7:22 p.m.	▪ Tioga Middle School; ▪ CSU Fresno; ▪ International English Institute; ▪ Fashion Fair Shopping Center; and

			▪ Fig Garden Village
12	Southeast Circulator	Hourly Monday through Friday 8:00 a.m. to 5:55 p.m.	▪ Senior Citizens Village; ▪ Save Mart; ▪ Sunnyside High School; ▪ Kmart; ▪ Wal-Mart; and ▪ Kings Canyon-Clovis Avenue Shopping Center
18E	Fresno ROP Express	Four to Five Headways Monday through Friday 7:30 a.m. to 5:24 p.m.	▪ Regional Occupation Program
20	North Hughes/North Marks/Downtown	Every 30 minutes Monday through Friday 5:40 a.m. to 10:25 p.m. Every 45 minutes Saturday and Sunday 6:45 a.m. to 6:32 p.m.	▪ Fresno High School; ▪ Cooper Middle School; ▪ Fresno City College; ▪ Fulton Mall; ▪ Cesar E. Chavez Adult School; ▪ County Library; and ▪ Fresno City Hall
22	North West Avenue/East Tulare Avenue	Every 30 minutes Monday through Friday 5:55 a.m. to 10:27 p.m. Every 50 minutes Saturday and Sunday 6:30 a.m. to 7:11 p.m.	▪ Roosevelt High School; ▪ Kings Canyon Middle School; ▪ Bullard West Shopping Center; ▪ Fulton Mall; ▪ City Hall; ▪ State Building; ▪ County Library; and ▪ Fresno City Personnel
26	North Palm/Peach Avenue	Every 30 minutes Monday through Friday 5:55 a.m. to 10:27 p.m. Hourly Saturday and Sunday 7:15 a.m. to 7:30 p.m.	▪ Bullard High School; ▪ Kings Canyon Middle School; ▪ Fig Garden Village; ▪ Riverpark; ▪ IRS; ▪ Fresno High School; ▪ Fresno Pacific University; ▪ Fulton Mall; ▪ Downtown Transfer Center; ▪ Fresno Yosemite International Airport; ▪ Sunnyside High School; and ▪ Kings Canyon Pavillion

28	CSUF/Manchester Center/ Ventura Avenue	Every 15 minutes (30 minutes in the evening) Monday through Friday 5:45 a.m. to 11:35 p.m. Every 30 minutes Saturday and Sunday 6:30 a.m. to 7:29 p.m.	▪ Fort Miller School; ▪ Tioga Middle School; ▪ CSU Fresno; ▪ Fresno Pacific University; ▪ Fashion Fair Shopping Center; ▪ Manchester Shopping Center; ▪ Fulton Mall; ▪ Sierra Vista Mall; ▪ UMC; ▪ IRS; and ▪ Sunnyside High School
30	Pinedale/North Blackstone/West Fresno	Every 15 minutes (30 minutes in the evening) Monday through Friday 5:42 a.m. to 10:10 p.m. Every 30 minutes Saturday and Sunday 6:35 a.m. to 7:19 p.m.	▪ DeWolf High School; ▪ Opportunity Program School; ▪ Manchester Shopping Center; ▪ Cesar E. Chavez Adult School; ▪ Fulton Mall; ▪ City Hall; ▪ Federal Building; ▪ State Building; and ▪ County Library
32	North Fresno/Manchester Center/West Fresno	Every 30 minutes Monday through Friday 5:54 a.m. to 10:38 p.m. Saturday and Sunday 6:30 a.m. to 7:05 p.m.	▪ San Joaquin Memorial High; ▪ DeWolf High School; ▪ Fort Miller Middle School; ▪ Eastgate Plaza Inc.; ▪ Fashion Fair Shopping Center; ▪ Kearney Palms Shopping Center; ▪ Kaiser Hospital; and ▪ Manchester Center
33	Belmont Crosstown	Every 30 minutes Monday through Friday 6:00 a.m. to 7:55 p.m. Hourly Saturday and Sunday 7:30 a.m. to 6:55 p.m.	▪ Roeding Park; ▪ Chaffee Zoo; and ▪ Tehipite Middle School
34	Northeast Fresno/North First/West Fresno	Every 15 minutes (30 minutes in the evening) Monday through Friday 5:45 a.m. to 10:08 p.m. Saturday and Sunday 6:45 a.m. to 7:35 p.m.	▪ Tioga Middle School; ▪ Kearney Palms Shopping Center; ▪ Fashion Fair Shopping Center; ▪ Fulton Mall; and ▪ Saint Agnes Medical Center

35	Olive Crosstown	Every 30 minutes Monday through Friday 5:45 a.m. to 10:10 p.m. Every 45 minutes Saturday and Sunday 7:00 a.m. to 6:55 p.m.	▪ The Tower District; ▪ DMV ▪ Roeding Park; and ▪ Yosemite Middle School
38	North Cedar/Jensen/Hinton Center	Every 15 minutes (30 minutes in the evening) Monday through Friday 5:45 a.m. to 11:10 p.m. Every 30 minutes Saturday and Sunday 6:45 a.m. to 7:30 p.m.	▪ McLane High School; ▪ Edison High School; ▪ Duncan Polytechnical High School; ▪ Roosevelt High School; ▪ Sequoia Middle School; and ▪ Kearney Palms Shopping Center
39	Clinton Avenue Crosstown	Every 30 minutes Monday through Friday 5:30 a.m. to 10:52 p.m. Hourly Saturday and Sunday 7:30 a.m. to 7:22 p.m.	▪ McLane High School; ▪ Manchester Mall; ▪ Manchester Transfer Center; ▪ Veteran's Medical Center; ▪ Fresno Art Museum; ▪ Fresno Yosemite International Airport; ▪ Fresno High School; ▪ Social Security; and ▪ Fresno City College
40	E. Butler/S. Maple/E. Church	Every 30 minutes during commute hours Monday through Friday 7:00 a.m. to 6:00 p.m.	▪ Lane School ▪ Mosqueda Center ▪ Balderas School ▪ Calwa Park
41	North Marks Avenue/Shields Avenue/VMC	Every 30 minutes Monday through Friday 5:40 a.m. to 10:34 p.m. Every 50 minutes Saturday and Sunday 7:05 a.m. to 7:28 p.m.	▪ Fort Miller Middle School; ▪ Scandinavian Middle School; ▪ California Christian College; ▪ Fresno Pacific University; ▪ San Joaquin College of Law; and ▪ Manchester Mall
45	Ashlan Crosstown	Hourly Monday through Friday 6:30 a.m. to 9:03 p.m. Saturday and Sunday 9:40 a.m. to 6:30 p.m.	▪ Fresno High School; ▪ Fort Miller Middle School; ▪ Fresno City College; and ▪ Manchester Mall
58	Northeast Regular Service	Hourly Monday through Friday 6:53 a.m. to 6:40 p.m. Saturday and Sunday 11:00 a.m. to 6:25 p.m.	▪ Clovis West High School; ▪ Market Place; ▪ U.S. Post Office; and ▪ Shopping Centers

58E	Children's Hospital Express	Hourly Monday through Friday 6:20 a.m. to 6:10 p.m. Saturday and Sunday 11:30 a.m. to 5:55 p.m.	▪ Market Place; and ▪ Children's Hospital of Central California

Source: FAX

FAX operates from 5:30 a.m. to 10:00 p.m., Monday through Friday, and weekends from 6:30 a.m. to 7:30 p.m. Service is not provided on New Year's Day, Independence Day, Thanksgiving Day, and Christmas Day. Weekend level service is provided on Martin Luther King Jr. Day, Presidents Day, Memorial Day, Labor Day, Veterans Day, the day after Thanksgiving, and the day before Christmas.

Paratransit and Taxi Program

The "Handy Ride" paratransit service is operated under a contract with MV Transportation. Handy Ride provides curb-to-curb service during the same operating hours as the fixed route, and next day reservations are allowed to comply with Americans with Disabilities (ADA) regulations. Same day reservations may be made on a spot availability basis. The service area covered is the same as the fixed route, and currently includes additional areas that extend beyond the federal ADA requirement of $\frac{3}{4}$ miles from the FAX fixed-routes. Trips originating in Fresno that end in Clovis are also returned on Handy Ride. A "Handy Ride Guide" was developed in June 2003 that contains pertinent information about the service, and serves as a reference tool for passengers. The guide is being updated by FAX staff in consultation with the FAX ADA Advisory Committee.

Fares

The FAX fare structure is based the particular service utilized. Transfers are free and allow for two additional transfers to complete a one-way trip. Senior and Special Rider (Disabled) fares and passes require proper identification. The fare schedule is presented in Table I-3.

**Table I-3
FAX Fare Schedule**

Cash Fares	Fare
General	\$1.00
Senior (Age 62 and older)	
-Monday through Saturday	\$0.35
-Sunday	Free
Disabled	\$0.35
Medicare Cardholder Fare	\$0.35
Children (Age 6 and under up to a maximum of four children)	Free
Route 4 Downtown Trolley	Free
Transfers	Free
Tickets and Tokens	
Tokens	\$0.85
Book of 5	\$4.25
Book of 10	\$8.50
Monthly Passes	
Convenience Pass	\$35.00
Mid-Month Discount	\$17.50
Senior (Age 62 and older)	\$10.00
Special Rider	\$10.00
Handy Ride	\$25.00
Metro Pass (FAX & Clovis Transit)	\$40.00

Source: FAX

Section II

Operator Compliance Requirements

This section of the audit report contains the analysis of FAX's ability to comply with state requirements for continued receipt of TDA funds. The evaluation uses the guidebook, *"Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Agencies"* which was developed by the Department of Transportation (Caltrans) to assess transit operators. The guidebook contains a checklist of twelve measures taken from relevant sections of the Public Utilities Code and the California Code of Regulations. Of all the items on the checklist, nine are applicable to the City's operations. Each of these requirements is discussed in the table below, including a description of FAX's efforts to comply with the requirements. In addition, a discussion of the findings from the compliance review is described in the text following the table.

TABLE II-1 Operator Compliance Requirements Matrix		
Operator Compliance Requirements	Reference	Compliance Efforts
The transit operator 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. 30), or 110 days (Oct. 20) if filed electronically (internet). During the audit period, the State Controller extended the submittal dates because the Controller's office was in the process of implementing a new updated electronic filing system. The extended dates were: FY 2004: November 24 for paper filing, December 14 for internet filing.	Public Utilities Code, Section 99243 (continued on next page)	Completion/submittal dates (internet filing): FY 2004: October 29, 2004 (Fixed-Route); November 10, 2004 (Paratransit) FY 2005: October 5, 2005 FY 2006: October 31, 2006 Conclusion: Complied.

TABLE II-1 Operator Compliance Requirements Matrix, continued		
Operator Compliance Requirements	Reference	Compliance Efforts
FY 2005: September 28 for paper filing, October 18 for internet filing. FY 2006: October 12 for paper filing, November 1 for internet filing.		
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 2004: December 8, 2004 FY 2005: December 21, 2005 FY 2006: December 22, 2006 Conclusion: Complied.
The CHP has, within the 13 months prior to each TDA claim submitted by an operator, certified the operator's compliance with Vehicle Code Section 1808.1 following a CHP inspection of the operator's terminal.	Public Utilities Code, Section 99251	FAX participates in the CHP Transit Operator Compliance Program in which the CHP has conducted inspections within the 13 months prior to each TDA claim. Copies of certificates are attached to TDA claims. Copies of certificates were also submitted to the auditor for review. Inspection dates were: January 8, 2003; January 28, 2004; January 13, 2005; and February 21, 2006. Conclusion: Complied.
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	As a condition of approval, the City's annual claims for Local Transportation Funds and State Transit Assistance is submitted in compliance with rules and regulations adopted by Fresno COG. Conclusion: Complied.

TABLE II-1 Operator Compliance Requirements Matrix, continued		
Operator Compliance Requirements	Reference	Compliance Efforts
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, Sections 99266	Percentage increase in FAX's operating budget: FY 2004: 8.35% FY 2005: 7.90% FY 2006: 7.66% Source: FY 2004-2006 Annual Financial Audits. Conclusion: Complied.
If the operator serves an urbanized area, it has maintained a ratio of fare revenues to operating costs at least equal to one-fifth (20 percent).	Public Utilities Code, Sections 99268.3, 99268.5	FAX's fare ratios using audited data are as follows FY 2004: 25.54% FY 2005: 23.11% FY 2006: 22.33% Conclusion: Complied.
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 employees of the City of Fresno are part of the State Public Employees' Retirement System. Conclusion: Complied.
If the operator receives state transit assistance funds, the operator is not precluded by contract from employing part-time drivers or from contracting with common carriers.	Public Utilities Code, Section 99314.5(c)	The City employs part time drivers. Conclusion: Complied.

TABLE II-1 Operator Compliance Requirements Matrix, continued		
Operator Compliance Requirements	Reference	Compliance Efforts
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)	FAX makes full use of federal funds available to it, as reported in the State Controller Operators reports. FY 2004: Operating (\$6,487,086) Capital (\$8,416,556) FY 2005: Operating (\$4,956,565) Capital (\$1,291,379) FY 2006: Operating (\$7,659,103) Capital (\$11,773,482) Conclusion: Complied.

Findings and Observations from Operator Compliance Requirements Matrix

1. FAX has complied with all TDA compliance requirements.
2. The operating budget increased in each of the audit years between seven and eight percent annually. The growth in cost accounts for operational factors such as wage increases, fuel costs, maintenance and repairs, and adjustments to the schedules.
3. FAX has continued to surpass the minimum farebox ratio of 20 percent, as required by the Transportation Development Act. Over the past three fiscal years between 2004 and 2006, FAX has achieved fare revenues to operating expense ratios of 25.54 percent, 23.11 percent and 22.33 percent, respectively. In spite of meeting the minimum farebox, there is a slightly decreasing trend.
4. FAX continues to utilize federal grant funds towards fleet acquisition and replacement. Federal funding toward capital expenditures have ranged from \$8.4 million in FY 2004 to \$11.8 million in FY 2006.

Section III

Prior Triennial Performance Audit Recommendations

FAX's efforts to implement the recommendations made in the prior triennial audit of agency performance is examined in this section of the audit report. For this purpose, the prior recommendation for the agency is described, followed by a discussion of the agency'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

Report demand response contract employees in the State Controller Report.

Actions taken by FAX: FAX has expressed its intention to report paratransit contract employees in the State Controller Report. During the course of the audit period, the operations contract for Handy Ride underwent a change in December 2005 from Laidlaw Transit Services to MV Transportation. In addition, a review of the State Controller Reports submitted during the audit period revealed that contract employees remained unaccounted for. The recent appointment of a single paratransit contract manager at FAX would entail better monitoring and reporting of paratransit operations.

Conclusion: This recommendation has not been implemented.

Prior Recommendation 2

Closely monitor farebox of Handy Ride as the service becomes a larger part of FAX operations.

Actions taken by FAX: As was stated previously, the operations contract for the Handy Ride paratransit service underwent a change in December 2005 from Laidlaw Transit Services to MV Transportation. The contract did not specify how operating and performance data were to be collected, maintained and reported. In addition, there was no standard or limitation clearly delineated for the utilization of the taxi overflow program. Compounding the issue was that responsibility for contract oversight and management was diffused among several FAX employees. As a result, farebox recovery levels have remained low and have impacted the systemwide farebox ratio.

FAX commissioned a separate audit of its paratransit operations in early 2007 and designated one of its Management Analysts to manage the paratransit contract. The results of the paratransit audit included several recommendations to improve the administration and management of Handy Ride, including changes to the fare structure. A fare increase for paratransit services is proposed for the summer of 2007 as well as the implementation of more stringent ADA certification procedures. Moreover, a Request for Proposals (RFP) for operations and management of Handy Ride was released in the spring of 2007.

Conclusion: This recommendation is in the process of being implemented with better contractor oversight in place.

Prior Recommendation 3

Derive full cost allocation for purchased transportation, as required by federal guidelines.

Actions taken by FAX: Full cost accounting requires that all costs of providing transportation services are documented and appropriately allocated, including direct operational cost and administrative overhead. Total costs include any commitment of or use of time, money, physical resources and other assets of the system used to provide passenger transportation services. Cost allocation also includes accounting for depreciation and all other in-kind services.

Based upon the auditor's consultation with FAX management, FAX does account for full cost allocation in its annual financial reporting related to purchased transportation. The City maintains an updated cost allocation plan for FAX in distributing the City's cost among the fixed route and paratransit systems. The cost allocation plan was presented to the auditor as evidence of compliance.

Conclusion: This recommendation has been implemented.

Section IV

TDA Performance Indicators

This section reviews FAX'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 is not one of the five specific indicators, but is a requirement for continued TDA funding. Therefore, farebox calculation is also included for each mode. Findings from the analysis are contained in the section following the tables.

From a review of performance data in both the State Controller's Report and the Transit Productivity Evaluation Report, some discrepancies were found between the reports such as the number of annual service hours and miles, ridership and fare revenue. Both the State Controller Report and Transit Productivity Evaluation, which draws information from the Federal National Transit Database, are completed about the same time each Fall following the fiscal year, in which there should not be significant differences in data reported. FAX should review the reports prior to their submittal to the COG and the State to ensure the data is consistent.

**Table IV-1
Systemwide TDA Performance Indicators**

Performance Data and Indicators	Audit Years				% Change FY 2003- 2006
	FY 2003	FY 2004	FY 2005	FY 2006	
Operating Cost ^(a)	\$28,017,158	\$30,252,541	\$33,009,054	\$35,541,363	26.9%
Total Passengers	11,330,837	11,020,413	11,434,394	12,018,148	6.1%
Vehicle Service Hours	362,566	374,616	416,479	474,002	30.7%
Vehicle Service Miles	4,893,852	4,972,642	5,186,077	5,559,760	13.6%
Employee FTE's ^(b)	323	324	333	349	8.1%
Passenger Fares	\$7,574,554	\$7,428,738	\$7,769,047	\$7,475,227	-1.3%
Operating Cost per Passenger	\$2.47	\$2.75	\$2.89	\$2.96	19.6%
Operating Cost per Vehicle Service Hour	\$77.27	\$80.76	\$79.26	\$74.98	-3.0%
Operating Cost per Vehicle Service Mile	\$5.72	\$6.08	\$6.36	\$6.39	11.7%
Passengers per Vehicle Service Hour	31.3	29.4	27.5	25.4	-18.9%
Passengers per Vehicle Service Mile	2.32	2.22	2.20	2.16	-6.6%
Vehicle Service Hours per Employee	1,123.5	1,155.9	1,249.9	1,359.1	21.0%
Average Fare per Passenger	\$0.67	\$0.67	\$0.68	\$0.62	-7.0%
Fare Recovery Ratio	27.04%	24.56%	23.54%	21.03%	-22.2%

(a) Excludes depreciation costs

(b) Handy Ride FTE count remains unchanged due to the unavailability of data.

Source: Annual Transit Productivity Evaluation

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

Performance Data and Indicators	Audit Years				% Change FY 2003- 2006
	FY 2003	FY 2004	FY 2005	FY 2006	
Operating Cost ^(a)	\$25,172,900	\$26,736,102	\$28,965,563	\$30,770,200	22.2%
Total Passengers	11,213,049	10,854,859	11,241,838	11,808,724	5.3%
Vehicle Service Hours	306,007	302,164	334,969	359,712	17.6%
Vehicle Service Miles	4,026,408	3,957,463	4,101,325	4,229,020	5.0%
Employee FTE's	272	273	282	298	9.6%
Passenger Fares	\$7,494,829	\$7,332,233	\$7,666,439	\$7,371,888	-1.6%
Operating Cost per Passenger	\$2.24	\$2.46	\$2.58	\$2.61	16.1%
Operating Cost per Vehicle Service Hour	\$82.26	\$88.48	\$86.47	\$85.54	4.0%
Operating Cost per Vehicle Service Mile	\$6.25	\$6.76	\$7.06	\$7.28	16.4%
Passengers per Vehicle Service Hour	36.6	35.9	33.6	32.8	-10.4%
Passengers per Vehicle Service Mile	2.78	2.74	2.74	2.79	0.3%
Vehicle Service Hours per Employee	1,126.2	1,106.5	1,186.9	1,208.1	7.3%
Average Fare per Passenger	\$0.67	\$0.68	\$0.68	\$0.62	-6.6%
Fare Recovery Ratio	29.77%	27.42%	26.47%	23.96%	-19.5%

(a) Excludes depreciation costs

Source: Annual Transit Productivity Evaluation

**Table IV-3
Handy Ride TDA Performance Indicators**

Performance Data and Indicators	Audit Years				% Change FY 2003- 2006
	FY 2003	FY 2004	FY 2005	FY 2006	
Operating Cost ^(a)	\$2,844,258	\$3,516,439	\$4,043,491	\$4,771,163	67.7%
Total Passengers	117,788	165,554	192,556	209,424	77.8%
Vehicle Service Hours	56,559	72,452	81,510	114,290	102.1%
Vehicle Service Miles	867,444	1,015,179	1,084,752	1,330,740	53.4%
Employee FTE's ^(b)	51	51	51	51	0.0%
Passenger Fares	\$79,725	\$96,505	\$102,608	\$103,339	29.6%
Operating Cost per Passenger	\$24.15	\$21.24	\$21.00	\$22.78	-5.7%
Operating Cost per Vehicle Service Hour	\$50.29	\$48.53	\$49.61	\$41.75	-17.0%
Operating Cost per Vehicle Service Mile	\$3.28	\$3.46	\$3.73	\$3.59	9.3%
Passengers per Vehicle Service Hour	2.1	2.3	2.4	1.8	-12.0%
Passengers per Vehicle Service Mile	0.14	0.16	0.18	0.16	15.9%
Vehicle Service Hours per Employee	1,109.0	1,420.6	1,598.2	2,241.0	102.1%
Average Fare per Passenger	\$0.68	\$0.58	\$0.53	\$0.49	-27.1%
Fare Recovery Ratio	2.80%	2.74%	2.54%	2.17%	-22.7%

(a) Excludes depreciation costs

(b) Handy Ride FTE count remains unchanged due to the unavailability of data.

Source: Annual Transit Productivity Evaluation

Findings from Verification of TDA Performance Indicators

1. Operating costs systemwide (combined fixed route and Handy Ride) increased by 27 percent from the base year of 2003 through 2006. The largest increase in operating costs was exhibited by Handy Ride, which grew by nearly 68 percent. The fixed route saw a more modest increase in costs of about 22 percent.
2. Passenger fare revenues remained fairly constant during the audit period, which exhibited a slight decline of just over one percent systemwide. This was consistent with the fixed route fare revenue trend. Handy Ride had a 30 percent increase in fare revenues; however, because the fare revenue only comprises about one percent of total fares, its fluctuation impacts the total revenues minimally.
3. Total systemwide ridership increased by six percent. The fixed route registered a similar increase of just over five percent, while Handy Ride had the largest increase in ridership of nearly 78 percent. The largest annual increase in Handy Ride passengers was 41 percent in FY 2004. For the fixed route, the largest annual increase in ridership occurred in FY 2006, showing a five percent increase. The taxi overflow program was initiated during the early portions of the audit period and might have contributed to the ridership gains.
4. Passengers per vehicle service hour declined by 19 percent during the audit period. Consequently, passengers per vehicle service mile also declined systemwide by just under seven percent. The trends are alarming given these service effectiveness measures are declining. For Handy Ride, passengers per hour dropped below the threshold of 2 passengers per hour, declining to 1.8 in FY 2006. However, passengers per vehicle service mile on Handy Ride increased by 16 percent.
5. Vehicle service hours increased 31 percent systemwide with the largest annual increase of 14 percent occurring in FY 2006. Vehicle service hours for Handy Ride increased over 100 percent with an average annual increase of 27 percent. The fixed route exhibited a more modest increase in service hours of nearly 18 percent with the largest annual increase of 11 percent in FY 2005.

6. Vehicle service miles increased 14 percent systemwide. Fixed route service miles grew five percent and Handy Ride's service miles increased 53 percent.
7. Operating cost per vehicle service hour showed a slight decline systemwide of three percent. While fixed route cost per hour was fairly stable, increasing by four percent during the audit period, Handy Ride experienced a decline of 17 percent, largely attributed to the change in contractor in December 2005.
8. Operating cost per vehicle service mile increased 12 percent systemwide, with the fixed route showing the largest increase of 17 percent and Handy Ride showing a 9 percent increase.
9. Systemwide farebox recovery continues to exceed the minimum TDA requirement of 20 percent, despite a declining trend during the audit period. The fixed route has consistently exceeded the minimum ratio, while the farebox ratio for Handy Ride has averaged between only two and three percent, far below the standard of 10 percent for specialized services.
10. The FTE count used in this audit for paratransit contract employees reflects the data from 2003. Updated FTE data was not reported by FAX in the annual State Controller Reports.

Conclusion from Verification of TDA Performance Indicators

While FAX continues to maintain its systemwide farebox ratio requirement, its operating costs have increased faster than its passenger fare revenues. Operating costs have risen in concert with the increase in vehicle service hours. The fixed route has continued to attain farebox ratios above the minimum 20 percent requirement, thus sustaining the system as a whole. Handy Ride's farebox ratio continues to average between two and three percent, which is well below the TDA standard of 10 percent for specialized services.

The 22 percent rise in FAX's fixed route operating costs is attributed to the implementation of expanded service and the acquisition of alternative fueled buses. FAX implemented late evening service and 15 minute frequencies on Routes 28, 30, and 38. In July 2004, FAX introduced its Silver Sundays Program, which provides seniors who are 62 years of age or older with complementary transport on FAX fixed route buses during Sunday service hours. In conjunction with the service expansion, FAX hired 10 to 15 additional personnel and acquired seven alternative fueled buses in 2005.

Systemwide ridership increased during the audit period. The fixed route service expansion resulted in a five percent increase overall, with the highest increase occurring in FY 2006 when the service expansion was implemented. Handy Ride ridership continued to grow as well over the last three years.

The 68 percent increase in Handy Ride's operating costs can be attributed to several factors. Paratransit operations contract transitioned from Laidlaw to MV Transportation in December 2005. There was no standard or limitation clearly delineated for the utilization of the taxi overflow program. By the first quarter of 2006, taxi usage accounted for up to 30 percent of all passengers carried on Handy Ride, which saw an overall increase in ridership of nearly 78 percent during the audit period. There was a lack of stringent guidelines for ADA certification in which approximately 100 applicants per month were being approved, thus straining the system. There are approximately 4,000 passengers in the Handy Ride database. The 102 percent increase in vehicle service hours also reflects this trend.

Section V

Review of Operator Functions

This section provides an in-depth review of various functions within FAX. The review highlights accomplishments, issues and/or challenges that were determined during the audit period. The following departments and functions were reviewed at the City:

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

Operations

FAX recently hired a new Director of Transportation who brings 38 years of transit industry experience to the agency. As the previous Transit Director for the Lane Transit District (LTD) in the Eugene-Springfield, Oregon region for six years, the current FAX manager brings a unique skill set that would serve FAX well as it seeks to improve and expand services. He was instrumental in setting the policy direction for the development of LTD's EmX Bus Rapid Transit (BRT) system and authored a white paper on BRT.

The three biggest challenges facing FAX, as identified by the Director of Transportation, include the improvement and attainment of air quality; provision of infrastructure for congestion relief; and an aging population. As part of a citywide effort, FAX has ordered an additional 35 buses, which includes 20 replacement buses and 15 new buses. Infrastructure improvements include implementation of BRT and hydrogen-hybrid technologies. Perhaps the most pressing challenge is the service area's growing senior population as well as the necessity to recruit new personnel to replace those staff nearing retirement.

In November 2003, FAX placed an order with the Optima Bus Corporation for American Heritage Streetcars or trolleys, which have been utilized on the former Route 2 and current Route 4 Downtown Circulators. The trolleys follow an historic route in which wheeled street cars operated in the early 1900s.

In July 2004, FAX introduced its Silver Sundays Program, which provides seniors who are 62 years of age or older with complementary transport on FAX fixed route buses during Sunday service hours. Eligible riders only need to present proof of age by showing identification including, but not limited to a driver's license, Medicare card or FAX Senior ID Card.

FAX has been instrumental in the expansion and management of the City's Clean Air Express Vanpool Program. The program was initiated in January 2004 as part of the City's effort to support Operation Clean Air, a collaborative of business, community, and government entities that addresses air quality concerns in the San Joaquin Valley Air Basin. FAX increased the vanpool fleet from seven to 12 vehicles. Each van has a 12 passenger capacity. Funding for this program has been provided to FAX from the San Joaquin Valley Air Pollution Control District (SJVAPCD) and Valley Clean Air Now. The vanpool is part of an effort to reduce traffic and pollution in the Downtown Area.

