

POLICY ADVISORY COMMITTEE

CONSENT ITEMS
AGENDA ITEMS II. A-L.



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POLICY ADVISORY COMMITTEE Executive Minutes

Date: Friday January 18, 2008
Time: 10:00 a.m.
Place: COG Sequoia Conference Room
2035 Tulare St., Suite 201, Fresno, CA

Members Attending:

Ron Manfredi, City of Kerman
Kathy Millison, City of Clovis
Steve Julian, City of Coalinga
Charlotte Tilkes, Fresno County
Bruce Rudd, City of Fresno
Roseann Galvan, City of Selma
Lou Martinez, City of Parlier
Randy Deaver, City of Fowler
Ron Peterson, Fresno County Transportation Authority

Moses Stites, Caltrans
Alan Bengyel, City of Huron
Don Pauley, City of Kingsburg
Dan Spears, City of Sanger
Rocky Rogers, City of Reedley
Brian Nakamura, City of Reedley
Bill Little, City of Orange Cove
Jose Ramirez, City of Firebaugh
Nicholas Paladino, Fresno Cycling Club

Others Attending:

Jeff Webster, Fresno County Rural Transit
Rollie Smith, Housing Urban Development
Richard Fosse, 1-5 BDC, Inc.
Leroy H. Brown, Concerned Citizen
Barbara Goodwin, Fresno COG
Tony Boren, Fresno COG
Mike Bitner, Fresno COG
Les Beshears, Fresno COG
Kathy Chung, Fresno COG
Tom Webster, Fresno COG

Renée DeVere, Fresno COG
Jeff Long, Fresno COG/FAX
Brenda Lauchner, Fresno COG
Jennifer Dansby, Fresno COG
Jason Paukovits, Fresno COG
Stephanie Maxwell, Fresno COG
Clark Thompson, Fresno COG
Kristine Cai, Fresno COG
Marla Day, Fresno COG
Todd Sobrado, Fresno COG

The meeting was called to order by Chairman Jose Ramirez, City of Firebaugh.

I. PUBLIC PRESENTATIONS

This portion of the meeting is reserved for persons wishing to address the PAC on items within its jurisdiction but not on this agenda.

There were no public presentations.

II. CONSENT ITEMS

All items on the consent agenda are considered to be routine and non-controversial by COG staff and may be approved by one motion if no member of the Committee or public wishes to comment or ask questions. If comment or discussion is desired by anyone, the item will be removed from the consent agenda and will be considered in the listed sequence with an opportunity for any member of the public to address the Committee concerning the item before action is taken.

- A. Executive Minutes of November 16, 2007
- B. FY 2007-08 Transportation Funding Claim – City of Orange Cove, Resolution 2008-01

Approve
Approve

Member Agencies: The cities of Clovis, Coalinga, Firebaugh, Fowler, Fresno, Huron, Kerman, Kingsburg, Mendota, Orange Cove, Parlier, Reedley, San Joaquin, Sanger, Selma & Fresno County

C. Delivery of Projects in FY 2006-07 and Projected Delivery in FY 2008-09	Approve
D. FY 2007-08 Annual Listing of Projects	Approve
E. FY 2007-08 First Quarter Progress Report	Accept
F. FY 2007-08 & 2008-09 Highway Safety Improvement Program (HSIP) Call for Projects	Information
G. Farmland Conservation Model Program Update	Information
H. Caltrans Transportation Funding Publication	Information
I. Application Submittals for the Caltrans Transportation Planning Grant Programs, Resolution 2008-02	Approve
J. Tranny Awards – Call for Nominations	Information
K. 511 Status Report	Information
L. Rail Update	Information
M. Monthly Legislative Update	Information
N. Legislative Platform for the San Joaquin Valley Regional Planning Agencies	Accept
O. Status Report on Sacramento Lobbying Activities—Steve Samuelian, California Consulting LLC at the Board on 1-24-08	Information
P. Fresno County Rural Transit Agency (FCRTA) Item: City of Selma Resolution by City Council of Intent to Withdraw from the FCRTA Joint Powers Agreement effective June 30, 2008.	Information

For a complete summary of these items please see the January 18, 2008 Annotated Agenda at www.fresnocog.org.

A motion was made by Bruce Rudd (City of Fresno) and seconded by Rocky Rogers (Reedley) to approve the Consent Items as presented. A vote was called for and the motion carried.

III. ACTION / DISCUSSION ITEMS

A. **Fresno County Coordinated Human Services Transportation Plan, Resolution 2008-03, PUBLIC HEARING: 1-24-08**

Todd Sobrado (COG) reported on this item. Consistent with federal legislative guidance, Fresno COG and Fresno Area Express staff has completed the development of the Fresno County Coordinated Human Services Transportation Plan. The draft Fresno County Coordinated Human Services Transportation Plan was released for 45-day public review on Wednesday, November 7, 2007.

The Fresno County Coordinated Human Services Transportation Plan identifies resources currently in use for public transit, surveys needs and expectation of users, and identifies strategies to close gaps in perceived service levels. It will be used in part to prioritize projects eligible for federal funding using money set aside to close the gaps in public transit service levels. The Fresno County Coordinated Human Services Transportation Plan was developed in close cooperation with public transit and human services providers and other stakeholders.

The draft Fresno County Coordinated Human Services Transportation Plan was previously distributed to Fresno COG Committees in November 2007 agenda packets. Staff has not received any comments on the document.

A motion was made by Don Pauley (Kingsburg) and seconded by Alan Bengyel (Huron) to recommend approval of the Fresno County Coordinated Human Services Transportation Plan, by adoption of Resolution 2008-03. A vote was called for and the motion was carried.

B. **2008 Regional Transportation Improvement Program Submittal, Resolution 2008-04**

Tony Boren, Deputy Director reported on this item. Consistent with guidance from the California Transportation Commission, Fresno COG in its role as the Regional Transportation Planning Agency for Fresno County, is responsible for developing a Regional Transportation Improvement

Program (RTIP) which identifies a region's proposed use of State Transportation Improvement Program (STIP) funding.

The STIP is developed biennially every two years and covers a five year programming period with two new years of programming capacity added each cycle. The STIP consists of two broad programs, the regional program funded by 75% of new STIP funding and the interregional program funded from 25% of new STIP funding. This year COG is developing its RTIP for the 2008 STIP cycle covering the fiscal years 2008-09 through 2012-13.

Through a process known as the STIP Fund Estimate, the California Transportation Commission establishes programming targets for every region in California. The 2008 STIP programming target established for the Fresno County region is \$44.77 mil.

Given that the State Route 180 East -- Temperance to Academy project is shelf ready for construction, Fresno COG, Fresno County Transportation Authority and Caltrans staff are in agreement that this project would be the next logical project to utilize available STIP funding and therefore recommend that \$32.8 mil. of the \$44.77 mil. available to the Fresno County region in the 2008 STIP be used to construct State Route 180 East-Temperance Avenue to Academy Avenue. This project represents the next easterly segment of the long planned State Route 180 corridor. The \$32.8 mil. will be combined with \$31.0 mil. of "old" Measure "C" funding that has been carried over by FCTA to fully fund the remaining \$63.8 mil. cost of the project. This project is six miles in length and consists of a four-lane expressway on six lane right-of-way. The RTIP funding will be requested in FY 2008/09 although there is no certainty that the funding will be made available to us in the year we request.

A second component of the 2008 RTIP Submittal is the request for \$6.94 mil. to fund the SR 180 East-Clovis-Temperance freeway landscaping project. Our Measure "C" program has historically programmed landscaping projects separately from construction, therefore funding the landscaping portion of the SR 180 Clovis-Temperance project (programmed for roadway construction in FY07/08) is consistent with previous practice.

In addition, to providing funding for construction of capital projects, the STIP also provides regions funding for Transportation Enhancement projects and Planning, Programming & Monitoring activities. Those amounts are identified below:

Fresno COG Proposed 2008 RTIP Submittal

Project	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13
SR 180-Temperance to Academy-(Construction)	\$32.8 mil. (Const.)				
SR 180-Clovis-Temperance-(Landscaping)				\$6.94 mil.(Landscaping	
Transportation Enhancements Reserve				\$2,717,000	
Planning, Programming & Monitoring		\$100,000	\$100,000	\$316,000	\$316,000

The effort to extend State Route 180 from the national parks to west of Fresno is part of a larger effort to create and maintain necessary economic transportation linkages for the San Joaquin Valley. This will have a positive and vital benefit for Fresno County cities and communities that depend on a well-linked transportation system. Completion of the State Route 180 corridor project provides segments of a long sought after and much needed east-west route that provides connectivity to the only Interstate facility in Fresno County, I-5. Direct benefits of the projects include providing a direct connection to Kings Canyon and Sequoia National Parks and other recreational opportunities in eastern Fresno County, enhancing the movement of farm-to-market shipping opportunities for the region, improving safety conditions and traffic flows across the San Joaquin Valley and providing connections to our major interregional roads, specifically Interstate 5, State Route 99, and State Route 41. In addition, the SR 180 projects will enhance connectivity for the cities of Sanger, Reedley, Clovis and Fresno, and small communities across the Westside to Interstate 5.

A motion was made by Alan Bengyel (Huron) and seconded by Dan Spears (Sanger) to recommend approval of the proposed 2008 RTIP submittal by adoption of Resolution 2008-04. A vote was called for and the motion carried.

C. Request from Mendota for Measure "C" Funding – 1987-2007 Program

Les Beshears (COG) reported that in September 2006 the Fresno COG Policy Board entered into an agreement with the Fresno County Transportation Authority encumber \$26,123,000 in Federal Demonstration funds on SR 180 West Phase II from Brawley to Hughes/West. As part of that agreement the Authority agreed to provide up to \$21 million in funding from the pre-existing Measure "C" program to construct a future segment of State Route 180 West that would provide direct connectivity to Interstate 5. The specific alignment for this project is being developed by Caltrans through a Route Adoption study which is currently underway. The remaining funding was identified to be used to fund transportation improvements in the communities of Mendota and Firebaugh. Specifically, \$1 - \$4 million was identified for Mendota Improvements (SR 180 Bass Ave and 2nd Street Pedestrian Over crossing), and not to exceed \$2 million for Firebaugh Improvements to SR 33. The remaining \$15.5 million is to be used on constructing the State Route 180 connection to I-5. The overall funding strategy and the projects have been agreed to in concept by the State Route 180 subcommittee as well as TTC, PAC and the Policy Board.

The projects have been amended into the 1987-2007 Measure "C" Expenditure Plan that was recently adopted by the Board and the Authority. Mendota is now requesting the Policy Board to authorize them to enter into a cooperative agreement with the Transportation Authority to implement their project. Due to the fact that the cost estimates for the original project envisioned by Mendota exceeded the available funding, Mendota proposed and the subcommittees supported utilizing the funds for the installation of signalization at two separate locations: SR 33 / Bass Ave. and SR 33/Belmont Ave. The scope of work will consist of: reconstruction and widening of the north leg of the intersection in order to provide for left turn deceleration and storage, widening of the south leg of the intersection to provide for future left turn deceleration and storage, earthwork, installation of a traffic control signal, interconnection with the railroad crossing signal to provide for pre-emption and engineering services.

A motion was made by Ron Manfredi (Kerman) and seconded by Steve Julian (Coalinga) to recommend authorization for Mendota to enter into a cooperative agreement with the Transportation Authority for up to \$4 million for improvements to SR 33/Bass Ave. intersection and SR 33/Belmont Ave. intersection. A vote was made and the motion carried.

D. Greenhouse Gas Update

Jason Paukovits (COG) reported that on November 29, 2007, Fresno COG staff held a workshop to discuss proposals from the Attorney General to reduce greenhouse gases. The workshop was attended by Fresno COG member agencies, other San Joaquin Valley Metropolitan Planning Organizations, Caltrans, environmental groups, and the building industry.

Jason Paukovits (COG) provided a summary of the November greenhouse gas workshop. Staff will be drafting a greenhouse gas plan in the next month and will be including existing efforts to reduce greenhouse gas emissions; staff will be sending an e-mail to request feedback on what efforts that member agencies are taking right now. Other comments from the workshop included concern over the emissions inventory modeling in the proposed climate change plan and also to not take a lead role, but to partner with the Air District and develop this plan jointly with them.

Barbara Goodwin, Executive Director commented on how staff can incorporate the greenhouse gas performance measures in the Blueprint. The Attorney General wants to ensure the COG's are focusing on the greenhouse gases within the Blueprint planning process.

This was an information item and required no further action by the Committee.

E. Measure "C" Extension Update

Development of Strategic Implementation Plan

Tony Boren, Deputy Director reported that over the last several months COG staff, in conjunction with a variety of Measure "C" Steering Subcommittees, have been meeting in an effort to develop implementation policies and guidelines for the various programs identified in the Measure "C" Expenditure Plan. That effort has now been completed for a majority of the Measure "C" programs (listed below) and the time has come to release the draft Guidelines/Policies for these programs for a 45 day public review and comment period prior to formal Policy Board adoption at their February 28, 2008 meeting.

The complete package of draft Guidelines/Policies was included as attachments.

Regional Public Transit Program

- Phase II -- Public Transportation Infrastructure Study Subprogram
- ADA/Seniors/Paratransit Subprogram
- Farmworker/Car Vanpools Subprogram
- New Technology Reserve Subprogram

Alternative Transportation Program

- Rail Consolidation Subprogram

Environmental Enhancement Program

- Transit Oriented Infrastructure for In-Fill Subprogram

Once the Guidelines/Policies for each of these programs is adopted in February 2008 that will leave only the Regional Transportation Program, School Bus Replacement Program and the Transit Oriented Development Guidelines/Policies remaining to be completed. Development of the Regional Transportation Program component is well underway with a target date of late Spring, 2008 for adoption. FCTA staff is in the process of developing the School Bus Replacement Program with input from the California Highway Patrol, with finalization of the guidelines/policies tentatively scheduled for February or March 2008. Development of the Transit Oriented Infrastructure guidelines is dependent upon completion of the Public Transportation Infrastructure Study which is anticipated to take eighteen months to two years to complete.

Tony Boren, Deputy Director called attention to the draft Guidelines/Policies and gave a brief report on the programs.

The consensus of the Committee was to concur with initiation of the 45 day public review and comment period on Measure "C" Programs.

F. Measure C Extension Local Agency Fund Expenditure Reports

Brenda Launchner (COG) explained that the 2006 Measure C Extension Expenditure Plan states: "The cities and the County of Fresno each provide to the Citizen Oversight Committee, on an annual basis for a specific time period prescribed, and in a timely fashion at least two weeks prior to the meeting of the Citizen Oversight Committee, a specific report on the local jurisdiction's planned budget for Measure C fund expenditures and financial report on the use of those funds. The precise format of the report may be based on similar report formats for other jurisdictional monitoring, but must be separate from the comprehensive agency budgets and general and enterprise fund financial reports of the cities and the County of Fresno and will be prescribed by the Citizen Oversight Committee."

With this policy guidance in mind, a subcommittee of the Citizen Oversight Committee met with Fresno COG and FCTA staff to develop a reporting form as per the Measure C requirement. The form was emailed to PAC members in December.

At the January TTC meeting COG staff received a request from County staff to include an explanation of the reason for the reporting form and the difference between it and other FCTA Claim Forms on the January PAC Agenda. A copy of the reporting form was available at the meeting.

This was an information item and required no further action by the Committee.

G. Fresno COG's Draft 2008 Legislative Platform

Jennifer Dansby (COG) explained that over the past few months the Policy Board's Ad-Hoc Legislative Subcommittee has met at the direction of the Policy Board to develop the **Council of Fresno County Government's Draft 2008 Legislative Platform**. The platform outlines the current legislative priorities of Fresno COG that will provide guidance to staff and our lobbying partners when advocating for improvements in legislation and policy during the coming year. To ensure that the document stays current, Staff and TTC recommend the Policy Board revisit the Legislative Platform at a minimum, on an annual basis, or as needed.

Attention was called to the platform information. There are 13 different main topic areas. Within those general topic areas there are subtopic areas and bullets listed below that would reflect the policies position on the issues of federal and state legislation.

A motion was made by Don Pauley (Kingsburg) and seconded by Kathy Millsion (Clovis) to recommend adoption of the Council of Fresno County Government's Draft 2008 Legislative Platform. A vote was called for and the motion carried.

H. San Joaquin Valley Blueprint – Great Valley Center Contract Element

~~Tony Boren, Deputy Director gave an update on this item.~~ The San Joaquin Valley Blueprint Program, in its second year, is being prepared cooperatively through agreements among the eight valley Councils of Governments and an agreement with the Great Valley Center (GVC). The Program is being funded from grants from Caltrans and the San Joaquin Valley Air Pollution Control District with matching funds from each of the COGs. The Merced County Association of Governments administers these agreements.

At the November 2, 2007 meeting of the San Joaquin Valley Policy Council, the Council approved a budget and work program proposal from the Great Valley Center in the amount of \$325,000 that equates to the \$250,000 from the Blueprint Grant from Caltrans plus \$75,000 from the SJVAPCD. The first \$125,000 has already been deducted from each of the COG's budgets. The second \$125,000 is to be apportioned on a per capita basis among the eight valley COGS. Fresno COG's share is \$29,423. The Great Valley Center plays an important role in the Blueprint Program and is recognized in the State and the San Joaquin Valley for its leadership.

Staff concurs with the action of the Policy Council and recommends that Fresno COG allocate funding for the GVC proposal consistent with the action of the San Joaquin Valley Policy Council.

A motion was made by Don Pauley (Kingsburg) and seconded by Kathy Millison (Clovis) to recommend approval to allocate \$29,423 from the Blueprint Program Element of the Fresno COG Work Program and Budget to the Great Valley Center. A vote was made and the motion carried.

I. San Joaquin Valley Blueprint – Monthly Update

The San Joaquin Valley Blueprint is an eight county regional planning process that will provide a vision for sustainable growth in the Valley to the year 2050. The Blueprint will provide local agencies with tools to implement this vision in a manner intended to enhance the quality of life for all residents.

Tony Boren, Deputy Director gave an update on this item. During the past two months staff has provided updates on the Blueprint planning process to all our member agencies at their city council and board meetings. On many occasions we have been accompanied by Blueprint Regional Advisory Committee (BRAC) and Fowler City Councilmember, Rico Aguayo. Kirk Hunter, Chairman of the Blueprint Roundtable has also participated. Our presentation provided a segue to City of Fresno Assistant Development Director Keith Bergthold's presentation of the Metro Rural Loop (which is one of several alternative growth scenarios that will be analyzed for the Blueprint). Our visits were intended to inform and engage our members and the community in this unique planning process because the choices we make today will have an enormous impact on our children and our grandchildren.

In the upcoming months we will be refining and testing the six alternative growth scenarios in order to understand their impacts on traffic congestion and air quality. These preliminary scenarios were developed by the Blueprint technical committee and accepted by the Blueprint Roundtable. Staff intends to take this information to the public for their feedback in April. As we move forward in our analyzing of options, we need an involved citizenry and electorate. Please join us at the monthly Blueprint Roundtable meetings are on the 4th Wednesday from 9:30 – 11:30 AM in the Sequoia Conference Room at COG. COG's website www.fresnocog.org has information on all aspects of the Blueprint or contact Barbara Steck at 559-233-4148 or by email at bjsteck@fresnocog.org.

As we move into Phase III alternatives analysis of the Blueprint planning activities, we recognize the need to ramp up our public outreach activities. To that end, we have circulated a Request for Bids to local advertising and marketing firms. The tasks include:

1. Blueprint "branding"

The selected firm will work with staff to develop a recognizable symbol for use on Blueprint outreach products. The current Blueprint logo is included on the cover letter of this proposal. However, the selected firm will work with staff to identify appropriate uses of the logo, and develop an enhanced message.

2. Printed Materials

The selected firm will work with staff to develop the text and graphics needed for brochures, electronic mailers, website content and other purposes as indicated.

3. PowerPoint Presentation

Community leaders, elected officials and COG staff members will need materials to conduct a speaker's bureau for presentations to elected bodies, businesses and community organizations regarding the Blueprint Scenarios. Working with COG staff, the selected firm will develop a compelling and succinct power point presentation to explain the scenarios and their possible effects on our quality of life.

4. Develop Media Materials

The selected firm will develop media materials for all purchased and leveraged media.

5. Develop Advertising Budget

The selected firm will develop a recommended strategy for multi-media advertising and outreach that includes strategies for leveraging our limited resources. Proposed budget will not exceed \$100,000 for all completed tasks associated with this request for bid and purchased printing and media advertising.

This request is on a very short turn around, with bids due on January 15th. Staff will be interviewing a short list of prospective bidders on Thursday, January 24th and hope to make a

recommendation for hiring the preferred firm that evening to the COG Policy Board. Because of the time element, Staff will request PAC's recommendation to have the Executive Director enter into a contract with the firm that is selected.

A motion was made by Kathy Millison (Clovis) and seconded by Alan Bengyel (Huron) to recommend that the COG Board authorize the Executive Director to enter into a contract with the preferred advertising or marketing firm to conduct tasks identified in the Request for Bids due January 15, 2008. Advertising budget, which includes all tasks, printing and media advertising associated with this activity, is not to exceed \$100,000. A vote called for and the motion carried.

J. 2008 Washington, D.C. "One Voice" Update

Tony Boren, Deputy Director gave an update on this item. In November the COG Policy Board approved the list of regional projects submitted by the One Voice project selection committee. In addition, the Board advanced another project from the initial list so that the Fresno County Gang Prevention Initiative is now included in the priorities. The list included nine projects asking for earmarks from various appropriations bills totaling \$17,350,000. The list also contained three policy priorities that do not include monetary requests. The Board noted that the number one regional transportation project was State Route 180 East – Temperance to Academy and the number one social services project was Fresno County Gang Prevention Initiative.

Thus far we have 33 One Voice delegates from a broad cross section of the community registered for the February 2008 trip. We will hold a briefing session on two separate occasions in late January in order to distribute trip materials and provide project briefings to the delegates.

To date, our One Voice efforts have secured over \$11.5 million in earmarks for Fresno County projects. But the fruits of One Voice are greater than just funding. The relationships we have and will continue to develop back in Washington and among our One Voice delegation are an invaluable benefit of this undertaking.

This was an information item and required no further action by the Committee.

K. 2008 Sacramento "One Voice" Update

Jennifer Dansby (COG) gave an update on the kick-off for the 2008 Sacramento "One Voice" advocacy effort. This will be the third consecutive year that the Fresno COG will lead a delegation of elected officials, city managers, agency staff, and community leaders to Sacramento to advocate for State support for regional priorities.

The 2008 Sacramento "One Voice" will provide another opportunity for our local delegation and our State Assembly and Senate members as well as key staff from State agencies to meet and discuss a number of regional priorities (selected in advance) that will require State support to come to fruition. The five priorities for the past 2007 Sacramento "One Voice" were:

1. Support for the San Joaquin Valley's regional share of Proposition 1B (Transportation Bond of 2006) funding.
2. Support for the Reliable Water Supply Bond Act –SB 59 (this is now a 2-year bill).
3. Support for increased state funding of High Speed Rail.
4. Valley Blueprint Project Update.
5. Support for AB 27 (Parra), which calls for the continued existence of the California Partnership for the San Joaquin Valley (this is now a 2-year bill).

The tentative date for the Sacramento trip is March 10th – 11th (Monday-Tuesday), which is approximately three weeks after the Federal "One Voice" contingency returns to Fresno.

Staff will hold a meeting of the Sacramento "One Voice" Ad Hoc Committee to discuss the upcoming trip at 6:00 pm on January 24th, prior to the Policy Board meeting. An agenda will be mailed in advance to PAC and Policy Board members as well as our community partners.

In the meantime, staff is working with our state lobbyist to identify a suggested list of regional priorities for the committee to consider at the January 24th meeting. A recommended list will then be brought forward to the Policy Board for final consideration at their January meeting.

If you would like more information about the 2008 Sacramento "One Voice" effort please contact Jennifer Dansby by phone: (559) 233-4148 or email: jenniferd@fresnocog.org.

This was an information item and required no further action by the Committee.

L. Caltrans Monthly Report

Moses Stites (Caltrans) provide an update on Caltrans activities.

- o Freeway 180 braided ramps project is on schedule for a project study report which is scheduled to be completed in August of 2008
- o The district traffic operation unit is currently analyzing the traffic data and is planning to video the traffic during the peak hour later this month on 41 southbound on to eastbound 168.
- o Fresno – Madera SR 99, Ashlan to Avenue 12, widening from 4 to 6 lane project estimated completion date 2016.
- o Fresno – Tulare SR 99, Goshen to Kingsburg, widening from 4 to 6 lanes, on schedule estimated completion date 2013.
- o Freeway 180 Westside expressway routed option Valentine Avenue to I-5 project is an environmental study only and is 50% completed, estimated completion is August, 2008. There is strategy change to complete tier-1 NEPA that will require additional time and a new schedule. By doing the NEPA document it will basically be taking care of all the environmental clearances at one time.

This was an information item and required no further action by the Committee.

M. Fiber Optic Connection to City of Fresno Traffic Operation Center

Mike Bitner (COG) reported that in 2005, Fresno COG assisted the City of Fresno in funding and launching its Traffic Operation Center (TOC) Project. As part of the original agreement between Fresno COG and the City of Fresno, it was decided that Fresno COG would serve as an alternate-location facility to provide system backup and redundancy in case of technical difficulties.

As part of ongoing project development, the City of Fresno has finalized a bid with a telecommunications contractor to bring the required Fiber Optic Cable (FOC) from the City of Fresno into the Fresno COG IT server room. Fresno COG's share of the cost is \$25,000 of which 100% of the funding has already been approved by the COG Board and has been set aside specifically for this project.

This was an information item and required no further action by the Committee.

N. Appointment to the San Joaquin Valley Housing Trust Board of Directors

Clark Thompson (COG) reported on this item. The formation of a San Joaquin Valley Housing Trust is proposed by the California Partnership for the San Joaquin Valley's Strategic Action Proposal. The Housing Trust is envisioned to be the Partnership's and the Regional Blueprint's principle arm for promoting housing in the Valley that is both affordable to the Valley's workforce and is developed in such a way as to meet the land use goals of the Partnership and Blueprint.

In November, information was provided to the PAC and Board on the formation of a San Joaquin Valley Housing Trust, including the composition of the Housing Trust Board of Directors. The Partnership Board anticipates the roster of the Housing Trust Board of Directors and the Housing Trust bylaws will be presented to the Partnership Board at its February meeting.

The Housing Trust Board of Directors, in addition to representatives from several Partnership Working Groups includes nonprofit developers of affordable housing, housing advocates, and others, includes one representative each from the eight San Joaquin Valley Councils of Government (enclosure). The alternate to each COG representative is recommended to be the Executive Director of the agency or her/his designee. Rollie Smith, Field Office Director of the U.S. Department of Housing and Urban Development and Coordinator of the San Joaquin Valley Interagency Taskforce, was present at the meeting to make a brief presentation on the Housing Trust and to answer questions.

The Policy Board will be asked to select a member of the Fresno COG Policy Board to represent Fresno County on the San Joaquin Valley Housing Trust Board of Directors.

O. Technical Revisions to Table 19 of the 2007 Regional Housing Needs Allocation Plan

Clark Thompson (COG) reported that the Fresno COG approved the 2007 Fresno County Regional Housing Needs Allocation (RHNA) Plan on November 29, 2007. Government Code Section 65584.01 states that within 60 days of adoption by the council of governments, the State Department of Housing and Community Development (HCD) shall determine whether or not the final allocation plan is consistent with the existing and projected housing need for the region. The department may revise the determination of the council of governments if necessary to obtain this consistency.

HCD has reviewed the 2007 Fresno County RHNA and notes that the housing need figure determined for Fresno County of 52,142 units has been fully allocated to the jurisdictions within the County. HCD further notes, however, that the total County allocations by income group are not consistent with the figures provided by HCD, as they must be pursuant to statute. Total County allocations by staff are somewhat lower than HCD allocations within the very-low and low income categories and somewhat higher within the moderate and above-moderate income categories. Consequently, staff must make minor adjustments to the income group calculations for each jurisdiction, which can additionally affect very slightly the total allocation for each jurisdiction (from 5 additional units to 14 fewer units). The enclosure for this item indicates the minor adjustments that must be made to Table 19 of the 2007 RHNA.

Although, as noted above, HCD has the authority to revise the final allocations, staff would rather be up-front and honest with our member agencies and avoid any future confusion. At this point it is not clear to staff how the total County allocations by income category in the final RHNA Plan came to vary from the HCD allocations, except that during the negotiation of revisions staff was focused on maintaining the total allocation figure of 52,142 units and lost sight of the shifts occurring in the income group allocations.

A motion was made by Don Pauley (Kingsburg) and seconded by Kathy Millison (Clovis) to approve the technical revisions to Table 19 of the 2007 RHNA. A vote was called for and the motion carried.

P. Abandoned Vehicle Abatement - FY 2007-08 First Quarter Status Report

Clark Thompson (COG) gave a report on this item. As stated in the 2003 Fresno County Abandoned Vehicle Abatement Service Authority Plan, the Fresno COG, as administrator of the AVA Program, shall submit a quarterly status report to the Fresno County Abandoned Vehicle Abatement Service Authority. The Service Authority has directed the quarterly status report first be presented to the Policy Advisory Committee for review and recommendation.

Status reports are submitted quarterly to ensure proper distribution of funding to the member agencies. This status report contains the following information:

- The gross amount of money received by the Authority from the Abandoned Vehicle Trust Fund during the quarter.
- An itemized statement of the Abandoned Vehicle Trust Fund monies expended by the Authority during the quarter.
- An accounting of money expended for major purchases, if any.
- An accounting of unexpended revenues from the Abandoned Vehicle Trust Fund.
- An accounting of the total number of vehicles and parts thereof abated by the Authority during the quarter.

The enclosures for this item indicated the level of activity and the distribution of funding to the member agencies. For the first quarter of FY 2007-08, a total of \$188,115.94 in current AVA revenues was available for distribution to member agencies and to the Fresno COG for program administration. During the quarter, member agencies expended \$205,868.35 conducting AVA activities and the Fresno COG claimed \$2,375.00 for program administration. A total of 1,332 vehicles were abated this quarter, compared to 1,019 vehicles abated during the same quarter of the previous fiscal year, a substantial increase in vehicle abatements.

A motion was made by Don Pauley (Kingsburg) and seconded by Ron Manfredi (Kerman) to recommend acceptance of the report as presented. A vote was called for and the motion carried.

Q. Fresno COG Financial Participation in a Short-Haul Intermodal Rail Facilities Study in the San Joaquin Valley

Mike Bitner (COG) reported on this item. The San Joaquin Valley COG Directors have agreed to fund an intermodal rail facilities study in support of the San Joaquin Valley Regional Goods Movement Plan. The purpose of the study is to estimate the change in truck vehicle miles of travel that would be expected as a result of operating short haul rail freight service between the Port of Oakland and several intermodal terminals located in the San Joaquin Valley.

Given the air quality challenges facing the San Joaquin Valley and the potential benefits that a short-haul rail network could potentially provide in terms of goods movement and air quality benefits, Cambridge Systematics, currently under contract for development of the San Joaquin Valley Truck Model, will adapt the truck model to accommodate the diversion analysis. Attention was called to the scope of work for the Short Haul Intermodal Rail Facility Study.

Fresno COG's financial participation is anticipated to range from \$13,800 to \$23,000 depending on the number of Valley COGs that participate.

A motion was made by Ron Manfredi (Kerman) and seconded by Kathy Millison (Clovis) to recommend Fresno COG's financial participation in the project. A vote was called for and the motion carried.

IV. OTHER BUSINESS

A. Items from Staff

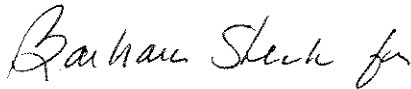
1. Policy Board Meeting on January 24, 2008
2. San Joaquin Valley Regional Transportation Planning Agencies Fall/Winter Conference, 1-31-08 thru 2-1-08 in Stockton
3. The elevator will be inspected on January 22.
4. Safe Deposit Box for off site computer data Storage
Les Beshears (COG) reported that in the interest of having offsite back-up on our computer, we've contacted the Bank of the West to rent a Safe Deposit Box. They require a resolution from the Board authorizing us to rent the box. This item came up after the agenda went out. The committee agreed by consensus to authorize staff to forward the Safe Deposit Box for the off site computer data storage directly to the Board in January.

B. Items from Members

No items from members.

There being no further business, the meeting was adjourned.

Respectfully submitted,



BARBARA GOODWIN, Executive Director
Council of Fresno County Governments

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**Council of Fresno County Governments
San Joaquin Format (Highest Version)**

Congestion Mitigation and Air Quality Program (Non-transit)

<u>Route</u>	Description	Prior Years	Program Schedule (Construction costs escalated per Caltrans percentage)						Change Description Project Comments Funding Summary (Current & Prior Years)
<u>Postmile</u>	Total Escalated Cost	Phase	Four Year Element						
<u>PIN</u>	Status		06/07	07/08	08/09	09/10	10/11	11/12	
<u>Fund</u>									
<u>Dist-EA</u>									
<u>AQ</u>									
<u>Lead</u>									
FRE070103	Constructing conduits on the east side of Clovis Ave. from Gettysburg Ave. to Dayton Ave. Pull boxes and fiber optic cable will be installed.	PE RW Const		41,200					Cost/Scope/Sch. Change ***** Version 2 - 01/07/2008 ***** Regional bid ***** Version 1 - 04/24/2006 *****
CMAQ/CITY 5.07	\$ 416,200	Total		375,000					Prior Current 47,800 386,400
Clovis, City of	FTIP Amend 11:00	20300000385		416,200					

**Council of Fresno County Governments
San Joaquin Format (Highest Version)**

Federal Transit Administration Section 5311 Program

Federal Transit Administration Section 5311 Program																	
Route Postmile PIN Dist-EA Fund AQ Lead		Description	Total Escalated Cost		Phase	Prior Years	Program Schedule (Construction costs escalated per Caltrans percentage)					Change Description Project Comments Funding Summary (Current & Prior Years)					
							Four Year Element										
							06/07	07/08	08/09	09/10	10/11	11/12	Local	State	Federal		
					Status										Cost/Scope/Sch. Change		
FRE021701		Programs FY 2006/07-08 FTA Section 5311			PE								***** Version 9 - 12/19/2007 *****				
		Apportionment: Annual Operating Assistance			RW								***** Version 8 - 03/07/2007 *****				
					Const		4,198,900	5,107,496	5,675,600				***** Version 7 - 04/25/2006 ***** ***** Version 6 - 08/24/2005 *****				
5311/AGENCY 2.02		\$ 14,981,996			Total		4,198,900	5,107,496	5,675,600				Prior				
Fresno County Rural Transit		FTIP Amend 11.00	10300000192										Current	12,257,072	2,724,924		

**Council of Fresno County Governments
San Joaquin Format (Highest Version)
Hazard Elimination Safety Program**

2007 Federal Transportation Improvement Program

Route Postmile PIN Dist-FA Fund AQ Lead	Description	Phase	Program Schedule (Construction costs escalated per Caltrans percentage)								Change Description Project Comments			
			Prior Years	Four Year Element						Funding Summary (Current & Prior Years)				
				06/07	07/08	08/09	09/10	10/11	11/12	Local	State	Federal		
FRE040401	Lump-Sum Highway Safety Improvement Program, Consistent with 40 CFR part 83.126, 127, 128, exempt tables 28.3.	PE RW Const		672,000								Cost/Scope/Sch. Change ***** Version 9 - 01/07/2008 ***** ***** Version 8 - 09/12/2007 ***** ***** Version 7 - 08/07/2007 ***** Addition of HES/HSP funding		
HSP/AGENCY 1.06	\$ 6,883,620			1,047,800	4,214,400	949,420						Prior	104,800	843,000
Caltrans	FTIP Amend 11.00	Total	1,047,800	4,886,400	949,420							Current	722,200	5,113,620

**Council of Fresno County Governments
San Joaquin Format (Highest Version)
Highway Bridge Replacement / Rehabilitation Program**

2007 Federal Transportation Improvement Program

Route Postmile PIN Dist-FA Fund AQ Lead	Description	Phase	Program Schedule (Construction costs escalated per Caltrans percentage)							Change Description Project Comments					
			Prior Years	Four Year Element						Funding Summary (Current & Prior Years)					
				06/07	07/08	08/09	09/10	10/11	11/12	Local	State	Federal			
	Status												Cost/Scope/Sch. Change		
FRE040501	Lump-Sum Highway Bridge Replacement/Rehabilitation Program (No additional travel lanes). Consistent with 40 CFR part 93.126, 127, 128, exempt tables 2&3.	PE RW Const											***** Version 7 - 01/18/2008 ***** ***** Version 6 - 02/28/2007 ***** ***** Version 5 - 04/25/2006 ***** ***** Version 4 - 12/22/2005 *****		
HBRR-LJAGENC 1.19	\$ 12,236,400												Prior Current	1,538,000 491,981	7,447,000 2,759,418
Caltrans	FTIP Amend 11.00	Total	8,985,000	1,536,800	1,614,800	100,000									

**Council of Fresno County Governments
San Joaquin Format (Highest Version)**

Local Program

[illegible]

2007 Federal Transportation Improvement Program

**Council of Fresno County Governments
San Joaquin Format (Highest Version)
National Recreational Trails Program**

<u>Route</u> <u>Postmile</u> <u>PIN</u> <u>Dist-EA</u> <u>Fund</u> <u>AQ</u> <u>Lead</u>	Description	Total Escalated Cost	Status	Phase	Prior Years	Program Schedule (Construction costs escalated per Caltrans percentage)						Change Description Project Comments Funding Summary (Current & Prior Years)	
						Four Year Element							
						06/07	07/08	08/09	09/10	10/11	11/12		
						Local	State	Federal					
FRE072101	Lump Sum-Recreational Trails. Funds to the State to develop and maintain recreational trails and trail-related facilities for motorized recreational trail uses.		PE RW Const									Cost/Scope/Sch. Change ***** Version 2 - 01/07/2008 ***** RTM-06-006 ***** Version 1 - 06/20/2007 *****	
1112/AGENCY 4.01	\$ 1,024,800					1,024,800							
Various Agencies	FTIP Amend 11.00	20300000462	Total			1,024,800						Prior Current	119,400 905,400

**Council of Fresno County Governments
San Joaquin Format (Highest Version)
Regional Surface Transportation Program**

2007 Federal Transportation Improvement Program

Route Postmile PIN Dist-FA Fund AQ Lead	Description	Phase	Program Schedule (Construction costs escalated per Caltrans percentage)					Change Description Project Comments Funding Summary (Current & Prior Years)		
			Four Year Element					Local State Federal		
			Prior Years	06/07	07/08	08/09	09/10	10/11	11/12	
33 FRE020650	In Coalinga: Beautification Project-Install New or Reconstruct Failed Curb, Gutter, and Sidewalks. Provide New Landscaping and Irrigation Facilities and Pedestrian Facilities.	PE RW Const	146,800	457,000						Cost/Scope/Sch. Change ***** Version 6 - 01/18/2008 ***** ***** Version 5 - 05/22/2006 ***** ***** Version 4 - 04/04/2006 ***** ***** Version 3 - 03/24/2005 *****
STPLUCITY 3.02 Coalinga, City of	\$ 603,800 FTIP Amend 11.00	Total	146,800	457,000						Prior 16,800 130,000 Current 52,400 404,600
FRE020648	Lump-Sum A/C Overlays and necessary reconstruction on Various Eligible Routes (No Additional Travel Lanes) Consistent with 40 CFR Part 83.126, 127, 128, exempt tables 2&3.	PE RW Const	42,600	40,000						Cost/Scope/Sch. Change ***** Version 10 - 01/14/2008 ***** ***** Version 9 - 05/22/2006 ***** ***** Version 8 - 04/04/2006 ***** ***** Version 7 - 08/18/2005 *****
STPLUCO 1.10 Fresno County	\$ 4,886,800 FTIP Amend 11.00	Total	2,363,100	1,282,900	1,240,800					Prior 271,000 2,092,100 Current 286,500 2,234,200

**Council of Fresno County Governments
San Joaquin Format (Highest Version)
Safe Routes To School Program**

2007 Federal Transportation Improvement Program

Route Postmile PIN Dist-FA Fund AQ Lead	Description	Phase	Program Schedule (Construction costs escalated per Caltrans percentage)					Change Description Project Comments Funding Summary (Current & Prior Years)		
			Four Year Element					Local State Federal		
			Prior Years	06/07	07/08	08/09	09/10	10/11	11/12	
FRE071901	Safe Routes to School lump sum listing of projects. 6th cycle projects	PE RW Const		1,010,500						Cost/Scope/Sch. Change ***** Version 2 - 01/14/2008 ***** ***** Version 1 - 05/07/2007 *****
SRTS/AGENCY 1.06 Various Agencies	\$ 1,010,500 FTIP Amend 11.00	Total		1,010,500						Prior Current 119,800 890,700

BEFORE THE
COUNCIL OF FRESNO COUNTY GOVERNMENTS
RESOLUTION NO. 2008-07

In the Matter of:)
)
2007)
Federal Transportation)
Improvement Program)

RESOLUTION ADOPTING AMENDMENT 12
(FORMAL) TO THE 2007 FTIP.

WHEREAS, the Council of Fresno County Governments (COFCG) is a designated Regional Transportation Planning Agency (RTPA) and a Metropolitan Planning Organization (MPO), pursuant to State and Federal designation; and

WHEREAS, the 2007 Federal Transportation Improvement Program Amendment 12 is consistent with metropolitan transportation planning regulations from 23 Code of Federal Regulations Part 450; and

WHEREAS, the Federal Transportation Improvement Program has been prepared through a cooperative process between the Federal Highway Administration (FHWA), the Federal Transit Administration (FTA), the State Department of Transportation (Caltrans), principal elected officials of general purpose local governments and their staffs, and public owner operators of mass transportation services acting through the COFCG forum and general public involvement; and

WHEREAS, this Amendment (see attachment) (1) Revises schedules, phases and funding amounts of projects currently programmed in the 2007 FTIP in order to achieve financial constraint and to accommodate local agency requests.

WHEREAS, the program listing is consistent with: 1) the 2007 Regional Transportation Plan; 2) the State Transportation Improvement Program; and 3) the 2007 Air Quality Conformity Determination; and

WHEREAS, the Federal Transportation Improvement Program contains the MPO's certification of the transportation planning process assuring that all federal requirements have been fulfilled; and

WHEREAS, projects submitted in the TIP must be financially constrained and the enclosed financial summary affirms that funding is available; and

WHEREAS, the COFCG process for TIP project selection is currently serving as the MPO's formal Project Selection Process as required under SAFETEA-LU and is consistent with the outlined guidance; and

WHEREAS, the proposed projects are determined to be exempt from the conformity determination requirement per 40 CFR 93.126; and

WHEREAS, the amendment does not interfere with the timely implementation of the Transportation Control Measures contained in the State Implementation Plan (SIP); and

WHEREAS, the amendment has been circulated and reviewed by the Council of Fresno County Governments' member agencies representing their technical and management staffs; representatives of other governmental agencies, including State and Federal; representatives of special interest groups; representatives of the private business sector; and residents of Fresno County as part of the public participation process; and

WHEREAS, a public comment period consistent with the approved Public Participation Plan was conducted to consider Amendment 12 to the Federal Transportation Improvement Program.

NOW THEREFORE BE IT RESOLVED, that the Council of Fresno County Governments hereby amends the 2007 Federal Transportation Improvement Program for Fresno.

BE IT FURTHER RESOLVED, that the approval of this resolution constitutes a recommendation for funding approval by the Council of Fresno County Governments this 28th day of February, 2008.

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

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 28th day of February, 2008.

