

*Transportation Development
Act Performance Audit
Final Report*



Tahoe Area Regional Transit



FY 2006/07 through FY 2009/10



August 2012

Submitted by



TABLE OF CONTENTS

EXECUTIVE SUMMARY	1
INTRODUCTION	9
AUDIT SCOPE & METHODOLOGY	9
DESCRIPTION OF TAHOE AREA REGIONAL TRANSIT (TART).....	11
TART ROUTE STRUCTURE.....	11
TART FARE STRUCTURE	12
AUDIT RESULTS	15
COMPLIANCE	15
PRIOR AUDIT RECOMMENDATIONS.....	21
PERFORMANCE MEASURES & INDICATORS	25
VERIFICATION OF PERFORMANCE MEASURES	25
OPERATING COSTS	25
FARE REVENUE AND LOCAL SUPPORT.....	26
PASSENGER COUNTS	28
VEHICLE SERVICE HOURS & MILES.....	28
FULL-TIME EQUIVALENT EMPLOYEES	29
TDA REQUIRED INDICATORS.....	29
PRIOR AUDIT PERIODS	29
CURRENT AUDIT PERIOD (FY 06/07 THROUGH FY 09/10)	29
OPERATING COST	33
FARE REVENUE	36
RIDERSHIP	37
VEHICLE SERVICE HOURS.....	38
VEHICLE SERVICE MILES	39
FULL-TIME EQUIVALENT EMPLOYEES	40



OPERATING COST PER VEHICLE SERVICE HOUR	41
OPERATING COST PER VEHICLE SERVICE MILE	42
OPERATING COST PER PASSENGER	42
PASSENGERS PER VEHICLE SERVICE HOUR	44
PASSENGERS PER VEHICLE SERVICE MILE.....	45
VEHICLE SERVICE HOURS PER FULL-TIME EQUIVALENT EMPLOYEE.....	46
VEHICLE SERVICE MILES PER VEHICLE SERVICE HOUR (SPEED)	47
FAREBOX RECOVERY RATIO	48
FARE REVENUE PER PASSENGER	49
FUNCTIONAL REVIEW	51
GENERAL MANAGEMENT & ORGANIZATION.....	51
SERVICE PLANNING	53
SCHEDULING, DISPATCHING & OPERATIONS.....	63
PERSONNEL MANAGEMENT & TRAINING	64
MARKETING & PUBLIC INFORMATION	66
ADMINISTRATION & CONTRACT MANAGEMENT.....	70
MAINTENANCE, FLEET & FACILITIES	74
FINDINGS & RECOMMENDATIONS.....	81
SUMMARY OF FINDINGS.....	81
COMPLIANCE	81
PRIOR AUDIT RECOMMENDATIONS.....	82
PERFORMANCE INDICATORS & MEASURES	82
FUNCTIONAL REVIEW.....	83
RECOMMENDATIONS	85
RECOMMENDATION 1:.....	85
RECOMMENDATION 2:.....	86
RECOMMENDATION 3:.....	88



RECOMMENDATION 4:	89
RECOMMENDATION 5:	90
RECOMMENDATION 6:	90

TABLE OF TABLES

Table 1: Summary of TPA Recommendations	10
Table 2: Fare Changes	13
Table 3: Calculation of Eligible Local Transportation Funds for TART	16
Table 4: TART TDA Compliance Chart.....	17
Table 5: Summary of Fare Revenue and Local Support	28
Table 6: TART Performance Measures and Indicators for the Audit Period.....	31
Table 7: 10-Year Trend Analysis, with Tables & Graphs FY 99/00 through FY 09/10	32
Table 8: Employee Benefit System Classification	33
Table 9: TART Operating Cost Analysis	35
Table 10: SRTP Goals and Objectives	55
Table 11: SRTP Prioritized Service Plan Elements Recommendations	58
Table 12: SRTP Non-prioritized Service Plan Elements Recommendations.....	59
Table 13: SRTP Short Range Capital Plan Recommendations	60
Table 15: SRTP Financial Plan Recommendations.....	62
Table 16: TART Marketing Expenditures	68
Table 17: CHP Inspection Reports	75
Table 18: TART Fleet	78
Table 19: Summary of TPA Recommendations.....	91



TABLE OF FIGURES

Figure 1: Mainline Route	11
Figure 2: Drivers record the passengers by type.....	26
Figure 3: Cash is counted in a secure interior room. Two counters are present.	26
Figure 5: Money is deposited in the GFI fareboxes on the Vehicles.....	26
Figure 4: The probe extracts fare and passenger information.....	26
Figure 6: Average Operating Costs by Category FY 06/07 - FY 09/10	34
Figure 7: Operating Cost	35
Figure 8: Fare Revenue	36
Figure 9: Passenger Counts	37
Figure 10: Vehicle Service Hours	38
Figure 11: Vehicle Service Miles	39
Figure 12: Full-Time Equivalent Employees.....	40
Figure 13: Operating Cost per Vehicle Service Hour	41
Figure 14: Operating Cost per Vehicle Service Mile.....	42
Figure 15: Operating Cost Per Passenger.....	43
Figure 16: Passengers per VSH.....	44
Figure 17: Passengers per VSM	45
Figure 18: VSH per FTE	46
Figure 19: VSM per VSH.....	47
Figure 20: Farebox Recovery Ratio	48
Figure 21: Fare Revenue per Passenger.....	49
Figure 22: Placer County District 5.....	51
Figure 23: Placer County North Tahoe MAC.....	52
Figure 24: TART Seasonal Schedule Brochure	68



Figure 25: Placer County Website/TART Page	69
Figure 26: Model for Cost Allocation for Truckee Agreement FY 08/09	73
Figure 27: PMI Task Schedule	76
Figure 28: Preventative Maintenance Program Schedule.....	79
Figure 29: Example of Customer Satisfaction and Importance Survey Questions	87

TABLE OF CONTENTS

EXECUTIVE SUMMARY	I
SUMMARY OF FINDINGS	1
OVERVIEW	1
COMPLIANCE REVIEW	2
FOLLOW-UP OF PRIOR TPA RECOMMENDATIONS	2
PERFORMANCE MEASURES & INDICATORS	3
FUNCTIONAL REVIEW	4
SUMMARY OF RECOMMENDATIONS	5

TABLE OF TABLES

Table 1: Summary of TPA Recommendations	8
--	----------

EXECUTIVE SUMMARY

This chapter summarizes key findings and recommendations developed during the Transportation Development Act Performance Audit of Tahoe Area Regional Transit (TART). The report covers a four-year period ending June 30, 2010. A fourth year was added to the Audit to bring it on the same cycle as Tahoe Regional Planning Authority (TRPA), the Regional Transportation Planning Agency for TART.

The format and requirements for the Transportation Development Act Performance Audits are dictated by the following regulations and guidelines:

- **Public Utilities Code Section 99246**, which defines the legal requirements for the Audit;
- **Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Entities** (3rd Edition, September 2008), issued by the California Department of Transportation (Caltrans);
- **Standards for Audit of Governmental Organizations, Programs, Activities, and Functions** (2007 Revision), published by the United States General Accounting Office and the U.S. Comptroller General.

The Audit is designed to be an independent and objective evaluation of TART, as the transit operator. The Audit comprises four major elements:

1. **Compliance:** Assessment of compliance with the Transportation Development Act (TDA) and other relevant statutory and regulatory requirements;
2. **Prior Audit Recommendations:** Follow-up of implementation status of recommendations from the prior Audit (and other relevant prior performance audits);
3. **Performance Measures & Indicators:** Methodology for calculating performance measures and indicators and significant performance measures/indicators with a trend analysis;
4. **Functional Review:** Identification and review of the transit agency's functions and activities.

SUMMARY OF FINDINGS

OVERVIEW

Tahoe Area Regional Transit (TART) is operated by the Placer County Department of Public Works (PCDPW), which also operates Placer County Transit (PCT). TART provides fixed route service operating along the west and north Shores of Lake Tahoe, as well as the Highway 89 corridor between Tahoe City and Truckee and the Highway 267 corridor between Kings Beach and Truckee. It also operates a summer trolley service. Complementary American with Disabilities (ADA) paratransit service is provided through a contract with a local taxi service.

Changes and accomplishments during the Audit period include:

1. Year-round hourly service on the Highway 89 Tahoe City –Truckee Route (April 2008);
2. Fare increase and the elimination of transfers (June 2009);

3. Design and commencement of construction of the new Tahoe City Transfer Center (completion expected in winter 2012);
4. TART maintenance moved into the new DWP maintenance facility at Cabin Creek (June 2011);
5. An RFP for GPS and real time transit information on TART vehicles was released. The equipment has been installed and the system was to be in operation by November 2011.

COMPLIANCE REVIEW

The County of Placer, as the transit operator of TART, administers TDA laws and regulations in an efficient and effective manner and is in full compliance with TDA rules and regulation with two exceptions related to the annual fiscal and compliance audits:

1. The annual fiscal and compliance audits did not appear to include all of the seven compliance requirements specified by CCR 6667;
2. The annual fiscal and compliance audits were filed beyond the 180-day requirement delineated by PUC 99245.

Due to low demand, TART's taxi voucher service for persons with disabilities is provided by a taxi voucher service. The taxi voucher program appears to be the most cost-effective way to meet TART's ADA requirements. The program is small and cannot achieve the efficiencies required to meet the 10% farebox recovery. Although the farebox recovery ratio falls below 10%, the combined ratio is in compliance.

TART has elected to use its local transportation funding (LTF) resources for no more than 50% of its operating costs (PUC 99268) rather than meet the 25% Farebox Recovery Ratio it apparently had in FY 78/79 (PUC 99268.3). No documentation is available to support the 25% Farebox Recover Ratio in the base year. A review of the total amount of LTF allocated to TART compared to total expenditures determined LTF funding exceeded 50% in FY 06/07 and FY 07/08. However, with the addition of Special Fares and Local Support (PUC 99268.19), TART exceeded the 25% Farebox Recovery Ratio assigned to it in FY 78/79 and is, therefore, eligible for TDA funds in excess of the 50%.

FOLLOW-UP OF PRIOR TPA RECOMMENDATIONS

The prior Performance Audit recommended that TART develop an *Operations and Training Manual* and to include a continuous safety training program in the manual. In 2008, Placer DWP Transit Management took advantage of California Transit Insurance Pool's (CalTIP) training program to develop a training manual with a safety training component. While the training program provides a core body of information, TART procedures and policies have been issued to employees in various memos and documents in a non-uniform manner.

PERFORMANCE MEASURES & INDICATORS

Ridership and Fare Revenues, while increasing through the first three years of the Audit, declined slightly in FY 09/10. The cash handling procedures appear appropriate for an operation the size and scope of TART. Some concerns exist in leaving the cash vaults in the hallway overnight. However, the facility is locked and a more secure location is not feasible at the current facility. If the facility is remodeled in the future, a more secure vault drop would add an extra measure of security.

Operating Costs have continued to increase, with salaries and benefits (including professional services which include TART management) as the primary source. Both Vehicle Service Hours (VSH) and Vehicle Service Miles (VSM) increased during the Audit period due to the implementation of year-round hourly service.

- **Cost Efficiency:** In constant dollars (excludes inflation), the Operating Cost per VSH declined slightly (2.5%) over the four-year Audit period, demonstrating improved cost efficiency.
- **Cost Effectiveness:** Operating Cost per Passenger increased to an all-time high in FY 09/10 due to the decline in ridership, continuing an unfavorable trend the last two years of the Audit.
- **Service Effectiveness (productivity):** Passengers per VSH and Passengers per VSM, which are indicators of service effectiveness, declined during each of the final two years of the Audit period (FY 08/09 and FY 09/10), reversing a four-year period of improvement.
- **Productivity:** Except for a spike in FY 07/08, productivity or VSH per FTE remained relatively constant through the Audit period.

Special Fares from local support provide extended winter service for the benefit of their customers and employees. Local Support from the Transit Occupancy Tax (TOT) was added to fare revenues for the calculation of the Farebox Recovery Ratio. With the addition of Special Fares and Local Support, TART achieved Farebox Recovery Ratios above the 25% recorded in FY 78/79.

- FY 06/07—26.6%
- FY 07/08—30.3%
- FY 08/09—31.1%
- FY 08/09—38.9%

Without the addition of Special Fares and Local Support, the Ratio falls considerably below the 25% it achieved in FY 78/79.



FUNCTIONAL REVIEW

GENERAL MANAGEMENT & ORGANIZATION

The Placer County Department of Public Works operates TART. The PW Manager – Transit oversees both TART and Placer County Transit (PCT). Management and staffing appear appropriate for its operations.

SERVICE PLANNING

TART's most recent *Short Range Transit Plan* (SRTP), the *Tahoe Area Regional Transit Systems Plan Study*, was completed in 2005. Since there have been changes to the area and to the transit operations since the time the study was completed, an update to the plan would be beneficial.

The Plan provided goals with appropriate measures and standards in most cases; however, TART does not regularly track some key performance standards outlined in the plan, such as on-time performance, accidents per 100,000 miles, etc. In some cases, indicators were not tracked because the data was not easily available and the value of calculating the indicator was minimal. However, the newly installed Nextbus system will assist in providing reports on some key variables, such as schedule adherence, that were previously difficult to measure regularly.

A survey was done as part of the Plan; however, elements such as passenger satisfaction and various service attributes such as reliability were not included. In addition, the importance of service attributes was not measured.

TART has made substantial progress in implementing the recommendations in the SRTP within the recent economic constraints.

SCHEDULING, DISPATCHING & OPERATIONS

Americans with Disabilities Act (ADA) complementary paratransit service is provided through a contract with an independent taxi company. A new contract was recently implemented (after the Audit period).

TART operates in a seasonal environment and has had some difficulty securing qualified drivers during the peak winter season. TART has a contract with a private transit contract operator for supplemental drivers.

PERSONNEL MANAGEMENT & TRAINING

TART drivers have an excellent salary and benefit package.

In 2008, TART developed a training manual, which establishes the basic curriculum for operational (operators and dispatchers) and maintenance employees, as part of the Transit System's Safety Program Plan (SSPP).

MARKETING & PUBLIC INFORMATION

TART has excellent relations with TRPA and other local governmental agencies. TART's management is very active in coordinating with other governmental agencies.

TART does not maintain a separate Citizens/Riders Advisory Committee. However, the PW Manager — Transit attends local Municipal Advisory Council (MAC) meetings when there is a transit-related item that may be presented to the Board of Supervisors and is active in the Truckee North Tahoe Transportation Management Association (TNT/TMA). The TNT/TMA is TART's primary marketing vehicle.

TART's website and schedules are confusing and incomplete. Connections and seasonal services are difficult to determine. ADA information is primarily in PDF format, which is often not accessible to individuals with sight impairments who use screen readers and others with low vision who use text enlargement programs or different color and font settings to read computer displays.

ADMINISTRATION AND CONTRACT MANAGEMENT

TART manages contracts in an efficient and effective manner.

Placer County provides administrative support to TART for risk management, contract supervision, procurement, accounts payable, payroll and information technology.

MAINTENANCE, FLEET & FACILITIES

TART developed a concise, complete *Fleet Maintenance Plan* in accordance with Federal Transit Administration guidelines. The preventative maintenance program appears to be conducted in accordance to established guidelines. Facilities are adequate.

SUMMARY OF RECOMMENDATIONS

Recommendation 1: *Determine and track key performance measures with monthly management dashboards and quarterly reports to turn in the Board of Supervisors, possibly including the local MACs and the TRPA.*

This recommendation builds on a recommendation in TART's last SRTP to adopt transit goals, objectives and performance measures, which were delineated in the Systems Plan Study as adopted. However, a number of the measures and standards, including on-time performance, accidents, load standards, etc., are not tracked or reported in a consistent format. TART's management and governing Board would benefit from selecting six to 10 key measures and standards. The selected measures and standards should meet the following criteria:

- Be accurate and convenient to track;
- Provide a clear understanding of the meaning and importance;
- Be relevant and controllable;
- Reflect specific goals of management and policy makers.

To be meaningful, the reports need to compare actual counts (both current period and year-to-date or prior

12 months) to the same period in the previous year and the adopted standard. Trend graphs are also useful in putting the measure into context. Noting any unusual occurrences is also helpful in understanding the importance of any variances.

Recommendation 2: *Update the **Short Range Transit Plan** to include a customer satisfaction survey component.*

The current Systems Plan Study (the Short Range Transit Plan) was completed in 2005. Since then, TART has revised its schedules and route structure. By updating its SRTP, TART will ensure that its transit operation is developing efficiently and that it effectively serves the community and its riders. As TRPA is currently updating its Tahoe Regional Plan and Regional Transportation Plan, TRPA should ensure that the Transit Element for North Lake Tahoe is consistent with TART's Short- and Long-Range Transit Plans.

A survey of existing TART riders and the community should be a key component of the analysis. In addition to demographic and trip information, the survey should attempt to capture data on customer satisfaction and the importance of key service attributes.

Recommendation 3: *Work toward greater public involvement with TART and improve TART's website and marketing.*

TART currently has no citizen's or rider's advisory committee. However, TART's management is active in several local organizations, including the Truckee North Tahoe Transportation Management Association (TNT/TMA), which includes the area's major businesses (North Lake Tahoe Resorts). While TART management visits the two local Municipal Advisory Councils (MAC), the presentations are infrequent, occurring only when a TART matter is likely to be on the Board of Supervisors' agenda.

The seasonal nature of TART's ridership makes it difficult to maintain a standing committee. However, more involvement from riders and stakeholders in the community could enhance the service and its value in the community.

Schedule information on seasonal and other services is difficult to locate. Google Transit Trip Planner would be more likely used if it appeared on the opening splash page. Connections and transfer information is somewhat difficult for a new or potential rider to locate and understand. The Americans with Disabilities Act information relied on PDFs of existing brochures. Alternative text-based formats, such as HTML or RTF (rich text format), are the most compatible with assistive technologies used by riders with limited vision. An update of the website would be helpful to new and potential riders.

Working with TNT/TMA, a strategic marketing plan would be beneficial in ensuring marketing expenditures are effectively spent.

Recommendation 4: *Work with fiscal and compliance auditor to document the requirements of TDA legislation.*

The California Code of Regulations delineates the requirements of the Fiscal and Compliance Audits (CCR 6667). Our review of the fiscal and compliance audits could not verify that some of these tests were performed, or if tests were performed, they did not appear to meet the definitions determined by the TDA.

Recommendation 5: *Include Special Fares and Local Support in the calculation of Farebox Recovery Ratio.*

Public Utilities Code 99268.19 provides that Local Funds may be included in the calculation of the Farebox Recovery Ratio.

- Per the definition, Special Transit Fares (402) includes revenues for expanded service provided by the TNT/TMA and North Lake Tahoe Resorts.
- Local Support or General Operating Assistance (409.010) is provided through Transit Occupancy Tax (TOT) are allocated to TART to help cover the operating costs of providing transit services.

Recommendation 6: *Continue to work toward improving cost structure.*

TART has made progress in controlling costs while maintaining the current service level. Further opportunities may exist to improve the cost structure, including contracting additional services and alternatives to the providing extra drivers. TART may benefit from a comprehensive classification, compensation, and utilization study in conjunction with PCT.



Table 1: Summary of TPA Recommendations

	RECOMMENDATION	RESPONSIBILITY	IMPORTANCE	TIMEFRAME
1	Determine and track key performance measures with monthly management dashboards and quarterly reports to be turned in to the Board of Supervisors, possibly including the local MACs and the TRPA.	PW Manager – Transit	Medium	FY 12/13
2	Update <i>Short Range Transit Plan</i> to include a customer satisfaction survey component.	TRPA and PW Manager – Transit	High	FY 12/13
3	Work toward greater public involvement with TART and improve TART's website and marketing.	PW Manager – Transit	Medium	FY 11/12
4	Work with the fiscal and compliance Auditor to document the requirements of TDA legislation.	PW Manger – Transit	High	FY 10/11 Audit (FY 11/12)
5	Include Special Fares and Local Support in the calculation of Farebox Recovery Ratio and work with the TRPA and/or local state assemblyman to revise the 25% farebox recovery ratio.	TRPA, fiscal auditors, accounting	High	FY 11/12
6	Continue to work toward improving cost structure.	PW Manger – Transit	Medium	Ongoing

TABLE OF CONTENTS

TABLE OF CONTENTS.....	I
TABLE OF FIGURES.....	I
INTRODUCTION.....	9
AUDIT SCOPE & METHODOLOGY.....	9
DESCRIPTION OF TAHOE AREA REGIONAL TRANSIT (TART).....	11
TART ROUTE STRUCTURE.....	11
TART FARE STRUCTURE.....	12

TABLE OF FIGURES

Figure 1: Mainline Route	11
---------------------------------------	-----------

TABLE OF TABLES

Table 2: Fare Changes	13
------------------------------------	-----------

INTRODUCTION

This report of the Transportation Development Act Performance Audit for Tahoe Area Regional Transit (TART), covers a four-year period ending June 30, 2010. The Performance Audit period was extended from three to four years to bring it into the same cycle as the Tahoe Regional Planning Agency, which is the Regional Transportation Planning Agency (RTPA) for TART. The California Public Utilities Code requires all public transit agencies to conduct a Triennial Performance Audit in order to be eligible for Transportation Development Act (TDA) funding. The proposed Audit is designed to be an independent and objective evaluation of TART as the transit operator. The Audit has four objectives:

1. Assess compliance with TDA regulations;
2. Review improvements that have been implemented and progress toward goals;
3. Evaluate the efficiency and effectiveness of TART operations;
4. Provide sound, constructive recommendations for improving the efficiency and functionality of the operations.

AUDIT SCOPE & METHODOLOGY

California Public Utilities Code (PUC), Section 99246, subsection (b) states that *the Audit shall evaluate the efficiency, effectiveness and economy of the operation of the entity being audited and subsection (d) stating the Audit shall include consideration of the needs and types of passengers served, employment of part-time drivers and contracting with common carriers of persons operating under franchise or license to provide services during peak hours as well as include verification of five performance indicators:*

1. *Operating Cost per Passenger;*
2. *Operating Cost per Vehicle Service Hour;*
3. *Passenger per Vehicle Service Hour;*
4. *Passengers per Vehicle Service Mile;*
5. *Vehicle Service Hours per Employee.*

The format and requirements for Transportation Development Act (TDA) Performance Audits are dictated by the following regulations and guidelines:

- ***Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Entities*** (3rd Edition, September 2008), issued by the California Department of Transportation (Caltrans);
- ***Standards for Audit of Governmental Organizations, Programs, Activities, and Functions*** (2007 Revision), published by the United States General Accounting Office and the U.S. Comptroller General.

The Performance Audit is a high-level review evaluating the efficiency, economy and effectiveness of the transit operations. While the primary purpose of the Audit is to ensure compliance with TDA requirements, it also provides TART with practical and useful recommendations to improve the efficiency and effectiveness of its transit operations.

The Audit of TART operations comprised the evaluation of four elements:

1. Compliance with TDA requirements and regulations;
2. Implementation of recommendations contained in prior Performance Audits;
3. Methodology and analysis for calculating performance indicators and significant performance measures;
4. Major functions performed by TART to support its public transportation operations, including:
 - ◆ General management and organization;
 - ◆ Service planning;
 - ◆ Scheduling, dispatching and operations;
 - ◆ Personnel management and training;
 - ◆ Administration;
 - ◆ Marketing and public information;
 - ◆ Maintenance.

The Audit presents conclusions and recommendations to address opportunities for improvement based upon analysis of the previous four elements.

The methodology for this Audit comprised interviews with key personnel from Placer County Department of Public Works and Tahoe Regional Planning Association, site visits, verification of data sources, examinations of financial and statistical reports and reviews of relevant planning documents and reports.

The Audit Report comprises four sections:

1. **Executive Summary**
A brief summary of the key findings and recommendations developed during the Performance Audit process.
2. **Introduction**
The methodology of the Audit and any pertinent background information.
3. **Audit Results**
An in-depth discussion of findings surrounding each of the major elements of the Audit:
 - Compliance with statutory and regulatory requirements;
 - Prior Audit recommendations and progress in implementing these;
 - Performance measures and trends;
 - Functional review.
4. **Findings & Recommendations**
Thorough delineation of the key findings of the Performance Audit, recommendations for improving the efficiency and effectiveness of TART's operations and a timeline for implementing the recommendations.

DESCRIPTION OF TAHOE AREA REGIONAL TRANSIT (TART)

Tahoe Area Regional Transit (TART) is operated by the Placer County Department of Public Works (PCDPW), which also operates Placer County Transit (PCT). TART provides fixed-route service operating along the West and North Shores of Lake Tahoe, as well as the Highway 89 corridor between Tahoe City and Truckee and the Highway 267 corridor between Kings Beach and Truckee. In addition, PCDPW operates free summer-only Trolley services on the North Shore of Lake Tahoe. Trolley services are financed by funds managed by the North Lake Tahoe Resort Association. TART buses operate seven days a week except Christmas Day.

TART ROUTE STRUCTURE

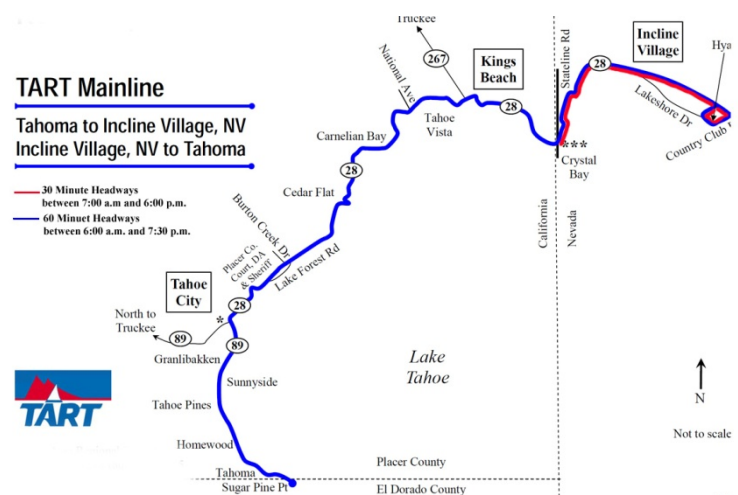
TART operates three routes:

1. Mainline Route: Between Tahoma and Incline Village (Nevada);
2. Highway 89 Route: Highway 89 between Tahoe City to Truckee;
3. Highway 267 Route: Highway 267 between Truckee to Crystal Bay (winter only).

