



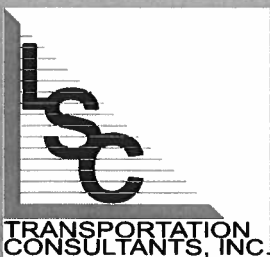
**Amador County  
Transportation Commission  
FINAL  
Triennial Performance Audit  
FY 2015-16 Through FY 2017-18**



Prepared for the



**Amador County  
Transportation Commission**





**Amador County Transportation Commission**

**Triennial Performance Audit**

**Fiscal Year 2015 – 16 through Fiscal Year 2017 – 18**

**Prepared for the**

**Amador County Transportation Commission**

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California Public Utilities Code Section 99246 requires that Regional Transportation Planning Agencies (RTPAs) such as the Amador County Transportation Commission (ACTC) conduct Triennial Performance Audits (TPAs) of both their own activities and those of their associated transit operators. This performance audit of the ACTC covers the three-year period from July 1, 2015 to June 30, 2018. The primary objective of a TPA is to provide the ACTC with an independent and objective evaluation of its effectiveness, efficiency, and economy in its role as the RTPA for Amador County. A separate audit was conducted for the transit operator in Amador County, Amador Transit (AT), for the same three-year period. As required under California Transportation Development Act (TDA) law, the ACTC 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 ACTC Executive Director, and telephone interviews with ACTC commission members and other stakeholders.

#### AMADOR COUNTY TRANSPORTATION COMMISSION DESCRIPTION

Amador County is in the heart of California's Gold Country, bordered by Sacramento County and San Joaquin County to the west, El Dorado County to the north, Alpine County to the east and Calaveras County to the south. The region is served by one public transit operator, Amador Transit. The ACTC is the designated RTPA for the Amador County region, including the incorporated cities of Jackson, Plymouth, Amador City, Sutter Creek and Lone. Among other transportation planning responsibilities, one of ACTC's roles is to allocate TDA funding in accordance with state statutes. ACTC is composed of three members appointed by the Amador County Board of Supervisors, three commissioners appointed by the City Selection Committee and one ex-officio member appointed by the Caltrans District 10

#### REVIEW OF COMPLIANCE REQUIREMENTS

ACTC was found to be in compliance with all statutes referenced in the *Performance Audit Guidebook*.

#### STATUS OF PRIOR AUDIT RECOMMENDATIONS

The prior TPA was prepared by LSC Transportation Consultants and contained the following recommendations:

**Recommendation 1:** *In an effort to simplify farebox ratio calculations and be compliant with TDA, ACTC should work with the fiscal auditor to include the costs and revenues associated with the contracted Sacramento service in the AT systemwide farebox ratio calculation. Implementation Incomplete*

**Recommendation 2:** *In an effort to improve the relationship between ACTC and AT, the ACTC Executive Director should resume the practice of meeting with the AT Transit Manager, at a minimum, prior to the AT/ACTC board meeting. Weekly meetings or conference calls would be preferable. Implementation Complete*

## DETAILED REVIEW OF THE ACTC 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 as well as conducting interviews with ACTC 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, ACTC was effective in accomplishing its goals and objectives. While the *Amador County 2015 RTP* addresses all the required elements, ACTC had not completed an update of the RTP since 2004. ACTC follows a comprehensive regional transportation planning process, including the preparation and adoption of alternative transportation plans such as a Bicycle and Pedestrian Plan and Transit Development Plan. ACTC has set forth a clear process for allocating TDA funds to the transit operators in the region. The governing board has good access to clear and concise information for use as a basis to make good decisions. Transit marketing is conducted by the transit operator, AT. During the audit period ACTC successfully distributed recurring grant monies.

## FINDINGS

1. The ACTC has complied with the requirements listed in the TDA and other statutes related to performance as identified in the *Performance Audit Guidebook*.
2. The ACTC did not completely implement the prior audit recommendations.
3. The SSTAC has been diligent about recommending and prioritizing unmet transit needs recommendations to the ACTC and has become an important advisory committee for both the ACTC and AT board.
4. The relationship between AT and ACTC management has improved since the last audit period but there appears to be some tension remaining.

