



FINAL REPORT
APRIL 2020

City of Thousand Oaks

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 complete an independent audit on a three-year cycle in order to maintain funding eligibility. This represents the second cycle in which the City of Thousand Oaks is required to be audited.

The Triennial Performance Audit (TPA) of the City of Thousand Oaks' 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 Thousand Oaks 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 Thousand Oaks' public transit program for the period:

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

The City of Thousand Oaks' transit program is marketed as Thousand Oaks Transit (TOT). The TOT service area includes the cities of Thousand Oaks and Westlake Village; as well as Ventura County's unincorporated areas of Newbury Park, Ventu Park, Lynn Ranch, Rolling Oaks, Oak Park, Hidden Valley, and Lake Sherwood. Collectively, the TOT coverage area includes an estimated 200,000 people. It is accessible via State Route 23 from the north and U.S. Highway 101 from the east and west.

The City's fixed-route system is comprised of five fixed routes which cover Thousand Oaks, a portion of Westlake Village, and portions of unincorporated Ventura County. Until June 29, 2018, service was also provided to the Metrolink station in Moorpark via a commuter shuttle (Metrolink Shuttle). Fixed-route service hours are 6:00 a.m. to 7:00 p.m. Monday through Friday, and 8:00 a.m. to 7:00 p.m. Saturday. The City also offers a summer Beach Bus linking designated stops in Thousand Oaks with Zuma Beach in Malibu.

The City's door-to-door Dial-A-Ride service is available to persons 65 years of age and above and Americans with Disabilities Act cardholders. Dial-A-Ride hours of operation are the same as those of regular fixed-route buses, except service is also offered from 8:00 a.m. to 7:00 p.m. on Sunday. DAR

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service is provided throughout Thousand Oaks, to Westlake Village, and to the county's unincorporated areas of Newbury Park, Ventu Park, Lynn Ranch, Rolling Oaks, Oak Park, Hidden Valley and Lake Sherwood. A City-issued DAR card is required.

Additionally, the City provides inter-city transit service through the East County Transit Alliance (ECTA). One of the principal goals of the ECTA is to improve transit service coordination and connectivity. In its role as the fiscal agent, the City of Thousand Oaks is the lead agency for the ECTA. It was determined that, given the City's status as the largest service provider in the eastern portion of the county, as well as the fact that it was already contracted to provide drivers and maintenance for multiple transit operators, the City of Thousand Oaks was best positioned to take the lead in the alliance. ECTA Dial-A-Ride services are provided to persons with disabilities and seniors age 65 years and above on an advance reservation basis. The service is offered Monday through Friday on a shared-ride, reservation basis by the cities of Moorpark, Simi Valley, and Thousand Oaks, as well as the County of Ventura. Service is also available in Camarillo, Simi Valley, Thousand Oaks, and unincorporated portions of eastern Ventura County. 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.

This performance audit was conducted in accordance with generally accepted government auditing standards. Those standards require 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.

Test of Compliance

We conclude the City of Thousand Oaks complies with the Transportation Development Act (TDA) regulations in an efficient and effective manner.

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 Thousand Oaks:

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

Status: Implemented.

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2. The TDA auditor should a) clearly identify what operating costs are being excluded or unallowed in developing the operating costs used in calculating farebox recovery ratios and b) ensure that farebox revenue used in the calculation is consistent with that reported elsewhere.

Status: Implemented.

Findings and Recommendations

Based on discussions with City staff and its transit operations contractor, analysis of program performance, and a review of program compliance and function, the audit team submits no compliance or functional findings for the City of Thousand Oaks.

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Chapter 2

Audit Scope and Methodology

The Triennial Performance Audit (TPA) of the City of Thousand Oaks' 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.

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 general 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 Thousand Oaks 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.

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

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

Objectives

A Triennial Performance Audit 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.

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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 Thousand Oaks 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. A verification of the methodology for calculating performance indicators including the following activities:
 - Assessment of internal controls,
 - Test of data collection methods,
 - Calculation of performance indicators, and
 - Evaluation of performance.
4. 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 Thousand Oaks 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;
- Preventive maintenance schedules and forms;
- California Highway Patrol Terminal Inspection reports;
- National Transit Database reports;
- Accident/road call logs;
- Customer complaint logs;
- Transit Master Plan; and
- Organizational chart.

