

FY 2019-2021

TRIENNIAL PERFORMANCE AUDIT OF YUBA-SUTTER TRANSIT AUTHORITY

SUBMITTED TO



SACRAMENTO AREA COUNCIL
OF GOVERNMENTS



SUBMITTED BY

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Executive Summary

The Sacramento Area Council of Governments (SACOG) engaged the Michael Baker International audit team (Michael Baker) to conduct the Transportation Development Act (TDA) triennial performance audit of the nine public transit operators under its jurisdiction. The performance audit serves to ensure accountability in the use of public transportation revenue. This performance audit is conducted for the Yuba-Sutter Transit Authority (Yuba-Sutter Transit or Authority), covering the most recent triennial period, fiscal years 2018-19 through 2020-21.

The audit includes a review of the following areas:

- Compliance with TDA requirements
- Status of prior audit recommendations
- Transit system performance trends
- Functional review
- Peer review

From the review, recommendations were developed to improve the operational efficiency and effectiveness of Yuba-Sutter Transit.

Compliance with TDA Requirements

Of the compliance requirements pertaining to Yuba-Sutter Transit, the operator fully complied with all nine requirements. Two additional compliance requirements did not apply to the Authority (i.e., exclusive rural and farebox recovery ratios).

Status of Prior Audit Recommendations

Yuba-Sutter Transit is in the process of implementing two prior audit recommendations, while a third was implemented. The first recommendation in process of implementation pertained to a continued pursuit of marketing plans and strategies aimed at targeting new markets and employing new engagement tools to retain and grow its ridership. The second pertained to performing data analysis using results from newly invested technology systems. The third prior recommendation that was implemented pertained to employing enhanced maintenance oversight as part of its new operations contract.

Transit System Performance Trends

Transit system performance trends over the audit period reflect significant impacts during the COVID-19 pandemic. Ridership was one of the most impacted performance metrics, and its impact affected many performance trends shown in this audit report. Performance trends are discussed in more detail below.

1. Operating costs system-wide increased by 3.8 percent using audited data from FY 2018 base year to FY 2021. Fixed and commuter route operating costs increased by 11.1 percent while Dial-A-Ride costs decreased by 13.4 percent using unaudited modal data. On an average annual basis, system-wide costs increased 1.3 percent, with the highest increase of 4.6 percent occurring in FY 2020 preceded by a 0.5 percent increase in FY 2019. Operating costs remained relatively constant during the COVID-19 pandemic while ridership and service decreases significantly impacted operating cost ratios during the audit period.
2. Ridership decreased 66 percent system-wide from 1,022,636 trips during the FY 2018 base year to 347,891 trips during FY 2021. The 65.5 percent decrease in fixed route/commuter passenger trips and 71.7 percent decrease in Dial-A-Ride mirrored the system-wide trend. The drastic decrease in ridership can be attributed to the effects of COVID-19 beginning in FY 2020; however, there was also an 8.9 percent decrease in ridership between FY 2018 and FY 2019. This decrease in ridership prior to 2020 can be attributed to the overall industry trends as well as the geographic disbursement of trip generators in the Sacramento region, which has impacted commuter ridership.
3. The provision of vehicle service hours and miles system-wide decreased by 18 percent and 19.8 percent, respectively. At the modal level, fixed route/commuter service hours decreased 10.7 percent and miles decreased 10.3 percent. Dial-A-Ride service hours decreased 34.7 percent and service miles decreased 46.2 percent.
4. Operating cost per passenger, an indicator of cost effectiveness, increased 205.2 percent system-wide from \$7.10 during the FY 2018 base year to \$21.68 during FY 2021. Cost per passenger increased 222.4 percent on fixed route/commuter and increased 206.4 percent on Dial-A-Ride. The trend reflects the effects of COVID-19 on ridership. While operating costs remained constant comparatively, ridership fell dramatically during the pandemic. By comparison, operating cost per passenger system-wide increased roughly 10 percent from FY 2018 to FY 2019 while jumping roughly 105 percent from FY 2020 to FY 2021.
5. Operating cost per hour, an indicator of cost efficiency, increased 26.5 percent system-wide from \$86.94 during the FY 2018 base year to \$110.01 during FY 2021. The indicator increased 24.4 percent on fixed route/commuter and increased 32.6 percent on Dial-A-Ride. The trend is reflective of the effects of COVID-19 on service hours as service was reduced during FY 2020 and FY 2021 while operating costs remained consistent.
6. Yuba-Sutter Transit's farebox recovery ratio, including local funds, remained above the required 14.6 percent standard in FY 2019 and FY 2020 but fell below in FY 2021. Yuba-Sutter Transit's farebox recovery ratio, excluding local funds, remained above 14.6 percent only in FY 2019. While Yuba Sutter was not in farebox compliance in FY 2021, AB 90, signed into legislation on June 29, 2020, was enacted in response to the COVID-19 pandemic's impact on transit operators to hold them harmless for significant decreases in ridership and fare revenues. For the three-year audit period, the farebox recovery ratio (including passenger fares and local funds) was 18.52 percent in FY 2019; 16.57 percent in FY 2020; and 8.95 percent in FY 2021. The average system-wide farebox recovery ratio (including local funds) was

14.65 percent during the triennial review period. Farebox ratios are audited figures from the TDA fiscal audits.

Functional Review

1. Effective October 2019, Yuba-Sutter Transit signed a four-year contract with Storer Transit Systems as the new operator of their transit services. This contract is in place through September 2023 with extensions available for a maximum contract term of eight years through September 2027. This contract replaced the previously held operating contract held by TransDev Services, Inc., signed and effective October 2014.
2. After a steady increase in ridership over 25 years, Yuba-Sutter Transit began to see ridership decline since its peak in FY 2015. Prior to the pandemic, ridership figures were on the decline, with contributing factors including the elimination of the paper transfer (“transfer-for-a-transfer”) policy, which were implemented in September 2015 as part of the restructuring of routes including Routes 1 and 4, but made for an improved ride experience. This transfer policy may have contributed to an artificial increase in the count of passengers which by some estimates were 250 daily transfer passengers. The pandemic has exacerbated this issue, with ridership down 66 percent from FY 2018.
3. Connect Card implementation in July 2018 saw the phaseout of paper transfers and fare media such as the monthly passes. Monthly passes are now purchased with the Connect Card. Approximately 60 percent of boardings on Yuba-Sutter Transit are now executed by Connect Card. This has also sped up the boarding process, thus reducing dwell times. This transition to paperless fares was also important in maintaining distancing and reducing contact during the pandemic. While it has been implemented well, Yuba-Sutter Transit believes it will soon be obsolete as an account-based system that allows passengers to load their accounts remotely is going to be pursued.
4. For the first time since 1993, cash fares on the local fixed-route service increased effective July 1, 2019. At the same time, fares increased for all other services as well.
5. Maintenance personnel is composed of a maintenance manager, six mechanics, one parts clerk, one utility supervisor, and four utility workers. Storer Transit Systems has an Accountability and Incentive Program designed to reward its employees for their performance throughout the year. Full-time drivers can earn a yearly cash bonus in the amount of \$300.00 or \$500.00 based on years with the company. Part-time employees can earn a yearly cash bonus in the amount of \$150.00–\$375.00 based on years with the company. Monthly \$100 bonuses are awarded during the monthly Safety Committee Meeting to two employees with perfect safety ratings that month, perfect attendance, peer-to-peer above and beyond ratings, and driver of the month.
6. Yuba-Sutter Transit’s website has been updated to meet accessibility and transparency requirements. A 2018 Federal Transit Administration (FTA) triennial review found deficiencies in Yuba-Sutter Transit’s Language Assistance Plan as well as its Americans with Disabilities Act (ADA) complaint process. These deficiencies pertained to the translation options of the

website, translation of important rider documents such as route brochures and Title VI complaint forms, and translation of ADA complaint instructions/documents. These deficiencies were addressed with the addition of a Google Translate tool to the website as well as all important ADA, Title IV, and route brochures being available in Spanish on the website. The website contains quick links to the monthly newsletter, trip planner, route overview, Dial-A-Ride, fares, Connect Card, customer services, Authority meetings, and public notices.

7. Passenger amenities implemented during the audit period have included free on-board Wi-Fi service on all local fixed-route and commuter buses. The Wi-Fi feature was initially rolled out on 13 commuter buses in July 2018 and was so well-received by passengers that it was added to 22 local fixed-route buses in March 2019.
8. Yuba-Sutter Transit awarded a contract to DoubleMap in October 2018 to develop and install a Computer Assisted Dispatch/Automatic Vehicle Location (CAD/AVL) system which would include real-time arrival information for all services from any internet-connected device. This system came online in May 2019. In May 2020, it was proposed and passed unanimously to terminate the CAD system of the DoubleMap contract, noting that there were multiple issues with the TapRide system including functions that were promised and not delivered. This action would result in a savings of \$64,000 over the five-year contract. DoubleMap is still utilized for its AVL and bus stop announcement capabilities. Yuba-Sutter plans to look into alternative options for a new CAD system.
9. The Authority is administered by a staff of five employees: a transit manager, finance program manager, planning program manager, program analyst, and administrative assistant. The transit manager has been with the Authority since 1987. A new program analyst was hired in February 2019 and a new administrative assistant was hired in March 2019.
10. This audit period saw the addition of 28 new revenue vehicles, replacing the majority of the pre 2010 vehicles. This included 7 MCI Commuter buses purchased in July 2018, 10 Glaval Dial-A Ride buses purchased in July 2019, and 11 Gillig Fixed Route buses purchased in November 2019. The majority of Yuba-Sutter Transit is operated with a diesel-powered fleet, with the 10 newly purchased Glavals being gasoline-powered vehicles.
11. Yuba-Sutter Transit was awarded a California Department of Transportation (Caltrans) Sustainable Transportation Planning Grant to develop a Corridor Enhancement Plan for its Route 1 service, with the final plan being presented to the Board in September 2018. The plan aimed to review existing conditions, design parameters, and Route 1 transit center/bus stop program and design options, as well as battery electric bus feasibility. This Corridor Enhancement Plan was critical in the eventual land purchase for the construction of the Next Generation Transit Maintenance, Operations and Administration Facility as the corridor study determined that the current facility would not be adequately equipped to operate enough zero emission vehicles to meet service requirements.
12. Yuba-Sutter Transit received a planning grant from Caltrans in 2019 to develop the Resilient Next Generation Transit Facility Project to begin the process of replacing the existing maintenance, operations, and administration facility. In July 2021, Yuba-Sutter Transit took a

- step toward the construction of the Next Generation Transit Maintenance, Operations and Administration Facility by purchasing a 19.7-acre property at 6035 Avondale Avenue in Linda. Next steps include accumulating the necessary funding to design and construct what is expected to be a \$40+ million facility.
13. In addition to its Next Generation Transit Facility Project, Yuba-Sutter Transit is looking toward the future of the public transit industry through its NextGen Transit Plan. The NextGen Transit Plan is an in-depth study of the Yuba-Sutter Transit system aimed at reviewing the current and potential riders, areas for improvement, changes experienced since the pandemic, and how to best serve both current and future passengers. By reducing travel time, improving service frequencies and connections where possible, and introducing new and innovative transit options where feasible, Yuba-Sutter hopes to improve upon its services provided. Yuba-Sutter Transit is actively engaged with the public on this plan with on-bus, online, and telephone surveys, stakeholder outreach, public meetings and meetings with various committees, and marketing material distribution. Riders can go to www.yubasutternextgen.com to take the survey and register to hear more about the project updates. QR codes are also available on buses where riders can scan and take the survey on their phones.

Recommendations

Performance Audit Recommendation	Background	Timeline
1. Continue pursuit of marketing plans and strategies.	This recommendation is being carried forward in this audit for full implementation. The prior audit suggested that Yuba-Sutter Transit management continue to improve its overall marketing effectiveness by updating the marketing plan and tying the programs and campaigns to specific strategies and tactics to ensure a consistent marketing program. The update would include budgets and timelines for each program or campaign as well as an overall marketing budget. The Authority generally sets aside less than 1 percent of the operating budget for marketing activities, which limits current marketing planning and implementation. The updated Comprehensive Operational Analysis/Short-Range Transit Plan (COA/STRP) is expected to include a full marketing plan aimed at engaging riders and growing ridership. Ridership growth will be essential in a full recovery from the pandemic. It is also suggested that perhaps Yuba-Sutter Transit consider adding that 0.5 FTE necessary	High Priority

Performance Audit Recommendation	Background	Timeline
	to maintain social media and other marketing accounts if it can be budgeted for.	
2. Research and implement new technology systems aimed at providing data analysis previously desired.	The previous audit recommended that Yuba-Sutter Transit perform data analysis using results from its newly invested technology systems such as DoubleMap. While the DoubleMap software had been implemented during the audit period, there have been some challenges related to its advertised abilities. Auto collection of data such as on-time performance is available; however, the data requires additional labor to format to the needs of the Authority and overall it has proven challenging to use the software effectively. Yuba-Sutter has continued to track performance data manually as they have not viewed the DoubleMap data as reliable. In May 2020, it was proposed and passed unanimously to terminate the Computer Assisted Dispatch (CAD) system of the DoubleMap contract, noting that there were multiple issues with the TapRide system, including functions that were promised and not delivered. While some data from this system has proven useful and is being considered when conducting analysis of services, the new COA will look into alternatives to replace this technology. It is recommended that Yuba-Sutter Transit follow through with its plans to look into alternatives to DoubleMap, one that can provide accurate and reliable data to reduce the need for manual recording of data and thus free up staff resources, as well as providing better data analysis of services that can be used in future planning.	Medium Priority
3. Consider new mobile fare payment options.	Beginning in 2011, Yuba-Sutter Transit joined eight other transit operators in the six-county Sacramento region and SACOG by becoming a party to, and participating actively in, an Memorandum of Understanding for the design and development of the Connect Card System. An estimated \$48,000 was expended during the review period for Yuba- Sutter Transit's share of operating expenses for the regional	Medium Priority

	Connect Card electronic fare card system was covered with state funds from the Low Carbon Transit Operations Program. Full implementation of the Connect Card took effect on July 1, 2018, and staff has been promoting its usage. Connect Card implementation saw the phaseout of paper transfers and fare media such as the monthly passes. Monthly passes are now purchased with the Connect Card. Approximately 60 percent of boardings on Yuba-Sutter Transit are now executed by Connect Card. This has also sped up the boarding process, thus reducing dwell times. While the Connect Card program has been successful, Yuba-Sutter Transit has expressed concerns about its longevity into the future as a mobile payment option. Yuba-Sutter Transit has looked into potential options, such as the CCJPA Transit & Intercity Rail Capital Program Grant, for a regional contactless fare payment program, to future-proof its fare payment system. This particular program makes it possible for passengers to tap either a bank card or a smartphone to pay their fare and eventually even make a reservation for a trip and pay for the whole trip in advance. It is recommended that Yuba-Sutter Transit continue to pursue this option or consider other possible grant opportunities to provide protection against the Connect Card system becoming obsolete.	
4. Aim to improve preventable accidents based on new reporting protocol.	Yuba-Sutter Transit has had an excellent safety record in prior audit periods when Transdev was the contracted operator. With the transition to Storer Transit as the contracted operator, there was a significant jump in accidents, and particular accidents deemed “preventable.” The driving factor in this significant jump relates to the accident reporting protocols of Storer Transit compared to Transdev. The previous contractor did not report mirror strikes, curb strikes, damages that were fixed in-house (e.g., scratches that were buffed out by the contractor’s staff), and no-damage accidents. Storer treats all of these cases as accidents to get a better understanding of preventable versus non- preventable accidents and causes. Storer considers that no-cost accidents carry	Medium Priority

	an administrative cost, so all no-cost accidents are a minimum value of \$250. They also treat curb strikes (rubbing the sidewall of a tire on the sidewalk) as an accident, since the driver hit a fixed object and the bus requires inspection at a minimum. The goal of this stricter protocol is to change driver habits to meet the expectations Storer has for its drivers. An Agency Safety Plan was written in November 2020, which should help alleviate these issues. Now that the drivers have had time under Storer management and have had a chance to understand these new expectations, it is recommended that Yuba-Sutter Transit and Storer work to decrease the number of preventable accidents occurring each year. While safety and driving incentive awards are available for drivers, other incentives or penalties should be considered to reduce the rate of preventable accidents.	
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Section I

Introduction

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

The Sacramento Area Council of Governments (SACOG) engaged the Michael Baker International audit team (Michael Baker) to conduct the TDA triennial performance audit of the nine public transit operators under its jurisdiction. This performance audit is conducted for the Yuba-Sutter Transit Authority (Yuba-Sutter Transit or Authority), covering the most recent triennial period, fiscal years 2018-19 through 2020-21.