## RECOMMENDATIONS

**ACTC Recommendation 1:** *Develop a Local Transit Fund (LTF) Contingency Policy for Amador Transit to provide a financial cushion in the event of an unexpected decline in LTF revenues or sudden increase in operating or capital transit requirements.*

In 2012, ACTC adopted Resolution 12-05 to allocate 75 percent of the amount of LTF revenue that exceeds the amount estimated by the Amador County Auditor then allocated by ACTC to Amador Transit for a capital reserve account. The remaining 25 percent of this amount was to be carried over to the next fiscal year to increase the amount of LTF estimated for operations for the following year. After a



capital reserve fund was built to a sufficient amount in 2014, ACTC amended the resolution (8-24) to now allocate any excess LTF over the auditor's estimate to the cities and county for streets and roads purposes (after the unmet transit needs process). According to the FY 2017-18 Fiscal and Compliance Audit, Amador Transit has the following amounts in reserve accounts:

- \$495,755 in Capital Reserves
- \$142,943 in Operating Reserves

The Contingency Policy could be used to increase LTF available for operating reserves. A reasonable LTF Contingency Policy would stipulate that ACTC set aside 3 percent of the LTF allocation each year up to a maximum of \$300,000. These funds would be considered "unallocated apportionments." These funds could then be allocated to Amador Transit if LTF revenues fall short of LTF budget allocations or extreme or unusual circumstances that warrant an additional allocation. As a reference, below is the TDA statute for unallocated LTF funds.

**"CCR § 6655.1 – Unallocated Apportionments Retained in Fund**

*The transportation planning agency may allocate to claimants in an area an amount less than the apportionment of the area. However, the amount of the apportionment which is not allocated shall be retained in the local transportation fund for later allocation only to claimants in the same area on such terms and conditions as the transportation planning agency may determine."*

After the \$300,000 maximum is reached in the "contingency fund," any additional excess revenue could then be allocated to the cities and county for streets and roads purposes as per Resolution 8-24.

**Recommendation 2:** *In an effort to simplify farebox ratio calculations and be compliant with TDA, ACTC should work with the fiscal auditor to include the costs and revenues associated with the contracted Sacramento service in the AT systemwide farebox ratio calculation.*

Sacramento County pays Amador Transit for the portion of the Sacramento Route 1, which is operated in Sacramento County. In the past, there has been confusion on how to account for this third party contracted service in farebox ratio calculations, particularly as TDA provides little guidance. For several audit periods, the fiscal auditor has excluded the cost of the Sacramento County portion of the Sacramento route from farebox ratio calculation but not farebox revenues generated by the service. Over the years, TPA auditors and AT management have looked to Caltrans for advice on this issue. The final conclusion was that it would be appropriate to either include or exclude both operating costs and fare revenues from the contracted service; however, it would not be appropriate to include one but not the other. Placer County Transit (PCT) has a similar situation where the City of Auburn pays Placer County to extend the PCT Highway 49 Route to the City of Auburn Airport. Placer County includes the cost of that portion of the Highway 49 Route and the revenues from the city as fare revenue in farebox ratio calculations.

The performance auditor recommends that the best way to accurately depict the performance of Amador Transit services is to include both costs and revenue associated with the entire Sacramento route in farebox ratio calculations. Amador Transit is the operator of this service and operating data for the Sacramento service is included in Amador Transit's reporting to the state, not Sacramento County's

reporting. This will simplify the process as well as provide a more accurate picture of how all AT transit services perform.

## Triennial Performance Audit Results

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### 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 ACTC cause a performance audit to be conducted of its activities every three years. The primary objective of this Audit is to provide the ACTC with an independent and objective evaluation of its performance as it relates to responsibilities in its role as the RTPA for Amador County.

