



Butte County Association of Governments (BCAG)

FY 2018/19 - FY 2020/21 TDA Triennial Performance Audit of Butte Regional Transit (B-Line)

FINAL REPORT
MAY 2022



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Chapter 1 | Executive Summary

In 2022, the Butte County Association of Governments (BCAG) selected Moore & Associates, Inc., to prepare Triennial Performance Audits of itself as the RTPA and the Two transit operators to which it allocates TDA funding.

The California Public Utilities Code requires all recipients of Transit Development Act (TDA) Article 4 funding to undergo an independent performance audit on a three-year cycle in order to maintain funding eligibility. Audits of Article 8 recipients are encouraged.

The Triennial Performance Audit is designed to be an independent and objective evaluation of Butte Regional Transit (BRT) as a public transit operator, providing operator management with information on the economy, efficiency, and effectiveness of its programs across the prior three fiscal years. In addition to assuring legislative and governing bodies (as well as the public) that resources are being economically and efficiently utilized, the Triennial Performance Audit fulfills the requirement of PUC Section 99246(a) that the RTPA designate an entity other than itself to conduct a performance audit of the activities of each operator to whom it allocates funds.

This chapter summarizes key findings and recommendations developed during the Triennial Performance Audit (TPA) of Butte Regional Transit’s public transit program for the period:

- Fiscal Year 2018/19,
- Fiscal Year 2019/20, and
- Fiscal Year 2020/21.

Butte Regional Transit operates B-Line, a fixed-route service available to the general public. The service currently operates locally in Chico, Oroville, and Paradise. The service also travels between communities throughout Butte County. Service is available seven days a week.

Butte Regional Transit also operates B-Line Paratransit, a door-to-door service offering two types of paratransit service for eligible persons. ADA Paratransit Service is available for individuals who cannot use the fixed route system and has ADA certification. A Dial-A-Ride service is available for seniors (70+).

This performance audit was conducted in accordance with generally accepted government auditing standards. Those standards require that the audit team plans and performs the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for its findings and conclusions based on the audit objectives. Moore & Associates believes the evidence obtained provides a reasonable basis for our findings and conclusions.

This audit was also conducted in accordance with the processes established by the California Department of Transportation (Caltrans), as outlined in the *Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Entities*.

The Triennial Performance Audit includes five elements:

- Compliance requirements,
- Prior recommendations,
- Analysis of program data reporting,
- Performance Audit, and
- Functional review.

Test of Compliance

Based on discussions with Butte Regional Transit staff, analysis of program performance, and an audit of program compliance and function, the audit team presents no compliance findings.

Status of Prior Recommendations

The prior audit – completed in September 2019 by Moore & Associates, Inc. for the three fiscal years ending June 30, 2018 – included four recommendations:

1. [Ensure State Controller Reports are submitted by the established deadline.](#)
Status: Implemented.
2. [Use AVL/GPS data to redesign Oroville routes to improve performance.](#)
Status: Implementation in progress.
3. [Prepare an SRTP specific to BRT within the next two years.](#)
Status: Implemented.
4. [Identify strategies for increasing the farebox recovery ratio on all services.](#)
Status: No longer relevant.

Findings and Recommendations

Based on discussions with BRT staff, analysis of program performance, and a review of program compliance and function, the audit team submits no compliance finding for Butte Regional Transit.

The audit team has identified one functional finding. While this finding is not a compliance finding, the audit team believes it warrants inclusion in this report:

1. BRT has not been using the TDA definition when reporting Full-time Equivalent (FTE) Employees to the State Controller.

In completing this Triennial Performance Audit, we submit the following recommendations for BRT's public transit program. They have been divided into two categories: TDA Program compliance recommendations and functional recommendations. TDA program compliance recommendations are intended to assist in bringing the operator into compliance with the requirements and standards of the TDA, while Functional Recommendations address issues identified during the triennial audit that are not specific to TDA compliance.

Exhibit 1.1 Summary of Audit Recommendations

| Functional Recommendations | Importance | Timeline |
|----------------------------|---|------------|
| 1 | Ensure accurate full-time equivalent (FTE) employee data is used for reporting to the State Controller. | FY 2021/22 |

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Chapter 2 | Audit Scope and Methodology

The Triennial Performance Audit (TPA) of Butte Regional Transit’s public transit program covers the three-year period ending June 30, 2021. The California Public Utilities Code requires all recipients of Transit Development Act (TDA) funding to complete an independent review on a three-year cycle in order to maintain funding eligibility.

In 2022, the Butte County Association of Governments selected Moore & Associates, Inc., to prepare Triennial Performance Audits of itself as the RTPA and the two transit operators to which it allocates TDA funding. Moore & Associates is a consulting firm specializing in public transportation, including audits of non-TDA Article 4 recipients. Selection of Moore & Associates followed a competitive procurement process.

The Triennial Performance Audit is designed to be an independent and objective evaluation of Butte Regional Transit as a public transit operator. Direct benefits of a Triennial Performance Audit include providing operator management with information on the economy, efficiency, and effectiveness of its programs across the prior three years; helpful insight for use in future planning; and assuring legislative and governing bodies (as well as the public) that resources are being economically and efficiently utilized. Finally, the Triennial Performance Audit fulfills the requirement of PUC Section 99246(a) that the RTPA designate an entity other than itself to conduct a performance audit of the activities of each operator to whom it allocates funds.

This performance audit was conducted in accordance with generally accepted government auditing standards. Those standards require that the audit team plans and performs the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for its findings and conclusions based on the audit objectives. The auditors believe the evidence obtained provides a reasonable basis for our findings and conclusions.

The audit was also conducted in accordance with the processes established by the California Department of Transportation (Caltrans), as outlined in the *Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Entities*, as well as *Government Audit Standards* published by the U.S. Comptroller General.

Objectives

A Triennial Performance Audit (TPA) has four primary objectives:

1. Assess compliance with TDA regulations;
2. Review improvements subsequently implemented as well as progress toward adopted goals;
3. Evaluate the efficiency and effectiveness of the transit operator; and
4. Provide sound, constructive recommendations for improving the efficiency and functionality of the transit operator.

Scope

The TPA is a systematic review of performance evaluating the efficiency, economy, and effectiveness of the transit operator. The audit of Butte Regional Transit included five tasks:

1. A review of compliance with TDA requirements and regulations.
2. A review of the status of recommendations included in the prior Triennial Performance Audit.
3. A verification of the methodology for calculating performance indicators including the following activities:
 - Assessment of internal controls,
 - Test of data collection methods,
 - Calculation of performance indicators, and
 - Evaluation of performance.
4. Comparison of data reporting practices:
 - Internal reports,
 - State Controller Reports, and
 - National Transit Database.
5. Examination of the following functions:
 - General management and organization;
 - Service planning;
 - Scheduling, dispatching, and operations;
 - Personnel management and training;
 - Administration;
 - Marketing and public information; and
 - Fleet maintenance.
6. Conclusions and recommendations to address opportunities for improvement based upon analysis of the information collected and the audit of the transit operator's major functions.

Methodology

The methodology for the Triennial Performance Audit of Butte Regional Transit included thorough review of documents relevant to the scope of the audit, as well as information contained on BRT's website. The documents reviewed included the following (spanning the full three-year period):

- Monthly performance reports;
- State Controller Reports;
- Annual budgets;
- TDA fiscal audits;
- Transit marketing collateral;
- TDA claims;
- Fleet inventory;
- Preventive maintenance schedules and forms;
- California Highway Patrol Terminal Inspection reports;
- National Transit Database reports;

- Accident/road call logs; and
- Organizational chart.

Given impacts of the ongoing COVID-19 pandemic, the methodology for this audit included a virtual site visit with BRT representatives on March 24, 2022. The audit team met with Jon Clark (Executive Director, BCAG), Sara Cain (Associate Senior Planner, BCAG), Victoria Proctor (Assistant Transit Planner, BCAG), and Lance Atencio (General Manager, Transdev), and reviewed materials germane to the triennial audit.

This report is comprised of eight chapters divided into three sections:

1. Executive Summary: A summary of the key findings and recommendations developed during the Triennial Performance Audit process.
2. TPA Scope and Methodology: Methodology of the review and pertinent background information.
3. TPA Results: In-depth discussion of findings surrounding each of the subsequent elements of the audit:
 - Compliance with statutory and regulatory requirements,
 - Status of prior recommendations,
 - Consistency among reported data,
 - Performance measures and trends,
 - Functional audit, and
 - Findings and recommendations.

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Chapter 3 | Program Compliance

This section examines Butte Regional Transit’s compliance with the Transportation Development Act as well as relevant sections of the California Code of Regulations. An annual certified fiscal audit confirms TDA funds were apportioned in conformance with applicable laws, rules, and regulations. BRT considers full use of funds under California Code of Regulations (CCR) 6754(a) as referring to operating funds but not capital funds. The TPA findings and related comments are delineated in Exhibit 3.1.

Status of compliance items was determined through discussions with BRT staff as well as an inspection of relevant documents including the fiscal audits for each year of the triennium, State Controller annual filings, California Highway Patrol terminal inspections, National Transit Database reports, year-end performance reports, and other compliance-related documentation.

No compliance issues were identified for Butte Regional Transit.

Developments Occurring During the Audit Period

The last half of the audit period is markedly different from the first half. The impacts of the COVID-19 pandemic resulted in significant declines in ridership and revenue. In many instances, transit operators strove to retain operations staff despite adopting a reduced schedule, resulting in significant changes to many cost-related performance metrics. While infusions of funding through the CARES Act mitigated some of the lost revenues for federally funded programs, most transit operators have yet to return to pre-pandemic ridership and fare levels. As a result, the Triennial Performance Audits will provide an assessment not only of how COVID-19 impacted each organization, but how they responded to the crisis.

In addition to the COVID-19 pandemic, recent and proposed changes to the TDA may result in audit reports that look somewhat different than in prior years. In the nearly 50 years since introduction of the Transportation Development Act, there have been many changes to public transportation in California. Many operators have faced significant challenges in meeting the farebox recovery ratio requirement, calling into question whether it remains the best measure for TDA compliance. In 2018, the chairs of California’s state legislative transportation committees requested the California Transit Association spearhead a policy task force to examine the TDA, which resulted in a draft framework for TDA reform released in early 2020. The draft framework maintains the farebox recovery ratio requirement, but eliminates financial penalties and allows more flexibility with respect to individual operator targets. These changes have yet to be implemented.

Assembly Bill 90, signed into law on June 29, 2020, provided temporary regulatory relief for transit operators required to conform with Transportation Development Act (TDA) farebox recovery ratio thresholds in FY 2019/20 and FY 2020/21. While the ability to maintain state mandates and performance measures is important, AB 90 offered much-needed relief from these requirements for these years impacted by the COVID-19 pandemic while TDA reform continues to be discussed.

AB 90 included the following provisions specific to transit operator funding through the TDA:

1. It prohibited the imposition of the TDA revenue penalty on an operator that did not maintain the required ratio of fare revenues to operating cost during FY 2019/20 or FY 2020/21.
2. It required the Controller to calculate and publish the allocation of transit operator revenue-based funds made pursuant to the State Transit Assistance (STA) Program for FY 2020/21 and FY 2021/22 based on the same individual operator ratios published by the Controller in a specified transmittal memo, and authorized the Controller to revise that transmittal memo, as specified. It required the Controller to use specified data to calculate those individual operator ratios. Upon allocation of the transit operator revenue-based funds to local transportation agencies pursuant to this provision, the Controller would publish the amount of funding allocated to each operator.
3. It exempted an operator from having to meet either of the STA efficiency standards for FY 2020/21 and FY 2021/22 and authorized the operator to use those funds for operating or capital purposes during that period.
4. It required the Controller to allocate State of Good Repair (SOGR) program funding for FY 2020/21 and FY 2021/22 to recipient transit agencies pursuant to the individual operator ratios published in the above-described transmittal memo.
5. It required the Controller to allocate Low Carbon Transit Operations Program (LCTOP) funding for FY 2020/21 and FY 2021/22 to recipient transit agencies pursuant to the individual operator ratios published in the above-described transmittal memo.

Assembly Bill 149, signed into law on July 16, 2021, provided additional regulatory relief with respect to Transportation Development Act (TDA) compliance. It extended the provisions of AB 90 through FY 2022/23 as well as provided additional regulatory relief including:

1. Waiving the annual productivity improvement requirement of Section 99244 through FY 2022/23.
2. Adding a temporary provision exempting operators from farebox recovery ratio requirements provided they expend at least the same amount of local funds as in FY 2018/19.
3. Expanding the definition of “local funds” to enable the use of federal funding, such as the CARES Act or CRRSAA, to supplement fare revenues and allows operators to calculate free and reduced fares at their actual value.
4. Adjusting the definition of operating cost to exclude the cost of ADA paratransit services, demand-response and microtransit services designed to extend access to service, ticketing/payment systems, security, some pension costs, and some planning costs.
5. Allowing operators to use STA funds as needed to keep transit service levels from being reduced or eliminated through FY 2022/23.

AB 149 also called for an examination of the triennial performance audit process, to ensure the practice continues to be effective and beneficial.

