

TRIENNIAL PERFORMANCE AUDIT  
of Calaveras Council of Governments for  
Fiscal Years 2004-05 through 2006-07

*Final Report*

*Prepared for the*

Calaveras Council of Governments

*Prepared by*

LSC Transportation Consultants, Inc.



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*FINAL REPORT*

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## Chapter 1

# Executive Summary

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California Public Utilities Code Section 99246 requires that regional transportation planning agencies such as the Calaveras Council of Governments (CCOG) conduct Triennial Performance Audits of both their own activities and those of their associated transit operators. This performance audit of the CCOG covers the three-year period from July 1, 2004 to June 30, 2007. The primary objective of a Triennial Performance Audit is to provide the CCOG with an independent and objective evaluation of its effectiveness, efficiency, and economy in its role as the Regional Transportation Planning Agency for Calaveras County. It should be noted that the Triennial Performance Audit for Calaveras Transit (under separate cover) was performed for the three-year period from July 1, 2004 to June 30, 2007. As required under California Transportation Development Act (TDA) law, CCOG will submit this report to Caltrans and certify that the transit operator performance audit was completed.

There is almost unanimous support among member agencies and associated stakeholders that the CCOG is managed and operated in an effective, efficient, and economical manner. The CCOG provides a strong organization that effectively pulls together transportation policy within Calaveras County and provides balance between the City of Angels (Angels Camp) and the County of Calaveras. Some stakeholders suggest that an expanded role could be incorporated into the CCOG scope of work to address new growth pressures in the County (i.e., provision of affordable housing, land use planning or water quality planning). In addition, some board members suggested that a strategic exercise be undertaken to better define the mission and goals of the CCOG in order to better inform citizens and developers of the critical link between land use and transportation impacts.

CCOG Board members are considered to be knowledgeable, fair, and effective, and its executive director generally enjoys a strong reputation in the region for skill and excellence in performance. However, during the Audit period, disparate opinions regarding the role of public transportation in the County strained relations between County representatives and then-CCOG staff. For example, the Calaveras County Board of Supervisors voted in late 2004 to cease its participation in the CCOG, although this decision was later rescinded in early 2005 and the County continues to participate in CCOG activities according to the existing Joint Powers Agreement.

During the Audit period, the CCOG Board was composed of capable and seasoned officials, both elected and appointed, who met regularly, conducted themselves with efficiency, and generally put aside parochial jurisdictional differences as they met to determine transportation planning and funding policies. However, unrest regarding the appropriate role of public transportation in the County continues to be a point of contention between some CCOG Board members. In addition, there is some question among local officials regarding the manner in which TDA-required farebox recovery ratio is calculated, and CCOG staff is currently working to address this issue in the near future.

The Regional Transportation Plan (RTP) was updated in October 2007, which pro-actively represented the County's transportation needs. CCOG officials strive to resolve common transportation problems through both formal and informal means.

## **FINDINGS**

- The current CCOG staff is relatively new to the organization. Nonetheless, CCOG staff is generally highly regarded, both by local elected officials and outside organizations. Board members appear to put aside parochial differences when meeting in the CCOG setting in order to equitably plan for transportation needs in the region.
- The CCOG does not currently have a transit productivity committee that provides recommendations on improving the effectiveness and efficiency of public transportation services.
- The CCOG currently maintains an Internet website that provides information on transportation planning activities in the region.
- In response to a recommendation in the previous Triennial Performance Audit, CCOG formed an Administrative Committee to conduct a salary and classification review. However, this analysis failed to include a comprehensive utilization element.
- Calaveras Transit, the sole TDA-funded transit operator in the region, failed to meet the mandated 10 percent farebox recovery ratio during the Audit period and could be penalized financially if the transit program fails to achieve the minimum farebox recovery ratio in Fiscal Year 2007-08.
- Although CCOG commissioned Fiscal and Compliance Audits for Calaveras Transit for all three years of the Audit period, Calaveras Transit failed to complete two of the three annual efforts within the 180 day period.