This audit evaluates the operations of the ACTC in terms of the efficiency, effectiveness, economy, and the results of its programs. In addition, this audit includes a review of the ACTC's implementation of the recommendations contained in the previous audit report, which was completed in June 2016. This current audit covers the three-year period from Fiscal Year (FY) 2015 – 16 through 2017 – 18. Finally, this audit includes a discussion of relevant issues currently facing the organization based on discussions with the ACTC 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 as well as Amador County Transportation Commission agendas, minutes and supporting staff reports
- On-site discussions with the ACTC staff including the executive director
- ACTC board member and other stakeholder 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 ACTC's compliance with the specified requirements

### AMADOR COUNTY TRANSPORTATION COMMISSION DESCRIPTION

#### Agency Organization and Function

Amador County is in the heart of California's Gold Country, bordered by Sacramento County and San Joaquin County to the west, El Dorado County to the north, Alpine County to the east and Calaveras County to the south. The closest major cities are Sacramento and Stockton (each about 45 miles from Amador County). The major north-south road is State Route (SR) 49, and the major east-west road is SR 88. Amador County's population is roughly 38,626 according to the United States Census Bureau. The region is served by one public transit operator: Amador Transit. The ACTC is the designated Regional

Transportation Planning Agency (RTPA) for the Amador County region and includes the incorporated cities of Jackson, Plymouth, Amador City, Sutter Creek and Lone. ACTC's role as an RTPA is to:

- Allocate transportation funding such as TDA funds
- Review public transit performance
- Prepare, 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

ACTC is composed of three members appointed by the Amador County Board of Supervisors, three commissioners appointed by the City Selection Committee and one ex-officio member appointed by the Caltrans District 10 Director. The Board is served by two advisory committees: the Technical Advisory Committee (TAC) and the Social Services Transportation Advisory Council (SSTAC) as well as several sub committees, including a budget committee and various ad hoc committees. The TAC includes representatives from local public works and planning departments, providing technical input to the board on a wide range of transportation issues. The primary role of the SSTAC is to provide advice on public transit services for Amador County residents, particularly advocate for the elderly and disabled.

#### REVIEW OF COMPLIANCE REQUIREMENTS

As presented in Table 1, the 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 ACTC allows no transportation operators or city and county governments with a responsibility for serving a given area to claim, in total, more than those LTF moneys apportioned to that area. The ACTC annually adopts a resolution approving LTF allocations, and a good system for the apportionment is in place.
2. In reference to PUC 99233 and 99234, ACTC outlines rules and regulations for claims for facilities provided for the exclusive use of pedestrians and bicycles in the ACTC Pedestrian and Bicycle Reserve Fund Allocation Process. According to the process, ACTC will set aside two percent of LTF funds for pedestrian and bicycle purposes after allocation to ACTC for TDA administration.
3. In accordance with Public Utilities Code Sections 99238, the ACTC has established a SSTAC. The SSTAC is very involved in the transit planning process and generally met every other month during the audit period. The ACTC actively recruits members for the SSTAC. The ACTC conducted a public hearing 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 ACTC 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 the ACTC Board is the same membership as the AT Board, they

<b>TABLE 1: RTPA Compliance Requirements - ACTC</b>				
	<b>Requirement</b>	<b>PUC Reference</b>	<b>In Compliance?</b>	
			<b>Yes</b>	<b>No</b>
(1)	All operators and city or county governments, in total, claim no more than those LTF monies apportioned to that area.	99231	<b>X</b>	
(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	<b>X</b>	
(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	<b>X</b>	
(4)	The RTPA has annually identified, analyzed and recommended potential productivity improvements which could lower operating cost of those operators.	99244	<b>X</b>	
(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	<b>X</b>	
(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	<b>X</b>	
(7)	The RTPA has submitted a copy of its performance audit to the Director of the California Department of Transportation.	99246 c	<b>X</b>	
(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	<b>X</b>	
(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	<b>NA</b>	
(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	<b>X</b>	
(11)	State transit assistance funds received by the RTPA allocated only for transportation planning and mass transportation purposes?	99310.5, 99313.3, Proposition 116	<b>X</b>	
(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	<b>X</b>	
(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	<b>X</b>	
(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	<b>X</b>	

are very involved in transit planning decisions and place a high priority on cost-effectiveness of services.

