

# El Dorado County Transportation Commission TRIENNIAL PERFORMANCE AUDIT Fiscal Year 2021/22 - 2023/24

**DRAFT**



*Prepared for the*

## El Dorado County Transportation Commission

March 20, 2025



Prepared by LSC Transportation Consultants

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**TRIENNIAL PERFORMANCE AUDIT**  
*for the*  
**El Dorado County Transportation Commission**

Fiscal Years 2021/22 - 2023/24

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# EXECUTIVE SUMMARY

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The California Public Utilities Code Section 99246 requires that Regional Transportation Planning Agencies (RTPAs), such as the El Dorado County Transportation Commission (EDCTC), conduct Triennial Performance Audits (TPAs) of both their own activities and those of their associated transit operators. The primary objective of a TPA is to provide EDCTC with an independent and objective evaluation of its effectiveness, efficiency, and economy in its role as the RTPA for El Dorado County.

This audit report covers Fiscal Years (FY) 2021-22 through FY 2023-24, and was conducted by LSC Transportation Consultants, Inc. Data collection, initial review, and on-site interviews were conducted in late 2024 and early 2025. The audit process follows guidelines outlined in the *Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Entities* developed by Caltrans (2008).

## BACKGROUND

El Dorado County has significant diversity in geography, demographics, and mobility needs and EDCTC is the designated RTPA for El Dorado County (excluding the eastern portion of the county within the Tahoe Basin), including the City of Placerville. The EDCTC is governed by a seven-member Board and served by three advisory committees. Among other transportation planning responsibilities, one of EDCTC's roles is to allocate Transportation Development Act (TDA) funding in accordance with state statutes. One public transit operator serves the region: El Dorado County Transit Authority (branded El Dorado Transit).

## ORGANIZATION OF TRIENNIAL PERFORMANCE AUDIT REPORT

The following TPA report provides the following:

- Review of EDCTC compliance with certain TDA regulations that relate to RTPA performance.
- The status of prior audit recommendations.
- Detailed review of EDCTC functions to determine if there are inefficiencies or areas for improvement.
- Findings and recommendations.

## FINDINGS

- EDCTC has complied with all requirements listed in the TDA and other statutes related to performance in the *Performance Audit Guidebook*.
- One of the prior audit recommendations remains in progress while one has been completed.
- During the audit period, EDCTC secured and allocated regional transportation funding for a variety of projects to improve transportation facilities throughout the region.
- EDCTC works closely and effectively with SACOG, evidenced by an MOU, shared grant funding and joint planning studies conducted during the audit period.
- There is a good and productive working relationship between EDCTC and EDCTA.

## RECOMMENDATIONS

The auditor has the following recommendations. Recommendations are discussed in further detail in Section 3.

**Recommendation 1:** Should the farebox recovery requirement be reinstated by SB 125 beginning July 1, 2026, and should no additional TDA reforms be made related to farebox recovery requirements, EDCTC should work with EDCTA to review the current urbanized boundaries, ridership numbers and revisit the blended farebox recovery ratio it has established for EDCTA to reflect 2020 US Census population data. EDCTC should also work directly with EDCTA to engage and inform statewide efforts to reform farebox recovery requirements under TDA to ensure reasonable and relevant standards are placed upon transit operators.

**Recommendation 2:** The EDCTC should update the TDA Claim Packet to reflect current document submission date requirements from the state.

## **BACKGROUND**

This TPA has been prepared in compliance with the requirements of California PUC Section 99246, which requires that EDCTC conducts a performance audit of its activities every three years. The primary objective of this audit is to provide EDCTC with an independent and objective evaluation of its performance as it relates to the responsibilities of its role as the RTPA for El Dorado County.

This audit evaluates the operations of EDCTC in terms of efficiency, effectiveness, economy, and results. In addition, this audit includes a review of EDCTC's implementation of recommendations that were contained in the previous Audit report, completed in 2022 for the previous audit period FY 2018-19 through FY 2020-21. This current audit covers the three-year period from FY 2021-22 through FY 2023-24. Finally, this audit includes a discussion of the various functions and duties of EDCTC, based on interviews with staff.

## **PERFORMANCE AUDIT AND REPORT ORGANIZATION**

This Audit was prepared in the following steps:

- A review of pertinent documents, including the Regional Transportation Plan, transit plans, annual Overall Work Programs (OWPs), annual Fiscal and Compliance audits and State Controller's Reports, and EDCTC agendas, minutes, and supporting staff reports.
- On-site discussions with the EDCTC Administrative Analyst and Fiscal Officer.
- Review of prior TPA reports.
- Review of the requirements of the Public Utilities Code, Administrative Code, and other appropriate statutes followed by an assessment of EDCTC's compliance with the specified requirements.

