



FY 2018/19 - FY 2020/21 TDA Triennial Performance Audit of the Butte County Association of Governments

FINAL REPORT
MAY 2022



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Chapter 1 | Executive Summary

The Triennial Performance Audit of the Butte County Association of Governments (BCAG) covers a three-year period ending June 30, 2021. The California Public Utilities Code requires all Regional Transportation Planning Agencies conduct an independent Triennial Performance Audit in order to be eligible for Transportation Development Act (TDA) funding.

In 2021, the 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. Moore & Associates is a consulting firm specializing in public transportation. Selection of the consultant followed a competitive procurement process.

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

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

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our review objectives. We believe the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

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

The Triennial Performance Audit includes five elements:

1. Compliance requirements,
2. Follow-up of prior recommendations,
3. Analysis of internal goal setting and strategic planning efforts,
4. Review of the RTPA’s functions and activities, and
5. Findings and recommendations.

Test of Compliance

With one exception, BCAG adheres to Transportation Development Act (TDA) regulations in an efficient and effective manner:

1. BCAG does not conduct or verify the STA efficiency tests as part of its TDA claims process.

Status of Prior Recommendations

The prior Triennial Performance Audit – completed in 2018 by Moore & Associates, Inc. for the three fiscal years ending June 30, 2018 – included the following recommendations:

1. [Ensure State Controller Reports are submitted by the established deadline.](#)
Status: Implemented.
2. [Develop a “blended” farebox recovery ratio for the Butte Regional Transit fixed-route service.](#)
Status: Implemented.
3. [Develop Article 4.5 allocation criteria.](#)
Status: Implementation in progress.
4. [Include a productivity review as part of the TDA claims process.](#)
Status: Not implemented.
5. [Update the TDA workbook to accurately reflect legislation and current funding methodology.](#)
Status: Implementation in progress
6. [Develop eligibility criteria for “off-the-top” funding for bicycle and pedestrian projects under Article 3.](#)
Status: Implementation in progress.
7. [Prepare \(or commission\) Short-Range Transit Plans for both BRT and Gridley.](#)
Status: Not implemented.

Goal Setting and Strategic Planning

The primary regional planning document is the Regional Transportation Plan and Sustainable Communities Strategy (RTP-SCS). The RTP-SCS, updated every four years, is a long-range transportation plan providing a 20-year vision for regional transportation investments. The current RTP-SCS was prepared in-house and adopted by the BCAG Board in December 2020. Development of the 2020 RTP-SCS was underway when Butte County experienced both the Camp Fire (November 2019) and the COVID-19 pandemic (beginning March 2020). As a result, the 2020 RTP-SCS does not reflect the impact of those events. A Post-Camp Fire Regional Population and Transportation Study was prepared in 2021, and this document will be used in preparation of the 2024 RTP-SCS so that it better reflects the impact of these events.

Findings and Recommendations

Based on the current review, we submit the aforementioned TDA compliance finding.

Moore & Associates also identified two functional findings. While these findings are not compliance findings, the auditors believe they are significant enough to be addressed within this review:

1. The City of Gridley has yet to develop a Short Range Transit Plan.
2. The City of Gridley could benefit from a second (backup) wheelchair-accessible transit vehicle.

In completing this Triennial Performance Audit, we submit the following recommendations for BCAG as the RTPA. 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 agency into compliance with the requirements and standards of the TDA, while Functional Recommendations address issues identified during the Triennial Performance Audit that are not specific to TDA compliance.

Exhibit 1.1 Summary of Audit Recommendations

TDA Compliance Recommendations		Importance	Timeline
1	Prepare STA efficiency calculations either as part of the TDA audit process or the TDA claims process.	High	FY 2021/22
Functional Recommendations		Importance	Timeline
1	Work with the City of Gridley to undertake a short range transit plan to address the City’s transit “vision” across a five-year planning horizon.	High	FY 2022/23
2	Work with the City of Gridley to secure funding for a second (backup) wheelchair-accessible vehicle.	Medium	FY 2023/24

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Chapter 2 | Audit Scope and Methodology

The Triennial Performance Audit (TPA) of BCAG covers the three-year period ending June 30, 2021. The California Public Utilities Code requires all Regional Transportation Planning Agencies conduct an independent Triennial Performance Audit in order to be eligible for Transportation Development Act (TDA) funding.

In 2021, BCAG selected Moore & Associates, Inc., to prepare Triennial Performance Audits of itself as the RTPA and the two transit operators to which it allocates funding. Moore & Associates is a consulting firm specializing in public transportation. Selection of Moore & Associates followed a competitive procurement process.

The Triennial Performance Audit is designed to be an independent and objective evaluation of BCAG as the designated RTPA for Butte County. Direct benefits of a triennial performance audit include providing RTPA management with information on the economy, efficiency, and effectiveness of their 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 99246(a) that the RTPA designate an independent entity other than itself to conduct a performance audit of its activities as well as those of each operator to whom it allocates TDA funding.

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. We 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 has four primary objectives:

1. Assess compliance with TDA regulations,
2. Review actions taken by the RTPA to implement prior recommendations,
3. Evaluate the efficiency and effectiveness of the RTPA through a review of its functions, and
4. Provide sound, constructive recommendations for improving the efficiency and functionality of the RTPA.

Scope

The TPA is a systematic review of performance evaluating the efficiency, economy, and effectiveness of the regional transportation planning agency. The audit of BCAG included five tasks:

1. Review of compliance with TDA requirements and regulations.
2. Assessment of the implementation status of recommendations included in the prior Triennial Performance Audit.
3. Analysis of BCAG's internal goal setting and strategic planning functions.
4. Examination of the following functions:
 - Administration and Management,
 - Transportation Planning and Regional Coordination,
 - Claimant Relationships and Oversight,
 - Marketing and Transportation Alternatives, and
 - Grant Applications and Management.
5. Recommendations to address opportunities for improvement based on analysis of the information collected and the review of the RTPA's core functions.

Methodology

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

- Triennial Performance Audit reports for the prior review period;
- Annual budgets;
- Audited financial statements;
- State Controller Reports;
- Agency organizational chart;
- Board meeting minutes and agendas;
- Policies and procedures manuals;
- Regional planning documents;
- Overall work plans;
- Article 8 Unmet Transit Needs documentation;
- TDA claims manual; and
- TDA and transit funding allocations to operators.

Given impacts of the ongoing COVID-19 pandemic, the methodology for this audit included a virtual site visit with BCAG representatives on March 22, 2022. The audit team met with Julie Quinn (Chief Fiscal Officer) and Ivan Garcia (Transportation Programming Specialist) and reviewed materials germane to the triennial audit.

The report is comprised of seven 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 audit 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,
 - Progress in implementing prior recommendations,
 - Goal setting and strategic planning,
 - Functional review, and
 - Findings and recommendations.

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Chapter 3 | Program Compliance

This section examines BCAG’s compliance with the State of California’s Transportation Development Act as well as relevant sections of California’s Public Utilities Commission code. An annual certified fiscal audit confirms TDA funds were apportioned in conformance with applicable laws, rules, and regulations. Although compliance verification is not a Triennial Performance Audit function, several specific requirements concern issues relevant to the performance audit. The RTPA considers full use of funds under CCR Section 6754(a) to refer to operating funds but not capital funds. The Triennial Performance Audit findings and related comments are delineated in Exhibit 3.1.

Compliance was determined through discussions with BCAG staff as well as an inspection of relevant documents, including the fiscal audits for each year of the triennium. Also reviewed were planning documents, Board actions, and other related documentation.