Signed: _____
Barbara Goodwin, Executive Director

Signed: _____
Trinidad M. Rodriguez, Chairman



2007 Federal Transportation Improvement Program

Council of Fresno County Governments
San Joaquin Format (Highest Version)
Regional Surface Transportation Program

Route Postmile PIN Dist-EA Fund AQ Lead	Description Total Escalated Cost Status	Phase	Prior Years	Program Schedule (Construction costs escalated per Caltrans percentage)					Change Description Project Comments Funding Summary (Current & Prior Years)	
				Four Year Element						
				06/07	07/08	08/09	09/10	10/11		11/12
				Cost/Scope/Sch. Change						
FRE020617 STPL/CITY 1.10 Fresno, City of	In Fresno - Lump-Sum A/C Overlays or Cold Recycle Overlays on Various Eligible Routes (No Additional Travel Lanes). Consistent with 40 CFR part 93.126, 127, 128, exempt tables 2&3. \$ 4,818,100 FTIP Amend 12.00	PE RW Const Total	100,000	72,900	9,400	122,000			***** Version 8 - 01/30/2008 ***** ***** Version 7 - 11/03/2006 ***** ***** Version 6 - 06/27/2006 ***** ***** Version 5 - 06/27/2006 *****	
			599,900	1,299,700	32,600	1,940,400	219,100	422,100		
			699,900	1,372,600	42,000	2,062,400	219,100	422,100	Prior 80,200 619,700 Current 472,400 3,645,800	
			Cost/Scope/Sch. Change ***** Version 2 - 01/30/2008 ***** ***** Version 1 - 03/24/2005 *****							
FRE041809 STPE-L/AGENCY 4.09 Fresno, City of	Herndon Ave. median island landscaping and irrigation project (West Ave. to Marks Ave.) \$ 400,800 FTIP Amend 12.00	PE RW Const Total	80,800		320,000				Prior 9,300 71,500 Current 36,700 283,300	
			80,800		320,000					

Financial Summary Form 2007 FSTIP MPO: FRESNO COG

(Dollars x \$1,000)

Programmed Amendment 12	2006/07	2007/08	2008/09	2009/10	TOTAL
State Highway Account Funds (State & State FHWA Funds)					
SHOPP (State Cash)	\$3,871	\$1,668	\$13,833	\$13,569	\$32,941
SHOPP (AC)	\$29,876	\$12,861	\$1,792	\$36,712	\$81,241
SHOPP Prior	\$566	\$0	\$0	\$0	\$566
STIP Int (state Cash)	\$0	\$0	\$368	\$9,561	\$9,929
STIP Int	\$0	\$30	\$123	\$1,380	\$1,533
STIP Regional	\$8,860	\$60,670	\$216	\$216	\$69,962
STIP Prior	\$1,500	\$0	\$0		\$1,500
STIP TE	\$1,657	\$1,050	\$720	\$1,228	\$4,655
AB 3090	\$0	\$135	\$0	\$0	\$135
Local Assistance					
Congestion Mitigation and Air Quality	\$10,639	\$9,319	\$9,415	\$5,872	\$35,245
Congestion Mitigation and Air Quality AC	\$0	\$1,870	\$1,871	\$1,871	\$5,612
Regional Surface Transportation Program	\$9,800	\$10,471	\$10,697	\$10,698	\$41,666
Highway Bridge Program	\$1,241	\$1,430	\$89	\$0	\$2,760
Highway Safety Improvement Program (HSIP)	\$4,410	\$703	\$0	\$0	\$5,113
Safe Routes to School Program	\$891	\$0	\$0	\$0	\$891
Railway - Highway Crossings	\$1,000	\$2,000	\$0	\$0	\$3,000
Other Federal Highway Programs					
Federal Lands Highway Program ¹	\$0	\$0	\$0	\$0	\$0
High Priority Projects Program	\$6,045	\$1,827	\$500	\$0	\$8,372
High Priority Projects Program Adv. Con. Conversion	\$240	\$1,760	\$1,808	\$0	\$3,808
Demonstration - TEA21	\$26,123	\$8,800	\$0	\$0	\$34,923
Coordinated Border Infrastructure Program	\$0	\$0	\$0	\$0	\$0
Recreational Trails Program	\$905	\$0	\$0	\$0	\$905
National Corridor Infrastructure Improvement Program	\$0	\$0	\$0	\$0	\$0
Ferry Boat Discretionary	\$0	\$0	\$0	\$0	\$0
National Scenic Byways Program	\$0	\$0	\$0	\$0	\$0
Projects of National and Regional Significance	\$0	\$0	\$0	\$0	\$0
Emergency Relief Program	\$50	\$50	\$50	\$0	\$150
HRRR	\$0	\$503	\$0	\$0	\$503
Federal Redistribution	\$0	\$0	\$0	\$0	\$0
Federal Transit Administration Funds					
5303 - Metropolitan Planning Program	\$0	\$0	\$0	\$0	\$0
5307 - Urbanized Area Formula Program	\$10,009	\$19,348	\$11,506	\$11,745	\$52,608
5308 - Clean Fuel Formula Program	\$0	\$0	\$0	\$0	\$0
5309 - Bus and Bus Facility Grants	\$2,172	\$1,360	\$960	\$960	\$5,452
5309 - Capital Investment Grants "New Starts"	\$0	\$0	\$0	\$0	\$0
5310 - Formula Program for Elderly & Persons with Disabilities	\$545	\$0	\$0	\$0	\$545
5311 - Other Than Urbanized Area Formula Program	\$1,426	\$1,196	\$1,099	\$0	\$3,721
5311 © - Public Transportation on Indian Reservations	\$0	\$0	\$0	\$0	\$0
5316 - Job Access and Reverse Commute Program	\$0	\$0	\$0	\$0	\$0
5317 - New Freedom Program	\$0	\$0	\$0	\$0	\$0
5320 - Transit in the Parks	\$0	\$0	\$0	\$0	\$0
Non-Title 23/Federal Transit Funds (Describe)					
Other State Funds					
Traffic Congestion Relief Program	\$0	\$0	\$0	\$7,439	\$7,439
Other (Describe)	\$0	\$0	\$0	\$0	\$0
Local Funds					
High Priority Projects Program/ Advanced Construction	\$8,652	\$48	\$0	\$0	\$8,700
State bond		\$2,300	\$5,800	\$2,300	\$10,400
Local city/county/agency	\$11,799	\$14,244	\$10,615	\$5,742	\$42,400
Measure C	\$46,531	\$12,650	\$0	\$0	\$59,181
Total programmed	\$188,808	\$166,293	\$71,462	\$109,293	\$535,856

1. Federal Lands Highway Program includes
- Indian Reservation Roads
 - NPS Parkway and Park Roads
 - F&WS Refuge Roads
 - Public Lands Program
 - Forest Highways
 - Public Land Highways Discretionary

Financial Summary Form 2007 FSTIP MPO:

(Dollars x \$1,000)

Revenue Amendment 12	2006/07	2007/08	2008/09	2009/10	TOTAL
State Highway Account Funds (State & State FHWA Funds)					
SHOPP (State Cash)	\$3,871	\$1,668	\$13,833	\$13,569	\$32,941
SHOPP (AC)	\$29,876	\$12,861	\$1,792	\$36,712	\$81,241
SHOPP Prior	\$566	\$0	\$0	\$0	\$566
STIP Int (state Cash)	\$0	\$0	\$368	\$9,561	\$9,929
STIP Int	\$0	\$30	\$123	\$1,380	\$1,533
STIP Regional	\$8,860	\$60,670	\$216	\$216	\$69,962
STIP Prior	\$1,500	\$0	\$0	\$0	\$1,500
STIP TE	\$1,657	\$1,050	\$720	\$1,228	\$4,655
AB 3090	\$0	\$135	\$0	\$0	\$135
Local Assistance					
Congestion Mitigation and Air Quality	\$10,709	\$11,283	\$11,449	\$11,450	\$44,890
Congestion Mitigation and Air Quality AC	\$0	\$1,870	\$1,871	\$1,871	\$5,612
Regional Surface Transportation Program	\$9,476	\$10,512	\$10,697	\$10,698	\$41,383
Highway Bridge Program	\$1,241	\$1,430	\$89	\$0	\$2,760
Highway Safety Improvement Program (HES)	\$4,410	\$703	\$0	\$0	\$5,113
Safe Routes to School Program	\$891	\$0	\$0	\$0	\$891
Railway - Highway Crossings	\$1,000	\$2,000	\$0	\$0	\$3,000
Other Federal Highway Programs					
Federal Lands Highway Program ¹	\$0	\$0	\$0	\$0	\$0
High Priority Projects Program	\$6,045	\$1,827	\$500	\$0	\$8,372
High Priority Projects Program Adv. Con. Conversion	\$240	\$1,760	\$1,808	\$0	\$3,808
Demonstration - TEA21	\$26,123	\$8,800	\$0	\$0	\$34,923
Coordinated Border Infrastructure Program	\$0	\$0	\$0	\$0	\$0
Recreational Trails Program	\$905	\$0	\$0	\$0	\$905
National Corridor Infrastructure Improvement Program	\$0	\$0	\$0	\$0	\$0
Ferry Boat Discretionary	\$0	\$0	\$0	\$0	\$0
National Scenic Byways Program	\$0	\$0	\$0	\$0	\$0
Projects of National and Regional Significance	\$0	\$0	\$0	\$0	\$0
Emergency Relief Program	\$50	\$50	\$50	\$0	\$150
HRRR	\$0	\$503	\$0	\$0	\$503
*** Federal Redistribution for August 2007***	\$2,296	\$0	\$0	\$0	\$2,296
Federal Transit Administration Funds					
5303 - Metropolitan Planning Program	\$0	\$0	\$0	\$0	\$0
5307 - Urbanized Area Formula Program	\$10,009	\$19,348	\$11,506	\$11,745	\$52,608
5308 - Clean Fuel Formula Program	\$0	\$0	\$0	\$0	\$0
5309 - Bus and Bus Facility Grants	\$2,172	\$1,360	\$960	\$960	\$5,452
5309 - Capital Investment Grants "New Starts"	\$0	\$0	\$0	\$0	\$0
5310 - Formula Program for Elderly & Persons with Disabilities	\$545	\$0	\$0	\$0	\$545
5311 - Other Than Urbanized Area Formula Program	\$1,426	\$1,196	\$1,099	\$0	\$3,721
5311 © - Public Transportation on Indian Reservations	\$0	\$0	\$0	\$0	\$0
5316 - Job Access and Reverse Commute Program	\$0	\$0	\$0	\$0	\$0
5317 - New Freedom Program	\$0	\$0	\$0	\$0	\$0
5320 - Transit in the Parks	\$0	\$0	\$0	\$0	\$0
Non-Title 23/Federal Transit Funds (Describe)					
Other State Funds					
Traffic Congestion Relief Program	\$0	\$0	\$0	\$7,439	\$7,439
Other (Describe)	\$0	\$0	\$0	\$0	\$0
Local Funds					
High Priority Projects Program/ Advanced Construction	\$8,652	\$48	\$0	\$0	\$8,700
State bond		\$2,300	\$5,800	\$2,300	\$10,400
Local city/county/agency	\$11,799	\$14,244	\$10,615	\$5,742	\$42,400
Measure C	\$46,531	\$12,650	\$0	\$0	\$59,181
Total programmed	\$190,849	\$168,298	\$73,496	\$114,871	\$547,514

1. Federal Lands Highway Program includes
- Indian Reservation Roads
 - NPS Parkway and Park Roads
 - F&WS Refuge Roads
 - Public Lands Program
 - Forest Highways
 - Public Land Highways Discretionary

Financial Summary Form

2007 FSTIP

MPO:

(Dollars x \$1,000)

Revenue Vs. Programmed Amendment 12	2006/07	2007/08	2008/09	2009/10	TOTAL
State Highway Account Funds (State & State FHWA Funds)					
SHOPP (State Cash)	\$0	\$0	\$0	\$0	\$0
SHOPP (AC)	\$0	\$0	\$0	\$0	\$0
SHOPP Prior	\$0	\$0	\$0	\$0	\$0
STIP Int (state Cash)	\$0	\$0	\$0	\$0	\$0
STIP Int	\$0	\$0	\$0	\$0	\$0
STIP Regional	\$0	\$0	\$0	\$0	\$0
STIP Prior	\$0	\$0	\$0	\$0	\$0
STIP TE	\$0	\$0	\$0	\$0	\$0
AB 3090	\$0	\$0	\$0	\$0	\$0
Local Assistance					
Congestion Mitigation and Air Quality	\$70	\$1,964	\$2,034	\$5,578	\$9,645
Congestion Mitigation and Air Quality AC	\$0	\$0	\$0	\$0	\$0
Regional Surface Transportation Program	(\$324)	\$41	\$0	\$0	(\$283)
Highway Bridge Program	\$0	\$0	\$0	\$0	\$0
Highway Safety Improvement Program (HES)	\$0	\$0	\$0	\$0	\$0
Safe Routes to School Program	\$0	\$0	\$0	\$0	\$0
Railway - Highway Crossings	\$0	\$0	\$0	\$0	\$0
Other Federal Highway Programs					
Federal Lands Highway Program ¹	\$0	\$0	\$0	\$0	\$0
High Priority Projects Program	\$0	\$0	\$0	\$0	\$0
High Priority Projects Program Adv. Con. Conversion	\$0	\$0	\$0	\$0	\$0
Demonstration - TEA21	\$0	\$0	\$0	\$0	\$0
Coordinated Border Infrastructure Program	\$0	\$0	\$0	\$0	\$0
Recreational Trails Program	\$0	\$0	\$0	\$0	\$0
National Corridor Infrastructure Improvement Program	\$0	\$0	\$0	\$0	\$0
Ferry Boat Discretionary	\$0	\$0	\$0	\$0	\$0
National Scenic Byways Program	\$0	\$0	\$0	\$0	\$0
Projects of National and Regional Significance	\$0	\$0	\$0	\$0	\$0
Emergency Relief Program	\$0	\$0	\$0	\$0	\$0
HRRR	\$0	\$0	\$0	\$0	\$0
Federal Redistribution	\$2,296	\$0	\$0	\$0	\$2,296
Federal Transit Administration Funds					
5303 - Metropolitan Planning Program	\$0	\$0	\$0	\$0	\$0
5307 - Urbanized Area Formula Program	\$0	\$0	\$0	\$0	\$0
5308 - Clean Fuel Formula Program	\$0	\$0	\$0	\$0	\$0
5309 - Bus and Bus Facility Grants	\$0	\$0	\$0	\$0	\$0
5309 - Capital Investment Grants "New Starts"	\$0	\$0	\$0	\$0	\$0
5310 - Formula Program for Elderly & Persons with Disabilities	\$0	\$0	\$0	\$0	\$0
5311 - Other Than Urbanized Area Formula Program	\$0	\$0	\$0	\$0	\$0
5311 © - Public Transportation on Indian Reservations	\$0	\$0	\$0	\$0	\$0
5316 - Job Access and Reverse Commute Program	\$0	\$0	\$0	\$0	\$0
5317 - New Freedom Program	\$0	\$0	\$0	\$0	\$0
5320 - Transit in the Parks	\$0	\$0	\$0	\$0	\$0
Non-Title 23/Federal Transit Funds (Describe)					
Other State Funds					
Traffic Congestion Relief Program	\$0	\$0	\$0	\$0	\$0
Other (Describe)	\$0	\$0	\$0	\$0	\$0
Local Funds					
High Priority Projects Program/ Advanced Construction	\$0	\$0	\$0	\$0	\$0
State bond	\$0	\$0	\$0	\$0	\$0
Local city/county/agency	\$0	\$0	\$0	\$0	\$0
Measure C	\$0	\$0	\$0	\$0	\$0
Total programmed	\$2,041	\$2,005	\$2,034	\$5,578	\$11,658

1. Federal Lands Highway Program includes
- Indian Reservation Roads
 - NPS Parkway and Park Roads
 - F&WS Refuge Roads
 - Public Lands Program
 - Forest Highways
 - Public Land Highways Discretionary

RSTP Balance of \$324 taken out of August Federal Redistribution



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Memorandum

Date: January 24, 2008

To: Council of Governments Policy Board
Policy Advisory Committee
Transportation Technical Committee

From: Todd Sobrado, ^{MS} Planner II

Subject: Draft memorandum of understanding for participation in the Sacramento Council of Government's Traveler Information (511) System

This is a summary for building out a 511 system in the Central Valley.

In 2006, The Sacramento Area Council of Governments (SACOG) extended an offer to the eight Central Valley COGs to join their traveler information or 511 system. The eight Central Valley COGs / counties include: Kern, Tulare, Kings, Fresno, Madera, Stanislaus, Merced, and San Joaquin Counties. The 511 system would enable anyone within the San Joaquin Valley with a cellular telephone to dial '511' and be routed through the SACOG 511 system to Caltrans Highway Information Network. The San Joaquin Valley is one of the last regions in the Western United States where travelers cannot access road information on their cell phones.

In order to try to make 511 accessible from the Central Valley, Fresno COG staff worked with Caltrans and SACOG to come up with the most cost-effective way to enable access. The result is the 'baseline 511 system'. There would be no cost to San Joaquin Valley COGs for enabling cellular access to Caltrans road information within the San Joaquin Valley through the SACOG 511 system. Caltrans will pick up the cost of calls originating in the Central Valley through the SACOG 511 system for the Caltrans Highway Information Network. This offer only includes cellular phone access and not land-based telephone system access. If we want to include land-line access to 511, Central Valley COGs will be responsible for the switching costs needed to reprogram AT&T phone systems to route calls to 511.

In order to participate in the SACOG 511 system in any capacity, SACOG requires a memorandum of understanding between each participating Council of Governments. Attached to this memorandum is the draft copy of the SACOG 511 System memorandum of understanding that was circulated to interested Valley COGs for comment. Staff has reviewed the agreement and have no comments. If there are no comments from either TTC, PAC, or Board members on this draft, then the SACOG 511 draft memorandum of understanding would be presented to the SACOG Policy Board for their approval. Once approved, the SACOG 511 system memorandum of understanding would be directed to each participating Central Valley COG for signing. Please contact Todd Sobrado at Fresno COG at (559) 233-4148 if you have any additional questions or comments.

Member Agencies: The cities of Clovis, Coalinga, Firebaugh, Fowler, Fresno, Huron, Kerman, Kingsburg, Mendota, Orange Cove, Parlier, Reedley, San Joaquin, Sanger, Selma & Fresno County

AGREEMENT FOR SHARING ACCESS TO SACRAMENTO REGION 511 PHONE SYSTEM

This Agreement between VALLEY-COG, and the Sacramento Area Council of Governments (SACOG), is made and entered to share access to services provided by SACOG's Sacramento region 511 phone system.

RECITALS

WHEREAS, SACOG is the lead agency on the Sacramento Region 511 phone service;

NOW THEREFORE, SACOG and VALLEY-COG agree as follows:

- SACOG allows VALLEY-cog access to host information on the Sacramento region 511 interactive voice response (IVR) phone system.
- SACOG will consult with VALLEY-COG on Sacramento region 511 phone system upgrades and changes.
- SACOG reserves final decision making authority for any changes, upgrades or edits to the Sacramento region 511 phone service.
- SACOG owns all rights to the Sacramento region 511 phone service.
- VALLEY-COG will reimburse SACOG for any non staff time expenses related to their portion of the Sacramento region 511 phone service including but not limited to;
 - Phone system change, recording or update fees that involve VALLEYCOG
 - Fees and charges for calls directed to services based in VALLEY-cog's jurisdiction
 - Initial fees or charges including converting switches
- That all changes or updates to VALLEY-COG's information on the Sacramento region 511 phone service will be submitted to SACOG for implementation.

1. Notices. All notices, letters, and other communications under this Agreement from one Party to the other will be mailed, first class, or hand delivered, or via facsimile or e-mail followed by delivery of the original documents to the address shown. Either Party may change their address at any time by providing written notification to the other Party.

Sacramento Area Council of Governments
1415 L Street, Suite 300
Sacramento, CA 95814
ATTN: A.J. Tendick

Facsimile: (916) 321-9551
E-mail: atendick@sacog.org

VALLEY-COG
Address
ATTN:

Facsimile: (xxx) xxx-xxxx
E-mail: xxxxxxxx@valley-cog.org

No change of address shall be binding upon the other Party hereto until such Party receives, at the address shown herein, written notice thereof. All notices shall be in English and shall be effective upon receipt.

2. Jurisdiction. Any lawsuit, action, or other proceeding arising from this Agreement shall be brought in a California state court located in the County of Sacramento, California.

3. Execution and Counterparts. This Agreement may be executed and delivered in facsimile counterparts, each of which when so executed and delivered shall be deemed an original and all of which taken together shall constitute one and the same Agreement. Any Party executing and delivering this Agreement by facsimile shall deliver an original signature page to the other Party hereto as soon as practicable. However, the failure by such Party to deliver such original signature shall have no effect on the validity, binding effect or enforceability of this Agreement as to such Party.

4. Construction of Agreement. In the event of a dispute between the Parties as to the language of this Agreement or the construction or meaning of any term hereof, this Agreement shall be deemed to have been drafted by the Parties in equal parts so that no presumptions or inferences concerning its terms or interpretation may be construed against any Party to this Agreement.

If any term, provision, condition or covenant of this Agreement or its application to any party or circumstance shall be held, to any extent, invalid or unenforceable, then the remainder of this Agreement, or the application of such term, provision, condition or covenant to any party or circumstances other than those as to whom or which it is held invalid or unenforceable, shall not be affected and shall be valid and enforceable to the fullest extent permitted by law.

5. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and assigns. No assignment or delegation of the obligation to make any payment or reimbursement hereunder will release the assigning Party without the prior consent of the other Parties.

6. Severability. This agreement covers an exchange of funds among the two parties. If any of the terms and conditions of this agreement are deemed invalid or unenforceable, all parties shall renegotiate the agreement to a satisfactory condition so that are parties are held financially harmless.

7. Waiver. No waiver by any party of a breach of any of the terms, covenants or conditions of this Agreement by any other party shall be construed or held to be a waiver of any succeeding or preceding breach of the same or any other term, covenant or condition herein contained. No waiver of any default by any party hereunder shall be implied from any omission

by any other party to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect a default other than as specified in such waiver. The consent or approval by any party to or of any act by any other party requiring the consent or approval of the first party shall not be deemed to waive or render unnecessary such party's consent or approval to or of any subsequent similar acts by the other party. Failure to exercise any right or remedy shall not preclude the exercise of that right or remedy at any other time or of any other right or remedy at any time.

8. Warranty of Authority. Each person signing this Agreement represents and warrants that he or she has been duly authorized to enter into this Agreement by the entity on whose behalf it is indicated the person is signing.

9. Integration. This Agreement constitutes the entire understanding among the Parties pertaining to the subject matter hereof and supersedes all prior understandings and representations of the Parties with respect to the subject matter hereof. Any representation, promise, or condition not incorporated into this Agreement shall not be binding on any Party.

10. Amendment. This Agreement may not be modified, amended or supplemented, or otherwise changed except by the written agreement of each of the Parties.

IN WITNESS WHEREOF, the Parties hereto enter into this Agreement as of the Effective Date.

**SACRAMENTO AREA COUNCIL
OF GOVERNMENTS**

VALLEY-COG

By: _____
MIKE MCKEEVER
Executive Director

By: _____

Date: _____

Date: _____

DRAFT

Transit Productivity Evaluation FY 2006-07

Fresno Area Express/Handy Ride
Clovis Stageline/Roundup
Fresno County Rural Transit Agency
Consolidated Transportation Service Agency

December 21, 2007

*Council of Fresno County Governments
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The preparation of this report has been financed in part through a grant from the U.S. Department of Transportation, the Federal Transit Administration, and in part through local funds from the Council of Fresno County Governments

Transit Productivity Evaluation FY2006-2007

Fresno Area Express/Handy Ride
Clovis Stageline/Roundup
Fresno County Rural Transit Agency
Consolidated Transportation Service Agency

December 21, 2007

Council of Fresno County Governments
2035 Tulare Street, Suite 201
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FY06-07 TRANSIT PRODUCTIVITY EVALUATION

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FY2006-2007 TRANSIT PRODUCTIVITY EVALUATION

INTRODUCTION

The productivity evaluation is conducted annually to assess the progress of transit operators who receive State Transportation Development Act funds and to recommend potential productivity improvements. The California Public Utilities Code 99244 requires that "Each transportation planning agency shall annually identify, analyze and recommend potential productivity improvements which could lower the operating costs of those operators who operate at least 50 percent of their vehicle service miles within the area under its jurisdiction." If operators fail to reasonably respond to recommended productivity improvements, Local Transportation Funds cannot exceed appropriation for the prior year.

The Consolidated Transportation Services Agencies (CTSA's) for both the metropolitan and rural areas are being evaluated in accordance with the "Assembly Bill 120 Action Plan" (February 1982) policy. This policy states that the CTSA designate(s) will be reviewed "at least annually" for compliance with the Action Plan.

The FY2006-07 Productivity Evaluation assesses the following agencies:

1. Fresno Area Express (FAX) and Handy Ride
2. Clovis Stageline and Roundup
3. Fresno County Rural Transit Agency (FCRTA)
4. Consolidated Transportation Services Agencies (CTSA) for the Metropolitan and Rural Areas

State law also requires Triennial Performance Audits of each transit operator (PUC 99246-99249). The most recent performance audit of the operators listed above was completed by Pacific Municipal Consultants (PMC) for FY2004 through FY2006. Final recommendations from the audits are reflected in this report.

OVERVIEW OF FRESNO COUNTY'S PUBLIC TRANSPORTATION SYSTEMS

Public transportation operators in Fresno County provided a total of 16.8 million passenger trips from the period beginning July 2006 through June 2007 at a cost of approximately \$49.4 million. As shown in Table 1, the systems traveled a combined 8,521,928 miles and operated 638,117 hours of service. Fares collected totaled \$13.74 million, representing an overall 27.77 percent farebox recovery ratio.

FAX, the largest public transit provider in the Fresno County region, provided a total of 15.5 million passenger trips (92.4 percent of the county total), followed by the CTSA, and the FCRTA with 522,142 trips (3.1 percent) and 402,456 trips (2.4 percent) respectively. Fresno Handy Ride provided 146,693 trips (0.9 percent of the county total), while Clovis Stageline and Clovis Roundup combined provided 200,606 (1.2 percent) of all trips.

System wide, 26.35 passengers per hour and 1.97 passengers per mile were carried during FY2007. The cost per hour was \$77.53 and cost per passenger was \$2.94. Overall, the systems provided more passengers trips than in FY06 and at a higher cost reflecting the escalating cost of both diesel and compressed natural gas.

Table 1

Fresno County Public Transportation Systems Productivity Summary FY2006-07

Agency	Passengers	Miles	Hours	Costs	Fare Revenue	Pass/ Hour	Pass/ Mile	Cost/ Hour	Cost/ Pass	Farebox Ratio
FAX	15,542,564	4,335,012	345,111	\$32,728,207	\$7,699,163	45.04	3.59	\$94.83	\$2.11	23.52%
Handy Ride	#180,674	963,836	89,663	\$4,637,479	\$113,339	1.64	0.15	\$51.72	\$31.61	2.44%
Stageline	153,012	276,022	16,801	\$1,309,979	\$261,996	9.11	0.55	\$77.97	\$8.56	20.00%
Roundup	47,594	286,937	22,055	\$1,375,107	\$137,510	2.16	0.17	\$62.35	\$28.89	10.00%
FCRTA	402,456	824,976	57,221	\$3,721,259	\$466,474	7.03	0.49	\$65.03	\$9.25	12.54%
*CTSA	522,142	1,835,145	107,266	\$5,702,290	\$5,059,587	4.87	0.28	\$53.16	\$10.92	88.73%
Total	16,814,461	8,521,928	638,117	\$49,474,321	\$13,738,069	26.35	1.97	\$77.53	\$2.94	27.77%

Figure includes 33,981 taxi trips in addition to the 146,693 passenger rides provided by Handy Ride.

* CTSA statistics do not include clients, costs, miles, or hours associated with the urban and rural "Meal Delivery" services.

NOTE: Both FCRTA and CTSA farebox revenues include some social service augmentation consistent with COFCG's AB120 Action Plan and the State TDA. Clovis Stageline and Roundup farebox includes some Measure C funds. FAX and Clovis Stageline passengers include transfer passengers.

A truly accurate system wide comparison is not possible due to different types of services, as well as the variations in the definitions of some of the performance indicators. For purposes of broad comparison, however, performance indicators by system are reflected in the above table.

Section I

Fresno Area Express and Handy Ride



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2223 "G" Street
Fresno, CA 93706
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www.fresno.gov

SECTION I

2006-07 PRODUCTIVITY EVALUATION

FRESNO AREA EXPRESS AND HANDY RIDE

I. SUMMARY DESCRIPTION OF SERVICES

Fresno Area Express (FAX), operated by the City of Fresno, is the largest mass public transportation provider in the San Joaquin Valley and provides service within the Fresno-Clovis Metropolitan Area (FCMA). FAX operates scheduled fixed-route service throughout the metropolitan area on 18 routes, seven days per week including evening service on weekdays. FAX currently has a fleet of 126 buses, 100 of which operate during the morning and evening peak commute periods. All buses are equipped with wheelchair passenger lifts/ramps and bicycle racks. Generally, the routes follow a modified grid pattern. Ten lines converge downtown on weekdays with coordinated schedules at four existing bus transfer facilities, the largest located in Downtown Fresno and Manchester Transit Center at the Manchester Mall.

FAX also administers Handy Ride, a demand-responsive service, which provides service to the elderly and disabled. MV Transportation was awarded a contract on December 17, 2005 to oversee the day to day operation of Handy Ride services. The Handy Ride fleet consists of wheelchair-lift equipped buses and sedans. The service is available seven days a week during the same hours as the fixed-route service. The service area includes the City of Fresno, the urbanized area of the County, and support service to the City of Clovis.

II. SIGNIFICANT SERVICE CHANGES AND ACTIVITIES

The FCMA population has grown by more than 19 percent between 1990 and 2000. Most of this growth has been north and northeast of Downtown Fresno, the hub of FAX's fixed-route service, but more recently we are seeing an increase in the southeast and northwest. A significant challenge to FAX over the next five years will be to develop service that reflects travel pattern changes which are the result of a continuing suburbanization of jobs, housing, and retail facilities. Additionally, over the next several years FAX will play a greater role in addressing the problems brought forth by increased traffic congestion and poor air quality. FAX continues to pursue these objectives through service, operations, maintenance, capital improvements, public outreach and marketing.

FAX continues to monitor requirements mandated by the Americans with Disabilities Act (ADA) of 1990. One of the provisions is complementary paratransit service which provides the disabled community within FAX's service area, with a level of service that is comparable to the service provided by FAX's fixed-route system. The latest paratransit plan update was submitted to the Federal Transit Administration (FTA) in January 1996, and is on file at the FAX Administrative Office.

NEW FIXED-ROUTE SERVICES AND MINOR SERVICE MODIFICATIONS

During FY07, FAX introduced increased frequencies on two more of its most heavily traveled routes. FAX put into service 15-Minute Frequencies on Route 38, the Cedar Avenue corridor on January 1, 2007. Subsequently on June 4, 2007, FAX implemented the 15-minute service on Route 34. This service is provided Monday through Friday from 6 a.m. to 6 p.m. This brings the total number of routes operating on 15-minute headways to 4, accounting for almost 50% of the total ridership. FAX continues to provide a free circulator service in the Fresno downtown area. The service uses three trolleys to provide access to downtown facilities such as parking, restaurants, entertainment venues as well as all major employment centers for passengers who commute to the downtown area.

The FAX Midday Trolley service came to an end after 9 months of service. This service began in September 2006 and ran through May 2007. It operated throughout the downtown area with 10-minute frequencies and was designed to transport visitors and employees to various dining establishments. The Midday Trolley failed to generate enough ridership even with extensive marketing support and outreach.

Fresno Area Express provided service throughout the year for various community events. These included: The Big Fresno Fair, Holly Jolly Trolley, Dixieland Festival, Bulldog Football and other events.

In March 2007, FAX added route 40, as an enhancement to route 33 during peak service hours. This route operates weekdays only, from approximately 7:00 a.m. to 9:00 a.m., and 4:00 p.m. to 6:00 p.m. on a 30 minute frequency. The goal is to provide connecting service to route 33 during these hours.

EXTERIOR BUS ADVERTISING

In August 2007, FAX entered into agreement with Lamar Transit Advertising to provide advertising on all FAX buses. This contract is for five years, with the option for two one-year extensions. The bus advertising program has provided FAX with much needed revenues for operational expenses.

BIKE AND BUS PROGRAM

The Bike and Bus program continues to be popular with FAX passengers as the demand and usage is constantly on the rise. To date, all buses are equipped with a bike rack, but there is only capacity for two bikes per bus. FAX tested a 3-bike version of the rack on several vehicles in the last year. Beginning with the next bus procurement, all new buses purchased will come equipped with a 3-bike rack. Unfortunately due to cost constraints FAX will not be able to retrofit its existing fleet with the new racks.

WHEELCHAIR LIFT DEPLOYMENTS

As is the case with the Bike and Bus Program, wheelchair lift deployments have also been on the rise. With the introduction of the new 2005/2006 New Flyer low floor buses, the access for passengers with mobility devices has been greatly improved. Fresno Area Express is now on a path to purchase low-floor buses whenever possible. These vehicles utilize a wheel-chair ramp instead of a lift. This type of system is faster, more efficient and less prone to service issues.

HANDY RIDE/PARATRANSIT SERVICE

MV Transportation has operated Handy Ride demand-responsive paratransit service since December 17, 2005 and has approximately three years remaining on their current contract. FAX added a Manager in April of 2007 who is directly overseeing the administration of the Handy Ride contract and assuring full compliance with the requirements set forth by the 1990 Americans with Disabilities Act (ADA). Also in FY '07, FAX began monthly graphing of several key performance indicators including "on-time" performance and complaints. This information is provided to FAX's entire management team and Fresno's City Manager and Mayoral staff for their review.

PLANNING

The ADA, air quality, congestion management, land-use and population growth, system productivity, on-time performance, and passenger requests are all major concerns that directly impact public transit service in the Fresno-Clovis Metropolitan Area (FCMA). Each of these elements must be evaluated thoroughly when planning service adjustments and modifications. One method which was used last year to evaluate service was a FAX passenger satisfaction survey. The survey identified that passengers were most concerned about on time performance of the system. In addition to these self evaluations, FAX has participated in a triennial audit and annual audits conducted by the FTA and the City of Fresno to verify that all of our transit programs are being operated in an effective and efficient manner.

The Planning staff at FAX continues to participate in the City of Fresno Development Review Process. This enables FAX to comment on potential impacts of proposed public or private developments. Staff also provides assistance to developers in designing transit friendly facilities. The Transit Long Range Master Plan identified two transit scenarios for the future; Productivity and Coverage. The Productivity scenario would be a transit strategy of maximizing ridership per unit of cost. This system would encourage high quality service where demand is high and little or no service where demand is low. Obviously, since transit is a public service paid for by all taxpayers, the Productivity goal must be balanced against its opposite, the need to provide some benefit to everyone. The opposite of the Productivity goal is the Coverage goal which would be designed to provide some coverage to everyone. This system penetrates parts of the community where transit cannot expect to operate with high productivity, either due to low densities or a built environment that is unsafe or unpleasant for pedestrians. In the future, FAX will continue to focus on the Coverage scenario by ensuring that service is provided to as many new areas as is feasible, and will not stress providing service solely for productivity purposes. However, future funding sources will play an integral part in the determination of the Coverage strategy since any shortfall in funding may inhibit FAX from providing any service beyond what is currently being provided.

During FY2007, FAX continued the Clean-Air Express vanpool program which was recommended as a result of the downtown employers survey conducted in FY03. The results of the study indicated that it would take a significant amount of incentives for employees who own vehicles to use transit. As a result, FAX initiated a pilot program with seven vans. This program has grown to eighteen vanpools with over 200 commuters in the FCMA each weekday which has reduced the reliance on single occupant vehicles. FAX continues to seek out information to make informed decisions when planning service changes and improvements.

FAX, in conjunction with the County of Fresno County Governments (COFCG), contracted with Nelson/Nygaard Consulting to complete a Public Transportation Regional Agency Formation Study. The Study, which included peer evaluations, policy level stake holder interviews, an evaluation of existing system performance and coordination efforts, found that Fresno County public transportation operators already have a high level of cooperation and coordination. Additionally, based on peer evaluations, Fresno County Operators are providing a cost effective and productive service. The Study recommends the formation of a "Transit Coordinating Council" which would consist of policy level members and technical staff support. The purpose of the Council would be to continue to explore improved coordination potentially leading a regional transit agency.

The FAX Planning Division also coordinated a Downtown Transportation Infrastructure Study (DTIS). The study defined and evaluated transportation alternatives that make the city more accessible and attractive to visitors and downtown residents, with an emphasis on providing mobility appropriate for a major city. The consultant developed a specific set of financially achievable implementation recommendations and a phased implementation plan. This study includes the location of future parking structures, the roll of the Fulton Mall as a transportation corridor, as well as the location/route of a public transportation service that will range from expanding the use of Downtown Trolleys to an automated people mover.

OPERATIONS

FAX continues to improve its use of the Automatic Vehicle Location (AVL) and Geographic Information Systems (GIS) software, which allows transit dispatchers to locate any bus within 10 feet of its actual location via a computer terminal. The radio system has also allowed FAX staff to make more informed decisions to correct on-time performance and other operational problems

In the next 6 months, FAX will implement the next generation of Siemens AVL/GIS software that will enhance the abilities of the system. The new software will allow FAX to deploy On-Street signs at any desired location without the constraint of time points. This technology provides a digital display of bus arrival and departure times using the same satellite technology employed to monitor buses from the dispatch center. The implementation of the Siemens software upgrade will facilitate the plans to install On-Street signs at California

State University, Fresno and at the intersection of Fresno Street and Shaw Avenue. Eventually, passengers will be able to check for the next bus arrival or plan their next trip from their home or office computer.

FAX introduced 15 Compressed Natural Gas (CNG) New Flyer buses into service in September 2006. The City's on site CNG fueling station will provide the fuel for the 50+ CNG vehicles in the FAX fleet. This fleet also includes four CNG replica trolleys and two electric hybrid vehicles. The vehicles have been used regularly on various routes and have generated a lot of interest in the community. The buses have been made available to a variety of local events throughout the area in order to better inform the public about the advantages of this fuel in reducing air pollution.

MAINTENANCE

The total miles between service interruptions decreased from 5,060 miles in FY2006 to 4,794 miles in FY2007. An effort to increase the total number of technician's and improve the miles between road failures has been a major factor in the decrease, as well as continued training for the division technician's

FAX continues to improve passenger amenities with the installation of new transit shelters, bus benches, and trash receptacles throughout the FAX system. This, along with the replacement and rehabilitation of older stops has helped to reduce the amount of graffiti and clean-up required at bus stop locations. In 2007, FAX partnered with the local university to install a number of new stops at the campus. These stops have been designed and painted to match the colors of California State University, Fresno, and contain electricity for security lighting and future On-Street Signs.

The FAX Maintenance Division has installed a new fuel management system that automatically records all transactions and sends them directly to the supervisor's station. This system will improve the efficiency of the fueling staff and simplify the fuel tracking for budgeting and billing purposes. The division continues to utilize Fleet Anywhere, an inventory program that includes an automated vehicle and parts tracking system. This system provides maintenance with the ability to perform cost analysis on all its labor, parts, and vehicle expenses.

PUBLIC INFORMATION AND COMMUNITY OUTREACH

During FY 2007, FAX continued to provide public information and outreach activities with the intent of increasing public awareness and ridership as well as improve public perception of bus transit in the FCMA. Transit services were promoted through advertising, participation in local events, and by sharing essential public transportation information with community based organizations. FAX directed its outreach efforts toward the FCMA's diverse population through cultural, age, disability, and socio-economic sensitive communication. FAX used television, radio, newspapers, newsletters, posters, bus placards, schedule guides, maps, flyers, e-mail, direct mail, and bus announcements to connect with the community. FAX continued to encourage passengers to share their concerns about the system through surveys, outreach events, and during the monthly Meet & Greet gatherings held at the Manchester Transit Center (MTC).

Nonprofit organizations took advantage of free interior advertising space on FAX buses. Agency messages inform passengers about social services, healthy living, safety, education, community events, and also provide enjoyment through Poetry in Motion and Road Reads placards.

FAX continued to expand its use of electronic communications technology utilizing a Global Positioning Satellite (GPS) system, an Automatic Vehicle Location (AVL) component, and a Geographical Information System (GIS) element. Twenty-two public information "On Street" signs installed at the Manchester Transit Center (MTC), FAX bus shelters, and the Cesar E. Chavez Adult Education Center provided real-time bus arrival information to the riding public. General transit information and trip planning assistance was also offered to customers in the FCMA.

The award winning FAX “101 Fun Things To Do In Fresno” transit system fun map was available to activity centers and tourism centers throughout the city. Area business such as real estate firms, colleges, and medical facilities also distributed the fun map for promotional and recruitment purposes.

Reauthorization of Measure C allowed FAX to plan for and implement free Senior 7 service on July 1, 2007. FAX Senior 7 service enables seniors 65 years of age and over to board any fixed-route bus on any day, at any time, for any purpose, absolutely free. FAX also received the Beverly Foundation’s 2006 Special Recognition Award for exceptional organizational relationships or methods of service delivery to seniors.

Further enhancing the quality of life in Fresno, FAX partnered with the Parks, Recreation, and Community Services Department to offer Activities Bus Passes for youth groups, and partnered with the Big Fresno Fair to provide free fair express shuttle service to the Fairgrounds from two park-and-ride locations in Fresno.

**A. TRIENNIAL PERFORMANCE AUDIT RECOMMENDATIONS,
FY2004 through FY2006.**

Pacific Municipal Consultants (PMC)

State Transportation Development Act (TDA) Requirement

In July 2007, Pacific Municipal Consultants (PMC) submitted to the Council of Fresno County Governments, FAX's Triennial Performance Audit for FY2004 through FY2006. The audit assists the State of California in determining if FAX operates in compliance with applicable laws, rules, and regulations, as prescribed by the Transportation Development Act (TDA). The audit provided the following conclusions and recommendations:

1. Report demand response 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 Controllers 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.

Conclusion

FAX has complied with the rules and regulations of the Transportation Development Act and based on our functional review of FAX operations is operating in an efficient and effective manner.

**B. TRIENNIAL PERFORMANCE REVIEW RECOMMENDATIONS,
FY2003 through FY2005.
Interactive Elements Inc.
Federal Transit Administration (FTA) Requirement**

In August 2006, Interactive Elements Incorporated completed a triennial performance review of FAX management and operation practices for FY2003 through FY2005. The review was completed as required by the FTA under the Intermodal Surface Efficiency Act (ISTEA) of 1991. The review focused on the City's compliance in 22 different areas. The City was deficient in six areas as follows:

1. Satisfactory Continuing Control

Basic Requirement: The grantee must maintain control over real property, facilities and equipment and ensure that they are used in transit service.

Findings: During this Triennial Review of the City, deficiencies were found with the FTA requirements for satisfactory continuing control.

A review of the City's asset records noted that the records did not provide for grant number, federal percentage, location, use and condition, disposition action, nor vested title.

2. Maintenance

Basic Requirement: The grantee must keep federally funded equipment and facilities in good operating order.

Findings: During this Triennial Review of the City, deficiencies were found with the FTA requirements for maintenance.

A review of the preventative maintenance plan for the City's contracted services for paratransit found that the plan was not up to date to reflect current preventative maintenance inspection intervals. While the plan requires preventative maintenance intervals (PMI) at 3,000 miles, the current practice allows for PMI's to be conducted at 4,500 miles.

A review of the City's maintenance plan for its fixed route fleet was not updated, as it did not identify the City's current bus fleet.

3. Procurement

Basic Requirement: FTA grantees will use their own procurement procedures that reflect applicable state and local laws and regulations, provided that the process ensures competitive procurement and that the procedures conform to applicable federal law including 49 CFR Part 18, specifically Section 18.36 and FTA C 4220.1E, "Third Party Contracting Requirements." Grantees will maintain a contract administration system that ensures that contractors perform in accordance with terms, conditions, and specifications of their contracts or purchase orders.

Findings: During this Triennial Review of the City, deficiencies were found with the FTA requirements for procurement.

The City employs a decentralized procurement process. FAX, a division of the City is allowed to procure goods and services to support its 5307 program.

A review of the City's procurement handbook dated November 2004 noted that it did not address the federal purchasing requirements per FTA C 4220I.E. Specific omissions include:

- No written standards of conduct.
- No procedures to avoid unnecessary or duplicative purchases.
- No provisions to address personal or organization conflicts of interest.
- No procedures governing documentation requirements for sole source procurements.

A review of the City's procurement for paratransit services found a potential organizational conflict of interest. City staff was responsible for developing the RFP for paratransit services and the procurement process allowed for the City to submit its own proposal during the solicitation process. In addition, the City staff was involved with the evaluation of proposals.

While the evaluation of proposals determined that the City's proposal was not in the best interest to the City, a potential organization conflict of interest exist due to the fact that the City developed the RFP which could proved the City with an unfair competitive advantage and bias, as the City's process did not provide for impartial decisions when evaluating proposals.

A review of the City's piggyback purchases for four trolleys found that the City procured video cameras on a sole source basis. A review of the file found that sole source justification was lacking.

In addition, due to the City's decentralized procurement process, contract documents to support FAX's procurement activities were incomplete.

4. Planning/Program of Projects

Basic Requirement: The grantee must participate in the transportation planning process in accordance with FTA requirements, Metropolitan Statewide Planning Final Rule, and Management Systems Interim Final Rule (Transportation Planning Regulations [TPR]), as revised.

Findings: During this Triennial Review of the City, deficiencies were found with the FTA requirements for planning/POP.

The grantee relies on the MPO to publish its public notice. A review of the public notice did note that it did not contain language that informed the public that the TIP development process was being used to satisfy the public hearing requirements for Section 5307.

5. Half Fare

Basic Requirement: Grantees must ensure that elderly persons and persons with disabilities, or an individual presenting a Medicare card, will be charged during non-peak hours for transportation using or involving a facility or equipment of a project financed under Section 5307 not more than 50 percent of the peak hour fare.

Findings: During this Triennial Review of the City, deficiencies were found with the FTA requirements for half fare.

A grantee is expected to have a fare structure that offers half fares to elderly persons, persons with disabilities, and Medicare card holders. A review of the City's public information for half fare found that the City was utilizing the Medicare card as proof of eligibility for those with disabilities.

It should be noted that in practice, the City's is in compliance with the half fare requirement.

6. ADA

Basic Requirement: Titles II and III of the Americans with Disabilities Act of 1990 provide that no entity shall discriminate against an individual with a disability in connection with the provision of transportation service. The law sets forth specific requirements for vehicle and facility accessibility and the provision of complementary paratransit service.

Findings: During this Triennial Review of the City, deficiencies were found with the FTA requirements for ADA.

Paratransit service for the City is provided by MV Transportation. Discussions with City staff indicated that the contractor was experiencing excessively long telephone wait times for reservations. On site, the reviewers witnessed callers on hold for over 15 minutes. Documentation was provided to the reviewers during the site visit that indicated a pattern of excessively long telephone wait times and dropped calls.

Specifically, on August 8, 2006 the longest wait time was 17 minutes and 87 calls dropped. On August 9, for the hours of 5:30 am to 11:00 am, the longest wait time was 13:34 minutes and 23 calls were dropped.

A review of monthly reports submitted by the contractor to the City did not reflect that the contractor was tracking trip denials.

During the review it was noted that paratransit service was not offered during the same hours of services as fixed route.

III. FOLLOW-UP ON FY2006 FAX/HANDY RIDE PRODUCTIVITY EVALUATION RECOMMENDATIONS

A. Comply where feasible, with the Triennial Performance Audit Recommendations for FY2003 to FY2005.

Fresno Area Express has responded to all audit findings. The next audit will be in 2009 for the period of 2006 through 2008.

B. Implement recommendations from the annual element of the Short-Range Transit Plan for the Fresno-Clovis Urbanized Area.

The SRTP was updated in July 2007. Next update is scheduled for July 2009.

C. Monitor the effectiveness of FY2006 service changes and evaluate potential service productivity improvements through the annual service evaluation planning process.

This is ongoing.

D. Pursue contracting of service and continue to consider the potential for and encourage private sector participation in the public transportation planning/service delivery process, and investigate other potential funding sources.

This is on-going.

E. Continue to coordinate with other general public paratransit service providers to jointly provide the State-required 40 hours of specified training and behind-the-wheel instruction.

This is on-going.

- F. Address responsibilities under the Americans with Disabilities Act of 1990. More specifically, address FAX operator's requirements to announce major streets and transfer points.**

This is on-going.

- G. Address responsibilities under the Clean Air Act of 1990, the San Joaquin Valley Air Pollution Control District Clean Air Plan, the City of Fresno Transportation Management Plan, and the Council of Fresno County Governments air quality planning efforts.**

This is on-going

- H. Coordinate Congestion Management Plan requirements with the Council of Fresno County Governments.**

FAX continues to participate in air quality-related activities. Staff has coordinated with COFCG in the development of a transit element for the "Fresno County Congestion Management Plan."

- I. Implement recommendations from the FAX and Handy Ride customer satisfaction surveys when possible.**

FAX uses the information from each survey to correct and modify service and will continue to make adjustments to service as warranted.

- J. Continue to perform community outreach and marketing activities in an effort to increase ridership and improve public awareness and perception of public transit.**

FAX is available to provide outreach to any and all community groups and will continue to develop a marketing campaign on the benefits of transit.

V. HIGHLIGHTS OF PRODUCTIVITY DATA

FRESNO AREA EXPRESS

Fresno Area Express ridership for FY07 was fully calculated for the first time utilizing a stratified sampling plan developed by Professor Beng Ong, Ph.D., of California State University, Fresno. The development of this sampling plan was initiated by the U.S. Department of Transportation, who indicated our existing plan did not have sufficient sample size. It should also be noted that Professor Ong determined our existing plan over represented the weekend trips and this over-representation is not adjusted or weighted in the projection of sample passenger counts and miles to annual passenger miles. Hence, FAX's previous sampling plan yielded a skewed and underestimated measure of passenger counts. The new plan separates weekday ridership from weekend ridership thus improving the accuracy of the overall survey.

FAX ridership increased by 24.0 percent from 11.8 million in FY06 to 15.5 million in FY07. This increase reflects the improved accuracy of the new sampling plan, a general increase in ridership, and acknowledges a system wide issue of under reporting in previous years. The increase in ridership will have a dramatic effect on other categories such as; Passenger per Hour, Passenger per Mile, Operating Cost per Passenger and Average Fare per Passenger. Total service miles increased by 2.45 percent (4,335,012 miles) from the previous year. Total revenue hours increased in FY07 due to some route adjustments mostly on Route 38 and 34 in which service was increased from 30 to 15 minute frequencies. The farebox recovery ratio of 23.5 percent is down from 24% in FY06, but continues to exceed the 20 percent State-mandated farebox recovery requirement. Operating cost per hour increased from \$85.54 to \$94.83.

Table I-1
FAX Productivity Indicator Comparison
FY2006 vs. FY2007

Indicator	FY 2006	FY 2007	% Percent Change
Passenger Trips	11,808,724	15,542,564	24.0%
Passengers/Hour	32.83	45.04	27.1%
Passengers/Mile	2.79	3.59	22.3%
Cost/Mile	\$7.28	\$7.55	3.6%
Cost/Hour	\$85.54	\$94.83	9.8%
Farebox Ratio	23.96%	23.52%	-1.9%

HANDY RIDE

Handy Ride provided 180,674 trips during FY07, a 1.19 percent decrease over FY06. Of this number, 33,981 passenger rides were provided by taxi service. This represents a 44.5% decrease in the amount of taxi trips provided in FY 2007. Handy Ride productivity, as stated in Passengers per Hour in Table I-5 is 1.64 for FY 07 compared to 1.76 the prior year. When including taxi trips, the overall Passenger per Hour increases to 2.01 for FY 2007. This is down from FY 2006 with Passenger per Hour equal to 2.4. The total number of revenue miles decreased by 1.9 percent from 982,540 in FY06 to 963,836 in FY07. Revenue hours in FY07 increased 15 percent from 76,193 to 89,663. All active vehicles operating in the fixed-route fleet are equipped with wheelchair lifts. Demand-response and fixed-route services continue to operate in compliance with ADA requirements. In FY2007, Handy Ride has reported no trip denials.

Table I-2
Handy Ride Productivity Indicator Comparison
FY2006 vs. FY2007

Indicator	FY2006	FY2007	% Percent Change
Passengers	182,818	180,674	-1.19%
Revenue Miles	982,540	963,836	-1.94%
Revenue Hours	76,193	89,663	15.02%
Farebox Revenue	\$103,339	\$113,339	8.82 %
Taxi Trips	49,099	33,981	-44.47%
Operating Cost	\$4,771,163	\$4,637,479	-2.88%

VI. FRESNO AREA EXPRESS/HANDY RIDE: FY2006-2007 PRODUCTIVITY COMMITTEE RECOMMENDATIONS

- A. Comply, where feasible, with the Triennial Performance Audit Recommendations for FY2003 through FY2005.
- B. Implement recommendations from the annual element of the "Short-Range Transit Plan for the Fresno-Clovis Urbanized Area."
- C. Pursue contracting of service and continue to consider the potential for and encourage private sector participation in the public transportation planning/service delivery process, and investigate other potential funding sources.
- D. Continue to coordinate with other general public paratransit service providers to jointly provide the State required 40 hours of specified training and behind-the-wheel instruction.
- E. Address responsibilities under the Americans with Disabilities Act of 1990. More specifically, address FAX operator's requirements to announce major streets and transfer points.
- F. Address responsibilities under the Clean Air Act Amendments of 1990, the San Joaquin Valley Unified Air Pollution Control District Air Quality Plan, the City of Fresno Transportation Management Plan, and the Council of Fresno County Governments Transportation Control Measures Plan, and Congestion Management System (CMS).
- G. Implement recommendations from the FAX and Handy Ride customer satisfaction surveys when possible.
- H. Implement service recommendations from the Transit Master Plan, where feasible.
- I. Continue to perform community outreach and marketing activities in an effort to increase ridership and improve public awareness and perception of public transit.
- J. Continue to work with major employers in the Fresno-Clovis Metropolitan Area to determine the demand for new or improved transit services.
- K. Closely monitor Handy Ride reservation call times as identified in the FY 2003 through FY 2005 Triennial Performance Review.
- L. Prepare and adopt updated Short Range Transit Plans / Operation Program and budget to reflect the inclusion of Measure C funded programs.

