
Triennial Performance Audit of the Tuolumne County Transportation Council

Fiscal Years 2013-14 to 2015-16



Prepared for the

Tuolumne County Transportation Council

Prepared by



LSC Transportation Consultants, Inc.

**TUOLUMNE COUNTY TRANSPORTATION COUNCIL
TRIENNIAL PERFORMANCE AUDIT
FY 2013-14 – FY 2015-16**

Draft

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TABLE OF CONTENTS

<i>SECTION</i>	<i>PAGE</i>
EXECUTIVE SUMMARY.....	1
Tuolumne County Transportation Council Description.....	1
Review of Compliance Requirements.....	1
Status of Prior Audit Recommendations.....	1
Detailed Review of the TCTC Functions.....	2
Findings.....	2
Recommendations.....	3
CHAPTER 1 TRIENNIAL PERFORMANCE AUDIT RESULTS.....	5
Background.....	5
Performance Audit and Report Organization.....	5
Tuolumne County Transportation Council Description.....	5
Review of Compliance Requirements.....	6
Status of Prior Audit Recommendations.....	9
Detailed Review of the TCTC Functions.....	10
CHAPTER 2 CONCLUSIONS AND RECOMMENDATIONS.....	15
Findings.....	15
Recommendations.....	15

LIST OF TABLES

<i>TABLE</i>	<i>PAGE</i>
1 RTPA Compliance Requirements - TCTC.....	7

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Executive Summary

California Public Utilities Code Section 99246 requires that Regional Transportation Planning Agencies (RTPAs) such as the Tuolumne County Transportation Council (TCTC) conduct Triennial Performance Audits (TPAs) of both their own activities and those of their associated transit operators. This performance audit of the TCTC covers the three-year period from July 1, 2013 to June 30, 2016. The primary objective of a TPA is to provide the TCTC with an independent and objective evaluation of its effectiveness, efficiency, and economy in its role as the RTPA for Tuolumne County. A separate audit was conducted for the transit operator in Tuolumne County, Tuolumne County Transit Agency (TCTA), for the same three-year period. As required under the California Transportation Development Act (TDA), the TCTC will submit this report to Caltrans and certify that the transit operator performance audits were completed.

This audit was conducted in accordance with guidelines set forth in the *Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Entities* developed by Caltrans (September 2008). The audit process included a review of pertinent documents, TDA guidelines, on-site interviews with the TCTC Executive Director, and telephone interviews with TCTC Chair and Caltrans.

TUOLUMNE COUNTY TRANSPORTATION COUNCIL DESCRIPTION

The TCTC is the designated RTPA for the Tuolumne County region, including the incorporated city of Sonora. Among other transportation planning responsibilities, one of TCTC's roles is to allocate TDA funding in accordance with state statutes. TCTC is composed of two members from the County Board of Supervisors, two members from the Sonora City Council and one citizen at large appointed by the other members.

REVIEW OF COMPLIANCE REQUIREMENTS

TCTC was found to be in compliance with all statutes referenced in the *Performance Audit Guidebook* with the following exceptions:

- The RTPA has not adopted rules and regulations delineating procedures for the submission of claims for facilities provided for the exclusive use of pedestrians and bicycles.
- FY 2014-15 and FY 2015-16 Fiscal and Compliance Audits were completed after the required time period and it is unknown if a 90 day extension was granted.

STATUS OF PRIOR AUDIT RECOMMENDATIONS

The prior TPA was prepared by Majic Consulting and contained the following recommendations:

Recommendation 1: *TCTC should continue establishing its role linking transportation to land use planning and economic development both locally and regionally through periodic Strategic Workshops, The Regional Transportation Plan and Overall Work Program. - Implemented*

Recommendation 2: *Ensure files, either electronic or hard copy, are complete. – In Progress*

Recommendation 3: *Update the TCTC and Trails websites to provide easier, intuitive navigation and better organization of documents and projects of interest to the public. - Implemented*