With one exception, BCAG adheres to Transportation Development Act (TDA) regulations in an efficient and effective manner:

1. BCAG does not conduct or verify the STA efficiency tests as part of its TDA claims process.

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
All transportation operators and city or county governments which have responsibility for serving a given area, in total, claim no more than those Local Transportation Fund monies apportioned to that area.	PUC 99231	In compliance	
The RTPA has adopted rules and regulations delineating procedures for the submission of claims for facilities provided for the exclusive use of pedestrians and bicycles (Article 3).	PUC 99233, 99234	Not applicable	BCAG does not currently allocate any funding under Article 3.
The RTPA has established a social services transportation advisory council. The RTPA must ensure that there is a citizen participation process that includes at least an annual public hearing.	PUC 99238, 99238.5	In compliance	
<p>The RTPA has annually identified, analyzed, and recommended potential productivity improvements which could lower operating cost of those operators, which operate at least 50 percent of their vehicle service miles within the RTPA's jurisdiction. Recommendations include, but are not being limited to, those made in the performance audit.</p> <ul style="list-style-type: none"> • A committee for the purpose of providing advice on productivity improvements may be formed. • The operator has made a reasonable effort to implement improvements recommended by the RTPA as determined by the RTPA, or else the operator has not received an allocation that exceeds its prior year allocation. 	PUC 99244	In compliance	<p>There is a process for assessing productivity improvements in the existing TDA Workbook. BCAG staff review BRT productivity regularly, though not necessarily as part of the TDA claims process. BCAG provides general oversight of the City of Gridley's program.</p> <p>In Attachment A of the TDA claims, operators state that they conform with the productivity improvement requirements.</p>
The RTPA has ensured that all claimants to whom it allocated TDA funds submit to it and to the state controller an annual certified fiscal and compliance audit within 180 days after the end of the fiscal year.	PUC 99245	In compliance	
The RTPA has submitted to the state controller an annual certified fiscal audit within 12 months of the end of the fiscal year.	CCR 6662	In compliance	FY 2018/19: February 5, 2020 FY 2019/20: February 8, 2021 FY 2020/21: February 3, 2022
The RTPA has submitted within 90 days after the end of the fiscal year an annual financial transactions report to the state controller.**	CCR 6660	In compliance	FY 2018/19: January 13, 2020 FY 2019/20: January 28, 2021 FY 2020/21: January 26, 2022

Compliance Element	Reference	Compliance	Comments
The RTPA has designated an independent entity to conduct a performance audit of operators and itself (for the current and previous triennia). For operators, the audit was made and calculated the required performance indicators, and the audit report was transmitted to the entity that allocates the operator's TDA money, and to the RTPA within 12 months after the end of the triennium. If an operator's audit was not transmitted by the start of the second fiscal year following the last fiscal year of the triennium, TDA funds were not allocated to that operator for that or subsequent fiscal years until the audit was transmitted.	PUC 99246, 99248	In compliance	The prior audit was completed by Moore & Associates, Inc. in September 2019. While this was more than 12 months following the end of the fiscal year, the process did not begin until July 2019 due to the events of the Camp Fire. Moore & Associates, Inc. was also engaged to prepare the current audit. This process is expected to be completed by June 30, 2022.
The RTPA has submitted a copy of its performance audit to the Director of the California Department of Transportation. In addition, the RTPA has certified in writing to the Director that the performance audits of operators located in the area under its jurisdiction have been completed.	PUC 99246(c)	In compliance	The letter and audit were submitted to Caltrans on October 28, 2019.
For Article 8(c) claimants, the RTPA may adopt performance criteria, local match requirements, or fare recovery ratios. In such cases, the rules and regulations of the RTPA will apply.	PUC 99405	Not applicable	
The performance audit of the operator providing public transportation services shall include a verification of the operator's cost per passenger, operating cost per vehicle service hour, passenger per vehicle service mile, and vehicle service hours per employee, as defined in Section 99247. The performance audit shall include consideration of the needs and types of passengers being served and the employment of part-time drivers and the contracting with common carriers of persons operating under a franchise or license to provide services during peak hours, as defined in subdivision (a) of section 99260.2.	PUC 99246(d)	In compliance	
The RTPA has established rules and regulations regarding revenue ratios for transportation operators providing services in urbanized and newly urbanized areas.	PUC 99270.1, 99270.2	In compliance	Effective FY 2022/23, BCAG has established a blended farebox ratio of 15.6 percent, rather than separate farebox recovery ratios for each mode.
The RTPA has adopted criteria, rules, and regulations for the evaluation of claims filed under Article 4.5 of the TDA and the determination of the cost effectiveness of the proposed community transit services.	PUC 99275.5	Not applicable	BCAG does not currently allocate any funding under Article 4.5. Rules and regulations for Article 4.5 funding are being considered during the update of BCAG's TDA Workbook.

Compliance Element	Reference	Compliance	Comments
State transit assistance funds received by the RTPA are allocated only for transportation planning and mass transportation purposes.	PUC 99310.5, 99313.3, Proposition 116	In compliance	
Transit operators must meet one of two efficiency standards in order to use their full allocation of state transit assistance funds for operating purposes. If an operator does not meet either efficiency standard, the portion of the allocation that the operator may use for operations shall be the total allocation to the operator reduced by the lowest percentage by which the operator's total operating cost per revenue vehicle hour exceeded the target amount necessary to meet the applicable efficiency standard. The remaining portion of the operator's allocation shall be used only for capital purposes.	PUC 99314.6	Finding	While a statement that the operator is in compliance with at least one of the STA efficiency tests is included in Attachment A of the TDA claim form, BCAG does not appear to be either conducting these tests or reviewing any calculations provided by the operators for accuracy or compliance.
The amount received pursuant to the Public Utilities Code, Section 99314.3, by each RTPA for state transit assistance is allocated to the operators in the area of its jurisdiction as allocated by the State Controller's Office.	PUC 99314.3	In compliance	
<p>If TDA funds are allocated to purposes not directly related to public or specialized transportation services, or facilities for exclusive use of pedestrians and bicycles, the transit planning agency has annually:</p> <ul style="list-style-type: none"> • Consulted with the Social Services Transportation Advisory Council (SSTAC) established pursuant to PUC Section 99238; • Identified transit needs, including: <ul style="list-style-type: none"> ▪ Groups that are transit-dependent or transit-disadvantaged; ▪ Adequacy of existing transit services to meet the needs of groups identified; and ▪ Analysis of potential alternatives to provide transportation alternatives; • Adopted or reaffirmed definitions of "unmet transit needs" and "reasonable to meet"; • Identified the unmet transit needs and those needs that are reasonable to meet; and • Adopted a finding that there are no unmet transit needs, that there are no unmet transit needs that are reasonable to meet, or that there are unmet transit needs including needs that are reasonable to meet. <p>If a finding is adopted that there are unmet transit needs, these needs must have been funded before an allocation was made for streets and roads.</p>	PUC 99401.5	In compliance	

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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 BCAG has made quantifiable progress toward improving both the efficiency and effectiveness of its programs.

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

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

Discussion: In FY 2015/16, the State Controller Report was submitted on February 16, 2016, two 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. The Chief Financial Officer filed the report late due to these special circumstances, and appropriately notified the State Controller of the situation.

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

Status: Implemented.

2. [Develop a “blended” farebox recovery ratio for the Butte Regional Transit fixed-route service.](#)

Discussion: Butte Regional Transit serves both urbanized and non-urbanized areas with both its fixed-route and demand-response services. It tracks farebox recovery ratio for its urban and rural services separately, resulting in four separate farebox recovery ratios. Given the farebox recovery ratio for each of the demand-response services is 10 percent, no “blended” ratio is necessary. However, it is warranted for the fixed-route service. The threshold for the urbanized service is 20 percent. As detailed in the prior triennial performance audit of Butte Regional Transit, this service was at risk for dropping below that threshold in future years. The rural fixed-route service, on the other hand, was well above its 10 percent farebox recovery threshold.