Table I-3
Summary of Key Operational Indicators
FRESNO AREA EXPRESS

Fiscal Years 2004 through 2007

Fiscal Year Ending June 30	FY04	FY05	FY06	FY07
Operating Costs	\$26,736,102	\$28,965,563	\$30,770,200	\$32,728,207
Total Actual Vehicle Revenue Service Hours	302,164	334,969	359,712	345,111
Total Actual Vehicle Revenue Service Miles	3,957,463	4,101,325	4,229,020	4,335,012
Total Labor Hours	546,169	564,438	613,890	659,856
Unlinked Passenger Trips	10,854,859	11,241,838	11,808,724	15,542,564
Fare Revenue	\$7,332,233	\$7,666,439	\$7,371,888	\$7,699,163
Operating Cost/Passenger	\$2.48	\$2.57	\$2.61	\$2.11
Passengers/Vehicle Revenue Hour	35.98	33.56	32.83	45.04
Passengers/Vehicle Revenue Mile	2.52	2.74	2.79	3.59
Vehicle Revenue Hours/FTE*	1,285.74	1,044.82	1061.72	1187.53
Farebox Recovery Ratio	26.37%	26.52%	23.96%	23.52%
Operating Cost/Revenue Mile	\$6.24	\$7.06	\$7.28	\$7.55
Operating Cost/Revenue Hour	\$89.24	\$86.47	\$85.54	\$94.83
Average Fare/Passenger	\$0.65	\$0.68	\$0.62	\$0.50
Total Revenue Service Interruptions	1,130	1,090	1,193	991
Percentage of Trips On Time	90.1%	90.1%	86.5%0	82.1%0

Table I-4
Summary of Key Operational Indicators
FRESNO AREA EXPRESS

Fiscal Years 2004 through 2007

Percent Change	FY04-FY05	FY05-FY06	FY06-FY07	FY04-FY07
Operating Costs	7.70%	5.86%	5.98%	18.31%
Total Actual Vehicle Revenue Service Hours	9.79%	6.88%	-4.23%	12.44%
Total Actual Vehicle Revenue Service Miles	8.80%	3.02%	2.45%	8.71%
Total Labor Hours	3.24%	5.22%	6.97%	17.23%
Unlinked Passenger Trips	3.44%	4.80%	24.02%	30.16%
Fare Revenue	4.36%	-4.00%	4.25%	4.77%
Operating Cost/Passenger	3.50%	1.53%	-23.95%	-17.77%
Passengers/Vehicle Revenue Hour	-7.21%	-2.22%	27.10%	20.11%
Passengers/Vehicle Revenue Mile	8.03%	1.79%	22.18%	29.71%
Vehicle Revenue Hours/FTE*	0.00%	1.59%	10.59%	-8.27%
Farebox Recovery Ratio	0.57%	-10.68	-1.85	-12.1%
Operating Cost/Revenue Mile	11.61%	3.02%	3.57%	17.35%
Operating Cost/Revenue Hour	-3.20%	-1.09%	9.80%	5.90%
Average Fare/Passenger	4.41%	-9.68%	-25.16%	-31.22%
Total Revenue Service Interruptions	-3.67%	8.63%	-20.38%	-14.03%
Percentage of Trips On Time	0.00%	-4.16%	-5.31%	-9.69%

* FTE - Full-Time Equivalent Employees

NB: All data taken from FTA National Transit Database Reports.

Table I-5
Summary of Key Operational Indicators
Handy Ride
Fiscal Years 2004 through 2007

Fiscal Year Ending June 30	FY04	FY05	FY06	FY07
Operating Costs	\$3,516,439	\$4,043,491	\$4,771,163	\$4,637,479
Total Actual Vehicle Revenue Hours	72,452	81,510	76,193	89,663
Total Actual Vehicle Revenue Miles	1,015,179	1,084,752	982,540	963,836
Total Labor Hours	N/A	N/A	N/A	N/A
Total Passengers	188,786	217,183	182,818	180,674
Fare Revenue	\$96,505	\$102,608	\$103,339	\$113,339
Operating Cost/Passenger	\$20.74	\$21.00	\$35.68	\$31.61
Passengers/Vehicle Revenue Hour	2.34	2.36	1.76	1.64
Passengers/Vehicle Revenue Mile	0.17	0.18	.14	.15
Vehicle Revenue Hours/FTE*	N/A	N/A	N/A	N/A
Farebox Recovery Ratio	2.74%	2.54%	2.17	2.44
Operating Cost/Revenue Mile	\$3.46	\$3.73	\$4.86	\$4.81
Operating Cost/Revenue Hour	\$48.53	\$49.61	\$62.62	\$51.72
Average Fare/Passenger	\$0.57	\$0.53	\$0.77	\$0.77
Total Revenue Service Interruptions	N/A	N/A	N/A	N/A
Percentage of Trips On Time	90.0%	90.0%	86.0%	91.6%

Table I-6
Percent Change of Key Operational Indicators
Handy Ride
Fiscal Years 2004 through 2007

Percent Change	FY04-	FY05-	FY06-	FY04-FY07
Operating Costs	13.03%	15.25%	-2.88%	24.17%
Total Actual Vehicle Revenue Hours	11.11%	-6.98%	15.02%	19.20%
Total Actual Vehicle Revenue Miles	6.41%	-10.40%	-1.94%	-5.33
Total Labor Hours	N/A	N/A	N/A	N/A
Total Passengers	11.95%	6.48%	8.84%	-15.58%
Fare Revenue	5.95%	0.71%	8.82%	14.85%
Operating Cost/Passenger	1.24%	9.38%	-12.86%	34.39%
Passengers/Vehicle Revenue Hour	0.94%	12.58%	-7.28%	-43.03%
Passengers/Vehicle Revenue Mile	5.91%	15.29%	10.57%	-9.73%
Vehicle Revenue Hours/FTE*	N/A	N/A	N/A	N/A
Farebox Recovery Ratio	-8.15%	-17.16%	11.38%	-12.29%
Operating Cost/Revenue Mile	7.07%	23.24%	-0.92%	28.01%
Operating Cost/Revenue Hour	2.16%	20.78%	-21.07%	6.16%
Average Fare/Passenger	-6.81%	-6.17%	-0.02%	26.33%
Total Revenue Service Interruptions	N/A	N/A	N/A	N/A
Percentage of Trips On Time	0.00%	-4.65%	6.07%	1.07%

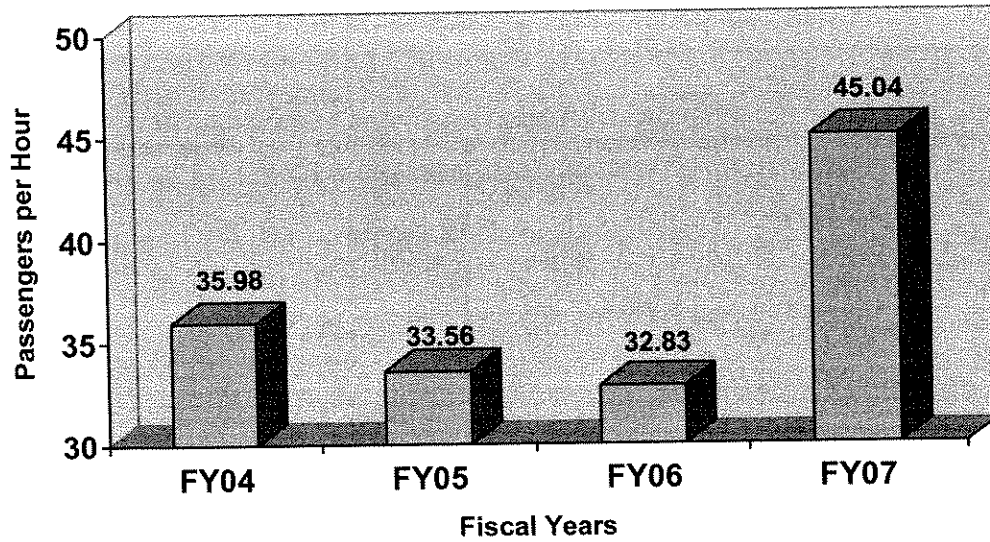
* FTE - Full-Time Equivalent Employees

NB: All data taken from FTA - National Transit Database Reports.

Passengers/Revenue Hour

Fixed-Route

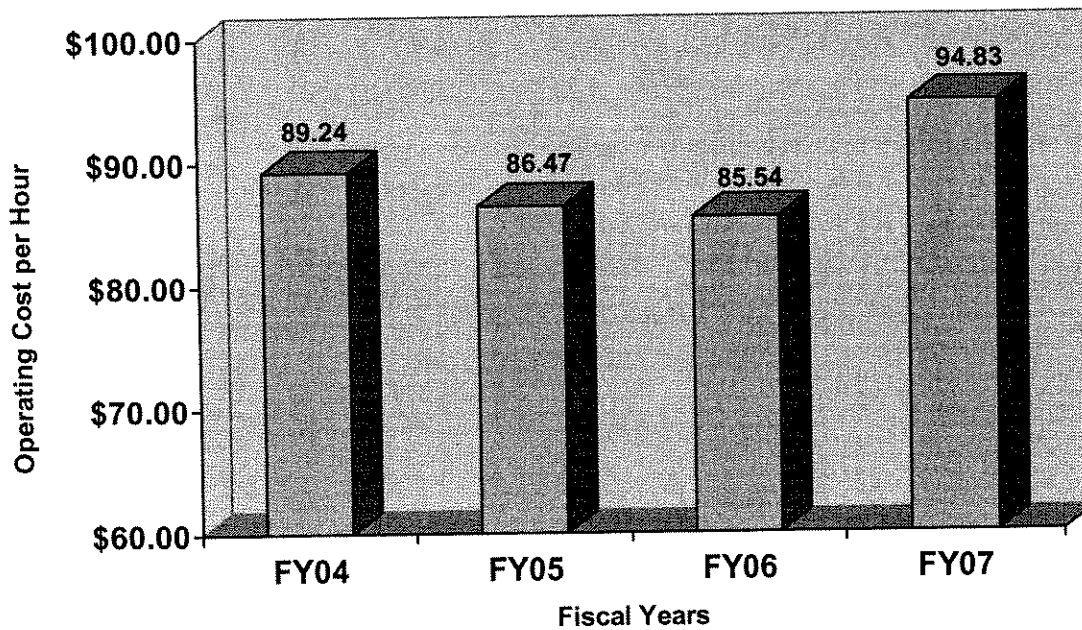
Exhibit I-1



Operating Cost/Revenue Hour

Fixed-Route

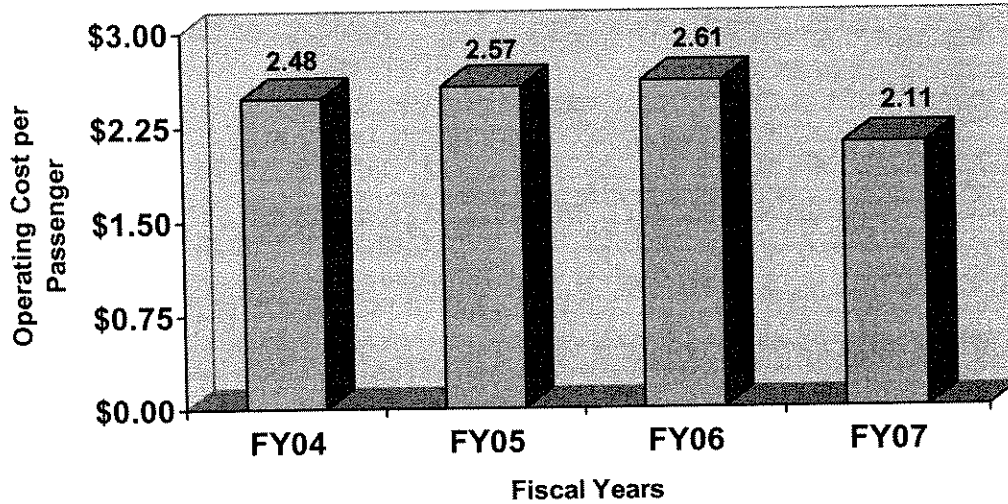
Exhibit 1-2



Operating Cost/Passenger

Fixed-Route

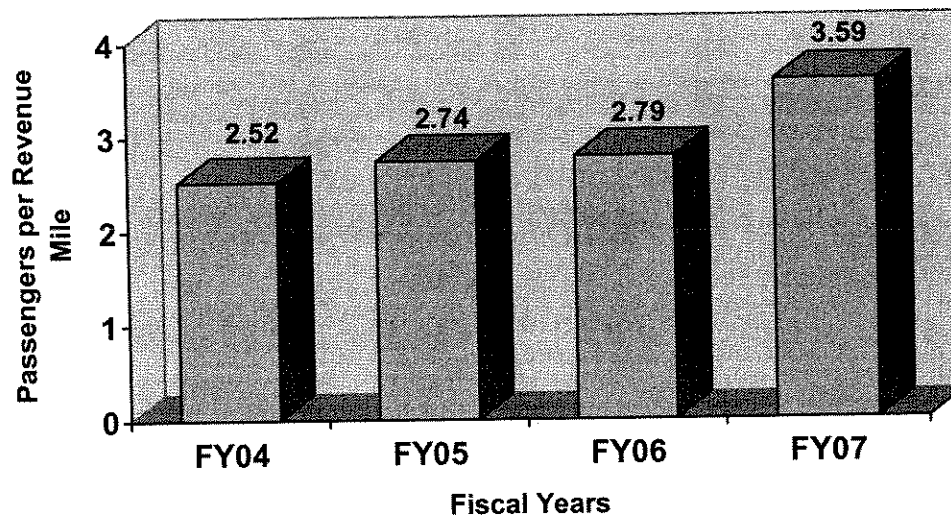
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Passengers/Revenue Mile

Fixed-Route

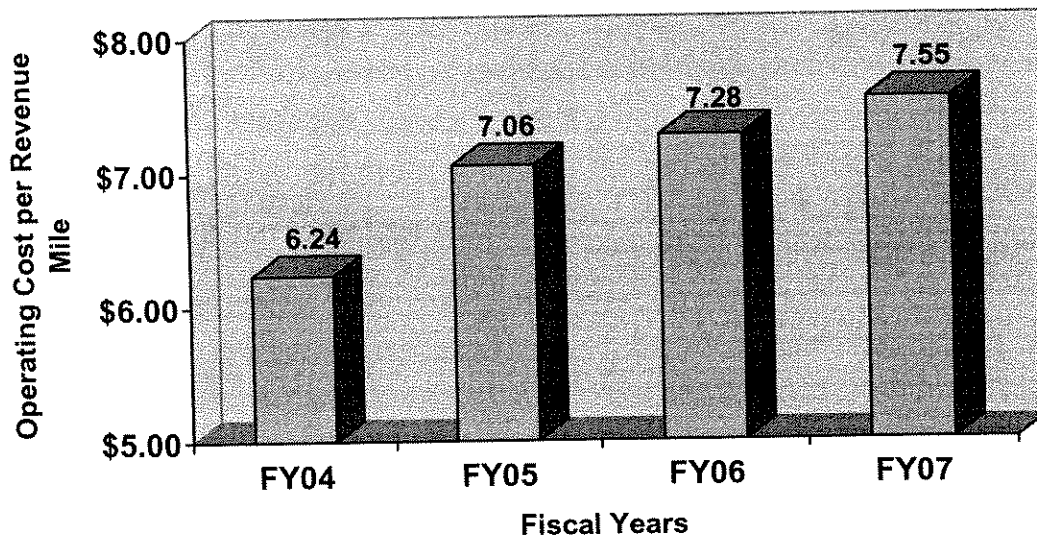
Exhibit 1-4



Operating Cost/Revenue Mile

Fixed-Route

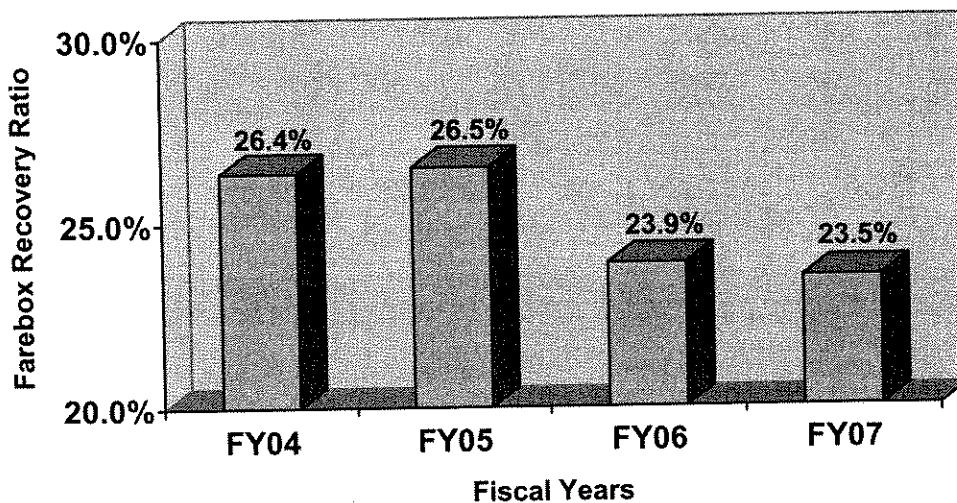
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Farebox Recovery Ratio

Fixed-Route

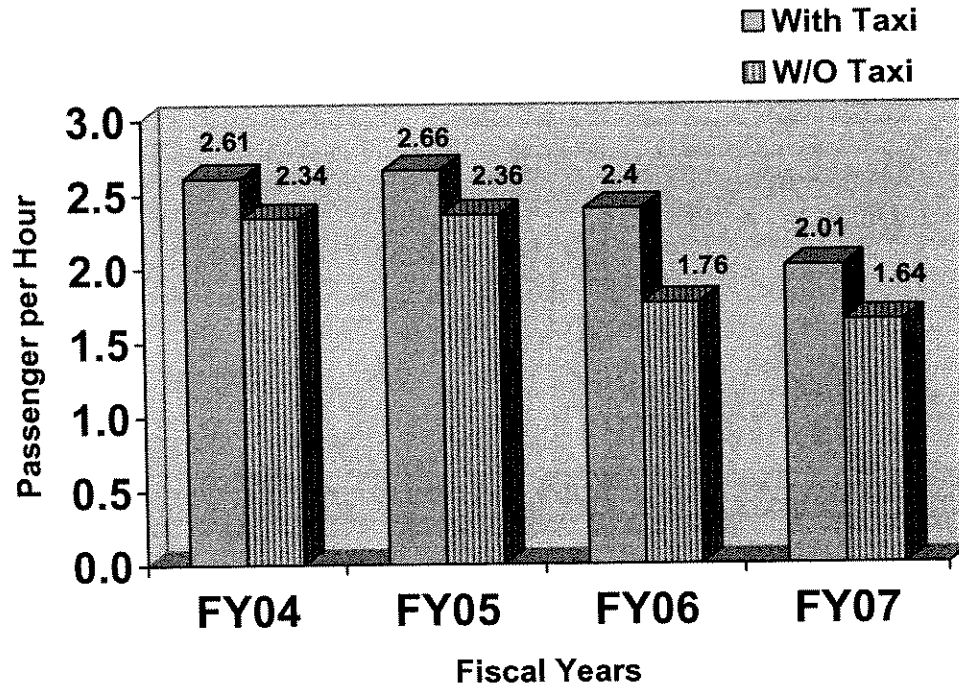
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Passengers/Revenue Hours

Handy Ride

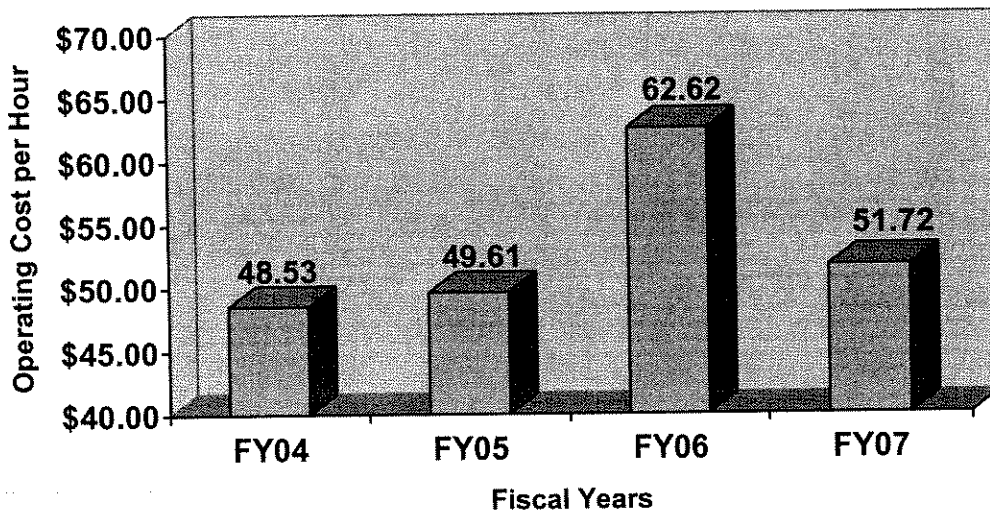
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Operating Cost/Revenue Hour

Handy Ride

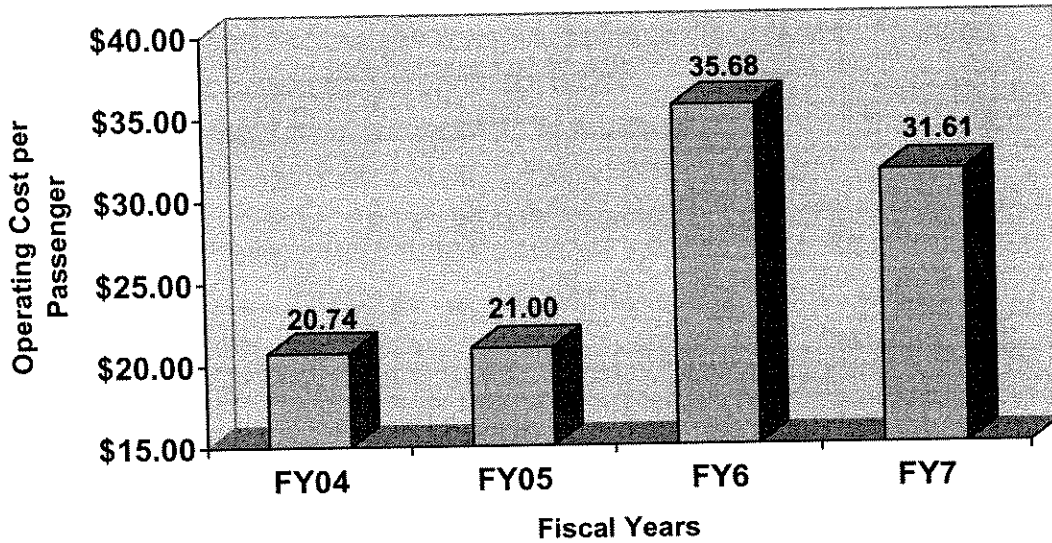
Exhibit I-8



Operating Cost/Passenger

Handy Ride

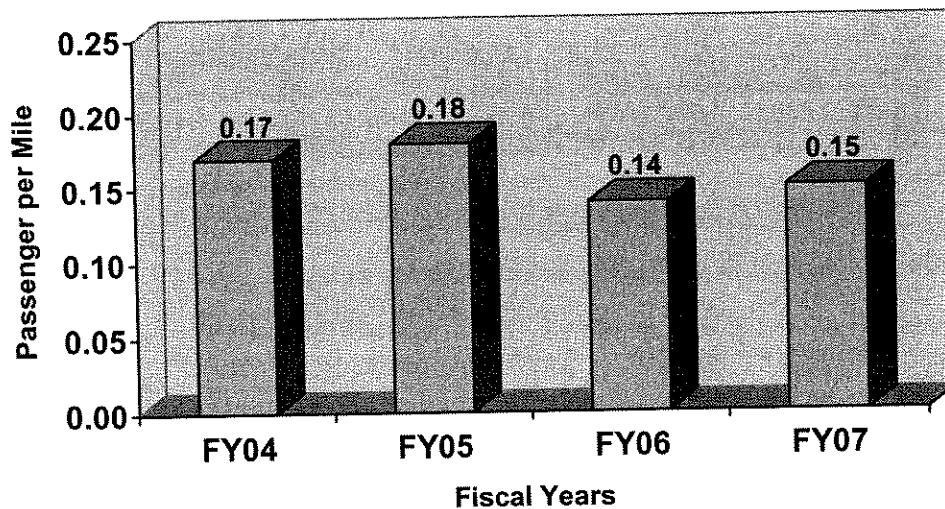
Exhibit I-9



Passengers/Revenue Mile

Handy Ride

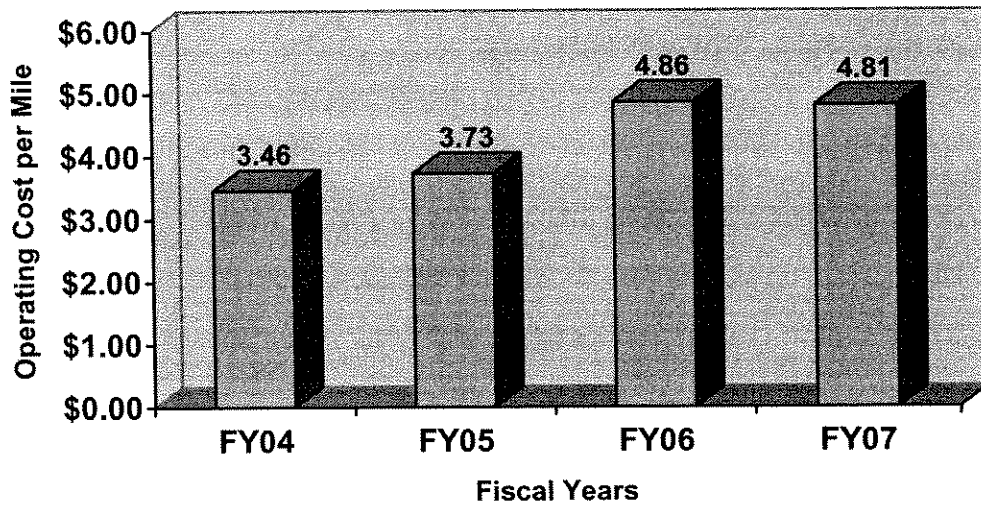
Exhibit I-10



Operating Cost/Revenue Mile

Handy Ride

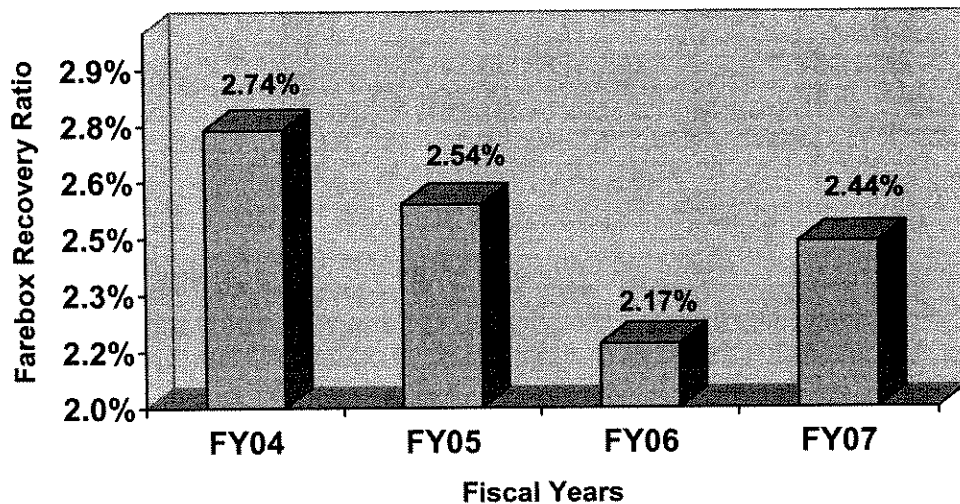
Exhibit I-11



Farebox Recovery Ratio

Handy Ride

Exhibit I-12



Section II

Clovis Transit:

Stageline
And
Roundup

Clovis Transit
155 N. Sunnyside Avenue
Clovis, CA 93611
559-324-2770
www.ci.clovis.ca.us

SECTION II

2006-2007 PRODUCTIVITY EVALUATION

CLOVIS TRANSIT

I. SUMMARY DESCRIPTION OF SERVICES

The City of Clovis operates two types of public transit service: Clovis Stageline provides general public fixed-route service and Clovis Roundup provides a specialized service for the elderly and disabled residents of Clovis. The City of Clovis also contracts with the City of Fresno for fixed route services between Clovis and Fresno utilizing FAX Route 28.

Clovis Stageline provides fixed-route, general public service. This service was originally offered in July 1980 as demand-responsive, replacing fixed route service formerly provided by FAX. From 1991 through 1999, the Stageline service was converted to a fixed-route, general public service operated by various contractors over the nine year period. In February of 1999, Clovis Transit issued a Request for Proposals for the fixed-route Stageline service. Clovis City Council approved the rejection of all proposals and allowed for the services to be offered by City of Clovis staff. City of Clovis staff took over the Stageline system effective September 1, 1999. The change allowed for improvements in the system, such as better coordination between the drivers and management. It also offers a larger pool of drivers for staff changes in both Roundup and Stageline.

Roundup service began operations in January 1979 and was originally funded with an Older Americans Act grant. As Aging Grant funding was eliminated, the City allocated Measure C funds and utilized Local Transportation Funds. In FY 1988, weekday demand-responsive service was expanded to include trips to Fresno based on a zonal fare. In April 1988, Clovis designated its Roundup service solely as a CTSA function. The current system operates trips into Fresno weekdays from 7:00 a.m. to 4:00 p.m., within Clovis weekdays 6:15 a.m. to 6:15 p.m., and weekends within Clovis from 7:30 a.m. to 3:30 p.m. upon demand. Demand-responsive trip requests can be made 14 days in advance.

During FY02-03, Handy Ride changed its reservation policy to 24-hour advance reservations only. With the change, coordination of trips for Clovis residents during Clovis' non-operation hours was halted. Therefore, Clovis Transit implemented its taxi voucher program to provide essential weekend and evening trips. Riders can use a taxi voucher during hours Clovis Transit does not operate for trips for education, medical, and employment purposes. The vouchers are \$2.50 per trip and are limited to Clovis' service boundary.

Continuing operational concerns and projects for FY 07 included: a) close monitoring of on-time performance on fixed-route service especially with an increase in ridership and wheelchair passengers; b) close monitoring of on-time performance for demand-responsive service with focus on frail elderly and disabled riders; c) coordination with apartment and office complexes to keep trees trimmed to allow bus access to the closest point or designate restricted drop off points within the complex to accommodate elderly and disabled riders; d) focus on reducing utilization of Measure C funding to maintain farebox ratio for both Stageline and Roundup services; e) continuous analysis and review of the taxi voucher program; f) coordination with local schools regarding services; and g) work closely with Planning and Development department on future site plans to accommodate transfer points and construction during plan development review process.

II. SIGNIFICANT SERVICE CHANGES OR ACTIVITIES

The most significant challenge to Clovis Transit over the next five years will be to improve service concurrent with growth as the City's Sphere of Influence is increased and to play an important role in congestion management in an effort to improve air quality. Clovis Transit needs to continue to improve these objectives through service, operational/maintenance, capital improvement, and marketing. Increased focus on fixed-route service changes and reliable customer service will also be stressed.

The passage of Measure C has given Clovis Transit the opportunity to improve services to the community. During FY 07-08, a consultant will be hired to review the entire fixed-route transit system including route design, schedules, hours of operation, fares, and demands for specialized service. The results of the consultant's study will be used for development and planning of future transit services.

Increasing maintenance and fuel costs have affected the overall operating costs and farebox ratio for both Roundup and Stageline. New equipment on order may help alleviate some of these costs.

System wide accomplishments for Clovis Transit during FY 07 include:

- Extensive bus driver training including a bus rodeo hosted by Clovis Transit.
- Increased number of trolley rentals for special events and weddings.
- Continuation of the popular Metro Pass which is valid on both Stageline and FAX.
- Ridership increases for Stageline of 9.6% over FY 06.

SERVICE

Operation and ridership data is reviewed monthly with targeted productivity numbers projected. Staff anticipates a continued increase in community awareness and ridership on both the Stageline and Roundup services as has been the trend. The passage of Measure C promised many changes and improvements in FY 07-08. Weekend service, increased frequencies and service to new area are all considered for the Measure C funding.

PLANNING

The biggest portion of the planning process will develop and the City receives its recommendations for service improvements from a consultant hired to review the entire system. The results are expected in February 2008. The document will be used to guide system planning for the near future.

Clovis Transit has a good working relationship with the City's Streets and Maintenance Divisions to maintain stop locations, and place signs and postings in a quick and efficient manner. Coordination with the City's Engineering Department on the location of bus stop signs and routes has helped reduce any problems of traffic congestion or inappropriate stop locations. The parks division quickly responds to requests for tree trimming that affect the routes or bus stops.

Clovis Transit is continually working with Central Valley Regional Resource Center (CVRC). Independent learning skills within the Clovis Unified School District include utilization of public transit services. Additional assistance is available to those with special needs in board and care homes, convalescent homes, and CVRC Production Center programs. Clovis Transit will continue to coordinate with local social service agencies regarding the special needs of their clients and to provide transitional education for special needs students throughout the Clovis Unified School District.

MARKETING

Radio advertising continued by targeting high school and junior high students, California State University Fresno students, and commuters. Advertising trade is done with the media for air time in exchange for trolley rental time. Clovis Transit route maps are located within the FAX schedule guide. All route maps and schedules are on the City's website and are regularly utilized. For passenger convenience, bus passes may be purchased at Clovis City Hall, Fresno State University, Cash Stop (retail outlet), or by mail.

III. FOLLOW-UP ACTIONS ON THE TRIENNIAL PERFORMANCE AUDIT FISCAL YEARS 2004-2006

PMC completed the latest Triennial Performance Audit of the City of Clovis Transit System in June 2007. The audit concluded that during the audited period the City of Clovis was conducting its transit operations in an effective manner. The audit recommended the following:

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.

This will be discussed with Finance staff and implemented when feasible.

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.

The Transit Supervisor will design and implement the form and procedures.

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

The Transit Supervisor has recently implemented mobility training for senior citizens residing in seniors complexes to instruct them on the use of the fixed-route system in lieu of the dial-a-ride service. Provided that Roundup 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.

The will continue as resources allow.

IV. CLOVIS STAGELINE/ROUNDUP: 2007 PRODUCTIVITY EVALUATION COMMITTEE RECOMMENDATIONS

A. Comply, where feasible, with the FY04 through FY07 Triennial Performance Audit Recommendations.

This is ongoing

B. Continue to monitor effectiveness of Stageline service, optimize routing, and seek ways to increase ridership to maintain the State-mandated 20% farebox ratio without continued reliance on Measure C farebox subsidy.

Although the farebox ratio was not achieved directly from ridership contributions, the Clovis City Council allocated Measure "C" funds be utilized on the Local Transportation Fund Claim to meet the State mandated 20% ratio.

C. Continue to improve CTSA potential through increased coordination and consolidation with local social service transportation providers to reduce its reliance on Measure C farebox subsidy.

Currently, Clovis Transit is working with CVRC by transporting students to/from the Production Center and providing assistance in the transitional training of special needs riders who are able to travel on either demand responsive or fixed-route service. This on-going coordination with local social service agencies to improve independent living skills of special riders will continue. Additional coordination occurs with Clovis Unified School District to assist special needs classes in travel training and education regarding transportation available to the disabled.

D. Continue to coordinate with FAX to consolidate services for maximum efficiency and effectiveness.

This is ongoing.

E. Implement responsibilities under the Americans with Disabilities Act of 1990.

Full compliance has been obtained. All vehicles are accessible, weekend reservation system via voice mail and the development of a Ridership Tips guide will assist riders to access public transit in Clovis.

F. Address responsibilities under the Clean Air Act of 1990, the San Joaquin Valley Unified Air Pollution Control District Clean Air Plan, the Council of Fresno County Governments Transportation Control Measures Plan and Congestion Management Plan (CMP).

This is ongoing; Clovis Transit will continue to purchase low emission vehicles to help reduce emissions.

G. Coordinate with the Fresno County Department of Social Services to plan and implement transportation strategies focused on addressing the State mandates Welfare to Work - CalWorks Program.

Coordination with Human Services is ongoing including coordinating with bus pass purchases. A number of students in the program attend the Clovis Adult School, which is served every 30 minutes.

H. Prepare for the TDA Triennial Performance Audit for FY 2003-2004 through FY 2005-2006.

Audit has been completed.

I. Prepare and adopt updated Short Range Transit Plans/Operation Program and Budget to reflect the inclusion of Measure C funded programs.

With the passage of Measure C in November 2006, Clovis Transit has begun the planning and implementation process to address the Expenditure Plan presented to the voters.

V. HIGHLIGHTS OF PRODUCTIVITY DATA

CLOVIS STAGELINE

- Stageline ridership increased 9.6% over FY 06 with total ridership increasing from 139,622 to 153,012. The majority of the increase is due to more passengers on Route 10 and school passengers to the local junior high and high schools.
- Vehicle service hours decreased 0.2% from 16,825 to 16,801. This change is inconsequential and could be caused by one day service day for the calendar year.
- Vehicle service miles experienced a decrease of 0.6% over FY 06 with total vehicle service miles decreasing from 277,718 to 276,022.
- Farebox revenue ratio prior to Measure C funds increased from 10.1% to 10.2% in FY 07; the City subsidy of Measure "C" funding was needed to meet the State mandate of 20%.
- Overall, the past year as a fixed route system, Stageline performance indicators reflected a 9.8% increase in passenger/hour (9.11) and passenger/mile increased 10.0% (.55). Operating costs increased from \$66.89/vehicle hour to \$77.97 per vehicle hour primarily due to increased fuel and labor costs.
- Vehicle hours/employee decreased 0.1% from 1641 to 1639. Operational subsidy per passenger increased from \$7.24 in FY06 to \$7.69 in FY 07.

CLOVIS CTSA/ROUNDUP

- Clovis CTSA/Roundup services carried 47,594 riders in FY 07, an increase of 4.5% over FY06. Productivity data on Roundup trip destinations are illustrated below:

Fiscal Year	Fresno	Clovis	Total	% Change
FY 04	15,335	22,165	37,500	1%
FY 05	16,320	25,567	41,887	11.7%
FY 06	16,988	28,543	45,531	8.7%
FY 07	17,539	30,055	47,594	4.5%

- Total taxi voucher ridership for FY07 is 582 trips. Vouchers may be used for essential trips only: education, employment and medical purposes.
- Total vehicle hours increased from 19,784 in FY06 to 22,055. This 11.5% increase is caused by a larger service area and longer distance trips as well as an increase in ridership.
- Total vehicle miles increased from 268,930 in FY 06 to 286,937 in FY 07 or a 6.7% increase in miles.
- Operating costs increased from \$1,181,610 to \$1,375,107 due to a large increase nationwide in fuel costs, increased driver wages and maintenance and repair costs.
- Clovis CTSA/Roundup Service fares increased from \$65,175 in FY 06 to \$72,442 (11.1%). Farebox ratio without Measure C decreased to 5.3%. The combination of farebox revenue and Measure C funds allows Roundup to maintain a 10% State mandate farebox ratio.
- Overall, the past year Clovis CTSA/Roundup service performance indicators reflect a 6.1% decrease in passenger/hour (2.16) and passenger/mile remained the same at .17. Operating costs increased 16.4% in FY 07. Cost/vehicle hour increased 4.4% from \$59.73 in FY06 to \$62.35 in FY07.
- Vehicle hours/employee increased by 5.6% over the prior year to 2,321.

Table II - 1
Clovis Stageline

Annual Productivity Trends FY 2005-2007

Indicator	2005	2006	2007	04-05	05-06	06-07
Total Passengers	119,538	139,622	153,012	23.3%	16.8%	9.6%
Total Hours	16,678	16,825	16,801	3.8%	0.9%	-0.2%
Total Mileage	268,136	277,718	276,022	3.6%	3.6%	-0.6%
Operating Cost	\$1,055,607	\$1,125,486	\$1,309,979	7.8%	6.6%	16.4%
Farebox Revenue*	\$211,121	\$225,097	\$261,996	7.8%	6.6%	16.4%
Employees	10.25	10.25	10.25	0.0%	0.0%	0.0%
Passenger/Hour	7.17	8.3	9.11	19.0%	15.8%	9.8%
Passenger/Mile	0.45	0.50	0.55	21.6%	11.1%	10.0%
Cost/Vehicle Hour	\$63.29	\$66.89	\$77.97	3.9%	5.7%	16.6%
Cost/Vehicle Mile	\$3.94	\$4.05	\$4.75	4.2%	2.8%	17.3%
Veh Hrs/Employee	1,627	1,641	1,639	3.8%	0.9%	-0.1%
Cost Per Passenger	\$8.83	\$8.06	\$8.56	-12.7%	-8.7%	6.2%
Measure C Funds	\$143,339	\$147,771	\$128,718	2.6%	3.1%	-12.9%
Op Subsidy/Passenger	\$8.26	\$7.24	\$7.69	-13.3%	-9.2%	6.2%
Farebox Incl. Measure C	20%	20%	20%	0.0%	0.0%	0.0%
Farebox Ratio w/o Meas.C	6.4%	10.1%	10.2%	12.2%	7.8%	0.1%

*Includes Measure C Funds
OP Subsidy/Passenger calculated by:
Operating costs minus farebox revenue divided
by total passengers.

**Table II - 2
Clovis Roundup**

Annual Productivity Trends FY 2005-2007

Indicator	2005	2006	2007	04-05	05-06	06-07
Total Passengers	41,887	45,531	47,594	11.7%	8.7%	4.5%
Total Hours	18,401	19,784	22,055	9.8%	7.5%	11.5%
Total Mileage	243,279	268,930	286,937	22.6%	10.5%	6.7%
Operating Cost	\$1,004,600	\$1,181,610	\$1,375,107	9.7%	17.6%	16.4%
Farebox Revenue*	\$100,460	\$118,161	\$137,510	9.7%	17.6%	16.4%
Employees	9	9	9.5	5.9%	0.0%	5.5%
Passenger/Hour	2.28	2.30	2.16	1.8%	0.9%	-6.1%
Passenger/Mileage	.17	.17	.17	-10.5%	0.0%	0.0%
Cost/Vehicle Hour	\$54.10	\$59.73	\$62.35	-1.0%	10.4%	4.4%
Cost/Vehicle Mile	\$4.09	\$4.39	\$4.79	-11.5%	7.3%	9.1%
Veh Hrs/Employee	2,044	2,198	2,321	3.7%	7.5%	5.6%
Cost Per Passenger	\$23.77	\$25.95	\$28.89	-2.7%	9.2%	11.3%
Measure C Funds	\$38,576	\$52,962	\$65,068	7.2%	37.3%	22.9%
Op Subsidy/Passenger	\$24.09	\$24.52	\$27.37	5.0%	1.8%	11.6%
Farebox Incl. Measure C	10%	10%	10%	0.0%	0.0%	0.0%
Farebox Ratio w/o Meas.C	6.2%	5.5%	5.3%	1.6%	-11.3%	-3.6%

*Includes Measure C Funds
OP Subsidy/Passenger calculated by: Operating costs minus farebox revenue, divided by total passengers

