



SAN LUIS OBISPO RTA TDA TRIENNIAL PERFORMANCE AUDIT FINAL REPORT

June 2014



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EXECUTIVE SUMMARY

During the course of our performance audit for the fiscal years 2010/11 through 2012/13, the Auditor assessed the RTA's fixed route and Runabout services compliance with applicable laws, rules, and regulations as prescribed by the Transportation Development Act (TDA). The key functional areas were examined and the trends of key performance indicators were reviewed for the audit period. This report also includes an overview and performance assessment of the three county services administered and managed by the RTA. The services are the Nipomo Dial-A-Ride, Cambria Shuttle and the Shandon and Templeton Dial-A-Ride Programs. This summary represents the major audit findings and recommendations.

MAJOR FINDINGS

TDA Compliance

- RTA met all requirements for technical compliance with TDA definitions.
- Three of the four recommendations from the last RTA performance audit were fully implemented and one is partially complete:
 - *Recommendation #3:* Obtain assistance to develop and evaluate scheduling, vehicle blocking, and driver assignment options to implement the SLO Transit SRTP recommendations and, in conjunction with RTA, to address coordination issues resulting from recommendations in RTA's SRTP update.

This recommendation has not been fully implemented although RTA and SLO Transit staff have been working together to improve regional service coordination through the "Central Area Efficiency Committee". Plans are underway to develop a joint SRTP between RTA and SLO Transit in FY 2014/15. One of the goals of the SRTP Update is to improve service and schedule coordination between the two systems.

Fixed Route Service

- During the audit period, RTA took possession of new Low Floor diesel-powered Gillig buses to replace many of the aging vehicles in its fixed route fleet. This was a significant accomplishment as securing capital funds is a major challenge for RTA.
- RTA met most of its adopted service standards during FY 2011/12 and FY 2012/13 (as stated in the 2012-2014 Strategic Business Plan); with one exception being that several vehicles exceeded their useful life by more than 1-3 years. While some new vehicles were delivered and placed in service during the audit period, a second round of vehicle orders was also placed and these vehicles are scheduled to arrive in Spring 2014.
- SLOCOG jointly with RTA and SLO-Transit completed the comprehensive planning study for the downtown transit center in May 2012 with right of way acquisition as the next step in the planning process. A major challenge going forward for the region is to secure

adequate funding for this environmental review / engineering study phases as well as funding to design and construct the proposed shared transit center with SLO Transit to be located on North Higuera Streets between Toro and Santa Rosa Streets.

- To address RTA's ongoing challenges of obtaining funds for its capital needs and to mitigate the risks of revenue shortfalls, RTA is applauded for developing a policy to establish a formal contingency or reserve fund that was presented to the Board of Directors just outside the audit period. This wise and prudent step to have a "rainy day" fund for unanticipated expenses, capital reserves and other related purposes is good public policy.
- RTA was a major participant in the development of the May 2012 North County Transit Plan and has continued to work with SLOCOG and the Cities of Atascadero and Paso Robles to implement the recommendations to consolidate their services under the RTA scheduled for June 2014.
- A number of service changes were introduced during the three year audit period. In August 2011 Route 14 was implemented, adding peak hour service between San Luis Obispo and Cuesta College. In June 2012, Saturday service on all fixed route services were increased from four trips to five. Other route changes were made to improve scheduling and accommodate passenger needs.
- During the audit period, RTA experienced significant gains in annual ridership with approximately 200,000 new riders. As a result, there was a declining trend in operating costs per passenger in the last three years and passenger productivity has been improving steadily and exceeded RTA's standard of 21 passengers per hour in FYs 2011/12 and 2012/13.
- RTA is commended for exceeding its farebox recovery ratio target of "greater than 20% percent" as stated in the 2012-2014 Strategic Business Plan. In the current audit period, the farebox recovery ratio hovered between 29% and 31%.

Runabout

- During the audit period, service levels were increased on Runabout along with changes in service policies and its software system:
 - To accommodate the growing demand for service and longer distance trips plus the need to avoid service denials, operating service hours increased each year for the last three years. According to staff, this meant occasional overtime hours for drivers.
 - A no-show policy was implemented in March 2013 in an effort to improve efficiency. Under the policy, any passenger who is a no-show or cancels their trip after 5 p.m. the day before their scheduled pick-up is given penalty points. A passenger may get temporarily suspended if they accumulate too many points over a specified period of time, although they have the right to appeal within 30 days of a suspension notification.
 - Runabout converted its computerized dispatch software; from Trapeze to Route Match and includes an Automobile Vehicle Locator (AVL) function. One of the advantages of this conversion is that Ride-On Transportation uses this software which enables the two services to share information to improve ride coordination.
- To become ADA eligible, a completed application with the signature of a medical professional must be submitted to RTA who reviews the application and determines

eligibility. There are no in-person assessments. All eligible Runabout riders must be re-certified every three years.

- Ridership steadily increased in the last three years along with an increase in service hours. However, there was a declining trend in the number of passengers carried per hour, which was at 1.5 in FY 2012/13. According to staff, this trend is mainly attributed to the growth in long distance trips.
- Runabout costs including both hourly and passenger costs have trended upward for the last six years. Per passenger costs were \$67.85 by the end of FY 2012/13 and hourly costs were approximately \$100.
- The farebox recovery ratio peaked in FY 2007/08 at seven percent and has hovered at four percent in the last three years.

County Services

The RTA administers and manages four of the San Luis Obispo County services including the Nipomo Dial-A-Ride, Cambria Trolley, the Beach Trolley, and the Shandon and Templeton Dial-A-Ride Programs. The Beach Trolley is not addressed in this Audit. Please refer to the South County Transit (SCT) Audit for information on this service. The major findings based on a limited performance assessment of the other three services are summarized below.

Nipomo Dial-A-Ride

- Nipomo Dial-A-Ride offers service on weekdays with a 12 hour service span. The service operates with one dedicated all-day RTA vehicle and a second peak-period RTA vehicle. Service hours have fluctuated up and down but have not exceeded 3,007 annual revenue hours of service.
- In August 2010 fares increased from \$1.75 to \$2.25 for adults and from \$1.25 to \$1.75 for seniors, disabled, and children per one way trip.
- The service carried just under 11,000 passengers in FY 2012/13 with a productivity of three hourly passengers. Hourly costs are very high ranging between \$99 and \$151 in the last three years.

Cambria Trolley

- The Cambria Trolley is a seasonal service that operates from Memorial Day Weekend to Labor Day Weekend on Fridays, Saturdays, and Sundays from 10 a.m. to 6 p.m.
- The County covers 90% of the operating costs and the remaining 10% comes from advertising and donations.
- Service was suspended between FY 2010/11 and the final quarter of FY 2011/12 due to a funding issue. Only 109 hours of service were operated in that year and just 552 hours of service were operated the following year.
- Less than 3,000 passengers were served in the last year of the audit, carrying approximately five hourly passengers.
- Hourly operating costs have fluctuated widely ranging from a low of just under \$80 in FY 2012/13 to a high of \$168 in FY 2011/12.
- The Cambria Trolley was replaced in 2014 with a special-events only service operating six days per year.

Shandon and Templeton Dial-A- Ride Programs

- Door-to-door transportation is provided Mondays, Wednesdays, and Fridays from 8:00 a.m. to 5:00 p.m. In August 2010, fares increased from \$4.00 to \$5.00 per ride.
- In the first year of the audit period the service carried only 17 passengers, followed by 140 in FY 2011/12, and 27 in FY 2012/13. Passenger productivity trends are mixed, but the service typically carries between one and two passengers per hour.
- Hourly operating costs fluctuate tremendously. In FY 2010/11, hourly costs were over \$152 and then declined to \$91 the following year and then were back up to \$119 in FY 2012/13.
- The farebox recovery ratio had been hovering at two percent for five years and then increased to 10% in FY 2012/13 even though the service carried only 27 passengers.

RECOMMENDATIONS

A total of five near-term recommendations are offered for consideration by RTA. The recommendations address RTA fixed route and Runabout services as well as the county services administered by the RTA.

Recommendation #1

The next SRTP update is intended to be a cooperative effort with SLO Transit. One of the primary objectives of this SRTP update should be to develop action oriented strategies to improve coordination between the two systems. This is a carryover recommendation from the prior audit.

RTA staff intends to develop a joint SRTP with SLO Transit in FY 2014/15. During the planning process, RTA staff should consider several options for improving coordination between RTA and SLO Transit routes including:

- Strategies to minimize duplication of services
- Opportunities to improve service frequency where routes overlap
- Opportunities to coordinate schedules and transferring, particularly between local and regional routes
- Opportunities for re-sited bus stops
- Strategies to develop coordinated scheduling and driver assignment options to implement the prior audit recommendations.

The Central Area Efficiency Committee has been working with RTA and SLO Transit staff on regional coordination issues and should serve as an advisory committee to the SRTP planning process.

- *Persons Responsible for Follow-up: Manager of Marketing and Community Relations, and RTA Executive Director*
- *Implementation Timeframe: FY 2014/15, 3rd Quarter to FY 2015/16 3rd Quarter*

Recommendation #2

RTA should explore the feasibility and practicality of employing a subsidized taxi program for a portion of the Runabout service. A subsidized taxi program can be a cost effective strategy for serving some of the longer distance rides and supplement service during peak periods.

In the last six years, Runabout service hours have increased over 50% and operating costs have more than doubled. With continued demand for service combined with longer distance passenger trips, Runabout costs will continue to rise. One strategy for controlling costs is to introduce a subsidized taxi program. The Auditor understands that a subsidized taxi program was considered by RTA in the past; however the agency elected not to pursue it at that time.

A number of transit agencies across the U.S. have implemented such programs primarily as a way to shift demand from their ADA paratransit services to a lower-cost alternative service, while at the same time providing more mobility options for their ADA paratransit customers. Many transit agencies use taxi services to provide peak overflow trips, trips in low demand areas or times of the day, and long out-of-the-way trips that would otherwise adversely affect the productivity of their dedicated fleets. In addition, several transit agencies use these non-dedicated services to more efficiently and swiftly respond to accidents and breakdowns; to respond to “no-shows” or to dedicated vehicles that are running late (in order to get that vehicle back on schedule) or to handle seasonal or fluctuations in demand. The general approach is to try to maximize the productivity of the dedicated fleet by ensuring that trips that do not positively contribute to a productive dedicated fleet get assigned to taxis and/or other non-dedicated service providers.

Some of the major challenges transit agencies experience with taxi companies is their ability to participate given federal requirements (such as drug and alcohol testing and training) and sensitivity training for drivers. Another major challenge is that taxicab service is not currently operated in many parts of the County, thereby limiting use in some areas (i.e., Cambria and the North County communities) that contribute to long Runabout trips. These challenges can be overcome especially if there is a pool of taxi companies in the area. Another option is to continue to experiment with contracting with Ride-On to provide ADA passenger trips where feasible.

- *Persons Responsible for Follow-up: Manager of Operations and RTA Executive Director*
- *Implementation Timeframe: FY 2014/15, 3rd Quarter*

Recommendation #3

Consider exploring the option of in-person assessments for determining ADA eligibility. This could include interviews or functional assessments, or having a subset or all applicants come in for an assessment. The goal should never be to simply deny eligibility to applicants; it should, however, ensure that applicants are matched to the transportation mode that is most suited to their functional ability.

The current process for determining ADA eligibility for Runabout service requires completing a paper application with the applicant self reporting their disability that prevents them from using fixed route transit service. The application must include a signature of a medical professional attesting that the applicant is prevented from riding fixed-route bus service because of a disability or health condition. There are no in-person assessments. Based on the information submitted by

applicants, qualified RTA staff make a determination on ADA eligibility. All eligible Runabout riders must be re-certified every three years.

Paper-based eligibility certification models were the most common model in the 1990s following the passage of the ADA. However, with the rise of paratransit costs, programs around the country, agencies are increasingly paying attention to the one tool that the legislation does allow to effectively manage costs – a more robust eligibility process. In contrast to the paper-based model, in-person assessments allow for a conversation with applicants in which their abilities can be discussed, in addition to alternatives to paratransit which may be better suited to their mobility needs.

Almost every large paratransit program in the country has adopted the in-person assessment model, most of which include a functional assessment. However, in the past five years, many medium and smaller paratransit programs have also adopted this model. Some examples in California include Santa Rosa, Santa Cruz, and Monterey, and others in western states include Boise, Albuquerque, Spokane, and Reno.

An alternate method is to implement a more intense application, which includes an expanded functional review by the applicant's doctor.

- *Persons Responsible for Follow-up: RTA CFO / Director of Finance and Administration, and RTA Executive Director*
- *Implementation Timeframe: FY 2015/16, 2nd Quarter*

Recommendation #4

RTA should develop goals and attainable performance standards for the four County services and create periodic and annual reports that tie performance statistics directly to adopted goals and standards. These reports should be shared with County staff and the Board of Supervisors.

The review and assessment of the County services revealed wide variation in their performance from year to year. Cost effectiveness and efficiency indicators generally showed poor performance in comparison to year-round public transit services in more densely developed areas and the measures fluctuated tremendously because of service suspensions, seasonal service, and extremely low levels of service. While the Shandon, Templeton and Nipomo Dial-A-Ride services may provide “lifeline service” for people who have limited mobility with no other travel options and the Cambria Trolley provides local residents and tourists a summer service, their performance should be assessed against realistic standards on a regular basis to determine if the services should be continued, modified, or eliminated.

The Auditor recommends that RTA staff collaborate with the County to develop a set of performance standards for the county services that address efficiency and cost effectiveness measures and reflect the local operating environment. On an annual basis, the RTA should prepare a report presenting the key performance indicators and whether the standards have been met.

- *Persons Responsible for Follow-up: Director of Finance & Administration and RTA Executive Director*
- *Implementation Timeframe: FY 2014/15, 2nd Quarter*

Recommendation #5

To maximize sales distribution of RTA passes, all Joint Powers Authority (JPA) member jurisdictions should agree to sell RTA passes at their respective city hall or county offices.

Currently RTA passes are sold throughout the service area at select Rabobank branches and Chambers of Commerce, Cal Poly State University, Cuesta College and at City Halls in Arroyo Grande, Grover Beach Atascadero, and the County Public Works Department and at RTA's office in San Luis Obispo. RTA passes can also be purchased online at Ridehsare.org.

To make it easy and convenient for passengers to purchase RTA passes, it is desirable for passes to be sold at *all* city halls and county offices. Ideally, pass sales should be available during normal business hours; between 9AM and 5PM.

- *Persons Responsible for Follow-up: Director of Finance & Administration and RTA Executive Director*
- *Implementation Timeframe: FY 2014/15, 2nd Quarter*

Recommendation #6

Work with San Luis Obispo County to review and update the Operating Agreement for Avila Beach Trolley Services

The Avila Beach Trolley is funded by San Luis Obispo County through its agreement with RTA. RTA currently contracts with South County Transit (SCT) to operate the Trolley service using SCT bus operators and RTA-owned equipment. The 2011 SCT Short Range Transit Plan (SRTP) recommended extending the Trolley into Pismo Beach on hourly headways and to only operate during peak seasons. These service changes were implemented in 2012. In addition, the SRTP recommended that the County should seek funding from a Pismo Beach entity (City of Pismo Beach or the Pismo Convention and Visitors Bureau) to partially fund the service.

The County should work with its RTA and SCT partners to develop a long-term operating and funding agreement that addresses the new 20% farebox recovery ratio required as a result of the 2010 Census Arroyo Grande – Grover Beach Urbanized Area designation (which includes the Avila Beach area).