The prior audit recommended BCAG develop a blended farebox recovery ratio for the B-Line fixed-route service based on an allocation methodology. This would allow the urban fixed-route service to benefit from the farebox recovery ratio “overage” of the rural fixed-route service. The auditor noted the methodology for determining this blended ratio should be based on an allocation methodology, and must be approved by Caltrans.

Progress: In December 2021, BCAG approved a blended farebox ratio of 15.6 percent for BRT, which will go into effect in FY 2022/23.

Status: Implemented.

3. [Develop Article 4.5 allocation criteria.](#)

Discussion: This recommendation was carried forward from the prior audit. The prior auditor noted BCAG does not have any evaluation criteria in place should any community transit services (such as those providing social services transportation) wish to claim any funds under Article 4.5.

The prior auditor recommended BCAG develop and adopt evaluation criteria for Article 4.5 claims to enable potential claims by community transit providers. PUC Section 99275.5 details the criteria that must be evaluated before a claim can be granted. As a result, BCAG would need to simply adapt these criteria for adoption by the Board, and include them in the revised TDA Workbook (Functional Finding #1).

Progress: BCAG is currently in the process of updating its TDA Workbook with the assistance of a consultant. This recommendation is being considered as part of that update.

Status: Implementation in progress.

4. [Include a productivity review as part of the TDA claims process.](#)

Discussion: As the administrative entity for Butte Regional Transit, BCAG regularly monitors BRT's performance and productivity. However, it does not require a formal productivity review as part of the annual TDA claims process, and it does not regularly review performance metrics for the City of Gridley. As a result, Gridley had been reporting several performance metrics incorrectly, and this was not addressed by the RTPA.

The prior audit recommended BCAG should require the operators to submit details regarding their progress toward implementing recommendations from the most recent triennial performance audit as well as a summary of key performance metrics. A review of this information may be conducted by staff or by the Transportation Administration Oversight Committee. This would not only provide reviewers with the information they need to determine whether a reasonable effort is being made, but would also enable BCAG to identify and correct any issues Gridley may have with performance metric definitions.

Progress: While BCAG reviews BRT's productivity on an ongoing basis, it has not provided the same level of oversight for the City of Gridley due to the turnover in the City's Finance department.

Status: Not implemented.

5. Update the TDA Workbook to accurately reflect legislation and current funding methodology.

Discussion: The Workbook was developed in 2003, before transit service was consolidated and long before changes to the TDA arising from Senate Bill 508. This has caused many parts of the manual to be out of date. At the time of the prior audit, BCAG indicated it intended to update the manual once potential changes to the TDA funding methodology (such as “off-the-top” funding) were implemented.

Once decisions regarding TDA funding methodology were finalized, the prior auditor recommended updating the TDA Workbook to reflect that methodology as well as other changes (both to the TDA and within the region) since 2003.

Progress: BCAG is currently in the process of updating its TDA Workbook with the assistance of a consultant, with completion expected by the end of 2022.

Status: Implementation in progress.

6. Develop eligibility criteria for “off-the-top” funding for bicycle and pedestrian projects under Article 3.

Discussion: This recommendation was carried over from the prior audit. It was considered a functional recommendation as the TDA does allow RTPA’s to reallocate these funds for other purposes. Currently, bicycle and pedestrian projects are funded through Article 8 claims by the local jurisdictions. While this may be effective for funding local projects, it does not provide an effective means for regional projects. “Off-the-top” bicycle and pedestrian funding would help with implementation of some of the recommendations from the 2015 Transit and Non-Motorized Transportation Plan.

Progress: Since the Camp Fire, transit has been funded “off the top,” with remaining funds distributed to cities and the county by population. “Off-the-top” funding for bicycle and pedestrian projects is being considered in the TDA Workbook update.

Status: Implementation in progress.

7. Prepare (or commission) Short-Range Transit Plans for both BRT and Gridley.

Discussion: In recent years, BCAG assisted BRT with its planning via the 2015 Transit and Non-Motorized Plan. However, the City of Gridley was not included in that plan, and no other planning assistance has been conducted on their behalf. In addition, the short-range elements of that plan were expected to “expire” soon and should be revisited due in part to the significant changes in the county arising from the Camp Fire.

Either through funding or technical assistance (or both), the prior audit recommended BCAG assist with the development of a short-range transit plans for the City of Gridley and an update of the short-range elements of the Transit and Non-Motorized Plan for BRT. Gridley should take priority, given both the lack of an existing plan and the pending location of the FEMA trailer community.

Even a “mini” SRTP would be beneficial, especially if done within the next year. BRT saw extensive planning in the 2015 Transit and Non-Motorized Plan, and will not need its short-range planning updated immediately.

Progress: BCAG is currently conducting a Route Optimization Study for BRT, and recently (2021) updated the Transit and Non-Motorized Plan as part of the Post-Camp Fire Study. However, no planning has been done with respect to Gridley, primarily due to the frequent turnover in the City’s Finance department. While the FEMA trailer community is no longer an issue, other anticipated developments and growth continue to warrant the development of a plan.

Status: Not implemented.

Chapter 5 | Goal Setting and Strategic Planning

This chapter analyzes the Butte County Association of Governments' goal setting and strategic planning process.

In addition to serving as the Regional Transportation Planning Agency (RTPA) for Butte County, BCAG is also its designated Metropolitan Planning Organization (MPO). BCAG's role in the community and region is diverse, providing leadership and/or support for the following activities:

- Butte Regional Transit Policy Board and Operator,
- Area-Wide Clearinghouse,
- Census Affiliate Data Center, and
- Butte Regional Transportation Corporation.

As the MPO and RTPA, BCAG is responsible for developing regional transportation planning and programming documents. Specific planning and programming responsibilities include:

- Annual Overall Work Program (OWP) and Budget,
- Regional Transportation Plan and Sustainable Communities Strategy (RTP-SCS),
- Regional Transportation Improvement Program (RTIP),
- Administration of the Transportation Development Act's Local Transportation Fund (LTF) and State Transit Assistance (STA) fund,
- Federal Transportation Improvement Program (FTIP),
- Air Quality Conformity Determinations,
- Regional Housing Needs Plan (RHNP),
- Regional transportation studies, and
- Administration and operation of Butte Regional Transit.

The primary regional planning document is the Regional Transportation Plan and Sustainable Communities Strategy (RTP-SCS). The RTP-SCS, updated every four years, is a long-range transportation plan providing a 20-year vision for regional transportation investments. The current RTP-SCS was prepared in-house and adopted by the BCAG Board in December 2020. Development of the 2020 RTP-SCS was underway when Butte County experienced both the Camp Fire (November 2019) and the COVID-19 pandemic (beginning March 2020). As a result, the 2020 RTP-SCS does not reflect the impact of those events. A Post-Camp Fire Regional Population and Transportation Study was prepared in 2021, and this document will be used in preparation of the 2024 RTP-SCS so that it better reflects the impact of these events.

Extensive outreach was conducted in support of the RTP-SCS, beginning in 2018 and continuing through 2020. BCAG's Transportation Advisory Committee (TAC), Interagency Consultation Review (ICR) Group, and local Native American Rancherias were all included in the RTP-SCS development process. Four rounds of public workshops took place between June 2018 and September 2020, including in-person workshops in Chico and Oroville and two virtual (Zoom) workshops. Due to the COVID-19 pandemic, the approach

to public outreach shifted between the second and third rounds of workshops, and the last two rounds were held virtually.