Chart II-1
Clovis Roundup Passengers/Revenue Hour

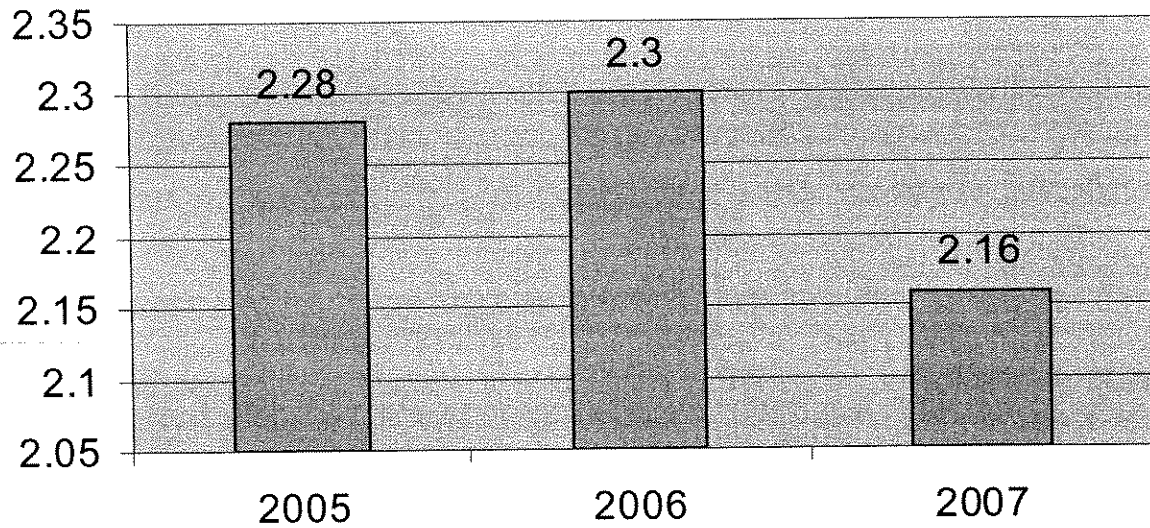


Chart II-2
Clovis Roundup Passengers/Revenue Mile

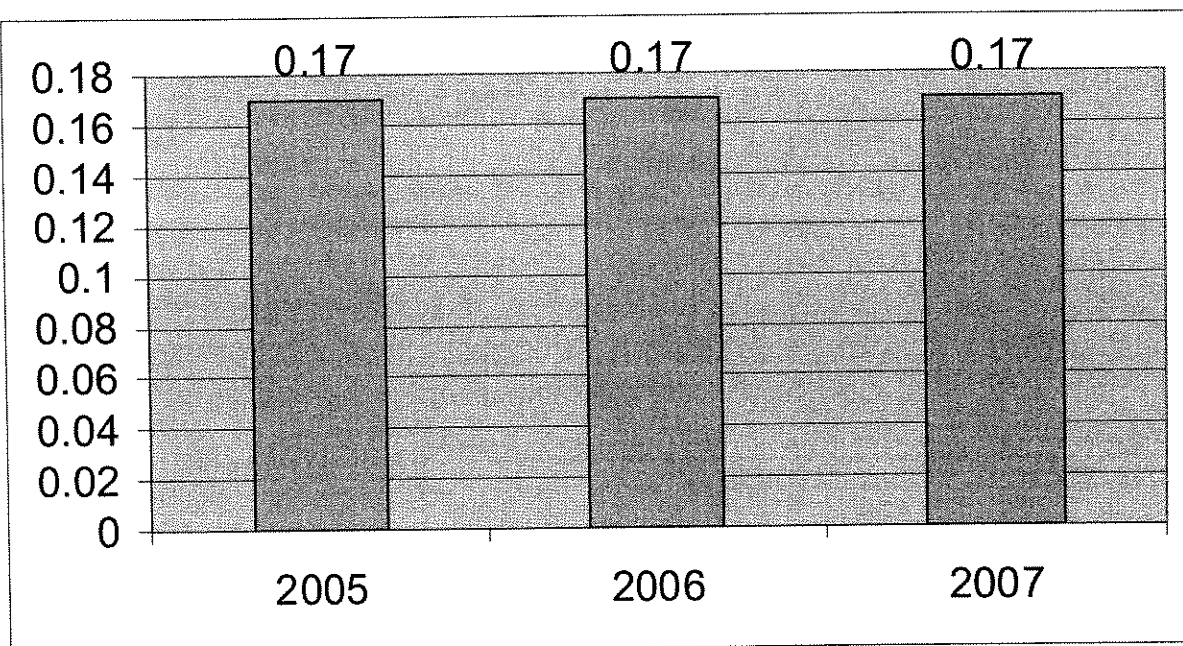


Exhibit II-3
Clovis Roundup Cost/Revenue Hour

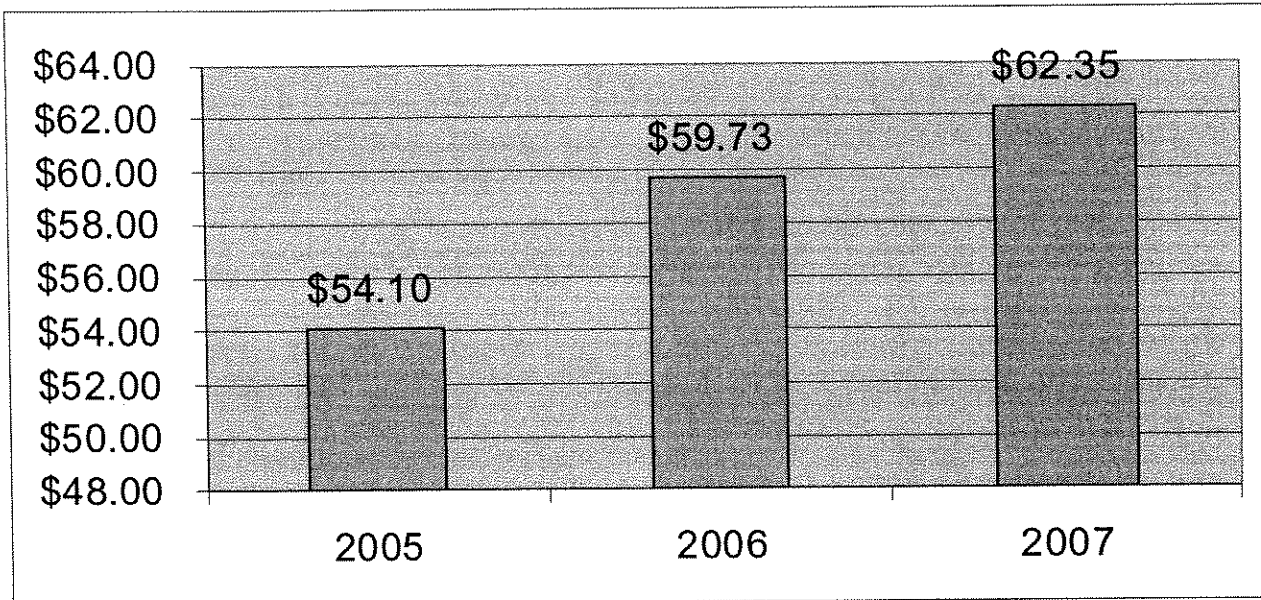


Exhibit II-4
Clovis Roundup Cost/Revenue Mile

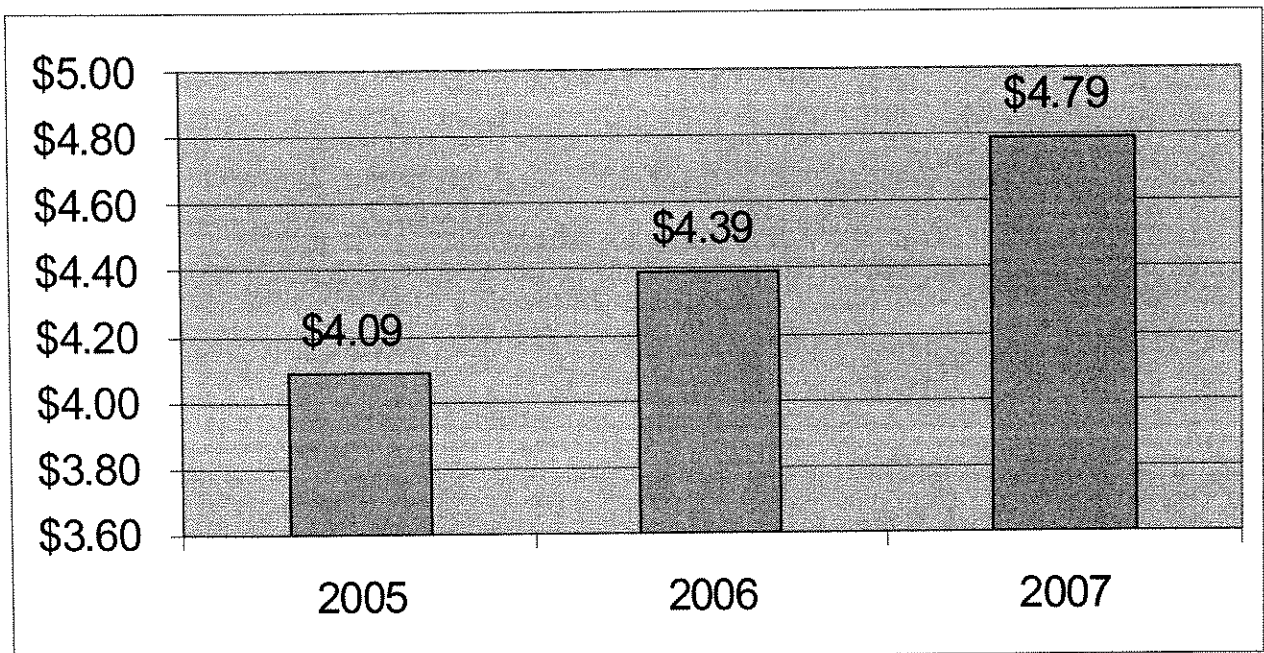


Exhibit II-5
Clovis Roundup Farebox Recovery Less Measure C

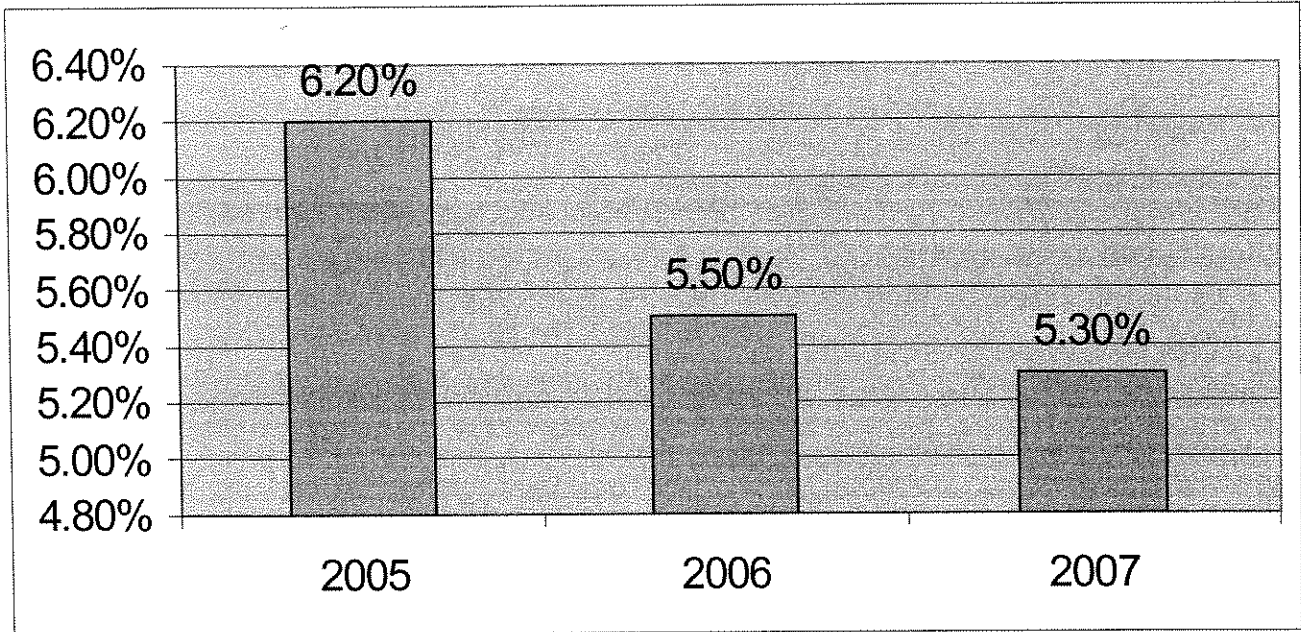


Exhibit II-6
Clovis Roundup Cost/Passenger

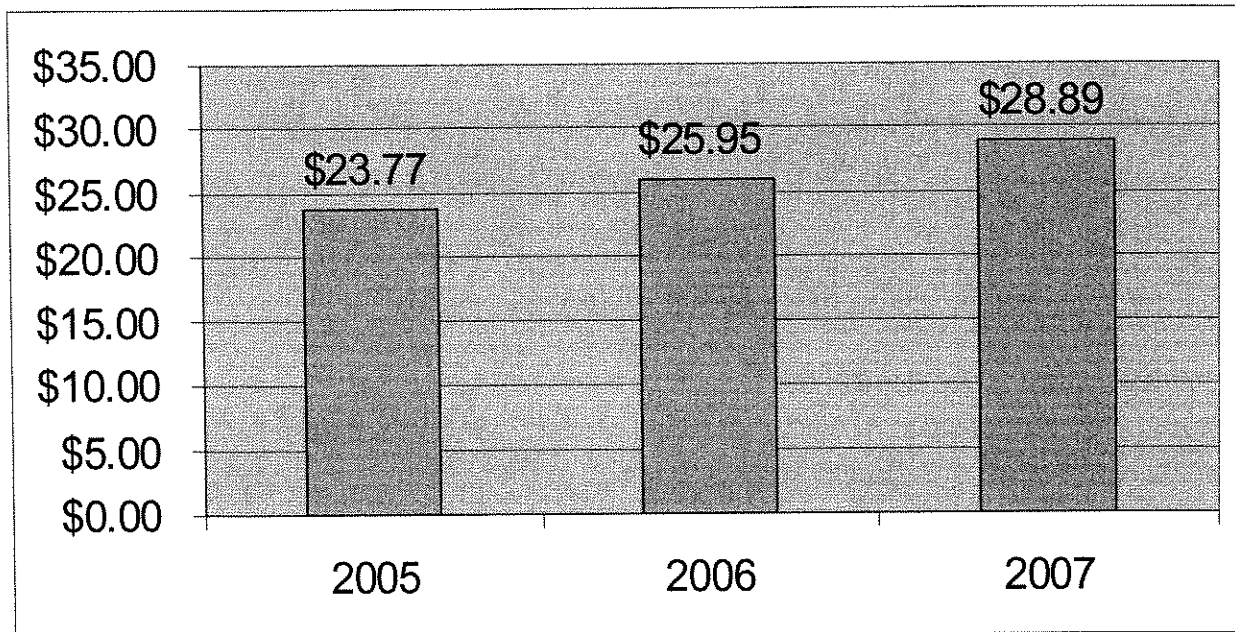


Exhibit II-7
Clovis Stageline Passengers/Revenue Hour

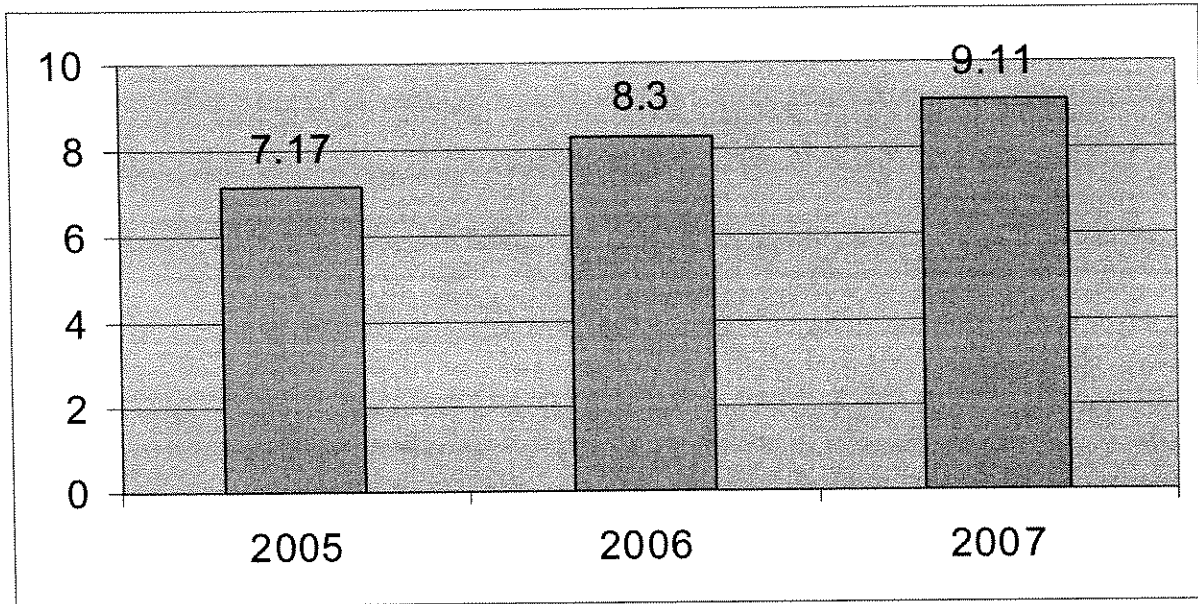


Exhibit II-8
Clovis Stageline Passengers/Revenue Mile

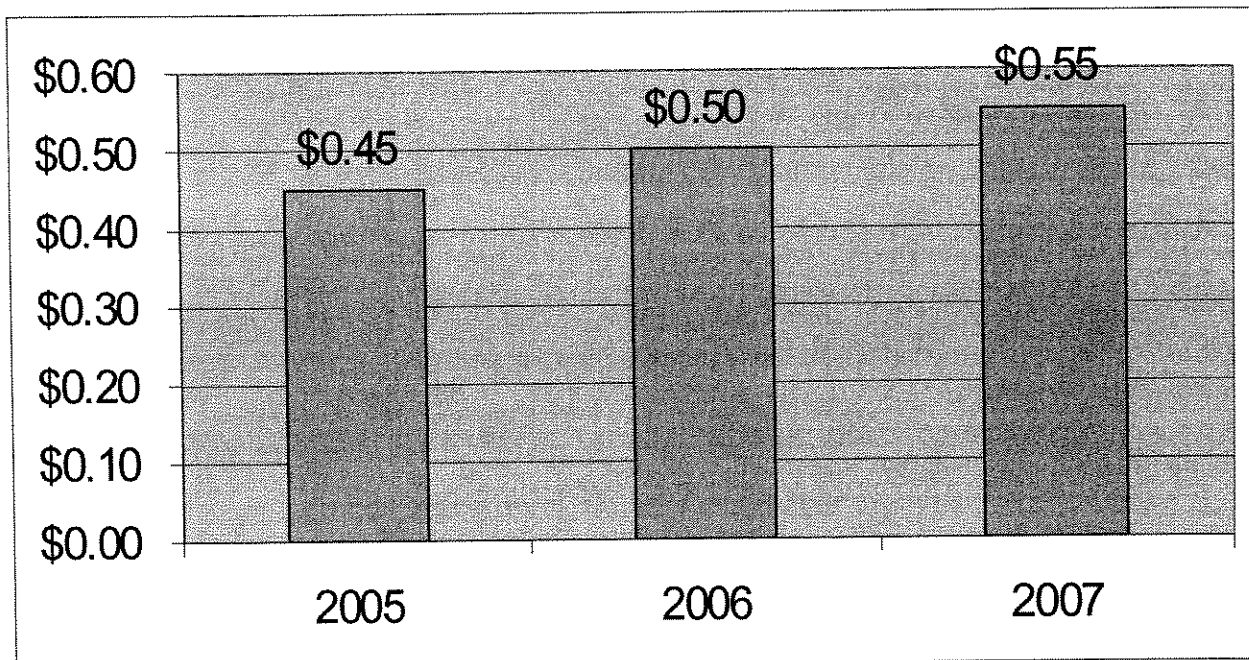


Exhibit II-9
Clovis Stageline Cost/Revenue Hour

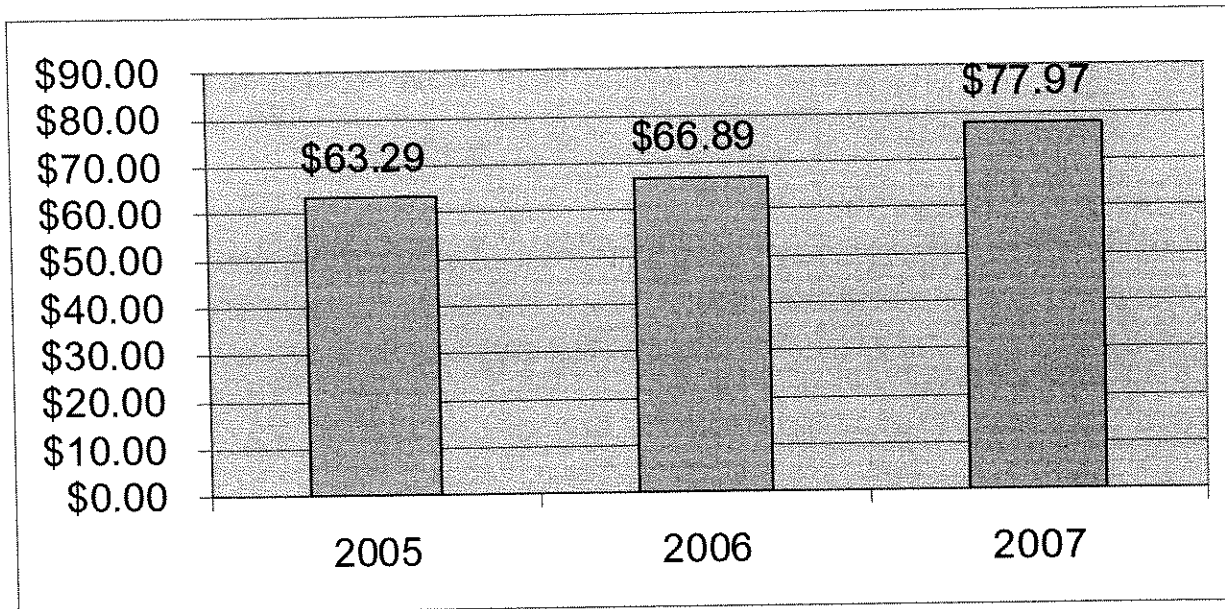


Exhibit II-10
Clovis Stageline Cost/Revenue Mile

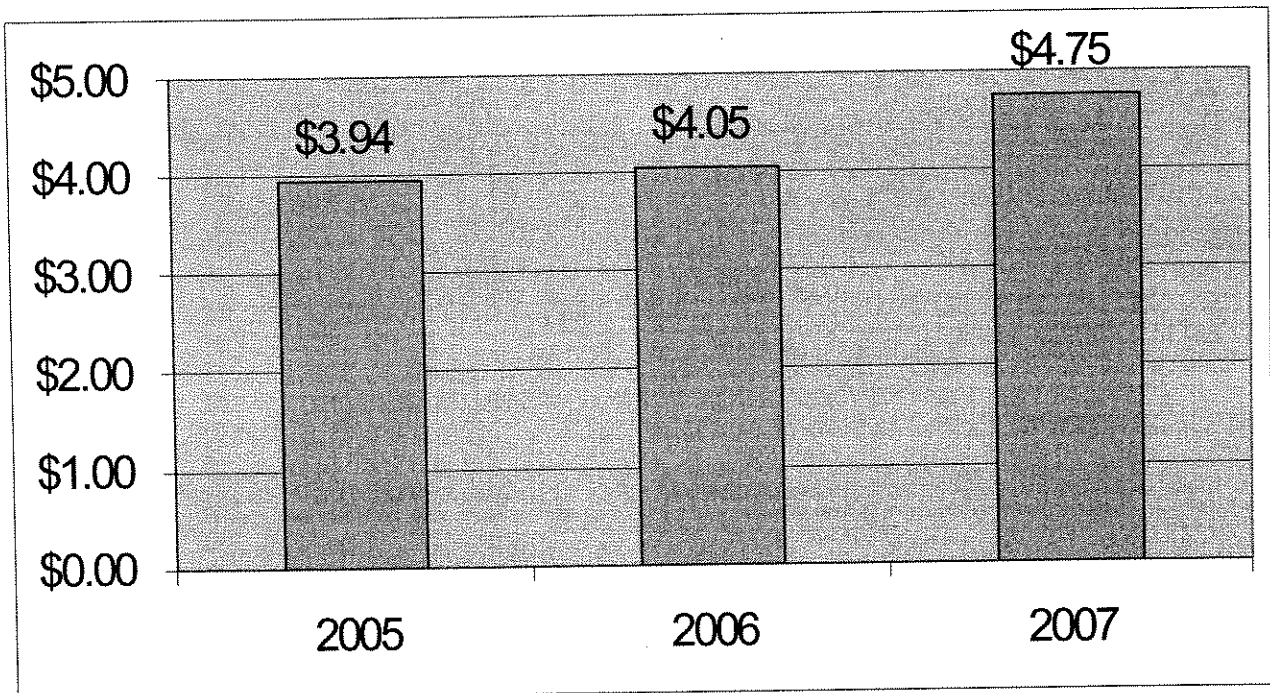


Exhibit II-11
Clovis Stageline Farebox Recovery Less Measure C

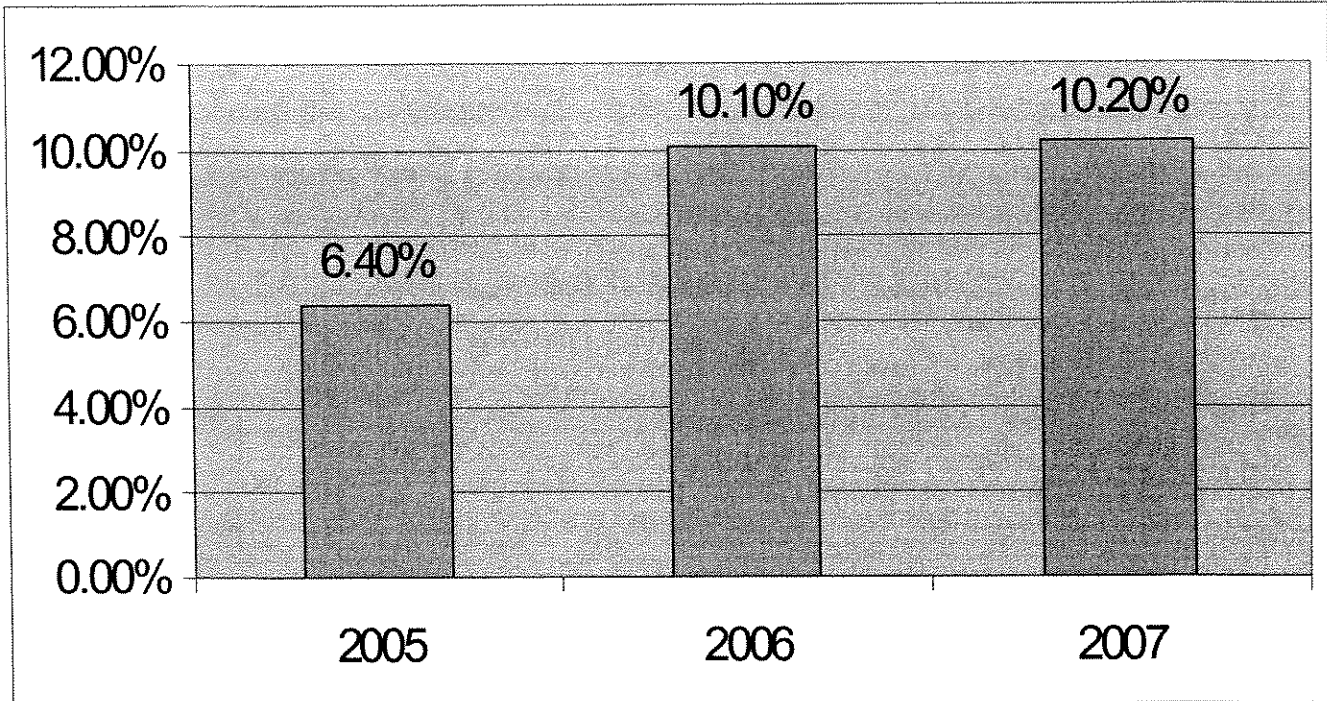
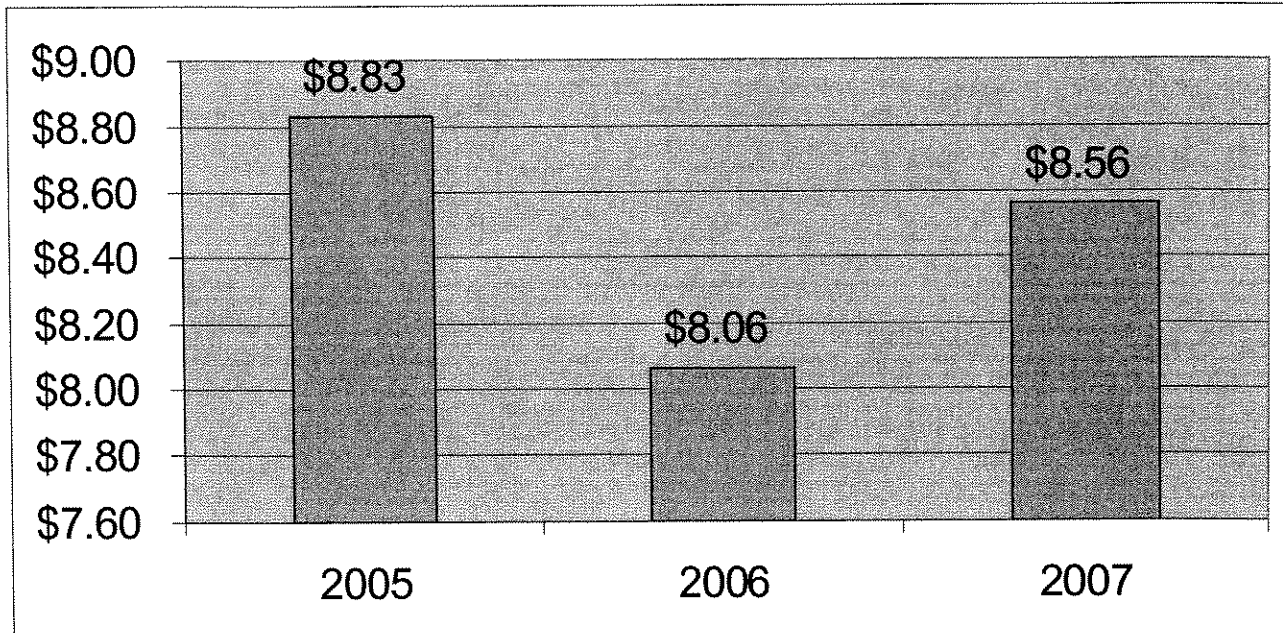


Exhibit II-12
Clovis Stageline Cost/Passenger



Section III

Fresno County Rural Transit Agency (FCRTA)

*Fresno County Rural Transit Agency
2035 Tulare Street, Suite 201
Fresno, CA 937
559-233-6789
www.ruraltransit.org*

SECTION III

2006-2007 PRODUCTIVITY EVALUATION

FRESNO COUNTY RURAL TRANSIT AGENCY

I. SUMMARY DESCRIPTION OF SERVICE

The Fresno County Rural Transit Agency (FCRTA) is the primary provider of public transit services in the rural areas of Fresno County. Rural public transit services are available within the Spheres of Influence (SOI) for each of the thirteen (13) incorporated Cities including: City of Coalinga; City of Firebaugh; City of Fowler; City of Huron; City of Kerman; City of Kingsburg; City of Mendota; City of Orange Cove; City of Parlier; City of Reedley; City of Sanger; City of San Joaquin; City of Selma in rural Fresno County. The cities are linked to the Fresno-Clovis Metropolitan Area (FCMA) by either privately-operated common carriers or publicly-operated wheelchair accessible service providers. Reduced fixed route fares are available to the elderly (60+), and disabled patrons using the various inter-city services.

Many unincorporated rural communities are also served, including: Alder Springs; Auberry; Burrough Valley; Cantua Creek; Caruthers; Centerville; Del Rey; Dunlap; Easton; El Porvenir; Five Points; Friant; Halfway; Jose Basin; Lanare; Laton; Marshall Station; Meadow Lakes; Mile High; Minkler; Miramonte; New Auberry; O'Neills; Pinehurst; Prather; Raisin City; Riverdale; Squaw Valley; Sycamore; Three Rocks; Tollhouse; Tranquillity; and the Native American Indian Rancherias of: Big Sandy; Cold Springs; and Table Mountain.

The FCRTA is responsible for the overall administrative and financial supervision of the general public operations. Prior to FCRTA's formation in September 1979, limited services were provided in a few communities within Fresno County. In 2006-2007, FCRTA consisted of twenty (20) rural Subsystems:

1. Auberry Transit;
2. Biola Transit;
3. Coalinga Transit;
4. Del Rey Transit;
5. Firebaugh Transit;
6. Fowler Transit;
7. Huron Transit;
8. Kerman Transit;
9. Kingsburg Transit;
10. Juvenile Justice Campus Transit
11. Laton Transit;
12. Mendota Transit;
13. Orange Cove Transit;
14. Parlier Transit;
15. Reedley Transit;
16. Sanger Transit;
17. San Joaquin Transit;
18. Selma Transit;
19. Southeast Transit; and
20. Westside Transit.

Four (4) function with City Staff:

1. Coalinga Transit - City of Coalinga;
2. Kerman Transit - City of Kerman;
3. Reedley Transit - City of Reedley; and
4. Selma Transit - City of Selma (Monday through Friday only).

Two (2) function under Private Contractors:

1. Laton Transit and Inter-City Transit to Fresno - Kings (County) Area Rural Transit / TransWest Specialties;
2. Sanger Transit - Transportation Specialties.

Fifteen (15) function under private non-profit contracts through the Fresno County Economic Opportunities Commission (FCEOC) as the Rural Consolidated Transportation Service Agency (Rural CTSA):

1. Auberry Transit;
2. Biola Transit;
3. Del Rey Transit;
4. Firebaugh Transit;
5. Fowler Transit;
6. Huron Transit;
7. Kingsburg Transit;
8. Juvenile Justice Campus Transit;
9. Mendota Transit;
10. Orange Cove Transit;
11. Parlier Transit;
12. San Joaquin Transit;
13. Selma Transit (Saturdays only);
14. Southeast Transit; and
15. Westside Transit.

Results of an On-Board Ridership Survey in 1994 indicated that:

84.4% of FCRTA's riders have either no other way to make their trip, or would have to walk;
58.9% of FCRTA's riders use the system five (5) days a week;
Female ridership out numbers male ridership, two-to-one; and
The ethnic cross-section of FCRTA ridership was:

24.5%	White
73.3%	Hispanic
0.5%	Black
0.9%	Asian
<u>0.8%</u>	American Indian
100.0%	Total

II. SIGNIFICANT SYSTEM SERVICE AND ADMINISTRATIVE MODIFICATIONS

FCRTA Service Modifications for 2006-07

In 2006-07 the FCRTA General Manager recommended the most reasonable service hours of operation for each

of FCRTA's individual Subsystems. The Board of Directors concurred. The adopted and implemented services were recapped as follows:

Recap of Recommended Services for 2006-07

<u>FCRTA Subsystem</u>	<u>Location</u>	<u>Mode</u>	<u>Hours / Days</u>
Auberry Transit	Intra-Community	Demand Response	6hrs - M-F
	Inter-City Fresno	Demand Response	8hrs - Tu
Biola Transit	Intra & Inter-City	Demand Responsive	8hrs - M-F
Coalinga Transit	Intra-City	Demand Response	8hrs - M-F
	Inter-City (Fresno)	Fixed Route	11hrs - M-Sa
Del Rey Transit	Intra-City	Demand Response	8hrs - M-F
Firebaugh Transit	Intra-City	Demand Response	10hrs - M-F
Fowler Transit	Intra-City	Demand Response	10hrs - M-F
Huron Transit	Intra-City	Demand Response	11.25hrs - M-F
	Inter-City (I-5 / Coalinga)	Fixed Route	5hrs - M-F
Kerman Transit	Intra-City	Demand Response	8hrs - M-F
Kingsburg Transit	Intra-City	Demand Response	11.5hrs - M-F
	Intra-City	Demand Response	8hrs - Sa
Juvenile Justice			6hrs - W, Th, F
Campus Transit	Intra-City	Fixed Route	8hrs - Sa
Laton Transit	Inter-City (Hanford) & Fresno	Fixed Route	1hrs - M-F & 1day of MWF
Mendota Transit	Intra-City	Demand Response	10hrs - M-F
Orange Cove Transit	Intra-City	Demand Response	10hrs - M-F
	Inter-City (Fresno)	Fixed Route	10hrs - M-F
Parlier Transit	Intra-City	Demand Response	8hrs - M-F
Reedley Transit	Intra-City	Demand Response	4 x 8hrs - M-F
	Intra-City	Demand Response	2 x 8hrs - Sa
Sanger Transit	Intra-City	Fixed Route	8hrs - M-F
Sanger Transit	Intra-City	Demand Response	10hrs -M-F, 8hrs -Sa
San Joaquin Transit	Intra-City	Demand Response	8hrs - M-F
Selma Transit	Intra-City	Fixed Route	8hrs - M-F
	Intra-City	Demand Response	3 x 8hrs - M-F
	Intra-City	Demand Response	4hrs - M-F
	Intra-City	Demand Response	8hrs - Sa
Southeast Transit	Inter-City (Fresno)	Fixed Route	8.5hrs - M-F
Westside Transit	Inter-City (Fresno)	Fixed Route	8.5hrs - M-F

Total Maximum Service Hours: 65,620

The twenty (20) subsystem service modifications were summarized as follows:

Auberry Transit: Despite expressed interest and reported need, ridership on both the intra-community and Inter-City services to Fresno continued to be very marginal. Staff continued to recommend reduced services. The mountain area service continued to specifically address the primary usage by seniors attending the Hot Meal Nutrition Programs and minimal general public ridership for local shopping and medical trips during a six (6) hour period Monday through Friday. The limited ridership on the Inter-City service to Fresno appears to warrant continuation of the life-line service one (1) day a week to address primarily medical trips.

Biola Transit: Despite significant outreach efforts involving the Biola Community Services District Board, sufficient regular and consistent ridership has not materialized during the past nine (9) months. Actual ridership and resultant farebox recovery has not met minimum performance standards, therefore the service will be

discontinued June 30, 2007.

Coalinga Transit: Coalinga Transit continues to operate two (2) modes of service. The Dial-A-Ride service is provided with a single vehicle's operation eight (8) hours per day Monday through Friday. The Inter-City service to Fresno remained unchanged, ten (10) hours per day, Monday through Saturday.

Del Rey Transit: The Del Rey Transit service continues to be provided eight (8) hours per week day to the general public. The Rural CTSA provides funding four (4) hours per service day. The other four (4) hours of service is a Transportation Development Act (TDA) funding responsibility of Fresno County. The demand responsive service transported passengers within the community on a shared ride basis; arranges passenger grouping for trips to Sanger; and transfers in Sanger to Orange Cove Transit for service to Fresno or Parlier, Reedley and Orange Cove. The operation maintains priority service to seniors attending the mid-day Hot Meal Nutrition Program.

Fowler Transit: This service was recommended for operation from 7:00am to 5:30pm with a mid-day lunch hour for the driver, Monday through Friday. The service utilizes a twenty-two (22) passenger van to assist in grouping passengers throughout the day.

Huron Transit: The ridership on this Intra-City service has consistently produced the highest passenger counts per hour. The service is provided by a twenty-two (22) passenger van to address passenger loading requirements. The service continues to be operated from 6:00am to 6:00pm, with a mid-day lunch hour for the driver, Monday through Friday. The City also funds an inter-city "life line" service to Coalinga during a five (5) hour period Monday through Friday from 9:00am to 3:00pm, with a mid-day lunch hour for the driver. Two (2) round trip are available, with two (2) ninety (90) minute shuttle periods in Coalinga for passenger drop-offs and pick-ups.

Kerman Transit: Ridership continued to indicate that this service should be operated from 7:00am to 4:00pm, Monday through Friday.

Kingsburg Transit: A twenty-two (22) vehicle continues to address existing ridership demand. The service was provided during a ten and a half (10.5) hour period, Monday through Friday from 7:00am to 5:30pm, with a mid-day lunch hour for the driver. Saturday Service is also available from 8:00am to 5:00pm, with a mid-day lunch hour for the driver.

Juvenile Justice Campus Transit: The Demonstration Service from downtown Fresno to the new Fresno County Juvenile Justice Campus on American Avenue and State Highway 99 and back has not resulted in regular or consistent ridership during the past ten (10) months. Actual ridership and resultant farebox recovery has not met minimum performance standards, therefore the service will be discontinued June 30, 2007.

Laton Transit: This route service extension contract with KART continued to be the most effective solution to address transit needs of Laton area residents. One (1) round trip between Laton and Hanford in Kings County is available Monday through Friday. FCRTA funded one additional day of service per week for a KART inter-city service from Hanford (Kings County) through Selma - Kaiser Medical Clinic to Fresno Hospitals - Community Regional Medical Center, Veteran's Hospital, Kaiser Hospital, Saint Agnes Hospital, and to Children's Hospital Central Valley (Madera County).

Mendota Transit: The ridership levels and pattern of this service continued to be operated from 7:00am to 5:30pm with a mid-day lunch hour for the driver, Monday through Friday.

Orange Cove Transit: Both the Intra-City and Inter-City service ridership levels warranted service continuation from 7:00am to 5:30pm, with a mid-day lunch hour for the drivers, Monday through Friday.

Parlier Transit: Intra-City service continues to be available from 7:00am to 4:00pm, Monday through Friday.

Reedley Transit: Ridership continues to increase. Four (4) vehicles are operated eight (8) hours each on a staggered basis from 7:00am to 5:30pm Monday through Friday. Two (2) vehicles are operated on Saturdays from 8:00am to 5:00pm.

Sanger Transit: One (1) twenty-three (23) passenger electric battery bus was operated on a in-city fixed route through April. The second (2nd) twenty-two (22) passenger van has been operated on a demand response basis for the elderly and disabled from 7:00am to 5:30pm, with a mid-day lunch hour for the driver, Monday through Friday; and eight (8) hours on Saturday from 8:00am to 5:00pm, with a mid-day lunch hour for the driver. A Public Hearing was held before the Sanger City Council to discontinue the elimination of the fixed route service, and operating two conventional twenty-two (22) passenger vehicles on a demand responsive basis as the means of addressing expanding ridership demand. The operational change was well received by all riders.

San Joaquin Transit: Ridership continues to be very minimal. This life-line services continue to be essential to the community residents for connectivity to senior, social service and medical programs in neighboring communities and to and from Mendota and Kerman for connections on Westside Transit for weekday service to Fresno. Passenger trips were grouped to share rides. The service was continued to be operated from 8:00am to 5:00pm, Monday through Friday.

Selma Transit: Ridership in Selma has stabilized. The fixed route vehicle was operated during an eight (8) hour period, Monday through Friday from 8:00am to 5:00pm, with a mid-day lunch hour for the driver. Three (3) demand responsive vehicles were operated eight (8) hours each per weekday, on a staggered basis from 7:00am to 5:30pm., with a lunch hour for the drivers mid-day. One (1) demand responsive vehicle was operated on Saturdays for eight (8) hours from 8:00am to 5:00pm, with a mid-day lunch hour for the driver.

Southeast Transit: This service was recommended for operation from 7:00am to 5:30pm , Monday through Friday, with a mid-day hour and a half (1.5) lunch period for the driver. It provides three (3) round trip per weekday through Kingsburg, Selma and Fowler to Fresno.

Westside Transit: This service was recommended for operation from 7:00am to 5:30pm , Monday through Friday, with a mid-day hour and a half (1.5) lunch period for the driver. It provides two (2) round trips per weekday through Firebaugh, Mendota, Kerman, with connections to San Joaquin Transit, to Fresno.

FCRTA Administration: No administrative changes were recommended at the time. The staffing arrangements were accounted for in the same manner as in previous years.

Marketing of Transit Services

In the Winter of 2003 the Council of Fresno County Governments (COFCG) published its Fourth Edition of the *"Fresno County Transportation Guide"*. It represented the culmination of an extensive update effort to produce a quality bilingual publication that people could reference to learn more about convenient transportation options that are available to them within Fresno County. It contains multi-colored maps and service descriptions. The publication was expanded to reference complete transit schedules throughout the day. The booklets have been printed to be both in English and Spanish, in the single publication. The public can utilize the information to understand what services are available, access the services, determine the cost and times of travel, and contact courteous customer service representatives to respond to their other specific questions. Additional copies were produced for even greater distribution. Despite significant publication cost, the *"Guides"* continue to be distributed *"free"* to the public on each of FCRTA's vehicles, at local City Halls, Senior Centers, Libraries, Medical Offices, Chambers of Commerce, Fresno City and County Convention Bureau, Travellers Aid Stations, and through the mail as requests are received. The document is currently available over the Internet by accessing the COFCG's Home Page at "<http://www.fresnocog.org>" or the FCRTA Home Page at "<http://www.ruraltransit.org>".

The FCRTA has also prepared individual informational flyers identifying the specifics of an individual transit subsystem. This simplified approach was indented to address suggestions offered by the current transit users.

The fifth (5th) edition has been completed, and is at the printers (October 2007) for reproduction. Copies will be available for distribution in November 2007.

Inter-City Service Modifications

Years ago, inter-city services in Fresno County were primarily provided by two (2) common carriers, Greyhound and Orange Belt Stages, that are regulated by the California Public Utilities Commission (PUC). Previously, Greyhound provided inter-regional services through the Fresno County Cities of Firebaugh, Mendota, Kerman, to Fresno; and through Kingsburg, Selma, Fowler to Fresno; while Orange Belt Stages provided inter-regional service through Reedley, Parlier, Selma, and Fowler to Fresno. Over the past ten (10) years their respective services have declined significantly. During the 2004-05 fiscal year Greyhound proceeded to eliminate approximately seventy-two (72) additional cities from its inter-regional service program in California. Specifically impacted were the Cities of: Firebaugh; Fowler; Kerman; Kingsburg; Mendota; Parlier; Reedley; and Selma.

The local agency representatives (elected and staff) and the general public have reacted to these deteriorating circumstances. They have suggested, and it's been reflected in the adopted Rural Short Range Transit Plan, that the FCRTA become responsible for assuming inter-city service responsibility for "*general public patrons*". To this end the FCRTA acquired Grant funding through the Federal Transit Administration's Congestion Mitigation / Air Quality program to purchase inter-city compressed natural gas powered buses. The original objective of these inter-city replacement services was to attract a mix of "*transit dependent*" and "*choice*" riders. Commuter travel was intended to reduce vehicle miles travelled (VMT) by single occupancy vehicles. The air quality benefits of this form of transit service can prove beneficial to Fresno County.

Ridership by Senior Citizens

The FCRTA is the only transit system in Fresno County that continues to consistently record transit ridership by population segments: elderly (60+); disabled; and general public. This practice has allowed them to track these passenger groupings to note overall usage. Senior ridership decreased in 2005-06. During the past Fiscal Year ridership decreased 2.28% or 2,215 senior passengers. Over the past three (3) Fiscal Years senior ridership increased 2,984 or 3.17% between 2003-04 and 2004-05. However, ridership declined 2,215 or 2.28% between 2004-05 and 2005-06. The net three (3) year difference was 769 passengers, reflecting a 0.81% overall increase.

Fiscal Year	Senior Ridership	Numeric Change	Percent Change	Three Fiscal Year Percent Change
2004-05	96,978			
		- 2,215	- 2.28%	
2005-06	94,763			
2006-07	95,663	+ 900	+ 0.94%	
				<u>-1.35% (-1,315)</u>

Management and Organization

Administrative forms and internal procedures were again reexamined in an effort to consolidate paperwork. Correspondence was transmitted to affected member agencies for the expressed purpose of streamlining supportive documentation, including:

1. Daily and Monthly Ridership Logs;
2. Daily Vehicle Inspection Reports;
3. Farebox Reconciliation Form accompanying the Monthly Ridership Logs;
4. Fuel Logs;
5. Monthly Revenue and Expenditure Reports;
6. Employment information of existing and recruited drivers; and
7. Accident / Incident Reporting.

A number of other issues were addressed by FCRTA Management Staff including:

- The annual Fiscal Audit Reports continue to be completed on schedule and reflect positive management letters.
- The timely filing of the State Auditor Controller's Report of Transportation Development Act (TDA) Transactions as a Transit Operator.
- Staff completed its responses to requests by the Council of Fresno County Government's auditor, Pacific Management Consultants (PMC) Associates, towards the successful completion of the latest Triennial Performance Auditor covering the three (3) Fiscal Years, 2003-04; 2004-05; and 2005-06.
- Continue to procure alternatively fueled replacement vehicles.

Accessible Services in Compliance with the American's with Disabilities Act and Subsequent Implementation Regulations

The FCRTA has recognized its responsibilities in ensuring accessible services to passengers for the previous twenty-eight (28) years. The Agency's fleet has always been 100% accessible. All of FCRTA's seventy-three (73) fleet vehicles are wheelchair lift equipped to permit access by disabled patrons in accordance with the latest Americans with Disabilities Act (ADA) accessibility requirements.

Since its inception, the Agency operations were carefully considered to meet the special needs of the transit disadvantaged (elderly, disabled, and low-income). Sixteen (16) of FCRTA's Subsystems (Auberry Transit, Biola Transit, Coalinga Transit, Del Rey Transit, Firebaugh Transit, Fowler Transit, Huron Transit, Kerman Transit, Kingsburg Transit, Mendota Transit, Orange Cove Transit, Parlier Transit, Reedley Transit, Sanger Transit, San Joaquin Transit, and Selma Transit) are operated as "*real-time*" demand responsive services. A portion of nine (9) FCRTA Subsystems (Coalinga Transit, Huron Transit, Juvenile Justice Campus Transit, Laton Transit, Orange Cove Transit, Sanger Transit, Selma Transit, Southeast Transit, and Westside Transit) were provided on a scheduled fixed-route basis. Since January 26, 1992, in compliance with requirements of the ADA, each respective service may, however, deviate from its specified route on a demand responsive basis up to a three-quarter (3/4) mile in either direction (1-1/2 mile path) to pick-up or drop-off a disabled passenger. As such, the FCRTA is exempt from the requirement to prepare a "*Comparable Service Paratransit Plan*" for implementing the ADA (a common requirement for other fixed route transit operators such as Fresno Area Express and Clovis Transit).

The FCRTA shall continue with the process of systematically implementing other necessary modifications to its services to bring them into full compliance with the spirit and intent of the ADA law.

Responsibilities and Mandates under the Clean Air Act of 1990, the San Joaquin Valley Basin Air Quality Plan, and the Council of Fresno County Government's Transportation Control Measures Plan and State's Congestion Management System.

Following the passage of the Federal Clean Air Act in 1990, the FCRTA followed pending regulations that were

to mandate public transit agencies throughout the Nation to consider and implement alternative fuel programs as an example to other the public governmental entities, and the non-profit sector and private sector. These issues were also very important to the San Joaquin Valley Air Basin of California. At the time, the FCRTA Board of Directors understood that the Valley had potentially for the worst air quality in the Nation. This fact has been since confirmed by the EPA designation of: "Extreme for 1-Hour Ozone; ASerious for 8-Hour Ozone; and Serious for PM-10.

The FCRTA Board of Directors, which is composed of the Mayors of each of the thirteen (13) Cities and the Chairman of the County Board of Supervisors, has recognized its responsibilities to be part of the air quality solution, and an example for others to emulate. As a small rural transit agency they did not have the resources of a large urban transit operator. The FCRTA staff consistently went with proven technology and readily available fuels.

During the previous fourteen (14) years, the FCRTA has purchased seventy-eight (78) vehicles. Sixty-five (65) have been alternatively fueled, and the other thirteen (13) are powered by unleaded gasoline, only because no conversion kits were approved by the California Air Resources Board. The FCRTA vehicle fleet has consisted of:

- Twenty (20) 1992 propane powered fourteen (14) passenger modified Ford vans (four of these vehicles were sold early in the 2004-05 fiscal year, and three were sold in 2005-06 fiscal year. Most of the remaining other thirteen are programmed to be sold in 2006-07 fiscal year);
- One (1) 1992 propane powered sixteen (16) passenger Dodge 'Wide-One' van (this vehicle was sold in 2004);
- Seven (7) 1997 Cummins CNG powered Blue Bird buses, five (5) thirty-one (31) passenger and two (2) twenty-four (24) passenger;
- Sixteen (16) 1997 CNG powered fourteen (14) passenger modified Ford vans;
- Two (2) 1997 zero emission, electric battery powered, third generation "*Earth First*" purpose built vehicles that were manufactured by the "*Specialty Vehicle Manufacturing Corporation*", later to be referred to as "*Electric Vehicle International*", and now referred to as "*E-Bus*" of Downey, California). One vehicle is a twenty-three (23) passenger air conditioned (by a propane powered Auxiliary Power Unit) contemporary bus. The second vehicle is a nineteen (19) passenger ADA accessible trolley. It should be noted that these two electric battery powered vehicles have been operating consistently on different fixed routes, five (5) days a week for the past ten (10) years; in weather extremes of below 32 degrees to over 110 degrees, utilizing conventional lead acid batteries. After ten (10) year of success operation, the vehicles are being removed from service due to increasing excessive operating costs.
- One (1) 1999 propane powered fourteen (14) passenger modified Ford van.
- Three (3) 2001 unleaded gasoline powered twenty-two (22) passenger modified Ford vans;
- Four (4) 2002 unleaded gasoline powered twenty-two (22) passenger modified Ford vans.
- Five (5) 2003 unleaded gasoline powered twenty-two (22) passenger modified Ford vans;
- Fourteen (14) 2004 CNG powered twenty-two (22) passenger modified Ford vans; and
- Five (5) 2005 CNG powered twenty-two (22) passenger modified Ford vans.

The FCRTA's inter-city CNG vehicles take advantage of the five (5) existing fast-refueling facilities throughout the County. The in-city CNG vehicles are refueled overnight on a slow-fill basis by forty five (45) FuelMakers placed in the individual rural communities.

In July 2005, the FCRTA placed orders for eight (8) additional CNG powered vehicles that were to be delivered and placed into service by Christmas 2005:

- Five (5) 2006 CNG powered twenty-two (22) passenger modified Ford vans arrived as planned.
- Three (3) 2006 John Deere CNG powered thirty-five (35) passenger Blue Bird buses were delayed because the carbon fiber used in the manufacture of the CNG tanks was diverted to make body armor for our U.S. military personnel in Iraq. The Board and staff acknowledged the higher importance of this material for its diverted purpose, and accepted the delays. The armor productions quotas were reached in late Spring 2006. Tank production resumed and the vehicles were in production in June 2006, for delivery to the FCRTA and service introduction in October 2006.

The FCRTA also has approved CMAQ funding to purchase four (4) 2006 CNG powered thirty-five (35) passenger buses in connection with a new Federal Prison that is currently being constructed near Mendota, on the Westside of Fresno County.

The FCRTA has demonstrated a remarkable track record for a small rural transit agency in choosing to successfully implement a viable alternative fuel program. Their commitment away from diesel was challenged by larger urban operators. Many of their own members agencies have recognized and acknowledged that if the small rural agency could make it work, so could they. And so they too have chosen an alternative fuel path to achieve cleaner air.

~~The FCRTA shall continue with the process of systematically implementing necessary modifications to bring it into full compliance with the spirit and intent of these air quality laws and plans.~~

Driver Training

Eighteen (18) years ago in 1989, the State mandated a law (SB 1586) that created the General Public Transit Vehicle (GPPV) driver training, licensing, and background check requirements. The FCRTA was required to develop and implement a forty (40) hour training program that included classroom and behind-the-wheel training for all drivers assigned to its operations. Topics covered in the training sessions included:

1. defensive driver training;
2. operational guidelines for safety;
3. motor vehicle code regulations;
4. patron assistance techniques;
5. daily vehicle inspections;
6. maintenance; and
7. recordkeeping and reporting procedures.

Additional mandatory Driver Inservice Meetings are conducted during three (3) hour sessions, every other month. Supervisors, and guest speakers (including: disability awareness and procedures representatives, insurance agency representatives, California Highway Patrol Officers, Drug and Alcohol Consortium Representatives, etc.), review techniques and procedures to ensure that each driver is oriented toward serving each individual that accesses FCRTA's vehicles, or interacts in anyway with their services.

Personnel responsible for dispatching are also trained to: provide effective service to the patrons; efficiently schedule transit operations; and to comply with the FCRTA administrative and operational procedures required

by legislative mandates.

Vehicle Maintenance

The GPPV law also required vehicle inspection and maintenance program standards. The California Highway Patrol (CHP) is responsible for certifying the FCRTA's maintenance terminal (Transportation Specialties of Clovis) and inspecting the transit vehicles annually to ensure that the Agency complies with mandated daily, forty-five (45) day or 3,000 mile, and annual inspections. The premise of the State requirements is that the transit vehicles are never out of original factory specification tolerances. Therefore, while the vehicles may continue to get older, they are no longer permitted to progressively wear out. The CHP again issued a "satisfactory" rating of FCRTA's vehicles and terminal facility in May 2007. The documentation is included with FCRTA's TDA Claim, as required by law.

Over the years, the FCRTA has noted that their maintenance expenditures increase significantly as their fleet ages. But even with a fleet of new alternatively fueled vehicles, their maintenance expenditures have increased disproportionately. Maintenance expenditures are often the variable that causes their individual Subsystem costs to increase the most.

III. TRIENNIAL PERFORMANCE AUDIT RECOMMENDATIONS (FY2003-04 to 2005-06)

The most recent Triennial Performance Audit report that was prepared for the COFCG, under Contract by Pacific Management Consultants (PMC). This audit was mandated by the Transportation Development Act (TDA).