In addition, the FAX vehicle fleet has shown a stronger alternative fuel orientation. FAX operates the largest CNG fueling station in the San Joaquin Valley. The station provides CNG fuel for the transit fleet as well as fuel for other city department vehicles that operate on CNG.

The City received a federal earmark through Congressman George Radanovich (R-Mariposa) for \$495,157 in August 2004 towards the design and construction of intermodal facilities to house FAX buses. Other amenities that have been upgraded include bus bays and shelters that better accommodate bicyclists and pedestrians. Since 1997, all fixed route buses have had bike racks, which hold up to two bicycles each. New bus shelters installed at Fresno State University are context-sensitive.

Service frequencies were enhanced with the introduction of 15 minute headways on several high volume trunk routes. FAX first implemented 15 minute service on Route 30 in October 2005. Route 30 had been identified in FAX's Long-Range Master Plan as one of the preferred corridors for high capacity transit in the Fresno-Clovis Metropolitan Area. This was also the most requested service enhancement identified by respondents of a Customer Satisfaction Survey conducted in June 2005.

Since the implementation of 15 minute frequencies, there has been a 50 percent increase in ridership on Routes 28, 30 and 38. This can be attributed to the recent housing boom, higher fuel prices, drought, and winter freeze. FAX planning staff have also noticed that the 15 minute service frequencies have drawn passengers from other routes. The challenge of providing bus service in Fresno involves having to compete against relatively quick auto travel times. Automobile commute times in the Fresno area average 20 minutes with the

recent expansion of the freeway system (SR 168 and SR 180). However, with the eventual implementation of BRT, average travel times by bus can be reduced by 50 percent. The City is looking into queue jump lanes and signal pre-emption in an effort to improve bus travel times.

On-time performance is measured through a real-time AVL system. The AVL system records early, on-time and late arrivals at timepoints. It also denotes the specific route, driver and coach-run. Data is categorized into weekly, monthly and annual reports. This Siemens-based system works in concert with the Trapeeze dispatching software program. One of the challenges to maintaining on-time performance has been traffic congestion.

Fare collection procedures involve a system of checks and balances. Drivers do not handle money, which is contained in a vault. Maintenance employees pull and probe the vault. After the vault is probed, the proceeds are counted by two operations employees. The finance department then reconciles the revenue and prepares a report. FAX utilizes an older GFI system with a DOS platform and QuatroPro software. Recently, the City's internal auditors examined fare collection and counting procedures.

In the event of an accident, the drivers report the incident immediately to dispatch. A supervisor and two Fresno police units assigned to FAX would respond to the accident scene. The driver completes an incident report, which is reviewed by the Operations Manager and an Accident Review Committee. The Accident Review Committee is comprised of two management representatives, two union representatives and one chairperson. Based upon the incident report, the committee rates the accident as either preventable or non-preventable.

The first minor accident would not require any retraining; however, the second or third incident would require the driver go through retraining. Depending on the severity of the accident, the driver would have to submit to a drug and alcohol test. The driver's contribution to the accident also determines the need for testing. The supervisor on the scene of the accident makes the determination based upon the findings and passenger comments.

Paratransit

According to the Handy Ride Guide (June 2003), the total service area for Handy Ride is bounded by Copper Avenue to the north, east to Willow Avenue, south to Ashlan Avenue, east to Temperance Avenue, south to Central Avenue, west to Polk Avenue, north to the Fresno County Line, and east to Copper Avenue. This service area is larger than the minimum ADA requirements of $\frac{3}{4}$ mile of a fixed route. The RFP to re-bid the service states that the service area will

be within the $\frac{3}{4}$ mile band of a fixed-route, possibly indicating the service area will be reduced under the new contract which should help improve Handy Ride performance.

Handy Ride's operations and maintenance are located on City-owned property at 1330 El Dorado Street. The location includes management and administration offices, vehicle maintenance, servicing and parking. This facility is adjacent to FAX's administrative and operations facility contained in the City's corporation yard. As the fleet has grown, the current site has become too small and inadequate. This was a finding made in the 2007 Handy Ride audit by a consultant.

The management and operations contract for Handy Ride underwent a change in December 2005 from Laidlaw Transit Services to MV Transportation. The Request for Proposals (RFP) and contract documents did not specify how operating and performance data were to be collected, maintained and reported. In addition, there was no standard or limitation clearly delineated for the utilization of the taxi overflow program. Paratransit operations became problematic for FAX during the audit period. The criteria for use of paratransit became lax, resulting in over use of the service. By the first quarter of 2006, taxi usage accounted for up to 30 percent of all passengers carried on Handy Ride. On-time performance suffered and data was not being reported on a monthly basis to monitor performance measures.

During the audit period, the Handy Ride system experienced poor customer service and operational issues that were not stipulated in the service contract. An audit of paratransit operations was conducted on behalf of the City by Roy E. Glauthier in early 2007. The audit report entitled *Evaluation and Assessment of Handy Ride Paratransit Service* provided thorough data analysis spanning a three year period from 2004 through 2006 and included a peer review involving four comparable systems. The report findings encompassed system performance; system and program management; Handy Ride fleet; ADA eligibility; passenger fares; service area boundaries; and provision of service to Clovis. From the findings, numerous recommendations were made to improve the provision of Handy Ride.

FAX designated one of its Management Analysts to oversee its paratransit contract operator in April 2007. Management of its contract was previously spread over six FAX staff members with no single individual responsible for administering, monitoring and managing the contract. One of the priorities of the Paratransit Manager is to implement a proposed fare increase effective July 2007. The one-way paratransit fare would increase from \$0.75 to \$1.00 and the monthly pass would increase from \$25.00 to \$30.00. The Paratransit Manager has been working with the City's ADA Committee in gaining support for this measure.

In addition, a new RFP was developed with the assistance of a consultant and released in April 2007. The new RFP contains 64 questions and involves a five year contract with three one-year optional extensions. The new paratransit contract would contain a performance penalty clause. A productivity goal of 2.4 passengers per hour would be implemented and monitored over a period of three years.

By September 2007, FAX will implement a face-to-face functional certification program. This is being done to tighten the requirements to use the paratransit service. The certification program would also include agility testing. Prior to this measure, approximately 100 applicants per month were being approved, thus straining the system. There are approximately 4,000 passengers in the Handy Ride database. With the new certification program in place, FAX is anticipating a reduction in the "pass" or acceptance rate from 90 to 70 percent. Another initiative to aid in the transition of paratransit riders to the fixed-route system involves trip training, given that 100 percent of all fixed-route stops and buses are ADA compliant. The Center for Independent Living will assist FAX in training passengers on how to utilize the fixed-route system.

FAX is examining a reduction of trips into Clovis and has been in discussions with the City of Clovis regarding the transfer of paratransit passengers at the border between the two cities. In addition, FAX is planning to add 10 to 12 vehicles to the Handy Ride fleet as well as relocating paratransit operations to a more centralized location in the service area. This would most likely be somewhere in East Central Fresno, where the greatest proportion of trips are made.

Planning

During the audit period, FAX developed and released its *Short Range Transit Plan (SRTP) 2005-2010 for the Fresno-Clovis Urbanized Area*. The SRTP contains FAX's Five Year Capital Improvement Plan which encompasses fleet replacement, contracted paratransit services, farebox upgrades, and bus washers.

A bus rapid transit (BRT) master plan titled "*Fresno Alternative Mass Transportation Pre-Major Investment Study*" was developed in June 2004 by a consultant. The corridors examined for potential BRT service include Blackstone Avenue, Shaw Avenue, Cedar Avenue, and Kings Canyon/Ventura Boulevard. Transit modes discussed ranged from fixed-guideway technologies such as light rail and monorail to bus technologies such as BRT and enhanced bus. The study emphasizes the importance of adopting transit supportive policies that address transit operations, the street network, traffic and parking, land use and development and urban design.

FAX has been involved in the development of the "*Downtown Transportation Infrastructure Study*" commissioned by the City of Fresno and released in December 2006. The study analyzes the existing downtown street grid, barriers to improved circulation, the Downtown Transit Center, existing transit service and parking.

The Measure "C" Extension approved by Fresno County voters in November 2006 is expected to have the tremendous impact on FAX's service planning and delivery. The sales tax extension would provide an estimated \$1.71 billion in new revenues for transportation improvements according to financial projections through the Year 2027. Under the Regional Public Transit program, FAX is projected to receive approximately \$235 million over the twenty year span of the measure. That would amount to an estimated annual allocation of \$11.75 million.

The City of Fresno received sales tax revenue from the original Measure "C" (1987-2007) from the 25 percent local share. In addition to funding street improvements, the City utilized its funding share towards improving FAX services. Measure "C" enabled FAX to replace and purchase additional buses; improve schedules to reduce overcrowding; extend routes into north and southeast Fresno; expand the Handy Ride service area; upgrade its communication system; and extend night and weekend service hours.

Under the Measure "C" Extension, funding is categorized into two funding programs. The purpose of the "Primary Program" is to improve the level of public transit services within the City and to continue to seek ways to coordinate and/or consolidate public transit services to achieve a seamless transit system for the public. The "Secondary Program" includes improvements that would be funded after projects in the Primary Program are implemented, subject to available funding.

Eligible projects identified under the Primary Program include:

- Improvement in bus frequencies to every 15 minutes on the busiest routes within Fresno's public transportation system;
- Enhancement of delivery of paratransit services to the disabled community consistent with federal and state law;
- Installation and integration of a regional automated farebox system to enhance transit coordination and seamless passenger travel between transit systems;
- Conversion of fleet to low emission buses;
- Expansion of service areas to all riders, as Fresno's Sphere of Influence (SOI) changes; and the

- Provision of free general public transit fares for seniors age 65 years and older.

Following the funding and implementation of projects identified in the Primary Program, the Secondary Program would involve the:

- Extension of weekend service hours;
- Enhancement of delivery of paratransit services to the senior community;
- Pursuit of other alternative mass public transportation options such as BRT, automated people movers, light rail, etc.;
- Deployment of other operational and infrastructure improvements such as "real time" bus arrival and departure information displays to provide better services to transit users; and the
- Provision of Taxi Script Program for seniors age 70 years of age and older.

Under the Measure "C" Extension, new or demonstration service can be provided for a period of up to three years. The service must meet the minimum FAX performance standards set forth in the SRTTP and other transit plans. Service that does not meet the minimum performance standards may be discontinued unless FAX can demonstrate that continued reduced "lifeline" service is in the best interest of the community. Any request to extend such lifeline service would be reviewed by the Fresno COG Social Service Transportation Advisory Council (SSTAC) with final approval made by the Fresno City Council.

Maintenance

FAX's maintenance department currently employs 60 employees, who are utilized over three shifts. Due to the increase in route expansion and frequencies, the maintenance department is looking to increase its staffing to 63 employees. Of the 60 employees, there are 24 mechanics. The maintenance staff is highly experienced, with many staff members averaging more than 20 years of technical experience.

FAX is examining the staffing needs of its maintenance department since many of the experienced mechanics are approaching retirement age. FAX is strategizing ways to market transit maintenance career opportunities to prospective candidates in the community. A brochure is in development and a career open house is planned. In addition, the Maintenance Manager indicated interest in aligning the agency with a local vocational school to help steer student interest toward working for the transit agency. However, it was acknowledged that it is difficult for FAX to compete with the private sector in areas of compensation and favorable work hours.

Paratransit vehicles utilized for the Handy Ride service are maintained by the contractor. A FAX maintenance supervisor oversees the contractor's maintenance practices and compliance with contract provisions. The contractor is subject to the CHP Pull Notice inspection program as FAX fixed route. Since the paratransit vehicle fleet is gasoline-powered, smog checks are performed in accordance with the Bureau of Automotive Repair standards. A fleet specialist coordinates the purchase and replacement of vehicles based on the City's FTA Section 5310 allocation.

The FAX fleet is currently maintained at the City's corporation yard located at 2223 "G" Street located near downtown Fresno. Serving as its only maintenance facility, FAX is rapidly outgrowing it. As was previously mentioned, FAX is also looking to relocate its paratransit operations and maintenance.

The current maintenance facility contains 24 service bays equipped with a tether system. FAX is considering replacement of the hoists with a hydraulic system. The maintenance department upgraded its bus wash facility consisting of a moving gantry. This has greatly enhanced the overall appearance of the fleet and allows for more frequent washes.

Preventive maintenance is based on a 3,000 mile or 45 day interval. Vehicles are typically brought in 200 miles early. FAX utilizes the Fleet Anywhere software program to monitor its preventive maintenance program. Maintenance schedules are monitored daily and parts are pulled in accordance with the schedule. Records are kept in both in an electronic (Fleet Anywhere) and paper format based on mileage.

FAX replaced its fueling application software by switching from E.J. Ward to Fuel Force. The intent behind this change was to implement a paperless system. In conjunction with this software upgrade, maintenance is developing a magnetic disc with specific fueling parameters.

The maintenance department has been making effort to develop performance audit parameters and benchmarks for various repair activities and completion times. The development of standards and tracking repair time provides maintenance management with a useful tool to assess staff productivity. While there are industry standards for certain activities such as a brake job, there is no current standard for the repair and maintenance of other tasks such as wheelchair lifts.

The department's resourcefulness also extends into the performance of oil analyses. FAX outsources oil analyses to Hergoth Laboratory in San Leandro. Such analyses help to extend the life of vehicle lubricants like engine oil by almost three times, which is particularly helpful in sustaining equipment no longer

under manufacturer warranty. An absolute filter captures particles contained in the lubricants and reduces waste.

One measure of vehicle maintenance is the number of vehicle breakdowns during revenue service. Table V-1 shows the number of revenue service interruptions separated by mechanical reasons and for other reasons, specified by the Federal Transit Administration.

**Table V-1
Vehicle Roadcalls
Fixed Route
(Mechanical/Other)**

Fiscal Year	Mechanical	Other	Total
2004	870	308	1,178
2005	812	278	1,090
2006	903	290	1,193

Sources: National Transit Database, FAX

The trend has been overall flat for service interruptions, although roadcalls decreased in FY 2005. The delivery of new alternative-fueled vehicles has helped with reducing mechanical failures. Future delivery of additional vehicles should continue the downward trend in mechanical failures.

FAX allocates \$1.5 million towards parts inventory in its annual budget. Approximately \$400,000 in parts inventory is stored at any given time. There are four major areas of control that include (1) inventory control; (2) maintain levels; (3) maintain shop tools; and (4) a review of the first three methods. There is limited access to the parts storage room, which is staffed by the Storekeeper/Parts Supervisor. The room is manned five days during the week for all shifts. However, management of inventory is more limited on weekends, as a Parts Supervisor is not on shift. Access to the parts room is given to the Lead Worker and Maintenance Supervisor.

An inventory cycle count is performed once monthly for a selected parts section. The cycle count involves reconciling physical inventory against the counts in the computer. The monthly cycle count report compares the expected quantity on the computer with the actual hand-counted total, and the value of the discrepancy. Both shorts and overages are recorded, with net difference calculated as well as total discrepancy. A sample monthly cycle count for June 2005 showed a short of 632 parts with a value of \$21,015, and overage of 823 parts with a value of \$16,090. The net difference was a short of

191 parts with a value of \$4,926. Most discrepancies are valued at less than \$200 per part type.

Marketing

FAX publishes a Schedule Guide, containing information about fares, rules to ride by, destination guide, customer survey, driver appreciation nomination form as well as schedules and route maps for both FAX and Clovis Transit. The Schedule Guide is published primarily in English with Spanish language translation. The Price Break Program, advertised in the Schedule Guide, allows passengers to receive a discount at a variety of establishments in the Fresno-Clovis Metropolitan Area including Office Depot, clothing stores, restaurants, and the Chaffee Zoo.

Information about FAX is also accessible over the City website, (<http://www.fresno.gov/DiscoverFresno/PublicTransportation/default.htm>), which contains links to route schedules and maps; fares; compliment and compliant forms; user guide; planning documents; ADA Advisory Committee; and a commute calculator. FAX schedules are also available in the Fresno County Transportation Guide published by Fresno COG.

In an effort to enhance customer service, the FAX Downtown Service Center located at 2016 Tulare Street in the Patterson Building was opened in April 2005. The service center operates Monday through Friday from 8:00 a.m. to 5:00 p.m. and offers a full complement of services including ticket/pass sales, route information, lost and found, and FAX ID card preparation. The service center's location is adjacent to the Courthouse Park transit center on Van Ness between Fresno and Tulare Streets. FAX continues to operate its service center at the Manchester Center Shopping Mall at the corner of Blackstone Avenue and Shields Avenue. FAX participates in the Metro Pass program with Clovis Transit, which offers unlimited monthly rides on both systems. Metro Passes sold at the Manchester Transfer Center in Fresno and the Clovis City Hall.

FAX retained AIS Research to conduct a passenger survey in May 2004, with findings released in October 2004. Approximately 31 percent of survey respondents indicated that they use the system at least five times weekly and 20 percent of respondents indicated that they use the system daily. Thirty nine percent of the respondents indicated that their primary purpose for using the bus was to get to work. The second highest trip purpose was school at 21 percent. The AIS report identified several areas for possible improvement including frequency of buses, hours of operation, and on-time performance. The survey found that 73 percent of FAX riders are transit-dependent and have no other

alternatives and 46 percent have an annual household income of under \$15,000.

FAX initiated its Holly Trolley service in December 2004, which transports riders down Fresno's "Christmas Tree Lane" during the holiday season. The Holly Trolleys depart from the Manchester Transit Center to Van Ness Boulevard in Fig Garden to view the Christmas light displays during select evenings from 6:00 p.m. to 8:30 p.m. Passengers are accommodated on a first come, first served basis.

Advertising revenue is derived from bus wraps. Certain bus wrap advertising for a local bail bond company caused some controversy among some City officials, who requested its removal. FAX is moving considering a branding strategy as it seeks to improve and expand services.

General Administration and Management

FAX is administered by the City of Fresno's Department of Transportation. As part of the City, day-to-day operations are overseen by the Director of Transportation, who reports directly to the City Manager. FAX consists of four divisions, which include Administration, Operations, Maintenance and Planning. The audit period was characterized by a change in management, as the former Director became an Assistant City Manager.

Input into the decision making process is aided by the FAX ADA Advisory Committee, a standing committee which consists of members of the public. The committee provides input on key issues relating to the provision of transit services in the Fresno County Metropolitan Area. Fresno COG's Social Services Transportation Advisory Council also aids in the review of transit issues with emphasis on the annual identification of transit needs.

During the audit period, FAX hired 10 to 15 drivers since the implementation of 15 minute headways. Overall, the agency has approximately 270 drivers and budgeted for another 27 drivers in the FY 2007-08 budget for increased service. There are also 26 permanent part-time drivers on staff. Being part of a municipal agency, FAX employees are hired through the civil service process. There is a continuous recruitment process due to system growth and the fluid nature of the labor intensive operations department. Turnover accounts for about four to five drivers that retire annually plus resignations. The focus is on finding customer service orientated candidates as drivers as well as examining how drivers would respond to certain scenarios. Qualified recruitment candidates have included former Greyhound drivers. There have been relatively few workers compensation claims.

The intake process for a new employee generally takes three to four months from interview through training. Driver training consists of eight hours of annual Verified Transit Training (VTT) as well as three to four of customer service training. The themes and lessons contained in the customer service training include "Give them the Pickle" and "Go the Extra Mile." The training schedule is coordinated to keep up with route expansion.

Driver recognition includes an "Employee of the Quarter" designation and employee service award. Safety awards were previously granted but were discontinued. The emphasis by the City has been on granting group incentives, with less individual recognition.

Maintenance employees receive training from the vehicle manufacturer, which includes an orientation as well as engine and transmission training. There is also mandatory training for maintenance staff through the Universal Technical Institute (UTI). The week long UTI curriculum encompasses such topics as failures diagnosis, defueling, and troubleshooting. Overall, training is scheduled every four months with an emphasis on repetition and computer-based codes and programs.

FAX employees are represented by five bargaining units. The drivers are represented by the Amalgamated Transit Union (ATU), Local 1027, and mechanics are represented by the International Union of Operating Engineers (I.U.O.E.), Local 39. Management employees are also unionized. FAX negotiated a new Memorandum of Understanding (MOU) with ATU, Local 1027 that is in effect from July 1, 2006 to June 30, 2009. The most current MOU includes Wage Order #9, which mandates driver breaks and lunch periods. The MOU also offers a 2.9 percent wage increase if projected revenues from various transit sources increase by seven percent. In addition, the agreement includes an 80 percent City-paid health insurance premium, and four days of unscheduled vacation per year.

The City adopted a series of initiatives in effort to improve the organizational culture and efficiency of City departments. In March 2006, the City unveiled its "New Normal" operating system, which brings life to the City's vision of Fresno being a "Culture of Excellence, Where People get the Best Every Day." The New Normal message was unveiled on a bus wrap installed on a 2005 CNG bus.

As part of the "New Normal", performance data is compiled by Stat Track. Stat Track includes a matrix of noteworthy statistics from each City department, which is followed by a series of bar graphs showing notable trends for each department. FAX uses Stat Track to report key performance indicators, such as ridership and revenues.

The relationship between FAX management and the City Council has been good. Recent issues regarding the performance and customer orientation of Handy Ride have been addressed carefully to the Council. It was noted that the Council representative from District Two in Northwest Fresno has been the most engaged with FAX's operations. The council member frequently rides the system and comments on performance.

Grants Management

The City released a circular on grant administration procedures in December 1998. Based on City policy, departments receiving federal and/or state funding are required to monitor and account for such funds in compliance with the Office of Management and Budget Circular 133 pertaining to the Single Audit Act of 1984. The City's grant administration procedures require that each department appoint a contact person responsible for monitoring and accounting of grant funding. Once the contact person is notified of a grant award, a Notification of Grant Award form is forwarded to following departments/persons:

- Budget and Management Studies Division (BMSD);
- Financial Reporting/Accounting;
- MBE/DBE Program Coordinator, Department of Administrative Services; and the
- City Clerk's Office

A file is established for each grant received, which includes the grant application, signed agreement, Notification of Grant Award form, budget of estimated costs incurred, copies of all contract agreements, and a copy of all accounting source documents. The City of Fresno, including FAX, manages \$70 million in grant expenditures.

FAX manages a variety of federal grants, including FTA Section 5307, 5309 and 5310 formula grants. Grants are managed online utilizing the FTA TeamWeb software program and updated quarterly. The oldest open grant projects are from FY 1998 as well as from FYs 2001 and 2002 for passenger amenities. Each grant is tracked annually on a spreadsheet with the original appropriation amount and line items encumbered.

The Director of Transportation wants to pursue more federal grants, particularly FTA Section 5309 Small Starts formula grants that would fund the planning stages for a BRT system. Federal grant funds have been procured to support a variety of operational and capital needs, such as new buses and passenger amenities. A grant support position was requested in the most recent budget.

Section VI

Findings and Recommendations

The following material summarizes the major findings obtained from this Triennial Audit covering FY's 2004 through 2006. A set of recommendations is then provided.

Triennial Audit Findings

1. FAX has complied with all TDA compliance requirements.
2. Of the three prior audit recommendations, one was fully implemented (deriving full cost allocation for purchased transportation), one was not implemented (reporting Handy Ride full time equivalents (FTE's) in the State Controller Reports), and the last is an on-going effort (closely monitoring Handy Ride farebox recovery). The prior recommendation for FAX to report Handy Ride FTE's in the State Controller Report is carried forward in this audit as a recommendation for full compliance.
3. FAX has continued to surpass the minimum farebox ratio of 20 percent, as required by the Transportation Development Act. Over the past three fiscal years of between 2004 and 2006, FAX has achieved systemwide fare revenues to operating expense ratios of 25.54 percent, 23.11 percent and 22.33 percent, respectively.
4. Operating costs systemwide increased by more than 27 percent the last three years. The largest increase in operating costs was exhibited by Handy Ride, which grew by nearly 68 percent, due in part to the implementation of the taxi overflow service. The fixed route saw a more modest increase in costs of about 22 percent.
5. Total systemwide ridership increased by six percent. The fixed route registered a similar increase of just over five percent, while Handy Ride had the largest increase in ridership of nearly 78 percent.
6. The operations contract for the Handy Ride paratransit service underwent a change in December 2005 from Laidlaw Transit Services to MV Transportation. An assessment of Handy Ride by an outside consultant was recently conducted and made several recommendations to improve service.

7. FAX hired a new Director of Transportation who brings 38 years of transit industry experience to the agency. As the previous Transit Manager for the Lane Transit District (LTD) in Oregon for six years, the current FAX manager brings a unique skills set that would serve FAX well as it seeks to improve and expand services.
8. In March 2006, the City unveiled its "New Normal" operating system, which brings life to the City's vision of Fresno being a "Culture of Excellence, Where People get the Best Every Day." The New Normal message was unveiled on a bus wrap installed on a 2005 CNG bus.
9. As part of the "New Normal", performance data is compiled by Stat Track. FAX uses Stat Track to report key performance indicators, such as ridership and revenues.
10. Service frequencies were enhanced with the introduction of 15 minute headways on several high volume trunk routes and expanded evening service. FAX first implemented 15 minute service on Route 30 in October 2005. Fifteen minute service was also implemented on Routes 28 and 38.
11. FAX introduced its Silver Sundays Program in July 2004, which provides seniors who are 62 years of age or older with complementary transport on FAX fixed route buses during Sunday service hours.
12. In an effort to enhance customer service, FAX opened its Downtown Service Center in April 2005 located at 2016 Tulare Street in the Patterson Building. The service center offers a full complement of services including ticket/pass sales, route information, lost and found, and FAX ID card preparation.
13. FAX initiated its Holly Trolley service in December 2004, which transports riders down Fresno's "Christmas Tree Lane" during the holiday season. The Holly Trolleys depart from the Manchester Transit Center to Van Ness Boulevard in Fig Garden to view the Christmas light displays.
14. There has been growing interest in the community for promoting regional transit as evidenced by several documents, including the combined SRTPs of FAX and Clovis Transit representing the Fresno-Clovis urbanized area, and a newly combined bus schedule of FAX and Clovis that was effective January 2004. The FAX website also has links to Clovis Transit.
15. FAX is strategizing ways to market transit maintenance career opportunities to prospective candidates in the community. However, it

was acknowledged that it is difficult for FAX to compete with the private sector in areas of compensation and favorable work hours.

16. FAX expanded its role in air quality and traffic congestion, as exemplified the expansion and management of the City's Clean Air Express Vanpool Program. The program was initiated in January 2004 as part of the City's effort to support Operation Clean Air. FAX increased the vanpool fleet from seven to 12 vehicles. Funding for this program has been provided to FAX from the San Joaquin Valley Air Pollution Control District (SJVAPCD) and Valley Clean Air Now.
17. FAX purchased and received five CNG and two electric hybrid vehicles in 2005 to begin phasing out its diesel fleet. FAX management has been active in pursuing alternative fuels and desires to increase its presence as a test bed for alternative transit fuel technology.
18. The Measure "C" Extension approved by Fresno County voters in November 2006, is expected to have the tremendous impact on FAX's service planning and delivery. Under the Regional Public Transit Program, FAX is projected to receive approximately \$235 million over the twenty year span of the measure. That would amount to an estimated annual allocation of \$11.75 million.

Triennial Audit Recommendations

1. Report paratransit contract employees in the State Controller Report.

As a carryover from the prior performance audit, state law requires that transit operators provide the count of full time employee (FTE) equivalents in the annual State Controller Report for both directly employed and contracted employees. An FTE is derived by dividing total work hours of employees by 2,000 hours. FAX should include the count of contracted employees at MV Transportation or any future operator for Handy Ride in the annual report. The FY 2006 State Controller Report for fixed route was also missing the FTE count.

2. Perform "final" review of State Controller's Report for Consistency with the Fresno COG Transit Productivity Evaluation Report.

During the audit period, performance data between the annual State Controller's Report and the Fresno COG Transit Productivity Evaluation Report were not consistent, although both reports are completed around the same time period. FAX should conduct final review of the Controller's Report to ensure that the data being submitted to the State is consistent with the COG's report. FAX draws information produced for the Federal National Transit Database to use in the Transit Productivity Evaluation Report.

3. Continue to Develop Marketing Tools to Recruit Bus Mechanics.

FAX competes with the private sector for a limited number of qualified mechanics on heavy duty vehicles. As educational opportunities for vocational training has declined over the years, the market for bus mechanics is more challenging. FAX has been developing strategies to market transit maintenance career opportunities to prospective candidates in the community, including a marketing brochure, a career open house, and possible alignment with local vocational schools. FAX should continue its efforts to be competitive in recruiting new mechanics and work to steer student interest toward working for the transit agency.