## **RECOMMENDATIONS**

- CCOG should consider conducting a focused strategic planning process that includes all CCOG staff, CCOG Board members and technical staff from Angels Camp and Calaveras County. This effort will better define the role of the CCOG in the region, as well its relevance to other regional planning efforts (for example, land use planning in the two jurisdictions).
- The CCOG should implement a transit productivity committee that meets quarterly to review the performance of public transportation services and make recommendations to the CCOG Board regarding efficiency and effectiveness improvements. Members of the SSTAC could be included on this committee to ensure that user needs are addressed. Immediate formation of this committee is particularly timely, since Calaveras Transit could be penalized financially if it fails to achieve the minimum farebox recovery ratio in Fiscal Year 2007-08.

- The CCOG should work with an outside agency to conduct a comprehensive classification, compensation, and utilization study of its staff.

## Chapter 2

# Triennial Performance Audit Results

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### BACKGROUND

This Triennial Performance Audit has been prepared in compliance with the requirements of California Public Utilities Code Section 99246, which requires that CCOG cause a performance audit to be conducted of its activities every three years. The primary objective of this Audit is to provide CCOG with an independent and objective evaluation of its performance as it relates to responsibilities in its role as the Regional Transportation Planning Entity (RTPE) for Calaveras County.

This Audit evaluates the operations of CCOG in terms of the efficiency, effectiveness, economy, and results of its programs. In addition, this Audit includes a review of CCOG's implementation of the recommendation that was contained in the previous Audit report, which was completed in June 2005. This current Audit covers the three-year period from Fiscal Year 2004-05 through 2006-07. Finally, this Audit includes a discussion of relevant issues currently facing the organization, based on telephone interviews with area decision makers and discussions with CCOG staff.

### PERFORMANCE AUDIT AND REPORT ORGANIZATION

This Audit was prepared in the following steps:

- A review of pertinent documents, including the Calaveras COG Joint Powers Agreement and its amendments, Regional Transportation Plan, Short Range Transit Plan, annual Overall Work Programs, annual fiscal audits and State Controller's Reports, and Board agendas, minutes, and supporting staff reports.
- On-site interviews with CCOG staff, including the executive director, the administrative analyst, and the transportation planner.
- Telephone interviews with most CCOG Board members.
- Telephone interviews with key stakeholders, including staff members from the transit operations corporate management.
- Review of prior Triennial Performance Audit reports.
- Review of the requirements of the Public Utilities Code, Administrative Code, and other appropriate statutes, followed by an assessment of the CCOG's compliance with the specified requirements.

- Preparation of a draft Audit report with findings and recommendations, and the review of said document with the CCOG staff.
- Preparation of a final Audit report, and presentation of that audit to the CCOG at a regular meeting.

## **CALAVERAS COUNCIL OF GOVERNMENTS DESCRIPTION**

### **Agency Function and History**

In 1972, the Calaveras County Local Transportation Commission (LTC) was designated as the Regional Transportation Planning Agency for Calaveras County, created pursuant to Title 3, Division 3, Chapter 2, Article 11, Section 29532.1 of the State of California Government Code. The LTC was replaced by the CCOG in 1998. The CCOG operates under a Joint Powers Agreement between the County of Calaveras and the City of Angels (Angels Camp). CCOG is composed of seven members: two members appointed by the Calaveras County Board of Supervisors, two members appointed by the City of Angels City Council, and three representatives from the general public appointed by the other four members. The CCOG has a Memorandum of Understanding (MOU) with the State of California, acting through its Department of Transportation (Caltrans); this MOU enumerates CCOG's transportation planning responsibilities in Calaveras County.

In addition to citizen participation activities, CCOG is also advised by the following two major advisory committees:

- Technical Advisory Committee (TAC)
- Social Services Transportation Advisory Council (SSTAC)

The TAC acts as a clearinghouse and technical review body for all items to be considered by the CCOG.

