

Triennial Performance Audit of Plumas County Transportation Commission

FY 2012/13 - FY 2014/15



SUBMITTED TO
PLUMAS COUNTY
TRANSPORTATION COMMISSION

▪ **FINAL REPORT** ▪

08/15/2016

Submitted by



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EXECUTIVE SUMMARY

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

This section summarizes key findings and recommendations developed during the Transportation Development Act (TDA) Performance Audit of the Plumas County Transportation Commission (PCTC). The Audit covers a three-year period for the fiscal years ending:

- June 30, 2013 (FY 12/13);
- June 30, 2014 (FY 13/14); and
- June 30, 2015 (FY 14/15).

The Performance Audit was conducted in accordance with the processes established by the California Department of Transportation, as outlined in the Performance Audit **GUIDEBOOK FOR TRANSIT OPERATORS AND REGIONAL TRANSPORTATION PLANNING ENTITIES**, as well as **GOVERNMENT AUDIT STANDARDS**, published by the U.S. Comptroller General. The Audit covers the prescribed three (3) years (Triennial Performance Audit).

The Performance Audit has five (5) elements:

1. Introduction;
2. Compliance requirements;
3. Follow-up of prior Performance Audit report recommendations;
4. Identification and review of regional transportation planning agencies; and
5. Findings and recommendations.

Overview

Plumas County Transportation Commission (PCTC) is the lead planning agency for the transportation projects and programs in Plumas County. As the designated Regional Transportation Planning Authority (RTPA), PCTC is responsible for administering Transportation Development Act (TDA) funding.

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COMPLIANCE

PCTC administers TDA laws and regulations in an efficient and effective manner and is compliant with TDA rules and regulations with two (2) exception(s):

1. PCTC has not adopted rules and regulations delineating procedures for the submission of claims for facilities provided for the exclusive use of pedestrians and bicycles (PUC 99233.3, 99234).
2. PCTC has not adopted rules and regulations delineating procedures for the submission of claims under Article 4.5 of the TDA or the claim evaluation criteria outlined in PUC 99275.5.

PRIOR TPA RECOMMENDATIONS

PCTC has demonstrated commitment to improving its efficiency and effectiveness by implementing or partially implementing two (2) of five (5) prior Performance Audit Recommendations. PCTC did a commendable job in the implementation of **Recommendation 2– Develop a Public Participation Plan (PPP)**. Three (3) recommendations were not implemented and will be carried forward with modification.

1. **TDA Claims Procedures:** Not Implemented; staff indicated need for more direction in implementing recommendation.
2. **Public Participation Plan (PPP):** Implemented; PCTC adopted a PPP.
3. **Policy and Procedure Manual:** Not Implemented; the **DRAFT MANUAL** was not approved by Commission because the organization was difficult to follow.
4. **Systematize filing system:** Implemented; PCTC has implemented a filing system.
5. **PCTC Organization:** Not Implemented; Due to limited staff, PCTC has not felt any impetus to modify organization of PCTC.

FUNCTIONAL REVIEW

Administration, Management, and Governing Board

Plumas County Transportation Commission was formed in 1971 in accordance with PUC 26535 with three (3) members appointed by the County Board of Supervisors and three (3) members appointed by the Portola City Council as the only city in the County.

PCTC has a Professional Services Agreement with the Plumas County Department of Public Works–Road to provide staffing for the Commission. Current staffing comprises—

- Interim Executive Director (County of Plumas Director of Public Works) allocates approximately 10% of time;

- Associate Engineer and Transportation Planner allocates 50% of time;
- Senior Environmental Planner allocates approximately 45% of time; and
- Accounting Clerk allocates approximately 40% of time.

Financial reporting has improved over the last year and the Commission feels they receive regular and complete project information.

PCTC drafted **PCTC POLICY AND PROCEDURE MANUAL**; however, the **MANUAL** was not adopted by the Commission. Some Commissioners felt that it was difficult to follow due to the flow of the document. While the manual provides a good overview of funding mechanisms and general responsibilities, the organization is not cohesive and it lacks enough detail to provide day-to-day guidance.

PCTC staff prepares an annual **OVERALL WORK PROGRAM (OWP)**, which serves as the primary internal planning document for PCTC. The **OWP** reflects the priorities, scope of work, and level of effort desired for regional transportation planning for each fiscal year.

Transportation Planning and Regional Coordination

PCTC has not updated its **REGIONAL TRANSPORTATION PLAN (RTP)**. Due to funding and litigation surrounding the **COUNTY OF PLUMAS GENERAL PLAN**, PCTC has not moved forward with the required update. Based on the current Federal and State financial constraints, staff anticipates re-adoption of the existing **RTP**. Staff indicated that no funding is available for new projects and little funding is available to maintain the existing infrastructure.

Claimant Relationships and Oversight

PCTC is responsible for the oversight and administration of TDA funding. CSA #12 is the transit operator for Plumas County. Plumas Rural Services (PRS) and Plumas County Public Health file as Article 8 contract operations. CSA #12 is responsible for ensuring the contract specifications are met. The lack of a formal claims process and the fact that PCTC staff is also County staff with the responsibility for CSA #12, results in inadequate controls over the claim process.

Marketing and Public Information

During the Audit period, PCTC developed a formal **PUBLIC PARTICIPATION PLAN** as part of the Title VI requirement.

Grant Management

PCTC has effectively applied for and managed discretionary grants to increase transportation options in Plumas County.

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Recommendations

Table E-1: Summary of Recommendations

	Recommendation	Responsibility	Importance	Timeframe
1	Formalize the TDA claims procedure and ensure controls are in place, including separation of the claim preparation and claim approval mechanisms and inclusion of all required processes.	Interim Executive Director and Transportation Planner	High	FY 16/17
2	Redraft the POLICY AND PROCEDURE MANUAL organized by function to include PCTC's best practices, process descriptions, and standards for how work is expected to be performed.	Transportation Planner	Medium	FY 16/17
3	Clarify and define PCTC and its role at the RTPA, as separate from County of Plumas and CSA #12, as the transit operator.	Interim Executive Director	Medium	FY 16/17

1.0 INTRODUCTION

This report of the Transportation Development Act (TDA) Performance Audit for the Plumas County Transportation Commission (PCTC) covers a three (3) year period ending June 30, 2015. The California Public Utilities Code requires each transportation planning agency to conduct a Performance Audit to be eligible for TDA funding. The Audit is designed to be an independent and objective evaluation of PCTC, as the Regional Transportation Planning Agency (RTPA). The Audit has three (3) objectives:

1. Assess compliance with TDA regulations;
2. Review improvements that have been implemented and progress toward goals; and
3. Provide practical and useful recommendations for improving the efficiency and functionality of PCTC, as the RTPA.

1.1 Audit Scope and Methodology

The Audit was conducted in accordance with the processes established by the California Department of Transportation, as outlined in **THE PERFORMANCE AUDIT GUIDEBOOK FOR TRANSIT OPERATORS AND REGIONAL TRANSPORTATION PLANNING ENTITIES** as well as **GOVERNMENT AUDIT STANDARDS**, published by the U.S. Comptroller General.

The Audit is a high-level review of performance evaluating the efficiency, economy, and effectiveness of the regional planning entity. The Audit of PCTC consists of three (3) tasks:

1. Review compliance with TDA requirements and regulations;
2. Assess implementation of recommendations contained in prior performance audits;
3. Examine major functions performed by the RTPA in the following areas:
 - Administration and Management;
 - Transportation Planning and Regional Coordination;
 - Claimant Relationships and Oversight;
 - Marketing and Public Relations;
 - Public Information and Transportation Alternatives; and
 - Grant Applications and Management.

The methodology for this Audit consisted of interviews with Plumas County Transportation Council (PCTC) management, staff, and Board members.

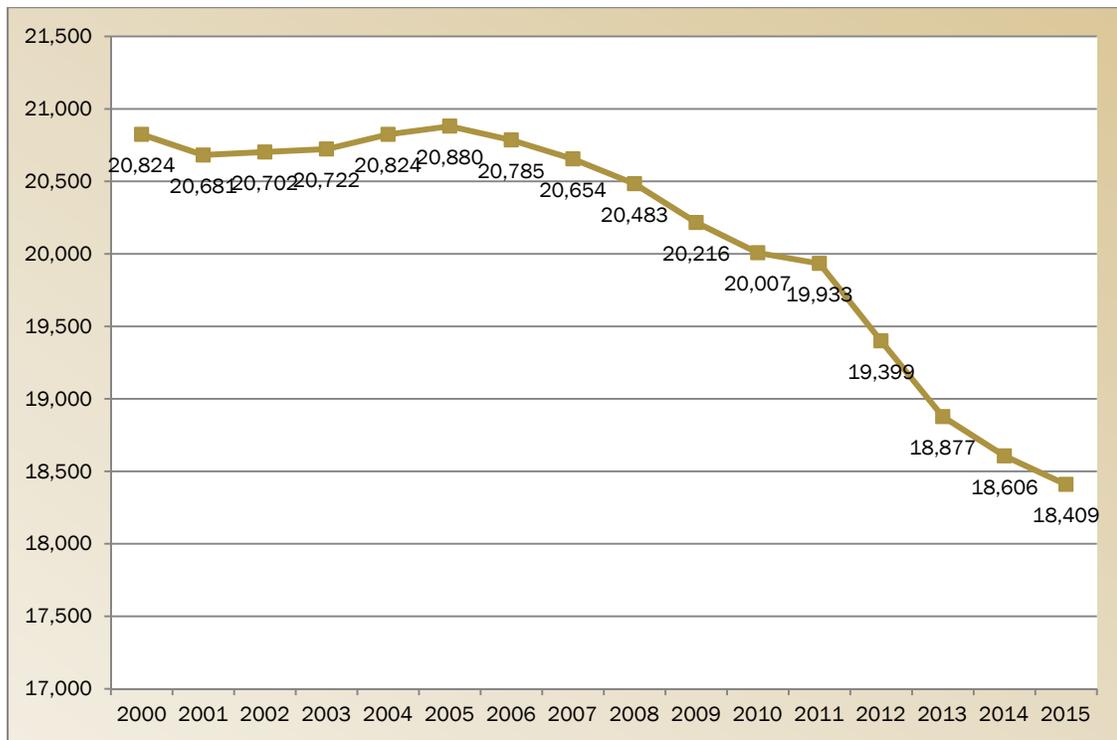
Pertinent documents were reviewed, including published transportation plans, PCTC Administrative Operating Procedures and Policies, annual unmet needs findings, fiscal audits, staff reports, Council agendas, TDA and STA claim procedures and claims, PCTC Annual Reports, and the **PCTC OVERALL WORK PROGRAM** and Budget.

1.2 Description of PCTC

Plumas County is in the northern part of California. It is located in the far northern end of the Sierra Nevada mountain range. The county's rugged terrain marks the transition point between the northern Sierra Nevada Mountains and the southern end of the Cascade Mountain Range.

The County has only one (1) incorporated city, Portola, with a population 4,570. The County also has numerous unincorporated communities. Quincy, the county seat, is unincorporated. According to U.S. Census Bureau, population Estimates Program (PEP) estimate, the population of the County was 18,409 in 2015, a loss of 8.0% from the 2010 Census estimate. This continues and escalates a trend of declining population in the County over the past decade.

Figure 1-1: Plumas County Population 2000 through 2014



Source: U.S. Census and California Department of Finance

Plumas County Transportation Commission (PCTC) was formed in 1971 in accordance with PUC 26535. PCTC is the primary planning agency for transportation in the region. PCTC's focus is on a coordinated and balanced regional transportation system with acceptable levels of service for all modes. To represent the area, the PCTC Board comprises three (3) City of Portola appointees and three (3) County Board of Supervisors appointees.

Staffing for the PCTC is provided by the County of Plumas through a Memorandum of Understanding (MOU) between PCTC and the County. The Director of Public Works serves as the Interim Executive Director. In addition, staff includes an Associate Engineer/Transportation Planner and other County staff support, as needed.

As the Regional Transportation Planning Agency (RTPA), PCTC administers and ensures the compliance with the Transportation Development Act (TDA). The administration and management of TDA includes the following duties:

- Approve claims for Local Transportation Fund (LTF) and State Transit Assistance (STA);
- Cause to conduct, review, and accept Triennial Performance Audits (TPA) for PCTC and claimants;
- Ensure annual fiscal and compliance audits for PCTC and claimants;
- Provide oversight and guidance to claimants, including productivity improvements; and
- Conduct and process "unmet transit needs" findings¹.

PCTC is also responsible for regional transportation planning and coordination of transit alternatives. It prepares the Regional Transportation Plan (RTP), along with the Regional Transportation Improvement Program (RTIP). It also prepares other transportation planning documents.

1.3 Audit Period Accomplishments and Changes

The small staff and rural nature of Plumas presents some unique challenges for the RTPA. The Audit will address these challenges, in addition to the progress PCTC has made in improving its efficiency and effectiveness and in achieving its internal and transportation goals. Several of the objectives delineated in the Plumas RTP completed in September 2011 are—

- Financially support public transportation;

¹ Because Plumas allocates 100% of its TDA funding, an "unmet transit needs" process is not strictly required, but is recommended.