- *Persons responsible for follow-up: RTA Executive Director and County staff*
- *Implementation Timeframe: FY 2014/15, 4th Quarter*

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Figure ES-1 Summary of Recommendations

Recommendation	Rationale	Persons Responsible for Follow-Up	Timeline for Implementation
<p>Recommendation #1 The next SRTP update is intended to be a cooperative effort with SLO Transit. One of the primary objectives of this SRTP update should be to develop action oriented strategies to improve coordination between the two systems. This is a carryover recommendation from the prior audit.</p>	<p>RTA staff intends to develop a joint SRTP with SLO Transit in FY 2014/15. During the planning process, RTA staff should consider several options for improving coordination between RTA and SLO Transit routes.</p> <p>The Central Area Efficiency Committee has been working with RTA and SLO Transit staff on regional coordination issues and should serve as an advisory committee to the SRTP planning process.</p>	<p>Manager of Marketing and Community Relations, and RTA Executive Director</p>	<p>3rd Quarter FY 2014/15, to 3rd Quarter FY 2015/16</p>
<p>Recommendation #2 RTA should explore the feasibility and practicality of employing a subsidized taxi program for a portion of the Runabout service. A subsidized taxi program can be a cost effective strategy for serving some of the longer distance rides and supplement service during peak periods.</p>	<p>In the last six years, Runabout service hours have increased over 50% and operating costs have more than doubled. With continued demand for service combined with longer distance passenger trips, Runabout costs will continue to rise. One strategy for controlling costs is to introduce a subsidized taxi program. Another option is to continue to experiment with contracting with Ride-On to provide ADA passenger trips where feasible.</p>	<p>Manager of Operations and RTA Executive Director</p>	<p>3rd Quarter FY 2014/15</p>

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Recommendation	Rationale	Persons Responsible for Follow-Up	Timeline for Implementation
<p>Recommendation #3 Consider exploring the option of in-person assessments for determining ADA eligibility. This could include interviews or functional assessments, or having a subset or all applicants come in for an assessment.</p>	<p>The current process for determining ADA eligibility for Runabout service requires completing a paper application with the applicant self reporting their disability that prevents them from using fixed route transit service. Paper-based eligibility certification models were the most common model in the 1990s following the passage of the ADA. However, with the rise of paratransit costs, other models that offer a more robust eligibility process have become common place. In-person assessments allow for a conversation with applicants in which their abilities can be discussed, in addition to alternatives to paratransit which may be better suited to their mobility needs. An alternate method is to implement a more intense application, which includes an expanded functional review by the applicant's doctor.</p>	<p>Director of Finance and Administration, and RTA Executive Director</p>	<p>2nd Quarter FY 2015/16</p>
<p>Recommendation #4 RTA should develop goals and attainable performance standards for the four County services and create periodic and annual reports that tie performance statistics directly to adopted goals and standards. These reports should be shared with County staff and the Board of Supervisors.</p>	<p>The review and assessment of the County services revealed wide variation in their performance from year to year. Cost effectiveness and efficiency indicators generally showed poor performance in comparison to year-round public transit services in more densely developed areas and the measures fluctuated tremendously because of service suspensions, seasonal service, and extremely low levels of service.</p> <p>The Auditor recommends that RTA staff collaborate with the County to develop a set of performance standards for the county services that address efficiency and cost effectiveness measures and reflect the local operating environment. On an annual basis, the RTA should prepare a report presenting the key performance indicators and whether the standards have been met.</p>	<p>Director of Finance & Administration and RTA Executive Director</p>	<p>2nd Quarter FY 2014/15</p>

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Recommendation	Rationale	Persons Responsible for Follow-Up	Timeline for Implementation
<p>Recommendation #5 To maximize sales distribution for RTA passes, all Joint Powers Authority (JPA) member jurisdictions should agree to sell RTA passes at their respective city hall or county offices.</p>	<p>Currently RTA passes are sold throughout the service area at select Rabobank branches banks and Chambers of Commerce, Cal Poly State University, Cuesta College and at City Halls in Arroyo Grande, Grover Beach Atascadero, and the County Public Works Department and at RTA's office in San Luis Obispo. RTA passes also can be purchased online at Ridehsare.org.</p> <p>To make it easy and convenient for passengers to purchase RTA passes, it is desirable for passes to be sold at all city halls and county offices. Ideally, pass sales should be available during normal business hours; between 9AM and 5PM.</p>	<p>Director of Finance & Administration and RTA Executive Director</p>	<p>2nd Quarter FY 2014/15</p>
<p>Recommendation #6 RTA should work with San Luis Obispo County to review and update the Operating Agreement for Avila Beach Trolley Services.</p>	<p>The Avila Beach Trolley is funded by San Luis Obispo County through its agreement with RTA. RTA currently contracts with South County Transit (SCT) to operate the Trolley service using SCT bus operators and RTA-owned equipment. The 2011 SCT Short Range Transit Plan (SRTP) recommended extending the Trolley into Pismo Beach on hourly headways and to only operate during peak seasons; these service changes were implemented in 2012. In addition, the SRTP recommended that the County should seek funding from a Pismo Beach entity (City of Pismo Beach or the Pismo Convention and Visitors Bureau) to partially fund the service.</p> <p>The County should work with its RTA and SCT partners to develop a long-term operating and funding agreement that addresses the new 20% farebox recovery ratio required as a result of the 2010 Census Arroyo Grande – Grover Beach Urbanized Area designation (which includes the Avila Beach area).</p>	<p>RTA Executive Director and County staff</p>	<p>4th Quarter FY 2014/15</p>

1 INTRODUCTION

AUDIT OVERVIEW

Under direction from the San Luis Obispo Council of Governments (SLOCOG), Nelson\Nygaard conducted an Audit of the San Luis Obispo Transit Authority (RTA). This document, covering the Fiscal Years of 2009/2010, 2010/11, 2011/12, and 2012/2013 fulfills the Triennial Performance Audit requirements of the State of California Transportation Development Act (TDA).

The Triennial Performance Audit does not compare RTA to other transit operators or to an industry standard. The focus of the Audit is on RTA's operation over the last three years, understanding how it performs over time and its ability to meet its own objectives and performance standards. Under California law (PUC Section 99246), transit operators must monitor and report on an annual basis the following five performance indicators:

1. Operating costs per passenger;
2. Operating costs per revenue vehicle service hour;
3. Passengers per vehicle service hour;
4. Passengers per vehicle service mile; and
5. Revenue vehicle service hours per full-time employee equivalent.

Verification of these performance measures requires a review of data collection, compilation and reporting methods for all elements that comprise these indicators. The elements that comprise these indicators are defined as follows:

Operating Cost: The annual cost of providing transit service including purchased transportation services. It excludes depreciation, settlements, amortization, lease and charter expenses.

Revenue Service Hours: The annual number of hours that revenue vehicles operate in revenue service, including layover, but excluding deadhead travel time to and from storage facilities. For demand responsive service, hours and miles traveled between the storage facility and the first passenger pick-up and from the last passenger drop-off back to the storage facility are considered deadhead.

Revenue Service Miles: The total number of miles traveled by revenue vehicles while in revenue service. This excludes all non-service mileage (e.g., deadhead miles).

Passengers: The total number of boarding passengers regardless of whether a fare was paid (i.e., unlinked trips).

Full Time Employee Equivalents: The total number of employees working for the transit system. Full-time equivalents are based upon a 2,000-hour work year per full-time employee.

AUDIT REPORT ORGANIZATION

This Audit provides a description of RTA services, followed by an evaluation of RTA's data collection methods and an analysis of the performance indicators. The Audit includes a review of RTA's actions to implement the recommendations from the prior Performance Audit. Also included in the Audit is a section on the four County services RTA administers. The Audit concludes with recommendations for improved efficiency to retain TDA compliance. This effort serves as an independent, objective evaluation of RTA's transit service and provides sound, constructive recommendations for its fixed-route and ADA services.

2 DESCRIPTION OF TRANSIT SERVICES

HISTORY AND ORGANIZATION

The San Luis Obispo Transit Authority (RTA) is a Joint Powers Agency (JPA) comprised of the cities of Arroyo Grande, Atascadero, Grover Beach, Morro Bay, Paso Robles, Pismo Beach, San Luis Obispo, and the County of San Luis Obispo. The San Luis Obispo Regional Transit Authority (SLORTA, now RTA) was formed in 1989, to provide central management for regional fixed route service, in addition to paratransit service (Runabout). SLORTA began consolidated fixed route service under the name CCAT (Central Coast Area Transit). CCAT provided six fixed routes within the County of San Luis Obispo, replacing services previously offered through mutual agreements between the County and various cities. In May 2003 CCAT became RTA, and all vehicles were rebranded with a new color scheme and logo.

In August 2009 (prior to this audit period), RTA became a directly operated service by bringing all service and maintenance functions in-house. Today, RTA provides regional fixed route bus service and Americans with Disabilities Act (ADA) paratransit service (Runabout) in San Luis Obispo County and parts of northern Santa Barbara County. RTA staff manages and administers all services and provides day-to-day support.

RTA is governed by a Board of Directors comprised of twelve members representing each of the seven cities in the JPA, in addition to the five members of the County Board of Supervisors. The current Executive Director of the RTA is Geoff Straw who joined the RTA in January 2012. In addition to RTA Board meetings held every other month, RTA staff members participate in meetings for the Regional Transit Advisory Committee and Executive Committee.

EXISTING TRANSIT SERVICES

Fixed Route Services

RTA currently operates four daily year-round and one seasonal bus route, which serve major activity centers such as government buildings, college and university campuses, shopping centers, and visitor attractions. A summary of the routes follows.

- **Route 9** serves northern San Luis Obispo County by providing local and express service via Highway 101, between (and within) the City of San Luis Obispo, Cal Poly (limited), Santa Margarita, Atascadero, Templeton, Paso Robles and San Miguel (limited).
- **Route 10** serves southern San Luis Obispo County by providing local and express service via Highway 101, between (and within) the City of San Luis Obispo, Cal Poly, Shell Beach, Pismo Beach, Grover Beach, Arroyo Grande, Nipomo and the City of Santa Maria in northern Santa Barbara County.
- **Route 12** serves the North Coast of San Luis Obispo County by providing local and express service, between (and within) Los Osos, Baywood Park, Morro Bay and the City of

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San Luis Obispo. A Cal Poly 12x express service is operated between Los Osos, Morro Bay, and Cal Poly once during weekday morning and evening peak periods.

- **Route 14** provides weekday fixed route service between Cuesta College and the SLO County Government Center in the City of San Luis Obispo. This is the seasonal route that only operates during Cuesta College Spring and Fall semesters.
- **Route 15** serves the North Coast of San Luis Obispo County, with service from Morro Bay to Cayucos, Cambria, San Simeon, and Hearst Castle.

Operating Hours & Fares

RTA fixed route services operate daily with reduced frequencies and service spans on weekends. Typical headways are an hour or less for weekday service and three to four hours on weekends. Routes 9, 10, and 12 operate roughly 15-hour service spans Monday through Friday, 12-hour service spans on Saturdays, and 9-hour service spans on Sundays. Route 15 operates roughly 12-hour service spans Monday through Saturday and 9-hour service spans on Sundays. Route 14 operates 7.5-hour service spans on weekdays; only while Cuesta College is in session. The details by route are presented in Figure 2-1 below.

Figure 2-1 Service Span and Frequency – RTA Fixed Routes

Route	Operating Hours	Frequency
Route 9	<p>Monday (M) – Friday (F): 5:30 a.m. – 8:22 p.m. (SB) 6:22 a.m. – 9:40 p.m. (NB)</p> <p style="text-align: center;">Saturday: 7:01 a.m. – 7:22 p.m. (SB) 8:33 a.m. – 8:54 p.m. (NB)</p> <p style="text-align: center;">Sunday: 8:01 a.m. – 5:22 p.m. (SB) 9:33 a.m. – 6:54 p.m. (NB)</p>	<p style="text-align: center;">M – F: 1 hour or less</p> <p style="text-align: center;">Saturday: 3 hours or less</p> <p style="text-align: center;">Sunday: 4 hours</p>
Route 10	<p style="text-align: center;">M – F: 6:33 a.m. – 9:43 p.m. (SB) 5:45 a.m. – 8:28 p.m. (NB)</p> <p style="text-align: center;">Saturday: 8:33 a.m. – 8:43 p.m. (SB) 7:14 a.m. – 7:28 p.m. (NB)</p> <p style="text-align: center;">Sunday: 9:33 a.m. – 6:43 p.m. (SB) 8:14 a.m. – 5:28 p.m. (NB)</p>	<p style="text-align: center;">M – F: 1 hour</p> <p style="text-align: center;">Saturday: 3 hours or less</p> <p style="text-align: center;">Sunday: 4 hours</p>

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Route	Operating Hours	Frequency
Route 12	<p>M – F: 6:55 a.m. – 10:03 p.m. (SB) 6:33 a.m. – 9:00 p.m. (NB)</p> <p>Saturday: 7:53 a.m. – 7:25 p.m. (SB) 8:33 a.m. – 8:00 p.m. (NB)</p> <p>Sunday: 8:53 a.m. - 5:25 p.m. (SB) 9:33 a.m. - 6:00 p.m. (NB)</p>	<p>M – F: 1 hour or less</p> <p>Saturday: 3 hours</p> <p>Sunday: 2.5 hours or less</p>
Route 14	<p>M – F*: 8:48 a.m. – 4:00 p.m. (SB) 7:42 a.m. – 3:16 p.m. (NB)</p> <p>*Only operates during Cuesta College Spring and Fall Semesters</p>	<p>M – F: 1 hour*</p> <p>*2 hours midday</p>
Route 15	<p>M – F: 6:05 a.m. – 5:55 p.m. (SB) 7:02 a.m. – 6:47 p.m. (NB)</p> <p>Saturday: 7:05 a.m. – 6:55 p.m. (SB) 9:02 a.m. – 8:47p.m. (NB)</p> <p>Sunday: 8:05 a.m. – 4:55 p.m. (SB) 10:02 a.m. – 6:47 p.m. (NB)</p>	<p>M – F: 3 hours or less</p> <p>Saturday: 3 hours or less</p> <p>Sunday: 4 hours</p>

RTA has a distance based fare structure. The cost is \$1.50–\$3.00 for regular fares and \$0.75–\$1.50 for seniors aged 65–79, persons with disabilities, Medicare card holders, and students (K–12). Seniors aged 80+ and passengers with a certificate of ADA eligibility ride fixed-route buses for free. Children 5 years of age and under ride for free when traveling with a regular fare adult (limit one per adult); this policy was recently changed to a height-based criteria (below 44”). Free transfer tickets are available upon request with full paid fare between Routes 15 and 12 only. Transfer tickets are not available for return trips or Routes 9, 10, and 14. Regional Day Passes are available for purchase onboard all RTA buses, while additional passes can be purchased in advance at many local government offices (the City of San Luis Obispo does not currently sell RTA passes), Rabobank locations, and on the campuses of Cal Poly and Cuesta College.

The fare structure is presented in Figure 2-2 below.

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Figure 2-2 Fixed Route Fare Structure

Fare Type	Regular Fare	Senior / Discount / Student Fare ¹
One-Way Fare ²	\$1.50 – \$3.00	\$0.75 – \$1.50
Regional Day Pass ³	\$5.00	\$5.00
7-Day Pass	\$14.00	\$14.00
Stored Value Pass	\$15.00	\$15.00
RTA 31-Day Pass	\$44.00	\$22.00
Regional 31-Day Pass ⁴	\$64.00	\$32.00
VIP Pass/ADA ⁵	Free	-

- 1 Including seniors age 65-79, persons with disabilities, Medicare card holders, and students (K-12).
- 2 Children 5 years of age and under ride for free when traveling with a regular fare adult. Limit one child per paying adult.
- 3 Includes SLO Transit, SCT, Paso Express, and North County Shuttle Routes.
- 4 Includes SLO Transit, SCT, Paso Express, and North County Shuttle Routes.
- 5 Available to seniors 80 years and over from RTA through an application process, or passengers with a certificate of ADA eligibility.

Fleet

All fixed route transit vehicles are owned by the RTA. A majority of RTA’s fixed route fleet is comprised of Gillig Phantom diesel-powered buses with a 43-seat capacity. During the audit period, RTA took possession of seven 38-seat new Low Floor diesel-powered models from Gillig. All vehicles are maintained at an RTA facility located at 179 Cross Street in San Luis Obispo. Most vehicles are also parked at the 179 Cross Street facility, while others are parked-out in Cambria, Nipomo (Dial-A-Ride only) and Paso Robles. The number and type of vehicles in the fixed route fleet is presented in Figure 2-3 below.

Figure 2-3 RTA Fixed Route Fleet

# of Vehicles	Year	Make	Model	Seating	Fuel
2	1995	Gillig	Phantom	43	Diesel
3	1997	Gillig	Phantom	43	Diesel
4	1999	Gillig	Phantom	43	Diesel
6	2003	Gillig	Phantom	43	Diesel
2	2008	Gillig	Phantom	43	Diesel
2	2010	Thor	EZ Rider	34	Diesel
1	2010	Eldorado	BRT	37	Diesel
2	2011	Ford	Starcraft	20	Gas
7	2013	Gillig	Low Floor	38	Diesel

Runabout

Runabout paratransit service began in 1977, and fell under the management of SLORTA when it was formed in 1989. In 2001, Runabout changed its emphasis from a provider of paratransit for the general public to an Americans with Disabilities Act (ADA) Paratransit provider. This led to changes in service per the stipulations of the ADA, which requires complementary (comparable) paratransit service within three-quarters of a mile on either side of a bus route during regular service hours. This resulted in Runabout decreasing service boundaries from countywide to more limited ADA boundary designations. Countywide service beyond ADA boundaries is still offered, but under lower-priority scheduling than service within the ADA boundaries. Runabout operates as an “origin to destination” service within San Luis Obispo County, taking riders directly from their starting location to their destination.

Runabout Fares

ADA fares for Runabout service are double the regular one-way fixed route bus fare for a trip of the same distance (between \$3.00 and \$6.00 each way for the RTA service area; additional fares are added when Runabout complements fixed routes operated by other County operators). For the convenience of frequent users, Punch Passes, equivalent to \$30 worth of rides, are available. Checks are accepted for a minimum of \$15 and maximum of \$60. Runabout riders are permitted to have one personal care attendant (PCA) accompany them free of charge. A PCA is anyone who assists the rider. Anyone traveling as a companion without providing needed assistance to the rider and additional PCA’s are required to pay the full fare (on a space-available basis).

Fleet

The current Runabout fleet consists of twelve gas-powered wheelchair lift equipped Ford Starcraft and Ford El Dorado minibuses with 14 seat capacity. Six 5-seater gas-powered wheelchair ramp equipped Dodge Braun vans were acquired between February 2012 and February 2013. The oldest vehicle in the fleet is from 2007 and the average mileage of the fleet is 139,833 miles (based upon July 2013 mileage). Figure 2-4 lists the Runabout fleet.

Figure 2-4 Runabout Fleet

# of Vehicles	Year	Make	Model	Seating	Fuel
2	2007	Ford	Starcraft	14	Gas
4	2008	Ford	Starcraft	14	Gas
4	2010	Ford	El Dorado	14	Gas
2	2011	Ford	El Dorado	14	Gas
6	2012	Dodge	Braun	5	Gas

Certification and Service Policies

Reservations are accepted up to seven days in advance and no later than 5:00 p.m. the day before a planned trip. Runabout drivers will assist passengers in ingress and egress of the vehicle, but are not permitted to enter any personal residences. Runabout services are open to the general public, however only riders who meet criteria specified by the ADA and have been certified as eligible are guaranteed service. Eligibility as defined by the ADA falls within three categories of riders:

1. People who cannot navigate or travel on a bus, even if it is accessible, because of a disability.
2. People who need an accessible bus (All RTA fixed-route buses are ADA complaint and accessible).
3. People who cannot independently reach bus stops due to the effects of a disability-related condition.