The SSTAC advises the CCOG on all matters pertaining to the transit needs of transit dependent and transit disadvantaged persons. The input of this committee is an integral part of the annual "unmet transit needs" process of the CCOG. The makeup of the SSTAC is prescribed by the Transportation Development Act (Public Utilities Code Section 99238). CCOG's SSTAC consists of nine members:

- A representative of potential transit users who is 60 years of age or older. This requirement is met by one appointment by the County Department on Aging, and/or a Senior Service Agency volunteer.
- A representative of potential transit users who is disabled.
- Two representatives of local social service providers for seniors, including one representative of a social service transportation provider, if one exists.

- Two representatives of a local social service provider representing disabled persons, including one representative of a social service transportation provider, if one exists.
- A representative of a local social service provider for persons of limited means.
- Two representatives from the local consolidated transportation service agency, if one exists, including one representative from an operator, if one exists.

During the Audit period, the CCOG formed an administrative committee to develop a staff classification and salary program. Although not specifically enabled through the Joint Powers Agreement, the committee was formed through a resolution.

The CCOG's objectives are outlined in the annual Overall Work Program efforts. As the Regional Transportation Planning Agency, the CCOG's Overall Work Program includes the following required elements:

- Ensure that all activities related to programs funded under the Transportation Development Act are administered and coordinated appropriately.
- Ensure that all phases and activities of the COG are conducted in a precise, informative, and thorough manner. Assure adequate representation of Calaveras County and the City of Angels on all pertinent matters before the California Transportation Commission and Caltrans.
- Provide annual Fiscal and Compliance Audits, as well as Triennial Performance Audits of CCOG and Calaveras Transit activities.
- Upon designation as a new non-attainment area for air quality, comply with pertinent Clean Air Act requirements.
- Administer the regional transportation planning process.

## **REVIEW OF COMPLIANCE REQUIREMENTS**

Following is a review of compliance requirements identified in the Transportation Development Act and other state statutes:

- In accordance with Public Utilities Code Section 99231, the CCOG allows no transportation operators and city or county governments which have responsibility for serving a given area to claim, in total, more than those Local Transportation Fund moneys apportioned to that area.
- In reference to Public Utilities Code Sections 99233 and 99234, the CCOG has adopted specific rules and regulations delineating procedures for the submission of claims for facilities provided for the exclusive use of pedestrians and bicycles, which is based on generic state TDA guidelines.

- In accordance with Public Utilities Code Sections 99238 and 99238.5, the CCOG has established a SSTAC. The CCOG ensures that there is a citizen participation process that includes at least one annual public hearing.
- In accordance with Public Utilities Code Section 99244, the CCOG has annually identified, analyzed, and recommended potential transit productivity improvements that could lower operating cost of those transit operators that operate at least 50 percent of their vehicle service miles with its jurisdiction. During the Audit period, Calaveras County (doing business as Calaveras Transit) contracted with the lowest responsive bidder for transit services and has modified the operating agreement whenever possible to reduce costs. Nonetheless, CCOG does not have a “productivity committee” or formal documentation of an improvement process, but County staff provided an appropriate degree of oversight and sought out opportunities to lower expenses. As recommended in the prior Triennial Performance Audit, the SSTAC should formally be included as part of the productivity improvement process.
- In accordance with Public Utilities Code Section 99245, the CCOG attempted to ensure that all claimants to whom it allocates TDA funds submit to it and to the State Controller an annual certified Fiscal and Compliance Audit within 180 days after end of the fiscal year. However, as discussed in the Calaveras Transit Triennial Performance Audit (under separate cover), the transit operator failed to meet the mandated Fiscal and Compliance Audit deadline in Fiscal Year 2005-06 and Fiscal Year 2006-07.
- In accordance with Public Utilities Code Sections 99246 and 99248, the CCOG has herein designated an independent entity to conduct a performance audit of operators and itself (for the current and previous Triennial Performance Audit periods).
- In accordance with Public Utilities Code Section 99246(c), the CCOG has submitted a copy of its Triennial Performance Audit to the Director of the California Department of Transportation.
- In accordance with Public Utilities Code Section 99246(d), the performance audit of the transit operator (under separate cover) shall include, but is not limited to, a verification of the operator’s cost per passenger, operating cost per vehicle service hour, passengers per vehicle service mile, and vehicle service hours per employee, as defined in Section 99247. The performance audit shall include, but not be limited to, consideration of the needs and types of passengers being served and the employment of part-time drivers and the contracting with common carriers of persons operating under a franchise or license to provide services during peak hours, as defined in subdivision (a) of Section 99260.2.
- During the Audit period, the CCOG had formal rules and regulations regarding revenue ratios for transit services as per PUC Sections 99270.1 and 99270.2. However, the transit operator failed to achieve the mandated 10 percent farebox recovery ratio in any of the three years of the Audit period. Nonetheless, Calaveras Transit was appropriately not penalized financially, since new transit services are exempt from the minimum farebox recovery ratio for the first two full years after implementation.