Public hearings were conducted as part of regularly scheduled Board meetings in October and December 2020. Public comment periods were noticed in local newspapers and online, and the BCAG website included information about the RTP-SCS as well as documents and presentations. BCAG staff also participated in interviews with Spanish radio personalities and held “pop-up” events outside locations in lower-income neighborhoods in Chico, Oroville, and Gridley. Spanish and Hmong interpretation was offered on an as-needed basis, and informational material was provided in both languages. BCAG reached out to numerous organizations and contacts throughout the county during the process, including California State University – Chico and five tribal governments:

- Berry Creek Rancheria of Maidu Indians of California,
- Enterprise Rancheria Estom Yumeka Maidu,
- KonKow Valley Band of Maidu Indians
- Mechoopda Indian Tribe of the Chico Rancheria, and
- Mooretown Rancheria.

The 2020 RTP-SCS includes the four required elements (Policy Element, Action Element, Financial Element, and Sustainable Communities Strategy). The Policy Element includes individual goals for each of 16 policy areas. Each goal is supported by one or more objectives and policies (Exhibit 5.1). The Action Element includes individual chapters for each mode (such as Transit and Non-Motorized Transportation) and work element (such as Highways, Streets, and Roads and ITS).

The Action Element also includes a series of Regional Performance Measures (Exhibit 5.2), which are used to evaluate the performance and impact of policies and strategies included in the RTP-SCS. With the current RTP-SCS, BCAG updated its performance measures to be reflective of the State Transportation Improvement Program Guidelines developed by the California Transportation Commission while retaining factors established in its prior Regional Transportation Plans. The 2020 RTP-SCS also benefitted from an updated Regional Travel Demand Forecasting (TDF) model, which was calibrated and validated to 2018 base year data.

Exhibit 5.1 2020 RTP-SCS Goals, Objectives, and Policies

Goal	Objective	Policy/Action
Highway, Streets, and Roads		
A safe and efficient regional road system that accommodates the demand for movement of people and goods.	Strive to improve safety and operations of local and state highway system.	Fund and implement projects identified on the Tier 1 priority list in the Action Element of the RTP.
		Pursue discretionary state and federal funding such as IIP, SHOPP, HBP, HSIP, etc.
	Identify and prioritize improvements to the regional road system.	Prepare and apply evaluation criteria to prioritize regional road projects identified to improve the overall transportation system of the region.
		Evaluation criteria will evaluate how the projects achieve the following objectives: 1) an integrated and balance road system; 2) improvement in traffic flow and safety; 3) minimize environmental impacts; and 4) minimize adverse impacts on agricultural land.
		Use Regional Improvement Program funds to finance the prioritized regional improvements.
		Use BCAG Travel Demand Model performance measures as appropriate to quantify project benefits.
Transit		
Provide an efficient, effective, coordinated regional transit system that increases mobility for urban and rural populations, including those located in disadvantaged areas of the region.	Meet all transit needs that are “reasonable to meet.”	Provide complementary dial-a-ride transit services for the elderly, handicapped, and those residents not served by a fixed-route service within the service area.
		Provide adequate fixed-route transit system to serve the general public, including those populations who rely most on transit.
		Maintain the locally developed Human Services Coordinated Transportation Plan.
	Increase transit ridership that exceeds annual population growth rate for Butte County.	Expand service as necessary to increase overall ridership.
		Support Intelligent Transportation System (ITS) projects which improve transit operations.
		Work with larger employers (i.e., University) for transit incentive programs.
		Evaluate fixed-route system and identify best methods for increasing ridership, as needed.
		Explore “best practices” in other regions to learn from and consider for increased ridership and customer service for transit.
	Promote citizen participation and education in transit planning and operations.	Include Social Services Transportation Advisory Council and Coordinated Transportation Working Group in the regional transit planning process.
	Maintain a reliable transit system.	Use the BCAG newsletter and website for transit education and information.
		Monitor contractor for timely transit operations reporting.
		Conduct Preventative Maintenance Inspections for transit fleet.
Rail		
		Monitor the activities of Amtrak to assure passenger rail services in Butte County.

Goal	Objective	Policy/Action
A rail system that provides safe and reliable service for people and goods.	Maintain and expand passenger service through Butte County.	Encourage the High Speed Rail Authority to consider implementing service connecting Chico to Sacramento. Pursue state and federal grant funding for rail safety projects.
Goods Movement		
Provide a transportation system that enables safe movement of goods in and through Butte County.	Provide an adequate regional road system for goods movement.	Work with state and federal legislators to lobby for funding to develop continuous four-lane highway to Chico on the SR 70/99 corridor. Leverage regional share funds for Caltrans interregional share and State Highway Operations and Protection Program.
Aviation		
A fully functional and integrated air service and airport system complementary to the countrywide transportation system.	Maintain daily commercial airline service to the Bay Area. Work with local agencies to ensure compatible land uses around existing airports to reduce noise conflicts. Ensure Airport Master Plans are updated and revised as necessary and required.	Support the acquisition of commercial airline service in Butte County. Support the Butte County Airport Land Use Commission and local airports in their efforts to ensure compatible land uses around airports. Support the local airports in their attempts to acquire the land surrounding the airports. Support projects that integrate air transport facilities with other modes of transportation.
Non-Motorized Transportation		
A regional transportation system for bicyclists and pedestrians.	Work with local agencies to develop and construct bicycle and pedestrian facilities including access to transit. Assist local jurisdictions in pursuing grant funding.	Support the construction of bike facilities and access to transit as designated in the local alternative transportation plans. Assist local jurisdictions in actively pursuing active transportation-related funding. Support projects and policies for bicycles on the fixed-route transit system (bike racks, etc.). Support local efforts in complete streets approach towards achieving active transportation project enhancements. Assist as requested in developing local alternative transportation plans. Participate in local bicycle advisory committees.
Intelligent Transportation Systems (ITS)		
Promote the use of ITS technologies in the planning and programming process.	Maintain the North State ITS System Deployment Plan. Apply Transportation Systems Management (TSM) strategies to projects where appropriate.	Encourage the use of ITS technologies in the project development process. Encourage the state to provide resources to manage and update ITS planning in the north state. Assist local agencies in evaluating the impacts of TSM strategies.
Energy		
Reduce usage of non-renewable energy resources for transportation purposes.	Increase public transit and carpooling/vanpooling and bicycling/walking.	Increase transit service where feasible. Support passage of ordinances that provide for vanpooling and carpooling programs. Support passage of ordinances that provide for park and ride lots.

Goal	Objective	Policy/Action
Air Quality		
Achieve air quality standards set by the Environmental Protection Agency (EPA) and the State Air Resources Board.	Coordinate transportation planning with air quality planning at the technical and policy level.	Assist as requested by the Butte County Air Quality Management District in developing the transportation-related portions of the State Implementation Plan for air quality.
		Provide technical assistance to local jurisdictions in developing air quality analysis as needed for projects.
		Support projects which demonstrate an air quality benefit.
	Implement transportation requirements established by Assembly Bill (AB) 32.	Work with state to identify emissions budget for Butte County.
		Develop transportation projects that reduce greenhouse gas emissions.
Land Use Strategies		
Provide economical, long-term solutions to transportation problems by encouraging community designs which encourage walking, transit, and bicycling.	Innovative land use and transportation planning.	Provide technical assistance and make available BCAG Travel Demand Model as a tool to assess road network to identify potential solutions to improve traffic movement.
		Assist as requested in evaluating land use strategies.
	Plan future roads to accommodate land uses at a regional level.	Assist member jurisdictions in taking a regional approach in land use and developing a road network that serves the entire region.
		Encourage all jurisdictions to actively participate in the Regional Transportation Plan Update process.
	Roads that are pedestrian friendly encourage bicycle trips and the use of the mass transportation system	Assist member jurisdictions in developing and implementing strategies and design criteria that make new commercial and residential developments friendly to pedestrians and bicyclists.
	Preserve productive farmland and land that provides habitat for rare, endangered or threatened species.	Consider impacts on prime farmland and areas that support protected wildlife.
		Encourage participation in Butte Regional Conservation Plan (BRCP).
Ensure Goals and Policies are consistent at both the regional and local levels.	Assist the cities, town and county during their General Plan updates to ensure that the plans are consistent with the RTP and BRCP.	
Transportation Financing		
Develop and support financing strategies that provide for continuous implementation of the Regional Transportation Plan projects and strategies.	Develop and adopt policies that will provide adequate funding resources for all transportation modes and strategies.	Provide technical assistance to local jurisdictions in the development of transportation financing mechanisms.
		Consider cost efficiency/cost benefit ratio in project evaluation criteria.
	Work with cities and County on development of a regional road network fee program.	Work with cities, town, and county to identify potential options for funding transportation system maintenance and improvements on the regional road network.
		Develop funding shortfall needs assessment for state highways, local streets, and roads for Butte County.

