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MANAGEMENT COMMITTEE AGENDA

**County of Imperial
940 W. Main Street, 2nd Fl.
Conference Room C&D
El Centro, CA 92243**

**Wednesday, May 10, 2023
10:30 A.M.**

CHAIR: ESPERANZA COLIO-WARREN

VICE CHAIR: DENNIS MORITA

In compliance with the Brown Act and Government Code Section 54957.5, agenda materials distributed 72 hours prior to the meeting, which are public records relating to open session agenda items, will be available for inspection by members of the public prior to the meeting on the Commission's website: www.imperialctc.org.

In compliance with the Americans with Disabilities Act, Government Code Section 54954.2, and the Federal Transit Administration Title VI, please contact the Secretary to the Commission at (760) 592-4494 if special assistance is needed to participate in a Management Committee meeting, including accessibility and translation services. Assistance is provided free of charge. Notification of at least 48 hours prior to the meeting time will assist staff in assuring reasonable arrangements can be made to provide assistance at the meeting.

To join by Zoom Meeting click on the following link:

<https://us06web.zoom.us/j/84310117646?pwd=cUdhTU9NZ2NpZFRBTS91SkxLSzR4Zz09>

To join by telephone dial 669-444-9471

Meeting ID: 843 1011 7646

Passcode: 219444

I. CALL TO ORDER AND ROLL CALL

II. EMERGENCY ITEMS

- A. Discussion/Action of emergency items, if necessary.

III. PUBLIC COMMENTS

This is an opportunity for members of the public to address the Management Committee on any subject matter within their jurisdiction, but not an item on the agenda. Any action taken because of public comment shall be limited to direction to staff. Each speaker should contact the Secretary to the Commission at (760) 592-4494 or by email to cristilerna@imperialctc.org. When addressing the Committee, state your name for the record prior to providing your comments. Please address the Committee as a whole, through the Chairperson. Individuals will be given three (3) minutes to address the Committee; groups or topics will be given a maximum of fifteen (15) minutes. Public comments will be limited to a maximum of 30 minutes. If additional time is required for public comments, they will be heard at the end of the meeting. Please remember to follow the Public Comment Code of Conduct.

**CITIES OF BRAWLEY, CALEXICO, CALIPATRIA, EL CENTRO, HOLTVILLE, IMPERIAL, WESTMORLAND,
IMPERIAL IRRIGATION DISTRICT AND COUNTY OF IMPERIAL**

IV. CONSENT CALENDAR

- A. Approval of Management Committee Draft Minutes: April 12, 2023 Pages 5-23
- B. Receive and File:
 - 1. ICTC Commission Minutes: March 22, 2023
April 26, 2023
 - 2. ICTC TAC Minutes: March 23, 2022
 - 3. ICTC SSTAC Minutes: April 5, 2023

V. ACTION CALENDAR

- A. Transportation Development Act (TDA) Triennial Performance Audit Findings, Responses, Action Plan and Authorization to Submit Audits to Appropriate Agencies Page 23

It is requested that the ICTC Management Committee forward this item to the Commission for their review and approval after public comment, if any:

- 1. Receive and file the TDA Triennial Performance Audit(s) for the Imperial County Transportation Commission, Imperial Valley Transit (IVT), IVT Ride, IVT Access, IVT Ride and the YCAT East County Service.
- 2. Direct staff to transmit the performance audit(s) to Caltrans and other state agencies as required.

- B. ICTC Zero Emission Bus Plan - California Air Resources Board (CARB) Innovative Clean Transit (ICT) Rollout Plan Page 316

It is requested that the ICTC Management Committee forward this item to the Commission for their review and approval after public comment, if any:

- 1. Approve and adopt the ICTC CARB ICT Rollout Plan.
- 2. Authorize staff to file all necessary documents on behalf of ICTC pertaining to the California Air Resources Board Innovative Clean Transit Regulation.

- C. Unmet Transit Needs Public Hearing Process - Fiscal Year 2023-24 Page 352

It is requested that the ICTC Management Committee forward this item to the Commission for their review and approval after public comment, if any:

- 1. Adopt the FY 2023-24 "Findings" and the prioritized 2023 ICTC Unmet Transit Needs List as presented or amended.
- 2. Authorize the Chairman to sign the attached resolution.
- 3. Direct staff to forward the FY 2023-24 "Findings", and all other public hearing documentation and resolution to the State Department of Transportation.
- 4. Adopt the definition of "Unmet Transit Needs" and "Reasonable to Meet" as published and utilized by the Executive Committee of the Southern California Association of Governments (SCAG) in 1981 and the Imperial Valley Association of Governments (IVAG) in 1992.

- D. Fund Request to the Local Transportation Authority (LTA) and Caltrans Fund Exchange – State Route 98 between Ollie and Rockwood Avenues Page 360

It is requested that the ICTC Management Committee forward this item to the LTA Board for their review and approval after public comment, if any:

- 1. Approve the allocation of funding in the amount of \$1,000,000 for the right-of-way funding shortfall for the SR-98 Widening Project between Ollie and Rockwood Avenues, from the LTA 5% Regional Highway Set-Aside and,
- 2. Authorize the Executive Director to execute the necessary agreements between Caltrans and the Imperial County Transportation Commission.

VI. REPORTS

- A. ICTC / LTA / IVRMA Executive Director
 - ICTC Executive Director Report on page 370
- B. Southern California Association of Governments
 - See attached report
- C. California Department of Transportation – District 11
 - See attached report on page 377
- D. Committee Member Reports

VII. PRESENTATION

- A. Per-and Polyfluoroalkyl (PFAS) “The Forever Chemical” Page 388
Presentation by Imperial Irrigation District

VIII. NEXT MEETING DATE AND PLACE

- A. The next Management Committee Meeting is scheduled for Wednesday, June 14, 2023, at 10:30 a.m. at the ICTC Offices in El Centro.

IX. ADJOURNMENT

IV. CONSENT CALENDAR

IV. CONSENT CALENDAR

A. Approval of Management Committee Draft Minutes:
April 12, 2023

B. Receive and File:

1. ICTC Commission Minutes: March 11, 2023
April 26, 2023
2. ICTC TAC Minutes: March 23, 2022
2. ICTC SSTAC Minutes: April 5, 2023

**IMPERIAL COUNTY TRANSPORTATION COMMISSION
MANAGEMENT COMMITTEE
MINUTES OF April 12, 2023
10:30 a.m.**

VOTING MEMBERS PRESENT:

City of Brawley	Tyler Salcido
City of Calexico	Esperanza Colio-Warren
City of Calipatria	Absent
City of El Centro	Abraham Campos
City of Holtville	Nick Wells
City of Imperial	Dennis Morita
County of Imperial	Absent
County of Imperial	Absent
Imperial Irrigation District	Manuel Ortiz
City of Westmorland	Absent
ICTC	David Aguirre

STAFF PRESENT: Michelle Bastidas, Maricela Galarza, Angela Delgadillo

OTHERS PRESENT: Rafael Reyes, Hanh-Dung Khuu, Mario Orso, Sam Amen, Michelle Gongora, Maria Ibarra: Caltrans, Cesar Sanchez: IVT

The following minutes are listed as they were acted upon by the Imperial County Transportation Commission Management Committee and as listed on the agenda for the meeting held Wednesday, April 12, 2023, together with staff reports and related documents attached thereto and incorporated therein by reference.

I. CALL TO ORDER AND ROLL CALL

Chair Colio-Warren called the meeting to order at 10:31 a.m., roll call was taken, and a quorum was present.

II. EMERGENCY ITEMS

There were none.

III. PUBLIC COMMENTS

There were none.

IV. CONSENT ITEMS

A motion was made by Wells seconded by Morita to approve the consent calendar as presented; Roll call was taken:

Agency	Roll Call
City of Brawley	Yes
City of Calipatria	Absent
City of Calexico	Yes
City of El Centro	Yes
City of Holtville	Yes
City of Imperial	Yes
County of Imperial Figueroa	Absent
County of Imperial Terrazas-Baxter	Absent
City of Westmorland	Absent
Imperial Irrigation District	Yes

Motion carried.**V. ACTION CALENDAR**

- A. IMPERIAL VALLEY TRANSIT (IVT) – Fixed Route Transit Services Operating Agreement, Fiscal Year 2023-24 - Extension 2

It was requested that the ICTC Management Committee forward this item to the Commission for their review and approval after public comment, if any:

1. Authorized the Chairperson to sign extension #2 to the operating agreement with First Transit Inc. for the continued operation of Imperial Valley Transit, effective July 1, 2023:
 - a. IVT Fixed Route - For the period July 1, 2023, through June 30, 2024, the annual not to exceed subsidy is set at \$4,189,334.
 - b. IVT Blue and Green Lines - For the period July 1, 2023, through June 30, 2024, the annual not to exceed subsidy is set at \$672,437.
 - c. IVT Gold Line - For the period July 1, 2023, through June 30, 2024, the annual not to exceed subsidy is set at \$350,094.

A motion was made by [Salcido](#) seconded by [Wells](#) to approve Action A. Roll call was taken:

Agency	Roll Call
City of Brawley	Yes
City of Calipatria	Absent
City of Calexico	Yes
City of El Centro	Yes
City of Holtville	Yes
City of Imperial	Yes
County of Imperial Figueroa	Absent
County of Imperial Terrazas-Baxter	Absent
City of Westmorland	Absent
Imperial Irrigation District	Yes

Motion carried.

- B. IVT ACCESS – ADA Paratransit Service Operating Agreement Fiscal Year 2023-24 – Extension 2

It was requested that the ICTC Management Committee forward this item to the Commission for their review and approval after public comment, if any:

1. Authorized the Chairperson to sign extension #1 to the operating agreement with First Transit Inc. for the continued operation of IVT ACCESS, effective July 1, 2022:
 - a. For the period July 1, 2023, through June 30, 2024, the annual not to exceed subsidy is set at \$1,641,553.

A motion was made by [Wells](#) seconded by [Morita](#) to approve Action B. Roll call was taken:

Agency	Roll Call
City of Brawley	Yes
City of Calipatria	Absent

City of Calexico	Yes
City of El Centro	Yes
City of Holtville	Yes
City of Imperial	Yes
County of Imperial Figueroa	Absent
County of Imperial Terrazas-Baxter	Absent
City of Westmorland	Absent
Imperial Irrigation District	Yes

Motion carried.

- C. IVT RIDE – Senior/Paratransit Dial-A-Ride Service Operating Agreement Fiscal Year 2023-24 – Extension 2

It was requested that the ICTC Management Committee forward this item to the Commission for their review and approval after public comment, if any:

1. Authorized the Chairperson to sign extension #2 to the operating agreement with First Transit Inc. for the continued operation of IVT RIDE, effective July 1, 2023:
 - a. For the period July 1, 2023, through June 30, 2024, the annual not to exceed subsidy is set at \$1,788,823.

A motion was made by [Salcido](#) seconded by [Morita](#) to approve Action C. Roll call was taken:

Agency	Roll Call
City of Brawley	Yes
City of Calipatria	Absent
City of Calexico	Yes
City of El Centro	Yes
City of Holtville	Yes
City of Imperial	Yes
County of Imperial Figueroa	Absent
County of Imperial Terrazas-Baxter	Absent
City of Westmorland	Absent
Imperial Irrigation District	Yes

Motion carried.

- D. IVT MEDTRANS – Non-emergency Transportation to Medical Facilities in San Diego Service Operating Agreement Fiscal Year 2023-24 – Extension 2

It was requested that the ICTC Management Committee forward this item to the Commission for their review and approval after public comment, if any:

1. Authorized the Chairperson to sign extension #1 to the operating agreement with First Transit Inc. for the continued operation of IVT METRANS, effective July 1, 2023:
 - a. For the period July 1, 2023, through June 30, 2024, the annual not to exceed subsidy is set at \$594,554.

A motion was made by [Campos](#) seconded by [Colio-Warren](#) to approve Action D. Roll call was taken:

Agency	Roll Call
City of Brawley	Yes

City of Calipatria	Absent
City of Calexico	Yes
City of El Centro	Yes
City of Holtville	Yes
City of Imperial	Yes
County of Imperial Figueroa	Absent
County of Imperial Terrazas-Baxter	Absent
City of Westmorland	Absent
Imperial Irrigation District	Yes

Motion carried.

E. Local Government Waste Tire Amnesty Grant regional application resolution

It was requested that the ICTC Management Committee forward this item to the IVRMA Board for their review and approval after public comment, if any:

1. Authorized the Chairperson to sign the attached resolution.
2. Directed staff to forward the grant documentation to CalRecycle.

A motion was made by [Colio-Warren](#) seconded by [Campos](#) to approve Action E. Roll call was taken:

Agency	Roll Call
City of Brawley	Yes
City of Calipatria	Absent
City of Calexico	Yes
City of El Centro	Yes
City of Holtville	Yes
City of Imperial	Yes
County of Imperial Figueroa	Absent
County of Imperial Terrazas-Baxter	Absent
City of Westmorland	Absent
Imperial Irrigation District	Yes

Motion carried.

VI. REPORTS

A. ICTC Executive Director

- Mr. Aguirre had the following updates:
 - o FY 2023-24 Unmet Transit Needs Survey: The public is scheduled for April 6th at 3 pm at the ICTC office and via Zoom. ICTC has prepared surveys available on all services websites. There are also physical surveys available on the vehicles for passengers to complete. The UTN Findings meeting is anticipated to take place on April 24, 2023, at 3 p.m. at ICTC offices and via Zoom.
 - o 2022 Long Range Transportation Plan: Spring outreach activities for the Long Range Transportation Program have been completed in conjunction with community events: El Centro Annual Air Show, Children's and Family Health Fair, Calexico Wellness Center Health Fair, Cesar Chavez Celebration Festival, and the 42nd Annual Children's Fair.
 - o Forrester Road Project Study Report (PSR): ICTC has been working with Caltrans on the development of the PSR. A draft has been received and it is being reviewed. The PSR is still in development and is planned to be

completed in the next couple of months. A meeting to discuss the draft PSR was held at the ICTC offices on Wednesday, March 29, 2023, at 9 am.

- Imperial Mexicali Binational Alliance (IMBA): The next IMBA meeting is scheduled for April 13, 2023, in the City of Mexicali at Cetys University. In-person attendees must reach out to Rene Acuña at rene.acuna@cdem.org.mx to receive a parking QR code from the University.
 - All ICTC Executive Directors updates can be found on page 44.
- B. Southern California Association of Governments (SCAG)
- All SCAG updates can be found on page 51.
- C. Caltrans Department of Transportation – District 11
- Mr. Reyes had the following updates:
 - SR-98 Widening Project: Stage 2 construction is currently underway. About 40% has been completed. The target completion date will be late April 2023.
 - I-8 Colorado River Bridge Rehab: Construction started in February 2023 and estimated completion is early 2024. The total project cost is estimated at \$11.1 million.
 - I-8 Roadside Safety Improvements: This project is still on track to start in the coming months. There is a 55-day delay start. More information will be given as time comes on.
 - Clean California Projects: The bus shelter projects in Niland, Calipatria, and Holtville are currently underway. There have been some delays, however, are still in process. The projects are expected to be completed by July 2023
 - April 28th is the deadline for the Clean California local grant program. <https://cleancalifornia.dot.ca.gov/local-grants/local-grant-program>
 - SR-98 Widening Project: Stage 2 construction is currently underway. About 40% has been completed. The target completion date will be late April 2023.
 - April 28th is the deadline for the Clean California local grant program. <https://cleancalifornia.dot.ca.gov/local-grants/local-grant-program>
 - All Caltrans updates can be found on page 56.

VII. PRESENTATION

- A. A brief presentation was given by Maria Ibarra and Michelle Gongora from Caltrans District 11 on Doing Business with Caltrans District 11 (serving San Diego and Imperial County).

VIII. The next meeting is scheduled for **May 10, 2023, at 10:30 a.m.** at the County of Imperial's Administration Building and via Zoom Meeting for non-voting members and the public.

IX. ADJOURNMENT

Meeting adjourned at 11:37 p.m.

IMPERIAL COUNTY TRANSPORTATION COMMISSION
MINUTES FOR March 22, 2023
6:00 p.m.

VOTING MEMBERS PRESENT:

City of Brawley	George Nava
City of Calipatria	Michael Luellen
City of Calexico	Raul Ureña
City of El Centro	Martha Cardenas-Singh (zoom)
City of Imperial	Robert Amparano
City of Holtville	Mike Goodsell
City of Westmorland	Ana Beltran (zoom)
County of Imperial	John Hawk
County of Imperial	Luis Plancarte
Imperial Irrigation District	Javier Gonzalez

STAFF PRESENT: David Aguirre, Cristi Lerma, Angela Delgadillo

OTHERS PRESENT: Eric Havens: Counsel; Gustavo Dallarda, Mario Orso: Caltrans; David Salgado: SCAG; Edd Calderon, Coley Delaney: The Pun Group; Susan Giller, Bill Gay: Reliance Public Relations, Inc; Esperanza Colio-Warren: City of Calexico; Stacy Mendoza: City of Imperial, Miguel Ramirez

PUBLIC: None

The following action minutes are listed as they were acted upon by the Imperial County Transportation Commission and as listed on the agenda for the meeting held Wednesday, March 22, 2023, together with staff reports and related documents attached thereto and incorporated therein by reference.

I. CALL TO ORDER AND ROLL CALL

Chair Goodsell called the Commission meeting to order at 6:04 p.m. Roll call was taken, and a quorum was present.

II. EMERGENCY ITEMS

There were none.

III. PUBLIC COMMENTS

There were none.

IV. INFORMATION / DISCUSSION CALENDAR

A. Brown Act Remote Participation pursuant to AB 2449

Eric Havens, ICTC Counsel, provided a detailed response to the discussion regarding the transition of AB 361 to AB 2449. Essentially, voting members must be present in person to be included as a voting member, unless there are extenuating circumstances that are communicated to the Secretary beforehand. These extenuating circumstances can only be used no more than twice annually. If a voting member cannot be present and would like to be included as a voting member, their location should be posted on the agenda and be made available to the public. All Brown Act rules should be followed.

V. CONSENT CALENDAR

A.	ICTC Commission Minutes:	February 22, 2023
B.	Receive and File:	
1.	ICTC Management Committee Minutes:	February 15, 2023

2. ICTC TAC Minutes: February 23, 2023
3. ICTC SSTAC Minutes: February 1, 2023

C. Low Carbon Transit Operations Program (LCTOP) Application for FY 2022-23 Funds

The Management Committee met on March 8, 2023, and forwarded this item to the Commission for review and approval after public comment, if any:

1. Authorized the ICTC Chairperson to sign the attached resolution.
2. Authorization for the Execution of the LCTOP Project application: Free Fare Program for eligible ICTC-administered transit services.

D. Specific Transit Operator Fiscal Reports FY 2021-22 for Imperial Valley Transit, IVT Access, IVT Ride, and IVT MedTrans

The Management Committee met on March 8, 2023, and forwarded this item to the Commission for review and approval after public comment, if any:

1. Received and filed the Specific Transit Operator Fiscal Reports FY 2021-22 for Imperial Valley Transit, IVT Access, IVT Ride, and IVT MedTrans

A motion was made by [Nava](#) and seconded by [Amparano](#) to approve the consent calendar as presented, roll call:

Agency	Roll Call
City of Brawley	Yes
City of Calipatria	Yes
City of Calexico	Yes
City of El Centro	Zoom
City of Holtville	Yes
City of Imperial	Yes
County of Imperial Plancarte	Yes
County of Imperial Hawk	Yes
City of Westmorland	Absent
Imperial Irrigation District	Yes

Motion Carried.

VI. ACTION CALENDAR

A. Imperial County Transportation Commission Fiscal Audit for FY 2021-22

Mr. Delaney provided a detailed presentation to the Commission.

The Management Committee met on March 08, 2023, and forwarded this item to the Commission for review and approval after public comment, if any:

1. Received and filed the fiscal audit for the Imperial County Transportation Commission, for FY 2021-22.
2. Directed staff to transmit the fiscal audit to the State Controller's Office.

A motion was made by [Amparano](#) and seconded by [Nava](#), roll call:

Agency	Roll Call
City of Brawley	Yes

City of Calipatria	Abstain
City of Calexico	Yes
City of El Centro	Zoom
City of Holtville	Absent
City of Imperial	Yes
County of Imperial Plancarte	Yes
County of Imperial Hawk	Yes
City of Westmorland	Zoom
Imperial Irrigation District	Yes

Motion Carried.

B. Calexico East Port of Entry Bridge Widening Project – Contract Change Order No 2 Supplement 1

The Management Committee met on March 8, 2023, and forwards this item to the Commission for review and approval after public comment, if any:

1. Approved Change Order No. 2 Supplement 1 to Hazard Construction Company for the Calexico East Port of Entry Bridge Widening Project in the amount of \$110,991.08 modifying the total contract value to \$20,160,242.61.
2. Authorized the Executive Director to sign Change Order No. 2 Supplement 1.

A motion was made by [Plancarte](#) and seconded by [Ureña](#), roll call:

Agency	Roll Call
City of Brawley	Yes
City of Calipatria	Abstain
City of Calexico	Yes
City of El Centro	Zoom
City of Holtville	Absent
City of Imperial	Yes
County of Imperial Plancarte	Yes
County of Imperial Hawk	Yes
City of Westmorland	Zoom
Imperial Irrigation District	Yes

Motion Carried.**VII. REPORTS**

A. ICTC Executive Director

- FY 2023-24 Unmet Transit Needs Survey: The public hearing is scheduled for April 6, 2023, at 3 p.m. at the ICTC offices and via Zoom meeting. ICTC respectfully requests members of the commission to attend the public hearing and one member of the commission to facilitate the public hearing. The public hearing is typically facilitated by the Chair of the commission, but the role can be delegated.
- ICTC has prepared surveys available on all services websites. There are also physical surveys available on the vehicles for passengers to complete.
- 2022 Long Range Transportation Plan: This plan is currently being developed and it is planned to be completed in September 2023. There have been various outreach events:
 - El Centro Annual Air Show: March 11, at 8:30 a.m. 2024 Bennet Road, El Centro
 - Children's and Family Health Fair: Wednesday, March 15, at 1:30 p.m. Grace Smith School Gym, 9 East 4th Street, Niland
 - Calexico Wellness Center Health Fair: March 22, 2023, at 10:00 a.m. 420 Heffernan Avenue, Calexico

- Cesar Chavez Celebration Festival: Thursday, March 30, at 2 p.m. Rockwood Avenue Promenade in Downtown Calexico
- 42nd Annual Children's Fair: Saturday, April 1, at 10 a.m. Bucklin Park, 8th Street and Ross Avenue, El Centro
- Calexico Microtransit Service - Calexico on Demand went online on January 9th. It has been a big success so far. There was a period of a month when it was free. This ended on February 9th. When the service was free, there were about 180 passengers per day. Now that there is a fee, there are about 150 passengers per day. This is a ride-share program that operates within the city of Calexico. Three vehicles operate it daily. Monday-Friday 6 am-6 pm. The regular price is \$2 per ride. Seniors (55+) and riders with disabilities ride for \$1.
- Forrester Road Project Study Report (PSR): Caltrans District 11 has been working on a project report on behalf of ICTC. The PSR will analyze safety and operation improvements along Forrester Road between I-8 and SR86/SR78. Other improvements include the Westmorland bypass. A meeting to discuss the draft PSR will be held at the ICTC offices on Wednesday, March 29, 2023, at 9 a.m.
- Imperial Mexicali Binational Alliance (IMBA): The next IMBA meeting is scheduled for April 13, 2023, in the City of Mexicali. The meeting will be available via Zoom and in person.
- Calexico East Port of Entry Bridge Widening Project: This project is about 82% complete in construction efforts. The project is on hold until they receive the permit to move forward.
- State Route 86 Border Patrol Checkpoint is moving forward and there have been some additional design features that have been incorporated. The design is expected to be completed in late April 2023. There are continuous meetings that are held with CBP.
- Clean California Bus Stop Improvement Project: Construction activities for the new bus stop improvements began on March 13, 2023.
- All other updates are on the Executive Director report on page 164 of the agenda.

B. Southern California Association of Governments (SCAG)

- The SCAG 2023 Regional Conference & General Assembly will be held May 4th-5th. It is free of charge for elected officials.
- Regional Council Approves Programs to Accelerate Transformative Housing (PATH) Guidelines: The program guidelines outline the program's components, requirements, eligibility, and application process, and staff recommendation to set aside \$88.835 million of SCAG's REAP 2.0 funding to support the program.
- All other updates are on the SCAG report on page 174 of the agenda.

C. California Department of Transportation (Caltrans)- District 11

- The SR-98 widening project has its Stage 1 has been completed. After discussions between the construction team and the local stakeholders, it was decided to go to Stage 3, which is the Westbound direction from SR-111 to Rockwood. This decision was made due to it not having any businesses around it. This will minimize the impact on businesses during the holiday season. Following Stage 3, Caltrans will start with Stage 2.
- I-8 Colorado River Bridge Rehab project will impact travel to Yuma. There will be detours and construction will start in mid-February. There will most likely be any traffic affected until mid-March.
- I-8, SR-78 Bridge Rehab at Various Locations: Looking to start construction in mid-March and will continue the next couple of months.

- I-8 Roadside Safety Improvements: This project was approved and has a 55-day start. This project will start in a couple of months.
- Middle Mile Broadband Initiative: Caltrans is in the final stages of identifying a contractor that will help develop these projects. CDT has approved segments on SR78, SR86, SR111, and SR115 totaling 178 miles of middle-mile broadband deployment.
- Call for Projects for the Clean California Local Grant Program is out as of last week. The state is looking for applications for eligible projects that are either infrastructure or non-infrastructure projects that reduce litter, beautify public spaces, and improve public health. The grants are up to 5 million dollars. The deadline for application projects is April 28th.
- Many maintenance and traffic operations are ongoing throughout the Imperial Valley.
- All other updates are on the Caltrans report on page 179 of the agenda.

D. Commission Member Reports

- Updates were provided by various commissioners.

VIII. PRESENTATION CALENDAR

A. Imperial County Strategic Plan: Presentation by Susan Giller, Reliance Public Relations, Inc.

- Ms. Susan Giller provided a small presentation on the development of a Strategic Plan to guide Imperial County for the next five years. She met with ICTC to ensure they have a chance to capture the experiences, insights, and understanding of issues affecting each community so they can be included in the strategic planning process. She provided an idea worksheet and surveys that she collected at the end of the meeting. The Commission provided some input during the workshop exercise.

IX. The next meeting will be on April 26, 2023, at 6:00 p.m. at the ICTC Offices, 1503 N. Imperial Ave., Suite 104, El Centro, CA 92243, and via Zoom Meeting for the public.

X. ADJOURNMENT

A. Meeting Adjourned at 7:49 p.m.

IMPERIAL COUNTY TRANSPORTATION COMMISSION
MINUTES FOR April 26, 2023
6:00 p.m.

VOTING MEMBERS PRESENT:

City of Brawley	George Nava
City of Calipatria	Michael Luellen
City of Calexico	Absent
City of El Centro	Martha Cardenas-Singh
City of Imperial	Robert Amparano
City of Holtville	Mike Goodsell
City of Westmorland	Ana Beltran (zoom)
County of Imperial	John Hawk
County of Imperial	Luis Plancarte
Imperial Irrigation District	Javier Gonzalez

STAFF PRESENT: David Aguirre, Cristi Lerma, Maricela Galarza, Angela Delgadillo

OTHERS PRESENT: Eric Havens: Counsel; Rafael Reyes, Ann Fox, Everett Townsend: Caltrans; David Salgado: SCAG

PUBLIC: None

The following action minutes are listed as they were acted upon by the Imperial County Transportation Commission and as listed on the agenda for the meeting held Wednesday, April 26, 2023, together with staff reports and related documents attached thereto and incorporated therein by reference.

I. CALL TO ORDER AND ROLL CALL

[Chair Goodsell](#) called the Commission meeting to order at 6:06 p.m. Roll call was taken, and a quorum was present.

II. EMERGENCY ITEMS

There were none.

III. PUBLIC COMMENTS

There were none.

IV. CONSENT CALENDAR

- | | | |
|----|------------------------------------|----------------|
| A. | ICTC Commission Minutes: | March 22, 2023 |
| B. | Receive and File: | |
| 1. | ICTC Management Committee Minutes: | March 8, 2023 |
| 2. | ICTC TAC Minutes: | March 23, 2023 |
| 3. | ICTC SSTAC Minutes: | March 1, 2023 |

A motion was made by [Cardenas-Singh](#) and seconded by [Amparano](#) to approve the consent calendar as presented, roll call:

Agency	Roll Call
City of Brawley	Absent
City of Calipatria	Yes
City of Calexico	Absent
City of El Centro	Yes
City of Holtville	Yes
City of Imperial	Yes
County of Imperial Plancarte	Absent
County of Imperial Hawk	Yes

City of Westmorland	Zoom
Imperial Irrigation District	Yes

Motion Carried.**V. REPORTS****A. ICTC Executive Director**

- Drivers, utility workers, and maintenance staff are currently on strike associated with the operator First Transit. The Union, which covers the drivers, utility workers, and maintenance staff, was elected to go on strike on April 25th. Since then, IV Transit has been operating daily under while obtaining other drivers from other locations. Due to the strike, the Saturday schedule is being operated. All services are still available but limited. ICTC Staff have been to all the communities, having conversations with the public trying to use the transit service. All information was posted on social media and on the website. While the strike is going on, ICTC is not charging any fares on all services given the inconvenience.
- FY 2023-24 Unmet Transit Needs Public Hearing Process: ICTC has collected public feedback on public transportation needs. This involves funding for various public transit services. ICTC had previously posted an online survey and physical surveys were available on our vehicles for passengers to complete. The UTN Findings meeting took place on April 24, 2023, at 3 p.m. at ICTC offices and via Zoom.
- ICTC has prepared surveys available on all services websites. There are also physical surveys available on the vehicles for passengers to complete.
- 2022 Long Range Transportation Plan: This plan is currently being developed and it is planned to be completed in September 2023. There have been various outreach events:
 - El Centro Annual Air Show: March 11, at 8:30 a.m. 2024 Bennet Road, El Centro
 - Children's and Family Health Fair: Wednesday, March 15, at 1:30 p.m. Grace Smith School Gym, 9 East 4th Street, Niland
 - Calexico Wellness Center Health Fair: March 22, 2023, at 10:00 a.m. 420 Heffernan Avenue, Calexico
 - Cesar Chavez Celebration Festival: Thursday, March 30, at 2 p.m. Rockwood Avenue Promenade in Downtown Calexico
 - 42nd Annual Children's Fair: Saturday, April 1, at 10 a.m. Bucklin Park, 8th Street and Ross Avenue, El Centro
- Calexico Microtransit Service - Calexico on Demand went online on January 9th. It has been a big success so far. There was a period of a month when it was free. This ended on February 9th. When the service was free, there were about 180 passengers per day. Now that there is a fee, there are about 150 passengers per day. This is a ride-share program that operates within the city of Calexico. Three vehicles operate it daily. Monday-Friday 6 am-6 pm. The regular price is \$2 per ride. Seniors (55+) and riders with disabilities ride for \$1. This service was not affected by the strike.
- Forrester Road Project Study Report (PSR): Caltrans District 11 has been working on a project report on behalf of ICTC. The PSR will analyze safety and operation improvements along Forrester Road between I-8 and SR86/SR78. Other improvements include the Westmorland bypass. A meeting to discuss the draft PSR was held at the ICTC offices on Wednesday, March 29, 2023, at 9 a.m. An updated PSR should be given to ICTC and will be brought to the Commission in the next couple of months.
- Imperial Mexicali Binational Alliance (IMBA): The IMBA meeting was held on April 13, 2023, in the City of Mexicali. The meeting was available via Zoom and in person.

- Calexico East Port of Entry Bridge Widening Project: This project is about 82% complete in construction efforts. The project is on hold until they receive the presidential permit to move forward.
 - State Route 86 Border Patrol Checkpoint is moving forward and there have been some additional design features that have been incorporated. The design is expected to be completed in late April 2023. There are continuous meetings that are held with CBP.
 - All other updates are on the Executive Director report on page 19 of the agenda.
- B. Southern California Association of Governments (SCAG)
- The SCAG 2023 Regional Conference & General Assembly will be held May 4th-5th. It is free of charge for elected officials.
 - All other updates are on the SCAG report on page 26 of the agenda.
- C. California Department of Transportation (Caltrans)- District 11
- The SR-98 widening project has its Stage 1 has been completed. After discussions between the construction team and the local stakeholders, it was decided to go to Stage 3, which is the Westbound direction from SR-111 to Rockwood. This decision was made due to it not having any businesses around it. This will minimize the impact on businesses during the holiday season. Following Stage 3, Caltrans will start with Stage 2.
 - I-8 Colorado River Bridge Rehab project will impact travel to Yuma. There were detours and construction that started in mid-February. Detours and temporary closures are expected and will be announced as the project progresses. Construction started in February 2023 and estimated completion is early 2021.
 - I-8, SR-78 Bridge Rehab at Various Locations: Started construction in mid-March and will continue for the next couple of months.
 - I-8 Roadside Safety Improvements: This project was approved and has a 55-day start. Construction is expected to start in May 2023 and estimated completion is spring 2024. The total project cost is estimated at \$4.6 million.
 - Middle Mile Broadband Initiative: Caltrans is in the final stages of identifying a contractor that will help develop these projects. CDT has approved segments on SR78, SR86, SR111, and SR115 totaling 178 miles of middle-mile broadband deployment. Caltrans has begun design work for these segments. The total capital cost for construction is estimated at \$62.3 million and the target completion date is December 2026.
 - Call for Projects for the Clean California Local Grant Program is out as of last week. The state is looking for applications for eligible projects that are either infrastructure or non-infrastructure projects that reduce litter, beautify public spaces, and improve public health. The grants are up to 5 million dollars. The deadline for application projects is April 28th.
 - Many maintenance and traffic operations are ongoing throughout the Imperial Valley.
 - July 10, 2023 – Deadline for Safe Streets & Roads for All (SS4A) Grant Program
 - Reconnecting Communities: Highways to Boulevards Pilot Program will have applications due in the summer.
 - Community Response Initiative to Strengthen Emergency Systems Grant (Pilot): Applications will be due to CDSS on July 14, 2023.
 - All other updates are on the Caltrans report on page 31 of the agenda.
- D. Commission Member Reports
- Updates were provided by various commissioners.

- VI.** The next meeting will be on May 25, 2023, at 6:00 p.m. at the ICTC Offices, 1503 N. Imperial Ave., Suite 104, El Centro, CA 92243, and via Zoom Meeting for the public.
- VII. ADJOURNMENT**
 - A. Meeting Adjourned at 6:45 p.m.



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EL CENTRO, CA 92243-2875
PHONE: (760) 592-4494
FAX: (760) 592-4410

TECHNICAL ADVISORY COMMITTEE MINUTES

March 23, 2023

Present:

Phillip Ramirez	City of Brawley
Lily Falomir	City of Calexico
George Galvan	City of Calipatria
Abraham Campos	City of El Centro
Adriana Anguis	City of Holtville
Jesus Villegas	City of Imperial
Ramiro Barajas	City of Westmorland
Veronica Atondo	County of Imperial
Manuel Ortiz	Imperial Irrigation District

Others:

David Aguirre	ICTC
Virginia Mendoza	ICTC
Michelle Bastidas	ICTC
Marlene Flores	ICTC
Angela Delgadillo	ICTC
Esperanza Avila	ICTC
Juan Manuel Cabrera	City of Brawley
Ana Gutierrez	City of Brawley
Sandy Fonseca	City of Calexico
Andres Miramontes	City of El Centro
Felix De Leon	City of El Centro
Andrea Montano	City of El Centro
Catherine Gutierrez	City of El Centro
Marco Coronel	City of Imperial
Ismael Garcia	County of Imperial
Adolfo Garcia	County of Imperial
Sergio Perez	County of Imperial
Carmen Zamora	County of Imperial
Nick Ventrilla	Caltrans
Maria Ibarra	Caltrans
Robin Owen	Caltrans
Kevin Hovey	Caltrans
Anna Strahan	Caltrans
David Salgado	SCAG

Tim Jones

Oversight Committee LTA

1. The meeting was called to order at 10:05 a.m. A quorum was present, and introductions were made. There were no public comments made.
2. A *motion* was made to adopt the minutes for February 23, 2023 ([Falomir/Anguis](#)) **Motion Carried.**
3. **Local Transportation Authority (LTA) Overview**
(Presented by: ICTC Staff)
 - Mr. Aguirre provided a brief presentation on the Local Transportation Authority (LTA)
 - If you would like to be on the distribution list for the quarterly LTA revenues, please email Michelle Bastidas at michellebastidas@imperialctc.org and she can add you to the list.
 - For more information, please contact ICTC at 760-592-4494
4. **ICTC Updates / Announcements**
(Presented by ICTC Staff)
 - a. **Transit Planning Updates**
 - b. **Transportation Planning Updates**
 - **CRRSAA Funds Update:**
 - The following documents should be in submitted:
 - Attachments B CRRSAA Allocation Form
 - CRRSAA Finance Letter
 - CRRSAA ePPR
 - **Local Partnership Program (LPP) Update:**
 - Because local agencies chose to combine their cycle 3 and cycle 4 funding, agencies must allocate their funds by **June 30, 2023.**
 - If the agency is not planning to allocate, an allocation extension should be submitted to Caltrans Local Assistance no later than the June 30th meeting.
 - **Long Range Transportation Plan (LRTP) Update:**
 - LRTP Website: [Imperial Valley Regional Plan 2040 \(ictc-lrtp2023.org\)](http://Imperial Valley Regional Plan 2040 (ictc-lrtp2023.org))
 - [ICTC LRTP Projects \(arcgis.com\)](http://ICTC LRTP Projects (arcgis.com))
 - **Federal & State Project Listing for FFY 2022-23:**
 - Each jurisdiction gave its update.
5. **Caltrans Updates / Announcements:**
(Presented by: Robin Owen)
 - February 3, 2023 was the deadline to submit Inactive invoices or justification.
 - January 31, 2023 – Federal Fiscal Year (FFY) 22/23 Requests for Authorization Obligations Due! Please submit RFA packages as soon as possible.
 - March 7, 2023 – Reconnecting Communities: Highways to Boulevards Pilot Program Workshop: <https://dot.ca.gov/programs/local-assistance/fed-and-state-programs/rc-h2b>
 - April 28, 2023 Clean California Local Grant Program – Cycle 2 Call for Projects Applications Due: <https://cleancalifornia.dot.ca.gov/local-grants/local-grant-program>
 - The next CTC meeting is on March 22, 2023. The following will be on May 17, 2023. To submit for the May 17th CTC Meeting the deadline will be March 17, 2023.
 - Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Grant – Feb. 28, 2023: Deadline is February 28, 2023
 - Local Assistance Day save the date: March 8, 2023, <https://ca-ctap.org/?pid=1611>
 - June 1, 2023 – Annual Deadline for *Local Assistance Procedures Manual* Exhibits 9-B & 9-C!

- Cooperative Training Assistance Program (CTAP) – New Learning Opportunities! (“live” & virtual)
- Federal Aid Series and the Resident Engineers Academy, both of which fill quickly. “Live” on-site classroom delivery will be returning soon. Please enroll early!
- Schedule is available here – <https://ca-ctap.org/?pid=1609> Recordings of several trainings are online.

6. SCAG Updates / Announcements:

(Presented by: David Salgado)

- The Regional Council has approved the Programs to Accelerate Transformative Housing (PATH) Guidelines and authorized its Call for Applications. There has been set aside \$88.835 million of SCAG’s REAP 2.0 funding to support the program.
- SCAG’s scholarship program is currently open. SCAG has worked closely with the County Office of Education and has distributed this information to all high school counselors. This opportunity is for \$4,000 for any graduating high school student or current community college student. The scholarship is focused on public policy and urban planning majors.
- For more information, please contact David Salgado at salgado@scag.ca.gov

7. Cities and County Planning / Public Works Updates:

- Each jurisdiction gave their update.

8. General Discussion / New Business

No new business was discussed.

Next TAC meeting will be April 27, 2023, via Zoom for the public and in person at the ICTC offices.

Meeting adjourned at 11:04 p.m.



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SOCIAL SERVICES TRANSPORTATION ADVISORY COUNCIL

MINUTES

April 05, 2023

Present

Voting Attendees:

Ted Ceasar	Consumer
Mike Hack	Consumer
Kathleen Lang	California Health & Wellness
Priscilla Lopez	Workforce & Economic Development
Karina Leon	Access to Independence
Cristina Leal	ARC- Imperial Valley
Gustavo Gomez	CTSA-ICTC

Non-Voting Attendees:

Helio Sanchez	IVT
Cesar Sanchez	IVT
Jose Guillen	IVT MedTrans
Karla Pacheco	IVT Access
Karla Aguilar	IVT Ride
Liz Santucci	Caltrans
Angela Delgadillo	ICTC
Esperanza Avila	ICTC

1. Dr. Lang called the meeting to order at 10:01 a.m. **A quorum was present.**
2. Introductions were made.
 - Hybrid meeting.
3. Minutes were adopted for March 01, 2023. ([Hack](#), [Ceasar](#)), **Motion Carried.**
4. CTSA Reports:

Mr. Gomez had the following updates:

- Continuing to assist in sign-ups for IVT Ride and Access via phone.
- Unmet Transit Needs (UTN) Public hearing on April 06, 2023
- Staff attended an event during February, Senior Health Fair at Holtville, and Imperial Gardens
- On February 16th, ICTC Staff presented an IVT presentation at Villa De La Flores Senior Apartments in Calexico.

- On March 15th, ICTC staff will attend the Niland Children's Fair, and on March 17, IVC Transitions Fair

5. Transit Operator FY 2022-23 Reports:

Imperial Valley Transit

- There is a slight increase in ridership as time goes by.

IVT Access

- Ms. Pacheco mentioned that the service is running as usual.
- Community event at the Senior Apartments in Imperial and in Holtville, April 06, 2023

IVT Ride

- Ms. Aguilar stated that the service is running as usual and mentioned some of the events that IVT Ride participated in the last month.

IVT MedTrans

- Mr. Guillen mentioned that service hours are the same and both buses are available. It is in response to demand.

6. General Discussion

- Mr. Gomez stated Calexico on demand is now charging. The wait time has increased due to high demand. Additionally, he said they are considering bringing in more vehicles.

7. Adjournment

- The meeting adjourned at 10:19 a.m.
- The next meeting will be held on Wednesday, May 03, 2023, at the Imperial County Transportation Commission Office, 1503 N. Imperial Ave., Suite 104, El Centro, CA 92243.

V. ACTION CALENDAR

V. ACTION CALENDAR

- A. Transportation Development Act (TDA) Triennial Performance Audit Findings, Responses, Action Plan and Authorization to Submit Audits to Appropriate Agencies
 - 1. Receive and file the TDA Triennial Performance Audit(s) for the Imperial County Transportation Commission, Imperial Valley Transit (IVT), IVT Ride, IVT Access, IVT Ride and the YCAT East County Service.
 - 2. Direct staff to transmit the performance audit(s) to Caltrans and other state agencies as required.



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May 10, 2023

Management Committee
Imperial County Transportation Commission
1503 N. Imperial Ave. Suite 104
El Centro, Ca. 92243

SUBJECT: Transportation Development Act (TDA) Triennial Performance Audit Findings,
Responses, Action Plan and Authorization to Submit Audits to Appropriate Agencies

Dear Committee Members:

The State of California requires that Transportation Planning Agencies undergo a performance audit every three years as a result of receiving Transportation Development Act (TDA) funds. The Imperial County Transportation Commission acquired the services of Moore and Associates to complete the TDA Triennial Performance Audit for FY19-20, 20-21 and 21-22. The audit focused primarily on the administration of TDA funded programs and services over the three-year period of time. The six areas of audit included: 1. ICTC 2. Imperial Valley Transit (IVT) 3. IVT ACCESS 4. IVT RIDE 5. IVT MedTrans and 6. Yuma Citizens Area Transit (YCAT) Routes 5 (Blue) and 10 (Turquoise).

The audits reviewed various elements of the TDA funded programs including but not limited to: Compliance with TDA requirements and regulations, ICTC strategic planning efforts, examination of administration and management, grant applications and management and improvement opportunity evaluation. The audits noted various findings including those which were noted in the previous audit that were completed and the current audit. Staff has already begun to address the findings noted within the audits. The following outlines the findings and ICTC's responses and plans for action.

TDA Triennial Performance Audit Findings and Resolutions	
Finding	Resolution
Ensure State Controller Reports are submitted in a timely manner.	ICTC is working with the auditing team to begin and complete required audits and reports within the specified delivery dates.
Reaffirm ICTC's definitions of "unmet transit need" and "reasonable to meet" as part of each annual unmet transit needs finding.	ICTC will implement the reaffirmation of its Unmet Transit Needs definitions and criteria on an annual basis.
Include a detailed breakdown of the farebox recovery ratio calculation in future TDA fiscal audits.	ICTC will work with its annual auditor to include a breakdown of the farebox recovery ratio calculation for all future TDA fiscal audits.
Identify strategies that will enable IVT Access to meet the 10 percent farebox recovery ratio requirement. – IVT Access, IVT MedTrans and IVT Ride.	ICTC is exploring local funding opportunities to achieve farebox recovery for the service. ICTC will also attempt to boost ridership for all services which will assist with farebox recovery.

TDA Triennial Performance Audit Findings and Resolutions, Cont'd	
Finding	Resolution
Update IVT Ride service information to reflect the current service and provide essential service information.	ICTC is currently implementing updates to IVT Ride documents and website.

ICTC will be working diligently to ensure that the noted findings are addressed in a timely manner.

It is requested that the ICTC Management Committee forward this item to the Commission for their review and approval after public comment, if any:

1. Receive and file the TDA Triennial Performance Audit(s) for the Imperial County Transportation Commission, Imperial Valley Transit (IVT), IVT Ride, IVT Access, IVT Ride and the YCAT East County Service.
2. Direct staff to transmit the performance audit(s) to Caltrans and other state agencies as required.

Sincerely,



David Aguirre
Executive Director

IMPERIAL COUNTY TRANSPORTATION COMMISSION

TDA Triennial Performance Audits, FY 2019/20 – FY 2021/22

Management Committee Meeting
May 10, 2023



1

TDA AUDIT OVERVIEW

- The California Public Utilities Code requires all Regional Transportation Planning Agencies conduct an independent Triennial Performance Audit in order to be eligible for Transportation Development Act (TDA) funding
- In late 2022, the ICTC selected Moore & Associates, Inc., to prepare Triennial Performance Audits of itself as the RTPA and the five transit operators to which it allocates TDA funding
 - Imperial Valley Transit
 - IVT Access
 - IVT Ride
 - IVT MedTrans
 - Fort Yuma Quechan Indian Tribe (YCAT Routes 5 & 10)

2

ICTC AS THE RTPA

Five prior recommendations

1. Ensure State Controller Reports are submitted in a timely manner. – **Implementation in progress**
2. Ensure the RTPA's fiscal audits are completed no later than 12 months following the end of the fiscal year, and that operator audits for which ICTC is responsible are submitted no later than 180 days after the end of the fiscal year (plus a 90-day extension). - **Implemented**
3. For any operator using STA funds for operating purposes, ICTC should include the test against the two qualifying efficiency standards as part of the TDA claim process. - **Implemented**
4. Prepare and implement a standardized orientation process for new ICTC Board members. - **Implemented**
5. Reaffirm ICTC's definitions of "unmet transit need" and "reasonable to meet" as part of each annual unmet transit needs finding. – **Not implemented**

3

ICTC AS THE RTPA

Two current findings and recommendations

Both carried over from the prior audit.

1. **Finding:** State Controller Reports were submitted after the stipulated deadline in FY 2020/21 and FY 2021/22.
Recommendation: Ensure State Controller Reports are submitted in a timely manner.
2. **Finding:** The ICTC does not reaffirm its definitions of "unmet transit need" and "reasonable to meet" as part of its annual unmet transit needs findings.
Recommendation: Reaffirm ICTC's definitions of "unmet transit need" and "reasonable to meet" as part of each annual unmet transit needs finding.

4

IMPERIAL VALLEY TRANSIT

Three prior recommendations

1. Ensure State Controller Reports are submitted in a timely manner. – **Not implemented**
2. Ensure TDA fiscal audits of all IVT operations are completed no later than 270 days following the end of the fiscal year. – **Implemented**
3. IVT should ensure its website is fully usable for monolingual Spanish-speaking individuals. – **Implementation in progress**

5

IMPERIAL VALLEY TRANSIT

Two current findings and recommendations

1. **Finding:** State Controller Reports were submitted after the stipulated deadline in FY 2020/21 and FY 2021/22.
Recommendation: Ensure State Controller Reports are submitted in a timely manner.
2. **Finding:** The TDA fiscal audit does not show how the farebox recovery ratio is calculated, only provides the actual ratio against the required ratio.
Recommendation: Include a detailed breakdown of the farebox recovery ratio calculation in future TDA fiscal audits.

6

IVT ACCESS

Three prior recommendations

1. Ensure State Controller Reports are submitted in a timely manner.
– **Not implemented**
2. Ensure TDA fiscal audits of all IVT operations are completed no later than 270 days following the end of the fiscal year. – **Implemented**
3. Identify supplemental local revenues that will bring the farebox recovery ratio up to at least 10 percent. – **Not implemented**

7

IVT ACCESS

Three current findings and recommendations

1. **Finding:** State Controller Reports were submitted after the stipulated deadline in FY 2020/21 and FY 2021/22.
Recommendation: Ensure State Controller Reports are submitted in a timely manner.
2. **Finding:** The TDA fiscal audit does not show how the farebox recovery ratio is calculated, only provides the actual ratio against the required ratio.
Recommendation: Include a detailed breakdown of the farebox recovery ratio calculation in future TDA fiscal audits.
3. **Finding:** IVT Access is not on track to be in compliance with the farebox recovery requirement when the penalty waiver ends after FY 2022/23.
Recommendation: Identify strategies that will enable IVT Access to meet the 10 percent farebox recovery ratio requirement.

8

IVT RIDE

Three prior recommendations

1. Ensure State Controller Reports are submitted in a timely manner. – **Not implemented**
2. Ensure TDA fiscal audits of all IVT operations are completed no later than 270 days following the end of the fiscal year. – **Implemented**
3. Implement a fare adjustment or identify supplemental local revenues that will enable each IVT Ride service to meet its farebox recovery ratio target. – **Not implemented**

9

IVT RIDE

Four current recommendations

1. **Finding:** State Controller Reports were submitted after the stipulated deadline in FY 2020/21 and FY 2021/22.
Recommendation: Ensure State Controller Reports are submitted in a timely manner.
2. **Finding:** The TDA fiscal audit does not show how the farebox recovery ratio is calculated, only provides the actual ratio against the required ratio.
Recommendation: Include a detailed breakdown of the farebox recovery ratio calculation in future TDA fiscal audits.
3. **Finding:** IVT Ride is not on track to be in compliance with the farebox recovery requirement when the penalty waiver ends after FY 2022/23.
Recommendation: Identify strategies that will enable IVT Ride to meet the 10 percent farebox recovery ratio requirement.
4. **Finding:** IVT Ride service information online is outdated and does not include the Heber service.
Recommendation: Update IVT Ride service information to reflect the current service and provide essential service information.

10

IVT MEDTRANS

Four prior recommendations

1. Ensure State Controller Reports are submitted in a timely manner. – **Not implemented**
2. Ensure TDA fiscal audits of all IVT operations are completed no later than 270 days following the end of the fiscal year. – **Implemented**
3. Identify marketing strategies to grow ridership and/or identify supplemental local revenues that will bring the farebox recovery ratio up to at least 10 percent. – **Not implemented**
4. Conduct a survey of IVT MedTrans customers, either as a stand-alone survey or as part of a larger, system-wide survey effort. – **Partially implemented**

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IVT ACCESS

Three current findings and recommendations

1. **Finding:** State Controller Reports were submitted after the stipulated deadline in FY 2020/21 and FY 2021/22.
Recommendation: Ensure State Controller Reports are submitted in a timely manner.
2. **Finding:** The TDA fiscal audit does not show how the farebox recovery ratio is calculated, only provides the actual ratio against the required ratio.
Recommendation: Include a detailed breakdown of the farebox recovery ratio calculation in future TDA fiscal audits.
3. **Finding:** IVT MedTrans is not on track to be in compliance with the farebox recovery requirement when the penalty waiver ends after FY 2022/23.
Recommendation: Identify strategies that will enable IVT MedTrans to meet the 10 percent farebox recovery ratio requirement.

12

FORT YUMA QUECHAN TRIBE

Two prior recommendations

1. Ensure State Controller Reports are submitted in a timely manner. – **Implemented**
2. Ensure the State Controller Report is reviewed by someone other than the individual who prepared it so as to identify any errors in reporting. – **Implemented**

No current findings or recommendations

13

IMPACT OF COVID-19

- Additional cleaning protocols and protective equipment implemented
- Significant reduction in ridership/demand
- Reduced levels of service on some IVT routes
- Fewer vehicles deployed for IVT Access and IVT Ride
- Decrease in hours of service for IVT Ride
- Reduction in number of trips per week for IVT MedTrans
- Ridership/demand has yet to fully recover in some areas

14

THANK YOU



15



Imperial County Transportation Commission (ICTC)
Transportation Development Act (TDA)
Triennial Performance Audit, FY 2019/20 - FY 2021/22
of ICTC as the Regional Transportation Planning Agency



DRAFT REPORT
APRIL 2023

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Chapter 1 | Executive Summary

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

In late 2022, the ICTC selected Moore & Associates, Inc., to prepare Triennial Performance Audits of itself as the RTPA and the five transit operators to which it allocates TDA funding. Moore & Associates, Inc. is a consulting firm specializing in public transportation. Selection of the consultant followed a competitive procurement process.

This chapter summarizes key findings and recommendations developed during the Triennial Performance Audit (TPA) of the ICTC's programs for the period:

- Fiscal Year 2019/20,
- Fiscal Year 2020/21, and
- Fiscal Year 2021/22.

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

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

The Triennial Performance Audit includes five elements:

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

Test of Compliance

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

1. State Controller Reports were submitted after the stipulated deadline in FY 2020/21 and FY 2021/22.

Status of Prior Recommendations

The prior Triennial Performance Audit – completed in 2020 by Moore & Associates, Inc. for the three fiscal years ending June 30, 2019 – included the following recommendations:

1. Ensure State Controller Reports are submitted in a timely manner.
Status: Implementation in progress.
2. Ensure the RTPA’s fiscal audits are completed no later than 12 months following the end of the fiscal year, and that operator audits for which ICTC is responsible are submitted no later than 180 days after the end of the fiscal year (plus a 90-day extension).
Status: Implemented.
3. For any operator using STA funds for operating purposes, ICTC should include the test against the two qualifying efficiency standards as part of the TDA claim process.
Status: Implemented.
4. Prepare and implement a standardized orientation process for new ICTC Board members.
Status: Implemented.
5. Reaffirm ICTC’s definitions of “unmet transit need” and “reasonable to meet” as part of each annual unmet transit needs finding.
Status: Not implemented.

Goal Setting and Strategic Planning

The Imperial County Transportation Commission (ICTC) is a regional transportation planning agency governed by a Commission composed of one council member from each city (Brawley, Calipatria, Calexico, El Centro, Holtville, Imperial, and Westmorland), two members of the Imperial County Board of Supervisors, one member of the Imperial Irrigation District’s Board of Directors, and one ex officio member appointed by the Governor of California representing Caltrans. The ICTC was created in 2009 by Senate Bill 607 as the successor agency to the Imperial Valley Association of Governments.

While the ICTC is the Regional Transportation Planning Agency for Imperial County, it is not responsible for preparing the Regional Transportation Plan. As a member of the Southern California Association of Governments (SCAG), which serves as the Metropolitan Planning Organization for the region, Imperial County is included within SCAG’s Connect SoCal Plan, which serves as the Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS) for the six-county area. The current RTP/SCS was adopted on September 3, 2020, by SCAG’s Regional Council and spans the 25-year period between 2020 and 2045. Planning has already begun on the 2024 update. The Regional Council includes two representatives from Imperial County as well as a representative from the ICTC.

The ICTC’s most recent Long-Range Transportation Plan was completed in 2013. It primarily focused on a review of transportation infrastructure in Imperial County and provided a prioritized list of highway facility and roadway improvement projects. It also included a congestion management element that included recommended methods for establishing performance standards for transit service. This plan is currently being updated, with completion expected by September 2023.

Findings and Recommendations

Based on the current review, the auditors submit the aforementioned TDA compliance finding:

1. State Controller Reports were submitted after the stipulated deadline in FY 2020/21 and FY 2021/22.

The audit team has identified one functional finding. While this finding is not a compliance finding, the auditors believe it is significant enough to be addressed within this review:

1. The ICTC does not reaffirm its definitions of “unmet transit need” and “reasonable to meet” as part of its annual unmet transit needs findings.

In completing this Triennial Performance Audit, we submit the following recommendations for the ICTC as the RTPA. They have been divided into two categories: TDA Program Compliance Recommendations and Functional Recommendations. TDA Program Compliance Recommendations are intended to assist in bringing the agency into compliance with the requirements and standards of the TDA, while Functional Recommendations address issues identified during the Triennial Performance Audit that are not specific to TDA compliance.

Exhibit 1.1 Summary of Audit Recommendations

TDA Compliance Recommendations		Importance	Timeline
1	Ensure State Controller Reports are submitted in a timely manner.	High	Ongoing
Functional Recommendations		Importance	Timeline
1	Reaffirm the ICTC’s definitions of “unmet transit need” and “reasonable to meet” as part of each annual unmet transit needs finding.	Medium	FY 2023/24

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Chapter 2 | Audit Scope and Methodology

The Triennial Performance Audit (TPA) of the Imperial County Transportation Commission (ICTC) covers the three-year period ending June 30, 2022. The California Public Utilities Code requires all Regional Transportation Planning Agencies conduct an independent Triennial Performance Audit in order to be eligible for Transportation Development Act (TDA) funding.

In late 2022, the ICTC selected Moore & Associates, Inc., to prepare Triennial Performance Audits of itself as the RTPA and the five transit operators to which it allocates funding. Moore & Associates, Inc. is a consulting firm specializing in public transportation. Selection of Moore & Associates followed a competitive procurement process.

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

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

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

Objectives

A Triennial Performance Audit has four primary objectives:

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

Scope

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

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

Methodology

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

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

Given impacts of the ongoing COVID-19 pandemic, the methodology for this audit included a virtual site visit with ICTC representatives on March 1, 2023. The audit team met with David Aguirre (Executive Director) and Gustavo Gomez (Regional Mobility Coordinator), and reviewed materials germane to the triennial audit.

The report is comprised of seven chapters divided into three sections:

1. Executive Summary: A summary of the key findings and recommendations developed during the Triennial Performance Audit process.
2. TPA Scope and Methodology: Methodology of the audit and pertinent background information.
3. TPA Results: In-depth discussion of findings surrounding each of the subsequent elements of the audit:
 - Compliance with statutory and regulatory requirements,
 - Progress in implementing prior recommendations,
 - Goal setting and strategic planning,
 - Functional review, and
 - Findings and recommendations.

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Chapter 3 | Overview of ICTC

The Imperial County Transportation Commission (ICTC) is a regional transportation planning agency governed by a Commission composed of one council member from each city (Brawley, Calipatria, Calexico, El Centro, Holtville, Imperial, and Westmorland), two members of the Imperial County Board of Supervisors, one member of the Imperial Irrigation District's Board of Directors, and one ex officio member appointed by the Governor of California representing Caltrans. The ICTC was created in 2009 by Senate Bill 607 as the successor agency to the Imperial Valley Association of Governments. Future non-voting members of the Commission may include representatives of Baja California; Mexicali, Mexico; any federally recognized Native American tribe in Imperial County; and the Consul of Mexico.

Roles

The ICTC serves many functions within the region, including:

Regional Transportation Planning Authority (RTPA). As the RTPA, the ICTC is legally responsible for allocating Transportation Development Act (TDA) funds. The TDA provides two major sources of funding: Local Transportation Funds (LTF), which are derived from a one-quarter cent state sales tax, and State Transit Assistance (STA), which is derived from the statewide sales tax on diesel fuel. The ICTC is required by state statutes to conduct multi-modal transportation planning, programming, and funding allocation.

Transit Operator. The ICTC provides direct management, administration, and oversight of local and regional transit programs including Imperial Valley Transit (IVT), IVT Ride, IVT Access, and IVT MedTrans. The ICTC also partners with the Yuma County Intergovernmental Public Transportation Authority (YCIPTA) and Quechan Tribe to provide transit service in Eastern Imperial County.

Americans with Disabilities Act (ADA) Certification and Eligibility Provider. The ICTC's Mobility Coordination staff process eligibility/certification applications and conduct functional interviews to support Imperial County's ADA program.

Consolidated Transportation Service Authority (CTSA). ICTC is the agency responsible for coordinating programs serving the transportation needs of seniors, persons with disabilities, and other historically transit-dependent populations.

Local Transportation Authority (LTA). The ICTC is responsible for determining the method for distributing Measure D sales tax revenue for transportation improvements.

Imperial/Mexicali Binational Alliance – Developed by the ICTC in partnership with the Imperial Valley Economic Development Corporation (IVEDC) and Mexicali's Economic Development Organization (CDEM). The Imperial-Mexicali Binational Alliance was established via memorandum of understanding in 2013 in Mexicali. This group focuses on three cross-border goals: transportation infrastructure, economic development, and environmental issues. Other participating organizations include local, state and federal agencies having direct responsibilities for cross-border infrastructure, economic, and environmental issues. Participants include the cities of Calexico and Mexicali; Imperial County; State of Baja California's Cabinet Offices of Transportation/Urban Planning, Environments, and Economic Development; Caltrans; U.S. and Mexico federal agencies located at the border; and the Secretariat for Communications and

Transport. The Alliance meets on the second Thursday of the month on a bi-monthly basis and alternates meetings between Imperial and Mexicali.

CalVans – In 2014, the ICTC became a member of the CalVans Joint Powers Agency. CalVans does not require contributions from members, but provides an additional transit option within member jurisdictions. CalVans established an office in El Centro and operates 47 agricultural worker vanpools within Imperial County.

Imperial Valley Resource Management Agency (IVRMA) – On March 2, 2020, the ICTC became the administrator of the IVRMA. This took place following the implementation of Assembly Bill 335, which allowed the ICTC’s authority to include non-transportation programs.

Service Authority for Freeway Emergencies (SAFE) – On July 1, 2020, the ICTC became the administrator of the SAFE. This also took place following the implementation of Assembly Bill 335, which allowed the ICTC’s authority to include non-transportation programs.

Advisory Committees

Management Committee – Addresses transportation projects and issues specific to the region and serves as a policy advisory body to the Board. The Management Committee is comprised of two members from the County of Imperial and one member from each member-city or agency (e.g., City Manager, Chief Executive Officer, General Manager, or their designated representative). It meets on the second Wednesday of the month.

Social Services Transportation Advisory Council (SSTAC) – Statutorily (PUC 99238) created to serve a broad representation of youth, students, elderly, disabled persons, persons of limited means, social service agencies, the transit-dependent, and transit providers. The SSTAC participates in the identification of transit needs; reviews and recommends action; and provides advice and technical recommendations. It meets on the first Wednesday of the month. SSTAC members serve three-year terms.

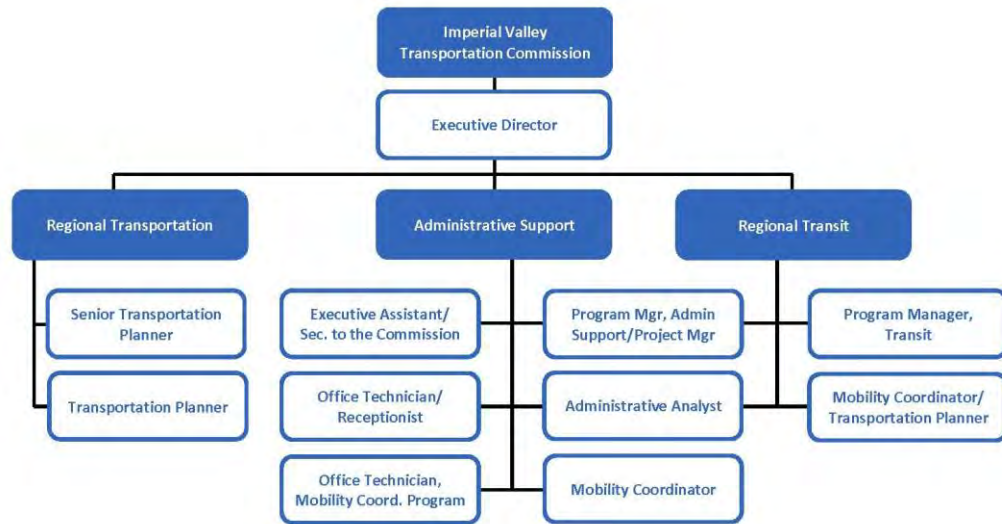
Technical Advisory Committee (TAC) – Composed of Planning and Public Works Department representatives from each member agency including advisory members of Caltrans, Southern California Association of Governments (SCAG), and the ICTC. The purpose of the TAC is to coordinate the plans and development of regional transportation improvement program of projects, transportation planning programs, and transportation funding programs. It typically meets on the fourth Thursday of the month.

Americans with Disabilities Act (ADA) Advisory Committee – Includes members from the SSTAC as well as other individuals who are disabled and agencies that provide services to the disabled community. It meets on an as-needed basis when a transit complaint has been filed by a person with disabilities, when an appeal is filed under the ADA certification and eligibility process, and when a public agency requests input from the disabled community regarding transit service changes.

Organization

The ICTC organizational chart (see Exhibit 3.1) includes 11 full-time positions. The ICTC’s Executive Director reports to the Commission and manages three departments: Regional Transportation, Administrative Support, and Regional Transit.

Exhibit 3.1 Organizational Chart



Source: ICTC.

During the audit period, the following individuals served as voting members of the Imperial County Transportation Commission:

- George Nava, City of Brawley (2019-2022)
- Maria Nava-Froelich, City of Calipatria (2019 - 2022)
- Lewis Pacheco, City of Calexico (2019-2020)
- Bill Hodge, City of Calexico (2020)
- Javier Moreno, City of Calexico (2021)
- Rosie Arreola-Fernandez, City of Calexico (2021-2022)
- Raul Urena, City of Calexico (2022)
- Cheryl Viegas-Walker, City of El Centro (2019-2022)
- Jim Predmore, City of Holtville (2019-2020)
- Mike Goodsell, City of Holtville (2021-2022)
- Ginger Ward, City of Holtville (2022)
- Robert Amparano, City of Imperial (2019-2022)
- Larry Ritchie, City of Westmorland (2019-2020)
- Ana Beltran, City of Westmorland (2021-2022)
- Xavier Mendez, City of Westmorland (2022)
- Luis Plancarte, County of Imperial (2019-2022)
- Ryan Kelley, County of Imperial (2019-2022)
- Erik Ortega, Imperial Irrigation District (2019)
- Javier Gonzalez (2021-2022)

ICTC Commissioners meet at 6:00 p.m. on the fourth Wednesday of the month in the Imperial County board chambers (940 Main Street) in El Centro.

Current areas of interest to the Commission include low transit ridership as a result of the COVID-19 pandemic and the Calexico micro-transit demonstration project. In addition, the ICTC receives monthly performance reports from its operations contractor and makes periodic presentations to the Board.

Goal Setting and Strategic Planning

The primary planning document for an RTPA is typically the Regional Transportation Plan and Sustainable Communities Strategy (RTP/SCS). The RTP is a long-range (25-year) transportation plan providing a vision for regional transportation investments. The Sustainable Communities Strategy (SCS) element, required under SB 375, demonstrates the integration of land use, transportation strategies, and transportation investments that will help meet regional greenhouse gas reduction targets.

While the ICTC is the Regional Transportation Planning Agency for Imperial County, it is not responsible for preparing the Regional Transportation Plan. As a member of the Southern California Association of Governments (SCAG), which serves as the Metropolitan Planning Organization for the region, Imperial County is included within SCAG's Connect SoCal Plan, which serves as the Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS) for the six-county area. The current RTP/SCS was adopted on September 3, 2020, by SCAG's Regional Council and spans the 25-year period between 2020 and 2045. Planning has already begun on the 2024 update. The Regional Council includes two representatives from Imperial County as well as a representative from the ICTC.

The Connect SoCal plan primarily looks at the region as a whole, rather than planning for each county individually. While some key projects are identified by county, the majority of the plan takes a more holistic view. The RTP/SCS does set forth a series of goals and guiding principles that are applicable across the region.

Exhibit 3.2 Connect SoCal Goals

Goals	
1	Encourage regional economic prosperity and global competitiveness.
2	Improve mobility, accessibility, reliability, and travel safety for people and goods.
3	Enhance the preservation, security, and resilience of the regional transportation system.
4	Increase person and goods movement and travel choices within the transportation system.
5	Reduce greenhouse gas emissions and improve air quality.
6	Support healthy and equitable communities.
7	Adapt to a changing climate and support an integrated regional development pattern and transportation network.
8	Leverage new transportation technologies and data-driven solutions that result in more efficient travel.
9	Encourage development of diverse housing types in areas that are supported by multiple transportation options.
10	Promote conservation of natural and agricultural lands and restoration of habitats.

Exhibit 3.3 Connect SoCal Guiding Principles

Guiding Principles	
1	Base transportation investments on adopted regional performance indicators and MAP-21/FAST Act regional targets.
2	Place high priority for transportation funding in the region on projects and programs that improve mobility, accessibility, reliability and safety, and that preserve the existing transportation system.
3	Assure that land use and growth strategies recognize local input, promote sustainable transportation options, and support equitable and adaptable communities.
4	Encourage RTP/SCS investments and strategies that collectively result in reduced non-recurrent congestion and demand for single occupancy vehicle use, by leveraging new transportation technologies and expanding travel choices.
5	Encourage transportation investments that will result in improved air quality and public health, and reduced greenhouse gas emissions.
6	Monitor progress on all aspects of the Plan, including the timely implementation of projects, programs, and strategies.
7	Regionally, transportation investments should reflect best-known science regarding climate change vulnerability, in order to design for long term resilience.

The ICTC’s most recent Long-Range Transportation Plan was completed in 2013. It primarily focused on a review of transportation infrastructure in Imperial County and provided a prioritized list of highway facility and roadway improvement projects. It also included a congestion management element that included recommended methods for establishing performance standards for transit service. This plan is currently being updated, with completion expected by September 2023.

In 2018, the ICTC completed its most recent Short Range Transit Plan (SRTP). The 2018 SRTP included the following goals for Imperial County:

1. Provide mobility to all residents of Imperial County. Service levels are determined by demand, with all areas receiving service but those with more demand for transit receiving more service.
2. Connect residents of Imperial County with medical, social services, and educational facilities throughout the county.

The SRTP also proposed a potential third goal, which would be to attract choice riders. The SRTP sought to address these goals by working to:

1. Maximize the efficiency of the system by deploying appropriate resources to areas where they are needed most.
2. Maximize usage of the system by serving all major trip generators and ensuring passengers can make the necessary connections to reach those decisions.

Other recent planning efforts have included the Imperial County Travel Model (ICTM) Update (2018), Calexico Traffic Circulation Plan (2018), Imperial County State Transit Improvement Program (STIP) (2020), ICTC Public Agency Safety Plan (2020), Imperial County Coordinated Public Transit – Human Services Plan

(2021), Imperial County Regional Climate Action Plan (2021), Public Transit Fare Analysis (2021), and Regional Active Transportation Plan (2022).

In Chapter 6, the auditors further evaluate the ICTC’s effectiveness and efficiency as the RPTA.

Chapter 4 | Program Compliance

This section examines the Imperial County Transportation Commission's compliance with the State of California's Transportation Development Act as well as relevant sections of California's Public Utilities Commission code. An annual certified fiscal audit confirms TDA funds were apportioned in conformance with applicable laws, rules, and regulations. Although compliance verification is not a Triennial Performance Audit function, several specific requirements concern issues relevant to the performance audit. The Triennial Performance Audit findings and related comments are delineated in Exhibit 3.1.

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

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

1. State Controller Reports were submitted after the stipulated deadline in FY 2020/21 and FY 2021/22.

Developments Occurring During the Audit Period

The FY 2019/20 – FY 2021/22 audit period was significantly different than prior audit periods. The impacts of the COVID-19 pandemic resulted in significant declines in ridership and revenue, while changes to the TDA provided compliance waivers and amended existing legislation. In many instances, transit operators strove to retain operations staff despite adopting a reduced schedule, resulting in significant changes to many cost-related performance metrics. While infusions of funding through the CARES Act mitigated some of the lost revenues for federally funded programs, many transit operators have yet to return to pre-pandemic ridership and fare levels. As a result, this Triennial Performance Audit will provide an assessment not only of how the COVID-19 pandemic impacted the organization, but how it responded to the crisis.

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

Assembly Bill 90, signed into law on June 29, 2020, provides temporary regulatory relief for transit operators required to conform with Transportation Development Act (TDA) farebox recovery ratio thresholds in FY 2019/20 and FY 2020/21. Assembly Bill 149, signed into law on July 16, 2021, provides additional regulatory relief by extending the provisions of AB 90 through FY 2022/23 and adjusting definitions of eligible revenues and operating costs. While the ability to maintain state mandates and

performance measures is important, these measures enable transit operators to adjust to the impacts of COVID while continuing to receive their full allocations of funding under the TDA.

Together, these two pieces of legislation include the following provisions specific to transit operator TDA funding under Article 4 and Article 8:

1. Prohibits the imposition of the TDA revenue penalty on an operator that did not maintain the required ratio of fare revenues to operating cost from FY 2019/20 through FY 2022/23.
2. Waives the annual productivity improvement requirement of Section 99244 through FY 2022/23.
3. Adds a temporary provision exempting operators from farebox recovery ratio requirements through FY 2024/25 provided they expend at least the same amount of local funds as in FY 2018/19.
4. Expands the definition of “local funds” to enable the use of federal funding, such as the CARES Act or CRRSAA, to supplement fare revenues and allows operators to calculate free and reduced fares at their actual value.
5. Adjusts the definition of operating cost to exclude the cost of ADA paratransit services, demand-response and micro-transit services designed to extend access to service, ticketing/payment systems, security, some pension costs, and some planning costs.
6. Requires the Controller to calculate and publish the allocation of transit operator revenue-based funds made pursuant to the State Transit Assistance (STA) Program for FY 2020/21 and FY 2021/22.
7. Allows operators to use STA funds as needed to keep transit service levels from being reduced or eliminated through FY 2022/23.

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

Exhibit 4.1 Transit Development Act Compliance Requirements

Compliance Element	Reference	Compliance	Comments
All transportation operators and city or county governments which have responsibility for serving a given area, in total, claim no more than those Local Transportation Fund monies apportioned to that area.	PUC 99231	In compliance	
The RTPA has adopted rules and regulations delineating procedures for the submission of claims for facilities provided for the exclusive use of pedestrians and bicycles (Article 3).	PUC 99233, 99234	In compliance	
The RTPA has established a social services transportation advisory council. The RTPA must ensure that there is a citizen participation process that includes at least an annual public hearing.	PUC 99238, 99238.5	In compliance	Article 8 Unmet Transit Needs hearings held: February 21, 2019 March 4, 2020 June 7, 2021 April 16, 2022
The RTPA has annually identified, analyzed, and recommended potential productivity improvements which could lower operating cost of those operators, which operate at least 50 percent of their vehicle service miles within the RTPA's jurisdiction. Recommendations include, but are not being limited to, those made in the performance audit. <ul style="list-style-type: none"> • A committee for the purpose of providing advice on productivity improvements may be formed. • The operator has made a reasonable effort to implement improvements recommended by the RTPA as determined by the RTPA, or else the operator has not received an allocation that exceeds its prior year allocation. 	PUC 99244	In compliance	
The RTPA has ensured that all claimants to whom it allocated TDA funds submit to it and to the state controller an annual certified fiscal and compliance audit within 180 days after the end of the fiscal year.	PUC 99245	In compliance	
The RTPA has submitted to the state controller an annual certified fiscal audit within 12 months of the end of the fiscal year.	CCR 6662	In compliance	FY 2019/20: December 30, 2020 FY 2020/21: March 23, 2022 FY 2021/22: March 22, 2023
The RTPA has submitted within 90 days after the end of the fiscal year an annual financial transactions report to the state controller.	CCR 6660	Finding	FY 2019/20: February 1, 2021 FY 2020/21: March 17, 2022 FY 2021/22: February 21, 2023

Compliance Element	Reference	Compliance	Comments
The RTPA has designated an independent entity to conduct a performance audit of operators and itself (for the current and previous triennia). For operators, the audit was made and calculated the required performance indicators, and the audit report was transmitted to the entity that allocates the operator's TDA money, and to the RTPA within 12 months after the end of the triennium. If an operator's audit was not transmitted by the start of the second fiscal year following the last fiscal year of the triennium, TDA funds were not allocated to that operator for that or subsequent fiscal years until the audit was transmitted.	PUC 99246, 99248	In compliance	All transit operators received Article 8(c) funding. This requirement applies to Article 4 recipients. Moore & Associates conducted the FY 2016/17, FY 2017/18, and FY 2018/19 audits, which were adopted on June 24, 2020. Moore & Associates was subsequently selected to prepare the current audits.
The RTPA has submitted a copy of its performance audit to the Director of the California Department of Transportation. In addition, the RTPA has certified in writing to the Director that the performance audits of operators located in the area under its jurisdiction have been completed.	PUC 99246(c)	In compliance	Letter dated July 7, 2020, citing adoption of all audits by ICTC on June 24, 2020.
For Article 8(c) claimants, the RTPA may adopt performance criteria, local match requirements, or fare recovery ratios. In such cases, the rules and regulations of the RTPA will apply.	PUC 99405	Not applicable	While operators receive Article 8(c) funding, the RTPA has not adopted alternative performance criteria.
The performance audit of the operator providing public transportation services shall include a verification of the operator's cost per passenger, operating cost per vehicle service hour, passenger per vehicle service mile, and vehicle service hours per employee, as defined in Section 99247. The performance audit shall include consideration of the needs and types of passengers being served and the employment of part-time drivers and the contracting with common carriers of persons operating under a franchise or license to provide services during peak hours, as defined in subdivision (a) of section 99260.2.	PUC 99246(d)	In compliance	
The RTPA has established rules and regulations regarding revenue ratios for transportation operators providing services in urbanized and newly urbanized areas.	PUC 99270.1, 99270.2	In compliance	
The RTPA has adopted criteria, rules, and regulations for the evaluation of claims filed under Article 4.5 of the TDA and the determination of the cost effectiveness of the proposed community transit services.	PUC 99275.5	In compliance	

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

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Chapter 5 | Prior Recommendations

This section reviews and evaluates the implementation of prior Triennial Performance Audit recommendations. This objective assessment provides assurance the Imperial County Transportation Commission has made quantifiable progress toward improving both the efficiency and effectiveness of its programs.

The prior audit – completed in May 2020 by Moore & Associates, Inc. for the three fiscal years ending June 30, 2019 – included five recommendations:

1. **Ensure State Controller Reports are submitted in a timely manner.**

Discussion: In FY 2016/17, the State Controller Report was submitted on or about March 16, 2018, approximately six weeks following the deadline. In FY 2017/18, the report was submitted on March 28, 2019, approximately eight weeks after the deadline. In FY 2018/19, the timeliness had improved, though the report was still submitted on March 4, 2020, four weeks after the deadline.

The prior auditor recommended the ICTC take whatever actions were necessary to ensure an on-time submittal of the State Controller Reports. This could require working with other entities to adjust other submittal deadlines to ensure audited data is available.

Progress: While the FY 2019/20 State Controller Report was submitted on time, the FY 2020/21 report was submitted approximately seven weeks late, and the FY 2021/22 report was submitted nearly three weeks late. ICTC staff have been working with the auditor to get the data and audit finished by December so the State Controller report can be completed on time. The ICTC has had multiple conversations with the auditor about this, and intends to make a concerted effort to submit the report on time for FY 2022/23.

Status: Implementation in progress.