Exhibit 3.1 Transit Development Act Compliance Requirements

| Compliance Element | Reference | Compliance | Comments |
|--|-------------------------------------|----------------|--|
| State Controller Reports submitted on time. | PUC 99243 | In compliance | FY 2018/19: January 8, 2020 FY 2019/20: January 28, 2021 FY 2020/21: January 26, 2022 |
| Fiscal and compliance audits submitted within 180 days following the end of the fiscal year (or with up to 90-day extension). | PUC 99245 | In compliance | FY 2018/19: February 5, 2020 FY 2019/20: February 8, 2021 FY 2020/21: February 3, 2022 |
| Operator's terminal rated as satisfactory by CHP within the 13 months prior to each TDA claim. | PUC 99251 B | In compliance | April 24, 2018 April 29, 2019 May 7, 2020 May 6, 2021 |
| Operator's claim for TDA funds submitted in compliance with rules and regulations adopted by the RTPA. | PUC 99261 | In compliance | |
| If 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. | PUC 99270.1 | Not applicable | |
| Except as otherwise provided, the allocation for any purpose specified under Article 8 may in no year exceed 50% of the amount required to meet the total planning expenditures for that purpose. | PUC 99405 | Not applicable | |
| An operator receiving allocations under Article 8(c) may be subject to regional, countywide, or subarea performance criteria, local match requirements, or fare recovery ratios adopted by resolution of the RTPA. | PUC 99405 | Not applicable | |
| 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). | PUC 99266 | In compliance | FY 2018/19: +5.36% FY 2019/20: +10.64% FY 2020/21: +5.96% |
| The operator's definitions of performance measures are consistent with the Public Utilities Code Section 99247. | PUC 99247 | In compliance | |
| If the operator serves an urbanized area, it has maintained a ratio of fare revenues to operating cost at least equal to one-fifth (20 percent). | PUC 99268.2, 99268.4, 99268.1 | In compliance | Urban fixed route: FY 2018/19: 20.9% FY 2019/20: 15.7% FY 2020/21: 7.3% <i>Penalties waived for FY 2020 and FY 2021 due to AB 90 and AB 149.</i> |

| Compliance Element | Reference | Compliance | Comments |
|--|-------------------------------------|---------------|--|
| If the operator serves a rural area, it has maintained a ratio of fare revenues to operating cost at least equal to one-tenth (10 percent). | PUC 99268.2, 99268.4, 99268.5 | In compliance | Rural fixed route: FY 2018/19: 17.6% FY 2019/20: 14.4% FY 2020/21: 10.7% <i>Penalties waived for FY 2020 and FY 2021 due to AB 90 and AB 149.</i> |
| For a claimant that provides only services to elderly and handicapped persons, the ratio of fare revenues to operating cost shall be at least 10 percent. | PUC 99268.5, CCR 6633.5 | In compliance | Urban Para-transit: FY 2018/19: 10.5% FY 2019/20: 9.2% FY 2020/21: 6.7% Rural Para-transit: FY 2018/19: 10.1% FY 2019/20: 9.7% FY 2020/21: 5.6% <i>Penalties waived for FY 2020 and FY 2021 due to AB 90 and AB 149.</i> |
| 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 for 40 years. | PUC 99271 | In compliance | The B-Line service is contracted to a third-party contractor. BCAG employees receive retirement benefits through CalPERS. |
| 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. | CCR 6754 (a) (3) | In compliance | |
| In order to use State Transit Assistance funds for operating assistance, the operator's total operating cost per revenue hour does not exceed the sum of the preceding year's total plus an amount equal to the product of the percentage change in the CPI for the same period multiplied by the preceding year's total operating cost per revenue hour. An operator may qualify based on the preceding year's operating cost per revenue hour or the average of the three prior years. If an operator does not meet these qualifying tests, the operator may only use STA funds for operating purposes according to a sliding scale. | PUC 99314.6 | In compliance | |

| Compliance Element | Reference | Compliance | Comments |
|---|-----------------|----------------------|----------|
| <p>A transit claimant is precluded from receiving monies from the Local Transportation Fund and the State Transit Assistance Fund in an amount which exceeds the claimant's capital and operating costs less the actual amount of fares received, the amount of local support required to meet the fare ratio, the amount of federal operating assistance, and the amount received during the year from a city or county to which the operator has provided services beyond its boundaries.</p> | <p>CCR 6634</p> | <p>In compliance</p> | |

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Chapter 4 | Prior Recommendations

This section reviews and evaluates the implementation of prior Triennial Performance Audit recommendations. This objective assessment provides assurance Butte Regional Transit has made quantifiable progress toward improving both the efficiency and effectiveness of its public transit program.

The prior audit – completed in September 2019 by Moore & Associates, Inc. for the three fiscal years ending June 30, 2018 – included four recommendations:

1. [Ensure State Controller Reports are submitted by the established deadline.](#)

Discussion: In FY 2015/16, the State Controller Report was submitted on November 8, 2016, three weeks after the established deadline for that year. The Chief Fiscal Officer, who is responsible for preparing and submitting the State Controller Report, experienced two deaths in her family around the time the report was due to be submitted.

Progress: Given the special circumstances that were the cause of the late filing, no further action was recommended in the prior audit. The report was filed on time in both FY 2016/17 and FY 2017/18, as well as during the current audit period. BCAG has effective processes in place to ensure timely reporting.

Status: Implemented.

2. [Use AVL/GPS data to redesign Oroville routes to improve performance.](#)

Discussion: The prior Triennial Performance Audit recommended BRT use the TripSpark AVL/GPS data to help evaluate opportunities to improve performance of its Oroville routes. BRT was unable to implement this recommendation given delays in syncing the data from TripSpark with its Genfare GFI fareboxes. However, BRT completed that task and was in the process of beginning to collect the needed data at the time of the prior audit.

Since the two systems were able to sync effectively, the prior auditor recommended BRT move forward with redesign of its Oroville routes to improve performance. The ridership and boarding location data that would be available would be valuable for identifying bus stops with higher boarding activity, and help BRT more effectively serve current demand. This could be done as part of the Transit Plan recommended in Functional Recommendation #2.

Progress: Since the last audit, the BRT service area was seriously impacted by the Camp Fire. The fire significantly disrupted service, requiring BRT to see what it could do with its resources. A Post-Camp Fire Study was conducted to compare pre- and post-fire operations. Some people from Paradise went to Oroville, but most went to Chico. A Routing Optimization Study, initiated in Fall 2021, looked at Oroville and the routing. Prior to that study BRT had looked at Oroville but had not done much because of the pending Routing Study, which is expected to be completed by the middle of FY 2023.

Status: Implementation in progress.

3. Prepare an SRTP specific to BRT within the next two years.

Discussion: BRT’s Transit and Non-Motorized Plan was completed in May 2015. Given BRT does not maintain a separate Short-Range Transit Plan, an update of that plan or development of an SRTP or TDP is warranted during the audit period.

We recommended BRT should prepare an SRTP specific to its own system sometime within the next two years. Alternately, planning for BRT may be included in a county-wide transit plan, provided sufficient performance analysis is included. Planning for Oroville routes (Functional Recommendation #1) may be included within the plan if desired.

Progress: In 2021, BCAG updated BRT’s Transit and Non-Motorized Plan as part of the Post-Camp Fire Study.

Status: Implemented.

4. Identify strategies for increasing the farebox recovery ratio on all services.

Discussion: Despite declining each year, BRT’s fixed-route services remained above the TDA threshold throughout the audit period. The urban fixed-route service, however, dipped to 21.06 percent in FY 2017/18, while the rural fixed-route service remained well above the 10 percent threshold even when it dropped to 17.76 percent in FY 2017/18. The demand-response services, both with a threshold of 10 percent, hovered right around that point each year. Rural Paratransit fell below 10 percent (to 9.78 percent) in FY 2016/17, which was considered a grace year. Urban Paratransit remained above 10 percent that same year, at 10.51 percent. Both services increased to 11.4 percent in FY 2017/18, likely due to a fare increase that year. However, this does not provide much of a cushion against the 10 percent threshold. There is still a risk farebox recovery ratio on all services could continue to decrease, despite a fare increase effective September 1, 2019.

BRT should work to identify strategies for increasing the farebox recovery ratio on all services, particularly the urban fixed-route and both demand-response services. The effort required will depend on the effect of the fare increase going into effect in September 2019. This could include identifying additional tactics for increasing ridership, increasing advertising revenues, or identifying other funding streams that can be counted as local supplementation. It is also possible that the identification of operating efficiencies and improvements to productivity may result from revisions to the Oroville routes and an updated short-range transit plan.

Progress: While maintaining compliance with farebox recovery ratio requirement remains important, the approach to this recommendation has changed with the COVID-19 pandemic. AB 149 expanded what can be used as fare revenue supplementation to include federal funds, while waivers from penalties for not meeting the farebox recovery ratio thresholds are in place through

FY 2022/23. As a result, the audit team deems this finding no longer relevant *at this time*, though BRT and BCAG will need to continue to be mindful of where the farebox recovery ratio stands once the penalty waivers expire.

Status: No longer relevant.

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Chapter 5 | Data Reporting Analysis

An important aspect of the Triennial Performance Audit process is assessing how effectively and consistently the transit operator reports performance statistics to local, state, and federal agencies. Often as a condition of receipt of funding, an operator must collect, manage, and report data to different entities. Ensuring such data is consistent can be challenging given the differing definitions employed by different agencies as well as the varying reporting timeframes. This chapter examines the consistency of performance data reported by Butte Regional Transit both internally as well as to outside entities during the audit period.

Overall, data is reported consistently between all reporting entities. Additional comments specific to some metrics are provided below.

- **Operating cost:** Differences in operating cost between the three reports (TDA fiscal audit, NTD report, and State Controller Report) may be due to differences in what expenses are included in each. The NTD report generally reports the lowest amount, while the TDA fiscal audit reports the highest. Despite this, the greatest variance between the three reports is approximately 2.6 percent.
- **Full-time Equivalent (FTE) Employee:** Data reported to the State Controller is significantly higher than the labor hours provided by BCAG and Transdev. This appears to be due to use of a calculation methodology other than that defined by the TDA (hours divided by 2,000), though BCAG was able to demonstrate use of the TDA definition in the documents provided to support this audit. The greatest variance is specific to the fixed-route service, though there was also a variance with respect to the demand-response service.

Exhibit 5.1 Data Reporting Comparison

| Performance Measure | System-Wide | | |
|---------------------------------------|-------------|-------------|-------------|
| | FY 2018/19 | FY 2019/20 | FY 2020/21 |
| Operating Cost (Actual \$) | | | |
| <i>TDA fiscal audit</i> | \$9,267,978 | \$9,820,917 | \$9,529,319 |
| <i>National Transit Database</i> | \$9,225,963 | \$9,676,785 | \$9,287,586 |
| <i>State Controller Report</i> | \$9,225,963 | \$9,792,596 | \$9,502,498 |
| Fare Revenue (Actual \$) | | | |
| <i>TDA fiscal audit</i> | \$1,528,906 | \$1,328,546 | \$721,894 |
| <i>National Transit Database</i> | \$1,528,906 | \$1,328,546 | \$721,894 |
| <i>State Controller Report</i> | \$1,528,906 | \$1,328,546 | \$721,894 |
| Vehicle Service Hours (VSH) | | | |
| <i>Monthly Performance Reports</i> | 109,037 | 97,980 | 84,035 |
| <i>National Transit Database</i> | 109,038 | 97,980 | 84,035 |
| <i>State Controller Report</i> | 109,038 | 97,980 | 84,035 |
| Vehicle Service Miles (VSM) | | | |
| <i>Monthly Performance Reports</i> | 1,325,774 | 1,215,338 | 1,094,353 |
| <i>National Transit Database</i> | 1,325,774 | 1,215,338 | 1,094,352 |
| <i>State Controller Report</i> | 1,325,774 | 1,215,338 | 1,094,352 |
| Passengers | | | |
| <i>Monthly Performance Reports</i> | 1,070,314 | 835,984 | 376,215 |
| <i>National Transit Database</i> | 1,091,148 | 835,984 | 376,215 |
| <i>State Controller Report</i> | 1,091,148 | 835,984 | 376,215 |
| Full-Time Equivalent Employees | | | |
| <i>State Controller Report</i> | 110 | 108 | 89 |
| <i>Per TDA methodology</i> | 84 | 89 | 83 |

Chapter 6 | Performance Analysis

Performance indicators are typically employed to quantify and assess the efficiency of a transit operator's activities. Such indicators provide insight into current operations as well as trend analysis of operator performance. Through a review of indicators, relative performance as well as possible inter-relationships between major functions is revealed.

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

- Operating Cost/Passenger,
- Operating Cost/Vehicle Service Hour,
- Passengers/Vehicle Service Hour,
- Passengers/Vehicle Service Mile, and
- Vehicle Service Hours/Employee.

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

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

The procedures used to calculate TDA-required performance measures for the current triennium were verified and compared with indicators included in similar reports to external entities (i.e., State Controller and Federal Transit Administration).

Operating Cost

The Transportation Development Act requires an operator to track and report transit-related costs reflective of the Uniform System of Accounts and Records developed by the State Controller and the California Department of Transportation. The most common method for ensuring this occurs is through a compliance audit report prepared by an independent auditor in accordance with California Code of Regulations Section 6667¹. The annual independent financial audit should confirm the use of the Uniform System of Accounts and Records. *Operating cost* – as defined by PUC Section 99247(a) – excluded the following during the audit period²:

¹ CCR Section 6667 outlines the minimum tasks which must be performed by an independent auditor in conducting the annual fiscal and compliance audit of the transit operator.

² Given the passage of AB 149, the list of excluded costs will be expanded beginning with FY 2021/22.

- Cost in the depreciation and amortization expense object class adopted by the State Controller pursuant to PUC Section 99243,
- Subsidies for commuter rail services operated under the jurisdiction of the Interstate Commerce Commission,
- Direct costs of providing charter service, and
- Vehicle lease costs.

Vehicle Service Hours and Miles

Vehicle Service Hours (VSH) and *Miles* (VSM) are defined as the time/distance during which a revenue vehicle is available to carry fare-paying passengers, and which includes only those times/miles between the time or scheduled time of the first passenger pickup and the time or scheduled time of the last passenger drop-off during a period of the vehicle's continuous availability.³ For example, demand-response service hours include those hours when a vehicle has dropped off a passenger and is traveling to pick up another passenger, but not those hours when the vehicle is unavailable for service due to driver breaks or lunch. For both demand-response and fixed-route services, service hours will exclude hours of "deadhead" travel to the first scheduled pick-up, and will also exclude hours of "deadhead" travel from the last scheduled drop-off back to the terminal. For fixed-route service, a vehicle is in service from first scheduled stop to last scheduled stop, whether or not passengers board or exit at those points (i.e., subtracting driver lunch and breaks but including scheduled layovers).

Passenger Counts

According to the Transportation Development Act, *total passengers* is equal to the total number of unlinked trips (i.e., those trips that are made by a passenger that involve a single boarding and departure), whether revenue-producing or not.

Employees

Employee hours is defined as the total number of hours (regular or overtime) which all employees have worked, and for which they have been paid a wage or salary. The hours must include transportation system-related hours worked by persons employed in connection with the system (whether or not the person is employed directly by the operator). Full-Time Equivalent (FTE) is calculated by dividing the number of person-hours by 2,000.