- Accessible transportation services and facilities;
- Ensure transit level of service;
- Encourage public transit; and
- Encourage the implementation and use of renewable and alternative fuels for transit.

Funding is the major issue facing transportation in Plumas County. Declining population, coupled with state and federal funding cuts, substantially decreased the financing for needed projects. As a result, PCTC has concentrated more on "maintaining" the current transportation network, rather than "enhancing" the network.

Accomplishments during the Audit period include—

1. Completed the **SHORT TERM TRANSIT PLAN FOR PLUMAS COUNTY**.
2. Applied and received Section 5311(f) Federal Transit Administration (FTA) formula grant.
3. Prepared, approved and published an **AMERICANS WITH DISABILITIES ACT (ADA) AND PARATRANSIT POLICY** for Plumas County.
4. Prepared, approved, and published the **TITLE VI PROGRAM** for Plumas County.
5. Negotiated a new, local contract for Plumas Rural Services (PRS) for the operation of Plumas Transit System (PTS) to comply with federal guidelines mandated by Section 5311(f) FTA formula grant.
6. Instituted a Social Services Transportation Advisory Council in compliance with TDA regulation.
7. Maintained funding, level of service, and provided stability for transit in a difficult financial climate.

2.0 COMPLIANCE REQUIREMENTS

This section examines Plumas County Transportation Commission's (PCTC) compliance with the Transportation Development Act (TDA) and relevant sections of the California Code of Regulations. An annual certified fiscal audit confirms TDA funds were apportioned in conformance with applicable laws, rules, and regulations. Although compliance verification is not a Triennial Performance Audit (TPA) responsibility, several specific requirements concern issues germane to the Performance Audit. The TPA compliance findings and related comments are delineated in **Error! Reference source not found.**, which begins on the next page.

Compliance was determined through interviews with PCTC staff and physical inspection of relevant documents, including the fiscal audits, planning documents, Overall Work Programs (OWP), performance reports, and other related documentation for each year of the triennium.

PCTC administers TDA laws and regulations in an efficient and effective manner and is compliant with TDA rules and regulations with the two (2) exceptions:

1. PCTC has not adopted rules and regulations delineating procedures for the submission of claims for facilities provided for the exclusive use of pedestrians and bicycles (PUC 99233.3, 99234).
2. PCTC has not adopted rules and regulations delineating procedures for the submission of claims under Article 4.5 of the TDA or the claim evaluation criteria outlined in PUC 99275.5.

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Table 2-1: Summary of PCTC's Compliance with TDA Statutes

Reference	Requirement	Compliance	Comments
PUC 99231	All transportation operators and city or county governments that have responsibility for serving a given area, in total, claim no more than those Local Transportation Fund moneys apportioned to that area.	In Compliance	All funds are allocated to transit. Transit is provided by County Service Area #12 (CSA #12) to provide transit through its contract operators.
PUC 99233.3, 99234	The RTPA has adopted rules and regulations delineating procedures for the submission of claims for facilities provided for the exclusive use of pedestrians and bicycles.	Exception Noted	<p>PCTC's RULES AND REGULATIONS were adopted February 20, 1973 and last amended June 20, 2011. Section 3 states: Claims for use of Local Transportation funds (LTF) may be filed by applicants for the purposes listed under Article 4 and/or Article 8 of the Public Utilities Code; however, only procedures for Article 4 are outlined in the POLICY AND PROCEDURES MANUAL.</p> <p>In August 2003, Plumas County Department of Public Works adopted a NON-MOTORIZED PATHWAYS FEASIBILITY STUDY. The study identified facilities to allow safe and comfortable travel for non-vehicular traffic in the Quincy area. A number of project-specific objectives were identified and project goals and objectives were incorporated into the evaluation criteria. However, no policies and procedures for the submission of claims for facilities provided for the exclusive use of pedestrians and bicycles have been enacted.</p>

Plumas County Transportation Commission ■ FY 12/13-FY 14/15
 TRANSPORTATION DEVELOPMENT ACT (TDA) PERFORMANCE AUDIT

Table 2-1: Summary of PCTC's Compliance with TDA Statutes (Continued)

Reference	Requirement	Compliance	Comments
PUC 99238, 99238.5	The RTPA has established a Social Service Transportation Advisory Council (SSTAC). The RTPA must ensure that there is a citizen participation process that includes at least an annual public hearing.	In Compliance	<p>PCTC allocates all TDA funds to transit and, therefore, is not mandated to establish a SSTAC or hold “unmet needs” hearings, although it is recommended.</p> <p>As part of the SHORT RANGE TRANSIT PLAN process, PCTC established new SSTAC in accordance to TDA mandated requirements. SSTAC has continuing functions to advise PCTC and the transit operators on the mobility needs of the County, specifically residents who may be mobility challenged. The SSTAC includes the following designations:</p> <ul style="list-style-type: none"> • User 50 years of age or older; • User with a disability that limits mobility; • Representatives of social service agencies that serves seniors (including one (1) transportation provider); • Representatives of social service agencies for persons with disabilities (including one (1) transportation provider); • Representative of social service agencies serving persons of low income; and • Representatives from the local consolidated transportation service agency (CTSA) Note: CSA #12 is the designated CTSA for Plumas County. <p>Additional members are appointed by the Commission.</p>

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Table 2-1: Summary of PCTC's Compliance with TDA Statutes (Continued)

Reference	Requirement	Compliance	Comments
PUC 99244	<p>The RTPA has annually identified, analyzed, and recommended potential productivity improvements, which could lower the operating costs of those operators that operate at least 50% of their vehicle service miles (VSM) within the RTPA's jurisdiction.</p> <p>Recommendations include, but are not being limited to, those made in the Performance Audit.</p> <p>A committee for the purpose of providing advice on productivity improvements may be formed.</p> <p>The operator has made a reasonable effort to implement improvements recommended by the RTPA, as determined by the RTPA, or else the operator has not received an allocation which exceeds its prior-year allocation.</p>	In Compliance, with Notes	<p>PCTC does not have a committee for the purpose of providing advice on productivity improvements. However, PCTC has several resources it has used to develop productivity improvements for transit:</p> <ul style="list-style-type: none"> • A SHORT-RANGE TRANSIT PLAN (SRTP), which provides recommendations for potential productivity improvements, was adopted March 16, 2015. • TDA TRIENNIAL PERFORMANCE AUDITS provide recommendations efficiency and effectiveness improvements (May 2013). • The COORDINATED PUBLIC TRANSIT—HUMAN SERVICES TRANSPORTATION PLAN FOR PLUMAS COUNTY, completed January 30, 2015, provides strategies for improving the effectiveness of transportation services in Plumas County. • SSTAC provides guidance to PTS for improving effectiveness, particularly to disadvantaged populations.
PUC 99245	<p>The RTPA has ensured that all claimants to whom it allocates TDA funds submit to it and to the State Controller an annual certified fiscal and compliance audit within 180 days after the end of the fiscal year. However, the responsible entity may grant an extension of up to 90 days.</p>	In Compliance	<p>Although the fiscal and compliance audits were beyond the 180 days, PCTC granted the extension of 90 days:</p> <ul style="list-style-type: none"> • FY 12/13 – Audit completed 3/12/14; • FY 13/14 – Audit completed 3/12/15 and • FY 14/15 – Audit completed 3/20/16

Plumas County Transportation Commission ■ FY 12/13-FY 14/15
TRANSPORTATION DEVELOPMENT ACT (TDA) PERFORMANCE AUDIT

Table 2-1: Summary of PCTC's Compliance with TDA Statutes (Continued)

Reference	Requirement	Compliance	Comments
PUC 99246, 99248	The RTPA has designated an independent entity to conduct a Performance Audit of operators and of itself (for the current and previous triennial audits). For operators, the Audit was made and calculated the required performance indicators, and the Audit report was transmitted to the entity that allocates the operator's Transportation Development Act (TDA) money and to the RTPA within 12 months after the end of the triennium. If an operator's Audit was not transmitted by the start of the second fiscal year following the last fiscal year of the triennium, TDA funds were not allocated to that operator for that or subsequent fiscal years until the Audit was transmitted.	In Compliance	This previous TDA Triennial Audit was approved July 12, 2013. However, this was a minor administrative exception. The draft report had been presented in May 2013. This Audit is expected to be completed within the 12-month timeframe.
PUC 99246 (c)	The RTPA has submitted a copy of its Performance Audit to the Director of the California Department of Transportation. In addition, the RTPA has certified in writing to the Director that the Performance Audits of operators located in the area under its jurisdiction have been completed.	In Compliance	The previous Audit was completed in a timely manner, although it was not submitted until July. This Audit was commissioned and is expected to be completed within the 12-month period.

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PLUMAS COUNTY TRANSPORTATION COMMISSION

Table 2-1: Summary of PCTC's Compliance with TDA Statutes (Continued)

Reference	Requirement	Compliance	Comments
PUC 99246 (d)	<p>The Performance Audit of the operator providing transportation services shall include, but not be limited to, a verification of the operator's operating cost per passenger, operating cost per vehicle service hour, passengers per vehicle service mile, and vehicle service hours per employee, as defined in Section 99247. The Performance Audit shall include, but not be limited to, consideration of the needs and types of passengers being served and the employment of part-time drivers and contracting with common carriers of persons operating under a franchise or license to provide services during peak hours, as defined in subdivision (a) of section 99260.2.</p>	In Compliance	<p>The previous Audits included verification of the operators' TDA-required performance indicators and considered the needs and types of passengers.</p>

3.0 PRIOR AUDIT RECOMMENDATIONS

This section includes a formal and systematic review of Plumas County Transportation Commission's (PCTC's) implementation of the recommendations from the prior Audit. The implementation of the prior **TRIENNIAL PERFORMANCE AUDIT (TPA)** recommendations provides a measure of PCTC's efforts to improve its efficiency and effectiveness. Evaluating each recommendation's implementation and outcome also strengthens the integrity of the Performance Audit process and helps ensure that each Audit provides effective and valuable results.

The previous Performance Audit was completed by Majic Consulting Group. The relevance, progress, effectiveness, and difficulties in implementing each recommendation were determined by reviewing relevant planning documents and reports, and through interviews with PCTC staff and Board Members.

PCTC has demonstrated commitment to improving its efficiency and effectiveness by implementing or partially implementing two (2) of five (5) prior Performance Audit Recommendations. PCTC did a commendable job in the implementation of **Recommendation 2– Develop a Public Participation Plan (PPP)**. Three (3) recommendations were not implemented and will be carried forward with modification.

PRIOR AUDIT RECOMMENDATION 1: TDA CLAIMS

Formalize the TDA claims procedure and ensure controls are in place, including separation of the claim preparation and claim approval mechanisms and inclusion of all required processes.

Status: Not Implemented; Valid recommendation to be carried forward with modifications.

Prior Audit Rationale for Recommendation 1

As the RTPA, PCTC is responsible for administering TDA. This includes the following three (3) functions:

1. Establishing rules and regulations for the submittal and approval of TDA claims consistent with TDA statutes;
2. Preparing and distributing fund allocation instructions; and
3. Keeping records.

The prior Audit noted that PCTC's process is informal and the audit trail problematic. Among the issues cited were the following:

- The rules and regulations were not well defined;
- PCTC did not have a claims form; and
- The claims procedure was informal.

The claims procedures, as laid out in the **PCTC POLICY AND PROCEDURE MANUAL**, consist of two (2) checklists: one (1) for STA Claims and one (1) for LTF claims. The checklists appear to be a listing of some TDA legislative requirements. No documentation was provided to support that the checklists were used. No rules, regulations, or procedures exist for the submission of claims for facilities provided for the exclusive use of pedestrians and bicycles (PUC 99233.3, 99234) or for submission of claims under Article 4.5 of the TDA or the claim evaluation criteria outlined in PUC 99275.5.

No instructions or forms are available and allocation instructions were informal. Records authenticating the process and required documentation were not available. The same County staff that administers CSA #12 is also responsible for providing the claims to the Commission for approval, which is a control issue, though no conflict of interest may exist in actuality.

Discussion of Status for Recommendation

While the prior Audit presented a simplified claims process and draft TDA claim form, PCTC staff indicated that they were uncertain how to proceed and needed more detail. PCTC also has a limited staff and does not clearly differentiate PCTC, CSA #12, and County functions.

As outlined in the prior Audit, PCTC is required to adopt rules and regulations delineating procedures for the submission of claims and stating criteria by which they will be analyzed and evaluated. Such rules and regulations provide the orderly and periodic distribution of funds. To be consistent with TDA legislation, PCTC's TDA guidelines need to include—

- Rules, regulations, or procedures for the submission of claims for facilities which are provided for the exclusive use of pedestrians and bicycles (PUC 99233.3, 99234);
- Rules, regulations, and procedures of claims under Article 4.5 of the TDA or the claim evaluation criteria outlined in PUC 99275.5;
- Allocations and funding should be made in accordance to TDA priorities; and
- Rules and regulations for both Article 4 and Article 8 claims and for both LTF and STA allocations.

