



FCRTA

FYs 2012-13, 2013-14, and 2014-15 Triennial Performance Audit of Fresno County Rural Transit Agency

**Submitted to
Fresno Council of Governments**

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Section I

Introduction

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

The Fresno Council of Governments (Fresno COG) engaged Michael Baker International to conduct the TDA triennial performance audit of the public transit operators under its jurisdiction in Fresno County. This performance audit is conducted for the Fresno County Rural Transit Agency (FCRTA, agency) covering the most recent triennial period, fiscal years 2012–13, 2013–14, and 2014–15.

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

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

Overview of the Transit System

FCRTA is the primary provider of public transportation services for the rural incorporated cities and many unincorporated rural communities in Fresno County. Public transit services are available to the general public, elderly and disabled, and children riding with an adult. FCRTA is responsible for the overall administrative and financial supervision of the general public operations, consisting of 23 subsystems. FCRTA was established as a joint powers agency in September 1979 by the 13 rural incorporated cities and the County of Fresno.

Fresno County is located in the central San Joaquin Valley and extends eastward into the Sierra Nevada mountain range and westward toward the Coast Range. The county is bordered by Madera and Merced Counties to the north, Kings and Tulare Counties to the south, Monterey and San Benito Counties to the west, and Inyo and Mono Counties to the east. Fresno County

was created in 1856 out of Mariposa, Merced, and Tulare Counties. The county derives its name from Fresno Creek. The word *Fresno* is a Spanish term for the ash trees that were found in abundance in the region. The county geographically is the sixth largest in the state, encompassing over 6,017 square miles with a land area of 5,963 square miles. The highest elevation is 14,248 feet at the summit of North Palisade, the third highest mountain in the Sierra Nevada range.

Fresno is the county seat and largest city. Other incorporated cities, in order of population, are Clovis, Sanger, Reedley, Selma, Parlier, Kerman, Coalinga, Kingsburg, Mendota, Orange Cove, Firebaugh, Huron, Fowler, and San Joaquin. The 15 incorporated cities account for nearly 82 percent of the county’s total population. Notable unincorporated communities and census-designated places include Auberry, Biola, Calwa, Cantua Creek, Caruthers, Centerville, Del Rey, Easton, Friant, Lanare, Laton, Malaga, Minkler, Raisin City, Riverdale, Shaver Lake, Squaw Valley, and Tranquility. Federally recognized Native American tribal entities in Fresno County include the Big Sandy Rancheria of Mono Indians of California, Cold Springs Rancheria of Mono Indians of California, and the Table Mountain Rancheria, composed of the Chukchansi band of Yokuts and the Monache tribe. A demographic snapshot of incorporated cities and the county is presented below in Table I-1:

**Table I-1
Fresno County Demographics**

City/Jurisdiction	2010 US Census Population	Change from 2000 US Census	Population 65 years & older	Land area (in square miles)
Clovis	95,631	39.7%	10.6%	23.28
Coalinga	13,380	14.7%	7.9%	6.12
Firebaugh	7,549	31.4%	6.5%	3.46
Fowler	5,570	40.0%	10.0%	2.53
Fresno (<i>county seat</i>)	494,665	15.7%	9.3%	111.96
Huron	6,754	7.1%	4.9%	1.59
Kerman	13,544	58.4%	7.2%	3.23
Kingsburg	11,382	23.7%	12.8%	2.83
Mendota	11,014	39.6%	4.7%	3.28
Orange Cove	9,078	17.6%	5.7%	1.91
Parlier	14,494	30.0%	5.5%	2.19
Reedley	24,194	16.6%	9.5%	5.08
Sanger	24,270	28.2%	9.4%	5.52
San Joaquin	4,001	22.4%	4.4%	1.15
Selma	23,219	19.4%	9.9%	5.14
Unincorporated Area	171,705	18.5%	13.7%	5,778.72
Fresno County (Co. Total)	930,450	16.4%	10.0%	5,957.99

Source: 2010 U.S. Census

The county and its incorporated cities saw significant growth between the 2000 and 2010 US Census. Kerman experienced the highest percentage increase in population followed by Fowler, Clovis, and Mendota. The senior citizen population, comprising residents aged 65 and over, is 10

percent countywide. The 2016 population for Fresno County is estimated to be 984,541 as reported by the California Department of Finance.

System Characteristics

During the audit period, FCRTA was composed of 23 general public demand-response and intercity deviated fixed-route subsystems throughout Fresno County and parts of Kings and Tulare Counties. Three subsystems (Coalinga, Kerman, and Reedley) designate municipal staff to provide drivers, dispatchers, accounting, and supervision. Two other subsystems, Dinuba Connection and Laton Transit, operate under contract with the City of Dinuba and Kings Area Rural Transit (KART), respectively. The remaining 18 subsystems operate under private nonprofit contracts with the Fresno Economic Opportunities Commission (FEOC) as the co-designated Rural Consolidated Transportation Service Agency (Rural CTSA).

Sixteen FCRTA subsystems are operated as “real time” demand-responsive services. The only exception is the Rural Transit subsystem, which requires 24 hours in advance reservations. Pursuant to the Americans with Disabilities Act (ADA), each fixed-route service may deviate from its specific route on a demand-responsive basis up to a three-quarter mile in either direction to accommodate disabled passengers.

FCRTA service days and hours of operation vary according to subsystem. Most services generally operate Monday through Friday between the hours of 7:00 a.m. and 5:30 p.m. with limited service on Saturdays. Transit services do not operate on Sundays and major holidays with the exception of the National Park shuttles. Each subsystem generally adheres to the local city’s holiday schedule which may include: New Year’s Day, Martin Luther King Jr. Day, Lincoln’s Birthday, Presidents’ Day, Cesar Chavez Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving Day, day after Thanksgiving, Christmas Eve (afternoon), Christmas Day, and New Year’s Eve (afternoon).

A summary of FCRTA’s services is presented in Table I-2:

**Table I-2
FCRTA Services**

FCRTA Subsystem	Service Type	Frequency/Operation	Destinations/Timepoints
Auberry Transit Intercommunity Service	Demand Response	Monday thru Friday 8:00 a.m. to 3:00 p.m.	<ul style="list-style-type: none"> ▪ Adler Springs ▪ Auberry ▪ New Auberry ▪ Big Sandy Indian Rancheria ▪ Burrough Valley ▪ Cold Springs Indian Rancheria ▪ Friant ▪ Prather ▪ Tollhouse
<i>Intercity Service</i>	24-Hour Prior	Tuesday	<ul style="list-style-type: none"> ▪ Table Mountain

FCRTA Subsystem	Service Type	Frequency/Operation	Destinations/Timepoints
	Reservation Demand Response	8:00 a.m. to 5:00 p.m.	Rancheria ▪ Fresno-Clovis Metropolitan Area
Coalinga Transit <i>Intracity Service</i>	Demand Response	Monday thru Friday 8:00 a.m. to 5:00 p.m.	▪ Coalinga Sphere of Influence
<i>Intercity Service</i>	Fixed Route with Route Deviation	Monday thru Saturday One Round Trip 8:00 a.m. to 6:15 p.m.	▪ Coalinga ▪ Huron ▪ Five Points ▪ Lanare ▪ Riverdale ▪ Caruthers ▪ Raisin City ▪ Easton ▪ Fresno
Del Rey Transit <i>Intracity Service & Intercommunity Service</i>	Demand Response	Monday thru Friday Four Round Trips 8:00 a.m. to 5:00 p.m.	▪ Del Rey ▪ Sanger
Dinuba Transit (Dinuba Connection) <i>Intercounty Community Service</i>	Fixed Route	Monday thru Friday 14 Round Trips 7:00 a.m. to 9:00 p.m.	▪ Dinuba ▪ Reedley
Firebaugh Transit <i>Intracity Service</i>	Demand Response	Monday thru Friday 7:00 a.m. to 5:30 p.m.	▪ Firebaugh Sphere of Influence
<i>Intercity Service</i>	Fixed Route with Route Deviation	Monday thru Friday 10 Round Trips 7:00 a.m. to 5:30 p.m.	▪ Firebaugh ▪ Mendota
<i>Intercity Service on Westside Transit</i>	Fixed Route with Route Deviation	Monday thru Friday Two Round Trips 7:00 a.m. to 5:30 p.m.	▪ Firebaugh ▪ Mendota ▪ Kerman ▪ San Joaquin ▪ Cantua Creek ▪ El Porvenir ▪ Half Way ▪ Tranquility ▪ Three Rocks ▪ Fresno
Fowler Transit <i>Intracity Service</i>	Demand Response	Monday thru Friday 7:00 a.m. to 5:30 p.m.	▪ Fowler Sphere of Influence
<i>Intercity Service on Southeast Transit</i>	Fixed Route with Route Deviation	Monday thru Friday Three Round Trips 7:00 a.m. to 5:30 p.m.	▪ Kingsburg ▪ Selma ▪ Fowler ▪ Fresno
Huron Transit	Demand Response	Monday thru Friday	▪ Huron Sphere of