FY 2004-2006 TRIENNIAL
PERFORMANCE AUDIT OF
CLOVIS TRANSIT

Final

SUBMITTED TO

COUNCIL OF FRESNO COUNTY
GOVERNMENTS

SUBMITTED BY

PMC

PMC


July 2007

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Section I

Introduction

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

The Council of Fresno County Governments (Fresno COG) has engaged the firm of PMC to conduct a performance audit of the City of Clovis' public transit system (Clovis Transit) covering the most recent triennial period, Fiscal Years (FYs) 2003-04 through 2005-06. The purpose of the performance audit is to evaluate the system's effectiveness and efficiency in its use of TDA funds to provide public transit in its service area. This is required as a condition for continued receipt of these funds for public transportation purposes. In addition, the audit evaluates Clovis's compliance with the conditions specified in the California Public Utilities Code. This task involves ascertaining whether the city is meeting the PUC's reporting requirements and that it is endeavoring to implement prior audit recommendations made to the agency. Moreover, the audit includes calculations of transit service performance indicators and a detailed review of the agency's departments and organizational functioning. From the analysis that has been undertaken, a set of recommendations have been made for the agency which are intended to improve the performance of transit operations.

In summary, this TDA audit affords the city's governing council and management the opportunity for an independent, constructive and objective evaluation of the organization and its operations that otherwise might not be available. The methodology for the audit included in-person interviews with management, collection and review of agency documents, data analysis, and on-site observations. The Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Entities published by the California Department of Transportation was used to guide in the development and conduct of the audit.

Overview of the Transit System

The City of Clovis operates a general public fixed route bus service and a specialized demand-response service for the elderly and disabled persons. The respective services are known as Stageline and Round Up. The transit program is administered by a Transit Supervisor under the City's Community Services Division who oversees and manages the day to day operations of the transit system. Both operations and maintenance are performed in-house by city staff. Input into the decision making process is aided by two committees, including a City of Clovis Advisory Committee and the Fresno COG Social Services Transportation Advisory Committee (SSTAC).

Through adoption of an SB 826 Inventory and Action Plan for Fresno County in 1994, the Fresno COG designated the Round Up demand response service as a Consolidated Transportation Services Agency (CTSA) for the Clovis urbanized area. The most significant social service provider in the City is the Clovis Senior Service Center.

Clovis was incorporated in 1912 and is located in the northeastern quadrant of the Fresno-Clovis Metropolitan Area encompassing 23 square miles. According to the 2000 U.S. Census, Clovis had a population of 68,468 persons. Approximately 10 percent of the population is aged 65 and older. Based upon the State Department of Finance 2007 estimate, the City's population grew nearly 35 percent to 92,269 persons.

Fleet

Clovis Transit operates a current fleet of 22 active vehicles. Eleven are used for Stageline bus service and range from 18 to 25 passenger seating capacity. Eight are used for revenue service and three are back-up vehicles. The remaining eleven vehicles in the fleet are used for Round Up service and seat between 17 and 19 passengers. All vehicles are lift equipped and are owned by the City. Six of the vehicles are CNG fueled, the rest operate on diesel. In addition to its regular fleet, Clovis operates two service vans and two motorized trolleys. The trolleys are rented out on a charter basis about two weekends per month. Three of the older Stageline vehicles are scheduled for immediate replacement. A detailed description of Clovis Transit's fleet is presented in Table I-1.

**Table I-1
Clovis Transit Fleet Inventory**

Year	Manufacturer	Quantity		Fuel type	Seat Capacity/ Wheelchair Space
		Fixed-Route	Dial-a-Ride		
1993	Carpenter	1		Diesel	19
1994	Carpenter	2		Diesel	19
1997	Goshen	5		Diesel	18
1999	Goshen	1	3	CNG	18
2001	El Dorado Cutaway		5	Diesel	16
2001	El Dorado	2		CNG	25
2003	Goshen Cutaway		3	Diesel	18
Total		11	11		

Source: Clovis Transit, 2007

Fixed Route System

The Stageline fixed route service was initiated in August 1990 and currently operates five routes within the City. Three of the routes operate on 30 minute headways, while a fourth operates every hour and the fifth operates one trip in the morning and one in the afternoon during school days only. Clovis also contracts with the Fresno Area Express (FAX) to operate Route 28 through Clovis on Shaw Avenue with connections to several Stageline buses, including at Sierra Vista Mall. Stageline operates from 6:00 a.m. to 6:30 p.m., Monday through Friday with no weekend service. Limited service is provided on four holidays while no service is offered on seven other holidays, including Thanksgiving and Christmas Day. The contracted FAX route operates on both weekdays and weekends. Table I-2 shows the route descriptions for Stageline services.

**Table I-2
Stageline Service**

Route Number	Description	Frequency/Operation	Destinations
10	Fresno State University/Northwest Clovis	Every 30 minutes Monday through Friday 6:00 a.m. to 6:47 p.m.	▪ Community College District; ▪ Buchanan High School; ▪ Bicentennial Park; ▪ Clovis Civic Center; ▪ Old Town Clovis; ▪ Fresno State University; ▪ Indian Health Center; and ▪ Peachwood Medical

50	Northeast Clovis/Southwest Clovis	Hourly Monday through Friday 6:04 a.m. to 6:52 p.m.	▪ Sierra Vista Mall; ▪ Old Town Clovis; ▪ Civic Center; ▪ Clovis Senior Center; ▪ Clark Junior High School; ▪ Ralph's Marketplace; and ▪ Mickey Cox Elementary School
60	Clovis Community Hospital/Sierra Vista	Every 30 minutes Monday through Friday 6:50 a.m. to 7:01 p.m.	▪ Sierra Vista Mall; ▪ Clovis High School; ▪ Mickey Cox Elementary School; ▪ Clovis Community Hospital; ▪ Cedarwood Elementary School; and ▪ Clovis Elementary School
65	Southeast Clovis Circulator	Every 30 minutes Monday through Friday 6:30 a.m. to 6:18 p.m.	▪ Gettysburg Elementary School; ▪ Jefferson Elementary School; ▪ CART; ▪ Sierra Vista Mall; and ▪ Clovis Recreation Center
70	Reagan Education Center Express	One A.M. and One P.M. Headway Operates School Days Only 7:30 a.m. to 5:24 p.m.	▪ Gettysburg Elementary School; ▪ Reyburn Intermediate, ▪ Clovis East High School; ▪ Reagan Education Center; and ▪ Sierra Vista Mall

Source: Clovis Transit, 2007

Demand Response Service

Round Up provides both curb-to-curb and door-to-door service within the Sphere of Influence (SOI) of the City of Clovis. Zonal service is also provided to destinations within the City of Fresno. Round Up is the primary transit service for elderly (55 years and older) and disabled riders in the Clovis area, including those certified under the Americans with Disabilities Act, who are unable to ride the fixed route service. The demand response system accepts both advanced reservations and real-time reservations based on availability. The system operates on weekdays from 6:15 a.m. to 6:15 p.m., and on weekends from 7:30 a.m. to 2:30 p.m. upon demand for service within Clovis. Service to Fresno is available weekdays from 7:00 a.m. to 4:00 p.m.

Clovis Transit also began a Taxi Voucher Program in November 2002 that offers alternative transportation during the non-operating hours of Round Up. The voucher program was in response to the Fresno Handy Ride service changing its

reservation policy to a 24-hour in advance system. The voucher program was modified in December 2003 to provide essential trips to ADA passengers only. An essential trip is considered for education, medical and employment purposes. The program provides late afternoon and evening service within Clovis and to/from Fresno from 4:00 p.m. to 10:00 p.m. on weekdays. Weekend and holiday service within Clovis is from 3:00 p.m. to 8:00 p.m. and between 7:00 a.m. and 8:00 p.m. to/from Fresno. The cost per voucher is \$2.50. It is worth noting that the voucher program offers transit service for ADA passengers beyond the regular operating hours of both the fixed route and demand response systems.

Fares

The fixed route fare schedule for Clovis Stageline is presented in Table I-3:

**Table I-3
Stageline Fare Schedule**

Cash Fares	Fare
General	\$1.00
Senior (Age 55 and older)	\$0.50
Disabled	\$0.50
Children (Age 6 and under up to a maximum of four children)	Free
Transfers	Free
Monthly Passes	
20-Ride Pass	\$18.00
Metro Pass (FAX & Clovis Transit)	\$40.00

Source: City of Clovis Transit

For Round Up, the fare for trips within Clovis is \$1.00 per trip. Zonal fares to Fresno increase in increments of 75 cents per trip from the base \$1.00 fare to either \$1.75 or \$2.50 depending on distance from Clovis. An added charge of \$1 per trip is applied for door-to-door service. A 20-ride (\$1.00) pass is \$18.00 and a 20-ride (\$0.75) pass is \$13.50. One registered attendant may ride free. Non-ADA companions over age 6 pay regular fare, while up to four children under age 6 ride free.

Section II

Operator Compliance Requirements

This section of the audit report contains the analysis of Clovis Transit's ability to comply with state requirements for continued receipt of TDA funds. The evaluation uses the guidebook, *"Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Agencies"* which was developed by the Department of Transportation (Caltrans) to assess transit operators. The guidebook contains a checklist of twelve measures taken from relevant sections of the Public Utilities Code and the California Code of Regulations. Of all the items on the checklist, eight are applicable to the City's operations. Each of these requirements is discussed in the table below, including a description of the City's efforts to comply with the requirements. In addition, a discussion of the findings from the compliance review is described in the text following the table.

TABLE II-1 Operator Compliance Requirements Matrix		
Operator Compliance Requirements	Reference	Compliance Efforts
The transit operator 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. 30), or 110 days (Oct. 20) if filed electronically (internet). During the audit period, the State Controller extended the submittal dates because the Controller's office was in the process of implementing a new updated electronic filing system. The extended dates were: FY 2004: November 24 for paper filing, December 14 for internet filing. FY 2005: September 28 for paper filing, October 18 for internet filing. FY 2006: October 12 for paper filing, November 1 for internet filing.	Public Utilities Code, Section 99243	Completion/submittal dates (internet filing): FY 2004: December 14, 2004 FY 2005: December 5, 2005 FY 2006: October 30, 2006 Conclusion: Complied for FYs 2004 and 2006. Not complied for FY 2005.
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 2004: January 31, 2005 FY 2005: December 5, 2005 FY 2006: April 20, 2007 Conclusion: Complied.

TABLE II-1 Operator Compliance Requirements Matrix, continued		
Operator Compliance Requirements	Reference	Compliance Efforts
The CHP has, within the 13 months prior to each TDA claim submitted by an operator, certified the operator's compliance with Vehicle Code Section 1808.1 following a CHP inspection of the operator's terminal.	Public Utilities Code, Section 99251	Clovis participates in the CHP Transit Operator Compliance Program in which the CHP has conducted inspections within the 13 months prior to each TDA claim. Copies of certificates are attached to TDA claims. Copies of certificates were also submitted to the auditor for review. Clovis received a "satisfactory" rating for each inspection. The inspection dates applicable to this audit include: October 21, 2003; October 21, 2004; October 11, 2005; and November 15, 2006. Conclusion: Complied.
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	As a condition of approval, the City's annual claims for Local Transportation Funds and State Transit Assistance is submitted in compliance with rules and regulations adopted by Fresno COG. Conclusion: Complied.
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, Sections 99266	Percentage increase in Clovis Transit's operating budget: FY 2004: 4.53% FY 2005: 15.70% FY 2006: 5.20% Costs increased in FY 2005 to account for driver wages and maintenance and repair costs. Additional buses were added for demand at Buchanan High School and Reagan Education Complex. Source: FY 2004-2006 Annual Financial Audits. Conclusion: Complied.

TABLE II-1 Operator Compliance Requirements Matrix, continued		
Operator Compliance Requirements	Reference	Compliance Efforts
If the operator serves an urbanized area, it has maintained a ratio of fare revenues to operating costs at least equal to one-fifth (20 percent).	Public Utilities Code, Sections 99268.3, 99268.5	Clovis Transit's fare ratios using audited data are as follows: FY 2004: Fixed Route: 20% Demand Response: 10% FY 2005: Fixed Route: 21% Demand Response: 13% FY 2006: Fixed Route: 20% Demand Response: 10% Conclusion: Complied.
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 employees of the City of Clovis are part of the State Public Employees' Retirement System. Conclusion: Complied.
If the operator receives state transit assistance funds, the operator is not precluded by contract from employing part-time drivers or from contracting with common carriers.	Public Utilities Code, Section 99314.5(c)	The City employs part time drivers. Conclusion: Complied.

Findings and Observations from Operator Compliance Requirements Matrix

1. Clovis Transit has complied with all TDA compliance requirements with the exception of one minor issue. The State Controller's Reports was submitted late in one of the past fiscal years. The FY 2005 report was submitted almost two months late. Typically there is no penalty from a minor late submittal of the report. However, the City should comply with the established annual deadline provided by the State.
2. The operating budget increased in each of the audit years, the largest increase occurring in FY 2005. This was attributed to increases in fuel, driver wages as well as fleet maintenance and repair costs. During FY 2005, maintenance costs for Stageline and Round Up increased 46 percent and 26, respectively. Part of the increase was due to the relocation of Clovis Transit to the City's new corporation yard, and the increased rates charged by the fleet maintenance division. Additional buses were also added to accommodate demand at Buchanan High School and Reagan Education Complex.
3. Farebox revenues are supplemented by local Measure "C" transportation tax funds to meet the minimum TDA fare ratio requirements of 20 percent for fixed route, and 10 percent for demand response. In FY 2005, Clovis exceeded the minimum farebox requirements with a 21 percent farebox ratio for Stageline, and a 13 percent farebox ratio for Round Up.

Section III

Prior Triennial Performance Audit Recommendations

Clovis Transit's efforts to implement the recommendations made in the prior triennial audit of agency performance is examined in this section of the audit report. For this purpose, the prior recommendation for the agency is described, followed by a discussion of Clovis'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

Submit State Controller Reports On-Time.

Actions taken by Clovis Transit: The State Controller Reports are completed by City transit and finance staff. As shown in the previous section detailing compliance with TDA requirements, Clovis submitted the State Controller's Report on time for two of the three audit years. The FY 2005 report was submitted nearly two months late. Typically there is no penalty from a minor late submittal of the report. However, the City should comply with the established annual deadline provided by the State.

Conclusion: This recommendation was partially implemented.

Prior Recommendation 2

Report Round Up weekend hours in State Controller Report.

Actions taken by Clovis Transit: A review of the State Controller Reports for FYs 2004 through 2006 showed that the City was including weekend revenue hours in the reports for Round Up.

Conclusion: This recommendation has been implemented.

Prior Recommendation 3

Develop formal written procedures for handling and resolving customer complaints.

Actions taken by Clovis Transit: The Transit Supervisor maintains a database of activities related to customer complaints, although there have not been many. The database logs when the call was made, what it was about, and the

resolution, if any. However, it was indicated Clovis Transit has not developed written procedures for handling and resolving customer complaints. The City should continue efforts to implement this recommendation, as written procedures and forms that document each incident ensure each complaint is addressed promptly and fairly. The procedures could include automatic response letters mailed to the customer acknowledging the complaint, and documentation of the actions taken to address the complaint. The customer should also be asked whether they want to be informed of the results of the investigation. The written procedures might also be included in the Operations Manual.

Conclusion: This recommendation has not been implemented, and is carried forward in this audit.

Prior Recommendation 4

Closely monitor performance trends in service.

Actions taken by Clovis Transit: The Transit Supervisor reviews performance trends through development of the annual productivity report for the COG, and regular reporting to the City Council. The next section in this audit shows several performance indicators and the trends over the last three years. Another trend of transit performance is the amount of local assistance required to enable Clovis Transit to meet the minimum TDA farebox recovery ratio. The fiscal audits show that in FY 2004, the required local assistance revenue was \$177,937. In FY 2006, local assistance revenue increased to \$237,445, or by 33 percent. The increased subsidy was required to offset growth in operating costs. Clovis Transit should continue to monitor trends given the cost increases and the fairly even split of operating costs between Stageline and Round Up. Provided that demand response service is more expensive to provide on a per passenger basis, the service should be reviewed regularly.

Conclusion: This recommendation is in process of being implemented.

Section IV

TDA Performance Indicators

This section reviews Clovis' 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 is not one of the five specific indicators, but is a requirement for continued TDA funding. Therefore, farebox calculation is also included for each mode. Findings from the analysis are contained in the section following the tables.

From a review of performance data in both the State Controller's Report and the Transit Productivity Evaluation Report, some discrepancies were found between the reports such as the number of annual full time equivalents, and hours and miles data for FY 2005. Based on the general information page of the State Controller Report, it appeared that there was a change in city staff who prepares the Controller's Report beginning in 2005. Both the State Controller and Transit Productivity Evaluation reports are completed about the same time each fall following the fiscal year, in which there should not be significant differences in data reported. The Transit Supervisor should review the reports prior to their submittal to the COG and the State to ensure the data is consistent.

Table IV-1
Clovis Transit Systemwide TDA Performance Indicators

Performance Data and Indicators	Audit Years				% Change FY 2003- 2006
	FY 2003	FY 2004	FY 2005	FY 2006	
Operating Cost ^(a)	\$1,824,792	\$1,907,298	\$2,206,678	\$2,495,396	36.7%
Total Passengers	134,003	134,372	161,425	185,153	38.2%
Vehicle Service Hours	33,911	32,838	35,079	36,609	8.0%
Vehicle Service Miles	446,015	457,236	519,543	546,648	22.6%
Employee FTE's	21	21	21	21	0.0%
Passenger Fares	\$108,768	\$112,130	\$130,582	\$142,717	31.2%
Operating Cost per Passenger	\$13.62	\$14.19	\$13.67	\$13.48	-1.0%
Operating Cost per Vehicle Service Hour	\$53.81	\$58.08	\$62.91	\$68.16	26.7%
Operating Cost per Vehicle Service Mile	\$4.09	\$4.17	\$4.25	\$4.56	11.6%
Passengers per Vehicle Service Hour	4.0	4.1	4.6	5.1	28.0%
Passengers per Vehicle Service Mile	0.30	0.29	0.31	0.34	12.7%
Vehicle Service Hours per Employee	1,614.8	1,563.7	1,670.4	1,743.3	8.0%
Average Fare per Passenger	\$0.81	\$0.83	\$0.81	\$0.77	-5.0%
Fare Recovery Ratio	5.96%	5.88%	5.92%	5.72%	-4.0%

(a) Excludes depreciation costs

Source: Financial Audits, State Controller Operator Reports, and Annual Transit Productivity Evaluation

Table IV-2
Stageline Fixed Route TDA Performance Indicators

Performance Data and Indicators	Audit Years				% Change FY 2003- 2006
	FY 2003	FY 2004	FY 2005	FY 2006	
Operating Cost ^(a)	\$963,727	\$993,376	\$1,222,180	\$1,306,221	35.5%
Total Passengers	96,734	96,872	119,538	139,622	44.3%
Vehicle Service Hours	15,455	16,075	16,678	16,825	8.9%
Vehicle Service Miles	247,809	258,871	268,136	277,718	12.1%
Employee FTE's	10	10	10	10	0.0%
Passenger Fares	\$55,610	\$56,237	\$67,783	\$77,164	38.8%
Operating Cost per Passenger	\$9.96	\$10.25	\$10.22	\$9.36	-6.1%
Operating Cost per Vehicle Service Hour	\$62.36	\$61.80	\$73.28	\$77.64	24.5%
Operating Cost per Vehicle Service Mile	\$3.89	\$3.84	\$4.56	\$4.70	20.9%
Passengers per Vehicle Service Hour	6.3	6.0	7.2	8.3	32.6%
Passengers per Vehicle Service Mile	0.39	0.37	0.45	0.50	28.8%
Vehicle Service Hours per Employee	1,545.5	1,607.5	1,667.8	1,682.5	8.9%
Average Fare per Passenger	\$0.57	\$0.58	\$0.57	\$0.55	-3.9%
Fare Recovery Ratio without Measure "C"	5.77%	5.66%	5.55%	5.91%	2.4%
Fare Recovery Ratio with Measure "C"	20.00%	20.00%	21.00%	20.00%	0.0%

(a) Excludes depreciation costs

Source: Financial Audits, State Controller Operator Reports, and Annual Transit Productivity Evaluation

Table IV-3
Round Up Demand Response TDA Performance Indicators

Performance Data and Indicators	Audit Years				% Change FY 2003- 2006
	FY 2003	FY 2004	FY 2005	FY 2006	
Operating Cost ^(a)	\$861,065	\$913,922	\$984,498	\$1,189,175	38.1%
Total Passengers	37,269	37,500	41,887	45,531	22.2%
Vehicle Service Hours	18,456	16,763	18,401	19,784	7.2%
Vehicle Service Miles	198,206	198,365	251,407	268,930	35.7%
Employee FTE's	11	11	11	11	0.0%
Passenger Fares	\$53,158	\$55,893	\$62,799	\$65,553	23.3%
Operating Cost per Passenger	\$23.10	\$24.37	\$23.50	\$26.12	13.0%
Operating Cost per Vehicle Service Hour	\$46.66	\$54.52	\$53.50	\$60.11	28.8%
Operating Cost per Vehicle Service Mile	\$4.34	\$4.61	\$3.92	\$4.42	1.8%
Passengers per Vehicle Service Hour	2.0	2.2	2.3	2.3	14.0%
Passengers per Vehicle Service Mile	0.19	0.19	0.17	0.17	-10.0%
Vehicle Service Hours per Employee	1,677.8	1,523.9	1,672.8	1,798.5	7.2%
Average Fare per Passenger	\$1.43	\$1.49	\$1.50	\$1.44	0.9%
Fare Recovery Ratio without Measure "C"	6.17%	6.12%	6.38%	5.51%	-10.7%
Fare Recovery Ratio with Measure "C"	10.00%	10.00%	13.00%	10.00%	0.0%

(a) Excludes depreciation costs

Source: Financial Audits, State Controller Operator Reports, and Annual Transit Productivity Evaluation

Findings from Verification of TDA Performance Indicators

1. Operating costs systemwide increased by 37 percent from the base year of 2003 through 2006. As the service area grew due to population growth, operating expenses increased to meet the demand. Factors such as fuel price increases, wage increases, and maintenance and repair costs of an aging fleet contributed to the growth in operating expenses. Additional buses were added to junior and high schools, such as Buchanan High School and Reagan Education Complex.
2. With the increase in operating costs, total vehicle service hours and miles increased, however not at the same pace. Vehicle service hours increased by 8 percent systemwide during the audit period, while service miles increased 23 percent. Bus hours and miles grew as a result of added trips to accommodate demand from the schools. Dial-A-Ride hours and

miles also increased as a result of trips made into Fresno and an increased service area.

3. Total ridership for Clovis Transit increased by 38 percent during the audit period. By mode, Stageline ridership increased by 44 percent, and Round Up ridership increased by 22 percent. Additional bus trips and better efficiencies through reduction of passenger transfers between buses improved ridership. The growth in the senior population as part of the City's overall population growth contributed to the ridership growth on Round Up.
4. Systemwide, operating cost per passenger decreased slightly, as ridership and operating costs increased at about the same pace over the last three years. Operating cost per passenger for Round Up increased 13 percent while decreasing by 6 percent for fixed route. Distance trips to Fresno on Round Up added to the cost per passenger. However, the trend generally shows that fixed route service is more cost effective than dial-a-ride.
5. Operating cost per hour systemwide increased by 27 percent, primarily due to larger growth in cost compared to service hours on a percentage basis. Cost per hour for Round Up increased by 29 percent while increasing 25 percent on Stageline during the audit period.
6. Passengers per hour and per mile have increased due to faster growth in ridership relative to the growth in service hours and miles. Passengers per hour for Stageline grew by 33 percent, and by 14 percent for Round Up. Passengers per mile grew 29 percent for Stageline, but decreasing by 10 percent for Round Up. This might indicate a greater number of trips on Round Up are getting longer.
7. As a result of ridership growth, fare revenue increased over 31 percent over the last three years. A systemwide fare increase was implemented in January 2002 which raised the fares for both Stageline and Round Up. Despite the growth in fare revenue, the amount of local assistance (Measure "C") required for Clovis Transit to meet the TDA farebox ratio increased by 33 percent over a three year period. This is due to operating costs increasing more quickly than fare revenues being generated. Without Measure "C" support, the farebox ratio for Clovis Transit is around 6 percent.

Conclusion from Verification of TDA Performance Indicators

Clovis Transit has improved in some performance indicators, most notably with the growth in passengers per hour, which grew for both Stageline and Round Up. Ridership also increased substantially as additional buses were added to accommodate primarily the student market. However, other indicators such as operating cost per hour show rather significant increases over a three year period. The rate of growth in costs was faster than the increase in the provision of service, represented by hours and miles.

This was attributed to increases in fuel, driver wages as well as fleet maintenance and repair costs. During FY 2005, maintenance costs for Stageline and Round Up increased 46 percent and 26 respectively. Part of the increase was due to the relocation of Clovis Transit to the City's new corporation yard, and the increased rates charged by the fleet maintenance division. Additional buses were also added to accommodate demand at Buchanan High School and Reagan Education Complex.

The trend in the fare ratio without the Measure "C" local subsidy shows some concern for the transit system, as the fare ratio has either been flat (for Stageline) or is declining (for Round Up). As a result, reliance is growing on the local sales tax, as indicated by the growth in the subsidy over the past three years. To its credit, Clovis Transit is providing an essential community service with the addition of the taxi voucher program which supplements both the Stageline and Round Up service. However, it is important that City transit staff continue to monitor performance both of the overall system and each service individually.

Section V

Review of Operator Functions

This section provides an in-depth review of various functions within Clovis Transit. The review highlights accomplishments, issues and/or challenges that were determined during the audit period. The following departments and functions were reviewed at the City:

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

Operations

It is the overall mission of Clovis Transit to “provide safe, dependable, efficient public transportation to *all* citizens including the disabled, students, the elderly and the general public in order to improve the quality of in the community.” According to the Transit Supervisor, approximately 50 percent of Clovis Transit's ridership is comprised of students. As such, Stageline routes are planned and operated in close proximity to school sites.

During the audit period, the Clovis Unified School District boundaries expanded due to population growth, including along the northern boundaries of the city. The School District is nearing completion of the Clovis North Educational Center located on East International Avenue between North Chestnut and Willow Avenue in Fresno. The center is scheduled to open in August 2007 for the 2007-08 school year and would offer a 7th through 12th grade curriculum. In addition, Center Community College, located adjacent to the center, will provide an opportunity for students to take college courses. A state of the art black box theater and concert hall will also be located on campus. Neither FAX nor Clovis Transit currently provides transit service to that area, which is located approximately four miles away from the nearest Stageline route (Route 10). Route 10 currently operates a tripper service to the Buchanan Education Complex located at the corner of Minnewawa and Teague. Clovis is looking to extend Route 10 to Nees Avenue to serve new planned developments, which include a shopping center and a senior complex.

FAX Route 28 operates fixed route service in Clovis under contract. Route 28 serves the Sierra Vista Mall and connects with Clovis Stageline Routes 50, 60 and 70. Over the last three years, the City of Clovis' annual contract costs to FAX have been \$153,912 in FY 2004, \$165,395 in FY 2005, and \$173,995 in FY 2006. FAX Route 28 could have the potential of extending further to the east. The City also has an agreement with the County of Fresno to provide Round Up service to the unincorporated county island of Tarpey Village south of Clovis.

The Clovis Transit ADA database currently contains about 1,700 passengers. The database underwent a purge in 2006 to update rider profiles. A mailer was sent to each registered passenger to request updated information. The Transit Supervisor has recently implemented mobility training for senior citizens residing in senior complexes to instruct them on the use of the fixed-route bus system in lieu of the dial-a-ride service. As resources allow, the mobility training program is anticipated to grow.

The Transit Supervisor is also planning to increase the senior eligibility threshold from 55 years of age to 65 years of age and older as part of a proposed fare increase in the summer of 2007. The change in age will also correspond with the Measure "C" program of free rides on fixed route for seniors aged 65 and over. This is part of a coordinated effort with the other public transit operators to establish common ridership policies.

Passenger issues on-board the bus vehicles rarely occur; however, the Transit Supervisor plans to draft a Policy and Procedures Manual with guidelines that outline acceptable on-board customer behavior and procedures for bus drivers to handle such issues.

FAX is examining a reduction of trips into Clovis and has been in discussions with the City of Clovis regarding the transfer of paratransit passengers at the border between the two cities. Changes in reservation policies for the City of Fresno's Handy Ride service have led to the implementation of a taxi voucher program in Clovis. While the taxi voucher program is convenient for passengers requiring essential transport during the evenings and weekends, the City is closely monitoring any signs of abuse.