This recommendation will be carried forward and structured to assist staff implementation.

PRIOR AUDIT RECOMMENDATION 2: PUBLIC PARTICIPATION PLAN

Develop a PUBLIC PARTICIPATION PLAN (PPP) and enhance the availability and access of public information.

Status: Implemented (Commendable)

Prior Audit Rationale for Recommendation 2

The Federal Highway Administration (FHWA) and the Federal Transit Administration (FTA) require proactive public involvement at all stages of planning and project development. Caltrans, transportation planning organizations, and transportation providers are required to develop, with the public, an effective involvement processes that are tailored to local conditions. The performance standards for these proactive public involvement processes include—

1. Early and continuous involvement;
2. Reasonable public availability of technical and other information;
3. Collaborative input on alternatives;
4. Evaluation criteria and mitigation needs;
5. Open public meetings where matters related to federal-aid highway and transit programs are being considered; and
6. Open access to the decision making process prior to closure.

PCTC did not have a formal **PUBLIC PARTICIPATION PLAN (PPP)**, although the development of one was planned to be included in the FY 13/14 OWP. PCTC had incorporated public outreach in project plans that were reviewed as part of the Audit. The outreach was specific to the project and designed to include members of the community and special interest groups that may have interest in the program.

PCTC had worked with a number of special interest groups to solicit involvement in the transportation planning process; however, success has been limited. In addition, PCTC's web site was sparse and does not provide access to information that may be of interest to the public or opportunity to be involved with the planning process.

Discussion of Status for Recommendation 2

A **PUBLIC PARTICIPATION PLAN** was published as part of the **PLUMAS COUNTY TRANSPORTATION COMMISSION TITLE VI PLAN**. The **PLAN** provides a set of seven (7) goals and supporting strategies. The **PLAN** also includes a listing of public participation tools and specifies how PCTC will use these tools. The **PLAN** appears consistent with FTA guidelines.

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PRIOR AUDIT RECOMMENDATION 3: POLICY AND PROCEDURE MANUAL

Continue to build on the newly drafted POLICY AND PROCEDURE MANUAL.

Status: Not Implemented; Valid Recommendation to be carried forward with modification.

Prior Audit Rationale for Recommendation 3

PCTC staff had prepared a Draft **PLUMAS COUNTY TRANSPORTATION COMMISSION POLICY AND PROCEDURE MANUAL**. The **MANUAL** was a major and positive step in providing the consistency necessary to deliver services in an efficient and logical manner. The background information could also be invaluable to new Board members and staff. The **MANUAL** appeared to be primarily based on policies and overriding tenets with some specific and detailed information included. The “how to” was primarily left to the reader to figure out. Procedures for everyday tasks such as how to process a claim, procure services, pay an invoice, complete a grant application, construct a quarterly report, etc. were mostly not included.

A policy and procedures manual is not a one-time project. It can quickly become out-of-date if not continually revised.

Discussion of Status for Recommendation 3

PCTC assembled a **POLICY AND PROCEDURE MANUAL** for PCTC. The purpose of the **MANUAL** is to serve as an "exclusive guide on the organization, function, responsibilities, authority, and procedures of the Plumas County Regional Transportation Planning Agency (RTPA)...(and) provide a comprehensive overview of the transportation planning process within Plumas County as it pertains to the organization, function, and responsibilities of the PCTC."

The **MANUAL** includes the following TDA operational guidelines:

- Unmet Transit Needs;
- Checklists for approval of State Transit Assistance (STA) and Local Transportation Fund (LTF) claims; and
- Audits.

The Draft **PLUMAS COUNTY TRANSPORTATION COMMISSION POLICY AND PROCEDURE MANUAL** was presented to the Board at the May 21, 2012 meeting for the Commissioners to review and comment on at a future PCTC meeting. The **MANUAL** does not appear to have been addressed at any future meeting. Staff reported that several Commissioners informally stated they were not comfortable with the document that was presented.

Due to time and staff limitations, the **MANUAL** has not been expanded or amended to address the Commissioners' concerns.

PRIOR AUDIT RECOMMENDATION 4: FILING SYSTEM

Systemize the filing system for PCTC and separate from the County Service Area #12 to provide for easy access to all PCTC documentation and files.

Status: Implemented

Prior Audit Rationale for Recommendation 4

The Audit noted that PCTC creates a number of file documents relating to both CSA #12 and PCTC. When the Deputy Director of Public Works, who served as the Executive Director of PCTC, retired, the files were boxed up and stored in his office. The organization appeared to be rather disorganized. The Audit concluded that having a systemized filing system in place would greatly improve organization.

With staff wearing three (3) “hats” (PCTC, CSA #12, and County), the relationships and responsibilities sometimes appear to be indistinguishable and the balance and controls not clearly defined.

Discussion of Status for Recommendation 4

A filing system for PCTC has been executed. While some documents are maintained in a centralized filing system, many documents appear to be filed by the person responsible for a particular area rather than by function. This allows for the person with the most knowledge to easily access the appropriate documents. Issues occasionally arise when the person maintaining the files and most knowledgeable about a particular subject is not available.

PCTC may want to consider gradually migrating the documents to centralized area and segregating by organization:

- CSA #12 (PTS and PCST);
- PCTC; and
- Plumas County.

PRIOR AUDIT RECOMMENDATION 5

Consider the future role for PCTC and if the current organization is appropriate for meeting the future challenges.

Status: Not Implemented; Recommendation will be carried forward with modification.

Prior Audit Rationale for Recommendation 5

The prior Audit acknowledged that PCTC had addressed a number of funding and financial challenges over the preceding years due to the declining population and limited funding

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from state and federal sources. As a result, strategic planning and internal planning has not been a priority. The following issues were observed:

1. Due in part to changes in personnel, confusion regarding the roles and responsibilities of PCTC and how it relates to CSA #12 and the County appear to exist;
2. Membership, comprised of three (3) County and three (3) City representatives does not represent the population distribution in Plumas County; and
3. Due to financial and staffing constraints, staff assumed multiple responsibilities for PCTC, CSA #12, and the County which blurred responsibilities and requirements for each organization and resulted in apparent conflicts of interest, though none may exist in actuality.

The prior Audit recommended a review of PCTC's current structure, responsibilities, and staffing compared with peer agencies to provide a foundation for determining the optimal structure for PCTC.

Discussion of Status for Recommendation 5

Staff indicated that under the current structure, the members of the current Board were not interested in a new JPA.

Due to the limited staffing, separation of responsibilities had proved to be problematic.

Although the current structure has worked, TDA is structured to provide a separation of responsibilities between the RTPA and the transit providers. This ensures that TDA requirements are performed.

This recommendation will be carried forward with modifications that address the unique situation in Plumas County.

4.0 FUNCTIONAL REVIEW

The functional activities performed by the Plumas County Transportation Council (PCTC) 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:

- Administration, Management, and Governing Board;
- Transportation Planning and Regional Coordination;
- Claimant Relationships and Oversight;
- Marketing, Public Relations, and Transportation Alternatives;
- Grant Management; and
- Future Role.

As the Regional Transportation Planning Agency (RTPA), PCTC is responsible for the implementation of the transportation planning process for the Plumas County region in cooperation with the State of California. By California Transportation Development Act (TDA) law, PCTC must perform the following functions:

1. Abide by the rules and regulations regarding the submission, analysis, review, and approval of TDA claims;
2. Distribute Local Transportation Funds (LTF) and State Transit Assistance (STA) funds;
3. Maintain records of funding activities as required by the TDA; and
4. Use TDA funds, provided to PCTC for both the County of Plumas and the City of Portola, for the purposes of transit planning. These funds are also to be used for PCTC associated expenses in administering the TDA, pedestrian and bicycle facilities, transit system(s) and streets and roads projects.

This Performance Audit covers a three (3) year period between FY 12/13 through FY 14/15.

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4.1 Administration, Management, and Governing Board

This section of the audit focuses on the overall administration of all RTPA functions and organization. The primary points of interest are—

1. Governing Board Activities;
2. Organizational Structure & Reporting;
3. Administration; and
4. Internal Planning and Achievements.

PCTC is assessed in this section in terms of its ability to develop and pursue goals and objectives that are determined, through interviews and other supporting documentation, in order to be effective in meeting the transportation needs of the community. Interviews were conducted with board members, committee members, staff, and other key stakeholders. PCTC's administration and management is considered throughout this Audit, in terms of its effectiveness in transportation planning and its efficiency in bringing its planning endeavors to fruition.

4.1.1 GOVERNING BOARD ACTIVITIES

Plumas County Transportation Commission was formed in 1971 in accordance with PUC 26535, which states that

A county that is not within the jurisdiction of a statutorily created regional planning agency or council of governments must establish a local transportation commission comprising three (3) members appointed by the County Board of Supervisors and three (3) members appointed by the city council if only one (1) incorporated city is in the County.

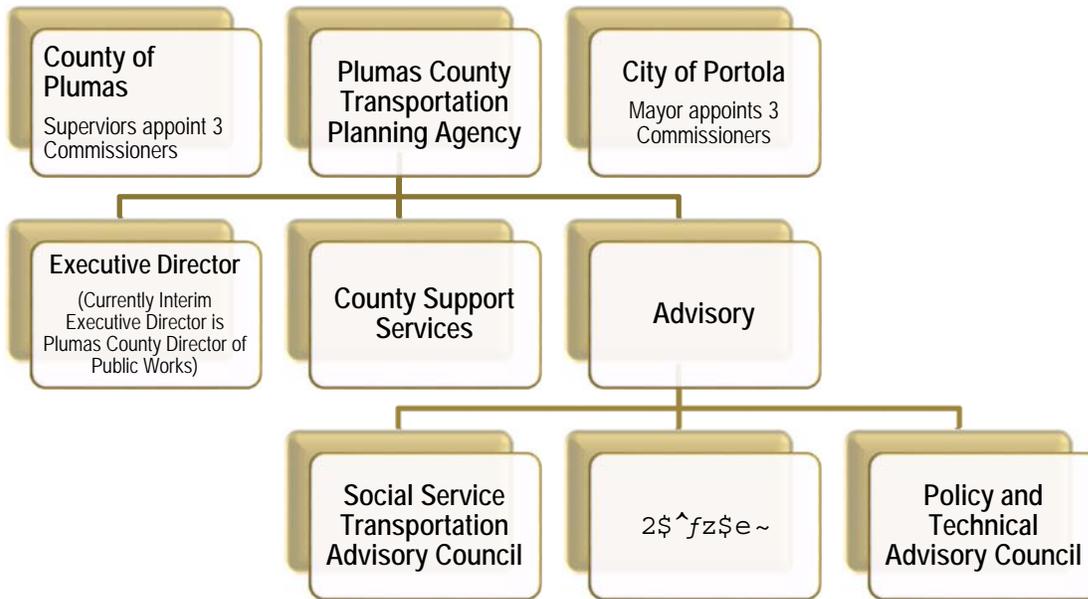
In Plumas County, Portola is the only incorporated city; the governing board, therefore, has three (3) members appointed by the Board of Supervisors and three (3) appointed by the Portola City Council.

The term office is two (2) years (July 1 through June 30). The Board meets on the third Monday of each month, as necessary. During the three (3) years of the Audit period, it met 27 times:

- FY 12/13 – 7 Meetings;
- FY 13/14 – 10 Meetings; and
- FY 14/15 – 10 Meetings.

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Figure 4-1: Plumas County Transportation Commission Organization Chart



Four (4) members are required for a quorum. A review of minutes indicated that the quorum was present at all meetings with an 83% attendance rate.

The PCTC Board is the policy-making body for transportation planning in the County. Responsibilities include—

- Establishing rules and regulations to provide for administrating, planning, and allocating Local Transportation Funds (LTF);
- Providing a continuing planning process to ensure the Regional Transportation Plan (RTP) is responsive to the changing needs and desires of the transportation system's users and the State of California's planning process;
- Reviewing and adopting key planning documents such as—
 - ◆ Regional Transportation Plan (RTP) and
 - ◆ Regional Transportation Improvement Program (RTIP).
- Coordinating activities with the County Planning Department, Tribal Governments, the State of California, and local government entities.

In addition, the PCTC Board has served as the Policy Board for transit in Plumas County, although all contracts are with County Service Area #12 (CSA #12). In addition, CSA #12 owns all capital equipment related to Plumas County Transit.

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A review of Board minutes during the Audit period indicated that the Board receives regular and timely reports on current and ongoing projects. Board members who were interviewed noted that staff did an excellent job of informing Board members about issues and upcoming actions. The Board's major concern was keeping the road and transit systems intact with the decrease in funding. Board members felt the staff was proactive in securing discretionary funding whenever it became available.

