



# FY 2014—2016 TRIENNIAL PERFORMANCE AUDIT OF IVT ACCESS



SUBMITTED TO:

**Imperial County Transportation Commission**

**September 2017**

SUBMITTED BY:

**Michael Baker**  
INTERNATIONAL

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## Section I

### Introduction

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

The Imperial County Transportation Commission (ICTC) engaged Michael Baker International (Michael Baker) to conduct the Transportation Development Act (TDA) triennial performance audit of the public transit operators under its jurisdiction in Imperial County. This performance audit is conducted for IVT ACCESS covering the most recent triennial period, fiscal years 2013-14 through 2015-16.

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

In summary, this TDA audit affords the opportunity for an independent, constructive and objective evaluation of the organization and its operations that otherwise might not be available. The methodology for the audit included in-person interviews with management, collection and review of agency documents, data analysis, and on-site observations. The *Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Entities* published by the California Department of Transportation (Caltrans) was used to guide in the development and conduct of the audit.

### Overview of the Transit System

IVT ACCESS is the countywide intercity demand response transit service administered by ICTC and operated under contract. In response to the Americans with Disabilities Act (ADA), IVT ACCESS was created in 1994 to provide complementary paratransit service within a ¾-mile corridor to Imperial Valley Transit (IVT) fixed routes with the same service hours as IVT. Service is curb to curb and is open to eligible ADA-certified passengers, as well as to seniors over 60 years of age on a space-available basis. The paratransit service is operated by First Transit, Inc., which operates other Imperial Valley transit services.

Imperial County is geographically located in the southeastern corner of California, stretching from the United States-Mexico border to the south, Riverside County to the north, San Diego County

to the west, and the State of Arizona and Colorado River to the east. The terrain varies from 235 feet below sea level at the Salton Sea to 4,548 feet at Blue Angel Peak. The county’s geographical land area encompasses 4,176 square miles and is traversed by 2,555 miles of roadway. Major highways include Interstate 8 and State Routes (SR) 7, 78, 86, 98, 111, and 115. A demographic snapshot of key cities and the county is presented below in Table I-1:

**Table I-1  
Imperial County Demographics**

City/Jurisdiction	2010 US Census Population	Change from 2000 US Census %	Population 65 years & older %	2017 Department of Finance Estimates	Land area (in square miles)
Brawley	24,953	+13.1%	10.05%	26,928	7.68
Calexico	38,572	+42.5%	11.43%	40,921	8.39
Calipatria	7,705	+5.7%	4.65%	7,555	3.72
El Centro	42,598	+11.4%	10.70%	45,628	11.08
Holtville	5,939	+5.8%	12.26%	6,255	1.15
Imperial	14,758	+91.8%	6.48%	18,658	5.86
Westmorland	2,225	+3.4%	11.24%	2,302	0.59
Unincorporated Area	37,778	+17.1%	11.62%	40,087	4,146.53
Total Imperial County	174,528	+22.6%	10.40%	188,334	4,176.60

Source: 2010 U.S. Census, California Department of Finance, 2017 Population Estimates

The city of El Centro is the county seat and largest city. The county and its incorporated cities saw notable growth between the 2000 and 2010 U.S. Census, in particular, the cities of Calexico and Imperial. The senior citizen population, comprised of residents aged 65 and over is 10.4 percent countywide. The 2017 population for Imperial County is estimated to be 188,334 as reported by the State Department of Finance. The population of El Centro is followed in descending order by those of Calexico, Brawley, Imperial, Calipatria, Holtville, and Westmorland.

System Characteristics

IVT ACCESS operates the same days and hours as the IVT fixed route, within 30 minutes of the IVT bus schedule. Hours of operation are from 6:00 a.m. to 12:30 a.m., Monday through Friday, from 6:00 a.m. to 6:00 p.m. on Saturday and from 7:00 a.m. to 5:30 p.m. on Sunday. Sunday service was implemented in January 2014. The system does not operate on the following holidays: New Year’s Day, Martin Luther King Day (observed), Presidents’ Day, Memorial Day (observed), Independence Day (observed), Labor Day, Veterans Day, Thanksgiving, and Christmas. If a holiday falls on a Saturday, IVT ACCESS may not operate on the Friday that the holiday is observed. If a holiday falls on a Sunday, IVT ACCESS may not operate on the Monday that the holiday is observed. Reservations for service are accepted up to 14 days in advance.

Fares

The fares charged by IVT ACCESS for ADA-certified passengers are twice the amount of the IVT fixed-route fare and are based on a zone system. The fare being set at two times the IVT fare follows the Americans with Disabilities Act (ADA) requirements. Personal care attendants for ADA passengers ride free of charge while non-ADA-certified passengers are charged three times the fixed route fare. Personal care attendants accompanying non-ADA-certified passengers are required to pay the same fare. Cash is an acceptable form of payment when boarding the vehicle. For subscription and non-subscription trips, IVT ACCESS offers direct billing for social service agencies. IVT ACCESS implemented a fare increase effective September 2013. The local zone fare was increased from \$1.50 to \$2.00 and the regional zone fare was increased from \$2.00 to \$2.50. The IVT ACCESS fare schedule is summarized below in Table I-2.

**Table I-2  
IVT ACCESS Fare Schedule**

Passenger Category	Fares (Before Increase)		Fares (After September 2013 Increase)	
	One Zone	Multi-Zone	One Zone	Multi-Zone
ADA-Certified	\$1.50	\$2.00	\$2.00	\$2.50
Senior (60+)/Non-ADA	\$2.25	\$3.00	\$3.00	\$3.75

Source: IVT ACCESS

Fleet

IVT ACCESS operates a fleet of 11 vehicles which are wheelchair lift equipped and conform to the requirements of the Americans with Disabilities Act (ADA) of 1990. The fleet is summarized in Table I-3 below.

**Table I-3  
IVT ACCESS Fleet Inventory**

Year	Make & Model	Quantity	Fuel type	Seating Capacity
2016	Ford E-450 Starcraft	11	Unleaded Gas	17 (4 W/C)

Source: ICTC  
W/C=Wheelchair

Prior to the delivery of the 2016 Ford E-450 Starcraft vehicles, IVT ACCESS operated two 20-passenger 2011 Ford E-450 Goshen vehicles and eight 20-passenger 2012 Chevy 4500 Starcraft vehicles. Both models have since been phased out of service.

## Section II

### Operator Compliance Requirements

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

Table II-1 Operator Compliance Requirements Matrix		
Operator Compliance Requirements	Reference	Compliance Efforts
The transit operator submitted annual reports to the RTPA based upon the Uniform System of Accounts and Records established by the State Controller. Report is due 90 days after end of fiscal year (Sept. 28/29), or 110 days (Oct. 19/20) if filed electronically (Internet).	Public Utilities Code, Section 99243	Completion/submittal dates:  FY 2014: October 1, 2014 FY 2015: October 19, 2015 FY 2016: October 18, 2016  The FY 2016 Transit Operators Financial Transactions Report was completed within the statutory timeframe but the cover page shows a signed date of January 31, 2017 by the ICTC Executive Director on behalf of the fiscal officer.  <b>Conclusion: Complied.</b>
The operator has submitted annual fiscal and compliance audits to the RTPA and to the State Controller within 180 days following the end of the fiscal year (Dec. 27), or has received the appropriate 90-day extension by the RTPA allowed by law.	Public Utilities Code, Section 99245	Completion/submittal dates:  FY 2014: January 29, 2015 FY 2015: January 8, 2016 FY 2016: March 16, 2017  A 90-day extension was granted by the RTPA pursuant to the TDA statute.