2. **Ensure the RTPA's fiscal audits are completed no later than 12 months following the end of the fiscal year.**

Discussion: The ICTC completes its audits by fund, but all are done on a similar time frame. ICTC's FY 2017/18 TDA fiscal audits were completed on July 2, 2019. At the time the prior audit was completed, completion of the FY 2018/19 TDA fiscal audit was still pending. This was well beyond the 270-day deadline for the operators and just beyond the June 30 deadline for the RTPA.

The prior auditor recommended the ICTC ensure the RTPA's fiscal audits are completed no later than 12 months following the end of the fiscal year, and that operator audits for which the ICTC is responsible are submitted no later than 180 days after the end of the fiscal year (plus a 90-day extension).

Progress: Fiscal audits for each year were completed within the 270-day deadline as required for the transit operators. The ICTC's FY 2021/22 fiscal audit was presented to the ICTC Board on March 22, 2023, and the final audit is dated March 22, 2023.

Status: Implemented.

3. For any operator using STA funds for operating purposes, the ICTC should include the test against the two qualifying efficiency standards as part of the TDA claim process.

Discussion: Despite this requirement being in place since FY 2017, at the time of the prior audit, there was no evidence the ICTC conducted the qualifying tests prior to allocating funding for operating purposes for IVT Access and IVT MedTrans. When the calculations were applied, IVT Access was found to be eligible to use all of its STA allocation for operating purposes each year, while IVT MedTrans did not meet the full eligibility criteria for the current year.

There are two tests to determine if an entity meets the qualifying criteria for using the full allocation of STA funds for operating purposes. One compares the operating cost per vehicle service hour for the most recent two years for which audited data is available, adjusted for CPI. The other compares cost per vehicle service hour for the two most recent three-year periods for which audited data is available, adjusted for CPI.

The auditor provided an STA worksheet in Excel format to be utilized as part of the TDA claims process for operators receiving STA for operating purposes. If an operator does not meet either standard, the allocation should be reduced by the smallest percentage by which the standard is not met (for example, in Exhibit 7.2, that percentage is 1.53 percent).

Progress: The ICTC conducts the efficiency tests as part of its TDA claims process.

Status: Implemented.

4. Prepare and implement a standardized orientation process for new ICTC Board members.

Discussion: At the time of the prior audit, ICTC staff conduct orientation activities with new Board members on an informal basis. A prior recommendation called for a more standardized approach to such orientations to ensure all new Board members have access to the same information and resources.

The prior audit recommended ICTC staff identify existing resources that can be used to effectively orient new Board members. These should be utilized in support of a process that defines who conducts the orientation, what it covers, and who should participate.

Progress: When member agencies reorganize and assign a new member to the ICTC Board, they submit a document to the ICTC in addition to providing the individual's contact information. As soon as the ICTC receives this information, staff reach out to provide an orientation document and schedule a meeting with Executive Director. The Executive Director then walks each new

Board member through a comprehensive introduction to the agency, including what it does, what types of funding it receives, Local Transportation Authority activities, and other programs. Board members are also provided with the opportunity to visit the transit maintenance yard, ride along on transit, etc. Some are really interested and engaged.

Status: Implemented.

5. Reaffirm the ICTC’s definitions of “unmet transit need” and “reasonable to meet” as part of each annual unmet transit needs finding.

Discussion: While the ICTC conducts an annual unmet needs process that meets the requirements of the TDA, its definitions of “unmet transit need” and “reasonable to meet” are not typically affirmed as part of the unmet transit needs findings. As a result, this information can be difficult to find for someone who is new to the process, including Commission members and the public alike.

The prior auditor recommended the ICTC include these definitions in its annual unmet transit needs finding as part of the introductory material leading into that year’s findings. It should also include the date on which the definitions were adopted by the Commission.

Progress: The ICTC does not do this on an annual basis, though it reaffirmed the definitions a few years ago. It agrees this is something that should be part of the annual unmet transit needs process.

Status: Not implemented.

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Chapter 6 | Functional Review

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

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

Administration and Management

The ICTC sets transportation priorities, selects projects, and distributes state and federal monies to its members to maintain, repair and support operations of local roadways, public transportation and other transportation systems. The ICTC is also responsible for administering Transportation Development Act (TDA) funds, including both State Transit Assistance (STA) funds and Local Transportation Funds (LTF), and local Measure D tax revenues. The ICTC also manages and administers Imperial Valley Transit, IVT Access, IVT Ride, and IVT MedTrans transit programs.

Within its annual Overall Work Plan and Budget, the ICTC identifies key activities, accomplishments, funding sources, and anticipated expenditures for two program areas:

1. Financial Management, Community Outreach, and Regional Transportation Planning and Program Management; and
2. Transit Planning and Program Management.

The budget for each program area is broken down further into Administration and Operations and Professional and Specialized Projects and Services. Budgeting is a joint effort and relies heavily on anticipated revenue forecasts. The ICTC contracts with the County for legal services and internal audit services.

The ICTC maintains strong relationships with its TDA claimants, which include cities throughout Imperial County and the Quechan Tribe, as well as its transit operations contractor. It processes TDA claims in a timely manner upon receipt. The ICTC is able to monitor and respond to project and program progress effectively because so much of what it funds is managed internally.

The ICTC has been in a transition period following the retirement of multiple long-term employees and the selection of a new Executive Director. This resulted in vacancies in several key positions as internal candidates filled some of the roles. The new Executive Director is working on a long-term plan to guide the ICTC into the future as the agency grows. During the audit period, the ICTC assumed responsibility for new programs (such as the Imperial Valley Resource Management Agency and Service Authority for Freeway Emergencies). Member agencies have also been asking for additional services and support from the ICTC. The agency is also getting more involved in transportation projects and capital construction. It continues to evolve under new leadership. The ICTC is also currently more aggressive with respect to

grant funding that it has ever been. Additional positions may be needed as the RTPA's responsibilities, projects, and reporting requirements increase.

The ICTC's Governing Board is organized into committees, as detailed in Chapter 3. Prior to the pandemic, there were sometimes issues with failure to have a quorum of voting Board members. During the pandemic, when a virtual format was implemented, there was less of a problem, as most members attended most meetings. At the time of this report, the ICTC Board had returned to in-person meetings. The ICTC will still allow virtual participation via Zoom, though voting members will either need to attend in person or post publicly where they will be attending the virtual meeting. Key documents are provided to Board members for review ahead of the meetings where they will be discussed, in accordance with the Brown Act.

The ICTC feels it is currently staffed with the correct positions for its current responsibilities, though it anticipates needing more staff. There is typically little turnover, limited to retirements. Staff receive training appropriate to their responsibilities, depending on what they are trying to specialize in. There are ample training opportunities regarding transit, though opportunities are more limited for transportation, human resources, and finance staff. All employees undergo annual performance evaluations and are eligible for a standard benefits package which includes retirement benefits, health insurance, etc. The ICTC also contributes up to \$1,000 per fiscal year towards continuing education.

Impact of COVID-19 pandemic

In response to the COVID-19 pandemic, ICTC staff were able to work from home as well as in the office. The agency remained open and operational the entire time. When staff needed to be in office, schedules were staggered to minimize contact, which other staff worked remotely. Initially, ICTC did not have the technology it needed to accommodate working from home. It had to integrate remote access to servers and its email system. Working from home is still utilized, though it is much more limited. The biggest challenge of the pandemic was how unprepared they were to adapt to the shutdowns and changes to society, as well as the rapid changes and uncertain nature of how long those changes would last.

Transportation Planning and Regional Coordination

The regional planning landscape in Southern California is unique with respect to how responsibility for particular activities has been assigned. The Southern California Association of Governments (SCAG) is the designated Metropolitan Planning Organization (MPO) for a six-county region (Imperial, Los Angeles, Orange, Riverside, San Bernardino, and Ventura). As the MPO, SCAG is responsible for coordinating land-use and transportation planning efforts within its jurisdiction. This is discussed in further detail in Chapter 3.

Responsibility for development of the RTP/SCS and FTIP would normally fall under the purview of the RTPA in other regions (such as San Diego County). Though the ICTC and SCAG may appear to serve the same function regarding Imperial County, SCAG's focus is on Imperial County as one part of the six-county region, while ICTC's focus is solely Imperial County.

As the RTPA, the ICTC prepares a Long Range Transportation Plan (LRTP) to supplement the RTP. An update to the current LRTP is scheduled to be completed in September 2023. The ICTC does not do any internal modeling, but relies on external models.

Claimant Relationships and Oversight

The ICTC monitors operator progress through quarterly transit operator meetings. It prepares a group Transit Asset Management (TAM) Plan for IVT, IVT Access, IVT Ride, and IVT MedTrans (YCAT assets are included within its own TAM Plan). The ICTC handles service marketing activities for all IVT services. The ICTC communicates with First Transit daily, and with all operators quarterly to discuss productivity, budgeting, and needs for modifications. The ICTC meets separately with the Quechan Tribe and the YCIPTA on a quarterly basis. The Tribe and YCIPTA prepare an annual Eastern Imperial County Transit Services Operations and Implementation Business Plan, which is submitted to the ICTC as part of the annual MOU revision and TDA request.

The ICTC has processed the operators' TDA claims consistently with its own rules. When necessary, the ICTC withholds funding as appropriate. The ICTC is in the process of updating its TDA Guidebook to reflect changes in legislation since the Guidebook was created in 2006.

Marketing and Transportation Alternatives

The ICTC typically sets aside a sizeable budget for marketing and outreach activities, most of which are provided by a consultant. While these activities primarily focus on the IVT transit programs it administers, this also includes travel training, ADA certification, and mobility management. In addition, the ICTC does limited promotion of CalVans and may offer referrals to social service agencies as an alternative or supplement to IVT services.

CalVans is the only other transportation alternative (beyond public transit) in Imperial County. There is no local ridesharing program. The ICTC periodically prepares an Active Transportation Plan.

In January 2023, the ICTC launched the Calexico On Demand micro-transit service as a demonstration project funded by the Clean Mobility Options Mobility Project Voucher. It contracted with Via for turn-key provision of the service using plug-in hybrid electric vehicles across a three-year period. Trips are booked through a smartphone app or by phone, and fares can be paid through the app or on the vehicle (cash only). Trips for riders needing a wheelchair accessible vehicle are provided by IVT-Ride. The service is operated Monday through Friday from 6:00 a.m. to 6:00 p.m. The ICTC hopes the demonstration project, if successful, can be adapted to other areas of Imperial County to provide paratransit services in a more efficient manner.

Grant Applications and Management

The ICTC prepares and submits grant applications for itself as the RTPA and for the IVT transit programs, including FTA Sections 5307, 5310, and 5310; LCTOP; PTMISEA; and State of Good Repair. Most grant applications are prepared in-house, although the ICTC will occasionally enlist the assistance of a consultant. The ICTC also works with FTA 5310 applicants to provide support whenever possible.

The Quechan Tribe typically prepares its own discretionary grants for the transit service it funds. The Tribe monitors and reports on its own grants, although the ICTC provides letters of support upon request.

ICTC grants are generally managed by the program manager for transportation, the Executive Director, and the Mobility Coordinator. The IVRMA also has a dedicated project manager for its grants.

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Chapter 7 | Findings and Recommendations

Conclusions

With one exception, the auditors find the ICTC, functioning as the RTPA, to be in compliance with the requirements of the Transportation Development Act. In addition, the entity generally functions in an efficient, effective, and economical manner. The compliance finding and the recommendation for its resolution, as well as modest recommendations intended to improve the effectiveness of the organization as the RTPA, are detailed below.

Findings and Recommendations

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

1. State Controller Reports were submitted after the stipulated deadline in FY 2020/21 and FY 2021/22.

The audit team has identified one functional finding. While this finding is not a compliance finding, the auditors believe it is significant enough to be addressed within this review:

1. The ICTC does not reaffirm its definitions of “unmet transit need” and “reasonable to meet” as part of its annual unmet transit needs findings.

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

Compliance Finding 1: State Controller Reports were submitted after the stipulated deadline in FY 2020/21 and FY 2021/22.

Criteria: Public Utilities Code Section 99243 requires regional transportation planning agencies in receipt of TDA funds to submit annual reports to the State Controller within 90 days following the end of the fiscal year (110 days if filing electronically). Beginning FY 2016/17, this submittal deadline was amended to January 31 following the end of the fiscal year. Beginning with the online reporting for FY 2017/18, the cover sheet is timestamped with the submittal date and time upon its generation. This makes it easier to determine when the report was actually submitted.

Condition: Submittal of the State Controller Report is the responsibility of the ICTC. In FY 2019/20, the report was submitted on February 1, 2021, which was the deadline that year due to January 31 falling on a Sunday. In FY 2020/21, the report was submitted on March 17, 2022, nearly seven weeks following the deadline. In FY 2021/22 the timeliness had improved, although the report was still submitted on February 21, 2023, three weeks after the deadline.

Cause: Several challenges can result in reports being submitted late, including the unavailability of final data and lack of awareness regarding submittal deadlines.

Effect: Late submittals can place the RTPA out of compliance with the TDA.

Recommendation: Ensure State Controller Reports are submitted in a timely manner.

Recommended Action: The ICTC should take whatever actions are necessary to ensure an on-time submittal of the State Controller Reports. This may require working with other entities to adjust other submittal deadlines to ensure audited data is available.

Timeline: Ongoing.

Anticipated Cost: Negligible.

Functional Finding 2: The ICTC does not reaffirm its definitions of “unmet transit need” and “reasonable to meet” as part of its annual unmet transit needs findings.

Criteria: PUC 99401.5 outlines the Unmet Transit Needs process under TDA Article 8. The process requires the RTPA utilize definitions of “unmet transit need” and “reasonable to meet” that are documented by resolution or in the minutes of the agency. While these definitions have been adopted by the Commission, they are not included in the annual findings.

Condition: While the ICTC conducts an annual unmet needs process that meets the requirements of the TDA, its definitions of “unmet transit need” and “reasonable to meet” are not typically affirmed as part of the unmet transit needs findings. As a result, this information can be difficult to find for someone who is new to the process, including Commission members and the public alike.

Cause: One challenge of a recurring process such as the unmet transit needs process is assuming everyone involved has the same level of information.

Effect: By not providing these definitions as part of the process, there is a reduced understanding of which requests should be considered unmet transit needs and which should not during any given year.

Recommendation: Reaffirm the ICTC’s definitions of “unmet transit need” and “reasonable to meet” as part of each annual unmet transit needs finding.

Recommended Action(s): The ICTC should include these definitions in its annual unmet transit needs finding as part of the introductory material leading into that year’s findings. It should also include the date on which the definitions were adopted by the Commission.

Timeline: FY 2023/24.

Anticipated Cost: None.

Exhibit 7.1 Audit Recommendations

TDA Compliance Recommendations		Importance	Timeline
1	Ensure State Controller Reports are submitted in a timely manner.	High	Ongoing
Functional Recommendations		Importance	Timeline
1	Reaffirm the ICTC's definitions of "unmet transit need" and "reasonable to meet" as part of each annual unmet transit needs finding.	Medium	FY 2023/24

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Imperial County Transportation Commission (ICTC)
Transportation Development Act (TDA)
Triennial Performance Audit, FY 2019/20 - FY 2021/22
of Imperial Valley Transit

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Chapter 1 | Executive Summary

In late 2022, the Imperial County Transportation Commission (ICTC) selected Moore & Associates, Inc., to prepare Triennial Performance Audits of itself as the RTPA and the five transit operators to which it allocates State of California Transportation Development Act funding.

The California Public Utilities Code requires all recipients of Transit Development Act (TDA) Article 4 funding to undergo an independent performance audit on a three-year cycle in order to maintain funding eligibility. Although not required, audits of Article 8 funding recipients are encouraged.

As it receives no funding under Article 4, Imperial Valley Transit (IVT) is not statutorily required to undergo a Triennial Performance Audit, nor has it traditionally been held to the requirements of the TDA. However, in 2022, the ICTC, as the RTPA, requested IVT be audited to provide a comprehensive and objective review to offer beneficial insights into program performance and to establish a baseline for future audits.

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

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

- Fiscal Year 2019/20,
- Fiscal Year 2020/21, and
- Fiscal Year 2021/22.

Imperial Valley Transit (IVT) provides fixed-route transit service within and between the communities of Brawley, Calexico, Calipatria, El Centro, Heber, Holtville, Imperial, Niland, Seeley, and Westmorland in Imperial County. IVT operates 12 fixed routes that are a combination of local circulators and inter-community services. Service is operated seven days per week on Routes 1 and 2, and Monday – Saturday on Routes 3, 4, 31, and 32. All other routes operate Monday through Friday, except for Route 51, which provides service on Thursday only.

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

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

The Triennial Performance Audit includes five elements:

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

Test of Compliance

Based on discussions with IVT staff, analysis of program performance, and an audit of program compliance and function, the audit team presents one compliance finding:

1. State Controller Reports were submitted after the stipulated deadline in FY 2020/21 and FY 2021/22.

Status of Prior Recommendations

The prior audit – completed in May 2020 by Moore & Associates, Inc. for the three fiscal years ending June 30, 2019 – included three recommendations:

1. **Ensure State Controller Reports are submitted in a timely manner.**
Status: Not implemented.
2. **Ensure TDA fiscal audits of all IVT operations are completed no later than 270 days following the end of the fiscal year.**
Status: Implemented.
3. **IVT should ensure its website is fully usable for monolingual Spanish-speaking individuals.**
Status: Implementation in progress.

Findings and Recommendations

Based on discussions with IVT staff, analysis of program performance, and a review of program compliance and function, the audit team submits the aforementioned compliance finding for IVT.

1. State Controller Reports were submitted after the stipulated deadline in FY 2020/21 and FY 2021/22.

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

1. The TDA fiscal audit does not show how the farebox recovery ratio is calculated, only provides the actual ratio against the required ratio.

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

Exhibit 1.1 Summary of Audit Recommendations

TDA Compliance Recommendations		Importance	Timeline
1	Ensure State Controller Reports are submitted in a timely manner.	Medium	Ongoing
Functional Recommendations		Importance	Timeline
1	Include a detailed breakdown of the farebox recovery ratio calculation in future TDA fiscal audits.	Medium	FY 2022/23

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Chapter 2 | Audit Scope and Methodology

The Triennial Performance Audit (TPA) of Imperial Valley Transit’s public transit program covers the three-year period ending June 30, 2022. The California Public Utilities Code requires all recipients of Transit Development Act (TDA) funding to complete an independent review on a three-year cycle in order to maintain funding eligibility.

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

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

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

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

Objectives

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

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

Scope

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

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

Methodology

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

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

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

Given impacts of the ongoing COVID-19 pandemic, the methodology for this audit included a virtual site visit with IVT representatives on February 27, 2023. The audit team met with Cesar Sanchez (General Manager, First Transit), Helio Sanchez (Operations Manager, First Transit), Mike Cortez (Safety and Training Manager, First Transit), and Rogelio Hernandez (Maintenance Manager, First Transit), and reviewed materials germane to the triennial audit.

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

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

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Chapter 3 | Program Compliance

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

IVT does not use any TDA Article 4 funding for transit and is not statutorily required to be audited, nor has it traditionally been held to the requirements of the TDA. However, the ICTC, as the RTPA, requested IVT be audited to support a comprehensive and objective review to provide beneficial insights into program performance.

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

One compliance issue was identified for IVT:

1. State Controller Reports were submitted after the stipulated deadline in FY 2020/21 and FY 2021/22.

Developments Occurring During the Audit Period

The FY 2019/20 – FY 2021/22 audit period was significantly different than prior audit periods. The impacts of the COVID-19 pandemic resulted in significant declines in ridership and revenue, while changes to the TDA provided compliance waivers and amended existing legislation. In many instances, transit operators strove to retain operations staff despite adopting a reduced schedule, resulting in significant changes to many cost-related performance metrics. While infusions of funding through the CARES Act mitigated some of the lost revenues for federally funded programs, many transit operators have yet to return to pre-pandemic ridership and fare levels. As a result, this Triennial Performance Audit will provide an assessment not only of how the COVID-19 pandemic impacted the organization, but how it responded to the crisis.

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

Assembly Bill 90, signed into law on June 29, 2020, provides temporary regulatory relief for transit operators required to conform with Transportation Development Act (TDA) farebox recovery ratio

thresholds in FY 2019/20 and FY 2020/21. Assembly Bill 149, signed into law on July 16, 2021, provides additional regulatory relief by extending the provisions of AB 90 through FY 2022/23 and adjusting definitions of eligible revenues and operating costs. While the ability to maintain state mandates and performance measures is important, these measures enable transit operators to adjust to the impacts of COVID while continuing to receive their full allocations of funding under the TDA.

Together, these two pieces of legislation include the following provisions specific to transit operator TDA funding under Article 4 and Article 8:

1. Prohibits the imposition of the TDA revenue penalty on an operator that did not maintain the required ratio of fare revenues to operating cost from FY 2019/20 through FY 2022/23.
2. Waives the annual productivity improvement requirement of Section 99244 through FY 2022/23.
3. Adds a temporary provision exempting operators from farebox recovery ratio requirements through FY 2024/25 provided they expend at least the same amount of local funds as in FY 2018/19.
4. Expands the definition of “local funds” to enable the use of federal funding, such as the CARES Act or CRRSAA, to supplement fare revenues and allows operators to calculate free and reduced fares at their actual value.
5. Adjusts the definition of operating cost to exclude the cost of ADA paratransit services, demand-response and micro-transit services designed to extend access to service, ticketing/payment systems, security, some pension costs, and some planning costs.
6. Requires the Controller to calculate and publish the allocation of transit operator revenue-based funds made pursuant to the State Transit Assistance (STA) Program for FY 2020/21 and FY 2021/22.
7. Allows operators to use STA funds as needed to keep transit service levels from being reduced or eliminated through FY 2022/23.

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

Exhibit 3.1 Transit Development Act Compliance Requirements

Compliance Element	Reference	Compliance	Comments
State Controller Reports submitted on time.	PUC 99243	Finding	FY 2019/20: February 1, 2021 FY 2020/21: February 22, 2022 FY 2021/22: February 14, 2023
Fiscal and compliance audits submitted within 180 days following the end of the fiscal year (or with up to 90-day extension).	PUC 99245	In compliance	FY 2019/20: December 30, 2020 FY 2020/21: March 23, 2022 FY 2021/22: March 22, 2023
Operator's terminal rated as satisfactory by CHP within the 13 months prior to each TDA claim.	PUC 99251 B	In compliance	October 9, 2018 October 2, 2019 September 29, 2020 August 18, 2021 July 26, 2022
Operator's claim for TDA funds submitted in compliance with rules and regulations adopted by the RTPA.	PUC 99261	In compliance	
If operator serves urbanized and non-urbanized areas, it has maintained a ratio of fare revenues to operating costs at least equal to the ratio determined by the rules and regulations adopted by the RTPA.	PUC 99270.1	In compliance	FY 2019/20: 16.46% (waived) FY 2020/21: 6.94% (waived) FY 2021/22: 6.94% (waived) <i>IVT has a farebox recovery ratio requirement of 17 percent. Penalties were waived for all years due to AB 90 and AB 149.</i>
Except as otherwise provided, the allocation for any purpose specified under Article 8 may in no year exceed 50% of the amount required to meet the total planning expenditures for that purpose.	PUC 99405	In compliance	
An operator receiving allocations under Article 8(c) may be subject to regional, countywide, or subarea performance criteria, local match requirements, or fare recovery ratios adopted by resolution of the RTPA.	PUC 99405	In compliance	While the operator receives Article 8(c) funds, it is not subject to alternative performance criteria.
The operator's operating budget has not increased by more than 15% over the preceding year, nor is there a substantial increase or decrease in the scope of operations or capital budget provisions for major new fixed facilities unless the operator has reasonably supported and substantiated the change(s).	PUC 99266	In compliance	IVT: FY 2019/20: +2.92% FY 2020/21: +16.50% FY 2021/22: +3.59% <i>Source: TDA claims, FY 2020 – FY 2022. Increase in FY 2021 was appropriately substantiated.</i>
The operator's definitions of performance measures are consistent with the Public Utilities Code Section 99247.	PUC 99247	In compliance	
If the operator serves an urbanized area, it has maintained a ratio of fare revenues to operating cost at least equal to one-fifth (20 percent).	PUC 99268.2, 99268.4, 99268.1	Not applicable	

Compliance Element	Reference	Compliance	Comments
If the operator serves a rural area, it has maintained a ratio of fare revenues to operating cost at least equal to one-tenth (10 percent).	PUC 99268.2, 99268.4, 99268.5	Not applicable	
For a claimant that provides only services to elderly and handicapped persons, the ratio of fare revenues to operating cost shall be at least 10 percent.	PUC 99268.5, CCR 6633.5	Not applicable	
The current cost of the operator's retirement system is fully funded with respect to the officers and employees of its public transportation system, or the operator is implementing a plan approved by the RTPA, which will fully fund the retirement system for 40 years.	PUC 99271	In compliance	ICTC contracts with a private provider for operations, while ICTC employees are covered under the Imperial County Employees' Retirement System (ICERS) pursuant to the County Employees Retirement Law of 1937.
If the operator receives State Transit Assistance funds, the operator makes full use of funds available to it under the Urban Mass Transportation Act of 1964 before TDA claims are granted.	CCR 6754 (a) (3)	In compliance	
In order to use State Transit Assistance funds for operating assistance, the operator's total operating cost per revenue hour does not exceed the sum of the preceding year's total plus an amount equal to the product of the percentage change in the CPI for the same period multiplied by the preceding year's total operating cost per revenue hour. An operator may qualify based on the preceding year's operating cost per revenue hour or the average of the three prior years. If an operator does not meet these qualifying tests, the operator may only use STA funds for operating purposes according to a sliding scale.	PUC 99314.6	In compliance	
A transit claimant is precluded from receiving monies from the Local Transportation Fund and the State Transit Assistance Fund in an amount which exceeds the claimant's capital and operating costs less the actual amount of fares received, the amount of local support required to meet the fare ratio, the amount of federal operating assistance, and the amount received during the year from a city or county to which the operator has provided services beyond its boundaries.	CCR 6634	In compliance	

Chapter 4 | Prior Recommendations

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

The prior audit – completed in May 2020 by Moore & Associates, Inc. for the three fiscal years ending June 30, 2019 – included three recommendations:

1. **Ensure State Controller Reports are submitted in a timely manner.**

Discussion: Public Utilities Code Section 99243 requires transit operators in receipt of TDA funds to submit annual reports to the State Controller within 90 days following the end of the fiscal year (110 days if filing electronically). Beginning FY 2016/17, this submittal deadline was amended to January 31 following the end of the fiscal year. Beginning with the online reporting for FY 2017/18, the cover sheet is timestamped with the submittal date and time upon its generation. This made it easier to determine when the report was actually submitted.

Submittal of the State Controller Report is the responsibility of ICTC. In FY 2016/17, the report was submitted on March 16, 2018, approximately six weeks following the deadline. In FY 2017/18, the report was submitted on March 27, 2019, approximately eight weeks following the deadline. In FY 2018/19, the timeliness had improved, though the report was still submitted on February 14, 2020, two weeks after the deadline.

The prior auditor recommended the ICTC take whatever actions were necessary to ensure an on-time submittal of the State Controller Reports. This could require working with other entities to adjust other submittal deadlines to ensure audited data is available.

Progress: While the FY 2019/20 report was submitted on time, subsequent reports have been submitted late. The FY 2020/21 report was submitted on February 22, 2022, approximately three weeks late, while the FY 2021/22 report was submitted on February 14, 2023, approximately two weeks late.

Status: Not implemented.

2. **Ensure TDA fiscal audits of all IVT operations are completed no later than 270 days following the end of the fiscal year.**

Discussion: The ICTC includes all TDA funds (RTPA and operator) in a combined fiscal audit. The ICTC's FY 2017/18 TDA fiscal audit was submitted in July 2019, approximately three months after the allowable 90-day extension. At the time of preparation of the prior audit, completion of the FY 2018/19 TDA fiscal audit was still pending. The prior auditor recommended the ICTC work with its TDA fiscal auditor to ensure the operator audits for which it is responsible (i.e., IVT, IVT Ride,

IVT Access, and IVT MedTrans) are completed no later than 270 days following the end of the fiscal year.

Progress: This appears to have been resolved. All audits were submitted on time.

Status: Implemented.

3. [IVT should ensure its website is fully usable for monolingual Spanish-speaking individuals.](#)

Discussion: While IVT’s website was improved following the prior audit, a few issues remain that impact usability by Spanish-speaking website visitors. First, even when the page is translated into Spanish, the shortcut buttons to routes at the bottom are still in English. Second, when viewing individual routes, the options at the top of the page (show map, show schedule, change bus, change day) are only provided in English. Finally, on the documents page, all material is in English (which is not uncommon, as most reports are only available in English). However, when a document is provided in Spanish, the title of the document should also be in Spanish (instead of Title VI Complaint Form – Español as it is currently listed).

ICTC and IVT should work with their web designer to address the issues identified above. Of the three, the third is the most straightforward, as it simply involves changing a link from “Title VI Complaint Form – Español” to “Titulo VI Formulario Para Reclamo – Español” (as it appears on the document itself). The other two issues will likely require the services of the web designer to resolve.

Progress: The website was recently updated so that the Documents link, rather than going to a separate Documents page, links to the Documents page of the ICTC website, which contains updated content. Title VI links are being updated.

Status: Implementation in progress.

Chapter 5 | Data Reporting Analysis

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

Operating data such as vehicle service hours, vehicle service miles, and ridership was generally consistently reports. Observations regarding other reported data are provided below.

- **Operating cost:** Operating cost data differed between the three reports reviewed. However, this is not unexpected. The monthly performance reports include only the contractor costs, not any administrative ICTC costs. The National Transit Database (NTD) reports do not include reconciling items separated by mode, which results in mode-specific costs that combine to less than the whole. State Controller Reports, which include the highest amounts, are likely also the most accurate, as they would include both ICTC and contractor costs.
- **Fare Revenue:** In FY 2020/21, the fare revenue reported to the State Controller was significantly higher than that reported elsewhere. This is likely due to grant funding being reported to the State Controller as a fare replacement, but not elsewhere.
- **Full-Time Equivalent (FTE) Employees:** Calculated FTE as shown in Exhibit 5.1 is reflective of contractor personnel work hours only and does not include ICTC staff time. It appears that ICTC staff hours are incorporated into the data provided to the State Controller. However, since the figure has been consistently reported as 44 for the last six years, it does not appear to reflect the fluctuations in contractor hours that resulted from the pandemic.

Exhibit 5.1 Data Reporting Comparison

Performance Measure	System-Wide		
	FY 2019/20	FY 2020/21	FY 2021/22
Operating Cost (Actual \$)			
Monthly Performance Reports	\$4,110,343	\$3,280,276	\$4,380,892
National Transit Database	\$3,693,347	\$2,927,584	\$0
State Controller Report	\$5,548,835	\$3,482,065	\$3,770,840
Fare Revenue (Actual \$)			
Monthly Performance Reports	\$468,845	\$13,521	\$166,270
National Transit Database	\$468,894	\$13,520	\$0
State Controller Report	\$468,893	\$242,696	\$551,309
Vehicle Service Hours (VSH)			
Monthly Performance Reports	39,219	25,778	39,155
National Transit Database	39,256	26,250	0
State Controller Report	39,257	26,251	43,156
Vehicle Service Miles (VSM)			
Monthly Performance Reports	788,649	523,001	814,550
National Transit Database	788,439	523,001	0
State Controller Report	788,439	523,001	815,685
Passengers			
Monthly Performance Reports	570,705	255,591	520,023
National Transit Database	570,703	255,849	0
State Controller Report	570,703	255,728	520,013
Full-Time Equivalent Employees			
State Controller Report	44	44	44
Per TDA methodology	38	28	27

Chapter 6 | Performance Analysis

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

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

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

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

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

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

Operating Cost

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

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

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

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

Vehicle Service Hours and Miles

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

Passenger Counts

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

Employees

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

Fare Revenue

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

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

TDA Required Indicators

To calculate the TDA indicators for IVT, the following sources were employed:

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

System Performance Trends

System-wide, operating cost experienced a net 6.6 percent increase during the audit period, and a 0.9 percent net increase across the last six years. Fare revenue significantly decreased during the six-year period, with most of the decline (97.1 percent) occurring in FY 2020/21 due to a free-fare period. This resulted in a net 64.5 percent decrease during the audit period.

Vehicle service hours (VSH) declined between FY 2019/20 and FY 2020/21 due to the COVID-19 pandemic. This resulted in a net 13.1 percent decrease during the audit period and a net 18.5 percent decrease during the six-year period. Vehicle service miles (VSM) steadily decreased during the last six years. This resulted in an overall net decrease of 0.2 percent during the audit period and 11.4 percent over the six-year period. Ridership declined every year with the exception FY 2021/22, though the most significant declines did not occur until FY 2019/20 and FY 2020/21 in response to the COVID-19 pandemic. This led to an 8.9 percent net decrease during the audit period and a 33.6 percent net decrease across the six-year period.

Cost-related metrics typically provide an indicator of a system's efficiency, while passenger-related metrics offer insight into its productivity. Improvements are characterized by increases in passenger-related metrics and decreases in cost-related metrics. Despite decreases in operating cost during the audit period, cost-related metrics increased due to corresponding decreases in other performance measures. Operating cost per passenger was impacted the most, given the 8.9 percent decrease in ridership during the audit period. Passenger-related metrics fell slightly during the audit period, with passengers per VSH decreasing 8.7 percent and passengers per VSM decreasing 11.8 percent.

Exhibit 6.1 System Performance Indicators

Performance Measure	Fixed-route System					
	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22
Operating Cost (Actual \$)	\$4,339,705	\$4,278,632	\$4,382,431	\$4,110,343	\$3,280,276	\$4,380,892
Annual Change		-1.4%	2.4%	-6.2%	-20.2%	33.6%
Fare Revenue (Actual \$)	\$646,809	\$634,556	\$643,715	\$468,845	\$13,521	\$166,270
Annual Change		-1.9%	1.4%	-27.2%	-97.1%	1129.8%
Vehicle Service Hours (VSH)	44,212	44,003	44,303	39,219	25,778	39,155
Annual Change		-0.5%	0.7%	-11.5%	-34.3%	51.9%
Vehicle Service Miles (VSM)	883,249	883,747	880,567	788,649	523,001	814,550
Annual Change		0.1%	-0.4%	-10.4%	-33.7%	55.7%
Passengers	782,836	774,947	747,878	570,705	255,591	520,023
Annual Change		-1.0%	-3.5%	-23.7%	-55.2%	103.5%
Employees	44	44	44	38	28	37
Annual Change		0.0%	0.0%	-13.6%	-26.3%	32.1%
Performance Indicators						
Operating Cost/VSH (Actual \$)	\$98.16	\$97.24	\$98.92	\$104.81	\$127.25	\$111.88
Annual Change		-0.9%	1.7%	5.9%	21.4%	-12.1%
Operating Cost/Passenger (Actual \$)	\$5.54	\$5.52	\$5.86	\$7.20	\$12.83	\$8.42
Annual Change		-0.4%	6.1%	22.9%	78.2%	-34.4%
Passengers/VSH	17.71	17.61	16.88	14.55	9.92	13.28
Annual Change		-0.5%	-4.1%	-13.8%	-31.9%	33.9%
Passengers/VSM	0.89	0.88	0.85	0.72	0.49	0.64
Annual Change		-1.1%	-3.1%	-14.8%	-32.5%	30.6%
Farebox Recovery	14.9%	14.8%	14.7%	11.4%	0.4%	3.8%
Annual Change		-0.5%	-1.0%	-22.3%	-96.4%	820.8%
Hours/Employee	1,004.8	1,000.1	1,006.9	1,032.1	920.6	1,058.3
Annual Change		-0.5%	0.7%	2.5%	-10.8%	14.9%
TDA Non-Required Indicators						
Operating Cost/VSM	\$4.91	\$4.84	\$4.98	\$5.21	\$6.27	\$5.38
Annual Change		-1.5%	2.8%	4.7%	20.3%	-14.2%
VSM/VSH	19.98	20.08	19.88	20.11	20.29	20.80
Annual Change		0.5%	-1.0%	1.2%	0.9%	2.5%
Fare/Passenger	\$0.83	\$0.82	\$0.86	\$0.82	\$0.05	\$0.32
Annual Change		-0.9%	5.1%	-4.6%	-93.6%	504.4%

Sources: FY 2016/17 – FY 2018/19 data from prior Triennial Performance Audit.

FY 2019/20 – FY 2021/22 data from operator monthly summaries. FY 2019/20 – FY 2020/21 FTE data from State Controller Reports; FY 2019/20 – FY 2021/22 FTE data from operator monthly summaries.

Exhibit 6.2 System Ridership

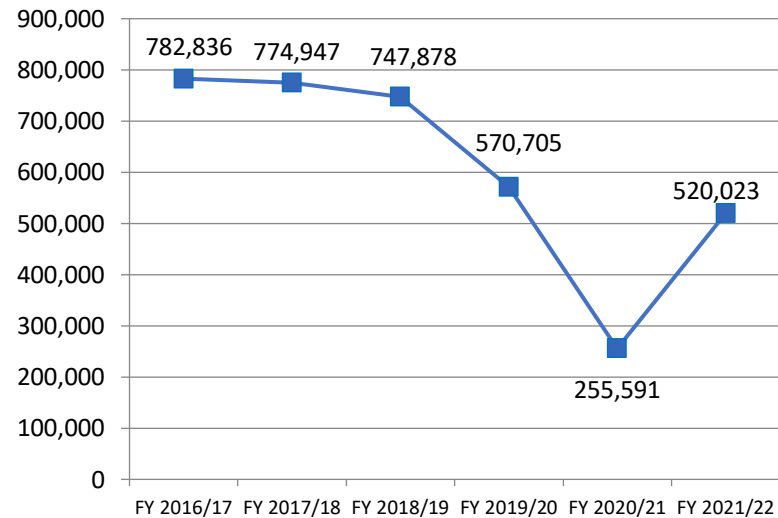


Exhibit 6.3 System Operating Cost/VSH

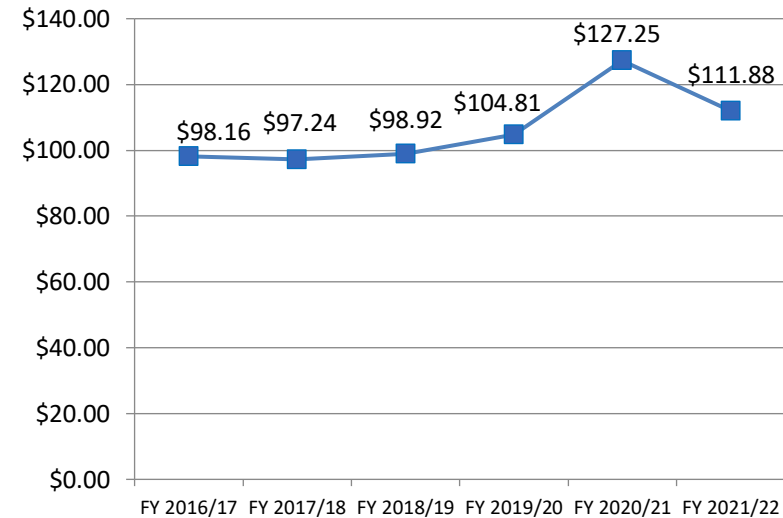


Exhibit 6.4 System Operating Cost/VSM

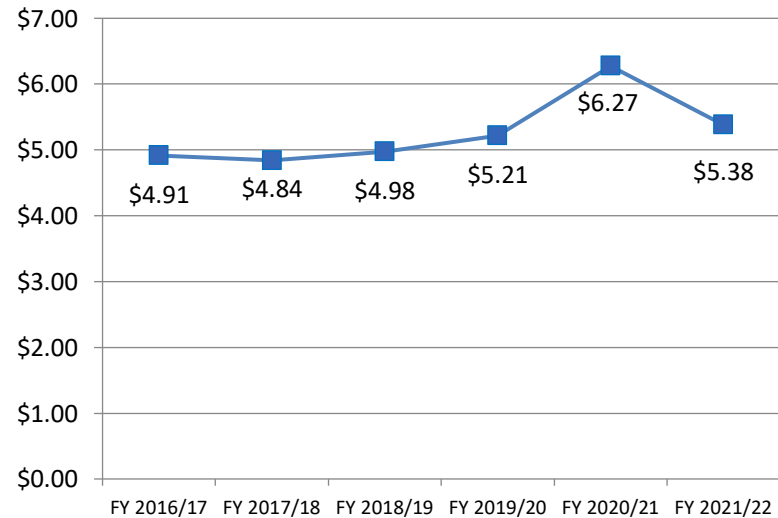


Exhibit 6.5 System VSM/VSH

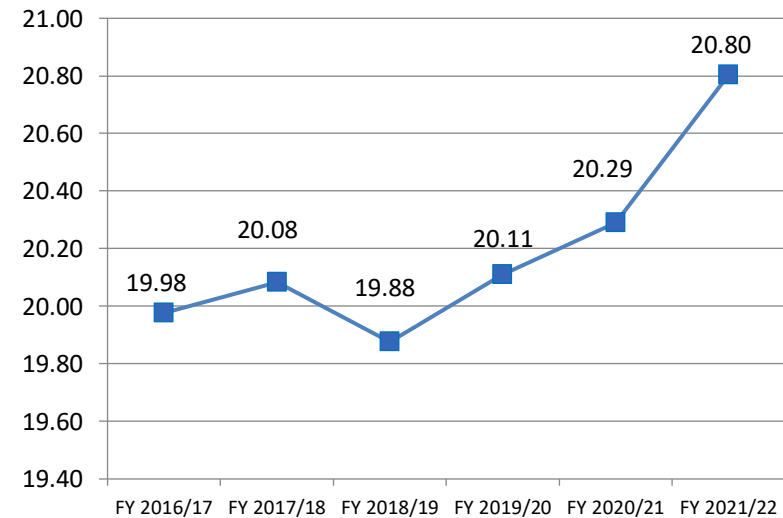


Exhibit 6.6 System Operating Cost/Passenger

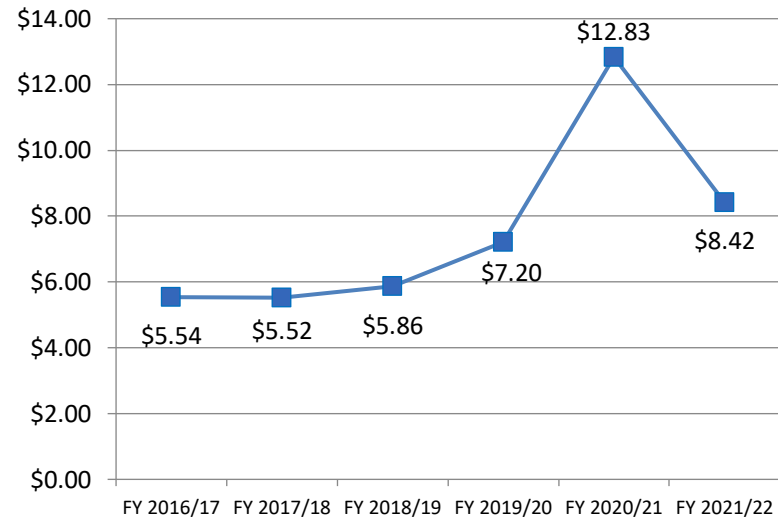


Exhibit 6.7 System Passengers/VSH

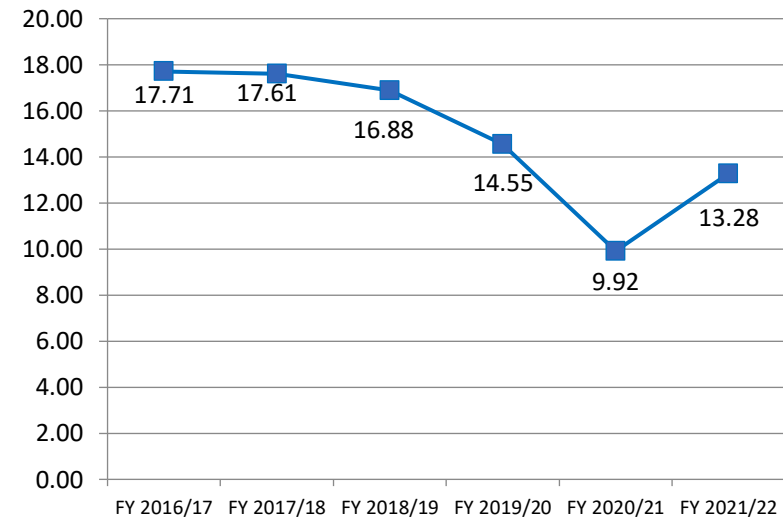


Exhibit 6.8 System Passengers/VSM

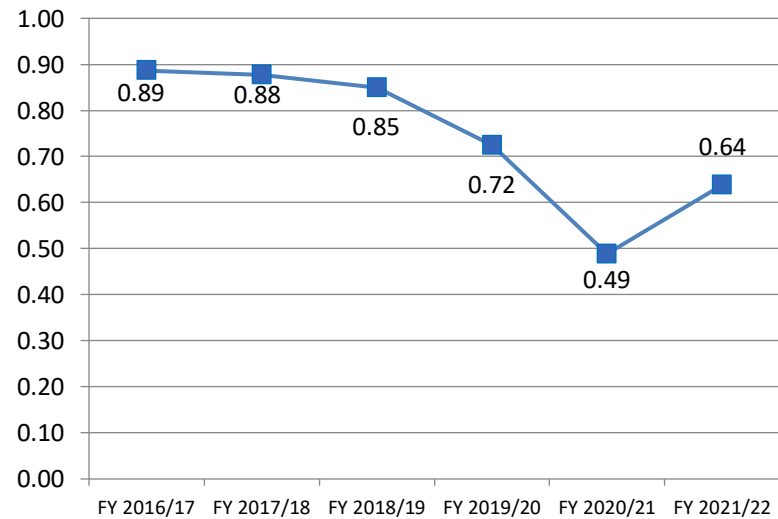


Exhibit 6.9 System VSH/FTE

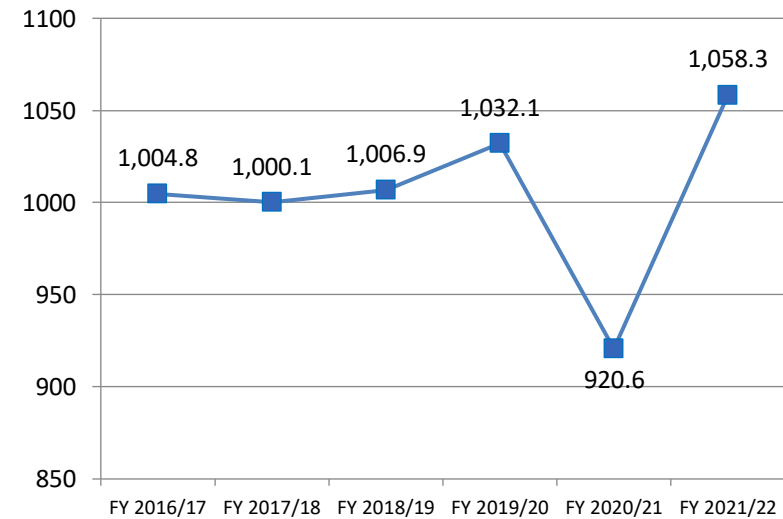


Exhibit 6.10 System Farebox Recovery

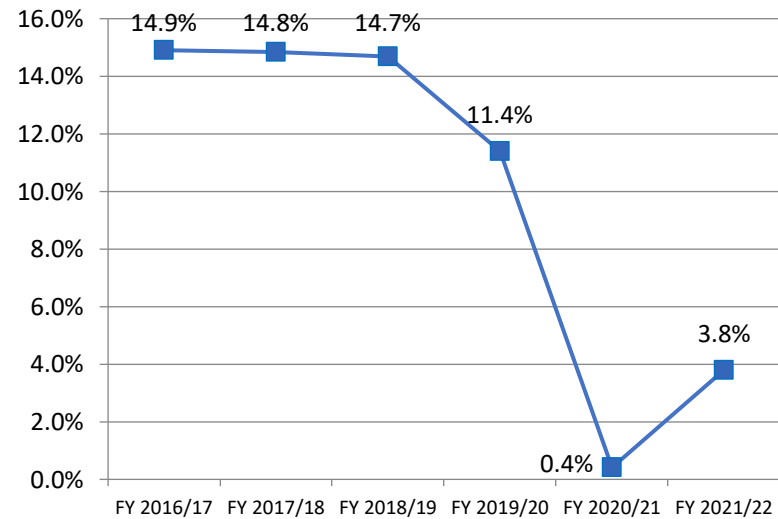
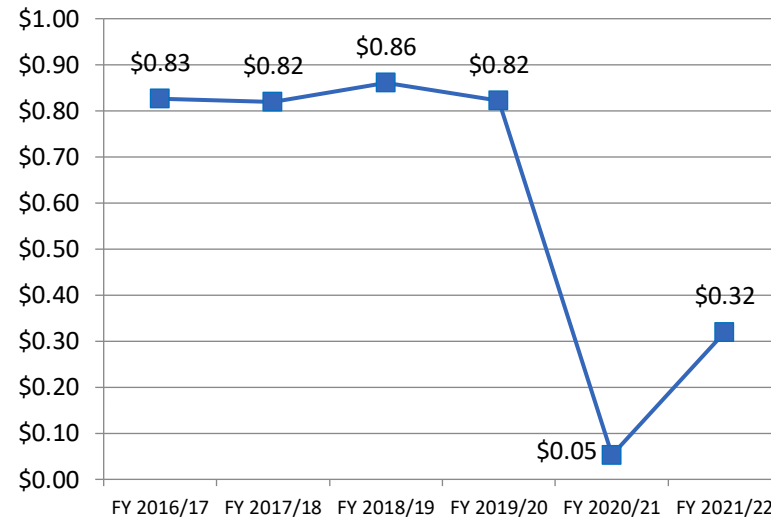


Exhibit 6.11 System Fare/Passenger



Regional Fixed-Route Performance Trends

Regional fixed-route service decreased operating costs two of the three years of the audit period, but experienced a 14.7 percent net increase over the audit period. Fare revenue fluctuated during the six-year period. This resulted in a net 63.5 percent net decrease during the audit period, and a 73.5 percent net decrease over the six-year period.

Regional fixed-route vehicle service hours decreased every year with the exceptions of FY 2018/19 and FY 2021/22. This resulted in a net 2.3 percent decrease across the six-year period but a net 9.9 percent increase during the audit period. Vehicle service miles decreased through FY 2020/21, falling 3.0 percent during the six-year period and increasing a net 8.4 percent during the audit period. Ridership declined every year until FY 2021/22. The the most significant decrease occurring in FY 2020/21 (55.1 percent). Ultimately ridership experienced a net decrease of 6.7 percent during the audit period.

Operating cost per vehicle service hour and operating cost per passenger increased during the audit period, with operating cost per passenger exhibiting the greatest change (23 percent). Passenger-related productivity metrics (passengers per VSH and passengers per VSM) saw decreases of 15.2 percent and 14 percent, respectively.

Exhibit 6.12 Regional Fixed-Route Performance Indicators

Performance Measure	IVT Regional Services					
	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22
Operating Cost (Actual \$)	\$3,447,783	\$3,396,665	\$3,485,981	\$3,218,685	\$2,619,223	\$3,692,436
Annual Change		-1.5%	2.6%	-7.7%	-18.6%	41.0%
Fare Revenue (Actual \$)	\$614,384	\$603,951	\$612,537	\$446,433	\$12,586	\$162,889
Annual Change		-1.7%	1.4%	-27.1%	-97.2%	1194.2%
Vehicle Service Hours (VSH)	34,440	34,340	34,387	30,624	20,326	33,660
Annual Change		-0.3%	0.1%	-10.9%	-33.6%	65.6%
Vehicle Service Miles (VSM)	770,087	770,437	768,229	688,875	458,723	746,857
Annual Change		0.0%	-0.3%	-10.3%	-33.4%	62.8%
Passengers	741,974	735,180	709,455	542,693	243,773	506,120
Annual Change		-0.9%	-3.5%	-23.5%	-55.1%	107.6%
Performance Indicators						
Operating Cost/VSH (Actual \$)	\$100.11	\$98.91	\$101.37	\$105.10	\$128.86	\$109.70
Annual Change		-1.2%	2.5%	3.7%	22.6%	-14.9%
Operating Cost/Passenger (Actual \$)	\$4.65	\$4.62	\$4.91	\$5.93	\$10.74	\$7.30
Annual Change		-0.6%	6.4%	20.7%	81.2%	-32.1%
Passengers/VSH	21.54	21.41	20.63	17.72	11.99	15.04
Annual Change		-0.6%	-3.6%	-14.1%	-32.3%	25.4%
Passengers/VSM	0.96	0.95	0.92	0.79	0.53	0.68
Annual Change		-1.0%	-3.2%	-14.7%	-32.5%	27.5%
Farebox Recovery	17.8%	17.8%	17.6%	13.9%	0.5%	4.4%
Annual Change		-0.2%	-1.2%	-21.1%	-96.5%	818.1%
TDA Non-Required Indicators						
Operating Cost/VSM	\$4.48	\$4.41	\$4.54	\$4.67	\$5.71	\$4.94
Annual Change		-1.5%	2.9%	3.0%	22.2%	-13.4%
VSM/VSH	22.36	22.44	22.34	22.49	22.57	22.19
Annual Change		0.3%	-0.4%	0.7%	0.3%	-1.7%
Fare/Passenger	\$0.83	\$0.82	\$0.86	\$0.82	\$0.05	\$0.32
Annual Change		-0.8%	5.1%	-4.7%	-93.7%	523.4%

Sources: FY 2016/17 – FY 2018/19 data from prior Triennial Performance Audit.

FY 2019/20 – FY 2021/22 data from operator monthly summaries.

Exhibit 6.13 Regional Fixed-Route Ridership

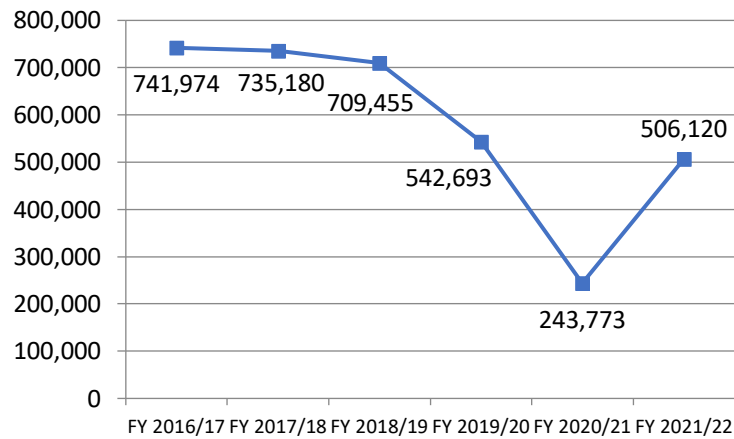


Exhibit 6.14 Regional Fixed-Route Operating Cost/VSH

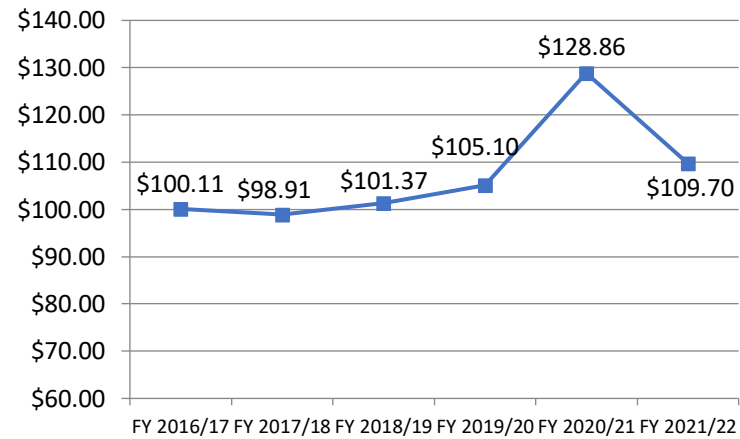


Exhibit 6.15 Regional Fixed-Route Operating Cost/VSM

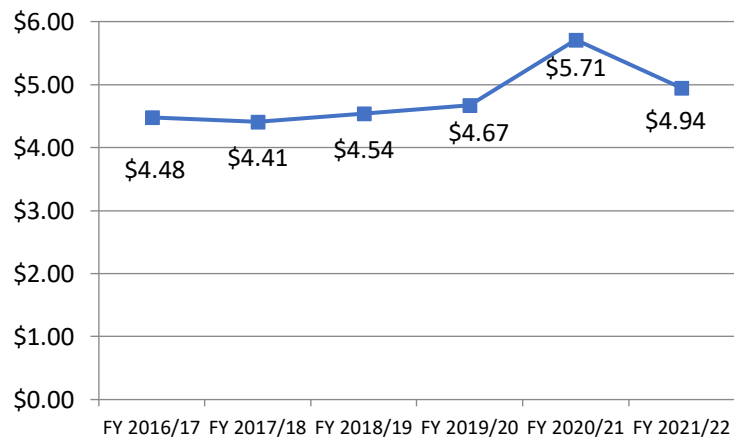


Exhibit 6.16 Regional Fixed-Route VSM/VSH

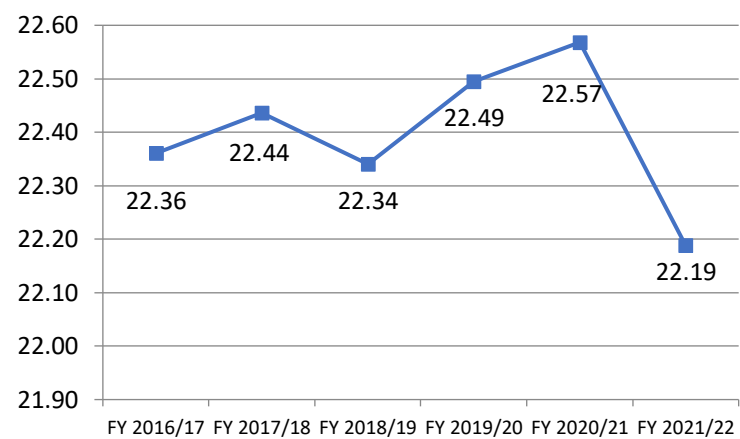


Exhibit 6.17 Regional Fixed-Route Operating Cost/Passenger

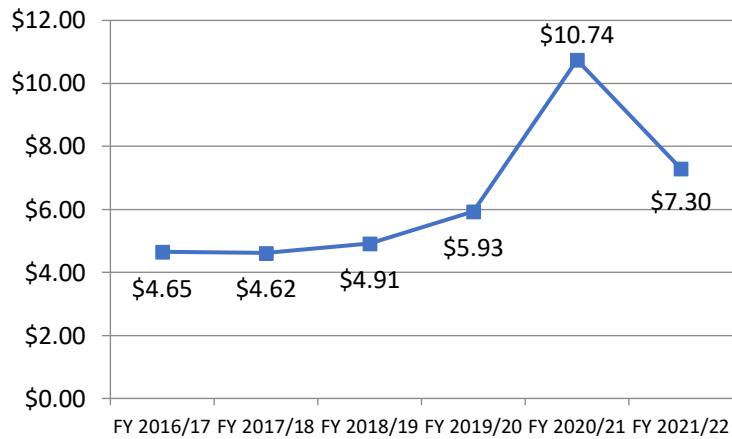


Exhibit 6.18 Regional Fixed-Route Passengers/VSH

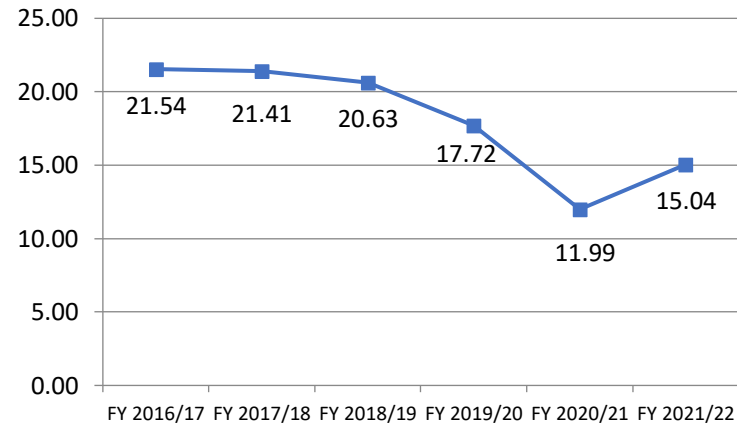


Exhibit 6.19 Regional Fixed-Route Passengers/VSM

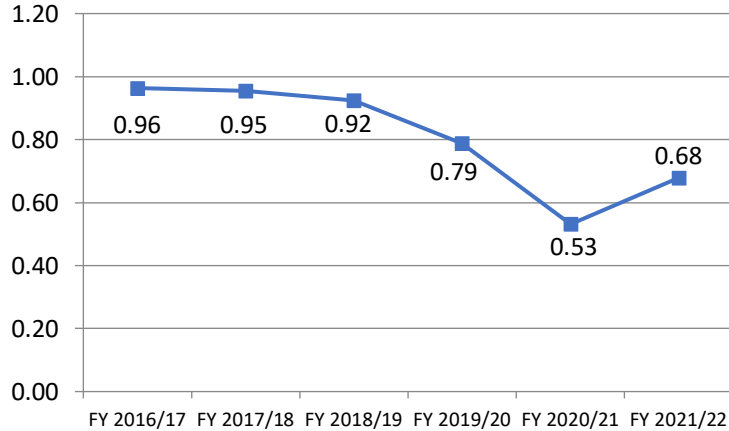


Exhibit 6.20 Regional Fixed-Route Farebox Recovery

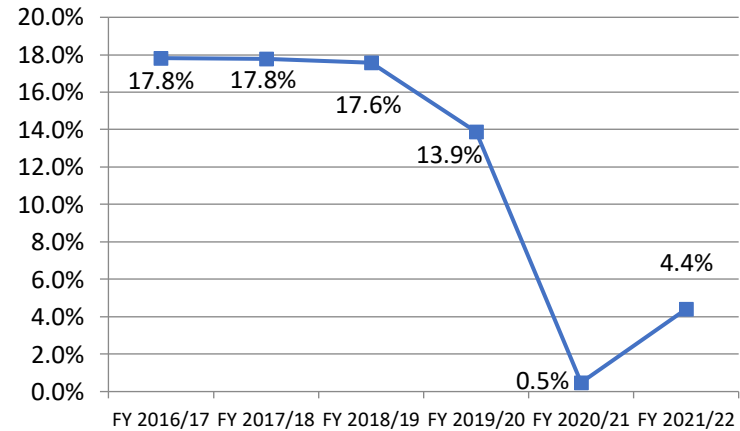
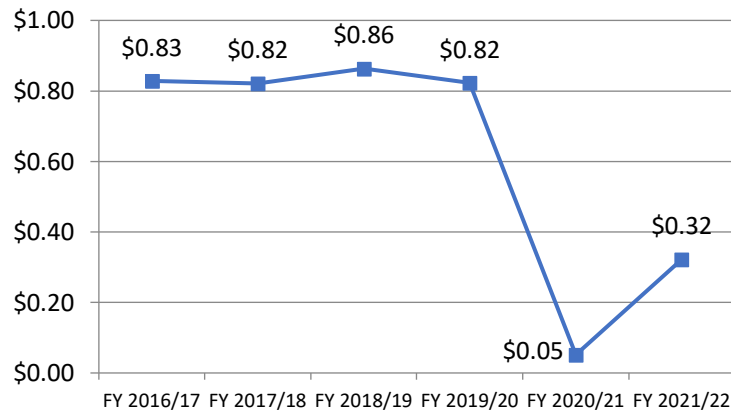


Exhibit 6.21 Regional Fixed-Route Fare/Passenger



Local Fixed-Route Performance – Blue Line

Operating costs for the Blue Line fluctuated during the audit period, experiencing a net 24.5 percent decrease during the audit period. Fare revenue declined every year during the six-year period with the exception of FY 2021/22. This resulted in a net 84.8 percent net decrease during the audit period and a 90.1 percent net decrease over the six-year period.

Blue Line vehicle service hours decreased through FY 2020/21. This resulted in a net 46.6 percent decrease across the six-year period and a net 37.6 percent decrease during the audit period. Vehicle service miles decreased through FY 2020/21, decreasing 37.3 percent during the six-year period and a net 28.5 percent during the audit period. Ridership decreased every year of the six-year period with the exception of FY 2021/22. The most significant decrease occurred in FY 2020/21 (78.6 percent). Ultimately ridership experienced a net decrease of 69.7 percent during the audit period.

Operating cost per vehicle service hour and operating cost per passenger increased during the audit period, with operating cost per passenger exhibiting the greatest change (149 percent). Passenger-related productivity metrics (passengers per VSH and passengers per VSM) saw decreases of 51.4 percent and 57.6 percent, respectively.

Exhibit 6.22 Local Fixed-Route Performance Indicators – Blue Line

Performance Measure	IVT Blue Line					
	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22
Operating Cost (Actual \$)	\$316,455	\$318,845	\$323,728	\$294,950	\$213,808	\$222,646
Annual Change		0.8%	1.5%	-8.9%	-27.5%	4.1%
Fare Revenue (Actual \$)	\$13,544	\$12,813	\$12,104	\$8,794	\$248	\$1,337
Annual Change		-5.4%	-5.5%	-27.3%	-97.2%	439.2%
Vehicle Service Hours (VSH)	3,291	3,183	3,461	2,817	1,743	1,757
Annual Change		-3.3%	8.7%	-18.6%	-38.1%	0.8%
Vehicle Service Miles (VSM)	38,140	38,044	37,724	33,455	20,762	23,921
Annual Change		-0.3%	-0.8%	-11.3%	-37.9%	15.2%
Passengers	15,333	13,856	12,857	8,588	1,838	2,603
Annual Change		-9.6%	-7.2%	-33.2%	-78.6%	41.6%
Performance Indicators						
Operating Cost/VSH (Actual \$)	\$96.16	\$100.17	\$93.54	\$104.70	\$122.65	\$126.72
Annual Change		4.2%	-6.6%	11.9%	17.2%	3.3%
Operating Cost/Passenger (Actual \$)	\$20.64	\$23.01	\$25.18	\$34.34	\$116.33	\$85.53
Annual Change		11.5%	9.4%	36.4%	238.7%	-26.5%
Passengers/VSH	4.66	4.35	3.71	3.05	1.05	1.48
Annual Change		-6.6%	-14.7%	-17.9%	-65.4%	40.5%
Passengers/VSM	0.40	0.36	0.34	0.26	0.09	0.11
Annual Change		-9.4%	-6.4%	-24.7%	-65.5%	22.9%
Farebox Recovery	4.3%	4.0%	3.7%	3.0%	0.1%	0.6%
Annual Change		-6.1%	-7.0%	-20.3%	-96.1%	417.8%
TDA Non-Required Indicators						
Operating Cost/VSM	\$8.30	\$8.38	\$8.58	\$8.82	\$10.30	\$9.31
Annual Change		1.0%	2.4%	2.7%	16.8%	-9.6%
VSM/VSH	11.59	11.95	10.90	11.88	11.91	13.62
Annual Change		3.1%	-8.8%	8.9%	0.3%	14.3%
Fare/Passenger	\$0.88	\$0.92	\$0.94	\$1.02	\$0.13	\$0.51
Annual Change		4.7%	1.8%	8.8%	-86.8%	280.7%

Sources: FY 2016/17 – FY 2018/19 data from prior Triennial Performance Audit.
FY 2019/20 – FY 2021/22 data from operator monthly summaries.

Local Fixed-Route Performance – Green Line

Operating costs for the Green Line fluctuated during the audit period, experiencing a net 30.7 percent decrease during the audit period. Fare revenue declined every year except FY 2018/19 and FY 2021/22. This resulted in a net 87.8 percent net decrease during the audit period, and a 90.8 percent net decrease over the six-year period.

Green Line vehicle service hours decreased through FY 2020/21. This resulted in a net 54 percent decrease across the six-year period and a net 46.6 percent decrease during the audit period. Vehicle service miles decreased through FY 2020/21, decreasing 54.5 percent during the six-year period and a net 46.1 percent during the audit period. Ridership fluctuated throughout the six-year period with the most significant decrease occurring in FY 2020/21 (69.2 percent). Ultimately ridership experienced a net decrease of 56.5 percent during the audit period.

Operating cost per vehicle service hour and operating cost per passenger increased during the audit period, with operating cost per passenger exhibiting the greatest change (59.4 percent). Passenger-related productivity metrics (passengers per VSH and passengers per VSM) saw decreases of 18.5 percent and 19.2 percent, respectively.

Exhibit 6.23 Local Fixed-Route Performance Indicators – Green Line

Performance Measure	IVT Green Line					
	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22
Operating Cost (Actual \$)	\$313,449	\$318,918	\$323,758	\$289,661	\$192,886	\$200,776
Annual Change		1.7%	1.5%	-10.5%	-33.4%	4.1%
Fare Revenue (Actual \$)	\$7,651	\$7,455	\$8,042	\$5,760	\$279	\$702
Annual Change		-2.6%	7.9%	-28.4%	-95.2%	151.8%
Vehicle Service Hours (VSH)	3,183	3,184	3,171	2,742	1,452	1,464
Annual Change		0.0%	-0.4%	-13.5%	-47.0%	0.8%
Vehicle Service Miles (VSM)	38,523	38,672	38,287	32,547	17,457	17,528
Annual Change		0.4%	-1.0%	-15.0%	-46.4%	0.4%
Passengers	11,141	10,921	11,230	8,551	2,631	3,719
Annual Change		-2.0%	2.8%	-23.9%	-69.2%	41.4%
Performance Indicators						
Operating Cost/VSH (Actual \$)	\$98.48	\$100.16	\$102.10	\$105.65	\$132.82	\$137.17
Annual Change		1.7%	1.9%	3.5%	25.7%	3.3%
Operating Cost/Passenger (Actual \$)	\$28.13	\$29.20	\$28.83	\$33.87	\$73.31	\$53.99
Annual Change		3.8%	-1.3%	17.5%	116.4%	-26.4%
Passengers/VSH	3.50	3.43	3.54	3.12	1.81	2.54
Annual Change		-2.0%	3.3%	-11.9%	-41.9%	40.2%
Passengers/VSM	0.29	0.28	0.29	0.26	0.15	0.21
Annual Change		-2.4%	3.9%	-10.4%	-42.6%	40.8%
Farebox Recovery	2.4%	2.3%	2.5%	2.0%	0.1%	0.3%
Annual Change		-4.2%	6.3%	-19.9%	-92.7%	141.9%
TDA Non-Required Indicators						
Operating Cost/VSM	\$8.14	\$8.25	\$8.46	\$8.90	\$11.05	\$11.45
Annual Change		1.4%	2.5%	5.2%	24.2%	3.7%
VSM/VSH	12.10	12.15	12.07	11.87	12.02	11.98
Annual Change		0.4%	-0.6%	-1.7%	1.3%	-0.4%
Fare/Passenger	\$0.69	\$0.68	\$0.72	\$0.67	\$0.11	\$0.19
Annual Change		-0.6%	4.9%	-5.9%	-84.3%	78.1%

Sources: FY 2016/17 – FY 2018/19 data from prior Triennial Performance Audit.
FY 2019/20 – FY 2021/22 data from operator monthly summaries.

Local Fixed-Route Performance – Gold Line

Operating costs for the Gold Line fluctuated during the audit period, experiencing a net 13.7 percent decrease during the audit period. Fare revenue declined every year except FY 2018/19 and FY 2021/22. This resulted in a net 82.9 percent net decrease during the audit period, and an 88 percent net decrease over the six-year period.

Gold Line vehicle service hours decreased through FY 2020/21. This resulted in a net 31 percent decrease across the six-year period and a net 25.1 percent decrease during the audit period. Vehicle service miles decreased through FY 2020/21, decreasing 28.1 percent during the six-year period and a net 22.3 percent during the audit period. Ridership fluctuated throughout the six-year period with the most significant decrease occurring in FY 2020/21 (32.4 percent). Ultimately ridership experienced a net decrease of 30.3 percent during the audit period.

Operating cost per vehicle service hour and operating cost per passenger increased during the audit period, with operating cost per passenger exhibiting the greatest change (23.8 percent). Passenger-related productivity metrics (passengers per VSH and passengers per VSM) saw decreases of 6.9 percent and 10.3 percent, respectively.

Exhibit 6.24 Local Fixed-Route Performance Indicators – Gold Line

Performance Measure	IVT Gold Line					
	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22
Operating Cost (Actual \$)	\$262,018	\$244,204	\$248,964	\$307,047	\$254,359	\$265,034
Annual Change		-6.8%	1.9%	23.3%	-17.2%	4.2%
Fare Revenue (Actual \$)	\$11,230	\$10,337	\$11,032	\$7,858	\$408	\$1,342
Annual Change		-8.0%	6.7%	-28.8%	-94.8%	229.1%
Vehicle Service Hours (VSH)	3,298	3,296	3,284	3,036	2,256	2,275
Annual Change		-0.1%	-0.4%	-7.6%	-25.7%	0.8%
Vehicle Service Miles (VSM)	36,499	36,594	36,327	33,772	26,059	26,244
Annual Change		0.3%	-0.7%	-7.0%	-22.8%	0.7%
Passengers	14,388	14,990	14,336	10,873	7,349	7,581
Annual Change		4.2%	-4.4%	-24.2%	-32.4%	3.2%
Performance Indicators						
Operating Cost/VSH (Actual \$)	\$79.45	\$74.09	\$75.81	\$101.14	\$112.74	\$116.52
Annual Change		-6.7%	2.3%	33.4%	11.5%	3.4%
Operating Cost/Passenger (Actual \$)	\$18.21	\$16.29	\$17.37	\$28.24	\$34.61	\$34.96
Annual Change		-10.5%	6.6%	62.6%	22.6%	1.0%
Passengers/VSH	4.36	4.55	4.37	3.58	3.26	3.33
Annual Change		4.2%	-4.0%	-18.0%	-9.1%	2.3%
Passengers/VSM	0.39	0.41	0.39	0.32	0.28	0.29
Annual Change		3.9%	-3.7%	-18.4%	-12.4%	2.4%
Farebox Recovery	4.3%	4.2%	4.4%	2.6%	0.2%	0.5%
Annual Change		-1.2%	4.7%	-42.2%	-93.7%	215.8%
TDA Non-Required Indicators						
Operating Cost/VSM	\$7.18	\$6.67	\$6.85	\$9.09	\$9.76	\$10.10
Annual Change		-7.0%	2.7%	32.7%	7.4%	3.5%
VSM/VSH	11.07	11.10	11.06	11.12	11.55	11.54
Annual Change		0.3%	-0.4%	0.6%	3.8%	-0.1%
Fare/Passenger	\$0.78	\$0.69	\$0.77	\$0.72	\$0.06	\$0.18
Annual Change		-11.6%	11.6%	-6.1%	-92.3%	219.0%

Sources: FY 2016/17 – FY 2018/19 data from prior Triennial Performance Audit.
FY 2019/20 – FY 2021/22 data from operator monthly summaries.

Exhibit 6.25 Local Fixed-Route Ridership

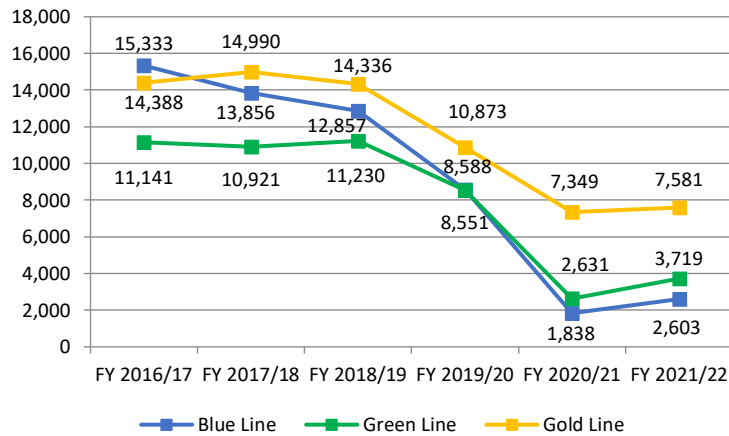


Exhibit 6.26 Local Fixed-Route Operating Cost/VSH

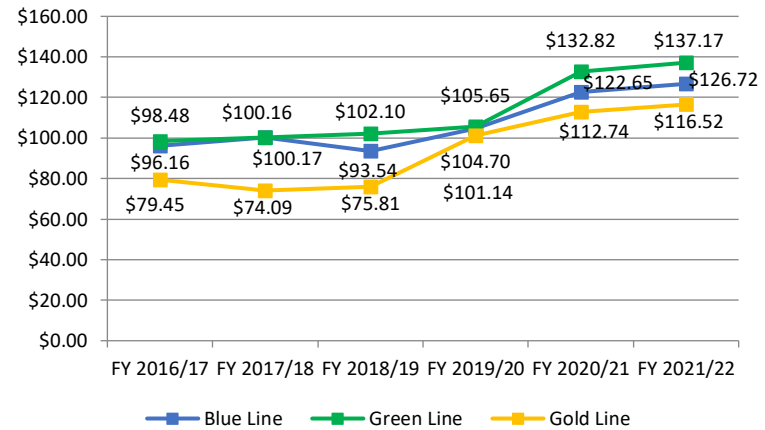


Exhibit 6.27 Local Fixed-Route Operating Cost/VSM

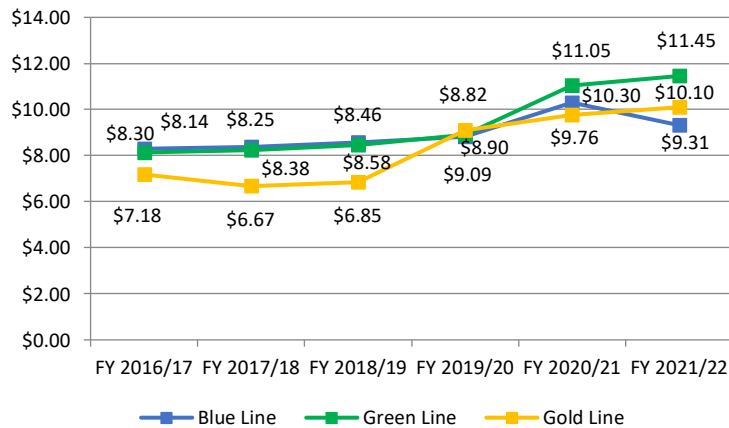


Exhibit 6.28 Local Fixed-Route VSM/VSH

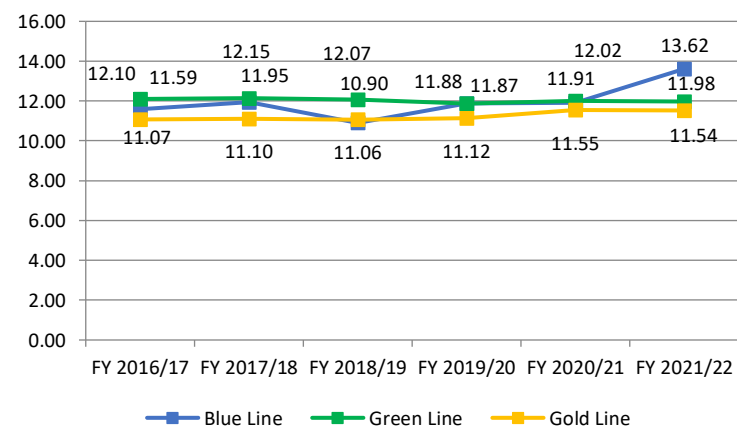


Exhibit 6.29 Local Fixed-Route Operating Cost/Passenger

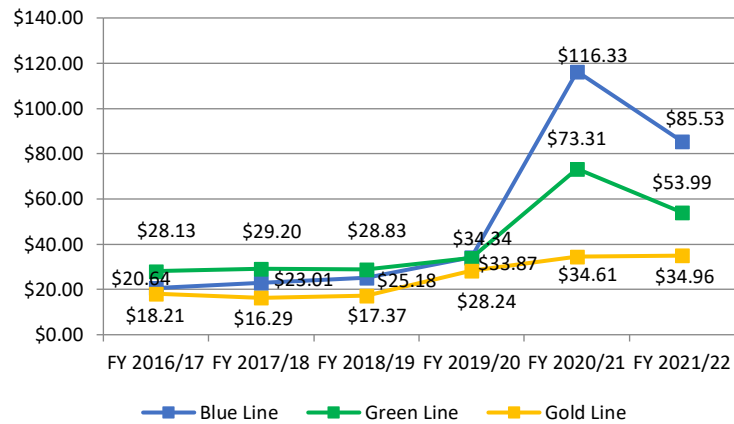


Exhibit 6.30 Local Fixed-Route Passengers/VSH

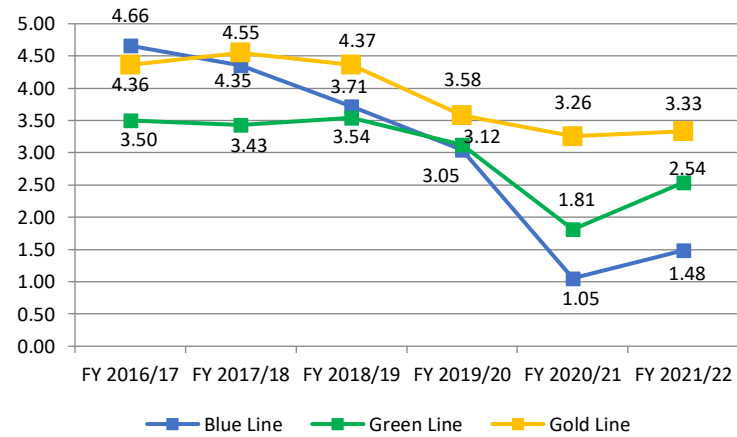


Exhibit 6.31 Local Fixed-Route Passengers/VSM

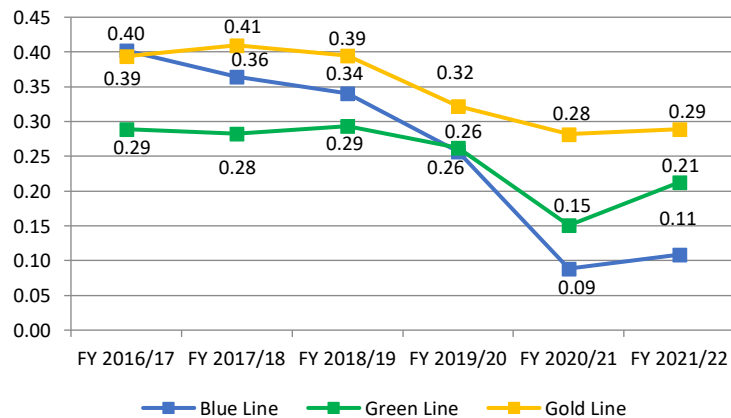


Exhibit 6.32 Local Fixed-Route Farebox Recovery

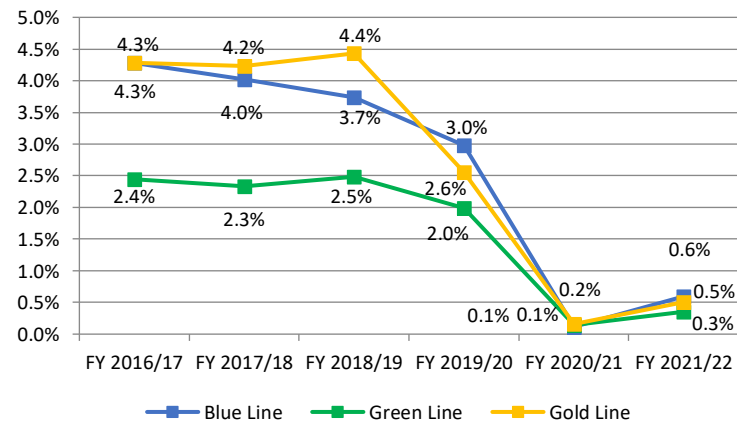
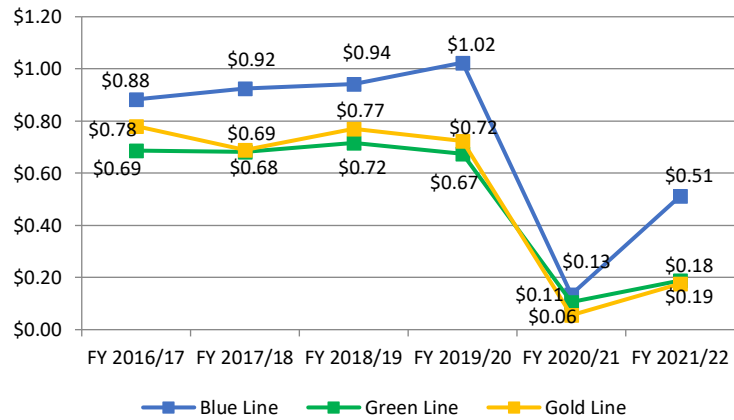


Exhibit 6.33 Local Fixed-Route Fare/Passenger



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Chapter 7 | Functional Review

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

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

Service Overview

Imperial Valley Transit (IVT) provides fixed-route transit service within and between the communities of Brawley, Calexico, Calipatria, El Centro, Heber, Holtville, Imperial, Niland, Seeley, and Westmorland in Imperial County. IVT operates 12 fixed routes that are a combination of local circulators and inter-community services. Service is operated seven days per week on Routes 1 and 2, and Monday through Saturday on Routes 3, 4, 31, and 32. All other routes operate Monday through Friday, except for Route 51, which provides service on Thursday only. Service days and times by individual route are shown in Exhibit 7.1.

