

FY 2019-2021 TRIENNIAL PERFORMANCE AUDIT



PLUMAS COUNTY TRANSPORTATION COMMISSION

**Adopted by the Plumas County
Transportation Commission on
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Submitted to:
Plumas County
Transportation Commission

Submitted by:

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Executive Summary

The Plumas County Transportation Commission (PCTC) retained Michael Baker International to conduct its Transportation Development Act (TDA) performance audit for fiscal years (FY) 2018–19 through 2020–21. PCTC is required by Public Utilities Code (PUC) Section 99246 to prepare and submit an audit of its performance on a triennial basis to the California Department of Transportation (Caltrans) as a condition of receiving TDA funding. TDA funds are expended for PCTC administration and planning and for distribution to local jurisdictions for non-motorized projects and operations of public transit systems.

This performance audit is intended to describe how well PCTC is meeting its administrative and planning obligations under the TDA, as well as to present a description of its organizational management and efficiency. To gather information for the TDA performance audit, Michael Baker International conducted interviews with the Executive Director, the Director of Public Works and Commission members, reviewed various documents, and evaluated PCTC's responsibilities, functions, and performance of the TDA guidelines and regulations.

The audit comprises several sections, including compliance with TDA requirements, status of implementing prior audit recommendations, and review of functional areas. Findings from each section are summarized below, followed by recommendations based on our audit procedures.

Compliance with TDA Requirements

PCTC has satisfactorily complied with the applicable state legislative mandates for RTPAs. Two additional mandates were not applicable to the Commission: the adoption of criteria, rules, and regulations for the evaluation of claims under Article 4.5 of the TDA, and the establishment of rules and regulations regarding revenue ratios for transit operators providing services in urbanized and newly urbanized areas. There are currently no Article 4.5 claimants or urbanized areas in Plumas County. The Commission has not adopted rules for the allocation of funds under Article 4.5 of the TDA statute. Although CSA #12 is the designated CTSA for the county, no claims have been submitted under Article 4.5.

The Commission's process for TDA claims is unconventional compared to general industry practice and the guidelines in the TDA statute. With PCTC essentially responsible for the budgeting of public transit, the annual budget briefing documentation developed by PCTC staff and Commission resolutions approving the allocations constitute the claims process. No other records that normally accompany a claims submittal packet is available.

Status of Prior Audit Recommendations

Of the five prior performance audit recommendations, PCTC has implemented or is currently in the process of implementing three recommendations. Those recommendations pertain to the updates of the Policies and Procedure Manual and Short-Range Transit Plan as well as the development of TDA rules for Article 3 bicycle and pedestrian funding. The recommendation

about partnering with County Public Health Agency to undertake certain PCTC functions was found no longer applicable. PCTC did not implement the recommendation to formalize the TDA claims procedure and ensure controls are in place, including separation of the claim preparation and claim approval mechanism and inclusion of all required processes. This recommendation has been forwarded in this audit for full implementation.

Functional Review

1. The issues and high-profile projects undertaken by PCTC heighten the agency's visibility in the region despite small funding shares relative to other planning agencies in the state. Project prioritization under limited funding constraints is a constant activity being worked on at PCTC.
2. PCTC is staffed by employees of the Plumas County Public Works pursuant to a Professional Services Agreement. The initial term of the agreement was from July 1, 2007, through June 30, 2017, and automatically renews effective July 1 in every subsequent year, unless terminated by either party by giving written notice two months prior to the termination date.
3. Commission staffing underwent several changes during the audit period. In December 2020, the Interim Executive Director announced his intention to resign his position and appointed the senior environmental planner in that role. Following a six-month probationary period, the new Interim Executive Director was assigned the title of Executive Director. Since this appointment, the new Executive Director has been focused on OWP development and monitoring, grant reimbursements and will eventually assume oversight of financial management task involving TDA claim and the Commission budget.
4. The OWP, developed by the Executive Director in collaboration with the TAC and the Commission, guides the annual work effort. The format of the document was developed by the former interim director and has remained consistent. The OWP is subject to federal and state oversight and approval. Each work element and expected product is clearly laid out and described, with associated funding identified for each product.
5. Michael Baker received feedback from two members of the Commission and two members of the SSTAC during the audit process. Board and SSTAC members expressed confidence in the abilities and background of PCTC staff. Overall, Commission members expressed that PCTC's administration has been professional in carrying out the mission of the agency despite a constrained fiscal environment and the challenges posed by the COVID-19 pandemic and the Dixie Fire.
6. PCTC commissioned an update of its Regional Transportation Plan (RTP) in FY 2019, which covers the planning period from 2020 through 2040. Over 250 public comments were received from an extensive public outreach process, which resulted in a well-balanced transportation plan with a multi-modal focus. The 2020 RTP Update, and the associated Initial Study/Mitigated Negative Declaration were adopted by the Commission in January 2020.

7. On an annual basis during this audit period, PCTC was responsible for managing the apportionment of between \$642,200 and \$783,606 in LTF revenues and between \$175,896 and \$261,134 in STA funds. Since the TDA claim process is conducted internally by PCTC staff, technical and managerial assistance is limited. LTF (LTF ¼ Fund) are budgeted under Fund #2029A and STA funds are budgeted under Fund #2028.
8. In an effort to go beyond the minimum requirements, PCTC conducted the unmet transit needs process during the audit period. The process includes holding an unmet transit needs public hearing, consulting with the SSTAC and prioritizing unmet needs, reading and reaffirming the definitions of unmet transit needs and reasonable to meet, and adopting a resolution certifying the unmet needs findings. PCTC indicated the challenges of maintaining the public hearing schedule due to staff resource constraints.

Recommendations

Two recommendations are provided to improve PCTC's administration and management of the TDA and its organization. Each recommendation is also described in the last chapter of this audit.

Performance Audit Recommendation	Background
1. Institute a documented TDA claims process in accordance with PUC guidelines and the recently updated Policies and Procedures Manual.	<p>This prior recommendation is carried forward in this audit for implementation. PCTC has continued to rely on informal procedures regarding the TDA claims process. Other than the annual budget briefings and Commission resolutions approving the allocations, there were no other records documenting the claims submittal process. The annual budget briefings prepared by Commission staff and resolutions approving the allocations constitute the main claims process. There were no other records documenting the claims submittal process. Following approval of the resolution, PCTC prepares instructions to the County of Plumas Auditor-Controller requesting an electronic transfer of funds from the Local Transportation Fund (LTF) holding account to the CSA #12 account monthly.</p> <p>Pursuant to PUC Section 99260(a), claims may be filed with the transportation planning agency by operators for the support of public transportation systems. Sections 6630–6632 (for LTF) and 6732–6734 (for State Transit Assistance (STA) funds) of the California Code of Regulations state that any claimant wishing to receive an allocation from a County's LTF or regional entity's STA fund shall file an annual claim with the transportation planning agency in accordance with the rules and regulations established by the transportation planning agency, pursuant to PUC Section 99261, or, in the absence of such rules and regulations, at least 90 days prior to the beginning of the fiscal year.</p>

Performance Audit Recommendation	Background
	<p>As an industry best practice for transparency and accountability in the request and distribution of TDA revenue, it is recommended that PCTC establish documented TDA claims procedures and requirements for claimants to file a claim and provide supporting materials to verify eligibility. The appendix section of the prior audit contains examples of claims documentation. Staff has expressed an interest in developing more turnkey and streamlined procedures. The ideal TDA claim policies and procedures would offer more clarity and direction to the commissioners and claimants alike. With the recent update of the Policies and Procedures Manual, TDA claims procedures could possibly be incorporated into the document from the prior audit appendix, containing relevant checklists and claim forms. Even though the Commission has managed the process on an informal basis, the Commission would benefit from having supporting documentation that would serve as a paper trail as well as provide institutional guidance for staff members involved with TDA.</p>
<p>2. Maintain on file evidence of submission of TDA fiscal and compliance audits, and TDA performance audits.</p>	<p>A cover letter typically accompanies the electronic submission of the transportation planning agency's TDA triennial performance audit to Caltrans, while email submissions for claimant fiscal audits are made to the State Controller Office. Both types of audits are transmitted via email which provides evidence of date of submittal. These emails, including performance audit cover letter, should be filed in the Commission archives. The letter certifies completion of performance audits for both the PCTC and the transit operators. Although PCTC was able to verify submission of the last performance audits to Caltrans by providing minutes from the August 19, 2019 Commission meeting and copy of an email correspondence dated December 6, 2022, the PCTC should maintain on file the letter and/or email message accompanying the audits. The same filing maintenance applies to the annual TDA financial compliance audits of the PCTC, and the operators submitted to the State Controller's Office; the email submission of the reports and/or response from the State Controller should be copied and filed.</p>

Section I

Introduction – Initial Review of PCTC Functions

The Plumas County Transportation Commission (PCTC; Commission) retained Michael Baker International to conduct its Transportation Development Act (TDA) performance audit covering the most recent triennial period, fiscal years (FY) 2018–19 through 2020–21. PCTC is required by Public Utilities Code (PUC) Section 99246 to prepare and submit an audit of its performance on a triennial basis to the California Department of Transportation (Caltrans) as a condition of receiving TDA funding.

This performance audit, as required by the TDA, is intended to describe how well PCTC is meeting its administrative and planning obligations under the TDA.

Overview of Plumas County and PCTC

Plumas County is located in northeastern California, topographically defined by the Sierra Nevada and Cascade Mountain Ranges, which are composed of heavily forested rugged terrain and river canyons. The county is bordered by Lassen and Shasta Counties to the north, Sierra County to the south, Butte and Tehama Counties to the west, and Lassen County to the east. The elevation ranges from 1,600 feet along the Feather River Canyon to more than 8,000 feet near Adams Peak in eastern Plumas County.

Major highways include State Routes (SR) 36, 70, and 89. SR 70, the main east–west arterial, connects Plumas County to US Highway 395 (and on to Reno) to the east and to the junction of SR 70 and SR 99 near Oroville to the southwest. SR 89 is the main north–south arterial, connecting Plumas County to Truckee and Interstate 80 to the south and Lassen Volcanic National Park to the north. The other important highway is SR 36, which runs east–west, providing access to Susanville and Lassen County to the northeast and Red Bluff to the northwest. All the major communities are adjacent to a major state highway.

A demographic snapshot of the county is presented in Table I-1.