Table II-1 Operator Compliance Requirements Matrix		
Operator Compliance Requirements	Reference	Compliance Efforts
		<b>Conclusion: Complied.</b>
The CHP has, within the 13 months prior to each TDA claim submitted by an operator, certified the operator's compliance with Vehicle Code Section 1808.1 following a CHP inspection of the operator's terminal.	Public Utilities Code, Section 99251 B	<p>IVT ACCESS, through its contract operator, participates in the CHP Transit Operator Compliance Program in which the CHP has conducted inspections within the 13 months prior to each TDA claim. Inspections for IVT ACCESS vehicles were conducted at First Transit located at 792 East Ross Road, El Centro.</p> <p>Transit Operator Compliance Certificates and inspections applicable to the audit period were July 25 &amp; 26, 2013; November 10 &amp; 12, 2014; November 9 &amp; 10, 2015; and October 27 &amp; 31; November 3, 2016.</p> <p>Inspections were found to be satisfactory.</p> <p><b>Conclusion: Complied.</b></p>
The operator's claim for TDA funds is submitted in compliance with rules and regulations adopted by the RTPA for such claims.	Public Utilities Code, Section 99261	<p>As a condition of approval, annual claims for Local Transportation Funds and State Transit Assistance for IVT-ACCESS are submitted in compliance with the rules and regulations adopted by ICTC.</p> <p><b>Conclusion: Complied.</b></p>
If an operator serves urbanized and non-urbanized	Public Utilities Code, Section 99270.1	This requirement is not applicable, as IVT ACCESS

Table II-1 Operator Compliance Requirements Matrix		
Operator Compliance Requirements	Reference	Compliance Efforts
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.		provides specialized paratransit service and is subject to a different farebox ratio.  <b>Conclusion: Not Applicable.</b>
The operator's operating budget has not increased by more than 15% over the preceding year, nor is there a substantial increase or decrease in the scope of operations or capital budget provisions for major new fixed facilities unless the operator has reasonably supported and substantiated the change(s).	Public Utilities Code, Section 99266	Percentage increase in the IVT ACCESS operating budget:  FY 2014: +10.9% FY 2015: +3.9% FY 2016: +4.7%  The increase in the FY 2014 operating budget is attributed to expanded service hours on the weekend, technology upgrades, increased demand from ADA-certified passengers and enhanced marketing efforts.  Source: ICTC Annual Productivity Reports.  <b>Conclusion: Complied.</b>
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	Public Utilities Code, Section 99247	ICTC's definition of performance measures as tracked and recorded by the contract operator is consistent with Public Utilities Code, Section 99247. However, more consistency between data in internal and external reports is required.  <b>Conclusion: Complied</b>



Table II-1 Operator Compliance Requirements Matrix		
Operator Compliance Requirements	Reference	Compliance Efforts
hours, (i) vehicle service miles, and (j) vehicle service hours per employee.		
If the operator serves an urbanized area, it has maintained a ratio of fare revenues to operating costs at least equal to one-fifth (20 percent), unless it is in a county with a population of less than 500,000, in which case it must maintain a ratio of fare revenues to operating costs of at least equal to three-twentieths (15 percent), if so determined by the RTPA.	Public Utilities Code, Sections 99268.2, 99268.3, 99268.12, 99270.1	This requirement is not applicable, as IVT ACCESS provides specialized paratransit service and is subject to a different farebox ratio.  <b>Conclusion: Not Applicable.</b>
If the operator serves a rural area, or provides exclusive services to elderly and disabled persons, it has maintained a ratio of fare revenues to operating costs at least equal to one-tenth (10 percent).	Public Utilities Code, Sections 99268.2, 99268.4, 99268.5	Under PUC Section 99268.5, the farebox recovery ratio requirement for exclusive service for the elderly and disabled persons is 10 percent. IVT ACCESS' farebox ratio is factored into the IVT systemwide blended farebox ratio based on fixed route and demand response services.  ICTC, pursuant to State law (PUC Section 99270.1), is responsible for calculating an intermediate or "blended" fare recovery ratio, including the methodology for calculating the ratio. The last update in May 2013 reflects changes to the urbanized designation due to the 2010 Census. The blended farebox recovery ratio approved by Caltrans is 17 percent.

Table II-1 Operator Compliance Requirements Matrix		
Operator Compliance Requirements	Reference	Compliance Efforts
		<p>IVT ACCESS' operating ratios using internal financial data were as follows:</p> <p>FY 2014: 5.13%                      FY 2015: 5.01%                      FY 2016: 4.64%</p> <p>Source: ICTC Annual Productivity Reports.</p> <p><b>Conclusion: Complied (using systemwide ratio).</b></p>
<p>The current cost of the operator's retirement system is fully funded with respect to the officers and employees of its public transportation system, or the operator is implementing a plan approved by the RTPA which will fully fund the retirement system within 40 years.</p>	<p>Public Utilities Code, Section 99271</p>	<p>ICTC contracts with a private provider for operations, while ICTC employees are covered under the Imperial County Employees' Retirement System (ICERS) pursuant to the 1937 Act County Employees' Retirement Law.</p> <p><b>Conclusion: Complied.</b></p>
<p>If the operator receives state transit assistance funds, the operator makes full use of funds available to it under the Urban Mass Transportation Act of 1964 before TDA claims are granted.</p>	<p>California Code of Regulations, Section 6754(a)(3)</p>	<p>ICTC expended State Transit Assistance Fund (STAF) revenues on specialized demand response services and makes use of federal transit grant funds as follows:</p> <p>FY 2014: \$305,680 (Operations)                      FY 2015: \$543,818 (Operations)                      FY 2016: \$-0-</p> <p>Source: Transit Operators Financial Transactions Reports</p> <p><b>Conclusion: Complied.</b></p>

### **Findings and Observations from Operator Compliance Requirements Matrix**

1. Of the compliance requirements pertaining to IVT ACCESS, the operation fully complied with each of the nine applicable requirements. Two additional compliance requirements did not apply to IVT ACCESS (e.g., rural/urban farebox recovery ratios).
2. IVT ACCESS' farebox ratio is factored into the IVT systemwide blended farebox ratio based on fixed route and demand response services. The blended farebox recovery ratio approved by Caltrans is 17 percent, which was met in each of the three years. The farebox recovery ratio for IVT ACCESS was 5.13 percent in FY 2014, 5.01 percent in FY 2015; and 4.64 percent in FY 2016. The average farebox recovery ratio for IVT ACCESS was 4.93 percent during the triennial review period.
3. Through its contract operator, ICTC participates in the CHP Transit Operator Compliance Program and received vehicle inspections within the 13 months prior to each TDA claim. Satisfactory ratings were made for all inspections conducted during the audit period.
4. The operating budget exhibited modest increases period that did not exceed 15 percent. The FY 2014 operating budget increased 10.9 percent due to expanded weekend service hours, technology upgrades, increased demand from ADA-certified passengers and enhanced marketing efforts. Subsequently, the budget increased 3.9 percent and 4.9 percent in FY 2015 and FY 2016, respectively.

## Section III

### Prior Triennial Performance Recommendations

IVT ACCESS' efforts to implement the recommendations made in the prior triennial audit are examined in this section of the report. For this purpose, each prior recommendation for the agency is described, followed by a discussion of the operator's efforts to implement the recommendation. Conclusions concerning the extent to which the recommendations have been adopted by the agency are then presented.

#### Prior Recommendation 1

Further Publicize and Enforce the IVT ACCESS No-Show policy.

*Background:* With the increase in the number of ADA-certified passengers using IVT ACCESS, the prior audit noted that the service had issues with informing riders of system protocol as it relates to properly canceling a ride. The number of no-shows, which results from a passenger not being available when a vehicle arrives, increased 47 percent from 1,205 in FY 2010 to 1,768 in FY 2013. No shows reduce productivity and efficiency of the transit service. Per First Transit, a significant number of No-shows were from subscription clients of social service agencies. A no-show policy was implemented during the prior audit period; however, the policy had not yet been broadly advertised or fully enforced. The IVT ACCESS brochure does not contain the no-show policy although it has been posted on the website. It was suggested that IVT ACCESS take steps to further advertise and enforce the no-show policy, especially as it pertains to subscription based services. IVT ACCESS should work closely with the social agencies to inform them of the policy and the trickle down to their clients.

#### Actions taken by IVT ACCESS

In response to this recommendation, ICTC and the contract operator took deliberative steps toward publicizing and enforcing the No-Show policy for IVT ACCESS. The policy is featured on the IVT ACCESS website (<http://www.ivtaccess.org/about/no-show-policy/>).