DETAILED REVIEW OF THE TCTC FUNCTIONS

A large portion of a performance audit includes reviewing the various functions of the RTPA to determine if there are inefficiencies or particular areas for improvement. The functional review is conducted by reading various documents such as the Regional Transportation Plan and Overall Work Programs and conducting interviews with TCTC staff. The functional review covers the following broad topics:

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

During the audit period, TCTC was effective in accomplishing its goals and objectives. The *Tuolumne County 2016 Regional Transportation Plan (RTP)* addresses all the required elements. However, TCTC exceeded the five year update cycle identified in the RTP guidelines. TCTC follows a comprehensive regional transportation planning process, including the preparation and implementation of alternative transportation plans/projects, such as the Transit Development Plan and non-motorized facility projects. TCTC has set forth a clear process for allocating TDA funds to the transit operator in the region. The TCTC board has good access to clear and concise information so as to make good decisions. As for marketing accomplishments, TCTC revamped the TCTC website to be more user friendly and consistent with the transit operator website. During the audit period TCTC successfully distributed recurring grant monies. No state or federal grant applications were denied in Tuolumne County due to errors or omissions.

FINDINGS

1. The TCTC has complied with the requirements listed in the TDA and other statutes related to performance as identified in the *Performance Audit Guidebook* with the following exceptions:
 - a. The RTPA has not adopted rules and regulations delineating procedures for the submission of claims for facilities provided for the exclusive use of pedestrians and bicycles.
 - b. FY 2014-15 and FY 2015-16. Fiscal and Compliance Audits were completed after the required time period and it is unknown if a 90 day extension was granted.

2. The TCTC implemented two of the three prior audit recommendations. The final recommendation is in progress.
3. During the audit period, TCTC allocated regional transportation funding for a variety of projects to improve all types of transportation facilities and which met the overall goals and objectives of the agency.
4. There a good and productive working relationship between TCTC/TCTA and the transit contractor.

RECOMMENDATIONS

Recommendation 1: *Continue to seek funding to update Short-Range Transit Development Plan, particularly as farebox ratio dipped below the 10 percent threshold.*

Recommendation 2: *TCTC should adopt rules and regulations for the submission of TDA claims for the exclusive use of pedestrians and bicycles. The rules should include criteria to evaluate the effectiveness and regional significance of proposed projects.*

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Triennial Performance Audit Results

BACKGROUND

This Triennial Performance Audit (TPA) has been prepared in compliance with the requirements of California Public Utilities Code Section 99246, which requires that the TCTC cause a performance audit to be conducted of its activities every three years. The primary objective of this Audit is to provide the TCTC with an independent and objective evaluation of its performance as it relates to responsibilities in its role as the RTPA for Tuolumne County.

This Audit evaluates the operations of the TCTC in terms of the efficiency, effectiveness, economy, and the results of its programs. In addition, this Audit includes a review of the TCTC's implementation of the recommendations contained in the previous Audit report, completed in November 2014. This current Audit covers the three-year period from Fiscal Year (FY) 2013-14 through 2015-16. Finally, this Audit includes a discussion of relevant issues currently facing the organization, based on discussions with the TCTC staff.

PERFORMANCE AUDIT AND REPORT ORGANIZATION

This Audit was prepared in the following steps in accordance with process outlined in the *Performance Audit Guidebook* (Caltrans, 2008):

- ◆ A review of pertinent documents, including the Regional Transportation Plan, transit plans, annual Overall Work Programs (OWP), annual fiscal audits and State Controller's Reports, and Tuolumne County Transportation Council agendas, minutes, and supporting staff reports
- ◆ On-site discussions with the TCTC staff, including the Executive Director, Senior Administrative Analyst, and Senior Transportation Planner
- ◆ TCTC Board Chairperson and Caltrans input
- ◆ Review of prior TPA reports
- ◆ Review of the requirements of the Public Utilities Code, California Code of Regulations, and other appropriate statutes, followed by an assessment of the TCTC's compliance with the specified requirements.