FCRTA Subsystem	Service Type	Frequency/Operation	Destinations/Timepoints
<i>Intracity Service</i>		6:00 a.m. to 6:00 p.m.	Influence
<i>Intercity Service</i>	Fixed Route with Route Deviation	Monday thru Friday Seven Round Trips 9:00 a.m. to 5:00 p.m.	<ul style="list-style-type: none"> ▪ Huron ▪ Harris Ranch ▪ I-5/SR 198 Interchange ▪ West Hills College ▪ Coalinga
<i>Intercity Service on Coalinga Transit</i>	Fixed Route with Route Deviation	Monday thru Saturday One Round Trip 8:00 a.m. to 6:15 p.m.	<ul style="list-style-type: none"> ▪ Coalinga ▪ Huron ▪ Five Points ▪ Lanare ▪ Riverdale ▪ Caruthers ▪ Raisin City ▪ Easton ▪ Fresno
Kerman Transit <i>Intracity Service</i>	Demand Response	Monday thru Saturday 7:00 a.m. to 4:00 p.m.	<ul style="list-style-type: none"> ▪ Kerman Sphere of Influence
<i>Intercity Service on Westside Transit</i>	Fixed Route with Route Deviation	Monday thru Friday Two Round Trips 7:00 a.m. to 5:30 p.m.	<ul style="list-style-type: none"> ▪ Firebaugh ▪ Mendota ▪ Kerman ▪ San Joaquin ▪ Cantua Creek ▪ El Porvenir ▪ Half Way ▪ Tranquility ▪ Three Rocks ▪ Fresno
Kingsburg Transit <i>Intracity Service</i>	Demand Response	Monday thru Friday 7:00 a.m. to 5:30 p.m. Saturday 8:00 a.m. to 5:00 p.m.	<ul style="list-style-type: none"> ▪ Kingsburg Sphere of Influence
<i>Intercity Service on Southeast Transit</i>	Fixed Route with Route Deviation	Monday thru Friday Three Round Trips 7:00 a.m. to 5:30 p.m.	<ul style="list-style-type: none"> ▪ Kingsburg ▪ Selma ▪ Fowler ▪ Fresno
Lanare Transit <i>Intracity Service (Demonstration Service)</i>	Demand Response & Fixed Route	Monday thru Friday Multiple Round Trips 8:00 a.m. to 5:00 p.m.	<ul style="list-style-type: none"> ▪ Five Points ▪ Lanare ▪ Riverdale ▪ Laton
<i>Intercity Service on Coalinga Transit</i>	Fixed Route with Route Deviation	Monday thru Saturday One Round Trip 8:00 a.m. to 6:15 p.m.	<ul style="list-style-type: none"> ▪ Coalinga ▪ Huron ▪ Five Points ▪ Lanare ▪ Riverdale

FCRTA Subsystem	Service Type	Frequency/Operation	Destinations/Timepoints
			<ul style="list-style-type: none"> ▪ Caruthers ▪ Raisin City ▪ Easton ▪ Fresno
<i>Intercity Service on Kings Area Rural Transit</i>	Fixed Route	Monday thru Friday One Round Trip 9:00 a.m. to 4:15 p.m.	<ul style="list-style-type: none"> ▪ Hanford ▪ Laton ▪ Selma ▪ Fresno
Laton Transit <i>(in conjunction with Kings Area Rural Transit)</i> <i>Intercounty Service</i>	Fixed Route	Monday thru Friday One Round Trip 9:20 a.m. to 2:40 p.m.	<ul style="list-style-type: none"> ▪ Laton ▪ Hardwick ▪ Grangeville ▪ Hanford
<i>Intercounty Service</i>	Fixed Route	Monday thru Friday One Round Trip 9:00 a.m. to 4:15 p.m.	<ul style="list-style-type: none"> ▪ Hanford ▪ Laton ▪ Selma ▪ Fresno
Mendota Transit <i>Intracity Service</i>	Demand Response	Monday thru Friday 7:00 a.m. to 5:30 p.m.	<ul style="list-style-type: none"> ▪ Mendota Sphere of Influence
<i>Intercity Service</i>	Fixed Route with Route Deviation	Monday thru Friday 10 Round Trips 7:00 a.m. to 5:30 p.m.	<ul style="list-style-type: none"> ▪ Firebaugh ▪ Mendota
<i>Intercity Service on Westside Transit</i>	Fixed Route with Route Deviation	Monday thru Friday Two Round Trips 7:00 a.m. to 5:30 p.m.	<ul style="list-style-type: none"> ▪ Firebaugh ▪ Mendota ▪ Kerman ▪ San Joaquin ▪ Cantua Creek ▪ El Porvenir ▪ Half Way ▪ Tranquility ▪ Three Rocks ▪ Fresno
Orange Cove Transit <i>Intracity Service</i>	Demand Response	Monday thru Friday 7:00 a.m. to 5:30 p.m.	<ul style="list-style-type: none"> ▪ Orange Cove Sphere of Influence
<i>Intercity Service</i>	Fixed Route with Route Deviation	Monday thru Friday Two Round Trips 7:00 a.m. to 5:30 p.m.	<ul style="list-style-type: none"> ▪ Orange Cove ▪ Reedley ▪ Parlier ▪ Sanger ▪ Fresno
Parlier Transit <i>Intracity Service</i>	Demand Response	Monday thru Friday 7:00 a.m. to 4:00 p.m.	<ul style="list-style-type: none"> ▪ Parlier Sphere of Influence
<i>Intercity Service on Orange Cove Transit</i>	Fixed Route with Route Deviation	Monday thru Friday Two Round Trips 7:00 a.m. to 5:30 p.m.	<ul style="list-style-type: none"> ▪ Orange Cove ▪ Reedley ▪ Parlier ▪ Sanger ▪ Fresno
Reedley Transit	Demand Response	Monday thru Friday	<ul style="list-style-type: none"> ▪ Reedley Sphere of

FCRTA Subsystem	Service Type	Frequency/Operation	Destinations/Timepoints
<i>Intracity Service</i>		7:00 a.m. to 5:30 p.m. Saturday 8:00 a.m. to 5:00 p.m.	Influence
<i>Intercity Service on Orange Cove Transit</i>	Fixed Route with Route Deviation	Monday thru Friday Two Round Trips 7:00 a.m. to 5:30 p.m.	<ul style="list-style-type: none"> ▪ Orange Cove ▪ Reedley ▪ Parlier ▪ Sanger ▪ Fresno
Rural Transit <i>Intercity Service</i> <i>Intercommunity Service</i>	Demand Response – 24 hour prior reservation	Monday thru Friday 8:00 a.m. to 5:00 p.m.	<ul style="list-style-type: none"> ▪ Beyond existing city service areas - Remote areas of Fresno County
Sanger Transit <i>Intracity</i> <i>Demand Response</i>	Demand Response	Monday thru Saturday 7:00 a.m. to 5:30 p.m.	<ul style="list-style-type: none"> ▪ Sanger Sphere of Influence
<i>Intercity Service (Demonstration Service)</i>	Fixed Route with Route Deviation	Monday thru Friday Nine Round Trips 6:45 a.m. to 4:45 p.m.	<ul style="list-style-type: none"> ▪ Sanger ▪ Parlier ▪ Reedley
<i>Intercity Service on Orange Cove Transit</i>	Fixed Route with Route Deviation	Monday thru Friday Two Round Trips 7:00 a.m. to 5:30 p.m.	<ul style="list-style-type: none"> ▪ Orange Cove ▪ Reedley ▪ Parlier ▪ Sanger ▪ Fresno
San Joaquin Transit <i>Intracity Service & Intercommunity Service</i>	Demand Response	Monday thru Friday 7:00 am. to 5:30 p.m.	<ul style="list-style-type: none"> ▪ San Joaquin Sphere of Influence
<i>Intercity Service on Westside Transit</i>	Fixed Route with Route Deviation	Monday thru Friday Two Round Trips 7:00 a.m. to 5:30 p.m.	<ul style="list-style-type: none"> ▪ Firebaugh ▪ Mendota ▪ Kerman ▪ San Joaquin ▪ Cantua Creek ▪ El Porvenir ▪ Half Way ▪ Tranquility ▪ Three Rocks ▪ Fresno
Selma Transit <i>Intracity Service</i>	Demand Response	Monday thru Friday 7:00 a.m. to 5:30 p.m.	<ul style="list-style-type: none"> ▪ Selma Sphere of Influence
<i>Intercity Service on Southeast Transit</i>	Fixed Route with Route Deviation	Monday thru Friday Three Round Trips 7:00 a.m. to 5:30 p.m.	<ul style="list-style-type: none"> ▪ Kingsburg ▪ Selma ▪ Fowler ▪ Fresno
Sequoia-Kings Canyon (Big Trees Transit) -	Fixed Route with prior reservation	Daily (from Memorial Day Weekend through	<ul style="list-style-type: none"> ▪ Kings Canyon National Park

FCRTA Subsystem	Service Type	Frequency/Operation	Destinations/Timepoints
Yosemite Transit <i>Sequoia – Kings Canyon Intercity Service (National Park)</i>		Labor Day) Four Round Trips 7:00 a.m. to 7:34 p.m.	<ul style="list-style-type: none"> ▪ Squaw Valley ▪ Sanger ▪ Fresno-Clovis Metropolitan Area
<i>Yosemite Intercity Service (National Park)</i>	Fixed Route with prior reservation	Daily (Year-around) Five Round Trips 6:00 a.m. to 8:00 p.m.	<ul style="list-style-type: none"> ▪ Fresno ▪ State Route 41 ▪ Yosemite National Park
Shuttle Transit <i>Intracity Service</i>	Demand Response with prior reservation	Monday thru Saturday Meets arriving & departing Inter-City Services 7:30 a.m. to 4:45 p.m.	<ul style="list-style-type: none"> ▪ Fresno-Clovis Metropolitan Area
Southeast Transit <i>Intercity Service</i>	Fixed Route with Route Deviation	Monday thru Friday Three Round Trips 7:00 a.m. to 5:30 p.m.	<ul style="list-style-type: none"> ▪ Kingsburg ▪ Selma ▪ Fowler ▪ Fresno
Westside Transit <i>Intercity Service</i>	Fixed Route with Route Deviation	Monday through Friday Two Round Trips 7:00 a.m. to 5:30 p.m.	<ul style="list-style-type: none"> ▪ Firebaugh ▪ Mendota ▪ Kerman ▪ San Joaquin ▪ Cantua Creek ▪ El Porvenir ▪ Half Way ▪ Tranquility ▪ Three Rocks ▪ Fresno

Source: Fresno COG's FCRTA Short Range Transit Plan for Rural Fresno County

Fares

FCRTA's fares are structured according to subsystem, passenger category, and fare media. Intracity fares range between \$0.75 and \$1.25 for the general public. For seniors aged 60 and older, persons with disabilities, and accompanied children, fares range from \$0.50 to \$1.25 per one-way trip. Intercity fares are generally set at half the amount granted to common carriers by the PUC and range from \$0.75 to \$6.50 per one-way trip according to the distance traveled. Fares on the Sequoia-Kings Canyon and Yosemite National Park shuttles range from \$15.00 to \$30.00 round trip and include park entrance fees.