Eligibility evaluations are performed by RTA staff with applicants required to complete a form with the signature of a medical professional. There are no in-person assessments. All eligible Runabout riders must be re-certified every three years.

CHANGES THAT OCCURRED DURING THE AUDIT PERIOD

Fixed Route and Dial-A-Ride Services

In August 2011 Los Osos Dial-a-Ride service was eliminated by RTA and Route 14 was established, adding peak hour service between San Luis Obispo and Cuesta College. This new service had little impact on cost, because RTA was already running extra buses at peak hours on Route 12 to support heavy loads between the two destinations.

In June 2012, Saturday service on all fixed route services were increased from four trips to five. Additionally, Routes 11 and 13 (introduced the previous summer) were eliminated due to low ridership. To minimize the impact of these changes, Routes 12 and 14 were restructured to allow for Route 14 drivers to turn around and operate tripper runs on Route 12 at times of high demand. According to RTA staff, more efficient driver scheduling and lower operating costs is a benefit of these changes although initially some passenger confusion was a drawback.

The planning study for the downtown transit center was completed in May 2012 with the environmental and preliminary engineering analysis as the next steps in the planning process. The challenge is securing funds for this environmental review / engineering study project, as well as plans to consolidate and relocate the SLO City Transit Center with RTA to North Higuera Streets between Toro and Santa Rosa.

Runabout

During the audit period Runabout service experienced a major change when the service's dispatch software was switched from Trapeze to Route Match. The new system includes an Automobile Vehicle Locator (AVL) function. During the transition period, reporting from the previous dispatch software was somewhat questionable, which overstated the productivity using the Trapeze program.

In year three of the audit period, the RTA instituted a no-show policy for Runabout paratransit service in an effort to improve efficiency. Under the policy, any passenger who is a no-show or fails to cancel a scheduled trip in a timely manner earned penalty points. If a passenger accumulates a specific number of points over a period of time, their service is suspended temporarily as shown in the following chart. All users who receive a suspension have the right to appeal within 30 days of the suspension notification.

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Accumulated Points	Within a Period of	Suspension Period
9	30 days	15 days
14	60 days	15 days
19	120 days	30 days
24	180 days	60 days

3 COMPLIANCE AUDIT

Chapter 3 describes the methods by which RTA collects data for its transit services. Specifically, it evaluates technical compliance with TDA definitions. Actual performance statistics are discussed in Chapter 5.

In accordance with TDA requirements, the consultant conducted on-site interviews with RTA staff and reviewed performance data collection and reporting processes. Internal and external reports were reviewed for accuracy and consistency. Reports include the State Controller’s Report, internal operations reports and Fiscal Audits. Current data collection procedures are outlined below. Figure 3-1 provides a tabular summary of TDA operator requirements and a determination of RTA’s compliance with those requirements.

Figure 3-1 TDA Compliance Requirements

Operator Compliance Requirements	Compliance
1. The transit operator submitted annual reports to the RTPE based upon the Uniform System of Accounts and Records established by the State Controller.	Yes
2. The operator has submitted annual fiscal and compliance Audits to its RTPA and to the State controller within 180 days following the end of the fiscal year, or has received the appropriate 90-day extension allowed by law.	Yes
3. The CHP has, within the 13 months prior to each TDA claim submitted by an operator, certified the operator’s compliance with Vehicle Code Section 1808.1 following CHP inspection of the operator’s terminal.	Yes
4. The operator’s claim for TDA funds is submitted in compliance with rules and regulations adopted by the RTPE for such claims.	Yes
5. If an operator serves urbanized and non-urbanized areas, it has maintained a ratio of fare revenues to operating costs at least equal to the ratio determined by the rules and regulations adopted by the RTPA.	Yes
6. The operator’s operating budget has not increased by more than 15 percent over the preceding year, nor is there a substantial increase or decrease in the scope of operations or capital budget provisions for major new fixed facilities unless the operator has reasonably supported and substantiated the change(s).	Yes
7. The operator’s definitions of performance measures are consistent with Public Utilities Code Section 99247, including (a) operating cost, (b) operating cost per passenger, (c) operating cost per vehicle service hour, (d) passengers per vehicle service hour, (e) passengers per vehicle service mile, (f) total passengers, (g) transit vehicle, (h) vehicle service hours, (i) vehicle service miles, and (j) vehicle service hours per employee.	Yes

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Operator Compliance Requirements	Compliance
8. If the operator serves an urbanized area, it has maintained a ratio of fare revenue to operating cost at least equal to one-fifth (20 percent), unless it is in a county with a population of less than 500,000, in which case it must maintain a ratio of fare revenues to operating cost at least three-twentieths (15 percent), if so determined by the RTPE.	Yes
9. If the operator serves a rural area, it has maintained a ratio of fare revenues to operating costs at least equal to one-tenth (ten percent).	N/A
10. The current cost of operator's retirement system is fully funded with respect to the officers and employees of its public transportation system, or the operator is implementing a plan approved by the RTPE, which will fully fund the retirement system within 40 years.	Yes
11. If the operator receives State Transit Assistance funds, the operator makes full use of funds if available to it under the Urban Mass Transportation Act of 1964 before TDA claims are granted.	Yes

DATA VERIFICATION

This section describes the ways in which RTA staff collects operating data for submittal in the annual State Controller's Report.

Data Collection Processes

Below, RTA's data collection processes for both fixed route and Runabout services are discussed together.

Operating Costs

Operating cost includes the total cost of operating a transit system, excluding capital expenditures. Both TDA and State Controller reporting requirements omit depreciation and amortization. Operating costs consist of vehicle maintenance and fuel, materials and supplies, and labor costs (including drivers and RTA administration and management staff).

RTA follows a one-year budget cycle, calculating the budget for the upcoming year based on the number of hours and miles to be operated in the year, and updating the cost line items, including wages, fuel, maintenance, and insurance.

RTA's procedures for reporting operating cost data comply with TDA requirements.

Passengers

TDA defines passengers as boardings, whether or not a fare was paid. At RTA, passenger boardings by fare type are automatically recorded by the electronic GFI farebox. At the end of the day, the bus is probed and the passenger information is downloaded into the GFI software, to which RTA staff have access. For Runabout services, RTA's Route Match software records and provides all relevant passenger information.

RTA's procedures for reporting passengers comply with TDA requirements.

Revenue Service Miles & Hours

Revenue service miles are the miles that transit vehicles operate in revenue service. It excludes all deadhead mileage such as from the garage to the first stop and from the last stop back to the

garage and time out during breaks. As with vehicle revenue miles, revenue service hours are those hours available for passenger service. Revenue hours exclude all deadhead time, such as from the garage to the first stop, and from the last stop back to the garage.

At RTA, revenue miles and hours for fixed route services are determined by following printed schedules and backing out deadhead and other excluded times such as missed runs based on the “exceptions report,” which catalogues any exceptions to regularly scheduled service.

As with passengers and fare revenues, RTA’s Route Match software catalogues and provides revenue miles and hours for the Runabout service.

RTA’s methodology for reporting vehicle service miles and hours complies with TDA definitions.

Full-Time Employee Equivalents (FTEs)

Full-time employee equivalents (FTEs) measure employee time, not actual persons or positions. Typically, FTEs are calculated by totaling all employee hours expended during the fiscal year and dividing this sum by 2,000. During the audit period, in response to a previous audit recommendation, RTA implemented a revised calculation that uses the number of hours for all drivers for each service (fixed route and Runabout) to determine full-time employee equivalents. RTA’s FTE calculation also includes staff time.

RTA’s methodology for reporting full-time employee equivalents fully complies with TDA definitions.

4 PREVIOUS AUDIT RECOMMENDATIONS

The TDA requires that the Performance Audit process include a review of previous Audit Recommendations. This review is intended to serve as a progress report from period to period. The previous Audit identified four recommendations. Figure 4-1 at the end of this chapter summarizes the findings and recommendations of the previous Audit and determines whether each recommendation was implemented and is complete or is in progress.

DISCUSSION OF PRIOR AUDIT RECOMMENDATIONS

Recommendation #1

Improve data compliance by using paid work hours by mode and dividing by 2,000 to arrive at Employee Full Time Equivalents (FTEs) for State Controller reporting.

Discussion:

During the audit period, RTA fully implemented the revised Employee Full Time Equivalent calculation as recommended. FTEs are correctly reported for fixed route and Runabout services.

Current Status: Recommendation Complete.

Recommendation # 2

Include farebox recovery compliance information for the Runabout service in the Annual Financial Audit, as well as supplemental schedules for RTA Bus, Runabout, and SLOCAT operations.

Discussion:

In FY 2011/12 and FY 2012/13, the RTA Annual Financial Audits fully complied with this recommendation, breaking out fare revenues and farebox recovery ratios by fixed route and Runabout services. Per the recommendation, the Audits also included these data for RTA's supplemental County services. It is assumed that RTA and its independent Financial Auditor will continue to produce Annual Financial Audits that comply with this recommendation.

Current Status: Recommendation Complete.

Recommendation #3

Obtain assistance to develop and evaluate scheduling, vehicle blocking, and driver assignment options to implement the SLO Transit SRTP recommendations and, in conjunction with RTA, to address coordination issues resulting from recommendations in RTA's SRTP.

Discussion:

Largely due to the 2009 recession, SLO Transit was unable to implement many of the specific service recommendations outlined in its 2009 SRTP. Nevertheless, RTA and SLO Transit staff have been working together to improve regional service coordination through the "Central Area Efficiency Committee," in which staff review transit schedules and stop locations to identify potential efficiencies between the two agencies' services. Additionally, RTA and SLO Transit staff have been working to secure funding (whether through Section 5304 or 5307 grants) for a joint SRTP, for which work is expected to begin in early 2015. The Auditor recommends that RTA staff continue to plan for a joint SRTP with SLO Transit to fully implement this recommendation.

Current Status: Recommendation Partially Complete.

Recommendation #4

Secure capital funding for vehicle replacement and other capital investments with the potential to reduce overall operating costs and maintain a state of good repair.

Discussion:

During the course of the audit period, RTA was successful in securing capital funding for the replacement of 15 forty-foot transit coaches. Sources included two cycles of Section 5309 and Section 5311(f) grants, among other sources.

Current Status: Recommendation Complete.

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Figure 4-1 Summary of Previous Audit Recommendations and Current Status

Audit Recommendation	Responsible Party	Status
Improve data compliance by using paid work hours by mode and dividing by 2,000 to arrive at Employee Full Time Equivalents for State Controller reporting.	Director of Finance & Administration	Recommendation: Complete
Include farebox recovery compliance information for the Runabout service in the Annual Financial Audit, as well as supplemental schedules for RTA Bus, Runabout, and SLOCAT operations.	Director of Finance & Administration	Recommendation: Complete
Obtain assistance to develop and evaluate scheduling, vehicle blocking, and driver assignment options to implement the RTA Transit SRTP recommendations and, in conjunction with SLO Transit, to address coordination issues resulting from recommendations in RTA's SRTP.	Director of Service Delivery	Recommendation: Partially Complete
Secure capital funding for vehicle replacement and other capital investments with the potential to reduce overall operating costs and maintain a state of good repair.	Executive Director & Manager of Maintenance & Facilities	Recommendation: Complete

5 ANALYSIS OF PERFORMANCE INDICATORS

This chapter presents an analysis of RTA's fixed route service and Runabout performance of the five indicators required by TDA. The RTA's fixed route performance is presented first, followed by Runabout. In order to understand longer-term trends, the analysis covers a six-year period between FY 2007/08 through FY 2012/13. The financial and operating statistics are based on a variety of internal and reported data that have been thoroughly vetted and confirmed by RTA staff.

FIXED ROUTE SERVICE

Fixed route service is evaluated using the following five indicators required by TDA:

- Operating costs per passenger;
- Operating costs per revenue vehicle service hour;
- Passengers per vehicle service hour; and
- Passengers per vehicle service mile.
- Revenue vehicle service hours per full-time employee equivalent

Figure 5-1 presents fixed route based data and performance measures. Figures 5-2 through 5-7 provide graphs showing a six-year trend analysis. A discussion of each indicator precedes these graphs.

Even though the farebox recovery ratio is not an indicator required by TDA, it is provided here because it is an excellent indicator of cost-effectiveness and to ensure the farebox requirements are met.

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Figure 5-1 RTA – Fixed Route Service TDA Performance Indicator Trends (FY 2007/08 – FY 2012/13)

	FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	FY 2012/13
Performance Measures						
Operating Cost (Actual \$)	\$3,062,796	\$3,478,326	\$3,391,779	\$3,471,027	\$4,028,914	\$4,032,935
<i>Annual Change</i>		13.6%	-2.5%	2.3%	16.1%	0.1%
Operating Cost (Constant \$)	\$3,062,796	\$3,265,575	\$3,286,100	\$3,328,486	\$3,724,325	\$3,661,549
<i>Annual Change</i>		6.6%	0.6%	1.3%	11.9%	-1.7%
Farebox Revenue (Actual \$)	\$524,221	\$734,400	\$815,411	\$1,009,892	\$1,160,880	\$1,242,921
<i>Annual Change</i>		40.1%	11.0%	23.9%	15.0%	7.1%
Vehicle Service Hours	30,913	31,071	31,106	31,360	33,935	32,684
<i>Annual Change</i>		0.5%	0.1%	0.8%	8.2%	-3.7%
Vehicle Service Miles	917,924	926,014	925,241	937,398	1,049,118	1,038,546
<i>Annual Change</i>		0.9%	-0.1%	1.3%	11.9%	-1.0%
Passengers	452,946	552,782	534,748	594,359	696,120	743,280
<i>Annual Change</i>		22.0%	-3.3%	11.1%	17.1%	6.8%
F/T Employee Equivalents	33.0	33.0	51.0	56.0	60.0	53.0
Performance Indicators						
Oper. Cost per Hr. (Actual \$)	\$99.08	\$111.95	\$109.04	\$110.68	\$118.72	\$123.39
<i>Annual Change</i>		13.0%	-2.6%	1.5%	7.3%	3.9%
Oper. Cost per Hr. (Constant \$)	\$99.08	\$105.10	\$105.64	\$106.14	\$109.75	\$112.03
<i>Annual Change</i>		6.1%	0.5%	0.5%	3.4%	2.1%
Oper. Cost per Psgr. (Actual \$)	\$6.76	\$6.29	\$6.34	\$5.84	\$5.79	\$5.43
<i>Annual Change</i>		-6.9%	0.8%	-7.9%	-0.9%	-6.3%

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Figure 5-2 RTA – Fixed Route Service TDA Performance Indicator Trends (FY 2007/08 – FY 2012/13) continued

	FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	FY 2012/13
Oper. Cost per Psgr. (Constant\$)	\$6.76	\$5.91	\$6.15	\$5.60	\$5.35	\$4.93
<i>Annual Change</i>		-12.6%	4.0%	-8.9%	-4.5%	-7.9%
Psgs. per Hour	14.65	17.79	17.2	19.0	20.5	22.7
<i>Annual Change</i>		21.4%	-3.4%	10.2%	8.2%	10.9%
Psgs. per Mile	0.49	0.60	0.58	0.63	0.66	0.72
<i>Annual Change</i>		21.0%	-3.2%	9.7%	4.6%	7.9%
Farebox Recovery (Actual \$)	17.1%	21.1%	24.0%	29.1%	28.8%	30.8%
<i>Annual Change</i>		23.4%	13.9%	21.0%	-1.0%	7.0%
Hours per Employee	937	942	610	560	566	617
		0.5%	-54.4%	-8.91%	0.99%	8.29%
<i>Annual Change in CPI-Urban Wage Earners & Clerical Workers - Seasonally Adjusted - LA/Riverside/Orange County</i>	2.65%	6.12%	-2.83%	0.96%	3.32%	1.53%
<i>Cumulative Change in CPI</i>	0.00%	6.12%	3.12%	4.11%	7.56%	9.21%

Sources/Notes:

FY 2007 – 2009 data from previous TDA Triennial audit (2010).

FY 2010 – 2013 passenger, service hour, service mile, and FTEs data from State Controllers Reports

FY 2012 and FY 2013 operating expense and fare revenue from 2013 Financial Statement.

FY 2011 operating expense and fare revenue data from RTA TDA Quarterly Reports, 4th Quarter.

For FY 2010/11 – FY 2012/13, the quarterly reports include separate line items for operating costs and overhead costs. To retain consistency with earlier years, in this table, overhead costs have been added to operating costs to arrive a total operating cost.