PCTC has two (2) advisory committees:

1. **The Technical Advisory Committee (TAC)** provides a forum to coordinate with planning partners. Historically, TAC has been informal, only convening every two (2) years after the Fund estimates were released for the State Transportation Improvement Program (STIP) to discuss funding needs for projects to be included in the STIP. Representatives from the County, City of Portola and Caltrans attended. During the Audit period, PCTC moved to formalize TAC, develop new bylaws, and improve representation. The goal is for the TAC to be the first sounding board for potential new projects and allow PCTC to have a larger position in transportation policies in the County and the City of Portola. TAC membership would be expanded to include—

- City Manager, Planner and Public Works Supervisor for the City of Portola;
- Director of Public Works and Engineering staff for Plumas County; and
- Transit Operator Manager;
- Tribal representative from Greenville Rancheria; and
- Representative from the Caltrans Office of Community and Regional Planning

2. **The Social Service Transportation Advisory Council (SSTAC)** was formed during the development of the Short-Range Transit Planning (SRTP) process. PCTC adopted By-Laws May 2013 delineating its responsibilities:

Annually participate in the identification of transit needs in the jurisdiction, including *unmet transit needs* that may exist within the jurisdiction of the council and that may be reasonable to meet by establishing or contracting for new public transportation or specialized transportation services or by expanding existing services.

- Annually review and recommend action by the transportation-planning agency for the area within the jurisdiction of the council, which finds, by resolution, that (A) there are no unmet transit needs, (B) there are no unmet transit needs that are reasonable to meet, or (C) there are unmet transit needs, including needs that are reasonable to meet.

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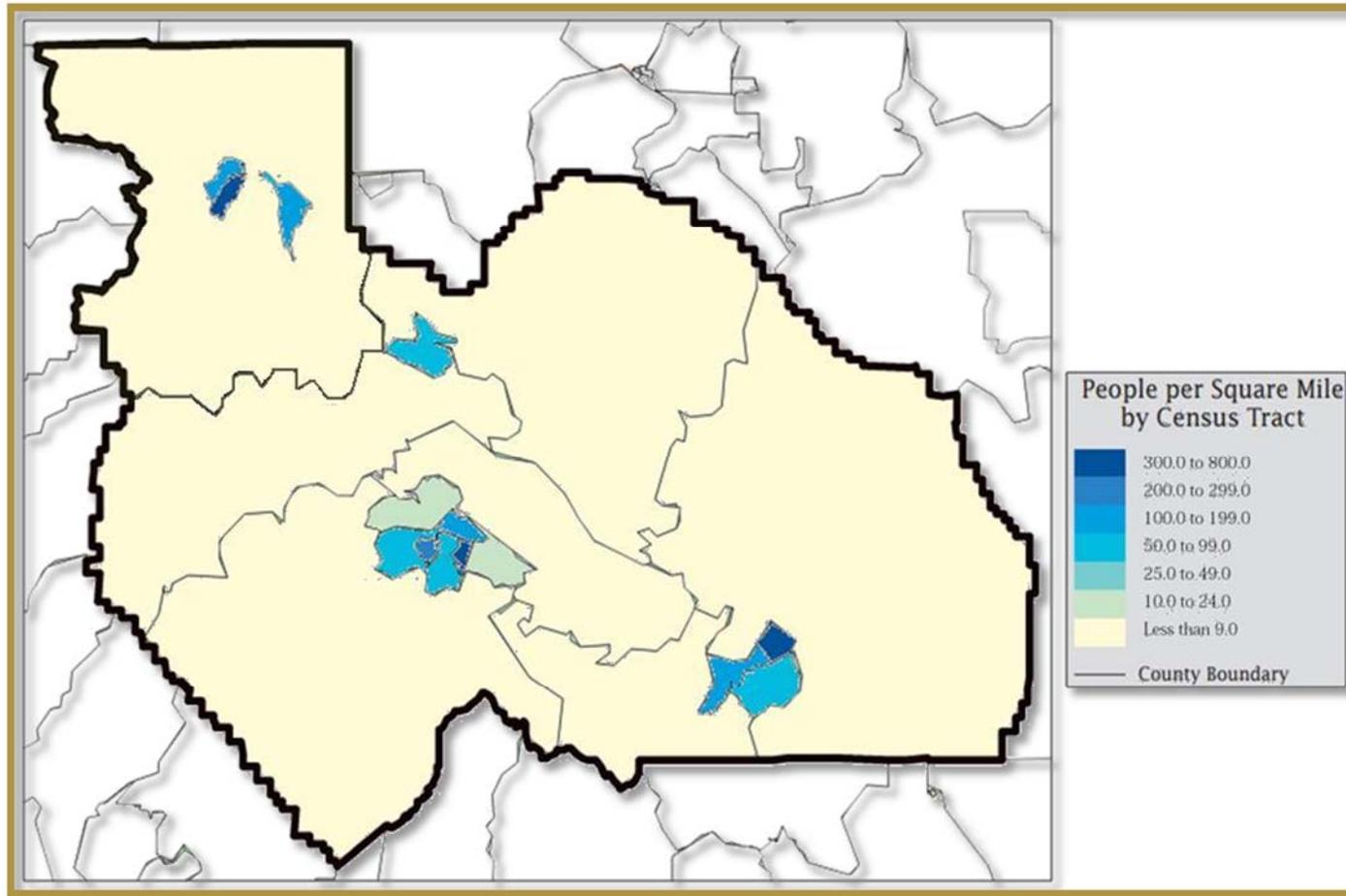
- Advise the transportation-planning agency on any other major transit issues, including the coordination and consolidation of specialized transportation services.
- Review and make recommendations concerning the adoption of transit related reports and plans to the Plumas County Transportation Commission. These reports and plans include, but are not limited to the latest editions of, the **MOBILITY MANAGEMENT FEASIBILITY STUDY** and the **PLUMAS COUNTY SHORT RANGE TRANSIT PLAN**.
- Assist the Plumas County Transportation Commission with the Commission's duty to establish and implement its citizen participation process by assuring SSTAC acts as a mechanism to solicit the input of transit dependent and transit disadvantaged persons, including the elderly, handicapped, and persons of limited means.

Considering the geo-demographics of the County, having half the representatives from an incorporated City with just over 10% of the population of the County does appear representative. The counties of Calaveras and Tuolumne, although about double the population of Plumas, have similar demographics with only one (1) incorporated city containing less than 10% of the population. Both have enacted JPA's to provide more equitable representation on the Board. However, both staff and the Board members interviewed indicated that the Board members worked together well to solve the transportation issues impacting the County. For the most part, all those who were interviewed indicated that they saw no need to change and had no impetus to modify the composition of the Board through the establishment of a Joint Powers Authority (JPA).

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Figure 4-2: Plumas County Population Density



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4.1.2 ORGANIZATION AND STAFFING

PCTC has a Professional Services Agreement with the Plumas County Department of Public Works-Road. The agreement calls for the Assistant Director of Public Works-Road to serve as the Executive Director of PCTC. The County invoices PCTC for reimbursement based on "applied rates" for the position plus other employees and equipment time. Overhead charges, as applicable per the Road Fund Cost Accounting Procedures, are charged. Other items, such as office supplies, are invoiced at actual value as the expense occurs.

With the retirement of the Assistant Director in June 2011, the position has not been replaced, although it remains on the books. The Assistant Director of Public Works vacancy in Public Works, including funding for FY 15/16, was reaffirmed by the Board of Supervisors early in the year. An updated job description for the position was prepared in January 2016. The job description has been submitted to Plumas County Human Resources for their review and comment. Human Resources coordinated the Job Description revisions with Union. The vacancy has been posted and the selection process will begin, which was anticipated to be in August 2016.

Currently, the Director of Public Works serves as the "Interim Executive Director." The Interim Executive Director allocates between 5% and 10% of his time to PCTC, with his County Public Works responsibilities requiring the majority of his attention.

Although the position is currently being recruited, it is unclear if the position will assume the position of Executive Director of PCTC. It will depend on the qualifications of the individual, who may assume other duties to allow more time for other staff to work with PCTC.

The Interim Executive Director is assisted in fulfilling PCTC requirements by—

- The Associate Engineer/Transportation Planner, who allocates approximately 50% of time to PCTC;
- The Senior Environmental Planner, who allocates approximately 45% of time to PCTC; and
- The Accounting Clerk, who allocates approximately 40% of time to PCTC.

In total, 1.4 to 1.5 full-time equivalents (FTE) are allocated to PCTC. Inclusive of the allotted time is the administration of public transportation in Plumas County, which is defined as County Service Area #12 and the oversight of the two (2) contracts to provide transit services: one (1) with Plumas Rural Services for the operation with Plumas Transit Systems and one (1) with Plumas County Public Health Agency for the operation of Plumas County Seniors Transportation.

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4.1.3 GENERAL ADMINISTRATION

PCTC staff has prepared a Draft **PLUMAS COUNTY TRANSPORTATION COMMISSION POLICY AND PROCEDURE MANUAL**. The **MANUAL**'s purpose is to provide a comprehensive overview of the transportation planning process within Plumas County as it pertains to the organization, function, and responsibilities of the PCTC.

The process has been lengthy. In FY 05/06, PCTC, through a FTA 5304 grant, hired a consultant, who met with Commissioners and prepared a draft manual received on November 20, 2006. Comments received on draft document, included—

- Preference for a smaller, less complicated manual;
- Need for a listing of typical monthly tasks;
- Need for suggested source documents related to lengthy legislation; and
- Need for a comprehensive glossary

The consultant contract had ended so the task for completing the manual was turned over to PCTC staff. At the May 2012 Board meeting, the Interim Executive Director distributed copies of the **MANUAL** for the Commissioners for review and comment. At the August 2012 meeting, a comment was received from one Commissioner that the **MANUAL** was difficult to understand due to the flow of the wording. In December 2012, the Commission inquired about the status of the final edition of the **MANUAL**, but due to limited staff resources, the **MANUAL** has not been revised or presented to the Commissioners again.

The completion of the **POLICY AND PROCEDURE MANUAL** has been included in **OVERALL WORK PLAN (OWP)** for all three (3) years of the Audit. The purpose and objectives are to—

1. Address the administrative and organizational mechanisms and structure for conducting of transportation planning business by and for PCTC;
2. Delineate the transportation planning activities which are under the direction of the PCTC and its staff; and
3. Clarify the requirements and timing of the activities.

The **MANUAL** includes—

1. A general overview of the transportation planning;
2. PCTC background and history;
3. The planning process, including a discussion of the roles and responsibilities, how TDA is allocated, and **REGIONAL TRANSPORTATION PLAN** guidelines;

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4. Regulations, which include existing agreements, timelines, operational guidelines for the *Unmet Transit Needs* process, claims, and audits, and a conflict resolution plan; and
5. Funding sources.

The **MANUAL** is a major and positive step in providing the consistency necessary to deliver services in an efficient and logical manner. The background information is invaluable to new Board members and staff.

The concepts and requirements for transportation planning often appear to be complicated and difficult to understand to those not intimately involved. While the **MANUAL** offers a good start to provide a reference to the Commission, the organization is somewhat fragmented and often uses boilerplate information pulled from State and Federal guidelines.

In addition, the **MANUAL** does not effectively divide or delineate policies from procedures:

- *Policies* are "rules" governing the implementation of the PCTC processes, which are either structured to guide the delivery services in an efficient, consistent, and logical manner in unique situations or when detailed instructions are not available or applicable.
- *Procedures* represent the implementation of policy with detailed step-by-step instructions, which evolve over time as new tools emerge and new processes are designed.

As a general rule, policies and procedures should be separated. The **MANUAL** appears to be primarily based on State and Federal guidelines with little specific, detailed information included. The "how to" is often left for the reader to figure out.

Procedures for everyday tasks such as how to process a claim, procure services, pay an invoice, complete a grant application, construct a quarterly report, etc. are for the most part, not included.

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4.1.4 FINANCIAL ADMINISTRATION AND BUDGETING

PCTC develops a budget each year that provides the Commission with a financial control device. Updates and comparisons of actual expenditures and revenues to budget are presented. The budget is adjusted if required.

The procedure for establishing the budget each year is as follows:

1. The budget is submitted to the Board of Commissioners prior to the beginning of the fiscal year, July 1. The budget includes recommended expenditures and revenue sources.
2. The Board reviews the recommended budget and conducts a public hearing on the budget.
3. Prior to July 1, the budget is adopted through the passage of a resolution.
4. The expenses delineated in the budget are recommended expenditures and become appropriations for PCTC.
5. The Board is provided with monthly updates.
6. The Board amends the budget by motion as required during the year.

4.1.5 INTERNAL PLANNING AND ACHIEVEMENTS

PCTC staff prepares an annual **OVERALL WORK PROGRAM (OWP)** that serves as the primary internal planning document for PCTC. The **OWP** reflects the priorities, scope of work, and level of effort required for regional transportation planning for each fiscal year. Although it is required by State and Federal regulations, it also provides a useful guide for PCTC activities and the accomplishment of projects.