Exhibit 7.1 IVT Routes

Route	Communities Served	Service Days	Service Hours
1N/1S	Calexico, El Centro, Heber	Monday – Friday	5:45 a.m. – 11:23 p.m.
		Saturday	5:55 a.m. – 8:30 p.m.
		Sunday	7:00 a.m. – 5:10 p.m.
2N/2S	Brawley, Calipatria, El Centro, Imperial, Niland, Westmorland	Monday - Friday	5:45 a.m. – 10:45 p.m.
		Saturday	6:00 a.m. – 8:20 p.m.
		Sunday	7:15 a.m. – 5:00 p.m.
3E/3W	El Centro, Holtville, Imperial	Monday - Friday	7:11 a.m. – 7:40 p.m.
		Saturday	2 trips EB/3 trips WB
4E/4W	El Centro, Imperial, Seeley	Monday – Friday	7:00 a.m. – 5:50 p.m.
		Saturday	3 trips EB/3 trips WB
21N/21S (IVC Express)	Calexico, Imperial Valley College	Monday – Thursday	6 AM trips to IVC NB/ 5 PM trips to Calexico SB
		Friday	3 AM trips to IVC NB/ 3 PM trips to Calexico SB
22N/22S (IVC Express)	Brawley, Calipatria, Imperial Valley College, Niland	Monday – Friday	2 AM trips to IVC NB/ 2 PM trips to Niland SB
31D (Direct)	Brawley, Calexico	Monday – Saturday	4 trips per day SB

Route	Communities Served	Service Days	Service Hours
32D (Direct)	Brawley, Calexico	Monday – Saturday	4 trips per day NB
41S (Fast)	Brawley, El Centro, Imperial	Monday – Friday	1 AM trip per day SB
45W (Fast)	El Centro, Holtville	Monday – Friday	1 trip per day WB
51N/51S	Slab City, Bombay Beach, Brawley, Calipatria, Niland	Thursday	1 AM trip/1 PM trip
Blue	El Centro (circulator)	Monday – Friday	6:00 a.m. – 6:38 p.m.
Gold	Brawley (circulator)	Monday – Friday	8:17 a.m. – 5:12 p.m.
Green	El Centro (circulator)	Monday – Friday	7:10 a.m. – 5:33 p.m.

The IVT service area is divided into six zones: Zone 1 (Bombay Beach), Zone 2 (Calipatria and Niland), Zone 3 (Brawley and Westmorland), Zone 4 (Imperial, El Centro, IVC, Heber, and Seeley), Zone 5 (Heber and Calexico), and Zone 6 (Holtville). Fare pricing for the regular fixed-route service is based on travel within a local zone or between zones (regional). Fares for Direct, IVC Express, and Fast services are as shown in Exhibit 7.2.

Exhibit 7.2 IVT Fare Structure

Fare Category	Fare
IVT Fixed-Route Service	
Regular fare – Local zone (one-way)	\$1.00
Regular fare – Regional zone (one-way)	\$1.25
Senior/disabled fare – Local zone (one-way)	\$0.50
Senior/disabled fare – Regional zone (one-way)	\$0.60
20-ride ticket booklet – Local zone	\$16.00
20-ride ticket booklet – Regional zone	\$20.00
20-ride Senior/Disabled ticket booklet – Local zone	\$10.00
20-ride Senior/Disabled ticket booklet – Regional zone	\$12.00
IVT Direct Service	
Regular fare (one-way)	\$2.50
IVC Express Service	
Students (one-way)	\$1.25
Non-students (one-way)	\$1.75
20-ride ticket booklet (students only)	\$25.00
Fast Service	
Regular fare (one-way)	\$2.25

The ICTC received a grant that allowed it to offer free fares for nearly two years, from August 2020 through July 2022. At that time all services reverted to their regular fares.

Response to COVID-19 pandemic

The initial impact on IVT's service was drastic, as ridership dropped from 2,000 to 3,000 passengers per day down to 700 to 800. That was not something the contractor could prepare for, and had to move quickly to respond. Drivers were concerned about working. Ultimately the decision was made to operate a Saturday schedule. The contractor got enough drivers to run the Saturday service and furloughed

everyone else. Work shifts had to be rebid as the workforce dropped from approximately 60 to 34 drivers. The Saturday schedule was maintained for 15 months, through July 1, 2021. First Transit began calling back its furloughed drivers by seniority in June 2021, but only about 20 chose to return to work.

IVT is still operating a reduced number of trips on its Blue, Green, and Gold lines. Many riders have found alternatives to transit – such as through purchasing a car or riding with friends – and the demand has remained suppressed. Current ridership has rebounded to approximately 80 to 85 percent of what it was prior to the COVID-19 pandemic for the system overall, though it is closer to 50 percent for the community circulators.

One of the biggest lessons learned during the pandemic was not to take anything for granted. While it is difficult to prepare for something like this, management felt it could have been more prepared. Supplies and protective equipment were very difficult to get at first, especially during the first two to three weeks. After that First Transit's corporate office was able to provide them with what they needed, including personal protective equipment (PPE), hand sanitizer, and foggers to sanitize the buses. The operations contractor has kept everything on hand should an additional need arise.

General Management and Organization

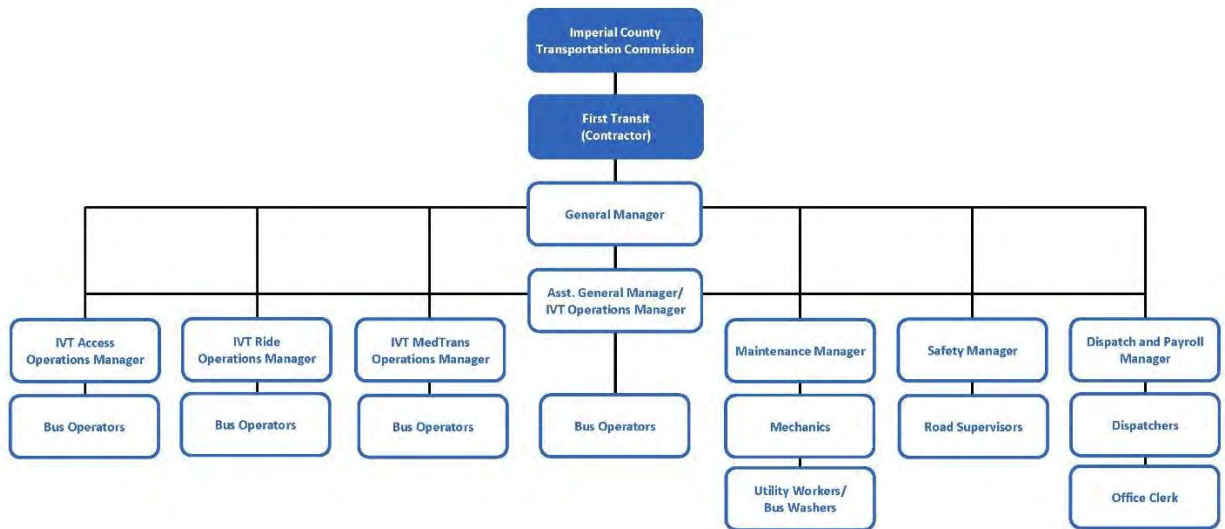
All Imperial Valley Transit operations (fixed-route and demand-response) are contracted to First Transit under four separate contracts. The current contracts extend through FY 2023/24. First Transit operates the IVT programs with a great deal of autonomy. An operations manager oversees each individual service, with the general manager overseeing the entire transit operation. Daily monitoring includes reviewing reports, spreadsheets, on-time performance, miles, revenue, and ridership. Managers regularly conduct road observations, time checks, and ride-alongs.

Contract management is provided by Imperial County Transit Commission (ICTC). While there is daily communication with First Transit, a formal report is submitted with the monthly invoice. The ICTC also holds quarterly meetings with the contractor. The ICTC would benefit from additional staff for transit oversight and is in the process of backfilling several positions left vacant by recent staffing changes.

The Imperial Valley Transportation Commission is the governing body for Imperial Valley Transit. ICTC staff take transit information to the Board on an as-needed basis, such as when there are significant modifications or major projects. While the Board does not get very involved in the day-to-day operation of the transit program, there is a new Board member that has expressed a strong interest in how transit impacts the area they represent. Members of the Board ask questions during meetings, including about areas where ridership is low or where there is perceived demand.

First Transit's Imperial Valley Transit organizational chart is illustrated in Exhibit 7.3.

Exhibit 7.3 Organizational Chart



Service Planning

All service planning is undertaken by the Imperial County Transportation Commission. The most recent Short Range Transit Plan for Imperial County was completed in January 2019. The next SRTP update is scheduled for 2024. In general, recommendations focused on increasing the span and frequency of service on weekends, weekdays, and holidays on existing routes. First Transit staff noted the ICTC is diligent about seeking feedback from the contractor while considering any changes to the service.

The ICTC is currently in the process of conducting rider surveys as part of its Unmet Transit Needs process. Public participation activities are undertaken any time there are changes to service or when projects are rolled out. Recently, four public meetings were conducted as part of the ICTC's Long Range Transportation Plan with four additional meetings planned.

Administration

Budgeting for transit is a cooperative process. First Transit develops its budget based on its contract for each service with the ICTC. Each contract stipulates billing rates and revenue hour constraints. Once the ICTC has the contractor costs, staff review anticipated state and federal revenues and break down expenses, anticipated planning, contingencies, and vehicle needs for the year, then build the transit budget. The transit budget is incorporated into the agency budget for the year, which is approved by the ICTC Board.

The ICTC is responsible for applying for and managing all grants. In addition to the First Transit contracts, the ICTC also manages a contract with Via for a demonstration micro-transit project. First Transit provides insurance and handles all claims. Imperial County provides legal services and internal auditing.

First Transit handles its own payroll through an outside service. Most vendor checks related to transit service are issued by First Transit. Other vendor checks are issued by the ICTC, depending on the purchase.

All procurement practices conform with FTA and state requirements. The ICTC completed some updates to its procurement manual during its prior FTA Triennial Review, and will make additional updates should any issues be identified by the FTA during the current Triennial Review.

Marketing and Public Information

Marketing responsibilities are shared between the ICTC and First Transit. The ICTC maintains the transit websites and provides service brochures, while First Transit attends events and provides information. ICTC staff may also attend events, and the ICTC provides mobility training to seniors. The ICTC utilizes a consultant for its marketing. ICTC staff coordinate with the marketing consultant, while First Transit provides input as to what needs to be ordered. The ICTC's budget for marketing is separate from its operations contract.

Customer service calls are logged and a monthly report is provided to the ICTC. Fixed-route calls are not tracked by the type of call. Complaints received through the ICTC are forwarded to First Transit. Valid complaints are forwarded to the operations manager of the individual service for investigation, and can be escalated to the general manager if necessary. A form is completed by the dispatcher or customer service representative for all valid complaints. Simple issues that can be resolved by the dispatcher (such as an inquiry about a bus status) are not logged.

Public perception of IVT is generally positive. Most complaints focus on not having enough service, especially on the weekends.

Scheduling, Dispatch, and Operations

Drivers are shared among all IVT services. There are currently 41 full-time employees and nine part-time employees. While this is considered to be fully staffed, First Transit would like to hire one or two additional drivers, as it currently has no extras. Most part-time drivers have other jobs, so their availability may be limited.

Employees are represented by Teamsters Local 542, though there are different collective bargaining agreements (CBAs) for drivers, dispatchers, etc. Bids are seniority-based and, for the fixed-route service, take place twice each year, typically in August and February. College routes are not included in the bid, but are covered by part-time drivers. Part-time work is assigned by seniority. Part-time drivers cover vacations, FMLA leave, etc., with additional coverage by full-time drivers with availability. In the case of unscheduled absences (call-outs), road supervisors may be called up on pre-trip a vehicle or start a route until someone can be called in to cover it.

All drivers start on the fixed-route service, then transition to paratransit. Everyone is cross-trained for the different routes and services. Vehicles are assigned based on service, as all services are separately branded. All available vehicles are posted on the board in the Dispatch office by maintenance each night, along with a list of out-of-service vehicles. Dispatch then makes assignments from the available vehicles.

IVT utilizes manual (vault-style) fareboxes. Fareboxes are pulled from the buses at the end of the shift and brought to the Dispatch office. The farebox number is logged and the box is put in the safe room. Money counting is done the following day by two individuals wearing white coveralls. The cash is placed in sealed bags and picked up by armored car daily.

Personnel Management and Training

As noted above, First Transit anticipates recruiting one to two more drivers to provide additional cover, though it is considered fully staffed. The corporate office handles recruitment, most of which is done online. The local team reviews applications and conducts interviews. Approximately 80 percent of applicants do not have a commercial driver's license. Among those that already have their Class B license, the majority are hired. First Transit offers full training and licensing, and finds that applicants with no experience or commercial license tend to be good employees, as they have not developed any bad habits yet.

Various activities are used to motivate employees, including employee of the month (which features a reserved parking space), bringing in donuts and coffee, and safe driver awards (based on DriveCam reviews). Safety meetings often include small prizes for quizzes and other activities, such as safety pep rallies. It is difficult to do events because there is always someone on duty, so most big activities occur on Sundays. Apart from the COVID-19 pandemic, turnover is typically pretty low. Within the last year, First Transit lost about five employees, though some years they lose none. Last year, two drivers left due to other opportunities while the others were terminated.

There is a full-time on-site Safety Manager who conducts safety meetings and daily safety messaging over the radio. First Transit holds seven safety meetings every month, and the Safety Solutions team meets once a month. Drive Cams on the buses are used to coach drivers – both to correct and offer positive reinforcement. Safety personnel may also coach any members of the public on the property regarding observed unsafe practices (such as the yard speed limit). Safety is the prime goal. First Transit also has a mechanism for drivers to report unsafe conditions, near misses, or potential hazards, which can then be discussed at safety meetings or as a catalyst for preventive actions.

The training team includes four trainers and the training course meets state requirements. It can take recruits through the entire training and licensing process using a TSI trainer. The only thing not provided is DMV testing. First Transit has DMV testers in San Diego and Pasadena if there is too long a wait with the local DMV.

Maintenance

First Transit's preventive maintenance program for all IVT services conforms with manufacturer specifications. The software program tracks the preventive maintenance schedule to ensure inspections are completed at the required time. At present, maintenance does not conflict with regular vehicle use as the reduced demand has resulted in extra spare vehicles. Warranty work is tracked, though none of the buses are currently under warranty.

The current maintenance facility includes three bays and two sets of lifts. However, the big buses cannot be lifted all the way or they will hit the roof. First Transit performs all maintenance work in-house except for body work and windows. In recent years, delays in getting some parts has led the ICTC to recommend sending out some work to local vendors that would typically be done in-house in order to speed up the process.

Access to the parts room is restricted to the Maintenance Manager and mechanics. All parts are tagged and tracked by work order. The work orders are reviewed by the Maintenance Manager and tracked in

the maintenance software. First Transit maintains a sufficient inventory of commonly used parts. It had some challenges in getting Plexiglas for driver shields, but that has improved.

Maintenance is notified promptly of vehicle breakdowns. Lock out/tag out procedures are used to keep unsafe vehicles and shop equipment from being used. A board in the dispatch office lists the out-of-service vehicles as well as the reason they are out of service. The board is updated when a vehicle is back in service.

The ICTC owns all transit vehicles. A fleet replacement plan is in place, and the ICTC is actively working on replacements as vehicles exceed their useful life.

Exhibit 7.4 IVT's Transit Fleet

Quantity	Year	Make & Model	Fuel
10	2012	Gillig Low-Floor	Diesel
6	2015	Gillig Low-Floor	Diesel
7	2016	Ford Starcraft	Gas
1	2017	Ford Starcraft	Gas
1	2018	Ford Starcraft	Gas
1	2019	Ford Starcraft	Gas
1	2020	Ford Starcraft	Gas

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Chapter 8 | Findings and Recommendations

Conclusions

With one exception, Moore & Associates, Inc. finds Imperial Valley Transit to be in compliance with the requirements of the Transportation Development Act. In addition, the entity generally functions in an efficient, effective, and economical manner.

Findings

Based on discussions with IVT staff, analysis of program performance, and an audit of program compliance and function, the audit team presents one compliance finding:

1. State Controller Reports were submitted after the stipulated deadline in FY 2020/21 and FY 2021/22.

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

1. The TDA fiscal audit does not show how the farebox recovery ratio is calculated, only provides the actual ratio against the required ratio.

Program Recommendations

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

Compliance Finding 1: State Controller Reports were submitted after the stipulated deadline in FY 2020/21 and FY 2021/22.

Criteria: Public Utilities Code Section 99243 requires transit operators in receipt of TDA funds to submit annual reports to the State Controller within 90 days following the end of the fiscal year (110 days if filing electronically). Beginning FY 2016/17, this submittal deadline was amended to January 31 following the end of the fiscal year. Beginning with the online reporting for FY 2017/18, the cover sheet is timestamped with the submittal date and time upon its generation. This makes it easier to determine when the report was actually submitted.

Condition: Submittal of the State Controller Report is the responsibility of the ICTC. In FY 2019/20, the report was submitted on February 1, 2021, which was the deadline that year due to January 31 falling on a Sunday. In FY 2020/21, the report was submitted on February 22, 2022, approximately three weeks

following the deadline. In FY 2021/22 the timeliness had improved, though the report was still submitted on February 14, 2023, two weeks after the deadline.

Cause: Several challenges can result in reports being submitted late, including the unavailability of final data and lack of awareness regarding submittal deadlines.

Effect: Late submittals can place an operator out of compliance with the TDA.

Recommendation: Ensure State Controller Reports are submitted in a timely manner.

Recommended Action: The ICTC should take whatever actions are necessary to ensure an on-time submittal of the State Controller Reports. This may require working with other entities to adjust other submittal deadlines to ensure audited data is available.

Timeline: Ongoing.

Anticipated Cost: Negligible.

Functional Finding 1: The TDA fiscal audit does not show how the farebox recovery ratio is calculated, only provides the actual ratio against the required ratio.

Criteria: PUC 99245 requires the completion of an annual fiscal audit by recipients of funds under the TDA. These audits typically include an assessment of compliance with the farebox recovery ratio.

Condition: The ICTC's audit includes a comparison of the actual farebox recovery ratio for each IVT transit program to the required ratio for that program. It does not, however, include detail about how that ratio was calculated. In the FY 2020/21 and FY 2021/22 audits, the exact same ratios were provided for each program, but because there were no calculations provided, it was impossible to determine whether this was an error or if they actually were the same. This did not affect compliance, as penalties for non-compliance with the farebox recovery ratio in those years were waived under AB 149. Once those waivers expire, it will be important to document how farebox recovery ratio is calculated within the audit.

Cause: The TDA requires compliance to be confirmed, but does not indicate the level of detail to be included.

Effect: As a result, full information is not included, so there is no way to confirm the accuracy of the farebox recovery ratio calculation in the audit.

Recommendation: Include a detailed breakdown of the farebox recovery ratio calculation in future TDA fiscal audits.

Recommended Action: Working with its auditors, the ICTC should include a breakdown of the farebox recovery ratio calculation for each service in the audit. At a minimum, the calculation should include the revenues being counted as fare revenues and local supplementation as well as the operating cost, exclusive of depreciation. Ideally, it would be presented as follows:

Fares	\$90,000
Local subsidies	\$75,000
Total fare revenues	\$165,000
Operating expenses	\$1,000,000
Less: depreciation	(\$100,000)
Net operating expenses	\$900,000
Fare ratio	18.33%
Required ratio	17.00%

Timeline: FY 2022/23.

Anticipated Cost: None.

Exhibit 8.1 Audit Recommendations

TDA Compliance Recommendations		Importance	Timeline
1	Ensure State Controller Reports are submitted in a timely manner.	Medium	Ongoing
Functional Recommendations		Importance	Timeline
1	Include a detailed breakdown of the farebox recovery ratio calculation in future TDA fiscal audits.	Medium	FY 2022/23

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Imperial County Transportation Commission (ICTC)
Transportation Development Act (TDA)
Triennial Performance Audit, FY 2019/20 - FY 2021/22
of IVT - Access

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Chapter 1 | Executive Summary

In late 2022, the Imperial County Transportation Commission (ICTC) selected Moore & Associates, Inc., to prepare Triennial Performance Audits of itself as the RTPA and the five transit operators to which it allocates State of California Transportation Development Act funding.

The California Public Utilities Code requires all recipients of Transit Development Act (TDA) Article 4 funding to undergo an independent performance audit on a three-year cycle in order to maintain funding eligibility. While not required, audits of Article 8 funding recipients are encouraged.

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

This chapter summarizes key findings and recommendations developed during the Triennial Performance Audit (TPA) of IVT Access' public transit program for the period:

- Fiscal Year 2019/20,
- Fiscal Year 2020/21, and
- Fiscal Year 2021/22.

IVT Access provides supplementary ADA paratransit service for persons with disabilities who cannot use the regular fixed-route bus system (Imperial Valley Transit). It is a curb-to-curb Dial-A-Ride service open to individuals who have completed a certification and eligibility process. The service operates within three-quarters of a mile of the IVT fixed-route service, mirroring the days and hours of operation of individual fixed-routes. (For example, if a route does not operate on the weekend, the IVT Access service will also not be available on the weekend.)

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

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

The Triennial Performance Audit includes five elements:

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

Test of Compliance

Based on discussions with IVT Access staff, analysis of program performance, and an audit of program compliance and function, the audit team presents one compliance finding:

1. State Controller Reports were submitted after the stipulated deadline in FY 2020/21 and FY 2021/22.

Status of Prior Recommendations

The prior audit – completed in May 2020 by Moore & Associates, Inc. for the three fiscal years ending June 30, 2019 – included three recommendations:

1. [Ensure State Controller Reports are submitted in a timely manner.](#)
Status: Not implemented.
2. [Ensure TDA fiscal audits of all IVT operations are completed no later than 270 days following the end of the fiscal year.](#)
Status: Implemented.
3. [Identify supplemental local revenues that will bring the farebox recovery ratio up to at least 10 percent.](#)
Status: Not implemented.

Findings and Recommendations

Based on discussions with IVT Access staff, analysis of program performance, and a review of program compliance and function, the audit team submits the aforementioned compliance finding for IVT Access:

1. State Controller Reports were submitted after the stipulated deadline in FY 2020/21 and FY 2021/22.

The audit team identified two functional findings. While these findings are not compliance findings, the audit team believes they warrant inclusion in this report:

1. The TDA fiscal audit does not show how the farebox recovery ratio is calculated, only provides the actual ratio against the required ratio.
2. IVT Access is not on track to be in compliance with the farebox recovery requirement when the penalty waiver ends after FY 2022/23.

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

Exhibit 1.1 Summary of Audit Recommendations

TDA Compliance Recommendations		Importance	Timeline
1	Ensure State Controller Reports are submitted in a timely manner.	Medium	Ongoing
Functional Recommendations		Importance	Timeline
1	Include a detailed breakdown of the farebox recovery ratio calculation in future TDA fiscal audits.	Medium	FY 2022/23
2	Identify strategies that will enable IVT Access to meet the 10 percent farebox recovery ratio requirement.	High	FY 2023/24

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Chapter 2 | Audit Scope and Methodology

The Triennial Performance Audit (TPA) of IVT Access' public transit program covers the three-year period ending June 30, 2022. The California Public Utilities Code requires all recipients of Transit Development Act (TDA) funding to complete an independent review on a three-year cycle in order to maintain funding eligibility.

In late 2022, the Imperial County Transportation Commission (ICTC) selected Moore & Associates, Inc., to prepare Triennial Performance Audits of itself as the RTPA and the five transit operators to which it allocates State of California TDA funding. Moore & Associates, Inc. is a consulting firm specializing in public transportation, including audits of non-TDA Article 4 recipients. Selection of Moore & Associates, Inc. followed a competitive procurement process.

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

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

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

Objectives

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

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

Scope

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

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

Methodology

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

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

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

Given impacts of the ongoing COVID-19 pandemic, the methodology for this audit included a virtual site visit with IVT representatives on February 27, 2023. The audit team met with Cesar Sanchez (General Manager, First Transit), Karla Pacheco (Operations Manager, First Transit), Mike Cortez (Safety and Training Manager, First Transit), and Rogelio Hernandez (Maintenance Manager, First Transit), and reviewed materials germane to the triennial audit.

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

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

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Chapter 3 | Program Compliance

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

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

One compliance issue was identified for IVT Access:

1. State Controller Reports were submitted after the stipulated deadline in FY 2020/21 and FY 2021/22.

Developments Occurring During the Audit Period

The FY 2019/20 – FY 2021/22 audit period was significantly different than prior audit periods. The impacts of the COVID-19 pandemic resulted in significant declines in ridership and revenue, while changes to the TDA provided compliance waivers and amended existing legislation. In many instances, transit operators strove to retain operations staff despite adopting a reduced schedule, resulting in significant changes to many cost-related performance metrics. While infusions of funding through the CARES Act mitigated some of the lost revenues for federally funded programs, many transit operators have yet to return to pre-pandemic ridership and fare levels. As a result, this Triennial Performance Audit will provide an assessment not only of how the COVID-19 pandemic impacted the organization, but how it responded to the crisis.

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

Assembly Bill 90, signed into law on June 29, 2020, provides temporary regulatory relief for transit operators required to conform with Transportation Development Act (TDA) farebox recovery ratio thresholds in FY 2019/20 and FY 2020/21. Assembly Bill 149, signed into law on July 16, 2021, provides additional regulatory relief by extending the provisions of AB 90 through FY 2022/23 and adjusting definitions of eligible revenues and operating costs. While the ability to maintain state mandates and performance measures is important, these measures enable transit operators to adjust to the impacts of COVID while continuing to receive their full allocations of funding under the TDA.

Together, these two pieces of legislation include the following provisions specific to transit operator TDA funding under Article 4 and Article 8:

1. Prohibits the imposition of the TDA revenue penalty on an operator that did not maintain the required ratio of fare revenues to operating cost from FY 2019/20 through FY 2022/23.
2. Waives the annual productivity improvement requirement of Section 99244 through FY 2022/23.
3. Adds a temporary provision exempting operators from farebox recovery ratio requirements through FY 2024/25 provided they expend at least the same amount of local funds as in FY 2018/19.
4. Expands the definition of “local funds” to enable the use of federal funding, such as the CARES Act or CRRSAA, to supplement fare revenues and allows operators to calculate free and reduced fares at their actual value.
5. Adjusts the definition of operating cost to exclude the cost of ADA paratransit services, demand-response and micro-transit services designed to extend access to service, ticketing/payment systems, security, some pension costs, and some planning costs.
6. Requires the Controller to calculate and publish the allocation of transit operator revenue-based funds made pursuant to the State Transit Assistance (STA) Program for FY 2020/21 and FY 2021/22.
7. Allows operators to use STA funds as needed to keep transit service levels from being reduced or eliminated through FY 2022/23.

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

Exhibit 3.1 Transit Development Act Compliance Requirements

Compliance Element	Reference	Compliance	Comments
State Controller Reports submitted on time.	PUC 99243	Finding	FY 2019/20: February 1, 2021 FY 2020/21: February 22, 2022 FY 2021/22: February 14, 2023
Fiscal and compliance audits submitted within 180 days following the end of the fiscal year (or with up to 90-day extension).	PUC 99245	In compliance	FY 2019/20: December 30, 2020 FY 2020/21: March 23, 2022 FY 2021/22: March 22, 2023
Operator's terminal rated as satisfactory by CHP within the 13 months prior to each TDA claim.	PUC 99251 B	In compliance	October 9, 2018 October 2, 2019 September 29, 2020 August 18, 2021 July 26, 2022
Operator's claim for TDA funds submitted in compliance with rules and regulations adopted by the RTPA.	PUC 99261	In compliance	
If operator serves urbanized and non-urbanized areas, it has maintained a ratio of fare revenues to operating costs at least equal to the ratio determined by the rules and regulations adopted by the RTPA.	PUC 99270.1	Not applicable	
Except as otherwise provided, the allocation for any purpose specified under Article 8 may in no year exceed 50% of the amount required to meet the total planning expenditures for that purpose.	PUC 99405	Not applicable	
An operator receiving allocations under Article 8(c) may be subject to regional, countywide, or subarea performance criteria, local match requirements, or fare recovery ratios adopted by resolution of the RTPA.	PUC 99405	In compliance	While the operator receives Article 8(c) funds, it is not subject to alternative performance criteria.
The operator's operating budget has not increased by more than 15% over the preceding year, nor is there a substantial increase or decrease in the scope of operations or capital budget provisions for major new fixed facilities unless the operator has reasonably supported and substantiated the change(s).	PUC 99266	In compliance	FY 2019/20: +2.97% FY 2020/21: -7.94% FY 2021/22: Not claimed <i>Source: TDA claims, FY 2020 – FY 2021. No LTF funds were claimed for Access in FY 2022.</i>
The operator's definitions of performance measures are consistent with the Public Utilities Code Section 99247.	PUC 99247	In compliance	
If the operator serves an urbanized area, it has maintained a ratio of fare revenues to operating cost at least equal to one-fifth (20 percent).	PUC 99268.2, 99268.4, 99268.1	Not applicable	

Compliance Element	Reference	Compliance	Comments
If the operator serves a rural area, it has maintained a ratio of fare revenues to operating cost at least equal to one-tenth (10 percent).	PUC 99268.2, 99268.4, 99268.5	Not applicable	
For a claimant that provides only services to elderly and handicapped persons, the ratio of fare revenues to operating cost shall be at least 10 percent.	PUC 99268.5, CCR 6633.5	In compliance	FY 2019/20: 3.64% FY 2020/21: 1.77% FY 2021/22: 1.77% <i>IVT Access has a farebox recovery ratio requirement of 10 percent. Penalties were waived for all years due to AB 90 and AB 149.</i>
The current cost of the operator's retirement system is fully funded with respect to the officers and employees of its public transportation system, or the operator is implementing a plan approved by the RTPA, which will fully fund the retirement system for 40 years.	PUC 99271	In compliance	ICTC contracts with a private provider for operations, while ICTC employees are covered under the Imperial County Employees' Retirement System (ICERS) pursuant to the County Employees Retirement Law of 1937.
If the operator receives State Transit Assistance funds, the operator makes full use of funds available to it under the Urban Mass Transportation Act of 1964 before TDA claims are granted.	CCR 6754 (a) (3)	In compliance	
In order to use State Transit Assistance funds for operating assistance, the operator's total operating cost per revenue hour does not exceed the sum of the preceding year's total plus an amount equal to the product of the percentage change in the CPI for the same period multiplied by the preceding year's total operating cost per revenue hour. An operator may qualify based on the preceding year's operating cost per revenue hour or the average of the three prior years. If an operator does not meet these qualifying tests, the operator may only use STA funds for operating purposes according to a sliding scale.	PUC 99314.6	In compliance	

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

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Chapter 4 | Prior Recommendations

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

The prior audit – completed in May 2020 by Moore & Associates, Inc. for the three fiscal years ending June 30, 2019 – included three recommendations:

1. **Ensure State Controller Reports are submitted in a timely manner.**

Discussion: Submittal of the State Controller Report is the responsibility of the ICTC. In FY 2016/17, the report was submitted on March 16, 2018, approximately six weeks following the deadline. In FY 2017/18, the report was submitted on March 27, 2019, approximately eight weeks following the deadline. In FY 2018/19, the timeliness had improved, though the report was still submitted on February 14, 2020, two weeks after the deadline. The prior auditor recommended the ICTC take whatever actions were necessary to ensure an on-time submittal of the State Controller Reports. This could require working with other entities to adjust other submittal deadlines to ensure audited data is available.

Progress: While the FY 2019/20 report was submitted on time, subsequent reports have been submitted late. The FY 2020/21 report was submitted on February 22, 2022, approximately three weeks late, while the FY 2021/22 report was submitted on February 14, 2023, approximately two weeks late.

Status: Not implemented.

2. **Ensure TDA fiscal audits of all IVT operations are completed no later than 270 days following the end of the fiscal year.**

Discussion: The ICTC includes all TDA funds (RTPA and operator) in a combined fiscal audit. The ICTC's FY 2017/18 TDA fiscal audit was submitted in July 2019, approximately three months after the allowable 90-day extension. At the time of preparation of the prior audit, completion of the FY 2018/19 TDA fiscal audit was still pending. The prior auditor recommended ICTC work with its TDA fiscal auditor to ensure the operator audits for which it is responsible (i.e., IVT, IVT Ride, IVT Access, and IVT MedTrans) are completed no later than 270 days following the end of the fiscal year.

Progress: This appears to have been resolved. All audits were submitted on time.

Status: Implemented.

3. Identify supplemental local revenues that will bring the farebox recovery ratio up to at least 10 percent.

Discussion: IVT Access is required to meet a farebox recovery ratio threshold of 10 percent. However, actual farebox recovery ratios achieved during the prior audit period ranged from 4.46 percent to 4.71 percent.

IVT Access' ability to increase fares is limited by the fares charged for fixed-route service (as the ADA complementary paratransit service cannot charge more than twice the base fixed-route fare). Therefore, two options remained: to decrease operating cost or increase farebox revenues. Given operating cost experienced a decrease during the current audit period, the prior auditor found it unlikely IVT Access would be able to reduce its costs significantly enough to substantially increase the farebox recovery ratio. In addition, as a demand-response service where operating costs increase in line with the number of trips provided, IVT Access was not likely to enhance its farebox recovery ratio by growing its ridership. Therefore, the auditor noted it was vital the ICTC and IVT Access increase fare revenues by identifying local revenue sources that can be used to supplement the farebox recovery ratio.

Progress: No action has been taken, due in part to the penalty waivers set forth in AB 90 and AB 149.

Status: Not implemented.

Chapter 5 | Data Reporting Analysis

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

IVT Access is not reported separately on any external reports. Therefore, no data comparison can be provided.

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Chapter 6 | Performance Analysis

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

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

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

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

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

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

Operating Cost

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

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

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

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

Vehicle Service Hours and Miles

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

Passenger Counts

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

Employees

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

Fare Revenue

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

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

TDA Required Indicators

To calculate the TDA indicators for IVT Access the following sources were employed:

- Operating Cost was not independently calculated as part of this audit. Operating Cost data were obtained via monthly operator summaries for each fiscal year covered by this audit and appeared to be consistent with TDA guidelines. In accordance with PUC Section 99247(a), the reported costs excluded depreciation and other allowable expenses.
- Fare Revenue was not independently calculated as part of this audit. Fare revenue data were obtained via monthly operator summaries for each fiscal year covered by this audit. This appears to be consistent with TDA guidelines as well as the uniform system of accounts.
- Vehicle Service Hours (VSH) data were obtained via monthly operator summaries for each fiscal year covered by this audit. The calculation methodology is consistent with PUC guidelines.
- Vehicle Service Miles (VSM) data were obtained via monthly operator summaries for each fiscal year covered by this audit. The calculation methodology is consistent with PUC guidelines.
- Unlinked trip data were obtained via monthly operator summaries for each fiscal year covered by this audit. The calculation methodology is consistent with PUC guidelines.
- Full-Time Equivalent (FTE) data were obtained from monthly operator summaries for each fiscal year covered by this review. Use of the TDA definition regarding FTE calculation was confirmed.

System Performance Trends

System-wide, operating cost experienced a net 12.8 percent decrease during the audit period, and a 25.9 percent net decrease across the last six years. Fare revenue significantly decreased during the six-year period, with most of the decline (68 percent) occurring in FY 2020/21 due to COVID. This resulted in a net 52.2 percent decrease during the audit period.

Vehicle service hours (VSH) declined every year with the exception of FY 2021/22. This resulted in a net 41.5 percent decrease during the audit period and a net 59 percent decrease during the six-year period. Vehicle service miles (VSM) experienced the same pattern. This resulted in an overall net decrease of 45.7 percent during the audit period and 64.2 percent over the six-year period. Ridership experienced the same pattern as VSH and VSM, though the most significant declines did not occur until FY 2019/20 and FY 2020/21 in response to the COVID-19 pandemic. This led to a 51.3 percent net decrease during the audit period and a 70.3 percent net decrease across the six-year period.

Cost-related metrics typically provide an indicator of a system's efficiency, while passenger-related metrics offer insight into its productivity. Improvements are characterized by increases in passenger-related metrics and decreases in cost-related metrics. Despite decreases in operating cost during the audit period, cost-related metrics increased due to corresponding decreases in other performance measures. Operating cost per passenger was impacted the most, given the 51.3 percent decrease in ridership during the audit period. Passenger-related metrics fell during the audit period, with passengers per VSH decreasing by 16.8 percent and passengers per VSM decreasing by 10.2 percent.

Exhibit 6.1 System Performance Indicators

Performance Measure	IVT Access					
	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22
Operating Cost (Actual \$)	\$1,457,672	\$1,415,399	\$1,419,238	\$1,239,606	\$840,945	\$1,080,512
Annual Change		-2.9%	0.3%	-12.7%	-32.2%	28.5%
Fare Revenue (Actual \$)	\$68,684	\$63,138	\$64,501	\$44,679	\$14,317	\$21,376
Annual Change		-8.1%	2.2%	-30.7%	-68.0%	49.3%
Vehicle Service Hours (VSH)	15,593	14,428	13,736	10,916	3,731	6,388
Annual Change		-7.5%	-4.8%	-20.5%	-65.8%	71.2%
Vehicle Service Miles (VSM)	306,772	289,552	280,128	202,427	73,372	109,817
Annual Change		-5.6%	-3.3%	-27.7%	-63.8%	49.7%
Passengers	32,882	32,124	30,229	20,042	5,145	9,761
Annual Change		-2.3%	-5.9%	-33.7%	-74.3%	89.7%
Employees	17	17	17	15	9	10
Annual Change		0.0%	0.0%	-11.8%	-40.0%	11.1%
Performance Indicators						
Operating Cost/VSH (Actual \$)	\$93.48	\$98.10	\$103.32	\$113.56	\$225.40	\$169.15
Annual Change		4.9%	5.3%	9.9%	98.5%	-25.0%
Operating Cost/Passenger (Actual \$)	\$44.33	\$44.06	\$46.95	\$61.85	\$163.45	\$110.70
Annual Change		-0.6%	6.6%	31.7%	164.3%	-32.3%
Passengers/VSH	2.11	2.23	2.20	1.84	1.38	1.53
Annual Change		5.6%	-1.2%	-16.6%	-24.9%	10.8%
Passengers/VSM	0.11	0.11	0.11	0.10	0.07	0.09
Annual Change		3.5%	-2.7%	-8.3%	-29.2%	26.8%
Farebox Recovery	4.7%	4.5%	4.5%	3.6%	1.7%	2.0%
Annual Change		-5.3%	1.9%	-20.7%	-52.8%	16.2%
Hours/Employee	917.2	848.7	808.0	727.7	414.5	638.8
Annual Change		-7.5%	-4.8%	-9.9%	-43.0%	54.1%
TDA Non-Required Indicators						
Operating Cost/VSM	\$4.75	\$4.89	\$5.07	\$6.12	\$11.46	\$9.84
Annual Change		2.9%	3.6%	20.9%	87.2%	-14.2%
VSM/VSH	19.67	20.07	20.39	18.54	19.67	17.19
Annual Change		2.0%	1.6%	-9.1%	6.0%	-12.6%
Fare/Passenger	\$2.09	\$1.97	\$2.13	\$2.23	\$2.78	\$2.19
Annual Change		-5.9%	8.6%	4.5%	24.8%	-21.3%

Sources: FY 2016/17 – FY 2018/19 data from prior Triennial Performance Audit.

FY 2019/20 – FY 2021/22 data from operator monthly summaries. FY 2019/20 – FY 2021/22 FTE data from operator monthly summaries does not include ICTC staff time.

Exhibit 6.2 System Ridership

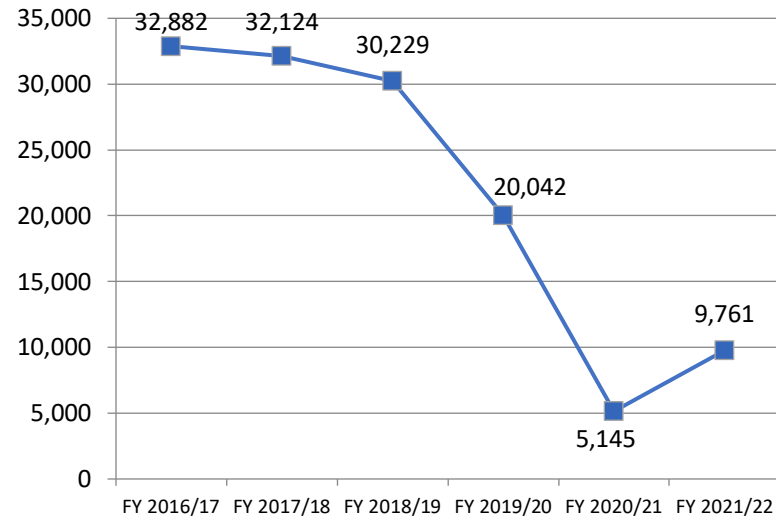


Exhibit 6.3 System Operating Cost/VSH

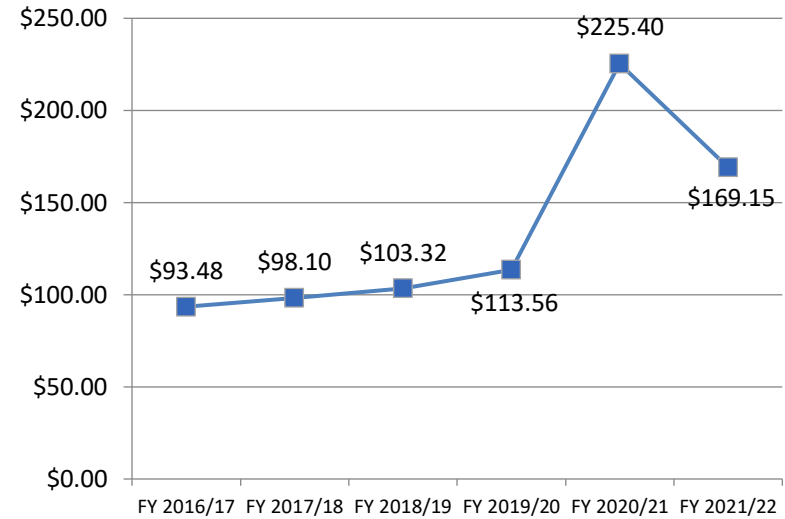


Exhibit 6.4 System Operating Cost/VSM

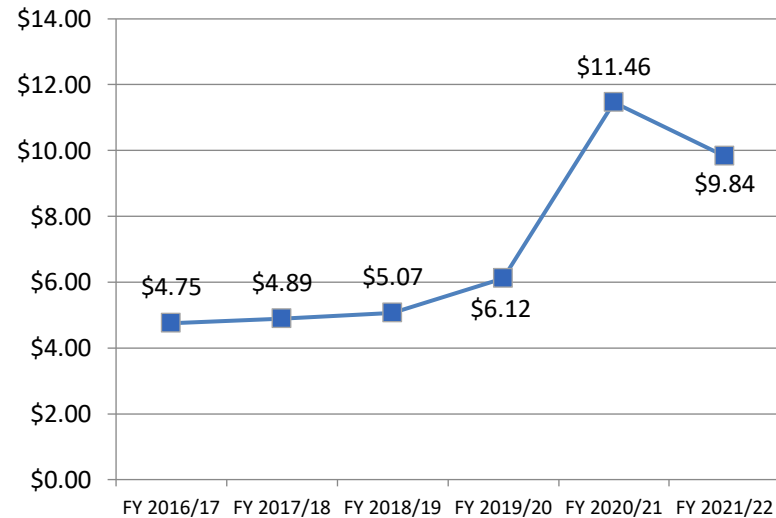


Exhibit 6.5 System VSM/VSH

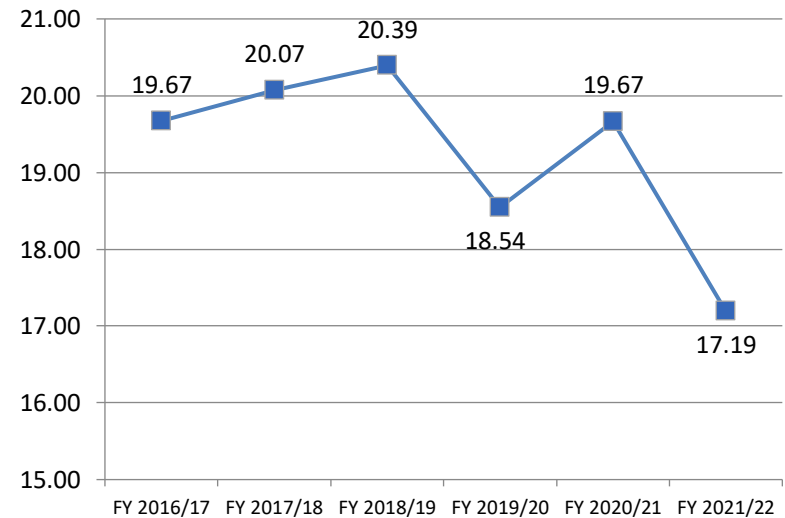


Exhibit 6.6 System Operating Cost/Passenger

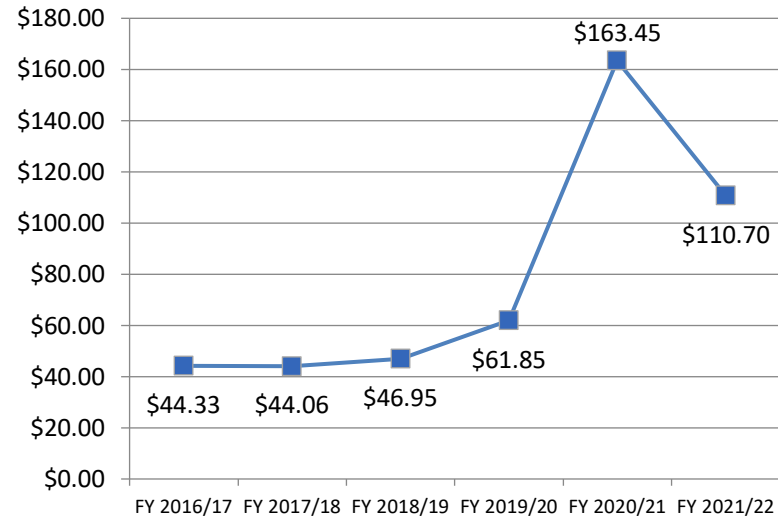


Exhibit 6.7 System Passengers/VSH

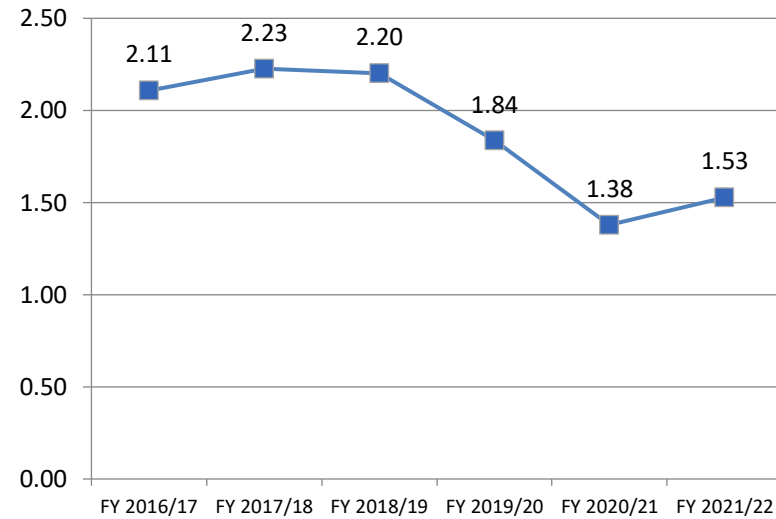


Exhibit 6.8 System Passengers/VSM

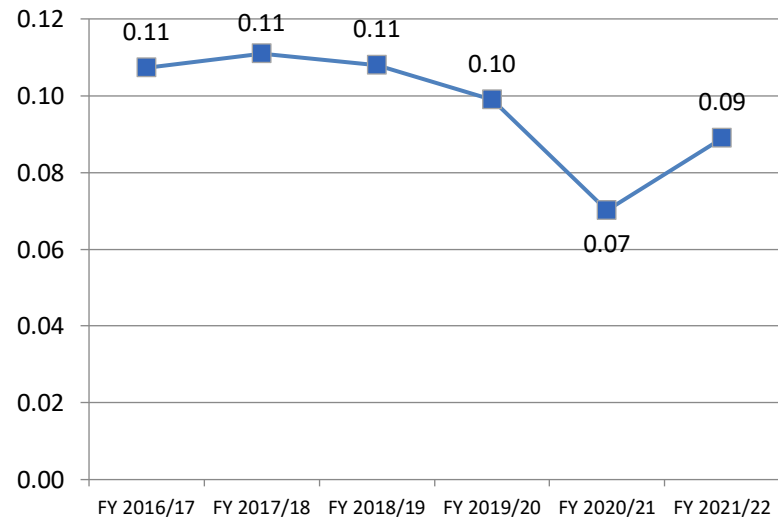


Exhibit 6.9 System VSH/FTE

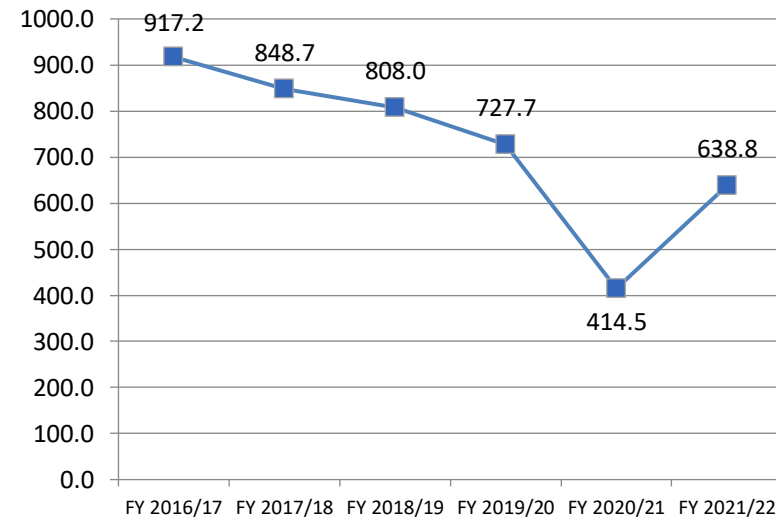


Exhibit 6.10 System Farebox Recovery

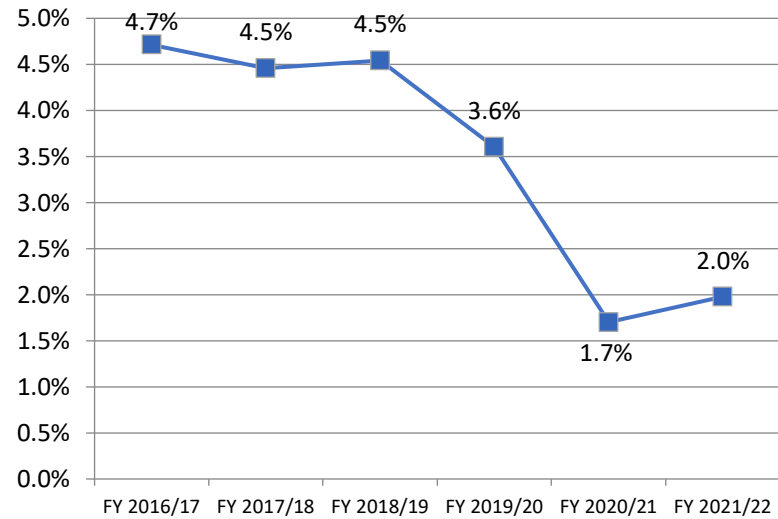
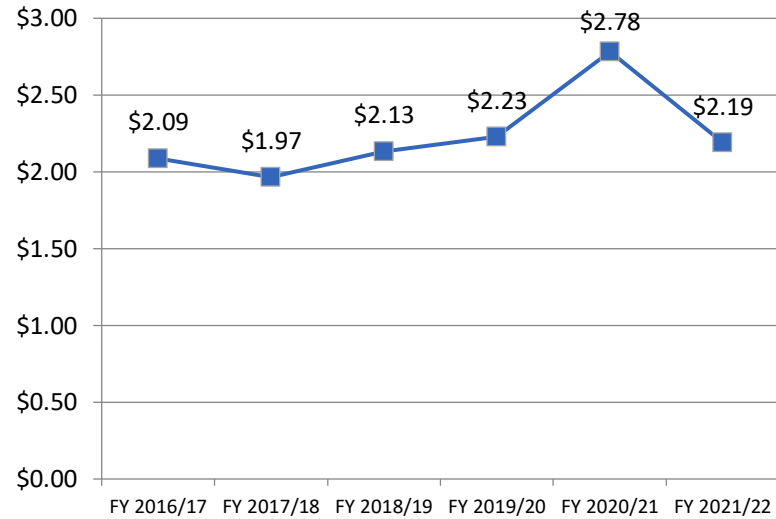


Exhibit 6.11 System Fare/Passenger



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Chapter 7 | Functional Review

A functional review of IVT Access' public transit program is intended to assess the effectiveness and efficiency of the operator. Following a general summary of the IVT Access service, this chapter addresses seven functional areas. The list, taken from Section III of the *Performance Audit Guidebook* published by Caltrans, reflects those transit services provided by IVT Access:

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

Service Overview

IVT Access provides supplementary ADA paratransit service for persons with disabilities who cannot use the regular fixed-route bus system (Imperial Valley Transit). It is a curb-to-curb Dial-A-Ride service open to individuals who have completed a certification and eligibility process. The service operates within three-quarters of a mile of the IVT fixed-route service, mirroring the days and hours of operation of individual fixed-routes. (For example, if a route does not operate on the weekend, IVT Access service will not be available on the weekend.)

IVT Access fares are distance-based, ranging from \$2.00 to \$2.50 for ADA-certified riders. As allowed under the ADA, this is twice the local and regional fixed-route fares (\$1.00 and \$1.25, respectively). The fare for non-ADA riders is one-and-a-half times the ADA fare (i.e., \$3.00 and \$3.75). Riders may bring a companion who pays the same fare.

Exhibit 7.1 IVT Access Fare Structure

	Niland	Calipatria	Westmorland	Brawley	Imperial	IVC	El Centro	Heber	Calexico	Holtville	Seeley
Niland	--	\$2.00	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50
Calipatria	\$2.00	--	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50
Westmorland	\$2.50	\$2.50	--	\$2.00	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50
Brawley	\$2.50	\$2.50	\$2.00	--	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50
Imperial	\$2.50	\$2.50	\$2.50	\$2.50	--	\$2.00	\$2.00	\$2.50	\$2.50	\$2.50	\$2.00
IVC	\$2.50	\$2.50	\$2.50	\$2.50	\$2.00	--	\$2.00	\$2.00	\$2.50	\$2.50	\$2.00
El Centro	\$2.50	\$2.50	\$2.50	\$2.50	\$2.00	\$2.00	--	\$2.00	\$2.50	\$2.50	\$2.00
Heber	\$2.50	\$2.50	\$2.50	\$2.50	\$2.00	\$2.00	\$2.00	--	\$2.00	\$2.50	\$2.00
Calexico	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.00	--	\$2.50	\$2.50
Holtville	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	--	\$2.50
Seeley	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.00	\$2.00	\$2.50	\$2.50	--

ICTC received a grant that allowed it to offer free fares on the IVT Access service for nearly two years, from August 2020 through July 2022. At that time the service reverted to its regular fares.

Response to COVID-19 pandemic

In response to COVID-19, the number of buses in service was reduced from eight to only four or five in operation at a time due to a drop in demand. Ridership declined due to senior centers and adult day care centers being closed. Masks were required, seats were blocked off to facilitate social distancing, and cleaning practices were enhanced. Only two passengers or two wheelchairs were transported at a time to allow for social distancing. This did not actually affect capacity given the dramatic reduction in demand.

There were occasions where a COVID-positive passenger needed to be transported. In such cases, the passenger would be transported alone on the vehicle, and the vehicle would return to the yard for disinfecting after the passenger was dropped off.

IVT Access is currently monitoring service as it returns to normal to see if there is an increase in demand.

General Management and Organization

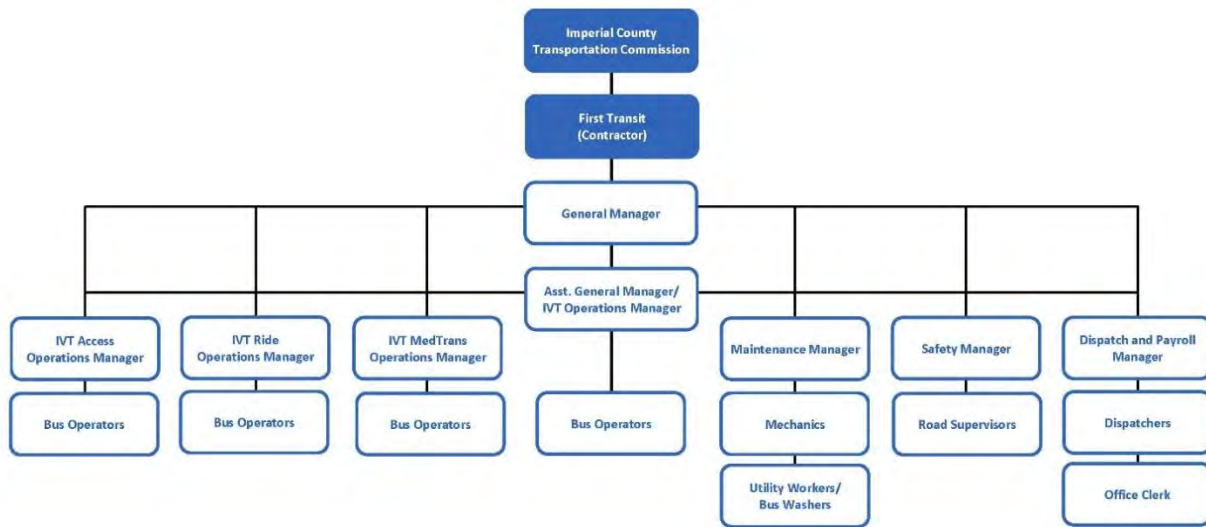
All Imperial Valley Transit operations (fixed-route and demand-response) are contracted to First Transit under four separate contracts. The current contracts extend through FY 2023/24. First Transit operates the IVT programs with a great deal of autonomy. An operations manager oversees each individual service, with the general manager overseeing the entire transit operation. Daily monitoring includes reviewing reports, spreadsheets, on-time performance, miles, revenue, and ridership. Managers regularly conduct road observations, time checks, and ride-alongs.

Contract management is provided by the Imperial County Transit Commission (ICTC). While there is daily communication with First Transit, a formal report is submitted with the monthly invoice. The ICTC also holds quarterly meetings with the contractor. The ICTC would benefit from additional staff for transit oversight and is in the process of backfilling several positions left vacant by recent staffing changes.

The Imperial Valley Transportation Commission is the governing body for Imperial Valley Transit. ICTC staff take transit information to the Board on an as-needed basis, such as when there are significant modifications or major projects. While the Board does not get very involved in the day-to-day operation of the transit program, there is a new Board member that has expressed a strong interest in how transit impacts the area they represent. Members of the Board ask questions during meetings, including about areas where ridership is low or where there is perceived demand.

First Transit's Imperial Valley Transit organizational chart is illustrated in Exhibit 7.2.

Exhibit 7.2 Organizational Chart



Service Planning

All service planning is undertaken by the Imperial County Transportation Commission. The most recent Short Range Transit Plan for Imperial County was completed in January 2019. The next SRTP update is scheduled for 2024. First Transit staff noted the ICTC is diligent about seeking feedback from the contractor while considering any changes to the service.

The ICTC is currently in the process of conducting rider surveys as part of its Unmet Transit Needs process. Public participation activities are undertaken any time there are changes to service or when projects are rolled out. Recently, four public meetings were conducted as part of the ICTC's Long Range Transportation Plan with four additional meetings planned.

Administration

Budgeting for transit is a cooperative process. First Transit develops its budget based on its contract for each service with the ICTC. Each contract stipulates billing rates and revenue hour constraints. Once the ICTC has the contractor costs, staff review anticipated state and federal revenues and break down expenses, anticipated planning, contingencies, and vehicle needs for the year, then build the transit budget. The transit budget is incorporated into the agency budget for the year, which is approved by the ICTC Board.

The ICTC is responsible for applying for and managing all grants. In addition to the First Transit contracts, the ICTC also manages a contract with Via for a demonstration micro-transit project. First Transit provides insurance and handles all claims. Imperial County provides legal services and internal auditing.

First Transit handles its own payroll through an outside service. Most vendor checks related to transit service are issued by First Transit. Other vendor checks are issued by the ICTC, depending on the purchase.

All procurement practices conform with FTA and state requirements. The ICTC completed some updates to its procurement manual during its prior FTA Triennial Review, and will make additional updates should any issues be identified by the FTA during the current Triennial Review.

Marketing and Public Information

Marketing responsibilities are shared between the ICTC and First Transit. The ICTC maintains the transit websites and provides service brochures, while First Transit attends events and provides information. ICTC staff may also attend events, and the ICTC provides mobility training to seniors. The ICTC utilizes a consultant for its marketing. ICTC staff coordinate with the marketing consultant, while First Transit provides input as to what needs to be ordered. The ICTC's budget for marketing is separate from its operations contract.

Customer service calls are logged and a monthly report is provided to the ICTC. Fixed-route calls are not tracked by the type of call. Complaints received through the ICTC are forwarded to First Transit. Valid complaints are forwarded to the operations manager of the individual service for investigation, and can be escalated to the general manager if necessary. A form is completed by the dispatcher or customer service representative for all valid complaints. Simple issues that can be resolved by the dispatcher (such as an inquiry about a bus status) are not logged. Public perception of IVT Access is generally positive.

Scheduling, Dispatch, and Operations

Drivers are shared among all IVT services. There are currently 41 full-time employees and nine part-time employees. While this is considered to be fully staffed, First Transit would like to hire one or two additional drivers, as it currently has no extras. Most part-time drivers have other jobs, so their availability may be limited.

Employees are represented by Teamsters Local 542, though there are different collective bargaining agreements (CBAs) for drivers, dispatchers, etc. Driver bids are seniority-based. Demand-response dispatchers bid on the specific service they want, but are trained on all services. This provides back-up coverage in case of illness or vacations.

All drivers start on the fixed-route service, then transition to paratransit. Everyone is cross-trained for the different routes and services. Vehicles are assigned based on service, as all services are separately branded. All available vehicles are posted on the board in the Dispatch office by maintenance each night, along with a list of out-of-service vehicles. Dispatch then makes assignments from the available vehicles.

IVT utilizes manual (vault-style) fareboxes. Fareboxes are pulled from the buses at the end of the shift and brought to the Dispatch office. The farebox number is logged and the box is put in the safe room. Money counting is done the following day by two individuals wearing white coveralls. The cash is placed in sealed bags and picked up by armored car daily.

Personnel Management and Training

As noted above, First Transit anticipates recruiting one to two more drivers to provide additional cover, though it is considered fully staffed. The corporate office handles recruitment, most of which is done online. The local team reviews applications and conducts interviews. Approximately 80 percent of applicants do not have a commercial driver's license. Among those that already have their Class B license, the majority are hired. First Transit offers full training and licensing, and finds that applicants with no experience or commercial license tend to be good employees, as they have not developed any bad habits yet.

Various activities are used to motivate employees, including employee of the month (which features a reserved parking space), bringing in donuts and coffee, and safe driver awards (based on DriveCam

reviews). Safety meetings often include small prizes for quizzes and other activities, such as safety pep rallies. It is difficult to do events because there is always someone on duty, so most big activities occur on Sunday. Apart from the COVID-19 pandemic, turnover is typically pretty low. Within the last year, First Transit lost about five employees, though some years they lose none. Last year, two drivers left due to other opportunities while the others were terminated.

There is a full-time on-site Safety Manager who conducts safety meetings and daily safety messaging over the radio. First Transit holds seven safety meetings every month, and the Safety Solutions team meets once a month. Drive Cams on the buses are used to coach drivers – both to correct and offer positive reinforcement. Safety personnel may also coach any members of the public on the property regarding observed unsafe practices (such as the yard speed limit). Safety is the prime goal. First Transit also has a mechanism for drivers to report unsafe conditions, near misses, or potential hazards, which can then be discussed at safety meetings or as a catalyst for preventive actions.

The training team includes four trainers and the training course meets state requirements. It can take recruits through the entire training and licensing process using a TSI trainer. The only thing not provided is DMV testing. First Transit has DMV testers in San Diego and Pasadena if there is too long a wait with the local DMV.

Maintenance

First Transit's preventive maintenance program for all IVT services conforms with manufacturer specifications. The software program tracks the preventive maintenance schedule to ensure inspections are completed at the required time. At present, maintenance does not conflict with regular vehicle use as the reduced demand has resulted in extra spare vehicles. Warranty work is tracked, though none of the buses are currently under warranty.

The current maintenance facility includes three bays and two sets of lifts. However, the big buses cannot be lifted all the way or they will hit the roof. First Transit performs all maintenance work in-house except for body work and windows. In recent years, delays in getting some parts has led the ICTC to recommend sending out some work to local vendors that would typically be done in-house in order to speed up the process.

Access to the parts room is restricted to the Maintenance Manager and mechanics. All parts are tagged and tracked by work order. The work orders are reviewed by the Maintenance Manager and tracked in the maintenance software. First Transit maintains a sufficient inventory of commonly used parts. It had some challenges in getting Plexiglas for driver shields, but that has improved.

Maintenance is notified promptly of vehicle breakdowns. Lock out/tag out procedures are used to keep unsafe vehicles and shop equipment from being used. A board in the dispatch office lists the out-of-service vehicles as well as the reason they are out of service. The board is updated when a vehicle is back in service.

The ICTC owns all transit vehicles. A fleet replacement plan is in place, and the ICTC is actively working on replacements as vehicles exceed their useful life. The 2016 cutaways are expected to begin being replaced by the end of 2023.

Exhibit 7.3 IVT Access Transit Fleet

Quantity	Year	Make & Model	Fuel
11	2016	Ford Starcraft	Gas

Chapter 8 | Findings and Recommendations

Conclusions

With one exception, Moore & Associates, Inc. finds IVT Access to be in compliance with the requirements of the Transportation Development Act. In addition, the entity generally functions in an efficient, effective, and economical manner.

Findings

Based on discussions with IVT Access staff, analysis of program performance, and an audit of program compliance and function, the audit team presents one compliance finding:

1. State Controller Reports were submitted after the stipulated deadline in FY 2020/21 and FY 2021/22.

The audit team identified two functional findings. While these findings are not compliance findings, the audit team believes they warrant inclusion in this report:

1. The TDA fiscal audit does not show how the farebox recovery ratio is calculated, only provides the actual ratio against the required ratio.
2. IVT Access is not on track to be in compliance with the farebox recovery requirement when the penalty waiver ends after FY 2022/23.

Program Recommendations

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

Compliance Finding 1: State Controller Reports were submitted after the stipulated deadline in FY 2020/21 and FY 2021/22.

Criteria: Public Utilities Code Section 99243 requires transit operators in receipt of TDA funds to submit annual reports to the State Controller within 90 days following the end of the fiscal year (110 days if filing electronically). Beginning FY 2016/17, this submittal deadline was amended to January 31 following the end of the fiscal year. Beginning with the online reporting for FY 2017/18, the cover sheet is timestamped with the submittal date and time upon its generation. This makes it easier to determine when the report was actually submitted.

Condition: Submittal of the State Controller Report is the responsibility of the ICTC. In FY 2019/20, the report was submitted on February 1, 2021, which was the deadline that year due to January 31 falling on a Sunday. In FY 2020/21, the report was submitted on February 22, 2022, approximately three weeks

following the deadline. In FY 2021/22 the timeliness had improved, though the report was still submitted on February 14, 2023, two weeks after the deadline.

Cause: Several challenges can result in reports being submitted late, including the unavailability of final data and lack of awareness regarding submittal deadlines.

Effect: Late submittals can place an operator out of compliance with the TDA.

Recommendation: Ensure State Controller Reports are submitted in a timely manner.

Recommended Action: The ICTC should take whatever actions are necessary to ensure an on-time submittal of the State Controller Reports. This may require working with other entities to adjust other submittal deadlines to ensure audited data is available.

Timeline: Ongoing.

Anticipated Cost: Negligible.

Functional Finding 1: The TDA fiscal audit does not show how the farebox recovery ratio is calculated, only provides the actual ratio against the required ratio.

Criteria: PUC 99245 requires the completion of an annual fiscal audit by recipients of funds under the TDA. These audits typically include an assessment of compliance with the farebox recovery ratio.

Condition: The ICTC's audit includes a comparison of the actual farebox recovery ratio for each IVT transit program to the required ratio for that program. It does not, however, include detail about how that ratio was calculated. In the FY 2020/21 and FY 2021/22 audits, the exact same ratios were provided for each program, but because there were no calculations provided, it was impossible to determine whether this was an error or if they actually were the same. This did not affect compliance, as penalties for non-compliance with the farebox recovery ratio in those years were waived under AB 149. Once those waivers expire, it will be important to document how farebox recovery ratio is calculated within the audit.

Cause: The TDA requires compliance to be confirmed, but does not indicate the level of detail to be included.

Effect: As a result, full information is not included, so there is no way to confirm the accuracy of the farebox recovery ratio calculation in the audit.

Recommendation: Include a detailed breakdown of the farebox recovery ratio calculation in future TDA fiscal audits.

Recommended Action: Working with its auditors, the ICTC should include a breakdown of the farebox recovery ratio calculation for each service in the audit. At a minimum, the calculation should include the revenues being counted as fare revenues and local supplementation as well as the operating cost, exclusive of depreciation. Ideally, it would be presented as follows:

Fares	\$30,000
<u>Local subsidies</u>	<u>\$10,000</u>
Total fare revenues	\$40,000
Operating expenses	\$450,000
<u>Less: depreciation</u>	<u>(\$500,000)</u>
Net operating expenses	\$400,000
Fare ratio	10.00%
Required ratio	10.00%

Timeline: FY 2022/23.

Anticipated Cost: None.

Functional Finding 2: IVT Access is not on track to be in compliance with the farebox recovery requirement when the penalty waiver ends after FY 2022/23.

Criteria: PUC 99268 requires operators to maintain a minimum farebox recovery ratio in order to receive their full allocation of TDA funding. Fare revenues can be supplemented by locally generated funds if fare revenues are not sufficient to meet the stipulated requirement.

Condition: During the audit period, IVT Access was not considered out of compliance with the farebox recovery ratio requirement due to the penalty waivers in AB 90 and AB 149. However, with a farebox recovery ratio well below 10 percent in each year, it does not appear well positioned to be able to achieve a ratio of 10 percent by FY 2023/24. Even prior to the pandemic, fares were not sufficient to meet the 10 percent requirement. This is a long-standing concern for IVT Access.

Cause: Fare revenues are insufficient to meet the 10 percent threshold, and the farebox recovery ratio is even lower with the reduced demand.

Effect: IVT Access' farebox recovery ratio continues to be less than 10 percent.

Recommendation: Identify strategies that will enable IVT Access to meet the 10 percent farebox recovery ratio requirement.

Recommended Action: The ICTC should explore strategies and options that would enable IVT Access to meet its required farebox recovery ratio. IVT Access has less flexibility than other modes, as any fare increase would have to be tied to a fare increase for the fixed-route service. Therefore, ICTC will most likely need to identify additional funding that can be counted as fare revenue, such as federal funding (as allowed under AB 149).

AB 149 also amended PUC 99268.17 to allow all ADA complementary paratransit service costs to be excluded from the definition of operating cost for the purpose of calculating the farebox recovery ratio. What the section does not specify is whether those costs can be excluded when ADA paratransit service is being provided separately from the fixed-route service it is supporting. If they can, what portion of the operating cost would be excluded for a stand-alone service? The ICTC may wish to confer with Caltrans to

obtain clarification on this issue. Either way, there do appear to be potential strategies for addressing this challenge without having to secure additional funding.

Timeline: FY 2023/24.

Anticipated Cost: Varies depending upon strategy.

Exhibit 8.1 Audit Recommendations

TDA Compliance Recommendations		Importance	Timeline
1	Ensure State Controller Reports are submitted in a timely manner.	Medium	Ongoing
Functional Recommendations		Importance	Timeline
1	Include a detailed breakdown of the farebox recovery ratio calculation in future TDA fiscal audits.	Medium	FY 2022/23
2	Identify strategies that will enable IVT Access to meet the 10 percent farebox recovery ratio requirement.	High	FY 2023/24



Imperial County Transportation Commission (ICTC)
Transportation Development Act (TDA)
Triennial Performance Audit, FY 2019/20 - FY 2021/22
of IVT - Ride

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Chapter 1 | Executive Summary

In late 2022, the Imperial County Transportation Commission (ICTC) selected Moore & Associates, Inc., to prepare Triennial Performance Audits of itself as the RTPA and the five transit operators to which it allocates State of California Transportation Development Act funding.

The California Public Utilities Code requires all recipients of Transit Development Act (TDA) Article 4 funding to undergo an independent performance audit on a three-year cycle in order to maintain funding eligibility. While not required, audits of Article 8 funding recipients are encouraged.

As it receives no funding under Article 4, IVT Ride is not statutorily required to undergo a Triennial Performance Audit, nor has it traditionally been held to the requirements of the TDA. However, the ICTC, as the RTPA, requested IVT Ride be audited to provide a comprehensive and objective review to offer beneficial insights into program performance.

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

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

- Fiscal Year 2019/20,
- Fiscal Year 2020/21, and
- Fiscal Year 2021/22.

IVT Ride provides paratransit service for seniors (age 55 and older) and persons with disabilities. The service operates in Brawley, Calexico, El Centro, Heber, Imperial, and West Shores. It is a curb-to-curb Dial-A-Ride service open to individuals who have completed an eligibility process (except in West Shores, where it is open to the general public). Service days and times vary by community (see Exhibit 7.1).

Reservations may be made up to two weeks in advance and at least 48 hours in advance. Same-day trip requests are honored on a space-available basis.

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

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

The Triennial Performance Audit includes five elements:

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

Test of Compliance

Based on discussions with IVT Ride staff, analysis of program performance, and an audit of program compliance and function, the audit team presents one compliance finding:

1. State Controller Reports were submitted after the stipulated deadline in FY 2020/21 and FY 2021/22.

Status of Prior Recommendations

The prior audit – completed in May 2020 by Moore & Associates, Inc. for the three fiscal years ending June 30, 2019 – included three recommendations:

1. [Ensure State Controller Reports are submitted in a timely manner.](#)
Status: Not implemented.
2. [Ensure TDA fiscal audits of all IVT operations are completed no later than 270 days following the end of the fiscal year.](#)
Status: Implemented.
3. [Implement a fare adjustment or identify supplemental local revenues that will enable each IVT Ride service to meet its farebox recovery ratio target.](#)
Status: Not implemented.

Findings and Recommendations

Based on discussions with IVT Ride staff, analysis of program performance, and a review of program compliance and function, the audit team submits the aforementioned compliance findings for IVT Ride.