## **REGIONAL TRANSPORTATION PLANNING AGENCY (RTPA) DESCRIPTION**

El Dorado County stretches from the foothills of the Sierra Nevada to the west to Lake Tahoe to the east. It is bordered by Placer County to the north, Alpine County to the south, Sacramento County to the west, and the State of Nevada to the east. The county has two incorporated cities: Placerville and South Lake Tahoe. The closest major city is Sacramento. The only major east-west road connecting El Dorado County is US 50 and the three north-south roads are State Route (SR) 49, SR 193 and SR 89. The 2022 population totaled 191,713, according to the US Census American Community Survey 5-Year Estimates, with the majority of those individuals residing in concentrated centers in the far western portion of the county and along the US 50 corridor. With a population density of 107 persons per square mile, El Dorado County is more rural than the State of California as a whole, however the county is both urban and rural in nature. While a portion of El Dorado County is considered part of the Sacramento Urbanized Area, communities such as Grizzly Flats have very low populations with limited commercial services.



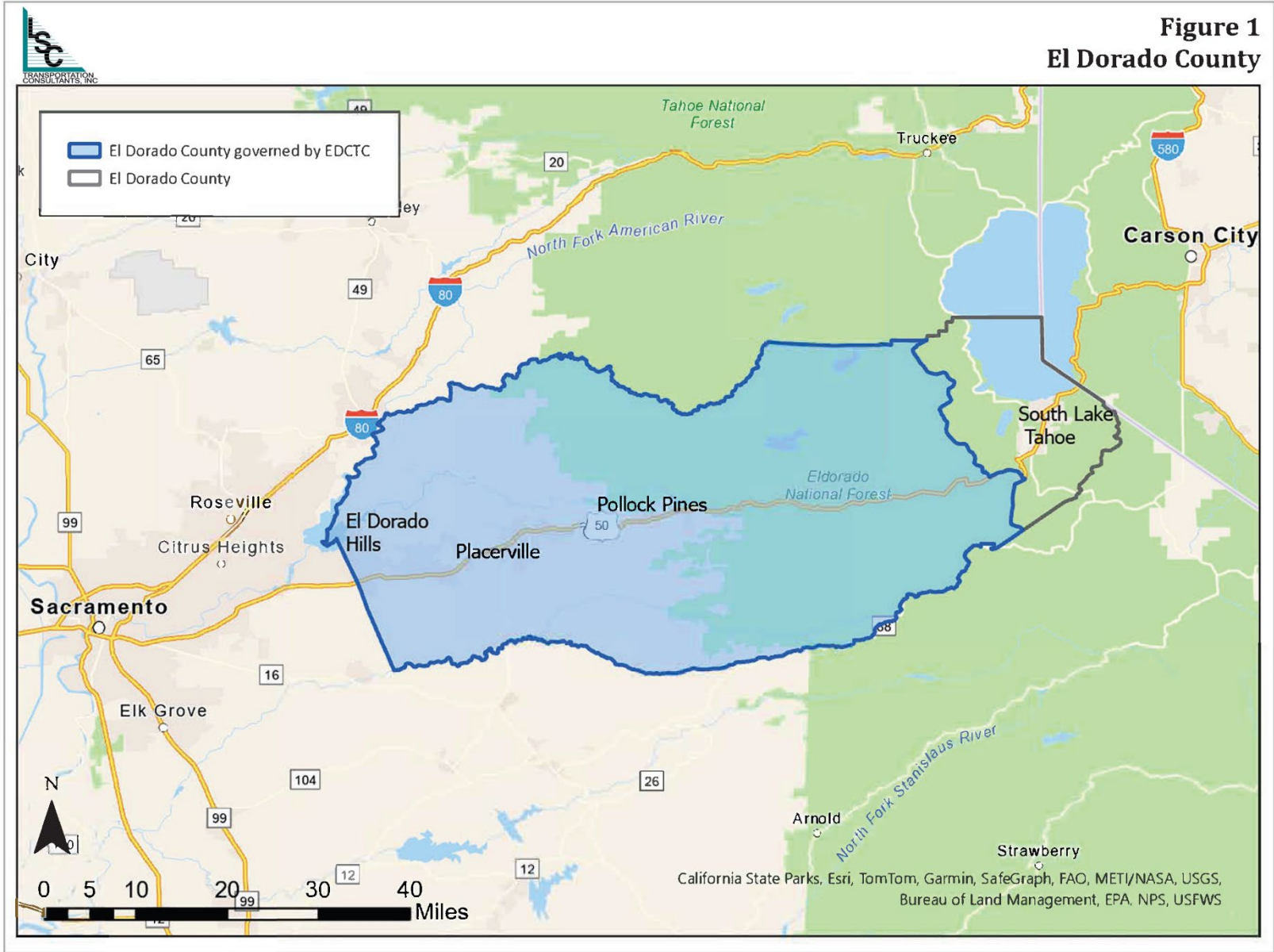
EDCTC is the designated RTPA responsible for transportation planning for “western” El Dorado County, which excludes the portion of the county within the Tahoe Basin (roughly the area bordering Lake Tahoe east of the Sierra crest including South Lake Tahoe) (Figure 1). One public transit operator serves the entirety of western El Dorado County under the direction of EDCTC: El Dorado County Transit Authority (EDCTA), branded El Dorado Transit (EDT).