Fleet

FCRTA's revenue fleet is made up of 78 vehicles, including a number of vehicles that operate on alternative fuels. There are 34 vehicles that use compressed natural gas (CNG). The remaining 44 vehicles operate on gasoline only because no conversion kits were approved by the California Air Resources Board. Of this fleet, FCRTA operates two Ford service trucks as support vehicles.

All vehicles are owned by FCRTA and equipped with wheelchair lifts in accordance with ADA requirements as well as bicycle and parcel racks. Table I-3 summarizes the FCRTA fleet inventory:

**Table I-3
FCRTA Fleet Inventory**

Year	Make & Model	Quantity	Fuel Type	Seating Capacity	Wheelchair Capacity
2006	John Deere Bluebird	3	CNG	37	2
2007	John Deere Bluebird	4	CNG	37	2
2008	GMC – Glaval Cut-Away	12	CNG	22	2
2009	GMC – Glaval Cut-Away	15	CNG	22	2
2009	Chevrolet Mini-van	4	Unleaded	5	2
2013	Arboc (Chevrolet) – Type 1 Cut-Away	2	Unleaded	9-13	1-3
2013	Arboc (Chevrolet) – Type 2 Cut-Away	30	Unleaded	13-17	1-3
2013	Arboc (Chevrolet) – Type 3 Cut-Away	4	Unleaded	9-13	1-2
2013	Arboc (Chevrolet) – Type 4 Cut-Away	2	Unleaded	4-9	4-6
2014	Ford 4-Wheel Drive Van	2	Unleaded	9	2
Total		78			

Source: FY 2015 Fresno COG's FCRTA Short Range Transit Plan for Rural Fresno County

Section II

Operator Compliance Requirements

This section contains the analysis of FCRTA’s ability to comply with state requirements for continued receipt of TDA funds. The evaluation uses the guidebook, *Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Agencies, September 2008* (third edition), which was developed by Caltrans to assess transit operators. The guidebook contains a checklist of 11 measures taken from relevant sections of the PUC and the California Code of Regulations. Each of these requirements is discussed in the table below, including a description of the system’s efforts to comply with the requirements. In addition, the findings from the compliance review are described in the text following the table.

TABLE II-1 Operator Compliance Requirements Matrix		
Operator Compliance Requirements	Reference	Compliance Efforts
The transit operator submitted annual reports to the RTPA based upon the Uniform System of Accounts and Records established by the State Controller. Report is due ninety (90) days after end of fiscal year (Sept. 30), or one-hundred eleven (110) days (Oct. 20) if filed electronically (internet).	Public Utilities Code, Section 99243	Completion/submittal dates (internet filing): FY 2012–13: October 18, 2013 FY 2013–14: November 10, 2014 FY 2014–15: October 16, 2015 The FY 2013–14 Transit Operators Financial Transactions Report was submitted after the statutory deadline. Conclusion: Partial Compliance
The operator has submitted annual fiscal and compliance audits to the RTPA and to the State Controller within one-hundred eighty (180) days following the end of the fiscal year (Dec. 27), or has received the appropriate ninety (90) day extension by the RTPA allowed by law.	Public Utilities Code, Section 99245	Completion/submittal dates: FY 2012–13: February 19, 2014 FY 2013–14: February 11, 2015 FY 2014–15: February 8, 2016 A 90-day extension was granted by Fresno COG as allowed by the TDA statute. Conclusion: Complied

TABLE II-1 Operator Compliance Requirements Matrix		
Operator Compliance Requirements	Reference	Compliance Efforts
<p>The CHP has, within the thirteen (13) months prior to each TDA claim submitted by an operator, certified the operator’s compliance with Vehicle Code Section 1808.1 following a CHP inspection of the operator’s terminal.</p>	<p>Public Utilities Code, Section 99251 B</p>	<p>FCRTA participates in the California Highway Patrol (CHP) Transit Operator Compliance Program in which the CHP has conducted inspections within the 13 months prior to each TDA claim. Copies of certificates are attached to TDA claims. Copies of certificates were also submitted to the auditor for review.</p> <p>Inspections were conducted at the maintenance contractor’s facility in Fresno.</p> <p>Inspection dates applicable to the audit period were February 25–26 & March 1, 2013; April 9–10, 14, 21, 2014; March 17, 23, & April 1–2, 2015.</p> <p>Inspections were rated “satisfactory” by the CHP.</p> <p>Conclusion: Complied</p>
<p>The operator’s claim for TDA funds is submitted in compliance with rules and regulations adopted by the RTPA for such claims.</p>	<p>Public Utilities Code, Section 99261</p>	<p>As a condition of approval, FCRTA’s annual claims for Local Transportation Funds (LTF) and State Transit Assistance (STA) are submitted in compliance with rules and regulations adopted by Fresno COG. COG staff assists the agency as necessary in completing the claim.</p> <p>Conclusion: Complied</p>

TABLE II-1 Operator Compliance Requirements Matrix		
Operator Compliance Requirements	Reference	Compliance Efforts
If an operator serves urbanized and non-urbanized areas, it has maintained a ratio of fare revenues to operating costs at least equal to the ratio determined by the rules and regulations adopted by the RTPA.	Public Utilities Code, Section 99270.1	FCRTA only serves non-urbanized areas and is not subject to this requirement. Conclusion: Not Applicable
The operator’s operating budget has not increased by more than fifteen (15%) over the preceding year, nor is there a substantial increase or decrease in the scope of operations or capital budget provisions for major new fixed facilities unless the operator has reasonably supported and substantiated the change(s).	Public Utilities Code, Section 99266	Percentage increase in FCRTA’s operating budget: FY 2012–13: +1.8% FY 2013–14: -6.2% FY 2014–15: +21.1% The change in the FY 2014–15 budget is attributed to increases in contract and maintenance costs, communications (telephone and dispatching), casualty and liability insurance claims, and office expenses. Source: FY 2011–12 – FY 2014–15 FCRTA budgets. Conclusion: Complied
The operator’s definitions of performance measures are consistent with Public Utilities Code Section 99247, including (a) operating cost, (b) operating cost per passenger, (c) operating cost per vehicle service hour, (d) passengers per vehicle service hour, (e) passengers per vehicle service mile, (f) total passengers, (g) transit	Public Utilities Code, Section 99247	FCRTA’s definition of performance measures is consistent with PUC Section 99247. Conclusion: Complied

TABLE II-1 Operator Compliance Requirements Matrix		
Operator Compliance Requirements	Reference	Compliance Efforts
vehicle, (h) vehicle service hours, (i) vehicle service miles, and (j) vehicle service hours per employee.		
If the operator serves an urbanized area, it has maintained a ratio of fare revenues to operating costs at least equal to one-fifth or twenty percent (20 %), unless it is in a county with a population of less than five hundred thousand (500,000), in which case it must maintain a ratio of fare revenues to operating costs of at least equal to three-twentieths or fifteen percent (15 %), if so determined by the RTPA.	Public Utilities Code, Sections 99268.2, 99268.3, 99268.12, 99270.1.	This measure is not applicable to FCRTA, as it does not serve an urbanized area. Conclusion: Not Applicable
If the operator serves a rural area, it has maintained a ratio of fare revenues to operating costs at least equal to one-tenth or ten percent (10 %).	Public Utilities Code, Sections 99268.2, 99268.4, & 99268.5	The system’s fare ratios using audited data are as follows: FY 2012–13: 12.56% FY 2013–14: 13.20% FY 2014–15: 11.80% Source: FY 2012–13, 2013–14, and 2014–15 Annual Fiscal and Compliance Audits Conclusion: Complied
The current cost of the operator’s retirement system is fully funded with respect to the officers and employees of its public transportation system, or the operator is	Public Utilities Code, Section 99271	FCRTA has an interagency agreement with Fresno COG to participate in the COG’s defined contribution plan. Conclusion: Complied

TABLE II-1 Operator Compliance Requirements Matrix		
Operator Compliance Requirements	Reference	Compliance Efforts
implementing a plan approved by the RTPA which will fully fund the retirement system within forty (40) years.		
If the operator receives State Transit Assistance Funds, the operator makes full use of funds available to it under the Urban Mass Transportation Act of 1964 before TDA claims are granted.	California Code of Regulations, Section 6754(a)(3)	<p>As a recipient of STA funds, FCRTA is making full use of federal funds available under the Urban Mass Transportation Act of 1964 as amended.</p> <p>FY 2012–13: \$1,004,899 FY 2013–14: \$1,852,452 FY 2014–15: \$1,682,788</p> <p>Source: FY 2012–13, 2013–14, and 2014–15 Annual Fiscal and Compliance Audits</p> <p>Conclusion: Complied</p>

Findings and Observations from Operator Compliance Requirements Matrix

1. Of the compliance requirements pertaining to FCRTA, the operator fully complied with eight of the nine applicable requirements. The operator was in partial compliance with regard to the timely submittal of its Transit Operators Financial Transactions Report to the State Controller. Two additional compliance requirements are not applicable to FCRTA (i.e., intermediate farebox recovery ratio under PUC 99270.1, and urbanized area farebox recovery ratio).
2. Through its contract maintenance provider, FCRTA participates in the CHP Transit Operator Compliance Program in which the CHP has conducted inspections within the 13 months prior to each TDA claim. The CHP inspection reports submitted for review were found to be satisfactory. For one of the inspections, the CHP inspector chose to review all vehicles rather than a random selection, and found each vehicle to meet inspection standards. This also includes satisfaction with driver inspection records and fleet service records.
3. FCRTA’s operating budget exhibited modest fluctuations during the audit period, with the exception of the FY 2014–15 budget. The budget increased 1.8 percent in FY 2012–13 and

decreased 6.2 percent in FY 2013–14. The budget increased 21.1 percent in FY 2014–15 due to maintenance costs, communications (telephone and dispatching), casualty and liability insurance claims, and office expenses, some of which were uncontrollable expenses caused by inflationary factors. According to the budget, indirect benefits costs, including health care costs, continued to increase, while liability and comprehensive insurance rates were programmed for significant increases. FCRTA stabilized insurance rates through locking in a lower rate for two years based on its positive rating and lack of claims. FCRTA also negotiated a contract with City of Fresno for vehicle maintenance to stabilize maintenance cost increases that were occurring with the previous vendor.