1. State Controller Reports were submitted after the stipulated deadline in FY 2020/21 and FY 2021/22.

The audit team has identified three functional findings. While these finding are not compliance findings, the audit team believes they warrant inclusion in this report:

1. The TDA fiscal audit does not show how the farebox recovery ratio is calculated, only provides the actual ratio against the required ratio.
2. IVT Ride is not on track to be in compliance with the farebox recovery requirement when the penalty waiver ends after FY 2022/23.
3. IVT Ride service information available online is outdated and does not include the Heber service.

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

Exhibit 1.1 Summary of Audit Recommendations

TDA Compliance Recommendations		Importance	Timeline
1	Ensure State Controller Reports are submitted in a timely manner.	Medium	Ongoing
Functional Recommendations		Importance	Timeline
1	Include a detailed breakdown of the farebox recovery ratio calculation in future TDA fiscal audits.	Medium	FY 2022/23
2	Identify strategies that will enable IVT Ride to meet the 10 percent farebox recovery ratio requirement.	High	FY 2023/24
3	Update IVT Ride service information to reflect the current service and provide essential service information.	High	ASAP

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Chapter 2 | Audit Scope and Methodology

The Triennial Performance Audit (TPA) of IVT Ride’s public transit program covers the three-year period ending June 30, 2022. The California Public Utilities Code requires all recipients of Transit Development Act (TDA) funding to complete an independent review on a three-year cycle in order to maintain funding eligibility.

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

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

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

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

Objectives

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

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

Scope

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

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

Methodology

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

- Monthly performance reports;
- State Controller Reports;
- Annual budgets;
- TDA fiscal audits;
- Transit marketing collateral;
- TDA claims;
- Fleet inventory;
- Preventive maintenance schedules and forms;
- California Highway Patrol Terminal Inspection reports;
- National Transit Database reports;
- Accident/road call logs; and
- Organizational chart.

Given impacts of the ongoing COVID-19 pandemic, the methodology for this audit included a virtual site visit with IVT representatives on February 27, 2023. The audit team met with Cesar Sanchez (General Manager, First Transit), Mike Cortez (Safety and Training Manager, First Transit), and Rogelio Hernandez (Maintenance Manager, First Transit), and reviewed materials germane to the triennial audit.

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

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

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Chapter 3 | Program Compliance

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

IVT Ride does not use any TDA Article 4 funding for transit and is not statutorily required to be audited, nor has it traditionally been held to the requirements of the TDA. However, the ICTC, as the RTPA, requested the IVT Ride be audited to support a comprehensive and objective review to provide beneficial insights into program performance.

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

One compliance issue was identified for IVT Ride:

1. State Controller Reports were submitted after the stipulated deadline in FY 2020/21 and FY 2021/22.

Developments Occurring During the Audit Period

The FY 2019/20 – FY 2021/22 audit period was significantly different than prior audit periods. The impacts of the COVID-19 pandemic resulted in significant declines in ridership and revenue, while changes to the TDA provided compliance waivers and amended existing legislation. In many instances, transit operators strove to retain operations staff despite adopting a reduced schedule, resulting in significant changes to many cost-related performance metrics. While infusions of funding through the CARES Act mitigated some of the lost revenues for federally funded programs, many transit operators have yet to return to pre-pandemic ridership and fare levels. As a result, this Triennial Performance Audit will provide an assessment not only of how the COVID-19 pandemic impacted the organization, but how it responded to the crisis.

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

Assembly Bill 90, signed into law on June 29, 2020, provides temporary regulatory relief for transit operators required to conform with Transportation Development Act (TDA) farebox recovery ratio

thresholds in FY 2019/20 and FY 2020/21. Assembly Bill 149, signed into law on July 16, 2021, provides additional regulatory relief by extending the provisions of AB 90 through FY 2022/23 and adjusting definitions of eligible revenues and operating costs. While the ability to maintain state mandates and performance measures is important, these measures enable transit operators to adjust to the impacts of COVID while continuing to receive their full allocations of funding under the TDA.

Together, these two pieces of legislation include the following provisions specific to transit operator TDA funding under Article 4 and Article 8:

1. Prohibits the imposition of the TDA revenue penalty on an operator that did not maintain the required ratio of fare revenues to operating cost from FY 2019/20 through FY 2022/23.
2. Waives the annual productivity improvement requirement of Section 99244 through FY 2022/23.
3. Adds a temporary provision exempting operators from farebox recovery ratio requirements through FY 2024/25 provided they expend at least the same amount of local funds as in FY 2018/19.
4. Expands the definition of “local funds” to enable the use of federal funding, such as the CARES Act or CRRSAA, to supplement fare revenues and allows operators to calculate free and reduced fares at their actual value.
5. Adjusts the definition of operating cost to exclude the cost of ADA paratransit services, demand-response and micro-transit services designed to extend access to service, ticketing/payment systems, security, some pension costs, and some planning costs.
6. Requires the Controller to calculate and publish the allocation of transit operator revenue-based funds made pursuant to the State Transit Assistance (STA) Program for FY 2020/21 and FY 2021/22.
7. Allows operators to use STA funds as needed to keep transit service levels from being reduced or eliminated through FY 2022/23.

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

Exhibit 3.1 Transit Development Act Compliance Requirements

Compliance Element	Reference	Compliance	Comments
State Controller Reports submitted on time.	PUC 99243	Finding	FY 2019/20: February 1, 2021 FY 2020/21: February 22, 2022 FY 2021/22: February 14, 2023
Fiscal and compliance audits submitted within 180 days following the end of the fiscal year (or with up to 90-day extension).	PUC 99245	In compliance	FY 2019/20: December 30, 2020 FY 2020/21: March 23, 2022 FY 2021/22: March 22, 2023
Operator's terminal rated as satisfactory by CHP within the 13 months prior to each TDA claim.	PUC 99251 B	In compliance	October 9, 2018 October 2, 2019 September 29, 2020 August 18, 2021 July 26, 2022
Operator's claim for TDA funds submitted in compliance with rules and regulations adopted by the RTPA.	PUC 99261	In compliance	
If operator serves urbanized and non-urbanized areas, it has maintained a ratio of fare revenues to operating costs at least equal to the ratio determined by the rules and regulations adopted by the RTPA.	PUC 99270.1	Not applicable	
Except as otherwise provided, the allocation for any purpose specified under Article 8 may in no year exceed 50% of the amount required to meet the total planning expenditures for that purpose.	PUC 99405	Not applicable	
An operator receiving allocations under Article 8(c) may be subject to regional, countywide, or subarea performance criteria, local match requirements, or fare recovery ratios adopted by resolution of the RTPA.	PUC 99405	In compliance	While the operator receives Article 8(c) funds, it is not subject to alternative performance criteria.
The operator's operating budget has not increased by more than 15% over the preceding year, nor is there a substantial increase or decrease in the scope of operations or capital budget provisions for major new fixed facilities unless the operator has reasonably supported and substantiated the change(s).	PUC 99266	In compliance	FY 2019/20: +8.74% FY 2020/21: -4.16% FY 2021/22: +0.99% <i>Source: TDA claims, FY 2020 – FY 2022</i>
The operator's definitions of performance measures are consistent with the Public Utilities Code Section 99247.	PUC 99247	In compliance	
If the operator serves an urbanized area, it has maintained a ratio of fare revenues to operating cost at least equal to one-fifth (20 percent).	PUC 99268.2, 99268.4, 99268.1	Not applicable	

Compliance Element	Reference	Compliance	Comments
If the operator serves a rural area, it has maintained a ratio of fare revenues to operating cost at least equal to one-tenth (10 percent).	PUC 99268.2, 99268.4, 99268.5	In compliance	FY 2019/20: 3.64% (waived) FY 2020/21: 1.77% (waived) FY 2021/22: 1.77% (waived) <i>IVT Ride has a farebox recovery ratio requirement of 10 percent. Penalties were waived for all years due to AB 90 and AB 149.</i>
For a claimant that provides only services to elderly and handicapped persons, the ratio of fare revenues to operating cost shall be at least 10 percent.	PUC 99268.5, CCR 6633.5	Not applicable	
The current cost of the operator's retirement system is fully funded with respect to the officers and employees of its public transportation system, or the operator is implementing a plan approved by the RTPA, which will fully fund the retirement system for 40 years.	PUC 99271	In compliance	ICTC contracts with a private provider for operations, while ICTC employees are covered under the Imperial County Employees' Retirement System (ICERS) pursuant to the County Employees Retirement Law of 1937.
If the operator receives State Transit Assistance funds, the operator makes full use of funds available to it under the Urban Mass Transportation Act of 1964 before TDA claims are granted.	CCR 6754 (a) (3)	In compliance	
In order to use State Transit Assistance funds for operating assistance, the operator's total operating cost per revenue hour does not exceed the sum of the preceding year's total plus an amount equal to the product of the percentage change in the CPI for the same period multiplied by the preceding year's total operating cost per revenue hour. An operator may qualify based on the preceding year's operating cost per revenue hour or the average of the three prior years. If an operator does not meet these qualifying tests, the operator may only use STA funds for operating purposes according to a sliding scale.	PUC 99314.6	In compliance	

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

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Chapter 4 | Prior Recommendations

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

The prior audit – completed in May 2020 by Moore & Associates, Inc. for the three fiscal years ending June 30, 2019 – included three recommendations:

1. **Ensure State Controller Reports are submitted in a timely manner.**

Discussion: Submittal of the State Controller Report is the responsibility of the ICTC. In FY 2016/17, the report was submitted on March 16, 2018, approximately six weeks following the deadline. In FY 2017/18, the report was submitted on March 27, 2019, approximately eight weeks following the deadline. In FY 2018/19, the timeliness had improved, though the report was still submitted on February 14, 2020, two weeks after the deadline. The prior auditor recommended the ICTC take whatever actions were necessary to ensure an on-time submittal of the State Controller Reports. This could require working with other entities to adjust other submittal deadlines to ensure audited data is available.

Progress: While the FY 2019/20 report was submitted on time, subsequent reports have been submitted late. The FY 2020/21 report was submitted on February 22, 2022, approximately three weeks late, while the FY 2021/22 report was submitted on February 14, 2023, approximately two weeks late.

Status: Not implemented.

2. **Ensure TDA fiscal audits of all IVT operations are completed no later than 270 days following the end of the fiscal year.**

Discussion: The ICTC includes all TDA funds (RTPA and operator) in a combined fiscal audit. The ICTC's FY 2017/18 TDA fiscal audit was submitted in July 2019, approximately three months after the allowable 90-day extension. At the time of preparation of the prior audit, completion of the FY 2018/19 TDA fiscal audit was still pending. The prior auditor recommended the ICTC work with its TDA fiscal auditor to ensure the operator audits for which it is responsible (i.e., IVT, IVT Ride, IVT Access, and IVT MedTrans) are completed no later than 270 days following the end of the fiscal year.

Progress: This appears to have been resolved. All audits were submitted on time.

Status: Implemented.

3. Implement a fare adjustment or identify supplemental local revenues that will enable each IVT Ride service to meet its farebox recovery ratio target.

Discussion: IVT Ride, as a rural Dial-A-Ride service, is required to meet a farebox recovery ratio threshold of 10 percent. This was also the required threshold for the majority of the individual Dial-A-Ride services (the exception being West Shores Dial-A-Ride). Actual farebox recovery ratios achieved during the prior audit period for the services with a goal of 10 percent ranged from 2.88 percent to 5.80 percent. Actual farebox recovery ratios for West Shores Dial-A-Ride ranged from 1.86 percent to 2.32 percent.

The prior auditor noted there were two options available to address this finding: Decrease operating cost or increase farebox revenues. The auditor found it unlikely IVT Ride would be able to reduce its costs significantly enough on individual routes to substantially increase the farebox recovery ratios (both individually and as a combined system). As a demand-response service where operating costs increase in line with the number of trips provided, IVT Ride was also not likely to enhance its farebox recovery ratio by growing its ridership. Therefore, the auditor noted it was vital the ICTC and IVT Ride increase fare revenues by 1) exploring opportunities for a fare adjustment (which would be accomplished by establishing a single fare structure for the IVT Ride system as a whole) and 2) identifying local revenue sources that can be used to supplement the farebox recovery ratio. Both options were also included as recommendations in the prior audit, and remained highly relevant.

Progress: No action has been taken, due in part to the penalty waivers set forth in AB 90 and AB 149.

Status: Not implemented.

Chapter 5 | Data Reporting Analysis

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

IVT Ride is not reported separately on any external reports. Therefore, no data comparison can be provided.

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Chapter 6 | Performance Analysis

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

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

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

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

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

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

Operating Cost

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

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

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

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

Vehicle Service Hours and Miles

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

Passenger Counts

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

Employees

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

Fare Revenue

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

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

TDA Required Indicators

To calculate the TDA indicators for IVT Ride, the following sources were employed:

- Operating Cost was not independently calculated as part of this audit. Operating Cost data were obtained via monthly operator summaries for each fiscal year covered by this audit and appeared to be consistent with TDA guidelines. In accordance with PUC Section 99247(a), the reported costs excluded depreciation and other allowable expenses.
- Fare Revenue was not independently calculated as part of this audit. Fare revenue data were obtained via monthly operator summaries for each fiscal year covered by this audit. This appears to be consistent with TDA guidelines as well as the uniform system of accounts.
- Vehicle Service Hours (VSH) data were obtained via monthly operator summaries for each fiscal year covered by this audit. The calculation methodology is consistent with PUC guidelines.
- Vehicle Service Miles (VSM) data were obtained via monthly operator summaries for each fiscal year covered by this audit. The calculation methodology is consistent with PUC guidelines.
- Unlinked trip data were obtained via monthly operator summaries for each fiscal year covered by this audit. The calculation methodology is consistent with PUC guidelines.
- Full-Time Equivalent (FTE) data were obtained from monthly operator summaries for each fiscal year covered by this review. Use of the TDA definition regarding FTE calculation was confirmed.

System Performance Trends

System-wide, operating cost experienced a net 6.2 percent decrease during the audit period, and a 1.4 percent net decrease across the last six years. Fare revenue significantly decreased during the six-year period, with most of the decline (70.3 percent) occurring in FY 2020/21 due to COVID and the free-fare period. This resulted in a net 30.9 percent decrease during the audit period.

Vehicle service hours (VSH) declined in FY 2019/20 and FY 2020/21. This resulted in a net 21.3 percent decrease during the audit period and a net 22.3 percent decrease during the six-year period. Vehicle service miles (VSM) experienced the same pattern. This resulted in an overall net decrease of 16 percent during the audit period and 25.3 percent over the six-year period. Ridership declined every year with the exception of FY 2021/22, though the most significant declines did not occur until FY 2019/20 and FY 2020/21 in response to the COVID-19 pandemic. This led to a 36.1 percent net decrease during the audit period and a 56.9 percent net decrease across the six-year period.

Cost-related metrics typically provide an indicator of a system's efficiency, while passenger-related metrics offer insight into its productivity. Improvements are characterized by increases in passenger-related metrics and decreases in cost-related metrics. Despite decreases in operating cost during the audit period, cost-related metrics increased due to corresponding decreases in other performance measures. Operating cost per passenger was impacted the most, given the 36.1 percent decrease in ridership during the audit period. Passenger-related metrics fell during the audit period, with passengers per VSH decreasing 18.7 percent and passengers per VSM decreasing 23.9 percent.

Exhibit 6.1 System Performance Indicators

Performance Measure	IVT Ride System					
	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22
Operating Cost (Actual \$)	\$1,453,011	\$1,502,416	\$1,549,057	\$1,527,447	\$1,197,694	\$1,432,309
Annual Change		3.4%	3.1%	-1.4%	-21.6%	19.6%
Fare Revenue (Actual \$)	\$68,703	\$61,242	\$63,808	\$51,096	\$15,181	\$35,293
Annual Change		-10.9%	4.2%	-19.9%	-70.3%	132.5%
Vehicle Service Hours (VSH)	24,504	24,925	25,741	24,198	15,171	19,033
Annual Change		1.7%	3.3%	-6.0%	-37.3%	25.5%
Vehicle Service Miles (VSM)	164,608	169,564	175,230	146,389	81,907	122,945
Annual Change		3.0%	3.3%	-16.5%	-44.0%	50.1%
Passengers	60,988	54,077	52,507	41,089	12,049	26,267
Annual Change		-11.3%	-2.9%	-21.7%	-70.7%	118.0%
Employees	27	26	25	23	16	16
Annual Change		-3.7%	-3.8%	-8.0%	-30.4%	0.0%
Performance Indicators						
Operating Cost/VSH (Actual \$)	\$59.30	\$60.28	\$60.18	\$63.12	\$78.95	\$75.25
Annual Change		1.7%	-0.2%	4.9%	25.1%	-4.7%
Operating Cost/Passenger (Actual \$)	\$23.82	\$27.78	\$29.50	\$37.17	\$99.40	\$54.53
Annual Change		16.6%	6.2%	26.0%	167.4%	-45.1%
Passengers/VSH	2.49	2.17	2.04	1.70	0.79	1.38
Annual Change		-12.8%	-6.0%	-16.8%	-53.2%	73.8%
Passengers/VSM	0.37	0.32	0.30	0.28	0.15	0.21
Annual Change		-13.9%	-6.0%	-6.3%	-47.6%	45.2%
Farebox Recovery	4.7%	4.1%	4.1%	3.3%	1.3%	2.5%
Annual Change		-13.8%	1.1%	-18.8%	-62.1%	94.4%
Hours/Employee	907.6	958.7	1,029.7	1,052.1	948.2	1,189.6
Annual Change		5.6%	7.4%	2.2%	-9.9%	25.5%
TDA Non-Required Indicators						
Operating Cost/VSM	\$8.83	\$8.86	\$8.84	\$10.43	\$14.62	\$11.65
Annual Change		0.4%	-0.2%	18.0%	40.1%	-20.3%
VSM/VSH	6.72	6.80	6.81	6.05	5.40	6.46
Annual Change		1.3%	0.1%	-11.1%	-10.8%	19.6%
Fare/Passenger	\$1.13	\$1.13	\$1.22	\$1.24	\$1.26	\$1.34
Annual Change		0.5%	7.3%	2.3%	1.3%	6.6%

Sources: FY 2016/17 – FY 2018/19 data from prior Triennial Performance Audit.
FY 2019/20 - FY 2021/22 data from operator monthly summaries.

Exhibit 6.2 System Ridership

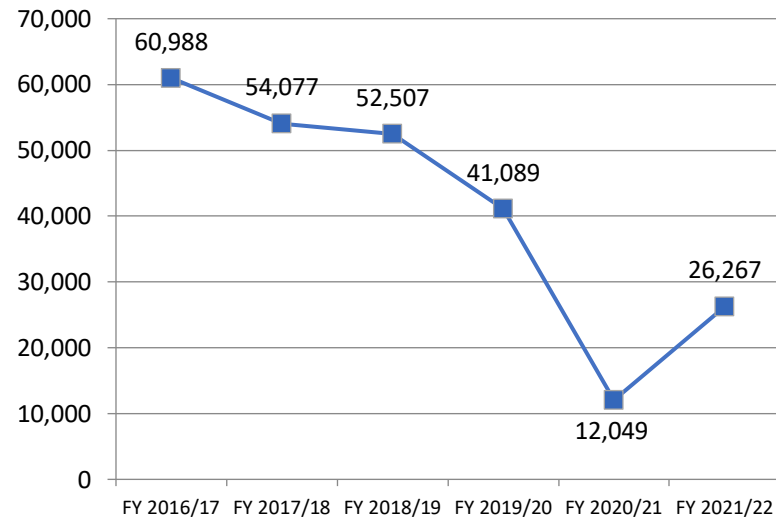


Exhibit 6.3 System Operating Cost/VSH

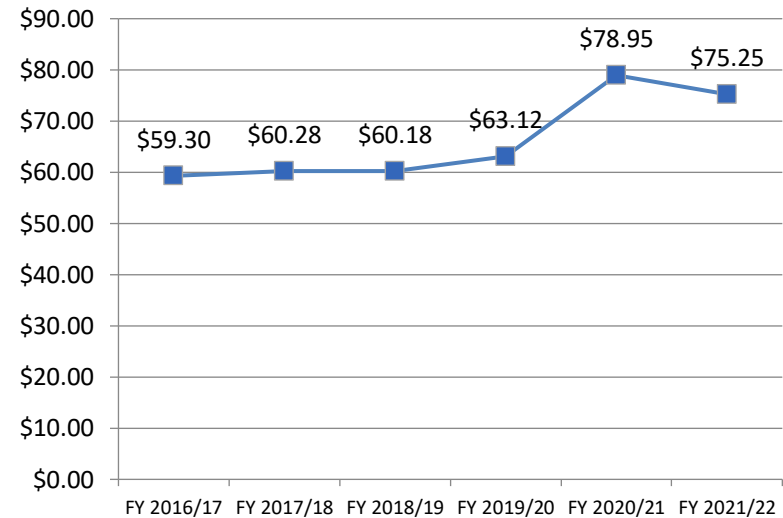


Exhibit 6.4 System Operating Cost/VSM

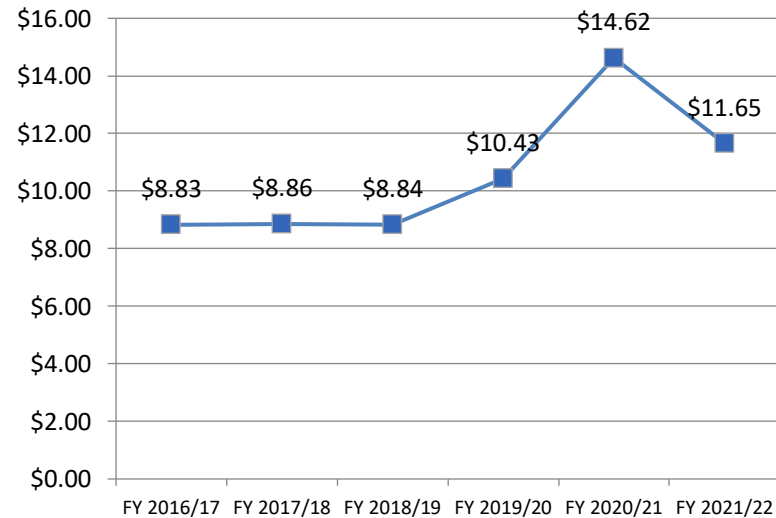


Exhibit 6.5 System VSM/VSH

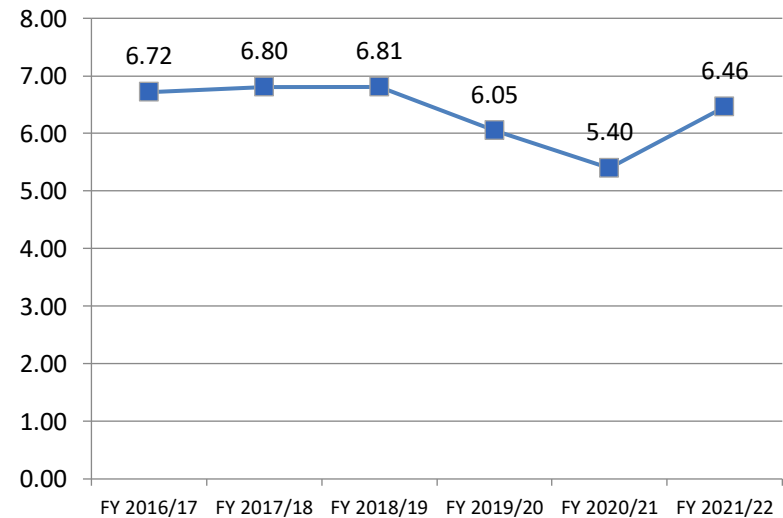


Exhibit 6.6 System Operating Cost/Passenger

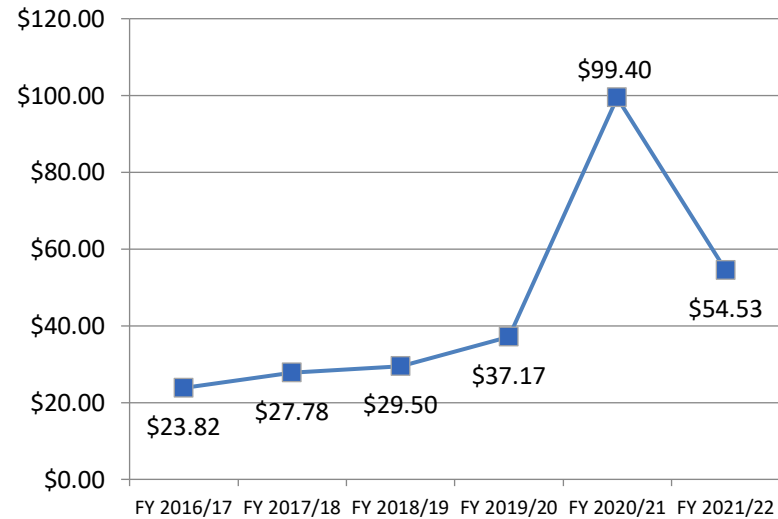


Exhibit 6.7 System Passengers/VSH

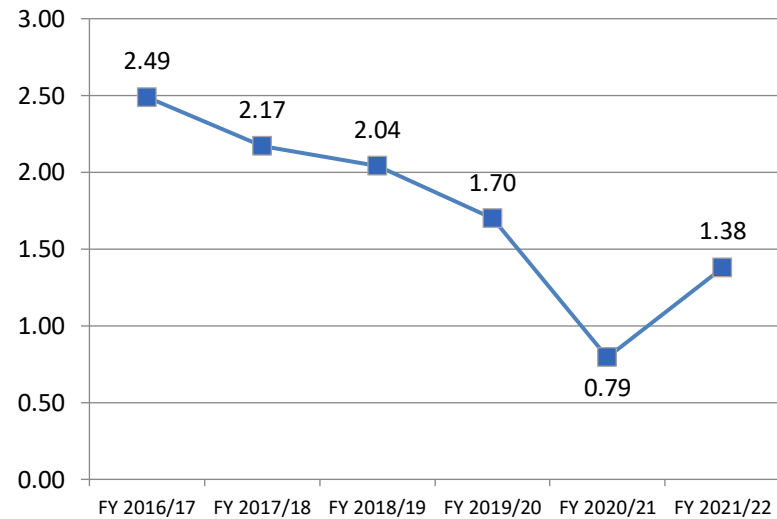


Exhibit 6.8 System Passengers/VSM

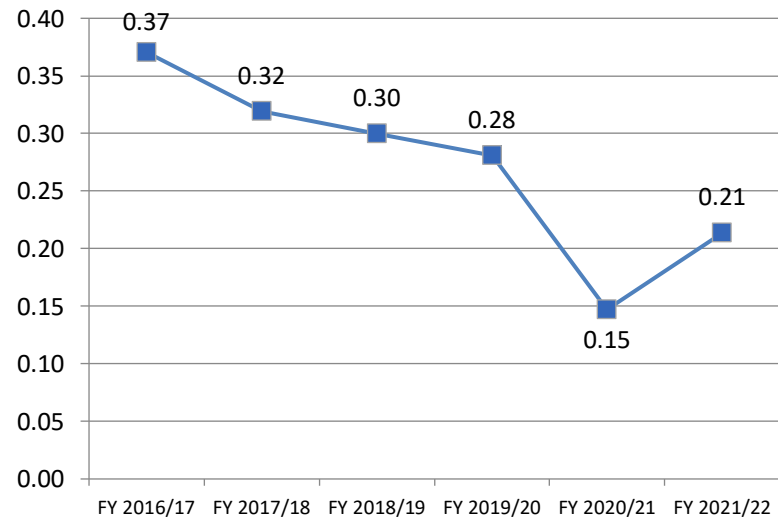


Exhibit 6.9 System VSH/FTE

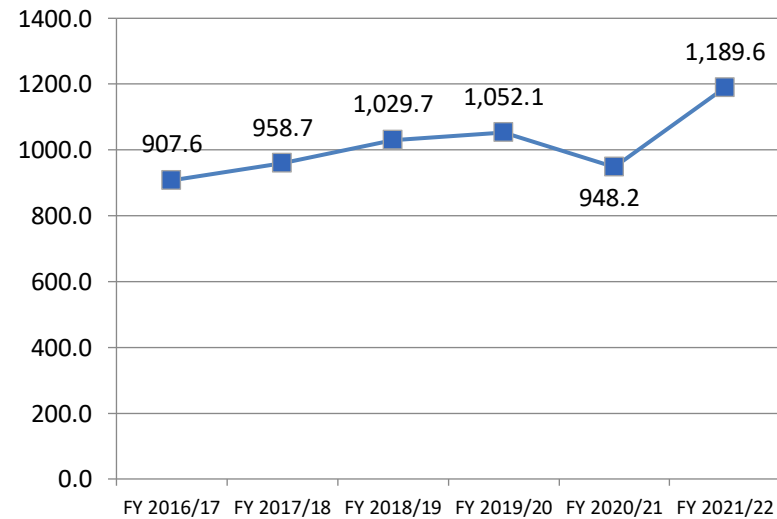


Exhibit 6.10 System Farebox Recovery

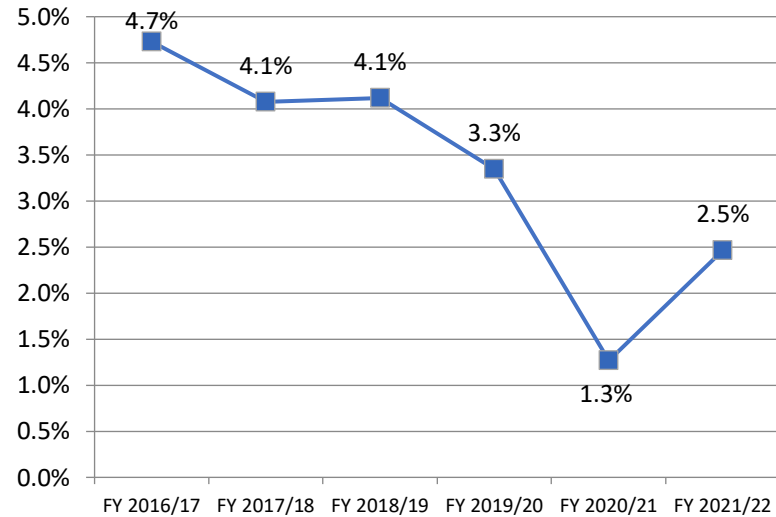
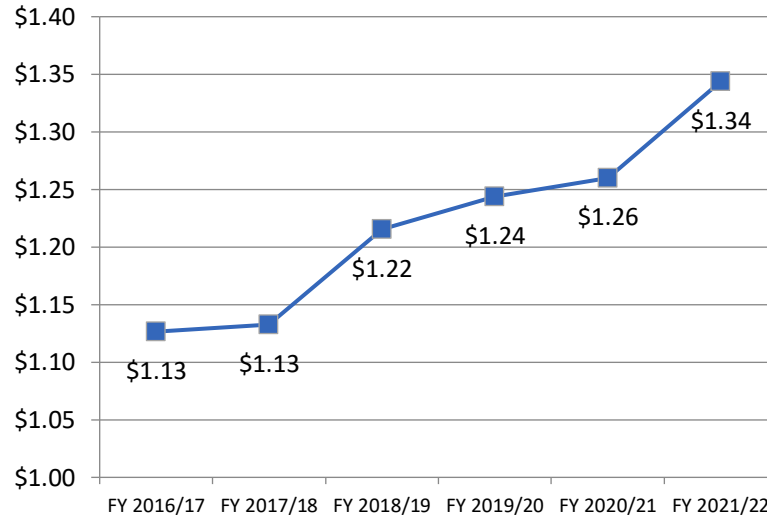


Exhibit 6.11 System Fare/Passenger



Brawley Dial-A-Ride Performance

Specific to the Brawley Dial-A-Ride, operating cost decreased two of three years of the audit period. This resulted in a 11.8 percent net decrease over the audit period. Fare revenue declined every year with the exception of FY 2018/19 and FY 2021/22, with the largest decline occurring in FY 2020/21 (75.5 percent). This resulted in a net 23.6 percent net decrease during the audit period, and a 56.8 percent net decrease over the six-year period.

Brawley Dial-A-Ride vehicle service hours (VSH) decreased every year with the exception of FY 2021/22. This resulted in a net 34.6 percent decrease across the six-year period and a net 27.7 percent decrease during the audit period. Vehicle service miles (VSM) decreased every year with the exceptions of FY 2017/18 and FY 2021/22. Brawley Dial-A-Ride VSM experienced a net 23.9 percent decrease during the six-year period and a net 10 percent decrease during the audit period. Ridership declined significantly in years FY 2019/20 and FY 2020/21 due to the COVID-19 pandemic. The most significant decrease occurring in FY 2020/21 (74.1 percent). Ultimately ridership experienced a net decrease of 26.3 percent during the audit period.

Operating cost per vehicle service hour and operating cost per passenger increased during the audit period (22 percent and 19.8 percent, respectively). Passenger-related productivity metrics (passengers per VSH and passengers per VSM) were split with passengers per VSH increasing 1.9 percent, while passengers per VSM decreased 18.2 percent.

Exhibit 6.12 Brawley Dial-A-Ride Performance Indicators

Performance Measure	Brawley Dial-A-Ride					
	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22
Operating Cost (Actual \$)	\$250,379	\$259,965	\$263,204	\$246,628	\$209,045	\$217,546
<i>Annual Change</i>		3.8%	1.2%	-6.3%	-15.2%	4.1%
Fare Revenue (Actual \$)	\$14,506	\$13,416	\$15,262	\$8,204	\$2,007	\$6,271
<i>Annual Change</i>		-7.5%	13.8%	-46.2%	-75.5%	212.4%
Vehicle Service Hours (VSH)	4,321	4,287	4,183	3,907	2,811	2,825
<i>Annual Change</i>		-0.8%	-2.4%	-6.6%	-28.1%	0.5%
Vehicle Service Miles (VSM)	21,564	26,447	25,584	18,229	11,009	16,413
<i>Annual Change</i>		22.6%	-3.3%	-28.7%	-39.6%	49.1%
Passengers	10,119	10,159	10,486	5,428	1,406	3,998
<i>Annual Change</i>		0.4%	3.2%	-48.2%	-74.1%	184.4%
Performance Indicators						
Operating Cost/VSH (Actual \$)	\$57.94	\$60.64	\$62.92	\$63.12	\$74.38	\$77.01
<i>Annual Change</i>		4.7%	3.8%	0.3%	17.8%	3.5%
Operating Cost/Passenger (Actual \$)	\$24.74	\$25.59	\$25.10	\$45.44	\$148.68	\$54.41
<i>Annual Change</i>		3.4%	-1.9%	81.0%	227.2%	-63.4%
Passengers/VSH	2.34	2.37	2.51	1.39	0.50	1.42
<i>Annual Change</i>		1.2%	5.8%	-44.6%	-64.0%	182.9%
Passengers/VSM	0.47	0.38	0.41	0.30	0.13	0.24
<i>Annual Change</i>		-18.1%	6.7%	-27.4%	-57.1%	90.7%
Farebox Recovery	5.8%	5.2%	5.8%	3.3%	1.0%	2.9%
<i>Annual Change</i>		-10.9%	12.4%	-42.6%	-71.1%	200.2%
TDA Non-Required Indicators						
Operating Cost/VSM	\$11.61	\$9.83	\$10.29	\$13.53	\$18.99	\$13.25
<i>Annual Change</i>		-15.3%	4.7%	31.5%	40.4%	-30.2%
VSM/VSH	4.99	6.17	6.12	4.67	3.92	5.81
<i>Annual Change</i>		23.6%	-0.9%	-23.7%	-16.0%	48.3%
Fare/Passenger	\$1.43	\$1.32	\$1.46	\$1.51	\$1.43	\$1.57
<i>Annual Change</i>		-7.9%	10.2%	3.8%	-5.6%	9.9%

Sources: FY 2016/17 – FY 2018/19 data from prior Triennial Performance Audit.

FY 2019/20 – FY 2021/22 data from operator monthly summaries.

Calexico Dial-A-Ride Performance

Specific to the Calexico Dial-A-Ride, operating cost decreased two of three years of the audit period. This resulted in a 7.2 percent net decrease over the audit period. Fare revenue declined every year with the exception of FY 2021/22. The most significant decline occurred in FY 2020/21 (67.8 percent), resulting in a net 48 percent net decrease during the audit period, and a 64.8 percent net decrease over the six-year period.

Calexico Dial-A-Ride vehicle service hours decreased every year with the exceptions of FY 2017/18 and FY 2021/22. This resulted in a net 22.3 percent decrease across the six-year period and a net 32.4 percent decrease during the audit period. Vehicle service miles experienced the same pattern, decreasing 38.7 percent during the six-year period and a net 25.3 percent decrease during the audit period. Ridership declined every year until FY 2021/22. The most significant decrease occurring in FY 2020/21 (67.8 percent). Ultimately ridership experienced a net decrease of 45.8 percent during the audit period.

Operating cost per vehicle service hour and operating cost per passenger increased during the audit period, with operating cost per passenger exhibiting the greatest change (71 percent). Passenger-related productivity metrics (passengers per VSH and passengers per VSM) saw decreases of 30.3 percent and 27.5 percent, respectively.

Exhibit 6.13 Calexico Dial-A-Ride Performance Indicators

Performance Measure	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22
Operating Cost (Actual \$)	\$398,062	\$417,696	\$418,226	\$396,953	\$331,063	\$368,225
Annual Change		4.9%	0.1%	-5.1%	-16.6%	11.2%
Fare Revenue (Actual \$)	\$18,342	\$16,087	\$13,156	\$12,426	\$4,002	\$6,456
Annual Change		-12.3%	-18.2%	-5.5%	-67.8%	61.3%
Vehicle Service Hours (VSH)	7,184	7,337	7,332	6,244	4,332	4,854
Annual Change		2.1%	-0.1%	-14.8%	-30.6%	12.0%
Vehicle Service Miles (VSM)	46,198	48,093	44,218	37,882	23,889	28,303
Annual Change		4.1%	-8.1%	-14.3%	-36.9%	18.5%
Passengers	19,648	17,202	14,292	12,416	4,002	6,729
Annual Change		-12.4%	-16.9%	-13.1%	-67.8%	68.1%
Performance Indicators						
Operating Cost/VSH (Actual \$)	\$55.41	\$56.93	\$57.04	\$63.57	\$76.43	\$75.87
Annual Change		2.7%	0.2%	11.4%	20.2%	-0.7%
Operating Cost/Passenger (Actual \$)	\$20.26	\$24.28	\$29.26	\$31.97	\$82.72	\$54.72
Annual Change		19.9%	20.5%	9.3%	158.7%	-33.9%
Passengers/VSH	2.73	2.34	1.95	1.99	0.92	1.39
Annual Change		-14.3%	-16.9%	2.0%	-53.5%	50.1%
Passengers/VSM	0.43	0.36	0.32	0.33	0.17	0.24
Annual Change		-15.9%	-9.6%	1.4%	-48.9%	41.9%
Farebox Recovery	4.6%	3.9%	3.1%	3.1%	1.2%	1.8%
Annual Change		-16.4%	-18.3%	-0.5%	-61.4%	45.0%
TDA Non-Required Indicators						
Operating Cost/VSM	\$8.62	\$8.69	\$9.46	\$10.48	\$13.86	\$13.01
Annual Change		0.8%	8.9%	10.8%	32.3%	-6.1%
VSM/VSH	6.43	6.55	6.03	6.07	5.51	5.83
Annual Change		1.9%	-8.0%	0.6%	-9.1%	5.7%
Fare/Passenger	\$0.93	\$0.94	\$0.92	\$1.00	\$1.00	\$0.96
Annual Change		0.2%	-1.6%	8.7%	-0.1%	-4.1%

Sources: FY 2016/17 – FY 2018/19 data from prior Triennial Performance Audit.
FY 2019/20 – FY 2021/22 data from operator monthly summaries.

El Centro Dial-A-Ride Performance

Specific to the El Centro Dial-A-Ride, operating cost decreased two of three years of the audit period. This resulted in an 8.0 percent net decrease over the audit period. Fare revenue declined every year with the exceptions of FY 2018/19 and FY 2021/22. The most significant decline occurred in FY 2020/21 (73.4 percent), resulting in a net 36.1 percent net decrease during the audit period, and a 52.1 percent net decrease over the six-year period.

El Centro Dial-A-Ride vehicle service hours decreased two of three years of the audit period. This resulted in a net 31 percent decrease across the six-year period and a net 25.2 percent decrease during the audit period. Vehicle service miles fluctuated during the six-year period. This led to a net decrease of 35.6 percent during the six-year period and a net 20.7 percent decrease during the audit period. Ridership declined every year with the exceptions of FY 2018/19 and FY 2021/22. The most significant decrease occurring in FY 2020/21 (72.6 percent). Ultimately ridership experienced a net decrease of 35.3 percent during the audit period.

Operating cost per vehicle service hour and operating cost per passenger increased during the audit period, with operating cost per passenger exhibiting the greatest change (42.3 percent). Passenger-related productivity metrics (passengers per VSH and passengers per VSM) saw decreases of 13.5 percent and 18.5 percent, respectively.

Exhibit 6.14 El Centro Dial-A-Ride Performance Indicators

Performance Measure	El Centro Dial-A-Ride					
	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22
Operating Cost (Actual \$)	\$581,878	\$586,482	\$616,294	\$587,932	\$422,107	\$541,160
<i>Annual Change</i>		0.8%	5.1%	-4.6%	-28.2%	28.2%
Fare Revenue (Actual \$)	\$28,235	\$25,525	\$27,083	\$21,143	\$5,624	\$13,522
<i>Annual Change</i>		-9.6%	6.1%	-21.9%	-73.4%	140.4%
Vehicle Service Hours (VSH)	10,103	10,326	10,967	9,316	4,973	6,971
<i>Annual Change</i>		2.2%	6.2%	-15.1%	-46.6%	40.2%
Vehicle Service Miles (VSM)	67,276	65,361	69,812	54,631	25,882	43,344
<i>Annual Change</i>		-2.8%	6.8%	-21.7%	-52.6%	67.5%
Passengers	25,898	22,216	22,247	16,873	4,623	10,915
<i>Annual Change</i>		-14.2%	0.1%	-24.2%	-72.6%	136.1%
Performance Indicators						
Operating Cost/VSH (Actual \$)	\$57.59	\$56.80	\$56.20	\$63.11	\$84.89	\$77.63
<i>Annual Change</i>		-1.4%	-1.1%	12.3%	34.5%	-8.6%
Operating Cost/Passenger (Actual \$)	\$22.47	\$26.40	\$27.70	\$34.84	\$91.31	\$49.58
<i>Annual Change</i>		17.5%	4.9%	25.8%	162.0%	-45.7%
Passengers/VSH	2.56	2.15	2.03	1.81	0.93	1.57
<i>Annual Change</i>		-16.1%	-5.7%	-10.7%	-48.7%	68.4%
Passengers/VSM	0.38	0.34	0.32	0.31	0.18	0.25
<i>Annual Change</i>		-11.7%	-6.2%	-3.1%	-42.2%	41.0%
Farebox Recovery	4.9%	4.4%	4.4%	3.6%	1.3%	2.5%
<i>Annual Change</i>		-10.3%	1.0%	-18.2%	-62.9%	87.5%
TDA Non-Required Indicators						
Operating Cost/VSM	\$8.65	\$8.97	\$8.83	\$10.76	\$16.31	\$12.49
<i>Annual Change</i>		3.7%	-1.6%	21.9%	51.5%	-23.4%
VSM/VSH	6.66	6.33	6.37	5.86	5.21	6.22
<i>Annual Change</i>		-4.9%	0.6%	-7.9%	-11.2%	19.5%
Fare/Passenger	\$1.09	\$1.15	\$1.22	\$1.25	\$1.22	\$1.24
<i>Annual Change</i>		5.4%	6.0%	2.9%	-2.9%	1.8%

Sources: FY 2016/17 – FY 2018/19 data from prior Triennial Performance Audit.
FY 2019/20 – FY 2021/22 data from operator monthly summaries.

Heber Dial-A-Ride Performance

Heber Dial-A-Ride began operation in FY 2019/20. Specific to the Heber Dial-A-Ride, operating cost increased every year of the audit period. This resulted in a net 11.7 percent net increase. Fare revenue declined between FY 2019/20 and FY 2020/21 (36.1 percent). Fare revenue increased significantly in FY 2021/22, resulting in a net 36.9 percent net increase during the audit period.

Heber Dial-A-Ride vehicle service hours followed the same pattern as fare revenue. This resulted in a net 1.4 percent decrease during the audit period. Vehicle service increased every year. This led to a net increase of 31.8 percent. Ridership declined between FY 2019/20 and FY 2020/21 (62.8 percent) due to the COVID-19 pandemic. Ultimately ridership experienced a net decrease of 23.3 percent during the audit period.

Operating cost per vehicle service hour and operating cost per passenger increased during the audit period, with operating cost per passenger exhibiting the greatest change (45.7 percent). Passenger-related productivity metrics (passengers per VSH and passengers per VSM) saw decreases of 22.3 percent and 41.8 percent, respectively.

Exhibit 6.15 Heber Dial-A-Ride Performance Indicators

Performance Measure	Heber Dial-A-Ride		
	FY 2019/20	FY 2020/21	FY 2021/22
Operating Cost (Actual \$)	\$91,384	\$91,947	\$102,101
Annual Change		0.6%	11.0%
Fare Revenue (Actual \$)	\$2,652	\$1,693	\$3,630
Annual Change		-36.1%	114.4%
Vehicle Service Hours (VSH)	1,513	1,342	1,493
Annual Change		-11.4%	11.3%
Vehicle Service Miles (VSM)	6,637	7,224	8,748
Annual Change		8.8%	21.1%
Passengers	2,702	1,004	2,072
Annual Change		-62.8%	106.4%
Performance Indicators			
Operating Cost/VSH (Actual \$)	\$60.38	\$68.54	\$68.39
Annual Change		13.5%	-0.2%
Operating Cost/Passenger (Actual \$)	\$33.82	\$91.58	\$49.28
Annual Change		170.8%	-46.2%
Passengers/VSH	1.79	0.75	1.39
Annual Change		-58.1%	85.4%
Passengers/VSM	0.41	0.14	0.24
Annual Change		-65.9%	70.4%
Farebox Recovery	2.9%	1.8%	3.6%
Annual Change		-36.5%	93.1%
TDA Non-Required Indicators			
Operating Cost/VSM	\$13.77	\$12.73	\$11.67
Annual Change		-7.6%	-8.3%
VSM/VSH	4.39	5.39	5.86
Annual Change		22.8%	8.8%
Fare/Passenger	\$0.98	\$1.69	\$1.75
Annual Change		71.8%	3.9%

FY 2019/20 – FY 2021/22 data from operator monthly summaries.

Imperial Dial-A-Ride Performance

Specific to the Imperial Dial-A-Ride, operating cost decreased two of three years of the audit period. This resulted in a 1.2 percent net decrease over the audit period. Fare revenue declined every year with the exceptions of FY 2018/19 and FY 2021/22. The most significant decline occurred in FY 2020/21 (75.9 percent), resulting in a net 18.6 percent net decrease during the audit period, and a 30.5 percent net decrease over the six-year period.

Imperial Dial-A-Ride vehicle service hours fluctuated during the six-year period. This resulted in a net 10.2 percent decrease across the six-year period and a net 11.6 percent decrease during the audit period. Vehicle service miles decreased in FY 2019/20 and FY 2020/21. This led to a net decrease of 19.3 percent during the six-year period and a net 21.8 percent decrease during the audit period. Ridership declined every year with the exceptions of FY 2018/19 and FY 2021/22. The most significant decrease occurring in FY 2020/21 (74.4 percent). Ultimately, ridership experienced a net decrease of 30.3 percent during the audit period.

Operating cost per vehicle service hour and operating cost per passenger increased during the audit period, with operating cost per passenger exhibiting the greatest change (41.8 percent). Passenger-related productivity metrics (passengers per VSH and passengers per VSM) saw decreases of 21.2 percent and 13.6 percent, respectively.

Exhibit 6.16 Imperial Dial-A-Ride Performance Indicators

Performance Measure	Imperial Dial-A-Ride					
	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22
Operating Cost (Actual \$)	\$170,073	\$174,035	\$183,165	\$155,137	\$107,078	\$153,259
Annual Change		2.3%	5.2%	-15.3%	-31.0%	43.1%
Fare Revenue (Actual \$)	\$6,452	\$5,016	\$6,725	\$5,502	\$1,325	\$4,482
Annual Change		-22.3%	34.1%	-18.2%	-75.9%	238.3%
Vehicle Service Hours (VSH)	2,434	2,327	2,469	2,471	1,273	2,185
Annual Change		-4.4%	6.1%	0.1%	-48.5%	71.6%
Vehicle Service Miles (VSM)	19,464	19,772	23,688	18,873	6,078	15,229
Annual Change		1.6%	19.8%	-20.3%	-67.8%	150.6%
Passengers	4,678	3,719	4,567	3,124	800	2,177
Annual Change		-20.5%	22.8%	-31.6%	-74.4%	172.1%
Performance Indicators						
Operating Cost/VSH (Actual \$)	\$69.87	\$74.79	\$74.19	\$62.78	\$84.11	\$70.14
Annual Change		7.0%	-0.8%	-15.4%	34.0%	-16.6%
Operating Cost/Passenger (Actual \$)	\$36.36	\$46.80	\$40.11	\$49.66	\$133.85	\$70.40
Annual Change		28.7%	-14.3%	23.8%	169.5%	-47.4%
Passengers/VSH	1.92	1.60	1.85	1.26	0.63	1.00
Annual Change		-16.8%	15.7%	-31.7%	-50.3%	58.5%
Passengers/VSM	0.24	0.19	0.19	0.17	0.13	0.14
Annual Change		-21.7%	2.5%	-14.1%	-20.5%	8.6%
Farebox Recovery	3.8%	2.9%	3.7%	3.5%	1.2%	2.9%
Annual Change		-24.0%	27.4%	-3.4%	-65.1%	136.4%
TDA Non-Required Indicators						
Operating Cost/VSM	\$8.74	\$8.80	\$7.73	\$8.22	\$17.62	\$10.06
Annual Change		0.7%	-12.2%	6.3%	114.3%	-42.9%
VSM/VSH	8.00	8.50	9.59	7.64	4.77	6.97
Annual Change		6.3%	12.9%	-20.4%	-37.5%	46.0%
Fare/Passenger	\$1.38	\$1.35	\$1.47	\$1.76	\$1.66	\$2.06
Annual Change		-2.2%	9.2%	19.6%	-6.0%	24.3%

Sources: FY 2016/17 – FY 2018/19 data from prior Triennial Performance Audit.
FY 2019/20 – FY 2021/22 data from operator monthly summaries.

West Shores Dial-A-Ride Performance

Specific to the West Shores Dial-A-Ride, operating cost decreased two of three years of the audit period. This resulted in a 1.2 percent net increase over the audit period, but a net 4.9 percent decrease over the six-year period. Fare revenue declined in FY 2019/20 and FY 2020/21. The most significant decline occurred in FY 2020/21 (54.7 percent), resulting in a net 20.2 percent net decrease during the audit period, and a 20.1 percent net decrease over the six-year period.

West Shores Dial-A-Ride vehicle service hours followed the same pattern as fare revenue. This resulted in a net 52.7 percent increase across the six-year period, but a net 5.3 percent decrease during the audit period. Vehicle service miles increased in FY 2018/19 and FY 2021/22. This led to a net decrease of 7.9 percent during the six-year period and a net 7.6 percent increase during the audit period. Ridership rose every year with the exceptions of FY 2019/20 and FY 2020/21. The most significant decrease occurring in FY 2020/21 (60.8 percent). Ultimately ridership experienced a net decrease of 31.1 percent during the audit period.

Operating cost per vehicle service hour and operating cost per passenger increased during the audit period, with operating cost per passenger exhibiting the greatest change (47 percent). Passenger-related productivity metrics (passengers per VSH and passengers per VSM) saw decreases of 27.3 percent and 36 percent respectively.

Exhibit 6.17 West Shores Dial-A-Ride Performance Indicators

Performance Measure	West Shores Dial-A-Ride					
	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22
Operating Cost (Actual \$)	\$52,619	\$64,238	\$68,168	\$49,413	\$36,453	\$50,019
<i>Annual Change</i>		22.1%	6.1%	-27.5%	-26.2%	37.2%
Fare Revenue (Actual \$)	\$1,168	\$1,198	\$1,582	\$1,168	\$530	\$933
<i>Annual Change</i>		2.6%	32.1%	-26.1%	-54.7%	76.1%
Vehicle Service Hours (VSH)	462	648	790	745	442	706
<i>Annual Change</i>		40.3%	22.0%	-5.7%	-40.7%	59.6%
Vehicle Service Miles (VSM)	10,106	9,891	11,928	10,137	7,825	10,908
<i>Annual Change</i>		-2.1%	20.6%	-15.0%	-22.8%	39.4%
Passengers	645	781	915	546	214	376
<i>Annual Change</i>		21.1%	17.2%	-40.3%	-60.8%	75.7%
Performance Indicators						
Operating Cost/VSH (Actual \$)	\$113.89	\$99.13	\$86.26	\$66.32	\$82.47	\$70.90
<i>Annual Change</i>		-13.0%	-13.0%	-23.1%	24.3%	-14.0%
Operating Cost/Passenger (Actual \$)	\$81.58	\$82.25	\$74.50	\$90.50	\$170.34	\$133.03
<i>Annual Change</i>		0.8%	-9.4%	21.5%	88.2%	-21.9%
Passengers/VSH	1.40	1.21	1.16	0.73	0.48	0.53
<i>Annual Change</i>		-13.7%	-3.9%	-36.7%	-33.9%	10.1%
Passengers/VSM	0.06	0.08	0.08	0.05	0.03	0.03
<i>Annual Change</i>		23.7%	-2.9%	-29.8%	-49.2%	26.0%
Farebox Recovery	2.2%	1.9%	2.3%	2.4%	1.5%	1.9%
<i>Annual Change</i>		-16.0%	24.4%	1.9%	-38.5%	28.3%
TDA Non-Required Indicators						
Operating Cost/VSM	\$5.21	\$6.49	\$5.71	\$4.87	\$4.66	\$4.59
<i>Annual Change</i>		24.7%	-12.0%	-14.7%	-4.4%	-1.6%
VSM/VSH	21.87	15.26	15.09	13.61	17.70	15.46
<i>Annual Change</i>		-30.2%	-1.1%	-9.9%	30.1%	-12.7%
Fare/Passenger	\$1.81	\$1.53	\$1.73	\$2.14	\$2.48	\$2.48
<i>Annual Change</i>		-15.3%	12.7%	23.8%	15.7%	0.2%

Sources: FY 2016/17 – FY 2018/19 data from prior Triennial Performance Audit.
FY 2019/20 – FY 2021/22 data from operator monthly summaries.

Exhibit 6.18 Demand-Response Ridership

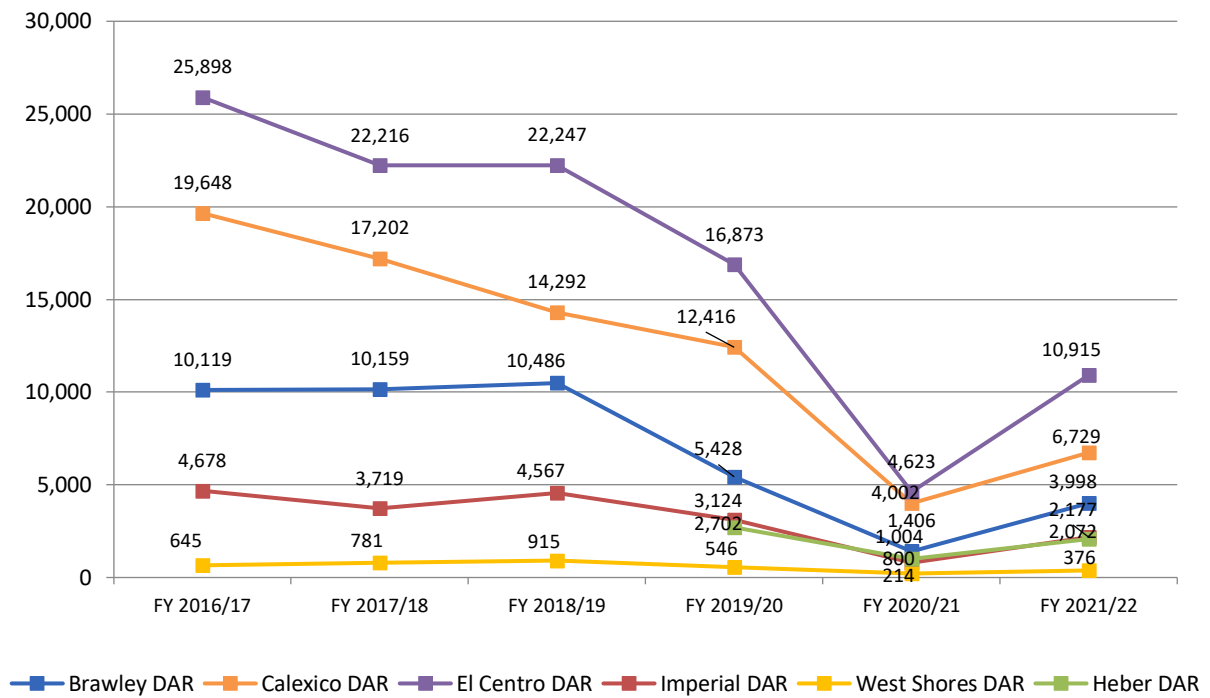


Exhibit 6.19 Demand-Response Operating Cost/VSH

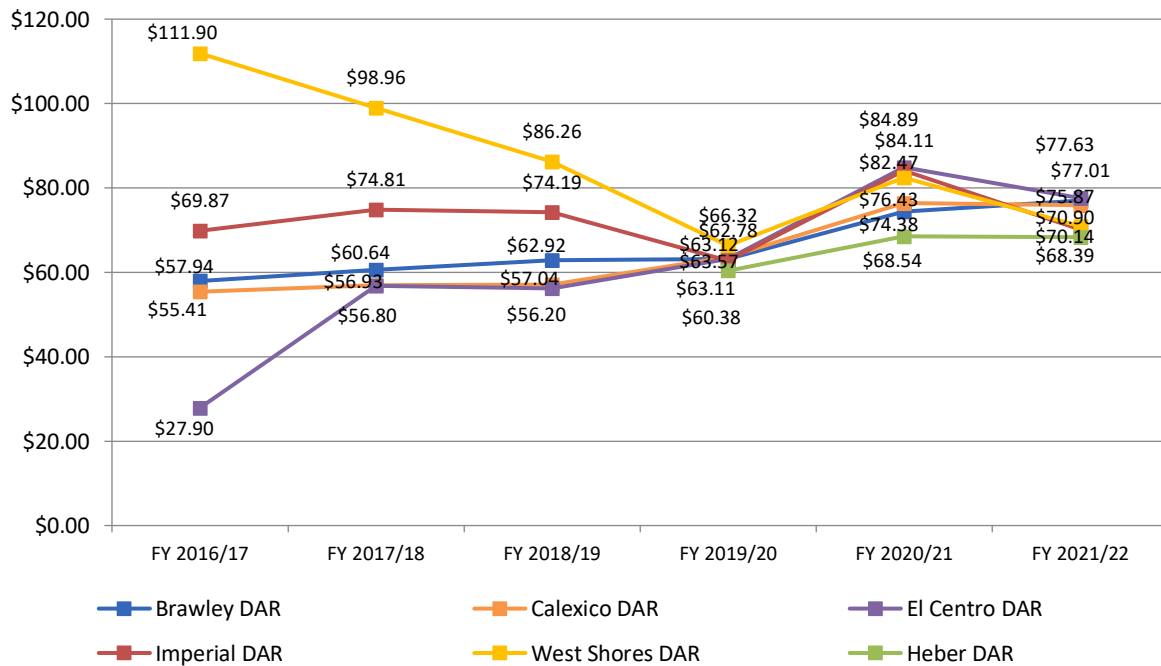


Exhibit 6.20 Demand-Response Operating Cost/VSM

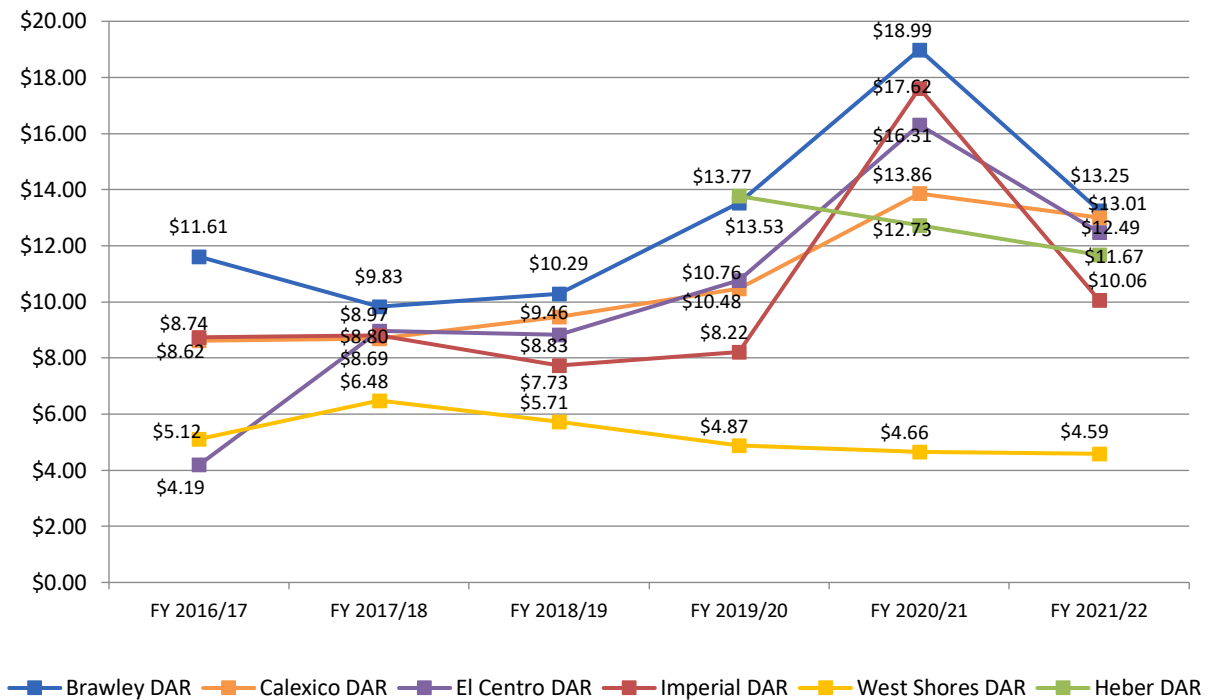


Exhibit 6.21 Demand-Response VSM/VSH

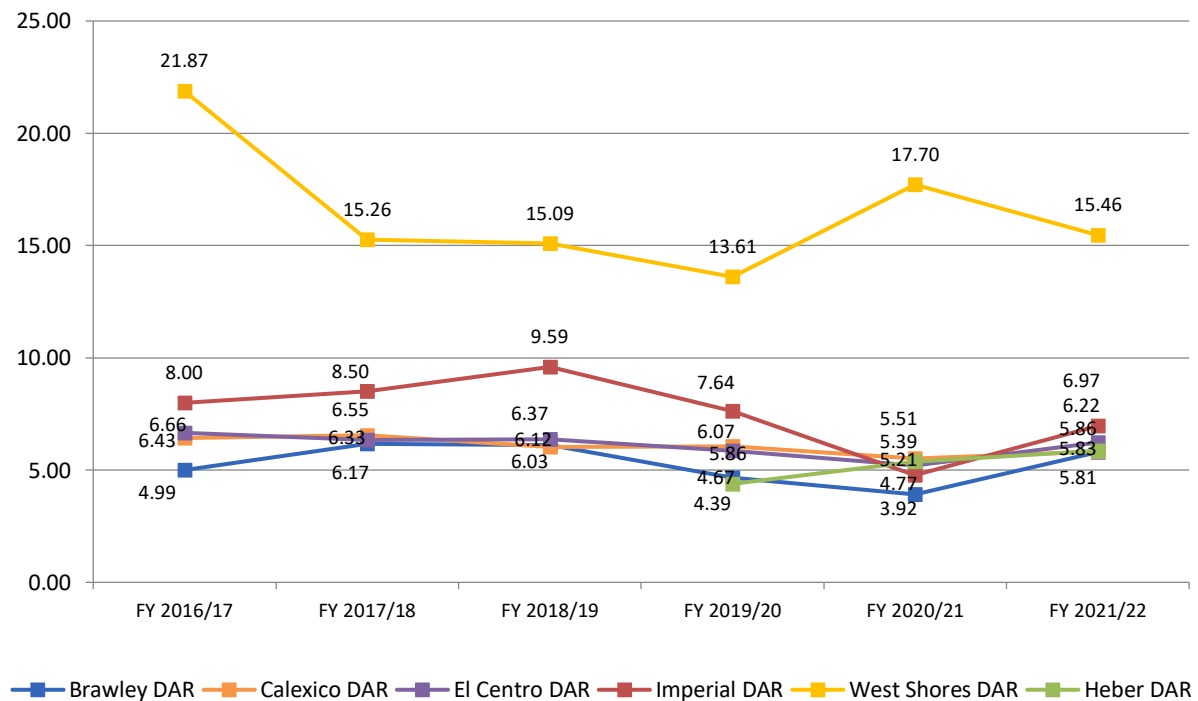


Exhibit 6.22 Demand-Response Operating Cost/Passenger

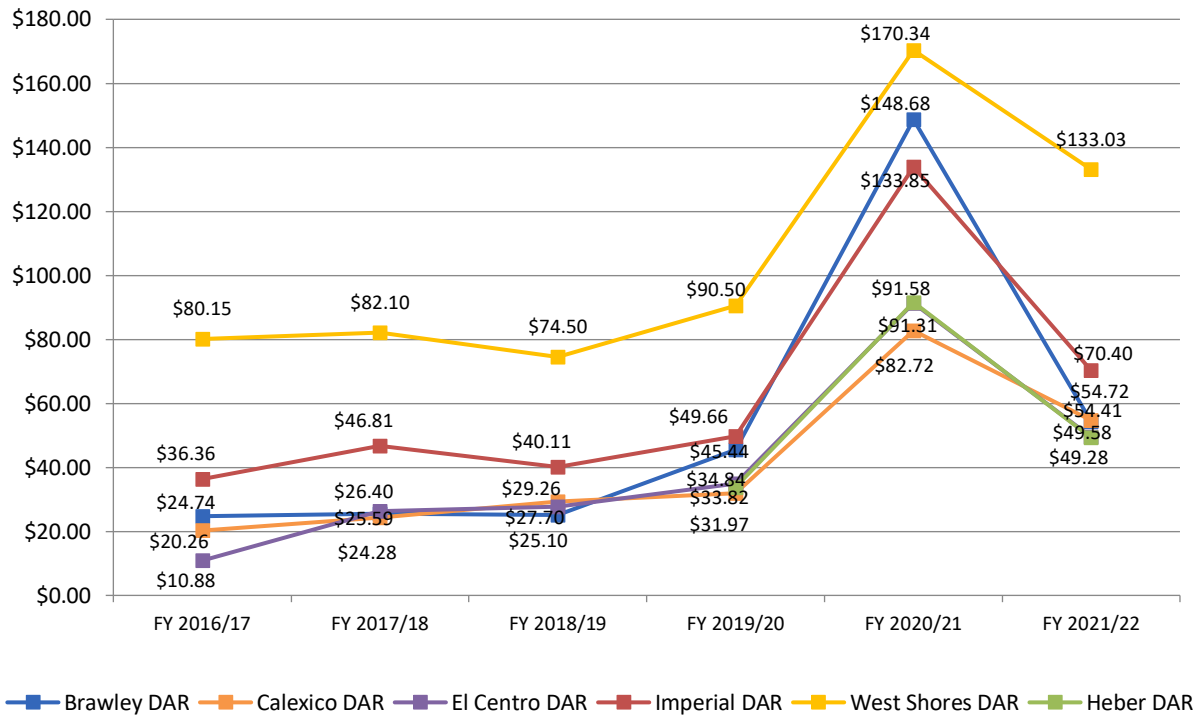


Exhibit 6.23 Demand-Response Passengers/VSH

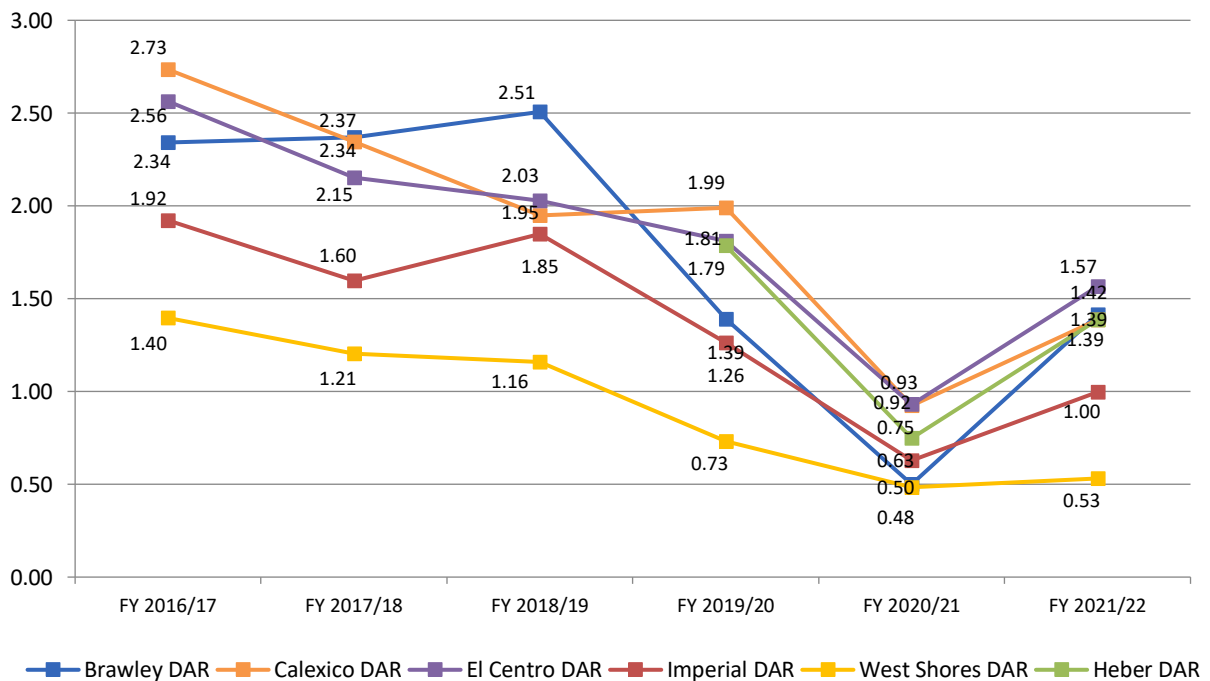


Exhibit 6.24 Demand-Response Passengers/VSM

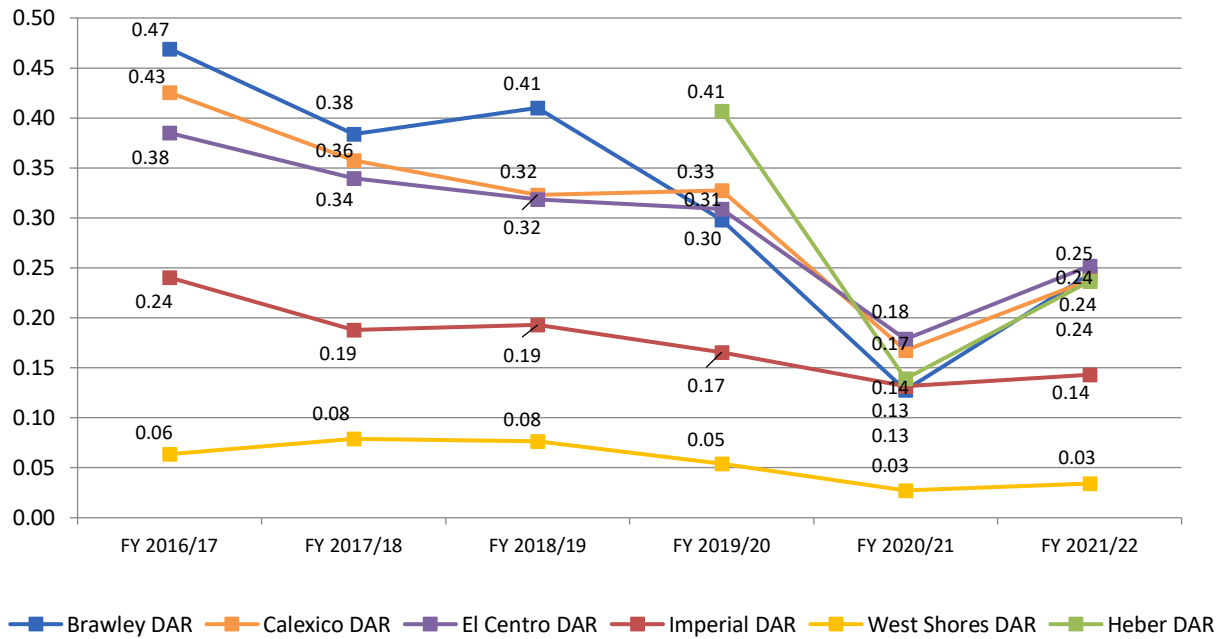


Exhibit 6.25 Demand-Response Farebox Recovery

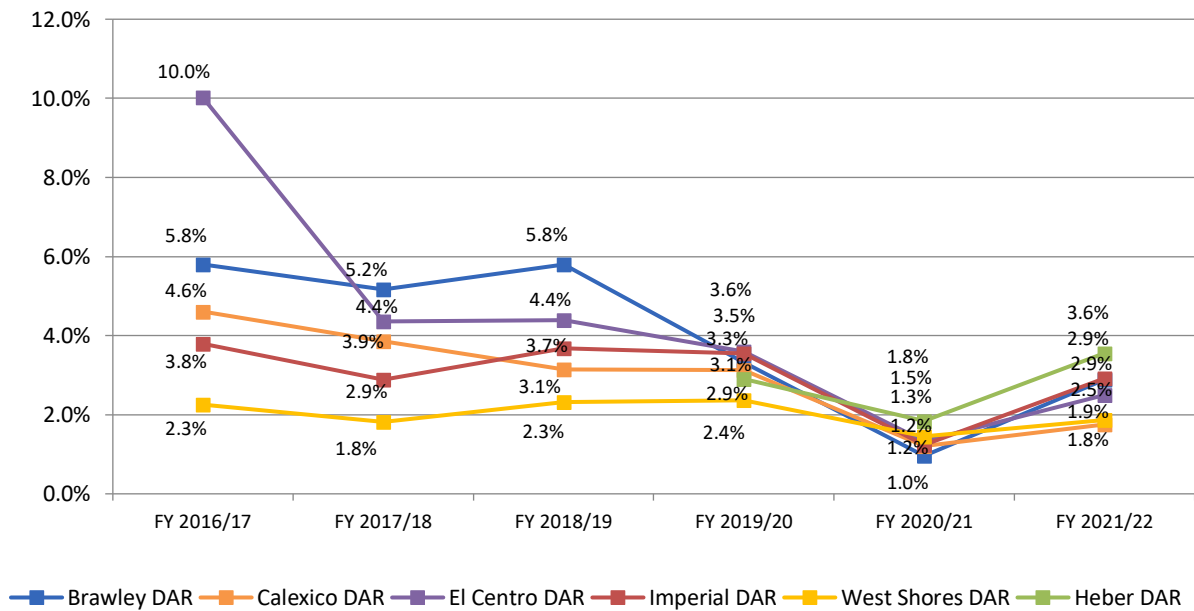
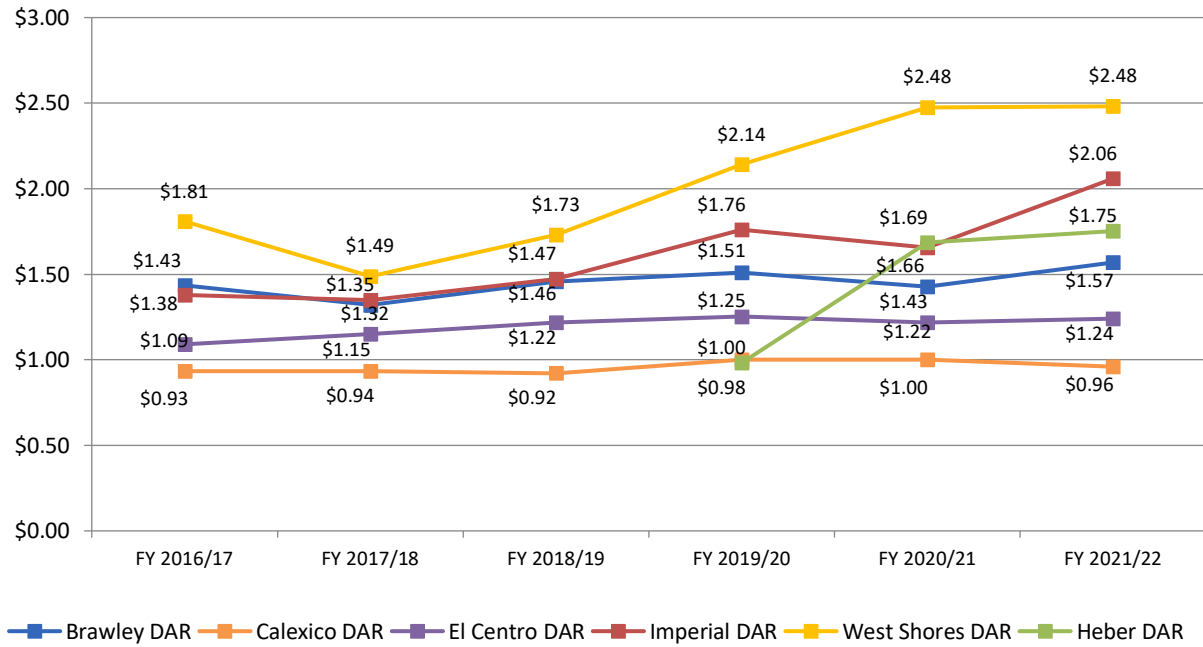


Exhibit 6.26 Demand-Response Fare/Passenger



Chapter 7 | Functional Review

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

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

Service Overview

IVT Ride provides paratransit service for seniors (age 55 and older) and persons with disabilities. The service operates in Brawley, Calexico, El Centro, Heber, Imperial, and West Shores. It is a curb-to-curb Dial-A-Ride service open to individuals who have completed an eligibility process (except in West Shores, where it is open to the general public). Service days and times vary by community (see Exhibit 7.1).

Service to Heber was introduced in FY 2019/20 as a three-year demonstration project funded through a grant from the Low Carbon Transit Operations Program (LCTOP).

Reservations may be made up to two weeks in advance and at least 48 hours in advance. Same-day trip requests are honored on a space-available basis.

Exhibit 7.1 IVT Ride Service Days/Hours by Community

Community	Service Days	Service Times
Brawley	Monday – Friday	7:00 a.m. – 6:00 p.m.
	Saturday	8:00 a.m. – 2:00 p.m.
Calexico	Monday – Friday	7:00 a.m. – 5:00 p.m.
	Saturday – Sunday	7:00 a.m. – 5:00 p.m.
El Centro	Monday – Friday	6:30 a.m. – 6:00 p.m.
	Saturday	7:00 a.m. – 6:00 p.m.
Heber	Monday/Tuesday/ Wednesday/Friday	8:00 a.m. – 4:00 p.m.
Imperial	Monday – Friday	6:45 a.m. – 5:15 p.m.
	Alternate Saturdays	6:50 a.m. – 5:15 p.m.
West Shores	Tuesday/Thursday	7:00 a.m. – 4:30 p.m.

Fares vary by community and service, ranging from \$0.75 in Imperial to \$2.50 for service from West Shores to Brawley. This is due to the ICTC maintaining the fares charged prior to the individual services being operated by the ICTC. Currently the service is fare-free for seniors due to a grant through the Area Agency for Aging. Fares are detailed in Exhibit 7.2.