As the designated RTPA, EDCTC’s role is to:

- Allocate transportation funding such as TDA funds;
- Review public transit performance;
- Prepare and adopt a Regional Transportation Plan and Regional Transportation Improvement Plan;
- Outline regional planning efforts to improve mobility for the region; and
- Provide direction to state, federal, and local decision makers regarding transportation planning.

The EDCTC Governing Board includes four representatives appointed by the County of El Dorado Board of Supervisors and three representatives appointed by the City of Placerville. The Board has two non-voting members: one representative from Caltrans District 3 and one representative from the City of South Lake Tahoe. The EDCTC board composition meets state law and is representative of other rural RTPAs.

The EDCTC is served by three advisory committees: the Policy Advisory Team (PAT), Technical Advisory Committee (TAC), and the Social Services Transportation Advisory Council (SSTAC). The PAT provides guidance on policy issues around funding, land use, and intergovernmental coordination. The TAC provides technical input on a wide range of transportation-related issues. The primary role of the SSTAC is to provide advice on public transit services for El Dorado County residents and to advocate for the elderly and disabled. The SSTAC is made up of representatives of various transit-dependent subsections of the community.



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## TRIENNIAL PERFORMANCE AUDIT RESULTS

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### REVIEW OF COMPLIANCE REQUIREMENTS

Below is a discussion of EDCTC's compliance with sections of the Public Utilities Code (PUC) which relate to transit performance, as recommended in the *Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Entities*. Table 1 displays the results of the compliance analysis:

1. In accordance with Public Utilities Code Section (PUC) 99231, EDCTC allows no transportation operators nor city or county governments which have responsibility for serving a given area to claim, in total, more than those Local Transportation Fund (LTF) moneys apportioned to that area. EDCTC annually adopts a resolution approving LTF allocations, and a good system for the apportionment is in place. The TDA allocation process is clearly outlined in the EDCTC TDA Guidelines Manual.
2. In reference to PUC 99233 and 99234 (LTF claims for bicycle and pedestrian facilities), EDCTC has developed detailed rules and guidelines for LTF claims for bicycle and pedestrian facilities. EDCTC claimed funds under Article 3 each year during the audit period.
3. In accordance with PUC Sections 99238, the EDCTC has established an SSTAC. During this audit period, the EDCTC was not required to conduct an unmet needs hearing as LTF funds were not allocated to streets and roads projects. However, the EDCTC ensures that there is a citizen participation process to obtain input on transit needs in its jurisdiction that includes at least one annual public hearing.
4. In accordance with PUC Section 99244, the EDCTC has annually identified, analyzed, and recommended potential transit productivity improvements to lower the operating cost of those transit operators that operate at least 50 percent of their vehicle service miles within its jurisdiction. Over the years, EDCTC has commissioned many studies to improve the productivity of EDT services. Additionally, EDCTC's Overall Work Program (OWP) include participation in the El Dorado Transit Technical Advisory Committee and preparing amendments to El Dorado Transit's Short- and Long-Range Transit Plan. TDA claim forms (for STA purposes) require that the transit operator include a statement certifying that the operator has made a reasonable effort to implement productivity improvements recommended pursuant to PUC 99244.
5. Per PUC Section 99245, EDCTC must ensure that all claimants to whom it allocates TDA funds submit to it and to the State Controller an annual certified Fiscal and Compliance Audit within 180 days after the end of the fiscal year unless a 90-day extension is granted. EDCTA submitted on time for all fiscal years.
6. In accordance with PUC Sections 99246 and 99248, EDCTC has herein designated an independent entity to conduct a performance audit of the operator and itself (for the current and previous TPA periods). Moore and Associates conducted the performance audit for the prior three-year period. The prior performance audits addressed all elements indicated in the *Performance Audit Guidebook*.