Table I-1
Plumas County Demographics

City/Jurisdiction	2020 US Census Population	Change from 2010 US Census %	Population 65 Years & Older % (2020 US Census)	2020 American Community Survey	2022 DOF Population Estimates
Total Plumas County	19,790	-1.1%	27.69%	18,844	18,942
City of Portola	2,100	-0.2%	20.00%	1,755	2,042
Unincorporated Area	17,690	-1.2%	27.51%	17,089	16,900
<i>Chester</i>	2,187	+2.0%	34.43%	2,080	n/a
<i>Graeagle</i>	724	-1.8%	51.81%	552	n/a
<i>Greenville</i>	1,026	-9.1%	26.37%	785	n/a

City/Jurisdiction	2020 US Census Population	Change from 2010 US Census %	Population 65 Years & Older % (2020 US Census)	2020 American Community Survey	2022 DOF Population Estimates
Quincy (County Seat)*	4,093	-2.9%	14.30%	3,985	n/a

Source: 2020 U.S. Census; 2020 American Community Survey, 5-Year Estimates; California Department of Finance, 2022 Population Estimates

*Population data for Quincy reflects the combined census-designated data for the communities of Quincy and East Quincy.

The community of Quincy is the county seat, and the City of Portola is the county's only incorporated city. Quincy is the county's largest census-designated place with a population of 4,093 based on the 2020 Census. The county has experienced a decrease in population between the 2010 and 2020 US Censuses. Plumas County has a large senior citizen population, composed of residents aged 65 and over. Based on the 2020 Census, seniors compose 27.69 percent of the county's population. The 2022 population for Plumas County is estimated to be 18,942 as reported by the California Department of Finance, a slight decline from the 2020 Census figures. Other communities and census-designated places include Chester, Graeagle, Greenville, Lake Almanor, Lake Davis, and Taylorsville.

Plumas County was established and incorporated on March 2, 1857. The county derives its name from the Spanish term for the Feather River (*Rio de las Plumas*), which traverses the region. The local economy is dominated by education, government, manufacturing, retail and wholesale trade, and hospitality and tourism. The agricultural sector in Plumas County is very small, accounting for less than 1 percent of all jobs in the county.

In its capacity as a regional transportation planning agency (RTPA) for TDA administration, PCTC administers and allocates TDA revenues to eligible claimants, including for public transportation. PCTC's total audited TDA allocations for administration and plans/programs during the fiscal years addressed by this audit were \$191,070 (\$204,464 budgeted) in FY 2018–19, \$0 (\$102,988 budgeted) in FY 2019–20, and \$131,163 (\$129,288 budgeted) in FY 2020–21.¹

Role and Structure of PCTC

PCTC is one of 43 RTPAs in California, created pursuant to Section 29532 of the California Government Code. The principal purpose of RTPAs in rural areas is to:

- Prepare and adopt planning and programming documents required by law, and
- Allocate funds and administer various funding programs that involve cities, counties, and transit operators.

Specific to its role, PCTC was created pursuant to Title 3, Division 3, Chapter 2 of California Government Code Section 29535. The mission of PCTC is to prepare, plan, and fund transportation programs for the citizens of Plumas County. As a Local Transportation Commission serving a rural area, PCTC is limited to dealing only with transportation planning issues. It is responsible for the planning and programming of transportation-related funding and projects

¹ Actual Amounts, Budgetary Comparison Schedule – LTF ¼% Fund – Audited Financial Statements

including the Regional Transportation Plan (RTP) and the Regional Transportation Improvement Program (RTIP) required by state and federal law. In addition, PCTC guides the following:

- Approval of the allocation of and claims for TDA funds;
- Provision for the distribution and oversight of Local Transportation Fund (LTF) monies;
- Preparation and submission of applications for transportation-related funds;
- Preparation of the annual Overall Work Program (OWP) and OWP progress reports;
- Intergovernmental review and comment on other Caltrans Highway Planning Projects; and
- Encouragement of active citizen participation in the development and implementation of various transportation-related plans and programs.

The Commission is staffed and administered by County of Plumas Public Works staff pursuant to a professional services agreement. PCTC coordinates activities with the County Planning Department, Native American tribal governments, and state and local government entities. The interim executive director and the assistant director provide support to the Commission as well as to the advisory and standing committees as described below.

PCTC – Commission: As the principal governing body, the Commission is composed of six members: three Plumas County supervisors and three City of Portola city council members. The Commission meets the third Monday of the month at 1:30 p.m. in the Plumas County Public Works Conference Room, as necessary.

Technical Advisory Committee (TAC): The TAC is composed of planning and public works representatives from the County of Plumas and the City of Portola. In addition, there are representatives from Caltrans, District 2 Office of Community and Regional Planning and local Native American tribal governments. The purpose of the TAC is to review the technical merits of various issues and projects as well as to coordinate the plans and development of regional transportation improvement programs of projects, transportation planning programs, and transportation funding programs. The TAC generally meets after regular Commission meetings or on an as-needed basis.

Social Services Transportation Advisory Council (SSTAC): The SSTAC is PCTC’s only standing committee statutorily (PUC Section 99238) created to serve a broad representation of seniors, persons with disabilities, persons of limited means, social service agencies, and the transit dependent. The SSTAC is composed of the following representation:

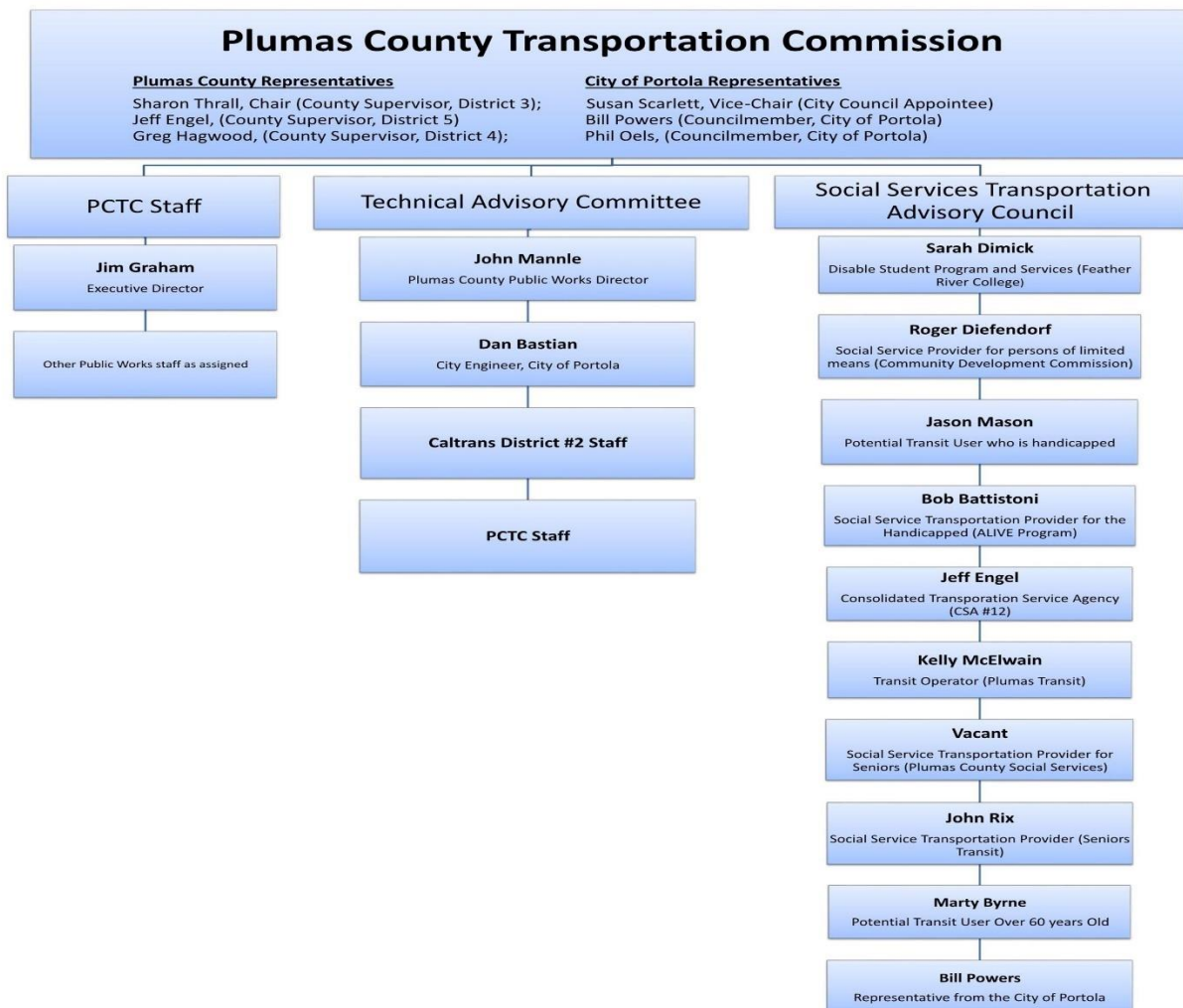
- A representative of potential transit users who are disabled;
- A representative of the Consolidated Transportation Services Agency (CTSA) (CSA #12);
- A representative of the local social services transportation provider for seniors;
- A representative of a local transit operator;
- A representative of a social service transportation provider;

- A representative of a social services transportation provider for persons who are disabled;
- A representative of a social services provider for persons who are disabled;
- A representative of potential transit users who are 60 years of age or older;
- A representative of the local social services provider for people of limited means; and
- A representative from the City of Portola.

The council's three tenets are to participate in the identification of transit needs; to participate in the unmet transit needs process; and to advise the Commission on any major transit issues, including the coordination and consolidation of specialized transportation services. The SSTAC meets on an as-needed basis.

An organization flow chart of PCTC and its member agencies and committees are shown in Figure I-1.

Figure I-1
PCTC Organizational Chart



Source: PCTC

Transit Operator Oversight

PCTC approves TDA funds for County Service Area #12 (CSA #12), a special service district formed in June 1982, and governed by the Plumas County Board of Supervisors. CSA #12 administers the two public transportation services in the county: Plumas Transit Systems and Plumas Seniors Transportation.

Plumas Transit Systems operates three deviated fixed routes within the county. Route deviations are available within 0.75-mile of the regularly scheduled route for persons with disabilities who are unable to access designated stops. The transit system operates Monday through Friday from 6:05 a.m. to 9:15 p.m. and as late as 9:50 p.m. when Feather River College is in session from late August to late May. In addition, Plumas Transit Systems offers interline connections between its routes and routes operated by Lassen Rural Bus and Sage Stage to neighboring counties. Plumas Transit Systems is operated under contract by Plumas Rural Services, a local nonprofit social services agency headquartered in Quincy.

Plumas Seniors Transportation is composed of demand-response transportation services available to seniors for non-emergency medical appointments, trips to nutrition centers, and local shopping. Transportation services operate five days a week (Monday through Friday) between the hours of 8:00 a.m. and 11:00 a.m. and between the hours of 1:00 p.m. and 4:00 p.m. Homebound meal delivery takes place between the hours of 11:00 a.m. and 1:00 p.m. Service is available on occasional Saturdays. Plumas Seniors Transportation is provided through the Plumas County Public Health Agency as part of its Senior Nutrition and Transportation outreach.

Audit Methodology

To gather information for this performance audit, Michael Baker International accomplished the following activities:

Document Review: Conducted an extensive review of documents including various PCTC files and internal reports, committee agendas, and public documents.