4. Based on the available data from the Annual Fiscal and Compliance Audits, the agency's farebox recovery ratio remained above the required 10 percent during the review period. The average farebox during the triennial period was 12.52 percent. New state legislation (Senate Bill [SB] 508) described in the last section of this audit makes adjustments to the farebox ratio moving forward, which could benefit FCRTA.

Section III

Prior Triennial Performance Recommendations

FCRTA's efforts to implement the recommendations made in the prior triennial audit are examined in this section of the report. For this purpose, each prior recommendation for the agency is described, followed by a discussion of the agency's efforts to implement the recommendation. Conclusions concerning the extent to which the recommendations have been adopted by the agency are then presented.

Prior Recommendation 1

Review and adjust full-time equivalent data shown in the annual State Controller Transit Operators Report.

Actions taken by FCRTA:

Background: The prior audit noted that the full time equivalent (FTE) data contained in the Transit Operators Financial Transactions Report submitted to the State Controller appeared static. The FTE figure of 46 system-wide was reported for each year despite fluctuations in service, including decreases in vehicle service hours and miles during the prior audit period. It was suggested that FCRTA verify that the proper calculation of FTEs to meet the TDA definition is the sum of all labor hours expended on transit and dividing the figure by 2,000 annual hours. Employee hours would include those from each subsystem (whether city staff or FEOC) and FCRTA personnel responsible for administering the transit system. In addition, the calculation would also include the hours expended by the maintenance contractor in servicing FCRTA vehicles. Per this recommendation, labor hours allocated to the transit system would be tracked and tabulated using the proper formula contained in the TDA statute. Regular reporting of FTEs would result in better responsiveness to TDA requirements.

Action: The prior general manager for FCRTA confirmed the change in method to correctly calculate FTEs. In prior State Controller reports, maintenance labor contracted with other providers was not included in the total FTEs. During the three-year audit period, the methodology was revised to reflect all employees including drivers, dispatchers, maintenance contract personnel, CNG pump technicians, vehicle detailers, and FEOC/FCRTA administration, and using the basis of 2,000 hours per FTE. FTE data reported for fixed route and demand response during FYs 2012–13 and 2013–14 were both 12 and 44 employees, respectively. For the FY 2014–15 report, the FTE data reported were 15 for fixed route and 51 for demand response.

Conclusion:

This recommendation has been implemented.

Prior Recommendation 2

Work with local municipalities to have bilingual inserts marketing FCRTA services included in community publications and mailings.

Actions taken by FCRTA:

Background: FCRTA has been seeking cost-effective ways to market its transit services. The placement of advertisements in local telephone directories had been a primary advertising method, which had become cost-prohibitive. The prior audit suggested, as an alternative approach, that FCRTA could work with each community served by a FCRTA subsystem and have FCRTA marketing collateral inserted into local community publications (e.g., recreation and senior resource guides) as well as utility billing inserts mailed to residents. The billing inserts and community publications could reach a wider and more “captive” audience and show the relationships between each community and FCRTA services.

Action: During the audit period, FCRTA discontinued advertising in the local Yellow Pages phone directories. The agency does utilize flyers printed in English and Spanish as well as utility billing inserts to promote its transit services or service changes. In addition, the agency has continued to address the availability of its marketing materials in multiple languages to ensure awareness of each facet of its general public transit services.

Conclusion:

This recommendation has been implemented.

Prior Recommendation 3

Develop a travel training program.

Actions taken by FCRTA:

Background: With challenges serving rural populations throughout the county, the prior audit suggested that FCRTA embark on developing a travel training program that would provide transit education and training for residents in the service area. FCRTA indicated that grant funding could help fund this program. This initiative would involve working with each community, as well as with the transit contractors and city staff that operate their respective services, in the recruitment of local volunteer ambassadors to assist riders with trip planning, taking the bus, and answering questions. Ambassadors would complement the bus drivers, who also build rapport with the passengers. Given FCRTA’s responsiveness to the community through the provision of new demonstration services as a result of unmet needs, a travel training program could help develop the ridership during the demonstration period while maintaining and expanding ridership on existing services.

Action: From September 2013 through February 2014, FCRTA conducted mobility training that was funded by a \$40,000 Federal Transit Administration (FTA) grant matched by \$40,000 in local Measure C funding. A mobility training team composed of three travel training specialists visited the Fresno County communities of Auberry, Coalinga, Del Rey, Firebaugh, Fowler, Kerman, Kingsburg, Huron, Mendota, Orange Cove, Parlier, Reedley, Sanger, and Selma to make presentations, demonstrate how to access transit buses, and demonstrate mobility aids to senior groups, schools, and various social service agencies. The presentations included descriptions of all FCRTA transit services offered; connections to the City of Fresno’s Fresno Area Express (FAX) and Handy Ride services; applicable transit fares; boarding and alighting the bus; how to use demand-response service and fixed-route services; and how to use mobility aids.

FCRTA had previously contracted with a firm to prepare its route and schedule data to be accessible by Google Transit. FCRTA’s information is now included in the Google Transit search engine and on smartphone and table applications for the public.

In addition, FCRTA contracted with Paratransit, Inc. during the summer of 2014 to develop a volunteer Transit Ambassador Program to assist riders in successfully accessing its services and the connecting services of the other transit operators in Fresno County and adjacent counties. The program is conducted through FCOE and will continue to be replicated for other organizations in the service area.

Conclusion:

This recommendation has been implemented.

Section IV

TDA Performance Indicators

This section reviews FCRTA’s performance in providing transit service in an efficient and effective manner. TDA requires that at least five specific performance indicators be reported, which are contained in the following tables. Farebox is not one of the five specific indicators, but is a requirement for continued TDA funding. Therefore, farebox calculation is also included. Findings from the analysis are contained in the section following the tables and graphs, followed by the analysis.

Tables IV-1 through IV-3 provide the performance indicators for FCRTA system-wide, fixed-route, and demand-response service. The charts that follow depict the trends in the indicators. It is noted that the system-wide operating costs and fare revenues are based on audited figures from the financial statements. The annual fiscal audits do not provide a modal breakdown.

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

Performance Data and Indicators	Audit Period				% Change FY 2012-2015
	FY 2012	FY 2013	FY 2014	FY 2015	
Operating Cost	\$4,542,356	\$4,598,173	\$4,420,105	\$4,987,818	9.8%
Total Passengers	437,471	466,564	436,218	419,846	-4.0%
Vehicle Service Hours	63,374	67,756	65,268	69,155	9.1%
Vehicle Service Miles	897,008	952,347	889,306	942,469	5.1%
Employee FTEs	46	56	56	66	43.5%
Passenger Fares	\$562,192	\$577,599	\$583,598	\$588,693	4.7%
Operating Cost per Passenger	\$10.38	\$9.86	\$10.13	\$11.88	14.4%
Operating Cost per Vehicle Service Hour	\$71.68	\$67.86	\$67.72	\$72.13	0.6%
Operating Cost per Vehicle Service Mile	\$5.06	\$4.83	\$4.97	\$5.29	4.5%
Passengers per Vehicle Service Hour	6.9	6.9	6.7	6.1	-12.1%
Passengers per Vehicle Service Mile	0.49	0.49	0.49	0.45	-8.7%
Vehicle Service Hours per Employee	1,377.7	1,209.9	1,165.5	1,047.8	-23.9%
Average Fare per Passenger	\$1.29	\$1.24	\$1.34	\$1.40	9.1%
Fare Recovery Ratio	12.38%	12.56%	13.20%	11.80%	-4.6%

Source: Annual Fiscal & Compliance Audits; State Controller's Reports

**Table IV-2
FCRTA Fixed Route Performance Indicators**

Performance Data and Indicators	Audit Period				% Change FY 2012-2015
	FY 2012	FY 2013	FY 2014	FY 2015	
Total Passengers	86,155	125,531	102,650	109,354	26.9%
Vehicle Service Hours	12,186	16,933	13,299	19,153	57.2%
Vehicle Service Miles	268,582	363,979	294,003	394,455	46.9%
Employee FTEs	7	12	12	15	114.3%
Passengers per Vehicle Service Hour	7.1	7.4	7.7	5.7	-19.2%
Passengers per Vehicle Service Mile	0.32	0.34	0.35	0.28	-13.6%
Vehicle Service Hours per Employee	1,740.9	1,411.1	1,108.3	1,276.9	-26.7%