Exhibit 7.2 IVT Ride Fare Structure

Service	Fare
Brawley	\$1.50 local
Calexico	\$1.00 local
El Centro	\$1.25 local
Heber	\$0.75 local
Imperial	\$0.75 local \$1.75 to/from El Centro
West Shores	\$2.00 local \$2.50 to/from Brawley

Response to COVID-19 pandemic

IVT Ride service in each city was impacted by the COVID-19 pandemic, with service days and times adjusted to reflect the decline in ridership. For the El Centro service, the number of buses was reduced from five to three. The Calexico service went from operating 27 hours per day down to 15 hours per day. The Brawley service was reduced from two buses to one. Heber continued to operate one bus, four days a week, but ended service at 2:00 p.m. instead of 4:00 p.m. The West Shores service dropped from two days per week to one. Senior centers, adult day care centers, and senior nutrition programs closed, which significantly reduced demand. Most medical appointments transitioned to video calls, further reducing the demand for service.

General Management and Organization

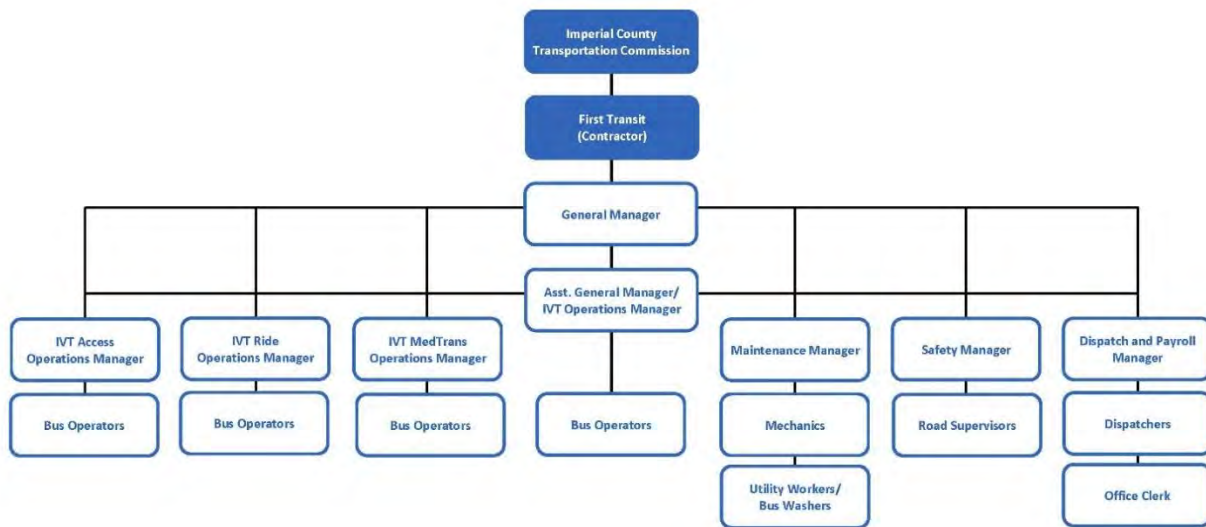
All Imperial Valley Transit operations (fixed-route and demand-response) are contracted to First Transit under four separate contracts. The current contracts extend through FY 2023/24. First Transit operates the IVT programs with a great deal of autonomy. An operations manager oversees each individual service, with the general manager overseeing the entire transit operation. Daily monitoring includes reviewing reports, spreadsheets, on-time performance, miles, revenue, and ridership. Managers regularly conduct road observations, time checks, and ride-alongs.

Contract management is provided by the Imperial County Transit Commission (ICTC). While there is daily communication with First Transit, a formal report is submitted with the monthly invoice. The ICTC also holds quarterly meetings with the contractor. The ICTC needs additional staff for transit oversight and is in the process of backfilling several positions left vacant by recent staffing changes.

The Imperial Valley Transportation Commission is the governing body for Imperial Valley Transit. ICTC staff take transit information to the Board on an as-needed basis, such as when there are significant modifications or major projects. While the Board does not get very involved in the day-to-day operation of the transit program, there is a new Board member that has expressed a strong interest in how transit impacts the area they represent. Members of the Board ask questions during meetings, including about areas where ridership is low or where there is perceived demand.

First Transit's Imperial Valley Transit organizational chart is illustrated in Exhibit 7.3.

Exhibit 7.3 Organizational Chart



Service Planning

All service planning is undertaken by the Imperial County Transportation Commission. The most recent Short Range Transit Plan for Imperial County was completed in January 2019. The next SRTP update is scheduled for 2024. First Transit staff noted the ICTC is diligent about seeking feedback from the contractor while considering any changes to the service.

The ICTC is currently in the process of conducting rider surveys as part of its Unmet Transit Needs process. Public participation activities are undertaken any time there are changes to service or when projects are rolled out. Recently, four public meetings were conducted as part of the ICTC's Long Range Transportation Plan with four additional meetings planned.

Administration

Budgeting for transit is a cooperative process. First Transit develops its budget based on its contract for each service with the ICTC. Each contract stipulates billing rates and revenue hour constraints. Once the ICTC has the contractor costs, staff review anticipated state and federal revenues and break down expenses, anticipated planning, contingencies, and vehicle needs for the year, then build the transit budget. The transit budget is incorporated into the agency budget for the year, which is approved by the ICTC Board.

The ICTC is responsible for applying for and managing all grants. In addition to the First Transit contracts, the ICTC also manages a contract with Via for a demonstration micro-transit project. First Transit provides insurance and handles all claims. Imperial County provides legal services and internal auditing.

First Transit handles its own payroll through an outside service. Most vendor checks related to transit service are issued by First Transit. Other vendor checks are issued by the ICTC, depending on the purchase.

All procurement practices conform with FTA and state requirements. The ICTC completed some updates to its procurement manual during its prior FTA Triennial Review, and will make additional updates should any issues be identified by the FTA during the current Triennial Review.

Marketing and Public Information

Marketing responsibilities are shared between the ICTC and First Transit. The ICTC maintains the transit websites and provides service brochures, while First Transit attends events and provides information. ICTC staff may also attend events, and the ICTC provides mobility training to seniors. The ICTC utilizes a consultant for its marketing. ICTC staff coordinate with the marketing consultant, while First Transit provides input as to what needs to be ordered. The ICTC's budget for marketing is separate from its operations contract.

Customer service calls are logged and a monthly report is provided to the ICTC. Fixed-route calls are not tracked by the type of call. Complaints received through the ICTC are forwarded to First Transit. Valid complaints are forwarded to the operations manager of the individual service for investigation, and can be escalated to the general manager if necessary. A form is completed by the dispatcher or customer service representative for all valid complaints. Simple issues that can be resolved by the dispatcher (such as an inquiry about a bus status) are not logged. Public perception of IVT Ride is generally positive.

Scheduling, Dispatch, and Operations

Drivers are shared among all IVT services. There are currently 41 full-time employees and nine part-time employees. While this is considered to be fully staffed, First Transit would like to hire one or two additional drivers, as it currently has no extras. Most part-time drivers have other jobs, so their availability may be limited.

Employees are represented by Teamsters Local 542, though there are different collective bargaining agreements (CBAs) for drivers, dispatchers, etc. Driver bids are seniority-based. Demand-response dispatchers bid on the specific service they want, but are trained on all services. This provides back-up coverage in case of illness or vacations.

All drivers start on the fixed-route service, then transition to paratransit. Everyone is cross-trained for the different routes and services. Vehicles are assigned based on service, as all services are separately branded. All available vehicles are posted on the board in the Dispatch office by maintenance each night, along with a list of out-of-service vehicles. Dispatch then makes assignments from the available vehicles.

IVT utilizes manual (vault-style) fareboxes. Fareboxes are pulled from the buses at the end of the shift and brought to the Dispatch office. The farebox number is logged and the box is put in the safe room. Money counting is done the following day by two individuals wearing white coveralls. The cash is placed in sealed bags and picked up by armored car daily.

Personnel Management and Training

As noted above, First Transit would like to recruit one to two more drivers to provide additional cover, though it is considered fully staffed. The corporate office handles recruitment, most of which is done online. The local team reviews applications and conducts interviews. Approximately 80 percent of applicants do not have a commercial driver's license. Among those that already have their Class B license, the majority are hired. First Transit offers full training and licensing, and finds that applicants with no

experience or commercial license tend to be good employees, as they have not developed any bad habits yet.

Various activities are used to motivate employees, including employee of the month (which features a reserved parking space), bringing in donuts and coffee, and safe driver awards (based on DriveCam reviews). Safety meetings often include small prizes for quizzes and other activities, such as safety pep rallies. It is difficult to do events because there is always someone on duty, so most big activities occur on Sundays. Outside of the pandemic, turnover is typically pretty low. Within the last year, First Transit lost about five employees, though some years they lose none. Last year, two drivers left due to other opportunities while the others were terminated.

There is a full-time on-site Safety Manager that conducts safety meetings and daily safety messaging over the radio. First Transit holds seven safety meetings every month, and the Safety Solutions team meets once a month. Drive Cams on the buses are used to coach drivers – both to correct and offer positive reinforcement. Safety personnel may also coach any members of the public on the property regarding observed unsafe practices (such as the yard speed limit). Safety is the prime goal. First Transit also has a mechanism for drivers to report unsafe conditions, near misses, or potential hazards, which can then be discussed at safety meetings or as a catalyst for preventive actions.

The training team includes four trainers and the training course meets state requirements. It can take recruits through the entire training and licensing process using a TSI trainer. The only thing not provided is DMV testing. First Transit has DMV testers in San Diego and Pasadena if there is too long a wait with the local DMV.

Maintenance

First Transit's preventive maintenance program for all IVT services conforms with manufacturer specifications. The software program tracks the preventive maintenance schedule to ensure inspections are completed at the required time. At present, maintenance does not conflict with regular vehicle use as the reduced demand has resulted in extra spare vehicles. Warranty work is tracked, though none of the buses are currently under warranty.

The current maintenance facility includes three bays and two sets of lifts. However, the big buses cannot be lifted all the way or they will hit the roof. First Transit performs all maintenance work in-house except for body work and windows. In recent years, delays in getting some parts has led the ICTC to recommend sending out some work to local vendors that would typically be done in-house in order to speed up the process.

Access to the parts room is restricted to the Maintenance Manager and mechanics. All parts are tagged and tracked by work order. The work orders are reviewed by the Maintenance Manager and tracked in the maintenance software. First Transit maintains a sufficient inventory of commonly used parts. It had some challenges in getting Plexiglas for driver shields, but that has improved.

Maintenance is notified promptly of vehicle breakdowns. Lock out/tag out procedures are used to keep unsafe vehicles and shop equipment from being used. A board in the dispatch office lists the out-of-service vehicles as well as the reason they are out of service. The board is updated when a vehicle is back in service.

The ICTC owns all transit vehicles. A fleet replacement plan is in place, and the ICTC is actively working on replacements as vehicles exceed their useful life. The 2016 cutaways are expected to begin being replaced by the end of 2023.

Exhibit 7.4 IVT Ride's Transit Fleet

Quantity	Year	Make & Model	Fuel
9	2015	Ford LF Transport Champion	Gas
5	2016	Ford LF Transport Champion	Gas
1	2016	Ford Starcraft	Gas
1	2017	Dodge Caravan	Gas
1	2018	Ford Transit	Gas

Chapter 8 | Findings and Recommendations

Conclusions

With one exception, Moore & Associates, Inc. finds IVT Ride to be in compliance with the requirements of the Transportation Development Act. In addition, the entity generally functions in an efficient, effective, and economical manner.

Findings

Based on discussions with IVT Ride staff, analysis of program performance, and an audit of program compliance and function, the audit team presents one compliance finding:

1. State Controller Reports were submitted after the stipulated deadline in FY 2020/21 and FY 2021/22.

The audit team identified three functional findings. While these findings are not compliance findings, the audit team believes they warrant inclusion in this report:

1. The TDA fiscal audit does not show how the farebox recovery ratio is calculated, only provides the actual ratio against the required ratio.
2. IVT Ride is not on track to be in compliance with the farebox recovery requirement when the penalty waiver ends after FY 2022/23.
3. The IVT Ride service information available online is outdated and does not include the Heber service.

Program Recommendations

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

Compliance Finding 1: State Controller Reports were submitted after the stipulated deadline in FY 2020/21 and FY 2021/22.

Criteria: Public Utilities Code Section 99243 requires transit operators in receipt of TDA funds to submit annual reports to the State Controller within 90 days following the end of the fiscal year (110 days if filing electronically). Beginning FY 2016/17, this submittal deadline was amended to January 31 following the end of the fiscal year. Beginning with the online reporting for FY 2017/18, the cover sheet is timestamped with the submittal date and time upon its generation. This makes it easier to determine when the report was actually submitted.

Condition: Submittal of the State Controller Report is the responsibility of the ICTC. In FY 2019/20, the report was submitted on February 1, 2021, which was the deadline that year due to January 31 falling on a Sunday. In FY 2020/21, the report was submitted on February 22, 2022, approximately three weeks following the deadline. In FY 2021/22 the timeliness had improved, though the report was still submitted on February 14, 2023, two weeks after the deadline.

Cause: Several challenges can result in reports being submitted late, including the unavailability of final data and lack of awareness regarding submittal deadlines.

Effect: Late submittals can place an operator out of compliance with the TDA.

Recommendation: Ensure State Controller Reports are submitted in a timely manner.

Recommended Action: The ICTC should take whatever actions are necessary to ensure an on-time submittal of the State Controller Reports. This may require working with other entities to adjust other submittal deadlines to ensure audited data is available.

Timeline: Ongoing.

Anticipated Cost: Negligible.

Functional Finding 1: The TDA fiscal audit does not show how the farebox recovery ratio is calculated, only provides the actual ratio against the required ratio.

Criteria: PUC 99245 requires the completion of an annual fiscal audit by recipients of funds under the TDA. These audits typically include an assessment of compliance with the farebox recovery ratio.

Condition: The ICTC's audit includes a comparison of the actual farebox recovery ratio for each IVT transit program to the required ratio for that program. It does not, however, include detail about how that ratio was calculated. In the FY 2020/21 and FY 2021/22 audits, the exact same ratios were provided for each program, but because there were no calculations provided, it was impossible to determine whether this was an error or if they actually were the same. This did not affect compliance, as penalties for non-compliance with the farebox recovery ratio in those years were waived under AB 149. Once those waivers expire, it will be important to document how farebox recovery ratio is calculated within the audit.

Cause: The TDA requires compliance to be confirmed, but does not indicate the level of detail to be included.

Effect: As a result, full information is not included, so there is no way to confirm the accuracy of the farebox recovery ratio calculation in the audit.

Recommendation: Include a detailed breakdown of the farebox recovery ratio calculation in future TDA fiscal audits.

Recommended Action: Working with its auditors, the ICTC should include a breakdown of the farebox recovery ratio calculation for each service in the audit. At a minimum, the calculation should include the

revenues being counted as fare revenues and local supplementation as well as the operating cost, exclusive of depreciation. Ideally, it would be presented as follows:

Fares	\$30,000
<u>Local subsidies</u>	<u>\$10,000</u>
Total fare revenues	\$40,000
Operating expenses	\$450,000
<u>Less: depreciation</u>	<u>(\$500,000)</u>
Net operating expenses	\$400,000
Fare ratio	10.00%
Required ratio	10.00%

Timeline: FY 2022/23.

Anticipated Cost: None.

Functional Finding 2: IVT Ride is not on track to be in compliance with the farebox recovery requirement when the penalty waiver ends after FY 2022/23.

Criteria: PUC 99268 requires operators to maintain a minimum farebox recovery ratio in order to receive their full allocation of TDA funding. Fare revenues can be supplemented by locally generated funds if fare revenues are not sufficient to meet the stipulated requirement.

Condition: During the audit period, IVT Access was not considered out of compliance with the farebox recovery ratio requirement due to the penalty waivers in AB 90 and AB 149. However, with a farebox recovery ratio well below 10 percent in each year, it does not appear well positioned to be able to achieve a ratio of 10 percent by FY 2023/24. Even prior to the pandemic, fares were not sufficient to meet the 10 percent requirement. This is a long-standing concern for IVT Ride.

Cause: Fare revenues are insufficient to meet the 10 percent threshold, and the farebox recovery ratio is even lower with the reduced demand.

Effect: IVT Ride's farebox recovery ratio continues to be less than 10 percent.

Recommendation: Identify strategies that will enable IVT Ride to meet the 10 percent farebox recovery ratio requirement.

Recommended Action: The ICTC acknowledges that the IVT Ride format is not working with respect to farebox recovery ratio and is open to reimagining the program. Despite the reduced demand resulting from the COVID-19 pandemic, there remains a definite need for IVT Ride's services. One potential option may be to incorporate some of these services into a micro-transit program similar to the one launched as a demonstration project in Calexico. Absent a successful restructuring, additional funding will be needed to supplement fare revenue.

Timeline: FY 2023/24.

Anticipated Cost: Varies depending upon strategy.

Functional Finding 3: The IVT Ride service information available online is outdated and does not include the Heber service.

Criteria: Effective provision of service informational materials is a key component of the functional area Marketing and Public Information identified by Caltrans in its *Performance Audit Guidebook*.

Condition: At the time of this report, the IVT Ride website included out-of-date information. The audit team was unable to locate service days, times, and fares for each of the IVT Ride services, and there was no information about the grant-funded Heber service.

Cause: The website may not have been updated due to the Heber service being a demonstration project, or because recent changes due to the COVID-19 pandemic were temporary.

Effect: Accurate information about IVT Ride is difficult to find.

Recommendation: Update IVT Ride service information to reflect the current service and provide essential service information.

Recommended Action: Update IVT Ride service information online and throughout the community to reflect the current operating schedules for the IVT Ride services. It should include days and times of service and fare information that are easy to find, as well as the information currently available on how to schedule a ride. Any changes to the published service information – such as changes in service times or the senior fare subsidy through the Area Agency on Aging – should also be clearly identified.

Timeline: As soon as possible.

Anticipated Cost: Variable depending on what actions are taken.

Exhibit 8.1 Audit Recommendations

TDA Compliance Recommendations		Importance	Timeline
1	Ensure State Controller Reports are submitted in a timely manner.	Medium	Ongoing
Functional Recommendations		Importance	Timeline
1	Include a detailed breakdown of the farebox recovery ratio calculation in future TDA fiscal audits.	Medium	FY 2022/23
2	Identify strategies that will enable IVT Ride to meet the 10 percent farebox recovery ratio requirement.	High	FY 2023/24
3	Update IVT Ride service information to reflect the current service and provide essential service information.	High	ASAP



Imperial County Transportation Commission (ICTC)
Transportation Development Act (TDA)
Triennial Performance Audit, FY 2019/20 - FY 2021/22
of IVT - MedTrans

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Chapter 1 | Executive Summary

In late 2022, the Imperial County Transportation Commission (ICTC) selected Moore & Associates, Inc., to prepare Triennial Performance Audits of itself as the RTPA and the five transit operators to which it allocates State of California Transportation Development Act funding.

The California Public Utilities Code requires all recipients of Transit Development Act (TDA) Article 4 funding to undergo an independent performance audit on a three-year cycle in order to maintain funding eligibility. While not required, audits of Article 8 funding recipients are encouraged.

As it receives no funding under Article 4, IVT MedTrans is not statutorily required to undergo a Triennial Performance Audit, nor has it traditionally been held to the requirements of the TDA. However, the ICTC, as the RTPA, requested IVT MedTrans be audited to provide a comprehensive and objective review to offer beneficial insights into program performance.

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

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

- Fiscal Year 2019/20,
- Fiscal Year 2020/21, and
- Fiscal Year 2021/22.

IVT MedTrans provides non-emergency medical transportation (NEMT) service four days per week to medical facilities in San Diego. Service is provided Monday through Thursday and Tuesday through Friday on alternating weeks. Scheduling priority is given to Category A riders, which include children with severe disabilities; individuals who use wheelchairs/mobility devices and do not have an adaptive vehicle; persons with chronic conditions or impairments that are not able to drive; low-income persons without access to a personal vehicle; and persons with chronic or debilitating diseases. Service is provided to other riders on a space-available basis.

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

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

The Triennial Performance Audit includes five elements:

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

Test of Compliance

Based on discussions with IVT MedTrans staff, analysis of program performance, and an audit of program compliance and function, the audit team presents one compliance finding:

1. State Controller Reports were submitted after the stipulated deadline in FY 2020/21 and FY 2021/22.

Status of Prior Recommendations

The prior audit – completed in May 2020 by Moore & Associates, Inc. for the three fiscal years ending June 30, 2019 – included four recommendations:

1. [Ensure State Controller Reports are submitted in a timely manner.](#)
Status: Not implemented.
2. [Ensure TDA fiscal audits of all IVT operations are completed no later than 270 days following the end of the fiscal year.](#)
Status: Implemented.
3. [Identify marketing strategies to grow ridership and/or identify supplemental local revenues that will bring the farebox recovery ratio up to at least 10 percent.](#)
Status: Not implemented.
4. [Conduct a survey of IVT MedTrans customers, either as a stand-alone survey or as part of a larger, system-wide survey effort.](#)
Status: Partially implemented.

Findings and Recommendations

Based on discussions with IVT MedTrans staff, analysis of program performance, and an audit of program compliance and function, the audit team presents one compliance finding:

1. State Controller Reports were submitted after the stipulated deadline in FY 2020/21 and FY 2021/22.

The audit team identified two functional findings. While these findings are not compliance findings, the audit team believes they warrant inclusion in this report:

1. The TDA fiscal audit does not show how the farebox recovery ratio is calculated, only provides the actual ratio against the required ratio.
2. IVT MedTrans is not on track to be in compliance with the farebox recovery requirement when the penalty waiver ends after FY 2022/23.

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

Exhibit 1.1 Summary of Audit Recommendations

TDA Compliance Recommendations		Importance	Timeline
1	Ensure State Controller Reports are submitted in a timely manner.	Medium	Ongoing
Functional Recommendations		Importance	Timeline
1	Include a detailed breakdown of the farebox recovery ratio calculation in future TDA fiscal audits.	Medium	FY 2022/23
2	Identify strategies that will enable IVT MedTrans to meet the 10 percent farebox recovery ratio requirement.	High	FY 2023/24

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Chapter 2 | Audit Scope and Methodology

The Triennial Performance Audit (TPA) of IVT MedTrans' public transit program covers the three-year period ending June 30, 2022. The California Public Utilities Code requires all recipients of Transit Development Act (TDA) funding to complete an independent review on a three-year cycle in order to maintain funding eligibility.

In late 2022, the Imperial County Transportation Commission (ICTC) selected Moore & Associates, Inc., to prepare Triennial Performance Audits of itself as the RTPA and the five transit operators to which it allocates State of California TDA funding. Moore & Associates, Inc. is a consulting firm specializing in public transportation, including audits of non-TDA Article 4 recipients. Selection of Moore & Associates, Inc. followed a competitive procurement process.

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

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

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

Objectives

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

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

Scope

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

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

Methodology

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

- Monthly performance reports;
- State Controller Reports;
- Annual budgets;
- TDA fiscal audits;
- Transit marketing collateral;
- TDA claims;
- Fleet inventory;
- Preventive maintenance schedules and forms;
- California Highway Patrol Terminal Inspection reports;
- Accident/road call logs; and
- Organizational chart.

Given impacts of the ongoing COVID-19 pandemic, the methodology for this audit included a virtual site visit with IVT representatives on February 27, 2023. The audit team met with Cesar Sanchez (General Manager, First Transit), Jose Guillen (Operations Manager, First Transit), Mike Cortez (Safety and Training Manager, First Transit), and Rogelio Hernandez (Maintenance Manager, First Transit), and reviewed materials germane to the triennial audit.

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

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

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Chapter 3 | Program Compliance

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

IVT MedTrans does not use any TDA Article 4 funding for transit and is not statutorily required to be audited, nor has it traditionally been held to the requirements of the TDA. However, the ICTC, as the RTPA, requested IVT MedTrans be audited to support a comprehensive and objective review to provide beneficial insights into program performance.

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

One compliance issue was identified for IVT MedTrans:

1. State Controller Reports were submitted after the stipulated deadline in FY 2020/21 and FY 2021/22.

Developments Occurring During the Audit Period

The FY 2019/20 – FY 2021/22 audit period was significantly different than prior audit periods. The impacts of the COVID-19 pandemic resulted in significant declines in ridership and revenue, while changes to the TDA provided compliance waivers and amended existing legislation. In many instances, transit operators strove to retain operations staff despite adopting a reduced schedule, resulting in significant changes to many cost-related performance metrics. While infusions of funding through the CARES Act mitigated some of the lost revenues for federally funded programs, many transit operators have yet to return to pre-pandemic ridership and fare levels. As a result, this Triennial Performance Audit will provide an assessment not only of how the COVID-19 pandemic impacted the organization, but how it responded to the crisis.

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

Assembly Bill 90, signed into law on June 29, 2020, provides temporary regulatory relief for transit operators required to conform with Transportation Development Act (TDA) farebox recovery ratio

thresholds in FY 2019/20 and FY 2020/21. Assembly Bill 149, signed into law on July 16, 2021, provides additional regulatory relief by extending the provisions of AB 90 through FY 2022/23 and adjusting definitions of eligible revenues and operating costs. While the ability to maintain state mandates and performance measures is important, these measures enable transit operators to adjust to the impacts of COVID while continuing to receive their full allocations of funding under the TDA.

Together, these two pieces of legislation include the following provisions specific to transit operator TDA funding under Article 4 and Article 8:

1. Prohibits the imposition of the TDA revenue penalty on an operator that did not maintain the required ratio of fare revenues to operating cost from FY 2019/20 through FY 2022/23.
2. Waives the annual productivity improvement requirement of Section 99244 through FY 2022/23.
3. Adds a temporary provision exempting operators from farebox recovery ratio requirements through FY 2024/25 provided they expend at least the same amount of local funds as in FY 2018/19.
4. Expands the definition of “local funds” to enable the use of federal funding, such as the CARES Act or CRRSAA, to supplement fare revenues and allows operators to calculate free and reduced fares at their actual value.
5. Adjusts the definition of operating cost to exclude the cost of ADA paratransit services, demand-response and micro-transit services designed to extend access to service, ticketing/payment systems, security, some pension costs, and some planning costs.
6. Requires the Controller to calculate and publish the allocation of transit operator revenue-based funds made pursuant to the State Transit Assistance (STA) Program for FY 2020/21 and FY 2021/22.
7. Allows operators to use STA funds as needed to keep transit service levels from being reduced or eliminated through FY 2022/23.

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

Exhibit 3.1 Transit Development Act Compliance Requirements

Compliance Element	Reference	Compliance	Comments
State Controller Reports submitted on time.	PUC 99243	Finding	FY 2019/20: February 1, 2021 FY 2020/21: February 22, 2022 FY 2021/22: February 14, 2023
Fiscal and compliance audits submitted within 180 days following the end of the fiscal year (or with up to 90-day extension).	PUC 99245	In compliance	FY 2019/20: December 30, 2020 FY 2020/21: March 23, 2022 FY 2021/22: March 22, 2023
Operator's terminal rated as satisfactory by CHP within the 13 months prior to each TDA claim.	PUC 99251 B	In compliance	October 9, 2018 October 2, 2019 September 29, 2020 August 18, 2021 July 26, 2022
Operator's claim for TDA funds submitted in compliance with rules and regulations adopted by the RTPA.	PUC 99261	In compliance	
If operator serves urbanized and non-urbanized areas, it has maintained a ratio of fare revenues to operating costs at least equal to the ratio determined by the rules and regulations adopted by the RTPA.	PUC 99270.1	Not applicable	
Except as otherwise provided, the allocation for any purpose specified under Article 8 may in no year exceed 50% of the amount required to meet the total planning expenditures for that purpose.	PUC 99405	In compliance	
An operator receiving allocations under Article 8(c) may be subject to regional, countywide, or subarea performance criteria, local match requirements, or fare recovery ratios adopted by resolution of the RTPA.	PUC 99405	In compliance	While the operator receives Article 8(c) funds, it is not subject to alternative performance criteria.
The operator's operating budget has not increased by more than 15% over the preceding year, nor is there a substantial increase or decrease in the scope of operations or capital budget provisions for major new fixed facilities unless the operator has reasonably supported and substantiated the change(s).	PUC 99266	In compliance	FY 2019/20: +0.69% FY 2020/21: +6.06% FY 2021/22: +4.72% <i>Source: TDA claims, FY 2020 – FY 2022</i>
The operator's definitions of performance measures are consistent with the Public Utilities Code Section 99247.	PUC 99247	In compliance	
If the operator serves an urbanized area, it has maintained a ratio of fare revenues to operating cost at least equal to one-fifth (20 percent).	PUC 99268.2, 99268.4, 99268.1	Not applicable	

Compliance Element	Reference	Compliance	Comments
If the operator serves a rural area, it has maintained a ratio of fare revenues to operating cost at least equal to one-tenth (10 percent).	PUC 99268.2, 99268.4, 99268.5	Not applicable	
For a claimant that provides only services to elderly and handicapped persons, the ratio of fare revenues to operating cost shall be at least 10 percent.	PUC 99268.5, CCR 6633.5	In compliance	FY 2019/20: 7.20% (waived) FY 2020/21: 3.03% (waived) FY 2021/22: 3.03% (waived) <i>MedTrans has a farebox recovery ratio requirement of 10 percent. Penalties were waived for all years due to AB 90 and AB 149.</i>
The current cost of the operator's retirement system is fully funded with respect to the officers and employees of its public transportation system, or the operator is implementing a plan approved by the RTPA, which will fully fund the retirement system for 40 years.	PUC 99271	In compliance	ICTC contracts with a private provider for operations, while ICTC employees are covered under the Imperial County Employees' Retirement System (ICERS) pursuant to the County Employees Retirement Law of 1937.
If the operator receives State Transit Assistance funds, the operator makes full use of funds available to it under the Urban Mass Transportation Act of 1964 before TDA claims are granted.	CCR 6754 (a) (3)	Not applicable	MedTrans does not utilize federal formula funds.
In order to use State Transit Assistance funds for operating assistance, the operator's total operating cost per revenue hour does not exceed the sum of the preceding year's total plus an amount equal to the product of the percentage change in the CPI for the same period multiplied by the preceding year's total operating cost per revenue hour. An operator may qualify based on the preceding year's operating cost per revenue hour or the average of the three prior years. If an operator does not meet these qualifying tests, the operator may only use STA funds for operating purposes according to a sliding scale.	PUC 99314.6	In compliance	

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

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Chapter 4 | Prior Recommendations

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

The prior audit – completed in May 2020 by Moore & Associates, Inc. for the three fiscal years ending June 30, 2019 – included three recommendations:

1. **Ensure State Controller Reports are submitted in a timely manner.**

Discussion: Submittal of the State Controller Report is the responsibility of the ICTC. In FY 2016/17, the report was submitted on March 16, 2018, approximately six weeks following the deadline. In FY 2017/18, the report was submitted on March 27, 2019, approximately eight weeks following the deadline. In FY 2018/19, the timeliness had improved, though the report was still submitted on February 14, 2020, two weeks after the deadline. The prior auditor recommended the ICTC take whatever actions were necessary to ensure an on-time submittal of the State Controller Reports. This could require working with other entities to adjust other submittal deadlines to ensure audited data is available.

Progress: While the FY 2019/20 report was submitted on time, subsequent reports have been submitted late. The FY 2020/21 report was submitted on February 22, 2022, approximately three weeks late, while the FY 2021/22 report was submitted on February 14, 2023, approximately two weeks late.

Status: Not implemented.

2. **Ensure TDA fiscal audits of all IVT operations are completed no later than 270 days following the end of the fiscal year.**

Discussion: The ICTC includes all TDA funds (RTPA and operator) in a combined fiscal audit. The ICTC's FY 2017/18 TDA fiscal audit was submitted in July 2019, approximately three months after the allowable 90-day extension. At the time of preparation of the prior audit, completion of the FY 2018/19 TDA fiscal audit was still pending. The prior auditor recommended ICTC work with its TDA fiscal auditor to ensure the operator audits for which it is responsible (IVT, IVT Ride, IVT Access, and IVT MedTrans) are completed no later than 270 days following the end of the fiscal year.

Progress: This appears to have been resolved. All audits were submitted on time.

Status: Implemented.

3. Identify marketing strategies to grow ridership and/or identify supplemental local revenues that will bring the farebox recovery ratio up to at least 10 percent.

Discussion: In FY 2016/17 and FY 2017/18, IVT MedTrans was required to meet a farebox recovery ratio threshold of 15 percent. However, actual farebox recovery ratios achieved were 7.74 percent and 8.79 percent, respectively. In FY 2018/19, the farebox recovery ratio threshold was reduced to 10 percent. While IVT MedTrans was much closer to meeting the standard (due in part to a fare increase) with a farebox recovery ratio of 9.49 percent, it still fell short.

This recommendation also carries over from the prior audit, which recommended IVT MedTrans review opportunities for increasing local revenue to boost farebox recovery.

Since a fare increase had already been undertaken, the prior auditor noted two options remained: to decrease operating cost or increase farebox revenues. Given the modest increase in operating cost during the prior audit period, it was deemed unlikely IVT MedTrans would be able to reduce its costs significantly enough to substantially increase the farebox recovery ratio. Therefore, it the auditor noted it was vital the ICTC and IVT MedTrans increase fare revenues by increasing ridership and/or identifying local revenue sources that could be used to supplement the farebox recovery ratio.

Progress: While the underlying issue still remains, marketing strategies could not be effectively implemented due to the COVID-19 pandemic.

Status: Not implemented.

4. Conduct a survey of IVT MedTrans customers, either as a stand-alone survey or as part of a larger, system-wide survey effort.

Discussion: The prior audit recommended a survey of IVT MedTrans riders be conducted to ensure the service is providing access to the San Diego healthcare facilities patronized by Imperial Valley residents. No customer surveys were conducted during the current audit period.

While a stand-alone survey of IVT MedTrans customers is valuable, also including questions about IVT MedTrans as part of a system-wide survey would be more valuable, as it would provide those who do not currently use IVT MedTrans with an opportunity to comment on schedules and service destinations. A stand-alone survey could utilize a driver-distributed paper instrument or an online survey, while a system-wide survey would require a more robust effort.

Progress: While not specific to MedTrans, the annual Unmet Transit Needs survey does provide an opportunity for riders to provide feedback regarding MedTrans. The biggest issue is that people do not realize the service is available. Informal feedback from riders indicates a high degree of satisfaction.

Status: Partially implemented.

Chapter 5 | Data Reporting Analysis

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

IVT MedTrans is not reported separately on any external reports. Therefore, no data comparison can be provided.

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Chapter 6 | Performance Analysis

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

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

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

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

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

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

Operating Cost

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

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

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

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

Vehicle Service Hours and Miles

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

Passenger Counts

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

Employees

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

Fare Revenue

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

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

TDA Required Indicators

To calculate the TDA indicators for IVT MedTrans, the following sources were employed:

- Operating Cost was not independently calculated as part of this audit. Operating Cost data were obtained via monthly operator summaries for each fiscal year covered by this audit and appeared to be consistent with TDA guidelines. In accordance with PUC Section 99247(a), the reported costs excluded depreciation and other allowable expenses.
- Fare Revenue was not independently calculated as part of this audit. Fare revenue data were obtained via monthly operator summaries for each fiscal year covered by this audit. This appears to be consistent with TDA guidelines as well as the uniform system of accounts.
- Vehicle Service Hours (VSH) data were obtained via monthly operator summaries for each fiscal year covered by this audit. The calculation methodology is consistent with PUC guidelines.
- Vehicle Service Miles (VSM) data were obtained via monthly operator summaries for each fiscal year covered by this audit. The calculation methodology is consistent with PUC guidelines.
- Unlinked trip data were obtained via monthly operator summaries for each fiscal year covered by this audit. The calculation methodology is consistent with PUC guidelines.
- Full-Time Equivalent (FTE) data were obtained from monthly operator summaries for each fiscal year covered by this review. Use of the TDA definition regarding FTE calculation was confirmed.

System Performance Trends

System-wide, operating cost experienced a net 15.4 percent decrease during the audit period, and a 27.3 percent net decrease across the last six years. Fare revenue significantly decreased during the six-year period, with most of the decline (65.2 percent) occurring in FY 2020/21 due to COVID. This resulted in a net 55.8 percent decrease during the audit period.

Vehicle service hours (VSH) declined every year with the exception of FY 2021/22. The 51 percent decrease in FY 2020/21 is due to the reduction in the number of trips per day. This resulted in a net 41 percent decrease during the audit period and a net 51.8 percent decrease during the six-year period. Vehicle service miles (VSM) experienced the same pattern. This resulted in an overall net decrease of 38.4 percent during the audit period and 50.3 percent over the six-year period. Ridership experienced the same pattern as VSH and VSM, though the most significant declines did not occur until FY 2019/20 and FY 2020/21 in response to the COVID-19 pandemic. This led to a 67.3 percent net decrease during the audit period and a 78 percent net decrease across the six-year period.

Cost-related metrics typically provide an indicator of a system's efficiency, while passenger-related metrics offer insight into its productivity. Improvements are characterized by increases in passenger-related metrics and decreases in cost-related metrics. Despite decreases in operating cost during the audit period, cost-related metrics increased due to corresponding decreases in other performance measures. Operating cost per passenger was impacted the most, given the 67.3 percent decrease in ridership during the audit period. Passenger-related metrics fell during the audit period, with passengers per VSH decreasing by 44.6 percent and passengers per VSM decreasing by 47 percent.

Exhibit 6.1 System Performance Indicators

Performance Measure	IVT MedTrans					
	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22
Operating Cost (Actual \$)	\$498,289	\$466,485	\$469,314	\$428,288	\$324,116	\$362,505
Annual Change		-6.4%	0.6%	-8.7%	-24.3%	11.8%
Fare Revenue (Actual \$)	\$38,590	\$41,001	\$44,554	\$29,618	\$10,298	\$13,089
Annual Change		6.2%	8.7%	-33.5%	-65.2%	27.1%
Vehicle Service Hours (VSH)	3,482	3,446	3,353	2,847	1,395	1,679
Annual Change		-1.0%	-2.7%	-15.1%	-51.0%	20.3%
Vehicle Service Miles (VSM)	115,680	112,633	111,598	93,241	47,226	57,468
Annual Change		-2.6%	-0.9%	-16.4%	-49.4%	21.7%
Passengers	6,069	5,460	5,232	4,080	1,046	1,333
Annual Change		-10.0%	-4.2%	-22.0%	-74.4%	27.4%
Employees	8	8	8	7	5	5
Annual Change		0.0%	0.0%	-12.5%	-28.6%	0.0%
Performance Indicators						
Operating Cost/VSH (Actual \$)	\$143.10	\$135.37	\$139.97	\$150.46	\$232.29	\$215.94
Annual Change		-5.4%	3.4%	7.5%	54.4%	-7.0%
Operating Cost/Passenger (Actual \$)	\$82.10	\$85.44	\$89.70	\$104.97	\$309.86	\$271.95
Annual Change		4.1%	5.0%	17.0%	195.2%	-12.2%
Passengers/VSH	1.74	1.58	1.56	1.43	0.75	0.79
Annual Change		-9.1%	-1.5%	-8.1%	-47.7%	5.9%
Passengers/VSM	0.05	0.05	0.05	0.04	0.02	0.02
Annual Change		-7.6%	-3.3%	-6.7%	-49.4%	4.7%
Farebox Recovery	7.7%	8.8%	9.5%	6.9%	3.2%	3.6%
Annual Change		13.5%	8.0%	-27.2%	-54.1%	13.6%
Hours/Employee	435.3	430.8	419.1	406.7	279.1	335.7
Annual Change		-1.0%	-2.7%	-3.0%	-31.4%	20.3%
TDA Non-Required Indicators						
Operating Cost/VSM	\$4.31	\$4.14	\$4.21	\$4.59	\$6.86	\$6.31
Annual Change		-3.9%	1.5%	9.2%	49.4%	-8.1%
VSM/VSH	33.22	32.69	33.28	32.76	33.85	34.23
Annual Change		-1.6%	1.8%	-1.6%	3.3%	1.1%
Fare/Passenger	\$6.36	\$7.51	\$8.52	\$7.26	\$9.84	\$9.82
Annual Change		18.1%	13.4%	-14.8%	35.6%	-0.3%

Sources: FY 2016/17 – FY 2018/19 data from prior Triennial Performance Audit.

FY 2019/20 – FY 2021/22 data from operator monthly summaries. FY 2019/20 – FY 2021/22 FTE data from operator monthly summaries does not include ICTC staff time.

Exhibit 6.2 System Ridership

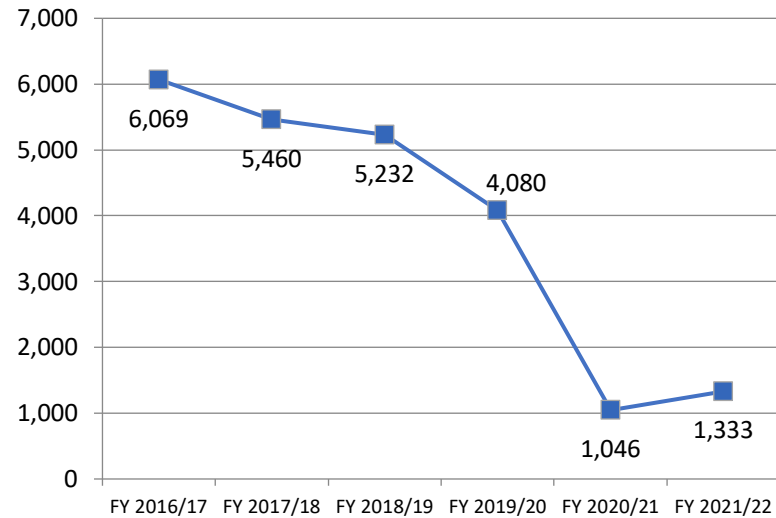


Exhibit 6.3 System Operating Cost/VSH

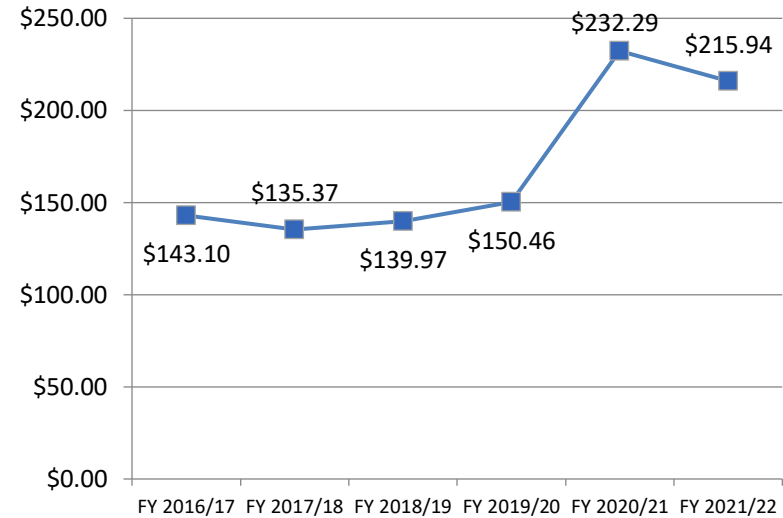


Exhibit 6.4 System Operating Cost/VSM

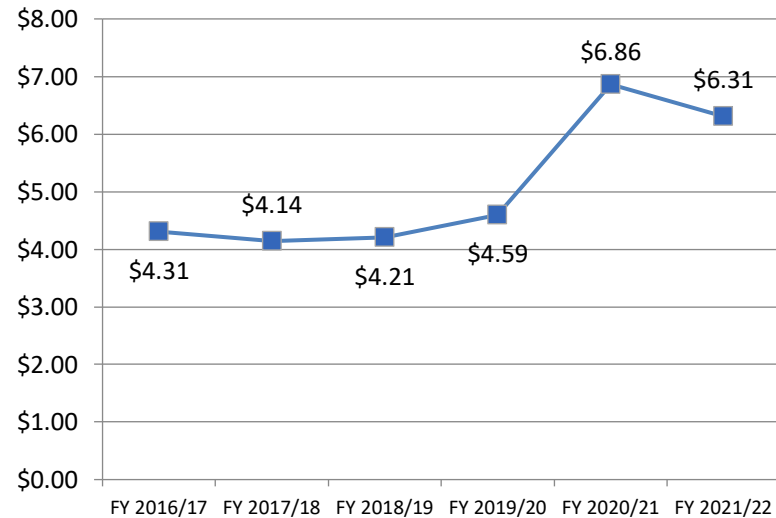


Exhibit 6.5 System VSM/VSH

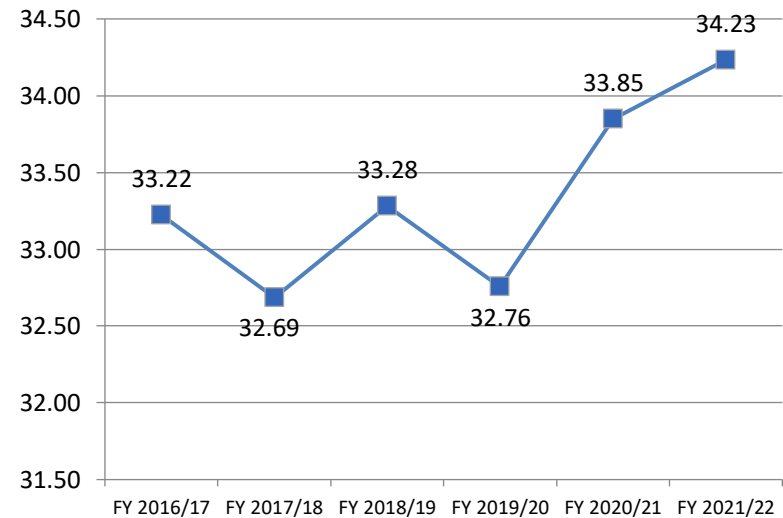


Exhibit 6.6 System Operating Cost/Passenger

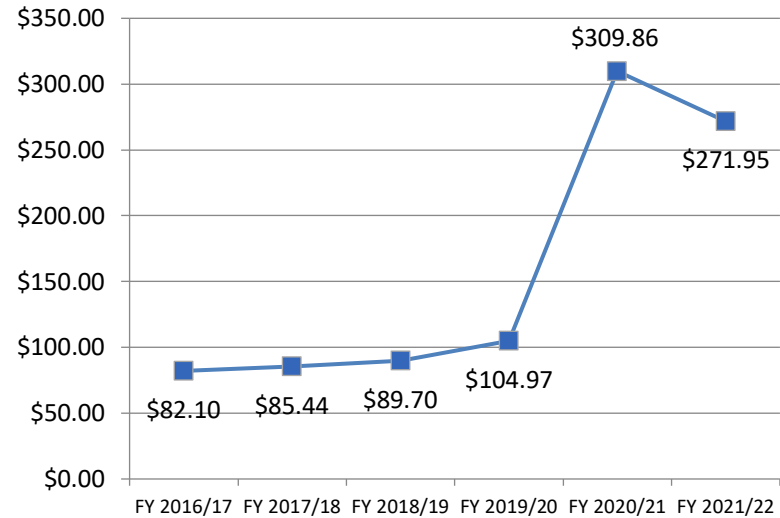


Exhibit 6.7 System Passengers/VSH

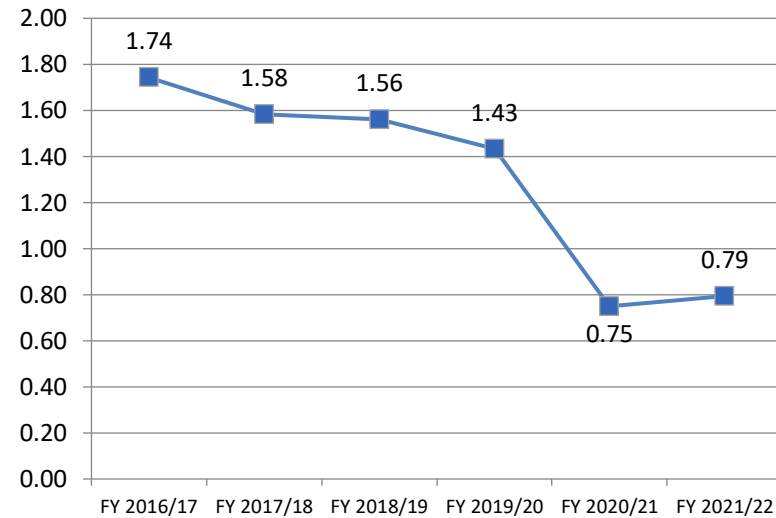


Exhibit 6.8 System Passengers/VSM

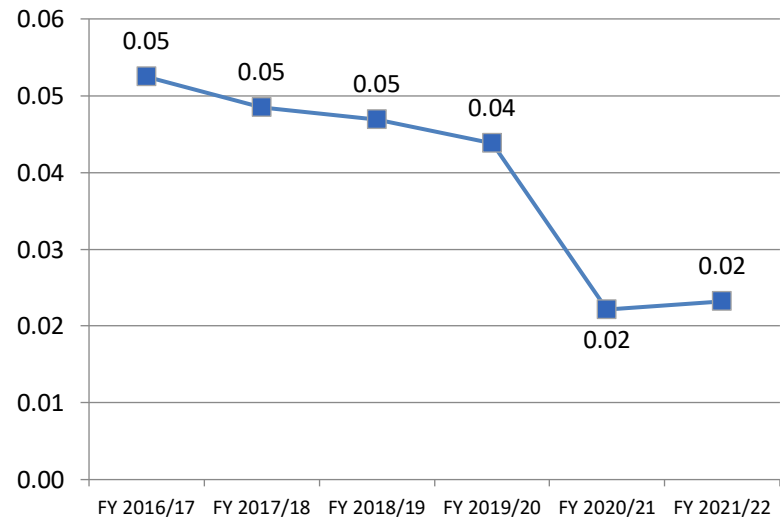


Exhibit 6.9 System VSH/FTE

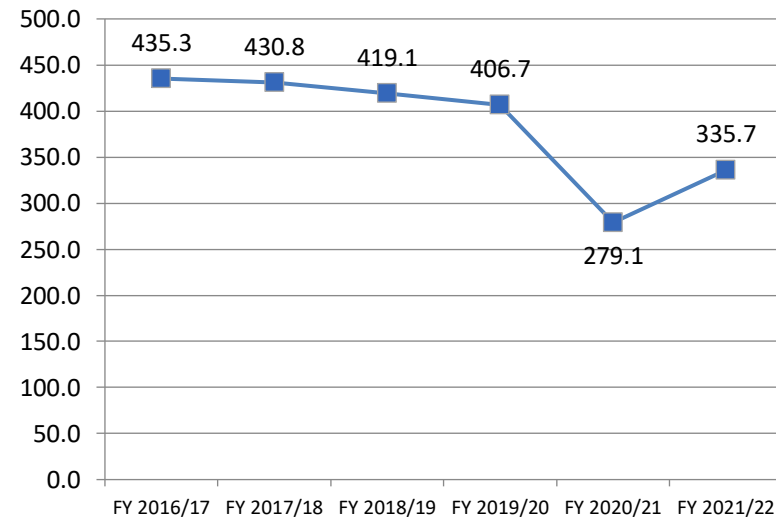


Exhibit 6.10 System Farebox Recovery

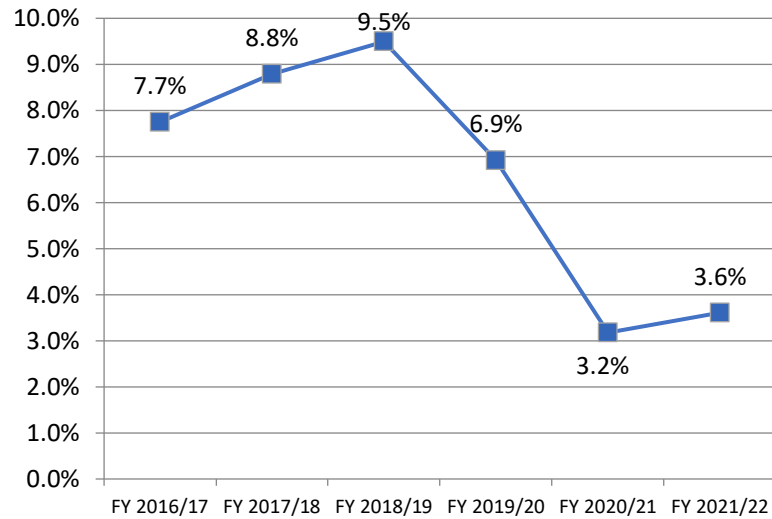
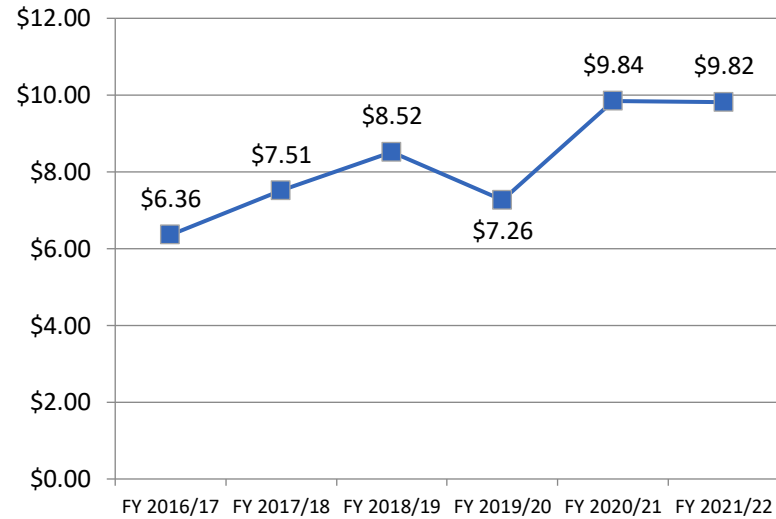


Exhibit 6.11 System Fare/Passenger



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Chapter 7 | Functional Review

A functional review of IVT MedTrans' public transit program is intended to assess the effectiveness and efficiency of the operator. Following a general summary of IVT MedTrans' transit services, this chapter addresses seven functional areas. The list, taken from Section III of the *Performance Audit Guidebook* published by Caltrans, reflects those transit services provided by IVT MedTrans:

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

Service Overview

IVT MedTrans provides non-emergency medical transportation (NEMT) service four days per week to medical facilities in San Diego. Service is provided Monday through Thursday and Tuesday through Friday on alternating weeks. Scheduling priority is given to the following (Category A riders):

- Infants/toddlers and children (up to age 21) with severe disabilities or medical conditions;
- Individuals who use wheelchairs or other mobility equipment and do not have an adaptive personal vehicle;
- Low-income persons without access to a personal vehicle;
- Persons with chronic conditions who are no longer permitted to drive;
- Veterans with disabilities or chronic medical conditions;
- Adults with life-threatening chronic or debilitating diseases;
- Persons with mental/cognitive impairment that affects their ability to drive a vehicle; and
- Other transit-dependent individuals.

Service is provided to riders who do not meet one of the above criteria (Category B riders) on a space-available basis.

With its regular schedule, IVT MedTrans provides two round-trips per day. Buses depart from El Centro at approximately 7:00 a.m. and 10:00 a.m. Pick-up locations in the Imperial Valley are located in Brawley, Calexico, El Centro, and Imperial. Return trips from San Diego depart at approximately 3:30 p.m. and 6:00 p.m. There is a set service area/corridor, which extends throughout the San Diego metropolitan area along Interstate 8. The bus only stops at hospitals or medical clinics. IVT MedTrans drivers have a two-hour lunch break in San Diego.

IVT MedTrans fares are based on rider type. Fares must be paid 48 hours before the scheduled trip to confirm the reservation.

All fares are pre-paid; there are no fareboxes on the vehicles. In some cases, the hospital or clinic pays for the trip and/or provides vouchers. Vouchers are set up with agencies such as Rady Children’s Hospital, San Diego Medical Center, the Department of Disabilities, and Children’s Care Services.

Exhibit 7.1 MedTrans Fare Structure

Fare Category	One-Way	Round Trip
Category A rider	\$11.25	\$22.50
Attendant	\$5.25	\$10.50
Category B rider	\$22.50	\$45.00

Response to COVID-19 pandemic

Ridership declined significantly due to COVID-19. Prior to COVID, 300 to 400 passengers utilized the service every month and required the operation of two buses. That number declined to three to four passengers a day requiring only one bus. The number of trips per week were reduced due to lack of demand. IVT MedTrans also adjusted its payment process. Instead of requiring passengers to come into the office, a masked and gloved clerk would go out to the masked passenger’s vehicle to take the payment. Social distancing was implemented onboard the bus and driver partitions were installed. IVT MedTrans’ primary goal during the pandemic was to keep passengers safe by making certain cleaning/sanitizing and safety protocols are in place and being done correctly.

General Management and Organization

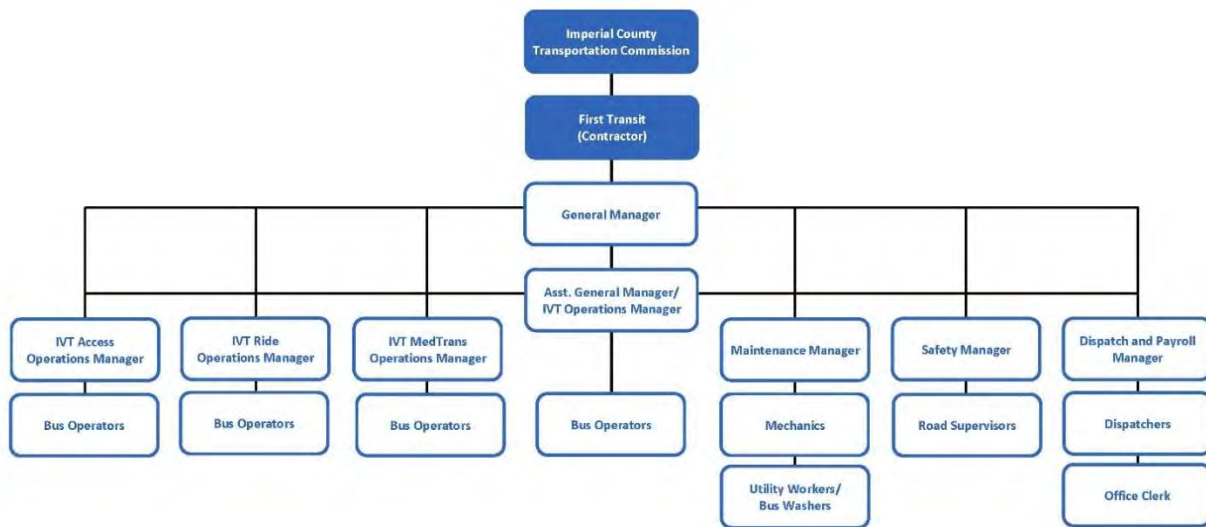
All Imperial Valley Transit operations (fixed-route and demand-response) are contracted to First Transit under four separate contracts. The current contracts extend through FY 2023/24. First Transit operates the IVT programs with a great deal of autonomy. An operations manager oversees each individual service, with the general manager overseeing the entire transit operation. Daily monitoring includes reviewing reports, spreadsheets, on-time performance, miles, revenue, and ridership. Managers regularly conduct road observations, time checks, and ride-alongs.

Contract management is provided by the Imperial County Transit Commission (ICTC). While there is daily communication with First Transit, a formal report is submitted with the monthly invoice. The ICTC also holds quarterly meetings with the contractor. The ICTC would benefit from additional staff for transit oversight and is in the process of backfilling several positions left vacant by recent staffing changes.

The Imperial Valley Transportation Commission is the governing body for Imperial Valley Transit. ICTC staff take transit information to the Board on an as-needed basis, such as when there are significant modifications or major projects. While the Board does not get very involved in the day-to-day operation of the transit program, there is a new Board member that has expressed a strong interest in how transit impacts the area they represent. Members of the Board ask questions during meetings, including about areas where ridership is low or where there is perceived demand.

First Transit’s Imperial Valley Transit organizational chart is illustrated in Exhibit 7.2.

Exhibit 7.2 Organizational Chart



Service Planning

All service planning is undertaken by the Imperial County Transportation Commission. The most recent Short Range Transit Plan for Imperial County was completed in January 2019. The next SRTP update is scheduled for 2024. First Transit staff noted the ICTC is diligent about seeking feedback from the contractor while considering any changes to the service.

The ICTC is currently in the process of conducting rider surveys as part of its Unmet Transit Needs process. Public participation activities are undertaken any time there are changes to service or when projects are rolled out. Recently, four public meetings were conducted as part of the ICTC's Long Range Transportation Plan with four additional meetings planned.

Administration

Budgeting for transit is a cooperative process. First Transit develops its budget based on its contract for each service with the ICTC. Each contract stipulates billing rates and revenue hour constraints. Once the ICTC has the contractor costs, staff review anticipated state and federal revenues and break down expenses, anticipated planning, contingencies, and vehicle needs for the year, then build the transit budget. The transit budget is incorporated into the agency budget for the year, which is approved by the ICTC Board.

The ICTC is responsible for applying for and managing all grants. In addition to the First Transit contracts, ICTC also manages a contract with Via for a demonstration micro-transit project. First Transit provides insurance and handles all claims. Imperial County provides legal services and internal auditing.

First Transit handles its own payroll through an outside service. Most vendor checks related to transit service are issued by First Transit. Other vendor checks are issued by the ICTC, depending on the purchase.

All procurement practices conform with FTA and state requirements. The ICTC made some updates to its procurement manual during its prior FTA Triennial Review, and will make additional updates should any issues be identified by the FTA during the current Triennial Review.

Marketing and Public Information

Marketing responsibilities are shared between the ICTC and First Transit. The ICTC maintains the transit websites and provides service brochures, while First Transit attends events and provides information. ICTC staff may also attend events, and the ICTC provides mobility training to seniors. The ICTC utilizes a consultant for its marketing. ICTC staff coordinate with the marketing consultant, while First Transit provides input as to what needs to be ordered. The ICTC's budget for marketing is separate from its operations contract.

Customer service calls are logged and a monthly report is provided to the ICTC. Fixed-route calls are not tracked by the type of call. Complaints received through the ICTC are forwarded to First Transit. Valid complaints are forwarded to the operations manager of the individual service for investigation, and can be escalated to the general manager if necessary. A form is completed by the dispatcher or customer service representative for all valid complaints. Simple issues that can be resolved by the dispatcher (such as an inquiry about a bus status) are not logged.

Public perception of IVT MedTrans is generally positive. Riders like the driver and are appreciative of the service.

Scheduling, Dispatch, and Operations

Drivers are shared among all IVT services. There are currently 41 full-time employees and nine part-time employees. While this is considered fully staffed, First Transit would like to hire one or two additional drivers, as it currently has no extras. Most part-time drivers have other jobs, so their availability may be limited.

Employees are represented by Teamsters Local 542, though there are different collective bargaining agreements (CBAs) for drivers, dispatchers, etc. Driver bids are seniority-based. Demand-response dispatchers bid on the specific service they want, but are trained on all services. This provides back-up coverage in case of illness or vacations.

All drivers start on the fixed-route service, then transition to paratransit. Everyone is cross-trained for the different routes and services. Vehicles are assigned based on service, as all services are separately branded. All available vehicles are posted on the board in the Dispatch office by maintenance each night, along with a list of out-of-service vehicles. Dispatch then makes assignments from the available vehicles.

There are two dispatchers who book and confirm the reservations. Given IVT MedTrans picks up from different locations in the Imperial Valley, the service would typically utilize two regular drivers (who make the trip to San Diego) and two "sweepers" which transport riders from Calexico, Brawley, and Imperial to Imperial Valley Mall, where they transfer to the bus to San Diego. However, with the reduced demand, fewer drivers and vehicles are needed.

Dispatchers call riders with a reminder a couple of days before the scheduled trip. They also remind riders about the border checkpoint and changes in climate, as well as to wear comfortable clothes. Buses are Wi-Fi equipped, and each bus stops for a restroom break in Buckman Springs.

Personnel Management and Training

As noted above, First Transit anticipates recruiting one to two more drivers to provide additional cover, though it is considered fully staffed. The corporate office handles recruitment, most of which is done online. The local team reviews applications and conducts interviews. Approximately 80 percent of applicants do not have a commercial driver's license. Among those that already have their Class B license, the majority are hired. First Transit offers full training and licensing, and finds that applicants with no experience or commercial license tend to be good employees, as they have not developed any bad habits yet.

Various activities are used to motivate employees, including employee of the month (which features a reserved parking space), bringing in donuts and coffee, and safe driver awards (based on DriveCam reviews). Safety meetings often include small prizes for quizzes and other activities, such as safety pep rallies. It is difficult to do events because there is always someone on duty, so most big activities occur on Sundays. Outside of the pandemic, turnover is typically pretty low. Within the last year, First Transit lost about five employees, though some years they lose none. Last year, two drivers left due to other opportunities while the others were terminated.

There is a full-time on-site Safety Manager that conducts safety meetings and daily safety messaging over the radio. First Transit holds seven safety meetings every month, and the Safety Solutions team meets once a month. Drive Cams on the buses are used to coach drivers – both to correct and offer positive reinforcement. Safety personnel may also coach any members of the public on the property regarding observed unsafe practices (such as the yard speed limit). Safety is the prime goal. First Transit also has a mechanism for drivers to report unsafe conditions, near misses, or potential hazards, which can then be discussed at safety meetings or as a catalyst for preventive actions.

The training team includes four trainers and the training course meets state requirements. It can take recruits through the entire training and licensing process using a TSI trainer. The only thing not provided is DMV testing. First Transit has DMV testers in San Diego and Pasadena if there is too long a wait with the local DMV.

Maintenance

First Transit's preventive maintenance program for all IVT services conforms with manufacturer specifications. The software program tracks the preventive maintenance schedule to ensure inspections are completed at the required time. At present, maintenance does not conflict with regular vehicle use as the reduced demand has resulted in extra spare vehicles. Warranty work is tracked, though none of the buses are currently under warranty.

The current maintenance facility includes three bays and two sets of lifts. However, the big buses cannot be lifted all the way or they will hit the roof. First Transit performs all maintenance work in-house except for body work and windows. In recent years, delays in getting some parts has led the ICTC to recommend sending out some work to local vendors that would typically be done in-house in order to speed up the process.

Access to the parts room is restricted to the Maintenance Manager and mechanics. All parts are tagged and tracked by work order. The work orders are reviewed by the Maintenance Manager and tracked in the maintenance software. First Transit maintains a sufficient inventory of commonly used parts. It had some challenges in getting Plexiglas for driver shields, but that has improved.

Maintenance is notified promptly of vehicle breakdowns. Lock out/tag out procedures are used to keep unsafe vehicles and shop equipment from being used. A board in the dispatch office lists the out-of-service vehicles as well as the reason they are out of service. The board is updated when a vehicle is back in services.

The ICTC owns all transit vehicles. A fleet replacement plan is in place, and the ICTC is actively working on replacements as vehicles exceed their useful life.

Exhibit 7.3 IVT MedTrans' Transit Fleet

Quantity	Year	Make & Model	Fuel
3	2016	Ford Starcraft	Gas
1	2018	Ford Transit	Gas

Chapter 8 | Findings and Recommendations

Conclusions

With one exception, Moore & Associates, Inc. finds IVT MedTrans to be in compliance with the requirements of the Transportation Development Act. In addition, the entity generally functions in an efficient, effective, and economical manner.

Findings

Based on discussions with IVT MedTrans staff, analysis of program performance, and an audit of program compliance and function, the audit team presents one compliance finding:

1. State Controller Reports were submitted after the stipulated deadline in FY 2020/21 and FY 2021/22.

The audit team identified two functional findings. While these findings are not compliance findings, the audit team believes they warrant inclusion in this report:

1. The TDA fiscal audit does not show how the farebox recovery ratio is calculated, only provides the actual ratio against the required ratio.
2. IVT MedTrans is not on track to be in compliance with the farebox recovery requirement when the penalty waiver ends after FY 2022/23.

Program Recommendations

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

Compliance Finding 1: State Controller Reports were submitted after the stipulated deadline in FY 2020/21 and FY 2021/22.

Criteria: Public Utilities Code Section 99243 requires transit operators in receipt of TDA funds to submit annual reports to the State Controller within 90 days following the end of the fiscal year (110 days if filing electronically). Beginning FY 2016/17, this submittal deadline was amended to January 31 following the end of the fiscal year. Beginning with the online reporting for FY 2017/18, the cover sheet is timestamped with the submittal date and time upon its generation. This makes it easier to determine when the report was actually submitted.

Condition: Submittal of the State Controller Report is the responsibility of the ICTC. In FY 2019/20, the report was submitted on February 1, 2021, which was the deadline that year due to January 31 falling on a Sunday. In FY 2020/21, the report was submitted on February 22, 2022, approximately three weeks

following the deadline. In FY 2021/22 the timeliness had improved, though the report was still submitted on February 14, 2023, two weeks after the deadline.

Cause: Several challenges can result in reports being submitted late, including the unavailability of final data and lack of awareness regarding submittal deadlines.

Effect: Late submittals can place an operator out of compliance with the TDA.

Recommendation: Ensure State Controller Reports are submitted in a timely manner.

Recommended Action: The ICTC should take whatever actions are necessary to ensure an on-time submittal of the State Controller Reports. This may require working with other entities to adjust other submittal deadlines to ensure audited data is available.

Timeline: Ongoing.

Anticipated Cost: Negligible.

Functional Finding 1: The TDA fiscal audit does not show how the farebox recovery ratio is calculated, only provides the actual ratio against the required ratio.

Criteria: PUC 99245 requires the completion of an annual fiscal audit by recipients of funds under the TDA. These audits typically include an assessment of compliance with the farebox recovery ratio.

Condition: The ICTC's audit includes a comparison of the actual farebox recovery ratio for each IVT transit program to the required ratio for that program. It does not, however, include detail about how that ratio was calculated. In the FY 2020/21 and FY 2021/22 audits, the exact same ratios were provided for each program, but because there were no calculations provided, it was impossible to determine whether this was an error or if they actually were the same. This did not affect compliance, as penalties for non-compliance with the farebox recovery ratio in those years were waived under AB 149. Once those waivers expire, it will be important to document how farebox recovery ratio is calculated within the audit.

Cause: The TDA requires compliance to be confirmed, but does not indicate the level of detail to be included.

Effect: As a result, full information is not included, so there is no way to confirm the accuracy of the farebox recovery ratio calculation in the audit.

Recommendation: Include a detailed breakdown of the farebox recovery ratio calculation in future TDA fiscal audits.

Recommended Action: Working with its auditors, the ICTC should include a breakdown of the farebox recovery ratio calculation for each service in the audit. At a minimum, the calculation should include the revenues being counted as fare revenues and local supplementation as well as the operating cost, exclusive of depreciation. Ideally, it would be presented as follows:

Fares	\$30,000
<u>Local subsidies</u>	<u>\$10,000</u>
Total fare revenues	\$40,000
Operating expenses	\$450,000
<u>Less: depreciation</u>	<u>(\$500,000)</u>
Net operating expenses	\$400,000
Fare ratio	10.00%
Required ratio	10.00%

Timeline: FY 2022/23.

Anticipated Cost: None.

Functional Finding 2: IVT MedTrans is not on track to be in compliance with the farebox recovery requirement when the penalty waiver ends after FY 2022/23.

Criteria: PUC 99268 requires operators to maintain a minimum farebox recovery ratio in order to receive their full allocation of TDA funding. Fare revenues can be supplemented by locally generated funds if fare revenues are not sufficient to meet the stipulated requirement.

Condition: During the audit period, IVT MedTrans was not considered out of compliance with the farebox recovery ratio requirement due to the penalty waivers in AB 90 and AB 149. However, with a farebox recovery ratio well below 10 percent in each year, IVT MedTrans does not appear well positioned to be able to achieve a ratio of 10 percent by FY 2023/24. Even prior to the pandemic, fares were not sufficient to meet the 10 percent requirement. This is a long-standing concern for IVT MedTrans.

Cause: Fare revenues are insufficient to meet the 10 percent threshold, and the situation is even worse with the reduced demand.

Effect: IVT MedTrans' farebox recovery ratio continues to be less than 10 percent.

Recommendation: Identify strategies that will enable IVT MedTrans to meet the 10 percent farebox recovery ratio requirement.

Recommended Action: The ICTC should explore strategies and options that would enable IVT MedTrans to meet its required farebox recovery ratio. At the current operating cost (\$362,505 in FY 2022), fare revenues would need to be at least \$36,250 in order to achieve a 10 percent farebox ratio. In order to meet this revenue requirement, IVT MedTrans would need to provide 31 Category A full-fare round trips every week of the year without increasing the operating cost. An effective solution is likely to be multi-pronged, as a single strategy is unlikely to be sufficient.

Potential strategies that should be considered include:

- Increasing awareness of the program (with a goal of increasing ridership without adding more service at this time);
- Raising fares;
- Providing more trips for Category B riders (assuming there is a demand);
- Applying federal funding to the farebox recovery ratio calculation (per AB 149);
- Identifying additional revenues for local contributions;
- Identifying social service or healthcare organizational partners to provide additional funding; and
- Conduct a study to ensure the service being provided is the best fit for the community's needs and evaluate potential alternatives to the service delivery strategy.

Timeline: FY 2023/24.

Anticipated Cost: Varies depending upon strategy.

Exhibit 8.1 Audit Recommendations

TDA Compliance Recommendations		Importance	Timeline
1	Ensure State Controller Reports are submitted in a timely manner.	Medium	Ongoing
Functional Recommendations		Importance	Timeline
1	Include a detailed breakdown of the farebox recovery ratio calculation in future TDA fiscal audits.	Medium	FY 2022/23
2	Identify strategies that will enable IVT MedTrans to meet the 10 percent farebox recovery ratio requirement.	High	FY 2023/24



Imperial County Transportation Commission (ICTC)
Transportation Development Act (TDA)
Triennial Performance Audit, FY 2019/20 - FY 2021/22
of Fort Yuma Quechan Indian Tribe/YCIPTA

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Chapter 1 | Executive Summary

In late 2022, the Imperial County Transportation Commission (ICTC) selected Moore & Associates, Inc., to prepare Triennial Performance Audits of itself as the RTPA and the five transit operators to which it allocates State of California Transportation Development Act funding.

The California Public Utilities Code requires all recipients of Transit Development Act (TDA) Article 4 funding to undergo an independent performance audit on a three-year cycle in order to maintain funding eligibility. While not required, audits of Article 8 funding recipients are encouraged.

As it receives no funding under Article 4, the Quechan Tribe is not statutorily required to undergo a Triennial Performance Audit, nor has it traditionally been held to the requirements of the TDA. However, in 2022, the ICTC, as the RTPA, requested the Tribe's transit program be audited to provide a comprehensive and objective review to offer beneficial insights into program performance.

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

This chapter summarizes key findings and recommendations developed during the Triennial Performance Audit (TPA) of the Tribe's TDA-funded public transit program for the period:

- Fiscal Year 2019/20,
- Fiscal Year 2020/21, and
- Fiscal Year 2021/22.

The Yuma County Intergovernmental Public Transportation Authority (YCIPTA) operates the Yuma County Area Transit (YCAT) service in Yuma, Arizona. In partnership with the Quechan Tribe, which is located in California and receives TDA funding, YCAT operates two routes serving Imperial County. The Blue Route (Route 5) originates in Yuma and serves the Quechan Casino Resort in California, with limited service to the Andrade Port of Entry. The Turquoise Route (Route 10) originates in Yuma and travels to El Centro via Interstate 8.

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

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

The Triennial Performance Audit includes five elements:

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

Test of Compliance

Based on discussions with Quechan Tribe and Yuma County Intergovernmental Public Transportation Authority (YCIPTA) staff, analysis of program performance, and an audit of program compliance and function, the audit team presents no compliance findings.

Status of Prior Recommendations

The prior audit – completed in May 2020 by Moore & Associates, Inc. for the three fiscal years ending June 30, 2019 – included two recommendations:

1. Continue to ensure State Controller Reports are submitted in a timely manner.
Status: Implemented.
2. Ensure the State Controller Report is reviewed by someone other than the individual who prepared it so as identify any errors in reporting.
Status: Implemented.

Findings and Recommendations

Based on discussions with Quechan Tribe and YCIPTA staff, analysis of program performance, and a review of program compliance and function, the audit team submits no compliance or functional findings for the Tribe's transit program.

Chapter 2 | Audit Scope and Methodology

The Triennial Performance Audit (TPA) of the Quechan Tribe’s public transit program covers the three-year period ending June 30, 2022. The California Public Utilities Code requires all recipients of Transit Development Act (TDA) funding to complete an independent review on a three-year cycle in order to maintain funding eligibility.

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

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

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

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

Objectives

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

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

Scope

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

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

Methodology

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

- Monthly performance reports;
- State Controller Reports;
- Annual budgets;
- TDA fiscal audits;
- Transit marketing collateral;
- TDA claims;
- Fleet inventory;
- Preventive maintenance schedules and forms;
- Accident/road call logs; and
- Organizational chart.

Given impacts of the ongoing COVID-19 pandemic, the methodology for this audit included a virtual site visit with Quechan Tribe and YCIPTA representatives on February 23, 2023. The audit team met with Brian Golding (EDA Director, Quechan Tribe), Alan Pruitt (EDA Specialist, Quechan Tribe), Shelly Kreger (Transit Director, YCIPTA), and Chona Medel (Financial Services Operations Manager, YCIPTA), and reviewed materials germane to the triennial audit.

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

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

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Chapter 3 | Program Compliance

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

The Quechan Tribe does not use any TDA Article 4 funding for transit and is not statutorily required to be audited, nor has it traditionally been held to the requirements of the TDA. However, the Imperial County Transportation Commission, as the RTPA, requested the Tribe be audited to support a comprehensive and objective review to provide beneficial insights into program performance.

Status of compliance items was determined through discussions with Quechan Tribe and YCIPTA staff as well as an inspection of relevant documents including the fiscal audits for each year of the triennium, State Controller annual filings, year-end performance reports, and other compliance-related documentation.

No compliance issues were identified for the Quechan Tribe.

Developments Occurring During the Audit Period

The FY 2019/20 – FY 2021/22 audit period was significantly different than prior audit periods. The impacts of the COVID-19 pandemic resulted in significant declines in ridership and revenue, while changes to the TDA provided compliance waivers and amended existing legislation. In many instances, transit operators strove to retain operations staff despite adopting a reduced schedule, resulting in significant changes to many cost-related performance metrics. While infusions of funding through the CARES Act mitigated some of the lost revenues for federally funded programs, many transit operators have yet to return to pre-pandemic ridership and fare levels. As a result, this Triennial Performance Audit will provide an assessment not only of how the COVID-19 pandemic impacted the organization, but how it responded to the crisis.

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

Assembly Bill 90, signed into law on June 29, 2020, provides temporary regulatory relief for transit operators required to conform with Transportation Development Act (TDA) farebox recovery ratio thresholds in FY 2019/20 and FY 2020/21. Assembly Bill 149, signed into law on July 16, 2021, provides additional regulatory relief by extending the provisions of AB 90 through FY 2022/23 and adjusting definitions of eligible revenues and operating costs. While the ability to maintain state mandates and

performance measures is important, these measures enable transit operators to adjust to the impacts of COVID while continuing to receive their full allocations of funding under the TDA.

Together, these two pieces of legislation include the following provisions specific to transit operator TDA funding under Article 4 and Article 8:

1. Prohibits the imposition of the TDA revenue penalty on an operator that did not maintain the required ratio of fare revenues to operating cost from FY 2019/20 through FY 2022/23.
2. Waives the annual productivity improvement requirement of Section 99244 through FY 2022/23.
3. Adds a temporary provision exempting operators from farebox recovery ratio requirements through FY 2024/25 provided they expend at least the same amount of local funds as in FY 2018/19.
4. Expands the definition of “local funds” to enable the use of federal funding, such as the CARES Act or CRRSAA, to supplement fare revenues and allows operators to calculate free and reduced fares at their actual value.
5. Adjusts the definition of operating cost to exclude the cost of ADA paratransit services, demand-response and micro-transit services designed to extend access to service, ticketing/payment systems, security, some pension costs, and some planning costs.
6. Requires the Controller to calculate and publish the allocation of transit operator revenue-based funds made pursuant to the State Transit Assistance (STA) Program for FY 2020/21 and FY 2021/22.
7. Allows operators to use STA funds as needed to keep transit service levels from being reduced or eliminated through FY 2022/23.