5. Per Public Utilities Code Section 99245, the ACTC 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. This was completed within the required time period for each year of the audit period.
6. In accordance with Public Utilities Code Sections 99246 and 99248, the ACTC has herein designated an independent entity to conduct a performance audit of operators and itself (for the current and previous TPA periods). LSC Transportation Consultants Inc. 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 ACTC 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 Amador Transit was completed.
8. In accordance with Public Utilities Code Section 99246(d), the performance audit of Amador Transit (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 Amador County does not include an urbanized area, this requirement is not applicable to ACTC.
10. AT is the Consolidated Transportation Services Agency in Amador County. The ACTC 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). ACTC follows procedures for TDA claims identified in the statutes. Should there be TDA claims filed under Article 4.5, ACTC 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 ACTC are allocated only for transit planning, transit capital projects and transit operations.
12. The amount of STA funds received by the ACTC 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 ACTC'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 ACTC 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 identified groups, 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. TDA funds were allocated for streets and roads purposes during this audit period in the following amounts: FY 15/16—\$149,791, FY 16/17—\$85,300 FY 17/18—\$100,300. The ACTC annually consults with the SSTAC and conducts a public hearing with respect to unmet transit needs in Amador County.

14. In accordance with California Code of Regulations Section 6662, the ACTC 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 ACTC 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 LSC Transportation Consultants and contained the following recommendations:

**Recommendation 1:** *In an effort to simplify farebox ratio calculations and be compliant with TDA, ACTC should work with the fiscal auditor to include the costs and revenues associated with the contracted Sacramento service in the AT systemwide farebox ratio calculation.*

**Recommendation Status: Incomplete.** This recommendation has not been implemented. The Sacramento route costs have been excluded however, but fare revenue associated with the Sacramento County portion of the Sacramento route has not been excluded. It is cleaner approach to include the entire operating cost of the Sacramento Service along with fare revenues generated by the route in farebox ratio calculation as AT is the transit operator of the service. This is the more common practice in the industry for dealing with contracted services. A recommendation is made at the end of the report regarding farebox ratio calculation.

**Recommendation 2:** *In an effort to improve the relationship between ACTC and AT, the ACTC Executive Director should resume the practice of meeting with the AT Transit Manager, at a minimum, prior to the AT/ACTC Board meeting. Weekly meetings or conference calls would be preferable.*

**Recommendation Status: Implementation Complete.** The ACTC Executive Director and the AT Transit Manager now appear to communicate better and meet or speak via phone or email frequently regarding

pertinent issues. This is an improvement over the prior audit period. Both entities should continue to have open and frequent communication.

#### DETAILED REVIEW OF THE ACTC FUNCTIONS

This section presents a review of the various functions of the ACTC. The ACTC'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 ACTC Board meets on the first Thursday of every month at 9:00 AM at the ACTC facility in Sutter Creek. Agenda materials are available to board members and the public five to six days in advance. Attendance at monthly ACTC Board meetings is strong. 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 ACTC does a good job of posting important documents on its website for public review.

The ACTC processes TDA claims in an accurate and timely manner. ACTC requires the transit operator to file claims for public transit in accordance with stipulations cited in the TDA statutes. The ACTC adopts a resolution approving claims and directing the county auditor to allocate funds before the end of the fiscal year. Claims are paid in monthly installments.

The ACTC has an organized process for filing and the retention of pertinent plans and other documents as outlined in the ACTC Records Management and Retention Policy. Electronic files are maintained on the server. Depending on the type of plan, documents are kept at least five to ten years.