The report represents an exhaustive effort to evaluate every aspect of FCRTA's operations during the 2003-04; 2004-05; and 2005-06 Fiscal Year periods. The FCRTA was found to be in compliance with applicable TDA requirements, as well as those regulations imposed by the State Controller's Office. The Auditor's overall assessment was that the FCRTA "is operating in an economical, efficient, and effective manner".

The results, findings, and recommendations were enumerated for implementation. Two (2) recommendations were identified. The FCRTA Board of Directors accepted the Report and its recommendation at their July 19, 2007 meeting, following an expressed opportunity for public comment. The two (2) recommendations were:

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.

Compliance Response: Staff concurs with the recognition, acknowledgment, recommendation and possible alternative solution..

Staff is aware of at least three qualified and experienced individuals, with prior experience in Fresno County transit implementation, that could be attracted to the position of General Manager. And if "agency consolidation" were to proceed, the matter could be totally unnecessary.

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 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.

Compliance Response: Staff agrees with the observation. The number of new local community telephone books continue to multiply and their annually increasing associated advertising costs versus usage by actual riders are immeasurable. To date FCRTA's marketing efforts have centered on expenditures for telephone directories and reproduction costs for the "Regional Transportation Guides". The suggestion for surveys and even focus groups may result in different recommendations. It may also warrant budgeting for a cost effective program, tied to resultant ridership increases.

IV. FOLLOW-UP ON 2005-2006 PRODUCTIVITY EVALUATION COMMITTEE RECOMMENDATIONS

It was recommended that FCRTA take the following actions:

- A. Continue to implement recommendations in the "Short-Range Transit Plan for the Rural Fresno County Area" to increase productivity.

Ongoing.

- B. Continue to modify services as warranted.

Ongoing.

- C. Continue to monitor subsystem farebox recovery percentages to ensure the minimum ten percent (10%) TDA requirement is maintained for the entire System. Conduct Public Hearings to consider appropriate fares adjustments to increase farebox revenues as warranted.

Ongoing

- D. Prepare for the Triennial Performance Audit of FY2003-2004 to 2005-2006 Report and response to its resultant recommendations.

Ongoing.

- E. Continue to address responsibilities under the Americans with Disabilities Act of 1990.

In Conformance.

- F. Continue to address responsibilities under the Clean Air Act of 1990, the San Joaquin Valley Unified Air Pollution Control District's Air Quality Plan and COFCG's Transportation Control Measures Plan and State's Congestion Management System.

Ongoing.

- G. Continue to perform community outreach and marketing activities in an effort to increase ridership and improve public awareness and perception of public transit.

Ongoing.

H. Continue to pursue coordination of services between the various transportation agencies in the County.

Ongoing.

V. HIGHLIGHTS OF PRODUCTIVITY DATA

Overall System

FCRTA System Summary Totals from the current and two (2) previous Transit Productivity Evaluation Reports are presented in Table III-1. A Summary of FCRTA Performance Characteristics are calculated in Table III-2 for the three (3) previous Fiscal Years. Exhibit III-1 graphs the FCRTA Performance Indicator Summary data for Fiscal Years 2004-2005 through 2006-2007. FCRTA continues to modify its overall performance to respond to the needs of its ridership.

As noted in Tables III-3 through III-8, performance characteristics between FY2005-2006 and FY 2006-2007 resulted in mixture of increases and decreases as a reflection in the overall economy. The total vehicle service hours increased 2,116 hours or 3.83%. This in turn resulted in an increase in vehicle miles traveled, 47,825 miles or 6.15%. Costs increased \$303,494, or 8.87%. Total passengers increased 812, or 0.25%. Of the total passengers: seniors increased 900, or 0.95%; disabled increased 1,159 or 14.09%; and general public declined - 1,047, or -0.35%. Resultant fares increased \$27,396, or 6.23%.

Performance characteristics changed incrementally over the previous year's productivity characteristics: 7.03 passengers per hour, down from 7.30; 0.49 passengers per mile, down from last year's 0.49. Cost per hour increased \$2.91 per hour (from \$62.12 to \$65.03); costs per mile increased \$0.11 (from \$4.40 to \$4.51); cost per passenger increased \$0.74 (from \$8.51 to \$9.25). The resulting farebox recovery percentage decreased -0.31% (from 12.85% to 12.54%); yet still in excess of the minimum 10.00% requirement.

Clarifications

Revenues and expenditures, and functional categories have been calculated based on Federal and State guidelines pertaining to the "*Uniform System of Accounts for Public Transit Operators*", with allowances in accordance to existing State Law pertaining to Productivity Evaluation requirements and guidelines for small vehicle fleets, operating in rural areas.

It should also be noted that performance evaluation calculations for all Subsystems reflect the *exclusion* of "deadhead mileage" and "deadhead hours" in accordance with a audit recommendation contained in a previous Triennial Performance Audit Report.

And finally, it's important to note the context in which the statistical relationships are depicted in each of the accompanying tables. The magnitude of an individual number can easily be skewed by comparing raw numbers (and their relative relationships) between each of the Subsystems. An examination of the percentage relationships, in light of the methods and characteristics of the Subsystem, will help illustrate that each individual operation is distinctly different from its relative counterparts. Comparisons between each Subsystem tend to give the impression that some are winners while others are losers. Certainly this is *not* the objective of a performance evaluation. Each mode of service can, and should be, improved upon. The results of this effort should be constructive, *not* destructive. Modifications to a Subsystem are addressed as part of the Biannual process of updating the Short Range Transit Plan (SRTP) for the Rural Fresno County Area.

Subsystem Comments

The following narrative helps to better understand the circumstance of each of FCRTA's Subsystem operations, and the factors that impacted their operations over the past two (2) Fiscal Years:

1. **Auberry Transit** Despite expressed interest and reported need, ridership on both the foothill communities intra-community and inter-city service to Fresno, continue to be very marginal. Auberry Transit total ridership increased by 446 passengers (12.47%). Senior ridership increased by 250 passengers (9.70%), disabled passengers increase by 395 (200.51%), and general public passengers decreased by -209 (-29.03%) for the Fiscal Year. Total fares increased by \$137 (1.56%), mileage increased 6.67% (1,916), hours decreased -0.76% (-14). Costs decreased -\$5,165 (-4.06%). The resultant farebox recovery was 7.28%, less than the minimum 10.00% standard.

During the past year Auberry Transit operated beyond reasonable FCRTA System standards in the following three (3) System performance indicators:

- passengers / hour (2.24 vs. 3.00);
- passengers / mile (0.13 vs. 0.30); and
- cost / passenger (\$31.08 vs. \$17.64).

The vast distances between patrons origins and destinations in foothill communities will continue to make it very difficult to meet this intra-city rural standard.

2. **Biola Transit** was implemented as a demonstration program to determine if sufficient ridership would materialize. Unfortunately despite extra efforts, ridership totaled just 948 passengers. Senior ridership was only 169 passengers, disabled passengers was 27, and general public ridership was just 752 passengers. Fares amounted to \$1,589. Mileage was 13,051 while hours was 661. Costs were \$55,904. The resultant farebox recovery was 2.84%, much less than the minimum 10.00% standard.

During the 2006-07 Fiscal Year Biola Transit operated beyond reasonable FCRTA System standards in the following four (4) performance indicators:

- passengers / hour (1.43 vs. 3.00);
- passenger / mile (0.07 vs. 0.30);
- cost / passengers (\$84.57 vs. \$17.64); and
- farebox recovery (2.84% vs 6.00%).

These poor performance characteristics resulted in discontinuing the service on June 30, 2007.

3. **Coalinga Transit** provided two (2) modes of varied services: 1) the in-city demand responsive service, transported 3,410 passengers; and 2) the inter-city fixed route service to the Fresno-Clovis Metropolitan Area transported 9,551 passengers.

In summary, Coalinga Transit's two (2) modes achieved a collective ridership decrease of -7.42% (-1,039). Senior and disabled ridership was combined as general public for three-quarters of the year. General public decreased -8.22% (1,151). Fares increased \$8,968 (16.59%), mileage decreased 1.09% (-866) along with a increase in hours 0.25% (8). The overall costs increased 0.62% (\$1,822). The resultant farebox was 18.31%.

Three (3) performance indicators for Coalinga Transit were inconsistent with FCRTA System standards:

- passengers / mile (0.16 vs. 0.30);
- cost / hour (\$93.45 vs \$88.20); and
- cost / passenger (\$22.93 vs. \$17.64).

The higher than average operating costs are attributed to the operation of four (4) vehicles, two (2) of which are larger capacity. Two (2) vehicles operate over long distances with many passenger loading stops. Service hours are also longer. Excessive route mileage and travel time, in turn, directly impacts fuel, maintenance, and repair costs. Even with significant increases in the number of passengers transported, the travel patterns still yield excessive mileage and time to reach destinations. Adherence to average System standards is clearly *not* possible when considering the unusual nature of these two individual modal operations.

4. **Del Rey Transit** was in its fourth year of general public operation, eight (8) hours per week day. Overall ridership increased 0.74% (45). Senior ridership increased 199 (7.54%), disabled ridership increased 6 (150.00%), general public ridership decreased -160 (-4.62%). Total fares decreased -4.17% (\$969). Mileage decreased -464 (-1.50%), hours decreased -6 hours (-0.35%), and costs increased by \$4,152 (4.33%). The resultant farebox recovery was 22.29%

One (1) performance indicator for Del Rey Transit was inconsistent with FCRTA System standards:

- passengers / mile (0.20 vs.0.30).

5. **Firebaugh Transit** reported a -15.78% (-4,504) decrease in overall ridership. Senior ridership decreased -40.88% (-4,188), disabled passengers decreased by -25.38% (-135), and general public ridership decreased -1.02% (-181). Farebox revenues decreased -\$453 (-3.09%). Mileage increased 1,356 miles (4.50%). Service hours increased 0.13% (3 hours). Costs increased \$15,678 (11.57%). Farebox receipts exceeded the minimum standard, with a 9.40% return.

Each of the performance indicators for Firebaugh Transit were consistent with FCRTA System standards.

6. **Fowler Transit** noted a decrease in overall ridership, -4,721 (-25.58%). Senior ridership increased 207 or 11.11%, while disabled ridership increased by 60 (352.94%) passengers, and general public ridership decreased -4,988 (-30.10%). Fares decreased -25.96% (\$4,035), while mileage decreased -1.06% (-231 miles). Total hours increased 1.16% (27). Costs increased 9.34% (\$11210). The resultant farebox recovery was 8.77%.

Each of the performance indicators for Fowler Transit were consistent with FCRTA System standards.

7. **Huron Transit's** ridership decreased -4,019 (-5.23%). Senior riders decreased -158 (-4.05%), disabled decreased -3 (-50.00 %), while general public ridership decreased -3,858 (-5.29%). Total fares increased 11.09% (5,518). Mileage decreased -5.19% (-2,036 miles). Hours of service decreased -0.37% (-14 hours). Costs increased 11.30% (\$22,773). The resultant farebox recovery was 24.63%.

Each of the performance indicators for Huron Transit were consistent with FCRTA System standards.

8. **Kerman Transit** reported a 24.69% increase in ridership (2,115). Ridership by elderly passengers increased by 93 rides (2.95%), disabled increased by 35 passengers (318.18%), general public passengers increased by 1,987 riders (36.80%). Farebox receipts increased \$1,168 (12.07%). Mileage increased 24.80% (2,844 miles). Hours of operation decreased by -16 hours (-0.85%). Costs increased 18.53% (\$19,731). The resultant farebox recovery was 8.59%, less than the minimum 10.00% standard.

One (1) performance indicator for Kerman Transit was inconsistent with FCRTA System standards:

- cost / mile (\$8.82 vs. \$6.06).

9. **Kingsburg Transit's** ridership decreased -7.30% (-2,263). Senior rides increased 862 (11.85%), 68 more disabled riders rode for a 101.49% increase, while general public rides decreased by -2,263 (-20.71%). Fares increased \$33 (0.20%). Mileage decreased -14.46% (-4,708 miles) and hours increased 0.54% (17 hours). Costs increased \$21,517 (10.44%). The resultant farebox recovery was 7.15%, less than the minimum 10.00% standard.

One (1) performance indicator for Kingsburg Transit was inconsistent with FCRTA System standards:

- cost / mile (\$8.17 vs \$6.06).

10. **Juvenile Justice Campus Transit** was implemented as a demonstration program to determine if sufficient ridership would materialize. Unfortunately ridership totaled just 948 passengers. Senior ridership was only 169 passengers, disabled passengers was 27, and general public ridership was just 752 passengers. Fares amounted to \$1,589. Mileage was 13,051 while hours was 661. Costs were \$55,904. The resultant farebox recovery was 2.84%, much less than the minimum 10.00% standard.

During the 2006-07 Fiscal Year Juvenile Justice Campus Transit operated beyond reasonable FCRTA System standards in the following four (4) performance indicators:

- passengers / hour (0.90 vs. 3.00);
- passenger / mile (0.04 vs. 0.30);
- cost / passengers (\$71.59 vs. \$17.64); and
- farebox recovery (1.39% vs 6.00%).

These poor performance characteristics resulted in discontinuing the service on June 30, 2007.

11. **Laton Transit's** ridership decreased -3.00% (-59). Local interest in the service is still strong. Mileage decreased -57 miles (0.51%). Hours increased 196 (72.59%) Costs increased \$1,437 (11.48%) Minimum farebox recovery requirements continue to be met with 12.23%.

Three (3) performance indicators for Laton Transit were inconsistent with FCRTA System standards:

- passengers / mile (2.75 vs 3.00);
- passengers / mile (0.16 vs 0.30); and
- farebox recovery (4.48% vs 6.00%).

This performance measure is reflective of a portion of the inter-community services that are Contracted with Kings Area Rural Transit's operations that links the community to the City of

Hanford. The FCRTA only pays a small portion of the actual operating costs associated with the service.

12. **Mendota Transit's** ridership increased 0.05% (10), more seniors (1,415) rode representing an increase of 36.01%, 62 more disabled passengers rode (28.97%) and -1,467 (-9.71%) fewer general public patrons utilized the service. This trend resulted in an increase in fares of 5.01% (\$791). Mileage increased 2,203 (6.00%), while hours decreased -0.42% (-10 hours). Cost increased \$21,967 (18.03%). The resulting farebox return was 11.52%, more than the minimum 10.00% standard.

Each of the performance indicators for Mendota Transit were consistent with FCRTA System standards.

13. **Orange Cove Transit** has reported a increase in ridership of 3.95% (1,227). Seniors ridership decreased -3.77% (-370), 465 more disabled (37.65%), and 1,227 (5.67%) more general public passengers rode last year. Fares increased 4.40% (\$2,026), mileage decreased -4.30% (-2,790). Hours of service decreased -0.15% (-7). Costs increased \$12,140 (4.68%). The resultant farebox recovery was 17.73%.

Orange Cove Transit's operational indicators were within reasonable FCRTA System standards for each Subsystem performance indicator.

14. **Parlier Transit** transported -689 fewer passenger for a decrease of -6.65%. Senior riders decreased -8.41% (-339), 78 (92.86%) more disabled, and general public riders decreased -428 (-6.85%). Fares increased 1.74% (\$180). Mileage decreased -1,238 (-6.23%), while service hours increased 5 hours (0.24%). Cost decreased -\$3,888 or -2.92%. The resultant farebox recovery was 8.11%, less than the minimum 10.00% standard.

One (1) performance indicator for Parlier Transit was inconsistent with FCRTA System standards:

- cost / mile (\$6.94 vs \$6.06).

15. **Reedley Transit's** ridership increased 7,837 passengers, representing a 14.36% change from the previous Fiscal Year. Seniors ridership increased 9.26% (905), 737 (52.91%) more disabled riders rode, and 7,837 (14.29%) less general public. Fares increased 12.66% (\$6,263). Mileage increased 7.47% (6,948) while hours increased 3.52% (264). Costs rose \$45,597 (11.93%). The resultant farebox recovery was 13.03%.

None of the Reedley Transit performance indicators fell below FCRTA System standards.

16. **Sanger Transit's** ridership decreased -0.24% (-54). Ridership by seniors increased 5.07% (700), while the disabled passengers decreased by -366 (-19.20%), and general public passengers decreased -5.86% (-388). Fares increased 6.59% (\$1,528). Mileage increased 0.66% (392 miles), and hours decreased -0.37% (-17 hours). Costs increased 7.59% (\$24,934). The resultant farebox recovery was 7.00%, less than the minimum 10.00% standard.

Sanger Transit's operational indicators were within reasonable FCRTA System standards for each Subsystem performance indicator.

17. **San Joaquin Transit** ridership decreased -1.03% (-35). Senior ridership increased 6.78% (58), disabled decreased by -4 (-100.00%), and general public ridership decreased -3.51% (-89). Fares decreased -14.23% (\$977). Mileage decreased -10.09% (-3,812 miles) while hours

decreased -0.40% (-8 hours). Costs decreased -0.61% (-\$663). The resultant farebox recovery was 5.41%, less than the minimum 10.00% standard.

During the 2006-07 Fiscal Year San Joaquin Transit operated beyond reasonable FCRTA System standards in the following four (4) performance indicators:

- passengers / hour (1.79 vs. 3.00);
- passenger / mile (0.10 vs. 0.30);
- cost / passengers (\$32.40 vs. \$17.64); and
- farebox recovery (5.41% vs 6.00%).

These performance characteristics are low due to the low density population centers and extended travel times between origins and destinations.

18. **Selma Transit's** ridership decreased -3.05% (-1,648). Senior ridership increased 1,264 (7.95%), disabled passengers decreased by -673 (-45.69%) while general public ridership decreased -2,239 (-6.10%). Fares decreased -0.49% (-\$202). Mileage decreased -11.08% (-10,473). The hours of service decreased -13.52% (-1,012 hours). The resultant costs decreased -10.24% (-\$56,492). The resultant farebox recovery was 8.31%, less than the minimum 10.00% standard .

Selma Transit operated above FCRTA System standards for all performance indicator:

19. **Southeast Transit** ridership increased 6.35% (638) during the past Fiscal Year. Ridership by seniors decreased by -679 (-28.00%), while disabled ridership increased by 345 (36.05%) and general public increased by 972 (14.60%). Fares increased 25.61% (4,844). Mileage decreased -106 miles (-0.26%). The service hours also decreased by -7 hours (-0.33%). The costs increased \$6,067 (5.38%). The resultant farebox recovery was 19.98%.

During the past Fiscal Year Southeast Transit Service has operated beyond reasonable FCRTA System standards in the following one (1) System performance indicators:

- passenger / mile (0.27 vs. 0.30).

20. **Westside Transit's** ridership increased 6.41% (565). Senior ridership decreased -4.33% (-95), disabled increased by 54 (43.20%) and general public increased 9.33% (606). Fares decreased - \$590 (-1.85%). Mileage increased 0.35% (156 miles), and hours decreased -0.35% (-7 hours). Costs increased \$7,673 (6.85%). The farebox recovery was 28.46%.

During the past year Westside Transit service has operated beyond reasonable FCRTA System standards in the following one (1) performance indicator:

- passengers / mile (0.21 vs. 0.30).

VI. 2007 - 2008 PRODUCTIVITY EVALUATION COMMITTEE RECOMMENDATIONS

It is recommended that FCRTA take the following actions:

- A. Continue to implement recommendations in the *"Short-Range Transit Plan for the Rural Fresno County Area"* to increase productivity.
- B. Continue to modify services as warranted.

- C. Continue to monitor subsystem farebox recovery percentages to ensure the minimum ten percent (10%) TDA requirement is maintained for the entire System. Conduct Public Hearings to consider appropriate fares adjustments to increase farebox revenues as warranted.
- D. Respond to recommendations referenced in the Triennial Performance Audit for FY2003-2004 to 2005-2006 Report.
- E. Continue to address responsibilities under the Americans with Disabilities Act of 1990.
- F. Continue to Address responsibilities under the Clean Air Act of 1990, the San Joaquin Valley Unified Air Pollution Control District's Air Quality Plan and COFCG's Transportation Control Measures Plan and State's Congestion Management System.
- G. Continue to perform community outreach and marketing activities in an effort to increase ridership and improve public awareness and perception of public transit.
- H. Continue to pursue coordination of services between the various transportation agencies in the County towards possible agency consolidation.

TABLE III-1
FY 2004-2005 to FY 2006-2007 Summary of FCRTA Totals

Fiscal Year	Seniors	Disabled	General Public	Total Passengers	Fares	Mileage	Hours	Cost
FY 2004 - 05	96,978	6,834	302,156	405,968	\$409,519	767,011	54,783	\$3,127,875
FY 2005 - 06	94,763	8,225	298,456	401,444	\$439,078	777,151	55,105	\$3,417,765
FY 2006 - 07	95,663	9,384	297,409	402,456	\$466,474	824,976	57,221	\$3,721,259

TABLE III-2
FY 2004-2005 to FY 2006-2007 Summary of FCRTA Performance Characteristics

Fiscal Year	Pass / Hour	Pass / Mile	Cost / Hour	Cost / Mile	Cost / Pass	% Farebox
FY 2004 - 05	7.41	0.53	\$57.10	\$4.08	\$7.70	13.09
FY 2005 - 06	7.30	0.52	\$62.12	\$4.40	\$8.51	12.85
FY 2006 - 07	7.03	0.49	\$65.03	\$4.51	\$9.25	12.54

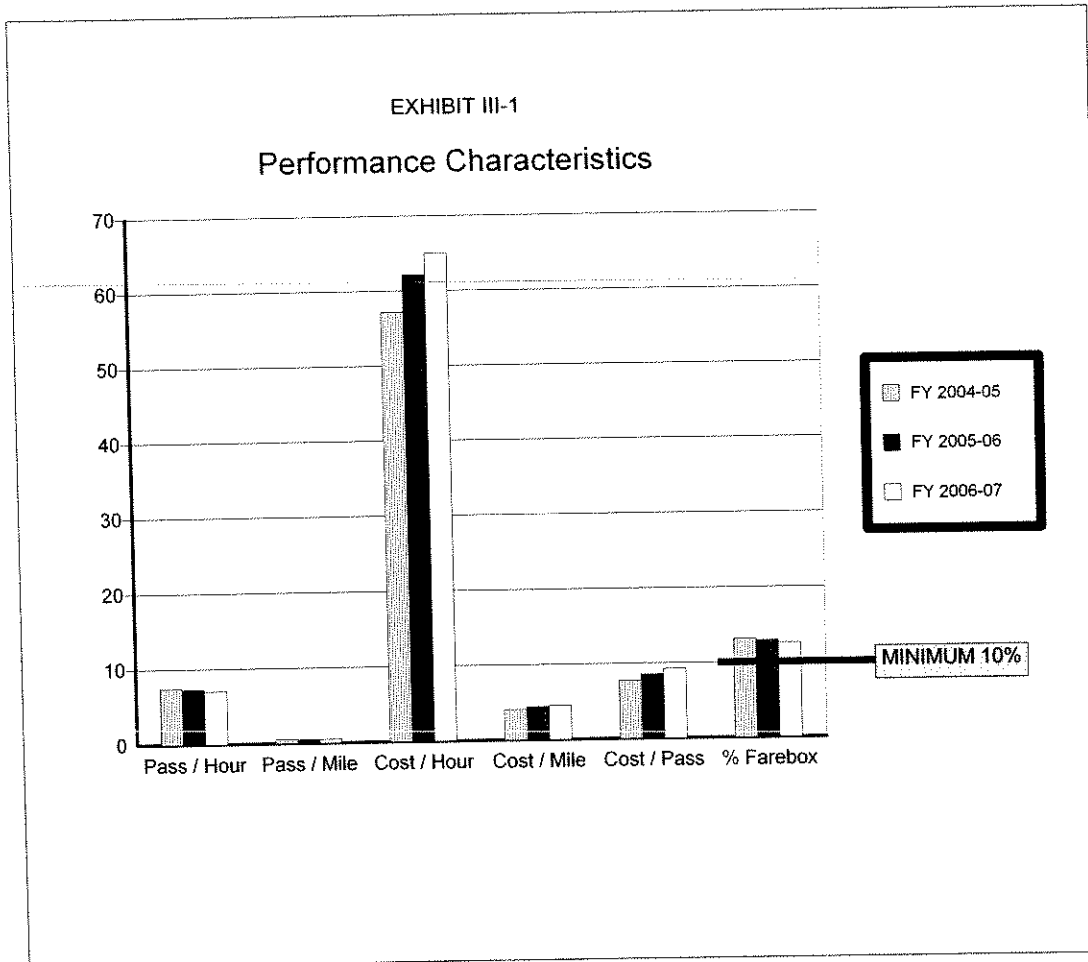


**Table III-3
FY 2005-2006 FCRTA System Summary**

FCRTA Subsystems:	Total Seniors:	Total Disabled:	Total General Public:	Total Passengers:	Total Fares:	Total Mileage:	Total Hours:	Total Cost:
Auberry Transit	2,578	197	720	3,495	\$8,757.50	28,736	1,769	\$127,330.09
Biola Transit	0	0	0	0	\$0.00	0	0	\$0.00
Coalinga Transit	0	0	14,000	14,000	\$54,068.70	79,668	3,172	\$295,353.01
Del Rey Transit	2,640	4	3,466	6,110	\$23,249.30	30,983	1,736	\$95,810.51
Firebaugh Transit	10,244	532	17,772	28,548	\$14,668.17	30,166	2,339	\$135,475.51
Fowler Transit	1,864	17	16,572	18,453	\$15,545.03	21,895	2,325	\$120,059.13
Huron Transit	3,900	6	72,878	76,784	\$49,734.38	39,217	3,784	\$201,547.52
Kerman Transit	3,157	11	5,399	8,567	\$9,672.30	11,469	1,891	\$106,476.55
Kingsburg Transit	7,273	67	10,926	18,266	\$16,250.70	32,568	3,083	\$206,111.59
Juvenile Transit Campus Transit	0	0	0	0	\$0.00	0	0	\$0.00
Laton Transit	382	0	1,528	1,910	\$1,705.00	11,108	466	\$13,945.60
Mendota Transit	3,930	214	15,106	19,250	\$15,774.40	36,731	2,366	\$121,857.79
Orange Cove Transit	9,819	1,235	19,978	31,032	\$46,070.15	64,862	4,733	\$259,175.96
Parlier Transit	4,029	84	6,247	10,360	\$10,318.79	19,878	1,868	\$133,324.19
Reedley Transit	9,771	1,393	54,856	66,020	\$49,462.02	93,009	7,500	\$382,148.47
Sanger Transit	13,808	1,906	6,620	22,334	\$23,196.49	59,628	4,657	\$328,506.51
San Joaquin Transit	855	4	2,536	3,395	\$6,863.50	37,777	1,883	\$109,521.61
Selma Transit	15,892	1,473	36,702	54,067	\$41,353.85	94,559	7,483	\$551,732.10
Southeast Transit	2,425	957	6,658	10,040	\$18,915.90	40,139	1,986	\$112,859.60
Westside Transit	2,196	125	6,492	8,813	\$31,872.30	44,758	1,978	\$112,009.45
SYSTEM TOTALS	94,763	8,225	298,456	401,444	\$439,078.48	777,151	55,015	\$3,417,765.19

**Table III-4
FY 2006-2007 FCRTA System Summary**

FCRTA Subsystems:	Total Seniors:	Total Disabled:	Total General Public:	Total Passengers:	Total Fares:	Total Mileage:	Total Hours:	Total Cost:
Auberry Transit	2,828	592	511	3,931	\$8,894.25	30,652	1,756	\$122,164.91
Biola Transit	169	27	752	948	\$1,589.00	13,051	661	\$55,904.05
Coalinga Transit	104	8	12,849	12,961	\$63,036.52	78,802	3,180	\$297,174.98
Del Rey Transit	2,839	10	3,306	6,155	\$22,280.24	30,519	1,730	\$99,962.74
Firebaugh Transit	6,056	397	17,591	24,044	\$14,215.56	31,522	2,342	\$151,153.77
Fowler Transit	2,071	77	11,584	13,732	\$11,510.04	21,664	2,352	\$131,269.05
Huron Transit	3,742	3	69,020	72,765	\$55,252.34	37,181	3,770	\$224,320.19
Kerman Transit	3,250	46	7,386	10,682	\$10,840.19	14,313	1,875	\$126,207.24
Kingsburg Transit	8,135	135	8,663	16,933	\$16,283.30	27,860	3,100	\$227,628.96
Juvenile Transit Campus Transit	0	0	1,078	1,078	\$1,076.00	28,684	1,194	\$77,169.15
Laton Transit	885	0	3,538	4,423	\$1,705.00	28,107	1,606	\$38,039.25
Mendota Transit	5,345	276	13,639	19,260	\$16,564.90	38,934	2,356	\$143,824.39
Orange Cove Transit	9,449	1,700	21,110	32,259	\$48,096.64	62,072	4,726	\$271,316.24
Parlier Transit	3,690	162	5,819	9,671	\$10,498.85	18,640	1,873	\$129,435.81
Reedley Transit	10,676	2,130	62,693	75,499	\$55,725.21	99,957	7,764	\$427,745.19
Sanger Transit	14,508	1,540	6,232	22,280	\$24,724.75	60,020	4,640	\$353,440.92
San Joaquin Transit	913	0	2,447	3,360	\$5,886.75	33,965	1,876	\$108,858.94
Selma Transit	17,156	800	34,463	52,419	\$41,152.10	84,086	6,472	\$495,240.47
Southeast Transit	1,746	1,302	7,630	10,678	\$23,760.10	40,033	1,980	\$118,926.97
Westside Transit	2,101	179	7,098	9,378	\$31,281.89	44,914	1,971	\$119,682.36
SYSTEM TOTALS	95,663	9,384	297,409	402,456	\$466,473.63	824,976	57,221	\$3,721,258.58

Table III-5
Numeric Change in FCRTA System Summaries
FY 2005-2006 vs. FY 2006-2007

FCRTA Subsystems:	Total Seniors:	Total Disabled:	Total General Public:	Total Passengers:	Total Fares:	Total Mileage:	Total Hours:	Total Cost:
Auberry Transit	250	395	-209	436	\$137	1,916	-14	-\$5,165
Biola Transit	169	27	752	948	\$1,589	13,051	661	\$55,904
Coalinga Transit	104	8	-1,151	-1,039	\$8,968	-866	8	\$1,822
Del Rey Transit	199	6	-160	45	-\$969	-464	-6	\$4,152
Firebaugh Transit	-4,188	-135	-181	-4,504	-\$453	1,356	3	\$15,678
Fowler Transit	207	60	-4,988	-4,721	-\$4,035	-231	27	\$11,210
Huron Transit	-158	-3	-3,858	-4,019	\$5,518	-2,036	-14	\$22,773
Kerman Transit	93	35	1,987	2,115	\$1,168	2,844	-16	\$19,731
Kingsburg Transit	862	68	-2,263	-1,333	\$33	-4,708	17	\$21,517
Juvenile Transit Campus Transit	0	0	1,078	1,078	\$1,076	28,684	1,194	\$77,169
Laton Transit	503	0	2,010	2,513	\$0	16,999	1,140	\$24,094
Mendota Transit	1,415	62	-1,467	10	\$791	2,203	-10	\$21,967
Orange Cove Transit	-370	465	1,132	1,227	\$2,026	-2,790	-7	\$12,140
Parlier Transit	-339	78	-428	-689	\$180	-1,238	5	-\$3,888
Reedley Transit	905	737	7,837	9,479	\$6,263	6,948	264	\$45,597
Sanger Transit	700	-366	-388	-54	\$1,528	392	-17	\$24,934
San Joaquin Transit	58	-4	-89	-35	-\$977	-3,812	-8	-\$663
Selma Transit	1,264	-673	-2,239	-1,648	-\$202	-10,473	-1,012	-\$56,492
Southeast Transit	-679	345	972	638	\$4,844	-106	-7	\$6,067
Westside Transit	-95	54	606	565	-\$590	156	-7	\$7,673
SYSTEM TOTALS	900	1,159	-1,047	1,012	\$27,395	47,825	2,206	\$303,493

Table III-6
Percentage Change in FCRTA System Summaries
FY 2005-2006 vs. FY 2006-2007

FCRTA Subsystems:	Total Seniors:	Total Disabled:	Total General Public:	Total Passengers:	Total Fares:	Total Mileage:	Total Hours:	Total Cost:
Auberry Transit	9.70%	200.51%	-29.03%	12.47%	1.56%	6.67%	-0.76%	-4.06%
Biola Transit	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Coalinga Transit	100.00%	0.00%	-8.22%	-7.42%	16.59%	-1.09%	0.25%	0.62%
Del Rey Transit	7.54%	150.00%	-4.62%	0.74%	-4.17%	-1.50%	-0.35%	4.33%
Firebaugh Transit	-40.88%	-25.38%	-1.02%	-15.78%	-3.09%	4.50%	0.13%	11.57%
Fowler Transit	11.11%	352.94%	-30.10%	-25.58%	-25.96%	-1.06%	1.16%	9.34%
Huron Transit	-4.05%	-50.00%	-5.29%	-5.23%	11.09%	-5.19%	-0.37%	11.30%
Kerman Transit	2.95%	318.18%	36.80%	24.69%	12.07%	24.80%	-0.85%	18.53%
Kingsburg Transit	11.85%	101.49%	-20.71%	-7.30%	0.20%	-14.46%	0.54%	10.44%
Juvenile Transit Campus Transit	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Laton Transit	131.57%	0.00%	131.57%	131.57%	0.00%	153.03%	244.64%	172.77%
Mendota Transit	36.01%	28.97%	-9.71%	0.05%	5.01%	6.00%	-0.42%	18.03%
Orange Cove Transit	-3.77%	37.65%	5.67%	3.95%	4.40%	-4.30%	-0.15%	4.68%
Parlier Transit	-8.41%	92.86%	-6.85%	-6.65%	1.74%	-6.23%	0.24%	-2.92%
Reedley Transit	9.26%	52.91%	14.29%	14.36%	12.66%	7.47%	3.52%	11.93%
Sanger Transit	5.07%	-19.20%	-5.86%	-0.24%	6.59%	0.66%	-0.37%	7.59%
San Joaquin Transit	6.78%	-100.00%	-3.51%	-1.03%	-14.23%	-10.09%	-0.40%	-0.61%
Selma Transit	7.95%	-45.69%	-6.10%	-3.05%	-0.49%	-11.08%	-13.52%	-10.24%
Southeast Transit	-28.00%	36.05%	14.60%	6.35%	25.61%	-0.26%	-0.33%	5.38%
Westside Transit	-4.33%	43.20%	9.33%	6.41%	-1.85%	0.35%	-0.35%	6.85%
SYSTEM TOTALS	0.95%	14.09%	-0.35%	0.25%	6.24%	6.15%	4.01%	8.88%

Table III-7
FY 2005-2006 Summary of FCRTA Performance Characteristics

FCRTA Subsystems:	Pass / Hour	Pass / Mile	Cost / Hour	Cost / Mile	Cost / Pass	Farebox Percentage	Times Beyond Reasonable Standards
Auberry Transit	1.98 x	0.12 x	\$71.98	\$4.43	\$36.43 x	6.88%	3
Biola Transit	0.00	0.00	\$0.00	\$0.00	\$0.00	0.00%	0
Coalinga Transit	4.41	0.18 x	\$93.11 x	\$3.71	\$21.10 x	18.31%	3
Del Rey Transit	3.52	0.20 x	\$55.19	\$3.09	\$15.68	24.27%	1
Firebaugh Transit	12.21	0.95	\$57.92	\$4.49	\$4.75	10.83%	0
Fowler Transit	7.94	0.84	\$51.64	\$5.48	\$6.51	12.95%	0
Huron Transit	20.29	1.96	\$53.26	\$5.14	\$2.62	24.68%	0
Kerman Transit	4.53	0.75	\$56.31	\$9.28 x	\$12.43	9.08%	1
Kingsburg Transit	5.92	0.56	\$66.85	\$6.33	\$11.28	7.88%	0
Juvenile Justice Campus Transit	0.00	0.00	\$0.00	\$0.00	\$0.00	0.00%	0
Laton Transit	4.10	0.17 x	\$29.93	\$1.26	\$7.30	12.23%	1
Mendota Transit	8.14	0.52	\$51.50	\$3.32	\$6.33	12.94%	0
Orange Cove Transit	6.56	0.48	\$54.76	\$4.00	\$8.35	17.78%	0
Parlier Transit	5.55	0.52	\$71.37	\$6.71 x	\$12.87	7.74%	1
Reedley Transit	8.80	0.71	\$50.95	\$4.11	\$5.79	12.94%	0
Sanger Transit	4.80	0.37	\$70.54	\$5.51	\$14.71	7.06%	0
San Joaquin Transit	1.80 x	0.09 x	\$58.16	\$2.90	\$32.26 x	6.27%	3
Selma Transit	7.23	0.57	\$73.73	\$5.83	\$10.20	7.50%	0
Southeast Transit	5.06	0.25 x	\$56.83	\$2.81	\$11.24	16.76%	1
Westside Transit	4.46	0.20 x	\$56.63	\$2.50	\$12.71	28.46%	1
System Average	7.30	0.52	\$62.12	\$4.40	\$8.51	12.85%	
FCRTA "Intra-City" Standard	5.00	0.50	\$63.00	\$4.33	\$12.60	10.00%	
60% of FCRTA Standard	3.00	0.30	na	na	na	6.00%	
140% of FCRTA Standard	na	na	\$88.20	\$6.06	\$17.64	na	

Table III-8
FY 2006-2007 Summary of FCRTA Performance Characteristics

FCRTA Subsystems:	Pass / Hour	Pass / Mile	Cost / Hour	Cost / Mile	Cost / Pass	Farebox Percentage	Times Beyond Reasonable Standards
Auberry Transit	2.24 x	0.13 x	\$69.59	\$3.99	\$31.08 x	7.28%	3
Biola Transit	1.43 x	0.07 x	\$84.57	\$4.28	\$58.97 x	2.84% x	4
Coalinga Transit	4.08	0.16 x	\$93.45 x	\$3.77	\$22.93 x	21.21%	3
Del Rey Transit	3.56	0.20 x	\$57.78	\$3.28	\$16.24	22.29%	1
Firebaugh Transit	10.27	0.76	\$64.54	\$4.80	\$6.29	9.40%	0
Fowler Transit	5.84	0.63	\$55.81	\$6.06	\$9.56	8.77%	0
Huron Transit	19.30	1.96	\$59.50	\$6.03	\$3.08	24.63%	0
Kerman Transit	5.70	0.75	\$67.31	\$8.82 x	\$11.81	8.59%	1
Kingsburg Transit	5.46	0.61	\$73.44	\$8.17 x	\$13.44	7.15%	1
Juvenile Justice Campus Transit	0.90 x	0.04 x	\$64.66	\$2.69	\$71.59 x	1.39% x	4
Laton Transit	2.75 x	0.16 x	\$23.69	\$1.35	\$8.60	4.48% x	3
Mendota Transit	8.17	0.49	\$61.05	\$3.69	\$7.47	11.52%	0
Orange Cove Transit	6.83	0.52	\$57.41	\$4.37	\$8.41	17.73%	0
Parlier Transit	5.16	0.52	\$69.12	\$6.94 x	\$13.38	8.11%	1
Reedley Transit	9.72	0.76	\$55.09	\$4.28	\$5.67	13.03%	0
Sanger Transit	4.80	0.37	\$76.17	\$5.89	\$15.86	7.00%	0
San Joaquin Transit	1.79 x	0.10 x	\$58.04	\$3.21	\$32.40 x	5.41% x	4
Selma Transit	8.10	0.62	\$76.53	\$5.89	\$9.45	8.31%	0
Southeast Transit	5.39	0.27 x	\$60.08	\$2.97	\$11.14	19.98%	1
Westside Transit	4.76	0.21 x	\$60.72	\$2.66	\$12.76	26.14%	1
System Average	7.03	0.49	\$65.03	\$4.51	\$9.25	12.54%	
FCRTA "Intra-City" Standard	5.00	0.50	\$63.00	\$4.33	\$12.60	10.00%	
60% of FCRTA Standard	3.00	0.30	na	na	na	6.00%	
140% of FCRTA Standard	na	na	\$88.20	\$6.06	\$17.64	na	

EXHIBIT III-2
Passengers Per Hour

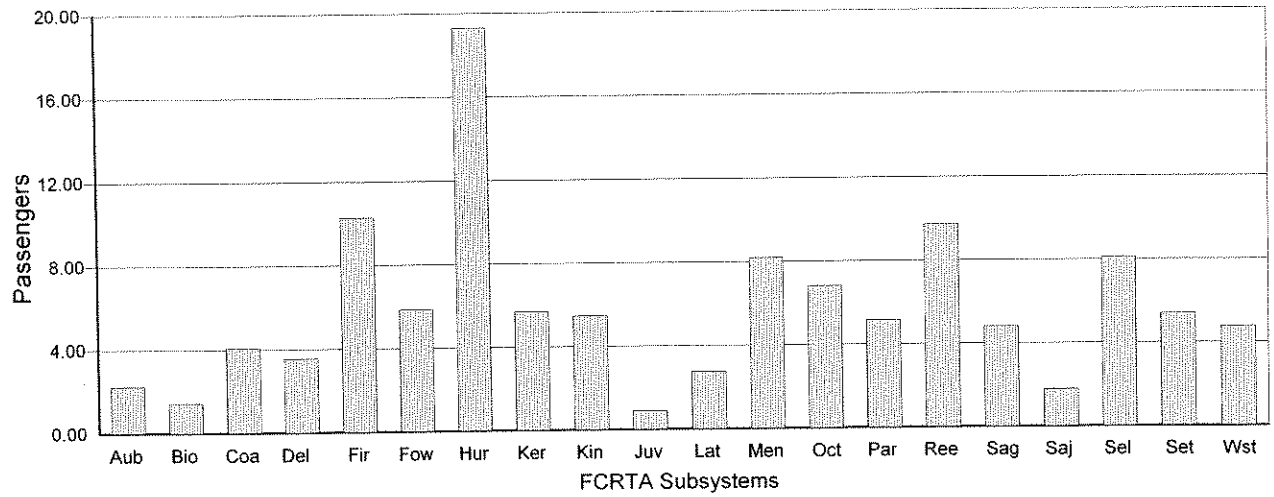


EXHIBIT III-3
Passengers Per Mile

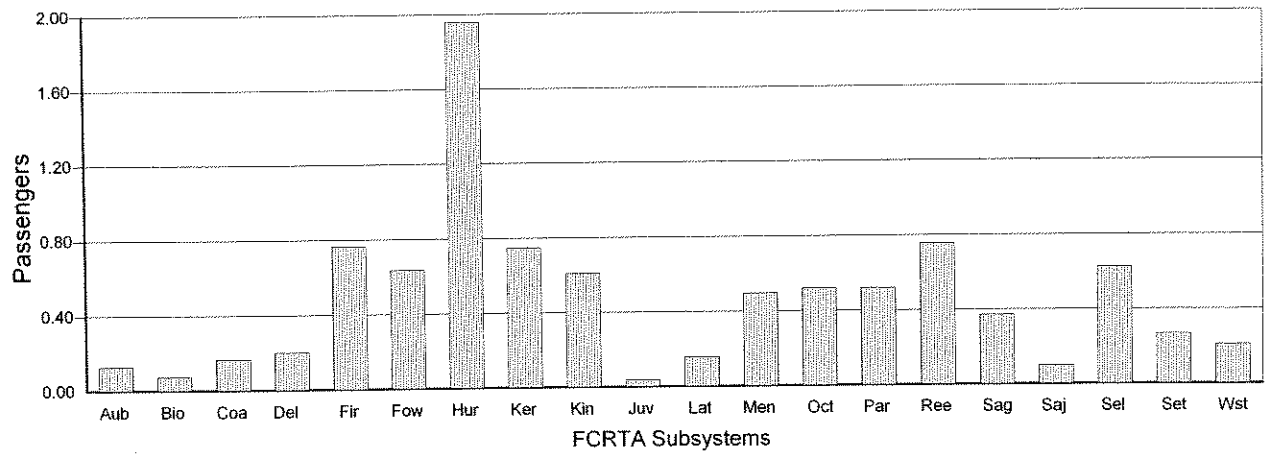


EXHIBIT III-4
Cost Per Hour

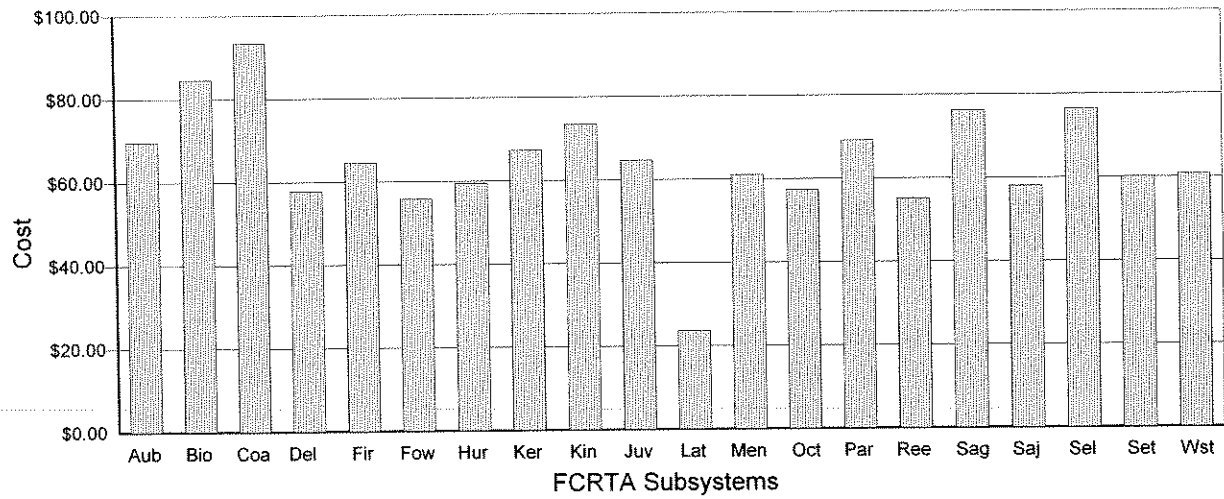


EXHIBIT III-5
Cost Per Mile

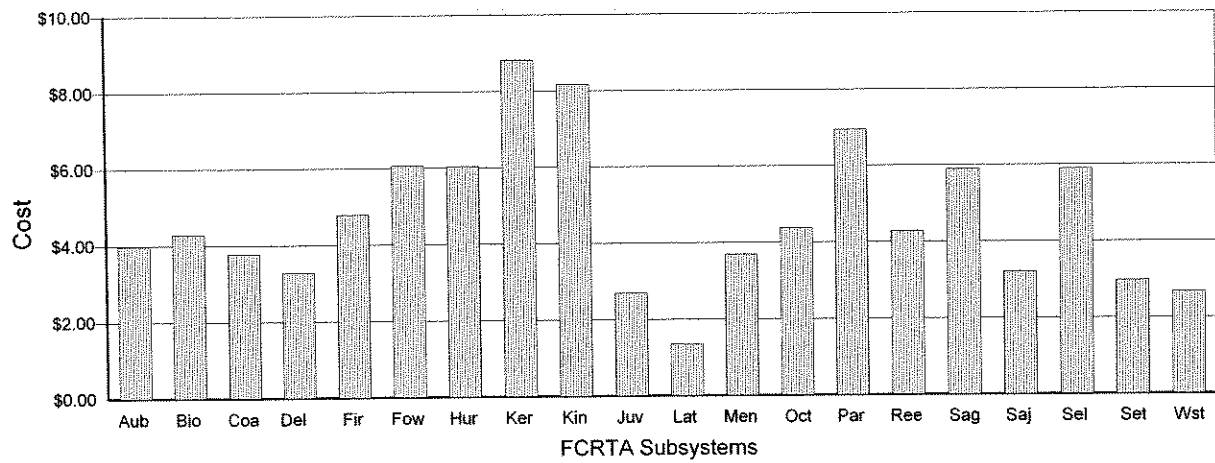


EXHIBIT III-6
Cost per Passenger

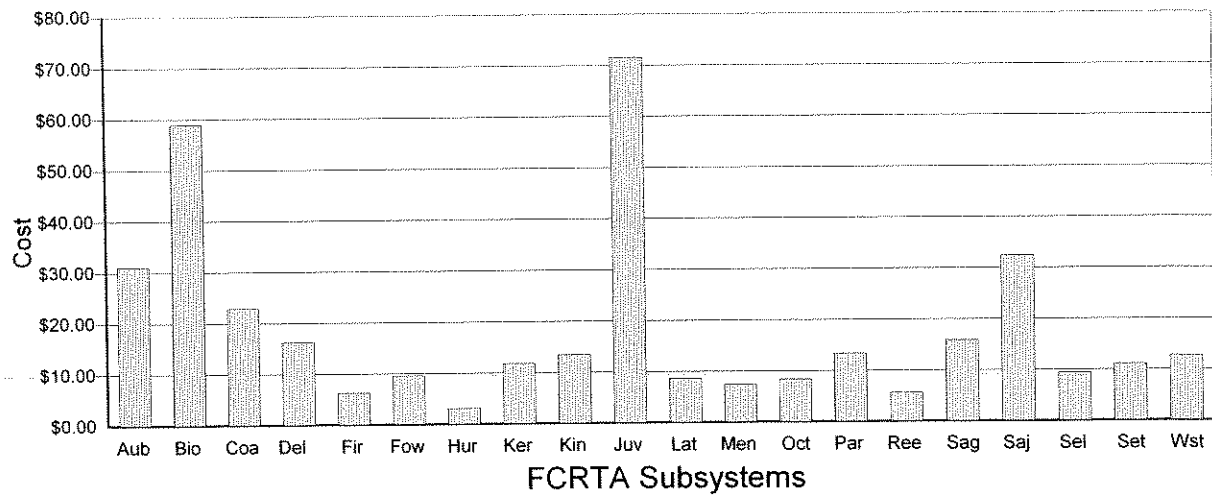
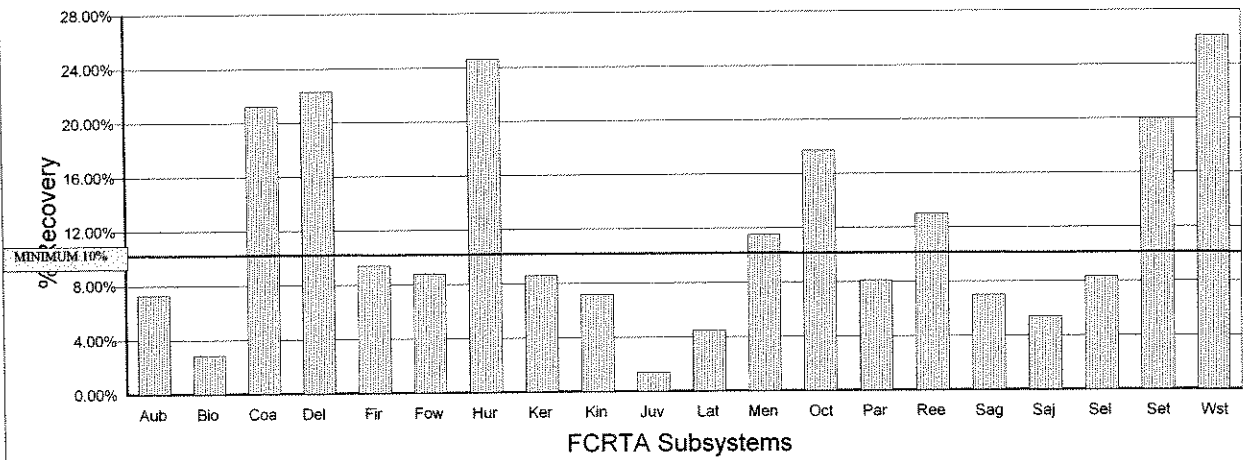


EXHIBIT III-7
% Farebox Recovery



Section IV

Consolidated Transportation Services For the Fresno-Clovis Metropolitan Area and Rural Fresno County

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SECTION IV

2006-07 PRODUCTIVITY EVALUATION

CONSOLIDATED TRANSPORTATION SERVICES AGENCY (CTSA) FOR THE FRESNO URBAN AREA AND THE FRESNO RURAL AREA

I. BACKGROUND

In February 1982, the Council of Fresno County Government's (COFCG) Policy Board adopted "Assembly Bill 120 Action Plan for Fresno County," as mandated by the Social Service Transportation Improvement Act (September 1979). The purpose of the Plan is to guide implementation of social service transportation coordination and consolidation within Fresno County. The Plan co-designated the City of Fresno and the Fresno County Economic Opportunities Commission (FCEOC) as the Urban Consolidated Transportation Services Agency (CTSA) for the Fresno Metropolitan Area and FCEOC and Fresno County Rural Transit Agency (FCRTA) as the CTSA for the Rural Area. The City of Clovis was designated the CTSA for the Clovis Urbanized Area and is included as a separate section in this Report.

