



FINAL REPORT
APRIL 2020

City of Moorpark

Ventura County Transportation Commission

Triennial Performance Audit for FY 2017 - FY 2019



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Chapter 1

Executive Summary

In 2019, the Ventura County Transportation Commission (VCTC) selected Moore & Associates, Inc. to prepare Triennial Performance Audits of itself as the RTPA as well as the nine public transit programs to which it allocates TDA funding. As one of the six statutorily designated County Transportation Commissions in the SCAG region, VCTC also functions as the respective county RTPA.

The California Public Utilities Code requires all recipients of Transit Development Act (TDA) Article 4 funding to undergo an independent performance audit on a three-year cycle in order to maintain funding eligibility. The City of Moorpark does not receive Article 4 funding and is not statutorily required to be audited, nor has it traditionally been held to the requirements of the TDA. However, the Ventura County Transportation Commission (VCTC), as the RTPA, requested the City be audited to enable a comprehensive and objective review so as to provide beneficial insights into program performance as well as establish a baseline for future audits. This is the second Triennial Performance Audit of the City of Moorpark.

The Triennial Performance Audit (TPA) of the City of Moorpark's public transit program covers the three-year period ending June 30, 2019. The Triennial Performance Audit is designed to be an independent and objective evaluation of the City of Moorpark as a public transit operator, providing operator management with information on the economy, efficiency, and effectiveness of its programs across the prior three years. In addition to assuring legislative and governing bodies (as well as the public) that resources are being economically and efficiently utilized, the Triennial Performance Audit fulfills the requirement of PUC Section 99246(a) that the RTPA designate an entity other than itself to conduct a performance audit of the activities of each operator to whom it allocates funds.

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

- Fiscal Year 2016/17,
- Fiscal Year 2017/18, and
- Fiscal Year 2018/19.

The City of Moorpark's transit program is marketed as Moorpark City Transit (MCT), which provides general public transit service on two fixed routes within Moorpark. The service operates Monday through Friday from 6:15 a.m. to 6:00 p.m. The City also contracts with a local provider to operate a summer Beach Bus linking designated stops in Moorpark to Zuma Beach in Malibu. In 2019, the service provided two round trips per day, Tuesday through Thursday, from June to August. A 2017 service evaluation determined on-time performance for the two regular fixed routes was 95 percent or higher.

The City currently provides weekday Senior DAR and ADA Paratransit services. The service is open to individuals with a valid ADA certification as well as Moorpark residents aged 65 and above. Paratransit services operate during the same hours as the fixed-route service.

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Additionally, the City of Moorpark provides transit service through the East County Transit Alliance (ECTA) to Camarillo, Simi Valley, Thousand Oaks, and unincorporated portions of eastern Ventura County. By coordinating with other transit service providers in the region, the City enhances the ability to travel across the various jurisdiction within the eastern portion of the county.

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

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

The Triennial Performance Audit includes five elements:

- Compliance requirements,
- Follow-up of prior report recommendations (where applicable),
- Analysis of program data reporting,
- Performance Audit, and
- Functional review.

TDA Compliance

With one exception, the City of Moorpark met the test of compliance with respect to Transportation Development Act (TDA) regulations:

1. The City did not submit its FY 2017/18 State Controller Report prior to the January 31, 2019 deadline.

Status of Prior Recommendations

The prior audit – completed in 2017 by Moore & Associates, Inc./Ma and Associates for the three fiscal years ending June 30, 2016 – prescribed two recommendations for the City of Moorpark:

1. [Work with City staff responsible for preparing State Controller Reports to ensure submittal deadlines are met.](#)
Status: Implemented.
2. [File a separate Specialized Services report with the State Controller for the City's Dial-A-Ride program.](#)
Status: No longer relevant.

Findings and Recommendations

Based on discussions with City and its transit operations staff, analysis of program performance, and a review of program compliance and function, the audit team submits one compliance finding for the City of Moorpark.

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1. The City did not submit its FY 2017/18 State Controller Report prior to the January 31, 2019 deadline.

The auditors also identified one functional finding. While this finding is not a compliance finding, we feel it is significant enough to be addressed within this audit.

1. While the City has identified local revenues to bring it into compliance with the TDA's farebox recovery ratio requirement, there are still challenges with the sustainability of the City's public transit program.

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

Exhibit 1.1 Summary of Audit Recommendations

TDA Compliance Recommendations		Importance	Timeline
1	Continue to ensure State Controller Reports are submitted in a timely manner.	Low	Ongoing
Functional Recommendations		Importance	Timeline
2	The City should explore opportunities to reduce its operating cost (through service reductions, resource reallocations, and/or new service offerings) prior to exhausting its TSM funds.	Medium	Within 2-3 years

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Chapter 2

Audit Scope and Methodology

The Triennial Performance Audit (TPA) of the City of Moorpark's public transit program covers the three-year period ending June 30, 2019. The California Public Utilities Code requires all recipients of Transit Development Act (TDA) funding to complete an independent review on a three-year cycle in order to maintain funding eligibility. While the City does not receive TDA Article 4 funding, VCTC has elected to conduct a triennial performance audit of the City's transit program.

In 2019, the Ventura County Transportation Commission selected Moore & Associates, Inc. to prepare Triennial Performance Audits of itself as the RTPA, the five transit operators to which it allocates TDA Article 4 funding, and four additional transit operators that do not receive TDA Article 4 funding. Moore & Associates is a consulting firm specializing in public transportation. Selection of the consultant followed a competitive procurement process.

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

As it receives no funding under Article 4, the City of Moorpark is not statutorily required to undergo a Triennial Performance Audit, nor has it traditionally been held to the requirements of the TDA. However, the Ventura County Transportation Commission (VCTC), as the RTPA, requested the City be audited to enable a comprehensive and objective review to provide beneficial insights into program performance and to establish a baseline for future audits. As such, the same tests of compliance will be applied to the City as if it received TDA Article 4 funds.

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

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

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Objectives

A Triennial Performance Audit has four primary objectives:

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

Scope

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

1. A review of compliance with TDA requirements and regulations.
2. An assessment of the implementation of recommendations contained in prior performance audits.
3. Verification of the methodology for calculating performance indicators including the following activities:
 - Assessment of internal controls,
 - Test of data collection methods,
 - Calculation of performance indicators, and
 - Evaluation of performance.
4. Examination of the following functions:
 - General management and organization;
 - Service planning;
 - Scheduling, dispatching, and operations;
 - Personnel management and training;
 - Administration;
 - Marketing and public information; and
 - Fleet maintenance.
5. Conclusions and recommendations to address opportunities for improvement based upon analysis of the information collected and the audit of the transit operator's major functions.

Methodology

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

- Monthly performance reports;
- State Controller Reports;
- Annual budgets;
- TDA fiscal audits;
- Transit marketing collateral;
- Fleet inventory;

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- Preventive maintenance schedules and forms;
- California Highway Patrol Terminal Inspection reports;
- Accident/road call logs; and
- Customer complaint logs.

The methodology for this audit included a site visit to Moorpark city hall (799 Moorpark Avenue) on January 28, 2020. The audit team met with Program Manager Shaun Kroes and reviewed materials germane to the triennial review. The audit team also conducted interviews and a site visit with the City of Thousand Oaks and its operations contractor (MV Transportation) on January 28, 2020. This activity included tours of the City of Thousand Oaks' Municipal Service Center as well as the City Transportation Center, which houses dispatching and operations personnel.

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

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

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Chapter 3

Program Compliance

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

The City of Moorpark does not receive Article 4 funding and is therefore not statutorily required to be audited, nor has it traditionally been held to the requirements of the TDA. However, the Ventura County Transportation Commission (VCTC), as the RTPA, requested the City be audited to enable a comprehensive and objective review to provide beneficial insights into program performance and to establish a baseline for future audits. As such, the same tests of compliance will be applied to the City as if it received TDA Article 4 funds.

Compliance was determined through discussions with City staff as well as a physical inspection of relevant documents including the fiscal audits for each year of the triennium, State Controller annual filings, California Highway Patrol terminal inspections, year-end performance reports, and other compliance-related documentation.

With one exception, the City of Moorpark met the test of compliance with respect to Transportation Development Act (TDA) regulations:

1. The City did not submit its FY 2017/18 State Controller Report prior to the January 31, 2019 deadline.

Changes Regarding Compliance

Several changes specific to the TDA and TDA funding went into effect July 1, 2016, and remained in full effect throughout the audit period. The first was a policy approved by VCTC which mandated funding originally received through the TDA would be classified as TDA funding even after being passed through to another entity. This disallowed the use of TDA funds passed from one claimant to another to be used as local support in the calculation of the farebox recovery ratio.

The second change was an amendment to the Public Utilities Code specific to the definition of operating cost and what costs can be excluded. It should be noted that many of the exclusions pertain only to *changes* in certain costs, either over the prior year or beyond the change in the Consumer Price Index. They do not apply to *all* costs related to specified exclusion categories.

Senate Bill 508, dated October 9, 2015, amended Section 99268.17 to read as follows:

99268.17 (a) Notwithstanding subdivision (a) of Section 99247, the following costs shall be excluded from the definition of “operating cost” for the purposes of calculating any required ratios of fare revenues to operating cost specified in this article:

(1) The additional operating costs required to provide comparable complementary paratransit service as required by Section 37.121 of Title 49 of the Code of Federal Regulations, pursuant to the federal Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 120101 et seq.), as identified in the operator’s paratransit plan pursuant to Section 37.139 of Title 49 of the Code of Federal Regulations that exceed the operator’s costs required to provide comparable paratransit service in the prior year as adjusted by the Consumer Price Index.

(2) Cost increases beyond the change in the Consumer Price Index for all of the following:

- (A) Fuel.
- (B) Alternative fuel programs.
- (C) Power, including electricity.
- (D) Insurance premiums and payments in settlement of claims arising out of the operator’s liability.
- (E) State and federal mandates.

(3) Startup costs for new services for a period of not more than two years.

(b) The exclusion of costs from the definition of operating costs in subdivision (a) applies solely for the purpose of this article and does not authorize an operator to report an operating cost other than as defined in subdivision (a) of Section 99247 or a ratio of fare revenue to operating cost other than as that ratio is described elsewhere in this article, to any of the following entities:

- (1) The Controller pursuant to Section 99243.
- (2) The entity conducting the fiscal audit pursuant to Section 99245.
- (3) The entity conducting the performance audit pursuant to Section 99246.

Reporting forms for the State Controller for FY 2016/17 were not updated to reflect these exclusions. Reporting forms were updated and in place for FY 2017/18 and FY 2018/19. However, it is important for agencies to ensure any exclusions from operating cost are clearly itemized within TDA audits or other farebox revenue ratio calculations so that compliance can be clearly assessed.

The third change, also contained within Senate Bill 508, related to the type of funds that can be used to supplement farebox revenue. Prior to this bill, “local funds” was defined as “revenues derived from taxed imposed by the operator or by a county transportation commission.” S.B. 508 amended Section 99268.19 to read:

99268.19 If fare revenues are insufficient to meet the applicable ratio of fare revenues to operating cost required by this article, an operator may satisfy that requirement by

supplementing its fare revenues with local funds. As used in this section, “local funds” means any nonfederal or nonstate grant funds or other revenues generated by, earned by, or distributed to an operator.

This expanded definition opened up new revenue sources that can be used to offset farebox shortfalls. Applicable revenues include funds received through advertising, interest income, sale of surplus vehicles, and other such sources. While these funds are no longer limited to those generated by local taxes, they cannot be state or federal funds.

The Future of the Transportation Development Act¹

In the nearly 50 years since the passage of the Transportation Development Act, there have been many changes to public transportation in California. Many operators continue to face significant challenges in meeting the farebox recovery ratio requirement, and it calls into question whether that remains the best measure for TDA compliance. In 2018, the chairs of California’s state legislative transportation committees requested the California Transit Association spearhead a policy task force to examine the TDA.

Numerous meetings were conducted with the TDA task force across a full year. Other efforts included input from state-level stakeholders as well as transit agencies. It also reviewed the results of two research projects requested by legislative leaders and conducted by the UCLA Institute of Transportation Studies. Two particularly important conclusions were:

- The state’s goals for transit have changed and broadened considerably since 1971 when the TDA became law and 1978 when the farebox recovery requirement was added; and
- A survey of California transit and regional agency professionals reveals the current TDA requirements appear to influence agency management decisions in ways that do not align with the state’s current goals for transit.