##### Internal Planning and Achievements

In terms of internal planning, the ACTC has set forth very clear goals and objectives. With the exception of some delays in the Regional Transportation Plan Update process, the ACTC does a good job of completing tasks identified in the Overall Work Program (OWP). Further, the tasks set forth in the OWP are realistic and reflect the needs and issues in the Amador County region. Over the years, the ACTC has been successful in obtaining discretionary funding to facilitate the programming of all types of transportation projects including blueprint planning, increasing mobility through transit studies and the Sutter Hill Telecommute Center and improving the safety and efficiency of the overall transportation system.



## Personnel

ACTC staff consists of an executive director, fiscal officer, administrative secretary and IT/GIS specialist. Through a Caltrans grant, ACTC and AT share a transportation intern/recording secretary position. ACTC currently has a vacant transportation planner position. This level of staffing is reduced from previous years. Therefore, ACTC maintains an on-call consultant to assist with a variety of transportation planning duties such as providing assistance to local jurisdictions with transportation project management, developing requests for authorizations and preparing grant applications.

Staff members are offered the same health and retirement benefits as Amador County employees such as CalPERS. The ACTC staff members do not receive performance incentive bonuses. Performance reviews are conducted annually for all staff.

## Governing Board

The Board has good access to clear and concise information so as to make good decisions. There appears to be good communication between staff and the board. A Technical Advisory Committee (TAC) meets two weeks prior to each ACTC Board meeting. The TAC consists of representatives from Caltrans, ACTC, AT, member of the public and the various jurisdictions in the county. This audit period, ACTC staff compiled a newsletter for board members summarizing discussions from the last meeting as well as what is forthcoming.

## **Transportation Planning and Regional Coordination**

This functional area covers one of the two major RTPA responsibilities—transportation planning in a regional context and fiscal management.

### Regional Transportation Planning

The Amador County RTP was updated in August 2015. The last complete update to this was in 2004, beyond the required five-year update schedule. Delays to the RTP update, which occurred during the prior audit period, resulted from the need to respond to changes in land use growth, the local economy and transportation funding. The 2015 update included an extensive stakeholder working group process in addition to the required outreach to the public, natural resource agencies, Native American tribes and other regional agencies. The RTP goes beyond the required guidelines in considering the impacts of future land uses. 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 plan for addressing those issues. Detailed evaluation criteria and performance measures were applied to potential projects to prioritize improvements. A travel demand forecasting model was developed for Amador County and used for much of the traffic analysis portion of the update. The model will help to identify future roadway inefficiencies as the region grows. The RTP update included a careful analysis of potential regional transportation planning alternatives. The “Implement Multi-Modal Circulation Improvements, Financially Constrained Alternative” was chosen. This alternative provides for a diverse mix of prioritized roadway improvements and alternative transportation strategies for which full funding is reasonably expected over the next twenty years. As there is not sufficient funding available to meet all

transportation needs, the RTP also includes a prioritized list of projects for which partial funding will be available and for which no funding has been committed.

### Regional Coordination

The ACTC is involved with other regional planning efforts that have an impact on transportation in Amador County. ACTC is kept abreast of rural county transportation issues through materials provided by the Rural Counties Task Force. ACTC has developed a good partnership with nearby Calaveras, Alpine and Tuolumne Counties. ACTC, the Alpine County Local Transportation Commission (ACLTC) and the Calaveras Council of Governments (CCOG) have worked closely together on a transportation safety analysis. ACTC and CCOG were recently awarded an Extreme Weather Grant. There are also two tri-county (Calaveras, Amador and Tuolumne) studies being conducted: a tri-county electric vehicle charging station study and a Coordinated Transit Plan Update.

ACTC administers the traffic mitigation fee program in the county, which is designed to offset the cost of roadway improvements resulting from new development. Unfortunately, the program does not have a binding document, so some developers have not paid their share of fees. ACTC is working to rectify this problem.

The ACTC's website is kept up-to-date, with links to the transit operator, current projects and various transportation planning documents.