Goal	Objective	Policy/Action
Outreach and Coordination		
Provide a forum for participation and cooperation in transportation planning and facilitate relationships for transportation issues that transcend jurisdictional boundaries.	Assist jurisdictions in local transportation planning.	Evaluate transportation impacts of land use and development proposals as requested.
		Provide technical assistance in the preparation of transportation financing mechanisms as requested.
		Assist in the preparation of local general plans.
	Promote consistency among all levels of local transportation planning.	Involve the local, state, and federal agencies and elected officials in the transportation planning process.
		Promote consistency between the Regional Transportation Plan and local and state level plans.
	Promote citizen participation and education in transportation planning.	Use the BCAG newsletter for transportation planning education.
		Conduct workshops and information sessions for transportation planning and projects.
		Utilize the internet to facilitate the dissemination of transportation projects and information on the planning process.
		Follow BCAG's Public Participation Plan procedures.
Quality of Travel and Livability		
Mobility goal: The transportation system should provide for convenient travel options for people and goods and maximize its productivity. The system should reduce both the time it takes to travel as well as the total costs of travel.	Assist in efforts which enhance mobility for the region.	Tailor transportation improvements to better connect people with jobs and other activities such as "Smart Mobility" concepts to increase system efficiencies and strive to reduce GHGs.
		Provide convenient travel choices including transit, driving, ridesharing, walking, and biking.
		Preserve and expand options for regional freight movement.
		Increase the use of transit, ridesharing, walking, and biking in major corridors and communities.
		Provide transportation choices to better connect the Butte County region with neighboring counties and tribal nations.
Reliability goal: The transportation system should be reliable so that travelers can expect relatively consistent travel times from day-to-day for the same trip by mode(s).	Assist in efforts which enhance reliability for the region.	Employ new technologies to make travel more reliable and convenient.
		Manage the efficiency of the transportation system to improve traffic flow.
System preservation and safety goal: The public's investment in transportation should be protected by maintaining the transportation system. It is critical to preserve and ensure a safe regional transportation system.	Assist in preserving the transportation system and safety.	Work towards keeping the region's transportation system in a good state of repair.
		Work towards reducing bottlenecks and increase safety by improving operations.
		Improve emergency preparedness within the regional transportation system.

Goal	Objective	Policy/Action
Sustainability		
Incorporate Sustainable Community Strategies into the regional transportation planning process which works toward social equity, a healthy environment and a prosperous economy.	Work towards a transportation system that is designed to provide an equitable level of transportation services for all populations.	Create equitable opportunities for all populations regardless of age, ability, race, ethnicity, or income. Ensure access to jobs, services, and recreation for populations with fewer transportation choices.
	Work towards a transportation system that leads to environmental sustainability and fosters efficient development patterns that optimize travel, housing, and employment choices and encourage future growth away from rural areas and closer to existing and planned development.	Develop transportation improvements that respect and enhance the environment. Work towards reducing greenhouse gas emissions from vehicles and continue to improve air quality in the region. Work towards making the transportation investments made result in healthy and sustainable communities.
	Work towards a prosperous economy in making transportation decisions. The transportation system should play a significant role in raising the region's standard of living.	Maximize the economic benefits of transportation investments made. Enhance the goods movement system to support economic prosperity.
Emergency Preparedness		
To support and collaborate on proactive emergency planning and projects that increase emergency readiness and preparedness including upgrading and maintaining roadways, public transit or facilities that support emergency situations.	Work with cities and county on development of a regional road trunk network that would best serve emergency purposes.	Work with cities, town, and county to identify potential options for funding transportation system maintenance and improvements on the regional road network. Develop funding shortfall needs assessment for state highways, local streets and roads for Butte County.
	Actively pursue and assist local jurisdictions pursue grant funding that works towards enhancing emergency preparedness.	Pursue federal and state grant funding opportunities and assist local jurisdictions with their own potential grant applications.

Goal	Objective	Policy/Action
Housing		
To support and collaborate on proactive efforts to address housing needs in the region.	Work with cities and county on efforts to develop in communities where services, amenities, and transportation infrastructure already exist.	Work with cities, town, and county to identify preferred areas of development which foster increased non-motorized travel. Encourage infill development to minimize environmental footprint.
	Work with cities and county to develop higher density housing.	Work with jurisdictions/developers to encourage complete street design concepts as part of housing projects. Work with jurisdictions to seek state and federal grant funding to supplement affordable housing development projects to include non-motorized transportation improvement components such as biking, walking, and transit access improvements. Encourage transit-oriented development including more housing and jobs in high frequency transit areas. Encourage projects that include a balance of homes, jobs, services, amenities, and diverse transportation options.

Exhibit 5.2 2020 Regional Performance Measures

Factor	Measure	Current Performance – Base Year (2018)	Projected Impact of Constrained Plan – Year 2040	Data Source
Safety and Public Health	Fatality Rate per 100M Annual Vehicle Miles of Travel	1.96	Decrease	SWITRS/HPMS
	Serious Injuries Rate per 100M Annual VMT	10.3	Decrease	SWITRS/HPMS
	Percentage of Trips by Pedestrian and Bicycle Mode Share	Bike 1.99% Pedestrian 10.37%	Bike 2.03% Pedestrian 9.99%	TDF Model
Mobility and Accessibility	Average Peak Period Travel Time (minutes)	16.7	16.48	TDF Model
	Percentage of Housing and Employment within 2 miles of State Highway	81% Housing and 91% Employment	84% Housing and 92% Employment	LU Model/GIS
	Percentage of Population within ½ mile of Frequent Transit Service	0%	24%	LU Model/GIS
Reliability	Percentage of Congested Highway VMT (at or below 35 mpg)	0%	0%	TDF Model
Productivity	Average Peak Period Vehicle Trips	AM 75,240 PM 100,768	AM 82,369 PM 113,598	TDF Model
	Transit Passenger Trips per Vehicle Revenue Hour (Fixed-Route)	15.1	21.8	NTD/TNMP
System Preservation	Average Pavement Condition Index ¹ – Local Streets and Roads	60	Increase	CA SR 2018
	Percentage of Local Highway Bridge Lane Miles in need of Replacement or Rehabilitation ²	34%	Decrease	CA SR 2018
	Percentage of Transit Assets exceeding FTA “Useful Life”	8.62%	Decrease	B-Line 2018
Environmental Stewardship	Per Capita Vehicle Miles of Travel ³	21.4	20.8	TDF Model
	Per Capital Acres of Developed Land	0.31	.31	LU Model/GIS
	Acres of Important Farmland Avoided ⁴	237,438	233,729	LU Model/GIS
	Percentage of Development Occurring within Butte Regional Conservation Plan – Urban Permit Areas	70% Residential 87% Non-Residential	73% Residential 88% Non-Residential	LU Model/GIS