Interviews: Interviewed PCTC's Executive Director, Director of Public Works, commissioners, and SSTAC members to gain their perspectives about the agency's efficiency and economy.

Analysis: Evaluated responses from the interviews and reviewed documents about PCTC's responsibilities, functions, and performance under TDA guidelines and regulations.

All the activities described above were intended to provide Michael Baker with the information necessary to assess PCTC's efficiency and effectiveness in two key areas:

- Compliance with state TDA requirements
- Organizational management and efficiency

The remainder of this report is divided into four chapters. In Section II, Michael Baker International reviews the compliance requirements of the TDA administrative process. Section III describes PCTC's responses to the recommendations included in the previous performance audit. In Section IV, we provide a detailed review of PCTC's functions, while Section V summarizes our findings and recommendations.

Section II

PCTC Compliance Requirements

Fourteen key compliance requirements are suggested in the *Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Entities*, which was developed by Caltrans. Our findings concerning PCTC's compliance with state legislative requirements are summarized in Table II-1.

TABLE II-1 PCTC Compliance Requirements Matrix		
Compliance Requirement	Reference	Compliance Effort
All transportation operators and city or county governments which have responsibility for serving a given area, in total, claim no more than those Local Transportation Fund (LTF) monies apportioned to that area.	Public Utilities Code, Section 99231	<p>PCTC accounts for its claimants' apportionment through the budgeting process and has not allowed those claimants more than what is apportioned for their areas.</p> <p>After allocations for PCTC administration and planning, the Commission annually adopts a resolution approving each LTF allocation.</p> <p>Conclusion: Complied</p>
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.	Public Utilities Code, Sections 99233.3 and 99234	<p>PCTC has formally adopted rules and regulations for delineating procedures for the submission of claims for facilities provided for the exclusive use of pedestrian and bicycle projects under Article 3.</p> <p>Based upon the annual Overall Work Program and Budget Briefing, PCTC has historically funded pedestrian and bicycle projects and studies through the</p>

TABLE II-1 PCTC Compliance Requirements Matrix		
Compliance Requirement	Reference	Compliance Effort
		<p>Rural Planning Assistance program.</p> <p>At its May 17, 2021 meeting, the Commission approved of placing Article 3 funds in reserve and matching with other funds as needed. This would be in accordance with the Plumas County Active Transportation Program – Pedestrian/Bicycle Plan, which includes safe routes to school projects, sidewalk gap closure and other safety improvement projects.</p> <p>In addition, the recent development of the PCTC Policies and Procedures Manual contains a section on the submittal of bicycle and pedestrian claims under Article 3. The final draft of the Policies and Procedures Manual was provided to PCTC on February 13, 2023 for review and comment.</p> <p>Conclusion: Complied</p>
The RTPA has established a social services transportation advisory council. The RTPAs must ensure that there is a citizen participation process which includes at least an annual public hearing.	Public Utilities Code, Sections 99238 and 99238.5	The role of the SSTAC is to aid the Commission in its review of transit issues, with an emphasis on the annual identification of transit needs in Plumas County. The SSTAC meets as needed and participates on several issues, including an annual public hearing to ensure citizen participation in the transit

TABLE II-1 PCTC Compliance Requirements Matrix		
Compliance Requirement	Reference	Compliance Effort
		<p>process and coordination of specialized transportation services.</p> <p>The SSTAC membership conforms to the stakeholder categories pursuant to PUC Section 99238, including geographic representation (City of Portola).</p> <p>Conclusion: Complied</p>
<p>The RTPA has annually identified, analyzed, and recommended potential productivity improvements which could lower the operating costs of those operators which operate at least 50 percent of their vehicle service miles within the RTPA's jurisdiction. Recommendations include, but are not limited to, those made in the performance audit.</p> <ul style="list-style-type: none"> • A committee for the purpose of providing advice on productivity improvements may be formed. • The operator has made a reasonable effort to implement improvements recommended by the RTPA, as determined by the RTPA, or else the 	Public Utilities Code, Section 99244	<p>Transit performance data is provided to PCTC through CSA #12, which administers public transit operations in Plumas County.</p> <p>PCTC has not established a separate committee for the purpose of providing advice on productivity improvements (e.g., transit operators committee); however, the SSTAC fulfills that function. The SSTAC has been consulted on matters such as bus stop amenities and relocation, transit interline coordination with Lassen County bus services, and route modifications. The SSTAC has also been convened to discuss marketing strategies for the transit services such as for the weekly Reno trip.</p> <p>PCTC adopted the 2021 Coordinated Public Transit – Human Services Transportation</p>

TABLE II-1 PCTC Compliance Requirements Matrix		
Compliance Requirement	Reference	Compliance Effort
operator has not received an allocation which exceeds its prior year allocation.		<p>Plan for Plumas County in May 2021. The Coordinated Plan is intended to meet coordinated-planning requirements as well as provide the PCTC and its partners a “blueprint” for implementing a range of strategies intended to promote and advance local efforts to improve transportation for persons with disabilities, older adults, and persons with low incomes.</p> <p>PCTC commissions short-range transit plans such as the <i>2015 Plumas County Short Range Transit Plan</i>. The plan reviews the transit needs of the region and the cost-effectiveness of existing routes and services. An update to the SRTP was initiated in November 2021. Per the PCTC, the SRTP update is nearing completion with public outreach focused on proposed service alternatives. It is anticipated that the SSTAC and PCTC should have a draft to review within the first quarter of 2023.</p> <p>The triennial performance audits of transit operators also serve as productivity improvement documents.</p> <p>Conclusion: Complied</p>

TABLE II-1 PCTC Compliance Requirements Matrix		
Compliance Requirement	Reference	Compliance Effort
<p>The RTPA has ensured that all claimants to whom it allocates Transportation Development Act (TDA) funds submits to it and to the State Controller an annual certified fiscal and compliance audit within 180 days after the end of the fiscal year (December 27). The RTPA may grant an extension of up to 90 days as it deems necessary (March 26).</p>	<p>Public Utilities Code, Section 99245</p>	<p>PCTC maintains records of all TDA claimant submissions of annual certified fiscal and compliance audits. The firm of Vasquez & Company, LLP was retained to conduct the fiscal audit for the triennial period.</p> <p>The completion dates were:</p> <p>FY 2019: March 31, 2020 FY 2020: April 23, 2021 FY 2021: February 23, 2023</p> <p>PCTC also maintains fiscal and accounting records and supporting papers for at least four years following fiscal year close.</p> <p>Conclusion: Partial Compliance</p>
<p>The RTPA has designated an independent entity to conduct a performance audit of operators and itself (for the current and previous triennium). 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 TDA monies 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</p>	<p>Public Utilities Code, Sections 99246 and 99248</p>	<p>For the current three-year period, PCTC has retained an independent entity, Michael Baker International, to conduct the audit of PCTC.</p> <p>Michael Baker was retained to conduct the previous audit for the three fiscal years that ended June 30, 2018.</p> <p>Conclusion: Complied</p>

TABLE II-1 PCTC Compliance Requirements Matrix		
Compliance Requirement	Reference	Compliance Effort
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.		
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.	Public Utilities Code, Section 99246(c)	<p>Submission of the performance audits ending FY 2018 was verified by the PCTC providing minutes of the August 19, 2019 Commission meeting approving the submittal of the audits to Caltrans.</p> <p>In addition, a copy of the email correspondence submitted to the Caltrans Division of Mass Transportation certifying completion of the performance audits from the previous triennium was provided to the auditor as evidence of compliance. The correspondence was dated December 6, 2022.</p> <p>Conclusion: Complied, although a cover letter typically accompanies the submission of the transportation planning agency's TDA triennial performance audits to Caltrans. The letter drafted by the agency indicates the completion of all required performance audits, including for both PCTC and the transit operators.</p>

TABLE II-1 PCTC Compliance Requirements Matrix		
Compliance Requirement	Reference	Compliance Effort
The performance audit of the operator providing public 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 the contracting with common carriers of persons operating under a franchise or license to provide services during peak hours, as defined in subdivision (a) of Section 99260.2.	Public Utilities Code, Section 99246(d)	<p>PCTC commissions a performance audit of the transit operator providing service in its jurisdiction, which includes all required TDA performance measures plus additional indicators to further assess the operator's efficiency, effectiveness, and economy with the use of TDA funds.</p> <p>Conclusion: Complied</p>
The RTPA has established rules and regulations regarding revenue ratios for transportation operators providing services in urbanized and new urbanized areas.	Public Utilities Code, Sections 99270.1 and 99270.2	<p>The transit service in Plumas County operates in a nonurbanized area.</p> <p>Conclusion: Not applicable</p>
The RTPA has adopted criteria, rules, and regulations for the evaluation of claims under Article 4.5 of the TDA and the determination of the	Public Utilities Code, Section 99275.5	PCTC has not established criteria, rules, and regulations for the evaluation of claims filed under Article 4.5 of the TDA and the determination of the cost-

TABLE II-1 PCTC Compliance Requirements Matrix		
Compliance Requirement	Reference	Compliance Effort
cost-effectiveness of the proposed community transit services.		effectiveness of the community transit services provided. CSA #12 is the designated CTSA for Plumas County. Conclusion: Not Applicable
State transit assistance funds received by the RTPA are allocated only for transportation planning and mass transportation purposes.	Public Utilities Code, Sections 99310.5 and 99313.3	PCTC allocates State Transit Assistance (STA) funds under Fund #2028 for transit operations and capital pursuant to state statutes. Conclusion: Complied
The amount received pursuant to Public Utilities Code, Section 99314.3 by each RTPA for state transit assistance is allocated to the operators in the area of its jurisdiction as allocated by the State Controller's Office.	Public Utilities Code, Section 99314.3	PCTC administers STA and SB 1 State of Good Repair funds in accordance with the relevant PUC requirements (i.e., on the basis of population and operator revenues). Conclusion: Complied
If TDA funds are allocated to purposes not directly related to public or specialized transportation services, or facilities for exclusive use of pedestrians and bicycles, the transit planning agency has annually: <ul style="list-style-type: none"> Consulted with the Social Services Transportation Advisory Council (SSTAC) established pursuant to Public Utilities Code Section 99238; 	Public Utilities Code, Section 99401.5	PCTC allocates TDA funds apportioned to Plumas County to purposes directly related to public and/or specialized transportation services. Given that all TDA funding is allocated to the aforementioned purposes, PCTC holds at least one annual public hearing under statute for the purpose of soliciting comments on any unmet transit needs that may exist.

