

FY 2019-2021 TRIENNIAL PERFORMANCE AUDIT



PLUMAS TRANSIT SYSTEMS

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

Submitted by:

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INTERNATIONAL

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Section I

Introduction

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

The Plumas County Transportation Commission (PCTC) engaged Michael Baker International to conduct the TDA triennial performance audit of the public transit operators under its jurisdiction in Plumas County. This performance audit is conducted for Plumas Transit Systems (PTS) covering the most recent triennial period, fiscal years 2018–19 through 2020–21.

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

In summary, this TDA audit affords the opportunity for an independent, constructive, and objective evaluation of the organization and its operations that otherwise might not be available. The methodology for the audit included in-person interviews via videoconference platform with County transit administration and with the transit coordinator from the contract operator, collection and review of agency documents, and data analysis¹. The *Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Entities* published by the California Department of Transportation (Caltrans) was used to guide in the development and conduct of the audit.

Overview of the Transit System

PTS is the regional general public transit provider for Plumas County. Administrative oversight of the transit services in the county is conducted through County Service Area (CSA) #12, a special service district formed in June 1982, and governed by the Plumas County Board of Supervisors. The transit service is operated under contract by Plumas Rural Services, a local nonprofit social services agency headquartered in Quincy.

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

¹ For this engagement, videoconferencing was employed in lieu of on-site visitation as part of this audit’s methodology.

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. 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.

A demographic snapshot of key cities and 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
<i>Quincy (County Seat)*</i>	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.

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 county's major communities are adjacent to a major state highway.

System Characteristics

PTS 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. Flag stops are permitted mid-route between designated bus stops. In addition, PTS offers interline connections between its North County Route and routes operated by Susanville Rancheria Public Transportation and Lassen Rural Bus to neighboring counties. Connections to Susanville are made via Lassen Rural Bus at the Hamilton Branch stop. Connections to Redding and Red Bluff are made via Susanville Rancheria Public Transportation at the Holiday Market in Chester.

The transit system operates Monday through Friday from 6:00 a.m. to 9:15 p.m. and as late as 10:10 p.m. when Feather River College is in session. The service does not operate on weekends and the following holidays: New Year's Day, Martin Luther King Jr. Day, Lincoln's Birthday, Presidents' Day, Memorial Day, Independence Day, Labor Day, Columbus Day, Veterans Day, the Wednesday before Thanksgiving, Thanksgiving, the Friday after Thanksgiving, the day before Christmas Eve, Christmas Eve, Christmas, and New Year's Eve. The following table contains details of each PTS route.

Table I-2
Plumas Transit Systems Routes

Route	Description	Frequency/Operation	Timepoints
East County	Portola/Graeagle - Quincy	Three westbound & Four eastbound trips (Monday through Friday from 6:20 a.m. to 9:15 p.m.) Extended evening service when Feather River College is in session (Monday through Friday from 6:20 a.m. to 10:10 p.m.)	<ul style="list-style-type: none">▪ T&W Apartments▪ Sierra Energy▪ Senior Housing▪ Portola Post Office▪ Graeagle Store▪ Sav-Mor▪ Relay Station▪ Hwy 70 @ Quincy Jct Rd.▪ Athletic Center▪ Courthouse Annex▪ Feather River Annex▪ Plumas District Hospital
North County	Chester/Lake Almanor – Greenville - Quincy	Four southbound & four northbound trips (Monday through Friday from 6:05 a.m. to 8:10 p.m.) Extended evening service when Feather River College is in session (Monday through Friday from 6:05 a.m. to 9:50 p.m.)	<ul style="list-style-type: none">▪ Holiday Market▪ Post Office▪ Sierra Meadows▪ Hamilton Branch▪ Evergreen Trailer Park▪ Taylorsville "T"▪ Athletic Center▪ Courthouse Annex▪ Feather River Annex▪ Plumas District Hospital▪ Sav-Mor
Quincy Local	Quincy	Four AM & Four PM Trips	<ul style="list-style-type: none">▪ Drop In Center

Route	Description	Frequency/Operation	Timepoints
		(Monday through Friday from 7:09 a.m. to 5:03 p.m.) Extended evening service when Feather River College is in session: Six PM trips (Monday through Friday from 5:20 a.m. to 8:56 p.m.)	<ul style="list-style-type: none"> ▪ Sav-Mor ▪ Relay Station ▪ Hwy 70 @ Quincy Jct Rd. ▪ Athletic Center ▪ Courthouse Annex ▪ Feather River Annex ▪ Plumas District Hospital

Source: Plumas Transit Systems

PTS also operates a shuttle between Quincy and the Reno-Tahoe International Airport during the annual High Sierra Music Festival held in early July. Round-trip tickets are \$95.00. Plumas County Senior Transportation in coordination with PTS operates a weekly shuttle service between Plumas County and Reno. The service operates on Thursdays departing from the Veterans Halls in Quincy and Portola to several destinations in Reno such as the Reno Transit Center, Amtrak Depot, Greyhound, and the Reno-Tahoe International Airport. Connections are available from Chester to Quincy via the North County Route. The round-trip fare is \$10.00.

Fares

PTS's fare structure is based on service area and distance traveled. Fares for stops between towns are calculated to the nearest town. Fare media consist of cash, tickets, and monthly passes. Seniors aged 60 and older and eligible persons with disabilities receive a 50 percent discount on fares. Children aged 7 and under ride free. The fare schedule is presented in Table I-3:

Table I-3
Plumas Transit Systems Fare Schedule

Category	One-Way Fares	Monthly Pass
Quincy Local Service	\$1.00	\$25.00
Portola to Quincy Service	\$4.00	\$100.00
Chester to Quincy	\$4.00	\$100.00
Graeagle or Cromberg to/from Quincy or Portola	\$2.00	\$60.00
Greenville or Crescent Mills to/from Quincy	\$3.00	\$75.00
Chester Local	\$1.00	n/a
Lake Almanor Local	\$2.00	\$45.00
Portola Local	\$1.00	n/a
Senior Fare (Age 60+)	Half Price	Half Price
Disabled Riders	Half Price	Half Price
Children Aged 7 & Under	Free	Free

Source: Plumas Transit Systems

Fleet

Plumas Transit Systems has a total fleet of 10 vehicles, comprising cutaway buses owned by the County. All vehicles, but one, are diesel-powered while two vehicles run on unleaded gasoline. All vehicles are wheelchair-accessible in compliance with the Americans with Disabilities Act (ADA) as well as equipped with bicycle racks mounted on the front of the vehicle. Table I-4 shows the vehicle fleet inventory during the audit period.

Table I-4
Plumas Transit System Fleet Inventory

Year	Make & Model	Quantity	Fuel Type	Seating Capacity
2008	Chevy Cutaway	2	Diesel	30 (4 W/C)
2008	Ford Cutaway	1	Unleaded	16 (2 W/C)
2009	Chevy Cutaway	1	Diesel	28 (2 W/C)
2011	Ford F-550 Cutaway	1	Diesel	28 (4 W/C)
2013	International Aero Elite	1	Diesel	28 (2 W/C)
2015	Freightliner	1	Diesel	30 (4 W/C)
2019	Freightliner	2	Diesel	26 (2 W/C)
2021	Ford	1	Unleaded	16 (2 W/C)
Total		10		

Source: 2021 National Transit Database; 2021 CHP Terminal Inspection

Section II

Operator Compliance Requirements

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

Table II-1 Operator Compliance Requirements Matrix		
Operator Compliance Requirements	Reference	Compliance Efforts
The transit operator submitted annual reports to the RTPA based upon the Uniform System of Accounts and Records established by the State Controller. Report is due within seven (7) months after the end of the fiscal year (on or before January 31). The report shall contain underlying data from audited financial statements prepared in accordance with generally accepted accounting principles, if this data is available.	Public Utilities Code, Section 99243	<p>Completion/submittal dates:</p> <p>FY 2019: February 5, 2020 FY 2020: February 2, 2021 FY 2021: January 31, 2022</p> <p>The FY 2019 & FY 2020 Transit Operators Financial Transactions Report were submitted after the statutory deadline.</p> <p>Conclusion: Partial Compliance</p>
The operator has submitted annual fiscal and compliance audits to the RTPA and to the State Controller within 180 days following the end of the fiscal year (Dec. 27) or has received the appropriate 90-day extension by the RTPA allowed by law.	Public Utilities Code, Section 99245	<p>Completion/submittal dates:</p> <p>FY 2019: March 31, 2020 FY 2020: April 23, 2021 FY 2021: February 23, 2023</p> <p>A 90-day extension was granted by the regional transportation planning agency (RTPA) pursuant to the TDA statute. The FY 2020 & FY 2021 fiscal audits were</p>