There are currently 22 vehicles in service. The Transit Supervisor expressed dissatisfaction with the CNG vehicles, which have to be fueled three times daily due to low tank and fuel mileage capacity. Clovis Transit is phasing out its CNG-powered engines and is anticipating delivery of three replacement vehicles. Given the age of its transit fleet, Clovis plans on replacing 13 buses over an 18 month period. In addition to its fixed-route and demand response fleet, the City owns two trolleys that are rented out about two weekends each

month for charter service. Because the system does not receive federal transit funding, Clovis Transit is not subject to strict federal charter service policies. The Transit Supervisor reports an increase in the number of trolley rentals for special events and weddings.

Clovis Transit utilizes ParaLogic dispatching software. However, most dispatching functions are still performed manually, with only the GIS mapping and database functions utilized in ParaLogic. Major adjustments and inputs still need to be implemented in order for the software to be fully optimized.

Transit vehicles are equipped with Fleet Net AVL software, which has been recently upgraded. Fleet Net is used to track the speed and direction of vehicles, however the system is not linked with ParaLogic and on-time performance continues to be tracked manually. The AVL system is also equipped with a panic foot pedal to covertly alert the transit office in the event of an emergency.

The on-time performance standard is five minutes of the scheduled timepoint. Most routes run on-time. Of all the fixed-routes, Route 50 will occasionally run behind due to its trip destinations including several schools, medical facilities, and the Sierra Vista Mall. In response, Clovis is looking to utilize Measure "C" revenues to fund an additional bus for this route.

Farebox collection involves vaults being dropped off in the morning at the transit office. A part-time staff member counts the fare revenues, which are divided into two vaults based on the type of service (Stageline or Round Up), and later taken on a cart to City Hall. Bills are flattened out and placed in bundles of 25. The fares are then re-counted at City Hall and reconciled. Given limited staffing resources, no reconciliation with ridership statistics is made during the fare count.

Planning

During the audit period, in conjunction with the City of Fresno, Clovis developed and released its *Short Range Transit Plan (SRTP) 2005-2010 for the Fresno-Clovis Urbanized Area*. The SRTP serves as a bi-annual update to Clovis Transit's operating plan and capital program. It also outlines its policy direction and strategic plan for transit. The strategic plan contains four goals, each with specific performance measures. The goals address service levels, service quality, service productivity, and system image. Each performance measure encompasses the full range of responsibilities and targets for achievement.

The Measure "C" Extension approved by Fresno County voters in November 2006 is expected to have a tremendous impact on Clovis Transit's service planning and delivery. The sales tax extension would provide an estimated \$1.71 billion in

new revenues for transportation improvements according to financial projections through the Year 2027. Under the Regional Public Transit Program, Clovis is projected to receive approximately \$33.7 million over the twenty year span of the measure. That would amount to an estimated annual allocation of \$1.69 million.

The City of Clovis received its allocation of sales tax revenue under the original Measure "C" (1987-2007) through the 25 percent local share. In addition to funding street landscaping and widening improvements, the City utilized its funding share towards improving transit services. Measure "C" revenues enabled Clovis to meet its minimum farebox requirement as well as fund bus shelters in various locations including the Dry Creek Trail terminus shelter and rest stop at the Clovis Old Town Trail.

Under the Measure "C" Extension, funding is categorized into two funding programs. The purpose of the "Primary Program" is to improve the level of public transit services within the City and to continue to seek ways to coordinate and/or consolidate public transit services to achieve a seamless transit system for the public. The "Secondary Program" includes improvements that would be funded after projects in the Primary Program are implemented, subject to available funding.

Eligible projects identified under the Primary Program for Clovis Transit include:

- Improvement in bus frequencies to every 15 minutes on the busiest routes within Clovis' public transportation system;
- Enhancement of delivery of paratransit services to the disabled community consistent with federal and state law;
- Installation and integration of a regional automated farebox system to enhance transit coordination and seamless passenger travel between transit systems;
- Conversion of fleet to low emission buses;
- Expansion of service areas to all riders, as Clovis' Sphere of Influence (SOI) changes; and the
- Provision of free general public transit fares for seniors age 65 years and older.

Following the funding and implementation of projects identified in the Primary Program, the Secondary Program would involve the:

- Extension of weekend service hours;
- Enhancement of delivery of paratransit services to the senior community;
- Pursuit of other alternative mass public transportation options such as BRT, automated people movers, light rail, etc.;

- Deployment of other operational and infrastructure improvements such as "real time" bus arrival and departure information displays to provide better services to transit users; and the
- Provision of Taxi Script Program for seniors age 70 years of age and older.

In addition, new or demonstration service can be funded by Measure "C" for a period of up to three years. The service must meet the minimum City of Clovis performance standards set forth in the SRTTP and other transit plans, or as identified in the Unmet Transit Needs process. Service that does not meet the minimum performance standards may be discontinued, unless the City can demonstrate that continued reduced "lifeline" service is in the best interest of the community. Any request to extend such lifeline service would be reviewed by the Fresno COG Social Service Transportation Advisory Council (SSTAC) with final approval made by the Clovis City Council.

Maintenance

The Clovis Transit vehicle fleet is maintained at the City's maintenance facility. Maintenance mechanics are Automotive Service Excellence (ASE) certified. There are no dedicated mechanics assigned to service the transit fleet. Heavy-duty mechanics usually service transit vehicles between the hours of 6 a.m. and 10 p.m. Clovis Transit is charged a service fee by maintenance, while air conditioning service is performed by an outside vendor at a flat rate. The Transit Supervisor indicated that the relationship with the maintenance department is cooperative.

One measure of vehicle maintenance is the number of vehicle breakdowns during revenue service. Maintenance tracks the number of road calls, which are reported to the Transit Supervisor. Table V-1 shows the number of roadcalls for both Stageline and Round Up services during the last three years, according to the City's vehicle repair history report. The data shows that roadcalls have been steady the last three years, in spite of an aging fleet.

Table V-1
Vehicle Breakdowns by Mode
(Road Calls/Tow Service)

Fiscal Year	Round Up	Stageline	Totals
2004	8	16	24
2005	13	16	29
2006	7	19	26

Source: City of Clovis, 2007

Marketing

Clovis Transit has undertaken several efforts to market the system. The agency publishes the Clovis Transit Schedule Guide, which contains general service information, bike transport protocol, destination guide, individual route maps with corresponding schedules, and a system map. Clovis Transit also publishes a Holiday Schedule brochure. In addition to its own publications, Clovis Transit schedules and route maps are contained in the FAX Schedule Guide as part of its cooperative marketing efforts. Another method of marketing consists of phone book inserts comprised of Clovis Transit schedules and route map.

Radio advertising is also utilized which targets high school and middle school students, California State University-Fresno (CSU-Fresno) students, and commuters. Advertising trade is done with the media for air time in exchange for trolley rental time. The promotion of the trolleys for rental has been considered a success.

Bus passes are available for purchase at the Clovis City Hall, the Cash Stop at the CSU-Fresno Student Union, and the Senior Center. Clovis Transit participates in the Metro Pass program with FAX, which offers unlimited monthly rides on both systems. Metro Passes are sold at the Manchester Transfer Center in Fresno and Clovis City Hall.

The City of Clovis website contains a link to Clovis Transit (<http://www.cityofclovis.com/transit>) and details both transit services with downloadable route schedules and maps available in Adobe Acrobat PDF format. The website also contains information on trolley rentals and an ADA Certification Application for the Round Up service.

The City received approximately \$30,000 per year from exterior advertising on the buses over the last three years. As the current contract with a private vendor is expiring, the City is also examining the potential of having advertising featured on existing bus shelters and finding sponsors to fund the placement of additional shelters.

General Administration and Management

Clovis Transit is operated under the City of Clovis Community Services Division. The daily management of the transit system is overseen by the Transit Supervisor, who received the Outstanding Manager of the Year award from CalACT in 2007.

The City is anticipating a restructure of the Division by September 2007. This would entail the creation of a General Services Manager position who would oversee transit, senior and recreation programs. Upon the creation of this new position, the Transit Supervisor position would just focus on operations. In addition, there would be a new full-time clerical support position.

There are 36 transit employees including three administrative staff members. Of the full-time staff, there are three Lead Drivers/Trainers, five Stageline bus drivers and eight Round Up bus drivers. The part-time staff is comprised of five Stageline bus drivers, three Round Up bus drivers, four van drivers, four weekend drivers, and a bus washer. Full-time employees with the City of Clovis receive benefits and are covered under the Clovis Unaffiliated Employees (CUE) bargaining unit. There is very little turnover of full-time employees. The City of Clovis enjoys a highly regarded reputation as a good employer based on its relatively higher levels of compensation. The City draws from a quality pool of applicants, who have driven for private contract agencies and local school districts.

Drivers are required to have a valid Class B License with Passenger Endorsement, plus Medical Examiner's certificate. Even with three lead driver trainers, Clovis Transit is considering having a dedicated trainer on staff. All transit employees are required to attend regular training and safety meetings to maintain their Verification of Transit Training (VTT) certificates to operate a bus vehicle. Operation procedures, security and defensive driving, ergonomics, accidents, system problems and personnel issues are a sampling of topics discussed at such meetings. There is an in-service training held one weekend in February with an emphasis on ADA and fire safety. Clovis Transit drivers also further their skills by their participation in bus roadeo course training and competition. It is worth noting that the Clovis team won first place at the 2007 CalACT Roadeo competition in held in Clovis.

The five member Clovis City Council serves as the governing board for the transit service. Monthly, quarterly and annual reports are developed and presented to the Clovis City Council and are used for internal communication and analysis. In addition, advisory committees provide input into the decision making process.

Section VI

Findings and Recommendations

The following material summarizes the major findings obtained from this Triennial Audit covering FY's 2004 through 2006. A set of recommendations is then provided.

Triennial Audit Findings

1. All TDA compliance requirements were met except for the late submittal of the State Controller's Reports in FY 2005.
2. Of the four prior audit recommendations, one was fully implemented (reporting weekend hours for Round Up in the State Controller Report), one was partially implemented (submitting State Controller Reports on-time), another was not implemented (developing written procedures for addressing customer complaints), and the last is an on-going effort (closely monitoring performance trends). The prior recommendation for Clovis Transit to develop written procedures for addressing complaints is carried forward in this audit as a recommendation for full compliance.
3. Operating costs systemwide increased by 37 percent over the last three years. As the service area grew due to population growth, operating expenses increased to meet the demand. Factors such as fuel price increases, wage increases, and maintenance and repair costs of an aging fleet contributed to the growth in operating expenses. Additional buses were added to junior and high schools, such as Buchanan High School and Reagan Education Complex.
4. Total ridership for Clovis Transit increased by 38 percent during the audit period. By mode, Stageline ridership increased by 44 percent, and Round Up ridership increased by 22 percent. Additional bus trips and better efficiencies through reduction of passenger transfers between buses improved ridership. The growth in the senior population as part of the City's overall population growth contributed to the ridership growth on Round Up.
5. As a result of ridership growth, fare revenue increased over 31 percent over the last three years. A systemwide fare increase was implemented in January 2002 which raised the fares for both Stageline and Round Up. Despite the growth in fare revenue, the amount of local assistance (Measure "C") required for Clovis Transit to meet the TDA farebox ratio increased by 33 percent over a three year period. This is due to operating costs increasing

more quickly than fare revenues being generated. Without Measure "C" support, the farebox ratio for Clovis Transit is around 6 percent.

6. New development is occurring along the northern edges of the City, including the near completion of the Clovis North Educational Center and Center Community College. Clovis Transit is working with Fresno Area Express to determine how transit service could be extended to these areas.
7. In May 2004, the City entered into an agreement with the County to provide Round Up service to the unincorporated island of Tarpey Village south of Clovis. Payment by the County is based on the proportion of ridership by residents in Tarpey Village.
8. The rental of the trolleys for special events has been quite successful. It was indicated the trolleys are rented about two weekends a month. Because the system does not receive federal transit funding, Clovis Transit is not subject to strict federal charter service policies.
9. Transit vehicles are equipped with Automatic Vehicle Location (AVL) software, which has been recently upgraded. The AVL system is also equipped with a panic foot pedal to covertly alert the transit office in the event of an emergency. The technology is still in the process of being integrated with the dispatch and scheduling program.
10. An innovative program for addressing missed pick-ups on Round Up was developed to provide evidence that the vehicle arrived at the destination.
11. During the audit period, in conjunction with the City of Fresno, Clovis updated its *Short Range Transit Plan (SRTP) 2005-2010 for the Fresno-Clovis Urbanized Area*. The SRTP serves to update the system's operating plan and capital program.
12. The Measure "C" Extension approved by Fresno County voters in November 2006 is expected to have a tremendous impact on Clovis Transit's service planning and delivery. Clovis is projected to receive approximately \$33.7 million over the twenty year span of the measure.
13. The City received approximately \$30,000 per year from exterior advertising on the buses the last three years. As the current contract with a private vendor is expiring, the City is also examining the potential of having advertising featured on existing bus shelters and finding sponsors to fund the placement of additional shelters.

Triennial Audit Recommendations

1. Perform "final" review of State Controller's Report for Consistency and Accuracy.

The Transit Supervisor should conduct final review of the annual State Controller's Report to ensure that the data being submitted to the State is accurate and is consistent with the information provided to the Fresno COG for the Transit Productivity Evaluation Report.

2. Develop and document a standardized complaint handling process.

As a carryover from the prior performance audit, Clovis Transit should develop a step-by-step process and flow chart that outlines the steps for addressing a customer complaint, from the initial phone call taken by the dispatcher, to follow up actions taken by transit staff. A standalone, standardized complaint form should be developed that has sections to be filled out by staff for each step, including the nature of the complaint, who was forwarded the complaint for handling, actions taken to address the complaint, and if there was follow up communication with the customer. Standardizing and documenting the complaint process ensures a transparent and consistent process for both the transit system and the public. The written procedures might also be included in the Operations Manual.

3. As resources allows, expand the mobility training program.

The Transit Supervisor has recently implemented mobility training for senior citizens residing in senior complexes to instruct them on the use of the fixed-route system in lieu of the dial-a-ride service. Provided that Round Up service is more expensive to provide on a per passenger basis than Stageline, eligible passengers could be made more aware of Stageline, which is ADA accessible and could provide the same trip. The mobility training program enables transit staff to educate and train existing and potential riders of the fixed route service and lessen concerns they may have.



FY 2004-2006 TRIENNIAL
PERFORMANCE AUDIT OF
FRESNO COUNTY RURAL
TRANSIT AGENCY

Final

SUBMITTED TO

COUNCIL OF FRESNO COUNTY
GOVERNMENTS

SUBMITTED BY

PMC

July 2007

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Section I

Introduction

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

The Council of Fresno County Governments (Fresno COG) has engaged the firm of PMC to conduct a performance audit of the Fresno County Rural Transit Agency (FCRTA) covering the most recent triennial period, Fiscal Years (FYs) 2003-04 through 2005-06. The purpose of the performance audit is to evaluate the system's effectiveness and efficiency in its use of TDA funds to provide public transit in its service area. This is required as a condition for continued receipt of these funds for public transportation purposes. In addition, the audit evaluates FCRTA's compliance with the conditions specified in the California Public Utilities Code (PUC). This task involves ascertaining whether FCRTA is meeting the PUC's reporting requirements and that it is endeavoring to implement prior audit recommendations made to the Agency. Moreover, the audit includes calculations of transit service performance indicators and a detailed review of the Agency's departments and organizational functioning. From the analysis that has been undertaken, a set of recommendations have been made for the Agency which are intended to improve the performance of transit operations.

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

Overview of the Transit System

The Fresno County Rural Transit Agency was established as a Joint Powers Agency (JPA) in September 1979 by the thirteen rural incorporated cities and Fresno County. The Board is comprised of fourteen members, one member, one vote from each city and one from the County, who gets six votes. Nine votes are required for a quorum.

FCRTA is the primary provider of public transportation services for the rural incorporated cities and many unincorporated rural communities in Fresno County. Public transit services are available to the general public, elderly and disabled, and children riding with an adult. FCRTA is responsible for the overall administrative and financial supervision of the general public operations, consisting of 21 subsystems. These subsystems include the following:

- Auberry Transit
- Biola Transit
- Coalinga Transit
- Del Rey Transit
- Firebaugh Transit
- Fowler Transit
- Huron Transit
- Juvenile Justice Campus Transit
- Kerman Transit
- Kingsburg Transit
- Laton Transit
- Mendota Transit
- Orange Cove Transit
- Parlier Transit
- Reedley Transit
- Sanger Transit
- San Joaquin Transit
- Selma Transit
- Southeast Transit
- South Sierra Transit
- Westside Transit.

Of these subsystems, four are operated by respective city staff, two are operated under contracts with private operators, and the remaining fifteen are operated under private non-profit contracts through the Fresno County Economic Opportunities Commission (FCEOC) serving as the co-designated Rural Consolidated Transportation Services Agency (CTSA) with the FCRTA.¹

¹ Selma Transit is operated by City staff Monday through Friday. FCEOC operates Selma Transit on Saturdays.

Fleet

FCRTA operates a current fleet of 73 active vehicles. The majority of vehicles operate on alternative fuels, including 13 that operate on propane fuel, 45 on compressed natural gas (CNG) and two on electric battery. The remaining 13 vehicles operate on gasoline. Plans are to increase the mix of CNG vehicles as funding becomes available. All vehicles are lift equipped for compliance with Americans with Disabilities Act (ADA) requirements, and are owned by FCRTA. A detailed inventory of FCRTA's fleet is presented Table I-1:

**Table I-1
FCRTA Fleet Inventory**

Year	Manufacturer	Quantity	Fuel type	Seat Capacity/ Wheelchair Space
1992	Ford	13	Propane	14/1
1997	Bluebird	2	CNG	24/2
1997	Bluebird	5	CNG	31/2
1997	Ford	16	CNG	14/1
1997	Ford	3	Gasoline	22/2
1997	SVMC	2	Electric Battery	22/1
1999	Ford	1	Gasoline	14/1
2001	Ford	5	Gasoline	22/2
2002	Ford	3	CNG	22/2
2002	Ford	4	Gasoline	22/2
2004	Ford	11	CNG	22/2
2006	Bluebird	5	CNG	22/2
2006	Ford	3	CNG	37/2
Total		73		

Source: Short Range Transit Plan for the Rural Fresno County Area 2007-2012

Transit Route System

FCRTA provides several types of public transportation, including intra-city operations, inter-city operations and inter-community operations. The intra-city services are primarily demand responsive systems that provide pick-ups and drop offs at the passenger's destination within the same community. The inter-community services provide connections among rural areas using demand response service or fixed route service with deviations, some of which travel to the City of Fresno. Inter-city operations provide fixed route service between rural

communities with connections to the Fresno Metropolitan Area for transfers to either the Fresno Area Express or to Clovis Transit.

The transit system generally operates from 7:00 a.m. to 5:30 p.m., Monday through Friday with Saturday service for a few subsystems including Coalinga Transit, Kingsburg Transit, Reedley Transit, Sanger Transit, and Selma Transit. Each subsystem has its own operating hours within this time frame. Depending on local city observed holidays, the system may not operate on up to fourteen and a half holidays per year, including: Independence Day; Labor Day; Columbus Day; Veteran's Day; Thanksgiving Day; Thanksgiving Day After; Christmas Eve Afternoon; Christmas Day; New Year's Eve Afternoon; New Year's Day; Martin Luther King's Birthday; Lincoln's Birthday; President's Day; Good Friday Afternoon; Cesar Chavez Birthday; and Memorial Day. A description of each route (including demonstration services) is presented in Table I-2:

**Table I-2
FCRTA Route System**

FCRTA Subsystem	Type of Service	Frequency/Operation	Destinations
Auberry Transit <i>Inter-Community Service</i>	Demand Response	Monday through Friday 8:00 a.m. to 3:00 p.m.	▪ Adler Springs; ▪ Auberry; ▪ New Auberry; ▪ Big Sandy Indian Rancheria; ▪ Burrough Valley; ▪ Cold Springs Indian Rancheria; ▪ Friant; ▪ Prather; and ▪ Tollhouse
<i>Inter-City Service</i>	24-Hour Prior Reservation-Demand Response	One roundtrip Tuesday 8:00 a.m. to 5:00 p.m.	▪ Fresno-Clovis Metropolitan Area
Biola Transit	24-Hour Prior Reservation-Demand Response	Tuesday 8:00 a.m. to 5:00 p.m.	▪ Biola; ▪ Fresno-Clovis; and ▪ Kerman
Coalinga Transit <i>Intra-City Service</i> <i>General Public</i> <i>Disabled</i>	Demand Response	Monday through Friday 8:00 a.m. to 5:00 p.m.	▪ Coalinga Sphere of Influence

<i>Inter-City Service General Public/Disabled</i>	Fixed Route with Route Deviation	One round trip Monday through Saturday 8:00 a.m. to 6:15 p.m.	▪ Coalinga; ▪ Huron; ▪ Five Points; ▪ Lanare; ▪ Riverdale; ▪ Caruthers; ▪ Raisin City; ▪ Easton; and ▪ Fresno
Del Rey Transit	Demand Response	Monday through Friday 8:00 a.m. to 5:00 p.m.	▪ Del Rey; and ▪ Sanger
Firebaugh Transit <i>Intra-City Service</i>	Demand Response	Monday through Friday 7:00 am. to 5:30 p.m.	▪ Firebaugh Sphere of Influence
<i>Inter-City Service General Public (Westside Transit)</i>	Fixed Route with Route Deviation	Two round-trips Monday through Friday 7:00 am. to 5:30 p.m.	▪ Fresno; ▪ Firebaugh; ▪ Mendota; ▪ Kerman; ▪ San Joaquin; ▪ Cantua Creek; ▪ El Porvenir; ▪ Half Way; ▪ Tranquility; and ▪ Three Rocks
Fowler Transit <i>Intra-City Service</i>	Demand Response	Monday through Friday 7:00 am. to 5:30 p.m.	▪ Fowler Sphere of Influence
<i>Inter-City Service General Public/Disabled (Southeast Transit)</i>	Fixed Route with Route Deviation	Three round trips Monday through Friday 7:00 am. to 5:30 p.m.	▪ Fresno; ▪ Fowler; ▪ Selma; and ▪ Kingsburg
Huron Transit <i>Intra-City Service</i>	Demand Response	Monday through Friday 6:00 a.m. to 6:00 p.m.	▪ Huron Sphere of Influence
<i>Inter-City Service General Public/Disabled (Coalinga Transit)</i>	Fixed Route with Route Deviation	One round trip Monday through Friday 8:00 a.m. to 6:15 p.m.	▪ Coalinga; ▪ Huron; ▪ Riverdale; ▪ Lanare; ▪ Caruthers; ▪ Easton; and ▪ Fresno
<i>Inter-Community Service General Public/Disabled (Huron Transit)</i>	Fixed Route with Route Deviation	Two round-trips Monday through Friday 9:00 a.m. to 3:00 p.m.	▪ Coalinga; ▪ West Hills College; ▪ 1-5/SR-198 Interchange; ▪ Harris Ranch; and ▪ Huron

Juvenile Justice Campus Transit	Fixed Route	Wednesday through Friday 3:00 p.m. to 9:15 p.m. Saturday 9:00 a.m. to 4:45 p.m.	▪ Fresno; ▪ Juvenile Justice Campus
Kerman Transit <i>Intra-City Service</i>	Demand Response	Monday through Friday 7:00 am. to 4:00 p.m.	▪ Kerman Sphere of Influence
<i>Inter-City Service</i> <i>General Public</i> <i>(Westside Transit)</i>	Fixed Route with Route Deviation	Two round-trips Monday through Friday 7:00 am. to 5:30 p.m.	▪ Fresno; ▪ Firebaugh; ▪ Mendota; ▪ Kerman ▪ San Joaquin; ▪ Cantua Creek; ▪ El Porvenir; ▪ Half Way; ▪ Tranquility; and ▪ Three Rocks
Kingsburg Transit <i>Intra-City Service</i>	Demand Response	Monday through Friday 7:00 am. to 5:30 p.m. Saturday 8:00 a.m. to 5:00 p.m.	▪ Kingsburg Sphere of Influence
<i>Inter-City Service</i> <i>General</i> <i>Public/Disabled</i> <i>(Southeast Transit)</i>	Fixed Route with Route Deviation	Three round trips Monday through Friday 7:00 am. to 5:30 p.m.	▪ Fresno; ▪ Fowler; ▪ Selma; and ▪ Kingsburg
Laton Transit (KART) <i>Inter-City Service</i> <i>General Public</i>	Fixed Route	Operated by Kings Area Rural Transit (KART) Two bi-directional round trips Monday through Friday 9:00 a.m. to 3:00 p.m.	▪ Laton; ▪ Hardwick; ▪ Grangeville; and ▪ Hanford
<i>Inter-City Service</i> <i>Fresno</i>	Fixed Route	Monday, Wednesday, Friday	▪ Hanford; ▪ Laton; ▪ Selma; and ▪ Fresno-Clovis
Mendota Transit <i>Intra-City Service</i>	Demand Response	Monday through Friday 7:00 a.m. to 5:30 p.m.	▪ Mendota Sphere of Influence
<i>Inter-City Service</i> <i>General</i> <i>Public/Disabled</i> <i>(Westside Transit)</i>	Fixed Route with Route Deviation	Three round-trips Monday through Friday 7:00 am. to 5:30 p.m.	▪ Fresno; ▪ Firebaugh; ▪ Mendota; ▪ Kerman ▪ San Joaquin; ▪ Cantua Creek; ▪ El Porvenir; ▪ Half Way; ▪ Tranquility; and ▪ Three Rocks
Orange Cove Transit <i>Intra-City Service</i>	Demand Response	Monday through Friday 7:00 a.m. to 5:30 p.m.	▪ Orange Cove Sphere of Influence

Inter-City Service General Public/Disabled	Fixed Route with Route Deviation	Two round trips Monday through Friday 7:00 a.m. to 5:30 p.m.	• Orange Cove; • Reedley; • Parlier; • Sanger; and • Fresno
Parlier Transit Intra-City Service	Demand Response	Monday through Friday 7:30 am. to 4:30 p.m.	• Parlier Sphere of Influence
Inter-City Service General Public/Disabled (Orange Cove Transit)	Fixed Route with Route Deviation	Two round trips Monday through Friday 7:00 a.m. to 5:30 p.m.	• Orange Cove; • Reedley; • Parlier; • Sanger; and • Fresno
Reedley Transit Intra-City Service	Demand Response	Monday through Saturday 7:00 a.m. to 5:30 p.m.	• Reedley Sphere of Influence
Inter-City Service General Public/Disabled (Orange Cove Transit)	Fixed Route with Route Deviation	Two round trips Monday through Friday 7:00 a.m. to 5:30 p.m.	• Orange Cove; • Reedley; • Parlier; • Sanger; and • Fresno
Sanger Transit Intra-City Service	Demand Response and Fixed Route with Route Deviation	Monday through Saturday 7:00 a.m. to 5:30 p.m.	• Sanger Sphere of Influence
Inter-City Service General Public/Disabled (Orange Cove Transit)	Fixed Route with Route Deviation	Two round trips Monday through Friday 7:00 a.m. to 5:30 p.m.	• Orange Cove; • Reedley; • Parlier; • Sanger; and • Fresno
San Joaquin Transit Intra-City Service and Inter-Community Service	Demand Response	One roundtrip Monday through Friday 8:00 am. to 5:00 p.m.	• Sphere of Influence; • San Joaquin; • Cantua Creek; • El Porvenir; • Half Way; • Tranquility; • Three Rocks; • Kerman; • Mendota; and • Firebaugh
Inter-City Service General Public (Westside Transit)	Fixed Route with Route Deviation	Two round-trips Monday through Saturday 7:00 am. to 5:30 p.m.	• Fresno; • Kerman
Selma Transit Intra-City Service	Demand Response and Fixed Route with Route Deviation	Monday through Friday 7:00 a.m. to 5:30 p.m. Saturday 8:00 a.m. to 5:30 p.m.	• Selma Sphere of Influence
Southeast Transit Inter-City Service	Fixed Route with Route Deviation	Three round trips Monday through Friday 7:00 a.m. to 5:30 p.m.	• Kingsburg; • Selma; • Fowler; and • Fresno

South Sierra Transit Inter-Community Service	Demand Response with Volunteer Driver Mileage Reimbursement	Service available as requested and coordinated Monday through Friday 8:00 a.m. to 5:00 p.m.	▪ Dunlap; ▪ Pinehurst; ▪ Miramonte; ▪ Squaw Valley; ▪ Reedley; and ▪ Fresno
Westside Transit Inter-City Service General Public/Disabled	Fixed Route with Route Deviation	Two round trips Monday through Friday 7:00 a.m. to 5:30 p.m.	▪ Firebaugh; ▪ Mendota; ▪ Kerman; ▪ San Joaquin; ▪ Cantua Creek; ▪ El Porvenir; ▪ Half Way; ▪ Tranquility; ▪ Three Rocks; and ▪ Fresno

Fares

Fares for transit vary depending on the type of service, type of passenger (e.g. senior, disabled, general public, etc.) and distance traveled. Generally, intra-community trips were \$0.50 for the general public and \$0.35 for the elderly, disabled and accompanied children per one-way trip. Fares for intercity service are generally half the fares granted to common carriers by the California Public Utilities Commission (CPUC) and range from \$0.75 to \$6.50 per one-way trip based on distance traveled. A detailed fare schedule for FCRTA routes and services is located in the Fresno County Transportation Guide.