**TABLE 1: RTPA Compliance Requirements - EDCTC**

Requirement	PUC Reference	In Compliance?		Notes
		Yes	No	
(1) All operators and city or county governments, in total, claim no more than those LTF monies apportioned to that area.	99231	<b>X</b>		
(2) 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.	99233, 99234	<b>X</b>		
(3) The RTPA has established a social services transportation advisory council. The RTPA must ensure that there is a citizen participation process that includes at least an annual public hearing.	99238, 99238.5	<b>X</b>		
(4) The RTPA has annually identified, analyzed and recommended potential productivity improvements which could lower operating cost of those operators.	99244	<b>X</b>		
(5) 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, or has requested the 90-day extension allowed by law.	99245	<b>X</b>		FY 2021-22 - 11/16/22 FY 2022-23 - 11/22/23 FY 2023-24 - 11/19/24
(6) The RTPA has designated an independent entity to conduct a performance audit of operators and itself. The operator audit included calculation of performance indicators and was transmitted within 12 months. If not transmitted, TDA funds were not allocated to the operator.	99246, 99248	<b>X</b>		
(7) The RTPA has submitted a copy of its performance audit to the Director of the California Department of Transportation.	99246 c	<b>X</b>		
(8) The performance audit of the operator includes verification of performance indicators and includes consideration of the needs and types of passengers being served, employment of part-time drivers and contracting with common carriers.	99246 d	<b>X</b>		
(9) The RTPA has established rules and regulations regarding revenue ratios for transportation operators providing services in urbanized and non-urbanized areas.	99270.1, 99270.2	<b>X</b>		EDCTC has established a blended farebox ratio of 12.22%
(10) 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.	99275.5	<b>NA</b>		
(11) State transit assistance funds received by the RTPA allocated only for transportation planning and mass transportation purposes.	99310.5, 99313.3, Proposition 116	<b>X</b>		
(12) 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 Controllers Office.	99314.3	<b>X</b>		
(13) If TDA funds are allocated for streets and road purposes, the RTPA has annually: Consulted with the SSTAC, identified transit needs, adopted or re-affirmed the definition of "unmet transit needs" and "reasonable to meet", identified the unmet needs or there are no unmet transit needs, or there are unmet transit needs that are reasonable to meet.	99401.5	<b>X</b>		
(14) The RTPA has caused a fiscal audit to be performed each year and submit the audit report to the state controller within 12 months of the end of the fiscal year.	6662	<b>X</b>		FY 2021-22 - 11/14/22 FY 2022-23 - 11/22/23 FY 2023-24 - 11/20/24

7. In accordance with PUC Section 99246(c), EDCTC has submitted a copy of its TPA to the Director of the California Department of Transportation and certified in writing that the performance audit of El Dorado County Transit Authority was completed.
8. In accordance with PUC Section 99246(d), the performance audit of EDCTA (under separate cover) includes a verification of the operator’s cost per passenger, operating cost per vehicle service hour, passengers per vehicle service mile, and vehicle service hours per employee, as defined in Section 99247. The performance audit also includes 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.
9. As El Dorado County is partially within the Sacramento urbanized area and EDCTA provides service in both the urbanized and non-urbanized area, EDCTC calculates the required farebox recovery ratio for EDCTA based on the proportion of service area in the urbanized and non-urbanized area pursuant to PUC 99270.1. PUC 99270.2 is not applicable to EDCTC since the urbanized area within El Dorado County is not newly designated.
10. The EDCTC has not adopted criteria, rules, and regulations for the evaluation of claims filed under Article 4.5 of the TDA (as permitted under Public Utilities Code Section 99275.5). In western El Dorado County, EDCTA, the only transit operator, is also the designated Consolidated Transportation Service Agency (CTSA). If additional claimants emerge in the future, the EDCTC should consider implementing a policy regarding Article 4.5 funds based on state statutory requirements.
11. In accordance with Public Utilities Code Sections 99310.5 and 99313.3 and Proposition 116, State Transit Assistance (STA) funds received by EDCTC are allocated only for transit planning, transit capital projects, and transit operations.
12. The amount of STA funds received by the EDCTC pursuant to the Public Utilities Code Section 9314.3 is allocated to the transit operator in the area as allocated by the State Controller’s Office. There is only one transit operator in western El Dorado County.
13. According to Public Utilities Code Section 99401.5, if TDA funds are allocated to purposes not related to public or specialized transportation services or facilities for exclusive use of pedestrians and bicycles, EDCTC is annually required to:
  - Consult with the SSTAC established pursuant to Public Utilities Code Section 99238,
  - Identify transit needs, including groups who are transit-dependent or transit-disadvantaged, adequacy of existing transit services to meet the needs of groups identified, and analysis of potential alternatives to provide transportation services,
  - Adopt or reaffirm a definition of “unmet transit needs” and “reasonable to meet”,
  - Identify the unmet transit needs and those needs that are reasonable to meet, and
  - Adopt a finding that there are no unmet transit needs, that there are no unmet needs that are reasonable to meet, or that there are unmet transit needs including needs that are reasonable to meet.