The Fresno Urban CTSA resumed operation of social service transportation in the Fresno Metropolitan Area in April 1983. And the Fresno Rural CTSA program resumed social service transportation in May 1983.

II. DESCRIPTION OF URBAN AND RURAL SERVICES AS IDENTIFIED IN THE ADOPTED OPERATIONS PROGRAM AND BUDGET FOR FISCAL YEAR 2006-07 FOR THE FRESNO URBAN CTSA AND THE FRESNO RURAL CTSA.

During fiscal year 2006-07, the following non-profit social service and public agencies participated in the Fresno Urban CTSA and Fresno Rural CTSA process:

AGENCY	TYPE OF SERVICE
The Fresno Urban Area CTSA	
AGENCY	TYPE OF SERVICE
1. Local Conservation Corps	(Vehicle Maintenance)
2. FMAAA Senior Transportation	(Elderly Transportation)
3. FCEOC <i>Senior Meals/Summer Lunch</i>	(Congregate Meal Delivery) (Vehicle Maintenance)
4. Head Start	(Student Transportation) (Vehicle Maintenance) (Congregate Meal Delivery) (Vehicle Maintenance)

- | | | |
|-----|--|---|
| 5. | St. Agnes -ADHC | (Elderly transportation)
(Vehicle Maintenance) |
| 6. | Masten Towers | (Elderly Transportation)
(Vehicle Maintenance) |
| 7. | Nikkei | (Vehicle Maintenance) |
| 8. | Sanctuary | (Vehicle Maintenance) |
| 9. | Senior Citizens Village | (Elderly Transportation)
(Vehicle Maintenance) |
| 10. | Fresno County CalWORKS | (Passenger Transportation)
(Vehicle Maintenance) |
| 11. | Central Valley Regional Center | (Developmentally Disabled
Transportation)
(Vehicle Maintenance) |
| 12. | Various chartered trips for Social
Service Agencies and Non-Profits | (General Transportation)
(Vehicle Maintenance) |
| 13. | United Cerebral Palsy | (Emergency Coordinated
Back-up Transportation) |

The Fresno Rural Area CTSA

- | | | |
|----|---|--|
| 1. | FMAAA | (Elderly Transportation)
(Vehicle Maintenance) |
| 2. | FCEOC FOOD SERVICES | (SeniorMeals/SummerLunch)
(Vehicle Maintenance) |
| 3. | HEAD START | (Student Transportation)
(Congregate Meal Delivery)
(Vehicle Maintenance) |
| 4. | Fresno County Rural Transit Agency
(Public Agency Contract Services) | <i>Kingsburg Transit</i>
(General Public)

<i>Orange Cove Transit</i>
(General Public Inter-City
Service)

<i>Huron Inter-City</i>
(General Public)

<i>Selma Transit</i>
(Saturday Only)
(General Public) |

4. FCRTA (Con't)

*Auberry Inter-City (1 day
Per Week)*
(General Public Inter-City
Service)

Southeast Corridor Service
(Back-Up Service to Inter-City)
Common Carrier Service for)
(Elderly and Disabled)

Westside Corridor
(General Public Inter-City Service)

Juvenile Justice
(Transportation)

5. Ridesharing Services

Firebaugh Transit
(Public Agency Contract Services)
(Shared Gen. Public & Social Service)

Huron Transit
(Social Service)

Mendota Transit
(Shared General Public & Social Service)

Orange Cove Transit (In-City)
(Share General Public & Social Service)

Parlier Transit
(Shared General Public & Social Service)

San Joaquin Transit
(Shared General Public & Social Service)

Auberry Transit
(Shared General Public Social Service)

Fowler Transit
(Shared General Public Social Service)

Biola Transit
(Shared General Public)

Del Rey Transit
(Shared General Public Social Service)

6. Nikkei

(Vehicle Maintenance)

7. Fresno County Office of Education

(Student Transportation)

8. Central Valley Regional Center

(Disabled Passengers)
(Transportation)

9. Charter Trips for Social Service Agencies (General Public and Non-Profits
Transportation)
(Vehicle Maintenance)

These agencies and their respective programs are categorized four types of coordinated transportation services: Vehicle Time Sharing, Ridesharing, Consolidation, and Maintenance. The projected clients' needs and budgets are discussed in the current adopted Urban and Rural Operation's Program and Budget (OPB).

The Ridership information on both the (Maintenance Only/Transit Service) contracts with the Fresno County Rural Transit Agency (FCRTA) is excluded from the Rural CTSA Productivity Evaluation section. But this information is reported in the FCRTA section of this document.

III ANNUAL AND TRIENNIAL REVIEW PROCESS

Annual Productivity Evaluation

A "Local Policy Commitment" was included in the Action Plan to monitor the development and implementation of the Plan. Since 1984, the COFCG's staffs have conducted an annual assessment of the effectiveness and efficiency of the Fresno Urban Area CTSA and Fresno Rural Area CTSA services. The data used for the evaluation of the CTSA services was derived from monthly Management Information Service (MIS) reports. The MIS report is a compilation of daily driver logs and vehicle mileage reports in a spreadsheet.

Section VI contains the Productivity Evaluation Response detail for 2007/08 and Section VII contains the 2007/08 Recommendations.

Triennial Performance Audit

The Transportation Development Act (TDA) requires that the COFCG, on a triennial basis, engage the service of an outside consultant to conduct a performance audit on all transit operators claiming TDA funds, under California Public Utilities (CPUC) section 99260 of the TDA within their jurisdiction. The performance audits cover the triennial period July 1, 2003 through June 30, 2006 and have been accepted by the COFCG Board in its June 2006 meeting. [See section VIII for Recommendations]

IV. SIGNIFICANT SERVICE / ADMINISTRATIVE CHANGES

Passenger Transportation

After six successful years transporting CalWORKS clients, Fresno County renewed the Contract for this dispatched transportation service.

In this contract, FCEOC provides transportation services to CalWORKS participants during non-traditional working hours, between 6 p.m. and 6 a.m., seven-days per week. Transportation is provided to a place of employment, a training site, or to a childcare facility as requested by Fresno County caseworkers.

During 2006/07, FCEOC contracted with the Fresno County Office of Education to transport students to and from the Tielman site to their homes in the South Valley. These courts appointed students are continuing their education within this special environment.

The use of school buses and vans continue to increase productivity in the services and in the contract with Fresno County of Education. This contract requires FCEOC to transport students from the Fresno rural area to Sunnyside High School located in the Fresno Urban area. This program is set up for the Fresno rural area students who have interest in the medical field.

FCEOC also continues to provide transportation services for the Fresno-Madera Area on Agency on Aging (FMAAA) Senior Program. Transportation is provided to and from the participants' home to the nutrition site.

Social service transportation continues to show increase in service due to increased revenues by the social service agency requesting the service. For example, the Bureau of Reclamation set a Saturday in October aside to take developmentally disabled children on a fishing trip at Millerton Lake. FCEOC coordinates and provides transportation for this event.

Meal Delivery Transportation

These service contracts have not changed significantly from the previous year. The meal volume has remained relatively constant over the past three years, and FCEOC continues to serve lunches to the Summer Food Service Program participants.

Vehicle Maintenance

During FY 2006-07, the CTSA continued to market vehicle maintenance service to social service agencies. CTSA continues to embark/explore effective and efficient methods of providing low-cost-low-maintenance services to other social services organization.

As part of CTSA's commitment to quality services, CTSA employs four maintenance specialists to handle maintenance duties. All CTSA Maintenance specialists are certified by the Automotive of Society of Engineer (ASE). As required, the maintenance specialist continues to improve their skills through the Automotive of Society Engineer (ASE) certified mechanic program. CTSA continues to use its "state of the art" Engine Analyzer and upgraded air-conditioning equipment to carry out vehicle repairs. A maintenance software program that tracks maintenance work and schedule a vehicle preventive maintenance is also used.

Administrative Structure and Training

During FY 2006/07, FCEOC continued to employ a multi-tiered management structure that included a Program Director, Business Manager, and four supervisors. The management team met monthly to address an aggressive operational and administrative agenda. These meetings were vital link between the management team and staff.

During the FY 2006/07, FCEOC continue to attend seminars and workshops, notably, the Transportation Safety Institute/US Department of Transportation Certificate Program, the National HeadStart Association Conference, Mountain Area School Bus In-service Certificate Programs, California Association of School Transportation Officiates (CASTCO) Conference and the Community Transportation Association Training-the-Trainer Passenger Service and Safety Certificate Program.

The FCEOC Transit Systems maintains the certification of Department of Motor Vehicles Employee Testing Program (DL170). The DL170 certificate permits FCEOC to conduct private driving tests for current/potential FCEOC employees. Since the introduction of the in-house/private testing program at FCEOC, our driver training processes have improved, overall.

The FCEOC Human Resources continues to provide training sessions to management personnel on Labor Laws, Workers Compensation and Safety Training, Time Management, Paperwork Processing, Recruiting Skills, Disciplinary Procedures, Attendance, Workplace Violence, Sexual Harassment and Investigative Procedures.

FCEOC Transit Systems continues to hold six (6), two (2) hour driver in-service training meetings each year. The transit systems supervisors and guest speakers provide awareness training on topics such as defensive driving; vehicle code; daily vehicle inspection; Consumer crisis response, etc. Awards are also issued during the in-service meeting.

FCEOC continues to track the number of preventable accident – this provides useful data in the driver-training program. A monthly newsletter that features safety issues, new hires, calendar activities, etc., is also published monthly. An employee accident prevention program designed to reward drivers with good driving practice remains active.

V. OVERALL CTSA SERVICES

Through its ability to provide cost effective transportation and maintenance services, the Fresno Urban Area CTSA and the Fresno Rural Area CTSA demonstrates the capability of meeting the objectives of AB 120. The CTSA services also accommodate excess transportation demands for FAX and FCRTA. This service increases overall transportation efficiency in both Urban/Rural areas.

Vehicle Maintenance

CTSA has one (1) Maintenance supervisor and three (3) full-time maintenance specialists. The maintenance specialists perform brake jobs, tune-ups, electrical works, wheelchair equipment repair, and suspension, etc. Para Transit vehicles are inspected every 45 days or 3,000 miles, as required by the CHP regulations. The “B” buses are inspected every 90 days or 5,000 miles.

Driver Training

CTSA has three (3) Certified School Bus Classroom Driver Instructors and one (1) Delegated Behind-the-Wheel Instructor to provide Behind-the-wheel and classroom instruction for school bus, GPPV and Class B-P certification. An on-going driver-training program has been maintained and will continue to be offered to other social service agencies in Fresno Metropolitan Area and to the FCRTA. Our insurance carrier (Non-Profits United) also provides trainings on emergency techniques and laws/regulations to staffs and drivers.

CTSA also participates in the DMV Employer Testing Program (ETP). ETP is a program of DMV that authorizes employers of commercial drivers to administer the drive-test portion for the DMV commercial drive-licensing requirement: Class A, Class B, and non-commercial license. The ETP is a significant tool in training new/current employees.

Following the GPPV Driver’s licensing requirements, adopted in January 1, 1989; CTSA has restructured its training programs to reflect the new GPPV requirements. Each driver undergoes, at least, a 40-hour in-class driver-training course.

CTSA continues to participate in the California Department of Motor Vehicle (DMV) Pull Notice Program. This program allows employers to request/obtain driving record of employees. CTSA also uses the PNP program tool to ensure that drivers remain in good standing with the DMV regulations.

Insurance

The United Non-Profits Insurance Corporation (Non-Profit United) insures CTSA vehicles. The Non-Profit United maintains five (5) different policy levels for liability, including comprehensive and collision for newer vehicles. The insurance pool has provided a substantial cost savings to CTSA. Older vehicles are self-insured for comprehensive and collision coverage, only.

VI. CTSA: FY2006/2007 PRODUCTIVITY COMMITTEE RECOMMENDATIONS:

A. Comply, where feasible, with the Triennial Performance Audit Recommendations for FY 2000/01, 2001/02, 2002/03

1. Develop performance-reporting program to monitor transit service.

FCEOC should develop an executive style reporting system that allows transit management to review key indicators of the transit system in one comprehensive format. The data could include year-end summaries of ridership, cost, total vehicle breakdowns, and total incidents.

Select performance indicators should be developed which represent a cross section of the system, including operations, maintenance, and administration. The TDA indicators used in this audit provide a sample set of such performance standards. These performance indicators would be derived from the year-end data that is already being collected and reported. An executive report would provide a consolidated picture of how the transit system is performing from various aspects of the system, while also showing potential areas for improvement.

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 reviewed internally and submitted to Fresno COG. The Productivity Evaluation Report includes a description of services identified in the adopted 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 road calls. FCEOC has provided the auditor with reports covering FYs 2002—03 through FY 2005-06.

Conclusion: The recommendation has been implemented.

2. Ensure a continued program for vehicle replacement.

The audit performance measures show a pattern of increased vehicle maintenance needs. This is to several factors, including an aging fleet that requires replacement and the conversion to ADA accessible vehicles. FCEOC utilizes federal grants to replace a number of vehicles, and should continue to evaluate its replacement schedule to ensure the rotation of its vehicles. With a growing fleet of over 100

vehicles coupled with state and federal budgetary constraints, FCEOC is challenged with replacing its fleet and should pursue alternative measures when feasible. This might include providing ample training for its social service clients that, in turn, might be able to procure their own vehicle using other funding sources.

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 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

3. Closely monitor performance trends in service.

A review of performance conducted for this audit shows trends that should continue to be monitored closely, as some trends show slight declines in service efficiency and effectiveness. This recommendation ties into the reporting system also recommended in this audit, but emphasizes the need to closely monitor the trends. Graphic displays and/or other illustrations should be generated to determine historic patterns (e.g. last five years) for both passenger and meal delivery transportation. The performance data should be used for improvements to the service, including negotiations with clients over such areas as maintenance costs and hours and miles of service relative to client trips.

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 workers compensation and insurance premium increases, as well as fuel costs. FCEOC adds a fuel surcharge on its contracts, which provide 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 data such as cost per hour, cost per mile, cost per trip, and number of vehicle road calls.

Conclusion: This recommendation has been implemented

B. Pursue contracting of service and continue to consider the potential for and encourage private sector participation in the public transportation planning/service delivery process, and investigate other potential funding sources.

The FCEOC Transit Systems remain committed to contracting with the public sector for transportation service. The FCEOC Transit Systems provides logistic support to the Valley Adult Day Health Care –VADHC has their own vehicle but lacks the resources to maintain “Class B” certified drivers. FCEOC Transit Systems provides driver and back up vehicle as necessary to transport their clients to and from the center.

FCEOC continues to encourage and make aware the services available in other transportation agencies. Specialized services from agencies such as Center for the Blind can be accommodated with FAX Handy ride service.

FCEOC also continues to explore other funding sources. The revenue from the social service contracts is adjusted at the end of every month to balance the budget.

C. Continue to coordinate with other general public paratransit service providers to jointly provide the State-required 40 hours of specified training and behind-the-wheel instruction.

The FCEOC Transit Systems continue to train drivers to meet state and federal regulations. FCEOC employs three (3) full time certified Behind the Wheel and one (1) Classroom trainer. Also, FCEOC staff continues to provide CPR/First Aid, and safety training to other agencies. FCEOC continues to seek opportunities with other social service agencies on driver training programs.

In the FCEOC’s Federal Transportation Administration Section 5310 grant application, a list of coordinated training programs with the Family Health, Inc., the United Cerebral Palsy of Central California and the West Care Agencies, and the Fresno Empowerment Institute is attached. We encourage these agencies to attend the CTSA driver safety meetings that are scheduled six (6) times per year. The meetings cover variety of topics including sensitivity training for elderly and disabled clients, defensive driving, emergency and evacuations procedures, and safety equipment-Fire Extinguishers, Flares and First Aid Kits and loading and unloading. Behind-the-Wheel Training is available as scheduled. Annually, FCEOC participates in the California Association of School Training Officials (CASTO) and the Yosemite Community Education seminar.

The Annual California Association for Coordinated Transportation (CalACT) conduct Consolidated Transportation Service Agency (CTSA) roundtable to share and update CTSA designated location to exchange information and ideas. FCEOC participates in these roundtables.

D. Address responsibilities under the American with Disabilities Act of 1990.

The ADA of 1990 remains to FCEOC, to provide services that accommodate the objectives of ADA. FCEOC also continues to attend ADA sponsored Workshops and seminars to remain effective/current in ADA related issues. Following the Federal Transit Administration (FTA) Section 5310, FCEOC continues to provide wheelchair equipped/accessible school buses and vans.

We have ordered the ADA accessible Bus with full wheel-chair tracking and lift seats systems. Not only dose this allows the maximum amount of disabled passengers possible, but it also allows configuration other passenger needs.

E. Address responsibilities under the Clean Air Act Amendments of 1990, the San Joaquin Valley Unified Air Pollution Control District Air Quality Plan, the City of Fresno Transportation Management Plan, and the Council of Fresno County Governments Transportation Control Measures Plan, and Congestion Management System (CMS).

FCEOC continuously reviews the progress and recommendations from the Air District and the COFCG regarding the feasibility of implementing transportation control measures applicable to public/social service transportation.

In FY 1997-98, FCEOC received funding from the Air District for REMOVE Program (Assembly Bill 2766) for alternatively fueled vehicles to support its transportation program.

FCEOC is reviewing the actual implementation of this contract due to the inherent nature of CNG restraints on vehicle range, fuel tank re modification costs, fuel accessibility, longer fueling time, and the effects of the valley heat on CNG fuel tank capacity. We have recently experienced problems with CNG vehicle warranty repairs at the local distributors. We are awaiting commitments from the manufacturers in order to proceed further into the CNG fueled arena. FCEOC remains committed to explore alternate fueled vehicles as expressed by our recent training of FCEOC maintenance mechanics in CNG related repairs.

F. Continue to perform community outreach and marketing activities in an effort to increase ridership and improve public awareness and perception of public transit.

FCEOC Transit Systems continues to consolidate and coordinate services by its outreach and marketing efforts. We work with Fresno County Case Workers to increase ridership on the CalWORKS systems to assure efficiency and productivity. When other systems had space available we added Adult Day Health Care Provider clients to existing routes. We participate in community service events to advertise service and use our agency network to maintain lots of potential entities that may have a use for our service.

VII. CTSA: FY 2007/08 PRODUCTIVITY COMMITTEE RECOMMENDATIONS:

A. Comply, where feasible, with the Triennial Performance Audit Recommendations for FY 2003/04, 2004/05, 2005/06

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 of the Fresno COG Social Services Transportation Advisory Committee (SSTAC) and Coordinated Public Transit-Human Services Transportation Advisory Council.

FCEOC concurs and will comply with the recommendations.

- B. Pursue contracting of service and continue to consider the potential for and encourage private sector participation in the public transportation planning/service delivery process, and investigate other potential funding sources.**
- C. Continue to coordinate with other general public paratransit service providers to jointly provide the State-required 40 hours of specified training and behind-the-wheel instruction.**
- D. Address responsibilities under the American with Disabilities Act of 1990.**
- E. Address responsibilities under the Clean Air Act Amendments of 1990, the San Joaquin Valley Unified Air Pollution Control District Air Quality Plan, the City of Fresno Transportation Management Plan, and the Council of Fresno County Governments Transportation Control Measures Plan, and Congestion Management System (CMS).**
- F. Continue to perform community outreach and marketing activities in an effort to increase ridership and improve public awareness and perception of public transit.**
- G. Work with the Social Service Transportation Administrative Council on implementation of Fresno County Coordinated Human Service Transportation Plan – (SAFETEA-LU).**

VIII. TRIENNIAL PERFORMANCE AUDIT FY 2003/04 2004/5 2005/06

Derek Wong, AIP Pacific Municipal Consultant (PMC) has concluded a Triennial Performance Audit for FY 2003/04, 2004/05, 2005/6.

Listed below are our responses and time frame corrective actions to each of the 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 of the Fresno COG Social Services Transportation Advisory Committee (SSTAC) and Coordinated Public Transit-Human Services Transportation Advisory Council.

FCEOC concurs and will comply with the recommendations.

IX. HIGHLIGHTS OF PRODUCTIVITY DATA

It should be noted that the transportation services of the Urban and Rural Area CTSA differ significantly from that of public transit operators. Social service agencies programs can vary significantly from fiscal year to fiscal year because of State and Federal program and policy emphasis versus available funding support.

A few agencies have also been adversely impacted by consistent funding levels that do not include "cost of living adjustments" to reflect normal inflation. This can be further compounded when operating and maintenance cost for an aging fleet of vehicles continue to escalate at disproportionate rates. These are often detrimental to a social service agency's growing client base. When revenues remain unchanged and cost per clients increase, fewer clients may be transported. Efforts to address this problem by securing new replacement vehicles for the Fresno Urban and Rural Area CTSA's existing fleet of over 120 vehicles through the Federal Transit Administration Section 5310 Program have resulted in fewer than a half dozen vehicles in any single year, prior to the pending award. The decision of FCEOC to replace a portion of its fleet should help keep maintenance costs at a more predictable level for the next few years. The cost associated with the new vehicles is being depreciated to the budgets over the 5-year life of these vehicles.

Referencing the annually adopted Operations Program and Budget clearly highlights "estimated" and "projected" services from one fiscal year to the next. Mutually negotiated service contracts reflect available "revenues" from the social service agency, their clients, and TDA / Article 4.5 funds. The numbers of potential "clients" to be served are noted in relation to a negotiated number of "service hours" and estimated service "miles". Each program is individually tailored to meet the special needs of the social service funding agency and its respective identified client's needs. Therefore the service costs versus the number of clients served per hour versus the distance between clients and the actual service times vary from program to program. These factors are considered in determining which type of coordinated transportation service category is to be utilized: vehicle time-sharing; ridesharing; consolidation; and/or maintenance. It should be mentioned that each category has differing cost centers and trade-offs that are acknowledged between the negotiating parties.

The resultant data summarized in this report is a compilation of all the specific individual activities of the respective CTSA operations. The programs are further aggregated by "service type"; "passenger transportation" or "meal delivery transportation". The Fresno Urban Area CTSA summarizes thirteen (13) programs. Nine (9) are summarized as "passenger transportation", and two (2) are summarized as "meal delivery transportation" and an additional three (3) require vehicle maintenance only. The Rural Area CTSA summarizes nine (9) programs. Eight (8) are summarized as "passenger transportation", and two (2) are summarized as "meal delivery transportation". (Note, it does not include passengers associated with the FCRTA's subsystem services: Auberry Transit; Auberry Inter-City; Firebaugh Transit; Huron Transit; Huron Inter-City; Kingsburg Transit; Mendota Transit; Orange Cove Transit (in-city & inter-city);

Parlier Transit; San Joaquin Transit; Selma Transit (Saturday Service); Southeast Corridor Service and Westside Corridor Service. These are summarized in the FCRTA section of this document.)

The data therefore represents totals of resultant values. Neither can the data be used to represent the actual cost of CTSA participants, nor be the basis for determining the cost of programs in the future.

Highlights - Urban Area and Rural Area

The overall operating costs for Urban and Rural combined remained nearly the same as in 2006. Slightly lower ridership in our CVRC, and CalWORKS service as well as an effort to maximize our labor hours by more route hour monitoring allowed FCEOC to keep costs to this level. Urban costs remained at the same level as last year; rural costs had a slight increase. Fuel cost increases was offset by a Vehicle Insurance decrease and consolidating route hours to make existing routes more efficient.

Fuel Costs had fluctuated greatly during the year ending June 2007. We have agreements with our fuel vendor for a volume discount through our cardlock system. Our major service contracts include a fuel surcharge to compensate Transit Systems for unforeseen price increases.

Fresno Urban Area CTSA Productivity Data

Table IV-1 summarizes the Fresno Urban Area Productivity Data for fiscal year 2005-2006. Table IV-2 summarizes the Urban Data for fiscal year 2006-07.

Chart IV-1 **Page 16** illustrates a graphic comparison of performance characteristics from fiscal years 2005-06 and 2006-07.

Revenues

Revenues reflect an increase adequate to cover the cost increase of 7.1%

Match

The calculated social service match for 2006-07 is 87%. The minimum required is 55%. FCEOC Transit continues to exceed the minimum requirement by focusing on its mission as a CTSA, and coordinating social service transportation for Fresno County.

Cost

Urban costs remained at nearly the same level as last year. Fuel cost increases were offset by decreases in Vehicle Insurance premium and Workers' Compensation premium and by a consolidation of route hours, which helped offset some salary cost of living, increases.

Fresno Rural Area CTSA Productivity Data

Table IV-3 and IV-4 summarizes the rural data for fiscal year 2005-06 and 2006-07. Charts IV-2 illustrates a graphic comparison of performance characteristics from fiscal years 2005-06 and 2006-07.

Revenues

Revenues increased slightly for 2006/2007 adequately covering costs.

Match

The calculated match for the rural area is 86%. The minimum required match is 55%. FCEOC Transit continues to exceed the minimum requirement by focusing on its mission as a CTSA, and coordinating social service transportation for Fresno County.

Cost

Rural area costs remained at nearly the same levels. As explained in the Urban area description, our Salary Cost of living, and fuel cost increases were somewhat offset due to a decrease in vehicle insurance costs.

Table IV 1

CONSOLIDATED TRANSPORTATION SERVICES AGENCY
URBAN AREA PRODUCTIVITY DATA FISCAL YEAR 2005-06

SERVICE TYPE	COST	CLIENTS	MILES	HOURS	REVENUE	FARES	CLIENTS/ HOUR	CLIENTS/ MILES	COST/ HOUR	COST/ MILE	COST/ CLIENTS	MATCH	TDA Art. 4.5
Passenger Trans	\$3,949,624	331,694	1,237,384	71,007	3,174,610	0	4.7	0.27	\$55.62	\$3.19	\$11.91		\$775,014
Meal Delivery	\$168,213	470,245	59,692	2,363	121,491	0	199.0	7.88	\$71.17	\$2.82	\$0.36		\$46,722
TOTAL *	\$4,117,837	801,939	1,297,076	73,370	\$3,296,101	\$0	10.9	0.62	\$56.12	\$3.17	\$5.13	80%	\$821,736

Table IV 2

CONSOLIDATED TRANSPORTATION SERVICES AGENCY
URBAN AREA PRODUCTIVITY DATA FISCAL YEAR 2006-07

SERVICE TYPE	COST	CLIENTS	MILES	HOURS	REVENUE	FARES	CLIENTS/ HOUR	CLIENTS/ MILES	COST/ HOUR	COST/ MILE	COST/ CLIENTS	MATCH	TDA Art. 4.5
Passenger Trans	\$3,881,125	321,769	1,270,568	75,675	3,410,431	0	4.3	0.25	\$51.29	\$3.05	\$12.06		\$470,694
Meal Delivery	\$176,624	439,868	61,689	3,374	116,286	0	130.4	7.13	\$52.35	\$2.86	\$0.40		\$60,338
TOTAL *	\$4,057,749	761,637	1,332,257	79,049	\$3,526,717	\$0.00	9.63	0.57	\$51.33	\$3.05	\$5.33	87%	\$531,032

Passenger Miles and Hours above exclude Deadhead.

Table IV 3

CONSOLIDATED TRANSPORTATION SERVICES AGENCY
RURAL AREA PRODUCTIVITY DATA FISCAL YEAR 2005-
06

SERVICE TYPE	COST	CLIENTS	MILES	HOURS	REVENUE	FARES	CLIENTS / HOUR	CLIENTS / MILES	COST / HOUR	COST / MILE	COST / CLIENTS	MATCH	TDA Art. 4.5
Passenger Trans	\$1,828,364	200,373	563,577	31,591	\$1,522,970	\$0.00	6.34	0.36	\$57.88	\$3.24	\$9.12		\$305,394
Meal Delivery	\$206,989	350,200	162,477	4,183	99,402	\$0.00	83.72	2.16	\$49.49	\$1.27	\$0.59		\$107,587
TOTAL*	2,035,353	550,573	726,054	35,773	\$1,622,372	\$0.00	15.39	0.76	\$56.90	\$2.80	\$3.70	80%	\$412,981

Table IV 4

CONSOLIDATED TRANSPORTATION SERVICES AGENCY
RURAL AREA PRODUCTIVITY DATA FISCAL YEAR 2006-
07

SERVICE TYPE	COST	CLIENTS	MILES	HOURS	REVENUE	FARES	CLIENTS / HOUR	CLIENTS / MILES	COST / HOUR	COST / MILE	COST / CLIENTS	MATCH	TDA Art. 4.5
Passenger Trans	\$1,821,165	200,373	563,577	31,591	\$1,649,156	\$0.00	6.34	0.36	\$57.65	\$3.23	\$9.09		\$172,009
Meal Delivery	\$217,338	350,200	162,477	4,183	95,143	\$0.00	83.72	2.16	\$51.96	\$1.34	\$0.62		\$122,195
TOTAL*	\$2,038,503	550,573	726,054	35,773	\$1,744,299	\$0.00	15.39	0.76	\$56.98	\$2.81	\$3.70	86%	\$294,204

Passenger Miles and Hours above exclude Deadhead.

FCEOC Transit Systems Productivity Analysis for 2006/2007

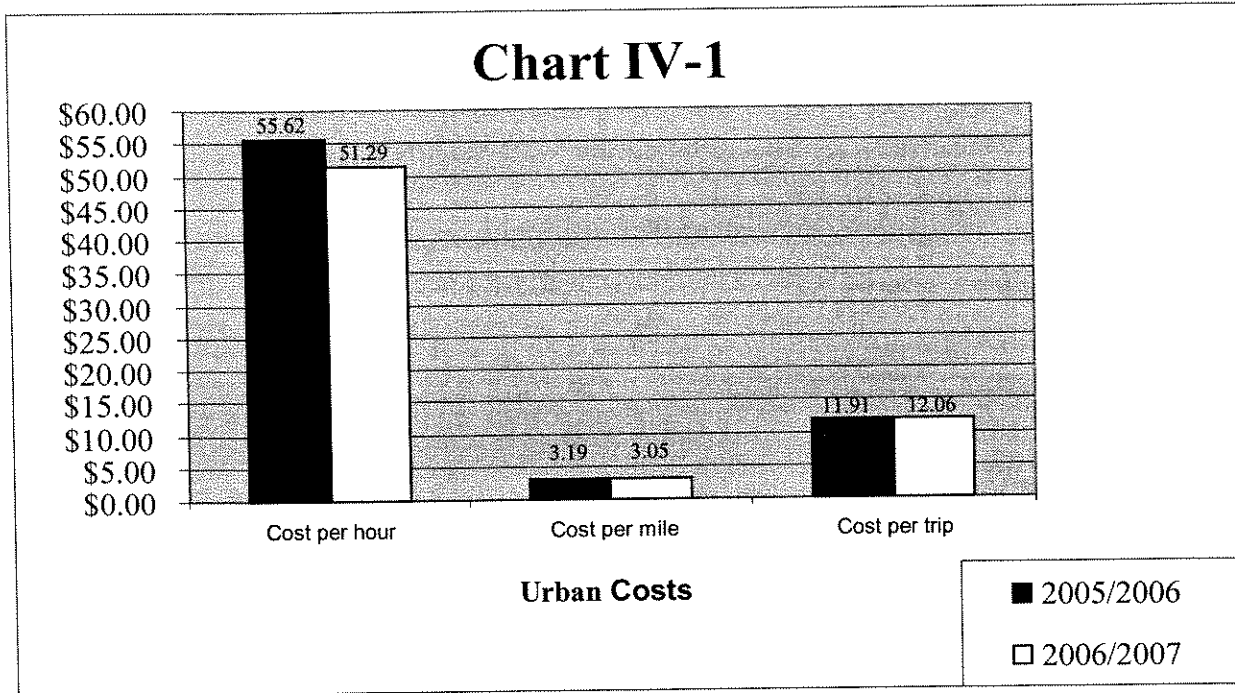
SERVICE TYPE	Urban and Rural Combined TOTALS 2006-2007									
	COST	CLIENTS	MILES	HOURS	REVENUE	FARES	CLIENTS/ HOUR	CLIENTS/ MILES	COST/ HOUR	COST/ MILE
Passenger Trans	\$5,702,290	522,142	1,834,145	107,266	\$5,059,587	0	4.87	0.28	\$53.16	\$3.11
	0	790,068	224,166	7,557	\$211,429	0	104.55	9.29	\$52.13	\$1.76
Meal Delivery	\$393,962	790,068	224,166	7,557	\$211,429	0	104.55	9.29	\$52.13	\$1.76
	0	0	0	0	0	0	0	0	0	0
TOTAL*	\$6,096,252	1,312,210	2,058,311	114,823	\$5,271,016	0	11.43	0.64	\$53.09	\$2.96
									\$4.65	86.46%
										825,236

Urban and Rural Combined TOTALS 2005-2006

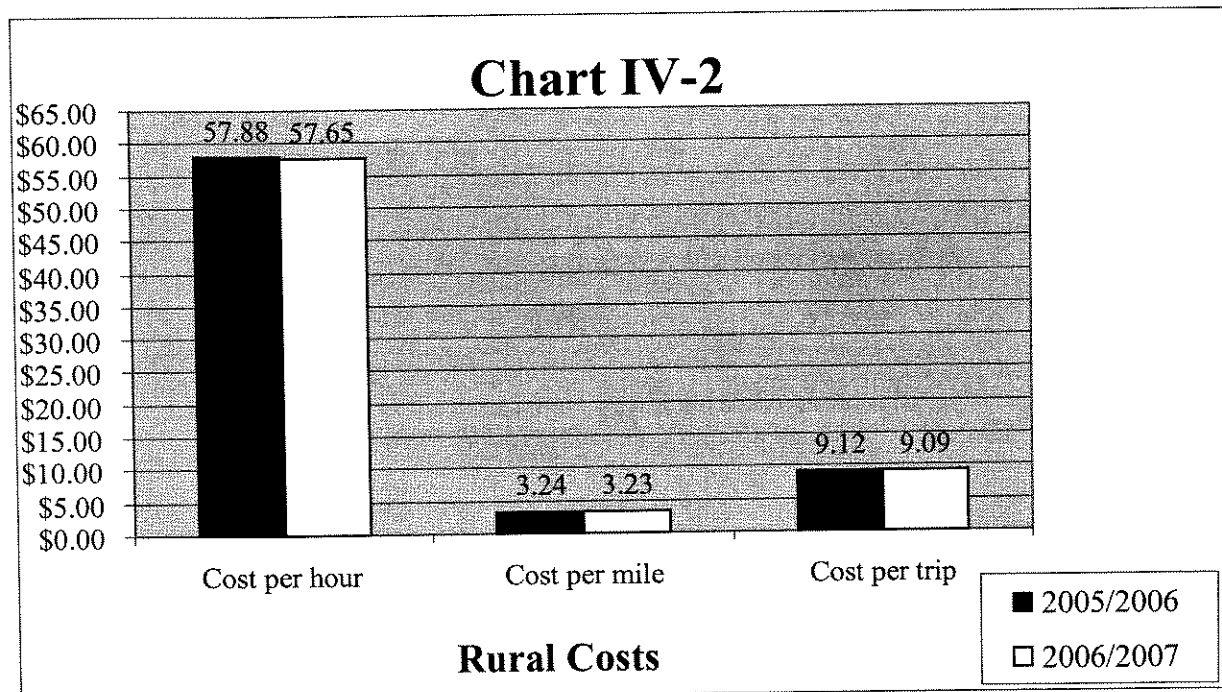
SERVICE TYPE	Urban and Rural Combined TOTALS 2005-2006									
	COST	CLIENTS	MILES	HOURS	REVENUE	FARES	CLIENTS/ HOUR	CLIENTS/ MILES	COST/ HOUR	COST/ MILE
Passenger Trans	\$5,777,988	532,067	1,800,960	102,597	\$4,697,580	\$0.00	5.19	0.30	\$56.32	\$3.21
	0	820,445	222,169	6,546	\$220,893	\$0.00	125.33	3.69	\$57.32	\$1.69
Meal Delivery	\$375,202	820,445	222,169	6,546	\$220,893	\$0.00	125.33	3.69	\$57.32	\$1.69
	0	0	0	0	0	0	0	0	0	0
TOTAL*	\$6,153,190	1,352,512	2,023,129	109,144	\$4,918,473	\$0	12.39	0.67	\$56.38	\$3.04
									\$4.55	79.93%
										1,234,717

VARIANCE	-\$56,937.91	-40,302	35,181	5,679	\$352,543.15	\$0.00	-0.96	-0.03	-\$3.28	-\$0.08	\$0.10	-\$409,481.31
Variance Percentage chg.	99%	97%	102%	105%	107%		92%	95%	94%	97%	102%	67%

**Consolidated Transportation Services Agency
Urban Productivity Data**



**Consolidated Transportation Services Agency
Rural Productivity Data**



Meal Delivery is not included in statistics.

2008/09
COUNCIL OF FRESNO COUNTY GOVERNMENTS
LOCAL TRANSPORTATION FUND
APPORTIONMENT TO MEMBER AGENCIES
Final Estimate Without Blue Print Match

01/24/08

2008/09 Estimate per Fresno County Auditor Controller	\$33,000,000
Less Administration	133,000
Gross Amount Available for Allocation	32,867,000

MEMBER	CENSUS POPULATION 01/01/07	PERCENT	GROSS AMOUNT AVAILABLE	ART. 3 BIC. & PED.FAC. (2%)	SHARE TOWARD ART. 4.5 (5%)	RTP (3%)	NET FOR ARTICLES 4 & 8	ADD TO CTSA's ART. 4.5	NET ART. 4, 4.5 & 8
Clovis	92,269	10.04%	3,299,528	65,991	161,677	92,156	2,979,704	173,475	3,153,179
Coalinga	18,061	1.97%	645,859	12,917	31,647	18,039	583,256		583,256
Firebaugh	6,692	0.73%	239,305	4,786	11,726	6,684	216,109		216,109
Fowler	5,293	0.58%	189,278	3,786	9,275	5,287	170,930		170,930
Fresno City	481,035	52.34%	17,201,748	344,034	842,885	480,445	15,534,384		15,534,384
Huron	7,493	0.82%	267,948	5,359	13,129	7,484	241,976		241,976
Kerman	13,591	1.48%	486,012	9,720	23,815	13,574	438,903		438,903
Kingsburg	11,234	1.22%	401,727	8,035	19,685	11,220	362,787		362,787
Mendota	9,426	1.03%	337,072	6,741	16,517	9,414	304,400		304,400
Orange Cove	10,544	1.15%	377,052	7,541	18,476	10,531	340,504		340,504
Parlier	13,080	1.42%	467,739	9,355	22,919	13,064	422,401		422,401
Reedley	24,909	2.71%	890,742	17,815	43,646	24,878	804,403		804,403
Sanger	24,877	2.71%	889,597	17,792	43,590	24,846	803,369		803,369
San Joaquin	3,870	0.42%	138,390	2,768	6,781	3,865	124,976		124,976
Selma	23,194	2.52%	829,414	16,588	40,641	23,166	749,019		749,019
Fresno Co.	173,535	18.86%	6,205,589	124,112	304,074	173,322	5,604,081		5,604,081
FCRTA								499,312	499,312
FCEOC								937,696	937,696
TOTALS	919,103	100%	32,867,000	657,340	1,610,483	917,975	29,681,202	1,610,483	31,291,685

2008/09
COUNCIL OF FRESNO COUNTY GOVERNMENTS
STATE TRANSIT ASSISTANCE FUND
APPORTIONMENT TO MEMBER AGENCIES
Preliminary Estimate

01/30/08

PUC 99313 POPULATION 9,047,020
PUC 99314 OPERATOR 1,159,257

2008/09 Fund Estimate Per State Controller

10,206,277

This estimate is subject to change during the fiscal year.

MEMBER	CENSUS POPULATION 01/01/07	PERCENT	GROSS AMOUNT AVAILABLE	NET FOR 99314 OPERATOR	NET FOR 99313 POPULATION
Clovis	92,269	10.04%	917,651	9,418	908,233
Coalinga	18,061	1.97%	177,780		177,780
Firebaugh	6,692	0.73%	65,871		65,871
Fowler	5,293	0.58%	52,101		52,101
Fresno City	481,035	52.34%	5,825,951	1,090,975	4,734,976
Huron	7,493	0.82%	73,758		73,758
Kerman	13,591	1.48%	133,780		133,780
Kingsburg	11,234	1.22%	110,580		110,580
Mendota	9,426	1.03%	92,783		92,783
Orange Cove	10,544	1.15%	103,788		103,788
Parlier	13,080	1.42%	128,751		128,751
Reedley	24,909	2.71%	245,187		245,187
Sanger	24,877	2.71%	244,872		244,872
San Joaquin	3,870	0.42%	38,094		38,094
Selma	23,194	2.52%	228,306		228,306
Fresno Co.	173,535	18.86%	1,708,160		1,708,160
FCRTA			58,864	58,864	
FCEOC					
TOTALS	919,103	100.0%	10,206,277	1,159,257	9,047,020



Monthly Legislation Summary January 2008

Bill# Author	Topic	Dead/2 YR	1st Desk	1st Policy	1st Fiscal	1st Floor	2nd Desk	2nd Policy	2nd Fiscal	2nd Floor	Conf./Conc.	Enrolled	Vetoed	Chaptered	Page #
AB 27 Parra	California Partnership for the San Joaquin Valley.	1st Fiscal													1
AB 842 Jones	Regional plans: traffic reduction.	2nd Policy													1
AB 901 Nunez	Transportation: Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006.	2nd Fiscal													1
AB 1129 Arambula	San Joaquin Valley Regional Affordable Housing Trust.	2nd Policy													2
AB 1209 Karnette	State Air Resources Board: emission reduction projects and measures.	2nd Fiscal													2
AB 1350 Nunez	Transportation bond funds.	2nd Fiscal													3
SB 286 Lowenthal	Transportation enhancement funds: conservation corps.	2nd Fiscal													4
SBX2.1 Perata	Water quality, flood control, water storage, and wildlife preservation.	1st Desk													4
Total Position Forms: 8															



Monthly Legislation Summary January 2008

Bill# Author	Topic - Summary	Status/Hearing	Fresno COG Position	Other Position
<u>AB 27</u> Parra	California Partnership for the San Joaquin Valley. Existing law authorizes 2 or more public agencies, including any federal department or state or local agency, to enter into an agreement for the purpose of exercising any power common to the contracting parties for specified purposes, including acquiring or constructing specified public facilities and improvements. This bill would, from January 1, 2009, to January 1, 2020, create the California Partnership for the San Joaquin Valley, with its executive board composed of the heads of specified state agencies and departments, local government members and private sector members, subject to specified criteria, to coordinate and improve existing local, state, and federal efforts for the valley to increase the living standards and the overall economic performance of the valley. This bill contains other related provisions.	01/25/2008-In committee: Set, first hearing. Referred to APPR. suspense file. In committee: Set, first hearing. Held under submission.	Support	PARTNERSHIP-support MERCED COG-support
<u>AB 842</u> Jones	Regional plans: traffic reduction. Existing law authorizes the California Transportation Commission to establish guidelines for the preparation of regional transportation plans. This bill would require the commission to update its guidelines for the preparation of regional transportation plans, including a requirement that each regional transportation plan provide for a 10% reduction in the growth increment of vehicle miles traveled. This bill contains other related provisions and other existing laws.	01/28/2008-In Senate. Read first time. To Com. on RLS. for assignment.	Watch	
<u>AB 901</u> Nunez	Transportation: Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006. Existing law, the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006 (Proposition 1B), authorizes \$19.925 billion of state general obligation bonds for specified purposes. The act requires that, among other things, \$3.6 billion of the proceeds from those bonds be deposited in the Public Transportation Modernization, Improvement, and	01/18/2008-In committee: Hearing postponed by committee. (Refers to 8/20/2007 hearing)	Watch	

Bill# Author	Topic - Summary	Status/Hearing	Fresno COG Position	Other Position
	Service Enhancement Account for allocation to public transit operators and transportation planning agencies by formula. This bill would require the Department of Transportation to provide the Department of Finance and the Assembly and Senate budget committees by September 30 of each year with information describing the total amount of verified project funding needed in the budget year and the amount required by each agency seeking funding. The bill would also require the department, on a quarterly basis, to provide the Controller with instructions regarding funds to be allocated to each sponsoring entity and would require the Controller to allocate those funds accordingly. The bill would define "sponsoring entity" and "eligible project" for purposes of allocating these funds. The bill would require the California Transportation Commission to include information in its annual report to the Legislature regarding its activities relative to these funds. The bill would also impose specified auditing requirements and enact other related provisions.			
AB 1129 Arambula	San Joaquin Valley Regional Affordable Housing Trust. The Planning and Zoning Law requires each city, county, or city and county to prepare and adopt a general plan for its jurisdiction that contains mandatory elements, including a housing element. The housing element is prepared for the purposes of, among other things, fostering cooperation among local governments in order to address regional housing needs. This bill would establish the San Joaquin Valley Regional Affordable Housing Trust as a voluntary organization for the purposes of fostering the regional collaboration of San Joaquin Valley cities, counties, developers, financial institutions, and community-based organizations to meet affordable housing needs in the region.	01/24/2008-In Senate. Read first time. To Com. on RLS. for assignment.	Support	
AB 1209 Karnette	State Air Resources Board: emission reduction projects and measures. Existing law creates the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006 to authorize \$19.925 billion of state general obligation bonds for specified purposes. The Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006 requires \$3,100,000,000 of these funds to be deposited in the California Ports	01/28/2008-In committee: Hearing postponed by committee. (Refers to 8/20/2007 hearing)	Support	CALCOG-support

Bill # Author	Topic - Summary	Status/Hearing	Fresno COG Position	Other Position
	Infrastructure, Security, and Air Quality Improvement Account within the Highway Safety, Traffic Reduction, Air Quality, and Port Security Fund of 2006, and requires \$1,000,000,000 of these funds to be made available, upon appropriation by the Legislature, to the State Air Resources Board for emissions reductions, not otherwise required by law or regulation, from activities related to the movement of freight along California's trade corridors. This bill would require the state board to develop guidelines meeting specified requirements for the allocation of the \$1,000,000,000 in funding. The bill would, upon appropriation by the Legislature, require the state board to allocate funds on a competitive basis to projects and measures that are shown to achieve the greatest emission reductions from activities related to freight movement along California's trade corridors. The projects and measures would be required to result in emission reductions not otherwise required by law or regulation in effect at the time the state board issues a notice of funding availability. The bill would specify that the funds only be used to implement strategies described in a required emissions reduction plan included in funding applications. The bill would require the state board to report annually to the appropriate fiscal and policy committees of the Legislature on the status of the projects and measures being funded. The bill would require the administrative costs of the state board to be paid in an appropriation in the annual Budget Act and limit those costs to \$15,000,000 for the duration of program funding.			
AB 1350 Nunez	Transportation bond funds. Existing law, the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006, approved by the voters as Proposition 1B in the November 2006 general election, establishes the Highway Safety, Traffic Reduction, Air Quality, and Port Security Fund of 2006 in the State Treasury. Specified moneys in the fund are required to be deposited in the Transit System Safety, Security, and Disaster Response Account to be made available, upon appropriation by the Legislature, for capital projects that provide increased protection against a security and safety threat, and for capital expenditures to increase the capacity of transit operators to develop disaster response transportation systems. This bill	01/28/2008-In committee: Hearing postponed by committee. (Refers to 8/20/2007 hearing)	Watch	

Bill# Author	Topic - Summary	Status/Hearing	Fresno COG Position	Other Position
	would require these funds to be allocated to transit operators for eligible projects, as defined, based on various formulas, and would require funds to be allocated by the Office of Emergency Services in consultation with the Office of Homeland Security. An eligible applicant would be required to annually advise the Office of Emergency Services of the applicant's need for funding in the following fiscal year, and the office would submit a request to the Department of Finance and to the legislative budget committees in that regard. The bill would enact other related provisions .			
SB 286 Lowenthal	Transportation enhancement funds: conservation corps. Existing federal law, as part of the comprehensive surface transportation program, allocates transportation funds to each state for transportation enhancement projects. This bill, with respect to federal funds made available to the state for transportation enhancement projects, would require transportation planning agencies, county transportation commissions or authorities, and congestion management agencies to adopt criteria that give priority in the selection of these projects to the sponsors of eligible projects that partner with, or commit to employ the services of, a community conservation corps, as defined, or the California Conservation Corps to construct or undertake the project. The bill would authorize these agencies and the Department of Transportation to enter into cooperative agreements, grant agreements, or procurement contracts with community conservation corps pursuant to certain simplified contract requirements. The bill would require the California Transportation Commission, when developing guidelines for the state transportation improvement program and the state highway operations and protection program, to include guidance to encourage the allocation of funds for transportation enhancement projects to community conservation corps and the California Conservation Corps as partners with applicants that commit to employ the services of corps members in the construction of those projects. The bill would make related legislative findings and declarations.	01/18/2008-From committee with author's amendments. Read second time. Amended. Re-referred to Com. on APPR.	Watch	
SBX2 1 Perata	Water quality, flood control, water storage, and wildlife preservation.	01/07/2008-Read third time. Passed. (Ayes 23. Noes 11. Page	Watch	

Bill # Author	Topic - Summary	Status/Hearing	Fresno COG Position	Other Position
	Under existing law, various bond acts have been approved by the voters to provide funds for water projects, facilities, and programs. The Disaster Preparedness and Flood Prevention Bond Act of 2006, a bond act approved by the voters at the November 7, 2006, statewide general election, authorizes the issuance of bonds in the amount of \$4,090,000,000 for the purposes of financing disaster preparedness and flood prevention projects. The Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006, an initiative bond act approved by the voters at the November 7, 2006, statewide general election, authorizes the issuance of bonds in the amount of \$5,388,000,000 for the purposes of financing a safe drinking water, water quality and supply, flood control, and resource protection program. The Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002, approved by the voters at the November 5, 2002, statewide general election, authorizes, for the purposes of financing a safe drinking water, water quality, and water reliability program, the issuance of bonds in the amount of \$3,440,000,000. This bill, with regard to those bond funds, would appropriate \$610,890,000 as follows: of the funds made available pursuant to the Disaster Preparedness and Flood Prevention Bond Act of 2006, \$50,000,000 to the Department of Water Resources for essential emergency preparedness supplies and projects, and \$150,000,000 to the department for stormwater flood management project grants; of the funds made available pursuant to the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006, \$50,000,000 to the State Department of Public Health for grants and loans for small community drinking water systems infrastructure improvements and related actions, \$50,400,000 to the State Department of Public Health for grants for projects to prevent or reduce the contamination of groundwater that serves as a source of drinking water, \$40,000,000 to the department for administrative costs, planning grants, and local groundwater assistance grants, \$50,000,000 to the department for projects to relocate existing Sacramento-San Joaquin Delta water intake facilities, \$60,000,000 to the department for expenditures to increase the department's ability to respond to	20.) To Assembly.		