The task force then set forth a draft framework for TDA reform that maintained the farebox recovery requirement but significantly changed how it would be applied. The draft framework:

1. Retains TDA’s current farebox recovery requirements as an important data set for policymakers at all levels. The ratios would be targets that all transit agencies should try to hit.
2. Removes financial penalties associated with missing farebox recovery requirements for all agencies.
3. Requires agencies that miss their required farebox recovery for three years in a row be given the option in year four to either 1) develop and submit an action plan to the RTPA that details the steps it will take to meet its farebox recovery requirement; or 2) develop new targets, in collaboration with the RTPA, that monitor the transit agency’s contribution to local, community, regional, or statewide goals.

¹ Letter from Rick Ramacier, State Legislative Committee Chair, California Transit Association, and Joshua W. Shaw, Executive Director, California Transit Association to California Transit Association members, RTPAs, and other public transit systems. Subject: Transportation Development Act Reform – A Draft Framework (inclusive of Attachment 1, Draft Framework). Dated January 8, 2020.

4. Adjusts some aspects of the farebox recovery ratio definitions for the numerator and denominator, and lower the basic targets, to better reflect current goals and objectives for public transit, and to more realistically accommodate today's most pressing transit challenges and unfunded mandates.

While these proposed changes to the TDA legislation have yet to be finalized and enacted, it is very likely the TDA will undergo significant revisions during the next audit period. As a result, the test of compliance may look quite different in subsequent triennial performance audits.

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Exhibit 3.1 Transit Development Act Compliance Requirements

Compliance Element	Reference	Compliance	Comments
State Controller Reports submitted on time.	PUC 99243	Finding	FY 2016/17: January 31, 2018 FY 2017/18: February 5, 2019 FY 2018/19: January 16, 2020
Fiscal and compliance audits submitted within 180 days following the end of the fiscal year (or with up to 90-day extension).	PUC 99245	In compliance	FY 2016/17: December 8, 2017 FY 2017/18: January 8, 2019 FY 2018/19: December 6, 2019
Operator's terminal rated as satisfactory by CHP within the 13 months prior to each TDA claim.	PUC 99251 B	In compliance	<i>MV Transportation/City of Thousand Oaks</i> September 8, 2016 September 26, 2017 October 2, 2018 November 7, 2019 (Unsatisfactory) (reinspection pending)
Operator's claim for TDA funds submitted in compliance with rules and regulations adopted by the RTPA.	PUC 99261	In compliance	
If operator serves urbanized and non-urbanized areas, it has maintained a ratio of fare revenues to operating costs at least equal to the ratio determined by the rules and regulations adopted by the RTPA.	PUC 99270.1	Not applicable	
An operator receiving allocations under Article 8(c) may be subject to regional, countywide, or subarea performance criteria, local match requirements, or fare recovery ratios adopted by resolution of the RTPA.	PUC 99405	Not applicable	While the City receives Article 8(c) funding, it is not subject to alternative compliance criteria.
The operator's operating budget has not increased by more than 15% over the preceding year, nor is there a substantial increase or decrease in the scope of operations or capital budget provisions for major new fixed facilities unless the operator has reasonably supported and substantiated the change(s).	PUC 99266	In compliance	FY 2016/17: -9.04% FY 2017/18: +0.81% FY 2018/19: +12.65% A 22% increase to the capital budget in FY 2017/18 was justified for projected expenditures for transit stop improvements and improvements to the City's Metrolink Station. <i>Source: TDA Article 8(c) claims, FY 2017 – FY 2019</i>
The operator's definitions of performance measures are consistent with the Public Utilities Code Section 99247.	PUC 99247	In compliance	

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Compliance Element	Reference	Compliance	Comments
If the operator serves an urbanized area, it has maintained a ratio of fare revenues to operating cost at least equal to one-fifth (20 percent).	PUC 99268.2, 99268.4, 99268.1	In compliance	<p>FY 2016/17: 34.33% FY 2017/18: 24.97% FY 2018/19: 24.67%</p> <p>Fare revenue is supplemented by a route guarantee funded through the City's locally generated TSM funds.</p> <p><i>Source: TDA 8(c) Fiscal Audits, FY 2017 – FY 2019</i></p>
If the operator serves a rural area, it has maintained a ratio of fare revenues to operating cost at least equal to one-tenth (10 percent).	PUC 99268.2, 99268.4, 99268.5	Not applicable	
For a claimant that provides only services to elderly and handicapped persons, the ratio of fare revenues to operating cost shall be at least 10 percent.	PUC 99268.5, CCR 6633.5	Not applicable	The City does not evaluate its Dial-A-Ride program separate from the system as a whole when calculating its farebox recovery ratio.
The current cost of the operator's retirement system is fully funded with respect to the officers and employees of its public transportation system, or the operator is implementing a plan approved by the RTPA, which will fully fund the retirement system for 40 years.	PUC 99271	In compliance	City employees are eligible for retirement benefits through CalPERS. Operations personnel are contracted through a third party.
If the operator receives State Transit Assistance funds, the operator makes full use of funds available to it under the Urban Mass Transportation Act of 1964 before TDA claims are granted.	CCR 6754 (a) (3)	In compliance	
In order to use State Transit Assistance funds for operating assistance, the operator's total operating cost per revenue hour does not exceed the sum of the preceding year's total plus an amount equal to the product of the percentage change in the CPI for the same period multiplied by the preceding year's total operating cost per revenue hour. An operator may qualify based on the preceding year's operating cost per revenue hour or the average of the three prior years. If an operator does not meet these qualifying tests, the operator may only use STA funds for operating purposes on a sliding scale.	PUC 99314.6	In compliance	

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

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Chapter 4

Prior Recommendations

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

The prior audit – completed in 2017 by Moore & Associates, Inc./Ma and Associates for the three fiscal years ending June 30, 2016 – prescribed two recommendations for the City of Moorpark:

1. [Work with City staff responsible for preparing State Controller Reports to ensure submittal deadlines are met.](#)

Discussion: Public Utilities Code Section 99243 requires transit operators in receipt of TDA Article 4 funds to submit annual reports to the State Controller within 90 days following the end of the fiscal year (110 days if filing electronically). The submittal dates for the FY 2014/15 and FY 2015/16 reports were outside the timeframe specified by the State Controller’s Office. The submittal date for FY 2014/15 was November 18, 2015, when the deadline for submittal was October 19, 2015. The submittal date for FY 2015/16 was December 30, 2016, when the deadline for submittal was October 18, 2016.

Several challenges can result in reports being submitted late, including difficulties with the State’s FTP system, the unavailability of final data, and lack of awareness regarding submittal deadlines. All City staff responsible for preparing the State Controller Report for transit should be made aware of the specific deadline for each year (typically included in the annual letter from the State Controller).

Progress: Beginning with FY 2016/17, the deadline for submittal of the State Controller Reports was extended to January 31. In FY 2016/17 and FY 2018/19, the reports were submitted on time. In FY 2017/18, the State Controller Report was submitted on February 5, 2019, five calendar days (and three business days) following the deadline. Despite the delay in FY 2017/18, it appears the City has put procedures in place to ensure timely completion of its State Controller Reports.

Status: Implemented.

2. [File a separate Specialized Services report with the State Controller for the City’s Dial-A-Ride program.](#)

Discussion: Given the City’s Dial-A-Ride program is an eligibility-based service for seniors and persons with disabilities, it should be reported in a separate Specialized Services report. The City currently reports its Dial-A-Ride program as the demand-response mode on the City’s primary State Controller Report.

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The City's Dial-A-Ride program is an eligibility-based program serving only seniors and persons with disabilities. As such, it should be reported separately via a Specialized Services report. Unless instructed otherwise by the State Controller's Office, the City should file a separate Specialized Services Report for its Dial-A-Ride program, thereby segregating all operating costs as well as performance data and calculating farebox recovery ratio for that mode separately.

Progress: The City decided not to pursue this recommendation as it has not been required for them to do so in prior years. Absent subsequent direction by VCTC or the State Controller's Office to begin such submittals, this recommendation will be considered no longer relevant.

Status: No longer relevant.

Chapter 5

Performance Analysis

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

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

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

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

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

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

Operating Cost

The Transportation Development Act requires an operator to track and report transit-related costs reflective of the Uniform System of Accounts and Records developed by the State Controller and the California Department of Transportation. The most common method for ensuring this occurs is through a compliance audit report prepared by an independent auditor in accordance with California Code of Regulations Section 6667². The annual independent financial audit should confirm the use of the Uniform System of Accounts and Records. *Operating cost* – as defined by PUC Section 99247(a) – excludes the following:

² CCR Section 6667 outlines the minimum tasks which must be performed by an independent auditor in conducting the annual fiscal and compliance audit of the transit operator.

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

Vehicle Service Hours and Miles

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

Passenger Counts

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

Employees

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

Fare Revenue

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

TDA Required Indicators

To calculate the TDA indicators for the City of Moorpark, the following sources were employed:

- Operating Cost was not independently calculated as part of this audit. Operating Cost data were obtained via State Controller Reports for each fiscal year covered by this audit. Operating Cost from the reports was compared against that reported in the City's audited

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

financial reports and was determined to be consistent with TDA guidelines and accurately reflects the costs for the City's transit services. In accordance with PUC Section 99247(a), the reported costs excluded depreciation and other allowable expenses.

- Fare Revenue was not independently calculated as part of this audit. Fare Revenue data were obtained via State Controller Reports for each fiscal year covered by this audit. Fare revenue from the reports is consistent with TDA guidelines.
- Vehicle Service Hours (VSH) data were obtained via State Controller Reports for each fiscal year covered by this audit. Data from these reports were then compared with information included within the City's monthly performance data summary reports. The City's calculation methodology is consistent with PUC guidelines.
- Vehicle Service Miles (VSM) data were obtained via State Controller Reports for each fiscal year covered by this audit. Data from these reports were then compared with information included within the City's monthly performance data summary reports. The City calculates VSM by subtracting deadhead and out-of-service miles subtracted from total vehicle mileage (as noted on each vehicle's odometer). This methodology is consistent with PUC guidelines.
 - Unlinked trip data were obtained from State Controller Reports for each fiscal year covered by this review. Data from these reports was compared with information included within the City's monthly performance data summary reports. The City's calculation methodology is consistent with PUC guidelines.
 - Full-Time Equivalent (FTE) methodology was provided by the City of Moorpark and the City of Thousand Oaks (for contracted services) and is consistent with the TDA definition.

System Performance Trends

System operating cost increased nearly 87 percent across the six-year period, with the greatest increase taking place in FY 2015/16. During the audit period, operating cost only increased by a total of 30.8 percent. Fare revenue saw a net decrease of 10.1 percent across the six-year period. However, slight increases during FY 2014/15 and FY 2015/16 were offset by decreases in FY 2016/17 and FY 2018/19.

Vehicle service hours (VSH) experienced a net decrease of 2.4 percent since FY 2013/14. The most significant changes took place in FY 2014/15 (9.5 percent increase) and FY 2016/17 (9.5 percent decrease). Vehicle service miles (VSM), on the other hand, saw a net increase of 1.9 percent over the same period, though VSM decreased by 3.5 percent during the audit period. Ridership saw a net decrease of 22.4 percent across the six-year period, with the greatest decrease (12.3 percent) occurring in FY 2016/17.

All metrics related to operating cost increased during the audit period, indicating a decline in cost-efficiency. Passenger-related metrics generally decreased, indicating a decline in productivity. Unsupplemented farebox recovery decreased from 5.8 percent in FY 2016/17 to 5.0 percent in FY 2018/19.