MAINLINE ROUTE: INCLINE VILLAGE-NORTH SHORE-WEST SHORE

The Mainline Route covers approximately 30 miles along the North Shore of Lake Tahoe. The route travels between Incline Village in Nevada and Sugar Pine Point in El Dorado County and serves Tahoma, Homewood, Tahoe City and Kings Beach. The service operates year-round between 6:00 a.m. and 7:25 p.m. Between 7:00 a.m. and 6:00 p.m., the route operates with 30-minute headways between the Hyatt/Lakeshore Drive in Incline Village and the Tahoe Biltmore at Crystal Bay before resuming along the North and West Shore to Sugar Pine Point.

Figure 1: Mainline Route





HIGHWAY 89 ROUTE: TAHOE CITY- TRUCKEE

The Highway 89 route operates a northbound and a southbound run between Tahoe City and Truckee from 6:30 a.m. to 6:30 p.m. The first two morning runs (leaving Tahoe City “Y” at 6:30 a.m. and 7:30 a.m.) start at the Tahoe Biltmore in Crystal Bay and stop at Kings Beach before Tahoe City. The service operates on hourly headways. The northbound run begins at the Tahoe Biltmore at Crystal Bay at 6:00 a.m. with a second bus beginning at 7:00 a.m. The northbound run ends at 5:30 p.m. at the Truckee Depot. At the Truckee Depot, the route connects with Truckee Transit and Amtrak. In the winter, it makes connections with the Highway 267 route.

WINTER-ONLY HIGHWAY 267 ROUTE: TRUCKEE-CRYSTAL BAY

The Highway 267 route operates between Truckee Depot and Crystal Bay Club with service to Northstar Village during the winter months. In FY 09/10, it began operation on December 17 and ended April 4. The route operates on hourly headways between 7:00 a.m. and 6:00 p.m. The Highway 267 route connects with the Highway 89 Route at the Truckee Depot.

During the Audit period, TART also contracted with Alpine Taxi, a local taxi company, to provide complementary ADA paratransit services. In May 2011 (after the Audit period), the local taxi company ceased operations. The county released a Request for Proposal in July 2011 and had one viable respondent. A contract is in negotiation. During this period, Placer County Transit loaned an 18-passenger cutaway to TART and ADA paratransit services are being provided by TART personnel.

The TART operations and maintenance facility is located two miles from the Highway 89 corridor. This facility includes a Compressed Natural Gas (CNG) fueling station. TART maintains a fleet of 14 vehicles, including a spare bus from the Placer County Transit fleet. Two of the vehicles are stationed in Auburn. TART’s fleet includes eight CNG buses.

TART FARE STRUCTURE

The Fare Structure was revised June 1, 2009 with multi-day passes replacing many of the multi-ride tickets. Half-price discounted tickets are available for seniors age 60 years and older and youths ages six through 12. Medicare card holders are also eligible for half fare. Children 5 and younger ride free with a paid adult.

Fares were effective June 1, 2009; free transfers have been replaced with a 24-hour unlimited ride pass costing \$3.50. A passenger taking a two-way trip will pay the same price as paying two separate fares with a free transfer for each boarding.

Table 2: Fare Changes

	Before June 1, 2009		After June 1, 2009	
	General Public	Discounted	General Public	Discounted
One-Way Pass	\$1.50	\$0.75	\$1.75	\$0.85
24-Hour Pass/All-Day Pass	\$3.50	\$1.75	\$3.50	\$1.75
10-Ride Pass	\$14.00	\$7.00	\$14.00	\$7.00
20-Ride Pass	\$25.00	\$12.50		
14-Day Pass			\$30.00	\$15.00
40-Ride Pass	\$45.00	\$22.50		
30-Day Pass			\$53.00	\$26.50

RECENT PROGRAM CHANGES AND INNOVATIONS

- Route and Schedule Changes:** In January 2008 the Placer County Board of Supervisors authorized the expansion of Tahoe Area Regional Transit (TART) Service on the Highway 89 Tahoe City – Truckee Route to increase service from a two-hour service to one-hour service during the fall and spring seasons beginning April 7, 2008, and also approved a budget revision to account for added costs and revenue.
- Fare Increase:** TART implemented a fare adjustment June 1, 2009. The fare adjustment increased the general public cash fare from \$1.50 to \$1.75 and the senior and disabled fares from \$0.75 to \$0.85. The proposed fare modification also eliminated the issuance of free transfers. The charge for an all-day pass did not change. The 20-ride and 40-ride passes were replaced with 14-day and 30-day unlimited ride passes.
- Tahoe City Transfer Center:** During the Audit period, the Tahoe City Transit Center design phase was completed and construction is now in progress. The Tahoe City Transit Center Project will consist of an intermodal transit facility that can support the exchange of passengers of up to six buses at one time.
- New Maintenance Facility:** Placer County Fleet Public Works constructed a new eight-bay maintenance facility across the parking lot from the transit maintenance facility. TART's maintenance, which is performed by Placer County Fleet Public Works, was relocated to the facility along with other Placer County fleet maintenance for the Tahoe area.
- GPS (Geographic Positioning System):** A Request for Proposal for GPS and real-time transit information on TART vehicles was released in June 2010. The contract has been awarded and the hardware and software installed. Staff training has been completed and the system was expected to go live in autumn 2011.

TABLE OF CONTENTS

TABLE OF CONTENTS.....	I
TABLE OF TABLES	I
AUDIT RESULTS	15
COMPLIANCE	15

TABLE OF TABLES

Table 3: Calculation of Eligible Local Transportation Funds for TART	16
Table 4: TART TDA Compliance Chart.....	17

AUDIT RESULTS

COMPLIANCE

This section examines the County of Placer's compliance for Tahoe Area Regional Transit (TART) with the Transportation Development Act (TDA) and relevant sections of the *California Code of Regulations*. In addition, an annual certified fiscal audit is to be conducted to confirm TDA funds were apportioned in conformance with applicable laws, rules and regulations. Although compliance verification is not a TPA responsibility, several specific requirements concern issues relevant to the Performance Audit. The Audit findings and related comments are delineated in the table, beginning on the following pages.

Compliance was determined through interviews with Tahoe Regional Planning Agency (TRPA) staff and inspection of relevant documents, including the fiscal audits, planning documents, performance reports and other related documentation.

The County of Placer, as the transit operator of TART, administers TDA laws and regulations in an efficient and effective manner and is in full compliance with TDA rules and regulation with two exceptions:

1. The annual fiscal and compliance audits did not appear to include all of the seven compliance requirements specified by CCR 6667. The previous Audit discussed that TART was eligible to receive only up to 50% of its operating and capital costs from Local Transportation Funds (LTF) since it has not achieved a farebox recovery ratio of 25%, which it had in FY 78/79. However, it did not determine the maximum amount TART was eligible to receive under the Act during each of the three fiscal years reviewed, as required by CCR 6667 (i). Special Fares and Local Support were not applied and classified differently in different years. Other entries were also classified differently in different years, making analysis of year-to-year changes difficult.
2. Fiscal and compliance Audits were completed beyond the statutorily stated requirement of 180 days. The TART Audits are conducted with the County of Placer's financial Audits. As a result, management has minimal ability in negotiating an earlier timeframe for completion. TART management should continue to work with the County in negotiating an earlier start and completion of the TART Audits so they can be submitted within the 180 days (PUC 99245).

NOTE 1 In FY 78/79, TART had a Farebox Recovery Ratio of 25%. However, no documentation could be located to determine how this ratio was calculated. During the Audit period, TART's ratio was calculated to be less than 25%. TART chose to use LTF funding for no more than 50% of its operating costs (PUC 99268), and a review of total LTF allocated to TART to total expenditures determined LTF funding exceeded 50% in FY 06/07 or FY 07/08. However, contributions from the North Lake Tahoe Resorts should be classified as Special Fares (402) and contributions from local funds (specifically Transit Occupancy Tax (TOT) or Hotel Tax and TTD Car Mitigation Tax) should be classified as Local Support – General Assistance (409.010). If the additional revenues are applied to the Farebox Recovery Ratio calculation, the 25% ratio from FY 78/79 is surpassed. By meeting the minimum ratio, TART is eligible for TDA funding above 50%.



Table 3: Calculation of Eligible Local Transportation Funds for TART

	FY 06/07	FY 07/08	FY 08/09	FY 09/10
Op Exp	\$2,861,142	\$3,163,133	\$3,528,099	\$3,462,012
Capital	\$204,420	\$88,047	\$18,092	\$43,003
Depreciation	\$353,212	\$357,290	\$360,460	\$366,355
Federal	\$226,664	\$165,096	\$179,241	\$524,761
STA	\$263,626	\$124,492	\$38,701	\$37,821
RTC Operation Reimbursements	\$225,386	\$276,275	\$307,238	\$150,031
LTF Eligible Operating Costs	\$1,996,674	\$2,237,327	\$2,540,251	\$2,335,670
Maximum LTF (based on 50%)	\$998,337	\$1,164,014	\$1,330,276	\$1,213,024
Truckee Reimbursement (TDA) ¹		\$90,700	\$120,300	\$90,377
TRPA LTF Funding	\$1,996,674	\$2,328,027	\$2,660,551	\$2,426,047
LTF Received	\$1,195,871	\$1,366,705	\$1,113,927	\$1,051,389
% of Operating Cost Received	60%	59%	42%	43%

¹Funds received from the Truckee are TDA funds and were added into the total funds received.

NOTE 2: TART's taxi voucher service for persons with disabilities does not meet the 10% farebox requirement. The program is small and cannot achieve the efficiencies required to meet the 10% farebox recovery.

However, PUC 99268.5(c) allows an operator which provides both exclusive transportation services for elderly and handicapped persons and regular scheduled public transportation service to use the combined total to determine qualification for funding under TDA. With the addition of Special Fares and Local Support TART's combined ratio exceeds the minimum 25% Ratio it had in FY 78/79 and therefore, qualifies for full funding under the TDA statutes.

TART's American with Disabilities (ADA) transit requirements for persons with disabilities is provided through a taxi voucher service. The taxi voucher program appears to be the most cost effective way to meet TART's ADA requirements. Although the farebox recovery ratio falls below 10%, the combined ratio is in compliance.

Table 4: TART TDA Compliance Chart

Reference	Requirement	Compliance	Comments
CCR 6754 (a) (3)	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.	In Compliance	TART has applied for and received federal grants totaling: <ul style="list-style-type: none"> FY 06/07 – \$226,664; FY 07/08 – \$165,096; FY 08/09 – \$179,241; FY 09/10 – \$534,761.
PUC 99243	The transit operator annually reports to the RTPA, based upon the Uniform System of Accounts and Records established by the State Controller, within 90 days of the end of the fiscal year.	In Compliance	State Controller's Reports were correctly prepared and submitted according to guidelines: <ul style="list-style-type: none"> FY06/07 – 9/11/07; FY 07/08 – 9/18/08; FY 08/09 – 10/15/09; FY09/10 – 10/6/10. <p>In FY 06/07, TART was submitted as a separate report from Placer County Transit (PCT). The California Department of Finance indicated that the reports should not be separate; however, the reports were combined in subsequent years. TART provides internal reports separating PCT and TART that tie to the SCR.</p>
PUC 99245	The operator has submitted annual fiscal and compliance audits to its RTPA and to the State Controller within 180 days following the end of the fiscal year, or has received the appropriate 90-day extension allowed by law.	Exception Noted	Annual fiscal and compliance audits were completed and submitted beyond the 180-day timeframe for each year of the Audit. The audits are part of the County audit process. Therefore, completing the audits within the required timeframe is problematic: <ul style="list-style-type: none"> FY06/07 – 4/8/2008; FY 07/08 – 1/21/2009; FY 08/09 – 1/20/2010; FY 09/10 – 2/25/2011. <p>The Audits did not appear to have performed all requirements of CCR 6667.</p>



Reference	Requirement	Compliance	Comments
PUC 99251	The CHP has, within the 13 months prior to each TDA claim submitted by an operator, certified the operator's compliance with Vehicle Code Section 1808.1 following a CHP inspection of the operator's terminal.	In Compliance	Satisfactory CHP Terminal Reports were completed. The timeframe between the 2007 Report and 2008 Report exceeded 13 months – this was due to personnel changes within CHP and not due to issues related to TART: <ul style="list-style-type: none">1/11/07;6/16/08;6/24/09;6/9/10.
PUC 99261	The operator's claim for TDA funds is submitted in compliance with the rules and regulations adopted by the RTPA for such claims.	In Compliance	Claims were submitted to and approved by TRPA. All claims were in accordance with established rules and guidelines. Claims were submitted: <ul style="list-style-type: none">9/25/06;9/27/07;9/24/08;9/23/09 (not verified).
PUC 99264	The operator does not routinely staff with two or more persons public transportation vehicles designed to be operated by one person.	In compliance	TART does not routinely staff with two or more persons.
PUC 99266	The operator's operating budget has not increased by more than 15% over the preceding year, nor is there a substantial increase or decrease in the scope of operations or capital budget provisions for major new fixed facilities unless the operator has reasonably supported and substantiated the charge (s).	In compliance	TART's operating budget did not increase more than 15% for the three years of the Audit: <ul style="list-style-type: none">FY 06/07 – 0.3% increase;FY 07/08 – 12.0% increase;FY 08/09 – 7.8% increase;FY 09/10 – (2.3%) decrease.



Reference	Requirement	Compliance	Comments
PUC 99268.5 (a) (b)	If the operator's services are for the exclusive use of elderly and handicapped persons, it has maintained a fare ratio of at least one-tenth (10 percent). However, if the operator provides both services for the exclusive use of elderly and handicapped persons and regular scheduled public transportation service, funds may be allocated if the combined ratio meets the qualifying ratio.	Note	<p>TART provides a taxi service at minimal charge to meet ADA requirements. The service is small and has not achieved a 10% Farebox Recovery Ratio:</p> <ul style="list-style-type: none"> ▪ FY 06/07 – 5.1%; ▪ FY 07/08 – 3.6%; ▪ FY 08/09 – 1.8%; ▪ FY 09/10 – 5.4%. <p>However, with the addition of Special Fares and Local Support ,TART's combined ratio exceeds the minimum 25% Ratio it had in FY 78/79.</p>
PUC 99271	The current cost of the operator's retirement system is fully funded with respect to officers and employees of its public transportation system, or the operator is implementing a plan approved by the RTPA, which will fully fund the retirement system within 40 years.	In Compliance	All full-time employees are covered under the California Public Employees Retirement System (CalPERS), which is in compliance with this section.
PUC 99314.5	If the operator receives State Transit Assistance funds, the operator is not precluded by contract from employing part-time drivers or from contracting with common carriers.	In Compliance	TART employs part-time drivers and is not precluded by contract from doing so.



Reference	Requirement	Compliance	Comments
PUC 99268, 99268.2, 99268.3, 99268.3, 99268.12, 99270.2	Operator funding provided through the Transportation Development Act makes up no more than 50% of operating, maintenance, capital, and debt service requirements after deductions for federal grants and STA funding unless it maintains a farebox recovery ratio equal to one-tenth of operating costs or the farebox recovery ratio it had during FY 78/79.	Note	<p>In FY 78/79, TART had a farebox recovery ratio of 25%. During the Audit period, TART had elected to abide by the 50% limitation. TART elected to use LTF funding for no more than 50% of its operating costs. However, a review of total LTF allocated to TART total expenditures exceeded 50% in FY 06/07:</p> <ul style="list-style-type: none">▪ FY 06/07—60%;▪ FY 07/08—59%;▪ FY 08/09—42%;▪ FY 09/10—43%. <p>However, by classifying Special Fares and Local Support for the Farebox Recovery Ratio calculation, TART exceeds the 25% Ratio. In addition, the FY 78/79 Ratio could not be verified.</p>



TABLE OF CONTENTS

TABLE OF CONTENTS.....	I
PRIOR AUDIT RECOMMENDATIONS	21
RECOMMENDATION 1	21
ADDITIONAL RECOMMENDATIONS & FINDINGS	23

PRIOR AUDIT RECOMMENDATIONS

This section includes a formal and systematic review of TART's implementation of the recommendations from the prior Audit. The implementation of the prior Triennial Performance Audit recommendations provides a measure of TART's efforts to improve its efficiency and effectiveness. Evaluating each recommendation's implementation and outcome also strengthens the integrity of the TPA process and helps to ensure that each Audit provides effective and valuable results.

The previous Performance Audit was completed by LSC Transportation Consultants in November 2008. The relevance, progress, effectiveness and difficulties in implementing each recommendation were determined by reviewing relevant planning documents and reports, and through interviews with TART staff.

TART has demonstrated commitment to improving its efficiency and effectiveness, making substantial progress on the implementation of the two recommendations and resolving two or three issues included in the report.

RECOMMENDATION 1

Develop Operations and Training Manual.

Status: In progress

A project plan with assignment and due dates for each section would provide a program of action for completing the manual.

PRIOR AUDIT RATIONALE

As was recommended in previous audits, TART should develop a comprehensive ***Operations and Training Manual***. TART has numerous written training and operations procedures, but does not have a consolidated single manual.

DISCUSSION

In 2008, Placer DWP transit management took advantage of California Transit Insurance Pool's (CalTIP's) training program to develop a training manual. The Employee Training module was part of the Transit System's Safety Program Plan (SSPP). The Employee Training Module establishes the basic curriculum for operational (operators and dispatchers) and maintenance employees. The document includes subjects that are used as guidelines for the structure and content of training program.

While the training program provides a core body of information, TART procedures and policies have been issued to employees in various memos and documents in a non-uniform manner. When asked about specific policies and procedures, employees pulled the information from a variety of manuals and other sources. This system relies on institutional memory for the application of the procedures. Having all operations and training procedures consolidated into a single manual would be helpful in ensuring that all functions are performed to

meet Placer County and industry standards.

It remains a goal of TART management to create a uniform manual with all procedures and policies classified for easy reference. Each employee would receive a copy of the manual and sign off that he or she received, read and understands all policies and procedures in the manual. The employee would also be required to sign off on any updates to the manual. This ensures that all employees are aware of the policies and procedures, and helps ensure a safe and productive work environment. This recommendation will be carried forward.

RECOMMENDATION 2

The Operations and Training Manual should include a section on employee safety standards and outline a continuous safety training program.

Status: Not implemented

Although the rationale is no longer relevant, a section on employee safety should be included in the manual.

PRIOR AUDIT RATIONALE

Many components of operating costs, such as fuel costs, are out of the control of TART staff. However, during the last audit period, there was a large increase in workers compensation claims during the audit period. Workers compensation costs increased from \$25,711 to \$175,438 due to several injury claims. The prior Audit indicated that TART could implement policies and practices such as employee safety standards programs which could reduce the risk of worker compensation claims in the future. It was felt that higher standards could help reduce another spike in workers compensation costs.

DISCUSSION

While safety standards are important and the Policies and Procedures Manual should certainly include a chapter on Employee Safety, the workers compensation spike observed in the previous Audit was determined to be due to a formula based on the total for the County and not on TART's operations alone.

The recommendation to develop a policies and procedures manual will be expanded to include a section on employee and driver safety.

TABLE OF CONTENTS

TABLE OF CONTENTS.....	I
TABLE OF FIGURES.....	II
TABLE OF TABLES.....	IV
PERFORMANCE MEASURES & INDICATORS	25
VERIFICATION OF PERFORMANCE MEASURES	25
OPERATING COSTS	25
FARE REVENUE AND LOCAL SUPPORT.....	26
PASSENGER COUNTS	28
VEHICLE SERVICE HOURS & MILES.....	28
FULL-TIME EQUIVALENT EMPLOYEES	29
TDA REQUIRED INDICATORS.....	29
PRIOR AUDIT PERIODS	29
CURRENT AUDIT PERIOD (FY 06/07 THROUGH FY 09/10)	29
OPERATING COST	33
FARE REVENUE	36
RIDERSHIP	37
VEHICLE SERVICE HOURS.....	38
VEHICLE SERVICE MILES	39
FULL-TIME EQUIVALENT EMPLOYEES	40
OPERATING COST PER VEHICLE SERVICE HOUR	41
OPERATING COST PER VEHICLE SERVICE MILE	42
OPERATING COST PER PASSENGER	42
PASSENGERS PER VEHICLE SERVICE HOUR	44
PASSENGERS PER VEHICLE SERVICE MILE.....	45
VEHICLE SERVICE HOURS PER FULL-TIME EQUIVALENT EMPLOYEE.....	46



VEHICLE SERVICE MILES PER VEHICLE SERVICE HOUR (SPEED)	47
FAREBOX RECOVERY RATIO	48
FARE REVENUE PER PASSENGER	49

TABLE OF FIGURES

Figure 2: Drivers record the passengers by type on the keypad. The system records the passengers and revenues.....	26
Figure 3: Cash is counted in a secure interior room. Two counters are present.	26
Figure 5: Money is deposited in the GFI fareboxes on the Vehicles.....	26
Figure 4: The probe extracts fare and passenger information collected by the GFI system on the vehicle.....	26
Figure 6: Average Operating Costs by Category FY 06/07 - FY 09/10	34
Figure 7: Operating Cost	35
Figure 8: Fare Revenue	36
Figure 9: Passenger Counts	37
Figure 10: Vehicle Service Hours	38
Figure 11: Vehicle Service Miles	39
Figure 12: Full-Time Equivalent Employees.....	40
Figure 13: Operating Cost per Vehicle Service Hour	41
Figure 14: Operating Cost per Vehicle Service Mile	42
Figure 15: Operating Cost Per Passenger	43
Figure 16: Passengers per VSH.....	44
Figure 17: Passengers per VSM	45
Figure 18: VSH per FTE	46
Figure 19: VSM per VSH.....	47
Figure 20: Farebox Recovery Ratio	48



Figure 21: Fare Revenue per Passenger..... 49



TABLE OF TABLES

Table 5: Summary of Fare Revenue and Local Support	28
Table 6: TART Performance Measures and Indicators for the Audit Period.....	31
Table 7: 10-Year Trend Analysis, with Tables & Graphs FY 99/00 through FY 09/10.....	32
<i>Table 1: Employee Benefit System Classification</i>	<i>33</i>
Table 9: TART Operating Cost Analysis	35



PERFORMANCE MEASURES & INDICATORS

Performance indicators are frequently used to quantify and review the efficiency and effectiveness of a transit operator's activities. Such indicators provide insight into current operations.

The Transportation Development Act (TDA) requires recipients of TDA funding to report five performance indicators:

- Operating Cost per Vehicle Service Hour;
- Operating Cost per Passenger;
- Passengers per Vehicle Service Hour;
- Passengers per Vehicle Service Mile;
- Vehicle Service Hours per Full-Time Equivalent Employee.

The expenditure of TDA funds received by an operator is limited to 50% of the amount required to meet operating, maintenance, capital and debt services. If a non-urban operator achieves a minimum Farebox Recovery Ratio of 10% or equal to the ratio it had during FY 78/79, additional funds may be allocated. TART attained a Farebox Recovery Ratio of 25% in FY 78/79, and must achieve a 25% ratio to receive TDA funding above the 50% limit.

No documentation appears to exist regarding the calculation of the Farebox Recovery Ratio for FY 78/79. As a result, the calculation could not be verified.

VERIFICATION OF PERFORMANCE MEASURES

To assess the validity and use of performance indicators, the Audit team performed the following activities:

- Assessed internal controls in place for the collection of performance-related information;
- Validated collection methods of key data;
- Calculated performance indicators;
- Evaluated performance indicators.

OPERATING COSTS

Operating Costs were not independently calculated as part of this Audit. Operating Costs from the fiscal audit reports prepared by Gilbert Associates, Inc. (FY 06/07 and FY 07/08) and Macias Gini & O'Connell, LLP (FY 08/09 and FY 09/10), were examined. In our opinion, the Operating Costs from the audited reports are consistent with TDA guidelines and accurately reflect all the costs in the expense object classes for TART's transit services. In accordance with PUC 99247 (a), the reported Cost excluded depreciation expenses. Operating Costs appear to include all maintenance, operations, administration and marketing costs.

FARE REVENUE AND LOCAL SUPPORT

FARE REVENUES

Fares are collected in the secure GFI vaults. All fare media must be deposited in the farebox. An electronic lock on the cashbox access door provides maximum security. The trolleys do not have GFI fareboxes.

At the TART facility, the driver inserts the GFI probe into the farebox. The information is sent to the TART facility computer, which generates a report of the funds collected and number of passengers. The probe is located on the fueling island.

The cashbox is removed and placed into a separate count room. If the driver arrives after hours, the vaults are left in the building in the hallway outside the dispatch area. The vaults remain locked. The building is secured by the last driver to leave for the day. While this arrangement is not ideal, the vaults are too large to deposit through the deposit slot to the count room and the risk of loss is not great. A more secure location for overnight would be preferable, but the expense may not be justifiable. If remodeling is done on the facility, TART may want to consider addressing this issue with a more secure depository.

The next morning the vaults are put in the count room. Two people are present during the count. Typically, counters are two of the following three: Dispatcher, Transportation Supervisor or Lead Driver.

The count room is an interior room and is kept locked at all times, including during the count. Coins and bills are separated and compared to the GFI Report. TART has both a bill counter and a coin counter. Coins and bills are placed in separate bank bags and a deposit slip is prepared. The Transportation Supervisor deposits the funds at the bank every day but Sunday.



Figure 2: Drivers record the passengers by type on the keypad. The system records the passengers and revenues.



Figure 3: Cash is counted in a secure interior room. Two counters are present.



Figure 4: The probe extracts fare and passenger information collected by the GFI system on the vehicle.



Figure 5: Money is deposited in the GFI fareboxes on the Vehicles.