TUOLUMNE COUNTY TRANSPORTATION COUNCIL DESCRIPTION

Agency Organization and Function

Tuolumne County is in the heart of California's Gold Country, bordered by Stanislaus County to the west, Calaveras County to the north, Mono County to the east, and Mariposa County to the south. The closest major cities are Modesto and Stockton (each about 50 - 60 miles from Tuolumne County). The major north-south road is State Route (SR) 49, and the major east-west road is SR 108. Tuolumne County's population is roughly 54,079, according to the

American Community Survey. The region is served by one public transit operator: Tuolumne County Transit Agency. The TCTC is the designated Regional Transportation Planning Agency (RTPA) for the Tuolumne County region, including the incorporated city of Sonora. TCTC's role as an RTPA is to:

- ◆ Allocate transportation funding such as TDA funds
- ◆ Review public transit performance
- ◆ Prepare and adopt a Regional Transportation Plan and Regional Transportation Improvement Plan
- ◆ Outline regional planning efforts to improve mobility for the region
- ◆ Provide direction to state, federal and local decision makers regarding transportation planning

TCTC is composed of two members from the County Board of Supervisors, two members from the Sonora City Council and one citizen at large appointed by the other members. The board is served by three advisory committees: the Technical Advisory Committee, Citizen's Advisory Committee and the Social Services Transportation Advisory Council (SSTAC). The TAC includes representatives from city and county staff, Native American entities and provides technical input to the board on a wide range of transportation issues. The Citizen's Advisory Committee includes eight members with staggered four year terms: two members appointed by the Sonora City Council and six members appointed by the County Board of Supervisors. The primary role of the SSTAC is to provide advice on public transit services for Tuolumne County residents, and to particularly advocate for the elderly and disabled.

REVIEW OF COMPLIANCE REQUIREMENTS

As presented in Table 1, following is a review of compliance requirements identified in the TDA and other state statutes which are pertinent to a TPA:

1. In accordance with Public Utilities Code Section (PUC) 99231, the TCTC allows no transportation operators and city or county governments which have responsibility for serving a given area to claim, in total, more than those Local Transportation Fund (LTF) moneys apportioned to that area. The TCTC annually adopts a resolution approving LTF allocations, and a good system for the apportionment is in place. The TDA allocation process is clearly outlined in the TCTC Organizations and Procedures Manual.
2. In reference to PUC 99233 and 99234 (LTF claims for bicycle and pedestrian facilities), TCTC defers to the rules and regulations set forth in the PUC 99234. The TCTC has not officially adopted specific rules for LTF claims for bicycle and pedestrian facilities and there is no reference to the procedure in the Organization Manual.
3. In accordance with Public Utilities Code Sections 99238, the TCTC has established a SSTAC. The SSTAC met quarterly during the audit period. The TCTC actively recruits members for

TABLE 1: RTPA Compliance Requirements - TCTC

Requirement	PUC Reference	In Compliance?	
		Yes	No
(1) All operators and city or county governments, in total, claim no more than those LTF monies apportioned to that area.	99231	X	
(2) The RTPA has adopted rules and regulations delineating procedures for the submission of claims for facilities provided for the exclusive use of pedestrians and bicycles.	99233, 99234		X
(3) The RTPA has established a social services transportation advisory council. The RTPA must ensure that there is a citizen participation process that includes at least an annual public hearing.	99238, 99238.5	X	
(4) The RTPA has annually identified, analyzed and recommended potential productivity improvements which could lower operating cost of those operators.	99244	X	
(5) The RTPA has ensured that all claimants to whom it allocated TDA funds submit to it and to the state controller an annual certified fiscal and compliance audit within 180 days after the end of the fiscal year.	99245		X
(6) The RTPA has designated an independent entity to conduct a performance audit of operators and itself. The operator audit included calculation of performance indicators and was transmitted within 12 months. If not transmitted, TDA funds were not allocated to the operator.	99246, 99248	X	
(7) The RTPA has submitted a copy of its performance audit to the Director of the California Department of Transportation.	99246 c	X	
(8) The performance audit of the operator includes verification of performance indicators and includes consideration of the needs and types of passengers being served, employment of part-time drivers and contracting with common carriers.	99246 d	X	
(9) The RTPA has established rules and regulations regarding revenue ratios for transportation operators providing services in urbanized and non-urbanized areas.	99270.1, 99270.2	NA	
(10) The RTPA has adopted criteria, rules, and regulations for the evaluation of claims filed under Article 4.5 of the TDA and the determination of the cost effectiveness of the proposed community transit services.	99275.5	X	
(11) State transit assistance funds received by the RTPA allocated only for transportation planning and mass transportation purposes?	99310.5, 99313.3, Proposition 116	X	
(12) The amount received pursuant to the Public Utilities Code, Section 99314.3; by each RTPA for state transit assistance is allocated to the operators in the area of its jurisdiction as allocated by the State Controllers Office.	99314.3	X	
(13) If TDA funds are allocated for streets and road purposes, the RTPA has annually: Consulted with the SSTAC, identified transit needs, adopted or re-affirmed the definition of "unmet transit needs" and "reasonable to meet", identified the unmet needs or there are no unmet transit needs, or there are unmet transit needs that are reasonable to meet.	99401.5	NA	
(14) The RTPA has caused a fiscal audit to be performed each year and submit the audit report to the state controller within 12 months of the end of the fiscal year.	6662	X	