TABLE II-1 PCTC Compliance Requirements Matrix		
Compliance Requirement	Reference	Compliance Effort
<ul style="list-style-type: none"> Identified transit needs, including: <ul style="list-style-type: none"> ✓ Groups that are transit-dependent or transit-disadvantaged; ✓ Adequacy of existing transit services to meet the needs of groups identified; and ✓ Analysis of potential alternatives to provide transportation alternatives. Adopted or reaffirmed definitions of "unmet transit needs" and "reasonable to meet"; Identified the unmet transit needs and those needs that are reasonable to meet; Adopted a finding that there are no unmet transit needs, that there are no unmet needs that are reasonable to meet, or that there are unmet transit needs including needs that are reasonable to meet. <p>If a finding is adopted that there are unmet transit needs, these needs must have been funded before an</p>		<p>The definitions of “unmet transit needs” and “reasonable to meet” were adopted in March 2014 pursuant to Resolution 14-5. The SSTAC reviews any public comments and requests received. A determination is made, and the findings reaffirmed through a resolution by the Commission.</p> <p>Conclusion: Complied, although PCTC is not required to undertake the formal unmet transit needs process described in this compliance measure because no LTF is allocated for street and road purposes.</p>

TABLE II-1 PCTC Compliance Requirements Matrix		
Compliance Requirement	Reference	Compliance Effort
allocation was made for streets and roads.		
The RTPA has caused an audit of its accounts and records to be performed for each fiscal year by the county auditor, or a certified public accountant. The RTPA must transmit the resulting audit report to the State Controller within 12 months of the end of each fiscal year and must be performed in accordance with the Basic Audit Program and Report Guidelines for California Special Districts prescribed by the State Controller. The audit shall include a determination of compliance with the TDA and accompanying rules and regulations. Financial statements may not commingle with other revenues or funds. The RTPA must maintain fiscal and accounting records and supporting papers for at least four years following fiscal year close.	California Administrative Code, Section 6662	<p>PCTC has had an audit of its accounts and records performed for each fiscal year by a certified public accountant. The firm of Vasquez & Company, LLP was retained to conduct the fiscal audit for the triennial period.</p> <p>The completion dates were:</p> <p>FY 2019: March 31, 2020 FY 2020: April 23, 2021 FY 2021: February 23, 2023</p> <p>PCTC also maintains fiscal and accounting records and supporting papers for at least four years following fiscal year close.</p> <p>Conclusion: Partial Compliance</p>

Findings from PCTC Compliance Requirements Matrix

PCTC has satisfactorily complied with the applicable state legislative mandates for RTPAs. Two additional mandates were not applicable to the Commission: the adoption of criteria, rules, and regulations for the evaluation of claims under Article 4.5 of the TDA, and the establishment of rules and regulations regarding revenue ratios for transit operators providing services in urbanized and newly urbanized areas. There are currently no Article 4.5 claimants or urbanized areas in Plumas County. The Commission has not adopted rules for the allocation of funds under Article 4.5 of the TDA statute. Although CSA #12 is the designated CTSA for the county, no claims have been submitted under Article 4.5.

The Commission's process for TDA claims is unconventional compared to general industry practice and the guidelines in the TDA statute. With PCTC essentially responsible for the budgeting of public transit, the annual budget briefing documentation developed by PCTC staff and Commission resolutions approving the allocations constitute the claims process. No other records that normally accompany a claims submittal packet is available.

A cover letter typically accompanies the submission of the transportation planning agency's TDA triennial performance audits to Caltrans. The letter drafted by the agency indicates the completion of all required performance audits, including for both PCTC and the transit operators. Although PCTC was able to verify submission of the last performance audits to Caltrans by providing minutes from the August 19, 2019 Commission meeting and copy of an email correspondence dated December 6, 2022, the PCTC should maintain on file the letter and/or email message accompanying the audits. The same filing maintenance applies to the annual TDA financial compliance audits of PCTC, and the operators submitted to the State Controller's Office; the email submission of the reports and/or response from the State Controller should be copied and filed.

An additional compliance measure speaks to the unmet transit needs process if LTF revenue is allocated for streets and roads. As described in further detail in the functional review chapter of this performance audit, PCTC is not required to conduct an unmet transit needs process pursuant to PUC Section 99401.5 as no LTF revenue is allocated for streets and roads. However, to ensure all mandates are met, PCTC has undertaken the process each year during the audit period. PCTC holds at least one public hearing annually and consults with the SSTAC for the purpose of soliciting comments and prioritizing unmet needs.

In lieu of Article 3 claims, PCTC has historically funded pedestrian and bicycle projects and studies using Rural Planning Assistance as budgeted in the annual Overall Work Program and Budget Briefing. However, the Commission approved of placing Article 3 funds in reserve and matching with other funds as needed during its May 17, 2021 meeting. This would be in accordance with the Plumas County Active Transportation Program – Pedestrian/Bicycle Plan, which includes safe routes to school projects, sidewalk gap closure and other safety improvement projects. In addition, the recent development of the PCTC Policies and Procedures Manual contains a section on the submittal of bicycle and pedestrian claims under Article 3.

Section III

Responses to Prior Triennial Performance Audit Recommendations

This section describes the Commission’s response to the recommendations included in the prior triennial performance audit. For this purpose, each prior recommendation is described, followed by a discussion of PCTC’s efforts to implement the recommendation. Conclusions concerning the extent to which the recommendations have been adopted by the agency are then presented.

Prior Recommendation 1

Institute a documented TDA claims process in accordance with PUC guidelines.

Background: This prior recommendation was carried forward. PCTC conducts the TDA claims and allocation process using more informal procedures than the guidance in the TDA statute. The annual budget briefings prepared by Commission staff and resolutions approving the allocations constitute the main claims process. There were no other records documenting the claims submittal process. Following approval of the resolution, PCTC prepares instructions to the County of Plumas Auditor-Controller requesting an electronic transfer of funds from the Local Transportation Fund (LTF) holding account to the CSA #12 account monthly.

Pursuant to PUC Section 99260(a), claims may be filed with the transportation planning agency by operators for the support of public transportation systems. Sections 6630–6632 (for LTF) and 6732–6734 (for State Transit Assistance (STA) funds) of the California Code of Regulations state that any claimant wishing to receive an allocation from a County’s LTF or regional entity’s STA fund shall file an annual claim with the transportation planning agency in accordance with the rules and regulations established by the transportation planning agency, pursuant to PUC Section 99261, or, in the absence of such rules and regulations, at least 90 days prior to the beginning of the fiscal year.

As an industry best practice for transparency and accountability in the request and distribution of TDA revenue, it is recommended that PCTC establish documented TDA claims procedures and requirements for claimants to file a claim and provide supporting materials to verify eligibility. Even though the Commission has managed the process on a more informal basis, the Commission would benefit from having supporting documentation on the allocation request. The claim provides a “paper trail” and serves as the primary communications vehicle between the claimant and the transportation planning agency on the claims process. The claim provides a clearer separation between the claimant (CSA #12) and PCTC serving as the RTPA while also providing institutional guidance for Commission staff involved with TDA administration. In addition, a TDA claim form provides a means to identify and recommend productivity improvements and enables PCTC to monitor the performance of Plumas Transit Systems and Plumas Seniors Transportation as part of its fiduciary duty and role as the RTPA. The appendix section of this audit contains examples of claims documentation.

Actions taken by PCTC:

PCTC has continued to rely on informal procedures regarding the TDA claims process. Other than the annual budget briefings and Commission resolutions approving the allocations, there were no other records documenting the claims submittal process. Staff has expressed an interest in developing more turnkey and streamlined procedures. The ideal TDA claim policies and procedures would offer more clarity and direction to the commissioners and claimants alike. With the recent update of the Policies and Procedures Manual, TDA claims procedures could possibly be incorporated into the document, containing relevant checklists and claim forms. Even though the Commission has managed the process on an informal basis, the Commission would benefit from having supporting documentation that would serve as a paper trail as well as provide institutional guidance for staff members involved with TDA.

Conclusion

This recommendation has not been implemented and is carried forward in this audit for full implementation.

Prior Recommendation 2

Complete update to the Policies and Procedures Manual.

Background: The Policies and Procedure Manual has continued to be a work in progress with staff seeing its potential as a legacy document. The manual is included as a work element in the annual OWP (Work Element 605). The Commission assigned part-time staff to the task and a draft of the manual was planned to be placed on the Commission's agenda in FY 2014-15. However, the loss of two additional staff members in the Public Works Department in 2014 required that the effort be postponed until FY 2017-18. Once complete, the manual will address the administrative and organizational protocols engaged by the Commission to further its role in the planning and funding of transportation projects in Plumas County. The California Special Districts Association has a sample document library with templates (<https://www.csda.net/member-resources/knowledge-base/sample-documents>) that the Commission could use in finalizing the manual. A Policies and Procedures Manual could also include documented guidance for TDA fund administration and claims distribution as well as describing the processes undertaken to ensure the proper sequence of actions and the eligibility requirements for the claimants. Other small RTPAs have used this type of manual to insert their TDA policies.

Actions taken by PCTC:

An update to the Policies and Procedure Manual was initiated in August 2021 with the retention of a consultant. The contract term of the manual update was extended to ensure sufficient communications and meetings with PCTC staff to review the manual template and agency policies and procedures. In addition, it was anticipated that the manual would reflect the findings

and recommendations contained in this performance audit as well as the proposed changes by Caltrans in a legislative report concerning the triennial performance audit process by the end of 2021. In addition, the recently enacted Federal Bipartisan Infrastructure Law provides additional transportation funding. Aspects of the funding programs, policies and procedures have informed the manual's development. TDA claimant procedures have also been updated and reflect recent changes in the TDA statute.

The final draft of the Policies and Procedures Manual was provided to PCTC on February 13, 2023 for review and comment.

Conclusion

This recommendation has been implemented and the draft manual is currently under review by the PCTC.

Prior Recommendation 3

Consider development of TDA rules for Article 3 bicycle and pedestrian funding.

Background: The TDA has eligible funding programs not only for transit, but for bicycle and pedestrian projects. An eligible use of LTF within the TDA revenue program at PCTC's discretion is for bicycle and pedestrian projects under TDA Article 3. This off-the-top apportionment is limited to 2 percent of LTF and includes capital projects as well as bicycle and pedestrian safety education programs (up to 5 percent of the 2 percent allocation found under Article 3 [PUC Section 99234(a)]).

It was suggested that PCTC consider developing rules and regulations for possible use of LTF for bicycle/pedestrian projects including method of apportionment and whether these projects are linked to transit. The Commission would have a level of flexibility and oversight in working with CSA #12 and the local jurisdictions in funding both local and regional projects and providing matching funds. An example of how the funds could be allocated include by population, call for projects, rotating use of the fund, and/or building a reserve balance for use for regionally significant projects. A method to allocate nonmotorized funding from the TDA should be considered and implemented to further the goals and objectives of the RTP update regarding public transit access and Plumas County – ATP Pedestrian/Bicycle Plan.