If a finding is adopted that there are unmet transit needs, these needs must be funded before an allocation is made through Article 8 for streets and roads. TDA funds were not allocated for streets and roads purposes during this audit period. However, a citizen participation process was conducted for each year of the audit period.

14. In accordance with California Code of Regulations (CCR) Section 6662, EDCTC has conducted a Fiscal and Compliance Audit of its accounts and records for each year of the audit period by a certified public accountant and submitted it to the State Controller within the required time frame.

## STATUS OF PRIOR AUDIT RECOMMENDATIONS

The previous audit was completed by Moore and Associates in 2022. The recommendations from that effort are enumerated below.

**Recommendation 1:** The EDCTC should revisit the blended farebox recovery ratio to determine if it should be adjusted.

**Implementation In Progress:** Discussion between the auditor and EDCTC staff indicated that they are aware of the recommendation and have discussed recalculating and revising the blended farebox recovery ratio. A further recommendation has been made to recalculate the blended farebox recovery ratio and update it based on 2020 US Census data.

**Recommendation 2:** Work with the EDCTA to conduct post-COVID strategic planning for transit in western El Dorado County.

**Implementation Complete:** EDCTC has worked with EDCTA to closely monitor post-COVID trends in transit. During the audit period, EDCTC supported an update to the El Dorado Transit Short Range Transit Plan and Park and Ride Master Plan to reflect the most recent trends post-COVID.

## DETAILED REVIEW OF EDCTC FUNCTIONS

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

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

### Administration and Management

This functional review focuses on internal management of the organization.

## ***Governing Board Activities***

The EDCTC Board meets on the first Thursday of every month at the County Board of Supervisors Chambers in Placerville. Agenda materials are normally available to board members at least seven days in advance and materials are available to the public through the EDCTC's website normally six days in advance. Meetings can be attended either in person or virtually.

The EDCTC Board has good access to clear and concise information on which to make informed decisions about transportation funding. The Board dealt with a long list of key documents and funding decisions during the Audit period, including all of those required or suggested by state law and good RTPA practices. During the audit period, the commission supported or undertook a wide variety of planning efforts to address regional and state goals and objectives. Examples include the Zero Emission Bus (ZEB) Rollout and Implementation Plan and the Greater Placerville Wildfire Evacuation Preparedness, Community Safety, and Resiliency Plan. Discussion with staff and commission members indicates that there is good communication between EDCTC and the Board.

EDCTC is advised by three committees: the Policy Advisory Team (PAT), Technical Advisory Committee (TAC), and Social Services Transportation Advisory Council (SSTAC). The PAT provides input on policy issues, such as funding and land use considerations that impact EDCTC transportation projects and planning and meets on an as-needed basis. The TAC provides technical expertise on EDCTC agenda items and programs and meets monthly. The SSTAC generally meets twice a year (more than is required by TDA law) to discuss unmet transit needs or other transit related issues. EDCTC staff feel that PAT and TAC meetings are effective and that there is good overall attendance at meetings. EDCTC has had challenges filling vacant positions on the SSTAC during the audit period, which is not uncommon among other rural counties.

## ***General Administration***

EDCTC has well-defined and up-to-date administrative policies. EDCTC maintains a *Personnel Policies and Procedures Manual* that outlines expected working conditions, rules associated with benefits and leave, disciplinary actions, and grievance procedures. The Manual was last updated in September 2023. EDCTC also has an *Administrative Policy and Procedures* document that defines policies on cash management, contracting, and grants. This document was last updated in August 2022.