FCRTA implemented fare increases for Coalinga Transit (April 2003); Del Rey Transit (August 2003); Selma Transit (September 2003); Reedley Transit (August 2004); Parlier Transit (March 2005); Fowler Transit (July 2005); Kingsburg Transit (August 2005); Mendota Transit (August 2005); Sanger Transit (August 2005); and Huron Transit (September 2005). Other fare adjustments are being considered for the other transit subsystems, including Auberry Transit, Firebaugh Transit, Kerman Transit, Orange Cove Transit, and San Joaquin Transit.

Section II

Operator Compliance Requirements

This section of the audit report contains the analysis of FCRTA's ability to comply with State requirements for continued receipt of TDA funds. The evaluation uses the guidebook, *"Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Agencies"* which was developed by the Department of Transportation (Caltrans) to assess transit operators. The guidebook contains a checklist of twelve measures taken from relevant sections of the Public Utilities Code and the California Code of Regulations. Of all the items on the checklist, nine are applicable to FCRTA's operations. Each of these requirements is discussed in the following table, including a description of FCRTA's efforts to comply with the requirements. In addition, a discussion of the findings from the compliance review is described in the text following the table.

TABLE II-1 Operator Compliance Requirements Matrix		
Operator Compliance Requirements	Reference	Compliance Efforts
The transit operator 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. 30), or 110 days (Oct. 20) if filed electronically (internet). During the audit period, the State Controller extended the submittal dates because the Controller's office was in the process of implementing a new updated electronic filing system. The extended dates were: FY 2004: November 24 for paper filing, December 14 for internet filing. FY 2005: September 28 for paper filing, October 18 for internet filing. FY 2006: October 12 for paper filing, November 1 for internet filing.	Public Utilities Code, Section 99243	Completion/submittal dates (internet filing): FY 2004: December 3, 2004 FY 2005: November 14, 2005 FY 2006: October 5, 2006 Conclusion: Complied.
The operator has submitted annual fiscal and compliance audits to the RTPA and to the State Controller within 180 days following the end of the fiscal year (Dec. 27), or has received the appropriate 90 day extension by the RTPA allowed by law.	Public Utilities Code, Section 99245	Completion/submittal dates: FY 2004: September 24, 2004 FY 2005: September 22, 2005 FY 2006: December 18, 2006 Conclusion: Complied.

TABLE II-1 Operator Compliance Requirements Matrix, continued		
Operator Compliance Requirements	Reference	Compliance Efforts
The CHP has, within the 13 months prior to each TDA claim submitted by an operator, certified the operator's compliance with Vehicle Code Section 1808.1 following a CHP inspection of the operator's terminal.	Public Utilities Code, Section 99251	FCRTA participates in the CHP Transit Operator Compliance Program in which the CHP has conducted inspections within the 13 months prior to each TDA claim. Copies of certificates are attached to TDA claims. Copies of certificates were also submitted to the auditor for review. Inspection dates were: February 25, 2003; April 13, 2004; March 22, 2005; March 14, 2006. Conclusion: Complied.
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	As a condition of approval, FCRTA's annual claims for Local Transportation Funds and State Transit Assistance is submitted in compliance with rules and regulations adopted by Fresno COG. Conclusion: Complied.
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, Sections 99266	Percentage increase in FCRTA's operating budget: FY 2004: -3.13% FY 2005: 2.57% FY 2006: 9.29% Source: FY 2004-2006 FCRTA Budgets. Conclusion: Complied.
If the operator serves a non-urbanized area, it has maintained a ratio of fare revenues to operating costs at least equal to one-tenth (10 percent).	Public Utilities Code, Sections 99268.4	FCRTA's fare ratios using audited data are as follows FY 2004: 13.07% FY 2005: 12.90% FY 2006: 12.83% Conclusion: Complied.

TABLE II-1 Operator Compliance Requirements Matrix, continued		
Operator Compliance Requirements	Reference	Compliance Efforts
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	FCRTA has an interagency agreement with Fresno COG to participate in the COG's retirement program which is fully funded. Conclusion: Complied.
If the operator receives State transit assistance funds, the operator is not precluded by contract from employing part-time drivers or from contracting with common carriers.	Public Utilities Code, Section 99314.5(c)	FCRTA employs part time drivers through its contract with operators. 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)	FCRTA makes full use of federal funds available to it through the FTA 5311 program. FY 2004: Operating (\$531,145) FY 2005: Operating (\$422,395) FY 2006: Operating (\$459,001) Conclusion: Complied.

Findings and Observations from Operator Compliance Requirements Matrix

1. FCRTA has complied with all TDA compliance requirements.
2. The operating budget (audited year-end costs) increased nominally on average during the audit period. The budget between FYs 2003 and 2004 decreased due to the discontinuation of service for two intercity routes on Coalinga Transit. In general, expenditures have increased to respond to inflationary factors including Cost of Living Adjustments. Other overhead type costs such as health care and worker compensation costs have increased at a much faster rate. Fuel costs for the fleet (propane, CNG, electricity and gasoline) have also increased at a relatively fast pace.
3. There was both expansion and contraction of service hours for some subsystems in response to service demand. Expansion of service hours in the past few years occurred for Coalinga Transit (Intercity to Fresno), Kingsburg Transit (demand response), Reedley Transit (demand response), and Sanger Transit (demand response). Reduction of service hours occurred for Southeast Transit (fixed route), and Westside Transit (fixed route). Overall, the total number of service hours increased over the past three years.
4. The farebox ratio has been relatively stable and continues to meet the minimum requirement of ten percent. The revenue includes passenger fares and local fare augmentation from FCEOC for the provision of specialized transportation for elderly and disabled passengers from its role as a CTSA. The local fare augmentation is local support revenue from FCEOC that is matched with LTF revenue at a fifty-five percent / forty-five percent match requirement. The minimum match requirement was exceeded during each of the three fiscal years.

Section III

Prior Triennial Performance Audit Recommendations

FCRTA's efforts to implement the recommendations made in the prior triennial audit of Agency performance is examined in this section of the audit report. For this purpose, the prior recommendation for the Agency is described, followed by a discussion of FCRTA'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

Develop a table in the Short Range Transit Plan providing an inventory of vehicles.

Actions taken by FCRTA: An inventory of vehicles is contained within the *Short Range Transit Plan for the Rural Fresno County Area 2004-2009* as well as the *Short Range Transit Plan for the Rural Fresno County Area 2007-2012*. In addition, FCRTA staff prepares an annual spreadsheet for inclusion with its FTA Section 5311 grant Program of Projects (POP) that summarizes the existing vehicle fleet.

Conclusion: This recommendation has been implemented.

Prior Recommendation 2

Conduct updated systemwide rider survey.

Actions taken by FCRTA: FCRTA's FY 2005-06 annual budget contains a reference for the inclusion of additional funding to conduct a systemwide on-board ridership survey of each of the FCRTA subsystems during FY 2005-06. The on-board survey was delayed due to the work involving the preparation of the Measure "C" Extension proposal for rural transit. With the passage of the Measure "C" Extension in November 2006, surveys are planned annually, commencing in FY 2007-08.

Conclusion: This recommendation is in the process of implementation.

Prior Recommendation 3

Closely monitor farebox ratio.

Actions taken by FCRTA: Staff has been aware of the declining trend in the farebox ratio over the past years, even prior to this audit recommendation which was made in 2004. A previously recommended Operations Supervisor position was not filled and was subsequently eliminated in June 2002 due to budget constraints. The FCRTA Board continues to recognize its fiduciary responsibility to keep fares low while maintaining minimum farebox standards in light of escalating operating costs.

FCRTA has already implemented fare increases for Coalinga Transit (April 2003); Del Rey Transit (August 2003); Selma Transit (September 2003); Reedley Transit (August 2004); Parlier Transit (March 2005); Fowler Transit (July 2005); Kingsburg Transit (August 2005); Mendota Transit (August 2005); Sanger Transit (August 2005); and Huron Transit (September 2005). An Intra-City Fare Adjustment Hearing had been scheduled for completion by the end of the 2006 calendar year for Auberry Transit, Firebaugh Transit, Kerman Transit, Orange Cove Transit, and San Joaquin Transit.

In addition to the aforementioned measures, FCRTA will continue to monitor its farebox trends to ensure that the minimum 10 percent rural standard continues to be exceeded.

Conclusion: This recommendation has been implemented.

Section IV

TDA Performance Indicators

This section reviews FCRTA's performance in providing transit service to the rural communities 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 is not one of the five specific indicators, but is a requirement for continued TDA funding. Therefore, farebox calculation is also included for each mode. Findings from the analysis are contained in the section following the Tables IV-1 through IV-3.

Table IV-1
Systemwide TDA Performance Indicators

Performance Data and Indicators	Audit Years				% Change FY 2003- 2006
	FY 2003	FY 2004	FY 2005	FY 2006	
Operating Cost ^(a)	\$3,148,217	\$3,049,556	\$3,127,875	\$3,418,318	8.6%
Total Passengers	451,601	425,946	405,968	400,649	-11.3%
Vehicle Service Hours	58,244.0	54,976.0	54,784.0	54,967.0	-5.6%
Vehicle Service Miles	848,773	792,402	767,011	776,620	-8.5%
Employee FTE's	49	42	43	42	-14.3%
Passenger Fares	\$531,763	\$398,678	\$403,519	\$438,578	-17.5%
Operating Cost per Passenger	\$6.97	\$7.16	\$7.70	\$8.53	22.4%
Operating Cost per Vehicle Service Hour	\$54.05	\$55.47	\$57.09	\$62.19	15.1%
Operating Cost per Vehicle Service Mile	\$3.71	\$3.85	\$4.08	\$4.40	18.7%
Passengers per Vehicle Service Hour	7.8	7.7	7.4	7.3	-6.0%
Passengers per Vehicle Service Mile	0.53	0.54	0.53	0.52	-3.0%
Vehicle Service Hours per Employee	1,188.7	1,309.0	1,274.0	1,308.7	10.1%
Average Fare per Passenger	\$1.18	\$0.94	\$0.99	\$1.09	-7.0%
Fare Recovery Ratio	16.89%	13.07%	12.90%	12.83%	-24.0%

(a) Excludes depreciation costs

Source: Financial Audits, State Controller Operator Reports, and Annual Transit Productivity Evaluation

Table IV-2
Fixed Route Bus TDA Performance Indicators

Performance Data and Indicators	Audit Years				% Change FY 2003-2006
	FY 2003	FY 2004	FY 2005	FY 2006	
Total Passengers	97,093	74,608	72,057	71,517	-26.3%
Vehicle Service Hours	17,382.0	13,778.0	13,280.0	13,472.0	-22.5%
Vehicle Service Miles	366,291	294,522	280,735	277,272	-24.3%
Employee FTE's	15	9	11	9	-40.0%
Passengers per Vehicle Service Hour	5.6	5.4	5.4	5.3	-5.0%
Passengers per Vehicle Service Mile	0.27	0.25	0.26	0.26	-2.7%
Vehicle Service Hours per Employee	1,158.8	1,530.9	1,207.3	1,496.9	29.2%

Source: State Controller Operator Reports

Table IV-3
Demand Responsive TDA Performance Indicators

Performance Data and Indicators	Audit Years				% Change FY 2003- 2006
	FY 2003	FY 2004	FY 2005	FY 2006	
Total Passengers	354,508	351,338	333,911	329,132	-7.2%
Vehicle Service Hours	40,862.0	41,198.0	41,504.0	41,495.0	1.5%
Vehicle Service Miles	482,482	497,880	486,276	499,348	3.5%
Employee FTE's	34	33	32	33	-2.9%
Passengers per Vehicle Service Hour	8.7	8.5	8.0	7.9	-8.6%
Passengers per Vehicle Service Mile	0.73	0.71	0.69	0.66	-10.3%
Vehicle Service Hours per Employee	1,201.8	1,248.4	1,297.0	1,257.4	4.6%

Source: State Controller Operator Reports

Findings from Verification of TDA Performance Indicators

1. Operating costs systemwide increased by nine percent from the base year of 2003 through 2006. This includes increases in transit service over the past few years, along with cost increases from fuel and health care costs. During this audit period, FCRTA has been able to maintain relatively stable costs after accounting for inflationary factors. Vehicle maintenance costs were stabilized due to the replacement of aging vehicles.
2. Total vehicle service hours and miles decreased. Vehicle service hours decreased by six percent systemwide, while service miles decreased nine percent from the base period of FY 2003 through FY 2006. Fixed route bus hours and miles declined significantly due to the discontinuation of two intercity fixed routes for Coalinga Transit in FY 2004. One discontinued route provided service between Avenal and Huron, and the other was the I-5 Express which was integrated into Huron Transit. The Fresno County Human Service System (HSS), Department of Employment and Temporary Assistance (ETA) provided funds through the CalWORKS Program for weekday service on the I-5 Express through June 30, 2003.
3. Demand responsive hours and miles increased marginally, growing by two percent and four percent, respectively over the past three years. There were some increases in demand response service hours provided by Kingsburg Transit, Reedley Transit, and Sanger Transit.
4. Total ridership for FCRTA decreased by eleven percent between FY 2003 and FY 2006. Ridership has been decreasing steadily on an annual basis. By mode, fixed route ridership decreased by twenty-six percent, and demand responsive ridership decreased by seven percent. Funding provided by the FCHSS through contracts with FCRTA had increased service for welfare to work programs through 2003. Once funding ended, the service hours for some of the subsystems had to be reduced. This is reflected in the TDA performance indicators.
5. Systemwide, operating cost per passenger increased by twenty-two percent, while operating cost per hour increased by fifteen percent. These indicators reflect the continued growth in cost relative to the decrease in ridership and slight decrease in service hours.
6. Passengers per hour and per mile also decreased slightly. Given that the rate of decrease in systemwide ridership is faster than the decrease in hours and miles, the performance indicator trend also shows a decrease over a three year period. By mode, fixed route passengers per hour declined by

five percent while passengers per mile decreased by three percent. Demand responsive passengers per hour and per mile decreased nine percent and eleven percent, respectively. However, the demand response service maintained the FCRTA service standard of at least six passengers per service hour.

7. In spite of the decrease in ridership over the past few years, FCRTA has been able to continue to exceed the minimum rural TDA farebox ratio of ten percent. The transit system has been able to contain cost relatively well as services have been adjusted to reflect the loss of HSS/ETA funding.

Conclusion from the Verification of TDA Performance Indicators

Ridership has declined steadily during the audit period. FCRTA tracks ridership by seniors, disabled and general public. The data for the last three years from the annual Fresno COG Transit Productivity Evaluation document show that general public ridership has declined significantly, while senior ridership has been stable, and disabled ridership has been increasing. The loss of HSS/ETA funding for welfare to work trips and related service programs was a primary factor for this decrease. At the same time, fare revenues have increased to account for the local fare augmentation from FCEOC for the provision of specialized transportation for elderly and disabled passengers from its role as a CTSA. FCRTA has been normalizing its services the past few years after the influx of HSS/ETA funds up until 2003 which had increased service. The farebox recovery ratio reflects this normalization through its stability of remaining at about thirteen percent per year.

Section V

Review of Operator Functions

This section provides an in-depth review of various functions within FCRTA. The review highlights accomplishments, issues and/or challenges that were determined during the audit period. The following departments and functions were reviewed at FCRTA:

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

Operations

FCRTA's operations have remained relatively stable during the audit period. Staff studied service expansion proposals to address changing service needs following the Federal adoption of the Welfare Reform Act (WRA). Extensive regulations were imposed on state and county governments. Affected service needs included home-to-work; home-to-job training; home-to-health care services, and home-to-child care services. FCRTA sought to work with the staff of the Fresno County Human Service System (HSS), Department of Employment and Temporary Assistance (ETA) to identify potential impacts to the rural transit system.

Under its contract with the HSS/ETA, FCRTA expanded its operations to 12 hours per daily, Monday through Saturday, providing an opportunity to expand service for all passengers. However, several service related issues developed, including that the County wanted FCRTA to match its schedules and days of operations with those of FAX. HSS/ETA did not forward information to FCRTA about its clientele for privacy and security purposes, but also because DSS thought the transit service was only fixed route. In addition, due to County funding constraints, the county training programs designed for clients in the rural areas did not occur. As a result, the contract with HSS/ETA was phased out in FY 2004.

There were a few demonstration services initiated during and after (August 2006 – June 2007) the audit period, including between Huron and Coalinga, to the town of Biola, and to the Juvenile Justice Campus in Calwa.

A demonstration service from Huron to Coalinga began in July 2003 with eight hour service. After assessing ridership, FCRTA currently operates the demonstration service with five hour service.

Biola is a small unincorporated community located to the west of Fresno with a population of just over 1,000 persons. Service was first initiated in 1979 to transport seniors to Kerman, but ridership dwindled to two passengers. In March 2006, as part of the SSTAC's annual unmet needs outreach process, FCRTA conducted a survey by sending out a form to every resident in Biola, approximately 500 copies. The survey form was in both English and Spanish, and was tested beforehand for clarity by local participants. Of the total surveys mailed, only thirty forms were returned, representing a six percent return rate.

Although the survey respondents did not express strong commitment to using a new bus service, the SSTAC felt there was sufficient documentation of an unmet transit need that is reasonable to meet. In addition, most households in Biola have access to an automobile. Upon the recommendation of the SSTAC in May 2006, the service was initiated to run five days a week over a three month demonstration period. Service commenced in August 2006 with a community BBQ and bilingual fliers. However, due to low ridership during the demonstration period, and not meeting FCRTA ridership standards of six passengers per hour for demand response, service was cut back to eight hours on Tuesdays only, and will eventually be terminated as of June 30, 2007.

The demonstration route to the Juvenile Justice Campus transports passengers from the Downtown Fresno Transit Center Wednesday through Saturday. Service was initiated in August 2006 and plans to run through the end of June 2007.

Huron Transit has consistently maintained the highest ridership of all rural county transit routes under FCRTA. During the audit period, Huron Transit's ridership was between 76,000 and 78,000 annual passengers. Next highest ridership was Reedley Transit (between 61,000 and 66,000 annual passengers), Selma Transit (between 53,000 and 62,000 annual passengers) and Orange Cove Transit (between 29,000 and 36,000 annual passengers). Ridership on San Joaquin Transit has increased due to the opening of new child care center in Cantua Creek. More early morning and late afternoon requests have resulted in the extension in service hours to 10 hours per day beginning in July 2007. The majority of Fowler Transit's ridership is comprised of students.

Kingsburg Transit had two vehicles at its disposal at the beginning of the audit period, which were replaced by one larger 22-passenger van. This was part of FCRTA's larger effort to retire thirteen vehicles following the delivery and service introduction of fourteen new 22-passenger CNG vans during FY 2004-05.

In addition, there was a request in the spring of 2007 by the Mayor of Kingsburg for FCRTA to enter into a Memorandum of Understanding (MOU) with FAX to operate a service vehicle between Fresno and Kingsburg. The Mayor felt that the utilization of a larger capacity vehicle would improve connectivity to the other FAX routes within the Fresno-Clovis Metropolitan Area. FCRTA currently operates intercity service between Fresno and Kingsburg through Southeast Transit. Southeast Transit utilizes a 22-passenger Bluebird CNG bus on the route. Kingsburg requested a telephone survey to gauge interest in having the FAX bus service. FCRTA has offered to conduct the survey in the fall of 2007 utilizing about \$8,500 in Measure "C" funds.

Some of FCRTA's transit subsystems are operated by the individual cities while other subsystems are operated under contract with the FCEOC as the co-CTSA for rural Fresno County. FCEOC is required to compile daily log sheets and monthly log sheets, which are submitted to FCRTA on a monthly basis. Data collection include the total number of passengers transported; total vehicle service hours; total revenue service miles; and the total number of full-time employees associated with the operation of the transit system. The contractor is responsible for the collection, accounting and delivery of farebox revenue and the previous month's daily and monthly log sheets to FCRTA within 30 days of the end of the month. Fares are reconciled and accompany the daily and monthly log sheets to FCRTA. Monthly farebox revenues are submitted by business check.

FCRTA contracts with FCEOE to provide transit services for the following subsystems:

Auberry Transit	Mendota Transit
Biola Transit	Orange Cove Transit
Del Rey Transit	Parlier Transit
Firebaugh Transit	San Joaquin Transit
Fowler Transit	Selma Transit (Saturdays only)
Huron Transit	Southeast Transit
Juvenile Justice Campus Transit	South Sierra Transit
Kingsburg Transit	Westside Transit Service

Laton Transit is operated under contract with Kings Area Rural Transit (KART) and provides service between the unincorporated community of Laton located in southern Fresno County and several Kings County communities, including Hanford, Hardwick and Grangeville.

South Sierra Transit was converted from a local citizenry volunteer ride program to a mileage reimbursement program and is administered by FCEOC to participating volunteers.

To address service complaints, FCRTA utilizes a form "Transit Complaint Form and Investigation Report" to record and track significant complaints. The form explains the process of investigation by appropriate staff and turnaround time for a response. The transit patron fills out the form with the nature of the complaint and answers questions listed on the form. Most complaints are minor and are handled immediately, without formal processing. It was indicated that FCRTA averages only half dozen "casual" complaints annually. Casual complaints that do not require a formal form have been generally related to non-serious issues. The contracts between FCRTA and operators contain clauses that describe the process for handling a complaint which includes reporting back to the FCRTA General Manager within seven days from receipt of the complaint.

Operational data has been analyzed to determine the number of accidents incurred during the audit period. Given the expansive service area and certain road hazards (seasonal tule fog), the number of accidents has been consistently low, averaging around four annually. A summary of accidents are presented in Table V-1 table as follows:

**Table V-1
FCRTA Accidents Summary**

Year	2004	2005	2006
Total Annual Accidents	6	3	4

Source: FCRTA

During FY 2004, three out of the six reported accidents were classified as "minor", with the remaining three classified as "major". Five of those accidents were considered "Preventable/At-Fault" and one was considered "Non-Preventable/Not At-Fault".

In FY 2005, there was one "minor" and two "major" accidents. There was one "Preventable/At-Fault" accident, one "Preventable/Not At-Fault" accident; and one "Non-Preventable/Not At-Fault" accident.

Of the four accidents reported during FY 2006, three were classified as "minor" and one was classified as "major". There were two "Preventable/At-Fault" and two "Preventable/Not At-Fault" accidents during the fiscal year. Should the same driver have two or more accidents, their license to operate the transit vehicle could be at risk.

Training

Transit driver employees are required by State law to receive a minimum of forty hours of training including classroom and behind the wheel training. Training sessions cover several topics including: defensive driving; safety; vehicle code; patron assistance techniques; daily vehicle inspection, maintenance; and record keeping and reporting. In addition, every other month, mandatory Driver Inservice Meetings are conducted during three hour sessions. Supervisors and guest speakers, such as representatives from the disability community, insurance agencies, CHP, and drug and alcohol testing contractors provide awareness training on specific topics.

Drivers also review techniques and procedures during sensitivity training to ensure that all passengers are served fairly, such as how to assist the blind, and properly securing wheel chairs. Twice a year, an operations supervisor rides with each driver as part of on-going training and safety. Dispatchers are trained in several administrative and operational procedures. The FCRTA General Manager also attends meetings which pertain to County emergency preparedness and security.

Drivers are recognized for good service. A plaque is awarded to drivers with exceptional driving records and customer service at FCRTA Board meetings.

There has been a driver shortage for some services in the past, including Selma Transit and Coalinga Transit. In these cases, service was not provided for a period of time due to a driver not being available. FCRTA has been making effort to recruit new drivers. However, with few qualified candidates in the rural area, FCRTA has been recruiting drivers from the City of Fresno who commute into the rural areas to operate the bus vehicles.

Planning

The rural transit system is guided by goals and objectives contained in various documents, including the Fresno COG's Regional Transportation Plan (RTP) and Short Range Transit Plan (SRTP). The RTP is updated every four years. The SRTP is updated every other year and provides for a comprehensive and coordinated planning process for transit in the rural community for a five year planning horizon.

The Short Range Transit Plan (SRTP) for the Rural Fresno County Area: 2004-2009 was adopted by Fresno COG in June 2004. It was developed in cooperation with the Cities of Coalinga, Firebaugh, Fowler, Huron, Kerman, Kingsburg, Mendota, Orange Cove, Parlier, Reedley, Sanger, San Joaquin, Selma, the County of Fresno, and the FCEOC. The SRTP for the Rural Fresno County Area provides a five year action-oriented program to implement the Public Transportation Element of the Regional Transportation Plan (RTP). It provides a basis for local jurisdictions to

demonstrate that public transportation needs have been and will continue to be met. The document has been updated for 2007-2012 and was scheduled for adoption on June 28, 2007.

Measure "C"

In November of 1986, the Fresno County voters passed Measure "C", a one-half percent sales tax increase, by a margin of 57.6 percent. Measure C's title and purpose as presented to the voters was "Improving Roads and Transportation in Fresno County."

The Fresno County Transportation Authority, which was created by the enabling legislation, was authorized to impose the sales tax ordinance for a 20-year period beginning on July 1, 1987. Measure "C" represented 10 percent of the total cost of project needs. In addition, Measure "C" revenues and allocations are kept separate from TDA and the unmet needs process. The FCRTA General Manager noted that there have been relatively few identified transit needs issues since the passage of Measure "C".

The original Measure "C" (1987-2007) allocated 75 percent towards regional road projects and 25 percent to local jurisdictions. Under the Measure "C" Extension, which was approved by Fresno County voters in November 2006, FCRTA is projected to receive \$68.4 million under the Regional Public Transit Program over the 20 year span of the funding measure or approximately four percent of total funding. FCRTA's annual allocation would average \$3.4 million. Transit services would be enhanced including increased frequencies and new routes, enhanced paratransit, installation of regional automated farebox system, and conversion of transit fleet to low-emission fuels.

The transit operator allocations are categorized into primary and secondary funding programs. The goal of the primary program is to improve the level of public transit services in rural Fresno County communities and to continue to seek ways to coordinate and/or consolidate services in order to achieve a seamless transit system for the public. Some of the specific improvements would include:

- Expansion of intra-city services to improve demand response paratransit frequencies to the elderly, disabled, low-income, and youth of rural Fresno County;
- Expansion of inter-city service to improve scheduled fixed-route service frequencies to address trips for employment;
- Implementation of an unincorporated County area shuttle program;
- Implementation of sub-regional Eastside and Westside transit terminal facilities with CNG and hydrogen refueling stations;

- Deployment of operational and infrastructure improvements such as the construction of a dispatch terminal; utilizing intelligent transportation (ITS) technology (e.g. safety surveillance cameras and GPS) to provide better services within and between the rural incorporated cities and unincorporated communities; and
- Implementation of a free general public transit fare program for seniors age 65 years of age and older.

The secondary program involves improvements that would be funded after the primary program improvements are completed, provided that funding is available. One of the initiatives contained in secondary program includes a taxi script program for seniors 70 years of age and older. FCRTA along with FAX and Clovis Transit would commit to develop this program for those seniors who do not meet ADA eligibility requirements for access to paratransit services. At five year intervals, each transit agency would conduct a performance evaluation to determine if the program is meeting its goals of increasing ridership among eligible seniors.

Measure "C" funds can be also be used to provide new or demonstration service for a period of up to three years. The service must meet the minimum performance standards of FCRTA, including six passengers per hour for demand response and ten passengers per hour for fixed route. Any request to extend such "lifeline" services would be reviewed by Fresno COG's Social Service Transportation Advisory Council (SSTAC) with final approval made by FCRTA's Board of Directors.