For the three (3) years of the Audit period, the **OWP** included a discussion of the issues, planning activities, organization, and the work program for the year.

In each of the three (3) years, “financing of infrastructure repairs and the funding of operations and maintenance” was identified as the biggest issue facing transportation planning in the County.

The FY 14/15 OWP stated:

“...loss of the SRS funding, a decreasing population, a limited local economy, and increasing efforts by the State to transfer costs to local agencies ... will affect Plumas County's efforts to maintain its existing transportation infrastructure. Declining finances may also result in the County's "last resort": the future elimination of the transit system in order to transfer LTF funds to the maintenance of the City and County road systems.”

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However, the attitude expressed by both the Commissioners and the staff is to maintain the current system.

The work program contains nine (9) Work Elements (WE):

1. Regional Transportation Planning;
2. Transportation Systems Planning;
3. Administration and Coordination;
4. Transit Support and TDA Administration;
5. Policy and Procedures Manual;
6. Regional Coordination Projects;
7. Aviation Facilities;
8. Computer Support;
9. Bicycle Plan; and
10. Short Range Transit Plan Update.

The WE are coordinated with state priorities to tie state and local transportation programs. Each WE defines the purpose and objectives of the element, along with previous work completed. Proposed tasks are delineated with dates. The proposed products are detailed and budgeted, with funding by source provided.

The **OWP** appears to be well constructed for an agency the size and scope of PCTC.

4.2 Transportation Planning and Regional Coordination

As the RTPA, PCTC has the responsibility of determining transportation demands and priorities for the County. PCTC also undertakes planning studies to establish potential service requirements, as well as the financial impact of various programs and system implementations.

Adequate planning and coordination helps avoid both duplication of and gaps in services. Planning documents and issues encompass the following areas:

- Regional Transportation Plan (RTP);
- RTP topics;
- RTP implementation;
- Long/Short-Range transit planning activities; and
- Information generation, collection and distribution.

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4.2.1 REGIONAL TRANSPORTATION PLAN

As the RTPA for the County of Plumas, including the City of Portola, California state law requires the PCTC to adopt and submit an updated **REGIONAL TRANSPORTATION PLAN (RTP)** to the California Transportation Commission (CTC) and the California Department of Transportation (Caltrans) every five (5) years. The purpose of the plan is to provide the region with a vision supported by transportation goals for a ten (10) and twenty (20) year horizon. The **RTP** documents the policy direction, actions, and funding strategies designed to maintain and improve the regional transportation system.

The final version of the **2010 PLUMAS COUNTY RTP** was proposed to be adopted by the PCTC on November 21, 2011. The previous **RTP** had been approved in 2006. The next **RTP** update is scheduled for November 2016. The schedule for updating the **RTP** has not been set as staff awaits potential legislative changes in transportation funding at the State and Federal level that would cause additional major revisions to the **RTP**.

As part of the RTP process, PCTC staff monitors the State's goal of decreasing theoretical vehicle miles traveled (VMT) and the theoretical emissions totals assigned to the County by the Air Resources Board. One solution for Plumas County to meet those goals would be the expansion of public transit operations. However, such an expansion is currently not financially feasible and would not achieve the mandatory farebox return ratios even if adequate State and Federal subsidies were available. PCTC staff currently calculates VMT for the County based upon the annual traffic counting program while also monitoring the annual winter closures of public roads. The State's estimates for VMT used by the Air Resources Board and Caltrans do not account for such local details and their estimates appear based upon methods appropriate for low altitude, high density population centers in the Sacramento Valley. Currently, PCTC's program shows that VMT for county roads as of 2014 was now less than 44% of the Caltrans' estimates reported in the 2013 Public Road Data report.

Transportation funding in Plumas County has been a constant challenge due to the small, rural population and limited funding available. The current situation has created additional funding shortfalls:

1. Revenue from the California levies on gasoline sales, a major funding source for highway and transit funding, is tied to the price of gas. As gas prices have fallen and more fuel-efficient vehicles proliferated, the state's gas excise tax revenue has declined from 18 cents a gallon two years ago to 12 cents last year, and revenue is expected to sink to 10 cents in July. Every penny in revenue lost per gallon means a \$140-million drop in transportation funding. As a result, the California Transportation Commission adopted a revised 2016 Fund Estimate which reduces the amount of funding available for the five (5) year State Transportation Improvement Program (STIP) by \$754 million – a 38% decrease. For Plumas

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County, funding was reduced for FY 15/16 by \$750,000. The County will take an additional \$250,000 with the proposed reduction for FY 16/17.

2. The gradual elimination of the "Secure Rural Schools" funding has had a major impact on finances for the area. This funding was intended to compensate for the loss of revenues from timber harvesting on Federal Lands. Historically, the funds were halved between transportation and schools. Payments were scheduled to end. Although the Secure Rural Schools Act (SRS Act) was reauthorized by section 524 of P.L. 114-10 and signed into law by the President on April 16, 2015, The Secure Rural Schools legislation ends this year, which will result in another \$1.5 million cut in FY 16/17 total.

As a result, no funding is available for new projects to be funded and little funding available to maintain the existing infrastructure. Due to funding and litigation surrounding the County's **GENERAL PLAN**, PCTC has not moved forward with the required update. Based on the current Federal and State financial constraints, staff anticipates re-adoption of the existing **RTP**.

4.2.2 RTP TOPICS

The **RTP** is divided into five (5) chapters:

1. **Introduction**, which provides an overview of the purpose and structure of the **RTP** document and the State and Federal requirements that impact transportation planning in Plumas County;
2. **Existing Conditions**, which provides an overview of the physical, demographic and economic characteristics of the region and a description of the transportation system in the county;
3. **Policy Element**, which outlines the goals, policies, and objectives of the **RTP**;
4. **Action Element**, which identifies each mode of transportation with recommended improvements by short- and long-term plans; and
5. **Financial Element**, which identifies the funding strategy to implement the Action Element, including a set of recommended projects.

Among the six (6) goals in the policy section is *an effective, convenient, regionally, and locally coordinated transit service that connects residential areas with employment centers, serves key activity centers and facilities, and offers a viable option to the drive-alone trip*. The other four (4) of the remaining (5) goals address other transportation modes:

- Countywide roadways system;
- Rail service;

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- Aviation facilities; and
- Non-motorized transportation.

The last goal is to *achieve and maintain environmental quality standards set by Federal, State, and Local Resource Agencies.*

The **Action Element** outlines 10 *Performance Measurement Categories* with the data source and specific **RTP** measures defined. The **RTP** objective (desired outcome) is also stated. The program-level performance measures identify project priorities and monitor the function of the transportation system. Monitoring the performance measurement clarifies the link between transportation programs and the outcomes. This may also help determine which improvements provide the best means for maximizing the system's performance within cost and other constraints. The **RTP** links each category to the goals outlined in the **Policy Element**:

For *Public Transportation Cost Effectiveness*, one (1) of the 10 *Performance Measurement Categories*, the farebox recovery ratio and operating cost per unit, were determined to be the primary PCTC can identify the cost effectiveness of individual segments of public transportation operations. However, implementing recommendations from the unmet needs process may contribute to variances in the ability to meet the farebox recovery goals.

4.2.3 OTHER PLANNING ACCOMPLISHMENTS

Short Range Transit Plan

PCTC completed the **SHORT-RANGE TRANSIT PLAN FOR PLUMAS COUNTY**, which was approved by the Commission March 16, 2015. The previous **SRTP** was prepared in 1997. The new **SRTP** addresses the many changes that occurred over the intervening thirteen (13) years. The purpose of the **PLAN** was to assess current transit related issues in the context of the current demographic and economic setting of Plumas County, and to provide operational, financial, capital, and managerial recommendations for the subsequent five (5) years.

The **SRTP** is divided into nine (9) sections or chapters:

1. **Introduction and Purpose** describes the purpose and goals of the **SRTP**. Goals from the previous **SRTP** and various planning documents that provide transit related goals or objectives were examined and incorporated into the current plan where appropriate. A revised and comprehensive list of transit providers and their clientele delineated.
2. **Service Area description & Demographic Profile** describes the setting of the **SRTP** in terms of describing the service area and demographic profile of the Plumas County. This information depicts Plumas County with very slow overall growth with

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an aging population. These trends provided insight into the transit demands facing the County.

3. **Transit Systems Operating in Plumas County** describes the transit service providers operating in Plumas County and the clientele they serve. During the drafting of the **SRTP** numerous changes occurred in the range of services offered by different transit service providers. The dynamic nature of the transit services offered in the Plumas County reinforced the need for mobility management function that would act as an interface between the public wishing to utilize various transit services and the agencies that provide such services.
4. **System and Service Evaluation** provides an effectiveness and efficiency evaluation of the public transportation system –Plumas Transit Systems. Customer surveys, public participation workshops, and public meetings were performed as part of the **SRTP**'s development. These outreach efforts, together with the effectiveness and efficiency analysis, helped to define the scope of transit system recommendations and implementation strategies.
5. **Marketing Assessment and Strategies** provides an assessment of the current marketing strategies employed by Plumas Transit Systems. This assessment reveals significant marketing deficiencies both in financial backing and implementation. Several strategies are recommended as part of this chapter to strengthen marketing of Plumas Transit Systems public transit services.
6. **Capital and Financial Plan** describes transit expenses and revenue together with revenue projections. The capital improvement plan includes bus replacement, park and ride facilities, new bus shelters, and ADA bus stop improvements are incorporated.
7. **Transit Goals and Objective** examines past **SRTP** goals and sets forth a list of new goals pertaining to the key areas of concern:
 - Service expansion and modification,
 - Administration,
 - Infrastructure,
 - Marketing and promotion,
 - Coordination, and
 - Financial issues.
8. **Preferred Service Modification** identifies specific Plumas Transit System service modifications:
 - Specific route modifications;

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- Ability to purchase bus passes on-board buses; and
 - Coordination of transit services with Feather River College.
9. **Implementation Plan** provides a comprehensive set of goals and strategies related to key areas of concern (service expansion and modification, administration, infrastructure, marketing and promotion, coordination and financial issues). An implementation schedule is included.

Specifics of the **SRTP** and how they related to public transportation in the County are discussed in more detail in the **TRIENNIAL PERFORMANCE AUDITS FOR PLUMAS COUNTY TRANSIT and PLUMAS COUNTY SENIOR TRANSPORTATION**.

Coordinated Public Transit—Human Services Transportation Plan Plumas County

Caltrans sponsored the **COORDINATED PUBLIC TRANSIT-HUMAN SERVICES TRANSPORTATION PLAN PLUMAS COUNTY**. It was completed in January 2015. The **PLAN** was an update to the **2008 COORDINATED PUBLIC TRANSIT-HUMAN SERVICES TRANSPORTATION PLAN FOR PLUMAS COUNTY**. The purpose of the **PLAN** was to provide a “blueprint” for implementing the necessary strategies to promote and advance local efforts to improve transportation for vulnerable populations, such as seniors, people with disabilities, and low income individuals.

Updating the coordinated plan consisted of the following six (6) steps:

1. Conduct literature search;
2. Update elements of previous plan (demographic profile, transportation resources, etc.);
3. Conduct outreach;
4. Process/analyze information and data collected from outreach;
5. Identify and prioritize solutions; and
6. Develop coordination strategies.

The **2008 COORDINATED PLAN** was the starting point for the update. Various planning documents, minutes from meetings, such as the Transportation Commission and Social Services Transportation Advisory Council (SSTAC), coordinated plans from other counties, and other resources, also shaped this update. Efforts were also made to gather input from the general public and stakeholders through outreach meetings, internet and paper surveys, phone calls, and written comments.

The Plan consists of eight (8) sections:

1. **Introduction** provides purpose of the **PLAN** and approach used in updating the **PLAN**. It also discusses the various funding for public transportation in rural California.

2. **Demographics Profiles** presents a profile of the County demographics and more detailed analysis of the targeted populations (low-income residents, people with disabilities and older adults).
3. **Existing Transportation Resources** reviews existing public, social service, private and interregional transportation resources in the County.
4. **Coordination of Services** summarizes coordination of issues from the **2008 PLAN** and updates progress and current barriers and duplication of service.
5. **Progress on the 2008 Priority Strategies** outlines progress related to the priority strategies identified in the **2008 PLAN**.
6. **Service Gaps and Unmet Transportation Needs** discusses service gaps and unmet transportation needs and provides and assesses transportation needs.
7. **Identification of Strategies and Evaluation** examines strategies, activities, and/or projects to address identified gaps between current services and needs.
8. **Implementation Plan for High Strategies** identifies and prioritizes implementation plans for the high priority projects and strategies identified in preceding sections.

These required components of the **COORDINATED PLAN** make some sections very broad and others very specific. In addition, Section 5310 funding now requires any potential future project or strategy to be identified and included within the plan.

4.3 Claimant Relationships and Oversight

As the RTPA, PCTC must ensure the effective and accurate distribution of TDA funds, LTF and STA, and assist claimants in the process.