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Exhibit 5.1 System Performance Indicators

Performance Measure	System-wide					
	FY 2013/14	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19
Operating Cost (Actual \$)	\$654,629	\$686,032	\$933,949	\$1,094,280	\$1,210,149	\$1,221,985
Annual Change		4.8%	36.1%	17.2%	10.6%	1.0%
Fare Revenue (Actual \$)	\$68,433	\$69,414	\$71,818	\$63,875	\$69,021	\$61,498
Annual Change		1.4%	3.5%	-11.1%	8.1%	-10.9%
Vehicle Service Hours (VSH)	9,430	10,323	9,628	8,718	9,325	9,208
Annual Change		9.5%	-6.7%	-9.5%	7.0%	-1.3%
Vehicle Service Miles (VSM)	149,341	169,473	157,643	140,478	156,221	152,101
Annual Change		13.5%	-7.0%	-10.9%	11.2%	-2.6%
Passengers	72,183	76,590	72,310	63,416	57,183	56,032
Annual Change		6.1%	-5.6%	-12.3%	-9.8%	-2.0%
Employees	8	12	12	12	12	10
Annual Change		50.0%	0.0%	0.0%	0.0%	-16.7%
Performance Indicators						
Operating Cost/VSH (Actual \$)	\$69.42	\$66.46	\$97.00	\$125.52	\$129.77	\$132.71
Annual Change		-4.3%	46.0%	29.4%	3.4%	2.3%
Operating Cost/Passenger (Actual \$)	\$9.07	\$8.96	\$12.92	\$17.26	\$21.16	\$21.81
Annual Change		-1.2%	44.2%	33.6%	22.6%	3.1%
Passengers/VSH	7.65	7.42	7.51	7.27	6.13	6.09
Annual Change		-3.1%	1.2%	-3.1%	-15.7%	-0.8%
Passengers/VSM	0.48	0.45	0.46	0.45	0.37	0.37
Annual Change		-6.5%	1.5%	-1.6%	-18.9%	0.6%
Farebox Recovery	10.5%	10.1%	7.7%	5.8%	5.7%	5.0%
Annual Change		-3.2%	-24.0%	-24.1%	-2.3%	-11.8%
Hours/Employee	1178.8	860.3	802.3	726.5	777.1	920.8
Annual Change		-27.0%	-6.7%	-9.5%	7.0%	18.5%
TDA Non-Required Indicators						
Operating Cost/VSM	\$4.38	\$4.05	\$5.92	\$7.79	\$7.75	\$8.03
Annual Change		-7.7%	46.4%	31.5%	-0.6%	3.7%
VSM/VSH	15.84	16.42	16.37	16.11	16.75	16.52
Annual Change		3.7%	-0.3%	-1.6%	4.0%	-1.4%
Fare/Passenger	\$0.95	\$0.91	\$0.99	\$1.01	\$1.21	\$1.10
Annual Change		-4.4%	9.6%	1.4%	19.8%	-9.1%

Source: State Controller Reports.

Note 1: Given data from the End-of-Year Transit Statistics (used for the analysis by mode) may not reflect all program operating costs, there is a variance between mode-specific financial data and system-wide financial data.

Note 2: Fare revenue does not reflect supplemental local funds provided through a route guarantee.

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Exhibit 5.2 System Ridership

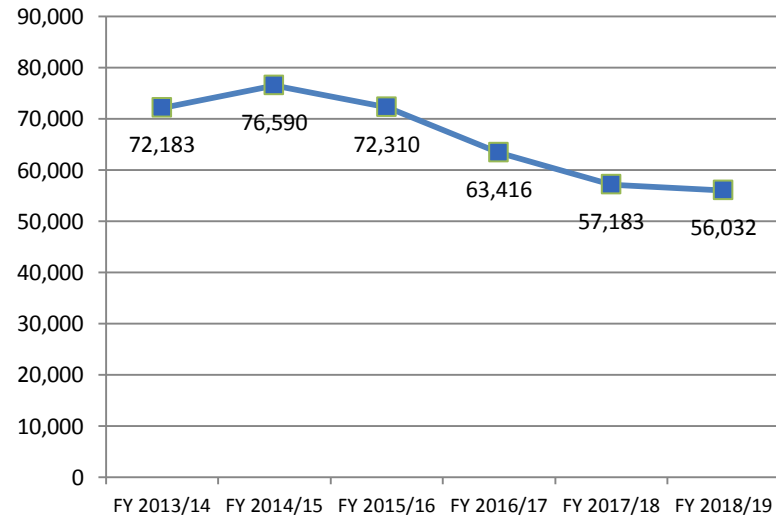


Exhibit 5.3 System Operating Cost/VSH

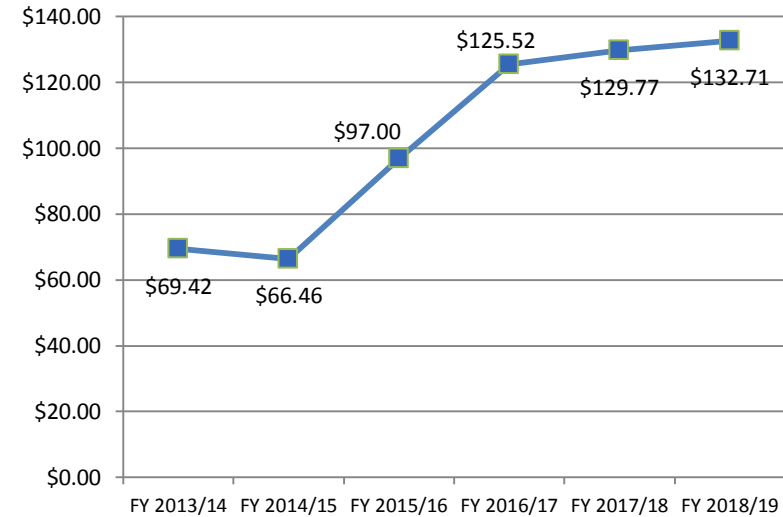


Exhibit 5.4 System Operating Cost/VSM

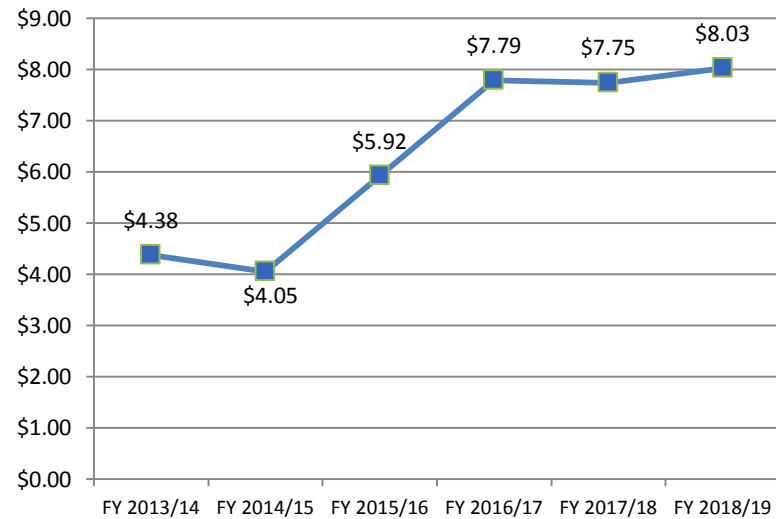
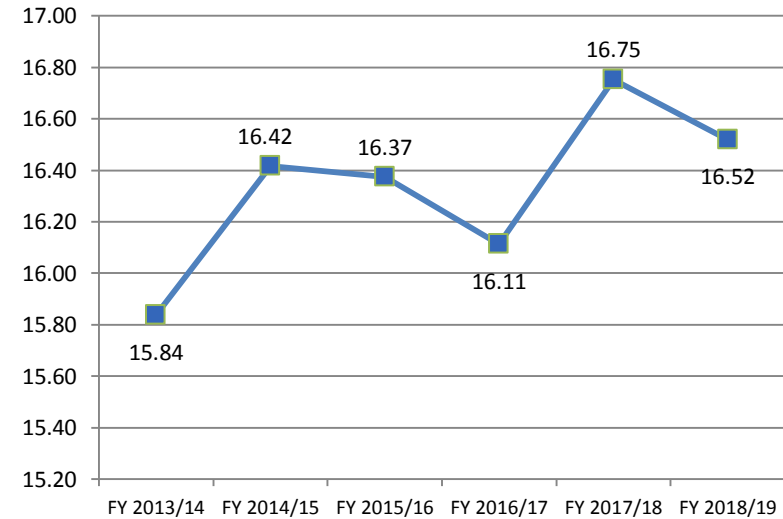


Exhibit 5.5 System VSM/VSH



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Exhibit 5.6 System Operating Cost/Passenger

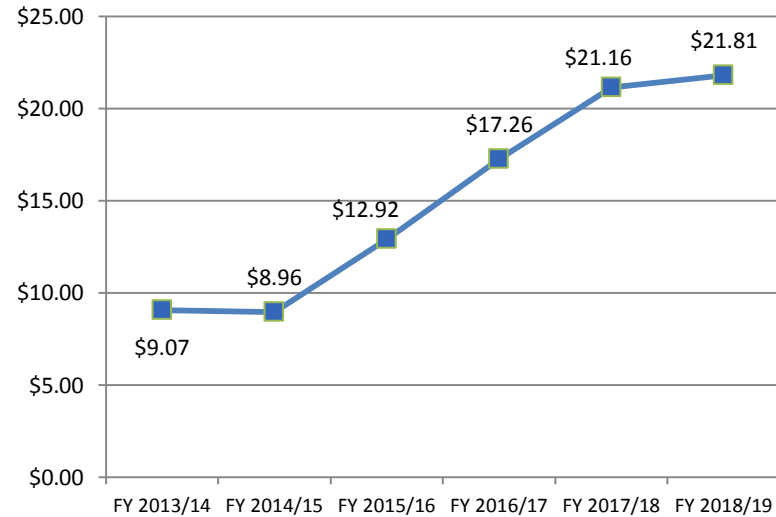


Exhibit 5.7 System Passengers/VSH

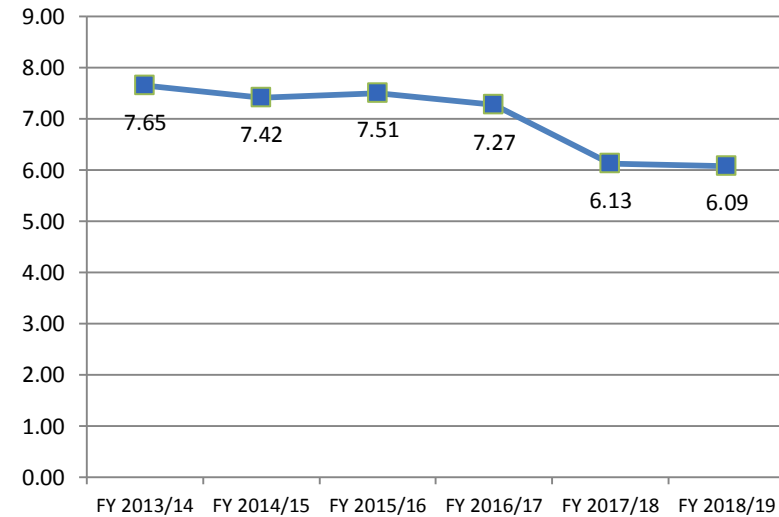


Exhibit 5.8 System Passengers/VSM

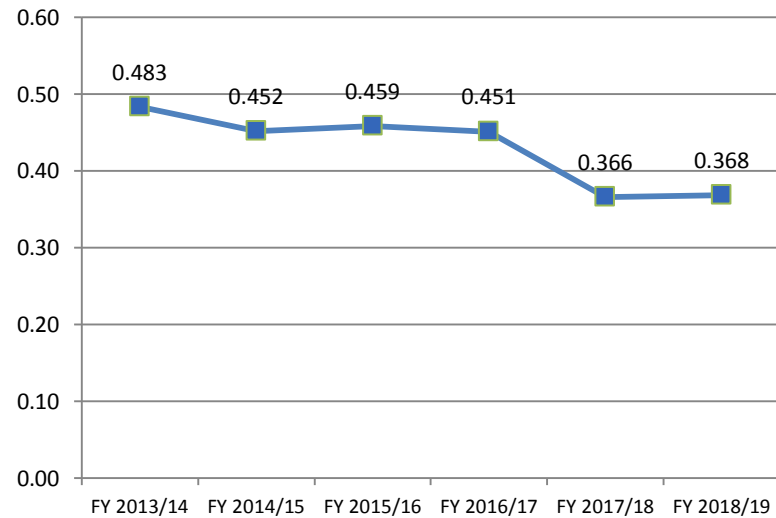
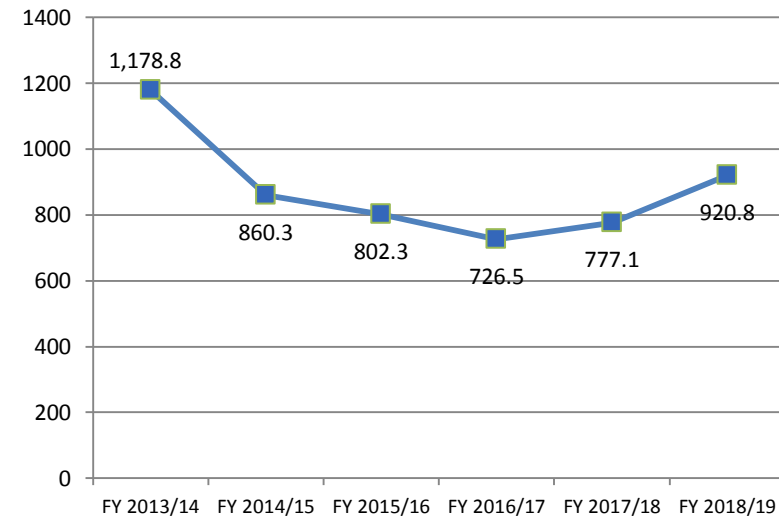