- The CCOG has not adopted criteria, rules, and regulations for the evaluation of claims filed under Article 4.5 of the TDA (as permitted under Public Utilities Code Section 99275.5). However, the use of Article 4.5 funds is not necessary, given the provision of services within the County by a single transit operator. If additional claimants emerge in the future, the CCOG should consider implementing a policy regarding Article 4.5 funds based on state statutory requirements.
- In accordance with Public Utilities Code Sections 99310.5 and 99313.3 and Proposition 116, State Transit Assistance (STA) funds received by the CCOG are allocated only for transit planning, capital projects and operations.
- The amount of STA funds received by the CCOG pursuant to the Public Utilities Code Section 9314.3 is allocated to the transit operator in the area as allocated by the State Controllers Office.
- In accordance with Public Utilities Code Section 99401.5, 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 CCOG is annually required to:
  - Consult with the SSTAC established pursuant to Public Utilities Code Section 99238.
  - Identify transit needs, including:
    - Groups who 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 services.
  - Adopt or reaffirm a definition of “unmet transit needs” and “reasonable to meet.”
  - Identify the unmet transit needs and those needs that are reasonable to meet.
  - Adopt a finding that there are no unmet transit needs, that there are no unmet needs that are reasonable to meet, or that there are unmet transit needs including needs that are reasonable to meet.

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.

- In accordance with California Code of Regulations Section 6642, the CCOG has caused a Fiscal and Compliance Audit of its accounts and records to be performed for each fiscal year by a certified public accountant. The audits were performed in accordance with the Basic Audit Program and Report Guidelines for the California Special Districts prescribed by the state controller. The audits include a determination of compliance with the TDA and

accompanying rules and regulations. Financial statements do not commingle the State Transit Assistance fund, the Local Transportation Fund, or other revenues or funds of any city, county or other agency. The CCOG maintains fiscal and accounting records and supporting papers for at least four years following fiscal year close.

## **STATUS OF PRIOR AUDIT RECOMMENDATIONS**

The prior Triennial Performance Audit was prepared by LSC Transportation Consultants, Inc. and contained the following recommendations:

- The CCOG should implement a transit productivity committee that meets quarterly to review the performance of public transportation services and make recommendations to the CCOG Board regarding efficiency and effectiveness improvements. Members of the SSTAC could be included on this committee to ensure that user needs are addressed.

Status: **Implementation Not Begun.** Given the relatively recent turnover of CCOG staff, this recommendation has not yet been implemented. Current CCOG staff appears to understand the need to formally consider this recommendation in order to comply with TDA law.

- The CCOG should conduct a focused staff classification, compensation, and utilization study of its staff.

Status: **Implementation Not Complete.** Although CCOG developed an ad hoc Administrative Committee to review staff salaries and classifications, this effort did not include a utilization element.

- The CCOG should update its Internet website to permit additional methods of providing input to staff and/or Board members.