Table II-1 Operator Compliance Requirements Matrix		
Operator Compliance Requirements	Reference	Compliance Efforts
		<p>completed after the 90-day period.</p> <p>Conclusion: Partial Compliance</p>
The CHP has, within the 13 months prior to each TDA claim submitted by an operator, certified the operator's compliance with Vehicle Code Section 1808.1 following a CHP inspection of the operator's terminal.	Public Utilities Code, Section 99251 B	<p>Through its contract operator, Plumas Rural Services, PTS participates in the California Highway Patrol (CHP) Transit Operator Compliance Program in which the CHP has conducted inspections within the 13 months prior to each TDA claim.</p> <p>Inspections were conducted at the Plumas Rural Services operations facility located at 711 East Main Street, Quincy and at the County Public Works Department located at 1834 East Main Street, Quincy.</p> <p>Transit Operator Compliance Certificates and inspections applicable to the audit period were dated July 12, 2018; July 24, 2019; and August 13 & 19, 2020. Subsequent terminal inspections were conducted outside of the audit period on August 27 & 31, 2021.</p> <p>Inspections were found to be satisfactory.</p> <p>Conclusion: Complied.</p>
The operator's claim for TDA funds is submitted in compliance with rules and regulations adopted by the RTPA for such claims.	Public Utilities Code, Section 99261	The annual TDA claims for Local Transportation Funds (LTF) received by PTS are based on the allocations outlined in the Final Budget Briefing documents and

Table II-1 Operator Compliance Requirements Matrix		
Operator Compliance Requirements	Reference	Compliance Efforts
		<p>annual Overall Work Program prepared by PCTC.</p> <p>However, PCTC's process for TDA claims does not conform to the guidelines in the statute. TDA revenues have been allocated to public transit services since 1990. Other than the resolutions approving the claims, there were no other records documenting the claims submittal process.</p> <p>Conclusion: Partial Compliance.</p>
If an operator serves urbanized and non-urbanized areas, it has maintained a ratio of fare revenues to operating costs at least equal to the ratio determined by the rules and regulations adopted by the RTPA.	Public Utilities Code, Section 99270.1	<p>This measure is not applicable, as PTS operates in a rural area and is subject to the adopted performance criteria established by PCTC.</p> <p>Conclusion: Not Applicable.</p>
The operator's operating budget has not increased by more than 15% over the preceding year, nor is there a substantial increase or decrease in the scope of operations or capital budget provisions for major new fixed facilities unless the operator has reasonably supported and substantiated the change(s).	Public Utilities Code, Section 99266	<p>Percentage change in CSA #12's transit operating budget for PTS:</p> <p>FY 2019: +9.5% FY 2020: +14.1% FY 2021: 0.0%</p> <p><i>Source: County of Plumas Operation of Enterprise Fund Budgets</i></p> <p>Conclusion: Complied.</p>
The operator's definitions of performance measures are consistent with Public Utilities Code Section 99247, including	Public Utilities Code, Section 99247	PTS's definition of most performance measures as tracked and recorded by the contract operator and CSA #12 is

Table II-1 Operator Compliance Requirements Matrix		
Operator Compliance Requirements	Reference	Compliance Efforts
(a) operating cost, (b) operating cost per passenger, (c) operating cost per vehicle service hour, (d) passengers per vehicle service hour, (e) passengers per vehicle service mile, (f) total passengers, (g) transit vehicle, (h) vehicle service hours, (i) vehicle service miles, and (j) vehicle service hours per employee.		<p>consistent with PUC Section 99247.</p> <p>Conclusion: Complied.</p>
If the operator serves an urbanized area, it has maintained a ratio of fare revenues to operating costs at least equal to one-fifth (20 percent), unless it is in a county with a population of less than 500,000, in which case it must maintain a ratio of fare revenues to operating costs of at least equal to three-twentieths (15 percent), if so determined by the RTPA.	Public Utilities Code, Sections 99268.2, 99268.3, 99268.12, 99270.1	<p>This measure is not applicable, as PTS operates in a rural area and is subject to the adopted performance criteria established by PCTC.</p> <p>Conclusion: Not Applicable.</p>
If the operator serves a rural area, or provides exclusive services to elderly and disabled persons, it has maintained a ratio of fare revenues to operating costs at least equal to one-tenth (10 percent).	Public Utilities Code, Sections 99268.2, 99268.4, 99268.5	<p>PTS operates deviated fixed-route service in a rural area that is subject to a 10 percent farebox recovery ratio.</p> <p>The system-wide farebox recovery for PTS during the audit period is as follows:</p> <p>FY 2019: 13.46% FY 2020: 12.16% FY 2021: 6.92%</p> <p><i>Source: Transit Operator Financial</i></p>

Table II-1 Operator Compliance Requirements Matrix		
Operator Compliance Requirements	Reference	Compliance Efforts
		<p><i>Transactions Reports</i></p> <p>Conclusion: Complied</p>
The current cost of the operator's retirement system is fully funded with respect to the officers and employees of its public transportation system, or the operator is implementing a plan approved by the RTPA which will fully fund the retirement system within 40 years.	Public Utilities Code, Section 99271	<p>Plumas County, through CSA #12, contracts with a private nonprofit provider for operations, while the County contributes to its staff's retirement under the California Public Employees Retirement System (CalPERS).</p> <p>Conclusion: Complied.</p>
If the operator receives state transit assistance funds, the operator makes full use of funds available to it under the Urban Mass Transportation Act of 1964 before TDA claims are granted.	California Code of Regulations, Section 6754(a)(3)	<p>The County receives State Transit Assistance Funds and makes use of federal transit grant funds under the Federal Transit Administration (FTA):</p> <p>FY 2019: \$228,093 (Operations) \$132,144 (Capital) FY 2020: \$284,189 (Operations) FY 2021: \$308,329 (Operations)</p> <p><i>Source: National Transit Database (Rural Report)</i></p> <p>Conclusion: Complied.</p>

Findings and Observations from Operator Compliance Requirements Matrix

1. Of the nine compliance requirements pertaining to PTS, the operator satisfactorily complied with six requirements. The operator was partially compliant in the timely submittal of its Transit Operator Financial Transactions Reports to the State Controller, annual fiscal and compliance audits, and the TDA claim submittal process. Two additional compliance requirements did not apply to PTS (i.e., blended and urban farebox recovery ratios).
2. PTS is held to a 10 percent minimum farebox recovery ratio. For the three-year audit period, the farebox recovery ratio calculated by the performance auditor using audited data was 13.46 percent in FY 2019; 12.16 percent in FY 2020; and 6.92 percent in FY 2021². The average system-wide farebox recovery ratio was 10.85 percent for the three years.
3. Through its contract operator, PTS participates in the CHP Transit Operator Compliance Program and received inspections of its transit vehicles within the 13 months prior to each TDA claim. Satisfactory ratings were made for all inspections conducted during the audit period.
4. The operating budget exhibited modest increases during each fiscal year of the audit period. The budget increased 9.5 percent in FY 2019 and 14.1 percent in FY 2020. For FY 2021, the operating budget exhibited a negligible increase.

² Assembly Bill 90, passed into law and signed by the governor in June 2020 in response to the COVID-19 pandemic impacts, prohibits the imposition of penalties on a transit operator that does not maintain the required ratio of fare revenues to operating cost during the FY 2019–20 or FY 2020–21.

Section III

Prior Triennial Performance Recommendations

PTS's efforts to implement the recommendations made in the prior triennial audit are examined in this section of the report. For this purpose, each prior recommendation for the agency is described, followed by a discussion of its 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

Include the farebox recovery calculation for Plumas Transit Systems in the annual fiscal and compliance audits.

Background: The prior audit noted that in the *Statement of Revenues, Expenses and Changes in Net Position* contained in the annual fiscal and compliance audits for transit, passenger fares are reported only for Plumas Seniors Transportation. While no passenger fares are shown, operating costs for PTS include professional services (purchased transportation), other expenses, and depreciation. As was mentioned in the compliance review section of this audit report, the annual fiscal and compliance audits do not include a farebox recovery calculation for PTS. The fare revenue ratio calculation found under Note 10 of the FY 2018 fiscal and compliance audit only reflects Plumas Seniors Transportation and does not include PTS. While it is standard practice for the contractor to invoice CSA #12 for actual costs minus fare revenue received, the fare revenues for PTS should be accounted for and shown in the fiscal audit. It is recommended that the FY 2019 as well as all future fiscal audits include the farebox recovery calculation for PTS and show all fare and local support revenue and operating costs. Cost exclusions such as depreciation and eligible route extensions should also be shown in the calculation.

Actions taken by Plumas Transit Systems

In response to this recommendation, the fiscal auditor began including the farebox recovery calculation for PTS under Note 10 commencing with the FY 2020 *Plumas County Transit Funds Audited Financial Statements*. The calculation includes passenger fare revenue and total operating expenses less allowable TDA adjustments such as depreciation.