FCRTA has been involved in the development of several other transportation planning studies. A transit consolidation study has been commissioned through Fresno COG to determine whether consolidation of the County's transit agencies would be viable. Under the Measure "C" Extension, funding would be provided to implement study recommendations should consolidation be warranted. Actions would include coordination with each transit agency to discuss the consolidation effort; development of a Joint Powers Agreement (JPA); or some other similar arrangement that would consolidate all transit service functions under a single entity.

The Public Transportation Infrastructure Study (PTIS) commissioned by Fresno COG was released in May 2006 and serves as a regional transit blueprint for Fresno County through the evaluation the pedestrian, bicycle, and transit-supportive infrastructure throughout the County with a focus on primary travel corridors. It presents several case studies from other cities and regions across the United States regarding the integration of transit with adjacent land uses. The study included the identification and development of transit corridors, street design and traffic management strategies that would enhance transit development and usage.

Maintenance

Vehicle maintenance is performed on a 3,000 mile or 45 day inspection schedule in accordance with the State's General Public Paratransit Vehicle (GPPV) regulations. The California Highway Patrol (CHP) is responsible for certifying FCRTA's maintenance facilities and for inspecting vehicles on an annual basis. Maintenance is contracted with a private vendor, Transportation Specialties, located in Clovis. Because the FCRTA vehicles are operated and generally layover in their respective service areas throughout the County, the maintenance contractor shuttles recently maintained vehicles from Clovis out to the field and replaces the existing vehicle. Spare vehicles are also maintained in the field when other vehicles are switched out for maintenance. In addition to its facility in Clovis, FCRTA maintains a second bus barn in Sanger, which contains spare parts, batteries, transformers and spare CNG pumps. FCRTA also uses the City of Selma's public works facility. Through the consolidation study, FCRTA is examining a possible consolidation of maintenance functions with the City of Fresno/FAX.

Because of the distance of vehicles from fueling facilities in the rural areas, especially for CNG fuel, several subsystems have their own refueling system provided by FCRTA. The intra-city CNG vehicles are refueled overnight on a slow-fill basis by forty-five FuelMakers located in the individual rural communities. These "FuelMakers" are compact slow-fill devices that enable a vehicle to operate up to eight hours a day, which is a typical length of daily service. FCRTA's inter-city vehicles utilize five fast-fill facilities located throughout the County. There had been some previous issues with the FuelMakers involving the O-rings on the refueling nozzle and wearing of certain components. Those issues have since been resolved. The FuelMakers are serviced by the same vendor that services the electric vehicle fleet.

One measure of vehicle maintenance is the number of vehicle breakdowns during revenue service. Table V-2 shows the number of roadcalls during the last three years, according to FCRTA's vehicle repair history report.

**Table V-2
Vehicle Breakdowns
(Road Calls/Tow Service)**

Fiscal Year	Road Calls	Tows	Total
2004	38	31	69
2005	21	29	50
2006	11	25	36

Source: FCRTA

Based upon the provided information, the numbers of roadcalls and tows have exhibited downward trends. It must be noted that FCRTA's rural operations do not lend themselves to a traditional centralized terminal for vehicle dispatch, refueling, maintenance and supervision. FCRTA's vehicles are primarily stationed out in the rural communities that they serve. When preventative maintenance or repairs are necessary, service personnel either shuttle the vehicles back and forth or they may be repaired in the field. In each case a "Road Call" may be necessary. In some cases it may actually be cheaper to contact a local independent contractor to tow the vehicle back to the contractor's facility as opposed to having multiple personnel traveling "to" and "from" the location for long distances and time periods.

Marketing

FCRTA markets its services through a variety of media. The agency maintains a website, <http://www.ruraltransit.org/>, which offers a synopsis of each local subsystem, including fares, hours of operations and schedules. Information about FCRTA is also contained in the Fresno County Transportation Guide published by Fresno COG. The latest edition of the transportation guide is from 2002-2003 and is presented in a bilingual (English/Spanish) format. A new edition of the guide is scheduled for release in summer of 2007.

Approximately sixty-five percent of its marketing budget of about \$40,000 annually is allocated towards multiple community phone book advertisements. Given that most of the marketing budget is for one marketing venue, FCRTA should determine whether the phone book remains the best means of advertisement. Through its upcoming survey work, FCRTA should poll customers about how they heard about the transit service, and which types of media venues they have access to (newspaper, internet, etc.). The information may help with determining whether a change in marketing strategy and expenditures is warranted.

The agency maintains an information board at the Fresno Greyhound bus depot along with a phone link, which costs \$1,200 annually.

Bilingual flyers detailing the services of each subsystem are distributed in each community.

FCRTA vehicles are featured in community events such as the Fourth of July, Harvest Festival, Swedish Festival, and Christmas Light parades. Word-of-mouth has also been an effective means of promoting the service.

The FCRTA General Manager is considering the establishment of an "Ambassador Program" in FY 2007-08 to train passengers on using transit, which would be funded through the FTA Section 5317 New Freedom program.

General Administration and Management

The administration of FCRTA is conducted from a corner portion of the Fresno COG offices located at 2035 Tulare Street, Suite 201 in downtown Fresno. FCRTA moved its administrative offices concurrent with the Fresno COG move in December 2005. Administrative personnel consist of the General Manager and an Administrative Assistant. In addition to being housed under the same roof, the COG provides financial management and accounting services, and certain administrative assistance under contract to FCRTA. The inter-agency agreement is being updated and renewed in June 2007.

FCRTA's budget is organized based upon each subsystem service area's Sphere of Influence (SOI) and population. The budget details the service hours of each subsystem and provides a narrative status of each subsystem, including any changes and the reasons for the change. Within financial constraints, the Agency tailors transit services to the unique needs of each jurisdiction to meet trip demand, whether from fixed route or demand response, or both. The Cities of Coalinga, Kerman, Reedley and Selma utilize their own personnel (drivers, dispatchers, supervisors, and accountants) to run transit service under FCRTA's direction in their respective cities.

It should be noted that the General Manager has been managing the system since its inception over 28 years ago. Provided that the technical administration of FCRTA has resided with the same executive, it might be prudent for FCRTA to consider planning slowly for a future successor to ensure the agency continues to operate efficiently and effectively well into the future. Succession planning could include documenting the various desk procedures and requirements to administer and manage the rural system, and determining the appropriate recruitment and training for an eventual smooth transition in personnel. The matter may yet be resolved if Agency consolidation is implemented.

Grants Management

In addition to TDA, FCRTA's principal sources of grant funding include FTA Section 5311 Capital and Operating Assistance grants and Congestion Mitigation/Air Quality (CMAQ) grants. FCRTA approved CMAQ funding to purchase four 2006 CNG powered 35-passenger buses in connection with a new Federal Prison that is under construction near the City of Mendota in western Fresno County. Pending CMAQ grants involving vehicle procurement generally take two full years. The vehicle bid process is scheduled to result in a purchase order in July 2007, with vehicles to arrive within nine months. Under SAFETEA-LU, new grant formula programs have been developed to support the implementation of human and social service plans.

FCRTA, along with FAX and Clovis Transit, is investigating specifications for an electronic farebox system. The agency has secured an FTA Section 5311 grant allocation in the amount of \$600,000 towards upgrading its farebox system for smart card and seamless transfers with the other transit systems in Fresno County. The revenues would be shared among the three operators. A consultant has been retained by FAX to assist with the specifications. This effort is part of the increased ability of the public transit operators to further coordinate service issues and enhance customer service.

Section VI

Findings and Recommendations

The following material summarizes the major findings obtained from this Triennial Audit covering FY's 2004 through 2006. A set of recommendations is then provided.

Triennial Audit Findings

1. FCRTA has been operating in an economical, efficient, and effective manner given the Agency's difficult responsibility of providing a number of rural transit services.
2. All TDA compliance requirements were met.
3. FCRTA implemented two of the three prior audit recommendations, and is in process of implementing the third which is to conduct a systemwide survey.
4. The operating budget (audited year-end costs) increased nominally on average during the audit period. The budget between FYs 2003 and 2004 decreased due to the discontinuation of service for two intercity routes on Coalinga Transit. In general, expenditures have increased to respond to inflationary factors including Cost of Living Adjustments, increased health care and worker compensation costs, and increased fuel costs.
5. Overall ridership has been decreasing steadily on an annual basis. The loss of funding from the County for Welfare to Work transportation resulted in reduction of service and decrease in general public riders. Elderly and disabled ridership has been stable.
6. The farebox recovery ratio, which is a significant TDA performance indicator, continued to meet the minimum rural requirement of ten percent. The ratio has remained at between 12 and 13 percent per year.
7. FCRTA's operations have remained relatively stable during the audit period. There were a few demonstration services initiated during and after the audit period, including between Huron and Coalinga, to the town of Biola, and to the Juvenile Justice Campus in Calwa.

8. Huron Transit has consistently maintained the highest ridership of all rural county transit routes under FCRTA. During the audit period, Huron Transit's ridership was between 76,000 and 78,000 annual passengers, followed by Reedley Transit (between 61,000 and 66,000 annual passengers), Selma Transit (between 53,000 and 62,000 annual passengers) and Orange Cove Transit (between 29,000 and 36,000 annual passengers).
9. Under the Measure "C" Extension, which was approved by Fresno County voters in November 2006, FCRTA is projected to receive \$68.4 million under the Multi-Modal Funding Allocation Program over the 20 year span of the funding measure or approximately four percent of total funding. FCRTA's annual allocation would average \$3.4 million. Transit services would be enhanced including increased frequencies and new routes, enhanced paratransit, installation of regional automated farebox system, and conversion of transit fleet to low-emission fuels.
10. FCRTA was involved with several planning efforts, including a transit consolidation study and Public Transportation Infrastructure Study (PTIS) commissioned by Fresno COG.

Triennial Audit Recommendations

1. Consider Steps For Succession Planning.

The General Manager has managed the transit system for over 28 years. FCRTA should consider planning slowly for a future successor to ensure the agency continues to operate efficiently and effectively well into the future. Some initial steps could include documenting the various desk procedures and requirements to administer and manage the rural transit system, and determining the appropriate recruitment and training for an eventual smooth transition in personnel. The matter may yet be resolved if Agency consolidation is implemented.

2. Review the Effectiveness of Marketing Expenditures.

Approximately sixty-five percent of FCRTA's marketing budget is allocated towards multiple community phone book advertisements. Given that most of the marketing budget is for one marketing venue, FCRTA should determine whether the phone book remains the best means of advertisement. Through its upcoming survey work, FCRTA should poll customers about how they heard about the service, and which types of media venues they have access to (newspaper, internet, etc.). The information may help with determining whether a change in marketing strategy and expenditures is warranted.



FY 2004-2006 TRIENNIAL
PERFORMANCE AUDIT OF
FRESNO COUNTY ECONOMIC
OPPORTUNITIES COMMISSION
TRANSIT SYSTEMS

Final

SUBMITTED TO

COUNCIL OF FRESNO COUNTY
GOVERNMENTS

SUBMITTED BY

PMC

PMC


July 2007

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Section I

Introduction

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

The Council of Fresno County Governments (Fresno COG) has engaged the firm of PMC to conduct a performance audit of the Fresno County Economic Opportunities Commission (FCEOC) transit system covering the most recent triennial period, Fiscal Years (FYs) 2003-04 through 2005-06. The purpose of the performance audit is to evaluate the system's effectiveness and efficiency in its use of TDA funds to provide public transit in its service area. This is required as a condition for continued receipt of these funds for public transportation purposes. In addition, the audit evaluates FCEOC's compliance with the conditions specified in the California Public Utilities Code. This task involves ascertaining whether the FCEOC is meeting the PUC's reporting requirements and that it is endeavoring to implement prior audit recommendations made to the agency. Moreover, the audit includes calculations of transit service performance indicators and a detailed review of the agency's departments and organizational functioning. From the analysis that has been undertaken, a set of recommendations have been made for the agency which are intended to improve the performance of transit operations.

In summary, this TDA audit affords the FCEOC's governing board and management the opportunity for an independent, constructive and objective evaluation of the organization and its operations that otherwise might not be available. The methodology for the audit included in-person interviews with management, collection and review of agency documents, data analysis, and on-site observations. The Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Entities published by the California Department of Transportation was used to guide in the development and conduct of the audit.

Overview of the Transit System

The FCEOC is a non-profit corporation incorporated in the State of California on August 30, 1965. The agency's purpose is to develop, conduct and administer programs established under the provisions of the Economic Opportunity Act of 1964. To this end, FCEOC is a locally based community action agency which provides an array of services and programs that assist low income families and individuals with developing skills and knowledge toward self-sufficiency. The agency is supported primarily through government grants, donor contributions and fees for services. The Board of Commissioners of FCEOC includes 24 members representing target areas, community organizations and institutions, and locally elected officials.

The transit program is administered and managed by the Director of Food Services and Transit Systems, and the Transit Operations Coordinator/Senior Accountant. The transit program reports to an Assistant Executive Director, who in turn reports to the Executive Director. As each program under FCEOC is a self sustaining entity, the transit system operates as a stand alone service.

The FCEOC transit system is one of over 25 programs provided under the umbrella agency. FCEOC operates a specialized transit service for social service clients throughout Fresno County acting as the co-designated Consolidated Transportation Services Agency (CTSA) for both the urban and rural regions of the county. The agency is co-designated with Fresno Area Express (FAX) for the Fresno-Clovis Metropolitan Area, and with the Fresno County Rural Transit Agency (FCRTA) for the non-urbanized areas of the county. From this designation, FCEOC has responsibility for working toward improved social service transportation through coordination and consolidation of transportation services.

As contained in the annual TDA claims submitted to Fresno COG during the audit period of FY's 2004 through 2006, the agency provided transportation service to 10 urban CTSA contract clients, and six rural CTSA contract clients. The largest client is the Central Valley Regional Center (CVRC) which provides over 65 percent of the total contract service revenue, totaling close to \$3 million in FY 2005-06. FCEOC has been providing contract services to CVRC to provide weekday roundtrip passenger service from the program's developmentally disabled consumer's residence to various training and educational sites throughout Fresno County. CVRC trips comprise about 60 percent of all urban CTSA trips, and over half of all rural CTSA trips. Both passenger transportation and meal delivery are part of various contracts.

FCEOC also provides general public rural transportation services under a contract with the FCRTA. Under the contract, FCEOC operates 16 different services including intra-community trips and inter-city service linking the rural areas with the Fresno urbanized area. Both demand response and fixed route services are offered.

In its effort to further coordinate social service transportation, FCEOC also markets vehicle maintenance services for social service agencies. Many clients for whom FCEOC provides trips are provided vehicle maintenance as well as dispatching and driver training services. Other clients have contracted with FCEOC for maintenance only.

FCEOC operates an active fleet of more than 120 vehicles. Most vehicles are gasoline powered. The fleet also contains diesel powered vehicles and a few powered by compressed natural gas (CNG). There are currently a number of older additional vehicles that are retired and will need to be salvaged.

Section II

Operator Compliance Requirements

This section of the audit report contains the analysis of FCEOC's ability to comply with state requirements for continued receipt of TDA funds. The evaluation uses the guidebook, "Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Agencies" which was developed by the Department of Transportation (Caltrans) to assess transit operators. The guidebook contains a checklist of twelve measures taken from relevant sections of the Public Utilities Code and the California Code of Regulations. Of all the items on the checklist, seven are applicable to the agency's operations. Each of these requirements is discussed in the table below, including a description of the agency's efforts to comply with the requirements. In addition, a discussion of the findings from the compliance review is described in the text following the table.

TABLE II-1 Operator Compliance Requirements Matrix		
Operator Compliance Requirements	Reference	Compliance Efforts
The transit operator 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. 30), or 110 days (Oct. 20) if filed electronically (internet). During the audit period, the State Controller extended the submittal dates because the Controller's office was in the process of implementing a new updated electronic filing system. The extended dates were: FY 2004: November 24 for paper filing, December 14 for internet filing.	Public Utilities Code, Section 99243 (continued on next page)	Completion/submittal dates (internet filing): FY 2004: November 28, 2004 FY 2005: October 14, 2005 FY 2006: October 27, 2006 Conclusion: Complied.

TABLE II-1 Operator Compliance Requirements Matrix, continued		
Operator Compliance Requirements	Reference	Compliance Efforts
FY 2005: September 28 for paper filing, October 18 for internet filing. FY 2006: October 12 for paper filing, November 1 for internet filing.		
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 2004: December 9, 2004 FY 2005: December 12, 2005 FY 2006: December 14, 2006 Conclusion: Complied.
The CHP has, within the 13 months prior to each TDA claim submitted by an operator, certified the operator's compliance with Vehicle Code Section 1808.1 following a CHP inspection of the operator's terminal.	Public Utilities Code, Section 99251	FCEOC participates in the CHP Transit Operator Compliance Program in which the CHP has conducted inspections within the 13 months prior to each TDA claim. Separate inspections are conducted for school buses and for general public vehicles. Copies of certificates are attached to TDA claims. Copies of certificates were also submitted to the auditor for review. Inspection dates were: September 2, 2003; September 13, 2004; September 12, 2005; and September 20, 2006. Conclusion: Complied.
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	As a condition of approval, the FCEOC's annual claims for TDA funds is submitted in compliance with rules and regulations adopted by Fresno COG. Conclusion: Complied.

TABLE II-1 Operator Compliance Requirements Matrix, continued		
Operator Compliance Requirements	Reference	Compliance Efforts
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, Sections 99266	Percentage increase in FCEOC's operating budget (combined rural and urban): FY 2004: +16.71% FY 2005: +1.12% FY 2006: -1.77% Source: FY 2004-2006 Fiscal Audits. The large budget increase in FY 2004 was due to increases in workers compensation costs and insurance premiums, as well as a shift in CVRC cost allocations. Conclusion: Complied.
The operator has maintained a ratio of fare revenues to operating costs at least equal to one-tenth (10 percent).	Public Utilities Code, Sections 99268.5	FCEOC's transit services do not collect passenger fare revenues, but are based on service contract revenues. In lieu of the farebox requirement, FCEOC must maintain a 45/55 ratio of LTF to local support revenues. During the audit period of FYs 2004 through 2006, FCEOC has maintained this ratio. Conclusion: Complied.
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	FCEOC contributes to a defined contribution pension plan which covers substantially all employees of the Agency. Generally, FCEOC contributes an amount equal to five percent of the compensation earned by each eligible employee. Employer contributions are vested immediately. Conclusion: Complied.

Findings and Observations from Operator Compliance Requirements Matrix

1. FCEOC has complied with all applicable TDA compliance requirements.
2. The operating budget increased in each of the audit years, the largest increase occurring in FY 2004. Per the Fresno COG Transit Productivity Evaluation Report, the budget increase reflects a 54 percent increase in workers' compensation rates, a 28 percent increase in medical insurance, an increase in the State Unemployment Insurance Tax rate, and a three percent cost of living increase. Moreover, the increase reflects a shift in CVRC cost allocations.
3. Because the type of transit service provided by FCEOC does not require passengers to pay a fare, an alternative method to the farebox threshold has been utilized. This method requires FCEOC to match LTF revenues with local support revenues on a 45 percent LTF/ 55 percent local support basis. The local match has come from service contract fees by participating social service agencies, charter trips, and donations.
4. The calculated local support match for the rural area was 78 percent for FY 2004, 83 percent in FY 2005 and 80 percent for FY 2006. For the urban area, the local support match was 79 percent for FY 2004, 82 percent in FY 2005 and 80 percent in FY 2006. These percentages far exceeded the minimum 55 percent match.

Section III

Prior Triennial Performance Audit Recommendations

FCEOC's efforts to implement the recommendations made in the prior triennial audit of agency performance is examined in this section of the audit report. For this purpose, the prior recommendation for the agency is described, followed by a discussion of FCEOC'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

Develop performance reporting program to monitor transit service.

Actions taken by FCEOC: FCEOC has increased its monitoring of transit performance through the development of various management-style reports. Supplemental information such as graphical depictions of vehicle breakdowns are developed on quarterly basis, and information for maintenance cost by vehicle type, and cost per mile by vehicle type is summarized. Other performance data is summarized as FCEOC prepares the annual Transit Productivity Evaluation Report that is reviewed internally and submitted to Fresno COG. The Productivity Evaluation Report includes a description of services identified in the adopted Operations Program and Budget (OPB) for the rural and urban CTSA; the annual and triennial review process; significant service and administrative changes; overall CTSA services; and a status review on Productivity Committee and Triennial Performance Audit recommendations. The report also includes bar graphs showing productivity data for the rural and urban CTSA, such as cost per hour, cost per mile, cost per trip, and number of vehicle roadcalls. FCEOC has provided the auditor with reports covering FY 2002-03 through FY 2005-06.

Conclusion: This recommendation has been implemented.

Prior Recommendation 2

Ensure a continued program for vehicle replacement.

Actions taken by FCEOC: FCEOC's strategy is to keep its fleet efficient and current by placing the most efficient replacement vehicles in backup status and remove inefficient vehicles out of backup status. Considering the size of

FCEOC's fleet, a number of backup vehicles are a necessity when current vehicles are pulled out of service for inspection and/or maintenance.

In essence, vehicle replacement involves retiring inefficient vehicles, replacing older high mileage vehicles and the maintaining an appropriate backup pool in order to assure safe, reliable and cost-effective transportation. The supplemental management reports developed by FCEOC in response to the first prior audit recommendation help track vehicle reliability and costs. FCEOC submitted an FTA Section 5310 application during the FY 2005-06 funding cycle in the amount of \$528,000 towards the acquisition of eight wheelchair accessible vehicles. In addition, the Head Start program has a 10-year fleet replacement plan and has also provided funding towards vehicle acquisition and replacement.

Conclusion: This recommendation has been implemented.

Prior Recommendation 3

Closely monitor performance trends in service.

Actions taken by FCEOC: FCEOC works closely with contract clients to monitor its performance and efficiencies. It conducts a quarterly roundtable to solicit feedback from clients. Costs have increased due to fuel, workers compensation and insurance premium increases. FCEOC adds a fuel surcharge on its contracts, which provides a hedge against rising fuel costs. The surcharge is based on a sliding scale and allows for a one cent per mile surcharge for every nickel increase in gas exceeding \$2.499 per gallon. In addition, the annual Productivity Evaluation Report includes bar graphs showing productivity data such as cost per hour, cost per mile, cost per trip, and number of vehicle roadcalls.

Conclusion: This recommendation has been implemented.

Section IV

TDA Performance Indicators

This section reviews FCEOC'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 for the three year audit period, which are contained in the following tables:

- Combined passenger and meal transportation, urban and rural.
- Passenger transportation, urban and rural.
- Meal delivery, urban and rural.

Table IV-1
TDA Performance Indicators
Urban and Rural
Passenger and Meal Transportation

Performance Data and Indicators	Audit Years				% Change FY 2003-2006
	FY 2003	FY 2004	FY 2005	FY 2006	
Operating Cost ^(a)	\$4,887,686	\$5,780,655	\$6,070,242	\$6,153,190	25.9%
Total Passengers & Meals Delivered	1,289,758	1,333,726	1,345,088	1,352,512	4.9%
Vehicle Service Hours	115,769	116,661	111,242	109,144	-5.7%
Vehicle Service Miles	2,118,342	2,107,409	1,999,607	2,023,130	-4.5%
Employee FTEs	58	57	56	52	-10.3%
Operating Cost per Passenger	\$3.79	\$4.33	\$4.51	\$4.55	20.1%
Operating Cost per Vehicle Service Hour	\$42.22	\$49.55	\$54.57	\$56.38	33.5%
Passengers per Vehicle Service Hour	11.14	11.43	12.09	12.39	11.2%
Passengers per Vehicle Service Mile	0.61	0.63	0.67	0.67	9.8%
Vehicle Service Hours per Employee	1,996	2,047	1,986	2,099	5.2%

(a) Excludes depreciation costs.

Source: Annual Transit Productivity Evaluation, and State Controller Reports.

Table IV-2
TDA Performance Indicators
Urban, Passenger and Meal Transportation

	Audit Years				
Performance Data and Indicators	FY 2003	FY 2004	FY 2005	FY 2006	% Change FY 2003-2006
Operating Cost (a)	\$3,067,903	\$3,827,983	\$4,114,925	\$4,117,837	34.2%
Total Passengers & Meals Delivered	\$728,111	\$801,627	\$810,349	\$801,939	10.1%
Vehicle Service Hours	\$74,837	\$75,412	\$73,737	\$73,370	-2.0%
Vehicle Service Miles	\$1,309,458	\$1,334,934	\$1,270,320	\$1,297,076	-0.9%
Operating Cost per Passenger	\$4.21	\$4.78	\$5.08	\$5.13	21.9%
Operating Cost per Vehicle Service Hour	\$40.99	\$50.76	\$55.81	\$56.12	36.9%
Passengers per Vehicle Service Hour	9.73	10.63	10.99	10.93	12.3%
Passengers per Vehicle Service Mile	0.56	0.60	0.64	0.62	11.2%

(a) Excludes depreciation costs.

Source: Annual Transit Productivity Evaluation, and State Controller Reports.

Table IV-3
TDA Performance Indicators
Rural, Passenger and Meal Transportation

	Audit Years				
Performance Data and Indicators	FY 2003	FY 2004	FY 2005	FY 2006	% Change FY 2003-2006
Operating Cost (a)	\$1,819,783	\$1,952,672	\$1,955,317	\$2,035,353	11.8%
Total Passengers & Meals Delivered	\$561,647	\$532,099	\$534,739	\$550,573	-2.0%
Vehicle Service Hours	\$40,932	\$41,249	\$37,505	\$35,774	-12.6%
Vehicle Service Miles	\$808,884	\$772,475	\$729,287	\$726,054	-10.2%
Operating Cost per Passenger	\$3.24	\$3.67	\$3.66	\$3.70	14.1%
Operating Cost per Vehicle Service Hour	\$44.46	\$47.34	\$52.13	\$56.89	28.0%
Passengers per Vehicle Service Hour	13.72	12.90	14.26	15.39	12.2%
Passengers per Vehicle Service Mile	0.69	0.69	0.73	0.76	9.2%

(a) Excludes depreciation costs.

Source: Annual Transit Productivity Evaluation, and State Controller Reports.

Table IV-4
TDA Performance Indicators
Urban and Rural, Passenger Transportation

Performance Data and Indicators	Audit Years				% Change FY 2003-2006
	FY 2003	FY 2004	FY 2005	FY 2006	
Operating Cost (a)	\$4,507,679	\$5,440,336	\$5,712,907	\$5,777,988	28.2%
Total Passengers	548,418	558,707	532,517	532,067	-3.0%
Vehicle Service Hours	107,023	108,345	102,554	102,598	-4.1%
Vehicle Service Miles	1,896,898	1,896,549	1,783,457	1,800,961	-5.1%
Employee FTEs	54	53	52	49	-8.9%
Operating Cost per Passenger	\$8.22	\$9.74	\$10.73	\$10.86	32.1%
Operating Cost per Vehicle Service Hour	\$42.12	\$50.21	\$55.71	\$56.32	33.7%
Passengers per Vehicle Service Hour	5.12	5.16	5.19	5.19	1.2%
Passengers per Vehicle Service Mile	0.29	0.29	0.30	0.30	2.2%
Vehicle Service Hours per Employee	1,989	2,052	1,980	2,094	5.3%

(a) Excludes depreciation costs.

Source: Annual Transit Productivity Evaluation, and State Controller Reports.

Table IV-5
TDA Performance Indicators
Urban, Passenger Transportation

Performance Data and Indicators	Audit Years				% Change FY 2003-2006
	FY 2003	FY 2004	FY 2005	FY 2006	
Operating Cost (a)	\$2,936,725	\$3,675,409	\$3,954,722	\$3,949,624	34.5%
Total Passengers	337,690	347,032	334,182	331,694	-1.8%
Vehicle Service Hours	71,842	71,886	70,345	71,007	-1.2%
Vehicle Service Miles	1,257,947	1,281,234	1,216,647	1,237,384	-1.6%
Operating Cost per Passenger	\$8.70	\$10.59	\$11.83	\$11.91	36.9%
Operating Cost per Vehicle Service Hour	\$40.88	\$51.13	\$56.22	\$55.62	36.1%
Passengers per Vehicle Service Hour	4.70	4.83	4.75	4.67	-0.6%
Passengers per Vehicle Service Mile	0.27	0.27	0.27	0.27	-0.1%

(a) Excludes depreciation costs.

Source: Annual Transit Productivity Evaluation, and State Controller Reports.