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

Exhibit 3.1 Transit Development Act Compliance Requirements

Compliance Element	Reference	Compliance	Comments
State Controller Reports submitted on time.	PUC 99243	In compliance	FY 2019/20: December 10, 2020 FY 2020/21: February 4, 2022 FY 2021/22: December 16, 2022
Fiscal and compliance audits submitted within 180 days following the end of the fiscal year (or with up to 90-day extension).	PUC 99245	In compliance	FY 2019/20: December 2, 2020 FY 2020/21: December 2, 2021 FY 2021/22: November 16, 2022
Operator's terminal rated as satisfactory by CHP within the 13 months prior to each TDA claim.	PUC 99251 B	Not applicable	YCIPTA, as an Arizona-based public transit operator, does not participate in the CHP Transit Operator Compliance Program, in which the CHP conducts inspections within the 13 months prior to each TDA claim. In lieu of the CHP inspections, YCIPTA has a biennial maintenance audit performed in January and July.
Operator's claim for TDA funds submitted in compliance with rules and regulations adopted by the RTPA.	PUC 99261	In compliance	
If operator serves urbanized and non-urbanized areas, it has maintained a ratio of fare revenues to operating costs at least equal to the ratio determined by the rules and regulations adopted by the RTPA.	PUC 99270.1	In compliance	Turquoise Route 10 (12%) FY 2019/20: 12.00% FY 2020/21: 12.16% FY 2021/22: 12.20% <i>Source: TDA fiscal audits FY 2020 – FY 2022.</i>
Except as otherwise provided, the allocation for any purpose specified under Article 8 may in no year exceed 50% of the amount required to meet the total planning expenditures for that purpose.	PUC 99405	In compliance	
An operator receiving allocations under Article 8(c) may be subject to regional, countywide, or subarea performance criteria, local match requirements, or fare recovery ratios adopted by resolution of the RTPA.	PUC 99405	Not applicable	
The operator's operating budget has not increased by more than 15% over the preceding year, nor is there a substantial increase or decrease in the scope of operations or capital budget provisions for major new fixed facilities unless the operator has reasonably supported and substantiated the change(s).	PUC 99266	In compliance	FY 2019/20: +6.50% FY 2020/21: +13.54% FY 2021/22: +19.75% <i>Source: SCO reports. The large budget increase in FY 2022 was due to operator and fuel cost increases.</i>

Compliance Element	Reference	Compliance	Comments
The operator's definitions of performance measures are consistent with the Public Utilities Code Section 99247.	PUC 99247	In compliance	
If the operator serves an urbanized area, it has maintained a ratio of fare revenues to operating cost at least equal to one-fifth (20 percent).	PUC 99268.2, 99268.4, 99268.1	Not applicable	
If the operator serves a rural area, it has maintained a ratio of fare revenues to operating cost at least equal to one-tenth (10 percent).	PUC 99268.2, 99268.4, 99268.5	In compliance	Blue Route 5 (10%): FY 2019/20: 10.00% FY 2020/21: 10.32% FY 2021/22: 10.18% <i>Source: TDA fiscal audits FY 2020 – FY 2022.</i>
For a claimant that provides only services to elderly and handicapped persons, the ratio of fare revenues to operating cost shall be at least 10 percent.	PUC 99268.5, CCR 6633.5	Not applicable	
The current cost of the operator's retirement system is fully funded with respect to the officers and employees of its public transportation system, or the operator is implementing a plan approved by the RTPA, which will fully fund the retirement system for 40 years.	PUC 99271	In compliance	YCIPTA contracts with a private provider for operations, while YCIPTA contributes to a cost-sharing multiple-employer defined benefit pension administered by the Arizona State Retirement System. The Quechan Indian Tribe contributes to its employees' retirement through its own designated plans.
If the operator receives State Transit Assistance funds, the operator makes full use of funds available to it under the Urban Mass Transportation Act of 1964 before TDA claims are granted.	CCR 6754 (a) (3)	Not applicable	YCIPTA and the Quechan Indian Tribe do not receive State Transit Assistance funds.
In order to use State Transit Assistance funds for operating assistance, the operator's total operating cost per revenue hour does not exceed the sum of the preceding year's total plus an amount equal to the product of the percentage change in the CPI for the same period multiplied by the preceding year's total operating cost per revenue hour. An operator may qualify based on the preceding year's operating cost per revenue hour or the average of the three prior years. If an operator does not meet these qualifying tests, the operator may only use STA funds for operating purposes according to a sliding scale.	PUC 99314.6	Not applicable	YCIPTA and the Quechan Indian Tribe do not receive State Transit Assistance funds.

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

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Chapter 4 | Prior Recommendations

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

The prior audit – completed in May 2020 by Moore & Associates, Inc. for the three fiscal years ending June 30, 2019 – included two recommendations:

1. Continue to ensure State Controller Reports are submitted in a timely manner.

Discussion: Public Utilities Code Section 99243 requires transit operators in receipt of TDA funds to submit annual reports to the State Controller within 90 days following the end of the fiscal year (110 days if filing electronically). Beginning FY 2016/17, this submittal deadline was amended to January 31 following the end of the fiscal year. Beginning with the online reporting for FY 2017/18, the cover sheet was timestamped with the submittal date and time upon its generation. This made it easier to evaluate when the report was actually submitted. This was also a finding in the prior audit report. In FY 2016/17, the State Controller Report was submitted approximately six weeks after the stipulated deadline. However, in the following years, it was submitted prior to the deadline.

Progress: All State Controller Reports were submitted on time during the current audit period.

Status: Implemented.

2. Ensure the State Controller Report is reviewed by someone other than the individual who prepared it so as identify any errors in reporting.

Discussion: During the preparation of the prior audit, the auditor noted numerous inconsistencies between operating data reported in the monthly performance summaries provided to the audit team and that reported to the State Controller. Some of these variances were very modest and, on their own, would not warrant a finding. However, the reporting of vehicle service hours (VSH) in FY 2017/18 and FY 2018/19 was of some concern.

In FY 2017/18, it was obvious there was an error regarding how VSH was reported, as it clearly duplicated the number of unlinked trips. In FY 2018/19, the cause of the variance was not as clear-cut, although there was still a difference of 8.7 percent.

In FY 2017/18, the error would have been realized if it had been reviewed by someone familiar with the typical number of vehicle service hours associated with Routes 5 and 10. Given the number reported for VSH is exactly the same as that reported for ridership should have been a red flag. The prior auditor recommended the reviewer also carefully compare the performance data provided by the YCIPTA with what is being reported to ensure accuracy. In addition, if the

YCIPTA's annual totals for these metrics change after the end of the year, YCIPTA staff should notify the Quechan Tribe to ensure accurate reporting.

Progress: Data reported to the State Controller during the current audit period was consistent with that in the YCIPTA's monthly performance data. While there were still some modest discrepancies (for example, 15,301 vs. 15,147 in FY 2021 ridership), there were no errors in reporting.

Status: Implemented.

Chapter 5 | Data Reporting Analysis

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

Overall, data reported in the various reports examined during this audit were very consistent. No issues were identified.

Exhibit 5.1 Data Reporting Comparison

Performance Measure	System-Wide		
	FY 2019/20	FY 2020/21	FY 2021/22
Operating Cost (Actual \$)			
<i>TDA fiscal audit</i>	\$450,096	\$443,964	\$474,438
<i>Monthly Performance Reports</i>	\$450,096	\$443,965	\$474,438
<i>State Controller Report</i>	\$450,096	\$443,965	\$474,438
Fare Revenue (Actual \$)			
<i>TDA fiscal audit</i>	\$17,381	\$1,348	\$15,257
<i>Monthly Performance Reports</i>	\$17,381	\$1,348	\$15,257
<i>State Controller Report</i>	\$17,381	\$1,348	\$15,257
Vehicle Service Hours (VSH)			
<i>Monthly Performance Reports</i>	3,663	3,327	3,930
<i>State Controller Report</i>	3,662	3,327	3,930
Vehicle Service Miles (VSM)			
<i>Monthly Performance Reports</i>	100,332	96,463	111,321
<i>State Controller Report</i>	100,332	95,463	111,324
Passengers			
<i>Monthly Performance Reports</i>	18,904	15,301	13,448
<i>State Controller Report</i>	18,899	15,147	13,488
Full-Time Equivalent Employees			
<i>State Controller Report</i>	2	2	2

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Chapter 6 | Performance Analysis

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

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

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

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

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

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

Operating Cost

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

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

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

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

Vehicle Service Hours and Miles

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

Passenger Counts

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

Employees

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

Fare Revenue

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

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

TDA Required Indicators

To calculate the TDA indicators for transit services funded by the Quechan Tribe, the following sources were employed:

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

System Performance Trends

System-wide, operating cost experienced a net 5.4 percent increase during the audit period, and a 33.6 percent net increase across the last six years. Fare revenue significantly decreased during the six-year period, with most of the decline (92.2 percent) occurring in FY 2020/21 due to a free-fare period. This resulted in a net 12.2 percent decrease during the audit period.

Vehicle service hours (VSH) declined between FY 2019/20 and FY 2020/21 due to the COVID-19 pandemic. However, VSH experienced a net 7.3 percent increase during the audit period and a net 6.2 percent increase during the six-year period. Vehicle service miles (VSM) experienced an overall net increase of 11 percent during the audit period and 11.3 percent over the six-year period. Ridership declined every year of the audit period, with the most significant decline occurring in FY 2020/21 in response to the COVID-19 pandemic. This led to a 28.9 percent net decrease during the audit period and a 26.9 percent net decrease across the six-year period.

Cost-related metrics typically provide an indicator of a system's efficiency, while passenger-related metrics offer insight into its productivity. Improvements are characterized by increases in passenger-related metrics and decreases in cost-related metrics. Cost-related metrics increased over the six-year period, but experienced a slight net decrease during the audit period. However operating cost per passenger was impacted the most, given the 28.9 percent decrease in ridership during the audit period.

Passenger-related metrics fell during the audit period, with passengers per VSH decreasing 33.7 percent and passengers per VSM decreasing 35.9 percent.

Exhibit 6.1 System Performance Indicators

Performance Measure	System-wide					
	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22
Operating Cost (Actual \$)	\$355,145	\$359,751	\$390,607	\$450,096	\$443,965	\$474,438
<i>Annual Change</i>		1.3%	8.6%	15.2%	-1.4%	6.9%
Fare Revenue (Actual \$)	\$20,457	\$21,014	\$21,107	\$17,381	\$1,348	\$15,257
<i>Annual Change</i>		2.7%	0.4%	-17.7%	-92.2%	1031.8%
Vehicle Service Hours (VSH)	3,701	3,629	3,904	3,663	3,327	3,930
<i>Annual Change</i>		-1.9%	7.6%	-6.2%	-9.2%	18.1%
Vehicle Service Miles (VSM)	99,989	99,714	109,067	100,332	96,463	111,321
<i>Annual Change</i>		-0.3%	9.4%	-8.0%	-3.9%	15.4%
Passengers	18,402	20,385	20,714	18,904	15,301	13,448
<i>Annual Change</i>		10.8%	1.6%	-8.7%	-19.1%	-12.1%
Employees	2	2	2	2	2	2
<i>Annual Change</i>		0.0%	0.0%	0.0%	0.0%	0.0%
Performance Indicators						
Operating Cost/VSH (Actual \$)	\$95.96	\$99.13	\$100.05	\$122.89	\$133.43	\$120.73
<i>Annual Change</i>		3.3%	0.9%	22.8%	8.6%	-9.5%
Operating Cost/Passenger (Actual \$)	\$19.30	\$17.65	\$18.86	\$23.81	\$29.02	\$35.28
<i>Annual Change</i>		-8.6%	6.9%	26.3%	21.9%	21.6%
Passengers/VSH	4.97	5.62	5.31	5.16	4.60	3.42
<i>Annual Change</i>		13.0%	-5.5%	-2.7%	-10.9%	-25.6%
Passengers/VSM	0.18	0.20	0.19	0.19	0.16	0.12
<i>Annual Change</i>		11.1%	-7.1%	-0.8%	-15.8%	-23.8%
Farebox Recovery	5.8%	5.8%	5.4%	3.9%	0.3%	3.2%
<i>Annual Change</i>		1.4%	-7.5%	-28.5%	-92.1%	959.1%
Hours/Employee	1,850.5	1,814.5	1,952.0	1,831.3	1,663.6	1,964.9
<i>Annual Change</i>		-1.9%	7.6%	-6.2%	-9.2%	18.1%
TDA Non-Required Indicators						
Operating Cost/VSM	\$3.55	\$3.61	\$3.58	\$4.49	\$4.60	\$4.26
<i>Annual Change</i>		1.6%	-0.7%	25.3%	2.6%	-7.4%
VSM/VSH	27.02	27.48	27.94	27.39	28.99	28.33
<i>Annual Change</i>		1.7%	1.7%	-1.9%	5.8%	-2.3%
Fare/Passenger	\$1.11	\$1.03	\$1.02	\$0.92	\$0.09	\$1.13
<i>Annual Change</i>		-7.3%	-1.2%	-9.8%	-90.4%	1187.8%

Sources: FY 2016/17 – FY 2018/19 data from prior Triennial Performance Audit; FY 2019/20 – FY 2021/22 data from Monthly Performance Reports; and FTE data from State Controller Reports.

Exhibit 6.2 System Ridership

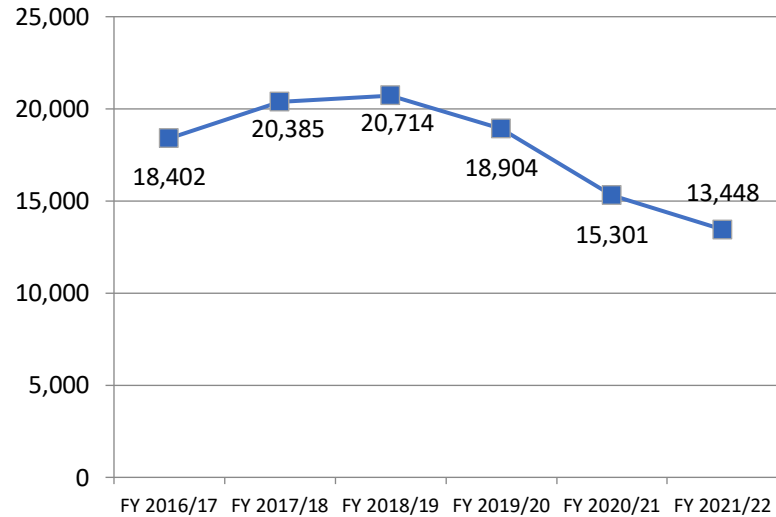


Exhibit 6.3 System Operating Cost/VSH

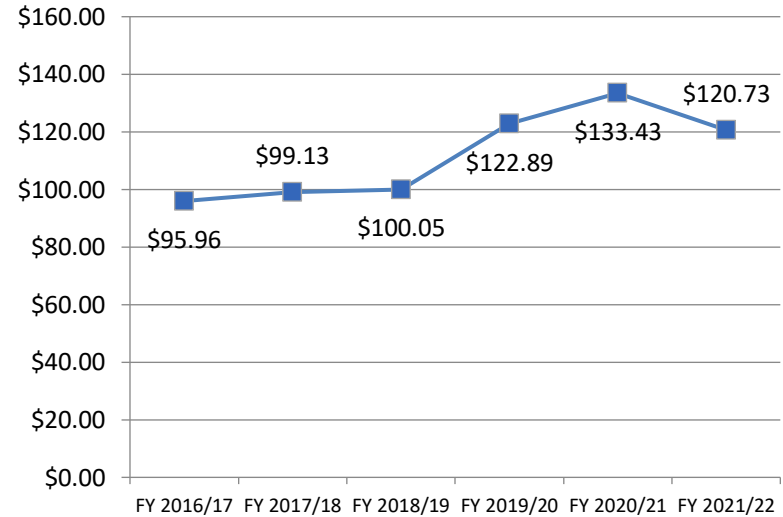


Exhibit 6.4 System Operating Cost/VSM

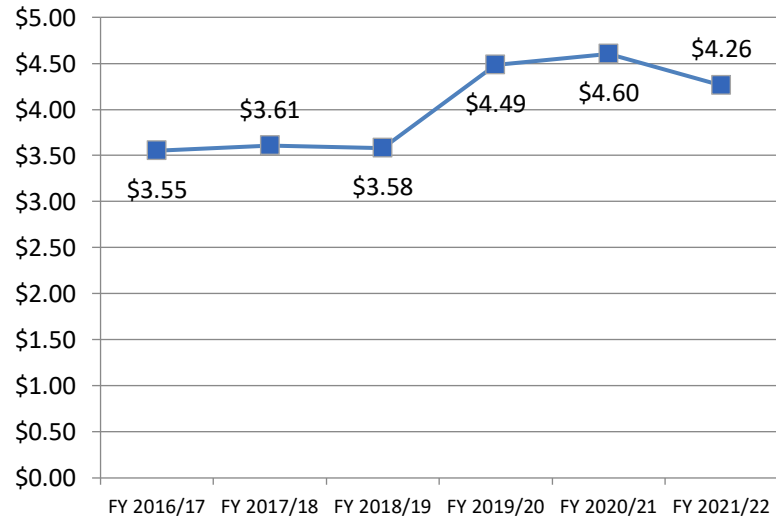


Exhibit 6.5 System VSM/VSH

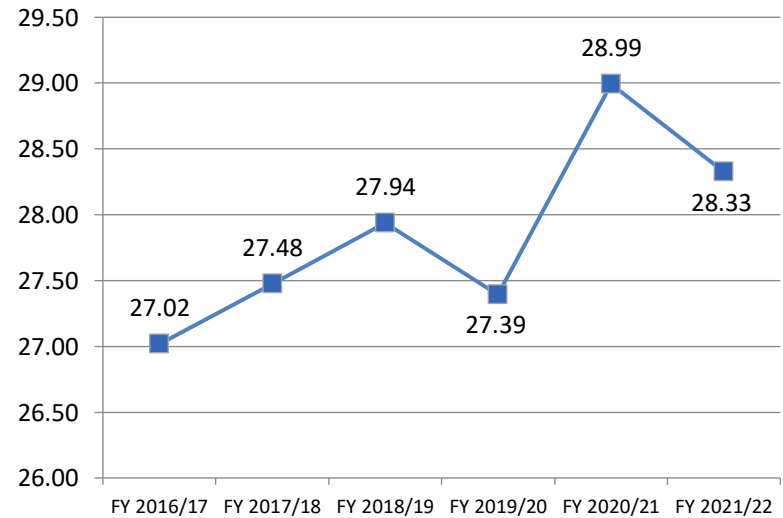


Exhibit 6.6 System Operating Cost/Passenger

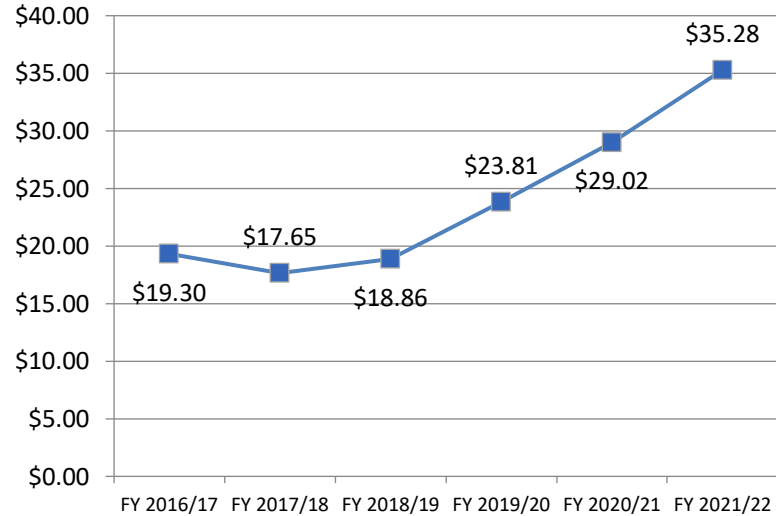


Exhibit 6.7 System Passengers/VSH

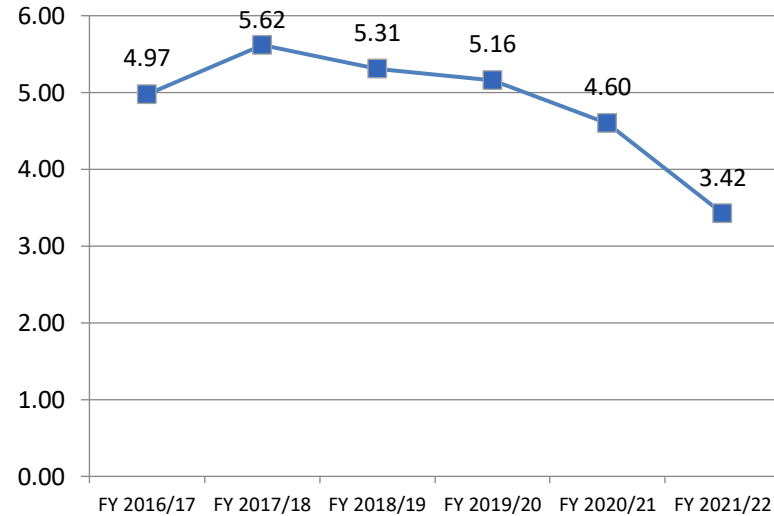


Exhibit 6.8 System Passengers/VSM

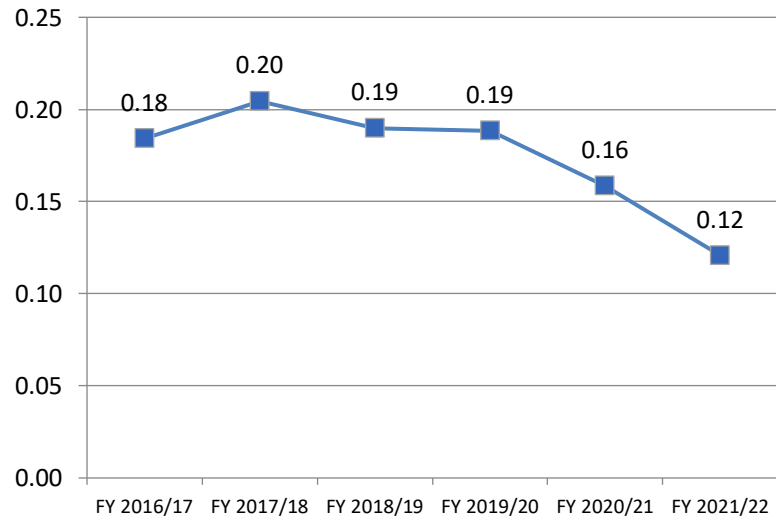


Exhibit 6.9 System VSH/FTE

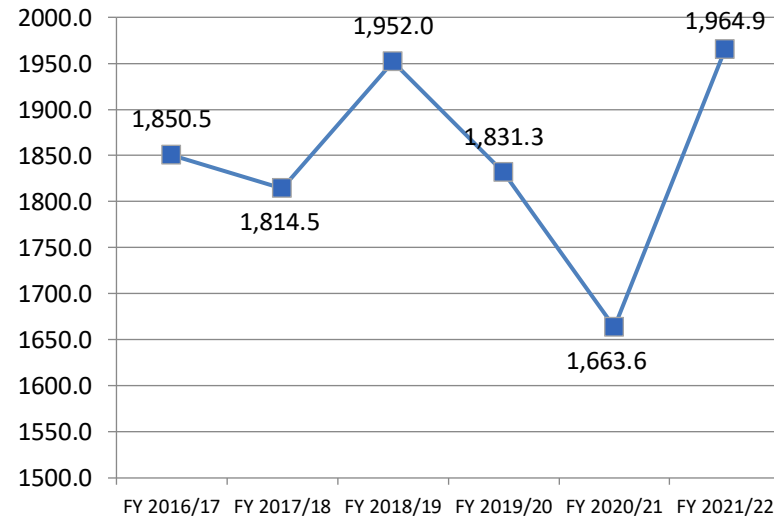


Exhibit 6.10 System Farebox Recovery

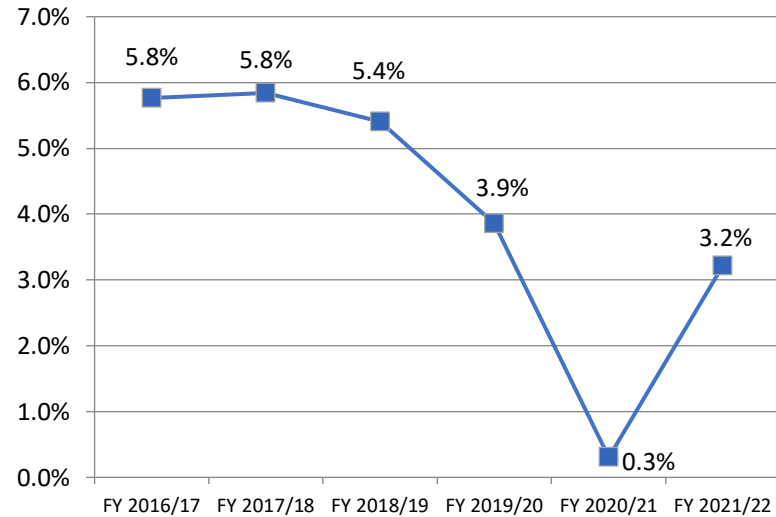
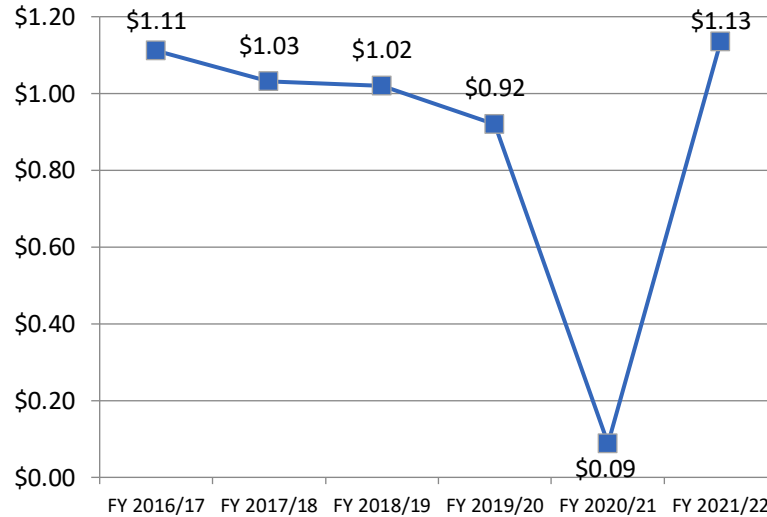


Exhibit 6.11 System Fare/Passenger



Route 5 Performance Trends

Route 5 operating costs decreased during the last two years of the audit period, resulting in a net 2.3 decrease over the audit period, but a 17.2 increase over the six-year period. Fare revenue fluctuated during the six-year period. This resulted in a net 11.4 percent net decrease during the audit period, and a 27.5 percent net decrease over the six-year period.

Route 5 vehicle service hours decreased every year with the exception of FY 2021/22. This resulted in a net 0.3 percent decrease across the six-year period, but a net 9.8 percent increase during the audit period. Vehicle service miles decreased from FY 2018/19 through FY 2020/21, increasing 0.1 percent during the six-year period and a net 16.1 percent during the audit period. Ridership declined every year except FY 2017/18. The most significant decrease occurring in FY 2020/21 (20.7 percent). Ultimately ridership experienced a net decrease of 28.9 percent during the audit period.

Operating cost per vehicle service hour decreased 11 percent during the audit period, while operating cost per passenger increased 37.4 percent. Passenger-related productivity metrics (passengers per VSH and passengers per VSM) saw decreases of 35.2 percent and 38.8 percent, respectively.

Exhibit 6.12 Route 5 Performance Indicators

Performance Measure	Route 5					
	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22
Operating Cost (Actual \$)	\$292,669	\$296,465	\$307,836	\$351,057	\$345,514	\$342,934
<i>Annual Change</i>		1.3%	3.8%	14.0%	-1.6%	-0.7%
Fare Revenue (Actual \$)	\$16,774	\$17,728	\$16,997	\$13,723	\$1,013	\$12,164
<i>Annual Change</i>		5.7%	-4.1%	-19.3%	-92.6%	1100.8%
Vehicle Service Hours (VSH)	3,095	3,062	3,039	2,810	2,490	3,085
<i>Annual Change</i>		-1.1%	-0.8%	-7.5%	-11.4%	23.9%
Vehicle Service Miles (VSM)	74,307	74,763	73,187	64,091	59,612	74,410
<i>Annual Change</i>		0.6%	-2.1%	-12.4%	-7.0%	24.8%
Passengers	16,609	18,744	18,630	16,665	13,211	11,849
<i>Annual Change</i>		12.9%	-0.6%	-10.5%	-20.7%	-10.3%
Performance Indicators						
Operating Cost/VSH (Actual \$)	\$94.56	\$96.82	\$101.30	\$124.94	\$138.74	\$111.16
<i>Annual Change</i>		2.4%	4.6%	23.3%	11.0%	-19.9%
Operating Cost/Passenger (Actual \$)	\$17.62	\$15.82	\$16.52	\$21.07	\$26.15	\$28.94
<i>Annual Change</i>		-10.2%	4.5%	27.5%	24.2%	10.7%
Passengers/VSH	5.37	6.12	6.13	5.93	5.30	3.84
<i>Annual Change</i>		14.1%	0.1%	-3.3%	-10.6%	-27.6%
Passengers/VSM	0.22	0.25	0.25	0.26	0.22	0.16
<i>Annual Change</i>		12.2%	1.5%	2.1%	-14.8%	-28.1%
Farebox Recovery	5.73%	5.98%	5.52%	3.91%	0.29%	3.55%
<i>Annual Change</i>		4.3%	-7.7%	-29.2%	-92.5%	1109.8%
TDA Non-Required Indicators						
Operating Cost/VSM	\$3.94	\$3.97	\$4.21	\$5.48	\$5.80	\$4.61
<i>Annual Change</i>		0.7%	6.1%	30.2%	5.8%	-20.5%
VSM/VSH	24.01	24.42	24.08	22.81	23.94	24.12
<i>Annual Change</i>		1.7%	-1.4%	-5.3%	4.9%	0.8%
Fare/Passenger	\$1.01	\$0.95	\$0.91	\$0.82	\$0.08	\$1.03
<i>Annual Change</i>		-6.4%	-3.5%	-9.7%	-90.7%	1238.8%

Sources: FY 2016/17 – FY 2018/19 data from prior Triennial Performance Audit; and FY 2019/20 – FY 2021/22 data from Monthly Performance Reports.

Exhibit 6.13 Route 5 Ridership

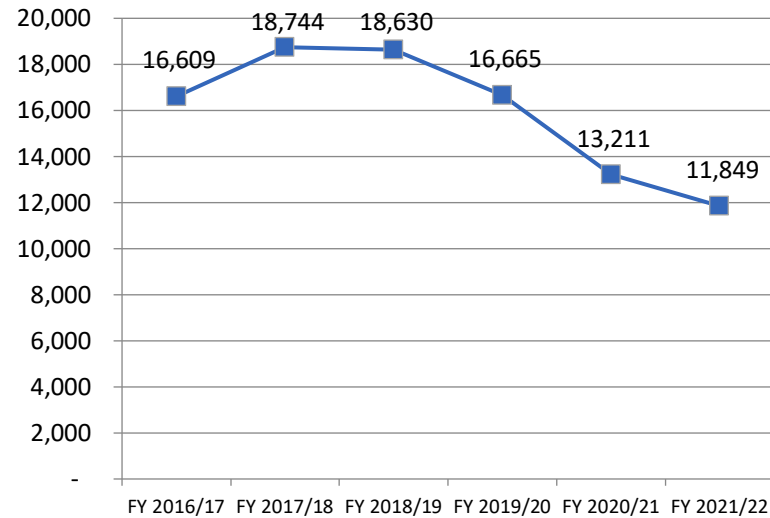


Exhibit 6.14 Route 5 Operating Cost/VSH

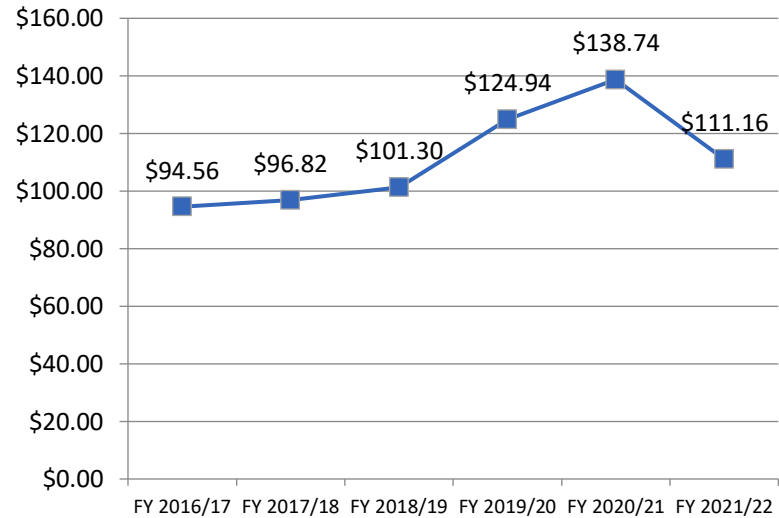


Exhibit 6.15 Route 5 Operating Cost/VSM

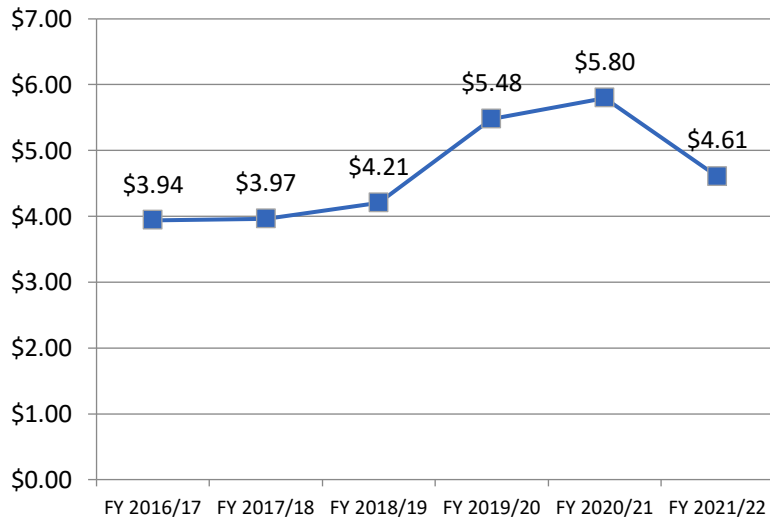


Exhibit 6.16 Route 5 VSM/VSH

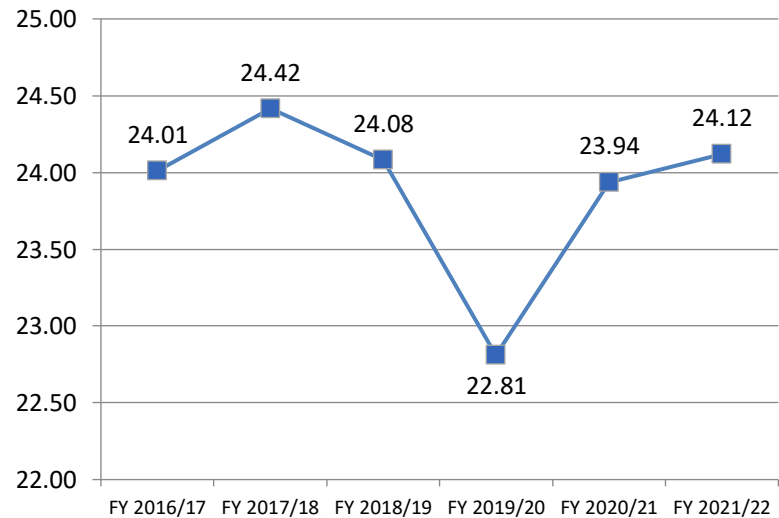


Exhibit 6.17 Route 5 Operating Cost/Passenger

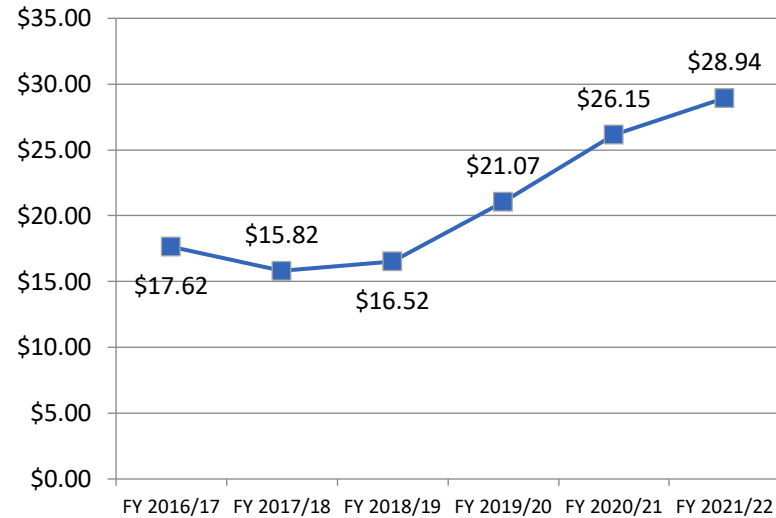


Exhibit 6.18 Route 5 Passengers/VSH

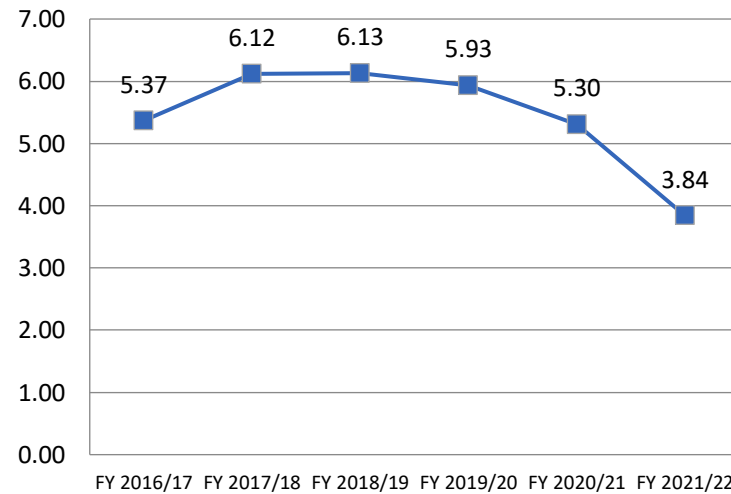


Exhibit 6.19 Route 5 Passengers/VSM

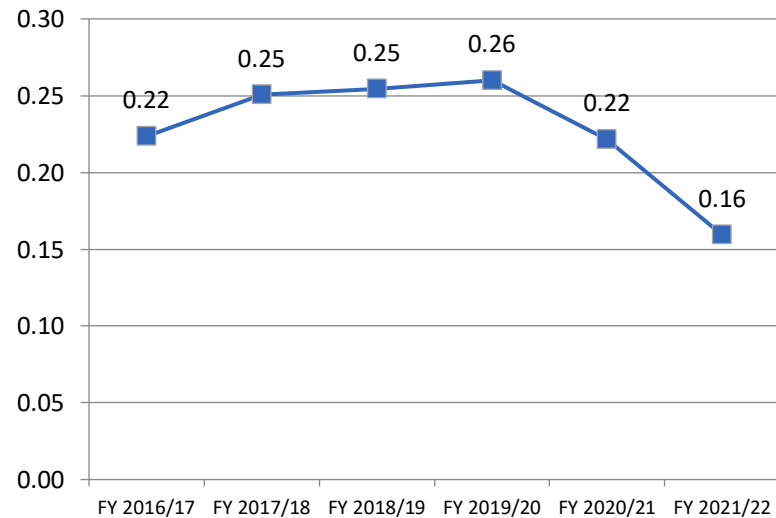


Exhibit 6.20 Route 5 Farebox Recovery

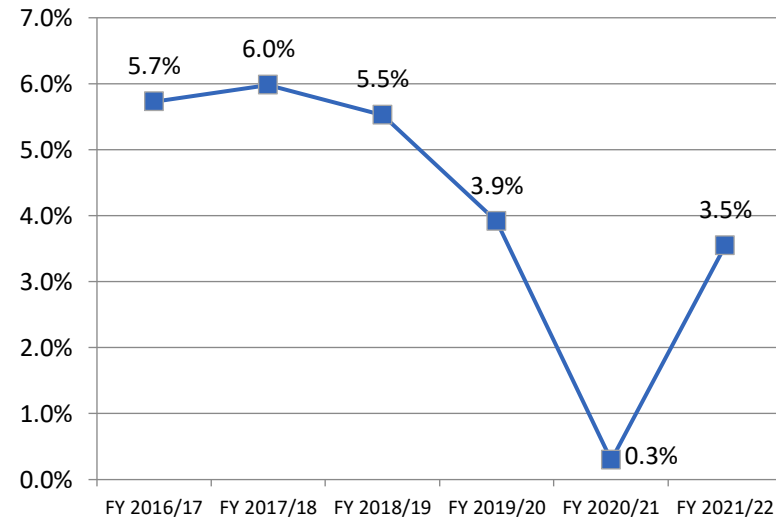
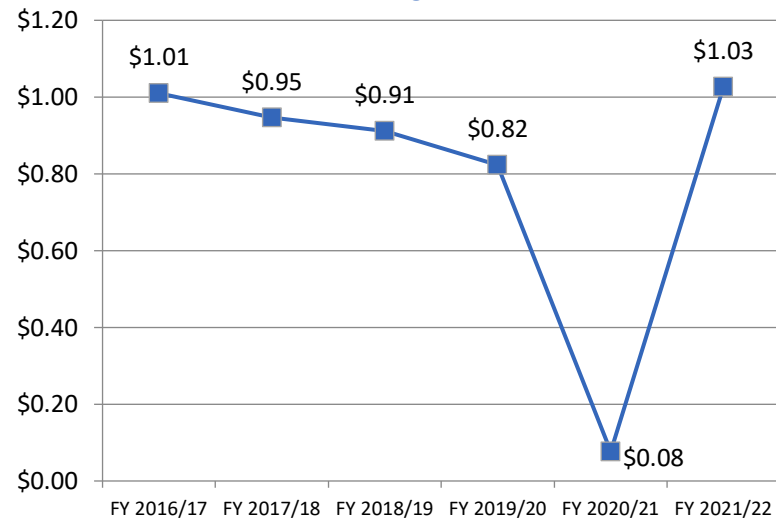


Exhibit 6.21 Route 5 Fare/Passenger



Route 10 Performance Trends

Route 10 operating cost experienced a net 32.8 percent increase during the audit period, and a net 110.5 percent increase across the last six years. Fare revenue decreased every year during the six-year period, with the exceptions of FY 2018/19 and FY 2021/22. This resulted in a 15.4 decrease during the audit period.

Route 10 vehicle service hours (VSH) experienced the same pattern as fare revenue. This resulted in a net 0.9 percent decrease during the audit period and a net 39.4 percent increase during the six-year period. Vehicle service miles (VSM) increased every year except FY 2017/18, resulting in a net 1.8 percent increase during the audit period and a net 43.7 percent increase during the six-year period. Ridership fluctuated across the six-year period. This led to a 28.6 percent net decrease during the audit period, and a 10.8 percent net decrease across the six-year period.

Cost-related metrics rose during the audit period, with operating cost per VSH increasing 34 percent and operating cost per passenger increasing 85.9 percent during the audit period. Passenger-related metrics fell during the audit period, with passengers per VSH decreasing by 27.9 percent and passengers per VSM decreasing by 29.9 percent.

Exhibit 6.22 Route 10 Performance Indicators

Performance Measure	Route 10					
	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22
Operating Cost (Actual \$)	\$62,476	\$63,286	\$82,771	\$99,039	\$98,450	\$131,504
<i>Annual Change</i>		1.3%	30.8%	19.7%	-0.6%	33.6%
Fare Revenue (Actual \$)	\$3,683	\$3,286	\$4,110	\$3,658	\$335	\$3,093
<i>Annual Change</i>		-10.8%	25.1%	-11.0%	-90.8%	823.3%
Vehicle Service Hours (VSH)	606	567	865	853	837	845
<i>Annual Change</i>		-6.4%	52.6%	-1.4%	-1.9%	0.9%
Vehicle Service Miles (VSM)	25,682	24,951	35,880	36,241	36,851	36,911
<i>Annual Change</i>		-2.8%	43.8%	1.0%	1.7%	0.2%
Passengers	1,793	1,641	2,084	2,239	2,090	1,599
<i>Annual Change</i>		-8.5%	27.0%	7.4%	-6.7%	-23.5%
Performance Indicators						
Operating Cost/VSH (Actual \$)	\$103.10	\$111.62	\$95.69	\$116.13	\$117.64	\$155.66
<i>Annual Change</i>		8.3%	-14.3%	21.4%	1.3%	32.3%
Operating Cost/Passenger (Actual \$)	\$34.84	\$38.57	\$39.72	\$44.23	\$47.11	\$82.24
<i>Annual Change</i>		10.7%	3.0%	11.4%	6.5%	74.6%
Passengers/VSH	2.96	2.89	2.41	2.63	2.50	1.89
<i>Annual Change</i>		-2.2%	-16.8%	9.0%	-4.9%	-24.2%
Passengers/VSM	0.07	0.07	0.06	0.06	0.06	0.04
<i>Annual Change</i>		-5.8%	-11.7%	6.4%	-8.2%	-23.6%
Farebox Recovery	5.9%	5.2%	5.0%	3.7%	0.3%	2.4%
<i>Annual Change</i>		-11.9%	-4.4%	-25.6%	-90.8%	591.2%
TDA Non-Required Indicators						
Operating Cost/VSM	\$2.43	\$2.54	\$2.31	\$2.73	\$2.67	\$3.56
<i>Annual Change</i>		4.3%	-9.0%	18.5%	-2.2%	33.4%
VSM/VSH	42.38	44.01	41.48	42.50	44.03	43.69
<i>Annual Change</i>		3.8%	-5.7%	2.5%	3.6%	-0.8%
Fare/Passenger	\$2.05	\$2.00	\$1.97	\$1.63	\$0.16	\$1.93
<i>Annual Change</i>		-2.5%	-1.5%	-17.2%	-90.2%	1106.8%

Sources: FY 2016/17 – FY 2018/19 data from prior Triennial Performance Audit; and FY 2019/20 – FY 2021/22 data from Monthly Performance Reports.

Exhibit 6.23 Route 10 Ridership

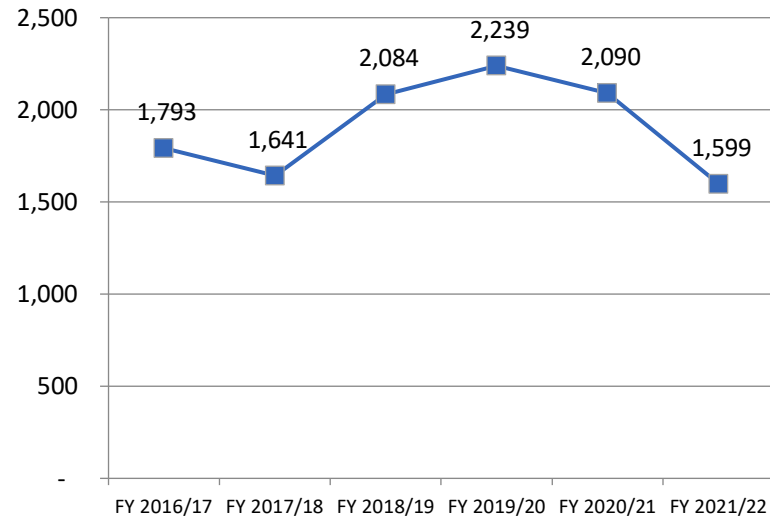


Exhibit 6.24 Route 10 Operating Cost/VSH

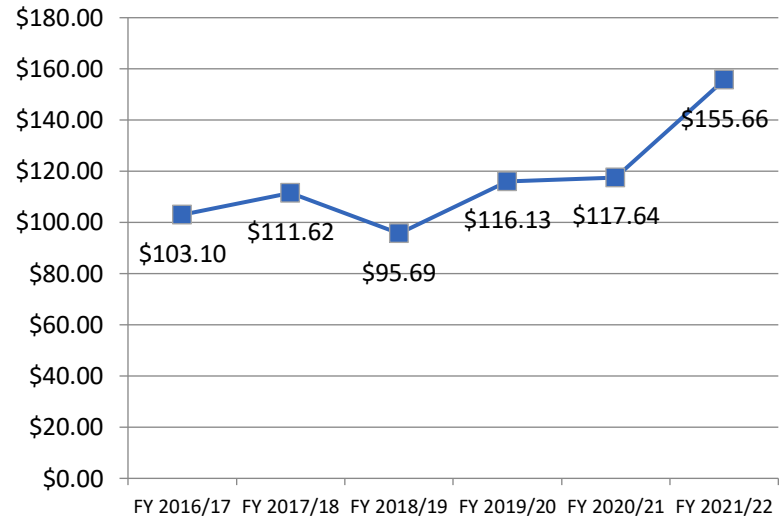


Exhibit 6.25 Route 10 Operating Cost/VSM

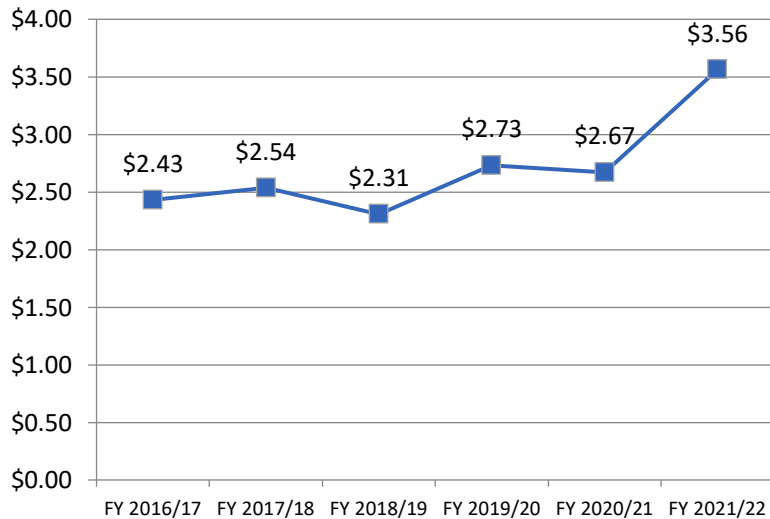


Exhibit 6.26 Route 10 VSM/VSH

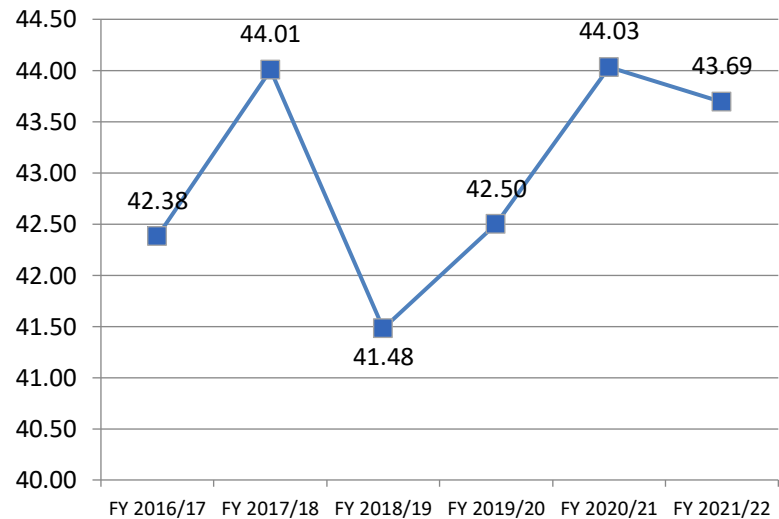


Exhibit 6.27 Route 10 Operating Cost/Passenger

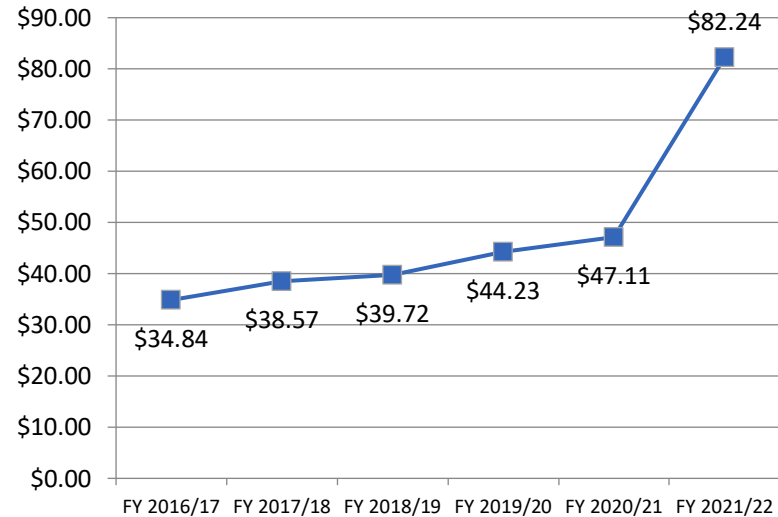


Exhibit 6.28 Route 10 Passengers/VSH

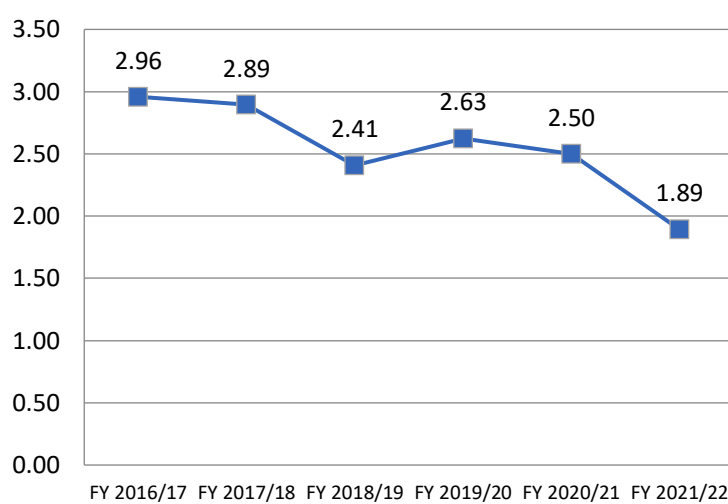


Exhibit 6.29 Route 10 Passengers/VSM

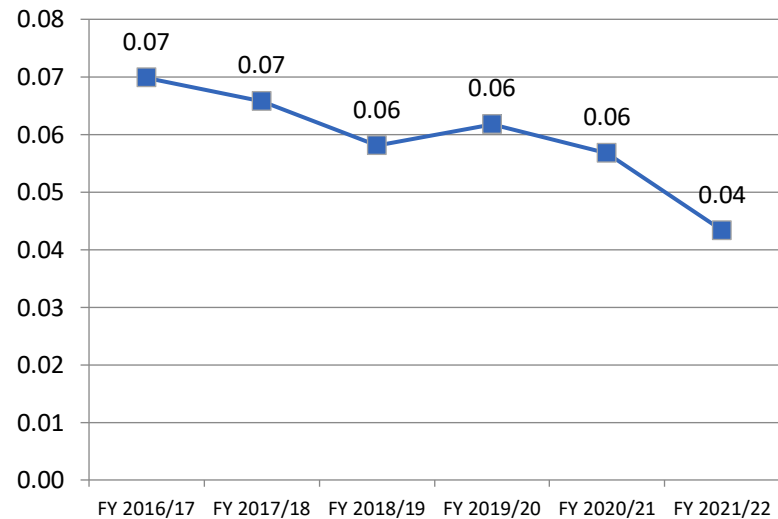


Exhibit 6.30 Route 10 Farebox Recovery

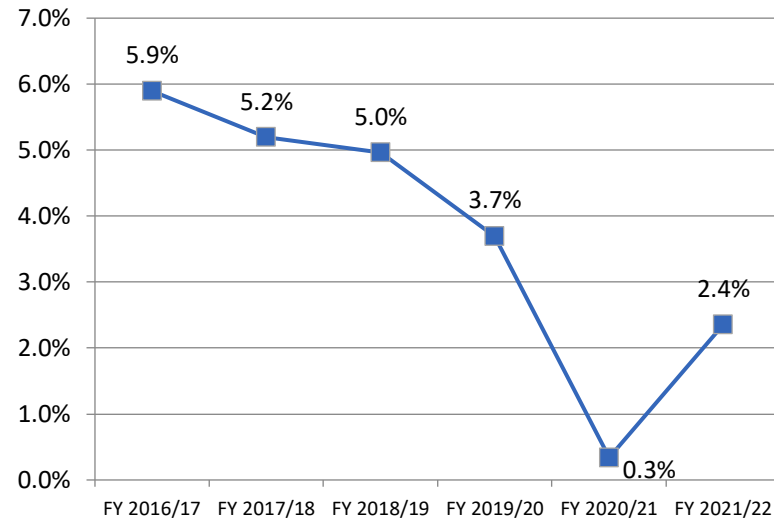
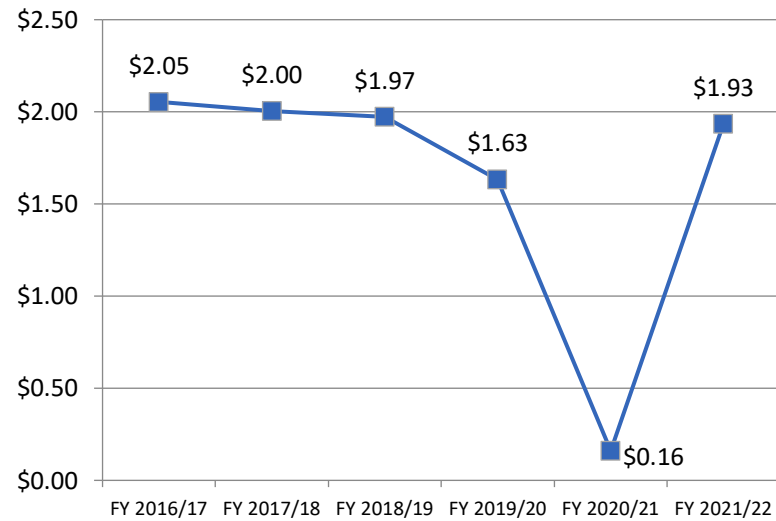


Exhibit 6.31 Route 10 Fare/Passenger



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Chapter 7 | Functional Review

A functional review of the Quechan Tribe's public transit program is intended to assess the effectiveness and efficiency of the operator. Following a general summary of the transit services funded by the Tribe, this chapter addresses seven functional areas. The list, taken from Section III of the *Performance Audit Guidebook* published by Caltrans, reflects those transit services provided by the Tribe through its partnership with the YCIPTA:

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

Service Overview

The Yuma County Intergovernmental Public Transportation Authority (YCIPTA) operates the Yuma County Area Transit (YCAT) service in Yuma, Arizona. In partnership with the Quechan Tribe, which is located in California and receives TDA funding, YCAT operates two routes serving Imperial County. The Blue Route (Route 5) originates in Yuma and serves the Quechan Casino Resort in California, with limited service to the Andrade Port of Entry. The Turquoise Route (Route 10) originates in Yuma and travels to El Centro via Interstate 8.

Service on the Blue Route operates hourly between 7:25 a.m. and 6:17 p.m., Monday through Friday. Saturday service operates from 9:25 a.m. to 3:25 p.m. Service on the Turquoise Route operates on Monday, Wednesday, and Friday only. In the winter, it departs Yuma at 8:30 a.m. and 2:30 p.m., with the return trips departing El Centro at 8:59 a.m. and 2:59 p.m. In the summer, the service departs Yuma at 7:30 a.m. and 1:30 p.m., with the return trips departing El Centro at 8:59 a.m. and 2:59 p.m. This is to accommodate the time change associated with Daylight Savings Time, as Arizona does not observe Daylight Savings Time while California does.

The YCAT fare schedule is shown in Exhibit 7.1. No transfers are offered. Children under five ride free (for the first four children); additional children pay the reduced fare. Students and employees of several local high schools and colleges, as well as members of the Cocopah Tribe, also ride for free with an identification card.

Exhibit 7.1 Fare Structure

Fare Type	Full Fare	Reduced Fare*
One-way (Route 5)	\$2.00	\$1.00
1-Day YCATPass	\$5.00	\$2.50
10-Ride YCATPass	\$17.50	\$7.50
31-Day YCATPass	\$60.00	\$30.00
Route Deviation Fare (Route 5)	\$2.00	\$2.00
One-way (Route 10)	\$2.00 (cash only)	N/A

Response to COVID-19 pandemic

The YCIPTA modified several of the YCAT route schedules in response to the COVID-19 pandemic, but did not alter services on routes 5 and 10. A third-party company was hired to fog the buses every night, and a cleaning service was deployed at major transit hubs. Onboard driver shields were installed and rear boarding was implemented on buses with two doors.

In an effort to avoid cutting driver hours, despite the reduction in service, YCAT redeployed drivers in other roles (such as cleaning) to keep everyone working full-time. The greatest lesson learned from the pandemic response was to be prepared for anything and learn to adapt on short notice.

General Management and Organization

The Quechan Tribe meets with YCIPTA and ICTC representatives on a quarterly basis to review the prior quarter's performance and any planned service changes; discuss challenges, problems, and trends; and determine whether any adjustments need to be made. At that time, YCIPTA staff shares any issues with the operations contractor and addresses any concerns.

As billing for each month comes in, the Tribe's review process is to look back at the operating plan and budget and confirm the numbers are in line with what is budgeted. The Tribe is primary point of contact for riders within the reservation, and Tribal riders who need to complain typically bring issues to their attention. As they receive those complaints, the Tribe looks into them and communicates with the YCIPTA.

The Quechan Tribe's Economic Development Administration (EDA) Director oversees transit on behalf of the Tribe, assisted by the EDA Specialist. The EDA Specialist position was vacant for approximately two of the three years of the audit period. It has been filled for the past year and the Tribe is adequately staffed.

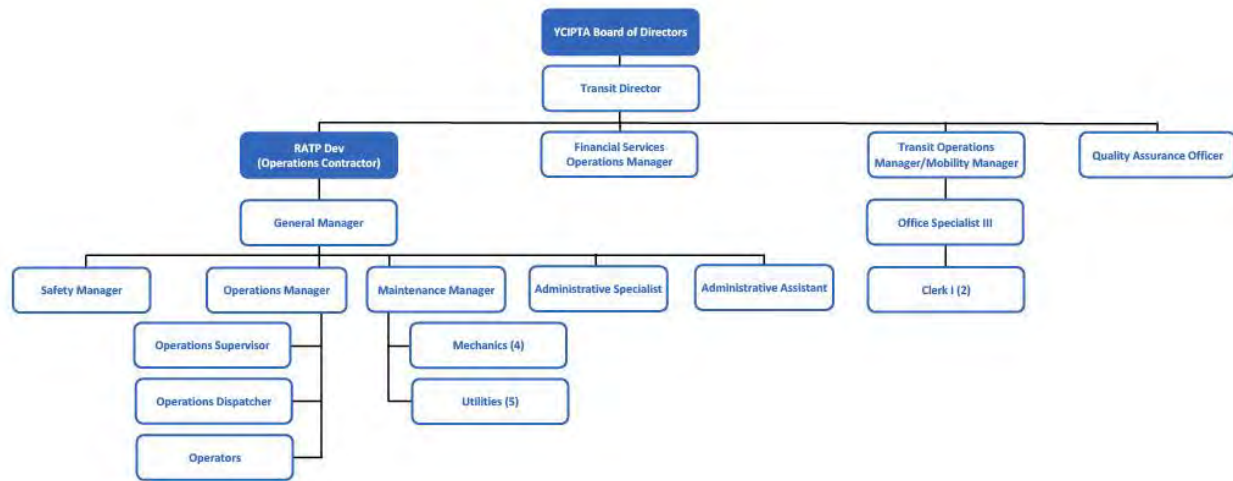
The YCIPTA's Transit Director monitors the operations contractor (currently RATP Dev) on a daily basis, as they are located within the same facility. More formal biweekly and monthly meetings are held with the contractor as well. YCIPTA staff also receive notifications through the tracking software and monitor maintenance activities.

The YCIPTA currently has six staff members supporting the transit program, led by the Transit Director, Financial Services Operations Manager, and Transit Operations Manager. At the time of the site visit, the YCIPTA was preparing to request a seventh staff member to handle additional tasks (such as marketing and advertising). Lines of reporting are clearly defined.

Operation of the YCAT service is contracted to RATP Dev, which assumed the contract in July 2018. The program is staffed appropriately.

The YCIPTA/YCAT organizational chart is illustrated in Exhibit 7.2. While not reflected in the organizational chart, both the ICTC and the Quechan Tribe are funding partners for Routes 5 and 10. Along with the YCIPTA, both participate in the Eastern Imperial County Transit Services (EICTS) Operations and Implementation Business Plan.

Exhibit 7.2 Organizational Chart



Transit information for routes 5 and 10 is reported to the Tribal Council at least three times per year: When it approves the annual update to the Memorandum of Understanding (MOU), when the annual budget for TDA funds is prepared, and to approve the annual TDA claim. The EDA Director shares updates about the operation at these times. The most frequently asked question is how many Tribal members are riding, though this is not information that can be currently tracked. Overall, the Tribal Council is largely satisfied.

Additional governance is provided by the YCIPTA Board, which oversees the entire YCAT program. It recently approved a new Short Range Transit Plan (SRTP) which suggests a couple of improvements to routes 5 and 10, which the YCIPTA hopes to implement in the next year or two, depending upon funding availability.

The Quechan Tribe has a good relationship with the ICTC as the RTPA. Payments are made in a timely manner and the agency is good to work with. It also has a solid relationship with Caltrans, though it is focused primarily on road projects rather than transit.

Service Planning

Service planning for routes 5 and 10 is primarily done as part of the YCAT Short Range Transit Plan prepared by the YCIPTA. The most recent SRTP was prepared in June 2021. The Tribe also has a long range transportation plan that includes a section on transit. This plan was last updated in 2010, and the Tribe anticipates updating it in the coming year.

An updated Eastern Imperial County Transit Services Business Plan is prepared annually. The document provides an overview of the service, defines partner roles and responsibilities, forecasts costs and revenues for the upcoming year, confirms performance standards, details marketing and outreach activities, and provides additional operating information.

The Tribe conducts periodic information sharing about transit. This is conducted primarily by the EDA Specialist via the Tribe's website and all-hands emails to staff. The recent YCIPTA SRTP was prepared

during the COVID-19 pandemic, and opportunities for public participation were limited to stakeholder meetings held online via Zoom.

Administration

Budgeting is done at quarterly EICTS meetings. It is a joint process between the YCIPTA, the ICTC, and the Quechan Tribe. The YCIPTA's Transit Director prepares the proposed budget, taking into account estimated expenditures including increased fuel and contractor costs, which is shared among the partners. This provides an opportunity for the partners to respond to the proposed budget and adjust the amounts. The Tribe then prepares its budget for the ICTC and the updated MOU amendment, and shares these with the ICTC so they can go through the ICTC's budget process. The MOU documents between the Tribe and YCIPTA are also updated at this time.

Budgeting for the next fiscal year begins in March. Historically, actual costs have been largely in line with budgeted expenses.

The responsibility for grants management is shared. The YCIPTA's Financial Services Operations Manager handles grants for the YCIPTA, while the Quechan Tribe's EDA Director handles grants for the Tribe. The Tribe receives FTA formula funding as well as some federal tribal transit discretionary funding. The EDA Specialist handles FTA grants, while the EDA Director manages grants through the Bureau of Indian Affairs (BIA).

RATP Dev carries sufficient insurance and handles accident and injury claims. The contractor has a safety manager on its staff, and the YCIPTA monitors safety as well. The YCIPTA also participates in the local emergency management planning committee, and has an agreement with them to provide YCAT service and/or vehicles when needed.

RATP Dev handles payroll for its employees. Staff use a timeclock to clock in and out. Payroll is run on a biweekly pay period, with employee time reviewed daily. Direct deposit is offered as an option. The YCIPTA's payroll process utilizes timesheets, and all employees use direct deposit.

The YCIPTA's procurement manual is in compliance with ADOT and federal requirements. The YCIPTA purchases fuel, while RATP Dev provides its own tires and parts. The YCIPTA maintains the bus stops.

Marketing and Public Information

YCAT's system rider guide includes routes 5 and 10. Advertising and promotion activities include social media, television commercials, scrolling information on the YCAT website, newspaper advertisements, Yuma County map advertisement, and inclusion in the City of Yuma Parks and Recreation brochure. Take-one brochures are stocked onboard the buses to advertise events and service changes. YCIPTA representatives also participate in local job fairs.

The Quechan Tribe also promotes Routes 5 and 10. It distributes a monthly flyer to Tribal departments, with a different focus each month. It also advertises at local grocery stores and encourages Tribal members to use the online services (e.g., Nextbus, trip planner, etc.).

The YCIPTA handles customer service calls; however, it is up to RATP Dev to respond to complaints within a designated timeframe. Complaints are logged through the Solutions for Transit system. The Tribe

responds to issues from Tribal members and communicates with the Transit Director. The EDA Director is satisfied with the two-way communication between the Tribe and YCIPTA.

Public perception of the transportation program is generally positive. The EDA Director and EDA Specialist periodically act as “mystery shoppers” riding the routes, but try not to displace actual riders to do so. They feel it gives them a good opportunity to observe the system and talk to the riders. The Tribe believes there is a core group of Tribal members that would benefit from using the bus, but prefer the convenience of a taxi despite the higher cost.

Scheduling, Dispatch, and Operations

Routes 5 and 10 are included in YCAT’s regular service bid process. Any driver can bid on these routes. Driver bids take place four times per year and are based on seniority. Maintenance personnel bid on shifts by seniority every six months. Staff are unionized (ATU Local 1433) and all bids are governed by the collective bargaining agreement (CBA). There are currently 20 full-time drivers and some part-time drivers for the entire YCAT system.

Coverage for scheduled absences (such as vacation) is offered to drivers by seniority. The same process is used for unscheduled absences (call-outs), though in these cases a dispatcher or road supervisor may have to cover a route.

The Solutions for Transit platform is used for dispatching. While dispatcher is a dedicated position, all dispatchers are required to maintain a commercial driver’s license.

Vehicles are assigned to routes on the vehicle run sheet. Assignments are based on vehicle size and route ridership. Vehicles are rotated to accrue mileage equally. Maintenance provides dispatch with a listed of downed vehicles twice per day (mid-day and in the evening).

All YCAT buses feature GFI Genfare Fastfare fareboxes. When a vehicle pulls into the yard, it is probed, farebox information is downloaded, and the farebox unlocks. The farebox is then removed from the vehicle and dumped into the vault. This takes place daily. At no time does the driver or utility worker have access to the fare revenue. Each morning, a dispatcher and road supervisor get money bags, empty the vault, run a report, put the report in with the cash, seal the bags, and put the bags in the safe in the money room, which is equipped with cameras. Loomis armored car service picks up the money and takes it to be counted. Non-cash fare media is allocated to Route 5. Cash is then deposited in the YCIPTA’s account.

Non-cash fare media for Route 5 is sold onboard the bus (day passes), at Food City and other grocery stores, at the YCIPTA office, and online. There are no non-cash options for Route 10. The YCIPTA is evaluating options for mobile ticketing, but has not implemented it at this time.

Personnel Management and Training

At present, the operations contractor has sufficient staffing to operate the service, though recruitment has been challenging due to the nationwide driver shortage. Recruiting is handled by RATP Dev at both the local and corporate levels. Open positions are also posted on the YCIPTA/YCAT websites, Facebook, and Indeed. RATP Dev is constantly recruiting. Some recruits have their commercial license, while others require full training and licensing. RATP Dev offers a full training program, but recruits have to go to the state for testing. RATP Dev offers a dedicated TSI-certified safety and training manager. Only rarely does

driver staffing affect the contractor's ability to provide the service (driver illness, etc.). All employees are subject to a 90-day probation period.

RATP Dev conducts monthly safety meetings and participates in required drug and alcohol testing. RATP Dev has a zero tolerance policy with respect to drug and alcohol use.

The CBA governs seniority, leave, attendance, discipline and discharge, the safety point system, accident/incident reporting and response, vacation time, holidays, sick time, wages, and grievance and arbitration. It includes a progressive discipline policy. Mechanics qualify for a wage premium for ASE certifications in Medium/Heavy Duty Truck, School Bus, and/or Transit Bus as well as for ASE Master Certification.

RATP Dev provides benefits to full-time employees as detailed in the CBA. Benefits include health, dental, and vision insurance; short- and long-term disability plans; and life insurance. Employees may also participate in RATP Dev's 401(k) plan.

Maintenance

YCAT utilizes Solutions for Transit software, which is also used for maintenance tracking. Most work is done in-house, though major repairs may be sent out. No other RATP Dev contracts are serviced at the YCAT facility, nor are any of RATP Dev's vehicles maintained there. The Transit Director has access to maintenance reports (preventive maintenance due, work orders, etc.) on a daily basis. YCIPTA's Quality Assurance Officer reviews preventive maintenance reports to confirm quality.

The YCIPTA currently leases the YCIPTA/YCAT facility. Both YCIPTA and YCAT are located within a single small building, making for very close quarters for administrative staff. There are currently four maintenance bays, however five are desired.

The parts room is secure with access limited to maintenance personnel. The parts inventory is maintained in the Solutions for Transit platform. Inventory is conducted twice annually.

Maintenance has effective communications with dispatch regarding out-of-service vehicles. There is no current significant maintenance backlog. Currently, YCAT is able to provide sufficient vehicles for pullout. Under the prior operations contract, regular maintenance impacted YCAT's ability to meet pullout requirements.

The YCAT fleet list is provided in Exhibit 7.3. This represents the entire YCAT fleet, as vehicles used on Routes 5 and 10 are not designated but drawn from the fixed-route fleet.

Exhibit 7.3 YCAT's Transit Fleet

Quantity	Year	Make & Model	PAX	Fuel Type
1	2010	ENC Aerolite	8 + 2	Gas
2	2010	ENC Aeroline	6 + 2	Gas
4	2016	Arboc Freightliner	34	Diesel
2	2016	Gillig Low-Floor	39	Diesel
5	2019	Gillig Low-Floor	39	Diesel
6	2022	Gillig Low-Floor	39	Diesel
2	2022	Gillig Low-Floor	32	Diesel
2	2019	Starcraft	14 + 2	Gas
1	2020	Starcraft	14 + 2	Gas
1	2021	Starcraft	9 + 2	Gas
2	2021	Starcraft	19 + 2	Gas

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Chapter 8 | Findings and Recommendations

Conclusions

Moore & Associates, Inc. concludes the Quechan Tribe to be in compliance with the requirements of the Transportation Development Act. In addition, the entity generally functions in an efficient, effective, and economical manner.

Findings

Based on discussions with the Quechan Tribe and YCIPTA staff, analysis of program performance, and an audit of program compliance and function, the audit team presents no findings or recommendations.

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V. ACTION CALENDAR

- B. ICTC Zero Emission Bus Plan - California Air Resources Board (CARB) Innovative Clean Transit (ICT) Rollout Plan
 - 1. Approve and adopt the ICTC CARB ICT Rollout Plan.
 - 2. Authorize staff to file all necessary documents on behalf of ICTC pertaining to the California Air Resources Board Innovative Clean Transit Regulation.



1503 N. Imperial Ave. Suite 104
EL CENTRO, CA 92243-2875
PHONE: (760) 592-4494
FAX: (760) 592-4410

May 3, 2023

ICTC Management Committee
Imperial County Transportation Commission
1503 N. Imperial Ave. Suite 104
El Centro, CA 92243

SUBJECT: ICTC Zero Emission Bus Plan - California Air Resources Board (CARB)
Innovative Clean Transit (ICT) Rollout Plan

Dear Committee Members:

The California Air Resources Board (CARB) issued the Innovative Clean Transit (ICT) Regulation in December 2018. The ICT requires that all transit agencies transition to a 100 percent zero emission bus (ZEB) fleet by 2040. A ZEB rollout plan from each transit agency, approved by its Board, is required to show how the agency is planning to achieve a full transition to zero-emission technologies by 2040. Small transit agencies, including ICTC, must submit their ICT Plan by July 1, 2023.

ICTC recently acquired the consulting firm of Stantec to develop a comprehensive Zero Emission Bus Plan and the required compliance rollout plan to meet CARB ICT requirements. The scope of services for the project includes the analysis of ICTC's current bus fleet, routes, infrastructure and operations, development of a route model and evaluation of zero emission technology and its feasibility to our environment and route structure, evaluation of ICTC potential needs and available opportunities, development of a preferred ZEB fleet concept, cost estimation and financial modeling, ZEB conversion recommendations, procurement and funding opportunities and ultimately the development of a rollout plan.

Stantec completed the CARB ICT compliant rollout plan for submittal to CARB within the required deadline. The CARB ICT compliant rollout plan includes information pertaining to the agency, technology portfolio, current bus fleet composition and future bus purchases, facilities, and infrastructure modifications, providing service in disadvantaged communities, workforce training, potential funding sources and startup/scale up challenges. The rollout plan also provides the recommended bus technology to ensure ICTC can continue to provide existing and future services.

**CITIES OF BRAWLEY, CALEXICO, CALIPATRIA, EL CENTRO, HOLTVILLE, IMPERIAL, WESTMORLAND,
IMPERIAL IRRIGATION DISTRICT AND COUNTY OF IMPERIAL**

It is requested that Management Committee forward this item to the Commission for review and approval after public comment, if any:

1. Approve and adopt the ICTC CARB ICT Rollout Plan.
2. Authorize staff to file all necessary documents on behalf of ICTC pertaining to the California Air Resources Board Innovative Clean Transit Regulation.