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

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

Overview of the Transit System

The Yuba-Sutter Transit Authority, operating as Yuba-Sutter Transit, provides public transit service in Yuba and Sutter Counties (as well as commuter service to downtown Sacramento) under a joint powers agreement (JPA) between Sutter and Yuba Counties and the Cities of Marysville and Yuba City. The JPA was created in July 1975 between the counties and cities and operated under the name Hub Area Transit Authority. Yuba-Sutter Transit is directed by an eight-member Board of Directors composed of two elected representatives appointed by each of the four member entities. All Yuba-Sutter Transit's maintenance and operations are provided through Storer Transit Systems under contract with the Yuba-Sutter Transit Authority as of September 2019.

Yuba and Sutter Counties are in the central Sacramento Valley, approximately 40 miles north of Sacramento. Both are agrarian counties of similar size (just over 600 square miles). Yuba County includes the incorporated Cities of Marysville (the County seat) and Wheatland, as well as the unincorporated urban communities of Linda and Olivehurst. Beale Air Force Base is also located in Yuba County. Sutter County includes the incorporated Cities of Yuba City (the County seat) and Live Oak, and numerous small, rural communities.

A demographic snapshot of key cities and Census-designated places (CDPs) in the Yuba-Sutter Transit service area is presented below in Table I-1.

Table I-1
Yuba-Sutter Transit Service Area Demographics

City	2020 US Census Population	Change from 2010 US Census	Population 65 Years & Older % (2019 ACS 5 Year Estimate)	2022 Department of Finance Population Estimates	Land Area (in square miles)
Sutter County					
Live Oak	9,106	+8.51%	11.2%	9,394	3.12
Yuba City	70,117	+8.00%	14.6%	69,663	15.00
Unincorporated	20,410	-4.72%*	18.0%	20,088	587.88
Total Sutter County	99,633	+5.17%	15.0%	99,145	606.00
Yuba County					
Marysville	12,844	+6.39%	11.8%	12,824	3.58
Wheatland	3,712	+7.41%	13.8%	3,664	8.13
Unincorporated	65,019	+14.82%	12.3%	65,787	632.29
Total Yuba County	81,575	+13.06%	12.3%	82,875	644.00
Total Yuba & Sutter County	181,208	+8.58	14.7%	182,020	1,250.00

Source: 2020 US Census; 2019 ACS 5 Year Estimates; California Department of Finance, 2022 Population Estimates

*Disparity due primarily to the annexation of unincorporated areas into the City of Yuba City

Yuba City is the county seat and largest city in Sutter County, based on the 2020 Census. The county's senior citizen population, composed of residents aged 65 and over, was 15 percent. The 2022 population for Sutter County is estimated to be 99,145 as reported by the California Department of Finance, a slight decrease from the 2020 Census figures.

Marysville is the county seat and the largest city in Yuba County. The county's senior citizen population, composed of residents aged 65 and over, was 12.3 percent. The 2022 population for Yuba County is estimated to be 82,875 as reported by the California Department of Finance, a slight increase from the 2020 Census figures. Both counties experienced an increase in population between the 2010 and 2020 US Censuses, with Sutter County increasing approximately 5 percent and Yuba County increasing approximately 13 percent. Combined, Yuba & Sutter County population grew approximately 8.5 percent. Comparatively, the State of California population grew approximately 6 percent over the same time period with an estimated 15.2 percent population aged 65 and older.

System Characteristics

Yuba-Sutter Transit provides fixed route and Dial-A-Ride services in the urban areas (Yuba City, Marysville, Linda, and Olivehurst) and rural route deviation service to Live Oak, Wheatland, and the Yuba County foothills. It also provides commuter and midday service to downtown Sacramento. Yuba-Sutter Transit operates Monday through Saturday. There is no service on Sundays or holidays. An overview of each service is presented as follows:

Local: Yuba-Sutter Transit operates a network of six fixed routes in its local urban service weekdays between 6:30 a.m. to 6:30 p.m. and Saturdays from 8:30 a.m. to 5:30 p.m. The six routes provide service between Yuba City, Marysville, Linda, and Olivehurst. Buses operate every 30 to 60 minutes. Convenient timed transfers are available at Yuba College in Linda; the Yuba County Government Center; and the Walton Terminal (Sam's Club/Sunsweet) in Yuba City.

Sacramento Commuter Express: Yuba-Sutter Transit offers frequent commute-hour service between Marysville/Yuba City and key stops in downtown Sacramento. Riders can catch the Commuter Express in Yuba City, Marysville, Olivehurst, or Plumas Lake. The buses travel along Highways 99 and 70 into downtown.

Sacramento Midday Express: Yuba-Sutter Transit offers a late morning, noon, and an early afternoon service each weekday between Yuba City/Marysville and downtown Sacramento. Riders can catch the Midday Express in Yuba City, Marysville, Olivehurst, or Plumas Lake.

Rural Routes: A combination of advance reservation and scheduled services are offered from selected rural cities and communities to the Marysville/Yuba City urban area where transfers can be made to other services.

- The Foothill Route offers two round trips every Tuesday, Wednesday, and Thursday from Brownsville, Oregon House, Willow Glen, and Loma Rica to Marysville and most points in between. Scheduled service is provided from four Foothill stops while service between stops is provided only by advance reservation.
- The Live Oak Route offers two round trips Monday through Friday from Live Oak to Yuba City and Marysville. Within Live Oak, six scheduled stops are available or eligible passengers will be picked up or dropped off at any address within 0.25 miles of the route by advance reservation. Service is also available to the Yuba College, Sutter

County Center by request.

- The Wheatland Route offers one round trip every weekday between Wheatland and Marysville. Within Wheatland, five scheduled bus stops are available, or passengers can be picked up or dropped off at any address within 0.25 miles of the route by advance reservation.

Dial-A-Ride: Yuba-Sutter Transit provides complementary Americans with Disabilities Act (ADA) compliant paratransit service during the same days and hours as the fixed-route services. This service is also available to seniors (age 65+) and eligible persons with disabilities. On weekdays, Yuba-Sutter Transit also provides public Dial-A-Ride service from 6:00 p.m. to 9:30 p.m. as a means to extend the hours of service after fixed-route service ends.

Fares

Yuba-Sutter Transit's fares are structured according to passenger category and fare media type. Up to two children aged four and under per adult ride free. All passengers requesting a discount fare by virtue of their age or a disability must present valid identification and/or proof of eligibility, along with the proper fare upon boarding.

For the first time since 1993, the basic cash fare on the local fixed-route service increased from \$1.00 to \$1.50 per trip and the discount cash fare for eligible seniors, youth and persons with disabilities increased from \$0.50 to \$0.75 per trip. This change occurred in July 2019. To reduce the impact of these increases on their cash fare passengers, the daily cap rate, which is available only with a Connect Card, remained the same at \$3.00 and \$1.50, respectively. The cost of a monthly Sacramento Commuter pass increased from \$128 to \$135 while the basic cash fare increased from \$4.00 to \$4.50 per trip. The discount cash Sacramento fare, which is only available on the Sacramento Midday schedule, increased from \$2.00 to \$2.25 per trip. Dial-A-Ride fares also increased from \$2.00 to \$3.00 per trip for eligible riders.

On local route services, the Basic Fare Daily Cap is available with Connect Card. Riders can also purchase monthly passes on Connect Card. The price of monthly passes has been temporarily reduced for as long as funding is available. Yuba-Sutter Transit's local route fare structure is shown in Table I-2

Table I-2
Local Fare Structure

Local	Cash	Daily Cap	Monthly Pass*
Full Fare	\$1.50	\$3.00	\$10.00
Youth (ages 5-18), Seniors (ages 65+), Eligible Disabled & Medicare Cardholders	\$0.75	\$1.50	\$5.00
Ticket Sheets (Twenty \$0.50 tickets)	\$10.00		
Ticket Sheets (Twenty \$0.75 tickets)	\$15.00		

Source: Yuba-Sutter Transit

*Monthly Pass prices temporarily reduced from \$30 & \$15 using outside grant revenues

The Sacramento Commuter and Midday Express fares are \$4.50 per one-way. Only on the Midday Express, youth (ages 5-18), seniors (ages 65+), eligible disabled persons, and Medicare cardholders pay \$2.25 per one-way. Monthly Sacramento passes, which are also valid on the local fixed route system, are \$135.

Yuba-Sutter Transit's rural route fare structure is shown in Table I-3. The discount monthly pass price of \$5.00 was continued from the previous audit period through October 2021.

Table I-3
Rural Fare Structure

Local	Cash	Monthly Pass*
Full Fare	\$3.00	\$10.00
Youth (ages 5-18), Seniors (ages 65+), Eligible Disabled & Medicare Cardholders	\$1.50	\$5.00
Ticket Sheets (Twenty \$0.50 tickets)	\$10.00	
Ticket Sheets (Twenty \$0.75 tickets)	\$15.00	

Source: Yuba-Sutter Transit

*Monthly Pass prices temporarily reduced from \$30 & \$15 using outside grant revenues

The Dial-A-Ride fare structure is based on the time of day. Fares are one-way and cover the eligible rider and companion as summarized in Table I-4.

Table I-4
Dial-A-Ride Fare Structure

Passenger Category	ADA Paratransit (before 6:00 p.m. on weekdays)	General Public (after 6:00 p.m. on weekdays)
General Public	n/a	\$4.00
Senior (age 65+), Disabled & ADA Eligible Fare (w/photo I.D. Card)	\$3.00	\$2.00
Companion Fare (with eligible adult)	\$3.00	\$2.00
Youth (ages 5-18)	n/a	\$2.00
Children (age 4 and under)	Free	Free
Ticket Sheets (Twenty \$0.50 tickets)	\$10.00	\$10.00

Source: Yuba-Sutter Transit

Fleet

There were 51 revenue vehicles in the fleet during the audit period. There is also one non-revenue vehicle. This audit period saw the addition of 28 new revenue vehicles, replacing the majority of the pre 2010 vehicles. This included 7 MCI Commuter buses purchased in July 2018, 10 Glaval Dial-A Ride buses purchased in July 2019, and 11 Gillig Fixed Route buses purchased in November 2019. The majority of Yuba-Sutter Transit is operated with a diesel-powered fleet, with the 10 newly purchased Glavals being gasoline-powered vehicles. All revenue vehicles are equipped with wheelchair lifts in conformance with the ADA. Table I-5 shows the vehicle fleet and service type.

Table I-5
Yuba-Sutter Transit Fleet

Year	Make & Model	Quantity	Fuel Type	Seating Capacity
2010	MCI D4500	3	Diesel	57 (2 W/C)
2012	MCI D4500	3	Diesel	57 (2 W/C)
2013	Gillig 35DD	6	Diesel	32 (2 W/C)
2014	Gillig 35DD	5	Diesel	32 (2 W/C)
2014	Chevy/Glaval Titan II 4500	6	Diesel	16 (2 W/C)
2018	MCI D4500	7	Diesel	57 (2 W/C)
2019	Ford/Glaval Universal	10	Gasoline	16 (2 W/C)
2019	Gillig Low Floor G27B	11	Diesel	31 (2 W/C)
Total		51		

Source: Yuba-Sutter Transit

Yuba-Sutter Transit operates a fleet of 22 buses for fixed-route service, 13 buses for commuter service, and 16 Dial-A-Ride and rural route buses. In July 2021, the Yuba-Sutter Transit Board of Directors took the initiative to adopt a policy statement committing to the 100 percent conversion to zero-emission buses by 2035. This policy is contingent upon the availability of sufficient funding to construct the new zero-emission transit facility by 2025, as well as financing the incremental cost of all replacement and expansion buses that may be purchased thereafter.

Fleet Facilities

Yuba-Sutter Transit operates from a single maintenance, operations, and administration facility in Marysville. In December 2011, a \$3.3 million renovation and expansion of the facility was completed using local funds.

Yuba-Sutter Transit received a planning grant from Caltrans in 2019 to develop the Resilient Next Generation Transit Facility Plan to begin the process of replacing the existing maintenance, operations, and administration facility. A new location is needed because the facility at 2100 B Street in Marysville lacks sufficient capacity to accommodate the infrastructure needed to meet the state requirement that only zero-emission buses be purchased after 2028. In addition, Caltrans's planned expansion of Highway 70 (B Street) in front of the existing facility may render it inoperable as early as 2025.

In July 2021, Yuba-Sutter Transit took a step toward the construction of the Next Generation Transit Maintenance, Operations and Administration Facility by purchasing a 19.7-acre property at 6035 Avondale Avenue in Linda. After an extensive public process and exhaustive analysis by an international planning and engineering consultant, the Yuba-Sutter Transit Board of Directors selected the top-ranked site from among 16 identified sites throughout the bi-county area.

The vacant former industrial site was purchased for \$899,900 using available state funding. Now that the site has been purchased, the next step is to accumulate the necessary funding to design and construct what is expected to be a \$40+ million facility. This process is underway as a funding plan was included with the site analysis, and initial discretionary federal and state grant applications valued at a combined \$28.5 million are now pending. Additional grant applications from several sources are expected to be submitted in fall of 2022. Design, engineering, and construction of the new facility will start when the necessary funds have been secured. The new facility would be fully self-sufficient with the use of solar power and generators and would leave room for growth for the next 30-50 years.

Section II

Operator Compliance Requirements

This section of the audit report contains the analysis of Yuba-Sutter Transit's ability to comply with state requirements for continued receipt of TDA funds. The evaluation uses Caltrans's *Performance Audit Guidebook* to assess transit operators. The guidebook contains a checklist of 11 measures taken from relevant sections of the PUC and the California Code of Regulations. Each requirement is discussed in the table below, including a description of the system's efforts to comply with the requirements. In addition, the findings from the compliance review are described in the text following the table.