Exhibit 5.9 System VSH/FTE



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Exhibit 5.10 System Farebox Recovery

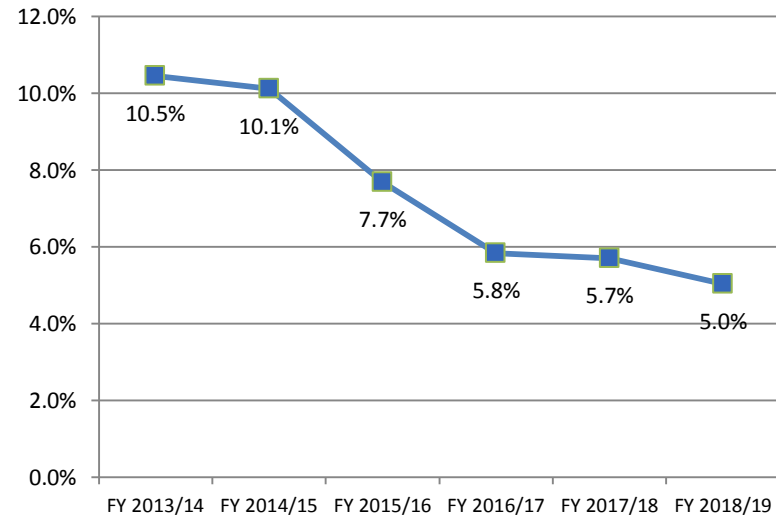
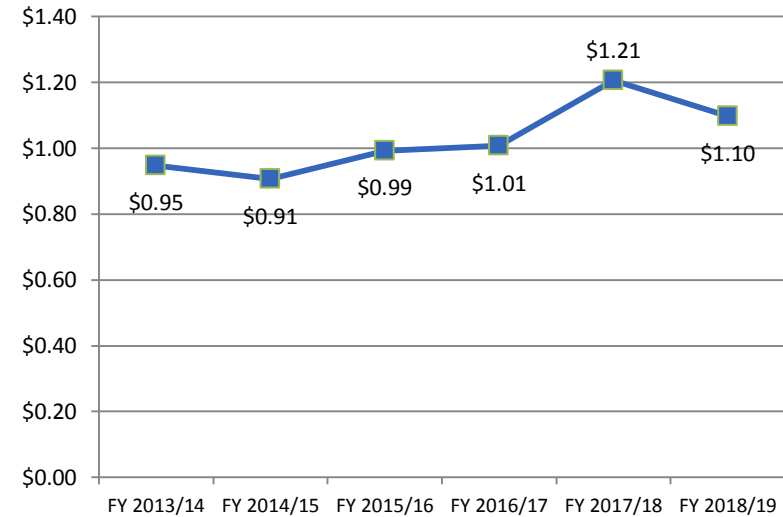


Exhibit 5.11 System Fare/Passenger



Fixed-Route Performance

Mode-specific data is from the End-of-Year Transit Statistics and may not reflect all program operating costs. As a result, there is a variance between mode-specific financial data and the system-wide financial data (which is taken from the State Controller's Report) used in Exhibits 5.1 through 5.11.

Fixed-route operating cost decreased by 12.5 percent across the six-year period, with the greatest decrease occurring in FY 2017/18. Fare revenue saw a net decrease of 43.9 percent across the six-year period. The greatest decreases took place during FY 2015/16 and FY 2016/17.

Vehicle service hours (VSH) experienced a net decrease of 25.3 percent since FY 2013/14. The most significant change took place in FY 2016/17 (20 percent decrease). Vehicle service miles (VSM) also saw a net decrease of 28.2 percent over the same period, with the most significant decrease in FY 2016/17 (19.4 percent). Ridership experienced a net decrease of 27.3 percent across the six-year period, with the decline continuing throughout the audit period.

All metrics related to operating cost increased during the audit period, indicating a decline in cost-efficiency. Passenger-related metrics generally decreased, indicating a decline in productivity. Unsupplemented farebox recovery decreased from 7.7 percent in FY 2016/17 to 7.3 percent in FY 2018/19.

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Exhibit 5.12 Fixed-Route Performance Indicators

Performance Measure	Fixed-Route					
	FY 2013/14	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19
Operating Cost (Actual \$)	\$584,522	\$646,618	\$586,688	\$548,668	\$473,723	\$511,694
<i>Annual Change</i>		10.6%	-9.3%	-6.5%	-13.7%	8.0%
Fare Revenue (Actual \$)	\$66,919	\$67,748	\$52,245	\$42,068	\$36,852	\$37,569
<i>Annual Change</i>		1.2%	-22.9%	-19.5%	-12.4%	1.9%
Vehicle Service Hours (VSH)	7,741	8,007	7,368	5,896	5,780	5,782
<i>Annual Change</i>		3.4%	-8.0%	-20.0%	-2.0%	0.0%
Vehicle Service Miles (VSM)	116,141	117,745	107,296	86,506	84,231	83,416
<i>Annual Change</i>		1.4%	-8.9%	-19.4%	-2.6%	-1.0%
Passengers	68,229	71,170	66,491	58,361	50,714	49,608
<i>Annual Change</i>		4.3%	-6.6%	-12.2%	-13.1%	-2.2%
Employees	5	9	9	9	9	7
<i>Annual Change</i>		80.0%	0.0%	0.0%	0.0%	-22.2%
Performance Indicators						
Operating Cost/VSH (Actual \$)	\$75.51	\$80.76	\$79.63	\$93.06	\$81.96	\$88.50
<i>Annual Change</i>		6.9%	-1.4%	16.9%	-11.9%	8.0%
Operating Cost/Passenger (Actual \$)	\$8.57	\$9.09	\$8.82	\$9.40	\$9.34	\$10.31
<i>Annual Change</i>		6.1%	-2.9%	6.5%	-0.6%	10.4%
Passengers/VSH	8.81	8.89	9.02	9.90	8.77	8.58
<i>Annual Change</i>		0.8%	1.5%	9.7%	-11.4%	-2.2%
Passengers/VSM	0.59	0.60	0.62	0.67	0.60	0.59
<i>Annual Change</i>		2.9%	2.5%	8.9%	-10.8%	-1.2%
Farebox Recovery	11.4%	10.5%	8.9%	7.7%	7.8%	7.3%
<i>Annual Change</i>		-8.5%	-15.0%	-13.9%	1.5%	-5.6%
Hours/Employee	1548.2	889.7	818.7	655.1	642.2	826.0
<i>Annual Change</i>		-42.5%	-8.0%	-20.0%	-2.0%	28.6%
TDA Non-Required Indicators						
Operating Cost/VSM	\$5.03	\$5.49	\$5.47	\$6.34	\$5.62	\$6.13
<i>Annual Change</i>		9.1%	-0.4%	16.0%	-11.3%	9.1%
VSM/VSH	15.00	14.71	14.56	14.67	14.57	14.43
<i>Annual Change</i>		-2.0%	-1.0%	0.8%	-0.7%	-1.0%
Fare/Passenger	\$0.98	\$0.95	\$0.79	\$0.72	\$0.73	\$0.76
<i>Annual Change</i>		-2.9%	-17.5%	-8.3%	0.8%	4.2%

Sources: Data for FY 2013/14 through FY 2015/16 from prior audit. Fiscal data for FY 2016/17 through FY 2018/19 from End-of-Year Transit Statistics reported by the City. Operating data for FY 2016/17 through FY 2018/19 from State Controller Reports.

Note 1: Fare revenue does not reflect supplemental local funds provided through a route guarantee.

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Exhibit 5.13 Fixed-Route Ridership

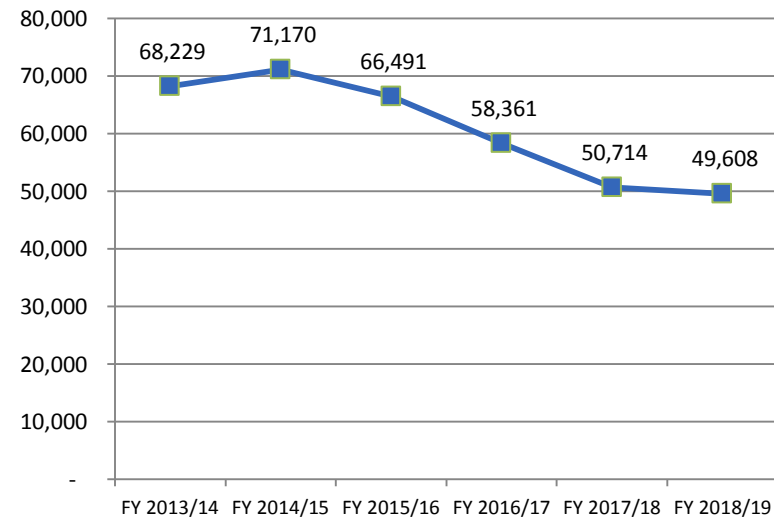


Exhibit 5.14 Fixed-Route Operating Cost/VSH

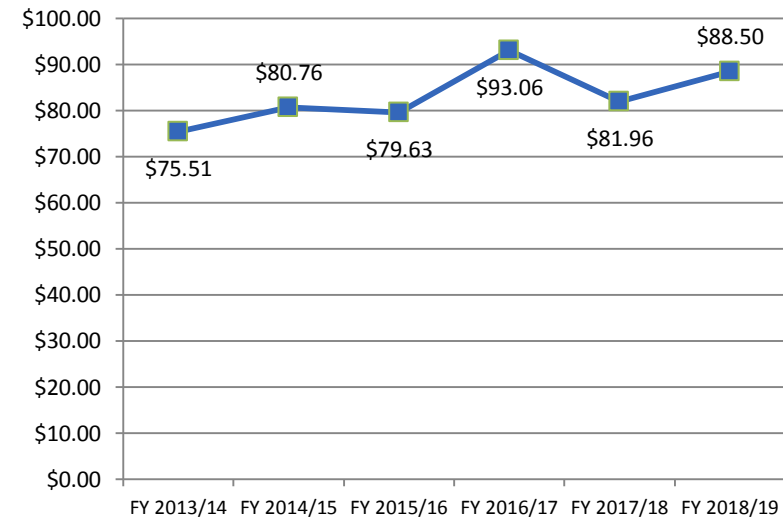


Exhibit 5.15 Fixed-Route Operating Cost/VSM

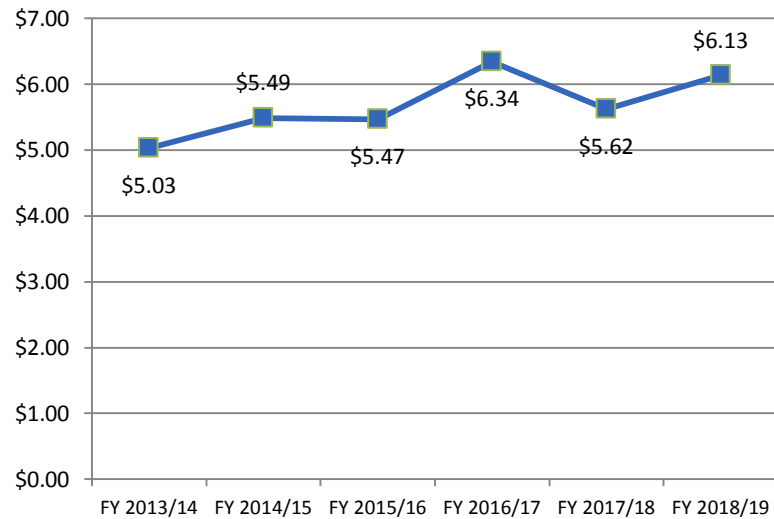
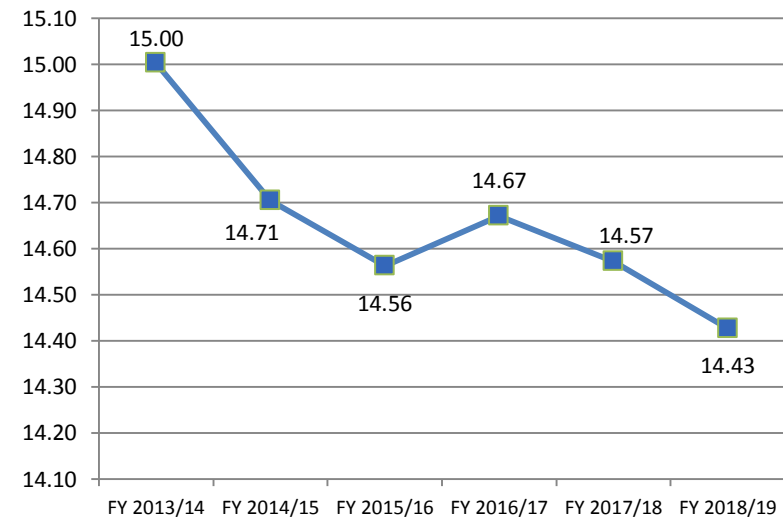