Fare Revenue

Fare revenue is defined by California Code of Regulations Section 6611.2 as revenue collected from the farebox plus sales of fare media.

³ A vehicle is considered to be in revenue service despite a no-show or late cancellation if the vehicle remains available for passenger use.

TDA Required Indicators

To calculate the TDA indicators for Butte Regional Transit, the following sources were employed:

- Operating Cost was not independently calculated as part of this audit. Operating Cost data were obtained via TDA fiscal audits for each fiscal year covered by this audit. Operating Cost from the reports was compared against that reported in the City's State Controller Reports and appeared to be consistent with TDA guidelines. In accordance with PUC Section 99247(a), the reported costs excluded depreciation and other allowable expenses.
- Fare Revenue was not independently calculated as part of this audit. Fare revenue data were obtained via TDA fiscal audits for each fiscal year covered by this audit. This appears to be consistent with TDA guidelines as well as the uniform system of accounts.
- Vehicle Service Hours (VSH) data were obtained via monthly performance reports for each fiscal year covered by this audit. BRT's calculation methodology is consistent with PUC guidelines.
- Vehicle Service Miles (VSM) data were obtained via monthly performance reports for each fiscal year covered by this audit. BRT's calculation methodology is consistent with PUC guidelines.
- Unlinked trip data were obtained data were obtained via monthly performance reports for each fiscal year covered by this audit. BRT's calculation methodology is consistent with PUC guidelines.
- Full-Time Equivalent (FTE) data were obtained from data submitted by BCAG for each fiscal year covered by this review. While BCAG submitted data demonstrating use of the TDA definition, BRT did not use the TDA definition for FTE reporting to the State Controller.

System Performance Trends

System-wide, operating cost saw a modest net increase across the current and prior audit periods. Between FY 2015/16 and FY 2020/21, there was a net 5.5 percent increase in operating cost. During the audit period, the net increase was just 2.8 percent. Fare revenues generally decreased through the six-year period, with the greatest decline in FY 2020/21. This resulted in a net 52.8 percent decrease during the audit period and a net 57.7 percent net decrease over the six-year span.

Vehicle service hours (VSH) decreased throughout the six-year period. This resulted in decreases of 22.9 percent during the audit period and 30.8 percent over the past six years. Vehicle service miles (VSM) experienced a similar pattern, though there was a modest increase in FY 2017/18. This resulted in a decrease of 20 percent during the audit period, and a net decrease of 22.9 percent since FY 2015/16. Ridership decreased steadily throughout the six-year period. Overall, ridership decreased by 64.9 percent during the audit period (due largely to a 55 percent decrease in FY 2020/21), and a decrease of 73.5 percent over the six-year period.

With respect to full-time equivalent (FTE) employees, the significant decrease shown in FY 2018/19 is due to the data used and is not necessarily reflective of a significant change in staffing levels. For the prior audit period, data is shown from the State Controller Reports, while the data for the prior audit period was submitted by BCAG and calculated using the TDA definition.

Cost-related metrics typically provide an indicator of a system's efficiency, while passenger-related metrics offer insight into its productivity. Improvements are characterized by increases in passenger-related metrics and decreases in cost-related metrics. Cost-related metrics generally increased over the audit period, indicating a decrease in cost-effectiveness. Operating cost per passenger was the most affected, since ridership decreased at a greater rate than operating cost in FY 2020/21. Unsurprisingly, passenger-related metrics fell, with passengers per VSH and passengers per VSM each seeing a net decrease of approximately 55 percent during the audit period.

Exhibit 6.1 System Performance Indicators

| Performance Measure | System-wide | | | | | |
|---|-------------|-------------|-------------|-------------|-------------|-------------|
| | FY 2015/16 | FY 2016/17 | FY 2017/18 | FY 2018/19 | FY 2019/20 | FY 2020/21 |
| Operating Cost (Actual \$) | \$9,035,939 | \$9,592,761 | \$9,624,387 | \$9,267,978 | \$9,820,917 | \$9,529,319 |
| Annual Change | | 6.2% | 0.3% | -3.7% | 6.0% | -3.0% |
| Fare Revenue (Actual \$) | \$1,707,444 | \$1,613,545 | \$1,618,441 | \$1,528,906 | \$1,328,546 | \$721,894 |
| Annual Change | | -5.5% | 0.3% | -5.5% | -13.1% | -45.7% |
| Vehicle Service Hours (VSH) | 121,388 | 120,231 | 117,580 | 109,037 | 97,980 | 84,035 |
| Annual Change | | -1.0% | -2.2% | -7.3% | -10.1% | -14.2% |
| Vehicle Service Miles (VSM) | 1,420,155 | 1,420,658 | 1,456,830 | 1,368,254 | 1,215,338 | 1,094,353 |
| Annual Change | | 0.0% | 2.5% | -6.1% | -11.2% | -10.0% |
| Passengers | 1,420,407 | 1,308,866 | 1,247,667 | 1,070,314 | 835,984 | 376,215 |
| Annual Change | | -7.9% | -4.7% | -14.2% | -21.9% | -55.0% |
| Employees | 120 | 119 | 117 | 84 | 89 | 83 |
| Annual Change | | -0.8% | -1.7% | -28.2% | 6.0% | -6.7% |
| Performance Indicators | | | | | | |
| Operating Cost/VSH (Actual \$) | \$74.44 | \$79.79 | \$81.85 | \$85.00 | \$100.23 | \$113.40 |
| Annual Change | | 7.2% | 2.6% | 3.8% | 17.9% | 13.1% |
| Operating Cost/Passenger (Actual \$) | \$6.36 | \$7.33 | \$7.71 | \$8.66 | \$11.75 | \$25.33 |
| Annual Change | | 15.2% | 5.3% | 12.3% | 35.7% | 115.6% |
| Passengers/VSH | 11.70 | 10.89 | 10.61 | 9.82 | 8.53 | 4.48 |
| Annual Change | | -7.0% | -2.5% | -7.5% | -13.1% | -47.5% |
| Passengers/VSM | 1.00 | 0.92 | 0.86 | 0.78 | 0.69 | 0.34 |
| Annual Change | | -7.9% | -7.0% | -8.7% | -12.1% | -50.0% |
| Farebox Recovery | 18.9% | 16.8% | 16.8% | 16.5% | 13.5% | 7.6% |
| Annual Change | | -11.0% | 0.0% | -1.9% | -18.0% | -44.0% |
| Hours/Employee | 1011.6 | 1010.3 | 1005.0 | 1,298.1 | 1,100.9 | 1012.5 |
| Annual Change | | -0.1% | -0.5% | 29.2% | -15.2% | -8.0% |
| TDA Non-Required Indicators | | | | | | |
| Operating Cost/VSM | \$6.36 | \$6.75 | \$6.61 | \$6.77 | \$8.08 | \$8.71 |
| Annual Change | | 6.1% | -2.2% | 2.5% | 19.3% | 7.8% |
| VSM/VSH | 11.70 | 11.82 | 12.39 | 12.55 | 12.40 | 13.02 |
| Annual Change | | 1.0% | 4.9% | 1.3% | -1.2% | 5.0% |
| Fare/Passenger | \$1.20 | \$1.23 | \$1.30 | \$1.43 | \$1.59 | \$1.92 |
| Annual Change | | 2.6% | 5.2% | 10.1% | 11.3% | 20.7% |

Sources: FY 2015/16 – FY 2017/18 data from prior Triennial Performance Audit.

FY 2018/19 – FY 2020/21 financial data from TDA fiscal audits.

FY 2018/19 – FY 2020/21 performance data from monthly performance reports; FTE from data provided by BCAG.