Status: **Implementation Complete.**

## **DETAILED REVIEW OF CCOG FUNCTIONS**

There is concurrence within Calaveras County, supported by the auditor's own evaluation, that the CCOG reflects well researched, proactive policy practices, and that these outcomes have been the result of quality staff work produced by a competent executive director and his staff during the Audit period. During the Audit period, the CCOG Governing Board was composed of capable and knowledgeable officials, who met regularly, conducted themselves with efficiency and civility, and for the most part put aside parochial jurisdictional differences as they met in the CCOG setting to determine transportation planning and funding policies.

This section presents a review of the various functions of the CCOG. The CCOG's functions can be divided into the following areas:

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

### **Administration and Management**

This functional review focuses on internal management of the organization, including:

- Governing Board Activities
- Internal Planning and Achievements
- General Administration
- Personnel

The CCOG Board meets on the first Wednesday of each month in San Andreas. Staff provides the agenda materials at least one week in advance. Some of the on-going issues and/or controversies that face the CCOG are studied by ad hoc or steering committees, which endeavor to study and deliberate on these issues in a focused manner. The ad hoc/steering committees then report their findings and recommendations to the entire Board. Attendance at monthly CCOG meetings is strong. The Council dealt with a long list of key documents and funding decisions during the Audit period, including all of those required or suggested by state law and good RTPE practices. CCOG does a good job of posting important documents on its website for public review.

Administratively, the CCOG processes TDA claims in an accurate and timely manner. Following completion of the annual Unmet Transit Needs process, the CCOG submits letters to each claimant explaining the claims process. Each jurisdiction is then required to submit a copy of an executed budget resolution to CCOG for TDA funds to begin flowing. CCOG then adopts an annual TDA budget and electronically transmits TDA funds on a monthly basis in response to claims submitted by each claimant. The CCOG undertook an effort to update its Regional Transportation Plan (RTP) during the Audit period, and the RTP was approved in October 2007. As part of the RTP process, an extensive public outreach effort was completed, including several steering committee meetings, two public notices and two public meetings. No specific comments were received during the RTP update process that changed the overall direction of the RTP or the CCOG as a whole, although the California Miwok Valley Tribe responded to the comment solicitation process. As no formal policy exists regarding the filing and retention of pertinent plans and other documents, CCOG errs on the side of caution and rarely disposes of documents. CCOG staff has offered to assist in the development of the Calaveras County General Plan Circulation Element update; CCOG staff has suggested that the Council update the RTP to include any changes that might conflict and/or improve upon elements of the RTP.

In terms of internal planning, the CCOG reflected very clear goals and objectives in the RTP. Its achievements in meeting Overall Work Program objectives during the Audit period were good. The budget generally has been adequate for funding CCOG's activities, although some of this revenue depends upon successfully attaining discretionary state and federal grants, which are not always realized. In those cases where discretionary funds were not secured, the planned activity was deferred. CCOG annually adopts goals and objectives, and staff's progress in meeting these goals is reported to the council on a quarterly basis. The executive director presents a report on the various transportation issues currently facing the CCOG at each monthly meeting. CCOG staff is currently developing policy and procedures manuals, a personnel manual, and is currently considering future workshops focusing on strategic planning. It should be noted that Auditor interviews with CCOG Board members suggest that the latter effort would be timely and might be supported strongly by the Board, particularly if these outreach efforts could assist in improving coordination of transportation planning between the City and County.

As earlier noted, CCOG staff has generally been held in high regard in the region. Only three full-time staff members were dedicated to the functions of the CCOG during the Audit period, and all three current CCOG staff members are relatively new to the organization, including the executive director who assumed that position in October 2006. Staff members regularly receive training related to their responsibilities. Staff members are offered insurance (life, health, and dental), vacation, sick leave, and CALPERS retirement benefits.

The Auditor attempted to contact each and every council member to anonymously discuss transportation issues facing the organization in coming years. Based on interviews completed with five of the seven CCOG Board members, all respondents indicated strong support of CCOG staff efforts. In addition, most respondents support the direction that CCOG is going in terms of long-term transportation planning in the region. The provision of public transportation services in the region remains a somewhat controversial issue, although the respondents support transit services provided in the region. Interestingly, some respondents suggested that CCOG staff endeavor to take on a larger role in non-transportation planning (i.e., affordable housing and water quality). As noted above, some respondents suggested a need to conduct a focused strategic planning outreach effort in the region.