A "No-show" shall be recognized as an ADA eligible person who fails to appear; fails to board the vehicle, and/or use his/her scheduled transportation within the standard "ready window." The ready window is the 30-minute time frame the passenger has been advised by dispatchers to be ready for their trip. The bus is required to wait up to 5 minutes for an individual upon arrival within the ready window. If a rider calls within 30 minutes of a scheduled pickup time to cancel his or her trip, the cancellation will be counted as a "no-show."

A "Late Cancellation" shall be recognized as an ADA eligible person who fails to cancel the appointment for pick-up at least four (4) hours before the scheduled pick-up time.

First Transit has been very pro-active in reducing the number of No-shows by having dispatchers and reservationists follow up with riders. No-shows decreased from 1,600 in FY 2013 to 575 in FY 2014. However, No-shows increased to 1,237 in FY 2016. ICTC hired a mobility management coordinator to conduct ADA-certification assessments and community outreach to transit-dependent populations. It is suggested that the No-show and late cancellation policy be printed the IVT ACCESS multi-fold brochure.

### Conclusion

This recommendation has been implemented.

### Prior Recommendation 2

Consider alternative farebox recovery ratio methods for IVT ACCESS.

*Background:* The prior audit cited opportunities to review options that addressed farebox recovery attainment. In one example, the Public Utilities Code has provisions that allow a transit system to incorporate both fixed route and specialized service farebox ratios under one combined ratio. Under PUC 99238(b), “an operator which provides both exclusive transportation services for elderly and disabled persons and regular scheduled public transportation services may be allocated funds...and the ratio of fare revenues to operating cost for the combined service shall not be less than the ratio required in order to make allocations to the operator for its regular scheduled services.”

This describes that the combined farebox ratio of fixed route and ADA paratransit service must meet the farebox ratio of the fixed route alone. For IVT, it is the blended ratio developed by ICTC for fixed route that is approved by Caltrans. With the lower IVT ACCESS farebox recovery ratio, IVT would be required to generate a higher farebox ratio on its own to compensate for the inclusion of the ADA service ratio. In this manner, rather than meeting two separate farebox standards, the transit system would be subject to one.

### Actions taken by IVT ACCESS

IVT ACCESS has continued to be challenged with low farebox recovery attainment. During the audit period, system farebox recovery ranged from 5.13 percent in FY 2014 to 4.64 percent in FY 2016. IVT ACCESS is included in the overall blended ratio for IVT set by ICTC, which is 17 percent. IVT ACCESS expanded the sale of bus tickets to non-ADA eligible passengers on a space available basis offering more options to passengers. Should short term operating costs rise at a pace unsustainable from a farebox perspective, options to improve farebox should be considered.

### Conclusion

This recommendation has been partially implemented and is carried forward for further consideration.

## Section IV

### TDA Performance Indicators

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

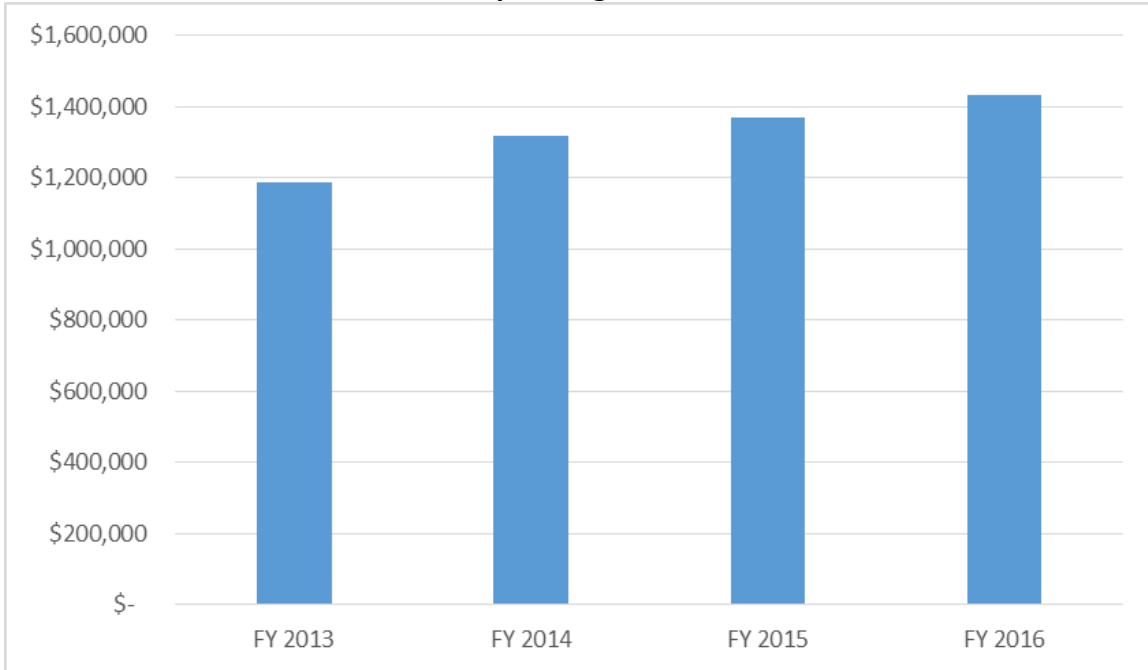
Table IV-1 provides the performance indicators for IVT ACCESS. Charts are also provided to depict the trends in the indicators. It is noted that the operating costs and fare revenues are based on audited figures.

**Table IV-1  
IVT ACCESS TDA Performance Indicators**

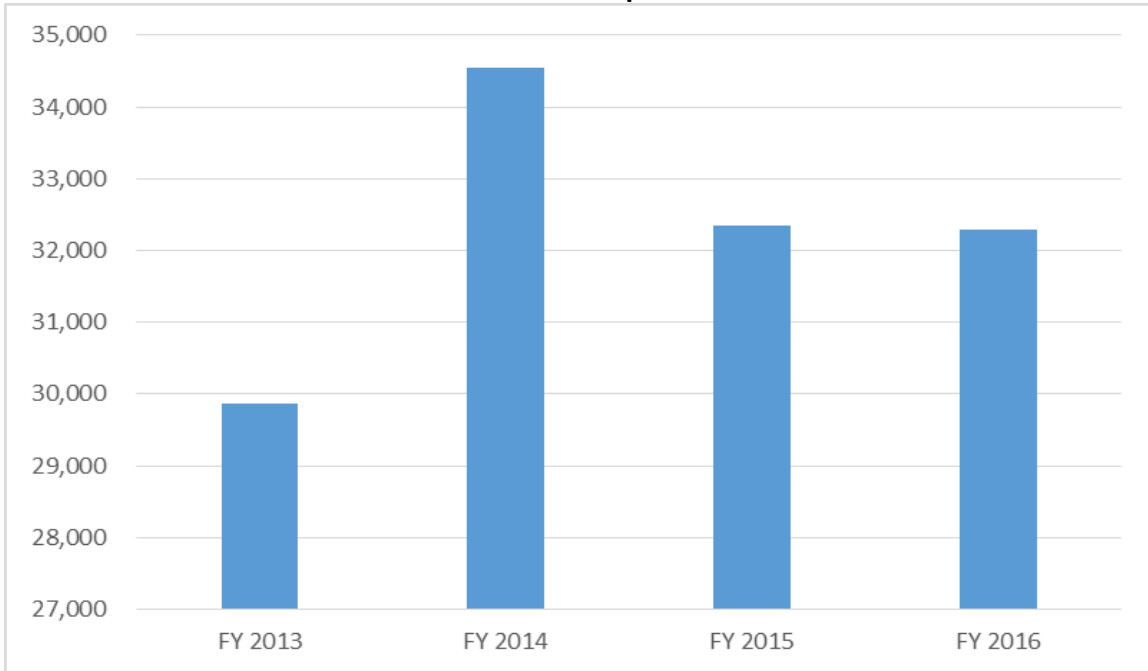
Performance Data and Indicators	Audit Period				% Change FY 2013-2016
	FY 2013	FY 2014	FY 2015	FY 2016	
Operating Cost	\$1,188,671	\$1,318,143	\$1,369,563	\$1,433,453	<b>20.6%</b>
Total Passengers	29,861	34,542	32,339	32,291	<b>8.1%</b>
Vehicle Service Hours	11,407	13,631	13,700	13,547	<b>18.8%</b>
Vehicle Service Miles	266,232	303,523	310,542	290,287	<b>9.0%</b>
Employee FTE's	16	16	17	18	<b>12.5%</b>
Passenger Fares	\$49,183	\$67,683	\$68,596	\$66,555	<b>35.3%</b>
Operating Cost per Passenger	\$39.81	\$38.16	\$42.35	\$44.39	<b>11.5%</b>
Operating Cost per Vehicle Service Hour	\$104.21	\$96.70	\$99.96	\$105.82	<b>1.5%</b>
Operating Cost per Vehicle Service Mile	\$4.46	\$4.34	\$4.41	\$4.94	<b>10.6%</b>
Passengers per Vehicle Service Hour	2.62	2.53	2.36	2.38	<b>-8.9%</b>
Passengers per Vehicle Service Mile	0.112	0.114	0.104	0.111	<b>-0.8%</b>
Vehicle Service Hours per Employee	712.9	879.5	805.9	752.6	<b>5.6%</b>
Average Fare per Passenger	\$1.65	\$1.96	\$2.12	\$2.06	<b>25.1%</b>
Fare Recovery Ratio	4.14%	5.13%	5.01%	4.64%	<b>12.2%</b>