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The methodology for this audit included a site visit to the City of Thousand Oaks city hall (2100 E. Thousand Oaks Blvd.) on January 28, 2020. The audit team met with Mike Houser (Senior Analyst), Priscilla Freduah-Agyemang (Transit Analyst), David Brown (Senior Accountant), Jennifer Singer (MV Transportation General Manager), and Mary Lozano (Dispatch Manager); and reviewed materials germane to the triennial review. The audit team also toured the City's Municipal Service Center as well as the City Transportation Center, which houses contractor 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 Thousand Oaks' 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.

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.

The City of Thousand Oaks met the test of compliance with respect to Transportation Development Act (TDA) regulations.

Recent Changes Regarding Compliance

Several changes specific to the TDA and TDA funding went into effect beginning July 1, 2016, and were 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 agency 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 taxes 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 introduction of the Transportation Development Act, there have been many changes to public transportation in California. Many operators 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.
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.

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.

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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	In compliance	FY 2016/17: January 30, 2018 FY 2017/18: January 24, 2019 FY 2018/19: January 28, 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: February 20, 2018 FY 2017/18: January 28, 2019 FY 2018/19: November 13, 2019
Operator's terminal rated as satisfactory by CHP within the 13 months prior to each TDA claim.	PUC 99251 B	In compliance	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	
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: +7.88% FY 2017/18: -12.63% FY 2018/19: +2.94% <i>Source: Transit Budgets, FY 2016 – FY 2019.</i>
The operator's definitions of performance measures are consistent with the Public Utilities Code Section 99247.	PUC 99247	In compliance	
If the operator serves an urbanized area, it has maintained a ratio of fare revenues to operating cost at least equal to one-fifth (20 percent).	PUC 99268.2, 99268.4, 99268.1	In compliance	FY 2016/17: 20.00% FY 2017/18: 20.00% FY 2018/19: 20.02% <i>Source: TDA 4 Fiscal Audits, FY 2017 – FY 2019</i>
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	

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Compliance Element	Reference	Compliance	Comments
For a claimant that provides only services to elderly and handicapped persons, the ratio of fare revenues to operating cost shall be at least 10 percent.	PUC 99268.5, CCR 6633.5	In compliance	FY 2016/17: 10.00% FY 2017/18: 10.00% FY 2018/19: 10.00% <i>Source: TDA 4 Fiscal Audits, FY 2017 – FY 2019</i>
The current cost of the operator's retirement system is fully funded with respect to the officers and employees of its public transportation system, or the operator is implementing a plan approved by the RTPA, which will fully fund the retirement system for 40 years.	PUC 99271	In compliance	City employees are eligible for retirement benefits through CalPERS. Operations personnel are employed by 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)	Not applicable	The City does not receive STA funds.
In order to use State Transit Assistance funds for operating assistance, the operator's total operating cost per revenue hour does not exceed the sum of the preceding year's total plus an amount equal to the product of the percentage change in the CPI for the same period multiplied by the preceding year's total operating cost per revenue hour. An operator may qualify based on the preceding year's operating cost per revenue hour or the average of the three prior years. If an operator does not meet these qualifying tests, the operator may only use STA funds for operating purposes on a sliding scale.	PUC 99314.6	Not applicable	The City does not receive STA funds.
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 Thousand Oaks 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 Thousand Oaks:

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 date for FY 2015/16 was October 24, 2016, when the deadline for submittal was October 18, 2016. The prior audit recommended all City staff responsible for preparing the State Controller Report for transit 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 submittal deadline was changed to January 31 (seven months following the end of the fiscal year). Since then, the City has met the submittal deadlines.

Status: Implemented.

2. [The TDA auditor should a\) clearly identify what operating costs are being excluded or unallowed in developing the operating costs used in calculating farebox recovery ratios and b\) ensure that farebox revenue used in the calculation is consistent with that reported elsewhere.](#)

Discussion: PUC Section 99268 establishes a 20 percent farebox recovery minimum for urbanized transit systems in order to remain compliant with TDA. In the City's TDA Article 4 and 8(c) audits, the fiscal auditor did not clearly indicate what operating costs were included in the "unallowed costs" line item, nor is it clear how farebox revenue for each service was determined. While all of the costs and fare allocations might be valid, they could not clearly be reconciled with other documents (such as the State Controller Report) typically used to calculate the farebox recovery ratio.

Progress: In the fiscal audits conducted during the audit period, the auditor clearly identified individual included revenues and excluded expenses in calculating the farebox recovery ratio to determine compliance with the TDA requirements.