SPECIAL TRANSIT FARES

Special Transit Fares (Revenue Category 402) includes revenues earned for rides given in regular transit service, but paid for by some organization other than by the rider. In addition, it includes funds for rides given along special routes for which funds may be guaranteed by a beneficiary of the service. TART has a Memorandum of Understanding (MOU) with the Truckee/North Tahoe Transportation Management Association, a California Non-Profit Corporation. The agreement provides winter service to accommodate visitors and employees for North Lake Tahoe resorts. Participating resorts, along with the North Lake Tahoe Resort Association, include the following:

- Squaw Valley Ski Corporation:
- Resort at Squaw Creek:
- Alpine Meadows:
- Village at Squaw Valley:
- Homewood Ski Resort:
- Northstar at Tahoe.

LOCAL SUPPORT

Local support may be included with fare revenues to calculate the farebox recovery ratio. Local support is defined by PUC 6611.3 as *all revenues in the following revenue account classes of the Uniform System of Accounts (USOA) and records adopted by the State Controller pursuant to PUC 99243:*

- 406.000 Auxiliary Transportation Revenues;
- 408.000 Taxes Levied Directly by the Transit System;
- 409.010 Local Cash Grants & Reimbursements-General Operating Assistance
- 410.000 Local Special Fare Assistance;
- 440.000 Subsidy from other Sectors of Operation.

Revenue category 409.010 *Local Cash Grants & Reimbursements-General Operating Assistance* is defined within the USOA as *the receipt or accrual of local government payments to help cover the operating costs of providing transit services. This category covers general operating assistance, not based on special fares or certain expense items.*

During the audit period, TART received funds which may be interpreted as General Operating Assistance, according to the USOA definition:

- **Transit Occupancy Tax (TOT) or Hotel Tax:** The funds are distributed to TART with the concurrence of the North Lake Tahoe Resort Association (NLTRA), a quasi-public agency comprising private entities and the County of Placer. . The NLTRA budget, from which funds to TART are allocated, requires approval by the County Board of Supervisors. In FY 09/10, the County, which collects the TOT, began distributing the funds directly to TART. The funding has been earmarked for the Trolley Service Contract and Added Service.



Table 5: Summary of Fare Revenue and Local Support

	FY 06/07	FY 07/08	FY 08/09	FY 09/10
Passenger Fares (401)	\$408,723	\$489,480	\$490,243	\$429,768
Special Fares (402)	\$53,300	\$166,815	\$170,000	\$50,000
Local Support (409.010)	\$204,095	\$194,419	\$326,089	\$723,545
TOTAL FARES AND LOCAL SUPPORT*	\$666,118	\$850,714	\$986,312	\$1,203,313

*Totals may vary due to rounding

TART also received Car Mitigation Funds from the Tahoe Transportation District (TTD) during the Audit period. These funds are collected by the TRPA from car rental agencies for fees for renting cars in the Tahoe basin. The funds were used to support the CNG capital project; however, in the future, if they are used for operations, they would be classified as *Local Support*.

PASSENGER COUNTS

Passenger counts are maintained by GFI. By the TDA definition, the number of passengers is equal to the total number of unlinked trips (i.e., all boardings), whether revenue-producing or not. While GFI captures all passengers paying cash or using tickets, the driver records non-paying passenger information using the GFI keyboard. All passengers, paying and non-paying, are counted.

VEHICLE SERVICE HOURS & MILES

By TDA definition, Vehicle Service Hours (VSH) and Vehicle Service Miles (VSM) include only those times/miles that the vehicle is in revenue service, i.e., only those times from the first scheduled pickup to the last scheduled drop-off. Deadhead time and scheduled breaks longer than 15 minutes are to be excluded, but scheduled layovers are included. TART's VSH and VSM are calculated based on scheduled miles and hours for fixed routes. The hours are adjusted by season based on actual drive times. Missed trips or trip segments are subtracted. If a trip is behind schedule more than 15 or 20 minutes, a segment of the run will be skipped. The VSH and VSM associated with the deleted run segment are subtracted from the reported hours. Late times are not added; the time is recovered during the layover.

Annual reconciliations between scheduled VSM and VSH help ensure all performance measures are being accurately reported. No substantial variations VSH or VSM were noted between the internal reports and the State Controller's Report.



FULL-TIME EQUIVALENT EMPLOYEES

Employee Hours are defined as the total number of hours (regular or overtime) which all employees have worked and for which they have been paid a wage or salary. **Full-Time Equivalent (FTE) Employees** are then calculated by dividing the total Employee Hours by 2,000.

Since the SCR combined totals for TART and Placer County Transit (PCT), FTE Employees data was obtained from internal reports. Driver, dispatcher and supervisor hours are obtained from payroll hours on the employees' bi-weekly timesheets. FTE Employees for Fleet Services (maintenance) are determined from the number of employee hours charged to TART. FTE Employees are calculated by taking total hours worked by direct staff and staff that support transit (mostly Fleet Services) and dividing it by 2,000. Time spent by the three management and administrative staff is split 50-50 between TART and PCT for the purpose of calculating FTE Employees. As a result, 1.5 FTE Employees for General Management and Administration is applied directly to TART.

TDA REQUIRED INDICATORS

To calculate indicators for TART, data was verified and the following sources were used.

PRIOR AUDIT PERIODS

Data for the prior Audit periods was obtained from the previous Triennial Performance Audits. No attempt was made to independently verify the measures and indicators. However, the FTE for FY 05/06 was misreported and apparently included FTE for PCT in addition to TART (this was verified by comparing the number 47 to the SCR, which included both PCT and TART). The number was recalculated based on the average percent of FTE allocated to TART in subsequent reports. The prior Audits did not delineate how the taxi program was handled. However, a comparison of the reported operating cost to the fiscal Audit for FY 05/06 indicates that the Taxi measures were included in the calculation of the performance indicators. In this Audit it was analyzed as special services for persons with disabilities separate from the fixed route, but for the trend analysis, fixed route was combined for consistency.

The prior Audit made no attempt to include Special Fares and Local Support in the calculation of the Farebox Recovery Ratio. The trend analysis for the 10-year trend period for the Farebox Recovery Ratio does include only passenger fares and is not directly comparable.

CURRENT AUDIT PERIOD (FY 06/07 THROUGH FY 09/10)

Operating Costs were obtained from the Fiscal and Compliance Audits prepared by Gilbert & Associates for FY 06/07 (dated April 8, 2008) and FY 07/08 (dated January 21, 2009), and by Macias Gini & O'Connell for FY 08/09 (dated January 20, 2009) and FY 09/10 (dated February 25, 2011). Costs for the taxi paratransit program were obtained from internal reports.

Fare Revenues were obtained from the Fiscal and Compliance Audits cited above. Fare revenues for the taxi



paratransit program were also obtained from internal reports. Fixed route fare revenues were obtained by subtracting the taxi program costs from the total audited operating costs less depreciation.

In the Fiscal and Compliance Audits, **Special Fares** (Pursuant to Section 402.0) and **Local Support** (Pursuant to Section 409.010 of the *Uniform Systems of Accounts - Local Cash Grants and Reimbursements - General Operating Assistance*) were included in the line item titled: Contributions from other Governments. The item included TDA funding contributed by Truckee and funding from the Regional Transportation Commission (Washoe County, NV) and the State of Nevada for service in the extended area, which in our opinion may not be counted as Local Support. Special Fares and Local Support were calculated from internal reports.

Vehicle Service Hours (VSH) were obtained for FY 06/07 through FY08/09 from internal SCR reports and for FY 09/10 from internal reports. In FY 09/10, TART and PCT were combined into a single report per request of the State Controller's Office.

Vehicle Service Miles (VSM) were obtained for FY 06/07 through FY 08/09 from internal SCR reports and for FY 09/10 from internal reports. In FY 09/10, TART and PCT were combined into a single report per request of the State Controller's Office.

Passenger Counts were obtained for FY 06/07 through FY08/09 from internal SCR reports and for FY 09/10 from internal reports. In FY 09/10, TART and PCT were combined into a single report per request of the State Controller's Office.

Full-Time Equivalent Employees (FTEs) were obtained for FY 06/07 through FY 08/09 from internal SCR reports and for FY 09/10 from internal reports. In FY 09/10, TART and PCT were combined into a single report per request of the State Controller's Office.



Table 6: TART Performance Measures and Indicators for the Audit Period

	System Total				Paratransit Taxi Service				Fixed Route Total			
	FY 06/07	FY 07/08	FY 08/09	FY 09/10	FY 06/07	FY 07/08	FY 08/09	FY 09/10	FY 06/07	FY 07/08	FY 08/09	FY 09/10
Performance Measure												
Operating Cost (Actual \$)	\$2,507,930	\$2,805,843	\$3,167,639	\$3,095,657	\$27,678	\$26,843	\$32,704	\$32,367	\$2,480,252	\$2,779,000	\$3,134,935	\$3,063,290
Passenger Fare Revenue (Actual \$)	\$408,723	\$489,480	\$490,243	\$429,768	\$1,421	\$957	\$591	\$1,269	\$407,302	\$488,523	\$489,652	\$428,010
Fare Revenue & Local Support (Actual \$)	\$666,118	\$850,714	\$986,332	\$1,203,313	\$1,421	\$957	\$591	\$1,758	\$664,697	\$849,757	\$985,741	\$1,201,555
Vehicle Service Hours (VSH)	21,336	25,120	26,433	25,602	119	103	109	115	21,217	25,017	26,324	25,487
Vehicle Service Miles (VSM)	457,518	533,019	566,338	546,863	4,791	4,120	4,367	4,614	452,727	528,899	561,971	542,249
Passengers	363,784	434,050	437,063	343,218	412	422	395	342	363,372	433,928	436,668	342,876
Full-Time Equivalent Employees	18.7	18.0	23.9	22.0	0.2	0.2	0.2	0.2	18.6	17.9	23.8	21.9
Performance Indicators												
Operating Cost/VSH (Actual \$)	\$117.54	\$111.70	\$119.84	\$120.91	\$232.59	\$260.61	\$300.04	\$281.45	\$116.90	\$111.08	\$119.09	\$120.19
Operating Cost/Passenger (Actual \$)	\$6.89	\$6.46	\$7.25	\$9.02	\$67.18	\$63.61	\$82.79	\$94.64	\$6.83	\$6.41	\$7.18	\$8.93
Passengers/VSH	17.05	17.28	16.53	13.41	3.46	4.10	3.62	2.97	17.13	17.33	16.59	13.45
Passengers/VSM	0.80	0.81	0.77	0.63	0.09	0.10	0.09	0.07	0.80	0.82	0.78	0.63
VSH/FTE	1,141	1,396	1,106	1,164	793.3	686.7	726.7	766.7	1,143.8	1,401.5	1,108.4	1,166.5
Farebox Recovery	26.6%	30.3%	31.1%	39.5%	5.1%	3.6%	1.8%	3.9%	26.8%	30.6%	31.4%	39.2%

*Fare Revenue and Local Support were combined for FY 06/07 - FY 09/10. Local Support was calculated from internal reports, which includes TOT funds from NLTRA for trolley service and added service, as well as contributions from TMA for resort service.

**The Farebox Recovery Ratio was calculated for FY 06/07 - FY 09/10 using the combined Fare Revenue and Local Support total pursuant to Section 409.010 of the USOA: Local Cash Grants and Reimbursements. General Operating Assistance.



Triennial Performance Audit 06/07 - 09/10 TAHOE AREA REGIONAL TRANSIT

Table 7: 10-Year Trend Analysis, with Tables & Graphs FY 99/00 through FY 09/10

	FY 00/01	FY 01/02	FY 02/03	FY 03/04	FY 04/05	FY 05/06	FY 06/07	FY 07/08	FY 08/09	FY 09/10
Performance Measures										
Operating Cost (Actual \$)	\$1,291,180	\$1,384,661	\$1,666,604	\$1,708,178	\$2,134,627	\$2,345,561	\$2,507,930	\$2,805,843	\$3,167,639	\$3,095,657
Annual Change	—	7.2%	20.4%	2.5%	25.0%	9.9%	6.9%	11.9%	12.9%	-2.3%
Operating Cost (Constant \$)	\$1,291,180	\$1,344,755	\$1,577,401	\$1,587,308	\$1,919,660	\$2,024,733	\$2,094,045	\$2,264,454	\$2,523,373	\$2,447,474
Annual Change	—	4.1%	17.3%	0.6%	20.9%	5.5%	3.4%	8.1%	11.4%	-3.0%
Fare Revenue (Actual \$)	\$280,733	\$306,915	\$293,574	\$288,416	\$330,217	\$372,547	\$408,723	\$489,480	\$490,243	\$429,768
Annual Change	—	9.3%	-4.3%	-1.8%	14.5%	12.8%	9.7%	19.8%	0.2%	-12.3%
Local Support (includes Trolley, NLRTA, and Highway 89 Resorts)	—	—	—	—	—	—	\$257,395	\$361,234	\$496,089	\$773,545
Fare Revenue & Local Support (Actual \$)*	—	—	—	—	—	—	\$666,118	\$850,714	\$986,332	\$1,203,313
Annual Change	—	—	—	—	—	—	27.7%	27.9%	15.9%	22.0%
Fare Revenue (Constant \$)	\$280,733	\$298,070	\$277,861	\$268,008	\$296,963	\$321,590	\$341,271	\$395,034	\$390,533	\$339,781
Annual Change	—	6.2%	-6.8%	-3.5%	10.8%	8.3%	6.1%	15.8%	-1.1%	-13.0%
Vehicle Service Hours	19,580	19,288	19,363	19,228	19,133	20,962	21,336	25,120	26,433	25,602
Annual Change	—	-1.5%	0.4%	-0.7%	-0.5%	9.6%	1.8%	17.7%	5.2%	-3.1%
Vehicle Service Miles	416,573	416,130	416,969	424,897	417,211	453,871	457,518	533,019	566,338	546,863
Annual Change	—	-0.1%	0.2%	1.9%	-1.8%	8.8%	0.8%	16.5%	6.3%	-3.4%
Passengers	277,611	301,396	289,080	286,510	295,971	339,196	363,784	434,050	437,063	343,218
Annual Change	—	8.6%	-4.1%	-0.9%	3.3%	14.6%	7.2%	19.3%	0.7%	-21.5%
Full-Time Equivalent Employees	13	13.3	13.3	17	17	18.2	18.7	18	23.9	22
Annual Change	—	2.3%	0.0%	27.8%	0.0%	7.1%	2.7%	-3.7%	32.8%	-7.9%
TDA Performance Indicators										
Operating Cost per VSH (Actual \$)	\$65.94	\$71.79	\$86.07	\$88.84	\$111.57	\$111.90	\$117.54	\$111.70	\$119.84	\$120.91
Annual Change	—	8.9%	19.9%	3.2%	25.6%	0.3%	5.0%	-5.0%	7.3%	0.9%
Operating Cost Per VSH (Constant \$)	\$65.94	\$69.72	\$81.46	\$82.55	\$100.33	\$96.59	\$98.15	\$90.15	\$95.46	\$95.60
Annual Change	—	5.7%	16.8%	1.3%	21.5%	-3.7%	1.6%	-8.2%	5.9%	0.1%
Operating Cost per Passenger (Actual \$)	\$4.65	\$4.59	\$5.77	\$5.96	\$7.22	\$6.92	\$6.89	\$6.46	\$7.25	\$9.02
Annual Change	—	-1.2%	25.5%	3.4%	21.1%	-4.2%	-0.3%	-6.2%	12.1%	24.4%
Operating Cost per Passenger (Constant \$)	\$4.65	\$4.46	\$5.46	\$5.54	\$6.49	\$5.97	\$5.76	\$5.22	\$5.77	\$7.13
Annual Change	—	-4.1%	22.3%	1.5%	17.1%	-8.0%	-3.6%	-9.4%	10.7%	23.5%
Passengers per VSH	14.2	15.6	14.9	14.9	15.5	16.2	17.1	17.3	16.5	13.4
Annual Change	—	10.2%	-4.5%	-0.2%	3.8%	4.6%	5.4%	1.3%	-4.3%	-18.9%
Passengers per VSM	0.7	0.7	0.7	0.7	0.7	0.7	0.8	0.8	0.8	0.6
Annual Change	—	8.7%	-4.3%	-2.7%	5.2%	5.3%	6.4%	2.4%	-5.2%	-18.7%
VSH per FTE	1,506.2	1,450.2	1,455.9	1,131.1	1,125.5	1,151.8	1,141.0	1,395.6	1,106.0	1,163.7
Annual Change	—	-3.7%	0.4%	-22.3%	-0.5%	2.3%	-0.9%	22.3%	-20.7%	5.2%
Farebox Recovery**	21.7%	22.2%	17.6%	16.9%	15.5%	15.9%	26.6%	30.3%	31.1%	38.9%
Annual Change	—	1.9%	-20.5%	-4.1%	-8.4%	2.7%	67.2%	14.2%	2.7%	24.8%
Additional Performance Indicators										
Operating Cost per VSM (Actual \$)	\$3.10	\$3.33	\$4.00	\$4.02	\$5.12	\$5.17	\$5.48	\$5.26	\$5.59	\$5.66
Annual Change	—	7.4%	20.1%	0.6%	21.3%	1.0%	6.1%	-4.0%	6.3%	1.2%
Operating Cost Per VSM (Constant \$)	\$3.10	\$3.23	\$3.78	\$3.74	\$4.60	\$4.46	\$4.58	\$4.25	\$4.46	\$4.48
Annual Change	—	4.3%	17.1%	-1.2%	23.2%	-3.0%	2.6%	-7.2%	4.9%	0.4%
Fare Revenue per Passenger (Actual \$)	\$1.01	\$1.02	\$1.02	\$1.01	\$1.12	\$1.10	\$1.12	\$1.13	\$1.12	\$1.25
Annual Change	—	0.7%	-0.3%	-0.9%	10.8%	-1.6%	2.3%	0.4%	-0.5%	11.6%
Fare Revenue per Passenger (Constant \$)	\$1.01	\$0.99	\$0.96	\$0.94	\$1.00	\$0.95	\$0.94	\$0.91	\$0.89	\$0.99
Annual Change	—	-2.2%	-2.8%	-2.7%	7.3%	-5.5%	-1.1%	-3.0%	-1.8%	10.8%
VSM/VSH	21.3	21.6	21.5	22.1	21.8	21.7	21.4	21.2	21.4	21.4
Annual Change	—	1.4%	-0.2%	2.6%	-1.3%	-0.7%	-1.0%	-1.0%	1.0%	-0.3%
Inflation: Consumer Price Index (CPI)										
CPI Actual	178.6	183.9	188.7	192.2	198.6	206.9	213.9	221.3	224.2	225.9
Annual Change	—	3.0%	2.6%	1.9%	3.3%	4.2%	3.4%	3.5%	1.3%	0.8%
Cumulative Change (Yr 1 = FY 00/01)	—	3.0%	5.7%	7.6%	11.2%	15.8%	19.8%	23.9%	25.5%	26.5%

*Fare Revenue and Local Support were combined for FY 06/07 - FY 09/10. Local Support was calculated from internal reports, which includes TOT funds from NLRTA for trolley service and added service, as well as contributions from TMA for resort service.

**The Farebox Recovery Ratio was calculated for FY 06/07 - FY 09/10 using the combined Fare Revenue and Local Support total pursuant to Section 409.010 of the USOA: Local Cash Grants and Reimbursements - General Operating Assistance.

OPERATING COST

Operating Cost increased steadily over the 10 years analyzed, in both actual and constant dollars.

During the Audit period, Operating Cost in constant dollars increased 23.4%, or an average of 5.85% annually with inflation. In actual dollars, Operating Costs increased \$587,727 over the Audit period. Approximately 37% of the cost was due to an increase in Operating Salaries and Wages.

From FY 07/08 to 08/09, salaries and wages increased \$214,809, or 32%. FY 08/09 was the first full year that TART had a permanent driver staffing level of 13.25 FTE (up from 10 FTE). VSH increased by 5.3% with the implementation of year-round hourly headways. The increase was also due in part to a \$41,000 in pre-paid Other Post-Employment Benefits (OPEB) in FY 07/08. OPEBs are benefits provided to employees on retirement and may include life insurance premiums, healthcare premiums and deferred-compensation arrangements (but not pensions). As a result of overfunding the County's OPEB, a prepaid asset was created during the fiscal year ending June 30, 2008. As a result, TART expenses were reduced by \$41,000 for FY07/08. Then, during FY 08/09, a reverse entry and record of the expense was made. Since TART is an enterprise fund with full accrual accounting, the auditor reversed the entry to create the expense and then added it to the salary line item. The remaining increase comprised a 5% across-the-board salary increase in November 2008, which impacted eight months of the fiscal year and 5% step increases for some drivers.

The Benefits line increased by 27% in FY 09/10 due to a reclassification of a line item out of Benefit over to Professional Services. The expense in FY 08/09 was \$100,239 for an expense called "Employee Benefit System." Through FY 07/08 this expense was classified in the Benefits line by the fiscal auditor. In FY 08/09, the fiscal auditor classified it as Professional Services. In FY 09/10, the expense of \$98,649 was placed back in Benefits. If the Employee Benefit System charges of \$98,649 were not included, the increase in benefits in FY 09/10 would be 8%. This is driven mostly by the increase in OPEB contributions.

Table 8: Employee Benefit System Classification

	FY 08/09	FY 09/10
Comp Lv	\$16,289	\$16,978
PERS	\$182,454	\$186,540
FICA	\$77,070	\$82,927
Emp Grp Ins	\$141,150	\$120,646
Workers' Comp	\$16,597	\$26,911
Emp Ben Sys		\$98,649
OPEB	\$80,135	\$119,206
Emp Pd Sick Lv	\$1,035	\$693
TOTAL	\$514,821	\$652,551

Professional Services saw a 47% change over the Audit period. A large jump in FY 07/08 was due to an increased use of contractors to operate the Highway 267 winter service during its first year. An increase in FY 08/09 followed by a drop in FY 09/10 was due to the Employee Benefit System charge moving to Professional Services and then back to Benefits.

Operating Costs declined in FY 09/10, due primarily to a 22% decrease in Professional Services, which had increased 18% in FY 08/09, although other expenses, including insurance also declined in FY 09/10.