Factor	Measure	Current Performance – Base Year (2014)	Projected Impact of Constrained Plan – Year 2040	Data Source
Social Equity	Percentage of Higher Density Low-Income Housing ⁵ within ¼ mile of Transit Route	86%	79%	LU Model/GIS
	Percentage of Higher Density Low-Income Housing	26%	27%	LU Model/GIS
	Percentage of Minority Area Population ⁶ within ¼ mile of Transit Route	98%	198%	LU Model/GIS
<p><i>Footnotes:</i></p> <p>¹ Pavement Condition Index (PCI) rates roadway conditions on a scale from 1-100 with 1=worst and 100=best.</p> <p>² Highway Bridge Lane Miles with a Sufficiency Rating (SR) of 80 or below.</p> <p>³ VMT includes all trips within county from all vehicle types and includes the total population including group quarters.</p> <p>⁴ Important Farmland includes farmlands classified as Prime, Unique, and of Statewide Importance by the California Department of Conservation (2016).</p> <p>⁵ Multi-family housing is used in determining percentage of higher-density low-income housing.</p> <p>⁶ Minority communities are defined as 2010 Census Block Groups where 40 percent or more of the population is Asian Pacific Islander, African American, Hispanic, Native American or other Non-White ethnic group, based on 2012-2017 5-year American Community Survey data.</p>				
<p><i>Data Sources:</i></p> <p>SWITRS - California Highway Patrol Statewide Integrated Traffic Records System</p> <p>TDF Model - BCAG's Regional Transportation Model</p> <p>LU Model - BCAG's Regional Land Use Allocation Model</p> <p>B-Line - Butte Regional Transit</p> <p>TNMP – BCAG's Transit & Non-Motorized Plan</p> <p>GIS - BCAG's Regional Geographical Information System</p> <p>NTD – National Transit Database (2018)</p> <p>CA SR - California Statewide Local Streets and Roads Needs Assessment (2018)</p> <p>Caltrans Pave - Caltrans 2018 State of the Pavement Report</p>				

Chapter 6 | Functional Review

A functional review of BCAG determines the extent and efficiency of the following functional activities:

- Administration and Management;
- Transportation Planning and Regional Coordination;
- Claimant Relationships and Oversight;
- Marketing and Transportation Alternatives; and
- Grant Applications and Management; and

Administration and Management

BCAG is governed by a Board of Directors comprised of the five members of the Butte County Board of Supervisors and one representative each from the cities of Biggs, Chico, Gridley, and Oroville, as well as the Town of Paradise. Each of the municipal representatives also has a designated alternate. Meetings take place on the fourth Thursday of the month and are held at the BCAG Board Room, 326 Huss Drive, Suite 150, in 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 hosted on Zoom and a video of the meeting posted to BCAG's YouTube account.

Board members serving during the audit period included:

- Bill Connelly, District 1 Supervisor (2018-2021),
- Larry Wahl, District 2 Supervisor (2018-2021),
- Maureen Kirk, District 3 Supervisor (2018-2021),
- Steve Lambert, District 4 Supervisor (2018-2021),
- Doug Teeter, District 5 Supervisor (2018-2021),
- Nathan Wilkinson, City of Biggs (2018-2019),
- Angela Thompson, City of Biggs (2019-2021),
- Andrew Coolidge, City of Chico (2018-2019),
- Randal Stone, City of Chico (2019-2021),
- Ray Borges, City of Gridley (2018-2019),
- Quintin Crye, City of Gridley (2019-2021),
- Linda Dahlmeier, City of Oroville (2018-2019),
- Chuck Reynolds, City of Oroville (2019-2021), and
- Jody Jones, Town of Paradise (2018-2021).

The Board does not have any committees. However, there are three advisory bodies that include representation from local jurisdictions as well as citizen participants. These are the Transportation Advisory Committee, the Transportation Administrative Oversight Committee, and the Social Services Transportation Advisory Council.

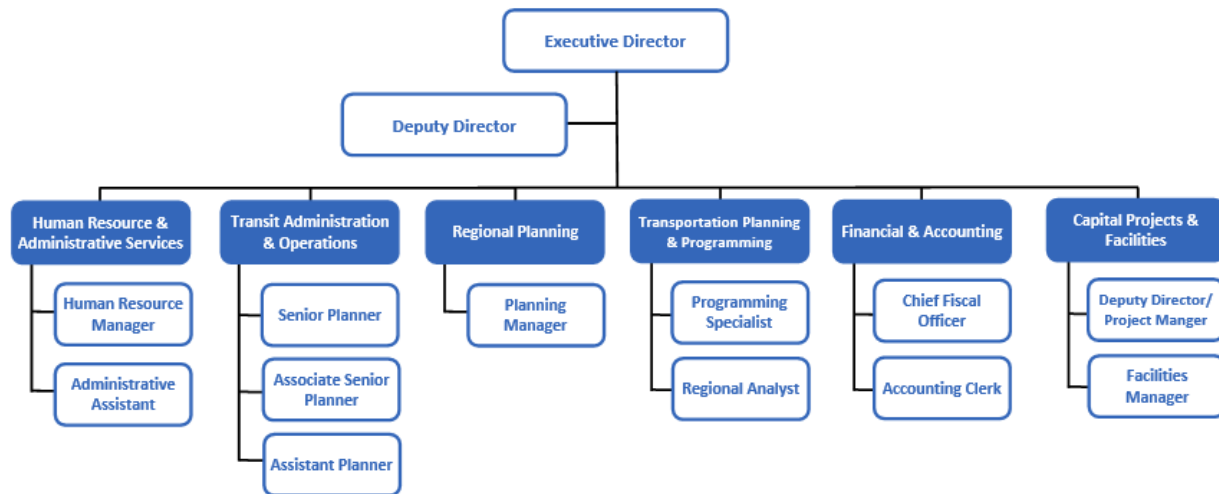
- [The Transportation Advisory Committee \(TAC\)](#) includes representatives from each of the local jurisdictions' public works and planning departments; City, Town, and County technical staff;

up to five citizen representatives; and representatives from the Air District, Caltrans, tribal governments, and other agencies with a technical interest in BCAG’s planning process. The TAC meets monthly to provide analysis on transportation project/program development.

- The **Transportation Administrative Oversight Committee (TAOC)** is made up of representatives from each jurisdiction. It reviews budgets, vehicle replacement needs, and other considerations for both Butte Regional Transit (BRT) and the City of Gridley.
- The **Social Services Transportation Advisory Council (SSTAC)** was created to meet the requirements of the TDA. Representatives may include transit providers; social service agencies; organizations serving youth, seniors, low-income residents, and/or the homeless; and citizens representing any of these groups. The SSTAC meets as needed to review potential unmet transit needs and advise the BCAG Board.

The RTPA employs staff in sufficient numbers and with sufficient qualifications to accomplish its functions. There are no concerns regarding turnover, and most employees consider BCAG a solid place to work. Staff receive annual performance evaluations, and are eligible for a standard package of benefits. An organizational chart is provided in Exhibit 6.1.

Exhibit 6.1 Organizational Chart (FY 2020/21)



The RTPA processes TDA claims in an accurate and timely manner. The RTP is updated in-house every four years. The latest update was adopted in December 2020. Management receives and reviews the progress and financial status of ongoing projects. It has established clear, realistic goals and objectives through its mission statement and RTP Policy Element.