Table II-1 Operator Compliance Requirements Matrix		
Operator Compliance Requirements	Reference	Compliance Efforts
The transit operator submitted annual reports to the RTPA based upon the Uniform System of Accounts and Records established by the State Controller. Report is due within seven (7) months after the end of the fiscal year (on or before January 31). The report shall contain underlying data from audited financial statements prepared in accordance with generally accepted accounting principles, if this data is available.	Public Utilities Code, Section 99243	Completion/submittal dates: FY 2019: January 24, 2020 FY 2020: January 27, 2021 FY 2021: January 31, 2022 Conclusion: Complied.
The operator has submitted annual fiscal and compliance audits to the RTPA and to the State Controller within 180 days following the end of the fiscal year (Dec. 27), or has received the appropriate 90-day extension by the RTPA allowed by law.	Public Utilities Code, Section 99245	Completion/submittal dates: FY 2019: January 8, 2020 FY 2020: December 29, 2020 FY 2021: January 10, 2022 <i>Source: FY 2019–2021 Yuba-Sutter Transit Authority - Audited Financial Statements and Compliance Reports</i>

Table II-1 Operator Compliance Requirements Matrix		
Operator Compliance Requirements	Reference	Compliance Efforts
		Conclusion: Complied.
The CHP has, within the 13 months prior to each TDA claim submitted by an operator, certified the operator's compliance with Vehicle Code Section 1808.1 following a CHP inspection of the operator's terminal.	Public Utilities Code, Section 99251 B	Through its contract operator, Storer Transportation, Yuba-Sutter Transit participates in the CHP Transit Operator Compliance Program, in which the CHP conducted inspections within the 13 months prior to each TDA claim. Inspections took place at Yuba-Sutter Transit's operations facility located at 2100 B Street in Marysville. Inspection dates applicable to the audit period were December 11-13, 2018; April 6-7 & 9, 2020; December 2 & 14, 2020; April 19-22, 2021; and December 16 & 23, 2021. Inspections were found to be satisfactory. Conclusion: Complied.
The operator's claim for TDA funds is submitted in compliance with rules and regulations adopted by the RTPA for such claims.	Public Utilities Code, Section 99261	As a condition of approval, the Authority's annual claims for Local Transportation Funds (LTF) and State Transit Assistance (STA) are submitted in compliance with the rules and regulations adopted by SACOG. Conclusion: Complied.
If an operator serves urbanized and non-urbanized areas, it has maintained a ratio of fare revenues to	Public Utilities Code, Section 99270.1	Yuba-Sutter Transit is subject to a blended 14.6 percent farebox ratio pursuant to SACOG's regional farebox policy.

Table II-1 Operator Compliance Requirements Matrix		
Operator Compliance Requirements	Reference	Compliance Efforts
operating costs at least equal to the ratio determined by the rules and regulations adopted by the RTPA.		The audited system-wide farebox ratios are as follows: FY 2019: 18.52% FY 2020: 16.57% FY 2021: 8.95% <i>Source: FY 2019–2021 Yuba-Sutter Transit Authority - Audited Financial Statements and Compliance Reports</i> Conclusion: Complied** ** The operator did not comply with the required 14.6% fare revenue for the year ended June 30, 2021. However, Assembly Bill (AB) 90, signed into legislation on June 29, 2020, was enacted in response to the COVID-19 pandemic’s impact on transit operators to hold them harmless for significant decreases in ridership and fare revenues. AB 90 prohibits the implementation of a penalty for failure to meet the required minimum fare revenue ratio during the years ended June 30, 2020 and 2021. AB 149 approved in July 2021 extends the prohibition of the penalties for not meeting the fare revenue ratio through the fiscal year ended June 30, 2023

The operator’s operating budget has not increased by more than 15% over the preceding year, nor is there a substantial increase or decrease in the scope of operations or capital budget provisions for major new fixed facilities unless the operator has reasonably supported and substantiated the change(s).	Public Utilities Code, Section 99266	Percentage change in Yuba-Sutter Transit’s operating budget: FY 2019: +3.4% FY 2020: +11.9% FY 2021: -4.5% <i>Source: Yuba-Sutter Transit Authority Operating Budgets for FY 2018-2021</i> Conclusion: Complied.
The operator’s definitions of performance measures are consistent with Public Utilities Code Section 99247, including (a) operating cost, (b) operating cost per passenger, (c) operating cost per vehicle service hour, (d) passengers per vehicle service hour, (e) passengers per vehicle service mile, (f) total passengers, (g) transit vehicle, (h) vehicle service hours, (i) vehicle service miles, and (j) vehicle service hours per employee.	Public Utilities Code, Section 99247	A review of annual performance reports, driver trip/vault sheets and State Controller Reports indicate overall compliance. Conclusion: Complied.
If the operator serves an urbanized area, it has maintained a ratio of fare revenues to operating costs at least equal to one-fifth (20 percent), unless it is in a county with a population of less than 500,000, in which case it must maintain a ratio of fare revenues to operating costs of at least equal to three-twentieths (15 percent), if so determined by the RTPA.	Public Utilities Code, Sections 99268.2, 99268.3, 99268.12, 99270.1	This requirement is not applicable, as Yuba-Sutter Transit serves both urban and rural areas subject to SACOG’s regional farebox policy. Conclusion: Not Applicable.

If the operator serves a rural area, or provides exclusive services to elderly and disabled persons, it has maintained a ratio of fare revenues to operating costs at least equal to one-tenth (10 percent).	Public Utilities Code, Sections 99268.2, 99268.4, 99268.5	This requirement is not applicable, as Yuba-Sutter Transit serves both urban and rural areas subject to SACOG's regional farebox policy. Conclusion: 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 within 40 years.	Public Utilities Code, Section 99271	Yuba-Sutter Transit contributes to its employees' retirement through the California Public Employees' Retirement System (CalPERS), while the contract operator provides its own retirement plan. To be eligible for TDA funds, the annual TDA claims form requires a sign-off from the transit claimant to comply with standard assurances, one of which is that the agency's retirement system is funded. Conclusion: Complied.
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.	California Code of Regulations, Section 6754(a)(3)	Yuba-Sutter Transit utilizes federal funds that are available to the agency, as reported in the National Transit Database (NTD) as follows: FY 2019: \$2,325,329 (operations) \$688,626 (capital) FY 2020: \$3,445,760 (operations) \$4,488,867 (capital) FY 2021: \$3,919,800 (operations) <i>Source: Form F-10, National Transit Database</i> Conclusion: Complied.

Findings and Observations from Operator Compliance Requirements Matrix

1. Of the compliance requirements pertaining to Yuba-Sutter Transit, the operator fully complied with all nine requirements. Two additional compliance requirements did not apply to the Authority (i.e., exclusive rural and farebox recovery ratios).
2. Yuba-Sutter Transit's farebox recovery ratio remained above the required 14.6 percent standard in FY 2019 and FY 2020. For the three-year audit period, the farebox recovery ratio was 18.52 percent in FY 2019; 16.57 percent in FY 2020; and 8.95 percent in FY 2021.¹ In FY 2021, the farebox recovery ratio fell below the required 14.6 percent. The average system-wide farebox recovery ratio was 14.68 percent during the triennial review period. Farebox ratios are audited figures from the TDA fiscal audits.
3. Through its contract operator, Yuba-Sutter Transit participates in the CHP Transit Operator Compliance Program and received vehicle inspections within the 13 months prior to each TDA claim. Satisfactory ratings were made for all inspections conducted during the audit period.
4. The operating budget exhibited modest increases during the audit period before decreasing in FY 2021. There was an increase of 3.4 percent in FY 2019 followed by a 11.9 percent increase in FY 2020 that can be attributed to unfunded CalPERS liability payments. For FY 2021, the budget decreased 4.5 percent.

¹ Assembly Bill 90, passed into law and signed by the governor in June 2020 in response to the COVID-19 pandemic impacts, prohibits the imposition of penalties on a transit operator that does not maintain the required ratio of fare revenues to operating cost during FY 2019–20 or FY 2020–21. AB 149 approved in July 2021 extends the prohibition of the penalties for not meeting the fare revenue ratio through the fiscal year ended June 30, 2023.

Section III

Prior Triennial Performance Recommendations

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

Prior Recommendation 1

Continue pursuit of marketing plans and strategies.
(High priority)

Background: This recommendation was carried forward from previous audits for full implementation. In prior audits, it was stressed that Yuba-Sutter Transit management could improve its overall marketing effectiveness by updating the marketing plan and tying the programs and campaigns to specific strategies and tactics to ensure a consistent marketing program. The update would include budgets and timelines for each program or campaign as well as an overall marketing budget. The Authority generally sets aside less than 1 percent of the operating budget for marketing activities, which limits current marketing planning and implementation.

While no formal comprehensive marketing plan had been developed, the long-time legacy website was replaced in FY 2017 with a new modern website that greatly improved both functionality and layout. In addition, DoubleMap was being beta tested, which allows for real-time arrival information for all services from any internet-connected device. However, with ridership leveling off and decreasing on certain service modes, it would be prudent for Yuba-Sutter Transit to pursue a strategic marketing plan that would help it target new markets and employ new engagement tools to retain and grow its ridership. The annual operating budget is not large enough for a marketing plan update that could tap into the data analytics that will be generated from new technology like DoubleMap and Connect Card. The marketing plan update could be undertaken as part of a larger grant-funded study, such as the next Short-Range Transit Plan (S RTP) update.

Actions taken by Yuba-Sutter Transit

There has not been any formal comprehensive marketing plan developed since the previous audit recommendation. Staff continues to promote services through the Yuba-Sutter Transit website, press releases, email distribution lists and occasional media advertising as well as short-term free fare events to boost ridership. While social media accounts are available for marketing uses, Yuba-Sutter Transit does not have the staff necessary to keep these accounts

active and estimates it would take a 0.5 full-time employee equivalent (FTE) to accomplish. The upcoming Comprehensive Operational Analysis/Short-Range Transit Plan (COA/SRTP) will include a review of marketing materials and practices.

Conclusion

This recommendation is in the process of being implemented.

Prior Recommendation 2

Employ enhanced maintenance oversight as part of the new operations contract.
(High priority)

Background: The number of road calls reported by Yuba-Sutter Transit had shown an upward trend during the previous audit period even as administrative oversight had increased. Road calls and maintenance staffing issues were cited in the prior audit. Yuba-Sutter Transit released a Request for Proposals in May 2019 for a new contract service provider to operate and maintain Yuba-Sutter Transit's services for a base term of four years with two Authority options for two additional years each, for a maximum possible term of eight years. Yuba-Sutter Transit would provide the successful contractor with a fleet of 51 revenue vehicles ranging in seating capacity from 16 to 57 passengers.

The Yuba-Sutter Transit Board of Directors conditionally accepted the recommendation of the ad hoc proposal review committee and authorized the execution of a service contract with the successful bidder. A maintenance audit was budgeted for FY 2019 but had been deferred pending the rebid and award of the operations and maintenance contract. With the selection of the new service provider, it was recommended that the Authority work to implement enhanced oversight maintenance with periodic audits and focused inspections.

Actions taken by Yuba-Sutter Transit

Beginning October 2019, Storer Transit Systems was contracted to replace Transdev as the operating contractor for Yuba-Sutter Transit. The new contract has a four-year term set to expire on September 30, 2023. Part of the Storer Transit Systems services includes a comprehensive maintenance plan, which implements daily and mileage based inspections aimed at preventative care to allow vehicles to maintain peak efficiency and safety. The plan is also to be updated as the mix of rolling stock equipment changes.

During the audit period, the trend of road calls declined due to several factors. Excluding the effects of reduced service related to the pandemic, fleet upgrades as well as better preventative maintenance standards and procedures held by Storer Transit have contributed to this overall downward trend. Quarterly spot audits on records are being conducted by staff to ensure maintenance intervals are being adhered to.

Conclusion

This recommendation has been implemented.

Prior Recommendation 3

Perform data analysis using results from newly invested technology systems. (Medium priority)

Background: Yuba-Sutter Transit and its regional transit partners have invested in transit technology aimed at easing customer interface with the transit system such as loading and using fare media through Connect Card, as well as the Authority's implementation of software platforms like DoubleMap, which provides real-time tracking of buses and business analytics data for ongoing service evaluation. As technology is further tested, improved, and integrated into the Authority's network, a higher level of data analysis using more real-time information is possible, thus enabling more dynamic adjustments to the bus system.

It was suggested that Yuba-Sutter Transit staff develop protocols or desktop procedures on methods to harvest the data from these technologies and identify the type of analysis conducted using the data. Among its capabilities, DoubleMap, for example, can auto-collect actual on-time performance for use by staff for performance reporting, planning, and customer updates. This function would free up resources and time for operations supervisors to attend to other needs rather than collect this data. Administrative staff could also benefit from streamlined processes that reduce manual input and other reporting activity. The capability of the data analytics should be identified so that the Authority can maximize and act upon information being collected while minimizing previous manual administrative tasks to obtain data and improving operational efficiency.

Actions taken by Yuba-Sutter Transit

While the DoubleMap software was implemented during the audit period, there have been some challenges related to its advertised abilities. Auto-collection of data such as on-time performance is available; however, the data requires cleaning and overall it has proven challenging to use the software. Yuba-Sutter has continued to track performance data manually as they have not viewed the DoubleMap data as reliable. In May 2020, it was proposed and passed unanimously to terminate the Computer Assisted Dispatch (CAD) system of the DoubleMap contract, noting that there were multiple issues with the TapRide system including functions that were promised and not delivered. While some data from this system has proven useful and is being considered when conducting analysis of services, the new COA will look into alternatives to replace this technology.

Conclusion

This recommendation is in the process of being implemented.

Section IV

TDA Performance Indicators

This section reviews Yuba-Sutter Transit's performance in providing transit service to the community in an efficient and effective manner. The TDA requires that at least five specific performance indicators be reported, which are contained in the following tables. Farebox recovery ratio is not one of the five specific indicators but is a requirement for continued TDA funding. Therefore, farebox calculation is also included. Two additional performance indicators, operating cost per mile and average fare per passenger, are included as well. Systemwide cost and revenues are from audited financial statements; modal figures are unaudited. Findings from the analysis are contained in the section following the tables.

Tables IV-1 through IV-3 provide the performance indicators for Yuba-Sutter Transit system-wide, fixed route/commuter, and Dial-A-Ride. Graphs are also provided to depict the trends in the indicators.

Table IV-1
Yuba-Sutter Transit TDA Performance Indicators
System-wide

Performance Data and Indicators	FY 2018		Audit Period			% Change FY 2018- 2021 ²
			FY 2019	FY 2020	FY 2021	
Operating Cost ¹	\$7,265,304		\$7,301,372	\$7,597,479	\$7,542,655	3.8%
Total Passengers	1,022,636		931,948	721,889	347,891	-66.0%
Vehicle Service Hours	83,565		82,657	75,849	68,565	-18.0%
Vehicle Service Miles	1,225,513		1,208,605	1,133,621	983,276	-19.8%
Employee FTEs	82		80	78	78	-4.9%
Passenger Fares	\$1,201,848		\$1,246,333	\$1,071,457	\$535,972	-55.4%
Local Funds	\$99,719		\$106,110	\$187,719	\$139,216	39.6%
Operating Cost per Passenger	\$7.10		\$7.83	\$10.52	\$21.68	205.2%
Operating Cost per Vehicle Service Hour	\$86.94		\$88.33	\$100.17	\$110.01	26.5%
Operating Cost per Vehicle Service Mile	\$5.93		\$6.04	\$6.70	\$7.67	29.4%
Passengers per Vehicle Service Hour	12.2		11.3	9.5	5.1	-58.5%
Passengers per Vehicle Service Mile	0.83		0.77	0.64	0.35	-57.6%
Vehicle Service Hours per Employee	1,019.1		1,033.2	972.4	879.0	-13.7%
Average Fare per Passenger	\$1.18		\$1.34	\$1.48	\$1.54	31.1%
Fare Recovery Ratio	16.54%		17.07%	14.10%	7.11%	-57.0%
Fare Recovery Ratio w/ Local Funds	17.91%		18.52%	16.57%	8.95%	-50.0%
Consumer Price Index - (CPI-CA)			3.0%	1.7%	4.2%	9.1%

Source: Annual Fiscal & Compliance Audits, National Transit Database, Transit Operator Financial Transactions Report

¹ System-wide audited operating costs exclude depreciation & expense exemptions per PUC 99268.8 & 99268.16

² Percentages are based on the data inputs in the table and do not reflect the rounding of the performance indicators.