A review of the OWP shows that the ACTC work elements go beyond the basic plans and processes for which RTPAs are responsible. In addition to TDA administration and Regional Transportation Plan support, the program includes traffic fee mitigation monitoring, pedestrian/bicycle plan update, as well as a transportation intern program. The ACTC 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

ACTC developed a GIS mapping and database as part of the Blueprint Planning effort. As the database can be useful for transportation planning, the RTPA has offered to provide GIS mapping services for the local jurisdictions, Amador Water Agency, fire districts, LAFCO and others free of charge.

### **Claimant Relationships and Oversight**

This functional area includes interactions between the transit operator and the RTPA, both required and otherwise.

### Advisory Committees

TDA mandates the formation and consultation with SSTAC as a way to insure that transit needs of the typically transit dependent population are met. In many counties SSTAC meetings are conducted only as it is required, annually. In Amador County the SSTAC has become an integral part of public transit by providing advice, assisting with new programs such as volunteer driver program and plays an essential role in coordinating human service transportation and public transportation. The SSTAC is an important advisory committee for both the ACTC and AT Board.

### Assistance to Operators and Communication of TDA

Having learned from past financial irresponsibility of previous transit managers prior to the audit period, the ACTC Board provides a high level of oversight of the transit operator. The transit operator reviews the need for service adjustments and performs most marketing efforts. Over the years, ACTC has conducted grant writing for planning and technical assistance, commissioned planning documents such as TDP efforts and provided a degree of oversight and assistance when it comes to TDA matters.

### Reports and Information/TDA Claim Processing

During the audit period, the ACTC commissioned fiscal and compliance audits from an independent auditor for the ACTC and for the transit operator. 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 ACTC. AT submits TDA claims in accordance with ACTC's Policies. The AT fiscal and compliance audits demonstrate that AT met farebox ratio during this audit period.

### **Marketing and Transportation Alternatives**

The majority of marketing efforts for transit services in Amador County are performed by transit operator staff. Comments and complaints regarding public transit are generally directed to the operator. A more detailed review of transit operator marketing efforts is performed in the transit operator audit. In the past ACTC has been quite active in marketing the new Sutter Hill Transit and Teleconference Center. The Sutter Hill Transit Center provides a central transfer point for AT buses. The Teleconference Center provides conference room space for video/online college courses.

The ACTC is involved in alternative transportation planning efforts as evidenced in the preparation and adoption of a Bicycle Plan as well as promoting teleconferencing during the audit period. The ACTC has a strong public information process in place. The ACTC website lists completed plans and studies along with an archive of Commission meeting minutes. ACTC recently secured an Active Transportation Program (ATP) grant on behalf of the City of Plymouth for its Safe Routes to School project.

### **Grant Applications and Management**

Much of the generic consideration of this function for RTPAs across the state relates to urban areas with many competing operators and claimants, where the RTPA is expected to sort out conflicts and "ride herd" on activities between multiple transit operators. That context does not pertain to Amador County's relatively straightforward setting, as there is only one transit operator in the county.

ACTC has obtained discretionary grant funding in the past (such as Caltrans Blueprint Planning grants) and recently obtained funding through an Extreme Weather Grant. The ACTC staff has also been effective in distributing special grants such as American Recovery and Reinvestment Act (ARRA), Congestion Mitigation Air Quality (CMAQ) and Proposition 1B funding. In general, the transit operators prepare Federal Transit Administration grants although ACTC staff is available for technical assistance.

## **Overall ACTC Function**

ACTC provides good oversight of the transit operator. Over the past ten years, the ACTC/AT Board's interest in transit operations has increased. The board frequently requests back-up information for reports and closely follows transit performance. As the funding allocating agency, it is important for the AT Board to continue oversight of the operator and keep an eye on the financial position of the transit operator. However, it is also important for both entities to understand their perspective roles in terms of public transit: The RTPA is responsible for allocating TDA funds, ensuring compliance with regulations and monitoring transit performance; the transit operator is responsible for detailed management of routes and day to day operations decisions.

## Conclusions and Recommendations

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Overall, ACTC is managed and operated in an effective, efficient and economical manner. The ACTC effectively fulfills its role as the RTPA for Amador County.