Conclusion

This recommendation has been implemented.

Prior Recommendation 2

Ensure that all performance measures reported are consistent with the TDA statute.

Background: A finding was made in the Compliance Matrix section that the figure for vehicle service hours in the FY 2016 Transit Operators Transactions Report appeared to be the figure for passenger trips. The TDA statute and industry practice require that the operator differentiate between actual service hours and mileage and total service hours and mileage including deadhead. Drivers complete a Daily Vehicle Report (DVR) before each run. The top half is for recording date of service, route, scheduled start and end times, hours worked during the week, and starting and ending mileage. Based on the directions printed on the DVR, the start mileage is the mileage recorded during the pre-trip inspection and the stop mileage is the mileage recorded when the bus ends for the day. It is recommended that the DVR be reformatted so that the hours and mileage can be recorded once the bus begins and ends revenue service, which for fixed route is the first and last stop of the run including layover time. It would also be good practice to record any route deviations within 0.75-mile of the scheduled route to add to revenue service statistics.

Actions taken by Plumas Transit Systems

A review of performance data reported during the audit period revealed improvements in how mileage and hours are reported. The contract operator does not utilize any transit-specific software and still relies on manual procedures in the collection and validation of performance data. Spreadsheets used to track data are developed internally. In addition, DVRs continue to be completed by the drivers during the pre-trip inspection, which are entered into a maintenance sheet by the fleet manager. However, the DVR still has yet to be reformatted to allow for the recording of hours and mileage once the bus begins and ends revenue service. In addition, the operator is encouraged to include route deviations on the DVR.

Conclusion

This recommendation has been partially implemented and is forwarded in this audit for full implementation.

Prior Recommendation 3

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

Background: The 2015 Plumas County Short-Range Transit Plan (SRTP) was adopted in March 2015. The SRTP provides system-wide goals and objectives that are consistent with the Regional Transportation Plan and the County's General Plan, and primary data for performance evaluation on a route-by-route basis. In general, the SRTP is updated every five years. Since the last update, there have been significant changes regarding the federal and state discretionary and formula grant programs that support transit. As vehicle fleets approach their useful life, it is essential to develop a fleet replacement plan that would also address state mandates for cleaner fuels and zero emission vehicles. Planning grant funding is needed for these updates. TDA is one source of potential planning matching funds that could be available for PCTC/CSA #12 to commission the transit plan update.

Actions taken by Plumas Transit Systems

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 a kick-off was held in November 2021. 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 4

Post ADA route deviation policy in bus brochure.

Background: PTS offers deviated response service to surrounding areas, up to 0.75 miles from a fixed route for persons with disabilities. PCTC's ADA Paratransit Plan dated September 2015 outlines the policies for deviated trips including advanced reservations and accommodations. The current bus schedule mentions in brief the deviated response service, but no policy regarding accessing the service or the need to complete an ADA eligibility application. PTS should update the bus schedule to indicate how an ADA reservation can be made including up to 14 days in advance, and the need for the passenger to call to cancel the trip at least the day before the scheduled pick up. Deviation requests in real-time can also be accepted, but if other advanced requests are made for the same bus run, the dispatcher will have knowledge of these scheduled trips to work with the real-time request to accommodate a different trip or time as needed. Route performance such as on-time performance and run times can be impacted by deviation trips, and efforts by PTS to manage ADA trip requests in advance of the bus run can

improve service efficiency and effectiveness while maintaining existing ridership by retaining positive rider experience.

Actions taken by Plumas Transit Systems

A query of the Plumas Transit Systems website as well as the individual route brochures and pages posted on the website indicated that the ADA route deviation policy has yet to be included as part of a timely update. While it is understandable that there were service disruptions and modifications due to the COVID-19 pandemic and recent the Dixie Fire in Plumas County, it is still recommended that Plumas Transit Systems include its ADA route deviation policy on its website and printed route brochures.

Conclusion

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

Section IV

TDA Performance Indicators

This section reviews PTS's performance in providing transit service to the community in an efficient and effective manner. TDA requires that at least five specific performance indicators be reported, which are contained in the following tables. Farebox recovery ratio is not one of the five specific indicators but is a requirement for continued TDA funding. Therefore, farebox calculation is also included. Two additional performance indicators, operating cost per mile and average fare per passenger, are included as well. Findings from the analysis are contained in the section following the tables.

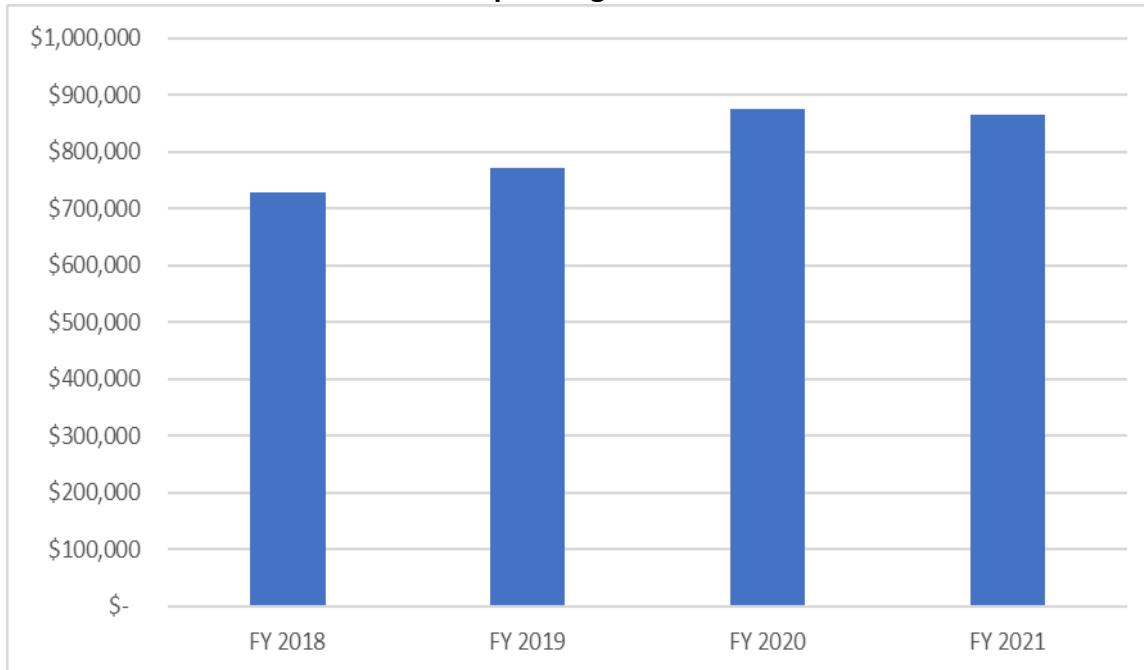
Table IV-1 provides the performance indicators for PTS. Graphs are also provided to depict the trends in the indicators.