Bill # Author	Topic - Summary	Status/Hearing	Fresno COG Position	Other Position
	levee breaches and to reduce the potential for levee failure, \$100,000,000 to the department for the acquisition, preservation, protection, and restoration of Sacramento-San Joaquin Delta islands, \$12,000,000 to the department to complete planning and feasibility studies associated with new surface storage under the California Bay-Delta Program, \$15,000,000 to the department for planning and feasibility studies to identify potential options for the reoperation of the state's flood protection and water supply systems , \$10,000,000 to the department to update the California Water Plan, \$10,000,000 to the department for planning and feasibility studies for projects to reduce ecosystem conflicts in the Sacramento-San Joaquin Delta, and \$10,000,000 to the State Coastal Conservancy for projects on the Santa Ana River; and of the funds made available under the Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002, \$3,490,000 to the department for planning and feasibility studies associated with surface storage under the California Bay-Delta Program. This bill contains other related provisions and other existing laws.			
Total Position Forms: 8				

Infrastructure Bond Implementation Update

November 2007

Below is an update on the implementation of each of the infrastructure bonds passed in November 2006. As new developments occur with each bond, updates will be distributed through the League's Web site and *Priority Focus*. A description of each measure noted below is also included in the main section of this booklet. To date, the following has occurred:

Transportation Bond: Proposition 1B: This measure provides \$19.92 billion for various transportation projects to rebuild California. Priority programs of significant interest to California cities are:

- **Local Street and Road Funds:** A total of \$950 million is available to cities and counties in FY 2007-08. SB 77 (Chapter 171, Statutes of 2007), the main budget bill, allocates \$600 million (Item # 9350-104-6065), and SB 88 (Chapter 181, Statutes of 2007), the bond implementation trailer bill, allocates an additional \$350 million for this program.

Additionally, after the state budget was passed in late August, the Legislature passed two additional clean-up measures in early September affecting this funding: AB 193 (Chapter 313, Statutes of 2007) and AB 196 (Chapter 314, Statutes of 2007), which contained the provisions and amendments that the League and the California State Association of Counties sought to ensure accountable, efficient and effective transportation project delivery. AB 196 specifies that the \$950 million is to be appropriated with \$550 million for cities and \$400 million for counties. The allocation of \$550 million to cities in FY 2007-08 guarantees that each city receives a minimum of \$400,000, or half of their total bond funds, whichever is greater. However, prior to receiving an allocation, local governments must submit a list of projects expected to be funded with these funds to the Department of Finance (DOF). The DOF will report monthly to the Controller on which agencies have submitted the list to DOF.

- **Trade Corridor Goods Movement & Emission Reduction:** The development of allocation criteria for the \$3.1 billion "goods movement" and air quality improvement programs remains underway. SB 9 (Lowenthal) and SB 19 (Lowenthal) are the main legislative vehicles seeking to define this program. These bills are stalled for the year, however, \$250 million (included in SB 77, Chapter 171, Statutes of 2007, item# 3900-001-6054) was allocated in the budget to the Air Resources Board to fund projects in FY 2007-08 intended to improve air quality along four of California's major transportation corridors: from the Los Angeles ports to the Inland Empire, State Route 99 in the Central Valley, the San Francisco Bay Area, and the San Diego border region. \$193 million (SB 77, item# 3900-001-6053) was also included in the budget for school bus retrofits.
- **State-Local Partnership:** There are two measures in the Legislature that attempt to define the \$1 billion State-Local Partnership Program, which requires a local match to access transportation bond funds - AB 1351 (Levine) and SB 748 (Corbett). These bills differ in the criteria for eligible matching funds. AB 1351 includes only sales tax dedicated to transportation as a match, thus limiting the program only to "self-help" counties. SB 748 broadens the local match to also include all voter approved taxes and fees, bridge tolls and Uniform Developer fees. The League supports SB 748, because it provides the most flexibility for the local match.

- **Local Bridge Seismic Retrofit:** \$13.5 million was allocated (SB 77, item# 2660-104-6062) to the California Transportation Commission for this program, to be allocated prior to June 30, 2010. An additional \$2.8 million may be expended for this program with the approval of the Department of Finance. Funds will be administered by Caltrans to provide the federal match requirement for local agencies for work on bridges, overpasses, and ramps. Cities are encouraged to work with Caltrans to access these funds.
- **High-Priority Grade Separation Projects:** \$122.5 million (SB 77, item# 2660-104-6063) was allocated for high-priority grade separation projects. Guidelines for this program must be adopted by February 15, 2008. Prior to adoption, the California Transportation Commission will hold two hearings, one north and one south, to get public input on the draft guidelines. Cities seeking project funding should check the Transportation Commission's Web site for hearing information.
- **Public Transportation Capital Improvements:** Prop. 1B designated \$4 billion for various transit improvements, of which \$3.6 billion will be distributed per an established formula among the state's transit agencies. SB 88 (Chapter 181, Statutes of 2007) contains additional allocation criteria. The budget bill (SB 77, item# 2640-104-6059) appropriates \$600 million for these transit capital improvements projects.

Housing and Infrastructure Bond: Proposition 1C: This measure allocates \$2.85 billion for housing and infrastructure projects, most of which will be distributed by the Department of Housing and Community Development (HCD). Approximately half of the bond, \$1.45 billion, will fund existing programs including the Multifamily Housing Program (MHP), Emergency Housing Assistance Program (EHAP), and Building Equity and Growth in Neighborhoods (BEGIN) programs. The remaining \$1.4 billion is designated for infill infrastructure (\$850 million), parks (\$200 million), transit-oriented development (\$300 million), and innovative programs (\$100 million).

- **Funding for Infill Infrastructure:** \$240 million has been made available for a wide variety of capital improvements to support infill development. Grants are available to local agencies and non-profit or for profit developers for developing in qualifying infill areas. Housing element compliance is a precondition. 15% of housing units must be affordable (for very low income households if the units are rental, or for moderate income households if the units are owner-occupied). Priorities will be given to projects that can demonstrate project readiness, higher density, proximity to transit, parks, schools and jobs, consistency with adopted regional blueprints, and demonstrated local support. Additional guidelines are to be developed by HCD. (SB 86, Chapter 179, Statutes of 2007, Sections 27, 28 and 39 contain definitions and criteria. SB 77, the budget bill, contains the appropriation, item #2240-101-6069). Additionally, AB 1053 (Chapter 692, Statutes of 2007) authorizes business improvement districts to apply for these funds through a joint application with a city or county.
- **Brownfield Remediation:** \$60 million is allocated for loans and grants to cleanup brownfields that promote infill residential and mixed use development consistent with regional and local land use plans. This program is required to be administered, in consultation with HCD, through the California Recycle Underutilized Sites (CALReUse) program operated under the state Treasurer's Office. (SB 86, Chapter 179, Statutes of

2007, Sections 27, 28 and 39 contain definitions and criteria. SB 77, the budget bill, contains the appropriation, item #2240-101-6069).

- **Transit Oriented Development:** \$95 million is allocated to a program created under proposition 1C designed to provide assistance to public agencies and developers with developing higher density housing within one-quarter mile of a transit station (SB 77, item # 2240-101-9736).
- **Parks and Housing:** The budget did not contain an allocation for the \$200 million that was included in Prop. 1C for parks. AB 1252 (Caballero), a League supported bill, which contained implementation criteria for this program was held in the Senate Appropriations Committee. (Cities should note that parks development is an eligible use of funds under the infill infrastructure program listed above.)
- **Housing Innovations Fund:** SB 586 (Chapter 652, Statutes of 2007) allocates the \$100 million from Proposition 1C for the Housing Innovations Fund among four programs as follows: 1) \$35 million is designated for the local housing trust fund matching grant program established under Proposition 46; 2) \$50 million is designated to fund the acquisition of property to develop or preserve affordable housing; 3) \$5 million is available for the Construction Liability Insurance Reform Pilot Program (The purpose of the program is to promote best practices for residential construction quality control as a means of reducing insurance rates for condominium developers); and, 4) \$10 million is available to increase and maintain affordable homeownership opportunities for Californians with lower incomes.

Proposition 84: Environmental Quality Bond: This measure designates \$5.4 billion for improving natural resources and water programs including state projects and flood control, safe drinking water, water quality improvement, integrated water management, water planning and sustainable communities. No funding was appropriated for these purposes in the budget. However, several measures remain to be debated, including:

- **\$400 Million in Park Funds:** AB 31(De Leon) is in position as the central remaining vehicle for allocating these funds, as other bills have either been amended or stopped. Significant additional amendments are expected in 2008.
- **\$90 Million in Planning Funds & \$90 Million in Urban Greening:** SB 732 (Steinberg), was comprehensively revised within the last several days of the legislative session to focus primarily on the allocation of these funds. This measure creates a "Sustainable Communities Council" to coordinate the activities of various state agencies that aim to improve air and water quality, natural resource protection, affordable housing, and transportation through land use planning. It is likely that additional discussions will take place on how to best spend these funds during the 2008 legislative year, which may lead to additional legislative proposals.

Proposition 1E: Levee Bond: This bond designates \$4.09 billion in bond funding for critical river levee repair and construction, flood control projects and the updating and repair of old water mains and sewer systems. It also includes \$290 million to create flood protection corridors and floodplain mapping. SB 85 (Chapter 178, Statutes of 2007), a budget trailer bill, establishes several reporting requirements related to the expenditure of bond funds for levees, and limits

local cost share requirements for the facilities part of the State Plan of Flood Control and specified urban areas.

Proposition 1D: Education Facilities Bond: This bond establishes \$10.5 billion for performing school building repairs, and providing innovative learning facilities for California students, including seismic retrofitting and classroom repairs. One of the open issues is the allocation of \$29 million to fund joint-use projects for construction of K-12 school facilities.



The 2008-09 Budget

Highlights: The Governor's commitment to transportation and housing

www.gov.ca.gov/issue/state-budget

The Governor's Budget provides close to \$20 billion and nearly 45,000 positions to fund California's Business, Transportation and Housing programs. The proposed budget was constructed first by computing the workload budget funding level. From the workload budget, adjustments were made to reflect specific policy adjustments and reductions, including budget-balancing reductions.

Proposed Workload Budget

- Proposition 42 is fully funded at \$1.5 billion, including \$83 million for loan repayment pursuant to Proposition 1A of 2006.
- Caltrans will receive an additional \$460.3 million in federal funding in 2007-08 from both reimbursement for emergency funds expended in past years and from federal funding that other states were unable to use. These funds will be used to complete additional pavement rehabilitation work.
- The budget reflects the passage of Chapter 733, Statutes of 2007 (SB 717), which shifted \$74 million annually in Proposition 42 revenues from the state to local transit agencies funded through the State Transit Assistance Program.
- \$18.5 million for the third year of a five-year CHPERS Enhanced Radio System project to replace and upgrade CHP's system.
- \$3.2 million to fund workload increases associated with the implementation and administration of Proposition 1B bond funds.

Transportation

State Transportation Improvement Program (STIP)

\$2.1 billion in 2007-08 and \$1.5 billion in 2008-09 for STIP projects, a decrease of 29 percent. The reduction is due primarily to an unusually high one-time increase in capital funding for public transportation projects in 2007-08 and statutory changes in SB 79 and SB 717 that specify that a significantly larger share of the Public Transportation Account revenues now go to local transit agencies to fund operating costs. The reduction also reflects the temporary increase in capital expenditures in 2006-07 and 2007-08 associated with the \$1.4 billion Proposition 42 loan repayment in 2006-07.

State Highway Operation and Protection Program (SHOPP)

\$2 billion in 2007-08 and \$1.6 billion in 2008-09, a decrease of 20 percent due to a one-time increase of \$460 million in 2007-08 in reimbursements for past emergency expenditures and the redistribution of federal funds that other states were unable to use.

Local Assistance Programs

\$3 billion for local transportation in 2008-09, including \$156 million for local mass transportation projects.

Local Mass Transportation

The Governor's Budget includes funding for the following transit, rail, and planning programs, as reflected in Figure BTH-02. This reflects a continuation of the funding allocation priorities set in Chapter 181 (SB 88), Statutes of 2007.

- \$141 million to continue funding transportation services administered by Regional Centers.
- \$1.1 billion for local transit agencies for operating and capital purposes through the State Transit Assistance Program. This amount includes \$350 million in Proposition 1B funds for capital transit projects and \$742.9 million from sales tax revenues, including a \$74 million increase in Proposition 42 revenues resulting from passage of SB 717. Operating funds from sales tax revenues are growing from \$304 million in 2007-08 to \$743 million in 2008-09.

State Operations

- \$4.2 billion in state operations funding to support Caltrans in 2008-09, including \$2.9 billion from the State Highway Account, \$362 million in federal funds, and \$990 million from other special funds, a \$14 million increase from currently estimated 2007-08 expenditures.
- A new \$20 million bond program is being proposed for Caltrans for the sale of Clean Renewable Energy Bonds (CREBs). The resources will be utilized to fund up to 70 photovoltaic (i.e., solar energy) projects at maintenance facilities, equipment shops, transportation management centers, materials labs, and office buildings.

Maintenance

\$1.2 billion to maintain approximately 15,000 centerline miles of highway, over 230,000 right-of-way acres, and over 12,000 state highway bridges and to inspect over 12,000 local bridges. This is an increase of \$21 million over 2007-08.

State Rail Operations

\$106 million to manage and coordinate intercity rail passenger services that provide commuters with a range of transportation options, help improve the state's air quality, and reduce highway congestion and fuel consumption. Caltrans manages two state-supported routes operated by Amtrak, the San Joaquin and Pacific Surfliner, and financially supports the Capitol Corridor.

High-Speed Rail Authority

The Budget proposes to continue the current level of funding of \$1.2 million for basic staff support.

Transportation Revenue

Proposition 1B

The approval by voters of Proposition 1A and the \$19.9 billion transportation bond measure of Proposition 1B in November 2006 provides a substantial down payment on meeting California's long-term transportation needs over the next ten years. The 2008-09 Governor's Budget proposes a total of \$4.7 billion in appropriations. The California Transportation Commission has already scheduled resources for projects under four of the major bond programs, and has adopted guidelines that will enable projects to be scheduled in the near future for two others.

The Governor's Budget proposes to appropriate \$4.7 billion for:

- \$1,547 million - Corridor Mobility
- \$350 million - Local Transit Program
- \$1,186 million - State Transportation Improvement Program
- \$500 million - Trade Corridors
- \$200 million - State/Local Partnerships
- \$216 million - State Highway Operations and Protection Program
- \$65 million - Grade Separation Program
- \$108 million - Highway 99
- \$21 million - Local Seismic
- \$73 million - Intercity Rail
- \$0.4 million - School Bus Retrofit
- \$250 million - Air Quality
- \$101 million - Transit Security
- \$58 million - Port Security

Proposition 42

The Governor's Budget proposes to fully fund the \$1.485 billion Proposition 42 transfer and the Proposition 1A loan repayment for fiscal 2008-09.

Housing

Department of Housing and Community Development

The Budget proposes \$1.1 billion (\$15.9 million General Fund and \$1.0 billion other funds) and 626 positions. This represents a decrease of \$246.5 million and an increase of 48.8 positions from the revised 2007-08 Budget.

In 2008-09, expenditures from Proposition 46 bond funds are estimated to be \$36.8 million, which will fully expend the bond. Proposition 1C expenditures are expected to total \$771 million, a decrease of \$202 million from 2007-08.

Proposition 1C

Proposition 1C, the Housing and Emergency Shelter Fund Act of 2006, was approved in November 2006 to promote housing programs in California through the investment of \$2.85 billion in General Obligation Bonds in existing housing programs, as well as to fund investment in innovative housing programs, housing infill construction, and housing-related parks.

The Governor's Budget includes \$771 million in bond allocations for:

- \$188 million for affordable homeownership
- \$194 million for multifamily rental housing
- \$40 million for the Joe Serna Jr. Farmworker Housing program
- \$24 million for emergency housing assistance
- \$200 million for the Infill Incentives Grant program
- \$95 million for transit-oriented development
- \$30 million for housing urban-suburban-and-rural parks

Proposed Budget-Balancing Reductions

Budget-balancing reductions for the Business Transportation and Housing agency total \$0.2 million in 2007-08 and \$2.03 million and 4.1 personnel years in 2008-09. Programs exempted from reductions include Proposition 42 transportation transfers and general obligation debt service.

The major reductions are described below:

- \$481,000 in 2008-09 for the Small Business Loan Guarantee Program. This reduction will result in fewer loan guarantees available to small businesses in California.
- \$343,000 in 2008-09 for the Office of Migrant Services. This reduction will require four centers to be closed, resulting in fewer housing opportunities for migrant agricultural workers in California.
- \$401,000 in 2008-09 for the Emergency Shelter Program. This reduction in assistance to local homeless emergency shelters would result in approximately 1,900 fewer shelter spaces annually.

Special Session Issues

Trailer bill language is being proposed to postpone until September 2008 the monthly transfer of excise tax revenues from the Highway Users Tax Account to cities and counties for local streets and roads maintenance for the months of April through August of 2008. This will meet General Fund cash needs by providing additional borrowable cash.

***The Governor's 2008-09 budget proposal can be read
in its entirety at <http://www.ebudget.ca.gov/>.***

COUNCIL OF FRESNO COUNTY GOVERNMENTS

ANNUAL FINANCIAL REPORTS

FOR THE YEAR ENDED
JUNE 30, 2007

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INDEPENDENT AUDITORS' REPORT

The Board of Directors
Council of Fresno County Governments
Fresno, California

We have audited the accompanying basic financial statements of the Council of Fresno County Governments, as of and for the year ended June 30, 2007, as listed in the table of contents. These financial statements are the responsibility of the Council of Fresno County Governments' management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit. The prior year partial comparative information has been derived from the Council of Fresno County Governments' 2006 financial statements and, in our report dated December 18, 2006, we expressed an unqualified opinion on those statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in "Government Auditing Standards", issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Council of Fresno County Governments as of June 30, 2007, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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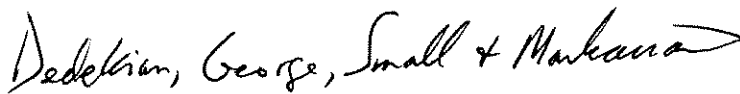
Fax: 559/431-4937
www.cpaplus.com

INDEPENDENT AUDITORS' REPORT (CONTINUED)

In accordance with "Government Auditing Standards," we have also issued our report dated December 28, 2007, on our consideration of the Council of Fresno County Governments' internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with "Government Auditing Standards" and important for assessing the results of our audit.

The management's discussion and analysis and budgetary comparison information, as listed in the table of contents, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Council of Fresno County Governments basic financial statements. The combining and individual fund statements and schedules, and the supplementary schedules and other reports sections listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations," and is not a required part of the basic financial statements of the Council of Fresno County Governments. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.



Dedekian, George, Small & Markarian
Accountancy Corporation
December 28, 2007

MANAGEMENT'S DISCUSSION AND ANALYSIS

COUNCIL OF FRESNO COUNTY GOVERNMENTS
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2007

The following discussion and analysis of the financial performance and activity of the Council of Fresno County Governments Basic Financial Statements provide an introduction and understanding of the basic financial statements of the Council of Fresno County Governments (COFCG). This discussion has been prepared by management and should be read in conjunction with the financial statements and the notes thereto, which follow this section.

The Council of Fresno County Governments is a voluntary association of the County of Fresno and the 15 incorporated cities in Fresno County established on September 24, 1969, under a joint exercise of power agreement to provide a cooperative body for discussion and resolution of issues which go beyond individual boundaries. COFCG's major function is the activity generated by its responsibilities as a designated transportation-planning agency, complying with federal and state requirements.

Each year the Policy Board adopts an overall Work Program and Budget setting forth the work activities for the next fiscal year. The major revenue sources come from the Federal Highway Works Administration and Federal Transit Administration. COFCG also receives grants from the State Department of Transportation and a variety of local revenue sources including Planning funds from the Transportation Development Act fund. The COFCG administers the Transportation Development Act fund and State Transit Assistance fund, which consist of allocations to local governments in Fresno County from the proceeds of 1/4 cent sales tax and the state highway account.

The Financial Statements

The Council's basic financial statements include (1) the Statement of Net Assets, and (2) the Statement of Activities. The financial statements are prepared in accordance with accounting principles generally accepted in the United States of America.

The Statement of Net Assets reports assets, liabilities, and the difference between the two as Net Assets. The entire equity section is combined to report total net assets and is displayed in three components - invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets.

The net asset component *invested in capital assets, net of related debt*, consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any borrowings attributable to the acquisition, construction, or improvements of those assets.

COUNCIL OF FRESNO COUNTY GOVERNMENTS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
JUNE 30, 2007

The Financial Statements (Continued)

Restricted net assets consist of assets where constraints on their use are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

Unrestricted net assets consist of net assets that do not meet the definition of restricted or invested in capital assets, net of related debt.

The Statement of Activities is reported using the accrual basis of accounting. Revenue is reported when earned and expenses are reported when incurred, regardless of when cash is received or paid. Revenues and expenses are categorized as either operating or non-operating based upon definitions provided by the Governmental Accounting Standards Board.

Financial Highlights

- Total net assets of COFCG were \$1,692,708 and consisted of capital assets, net of related debt, of \$47,502; and unrestricted net assets of \$1,645,206.
- Net assets increased \$13,574 during fiscal year 2007. The increase in net assets from governmental activities was attributable to grants revenues and unretained earnings in excess of net governmental program costs.
- Total capital assets, net of accumulated depreciation, were \$47,502 at June 30, 2007, representing an increase of \$15, or .1%, over June 30, 2006. The increase in capital assets was primarily the result of the excess of current year capital additions over depreciation.
- COFCG's governmental fund reported ending fund balances of \$1,645,206, an increase of \$13,559 compared to June 30, 2006. Approximately 20% of the governmental fund balances represent amounts available for the transportation planning.

COUNCIL OF FRESNO COUNTY GOVERNMENTS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
JUNE 30, 2007

Statement of Net Assets

A summary of the Council's Statement of Net Assets for Governmental Activities as of June 30, 2007, with comparative totals as of June 30, 2006 is as follows:

Statement of Net Assets Governmental Activities As of June 30, 2007 and 2006		
	<u>2007</u>	<u>2006</u>
Assets:		
Current and Other Assets	\$ 2,613,337	\$ 2,200,767
Capital Assets (Net of Depreciation)	<u>47,502</u>	<u>47,487</u>
Total Assets	<u><u>\$ 2,660,839</u></u>	<u><u>\$ 2,248,254</u></u>
Liabilities:		
Current and Other Liabilities	<u>\$ 968,131</u>	<u>\$ 569,120</u>
Net Assets:		
Invested in Capital Assets, Net of Related Debt	47,502	47,487
Unrestricted	<u>1,645,206</u>	<u>1,631,647</u>
Total Net Assets	<u><u>\$ 1,692,708</u></u>	<u><u>\$ 1,679,134</u></u>

As shown above, total assets of Governmental Activities were \$2,660,839 at June 30, 2007, including \$47,502 in capital assets (net of depreciation). Of the total \$2,613,337 in current assets, \$1,387,090 consists of pooled cash, which is invested in accordance with State law and the Council's investment policy.

Net assets totaling \$1,692,708 include \$1,645,206 in unrestricted assets that are available for discretionary spending, although a portion is reserved for encumbrances and a portion is designated for self insurance. Total net assets increased from June 30, 2006 by \$13,574 (1%). This is a favorable outcome given the challenges the Council faced this year, as a result of a continued sluggish economy.

The net assets invested in capital assets increased by \$15 due to additional capital investment exceeding depreciation expense during the year. Unrestricted net assets increased by \$13,559, in large part due to the results of current year operations.

COUNCIL OF FRESNO COUNTY GOVERNMENTS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
JUNE 30, 2007

Statement of Activities

The Statement of Net Assets provides a measure of the financial health of an entity at a specific date in time (i.e., year end). The Statement of Activities provides details of how net assets changed from the beginning of the year to the end of the year, and whether net assets increased or decreased. Thus, it indicates whether the Council as a whole is better off at June 30, 2007 than it was at June 30, 2006.

A summary of the Council's Statement of Activities for fiscal year ended June 30, 2007, with comparative totals for the fiscal year ended June 30, 2006 is as follows:

Statement of Activities Governmental Activities Fiscal Years Ended June 30, 2007 and 2006		
	<u>2007</u>	<u>2006</u>
Revenues:		
Program Revenues	\$ 3,749,915	\$ 3,551,729
General Revenues	<u>231,165</u>	<u>294,656</u>
Total Revenues	<u>3,981,080</u>	<u>3,846,385</u>
Expenses:		
Transportation Planning	<u>3,967,506</u>	<u>3,703,628</u>
Changes in Net Assets	13,574	142,757
Net Assets - Beginning	<u>1,679,134</u>	<u>1,536,377</u>
Net Assets - Ending	<u><u>\$ 1,692,708</u></u>	<u><u>\$ 1,679,134</u></u>

Total revenues of the funds included in the Governmental Activities category were \$3,981,080 for the year ended June 30, 2007. Of this total, \$3,264,426 (82%) were derived from grants. This is consistent with the nature of governmental activities, which includes services traditionally financed from general tax revenues. \$485,489 (12%) of total revenues were derived from charges for services, representing fees charged for various services. Revenues derived from fees and charges help support programs largely subsidized from general tax revenues and thus reduce the burden on these limited resources.

Expenses for the year totaled \$3,967,506. All expenses were for transportation planning.

COUNCIL OF FRESNO COUNTY GOVERNMENTS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
JUNE 30, 2007

General Fund Budgetary Highlights

The Council of Fresno County Governments revised the budget twice to add \$95,200 in additional federal grant funding that became available during the fiscal year. Generally federal and state grants are multi-year projects; however, due to funding agency authorization requirements, the Council of Fresno County Governments includes the amounts in the current year budget at the total authorized amounts. At the end of the year, there were significant variances between the final budget and the actual revenues and expenditures because of following this convention.

Contacting the COFCG's Financial Management

The Council of Fresno County Governments financial report is designed to provide the COFCG's Board of Directors, management, creditors, legislative and oversight agencies, citizens and customers with an overview of the Council of Fresno County Governments finances and to demonstrate its accountability for funds received. For additional information about this report, please contact Les Beshears, Finance Director, Council of Fresno County Governments, 2035 Tulare Street, Suite 201, Fresno, California.

BASIC FINANCIAL STATEMENTS

COUNCIL OF FRESNO COUNTY GOVERNMENTS
STATEMENT OF NET ASSETS
JUNE 30, 2007

	<u>Governmental Activities</u>	<u>Component Units</u>
<u>ASSETS</u>		
Cash and investments	\$ 1,387,090	\$ 355,368
Accounts receivable	148,292	-
Due from other governments	1,069,758	-
Interest receivable	3,632	-
Prepays	4,565	-
Capital assets (net of accumulated depreciation)	<u>47,502</u>	<u>-</u>
Total assets	<u>\$ 2,660,839</u>	<u>\$ 355,368</u>

LIABILITIES AND NET ASSETS

Liabilities and net assets:		
Accounts payable	\$ 454,547	\$ 192,979
Deferred revenues	233,896	-
Due to other governments	62,314	-
Accrued payroll	62,642	-
Compensated absences	<u>154,732</u>	<u>-</u>
Total liabilities	<u>968,131</u>	<u>192,979</u>
Net assets:		
Invested in capital assets, net of related debt	47,502	-
Unrestricted	<u>1,645,206</u>	<u>162,389</u>
Total net assets	<u>1,692,708</u>	<u>162,389</u>
Total liabilities and net assets	<u>\$ 2,660,839</u>	<u>\$ 355,368</u>

The accompanying notes are an integral part of these financial statements.

COUNCIL OF FRESNO COUNTY GOVERNMENTS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2007

Function/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Assets	
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Component Units
PRIMARY GOVERNMENT					
Governmental Activities:					
Transportation planning	<u>\$ 3,967,506</u>	<u>\$ 485,489</u>	<u>\$ 3,264,426</u>	<u>\$ (217,591)</u>	
Total primary government	<u>\$ 3,967,506</u>	<u>\$ 485,489</u>	<u>\$ 3,264,426</u>	<u>(217,591)</u>	
.....					
Component Unit:					
Abandoned vehicle abatement	<u>\$ 652,817</u>	<u>\$ -</u>	<u>\$ 693,704</u>		<u>\$ 40,887</u>
Total component unit	<u>\$ 652,817</u>	<u>\$ -</u>	<u>\$ 693,704</u>		<u>40,887</u>
	General Revenues:				
	Investment income			62,464	15,581
	Miscellaneous			<u>168,701</u>	<u>-</u>
	Total general revenues			<u>231,165</u>	<u>15,581</u>
	Change in net assets			13,574	56,468
	Net assets, beginning of year			<u>1,679,134</u>	<u>105,921</u>
	Net assets, end of year			<u>\$ 1,692,708</u>	<u>\$ 162,389</u>

The accompanying notes are an integral part of these financial statements.

COUNCIL OF FRESNO COUNTY GOVERNMENTS
BALANCE SHEET
GOVERNMENTAL FUND
JUNE 30, 2007

	<u>General Fund</u>	<u>Component Units</u>
<u>ASSETS</u>		
Cash and investments	\$ 1,387,090	\$ 355,368
Accounts receivable	148,292	-
Due from other governments	1,069,758	-
Interest receivable	3,632	-
Prepays	<u>4,565</u>	<u>-</u>
Total assets	<u>\$ 2,613,337</u>	<u>\$ 355,368</u>
<u>LIABILITIES AND FUND BALANCES</u>		
Liabilities:		
Accounts payable	\$ 454,547	\$ 192,979
Due to other governments	62,314	-
Accrued payroll	62,642	-
Deferred revenues	233,896	-
Compensated absences	<u>154,732</u>	<u>-</u>
Total liabilities	<u>968,131</u>	<u>192,979</u>
Fund Balances:		
Reserved for encumbrances	1,467,770	-
Designated for self-insurance	90,112	-
Unreserved - undesignated	<u>87,324</u>	<u>162,389</u>
Total fund balances	<u>1,645,206</u>	<u>162,389</u>
Total liabilities and fund balances	<u>\$ 2,613,337</u>	<u>\$ 355,368</u>

Amounts reported for governmental activities in the statement of net assets (Page 8) are different because:

Total fund balances	\$ 1,645,206
Capital assets used in governmental activities are not financial resources and therefore are not reported in funds	<u>47,502</u>
Net assets of governmental activities (Page 8)	<u>\$ 1,692,708</u>

The accompanying notes are an integral part of these financial statements.

COUNCIL OF FRESNO COUNTY GOVERNMENTS
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUND
FOR THE YEAR ENDED JUNE 30, 2007

	General Fund	Component Units
Revenues:		
Aid from federal government	\$ 1,788,984	\$ -
Aid from state government	539,723	693,704
Aid from local government	1,421,208	-
Interest revenue	62,464	15,581
Miscellaneous	168,701	-
	<u>3,981,080</u>	<u>709,285</u>
Total revenues		
Expenditures:		
Current:		
General government:		
Salaries and benefits	1,967,830	-
Supplies and services	1,732,905	-
Contributions to other local agencies	266,786	652,817
	<u>3,967,521</u>	<u>652,817</u>
Total expenditures		
Net changes in fund balances	13,559	56,468
Fund balances at beginning of year	<u>1,631,647</u>	<u>105,921</u>
Fund balances at end of year	<u>\$ 1,645,206</u>	<u>\$ 162,389</u>

Amounts reported for governmental activities in the statement of activities (Page 9) are different because:

Net change in fund balances - total governmental funds \$ 13,559

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation and amortization expense. This is the amount by which capital outlays (\$18,955) exceeded depreciation (\$18,940) in the current period.

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Change in net assets of governmental activities (Page 9) \$ 13,574

The accompanying notes are an integral part of these financial statements.

COUNCIL OF FRESNO COUNTY GOVERNMENTS
STATEMENT OF FIDUCIARY NET ASSETS
ALL FIDUCIARY FUNDS
JUNE 30, 2007

	<u>Trust Funds</u>
<u>ASSETS</u>	
Cash and investments	\$ 4,406,120
Interest receivable	35,483
Due from other governments	<u>2,168,986</u>
Total assets	<u>\$ 6,610,589</u>
<u>LIABILITIES AND NET ASSETS</u>	
Liabilities:	
Due to other governments	\$ 2,210,034
Net assets:	
Unrestricted	<u>4,400,555</u>
Total liabilities and net assets	<u>\$ 6,610,589</u>

The accompanying notes are an integral part of these financial statements.

COUNCIL OF FRESNO COUNTY GOVERNMENTS
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
ALL FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2007

	<u>Trust Funds</u>
Additions:	
Sales tax	\$ 31,489,960
Aid from state government	8,516,739
Interest revenue	<u>594,692</u>
Total additions	<u>40,601,391</u>
Deductions:	
Administration expense	167,865
TDA claims paid	31,220,998
STA distributions	<u>8,868,064</u>
Total deductions	<u>40,256,927</u>
Change in net assets	344,464
Net assets, beginning of year	<u>4,056,091</u>
Net assets, end of year	<u><u>\$ 4,400,555</u></u>

The accompanying notes are an integral part of these financial statements.

COUNCIL OF FRESNO COUNTY GOVERNMENTS
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Scope of Financial Reporting Entity

The Council of Fresno County Governments (the "Council") is a voluntary association of local governments formed in September 1969 by the County of Fresno and the 15 incorporated cities in the County. The purpose of the organization is to provide "a cooperative body" to solve certain problems which cross over governmental boundaries.

b. Basis of Presentation - Fund Accounting

COFCG basic financial statements consist of government-wide statements, including a statement of net assets and a statement of activities and fund financial statements which provide a more detailed level of financial information.

Government-Wide Statements:

The statement of net assets and the statement of activities report information on all of the non-fiduciary activities of COFCG. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are normally supported by taxes and intergovernmental revenues.

The statement of activities demonstrates the degree to which the program expenses of a given function are offset by program revenue. Program expenses include direct expenses, which are clearly identifiable with a specific function, and allocated indirect expenses. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from services or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Other items, which are properly not included among program revenues, are reported instead as general revenues.

Fund Financial Statements:

The fund financial statements provide information about COFCG funds, including its fiduciary funds, though the latter are excluded from the government-wide financial statements. Separate statements for each fund category – governmental and fiduciary – are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. COFCG's governmental fund is a General Fund.

COUNCIL OF FRESNO COUNTY GOVERNMENTS
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Financial Statements (Continued):

COFCG reports the following major governmental fund:

General Fund – is the general operating fund of the Council. It is used to account for all financial resources except those required to be accounted for in another fund.

Additionally, COFCG reports the following Fiduciary Fund:

Trust Funds – are used to account for Transportation Development Act funds and State Transportation Assistance funds held by the Council in a trustee capacity.

Component Units – The Abandoned Vehicle Abatement Service Authority (AVA) was created as a separate public entity and distinct from the member jurisdictions in accordance with Vehicle Code (VC) section 22710. The purpose of the AVA is to establish procedures for the abatement, removal, and disposal as public nuisances, abandoned, wrecked, dismantled, or inoperative vehicles or parts thereof from private or public property. The AVA shall be governed by a sixteen-member Board of Directors, which shall be comprised of one representative from each participating jurisdiction. Pursuant to Governmental Code Section 6505, audits for the Service Authority shall be contracted with a certified public accountant as part of the regular COFCG annual audit to ensure that funds are being spent in compliance with Sections 9250.7 and 22710 VC.

c. Basis of Accounting

The government-wide and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

COUNCIL OF FRESNO COUNTY GOVERNMENTS
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

c. Basis of Accounting (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures, other than interest on long-term obligations which is recorded when paid, are recorded when they are expected to be liquidated with expendable available resources.

Intergovernmental revenues (primarily grants and subventions), which are received as reimbursement for specific purposes or projects, are recognized based upon the expenditures recorded. Intergovernmental revenues, which are usually unrestricted as to use and are revocable only for failure to meet prescribed compliance requirements, are reflected as revenues at the time of receipt or earlier, if they meet the availability criterion.

d. Cash

In accordance with the Joint Powers Agreement, under which the Council is governed, all cash is deposited with the Fresno County Auditor-Controller/Treasurer. The Council's cash is held within Fresno County's cash and investment pool which is managed by the Auditor-Controller/Treasurer as authorized by California statutes and the County's investment policy.

For purposes of the Statement of Cash Flows, the Agency considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. All cash and investments are pooled with the Agency's pooled cash and investments.

COUNCIL OF FRESNO COUNTY GOVERNMENTS
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

e. Capital Assets

Purchases of capital assets are capitalized at cost in the Government-Wide Statement of Net Assets at the time of purchase and recorded as expenditures in the General Fund. Capital assets are defined by the Council as assets with an estimated useful life in excess of one year and initial individual cost of \$5,000 or more. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, from five to ten years. Depreciation recognized on capital assets acquired is transferred to net assets, invested in capital assets, net of related debt, after being charged to operations.

f. Overhead

Administrative and office overhead is allocated to each project on the basis of their approved indirect cost rate. Professional and specialized services are charged directly to the applicable project.

g. Fund Balance Reserved for Encumbrances

The Executive Director annually sets aside funds for technical assistance grants to various cities and contracts entered into for budgeted work programs. The fund balance reserved for encumbrances represents amounts set aside to cover these expenditures.

h. Fund Balance Designated for Self-Insurance

The Board of Directors has set aside funds for self-insurance of employee optical and dental expenses in lieu of an optical and dental insurance plan. The fund balance designated for self-insurance represents amounts set aside to cover these expenditures.

i. Compensated Absences

Compensated absences are made up of accrued vacation payable and vested accrued sick leave payable as determined by office policy established by the Board of Directors. Council policy states that all vacation pay earned vests and that one-fourth of sick leave hours in excess of forty hours vests and is compensable.

COUNCIL OF FRESNO COUNTY GOVERNMENTS
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2007

2. CASH AND INVESTMENTS

Investments Authorized by the California Government Code and the Council's Investment Policy

The table below identifies the investment types that are authorized for the Council by the California Government Code (or the Council's investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the Council's investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
Local Agency Bonds	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Banker's Acceptances	180 days	None	None
Commercial Paper	270 days	None	None
Negotiable Certificates of Deposit	5 years	None	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	None	None
Medium-Term Notes	5 years	None	None
Mutual Funds	N/A	None	None
Money Market Mutual Funds	N/A	None	None
Mortgage Pass-Through Securities	5 years	None	None
County Pooled Investment Funds	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

COUNCIL OF FRESNO COUNTY GOVERNMENTS
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2007

2. CASH AND INVESTMENTS (CONTINUED)

Disclosures Relating to Interest Rate Risk (Continued)

Information about the sensitivity of the fair values of the Council's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the Council's investments by maturity:

Investment Type	Amount	Remaining Maturity (in Months)			
		12 Months or Less	13 to 24 Months	25 to 60 Months	More Than 60 Months
Governmental Activities					
County Investment Pool	\$ 1,387,090	\$ 1,387,090	\$ -	\$ -	\$ -
Component Units	<u>355,368</u>	<u>355,368</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	\$ 1,742,458	\$ 1,742,458	\$ -	\$ -	\$ -

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code, the Council's investment policy, and the actual rating as of year end for each investment type. The column marked "exempt from disclosure" identifies those investment types for which GASB No. 40 does not require disclosure as to credit risk:

Investment Type	Amount	Minimum Legal Rating	Exempt From Disclosure	Rating as of Year End	
				AAA	Not Rated
Governmental Activities					
County Investment Pool	\$ 1,387,090	N/A	\$ 1,387,090	\$ -	\$ 1,387,090
Component Units	355,368	N/A	355,368	-	355,368
Total	\$ 1,742,458	N/A	\$ 1,742,458	\$ -	\$ 1,742,458

COUNCIL OF FRESNO COUNTY GOVERNMENTS
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2007

2. CASH AND INVESTMENTS (CONTINUED)

Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools. The County of Fresno issues a financial report that includes custodial credit risk disclosures for the County Investment Pool. The report may be obtained by writing to the Office of the Auditor-Controller/Treasurer-Tax Collector, 2281 Tulare Street, Fresno, California 93721.

3. CAPITAL ASSETS AND DEPRECIATION

The following is a summary of changes in capital assets:

	Balance June 30, 2006	Additions	Deletions	Balance June 30, 2007
Capital Assets Being Depreciated:				
Computer equipment	\$ 39,689	\$ 18,955	\$ 15,587	\$ 43,057
Office furniture and equipment	53,044	-	13,085	39,959
Traffic monitoring equipment	53,564	-	-	53,564
Total capital assets being depreciated	146,297	18,955	28,672	136,580
Less Accumulated Depreciation for:				
Computer equipment	36,481	2,655	15,587	23,549
Office furniture and equipment	31,395	5,572	13,085	23,882
Traffic monitoring equipment	30,934	10,713	-	41,647
Total accumulated depreciation	98,810	18,940	28,672	89,078
Total capital assets being depreciated, net	47,487	15	-	47,502
Total capital assets, net	\$ 47,487	\$ 15	\$ 0	\$ 47,502

The Council uses the straight-line method of calculating depreciation.

The estimated useful lives are as follows:

	Estimated Useful Life
Computer equipment	5 to 10 years
Office furniture and equipment	5 to 10 years
Traffic monitoring equipment	5 to 10 years

COUNCIL OF FRESNO COUNTY GOVERNMENTS
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2007

4. DUE TO/FROM MEMBERS AND OTHER GOVERNMENTAL ENTITIES

Individual receivables from members and other governmental entities for services rendered at June 30, 2007 consist of the following:

Primary Government	
Fresno County Rural Transit Agency	\$ 60,990
Fresno County Transportation Authority	73,518
Due from City of Fresno	204,079
Due from Federal Government	<u>731,171</u>
Total	<u>\$ 1,069,758</u>

Fiduciary Funds	
Due from State of California - STA Article 4	\$ 2,095,100
Due from member agencies	<u>73,886</u>
Total	<u>\$ 2,168,986</u>

Individual payables to members and other governmental entities for services provided at June 30, 2007 consist of the following:

Primary Government	
City of Clovis	\$ 8,442
City of Fresno	22,720
Fresno County	18,652
Fresno County Economic Opportunities Commission	<u>12,500</u>
Total	<u>\$ 62,314</u>

Fiduciary Funds	
Article 4	\$ 1,636,970
Article 8A	499,178
Due to member agencies	<u>73,886</u>
Total	<u>\$ 2,210,034</u>

COUNCIL OF FRESNO COUNTY GOVERNMENTS
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2007

5. FUND BALANCE RESERVED FOR ENCUMBRANCES

The fund balance reserved for encumbrances as of June 30, 2007 represents unexpended contracts entered into for the following:

California Consulting	\$ 30,000
Cambridge	243,955
Cari Anderson	98,650
Curtis Towing	235,400
Dowling on Call	7,157
Fehr & Peers	171,703
Housing Authority	225,000
Kimley Horn	222,733
Nelson Nygarrrd	2,052
Omni Means	64,260
Planning Resources	8,850
Sierra Nevada	24,710
VRPA Technologies	<u>133,300</u>
Total	<u>\$ 1,467,770</u>

6. DEFINED CONTRIBUTION EMPLOYEE RETIREMENT BENEFIT PLAN

The Council provides retirement benefits for all its full-time employees through a defined contribution plan created in accordance with Internal Revenue Code (IRC) Section 401(a) which is currently being administered by I.C.M.A. Retirement Corporation. In addition to the employer defined contribution, the employees are permitted to make contributions to one of two separate defined contribution plans created in accordance with IRC Section 457. The plans are administered by Hartford Insurance and by I.C.M.A. Retirement Corporation. The IRC 457 plans permit employees to defer a minimum of 7.5% of their salaries until future years. The maximum amount an employee may defer is the lesser of 25% of annual gross salary or \$7,500. Under the 401(a) plan the employer contributes 15% of the employee's gross salary. Vesting in the 401(a) plan occurs ratably over five years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. Employees, though, may obtain loans from the plans secured by their individual contributions and accumulated earnings. Employer contributions to the 401(a) plan amounted to \$215,430 for the year ended June 30, 2007.

COUNCIL OF FRESNO COUNTY GOVERNMENTS
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2007

7. FRESNO COUNTY RURAL TRANSIT AGENCY ADMINISTRATION

Included in the budget of the Council is a work element representing its responsibility for the administration of Fresno County Rural Transit Agency. Administration cost consists of direct and indirect labor and allocated overhead costs. These costs are recovered by the Council.

8. OPERATING LEASES

The Council conducts its operations from leased facilities under a ten year lease which expires December 31, 2015. In addition, the Council leases office equipment under operating leases that expire October 2010.

The following is a schedule of future minimum rental payments under the operating leases:

<u>Year Ending June 30</u>	<u>Buildings</u>	<u>Equipment</u>
2008	\$ 209,118	\$ 20,220
2009	209,118	20,220
2010	209,118	20,220
2011	209,118	6,740
2012	209,118	-
Thereafter	<u>731,913</u>	<u>-</u>
Total	<u>\$ 1,777,503</u>	<u>\$ 67,400</u>

REQUIRED SUPPLEMENTARY INFORMATION

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GENERAL FUND

The general fund is used to account for resources traditionally associated with government which are not required legally or by sound financial management to be accounted for in another fund.

COUNCIL OF FRESNO COUNTY GOVERNMENTS
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
Revenues:				
Aid from federal government	\$ 3,788,821	\$ 3,851,336	\$ 1,788,984	\$ (2,062,352)
Aid from state government	709,717	709,717	539,723	(169,994)
Aid from local governments	1,481,749	1,514,434	1,421,208	(93,226)
Interest revenue	20,000	20,000	62,464	42,464
Miscellaneous revenue	<u>479,698</u>	<u>479,698</u>	<u>168,701</u>	<u>(310,997)</u>
Total revenues	<u>6,479,985</u>	<u>6,575,185</u>	<u>3,981,080</u>	<u>(2,594,105)</u>
Expenditures:				
Current:				
General Government:				
Salaries and benefits	2,098,207	2,128,307	1,967,830	160,477
Supplies and services	3,902,078	3,967,178	1,732,905	2,234,273
Contributions to other local agencies	<u>479,700</u>	<u>479,700</u>	<u>266,786</u>	<u>212,914</u>
Total expenditures	<u>6,479,985</u>	<u>6,575,185</u>	<u>3,967,521</u>	<u>2,607,664</u>
Excess of revenues over expenditures	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 13,559</u>	<u>\$ 13,559</u>

COUNCIL OF FRESNO COUNTY GOVERNMENTS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2007

1. BUDGETARY DATA

The Council follows these procedures in establishing the budgetary data reflected in the financial statements:

Five months before the beginning of the year, the Executive Director submits to the Policy Advisory Committee for their approval, a draft operating budget by overall work plan elements for the General Fund for the year commencing July 1. The Policy Advisory Committee then has 45 days, to April 1, to review and make recommendations on the draft operating budget. After the recommendations have been made, the proposed operating budget is brought to the Council for their review and approval. On or prior to the May meeting of the Council, the budget is legally adopted through passage of a resolution.