The EDCTC office appears to be well organized. Important documents are retained according to an adopted Retention Schedule and are easily retrievable. Documents are backed up in electronic format on a server.

One of EDCTC's roles is to act as the El Dorado County Airport Land Use Commission (ALUC). The purpose of an ALUC is to set land use standards for the area surrounding airports in the region so as to maximize safety, minimize noise impacts for the public, and prevent encroachment of non-compatible airport uses. As the ALUC, EDCTC reviews development projects for consistency with the Airport Land Use Compatibility Plan as well as provide support to aviation agencies and local jurisdictions. EDCTC also administers a Freeway Service Patrol on US 50 in an effort to reduce congestion, improve air quality, and increase safety for corridor commuters. As part of the program, EDCTC contracts with a towing company, generates reports, and markets the program.



## ***Personnel***

EDCTC staff consist of an Executive Director, Fiscal Officer, two Senior Transportation Planners and an Administrative Analyst. One of the Senior Transportation Planners focuses on county projects while the other focuses on transit, although each Planner is versed in all responsibilities. There was no staff turnover during the audit period. After the audit period, one of the Senior Transportation Planners retired and EDCTC plans to fill this position in the near future. EDCTC staff meetings are held every Monday morning or the next working day (as warranted). Given the work accomplished, the level of staffing is appropriate.

The Executive Director conducts job performance evaluations annually. The Executive Director is evaluated annually by the Board.

Staff members are offered health and retirement benefits through CalPERS, outlined in the EDCTC *Personnel Policies and Procedures Manual*. The Manual was updated during the audit period including modifications to the sick and bereavement leave policies and unlawful harassment policy.

## ***Internal Planning and Achievements***

In terms of internal planning, EDCTC has set forth clear goals and objectives in the Overall Work Program (OWP) and Regional Transportation Plan. EDCTC does a good job completing tasks identified in the OWP. Further, the tasks set forth in the OWP are realistic and reflect the needs and issues in western El Dorado County. A review of the OWP shows that EDCTC work elements include all plans and processes for which RTPA's are responsible.

EDCTC has been successful in securing discretionary funding for transportation projects during the audit period, including an Active Transportation Planning (ATP) grant for the City of Placerville, a Strategic Partnerships Transportation Planning grant, and Rural Planning Assistance grant funding. EDCTC also secured Local Transportation Climate Adaptation Program funds for the City of Placerville to implement a "Trip to Green" project to improve evacuation efficiency and safety.

## **Transportation Planning and Regional Coordination**

This functional area covers one of the major RTPA responsibilities: transportation planning in a regional context.

### ***Regional Transportation Planning***

The most recent update of the El Dorado County Regional Transportation Plan (RTP) was completed in November 2020. The RTP includes all elements required under state guidelines, including: an overview of demographics, description of existing transportation facilities, discussion of regional issues, projection of future transportation conditions, and a financially constrained and unconstrained plan for addressing those issues. For public transit, the RTP provides the following overarching objectives:

- Maintaining a public transit system that serves the diverse communities of the region.
- Be responsive to the needs of transit-dependent persons.

The RTP is currently being updated and is slated to be completed by end of 2025.

In 2021, EDCTC completed a ZEB Rollout and Implementation Plan to plan for the long-term transition of the El Dorado Transit vehicle fleet to zero emission in accordance with California Air Resource Board (CARB) Innovative Clean Transit (ICT) guidelines.

Most recently, in June 2024, EDCTC completed Greater Placerville Wildfire Evacuation Preparedness, Community Safety, and Resiliency Plan to build the resiliency of the county's transportation system to catastrophic events.

### ***Regional Coordination***

EDCTC is actively involved in regional planning efforts which have an impact on transportation in El Dorado County and works closely with other transportation entities. To the east, EDCTC and the Tahoe Regional Planning Agency (TRPA) are connected as they both serve as RTPAs for different portions of El Dorado County. To the west, EDCTC and Sacramento Area Council of Governments (SACOG), a Metropolitan Planning Organization (MPO), maintain a Memorandum of Understanding (MOU) that provides LTF funding to SACOG annually. These two entities commonly work together as well: during the audit period, EDCTC secured funding from a SACOG Active Transportation Program (ATP) grant for the Missouri Flat Road El Dorado Trail Bicycle and Pedestrian Overcrossing Project. EDCTC staff holds monthly meetings with SACOG and Placer County Transportation Planning Agency (PCTPA) staff.