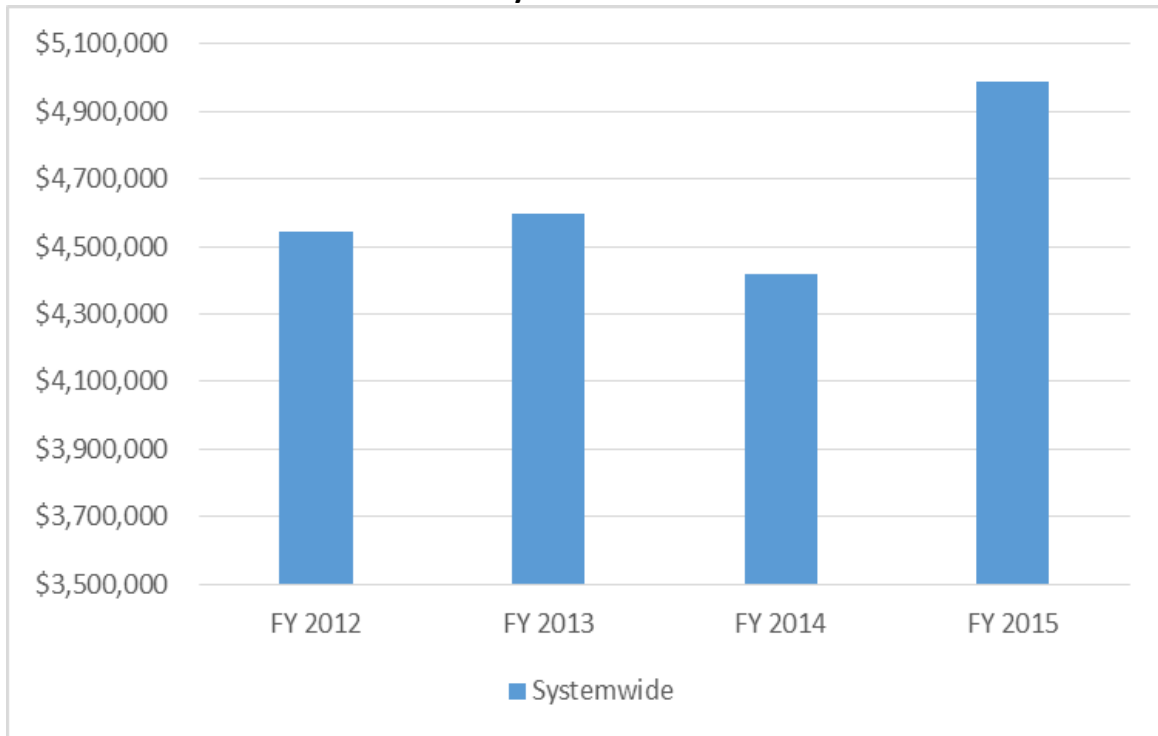
Source: State Controller's Reports

**Table IV-3
FCRTA Demand Response Performance Indicators**

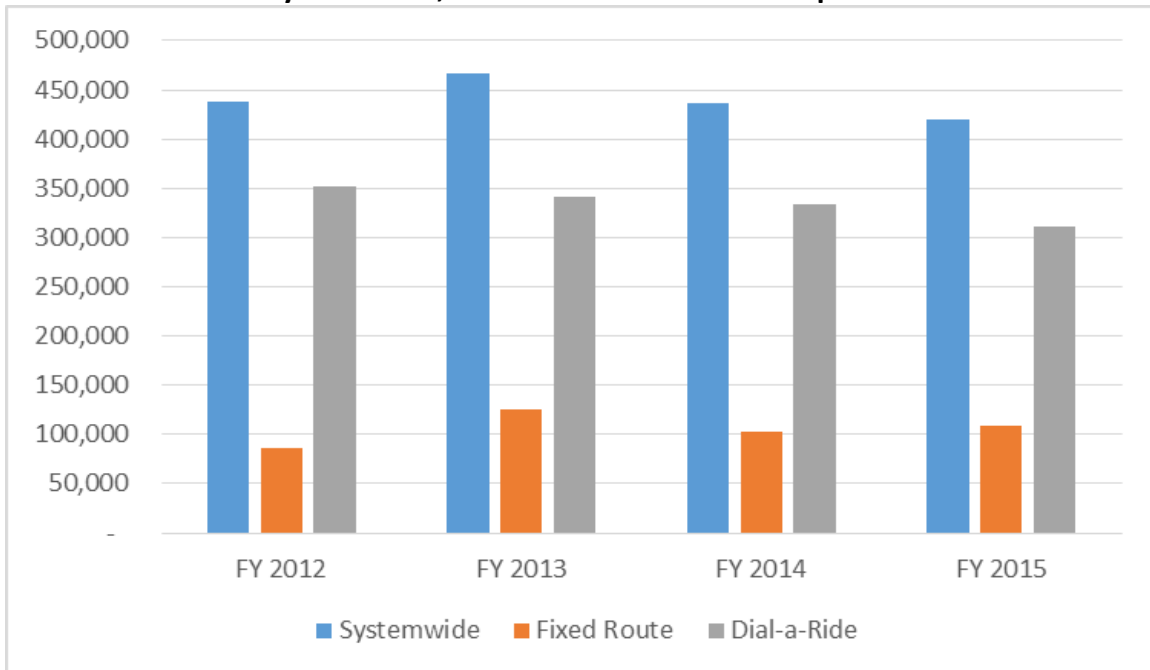
Performance Data and Indicators	Audit Period				% Change FY 2012-2015
	FY 2012	FY 2013	FY 2014	FY 2015	
Total Passengers	351,316	341,033	333,568	310,492	-11.6%
Vehicle Service Hours	51,188	50,823	51,969	50,002	-2.3%
Vehicle Service Miles	628,426	588,368	595,303	548,014	-12.8%
Employee FTEs	39	44	44	51	30.8%
Passengers per Vehicle Service Hour	6.9	6.7	6.4	6.2	-9.5%
Passengers per Vehicle Service Mile	0.56	0.58	0.56	0.57	1.3%
Vehicle Service Hours per Employee	1,312.5	1,155.1	1,181.1	980.4	-25.3%

Source: State Controller's Reports

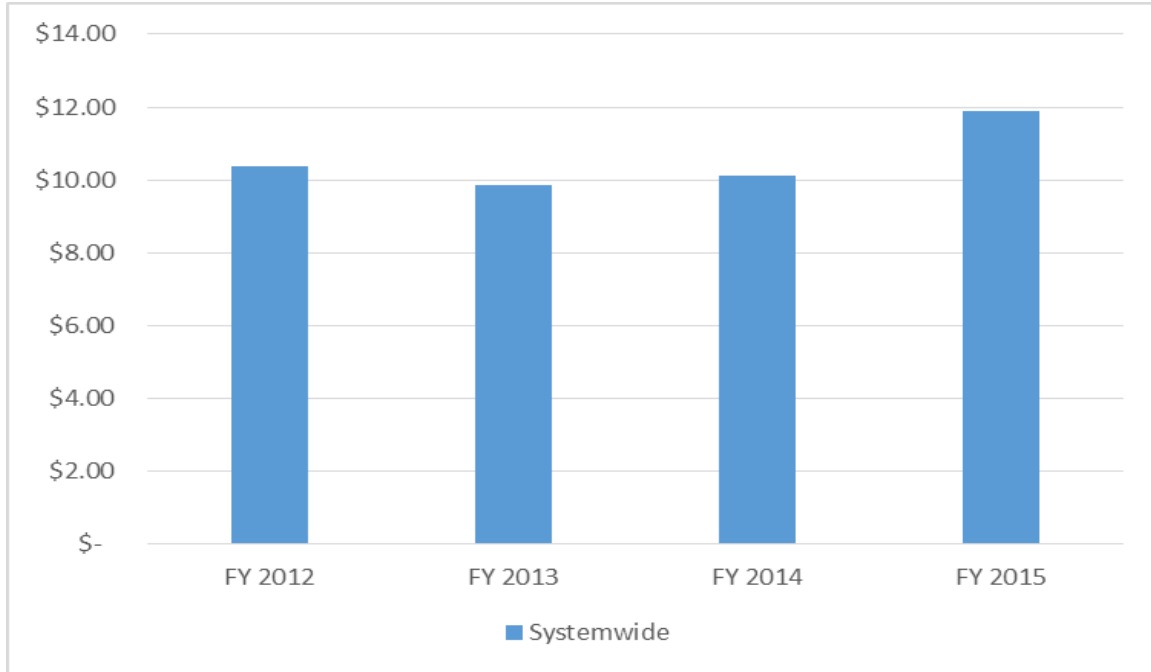
**Graph IV-1
Operating Costs
System-wide**



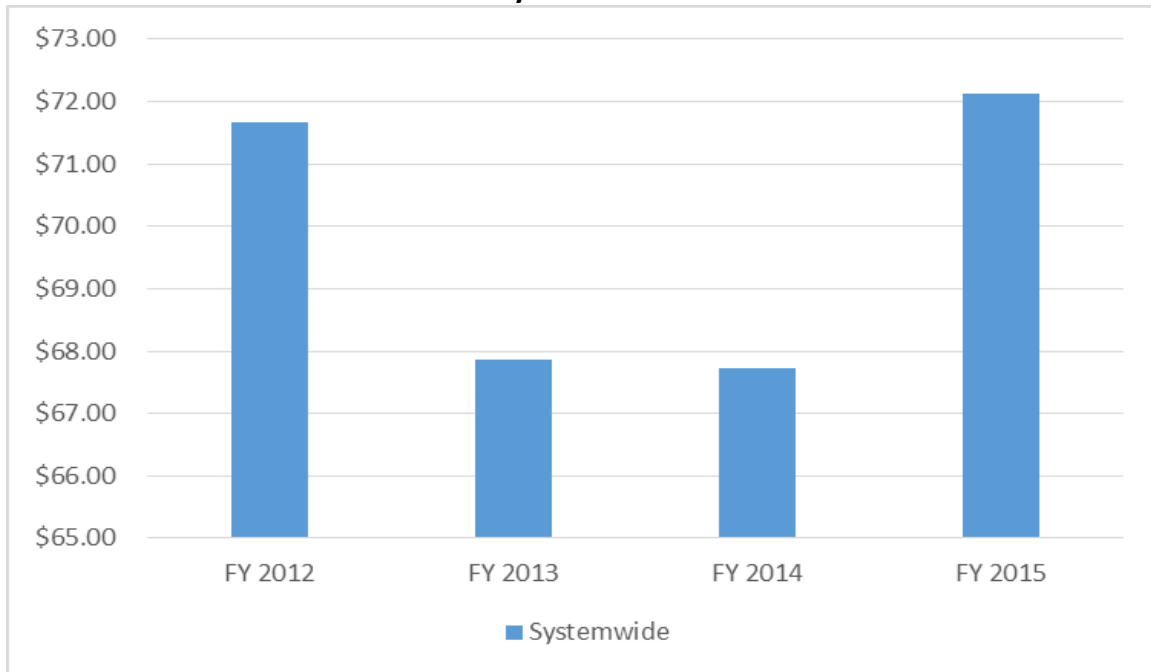
**Graph IV-2
Ridership
System-wide, Fixed-Route & Demand Response**