The budget of the Council represents a financial plan to undertake the work program of the Council and includes proposed expenditures and the means of financing them.

All transfers, modifications, and supplemental appropriations to the budget must be approved by the Council through resolution. During the year ended June 30, 2007, appropriations were increased by \$95,200 as a result of budget amendments. The Budgetary Comparison Schedule reflects these revisions. Actual expenditures may not legally exceed "budget" appropriations at the individual fund level. Budgetary control, however, is maintained at the departmental level.

Appropriations lapse at the close of the year to the extent that they have not been expended or encumbered.

The Council prepares its budget on a basis of accounting in accordance with accounting principles generally accepted in the United States of America.

OTHER SUPPLEMENTARY INFORMATION

FIDUCIARY FUNDS

Fiduciary funds are used to account for assets held by the government in a trustee capacity.

State Transit Assistance Fund (STA) - This fund is used to account for the state funds apportioned to Fresno County for the support of transit.

Transportation Development Act Fund (TDA) - This fund is used to account for the 1/4 cent sales tax revenues collected by the state under the Transportation Development Act and distributed to the Council of Fresno County Governments for allocation to eligible claimants for transit street and road, and pedestrian/bicycle facilities as well as regional transportation planning and TDA administration.

COUNCIL OF FRESNO COUNTY GOVERNMENTS
 COMBINING STATEMENT OF NET ASSETS
 TRUST FUNDS
 JUNE 30, 2007

	State Transit Assistance Fund	Local Transportation Fund	Total
	<u>ASSETS</u>		
Cash and investments	\$ 98,200	\$ 4,307,920	\$ 4,406,120
Interest receivable	5,334	30,149	35,483
Due from other governments	<u>2,095,100</u>	<u>73,886</u>	<u>2,168,986</u>
Total assets	<u>\$ 2,198,634</u>	<u>\$ 4,411,955</u>	<u>\$ 6,610,589</u>
	<u>LIABILITIES AND NET ASSETS</u>		
Liabilities:			
Due to other governments	<u>\$ 2,076,734</u>	<u>\$ 133,300</u>	<u>\$ 2,210,034</u>
Net Assets:			
Unrestricted	<u>121,900</u>	<u>4,278,655</u>	<u>4,400,555</u>
Total liabilities and net assets	<u>\$ 2,198,634</u>	<u>\$ 4,411,955</u>	<u>\$ 6,610,589</u>

COUNCIL OF FRESNO COUNTY GOVERNMENTS
 COMBINING STATEMENT OF CHANGES IN NET ASSETS
 TRUST FUNDS
 FOR THE YEAR ENDED JUNE 30, 2007

	State Transit Assistance Fund	Local Transportation Fund	Total
Additions:			
Sales tax	\$ -	\$ 31,489,960	\$ 31,489,960
Aid from state governments	8,516,739	-	8,516,739
Interest revenue	66,704	527,988	594,692
	<u>8,583,443</u>	<u>32,017,948</u>	<u>40,601,391</u>
Total additions			
Deductions:			
Administration Expense	-	167,865	167,865
TDA claims paid	-	31,220,998	31,220,998
STA distributions	8,868,064	-	8,868,064
	<u>8,868,064</u>	<u>31,388,863</u>	<u>40,256,927</u>
Total deductions			
Change in net assets	(284,621)	629,085	344,464
Net assets at beginning of year	<u>406,521</u>	<u>3,649,570</u>	<u>4,056,091</u>
Net assets at end of year	<u>\$ 121,900</u>	<u>\$ 4,278,655</u>	<u>\$ 4,400,555</u>

COUNCIL OF FRESNO COUNTY GOVERNMENTS
TRANSPORTATION DEVELOPMENT ACT FUNDS
SCHEDULE OF APPORTIONMENTS BY PURPOSE
STATE TRANSIT ASSISTANCE FUND
FOR THE YEAR ENDED JUNE 30, 2007

	Public Utilities Code		Total
	Article 6.5 99314.3(a) C.A.C. 6730(a) (Transit Operations)	Article 6.5 99313 C.A.C. 6731(b&d) (Transit Population)	
City of Clovis	\$ 6,836	\$ 754,248	\$ 761,084
City of Coalinga	-	143,823	143,823
City of Firebaugh	-	56,281	56,281
City of Fowler	-	40,718	40,718
City of Fresno	915,735	3,954,576	4,870,311
City of Huron	-	61,599	61,599
City of Kerman	-	105,959	105,959
City of Kingsburg	-	94,329	94,329
City of Mendota	-	73,618	73,618
City of Orange Cove	-	80,846	80,846
City of Parlier	-	108,159	108,159
City of Reedley	-	195,774	195,774
City of Sanger	-	195,616	195,616
City of San Joaquin	-	31,421	31,421
City of Selma	-	192,338	192,338
County of Fresno	-	1,455,455	1,455,455
Fresno County Rural Transit Agency (FCRTA)	49,408	-	49,408
Council of Fresno County Governments (COFCG)	-	-	-
	<u>\$ 971,979</u>	<u>\$ 7,544,760</u>	<u>\$ 8,516,739</u>

COUNCIL OF FRESNO COUNTY GOVERNMENTS
TRANSPORTATION DEVELOPMENT ACT FUNDS
SCHEDULE OF DISBURSEMENTS BY PURPOSE
STATE TRANSIT ASSISTANCE FUND
FOR THE YEAR ENDED JUNE 30, 2007

	Public Utilities Code		Total
	Article 6.5 99314.3(a) C.A.C. 6730(a) (Transit Operations)	Article 6.5 99313 C.A.C. 6731(b&d) (Transit Population)	
City of Clovis	\$ 6,836	\$ 760,919	\$ 767,755
City of Coalinga	-	90,757	90,757
City of Firebaugh	-	64,773	64,773
City of Fowler	-	46,685	46,685
City of Fresno	915,735	3,989,536	4,905,271
City of Huron	-	70,540	70,540
City of Kerman	-	99,111	99,111
City of Kingsburg	-	108,550	108,550
City of Mendota	-	84,682	84,682
City of Orange Cove	-	92,660	92,660
City of Parlier	-	108,646	108,646
City of Reedley	-	224,305	224,305
City of Sanger	-	223,302	223,302
City of San Joaquin	-	36,018	36,018
City of Selma	-	220,639	220,639
County of Fresno	-	1,674,962	1,674,962
Fresno County Rural Transit Agency (FCRTA)	49,408	-	49,408
Council of Fresno County Governments (COFCG)	-	-	-
	<u>\$ 971,979</u>	<u>\$ 7,896,085</u>	<u>\$ 8,868,064</u>

COUNCIL OF FRESNO COUNTY GOVERNMENTS
TRANSPORTATION DEVELOPMENT ACT FUNDS
SCHEDULE OF APPORTIONMENTS BY PURPOSE
LOCAL TRANSPORTATION FUND
FOR THE YEAR ENDED JUNE 30, 2007

	Article 3 99234 (Bicycle & Pedestrian)	Article 4.5 99275 (Social Services)	Article 4 and 8 99260/99400(a) (Transit Operations/ Streets & Roads)	COFCG RTP 99402/99233.1 (Planning & Administration)	Total
City of Clovis	\$ 56,649	\$ 138,789	\$ 2,856,793	\$ -	\$ 3,052,231
City of Coalinga	10,802	26,465	544,742	-	582,009
City of Firebaugh	4,227	10,356	213,170	-	227,753
City of Fowler	3,058	7,493	154,238	-	164,789
City of Fresno	297,015	727,685	14,978,408	-	16,003,108
City of Huron	4,626	11,335	233,312	-	249,273
City of Kerman	7,958	19,498	401,338	-	428,794
City of Kingsburg	7,085	17,357	357,273	-	381,715
City of Mendota	5,529	13,546	278,836	-	297,911
City of Orange Cove	6,072	14,877	306,221	-	327,170
City of Parlier	8,123	19,902	409,662	-	437,687
City of Reedley	14,704	36,025	741,520	-	792,249
City of Sanger	14,692	35,995	740,917	-	791,604
City of San Joaquin	2,360	5,782	119,007	-	127,149
City of Selma	14,446	35,392	728,494	-	778,332
County of Fresno	109,314	267,820	5,512,711	-	5,889,845
Council of Fresno County Governments (COFCG)	-	-	-	958,341	958,341
	<u>\$ 566,660</u>	<u>\$ 1,388,317</u>	<u>\$ 28,576,642</u>	<u>\$ 958,341</u>	<u>\$ 31,489,960</u>

COUNCIL OF FRESNO COUNTY GOVERNMENTS
TRANSPORTATION DEVELOPMENT ACT FUNDS
SCHEDULE OF DISBURSEMENTS BY PURPOSE
LOCAL TRANSPORTATION FUND
FOR THE YEAR ENDED JUNE 30, 2007

	Article 3 99234 (Bicycle & Pedestrian)	Article 4.5 99275 (Social Services)	Article 4 99260 (Transit Operations)	Article 8 99400(a) (Streets & Roads)	COFCG RTP 99402/99233.1 (Planning & Administration)	Total
City of Clovis	\$ 56,649	\$ 138,789	\$ 1,979,816	\$ 763,089	\$ -	\$ 2,938,343
City of Coalinga	10,802	26,465	-	544,012	-	581,279
City of Firebaugh	4,227	10,356	-	118,578	-	133,161
City of Fowler	3,058	7,493	-	61,942	-	72,493
City of Fresno	297,015	727,685	16,278,770	-	-	17,303,470
City of Huron	4,626	11,335	-	120,803	-	136,764
City of Kerman	7,958	19,498	-	345,087	-	372,543
City of Kingsburg	7,085	17,357	-	186,936	-	211,378
City of Mendota	5,529	13,546	-	198,663	-	217,738
City of Orange Cove	6,072	14,877	-	237,486	-	258,435
City of Parlier	8,123	19,902	-	348,295	-	376,320
City of Reedley	14,704	36,025	-	572,861	-	623,590
City of Sanger	14,692	35,995	-	539,184	-	589,871
City of San Joaquin	2,360	5,782	-	77,232	-	85,374
City of Selma	14,446	35,392	-	257,889	-	307,727
County of Fresno	109,314	267,820	-	4,865,882	-	5,243,016
Fresno County Rural Transit Agency (FCRTA)	-	-	978,155	-	-	978,155
Council of Fresno County Governments (COFCG)	-	-	-	-	959,206	959,206
	<u>\$566,660</u>	<u>\$1,388,317</u>	<u>\$19,236,741</u>	<u>\$ 9,237,939</u>	<u>\$ 959,206</u>	<u>\$31,388,863</u>

COUNCIL OF FRESNO COUNTY GOVERNMENTS
SCHEDULE OF GRANT RECEIPTS AND EXPENDITURE CLAIMS
FOR THE YEAR ENDED JUNE 30, 2007

	Total	Local Resources	Federal Highway Works Administration			
			FHWA PL Planning	Partner Planning	PTA 06A0935/ 06A1024	Environmental Justice
Revenues:						
Federal grants	\$ 1,788,984	\$ -	\$ 1,056,844	\$ 74,178	\$ 83,741	\$ 50,000
Non-federal revenue:						
State assistance	539,723	-	-	-	-	-
Local revenue sources	1,421,208	1,421,208	-	-	-	-
Interest revenue	62,464	62,464	-	-	-	-
Miscellaneous revenue	168,701	168,701	-	-	-	-
Total revenues	<u>3,981,080</u>	<u>\$ 1,652,373</u>	<u>\$ 1,056,844</u>	<u>\$ 74,178</u>	<u>\$ 83,741</u>	<u>\$ 50,000</u>
Expenditures:						
Regional Streets & Roads	190,399	\$ 21,839	\$ 168,560	\$ -	\$ -	\$ -
Regional Transportation Modeling	295,399	52,748	242,651	-	-	-
Regional Traffic Monitoring	245,458	28,688	216,770	-	-	-
Measure "C" Expenditure Plan	17,157	17,157	-	-	-	-
Measure "C" Extension	18,912	18,912	-	-	-	-
Valley Wide Goods Movement	81,980	16,239	-	-	65,741	-
Regional Housing Element	34,552	34,552	-	-	-	-
Blue Print	231,061	-	-	-	-	-
Public Transportation - Urban	434,928	163,523	-	-	-	-
S.E. Asian Transit Ridership	55,572	5,572	-	-	-	50,000
Traffic Deficiencies	92,723	18,545	-	74,178	-	-
Public Transportation - Rural	28,459	3,264	-	-	-	-
Other Modal Elements	87,645	71,435	16,210	-	-	-
Regional Transportation Plan	226,066	25,930	171,078	-	-	-
Congestion Management Plan	3,336	382	697	-	-	-
Air Quality	100,848	11,567	76,375	-	-	-
Transportation Program Dev.	170,141	6,145	48,816	-	-	-
Intergovernmental Coordination	161,188	161,188	-	-	-	-
Public Info. and Participation	136,851	20,866	72,665	-	-	-
COG View Internet	15,527	4,241	-	-	-	-
Environmental Justice	14,270	3,138	11,132	-	-	-
Jarc/New Freedom	54,626	54,626	-	-	-	-
Technical Assistance Members	6,612	6,612	-	-	-	-
Outside Technical Service	32,086	32,086	-	-	-	-
Rideshare Program	60,871	60,871	-	-	-	-
Regional Data Center	68,286	7,832	28,243	-	-	-
COFCG Administration	184,260	184,260	-	-	-	-
OWP and Budget	20,219	16,572	3,647	-	-	-
Transportation Funds Adm.	150,484	150,484	-	-	-	-
Valley RTPA Coordination	169,898	152,361	-	-	-	-
Hwy. 99 Consensus	22,500	4,500	-	-	18,000	-
FCRTA Administration	219,901	219,901	-	-	-	-
Transportation Authority Adm.	2,513	2,513	-	-	-	-
Freeway Service Patrol	247,315	52,289	-	-	-	-
Abandoned Vehicle Abatement	11,127	11,127	-	-	-	-
Non Pt. Source Water Quality	80,433	1,387	-	-	-	-
Yosemite Valley Revitalize	2,870	2,870	-	-	-	-
Total expenditures	<u>3,976,473</u>	<u>\$ 1,646,222</u>	<u>\$ 1,056,844</u>	<u>\$ 74,178</u>	<u>\$ 83,741</u>	<u>\$ 50,000</u>
Depreciation	<u>8,952</u>					
Net gain	<u>\$ 13,559</u>					

Federal Transit Administration		Environmental Protection Agency	State PPM 6086(019) & 6086(022)	State FSP 6086(020) & 6086(021)	SJ Valley Blueprint
FTA MPO 5303	FTA 5307	EPA X969407			
\$ 213,717	\$ 231,458	\$ 79,046	\$ -	\$ -	\$ -
-	-	-	115,000	193,662	231,061
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 213,717</u>	<u>\$ 231,458</u>	<u>\$ 79,046</u>	<u>\$ 115,000</u>	<u>\$ 193,662</u>	<u>\$ 231,061</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	231,061
39,947	231,458	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
25,195	-	-	-	-	-
-	-	-	-	-	-
29,058	-	-	-	-	-
2,257	-	-	-	-	-
12,906	-	-	-	-	-
-	-	-	115,180	-	-
-	-	-	-	-	-
43,320	-	-	-	-	-
11,286	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
32,211	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
17,537	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	195,026	-
-	-	-	-	-	-
-	-	79,046	-	-	-
-	-	-	-	-	-
<u>\$ 213,717</u>	<u>\$ 231,458</u>	<u>\$ 79,046</u>	<u>\$ 115,180</u>	<u>\$ 195,026</u>	<u>\$ 231,061</u>

COUNCIL OF FRESNO COUNTY GOVERNMENTS
SCHEDULE OF INSURANCE COVERAGE
FOR THE YEAR ENDED JUNE 30, 2007

Insurance coverage of the Council at June 30, 2007 is as follows:

Fire Insurance:	
Office personal property 90% co-insurance	\$ 100,000
Public Officials Professional Liability Coverage	\$ 1,000,000
Liability Coverage:	
All inclusive (combined single limit):	
Bodily injury	\$ 1,000,000
Group Travel Accident	\$ 100,000
Bond, Blanket Position	\$ 35,000
Workers' Compensation Insurance	Statutory

COUNCIL OF FRESNO COUNTY GOVERNMENTS
SCHEDULE OF COST ALLOCATION PLAN RECONCILIATION
AND FIXED RATE OVERHEAD CARRYOVER
FOR THE YEAR ENDED JUNE 30, 2007

The following is a reconciliation of the Council's expenses per the basic financial statements to the expenses per the Council's cost allocation plan for the year ended June 30, 2007:

<u>Budget Item</u>	<u>Actual Expense</u>	<u>Eligible Depreciation</u>	<u>Allocated to Other Programs</u>	<u>Direct Expense</u>	<u>Indirect Expense</u>
Salaries and Benefits:					
Direct	\$ 1,564,970	\$ -	\$ (478,795)	\$1,086,175	\$ -
Indirect	<u>402,860</u>	<u>-</u>	<u>(8,423)</u>	<u>-</u>	<u>394,437</u>
Total salaries and benefits	<u>1,967,830</u>	<u>-</u>	<u>(487,218)</u>	<u>1,086,175</u>	<u>394,437</u>
Indirect Overhead:					
Telephone	4,993	-	-	-	4,993
Telecommunications	-	-	-	-	-
Contract help	3,027	-	-	-	3,027
Membership/dues	4,725	-	-	-	4,725
Insurance	14,907	-	-	-	14,907
Postage	17,859	-	-	-	17,859
Printing supplies	8,624	-	-	-	8,624
Office supplies	22,684	-	-	-	22,684
Publications	1,827	-	-	-	1,827
Service contracts	1,504	-	-	-	1,504
Advertising and legal notice	10,395	-	-	-	10,395
Computer supplies	7,108	-	-	-	7,108
Office lease	193,692	-	-	-	193,692
Moving expense	-	-	-	-	-
Utilities	4,370	-	-	-	4,370
Equipment lease	21,833	-	-	-	21,833
Repair and maintenance	518	-	-	-	518
Travel expenses	26,310	-	-	-	26,310
Depreciation	-	8,952	-	-	8,952
Legal and accounting	<u>10,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,500</u>
Total indirect overhead	<u>354,876</u>	<u>8,952</u>	<u>-</u>	<u>-</u>	<u>363,828</u>
Total costs	<u>\$ 2,322,706</u>	<u>\$ 8,952</u>	<u>\$ (487,218)</u>	<u>\$1,086,175</u>	<u>\$ 758,265</u>

COUNCIL OF FRESNO COUNTY GOVERNMENTS
SCHEDULE OF COST ALLOCATION PLAN RECONCILIATION
AND FIXED RATE OVERHEAD CARRYOVER (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2007

Direct expenses - at June 30, 2007	\$ 1,086,175
Approved indirect cost rate for June 30, 2007	<u>67.78%</u>
Total allocable indirect expenses - at June 30, 2007	<u>\$ 736,209</u>
Actual indirect expenses - at June 30, 2007	\$ 758,265
Under recovery of indirect expenses - at June 30, 2005	<u>27,173</u>
Net eligible indirect expenses - at June 30, 2007	<u>\$ 785,438</u>
Under recovery of indirect expenses - at June 30, 2007	<u>\$ 49,229</u>
Under recovery of indirect expenses - at June 30, 2006	<u>\$ 9,487</u>

COUNCIL OF FRESNO COUNTY GOVERNMENTS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2007

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Grantor's Number	Grant Expenditures
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
<u>Federal Highway Works Administration:</u>			
Pass-through California Department of Transportation			
Highway Planning and Construction Grant -			
OWP (Overall Work Plan)	20.205	74A0114	\$ 1,056,844
Partner	20.205	74A0114	74,178
Environmental Justice	20.205	74A0197	50,000
PTA	20.205	06A0935	<u>83,741</u>
Total Federal Highway Works Administration			<u>1,264,763</u>
<u>Federal Transit Administration:</u>			
Pass-through California Department of Transportation			
Federal Transit Technical Studies Grant - MPO	20.505	74A0114	213,717
FTA 5307	20.507	CA-90-Y494	<u>231,458</u>
Total Federal Transit Administration			<u>445,175</u>
<u>U.S. ENVIRONMENTAL PROTECTION AGENCY</u>			
<u>Environmental Protection Agency:</u>			
Direct			
Surveys, Studies, Investigations and Special Purpose	66.610	X-96940701-0	<u>79,046</u>
Total Environmental Protection Agency			<u>79,046</u>
Total Federal Financial Assistance			<u>\$ 1,788,984</u>

OTHER REPORTS SECTION

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH "GOVERNMENT AUDITING STANDARDS"

The Board of Directors
Council of Fresno County Governments
Fresno, California

We have audited the financial statements of the Council of Fresno County Governments, as of and for the year ended June 30, 2007, and have issued our report thereon dated December 28, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in "Government Auditing Standards," issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Council of Fresno County Governments' internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Council of Fresno County Governments' internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Council of Fresno County Governments' internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Council of Fresno County Governments' ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Council of Fresno County Governments' financial statements that is more than inconsequential will not be prevented or detected by the Council of Fresno County Governments' internal control.

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Suite 201

Fresno, CA
93711-5797

559/431-5500

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH "GOVERNMENT AUDITING STANDARDS"
(CONTINUED)

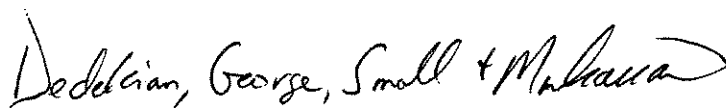
A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Council of Fresno County Governments' internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Council of Fresno County Governments' financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under "Government Auditing Standards."

This report is intended solely for the information and use of the Council of Fresno County Governments' management and Board of Directors, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Dedekian, George, Small & Markarian
Accountancy Corporation
December 28, 2007

REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND
ON INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133

The Board of Directors
Council of Fresno County Governments
Fresno, California

Compliance

We have audited the compliance of the Council of Fresno County Governments with the types of compliance requirements described in the "U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement" that are applicable to each of its major federal programs for the year ended June 30, 2007. The Council of Fresno County Governments' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Council of Fresno County Governments' management. Our responsibility is to express an opinion on the Council of Fresno County Governments' compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in "Government Auditing Standards," issued by the Comptroller General of the United States; and OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Council of Fresno County Governments' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Council of Fresno County Governments' compliance with those requirements.

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REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND
ON INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133
(CONTINUED)

Compliance (Continued)

In our opinion, the Council of Fresno County Governments complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2007.

Internal Control Over Compliance

The management of the Council of Fresno County Governments is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Council of Fresno County Governments' internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Council of Fresno County Governments' internal control over compliance.

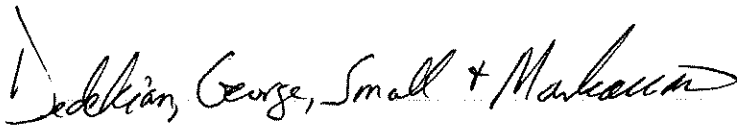
A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course or performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination or control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND
ON INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133
(CONTINUED)

This report is intended solely for the information and use of the Council of Fresno County Governments' management and Board of Directors, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Dedekian, George, Small & Markarian
Accountancy Corporation
December 28, 2007

FINDINGS AND RECOMMENDATIONS SECTION

COUNCIL OF FRESNO COUNTY GOVERNMENTS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2007

1. Summary of Auditor's Results

- a. The Independent Auditor's Report expresses an unqualified opinion on the general purpose financial statements of the Council of Fresno County Governments.
- b. No reportable conditions were disclosed during the audit of the financial statements or major federal award programs.
- c. No instances of noncompliance material to the financial statements of the Council of Fresno County Governments, which would be required to be reported in accordance with "Government Auditing Standards", were disclosed during the audit.
- d. The Independent Auditor's Report on Compliance for Major Programs was unqualified.
- e. No current year audit findings were disclosed.
- f. The major program was Highway Planning and Construction (CFDA Number 20.205).
- g. The threshold for distinguishing Types A and B programs was \$300,000.
- h. The Council of Fresno County Governments was determined to be a low-risk auditee.

2. Findings Relating to Financial Statements Required Under GAGAS

None.

3. Findings and Questioned Costs for Major Federal Award Programs

None.

FRESNO COUNTY RURAL TRANSIT AGENCY

ANNUAL FINANCIAL REPORTS

FOR THE YEAR ENDED JUNE 30, 2007

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FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

The Board of Directors
Fresno County Rural Transit Agency
Fresno, California

We have audited the accompanying basic financial statements of the Fresno County Rural Transit Agency, as of and for the year ended June 30, 2007, as listed in the table of contents. These financial statements are the responsibility of the Fresno County Rural Transit Agency's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year comparative information has been derived from the Fresno County Rural Transit Agency's 2006 financial statements and, in our report dated December 18, 2006, we expressed an unqualified opinion on those statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in "Government Auditing Standards," issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Fresno County Rural Transit Agency, as of June 30, 2007, and the respective changes in financial position and cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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INDEPENDENT AUDITORS' REPORT (CONTINUED)

In accordance with "Government Auditing Standards," we have also issued our report dated December 28, 2007 on our consideration of the Fresno County Rural Transit Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with "Government Auditing Standards" and should be considered in assessing the results of our audit.

The management's discussion and analysis information as listed in the table of contents is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Fresno County Rural Transit Agency's basic financial statements. The supplementary schedules and other reports sections listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations," and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.



Dedekian, George, Small & Markarian
Accountancy Corporation
December 28, 2007

MANAGEMENT'S DISCUSSION AND ANALYSIS

FRESNO COUNTY RURAL TRANSIT AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2007

The following discussion and analysis of the financial performance and activity of the Fresno County Rural Transit Agency Basic Financial Statements provides an introduction and understanding of the basic financial statements of the Fresno County Rural Transit Agency (FCRTA). This discussion has been prepared by management and should be read in conjunction with the financial statements and the notes thereto, which follow this section.

The Fresno County Rural Transit Agency is a voluntary association of the County of Fresno and the 15 incorporated cities in Fresno County established on September 27, 1979 under a joint exercise of power agreement to provide public transit service for the rural areas consistent with the Regional Transportation Plan for Fresno County.

The FCRTA currently operates an active fixed route and demand responsive bus fleet of 73. FCRTA has no direct employees and contracts for all management and transit operations functions. FCRTA also reimburses various member agencies for expenditures incurred providing transit service. The FCRTA receives funds primarily from the Transportation Development Act (TDA), which is a 1/4 cent sales tax administrated by the Council of Fresno County Governments, State Transit Assistance (STA), transit fares and federal, state and local grants.

The Financial Statements

The Agency's basic financial statements include (1) Statement of Net Assets, (2) Statement of Revenues, Expenses, and Changes in Net Assets, (3) Statement of Cash Flows and (4) Notes to the Financial Statements. The financial statements are prepared in accordance with accounting principles generally accepted in the United States of America.

The Statements of Net Assets reports assets, liabilities, and the difference between the two as net assets. The entire equity section is combined to report total net assets and is displayed in three components - invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets.

The net asset component *invested in capital assets, net of related debt*, consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any borrowings attributable to the acquisition, construction, or improvements of those assets.

Restricted net assets consists of assets where constraints on their use are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

Unrestricted net assets consist of net assets that do not meet the definition of restricted or invested in capital assets, net of related debt.

The Statement of Revenues, Expenses, and Changes in Net Assets is reported using the accrual basis of accounting. Under this method, revenues are reported when earned and expenses are reported when incurred, regardless of when cash is received or paid. Revenues and expenses are categorized as either operating or non-operating based upon definitions provided by the Governmental Accounting Standards Board.

FRESNO COUNTY RURAL TRANSIT AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
JUNE 30, 2007

Financial Highlights

- Total net assets of FCRTA were \$2,405,093 and consisted of net assets, net of related debt, of \$1,914,247; and unrestricted net assets of \$490,846.
- Net assets increased \$387,313 during fiscal year 2007. The increase in net assets from business-type activities was attributable to grants revenues and investment earnings in excess of net governmental program costs.
- Total capital assets, net of accumulated depreciation, was \$1,914,247 at June 30, 2007, representing an increase of \$386,313 from June 30, 2006. The increase in capital assets was primarily the result of the excess of current year purchases over depreciation.

Statement of Net Assets

A summary of the Agency's Statement of Net Assets for Business-Type Activities as of June 30, 2007, with comparative totals as of June 30, 2006 is as follows:

Statement of Net Assets Business-Type Activities As of June 30, 2007 and 2006		
	2007	2006
Assets:		
Current and Other Assets	\$ 2,156,729	\$ 2,307,772
Capital Assets (Net of Depreciation)	1,914,247	1,527,934
Total Assets	4,070,976	3,835,706
Liabilities:		
Current and Other Liabilities	1,665,883	1,817,926
Net Assets:		
Invested in Capital Assets, Net of Related Debt	1,914,247	1,527,934
Unrestricted	490,846	489,846
Total Net Assets	\$ 2,405,093	\$ 2,017,780

Business-type activities include the Agency's Enterprise Fund operations. These operations are highly capital intensive, devoting a significant portion of their financial resources to the maintenance and replacement of major capital equipment and facilities. This is evidenced by the higher proportion of capital assets to total assets. In fact, of the \$4,070,976 in total assets as of June 30, 2007, \$1,914,247 (47%) relate to capital assets.

FRESNO COUNTY RURAL TRANSIT AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
JUNE 30, 2007

All categories of net assets have a positive balance, which means that, as a whole, the individual fund comprising the business-type activities has sufficient current assets to satisfy current liabilities, and still have assets remaining for discretionary spending. In short, the business-type activities are in excellent financial condition.

The make-up of net assets, however, changed considerably from the prior year. Net assets invested in capital assets increased by \$386,313, while unrestricted net assets increased by \$1,000. This is due to favorable operations in the proprietary fund. The enterprise fund invested a significant (\$906,339) amount in capital assets during the year. However, though the enterprise fund invested \$906,339, depreciation expense of \$520,026 caused the increase in net assets invested in capital to be only \$386,313.

Statement of Revenues, Expenses, and Changes in Net Assets

The Statement of Revenues, Expenses, and Changes in Net Assets provides a measure of the financial health of an entity at a specific date in time (i.e., year end). The Statement of Revenues, Expenses, and Changes in Net Assets provides details of how net assets changed from the beginning of the year to the end of the year, and whether net assets increased or decreased. Thus, it indicates whether the Agency as a whole is better off at June 30, 2007 than it was at June 30, 2006.

A summary of the Agency's Statement of Revenues, Expenses, and Changes in Net Assets for fiscal year ended June 30, 2007, with comparative totals for the year ended June 30, 2006 is as follows:

Statement of Revenues, Expenses, and Changes in Net Assets Business-Type Activities Fiscal Years Ended June 30, 2007 and 2006		
	2007	2006
Revenues:		
Program Revenues	\$ 4,569,609	\$ 3,989,794
General Revenues	58,989	44,496
	<u>4,628,598</u>	<u>4,034,290</u>
Expenses:		
Program Expenses	4,241,285	3,779,879
	<u>387,313</u>	<u>254,411</u>
Changes in Net Assets	2,017,780	1,763,369
Net Assets - Beginning	<u>2,405,093</u>	<u>2,017,780</u>
Net Assets - Ending	<u>\$ 2,405,093</u>	<u>\$ 2,017,780</u>

FRESNO COUNTY RURAL TRANSIT AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
JUNE 30, 2007

The largest revenue category listed on the Statement of Revenue and Expenses is state operating assistance (60%) derived from the Transportation Development Act and State Transit Assistance.

The largest operating expense category is contractual purchased transportation service (30%). Maintenance and repair constitute 20% of FCRTA's operating expense and salary and benefit reimbursement to members for providing transit service make up another 18%. The remaining operating expenses consist of administrative reimbursements, fuel, utilities and insurance.

Statement of Cash Flows

The Statement of Cash Flows provides detailed information about the cash received in the fiscal year and the uses of the cash received. This is the only cash-basis financial statement presented and it reconciles cash receipts and cash expenditures to the beginning and ending cash on hand.

Most of the cash received by the FCRTA during the fiscal year was from operating grants; most of the cash expenses were for operating expenses.

Capital Assets

The Agency's capital assets by class and by type of activity are summarized below:

Statement of Capital Assets
(Net of Accumulated Depreciation)
As of June 30, 2007

	Business Type Activities	
	2007	2006
Capital Grant Funded	<u>\$ 1,914,247</u>	<u>\$ 1,527,934</u>

It is important to note that the capital assets are reported at historical cost, net of accumulated depreciation. These amounts do not represent the market value or replacement cost of Agency assets, which would be significantly higher. Historical cost is used, pursuant to accounting standards, to provide an objective basis for reporting capital assets.

Additional information on the Fresno County Rural Transit Agency's capital assets can be found in Note 4 of this report.

Contacting the FCRTA's Financial Management

The Fresno County Rural Transit Agency Basic Financial Statements are designed to provide the FCRTA's Board of Directors, management, creditors, legislative and oversight agencies, citizens and customers with an overview of the Fresno County Rural Transit Agency's finances and to demonstrate its accountability for funds received. For additional information about this report, please contact Les Beshears, Finance Director, Fresno County Rural Transit Agency, 2035 Tulare Street, Suite 201, Fresno, California.

BASIC FINANCIAL STATEMENTS

FRESNO COUNTY RURAL TRANSIT AGENCY
STATEMENT OF NET ASSETS
JUNE 30, 2007
(WITH COMPARATIVE TOTALS AS OF JUNE 30, 2006)

	<u>2007</u>	<u>2006</u>
<u>ASSETS</u>		
Current assets:		
Cash	\$ 1,415,614	\$ 1,552,091
Receivables:		
Intergovernmental	696,246	710,749
Interest	3,716	3,880
Other	41,153	41,052
Total current assets	<u>2,156,729</u>	<u>2,307,772</u>
Non-Current assets:		
Capital assets	6,813,903	5,941,911
Accumulated depreciation	<u>(4,899,656)</u>	<u>(4,413,977)</u>
Total non-current assets	<u>1,914,247</u>	<u>1,527,934</u>
Total assets	<u>\$ 4,070,976</u>	<u>\$ 3,835,706</u>
<u>LIABILITIES AND NET ASSETS</u>		
Liabilities:		
Accounts payable	\$ 283,756	\$ 284,467
Due to members and other governmental entities	424,213	246,904
Deferred revenues	957,914	1,286,555
Total liabilities	<u>1,665,883</u>	<u>1,817,926</u>
Net assets:		
Invested in capital assets, net of related debt	1,914,247	1,527,934
Unrestricted	490,846	489,846
Total net assets	<u>2,405,093</u>	<u>2,017,780</u>
Total liabilities and net assets	<u>\$ 4,070,976</u>	<u>\$ 3,835,706</u>

The accompanying notes are an integral part of these financial statements.

FRESNO COUNTY RURAL TRANSIT AGENCY
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2006)

	<u>2007</u>	<u>2006</u>
Operating revenue:		
Fare revenues	\$ 465,474	\$ 438,578
Other revenues	<u>1,000</u>	<u>779</u>
Total operating revenues	<u>466,474</u>	<u>439,357</u>
Operating expenses:		
Salaries and employee benefits reimbursements	753,406	707,074
Administrative services reimbursements	307,791	293,883
Fuel and lubricants	248,222	256,941
Maintenance and repairs	855,265	739,953
Utilities	26,002	24,910
Purchased transportation	1,257,581	1,143,039
Casualty and liability insurance	257,566	232,790
Miscellaneous expenses	15,426	19,727
Depreciation	<u>520,026</u>	<u>361,562</u>
Total operating expenses	<u>4,241,285</u>	<u>3,779,879</u>
Operating loss	<u>(3,774,811)</u>	<u>(3,340,522)</u>
Nonoperating revenues:		
Interest revenue	57,989	43,717
State operating assistance	2,767,575	2,477,021
Federal operating assistance	<u>430,221</u>	<u>459,001</u>
Total nonoperating revenues	<u>3,255,785</u>	<u>2,979,739</u>
Capital contributions	<u>906,339</u>	<u>615,194</u>
Changes in net assets	387,313	254,411
Total net assets, beginning	<u>2,017,780</u>	<u>1,763,369</u>
Total net assets, ending	<u><u>\$ 2,405,093</u></u>	<u><u>\$ 2,017,780</u></u>

The accompanying notes are an integral part of these financial statements.

FRESNO COUNTY RURAL TRANSIT AGENCY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2007

Cash flows from operating activities:	
Receipts from customers and users	\$ 466,373
Payments to suppliers	(3,119,896)
Payments to employees	<u>(753,406)</u>
Net cash used in operating activities	<u>(3,406,929)</u>
Cash flows from noncapital financing activities:	
Operating grants received	<u>3,212,299</u>
Cash flows from investing activities:	
Interest received	<u>58,153</u>
Cash flows from capital and related financing activities:	
Grant funds received for property and equipment acquisition	906,339
Acquisitions of property and equipment	<u>(906,339)</u>
Net cash provided by capital and related financing activities	<u>0</u>
Net decrease in cash	(136,477)
Cash at beginning of year	<u>1,552,091</u>
Cash at end of year	<u><u>\$ 1,415,614</u></u>
Reconciliation of operating loss to net cash used in operating activities:	
Operating loss	<u>\$ (3,774,811)</u>
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation	520,026
Changes in operating assets and liabilities:	
Increase in other receivables	(101)
Increase in accounts payable	(711)
Increase in due to members and other governmental entities	177,309
Decrease in deferred revenue	<u>(328,641)</u>
Total adjustments	<u>367,882</u>
Net cash used in operating activities	<u><u>\$ (3,406,929)</u></u>

The accompanying notes are an integral part of these financial statements.

FRESNO COUNTY RURAL TRANSIT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Scope of Financial Reporting Entity

The Fresno County Rural Transit Agency (the "Agency") is a voluntary association of local governments formed on September 27, 1979, by the County of Fresno and 13 rural area incorporated cities within the County. The purpose of the organization is to provide a "Joint Powers Agency" to own, operate, and maintain a coordinated public transportation system within the County of Fresno. Each member agency provides for the operation of a public transportation system within its jurisdiction.

b. Basis of Accounting Presentation

The Agency is accounted for as a Business Type Activity, as defined by Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – Management's Discussion & Analysis – for State and Local Governments* and its financial statements are presented on the accrual basis of accounting. Under this method, revenues are recognized when they are earned, and expenses are recognized when they are incurred.

c. Use of Estimates

The presentation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

d. Basis of Accounting

The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The financial statements distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with ongoing operations. The principal operating revenues of FCRTA are charges to customers for services. Operating expenses include the cost of services, administrative expenses, and the depreciation of capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Intergovernmental revenues (primarily grants), which are received as reimbursement for specific purposes or projects, are recognized based upon the expenditures recorded. Intergovernmental revenues, which are usually unrestricted as to use and are revocable only for failure to meet prescribed compliance requirements, are reflected as revenues at the time of receipt or earlier, if they meet the availability criterion.

FRESNO COUNTY RURAL TRANSIT AGENCY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

d. Basis of Accounting (Continued)

The Agency receives grants from the Federal Transit Administration (FTA) and other agencies of the U.S Department of Transportation, state, and local transportation funds for the acquisition of transit-related equipment and improvements. Prior to July 1, 2001, capital grants were recognized as donated capital to the extent that project costs under the grant had been incurred. Capital grant funds earned, less amortization equal to accumulated depreciation of the related assets, were included in contributed capital. As required by GASB No. 33, *Accounting and Financial Reporting for Non-exchange Transactions*, as amended by GASB No. 36, *Recipient Reporting for Certain Shared Non-exchange Revenues*, the Agency changed its method of accounting for capital grants from capital contributions to reserved non-operating revenues. In accordance with GASB No. 33 and 36, capital grants are required to be included in the determination of net income resulting in an increase in net revenue of \$906,339 for the fiscal year ended June 30, 2007.

e. Cash

In accordance with the Joint Powers Agreement, under which the Agency is governed, all cash is deposited with the Fresno County Auditor-Controller/Treasurer. The Agency's cash is held within Fresno County's cash and investment pool, which is managed by the Auditor-Controller/Treasurer as authorized by the County's investment policy.

For purposes of the Statement of Cash Flows, the Agency considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. All cash and investments are pooled with the Agency's pooled cash and investments.

f. Capital Assets

Purchases of capital assets, consisting of transit vehicles and related equipment, are capitalized at cost at the time of the purchase. Capital assets purchased with federal or state capital grants are recorded as additions to capital assets, with the offset recorded as additions to contributed capital. Capital assets are defined by the Agency as assets with an estimated useful life in excess of one year and an initial individual cost of \$1,000 or more.

g. Depreciation

Depreciation is allowed as an expense on non-grant acquired assets. Depreciation expense on contributed capital assets is amortized against related contributed capital. Depreciation expense is calculated using the straight-line method over the estimated useful life of the asset, ranging from 3 to 8 years.

FRESNO COUNTY RURAL TRANSIT AGENCY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

h. Operating Expenses

The Agency, in fulfilling its purpose of providing rural public transportation service, incurs three basic types of expenses: (1) reimbursement of rural public transportation expenses, which typically include salaries, wages, operating supplies, services and insurance, incurred by four member cities (the cities of Coalinga, Kerman, Reedley, and Selma) who provide partial rural transportation services; (2) purchased transportation costs in which the Agency contracts with subcontractors to provide their own rural transportation services; and (3) reimbursement of administrative expenses incurred by the Council of Fresno County Governments for the benefit of the Agency, such as salaries and benefits, administration, legal and audit fees, and insurance.

2. CASH AND INVESTMENTS

Investments Authorized by the California Government Code and the Agency's Investment Policy

The table below identifies the investment types that are authorized for the Agency by the California Government Code (or the Agency's Investment Policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the Agency's investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Agency Bonds	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Banker's Acceptances	180 days	None	None
Commercial Paper	270 days	None	None
Negotiable Certificates of Deposit	5 years	None	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	None	None
Medium-Term Notes	5 years	None	None
Mutual Funds	N/A	None	None
Money Market Mutual Funds	N/A	None	None
Mortgage Pass-Through Securities	5 years	None	None
County Pooled Investment Funds	N/A	100%	None
Local Agency Investment Fund (LAIF)	N/A	None	None

FRESNO COUNTY RURAL TRANSIT AGENCY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2007

2. CASH AND INVESTMENTS (CONTINUED)

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

Information about the sensitivity of the fair values of the Agency's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the agency's investments by maturity:

Investment Type	Amount	Remaining Maturity (in Months)			
		12 Months or Less	13 to 24 Months	25 to 60 Months	More Than 60 Months
County Investment Pool	\$ 1,415,614	\$ 1,415,614	\$ -	\$ -	\$ -
Total	\$ 1,415,614	\$ 1,415,614	\$ -	\$ -	\$ -

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code, the Agency's investment policy, and the actual rating as of year end for each investment type. The column marked "exempt from disclosure" identifies those investment types for which GASB No. 40 does not require disclosure as to credit risk:

Investment Type	Amount	Minimum Legal Rating	Exempt From Disclosure	Rating as of Year End	
				AAA	Not Rated
County Investment Pool	\$ 1,415,614	N/A	\$ 1,415,614	\$ -	\$ 1,415,614
Total	\$ 1,415,614	N/A	\$ 1,415,614	\$ -	\$ 1,415,614

Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools. The County of Fresno issues a financial report that includes custodial credit risk disclosures for the County Investment Pool. The report may be obtained by writing to the Office of the Auditor-Controller/Treasurer-Tax Collector, 2281 Tulare Street, Fresno, California 93721.

FRESNO COUNTY RURAL TRANSIT AGENCY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2007

3. INTERGOVERNMENTAL RECEIVABLES

Individual receivables from governmental entities related to grants as of June 30, 2007 consist of the following:

Council of Fresno County Governments - LTF	\$ 43,913
Council of Fresno County Governments - TDA	222,112
Caltrans - FTA Section 18	<u>430,221</u>
	<u>\$ 696,246</u>

4. CAPITAL ASSETS AND DEPRECIATION

Capital assets net of accumulated depreciation as of June 30, 2007 are as follows:

	Balance July 1, 2006	Additions	Deletions	Balance June 30, 2007
Capital assets being depreciated:				
Capital grant funded	\$ 5,915,138	\$ 906,339	\$ (34,347)	\$ 6,787,130
Non-capital grant funded	<u>26,773</u>	<u>-</u>	<u>-</u>	<u>26,773</u>
Total capital assets being depreciated	<u>5,941,911</u>	<u>906,339</u>	<u>(34,347)</u>	<u>6,813,903</u>
Less accumulated depreciation for:				
Capital grant funded	4,387,204	520,026	(34,347)	4,872,883
Non-capital grant funded	<u>26,773</u>	<u>-</u>	<u>-</u>	<u>26,773</u>
Total accumulated depreciation	<u>4,413,977</u>	<u>520,026</u>	<u>(34,347)</u>	<u>4,899,656</u>
Total capital assets being depreciated, net	<u>1,527,934</u>	<u>386,313</u>	<u>-</u>	<u>1,914,247</u>
Capital assets, net	<u>\$ 1,527,934</u>	<u>\$ 386,313</u>	<u>\$ -</u>	<u>\$ 1,914,247</u>

The fixed assets of the Agency are comprised of transit vehicles and related equipment.

Fixed assets and capitalized repairs are depreciated over a period from 3-8 years, depending on their expected useful lives.

Depreciation expense for the year ended June 30, 2007 was \$520,026.

FRESNO COUNTY RURAL TRANSIT AGENCY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2007

5. DUE TO MEMBERS AND OTHER GOVERNMENTAL ENTITIES

Individual payables to members and other governmental entities as of June 30, 2007 consist of the following:

Council of Fresno County Governments	\$ 60,990
City of Coalinga	56,577
City of Kerman	11,391
City of Reedley	110,458
City of Selma	77,896
Fresno County Economic Opportunities Commission	<u>106,901</u>
Total	<u>\$ 424,213</u>

6. DEFERRED REVENUE

The Local Transportation Fund (LTF) and State Transit Assistance Fund (STAF) allocate funds to the FCRTA to fund transit operations and capital purchases. The Transportation Development Act (TDA) requires that any funds not used may be returned to their source. LTF and STAF allocations are considered earned when they are properly spent for operations or capital acquisitions. Allocations received but not earned are recorded as deferred revenues. Changes in the deferred revenue account for the year ended June 30, 2007 are summarized as follows:

Deferred revenue, beginning of year	\$ 1,286,555
Capital grants and interest received	940,918
Capital grants allowed	(906,339)
TDA funds received	2,462,344
TDA funds allowed	<u>(2,825,564)</u>
Deferred revenue, end of year	<u>\$ 957,914</u>

7. FARE REVENUE RATIO

The Agency is required to maintain a fare revenue to operating expenses ratio of 10% in accordance with the Transportation Development Act. The calculation of the fare revenue ratio for the year ended June 30, 2007 is as follows:

Fare revenues	<u>\$ 465,474</u>
Operating expenses	\$ 4,241,285
Allowable TDA adjustments:	
Depreciation	<u>(520,026)</u>
Net operating expenses	<u>\$ 3,721,259</u>
Fare revenue ratio	<u>12.51%</u>

SUPPLEMENTARY SCHEDULES AND OTHER REPORTS SECTION

1. The following supplementary schedules and other reports are submitted in connection with the audit of the financial statements of the Company for the year ended 31st March 2020:

FRESNO COUNTY RURAL TRANSIT AGENCY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2007

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Grantor's Number	Grant Disbursements/ Expenditures
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
<u>Federal Transportation Administration</u>			
Pass-through California Department of Transportation (Caltrans)			
Public Transportation for Nonurbanized Areas			
Section 5311 Operating Grant	20.205	647133	\$ <u>430,221</u>
Total Federal Financial Assistance			\$ <u><u>430,221</u></u>

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH "GOVERNMENT AUDITING STANDARDS"

The Board of Directors
Fresno County Rural Transit Agency
Fresno, California

We have audited the basic financial statements of the Fresno County Rural Transit Agency, as of and for the year ended June 30, 2007, and have issued our report thereon dated December 28, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in "Government Auditing Standards," issued by the Comptroller General of the United States. Our audit was further made to determine that allocations made and expended by the Fresno County Rural Transit Agency were made in accordance with the Transportation Development Act.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Fresno County Rural Transit Agency's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Fresno County Rural Transit Agency's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Fresno County Rural Transit Agency's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Fresno County Rural Transit Agency's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Fresno County Rural Transit Agency's financial statements that is more than inconsequential will not be prevented or detected by the Fresno County Rural Transit Agency's internal control.

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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH "GOVERNMENT AUDITING STANDARDS"
(CONTINUED)

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Fresno County Rural Transit Agency's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Fresno County Rural Transit Agency's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under "Government Auditing Standards."

This report is intended solely for the information and use of the Fresno County Rural Transit Agency's management and Board of Directors, and federal award agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Dedekian, George, Small & Markarian
Accountancy Corporation
December 28, 2007

FINDINGS AND RECOMMENDATIONS SECTION

FRESNO COUNTY RURAL TRANSIT AGENCY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2007

1. Summary of Auditor's Results

- a. The Independent Auditor's Report on the financial statements was unqualified.
- b. No reportable conditions were disclosed during the audit of the financial statements.
- c. No noncompliance was disclosed which was material to the financial statements.
- d. No current year audit findings were disclosed.

2. Findings Relating to Financial Statements Required Under GAGAS

None.

3. Findings and Questioned Costs for Federal Awards

None.