Figure 6: Average Operating Costs by Category FY 06/07 - FY 09/10

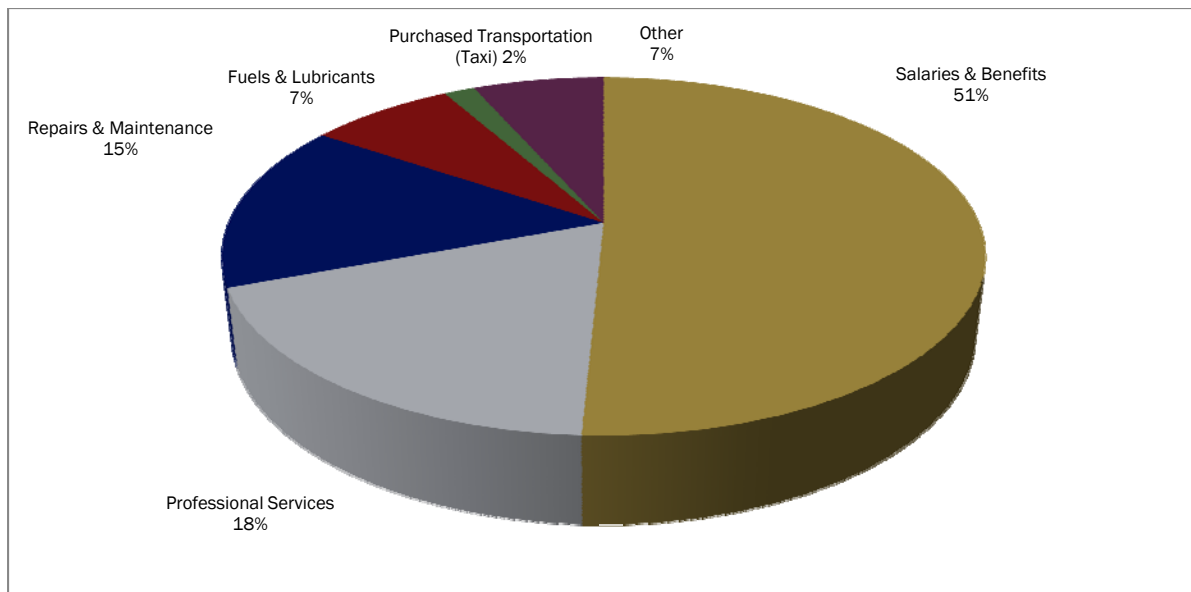
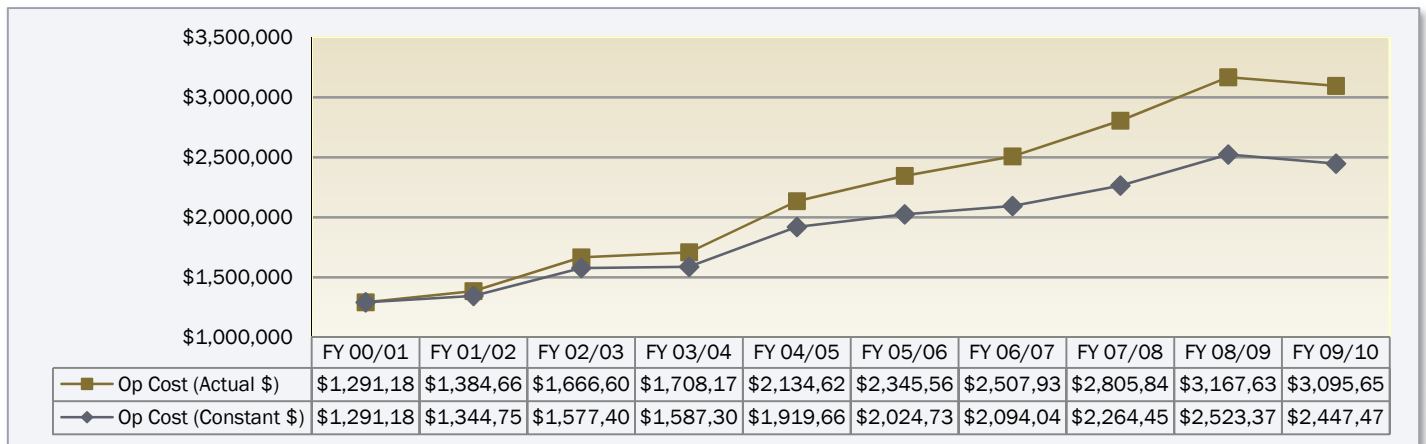


Table 9: TART Operating Cost Analysis

	FY 06/07	FY 07/08	FY 08/09	FY 09/10	Chg	% Chg
Salaries and wages - Operator	\$630,498	\$663,199	\$878,008	\$860,876	\$230,378	36.5%
Salaries and wages - Other	\$180,231	\$179,582	\$155,267	\$156,049	-\$24,182	-13.4%
Employee benefits	\$491,609	\$513,613	\$514,821	\$652,552	\$160,943	32.7%
Repairs and maintenance	\$430,834	\$386,505	\$439,138	\$499,572	\$68,738	16.0%
Professional services	\$360,444	\$575,787	\$677,202	\$531,030	\$170,586	47.3%
Fuels and lubricants	\$186,638	\$216,055	\$245,231	\$203,323	\$16,685	8.9%
Utilities	\$76,708	\$85,568	\$78,169	\$72,404	-\$4,304	-5.6%
Casualty and liability	\$74,696	\$77,385	\$74,209	\$48,856	-\$25,840	-34.6%
Purchased transportation	\$34,337	\$50,660	\$54,471	\$41,266	\$6,929	20.2%
Materials and supplies	\$21,494	\$29,817	\$27,937	\$17,244	-\$4,250	-19.8%
Rent	\$8,723	\$7,870	\$5,708	\$2,892	-\$5,831	-66.8%
Printing and publications	\$7,450	\$11,447	\$9,354	\$5,809	-\$1,641	-22.0%
Miscellaneous	\$4,268	\$8,355	\$8,124	\$3,784	-\$484	-11.3%
Total	\$2,507,930	\$2,805,843	\$3,167,639	\$3,095,657	\$587,727	23.4%

Figure 7: Operating Cost



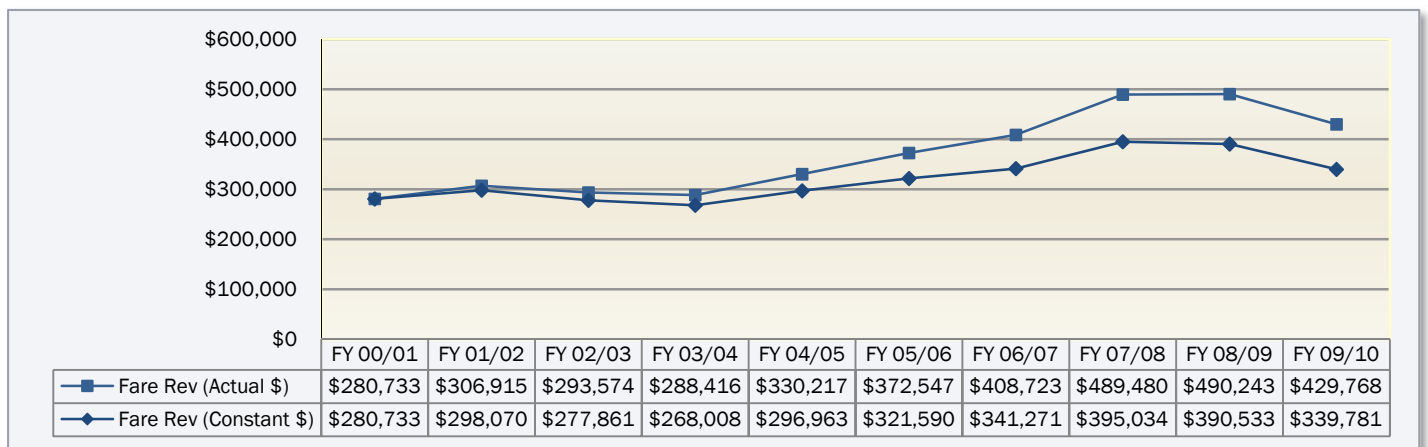


FARE REVENUE

Fare Revenues have increased an average of 5.3% per year over the last 10 years and have increased an average of 1.3% per year over the Audit period. The increase in fare revenue generally mirrors the rise in the number of passengers.

In the first year of this period, FY 06/07, Fare Revenue continued to rise in line with the trend from the prior period. The next year, FY 07/08, saw a sharper rise in revenue due to a rise in passenger counts and remained steady in FY 08/09. A drop in Fare Revenue occurred in the final year, FY 09/10, mirroring a similar decline in ridership. Fares increased June 1, 2009. Although no increase in all-day passes was implemented, free transfers were eliminated.

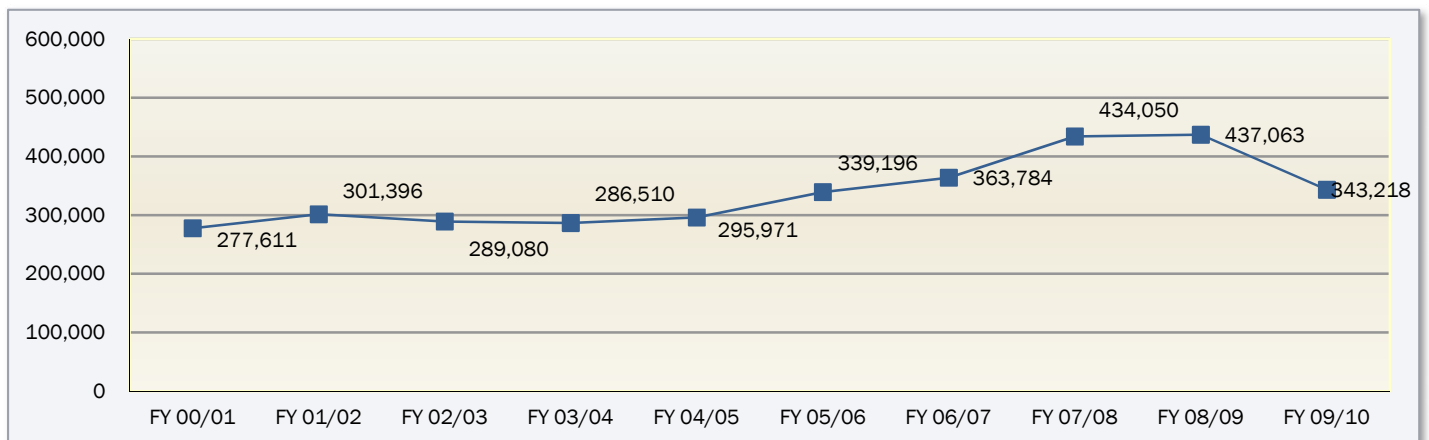
Figure 8: Fare Revenue



RIDERSHIP

Ridership decreased 6% over the Audit period. In the first year of this period, FY 06/07, ridership continued to rise in line with the trend from the prior period. With the implementation of hourly headways in FY 07/08, ridership increased more than 70,000 (19.3%) and held constant during the FY 08/09 year. Passenger counts decreased significantly in the final year of the Audit period, FY 09/10. The major decreases were in the winter months. Due to the unfavorable economic conditions, the local ski resorts decreased their workforce. In addition, the resorts hired more local employees, who often had their own transportation. They reduced their reliance on international workers, who are more dependent on public transportation. However the fare increase which was effective June 1, 2009 may have contributed to the decline. Although outside the Audit period, ridership rebounded some with an 8% increase in FY 10/11.

Figure 9: Passenger Counts

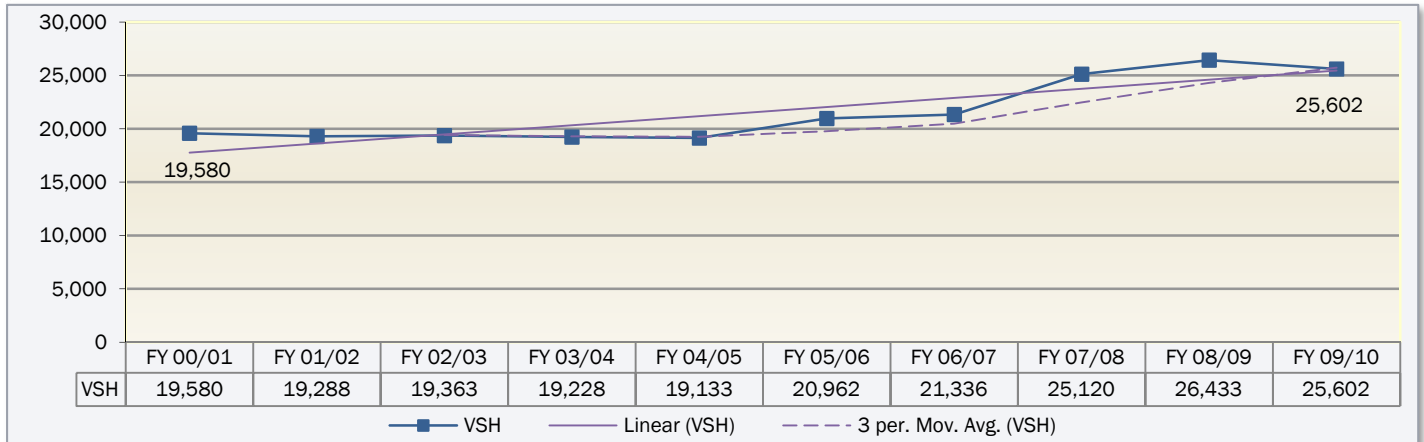




VEHICLE SERVICE HOURS

For the Audit period, Vehicle Service Hours (VSH) increased 20.0% with the major increase with the implementation of year-round hourly headways in FY 07/08, when the VSH increased by 17.7%. A 5.2% increase occurred in the FY 08/09 year before decreasing slightly by 3.1% in the final year of the Audit period, FY 09/10.

Figure 10: Vehicle Service Hours

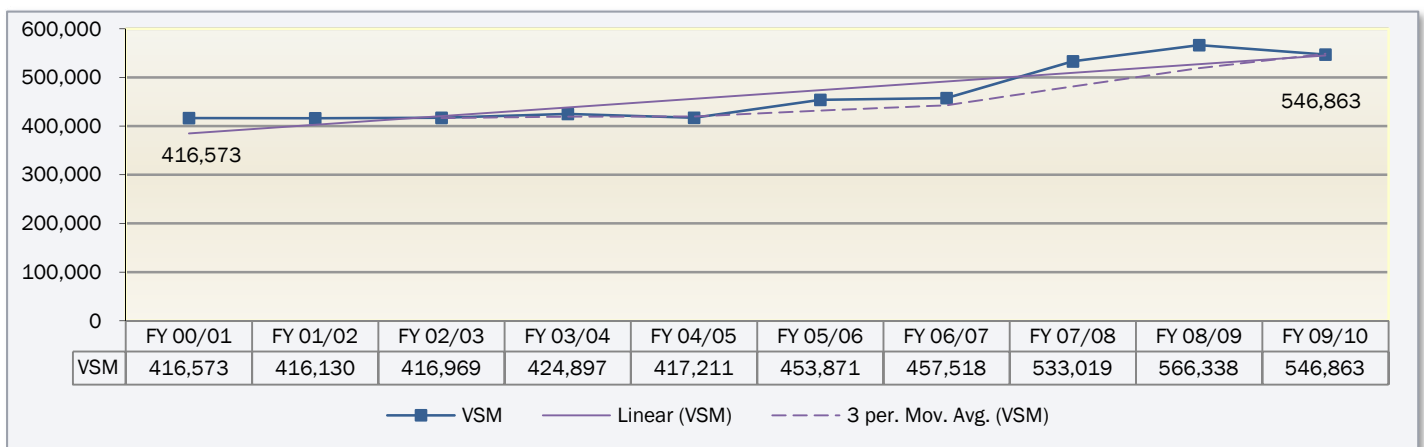


VEHICLE SERVICE MILES

For the Audit period, Vehicle Service Miles (VSM) demonstrated a substantial increase when compared to prior Audit periods.

During the first three years of the Audit period, the annual VSM rose an average of 36,273 miles per year, or 7.9%. The overall rise in VSM during the Audit period was 89,345 miles. While the VSM increased the first three years of the Audit, the largest increase was again in FY 07/08. The VSM for the final year of the Audit period, FY 09/10, decreased slightly.

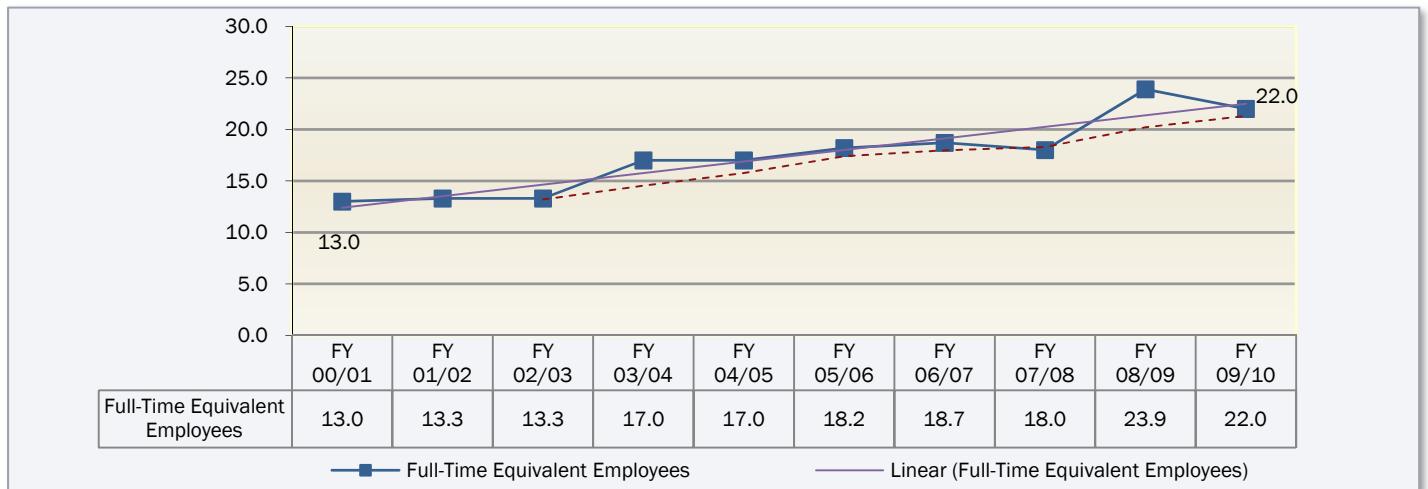
Figure 11: Vehicle Service Miles



FULL-TIME EQUIVALENT EMPLOYEES

With the increase in VSH, the number of Full-Time Equivalent Employees has also increased from 18.2 in the last year of the prior Audit to 22.0, in the last year of the current Audit period. This represents an overall Audit period increase of 18%, which is reflective of the increase in service.

Figure 12: Full-Time Equivalent Employees



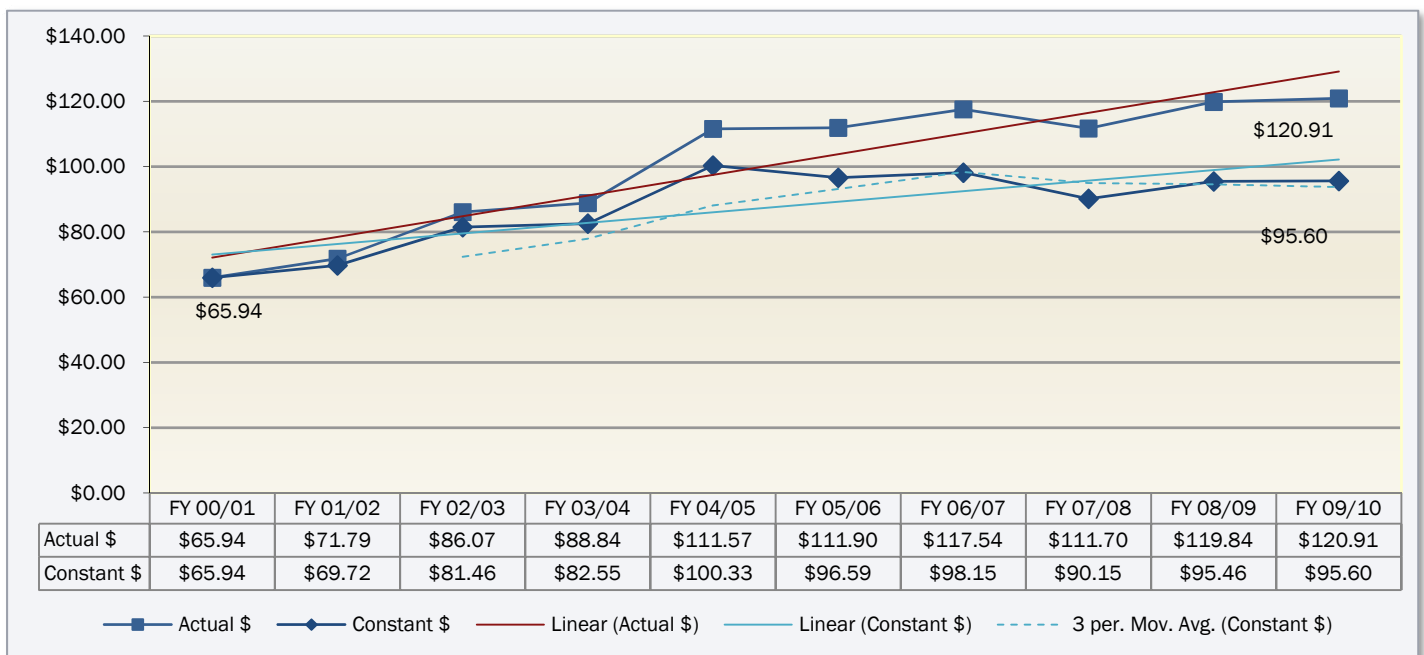


OPERATING COST PER VEHICLE SERVICE HOUR

Operating Cost per VSH (OC/VSH) measures cost efficiency. The lower the Operating Cost is for each VSH, the more cost-efficient the service. Increases in Operating Cost or decreases in VSH may unfavorably affect this indicator.

In constant dollars (excludes inflation), the Operating Cost per VSH, declined slightly (2.5%) over the four-year Audit period, demonstrating improved effectiveness and efficiency. During the second year of the Audit period (FY 07/08) TART experienced improvement in cost efficiency as the OC/VSH decreased by 5%. This is due to the major increase in FY 07/08 with the implementation of hourly headways and an 18% increase in VSH, while Operating Costs increased 12% in actual dollars, 8% in constant dollars. The indicator increased in the two final years of the Audit period, FY 08/09 and FY 09/10. OC/VSH hit a 10-year high of \$120.91 in FY 09/10. However, the Operating Cost per VSH in constant dollars in FY 09/10 is less than FY 05/06 or FY 06/07.

Figure 13: Operating Cost per Vehicle Service Hour

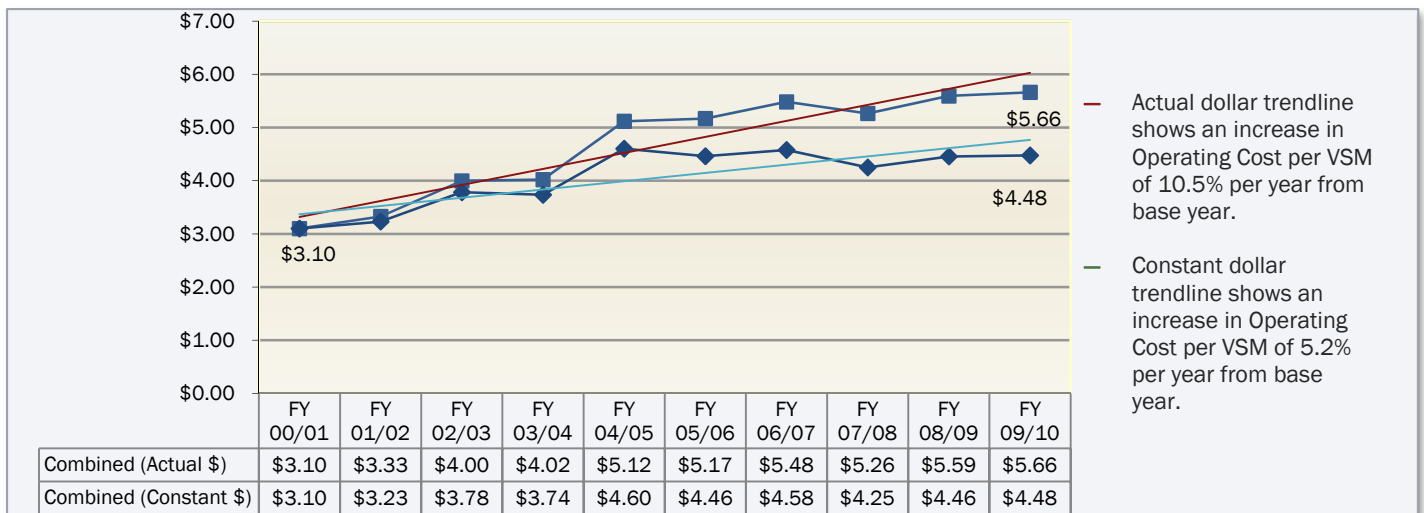


OPERATING COST PER VEHICLE SERVICE MILE

Operating Cost per Vehicle Service Mile (OC/VSM), though not a TDA required indicator, provides another measure of cost efficiency. As with OC/VSH, the lower the Operating Cost is for each Vehicle Service Mile, the more cost-efficient the service. Increases in Operating Cost or decreases in Vehicle Service Miles unfavorably affect this indicator.

OC/VSM in actual dollars increased slightly every year since FY 00/01, with the exception of FY 07/08, when the indicator decreased 4%. The OC/VSM was the same value in constant dollars, \$4.46 per VSM, in FY 08/09 of this Audit period, as it was in the last year of the prior Audit, FY 05/06.

Figure 14: Operating Cost per Vehicle Service Mile



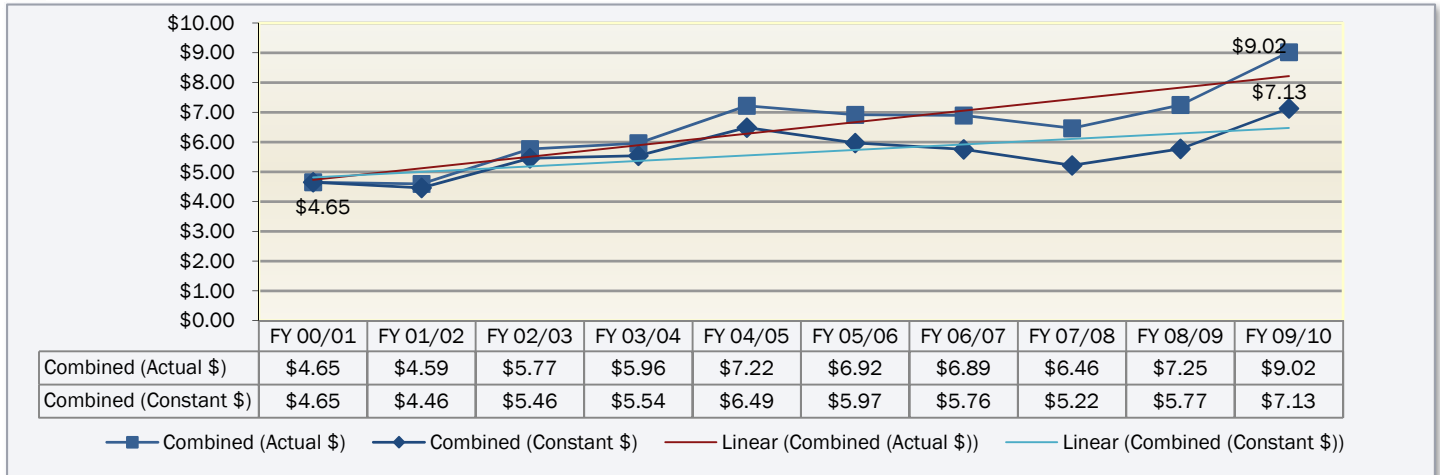
OPERATING COST PER PASSENGER

Operating Cost per Passenger (OC/Pass) measures cost effectiveness. As OC/Pass increases, the service's cost-effectiveness decreases. Increases in Operating Cost or decreases in the Passenger counts unfavorably affect this indicator.

The OC/Pass declined in actual dollars from FY 04/05 through FY 07/08. The performance indicator increased unfavorably the last two years of the Audit period with 12% increase (actual dollars) in FY 08/09. The decline in cost-effectiveness was due to higher Operating Costs while ridership remained steady. A decline in ridership in FY 09/10 resulted in another unfavorable increase of 24% for the indicator. However, the average value in constant dollars for this Audit period was \$5.97 per Passenger (\$7.41 in actual dollars), compared to \$6.00 (\$6.70 in actual dollars) in the prior Audit period.