Table IV-6
TDA Performance Indicators
Rural, Passenger Transportation

Performance Data and Indicators	Audit Years				% Change FY 2003-2006
	FY 2003	FY 2004	FY 2005	FY 2006	
Operating Cost ^(a)	\$1,570,954	\$1,764,927	\$1,758,185	\$1,828,364	16.4%
Total Passengers	210,728	211,675	198,335	200,373	-4.9%
Vehicle Service Hours	35,181	36,459	32,209	31,591	-10.2%
Vehicle Service Miles	638,951	615,315	566,810	563,577	-11.8%
Operating Cost per Passenger	\$7.45	\$8.34	\$8.86	\$9.12	22.4%
Operating Cost per Vehicle Service Hour	\$44.65	\$48.41	\$54.59	\$57.88	29.6%
Passengers per Vehicle Service Hour	5.99	5.81	6.16	6.34	5.9%
Passengers per Vehicle Service Mile	0.33	0.34	0.35	0.36	7.8%

(a) Excludes depreciation costs.

Source: Annual Transit Productivity Evaluation, and State Controller Reports.

Table IV-7
TDA Performance Indicators
Urban and Rural, Meal Delivery

Performance Data and Indicators	Audit Years				% Change FY 2003-2006
	FY 2003	FY 2004	FY 2005	FY 2006	
Operating Cost ^(a)	\$380,007	\$340,319	\$357,335	\$375,202	-1.3%
Total Meals Delivered	741,340	775,019	812,571	820,445	10.7%
Vehicle Service Hours	8,746	8,316	8,688	6,546	-25.2%
Vehicle Service Miles	221,444	210,860	216,150	222,169	0.3%
Employee FTEs	4	4	4	3	-28.6%
Operating Cost per Meal Delivered	\$0.51	\$0.44	\$0.44	\$0.46	-10.8%
Operating Cost per Vehicle Service Hour	\$43.45	\$40.92	\$41.13	\$57.32	31.9%
Meals Delivered per Vehicle Service Hour	84.76	93.20	93.53	125.34	47.9%
Meals Delivered per Vehicle Service Mile	3.35	3.68	3.76	3.69	10.3%
Vehicle Service Hours per Employee	2,082	1,980	2,069	2,182	4.8%

(a) Excludes depreciation costs.

Source: Annual Transit Productivity Evaluation, and State Controller Reports.

Table IV-8
TDA Performance Indicators
Urban, Meal Delivery

	Audit Years				
Performance Data and Indicators	FY 2003	FY 2004	FY 2005	FY 2006	% Change FY 2003-2006
Operating Cost ^(a)	\$131,178	\$152,574	\$160,203	\$168,213	28.2%
Total Meals Delivered	390,421	454,595	476,167	470,245	20.4%
Vehicle Service Hours	2,995	3,526	3,392	2,363	-21.1%
Vehicle Service Miles	51,511	53,700	53,673	59,692	15.9%
Operating Cost per Passenger	\$0.34	\$0.34	\$0.34	\$0.36	6.5%
Operating Cost per Vehicle Service Hour	\$43.80	\$43.27	\$47.23	\$71.19	62.5%
Meals Delivered per Vehicle Service Hour	130.36	128.93	140.38	199.00	52.7%
Meals Delivered per Vehicle Service Mile	7.58	8.47	8.87	7.88	3.9%

(a) Excludes depreciation costs.

Source: Annual Transit Productivity Evaluation, and State Controller Reports.

Table IV-9
TDA Performance Indicators
Rural, Meal Delivery

	Audit Years				
Performance Data and Indicators	FY 2003	FY 2004	FY 2005	FY 2006	% Change FY 2003-2006
Operating Cost ^(a)	\$248,829	\$187,745	\$197,132	\$206,989	-16.8%
Total Meals Delivered	350,919	320,424	336,404	350,200	-0.2%
Vehicle Service Hours	5,751	4,790	5,296	4,183	-27.3%
Vehicle Service Miles	169,933	157,160	162,477	162,477	-4.4%
Operating Cost per Passenger	\$0.71	\$0.59	\$0.59	\$0.59	-16.6%
Operating Cost per Vehicle Service Hour	\$43.27	\$39.20	\$37.22	\$49.48	14.4%
Meals Delivered per Vehicle Service Hour	61.02	66.89	63.52	83.72	37.2%
Meals Delivered per Vehicle Service Mile	2.07	2.04	2.07	2.16	4.4%

(a) Excludes depreciation costs.

Source: Annual Transit Productivity Evaluation, and State Controller Reports.

Findings from Verification of TDA Performance Indicators

1. Operating costs systemwide increased by 26 percent from the base year of 2003 through 2006. Part of the increase was due to increased worker's compensation cost, group medical insurance, State Unemployment Insurance and normal cost of living increases as well as a shift in CVRC allocations. Increases in fuel costs were also a factor during the period.
2. Much of the increase in operating cost was attributable to urban passenger transportation, which is the largest transit service provided by FCEOC. Costs grew by 34 percent over the last three years.
3. Total passengers transported and meals delivered increased slightly by five percent. Passenger transportation decreased three percent, while meals delivered increased by 11 percent. The most growth occurred in urban meal delivery, which grew by 20 percent.
4. Vehicle service hours decreased during the audit period. Systemwide hours decreased by six percent. The greatest reductions in service hours on a percentage basis involved rural meal delivery, which decreased by 27 percent, followed by rural passenger transportation, which decreased by 25 percent and urban meal delivery, which exhibited a 21 percent decline.
5. Vehicle service miles also decreased over the past three years, having declined nearly five percent. The largest reductions in service miles on a percentage basis was with rural passenger transportation, which decreased by 12 percent, followed by rural meal delivery, which decreased by four percent. Miles traveled for urban meal delivery increased 16 percent.
6. As a result of increased operating costs coupled with slower growth in total ridership and meals delivered, plus an overall decline in service hours and miles, performance indicators are mixed. For example, total cost per passenger increased by 20 percent and total cost per hour increased by 34 percent. However, total passengers/meals served per hour increased by 11 percent. In addition, for passenger transportation (urban and rural), operating cost per passenger increased by 32 percent and operating cost per hour increased by 34 percent. However, passengers per hour and per mile increased slightly by one and two percent, respectively.

7. The number of full time employee equivalents held relatively stable during the audit period. FCEOC staff indicated that some consolidation of meal routes resulted in the reduced the count of full time employees and achieved efficiencies, as shown in the increase in the indicator of vehicle hours per employee.

Conclusion from Verification of TDA Performance Indicators

FCEOC should continue to closely monitor its performance indicators, as some indicators are showing trends that might cause concern in the provision of overall service. Examples include the growth in cost per passenger and cost per hour for passenger transportation. Operating cost per vehicle service hour exhibited the highest increase during the audit period, particularly for urban meal delivery and urban passenger transportation.

It is understood that FCEOC transit system differs from public transit operators in that social service agency programs can fluctuate from year to year, and that FCEOC provides its clients with transportation under annual service contracts with participating social service agencies. The number of client trips and the negotiated hours and miles for each client are individually tailored to meet the needs of each client. However, from an overall performance standpoint, the service should be monitored closely for potential continued declines in performance trends and the data be used for future improvements to the service, including future negotiations of hours and miles of service relative to client trips.

FCEOC has agreements with its fuel vendor for a volume discount through a cardlock system. In addition, its major service contracts include a fuel surcharge to compensate FCEOC for unforeseen price increases. Fuel cost increases were offset by a vehicle insurance premium decrease and by a consolidation of route hours, which in turn helped to offset some salary cost of living increases. In spite of these measures, FCEOC should examine ways that would result in greater efficiencies, particularly with its urban transportation services.

While FCEOC is not required to meet a specific fare recovery ratio, as it does not collect fares from its riders, the agency is required to meet the annual ratio of 45 percent TDA revenues to 55 percent local support revenues to continue receiving TDA funds. Local support revenues include grant funds, service contract revenues and donations. FCEOC has been able to meet this ratio requirement in each year of the triennial audit.

Section V

Review of Operator Functions

This section provides an in-depth review of various functions within FCEOC Transit Systems. The review highlights accomplishments, issues and/or challenges that were determined during the audit period. The following departments and functions were reviewed at the FCEOC:

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

Operations

FCEOC was established in 1965 following the passage of the Economic Opportunities Act (EOA) of 1964. It is known as one of the largest community action agencies in the United States. FCEOC is a non-profit [501(c) 3] private corporation governed by a 24 member tripartite Board of Commissioners under the auspices of the EOA of 1964. Eight members are publicly-elected officials or their designee; eight members are from the business sector, public agencies, and community groups; the remaining eight members are elected low-income target area representatives from throughout Fresno County.

The Mission Statement of FCEOC is *"to humanely focus all available resources to empower low-income families and individuals working toward the skills, knowledge, and motivation for self-sufficiency."* Similarly, the FCEOC's Vision Statement is congruent with its Mission Statement by *"Helping People, Changing Lives"*. FCEOC implements its mission and vision by offering the residents of Fresno County a myriad of community, educational, health, meal, training and transit services. FCEOE Transit Systems meets those needs by providing door-to-door and curbside services within the urban and rural areas of Fresno County.

For its achievements, FCEOC was recognized at the 2007 CalACT Conference for the most "Outstanding Paratransit Program". The agency also placed fourth in the CalACT Roadeo competition.

As the Rural Consolidated Transportation Service Agency (CTSA), FCEOC's Transit Systems provides transportation services for six social service agencies and operates ten different social service programs. CTSA operations are coordinated with the public transit services of the Fresno County Rural Transit Agency (FCRTA) to optimize the effectiveness of the services provided. FCEOC's designation as a CTSA in February 1982 was due in part to its established role as a private non-profit, multi-purpose human agency involved in the provision of transportation services.

FCEOC continues to meet the demands of its mission through the augmentation of staff and expansion of its facilities. The prior triennial performance audit revealed a deficiency in the number of drivers and trainers on staff. Through heavy advertising for open driver positions in the Fresno Bee newspaper and outreach at job fairs, FCEOC has accumulated a file of employment applications. Staff indicated there were 42 driver applications on file.

The management of FCEOC also wanted to ensure that there were a sufficient number of trainers available. During the triennial audit period, three supervisors with behind-the-wheel and classroom training were hired. In addition, one trainer with commercial and school bus driving experience was also hired. FCEOC sees the importance of trainers as a means to attract and maintain quality drivers.

FCEOC has been collaborating with local community groups, such as the Fresno Center for New Americans, as a means to recruit new drivers. The Fresno Center for New Americans offers health and job training services primarily to the Southeast Asian and Eastern European immigrant communities. Twelve individuals have been identified as having an interest in pursuing careers in transportation. FCEOC would provide free training to qualified applicants.

FCEOC continues to work closely with the Central Valley Regional Center (CVRC) for the Developmentally Disabled. CVRC is a private non-profit agency under contract to the State Department of Developmental Services to provide service to children and adults with developmental disabilities including mental retardation, cerebral palsy, autism, and epilepsy. Routes are subject to the approval and needs of CVRC. Given the special needs of CVRC consumers, the contract requires that FCEOC be able to supply transportation aides. The Commission transports from between 560 to 600 developmentally disabled persons. The contract contains a fuel supplemental surcharge as a hedge against rising fuel costs. The provision allows for a one cent per mile surcharge for every nickel increase in gas exceeding \$2.499 per gallon.

In addition to the CVRC contract, FCEOC operates two bus routes within Fresno County to and from Sunnyside High School located in southeast Fresno and one

bus route within Fresno County to and from the Teilman Center. Both services are operated under contract for the Fresno County Board of Education/Fresno County Superintendent of Schools.

FCEOC also provides transportation services for the Fresno County Department of Employment and Temporary Assistance's CalWORKS program through a direct contract. CalWORKS participants and their dependents are transported to places of employment, training or childcare. Transportation services are also provided in support of the Central California Nikkei Foundation's nutrition program and supportive services for the elderly, encompassing grocery shopping and medical appointments.

As the rural CTSA under contract to the FCRTA, FCEOC provides public transit services. These public transit services include the following FCRTA subsystems:

Auberry Transit	Mendota Transit
Biola Transit	Orange Cove Transit
Del Rey Transit	Parlier Transit
Firebaugh Transit	San Joaquin Transit
Fowler Transit	Selma Transit (Saturdays only)
Huron Transit	Southeast Transit
Juvenile Justice Campus Transit	South Sierra Transit
Kingsburg Transit	Westside Transit Service

There has been an expansion of service in Firebaugh, Fowler and Huron requiring additional buses and drivers. San Joaquin Transit has also experienced expanded hours. FCRTA has contracted with FCEOC to operate its demonstration services to the rural community of Biola and to the Juvenile Justice Campus in Calwa. Both services have been characterized as having low ridership and are scheduled to be phased out in 2007.

FCEOC is collaborating with FCRTA on its taxi script service as programmed in the Measure "C" local sales tax extension. In-lieu of using taxis, FCEOC underscored the benefits of FCRTA contracting with FCEOC. Those benefits would include better regulation, lower costs, and in-house driver training.

In addition to providing transport services to social service and rural transit agencies, FCEOC markets training services including CPR, first aid and driver instruction. Other services include vehicle maintenance and in-house dispatching. FCEOC retains many contracts that are for both passenger transportation and vehicle maintenance. Several are for vehicle maintenance only, including with the Local Conservation Corps, Nikkei, and Sanctuary.

Fares collected from contracted public transit services with FCRTA are sealed in a bank deposit bag. Two independent counters each count the fare revenues. A senior accountant prepares the bank deposit, which is dropped off in a night deposit box. FCRTA receives the farebox/senior pass revenues accompanied by a three pronged invoice. The deposit is tracked by FCEOC's downtown Fresno office.

FCEOC enhanced its operations through the implementation of Versitrans scheduling software, which was procured in late 2006 for between \$15,000 and \$20,000. This new software program was developed primarily for school bus operations, but has fixed route flexibility. A new supervisor is assisting with the software's application and configuration. Prior to the implementation of the new software, FCEOC previously utilized Microsoft Streets and Maps. Versitrans will also be configured for dispatching functions and will have GPS capability, which would provide maps, and assist drivers with directions.

Route assignments are bid according to seniority and other times based upon performance. For rural services, drivers are encouraged to reside in the area where their route is located. The route sheet is color-coded and the manifest is generated by Versitrans. On-board performance monitoring is performed annually on each route.

Daily vehicle inspections are conducted by drivers consistent with the CHP's requirement and are recorded on a "Daily Vehicle Inspection Form." Complaints and compliments are recorded and maintained in an "Onions and Orchids" log, which documents the date, vehicle, client involved, EOC driver, brief description of the incident, and status/follow up. A complaint/commendation form and investigative report are used to document the specific information. There have been relatively few complaints compared to the total trips provided.

An accident board is maintained and updated daily. To date, FCEOC has gone 84 days and 630,000 miles without a not-at-fault accident. The best record without an at-fault accident is 120 days and 900,000 miles. Training after an at-fault accident consists of a minimum of two to four hours of specific driving skills and defensive driving.

Planning

FCEOC is held accountable for careful planning through the development of several documents. Short term planning for FCEOC service is conducted through the annual OPB which, as a designated CTSA, the agency is required to submit an upcoming plan of transit service and an operations budget that is

compatible with the plan. The OPB goes through a process of public review and through public meetings of Fresno COG's Social Services Technical Advisory Committee (SSTAC), Transportation Technical Committee (TTC), Policy Advisory Committee (PAC) and Governing Board.

A strategic planning session was conducted in April 2006 which involved the development of various action plans. Those plans included:

- ARC Transportation Study
- FCRTA Maintenance Study
- Taxi Cab Service Study
- Training School Study
- Transportation/Dispatcher Service
- LCC Vehicle Maintenance
- Field Trip Expansion

Each year, the Director of Food Service and Transit Systems develops goals and makes assignments for each supervisor to implement the plans that are developed for the transit service. Year-end summaries of the transit system and food service goals are listed in bullet point form and the achievements described.

The Fresno COG is currently developing the County's Coordinated Public Transit/Human Services Transportation Plan, a federal requirement of SAFETEA-LU legislation. As the intended purpose of the plan is for the COG to develop a countywide coordinated social service plan that will become a blueprint for spending multiple federal transit grants for coming years, it is important for FCEOC to provide input through its representation on the Fresno COG SSTAC and Coordinated Public Transit-Human Services Transportation Advisory Council.

Maintenance

FCEOC opened a new 5,000 square foot maintenance facility in June 2006. The facility consists of four long bays that could accommodate up to eight vehicles. There are also two vehicle lifts with 18,000 pound capacity. Two additional lifts including one portable lift are being procured through an FTA Section 5310 grant.

Maintenance staff is comprised of three mechanics and one supervisor. Preventive maintenance inspection is based upon the number of days and

mileage that a vehicle is in service in accordance with an A-B-C schedule. For the majority of Class B transit vehicles, the schedule is based on 5,000 miles or 90 days. For school buses and General Public Paratransit Vehicles (GPPV), the schedule is 3,000 miles or 45 days. Transmission service is scheduled every 20,000 miles. The Maintenance Department charges a \$45.00 hourly rate plus parts for contract maintenance work.

All preventative maintenance work, which includes tune-ups and oil changes, is performed in-house by the maintenance staff. Major engine and brake repair work is contracted from a minimum of three bids. An outside vendor comes to FCEOC to maintain the wheelchair lifts, as they require a high level of maintenance. In addition, the vehicles themselves with wheelchair lifts require more frequent battery changes. Another common maintenance issue involves electrical systems. As a result of compliance with safety standards and driver record retention, the FCEOE enjoys a good reputation with the California Highway Patrol (CHP) for the mandated annual terminal inspection.

FCEOC partners with the County in an agreement for juvenile offenders to wash all buses every weekend for free. Between six and eight juveniles wash the vehicles at the on-site bus wash adjacent to the maintenance facility. This program provides expense and time savings for FCEOC.

FCEOC utilizes maintenance software called "Fleet Controller" to manage the inventory and scheduled work. A sample query print out from the software shows the history of work conducted for each vehicle, including dates, parts and labor costs, time required and name of mechanic. The software also provides an alert of when the next scheduled maintenance for each vehicle is required. Staff indicated that the software continues to meet the agency's needs. Fleet Controller also generates the pre-trip inspection sheets.

Vehicle fueling procedures are based on a card lock system. Each driver is assigned a card and each vehicle has a fueling card. FCEOC utilizes the CFN Network for its fueling needs, where it receives a six cent per gallon discount and a fueling summary printout every two weeks. FCEOC also receives a state diesel exemption under its CTSA designation amounting to 18 cents per gallon in savings.

The maintenance department maintains a limited parts inventory, which averages between \$3,000 to \$5,000 in value. Previously, the parts inventory averaged \$10,000 in valuation. Half the parts room is caged to house the more valuable inventory, although many spare parts are becoming outdated. The Maintenance Supervisor orders parts from Napa Auto Parts and receives same day delivery, thus reducing the need for on-site inventory. The parts orders are signed off and are reflected on the work order. A parts inventory module in the

maintenance software keeps track of parts movement through a coded labeling system.

More specialized parts that are used frequently are stored on color coded shelves outside the parts room for easy access. The colored shelves include blue for wheelchair parts, red for red lenses, and yellow for mirrors.

When a vehicle is out of service due to a break down or accident, the driver immediately radios the dispatcher and the lead mechanic is apprised of the situation. Depending upon the type of occurrence, the lead mechanic will either send out a mechanic to do an on-the-spot repair, call a tow truck to pick up the vehicle or send a driver out with a back-up vehicle.

One measure of vehicle maintenance is the number of vehicle breakdowns during revenue service. Table V-1 shows the number of roadcalls during the last three years, according to the FCEOC's vehicle repair history report.

**Table V-1
Vehicle Breakdowns**

Fiscal Year	Breakdowns
2004	62
2005	63
2006	62

As shown, the number of vehicle breakdowns has remained steady, which can be attributed to the fact that FCEOC is replacing ambulatory vehicles with ADA accessible vehicles, and that the fleet is growing in size from year to year.

Marketing

FCEOC utilizes several methods for marketing its transit services. The agency maintains an informative website found on the web at <http://www.fresnoeoc.org/>. A brief description of the transit system is provided under the listing of programs offered by the agency. A prototype brochure on the transit system is also available. The brochure provides a colorful and attractive layout describing the benefits of the system. The brochure is used at trade fairs, by human resources to recruit new employees and as a medium for explaining the system to potential clients and the general public.

Additional marketing is provided by the clients that FCEOC serves. Each participating social service agency is responsible for advertising the transit service to its own clients. FCEOC has assisted the Fresno Madera Agency on

Aging (FMAAA) in marketing transportation services. In addition, FCEOC works with Fresno County case workers to increase ridership on the CalWORKS systems to assure efficiency and productivity. FCEOC participates in community service events to market its services and utilizes its agency network to expand its roster of contacts that may have use for transportation services.

Annual surveys are conducted to better understand the service being offered. Surveys are either mailed back or are given to drivers. The survey is comprised of seven multiple choice questions. Passengers are queried on how frequently they use the service, driver courtesy, vehicle comfort, and on-time performance.

General Administration and Management

The Director of Food Services and Transit Systems provides overall day-to-day management of the transit system. The transit system is guided by goals and objectives contained in various documents, including the Operations Manual and the OPB as required by its designation as the co-designated CTSA in both urban and rural areas of Fresno County.

FCEOC directly employs over 150 transit staff, which includes drivers, dispatchers, a safety director, driver trainers, certified mechanics, and supervisory/management staff. The management structure is comprised of a Program Director, Operations Coordinator/Senior Accountant, three supervisors and a supervisor trainee. Management meetings are held monthly. Six mandatory in-service meetings are held annually. Safety meetings are held the Wednesday before each in-service meeting. Supervisor candidates undergo an 18-month management training program. The current Supervisor trainee has an extensive computer and information technology background.

Driver training is extensive and concurrent throughout the year. There are three state certified trainers and one delegated behind-the-wheel instructor. A transit systems monthly training calendar is maintained and distributed to the staff. Training topics include CPR, safety, and school bus training. As a result of increased training, workers compensation claims have been reduced 200 percent. Only six claims were filed in 2006, which were down from 15 reported the previous year.

Driver recruitment and retention are priorities for FCEOC. There have been three job fairs in the past 12 months. Four drivers have left for other local transit agencies, such as FAX. FCEOC has found that vocational schools do not offer a good pool of driver candidates. Potential hires must undergo a pre-employment drug test and fingerprinting. Candidates must also have a

stable work history, and have worked with the developmentally-disabled and seniors.

FCEOC offers its full-time employees with a comprehensive benefits package. Group health, dental and vision coverage are offered through Blue Cross. FCEOC contributes \$800 monthly to the Blue Cross Family Plan. Retirement benefits consist of pension plan whereby, the Commission contributes five percent of the employee's salary. In addition, employees may also contribute a portion of their salary into a voluntary, self-directed tax annuity program.

Employees accrue three weeks of vacation annually during the first two years of employment and four weeks from the third year thereafter. Paid sick leave is accrued one day per month, which averages 12 days annually. In addition, employees receive 13 paid holidays annually. For those employees assigned to serve clients with a different holiday schedule, the driver would be entitled to receive double-time hourly compensation.

As a means to keep up transit employee morale, FCEOC has an "outstanding achievement" program, in which drivers nominate other drivers for special recognition. FCEOC provides recognition every two weeks to drivers who have demonstrated good service. The EOC also sponsors a breakfast and ice cream social, as well as a luncheon for its employees every few years.

FCEOC maintains an Operations Manual that includes both an Operations Section and an Administrative Section. The Operations Section codifies the processes and procedures while on-board the vehicle, and for vehicle inspection and cleaning, maintenance, safety and training. The Administrative Section describes personnel policies and accounting procedures.

FCEOC participates in the United Non-Profits Insurance Corporation insurance pool for non-profit transit agencies. This company maintains five different policy levels for liability, including comprehensive and collision coverage on newer vehicles. The insurance pool has provided a significant cost savings to FCEOC. Older vehicles are self-insured for comprehensive and collision coverage.

Grants Administration and Management

As the CTSA for Fresno County, FCEOC is eligible to receive TDA Article 4.5 funds, which are budgeted to assist with operational costs. Currently, TDA Article 4.5 funding comprises only 20 to 25 percent of FCEOC operational costs. Contract revenue from its various social service contracts comprises the remaining 70 to 75 percent of its operational revenue.

The Commission has also applied and received FTA Section 5310 formula funds to enhance its capital revenues. FCEOC submitted an FTA Section 5310 application during the FY 2005-06 funding cycle in the amount of \$528,000 towards the acquisition of eight wheelchair accessible vehicles. The federal share was 88.53 percent with a local match of 11.47 percent. The eight vehicles are being used to transport CVRC clients.

FCEOC has explored and will continue to research the listing of additional capital and operating funding sources available to public and private agencies. Federal SAFETEA-LU grants such as FTA Section 5310 (Elderly Individuals and Individuals with Disabilities Program), 5316 (Jobs Access and Reverse Commute Program) and 5317 (New Freedom Program) require the establishment of the locally developed, Coordinated Public Transit-Human Services Transportation Plan. Fresno COG is currently developing this plan with input from the community and social service providers.

Section VI

Findings and Recommendations

The following material summarizes the major findings obtained from this Triennial Audit covering FYs 2004 through 2006. A set of recommendations is then provided.

Triennial Audit Findings

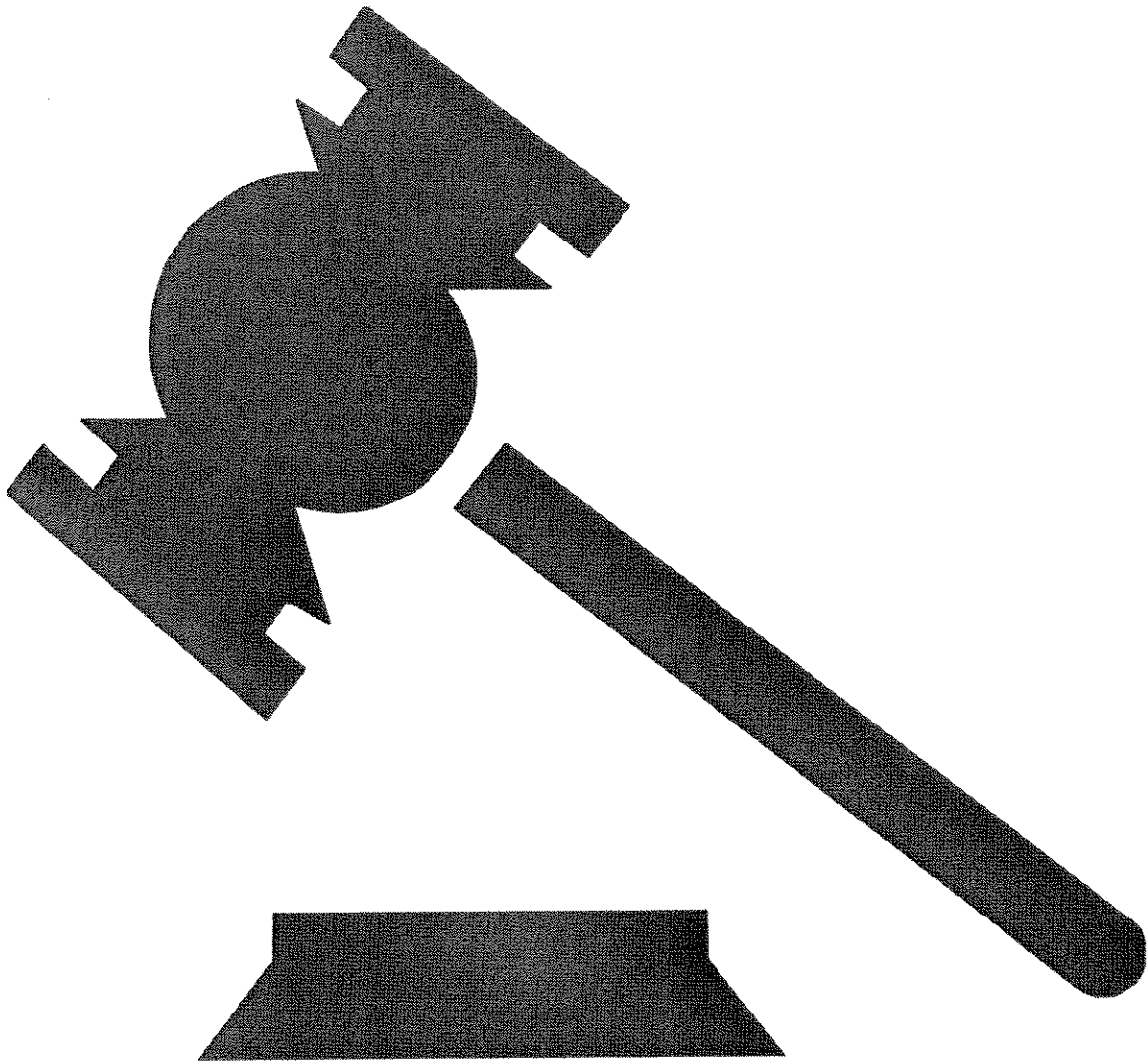
1. All applicable TDA compliance requirements were met.
2. Operating costs systemwide increased by 26 percent from the base year of 2000 through 2003. Part of the increase was due to increased worker's compensation cost, group medical insurance, State Unemployment Insurance and normal cost of living increases as well as a shift in CVRC allocations. Increases in fuel costs were also a factor during the period.
3. FCEOC has implemented all three prior audit recommendations.
4. Operating cost per vehicle service hour increased systemwide by nearly 34 percent. The highest increase for this indicator was for urban meal delivery, which exhibited a nearly 63 percent increase followed by urban passenger transportation, which increased 36 percent.
5. FCEOC has agreements with its fuel vendor for a volume discount through a cardlock system. In addition, its major service contracts include a fuel surcharge to compensate FCEOC for unforeseen price increases. Fuel costs increases were offset by a vehicle insurance premium decrease and by a consolidation of route hours, which helped to offset some salary cost of living increases.
6. While FCEOC is not required to meet a specific fare recovery ratio, the agency is required to meet the annual ratio of 45 percent TDA revenues to 55 percent local support revenues to continue receiving TDA funds. FCEOC has been able to meet and exceed this ratio requirement in each year of the triennial audit. The calculated local support match for the rural area was 78 percent for FY 2004, 83 percent in FY 2005 and 80 percent for FY 2006. For the urban area, the local support match was 79 percent for FY 2004, 82 percent in FY 2005 and 80 percent in FY 2006.