Table IV-2
Yuba-Sutter Transit TDA Performance Indicators
Fixed Route & Commuter

			Audit Period			
Performance Data and Indicators	FY 2018		FY 2019	FY 2020	FY 2021	% Change FY 2018- 2021 ¹
Operating Cost	\$5,110,871		\$5,215,949	\$5,673,630	\$5,676,925	11.1%
Total Passengers	950,563		865,888	675,423	327,521	-65.5%
Vehicle Service Hours	58,298		58,403	55,973	52,063	-10.7%
Vehicle Service Miles	902,135		900,202	885,320	809,331	-10.3%
Employee FTEs	55		53	52	52	-5.5%
Passenger Fares	\$1,069,858		\$1,075,836	\$957,502	\$453,229	-57.6%
Operating Cost per Passenger	\$5.38		\$6.02	\$8.40	\$17.33	222.4%
Operating Cost per Vehicle Service Hour	\$87.67		\$89.31	\$101.36	\$109.04	24.4%
Operating Cost per Vehicle Service Mile	\$5.67		\$5.79	\$6.41	\$7.01	23.8%
Passengers per Vehicle Service Hour	16.3		14.8	12.1	6.3	-61.4%
Passengers per Vehicle Service Mile	1.05		0.96	0.76	0.40	-61.6%
Vehicle Service Hours per Employee	1,060.0		1,101.9	1,076.4	1,001.2	-5.5%
Average Fare per Passenger	\$1.13		\$1.24	\$1.42	\$1.38	23.0%
Fare Recovery Ratio	20.93%		20.63%	16.88%	7.98%	-61.9%
Consumer Price Index - (CPI-CA)			3.0%	1.7%	4.2%	9.1%

Source: National Transit Database, Transit Operator Financial Transactions Report for FTEs

¹ Percentages are based on the data inputs in the table and do not reflect the rounding of the performance indicators.

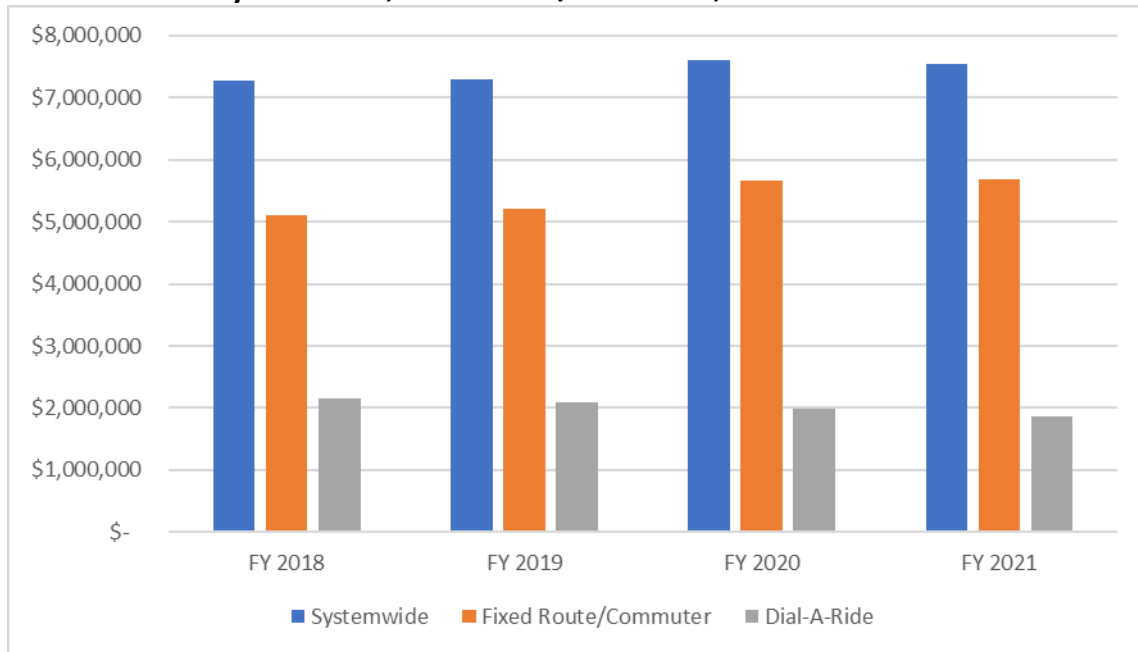
Table IV-3
Yuba-Sutter Transit TDA Performance Indicators
Dial-A-Ride

Performance Data and Indicators	FY 2018		Audit Period			% Change FY 2018- 2021 ¹
			FY 2019	FY 2020	FY 2021	
Operating Cost	\$2,154,433		\$2,085,426	\$1,982,397	\$1,865,730	-13.4%
Total Passengers	72,073		66,060	46,466	20,370	-71.7%
Vehicle Service Hours	25,267		24,254	19,876	16,502	-34.7%
Vehicle Service Miles	323,378		308,403	248,301	173,945	-46.2%
Employee FTEs	27		27	26	26	-3.7%
Passenger Fares	\$131,685		\$170,498	\$154,484	\$115,585	-12.2%
Operating Cost per Passenger	\$29.89		\$31.57	\$42.66	\$91.59	206.4%
Operating Cost per Vehicle Service Hour	\$85.27		\$85.98	\$99.74	\$113.06	32.6%
Operating Cost per Vehicle Service Mile	\$6.66		\$6.76	\$7.98	\$10.73	61.0%
Passengers per Vehicle Service Hour	2.9		2.7	2.3	1.2	-56.7%
Passengers per Vehicle Service Mile	0.22		0.21	0.19	0.12	-47.5%
Vehicle Service Hours per Employee	935.8		898.3	764.5	634.7	-32.2%
Average Fare per Passenger	\$1.83		\$2.58	\$3.32	\$5.67	210.6%
Fare Recovery Ratio	6.11%		8.18%	7.79%	6.20%	1.4%
Consumer Price Index - (CPI-CA)			3.0%	1.7%	4.2%	9.1%

Source: National Transit Database, Transit Operator Financial Transactions Report for FTEs

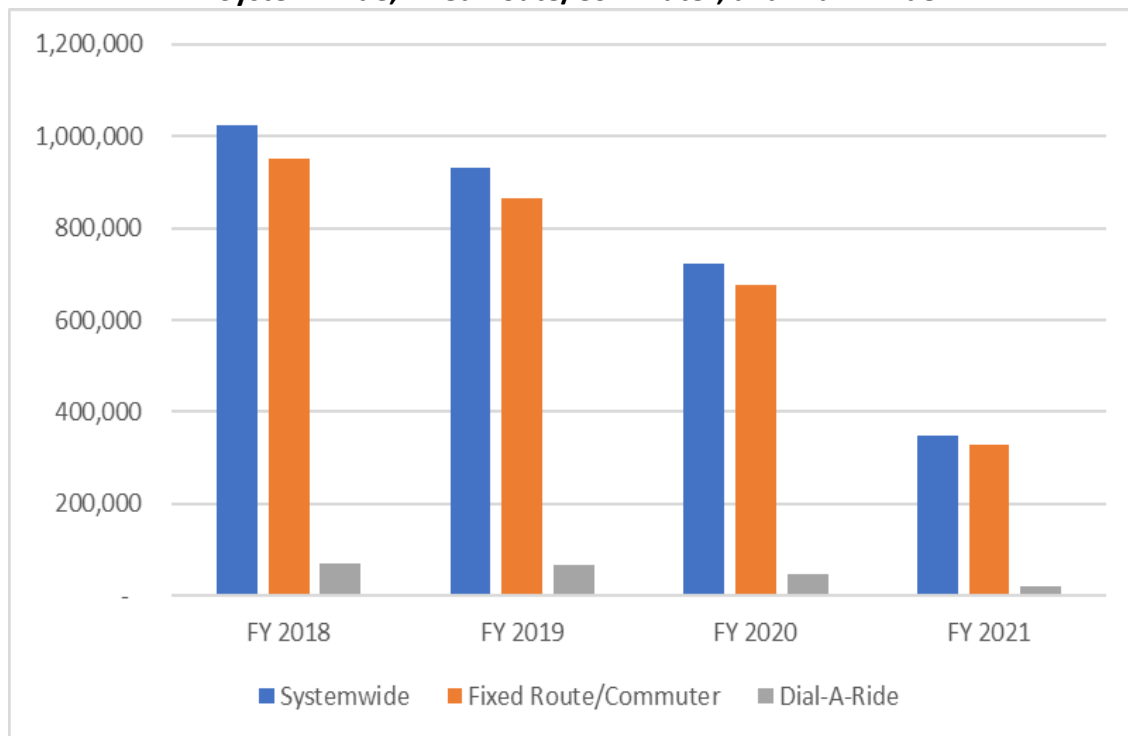
¹ Percentages are based on the data inputs in the table and do not reflect the rounding of the performance indicators.

Graph IV-1
Operating Costs
System-wide, Fixed Route/Commuter, and Dial-A-Ride

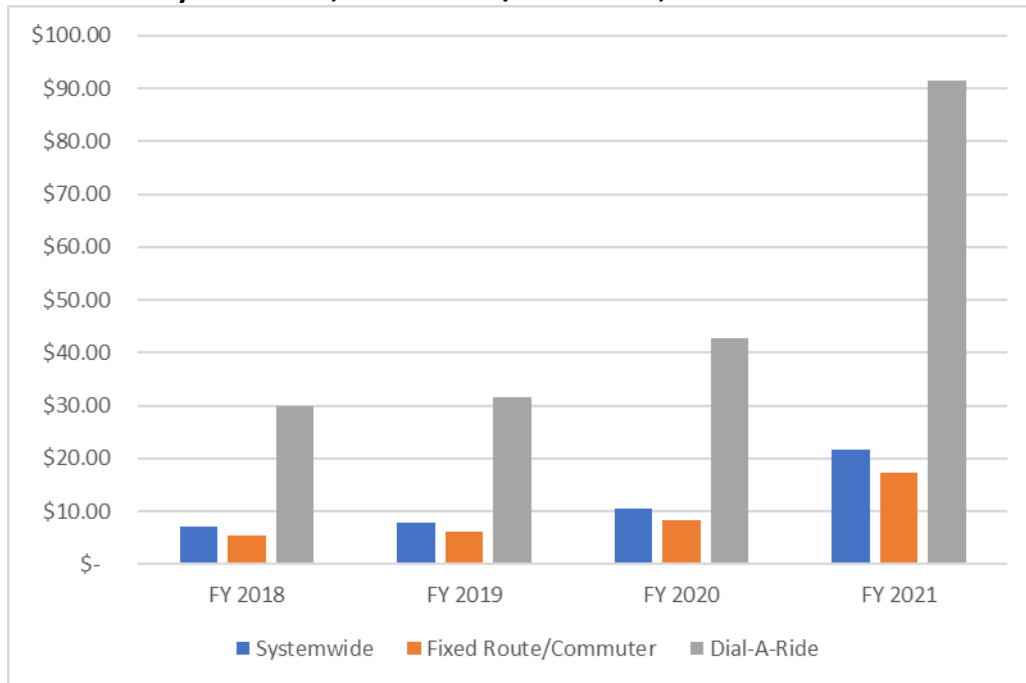


Note: System-wide cost is audited data; modal cost is unaudited.

Graph IV-2
Ridership
System-wide, Fixed Route/Commuter, and Dial-A-Ride

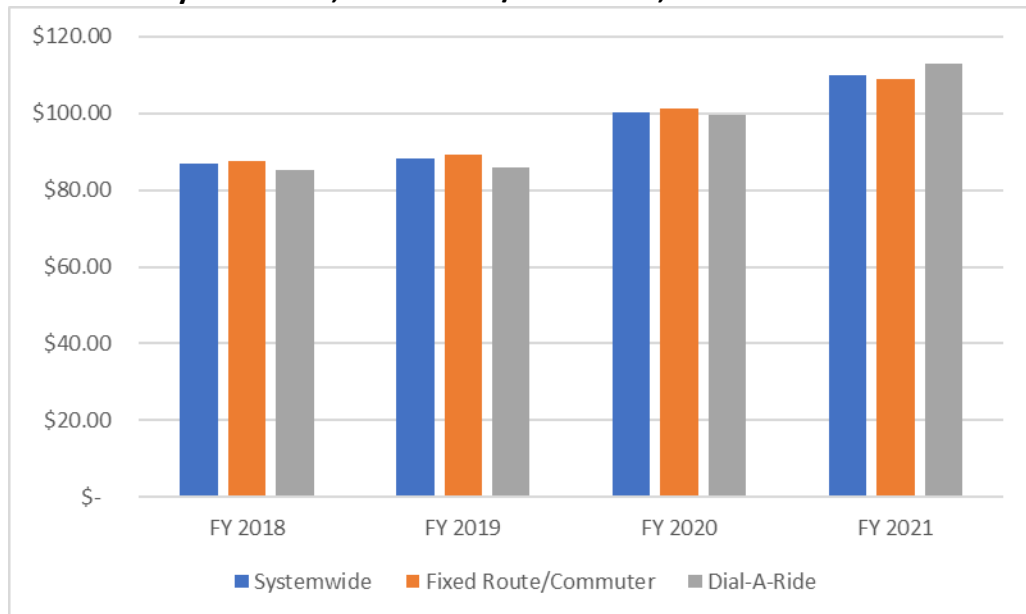


Graph IV-3
Operating Cost per Passenger
System-wide, Fixed Route/Commuter, and Dial-A-Ride



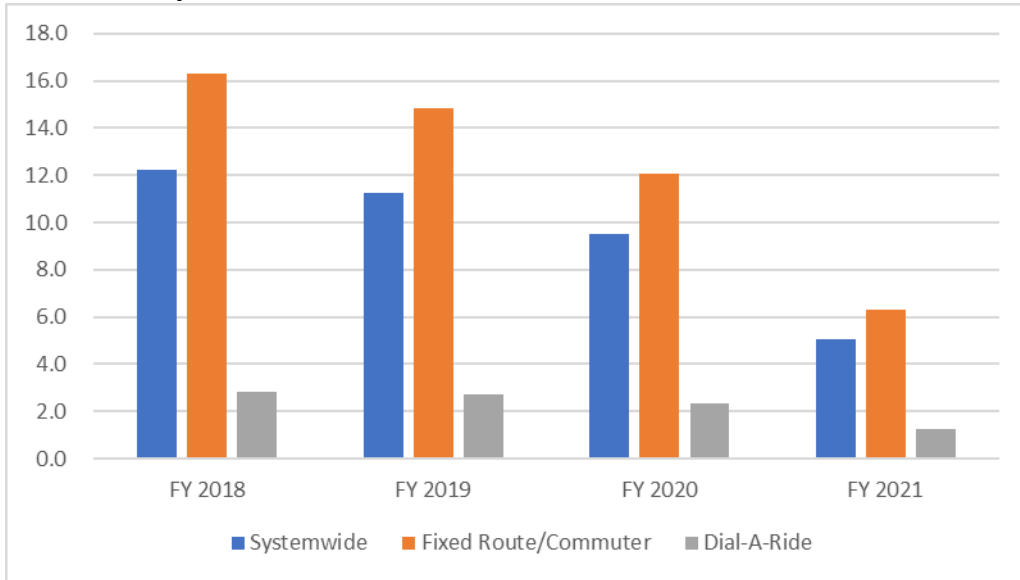
Note: System-wide cost is audited data; modal cost is unaudited.