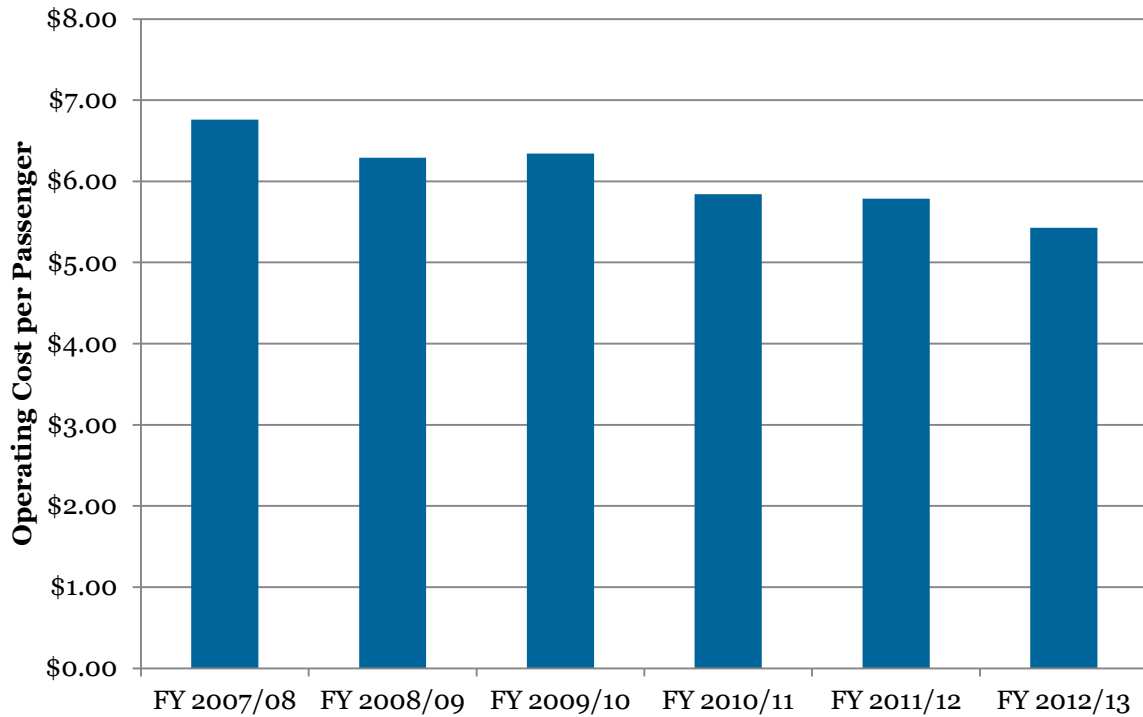
CPI sourced from U.S. Bureau of Labor Statistics

Cumulative CPI change: Calculated by using the following formula: "(Initial year CPI index value / study year CPI index value)-1"

Operating Cost per Passenger – Fixed- Route Service

Operating cost per passenger gradually decreased over the six-year period, with declines of 7.9% and 6.3% occurring in years one and three of the audit period respectively. Despite increases in operating costs during the last three years, per passenger costs have been offset by a 35% increase in ridership in the three audit years reflecting an approximate 200,000 additional annual riders.

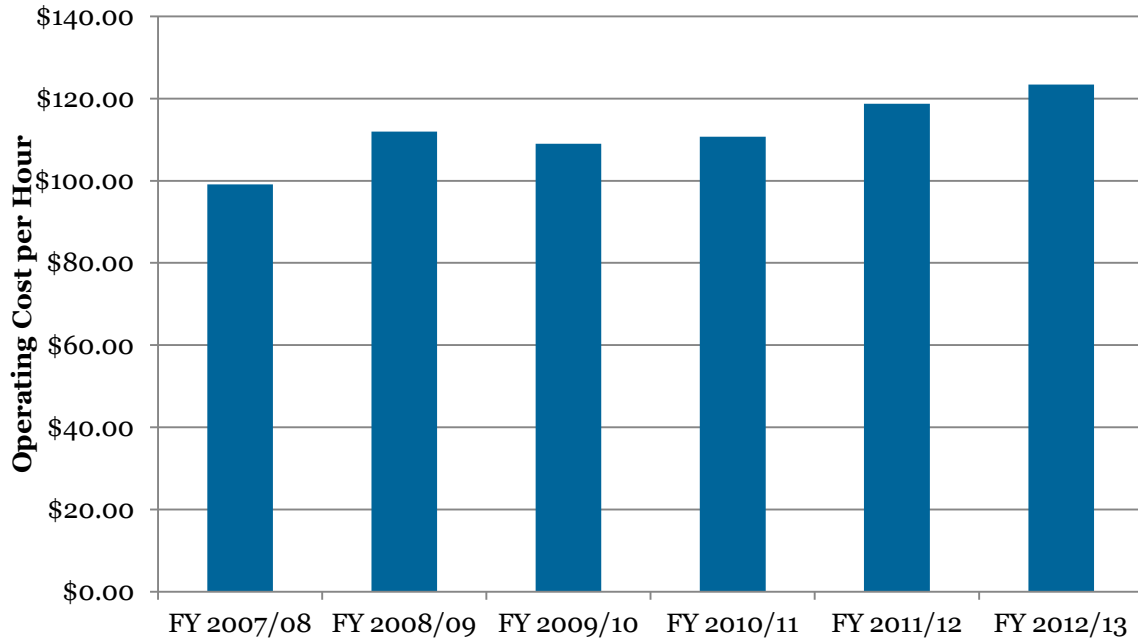
Figure 5-3 Operating Cost per Passenger – Fixed Route Service



Operating Cost per Revenue Service Hour – Fixed Route Service

Hourly costs increased during the audit period from approximately \$111 to \$123 with the most significant gain in FY 2011/12, when costs rose 16% when RTA increased service levels and annual hours rose eight percent. The following year hourly costs increased just under 4%.

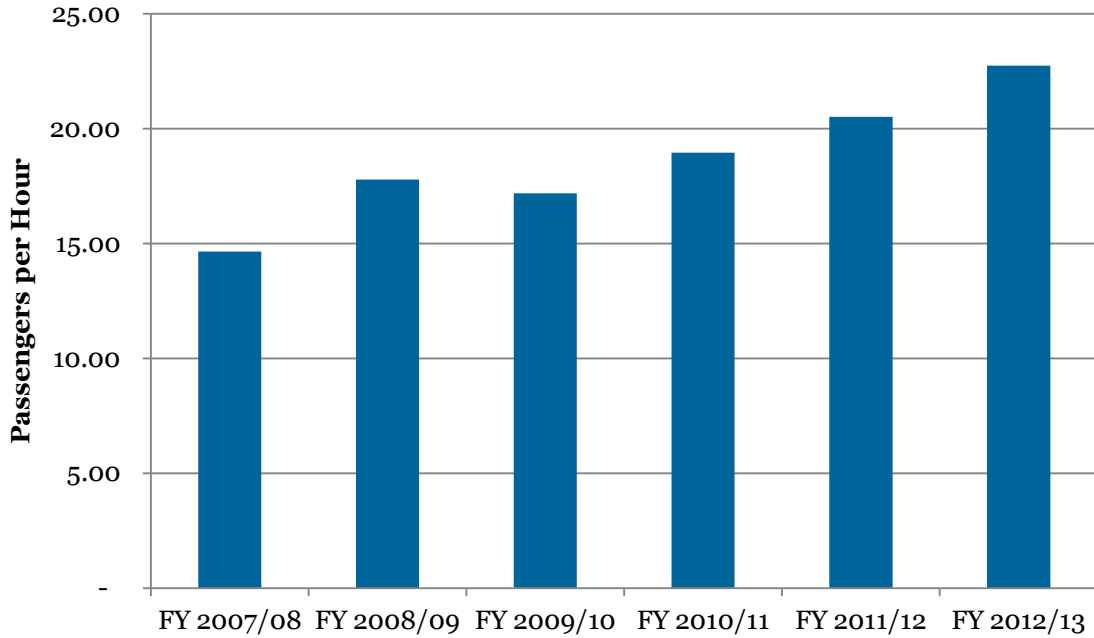
Figure 5-4 Operating Cost per Revenue Service Hour – Fixed Route Service



Passengers per Revenue Service Hour – Fixed Route Service

Passenger productivity has been improving steadily in the last six years and in the last two years has reached and exceeded RTA's standard of 21 passengers per hour. FY 2012/13 represents the highest passenger productivity over the six-year period with 22.7 hourly passengers carried on RTA's fixed route services.

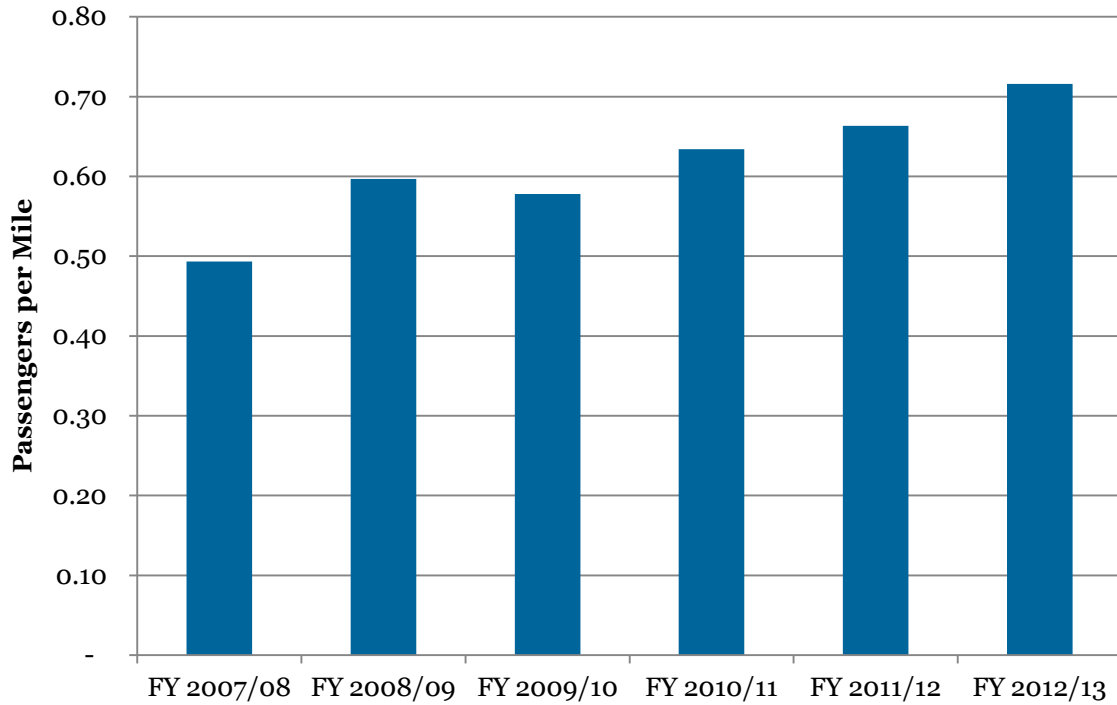
Figure 5-5 Passengers per Revenue Service Hour – Fixed Route Service



Passengers per Revenue Service Mile – Fixed Route Service

Similar to passenger productivity, there has been an improving trend in the number of passengers per revenue service mile. By the end of FY 2012/13, RTA carried 0.72 passengers per revenue service mile, up from 0.49 in year one of the six-year period, and 0.63 at the start of the audit period.

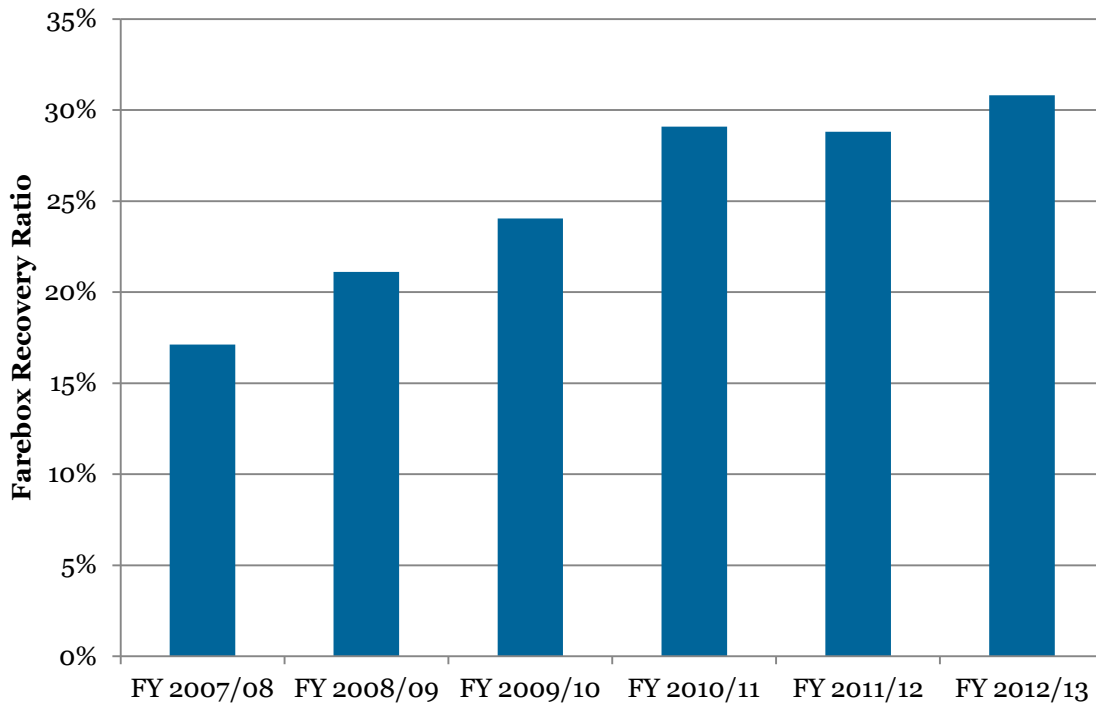
Figure 5-6 Passengers per Revenue Service Mile – Fixed Route Service



Farebox Recovery Ratio – Fixed-Route Service

Figure 5-6 displays the positive upward trend of the fixed route farebox recovery ratio. In the current audit period, the farebox recovery ratio hovered between 29% and 31%, exceeding the RTA’s farebox recovery ratio target of “greater than 20% percent” as stated in the 2012-2014 Strategic Business Plan. With nearly 31% of operating costs covered by fares, FY 2012/13 experienced the highest farebox recovery ratio in the six-year period.

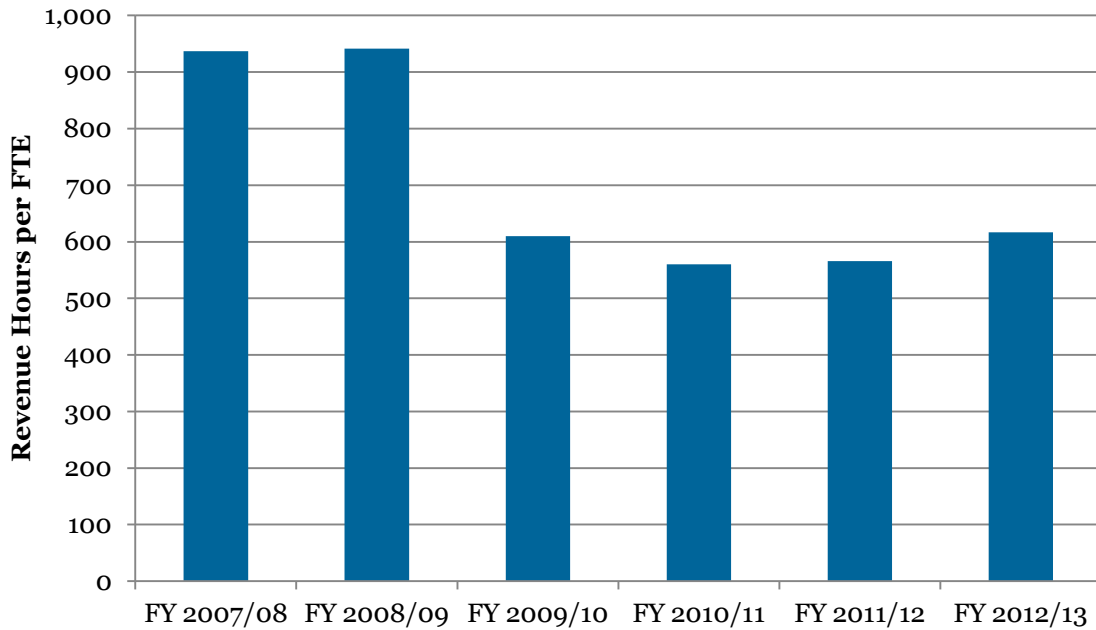
Figure 5-7 Farebox Recovery Ratio – Fixed Route Service



Revenue Service Hours per FTE – Fixed Route

Revenue hours per employee fluctuated significantly between FY 2008/09 and 2009/10 as RTA assumed day-to-day operations in 2009. In FY 2012/13, labor productivity was at 617 revenue hours per employee.

Figure 5-8 Revenue Service Hours per FTE – Fixed Route Service



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RUNABOUT

The following section provides a detailed review of the same TDA indicators for Runabout paratransit service. Figure 5-8 presents all base data and performance measures and is displayed graphically in Figures 5-9 through 5-14.