Documentation appears to indicate that the actual claimant of TDA funds is the County as County Service Area #12, which was formed in June 1982. The law allows residents or county supervisors to initiate the formation of a County Service Area (CSA). A CSA is authorized to provide a wide variety of services, including transit. It may issue General Obligation or Revenue Bonds, or form improvement areas for the purpose of issuing bonds that specifically benefit, and will be charged to, part of the CSA. Any bond issuance or other long-term debt will require approval of voters residing within the CSA. Once approved, the CSA is normally granted limited powers and the County Board of Supervisors acts as the CSA Board.

CSA #12 was authorized by the Board of Supervisors of Plumas County with the "power to provide transportation services in accordance with County Service Area Law." Current references indicate that the CSA #12 Senior Transit was established to provide senior transit services for the County; however, the contract for fixed route services was entered into by CSA #12.

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CSA #12 is also the designated Coordinated Transportation Services Agency (CTSA) for Plumas County. The financial and compliance audits; however, treat the Plumas County Transit Funds as proprietary funds.

A review of the proprietary transit fund does not appear to include personnel for administering the contracts, which appears to be done under PCTC's budget, rather than CSA #12.

All TDA, LTF and STA, are fully allocated to transit. According to the PCTC Rules and Regulation:

Plans, claims, and budgets shall be submitted by the applicants to the Transportation Commission for their consideration and action by May 1 of each year and applicants may submit modified claims or projects at subsequent meetings.

The annual claim filed by the applicant shall include a written description of the proposed project, purpose or justification of the project, an estimate of cost and a statement of any supplemental financing proposed.

Plumas Rural Services (PRS), which operates Plumas County Transit, expenses are governed by its contract with CSA#12. Plumas County Seniors Transportation prepares draft budgets in April. The budgets are finalized in May and approved in June.

PCTC has developed checklists for both STA and Article 4 LTF claims. The checklists list TDA requirements. However, there is no formal claims form or procedure. The process is—

1. The contract operator prepares its annual budget;
2. The budget is submitted to PCTC for approval;
3. Ticket sales, STA, and FTA 5311 funds are incorporated and the remaining amount is assigned to LTF;
4. The final LTF is included in the budget resolution prepared by PCTC staff as the amount to be claimed;
5. PRS updates PCTC monthly with actual expenses and revenues versus budget;
6. PRS is paid monthly, in arrears and PCST is paid quarterly in advance; and
7. If operating costs exceed the allocated dollars, adjustments are made during the year by resolution.

The lack of a formal claims process and fact that PCTC staff is also County staff with the responsibility for CSA #12 results in inadequate controls over the claim process.

4.4 Marketing and Public Information

By informing the public about transportation issues and options, PCTC can keep the public involved in the process and help influence transportation choices. We will look at the following public communications:

- Information Generation, Collection, and Distribution; and
- Public Participation in Regional Transportation.

Information regarding transportation alternatives is generally lacking in the County. Public relations activities are minimal. Although some outreach was done as part of the RTP and SRTP processes, overall public participation outreach appears to be limited.

4.4.1 INFORMATION GENERATION, COLLECTION AND DISTRIBUTION

PCTC coordinates activities with the Plumas County Planning Department, Tribal Governments, and state and local government entities. PCTC is beginning to work with the Plumas County Planning Commission. Citizen groups have been encouraged to provide input to address specific transportation issues. Although all meetings are open to the public, public participation and awareness concerning the activities of PCTC appear minimal and attendance by the public at the meetings remains sparse.

PCTC maintains a web presence on the County of Plumas website. The Transportation Commission web page includes a statement of the TDA legislation authorizing the formation of the Commission and links to various items:

- **Transportation Commission Organization Chart**, which includes two (2) Commissioners who are no longer on the Board and omits two (2) newer members;
- **Advisory Committees**, which is “Under Construction” when clicked. On the sub menu are links to the **Technical Advisory Committee (TAC)**, which is also “Under Construction,” and the **Social Services Transportation Advisory Council (SSTAC)**, which has a brief comment on the legislation requiring a SSTAC and sublinks to the SSTAC Bylaws, Agendas, and outdated flyer for the 2013 Unmet Needs Meetings;
- **Regional Transportation Plan**, which provides a summary of the RTP requirement and sublinks to **the Plumas County Regional Plan – 2010** and the **Plumas County Regional Transportation Improvement Program**;
- **Transit**, which provides an overview of Plumas Transit Systems and three (3) sublinks:
 - **Short Range Transit Plan**, which has a brief paragraph on the purpose of a **SHORT RANGE TRANSIT PLAN** and sublinks to **SRTP Status** (a schematic for the development of the **SHORT RANGE TRANSIT PLAN**), **Your Opinion**

Prepared for

(paragraph on surveying transit users and a link to transit survey PDF form), and [Survey Results](#) (Coming Soon).

- [Paratransit](#), which defines paratransit in North America as special transportation service for people with disabilities and sublinks to—
 - [Resolution](#) for PCTC approving the Americans with Disabilities Act (ADA) Paratransit Plan;
 - [Paratransit Plan](#); and
 - [Paratransit Eligibility Information and Application](#).
- [Unmet Transit Needs](#) (Page Under Construction).
- [Civil Rights Protection](#), which has an overview of Title VI-Civil Rights Protection and specifies the Title VI Complaint Procedure;
- [PCTC Agenda](#), with link to [Plumas County Archives](#) from which the Transportation Commission Agendas must be selected again; and
- [PCTC Minutes](#), with link to [Plumas County Archives](#) from which the Transportation Commission Agendas must be selected again;

The site also has links to the **2011 MOBILITY MANAGEMENT FEASIBILITY STUDY**, but more recent and germane documents are not available. To get to the PCTC site, a visitor must navigate through the Plumas County Department to the Transportation Commission. Navigation and information appears haphazard. Available information is outdated and key documents are missing.

4.4.2 PUBLIC PARTICIPATION IN REGIONAL TRANSPORTATION

During the Audit period, PCTC developed **PUBLIC PARTICIPATION PLAN (PPP)** in conjunction with **PCTC'S TITLE VI PLAN**. Acknowledging the importance of a public participation process that reaches out to as many population demographics as possible, the **PLAN** provides a set of seven (7) goals and complementing strategies to each of the goals. The **PPP** guides PCTC's ongoing public involvement endeavors to ensure the most effective means of providing information and receiving public input on transportation issues, with particular emphasis on involving traditionally under-represented groups.

A common strategy for several of the goals is to maintain the PCTC website's current planning activities and documents and reports. This has clearly not been implemented. Other elements of the **PLAN** are more difficult to validate and may differ, due to different populations of interest, among specific projects.

Prepared for

The **PPP** is well-constructed and provides detailed guidance that is still flexible to meet the public participation requirements for most PCTC projects. The challenge will be to review the **PPP** and construct specific public participation tasks for each new and ongoing project.

4.5 Grant Management

PCTC’s ability to locate and secure discretionary funding and grants can greatly increase transportation options for the communities. We will investigate the following activities:

- Grant applications and coordination;
- Grant application assistance; and
- Grant management and compliance.

PCTC staff manages a number of federal and state grants for transportation services. Board members commented that they were pleased with staff’s ability to secure grants.

In addition to TDA, LTF, and STA funding, a number of grants were secured and managed during the audit period.

Table 4-1: Federal and State Grant Funding

	FY 12/13	FY 13/14	FY 14/15
FTA 5311	\$ 123,812	\$ 131,468	\$ 251,032
State Transit Improvement Program	\$ 58,000		\$ 58,000
Rural Planning Assistance	\$ 180,769	\$ 117,737	\$ 110,165
Other	\$ 45,856	\$ 25,257	\$ 30,747
Regional Surface Transportation Program		\$ 112,753	\$ 63,929
PTIMSEA	\$ 228,189		\$ 234,067

PCTC has separate accounts for tracking expenses and revenues related to grants. The attachments for the revenues received are listed below:

- Fund 2027 – Transportation Planning;
- Fund 2028 – STA exclusively;
- Fund 2029 – LTD, referred to as the District Commission Fund; and
- Fund 2029A – LTF (TDA account) exclusively.

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RPA funds and FTA 5304 grants are tracked in one (1) account: Fund 2027 Account 22191. PP&M funds are tracked in a different account: Fund 2027 Account 22193. FTA 5311, RSTP Exchange, ARRA, PTMISEA go into Fund 2029 and are tracked separately based upon the obligation established for the funds.

The FTA 5304 grant is tracked under Work Element 610 under the OWP within the Fund 2027 Account 22191. The OWP invoices are matched and then invoiced separately for the grant reimbursement.

4.6 Future Role

Initially, the duties of the RTPAs were to administer TDA locally, which was to ensure appropriate local transportation choices were made with the 1/4 cent of the State sales tax. Over the years, RTPA duties have gradually expanded. In 1997, Senate Bill 45 became law and further increased the duties and responsibilities of the RTPAs relative to the State Transportation Improvement Program (STIP).

As a planning organization, PCTC is charged with looking forward; both to how transportation alternatives and projects will be delivered to and in Plumas County and what role the Commission will have in the planning and delivering of transportation programs.

Due to growing constraints in federal and state funding for transportation, PCTC has primarily been working to just “hold on to what we have.” It is very difficult to think strategically when buried by the day-to-day operational requirements of the agency.

With a very small, shared staff, PCTC has managed exceptionally well in managing its resources and providing overall guidance to the transportation network in Plumas County. For the short-term, PCTC Board members and staff do not foresee any major changes in its organization, responsibilities, or span of control.

As in other small, rural communities, PCTC would find it difficult to separate its staff from the County or bring on dedicated staff. The complexity of transportation projects in the area continues to expand, while both local and Caltrans project management staffs become more stretched in their ability to continue to provide the necessary project oversight. The role of project management and oversight is expected to increase for PCTC, as it has for other RTPAs. In addition, PCTC needs to consider its roles in the oversight of transportation programs and in managing and controlling grant funding and the manner in which the organization will meet these current and future challenges.

5.0 FINDINGS AND 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.

5.1 Summary of Findings

1. Plumas County Transportation Commission (PCTC) is the lead planning agency for the transportation projects and programs in Plumas County. As the designated Regional Transportation Planning Authority (RTPA), PCTC is responsible for administering Transportation Development Act (TDA) funding.

5.1.1 COMPLIANCE

2. PCTC is in full compliance with TDA rules and regulations with two (2) exception(s):
 - 2.1. PCTC has not adopted rules and regulations delineating procedures for the submission of claims for facilities provided for the exclusive use of pedestrians and bicycles (PUC 99233.3, 99234).
 - 2.2. PCTC has not adopted rules and regulations delineating procedures for the submission of claims under Article 4.5 of the TDA or the claim evaluation criteria outlined in PUC 99275.5.

5.1.2 PRIOR TPA RECOMMENDATIONS

3. PCTC has demonstrated commitment to improving its efficiency and effectiveness by implementing or partially implementing two (2) of five (5) prior Performance Audit Recommendations.
 - 3.1. Prior Performance Audit recommendations that have been **implemented**:
 - Develop a Public Participation Plan (PPP) and enhance the availability and access of public information.
 - Systemize the filing system for PCTC and separate from the County Service Area #12 to provide for easy access to all PCTC documentation and files.
 - 3.2. Prior Performance Audit recommendations that were **not implemented**:
 - Adopt rules governing the submission of bicycle and pedestrian facilities.
 - Continue to build on the newly drafted **POLICY AND PROCEDURES MANUAL**.

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- Consider the future role for PCTC and if the current organization is appropriate for meeting the future challenges.

5.1.3 FUNCTIONAL REVIEW

4. Administration, Management, and Governing Board

- 4.1. PCTC was formed in 1971 in accordance with PUC 26535 with three (3) members appointed by the County Board of Supervisors and three (3) members appointed by the Portola City Council as the County.
- During the three years of the Audit period, it met 27 times and had a quorum 83% of the time.
 - PCTC has two (2) Advisory Committees:
 - Technical Advisory Committee (TAC), which is in the process of being revamped to allow PCTC to be more involved with potential new projects; and
 - Social Services Transportation Advisory Council (SSTAC), which was formed during the development of the Short Range Transit Plan.
- 4.2. PCTC has a Professional Services Agreement with the Plumas County Department of Public Works to provide staffing for the Commission. Current staffing comprises of—
- Interim Executive Director (County of Plumas Director of Public Works) allocates approximately 10% of time;
 - Associate Engineer and Transportation Planner allocates 50% of time;
 - Senior Environmental Planner allocates approximately 45% of time; and
 - Accounting Clerk allocates approximately 40% of time.
- 4.3. Financial reporting has continued to improve and the Commission feels they receive regular and complete project information.
- 4.4. PCTC has developed a **PCTC POLICY AND PROCEDURE MANUAL**, but it has not been approved by the Commission, which found the flow to be difficult to understand.
- 4.5. PCTC develops a budget each year and updates and compares actual expenditures and revenues to the Commissioners regularly.
- 4.6. PCTC staff prepares an annual **OVERALL WORK PLAN (OWP)**, which serves as the primary internal planning document for PCTC. The **OWP** reflects the priorities, scope of work, and level of effort required for regional transportation planning for each fiscal year.