Graph IV-4
Operating Cost per Vehicle Service Hour
System-wide, Fixed Route/Commuter, and Dial-A-Ride

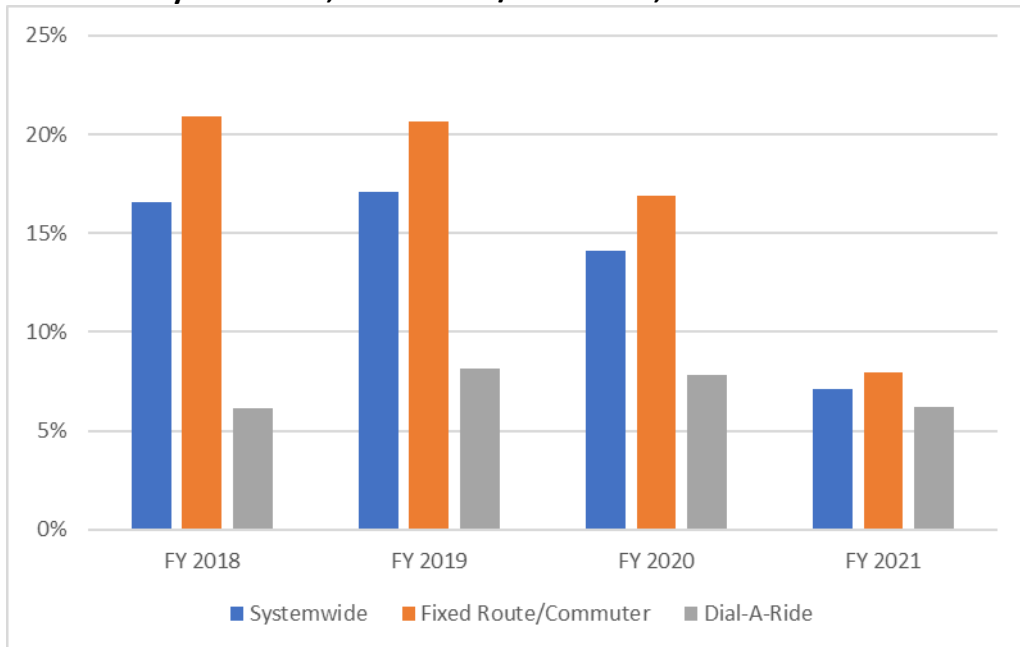


Note: System-wide cost is audited data; modal cost is unaudited.

Graph IV-5
Passengers per Vehicle Service Hour
System-wide, Fixed Route/Commuter, and Dial-A-Ride



Graph IV-6
Fare Recovery Ratio
System-wide, Fixed Route/Commuter, and Dial-A-Ride



Note: System-wide cost and fare revenue are audited data; modal cost and fares are unaudited.

Findings from Verification of TDA Performance Indicators

1. Operating costs system-wide increased by 3.8 percent using audited data from FY 2018 base year to FY 2021. Fixed and commuter route operating costs increased by 11.1 percent while Dial-A-Ride costs decreased by 13.4 percent using unaudited modal data. On an average annual basis, system-wide costs increased 1.3 percent, with the highest increase of 4.6 percent occurring in FY 2020 preceded by a 0.5 percent increase in FY 2019. Operating costs remained relatively constant during the COVID-19 pandemic while ridership and service decreases significantly impacted operating cost ratios during the audit period.
2. Ridership decreased 66 percent system-wide from 1,022,636 trips during the FY 2018 base year to 347,891 trips during FY 2021. The 65.5 percent decrease in fixed route/commuter passenger trips and 71.7 percent decrease in Dial-A-Ride mirrored the system-wide trend. The drastic decrease in ridership can be attributed to the effects of COVID-19 beginning in FY 2020; however, there was also an 8.9 percent decrease in ridership between FY 2018 and FY 2019. This decrease in ridership prior to 2020 can be attributed to the overall industry trends as well as the geographic disbursement of trip generators in the Sacramento region, which has impacted commuter ridership.
3. The provision of vehicle service hours and miles system-wide decreased by 18 percent and 19.8 percent, respectively. At the modal level, fixed route/commuter service hours decreased 10.7 percent and miles decreased 10.3 percent. Dial-A-Ride service hours decreased 34.7 percent and service miles decreased 46.2 percent.
4. Operating cost per passenger, an indicator of cost effectiveness, increased 205.2 percent system-wide from \$7.10 during the FY 2018 base year to \$21.68 during FY 2021. Cost per passenger increased 222.4 percent on fixed route/commuter and increased 206.4 percent on Dial-A-Ride. The trend reflects the effects of COVID-19 on ridership. While operating costs remained constant comparatively, ridership fell dramatically during the pandemic. By comparison, operating cost per passenger system-wide increased roughly 10 percent from FY 2018 to FY 2019 while jumping roughly 105 percent from FY 2020 to FY 2021.
5. Operating cost per hour, an indicator of cost efficiency, increased 26.5 percent system-wide from \$86.94 during the FY 2018 base year to \$110.01 during FY 2021. The indicator increased 24.4 percent on fixed route/commuter and increased 32.6 percent on Dial-A-Ride. The trend is reflective of the effects of COVID-19 on service hours as service was reduced during FY 2020 and FY 2021 while operating costs remained consistent.
6. Yuba-Sutter Transit's farebox recovery ratio, including local funds, remained above the required 14.6 percent standard in FY 2019 and FY 2020 but fell below in FY 2021. Yuba-Sutter Transit's farebox recovery ratio, excluding local funds, remained above 14.6

percent only in FY 2019. While Yuba Sutter was not in farebox compliance in FY 2021, AB 90, signed into legislation on June 29, 2020, was enacted in response to the COVID-19 pandemic's impact on transit operators to hold them harmless for significant decreases in ridership and fare revenues. For the three-year audit period, the farebox recovery ratio (including passenger fares and local funds) was 18.52 percent in FY 2019; 16.57 percent in FY 2020; and 8.95 percent in FY 2021. The average system-wide farebox recovery ratio (including local funds) was 14.65 percent during the triennial review period. Farebox ratios are audited figures from the TDA fiscal audits.

7. Vehicle hours per full-time equivalent (FTE) employee, which measures labor productivity, decreased by 13.7 percent system-wide from the FY 2018 base year to FY 2021. This performance indicator decreased by 5.5 percent for fixed route/commuter and 32.2 percent for Dial-A-Ride. This is indicative of the reductions in service hours due to effects of COVID-19 on ridership. This measure is based on the number of employee FTEs using employee pay hours from the State Controller Report and dividing by 2,000 hours per employee. The agency-wide employee count decreased 4.9 percent from 82 FTEs in FY 2018 to 78 FTEs in FY 2021.

Section V

Review of Operator Functions

This section provides an in-depth review of various functions within Yuba-Sutter Transit. The review highlights accomplishments, issues, and/or challenges that were determined during the audit period. The following functions were reviewed at the Yuba-Sutter Transit Authority's administrative offices in Marysville:

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

Operations

Yuba-Sutter Transit's operational philosophy is summarized in its Mission Statement:

To provide safe and cost-effective public transportation services that increase mobility and improve the quality of life for Yuba and Sutter County residents.

In addition, the Authority's Guiding Principles involve striving *to meet or exceed community expectations by:*

- 1. Operating a safe, reliable and comfortable quality of service;*
- 2. Providing an effective and efficient level of service in response to demonstrated community needs; and*
- 3. Enhancing quality of life through improved mobility.*

To these ends, Yuba-Sutter Transit operates several modes that include local fixed route, commuter, and demand-response across a unique service area with two county seats (Marysville and Yuba City) abutting each other. The local fixed-route service is geared for those who truly are transit dependent. Three of the local fixed routes (1, 3, and 6) are tied to the bell times at Yuba College in Linda where these routes end. The other fixed routes are timed for transfers with these routes. Three routes (2, 4, and 5) serve Yuba City, Marysville, and River Valley High Schools, respectively, on their schedules.

After a steady increase in ridership over 25 years, Yuba-Sutter Transit began to see ridership decline since its peak in FY 2015 at 1,296,622 one-way passenger trips. In FY 2019, the last full year before the COVID-19 pandemic, one-way passenger trips were down to 931,951. The impacts of the pandemic on ridership were significant, dropping to a 25-year low of 347,891 trips in FY 2021. Contributing factors to the ridership decline prior to the pandemic have included the elimination of the paper transfer (“transfer-for-a-transfer”) policy, which were implemented in September 2015 as part of the restructuring of routes including Routes 1 and 4, but made for an improved ride experience. This policy enabled riders to transfer buses for free with a paper pass handed out by the driver and may have contributed to an artificial increase in the count of passengers which by some estimates were 250 daily transfer passengers. The decline in ridership pre-pandemic can also be tied to industry-wide trends seen with the emergence of transportation alternatives and an increase in auto ownership rates.

Ridership had shown increases on the Sacramento commuter route up until March 2020 with the “Big Green Bus” campaign that advertised Yuba-Sutter’s new commuter buses with Wi-Fi capabilities.

Service to Live Oak and Wheatland are contracted services, since these communities are not members of the JPA that comprises the Authority. The Live Oak service operates as a combined fixed-route and demand-response service composed of two round trips each weekday. The Wheatland service also operates as a combined fixed-route and demand-response service composed of weekday one round trip.

The Foothill Route operates two round trips every Tuesday, Wednesday, and Thursday between the community of Brownsville and Marysville with designated stops in between.

Beginning in 2011, Yuba-Sutter Transit joined eight other transit operators in the six-county Sacramento region and SACOG by becoming a party to, and participating actively in, a Memorandum of Understanding for the design and development of the Connect Card System. An estimated \$48,000 for Yuba-Sutter Transit’s share of operating expenses for the regional Connect Card electronic fare card system was covered with state funds from the Low Carbon Transit Operations Program (LCTOP).

Full implementation of the Connect Card took effect on July 1, 2018, and staff has been promoting its usage. Connect Card implementation saw the phaseout of paper transfers and fare media such as the monthly passes. Monthly passes are now purchased with the Connect Card. Approximately 60 percent of boardings on Yuba-Sutter Transit are now executed by Connect Card. This has also sped up the boarding process, thus reducing dwell times. SACOG has established a 14.6 percent farebox recovery mandate whereas the Yuba-Sutter Transit Board of Directors has an established policy goal of 20 percent.

Farebox revenue collection and management appears appropriate for an operation the size and scope of Yuba-Sutter Transit. Cash is deposited in locked vaults on the vehicle. The road supervisor obtains the keys to each vault from the money room and pulls the vaults in the

mornings. The vaults are stored in a locked cabinet in the money room. The money room is kept locked and limited keys are available to it.

At least two people are present in the locked money room when the money is counted (two times per week and at the end of the month). Paper money is sorted from coins. A deposit slip is prepared, and the money is put into a bank deposit bag. The bank reconciles and advises Yuba-Sutter Transit of any exceptions. Storer does reconcile collected fares to driver sheets on a periodic basis.

Manually generated trip sheets are compiled for every service mode and data is input into an Excel spreadsheet. Yuba-Sutter Transit awarded a contract to DoubleMap in October 2018 to develop and install a CAD/AVL system, which would also include real-time arrival information for all services from any internet-connected device and bus stop announcements on all scheduled services. This system came online in May 2019. This system has had some challenges, particularly with reporting accuracy and dependability. This is largely why manual entry of data is still being recorded. On-time performance comes from this DoubleMap technology but is also recorded manually. In May 2020, it was proposed and passed unanimously to terminate the CAD system of the DoubleMap contract, noting that there were multiple issues with the TapRide system including functions that were promised and not delivered. This action would result in a savings of \$64,000 over the five-year contract. DoubleMap is still utilized for its AVL capabilities.

Dispatch protocol involves the driver checking in with dispatch at the start of the run. If running late, the driver will call in every 5 to 10 minutes. Revenue hours are recorded on an exceptions basis in which scheduled bus hours are adjusted for delays and other incidents. Drivers are assigned Motorola digital radios equipped with GPS transponders. This feature allows dispatch to track the vehicle's location and records historical data. Road supervisors will sample trips to gauge on-time performance. Passenger feedback is another tool that the Authority uses to monitor punctuality, although anecdotally. Local road construction projects have exacerbated traffic congestion, which impacts schedule adherence; however, lower ridership has counteracted this.

Complaints are received and processed through dispatch and Yuba-Sutter Transit administration. Table V-1 shows this indicator for the transit system.

Table V-1
Incidents and Complaints

	FY 2019	FY 2020	FY 2021
Complaints/Incidents	179	189	194

Source: Yuba-Sutter Transit

While complaints and incidents are down from the previous audit period (228 in FY 2018), overall incidents and complaints trended upwards throughout the audit period. This increase could be attributed to pandemic-related issues like service changes or health safety concerns; however, an overall decrease from the previous audit period could present the case that the

new operator Storer Transit is doing well to reduce issues among riders. Further investigation of complaints is conducted by pulling on-board camera footage, GPS, and timestamp signatures.

Regarding vehicle safety, Yuba-Sutter Transit tracks the number of accidents categorized as “preventable” and “non-preventable.” According to the Federal Motor Carrier Safety Administration, a preventable accident is one that occurs because the driver fails to act in a reasonably expected manner to prevent it. A non-preventable accident means any occurrence involving an accident/incident in which everything that could have been reasonably done to prevent it was done and the accident/incident still occurred. Table V-2 summarizes the number of accidents:

Table V-2
Accidents

	FY 2018	FY 2019	FY 2020	FY 2021
Preventable	3	1	20	17
Non-Preventable	9	--	11	6
Not Specified*	--	11	11	--
Total	12	12	42	23

Source: Yuba-Sutter Transit

**Accident type not fully tracked Jan 2019-Sept 2020*

The overall number of accidents reported has ranged between 12 and 42 annually. The majority of accidents reported were deemed “preventable.” FY 2020 was the peak for accidents with two accidents required to be reported to the NTD. NTD accident reporting requires one or more of the following conditions:

- A fatality due to an incident
- Injuries requiring immediate medical attention away from the scene for one or more persons
- Property damage equal to or exceeding \$25,000
- An evacuation due to life safety reasons

Drivers are subject to a retaining protocol after an accident, which involves receipt of a letter detailing the incident with corrective actions.

The driving factor in this significant jump in accidents in FY 2020 relates to the accident reporting protocols of Storer Transit compared to the previous operator Transdev. The previous contractor did not report mirror strikes, curb strikes, damages that were fixed in-house (e.g., scratches that were buffed out by the contractor’s staff), and no-damage accidents. Storer treats all of these cases as accidents to get a better understanding of preventable versus non-preventable accidents and causes. Storer considers that no-cost accidents carry an administrative cost, so all no-cost accidents are a minimum value of \$250. They also treat curb strikes (rubbing the sidewall of a tire on the sidewalk) as an accident, since the driver hit a fixed

object and the bus requires inspection at a minimum. The goal of this stricter protocol is to change driver habits to meet the expectations Storer has for its drivers.

Yuba-Sutter Transit has had an excellent safety record in prior audit periods and should look to work with Storer and their drivers to improve the accident rate as defined by this new accident reporting protocol. An Agency Safety Plan was written in November 2020, which should help alleviate these issues.

Dial-A-Ride Operations

Riders can reserve trips up to two weeks in advance as well as set up rides on a subscription basis. Same-day trip requests can also be made on a space available basis. Dial-A-Ride service is designed to meet the needs of seniors (age 65+) and persons with qualifying disabilities, especially those who are unable to use the Yuba-Sutter Transit fixed-route system. Drivers are given a daily manifest and will call in no-shows and cancellations. The TAPRide system was implemented during the audit period and was advertised as being able to offer automatic cancellations and confirmations as well as a micro-transit feature; however, in May 2020, it was proposed and passed that the TAPRide system be terminated after certain promised functions were not delivered.