Figure 15: Operating Cost Per Passenger



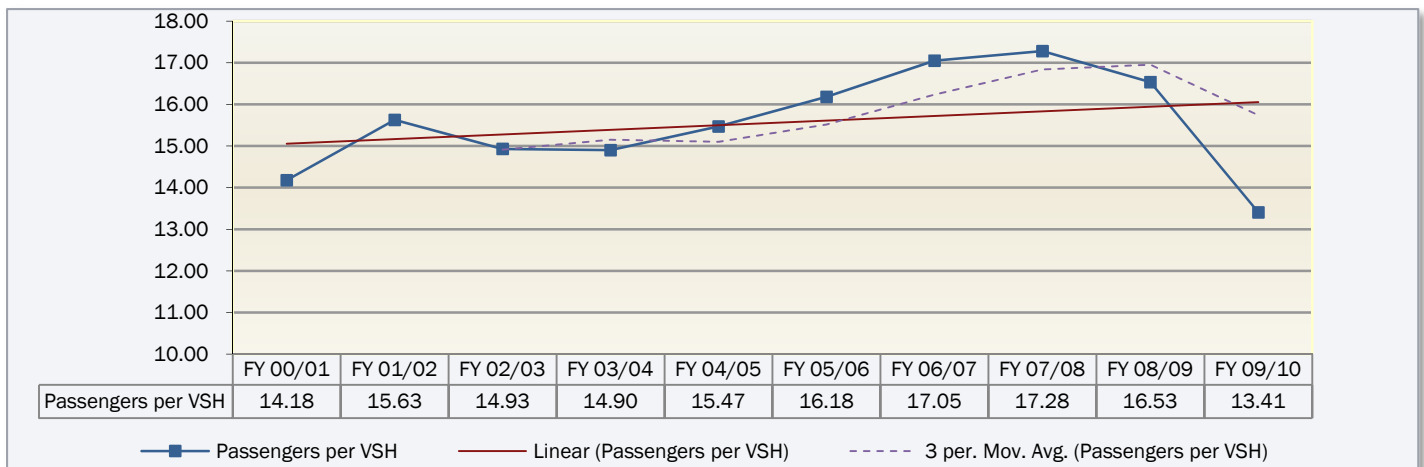


PASSENGERS PER VEHICLE SERVICE HOUR

Passengers per Vehicle Service Hour (Pass/VSH) measures service effectiveness. The higher the Pass/VSH, the more effective the service is determined to be. Decreases in passengers or increases in VSH unfavorably affect this indicator. Even small changes in Passenger count can have a major impact this indicator when VSH remains constant or increases.

Service effectiveness has improved steadily since FY 03/04 through FY 07/08. In FY 08/09, the indicator declined 4.3% due to the increase in VSH. In FY 09/10, the indicator declined by 19%. Service effectiveness reached a 10-year low in FY 09/10 due to a 22% decline in ridership.

Figure 16: Passengers per VSH

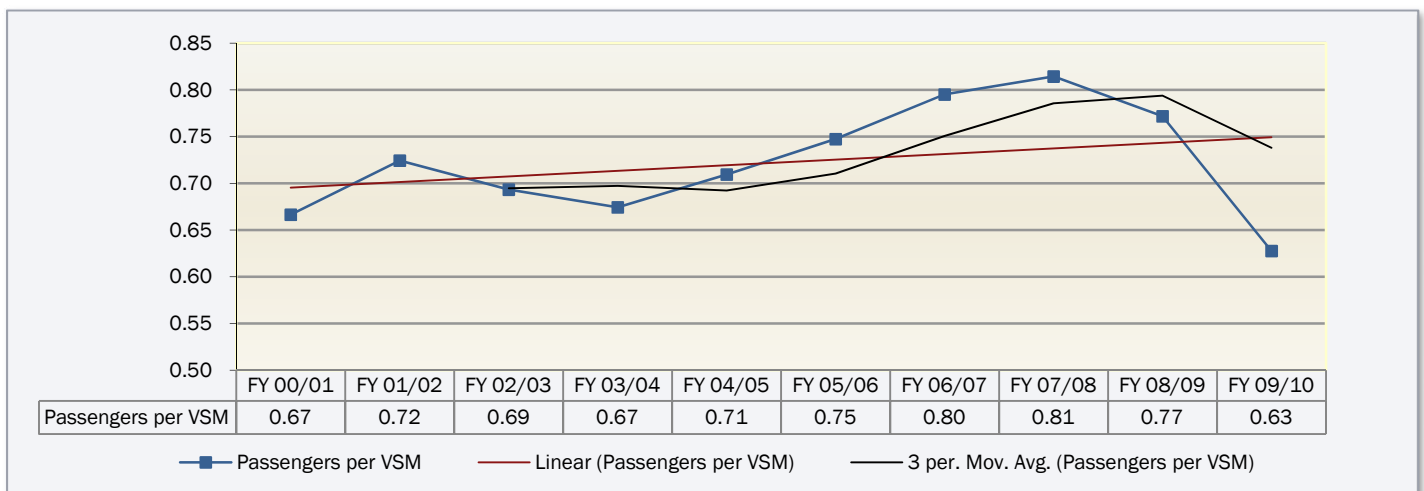


PASSENGERS PER VEHICLE SERVICE MILE

Passengers per Vehicle Service Mile (Pass/VSM) measures service effectiveness. The higher the Pass/VSM, the more effective the service is determined to be. Decreases in passengers or increases in VSM unfavorably affect this indicator. Even small changes in passenger count can majorly impact this indicator when VSM remain constant or increase.

As with Pass/VSH, this indicator improved steadily since FY 03/04 until FY 07/08 when it reached a 10-year high. The indicator declined 5% in FY 08/09 and 19% in FY 09/10 when it reached a 10-year low. The decrease was due to a decline in passengers as a result of the economic downturn and changes in hiring by the local resorts. Over the four-year Audit period, Pass/VSM decreased overall by 27%.

Figure 17: Passengers per VSM



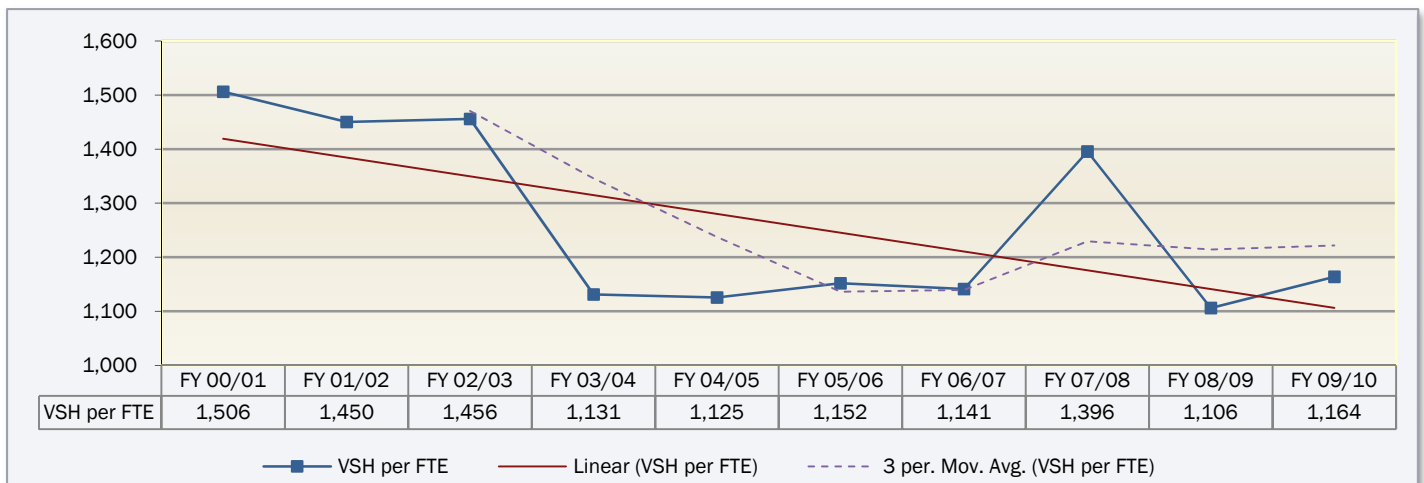


VEHICLE SERVICE HOURS PER FULL-TIME EQUIVALENT EMPLOYEE

Vehicle Service Hours per Full-Time Equivalent Employee (VSH/FTE) measures service productivity. The higher the VSH/FTE, the more productive the service is determined to be. Decreases in VSH or increases in FTEs unfavorably affect this indicator.

This measure of service productivity demonstrated an irregular number during the FY 07/08 year. This is due to the implementation of hourly headways increasing the VSH without impacting the number of FTEs. The indicator fell to a 10-year low in FY 08/09 and increased to a level most similar to the last year in the previous Performance Audit.

Figure 18: VSH per FTE

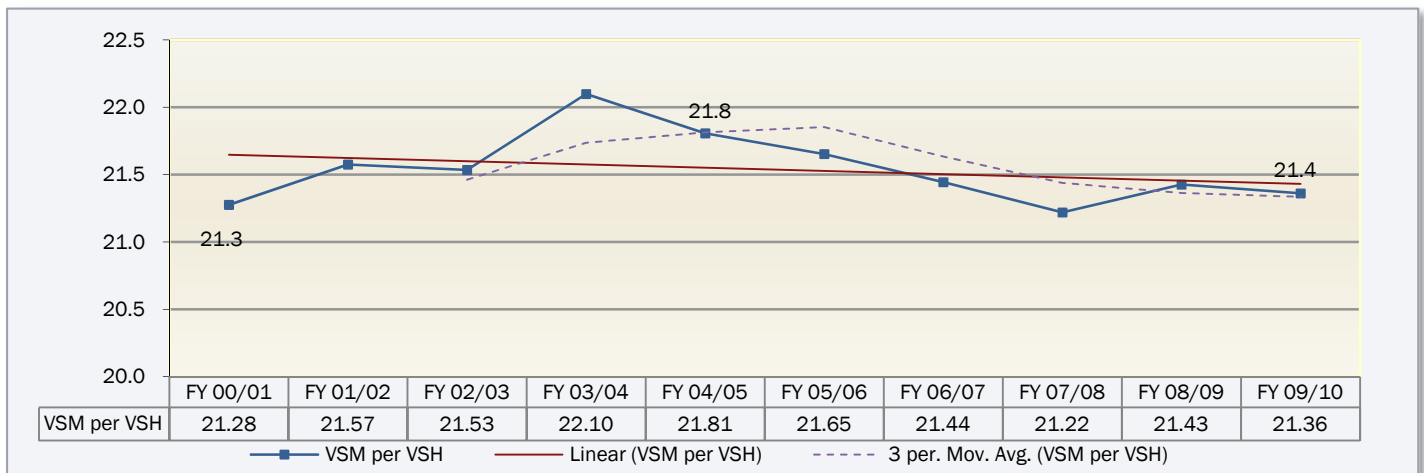


VEHICLE SERVICE MILES PER VEHICLE SERVICE HOUR (SPEED)

Though not a TDA-required indicator, Vehicle Service Miles per Vehicle Service Hour (VSM/VSH, or mph) measures service speed. The indicator may add insight to other indicators and performance issues, such as on-time performance.

The indicator decreased four consecutive years before increasing in FY 08/09. The drop during the first two years of the Audit period remained constant at 1% before increasing 1% in FY 08/09 and decreasing 0.3% in FY 09/10.

Figure 19: VSM per VSH





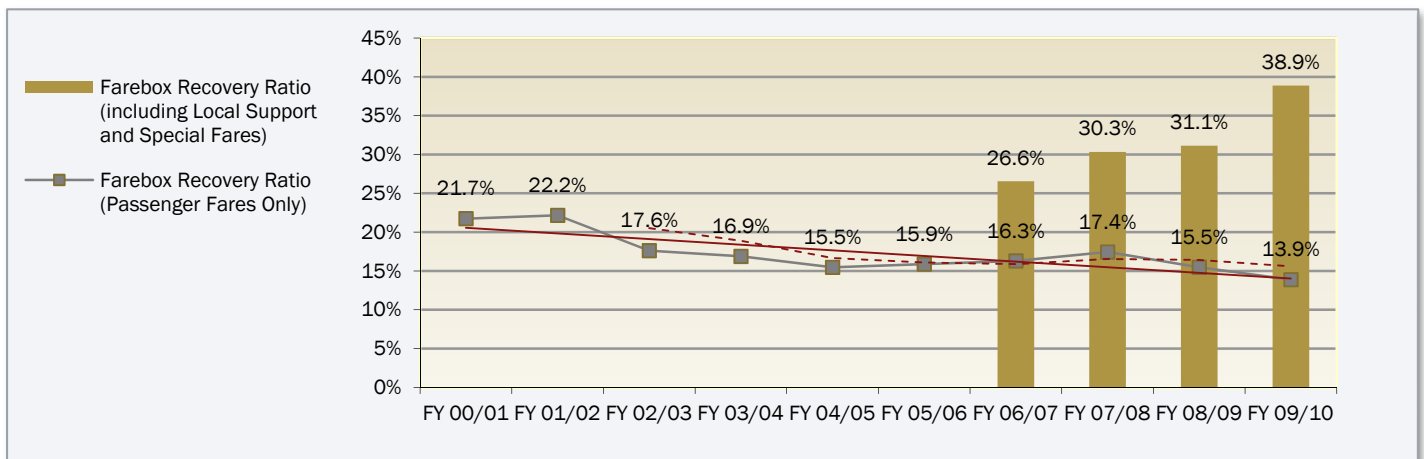
FAREBOX RECOVERY RATIO

Although Farebox Recovery Ratio is not a TDA-required indicator, PUC 99268.4 requires TART to maintain a Farebox Recovery Ratio of 10% or the ratio it had during the FY 78/79, whichever is greater to receive more than 50% of its operating, operating, maintenance, and capital and debt service requirements (less federal and state grant funds) from TDA funding. In FY 78/79, TART's Farebox Recovery Ratio was 25%. However, this ratio could not be independently verified and the components that comprised the calculation are unknown.

Previous calculations indicated TART had not met its 25% requirement in a number of years; however, Special Fares paid by and for the benefit of the North Lake Tahoe Resorts through the TMA for the Tahoe Region and Local Support in the form of General Operating Assistance provided by hotel tax and car rental fees had not been included in the calculations for prior years.

Since Special Fares and Local Support are to be included in revenues for the Farebox Recovery Ratio calculation, TART maintained a ratio of more than 25% each year during the Audit period. Therefore, TART is not currently subject to the 50% expenditure limitation rule (PUC 99268.1). It is necessary that TART monitors its local support revenues since a decrease in local support could cause TART to be subject to the 50% expenditure limitation rule in the future. Prior periods were not recalculated as part of this Audit.

Figure 20: Farebox Recovery Ratio

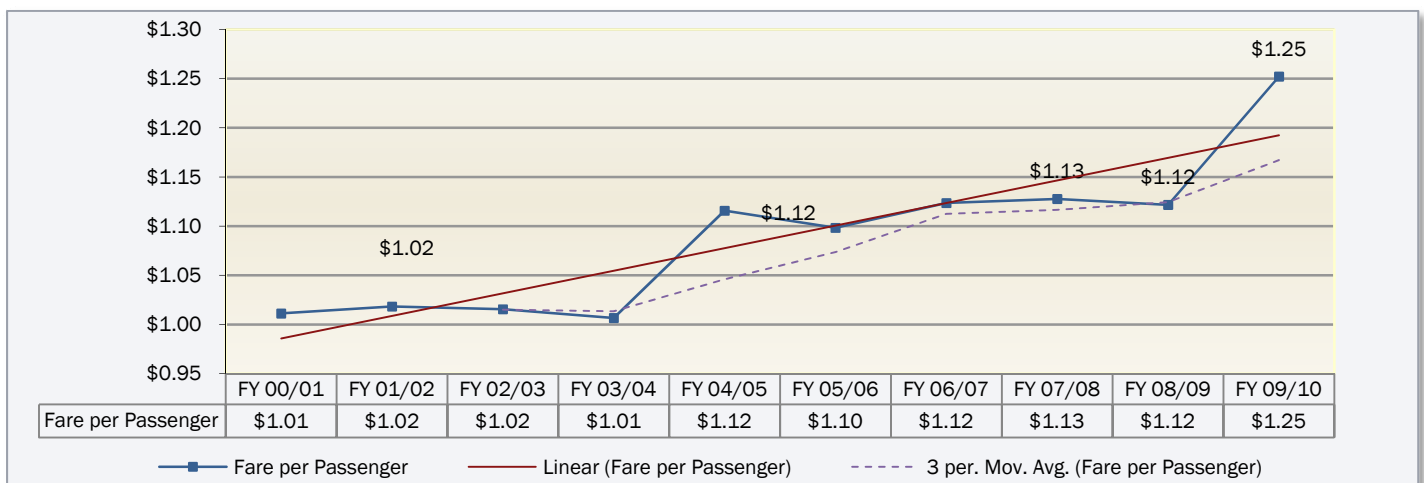


FARE REVENUE PER PASSENGER

Although Fare per Passenger is not a TDA-required indicator, it is considered here, as it reflects both fare increases (or decreases) and the changes in ridership which may or may not be linked to them.

The Fare per Passenger increased 11% in FY 04/05. After dropping slightly the following year, the average Fare per Passenger increased the first two years of the Audit to a high in FY 07/08 of \$1.13, falling slightly the following year. This indicator hit a 10-year high of \$1.25 in FY 09/10 after the implementation of the fare increase in June 2009.

Figure 21: Fare Revenue per Passenger



ADDITIONAL RECOMMENDATIONS & FINDINGS

The following are exceptions to relevant TDA findings:

Issue: TART operating costs increased by 25%t between FY 03/04 and FY 04/05, exceeding the standard of 15%.

Status: TART's operating budget did not increase more than 15% for the three years of the Audit:

- FY 06/07 – 0.3% increase;
- FY 07/08 – 12.0% increase;
- FY 08/09 – 7.8% increase;
- FY 09/10 _ 2.3% increase.

Issue: A single State Controller's Report was prepared by Placer County for both the PCT service in Western Placer County and the TART services. The FY 03/04 State Controller's Report was submitted later than 110 days after the end of the fiscal year, as required for electronic filing.

Status: State Controller's Reports were correctly prepared and submitted according to guidelines:

- FY 06/07 – 9/11/07;
- FY 07/08 – 9/18/08;
- FY 08/09 – 10/15/09;
- FY 09/10 – 10/13/10.

Issue: The Fiscal Audits for FY 03/04 and FY 04/05 were not submitted within the 180-day time period.

Status: Annual fiscal and compliance audits were completed and submitted beyond the 180-day timeframe for each year of the Audit. The audits are part of the County audit process. Therefore, completing the audits within the required timeframe is problematic:

- FY06/07 – 4/8/2008;
- FY 07/08 – 1/21/2009;
- FY 08/09 – 1/20/2010;
- FY 09/10 – 2/25/11.

The Audits did not appear to have performed all requirements of CCR 6667.

TABLE OF CONTENTS

TABLE OF CONTENTS.....	I
TABLE OF TABLES.....	I
TABLE OF FIGURES.....	I
FUNCTIONAL REVIEW	51
GENERAL MANAGEMENT & ORGANIZATION.....	51
SERVICE PLANNING	53
SCHEDULING, DISPATCHING & OPERATIONS	63
PERSONNEL MANAGEMENT & TRAINING.....	64
MARKETING & PUBLIC INFORMATION	66
ADMINISTRATION & CONTRACT MANAGEMENT	70
MAINTENANCE, FLEET & FACILITIES	74

TABLE OF TABLES

Table 10: SRTP Goals and Objectives	55
Table 11: SRTP Prioritized Service Plan Elements Recommendations	58
Table 13: SRTP Short Range Capital Plan Recommendations	60
Table 15: SRTP Financial Plan Recommendations.....	62
Table 16: TART Marketing Expenditures	68
Table 17: CHP Inspection Reports	75
Table 18: TART Fleet	78

TABLE OF FIGURES

Figure 22: Placer County District 5.....	51
Figure 23: Placer County North Tahoe MAC.....	52
Figure 24: TART Seasonal Schedule Brochure	68



Figure 25: Placer County Website/TART Page	69
Figure 27: PMI Task Schedule	76
Figure 28: Preventative Maintenance Program Schedule.....	79

FUNCTIONAL REVIEW

The functional activities of TART, are examined in this section. The degree to which each function is performed and the level of resources committed to the function are reviewed. An appraisal of the efficiency and effectiveness of each activity is included. The following functions are included in this review:

- General management and organization;
- Service planning;
- Scheduling, dispatching and operations;
- Personnel management and training;
- Administration;
- Marketing and public information;
- Maintenance, fleet and facilities.

GENERAL MANAGEMENT & ORGANIZATION

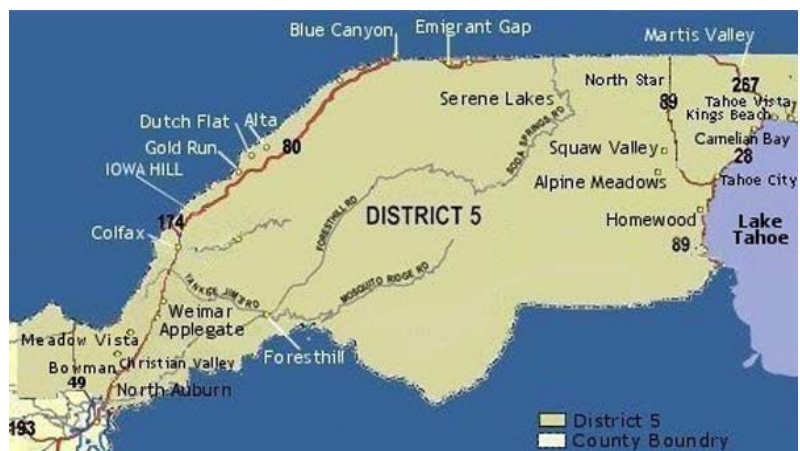
General management and organization encompasses the overall administration of all functions within the transit operations of TART. The management and organization determine its ability of TART to realize its potential. The quality and appropriateness of the management was assessed through interviews with management, staff and the Board of Supervisors for the area, as well as a review of management directives, organization charts and general practices.

ADMINISTRATIVE OVERSIGHT

TART is operated by the Transportation Division of the Placer County Department of Public Works (DPW). Policy direction is through the Placer County Board of Supervisors. Supervisors are elected from five districts. They serve four-year staggered terms: two Supervisors are

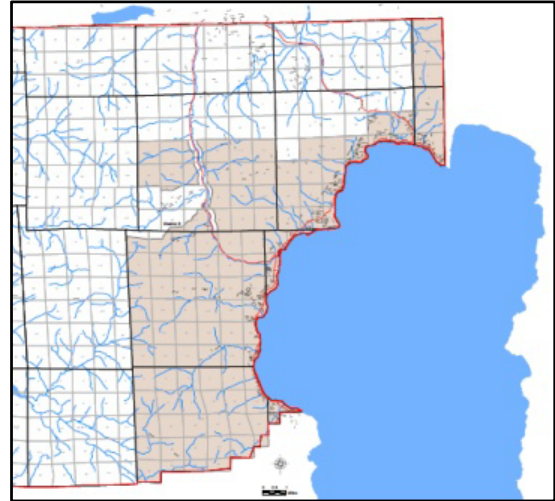
seated in one general election and three Supervisors are elected in the following year. The TART service area is located entirely within District Five.

Figure 22: Placer County District 5



District 5 extends from North Auburn and Foresthill in the West, to the North Shore of Lake Tahoe. It is geographically the largest and most diverse district in the County. To accommodate the vast unincorporated area in the district, District 5 has six Municipal Advisory Councils (MACS): North Auburn, Foresthill, Meadow Vista, Colfax, Squaw Valley and North Tahoe. TART's service area is primarily within the jurisdiction of the North Tahoe MAC. The MAC meets monthly throughout the district. The MAC gathers input from the community on matters of concern which relate to the area served by the MAC. Topics may include land use, roads, public health and safety concerns, Placer County fire protection, law enforcement and Parks, as well as public transportation. The MAC is not a decision-making body such as the Board of Supervisors or the Planning Commission. MACs do not have authority to make, set, provide interpretation of or enforce county ordinances, policies or laws.

Figure 23: Placer County North Tahoe MAC



The nine North Tahoe MAC members are nominated for appointment by the District Supervisor and confirmed by the full Board. They serve two-year terms.

No other citizen or Transit Advisory Committee (TAC) currently exists; however, the Truckee-North Tahoe Transportation Management Association (TNT-TMA) provides input at their monthly meetings. The TNT-TMA is dedicated to fostering public-private partnerships and resources for the advocacy and promotion of innovative solutions to the unique transportation challenges of the Truckee-North Lake Tahoe Resort Triangle.

Unmet Transit Needs meetings are also held annually, which provide a public forum for input regarding transit services.

ORGANIZATIONAL STRUCTURE & REPORTING

The Transit Division of PCDPW operates TART, as well as Placer County Transit (PCT), which provides public transportation service for the western part of the County. Operators, as well as management, administrative and supervisory personnel, are County employees. PCDPW employs 222 people, and had a budget of \$178.7 million for 2008-2009. The main offices for PCDPW are located in Auburn at the Dewitt Center.

The Public Works Manager – Transit (PW Manager – Transit) is one of four Public Works management positions that oversee specific operations. The position provides general management to the two county transit systems. Duties include oversight of grant management, finance and budgeting, audit compliance, Federal Transit Administration (FTA) compliance, personnel issues, procurement, system planning, interagency coordination and board communications. Two positions report to the PW Manager – Transit:

1. Senior Transportation Systems Supervisor (STSS): The STSS oversees operational aspects for both TART and PCT. In addition to operational supervision, responsibilities for this position include service contract oversight, implementation of policies, procurement of equipment and services, safety, training and personnel issues. The Transit Supervisors for TART and PCT report to this position.
2. Staff Services Analyst (SSA): The SSA manages reporting requirements for grants, National Transit Database (NTD) and other data reporting. In addition to reporting, responsibilities include data management and contract billing. The SSA also develops and maintains the transit websites.

The Transportation Supervisor for TART reports to the STSS. The Transportation Supervisor is in charge of TART operations. The Senior Bus Driver is responsible for safety and training and assists the TART Transportation Supervisor in handling accident reports and California Highway Patrol (CHP) annual inspections. The Senior Bus Driver also provides backup for the Supervisor. Both the Senior Bus Driver and Supervisor may provide backup for drivers if and as needed.

The Administrative Dispatcher maintains radio communication with the bus drivers and coordinates with maintenance for scheduling repairs and inspections. Other responsibilities include customer service support and data entry for ridership and fare information.

The Department of Public Works Administrative Division provides support functions, including payroll, accounting and information technology. Capital projects, such as the Tahoe City Transit Center and bus stop improvements, are managed by the Department of Public Works Engineering Division. Personnel are also handled by PCDPW staff, which reports directly to the PCDPW Director. Other general support functions, including County Counsel, Risk Management, Personnel, Procurement Services, Auditor-Controller, Treasurer and CEO, are provided by other County Departments outside PCDPW.