the SSTAC. The TCTC conducts public hearings as required in PUC 99238.5 to obtain input on transit needs in its jurisdiction for each year of the audit period.

4. In accordance with Public Utilities Code Section 99244, the TCTC has annually identified, analyzed, and recommended potential transit productivity improvements that could lower the operating cost of those transit operators that operate at least 50 percent of their vehicle service miles within its jurisdiction. As there is only one transit operator in the region and TCTC and the transit operator share the same administrative staff, TCTC is very involved in analyzing potential productivity improvements for the transit operator. Although the last update to the Short Range Transit Development Plan was during the previous audit period, TCTC/TCTC staff are continually reviewing potential service adjustments in order to maintain farebox ratio standards. As the TCTC board is the same membership as the TCTA board, they are also very involved in transit planning decisions and place a high priority on cost-effectiveness of services.
5. Per Public Utilities Code Section 99245, the TCTC must ensure that all claimants to whom it allocates TDA funds submit to it and to the State Controller an annual certified Fiscal and Compliance Audit within 180 days after end of the fiscal year unless a 90 day extension is granted. Fiscal audits were completed for each year of the audit period; however in FY 2014-15 and FY 2015-16, they were completed after the 180 day deadline and it is unknown if a 90 day extension was requested.
6. In accordance with Public Utilities Code Sections 99246 and 99248, the TCTC has herein designated an independent entity to conduct a performance audit of operators and itself (for the current and previous TPA periods). Majic Consulting performed the performance audit for the prior three-year period. The prior performance audits addressed all elements indicated in the *Performance Audit Guidebook*.
7. In accordance with Public Utilities Code Section 99246(c), the TCTC has submitted a copy of its TPA to the Director of the California Department of Transportation and certified in writing that the performance audit of Tuolumne County Transit was completed.
8. In accordance with Public Utilities Code Section 99246(d), the performance audit of TCTA (under separate cover) included a verification of the operator's cost per passenger, operating cost per vehicle service hour, passengers per vehicle service mile, and vehicle service hours per employee, as defined in Section 99247. The performance audit also included consideration of the needs and types of passengers being served and the employment of part-time drivers and the contracting with common carriers of persons operating under a franchise or license to provide services during peak hours, as defined in subdivision (a) of Section 99260.2.
9. As Tuolumne County does not include an urbanized area, this requirement is not applicable to TCTC.
10. TCTC does not receive any claims for TDA funds under Article 4.5; therefore TCTC has not adopted criteria, rules, and regulations for the evaluation of claims filed under Article 4.5 of the TDA (as permitted under Public Utilities Code Section 99275.5). TCTC follows procedures for TDA claims identified in the statutes. Should there be TDA claims filed under

Article 4.5, TCTC should adopt rules for the evaluation of claims and the determination of the cost effectiveness of the proposed community transit services.