There are approximately 30-40 ADA-certified passengers in the Dial-A-Ride database. ADA passengers have made up a relatively small portion of Dial-A-Ride ridership; however, Yuba-Sutter Transit has begun to advertise its ADA service more heavily. Additionally, the service area has seen an influx of new residents who come from areas where ADA services were provided and demand has seen an increase. Dial-A-Ride is available to the general public without eligibility restrictions after 6:00 p.m. each weekday. No-show occurrences are summarized in Table V- 3 below:

Table V-3
Dial-A-Ride No-shows

	FY 2018	FY 2019	FY 2020	FY 2021
No-shows	2,785	2,357	1,283	839

Source: Yuba-Sutter Transit Operations Data

The summary of no-shows during the audit period shows a significant decrease from the previous audit period. After a peak of 2,785 no-shows in FY 2018, the number decreased to 839 in FY 2021. This can be largely attributed to the decrease in requested service due to the COVID-19 pandemic; however, a 15 percent decrease was seen from FY 2018 to FY 2019. While there is no formal policy in place for no-shows, riders are contacted and asked if they plan on continuing to ride. Additionally, if they are signed up for a subscription service, with repeated no-shows the subscription will be canceled and the rider will need to call in to schedule future rides. Yuba-Sutter has marketing material to notify riders on the harmful impacts of no-shows and how they can cancel if needed.

COVID-19 Pandemic Impacts

As impacts from the novel coronavirus (COVID-19) started to be realized in California, a state of emergency was declared on March 4, 2020. The first confirmed COVID-19 cases in Yuba and Sutter Counties was reported on March 21, 2020, with stay-at-home orders issued for the counties on April 6, 2020. In response to the order and pursuant to Centers for Disease Control and Prevention protocols, Yuba-Sutter Transit Authority enacted many new protocols and service modifications.

In early March 2020, Yuba-Sutter issued a memorandum to its riders informing them that they along with Storer Transit Systems had been keeping informed on the outbreak and had been in contact with local health officials, state and national transit associations, and Storer's corporate management for specific recommendations. Vehicle cleaning schedules were increased to include the nightly disinfection of buses that were in service that day, including the frequent disinfection of "touch surfaces" (handrails, stanchions, armrests, etc.) during the service day. Internal communications also increased regarding personal actions that employees should take to protect against contracting or transmitting COVID-19. Beginning March 23, 2020, Yuba-Sutter Transit issued the following changes to encourage social distancing:

- No fares will be collected or required on Yuba-Sutter Transit's local or rural fixed routes or on any Dial-A-Ride buses. All Dial-A-Ride eligibility policies will still apply.
- On local fixed-route buses, passengers who are physically able will be asked to board and exit the bus through the rear door. The front door will still be available to those requiring a ramp.
- Passengers will not be allowed to sit in the first row of seats on Sacramento Commuter and Dial-A-Ride buses.
- The Yuba-Sutter Transit administrative office will be closed to the public except by appointment.

The Authority also added a "COVID-19" tab to their website where riders could stay informed on service changes relating to the pandemic. Following the April 6, 2020, stay-at-home orders, the Authority implemented stricter policies to ensure proper social distancing and to restrict travel to essential only. The policies included the following:

- All passengers must have a destination and passengers will not be allowed to travel more than one direction or one loop without exiting the bus to complete their essential trip purpose.
- No more than 10 passengers will be allowed on any local fixed-route bus.
- Dial-A-Ride buses will be limited to no more than two unrelated passengers.
- No more than two related Dial-A-Ride passengers (one passenger and one companion) can travel at the same time without advance authorization (maximum of four Dial-A-Ride passengers on board at one time).

- A quick release barrier strap has been installed across the aisle on all local fixed-route buses to remind passengers boarding and exiting at the rear door to not approach the driver.

The Authority made several service and fare changes towards the end of April 2020. These included the following:

- Free fare service was continued through June 30, 2020.
- Effective May 1, 2020, Weekday Route 2 Service to be reduced to a Saturday Plus Schedule:
 - Temporarily reduced weekday Route 2 service from half-hour to hourly service frequencies in both directions.
- Effective May 1, 2020, Sacramento Commuter service to be reduced by three AM and three PM schedules:
 - The 3rd and 5th Highway 99 schedules in the morning; the 2nd and 5th Highway 99 schedules in the afternoon; and the 3rd morning and 3rd afternoon Highway 70 schedules were all temporarily suspended.

In June 2020, Yuba-Sutter Transit began operating a limited stop Route 1 Express service to increase capacity and speed travel on this popular crosstown route. The supplemental Route 1 Express buses were scheduled to operate during the peak boarding hours of approximately 9:00 a.m. to 4:00 p.m. each weekday. After an initial 65 percent drop in late March, Yuba-Sutter Transit began to see a steady increase in local fixed-route passengers with the gradual reopening of the area and continued availability of fare-free service. Due to a 12-person capacity limit to provide the necessary social distancing inside the bus, an increasing number of passengers were being passed by at local stops on this route. The Route 1 Express was intended to reduce these occurrences by taking passengers off the regular Route 1 buses with quicker and more direct service to these five stops where they were able to transfer to one or more of the other five routes in the Yuba-Sutter Transit local fixed-route network. Changes to this route were made in August 2020 with the Harter & Walmart Terminal replacing the Walton Terminal and, in addition to the four regularly scheduled Route 1 buses, two express buses operating in opposite directions with service to five high-demand Yuba-Sutter Transit bus stops every half hour between Yuba City and Linda.

The services most heavily impacted by the pandemic were the Sacramento Commuter and Midday Express service. These services saw an 81.4 percent decrease in ridership from FY 2020 to FY 2021. A large percentage of riders who used these services pre-pandemic would purchase monthly passes with the majority of riders being State employees. A combination of the stay-at-home orders as well as many jobs moving to being partially or fully remote led to monthly pass sales dropping significantly. During the audit period, the Authority sent out an email survey to its Sacramento commuters aimed at assessing the reaction to the pandemic and their new service needs. They received 114 responses from the 510 email addresses on their list with 86 percent of those respondents being regular (three or more days a week) pre-COVID riders of the Sacramento service. Of those respondents, 55 percent were riding rarely or never while

another 23 percent were riding less than three days a week with just 17 percent commuting to their workplace full-time. For those who were currently employed, 59 percent were working from home. Of those still commuting, 73 percent did so by bus while 27 percent either drove their own vehicle or rode with someone else. Brochures were also provided that detailed the efforts Yuba-Sutter Transit and Storer Transit Systems were making to keep riders safe on these commuter services.

During the pandemic, in cooperation with Yuba & Sutter County Public Health Departments, free fare on all services was offered for those traveling to COVID-19 vaccination appointments. Yuba-Sutter also provided links on its website to vaccination and testing facilities in Yuba and Sutter Counties. Per nationwide directives, masks were required for both staff and riders. The Authority also joined American Public Transportation Association's Health and Safety Commitments Program in January 2021. This program included transit operators around the country, making a pledge to their passengers that public transit systems were taking the necessary measures to operate safely as the country recovers from the COVID-19 pandemic. The Authority implemented many safety measures, such as daily disinfectant fogging, sanitization between routes, plexiglass driver barriers, and number of passenger limitations.

In accordance with the California lifting its COVID-19 stay-at-home order in June 2021, Yuba-Sutter Transit dropped all on-board passenger capacity limits. Signs blocking off certain seats were removed and all seats became available, allowing full capacity on all buses. As such, the Route 1 Express service ended on June 30, 2021. The changes to the Route 2 frequency and the Sacramento Commuter service remained in effect throughout the duration of the audit period. Overall, ridership has begun to improve though has not yet fully recovered to its pre-pandemic levels. Although as of June 2022 average weekday ridership was up 16 percent on the local fixed-route service, 53 percent on Dial-A-Ride, and 49 percent on the Sacramento service compared to June 2021, average weekday ridership was just 49 percent of what it was in June 2019.

Personnel

The Authority has contracted since October 1, 2019 with Storer Transit Systems for its operations and maintenance personnel. Transdev was the previous contractor. Storer employees are non-union where employment is on an at-will basis. Storer has the equivalent of 78 FTEs. Personnel include 48 full-time drivers, seven dispatchers, one lead dispatcher, two road supervisors, one operations manager, one human resources/office manager, and one dispatch/safety manager. The average years of experience for drivers is 12 years with more drivers weighted on the higher years of experience. Storer strives to promote an environment of open communication and has constant recruitment. Yuba-Sutter has had no issues in finding new drivers; however, it will need to increase its staffing as services return to pre-pandemic levels.

Drivers are recruited through the Storer corporate website. The Yuba-Sutter Transit website also has a link to the Storer employment site. Recruitment takes place through Indeed and “meet-n-greet” interview events. Storer will assist candidates in obtaining their commercial

Class B license with a passenger and air brake endorsements through the DMV along with free virtual training webinars. Drivers are cross-trained on all service modes. Dial-A-Ride operators are required to be General Public Paratransit Vehicle-certified.

The training period is composed of a minimum of 40-80 hours of classroom training and 40-80 hours of behind-the-wheel training. Drivers undergoing training are paid \$15.00 per hour, which increases to \$18.07 per hour at the first step post-training. Drivers also must go through a probationary period in which performance is reviewed during the first six months after appointment and another performance report is conducted prior to permanent appointment to the position. Performance reports on permanent employees are made annually or as required for transfer, layoff, or for any step increase requested.

Monthly safety meetings are held over a period of three days with a two-week notice. These meetings are an opportunity for staff to discuss safety concerns, risk management, customer complaints, new approaches to challenges, etc. Drivers are subject to annual on-board evaluations as well as trail checks involving road supervisors following behind drivers remotely while on the route. After an accident, drivers undergo retraining that consists of a letter detailing those skills that need improvement. Storer recognizes and awards drivers for excellent safety records with bonuses as well as monthly incentive awards for good attendance and a Driver of the Month award. Annual bonuses are based on employment period with \$300 bonuses for drivers with less than 3 years and \$500 bonuses for drivers with over 3 years. Monthly incentive bonuses are \$100.

Routes and shifts are bidded out every 3.5 to 4 months based on seniority. This is an operator decision and has been viewed as positive for morale. A driver can change the type of service (i.e., switch to another bus route, or from bus to Dial-A-Ride) during their shift if the bid allows so. A five-step progressive discipline process is used. The pay scale is based on a step-system, and total compensation includes benefits like health insurance options, dental, vision, life insurance, and a 401(k) retirement plan with an employer match.

Yuba-Sutter Transit provides its employees with a Personnel Handbook. This handbook provides a comprehensive overview of employee-related topics such as compensation, benefits, performance evaluations, conduct rules, etc.

Maintenance

Maintenance personnel is composed of a maintenance manager, seven mechanics, one maintenance clerk, and seven utility workers. The maintenance manager has been with Yuba-Sutter Transit for the past 10 years. It is encouraged that mechanics be Automotive Service Excellence certified. Currently two of the seven mechanics hold this certification along with the maintenance manager. Mechanics have been trained on the new MCI coaches and Gillig buses at the manufacturer facilities in the Bay Area.

There are three operating service bays with lifts out of a total of five bays. Six-post lifts are utilized for the MCI over-the-road coaches. Hours of operation are from 4:30 a.m. to 11:30 p.m. Monday through Saturday. The facility is closed on Sunday.

There are various levels of preventive maintenance inspections (PMIs), including “A,” “B,” “C” and “D” inspections, which are based on standard industry protocols. “A” inspections are completed every 30-45 days or 3,000 miles, whichever comes first, and include a safety check and base inspection. Brakes are inspected during every “A” inspection. “B” inspections include oil changes and are done every 5,000 to 10,000 miles depending on the make of the vehicle. Oil and transmission service are performed according to factory specifications. “C” inspections are for larger items such as spark plug replacement or transmission service. The “C” inspections occur every 24,000 miles. “D” service inspections occur every 48,000 miles, which involve changing the differential oil and renewing dryer cartridge and replacing purge valves on commuter buses.

Yuba-Sutter Transit utilizes Ron Turley and Associates’ fleet maintenance software program to track PMIs and the parts inventory. The Authority owns its tires. Major mechanical/body work and paint work are outsourced. Mechanics have access to parts, which are ordered and monitored by the maintenance clerk. Parts are barcoded. The parts inventory is subject to spot checks and monthly cycle counts. Supply chain issues have been felt due to the pandemic as necessary parts to keep fleet maintained have been back-ordered.

Diesel fuel is purchased on the spot market and is delivered every 10 to 12 days. Fueling of vehicles is conducted by the utility workers. There are three diesel fueling pumps on-site. Unleaded gasoline is purchased on a card-lock basis through a local vendor, Ramos Oil CFN, at stations located in Marysville and Yuba City.

Drivers conduct daily pre-trip inspections. If there is an issue, the driver will notify dispatch and maintenance. A measure of maintenance performance is the number of recorded incidents that are related to equipment breakdown. The daily road call sheet displays the date, route number, vehicle number, driver, and problem. The number of road calls derived from the daily road call sheet are shown in Table V-4:

Table V-4
Yuba-Sutter Transit Road Calls

	FY 2018	FY 2019	FY 2020	FY 2021
Small Vehicles	56	48	15	9
Large Vehicles	81	78	72	33
Total	137	126	87	42

Source: Yuba-Sutter Transit

The number of road calls reported by Yuba-Sutter Transit have shown a downward trend. While road calls have decreased in response to limited service during the pandemic, these calls were also on the decline from FY 2018 to FY 2019. New buses were added to the fleet during the

audit period, which would help alleviate some of the road call and staffing issues; however, with data skewed by the pandemic, the effect of these new vehicles on this data is unclear. The 2013 Gilligs incurred the most issues over the audit period, a positive sign that the newer fleet vehicles may be addressing some of the road call issues experienced in the past.

Yuba-Sutter Transit administration has increased its oversight of maintenance. A maintenance audit was budgeted for FY 2019; however, with the transition from Transdev to Storer, this audit is no longer needed. Quarterly spot audits on records are being conducted by staff to ensure maintenance intervals are being adhered to. Storer Transit has a strong reputation in regards to their maintenance standards in both predictive and preventative maintenance, which the decrease in road calls can be partially attributed to as well.

Planning

Towards the end of the previous audit period and into the audit period covered in this report, Yuba-Sutter Transit developed a Corridor Enhancement Plan for their popular Route 1 service which, at the time, carried 34 percent of the total local fixed-route ridership. The Corridor Enhancement Plan aimed to provide analysis and conceptual site designs, explore existing conditions, and establish bus stop parameters, but was mainly focused on supporting capital improvements to Route 1's five key transit centers and other bus facilities. In addition, a Battery Electric Bus Feasibility analysis was completed and served as the basis for the Authority's eventual land purchase for the construction of the Next Generation Transit Maintenance, Operations and Administration Facility, as the corridor study determined that the current facility would not be adequately equipped to operate enough zero emission vehicles to meet service requirements. The final version of this plan was presented in September 2018. While the pandemic has put a hold on many potential improvements that the plan had presented, this report could still serve as the basis of future service and operational changes as ridership recovers from COVID-19 impacts.

The latest Short Range Transit Plan (SRTP) was the 2015 Yuba-Sutter Transit Authority SRTP, adopted in April 2015. The SRTP's five-year planning horizon covered years 2015-2020. The 2015 SRTP was composed of 10 chapters: introduction, existing community conditions, review of existing transit services, outreach efforts and survey summaries, transit demand, service alternatives, capital alternatives, institutional/management alternatives, financial alternatives, and the implementation plans.