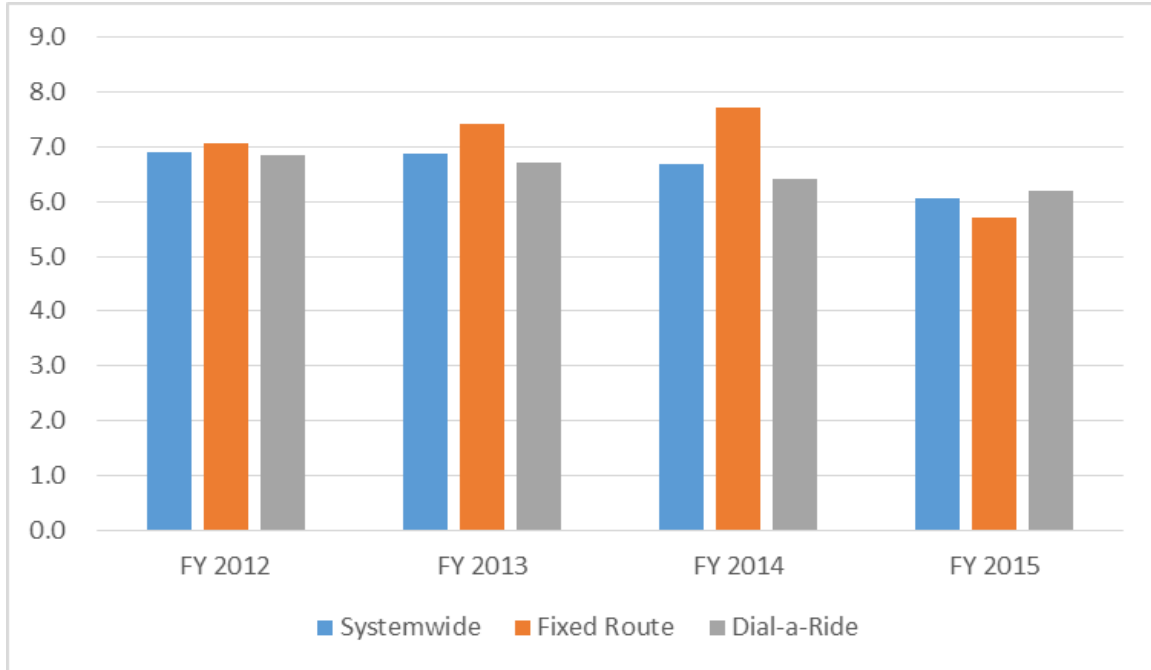
Graph IV-3
Operating Cost Per Passenger
System-wide



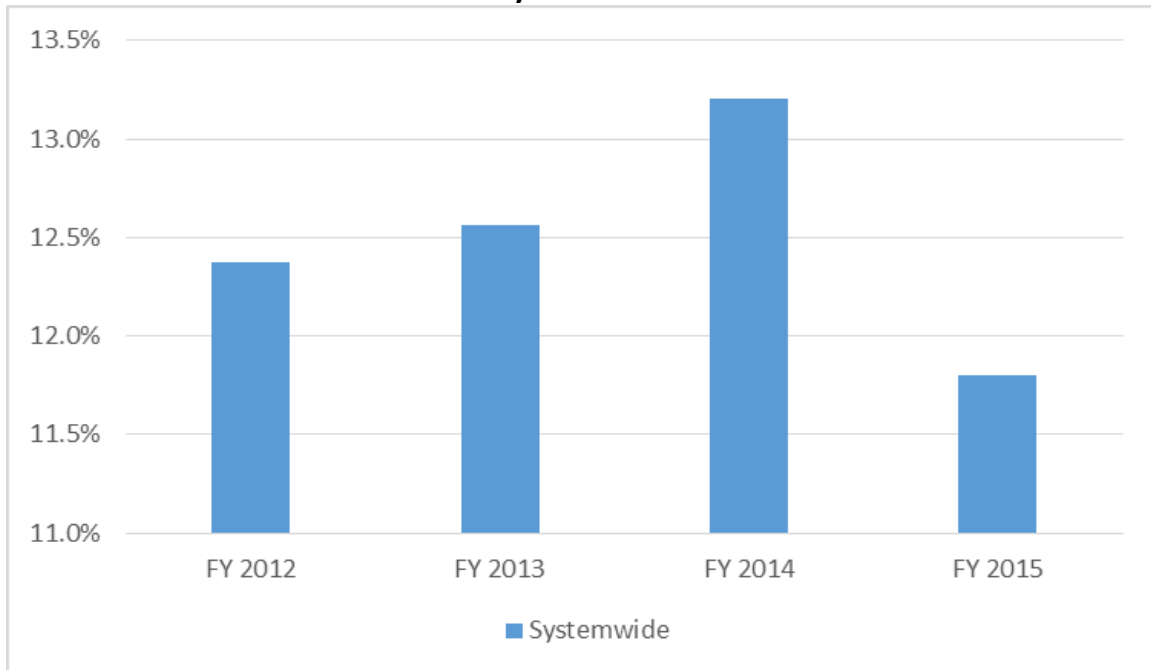
Graph IV-4
Operating Cost Per Vehicle Service Hour
System-wide



Graph IV-5
Passengers Per Vehicle Service Hour
System-wide, Fixed-Route & Demand Response



Graph IV-6
Fare Recovery Ratio
System-wide



Findings from Verification of TDA Performance Indicators

1. Operating costs system-wide increased by a modest 9.8 percent from the FY 2011–12 base fiscal year through FY 2014–15. Based upon the latest fiscal analysis, FCRTA’s largest expense is contracted purchased transportation which comprised 31 percent of operating costs, followed by maintenance at 16 percent and compensation at 11 percent. The increase in operating costs is attributed to maintenance, casualty and liability, and purchased transportation.
2. Ridership decreased 4 percent system-wide during the audit period. Fixed-route ridership increased 26.9 percent while demand-response ridership decreased 11.6 percent. Although ridership on fixed-route services was a fraction of that for demand response, there were increases of 45.7 percent in FY 2012–13 and 6.5 percent in FY 2014-15. Conversely, demand-response ridership declined between 2 and 7 percent annually for the three years.
3. The provision of revenue hours and miles exhibited modest increases system-wide during the audit period. Fixed route revenue hours increased 57.2 percent, while revenue miles increased by a comparable 46.9 percent. Demand response revenue hours and miles decreased 2.3 percent and 12.8 percent, respectively. System-wide, vehicle service hours increased 9.1 percent and vehicle service miles increased 5.1 percent. The increases in revenue hours and miles reflect changes in the subsystem services and other service efficiencies implemented during the period.
4. Operating cost per passenger, an indicator of cost effectiveness, increased 14.4 percent system-wide. The trend for this indicator reflects an increase in operating costs coupled with a decrease in passenger trips.
5. Operating cost per hour, an indicator of cost efficiency, increased marginally by 0.6 percent system-wide. The trends in this indicator show comparable increases in both operating costs and revenue service hours over the audit period.
6. Passengers per vehicle service hour, which measures the effectiveness of the service delivered, exhibited a decrease of 12.1 percent system-wide. Passengers per hour on fixed-route services decreased 19.2 percent. In contrast, passengers per hour on the demand-response services decreased by a modest 9.5 percent. System-wide, the number of passengers per service hour decreased from 6.9 passengers in FY 2011–12 to 6.1 passengers in FY 2014–15.
7. Vehicle service hours per employee declined as the number of FTEs were corrected for the audit years which increased the FTE count. As a result, the trend shows a decrease.
8. The fare recovery ratio over the past three years increased, then decreased based on audited data but remained above the TDA minimum requirement. Farebox decreased 4.6 percent from 12.38 percent in FY 2011–12 to 11.80 percent in FY 2014–15 due to higher operating costs. In contrast, audited passenger fare revenues increased 4.7 percent, from \$562,192 in FY 2011–12 to \$588,693 in FY 2014–15.

Section V

Review of Operator Functions

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

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

Within some departments are subfunctions that require review as well, such as grants administration, which is included with General Administration.

Operations

As Fresno County's primary rural intercity transit operator, FCRTA has continued to meet the needs of commuters and the transit dependent over an extensive and diverse service area. FCRTA saw notable changes in its operations, maintenance, and administration during the audit period. These changes included the retirement of the general manager, whose position was then appointed by the board to the operations manager. Additional changes include service expansion, a series of equipment and technology upgrades, and a new maintenance contractor.

Toward the end of the audit period, FCRTA was composed of 23 subsystems that included three new transit subsystems: Big Trees Transit, Lanare Transit, and Shuttle Transit. Big Trees Transit is a seasonal two-year demonstration service operating between Fresno, Sanger, and the Kings Canyon National Park, which is operated in conjunction with the City of Sanger and the National Park Service. The service was implemented in May 2015 and operates from Memorial Day weekend through Labor Day. In addition to the fixed route, FCRTA operates an in-park shuttle bus that serves seven stops in the Grant Grove area of Kings Canyon National Park free of charge.

In September 2014, FCRTA implemented the Lanare Transit service. The service was in response to requests for service during FY 2011–12 to operate in the unincorporated community of Lanare, located in Southern Fresno County near Riverdale. FCRTA conducted an extensive public outreach campaign in partnership with community-based organizations consisting of a bilingual survey mailed to 155 community residents and a public meeting in November 2012.

The service was composed of two service modes operating eight service hours. The demand-response service was provided four hours per day Monday through Friday. An intercity service was also provided with the same vehicle during the remaining four service hours and served the communities of Five Points, Lanare, Laton, and Riverdale. Despite the extensive marketing and outreach efforts, the Lanare service only averaged two passengers a day. The service was eventually discontinued in June 2015. FCRTA continues to provide intercity and intercommunity service to Lanare through Coalinga Transit and Laton Transit with its contract with KART.

The third subsystem implemented by FCRTA during the audit period, in August 2014, was Shuttle Transit. This supplemental service evolved from the issue of FCRTA riders having arrived in Fresno via various intercity routes and missing their connections to FAX routes, thus missing their appointments elsewhere in Fresno. This demand-response service was created to pick up FCRTA riders upon request at the FCRTA bus stop in downtown Fresno, take them to their final destination in Fresno, and then return them to the FCRTA bus to catch their bus back home. Shuttle Transit is operated with a single vehicle Monday through Friday from 8:15 a.m. to 4:30 p.m.

During the same period, FCRTA implemented a fixed-route service between Sanger and Reedley as part of the Sanger Transit subsystem. The Sanger Express began service on August 14, 2014, as an intercity connection to address the demand for services to Reedley College as well as access to shopping and services in the two cities. Although the college generates most of the trips, FCRTA wants to orient the service more toward employer demand. This service is operated by a single vehicle Monday through Friday from 6:45 a.m. to 4:05 p.m.

Other service enhancements included the expansion of the Huron Transit intercity service by two service hours daily and the installation of bus shelters in every rural city and community. Each shelter is ADA-compliant and solar-powered. The shelters were installed by City of Fresno transit staff responsible for transit stops and zones.