Exhibit 6.2 System Ridership

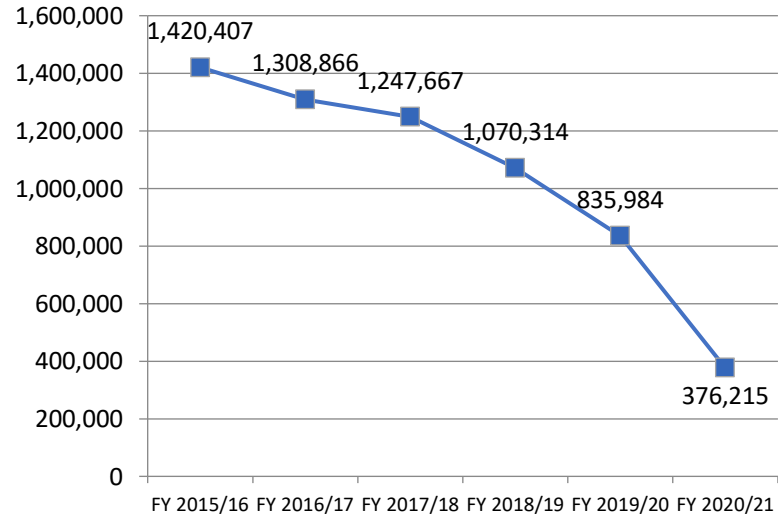


Exhibit 6.3 System Operating Cost/VSH

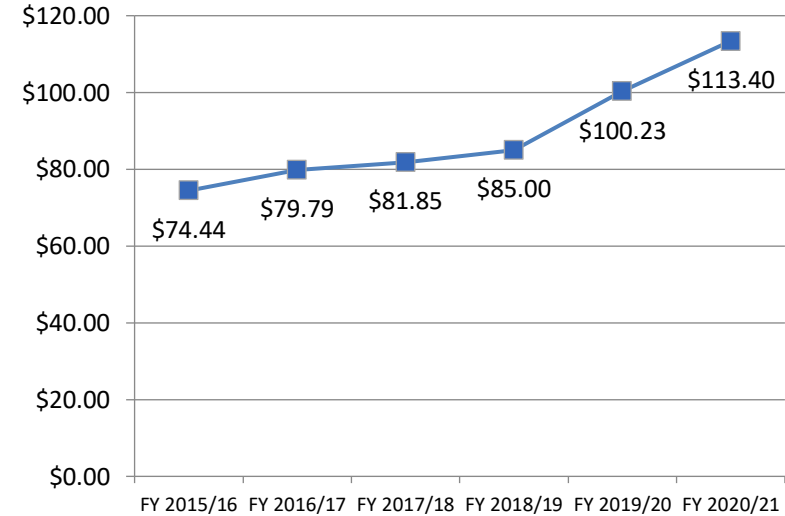


Exhibit 6.4 System Operating Cost/VSM

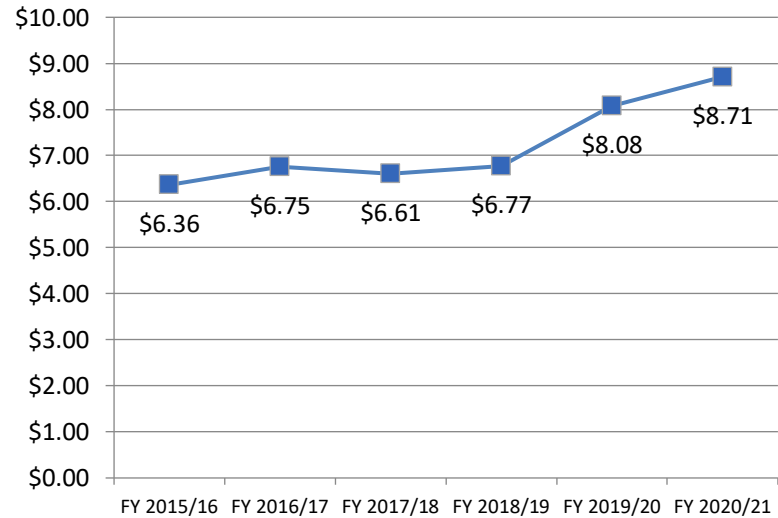


Exhibit 6.5 System VSM/VSH

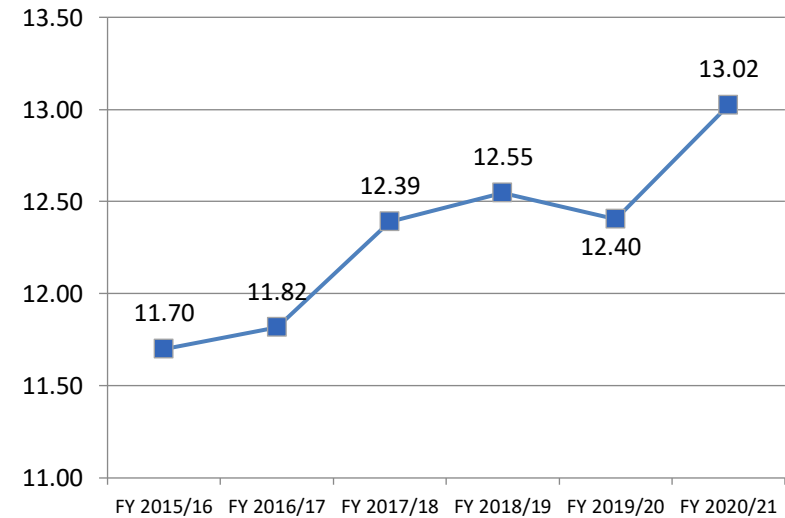


Exhibit 6.6 System Operating Cost/Passenger

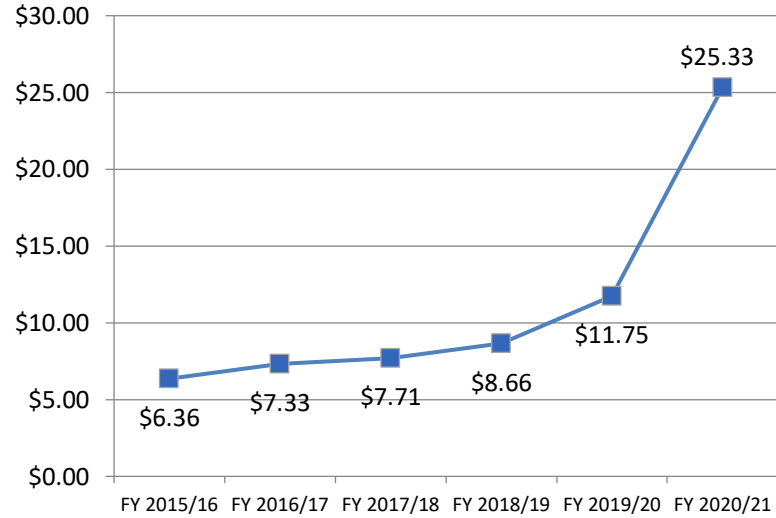


Exhibit 6.7 System Passengers/VSH

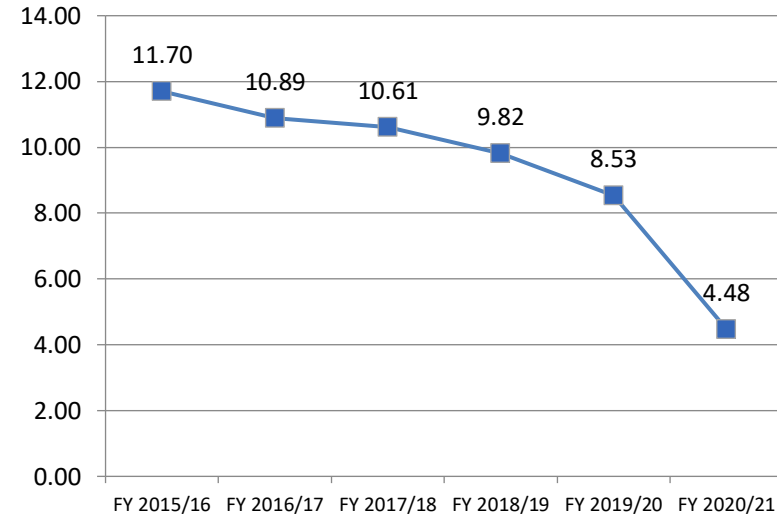


Exhibit 6.8 System Passengers/VSM

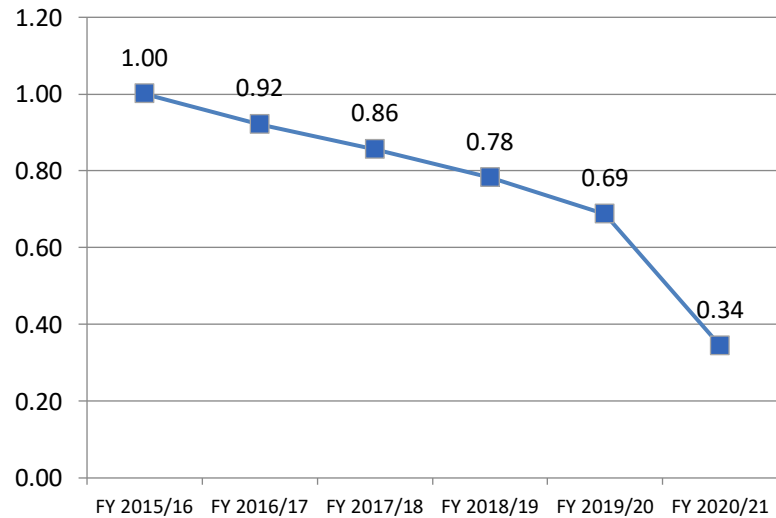


Exhibit 6.9 System VSH/FTE

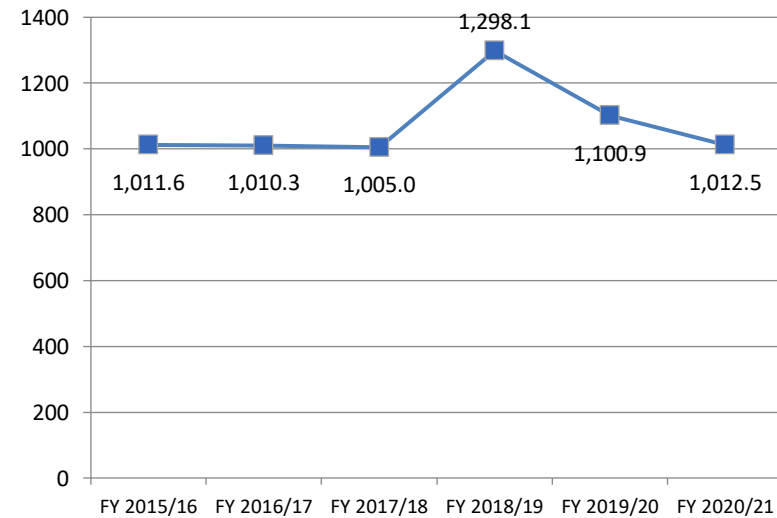


Exhibit 6.10 System Farebox Recovery

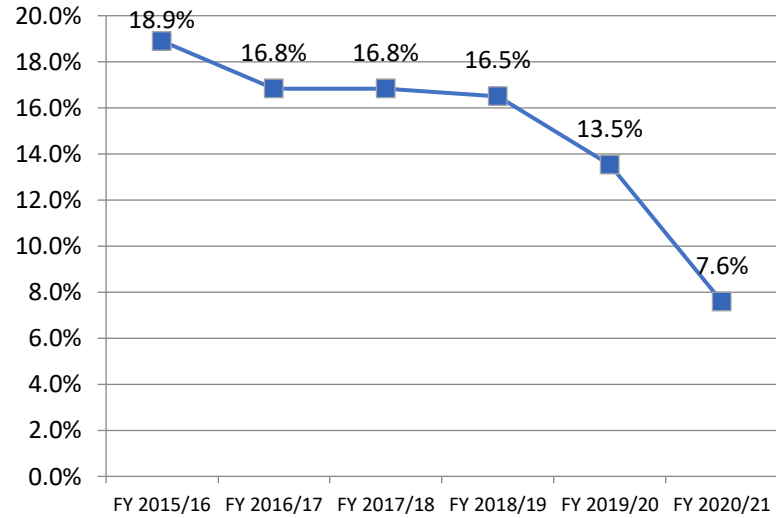
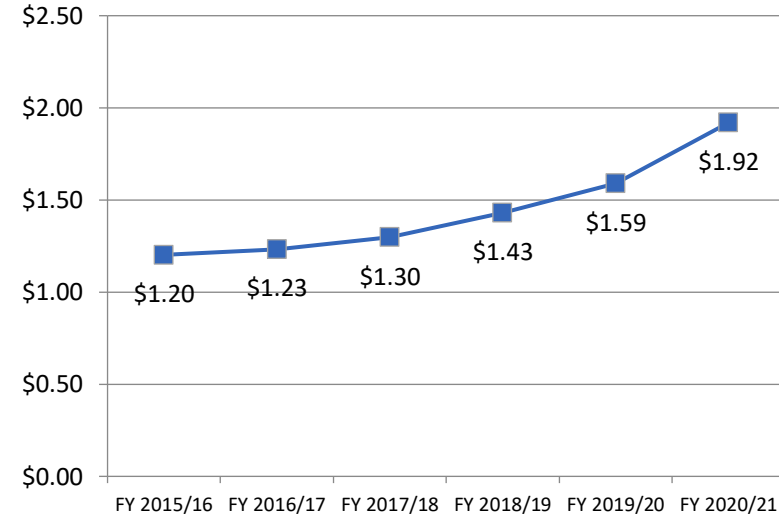


Exhibit 6.11 System Fare/Passenger



Performance Trends by Mode

Urban Fixed-Route Performance

Urban fixed-route operating cost rose during most years throughout the current and prior audit periods. Between FY 2015/16 and FY 2020/21, there was a net 31.9 percent increase in operating cost. The most significant increase occurred in FY 2019/20, which experienced a 17.6 percent increase. Fare revenues steadily decreased through the six-year period, with the greatest decrease (57.6 percent) occurring in FY 2020/21. This resulted in a net 62.5 percent decrease during the audit period and a 65.8 percent net decrease over the six-year span.

Vehicle service hours (VSH) decreased during five years of the six-year period, only increasing in FY 2016/17. This resulted in a net decrease of 4.8 percent during the audit period and a net 5.4 percent decrease over the past six years. Vehicle service miles (VSM) experienced a similar pattern, with an additional increase in FY 2020/21. This resulted in a net increase of 4.9 percent during the audit period, and a net increase of 4.2 percent since FY 2015/16. Ridership significantly decreased throughout the six-year period, with the greatest decline (57.8 percent) occurring in FY 2020/21. Overall, ridership decreased by 65.6 percent during the audit period, and experienced a net decrease of 74.0 percent over the six-year period.

Cost-related metrics generally increased over the audit period, indicating a decrease in cost-effectiveness. However operating cost per VSM decreased slightly (by approximately two percent) in FY 2020/21, indicating a modest improvement. Operating cost per passenger was the most affected, since operating cost increased as ridership decreased in FY 2020/21. Unsurprisingly, passenger-related metrics fell, with passengers per VSH and passengers per VSM each seeing a net decrease of more than 67 percent during the audit period.

Exhibit 6.12 Urban Fixed-Route Performance Indicators

| Performance Measure | Urban Fixed-Route | | | | | |
|---|-------------------|-------------|-------------|-------------|-------------|-------------|
| | FY 2015/16 | FY 2016/17 | FY 2017/18 | FY 2018/19 | FY 2019/20 | FY 2020/21 |
| Operating Cost (Actual \$) | \$3,299,746 | \$3,578,991 | \$3,579,351 | \$3,583,907 | \$4,214,656 | \$4,353,422 |
| <i>Annual Change</i> | | 8.5% | 0.0% | 0.1% | 17.6% | 3.3% |
| Fare Revenue (Actual \$) | \$822,859 | \$760,310 | \$753,764 | \$750,702 | \$663,549 | \$281,635 |
| <i>Annual Change</i> | | -7.6% | -0.9% | -0.4% | -11.6% | -57.6% |
| Vehicle Service Hours (VSH) | 44,611 | 44,918 | 44,570 | 44,347 | 43,490 | 42,216 |
| <i>Annual Change</i> | | 0.7% | -0.8% | -0.5% | -1.9% | -2.9% |
| Vehicle Service Miles (VSM) | 431,566 | 433,038 | 430,392 | 428,824 | 425,369 | 449,830 |
| <i>Annual Change</i> | | 0.3% | -0.6% | -0.4% | -0.8% | 5.8% |
| Passengers | 901,774 | 820,729 | 765,210 | 681,305 | 555,442 | 234,389 |
| <i>Annual Change</i> | | -9.0% | -6.8% | -11.0% | -18.5% | -57.8% |
| Performance Indicators | | | | | | |
| Operating Cost/VSH (Actual \$) | \$73.97 | \$79.68 | \$80.31 | \$80.82 | \$96.91 | \$103.12 |
| <i>Annual Change</i> | | 7.7% | 0.8% | 0.6% | 19.9% | 6.4% |
| Operating Cost/Passenger (Actual \$) | \$3.66 | \$4.36 | \$4.68 | \$5.26 | \$7.59 | \$18.57 |
| <i>Annual Change</i> | | 19.2% | 7.3% | 12.5% | 44.2% | 144.8% |
| Passengers/VSH | 20.21 | 18.27 | 17.17 | 15.36 | 12.77 | 5.55 |
| <i>Annual Change</i> | | -9.6% | -6.0% | -10.5% | -16.9% | -56.5% |
| Passengers/VSM | 2.09 | 1.90 | 1.78 | 1.59 | 1.31 | 0.52 |
| <i>Annual Change</i> | | -9.3% | -6.2% | -10.6% | -17.8% | -60.1% |
| Farebox Recovery | 24.94% | 21.24% | 21.06% | 20.95% | 15.74% | 6.47% |
| <i>Annual Change</i> | | -14.8% | -0.9% | -0.5% | -24.8% | -58.9% |
| TDA Non-Required Indicators | | | | | | |
| Operating Cost/VSM | \$7.65 | \$8.26 | \$8.32 | \$8.36 | \$9.91 | \$9.68 |
| <i>Annual Change</i> | | 8.1% | 0.6% | 0.5% | 18.6% | -2.3% |
| VSM/VSH | 9.67 | 9.64 | 9.66 | 9.67 | 9.78 | 10.66 |
| <i>Annual Change</i> | | -0.3% | 0.2% | 0.1% | 1.1% | 8.9% |
| Fare/Passenger | \$0.91 | \$0.93 | \$0.99 | \$1.10 | \$1.19 | \$1.20 |
| <i>Annual Change</i> | | 1.5% | 6.3% | 11.9% | 8.4% | 0.6% |

Sources: FY 2015/16 – FY 2017/18 data from prior Triennial Performance Audit.

FY 2018/19 – FY 2020/21 financial data from TDA fiscal audits.

FY 2018/19 – FY 2020/21 performance data from monthly performance reports.

Rural Fixed-Route Performance

Rural fixed-route operating cost declined significantly throughout the current audit periods. Between FY 2015/16 and FY 2020/21, there was a net 32.2 percent increase in operating cost. The most significant increase occurred in FY 2016/17, which experienced a 53 percent increase. Fare revenues experienced significant decreases through the six-year period. This resulted in a net 33.3 percent decrease during the audit period and a 41.5 percent net decrease over the six-year span.

Vehicle service hours (VSH) increased each year of the prior audit period and decreased each year of the current audit period. This resulted in a net decrease of 9.1 percent during the audit period and a net 15.7 percent decrease over the past six years. Vehicle service miles (VSM) experienced a similar pattern, resulting in a net decrease of 10.2 percent during the audit period, and a net decrease of 17.1 percent since FY 2015/16. Ridership decreased steadily throughout the six-year period. Overall, ridership decreased by 62.9 percent during the audit period and 73.7 percent over the six-year period.

Cost-related metrics generally increased over the audit period, indicating a decrease in cost-effectiveness. Operating cost per passenger was the most affected, since operating cost increased as ridership decreased in FY 2020/21. Passengers per VSH and passengers per VSM both experienced an approximately 59 percent net decrease during the audit period.