Figure 5-8 Runabout Paratransit Service TDA Performance Trends (FY 2007/08 – FY 2012/13)

	FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	FY 2012/13
Performance Measures						
Operating Cost (Actual \$)	\$1,094,147	\$1,528,887	\$1,646,160	\$2,120,034	\$2,328,598	\$2,577,977
<i>Annual Change</i>		39.7%	7.7%	28.8%	9.8%	10.7%
Operating Cost (Constant \$)	\$1,094,147	\$1,435,373	\$1,594,870	\$2,032,973	\$2,152,554	\$2,340,575
<i>Annual Change</i>		31.2%	11.1%	27.5%	5.9%	8.7%
Fare Revenue (Actual \$)	\$79,503	\$70,220	\$63,818	\$97,394	\$97,795	103,982
<i>Annual Change</i>		-11.7%	-9.1%	52.6%	0.4%	6.3%
Vehicle Service Hours	15,284	18,484	19,861	21,129	23,790	25,575
<i>Annual Change</i>		20.9%	7.4%	6.4%	12.6%	7.5%
Vehicle Service Miles	382,930	386,990	392,445	444,635	485,498	508,634
<i>Annual Change</i>		1.1%	1.4%	13.3%	9.2%	4.8%
Passengers	30,916	30,174	31,557	32,929	34,424	37,994
<i>Annual Change</i>		-2.4%	4.6%	4.3%	4.5%	10.4%
F/T Employee Equivalent	20.0	24.0	25.0	21.0	22.0	25.0
Performance Indicators						
Oper. Cost per Hr. (Actual \$)	\$71.59	\$82.71	\$82.88	\$100.34	\$97.88	\$100.80
<i>Annual Change</i>		15.5%	0.2%	21.1%	-2.4%	3.0%
Oper. Cost per Hr. (Constant \$)	\$71.59	\$77.65	\$80.30	\$96.22	\$90.48	\$91.52
<i>Annual Change</i>		8.5%	3.4%	19.8%	-6.0%	1.1%

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Figure 5-8 Runabout Paratransit Service TDA Performance Trends (FY 2007/08 – FY 2012/13) continued

	FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	FY 2012/13
Oper. Cost per Psgr. (Actual \$)	\$35.39	\$50.67	\$52.16	\$64.38	\$67.64	\$67.85
<i>Annual Change</i>		43.2%	3.0%	23.4%	5.1%	0.3%
Oper. Cost per Psgr. (Constant\$)	\$35.39	\$47.57	\$50.54	\$61.74	\$62.53	\$61.60
<i>Annual Change</i>		34.4%	6.2%	22.2%	1.3%	-1.5%
Psgs. per Hour	2.02	1.63	1.59	1.56	1.45	1.49
<i>Annual Change</i>		-19.3%	-2.7%	-1.9%	-7.2%	2.7%
Psgs. per Mile	0.08	0.08	0.08	0.07	0.07	0.07
<i>Annual Change</i>		-3.4%	3.1%	-7.9%	-4.3%	5.4%
Farebox Recovery (Actual \$)	7.3%	4.6%	3.9%	4.6%	4.2%	4.0%
<i>Annual Change</i>		-36.8%	-15.6%	18.5%	-8.6%	-4.0%
Hours per Employee	764	770	794	1,006	1,081	1,023
<i>Annual Change</i>		0.8%	3.2%	26.6%	7.5%	-5.4%
Annual Change in CPI-Urban Wage Earners & Clerical Workers - Seasonally Adjusted - LA/Riverside/Orange County	2.65%	6.12%	-2.83%	0.96%	3.32%	1.53%
Cumulative Change in CPI	0.00%	6.12%	3.12%	4.11%	7.56%	9.21%

Sources/Notes:

FY 2007 – 2009 data from previous TDA Triennial audit (2010).

FY 2010 – 2013 passenger, service hour, service mile, and FTEs data from State Controllers Reports

FY 2012 and FY 2013 operating expense and fare revenue from 2013 Financial Statement.

FY 2011 operating expense and fare revenue data from RTA TDA Quarterly Reports, 4th Quarter.

For FY 2010/11 – FY 2012/13, the quarterly reports include separate line items for operating costs and overhead costs. To retain consistency with earlier years, in this table, overhead costs have been added to operating costs to arrive a total operating cost.

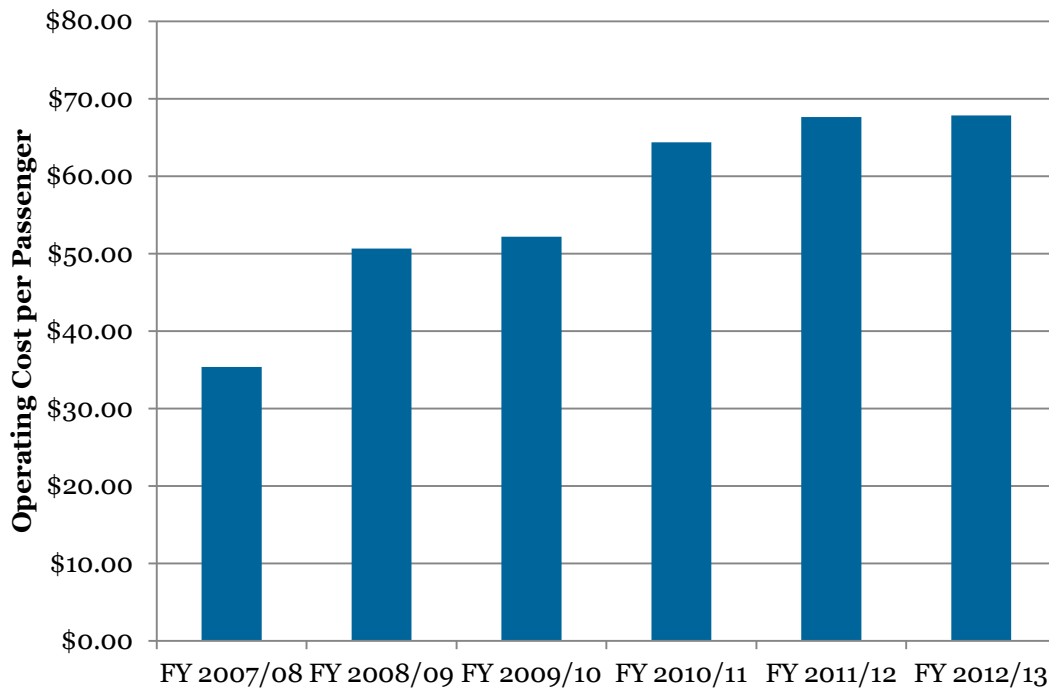
CPI sourced from U.S. Bureau of Labor Statistics

Cumulative CPI change: Calculated by using the following formula: "(Initial year CPI index value / study year CPI index value)-1"

Operating Cost per Passenger – Runabout

Operating cost per passenger rose significantly (23.4%) in the first year of the current audit period and continued to rise gradually through FY 2011/12 and FY 2012/13. While ridership increased 20% during the three years, costs increased approximately 50% during the same three years. Per passenger costs were \$67.85 by the end of FY 2012/13. The two major factors for the increase in passenger costs were overtime pay for drivers to ensure zero trip denials and longer distance trips taken by many passengers. Costs are expected to stabilize in the next three years because with additional funding, a new bus was put into service, eliminating the cost of driver overtime pay.

Figure 5-9 Operating Cost per Passenger – Runabout

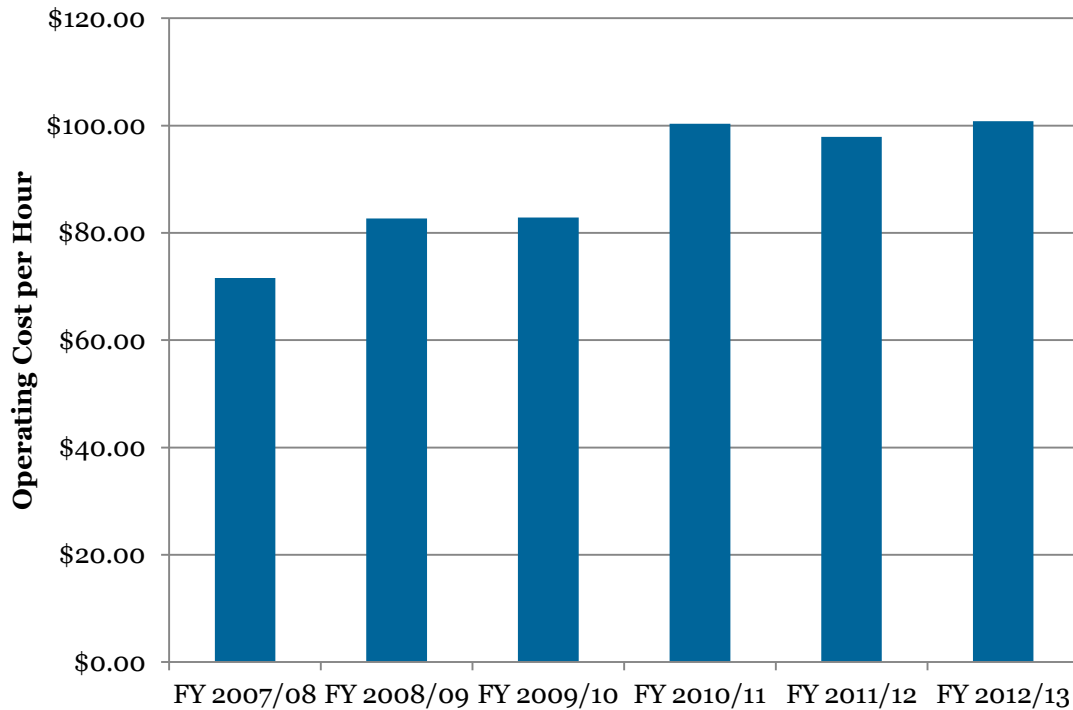


Operating Cost per Revenue Service Hour – Runabout

Hourly operating costs are graphically depicted in Figure 5-10 below.

Operating costs per revenue service hour fluctuated in the current audit period with hourly costs peaking in FY 2012/13 at \$100.80. Runabout increased its service hours by nearly 27% in the last three years to keep up with demand while costs rose just under 50% during the same period. As with passenger costs, the increases are largely attributed to driver overtime pay in FY 2010/11 and longer distance trips in each of the three audit years.

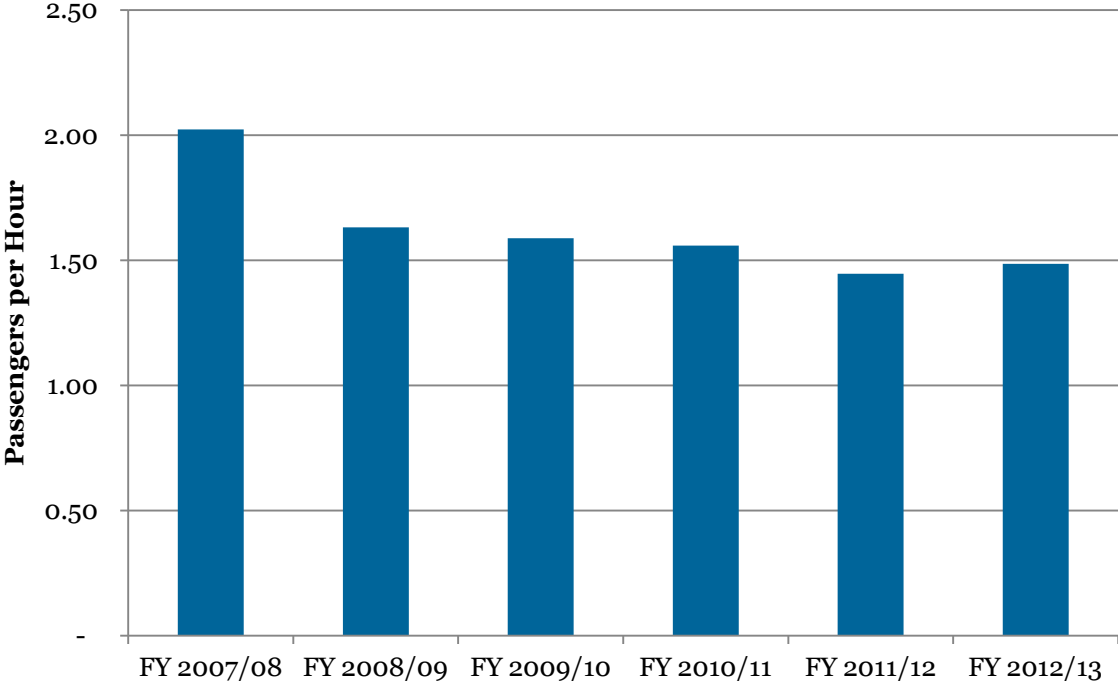
Figure 5-10 Operating Cost per Revenue Service Hour – Runabout



Passengers per Revenue Service Hour – Runabout

After a drop in passenger productivity in FY 2007/08 from two hourly passengers to 1.6, the number of passengers carried per hour has hovered at about 1.5.

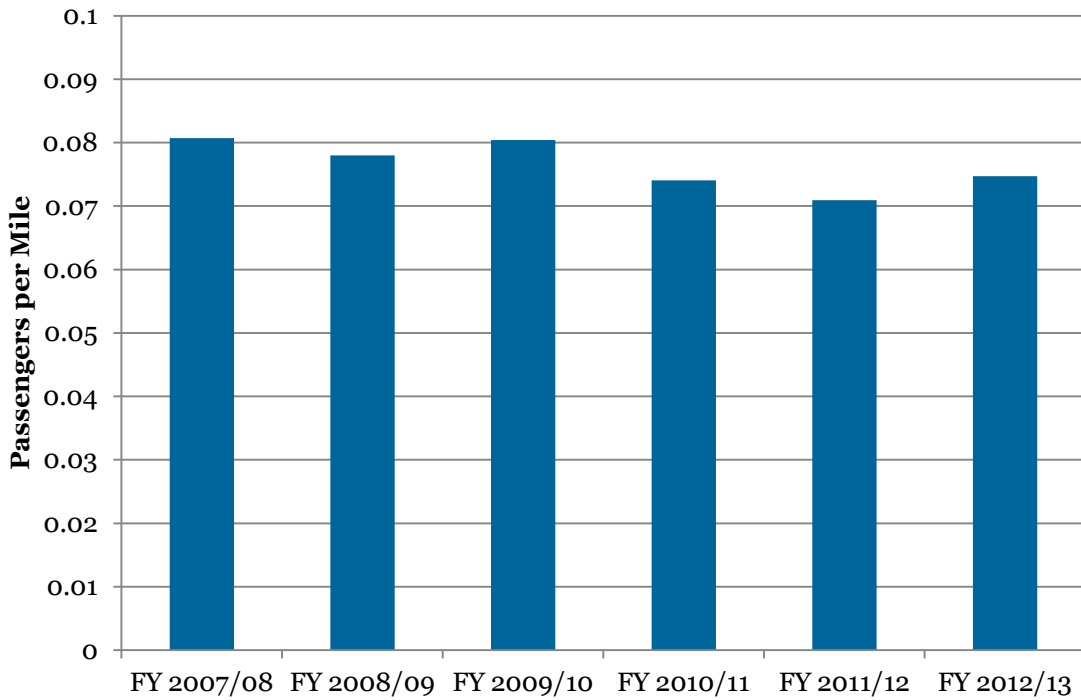
Figure 5-11 Passengers per Revenue Service Hour – Runabout



Passengers per Revenue Service Mile – Runabout

Passengers per revenue mile has held relatively steady over the past six years, remaining just below 0.1 passengers per mile during this period. This constancy is indicative of the rising demand for Runabout services and RTA’s service increases to meet this demand.

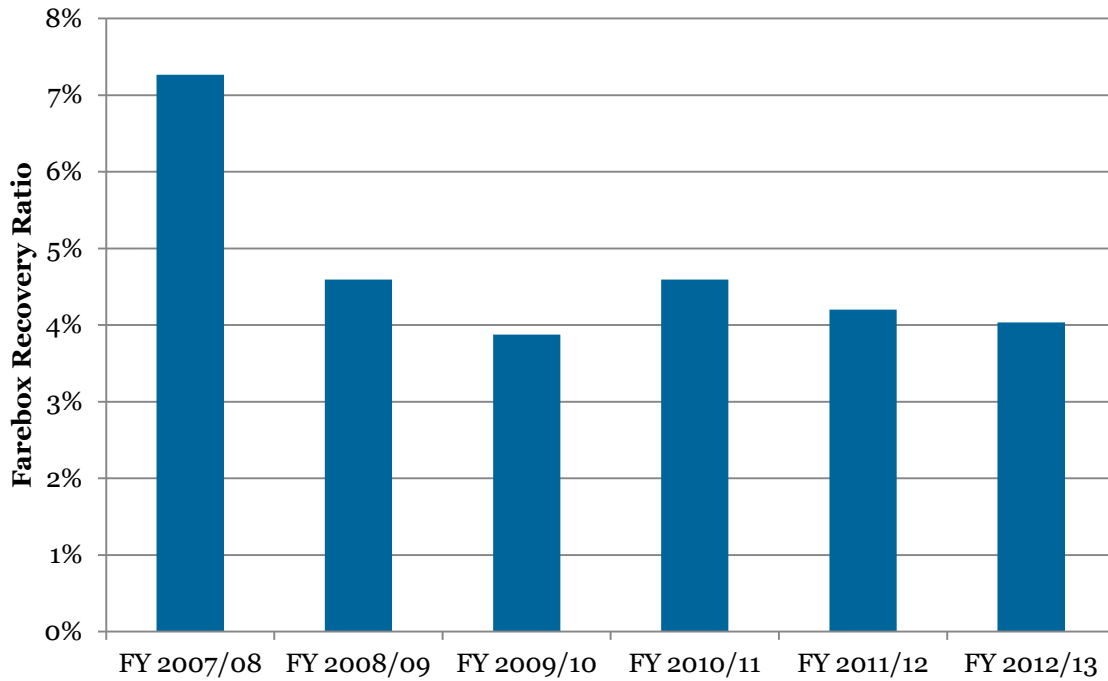
Figure 5-12 Passengers per Revenue Service Mile – Runabout



Farebox Recovery Ratio – Runabout

In the last six years, the farebox recovery ratio was highest in FY 2007/08. While it has fluctuated somewhat it has generally been on a downward trend. In the last year of the audit period, the farebox recovery ratio was at 4%. While the TDA standard is 10%, it remains challenging to meet that ratio particularly due to increasing passenger demand for long distance trips within the large Runabout service area.