Exhibit 5.16 Fixed-Route VSM/VSH



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Exhibit 5.17 Fixed-Route Operating Cost/Passenger

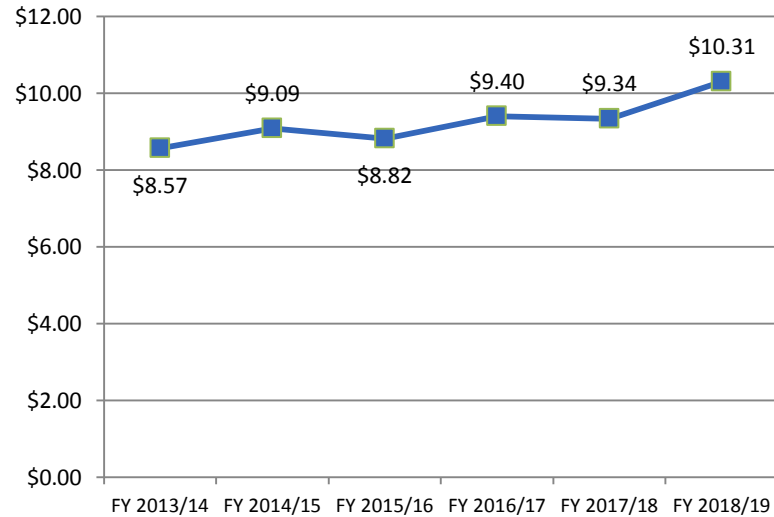


Exhibit 5.18 Fixed-Route Passengers/VSH

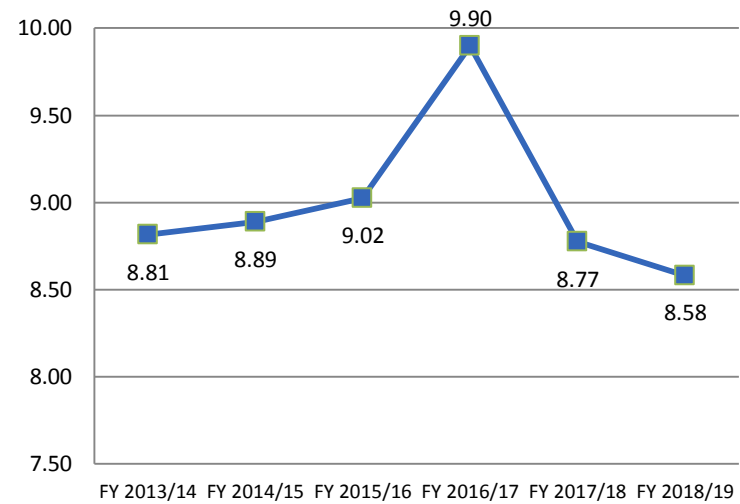


Exhibit 5.19 Fixed-Route Passengers/VSM

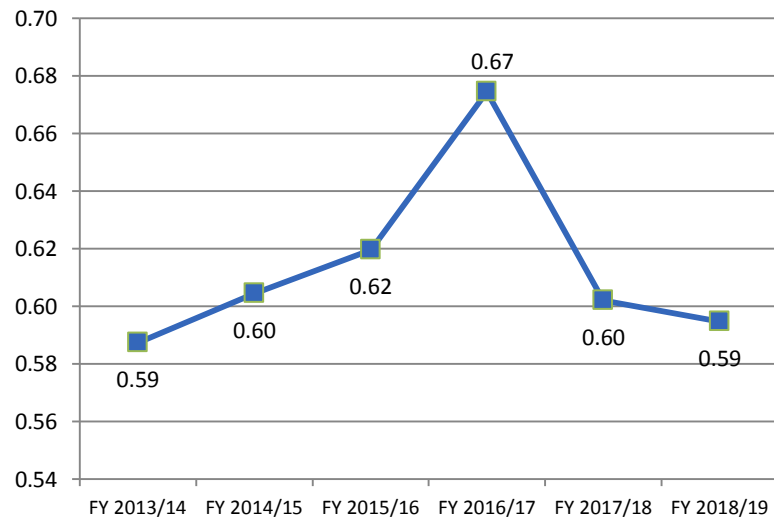
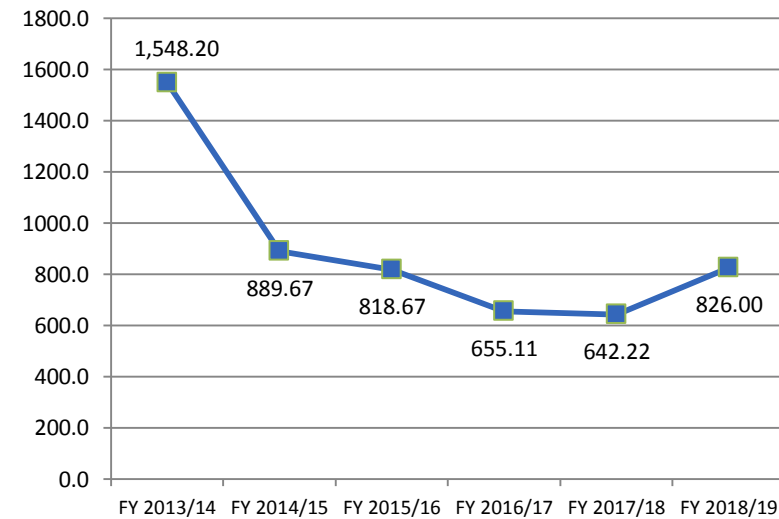


Exhibit 5.20 Fixed-Route VSH/FTE



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Exhibit 5.21 Fixed-Route Farebox Recovery

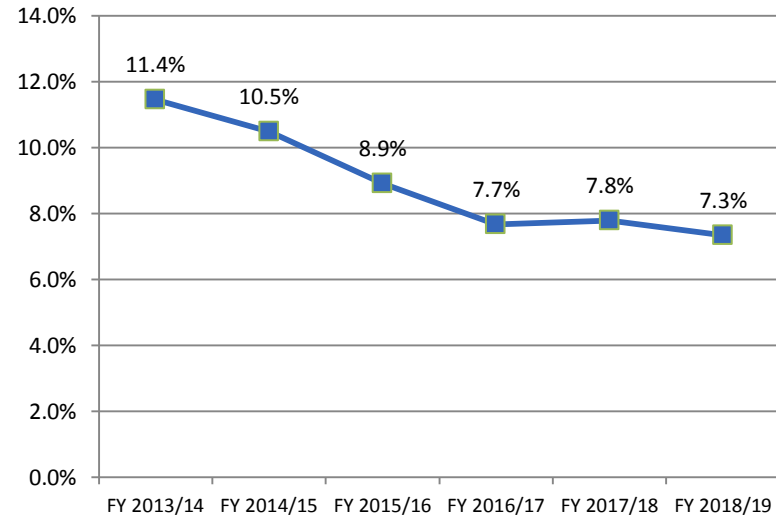
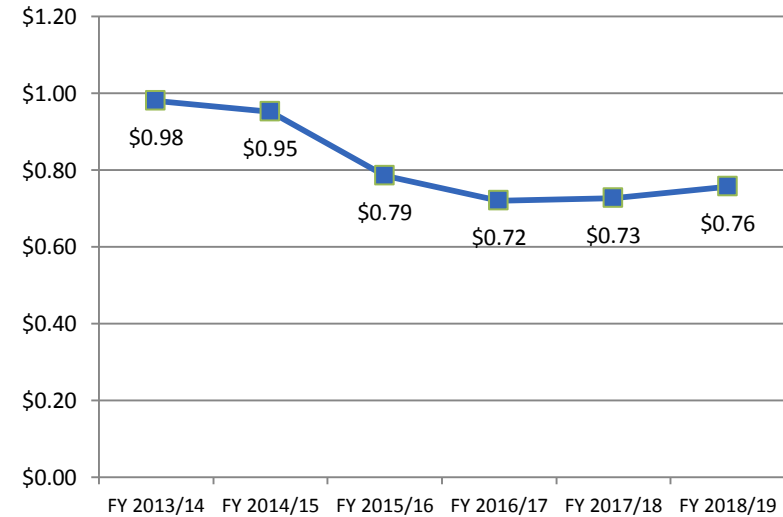


Exhibit 5.22 Fixed-Route Fare/Passenger



Demand-Response Performance

Mode-specific data is from the End-of-Year Transit Statistics and may not reflect all program operating costs. As a result, there is a variance between mode-specific financial data and the system-wide financial data (which is taken from the State Controller's Report) used in Exhibits 5.1 through 5.11.

Demand-response operating cost increased by 112.2 percent across the six-year period and 35.9 percent during the audit period, with the greatest increases occurring in FY 2014/15 and FY 2017/18. Fare revenue saw a net increase of 155 percent across the six-year period, but only 20.6 percent during the audit period. The greatest increases took place during FY 2015/16 (due to the introduction of ECTA service) and FY 2017/18 (due largely to a 53 percent increase in ECTA trips that year).

Vehicle service hours (VSH) experienced a net increase of 102.8 percent since FY 2013/14. The most significant increases took place in FY 2014/15, FY 2016/17, and FY 2017/18. Vehicle service miles (VSM) also saw a net increase of 106.9 percent over the same period, though only 36.4 percent during the audit period. Ridership experienced a net increase of 62.5 percent across the six-year period, with significant increases in FY 2014/15 (37.1 percent) and FY 2017/18 (28 percent).

While operating cost/passenger increased during the audit period, operating cost/VSH and operating cost/VSM exhibited a decrease. Passenger-related metrics generally decreased, indicating a decline in productivity. Unsupplemented farebox recovery saw a net decrease from 10.6 percent in FY 2016/17 to 9.7 percent in FY 2018/19.

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Exhibit 5.23 Demand-Response Performance Indicators

Performance Measure	Demand-Response					
	FY 2013/14	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19
Operating Cost (Actual \$)	\$118,770	\$157,467	\$185,380	\$181,105	\$235,526	\$251,972
Annual Change		32.6%	17.7%	-2.3%	30.1%	7.0%
Fare Revenue (Actual \$)	\$9,588	\$13,047	\$20,281	\$19,173	\$27,110	\$24,466
Annual Change		36.1%	55.4%	-5.5%	41.4%	-9.8%
Vehicle Service Hours (VSH)	1,689	2,316	2,260	2,822	3,545	3,426
Annual Change		37.1%	-2.4%	24.9%	25.6%	-3.4%
Vehicle Service Miles (VSM)	33,200	51,728	50,347	53,972	71,990	68,685
Annual Change		55.8%	-2.7%	7.2%	33.4%	-4.6%
Passengers	3,954	5,420	5,819	5,055	6,469	6,424
Annual Change		37.1%	7.4%	-13.1%	28.0%	-0.7%
Employees	3	3	3	3	3	3
Annual Change		0.0%	0.0%	0.0%	0.0%	0.0%
Performance Indicators						
Operating Cost/VSH (Actual \$)	\$70.32	\$67.99	\$82.03	\$64.18	\$66.44	\$73.55
Annual Change		-3.3%	20.6%	-21.8%	3.5%	10.7%
Operating Cost/Passenger (Actual \$)	\$30.04	\$29.05	\$31.86	\$35.83	\$36.41	\$39.22
Annual Change		-3.3%	9.7%	12.5%	1.6%	7.7%
Passengers/VSH	2.34	2.34	2.57	1.79	1.82	1.88
Annual Change		0.0%	10.0%	-30.4%	1.9%	2.8%
Passengers/VSM	0.12	0.10	0.12	0.09	0.09	0.09
Annual Change		-12.0%	10.3%	-19.0%	-4.1%	4.1%
Farebox Recovery	8.1%	8.3%	10.9%	10.6%	11.5%	9.7%
Annual Change		2.6%	32.0%	-3.2%	8.7%	-15.6%
Hours/Employee	563.0	772.0	753.3	940.7	1181.7	1142.0
Annual Change		37.1%	-2.4%	24.9%	25.6%	-3.4%
TDA Non-Required Indicators						
Operating Cost/VSM	\$3.58	\$3.04	\$3.68	\$3.36	\$3.27	\$3.67
Annual Change		-14.9%	21.0%	-8.9%	-2.5%	12.1%
VSM/VSH	19.66	22.34	22.28	19.13	20.31	20.05
Annual Change		13.6%	-0.3%	-14.1%	6.2%	-1.3%
Fare/Passenger	\$2.42	\$2.41	\$3.49	\$3.79	\$4.19	\$3.81
Annual Change		-0.7%	44.8%	8.8%	10.5%	-9.1%

Sources: Data for FY 2013/14 through FY 2015/16 from prior audit. Fiscal data for FY 2016/17 through FY 2018/19 from End-of-Year Transit Statistics reported by the City. Operating data for FY 2016/17 through FY 2018/19 from State Controller Reports.