Source: IVT ACCESS Summary Report; State Controller Report

**Graph IV-1  
Operating Costs**

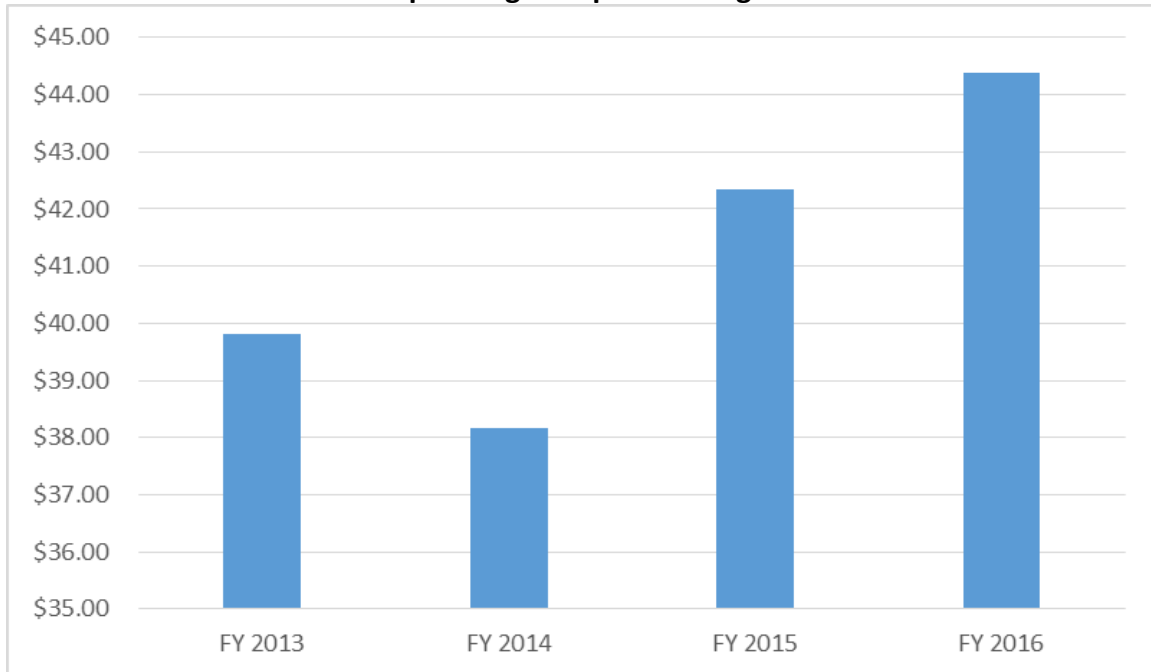


**Graph IV-2  
Ridership**

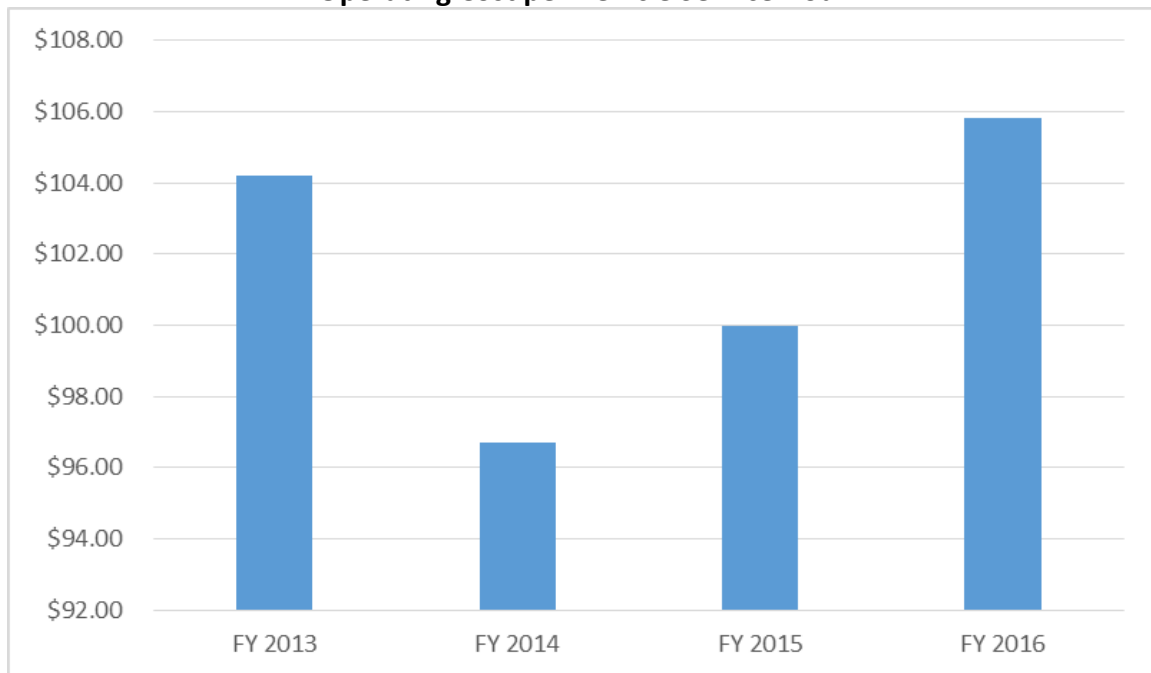




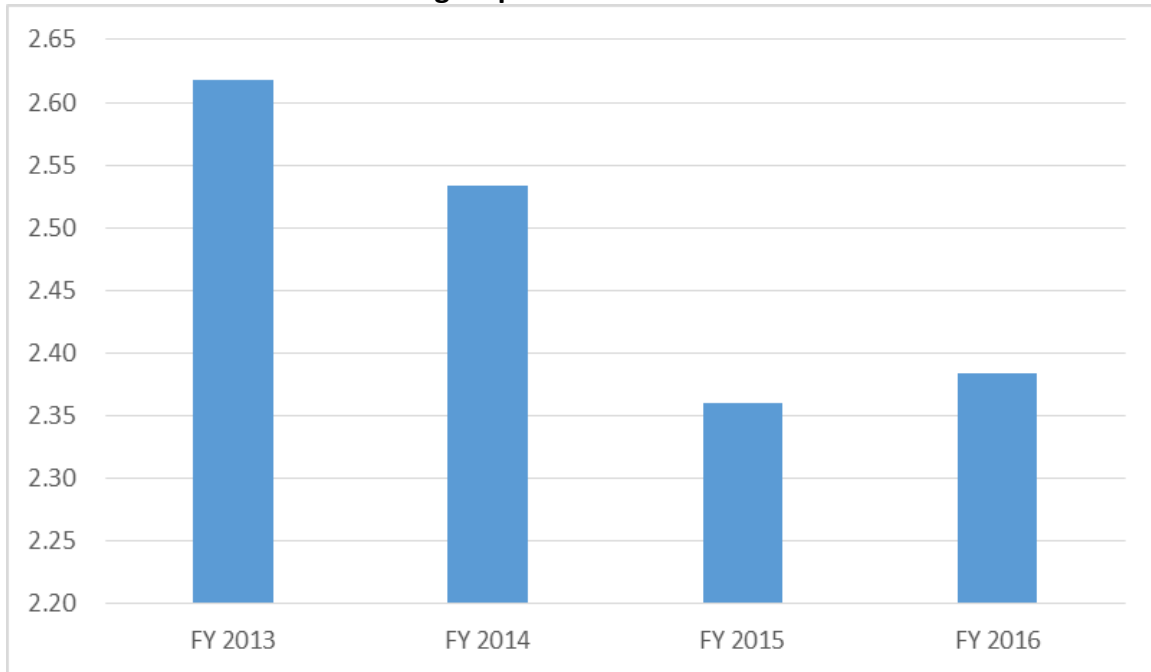
**Graph IV-3**  
**Operating Cost per Passenger**