The following describes the auditor's findings and recommendations:

### FINDINGS

1. The ACTC has complied with the requirements listed in the TDA and other statutes related to performance as identified in the *Performance Audit Guidebook*.
2. The ACTC did not completely implement the prior audit recommendations.
3. The SSTAC has been diligent about recommending and prioritizing unmet transit needs recommendations to the ACTC and has become an important advisory committee for both the ACTC and AT board.
4. The relationship between AT and ACTC management has improved since the last audit period, but there appears to be some tension remaining.

### RECOMMENDATIONS

**ACTC Recommendation 1:** *Develop a LTF Contingency Policy for Amador Transit to provide a financial cushion in the event of an unexpected decline in LTF revenues or sudden increase in operating or capital transit requirements.*

In 2012, ACTC adopted Resolution 12-05 to allocate 75 percent of the amount of LTF revenue that exceeds the amount estimated by the Amador County Auditor then allocated by ACTC to Amador Transit for a capital reserve account. The remaining 25 percent of this amount was to be carried over to the next fiscal year to increase the amount of LTF estimated for operations for the following year. After a capital reserve fund was built to a sufficient amount in 2014, ACTC amended the resolution (8-24) to now allocate any excess LTF over the auditor's estimate to the cities and county for streets and roads purposes (after the unmet transit needs process). According to the FY 2017 – 18 18 Fiscal and Compliance Audit, Amador Transit has the following amounts in reserve accounts:

- \$495,755 in Capital Reserves
- \$142,943 in Operating Reserves

The contingency policy could be used to increase LTF available for operating reserves. A reasonable LTF contingency policy would stipulate that ACTC set aside 3 percent of the LTF allocation each year up to a maximum of \$300,000. These funds would be considered "unallocated apportionments." These funds could then be allocated to Amador Transit if LTF revenues fall short of LTF budget allocations or extreme or unusual circumstances that warrant an additional allocation. For reference, below is the TDA statute for unallocated LTF funds.

**“CCR § 6655.1 – Unallocated Apportionments Retained in Fund**

*The transportation planning agency may allocate to claimants in an area an amount less than the apportionment of the area. However, the amount of the apportionment that is not allocated shall be retained in the local transportation fund for later allocation only to claimants in the same area on such terms and conditions as the transportation planning agency may determine.”*

After the \$300,000 maximum is reached in the “contingency fund,” any additional excess revenue could then be allocated to the cities and county for streets and roads purposes as per Resolution 8-24.

**Recommendation 2:** *In an effort to simplify farebox ratio calculations and be compliant with TDA, ACTC should work with the fiscal auditor to include the costs and revenues associated with the contracted Sacramento service in the AT systemwide farebox ratio calculation.*

Sacramento County pays Amador Transit for the portion of the Sacramento Route 1, which is operated in Sacramento County. In the past, there has been confusion on how to account for this third party contracted service in farebox ratio calculations, particularly as TDA provides little guidance. For several audit periods, the Fiscal Auditor has excluded the cost of the Sacramento County portion of the Sacramento route from farebox ratio calculation but included fare revenue generated by the service. Over the years, TPA auditors and AT management have looked to Caltrans for advice on this issue. The final conclusion was that it would be appropriate to either include or exclude both operating costs and fare revenues from the contracted service, but it would not be appropriate to include one but not the other. Placer County Transit (PCT) has a similar situation where the City of Auburn pays Placer County to extend the PCT Highway 49 Route to the City of Auburn Airport. Placer County includes the cost of that portion of the Highway 49 Route as well as the revenue received from the city in farebox ratio calculations.

The performance auditor recommends that the best way to accurately depict the performance of Amador Transit services is to include both costs and revenue associated with the entire Sacramento Route in farebox ratio calculations. Amador Transit is the operator of this service and operating data for the Sacramento service is included in Amador Transit’s reporting to the state, not Sacramento County’s reporting. This will simplify the process as well as provide a more accurate picture of how all AT transit services perform.