Table IV-1
Plumas Transit Systems TDA Performance Indicators

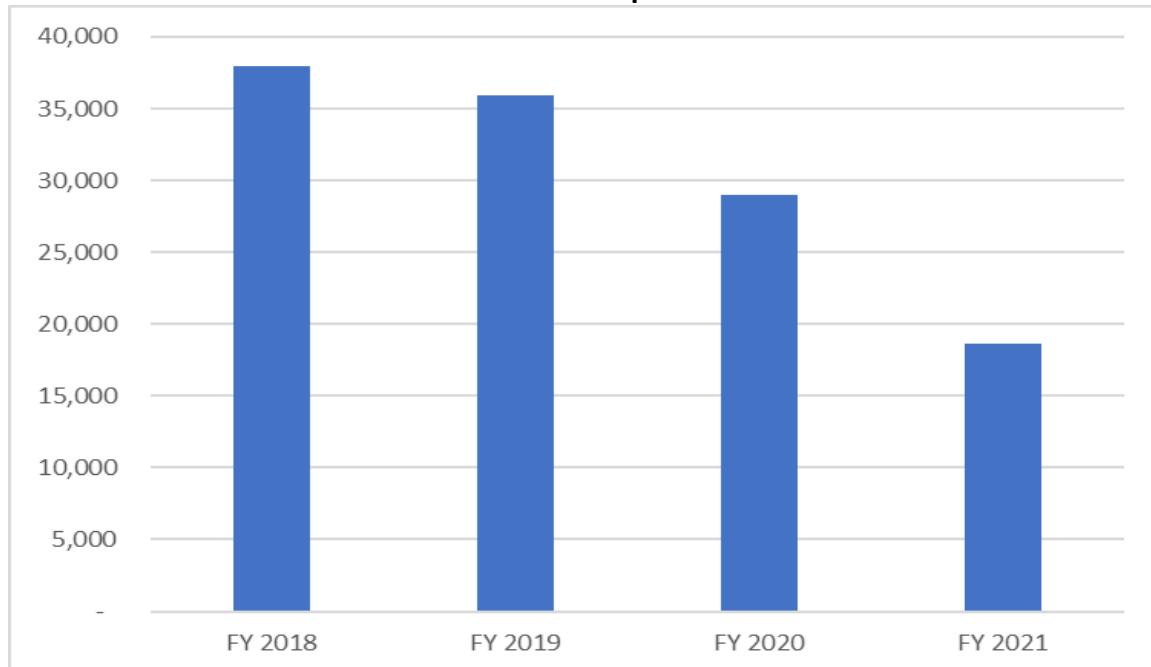
Performance Data and Indicators	FY 2018	Audit Period			% Change FY 2018-2021
		FY 2019	FY 2020	FY 2021	
Operating Cost	\$727,721	\$771,609	\$875,169	\$866,499	19.1%
Total Passengers	37,994	35,932	29,000	18,596	-51.1%
Vehicle Service Hours	6,003	6,028	5,999	5,840	-2.7%
Vehicle Service Miles	201,264	202,275	202,942	198,853	-1.2%
Employee FTE's	12	12	14	14	16.7%
Passenger Fares	\$112,493	\$103,847	\$106,405	\$59,958	-46.7%
Operating Cost per Passenger	\$19.15	\$21.47	\$30.18	\$46.60	143.3%
Operating Cost per Vehicle Service Hour	\$121.23	\$128.00	\$145.89	\$148.37	22.4%
Operating Cost per Vehicle Service Mile	\$3.62	\$3.81	\$4.31	\$4.36	20.5%
Passengers per Vehicle Service Hour	6.3	6.0	4.8	3.2	-49.7%
Passengers per Vehicle Service Mile	0.19	0.18	0.14	0.09	-50.5%
Vehicle Service Hours per Employee	500.2	502.3	428.5	417.1	-16.6%
Average Fare per Passenger	\$2.96	\$2.89	\$3.67	\$3.22	8.9%
Fare Recovery Ratio	15.46%	13.46%	12.16%	6.92%	-55.2%
Consumer Price Index - (CPI-All)	3.7%	3.0%	1.7%	4.2%	9.1%

Sources: National Transit Database (Rural); Transit Operator Financial Transactions Reports