Near the end of the audit period, EDCTC and SACOG renegotiated the terms of the MOU to change EDCTC's annual allocation to SACOG from a percentage of LTF funds to a set amount that will increase annually based on the California Consumer Price Index.

### ***Information Generation and Distribution***

The EDCTC website is kept up-to-date and easy to navigate with links to El Dorado Transit, local transportation-related information, and various transportation planning documents. The EDCTC prepares comprehensive project monitoring reports that are available on the website which discuss the status of on-going transportation projects as well as contact information for project managers and funding source.

### **Claimant Relationship and Oversight**

This functional area includes interactions between the transit operator and the RTPA, both required and otherwise.

The EDCTC does not have a formal productivity committee to review services and recommend improvements for lower transit costs, however EDCTC staff members serve on the PAT, TAC and SSTAC. The EDCTC Administrative Analyst reviews the El Dorado Transit Administrative Operations Reports at least annually and stays informed of EDCTA Board meeting agendas. The annual Administrative Operations Report includes operating statistics, on-time performance review, and performance measures by service, including those required by TDA.

Staff of both the EDCTC and El Dorado Transit confirm that a good working relationship exists between the two organizations. One ongoing example of this is the establishment and management of a contingency fund for El Dorado Transit. EDCTC allocates TDA funds to it as determined by EDCTA and

includes it in allocation resolution that goes to Board. The County Auditor holds it until EDCTA submits request to draw on reserve funds to EDCTC and Board. EDCTC staff indicate that El Dorado Transit staff are receptive to any suggestions coming from EDCTC. The two organizations work independently focusing on their given tasks. The EDCTC has been very proactive in obtaining grants and allocating funds for transit studies during the audit period, such as the Short-Range Transit Plan Update and ZEB Rollout and Implementation Plan.

During the Audit period, the EDCTC commissioned fiscal and compliance audits from an independent auditor for the EDCTC and El Dorado Transit within the required time period. The fiscal and compliance audits of the transit operator attest that TDA funds were expended in conformance with most applicable laws, regulations, allocation instructions, and resolutions of the EDCTC. During the audit period there was no cause for the EDCTC to withhold TDA funds from the transit operator.

### ***Communication of TDA Reporting / TDA Claim Processing***

The EDCTC adheres to its *TDA Guidelines Manual*, adopted in 2018. The document provides a good description of LTF, STA, and State of Good Repair funds as well as outlines the TDA claim process. The EDCTC processes TDA claims in an accurate and timely manner. Prior to March 1st, after the County Auditor estimates the amount of LTF available to claimants in El Dorado County, EDCTC estimates the allocation available to each local jurisdiction, based on population. The EDCTC board then approves the Draft Findings of Apportionment of TDA funds by resolution. After approval from the EDCTC Board, the EDCTCA staff submits a claim to the EDCTC for TDA funds by June of each fiscal year. EDCTC staff review EDCTA's claims and the Executive Director signs off on it. The EDCTC Board adopts a resolution approving the claim and directing the County Auditor to allocate funds before the end of the fiscal year. Claims are paid in full, in order of priority (Auditor, TDA Administration, Bicycle/Pedestrian, LTF Contingency, and EDCTA).

During the audit period (in March 2024), EDCTC, in coordination with El Dorado Transit, adopted an official TDA LTF distribution policy that clearly defines allocation for EDCTC operations, the SACOG LTF allocation, as well as EDCTC contingency fund protocol. EDCTC sets aside LTF funds annually for an EDCTC reserve, adjusted annually to equal 20 percent of EDCTC's annual operating costs. During the audit period, the fiscal and compliance auditor calculated the allowable set-aside alongside the LTF allocation annually and found no regulatory issues.

El Dorado Transit staff confirmed that TDA-related matters are sufficiently communicated.

### **Marketing and Transportation Alternatives**

EDCTC has a strong public information process in place. The EDCTC website lists various completed plans and studies along with an archive of Commission meeting minutes and EDCTC posts comprehensive semi-annual project monitoring reports on the website.

EDCTC helps promote transit services offered by EDCTA as needed, as well as other transportation alternatives, such as the El Dorado County Bike Map, on its website. EDCTC also maintains an active Facebook account that promotes local transportation events and news. Marketing efforts for transit services in El Dorado County are primarily performed by EDCTA staff. EDCTA employs a Planning and

Marketing Manager who is aided by an Office Assistant II. A more detailed review of the EDCTA marketing efforts is discussed in the transit operator audit.