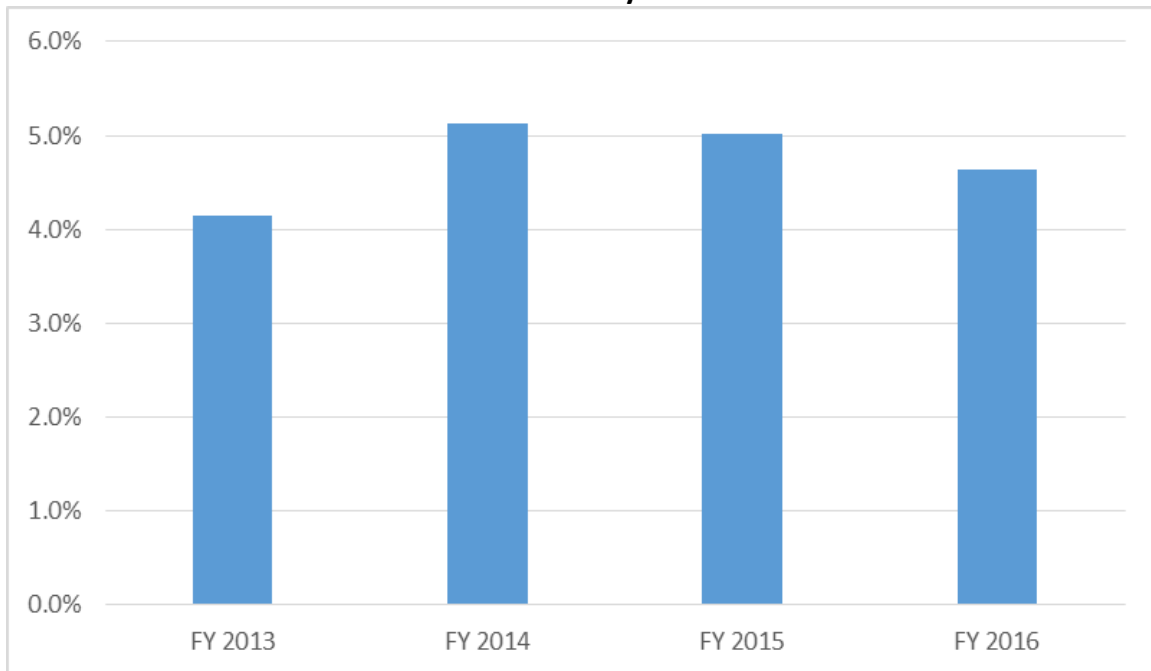
**Graph IV-4**  
**Operating Cost per Vehicle Service Hour**



**Graph IV-5**  
**Passengers per Vehicle Service Hour**



**Graph IV-6**  
**Fare Recovery Ratio**



## Findings from Verification of TDA Performance Indicators

1. **Operating cost per vehicle service hour**, an indicator of cost efficiency, increased 1.5 percent from \$104.21 in the FY 2013 base year to \$105.82 in FY 2016. This trend is consistent with the increase of operating costs of 20.6 percent during the period, and the comparable increase in vehicle service hours of 18.8 percent between FY 2013 and FY 2016.
2. **Operating cost per passenger**, an indicator of cost effectiveness, increased 11.5 percent from \$39.81 in FY 2013 to \$44.39 in FY 2016. As noted above, system operating costs increased 20.6 percent during the period; however, ridership on the system increased 8.1 percent during the period from 29,861 passengers in FY 2013 to 32,291 passengers in FY 2016.
3. **Passengers per vehicle service hour**, which measures the effectiveness of the service delivered, decreased 8.9 percent between FY 2013 and FY 2016 from 2.62 passengers per hour to 2.38 passengers per hour. The trend in this indicator reflects the smaller increase in ridership on countywide demand response services as compared to the higher increase in vehicle service hours.
4. **Passengers per vehicle service mile**, another indicator of service effectiveness, decreased 0.8 percent between FY 2013 and FY 2016 from 0.112 passengers per mile to 0.111 passengers per mile in FY 2016. From the FY 2013 base year to FY 2016, total vehicle service miles increased 9 percent from 266,232 vehicle service miles to 290,287 vehicle service miles while the number of passenger trips decreased.
5. **Vehicle service hours per employee** increased 5.6 percent on the system between FY 2013 and FY 2016 from 712.9 to 752.6 hours. This increase was associated with the 18.8 percent increase in vehicle service hours while the number of full-time employee equivalents increased from 16 to 18 during the period. This measure is based on the number of employee Full-Time Equivalents (FTE) using employee pay hours from the State Controller's Report and dividing by 2,000 hours per employee.
6. **Farebox recovery** exhibited an overall increase of 12.2 percent between FY 2013 and FY 2016. Farebox recovery saw its highest increase in FY 2014 of 24.1 percent as annual operating costs increased 10.9 percent and passenger fares increased 37.6 percent. During the subsequent years, farebox recovery decreased 2.5 and 7.3 percent, respectively. Farebox recovery attainment remained below 10 percent.

### **Conclusion from the Verification of TDA Performance Indicators**

IVT ACCESS performance indicators reflect increased passenger demand resulting in higher operating costs during the audit period. The demand exceeded expectations early in the audit period and service was adjusted to meet those demands pursuant to the ADA. Passenger trips increased 8.1 percent while vehicle service hours increased by about 18.8 percent. Vehicle service miles exhibited an increase of 9 percent. In concert with the increase in passenger trips, revenues increased 35.3 percent. However, most of this growth occurred in FY 2014 when there was a 15.7 percent increase in passenger trips. This was followed by modest decreases during the following years of the audit period. Anecdotally, the lower ridership could be due to Imperial Valley College being out of session, holidays, and local work training centers such as Imperial County Work Training Center providing their own transportation. Some riders have also been known to switch between IVT RIDE and ACCESS.

As was cited in the performance indicator findings, passenger trips per vehicle service hour decreased 8.9 percent during the audit period. One of the factors that affects this performance indicator is the trip distance. Pursuant to the ADA, ICTC requires that the passenger not be on board the vehicle for more than one hour. The longer the trip distance, the more challenging it is to schedule trips in route to meet the passenger per hour standard of 2.4 passengers. For example, a trip between Niland and El Centro is a minimum of 45 minutes and a trip between Niland and Calexico is a minimum of 55 to 60 minutes. Per the operator, these run times leave little opportunity for additional pick-ups and drop offs in route even when traveling to the same destination.

## Section V

### Review of Operator Functions

This section provides an in-depth review of various functions within IVT ACCESS. The review highlights accomplishments, issues and/or challenges that were determined during the audit period. The following functions were reviewed at ICTC and First Transit in El Centro:

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

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

#### Operations

IVT ACCESS operates complementary ADA paratransit service within a ¼ mile of the IVT regional fixed route service. The service is “curb-to-curb,” meaning that drivers are trained to assist passengers boarding and alighting the vehicles, but not beyond the curb into homes, businesses, medical or government offices. The service is designed for ADA-certified passengers and their personal care assistants. The general public is accommodated on a space-available basis.

First Transit has been the operator of IVT ACCESS since July 2011. First Transit is the United States subsidiary of FirstGroup PLC headquartered in the United Kingdom. U.S. operations are headquartered in Cincinnati, Ohio, with local operations in El Centro. The operations contract in effect during the audit period covers Fiscal Years (FY) 2011-12 through 2015-16. The contract contains a fuel escalator clause and a five percent marketing allowance.