Impact of COVID-19 pandemic

As the COVID-19 pandemic began, staff were given the option to work from home. The Chief Fiscal Officer and the Transportation Programming Specialist stayed in the office (working in separate offices) while everyone else worked from home. BRT did not suspend any services with the exception of several university routes due to the school closures. Face masks were required and Transdev implemented comprehensive enhanced cleaning/sanitizing of BRT buses. To maintain social distancing, BRT passengers

boarded at the rear of the bus and fare collection was suspended for several weeks. Paratransit demand declined over the course of the pandemic.

Claimant Relationships and Oversight

BCAG has a Transit Administrative Oversight Committee that advises on planning and budgeting matters but does not review productivity. BCAG regularly reviews the performance for Butte Regional Transit (as part of its oversight duties). Productivity is not formally reviewed as part of the TDA claims process.

BCAG makes technical and managerial assistance available to operators. BRT directly benefits from this assistance (as it is part of BRT administration by BCAG staff). BCAG and the City of Gridley held several meetings to discuss the goals and rules of the TDA, which has been necessary given the high turnover in the City's Finance department. Both BCAG and BRT are willing to provide such assistance.

BCAG is responsible for engaging third-party auditors to conduct annual TDA fiscal audits as well as triennial performance audits. TDA fiscal audits are completed within the allotted timeframe, though typically utilize the 90-day extension allowed under the TDA.

The RTPA has processed operator TDA claims consistently and in a timely manner. The current claims manual was prepared in 2003, prior to regional consolidation. Despite its age, the manual provides an excellent overview of TDA funding and processes. A new workbook is currently in the works, with completion expected by the end of 2022.

Transportation Planning and Regional Coordination

The Regional Transportation Plan and Sustainable Communities Strategy (RTP-SCS) provides comprehensive transportation policy guidance within the Butte County region. It incorporates key findings from the analysis of each mode and policy category and identifies weaknesses, projects, and current conditions. It accounts for anticipated growth, development, and changing transportation demands across a 24-year horizon. It was developed according to state requirements and the Regional Transportation Plan Checklist.

The RTP-SCS sets out clear goals and actions for transportation in the region. The Financial Element addresses the sufficiency of funding sources to be used in reaching those goals. These include a variety of federal, state, and local funding sources. The RTP-SCS was most recently updated in 2020. Goals, objectives, and policies included in the 2020 update are provided in Exhibit 5.1.

BCAG does its own modeling and has a modeler on staff. It maintains the Regional Travel Demand Forecasting (TDF) model, which underwent an update in 2019 in advance of the 2020 RTP-SCS update. The current model has been calibrated and validated to 2018 base year conditions. The modeling platform was also updated from TransCAD to Cube. The model is used to develop forecasts for the region's transportation network and to assist in the analysis of regional transportation plans and air quality conformity determinations.

The Post-Camp Fire Regional Population and Transportation Study, completed in April 2021, looked at changes in Butte County since the Camp Fire. It included an update to the Transit and Non-Motorized Plan and will be used in updating the RTP-SCS in 2024.

Marketing and Transportation Alternatives

The two operators are generally responsible for their own marketing; however, as the administrative agent for BRT, BCAG handles BRT's marketing. Current BRT outreach includes TV and radio spots, events, social media, and onboard advertising. Additional transportation information is provided via the B-Line website, including connections with Glenn Ride; private shuttles that serve Butte County; and links to cycling clubs and organizations. Additional information can be found on the mobile apps Map My Bus and Token Transit. Follow-up transit studies included onboard surveying that asked how riders heard about transit services.

BCAG/BRT meets with local jurisdictions regarding development projects in order to identify transit needs (including bus stop and bus pull-out locations) during the planning process.

There is considerable interest in non-motorized transportation, resulting in the development of a bike map, creation of bike lanes, and completion of the Transit and Non-Motorized Transportation Plan.

Grant Applications and Management

BCAG prepares grant applications and administers grants for both BCAG and BRT. During the audit period, the Transit Manager handled all transit grants, including TRAMS reporting. Transit is now managed between five staff members, with one focusing on grants.

Gridley does not utilize any federal funding, but does utilize TDA funding. The City has suffered from significant turnover in its Finance department. Every time the City gets a new Finance Director, BCAG works with the City to explain the requirements of TDA.

Chapter 7 | Findings and Recommendations

Conclusions

With one exception, we find BCAG, functioning as the RTPA, 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. The compliance finding and the recommendation for its resolution, as well as modest recommendations intended to improve the effectiveness of the organization as the RTPA, are detailed below.

Findings and Recommendations

Based on the current review, we submit the following TDA compliance finding:

1. BCAG does not conduct or verify the STA efficiency tests as part of its TDA claims process.

The audit team also identified two functional findings. While these findings are not compliance findings, the auditors believe they are significant enough to be addressed within this review:

1. The City of Gridley has yet to develop a Short Range Transit Plan.
2. The City of Gridley could benefit from a second (backup) wheelchair-accessible transit vehicle.

In completing this Triennial Performance Audit, the auditors submit the following recommendations for BCAG's 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.

Compliance Finding 1: BCAG does not conduct or verify the STA efficiency tests as part of its TDA claims process.

Criteria: PUC 99314.6 requires transit operators to meet one of two efficiency criteria in order to use STA funding for operational expenses. The measure of efficiency is based on change in cost per vehicle service hour. If an operator does not meet either test of efficiency, then the amount of STA funding available for operating expenses is reduced by the lowest percentage it exceeded the amount necessary to meet the standard.

Condition: The current BCAG TDA claim forms include an element in the Statement of Conformance (Attachment A), signed by the operators, that the operator meets the STA efficiency standards. However, it does not appear that BCAG verified this statement with the operators, nor does it ask the operators to show how they meet this requirement. While the TDA claim form does not identify whether STA funding is being used for operational or capital purposes, this information is reflected on the annual TDA project expenditure plan.

Cause: The cause is likely a change in staffing due to the retirement of the long-time employee formerly responsible for overseeing the claims process. Additionally, there was a period of time during which Gridley did not claim STA funds, only LTF. When the City started using STA again after BCAG started funding transit off the top, the STA calculation for Gridley was overlooked.

Effect: As a result, compliance with this requirement was overlooked. Failure to conduct the efficiency test can result in the operator claiming STA funding for operations it is not eligible to claim.

Recommendation: Prepare STA efficiency calculations either as part of the TDA audit process or the TDA claims process.

Recommended Action: Conduct the STA efficiency tests annually as part of the TDA claims process or the TDA fiscal audit. Ensure the tests have been conducted and the operator is eligible prior to authorizing any claims for STA operating funds. If the operator is not eligible to claim all available STA funds for operating, determine how much STA funding must be reserved for capital purposes only.

Since the efficiency tests use audited data, is it reasonable to include the calculation as part of the TDA fiscal audit alongside the farebox recovery ratio calculation. If included within the fiscal audit, the auditor must be familiar with relevant portions of the TDA legislation, including PUC 99314.6, AB 90, and AB 149. If included as part of the TDA claims process, BCAG may need to add a worksheet to the claim form (in addition to the Statement of Conformance) showing compliance with one or both tests was calculated.

Two STA efficiency tests are conducted. The first compares operating cost per vehicle service hour for the two most recent audited fiscal years, adjusted by the change in CPI. The use of audited data means the years used are two years behind the project year (e.g., FY 2016 and FY 2017 for the FY 2019 STA claim). The second test compares the averages for two three-year periods, adjusted by the change in CPI (e.g., the FY 2014/FY 2015/FY 2016 average and the FY 2015/FY 2016/FY 2017 average). If the operator does not pass either test, then the amount available for operating purposes must be reduced by the lowest amount by which it does not pass the test. An example of the two tests is shown in Exhibit 7.2. In the exhibit, the operator passes the first test (indicated by the negative percentage) but not the second.