Actions taken by PCTC:

As was noted in the compliance section findings, PCTC has historically funded pedestrian and bicycle projects and studies using Rural Planning Assistance as budgeted in the annual Overall Work Program and Budget Briefing in lieu of Article 3. PCTC acknowledged the necessity to allocate and maintain a reserve that could provide a match with other funds, if needed. The Commission approved of placing Article 3 funds in reserve and matching with other funds as needed during its May 17, 2021 meeting. This would be in accordance with the Plumas County

Active Transportation Program – Pedestrian/Bicycle Plan, which includes safe routes to school projects, sidewalk gap closure and other safety improvement projects. In addition, the recent development of the PCTC Policies and Procedures Manual contains a section on the submittal of bicycle and pedestrian claims under Article 3.

Conclusion

This recommendation is currently being implemented and guidance has been included in Policies and Procedures Manual currently under review.

Prior Recommendation 4

Schedule an update to the Plumas County Short-Range Transit Plan.

Background: The 2015 Plumas County SRTP was adopted in March 2015. In the past year, PCTC adopted an administrative modification and commissioned an update to the RTP. The SRTPs, on the other hand, are implementation documents that provide system-wide goals consistent with the RTP, primary route-level data, and recommended service adjustments to boost ridership. In general, SRTPs are updated every five years that account for ridership trends and financial assessment. There have been significant changes regarding the federal and state discretionary and formula grant programs that support transit that should be updated in the plan. As vehicle fleets approach their useful life, it is also essential to develop a fleet replacement plan in the SRTP that addresses state mandates for cleaner fuels and zero emission vehicles. Planning grant funding is needed for these updates. The TDA and State SB1 Caltrans grants are possible sources of planning funds that PCTC could use for the update.

Actions taken by PCTC:

The anticipated SRTP update has been identified and budgeted in the PCTC's Overall Work Program (OWP). The preparation of the SRTP update has been delayed due to the COVID-19 pandemic. It was anticipated that the update would resume towards the end of calendar year 2021 or when transit ridership starts to rebound from the sharp decline due to the pandemic. PCTC retained a consultant and the SRTP update kick-off took place on November 10, 2021, as part of the meeting with the SSTAC. Transit needs were briefly discussed as well as ideas for reaching out to the community during the unmet transit needs process. In addition, PCTC staff has been gathering data requested by the consultant.

A deficiency identified in the 2015 SRTP was the lack of review and analysis of Seniors Transportation regarding the portion of their operation that qualifies as public transit. The goal of the 2022 SRTP update will be to include both PTS and Senior Transportation in the analysis. Based on the Work Element for this task in the OWP, the following is a list of projected objectives anticipated to be achieved through development of SRTP update:

- Identify potential transit challenges and service gaps with existing transit services;

- Identify and address growing transit demand through solicitation of community input;
- Conduct community workshops and meetings with project stakeholders and PCTC staff;
- Identify funding sources for future service enhancement as well as capital improvements; and
- Provide practical recommendations to enhance the existing service.

Per the PCTC, the SRTP update is nearing completion with public outreach focused on proposed service alternatives. It is anticipated that the SSTAC and PCTC should have a draft to review within the first quarter of 2023.

Conclusion

This recommendation is in the process of implementation.

Prior Recommendation 5

Partner with County Public Health Agency to undertake certain PCTC functions.

Background: The Commission has proven adept at administering its work program with limited staffing resources. Staff wear many hats in addressing the pressing transportation infrastructure needs of Plumas County. This results in a significant stretch of staffing for administrative and planning responsibilities of the Commission. For example, the completion of the Policies and Procedures Manual has been on backlog. Other TDA requirements for PCTC such as working with the SSTAC and addressing specialized transit needs are additional responsibilities.

The Public Health Agency Senior Services Program engages with needs of seniors and disabled. As a recipient of TDA funding and operator of Plumas Seniors Transportation, staff in this health department are on the front line of the issues. With these resources available, PCTC should engage in innovative partnership such as working with the health agency to undertake certain RTPA functions related to specialized transit such as coordination of SSTAC meetings and mobility management. This has proven beneficial in other counties where the SSTAC is administered by a transit provider in partnership with the RTPA and also serves as an advisory group to the transit agency. SSTAC related functions are a part of TDA administrative obligations and can be funded “off the top” under PUC 99233.1. PCTC and Public Health can develop an agreement to exchange this funding for SSTAC administration and mobility management assistance.

In addition to SSTAC responsibility, enhanced transit monitoring and grant funding pursuits could also benefit from additional staff. The County Public Health Agency Senior Services department has expressed interest in an extra staff person who could pursue state and federal grant support opportunities, among other related responsibilities for Plumas Senior Transportation. Considering the County’s fiscal constraints, one potential solution would be for the Commission to issue a hiring requisition for an administrative staff person whose time would be split and paid for between the Commission and the Public Health Agency’s Seniors Transportation program to work on transportation projects. This would enable each agency to address a backlog of transit

projects benefitting both agencies and transit service in general while not having to support a full-time employee. Cost sharing for a part time position is also an option based upon needs of both agencies.

Actions taken by PCTC:

The staffing for the Public Health Agency and PCTC is provided through the County of Plumas. The County's personnel requisition policies generally do not allow for joint hiring between departments. Current job openings are posted on the County's website ([Job Postings • Plumas County • CivicEngage](#)) and job classifications are specific to the department that has submitted the requisition. One solution would be for the Public Health Agency to submit a requisition for a part-time or extra help position that would be focused on transit and grants monitoring.

Conclusion

This recommendation has not been implemented and is no longer applicable.

Section IV

Detailed Review of PCTC Functions

This section provides a detailed assessment of PCTC's functions and performance as an RTPA during this audit period. Adapted from Caltrans' *Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Entities*, PCTC's activities can be divided into the following activities:

- Administration and Management
- Transportation Planning and Programming
- TDA Claimant Relationships and Oversight
- Marketing and Transportation Alternatives
- Grant Applications and Management

Administration and Management

This section discusses the overall administration of PCTC's functions, which include general administration, internal planning and achievements including the Overall Work Program, and interviews with commissioners and committee members.

General Administration

The purpose of PCTC is to serve as the lead planning and administrative agency for transportation projects and funding programs in Plumas County. Its constituent members are the County of Plumas and the City of Portola. PCTC's mission statement as stated on its web page encapsulates its purpose:

Transportation planning is the mission of the Plumas County Transportation Commission (PCTC). The PCTC works to plan, communicate and coordinate with the citizens and decision makers of Plumas County, Portola and Caltrans to create a balanced regional transportation system.

The Commission is governed by its enabling legislation and the bylaws that were adopted on February 20, 1973. The bylaws have been amended 13 times with the last amendment adopted in June 2011. PCTC is staffed by employees of the Plumas County Public Works pursuant to a Professional Services Agreement. The initial term of the agreement was from July 1, 2007, through June 30, 2017, and automatically renews effective July 1 in every subsequent year, unless terminated by either party by giving written notice two months prior to the termination date.

Commission staffing underwent several changes during the audit period. Five staff members have supported the Commission: Interim Executive Director of PCTC, Assistant Director of Public Works, Senior Environmental Planner of Public Works, a Fiscal Technician of the Engineering Department and the Recording Secretary. The Assistant Director of Public Works was promoted to Public Works Director in October 2021.

The Assistant Director was tasked with the development of the Commission's annual budget briefing and Overall Work Program (OWP). The senior environmental planner was tasked with writing technical reports and grant applications. Consultants are retained to conduct technical studies as needed to further transportation investments in the county.

In December 2020, the Interim Executive Director announced his intention to resign his position and appointed the senior environmental planner in that role. Following a six-month probationary period, the new Interim Executive Director was assigned the title of Executive Director. Since this appointment, the new Executive Director has been focused on OWP development and monitoring, grant reimbursements and will eventually assume oversight of financial management task involving TDA claim and the Commission budget.

As Public Works employees, Commission staff are subject to the County's personnel rules, which were adopted in February 2000. The personnel rules detail the County's job classifications, application procedure, performance evaluation, leave policy, benefits and allowances, and code of conduct. The Commission is also subject to the County's procurement policy.

As mentioned in the prior recommendation section, the Commission continues development of its Policies and Procedure Manual. Limited staffing resources have slowed the progress of this essential document. Once complete, the manual will address the administrative and organizational protocols engaged by the Commission to further its role in the planning and funding of transportation projects in Plumas County.

An update to the Policies and Procedure Manual was initiated in August 2021 with the retention of a consultant. The contract term of the manual update was extended to ensure sufficient communications and meetings with PCTC staff to review the manual template and agency policies and procedures. In addition, it was anticipated that the manual would reflect the findings and recommendations contained in this performance audit as well as the proposed changes by Caltrans in a legislative report concerning the triennial performance audit process by the end of 2021. In addition, the recently enacted Federal Bipartisan Infrastructure Law provides additional transportation funding. Aspects of the funding programs, policies and procedures have informed the manual's development. TDA claimant procedures have also been updated and reflect recent changes in the TDA statute. The final draft of the Policies and Procedures Manual was provided to PCTC on February 13, 2023 for review and comment.

Overall Work Program and Budget Briefing

The OWP, developed by the Executive Director in collaboration with the TAC and the Commission, guides the annual work effort. The format of the document was developed by the former interim director and has remained consistent. The OWP is subject to federal and state oversight and approval. The plans and projects contained in each OWP vary slightly from year to year and are tied to factors including state and federal compliance, funding availability, and significant regional transportation issues. Each work element and expected product is clearly laid out and described, with associated funding identified for each product. Amendments to the OWP are generated by PCTC as conditions change over the year and a resolution is adopted by the Commission prior to submittal to Caltrans District 2. Each of the final OWPs during the audit period contained the following nine work elements covering topics that are the responsibility of PCTC as shown in Table IV-1:

**Table IV-1
OWP Work Elements**

Work Element Number	Work Element Description	Fiscal Years
601	Regional Transportation Planning	FY 2018-19; FY 2019-20; FY 2020-21
602	Transportation Systems Planning	FY 2018-19; FY 2019-20; FY 2020-21
603	Administration and Coordination	FY 2018-19; FY 2019-20; FY 2020-21
604	Transit Support and TDA Administration	FY 2018-19; FY 2019-20; FY 2020-21
605	Policies and Procedures Manual	FY 2018-19; FY 2019-20; FY 2020-21
606	Regional Coordination Projects	FY 2018-19
607	Aviation Facilities	FY 2018-19
608	Computer/GIS/PMS Support	FY 2018-19; FY 2019-20; FY 2020-21
609	Non-Motorized Transportation Plan	<i>Not included</i>
610	Short-Range Transit Plan Update	FY 2020-21

Source: PCTC OWP and Budget

The first five work elements as well as the eighth element have remained consistent during the audit period. Subsequent work elements have been changed based on the priorities of the Commission for that fiscal year. Each work element summary includes the purpose and objectives, background, previous work completed, recent developments, future work, proposed tasks, proposed work products, and a breakdown of the funding sources including the responsible agency. Funding sources for the OWP are generally provided by the LTF, Rural Planning Assistance program, and Regional Surface Transportation Program Exchange Funds. At the end of the OWP document is an expenditures matrix that outlines each work element, funding source, and total amount budgeted. The PCTC Budget Briefing serves to further document OWP Regional Transportation Planning work element activities as related to transit administration. There is a budget matrix comparing the prior year's budget to the proposed budget along with variances. A description of the funding sources is provided for the commissioners as well as tasks and staff recommendations.