The ADA database has approximately 1,200 names. Approximately 30 percent of trips are subscription-based and are primarily routed to adult day-care centers. ICTC commissioned the *ICTC ADA Certification Report*, which was adopted in March 2015. The Certification Report provides an analysis of the certification procedures and processes being conducted, presents case studies of other seven other transit systems, and a series of recommendations. The objectives of the study were to determine whether the eligibility certification process could be improved while maintaining full compliance with the ADA. The recommendations include:

- Updating the IVT ACCESS website to reflect the new certification process;
- Requiring applicants to complete an initial telephone call to request application materials;

- Updating application forms and information brochures to reflect the new process;
- Requiring in-person interviews of all applicants; and
- Recertifying all certified individuals.

In order to be eligible to use IVT ACCESS, a potential rider must submit an application to ICTC and have their disability verified by a medical care professional. The eligibility process is determined by three factors:

1. Ability to get to and from a fixed route bus stop;
2. Ability to board/exit the bus; and
3. Ability to navigate the fixed-route system.

After an initial self-assessment, the potential user requests an application and medical verification to be forwarded by mail. Once the application and medical verification form (completed by a medical practitioner) are returned, an interview with the ADA certification coordinator is scheduled at the ICTC office.

Dispatching is conducted from the First Transit operations facility located at 1103 Industry Way in El Centro. There are eight dispatchers (4 full-time and 4 part-time) who are trained on all the IVT-branded services. Dispatchers work staggered 8 hour shifts between the hours of 4:45 a.m. and 12:00 a.m. The contract operator utilizes Trapeze NOVUS dispatching and scheduling software. The Trapeze NOVUS program is integrated with the mobile display terminals utilized by the drivers while in revenue service. The mobile tablets were acquired and implemented in FY 2015 in conjunction with the consolidation and rebranding of the transit services administered by ICTC.

The implementation of mobile tablets has lessened the need for paper manifests and trip sheets. The driver's trip sheet is configured into two sections. The top third of the sheet provides a summary of the run where the driver records the date, bus number, total number of passengers, cancellations, no-shows, ADA passengers, starting mileage and times, ending mileage and time, deadhead and total amount of fares collected. The bottom portion of the trip sheet provides more detailed information such as passenger names, pick up and drop off addresses, pick up time and odometer readings, drop off time and odometer readings and trip mileage.

Dispatchers input performance data into the First Transit's proprietary software program, Info-Suite. The contract operator includes a management summary report with its monthly invoice to ICTC. The summary report contains year-to-date vehicle service data (e.g. road calls, wheelchair lift failures, accidents, incidents, vandalism) and qualitative passenger service data (on-time performance, denials, no-shows, compliments, complaints). Complaints are broken down based on seven category types. In addition to the management summary report, the contract operator includes a monthly performance data summary with year-to-date totals, farebox summary, performance indicator charts and a trip denials report. Two of the operational measures reported on the management summary report are accidents and on-time performance. On-time

performance is measured from origin to destination. These measures are summarized in Table V-1 for the audit period.

**Table V-1**  
**Accidents & On-Time Performance**

	FY 2014	FY 2015	FY 2016	Total/Average
<b>Accidents</b>	3	0	0	<b>3</b>
<b>On Time Performance</b>	96.42%	96.24%	95.85%	<b>96.17%</b>

Source: IVT ACCESS Management Summary Report - First Transit

Three accidents were reported in FY 2014. No accidents were reported during the later years of the audit period. On-time performance has averaged 96.17 percent with only slight variations from year to year. Data for FY 2013 were unavailable. Customer service trends are monitored on the passenger service report, which are presented on the same spreadsheet as the management summary report. This report includes a tally of no-shows, comments, complaints, and compliments. Table V-2 below summarizes the number of trip denials, no-shows and late cancellations reported during the audit period.

**Table V-2**  
**Trip Denials & No-Shows**

	FY 2013	FY 2014	FY 2015	FY 2016	Total
<b>Trip Denials</b>	437	0	0	0	<b>437</b>
<b>No-Shows</b>	1,600	575	584	1,237	<b>3,996</b>
<b>Late Cancellations</b>	n/a	n/a	278	234	<b>512</b>

Source: IVT ACCESS Management Summary Report - First Transit

The number of no-shows and trip denials has declined significantly during the audit period. This trend reflects the effort to implement and enforce the no-show policy as well as enhance overall service. The number of trip denials were reduced to zero. No-shows decreased 23 percent from 1,600 in FY 2013 to 1,237 in FY 2016 with the lowest levels reported during FY 2014 and FY 2015. Late cancellations were not reported for FY 2014; however, the number of cancellations reported decreased between FY 2015 and FY 2016 from 278 to 234.

The No-show and late cancellation policy was implemented on IVT ACCESS in January 2014 and updated in December 2016. A “No-Show” occurs when “an ADA eligible person who fails to appear; fails to board the vehicle, and/or use his/her scheduled transportation within the standard ‘ready window.’ The ready window is the 30-minute time frame the passenger has been advised by dispatchers to be ready for their trip. The bus is required to wait up to 5 minutes for an individual upon arrival within the ready window. If a rider calls within 30 minutes of a scheduled pick-up time to cancel his or her trip, the cancellation will be counted as a ‘No-show.’”

Cancellations must be made at least four hours before the scheduled pick-up time. A late cancellation results when a passenger fails to cancel the appointment for pick-up at least four hours before the scheduled pick-up time.

Passengers with No-shows and late cancellations are subject to sanction or suspension from the service based on up to three occurrences. The first No-show results in a telephone call; the second No-show results in a written letter and the third No-show within the same calendar month results in suspension. The policy stipulates that any passenger who has three or more unexcused No-Shows within a calendar month will be suspended from using the service for 14 days. Individuals under suspension have a right to appeal by submitting a written letter to the attention of the ICTC ADA Paratransit Services Coordinator within 15 days of receipt of the suspension notice. An appeal hearing would be scheduled with the Americans with Disabilities Act Advisory Committee within 30 days of receipt of the appeal request.

Another measure of customer service is the tracking of complaints and compliments on the passenger service report and tallied for the service year. Complaints and compliments are summarized in Table V-3 below.

**Table V-3  
Complaints & Compliments**

	FY 2014	FY 2015	FY 2016	Total
<b>Complaints</b>	17	6	11	<b>34</b>
<b>Compliments</b>	8	5	5	<b>18</b>

Source: IVT ACCESS Management Summary Report - First Transit

The number of reported complaints decreased from 17 in FY 2014 to 11 in FY 2016. Most of the complaints pertain to pick-up issues. In addition, 18 compliments were received during the period. Data for the FY 2013 base year were unavailable.

Farebox handling and reconciliation procedures involve oversight by a rotation of at least two staff members. Vehicles are equipped with manual Diamond fareboxes. At the end of the run, each full farebox is removed from the vehicle and locked inside a vault. All cash fares are counted the following weekday by two staff members in a locked camera-equipped room. Once cash is counted it is placed in sealed deposit bags and kept under key until ready to be deposited at the bank. GardaWorld armored car picks up the farebox revenue. First Transit deducts the proceeds from its cost on the monthly invoice to ICTC.

The empty fareboxes are placed inside the transit vehicles under the custody of two staff members. Included with the monthly invoice submittal to ICTC is a breakdown of farebox revenues received for each service day. Farebox proceeds are broken down per passenger fare category along with the cash recorded on the trip sheet, the actual cash received and the variance.



## Personnel

First Transit's total contract operations personnel is comprised of five management level staff, four road supervisors, 18 dispatchers, 61 drivers, six mechanics, and four utility workers. Two of the dispatchers and 10 of the drivers are part-time. Ten drivers are assigned to IVT ACCESS services. Between 80 to 85 percent of drivers have been cross-trained on all the IVT services. Non-exempt employees, which include the drivers, mechanics, and utility workers, are represented by Teamsters Local 542, which has a branch office in El Centro. The Memorandum of Understanding (MOU) is for a five-year term. The current MOU was renewed in January 2016. Management meets with the union local representative monthly.