Note 1: Fare revenue does not reflect supplemental local funds provided through a route guarantee.

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Exhibit 5.24 Demand-Response Ridership

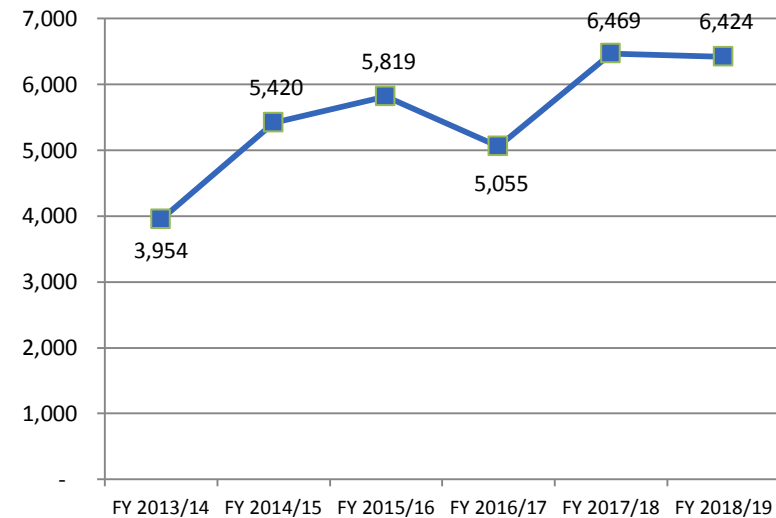


Exhibit 5.25 Demand-Response Operating Cost/VSH

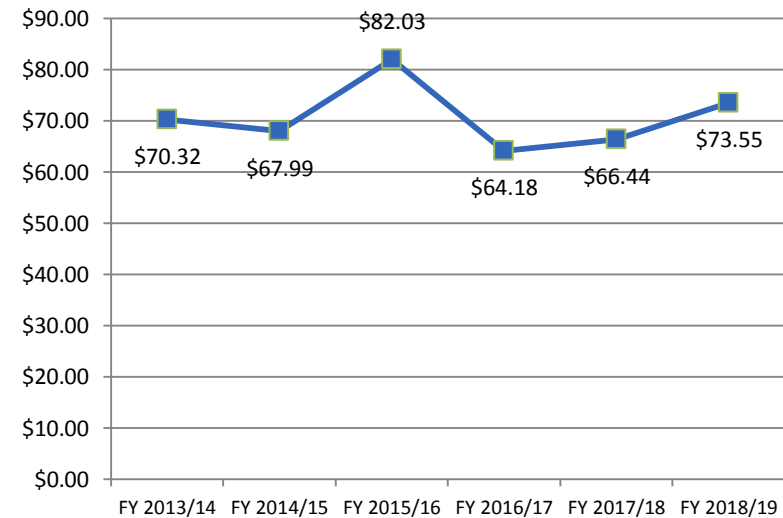


Exhibit 5.26 Demand-Response Operating Cost/VSM

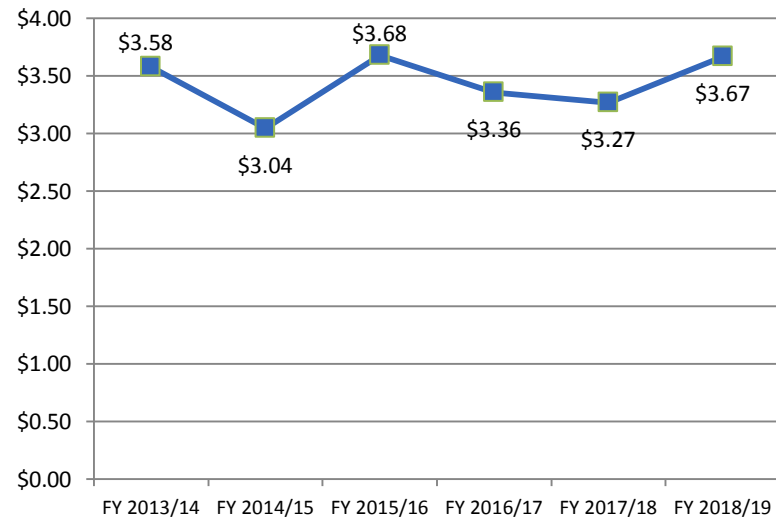
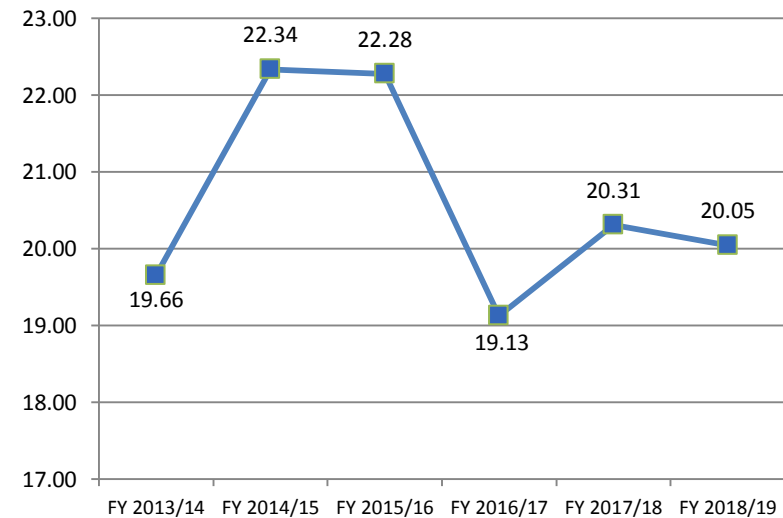


Exhibit 5.27 Demand-Response VSM/VSH



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Exhibit 5.28 Demand-Response Operating Cost/Passenger

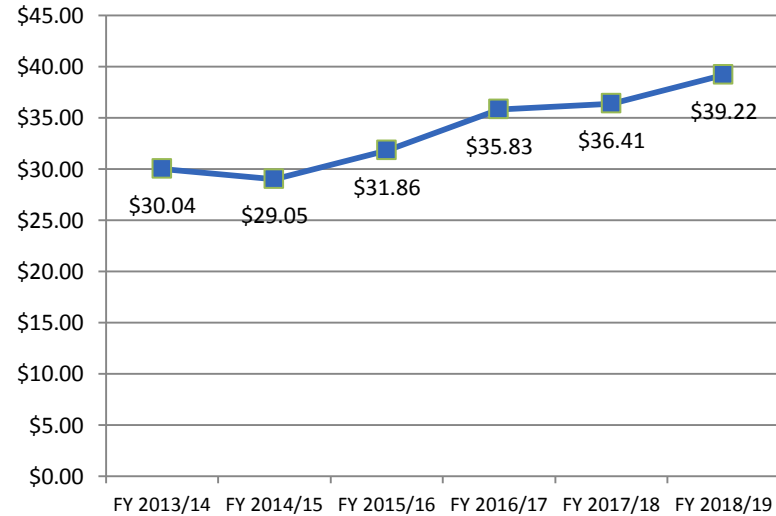


Exhibit 5.29 Demand-Response Passengers/VSH

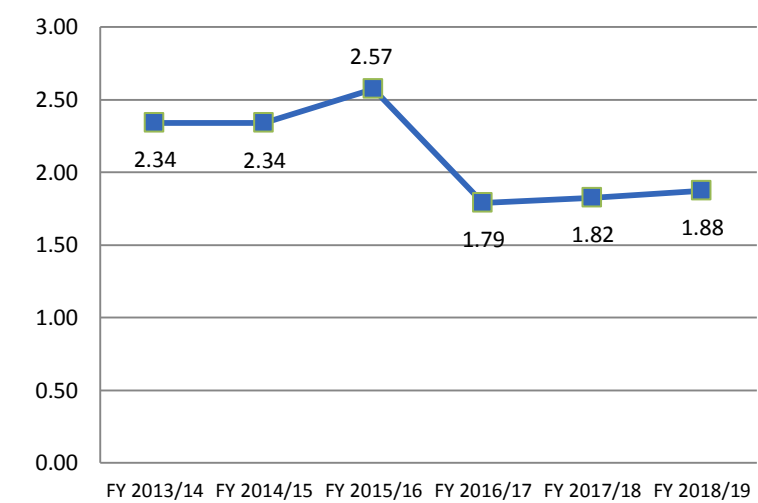


Exhibit 5.30 Demand-Response Passengers/VSM

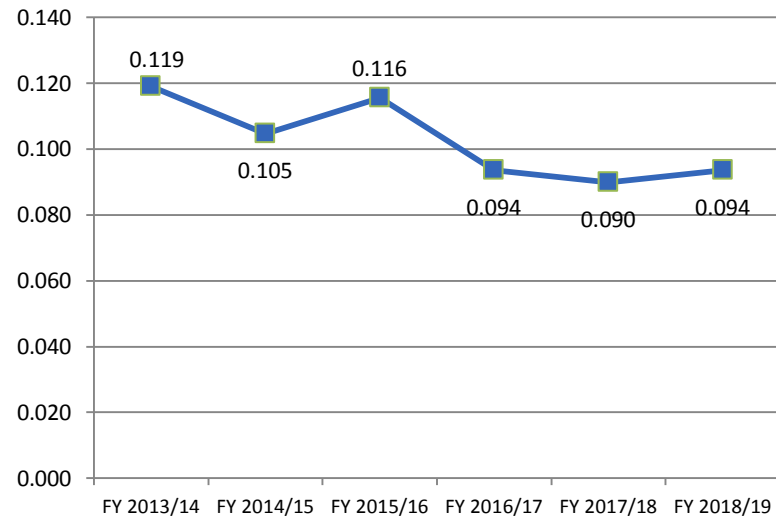
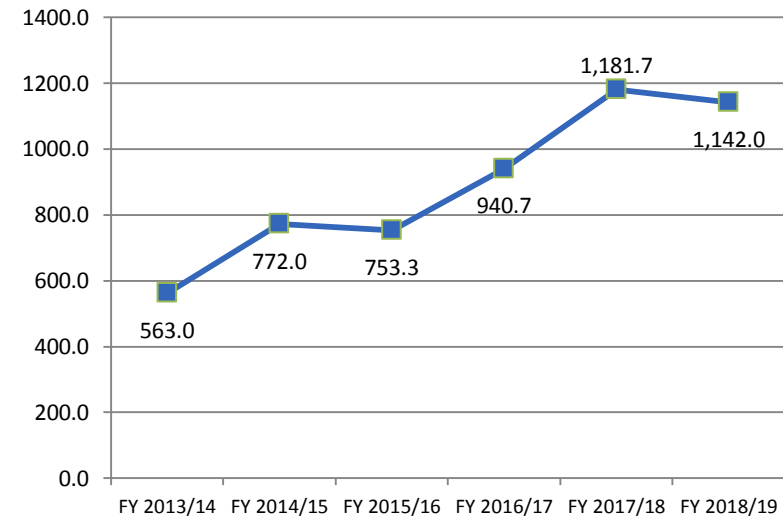