Internal Planning and Achievements

The issues and high-profile projects undertaken by PCTC heighten the agency's visibility in the region and engage local officials who want to be assigned to the Commission despite small funding shares received by the Commission relative to other planning agencies in the state. Project prioritization under limited funding constraints is a constant activity being worked on at PCTC. PCTC staff work diligently to keep the community focused on prioritizing projects and being available to the public. These efforts demonstrate the collaboration between PCTC staff and the commissioners to efficiently use existing agency resources.

PCTC relies on State Rural Planning Assistance funds, among other revenues including Planning, Programming, and Monitoring funds and TDA, to fund its activities. The OWP provides context for the work undertaken by the Commission.

Despite such challenges, the Commission has been adept in its advocacy and implementation of vital transportation projects, programs, and studies in the county. These accomplishments are summarized below:

2020 Regional Transportation Plan Update: PCTC commissioned an update of its Regional Transportation Plan (RTP) in FY 2019, which covers the planning period from 2020 through 2040. Over 250 public comments were received from an extensive public outreach process, which resulted in a well-balanced transportation plan with a multi-modal focus. The first 10 years of the RTP programs \$115 million in projects and the second 10 year period includes additional \$146 million in proposed projects. The 2020 RTP Update, and the associated Initial Study/Mitigated Negative Declaration were adopted by the Commission in January 2020.

Coordinated Public Transportation Plan – Plumas County: The Coordinated Plan was prepared in conjunction with the University of the Pacific's Center for Business and Policy Research and was an update to the 2015 Coordinated Plan. Projects selected for funding under the Federal Transit Administration (FTA) Section 5310 must be included in a coordinated public transit – human services transportation plan. The document is composed of eight chapters and appendix containing outreach survey collateral. The Coordinated Plan was adopted by the Commission in May 2021.

Plumas County Short-Range Transit Plan Update: PCTC initiated an update to the SRTP, which was last updated in 2015. The preparation of the SRTP update was delayed due to the COVID-19 pandemic. PCTC retained a consultant and the SRTP update kick-off took place on November 10, 2021, as part of the meeting with the SSTAC. Per the PCTC, the SRTP update is nearing completion with public outreach focused on proposed service alternatives. It is anticipated that the SSTAC and PCTC should have a draft to review within the first quarter of 2023.

Sustainable Communities Grant Application – SR-36 Chester Complete Streets and Context-Sensitive Streetscape Plan: PCTC completed and applied to Caltrans for a Sustainable Communities planning grant. The PCTC was awarded the grant in FY 2021 for Chester’s Main Street, which is SR-36. The grant allows the PCTC to select a consultant to create a detailed concept plan to add Chester Main Street features to improve traffic safety and efficiency, increase walking and biking mobility, and include a concept for landscaping and street furniture. This concept plan is currently under development.

Highway and Bridge Improvements: Several highway and bridge construction projects were planned and awarded during the audit period. These projects include the Spring Garden Overhead Bridge overlay project, SR 89 between Greenville and Quincy, and the Hamilton Branch Replacement.

SR 89 Capital Maintenance Project through Graeagle. This project is 8.7 miles long and covers the entire length of SR 89 through Plumas County from the Sierra County line to the intersection of SR 70. The project includes pavement overlay and various drainage improvements. The project will also include shoulder widening through Graeagle to improve pedestrian and bicycle safety.

Interviews with Board and SSTAC Members

Phone and email interviews were conducted with current board members and representatives from the SSTAC to gauge their perspectives about PCTC’s operations and coordination of transit issues. The two board members who were contacted represented City and County government roles, geographic dispersion, and comparable lengths of service. While the views of the board members interviewed do not necessarily represent those of the full board, they provide an additional perspective about PCTC’s functionality. A general summary of the board member responses is shown below:

- The length of service of the board members interviewed ranged between 15 and 16 years.
- PCTC provides a collaborative approach in its role as a facilitator between the County and the City of Portola and is even-handed and neutral to all constituent agencies.
- Staff provides all the necessary information and materials for decision making. Information is presented in a clear and succinct manner.
- Staff is hard working, dedicated, and knowledgeable. Information is presented in a clear and relatable manner.
- The overall direction of the Commission has been consistent. There has been more of an emphasis in pursuing grant opportunities. Expectations are being met.

- PCTC staff has been adept in leveraging financial resources to ensure that projects receive funding. Open discussion is held with the Commissioners about funding challenges and constraints due to the COVID-19 pandemic.
- While there is not a formal orientation process for new board members, the recent update of the Policies and Procedures Manual would be helpful.
- Board packets and financial analyses are of high quality, well presented, and succinct. Board meetings are well run and productive. The COVID-19 pandemic and the Dixie Fire presented challenges. PCTC was able to provide alternative arrangements by seeking an exemption to the Brown Act.
- Staff is very prepared for meetings and responsive to requests. Good background materials are included in the staff reports and budget briefings.
- The current update of the Policies and Procedures Manual will be an asset. Would like to see PCTC continue new pursue new grant opportunities for streetscape and safety improvements.

Phone and email interviews were also conducted with representatives from the SSTAC responsible for various transit-related tasks. Two representatives provided responses and represented a cross section of special transportation services. In general, all respondents had similar positive sentiments about PCTC's activities, responsiveness, organization and willingness to help. A few concerns and suggestions were also raised. Responses included the following:

- The length of service of SSTAC members interviewed ranged between 5 and 11 years.
- PCTC works hard to be inclusive considering the rural character, demographics, and geography of Plumas County. The Commission has proven adept at handling issues well.
- PCTC staff members conduct themselves very professionally and are knowledgeable, detail-oriented, and organized in the execution of duties. There has been some crossover of roles; however, staff appears to uphold the best interests of the community.
- PCTC has been consistent and even-handed in addressing needs. The Commission has been constantly exploring ways to solicit input from the community with an emphasis on social media.
- PCTC ensures that the unmet transit needs process is thorough and inclusive. It is adequate considering the simplicity of the transit system. Connectivity to other transit systems and hubs has been a focus.

- SSTAC meetings are generally well run and productive. Staff is well prepared and organized for the meetings. Meetings are well attended and coordinated. Transit operation costs and funding challenges are openly discussed. PCTC is always looking at options to meet the needs of transit riders.
- The PCTC is open to new approaches and keeps an open mind on issues. SSTAC members encouraged the Commission to continue listening to the needs of the community, be flexible and consider more regular transit connections to Reno.

Transportation Planning and Programming

This functional area addresses planning functions required of PCTC, including development of the Regional Transportation Plan, Regional Transportation Improvement Program, and transit planning and performance monitoring.

Regional Transportation Plan

The RTP is PCTC's long-range planning document that guides the development of transportation in Plumas County over a 20-year horizon. The RTP demonstrates how Plumas County will develop a coordinated and balanced multimodal regional transportation system that is financially constrained to the revenues anticipated over the life of the plan. The RTP document is updated every four to five years and is required by state and federal law. The most recent update was adopted in January 2020.

The last formal update of the Plumas County RTP took place in 2011. The next update was scheduled to be completed in November 2016 but was deferred due to several key state transportation funding bills under consideration in the state legislature. In May 2018, PCTC completed an Administrative Modification to the Plumas County 2010 RTP. Federal regulations define an Administrative Modification as a minor revision to an RTP that includes minor changes to projects, project costs, funding sources of previously included projects, and project initiation and milestone dates. The planning horizon of the 2018 RTP administrative modification was from 2018 through 2038. However, the Administrative Modification was not considered adequate by the State in order to meet the statutory requirements for an RTP to be adopted every four to five years.

During the fall of 2018, the Commission issued a public Request for Qualifications to update the RTP. PCTC received one proposal and a contract was executed with the selected consultant in December 2018. In March 2019, a public outreach plan was developed with kickoff meetings held Chester, Quincy, and Portola and one update meeting in Quincy. The outreach strategy included a website where the community had an opportunity to comment. Pop-up events were also planned at Gold Diggers in Greenville, the Plumas County Fair in Quincy, and the bike race in Portola.

The RTP is composed of an executive summary, five chapters and four appendices: introduction; existing conditions; policy element; action element; and financial element. The appendices include the stakeholder outreach list; outreach materials; State Wildlife Action Plan Excerpts for Plumas County; and project lists. The short-term and long-term project lists were updated during the development of the RTP. The 2020 RTP Update, and the associated Initial Study/Mitigated Negative Declaration were adopted by the Commission in January 2020.

Regional Transportation Improvement Program

The Regional Transportation Improvement Program (RTIP) is a document used by local jurisdictions throughout California to nominate transportation projects for funding under the State Transportation Improvement Program (STIP). PCTC is responsible for preparing the RTIP for Plumas County projects that have been approved for federal and state funding. PCTC followed the adopted 2020 STIP guidelines for the preparation of this document and uses a state-accepted reporting template created for rural counties.

The Commission prepared the draft RTIP for the 2020 STIP cycle based on the five-year fund estimate covering FY 2018-19 through FY 2022-23. The projects included were the City of Portola's North Loop Phase I Project, and the County's Graeagle-Johnsonville Road Reconstruction Project. STIP funding for Caltrans included improvements to the Feather River Inn Road/SR 70 intersection as part of the SR 70/Cromberg State Highway Operation and Protection Program (SHOPP) Project. Caltrans recognized that the 2020 STIP funding was prioritized for the reprogramming of projects from the 2018 STIP and to new projects to meet the county shares for the period. The 2020 RTIP was adopted by the Commission in November 2019 for inclusion in the STIP by Resolution 19-22. In December 2019, PCTC submitted its RTIP to the state as part of the 2020 STIP process. In February 2020, the California Transportation Commission (CTC) conducted its STIP hearings and published staff recommendations. The 2020 STIP was later adopted in March 2020.

In addition to the three aforementioned road projects, the 2020 RTIP included Commission planning, programming, and monitoring. According to the 2020 Summary of STIP County Shares, Plumas County's share was \$11.513 million, of which \$11.481 million was programmed in the STIP with an unprogrammed share balance of \$32,000. The PCTC intends to program the County's unprogrammed balance of 2020 STIP funding at a later date during the 2022 STIP process or beyond.

No RTIP projects were completed between the adoption of the 2018 RTIP and the adoption of the 2020 RTIP. Under the 2020 RTIP, the SR70/SR89 Feather River Inn project used all funds with no increase. The completion SR70 Cromberg Rehabilitation Project (including the Feather River Inn Intersection) project was delayed by two to three months. The Cromberg project was originally planned to begin in April 2021 but was delayed to May/June 2021. The project is projected to be completed in 2025. The SR 89 Arlington Left-Turn Lane project was on schedule and budget.