11. In accordance with Public Utilities Code Sections 99310.5 and 99313.3 and Proposition 116, State Transit Assistance (STA) funds received by the TCTC are allocated only for transit planning, transit capital projects, and transit operations.
12. The amount of STA funds received by the TCTC pursuant to the Public Utilities Code Section 9314.3 is allocated to the transit operator in the area as allocated by the State Controller's Office. There is only one transit operator within TCTC's jurisdiction.
13. According to Public Utilities Code Section 99401.5, if TDA funds are allocated to purposes not directly related to public or specialized transportation services or facilities for exclusive use of pedestrians and bicycles, the TCTC is annually required to:
 - Consult with the SSTAC established pursuant to Public Utilities Code Section 99238
 - Identify transit needs, including: groups who are transit-dependent or transit-disadvantaged, adequacy of existing transit services to meet the needs of groups identified, and analysis of potential alternatives to provide transportation services
 - Adopt or reaffirm a definition of "unmet transit needs" and "reasonable to meet"
 - Identify the unmet transit needs and those needs that are reasonable to meet
 - Adopt a finding that there are no unmet transit needs, that there are no unmet needs that are reasonable to meet, or that there are unmet transit needs including needs that are reasonable to meet.

If a finding is adopted that there are unmet transit needs, these needs must have been funded before an allocation was made for streets and roads.

TCTC made the above noted findings and consulted with the SSTAC each year of the audit period prior to allocating TDA funds for streets and roads purposes.

14. In accordance with California Code of Regulations Section 6662, the TCTC has caused a Fiscal and Compliance Audit of its accounts and records to be performed for each fiscal year by a certified public accountant. The audits were performed in accordance with the Basic Audit Program and Report Guidelines for the California Special Districts prescribed by the State Controller. The audits include a determination of compliance with the TDA and accompanying rules and regulations. Financial statements do not commingle the STA fund, the LTF, or other revenues or funds of any city, county or other agency. The TCTC maintains fiscal and accounting records and supporting papers for at least five years following fiscal year close.

STATUS OF PRIOR AUDIT RECOMMENDATIONS

The prior TPA was prepared by Majic Consulting and contained the following recommendations:

Recommendation 1: *TCTC should continue establishing its role linking transportation to land use planning and economic development both locally and regionally through periodic Strategic Workshops, The Regional Transportation Plan and Overall Work Program.*

Recommendation Implemented: During the audit period, TCTC allocated regional funding for a variety of projects which link transportation planning to economic development at both the local and regional level. One example is the Jamestown Sidewalk project which will increase safety as well as improve walkability for visitors and residents. TCTC is making strides towards implementing projects identified in the Vision Sonora Plan such as the Stockton Road – Washington Street Corridor Improvements. Regionally, TCTC/TCTA partners with Yosemite Area Regional Transit (YARTS) to reduce private vehicle travel into Yosemite National Park and increase Sonora’s presence as a gateway community to the Park. The next large-scale project identified in the RTP is to widen SR 108/49 near Jamestown to five lanes. This will facilitate economic development by alleviating bottlenecks during peak tourist travel times.

The projects implemented during the audit period address TCTC’s vision/mission as outlined in the Strategic Plan, Regional Transportation Plan (RTP) and Overall Work Program (OWP). TCTC has continued to refine objectives through additional Strategic Planning Workshops in 2015. Overall, the RTPA has done a good job of balancing funding available for projects which address roadway safety and circulation as well as non-motorized travel safety. Where applicable, many of the projects funded by TCTC incorporate transit stops or other transit related improvements, thereby recognizing the importance of multi modal transportation when it comes to attracting visitors and meeting resident needs.

Recommendation 2: *Ensure files, either electronic or hard copy, are complete.*

Implementation In-Progress: All documents requested by the Auditor (with the exception of the State Controller Reports, as discussed below) were provided by TCTC in a timely manner. This includes LTF and STA resolutions and paperwork. TCTC established a records retention schedule in 2012 which follows industry standards. Copies of State Controller Reports for this audit period were difficult to obtain from TCTA as the County Auditor prepares and maintains the documents. TCTA is working on improving record keeping procedures so that these documents will be more readily available prior to the next TPA.