Exhibit 6.13 Rural Fixed-Route Performance Indicators

| Performance Measure | Rural Fixed-Route | | | | | |
|---|-------------------|-------------|-------------|-------------|-------------|-------------|
| | FY 2015/16 | FY 2016/17 | FY 2017/18 | FY 2018/19 | FY 2019/20 | FY 2020/21 |
| Operating Cost (Actual \$) | \$2,344,074 | \$3,587,399 | \$2,745,304 | \$2,624,341 | \$2,796,825 | \$3,099,121 |
| <i>Annual Change</i> | | 53.0% | -23.5% | -4.4% | 6.6% | 10.8% |
| Fare Revenue (Actual \$) | \$526,072 | \$505,141 | \$487,592 | \$461,042 | \$403,874 | \$307,491 |
| <i>Annual Change</i> | | -4.0% | -3.5% | -5.4% | -12.4% | -23.9% |
| Vehicle Service Hours (VSH) | 25,256 | 25,766 | 26,797 | 23,433 | 22,103 | 21,297 |
| <i>Annual Change</i> | | 2.0% | 4.0% | -12.6% | -5.7% | -3.6% |
| Vehicle Service Miles (VSM) | 587,821 | 597,632 | 617,242 | 542,904 | 518,394 | 487,285 |
| <i>Annual Change</i> | | 1.7% | 3.3% | -12.0% | -4.5% | -6.0% |
| Passengers | 349,373 | 321,834 | 314,008 | 247,732 | 176,660 | 91,851 |
| <i>Annual Change</i> | | -7.9% | -2.4% | -21.1% | -28.7% | -48.0% |
| Performance Indicators | | | | | | |
| Operating Cost/VSH (Actual \$) | \$92.81 | \$139.23 | \$102.45 | \$111.99 | \$126.53 | \$145.52 |
| <i>Annual Change</i> | | 50.0% | -26.4% | 9.3% | 13.0% | 15.0% |
| Operating Cost/Passenger (Actual \$) | \$6.71 | \$11.15 | \$8.74 | \$10.59 | \$15.83 | \$33.74 |
| <i>Annual Change</i> | | 66.1% | -21.6% | 21.2% | 49.4% | 113.1% |
| Passengers/VSH | 13.83 | 12.49 | 11.72 | 10.57 | 7.99 | 4.31 |
| <i>Annual Change</i> | | -9.7% | -6.2% | -9.8% | -24.4% | -46.0% |
| Passengers/VSM | 0.59 | 0.54 | 0.51 | 0.46 | 0.34 | 0.19 |
| <i>Annual Change</i> | | -9.4% | -5.5% | -10.3% | -25.3% | -44.7% |
| Farebox Recovery | 22.4% | 14.1% | 17.8% | 17.6% | 14.4% | 9.9% |
| <i>Annual Change</i> | | -37.3% | 26.1% | -1.1% | -17.8% | -31.3% |
| TDA Non-Required Indicators | | | | | | |
| Operating Cost/VSM | \$3.99 | \$6.00 | \$4.45 | \$4.83 | \$5.40 | \$6.36 |
| <i>Annual Change</i> | | 50.5% | -25.9% | 8.7% | 11.6% | 17.9% |
| VSM/VSH | 23.27 | 23.19 | 23.03 | 23.17 | 23.45 | 22.88 |
| <i>Annual Change</i> | | -0.3% | -0.7% | 0.6% | 1.2% | -2.4% |
| Fare/Passenger | \$1.51 | \$1.57 | \$1.55 | \$1.86 | \$2.29 | \$3.35 |
| <i>Annual Change</i> | | 4.2% | -1.1% | 19.9% | 22.8% | 46.4% |

Sources: FY 2015/16 – FY 2017/18 data from prior Triennial Performance Audit.
 FY 2018/19 – FY 2020/21 financial data from TDA fiscal audits.
 FY 2018/19 – FY 2020/21 performance data from monthly performance reports.

Urban Paratransit Performance

Urban paratransit operating cost rose during five years of the six-year period, before decreasing significantly in FY 2020/21. Between FY 2015/16 and FY 2020/21, there was a net 15.8 percent decrease in operating cost. The most significant decrease occurred during FY 2020/21, which experienced a 29.9 percent decrease. Fare revenues decreased several years of the six-year period. This resulted in a net 53.1 percent decrease during the audit period and a 47 percent net decrease over the six-year span.

Vehicle service hours (VSH) generally declined during the six-year period, decreasing during both years of the COVID-19 pandemic. This resulted in a net decrease of 47.8 percent during the audit period and a net decrease of 46 percent over the past six years. Vehicle service miles (VSM) experienced a similar pattern. This resulted in a net decrease of 54.3 percent during the audit period and a net decrease of 42.5 percent since FY 2015/16. Not surprisingly, given the nature of a demand-response service, ridership followed a similar pattern as VSH and VSM. Overall, ridership decreased by 60.9 percent during the audit period (due in large part to a 54 percent decrease in FY 2020/21), and experienced a net decrease of 59 percent over the six-year period.

Cost-related metrics generally increased over the audit period, indicating a decrease in cost-effectiveness. Unsurprisingly, passenger-related metrics fell due to a decrease in ridership that was greater than the decrease in VSH and VSM.

Exhibit 6.14 Urban Paratransit Performance Indicators

| Performance Measure | Urban Paratransit | | | | | |
|---|-------------------|-------------|-------------|-------------|-------------|-------------|
| | FY 2015/16 | FY 2016/17 | FY 2017/18 | FY 2018/19 | FY 2019/20 | FY 2020/21 |
| Operating Cost (Actual \$) | \$1,750,960 | \$1,772,619 | \$1,780,824 | \$2,013,381 | \$2,104,350 | \$1,475,170 |
| <i>Annual Change</i> | | 1.2% | 0.5% | 13.1% | 4.5% | -29.9% |
| Fare Revenue (Actual \$) | \$186,940 | \$186,383 | \$202,269 | \$211,392 | \$193,048 | \$99,090 |
| <i>Annual Change</i> | | -0.3% | 8.5% | 4.5% | -8.7% | -48.7% |
| Vehicle Service Hours (VSH) | 26,566 | 25,627 | 25,123 | 27,480 | 24,012 | 14,347 |
| <i>Annual Change</i> | | -3.5% | -2.0% | 9.4% | -12.6% | -40.3% |
| Vehicle Service Miles (VSM) | 211,957 | 210,572 | 225,174 | 266,834 | 204,811 | 121,853 |
| <i>Annual Change</i> | | -0.7% | 6.9% | 18.5% | -23.2% | -40.5% |
| Passengers | 87,304 | 88,313 | 89,891 | 91,720 | 77,841 | 35,820 |
| <i>Annual Change</i> | | 1.2% | 1.8% | 2.0% | -15.1% | -54.0% |
| Performance Indicators | | | | | | |
| Operating Cost/VSH (Actual \$) | \$65.91 | \$69.17 | \$70.88 | \$73.27 | \$87.64 | \$102.82 |
| <i>Annual Change</i> | | 4.9% | 2.5% | 3.4% | 19.6% | 17.3% |
| Operating Cost/Passenger (Actual \$) | \$20.06 | \$20.07 | \$19.81 | \$21.95 | \$27.03 | \$41.18 |
| <i>Annual Change</i> | | 0.1% | -1.3% | 10.8% | 23.2% | 52.3% |
| Passengers/VSH | 3.29 | 3.45 | 3.58 | 3.34 | 3.24 | 2.50 |
| <i>Annual Change</i> | | 4.9% | 3.8% | -6.7% | -2.9% | -23.0% |
| Passengers/VSM | 0.41 | 0.42 | 0.40 | 0.34 | 0.38 | 0.29 |
| <i>Annual Change</i> | | 1.8% | -4.8% | -13.9% | 10.6% | -22.7% |
| Farebox Recovery | 10.7% | 10.5% | 11.4% | 10.5% | 9.2% | 6.7% |
| <i>Annual Change</i> | | -1.5% | 8.0% | -7.6% | -12.6% | -26.8% |
| TDA Non-Required Indicators | | | | | | |
| Operating Cost/VSM | \$8.26 | \$8.42 | \$7.91 | \$7.55 | \$10.27 | \$12.11 |
| <i>Annual Change</i> | | 1.9% | -6.1% | -4.6% | 36.2% | 17.8% |
| VSM/VSH | 7.98 | 8.22 | 8.96 | 9.71 | 8.53 | 8.49 |
| <i>Annual Change</i> | | 3.0% | 9.1% | 8.3% | -12.2% | -0.4% |
| Fare/Passenger | \$2.14 | \$2.11 | \$2.25 | \$2.30 | \$2.48 | \$2.77 |
| <i>Annual Change</i> | | -1.4% | 6.6% | 2.4% | 7.6% | 11.5% |

Sources: FY 2015/16 – FY 2017/18 data from prior Triennial Performance Audit.
 FY 2018/19 – FY 2020/21 financial data from TDA fiscal audits.
 FY 2018/19 – FY 2020/21 performance data from monthly performance reports.

Rural Paratransit Performance

Rural paratransit operating cost steadily declined during five years of the six-year period. Between FY 2015/16 and FY 2020/21, there was a net 63.3 percent decrease in operating cost. The most significant decreases occurred during FY 2018/19 and FY 2019/20 (31.1 percent and 32.6 percent, respectively). Fare revenues decreased during most years of the six-year period. This resulted in a net 68.2 percent decrease during the audit period and an 80.4 percent net decrease over the six-year span.

Vehicle service hours (VSH) decreased every year during the six-year period. This resulted in a net decrease of 55.2 percent during the audit period and a net decrease of 75.3 percent over the past six years. Vehicle service miles (VSM) experienced a similar pattern. This resulted in a net decrease of 72.7 percent during the audit period, and a net decrease of 81.3 percent since FY 2015/16. Not surprisingly, given the nature of a demand-response service, ridership followed the same pattern as VSH and VSM. Overall, ridership decreased by 71.4 percent during the audit period, and experienced a net decrease of 82.7 percent over the six-year period.

Cost-related metrics generally increased over the audit period, indicating a decrease in cost-effectiveness. Unsurprisingly, passengers per VSH fell due to a decrease in ridership that was greater than the decrease in VSH. However, passengers per VSM increased slightly during the current audit period, though it is still at a lower level than during the prior audit period.

Exhibit 6.15 Rural Paratransit Performance Indicators

| Performance Measure | Rural Paratransit | | | | | |
|---|-------------------|-------------|-------------|-------------|------------|------------|
| | FY 2015/16 | FY 2016/17 | FY 2017/18 | FY 2018/19 | FY 2019/20 | FY 2020/21 |
| Operating Cost (Actual \$) | \$1,641,159 | \$1,653,752 | \$1,518,908 | \$1,046,349 | \$705,086 | \$601,606 |
| <i>Annual Change</i> | | 0.8% | -8.2% | -31.1% | -32.6% | -14.7% |
| Fare Revenue (Actual \$) | \$171,573 | \$161,712 | \$174,816 | \$105,770 | \$68,075 | \$33,678 |
| <i>Annual Change</i> | | -5.7% | 8.1% | -39.5% | -35.6% | -50.5% |
| Vehicle Service Hours (VSH) | 24,955 | 23,920 | 21,090 | 13,778 | 8,375 | 6,175 |
| <i>Annual Change</i> | | -4.1% | -11.8% | -34.7% | -39.2% | -26.3% |
| Vehicle Service Miles (VSM) | 188,810 | 179,416 | 187,022 | 129,692 | 66,763 | 35,385 |
| <i>Annual Change</i> | | -5.0% | 4.2% | -30.7% | -48.5% | -47.0% |
| Passengers | 81,956 | 77,990 | 78,558 | 49,557 | 26,041 | 14,155 |
| <i>Annual Change</i> | | -4.8% | 0.7% | -36.9% | -47.5% | -45.6% |
| Performance Indicators | | | | | | |
| Operating Cost/VSH (Actual \$) | \$65.76 | \$69.14 | \$72.02 | \$75.94 | \$84.19 | \$97.43 |
| <i>Annual Change</i> | | 5.1% | 4.2% | 5.4% | 10.9% | 15.7% |
| Operating Cost/Passenger (Actual \$) | \$20.02 | \$21.20 | \$19.33 | \$21.11 | \$27.08 | \$42.50 |
| <i>Annual Change</i> | | 5.9% | -8.8% | 9.2% | 28.2% | 57.0% |
| Passengers/VSH | 3.28 | 3.26 | 3.72 | 3.60 | 3.11 | 2.29 |
| <i>Annual Change</i> | | -0.7% | 14.2% | -3.4% | -13.5% | -26.3% |
| Passengers/VSM | 0.43 | 0.43 | 0.42 | 0.38 | 0.39 | 0.40 |
| <i>Annual Change</i> | | 0.1% | -3.4% | -9.0% | 2.1% | 2.6% |
| Farebox Recovery | 10.5% | 9.8% | 11.5% | 10.1% | 9.7% | 5.6% |
| <i>Annual Change</i> | | -6.5% | 17.7% | -12.2% | -4.5% | -42.0% |
| TDA Non-Required Indicators | | | | | | |
| Operating Cost/VSM | \$8.69 | \$9.22 | \$8.12 | \$8.07 | \$10.56 | \$17.00 |
| <i>Annual Change</i> | | 6.0% | -11.9% | -0.7% | 30.9% | 61.0% |
| VSM/VSH | 7.57 | 7.50 | 8.87 | 9.41 | 7.97 | 5.73 |
| <i>Annual Change</i> | | -0.9% | 18.2% | 6.1% | -15.3% | -28.1% |
| Fare/Passenger | \$2.09 | \$2.07 | \$2.23 | \$2.13 | \$2.61 | \$2.38 |
| <i>Annual Change</i> | | -1.0% | 7.3% | -4.1% | 22.5% | -9.0% |

Sources: FY 2015/16 – FY 2017/18 data from prior Triennial Performance Audit.
 FY 2018/19 – FY 2020/21 financial data from TDA fiscal audits.
 FY 2018/19 – FY 2020/21 performance data from monthly performance reports.