Exhibit 5.31 Demand-Response VSH/FTE



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Exhibit 5.32 Demand-Response Farebox Recovery

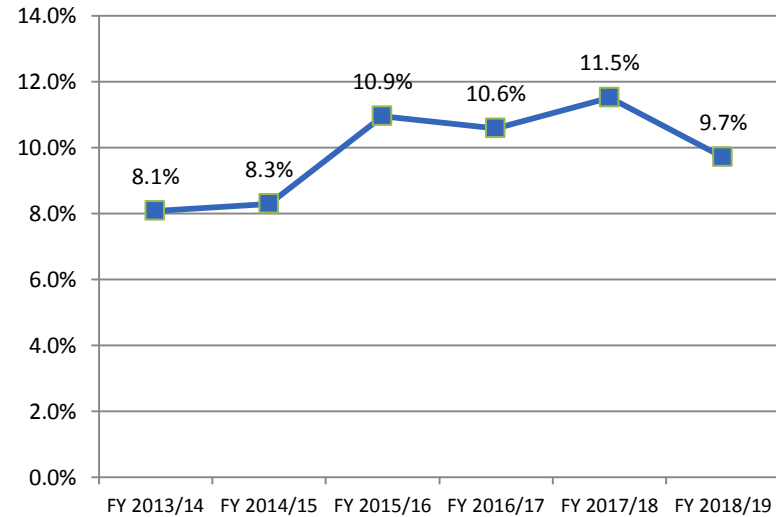
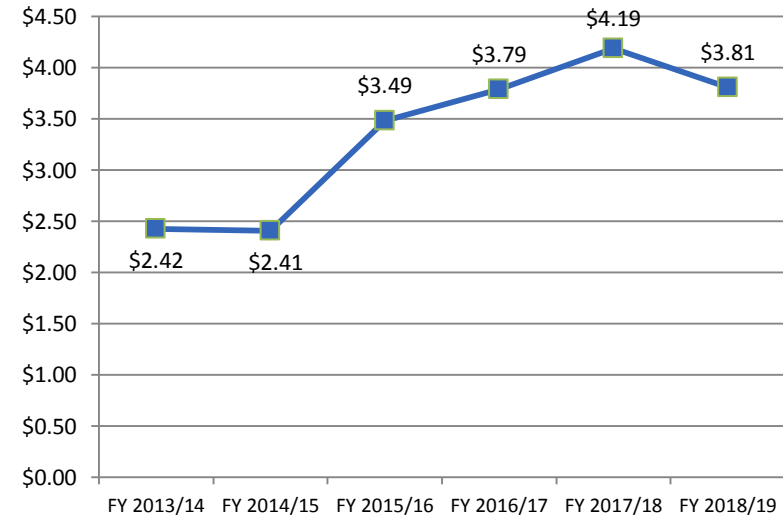


Exhibit 5.33 Demand-Response Fare/Passenger



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Chapter 6

Functional Review

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

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

Service Overview

The City of Moorpark’s transit program is marketed as Moorpark City Transit (MCT), which provides general public transit service on two fixed routes within Moorpark. The service operates Monday through Friday from 6:15 a.m. to 6:00 p.m. The City also contracts with a local provider to operate a summer Beach Bus linking designated stops in Moorpark to Zuma Beach in Malibu. In 2019, the service provided two round trips per day, Tuesday through Thursday, from June to August. A 2017 service evaluation determined on-time performance for the two regular fixed routes is 95 percent or higher.

The City’s Senior DAR and ADA paratransit services service are open to individuals with a valid ADA card and to Moorpark residents aged 65 or above and exceeds the requirements for intra-city ADA paratransit services within $\frac{3}{4}$ mile of MCT fixed-route bus service. Paratransit services operate on the same hours as fixed-route service.

Additionally, the City of Moorpark provides transit service through the East County Transit Alliance (ECTA) to Camarillo, Simi Valley, Thousand Oaks, and unincorporated portions of eastern Ventura County. InterCity Dial-A-Ride services are also provided through ECTA to persons with disabilities and seniors age 65 years and above upon advance reservation. The service is offered Monday through Friday on a shared-ride, reservation basis by the cities of Moorpark, Simi Valley, and Thousand



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Oaks, as well as the County of Ventura. Connections can also be made through ECTA to other transportation providers such as Gold Coast Transit's GO ACCESS and Los Angeles County's Access Services.

Fares for Moorpark's fixed-route and Dial-A-Ride service did not change during the audit period. However, the ECTA fare for InterCity Dial-A-Ride service increased from \$5.00 to \$6.00 effective November 4, 2019. The current fare structure is shown in Exhibit 6.1.

Exhibit 6.1 Fare Structure

Fare Category	Fare
Fixed-route	
General public (adults & students) (one-way)	\$1.00
Seniors (age 65+)	Free
Disabled (ADA, Medicare cardholders)	Free
Children 5 and under (with paying customer 16 or older)	Free
11-ticket book	\$10.00
College students (College Ride Program) (with ID)	Free
Transfers to VCTC Intercity	Free
Dial-A-Ride	
Travel within Moorpark (one-way)	\$2.00
Travel to another city (one-way) (ECTA)	\$6.00

In Summer 2019, the City offered a Summer Youth Bus Pass, which provided unlimited trips on MCT's fixed-route service between June 1 and September 6, 2019. Fares for the summer Beach Bus were \$5.00 round trip for the general public and \$2.00 round trip for seniors and persons with disabilities (children five and under rode free).

General Management and Organization

The City of Moorpark's public transit program is administered within the City's Public Works Department. The Program Manager reports to the City Engineer/Public Works Director. Since 2012, the City has contracted with the City of Thousand Oaks to operate MCT fixed-route and Dial-A-Ride bus services. The agreement includes operation of vehicles, preventive maintenance, and customer service representation. The City of Thousand Oaks utilizes a third-party contractor (MV Transportation) for transit operations.

The City of Moorpark's organizational structure remained stable during the audit period. The Program Manager is primarily responsible for managing the operations contract. The small internal staffing levels are dictated by available funding, a structure which requires personnel to wear many hats.

Program performance is monitored via review of ridership sheets, fare revenue, and customer comments. The Program Manager holds regular discussions with staff at the City of Thousand Oaks to discuss the MCT service, but does not have any direct oversight over transit operations personnel. The City of Thousand Oaks' new operations contract with MV Transportation, which was put into place for FY 2019/20, has resulted in significant cost increases for the City of Moorpark's transit program.

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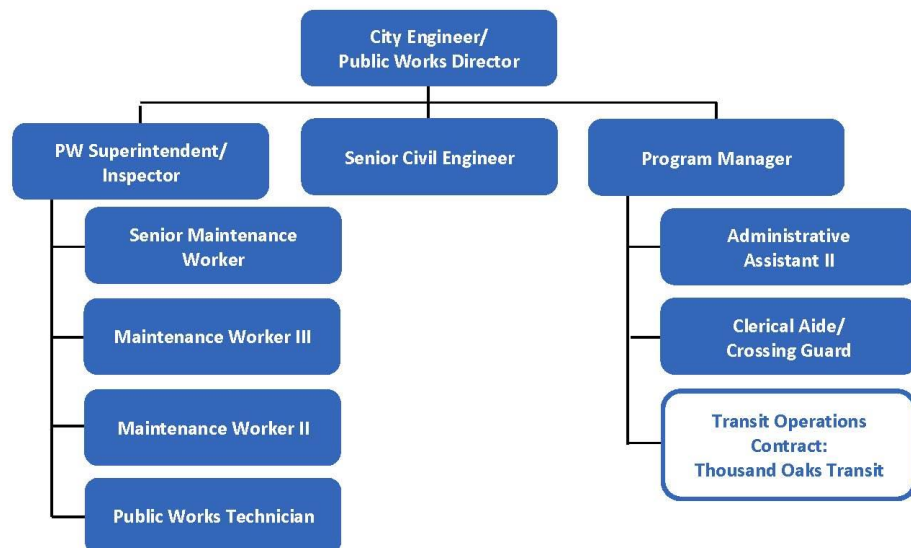
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Otherwise there have not been many significant operational issues requiring attention by the City of Moorpark.

The Program Manager is the primary contact for VCTC and other governmental organizations regarding transit services. The City interacts with the FTA only through VCTC. The Public Works director represents the City at monthly meetings of the East Coast Transit Alliance. The Public Works Director or Senior Civil Engineer represents the City at meetings of the VCTC Transportation Technical Advisory Committee. The Program Manager represents the City at VCTC's Transit Operators Advisory Committee (Transcom).

Exhibit 6.2 FY 2018/19 Public Works Department Organizational Chart



Source: City of Moorpark.

The Moorpark City Council is the governing body for the City's transit service. Regular meetings are held on the first and third Wednesday of each month at 6:30 p.m. at the Moorpark Community Center (799 Moorpark Avenue). All City Council meetings are appropriately noticed, open to the public, and ADA accessible. While the location is served by both MCT routes, fixed-route service ends prior to the start time of the meetings. However, meetings are broadcast on the City of Moorpark Government Channel (MPTV) at Time Warner Cable Channel 10 and AT&T U-Verse Channel 99, as well as streamed on the City's website. City Council meetings are broadcast live as well as the day after the meeting, every Wednesday at 7:00 p.m., and every Saturday at 2:00 p.m.

Service Planning

In 2017, the City completed a route evaluation via a consultant to address decreasing ridership and fare revenue. Challenges in meeting the TDA farebox recovery ratio requirements were one of the primary catalysts for the study. While recommendations from that report were implemented in FY 2017/18, the service changes did not result in the desired benefits/improvements. This lack of improvement from the service change, combined with the cost increase of the new operations contract, is causing the City to take a look at how much service it can afford to operate. The City has addressed its farebox recovery ratio shortfall using local TSM funds, which are developer fees dedicated to strategies for traffic safety

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mitigation and improve air quality. When these funds are depleted (likely in about five years), the City may need to reduce the level of transit service so that it can remain compliant with the TDA (unless other supplemental funding sources are identified). The City is concerned it may be too cost-prohibitive to operate the system as it current exists.

The City also looks at current operational issues when planning service changes. For example, there is a need to adjust the timing of the two routes serving Moorpark High School. Given one route serves the high school 15 minutes after the last bell, and the other 30 minutes after the last bell, the first bus tends to be over capacity. Adjustments to the schedule may be necessary to resolve the capacity issue.

The Moorpark City Council has recently expressed an interest in microtransit as a complement to the current fixed-route service. The City is exploring its options to conduct a microtransit pilot project. If successful, a microtransit service could be used to supplement fixed-route service during peak hours or potentially replace some fixed-route service.

The City strives to be aware of development projects that may require transportation. This is made easier given the City's planning and zoning department is adjacent to the Public Works office.

The City exceeds federal and state requirements for serving individuals with disabilities. All vehicles are ADA-accessible, and Dial-A-Ride service blankets the city. Seniors, persons with disabilities, and children age five and under ride fixed-route buses fare-free.

Public outreach is conducted in a variety of ways. During VCTC's Unmet Transit Needs process, the Moorpark city council conducts its own discussion of the City's transit service, where members of the public can attend to voice any comments or concerns. The City also disseminated several public outreach messages during development of its 2017 Transit Evaluation, when changes to the bus service were being proposed. While the City does not hold formal public hearings prior to service changes, they are introduced as action/discussion items during City Council meetings. Members of the public are invited to submit comments in person. Those who cannot attend the meeting may submit comments prior to the meeting, which are then included as part of the public record.

The most recent rider survey was conducted in 2016, during the development of the Transit Evaluation. No surveys were conducted during the most recent audit period. This is due, in part, to an observation by the City that survey data tends to be largely the same each time a survey is conducted. The City of Thousand Oaks occasionally conducts mystery observations to assess driver performance.

Personnel Management and Training

The City of Thousand Oaks contracts with MV Transportation to provide vehicle operators and maintenance of leased vehicles. Currently, there are not enough drivers being recruited to meet the contractor's needs. Recruitment and training are continual and ongoing, but MV has not maintained full staffing for at least 18 months due to low unemployment and higher wages available in neighboring counties. The City of Thousand Oaks feels like the contractor needs to hire 12 additional drivers to be in a suitable place with respect to staffing. Employee recruitment is conducted via multiple methodologies, including job fairs, workforce/job placements/outreach programs, ads on local hiring sites, veterans outreach, and County offices.