Recommendation 3: *Update the TCTC and Trails websites to provide easier, intuitive navigation and better organization of documents and projects of interest to the public.*

Recommendation Implemented: The TCTC website was updated to address this recommendation. The website is organized into five categories: Home, Meetings and Agendas, Plans & Projects, Resources, and Contact. Each category has a series of sub-headings that the user can “mouse-over”. Description of plans and projects are listed under appropriate sub headings such as “transit planning” or “active transportation planning”. TCTC staff is still in the process of uploading some documents to the new website.

DETAILED REVIEW OF THE TCTC FUNCTIONS

This section presents a review of the various functions of the TCTC. The TCTC’s functions can be divided into the following areas:

- ◆ Administration and Management
- ◆ Transportation Planning and Regional Coordination

- ◆ Claimant Relationships and Oversight
- ◆ Marketing and Transportation Alternatives
- ◆ Grant Applications and Management

Administration and Management

This functional review focuses on internal management of the organization.

General Administration

The TCTC Board meets on the second Wednesday of every month at the County Board of Supervisors Chamber in Sonora. Agenda materials are available to board members and the public five days in advance. The Commission dealt with a long list of key documents and funding decisions during the Audit period, including all of those required or suggested by state law and good RTPA practices. The TCTC does a good job of posting meeting minutes and attachments on its website for public review.

The TCTC processes TDA claims in an accurate and timely manner, particularly as TCTC and TCTA share the same staff. TCTC staff work with City and County staff to prepare paperwork. The TCTC adopts a resolution approving claims and directing the County Auditor to allocate funds before the end of the fiscal year. Claims are paid monthly.

The TCTC has an organized process for filing and the retention of pertinent plans and other documents as outlined in the TCTC Record Keeping Policy and Retention Schedule. Electronic files are maintained on the server. Depending on the type of plan, documents are generally kept in the archives five years with many such as resolutions and meeting minutes kept permanently in both hard copy and electronic format.

Internal Planning and Achievements

In terms of internal planning, the TCTC has set forth very clear goals and objectives in the Strategic Plan, OWP and Regional Transportation Plan. The TCTC does a good job of completing tasks identified in the OWP. Further, the tasks set forth in the OWP are realistic and reflect the needs and issues in the Tuolumne County region. The TCTC has been successful in obtaining discretionary funding such as blueprint planning and transportation planning grants, to facilitate projects which will strengthen the relationship between land use and transportation planning.

Personnel

TCTC/TCTA staff consists of an Executive Director, Administrative Technician, Senior Administrative Analyst, Transportation Planner and Senior Transportation Planner. Other than the recent retirement of the Senior Administrative Analyst, TCTC had no staff turnover during the audit period. Each staff member's time is allocated between RTPA and transit operator duties, with each staffer focusing on different specialties. Given the work accomplished, the level of staffing is appropriate.

Staff members are offered the same health and retirement benefits as Tuolumne County employees, such as CalPERS. The TCTC staff members are offered the opportunity to expand

professional knowledge by attending conferences. Performance reviews are generally conducted annually.

Governing Board

The Governing Board has good access to clear and concise information so as to make informed decisions about transportation funding. There appears to be good communication between staff and the board. According to Board Members, differing opinions on transportation decisions are worked out in a professional manner and the agency is on a good path to attaining established goals and objectives.

Transportation Planning and Regional Coordination

This functional area covers one of the two major RTPA responsibilities – transportation planning and regional coordination.

Regional Transportation Planning

The most recent update of the *Tuolumne County RTP* was February 2017. The RTP followed a Public Participation Plan process adopted in 2013 which incorporates required RTP stakeholder/public outreach elements to Native American Tribes, private sector, and natural resource agencies. The RTP goes beyond the required guidelines and includes an optional Rural Sustainable Strategies Chapter to better address climate change legislation. Overall, the RTP sets forth clear goals and cost estimates for transportation in the region.