During the previous Audit effort, CCOG staff asked that the Auditors investigate the appropriate staffing level, given its existing workload and planning responsibilities, as well as areas of planning emphasis at the agency. As mentioned in the previous Audit, it is difficult to determine the appropriate staffing level for CCOG based on staff levels at other RTPAs, as the scope and complexity of each entity is unique.

The previous Triennial Performance Audit report recommended that a comprehensive classification, compensation, and utilization study be completed for the entire organization's staff. Furthermore, it was recommended that the study be conducted by an independent organization. The study should provide a comprehensive comparison of the wages and benefits offered to employees at similar planning entities. Finally, the study should provide information on the proportion of staff's time budgeted for each functional task (transit, roadway, non-motorized, etc.).

The classification and compensation review was completed by CCOG staff and an administrative committee comprised of three CCOG Board members. However, it is the Auditor's opinion that the CCOG Board should continue to consider completing an independent study to review its classification and compensation findings – and that utilization element remains unfinished. It would be important for the CCOG Board to be involved early in a follow-up study process, particularly with regard to choosing which agencies would be included in the comparison. Similar agencies might include the transportation planning entities in Amador, Butte, El Dorado, Humboldt, Mariposa, Mendocino, and Nevada Counties. The resulting classification and compensation portions of this study should be updated every three to five years.

### **Transportation Planning and Regional Coordination**

This functional area covers one of the two major RTPE responsibilities – transportation planning in a regional context and fiscal management, including:

- Regional Transportation Plan (RTP) Development and Adoption
- Regional Transportation Plan Topics
- Regional Transportation Plan Implementation
- Information Collection
- Information Generation and Distribution

The CCOG participated in the update of the 2004 *Calaveras Council of Governments Short Range Transit Plan*, and the 2007 *Regional Transportation Plan* which discusses, among other things, existing and future demographics. The RTP, which was adopted in October 2007, set out clear goals and cost estimates for transportation in the region.

In terms of implementation, the SRTP clearly set forth schedules and responsibilities for achievement. The route and schedule revisions recommended in the SRTP were put into effect in August 2004. However, funding for all transportation projects in Calaveras County is severely constrained and is sometimes capricious, since the preponderance of funding comes from federal and state sources. The CCOG, and particularly its executive director, has done an effective job in shaping the local portion of the State Transportation Improvement Program to meet regional needs as they relate to State Highway projects in Calaveras County. Without a stable local funding source, however, the task is both frustrating as well as open to a high degree of uncertainty as local roadway projects are proposed, evaluated, and constructed.

During the Audit period, CCOG has acted pro-actively and effectively in collaborating with its neighboring counties to resolve common transportation problems, despite recent challenges with an adjacent county regarding specific development proposals. CCOG has a good website with links to Calaveras Transit, local information, and various transportation planning documents.

An element of the current Overall Work Program is to study funding mechanisms to fully fund long term projects beyond the funding included in the Road Impact Mitigation program. CCOG will work closely with county officials in completing this important funding analysis.

## **Claimant Relationships and Oversight**

This section covers CCOG's actions regarding TDA claims and subsequent transit operations, including:

- Productivity Committee Functions
- Technical and Managerial Assistance to Operators
- Communication of TDA Rules and Information to Claimants
- Reports and Information Received by the RTPE
- TDA Claim Processing

The CCOG does not have a formal productivity committee to review services and recommend improvements for lower transit costs. It is recommended that CCOG develop such a committee to monitor and evaluate the implementation of the new service alternatives from the SRTP and any recommendations from performance audits or other study recommendations. The CCOG should set criteria, timeframes and goals for evaluating implementation of suggestions and recommendations. This is particularly important presently, since Calaveras Transit has been struggling to achieve the TDA-mandated 10 percent minimum farebox recovery ratio.