Sincerely,



David Aguirre
Executive Director

DA/gg



1

ZEB PLAN



Presentation Overview

1. Project purpose and CARB requirements
2. Preferred fleet phasing
3. Facility and infrastructure modifications
4. Service in Disadvantaged Communities
5. Workforce training

2

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Project Purpose

1. To develop a CARB-compliant plan for submission in response to the ICT Regulation
2. To develop a transition plan and strategy for IVT's goal of 100% ZEB by 2040

IVT - ZEB PLAN

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Required Components	Section Description
Section A	Transit agency information
Section B	Rollout plan general information
Section C	Technology portfolio
Section D	Current bus fleet composition and future bus purchases
Section E	Facilities and infrastructure modifications
Section F	Providing service in disadvantaged communities
Section G	Workforce training
Section H	Potential funding sources
Section I	Start-up and scale-up challenges

3



ICT Regulation Details

1. Requires that small transit agencies begin purchasing ZEBs in 2026, with 100% transition by 2040
2. Requires that small transit agencies submit a Board-approved plan by July 1, 2023
3. Exempts cutaways, motorcoaches, and articulated buses until 2026 (and later if no Altoona tested vehicles are available)
4. Provides exemptions for agencies based on lack of feasible vehicle alternatives, challenging terrain, operating profiles that aren't feasible with ZE alternatives, and other challenges

IVT - ZEB PLAN

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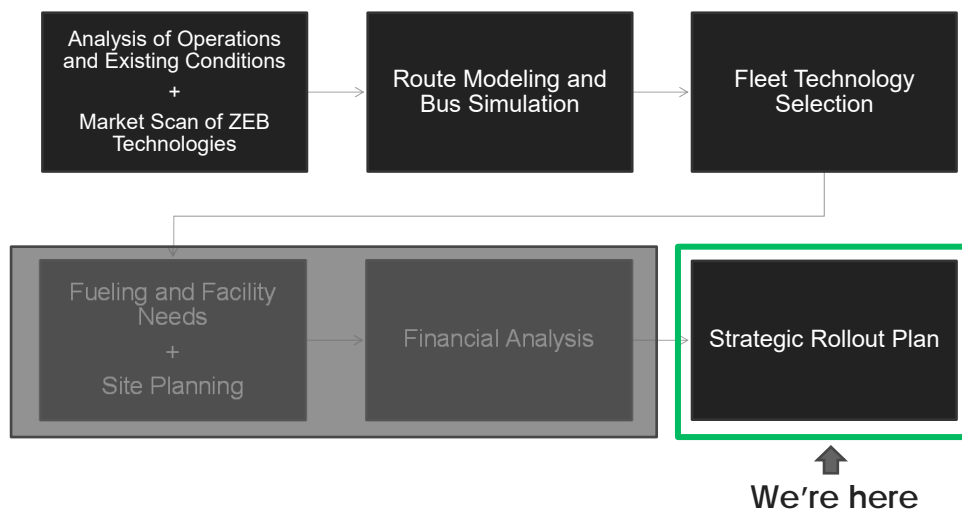


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Project Process

IVT – ZEB PLAN



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Preferred fleet concept



IVT – ZEB PLAN

- Analysis, fleet modeling, multicriteria analysis, and stakeholder discussions shaped potential fleet alternatives
- **A pure hydrogen fleet is the optimal fit** for IVT's operations, service, and needs

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Preferred Fleet Concept (by 2040)

Service Type	Vehicle type	Vehicles
Fixed Routes	40-ft FCEBs	16
	Hydrogen Cutaway	11
DAR	Hydrogen Cutaway	22
	Hydrogen Van	14
TOTAL		63

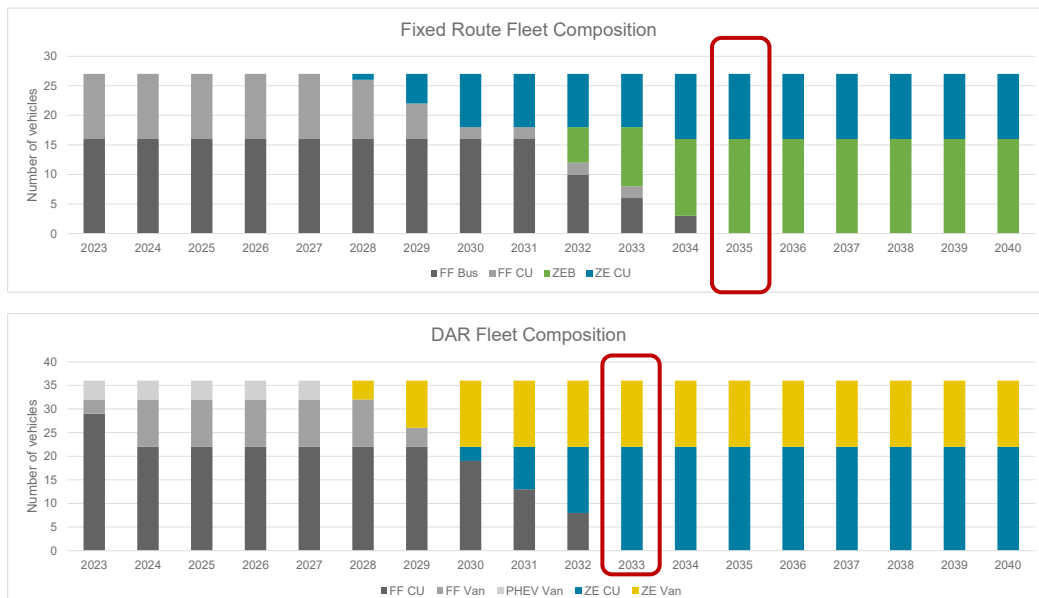
IVT - ZEB PLAN

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2023-2040 Fleet Forecast



IVT - ZEB PLAN

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Facility Infrastructure Modifications

- The current site is not owned by ICTC
- The lack of space for admin limits agency-wide synergy
- Additional hydrogen fueling infrastructure could fit on existing footprint
- **Any investment in a facility not owned by ICTC is at risk**
- **Solution:** Acquire a new site to build a new operations and maintenance facility



IVT - ZEB PLAN

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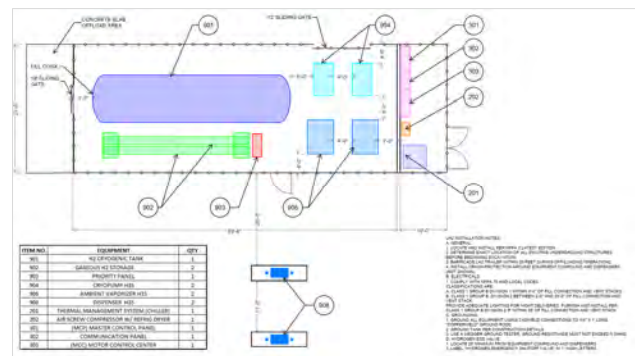
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Facility Infrastructure Modifications

IVT will need the following equipment and infrastructure to accommodate ZEBs:

- Hydrogen fueling station with a 9,000-gal LH2 tank to support H35 and H70 fueling of heavy and light duty vehicles.
- Gas leak detection systems.
- HVAC ducting
- Ventilation fans
- Gravity vents
- Fire sprinkler system
- And other safety measures applicable to batteries and hydrogen systems.



IVT - ZEB PLAN

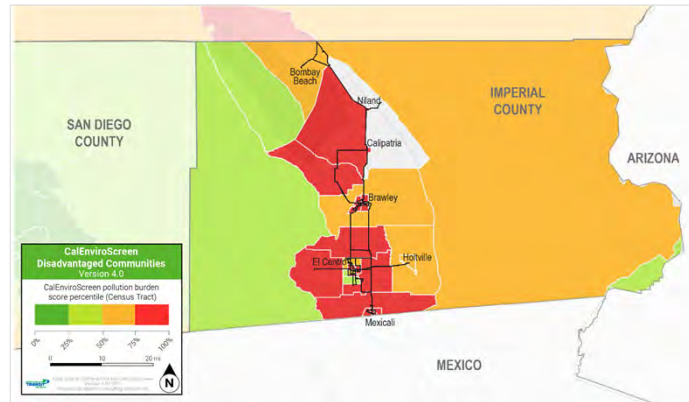
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Service in Disadvantaged Communities

- There are 18 CalEnviroScreen-defined disadvantaged census areas in Imperial County
- All IVT routes traverse through at least one disadvantaged community
 - IVT can deploy ZEBs on any route to fulfill these criteria and support the emission reductions in these communities.



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Training for ZEBs

FCEB Training (highlights)

Schedule	Training Item
Within six months before the first vehicle procurement	Maintenance Staff <ul style="list-style-type: none"> o Safety protocols for high-pressure, combustible gas o Preventative maintenance – buses o Onboard diagnostic systems o Multiplexing o HVAC o Brake systems o Hydrogen fuel dispenser operation o Hydrogen systems, including fuel cell engine o Hydrogen storage system o Hydrogen leak detection and fire suppression systems o Hydrogen cooling system package
Within six months after the first vehicle delivery	Bus Operators <ul style="list-style-type: none"> o FCEB driving techniques, including methods to maximize vehicle range o FCEB vehicle and associated systems orientation including onboard diagnostics o Safety protocols
Within six months before the first vehicle delivery	First Responders <ul style="list-style-type: none"> o Training on layout, componentry, safety devices, and other FCEB features
Within three months after the first vehicle delivery	Planning/Scheduling/Dispatching Staff <ul style="list-style-type: none"> o Training on FCEB-specific features that impact operating parameters
Within three months after the first vehicle delivery	Towing Staff/Contractors <ul style="list-style-type: none"> o Schedule and test towing training with staff and any contractors who will tow the FCEB for each type of FCEB

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IVT – ZEB PLAN

Potential Funding Sources

Federal

- Low-No
- AHSC
- Bus and Bus Facilities 5339
- RAISE
- CRRSSA
- CMAQ

State/Local

- LTF
- HVIP
- LCTOP
- TIRCP
- VW Mitigation Fund

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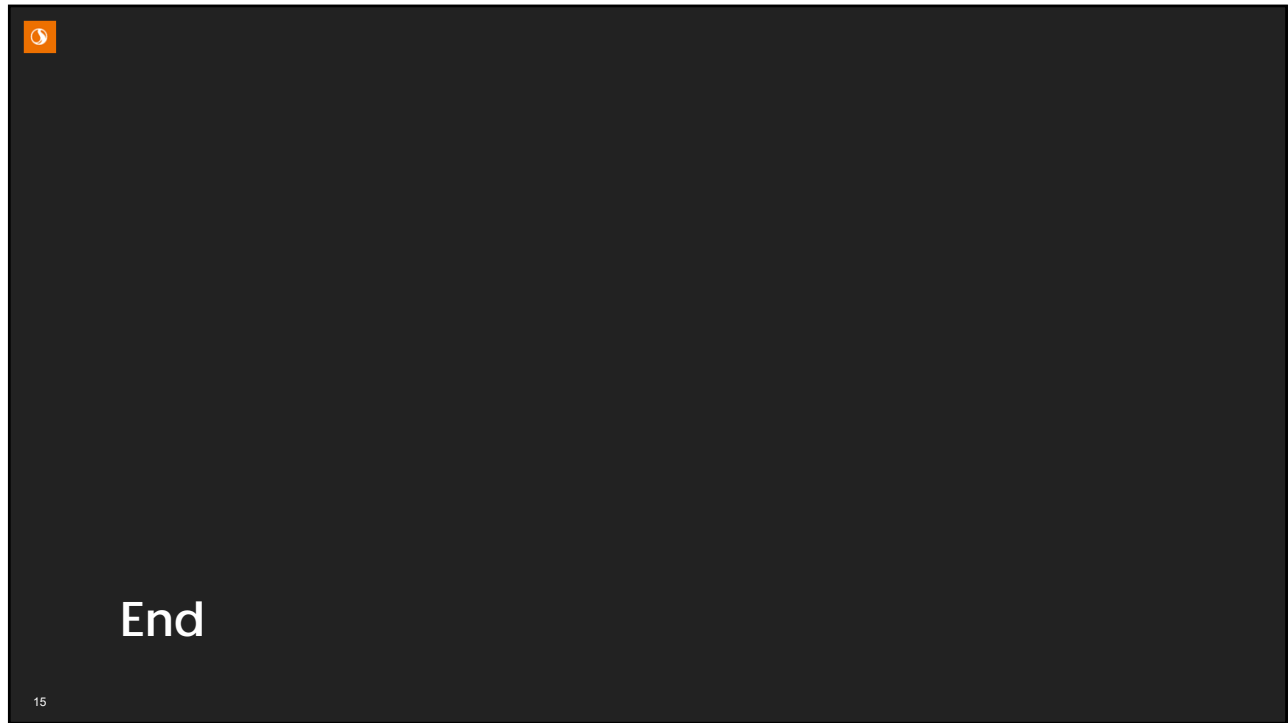
IVT – ZEB PLAN

Conclusions

- A hydrogen fleet can help IVT achieve operations that are resilient and matches its operating needs given the long area service and hot temperatures
- Based on this implementation plan, IVT's fleet can be **100% ZEB by 2035**
- To offset increased capital costs for vehicles and infrastructure, IVT must actively pursue grant funding
- CARB ICT Rollout Plan is a living document that should be updated as needed

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Zero-Emission Bus Rollout Plan

Section A: Transit Agency Information

Please provide the following information regarding your agency.

Imperial County Transportation Commission (ICTC), on behalf of Imperial Valley Transit (IVT)

Imperial County Transportation Commission (ICTC) provides management, administration, and oversight to local and regional transportation programs including Imperial Valley Transit (IVT), IVT ACCESS, IVT RIDE, IVT MedTrans, and Calexico On-Demand. IVT provides transportation largely within Imperial County, with some service operating between Imperial Valley and San Diego County. All services are operated by First Transit, Inc. except for Calexico On-Demand, which is operated by Via. The services and are outlined in more detail below.

- **IVT fixed route:** IVT's fixed route service is comprised of standard fixed route, deviated fixed route, and remote zone route service. Together there are 23 routes, which vary in the time of day and days of the week they are offered.
 - Fixed route service operates over a set pattern of travel with a published schedule.
 - Deviated fixed route service operates so persons with disabilities and limited mobility are able to travel on the bus. For this service, passengers must call and request the day before service is desired.
 - Remote zone routes operate once per week and provide connections to the more distant communities in Imperial County.
- **IVT ACCESS:** IVT ACCESS is a curb-to-curb ADA paratransit service offered to individuals who have physical or cognitive disabilities that cannot use the regular fixed route bus system. Eligibility is determined based on an individual's ability to get to/from fixed route bus stops, board and exit the bus, and navigate the fixed route system. Reservations must be scheduled in advance.
- **IVT RIDE:** IVT RIDE provides curb-to-curb service to seniors age 55 years and over, and persons with disabilities in Brawley, Calexico, El Centro, Imperial, Heber, and West Shores.
- **IVT MedTrans:** IVT MedTrans offers non-emergency transportation service between Imperial Valley and San Diego County medical facilities, clinics, and doctor offices. This service is available to transit dependent persons requiring essential or lifeline medical services and is offered four days per week.

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- **Calexico On Demand:** Calexico On Demand is an on-demand service that can be scheduled using the Calexico On Demand app. Pickups and drop-offs can occur anywhere within Calexico. This service is offered Monday through Friday from 6:00 AM to 6:00 PM and costs \$2 per ride.

ICTC currently operates a fleet of 63 revenue vehicles to provide these services: sixteen buses, forty cutaways, and seven minivans. All vehicles are stored at the maintenance facility located at 792 Ross Ave, El Centro, CA which is leased from First Transit, Inc., and is privately owned. ICTC is part of the Imperial County Air Pollution Control District (APCD), the Salton Sea Air Basin, and the Imperial Irrigation District (IID) utility territory.

With a service area population of 178,713¹ and a peak fleet of fewer than 50 vehicles, ICTC is classified as a small transit agency under the Innovative Clean Transit (ICT) mandate and is required to submit a zero-emission (ZE) rollout plan to the California Air Resources Board (CARB) by June 30, 2023².

Peak Vehicles: 63
Population (2022, US Census): 178,713

IVT is not part of a Joint Zero-Emission Bus Group.

Contact Information:

David Aguirre
Executive Director
(760) 592-4494
davidaquirre@imperialctc.org

Section B: Rollout Plan General Information

1. *Does your transit agency's Rollout Plan have a goal of full transition to zero-emission technologies by 2040 that avoids early retirement of conventional transit buses?*
Yes, IVT has a goal of full transition by 2040.
2. *The ICT regulation requires 100% ZEB purchases in 2029. Conventional transit buses that are purchased in 2028 could be delivered in or after 2029. Please explain how your transit agency plans to avoid potential early retirement of conventional buses in order to meet the 2040 goal.*
(Optional)
3. *When did your transit agency's board or governing body approve the Rollout Plan?*

¹ <https://www.census.gov/quickfacts/fact/table/imperialcountycalifornia/PST045222#PST045222>

² CARB ICT defined large transit agencies as operating in "an urbanized area with a population of at least 200,000 as last published by the Bureau of Census before December 31, 2017 and has at least 100 buses in annual maximum service." Agencies that do not meet this definition are categorized as small transit agencies.

- a. Approval date (MM/DD/YYYY)
 - b. Resolution number (optional)
 - c. Is a copy of the board approved resolution attached to the Rollout Plan submitted to CARB? Yes (required)
4. Contact information for follow-up on details of the Rollout Plan (optional)
 - a. David Aguirre
 - b. Executive Director
 - c. (760) 592-4494
 - d. davidaguirre@imperialctc.org
 5. Who created the rollout plan? A consultant
 - a. If consultant, please identify the company name: Stantec Consulting Services Inc.
 6. Cost for Rollout Plan creation (optional)
 7. How many person-hours did it take to create the Rollout Plan? (optional)

Commented [MA1]: ICTC to update.

Section C: Technology Portfolio

What type(s) of zero-emission bus technologies (e.g. battery electric and fuel cell electric buses) does your transit agency plan to deploy through 2040?

Currently, IVT's fleet propulsion portfolio includes diesel buses, diesel cutaways, gas cutaways, gas vans, and hybrid vans. Based on the analysis and route modeling, including stakeholder discussions and multicriteria analysis, the most feasible and best suited ZEB technology for IVT is hydrogen fuel cell-electric buses (FCEBs) and hydrogen vehicles. Namely due to range requirements to serve a large, dispersed service area, FCEBs will help IVT achieve electrification without expanding the fleet due to range limitations and minimizes disruption to business and operating practices.

Section D: Current Bus Fleet Composition and Future Bus Purchases

1. Please complete Table 1 with information on each individual bus in your current bus fleet. Please identify the fuel type of each individual conventional bus as diesel, compressed natural gas (CNG), liquefied natural gas (LNG), diesel hybrid (dHEB), gasoline hybrid (gHEB), propane, or gasoline. For zero-emission technologies, identify the fuel type as hydrogen or electricity and indicate which charging technology (depot, wireless, and/or on-route) will be used. (optional)

IVT currently has a fleet of 63 revenue vehicles, including diesel, gasoline, and hybrid (Table 1). The total fleet size is not anticipated to grow and the fleet mix will remain diesel buses, gas cutaways, gas vans, and hybrid vans as it transitions to ZEBs.

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Table 1: Individual Bus Information of Current Bus Fleet

Make	Length	Year in Service	Number in Fleet	Power	Age (years)
Gillig Bus	40-ft.	2012	10	Diesel	11
Gillig Bus	40-ft.	2015	6	Diesel	8
Ford E-450 Cutaway	28-ft.	2015	9	Gas	8
Ford E-450 Cutaway	28-ft.	2016	26	Gas	7
Ford E-350 Cutaway	28-ft.	2016	1	Gas	7
Ford E-450 Cutaway	28-ft.	2017	1	Gas	6
Dodge Caravan	17-ft.	2017	1	Gas	6
Ford E-450 Cutaway	28-ft.	2018	1	Gas	5
Ford Transit Van	15-ft.	2018	2	Gas	5
Ford E-450 Cutaway	28-ft.	2019	1	Gas	4
Ford E-450 Cutaway	28-ft.	2020	1	Gas	3
Hybrid Van	17-ft.	2023	4	PHEV	0

2. Please complete Table 2 regarding expected future bus purchases, including the number of buses in total expected to be purchased or leased in the year of purchase. Identify the number and percentage of ZEBs of the total bus purchases each year, as well as bus types and fuel types. Identify the same type of information for purchases of conventional buses. Bus types include standard, articulated, over-the-road, double decker, and cutaway buses. For zero-emission technologies, please identify the fuel type as hydrogen or electricity indicate which charging technology (depot, wireless, and/or on-route). For conventional technologies, identify the fuel type as diesel, compressed natural gas (CNG), liquefied natural gas (LNG), diesel hybrid (dHEB), gasoline hybrid (gHEB), propane, or gasoline.

Table 2 represents the anticipated revenue service vehicles that will be purchased in the future. Note that IVT does not intend to expand its demand-response and fixed-route as it is anticipated the same service levels can be maintained with a consistent number of vehicles. The fleet replacement plan presented below indicates annual vehicle purchases until 2040.

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Table 2: Future Vehicle Purchases (Required)

<u>Timeline (Year)</u>	<u>Total # of Buses to Purchase</u>	<u># of ZEB Purchases</u>	<u>% of Annual ZEB Purchases</u>	<u>ZEB Bus Type(s)</u>	<u>ZEB Fuel Type(s)</u>	<u># of Conv. Bus Purchases</u>	<u>% of Annual Conv. Bus Purchases</u>	<u>Type(s) of Conv. Buses</u>	<u>Fuel Type(s) of Conv. Buses</u>
2023	0	0	N/A	N/A	N/A	0	N/A	N/A	N/A
2024	19	0	0%	N/A	N/A	4	100%	11 cutaways 8 vans	Gasoline cutaways Gasoline vans
2025	21	0	0%	N/A	N/A	5	100%	6 40-ft. buses 13 cutaways 2 vans	Diesel buses Gasoline cutaways Gasoline vans
2026	0	0	N/A	N/A	N/A	0	N/A	N/A	N/A
2027	0	0	N/A	N/A	N/A	0	N/A	N/A	N/A
2028	7	5	71%	1 cutaway 4 vans	FCEB	2	29%	2 cutaways	Gasoline cutaways
2029	10	10	100%	4 cutaways 6 vans	FCEB	0	0%	N/A	N/A
2030	11	11	100%	7 cutaways 4 vans	FCEB	0	0%	N/A	N/A
2031	6	6	100%	6 cutaways	FCEB	0	0%	N/A	N/A
2032	11	11	100%	5 cutaways 6 40-ft. buses	FCEB	0	0%	N/A	N/A
2033	12	12	100%	8 cutaways 4 40-ft. buses	FCEB	0	0%	N/A	N/A
2034	5	5	100%	2 cutaways 3 40-ft. buses	FCEB	0	0%	N/A	N/A
2035	8	8	100%	1 cutaway 3 40-ft. buses 4 vans	FCEB	0	0%	N/A	N/A
2036	10	10	100%	4 cutaways 6 vans	FCEB	0	0%	N/A	N/A
2037	8	8	100%	4 cutaways 4 vans	FCEB	0	0%	N/A	N/A
2038	0	0	100%	4 40-ft. buses 1 45-ft. motorcoach	FCEB	0	0%	N/A	N/A
2039	3	3	100%	3 cutaways	FCEB	0	0%	N/A	N/A
2040	6	6	100%	6 cutaways	FCEB	0	0%	N/A	N/A

3. Table 3 – Range and estimated costs of Future ZEB purchases (optional)
4. Is your transit agency considering converting some of the conventional buses in service to zero-emission buses? IVT is not currently considering converting conventional buses to ZEBs.

Section E: Facilities and Infrastructure Modifications

1. Please complete Table 5 with names, locations, and main functions of transit agency divisions or facilities that would be involved in deploying and maintaining zero-emission buses. Please limit the facilities to bus yards and facilities with maintenance, fueling, and charging functions, and exclude other operational functions like training centers, information and trip planning offices, and administrative buildings.

IVT's current fleet is maintained at a lease location at 792 Ross Ave, El Centro, CA 92243 (*image below*). The facility occupies a property of the approximately 2.53-acres (110,400 sq. ft.), which houses vehicle service, fleet parking, employee parking, maintenance, and operations. The facility consists of one 40-feet by 100-feet (4,000 sq. ft.) pre-engineered metal building that houses all maintenance and operation functions. The property is partially unpaved on the northern portion of the site with gravel parking. The south side is asphalt pavement. The facility is accessed from one driveway onto Ross Avenue to the south and land-locked on the other three sides.



The current site is large for outdoor parking, but somewhat constrained in space particularly for the building and maintenance bays. The biggest challenge for IVT with regard to the facility is that it is not the owner of the site or facility. As such, modifications and investments to upgrade the facility for alternative fuels is not feasible without risks to the capital investment.

For the purposes of the ICT plan, IVT is taking a site-agnostic approach to facility and infrastructure modifications in that it is unclear if IVT plans to remain at its current facility or identify a new site. Nonetheless, wherever IVT plans to operate out of, IVT will need the following equipment and infrastructure to accommodate ZEBs:

- Hydrogen fueling station with a 9,000-gal LH2 tank to support H35 and H70 fueling of heavy and light duty vehicles.
- Gas leak detection systems.
- HVAC ducting
- Ventilation fans
- Gravity vents
- Fire sprinkler system
- And other safety measures applicable to batteries and hydrogen systems.

Table 5 (below) provides an overview of the general requirements for a future site. The actual determination of a location will require further study.

Table 5: Facilities Information and Construction Timeline (Required)

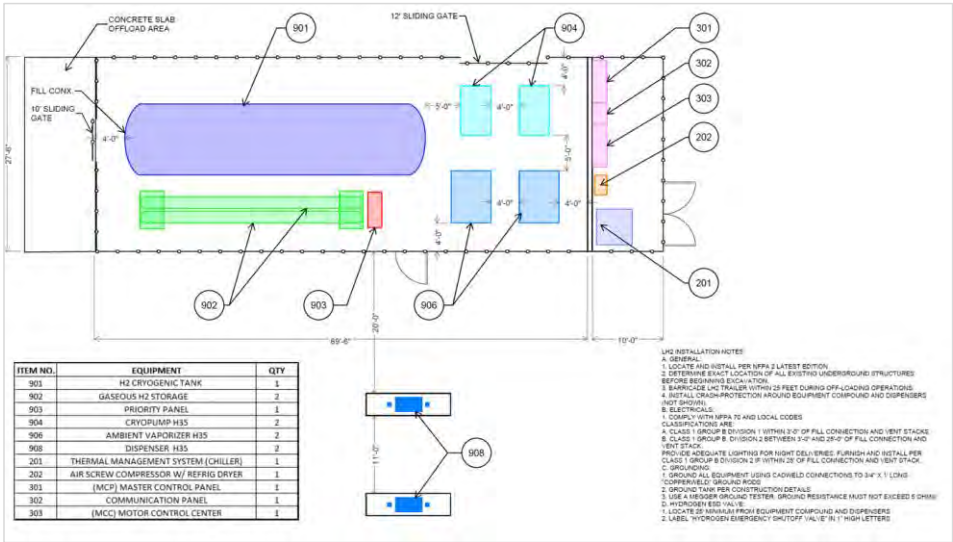
<u>Division/ Facility Name</u>	<u>Address</u>	<u>Main Function(s)</u>	<u>Type(s) of Infrastructure</u>	<u>Service Capacity</u>	<u>Needs Upgrade? (Yes/No)</u>	<u>Estimated Construction Timeline</u>
New/future facility	TBD ³	Administration, Operations, Maintenance, Training, Fueling	Brand new O&M facility New hydrogen fueling station with a 9,000-gal LH2 tank to support H35 and H70 fueling of heavy and light duty vehicles. Gas leak detection systems. Ventilation systems up to code.	63+ revenue vehicles	Yes - Brand new facility construction	2027-2028

³ Given that IVT does not own the current facility, the future location for the hydrogen station and maintenance facility has not been established.

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Example layout for a hydrogen fueling yard with two dispensers.



Questions 2 through 5 are optional.

6. Please identify the electric utilities in your transit agency's service area.

IVT is in the Imperial Irrigation District (IID) service area and it's anticipated any new facility construction will have the required capacity to support the power loads of a hydrogen refueling system. Regarding future hydrogen supply, IVT will use competitive tendering to procure delivered liquid hydrogen.

Section F: Providing Service in Disadvantaged Communities

1. Does your transit agency serve one or more disadvantaged communities, as listed in the latest version of CalEnviroScreen? Yes/ No (required)
 - a. If yes, please describe how your transit agency is planning to deploy zero-emission buses in disadvantaged communities (required).

The ICT utilizes information provided by CalEnviroScreen to identify disadvantaged communities. As shown in the map below, there are 18 CalEnviroScreen-defined disadvantaged census areas in Imperial County, and all IVT routes traverse through at least one disadvantaged community. Thus, IVT can deploy ZEBs on any route to fulfill these criteria and support the emission reductions in these communities.

Figure 1 shows the CalEnviroScreen-defined disadvantaged communities in Imperial County, and Table 1 provides a detailed breakdown of census tracts that are considered disadvantaged and the routes that travel through them.

Figure 1: CalEnviroScreen Disadvantaged Communities in Imperial County

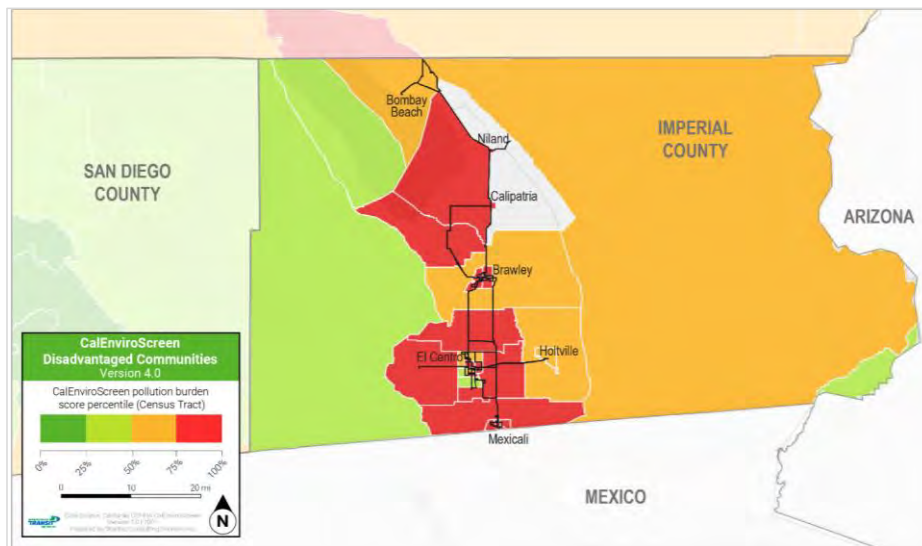


Table 1: CalEnviroScreen Disadvantaged Census Tracts in Imperial County with IVT Routes

Census Tract ID	Routes
6025010102	2, 22, 51
6025010200	2, 22, 51
6025010500	2, 22, 32, 51, Gold
6025010400	2, 22, 31, 32, 51, Gold
6025010600	2, 22, 41, 51, Gold
6025010700	2, 22, 31, 32, Gold
6025011100	4
6025011000	2, 3, 4, 21, 22, 31, 32, 41, Green
6025011300	1, 2, 3, 4, 21, 31, 32, 45, Blue
6025011900	1, 21, 31, 32,
6025012200	1
6025012100	1, 21, 31, 32,
6025012002	1, 21
6025012001	1, 21
6025011202	2, 3, 4, 41, Blue, Green

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Census Tract ID	Routes
6025011500	2, 3, 4, 41, 45, Blue, Green
6025011400	1, 3, 4, 45, Blue, Green
6025011700	1, Blue, Green

Section G: Workforce Training

Describe your transit agency's plan and schedule for the training of bus operators and maintenance and repair staff on zero-emission bus technologies. (Required)

Considering IVT has a goal to move to a 100% ZE FCEB fleet, there are additional skillsets required to assure that the staff is fully trained on the unique aspects of FCEBs and hydrogen fueling. For all staff, it will be critical to assure that this training includes safety protocols. Maintenance staff will need to be provided with all the appropriate equipment including items such as fall protection when working at heights on roof-mounted equipment (e.g., fuel tanks) and portable leak tester when working around hydrogen vehicles or fueling.

The required overall skillsets/knowledge areas on FCEBs include:

Schedule	Training Item
Within six months before the first vehicle procurement	Maintenance Staff <ul style="list-style-type: none">o Safety protocols for high-pressure, combustible gaso Preventative maintenance – buseso Onboard diagnostic systemso Multiplexingo HVACo Brake systemso Hydrogen fuel dispenser operationo Hydrogen systems, including fuel cell engineo Hydrogen storage systemo Hydrogen leak detection and fire suppression systemso Hydrogen cooling system package
Within six months after the first vehicle delivery	Bus Operators <ul style="list-style-type: none">o FCEB driving techniques, including methods to maximize vehicle rangeo FCEB vehicle and associated systems orientation including onboard diagnosticso Safety protocols
Within six months before the first vehicle delivery	First Responders <ul style="list-style-type: none">o Training on layout, componentry, safety devices, and other FCEB features

Within three months after the first vehicle delivery	Planning/Scheduling/Dispatching Staff <ul style="list-style-type: none"> o Training on FCEB-specific features that impact operating parameters
Within three months after the first vehicle delivery	Towing Staff/Contractors <ul style="list-style-type: none"> o Schedule and test towing training with staff and any contractors who will tow the FCEB for each type of FCEB

IVT plans to collaborate with its O&M contractor to ensure bus operators and maintenance staff are prepared for the transition to ZEBs. IVT plans to leverage the following methods for training its staff on ZEBs:

- OEM training: IVT plans to take advantage of manufacturer and supplier training. IVT will need to ensure that procurement documents (RFPs, contracts) stipulate training modules and procedures to be included with procurement, such as train-the-trainer/refresher training courses, on-site training, and remote support.
- Training programs offered by other agencies and the transit industry: IVT will explore opportunities for training such as the West Coast Center of Excellence in Zero Emission Technology (CoEZET) hosted by SunLine Transit in the Coachella Valley, as well as the AC Transit program known as ZEB University. Importantly, as the transit agencies surrounding Imperial County adopt and transition to ZEBs, sharing lessons learned and establishing best practices and local training and teaching opportunities. Tuolumne County Transit and Stanislaus Regional Transit Authority, which also plan to move ahead with FCEB, present a good opportunity for shared learning and cooperation on propulsion technologies.

Finally, it is highly recommended that all local fire and emergency response departments be given training as to the layout, componentry, safety devices, and other features of ZEBs. In addition, training and information should also be provided to emergency responders about the storage location of the ZEBs and emergency response equipment, like fire suppression systems. This should reoccur every few years, but the specific frequency can be dependent on agency discretion. In addition, agencywide orientation to familiarize the agency with the new technology should also be conducted prior to the first ZEB deployment.

Table 8: Workforce Training Schedule (Optional)



Section H: Potential Funding Sources

Please identify all potential funding sources your transit agency expects to use to acquire zero-emission technologies (both vehicles and infrastructure).

The table below shows all potential funding sources IVT will explore to use to acquire zero-emission technologies.

Table 9: Potential Funding Sources (Optional)

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Type	Agency	Fund/Grant/Program	Description	Applicability & Details
Federal	Affordable Housing and Sustainable Communities Program (AHSC)	State/Department of Housing and Community Development	<p>The AHSC Program funds land use, housing, and transportation projects to support development that reduces GHG emissions. The program provides both grants and loans that reduce GHG emissions and benefit disadvantaged communities through increasing accessibility via low-carbon transportation. The program prioritizes rural innovative</p> <p>on projects and distributed over \$700 million in total funding for FY19-20 and FY20-21.</p>	Sustainable transportation infrastructure projects, transportation-related amenities, and program costs (including transit ridership) are eligible activities. Agencies can use program funds for assistance in construction or modification of infrastructure for ZEB conversion as well as new vehicle purchases.
Federal	Federal Transit Administration (FTA)	Low or No Emission Program (Low-No Program) (5339(c))	<p>Low-No provides competitive funding for the procurement of low or no emission vehicles, including the leasing or purchasing of vehicles and related supporting infrastructure.</p> <p>This has been an annual program under the FAST Act since FY2016 and is a subprogram of the Section 5339 Grants for Bus and Bus Facilities.</p> <p>There is a stipulation for a 20% local match.</p>	In FY2022 the FTA awarded \$1.6 billion to 150 projects for the Low-No program. ⁴ In FY2022, Gold Coast Transit District received \$12 million for the procurement of FCEBs, construct a permanent hydrogen fueling station to support its electric bus operations, and complete upgrades on its maintenance facility. ⁵ \$1.7 billion has been announced for FY2023 projects. ⁶
Federal	Federal Transit Administration (FTA) United States Department of Transportation (USDOT)	Buses and Bus Facilities Program (5339(a) formula, 5339(b) competitive)	Grants applicable to rehab buses, purchase new buses, and invest and renovate related equipment and facilities for low or no emission vehicles or facilities. A 20% local match is required.	FY2022 5339 funding totaled \$372 million in grants. \$469.4 million has been announced for FY2023 grants. ⁷
		Urbanized Area Formula Grants (5307)	<p>5307 grant funding makes federal resources available to urbanized areas for transit capital and operating assistance. Eligible activities include capital investments in bus and bus-related activities such as replacement, overhaul and rebuilding of buses.</p> <p>The federal share is not to exceed 80% of the net project cost for capital expenditures. The federal share may be 90% of the cost of vehicle-related equipment attributable to compliance with the Clean Air Act.</p>	Typically, the MPO or another lead public agency is the direct recipient of these funds and distributes these to local transit agencies based on TIP allocation. Agencies can allocate these funds for the purchase of ZEBs.

⁴ <https://www.transit.dot.gov/funding/grants/fy22-fta-bus-and-low-and-no-emission-grant-awards>

⁵ <https://www.transit.dot.gov/funding/grants/fy22-fta-bus-and-low-and-no-emission-grant-awards>

⁶ <https://www.transit.dot.gov/about/news/biden-harris-administration-announces-availability-nearly-17-billion-modernize-fleets>

⁷ <https://www.transit.dot.gov/bus-program>

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Type	Agency	Fund/Grant/Program	Description	Applicability & Details
Federal	Affordable Housing and Sustainable Communities Program (AHSC)	State/Department of Housing and Community Development	<p>The AHSC Program funds land use, housing, and transportation projects to support development that reduces GHG emissions. The program provides both grants and loans that reduce GHG emissions and benefit disadvantaged communities through increasing accessibility via low-carbon transportation. The program prioritizes rural innovate</p> <p>on projects and distributed over \$700 million in total funding for FY19-20 and FY20-21.</p>	Sustainable transportation infrastructure projects, transportation-related amenities, and program costs (including transit ridership) are eligible activities. Agencies can use program funds for assistance in construction or modification of infrastructure for ZEB conversion as well as new vehicle purchases.
Federal	Federal Transit Administration (FTA)	Low or No Emission Program (Low-No Program) (5339(c))	<p>Low-No provides competitive funding for the procurement of low or no emission vehicles, including the leasing or purchasing of vehicles and related supporting infrastructure.</p> <p>This has been an annual program under the FAST Act since FY2016 and is a subprogram of the Section 5339 Grants for Bus and Bus Facilities.</p> <p>There is a stipulation for a 20% local match.</p>	<p>In FY2022 the FTA awarded \$1.6 billion to 150 projects for the Low-No program.⁴ In FY2022, Gold Coast Transit District received \$12 million for the procurement of FCEBs, construct a permanent hydrogen fueling station to support its electric bus operations, and complete upgrades on its maintenance facility.⁵</p> <p>\$1.7 billion has been announced for FY2023 projects.⁶</p>
		Rebuilding American Infrastructure with Sustainability and Equity (RAISE)	<p>Previously known as BUILD and TIGER, RAISE is a discretionary grant program aimed to support investment in infrastructure.</p> <p>RAISE funding supports planning and capital investments in roads, bridges, transit, rail, ports, and intermodal transportation.</p> <p>A local match is required.⁸</p>	FY2022 provided \$2.2 billion in RAISE grants to 166 projects with a stipulation requiring 50% of funding for projects in rural areas. In FY2023, \$1.5 billion in funding was announced for the RAISE Grant Program. ⁹
	United States Department of Transportation (USDOT) California Air Resources Board (CARB)	Transportation Infrastructure Finance and Innovation Act (TIFIA)	The TIFIA program provides credit assistance for qualified projects of regional and national significance, including for the construction of new transit operations and maintenance facilities. ¹⁰ The credit program is designed to fill market gaps and leverage substantial private co-investment through supplemental, subordinate investment in critical improvements to the nation's transportation system.	TIFIA is a credit assistance and loan program that transit agencies can use to fund the construction of new transit facilities to support the ZEB transition. TIFIA provides low interest rates, flexible amortization (up to 35 years repayment period, deferrable for five years after substantial project completion), no pre-payment penalty, and interest does not accrue until proceeds are drawn. TIFIA can be used to fund up to 49% of total project costs. Applicants must submit a detailed letter of interest

⁸ <https://www.transportation.gov/RAISEgrants/about>

⁹ [RAISE Discretionary Grants | US Department of Transportation](#)

¹⁰ [Program Overview | Build America \(transportation.gov\)](#)

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Type	Agency	Fund/Grant/Program	Description	Applicability & Details
Federal	Affordable Housing and Sustainable Communities Program (AHSC)	State/Department of Housing and Community Development	<p>The AHSC Program funds land use, housing, and transportation projects to support development that reduces GHG emissions. The program provides both grants and loans that reduce GHG emissions and benefit disadvantaged communities through increasing accessibility via low-carbon transportation. The program prioritizes rural innovate</p> <p>on projects and distributed over \$700 million in total funding for FY19-20 and FY20-21.</p>	Sustainable transportation infrastructure projects, transportation-related amenities, and program costs (including transit ridership) are eligible activities. Agencies can use program funds for assistance in construction or modification of infrastructure for ZEB conversion as well as new vehicle purchases.
Federal	Federal Transit Administration (FTA)	Low or No Emission Program (Low-No Program) (5339(c))	<p>Low-No provides competitive funding for the procurement of low or no emission vehicles, including the leasing or purchasing of vehicles and related supporting infrastructure.</p> <p>This has been an annual program under the FAST Act since FY2016 and is a subprogram of the Section 5339 Grants for Bus and Bus Facilities.</p> <p>There is a stipulation for a 20% local match.</p>	<p>In FY2022 the FTA awarded \$1.6 billion to 150 projects for the Low-No program.⁴ In FY2022, Gold Coast Transit District received \$12 million for the procurement of FCEBs, construct a permanent hydrogen fueling station to support its electric bus operations, and complete upgrades on its maintenance facility.⁵</p> <p>\$1.7 billion has been announced for FY2023 projects.⁶</p>
				to the DOT, and project must be included in the STIP to be eligible. ¹¹
State		Hybrid and Zero-Emission Truck and Bus Voucher Incentive Program (HVIP)	<p>Voucher program created in 2009 aimed at reducing the purchase cost of zero-emission vehicles.</p> <p>A transit agency would decide on a vehicle, contact the vendor directly, and then the vendor would apply for the voucher.</p> <p>Voucher rebates vary by vehicle type and model.¹²</p>	<p>\$65 million in transit funding for the FY22-23 year was announced in November 2022.¹³</p> <p>Hydrogen fuel cell vehicles are eligible for HVIP but must not have plug-in capacity.¹⁴</p>

¹¹ <https://www.transportation.gov/buildamerica/financing/tif/tif-credit-program-overview>

¹² <https://californiahvip.org/vehiclecatalog/>

¹³ <https://californiahvip.org/funding/>

¹⁴ <https://californiahvip.org/wp-content/uploads/2022/03/HVIP-FY21-22-Implementation-Manual-03.15.22.pdf>

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State Other	California Air Resources Board (CARB) California Transportation Commission (CTC)	Carl Moyer Memorial Air Quality Standards Attainment Program	The Carl Moyer Program provides funding to help procure low-emission vehicles and equipment. It is implemented as a partnership between CARB and local air districts.	Transit buses are eligible for up to \$80,000 funding.
		Low Carbon Fuel Standard (LCFS) Program	LCFS credits are not necessarily funding to be applied for; rather, they are generated credits which can be sold on the LCFS market. The program is based upon carbon intensity standards set by CARB and the LCFS program which allows users who incur a deficit from polluting above the standard can purchase credits from those users operating below the standard.	Chargers or equipment for hydrogen production must be registered with the LCFS program to be eligible for credit generation. The CARB set price of \$221.76 per credit in 2021 has created a price ceiling with most credits trading around \$200 per credit. Both hydrogen and electricity used as fuels are eligible for LCFS credits.
		Volkswagen Environmental Mitigation Trust Funding	VW's settlement provides nearly \$130 million for zero-emission transit, school, and shuttle bus replacements.	Transit may be eligible for up to \$65 million. Applications are open for transit agencies and are processed on a first

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Type	Agency	Fund/Grant/Program	Description	Applicability & Details
Federal	Affordable Housing and Sustainable Communities Program (AHSC)	State/Department of Housing and Community Development	<p>The AHSC Program funds land use, housing, and transportation projects to support development that reduces GHG emissions. The program provides both grants and loans that reduce GHG emissions and benefit disadvantaged communities through increasing accessibility via low-carbon transportation. The program prioritizes rural innovate</p> <p>on projects and distributed over \$700 million in total funding for FY19-20 and FY20-21.</p>	Sustainable transportation infrastructure projects, transportation-related amenities, and program costs (including transit ridership) are eligible activities. Agencies can use program funds for assistance in construction or modification of infrastructure for ZEB conversion as well as new vehicle purchases.
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				come, first serve basis. Maximum: \$400,000 per FCEB and maximum of \$3,250,000 total funding per agency. ¹⁵
		Sustainable Transportation Equity Project (STEP)	<p>STEP was a pilot that took a community-based approach to overcoming barriers to clean transportation. The future of STEP is currently being determined by CARB and stakeholder groups through the FY22-23 Funding Plan and Three-Year Plan for Clean Transportation Incentives.¹⁶</p>	<p>There are two different grant types: Planning and Capacity Building Grants (up to \$1.75 million for multiple grantees) and Implementation Grants (up to \$17.75 million for between one and three grantees). Lead applicants must be a CBO, federally-recognized tribe, or local government representing a public transit agency. Award amounts ranged from \$184,000 to a maximum of over \$7 million.¹⁷</p>

¹⁵ <http://vwbusmoney.valleyair.org/documents/FAQ.pdf>

¹⁶ <https://ww2.arb.ca.gov/cti-step>

¹⁷ <https://ww2.arb.ca.gov/news/grant-awards-announced-new-195-million-pilot-funding-equitable-clean-transportation-options>

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Federal	Affordable Housing and Sustainable Communities Program (AHSC)	State/Department of Housing and Community Development	<p>The AHSC Program funds land use, housing, and transportation projects to support development that reduces GHG emissions. The program provides both grants and loans that reduce GHG emissions and benefit disadvantaged communities through increasing accessibility via low-carbon transportation. The program prioritizes rural innovate</p> <p>on projects and distributed over \$700 million in total funding for FY19-20 and FY20-21.</p>	Sustainable transportation infrastructure projects, transportation-related amenities, and program costs (including transit ridership) are eligible activities. Agencies can use program funds for assistance in construction or modification of infrastructure for ZEB conversion as well as new vehicle purchases.
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		SB1 Local Partnership Program (LPP)	<p>The Local Partnership Program provides funding to counties, cities, districts and regional transportation agencies to improve aging infrastructure, road conditions, active transportation, transit and rail, and health and safety benefits. Funds are distributed through competitive and formulaic components.¹⁸</p>	<p>To be eligible, counties, cities, districts, and regional transportation agencies must have approved fees or taxes dedicated solely to transportation improvements.</p> <p>\$200 million is available annually.¹⁹</p>
	California Transportation Commission (CTC) California Department of Transportation (Caltrans)	Solutions for Congested Corridors Program (SCCP)	<p>The SCCP includes programs with both formula and competitive funds. Funding is available to projects that make specific performance improvements and are a part of a multimodal comprehensive corridor plan designed to reduce congestion in highly traveled corridors by providing more transportation choices for residents, commuters, and visitors.</p>	<p>Improvements to transit facilities are eligible projects. Cycle 2 funding of \$500 million covers two years (FY2022 and FY2023).</p> <p>To submit a SCCP application, the applicant needs to know exactly what sources will be funding the project and when the funds will be used, as well as which project phase they will be used for. Total estimated funding: \$500 million for FY22-23²⁰</p>

¹⁸ <https://catc.ca.gov/programs/sb1/local-partnership-program>

¹⁹ <https://www.vcstar.com/story/news/local/2021/10/22/group-proposing-transit-sales-tax-measure-countys-2022-ballot/5988391001/>

²⁰ <https://www.grants.ca.gov/grants/solutions-for-congested-corridors-program/>

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Type	Agency	Fund/Grant/Program	Description	Applicability & Details
Federal	Affordable Housing and Sustainable Communities Program (AHSC)	State/Department of Housing and Community Development	<p>The AHSC Program funds land use, housing, and transportation projects to support development that reduces GHG emissions. The program provides both grants and loans that reduce GHG emissions and benefit disadvantaged communities through increasing accessibility via low-carbon transportation. The program prioritizes rural innovate</p> <p>on projects and distributed over \$700 million in total funding for FY19-20 and FY20-21.</p>	Sustainable transportation infrastructure projects, transportation-related amenities, and program costs (including transit ridership) are eligible activities. Agencies can use program funds for assistance in construction or modification of infrastructure for ZEB conversion as well as new vehicle purchases.
Federal	Federal Transit Administration (FTA)	Low or No Emission Program (Low-No Program) (5339(c))	<p>Low-No provides competitive funding for the procurement of low or no emission vehicles, including the leasing or purchasing of vehicles and related supporting infrastructure.</p> <p>This has been an annual program under the FAST Act since FY2016 and is a subprogram of the Section 5339 Grants for Bus and Bus Facilities.</p> <p>There is a stipulation for a 20% local match.</p>	<p>In FY2022 the FTA awarded \$1.6 billion to 150 projects for the Low-No program.⁴ In FY2022, Gold Coast Transit District received \$12 million for the procurement of FCEBs, construct a permanent hydrogen fueling station to support its electric bus operations, and complete upgrades on its maintenance facility.⁵</p> <p>\$1.7 billion has been announced for FY2023 projects.⁶</p>
		SB1 State of Good Repair (SGR)	SGR funds are formula funds eligible for transit maintenance, rehabs, and capital programs. Agencies receive yearly SB1 SGR funding through their MPO, based on population and farebox revenues.	Agencies can decide to devote its portion of SB 1 funds to ZEB transition.
	California Department of Transportation (Caltrans) California Energy Commission	Low Carbon Transit Operations Program (LCTOP)	The LCTOP provides capital assistance to transit agencies in order to reduce greenhouse gas emissions and improve mobility. 5% and 10% of the annual Cap and Trade auction proceeds fund this program.	Many agencies are already recipients of these funds and can use these funds to purchase ZEBs and related equipment.
		Transit and Intercity Rail Capital Program (TIRCP)	The TIRCP was created to fund capital improvements that reduce emissions of greenhouse gases, vehicle miles traveled, and congestion through modernization of	The five cycles of TIRCP funding have awarded \$6.6 billion in funding to nearly 100 projects throughout California. In 2022, Santa Barbara Metropolitan Transit District received \$14.5 million to procure 8 battery electric buses and 3 electric micro transit vans as well as fund for

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Federal	Affordable Housing and Sustainable Communities Program (AHSC)	State/Department of Housing and Community Development	<p>The AHSC Program funds land use, housing, and transportation projects to support development that reduces GHG emissions. The program provides both grants and loans that reduce GHG emissions and benefit disadvantaged communities through increasing accessibility via low-carbon transportation. The program prioritizes rural innovate</p> <p>on projects and distributed over \$700 million in total funding for FY19-20 and FY20-21.</p>	Sustainable transportation infrastructure projects, transportation-related amenities, and program costs (including transit ridership) are eligible activities. Agencies can use program funds for assistance in construction or modification of infrastructure for ZEB conversion as well as new vehicle purchases.
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			California's intercity, commuter, and rail, bus, and ferry transit systems. ²¹	general transit improvements and facility improvements at two terminals. ²²
		State Transportation Improvement Program (STIP)	The STIP is a five-year plan for future allocations of certain state transportation funds including state highway, active transportation, intercity rail, and transit improvements. The STIP is updated biennially in even-numbered years. ²³	ZEB procurement could compete for STIP funding. The 2022 STIP was adopted in March 2022 and included \$796 million in available funding. ²⁴ Funding is distributed via a formula for a variety of projects.

²¹ <https://calsta.ca.gov/subject-areas/transit-intercity-rail-capital-prog>

²² <https://calsta.ca.gov/-/media/calsta-media/documents/tircp---program-of-projects-as-of-july-2022---cycle-5-only-a11y.pdf>

²³ <https://catc.ca.gov/programs/state-transportation-improvement-program>

²⁴ <https://catc.ca.gov/-/media/ctc-media/documents/programs/stip/2022-stip/2022-adopted-stip-32522.pdf>

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Federal	Affordable Housing and Sustainable Communities Program (AHSC)	State/Department of Housing and Community Development	<p>The AHSC Program funds land use, housing, and transportation projects to support development that reduces GHG emissions. The program provides both grants and loans that reduce GHG emissions and benefit disadvantaged communities through increasing accessibility via low-carbon transportation. The program prioritizes rural innovate</p> <p>on projects and distributed over \$700 million in total funding for FY19-20 and FY20-21.</p>	Sustainable transportation infrastructure projects, transportation-related amenities, and program costs (including transit ridership) are eligible activities. Agencies can use program funds for assistance in construction or modification of infrastructure for ZEB conversion as well as new vehicle purchases.
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		Transportation Development Act (Mills-Alquist-Deddeh Act (SB 325))	The TDA law provides funding to improve existing public transportation services and encourage regional transportation coordination. There are two funding sources: the Local Transportation Fund (LTF) and the State Transit Assistance (STA) fund. ²⁵	Funding opportunities include transportation program activities, pedestrian and bike facilities, community transit services, public transportation, and bus and rail projects.
		Clean Transportation Program (Alternative and Renewable Fuel and Vehicle Technology Program)	The California Energy Commission's Clean Transportation Program provides funding to support innovation and acceleration of development and deployment of zero-emission fuel technologies. A local match is often required.	<p>The Clean Transportation Program provides up to \$100 million annually for a variety of renewable and alternative fuel transportation projects throughout the state, including specific projects for heavy-duty public transit buses.</p> <p>Current program funding is being allocated for FY22-23 and the first half of FY23-24.</p> <p>In 2021, between \$4 million and \$6 million were awarded to the following transit agencies to assist with zero-emission transit fleet infrastructure deployment: Anaheim Transportation Network (\$5 million), LADOT (\$6 million), Sunline Transit (\$5 million), and North County Transit District (\$4 million)</p>

²⁵ <https://dot.ca.gov/programs/rail-and-mass-transportation/transportation-development-act>

Type	Agency	Fund/Grant/Program	Description	Applicability & Details
Federal	Affordable Housing and Sustainable Communities Program (AHSC)	State/Department of Housing and Community Development	<p>The AHSC Program funds land use, housing, and transportation projects to support development that reduces GHG emissions. The program provides both grants and loans that reduce GHG emissions and benefit disadvantaged communities through increasing accessibility via low-carbon transportation. The program prioritizes rural innovate</p> <p>on projects and distributed over \$700 million in total funding for FY19-20 and FY20-21.</p>	Sustainable transportation infrastructure projects, transportation-related amenities, and program costs (including transit ridership) are eligible activities. Agencies can use program funds for assistance in construction or modification of infrastructure for ZEB conversion as well as new vehicle purchases.
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	CALSTART	EnergIIZE Commercial Vehicles Project: Hydrogen Funding Lane; Jump Start	Administered by CALSTART, this competitive funding funds up to 50% or 75% of hydrogen fueling infrastructure and software costs.	<p>Deployment of hydrogen fueling infrastructure may be eligible for up to \$3 million per project which can include up to 50% of eligible equipment and software costs.²⁶</p> <p>Station must be capable of dispensing 350 or 700 bar and be certified to ASME, ASTM, and NFPA standards.</p> <p>Transit agencies that operate at least 50% of their fleet in designated Disadvantaged Communities may be eligible for the Jump Start funding lane. Jump Start funds up to 75% of eligible equipment and software costs with a \$750 thousand project cap.²⁷</p>
	Department of Housing and Community Development	Affordable Housing and Sustainable Communities Program (AHSC)	The AHSC Program funds land use, housing, and transportation projects to support development that reduces GHG emissions. The program provides both grants and loans that reduce GHG emissions and benefit disadvantaged communities through increasing accessibility via low-carbon transportation. \$405 million in available funds was announced in 2021. ²⁸ The maximum award amount is not to exceed \$30 million	Sustainable transportation infrastructure projects, transportation-related amenities, and program costs (including transit ridership) are eligible activities. Agencies can use program funds for assistance in construction or modification of infrastructure for ZEB conversion as well as new vehicle purchases.

²⁶ [4. Hydrogen Factsheet \(amazonaws.com\)](#)

²⁷ [5. V4 EV Jump Start Factsheet \(energize.org\)](#)

²⁸ https://www.hcd.ca.gov/grants-funding/active-funding/ahsc/docs/final_ahsc_nofa_round_6.pdf

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			per project, with a minimum award of at least \$1 million. ²⁹	
	California Climate Investments	Clean Mobility Options (CMO) Voucher Pilot Program	CMO awards up to \$1 million vouchers to develop and launch zero-emission mobility projects including the purchase of zero-emission vehicles, infrastructure, planning, outreach, and operations projects in low-income and disadvantaged communities. ³⁰ Funding is limited.	In 2020, the CMO Voucher Pilot Program awarded \$20 million worth of mobility project vouchers, with \$18 million going to eligible under-resourced communities. For example, the City of Chula Vista received funding to launch an on-demand community shuttle service in northwest Chula Vista using four electric vehicles. Also, Fresno County Rural Transit Agency is on a wait list to potentially receive \$36,885 in funding.
	California Pollution Control Financing Authority (CPCFA)	Medium-Heavy-Duty (MHD) Zero Emission Vehicle Financing Program	The CPCFA is developing a purchasing assistance program for MHD ZEV fleets. This will provide financial support and technical assistance to fleet managers deploying ZEV fleets. The program will be established by January 1, 2023. ³¹	CPCFA will designate high priority fleets based on implications for climate change, pollution, environmental justice, and post-COVID economic recovery. A minimum of 75% of financing must be directed towards fleets that directly impact or operate in underserved communities.

²⁹ [https://www.hcd.ca.gov/affordable-housing-and-sustainable-communities#:~:text=Communities%20Program%20\(AHSC\)-,Affordable%20Housing%20and%20Sustainable%20Communities%20Program%20\(AHSC\),\(%22GHG%22\)%20emissions](https://www.hcd.ca.gov/affordable-housing-and-sustainable-communities#:~:text=Communities%20Program%20(AHSC)-,Affordable%20Housing%20and%20Sustainable%20Communities%20Program%20(AHSC),(%22GHG%22)%20emissions)

³⁰ <https://cleanmobilityoptions.org/about/#>

³¹ <https://afdc.energy.gov/laws/12858>

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Federal	Affordable Housing and Sustainable Communities Program (AHSC)	State/Department of Housing and Community Development	<p>The AHSC Program funds land use, housing, and transportation projects to support development that reduces GHG emissions. The program provides both grants and loans that reduce GHG emissions and benefit disadvantaged communities through increasing accessibility via low-carbon transportation. The program prioritizes rural innovative</p> <p>on projects and distributed over \$700 million in total funding for FY19-20 and FY20-21.</p>	Sustainable transportation infrastructure projects, transportation-related amenities, and program costs (including transit ridership) are eligible activities. Agencies can use program funds for assistance in construction or modification of infrastructure for ZEB conversion as well as new vehicle purchases.
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		Transportation Development Credits	<p>Although they are not funds for projects, Transportation Development Credits, also called "Toll Credits", satisfy the federal government requirement to match federal funds.³²</p>	<p>Toll credits provide a credit toward a project's local share for certain expenditures with toll revenues. FHWA oversees the toll credits within each state.³³</p>

³² <https://dot.ca.gov/-/media/dot-media/programs/rail-mass-transportation/documents/f0010121-toll-credit-fact-sheet.pdf>

³³ <https://dot.ca.gov/-/media/dot-media/programs/rail-mass-transportation/documents/f0009899-2-toll-credits-fact-sheet-a11y.pdf>

Section I: Start-up and Scale-up Challenges

IVT faces several challenges to the adoption and deployment of ZEBs due to several unique attributes.

- Perhaps the biggest challenge for IVT is that its current facility it's not owned by them. This means that IVT will need to identify a new site for its operations and maintenance facility or procure a long-term lease to avoid the risk of the high capital investment in a facility that could be taken away. Ideally, IVT will explore location options and eventually construct a new facility that can better suit the fleet size, its operational needs, and facilitate the transition to ZEBs. As such, IVT may face resourcing and capacity challenges to balance several concurrent capital projects, like the transition to ZEBs and the construction of a new O&M facility.
- Further, IVT will require a significant amount of capital and construction support to execute the facility changes required for FCEB transition. As a small agency, IVT will need to identify, pursue, and win competitive grants to pay for the capital work, which could be a challenge for its lean staff.
- Limited fleet options for FCEB technologies, such as cutaways and vans. FCEB options are currently limited, constraining the modeling and choices developed as part of the FCEB rollout plan. In addition, IVT's service area is large, and the climate is hot most of the year. Both of these factors pose challenges with range limitations due to long distances and high utilization of AC. While the range of current hydrogen buses is larger than the range of BEBs, it is anticipated that mid-day refueling would be required to serve the large service area of IVT.
- Similarly, for demand-response services, IV will require FCE cutaways and smaller vehicles that are capable of 200+ miles on a single tank. While some passenger transit vans are market-ready, no cutaways are currently available.
- Lean staff already at capacity. IVT's staff is small, nimble and capable but is limited in the ability to add new activities, such as a FCEB transition, and the design and construction management of a new facility. IVT will need to evaluate opportunities to work with other stakeholders throughout the transition, particularly with regard to the facility planning and construction.

Appendix

Resolution/Council Approval |

Commented [MA2]: ICTC to address.

Resolution is mandatory, all other reports are optional.

V. ACTION CALENDAR

- C. Unmet Transit Needs Public Hearing Process - Fiscal Year 2023-24
1. Adopt the FY 2023-24 “Findings” and the prioritized 2023 ICTC Unmet Transit Needs List as presented or amended.
 2. Authorize the Chairman to sign the attached resolution.
 3. Direct staff to forward the FY 2023-24 “Findings”, and all other public hearing documentation and resolution to the State Department of Transportation.
 4. Adopt the definition of “Unmet Transit Needs” and “Reasonable to Meet” as published and utilized by the Executive Committee of the Southern California Association of Governments (SCAG) in 1981 and the Imperial Valley Association of Governments (IVAG) in 1992.



1503 N. IMPERIAL AVE., SUITE 104
EL CENTRO, CA 92243-2875
PHONE: (760) 592-4494
FAX: (760) 592-4410

May 3, 2023

ICTC Management Committee
Imperial County Transportation Commission
1503 N. Imperial Ave. Suite 104
El Centro, CA 92243

SUBJECT: Unmet Transit Needs Public Hearing Process - Fiscal Year 2023-24

Dear Committee Members:

Section 99401.5 of the Public Utilities Code states:

“...The Transportation Planning Agency (TPA) shall hold at least one public hearing pursuant to Section 99238.5, for the purpose of soliciting comments on the Unmet Transit Needs that may exist within the jurisdiction...”

Unmet Needs that are determined to be reasonable to meet may be established by offering services directly, contracting for new services or the expansion of existing services.

On April 6, 2023, the Unmet Transit Needs Hearing Panel conducted the required local Public Hearing. The Hearing Panel reconvened on April 24, 2023, to consider the verbal and written testimony, and staff recommendations. After discussion of the analysis portion, the Panel developed the “Findings” regarding public transit services for FY 2023-24. These “Findings” assist in the allocation of resources and determination of the service levels to be provided. The process consequently guides the FY 2023-24 Transit Financing Plan and work program activities.

After review of the staff prepared analysis, the Panel accepted three requests as “Reasonable to Meet”. ICTC’s primary focus will be to recover ridership lost as a result of the pandemic, the items considered as “Reasonable to Meet” and further items that are considered goals have been placed on the official 2023 ICTC Unmet Transit Needs List in prioritized order, which is an attachment to the “Findings” document. Should funding be identified, this list is used to advance new services and routes and facilitate building additional transit infrastructure. ICTC will also continue to coordinate with the Imperial Valley College regarding possible service changes to accommodate changing class schedules, in addition to the continued evaluation of all services and routes.

After adoption of the “Findings”, staff will develop the budget for the ICTC Transit Financing Plan for FY 2023-24 and anticipates submittal in the June 2023 time frame.

**CITIES OF BRAWLEY, CALEXICO, CALIPATRIA, EL CENTRO, HOLTVILLE, IMPERIAL, WESTMORLAND, IMPERIAL
IRRIGATION DISTRICT AND COUNTY OF IMPERIAL**

The Unmet Transit Needs Panel of Commissioners is forwarding this to the ICTC Management Committee, and the Commission, for their review and approval after public comment, if any:

1. Adopt the FY 2023-24 "Findings" and the prioritized 2023 ICTC Unmet Transit Needs List as presented or amended.
2. Authorize the Chairman to sign the attached resolution.
3. Direct staff to forward the FY 2023-24 "Findings", and all other public hearing documentation and resolution to the State Department of Transportation.
4. Adopt the definition of "Unmet Transit Needs" and "Reasonable to Meet" as published and utilized by the Executive Committee of the Southern California Association of Governments (SCAG) in 1981 and the Imperial Valley Association of Governments (IVAG) in 1992.

Sincerely,



DAVID AGUIRRE
Executive Director

attachment



1503 N. IMPERIAL AVE. SUITE 104
EL CENTRO, CA 92243-2875
PHONE: (760) 592-4494
FAX: (760) 592-4410

April 24, 2023

UNMET TRANSIT NEEDS FINDINGS FISCAL YEAR 2023-24

The Imperial County Unmet Transit Needs Public Hearing was conducted at 3:00 p.m., on April 6, 2023, at Imperial County Transportation Commission offices via zoom. After review and consideration of the testimony received at the hearing, this Panel reconvened on April 24, 2023 to make the following “Findings”:

The following “Findings” are unmet transit needs or transit needs which are reasonable to meet. The ICTC Transit Financing Plan and TDA claims for Fiscal Year 2023-24 shall be approved consistent with these stated “Findings”.

- I. Existing transit services should be continued:
 - A. IVT RIDE – Brawley, Calexico, El Centro, Heber, Imperial and Westshores
 - B. County-Wide Transit System- Imperial Valley Transit
 - C. ADA Paratransit Services – IVT Access
 - D. IVT MedTrans
- II. Staff will continue the required coordination and administration of the new microtransit service in the City of Calexico.
- III. Continue coordination between existing transit services, including paratransit services provided by both public and social service agencies. ICTC staff shall provide recommendations and technical assistance when requested by social service and public agencies.
- IV. All transit services shall comply with the American's with Disabilities Act of 1990; provisions specific to respective services offered.

**CITIES OF BRAWLEY, CALEXICO, CALIPATRIA, EL CENTRO, HOLTVILLE, IMPERIAL, WESTMORLAND,
IMPERIAL IRRIGATION DISTRICT AND COUNTY OF IMPERIAL**

- V. All transit services shall comply with the Federal Transit Administration (FTA) and/or Federal Highway Administration (FHWA) Drug and Alcohol Testing rules; provisions specific to respective services offered.
- VI. Staff will continue to pursue resources for the implementation of the proposed IVT Red Line in Imperial.
- VII. Staff will continue to provide technical assistance to the City of Calexico for the development of the City's transfer terminal project.
- VIII. Staff will continue to pursue resources for the implementation of service changes in accordance with the priorities in the FY 2023-24 Unmet Needs List (attachment).

All other services and issues as presented by written or verbal testimony are hereby declared as not reasonable to meet, at this time.



Mike Goodsell, Council Member
City of Holtville



Martha Cardenas-Singh, Council Member
City of El Centro

STAFF:



David Aguirre
Executive Director



1503 N. IMPERIAL AVE., SUITE 104
EL CENTRO, CA 92243-2875
PHONE: (760) 592-4494
FAX: (760) 592-4410

APRIL 24, 2023

UNMET TRANSIT NEEDS LIST FISCAL YEAR 2023-24

Priority order

1. Add mobile ticketing fare option (e.g, passengers, third parties), per action taken by ICTC XX-XX-23
2. Provide bus stop improvement (e.g., seating and shade) along the new El Centro Public Library on Imperial Avenue, *per action taken by ICTC XX-XX-23*
3. Explore and analyze transportation needs at Northern cities within the Imperial County, *per action taken by ICTC XX-XX-23*
4. Add an IVC Express Route from Calexico to IVC and from IVC to Calexico in the evening after 5:30PM, from Monday thru Friday (SRTP, 2018) *Per action taken by ICTC XX-XX-23*
5. Implement a bus stop closer to The Plaza in El Centro near the Imperial Valley Mall, *per action taken by ICTC XX-XX-23*

**RESOLUTION _____ OF
THE IMPERIAL COUNTY TRANSPORTATION COMMISSION (ICTC)
MAKING A DETERMINATION AS TO UNMET TRANSIT NEEDS WITHIN THE
REGION OF THE COUNTY OF IMPERIAL FOR FY 2023-24**

WHEREAS, the Imperial County Transportation Commission (ICTC), is the designated Transportation Planning Agency for the County of Imperial, and is therefore responsible for the administration of the Transportation Development Act, Public Utilities Code 99200 et seq; and

WHEREAS, under Sections 99238, 99238.5, 99401.5 and 99401.6, of the Public Utilities Code, because the legislative intent for the use of the funds is for transit purposes, a public hearing should be held. From a review of the testimony received and the adopted Regional Transportation Plan, a finding must be made that there are no unmet public transit needs in the jurisdiction that can be reasonably met, or unmet transit needs that can be reasonably met must be identified and prioritized; and

WHEREAS, a public hearing and subsequent public meeting was held in Imperial County on April 6, 2023 and April 24, 2023, after sufficient public notice was given, and at which time the public testimony and comment was received; and

WHEREAS, the Social Services Transportation Advisory Council reviewed the proposed “Findings” on May 3, 2023 in accordance with the requirements of the Act; and

WHEREAS, the comments of the Social Services Transportation Advisory Council have been taken into consideration; and

WHEREAS, a final opportunity for further public comment was provided on April 24, 2023; and

THEREFORE, BE IT RESOLVED that the Imperial County Transportation Commission, hereby resolves that the Unmet Transit Needs Adopted “Findings” and the “2023-24 ICTC Unmet Transit Needs List” as attached, are identified, and that there are no further unmet public transit needs within the County of Imperial that can be reasonably met at this time;

PASSED AND ADOPTED at a regular meeting of the Imperial County Transportation Commission held on May 24, 2023.

By: _____
Chairperson

ATTEST:

By:

Cristi Lerma
Secretary to the Commission

V. ACTION CALENDAR

- D. Fund Request to the Local Transportation Authority (LTA) and Caltrans Fund Exchange – State Route 98 between Ollie and Rockwood Avenues
1. Approve the allocation of funding in the amount of \$1,000,000 for the right-of-way funding shortfall for the SR-98 Widening Project between Ollie and Rockwood Avenues, from the LTA 5% Regional Highway Set-Aside and,
 2. Authorize the Executive Director to execute the necessary agreements between Caltrans and the Imperial County Transportation Commission.



May 5, 2023

ICTC Management Committee
Imperial County Transportation Commission
1503 N. Imperial Ave., Suite 104
El Centro, CA 92243

SUBJECT: Fund Request to the Local Transportation Authority (LTA) and Caltrans Fund Exchange – State Route 98 between Ollie and Rockwood Avenues

Dear Committee Members:

As a part of the Calexico West Port of Entry (POE) Expansion project, SR-98 and Cesar Chavez Boulevard were widened and improved to serve the POE expansion to the west. Caltrans completed construction on SR-98 between VV Williams and Ollie Avenue in March 2018, and the City of Calexico completed the Cesar Chavez Boulevard widening in October 2019. Caltrans has continued to work on the widening of SR-98 between Ollie Avenue and Rockwood Avenue.

Cost overruns in the right-of-way phase for the SR-98 project have resulted in a \$1 million funding shortfall. A \$1 million request has been proposed by the Caltrans District 11 project management team in exchange for \$2 million of Corridor Border Infrastructure (CBI) funds out of the Surface Transportation Block Grant (STBG) Program. The \$2 million CBI STBG funds may be utilized on an existing or new transportation type project inclusive but not limited to roadway or bridge type projects. A 20% local match will be required to use the \$2 million CBI STBG funds; therefore, a \$400,000 local match will be required to fulfill the use of the \$2 million CBI STBG funds. At a minimum, ICTC will be able to utilize the funds to construct a \$2.4 million dollar project. ICTC is working towards identifying an eligible project to utilize the funds. The proposed \$2 million does not have a specific timeline for use and implementation. It would be ICTC's goal to utilize the funds towards a regionally significant project.

ICTC is proposing that the \$1 million funding shortfall be considered from the LTA 5% Regional Highway Set-Aside fund. The LTA 5% Regional Highway Set-Aside fund has previously assisted with funding to develop the SR-98 project. Attached is a summary of the LTA expenditures and funding available from the 5% Regional Highway Set-Aside fund.

To complete the proposed transaction, an amendment to the attached Cooperative Agreement and the establishment of a new Cooperative Agreement will be necessary between Caltrans and ICTC.

**CITIES OF BRAWLEY, CALEXICO, CALIPATRIA, EL CENTRO, HOLTVILLE, IMPERIAL, WESTMORLAND,
IMPERIAL IRRIGATION DISTRICT AND COUNTY OF IMPERIAL**

It is requested that the ICTC Management Committee forward this item to the LTA Board for their review and approval after public comment, if any:

1. Approve the allocation of funding in the amount of \$1,000,000 for the right-of-way funding shortfall for the SR-98 Widening Project between Ollie and Rockwood Avenues, from the LTA 5% Regional Highway Set-Aside and,
2. Authorize the Executive Director to execute the necessary agreements between Caltrans and the Imperial County Transportation Commission.

Sincerely,



DAVID AGUIRRE
Executive Director

DA/vm

Attachments



Imperial County Local Transportation Authority

1503 N. Imperial Ave., Suite 104, El Centro, CA, 92243
Phone: 760-592-4494 | Fax: 760-592-4410

7243000 LTA 5% State Hwy Set-Aside

Processed Disbursements

Agency	Project Description	Amount	LTA Board Approval	Funds Disbursed
Caltrans	Traffic Signal SR 86 & S Main St. Westmorland	\$373,000	7/24/2013	4/30/2014
County of Imperial	Traffic Signal SR 22 & SR 86 Salton City	\$438,858	9/24/2014	1/12/2015
Caltrans	Heber Bus Stop & Ped Access SR 86	\$708,240	8/27/2014	11/2/2016
City of Calexico	Two year funding for SR 111 Traffic Controllers	\$300,000	10/26/2016	1/10/2018 & 2/22/2018
Caltrans	Forrester Road PSR	\$491,553	1/25/2017	Invoiced to date
Caltrans/ICTC	SR 86 Border Patrol Checkpoint	\$453,221	9/27/2017	Invoiced to date
City of Calexico	One year funding for SR 111 Traffic Controllers	\$150,000	2/27/2019	6/26/2019
ICTC	Calexico East Port of Entry Bridge Expansion	\$1,381,798	2/27/2019	Invoiced to date
Caltrans	State Route 98 from Ollie Ave & Rockwood Ave	\$200,000	9/23/2020	6/30/2021

Total Disbursements \$4,496,670

Pending Disbursements

Agency	LTA 5% Regional Hwy Balance as of 2/15/2023	\$8,038,981	Pending projects	
County of Imperial	Traffic Signal SR 86 & Dogwood Rd Imperial County	\$1,680,815	LTA Board approved on 9/23/2015	
Caltrans	Forrester Road PSR	\$125,946	LTA Board approved on 1/25/2017	Multiple Invoices (\$617,500 approved amount)
Caltrans/ICTC	SR 86 Border Patrol Checkpoint	\$846,778	LTA Board approved on 9/27/2017	Multiple Invoices (\$1,300,000 approved amount)
ICTC	Calexico East Port of Entry Bridge Expansion	\$462,201	LTA Board approved on 2/27/2019	Multiple Invoices (\$1,844,000 approved amount)

Total pending to be Disbursed \$3,115,740

Available Balance Remaining \$4,923,241

Brawley | Calexico | Calipatria | El Centro | Holtville | Imperial | Westmorland | County of Imperial

COOPERATIVE AGREEMENT

Local Contribution Only

This AGREEMENT, effective on August 14, 2017, is between the State of California, acting through its Department of Transportation, referred to as CALTRANS, and

Imperial County Transportation Commission, a public corporation/entity, referred to hereinafter as ICTC.

RECITALS

1. PARTIES are authorized to enter into a cooperative agreement for improvements to the State Highway System (SHS) per the California Streets and Highways Code sections 114 and 130.
2. The term AGREEMENT, as used herein, includes this document and any associated attachments, exhibits, and amendments.
3. For the purpose of this AGREEMENT, widen highway from 4 to 6 lanes on State Route 98 (SR-98) from Rockwood Avenue to Ollie Avenue will be referred to hereinafter as PROJECT. This description only serves to identify the PROJECT. The project scope of work is defined in the appropriate authorizing documents per the Project Development Procedures Manual.
4. ICTC will contribute an amount of \$3,629,496.17 to the PROJECT. Contributed funds will be used for the PROJECT.
5. PARTIES agree that funds will be contributed to the following PROJECT COMPONENTS:
 - R/W SUPPORT
 - R/W CAPITAL
 - CONSTRUCTION SUPPORT
 - CONSTRUCTION CAPITAL
6. PARTIES hereby set forth the terms, covenants, and conditions for ICTC's contribution toward the PROJECT.

ROLES AND RESPONSIBILITIES

7. CALTRANS is the SPONSOR and IMPLEMENTING AGENCY for the PROJECT.
8. ICTC is a FUNDING PARTY contributing a fixed amount toward the PROJECT as shown in the FUNDING TABLE.
9. CALTRANS is responsible for completing all work for the PROJECT.

GENERAL CONDITIONS

10. All obligations of CALTRANS under the terms of this AGREEMENT are subject to the appropriation of resources by the Legislature, the State Budget Act authority, and the allocation of funds by the California Transportation Commission.
11. The cost of any engineering support performed by CALTRANS includes all direct and applicable indirect costs. CALTRANS calculates indirect costs based solely on the type of funds used to pay support costs. State and Federal funds administered by CALTRANS are subject to the current Program Functional Rate. All other funds are subject to the current Program Functional Rate and the current Administration Rate. The Program Functional Rate and Administration Rate are adjusted periodically.
12. Neither ICTC nor any officer or employee thereof is responsible for any injury, damage or liability occurring by reason of anything done or omitted to be done by CALTRANS, its contractors, sub-contractors, and/or its agents under or in connection with any work, authority, or jurisdiction conferred upon CALTRANS under this AGREEMENT. It is understood and agreed that CALTRANS, to the extent permitted by law, will defend, indemnify, and save harmless ICTC and all of its officers and employees from all claims, suits, or actions of every name, kind, and description brought forth under, but not limited to, tortious, contractual, inverse condemnation, or other theories and assertions of liability occurring by reason of anything done or omitted to be done by CALTRANS, its contractors, sub-contractors, and/or its agents under this AGREEMENT.
13. This AGREEMENT is intended to be PARTIES' final expression and supersedes any oral understanding or writings pertaining to PROJECT.

INVOICE AND PAYMENT

14. ICTC will contribute the funds listed below:

FUNDING TABLE			
Fund Source	Fund Type	Project Component	Amount
FEDERAL	Demo	R/W Support	\$1,000,000.00
FEDERAL	Demo	R/W Capital	\$1,000,000.00
FEDERAL	Demo	Construction Support	\$0
FEDERAL	Demo	Construction Capital	\$1,629,496.17
Total Funds			\$3,629,496.17
Toll Credit Match			\$907,374

15. CALTRANS will draw from State and Federal funds that are provided by ICTC without invoicing ICTC when CALTRANS administers those funds and CALTRANS has been allocated those funds by the CTC and whenever else possible. This AGREEMENT will terminate upon CALTRANS' receipt of the PROJECT funds. However, all indemnification articles will remain in effect until terminated or modified in writing by mutual agreement.

DEFINITIONS

FUNDING PARTY – A PARTY who commits a defined dollar amount to the PROJECT.

IMPLEMENTING AGENCY – The party responsible for managing the scope, cost, and schedule of a project component to ensure the completion of that component.

PARTY – The term that references a signatory agency to this AGREEMENT.

PARTIES – The term that collectively references all of the signatory agencies to this AGREEMENT. This term only describes the relationship between these agencies to work together to achieve a mutually beneficial goal. It is not used in the traditional legal sense in which one party's individual actions legally bind the other PARTIES.

SPONSOR – The PARTY that accepts the obligation to secure financial resources to fully fund PROJECT. This includes any additional funds beyond those committed in this AGREEMENT necessary to complete the full scope of PROJECT.

PROJECT COMPONENT – A distinct portion of the planning and project development process of a capital project as outlined in California Government Code, section 14529(b).

- **Project Initiation Document (PID)** – The activities required to deliver the project initiation document for PROJECT.
- **Project Approval and Environmental Document (PA&ED)** – The activities required to deliver the project approval and environmental documentation for PROJECT.
- **Plans, Specifications, and Estimate (PS&E)** – The activities required to deliver the plans, specifications, and estimate for PROJECT.
- **Right of Way SUPPORT (R/W SUPPORT)** – The activities required to obtain all property interests for PROJECT.
- **Right of Way CAPITAL (R/W CAPITAL)** – The funds for acquisition of property rights for PROJECT.
- **CONSTRUCTION SUPPORT** – The activities required for the administration, acceptance, and final documentation of the construction contract for PROJECT.
- **CONSTRUCTION CAPITAL** – The funds for the construction contract.

CONTACT INFORMATION

The information provided below indicates the primary contact information for each PARTY to this AGREEMENT. PARTIES will notify each other in writing of any personnel or location changes. Contact information changes do not require an amendment to this AGREEMENT.

The primary AGREEMENT contact person for CALTRANS is:
Kazim Mamdani, Senior Trans Engineer
4050 Taylor Street, MS-333
San Diego, CA 92139

Office Phone: (619) 718-7840
Email: Kazim.Mamdani@dot.ca.gov

The primary AGREEMENT contact person for ICTC is:
Mark Baza, Executive Director
1405 N. Imperial Ave, Suite 1
El Centro, CA 92243

Office Phone: (760) 592-4494
Email: markbaza@imperialctc.org

SIGNATURES

PARTIES declare that:


1. Each PARTY is an authorized legal entity under California state law.
2. Each PARTY has the authority to enter into this AGREEMENT.
3. The people signing this AGREEMENT have the authority to do so on behalf of their public agencies.