5. Transportation Planning and Regional Coordination

- 5.1. The schedule for updating the **REGIONAL TRANSPORTATION PLAN (RTP)** has not been set as staff awaits potential legislative changes in transportation funding at the State and Federal level that would cause additional major revisions to the **RTP**.
- 5.2. Transportation funding in Plumas County is a constant challenge due to the small, rural population and reduction of several important funding sources.
- 5.3. In addition to the RTP, PCTC adopted the **SHORT RANGE TRANSIT PLAN FOR PLUMAS COUNTY** in March 2015 and worked with Caltrans to prepare the **COORDINATED PUBLIC TRANSIT-HUMAN SERVICES TRANSPORTATION PLAN PLUMAS COUNTY**.

6. Claimant Relationships and Oversight

- 6.1. The lack of a formal claims process and fact that PCTC staff is also County staff with the responsibility for CSA #12 results in inadequate controls over the claim process.

7. Marketing and Public Information

- 7.1. Information regarding transportation alternatives is generally lacking in the County.
 - 7.2. The PCTC web site is difficult to locate and navigate.
 - 7.3. PCTC has worked to enhance its outreach, particularly to disadvantaged populations.
 - 7.4. PCTC did a commendable job in developing a **TITLE VI PLAN** and formal **PUBLIC PARTICIPATION PLAN (PPP)**.
8. PCTC has effectively applied for and managed discretionary grants to increase transportation options in Plumas County.

5.2 Recommendations

RECOMMENDATION 1: TDA CLAIMS PROCEDURE

Formalize the TDA claims procedure and ensure controls are in place, including separation of the claim preparation and claim approval mechanisms and inclusion of all required processes.

This is a carry forward recommendation from the prior TPA.

Condition

As the RTPA, PCTC has the following responsibilities:

1. *Transit Needs Assessment and Unmet Transit Needs* (although not specifically required if all funding is allocated to transit, as it is in Plumas County, it is recommended);
2. Establishing rules and regulations for the submittal and approval of TDA claims consistent with TDA statutes;
3. Preparing and distributing fund allocation instructions;
4. Keeping records;
5. Reserving LTF or withholding STA Funds;
6. Performing Triennial Performance Audits; and
7. Submitting Annual Fiscal and Compliance Audits for claimants.

While PCTC does perform the tasks outlined above, the process is informal and the audit trail problematic.

The rules and regulations are not well defined. PCTC does not have a claims form and the procedure is somewhat informal. The claims procedures, as laid out in the **PCTC POLICY AND PROCEDURES MANUAL** consist of two (2) checklists:

- **State Transit Assistance (STA) Claims Checklist;** and
- **Article 4 Local Transportation Fund (LTF) Transit Claims Checklist.**

All transit providers are currently filing under Article 8 (c), although the checklist is for Article 4.

The checklists appear to be a listing of some TDA legislative requirements. No documentation was provided to support that the checklists were used. No rules, regulations, or procedures exist for the submission of claims for facilities provided for the exclusive use of pedestrians and bicycles (PUC 99233.3, 99234) or for submission of

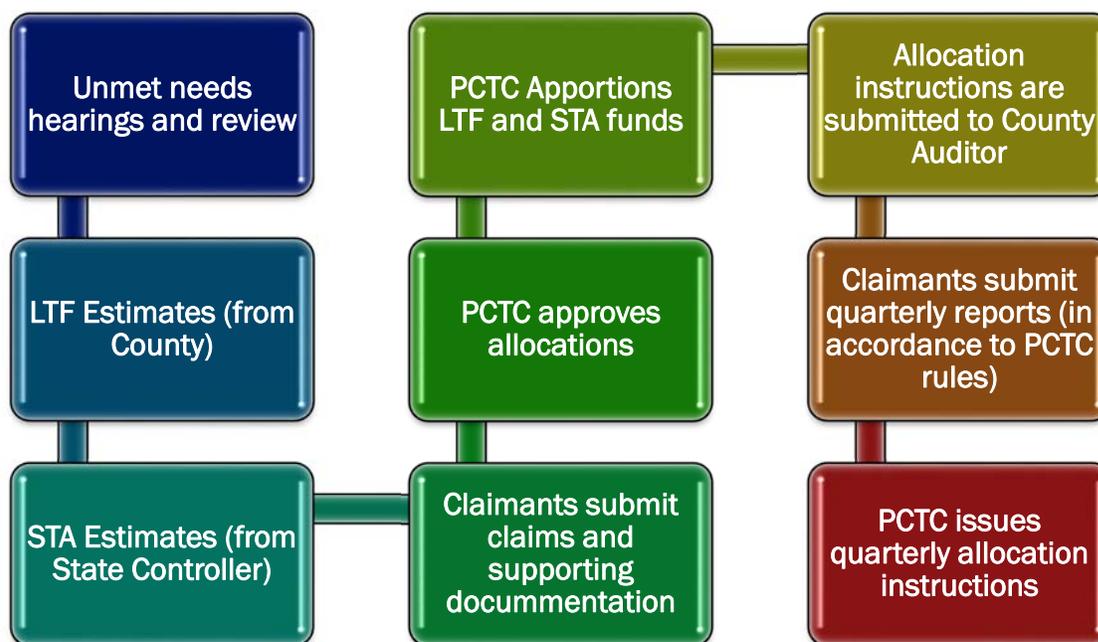
claims under Article 4.5 of the TDA or the claim evaluation criteria outlined in PUC 99275.5.

No instructions or forms are available and allocation instructions were informal. Records authenticating the process and required documentation were not available. The same County staff that administers CSA #12 is also responsible for providing the claims to the Commission for approval, which is a control issue, although no conflict of interest may exist in actuality.

Proposed Solution

A formal claims form and guidelines would ensure transparency in the claims process and assist PCTC with its oversight and documentation responsibilities.

Figure 5-1: Simplified TDA Claims Process



To be effective, the claim process should incorporate all TDA requirements (as outlined in the **PCTC POLICY AND PROCEDURES MANUAL** claims checklist). To be consistent with TDA legislation PCTC’s TDA guidelines need to include:

- Rules, regulations, or procedures that exist for the submission of claims for facilities provided for the exclusive use of pedestrians and bicycles (PUC 99233.3, 99234);
- Rules, regulations, and procedures of claims under Article 4.5 of the TDA and the claim evaluation criteria outlined in PUC 99275.5;
- Rules, regulations, and procedures of claims under Article 8 of the TDA to include—

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- (a) local streets and roads;
 - (c) special transportation assistance (Plumas County transit providers currently file under Article 8 (c));
 - (d) administrative and planning; and
 - (e) capital expenditures.¹
- Allocations and funding should be made in accordance to TDA priorities.

PCTC is required to adopt rules and regulations delineating procedures for the submission of claims and stating criteria by which they will be analyzed and evaluated. Such rules and regulations provide the orderly and periodic distribution of funds. The rules and regulations should include both Article 4 and Article 8 claims and both LTF and STA allocations.

Figure 5-2: TDA Funding Priorities

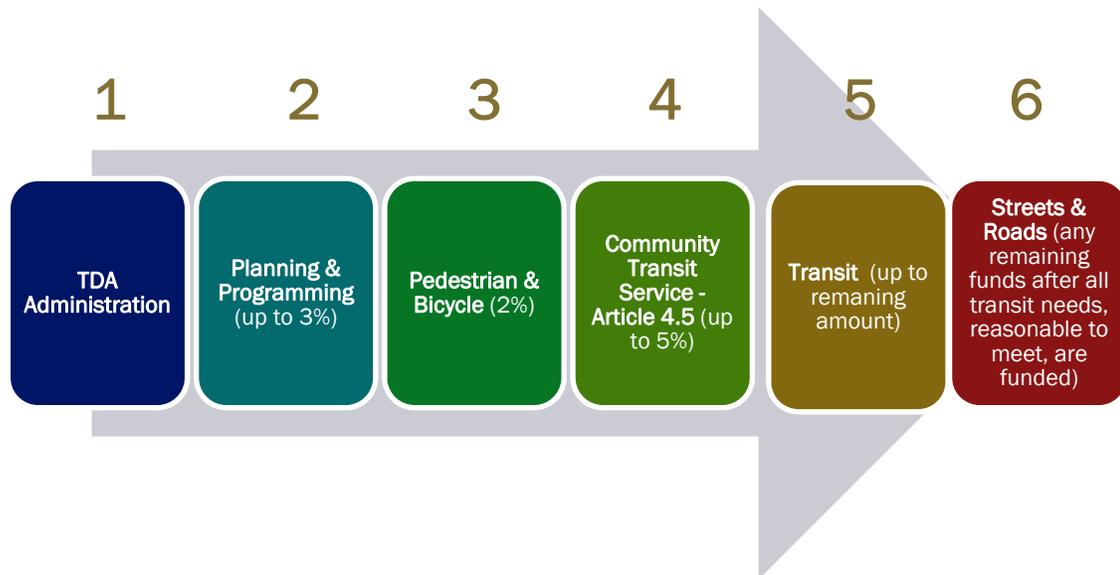


EXHIBIT A provides a sample TDA Claim Form that may be modified to be consistent with PCTC's rules and regulations.

The Claim Form should be prepared and submitted by a different person than who approves the claim. This provides a control mechanism for the process.

A file should be established for the claim in each fiscal year. The file needs to contain the allocations, claim form, any amendments to the claim, resolutions approving the claim, and all back up and supporting documentation.

¹ Article 8 (b) is not included because it is doubtful claims for passenger rail will be needed in Plumas County in the foreseeable future.

RECOMMENDATION 2: POLICY AND PROCEDURE MANUAL

Redraft the **POLICY AND PROCEDURE MANUAL** and organize by function to include PCTC's best practices, process descriptions, and standards for how work is expected to be performed.

This is a carry forward recommendation with modifications.

Condition

PCTC staff has prepared a Draft **PLUMAS COUNTY TRANSPORTATION COMMISSION POLICY AND PROCEDURE MANUAL**; however, the Draft was never approved by the Commission. Commissioners stated that the flow was difficult to understand and follow. The **MANUAL** appears to be primarily based on policies and overriding tenets pulled from other sources. It is not clear, in many cases, how the different elements relate to PCTC or to each other. Some specific and detailed information is included. The "how to" is often left to the reader to figure out. Procedures for everyday tasks such as how to process a claim, procure services, pay an invoice, complete a grant application, construct a quarterly report, etc. are mostly not included.

A well-written and comprehensive manual communicates to Commission members, employees, and external stakeholders the rules, regulations, and processes that govern PCTC. A policies and procedures manual is integral to the orientation and training of new and current staff; ensuring compliance with laws and regulations; and promoting consistency, safety, and best practices. A poorly developed manual, conversely, fosters confusion and inconsistency, increasing the risk that laws and regulations will be violated, deadlines will be missed, and may jeopardize funding.

Proposed Solution

The first step is to develop an outline for the manual, which will serve as a guide for developing the manual. It is recommended that it be organized by function:

1. **Introduction** explains the purpose and background of PCTC and the manual.
2. **Governing Board** explains the Commission's duties and powers and may include by-laws, meeting information, relevant policies (Title VI, Conflict of Interest), organizational information, committees, and funding overview. Other useful documents, such as acronyms, can be referenced in an appendix.
3. **PCTC Administration** has the processes PCTC staff does on a day-to-day basis--
 - a. **General Polices** (Plumas County Employee Handbook and any PCTC specific polices, plus a calendar of key dates);
 - b. **Administration and Management** (filing, accounting, contract management, RFPs, etc.);
 - c. **Transportation Planning and Regional Coordination** (RTP, STIP, OWP, SRTTP, etc.);

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- d. **Public Outreach** (Public Participation Plan plus procedures for setting up meetings, public notices, etc.);
- e. **TDA Administration** (claims procedures—see Recommendation 1); and
- f. **Grant Applications and Management** (grant types, grant application, grant accounting, grant reporting).

Organization policies should be separate from procedures. Policies are broad rules that govern how the Commission operates, while procedures are step-by-step instructions on “how-to-do” a particular task.

1. Policies should be approved and adopted by the Board of Commissioners.
2. Procedures should be developed for all major functions of PCTC.

Application of a consistent format would assist in the development and use of the document. A number of procedure templates are available at <http://templatelab.com/sop-templates/>.

Each employee needs to be responsible for developing procedures for his or her job. The first step is to start tracking for a few days all of the tasks that are done. One way is to create a list of specific job responsibilities and how often they need to be handled (daily, weekly, quarterly, and annually). Then start by documenting the top five (5) most important procedures. To document a procedure—

- Use a template for consistency;
- Think COMMANDS, not sentences;
- Go through each task or process step by step (in detail).
- Be specific without being wordy;
- Number steps that must be done in a specific order;
- Use bullets for non-order specific instructions;
- Include checklists for critical functions;
- Provide screen shots where helpful; and
- Have another person try them out.