Driver candidates are required to have a Class B license with Verification of Transit Training (VTT) certification along with air brake and passenger endorsements and a Department of Transportation medical card. Driver training involves 20 hours' classroom and 20 hours behind-the-wheel instruction. In addition, drivers are required to be bilingual in English and Spanish due to the service area demographics. First Transit plans to add a certified trainer to its El Centro operations due to the excessive wait time at the Department of Motor Vehicles, which can be as long as three months. Background checks can range between three and four weeks. Management reports minimal turnover of about six to seven employees over the audit period.

There is a 90-day probationary period for new employees. After probation, full-time employees are eligible for benefits. Benefits include medical, dental, and vision plans. In addition, employees receive \$10,000 in employer-paid life insurance and the option of long-term disability insurance. There are several types of employee incentives such as employee appreciation barbecues, food and raffles during monthly safety trainings, and points earned toward free lunches and television sets for zero accidents. Drivers can place suggestions in a comment box.

Employees are required to attend monthly safety meetings, which are generally held on Tuesday and Wednesday evenings at 6:30 p.m. Safety meetings are also held on Saturdays and other evenings during the week to accommodate all employees. Corporate-provided topics are discussed as well as issues encountered in the field. First Transit uses "touchpoints" to provide feedback and promote safe practices by employees. All vehicles are equipped with DriveCam, a digital event-based surveillance camera system that monitors driver behavior and fuel efficiency. Operations managers and road supervisors also go on ride-alongs to gauge safe driving practices once or twice a month.

First Transit has a zero-tolerance policy to drug and alcohol abuse. A drug and alcohol handbook stipulates the company's policies and protocols. Random drug testing is performed through Cal-Test Drug Testing Services in Imperial. There is no second testing on negative dilutes.

**Maintenance**

IVT ACCESS vehicles are stored and maintained at First Transit’s facility located at 792 Ross Road in El Centro. The facility is located on leased property where the owner has made available another acre for potential expansion. There are three service bays with portable floor jacks to raise the vehicles for routine inspections of the vehicle undercarriage. The Preventative Maintenance Inspection (PMI) is structured on an A-B-C schedule. Smaller cutaway vehicles are serviced every 3,000 miles and larger vehicles are serviced every 6,000 miles. Drivers complete a pre-trip inspection form prior to each run, which is composed of three sheets. One sheet goes to dispatch, one goes to maintenance and the other sheet remains with the vehicle. IVT ACCESS vehicles are fueled at local service stations with assigned fuel cards.

First Transit utilizes the Infor II maintenance software program, which, among other capabilities, tracks mileage, parts inventory, and PMIs. Mileage and fuel data are manually uploaded to the system daily. The software was updated during the audit period and allows for paperless work orders that are accessed on mobile tablets. The system advises when the PMIs are due and maintains separate records for 3,000-mile and 6,000-mile inspections. Parts inventory is monitored at each phase of a purchase order execution: upon request, activation, and completion. Cycle counts are conducted weekly. The contract operator reports an increased parts inventory due to recent fleet expansion.

On-site maintenance is performed by six mechanics and four utility workers tasked with fueling and washing the vehicles. The mechanic work shifts are staggered between the hours of 5:00 a.m. and 2:00 a.m. to ensure constant coverage throughout all hours of operation. Mechanics supply their own tools and are Automotive Service Excellence (ASE)-certified. ASE certification has now become a requirement due to the diverse vehicle fleet.

The contract operator tracks road calls on its management summary report. Table V-4 below provides a summary of road calls incurred on IVT ACCESS during the audit period.

**Table V-4  
Roadcalls & Wheelchair Lift Failures**

	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>Total</b>
<b>Road calls</b>	7	13	55	<b>75</b>
<b>Wheelchair Lift Failures</b>	1	1	0	<b>2</b>

*Source: IVT ACCESS Management Summary Report - First Transit*

Road call data for FY 2013 were unavailable. There have been notable increases in the number of road calls reported during the audit period from 7 in FY 2014 to 55 in FY 2016. The contract operator reported air conditioning compressor issues during the hot summer months. Wheelchair lift failures were minimal during the period. IVT ACCESS vehicles received satisfactory ratings for all vehicle inspections conducted during the audit period as part of the CHP Transit Operator Compliance Program.

**Planning**

Countywide demand response transit service planning and analysis has been coordinated through ICTC. ICTC commissioned the ICTC FY 2010-11 Short-Range Transit Plan (SRTP) in 2010, which was released in January 2012. The SRTP contains performance standards that provided a measurement tool to gauge the effectiveness and success of AIM Transit-IVT ACCESS. Table V-5 summarizes countywide demand response performance and service quality standards presented in the FY 2010-11 SRTP:

**Table V-5  
IVT ACCESS  
Performance Standards**

<b>Performance Indicator</b>	<b>Performance Standard for IVT ACCESS</b>
Operating Cost per Passenger	\$22.75
Operating Cost per Revenue Hour	\$38.94
Passengers per Revenue Hour	2.0
Farebox Recovery Ratio	10 percent

Source: FY 2010-11 Short-Range Transit Plan, AECOM & AMMA

The operating cost per passenger has increased significantly above the standard (from \$39.81 in FY 2013 to \$44.39 in FY 2016), whereas the operating cost per revenue hour has also increased above the standard (from \$104.21 in FY 2013 to \$105.82 in FY 2016). The number of passengers per revenue hour met and exceeded the standard of 2 passengers per hour. Farebox recovery attainment remained problematic for the system, attaining under the 10 percent minimum standard.

During the audit period, ICTC commissioned the *2014 Public Transit – Human Services Transportation Coordination Plan Update*, which was adopted in November 2014. The Coordination Plan Update includes a reassessment of all available public and private transportation services in Imperial County, a reassessment of public and social services transportation needs, development of strategies and/or activities to address gaps in service, identification of coordination measures to eliminate or minimize duplication in services where they exist and an implementation plan.

In an effort to sustain the enhanced public and human services transportation network, the Coordination Plan recommended updating ICTC’s financial plan every two years to ensure that service levels on IVT ACCESS match available funding streams and regularly coordinating with major human service agencies that directly provide or subsidize transportation.

**Marketing**

Countywide demand response transit services are marketed through various types of media. The contract operator is responsible for marketing the service on behalf of ICTC and coordinates the placement, scheduling, and distribution of all advertising and promotional materials to promote ridership. As per the service contract with ICTC, five percent of the transit budget is allocated

toward marketing. ICTC also contracts with Spectrum Creative Solutions or the Conveyor Group for printed collateral and marketing accessories such as brochures and pens.

A glossy color multi-fold brochure has been developed for IVT ACCESS. The brochure, which is printed in English and Spanish, provides a map of the service area, fare schedule, and general information on eligibility. The brochure also has a quick response or QR code for access by mobile devices. In addition, ICTC budgeted \$7,000 for seven pages of glossy advertisement in the Imperial County Area Agency on Aging Senior Services Directory of all the transit services it administers including for IVT ACCESS. The advertisement features a branded vehicle with bilingual information, website address and phone numbers for reservations.

IVT ACCESS has its own dedicated website (<http://ivtaccess.org/>), which underwent updating during the audit period. The website contains general information about the service including eligibility requirements, hours of operations, reservation protocol, and fares. The website also contains a Spanish translation feature in the upper right hand corner of the page. The ICTC website's Transit Services page (<http://www.imperialctc.org/transit-services/>) also mentions IVT ACCESS and provides a contact number.

The travel training program is featured on the website. Prospective riders are brought to the IVT ACCESS operations yard and shown how to utilize the bus. Travel training is offered for all IVT service modes.

Pursuant to the federal Civil Rights Act of 1964, IVT ACCESS has an adopted Title VI Program. Title VI of the Civil Rights Act of 1964 requires that no person in the United States, on the grounds of race, color, or national origin be excluded from, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance. Program compliance includes Title VI notices and complaint procedures available in English and Spanish posted on the website (<http://www.ivtaccess.org/about/ada-complaint-procedures/>) and a statement is printed on the IVT ACCESS brochure.