EDCTC is actively involved in ongoing alternative transportation planning efforts. During the audit period, EDCTC helped the City of Placerville secure funding for the Placerville Drive Bicycle and Pedestrian Facilities Project and secured SACOG ATP funding for the Missouri Flat Road El Dorado Trail Bicycle and Pedestrian Overcrossing project.

### **Grant Applications and Management**

During the audit period, EDCTC was successful in obtaining Federal Transit Administration (FTA), Caltrans, and ATP grants to fund transportation studies, transit studies, and active transportation projects. EDCTC assists EDCTA with preparing FTA 5311 and 5310 grant applications and provides ongoing programming support of FTA grants. Grant applications are prepared by the Senior Transportation Planner.

During the audit period, no state or federal grant applications were denied in El Dorado County due to errors or omissions.

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## CONCLUSIONS AND RECOMMENDATIONS

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Overall, EDCTC is managed and operated in an effective, efficient, and economical manner. EDCTC effectively fulfills its role as the RTPA for western El Dorado County.

The following describes the auditor's findings and recommendations:

### FINDINGS

- EDCTC has complied with all requirements listed in the TDA and other statutes related to performance in the *Performance Audit Guidebook*.
- One of the prior audit recommendations remains in progress while one has been completed.
- During the audit period, EDCTC secured and allocated regional transportation funding for a variety of projects to improve transportation facilities throughout the region.
- EDCTC works closely and effectively with SACOG, evidenced by an MOU, shared grant funding and joint planning studies conducted during the audit period.
- There is a good and productive working relationship between EDCTC and EDCTA.

### RECOMMENDATIONS

**Recommendation 1:** Should the farebox recovery requirement be reinstated by SB 125 beginning July 1, 2026, and should no additional TDA reforms be made related to farebox recovery requirements, EDCTC should work with EDCTA to review the current urbanized boundaries, ridership numbers and revisit the blended farebox recovery ratio it has established for EDCTA to reflect 2020 US Census population data. EDCTC should also work directly with EDCTA to engage and inform statewide efforts to reform farebox recovery requirements under TDA to ensure reasonable and relevant standards are placed upon transit operators.

The blended farebox ratio, as adopted, applies the proportion of El Dorado County residents (excluding the Tahoe Basin) living in urbanized versus non-urbanized areas to the 10 percent minimum farebox recovery ratio requirement for rural areas and the 15 percent minimum for urbanized areas with a population of less than 500,000. The adopted blended farebox ratio meets the requirements of PUC 99270.1.

The existing blended farebox recovery ratio of 12.22 percent was established in 2014 and reflects 2010 US Census population data. Since that time, the population within the Sacramento Urbanized Area has gradually increased. With new population numbers available from the 2020 US Census, EDCTC should recalculate the blended farebox ratio. The blended farebox ratio should be calculated in compliance with PUC 99270.1:

*If an operator serves urbanized and nonurbanized areas in the area of jurisdiction of a transportation planning agency, the transportation planning agency shall adopt rules and regulations to determine what portion of the public transportation services of the operator*

*serves urbanized areas and what portion serves nonurbanized areas to determine its required ratio of fare revenues to operating cost, as defined by subdivision (a) of Section 99247, or its required ratio of the sum of fare revenues and local support to operating cost, or both.*

*The transportation planning agency shall submit the rules and regulations to the department for approval.*

It should be noted that during the COVID-19 pandemic in FY 2019-20 and FY 2020-21, transit operators who did not meet the required minimum farebox-recovery ratio requirement could not be penalized (per Assembly Bill 90). This temporary relief was extended through FY 2022-23, per Assembly Bill 149 and through FY 2025-26, per Senate Bill 125.

**Recommendation 2:** The EDCTC should update the TDA Claim Packet to reflect current document submission date requirements from the state.

The EDCTC should amend the list of Conformance Requirements for TDA Claimants in the TDA Claim Packet in the following ways:

- Reflect the updated TDA submission deadline for Annual State Controller Reports (from 90 days to seven months after the close of the fiscal year).
- Include requirement to comply with PUC 99266 that stipulates that an operator's operating budget will not increase more than 15 percent over the preceding year or if it does, that such an increase can be substantiated by the transit operator. PUC 99266 states:

*No moneys may be allocated to an operator whose claim includes funds for an increase in operating budget in excess of 15 percent above the preceding year or substantial increase or decrease in scope of operations or capital budget provisions for major new fixed facilities, unless the operator's claim is accompanied by statements, reports, and such other supporting data as may be reasonably required to substantiate such change.*

After the audit period covered by this TPA, EDCTC has begun updating the TDA Claims Packet.