Some procedures may be available from FTA, Caltrans, or other sources. If a procedure is appropriated from another source, review the information for relevance. Delete any items that are not applicable to PCTC and insert additional steps that may be needed at PCTC. For example, it may be appropriate to have a legal review of a document before it is submitted or the check fund balances.

A policies and procedures manual is not a one-time project. It can quickly become out-of-date if not continually revised. Keeping the **MANUAL** online would help in keeping it up-to-date with revisions.

RECOMMENDATION 3: PCTC ROLE

Clarify and define PCTC and its role at the RTPA, as separate from County of Plumas and CSA #12, as the transit operator.

Condition

For the past number of years, PCTC has addressed a number of funding and financial challenges. With a declining population and limited funding from state and federal sources, PCTC has been working to maintain the transportation network and the gains made during the previous decade. Strategic planning and internal planning has not been a priority.

State and Federal regulations has put an ever increasing burden on regional transportation planning entities. The increased rules and reporting have particularly impacted small rural transportation commissions, such as PCTC.

As is often the situation with smaller counties and planning agencies, staff must assume multiple responsibilities for PCTC, CSA #12, and the County. Multiple roles are necessary as a result of financial and staffing constraints. This further blurs responsibilities and requirements for each organization and results in apparent conflicts of interest, though none may exist in actuality.

PCTC and the County along with CSA#12 are intertwined with one another as would be expected in an agency of PCTC's size. Providing additional division between PCTC and CSA#12 would help in terms of established checks and balances. While PCTC serves as the Regional Transportation Planning Authority (RTPA), PCTC staff also work on CSA#12 issues, which has no staff. As CSA#12 is a claimant of TDA funds administered by the RTPA, PCTC, issues may arise in regard to the level of separation. In theory, the same person who drafts a claim on behalf of CSA#12 could be the same person to approve the claim on behalf of PCTC.

Dedicating certain staff members to work primarily on issues concerning CSA#12 or PCTC helps to build expertise on the part of the employee serving in either CSA#12 or PCTC. In addition to the added expertise, efficiency is gained as the person is more familiar with the issues of the respective organization and is therefore more quickly able to resolve issues and provide feedback.

Although no specific conflict of interest was evident, the lack of separation between CSA#12 and PCTC does not allow for the proper checks and balances to occur. This can lead to mistakes and errors that are likely to go unnoticed for long periods of time. Clear delineation of responsibilities between PCTC, the County, and CSA#12 can benefit both organizations in several ways:

- Eliminate any potential or perceived conflict of interest;
- Improve focus on the efficiency and effectiveness of transit operations;

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- Internally develop specific staff expertise in transit management and regional planning factors;
- Develop better controls through the separation of the operation and oversight functions; and
- Clear lines of responsibility and authority.

PCTC operates a small staff where employees are responsible for many different functions. PCTC staff is stretched thin. As such, PCTC may not be able to designate one staff member to concentrate solely on transit issues. However, the salient points of this recommendation and the desired separation can be achieved by ensuring that certain functions of both PCTC work and CSA#12 work are handled by different staff members.

Proposed Solution

Caltrans generally requires the RTPA and transit operator have different governing boards. With the current structure, the Plumas County Board of Supervisors is the governing board for CSA #12; however, in practice, except for the approval of capital purchases and contracts, the Board is not involved with managing the transit system. PCTC has acted as the policy board.

It is recommended that the staff member who oversees and administers the Unmet Needs Process does not deal with any transit administration functions. Furthermore, the staff member who files claims on behalf of CSA #12 should not be the same person to approve the claim on behalf of PCTC.

The recommendation is for PCTC to assess functions and provide division in cases where separation would be beneficial to either PCTC, as the Regional Transportation Planning Authority (RTPA), or to CSA #12, as the transit operator.

- PCTC is responsible for regional transportation planning and administering TDA funding and other grants. As such, it is an oversight agency.
- CSA#12 is the designated transit operator in Plumas County.

Consideration should be given to—

1. Outlining the full scope of responsibilities of PCTC, which are under PCTC's purview (this could be done in conjunction with the development of a **POLICY AND PROCEDURES MANUAL** – Recommendation 2);
2. Outlining the full scope of responsibilities of CSA# 12, which are under PCTC's purview (this could be done in conjunction with the development of a **POLICY AND PROCEDURES MANUAL** – Recommendation 2);
3. Determining if CSA #12 or another entity would be the most effective transit operator; and
4. By-laws and operational procedures for both CSA #12 and PCTC.

This recommendation should be done in coordination with recommendation #1 of the PTS Audit: **Reclassify PTS to Article 4 filing and modify contract structure to ensure County Service Area #12 maintains contract control for Plumas Transit Systems and to ensure full STA funding.**

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Table 5-1: Summary of Recommendations

	Recommendation	Responsibility	Importance	Timeframe
1	Formalize the TDA claims procedure and ensure controls are in place, including separation of the claim preparation and claim approval mechanisms and inclusion of all required processes.	Interim Executive Director and Transportation Planner	High	FY 16/17
2	Redraft the POLICY AND PROCEDURE MANUAL and organized by function to include PCTC's best practices, process descriptions, and standards for how work is expected to be performed.	Transportation Planner	Medium	FY 16/17
3	Clarify and define PCTC and its role at the RTPA, as separate from County of Plumas and CSA #12, as the transit operator.	Interim Executive Director	Medium	FY 16/17

APPENDIX A

SAMPLE TDA CLAIM FORM

**PLUMAS COUNTY TRANSPORTATION COMMISSION
SAMPLE TDA CLAIM FORM**

Please enter information in the spaces provided. Once all the data has been entered, the form may be mailed, e-mailed or faxed.

Item 1. Claimant Information

Agency Name:	Date:
Contact Person:	Fiscal Year:
Title:	This Claim is <input type="checkbox"/> Original <input type="checkbox"/> Revised
Address:	Phone:
Email:	Fax:

This claimant, qualified pursuant to Section 99203 of the Public Utilities Code, hereby requests, in accordance with Chapter 1400, Statutes of 1971, as amended and applicable rules and regulations, that an allocation be made for the purposes and in the respective amounts as described in the attached Project and Financial Plan claim form. The total amounts correspond to the allocations approved by the Plumas County Transportation Commission on _____.

CATEGORY	DOLLAR AMOUNT
a) Annual Local Transportation Funds (LTF)	
b) Annual Rural Transit Funds (RTF)	
c) Carryover Rural Transit Funds (RTF)	
d) Annual State Transit Assistance (STA) Funds	
TOTAL FUNDS BEING CLAIMED ARE:	

This claim was conditionally approved by the Plumas County Transportation Commission at a meeting on _____.

PCTC office use only

	/ /	#
--	-----	---

Robert Perrault, Interim Executive Director

Date

Claim #

Item 2. Certifications

By providing the required information and marking each applicable box below, the authorized official certifies compliance with all of the required TDA Certifications. (All claimants complete Part I; Transit Claimants complete Part II as well).

PART I.

- The proposed expenditures are in conformity with the Regional Transportation Plan (RTP) (CCR 6754(a)(1)). All maintenance projects are consistent with the RTP; any capital project is identified as follows: _____.
- A jurisdictional fund will be established for pedestrian and bicycle allocations pursuant to PUC 99233.3 (JPA's and the CTSA are exempt).
- Equivalent reduced transit fares and identification cards for senior citizens and handicapped persons are available pursuant to PUC 99155.
- Agency will program or implement services to meet all unmet transit needs per the adopted 2011 PCTC resolution *if applicable*.
- Prior to disbursement of TDA funds, the following documents will be submitted:
 1. This claim for funds will be submitted to PCTC.
 2. Safety Compliance Report/Terminal Record Update certification by the California Highway Patrol (CHP) verifying compliance with Section 1808.1 of the Vehicle Code.
 3. State Controller's report (LGFA) will be submitted to PCTC and State Controller by September 30 (or October 20 if submitted electronically).
 4. Annual statistics will be sent electronically. See Exhibit C.
 5. Three copies of a certified fiscal audit of all TDA funds received the prior fiscal year will be submitted to PCTC (by December 31 for 2nd quarter payment). Prior to submittal of the final version of the fiscal audit, the operator should provide a copy of the draft fiscal audit for PCTC review (at least one week before due date). If the operator's financial auditor is not able to meet the December 31st due date, the operator should request from PCTC an extension (up to 90 days) with a written justification for the delay submitted by December 17, 2011. The operator should inform its fiscal auditor of the need to meet the above deadlines.

PART II. ALL TRANSIT CLAIMANTS MUST ALSO COMPLETE THE FOLLOWING:

- Farebox ratio (fares/operating costs) for system is expected to exceed 10% (rural operators),
- Full use is being made of federal funds available under the Urban Mass Transportation Act for transportation purposes (CCR 6754).
- The transit system is not precluded by contract from employing part time drivers or from contracting with common carriers of persons operating under a franchise or license (CCR 6754-(b)-2).
- Compliance with CVC Section 1808.1 (*PUC 99155*) "Drivers Pull Notice Participation" Program and Section 12804.6 "Transit Bus drivers; Required Certifications and Employee Records" Program (must be within 13 months of claim submittal date).
- The transit system has an adopted Short Range Transit Plan or is part of a subregional plan.
- The transit system will not receive TDA funds (LTF plus STA) in excess of operating costs minus fare revenues (CCR 6754 (a) 4). Those funds exclude RTF capital awards.

Item 3. Annual Project and Financial Plan: Your TDA will be distributed according to this plan.

CATEGORY	ARTICLE/SECTION	
Bikeways (2%) see Exhibit A (Col. 3)	LTF Article 3, Sec. 99233.3	
Performance Audits (PCTC) (Col. 8 – for CTSA only)	LTF Article 8, Sec. 99402	
Discretionary (to be filled in):		
Fiscal and Compliance Audit (Col. 10)	LTF Article 3, Sec. 99245	
Local Public Transit System (Col. 11)	LTF Article 4, Sec. 99260	
Roads Maint./Rail/ Bikeways/ Ped. (Col. 12)	LTF Article 8, Sec. 99400(a)	
Misc. Transp. Allocations/Sr. Van Programs/ Subsidized Taxi (Col. 13)	LTF Article 8, Sec. 99400(c)	
CTSA (Col. 9, Row i)	LTF Article 4.5, Sec. 99400	
TOTAL LTF BEING CLAIMED (Should correspond to Exhibit A) (Col. 14)		
Transit (Col. 18)	STA Article 6.5, Sec. 99314 (State Apportioned)	
Transit (Co. 19)	STA Article 6.5, Sec 99313 (Discretionary/pop. Based)	
TOTAL STA BEING CLAIMED (Col. 20)		
GRAND TOTAL (LTF, RTF, CARRYOVER RTF AND STA) (Col. 21)		

Item 4. Annual Fiscal Audit: Identify actions taken to comply with the most recent fiscal audit recommendations (if applicable). If no actions were taken, describe what actions you plan to take in the first two quarters.

Item 5. Triennial Performance Audit: Identify efforts made to implement transit productivity improvements recommended in prior performance audit (transit claimants-only), mainly those follow-up actions recommended for the most recent fiscal year or actions contemplated in the upcoming fiscal year. If no near term action is contemplated, elaborate on reasons for delay or describe alternate course of action.

Item 6. Short Range Transit Plan or Sub Regional Plan: Identify progress made to date in implementing recommendations or improvements developed in the prior or most recent plan (including draft recommendations, if pending adoption). Include the actions related to operations, maintenance, capital projects, marketing, customer service, fare policy and other areas of the transit program covered by the plan. Include initiatives in coordinating improvements or consolidating functions with other providers.

Item 7. FY 20__/20__ Transit System Budget (transit claimants-only)

Date Transit System Budget Approved (mm/dd/yy) :	
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DESCRIPTION - Transit System Revenues	AMOUNT
Fund Balance	
20__/20__ TDA (LTF - from Annual Project and Financial Plan (Item 3))	
Grants – Capital Projects Operating Assistance (See Item 9)	
Passenger Fares	
Supplemental Fares	
Other revenue (describe) (state, local, deferred TDA from prior years)	
Other revenue (describe)	
Total Revenues	
Transit System Expenditures (please summarize using a few general categories)	
Total Expenditures	

Item 8. Did the 20__/20__ operating budget increase over 15% from the adopted 20__/20__ budget?

YES

NO

If the answer is yes, please provide a statement identifying and substantiating the reason or need for the increase in the transit operating budget in excess of 15% above the preceding year, and identify substantial increases or decreases in the scope of operations or capital provisions for major new service (transit claimants-only, if applicable). In the case of the County, such determination is needed by individual services.

Item 9. In the case of Federal transit grants, indicate required match ratios by grant type, identify source of matching funds and compliance with minimum match ratios. For federally funded capital projects, give status and anticipated completion timeline.



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