CALTRANS

By: 

LAURIE BERMAN
District Director

ICTC


MARK BAZA
Executive Director

CERTIFIED AS TO FUNDS:

By: 

Carmen Golembiewski
Budget Manager

CERTIFIED AS TO FINANCIAL TERMS
AND CONDITIONS:

By: 

Darwin Salmos
HQ Accounting Supervisor

VI. REPORTS **VI. BEBOBTL2**

- A. ICTC/LTA/IVRMA EXECUTIVE DIRECTOR REPORT
- B. SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS REPORT
- C. CALIFORNIA DEPARTMENT OF TRANSPORTATION-DISTRICT 11
- D. COMMITTEE MEMBER REPORTS



1503 N IMPERIAL AVE SUITE 104
EL CENTRO, CA 92243-2875
PHONE: (760) 592-4494
FAX: (760) 592-4410

Memorandum

Date: May 3, 2023
To: ICTC Management Committee Members
From: David Aguirre, Executive Director
Re: Executive Director's Report

The following is a summary of the Executive Director's Report for the ICTC Management Committee meeting on May 10, 2023.

- 1) **FY 2023-24 Unmet Transit Needs Public Hearing Process:** *The Imperial County Transportation Commission has collected public feedback on public transportation needs. This involves funding for various public transit services. ICTC had previously posted an online survey and physical surveys were available on our vehicles for passengers to complete. The public hearing took place on April 6, 2023, at 3 p.m. at the ICTC offices and via zoom meeting. The UTN Findings meeting took place on April 24, 2023, at 3 p.m. at ICTC offices and via zoom. The UTN findings were presented to the Social Services Transportation Advisory Council on May 3, 2023.*
- 2) **2022 Long Range Transportation Plan:** The ICTC in its capacity as the Regional Transportation Planning Agency is responsible to lead the Long Range Transportation Plan (LRTP) in Imperial County. The last update to the LRTP was conducted in 2013. ICTC staff completed a Request for Proposal (RFP) to prepare a full update of the Imperial County LRTP. Michael Baker International was the selected consultant. The goal of the LRTP is to provide the following:
 - Identify and promote the relationship between the transportation system to existing and future land use and community comprehensive plans and programs.
 - Provide guidance to promote the improvement of multi-modal transportation circulation of people and goods, using both motorized and non-motorized transportation modes, new technologies and infrastructure facilities.
 - Recommendations and guidance to provide a safe, efficient, accessible, socially equitable and cost-effective transportation system.
 - Ensure compliance with state and federal transportation planning regulations.
 - Develop recommendations that ensure environmentally sustainable planning practices.

The consultant team continues to work on the existing conditions technical memorandum. The first TAC meeting was held on March 30, 2022, and was attended by a diverse stakeholder group comprised of local, regional, environmental justice groups and economic development organizations. In addition, an all-day event with six (6) subgroup meetings was held on April 6, 2022, that encompassed subgroups for:

- Highways and Local Roadways
- Border and Goods Movement
- Pedestrian, Bicycles and Microbility
- Transit and Paratransit / Senior and Disabled Service
- Environmental and Environmental Justice
- Developers / Economic Development / Small Business Liaison

The Consultant has completed drafts of the Existing Conditions technical memorandum and Transportation Issues and Strategies technical memorandum. To access the documents, please visit the project website located at <https://ictc-lrtp2023.org/new-page-2>. The Consultant team has draft listing of Projects and Program listing and has conducted one-on-one meetings with local agencies for input. The draft list Projects and Programs were reviewed by the Steering Committee on Tuesday, December 13, 2022. *Project list evaluation has been initiated by the Consultant and additional project follow-up is being conducted by the lead agency.*

Spring outreach activities for the Long Range Transportation Program have been completed in conjunction with community events for the following days:

- *El Centro Annual Air Show: March 11, at 8:30 a.m. 2024 Bennet Road, El Centro*
- *Children's and Family Health Fair: Wednesday, March 15, at 1:30 p.m. Grace Smith School Gym, 9 East 4th Street, Niland*
- *Calexico Wellness Center Health Fair: March 22, 2023, at 10:00 a.m. 420 Heffernan Avenue, Calexico*
- *Cesar Chavez Celebration Festival: Thursday, March 30, at 2 p.m. Rockwood Avenue Promenade in Downtown Calexico*
- *42nd Annual Children's Fair: Saturday, April 1, at 10 a.m. Bucklin Park, 8th Street and Ross Avenue, El Centro*

The outreach events resulted in over 600 comments from community members throughout Imperial County. A steering committee meeting was held on March 30, 2023, with Caltrans, County of Imperial, SCAG and ICTC staff. A technical advisory committee meeting with all City, County, IID and Caltrans staff took place on April 25, 2023, at 1:30 p.m. The project prioritization process is underway and the current list is posted on the project page located at <https://ictc-lrtp2023.org/>.

- 3) **Calexico Microtransit Service – Calexico On Demand:** ICTC submitted a grant application for the Clean Mobility Options (CMO) program in October of 2020. The grant application was submitted to provide a clean energy microtransit service in the city of Calexico. In early 2021, ICTC was notified of its grant award of \$1 Million to fund the pilot microtransit service. The microtransit service will operate as an on-demand service available to provide trips to the general public within the boundaries of the city of Calexico. The award required that ICTC fund and operate the service for a minimum of 4 years. ICTC partnered with Via Transportation, an experienced transportation operator to operate the service. ICTC and Via began the development of the project including service criteria, marketing information, and operational criteria. ICTC obtained approval from the CMO program to commence the service. *ICTC kicked off the service on January 9th, 2023 and intends to have a formal event to celebrate the kickoff of the service as soon as approval is received by the CMO. The service was free for all passengers until February 9th, 2023. Further information about the service can be viewed on the website: <https://city.ridewithvia.com/calexico-ondemand>. The service has averaged 150 passengers per day since the removal of the free fares and has been well received. A service celebration ceremony has been scheduled for May 11, 2023 in the city of Calexico.*
- 4) **Forrester Road Project Study Report (PSR):** *Caltrans District 11 has been working on a project report on behalf of ICTC. The PSR will analyze safety and operation improvements along Forrester Road between I-8 and SR86/SR78. Other improvements include the Westmorland bypass. A meeting to discuss the draft PSR took place at the ICTC offices on Wednesday, March 29, 2023, at 9 a.m. Further updates to the PSR are anticipated along with additional meetings to discuss the updated PSR.*
- 5) **Imperial Mexicali Binational Alliance (IMBA):** *An IMBA meeting was held on April 13, 2023, in the City of Mexicali at Cety's University. This meeting was led by the economic development agencies Cosejo de Desarrollo Economico de Mexicali (CDEM) and Imperial Valley Economic Development Corporation (IVEDC). This meeting focused on binational water and energy topics. The next IMBA meeting is scheduled in Imperial County on June 8, 2023.*
- 6) **Calexico East Port of Entry Bridge Widening Project:** *The Project proposes to widen the bridge over the All-American Canal at the U.S./Mexico border approximately 0.7 miles south of State Route (SR) 7. The project proposes to widen the existing structure by adding four lanes: Two New Northbound Auto Lanes and Two New Northbound Commercial Vehicle Lanes. In May 2018, Caltrans and ICTC received \$3,000,000 from the California Transportation Commission and the Trade Corridor Enhancement Program (TCEP) to complete the*

Project Approval and Environmental Document (PA/ED) for the project. In June 2018, Caltrans completed a Project Initiation Document (PID). In Fall of 2018, the PA/ED phase was initiated by Caltrans, technical studies for the National Environment Policy Act (NEPA) document under Caltrans as the NEPA lead are in progress and is scheduled for completion in May 2020. In December 2018, ICTC was awarded \$20 million under the U.S. Department of Transportation's BUILD discretionary grant program to complete the Design-Build construction phase. ICTC subsequently received TCEP in the amount of \$7.4 Million for construction efforts. *The design portion of the project is complete. The project construction is underway, and construction is anticipated to be completed in mid-2023. Approximately 80% of construction efforts have been completed. A ribbon cutting ceremony is anticipated to take place in the May/June timeframe. The project is temporarily on hold due to the issuance of the presidential permit to relocate the border fence. The Presidential Permit is anticipated to be received in the month of May 2023.*

- 7) **State Route 86 (Northbound) Border Patrol Checkpoint:** State Route 86 (Northbound) Border Patrol Checkpoint: In August 2017 following a year of coordination, Caltrans, the County of Imperial and ICTC met with CBP management and operations staff achieved consensus for a new conceptual alternative prepared by Caltrans. The LTA Board met on September 27, 2017; staff presented the Board with a fund request for \$1.3 million from the 5% Regional Highway Set-Aside from the Measure D allocations. A Consultant Agreement with AECOM for design and construction engineering was approved by the LTA on February 28, 2018. Following our ICTC Board meeting in late September 2020, ICTC has initiated a traffic study as required by Caltrans. Design work has been delayed due to Border Patrol's concern related to their ability to provide additional funding necessary to meet their operational requirements. On Wednesday, March 17, 2021, ICTC received confirmation from Border Patrol Headquarters in Washington D.C. that they wish to proceed with the original Canopy Design that is similar to Interstate 8 Pine Valley Checkpoint.

As discussed, and confirmed with Border Patrol, ICTC will only provide the remaining funds we had available (February 2021) of approximately \$1.3 million to complete the traffic study, 100% design plans, and construction of the canopy, lighting related to the canopy, and traffic related improvements required by Caltrans. Border Patrol has committed to paying for all other construction related costs and Border Patrol will lead the construction contract. Border Patrol, Caltrans and ICTC are having weekly meetings toward completing design plans and obtaining Caltrans Permits and Environmental Clearance. ICTC, CBP and AECOM recently conducted a job walk of the project site and to discuss various project design items. Updated project improvements plans are anticipated to be received in May 2023. The improvement plans will be submitted to Customs and Border Protection (CBP) and Caltrans for review and comment.

- 8) **Bus Stop along Cole Road west of Highway 111 in the City of Calexico:** *ICTC received a request through its Unmet Transit Needs Public Hearing Process asking for the installation of bus stop improvements along Cole Road west of Highway 111 in the City of Calexico. ICTC and the City of Calexico were able to work together to have the bus shelter and associated infrastructure improvements installed. The bus stop is now open for public use.*
- 9) **Clean California Bus Stop Improvement Project** – Through Clean California Round 1 Funding, Caltrans was able to secure funding to complete bus stop and shelter improvements in the communities of Niland, Calipatria, Brawley and Holtville along various state routes. Caltrans, ICTC and the communities worked together to identify locations, in addition to reviewing possible secondary amenities such as trash enclosures. Construction activities for the new bus stop improvements began on March 13, 2023.
- 10) **Funding for Phase II of the Calexico West Port of Entry:** As previously noted, Congress authorized \$98 million for Phase 1. The U.S. General Services Administration (GSA) began construction for Phase 1 in December 2015 with completion now scheduled for July 2018. Phase 2A was awarded in the amount of \$191million and will include six additional northbound privately-owned vehicle (POV) inspection lanes, permanent southbound POV inspection, expanded secondary inspection and adding a pre-primary canopy, new administration building, and employee parking structure. *Funding for phase 2B was awarded in the amount of \$103.4 million. Work for phase 2B will include demolition of the old port building and construction of the new pedestrian building. The total estimated investment for the Calexico West POE improvements are \$416.2 million. Construction efforts for the West Port of Entry are anticipated to begin on September 26, 2022. Noticing*

information pertaining to lane closures and closure times, adjustments to the East Port of Entry passenger vehicle operating hours and other items have been distributed and shared via multiple media outlets including ICTC's website at [Canopy construction at the Calexico West Port of Entry to impact vehicle traffic | Imperial County Transportation Commission \(imperialctc.org\)](http://www.imperialctc.org)

- 11) **Surface Transportation Block Grant Program (STBG) and Congestion Mitigation and Air Quality Program (CMAQ) 2022 Call for Projects – FFY 2022/2023 to FFY 2024/2025:** The STBG and CMAQ Call for Projects began on November 18, 2021. The approved 2022 CMAQ & STBG Guidelines are posted on the ICTC website at <http://www.imperialctc.org/call-for-projects/>. Applications were submitted on Friday, February 25, 2022 to ICTC office. All agencies submitted with the exception of the City of Westmorland and IID. A total of 10 STBG and 11 CMAQ applications were received by ICTC. Funding requests exceed the CMAQ and STBG amounts available for the three (3) fiscal years.

Program	Total Amount Available	Amount Requested by All Applicants
CMAQ	\$5,222,306	\$9,136,697
STBG	\$7,706,117	\$16,640,508

Technical staff representing all the cities and county participated in a scoring and ranking meeting on March 17, 2022, at the ICTC offices. This item was approved by the Commission on April 27, 2022. ICTC staff worked with local agency staff and programmed all approved projects in the Federal Transportation Improvement Program (FTIP). Additionally, in response to the Federal Highway Administration (FHWA) corrective action of future CMAQ and STBG funds, ICTC staff has worked with member agency staff and completed a mini call for projects for FFY 2025/26 CMAQ and STBG funds. On Thursday, October 6th all member agencies reviewed and ranked projects submitted for FFY2025/26 funding. Project list recommendation was reviewed and approved by Management Committee and Commission on November 9, 2022.

- 12) **Orchard Road & SR115 Traffic Concept Report:** *During the Commission meeting of September 2022, the Commission asked ICTC staff to follow up on the SR 115 Transportation Concept Report (TCR). ICTC staff has conducted meetings with Caltrans and County Public Works staff during the week of October 17th. ICTC staff in partnership with County and Caltrans staff are continuing discussions for short term options to deter trucks from using Orchard Road. The parties are also expected to discuss long term options as well. More information will be shared as discussions continue.*
- 13) **Regional Active Transportation Program:** ICTC staff has been working with staff from the Southern California Association of Governments (SCAG) in the development of the Active Transportation Program (ATP) guidelines. The ATP is funded from various federal and state funds including the federal Transportation Alternatives Program (TAP), the Highway Safety Improvement Program (HSIP), State Highway Account, and Safe Routes to Schools (SR2S). The approved California Transportation Commission 2023 ATP (Cycle 6) program guidelines divide the funds into state and regional shares. State funds are available through a competitive application process. Applicants that are unsuccessful at the state level are considered for regional funds. Regional ATP funds are administered by the Metropolitan Planning Organizations (MPO). SCAG is Imperial County's MPO. Per SCAG's 2023 ATP Regional Guidelines, county transportation commissions may assign up to 20 points to each statewide project application deemed consistent and meeting eligibility requirements. ICTC staff has completed the adoption process of the scoring methodology. ICTC staff received state scoring of ATP applications from Imperial County and presented staff recommendations to TAC members on December 15, 2022. Staff recommendations were approved at the January Commission meeting. See the table below for further information. *Next steps include approval of the projects by SCAG and ultimately the California Transportation Commission during their June 2023 meeting.*

TABLE 2		
Agency	Project Name	Total ATP Funds Requested
City of Calipatria	Bonita Place Pedestrian Safety Project	\$997,000

City of El Centro	Pedestrian Improvement Project – various locations on Main Street	\$1,200,000
ICTC	Pedestrian Improvements for the Calexico Intermodal Transportation Center	\$1,073,000
TOTAL Regional ATP funds		\$3,270,000

- 14) **Calexico Intermodal Transportation Center (ITC):** A new Intermodal Transportation Center in the City of Calexico has been part of ICTC’s long range transit planning. The new Calexico ITC will serve as a regional mobility hub that will accommodate bus bays for Imperial Valley Transit in addition to the City of Calexico’s private transit operators, taxis and farm labor buses. ICTC received a Congestion Mitigation and Air Quality federal program fund to complete the environmental and design plans of the new Calexico ITC. ICTC staff is in the process of completing the contract award for a consultant firm that will complete the environmental and design phase. Currently, ICTC staff is completing the Caltrans award review process with multiple Caltrans’ departments. The ICTC Board adopted the agreement with Psomas on September 26, 2018. The environmental phase has been completed. *Design was completed in the month of April 2022 and Right of Way Acquisition is underway. The city of Calexico Council approved the commencement of the eminent domain process for two of the required properties. ICTC is exploring funding opportunities to complete the required construction efforts and to complete Right of Way acquisition. On Friday, March 24, 2023, the property that was purchased by ICTC was destroyed by a fire. ICTC was able to set up barricades for the building to avoid loitering and any further damage.*
- 15) **San Diego & Imperial Counties Sustainable Freight Strategy:** San Diego Association of Governments (SANDAG) and ICTC received a Caltrans Sustainable Transportation Planning Grant for a Sustainable Freight Implementation Strategy for both counties. The goal with the strategy is to help transition the freight sector in San Diego and Imperial Counties to sustainable technologies, operations, infrastructure over the next 30 years. The strategy will systematically implement multimodal freight projects and policies, seek to pilot innovation technologies, create a workforce development toolkit, and identify potential funding sources for implementation. The area of study includes communities adjacent to major freight infrastructure in San Diego and Imperial Counties. Environmental justice areas, as defined by AB617, will be a particular focus and include the Portside Environmental Justice Communities, the International Border Community, and Calexico-El Centro-Heber corridor. This plan kicked off in February 2022 and is expected to be completed March 2024. Public engagement has been instrumental in the creation of this strategy, participants of Imperial County have included County Public Works department, Work Force Development, Comité Civico del Valle, Imperial Valley Economic Development Corporation, among others. *Strategy outcome is scheduled to be presented to SANDAG and ICTC groups as well as community organizations such as IMBA and AB617 meetings.*
- 16) **Potential Bus Stop in Calipatria:** ICTC has evaluated all of its fixed route service routes to attempt to provide service to the east side of Calipatria. Staff conducted time trials as well utilized several types of buses to verify buses would not have issues with other existing stops within proposed routes. Potential stops for the area include a stop along Commercial Avenue and potentially another stop near Alexandria Street. Staff is proposing to utilize its IVC Express route to potentially service the area. ICTC and City staff have begun coordination to implement infrastructure associated with the bus stop(s). *ICTC has begun utilizing the IVC Express route to service both bus stops along the east side (intersection of Bonita Place and Commercial Avenue) and (intersection of Alexandria Street and Brown Avenue) of Calipatria. The City of Calipatria has engaged its engineering team to review applicable infrastructure needs. ICTC has received a proposed cost to complete the infrastructure improvements. ICTC has forwarded proposed concepts for bus stop improvements at the two locations to the city staff. Further coordination is required.*
- 17) **Imperial Valley Transit (IVT) FREE FARES PROGRAM:** On August 7, 2020, the Imperial County Transportation Commission (ICTC) announced the implementation of a **Free Fares Program** for various Imperial Valley Transit (IVT) services. Eligible services include IVT Fixed Route, IVT Circulators (Blue, Green and Gold Lines), IVT ACCESS and IVT RIDE (EL Centro, Imperial, Heber, Brawley, Calexico, Westshores). All passengers are eligible to benefit from the Free Fares Program. The fares are subsidized by a State of California grant and fare contributions to IVT RIDE passengers by the County of Imperial’s Area Agency for the Aging (AAA). *ICTC was able to secure a new grant to provide free fares for all of its transit programs. ICTC is*

currently working on program rollout and is currently developing a new grant application to expand the program. Due to the ongoing labor issues, ICTC has implemented free fares for all services to assist with the inconvenience to the public.

- 18) **State Route 98 Widening from Ollie to Rockwood:** As part of the Calexico West POE Expansion project, SR-98 and Cesar Chavez Boulevard were widened and improved to serve the expansion to the west. Caltrans' SR-98 work between VV Williams and Ollie Avenue was completed in March 2018, and the Cesar Chavez Blvd. Widening was completed in October 2019. Caltrans has completed the design and right of way phase for SR-98 Widening between Rockwood Avenue and Ollie Avenue. On June 24, 2020, CTC authorized construction funding. The total project cost is estimated at \$7 million using a combination of 2016 Earmark Repurposing, Demonstration, Traffic Congestion Relief, ICTC and local funds. *The construction start date was delayed due to environmental impacts and other utility projects in progress within the project area. Construction of the project began on August 6, 2021. The existing contractor of the project has been removed. Caltrans has secured a new temporary contractor to complete the project improvements from Ollie Avenue to Highway 111. Caltrans completed Phase 1 in late November. Phase 2 of the project commenced on January 9th, 2023. Phase 2 of the project is anticipated to be completed in the May 2023 timeframe.*
- 19) **State and Federal Local funding Obligations:** Projects programmed in Federal Fiscal Year (FFY) 2019/2020 were fully obligated according to Caltrans Local Assistance. Beginning October 1, 2020, agencies can move forward with request for authorization (RFA) for Congestion Mitigation Air Quality (CMAQ), Surface Transportation Block Grant program (STBG) programmed in FFY 2020/2021. Other state funding also included in the Federal Transportation Improvement Program (FTIP) include the Active Transportation Program (ATP).
- 20) **State Legislation for Transportation Funding – SB 1 Road Maintenance and Rehabilitation Account (RMRA):** *According to the California League of Cities, overall local streets and roads allocations to cities and counties from the Highway Users Tax Account (HUTA) and the Road Maintenance and Rehabilitation Account (RMRA) are projected to climb 14.8% in the current fiscal year, 2021-22, above last year, reflecting a rebound from peak impacts of the pandemic in 2020. For the budget year 2022-23, allocations are projected to grow 10.8% over the current year. This presumes that if the scheduled July 1 cost-of-living fuel tax increase is suspended, the Legislature will backfill any revenue impacts to local governments as leaders have pledged. The estimates are based on new statewide tax revenue estimates released by the California Department of Finance with the Governor's 2022-23 Proposed Budget. The county estimates were prepared in collaboration with the California State Association of Counties.*
For RMRA remittance advice by cities visit: https://www.sco.ca.gov/ard_payments_rmra_cities.html
For RMRA remittance advice by counties visit: https://www.sco.ca.gov/ard_payments_rmra_counties.html
- 21) **State Legislation for Transportation Funding – SB 1 Local Partnership Program (LPP):** *Local Partnership Program is comprised of formulaic program and competitive programs. The Local Partnership Formulaic Program (LPFP) funds share distributions for Cycle 3 are in the amount of \$1,549,000. Cycle 3 LPFP funds must be programmed and allocated in FY 2022-2023 and before June 30, 2023. The Program guidelines require a 50% match, project nomination forms must be collected by ICTC and submitted to the California Transportation Commission (CTC) for programming approval. Subsequently, the cities/county must submit allocation request to the CTC for use of funds. A one-time extension is allowed for allocation approval by the CTC for up to 12 months. If both programming, allocation, and/or time extension is approved by June 30, 2023, funds will lapse.*

ICTC staff is preparing to initiate the funding distribution discussion with member agency staff at the TAC meeting on August 25, 2022. Upon review and recommendations received by TAC members, project nomination forms will be gathered and presented to the ICTC Management and Commission in the September or October meetings.

The following is the link to the 2019 Local Partnership Program guidelines:
http://catc.ca.gov/programs/sb1/lpp/docs/062719+Amended_LPP%20Guidelines.pdf

22) Partnerships with IVEDC:

- **Southern Border Broadband Consortium (SBBC):** SBBC continues to work with local stakeholders to identify, prioritize and advance broadband infrastructure and improvement projects; facilitate and promote broadband education community wide using survey data; work with the Boys and Girls Club of IV and the Workforce Development Board to create Digital Literacy Centers throughout Imperial County; The SBBC has participated in the development of a Digital Equity Best Practices Checklist and Imperial County Broadband Priority Routes. *The grant Cycle 1 has one (1) pending invoice waiting for approval. Budget Recap:*

Cycle 1: 2017-2020

Original Grant Amount: \$450,000.00

Total Reimbursements Received to Date: \$233,070

- **The Brawley Transit Corridor Brownfield Assessment:** ICTC in partnership with IVEDC received a U.S. Environmental Protection Agency (EPA) Brownfields Communitywide Assessment Grant award of \$300,000 from the Environmental Protection Agency's Brownfields Assessment Program. This assessment is focused along the transit circulator route within the 13-mile Imperial Valley Transit's (IVTs) Brawley Gold Line Transit Route and the Brawley Transit Center that serves as the IVTs North Imperial County transfer terminal. The commercial corridors in the target assessment area include over 100 known commercial properties and suspected historical gas station sites with known or suspected underground tanks in the target area. ICTC is the fiscal agent and has developed an MOU which will define roles and responsibilities (Audits, Administration and Project Management) of ICTC and IVEDC. SCS Engineers Tasks include the Quality Assurance Project Plan (QAPP) and project management plan as required by EPA. *As of February 3, 2023, there is a remaining grant balance of \$44,639. Of the \$49,398, \$38,908 is the remaining contract balance for SCS Engineers. IVEDC Staff provided an update at the Commission meeting on September 28, 2022.*

23) Meetings attended on behalf of ICTC:

- Various Weekly Reoccurring Calexico East POE Bridge Widening Project Meetings
- Various Weekly Project Specific Meetings
- April 6, 2023 – Unmet Transit Needs Hearing at the ICTC offices and via zoom meeting
- April 12, 2023 – ICTC Management Committee Meeting at the ICTC offices and via zoom meeting
- April 12, 2023 – AB 617 Steering Committee Meeting: El Centro-Heber-Calexico Corridor
- April 13, 2023 – Imperial Mexicali Binational Alliance (IMBA) at the City of Mexicali
- April 17-20, 2023 – CalACT Conference in Lake Tahoe (attended by staff)
- April 19, 2023 – Caltrans Imperial County Transportation Briefing in El Centro
- April 21, 2023 – Mobility 21 Board and Advisory Board meetings via zoom meeting
- April 24, 2023 – Unmet Transit Needs Second Meeting at the ICTC offices and via zoom meeting
- May 1, 2023 – Meeting with Congressman Dr. Raul Ruiz at the ICTC offices
- May 3, 2023 – ICTC Social Services Transportation Advisory Council (SSTAC) meeting at the ICTC offices and via zoom meeting
- May 4-5, 2023 – SCAG General Assembly and Regional Council in La Quinta, CA

California Department of Transportation



To: ICTC Management Committee

Date: May 2023

From: GUSTAVO DALLARDA
Caltrans District 11 Director

Subject: **DISTRICT DIRECTOR'S REPORT**

CONSTRUCTION

1. **SR-98 Widening Project:** As part of the Calexico West POE Expansion project, SR-98 and Cesar Chavez Blvd were widened and improved to serve the expansion to the west. SR-98 work between VV Williams and Ollie Avenue was completed in March 2018, and the Cesar Chavez Blvd widening was completed in October 2019 by the City of Calexico. Construction for stage 1 of the SR-98 eastbound widening between Rockwood Avenue and Ollie Avenue was completed in mid-November. The construction of Stage 2 (westbound SR-98 from SR-111 to Ollie Ave) is underway. The contractor is currently placing class 2 base, curb and gutter. Stage 2 is estimated to be completed in May. The total project cost is estimated at \$8.2 million.
2. **SR-111 Niland Geyser/Mud Pot:** The SR-111 Niland Geyser/Mud Pot continues to be active. Another smaller active caldera appeared a few feet to the north-east of the original and is expanding in size. Water from the original caldera, continues to erode the edge of the existing SR-111. Water from the Mud Pot continues free-flowing through the remaining subsurface drainage installed in 2019. The original temporary detour road was opened to traffic in August of 2020. Due to the Mud Pot's unpredictable change in direction, a revised detour was required. The revised detour was completed on April 30, 2021. The detour will remain in place as the mud pot moves beyond the original freeway. <https://www.youtube.com/watch?v=Ek1buV2HA68>
3. **I-8 Colorado River Bridge Rehab:** This project is located near the Arizona border on I-8. The scope includes replacement of bearing pads, portions of the concrete pavement on the bridge deck and approach slabs. Part of workfootprint straddles the California/Arizona border. Detours and temporary closures are expected and will be announced as the project progresses. Construction started in February 2023 and estimated completion is early

2024. The total project cost is estimated at \$11.1 million.

4. **I-8, SR-78 Bridge Rehab at Various Locations:** The project scope includes 4 bridge locations on I-8 at Brock Research Center Rd, All American Canal (left/right) Bridges and at Winterhaven Dr/4th Ave. The 2 locations on SR-78 are at Palo Verde Drain and Palo Verde Outfall bridges near Palo Verde. The project has been awarded with construction estimated to start in March 2023. Total estimated cost is \$13.2 million.
5. **I-8 Roadside Safety Improvements:** This project will be implementing various safety improvements at various locations on I-8 between Silsbee Rd and Anderholt Rd. The scope includes slope paving, gore paving and rumble strip installations. Construction is expected to start in May 2023 and estimated completion is spring 2024. The total project cost is estimated at \$4.6 million.

PROJECT DELIVERY

1. **Middle Mile Broadband Initiative:** In July 2021, Governor Gavin Newsom signed into law Senate Bill 156 to create an open-access middle-mile network to bring equitable high-speed broadband service to all Californians. Caltrans D11 is working with the California Department of Technology (CDT) to deliver middle mile broadband projects in Imperial County along state routes. Currently, CDT has approved segments on SR78, SR86, SR111 and SR115 totaling in 178 miles of middle mile broadband deployment. Caltrans has begun design work for these segments. The total capital cost for construction is estimated at \$62.3 million and target completion date is December 2026.
2. **Clean California Projects:** District 11 will be delivering projects funded by the Clean California Grant Program. They include bus shelter improvements in Niland(SR111), and bus shelter installations in Calipatria(SR111), Brawley(SR86) and Holtville(SR115). Additionally, median island improvements in El Centro(SR86) and a gateway beautification project at SR-7/Nina Lee Rd just north of the Calexico Port of Entry are also included as part of this effort. The projects are expected to be completed by July 2023. Below is a conceptual rendering of the gateway sign.



3. **SR-186 All-American Canal Bridge:** This project proposes to construct a new bridge over the All-American Canal (AAC). The new bridge will improve safety and better facilitate international and interregional movement of people, goods and services. A 2019 feasibility study proposed 8 alternatives including a no-build option. The following stakeholders have been identified,

Fort Yuma Quechan Indian Tribe, US BIA, US BOR, IID, International Boundary and Water Commission, County of Imperial, Union Pacific Railroad and US GSA. *Project Milestones: Project Approval/Environmental Clearance 12/2024. The Anticipated funding fiscal year for construction is 2027/28.*

MAINTENANCE AND TRAFFIC OPERATIONS

1. El Centro Traveled Way Crew – Sweeping I-8/SR111, lateral support SR111, guardrail repair SR111, aided D8 with snow removal San Bernardino Forrest near Angelus Oaks



2. El Centro Functional/Marking Crew – Sign/landscape maintenance, pavement markings SR86, aided D9 with snow removal Inyo/Mono Counties



3. Midway Traveled Way Crew – Crack sealing SR98, storm response/repairs, fence repair I-8, guardrail repair I-8



4. Brawley Traveled Way Crew – Sweeping/brush control, SR78 clearing washes, crack sealing on SR78, guardrail repair SR86



5. El Centro Clean CA Crew – Litter control/landscaping activities SR78/86/111



6. **SR-86/Customs & Border Protection Checkpoint Expansion:** AECOM has submitted a revised concept plan with a standard acceleration lane from the secondary inspection facility and it has been approved. AECOM is expected to submit revised design plans with the approved concept soon. The environmental studies are being prepared by ICTC and will soon be sent for review. Caltrans will assist ICTC in coordinating upcoming meetings.

An environmental document as well all other appropriate studies will be needed to finalize the project. A series of permits will be required for existing traffic control at the checkpoint, for the inspection operations and equipment within the facility, and for a temporary checkpoint while the project is in construction. A new Freeway Maintenance Agreement will be required for the portion of the existing canopy that is within Caltrans ROW.

PLANNING AND LOCAL ASSISTANCE

1. **Project Study Report: Forrester Road Improvements** - This study will propose improvements to Forrester Road from I-8 to the SR 78 intersection in the City of Westmorland. This is a critical goods movement corridor that handles a high volume of interregional and local agricultural trucks and anticipated volumes will continue to increase. Caltrans and ICTC are preparing a PSR spearheaded by a Technical Working Group (TWG) that includes the County of Imperial, the Imperial Irrigation District (IID), and the cities of El Centro,

Westmorland, Imperial, and Brawley. To address the needs of this corridor, likely improvements will include shoulder widening, passing lanes, intersection improvements, multimodal elements, and a bypass to the city of Westmorland.

2. **Local Assistance:**

May 31, 2023 – New Deadline! Clean California Local Grant Program Cycle 2

*Please note that the deadline to apply has been extended to **May 31, 2023**.*

The California Department of Transportation (Caltrans) has developed the “Clean California” Local Grant Program through which funds will go to local communities to beautify and improve local streets and roads, tribal lands, parks, pathways, and transit centers, as well as to clean and enhance public spaces. A Cycle 2 call for projects and further details are available at this link – <https://cleancalifornia.dot.ca.gov/local-grants/local-grant-program>

May 12, 2023 – Local Assistance Program Funding Webinar (9 – 10:30)

This webinar series focuses on identifying current funding opportunities, specific program benefits, and key deadlines for several programs.

Enroll at this link – <https://apps.cce.csus.edu/sites/cce/reg/?CID=5132>

June 1, 2023 – Deadline: Local Assistance Procedures Manual Exhibits 9-B & C!

Reminder to submit a completed “Local Agency Disadvantaged Business Enterprise (DBE) Annual Submittal Form” (Exhibit 9-B) and a “Local Agency Americans with Disabilities Act (ADA) Annual Certification Form” (Exhibit 9-C) before June 1, 2023, for Federal Fiscal Year 23/24 (October 1, 2023 to September 30, 2024) per the Local Assistance Procedures Manual, Chapter 9, Sections 9.3 and 9.6. Action is required by the County of Imperial, along with these five cities: Brawley, Calexico, Calipatria, Holtville, and Imperial.

June 7, 2023 - Local Assistance Day Statewide Webinar (8:30 – 11:30)

This quarterly webinar series includes information sharing, local project delivery policies, processes, and procedures, as well as facilitates peer-sharing of best practices.

Enroll at this link – <https://apps.cce.csus.edu/sites/cce/reg/?CID=5103>

July 10, 2023 – Deadline for Safe Streets & Roads for All (SS4A) Grant Program

Request for a Caltrans Letter of Support is due May 19, 2023.

The United States Department of Transportation has announced a new “Safe Streets and Roads for All (SS4A) discretionary program, with \$5 billion in funding for five years. The SS4A program will consider regional, local, and Tribal projects through grants to prevent roadway deaths and serious injuries.

A Notice of Funding Opportunity, workshop dates, and further details are posted at this link – <https://www.transportation.gov/grants/SS4A>

August 1, 2023 – Deadline for FHWA Wildlife Crossings Pilot Program (WCPP)

The Wildlife Crossings Pilot Program (WCPP) is a competitive grant program with the goal of reducing Wildlife Vehicle Collisions while improving habitat connectivity for terrestrial and aquatic species. The WCPP provides funding for construction and non-construction projects.

A Notice of Funding Opportunity, workshop dates, and further details are at this link – <https://highways.dot.gov/federal-lands/programs/wildlife-crossings>

Reconnecting Communities: Highways to Boulevards (RC: H2B) Pilot Program

Projects will fund the conversion of key underutilized highways in the State into multi-modal corridors to reconnect communities divided by transportation infrastructure. These legacy impacts will be addressed through community-based transportation planning, design, demolition, and/or reconstruction of city streets, parks, or other infrastructure. *The May 9, 2023 RC:H2B workshop recording and a call for projects will be available at this link soon –*

<https://dot.ca.gov/programs/local-assistance/fed-and-state-programs/rc-h2b>

Community Response Initiative to Strengthen Emergency Systems Grant (Pilot)

The California Department of Social Services (CDSS) has a new Community Response Initiative to Strengthen Emergency Systems (C.R.I.S.E.S.) grant with \$10 million of pilot program funds that will support partnerships between city, county, and/or tribal governments, as well as other community organizations, to provide emergency response services that lessen the reliance on law enforcement as first responders in crises unrelated to fire department or emergency medical services. Applications will be due to CDSS July 14, 2023.

This CDSS C.R.I.S.E.S. Grant Program link has more detailed information –

<https://www.cdss.ca.gov/inforesources/cdss-programs/civil-rights/crises>

Nationally Significant Federal Lands and Tribal Projects (NSFLTP) Program

This Program provides an opportunity to address significant challenges for transportation facilities that serve federal and tribal lands. This Federal Highway Administration (FHWA) link will advise the next call for applications in summer 2023 – <https://highways.dot.gov/federal-lands/programs/significant>

California Transportation Commission (CTC) Allocation and Approval Requests

Please review the attached schedule of due dates and prepare requests for California Transportation Commission (CTC) approval accordingly. *Caltrans District 11 needs all documents at least two months before the CTC meets.*

Friday, June 16, 2023 – deadline for the next CTC meeting (August 16-17, 2023)

Title VI Nondiscrimination Program

Local agencies must comply with all Title VI requirements (LAPM Section 9.2). *Title VI compliance is subject to review at any time.*

www.dot.ca.gov/programs/local-assistance/guidance-and-oversight/title-vi

RELINQUISHMENTS

1. **SR-86** from *SR-111 to Countryside Dr, West Ralph Rd to Calle Estrella*, and just east of *Brandt Rd to SR-78*. Relinquishment to County of Imperial, estimated completion 2026. (#11 on Status Map)
2. **SR-86** from *Countryside Dr to Treshill Rd*. Relinquishment to City of El Centro, estimated completion 2026. (#12 on Status Map)

2023 PREPARATION SCHEDULE

CALIFORNIA TRANSPORTATION COMMISSION (CTC) MEETINGS

AGENDA ITEM(S) DUE DATES

Prepared by:
OFFICE OF CTC LIAISON
DIVISION OF FINANCIAL PROGRAMMING
CALIFORNIA DEPARTMENT OF TRANSPORTATION

As of:
July 2022

2023 California Transportation Commission (CTC) Meeting Schedule	Local Agency Submits Off System Funds Requests, Program Amendments, and Time Extensions to Caltrans Districts	District Submits Off System and On System Requests to HQ Divisions	HQ Divisions Submit Final Off System and On System Requests to Budgets	Final Agenda Language Due From HQ Divisions to Office of CTC Liaison	Final Book Items Due from HQ Divisions to Office of CTC Liaison
Date and Location:	10:00 AM District & CTC	10:00 AM HQ Divisions	5:00 PM Email to HQ Budgets	10:00AM Email to CTC Liaison	10:00 AM Email to CTC Liaison Email: CTCLiaison@dot.ca.gov
Jan 25-26 - Sacramento	Mon, Nov 28, 22	Mon, Dec 5, 22	Mon, Dec 12, '22	Wed, Dec 21, '22	Thu, Dec 22, '22
Mar 22-23 - Los Angeles	Mon, Jan 23, 23	Mon, Jan 30, 23	Mon, Feb 6, '23	Wed, Feb 15, '23	Thu, Feb 16, '23
May 17-18 - Bay Area	Mon, Mar 20, 23	Mon, Mar 27, 23	Mon, Apr 3, '23	Wed, Apr 12, '23	Thu, Apr 13, '23
June 28-29 - Sacramento	Mon, May 1, 23	Mon, May 8, 23	Mon, May 15, '23	Wed, May 24, '23	Thu, May 25, '23
Aug 16-17 - San Diego	Mon, Jun 19, 23	Mon, Jun 26, 23	Mon, Jul 3, '23	Wed, Jul 12, '23	Thu, Jul 13, '23
Oct 18-19 - Central Valley	Mon, Aug 21, 23	Mon, Aug 28, 23	Tue, Sep 5, '23	Wed, Sep 13, '23	Thu, Sep 14, '23
Dec 6-7 - Riverside	Mon, Oct 9, 23	Mon, Oct 16, 23	Mon, Oct 23, '23	Wed, Nov 1, '23	Thu, Nov 2, '23

* No Scheduled Meeting in: February, April, July, September and November

DIVISION OF LOCAL ASSISTANCE (DLA) ARCHITECTURAL AND ENGINEER (A&E) OVERSIGHT

LOCAL ASSISTANCE PROCEDURES MANUAL (LAPM) CHAPTER 10 CONSULTANT SELECTION TRAINING

COURSE DESCRIPTION:

The DLA A&E Oversight team will provide a one-day training for Chapter 10 of the [LAPM](#), Consultant Selection.

WHO SHOULD ATTEND:

Primary Audience: Local Public Agencies, Regional Transit Planning Agencies, and Metropolitan Planning Organizations.

Secondary Audience: Caltrans District staff may optionally attend with supervisor approval. Consultants in management support roles may also be present. Registration is required!

IN-PERSON!!!

Tuesday, May 16, 2023 | 9AM–3PM

Caltrans District 11

4050 Taylor Street

Garcia Room 1-125 A&B

San Diego, CA 92110

REGISTER NOW

Only 30 spaces are available per training, registration is required!

Once your registration has been confirmed, you will be notified. You will then receive a welcome email and packet prior to the training date. Email will include: registration information, training location, parking recommendations, and building access instructions.

IMPERIAL COUNTY

STATUS OF TRANSPORTATION PROJECTS




ENVIRONMENTAL	
1. SR-186/I-8 Quechan Interchange Improvements*	Complete Dec 2023
2. SR-186 All-American Canal Bridge	Complete Dec 2024
3A. SR-86 USBP Checkpoint Canopy*	Complete Fall 2023
DESIGN	
3B. SR-86 USBP Checkpoint Canopy*	Complete Fall 2023
4. Middle Mile Broadband Initiative, SR-78, SR-86, SR-111, SR-115	Construction start early 2024
CONSTRUCTION	
5. I-8 Colorado River Viaduct	Begin Construction Feb 2023
6. Bridge Rehab Projects on I-8 and SR-78	Begin Construction early 2023
7. Calexico East POE Bridge Widening	Design/Build Begin Mar 2021; Complete June 2023
8. SR-86/Dogwood Road Intersection Improvements County Permit*	
9. SR-98 Widening Phase 1C Ollie Ave to Rockwood Ave	Complete summer 2023
RELINQUISHMENT	
10. SR-86 Relinquishment to County of Imperial	Date Estimate 2026
11. SR-86 Relinquishment to City of El Centro	Date Estimate 2026

* The California Department of Transportation (Caltrans) is a partner in this study/projects, although not the lead agency.

VII. PRESENTATION

A. Per-and Polyfluoroalkyl (PFAS) “The Forever Chemical” Presentation by Imperial Irrigation District



PFAS: “The Forever Chemical”

Presented to:
Imperial Irrigation District



Presented by:



GROUP DELTA



SINGLETON
SCHREIBER
FEARLESS ADVOCACY

April 2023

1

Overview


- What are PFAS
- PFAS Sources
- Health Impacts from PFAS
- Current & Future PFAS Regulation
- History of PFAS Testing in California
- Summary of PFAS contamination in Imperial County
- Potential Impacts to Imperial Irrigation District
- Litigation Summary & Timeline
- Next Steps

2


PFAS

Per- and polyfluoroalkyl substances


Thousands of substances fall under the description 'PFAS'





Man-made manufactured chemicals



Persistent in the environment
"The Forever Chemical"

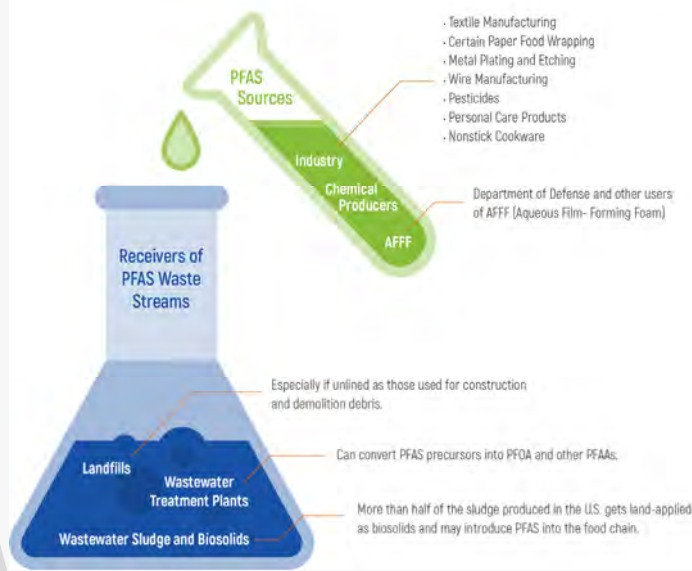


Hazardous to human health

3

PFAS Sources



PFAS Sources

- Textile Manufacturing
- Certain Paper Food Wrapping
- Metal Plating and Etching
- Wire Manufacturing
- Pesticides
- Personal Care Products
- Nonstick Cookware

Industry

Chemical Producers

AFFF (Aqueous Film-Forming Foam)

Department of Defense and other users of AFFF

Receivers of PFAS Waste Streams

Especially if unlined as those used for construction and demolition debris.



Landfills

Wastewater Treatment Plants

Can convert PFAS precursors into PFOA and other PFAs.

Wastewater Sludge and Biosolids

More than half of the sludge produced in the U.S. gets land-applied as biosolids and may introduce PFAS into the food chain.

<https://pfas.com/industries-and-entities/municipalities/>

4

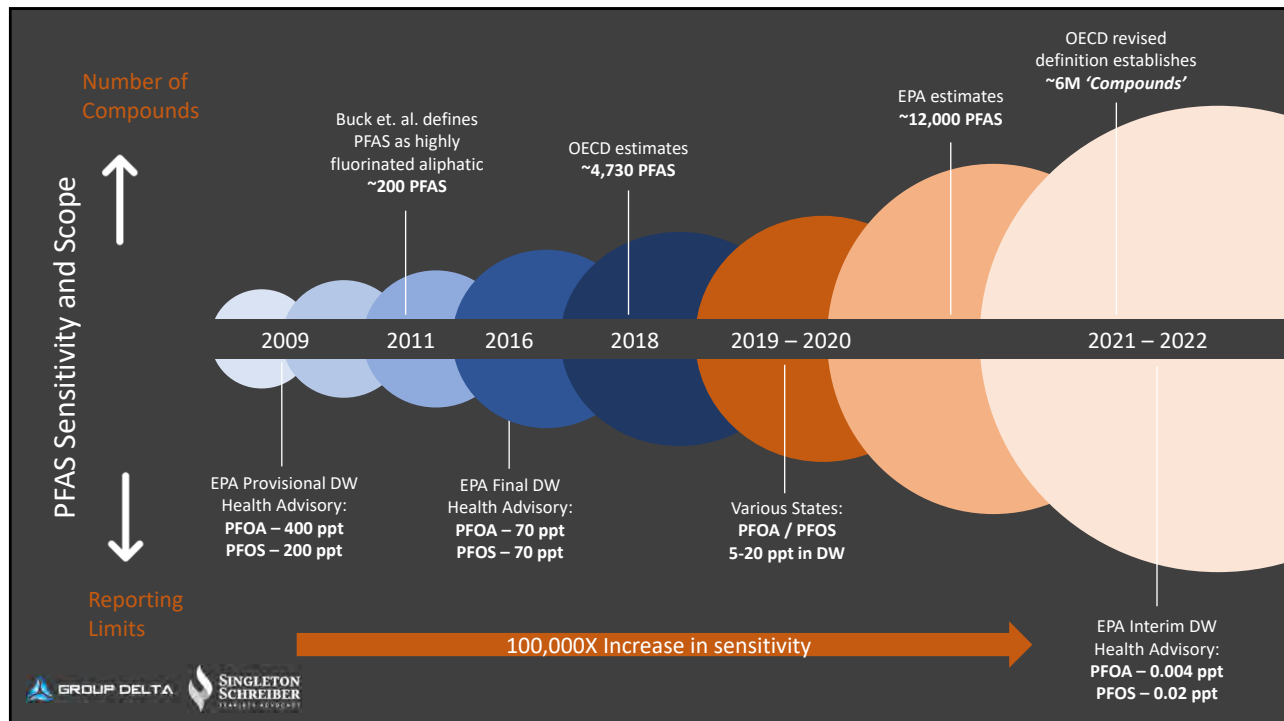
Toxicity

Current peer-reviewed scientific studies have shown that exposure to certain levels of PFAS may lead to:

- **Reproductive effects** such as decreased fertility or increased high blood pressure in pregnant women.
- **Developmental effects** or delays in children, include low birth weight, accelerated puberty, bone variations, or behavioral changes.
- Increased risk of some **cancers**, including prostate, kidney, and testicular cancers.
- Reduced ability of the **body's immune system** to fight infections, including reduced vaccine response.
- Interference with the **body's natural hormones**.
- **Increased cholesterol** levels and/or risk of obesity.



5



6

Federal Regulation

Drinking Water

On **March 14, 2023**, the EPA announced the proposed National Primary Drinking Water Regulation for six PFAS:

Compound	Proposed MCLG	Proposed MCL (enforceable levels)
PFOA	Zero	4.0 parts per trillion (also expressed as ng/L)
PFOS	Zero	4.0 ppt
PFNA		
PFHxS	1.0 (unitless)	1.0 (unitless)
PFBS	Hazard Index	Hazard Index
HFPO-DA (commonly referred to as GenX Chemicals)		

The proposed rule will **require** public water systems to:

- Monitor for these PFAS;
- Notify the public of the levels of these PFAS; and
- Reduce the levels of these PFAS in drinking water if they exceed the proposed standards

7

Federal Regulation

Groundwater & Hazardous Waste



To be designated **hazardous waste** under CERCLA:
Expected Summer 2023


Maximum contaminant level (MCL) for **groundwater**:
Expected late 2023

8

PFOA & PFOS


California Investigative Orders




Airports & Landfills:

In March and April of 2019, the State Water Board issued Investigative Orders to airports and landfills. These Orders were issued to determine whether groundwater and/or soil at their locations were impacted by PFAS (23 required compounds were included in the Orders). They also issued Sampling Orders to water systems to sample the public water supply in the vicinity of those airports and landfills (up to 18 required PFAS compounds included in these Orders).




Metal Platers:

In October 2019, the State Water Board issued Investigative Orders to Chrome Plating Facilities (271) that may have stored or used fume suppressants or other substances that may have contained PFAS. These Orders included the required sampling for 25 PFAS.



Wastewater Treatment Plants:

On July 9, 2020, the State Water Board issued Investigative Orders to Publicly Owned Treatment Works (POTW) (249) that receive PFAS in their influent wastewater flow and then potentially distributed out of the POTW in the effluent wastewater, biosolids, and reverse osmosis concentrate. These Orders included the required sampling for 31 PFAS.





Refineries & Bulk Fuel Terminals:

On March 12, 2021, the State Water Board issued Investigative Orders to Refineries and Bulk Fuel Terminals (161) for a one-time sampling effort to determine whether soil, groundwater, surface water, and influent and effluent wastewater at their locations were impacted by PFAS. These Orders included the required sampling for 31 PFAS.

9

Imperial County

According to GeoTracker, 5 cities performed PFAS testing within Imperial County and had confirmed hits:

Brawley

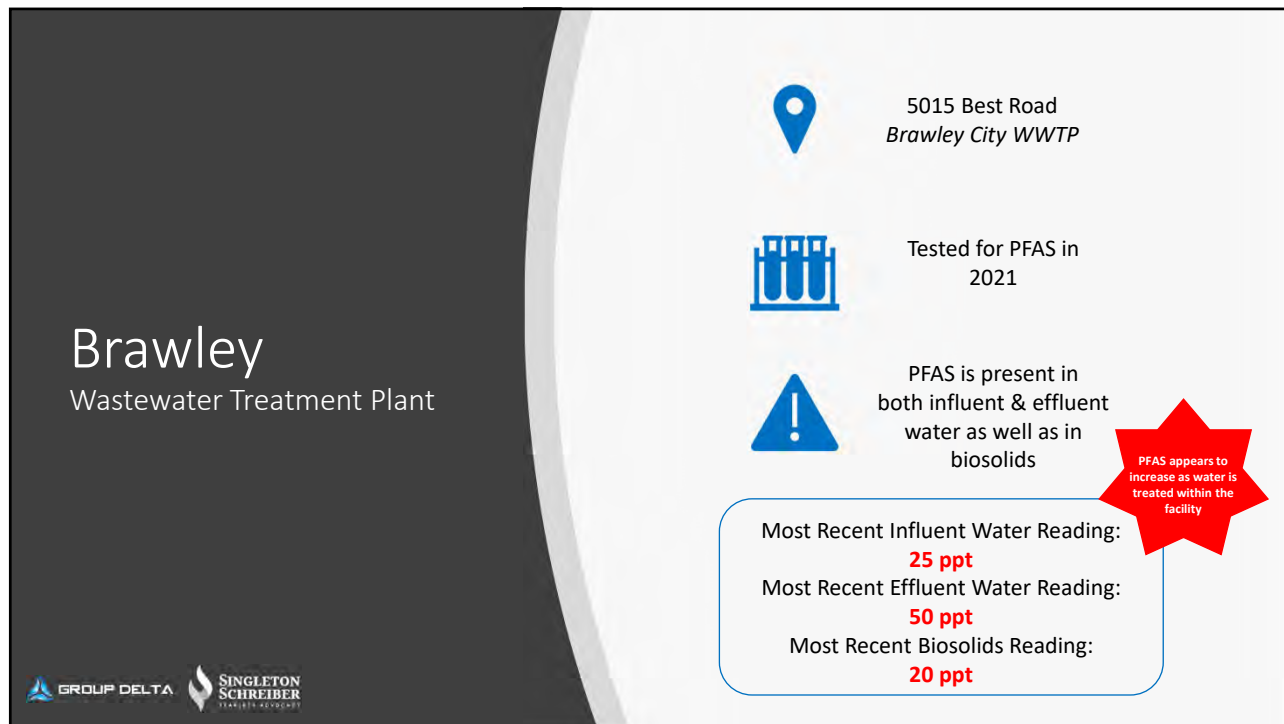
El Centro

Imperial

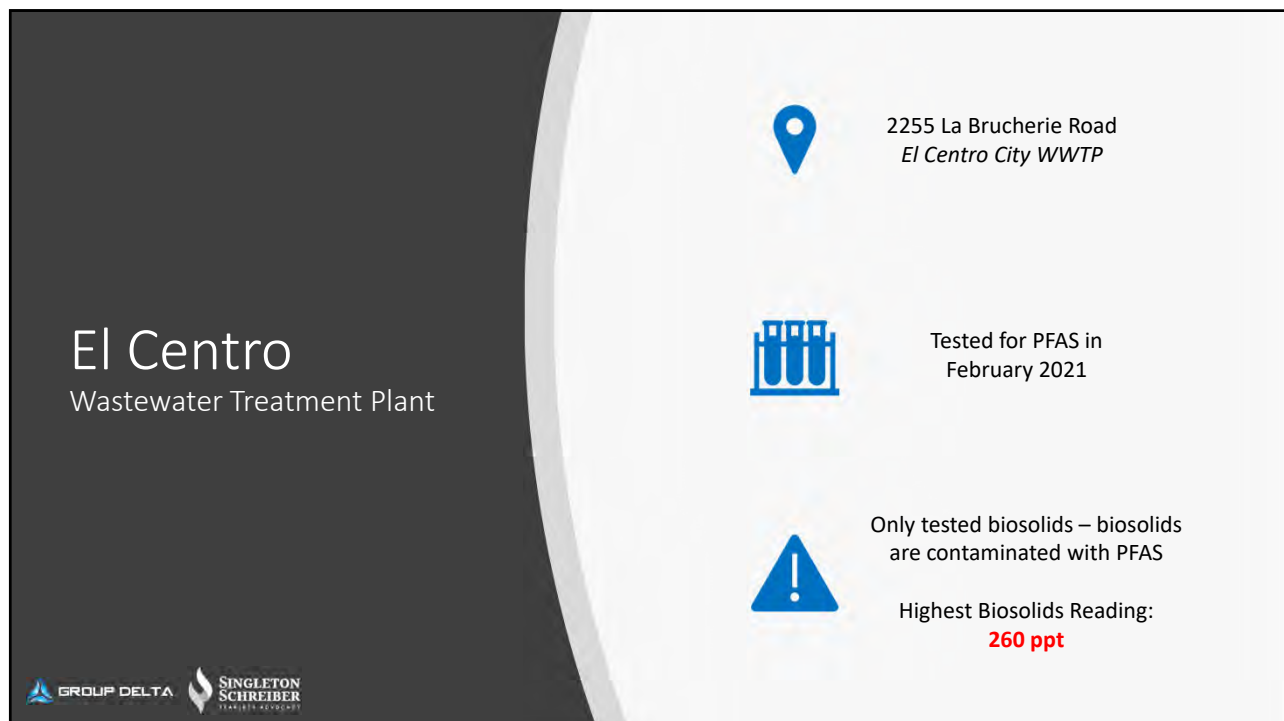
Niland

Salton City

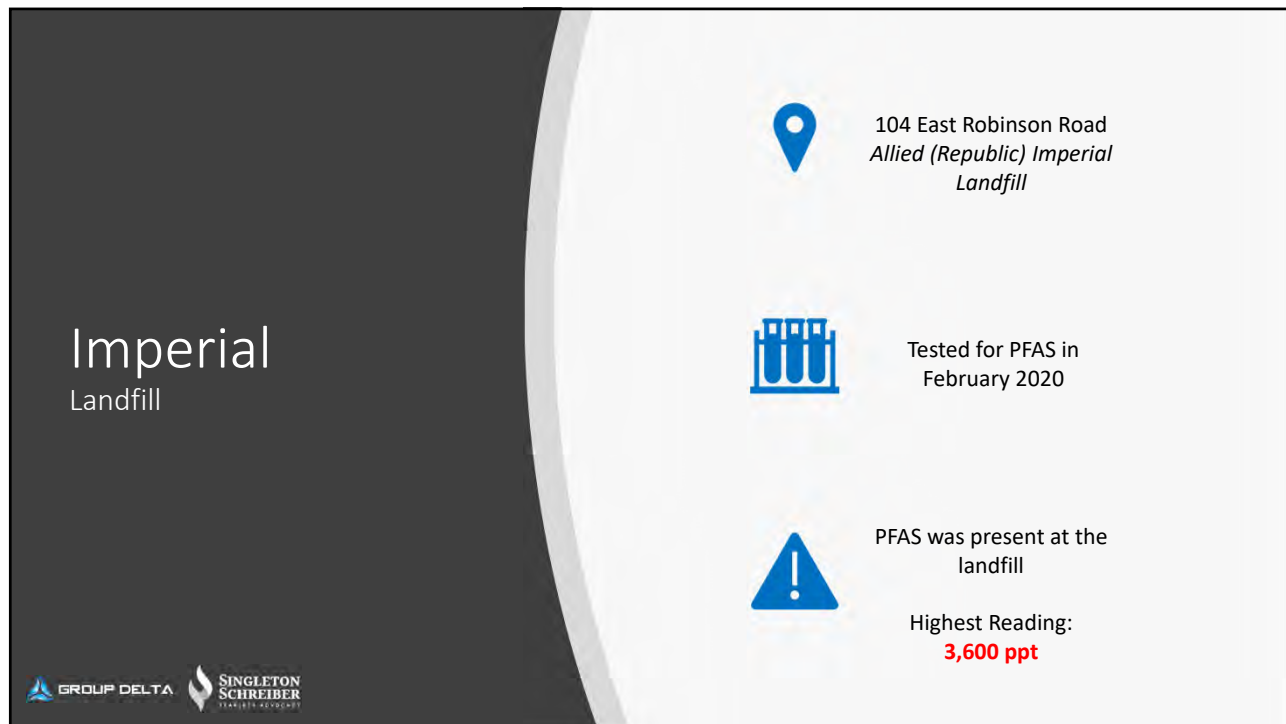
10



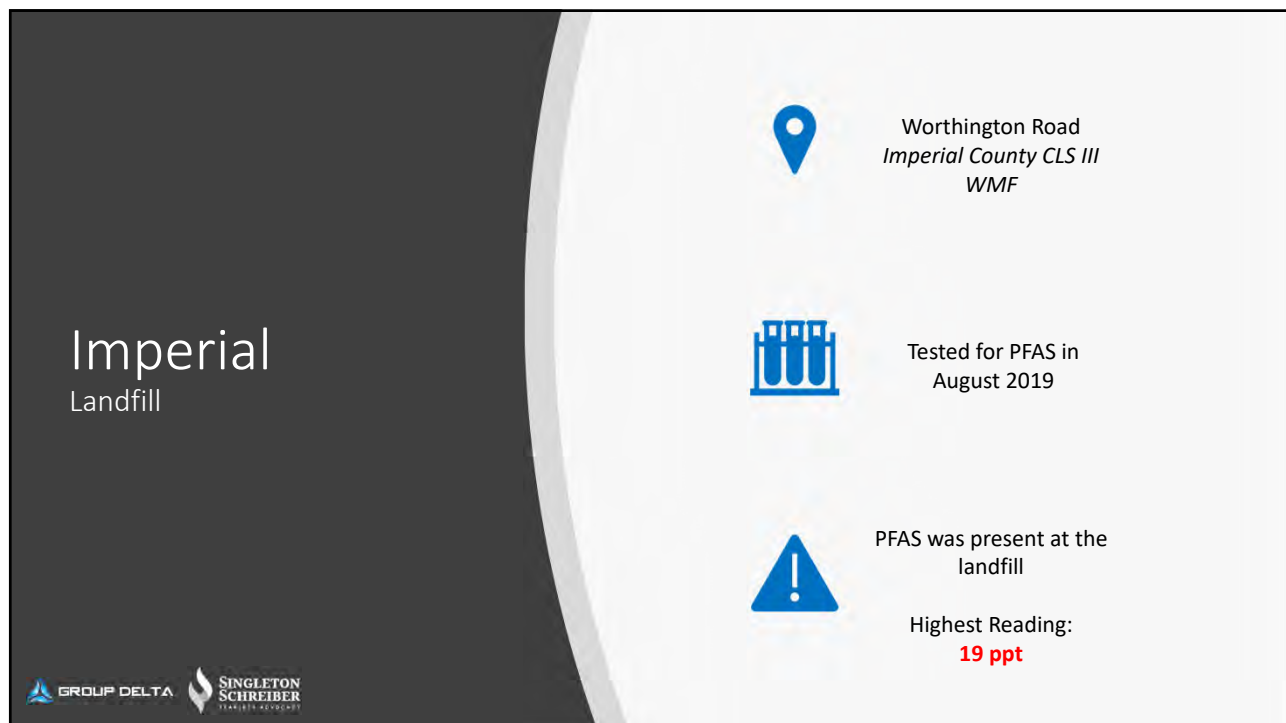
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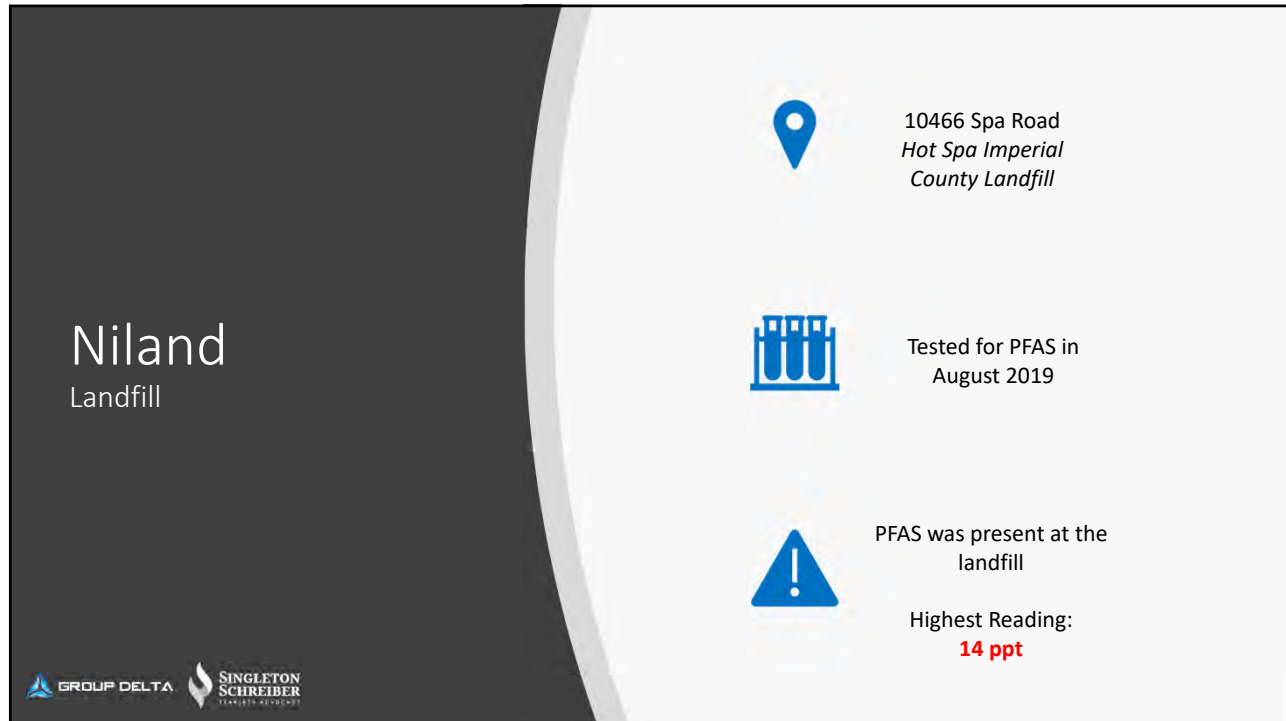
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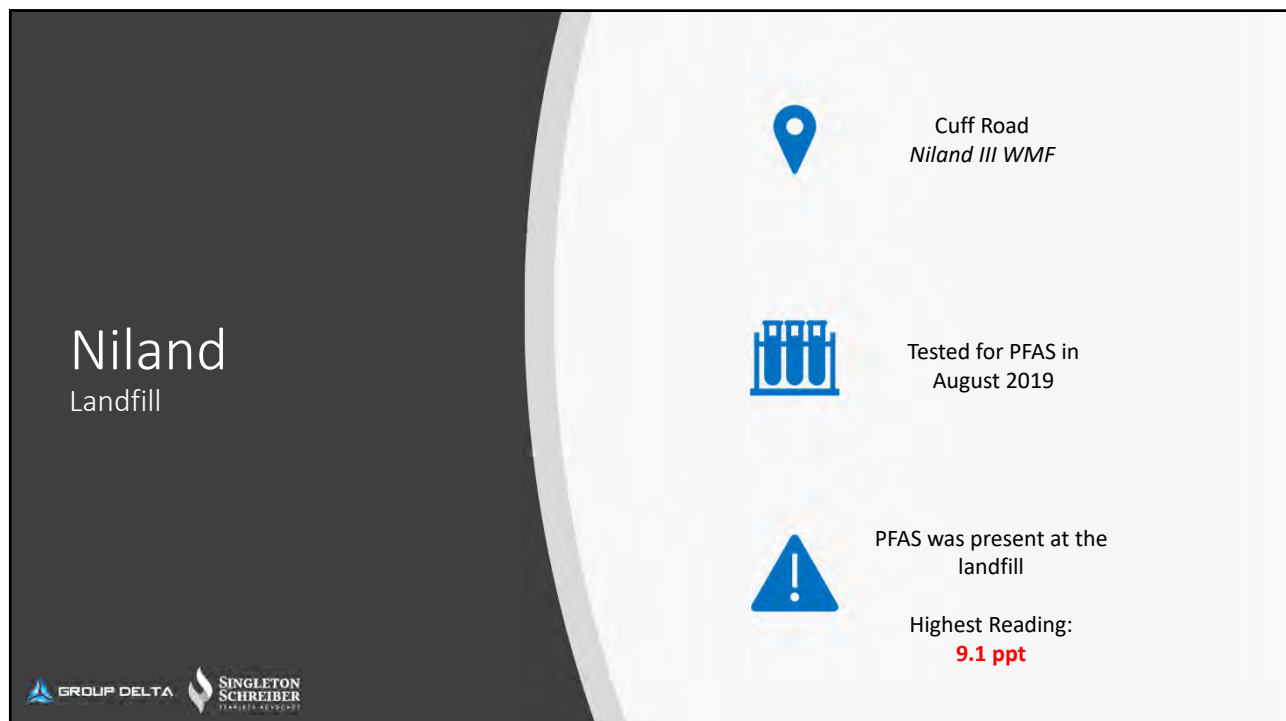
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14



15



16

Salton City Landfill



Off Highway 86
*Salton City Solid
Waste Site*



Tested for PFAS in
August 2019






PFAS was present at the
landfill



Highest Reading:
14 ppt

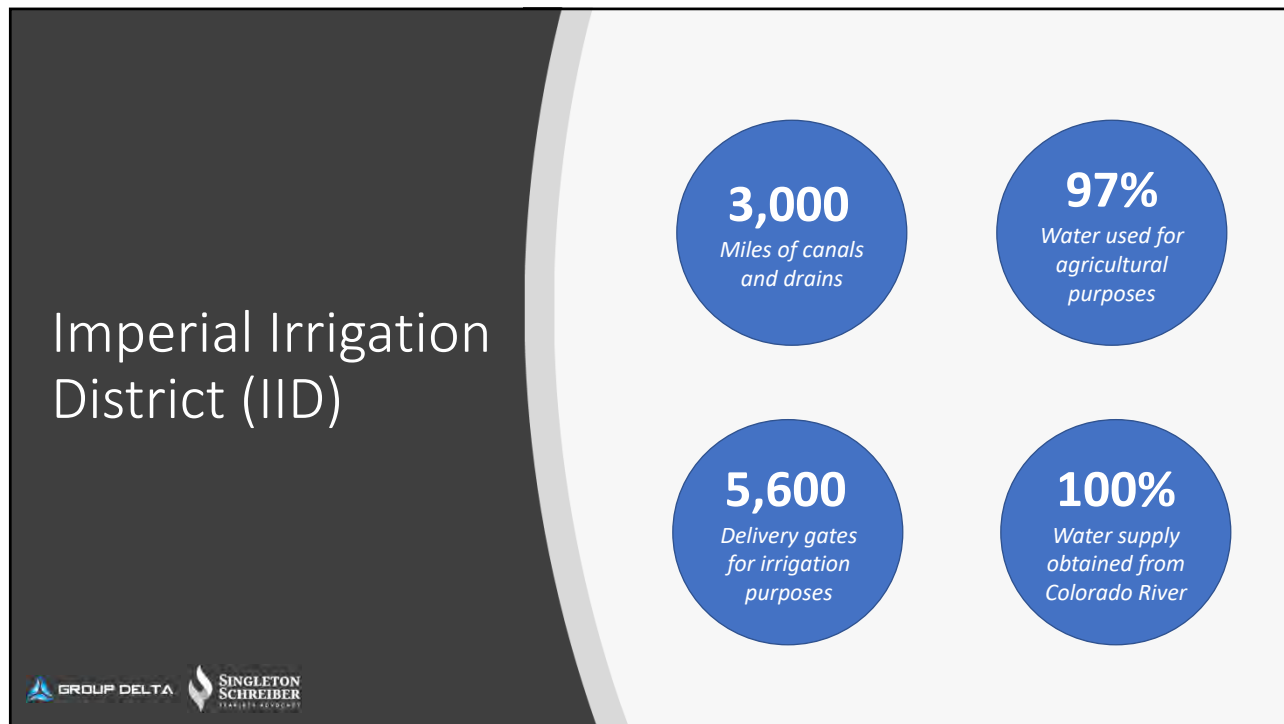
17

Imperial County PFAS Summary

-  PFAS is present at landfills throughout the county.
-  PFAS is present at wastewater treatment plants and appears to have contaminated effluent wastewater and biosolids.
-  PFAS may be present at other locations throughout the county that have not yet been tested.

18



19

Colorado River Water Supply

- In Colorado, there are **six military bases**, five of them Air Force bases. At many of the bases, PFAS-containing aqueous film forming foam (**AFFF**) were used for decades to suppress fires and to conduct drills simulating putting out fires on the base or aircraft.
- Over time, the PFAS leached through the ground and into local waterways, which eventually found their way to the Colorado River.
- Case Study:** One target of the PFAS concerns in Colorado was Peterson Air Force Base, for which the federal government paid nearly **\$50 million in cleanup** efforts in the neighboring area. However, none of the cleanup involved downstream waterways or the Colorado River.
- As California continues to draw enormous amount of water from the Colorado River, water utilities in California must begin to consider the implications that PFAS will have on their liability if they continue to utilize water from the Colorado River as a reserve resource.

GROUP DELTA SINGLETON SCHREIBER TRIANGLE ADVISORY

20

Future of Regulation

- The EPA found exposure to PFOA and PFOS over certain levels may result in adverse health effects.
- The EPA is working on a rule that will regulate PFAS discharge into sewage treatment systems and surface waters from "facilities manufacturing PFAS."
- The rule will outline actions the EPA plans to take to regulate wastewater pollution.
- The EPA announced it would implement a rule to limit PFAS discharges from select industries.
- EPA announced it is committed to limiting PFAS in industrial wastewater discharges.



21

MDL Summary

Over 2,000 Cases Against 40 Defendants

- Litigation for water contamination and other injuries caused by PFAS through Aqueous Film-Forming Foam (AFFF) has been consolidated in a multi-district litigation (MDL) in the United States District Court for the District of South Carolina, presided over by Judge Richard M. Gergel (Case No. MDL 2873).
- Presently there are over 2,000 cases consolidated in the MDL, comprised of individual plaintiffs alleging personal harm and entities seeking damages for cleanup costs and other harm.
- More than 40 Defendants have been sued in connection with the AFFF litigation to ensure they will be held accountable for the harm they caused.



22

Litigation Timeline

Benefits to Filing *Early*

- MDL in place since 2019
- First bellwether trials expected in June 2023.
- Talks underway for global resolution with key PFAS Defendants, including Dupont and 3M (settlement funds to be divided among Plaintiff categories (public entities; individuals))
- Key public entities entering litigation prior to bellwether (e.g., State of California lawsuit filed November 2022).



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Next Steps

How our team can help you



Non-invasive testing and sampling



Provide technical advice, including calculation of remediation costs



Provide privileged/confidential strategy for reimbursement of remediation costs, ongoing monitoring costs, and other mandated expenses



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Glenn Burks, Ph.D., PE

Director of Environmental Services

Glenn Burks is the Founding Partner of the Environmental Division at Group Delta Consultants. He is nationally recognized for his work in Green Remediation and served as one of the principal authors of the ASTM Standard Guide to Greener Cleanups (ASTM E2893-13). Dr. Burks has over 27 years of diverse environmental engineering consulting experience, with an emphasis on technical and project management for site investigations, remediation, and hazardous materials handling projects. Dr. Burks has managed environmental components of large-scale construction projects and served as the technical lead on large-scale soil and groundwater remediation projects located at airports, regional groundwater extraction systems, constructed wetlands, industrial facilities, rail yards, and educational facilities.



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Mike Cassidy, MS, PG, CHG

PFAS Practice Leader

Mike Cassidy is the Principal Geologist and PFAS Practice Leader for the Environmental Division at Group Delta Consultants. He holds a Bachelor's Degree in Geological Sciences from UC Santa Barbara and a Master's Degree in Geological Sciences from San Diego State University. He is a registered professional in the states of California, Arizona, Idaho, and Washington. Mr. Cassidy is a member of the PFAS Working Group of the American Association of Airport Executives. He has over 32 years of environmental consulting experience, acting as the managing registered professional in responsible charge of many major projects.



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Katherine Boniface

Project Geologist

Katherine Boniface is a Project Geologist for the Environmental Division at Group Delta Consultants. She holds a Bachelor of Science degree in Geology from Texas Christian University. Ms. Boniface has won multiple awards for her work and research in geologic studies including the Jarvie Family Geoscience Scholar Award. She has project management experience with groundwater monitoring events, environmental and regulatory due diligence audits, geotechnical logging, and Phase I and II Environmental Site Assessments.



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Britt Strottman

Partner

A partner in the Sacramento office of Singleton Schreiber, Britt Strottman leads the firm's Public Entity Environmental Practice Group specializing in litigation against corporations for wrongdoing.

She's been recognized by peer organizations and legal publications as a Top 100 attorney in California and a "Giant Slayer" by The Recorder. With 20 jury trials, Ms. Strottman spent her 20-year career handling high-stakes litigation, often involving thousands of plaintiffs and/or dozens of California cities. Her knowledge of complex litigation, as well as her ability to resolve eight, nine and ten-figure lawsuits, puts her in a unique class of attorneys.

Britt represented over 40 California cities and counties in opioid and fire litigation, culminating in a \$1 billion settlement with PG&E for the North Bay and Camp Fires.



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Andrew Bluth

Partner

Andrew Bluth is a partner in the Sacramento office of Singleton Schreiber and helps lead the firm's mass torts division.

Andrew has spent his entire career litigating complex civil disputes across many subject areas. He has litigated consumer class action cases, unfair business practice claims, and environmental cases in federal and state court, handled lawsuits and claims against government entities, and tried cases to juries and judges across California and nationwide. Andrew's experience includes class actions involving the federal Telephone Consumer Protection Act (TCPA) as well as California's "two-party consent" telephone recording statutes. He has represented parties in lawsuits involving such broad topics including health care issues, contract disputes, banking issues, and many more.



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Chris Rodriguez

Partner

Chris Rodriguez is a partner in the Sacramento office of Singleton Schreiber and, along with partner Andrew Bluth, leads the firm's nationwide Mass Torts Department. Before opening the Sacramento office of Singleton Schreiber, Chris was a partner at two major national law firms and served as the managing partner of Pillsbury Winthrop Shaw Pittman's Sacramento office.

Chris is an experienced trial attorney who has represented clients in jury trials, bench trials, arbitrations, and administrative hearings involving a broad array of complex civil litigation issues. Throughout his career, Chris has successfully represented some of America's largest corporations in litigation, as well as in litigation both for and against state and federal agencies. Chris has experience handling environmental litigation, including claims involving California's complex regulatory and statutory environmental landscape.

He has handled complex toxic tort litigation involving some of America's largest companies. Chris is admitted in the United States Supreme Court, and currently leads litigation in venues across the United States.



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Megan Stedtfeld

Counsel

Megan is currently of Counsel at Singleton Schreiber in the Public Entity Environmental Law Practice. She has dedicated the lion's share of her legal career to representing public agencies and is a seasoned public servant. In recent years, Megan served as the County Counsel of Calaveras County as well as the Assistant County Counsel for the County of Yolo.

Over the years, Megan has been highly involved with the emerging and evolving cannabis laws, aiding in the drafting, implementation, and enforcement of multiple cannabis ordinances for both Calaveras and Yolo counties. She advised public agencies through multiple states of emergency and was the lead in-house counsel in the litigation against PG&E related to the 2015 Butte Fire, resulting in a \$25.4M settlement for Calaveras County.

As County Counsel, she oversaw and managed the office and all civil matters for the County. She is knowledgeable in local governance, including the Brown Act, Political Reform Act, Public Records Act, and other ethics and transparency laws and previously practiced in a wide-range of areas, including planning, public works, building, code compliance, environmental health, integrated waste management, risk management, and representing the grand jury, making her a "jack of all trades".

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Paul Starita

Counsel

Paul Starita is Senior Trial Counsel at Singleton Schreiber with over 29 years of experience as a trial attorney. He exclusively represents plaintiffs in catastrophic personal injury and mass tort matters in State and Federal court.

Before focusing on serving plaintiffs, Paul served the people of San Diego and Imperial Counties as an Assistant U.S. Attorney for over 18 years. Paul represented the United States, its agencies, officers, and employees in a wide variety of civil litigation matters including cases involving vehicle and industrial accidents, premises liability, wrongful death, medical malpractice, constitutional torts, and employment. Additionally, Paul prosecuted civil health care and procurement fraud cases under the False Claims Act.

Paul was a federal prosecutor for 10 years before serving as a civil trial attorney. He investigated and prosecuted more than a thousand felony cases involving corruption, drug trafficking / organized crime, human trafficking, money laundering, and violent crime. He has tried more than 50 jury and bench trials in federal court.

For 30 years, Paul proudly served our Nation as a United States Marine, on active duty and in the Reserve. He attained the rank of Colonel and served in various leadership and legal roles including Military Trial Judge and Appellate Judge on the Navy-Marine Corps Court of Criminal Appeals. For many years, Paul also advised senior government officials on environmental compliance and litigation matters in the Marine Corps' western region.

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