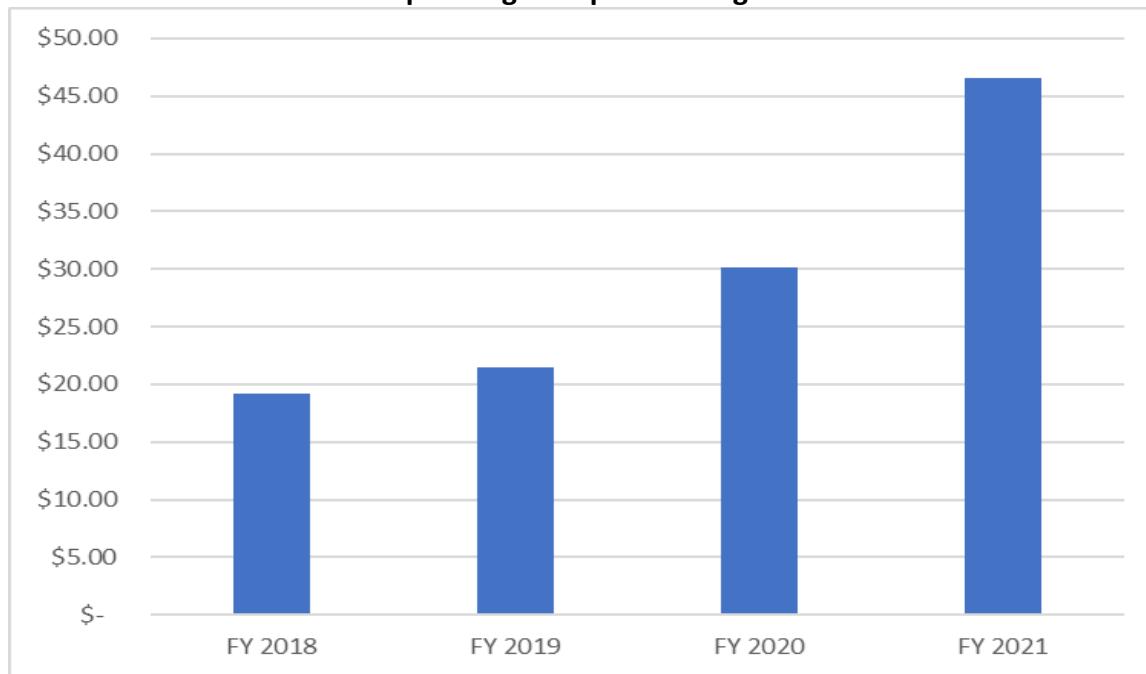
Graph IV-1
Operating Costs



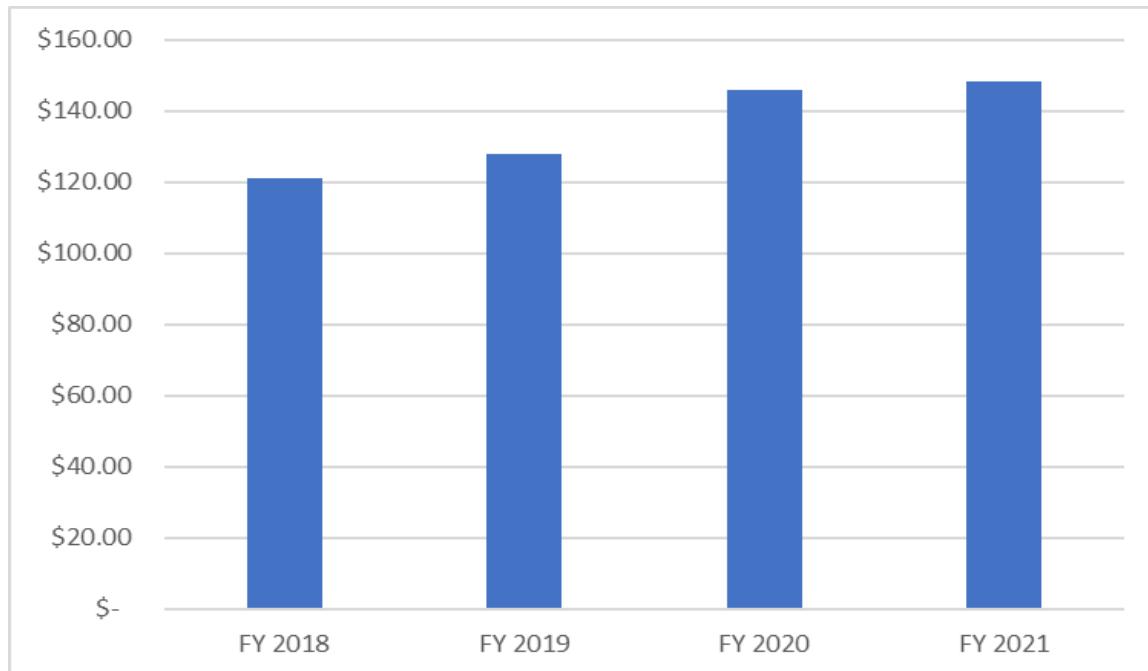
Graph IV-2
Ridership



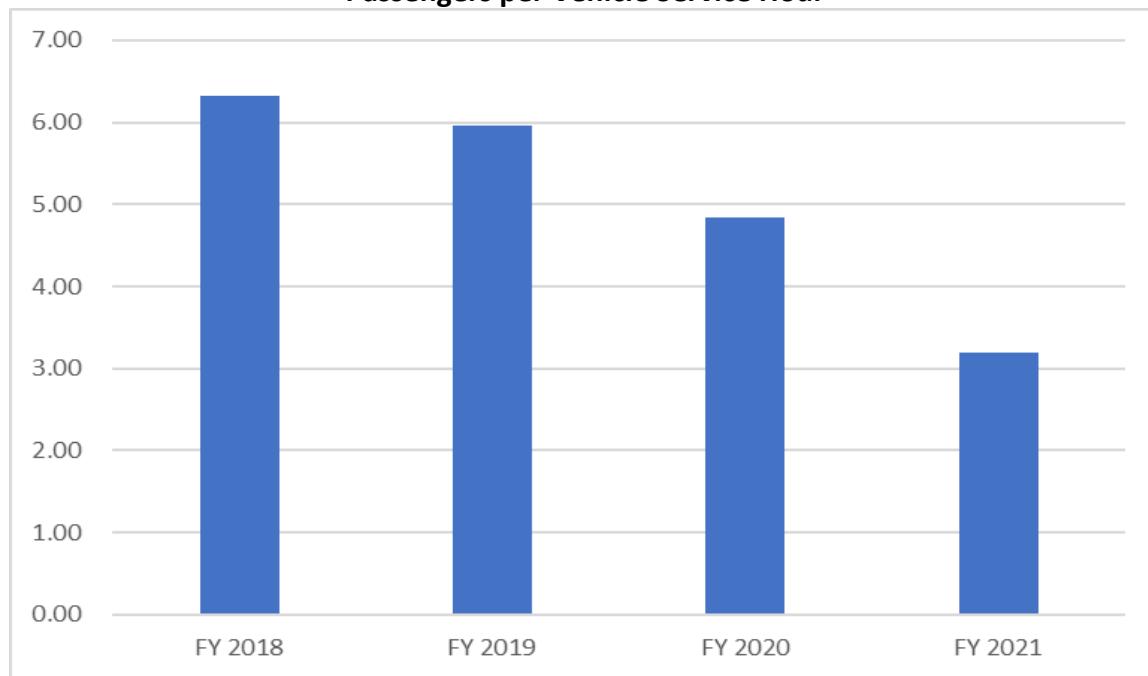
Graph IV-3
Operating Cost per Passenger



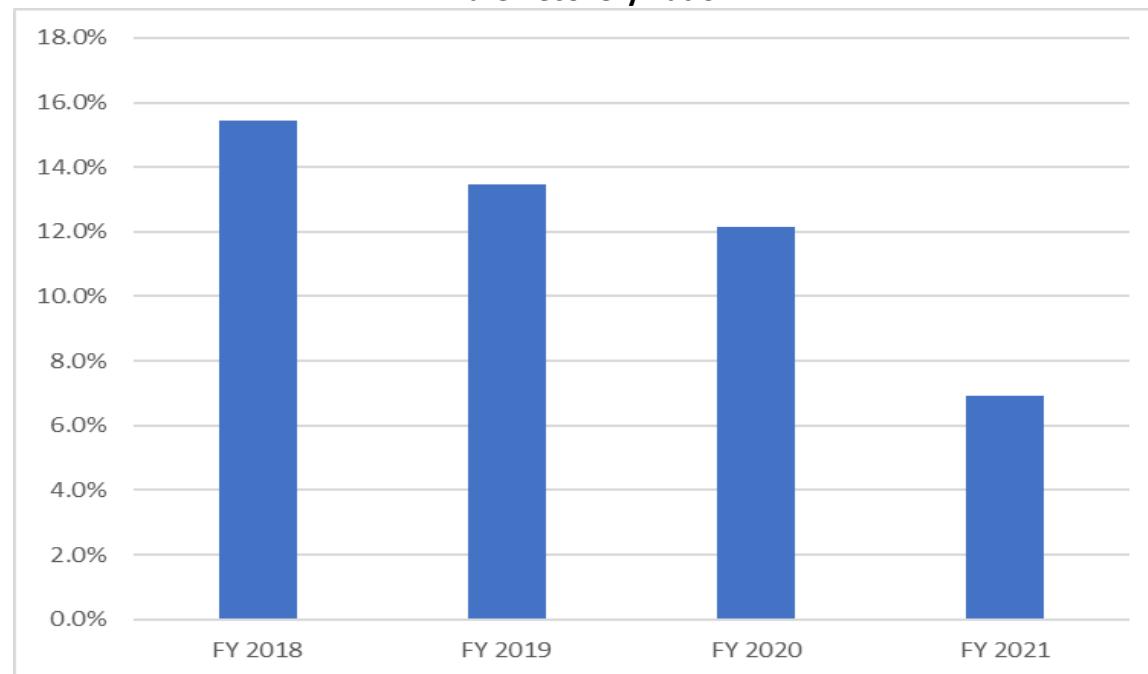
Graph IV-4
Operating Cost per Vehicle Service Hour



Graph IV-5
Passengers per Vehicle Service Hour



Graph IV-6
Fare Recovery Ratio



Findings from Verification of TDA Performance Indicators

1. **Operating cost per vehicle service hour**, an indicator of cost efficiency, increased 16.9 percent from \$121.23 during FY 2018 base year to \$148.37 in FY 2021. Although vehicle service hours decreased by 2.7 percent, operating costs increased by 19.1 percent during the audit period. Despite the constrained growth in service hours, operating costs increased due to higher maintenance and contract costs.
2. **Operating cost per passenger**, an indicator of cost effectiveness, increased 143.3 percent from \$19.15 in FY 2018 to \$46.60 in FY 2021. As noted above, PTS's operating costs increased during the period; coupled with a decrease in ridership, this performance measure has experienced a negative trend to the COVID-19 pandemic. Passenger trips decreased 51.1 percent from 37,994 in FY 2018 to 18,596 in FY 2021.
3. **Passengers per vehicle service hour**, which measures the effectiveness of the service delivered, decreased 49.7 percent between FY 2018 and FY 2021 from 6.3 passengers per hour to 3.2 passengers per hour. The trend in this indicator is reflective of the 51.1 percent decrease in ridership and the 2.7 percent decrease in vehicle service hours during the audit period.
4. **Passengers per vehicle service mile**, another indicator of service effectiveness, decreased 49.7 percent between FY 2018 and FY 2021 from 0.19 passengers to 0.09 passengers. From the FY 2018 base year to FY 2021, total vehicle service miles increased 5.3 percent from 201,264 vehicle service miles to 198,853 vehicle service miles while the number of passengers decreased 51.1 percent.
5. **Vehicle service hours per employee** decreased 16.6 percent between FY 2018 and FY 2021. This resulted from a 16.7 percent increase in the number of full-time equivalent (FTE) employees (rounding difference for percent change) and the slight decrease in vehicle service hours of 2.7 percent during the period. The number of FTEs increased from 12 FTEs in FY 2018 to 14 FTEs in FY 2021. This measure is based on the number of employee FTEs using employee pay hours from the State Controller Report and dividing by 2,000 hours per employee.
6. **Farebox recovery** exhibited a 55.2 percentage decrease from a ratio of 15.46 percent in the FY 2018 base year to a ratio of 6.92 percent in FY 2021. Passenger fare revenue decreased 46.7 percent whereas operating costs increased 19.1 percent. PTS is held to a 10 percent minimum farebox recovery ratio and, in spite of the decreasing trend, was able to exceed the minimum ratio in FY 2019 and FY 2020.

Conclusion from the Verification of TDA Performance Indicators

Performance indicators for PTS were adversely impacted from declining ridership and reduced hours and miles of service due to the COVID-19 pandemic, which impacted services in the third and fourth quarters of FY 2020 and throughout FY 2021, after exhibiting sustained levels of ridership. PTS's performance metrics during the audit period reflect increases in operating costs with modest decreases in vehicle service hours and miles. Vehicle service hours decreased 2.7 percent whereas vehicle service miles decreased 1.2 percent. Coupled with the declining ridership and the static vehicle service hours and miles, performance cost indicators exhibited increases ranging from a 20.5 percent increase in the cost per mile to a 143.3 percent increase in the cost per passenger.

Operating costs fluctuated during the audit period and exhibited an overall increase of 19.1 percent attributed to higher maintenance costs due to an aging vehicle fleet and fluctuations in fuel costs. On a per annum basis, costs increased in FY 2019 and FY 2020 by 6 percent and 13.4 percent, respectively. However, operating costs decreased by 1 percent in FY 2021. Consumer Price Index escalators built into the operating contract are also factors.

Passenger trips are generally influenced by the class schedules at Feather River College (FRC) and the local rural demographic of the service area. Less service is operated during the summer months when the college is not in session. During the pandemic, FRC implemented remote learning, which significantly impacted ridership on PTS' evening Quincy route. The decline in FRC ridership resulted in Plumas Transit not meeting the 10 percent in FY 2021. Assembly Bill 90, passed into law and signed by the governor in June 2020 in response to the COVID-19 pandemic impacts, provides relief to transit operators that do not maintain the required ratio of fare revenues to operating cost during the FY 2019–20 or FY 2020–21. PTS has been looking into route changes due to the changing enrollment and curriculum at FRC. The 51.1 percent decrease in passenger trips was reflected in the 46.7 percent decrease in fare revenues. Allowable under state law, additional funds generated at the local level could be applied to the farebox ratio including advertising revenue, Low Carbon Transit Operations Program (LCTOP) fare subsidies, leased property income, and sale of capital assets.

Section V

Review of Operator Functions

This section provides an in-depth review of various functions within PTS. The review highlights accomplishments, issues, and/or challenges that were determined during the audit period. The following functions were reviewed with Plumas Rural Services and the Plumas County Transportation Commission staff via videoconferencing platform:

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

Within some departments are subfunctions that require review as well, such as Grants Administration that falls under General Administration.