Vehicle maintenance is the responsibility of a separate section of the Transportation Division of Public Works, Fleet Public Works Division.

AREAS OF INTEREST TO MANAGEMENT AND BOARD

Only one Board member represents the TART service. The Supervisor for the Fifth District was interviewed. The Supervisor expressed overall satisfaction with TART's service within the current funding limitations, although the Supervisor expressed expanding both morning and evening hours, specifically for the ski areas, would be beneficial. Concern about the environment is a major issue facing the TART service area, and a major objective for TART is to decrease automobile use in the area by providing an alternative. Increased cooperation and possible public-private partnerships were encouraged.

SERVICE PLANNING

The planning of routes, schedules and other service attributes determines if the service provided by TART is appropriate to meet the transit needs of the North Lake Tahoe communities. Planning was assessed through a review of Short Range and Long Range Service Plans, surveys and ongoing evaluation tools, such as

monthly and annual reports. Service planning incorporated the following:

- Strategic planning;
- Short-range planning;
- Public participation;
- Surveys of riders/non-riders.

STRATEGIC PLANNING

TART has participated in several long-range planning projects with the TRPA. They have provided contribution and input to the Regional Transportation Plan and several strategic studies, such as the Tahoe Interregional/Intraregional Transit Study.

SHORT RANGE PLANNING

TART's most recent Short Range Transit Plan was completed in 2005. It was adopted by the Placer County Board of Supervisors on April 19, 2005 and by the Tahoe Regional Planning Agency in May 2005. Although TART has been scheduled for a new SRTP for a couple of years, it has not yet been started due to other priorities impacting TRPA. A Request for Proposal is scheduled to be released within the next year.

The SRTP document included the following:

- Characteristics of the study area, including demographic factors;
- Land use and transportation plans;
- Operating history of the transit services provided in the study area;
- Demand for transit services in the study.

The SRTP detailed proposed future improvement in TART services, as well as a more generalized discussion of longer-range means of improving the intermodal public transportation network serving the North Tahoe/Truckee region. Four goals were established:

1. Evaluate Strategies that help management maximize productivity while meeting the transit needs of the community and develop a transit program that supports environmental and economic goals in the service area;
2. Maximize ridership potential;
3. Effectively use financial resources;
4. Provide safe, reliable, and convenient public transit services.

The document establishes the following goals, objectives, measures and standards.

Table 10: SRTP Goals and Objectives

GOAL	OBJECTIVE	MEASURE	STANDARD	STATUS
Evaluate strategies that help management maximize productivity while meeting the transit needs of the community and develop a transit program that supports environmental and economic goals in the service area.	Planning	SRTP updates	Every 5 years	The previous SRTP was completed in 2005, more than six years ago.
	Service Monitoring	Ridership Operating Costs Status of bus stop amenities Capital programs	Review monthly	Placer DPW tracks performance on a monthly basis. Discrepancies in performance are investigated.
	Land Use Planning	Development Proposals	Review to determine effect on transit services and ensure compatibility	In Placer County, TART management is included in the land development review process led by the Planning Department. Management provides comments on bus stops and get involved in special mitigation payments for transit service at times. If the development is in Washoe County or the Town of Truckee, the local jurisdiction will seek input on transit impacts. If it is in Washoe, TART management receives the opportunity to comment through the TRPA environmental process.
Maximize ridership potential.	Fixed-route Effectiveness	Passengers/VSH	After 3 years – 8 After 2 years – 5.6 (70%)	Fixed route Passengers per VSH exceeded 13.4 Passengers per VSH for each year of the Audit.
	Marketing	Awareness & target marketing	Budget – 3%	Marketing expenditures have consistently been less than 1%, including the TNT/TMA dues. TNT/TMA does marketing on TART's behalf.
	Regional Connectivity	Not provided	Not provided	Limited information is available on connections.
Effectively use financial resources.	Farebox Ratio	Operating Revenue/Operating Cost	North Shore California and West Shore Service – 25%	Excluding Special Fares and Local Support North and West Shore California Service did not achieve 25% Farebox Ratio during the Audit period. With Special Fares (TMA/TNT contributions) Farebox was achieved in FY 07/08 and FY 08/09, but not in FY 07/08 – 23.8% or FY 09/10 – 23.6%. With Local support Farebox was achieved all four years.



GOAL	OBJECTIVE	MEASURE	STANDARD	STATUS
Provide safe, reliable and convenient public transit services (continued).			Tahoe City – Truckee and SR 267 Service – 10%	Truckee/SR 267 achieved Farebox Ratios exceeding 11.9% for all four years.
Provide safe, reliable and convenient public transit services.	On-time Performance	90% of all fixed-route trips	On-time is defined as not early and not more than five minutes late.	Not Tracked; however with the recent installation of NextBus, TART management will have access to reports on schedule adherence and on-time performance.
	Complementary Paratransit Service Denial	Denials	No denials due to capacity constraints	No denials
	Passenger Amenities	Shelters	Serving 20 or more passenger boardings per day	Senior Transportation System Supervisor will identify potential sites and prepare an installation priority list. New shelters have been installed as part of the DPW construction budget.
		Seating	Servicing ten or more passenger boardings per day	Senior Transportation System Supervisor will identify potential sites and prepare an installation priority list.
	Passenger Load	Standees	<20% or runs for any route	Not Tracked
		Capacity	<150% seated capacity	Not Tracked
	Accidents	Number of miles traveled between preventable collisions	<100,000 miles between preventable collisions	Although records are maintained, the measure is not reported.
	Maintenance	Number of road calls due to mechanical failure	>40,000 miles between road calls	Not tracked
	Vehicle Cleanliness	Exterior wash –	Washed twice weekly	2X per week
		Interior sweep	Daily	Daily
		Interior detail	Weekly	1X per week



GOAL	OBJECTIVE	MEASURE	STANDARD	STATUS
Provide safe, reliable and convenient public transit services (continued).	Minimum Service Frequency	West Shore and North Shore	Hourly	West Shore –Hourly North Shore – 30 minutes
		Tahoe City, Truckee, along SR 267	Every 2 hours	Hourly (with one exception)
	Hours of Operation (major corridors) for use by persons working 8:00 a.m. and ending at 5:30 p.m. shifts	Span of Service	Not specified	~6:00 a.m. to 7:00 p.m. depending on route.
		Vehicle Accessibility	Fully accessible transit fleet	All vehicles are fully accessible
	Sufficient fleet spare ratio to ensure adequate capacity for regularly scheduled and tripper services	Vehicle Spare Ratio	Two spare vehicles available that can operate each respective service category	Spare Ratio is 20%. In addition, TART will borrow/lend vehicles to PCT as demand warrants.
	Trained, courteous, respectful employees who appreciate the needs of passengers	Training	>8 hours annually of ongoing driver training	Training exceeds minimum standard.

The SRTP had a number of recommendations, some of which have been implemented and some of which were not for various reasons.

Table 11: SRTP Prioritized Service Plan Elements Recommendations

S RTP Recommendation	Status
Operate Summer and Winter Tripper Service from the North Shore to Squaw Valley by formally establishing an additional morning bus run to address crowding.	<ul style="list-style-type: none"> Summer—North Shore (Tahoe City “Y”) to Squaw Valley morning bus service begins at 6:30 a.m. Winter—North Shore (Tahoe Baltimore Crystal Bay) to Squaw Valley morning bus service begins at 6:00 a.m.
Improve Summer Service Frequency on the North Shore by increasing service frequency from once every 60 minutes to once every 30 minutes.	Implemented. (Mainline Bus, North Shore)
Improve Trolley Program by: <ol style="list-style-type: none"> Continuing to provide daytime service between Tahoe City and North Stateline as well as operating two Trolleys on a one-hour headway from Squaw Valley to the Hyatt; Replacing the existing daytime North Shore Trolley service with half-hourly North Shore TART service; Initiating a “Tahoe City Trolley” summer service as long as a majority of funds are provided by the local business community and collected by or through the NLRTA; Launching a pilot Trolley shuttle for the Tahoe Vista-to-North Stateline area as long as a majority of funds are provided by or through the NLRTA; Operating one Trolley between Tahoe City and North Stateline to provide effective half-hourly service as well as to provide hourly Trolley service between Squaw Valley, Tahoe City and Sunnyside. 	<ol style="list-style-type: none"> Summer—Free night service with hourly headways from Squaw Valley to the Hyatt (Incline Village) is implemented. Summer—Half-hourly service for Mainline Bus North Shore TART service is implemented. No daytime Tahoe City Trolley service appears to be implemented. Summer—Free hourly night service begins at Squaw Valley, stops at Tahoe Vista and continues to Incline Village (Hyatt). 5) The South Shore Connection meets with BlueGo Nifty 50 Trolley in Tahoma. There are free transfers between TART and BlueGO. The Emerald Bay connection runs until September 5 then weekends until October 2. West Shore Route valid year-round. This does not increase frequency between Squaw Valley and Sunnyside.
Provide Hourly Winter Service Frequency on the Tahoe City—Truckee Route by operating two buses roughly from 6:30 a.m. to 6:00 p.m.	Implemented year-round, not just during winter.
Expand Year-Round Evening Transit Service on the North Shore by one hour to accommodate an extended commute period.	Service does not appear to have been extended.
Expand Summer Evening Mainline Transit Service to operate until 10:00 p.m., which would partially replace the existing evening Trolley service.	Not implemented.
Improve Service Frequency on the North Shore year-round by increasing service frequency from once every 60 minutes to once every 30 minutes during the operating day in spring, summer and fall.	Partially implemented. (Mainline North Shore Route) <ul style="list-style-type: none"> Spring—Hourly service Summer—Half-hourly service Fall—Hourly service (from year-round schedule) Winter—Hourly service
Provide Tahoe City – Truckee Service every 90 minutes in spring, summer and fall while also providing a direct connection to North Shore service in Tahoe City on every run.	Implemented. <ul style="list-style-type: none"> Spring—Hourly service Summer—Hourly service Fall—Hourly service (from year-round schedule) Winter—Hourly service
Establish TART Highway 267 Service once the Martis Valley Community Service Area is established by assuming existing services, operating an additional bus in the winter season and providing daytime service in the non-winter seasons every 90 minutes between Truckee and North Stateline, via Northstar-At-Tahoe.	Additional winter service implemented. Daytime non-winter seasons every 90 minutes between Truckee and North Stateline not implemented. <ul style="list-style-type: none"> Spring—No service Summer—Operates from 7:36 a.m. - 5:25 p.m. Fall—No service Winter—Operates from 7:00 a.m. – 5:50 p.m.

Table 12: SRTP Non-prioritized Service Plan Elements Recommendations

Prior Recommendation	Status
<p>Increase Incline Village Service by:</p> <ol style="list-style-type: none"> 1) Adding half-hourly service along the North Shore in California to eliminate the lack of connecting service to and from California on half of the existing runs; 2) Extending evening service in Nevada until 10:30 p.m. in the summer to generate roughly 4,800 additional passenger-trips annually; 3) Providing direct TART service to the Reynolds Center for the once-a-week food distribution program operated by Project MANA. 	<ol style="list-style-type: none"> 1) Mainline North Shore Schedule Spring—Hourly service Summer – Half hourly service Fall—Hourly service (from year-round schedule) Winter—Hourly service 2) Implemented for summer via Trolley night service. 3) No indication of implementation.
<p>Monitor potential need to eliminate Lake Forest Service due to the time required to operate versus what is available in the schedule. Route modification, such as operating along Highway 28 instead of Lake Forest Road, should be considered if the provision of half-hourly service does not result in adequate performance.</p>	<p>Not implemented. (For Mainline route, North Shore, Lake Forest is still a stop. Highway 28 appears in the Incline Village—Eastbound and Westbound sections).</p>
<p>Monitor need for a North Shore Circulator Route, including service to National Avenue by conducting a limited study in 2006 regarding the provision of a North Shore Circulator Route that could serve the northern portions of Tahoe Vista and Kings Beach, as well as provide higher frequency service along Highway 28 in those communities.</p>	<p>Not implemented due to funding limitations.</p>
<p>Provide TART Service on Christmas Day by temporarily eliminating service on Thanksgiving Day to provide service in the winter tourist season without increasing costs. Longer-term, TART will provide service all days of the year.</p>	<p>Not implemented.</p>
<p>ADA (Americans with Disabilities Act) Service operated by a private taxis firm under contract to TART will continue.</p>	<p>Implemented.</p>
<p>Reno-Truckee-North Tahoe Transit Service management will be considered and the demonstration transit program may be implemented as early as December 2005. TART could prepare a bid to operate the service for comparison with competitive bids received from other transit operators. This service will operate three buses in winter season, and one bus in the other season, along the I-80 and Highway 89 corridors between Reno, Truckee and Tahoe City, with connecting winter service between Truckee and Northstar operated by Northstar-At-Tahoe.</p>	<p>Not implemented.</p> <p>Some Highway 89 winter service is provided on the Highway 89—Tahoe City to Truckee route.</p>

Table 13: SRTP Short Range Capital Plan Recommendations

Prior Recommendation	Status
Fleet Replacement and Changes to Address Needs of Operating Plan —Replace four existing buses over the SRTP period, purchase one new bus to provide Highway 267 service (Priority Recommendation #9), purchase and maintain a small accessible van, and receive four 40-foot buses from the TDD for the Reno – Truckee – North Tahoe service to be potentially managed by TART.	Implemented.
Improve Bus Stop Maintenance by contracting with a private local maintenance firm that would average 10 hours of personnel time per week.	TART maintains a blanket purchase order with a local contractor for maintaining bus stops and the TART facility in Truckee.
Improve Vehicle Cleanliness by washing the exterior of in-service vehicles twice per week, while sweeping daily and detailing weekly, using existing staff.	Implemented.
TART Cabin Creek Facility Improvements —Add eight outside bus/trolley parking spaces, additional employee parking spaces, and additional maintenance bays for Road Department and general fleet equipment to allow for expansion of bus maintenance in the existing facility.	DWP built a new seven-bay maintenance facility. Buses are now parked inside. Employee parking appears adequate.
Bus Stop Improvements —install shelters at 11 new locations and benches at an additional 11 locations. As funding permits, TART will strive to provide lighting for existing shelters and stops.	<p>In Process. Five new bus shelters built in the past year and an old one relocated temporarily to a popular stop that had no shelter:</p> <ol style="list-style-type: none"> 1. Two at Sunnyside; 2. One at Lake Forest Drive westbound; 3. One at Dollar Point westbound; 4. One at National Avenue eastbound. 5. Old shelter from Lake Forest was moved to National Avenue westbound. <p>About two years ago TART completed two shelters in Squaw Valley. None of these projects are on the TART budget. The project costs are on the DPW construction budget.</p>
Tahoe City Transit Center – Placer County is preparing a revised version of the environmental document for an environmental analysis of a proposed transit center in Tahoe City. Construction is planned to be initiated in 2006, pending approvals.	The contract was awarded to Gilbane Building Company on June 22, 2010. The building was anticipated to be completed January 2011, with ancillary landscaping to be completed during summer.
North Stateline Bus Stop Improvements – A second bus bay should be constructed on the north side of Highway 28 in North Stateline to accommodate the Highway 267 bus (Priority Recommendation #9).	Not yet implemented.
Implement a “Smart Card” Fare System by replacing existing TART fareboxes with electronic fareboxes, speeding boarding times, reducing operating costs and allowing improved data collection.	Implemented.
Pursue funding for an Automated Vehicle Location System beginning in 2005 by working with regional partners to pursue a grant for an Automatic Vehicle Location System to aid in the coordination of services and in providing real-time passenger information.	On April 27, 2010 Ken Grehm and Will Garner sent a memo to the Board of Supervisors requesting/recommending that they be authorized to sign a purchase order not to exceed \$115, 000. FINIS The contract has been drafted, installed and training is being completed.
Achieve Bicycle/Pedestrian Improvements around bus stops by working with other regional partners to improve pedestrian and bicycle access to bus stops.	TART continuously works to improve Bicycle and Pedestrian access.

Table 14: SRTP Short Range Institutional and Management Plan Recommendations

Prior Recommendation	Status
Provide ongoing driver training by requiring each driver to have a minimum of eight hours of driver training per year.	Implemented.
Adopt Transit Goals, Objectives and Performance Measures outlined in the SRTP to guide future decision-making regarding service modifications.	Uncertain of status.
Investigate maintenance of Town of Truckee Transit Vehicles by Placer County DPW staff and office space for the Town's Service Contractor at Cabin Creek.	Not implemented.
Consider adding one additional Placer County Transit Program administrative employee who would split time between the Placer County Transit system and TART to fulfill the need for additional management resources.	Implemented.
Increase TART maintenance staff.	Maintenance staff appears adequate.
Improve Marketing efforts by improving Internet transit information, creating and implementing regional marketing strategies, and focusing marketing for new services, as outlined in the Regional Transit Marketing Plan.	From looking at website, not implemented. Improved marketing needed.
Improve Service Monitoring by preparing monthly and quarterly service monitoring reports.	Implemented.
Establish a County Service Area (CSA) district for Martis Valley depending upon the final results of the detailed study of transit services for the Martis Valley and Board of Supervisors.	CSAs are established as needed due to population.



Table 15: SRTP Financial Plan Recommendations

Prior Recommendation	Status
Adjust fares on a regular basis to keep pace with inflation: – Beginning July 1, 2004, TART has raised the base fare to \$1.50 to address cost increases, and reduced fares for elderly, persons with disabilities and youth as required by the FTA.	As of June 1, 2009, regular one-way fares were \$1.75. One-way senior/disabled/youth fares were \$0.85.
Provide fare-free Fixed-Route Service for ADA-eligible passengers to encourage passengers to use the more efficient fixed-route services over the CPS program, resulting in an overall reduction in subsidy needs.	Not implemented. Reduced fare available.
Reduce the minimum required Farebox Ratio in the Tahoe Region by investigating and implementing a reduction in the minimum required Farebox Ratio applied to TART services within the Tahoe region.	Not implemented.
Provide operating funding through existing and new sources.	TART has been active in pursuing additional funding sources.
Provide capital revenues through existing and new sources.	TART has been active in pursuing additional funding sources.

PASSENGER SURVEYS

As part of the SRTP process, passenger surveys were conducted of TART riders for both Winter Service and Summer Service. All runs on all routes were surveyed. A total of 483 surveys were collected on the Winter Service Survey; 468 surveys were completed on the Summer Service Survey plus 139 Trolley Surveys. The surveys included collected basic trip and demographic data. However, no questions related to service satisfaction, importance of different service attributes, or latent demand issues.

SCHEDULING, DISPATCHING & OPERATIONS

TART's day-to-day operations are critical to the success of the service. Through interviews with staff, review of driver paddles (schedules), and operation and dispatch procedures, the following items were assessed:

- ADA scheduling and operations;
- Seasonal Operations.

AMERICANS WITH DISABILITIES ACT (ADA) SCHEDULING AND OPERATIONS

TART has 188 American with Disabilities (ADA)-eligible participants and contract through a local taxi company to provide services. TART's Administrative Dispatcher does the first level of review. If everything is straightforward, the application is approved. If there are any issues, management will review it and make a decision. Applicants who are deemed ineligible may appeal the finding.

The approved list is updated when a new applicant is added. TART has not removed anyone from the list for a few years. Eligible riders are removed when they can no longer be contacted. TART is considering a survey soon to get feedback and to help clean up the list after the new taxi vendor has been operating for a period of time.

The taxi contractor has a master list of eligible patrons. Riders schedule trips directly with the taxi company. The taxi contractor provides "next day" service for all requests made prior to the close of business each day and up to 24 hours in advance. The ADA complementary paratransit service must be within three-fourths mile of a TART route. If the time request cannot be accommodated, an alternative pickup time within 60 minutes of the request time will be suggested. Any "denied" trips must be reported to TART.

During the period (technically outside the current Audit period) when the taxi company authorized by TART ceased operation, TART staff provided ADA service with a smaller vehicle on loan from PCT. TART staff also provides ADA service when the taxi cannot reasonably accommodate the disability.

SEASONAL OPERATIONS

TART operates in a seasonal environment. As such, it requires additional manpower during the peak seasons (winter and summer). TART employs permanent bus operators and, in addition, hires temporary extra-help drivers. However, in the past, TART experienced some difficulty staffing the peak season program with a sufficient number of drivers. To accommodate the seasonal requirement, TART has contracted with a private

transit services provider, MV Transportation, to supply professional, qualified drivers to supplement TART's permanent and extra-help staff

As with the permanent and temporary drivers, the supplemental drivers must possess a valid Class B driver's license with air brake and passenger endorsement to allow passenger transport in a Class B vehicle for more than 15 passengers. In addition, the driver must possess documented training sufficient to hold or obtain a Verification of Transit Training (VVT) School Bus, Student Pupil Activity Bus (SPAB) or General Public Paratransit Vehicle (GPPV) certificate endorsements. A DMV report is also required.

Each contract driver is expected to work a minimum of 20 hours per week and a maximum of 40 hours. The contract drivers are assigned shifts not filled with TART employees and are assigned the shifts in advance by the TART supervision staff.

PERSONNEL MANAGEMENT & TRAINING

TART's personnel are its most important asset and have a direct impact on the quality and consistency of the service. We reviewed the County's personnel policies, wage and benefit scales, new and ongoing driver training syllabus, other training opportunities and turnover rates, and interviewed staff and management to determine the effectiveness of the personnel management. Included in the review were the following:

- Recruitment;
- Motivation;
- Training and safety;
- Benefits.

RECRUITMENT

Recruitment for regular staff is done through Placer County Personnel and follows County guidelines.

Requirements for the Bus Driver I position include experience and training in any combination that would provide the required knowledge and abilities for the job. The applicant is also required to have valid CPR and First Aid certificates. The job description also indicates the applicant may be required to possess a valid driver's license and proof of adequate vehicle insurance and medical clearance.

However, no mention is made of a driving record inspection or that a DMV pull notice would be required.

A Bus Driver II is typically required to have one year of responsible paid driving experience involving the carrying of passengers or six months of training as a Bus Driver I in a Placer County transit system, plus a valid Class B driver's license with air brake and passenger endorsements in addition to the CPR and First Aid certificates.

TRAINING AND SAFETY

In 2008, Placer DWP transit management took advantage of California Transit Insurance Pool's (CalTIP's) training program to develop a training manual. The Employee Training Module was part of the Transit

System's Safety Program Plan (SSPP). The Employee Training Module establishes the basic curriculum for operational (operators and dispatchers) and maintenance employees. The document includes subjects that are used as guidelines for the structure and content of training program.

The program was developed to meet the following requirements:

- Effectively respond to the causes of the most serious accidents and incidents that have occurred;
- Respond to the areas found to be the most critically deficient during the regular evaluations of each employee;
- Prepare operations employees for anticipated changes in route structures, equipment, personnel and schedules in the coming year.

Placer DWP transit management established five objectives for the training program:

1. Train the safest possible employees who represent the lowest possible risk for accidents, injuries and disciplinary actions;
2. Clearly define employee training requirements;
3. Provide for the fair and equitable training of employees;
4. Train untrained employees;
5. Provide safe, courteous and reliable service to transit customers.

The program includes three modules:

1. Classroom Training (Orientation and Basic Vehicle Operational Skills);
2. Field Training (Driver Training Area and On-the-Road);
3. Job-Specific Training (Vehicle Operators, Mechanics, Dispatchers).

TART uses U.S. Department of Transportation/FTA Bus Operator Training Program manuals in its training and TART-specific handouts.

BENEFITS

Drivers are classified in three stages:

1. Bus Driver I – entry level class (\$14.35 to \$17.45 per hour);
2. Bus Driver II – journey level class (\$17.45 to \$21.21 per hour);
3. Bus Driver Senior – performs Driver training and various administrative tasks (\$21.21 to \$24.55 per hour).

In addition, employees are offered an array of benefits including:

- Bereavement leave;
- Voluntary 457 and 401(k) plans;
- Education allowance;
- Health insurance (medical, dental and vision);
- Holidays;

- Life insurance;
- Long-term disability;
- Retiree medical;
- Retirement;
- Sick leave;
- Vacation.

MARKETING & PUBLIC INFORMATION

Keeping stakeholders informed and involved helps ensure the public is adequately served and has the necessary information to use and support public transportation. Relevant marketing, public outreach and operational support efforts will be identified. Special, short-duration programs as well as ongoing programs were included for the period of the Audit. The following marketing functions were examined:

- Intergovernmental communications;
- Public involvement and input;
- Marketing and public information.

INTERGOVERNMENTAL COMMUNICATIONS

TART has excellent relations with the TRPA and other local governmental agencies. TART's management is very active in coordinating with other governmental agencies:

- **Truckee-North Tahoe Transportation Management Association (TNT/TMA)** is dedicated to fostering public-private partnerships and resources for the advocacy and promotion of innovative solutions to the unique transportation challenges of the Truckee-North Lake Tahoe Resort Triangle. The PW Manager-Transit serves as a board member on TNT/TMA, which meets monthly. In addition to the monthly meetings, the PW Manager-Transit works with the TMA continuously on a variety of projects. The Board includes other governmental representatives as well as private sector members. In addition to directing local support from TOT funds to TART operations, the TNT/TMA sponsors several other transportation options in the North Lake Tahoe area and provides marketing support for all transportation options.