FCRTA management reported issues with the San Joaquin Transit subsystem. The contract operator had been allowing the driver to deviate from the route. In addition, ridership declined as local child care programs lost participants when agricultural workers left the area to find employment elsewhere. FCRTA eventually adjusted the service hours to compensate for the reduced demand. Moreover, the transit system has experienced a decline in senior riders but an increase in disabled riders.

Each subsystem's performance is monitored as part of the Transit Productivity Evaluation conducted annually based on the six standard performance indicators pursuant to the TDA, including farebox recovery. Subsystem performance indicators are compared on a biennial basis. FCRTA system summary totals are presented from the current and two previous Transit Productivity Evaluation reports.

FCRTA implemented a series of technology upgrades during FYs 2013–14 and 2014–15 in order to improve service efficiencies and communication amongst staff. The Mobilitat dispatching and scheduling software was implemented in October 2013. This software program has allowed the

agency to dispatch trips faster and more efficiently as well as track the location of each vehicle and passenger activity. In addition, it has eliminated the need for constant two-way radio communication between the dispatchers and drivers. In concert with the dispatching upgrade, Verizon mobile tablets were installed in the vehicles. The tablets enable the drivers to utilize the Mobilitat software and send transit data quickly to the transit operations center. Verizon Jetpack units provide mobile Wi-Fi hotspot capability for the tablets.

An innovative safety and security program was initiated in 2014 between FCRTA and police departments in the local Fresno County jurisdictions. This involves having uniformed police officers board the buses on a weekly basis in the communities. The agency provides local jurisdictions a monthly stipend for this service. This program is the only one of its kind for rural transit agencies in the state and nation. Also, in the fall of 2014, FCRTA upgraded its surveillance camera system by installing Apollo cameras on its vehicles. The camera system allows for bus operations to be monitored in real time and recorded internally and externally by transit staff.

Personnel

FCRTA contracts most of its operations with the FEOC. FEOC provides drivers and dispatchers through its Transit Systems division for 18 rural subsystems. The Cities of Coalinga, Kerman, and Reedley use their own personnel (drivers, dispatchers, supervisors, and accountants) to staff the transit service under FCRTA's direction in their respective cities. Dinuba Transit and KART services are operated under contract by MV Transportation, retained by those respective agencies.

Drivers are trained in accordance with the General Public Paratransit Vehicle mandates pursuant to SB 1586. New drivers hired by FCRTA contractors undergo a 40-hour training program that includes classroom and behind-the-wheel operations. Topics covered in the training sessions include defensive driving; operational safety guidelines; motor vehicle code regulations; customer assistance techniques; daily vehicle inspections; maintenance and record keeping; and reporting procedures. In addition to the aforementioned training, drivers attend mandatory three-hour in-service meetings every other month. The in-service trainings are conducted by supervisors and have included guest speakers from the CHP, and representatives from both the Drug and Alcohol Consortium and the insurance industry. Topics include accessibility and customer service training. FCRTA continues to work with its subcontractors to enhance driver training.

Maintenance

Vehicle maintenance is performed on a 3,000-mile or 45-day inspection schedule in accordance with the state's General Public Paratransit Vehicle regulations. The CHP is responsible for certifying FCRTA's maintenance facilities and for inspecting vehicles on an annual basis.

Maintenance of FCRTA vehicles had been provided by FAX since July 2012. FAX's Fleet Management Division is located at 2101 "G" Street, Building "F" (Fleet) in Fresno. FCRTA entered into a Memorandum of Understanding with the City of Fresno's FAX service and negotiated a

favorable contract with the city's Fleet Services to maintain FCRTA's entire vehicle fleet. FCRTA was able to take advantage of bulk parts purchases and tire purchases. In FY 2012–13, the agency embarked on a vehicle replacement procurement process with the assistance of the City of Fresno maintenance supervisor. The maintenance supervisor took an active role in identifying the right equipment, engaged in a peer review of comparable agencies of their purchases and maintenance history, conducted factory visits, and guided the procurement process. Thirty-eight new vehicles were manufactured and delivered toward the end of FY 2013–14.

Although the vehicles were maintained to be more reliable than under a previous provider, FCRTA's three-year maintenance contract with the City of Fresno ended in June 2015 and was not renewed. FCRTA suggested the City eventually lacked sufficient resources and ongoing support to maintain its heavy-duty vehicles. FCRTA approached and subsequently contracted with FEOC for vehicle maintenance effective August 1, 2015. A new maintenance operation was established and staffed at the FEOC Transit Systems facility located at 3120 West Nielsen Avenue in Fresno.

FCRTA also implemented the Zonar electronic fleet management system. Zonar's Electronic Vehicle Inspection Report (EVIR) technology is utilized for daily pre- and post-trip inspections, which is transmitted via cellular signal into a computer database. Radio-frequency identification tags are placed on the vehicle in critical inspection areas or zones. Drivers conduct their vehicle inspections by placing the Zonar reader within inches of each tag, indicating the condition of the components within the zone with associated push-button responses. When a defect is discovered, the driver selects a description from a predefined list. Fault codes are transmitted to the lead mechanic and enable the driver and mechanic to determine if the vehicle is safe to operate. The reports generated by the EVIR are CHP-compliant.

FCRTA's intercity vehicles are refueled at five existing CNG fast-refueling facilities located throughout the county. FCRTA generally utilizes FuelMaker's slow-fill CNG equipment to refuel its fleet of intracity CNG vehicles overnight in remote locations. There are 45 of these filling units currently installed. FCRTA acquired two CNG utility service trucks to support individual fleet vehicles that are parked and refueled overnight in 13 rural cities. In the Cities of Reedley and Sanger, FCRTA has agreements with the local school districts and the Pacific Gas & Electric Company to fuel at their facilities. Fleet storage is split between FEOC and the rural city corporation yards.

Planning

FCRTA engages in ongoing planning analysis efforts through its annual Transit Productivity Evaluation and Fresno COG's Short-Range Transit Plan for the Rural Fresno County Area (SRTP) updates. The SRTP is updated every two years and contains a five-year action-oriented program to implement the Public Transportation Element of the Regional Transportation Plan (RTP). The SRTP is developed by Fresno COG in cooperation with the constituent member agencies of FCRTA and the FEOC. The Transit Productivity Evaluation is presented to the Fresno COG Policy Board in conjunction with the SRTP. The evaluation is conducted annually to assess the performance of FCRTA as a recipient of TDA funding.

There were two SRTP updates conducted and adopted during the audit period: the 2013–2018 SRTP and the 2015–2020 SRTP for the rural Fresno county area. The SRTPs contain existing service evaluation, recommendations, and the financial status of the FCRTA system. The agency also uses Fresno COG’s annual unmet transit needs hearing process and driver feedback as service planning tools. Requests for additional rural service are evaluated to determine the viability for a demonstration project that may be implemented by the FCRTA.

Marketing

FCRTA markets its services through a variety of media. Through its website, (<http://www.ruraltransit.org/>), the agency offers a synopsis of each local subsystem, including fares, hours of operations, and schedules provided in English and Spanish. FCRTA has plans to upgrade its website with more interactive features such as travel training videos and a trip planning tool supported by Google Transit. For this engagement, FCRTA has retained the Fresno-based Archer & Hound Advertising firm, which designed the dedicated website for Big Trees Transit.

Information about FCRTA’s services is also contained in the Fresno County Transportation Guide published by Fresno COG and accessed through the Fresno COG website. The guide is published in a bilingual (English/Spanish) format and provides a summary of public transit services in the county. Fresno COG recently changed the format of the Fresno County Transportation Guide into a folded pocket guide. The pocket guide includes basic information about transit services, contact phone numbers, and website links. In keeping with the Transportation Guide revisions, Fresno COG initiated the preparation of a FCRTA system-wide service map in the autumn of 2014 that folds into a pocket-size format.

The agency decided to discontinue advertising in 14 community telephone books, including 2 Spanish-language publications. The monthly cost of such advertisements ranged from \$60 to \$600 monthly. Costs to advertise in telephone books had been increasing on average 2 percent annually due to the proliferation of telephone books representing individual communities and substituting for consolidated regional listings. In lieu of phone book advertising, FCRTA uses cost savings methods, such as preparing informational flyers for utility billing inserts for each subsystem.

From September 2013 through February 2014, FCRTA conducted mobility training that was funded through by a \$40,000 FTA grant matched by \$40,000 in local Measure C funding. A mobility training team composed of three travel training specialists visited communities in rural Fresno County to make presentations, demonstrate how to access transit buses, and demonstrate mobility aids to senior groups, schools, and various social service agencies. The presentations included descriptions of all FCRTA transit services offered; connections to the City of Fresno’s FAX and Handy Ride services; applicable transit fares; boarding and alighting the bus; how to use demand-response service and fixed-route services; and how to use mobility aids. A glossy tri-fold brochure was published to market the mobility training program.

In addition, FCRTA contracted with Paratransit, Inc. during the summer of 2014 to develop a volunteer Transit Ambassador Program to assist riders in successfully accessing its services and the connecting services of the other transit operators in Fresno County and adjacent counties. The program is conducted through FCOE and will continue to be replicated for other organizations in the service area.

Pursuant to the federal Civil Rights Act of 1964, a Title VI Program was adopted by FCRTA and approved by Caltrans in June 2014. Title VI of the Civil Rights Act of 1964 requires that no person in the United States, on the grounds of race, color, or national origin be excluded from, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance. The auditor could not locate Title VI information and complaint forms on the FCRTA website. It is suggested that the agency provide Title VI policy documentation on the website in English and Spanish.

General Administration and Management

As a joint powers agency, FCRTA comprises the County of Fresno and 13 rural incorporated cities, forming a governing board of 14 members. Each city has a member (represented by a mayor or councilmember) who has one vote while the County has one member from the Board of Supervisors who has six votes. Nine votes are required for a quorum. Board meetings are convened right after the Fresno COG board meetings, given the similar composition of the governing bodies.

By the mutual agreement of its members, FCRTA is administered by its designated general manager. FCRTA contracts with Fresno COG to provide administrative and fiscal management services and the County of Fresno for legal counsel. The general manager is supported internally by a staff of three employees: an associate transit planner, assistant accounting manager, and an administrative assistant. The associate transit planner is tasked with grant writing and oversight.