The RTP includes all elements required under state guidelines including: an overview of demographics, description of existing transportation facilities, discussion of regional issues, projection of future transportation conditions, and a financially constrained and unconstrained plan for addressing those issues. TCTC set forth ten regional performance measures that track progress toward attaining the regions ten regional goals. The Tuolumne County Travel Demand Forecasting Model was updated and used in conjunction with the U-Plan Land Use Model for much of the traffic analysis portion of the RTP update. The model will help to identify future roadway inefficiencies as the region grows.

The RTP included an analysis of funding alternatives to address the shortfall in State Transportation Improvement Program (STIP) funds and the difficulty for rural counties to obtain non-motorized facility specific funding (Active Transportation Planning).

Regional Coordination

The TCTC is also involved with other regional planning efforts which have an impact on transportation in Tuolumne County. TCTC is a member of the Rural Counties Task Force, which was established as a joint partnership between the California Transportation Commission and rural counties in California as a way to provide rural counties with information and a voice for statewide transportation policies. The TCTC Executive Director also participates in the Central Sierra Transportation Forum, which is a forum for the Executive Directors from nearby RTPAs. Calaveras and Tuolumne County are especially connected through their public transit services and SR 49. As such, the two counties often work closely together and have in the past jointly

prepared grant applications. Tuolumne County administers the traffic mitigation fee program in the county which is designed to offset the cost of roadway improvements resulting from new development. Traffic mitigation fees have been used to partially fund regional transportation planning projects such as signalization at Standard Rd./Tuolumne Rd. There appears to be a strong working relationship between TCTC and Caltrans District 10.

A review of the OWP shows that the TCTC work elements include all plans and processes for which RTPA's are responsible. In addition to TDA administration and Regional Transportation Plan support, the program includes GIS projects and updating the Traffic Demand Model. The TCTC transportation planning process allows staff to be well informed on transportation issues and conditions in the region while providing the tools for a solution to transportation problems.

Information Generation and Distribution

TCTC is well aware and up to date with transportation service levels and issues in the region. County Community Development Staff are located down the hall which allows for easy and frequent communication regarding land use/transportation matters.

Claimant Relationships and Oversight

This functional area includes interactions between the transit operator and the RTPA, both required and otherwise. As the RTPA and transit operator share administrative staff, Tuolumne County has a somewhat unique relationship between the RTPA and transit operator. TCTA does employ a transit contractor to perform operations and maintenance of the transit system and there appears to be a strong relationship between TCTA and the contractor, Storer Transportation. The TCTC Executive Director/TCTA Transit Manager meets on-site with contractor staff periodically to discuss operations and any pertinent issues. Overall, TCTC has an appropriate level of oversight of the transit operator.

Advisory and Performance Committees

While TCTA does not have a specific performance committee, the TCTC Social Services Transportation Advisory County (SSTAC), Technical Advisory Committee (TAC), and Citizens Advisory County (CAC) can be important advisory committees for both the TCTC and TCTA. The SSTAC meets quarterly (beyond the annual requirement of the TDA) to discuss unmet transit needs. The TAC and CAC meet simultaneously each month prior to the TCTC/TCTA board meetings. The primary difference between the two committees is that the CAC is not involved in personnel and legal matters.

Assistance to Operators and Communication of TDA Requirements

In terms of communication of TDA requirements, TCTC/TCTA has been proactive in providing transit operator staff with the information needed to comply with TDA. This is evident in the accurate recording of operating statistics such as vehicle service miles and hours. Recommendations from the prior TDA Performance Audit were clearly communicated to the contractor.

Reports and Information/TDA Claim Processing

During the Audit period, the TCTC commissioned Fiscal and Compliance audits from an independent auditor for the TCTC and TCTA. The Fiscal and Compliance audits of the transit operator attest that TDA funds were expended in conformance with most applicable laws, regulations, allocation instructions, and resolutions of the TCTC. The TCTA Fiscal and Compliance Audits demonstrate that TCTA did not meet farebox ratio during the second year of this audit period; however the transit operator was able to reduce operating costs and raise fare revenue to make farebox ratio requirements the following year. There appears to be no major issues in terms of processing TDA claims.