Status: Implemented.

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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 Thousand Oaks, 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. Operating Cost from the reports was compared against that reported to the NTD as well as in the City's audited financial reports and was

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.

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. 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 calculates VSH using schedule hours reconciled with driver trip sheets. 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 audit. Data from these reports was then 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) data were obtained from State Controller Reports for each fiscal year covered by this audit, as well as calculation methodology provided by the City. This data is consistent with PUC guidelines.

System Performance Trends

System-wide operating cost has experienced a net increase of 28.6 percent across the past six years, but only 2.22 percent during the current audit period. Operating cost shown for the current audit period is reflective of allowed exclusions. The greatest increase occurred in FY 2014/15 (16.6 percent). Operating cost actually decreased in FY 2017/18 and FY 2018/19.

Fare revenue shown for FY 2016/17 through FY 2018/19 is reflective of all allowed supplementation, as reported in the TDA fiscal audits. Overall, fare revenue saw a net increase of 35.6 percent across the six-year period. The most significant increase (39 percent) took place in FY 2014/15. Fare revenue decreased 2.3 percent during the current audit period.

During the six-year period, vehicle service hours (VSH) saw a net 7.7 percent decrease. This measure saw increases in FY 2015/16 and FY 2016/17, followed by decreases in FY 2017/18 and FY 2018/19. The greatest change took place in FY 2017/18, when VSH decreased by 14.3 percent. During the six-year period, vehicle service miles (VSM) saw a net 4.8 percent decrease. This measure saw increases from FY 2014/15 through FY 2016/17, followed by decreases in FY 2017/18 and FY 2018/19. The greatest change took place in FY 2017/18, when VSM decreased by 17.9 percent. System ridership saw a net decrease of 14.3 percent between FY 2013/14 and FY 2018/19, despite an increase in FY 2015/16. The greatest decrease occurred in FY 2018/19 (8.8 percent).

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Cost-related performance indicators increased significantly during the audit period, reflecting a decline in cost-effectiveness. Passenger-related performance indicators also increased, reflecting an improvement in productivity.

During the current audit period, the farebox recovery ratio remained stable, as the fare revenue used in this analysis reflected local supplementation.

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 \$)	\$3,361,848	\$3,920,747	\$4,228,559	\$4,432,363	\$4,414,373	\$4,322,496
Annual Change		16.6%	7.9%	4.8%	-0.4%	-2.1%
Fare Revenue (Actual \$)	\$484,756	\$673,830	\$689,402	\$672,751	\$668,219	\$657,192
Annual Change		39.0%	2.3%	-2.4%	-0.7%	-1.7%
Vehicle Service Hours (VSH)	56,808	56,557	63,166	67,456	57,809	52,420
Annual Change		-0.4%	11.7%	6.8%	-14.3%	-9.3%
Vehicle Service Miles (VSM)	845,400	895,573	1,043,089	1,071,813	880,486	804,782
Annual Change		5.9%	16.5%	2.8%	-17.9%	-8.6%
Passengers	252,488	241,307	255,950	240,328	237,164	216,301
Annual Change		-4.4%	6.1%	-6.1%	-1.3%	-8.8%
Employees	53	57	68	71	65	51
Annual Change		7.5%	19.3%	4.4%	-8.5%	-21.5%
Performance Indicators						
Operating Cost/VSH (Actual \$)	\$59.18	\$69.32	\$66.94	\$65.71	\$76.36	\$82.46
Annual Change		17.1%	-3.4%	-1.8%	16.2%	8.0%
Operating Cost/Passenger (Actual \$)	\$13.31	\$16.25	\$16.52	\$18.44	\$18.61	\$19.98
Annual Change		22.0%	1.7%	11.6%	0.9%	7.4%
Passengers/VSH	4.44	4.27	4.05	3.56	4.10	4.13
Annual Change		-4.0%	-5.0%	-12.1%	15.2%	0.6%
Passengers/VSM	0.30	0.27	0.25	0.22	0.27	0.27
Annual Change		-9.8%	-8.9%	-8.6%	20.1%	-0.2%
Farebox Recovery	14.4%	17.2%	16.3%	15.2%	15.1%	15.2%
Annual Change		19.2%	-5.1%	-6.9%	-0.3%	0.4%
Hours/Employee	1071.8	992.2	928.9	950.1	889.4	1027.8
Annual Change		-7.4%	-6.4%	2.3%	-6.4%	15.6%
TDA Non-Required Indicators						
Operating Cost/VSM	\$3.98	\$4.38	\$4.05	\$4.14	\$5.01	\$5.37
Annual Change		10.1%	-7.4%	2.0%	21.2%	7.1%
VSM/VSH	14.88	15.83	16.51	15.89	15.23	15.35
Annual Change		6.4%	4.3%	-3.8%	-4.1%	0.8%
Fare/Passenger	\$1.92	\$2.79	\$2.69	\$2.80	\$2.82	\$3.04
Annual Change		45.4%	-3.5%	3.9%	0.7%	7.8%