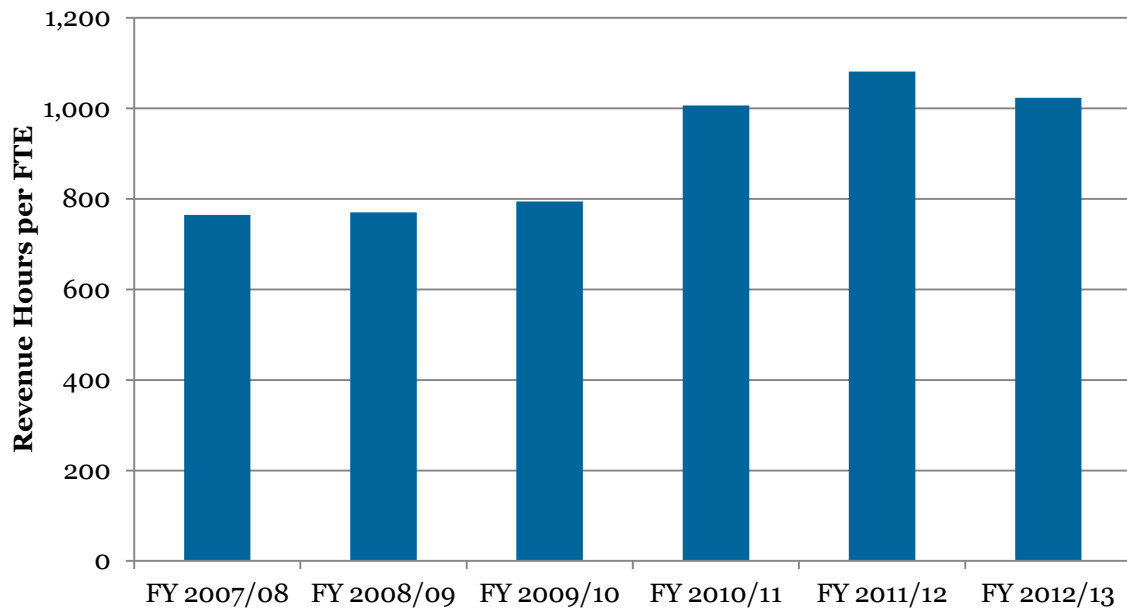
Figure 5-13 Farebox Recovery Ratio – Runabout



Revenue Service Hours per FTE – Runabout

Revenue hours per employee increased dramatically over the audit period with the most significant jump (26.6%) occurring in FY 2010/11. For the six-year period, revenue service hours per FTE peaked at 1,081 in year two of the audit period; up from 764 at the end of FY 2007/08.

Figure 5-14 Revenue Service Hours per FTE – Runabout



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COMBINED SERVICE METRICS

Figure 5-15 presents base data and performance measures for both services combined; the composite table is primarily included to present the blended farebox recovery ratio of both fixed route and Runabout services, which is an important metric for this performance audit. It shows that system wide, the farebox recovery ratio met the 20% target for the last three years.

Figure 5-15 RTA – Combined Fixed Route & Runabout Services TDA Performance Indicator Trends

	FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	FY 2012/13
Performance Measures						
Operating Cost (Actual \$)	\$4,156,943	\$5,007,213	\$5,037,939	\$5,591,061	\$6,357,512	\$6,610,912
<i>Annual Change</i>		20.5%	0.6%	11.0%	13.7%	4.0%
Operating Cost (Constant \$)	\$4,156,943	\$4,700,948	\$4,880,971	\$5,361,459	\$5,876,879	\$6,002,124
<i>Annual Change</i>		13.1%	3.8%	9.8%	9.6%	2.1%
Farebox Revenue (Actual \$)	\$603,724	\$804,620	\$879,229	\$1,107,286	\$1,258,675	\$1,346,903
<i>Annual Change</i>		33.3%	9.3%	25.9%	13.7%	7.0%
Vehicle Service Hours	46,197	49,555	50,967	52,489	57,725	58,259
<i>Annual Change</i>		7.3%	2.8%	3.0%	10.0%	0.9%
Vehicle Service Miles	1,300,854	1,313,004	1,317,686	1,382,033	1,534,616	1,547,180
<i>Annual Change</i>		0.9%	0.4%	4.9%	11.0%	0.8%
Passengers	483,862	582,956	566,305	627,288	730,544	781,274
<i>Annual Change</i>		20.5%	-2.9%	10.8%	16.5%	6.9%
F/T Employee Equivalents	53.0	57.0	76.0	77.0	82.0	78.0
Performance Indicators						
Oper. Cost per Hr. (Actual \$)	\$89.98	\$101.04	\$98.85	\$106.52	\$110.13	\$113.47
<i>Annual Change</i>		12.3%	-2.2%	7.8%	3.4%	3.0%
Oper. Cost per Hr. (Constant \$)	\$89.98	\$94.86	\$95.77	\$102.15	\$101.81	\$103.02
<i>Annual Change</i>		5.4%	1.0%	6.7%	-0.3%	1.2%
Oper. Cost per Psgr. (Actual \$)	\$8.59	\$8.59	\$8.90	\$8.91	\$8.70	\$8.46
<i>Annual Change</i>		0.0%	3.6%	0.2%	-2.4%	-2.8%

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Figure 5-16 RTA – Combined Fixed Route & Runabout Services TDA Performance Indicator Trends continued

	FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	FY 2012/13
Oper. Cost per Psgr. (Constant\$)	\$8.59	\$8.06	\$8.62	\$8.55	\$8.04	\$7.68
<i>Annual Change</i>		-6.1%	6.9%	-0.8%	-5.9%	-4.5%
Psgrs. per Hour	10.47	11.76	11.1	12.0	12.7	13.4
<i>Annual Change</i>		12.3%	-5.5%	7.6%	5.9%	6.0%
Psgrs. per Mile	0.37	0.44	0.43	0.45	0.48	0.50
<i>Annual Change</i>		19.4%	-3.2%	5.6%	4.9%	6.1%
Farebox Recovery (Actual \$)	14.5%	16.1%	17.5%	19.8%	19.8%	20.4%
<i>Annual Change</i>		10.6%	8.6%	13.5%	0.0%	2.9%
Hours per Employee	872	869	671	682	704	747
		-0.3%	-29.6%	1.62%	3.17%	5.75%
Annual Change in CPI-Urban Wage Earners & Clerical Workers - Seasonally Adjusted - LA/Riverside/Orange County	2.65%	6.12%	-2.83%	0.96%	3.32%	1.53%
Cumulative Change in CPI	0.00%	6.12%	3.12%	4.11%	7.56%	9.21%

Sources/Notes:

FY 2007 – 2009 data from previous TDA Triennial audit (2010).

FY 2010 – 2013 passenger, service hour, service mile, and FTEs data from State Controllers Reports

FY 2012 and FY 2013 operating expense and fare revenue from 2013 Financial Statement.

FY 2011 operating expense and fare revenue data from RTA TDA Quarterly Reports, 4th Quarter.

For FY 2010/11 – FY 2012/13, the quarterly reports include separate line items for operating costs and overhead costs. To retain consistency with earlier years, in this table, overhead costs have been added to operating costs to arrive a total operating cost.

CPI sourced from U.S. Bureau of Labor Statistics

Cumulative CPI change: Calculated by using the following formula: "(Initial year CPI index value / study year CPI index value)-1"

6 FUNCTIONAL AUDIT

Chapter 6 presents a functional review of RTA. It begins by outlining RTA's goals, objectives and standards and then applies these standards where appropriate. This chapter reviews functional performance in the following four areas:

- Transportation Operations
- Vehicle Maintenance
- Administration, Personnel and Training
- Budgeting, Marketing, and Customer Service

FULFILLMENT OF GOALS AND OBJECTIVES

This section reviews the goals, objectives, and performance standards set forth in RTA's 2012-2014 Strategic Business Plan, and evaluates how RTA addressed these objectives and/or met specified performance standards during the last two years of the audit period, i.e. the two years that were subject to the Strategic Business Plan's timeframe.

Figure 6-1 summarizes the adopted performance standards and RTA's performance compared to the adopted standards during the last two fiscal years across a range of categories, including service delivery, on-time performance, maintenance, and safety. Performance standards are included for both RTA fixed route bus service and Runabout paratransit service where possible.

RTA met most of its adopted service standards during FY 2011/12 and FY 2012/13, with one exception. During the audit period, the agency had vehicles that exceeded their useful life by more than 1-3 years and had not been replaced, rehabilitated, or retired. While some new vehicles were delivered and placed in service during the audit period, a second round of vehicles was also ordered and these vehicles were scheduled to arrive in Spring 2015. Another important measure, on-time performance, exceeded standards when using the methodology the agency employed during the audit period. When RTA switches to the more accurate GPS-based Automated Vehicle Location (AVL) system with new vehicles, however, the reported on-time performance rate may be lower than under the current system of determining on-time performance.

2012–2014 Strategic Business Plan

The 2012–14 Strategic Business Plan was developed by RTA in collaboration with staff from the San Luis Obispo Council of Governments (SLOCOG) and members of the public. The Plan includes an overall vision for the future of RTA, an organizational mission statement, and strategies for achieving the mission.

Overall, the Plan seeks to continue to improve service quality, consolidate and streamline operations to improve efficiency and effectiveness, and reduce private vehicle miles traveled in the region. The Plan also recommended several performance standards for RTA. These standards

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are applied to RTA's fixed-route service and Runabout paratransit service for FYs 2011/12 and 2012/13, which are the years after the Plan covers. The relevant standards and performance of RTA are summarized in Figure 6-1 below.

Figure 6-1 Strategic Business Plan Service Standards & RTA Performance During Audit Period

Quality/ Reliability Measures	Adopted Performance Standards	RTA Performance
Service Delivery	Fixed Route Service <ul style="list-style-type: none"> ▪ Service delivery rate shall be 99% or greater. 	<ul style="list-style-type: none"> ▪ Exceeded standard in FY 2011/12 and FY 2012/13.
On-Time Performance	Fixed Route Service <ul style="list-style-type: none"> ▪ System wide on-time Performance shall be 90% or greater. Runabout <ul style="list-style-type: none"> ▪ Runabout on-time Performance shall be 90% or greater. 	Fixed Route Service <ul style="list-style-type: none"> ▪ FY 2012/13: Met standard through May of 2013. ▪ FY 2011/12: On-time performance data not available. <p>Note: Bus Operators call in late-running trips to the Dispatcher via RTA's two-way radios. RTA's new buses will use a GPS-based Automated Vehicle Location (AVL) system to more accurately report this statistic, and it is probable that RTA's reported on-time performance will decline as the AVL system is fully-implemented across the entire fleet.</p> Runabout: <ul style="list-style-type: none"> ▪ On-time performance data not available at this time.
Safety	<ul style="list-style-type: none"> ▪ Rate of preventable accidents will not exceed 2.0 per 100,000 miles. 	<ul style="list-style-type: none"> ▪ FY 2011/12: 1.43 preventable accidents per 100,000 revenue miles (meets standard). ▪ FY 2012/13: 1.64 preventable accidents per 100,000 revenue miles (meets standard).
	<ul style="list-style-type: none"> ▪ Address all safety hazards identified by the Health and Safety Survey conducted in June 2011 and identified by the Safety Resource Committee. 	<ul style="list-style-type: none"> ▪ RTA reports that all operations and maintenance items have been addressed and action has either been taken or is in progress. (Meets standard.)
Maintenance	<ul style="list-style-type: none"> ▪ Replace, rehabilitate, or retire 100% of all revenue vehicles within 1-3 years of their useful life (as defined by FTA). 	<ul style="list-style-type: none"> ▪ During the audit period, RTA had multiple vehicles in its fleet that exceeded their useful life by more than 3 years. However, new vehicles were scheduled to arrive immediately after the audit period ended, and funding has been secured for procurement of additional vehicles. This will allow RTA to replace all vehicles that exceed their useful life by more than 1-3 years. (Will meet standard.)

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Quality/ Reliability Measures	Adopted Performance Standards	RTA Performance
	<ul style="list-style-type: none"> ▪ Road calls will not exceed 7 per 100,000 miles of revenue service. 	<p>Fixed Route Service:</p> <ul style="list-style-type: none"> ▪ 6 (FY 2011/12) roadcalls per 100,000 revenue miles (Meets standard) ▪ 4 (FY 2012/13) per 100,000 revenue miles (Meets standard) <p>Runabout:</p> <ul style="list-style-type: none"> ▪ 2 (FY 2011/12) per 100,000 revenue miles (Meets standard) ▪ 1 (FY 2012/13) per 100,000 revenue miles (Meets standard)
	<ul style="list-style-type: none"> ▪ Achieve all federal, state-mandated maintenance practices, as well as vendor recommended maintenance schedules for our fleet and facilities. 	<ul style="list-style-type: none"> ▪ Meets standard.

Figure 6-2 on the following page presents safety, maintenance and customer service performance indicators for RTA fixed route and Runabout services and are discussed in the following sections.

TRANSPORTATION OPERATIONS

This functional area centers on vehicle operations, including safety and operations, vehicle maintenance, administration, and personnel, and budgeting and marketing.

Administration and Personnel

RTA was formed in 1989 to provide intercommunity transit, including both fixed route service and ADA paratransit service, in San Luis Obispo County. A funding agreement was reached in 1992 in which the County agreed to provide 49% of the funding requirements for these services. From its inception until 2009, RTA hired a private contractor to provide operations and maintenance services. In 2009, RTA brought these functions in-house, and now operates and maintains its own vehicles. This transition was a major undertaking for RTA, requiring extensive labor negotiations, and coincided with funding challenges resulting from the economic recession. Staff turnover increased during this period, but has since stabilized.

RTA is governed by a board of 12 directors, representing the member cities of Arroyo Grande, Atascadero, Grover Beach, Morro Bay, Paso Robles, Pismo Beach, and San Luis Obispo, as well as each of the five county supervisors. The board holds meetings every other month.

Citizens advisory groups provide additional input on RTA service: the Regional Transportation Advisory Committee provides recommendations on RTA fixed route service, and the Social Services Transportation Advisory Council provides additional community input on the Runabout paratransit service.

Safety and Operations

RTA operators (drivers) are required to obtain a transit training certificate know as the VTT. A VTT is a document issued by the Department of Motor Vehicles (DMV) authorizing a person to drive a bus. Operators are required to attend additional safety meetings on a periodic basis, which include specialized training by California Transit Indemnity Pool (CalTIP). RTA deploys anonymous "ghost riders" on occasion as well, to ensure operators are complying with safety procedures. Operators are evaluated at the end of their first six months of entering revenue service, and yearly thereafter; both on-board ride checks are completed, as well as unobserved road checks.

Reports related to accidents are tracked in a spreadsheet maintained by RTA. As Figure 6-2 notes, RTA met its goal of fewer than two preventable accidents per 100,000 service miles during the audit period.

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Figure 6-2 RTA Fixed Route and Runabout Functional Performance Assessment

Fixed Route	FY 2010/11	FY 2011/12	FY 2012/13
Preventable Accidents	66	15	17
Complaints	92	61	82
Compliments	16	18	16
Road Calls	97	65	44
Service Miles	937,398	1,049,118	1,038,546
Boardings	594,359	696,120	743,280
Preventable Accidents per 100,000 miles	7.04	1.43	1.64
No. of miles between road calls	9,664	16,140	23,603
Complaints/ 100,000 passengers	15.48	8.76	11.03
Road calls per 100,000 miles	10	6	4

Runabout	FY 2010/11	FY 2011/12	FY 2012/13
Complaints	12	1	15
Compliments	0	1	2
Road Calls	13	8	4
Service Miles	444,635	485,498	508,634
Boardings	32,929	34,424	37,994
Preventable Accidents per 100,000 miles	0.62	0.62	1.77
No. of miles between road calls	34,203	60,687	127,159
Complaints/ 100,000 passengers	36.44	2.90	39.48
Road calls per 100,000 miles	3	2	1

Runabout Operations

Runabout paratransit service coordinates with Ride-On Transportation, which provides demand responsive service in other areas of San Luis Obispo County that overlap with Runabout's service area. Runabout and Ride-On both use the same software for managing service requests, and have begun to share information to improve ride coordination, including manifests for the upcoming day. In the future, RTA and Ride-On may be able to take advantage of their shared software system to increase coordination.

Vehicle Maintenance

Standard vehicle maintenance is performed on both fixed route and Runabout vehicles at the RTA maintenance facility in San Luis Obispo. During the audit period, RTA recorded all maintenance records with a master spreadsheet that tracks the number of miles since maintenance was last

performed. RTA currently has funding to purchase maintenance software that will make it simpler to track maintenance against the adopted schedule. Annual CHP Terminal Inspections note no vehicle maintenance deficiencies.

As shown in the above figures, both fixed route and Runabout service met the RTA standard of not exceeding seven road calls per 100,000 miles of revenue service.

Budgeting and Marketing

Budgeting for Fixed Route Service

The budgeting process for RTA fixed route services is relatively simple, since RTA generally has essentially constant service levels from year to year. RTA follows a one-year budget cycle, calculating the budget for the upcoming year based on the number of hours and miles to be operated in the year, and updating the cost line items, including wages, fuel, maintenance, and insurance. It should be noted that RTA began to present two-year operating / five-year capital budget plans in FY2013-14 to better inform the JPA jurisdictions of potential future funding shortfalls/opportunities.

Over the course of a year, the Chief Financial Officer/Director of Administration conducts a monthly budget analysis, evaluating to-date expenses and revenues compared to the budget for the entire year. She also prepares a bi-monthly status report for the RTA Board that includes monthly and year to date income and expenditures, and key performance statistics. This comprehensive and well laid out report is typically available on the RTA web page.

Budgeting for Runabout

RTA staff develops budget projections for Runabout paratransit service based on trends from the previous year, including revenue hours, revenue miles, and non-revenue miles, which have increased in recent years to keep pace with demands for more service and the trend in passengers taking an increasing number of long trips.

Marketing & Customer Service

RTA had a dedicated marketing budget of \$80,000 in FY 2012/13, the last year of the audit period. Marketing primarily consists of maintaining the RTA website (which includes Google Transit trip-planning on the homepage), distributing rider guides, running advertisements on TV and radio, issuing press releases, and advertisements on the sides of buses. Rider guides contain a wide variety of information about RTA's services including fares, rules, how-to-ride guides, and schedules and maps in English and Spanish. The pamphlets also include basic information about connecting transit services, such as South County Transit and SLO City Transit and where these services share stops with RTA. For additional information about RTA, riders may also call RTA's phone number, which is listed on the rider guide and the RTA website. RTA regularly reports its marketing activities to its Board.