Operations

PTS operates local and intercity service along the major highway corridors in the county. The transit system is operated under contract by Plumas Rural Services, a community-based social services organization located in Quincy. Routes are configured according to geographical area: North County, East County, and Quincy Local. All routes converge in the community of Quincy, the county seat. Feather River College (FRC) is the system's main traffic generator.

Route deviations are allowed up to a 0.75-mile from the scheduled fixed route for persons with disabilities who are unable to access designated stops. As an ADA complementary service, the bus brochure should explain the basic regulations under ADA such as up to 14 day advance reservations and the need to complete an ADA eligibility application, so the rider is informed of how to use the service if needed. Flag stops are permissible if the driver can pull over in a safe manner. Riders are encouraged to use flashlights or lighted cell phones so that the driver can see them during the early mornings and evenings.

Hours and days of operation vary due to the semester class schedules at FRC, which is in session from approximately late August through late May. PTS operates later runs in the evening when the college is in session, including an extra runs to Greenville and Portola. FRC is not in session during the winter and spring breaks. Further adjustment to some of the evening runs has been under consideration. Service to the communities of Meadow Valley (west of Quincy) and Taylorsville (southeast of Greenville) has also been considered.

In addition to FRC students, PTS's ridership is composed of other transit-dependent populations. County Social Services and Probation Departments purchase passes for their clientele. The local Quincy route originates from the Sierra House/Drop In Center located on the corner of Quincy Junction Road and Bell Lane. The Sierra House/Drop In Center are adjacent to Plumas County Mental Health Services complex.

The morning Quincy local run experienced high ridership composed of FRC students and trips to the Plumas County Courthouse Annex. The late evening run from FRC to Portola averaged four to five passengers. The late evening Quincy run, which operated from 5:15 p.m. to 8:50 p.m., derived much of its demand from FRC students. Service on the evening runs was cut during the COVID-19 pandemic as FRC implemented remote learning. During the 2019 High Sierra Festival, the Quincy local route operated deviated service to the Plumas County Fairgrounds and to local grocery stores. Weekend service was also operated during the festival.

Plumas County was adversely impacted by the Dixie Fire, which broke out in July 2021 just after the audit period. In response, PTS suspended the Chester routes for a month and a half. PTS picked up residents from Susanville who were evacuated from Chester and remained on-call to assist with other evacuation and relief efforts.

Scheduling and dispatching are conducted on a manual basis using an Excel spreadsheet. Excel spreadsheets are used to assign and monitor routes. Drivers are equipped with cell phones through Verizon and call in, as necessary. Drivers report into dispatch if running late or if they are encountering road delays. The driver trainer conducts ride checks to gauge on-time performance. Road construction along state highways has impacted on-time performance. Ride-alongs are conducted every three to four months to evaluate driver performance and customer service skills. PTS assists Plumas Seniors Transportation with scheduling the Thursday Reno trips.

Drivers complete a Daily Vehicle Report (DVR) before each run. The DVR is divided into two sections. The top half is for recording date of service, route, scheduled start and end times, hours worked during the week, and starting and ending mileage. The bottom half of the DVR serves as the 39-point pre-trip and post-trip vehicle inspection. Based on the directions printed on the DVR, the start mileage is the mileage recorded during the pre-trip inspection and the stop mileage is the mileage recorded when the bus ends for the day.

The TDA statute and industry practice require that the operator differentiate between actual service hours and mileage and total service hours and mileage including deadhead. It is recommended that the DVR be reformatted so that the hours and mileage can be recorded once the bus begins and ends revenue service, which for fixed route is the first and last stop of the run including layover time. It would also be good practice to record any route deviations within 0.75-mile of the scheduled route to add to revenue service statistics.

In addition to the DVR form, drivers use rider tracking sheets formatted for each route. The tracking sheet allows the driver to record passenger and fare categories as well as passengers from deviations and wheelchair riders. The passenger data are totaled at the bottom of the tracking sheet along with the date of the run and the driver's name.

Each vehicle is equipped two external and four internal cameras procured from Seon Systems. PTS has expressed interest in the installation of voice annunciators and the use of mobile phone applications. The number of complaints received have been negligible, averaging one per month. The contract operator maintains a log of complaints for review. The transit coordinator will file and investigate each complaint by viewing the camera footage and engaging with the driver and complainant. Most of the complaints generally involve new drivers who passed a stop along the route.

Farebox handling and reconciliation are conducted on a manual basis. PTS buses are equipped with nonelectronic Diamond fareboxes that have security aspects to prevent mishandling. The farebox vaults are pulled from the vehicle after each run. The fareboxes are locked once they are pulled from the vehicle and brought to the Plumas Rural Services office. The transit coordinator uses a tracking sheet and counts the fareboxes. The farebox proceeds are placed in a bank envelope and locked in a filing cabinet. The dispatcher counts the revenue the following day and an employee from the fiscal department makes the deposit at the bank. FRC students have transit stickers on their passes, which get tracked separately.

Operations Personnel

Operations personnel is provided through Plumas Rural Services. The staff assigned to PTS is composed of the transit coordinator, training coordinator, dispatcher, and 10 drivers. Two drivers are part-time, and the full-time drivers work 30 hours or more weekly. Two drivers take leave during the winter months and one driver is on-call. Two drivers have been with PTS for 25 years and the other drivers have been with PTS between two and 10 years. The transit coordinator has managed the system for more than four years and was a former dispatcher. The transit coordinator and dispatcher also serve as backup drivers.

Candidates must have a Class B commercial driver's license or a Class C driver's license with a passenger endorsement. The training protocol consists of 20 hours of classroom and 30 hours of behind-the-wheel training. DMV testing is conducted in Redding, Yuba City, or Sacramento with Yuba City being the preferred testing facility. There are two certified trainers on staff. Safety meetings are held quarterly. Topics covered include snow chain placement, winter driving conditions, and annual wheelchair lift and securement instruction. Drivers are trained on all the routes. Due to large service area, route assignments are based on the location and residency of the drivers.

Employees receive medical, dental and vision coverage under a cafeteria plan that features a cash benefits. Plumas Rural Services also provides and contributes to the employee 401k retirement plan. Drivers received raises in January 2021.

Drivers are recruited through the local *Plumas News* online newspaper, the Alliance for Workforce Development, Facebook, the Plumas Rural Services website, and by word-of-mouth. Some of the challenges encountered with driver recruitment and retention have included drug

testing and the winter season due to on-call availability. A Drug and Alcohol Policy was adopted in May 2018 that meets FTA requirements.

COVID-19 Pandemic Impacts

As impacts from the novel coronavirus started to be realized in California, a state of emergency was declared on March 4, 2020. Subsequently, a mandatory statewide shelter-in-place order was implemented on March 19, 2020. Plumas County Public Health received notification of the county's first confirmed COVID-19 case on March 31, 2020. In response, PTS implemented measures and protocols to mitigate the spread of the virus for its operation. The PTS utilized printed collateral and their website/social media to keep riders informed of changes related to COVID-19.

Protective measures included the installation of driver shields on the buses, wiping and sanitizing the buses after every run and shift, and requiring drivers and passengers to wear masks. There was no suspension of fares during the pandemic. Driver morale was negatively affected by the unpredictable nature of the pandemic and subsequent mandates as they had to navigate how to effectively communicate and enforce requirements such as masking to their riders. Evening service on the Quincy Local route was scaled back due to FRC cutting its in-person instruction and instituting remote learning.

Although PTS experienced a decline in ridership during the fourth quarter of FY 2020, there was an increase in individual ridership. This has been reflected in an increase in cash fares. The contract operator had been in communication with FRC regarding planned class schedules. Although most classes were being conducted online, students still had access to the on-campus lab facilities. PTS looked into the implementation of route schedules that would serve the needs of the students.

Maintenance

PTS vehicles are owned by CSA #12 but are maintained through its contract with Plumas Rural Services. The preventative maintenance plan is overseen by the dispatcher who serves as maintenance coordinator. PTS utilizes a PMI protocol based on progressive mileage inspections and servicing requirements that meet or exceed state and federal standards. PMIs are conducted after a prescribed mileage or time interval depending on the vehicle make and model. The PMI schedule is summarized in the following table.

Table V-1
Preventive Maintenance Schedule

	A	B	C
Miles	3,000	6,000	30,000
Number of Days	45	90	(Major includes A & B items)

Source: Plumas Rural Services

Fluid changes are performed during PMIs. An engine oil and filter change are performed every 6,000 miles or less, depending on the manufacturer's recommendations and operating conditions. Transmission oil and filter changes are also based on the manufacturer's recommendations and operating conditions and are scheduled to occur every 30,000 miles. In addition, there are wheelchair lift inspections performed by all drivers during their pre-trip and post-trip inspections. Drivers also check tire inflation levels and body conditions daily.