Source: FY 2013/14 – FY 2015/16 data from prior TDA Triennial Performance Audit.
FY 2016/17 – FY 2018/19 operating data from State Controller Reports and
FY 2016/17 – FY 2018/19 fiscal data from TDA fiscal audits.

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Exhibit 5.2 System Ridership

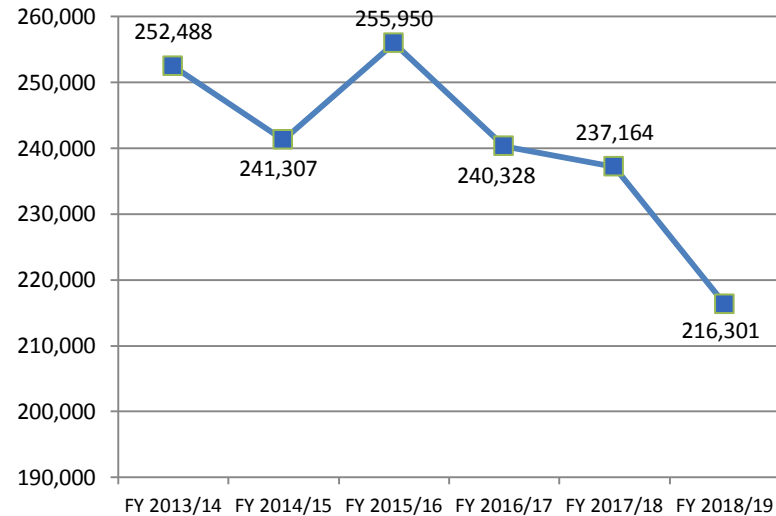