The SRTP was conducted to assess transit and related transportation issues in Yuba and Sutter Counties and to provide a "road map" for improvements to the public transit program, which included a series of recommendations centered on service improvements and marketing strategies. A synopsis of those recommendations includes the following:

1. Revise Route 2 to improve on-time performance by eliminating the Washington/Clark/Ainsley loop.
2. Revise Route 4A to serve Linda rather than Yuba City.

3. Extend the service day one additional hour on weekdays and Saturday.
4. Implement Yuba College Sutter County Center Shuttle Service.
5. Expand Routes 1 and 3 to 20-minute service frequency and modify Routes 3 and 6.
6. Implement earlier State Route 99 PM commuter run.
7. Implement efficiencies to the Dial-A-Ride service: (1) increase vehicle service hours over time by 16 percent; (2) reduce Dial-A-Ride service area; (3) gradually increase the age of eligibility from 62 to 65; and (4) eliminate the general public Dial-A-Ride eligibility.
8. Implement transit fleet improvements involving the replacement of 18 larger buses and 16 smaller buses between 2015 and 2023.
9. Implement advanced technologies such as real-time traveler information systems, Wi-Fi service on the commuter buses, and CAD/AVL software.
10. Adopt updated goals and performance measures.
11. Expand management staff by one position.

Yuba-Sutter Transit has been able to implement some of these proposed recommendations over the course of the audit period, most notably its goals to implement advanced technologies, its replacement of its aging fleet, and bus stop enhancements done through its bus stop enhancement project. Due to reduced ridership since FY 2015, the Authority decided to delay implementation of the major service enhancement recommendations for system growth from the 2015 SRTP. The effects of the pandemic have compounded this need to defer system growth changes as the Authority looks to adapt and reassess its needs in a post-pandemic society that has changed ridership habits industry-wide.

The 2015 SRTP covered up to FY 2020. The pandemic delayed the development of a new SRTP; however, plans for a new SRTP are in motion following the audit period. In January 2022, a Request for Proposals was issued by Yuba-Sutter Transit to select a qualified firm to perform a Comprehensive Operational Analysis (COA)/Short-Range Transit Plan (SRTP). The goal of this new analysis and plan will be to review the Authority's operations and provide recommendations based on extensive data analysis, public outreach, and industry best practices for deploying various public transportation modes. The COA/SRTP, known as the Yuba-Sutter NextGen Transit Plan, will consider an entire spectrum of service options ranging from minor modifications to a full "reset" of the system. The documents produced through this contract will capture the vision that most successfully explores the relationships between effective transit and land use, population growth, and employment patterns as well as social equity and areas of high transit need.

Looking toward the future of the public transit industry, the NextGen Transit Plan is an in-depth study of the Yuba-Sutter Transit system aimed at reviewing the current and potential riders, areas for improvement, changes experienced since the pandemic, and how to best serve both current and future passengers. By reducing travel time, improving service frequencies and connections where possible, and introducing new and innovative transit options where feasible, Yuba-Sutter hopes to improve upon its services provided. Yuba-Sutter Transit is actively engaged with the public on this plan with on-bus, online, and telephone surveys, stakeholder outreach, public meetings and meetings with various committees, and marketing material distribution. Riders can go to www.yubasutternextgen.com to take the survey and register to hear more about the project updates. QR codes are also available on buses where riders can scan and take the survey on their phones.

As Yuba-Sutter Transit plans for the future of its operations, they have identified potential areas of challenges. Aside from the effects of the COVID-19 pandemic, they see a challenge in their ability to effectively and efficiently meet the anticipated demand for transit service, as all approved or large-scale developments in Yuba and Sutter Counties are in areas in which public transportation is largely nonexistent. This would stretch the Authority thin in establishing even a minimum level of service to these areas. This issue is compounded by the fact that aside from the fees to be collected by Yuba County for the development and operation of two park-and-ride lots, routine impact fees have not been required from these new developments for the capital and operating revenue necessary to serve these developments. An additional challenge relates to the projections that expect a rise in the senior and persons with disabilities populations in the service area. This would put a strain on the current Dial-A-Ride services as service was already operating at or near capacity levels during peak periods prior to the pandemic.

Marketing

Yuba-Sutter Transit utilizes various media and strategies to market its services despite a constrained marketing and promotion budget. The Authority has continued to rely on printed collateral such as the glossy multi-fold ride guides for route and service mode information. The ride guides include a map, schedules, fares, and general ridership information. The Dial-A-Ride brochure was translated into Punjabi. Yuba-Sutter also publishes a monthly newsletter containing service updates and customer service highlights. The Authority also maintains an email list for the Sacramento Commuter Express service. The email database has more than 500 passengers. While the Authority has social media accounts that could serve as marketing tools, they do not have the staffing needed to maintain these accounts regularly. It is estimated that 0.5 FTE is necessary to keep these accounts active.

Yuba-Sutter Transit's website (<https://www.yubasuttertransit.com/>) was updated in FY 2017 and meets accessibility and transparency requirements. The website contains quick links to the monthly newsletter, trip planner, route overview, Dial-A-Ride, fares, Connect Card, customer services, Authority meetings, and public notices. A Google Translate widget is in the upper left-hand corner of the website for non-English speaking users. Other links include press releases, advertising, and Transit in Motion videos.

Passenger amenities implemented during the audit period have included free on-board Wi-Fi service on all local fixed-route and commuter buses. The Wi-Fi feature was initially rolled out on 13 commuter buses and was so well-received by passengers that it was added to 22 local fixed-route buses as well in March 2019. Passengers can check email and surf the internet during their trip. Other technology enhancements have included the DoubleMap tracking app, which allows users to receive real-time service alerts, bus location data, and time of arrival projections from any internet-connected device.

The Authority continued to receive Feather River Air Quality Management District funding for the deeply discounted monthly youth, senior, and disabled pass program. The program has continually been renewed with support being extended through March 2023. Without this additional funding, higher rider pass prices would likely have a significant impact on both ridership and fare revenue. Since July 2020, the Authority has also received funding for a \$20 subsidy on the cost of basic general-public monthly bus passes through funding from the State Low Carbon Transit Operations Program (LCTOP) under a three-year demonstration program.

The Authority administers an advertising program through its bus shelters. Yuba-Sutter Transit's 15-year agreement with Stott Outdoor Advertising for the provision of advertising-related services on bus stop shelters, benches, and bus exteriors expired on February 28, 2017, and continued on a month-to-month basis. In May 2017, Yuba-Sutter Transit released a Request for Proposals for the transit advertising program and received one response from Stott Outdoor Advertising and a new 10-year deal was signed through September 2027. In August 2021, Stott sent a notice to the Authority requesting agency consent to assign their contract to Lamar Transit, LLC, or another wholly owned operating subsidiary of Lamar Advertising Company effective on September 1, 2021. This request was accepted.

Pursuant to the federal Civil Rights Act of 1964, the Authority has an adopted Title VI Program. Title VI of the Civil Rights Act of 1964 requires that no person in the United States, on the grounds of race, color, or national origin, be excluded from, be denied the benefits of, or be subjected to discrimination, under any program or activity receiving federal financial assistance. During the audit period, the Title VI program was updated in August 2020. The Yuba-Sutter Transit Title VI Program compliance includes Title VI notice posted on the website, in all transit vehicles, and at the Authority's office. The Authority has provided this notice in English and Spanish. Complaint forms are available on the website.

General Administration and Management

Under its JPA, the Yuba-Sutter Transit Authority is governed by a Board of Directors that is composed of two elected representatives from each of the four member jurisdictions: Sutter County, Yuba County, the City of Marysville, and the City of Yuba City. Regular monthly board meetings are held at 4:00 p.m. on the third Thursday of each month in the Board of Supervisors Chambers of the Yuba County Government Center at 815 Eighth Street in Marysville.

The Authority is administered by a staff of five: an executive director, finance program manager, planning program manager, program analyst, and administrative assistant. The executive director has been with the Authority since 1987 and received the 2018 Leadership/Distinguished Service Award at the 2018 CalACT Conference in Newport Beach.

The budget cycle begins with the review of the prior year's fiscal audit in January. The current year's budget actuals are reviewed along with proposed service changes. Draft budget findings are previewed with the board in February. The JPA stipulates that a proposed budget be submitted to the board by the end of March prior to the start of each fiscal year and that a final budget be adopted by the end of May. This adoption schedule is designed to provide early notice to the member jurisdictions of the annual apportionment of LTF contributions for inclusion in their own budget process. Less than 50 percent of the budget comes from LTF funding.

At the beginning of the audit period, the Authority contracted with Transdev for operations and maintenance services and personnel. The initial three-year contract term that began in October 2014 expired in September 2017 but contained two indexed one-year extension options at the sole discretion of Yuba-Sutter Transit. The Authority exercised both one-year extension options, which ran through September 2019. Each option was based on a CPI adjustment with a minimum increase of 2 percent and a maximum increase of 4 percent.

Yuba-Sutter Transit released a Request for Proposals in May 2019 for a new contract service provider to operate and maintain Yuba-Sutter Transit's services for a base term of four years with two Authority options for two additional years each, for a maximum possible term of eight years. The existing contract was scheduled to expire on September 30, 2019. Transdev and its predecessor companies had held this contract since 1998.

Proposals were received from four service providers, including the incumbent. At its July 18, 2019, meeting, the Yuba-Sutter Transit Board conditionally accepted the recommendation of the ad hoc proposal review committee and authorized the execution of a service contract with Storer Transit Systems effective October 1, 2019. The terms of this agreement would be effective through and including September 30, 2023, with the ability to extend the agreement for up to two option terms of two years for a maximum contract length of eight years until September 30, 2027. The amounts payable to Storer for the period of October 1, 2019, through September 30, 2023, will not exceed \$26,013,770.

Effective May 1, 2020, an amendment to the agreement with Storer Transit Systems was established in response to the COVID-19 pandemic. This amendment sought to establish a commitment to maintain workforce staffing levels throughout the pandemic.

Pursuant to the TDA, Yuba-Sutter Transit receives LTF proceeds and STA funds. The Authority has been a direct claimant of TDA funding since the 1990s. TDA funding is used primarily for operating expenditures and certain capital projects. Based on annual financial audit data, LTF revenues received during the audit period were \$2,789,800 in FY 2019; \$2,800,000 in FY 2020; and \$2,800,000 in FY 2021. The allocation of LTF revenues is based on the amount required to balance the budget after all other revenues are calculated. In FY 2019, it was found that the Authority claimed TDA revenues in excess of actual transit operation expenses by \$686,099. The Authority obtained approval from SACOG to retain the excess amount for future operating reserves.

STA revenue is Yuba-Sutter Transit's single source of ongoing state transit funding and has historically been the primary source of local matching funds for federal capital grants. STA revenues available to Yuba-Sutter Transit were \$1,530,001 in FY 2019; \$1,599,196 in FY 2020; and \$966,676 in FY 2021. Of these funds, all were expended in FY 2019; \$244,421 in FY 2020; and none in FY 2021 with the balance being retained by Yuba-Sutter Transit for use in future years. Prior to the COVID-19 pandemic, about \$1.6 million in STA funds were expected to be available to Yuba-Sutter Transit for both FY 2020 and FY 2021; however, the FY 2021 figure was revised significantly downward as fuel consumption had dropped dramatically due to the pandemic. The Authority received \$3,835,560 in CARES Act funding that offset the reduced use of STA revenue during the review period. The Transit Operators' Financial Transactions Reports sent to the State Controller are generally prepared by the finance program manager and signed by the general manager.

The Authority's most recent Federal Transit Administration (FTA) triennial review was conducted in 2018 and included site visits on June 26 and 27, 2018. The review examined compliance in 20 areas. Deficiencies were found with FTA requirements in two areas: Title VI and ADA. The Title VI deficiency pertained to Language Assistance Plan implementation and the ADA deficiency concerned documentation on filing an ADA complaint. All deficiencies were addressed, and corrections were made by September 5, 2018.

Grants Administration

The Authority's approach to grant administration is delegated according to the type. Once a grant is awarded, it is administered by the finance program manager. During the audit period, Yuba-Sutter Transit utilized a variety of federal and state grants to support its operations and capital procurement efforts. Being outside the Sacramento urbanized area for purposes of federal transit funding, Yuba-Sutter Transit receives a separate share of federal funds from those disbursed in Sacramento County, which has multiple transit systems. This separate funding grants the Authority more local control of its capital projects and excludes the agency from being part of the SACOG transit capital prioritization process for the limited urbanized funds.

Yuba-Sutter Transit receives federal formula for operations and capital. FTA Section 5307 urbanized formula funds have historically been used for capital projects, but a greater percentage of these flexible federal funds has been used for operations due to the 10-year Proposition 1B State Bond Program. The Authority generally receives between \$2.2 million and \$2.6 million in FTA Section 5307 funds annually; however, with the availability of CARES Act and American Rescue Plan funds at the end of the audit period, these funds are being carried over to future years primarily for capital uses. The Authority received \$3,673,115 in federal CARES Act Section 5307 funds and \$162,445 CARES Act Rural Area Program Section 5311 Funds in FY 2021 based on audited data. The Authority self-reported \$1,000,000 in federal CARES Act Section 5307 funds and \$130,000 CARES Act Rural Area Program Section 5311 Funds in FY 2020 NTD reports.

Funding received through FTA Section 5311 has been used to support rural services such as serving Foothill, Live Oak, Wheatland, and Plumas Lake on the Sacramento Commuter and Midday Express services. These funds can be used for both operating and capital assistance subject to a 55.33 percent federal funding limitation (88.53 percent for capital expenditures). The Authority also receives funds through FTA Section 5339, which makes federal resources available to designated recipients to replace, rehabilitate, and purchase buses and related equipment and to construct bus-related facilities, including technological changes or innovations to modify low or no emission vehicles or facilities. A combination of funds available through FTA Sections 5311 and 5339 were used to purchase new vehicles during the audit period, although the majority of funds for these purchases came from Proposition 1B Public Transportation Modernization, Improvement & Service Enhancement Account (PTMISEA) funding. Yuba-Sutter prepares and submits quarterly milestone reports through FTA's Transit Award Management System.

State grant funds received have been derived from several programs. The Authority had accrued \$3,398,487 in PTMISEA funds going into FY 2019, which the Authority used for the purchase of new fleet vehicles over the audit period. No additional PTMISEA funds were received in FY 2020 and FY 2021. The Authority also received funds through the State of Good Repair (SGR) Program, which was established by the California Legislature in 2017 by Senate Bill 1. SGR provides public transportation agencies with a consistent and dependable revenue source to invest in the upgrade, repair, and improvement of the transportation infrastructure and improve transportation services. SACOG has elected to treat these funds on a cost reimbursement basis. In November 2019, the Authority used \$735,455 of SGR funds toward the purchase of 8 Gillig Fixed Route buses.

In addition, the Authority received funds through the LCTOP. The LCTOP provides funds to transit agencies to reduce greenhouse gas emissions and improve mobility through operating and capital grants. The Authority received \$226,068 of LCTOP funding for zero-emission bus purchases during FY 2019. In FY 2020, the Authority received \$40,331 of LCTOP funding for Yuba College shuttle service and \$296,631 for the Enhanced Sacramento Commuter Peak Service. In FY 2021, \$338,142 in LCTOP funding was received. These LCTOP funds are also used to provide a \$20 subsidy on the cost of monthly bus passes under a three-year demonstration

program covering this audit period and covers the costs associated with periods of free fare to bolster ridership.