The goals and programs of the TNT/TMA are designed to:

- ♦ **Advocate increased transit service for public and private services:** year-round service on Highway 267, increased service hours and frequency for improved community mobility;
- ♦ **Promote transit as an alternative to automobile use for clients and employees:** public outreach, van pools, ride share, Google Transit, bus shelter improvements, bear boxes, airport shuttles, event shuttles, water shuttles, connection of South & North Shores via bus/trolley/water;
- ♦ **Advocate Social Service transit solutions:** CCTT, Sierra Senior Services, American Cancer Society Volunteer Driver coordination and Tahoe Forest Hospital;
- ♦ **Advocate infrastructure projects that keep traffic moving:** seasonal traffic management,

- Mousehole, parking, bike trails;
- ◆ **Organize stakeholder meetings:** seasonal, regional and specific to projects for improved transit services;
- ◆ **Contract management** for the North Lake Tahoe Express and Night Rider Programs; including Emerald Bay/South Lake Tahoe Summer Connection;
- ◆ **Coordinate all shuttles/transportation opportunities** for public outreach and marketing, and obtain sponsors for funding
- **Regional Tahoe Transportation Planning Committee:** The PW Manager–Transit is also Chair of the Regional Tahoe Transportation Planning Committee (RTTPC) which meets right after the TMA meeting. RTTPC includes North Tahoe, Truckee and Placer County outside of the basin. This committee comprises representatives from other local governments and the RTPAs.
- **Tahoe Transportation District (TTD)** is responsible for facilitating and implementing safe, environmentally positive, multi-modal transit plans, programs and projects. Its responsibilities also include providing transit vehicles to public transit operators, acting as the Consolidated Transportation Service Agency (CTSA) for the Tahoe Basin, implementing the rental car mitigation fee and managing grants from the FTA and Federal Highway Administration (FHWA). The PW Manager–Transit is a member of the TTD Board. TTD includes representatives from the counties of El Dorado and Placer in California and Douglas and Washoe in Nevada, the cities of South Lake Tahoe and Carson, North Shore Transportation Management Association and each local transportation district that is authorized by the State of Nevada or the State of California. A member at large, representing a public or private transportation system operating in the region, is also appointed by a majority of the other voting Directors. Representatives of the California Department of Transportation (Caltrans) and the Nevada Department of Transportation (NDOT) sit on the Board as non-voting members.
- **Tahoe Transportation Commission (TTC)** – is an advisory liaison to both the TRPA and the TMPO. Intended to be a part of the planning process, the TTC provides technical input and recommendations on transportation issues, plans and programs to the TMPO and TRPA governing boards.
- **Municipal Advisory Councils (MAC)** serve as advisory committees to Placer County Supervisors. Two MACS are within TART’s service area (North Tahoe and Squaw Valley). The PW Manager–Transit attends when there is a transit-related item that may progress to the Board of Supervisors, such as the previous fare increase and the development of the EIR/EIS for the Transit Center.

PUBLIC INVOLVEMENT AND INPUT

TART does not maintain a separate Citizens/Riders Advisory Committee. As mentioned previously, the PW Manager does attend local MAC meetings when there is a transit-related item that may be presented to the Board of Supervisors. Also the incumbent is very active on the TNT/TMA, which includes representatives from the major resorts, the major employers in TART's service area.

MARKETING AND PUBLIC INFORMATION

TART's schedule brochure is a simple legal-sized tri-fold. The time period for which the brochure is valid is clearly indicated both on the cover and at the top of the schedules. The brochure includes schedule information for the two year-round routes and fare information. Although the brochure is printed seasonally, seasonal routes are not mentioned. The brochure does not include a route map.

Although it uses color for the cover picture and logos, it does not make use of color to improve understanding. The schedules are presented with the bus stops on the far left and the times horizontally. This format is generally the easiest for riders to understand.

TART's only direct marketing costs are through payments to TNT/TMA to do marketing. TART incurs printing costs and distribution of schedules.

Figure 24: TART Seasonal Schedule Brochure



Table 16: TART Marketing Expenditures

	FY 06/07	FY 07/08	FY 08/09	FY 09/10
Printing*	\$4,798	\$9,447	\$6,932	\$3,800
Summer Transit Schedules (TMA)	\$2,000	\$2,000	\$2,000	\$2,000
TMA Marketing	\$750	\$750	\$750	\$750
Distribution of Schedules		\$1,900	\$1,932	

* Not all printing is marketing, but the majority is for schedule printing costs.

The TNT/TMA also does considerable marketing for TART as part of their overall duties. The TNT/TMA maintains a website at www.laketahoetransit.com. The site includes all TART schedules plus information on private providers and other services. TART pays about \$2,100 toward the County's overall membership dues for the TMA, which total about \$6,000.

TART maintains a presence on the Placer County website. Although TART information is not obviously available on the site's main page and it takes several clicks to find it, it pops up quickly when entering likely key words, such as "TART Tahoe" (1st search result) or "Tahoe Transit" (2nd search result) or "Tahoe bus" (3rd search result).

While graphically simple, the website provides links to all relevant information:

- Schedules;
- Route Maps;
- Bikes on Board;
- Tahoe City Transit Center;
- Connections & Other Transportation Services;
- Rider Tips;
- ADA Eligibility;
- Contact Us;
- Title VI Non-Discrimination Policy.

The viewer must scroll down to find general information regarding the two year-round routes or the Seasonal Bus/Trolley Routes. No schedule information on the seasonal routes was available on the TART website.

Figure 25: Placer County Website/TART Page



Once "Schedules" is selected, the viewer has an opportunity to select one of four routes:

1. Mainline Bus (Tahoma to Incline);
2. Mainline Bus (Incline to Tahoma);
3. Highway 89 Bus (Tahoe City to Truckee);
4. Highway 89 Bus (Truckee to Tahoe City).

The viewer may also select the full TART schedule in PDF format or a link to Google Transit trip planner. If one of the four routes is selected, the schedule, in table format, is presented plus a link to a map of the route. The Highway 267 (Truckee to Crystal Bay – Winter Only), Highway 267 (Northstar to crystal Bay – Winter Only) and Tahoe Trolley (Squaw Valley to Incline – Summer Only) are only available to view after clicking on the "Route Maps" link. Although the viewer can link to a PDF of a map for each of these three seasonal routes, no downloadable schedule is available. The three seasonal routes are included on the TART System-Wide Route Map.

If the ADA Eligibility link is clicked, the text provides the following information:

“The Americans with Disabilities Act (ADA) requires that complementary paratransit (curb-to-curb) service be available to persons who, because of a disability, are unable to use the fixed route bus system. The Placer County Department of Public Works either operates or provides funding to operate this service with Placer County Transit (PCT) and Tahoe Area Regional Transit (TART).”

Links are included for PDFs of a brochure outlining TART’s ADA program, an Eligibility Information Sheet, and Application instructions/Application/Authorization to Release Personal Information. PDF documents, or those in other image-based formats, are often not accessible to blind people who use screen readers and people with low vision who use text enlargement programs or different color and font settings to read computer displays. Alternative text-based formats, such as HTML or RTF (rich text format), are the most compatible with assistive technologies.

The website’s “Connections & Other Transportation Services” link provides information about:

- TART bus connections with Truckee Transit, Greyhound and Amtrak at the Truckee Depot;
- Transfers between TART routes at the Tahoe City "Y," the Truckee Depot and Stateline Road (winter only) in Crystal Bay.

Links to other transportation sites are provided; however, there is nothing indicating which, if any, have connections to TART.. No transfer or other relevant information is included.

The TNT/TMA also maintains a website for Lake Tahoe Transit at www.LakeTahoeTransit.com. The home page includes a Google Transit trip planner, a resort order form for employee transportation, an adopt-a-bus-shelter application, on board advertising information and other TMA-related information, including meetings, phone number and mission statement. Links are also provided for all “Sponsors.” The navigation sidebar has the five links:

1. **Home;**
2. **Schedules**, which provides a choice of timeframe for a PDF version of the TNT/TMA brochure, that includes all TART services plus several non-TART services in the North Tahoe area;
3. **Private trans**, which includes links to private transportation providers;
4. **Road Conditions;**
5. **Other trans info**, which lists phone numbers for Tahoe-Truckee Public Transportation, local ski shuttles, visitor information centers and ridesharing and carpool information.

ADMINISTRATION & CONTRACT MANAGEMENT

Although administration is often maligned, effective and appropriate administration allows an organization to run smoothly and reduces the opportunity for misappropriations. It also allows line managers to concentrate on their areas of responsibility without extraneous duties. We reviewed the key systems and procedures used to manage both operators’ finances. Our team examined all standard and special reports for the fiscal years covered by the Audit. Annual Reports, newsletters, current contracts and other relevant documentation may

also be reviewed. The following administrative activities were covered in the review:

- Budgeting/financial management;
- Risk management;
- Contract supervision;
- Procurement, accounts payable, payroll, computer information;
- Contract management.

BUDGETING AND FINANCIAL MANGEMENT

TART management prepares an annual budget each year and monitors it throughout the year. Documentation demonstrated that management investigates unusual charges and events.

RISK MANAGEMENT

The Placer County Risk Management Department oversees the following functions for TART:

- Insurance Purchasing;
- General Liability including administering, investigating and controlling claim costs by reducing and avoiding risks and maintaining and managing adequate reserves to pay for all liability claims and related costs;
- Workers Compensation including investigations and timely filing of claims and ensuring that employees are provided with statutory benefits as outlined in the Labor Code, reserving funds to pay for claims within the policy deductible, and mandatory DOT Drug and Alcohol Regulations;
- Safety including control of claim costs by promoting worker health, promotion of safe operations and activities, training to prevent injuries and guaranteeing compliance with CAL-OSHA regulations;
- Internal investigations including investigating violations of the Discrimination and Workplace Harassment Policy and the Violence in the Workplace Policy, in addition to pre-employment background checks and disciplinary investigations, as needed;
- Disability Management to include administration of the County's ADA/FEHA policy and the monitoring of accommodations for employees that meet the criteria according to ADA/FEHA statutes and various types of leaves for employees to ensure that return-to-work or alternative assignments are addressed at the most appropriate time.

The County's Transit Enterprise Fund is self-insured for public liability and property damage up to \$250,000 per occurrence. Claims in excess of \$250,000 are insured through the California Transit Systems Joint Powers Insurance Authority (CalTIP), a joint powers agency risk sharing pool, established in 1987 to provide an independently managed self-insurance program for member transit operators. The purpose of CalTIP is to spread the adverse effect of losses among the member agencies and to purchase excess insurance as a group, thereby reducing its expense. Claims in excess of the pool limit are covered by excess insurance purchased by CalTIP up to \$20 million per occurrence. The County's Transit Enterprise Fund has not settled any claims exceeding the risk-pool limit of \$250,000 per occurrence for any of the past three fiscal years. The Transit Enterprise Fund has the following forms of coverage through CalTIP: bodily injury liability; property damage liability; public official's error and omissions liability; personal injury liability; and collision and comprehensive

coverage.

CONTRACT SUPERVISION

TART maintains several contracts with private providers for services including bus stop cleaning and the ADA Paratransit Taxi Service. In addition, during the contract period, PWD managed contracts for the architectural and civil design of the Tahoe City Transit Center for TART. The contract involved final project development including surveying, geotechnical investigations, structural design, grading plans and drainage plans, along with associated maps, drawings and reports. An amendment provided architectural/engineering services for the comprehensive design in preparing the final construction documents and record drawing and providing bid assistance and construction administration.

Although the contract commenced outside this contract period, a separate contract was awarded to Gilbane Building Company for \$4,292,196.95. The site work is being completed by a local subcontractor, Advance Asphalt Company. It is anticipated that the building could be completed by January 2012, with some ancillary landscaping to be finished up following summer. The project is under a multitude of permitting agencies jurisdictions and conforming to all the requirements. An archeologist is on site during all ground-disturbing activities to ensure cultural resources are protected. In addition, the design includes a great number of “green” elements that will enhance the project and tread lightly on the soil beneath. Some of these features include pervious concrete pavement, solar panels and recycled water for irrigation and toilet use.

Newer technology is also included in the project. There will be electronic information boards, including bus locations using GPS. Riders will be able to purchase tickets electronically from an automated machine. This was under a separate contract with NextBus. The equipment has been installed on TART vehicles and training of staff has taken place.

In addition to private contractors, TART has maintained several agreements with other governmental agencies. A contract of provide transit service to the Town of Truckee along the Highway 89 and Highway 267 Routes. Service charges to the Town of Truckee are based on the revenue Vehicle Service Hours and revenue Vehicle Service Miles between the first/last major bus stop in Placer County and the Town of Truckee. The cost is split between Placer County and the Town of Truckee; however, Truckee remits a set, agreed-to dollar amount that represents less than the 50-50 split. For example, in FY 08/09, the estimated cost to be allocated to Truckee by the formula was \$152,087 while Truckee was actually billed for \$58,300 by agreement. The difference was determined by the overall value of the service into Truckee for the total system.

Figure 26: Model for Cost Allocation for Truckee Agreement FY 08/09

Hwy. 89 Between Truckee and Tahoe City

TART Cost Model

Incremental Cost per Revenue Vehicle Service Hour	\$57.41
Incremental Cost per Revenue Vehicle Service Mile	\$0.93
Cost per Bus	\$6,997.00
Fixed/Overhead Costs per Revenue Vehicle Service Hour	\$11.30

Route Statistics and Cost

Buses in Service	2
Service Days	364
Revenue Vehicle Service Miles per Day	429
Revenue Vehicle Service Hours per Day	22
Total Revenue Vehicle Service Miles	156,156
Total Revenue Vehicle Service Hours	8,008
Miles per Hour	19.5
Cost per Day	\$1,951
Total Cost	\$710,023

Offsetting Revenues

Fares	\$104,554.74
FTA 5311	\$135,000.00
FTA JARC	0
Remaining Balance	\$470,468.00

Allocation of Costs to Town of Truckee

Revenue Vehicle Service Miles per Day – Squaw to Truckee	299.25
Revenue Vehicle Service Hours per Day – Squaw to Truckee	14.70
Total Revenue Vehicle Service Miles – Squaw to Truckee	108,927.00
Total Revenue Vehicle Service Hours – Squaw to Truckee	5350.80
Cost per Day	\$1,261
Total Cost	\$459,053
Offsetting Revenue Allocated to Route Segment	\$154,880
Remaining Balance	\$304,173
50% to Town of Truckee – Fair Share of Costs	\$152,087
Actual Charge to Town of Truckee for FY 08/09	\$58,300

PROCUREMENT, ACCOUNTS PAYABLE, PAYROLL, COMPUTER INFORMATION

Procurement, accounts payable, payroll and computer information are handled through the respective departments at the County level. The Placer Board of Supervisors approves all major procurements. The procurements examined appear to be handled appropriately. Placer County's Administrative Services Department's Procurement Services Division has received the prestigious Achievement in Excellence in Procurement Award nine consecutive years. The award recognizes organizational excellence in public procurement and is granted to agencies that exemplify innovation, professionalism, productivity, ethics and leadership in the profession. Placer County is one of only 41 counties in the nation to receive this award, only a handful of which have received it for nine or more consecutive years. This achievement is a testament to Procurement Services' commitment to fiscal efficiency while maintaining a high level of service to the taxpayers and the various County Departments they support, while promoting a fair, competitive and impartial environment for the County's vendor community.

The General Accounting Division provides general accounting services to the public, other government agencies and County Departments. This Division is responsible for recording all receipts and disbursements of County monies in the countywide financial system (PAS), for maintaining budgetary control of various funds, and for enforcing accounting policies and procedures. This Division also oversees the warrant and cash reconciliation functions for the County.

The Payroll Division provides payroll services for employees of both the County and certain Special Districts. Those services include producing bi-weekly paychecks, paying and recording all payroll liabilities, producing and submitting payroll data to third-party benefit plan administrators, and preparing and filing State and Federal quarterly and annual payroll tax returns. In addition, the Payroll Division develops and establishes controls for the payroll process, and is responsible for ensuring payroll procedures and reporting meet all legal requirements.

The Placer County Administrative Services Department Information Technology Divisions provide comprehensive information technology (IT) consulting services, including project planning and management for system implementations. The Information Technology Divisions are also responsible for planning, implementing, administering, and maintaining the County's data systems, including servers, data storage, firewall and security systems, as well as administering and maintaining the radio, data and voice networks.

MAINTENANCE, FLEET & FACILITIES

The quality of the maintenance program directly affects the quality of service and the value of TART's rolling stock. We used many of the same techniques in reviewing the maintenance records, policies, procedures and records that we use in performing full maintenance audits and inspections. We examined the following:

- Preventative maintenance;
- Communication with dispatch;
- Sufficiency of facilities.

Maintenance is performed by the Placer County Fleet Public Works Division. A concise, but complete Fleet Maintenance Plan was developed by Placer County in accordance with FTA guidelines. The Plan was last

revised in August 2009.

TART received a satisfactory CHP terminal inspection ratings for the four years of the Audit.

Table 17: CHP Inspection Reports

Inspection	Violations	Mechanical Violations
FY 06/07	0	0
FY 07/08	1	1
FY 08/09	6	2
FY 09/10	1	1

In FY 06/07, no violations were noted during the terminal inspection. The FY 07/08 had one violation, excessive oil in the steering gear box area, on one vehicle. While FY 08/09 showed six violations, all were on two trolleys. Four were related to identification issues (two on each of the two trolleys). In addition, one trolley had an inoperative door and one had an inoperative emergency exit window.

The maintenance portion of the TART Facility at Cabin Creek is in operation Monday-Friday.

The preventive maintenance program has two components:

1. Daily Vehicle Inspection (DVI);
2. Mileage-based preventive maintenance inspection program (PMI).

Preventative maintenance functions are performed daily and at 12,000-mile intervals on all CNG buses, and at 6,000 mile intervals for all diesel buses.

DAILY VEHICLE INSPECTION

The Operator's Inspection Report is reviewed for defects that may have been noted by the operator. If a defect is identified, a work order is prepared to correct the issue. The work order has five components:

1. Identification of the problem;
2. Corrective action taken;
3. Technician performing the work;
4. Repair parts required;
5. Outside work required (if relevant).

The completed work order is then used to develop the equipment maintenance history.

PREVENTIVE MAINTENANCE INSPECTIONS

Preventive Maintenance Inspections are performed every 6,000 miles (diesel) or 12,000 miles (CNG). Both

Fleet Services and Transit track mileage on vehicles to schedule them for preventive maintenance. Fleet Services sends the transit manager a bi-weekly listing of vehicles due for maintenance.

The inspections are done in the following sequence: A, B, A, B, C, D. The following table displays the tasks completed under each maintenance interval.

Figure 27: PMI Task Schedule

Preventive Maintenance Task Schedule							
Task	Description	P.M. Inspections					
		A	B	A	B	C	D
	Mileage - CNG Buses	12,000	24,000	36,000	48,000	60,000	72,000
	Mileage - Diesel Buses	8,000	16,000	24,000	32,000	40,000	48,000
001AA	CHECK ALL ACCESSORIES	x	x	x	x	x	x
001AC	CHECK UNDER HOOD FLUIDS	x	x	x	x	x	x
001AP	CHECK ALL GAUGES - LIGHTS - WARNING DEVICES	x	x	x	x	x	x
001KF	CHECK ALL TIRES AND PRESSURES	x	x	x	x	x	x
002KF	CHECK LUG NUTS, RIMS AND STUDS		x		x		
003AH	CHECK HORN	x		x		x	
004AH	CHECK BACK-UP ALARM		x		x		x
005AA	CHECK STEERING ACTION	x	x	x	x	x	x
006AP	CHECK WINDSHIELD WIPERS AND OPERATION	x		x			
007AN	CHECK HEATER AND A/C OPERATION		x		x		
008AA	CHECK EMERGENCY BRAKE OPERATION	x	x	x	x	x	x
104KB	CHECK INTERIOR - FLOOR MATS - SEAT BELTS - SAFETY EQUIPMENT	x	x	x	x	x	x
105AP	CHECK MIRRORS	x		x			
107AA	CHECK HEATER AND A/C OPERATION						x
107AK	SERVICE WHEELCHAIR LIFT						x
107AP	CHECK CAB & BODY EXTERIOR FOR DAMAGE		x		x		x
107KB	CYCLE WHEELCHAIR LIFT - CLEAN AND LUBE - CHECK FLUID	x	x	x	x	x	x
108AA	INSPECT C.N.G. TANKS - ATTACH REPORT						x
108AQ	CHECK LINES, MOUNTING STRAPS, AND COVERS - C.N.G. ONLY						x
115AA	AIR LEAKS AND 1 MIN. BRAKE APPLICATION TEST	x	x	x	x		x
130AK	DRAIN AND FILL DIFFERENTIALS						x
190PC	OPACITY TEST					x	
200KB	CHECK UNDERCARRIAGE	x	x	x	x	x	x
201AB	INSPECT BRAKES & ADJUST IF NEC.	x	x	x	x	x	x
202AH	INSPECT FRONT AND REAR SUSPENSION SYSTEMS		x		x		x
203AA	CHECK SHOCKS AND MOUNTS		x		x		x
204KA	CHECK FRONT WHEEL BEARING ADJUSTMENT						x
204KC	CHECK FRONT WHEEL BEARING OIL LEVEL AND SEALS						x
210KB	LUBE - OIL AND FILTER CHANGE	x	x	x	x	x	x
211AH	SERVICE HYDRAULIC SYSTEM - CHANGE FILTER						x
211AP	CHECK FOR FLUID LEAKS	x	x	x	x	x	x
216AK	CHECK "U" JOINTS AND DRIVELINE SUPPORTS	x	x	x	x	x	x
217KB	CHECK REAR END FLUID - CHANGE IF NECESSARY		x		x		x
220KB	SERVICE AIR DRYER AND CHECK OPERATION						x
260KB	CHECK ENGINE COOLING SYSTEM		x		x		x
301KB	CHECK COOLANT LEVEL & ADD CONDITIONER		x		x		x
303AH	CHECK ALL BELTS AND HOSES	x	x	x	x	x	x
308AC	CHECK AND FILL W/WASHER RESERVOIR	x		x		x	
309KC	CHECK AND TIGHTEN AIR COMPRESSOR BOLTS	x		x		x	
309KD	CHECK AND TIGHTEN A/C COMPRESSOR BOLTS	x		x		x	
311KB	REPLACE AIR FILTER ELEMENT IF NECESSARY	x	x	x	x	x	x
313AH	INSPECT TURBO CHARGER MOUNTS AND CONNECTIONS					x	
313AK	CHECK FUEL LINES AND INJECTOR FITTINGS					x	
313AP	CHECK INTAKE HOSES AND CLAMPS					x	
315AH	CHECK EXHAUST SYSTEM FOR LEAKS	x		x		x	
320AK	SERVICE TRANSMISSION						x
321KB	CHECK BATTERY(S) CLEAN AND SERVICE		x		x		x
323KB	CHECK AND LUBE BATTERY TRAY		x		x		x
324AI	REPLACE SPARK PLUGS - C.N.G. ONLY					x	
328AI	CHECK SPARK PLUG WIRES AND REPLACE IF NEC. - C.N.G. ONLY					x	
329KC	REPLACE WASTE GATE DIAPHRAM - C.N.G. ONLY					x	
330AB	CHECK FOR CODES - C.N.G. ONLY					x	
330AH	REPLACE FUEL FILTER					x	
330AI	REPLACE FUEL FILTER - C.N.G. ONLY	x	x	x	x		
330AQ	CHECK "O" RING IN FUEL COUPLER - C.N.G. ONLY	x	x	x	x	x	
330KC	REPLACE CRANKCASE VENT FILTER - C.N.G. ONLY	x	x	x	x	x	
331AH	STEAM CLEAN ENGINE					x	
332AH	CHECK AND ADJUST VALVES IF NEC. & REPLACE GASKETS					x	
334AH	CHECK STARTING & CHARGING SYSTEMS		x		x		x

MAINTENANCE RECORDS AND INSPECTIONS

All maintenance activity is recorded in a work order. The work orders are recorded and maintained in a fleet maintenance database system housed by the Placer County Fleet Services. Work orders for the bus fleet are printed and transmitted to the transit manager for review on a monthly basis. A multitude of maintenance reports can be generated by Fleet Services upon request.

TART achieved satisfactory CHP inspections for the three years of the Audit. In FY 2006/07, no violations were noted. In FY 2007/08, one violation was noted: excessive oil in area of steering gearbox. Although six violations were cited in FY 208/09, all six related to two of the three trolleys (three violations each). Both received technical violations for no front license plate and no carrier ID number displayed. In addition, both had one mechanical issue:

- *Left rear emergency exit window binding in frame, unable to open (#0007);*
- *Front entry door (air power) inoperative (#0006).*

In FY 09/10, only one violation was noted regarding lamps and signals.



FLEET

Table 18: TART Fleet

		Cum. Mileage				Wheelchair	
Bus #	Make	6/25/2009	Fuel	Year	Seating	Stations	Replacement Date
950	Bluebird	429,207	Diesel	1995	32	2	2005
0006	Trolley Enterprises	132,149	Diesel	2000	32	2	2015
0007	Trolley Enterprises	115,746	Diesel	2000	32	2	2015
0008	Trolley Enterprises	113,243	Diesel	2000	32	2	2015
0009	Gillig	539,356	Diesel	2000	35	2	
0010	Gillig	591,828	Diesel	2000	35	2	
0118	Orion V CNG	245,994	CNG	2001	35	2	2013
0119	Orion V CNG	209,534	CNG	2001	35	2	2013
0120	Orion V CNG	240,731	CNG	2001	35	2	2013
0424	Orion V CNG	125,799	CNG	2004	35	2	2016
0425	Orion V CNG	155,741	CNG	2004	35	2	2016
0426	Orion V CNG	107,214	CNG	2004	35	2	2016
0627	Orion V CNG	86,639	CNG	2006	38	2	2018
0628	Orion V CNG	26,771	CNG	2006	38	2	2018
0629	Orion V CNG	81,886	CNG	2006	38	2	2018
0630	Orion V CNG	10,311	CNG	2006	38	2	2018

FACILITIES

TART's Operations and Maintenance facility located at 970 Cabin Creek Road approximately two miles south of Truckee along the Highway 89 corridor. The TART Facility at Cabin Creek was built in 1999. It has 3,900 square feet of office space. Both diesel and CNG fueling is located on the site.

During the Audit period, the maintenance area consisted of three bays and a 7,750-square-foot maintenance area with three repair bays, a wash bay, a parts room and a mechanics office. There is also a 3,300-square-foot bus storage building for five buses and an open parking lot for five buses.

Although the facility is dedicated to transit, TART leases space to the County for non-transit vehicle maintenance. The annual lease cost was \$52,000 in FY 06/07 and \$55,200 in FY 07/08 and FY 08/09.