Exhibit 5.3 System Operating Cost/VSH

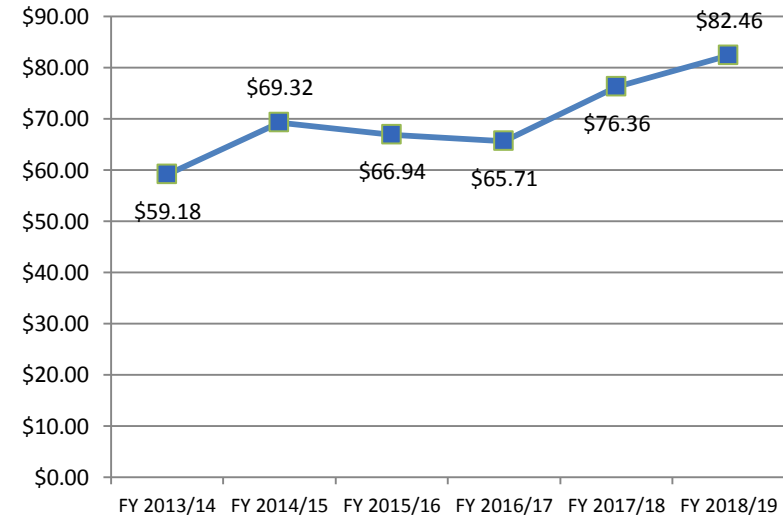


Exhibit 5.4 System Operating Cost/VSM

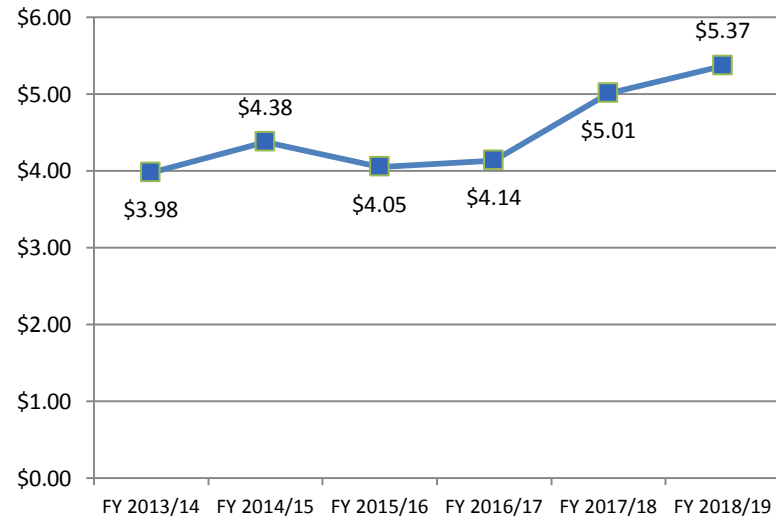
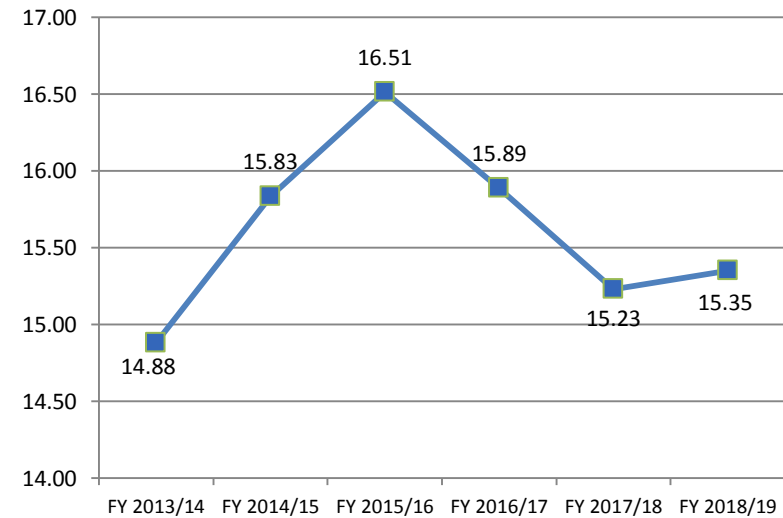


Exhibit 5.5 System VSM/VSH



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Exhibit 5.6 System Operating Cost/Passenger