7. FCEOC enhanced its operations through the implementation of scheduling software, which was procured in late 2006. This new software is being configured to meet the agency's needs, including for dispatching functions, and will have GPS capability, provide maps, and assist drivers with directions.
8. FCEOC opened a new 5,000 square foot maintenance facility in June 2006. The facility consists of four long bays that could accommodate up to eight vehicles. Additional vehicle lifts are being procured through an FTA Section 5310 grant.
9. During the triennial audit period, three supervisors with behind-the-wheel and classroom training were hired. In addition, one trainer with commercial and school bus driving experience had also been hired. FCEOC sees the importance of trainers as a means to attract and maintain drivers.
10. FCEOC has been collaborating with local community groups, such as, the Fresno Center for New Americans, as a means to recruit new drivers. Individuals have been identified as having an interest in pursuing careers in transportation. FCEOC would provide free training to qualified applicants.
11. FCEOC submitted an FTA Section 5310 application during the FY 2005-06 funding cycle in the amount of \$528,000 towards the acquisition of eight wheelchair accessible vehicles. The eight vehicles are being used to transport clients of the CVRC. FCEOC has explored and will continue to research the listing of additional capital funding sources available to public and private agencies.

Triennial Audit Recommendations

1. Continue to Work Closely with Fresno COG and Partner Agencies on the Coordinated Public Transit-Human Services Transportation Plan.

The Fresno COG is currently developing the County's Coordinated Public Transit/Human Services Transportation Plan, a federal requirement of SAFETEA-LU legislation. As the intended purpose of the plan is for the COG to develop a coordinated countywide social service plan that will become a blueprint for spending multiple federal transit grants for coming years, it is important for FCEOC to provide input through its representation on the Fresno COG Social Services Transportation Advisory Committee (SSTAC) and Coordinated Public Transit-Human Services Transportation Advisory Council.



***ADMINISTRATIVE
ACTION/DISCUSSION ITEMS
AGENDA ITEMS VI. C.***

BEFORE THE
COUNCIL OF FRESNO COUNTY GOVERNMENTS
RESOLUTION NO. 2007-27

In the Matter of:)
REGIONAL BLUEPRINT)
PLANNING PROCESS)

_____)

RESOLUTION OF SUPPORT FOR
STUDYING MULTIPLE SCENARIOS
AS PART OF THE **CALIFORNIA REGIONAL
BLUEPRINT PLANNING PROGRAM**

WHEREAS, the Council of Fresno County Governments (Fresno COG) is the designated Regional Transportation Planning Agency (RTPA), the designated Metropolitan Planning Organization (MPO), and the designated Council of Governments (COG) for the Fresno County Region; and

WHEREAS, Fresno COG is authorized to manage Fresno County's share of the regional blueprint planning grant and to collaborate with the stakeholders at the local, Valley and State levels; and

WHEREAS, the California Regional Blueprint Planning Program is a voluntary, competitive grant program to conduct comprehensive scenario planning that results in consensus by regional leaders, local governments and stakeholders on a preferred growth scenario that achieves the objectives for planning horizon to the year 2050; and

WHEREAS, the California Regional Blueprint Planning Program is designed to support related statutory requirements, programs, and guidelines that address the need for integrated planning, including the Regional Transportation Plan Guidelines, the State's planning priorities, "alternative planning scenarios", and the Congestion Management Program; and

WHEREAS, scenario planning enables public officials and other participants to evaluate future land use patterns and their potential impacts on the region's transportation system, housing supply, jobs-housing proximity and balance, environment, and natural resources; and

WHEREAS, two San Joaquin Valley Partnership grants have been awarded within Fresno County, one to Fresno COG to study Ag Land Preservation and one to the City of Fresno to study the feasibility of the "Metro Rural Loop" concept; and

WHEREAS, both of these studies will be considered, along with other input, during the development of alternative growth scenarios for the Blueprint planning process.

NOW, THEREFORE, BE IT RESOLVED, Fresno COG supports the analysis of several alternative growth scenarios as part of the California Regional Blueprint Planning Program. Ultimately, the Preferred Growth Scenario will facilitate the vision of improved quality of life within Fresno County and the San Joaquin Valley by addressing future growth through the integration of transportation, housing, land use, environmental resources, other infrastructure and services.

THE FOREGOING RESOLUTION was passed and adopted by the Council of Fresno County Governments this 19th day of July, 2007.

AYES:

NOES:

ABSTAIN:

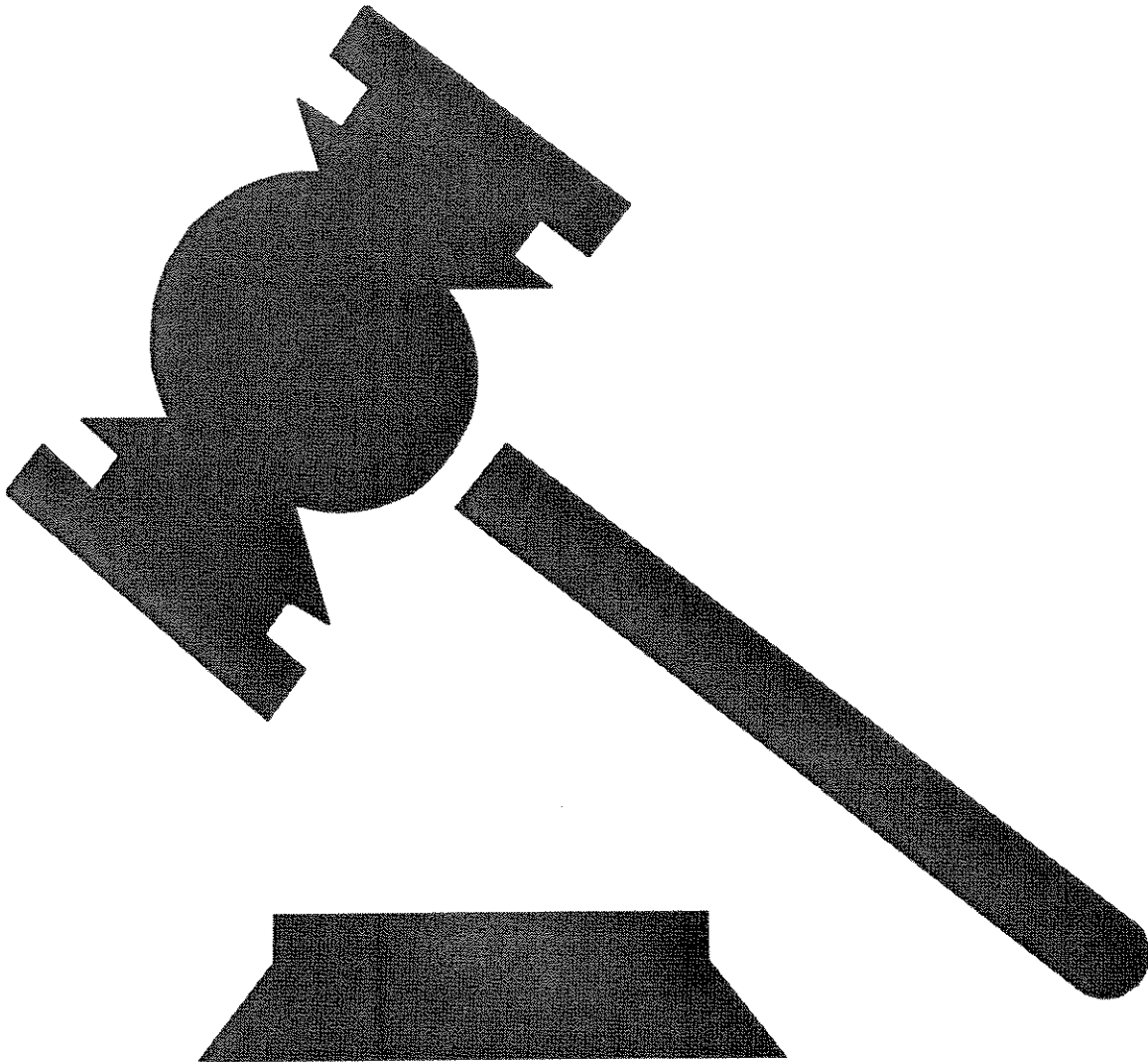
ABSENT:

ATTEST:

Signed: _____
Trinidad M. Rodriguez, Chairman

I hereby certify that the foregoing is a true copy of a resolution of the Council of Fresno County Governments duly adopted at a regular meeting thereof held on the 19th day of July, 2007.

Signed: _____
Barbara Goodwin, Executive Director



***ADMINISTRATIVE
ACTION/DISCUSSION ITEMS
AGENDA ITEMS VI. D.***

OFFICIAL TITLE AND SUMMARY ★ ★ ★

Prepared by the Attorney General

WATER QUALITY, SAFETY AND SUPPLY.**FLOOD CONTROL. NATURAL RESOURCE PROTECTION.****PARK IMPROVEMENTS. BONDS. INITIATIVE STATUTE.**

- Funds projects relating to safe drinking water, water quality and supply, flood control, waterway and natural resource protection, water pollution and contamination control, state and local park improvements, public access to natural resources, and water conservation efforts.
- Provides funding for emergency drinking water, and exempts such expenditures from public contract and procurement requirements to ensure immediate action for public safety.
- Authorizes \$5,388,000,000 in general obligation bonds to fund projects and expenditures, to be repaid from the state's General Fund.

Summary of Legislative Analyst's Estimate of Net State and Local Government Fiscal Impact:

- State cost of about \$10.5 billion over 30 years to pay off both the principal (\$5.4 billion) and interest (\$5.1 billion) costs on the bonds. Payments of about \$350 million per year.
- Reduction in local property tax revenues of several million dollars annually.
- Unknown costs, potentially tens of millions of dollars per year, to state and local governments to operate or maintain properties or projects acquired or developed with these bond funds.

★ ★ ★ ANALYSIS BY THE LEGISLATIVE ANALYST

BACKGROUND

State Spending on Resources Programs. The state operates a variety of programs to conserve natural resources, protect the environment, provide flood control, and offer recreational opportunities for the public. The state also operates a program to plan for future water supplies, flood control, and other water-related requirements of a growing population. In addition to direct state expenditures, the state also provides grants and loans to local governments and nonprofit organizations for similar purposes. These programs support a variety of specific purposes, including:

- **Natural Resource Conservation.** The state has provided funds to purchase, protect, and improve natural areas—including wilderness and open-space areas; wildlife habitat; coastal wetlands; forests; and rivers, lakes, streams, and their watersheds.
- **Safe Drinking Water.** The state has made loans and grants to public water systems for facility improvements to meet state and federal safe drinking water standards.
- **Flood Control.** The state has funded the construction and repair of flood control projects in the state Central Valley flood control system. The state has also provided financial assistance to local agencies for local flood control projects in the Sacramento-San Joaquin River Delta and in other areas outside the Central Valley.
- **Other Water Quality and Water Supply Projects.** The state has made available funds for various other projects throughout the state that improve water quality and/or the reliability of water supplies. For example, the state has provided loans and grants to local agencies for the construction and implementation of wastewater treatment, water conservation, and water pollution reduction projects.

- **State and Local Parks.** The state operates the state park system and has provided funds to local governments for the acquisition, maintenance, and operation of local and regional parks.

Funding for Resources Programs. Funding for these various programs has traditionally come from General Fund revenues, federal funds, and general obligation bonds. Since 1996, voters have authorized approximately \$11 billion in general obligation bonds for various resources purposes. Of this amount, approximately \$1.4 billion is projected to remain available for new projects as of June 30, 2006, primarily for water-related purposes. Legislation enacted earlier this year provides \$500 million from the General Fund for emergency levee repairs and other flood control-related expenditures.

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PROPOSAL

This initiative allows the state to sell \$5.4 billion in general obligation bonds for safe drinking water, water quality, and water supply; flood control; natural resource protection; and park improvements. (See “An Overview of State Bond Debt” on page 96 for basic information on state general obligation bonds.) Figure 1 (see next page) summarizes the purposes for which the bond money would be available for expenditure by various state agencies and for loans and grants, primarily to local agencies and nonprofit organizations. In order to spend most of these bond funds, the measure requires the Legislature to appropriate them in the annual budget act or other legislation.

FISCAL EFFECTS

Bond Costs. The cost of these bonds would depend on interest rates in effect at the time they

PROP WATER QUALITY, SAFETY AND SUPPLY.
84 FLOOD CONTROL. NATURAL RESOURCE PROTECTION.
 PARK IMPROVEMENTS. BONDS. INITIATIVE STATUTE.

ANALYSIS BY THE LEGISLATIVE ANALYST (CONTINUED)

FIGURE 1

Proposition 84: Uses of Bond Funds

	Amount (In Millions)
Water Quality	\$1,525
• Integrated regional water management.	1,000
• Safe drinking water.	380
• Delta and agriculture water quality.	145
Protection of Rivers, Lakes, and Streams	\$928
• Regional conservancies.	279
• Other projects—public access, river parkways, urban stream restoration, California Conservation Corps.	189
• Delta and coastal fisheries restoration.	180
• Restoration of the San Joaquin River.	100
• Restoration projects related to the Colorado River.	90
• Stormwater pollution prevention.	90
Flood Control	\$800
• State flood control projects—evaluation, system improvements, flood corridor program.	315
• Flood control projects in the Delta.	275
• Local flood control subventions (outside the Central Valley flood control system).	180
• Floodplain mapping and assistance for local land use planning.	30
Sustainable Communities and Climate Change Reduction	\$580
• Local and regional parks.	400
• Urban water and energy conservation projects.	90
• Incentives for conservation in local planning.	90
Protection of Beaches, Bays, and Coastal Waters	\$540
• Protection of various coastal areas and watersheds.	360
• Clean Beaches Program.	90
• California Ocean Protection Trust Fund—marine resources, sustainable fisheries, and marine wildlife conservation.	90
Parks and Natural Education Facilities	\$500
• State park system—acquisition, development, and restoration.	400
• Nature education and research facilities.	100
Forest and Wildlife Conservation	\$450
• Wildlife habitat protection.	225
• Forest conservation.	180
• Protection of ranches, farms, and oak woodlands.	45
Statewide Water Planning	\$65
• Planning for future water needs, water conveyance systems, and flood control projects.	65
Total	\$5,388

WATER QUALITY, SAFETY AND SUPPLY. PROP
FLOOD CONTROL. NATURAL RESOURCE PROTECTION. 84
PARK IMPROVEMENTS. BONDS. INITIATIVE STATUTE.

★ ★ ★ ANALYSIS BY THE LEGISLATIVE ANALYST (CONTINUED)

are sold and the time period over which they are repaid. The state would likely make principal and interest payments from the state's General Fund over a period of about 30 years. If the bonds were sold at an average interest rate of 5 percent, the cost would be about \$10.5 billion to pay off both the principal (\$5.4 billion) and interest (\$5.1 billion). The average payment would be about \$350 million per year.

Property Tax-Related Impacts. The initiative provides funds for land acquisition by governments and nonprofit organizations for various purposes. Under state law, property owned by government entities and by nonprofit organizations (under specified conditions) is exempt from property

taxation. To the extent that this initiative results in property being exempted from taxation due to acquisitions by governments and nonprofit organizations, local governments would receive reduced property tax revenues. We estimate these reduced property tax revenues would be several million dollars annually.

Operational Costs. State and local governments may incur additional costs to operate or maintain the properties or projects, such as new park facilities, that are purchased or developed with these bond funds. The amount of these potential additional costs is unknown, but could be tens of millions of dollars per year.

July 2007 Legislative Position List for Fresno COG

BILL	AUTHOR	SUMMARY	Level of Support Recommended by Staff
BILLS OF INTEREST			
AB 1742	Committee on Environmental Safety and Toxic Materials	Existing law continuously appropriates state and federal funds in the State Water Pollution Control Revolving Fund to the State Water Resources Control Board for loans and other financial assistance for the construction of publicly owned treatment works by a municipality, the implementation of a management program, the development and implementation of a conservation and management plan, and other related purposes in accordance with the federal Clean Water Act and the Porter-Cologne Water Quality Control Act. This bill would authorize the board to assess a specified annual charge with regard to a loan made under the revolving fund program. The bill would require the proceeds generated from the imposition of the annual fee, along with other moneys, to be deposited in the State Water Pollution Control Revolving Fund Administration Fund, which the bill would create in the State Treasury. The bill would authorize the board to expend the money in the fund, upon appropriation by the Legislature to the board, for costs incurred by the board in connection with the administration of the revolving fund program . *League of Cities Position-Watch CSAC Position-Pending	Staff recommends a position of support on AB 1742

For additional information on this piece of legislation please go to www.leginfo.ca.gov/bilinfo.html

AB 1742

AB 1742

Page 1

ASSEMBLY THIRD READING
 AB 1742 (Environmental Safety Committee)
 As Amended June 1, 2007
 Majority vote

<u>ENVIRONMENTAL SAFETY</u>	7-0
<u>APPROPRIATIONS</u>	17-0

Ayes: Huffman, Smyth, Eng, Evans, Feuer, Jeffries, Nava	Ayes: Leno, Walters, Caballero, Davis, DeSaulnier, Emmerson, Huffman, Karnette, Krekorian, La Malfa, Lieu, Ma, Nakanishi, Nava, Sharon Runner, Solorio, Feuer
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SUMMARY : Makes changes to the Water Code to allow the State Water Resources Control Board (SWRCB) to use a portion of the Clean Water State Revolving Fund (CWSRF) loan interest payments to pay for the costs of administering the CWSRF program and grants flexibility to adjust loans costs to assist disadvantaged communities. Specifically, this bill :

- 1) Establishes the State Water Pollution Control Revolving Fund Administration Fund in the State Treasury.
- 2) Makes administration costs eligible to be funded through the CWSRF.
- 3) Allows SWRCB to set interest and administrative service costs at a rate up to 50 percent of the interest rate paid by the state on the most recent sale of state general obligation bonds.

EXISTING LAW appropriates state and federal funds in the CWSRF for loans and financial assistance for publicly owned wastewater treatment works (POTWs).

FISCAL EFFECT : According to the Assembly Appropriations

□

AB 1742

Page 2

Committee, significant reallocation, up to about \$6 million annually from CWSRF program loan repayments, from funds available for new loans to funds earmarked for SWRCB's ongoing related administrative costs. This bill creates the State Water Pollution Control Revolving Fund Administration Fund into which a portion of loan repayments would be deposited. (State Water Pollution Control (SWPC) Revolving Fund.)

COMMENTS : This bill provides for a predictable, continuous source of funding to pay for the administrative costs associated with this important revolving loan program, and thereby will help the state achieve its clean water goals.

Clean Water State Revolving Fund: The Federal Clean Water Act (CWA) provides states the opportunity to establish a CWSRF loan program to help each state achieve the goal of clean water. CWSRF is capitalized with federal and state funds. CWSRF provides low-interest loans of between \$200 to \$300 million annually for construction of POTWs, local sewers, sewer interceptors, and water reclamation facilities. It also provides loans to address non-point sources of pollution and develop and implement estuary conservation and management plans.

Administrative Funds: SWRCB is evaluating the availability of funds to administer the CWSRF. They have relied upon a four percent administrative allowance from the United States Environmental Protection Agency (US/EPA) however the availability of these funds is diminishing. In 2006, US/EPA awarded a \$46,383,876 Capitalization Grant to SWRCB. This amount is almost half of the approximately \$95 million annual grant awarded for prior years. Furthermore, US/EPA indicates that, due to budget reductions, the grants will continue to decrease in the future, and possibly be eliminated by 2011. This proposal addresses the decrease, and possibility of elimination, of the source of administration funds that the SWRCB relies upon to implement CWSRF. The administrative costs for this program are already very low - approximately \$5 million per year to manage a \$2 billion portfolio of outstanding loans. Total administrative costs over the life of the program have been approximately \$66 million or less than 2% of the total loan portfolio since inception of the program. The program processes have been streamlined over the last several years. However, as the federal funding is expected to eventually drop to zero, no

□

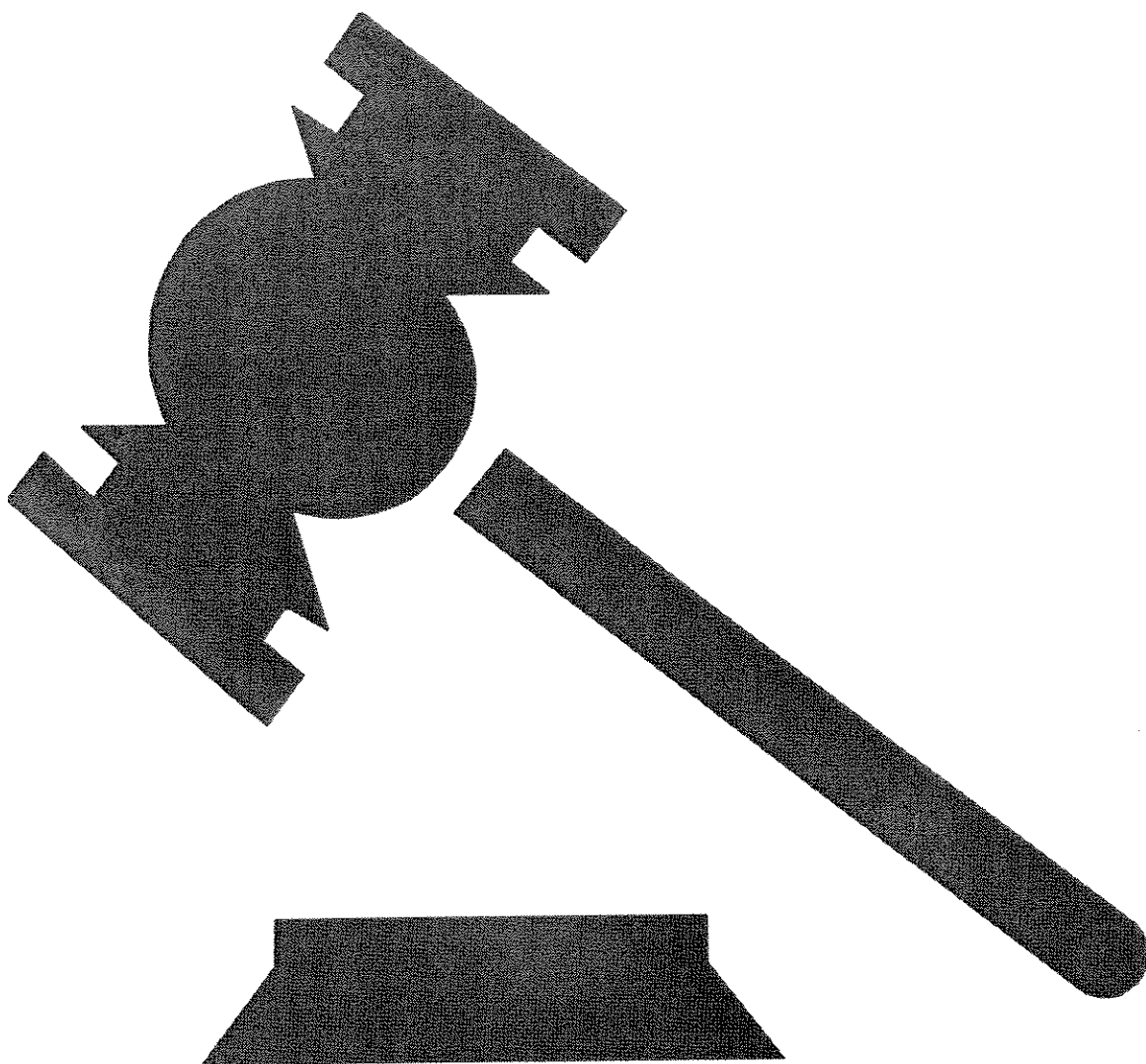
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US/EPA Recommendation: This bill implements a US/EPA recommendation regarding the administration the CWSRF. It complies with US/EPA's direction and guidance on funding CWSRF administrative costs in light of declining federal funds for the program. Since federal regulations require that all interest be deposited into CWSRF for eligible uses (including the limitation to spend at most 4% of the cumulative capitalization grants on administration), the recommended solution is to amend the Water Code to allow SWRCB to redefine a portion of the funds currently repaid as interest by loan recipients as CWSRF program administrative costs. This allowance would be calculated in the same way that loan interest is calculated over the life of the loan. It is proposed that the combined loan interest and administrative payment would be equivalent to the existing loan interest payment, and that up to 1% of the loan balance be collected for administration. There would be no net change in the cost of a loan for a borrowing agency. This proposal would shift the source of funding for administering this program; it would not result in an increase in the level of funding for the administrative cost of the program.

Analysis Prepared by : Carol Mortensen / E.S. & T.M. / (916)
319-3965

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VII.
*ABANDONED VEHICLE ABATEMENT
THIRD QUARTER PROGRESS REPORT*

FRESNO COUNTY ABANDONED VEHICLE ABATEMENT SERVICE AUTHORITY
ABANDONED VEHICLE ABATEMENT PROGRAM
STATUS REPORT FOR THIRD QUARTER FY 2006-07

FINANCIAL OPERATIONS																		
	Clovis	Coalinga	Firebaugh	Fowler	Fresno City	Huron	Kerman	Kingsburg	Mendota	Orange Cove	Parlier	Reedley	Sanger	San Joaquin	Selma	Fresno County	Admini- stration	Total
YTD REVENUES																		
Registration Fees																		\$513,736.81
Interest																		\$12,812.12
Other																		
TOTAL REVENUES																		\$526,648.93
COSTS (3rd QUARTER)																		
Personnel	7,708.00	6,768.00	3,196.00	1,504.00	111,350.00		470.00					9,024.00	7,238.00		6,862.00	6,176.88	2,375.00	162,671.88
Services and Supplies			175.00				130.00					825.00	267.24		325.00			1,723.24
Major Purchases (\$2,500+)																		0.00
TOTAL COSTS	7,708.00	6,768.00	3,371.00	1,504.00	111,350.00	0.00	600.00	0.00	0.00	0.00	0.00	9,850.00	7,505.24	0.00	7,187.00	6,176.88	2,375.00	164,395.12
YTD COSTS	25,380.00	19,834.00	17,356.00	6,674.00	299,030.00	1,835.00	882.00	2,282.00	4,806.85			24,541.70	26,514.94		17,620.00	6,176.88	7,125.00	459,838.37
UNEXPENDED REVENUES																		\$66,710.56
VEHICLES ABATED																		
VOLUNTARY ABATEMENTS																		
PUBLIC	18	66		6														90
PRIVATE	50		24		647		1					74	77	63				936
TOWS (ABATEMENTS)																		
PUBLIC	3	3	1	5														12
PRIVATE	4		4		4		2					11		5		23		53
TOTAL ABATEMENTS																		
PUBLIC	21	69	1	11	0	0	0	0	0	0	0	0	0	0	0	0	0	102
PRIVATE	54	0	28	0	651	0	3	0	0	0	0	85	77	68	0	23		989
GRAND TOTAL ABATEMENTS	75	69	29	11	651	0	3	0	0	0	0	85	77	68	0	23		1,091