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While some recruits come in with some experience, the majority of candidates require full training. All training meets federal and state requirements. Safety activities include monthly safety meetings, safety stand-downs, road evaluations, risk assessments, and ongoing wheelchair recertification. Safety and training requirements are included in the transit operator's contract.

Approximately 50 percent of recruits successfully complete their training period, including the drug test. Most last about six months to one year; once they get their Class B license and some experience, they go elsewhere for higher pay. MV is considering offering a hiring bonus to get recruits to stay (the bonus would have to be paid back if the recruit departs before the minimum time period).

MV strives to motivate its employees by holding employee appreciation events and luncheons, conducting customer service and safety contests, and selecting an Employee of the Month. Drivers receive bonuses for safety, gift cards, and food events to help motivate them and enhance job satisfaction. All positive rider comments are passed along to drivers. Operator staff regularly receive risk assessments and road evaluations.

Discipline and attendance policies are outlined in an Employee Handbook which is provided to all employees upon the start of employment. These include a safety point system, attendance point system, coaching, and counseling. A progressive discipline program is also utilized. MV's drug and alcohol policy is monitored by the City and the FTA.

MV Transportation provides comprehensive benefits to all full-time employees. Employees receive a package outlining available benefits on an annual basis.

Scheduling, Dispatch, and Operations

Drivers are unionized (Teamsters Local #848) and bid for their work assignments, with assignments based on seniority. Many bid schedules have multiple route or service components, but not all. Some drivers may work for multiple agencies under contract with the City of Thousand Oaks on a single shift. All drivers are trained to operate all fixed-route and demand-response vehicles and services operated by Thousand Oaks.

While the operator does not preclude the hiring of part-time drivers, the bid schedules require full-time coverage. As a result, there is currently only one part-time driver, and part-time positions are being phased out. Offering only full-time positions is more attractive to potential drivers. MV Transportation is required by its contract to have cover/standby drivers ready to respond when needed. Drivers may be used on their scheduled days of if needed. Full-time drivers are eligible for paid holidays, vacation, sick leave, health insurance, and life insurance.

Fareboxes are pulled once weekly (on Tuesdays) for any buses which was in service during the prior seven-day period. The operator does not have the key to open the vaults; it is held exclusively by the cashier. Farebox removal and delivery can only be done by supervisory or management staff under the current contract. Public Works staff empties the fareboxes into fare collection bags and submits the fares to the City of Moorpark's Finance Department for an independent double count. The Finance Department counts the money and reports the total for each route to Public Works each day. Cash is collected by a security firm and taken to a bank, which reconciles deposits with the City. The City's Finance Department is responsible for investing excess cash within regulations.

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Administration

Public Works staff are responsible for budgeting based on prior-year expenses as well as anticipated costs. Funding requests are submitted as part of the City's budgeting process each fiscal year. The Finance Department and City Manager review requests with the Public Works staff, which are then submitted to the Moorpark city council for review and discussion.

Budget expectations are periodically compared with actual revenue and expenses. In the event of excess expenses, the City Manager can approve internal budget line item transfers. Expenses exceeding the program's overall budget must be approved by city council.

Procurement processes for goods and construction are codified by city ordinance. Procurements for professional services are more discretionary in nature depending on whether the funding source is federal or local; federally funded procurements are subject to additional restrictions and guidelines. The City requests quotes for some items or services (such as bus inspections), and price is considered as a factor. Civil engineering projects are procured on a Request for Qualifications basis, meaning a qualified firm is selected first and then price is negotiated.

Under the City's system, compliance with grant requirements is primarily the responsibility of each grant applicant.

Contract management is primarily the responsibility of the Program Manager. Small-value contracts can be signed by the City Manager without city council approval. The City uses a mix of in-house and contracted services for facilities management. The City's risk management personnel are consulted for proposed agreements to ensure proper insurance.

The City is a member of California Joint Powers Insurance Authority. The City also has a disaster preparedness and response plan. In addition, VCTC (in cooperation with the Santa Barbara County Association of Governments and Caltrans) is in the process of preparing a Transportation Emergency Preparedness Plan to more effectively prepare the Ventura County region for future natural disasters.

City employees submit timesheets via Executime software. Payroll checks are signed by two different employees. Direct deposit is an option for City employees.

Marketing and Public Information

Marketing activities include a standard Ride Guide distributed at public facilities, advertisements in the City's quarterly newsletter which is distributed to all residents, and inclusion in the City's Recreation Guide. Schedules and other service information are posted on public display boards, the City's website, Government Channel 10, and bus stop infoposts. In FY 2016/17, the City also conducted a household mailing regarding its transit route study. Despite sending a thousand mailers, fewer than 20 responses were received.

The City purchased advertising space at a couple of kiosk locations at Moorpark College from August through November 2019, including a location near the bus stop. While there was no formal analysis of the return on investment, the City opted not to continue this advertising component.

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In December 2016, the City conducted a presentation at a homeowners association meeting for a mobile home community. This activity, which was attended by dozens of individuals, was considered successful and the City plans to conduct similar activities in the future. Outreach to local schools and large employers is periodically attempted, but no concerted effort has taken place.

Telephone customer service is handled by the City of Thousand Oaks. Complaints receive prompt response, and the Program Manager completes incident reports that are sent to MV Transportation for action or on a “For Your Information” basis. No routine summary of comments/complaints/calls is conducted. The City is considering an electronic notification/comment system on its website. The phone numbers for MV Transportation and the City are both provided at bus stops.

Comments received indicate the public has a generally positive perception of the service. Schedule changes made in response to requests have had little impact on ridership. Even though few negative comments have been documented, people are not riding.

Maintenance

The City of Thousand Oaks maintains its own vehicles as well as vehicles for the City of Moorpark at its Municipal Services Center. Typically, the City of Thousand Oaks maintains at least one spare vehicle per service it operates (Thousand Oaks fixed-route, Thousand Oaks DAR, Kanan Shuttle, Moorpark, etc.) at the Thousand Oaks Transportation Center for ease of access, though this practice has been temporarily curtailed due to the significant reduction in parking availability resulting from current expansion efforts.



The City of Thousand Oaks adheres to the required preventive maintenance program. Drivers complete a Daily Vehicle Inspection Report (DVIR), which identifies any unsafe conditions. MV has standing orders to identify any issues with the vehicles as part of the pre- and post-trip inspections. Maintenance will notify dispatch regarding any vehicle deemed unsafe. Vehicles undergoing maintenance will be tagged so they are not used. Repairs are performed in a timely manner; transit vehicles are the highest priority of all maintenance work at the MSC.

Maintenance is notified promptly of breakdowns. There is no real issue with vehicle downtimes, as a robust reserve fleet is maintained and vehicles can be exchanged across services if absolutely necessary.

California Highway Patrol (CHP) inspections are conducted every 45 days. Vehicles not passing the CHP inspection are not put into service. The City of Thousand Oaks is able to identify vehicles under warranty if repairs are necessary. Some major repairs are outsourced, such as transmission rebuilds or large-scale body work. The City follows guidelines for ramp and wheelchair lift inspections – when one is down, that vehicle must be pulled out of service. The City of Thousand Oaks’ policy prohibits deferred maintenance. There is currently no backlog of repairs and no idle time, as fleet mechanics work on all City-maintained vehicles.

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The current maintenance facility was recently expanded to include covered outdoor bays. It features one heavy lift and three portable lifts. Up to four heavy vehicles can be accommodated simultaneously. The facility is suited to all aspects of maintenance that are performed there.

The City of Thousand Oaks' transit fueling facility at the MSC was completed in 2013 and activated in 2014. Moorpark buses are fueled and maintained there. Moorpark and Thousand Oaks buses have their own CNG fueling meters so that fuel is allocated accurately.

Parts inventories are sufficient to minimize vehicle downtime. There is a defined timeframe between a request to order parts and receipt of the parts. The City of Thousand Oaks has established an email account for fleet parts so that maintenance can be notified when parts have shipped or been delivered. The parts warehouse is secured. All parts are barcoded and inventoried annually. There is very little loss.

Exhibit 6.3 illustrates the City of Moorpark's fleet inventory for FY 2019/20. Vehicle replacement is addressed in the group Transit Asset Management Plan prepared by VCTC.

Exhibit 6.3 City of Moorpark Transit Fleet FY 2019/20

Vehicle ID	Year	Make/Model	Passengers	Mileage (as of 6/30/19)
MCT 66460	2010	El Dorado EZ Rider II	27/3 WC	239,883
MCT 66461	2010	El Dorado EZ Rider II	27/3 WC	307,791
MCT 66462	2010	El Dorado EZ Rider II	27/3 WC	263,502
MCT 66463	2016	El Dorado EZ Rider II	27/3 WC	128,722
MCT 66464	2016	El Dorado EZ Rider II	27/3 WC	144,351

Chapter 7

Findings and Recommendations

Conclusions

With one exception, we find the City of Moorpark to be in compliance with the requirements of the Transportation Development Act. Recommendations intended to improve the efficiency and effectiveness of the operator are detailed below.

Findings and Recommendations

Based on discussions with City and contractor staff, analysis of program performance, and an audit of program compliance and function, the audit team presents two preliminary compliance findings.

1. The City did not submit its FY 2017/18 State Controller Report prior to the January 31, 2019 deadline.

The audit team has also identified one functional finding. While this finding is not a compliance finding, we feel it is significant enough to be addressed within this audit.

1. While the City has identified local revenues to bring it into compliance with the TDA's farebox recovery ratio requirement, there are still challenges with the sustainability of the City's public transit program.

Program Recommendations

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

Compliance Finding 1: The City did not submit its FY 2017/18 State Controller Report prior to the January 31, 2019 deadline.

Criteria: Public Utilities Code Section 99243 requires transit operators in receipt of TDA Article 4 funds to submit annual reports to the State Controller within 90 days following the end of the fiscal year (110 days if filing electronically). Beginning FY 2016/17, this submittal deadline was amended to January 31 following the end of the fiscal year. Beginning with the online reporting for FY 2017/18, the cover sheet is timestamped with the submittal date and time upon its generation. This makes it easier to evaluate when the report was actually submitted.

Condition: The State Controller Report for FY 2017/18 was submitted on February 5, 2019, five calendar days and three business days past the submittal deadline. However, the reports for FY 2016/17 and FY 2018/19 were submitted in a timely manner.

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

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

Recommendation: Continue to ensure State Controller Reports are submitted in a timely manner.

Recommended Action(s): No specific action is necessary, as the subsequent report was submitted on time.

Timeline: Ongoing.

Anticipated Cost: Negligible.

Functional Finding 1: While the City has identified local revenues to bring it into compliance with the TDA's farebox recovery ratio requirement, there are still challenges with the sustainability of the City's public transit program.

Criteria: PUC 99268.2 requires operators in urbanized areas to maintain a farebox recovery ratio of 20 percent. Fare revenues can be supplemented by locally generated funds if fare revenues are not sufficient to meet the 20 percent requirement.

Condition: During the audit period, the City utilized developer fees identified for improvements to air quality (TSM funds) to subsidize its fare revenue and achieve the 20 percent farebox recovery ratio. However, these TSM funds are only expected to be available for about another five years. In addition, recent contractor cost increases and the failure of a service change to result in a measurable improvement has caused the City to consider whether it should continue to provide transit service in the manner it traditionally has.

Cause: National trends of decreasing ridership have resulted in decreasing fare revenues, which, combined with increasing operating costs, result in a decreasing farebox recovery ratio.

Effect: A lack of local supplementation, combined with increasing operating costs, will eventually result in the City being out of compliance with the 20 percent farebox recovery ratio.

Recommendation: The City should explore opportunities to reduce its operating cost (through service reductions, resource reallocations, and/or new service offerings) prior to exhausting its TSM funds.

Recommended Action(s): While the City completed a transit evaluation study in 2017, those recommendations, when implemented, did not have the desired results of increasing ridership and fare revenue and optimizing operating cost. Therefore, it should explore other options (such as the microtransit pilot that is already under consideration) that would continue to meet the community's mobility needs while remaining sustainable.

Timeline: Within the next two to three years.

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Anticipated Cost: Unknown.

Exhibit 7.1 Summary of Audit Recommendations

TDA Compliance Recommendations		Importance	Timeline
1	Continue to ensure State Controller Reports are submitted in a timely manner.	Low	Ongoing
Functional Recommendations		Importance	Timeline
2	The City should explore opportunities to reduce its operating cost (through service reductions, resource reallocations, and/or new service offerings) prior to exhausting its TSM funds.	Medium	Within 2-3 years

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