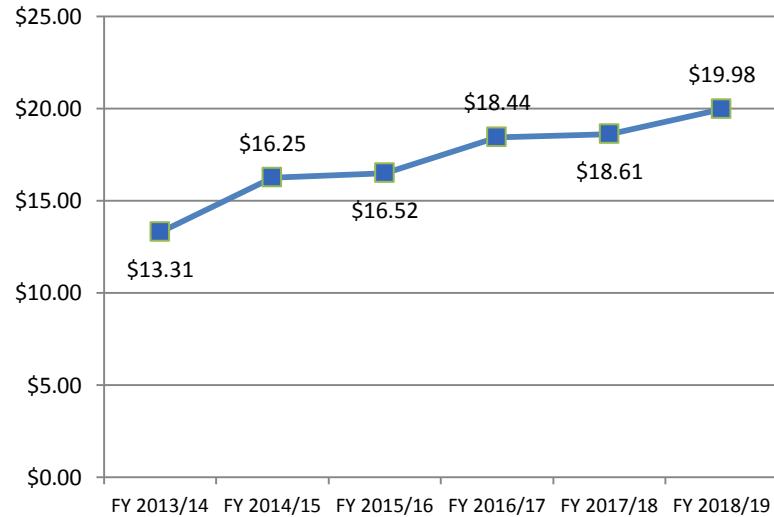


Exhibit 5.7 System Passengers/VSH

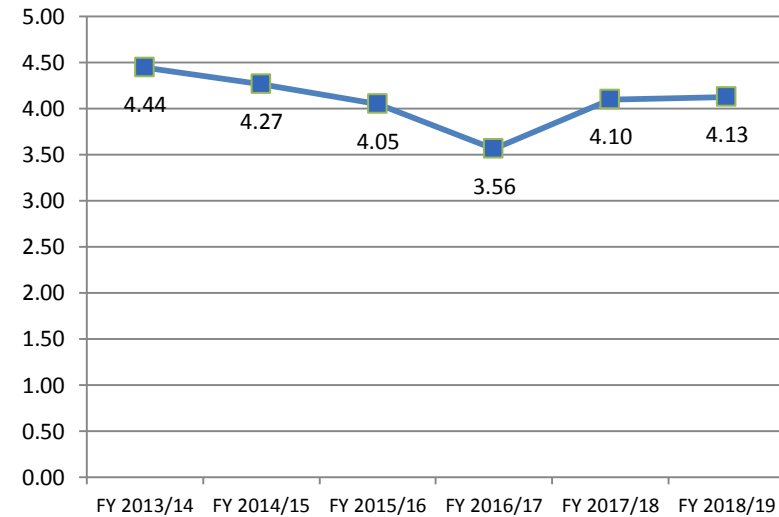


Exhibit 5.8 System Passengers/VSM

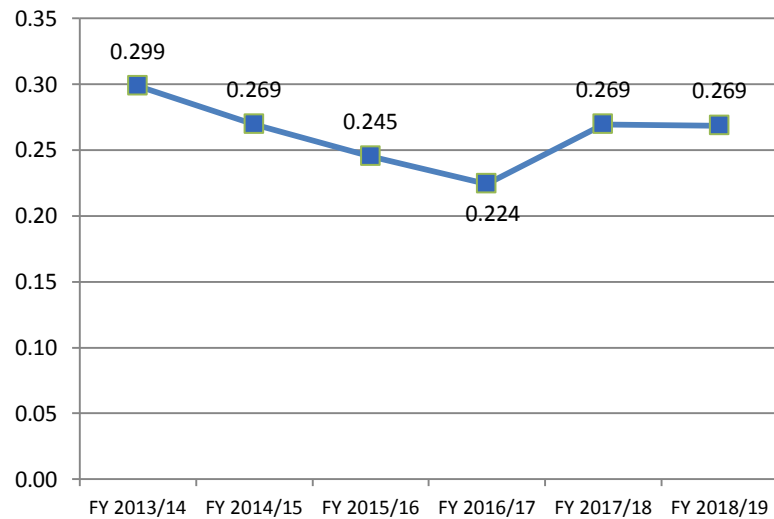
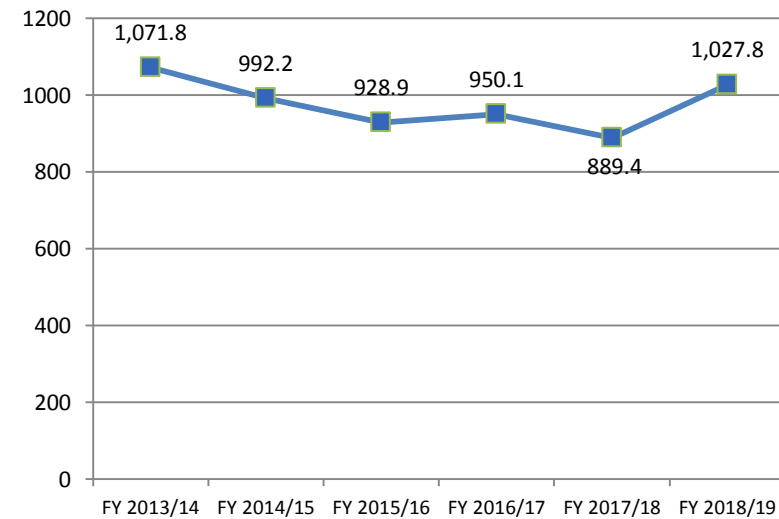


Exhibit 5.9 System VSH /FTE



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Exhibit 5.10 System Farebox Recovery