Calaveras County staff develops an internal transit monthly performance report, which is based on operating information provided by its contractor and financial information tracked internally. In addition, County staff develops an annual report that summarizes monthly data and provides narrative information about milestones achieved during the year. These reports are posted on the Calaveras Transit website, but this information is not routinely presented at CCOG meetings. Nonetheless, CCOG staff reviews this information on an on-going basis to ensure that the CCOG is kept abreast of pertinent information.

During the Audit period, the CCOG commissioned Fiscal and Compliance Audits from an independent auditor for the CCOG and for Calaveras Transit. Only one of the three Calaveras Transit Fiscal and Compliance Audits was completed and provided to the CCOG within 180 days after the end of the fiscal year for the first two years of the Audit period. Specifically, neither the Fiscal Year 2005-06 nor 2006-07 fiscal audits were provided within the 180 day period required under the TDA. Nonetheless, the Fiscal and Compliance Audits of the transit operator attest that TDA funds were expended in conformance with most applicable laws, rules, and regulations. The key exception was Calaveras Transit's inability to consistently meet the minimum 10 percent farebox recovery ratio requirement during the Audit period. However, it should be noted that it typically takes two full years for a new transit service to reach its full potential in terms of ridership and corresponding farebox revenue targets. This is expressly recognized in TDA law, as new services are exempt from minimum farebox recovery ratio requirements for the first full two years of service. As such, Calaveras Transit would be subject to financial penalties if the transit program is unable to achieve the minimum 10 percent farebox recovery ratio in Fiscal Year 2007-08.

## **Marketing and Transportation Alternatives**

This function involves the outreach activities of an RTPE, including:

- Marketing and Public Relations
- Public Information and Transportation Alternatives

Historically, the CCOG has provided a relatively narrow array of marketing and informational materials. CCOG staff makes attempts to review and provide input into City and County development proposals in order to address potential impacts to the transportation network in the County. However, no agreement between CCOG and its partner agencies requires formal CCOG input. Nonetheless, CCOG staff remains closely involved through its TAC and other methods in staying abreast of development proposals in the region that might result in traffic congestion and other community impacts.

By all accounts, CCOG has greatly increased its public outreach efforts in recent years. An example of a highly-touted outreach effort is the recently-completed *Arnold Rural Livable Community-Based Mobility Plan*, which was completed in June 2008. CCOG plans to continue to focus on increasing its outreach efforts for future projects, including the *San Andreas Rural Livable Mobility Plan* that is due to start in Fiscal Year 2008-09. CCOG also maintains a email list of about 40 individuals to whom staff routinely sends public information (agendas for upcoming meetings, news releases, etc.).

CCOG recently partnered with Amador County and Tuolumne County to implement the Foothill Rideshare program. It is a free Web-based carpool program that allows interested parties to submit their commute route/travel times and be matched with other area residents in order to reduce the number of cars on the road. CCOG staff estimates that approximately 20 percent of CCOG's Transportation Planner's time and roughly 15 to 20 percent of the Administrative Analyst's time is spent on transit and other alternative transportation issues.

## **Grant Applications and Management**

This section considers CCOG's performance in discharging its grant management duties, including:

- Grant Application Coordination
- Grant Application Assistance
- Grant Management and Compliance

Discussion of the organization's functions regarding these duties is largely redundant with previous portions of this functional review. As noted, CCOG actively assists its potential claimants in "getting the most for their money." A great deal of hands-on assistance is rendered.

Much of the generic application of this function for RTPEs statewide relates to urban areas with many competing operators and claimants, in which the RTPE is expected to sort out conflicts and “ride herd” on activities. That context does not pertain to Calaveras County’s relatively straightforward setting, as Calaveras County – as the only transit operator in the CCOG jurisdiction – receives TDA funding. The only other TDA recipient (the City of Angels) is both involved in reviewing the TDA claims and in ultimately ratifying the reimbursement of transit-related funds to the County.