As part of its efforts to improve marketing and customer service, RTA plans to acquire real-time schedule information for fixed route service in 2014. This system will include automatic vehicle location (AVL), automated passenger counters, and automated spoken announcements of upcoming stops on buses.

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RTA records customer complaints and compliments received via its website, phone line, text message, or by telling bus drivers. Complaints and compliments are tracked in a spreadsheet that includes the time, route, driver, and reason for the compliment/complaint. RTA responds to complaints if requested either on the spot, in writing, or by phone depending on the customer's preference.

RTA currently does not provide forms for complaints and compliments on its fixed route service or Runabout paratransit vehicles. RTA previously provided comment cards on buses, but discontinued their use after experiencing challenges with cards being thrown away or intentionally damaged.

Complaints on transit systems are generally measured per 100,000 boardings, though RTA does not currently have an adopted standard for this metric. Per 100,000 boardings, RTA received 15 complaints in FY 2010/11, nine complaints in FY 2011/12, and 11 complaints in FY 2012/13. In total, RTA received 16 compliments in FY 2010/11, 18 compliments in FY 2011/12, and 16 compliments in FY 2012/13.

The number of complaints on Runabout per 100,000 passengers was 36 in FY 2010/11, 3 in FY 2011/12, and 39 FY 2012/13. No compliments were received on Runabout in FY 2010/11; one was received in FY 2011/12, and two were received in FY 2012/13.

7 COUNTY SERVICES

This chapter presents an overview and performance assessment of four of the County services that RTA administers and for which it provides management oversight. The services are the Nipomo Dial-A-Ride, Cambria Shuttle, the Avila Beach Trolley, and the Shandon and Templeton Dial-A-Ride programs.

NIPOMO DIAL-A-RIDE

Nipomo Dial-A-Ride (NDAR) is a demand responsive service operated by RTA through a contract with the County of San Luis Obispo. Nipomo, an inland unincorporated area of San Luis Obispo County, which features lower home values than surrounding areas and relies heavily upon agriculture, is a rapidly growing community; its current population of approximately 16,700 is expected to double by 2025. The service was established as a result of an unmet needs assessment conducted in 1999, which identified Nipomo as an area underserved by community transit with a large number of public assistance recipients who needed transportation to work and school campuses.

Nipomo Dial-A-Ride offers door-to-door transportation Monday through Friday from 6:30 a.m. to 6:30 p.m. between most locations in Nipomo. In addition to using the service for work trips, local errands and appointments, users are encouraged to use the service to link with the RTA's Route 10 fixed route bus service which travels through the northeastern portion of the Nipomo area. Travel is by reservation only, which must be done by noon the day before a trip to guarantee a ride. Same day requests are honored if space is available. During the current audit period (August 2010) fares increased from \$1.75 to \$2.25 for adults and from \$1.25 to \$1.75 for seniors, disabled, and children per one way trip. The RTA utilizes one all-day dedicated vehicle for the service, as well as a second vehicle that was implemented in FY2011-12 during peak school bell times. Both vehicles are parked in Nipomo, although they are maintained at the RTA maintenance facility in San Luis Obispo.

Since the previous audit period, ridership for Nipomo Dial-A-Ride has steadily declined (by 1.2% in FY 2010/11, 14.3% in FY 2011/12, and 8.5% in FY 2012/13). Even though there was a 34% increase in service hours in FY 2011/12, ridership dropped by 14%. The result is that passenger productivity went from six hourly passengers to just under four (See Figure 8-1 below). Despite the three-year downward trend in ridership, both vehicle service miles and vehicle services hours increased over the audit period. In the final year of the audit period NDAR operated more than 32,000 service miles and over 3,000 service hours; up 9.7% and 41.5% respectively from the end of the previous audit period. It should be noted that capacity constraints exist during peak school bell times, despite operating two cutaway vans.

Operating costs declined by 9.5% and 11.3% in the last two fiscal years despite increases in service hours. Costs rose 8.6% to \$330,022 in FY 2012/13. Hourly costs showed a declining trend in the last three years yet costs are nearly \$98 per hour.

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With the decline in ridership over the audit period, fare revenue declined by 17.4%, but did not negatively affect farebox recovery until the final year of the audit period (5.8%, down from 6.8% in FYs 2010/11 and 2011/12). It should be noted that the Nipomo Dial-A-Ride has not met the 20% FRR required when the Nipomo area was included in the Santa Maria Urbanized Area. As a result of the 2010 Census, Nipomo was removed from the Santa Maria UZA – but the Dial-A-Ride program is still unable to meet the new lower 10% FRR.

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Figure 7-1 Nipomo Dial-A-Ride TDA Performance Indicator Trends (FY 2007/08 – FY 2012/13)

	FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	FY 2012/13
Performance Measures						
Operating Cost (Actual \$)	\$187,603	\$242,558	\$378,764	\$342,728	\$303,841	\$330,022
<i>Annual Change</i>		29.3%	56.2%	-9.5%	-11.3%	8.6%
Operating Cost (Constant \$)	\$187,603	\$227,722	\$366,963	\$328,654	\$280,870	\$299,631
<i>Annual Change</i>		21.4%	61.1%	-10.4%	-14.5%	6.7%
Fare Revenue (Actual \$)	\$15,037	\$16,756	\$23,149	\$23,395	\$20,741	19,114
<i>Annual Change</i>		11.4%	38.2%	1.1%	-11.3%	-7.8%
Vehicle Service Hours	1,923	2,177	2,171	2,271	3,048	3,073
<i>Annual Change</i>		13.2%	-0.3%	4.6%	34.2%	0.8%
Vehicle Service Miles	30,406	29,082	29,243	29,849	35,029	32,067
<i>Annual Change</i>		-4.4%	0.6%	2.1%	17.4%	-8.5%
Passengers	10,746	13,992	14,162	13,987	11,985	10,972
<i>Annual Change</i>		30.2%	1.2%	-1.2%	-14.3%	-8.5%
F/T Employee Equivalentents	2.0	2.0	2.0	3.0	3.0	3.0
Performance Indicators						
Oper. Cost per Hr. (Actual \$)	\$97.56	\$111.42	\$174.47	\$150.92	\$99.69	\$107.40
<i>Annual Change</i>		14.2%	56.6%	-13.5%	-33.9%	7.7%
Oper. Cost per Hr. (Constant \$)	\$97.56	\$104.60	\$169.03	\$144.72	\$92.15	\$97.51
<i>Annual Change</i>		7.2%	61.6%	-14.4%	-36.3%	5.8%

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Figure 7-2 Nipomo Dial-A-Ride TDA Performance Indicator Trends (FY 2007/08 – FY 2012/13) continued

	FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	FY 2012/13
Oper. Cost per Psgr. (Actual \$)	\$17.46	\$17.34	\$26.75	\$24.50	\$25.35	\$30.08
<i>Annual Change</i>		-0.7%	54.3%	-8.4%	3.5%	18.6%
Oper. Cost per Psgr. (Constant\$)	\$17.46	\$16.28	\$25.91	\$23.50	\$23.44	\$27.31
<i>Annual Change</i>		-6.8%	59.2%	-9.3%	-0.3%	16.5%
Psgs. per Hour	5.59	6.43	6.52	6.16	3.93	3.57
<i>Annual Change</i>		15.0%	1.5%	-5.6%	-36.2%	-9.2%
Psgs. per Mile	0.35	0.48	0.48	0.47	0.34	0.34
<i>Annual Change</i>		36.1%	0.7%	-3.2%	-27.0%	0.0%
Farebox Recovery (Actual \$)	8.0%	6.9%	6.1%	6.8%	6.8%	5.8%
<i>Annual Change</i>		-13.8%	-11.5%	11.7%	0.0%	-15.2%
<i>Annual Change in CPI-Urban Wage Earners & Clerical Workers - Seasonally Adjusted - LA/Riverside/Orange County</i>	2.65%	6.12%	-2.83%	0.96%	3.32%	1.53%
<i>Cumulative Change in CPI</i>	0.00%	6.12%	3.12%	4.11%	7.56%	9.21%

Sources/Notes:

FY 2007 – 2009 data from previous TDA Triennial audit (2010).

FY 2011 – 2013 data (except FTEs) from County TDA Quarterly Reports, 4th Quarter.

For FY 2010/11 – FY 2012/13, the quarterly reports include separate line items for operating costs and overhead costs. To retain consistency with earlier years, in this table, overhead costs have been added to operating costs to arrive a total operating cost.

CPI sourced from U.S. Bureau of Labor Statistics

Cumulative CPI change: Calculated by using the following formula: "(Initial year CPI index value / study year CPI index value)-1"

CAMBRIA TROLLEY

The Cambria Trolley, also known as the Otter Trolley, is designed to meet the summertime travel needs of both residents and visitors in the coastal village of Cambria. The service stops at designated locations in Cambria, which include stops along RTA's Route 15 fixed route bus service.

The service operates seasonally from Memorial Day Weekend in May to Labor Day Weekend in September on Fridays, Saturdays, and Sundays from 10 a.m. to 6 p.m. The service is free to all riders, however donations are accepted. The system raises funds through advertising and donations but still depends on the County for covering 90% of operating costs. One driver and one peak vehicle are required for operations, which is parked at the Cambria Water Treatment Plant and maintained at the RTA's facilities in San Luis Obispo. During FY 2010/11 a second trolley was acquired which is shared as a spare between Cambria Trolley and the Avila Beach Trolley.

In the first two years of the audit period, there was a precipitous decline in ridership on the Cambria Trolley (by 65.6% in FY 2010/11 and 87.2% in FY 2011/12). This was due to a suspension of service between FY 2010/11 and the final quarter of FY 2011/12 as a result of cessation of Chamber of Commerce funding. In the final year of the current audit period the service made a significant recovery, transporting 2,893 passengers; up 574.4% from FY 2011/12 but still a fraction of the 9,769 passengers transported at the end of the previous audit period and 14,057 passengers at the start of the six-year trend period.

With the suspension of service, vehicle service miles and vehicle service hours declined significantly and then increased towards stabilization once service resumed. Due to the suspension of service, operating costs declined by 70.6% and 77.9% in FYs 2010/11 and 2011/12. With the resumption of service, operating costs climbed 140.8% in FY 2012/13 to \$44,030 with hourly costs back to reasonable level of just under \$80, comparable to hourly costs in FY 2007/08.

As can be expected fare revenue declined in the first two years of the audit period to be followed by major growth in year three. The farebox recovery rose to 14.3% and 10.6% in the last two fiscal years, meeting the RTA's contractual obligations with the County and Chamber of Commerce to achieve a minimum of 10%. It should be noted that the farebox revenues were comprised of passenger donations, as well as Chamber of Commerce pre-payment of fares (i.e., fare-free service) and advertising revenues.

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Figure 7-2 Cambria Trolley TDA Performance Indicator Trends (FY 2007/08 – FY 2012/13)

	FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	FY 2012/13
Performance Measures						
Operating Cost (Actual \$)	\$153,256	\$175,715	\$281,037	\$82,601	\$18,284	\$44,030
<i>Annual Change</i>		14.7%	59.9%	-70.6%	-77.9%	140.8%
Operating Cost (Constant \$)	\$153,256	\$164,967	\$272,281	\$79,209	\$16,902	\$39,975
<i>Annual Change</i>		7.6%	65.1%	-70.9%	-78.7%	136.5%
Fare Revenue (Actual \$)	\$15,325	\$17,616	\$3,667	\$2,929	\$2,621	4,663
<i>Annual Change</i>		14.9%	-79.2%	-20.1%	-10.5%	77.9%
Vehicle Service Hours	1,855	1,787	1,749	764	109	552
<i>Annual Change</i>		-3.7%	-2.1%	-56.3%	-85.7%	406.4%
Vehicle Service Miles	29,260	28,196	26,784	11,607	1,848	9,478
<i>Annual Change</i>		-3.6%	-5.0%	-56.7%	-84.1%	412.9%
Passengers	14,057	12,638	9,769	3,357	429	2,893
<i>Annual Change</i>		-10.1%	-22.7%	-65.6%	-87.2%	574.4%
F/T Employee Equivalent	1.0	1.0	1.0			
Performance Indicators						
Oper. Cost per Hr. (Actual \$)	\$82.62	\$98.33	\$160.68	\$108.12	\$167.74	\$79.76
<i>Annual Change</i>		19.0%	63.4%	-32.7%	55.2%	-52.4%
Oper. Cost per Hr. (Constant \$)	\$82.62	\$92.32	\$155.68	\$103.68	\$155.06	\$72.42
<i>Annual Change</i>		11.7%	68.6%	-33.4%	49.6%	-53.3%
Oper. Cost per Psgr. (Actual \$)	\$10.90	\$13.90	\$28.77	\$24.61	\$42.62	\$15.22
<i>Annual Change</i>		27.5%	106.9%	-14.5%	73.2%	-64.3%
Oper. Cost per Psgr. (Constant\$)	\$10.90	\$13.05	\$27.87	\$23.60	\$39.40	\$13.82
<i>Annual Change</i>		19.7%	113.5%	-15.3%	67.0%	-64.9%

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Figure 7-2 Cambria Trolley TDA Performance Indicator Trends (FY 2007/08 – FY 2012/13) continued

	FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	FY 2012/13
Psgs. per Hour	7.58	7.07	5.59	4.39	3.94	5.24
<i>Annual Change</i>		-6.7%	-21.0%	-21.3%	-10.4%	33.2%
Psgs. per Mile	0.48	0.45	0.36	0.29	0.23	0.31
<i>Annual Change</i>		-6.7%	-18.6%	-20.7%	-19.7%	31.5%
Farebox Recovery (Actual \$)	10.0%	10.0%	1.3%	3.5%	14.3%	10.6%
<i>Annual Change</i>		0.3%	-87.0%	171.8%	304.3%	-26.1%
Annual Change in CPI-Urban Wage Earners & Clerical Workers - Seasonally Adjusted - LA/Riverside/Orange County	2.65%	6.12%	-2.83%	0.96%	3.32%	1.53%
Cumulative Change in CPI	0.00%	6.12%	3.12%	4.11%	7.56%	9.21%

Sources/Notes:

FY 2007 – 2009 data from previous TDA Triennial audit (2010).

FY 2011 – 2013 data for miles, hours, passengers from State Controllers Reports. Data for operating cost and fare revenue from County TDA Quarterly Reports, 4th Quarter.

For FY 2010/11 – FY 2012/13, the quarterly reports include separate line items for operating costs and overhead costs. To retain consistency with earlier years, in this table, overhead costs have been added to operating costs to arrive a total operating cost.

CPI sourced from U.S. Bureau of Labor Statistics

Cumulative CPI change: Calculated by using the following formula: "(Initial year CPI index value / study year CPI index value)-1"

SHANDON AND TEMPLETON DIAL-A-RIDE PROGRAMS

The Shandon and Templeton Dial-A-Ride programs began service in 2005 following the abandonment of a contract by a local taxi service. Since then it has struggled to sustain a sizeable number of riders due to the small population of the service area.

Door-to-door transportation is provided Mondays, Wednesdays, and Fridays from 8:00 a.m. to 5:00 p.m. by Shandon Dial-A-Ride (including connecting service to Paso Robles), and Tuesdays, Thursdays, and Saturdays from 8:00 a.m. to 5:00 p.m. by Templeton Dial-A-Ride. Travel is by reservation only, which must be done by noon the day before a trip to guarantee a ride. Same day requests are honored if space is available. In August 2010, fares for the Shandon service were increased from \$4.00 to \$5.00 per ride and from \$2.00 to \$5.00 per ride for the Templeton service.

Due to the limited service area of these two programs, ridership and service hours and miles are minimal. In the first year of the audit period the service carried only 17 passengers, followed by 140 in FY 2011/12, and 27 in FY 2012/13. Passenger productivity trends are mixed, but the service typically carries between one and two passengers per hour. In FY 2011/12, the service operated 1,387 miles and 168 hours; in comparison the service operated 471 miles and 17 hours when it transported just 17 passengers in FY 2010/11.

Hourly operating costs fluctuate tremendously. In FY 2010/11, hourly costs were over \$250 and then declined to \$90.72 the following year and then back up to \$118 in FY 2012/13. The farebox recovery ratio had been hovering at two percent for five years and then increased to 10% even though the service carried only 27 passengers.