FCRTA's long-term general manager, who had been with the system since its inception in 1979, retired in October 2014. His successor for the position was the operations manager, who had been hired in January 2012 to oversee day-to-day operations. The new general manager, who has pertinent experience as a local transit director and serving staff positions at Caltrans and the PUC, holds the transit system to high standards and applies best practices to the various aspects of the service in improving the quality of the rural system. This includes facilitating the growth in competencies among those involved in operating and maintaining the service. A replacement for the operations manager position to manage day-to-day activities has not yet been filled by the end of the audit period. This key operational position is needed for effective transit management.

The FCRTA budget is based upon the individual subsystems' service areas, including each of their incorporated boundaries and spheres of influence (as determined by the Fresno County Local Agency Formation Commission). The cost contribution for each subsystem is based on the proportionate population share of the local incorporated city and County within the surrounding

sphere of influence boundary.

For intercity routes through unincorporated areas of the county, residents within three quarters of a mile on either side of the route are attributed to the County's share for those respective subsystems. The budget details the service hours of each subsystem and provides a narrative status of each subsystem, including any changes and the reasons for the change. Within financial constraints, the agency tailors transit services to the unique needs of each jurisdiction to meet trip demand, whether from fixed route, demand response, or both.

Pursuant to TDA, the agency receives LTF and STA fund proceeds primarily for operating expenses. According to the State Controller's reports, LTF revenues received during the audit period were \$1,106,569 in FY 2012–13; \$325,810 in FY 2013–14; and \$732,683 in FY 2014–15. STA funds received by the agency were \$1,151,957 in FY 2012–13; \$1,061,795 in FY 2013–14; and \$1,244,694 in FY 2014–15. A larger sum of federal rural transit operating funds were received in FYs 2014 and 2015 compared to FY 2013 which reduced the LTF amounts.

Grants Management

Grant funding allocated toward supporting transit services have been derived from local, state, and federal sources. FCRTA maintains a tracking spreadsheet for each grant award. The spreadsheet is categorized according to the contract number, project, amount awarded, drawdowns and expenditures, and interest earned. The associate transit planner, hired during the audit period, oversees and manages the agency's grant activities which is necessary for contract and funding requirements. The transit planner's role has also allowed FCRTA to apply for additional grant funding as well as comply with the reporting requirements.

Regional public transit agencies in the county receive Local Measure C revenue, the countywide, one-half cent transportation sales tax reauthorized in November 2006. About 24 percent of the expected Measure C funds are allocated to public transit in an effort to expand mass transit programs that have a demonstrated ability to get people to use alternative transportation, which helps improve air quality. Measure C funds are budgeted to expand existing services, increase service levels, leverage grant dollars, and complete minor capital projects. FCRTA is entitled to 4 percent of total annual Measure C revenues through 2027. The revenues received by FCRTA for operations were \$625,260 in FY 2012–13; \$474,632 in FY 2013–14; and \$622,648 in FY 2014–15.

FCRTA also received Proposition 1B Public Transportation Modernization, Improvement & Service Enhancement (PTMISEA) funds toward approved capital projects. Based upon the finding of the FY 2014–15 fiscal and compliance audit, FCRTA had expended \$6,642,074 in PTMISEA funds for the purchase of CNG and paratransit vehicles, Verizon mobile display terminals, transit facility improvements, and bus stop shelters and amenities. FCRTA has also received funding through the Governor's Office of Emergency Services for vehicle surveillance cameras, mobile emergency radios, CNG refueling trucks, and corporation yard securement.

FCRTA received \$1,004,899 in FTA Section 5311 operating funds in FY 2012–13; \$1,852,452 in FY 2013–14; and \$1,552,366 in in FY 2014–15. FCRTA also received \$44,265 in Federal Congestion Mitigation/Air Quality (CMAQ) funds in FY 2012–13. In addition, in FY 2014–15, FCRTA received \$90,430 in FTA Section 5307 funds and \$39,992 in FTA Section 5317 New Freedom program funds.

Section VI

Findings

The following summarizes the major findings obtained from this triennial audit covering fiscal years 2012–13 through 2014–15. A set of recommendations is then provided.

Triennial Audit Findings

1. Of the compliance requirements pertaining to FCRTA, the operator complied with eight of the nine applicable requirements. The operator was in partial compliance with regard to the timely submittal of its Transit Operators Financial Transactions Report to the State Controller. Two additional compliance requirements are not applicable to FCRTA (i.e., intermediate farebox recovery ratio under PUC 99270.1, and urbanized area farebox recovery ratio).
2. Through its contract maintenance provider, FCRTA participates in the CHP Transit Operator Compliance Program in which the CHP has conducted inspections within the 13 months prior to each TDA claim. The CHP inspection reports submitted for review were found to be satisfactory.
3. FCRTA's operating budget exhibited modest fluctuations during the audit period, with the exception of the FY 2014–15 budget, which increased 21.1 percent due to maintenance costs, communications (telephone and dispatching), casualty and liability insurance claims, and office expenses. Some costs were uncontrollable expenses caused by inflationary factors such as indirect benefits costs and insurance rates. FCRTA stabilized insurance rates through locking in a lower rate for two years based on its positive rating and lack of claims. FCRTA also negotiated a contract with City of Fresno for vehicle maintenance to stabilize maintenance cost increases that were occurring with the previous vendor.
4. Based on the available data from the Annual Fiscal and Compliance Audits, the agency's farebox recovery ratio remained above the required 10 percent during the review period. The average farebox during the triennial period was 12.52 percent.
5. FCRTA satisfactorily implemented the three prior audit recommendations. The recommendations pertained to the accurate reporting of FTEs, marketing strategies, and the development of a travel training program.
6. Ridership decreased 4 percent system-wide during the audit period. Fixed-route ridership increased 26.9 percent while demand-response ridership decreased 11.6 percent. Although ridership on fixed-route services was a fraction of that for demand response, there were increases of 45.7 percent in FY 2012–13 and 6.5 percent in FY 2014–15. Conversely, demand-response ridership declined between 2 and 7 percent annually for the three years.

7. Operating cost per hour, an indicator of cost efficiency, increased marginally by 0.6 percent system-wide. The trends in this indicator show comparable increases in both operating costs and revenue service hours over the audit period.
8. Passengers per vehicle service hour, which measures the effectiveness of the service delivered, exhibited a decrease of 12.1 percent system-wide. Passengers per service hour decreased from 6.9 passengers in FY 2011–12 to 6.1 passengers in FY 2014–15.
9. FCRTA saw notable changes in its operations, maintenance, and administration during the audit period. These changes included the retirement of the long-term general manager, whose position was then appointed by the board to the former operations manager. Additional changes include service expansion, a series of equipment and technology upgrades, and a new maintenance contractor. Toward the end of the audit period, FCRTA was composed of 23 subsystems that included 3 new transit subsystems: Big Trees Transit, Lanare Transit, and Shuttle Transit.
10. FCRTA implemented a series of technology upgrades during FYs 2013–14 and 2014–15 in order to improve service efficiencies and communication amongst staff. The Mobilitat dispatching and scheduling software was implemented in October 2013. Verizon mobile tablets were acquired and installed in the vehicles. Verizon Jetpack units provide mobile Wi-Fi hotspot capability for the tablets.
11. In FY 2012–13, the agency embarked on a vehicle replacement procurement process with the assistance of the City of Fresno maintenance supervisor. Thirty-eight new vehicles were manufactured and delivered toward the end of FY 2013–14.
12. FCRTA's three-year maintenance contract with the City of Fresno ended in June 2015 and was not renewed. FCRTA approached and subsequently contracted with FEOC for vehicle maintenance effective August 1, 2015. A new maintenance operation was established and staffed at the FEOC Transit Systems facility located at 3120 West Nielsen Avenue in Fresno.
13. From September 2013 through February 2014, FCRTA conducted mobility training that was funded through by a \$40,000 FTA grant matched by \$40,000 in local Measure C funding. In addition, FCRTA contracted with Paratransit, Inc. during the summer of 2014 to develop a volunteer Transit Ambassador Program to assist riders in successfully accessing its services as well as connecting services.
14. FCRTA maintains a tracking spreadsheet for each grant award. The spreadsheet is categorized according to the contract number, project, amount awarded, drawdowns and expenditures, and interest earned. The associate transit planner, hired during the audit period, oversees and manages the agency's grant activities which is necessary for contract and funding requirements.

Recommendations

1. Provide Title VI policy documentation on the FCRTA website.

Pursuant to the federal Civil Rights Act of 1964, a Title VI Program was adopted by FCRTA and approved by Caltrans in June 2014. Title VI of the Civil Rights Act of 1964 requires that no person in the United States, on the grounds of race, color, or national origin be excluded from, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance. However, the auditor could not locate Title VI information and complaint forms on the FCRTA website.

Title VI provisions include a Limited English Proficiency (LEP) plan to help identify reasonable steps to provide language assistance for LEP persons seeking meaningful access to the FCRTA subsystems as required by Executive Order 13166.

Therefore, it is recommended that FCRTA update its website and make available online the Title VI plan, procedures, and complaint form in English and Spanish. One compliance measure would be to work with the website designer to install a Google Translate tool or widget on the newly designed FCRTA website.

2. Calculate farebox recovery using revised method contained in new state legislation.

FCRTA's farebox ratio has consistently been above the TDA standard of 10 percent, although the ratio had declined by the end of the audit period due to certain cost increases such as insurance. New state legislation (SB 508, October 2015) makes changes to the farebox ratio, including exclusions for certain costs above inflation such as insurance. This change would help support the fare ratio for FCRTA. Also, the legislation reinforces the practice of allowing other locally generated revenues in the farebox ratio. Examples of possible other local support revenues may include, but are not limited to, gains on the sale of capital assets, lease revenues generated by transit-owned property, alternative fueling services, advertising revenues, donations made in lieu of a prescribed fare, and local transportation sales tax. These local support revenues are intended to be a supplement to passenger fare revenue when passenger revenues fail to meet farebox standard. The annual TDA fiscal audit should account for and calculate the farebox ratio inclusive of applicable cost and revenue adjustments.