During the Audit period, no state or federal grant applications have been denied in Calaveras County due to errors or omissions. CCOG staff was very active in statewide RTPE and Caltrans advisory groups during the Audit period, and creatively attempted to seek out and attain new revenue sources.

**Conclusions and Recommendations**

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There is almost unanimous support among member agencies and associated stakeholders that the CCOG is managed and operated in an effective, efficient, and economical manner. The CCOG provides a strong organization that effectively pulls together transportation policy within Calaveras County and provides balance between the City of Angels (Angels Camp) and the County of Calaveras. Some stakeholders suggest that an expanded role could be incorporated into the CCOG scope of work to address new growth pressures in the county (i.e., provision of affordable housing, land use planning or water quality planning). In addition, some Board members suggested that a strategic exercise be undertaken to better define the mission and goals of the CCOG in order to better inform citizens and developers of the critical link between land use and transportation impacts.

CCOG Board members are considered to be knowledgeable, fair, and effective, and its Executive Director generally enjoys a strong reputation in the region for knowledge and excellence in performance. However, during the Audit period, disparate opinions regarding the role of public transportation in the County strained relations between County representatives and then-CCOG staff. For example, the County Board of Supervisors voted in late 2004 to cease its participation in the CCOG, although this decision was later rescinded in early 2005 and the County continues to participate in CCOG activities according to the existing Joint Powers Agreement.

During the Audit period, the CCOG Board was composed of capable and seasoned officials, both elected and appointed, who met regularly, conducted themselves with efficiency, and generally put aside parochial jurisdictional differences as they met in the setting to determine transportation planning and funding policies. However, unrest regarding the appropriate role of public transportation in the County continues to be a point of contention between some CCOG Board members. In addition, there is some question among local officials regarding the manner in which TDA-required farebox recovery ratio is calculated, and CCOG staff is currently working to address this issue in the near future.

The Regional Transportation Plan (RTP) was updated in October 2007, which pro-actively represented the County's transportation needs. Despite challenges in collaborating with a neighboring county in recent years, CCOG officials attempted to resolve common transportation problems through both formal and informal means.

**FINDINGS**

- The current CCOG staff is relatively new to the organization. Nonetheless, CCOG staff is generally highly regarded, both by local elected officials and outside organizations. Board members appear to put aside parochial differences when meeting in the CCOG setting in order to equitably plan for transportation needs in the region.

- The CCOG does not currently have a transit productivity committee that provides recommendations on improving the effectiveness and efficiency of public transportation services.
- The CCOG currently maintains an Internet website that provides information on transportation planning activities in the region.
- In response to a recommendation in the previous Triennial Performance Audit, CCOG formed an Administrative Committee to conduct a salary and classification review. However, this analysis failed to include a comprehensive utilization element.
- Calaveras Transit, the sole TDA-funded transit operator in the region, failed to meet the mandated 10 percent farebox recovery ratio during the Audit period and could be penalized financially if the transit program fails to achieve the minimum farebox recovery ratio in Fiscal Year 2007-08.
- Although CCOG commissioned Fiscal and Compliance Audits for Calaveras Transit for all three years of the Audit period, Calaveras Transit failed to complete two of the three annual efforts within the 180 day period.

## **RECOMMENDATIONS**

- CCOG should consider conducting a focused strategic planning process that includes all CCOG staff, CCOG Board members and technical staff from Angels Camp and Calaveras County. This effort will better define the role of the CCOG in the region, as well its relevance to other regional planning efforts (for example, land use planning in the two jurisdictions).
- The CCOG should implement a transit productivity committee that meets quarterly to review the performance of public transportation services and make recommendations to the CCOG Board regarding efficiency and effectiveness improvements. Members of the SSTAC could be included on this committee to ensure that user needs are addressed. Immediate formation of this committee is particularly timely, since Calaveras Transit could be penalized financially if it fails to achieve the minimum farebox recovery ratio in Fiscal Year 2007-08.
- The CCOG should work with an outside agency to conduct a comprehensive classification, compensation, and utilization study of its staff.