Exhibit 6.16 Fixed-Route Ridership by Mode

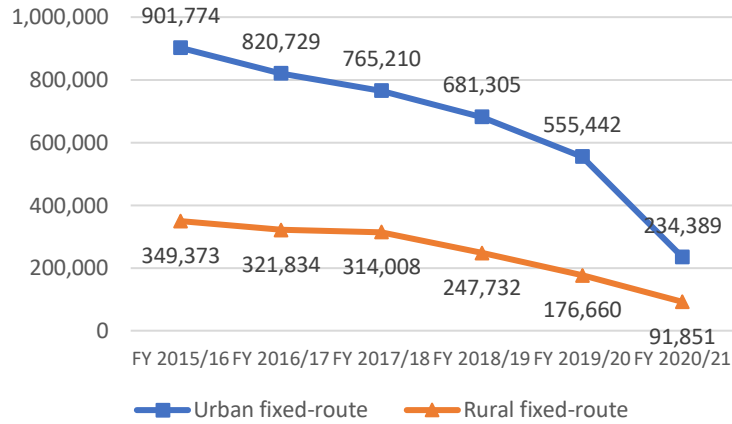


Exhibit 6.17 Demand-Response Ridership by Mode

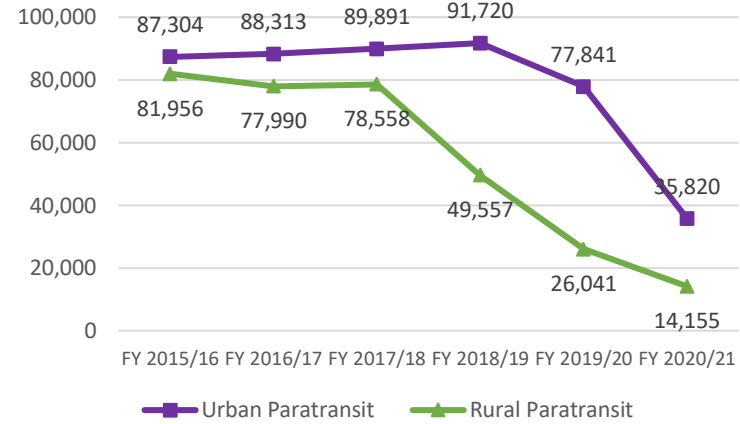


Exhibit 6.18 Fixed-Route Operating Cost/VSH by Mode

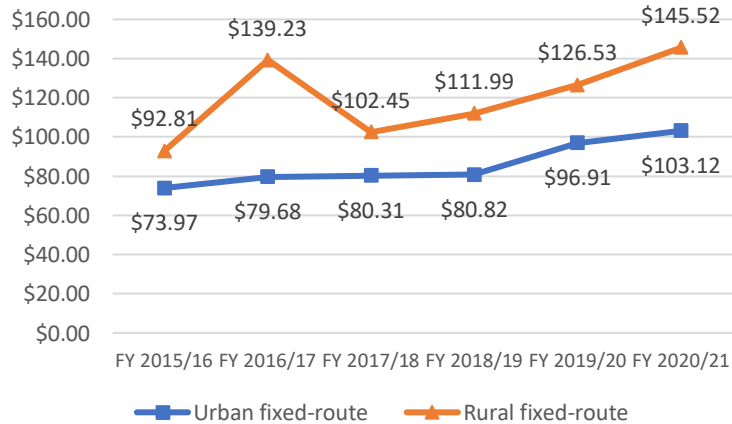


Exhibit 6.19 Demand-Response Operating Cost/VSH by Mode

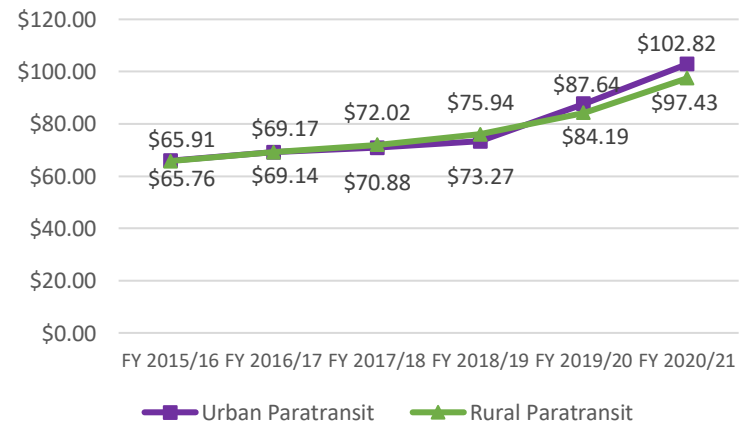


Exhibit 6.20 Fixed-Route Operating Cost/VSM by Mode

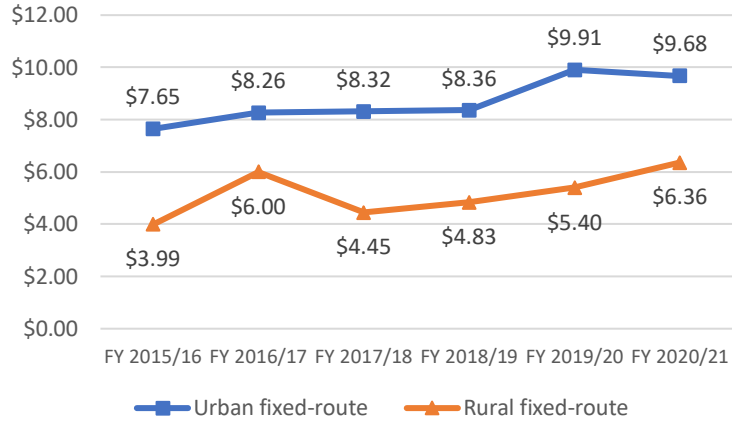


Exhibit 6.21 Demand-Response Operating Cost/VSM by Mode

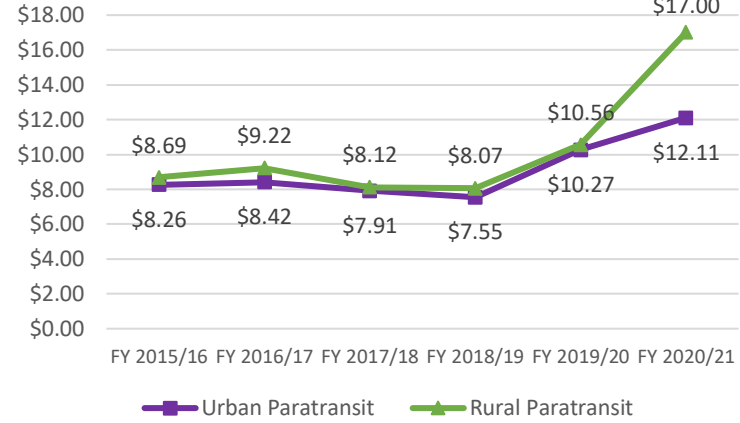


Exhibit 6.22 Fixed-Route VSM/VSH by Mode

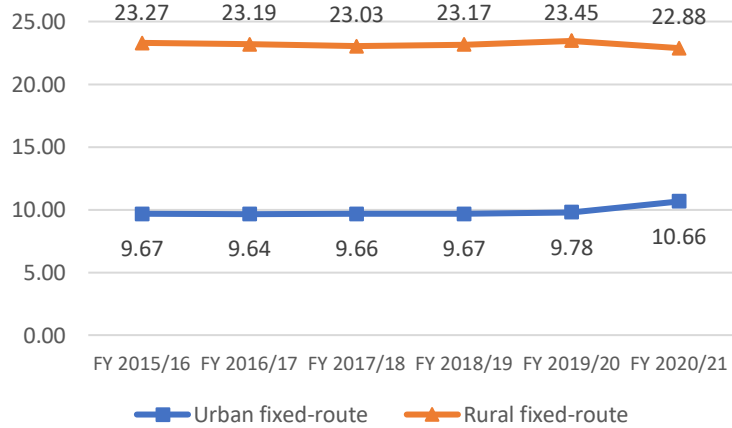


Exhibit 6.23 Demand-Response VSM/VSH by Mode

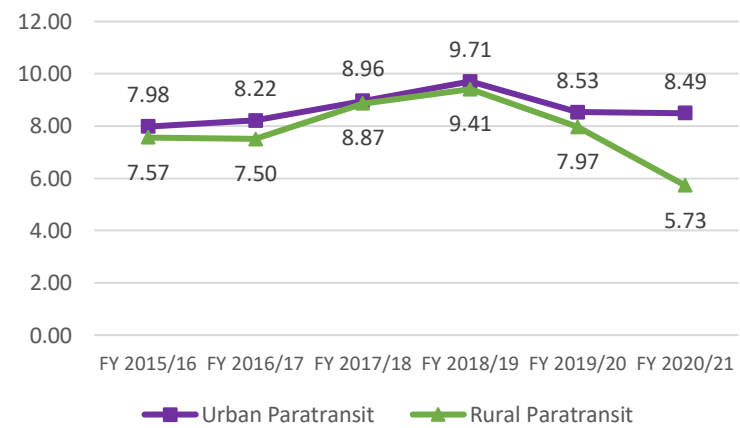


Exhibit 6.24 Fixed-Route Operating Cost/Passenger by Mode

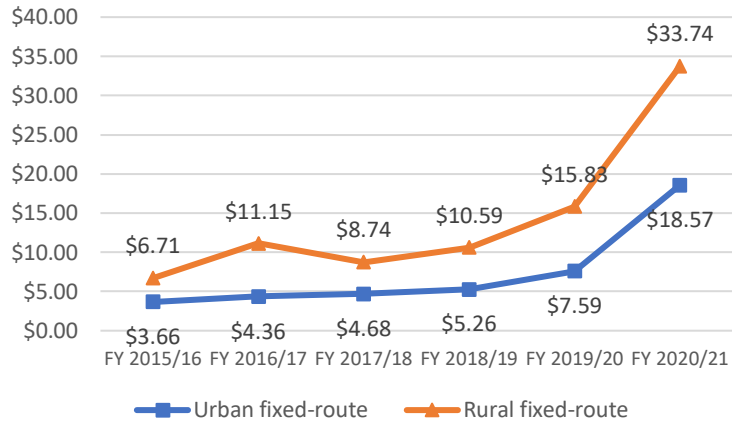


Exhibit 6.25 Demand-Response Operating Cost/Passenger by Mode

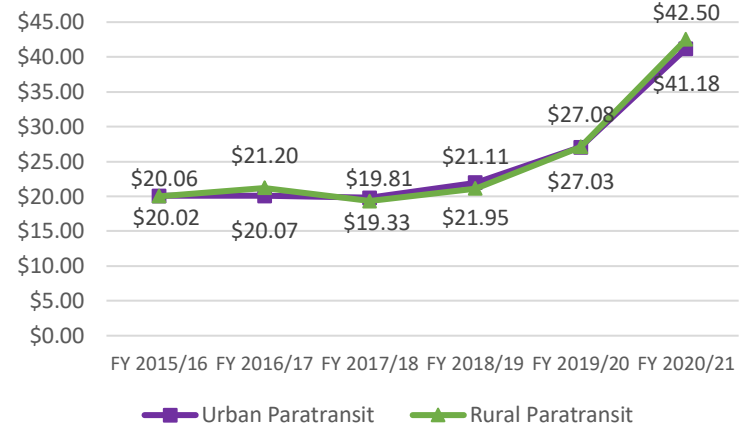


Exhibit 6.26 Fixed-Route Passengers/VSH by Mode

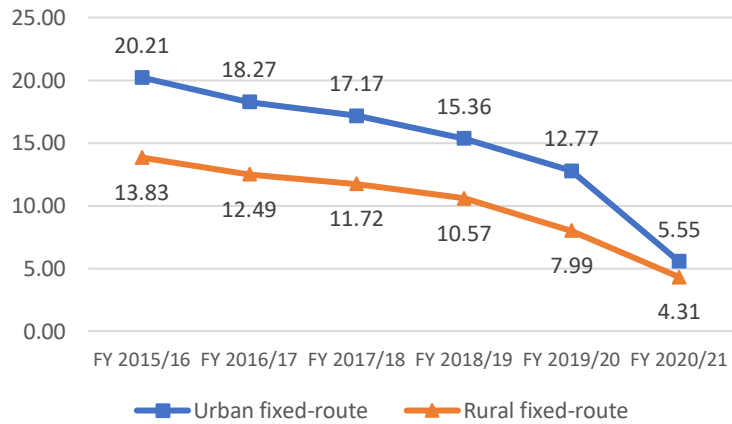


Exhibit 6.27 Demand-Response Passengers/VSH by Mode

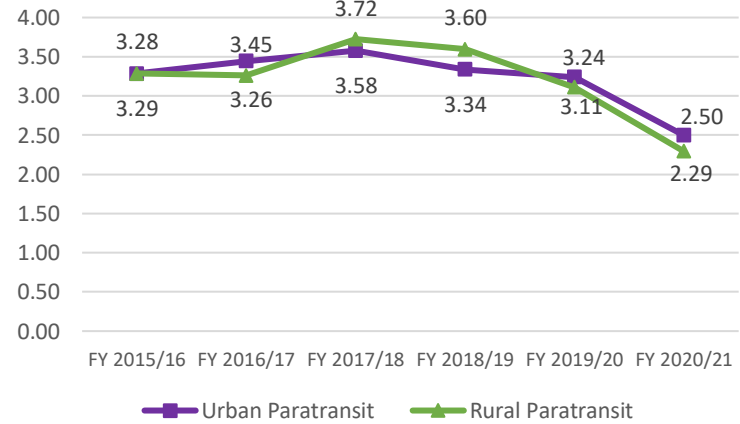


Exhibit 6.28 Fixed-Route Passengers/VSM by Mode

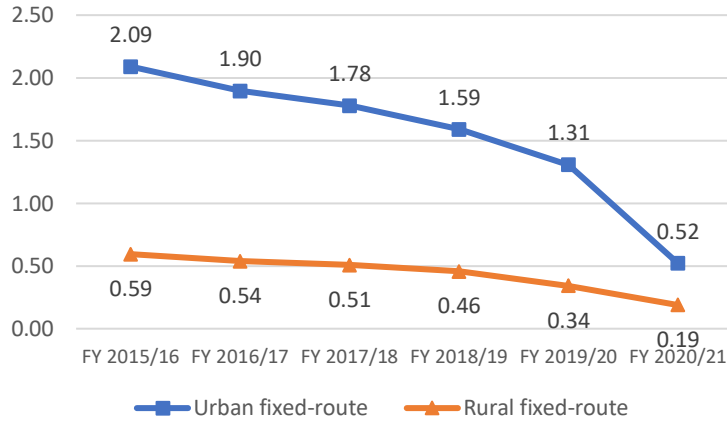


Exhibit 6.29 Demand-Response Passengers/VSM by Mode

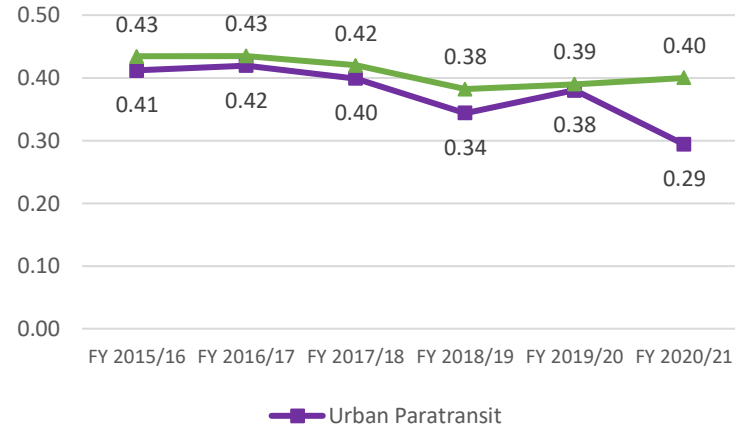


Exhibit 6.30 Fixed-Route Farebox Recovery by Mode

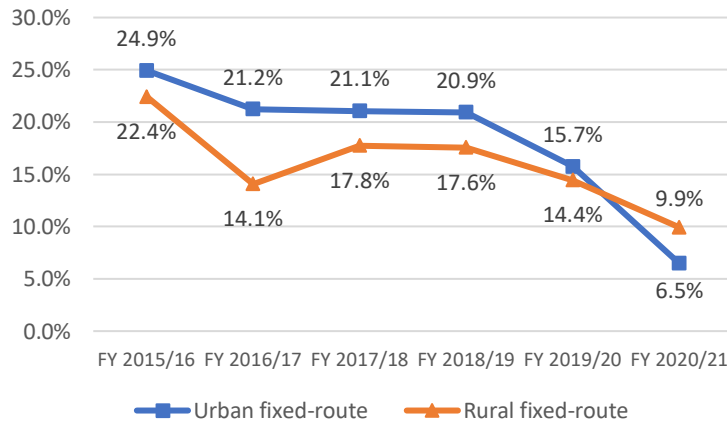


Exhibit 6.31 Demand-Response Farebox Recovery by Mode

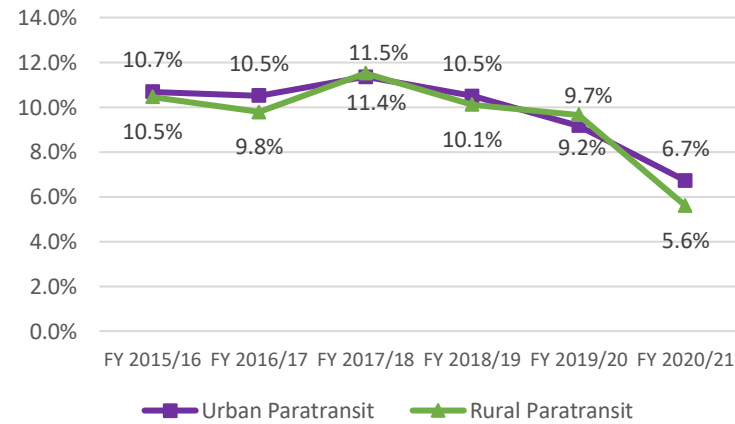


Exhibit 6.32 Fixed-Route Fare/Passenger by Mode

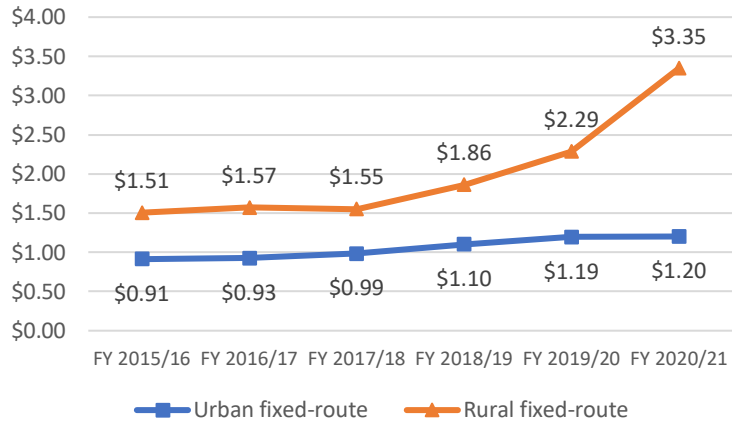
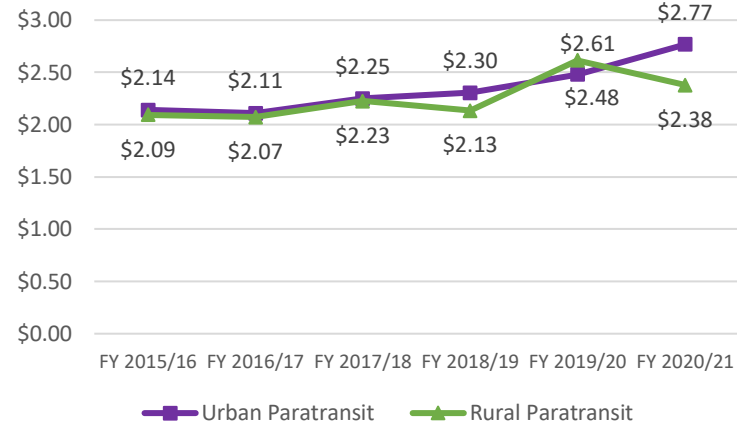


Exhibit 6.33 Demand-Response Fare/Passenger by Mode



Chapter 7 | Functional Review

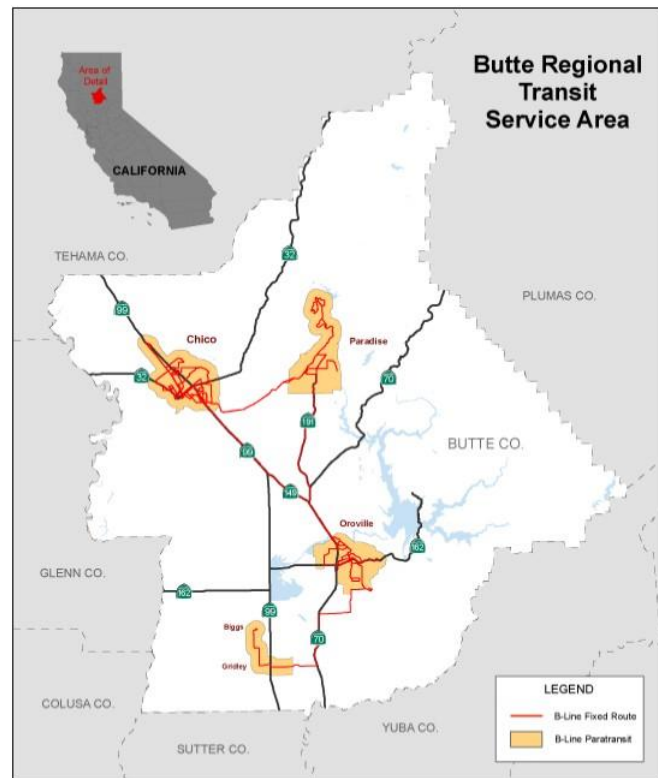
A functional review of Butte Regional Transit’s public transit program is intended to assess the effectiveness and efficiency of the operator. Following a general summary of the City’s transit services, this chapter addresses seven functional areas. The list, taken from Section III of the *Performance Audit Guidebook* published by Caltrans, reflects those transit services provided by BRT through its transit program:

- General management and organization;
- Service planning;
- Scheduling, dispatch, and operations;
- Personnel management and training;
- Administration;
- Marketing and public information; and
- Fleet maintenance.

Service Overview

Butte Regional Transit operates B-Line, a fixed-route service available to the general public. The service operates locally in Chico, Oroville, and Paradise. The service also travels between communities throughout Butte County. Service is available seven days a week. Weekday service operates from 5:50 a.m. to 10:00 p.m., with Saturday service operating from 7:50 a.m. to 7:00 p.m. Sunday service operates from 7:50 a.m. to 6:00 p.m. Some routes do not operate every day. The service does not operate on designated holidays.

Butte Regional Transit also operates B-Line Paratransit, a door-to-door service offering two types of paratransit service for eligible persons. ADA Paratransit Service is available for individuals who cannot use the fixed route system and has ADA certification. A Dial-A-Ride service is available for seniors (70+). The services operate Monday through Friday from 5:50 a.m. to 10:00 p.m., Saturday from 7:00 a.m. to 10:00 p.m., and Sunday from 7:50 a.m. to 6:00 p.m. Service does not operate on designated holidays.



Reservations may be made seven days a week between the hours of 7:00 a.m. and 5:00 p.m. Requests may be scheduled up to seven days in advance. Same-day requests may be scheduled if available. Only four one-way trip reservations can be made per reservations call.

The primary service area for B-Line Paratransit is within three quarters of a mile of B-Line fixed routes within Chico, Oroville, or Paradise. Three supplemental service zones provide non-ADA service outside of these core areas on a space-available basis. Supplemental Zone 1 serves up to one mile outside the core service area. Supplemental Zone 2 serves one to two miles outside the core service area, and Supplemental Zone 3 serves two to three miles outside the core service area.