Quincy Tow Services & Repair located at 180 Nugget Lane in Quincy and Skip's 4x4 & Diesel located at 20 Redberg Avenue in Quincy perform maintenance on the transit vehicles. Skip's 4x4 & Diesel specializes in diesel engine and 4 x 4 repairs. Buses are alternated out of service during PMI intervals. In addition to the PMIs, Quincy Tow Services and Repair offers 24-hour emergency road and towing services. The transit coordinator reported that it has been challenging keeping buses in operation due to the average age and mileage of the fleet. PTS has reported issues with the turnaround times at the local maintenance vendors. For more extensive repairs, PTS will obtain an estimate and advise the staff at PCTC. Given the issue with the turnaround times at the local maintenance vendor, it is suggested that PTS consider having the County assist or even provide vehicle maintenance in-house.

Road call data compiled on work orders reveal a modest number of incidences during the audit period. Most of the road calls involved coolant leaks, failed brakes, flat tires, broken belts, fluid leaks, and weather-related issues due to snow. The number of road calls incurred during the audit period are summarized in the following table.

Table V-2
Plumas Transit Systems – Road Calls

	FY 2019	FY 2020	FY 2021
Road Calls	2	11	2

Source: Plumas Transit Road Call Log

Based upon the data recorded in the Plumas Transit Road Call Log, FY 2020 exhibited the highest number of road calls at 11. This number was preceded and followed by two road calls in FY 2019 and FY 2021, respectively.

Fueling takes place at two facilities in Quincy by a cardlock system. PTS utilizes Relay Station located at 1355 East Main Street and Fuel Commander Cardlock – Ed Staub & Sons located at 1382 East Main Street. The drivers fill up at the end of each run and sign a purchase log that is maintained by the vendor.

In July 2020, a Request for Bids were opened by the County Public Works Department for the construction of a fueling facility for PTS vehicles at the Public Works Yard, which was brought before the Board of Supervisors for approval. The project would potentially provide 24-hour fuel access for transit vehicles as well as covered parking for buses. Bulk fuel purchases would provide cost savings for PTS and Public Works. The Commission identified \$307,000 in Proposition 1B funds already deposited in the Commission's cash account to be transferred in advance of the bid award in order to pay off expenses as incurred. In addition, there are plans to

acquire a zero-emission vehicle for the local Quincy route. Infrastructure would involve the installation of a charging station at the Public Works Yard.

Planning

Service planning for PST involves a collaborative effort between PCTC, CSA #12, operators, and stakeholders. This coordination has proved invaluable in helping to identify and pursue essential transit funding resources. During the audit period, PCTC initiated a couple of transit planning updates that will inform how public transit will be sustained and improved over the next five to ten years.

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. Plumas Transit Systems is referenced in Section 3.2 of the Plan’s Third Chapter entitled Existing Transportation Resources.

In addition to the coordinated plan, an update to the 2015 Plumas County Short Range Transit Plan (SRTP) was initiated. 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.

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.

Transit infrastructure planning has been coordinated through PCTC. One example has been the relocation of the bus stop from the Plumas Pines Shopping Center. The Social Services

Transportation Advisory Council (SSTAC) has also been engaged with transit planning and marketing. Other input has included marketing strategies for the weekly Reno service.

Marketing

Marketing and promotional efforts for PTS are the purview of Plumas Rural Services. Plumas Rural Services publishes tri-fold brochures with fare and schedules for each of the PTS routes. A promotional flyer was produced for the weekly Reno service that PTS operates on behalf of Seniors Transportation.

The PTS website is maintained by Plumas Rural Services and has its own domain: <https://www.plumastransit.com/>. A transit summary page linked from the PCTC web page is accessible through the County of Plumas website (<http://www.countyofplumas.com/index.aspx?NID=2165>).

A significant proportion of the PTS ridership is composed of FRC students. In April 1999, the general student body voted for a transportation fee to fund a transit pass program on PTS. Students pay a \$1.50 per unit transportation fee upon enrollment. This program entitles the pass-holder to unlimited trips on PTS. Plumas Rural Services signed an agreement with FRC for Plumas Rural Services to provide transportation services as the operator of PTS for students in the amount of \$53,000 effective July 1, 2019, through June 30, 2020. At the beginning of FY 2021, the agreement with the college was in the amount of \$30,000 for advanced ticket sales effective July 1, 2020, through June 30, 2021.

PTS also operated a round-trip shuttle between Quincy and Reno-Tahoe International Airport for the annual High Sierra Music Festival held in early July. Seating is limited to nine passengers daily and round-trip tickets are \$95.00 per person. Free bus passes were made available to Dixie Fire evacuees were expanded to include those individuals adversely impacted by the Dixie Fire. This included displaced individuals and those who have lost their residence, car, or job.

Commencing after the audit period, PTS implemented a General Transit Feed Specification (GTFS) Real Time Pilot Project that allows riders to track the arrival of buses at their stop on their mobile phones. The pilot project would determine if cell coverage is sufficient enough to allow the tracking technology to operate effectively.

Transit services in Plumas County are subject to Title IV of the federal Civil Rights Act of 1964, which 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 Plumas County Transportation Commission Title VI Plan was updated and adopted in May 2020. All the required elements such as public notice locations, complaint procedures, Public Participation Plan, Limited English Proficiency Plan, safe harbor provisions, and language assistance guidelines are contained in the Plan. In addition to the PCTC web page link, Title VI notices are posted on the PTS website, the reception area of Plumas Rural Services, and on all PTS vehicles.

General Administration and Management

The County of Plumas was incorporated on March 18, 1854, during a meeting of three commissioners held at the American Ranch in Quincy. It was carved from the eastern portion of Butte County. From its seat in the community of Quincy, the County is governed by a five-member Board of Supervisors, which serves as the administrative and legislative body. Supervisors are elected by district to four-year terms. The board meets the first three Tuesdays of the month at 10:00 a.m. in the supervisors' boardroom on the 3rd floor of the County Courthouse, located at 520 Main Street in Quincy.

The board approves the County's annual budget and oversees the management of County departments and special districts including Flood Control, the Community Development Commission, lighting districts, county service areas, and sewer maintenance districts.

Administration of the transit system has been the purview of CSA #12, which is administered through the Plumas County Public Works Department. Public Works Department staff (serving as staff for PCTC) manages the PTS operations contract with Plumas Rural Services.

The previous operations contract was executed on June 20, 2013 and had undergone six amendments. The last amendment extended the term of the contract to June 30, 2019. The first amendment, dated July 1, 2014, inserted a maximum annual revenue service limit to allow for minor schedule changes without the necessity of having each change approved through a contract amendment. Subsequent contract amendments executed since have addressed emergency preparedness and training, increased compensation for vehicle maintenance, and annual extensions of the contract term. In February 2019, the PCTC released a Request for Proposals (RFP) for a new operations contract. An addendum to the RFP was issued to include draft contract language and to satisfy County Counsel comments. Plumas Rural Services was the only bid, and the proposal was forwarded to Caltrans for review and approval in order to ensure FTA compliance. The new operations contract was executed in June 2019 for a three-year term from July 1, 2019 to June 30, 2022, with three one-year extensions.

PCTC reimburses the contract operator monthly. Plumas Rural Services costs are based on the established revenue service hourly rate and the monthly rate pursuant to the contract. The contractor invoices for actual costs minus fare revenue received.

Pursuant to the TDA, CSA #12 receives LTF proceeds and STA funds. TDA funding is used primarily for operations as well as for capital expenditures. Based on Transit Operators Financial Transactions Report data, LTF revenues received during the audit period were \$247,103 in FY 2019; \$277,255 in FY 2020; and \$284,612 in FY 2021. STA revenues received were \$100,000 in FY 2019; \$259,476 in FY 2020; and \$17,277 in FY 2021.

The Transit Operators Financial Transactions Reports submitted to the State Controller are generally prepared by the fiscal auditor and reviewed by PCTC staff.

Grants Management

In addition to TDA funding, PTS relies on a variety of federal and state grants to support its operations and capital procurement efforts. Capital improvements rely almost solely on state and federal grant funding. Grant program receipts and expenditures are tracked on a spreadsheet included in the PCTC annual budget briefing.

Rural formula FTA Section 5311 grant funds received were applied toward operations assistance. PCTC submits a Program of Projects that identifies subrecipients and projects to receive FTA Section 5311 funds in their planning area by December 31 of each year.

FTA Section 5311 (f) funding is available on an annual basis. Funds are targeted for the Chester Route connecting to Lassen Rural Bus routes to Susanville to assist riders in making useful connections to out-of-county locations where further connections can be made with interstate transit operators and Amtrak. The County has targeted this program as its only available option to obtain adequate funding to sustain current operations long-term.

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.