### **General Administration and Management**

The Imperial County Transportation Commission (ICTC) was established under Senate Bill (SB)-607 as an independent successor agency to the Imperial Valley Association of Governments. ICTC provides direct administration, management, and oversight for IVT-Access. The ICTC governing Board is comprised of 10 voting members and one ex-officio member appointed by the Governor of California. The membership of the ICTC Board is as follows:

- Two members from the Imperial County Board of Supervisors;
- One elected official (mayor or councilmember) from each of the seven incorporated cities in Imperial County;
- One member from the Imperial Irrigation District (IID) Board of Directors;

- One non-voting ex-officio member appointed by the Governor of California (Caltrans, District 11 Director or representative)

Meetings of the ICTC Board are convened on the 4<sup>th</sup> Wednesday of the month at 6:00 p.m. in the Imperial County Board of Supervisors Chambers located at 940 Main Street in El Centro. During the audit period, the ICTC Overall Work Plan and Budget reflect staffing of eight full-time positions to manage the agency's programs and services. The full-time positions include one office technician, one Executive Assistant/Secretary to the Commission, one administrative analyst, three transportation/transit planner positions from entry level to senior level in classifications (responsible for: Regional Transportation Planning; Regional Transit Planning; and Transit Service Administration), and the Executive Director. Toward the end of the audit period, ICTC filled the position of Mobility Coordinator, which is tasked with public outreach for paratransit services such as IVT ACCESS and administration of the eligibility and certification process for senior citizens and persons with disabilities as defined under the Americans with Disabilities Act of 1990.

In addition to the oversight of IVT ACCESS provided by ICTC staff through contract management and monitoring, discussions about service are held through committees including the Social Services Transportation Advisory Council (SSTAC) that advises ICTC on transit matters pertaining to the needs of transit-dependent and transit-disadvantaged persons.

#### Grants Management

IVT ACCESS relies on a variety of grants and other funding mechanisms to support its transit services. Such funding derived primarily from local sources and measures. Pursuant to TDA, the IVT ACCESS receives Local Transportation Fund (LTF) proceeds under Article 8(c) and State Transportation Assistance Funds (STAF). TDA funding is used for operating expenses. LTF revenues received during the audit period were \$35,826 in FY 2014. There were no LTF revenues claimed for the service in FY 2015 and in FY 2016. STA revenues received were \$755,037 in FY 2014; \$871,392 in FY 2015; and \$904,208 in FY 2016.

Revenues from local Measure D, the one-half cent sales tax in effect since adoption in November 1989 and renewed by the voters in 2010, are allocated by the Local Transportation Authority to the cities and the County of Imperial primarily for local street and road purposes. In addition, a small percentage of the tax revenue is allocated for administration (one percent), transit (two percent) and state highway (five percent) purposes. No Measure D support funding has been allocated toward IVT ACCESS' demand response transit services.

IVT ACCESS, through ICTC, receives federal funding from the FTA Section 5307 grant program. FTA Section 5307 urban formula grant funds for operations were \$700,000 in FY 2014 and \$500,000 in FY 2015. Regional mobility management grant funds through FTA Section 5310 have also been used.

## Section VI

### Findings

The following summarizes the major findings obtained from this Triennial Audit covering fiscal years 2014 through 2016. A set of recommendations is then provided.

#### Triennial Audit Findings

1. Of the compliance requirements pertaining to IVT ACCESS, the operation fully complied with each of the nine applicable requirements. Two additional compliance requirements did not apply to IVT ACCESS (e.g., rural/urban farebox recovery ratios).
2. IVT ACCESS' farebox ratio is factored into the IVT systemwide blended farebox ratio based on fixed route and demand response services. The blended farebox recovery ratio approved by Caltrans is 17 percent, which was met in each of the three years. The farebox recovery ratio for IVT ACCESS was 5.13 percent in FY 2014, 5.01 percent in FY 2015; and 4.64 percent in FY 2016.
3. Through its contract operator, ICTC participates in the CHP Transit Operator Compliance Program and received vehicle inspections within the 13 months prior to each TDA claim. Satisfactory ratings were made for all inspections conducted during the audit period.
4. The operating budget exhibited modest increases period that did not exceed 15 percent. The FY 2014 operating budget increased 10.9 percent due to expanded weekend service hours, technology upgrades, increased demand from ADA-certified passengers and enhanced marketing efforts. Subsequently, the budget increased 3.9 percent and 4.9 percent in FY 2015 and FY 2016, respectively.
5. IVT ACCESS satisfactorily implemented one out of the two prior audit recommendations, which pertained to enforcement of no-show and cancellation policies. The second recommendation regarding farebox policy was partially implemented and has been carried forward in this audit for full implementation.
6. Operating cost per vehicle service hour, an indicator of cost efficiency, increased 1.5 percent from \$104.21 in the FY 2013 base year to \$105.82 in FY 2016. This trend is consistent with the increase of operating costs of 20.6 percent during the period, and the comparable increase in vehicle service hours of 18.8 percent between FY 2013 and FY 2016.
7. Operating cost per passenger, an indicator of cost effectiveness, increased 11.5 percent from \$39.81 in FY 2013 to \$44.39 in FY 2016. As noted above, system operating costs increased 20.6 percent during the period; however, ridership on the system increased 8.1 percent during the period from 29,861 passengers in FY 2013 to 32,291 passengers in FY 2016.

8. Passengers per vehicle service hour, which measures the effectiveness of the service delivered, decreased 8.9 percent between FY 2013 and FY 2016 from 2.62 passengers per hour to 2.38 passengers per hour. The trend in this indicator reflects the smaller increase in ridership on countywide demand response services as compared to the higher increase in vehicle service hours.
9. The ADA database has approximately 1,200 names. Approximately 30 percent of trips are subscription-based and are primarily routed to adult day-care centers. ICTC commissioned the *ICTC ADA Certification Report*, which was adopted in March 2015.
10. The contract operator utilizes Trapeze NOVUS dispatching and scheduling software. The Trapeze NOVUS program is integrated with the mobile display terminals utilized by the drivers while in revenue service. The mobile tablets were acquired and implemented in FY 2015 in conjunction with the consolidation and rebranding of the transit services administered by ICTC.
11. During the audit period, ICTC commissioned the *2014 Public Transit – Human Services Transportation Coordination Plan Update*, which was adopted in November 2014. The Coordination Plan recommended updating ICTC's financial plan every two years to ensure that service levels on IVT ACCESS match available funding streams and regularly coordinating with major human service agencies that directly provide or subsidize transportation.

## Recommendations

### 1. Review opportunities for increasing local revenue to boost farebox recovery.

State Senate Bill (SB) 508, passed in October 2015, makes changes to how farebox recovery is calculated. Consistent with current practice, transit systems are able to boost their farebox recovery through inclusion of local revenues generated by the transit service. IVT ACCESS has continued to be challenged with low farebox recovery attainment relative to its standard. Even though IVT ACCESS is included in the overall blended ratio for IVT set by ICTC, which is 17 percent, it is still expected to attain a 10 percent farebox recovery ratio.

Under the new law, other local revenues are allowed to prop up the farebox. In addition to local transportation sales tax revenue, examples of local fund revenues include advertisement on buses and bus shelters, gains on the sale of capital assets, lease revenues generated by transit-owned property, and fare revenue agreements in lieu of individual fare payment with entities that have regular riders. Both revenues and operating costs are modified in deriving the farebox ratio for TDA eligibility purposes, and ICTC should work with the fiscal auditor to accurately reflect the farebox ratio allowed under new state law.

### 2. Provide more information to the public on No-show and late cancellation policy.

The No-show and late cancellation policy was implemented on IVT ACCESS in January 2014 and updated in December 2016. First Transit has been very pro-active in reducing the number of No-shows by having dispatchers and reservationists follow up with riders. ICTC hired a mobility management coordinator to conduct ADA-certification assessments and community outreach to transit-dependent populations. The mobility management coordinator hands out a copy of the No-show and late cancellation policy as a separate document during the eligibility interview process. With the policy being critical to the performance efficiency of the service, it is recommended that ICTC pursue an enhanced outreach and educational effort to further publicize the policy including during presentations and additional handout of the policy, and reminders by dispatchers, reservationists, and drivers. A standardized and consistent application of the policies will result in better understanding of the rules.