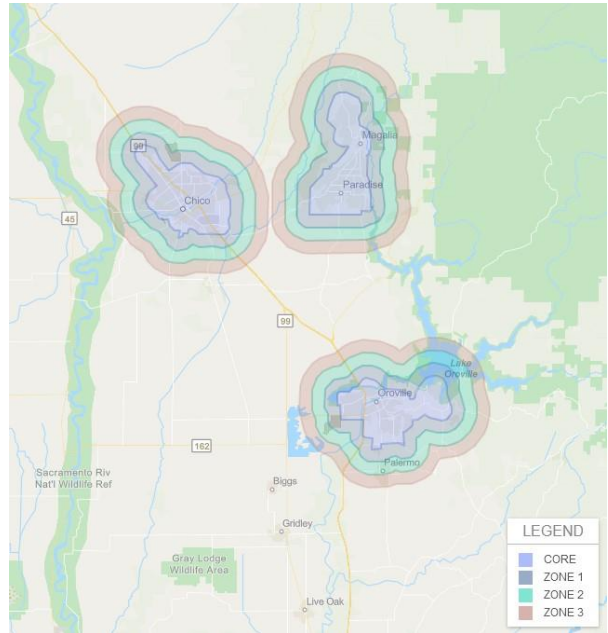


Exhibit 7.1 Fixed-Route Fare Structure

| Fare Category | Local Service | Regional Service |
|--|---------------|------------------|
| Cash Fare | | |
| Regular | \$1.75 | \$2.40 |
| Discount (Senior/Disabled/Medicare) | \$0.85 | \$1.20 |
| Youth (6-18) | \$1.25 | \$1.75 |
| Child (under 6, with fare-paying adult) | 2 free | 2 free |
| 2-Day Pass | | |
| Regular | \$3.50 | \$4.80 |
| Discount (Senior/Disabled/Medicare) | \$1.70 | \$2.40 |
| Youth (6-18) | \$2.50 | \$3.50 |
| All-Day Pass | | |
| Regular | \$5.00 | \$5.00 |
| 10-Day Pass | | |
| Regular | \$15.75 | \$21.60 |
| Discount (Senior/Disabled/Medicare) | \$7.65 | \$10.80 |
| Youth (6-18) | \$11.25 | \$15.75 |
| 31-Day Pass | | |
| Regular | \$43.50 | \$57.50 |
| Discount (Senior/Disabled/Medicare) | \$21.50 | \$30.00 |
| Youth (6-18) | \$31.25 | \$40.00 |
| Upgrade from Local to Regional Fare | | |
| Regular | | \$0.65 |
| Discount (Senior/Disabled/Medicare) | | \$0.50 |
| Youth (6-18) | | \$0.35 |

Exhibit 7.2 Demand-Response Fare Structure

| Fare Category | ADA Paratransit Service Area | Supplemental Zone 1 | Supplemental Zone 2 | Supplemental Zone 3 |
|--------------------------|------------------------------|---------------------|---------------------|---------------------|
| One-way trip | \$3.50 | \$8.75 | \$10.75 | \$12.75 |
| 2-Ride Pass | \$7.00 | | | |
| Same-day service request | \$5.25 | | | |
| \$25 Value Card | | \$25.00 | | |
| \$50 Value Card | | \$50.00 | | |

Response to COVID-19 pandemic

Service was not suspended during the COVID-19 pandemic, though there was a period when a Transdev employee contracted COVID and approximately 14 close contacts had to be isolated. Routes 8 and 9 are student shuttles, which did not operate when Chico State University was remote. BRT suspended fare collection for a few months to enable rear-door boarding. CARES Act funding was used to backfill lost fares. Driver protection, onboard cleaning, and social distancing were implemented. In addition, due to the much lower demand for paratransit, paratransit drivers transitioned to cleaning fixed-route buses, which helped the drivers maintain employment while enabling the buses to be cleaned more frequently.

General Management and Organization

Butte Regional Transit (BRT), also called B-Line, is operated by BCAG. BCAG staff oversee the transit operation, which is contracted to Transdev. BCAG's Transit Administration and Operations Division is primarily responsible for administration of the program. The Senior Planner, Transit Operations regularly monitors the system's performance.

The BCAG Board of Directors is the governing body for BRT. It is comprised of the five Butte County Supervisors and one city/town council representative from each of the five incorporated cities/towns. The Board meets the fourth Thursday of the month at 9:00 a.m. at the BCAG Board Room (326 Huss Dr., Building E, Suite 100, Chico). All meetings are open to the public and the location is ADA-accessible. This location is not served by the B-Line fixed-route service; however, Board meetings are live streamed via Zoom, and access to the Zoom meeting is provided on the agenda.

Staffing is appropriate and effective, with lines of reporting clearly defined. In November 2018 the Camp Fire wiped out the majority of the town of Paradise, which is one of the three biggest areas of transit ridership within Butte County. As a direct result BRT had to reduce service to the Ridge for Routes 40 and 41, and suspended Route 31, which ran from Paradise to Oroville as a commuter service. Those changes were made permanent. In 2021, BRT cut the headway back on Route 5 from 30 minutes during peak times to 60 minutes all day long, as well as removed the Oroville section of Route 52 as it is currently being served by Route 20.