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Figure 7-3 Shandon-Templeton Dial-A-Ride TDA Performance Indicator Trends (FY 2007/08 – FY 2012/13)

	FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	FY 2012/13
Performance Measures						
Operating Cost (Actual \$)	\$33,167	\$26,108	\$4,950	\$2,593	\$15,206	\$1,186
<i>Annual Change</i>		-21.3%	-81.0%	-47.6%	486.4%	-92.2%
Operating Cost (Constant \$)	\$33,167	\$24,511	\$4,796	\$2,487	\$14,056	\$1,077
<i>Annual Change</i>		-26.1%	-80.4%	-48.2%	465.3%	-92.3%
Fare Revenue (Actual \$)	\$892	\$554	\$50	\$52	\$310	123
<i>Annual Change</i>		-37.9%	-91.0%	4.0%	496.2%	-60.3%
Vehicle Service Hours	312	105	8	17	168	10
<i>Annual Change</i>		-66.3%	-92.4%	112.5%	886.0%	-94.0%
Vehicle Service Miles	4,174	2,011	269	471	1,387	164
<i>Annual Change</i>		-51.8%	-86.6%	75.1%	194.5%	-88.2%
Passengers	346	250	14	17	140	27
<i>Annual Change</i>		-27.7%	-94.4%	21.4%	723.5%	-80.7%
F/T Employee Equivalents	0.47	0.16	0.01			
Performance Indicators						
Oper. Cost per Hr. (Actual \$)	\$106.30	\$248.65	\$618.75	\$152.53	\$90.72	\$118.60
<i>Annual Change</i>		133.9%	148.8%	-75.3%	-40.5%	30.7%
Oper. Cost per Hr. (Constant \$)	\$106.30	\$233.44	\$599.47	\$146.27	\$83.86	\$107.68
<i>Annual Change</i>		119.6%	156.8%	-75.6%	-42.7%	28.4%
Oper. Cost per Psgr. (Actual \$)	\$95.86	\$104.43	\$353.57	\$152.53	\$108.61	\$43.93
<i>Annual Change</i>		8.9%	238.6%	-56.9%	-28.8%	-59.6%

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Figure 7-3 Shandon Dial-A-Ride TDA Performance Indicator Trends (FY 2007/08 – FY 2012/13) continued

	FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	FY 2012/13
Oper. Cost per Psgr. (Constant\$)	\$95.86	\$98.04	\$342.56	\$146.27	\$100.40	\$39.88
<i>Annual Change</i>		2.3%	249.4%	-57.3%	-31.4%	-60.3%
Psgs. per Hour	1.11	2.38	1.75	1.00	0.84	2.70
<i>Annual Change</i>		114.7%	-26.5%	-42.9%	-16.5%	223.3%
Psgs. per Mile	0.08	0.12	0.05	0.04	0.10	0.16
<i>Annual Change</i>		50.0%	-58.1%	-30.6%	179.7%	63.1%
Farebox Recovery (Actual \$)	2.7%	2.1%	1.0%	2.0%	2.0%	10.4%
<i>Annual Change</i>		-21.1%	-52.4%	98.5%	1.7%	408.7%
<i>Annual Change in CPI-Urban Wage Earners & Clerical Workers - Seasonally Adjusted - LA/Riverside/Orange County</i>	2.65%	6.12%	-2.83%	0.96%	3.32%	1.53%
<i>Cumulative Change in CPI</i>	0.00%	6.12%	3.12%	4.11%	7.56%	9.21%

Sources/Notes:

FY 2007 – 2009 data from previous TDA Triennial audit (2010).

FY 2011 – 2013 data (except FTEs) from County TDA Quarterly Reports, 4th Quarter.

For FY 2010/11 – FY 2012/13, the quarterly reports include separate line items for operating costs and overhead costs. To retain consistency with earlier years, in this table, overhead costs have been added to operating costs to arrive a total operating cost.

CPI sourced from U.S. Bureau of Labor Statistics

Cumulative CPI change: Calculated by using the following formula: "(Initial year CPI index value / study year CPI index value)-1"

8 MAJOR FINDINGS AND RECOMMENDATIONS

This chapter presents the major audit findings and recommendations for the RTA's fixed route and Runabout service as well as the three County services administered by RTA.

MAJOR FINDINGS

TDA Compliance

- RTA met all requirements for technical compliance with TDA definitions.
- Three of the four recommendations from the last RTA performance audit were fully implemented and one is partially complete:
 - *Recommendation #3:* Obtain assistance to develop and evaluate scheduling, vehicle blocking, and driver assignment options to implement the SLO Transit SRTP recommendations and, in conjunction with RTA, to address coordination issues resulting from recommendations in RTA's SRTP update.

This recommendation has not been fully implemented although RTA and SLO Transit staff have been working together to improve regional service coordination through the "Central Area Efficiency Committee". Plans are underway to develop a joint SRTP between RTA and SLO Transit in FY 2014/15. One of the goals of the SRTP Update is to improve service and schedule coordination between the two systems.

Fixed Route Service

- During the audit period, RTA took possession of new Low Floor diesel-powered Gillig buses to replace many of the aging vehicles in its fixed route fleet. This was a significant accomplishment as securing capital funds is a major challenge for RTA.
- RTA met most of its adopted service standards during FY 2011/12 and FY 2012/13 (as stated in the 2012-2014 Strategic Business Plan); with one exception being that several vehicles exceeded their useful life by more than 1-3 years. While some new vehicles were delivered and placed in service during the audit period, a second round of vehicle orders was also placed and these vehicles are scheduled to arrive in Spring 2014.
- SLOCOG jointly with RTA and SLO-Transit completed the comprehensive planning study for the downtown transit center in May 2012 with right of way acquisition as the next step in the planning process. A major challenge going forward for the region is to secure adequate funding for this environmental review / engineering study phases as well as funding to design and construct the proposed shared transit center with SLO Transit to be located on North Higuera Streets between Toro and Santa Rosa Streets.

- To address RTA’s ongoing challenges of obtaining funds for its capital needs and to mitigate the risks of revenue shortfalls, RTA is applauded for developing a policy to establish a formal contingency or reserve fund that was presented to the Board of Directors just outside the audit period. This wise and prudent step to have a “rainy day” fund for unanticipated expenses, capital reserves and other related purposes is good public policy.
- RTA was a major participant in the development of the May 2012 North County Transit Plan and has continued to work with SLOCOG and the Cities of Atascadero and Paso Robles to implement the recommendations to consolidate their services under the RTA scheduled for June 2014.
- A number of service changes were introduced during the three year audit period. In August 2011 Route 14 was implemented, adding peak hour service between San Luis Obispo and Cuesta College. In June 2012, Saturday service on all fixed route services were increased from four trips to five. Other route changes were made to improve scheduling and accommodate passenger needs.
- During the audit period, RTA experienced significant gains in annual ridership with approximately 200,000 new riders. As a result, there was a declining trend in operating costs per passenger in the last three years and passenger productivity has been improving steadily and exceeded RTA’s standard of 21 passengers per hour in FYs 2011/12 and 2012/13.
- RTA is commended for exceeding its farebox recovery ratio target of “greater than 20% percent” as stated in the 2012-2014 Strategic Business Plan. In the current audit period, the farebox recovery ratio hovered between 29% and 31%.

Runabout

- During the audit period, service levels were increased on Runabout along with changes in service policies and its software system:
 - To accommodate the growing demand for service and longer distance trips plus the need to avoid service denials, operating service hours increased each year for the last three years. According to staff, this meant occasional overtime hours for drivers.
 - A no-show policy was implemented in March 2013 in an effort to improve efficiency. Under the policy, any passenger who is a no-show or cancels their trip after 5 p.m. the day before their scheduled pick-up is given penalty points. A passenger may get temporarily suspended if they accumulate too many points over a specified period of time, although they have the right to appeal within 30 days of a suspension notification.
 - Runabout converted its computerized dispatch software; from Trapeze to Route Match and includes an Automobile Vehicle Locator (AVL) function. One of the advantages of this conversion is that Ride-On Transportation uses this software which enables the two services to share information to improve ride coordination.
- To become ADA eligible, a completed application with the signature of a medical professional must be submitted to RTA who reviews the application and determines eligibility. There are no in-person assessments. All eligible Runabout riders must be re-certified every three years.

- Ridership steadily increased in the last three years along with an increase in service hours. However, there was a declining trend in the number of passengers carried per hour, which was at 1.5 in FY 2012/13. According to staff, this trend is mainly attributed to the growth in long distance trips.
- Runabout costs including both hourly and passenger costs have trended upward for the last six years. Per passenger costs were \$67.85 by the end of FY 2012/13 and hourly costs were approximately \$100.
- The farebox recovery ratio peaked in FY 2007/08 at seven percent and has hovered at four percent in the last three years.

County Services

The RTA administers and manages four of the San Luis Obispo County services including the Nipomo Dial-A-Ride, Cambria Trolley, the Beach Trolley, and the Shandon and Templeton Dial-A-Ride Programs. The Beach Trolley is not addressed in this Audit. Please refer to the South County Transit (SCT) Audit for information on this service. The major findings based on a limited performance assessment of the other three services are summarized below.

Nipomo Dial-A-Ride

- Nipomo Dial-A-Ride offers service on weekdays with a 12 hour service span. The service operates with one dedicated all-day RTA vehicle and a second peak-period RTA vehicle. Service hours have fluctuated up and down but have not exceeded 3,007 annual revenue hours of service.
- In August 2010 fares increased from \$1.75 to \$2.25 for adults and from \$1.25 to \$1.75 for seniors, disabled, and children per one way trip.
- The service carried just under 11,000 passengers in FY 2012/13 with a productivity of three hourly passengers. Hourly costs are very high ranging between \$99 and \$151 in the last three years.

Cambria Trolley

- The Cambria Trolley is a seasonal service that operates from Memorial Day Weekend to Labor Day Weekend on Fridays, Saturdays, and Sundays from 10 a.m. to 6 p.m.
- The County covers 90% of the operating costs and the remaining 10% comes from advertising and donations.
- Service was suspended between FY 2010/11 and the final quarter of FY 2011/12 due to a funding issue. Only 109 hours of service were operated in that year and just 552 hours of service were operated the following year.
- Less than 3,000 passengers were served in the last year of the audit, carrying approximately five hourly passengers.
- Hourly operating costs have fluctuated widely ranging from a low of just under \$80 in FY 2012/13 to a high of \$168 in FY 2011/12.
- The Cambria Trolley was replaced in 2014 with a special-events only service operating six days per year.

Shandon and Templeton Dial-A- Ride Programs

- Door-to-door transportation is provided Mondays, Wednesdays, and Fridays from 8:00 a.m. to 5:00 p.m. In August 2010, fares increased from \$4.00 to \$5.00 per ride.
- In the first year of the audit period the service carried only 17 passengers, followed by 140 in FY 2011/12, and 27 in FY 2012/13. Passenger productivity trends are mixed, but the service typically carries between one and two passengers per hour.
- Hourly operating costs fluctuate tremendously. In FY 2010/11, hourly costs were over \$152 and then declined to \$91 the following year and then were back up to \$119 in FY 2012/13.
- The farebox recovery ratio had been hovering at two percent for five years and then increased to 10% in FY 2012/13 even though the service carried only 27 passengers.

RECOMMENDATIONS

A total of five near-term recommendations are offered for consideration by RTA. The recommendations address RTA fixed route and Runabout services as well as the county services administered by the RTA.

Recommendation #1

The next SRTP update is intended to be a cooperative effort with SLO Transit. One of the primary objectives of this SRTP update should be to develop action oriented strategies to improve coordination between the two systems. This is a carryover recommendation from the prior audit.

RTA staff intends to develop a joint SRTP with SLO Transit in FY 2014/15. During the planning process, RTA staff should consider several options for improving coordination between RTA and SLO Transit routes including:

- Strategies to minimize duplication of services
- Opportunities to improve service frequency where routes overlap
- Opportunities to coordinate schedules and transferring, particularly between local and regional routes
- Opportunities for re-sited bus stops
- Strategies to develop coordinated scheduling and driver assignment options to implement the prior audit recommendations.

The Central Area Efficiency Committee has been working with RTA and SLO Transit staff on regional coordination issues and should serve as an advisory committee to the SRTP planning process.

- *Persons Responsible for Follow-up: Manager of Marketing and Community Relations, and RTA Executive Director*
- *Implementation Timeframe: FY 2014/15, 3rd Quarter to FY 2015/16 3rd Quarter*

Recommendation #2

RTA should explore the feasibility and practicality of employing a subsidized taxi program for a portion of the Runabout service. A subsidized taxi program can be a cost effective strategy for serving some of the longer distance rides and supplement service during peak periods.

In the last six years, Runabout service hours have increased over 50% and operating costs have more than doubled. With continued demand for service combined with longer distance passenger trips, Runabout costs will continue to rise. One strategy for controlling costs is to introduce a subsidized taxi program. The Auditor understands that a subsidized taxi program was considered by RTA in the past; however the agency elected not to pursue it at that time.

A number of transit agencies across the U.S. have implemented such programs primarily as a way to shift demand from their ADA paratransit services to a lower-cost alternative service, while at the same time providing more mobility options for their ADA paratransit customers. Many transit agencies use taxi services to provide peak overflow trips, trips in low demand areas or times of the day, and long out-of-the-way trips that would otherwise adversely affect the productivity of their dedicated fleets. In addition, several transit agencies use these non-dedicated services to more efficiently and swiftly respond to accidents and breakdowns; to respond to “no-shows” or to dedicated vehicles that are running late (in order to get that vehicle back on schedule) or to handle seasonal or fluctuations in demand. The general approach is to try to maximize the productivity of the dedicated fleet by ensuring that trips that do not positively contribute to a productive dedicated fleet get assigned to taxis and/or other non-dedicated service providers.

Some of the major challenges transit agencies experience with taxi companies is their ability to participate given federal requirements (such as drug and alcohol testing and training) and sensitivity training for drivers. Another major challenge is that taxicab service is not currently operated in many parts of the County, thereby limiting use in some areas (i.e., Cambria and the North County communities) that contribute to long Runabout trips. These challenges can be overcome especially if there is a pool of taxi companies in the area. Another option is to continue to experiment with contracting with Ride-On to provide ADA passenger trips where feasible.

- *Persons Responsible for Follow-up: Manager of Operations and RTA Executive Director*
- *Implementation Timeframe: FY 2014/15, 3rd Quarter*

Recommendation #3

Consider exploring the option of in-person assessments for determining ADA eligibility. This could include interviews or functional assessments, or having a subset or all applicants come in for an assessment. The goal should never be to simply deny eligibility to applicants; it should, however, ensure that applicants are matched to the transportation mode that is most suited to their functional ability.

The current process for determining ADA eligibility for Runabout service requires completing a paper application with the applicant self reporting their disability that prevents them from using fixed route transit service. The application must include a signature of a medical professional attesting that the applicant is prevented from riding fixed-route bus service because of a disability or health condition. There are no in-person assessments. Based on the information submitted by

applicants, qualified RTA staff make a determination on ADA eligibility. All eligible Runabout riders must be re-certified every three years.

Paper-based eligibility certification models were the most common model in the 1990s following the passage of the ADA. However, with the rise of paratransit costs, programs around the country, agencies are increasingly paying attention to the one tool that the legislation does allow to effectively manage costs – a more robust eligibility process. In contrast to the paper-based model, in-person assessments allow for a conversation with applicants in which their abilities can be discussed, in addition to alternatives to paratransit which may be better suited to their mobility needs.

Almost every large paratransit program in the country has adopted the in-person assessment model, most of which include a functional assessment. However, in the past five years, many medium and smaller paratransit programs have also adopted this model. Some examples in California include Santa Rosa, Santa Cruz, and Monterey, and others in western states include Boise, Albuquerque, Spokane, and Reno.

An alternate method is to implement a more intense application, which includes an expanded functional review by the applicant's doctor.

- *Persons Responsible for Follow-up: RTA CFO / Director of Finance and Administration, and RTA Executive Director*
- *Implementation Timeframe: FY 2015/16, 2nd Quarter*

Recommendation #4

RTA should develop goals and attainable performance standards for the four County services and create periodic and annual reports that tie performance statistics directly to adopted goals and standards. These reports should be shared with County staff and the Board of Supervisors.

The review and assessment of the County services revealed wide variation in their performance from year to year. Cost effectiveness and efficiency indicators generally showed poor performance in comparison to year-round public transit services in more densely developed areas and the measures fluctuated tremendously because of service suspensions, seasonal service, and extremely low levels of service. While the Shandon, Templeton and Nipomo Dial-A-Ride services may provide “lifeline service” for people who have limited mobility with no other travel options and the Cambria Trolley provides local residents and tourists a summer service, their performance should be assessed against realistic standards on a regular basis to determine if the services should be continued, modified, or eliminated.

The Auditor recommends that RTA staff collaborate with the County to develop a set of performance standards for the county services that address efficiency and cost effectiveness measures and reflect the local operating environment. On an annual basis, the RTA should prepare a report presenting the key performance indicators and whether the standards have been met.

- *Persons Responsible for Follow-up: Director of Finance & Administration and RTA Executive Director*
- *Implementation Timeframe: FY 2014/15, 2nd Quarter*

Recommendation #5

To maximize sales distribution of RTA passes, all Joint Powers Authority (JPA) member jurisdictions should agree to sell RTA passes at their respective city hall or county offices.

Currently RTA passes are sold throughout the service area at select Rabobank branches and Chambers of Commerce, Cal Poly State University, Cuesta College and at City Halls in Arroyo Grande, Grover Beach Atascadero, and the County Public Works Department and at RTA's office in San Luis Obispo. RTA passes can also be purchased online at Ridehsare.org.

To make it easy and convenient for passengers to purchase RTA passes, it is desirable for passes to be sold at *all* city halls and county offices. Ideally, pass sales should be available during normal business hours; between 9AM and 5PM.

- *Persons Responsible for Follow-up: Director of Finance & Administration and RTA Executive Director*
- *Implementation Timeframe: FY 2014/15, 2nd Quarter*

Recommendation #6

Work with San Luis Obispo County to review and update the Operating Agreement for Avila Beach Trolley Services

The Avila Beach Trolley is funded by San Luis Obispo County through its agreement with RTA. RTA currently contracts with South County Transit (SCT) to operate the Trolley service using SCT bus operators and RTA-owned equipment. The 2011 SCT Short Range Transit Plan (SRTP) recommended extending the Trolley into Pismo Beach on hourly headways and to only operate during peak seasons. These service changes were implemented in 2012. In addition, the SRTP recommended that the County should seek funding from a Pismo Beach entity (City of Pismo Beach or the Pismo Convention and Visitors Bureau) to partially fund the service.

The County should work with its RTA and SCT partners to develop a long-term operating and funding agreement that addresses the new 20% farebox recovery ratio required as a result of the 2010 Census Arroyo Grande – Grover Beach Urbanized Area designation (which includes the Avila Beach area).

- *Persons Responsible for Follow-up: RTA Executive Director, County staff*
- *Implementation Timeframe: FY 2014/15, 4th Quarter*