Marketing and Transportation Alternatives

The majority of marketing for transit services in Tuolumne County are performed by TCTA/TCTC staff with assistance from the transit contractor. Comments and complaints regarding public transit are typically received through the TCTA/TCTC website and read by the TCTC Senior Transportation Planner. Any comments received directly by the contractor are reported to TCTA in the monthly report. A more detailed review of transit operator marketing efforts is provided in the transit operator audit.

The TCTC is quite involved in alternative transportation planning efforts, as evidenced in the number of non-motorized facility projects recently implemented in the region. The TCTC website also has an informative section on walking, hiking and biking paths under the Active Transportation heading. By all accounts, the TCTC has a strong public information process in place. The TCTC website lists some completed plans and studies along with an archive of Commission meeting minutes.

Grant Applications and Management

There is only one transit operator in the county (TCTA), which shares the same staff as TCTC. Grant applications at TCTC are prepared by the staff member who focuses on the corresponding type of project. Federal Transit Administration grants are typically prepared and managed by the Senior Transportation Planner.

During the Audit period, no state or federal grant applications were denied in Tuolumne County due to errors or omissions. In the past, TCTC has obtained discretionary grant funding, such as Caltrans Blueprint Planning and Transportation Planning grants. The TCTC staff has also been effective in distributing special grants such as Congestion Mitigation Air Quality (CMAQ) and Proposition 1B funding.

Conclusions and Recommendations

Overall, TCTC is managed and operated in an effective, efficient, and economical manner. The TCTC effectively fulfill its role as the RTPA for Tuolumne County.

The following describes the auditor's findings and recommendations:

FINDINGS

1. The TCTC has complied with the requirements listed in the TDA and other statutes related to performance as identified in the *Performance Audit Guidebook* with the following exceptions:
 - a. The RTPA has not adopted rules and regulations delineating procedures for the submission of claims for facilities provided for the exclusive use of pedestrians and bicycles.
 - b. FY 2014-15 and FY 2015-16 Fiscal and Compliance Audits were completed after the required time period and it is unknown if a 90 day extension was granted
2. The TCTC implemented two of the three prior audit recommendations. The final recommendation is in progress.
3. During the audit period, TCTC allocated regional transportation funding for a variety of projects to improve all types of transportation facilities and which met the overall goals and objectives of the agency.
4. There a good and productive working relationship between TCTC/TCTA and the transit contractor.

RECOMMENDATIONS

Recommendation 1: *Continue to seek funding to update the Short-Range Transit Development Plan, particularly as farebox ratio dipped below the 10 percent threshold.*

The Tuolumne County Transit Development Plan was last updated in February 2011 and many of the transit plan elements have been implemented. Additionally, farebox ratio dipped slightly below the 10 percent requirement in FY 2014-15. Although TCTA staff was able to streamline services to a point where the 10 percent farebox ratio was regained in FY 2015-16, it would be worthwhile to conduct a more comprehensive evaluation of TCTA services and future ridership projections. The SRTDP update should involve an extensive public and stakeholder outreach effort so as to reaffirm transit priorities for the community. The SRTDP should analyze methods to both minimize operating costs as well as increase revenue through service changes and fare structure adjustments. It should be noted that a SRTDP update is currently included as a work element; however grant funds have not yet been secured.

Recommendation 2: *TCTC should adopt rules and regulations for the submission of TDA claims for the exclusive use of pedestrians and bicycles. The rules should include criteria to evaluate the effectiveness and regional significance of proposed projects.*

Per PUC 99234, TDA claims for these funds must be filed in accordance with rules and regulations adopted by the RTPA. At this time, TCTC has not formally adopted such rules but defers to TDA law for guidance. In the interest of providing clear guidance to TDA claimants and to ensure that this small but important funding source is used effectively, TCTC should adopt criteria and regulations for TDA claims for facilities for the exclusive use of bicycles and pedestrians. The criteria should be used to evaluate proposed high priority bicycle/pedestrian facility projects and should take into account the regional significance of the proposed project, as well as the stipulations identified in PUC 99234.