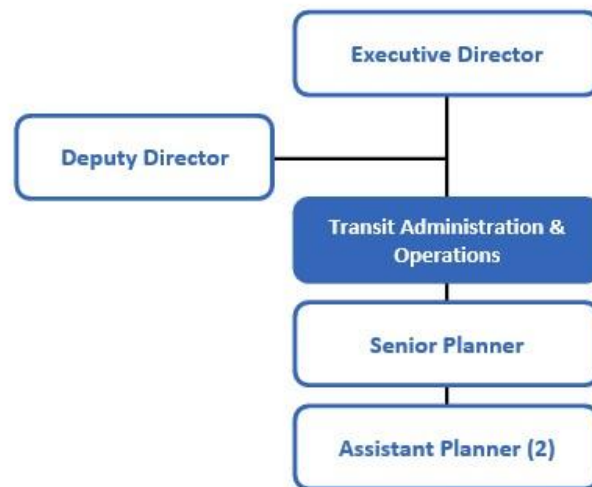
The service changes that were implemented after the Camp Fire are included in the 2021 Transit and Non-Motorized Plan (TNMP). These changes were due to a natural disaster and as they were not planned, they were not measured using existing goals and objectives. However, the 2021 TNMP verified these service changes are the best approach given the dispersed population in Paradise and Magalia. The TNMP

identified new goals and objectives, which will be further refined as part of the on-going Route Optimization Study that will be completed in FY 2022/23.

The Board is interested in developing microtransit options, non-emergency medical transportation, and first and last mile solutions to expand service to the more rural areas of Butte County. The Route Optimization Study and the Non-Emergency Medical Transportation study will give better understanding to the Board regarding these topics.

B-Line has a positive and effective relationship with governmental agencies and its peers.

Exhibit 7.3 Organizational Chart



Service Planning

B-Line utilizes its Annual Service Plan and Budget and Transit Asset Management (TAM) Plan to monitor its performance against its goals. Both documents are updated annually. Their goals and objectives are evaluated annually and transit staff meets monthly with its contractor, Transdev.

Short-range planning for BRT is incorporated into BCAG’s planning process, which includes development of a Transit and Non-Motorized Plan. BCAG’s Transit and Non-Motorized Plan was updated as part of the Post-Camp Fire Study. BCAG updates the financial projections each year as required by the FTA.

Public participation activities are ingrained in all major planning studies. B-Line advertises all outreach activities in English, Spanish, and Hmong. Comments to the Board can be taken before meetings in person, via email, over the phone, or on physical comment cards if individuals are unable to attend the meeting in person or virtually.

The most recent rider survey was completed in December 2021 as part of the Route Optimization Study. This was conducted for the fixed-route system. The most recent survey during the audit period was completed in March 2019 as part of the Chico to Sacramento Commuter Bus Study. Surveys are typically administered by consultants through Survey Monkey. B-Line staff posts flyers in English, Spanish and

Hmong on the buses, at transit centers, sends email blasts to key stakeholders and interested parties, posts on social media and websites, and occasionally display ads in local newspapers.

Administration

The Chief Fiscal Officer handles annual budgeting for BRT, with significant input from the Senior Planner, Transit Operations, and other staff. The budget goes to the Board for approval. There is no opportunity for a mid-year adjustment.

The Chief Fiscal Officer and Associate Senior Planner oversee the overall grants process. BCAG has sufficient staffing to pursue grants. Staff work together to administer, apply for, and report on grants.

Risk management and insurance are the responsibility of the Human Resources Department. Transdev maintains its own insurance as well.

Transit has historically been managed with three people. The current staff is five and contracts are managed by one or two individuals. Plans and studies conducted by consultants have payments linked to completion of tasks, while service type contracts such as janitorial and IT are invoiced monthly. BCAG maintains contracts with service providers for transit center and bus stop janitorial and maintenance, IT, transit user applications, software providers, fuel providers, and utilities. Regular communication is maintained between BCAG and all contracted vendors. Any contract with a value greater than \$50,000 must be approved by the Board.

Payroll for BCAG is handled by Butte County. Timesheets are submitted biweekly and signed by the employee and a manager. Direct deposit is utilized. Transdev is responsible for payroll for its employees. Hourly employees utilize a timesheet or timeclock.

BCAG has a general procurement manual as well as one specifically for BRT. All procurement practices conform to FTA and state and local requirements. Management and the Board regularly review internal audit reports to determine if action has been taken on recommendations.

Marketing and Public Information

The B-Line website (blinetransit.com) and service brochures are BRT's primary service information tools. BCAG also uses Facebook, Twitter, advertising in the visitors' guide, sponsorships, and television advertisements. B-Line also has promotional materials such as bags, cups, water bottles, and stickers to incentivize public participation. Other tactics include participation in community events, advertisements in local media, and advertising at bus stops. BRT does not have a formal Marketing Plan, though marketing is typically included within planning studies as well as in conjunction with the introduction of new products or services (such as Token Transit).

BRT uses DoubleMap to provide real-time service updates via the web and the DoubleMap (Map My Bus) mobile app. Real-time updates can also be accessed by text message.

Phone calls are answered promptly while the office is open and if a message is left, it is returned by the next business day. Transdev documents all complaints and provides a monthly report to the Senior Planner, Transit Operations. It includes details regarding the investigation into the validity of the

complaint as well as its resolution. The Senior Planner, Transit Operations also receives some complaints directly, which are forwarded to Transdev. Quarterly reports to the Board include ridership, efficiency, accident reports, and complaint reports.

In a survey done as part of the ongoing Route Optimization Study, more than 77 percent of B-Line riders ranked B-Line as good or excellent. Non-riders tend to be either uninformed or neutral about its services.

BRT offers discounted passes to Butte College students. Passes are purchased in bulk by the K-12 schools in the area, and there is a special pass program set up for CSU Chico, that allows students to ride using their student ID as a bus pass. BRT also offers a downtown Chico employee pass that is paid for by the City of Chico.

Scheduling, Dispatch, and Operations

Transdev is the contracted operator of the B-Line service. Transdev drivers bid on shifts four times each year based on seniority. Many drivers are cross-trained on both fixed-route and demand-response services. There are no special requirements for the demand-response service. Dispatchers and customer service representatives have a minimum of two bids per year.

Transdev currently employs 87 full-time employees. There are no part-time drivers at this time, but the operations contractor is not precluded from hiring part-time drivers. B-Line does maintain a standby/extra board, which is a separate bid. All fixed-route drivers are required to have an air brake endorsement, and for the last 10 years, this has been a requirement for all drivers. Non-air brake certified employees are not permitted to bid on air brake routes.

Vacation time is covered by the extra board, when available, otherwise it is split up and assigned to other employees. Employees are required to call out two hours in advance of their shift. Call-outs are covered by standby drivers, when available, or by road supervisors, dispatchers, or off-duty drivers. Good attendance is rewarded through a small attendance bonus awarded monthly.

Dispatch is located in the BRT administrative building. Transdev staffs dispatchers, customer service representatives, and all customer-facing personnel.

Vehicle assignments are based on passenger load and road conditions. Routes with tight turns are typically assigned 35-foot vehicles instead of 40-foot vehicles. Vehicle inspection reports are completed daily, and dispatch notifies maintenance if any issues are identified. Maintenance notifies dispatch which vehicles should be held and the bus board is updated throughout the day.

All vehicles are equipped with Genfare fareboxes that can only be opened when dumping into the vault. Fareboxes are vaulted at the end of the day into a secure vault in the money room. The count room is locked and has cameras. Approximately every three days, Transdev management drives the deposit to the County Treasury. (Prior to the COVID-19 pandemic, fares were picked up by Garda armored car service.) Online ticketing is deposited by TokenTransit into the County bank account for transit. Fare revenue from ticket/pass sales are handled by BCAG and reconciled at the end of each month.

Personnel Management and Training

Recruitment has been difficult in the wake of COVID. Job postings are posted to Indeed, Facebook, and Craigslist. Driver turnover is generally pretty low (8.9 percent in 2021). If drivers make it through the training and probation, they tend to remain as drivers. Supervisory staff conducts annual evaluations.

Transdev provides a dedicated Safety Manager, who is a certified trainer. The Safety Manager can take drivers all the way through training. Most recruits come with very little experience. Monthly safety meetings include a mix of local topics and those identified by the corporate office.

Transdev drivers, mechanics, dispatchers, and customer service representatives (excluding utility workers) are represented by the Teamsters Union, Local No. 137. A Collective Bargaining Agreement (CBA) dictates all disciplinary actions, including progressive discipline. The CBA also sets forth wages as well as benefits for full-time employees, including paid holidays, health insurance, funeral leave, paid time off, pension, jury duty, boot and tool reimbursements (for mechanics), and bonuses for ASE certification and attendance/safety.

Maintenance

BCAG owns the transit operations and maintenance facility. Transdev provides all maintenance services within the facility, which only services B-Line vehicles and Transdev-owned non-revenue vehicles used to support the operation. The facility is more than sufficient for repairs that are not sent out. The facility is large enough to accommodate major component repairs, but not body work.

Transdev utilizes RTA fleet management and maintenance software. Preventive maintenance is completed according to company standards, BCAG standards, and OEM recommendations. Pre-trip inspections are done using paper forms. The average age of the fixed-route vehicles is 6.25 years and paratransit vehicles are approximately 6.6 years. All vehicles are equipped with first aid kits, cameras, and fire extinguishers. All vehicles are ADA accessible.

The facility has a well-stocked parts room. There is no controlled access from maintenance staff; mechanics pull their own parts. The parts room is accessible through an interior door contained within the maintenance shop and by an exterior roll up door. The maintenance shop is controlled by a clock programmed card key system and only open to shop mechanics and other administrative personnel during business hours. The maintenance shop is located within a fully fenced 10-acre campus with main door and rolling gate access controlled through the same card key lock system. The parts room is essentially contained within two layers of controlled access.

There is good coordination between dispatch and maintenance, which are located within the same maintenance and operations facility. No other contracts are operated out of the facility.

Exhibit 7.4 BRT's Transit Fleet

| # of Vehicles | Year | Make | Model | PAX | Wheelchair | Mode | Status |
|---------------|------|--------|---------------|-----|------------|-------------|--------|
| 2 | 2008 | Orion | Orion VII N.G | 38 | 2 | Fixed Route | Active |
| 4 | 2011 | Gillig | BRT | 38 | 2 | Fixed Route | Active |
| 6 | 2014 | Gillig | BRT | 38 | 2 | Fixed Route | Active |
| 13 | 2017 | Gillig | BRT | 38 | 2 | Fixed Route | Active |
| 4 | 2020 | Gillig | BRT | 38 | 2 | Fixed Route | Active |
| 2 | 2020 | Gillig | BRT | 32 | 2 | Fixed Route | Active |
| 2 | 2010 | Ford | E450 | 8 | 3 | DAR | Active |
| 13 | 2013 | Ford | E450 | 8 | 3 | DAR | Active |
| 7 | 2018 | Ford | E450 | 8 | 3 | DAR | Active |
| 5 | 2021 | Ford | E450 | 8 | 3 | DAR | Active |

**2021s did not go into service before 6/30/21.*

Chapter 8 | Findings and Recommendations

Conclusions

Moore & Associates finds Butte Regional Transit to be in compliance with the requirements of the Transportation Development Act. In addition, the entity generally functions in an efficient, effective, and economical manner.

Findings

Based on discussions with Butte Regional Transit staff, analysis of program performance, and an audit of program compliance and function, the audit team presents no compliance findings.

The audit team has identified one functional finding. While this finding is not a compliance finding, the audit team believes it warrants inclusion in this report:

1. BRT has not been using the TDA definition when reporting Full-time Equivalent (FTE) Employees to the State Controller.

Program Recommendations

In completing this Triennial Performance Audit, the auditors submit the following recommendations for the BRT's public transit program. They are divided into two categories: TDA Program Compliance Recommendations and Functional Recommendations. TDA Program Compliance Recommendations are intended to assist in bringing the operator into compliance with the requirements and standards of the TDA, while Functional Recommendations address issues identified during the audit that are not specific to TDA compliance. Each finding is presented with the elements identified within the 2011 *Government Auditing Standards* as well as one or more recommendations.

Given there were no compliance findings, only functional findings and recommendation are presented below.

Functional Finding 1: BRT has not been using the TDA definition when reporting Full-time Equivalent (FTE) Employees to the State Controller.

Criteria: The State Controller, for its Transit Operator Financial Transaction Report, utilizes the TDA definition of full-time equivalent (FTE) employee for the reporting of employees. This definition, included as part of PUC 99247, calls for a definition of "employee" as total work hours divided by 2,000.

Condition: In its documentation for this audit, BRT provided a methodology for calculating FTE employees that met the TDA definition (work hours divided by 2,000). However, the resulting figures arising from this methodology were not those used to complete the State Controller Reports. Instead, each report (general operations and specialized services) reported a higher number of employees.

Cause: The most frequent cause of this issue is a lack of understanding as to how to calculate this data using the TDA definition, and that this definition is to be used in completing the State Controller Report.

Effect: Ultimately, this results in incorrect data being reported to the State Controller.

Recommendation: Ensure accurate full-time equivalent (FTE) employee data is used for reporting to the State Controller.

Recommended Action: Document all hours worked related to transit by both BCAG and the contractor beginning in FY 2021/22. Hours should continue to be allocated between fixed route (general operations) and demand-response (specialized services) based on either actual work performed or a formula based on vehicle service hours by mode. Ensure the individual(s) completing the State Controller Reports are aware of how to calculate this data using the TDA definition.

Management Response: BCAG will work with the contractor to calculate hours correctly moving forward.

Timeline: FY 2021/22.

Anticipated Cost: None.

Exhibit 8.1 Audit Recommendations

| | Functional Recommendations | Importance | Timeline |
|---|---|------------|------------|
| 1 | Ensure accurate full-time equivalent (FTE) employee data is used for reporting to the State Controller. | Medium | FY 2021/22 |