In June 2010, Transit Maintenance moved to a new eight-bay facility across the parking lot from the transit building. When Fleet Public Works relocated to the new facility, Transit Maintenance was relocated also due to the economies of having staff at a single location. Two of the bays in the old facility are now dedicated to

washing. Buses are kept inside overnight which is beneficial, particularly in the winter. Although the yard is not secured, the buildings are locked overnight. In addition, the location is somewhat remote.

A Facility Maintenance Program was prepared in 2007 to meet the Federal Transit Administration requirements. The program is based on routine preventative maintenance, and incorporates the manufacturer's minimum requirements and prior experience. Operations and Maintenance Manuals provided by the manufacturers of the various equipment items and systems supplement the program.

Timelines and inspection checklists were developed for specific inspections as a guide to insure that maintenance personnel accomplish the important aspects of that inspection. Detailed procedures and tolerances are contained in the OEM maintenance manual for each individual equipment item.

Facility users and managers can identify unscheduled maintenance needs. These reports are routed to the County Facility Services Division where they are entered into the County's electronic Work Order system. These work orders are then referred to the appropriate facility services employee for assignment.

The list of facility equipment items and building systems or the Facility Maintenance Plan evolved from a thorough inspection of the TART Operations and Maintenance Facility. Maintenance and inspection on these items are performed by Transit Department staff, Fleet Services staff and Facility Services staff. The following chart provides an overview of the facility preventative maintenance program.

Figure 28: Preventative Maintenance Program Schedule

Item Description		January				February				March				April				June				July				August				September				October				November				December			
		1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4				
CNG monitor										Q																Q															Q				
CNG fuel dispenser		M				M				Q		S	M				M				M				M			Q		S	M				M					Q					
Diesel fuel dispenser		M				M				M		Q		M			M		Q		M				M			M		Q		M				M					M		Q		
Hose reels		W	W	W	M	W	W	W	M	W	W	W	M	W	W	W	M	W	W	W	M	W	W	W	M	W	W	W	M	W	W	W	M	W	W	W	M	W	W	W	M	W	W	W	M
Back-up generator											Q								Q									Q														Q			
Transit Facility building		M	W	W	W	M	W	W	W	M	W	Q	W	M	W	W	W	M	W	Q	W	M	W	W	W	M	W	W	W	M	W	Q	W	M	W	W	W	M	W	W	W	M	W	Q	W
Bus bam		M	W	W	W	M	W	W	W	M	W	Q	W	M	W	W	W	M	W	Q	W	M	W	W	W	M	W	W	W	M	W	Q	W	M	W	W	W	M	W	W	W	M	W	Q	W
HVAC system											Q								Q									Q															Q		
Above ground storage take system						M				M				M				M						M			M							M								M			
Shop furnaces											Q								Q									Q															Q		
Roll up doors		M	W	W	W	M	W	W	W	M	W	Q	W	M	W	W	W	M	W	Q	W	M	W	W	W	M	W	W	W	M	W	Q	W	M	W	W	W	M	W	W	W	M	W	Q	W
Methane Monitor			M				M				M				M				M				M				M			M				M				M				M			
Sand/Oil Separator										Q								Q									Q														Q				

W Weekly

M Monthly

Q Quarterly

S Semi-annually

MAINTENANCE STAFFING

Service personnel are called in during off times when necessary.

BUS STOPS

Bus stop amenities are a key determinant of TART's attractiveness to both passengers and community residents. In addition, amenities increase the physical presence of the transit system in the community. Attractive bus benches and shelters can play a large role in improving the overall image of TART and in improving the convenience of transit as a travel mode. Shelters also provide safety and protection for riders waiting in inclement weather conditions. Adequate shelters and benches are particularly important in attracting ridership among the non-transit dependent population, or those that have a car available as an alternative to the bus for their trip.

Five new bus shelters were built in the past year and an old one was relocated temporarily to a popular stop that did not have a shelter:

1. Two at Sunnyside;
2. One at Lake Forest Drive westbound;
3. One at Dollar Point westbound;
4. One at National Avenue eastbound;
5. Old shelter from Lake Forest was moved to National Avenue westbound.

About two years ago, TART completed two shelters in Squaw Valley. None of these projects are on the TART budget. The project costs are in the DPW construction budget.

Bus stops are maintained through a private contractor twice per week during peak seasons and once per week during the non-peak seasons. Cleaning includes:

- Cleaning signage to ensure visibility;
- Picking up litter;
- Emptying trash cans;
- Sweeping the interior and exterior of shelters;
- Washing floors, walls and benches;
- Cleaning windows (inside and outside);
- Making minor repairs as needed.

TABLE OF CONTENTS

FINDINGS & RECOMMENDATIONS	81
SUMMARY OF FINDINGS	81
COMPLIANCE	81
PRIOR AUDIT RECOMMENDATIONS.....	82
PERFORMANCE INDICATORS & MEASURES	82
FUNCTIONAL REVIEW.....	83
RECOMMENDATIONS	85

TABLE OF TABLES

Figure 1: Example of Customer Satisfaction and Importance Survey Questions	87
Table 2: Summary of TPA Recommendations	91

FINDINGS & RECOMMENDATIONS

This section presents an overview of those issues and concerns identified through our audit process. It also outlines specific strategies and recommends solutions to address said issues.

SUMMARY OF FINDINGS

1. Tahoe Area Regional Transit (TART) is operated by the Placer County Department of Public Works (PCDPW), which also operates Placer County Transit (PCT).
2. TART provides fixed route service operating along the West and North Shores of Lake Tahoe, as well as the Hwy 89 corridor between Tahoe City and Truckee and the Hwy 267 corridor between Kings Beach and Truckee. It also operates a summer trolley service.
3. Changes and accomplishments during the Audit period include
 - 3.1. Year-round hourly service on the Highway 89 Tahoe City –Truckee Route (April 2008);
 - 3.2. Fare increase and the elimination of transfers (June 2009);
 - 3.3. Design and commencement of construction of the new Tahoe City Transfer Center (completion expected in winter 2012);
 - 3.4. TART maintenance moved into the new DWP maintenance facility at Cabin Creek (June 2011);
 - 3.5. An RFP for GPS and real time transit information on TART vehicles was released. The equipment has been installed and the system is to be in operation by November 2011.

COMPLIANCE

4. The County of Placer, as the transit operator of TART, administers TDA laws and regulations in an efficient and effective manner and is in full compliance with TDA rules and regulations with two exceptions:
 - 4.1. The annual fiscal and compliance audits did not appear to include all of the seven compliance requirements specified by CCR 6667.
 - 4.2. The annual fiscal and compliance audits were filed beyond the 180-day requirement delineated by PUC 99245.
5. Two notes were made as part of the compliance review:
 - 5.1. Due to low demand, TART's taxi voucher service for persons with disabilities is provided by a taxi voucher service. The taxi voucher program appears to be the most cost effective way to meet TART's ADA requirements. The program is small and cannot achieve the efficiencies required to meet the 10% farebox recovery. Although the farebox recovery ratio falls below 10%, the combined ratio is in compliance.
 - 5.2. TART elected to use LTF funding for no more than 50% of its operating costs (PUC 99268) and a review of total LTF allocated to TART compared to total expenditures determined that LTF funding exceeded 50% in FY 06/07 and FY 07/08. However, with the addition of Special Fares and Local Support, TART exceeded the 25% Farebox Recovery Ratio assigned to it in FY 78/79. No documentation is available to support the 25% Farebox Recover Ratio in the base year.

PRIOR AUDIT RECOMMENDATIONS

6. The Prior Performance Audit recommended that TART develop an Operations and Training Manual and to include a continuous safety training program in the manual
 - 6.1. In 2008, Placer DWP transit management took advantage of California Transit Insurance Pool's (CalTIP's) training program to develop a training manual with a safety training component.
 - 6.2. While the training program provides a core body of information, TART procedures and policies have been issued to employees in various memos and documents in a non-uniform manner.

PERFORMANCE INDICATORS & MEASURES

7. The cash handling procedures appear to be appropriate for an operation that is the size and scope of TART. Some concerns exist in leaving the cash vaults in the hallway overnight. However, the facility is locked and a more secure location is not feasible.
8. Special Fares from local support provide extended winter service for the benefit of their customers and employees. Local Support from the Transit Occupancy Tax (TOT) were added to fare revenues for the calculation of the Farebox Recovery Ratio.
9. Operating Costs have continued to increase, with Salaries and Benefits (including Professional Services which includes TART management) as the primary source.
10. Ridership and Fare Revenues, while increasing through the first three years of the Audit, declined slightly in FY 09/10.
11. Both Vehicle Service Hours and Vehicle Service Miles increased during the Audit period due to the implementation of hourly year-round service.
12. In constant dollars (excludes inflation), the Operating Cost per VSH, declined slightly (2.5%) over the four-year Audit period, demonstrating improved cost efficiency.
13. Cost effectiveness, as defined by Operating Cost per Passenger, declined as the indicator increased to an all-time high in FY 09/10.
14. Passengers per VSH and Passengers per VSM, which are indicators of service effectiveness, each declined over the final two years of the Audit period (FY 08/09 and FY 09/10) reversing a four year period of improvement.
15. Except for a spike in FY 07/08, productivity (or VSH per FTE) remained relatively constant through the Audit period.
16. With the addition of Special Fares and Local Support, TART achieved Farebox Recovery Ratios between 26.6% (FY 06/07) and 38.9% (FY 09/10). Without the addition of Special Fares and Local Support, the Ratio falls considerably below the 25% that it achieved in FY 78/79.

FUNCTIONAL REVIEW

GENERAL MANAGEMENT & ORGANIZATION

17. TART's management and staffing appear appropriate for its operations.

SERVICE PLANNING

18. TART's most recent Short Range Transit Plan was completed in 2005.
19. TART does not regularly track some key performance standards outlined in the plan, such as on-time performance, accidents per 100,000 miles, etc.
- 19.1. The newly installed Nextbus system will provide schedule adherence reports.
- 19.2. Passenger surveys did not include any measures of rider satisfaction or preferred service attributes.
- 19.3. TART has made substantial progress in implementing the recommendations in the SRTP within the recent economic constraints.

SCHEDULING, DISPATCHING & OPERATIONS

20. The Americans with Disabilities Act (ADA) complementary paratransit service is provided through a contract with an independent taxi company. A new contract was recently implemented (after the Audit period).
21. TART operates in a seasonal environment and has had some difficulty securing qualified drivers during the peak winter season. TART has a contract with a private transit contract operator for supplemental drivers.

PERSONNEL MANAGEMENT & TRAINING

22. TART drivers have an excellent salary and benefit package.
23. In 2008, TART developed a training manual, which established the basic curriculum for operational (operators and dispatchers) and maintenance employees, as part of the Transit System's Safety Program Plan (SSPP).

MARKETING & PUBLIC INFORMATION

24. TART has excellent relations with the TRPA and other local governmental agencies. TART's management is very active in coordinating with other governmental agencies.
25. TART does not maintain a separate Citizens/Riders Advisory Committee. However, the Public Works Transit Manager attends local Municipal Advisory Council (MAC) meetings when there is a transit related item that may be presented to the Board of Supervisors and is active in the Truckee North Tahoe Transportation Management Association (TNT/TMA).
26. The TNT/TMA is TART's primary marketing vehicle.
27. New and potential riders may have difficulty finding information on TART's website. Connections and seasonal services are difficult to locate. ADA information is not formatted according to recommended



guidelines.

ADMINISTRATION AND CONTRACT MANAGEMENT

- 28. TART manages contracts in an efficient and effective manner.
- 29. Placer County departments provide administrative support to TART for Risk management, contract supervision, procurement, accounts payable, payroll, and information technology.

MAINTENANCE, FLEET & FACILITIES

- 30. TART developed a concise, but complete, Fleet Maintenance Plan in accordance with Federal Transit Administration guidelines.
- 31. The preventative maintenance program appears to be conducted in accordance to established guidelines.
- 32. Facilities are adequate.

RECOMMENDATIONS

RECOMMENDATION 1:

Determine and track key performance measures by turning in monthly management dashboards and quarterly reports to the Board of Supervisors, possibly including the local MACs, and the TRPA.

This recommendation builds on a recommendation in TART's last SRTP to adopt transit goals, objectives and performance measures, which were delineated in the SRTP as adopted. However, a number of the measures and standards, including on-time performance, accidents, load standards, etc. are not tracked or reported in a consistent format. For example, accidents are recorded and investigated, but records that could demonstrate patterns are not maintained, nor is there an adherence to a standard of a minimum number of accidents per 100,000 miles as indicated in the SRTP goals, objectives, measures and standards.

The SRTP provides a rather extensive list of measures and standards, all of which may not be appropriate or helpful to TART management or policy makers in overseeing TART operations and ensuring it is operating efficiently and effectively. TART management would benefit from selecting six or ten key measures and standards. The selected measures and standards should meet the following criteria:

- Accurate and convenient to track.
For example, with the recent installation of the NextBus system, TART now has the ability to easily pull schedule adherence data. Previously, this data had been difficult to maintain in a consistent manner.
- Clear understanding of the meaning and importance.
For example, Passengers per Vehicle Service Hour is often used as a key measure of a service's productivity. However, a brief explanation may be required in the report to policy makers and stakeholders. Safety is often tracked by the number of preventable accidents per 100,000 miles.
- Relevant and controllable.
For example, roadcalls and missed trips related to mechanical failure provide insight into TART's maintenance program; however, road calls and missed trips related to weather variables are not.
- Reflect specific goals of management and policy makers.
For example, if all TART vehicles are wheelchair assessable, tracking this information does not provide insight.

Seven suggested measures are:

1. Productivity—Passengers per Vehicle Service Hour;
2. Cost Efficiency—Operating Cost per Vehicle Service Hour;
3. Cost Effectiveness—Operating Cost per Passenger;
4. Safety—Preventable Accidents per 100,000 miles;
5. Reliability—On-time Performance, missed trips;
6. Financial Viability—Farebox Recovery Ratio;
7. Maintenance—Mechanical road calls per 40,000 miles, preventative maintenance inspections on time.

To be meaningful, the reports need to compare actual counts (both current period and year to date or prior 12 months) to the same period last year and the adopted standard. Trend graphs are also useful in putting the measure into context. Noting any unusual occurrences is also helpful in understanding the importance of any variances.

RECOMMENDATION 2:

Update Short Range Transit Plan to include a customer satisfaction survey component.

The current Systems Plan Study (which was the Short Range Transit Plan) was completed in 2005. Since that time, TART has revised its schedules and route structure. The system has continued to evolve and funding for the system has declined.

By updating its SRTP, TART will ensure that its transit operation is developing efficiently and that it effectively serves the community and its riders. As TRPA is currently updating its Tahoe Regional Plan and Regional Transportation Plan, TRPA should ensure that the Transit Element for North Lake Tahoe is consistent with TART's Short- and Long-Range Transit Plans. TART's update of the TDP should address the following elements:

1. Overview of existing transit system: Every route is detailed along with schedules, facilities, fleet, and fare information.
2. Transit Demand Analysis: A key step in developing and evaluating transit plans is a careful analysis of the mobility needs of patrons. A survey of existing TART riders and the community should be a key component of the analysis. In addition to demographic and trip information, the survey should attempt to capture customer satisfaction and the importance of key service attributes.

Figure 1: Example of Customer Satisfaction and Importance Survey Questions

Please Tell Us About Our Service				
1. Please rate the following aspects of TCT by circling the number that best describes your experience? <i>(1 = poor, 4 = excellent)</i>		2. Please rank the reasons you ride TCT? <i>(1= irrelevant, 2= consideration, 3=important, 4=most important)</i>		
	poor → excellent			
a) Time service begins in the morning	1 2 3 4	a) No car available	1 2 3 4	
b) Time service ends in the evening	1 2 3 4	b) Do not have a valid driver's license	1 2 3 4	
c) Frequency of service	1 2 3 4	c) Convenience	1 2 3 4	
d) On-time performance/Reliability	1 2 3 4	d) Low cost	1 2 3 4	
e) Trip duration (time to get to destination)	1 2 3 4	e) Good for the environment	1 2 3 4	
f) Closeness of bus stops to home	1 2 3 4	f) Independence (do not have to ask others)	1 2 3 4	
g) Closeness of bus stops to destinations	1 2 3 4	g) Relaxing/less stress	1 2 3 4	
h) Cost to ride TCT (fares)	1 2 3 4	h) Can sleep, read, catch up on work	1 2 3 4	
i) Crowding onboard buses	1 2 3 4	3. Please rank the service attributes that are most important to you? <i>(1=irrelevant, 2=consideration, 3=important, 4=most important)</i>		
j) Cleanliness onboard buses	1 2 3 4	a) Time service begins/ends	1 2 3 4	
k) Courtesy and competency of drivers	1 2 3 4	b) Frequency of service	1 2 3 4	
l) Safety onboard the vehicles and at stops	1 2 3 4	c) Reliability/on-time performance	1 2 3 4	
m) Convenience of transfers	1 2 3 4	d) Cost to ride	1 2 3 4	
		e) Trip duration (time to get to destination)	1 2 3 4	
		f) Closeness of stops to home/destination	1 2 3 4	

1. Goals, Objectives, Measures & Standards: Goals and objectives determine the parameters for the service. Measures and standards for each objective would allow TRPA to determine if the service is efficiently and effectively meeting the needs of the communities it serves.
2. Service & System Evaluation: Recent changes in ridership, operating costs, and operating revenues need to be analyzed along with any deficiencies in equipment or facilities. Compliance with Americans with Disabilities Act (ADA) requirements is usually considered. The routes are analyzed individually and together as a system.
3. Operations Plan: The Operations Plan should set forth any proposed changes.
4. Operations Budget: The Operations Budget should take into consideration expense forecasts, regional and local revenue projections, fare policies, labor or service agreements, competitive level of service, and committed service changes.
5. Capital Improvement Program: The Capital Improvement Plan would include vehicle replacement or additions. It would also address the capital requirements for the new Operations and Maintenance Center.
6. Strategic Plan: In addition to the standard five-year outlook, transit plans are also focusing on long range goals and challenges. This helps ensure current actions are consistent with future plans.

RECOMMENDATION 3:

Work toward greater public involvement with TART and improve the TART website and marketing.

TART currently has no citizen's or rider's advisory committee. However, TART management is active in several local organizations, including the Truckee North Tahoe Transportation Management Association (TNT/TMA), which includes the area's major businesses (North Lake Tahoe Resorts). While TART management visits the two local Municipal Advisory Councils (MAC), the presentations are infrequent, occurring only when a TART matter is likely to be on the Board of Supervisor's agenda.

The seasonal nature of TART's ridership makes it difficult to maintain a standing committee. However, more involvement from riders and stakeholders in the community could enhance the service and its value in the community. In addition, seasoned riders are useful in attracting new riders and helping them feel comfortable with the service. Committee members could be recruited from current riders, the two MACs, and social service and business interests.

Schedule information on seasonal services and connections are difficult to locate. The Google Transit link is on the *Schedule* page and is not available on the opening splash page.. The Americans with Disabilities Act relied on PDFs of existing brochures, which are often not accessible to blind people who use screen readers and people with low vision who use text enlargement programs or different color and font setting to read computer displays. Alternative text-based formats, such as HTML or RTF (Rich Text Format), are the most compatible with assistive technologies.

A separate public transportation website is maintained by the TNT/TMA, which contains information on TART and a number of non-TART services.

Although TART's SRTP suggest three percent of the operating budget be allocated for marketing, the actual percentage during the Audit period was less than half a percentage point. TART participates with the TNT/TMA and relies on the organization for a the majority of its marketing.

A more user-friendly website with all current schedules in both PDF and text formats would improve TART's presence, since many people now turn to the web for transit information. Social media is also having a greater impact.

Working with TNT/TMA, a strategic marketing plan would be beneficial in ensuring marketing expenditures are effectively spent.

A short one- or two-page Strategic Plan would be beneficial in directing limited marketing dollars to effectively growing ridership and awareness. The Strategic Marketing Plan would include the following elements:

1. Description of target market: Residents and visitors of the North Lake Tahoe. Further geographic or demographic targeting could be beneficial. For disseminating ADA information, TART may specifically want to target persons with disabilities.
2. Marketing goals and objectives: Increase ridership by 10% (or appropriate goal) and Farebox Recovery Ratio to 20% (or appropriate goal).

3. Marketing strategy: Increase visibility and awareness of TART among resort employees and the targeted populations.
4. Marketing tactics: Each strategy needs to be supported by specific tactics or tasks. Each task will tie to one (or more) strategies.
5. Marketing budget: Set the overall budget for the marketing program and estimate the amount to be allocated to each program. This will allow funds to be reallocated if new opportunities arise or in the case of overruns or savings for a particular program. As a rule of thumb, to maintain ridership, the marketing budget should equal three to four percent of the operating budget. To grow ridership, a five to six percent budget is more appropriate. In the event of a new system or major restructure, a marketing budget of seven or more percent may be required. However, TART currently leverages its marketing with the TNT/TMA. This is an effective use of resources and should continue.
6. Evaluation methods for marketing programs: Develop methods, including quantifiable standards and measures, to determine the impact that marketing programs have on ridership and awareness.

RECOMMENDATION 4:

Work with fiscal and compliance Auditor to document the requirements of TDA legislation.

The California Code of Regulations delineates the requirements of the Fiscal and Compliance Audits (CCR 6667), including:

1. Determine whether the claimant was an entity eligible to receive the funds allocated to it;
2. Determine whether the claimant is maintaining its accounts and records on an enterprise fund basis and is otherwise in compliance with the uniform system of accounts and records;
3. Determine whether the funds received by the claimant pursuant to the Act were expended in conformance with those sections of the Act specifying the qualifying purposes;
4. Determine whether the funds received by the claimant pursuant to the Act were expended in conformance with the applicable rules, regulations and procedures of the transportation planning agency and in compliance with the allocation instructions and resolutions;
5. Verify the amount of the claimant's operating cost for the fiscal year, the amount of the fare revenues required to meet the specified ratios and the amount of the sum of fare revenues and local support required to meet the specified ratios;
6. Verify the amount of the claimant's actual fare revenues for the fiscal year;
7. Verify the maximum amount the claimant was eligible to receive under the Act during the fiscal year.

Our review of the fiscal and compliance audits could not verify that these tests were performed or where they were performed, they did not appear to meet the definitions defined by the TDA. For example the calculation of the Farebox Recovery Ratio (#5) did not include Special Fares (402) or Local Support (409.010). The calculation for the 50% limitation (#7) was not documented and appears to have been based on the total operating costs, including the Nevada State portion, which is funded by Nevada, and the Nevada County portion, which are also TDA funds, although this would be a moot point due to the incorrect calculation of Farebox Recovery Ratio.

RECOMMENDATION 5:

Include Special Fares and Local Support in the calculation of Farebox Recovery Ratio and work with the TRPA and/or local state assemblyman to revise the 25% farebox recovery ratio.

Public Utilities Code 99268.19 provides that Local Funds may be included in the calculation of the Farebox Recovery Ratio.

- Per the definition, Special Transit Fares (402) includes revenues earned for rides given in regular transit service, but paid for by an organization other than by the rider. In addition, it includes funds for rides given along special routes for which funds may be guaranteed by a beneficiary of the service. TART, through contract with the North Lake Tahoe Resorts and the TNT/TMA, provides special seasonal service for the employees and visitors to the resorts and is reimbursed for associated costs. TART will need to maintain this contract and ensure future contracts clearly define the Special Fares in accordance to the definition.
- Local Support or General Operating Assistance (409.010) is provided through Transit Occupancy Tax (TOT) is allocated to TART to help cover the operating costs of providing transit services.

Adding Special Transit Fares and General Operating Assistance results in TART exceeding the 25% required Farebox Recovery Ratio, which is the supposed ratio it obtained in the base year FY 1978/79. However, the calculation of the base Ratio could not be verified and no documentation appears to be available to support the ratio. Therefore, TART should work to establish a viable ratio for the future. This can be accomplished through two means:

1. In accordance with CCR 6633.2 (e), TRPA may adopt local guidelines for TART that supersedes the FY 78/79 25% requirement. TART could work with TRPA to adopt a new standard of 10% or 15%.
2. TART could work with the State Assemblyman from District 4 or the State Senator from District 1 to amend CCR 6633.2 (c) to include TART.

RECOMMENDATION 6:

Continue to work toward improving cost structure.

TART has made progress in controlling costs while maintaining the current service level. Further improvement opportunities may exist in regards to the cost structure, including contracting additional services and alternatives to the providing extra drivers. TART may benefit from a comprehensive classification, compensation, and utilization study in conjunction with PCT.

TART management appears to have a good working understanding of our variable and administrative costs. While separating administrative and variable costs was somewhat problematic due to the summary data provided in the fiscal audit and internal reports, TART management finds the County's accounting system provides sufficient detail when required. Analysis of detailed cost and performance reporting help identify opportunities for cost efficiencies.

Table 2: Summary of TPA Recommendations

	RECOMMENDATION	RESPONSIBILITY	IMPORTANCE	TIMEFRAME
1	Determine and track key performance measures with monthly management dashboards and quarterly reports to be turned in to the Board of Supervisors, possibly including the local MACs, and the TRPA.	PW Manager—Transit	Medium	FY 12/13
2	Update Short Range Transit Plan to include a customer satisfaction survey component.	TRPA and PW Manager—Transit	High	FY 12/13
3	Work toward greater public involvement with TART and improve TART's website and marketing.	PW Manager—Transit	Medium	FY 11/12
4	Work with the fiscal and compliance Auditor to document the requirements of TDA legislation.	PW Manager—Transit	High	FY 10/11 Audit (FY 11/12)
5	Include Special Fares and Local Support in the calculation of Farebox Recovery Ratio and work with the TRPA and/or local state assemblyman to revise the 25% farebox recovery ratio.	TRPA, fiscal auditors, accounting	High	FY 11/12
6	Continue to work toward improving cost structure.	PW Manager—Transit	Medium	Ongoing