Coordinated Public Transit – Human Services Plan: Plumas County

The Coordinated Public Transit – Human Services Plan: Plumas County was adopted by PCTC in May 2021. The Plan was prepared by the University of the Pacific’s Center for Business and Policy Research and was an update to the 2015 Coordinated Plan. Projects selected for funding under FTA Section 5310 must be included in a coordinated public transportation plan. According to the FTA, this Coordinated Plan should be a unified, comprehensive strategy for public transportation service delivery that identifies the transportation needs of 1) individuals with disabilities, 2) seniors, and 3) individuals with limited incomes. The plan lays out strategies for meeting these needs and prioritizing services. The Coordinated Plan is composed of eight chapters and appendix containing outreach survey collateral.

TDA Claimant Relationships and Oversight

This functional area addresses PCTC’s administration of the provisions of the TDA. As LTF allocated to claimants have been used for public transit, state law does not require PCTC to undertake a formal unmet transit needs process. However, PCTC is recognized for continuing a process of soliciting and maintaining an annual prioritized transit needs list and working with the SSTAC. Unmet needs on the list are kept until they are implemented or removed. A public workshop is held in compliance with the statute that requires at least one public hearing in the citizen participation process. PCTC indicated the challenges of maintaining the public hearing schedule due to staff resource constraints.

CSA #12 is allocated TDA funds for transit purposes on behalf of the two operators in the County: Plumas Transit Systems, which is the countywide public transit provider, and Plumas Seniors Transportation, which provides specialized transportation services to area seniors and persons with disabilities. PCTC reported no significant changes in its TDA administration and allocation processes.

TDA Administration and Planning

The uses of TDA revenues apportioned to Plumas County flow through a priority process prescribed in state law. PCTC can allocate LTF revenues for TDA administration and general planning. During the audit period of FYs 2019 through 2021, PCTC expended the actual amounts shown in Table IV-2.

Table IV-2
LTF Revenue Claims by PCTC for
Planning & Administration

Fiscal Year	LTF Budgeted	LTF Actuals
2019	\$204,464	\$191,070
2020	\$102,988	\$63,800
2021	\$129,288	\$131,163

Source: Budgetary Comparison Schedule – LTF ¼% Fund

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Based on the above table, in FY 2019, the amount shown for PCTC toward administration and planning (actuals) equaled approximately 26.8 percent of total LTF (\$712,102). In FY 2020, the amount was 9.9 percent (out of \$642,200) and for FY 2021, the amount was 16.7 percent (out of \$783,606).

LTF funds are allocated to eligible agencies including PCTC off the top, and to CSA #12 for public transportation and specialized transportation. For LTF revenues held in the County Treasury, the revenues are invested by the County Treasurer using prudent fund management. The interest earned is reported and disbursed only in accordance with allocation instructions issued by PCTC. The allocation instructions are to be consistent with California Code of Regulations Section 6623, which specify that interest earned on funds allocated for a particular purpose shall be expended only for those same purposes.

TDA Claim Processing

On an annual basis during this audit period, PCTC was responsible for managing the apportionment of between \$642,200 and \$783,606 in LTF revenues and between \$175,896 and \$261,134 in STA funds. Since the TDA claim process is conducted internally by PCTC staff, technical and managerial assistance is limited. LTF (LTF ¼% Fund) are budgeted under Fund #2029A and STA funds are budgeted under Fund #2028.

CSA #12 does not complete a claim for TDA funds. Other than the annual budget briefings and Commission resolutions approving the allocations, there were no other records documenting the claims submittal process. Seniors Transportation submits an LTF request letter to PCTC as part of the budget briefing, but unlike a claim form, the letter does not indicate which PUC article section the funds are being requested from (e.g. Article 4 or 8(c)) which determines eligibility requirements, as well as supporting documentation such as CHP inspections and farebox recovery. In lieu of a claim form, and following adoption of the budget briefing, PCTC will prepare instructions to the County of Plumas Auditor-Controller requesting an electronic transfer of funds from the LTF holding account to the CSA #12 account monthly.

However, it is advisable from a compliance and industry practices standpoint for PCTC to have CSA #12 complete and submit a TDA claim form that requires detailed past and budgeted information and performance data to support the claim. Pursuant to PUC Section 99260(a), claims may be filed with the transportation planning agency by operators for the support of public transportation systems. Sections 6630–6632 (for LTF) and 6732–6734 (for STAF) of the California Code of Regulations state that any claimant wishing to receive an allocation from a county’s local transportation fund or regional entity’s state transit assistance fund shall file an annual claim with the transportation planning agency in accordance with the rules and regulations established by the transportation planning agency, pursuant to PUC Section 99261 or, in the absence of such rules and regulations, at least 90 days prior to the beginning of the fiscal year.

The information provided by claimants ensures that proper information is submitted to justify the TDA claim. Among the required data for transit claims are the status of implementing prior audit recommendations and financial performance metrics. The claim form would also include a checklist of materials such as California Highway Patrol inspection certification and operating and capital plans. The checklist helps to ensure that all required information is provided to substantiate the claim for TDA revenues.

Unmet Transit Needs

The facilitation of the annual unmet transit needs process is required by the TDA (PUC Section 99401.5) where claims can be made for streets and roads. Although there are no such claims in Plumas County, PCTC, in an effort to go beyond the minimum requirements, conducted the unmet transit needs process during the audit period. The process includes holding an unmet transit needs public hearing, consulting with the SSTAC and prioritizing unmet needs, reading and reaffirming the definitions of unmet transit needs and reasonable to meet, and adopting a resolution certifying the unmet needs findings.

On March 18, 2014, the Commission passed and adopted Resolution 14-5 that established the definitions of “Unmet Transit Needs” and “Reasonable to Meet” pursuant to applicable TDA statutes and regulations.

PCTC defines an **“Unmet Transit Need”** as *any deficiency in the system of public transit services, specialized transit/para-transit services, and private transportation services within the jurisdiction of Plumas County that has been identified by community members or through a local or regional planning process and that has not been fully funded and implemented. At a minimum, this may include desires for transportation services that are identified through: the annual TDA unmet transit needs public hearing process, Plumas County’s Short-Range Transit Plan, the Regional Transportation Plan or other transit reports or analyses in compliance with the Americans with Disabilities Act.*

“Reasonable to Meet” is a determination to be made regarding “unmet needs” based upon certain guidelines, performance and financial standards. Such standards include:

- *The performance standard for deviated-fixed route services shall meet the required 10% farebox recovery ratio.*
- *Any extension of service shall not cause the service, to which it is a part, to fail to meet the system-wide efficiency or effectiveness performance standards set forth in the Plumas County Short-Range Transit Plan.*
- *The determination of whether a transit need is reasonable to meet shall take into account as appropriate the following:*
 - *Likelihood that implementation of the service would put the system in jeopardy of losing state or federal funding as result of failing to meet mandated performance or efficiency standards.*

- *In the case of para-transit service providing complimentary service to fixed-route service by a public entity, whether meeting the need would require spending a greater amount than that required by an undue financial burden waiver approved by the Federal Transit Administration under the Americans with Disabilities Act.*
- *Opportunities for coordination among adjoining public entities or with private transportation providers and/or funding agencies. This shall include consideration of other existing resources (including financial), as well as the legal or customary responsibilities of other entities (e.g., social services agencies, religious organizations, schools, carpools, etcetera.). Duplication of other services or resources is unnecessary and not a prudent use of public funds.*
- *Feasibility to initiate service within the coming fiscal year, due to time required for vehicle acquisition, planning, similar timing factors, or because additional information is needed to determine whether or not the unmet transit need is reasonable to meet. An unmet transit need should not be determined unreasonable to meet more than once on these grounds.*
- *The fact that an identified transit need cannot be fully met based on available resources shall not be the sole reason for a finding that a transit need is not reasonable to meet.*

Transit Planning and Performance Monitoring

In addition to the coordinated plan, an update to the 2015 Plumas County Short Range Transit Plan (S RTP) was initiated. The preparation of the S RTP update had been delayed due to the COVID-19 pandemic. It was anticipated that the update would resume towards the end of calendar year 2021 or when transit ridership rebounded from the sharp decline due to the pandemic. PCTC retained a consultant and the S RTP update kick-off took place on November 10, 2021, as part of the meeting with the SSTAC.

Based on Work Element Task 610 in the OWP, the following is a list of projected objectives anticipated to be achieved through development of S RTP update:

- Identify potential transit challenges and service gaps with existing transit services;
- Identify and address growing transit demand through solicitation of community input;
- Conduct community workshops and meetings with project stakeholders and PCTC staff;
- Identify funding sources for future service enhancement as well as capital improvements; and
- Provide practical recommendations to enhance the existing service.

Per the PCTC, the S RTP update is nearing completion with public outreach focused on proposed service alternatives. It is anticipated that the SSTAC and PCTC should have a draft to review within the first quarter of 2023.

PCTC budgets on average \$780,000 to administer the transit system through CSA #12. Transit management tasks are budgeted under Section 5500 (d) in the annual OWP. Some of the main

priorities for the transit program are fleet replacement, STA SB 1 funding, and transit stop improvements.

The transit coordinator for Plumas Rural Services provides quarterly reports to the Commission on the performance of Plumas Transit Systems.

Marketing and Transportation Alternatives

For an agency of its size, PCTC has developed a respectable outreach effort to elicit support for its mission and to educate the public of its role in the delivery and maintenance of Plumas County's transportation infrastructure. PCTC's public affairs and community engagement are conveyed through the Commission's web page, public meetings and workshops, and collaborative efforts with its partner and peer agencies.

The Commission's web page (<http://www.countyofplumas.com/2285/Transportation-Commission>) is accessible through the County of Plumas web portal and provides information about PCTC's projects and programs, its structure and governing body, and meeting agendas and minutes. The right-hand margin of the web page features quick links to documents authorized by the Commission such as recent triennial performance audits, ATP Pedestrian/Bicycle Plan and Mobility Management Feasibility Study. The left-hand margin features links to the list of PCTC commissioners and committees, RTP, transit services, and the Title VI program. The Commission's public engagement does not include any social media platforms.

PCTC has been actively involved with the dissemination of news releases related to the transit system. Such news releases have pertained to service changes and modifications due to COVID-19 and promotion of free transit passes for residents adversely impacted by the Dixie Fire. *Plumas News*, the local community online newspaper and *20,000 Lives Insider* quarterly newsletter published by the Public Health Agency frequently run stories on Commission activities and their impact on the community. In addition, PCTC has applied Low Carbon Transit Operations Program (LCTOP) funds toward free fare days and bus shelter replacements.