On July 23, 2021, the Authority closed escrow on a 19.72-acre parcel of land at 6035 Avondale Avenue in Marysville, California, for a new transit operations, maintenance, and administration facility, tapping into its STA funds balance of \$903,377 (site was purchased for \$899,900). The new Next Generation Zero-Emission Bus Operations, Maintenance, and Administration Facility Project will replace the existing transit facility and support a zero-emission public bus fleet conversion and future service expansion in the Yuba-Sutter bi-county area. The site also has sufficient space for solar power generation to meet the project's energy needs and/or for other future co-developments, such as a mobility hub that could support multiple transportation modes, such as shared vehicles, vehicle charging, and bike or scooter sharing. The preliminary cost estimate for final project facility design, environmental assessment, construction, and battery electric bus infrastructure is \$42.5 million. This estimate includes all items needed to move into the facility and operate electric buses. As additional electric buses are purchased, additional chargers will be installed. The Authority intends to fund the project with a mix of federal, state, and local funds and has begun applying for funds at all levels. As of the end of FY 2021, the Authority has secured \$194,456 in State LCTOP funds and has begun setting aside STA funds for this project.

Section VI

Findings

The following summarizes the findings obtained from this triennial audit covering fiscal years 2019 through 2021. A set of recommendations is then provided.

Triennial Audit Findings

1. Of the compliance requirements pertaining to Yuba-Sutter Transit, the operator fully complied with all nine requirements. Two additional compliance requirements did not apply to the Authority (i.e., exclusive rural and farebox recovery ratios).
2. Yuba-Sutter Transit's farebox recovery ratio remained above the required 14.6 percent standard in FY 2019 and FY 2020. For the three-year audit period, the farebox recovery ratio was 18.52 percent in FY 2019; 16.57 percent in FY 2020; and 8.95 percent in FY 2021. In FY 2021, the farebox recovery ratio fell below the required 14.6 percent; however, AB 90, signed into legislation on June 29, 2020, was enacted in response to the COVID-19 pandemic's impact on transit operators to hold them harmless for significant decreases in ridership and fare revenues. The average system-wide farebox recovery ratio was 14.68 percent during the triennial review period. Farebox ratios are audited figures from the TDA fiscal audits.
3. For the first time since 1993, cash fares on the local fixed-route service increased effective July 1, 2019. At the same time, fares increased for all other services as well .
4. Through its contract operator, Yuba-Sutter Transit participates in the CHP Transit Operator Compliance Program and received vehicle inspections within the 13 months prior to each TDA claim. Satisfactory ratings were made for all inspections conducted during the audit period.
5. The operating budget exhibited modest increases during the audit period before decreasing in FY 2021. There was an increase of 3.4 percent in FY 2019 followed by a 11.9 percent increase in FY 2020 that can be attributed to unfunded CalPERS liability payments. For FY 2021, the budget decreased 4.5 percent.
6. Yuba-Sutter Transit is in the process of implementing two prior audit recommendations, while a third was implemented. The first recommendation in process of implementation pertained to a continued pursuit of marketing plans and strategies aimed at targeting new markets and employing new engagement tools to retain and grow its ridership. The second pertained to performing data analysis using results from newly invested technology systems. The third prior recommendation that was implemented pertained to employing enhanced maintenance oversight as part of its new operations contract.

7. Operating costs system-wide increased by 3.8 percent using audited data from FY 2018 base year to FY 2021. Fixed and commuter route operating costs increased by 11.1 percent while Dial-A-Ride costs decreased by 13.4 percent using unaudited modal data. On an average annual basis, system-wide costs increased 1.3 percent, with the highest increase of 4.6 percent occurring in FY 2020 preceded by a 0.5 percent increase in FY 2019. Operating costs remained relatively constant during the COVID-19 pandemic while ridership and service decreases significantly impacted operating cost ratios during the audit period.
8. Ridership decreased 66 percent system-wide from 1,022,636 trips during the FY 2018 base year to 347,891 trips during FY 2021. The 65.5 percent decrease in fixed route/commuter passenger trips and 71.7 percent decrease in Dial-A-Ride mirrored the system-wide trend. The drastic decrease in ridership can be attributed to the effects of COVID-19 beginning in FY 2020; however, there was also an 8.9 percent decrease in ridership between FY 2018 and FY 2019. This decrease in ridership prior to 2020 can be attributed to the overall industry trends as well as the geographic disbursement of trip generators in the Sacramento region, which has impacted commuter ridership.
9. The provision of vehicle service hours and miles system-wide decreased by 18 percent and 19.8 percent, respectively. At the modal level, fixed route/commuter service hours decreased 10.7 percent and miles decreased 10.3 percent. Dial-A-Ride service hours decreased 34.7 percent and service miles decreased 46.2 percent.
10. Operating cost per passenger, an indicator of cost effectiveness, increased 205.2 percent system-wide from \$7.10 during the FY 2018 base year to \$21.68 during FY 2021. Cost per passenger increased 222.4 percent on fixed route/commuter and increased 206.4 percent on Dial-A-Ride. The trend reflects the effects of COVID-19 on ridership. While operating costs remained constant comparatively, ridership fell dramatically during the pandemic. By comparison, operating cost per passenger system-wide increased roughly 10 percent from FY 2018 to FY 2019 while jumping roughly 105 percent from FY 2020 to FY 2021.
11. Operating cost per hour, an indicator of cost efficiency, increased 26.5 percent system-wide from \$86.94 during the FY 2018 base year to \$110.01 during FY 2021. The indicator increased 24.4 percent on fixed route/commuter and increased 32.6 percent on Dial-A-Ride. The trend is reflective of the effects of COVID-19 on service hours as service was reduced during FY 2020 and FY 2021 while operating costs remained consistent.
12. Effective October 2019, Yuba-Sutter Transit signed a four-year contract with Storer Transit Systems as the new operator of their transit services. This contract is in place through September 2023 with extensions available for a maximum contract term of eight years through September 2027. This contract replaced the previously held operating contract held by TransDev Services, Inc. signed and effective October 2014.
13. After a steady increase in ridership over 25 years, Yuba-Sutter Transit began to see ridership decline since its peak in FY 2015. Prior to the pandemic, ridership figures were on the

decline, with contributing factors including the elimination of the paper transfer (“transfer-for-a-transfer”) policy, which were implemented in September 2015 as part of the restructuring of routes including Routes 1 and 4, but made for an improved ride experience. The pandemic has exacerbated this issue, with ridership down 66 percent from FY 2018.

14. Connect Card implementation in July 2018 saw the phaseout of paper transfers and fare media such as the monthly passes. Monthly passes are now purchased with the Connect Card. Approximately 60 percent of boardings on Yuba-Sutter Transit are now executed by Connect Card. This has also sped up the boarding process, thus reducing dwell times. This transition to paperless fares was also important in maintaining distancing and reducing contact during the pandemic. While it has been implemented well, Yuba-Sutter Transit believes it will soon be obsolete as an account-based system that allows passengers to load their accounts remotely is going to be pursued.
15. Maintenance personnel is composed of a maintenance manager, seven mechanics, one parts clerk, one utility supervisor, and four utility workers. Storer Transit Systems has an Accountability and Incentive Program designed to reward its employees for their performance throughout the year. Full-time employees can earn a yearly cash bonus in the amount of \$300.00 or \$500.00 based on years with the company. Part-time employees can earn a yearly cash bonus in the amount of \$150.00–\$375.00 based on years with the company. A monthly \$100 bonus is awarded during the monthly Safety Committee Meeting to two employees with perfect safety ratings that month.
16. Yuba-Sutter Transit’s website has been updated to meet accessibility and transparency requirements. A 2018 FTA triennial review found deficiencies in Yuba-Sutter Transit’s Language Assistance Plan as well as its ADA complaint process. These deficiencies pertained to the translation options of the website, translation of important rider documents such as route brochures and Title VI complaint forms, and translation of ADA complaint instructions/documents. These deficiencies were addressed with the addition of a Google Translate tool to the website as well as all important ADA, Title IV, and route brochures being available in Spanish on the website. The website contains quick links to the monthly newsletter, trip planner, route overview, Dial-A-Ride, fares, Connect Card, customer services, Authority meetings, and public notices.
17. Passenger amenities implemented during the audit period have included free on-board Wi-Fi service on all local fixed-route and commuter buses. The Wi-Fi feature was initially rolled out on 13 commuter buses and was so well-received by passengers that it was added to 22 local fixed-route buses in March 2019.
18. Yuba-Sutter Transit awarded a contract to DoubleMap in October 2018 to develop and install a CAD/AVL system which would include real-time arrival information for all services from any internet-connected device. This system came online in May 2019. In May 2020, it was proposed and passed unanimously to terminate the CAD system of the DoubleMap contract, noting that there were multiple issues with the TapRide system including functions

that were promised and not delivered. This action would result in a savings of \$64,000 over the five-year contract. DoubleMap is still utilized for its AVL capabilities. Yuba-Sutter plans to look into alternative options for a new CAD system.

19. The Authority is administered by a staff of five employees: an executive director, finance program manager, planning program manager, program analyst, and administrative assistant. The executive director has been with the Authority since 1987. A new program analyst was hired in February 2019 and a new administrative assistant was hired in March 2019.
20. Yuba-Sutter Transit was awarded a Caltrans Sustainable Transportation Planning Grant to develop a Corridor Enhancement Plan for its Route 1 service, with the final plan being presented to the Board in September 2018. The plan aimed to review existing conditions, design parameters, and Route 1 transit center/bus stop program and design options, as well as battery electric bus feasibility. This Corridor Enhancement Plan was critical in the eventual land purchase for the construction of the Next Generation Transit Maintenance, Operations and Administration Facility as the corridor study determined that the current facility would not be adequately equipped to operate enough zero emission vehicles to meet service requirements.
21. Yuba-Sutter Transit received a planning grant from Caltrans in 2019 to develop the Resilient Next Generation Transit Facility Project to begin the process of replacing the existing maintenance, operations, and administration facility. In July 2021, Yuba-Sutter Transit took a step toward the construction of the Next Generation Transit Maintenance, Operations and Administration Facility by purchasing a 19.7-acre property at 6035 Avondale Avenue in Linda. Next steps are to begin accumulating the necessary funding to design and construct what is expected to be a \$40 million facility.
22. In addition to its Next Generation Transit Facility Project, Yuba-Sutter Transit is looking toward the future of the public transit industry through its NextGen Transit Plan. The NextGen Transit Plan is an in-depth study of the Yuba-Sutter Transit system aimed at reviewing the current and potential riders, areas for improvement, changes experienced since the pandemic, and how to best serve both current and future passengers. By reducing travel time, improving service frequencies and connections where possible, and introducing new and innovative transit options where feasible, Yuba-Sutter hopes to improve upon its services provided. Yuba-Sutter Transit is actively engaged with the public on this plan with on-bus, online, and telephone surveys, stakeholder outreach, public meetings and meetings with various committees, and marketing material distribution. Riders can go to www.yubasutternextgen.com to take the survey and register to hear more about the project updates. QR codes are also available on buses where riders can scan and take the survey on their phones.

Recommendations

1. Continue pursuit of marketing plans and strategies. (High Priority)

This recommendation is being carried forward in this audit for full implementation. The prior audit suggested that Yuba-Sutter Transit management continue to improve its overall marketing effectiveness by updating the marketing plan and tying the programs and campaigns to specific strategies and tactics to ensure a consistent marketing program. The update would include budgets and timelines for each program or campaign as well as an overall marketing budget. The Authority generally sets aside less than 1 percent of the operating budget for marketing activities, which limits current marketing planning and implementation.

The updated COA/STRP is expected to include a full marketing plan aimed at engaging riders and growing ridership. Ridership growth will be essential in a full recovery from the pandemic. It is also suggested that perhaps Yuba-Sutter Transit consider adding that 0.5 FTE necessary to maintain social media and other marketing accounts if it can be budgeted for.

2. Research and implement new technology systems aimed at providing data analysis previously desired. (Medium Priority)

The previous audit recommended that Yuba-Sutter Transit perform data analysis using results from its newly invested technology systems such as DoubleMap.

While the DoubleMap software had been implemented during the audit period, there have been some challenges related to its advertised abilities. Auto collection of data such as on-time performance is available; however, the data requires additional labor to format to the needs of the Authority and overall it has proven challenging to use the software effectively. Yuba-Sutter has continued to track performance data manually as they have not viewed the DoubleMap data as reliable. In May 2020, it was proposed and passed unanimously to terminate the CAD system of the DoubleMap contract, noting that there were multiple issues with the TapRide system including functions that were promised and not delivered. While some data from this system has proven useful and is being considered when conducting analysis of services, the new COA will look into alternatives to replace this technology.

It is recommended that Yuba-Sutter Transit follow through with its plans to look into alternatives to DoubleMap, one that can provide accurate and reliable data to reduce the need for manual recording of data and thus free up resources of staff as well as providing better data analysis of services that can be used in future planning.

**3. Consider new mobile fare payment options.
(Medium Priority)**

Beginning in 2011, Yuba-Sutter Transit joined eight other transit operators in the six-county Sacramento region and SACOG by becoming a party to, and participating actively in, an Memorandum of Understanding for the design and development of the Connect Card System. An estimated \$48,000 for Yuba-Sutter Transit's share of operating expenses for the regional Connect Card electronic fare card system was covered with state funds from the Low Carbon Transit Operations Program.

Full implementation of the Connect Card took effect on July 1, 2018, and staff has been promoting its usage. Connect Card implementation saw the phaseout of paper transfers and fare media such as the monthly passes. Monthly passes are now purchased with the Connect Card. Approximately 60 percent of boardings on Yuba-Sutter Transit are now executed by Connect Card. This has also sped up the boarding process, thus reducing dwell times.

While the Connect Card program has been successful, Yuba-Sutter Transit has expressed concerns about its longevity into the future as a mobile payment option. Yuba-Sutter Transit has looked into potential options, such as the CCJPA Transit & Intercity Rail Capital Program Grant, for a regional contactless fare payment program, to future-proof its fare payment system. This particular program makes it possible for passengers to tap either a bank card or a smartphone to pay their fare and eventually even make a reservation for a trip and pay for the whole trip in advance. It is recommended that Yuba-Sutter Transit continue to pursue this option or consider other possible grant opportunities to provide protection against the Connect Card system becoming obsolete.

**4. Aim to improve preventable accidents based on new reporting protocol.
(Medium Priority)**

Yuba-Sutter Transit has had an excellent safety record in prior audit periods when Transdev was the contracted operator. With the transition to Storer Transit as the contracted operator, there was a significant jump in accidents, and particular accidents deemed "preventable." The driving factor in this significant jump relates to the accident reporting protocols of Storer Transit compared to Transdev. The previous contractor did not report mirror strikes, curb strikes, damages that were fixed in-house (e.g., scratches that were buffed out by the contractor's staff), and no-damage accidents. Storer treats all of these cases as accidents to get a better understanding of preventable versus non-preventable accidents and causes. Storer considers that no-cost accidents carry an administrative cost, so all no-cost accidents are a minimum value of \$250. They also treat curb strikes (rubbing the sidewall of a tire on the sidewalk) as an accident, since the driver hit a fixed object and the bus requires inspection at a minimum. The goal of this stricter protocol is to change driver habits to meet the expectations Storer has for its drivers. An Agency Safety Plan was written in November 2020, which should help alleviate these issues.

Now that the drivers have had time under Storer management and have had a chance to understand these new expectations, it is recommended that Yuba-Sutter Transit and Storer

work to decrease the number of preventable accidents occurring each year. While safety and driving incentive awards are available for drivers, other incentives or penalties should be considered to reduce the rate of preventable accidents.