State grant funding has been derived from the Low Carbon Transit Operations Program (LCTOP), State of Good Repair (SGR) under SB 1 and the Public Transportation Modernization, Improvement & Service Enhancement Account (PTMISEA) program toward service expansion, farebox support and capital procurements. LCTOP was established by SB 862 to provide funds to transit agencies to reduce greenhouse gas emissions and improve mobility through operating and capital grants. PCTC has utilized LCTOP funds to replace the bus shelter in Quincy located across from the Plumas Pines Shopping Center. With the remainder of LCTOP funds, PCTC look at utilizing those toward 17 free fare days during FY 2022 to promote ridership on PTS.

SGR allocations provide funding for capital repairs and vehicle procurement. SGR allocations from the State remained stable \$27,027 in FY 2019 as compared to \$29,053 in FY 2020. SGR funding for Plumas County as estimated by the State Controller's Office was forecasted to increase slightly to \$31,416 in FY 2021.

Funding from the PTMISEA program under Proposition 1B, which has since sunset, has been used to leverage FTA Section 5339 funding toward bus procurement and bus stop and shelter improvements. As was mentioned earlier, PCTC identified \$307,000 in Proposition 1B funds towards to development of a fueling station at the Public Works Yard that would be utilized by transit. Under PTMISEA, PCTC received additional funds of \$332,317 and expended \$630,934 on qualifying expenditures. There was a remaining carryover balance of \$221,295 as of June 30, 2021.

Section VI

Findings

The following summarizes the findings obtained from this triennial audit covering fiscal years 2019 through 2021. A set of recommendations is then provided.

Triennial Audit Findings

1. Of the nine compliance requirements pertaining to PTS, the operator satisfactorily complied with six requirements. The operator was partially compliant in the timely submittal of its Transit Operator Financial Transactions Reports to the State Controller, annual fiscal and compliance audits, and the TDA claim submittal process. Two additional compliance requirements did not apply to PTS (i.e., blended and urban farebox recovery ratios).
2. PTS is held to a 10 percent minimum farebox recovery ratio. For the three-year audit period, the farebox recovery ratio calculated by the performance auditor using audited data was 13.46 percent in FY 2019; 12.16 percent in FY 2020; and 6.92 percent in FY 2021³. The average system-wide farebox recovery ratio was 10.85 percent for the three years.
3. Through its contract operator, PTS participates in the CHP Transit Operator Compliance Program and received inspections of its transit vehicles within the 13 months prior to each TDA claim. Satisfactory ratings were made for all inspections conducted during the audit period.
4. The operating budget exhibited modest increases during each fiscal year of the audit period. The budget increased 9.5 percent in FY 2019 and 14.1 percent in FY 2020. For FY 2021, the operating budget exhibited a negligible increase.
5. Of the four prior audit recommendations, one recommendation was implemented, one recommendation is in the process of implementation, one recommendation was partially implemented, and one recommendation was not implemented. The recommendation not implemented and the partially implemented recommendation are forwarded in this audit for full implementation.
6. Operating cost per vehicle service hour, an indicator of cost efficiency, increased 16.9 percent from \$121.23 during FY 2018 base year to \$148.37 in FY 2021. Although vehicle service hours decreased by 2.7 percent, operating costs increased by 19.1 percent during

³ Assembly Bill 90, passed into law and signed by the governor in June 2020 in response to the COVID-19 pandemic impacts, prohibits the imposition of penalties on a transit operator that does not maintain the required ratio of fare revenues to operating cost during the FY 2019–20 or FY 2020–21.

the audit period. Despite the constrained growth in service hours, operating costs increased due to higher maintenance and contract costs.

7. Operating cost per passenger, an indicator of cost effectiveness, increased 143.3 percent from \$19.15 in FY 2018 to \$46.60 in FY 2021. As noted above, PTS's operating costs increased during the period; coupled with a decrease in ridership, this performance measure has experienced a negative trend due to the COVID-19 pandemic. Passenger trips decreased 51.1 percent from 37,994 in FY 2018 to 18,596 in FY 2021.
8. Passengers per vehicle service hour, which measures the effectiveness of the service delivered, decreased 49.7 percent between FY 2018 and FY 2021 from 6.3 passengers per hour to 3.2 passengers per hour. The trend in this indicator is reflective of the 51.1 percent decrease in ridership and the 2.7 percent decrease in vehicle service hours during the audit period.
9. Passengers per vehicle service mile, another indicator of service effectiveness, decreased 49.7 percent between FY 2018 and FY 2021 from 0.19 passengers to 0.09 passengers. From the FY 2018 base year to FY 2021, total vehicle service miles increased 5.3 percent from 201,264 vehicle service miles to 198,853 vehicle service miles while the number of passengers decreased 51.1 percent.
10. A significant proportion of the PTS ridership is composed of Feather River College (FRC) students. In April 1999, the general student body voted for a transportation fee to fund a transit pass program on PTS. Students pay a \$1.50 per unit transportation fee upon enrollment. The late evening Quincy run, which operated from 5:15 p.m. to 8:50 p.m., derived much of its demand from FRC students. Service on the evening runs was cut during the COVID-19 pandemic as FRC implemented remote learning.
11. Operations personnel is provided through Plumas Rural Services. The staff assigned to PTS is composed of the transit coordinator, training coordinator, dispatcher, and 10 drivers. Two drivers are part-time, and the full-time drivers work 30 hours or more weekly. Two drivers take leave during the winter months and one driver is on-call. Two drivers have been with PTS for 25 years and the other drivers have been with PTS between two and 10 years.
12. In July 2020, a Request for Bids were opened by the County Public Works Department for the construction of a fueling facility for PTS vehicles at the Public Works Yard, which was brought before the Board of Supervisors for approval. The project would potentially provide 24-hour fuel access for transit vehicles as well as covered parking for buses. In addition, there are plans to acquire a zero-emission vehicle for the local Quincy route. Infrastructure would involve the installation of a charging station at the Public Works Yard.
13. The previous operations contract was executed on June 20, 2013 and had undergone six amendments. The last amendment extended the term of the contract to June 30, 2019. In February 2019, the PCTC released an RFP for a new operations contract. Plumas Rural Services was the only bid, and the proposal was forwarded to Caltrans for review and

approval in order to ensure FTA compliance. The new operations contract was executed in June 2019 for a three-year term from July 1, 2019 to June 30, 2022, with three one-year extensions.

14. PTS relies on a variety of federal and state grants to support its operations and capital procurement efforts. 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. 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.

Recommendations

1. Ensure timely completion and submittal of external TDA financial reports.

PTS was in partial compliance with the timely completion and submittal of its annual fiscal and compliance audits. The TDA statute provides the submittal timelines and allowable extensions granted by PCTC. The FY 2020 and FY 2021 fiscal and compliance audits were submitted after the 90-day extension allowed under TDA. The late submittals have been attributed to the County Auditor not providing the necessary information for the TDA fiscal auditor to complete their audits. Although financial closeout procedures are not within the scope of this performance audit, it is suggested that a schedule be coordinated between the County Auditor, TDA fiscal auditor, and PCTC that anticipates financial closeout by the County and completion of the external TDA financial reports. The financial closeout triggers the undertaking of the TDA financial reports, and close tracking of the timeliness of the closeout could advance some aspects and earlier preparation of the TDA reports.

2. Reformat the DVR to allow for the reporting of revenue hours and miles as well as route deviations.

This recommendation was partially implemented and being carried forward in this audit for full implementation. A review of performance data reported during the audit period revealed improvements in how mileage and hours are reported. The contract operator does not utilize any transit-specific software and still relies on manual procedures in the collection and validation of performance data. Spreadsheets used to track data are developed internally. In addition, DVRs continue to be completed by the drivers during the pre-trip inspection, which are entered into a maintenance sheet by the fleet manager. However, the DVR still has yet to be reformatted to allow for the recording of hours and mileage once the bus begins and ends revenue service. In addition, the operator is encouraged to include route deviations on the DVR. It would also be good practice to record any route deviations within 0.75-mile of the scheduled route to add to revenue service statistics.

3. Post ADA route deviation policy in the bus brochure and on the website.

This recommendation is being carried forward for implementation in this audit. PTS offers deviated response service to surrounding areas, up to 0.75 miles from a fixed route for persons with disabilities. PCTC's ADA Paratransit Plan dated September 2015 outlines the policies for deviated trips including advanced reservations and accommodations. A query of the Plumas Transit Systems website as well as the individual route brochures and pages posted on the website indicated that the ADA route deviation policy has yet to be included as part of a timely update. Route performance such as on-time performance and run times can be impacted by deviation trips, and efforts by PTS to manage ADA trip requests in advance of the bus run can improve service efficiency and effectiveness while maintaining existing ridership by retaining positive rider experience. While it is understandable that there were service disruptions and modifications due to the COVID-19 pandemic and recent the Dixie

Fire in Plumas County, it is still recommended that Plumas Transit Systems include its ADA route deviation policy on its website and printed route brochures.