Use data from the Bureau of Labor Statistics to calculate the change in CPI separately for each efficiency test. The BLS provides data for half-years, which can be averaged so that the CPI for a given year is representative of the fiscal year. Alternately, the CPI for the calendar year can be used, provided the same “definition” of CPI (either calendar year or fiscal year) is used for both efficiency tests.

For the one-year calculation, simply calculate the change in CPI between the two years. This example would calculate STA efficiency for a FY 2018/19 claim, using CPI data and audited operating cost and vehicle service hour data for 2016 and 2017.

2017 CPI = 251.137
2016 CPI = 245.255
Change = 5.882
Percent change = 2.40%

For the three-year calculation, find the average CPI for the period 2015 through 2017 as well as the average CPI for the period 2014 through 2016, then calculate the change in CPI between the two.

2015 CPI = 241.418	2014 CPI = 237.960
2016 CPI = 245.255	2015 CPI = 241.418
2017 CPI = 251.137	2016 CPI = 245.255
Average = 245.937	Average = 241.544
Change = 4.392	
Percent change = 1.82%	

Timeline: FY 2021/22 (while the efficiency requirement is waived through FY 2022/23, data from the FY 2021/22 audit will be used to determine eligibility for FY 2023/24).

Anticipated Cost: Negligible.

Management Response: BCAG will ensure that the STA Efficiency calculations are included in the TDA Workbook update as part of the claims process.

Exhibit 7.1 STA Calculation Worksheet

Operator's STA Qualifying Criteria (99314.6) - Worksheet		FY 2018/19			
FISCAL YEAR (Audited Data)	FY 2013/14	FY 2014/15	FY 2015/16	FY 2016/17	
A. Operating Cost	\$9,030,439	\$9,304,847	\$11,031,080	\$11,059,363	
B. Operating Cost Exclusions: Depreciation (if not already excluded)			\$1,315,416	\$1,375,793	
C. Adjusted Operating Cost (A-B)	\$9,030,439	\$9,304,847	\$9,715,664	\$9,683,570	
D. Revenue Vehicle Hours (RVH)	121166	121714	121388	120231	
E. RVH Exclusions: (add sheets if required)					
F. Adjusted RVH (D-E)	121166	121714	121388	120231	
G. Operating Cost per RVH (C/F)	\$74.53	\$76.45	\$80.04	\$80.54	
I. Operating Cost per RVH	\$74.53	\$76.45	\$80.04	\$80.54	
	W	X	Y	Z	
H. % Change in CPI				2.40%	
% Change in CPI 3 prior years (change in annual CPI between first year of first fiscal year and last year of last fiscal year)	1.82%				
Efficiency Standard 1:					
Z must be less than or equal to (Y)*(CPI%) [CPI% = average percentage change in the CPI%]					
	Z =	\$80.54	Difference:		-\$1.42
	Y =	\$80.04	Percentage:		-1.73%
	[Y + Y * (CPI)] =	\$81.96			
Efficiency Standard 2:					
[(X + Y + Z) / 3] must be less than or equal to [(W + X + Y) / 3] (3-year CPI%)					
	[(X + Y + Z) / 3] =	\$79.01	Difference:		\$0.60
	[(W + X + Y) / 3] =	\$77.01	Percentage:		0.77%
	[(W + X + Y) / 3] + [(W + X + Y) / 3]*CPI =	\$78.41			
For RTPA Use Only					
Operator qualifies under:					
Standard 1:	<input type="checkbox"/> Yes		<input type="checkbox"/> No		
Standard 2:	<input type="checkbox"/> Yes		<input type="checkbox"/> No		

Functional Finding 1: The City of Gridley has yet to develop a Short Range Transit Plan.

Criteria: Under the Claimant Relationships and Oversight functional area, one of BCAG’s functions is to provide technical (planning) assistance to operators within its jurisdiction.

Condition: This recommendation is carried forward from the prior audit. It was not implemented during the current audit period for a number of reasons, including significant staff turnover in the City of Gridley’s Finance department. However, the City is looking at potentially significant growth over the next few years, including several low-income and senior housing developments and a sports complex (which is unlikely to have sufficient parking for large events). The City has expressed a need for a practical transit “vision” that assess the current service and looks at potential enhancements across the next five years. The current service delivery mode can only expand so much before it will have to start turning away riders due to reaching capacity. A short range transit plan (SRTP) would enable the City to prepare for whatever comes next before it reaches a tipping point.

Cause: Turnover at the City made it difficult to move ahead with this recommendation.

Effect: BCAG and the City have yet to undertake any short-range planning.

Recommendation: Work with the City of Gridley to undertake a short range transit plan to address the City’s transit “vision” across a five-year planning horizon.

Recommended Action: BCAG, in partnership with the City of Gridley, should retain a qualified consultant to provide an objective evaluation of the Gridley Feather Flyer program and offer recommendations for future program development based on anticipated population growth, land-use, and other considerations.

Timeline: FY 2022/23.

Anticipated Cost: Variable; likely between \$30,000 and \$50,000.

Management Response: BCAG will work with the City of Gridley to assist with the vision for a short-term transit plan and locate funding if necessary.

Functional Finding 2: The City of Gridley could benefit from a second (backup) wheelchair-accessible transit vehicle.

Criteria: As the RTPA, BCAG allocates TDA funding for transit operators within its jurisdiction, which can include capital purchases.

Condition: The City of Gridley’s transit program is currently operated using one wheelchair-accessible transit vehicle. Whenever possible, preventive maintenance is conducted outside of regular service hours so as not to impact service delivery. However, when the vehicle must be out of service during regular service hours, a City pool car is used to provide rides. Since the pool car is not wheelchair-accessible, no rides for customers needing a wheelchair-accessible vehicle can be provided when a pool car is in use.

In addition, given the anticipated growth in the community, it is likely the City will need access to a second vehicle, either for regular service or to supplement service for specific activities. This is likely to be addressed in the Gridley SRTP.

Cause: While the City works to ensure the lift-equipped transit vehicle is available for all service hours, an unexpected issue could take the vehicle out of service.

Effect: With no backup transit vehicle, service to riders needing a wheelchair-accessible vehicle is unavailable when a pool car must be used.

Recommendation: Work with the City of Gridley to secure funding for a second (backup) wheelchair-accessible vehicle.

Recommended Action: BCAG should work with the City of Gridley to identify funding for a second (backup) wheelchair-accessible transit vehicle. The type of vehicle will depend on the need and future demand identified in the SRTP. Some smaller vehicles (such as minivans) can be wheelchair-accessible, and such a vehicle may be appropriate if the vehicle is simply to serve as a back-up. However, if it is likely to be needed as a second primary service vehicle, it should be at least the size and capacity of the current transit vehicle. BCAG and the City should also weigh whether a used vehicle would be appropriate for the City’s needs, or if a new vehicle is preferred.

In addition, since Gridley does not currently receive federal money, funding for the vehicle will likely need to come from state or local sources so as not to place the additional burden of federal grant reporting on the City’s limited Finance staff.

Timeline: FY 2023/24 (following completion of the Gridley SRTP).

Anticipated Cost: Dependent upon type of vehicle.

Management Response: BCAG will work with the City of Gridley to locate funding for a backup vehicle.

Exhibit 7.2 Audit Recommendations

TDA Compliance Recommendations		Importance	Timeline
1	Prepare STA efficiency calculations either as part of the TDA audit process or the TDA claims process.	High	FY 2021/22
Functional Recommendations		Importance	Timeline
1	Work with the City of Gridley to undertake a short range transit plan to address the City’s transit “vision” across a five-year planning horizon.	High	FY 2022/23
2	Work with the City of Gridley to secure funding for a second (backup) wheelchair-accessible vehicle.	Medium	FY 2023/24