Pursuant to the federal Civil Rights Act of 1964, PCTC has an adopted Title VI Program, which was updated in May 2020. Title VI of the Civil Rights Act of 1964 requires that no person in the United States, on the grounds of race, color, or national origin, be excluded from, be denied the benefits of, or be subjected to discrimination, under any program or activity receiving federal financial assistance. The Title VI policies and complaint forms are available through the PCTC web page (<http://www.countyofplumas.com/2339/Civil-Rights-Protection>). The Public Participation Plan (included in the appendix) describes the various approaches to public engagement that the PCTC is committed to doing. The plan also cites the federal and state requirements that apply to the Commission requiring public participation processes. In addition to the PCTC web page link, Title VI notices are posted on the Plumas Transit Systems website, the reception area of Plumas Rural Services, and on all Plumas Transit Systems vehicles.

The Commission has been involved in the Rural Counties Task Force, which is a consortium of 26 rural RTPAs and LTCs that work with together with the CTC in providing a direct opportunity for the small counties to remain informed, have a voice, and become involved with changing statewide transportation policies and programs. Plumas County is also part of the North State Super Region, which is an alliance of 16 counties in Northern California that have decided to share information and collaborate to become a larger voice for state and federal funding policies and priorities.

Grant Applications and Management

As a transportation funding agency, PCTC serves a significant role in administering grant-related revenues for the region. Whether for public transit, highways and roadways, or bicycle and pedestrian, PCTC typically has some degree of involvement with funding of transportation projects through coordination, planning, and/or programming.

PCTC serves as the clearinghouse for federal grant applications that are reviewed to determine whether there is any duplication of effort among agencies and that there is no conflict with local plans and policies. PCTC's role for Plumas County is to review and be an integral part of state and federal funding assistance that promotes interjurisdictional coordination. Grant development is an ongoing work element in the annual OWP, involving several tasks and work products. Grant program receipts and expenditures are tracked on a spreadsheet included in the PCTC annual budget briefing.

The Executive Director is tasked with completing and submitting grant applications. The Commission constantly monitors the availability of grant funding due to recent changes in legislation and apportionment levels. Discretionary and formula grant funds are accounted for under District Fund 2029 in the Commission's annual budget briefing document. As was mentioned earlier in this section, PCTC was awarded a Sustainable Communities Grant by Caltrans in FY 2021 for Chester's Main Street, which is SR-36. The grant allows the PCTC to select a consultant to create a detailed concept plan to add Chester Main Street features to improve traffic safety, mobility and efficiency.

During FY 2021, PCTC applied for LCTOP funds to replace the bus shelter in Quincy located across from the Plumas Pines Shopping Center. With the remainder of LCTOP funds, PCTC looked at utilizing those toward 17 free fare days during FY 2022 to promote ridership on Plumas Transit Systems.

In June 2021, PCTC applied for funding through the Northern Sierra Air Quality Management District AB 2766 DMV Surcharge Program to purchase and install bicycle parking racks throughout Plumas County. Providing bicycle racks near employment centers, schools, commercial businesses, and recreation facilities will provide those wishing to ride their bicycle to these areas, a secure place to lock their bicycles. The overall goal is to reduce vehicular miles travelled by replacing those vehicle trip with bicycle trips.

The priorities for transit have been fleet replacement, transit stop improvements, and the utilization of State of Good Repair funds under SB 1. The Commission has been successful in securing FTA Section 5311 (f) funding for the weekly Reno service and for interagency connections with Lassen County transit services. PCTC was awarded FTA Section 5339 grant funds for bus procurement. Its 2019 FTA Section 5339 program application was approved in February 2020, which funded the purchase of three replacement buses that were scheduled to arrive in late spring 2022. The revenues received from FTA were \$266,645 in FY 2019, \$346,654 in FY 2020, and \$325,402 based on audited financial statements. In FY 2021, PCTC identified funding through FTA Section 5339 to procure low or zero emission vehicles, which would be deployed on the local Quincy route.

Section V

Findings and Recommendations

The following material summarizes the major findings obtained from the triennial audit covering fiscal years 2018–19 through 2020–21. A set of recommendations is then provided.

Findings

9. PCTC conducts its management of the TDA program in a competent, professional manner while operating in a complex intergovernmental environment.
10. PCTC has satisfactorily complied with the applicable state legislative mandates for RTPAs. Two additional mandates were not applicable to the Commission: the adoption of criteria, rules, and regulations for the evaluation of claims under Article 4.5 of the TDA, and the establishment of rules and regulations regarding revenue ratios for transit operators providing services in urbanized and newly urbanized areas. There are currently no Article 4.5 claimants or urbanized areas in Plumas County to warrant such compliance.
11. The Commission's process for TDA claims is unconventional compared to general industry practice and the guidelines in the TDA statute. TDA revenues have been allocated to public transit services since 1990. With PCTC essentially responsible for the budgeting of public transit, the annual budget briefing documentation developed by PCTC staff and Commission resolutions approving the allocations constitute the claims process. No other records that normally accompany a claims submittal packet is available.
12. Of the five prior performance audit recommendations, PCTC has implemented or is currently in the process of implementing three recommendations. Those recommendations pertain to the updates of the Policies and Procedure Manual and Short-Range Transit Plan as well as the development of TDA rules for Article 3 bicycle and pedestrian funding. The recommendation about partnering with County Public Health Agency to undertake certain PCTC functions was found no longer applicable. PCTC did not implement the recommendation to formalize the TDA claims procedure and ensure controls are in place, including separation of the claim preparation and claim approval mechanism and inclusion of all required processes. This recommendation has been forwarded in this audit for full implementation.
13. The issues and high-profile projects undertaken by PCTC heighten the agency's visibility in the region despite small funding shares relative to other planning agencies in the state. Project prioritization under limited funding constraints is a constant activity being worked on at PCTC.
14. PCTC is staffed by employees of the Plumas County Public Works pursuant to a Professional Services Agreement. The initial term of the agreement was from July 1, 2007, through June

30, 2017, and automatically renews effective July 1 in every subsequent year, unless terminated by either party by giving written notice two months prior to the termination date.

15. Commission staffing underwent several changes during the audit period. In December 2020, the Interim Executive Director announced his intention to resign his position and appointed the senior environmental planner in that role. Following a six-month probationary period, the new Interim Executive Director was assigned the title of Executive Director. Since this appointment, the new Executive Director has been focused on OWP development and monitoring, grant reimbursements and will eventually assume oversight of financial management task involving TDA claim and the Commission budget.
16. The OWP, developed by the Executive Director in collaboration with the TAC and the Commission, guides the annual work effort. The format of the document was developed by the former interim director and has remained consistent. The OWP is subject to federal and state oversight and approval. Each work element and expected product is clearly laid out and described, with associated funding identified for each product.
17. Michael Baker received feedback from two members of the Commission and two members of the SSTAC during the audit process. Board and SSTAC members expressed confidence in the abilities and background of PCTC staff. Overall, Commission members expressed that PCTC's administration has been professional in carrying out the mission of the agency despite a constrained fiscal environment and the challenges posed by the COVID-19 pandemic and the Dixie Fire.
18. PCTC commissioned an update of its Regional Transportation Plan (RTP) in FY 2019, which covers the planning period from 2020 through 2040. Over 250 public comments were received from an extensive public outreach process, which resulted in a well-balanced transportation plan with a multi-modal focus. The 2020 RTP Update, and the associated Initial Study/Mitigated Negative Declaration were adopted by the Commission in January 2020.
19. On an annual basis during this audit period, PCTC was responsible for managing the apportionment of between \$642,200 and \$783,606 in LTF revenues and between \$175,896 and \$261,134 in STA funds. Since the TDA claim process is conducted internally by PCTC staff, technical and managerial assistance is limited. LTF (LTF ¼% Fund) are budgeted under Fund #2029A and STA funds are budgeted under Fund #2028.
20. In an effort to go beyond the minimum requirements, PCTC conducted the unmet transit needs process during the audit period. The process includes holding an unmet transit needs public hearing, consulting with the SSTAC and prioritizing unmet needs, reading and reaffirming the definitions of unmet transit needs and reasonable to meet, and adopting a resolution certifying the unmet needs findings. PCTC indicated the challenges of maintaining the public hearing schedule due to staff resource constraints.

Recommendations

1. Institute a documented TDA claims process in accordance with PUC guidelines and the recently updated Policies and Procedures Manual.

This prior recommendation is carried forward in this audit for implementation. PCTC has continued to rely on informal procedures regarding the TDA claims process. Other than the annual budget briefings and Commission resolutions approving the allocations, there were no other records documenting the claims submittal process. The annual budget briefings prepared by Commission staff and resolutions approving the allocations constitute the main claims process. There were no other records documenting the claims submittal process. Following approval of the resolution, PCTC prepares instructions to the County of Plumas Auditor-Controller requesting an electronic transfer of funds from the Local Transportation Fund (LTF) holding account to the CSA #12 account monthly.

Pursuant to PUC Section 99260(a), claims may be filed with the transportation planning agency by operators for the support of public transportation systems. Sections 6630–6632 (for LTF) and 6732–6734 (for State Transit Assistance (STA) funds) of the California Code of Regulations state that any claimant wishing to receive an allocation from a County’s LTF or regional entity’s STA fund shall file an annual claim with the transportation planning agency in accordance with the rules and regulations established by the transportation planning agency, pursuant to PUC Section 99261, or, in the absence of such rules and regulations, at least 90 days prior to the beginning of the fiscal year.

As an industry best practice for transparency and accountability in the request and distribution of TDA revenue, it is recommended that PCTC establish documented TDA claims procedures and requirements for claimants to file a claim and provide supporting materials to verify eligibility. The appendix section of the prior audit contains examples of claims documentation. Staff has expressed an interest in developing more turnkey and streamlined procedures. The ideal TDA claim policies and procedures would offer more clarity and direction to the commissioners and claimants alike. With the recent update of the Policies and Procedures Manual, TDA claims procedures could possibly be incorporated into the document from the prior audit appendix, containing relevant checklists and claim forms. Even though the Commission has managed the process on an informal basis, the Commission would benefit from having supporting documentation that would serve as a paper trail as well as provide institutional guidance for staff members involved with TDA.

2. Maintain on file evidence of submission of TDA fiscal and compliance audits, and TDA performance audits.

A cover letter typically accompanies the electronic submission of the transportation planning agency’s TDA triennial performance audit to Caltrans, while email submissions for claimant fiscal audits are made to the State Controller Office. Both types of audits are transmitted via

email which provides evidence of date of submittal. These emails, including performance audit cover letter, should be filed in the Commission archives. The letter certifies completion of performance audits for both the PCTC and the transit operators. Although PCTC was able to verify submission of the last performance audits to Caltrans by providing minutes from the August 19, 2019 Commission meeting and copy of an email correspondence dated December 6, 2022, the PCTC should maintain on file the letter and/or email message accompanying the audits. The same filing maintenance applies to the annual TDA financial compliance audits of PCTC, and the operators submitted to the State Controller's Office; the email submission of the reports and/or response from the State Controller should be copied and filed.