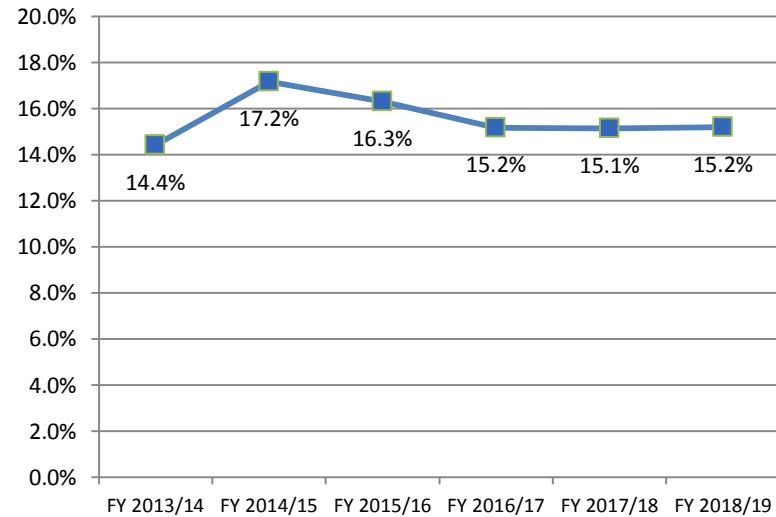
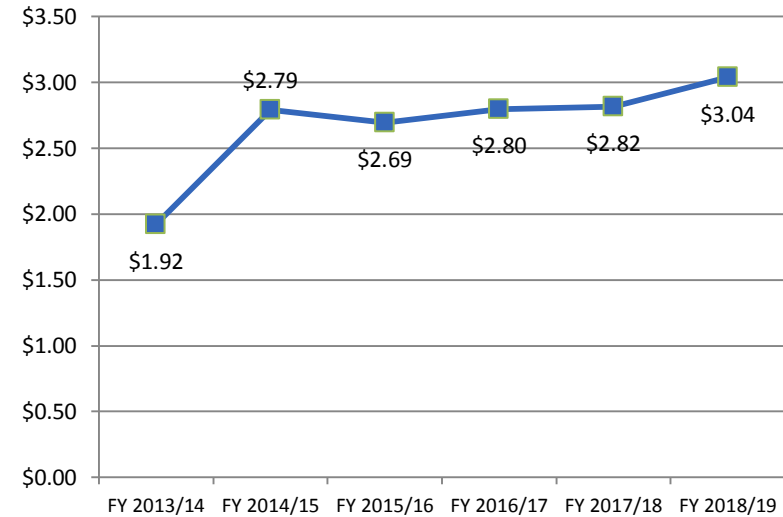


Exhibit 5.11 System Fare/Passenger



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Fixed-Route Performance

Fixed-route operating cost saw a net increase of 63.6 percent across the past six years, yet experienced a 2.2 percent decrease during the current audit period. The greatest increase occurred in FY 2014/15 (33.6 percent).

Fare revenue shown for FY 2016/17 through FY 2018/19 is reflective of all allowed supplementation, as reported in the TDA fiscal audits. Overall, fare revenue saw a net increase of 80 percent across the six-year period. The most significant increase (51.1 percent) took place in FY 2014/15. Fare revenue decreased 2.1 percent during the current audit period.

During the six-year period, vehicle service hours (VSH) experienced a net 9.2 percent increase. This measure posted increases in FY 2015/16 and FY 2016/17, followed by decreases in FY 2017/18 and FY 2018/19. The greatest change took place in FY 2016/17, when VSH increased by 17.3 percent. During the six-year period, vehicle service miles (VSM) saw a net 20.3 percent increase. This measure saw increases from FY 2014/15 through FY 2016/17, followed by decreases in FY 2017/18 and FY 2018/19. The greatest change took place in FY 2016/17, when VSM increased by 23.1 percent. System ridership experienced a net decrease of 12.7 percent between FY 2013/14 and FY 2018/19, despite increases in FY 2015/16 and FY 2017/18. The greatest decrease occurred in FY 2018/19 (8.9 percent).

Cost-related performance indicators increased during the current audit period, reflecting a decline in cost-effectiveness. Passenger-related performance indicators also increased, reflecting an improvement in productivity.

During the current audit period, the farebox recovery ratio remained stable, as the fare revenue used in this analysis reflected local supplementation.

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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 \$)	\$1,371,934	\$1,832,412	\$2,150,939	\$2,295,146	\$2,267,807	\$2,244,866
Annual Change		33.6%	17.4%	6.7%	-1.2%	-1.0%
Fare Revenue (Actual \$)	\$249,651	\$377,245	\$315,512	\$459,029	\$453,562	\$449,429
Annual Change		51.1%	-16.4%	45.5%	-1.2%	-0.9%
Vehicle Service Hours (VSH)	19,801	19,749	21,231	24,908	24,237	21,765
Annual Change		-0.3%	7.5%	17.3%	-2.7%	-10.2%
Vehicle Service Miles (VSM)	284,544	291,500	358,880	372,036	368,294	342,333
Annual Change		2.4%	23.1%	3.7%	-1.0%	-7.0%
Passengers	166,247	155,093	162,970	156,478	159,398	145,176
Annual Change		-6.7%	5.1%	-4.0%	1.9%	-8.9%
Employees	16	24	29	29	19	17
Annual Change		50.0%	20.8%	0.0%	-34.5%	-10.5%
Performance Indicators						
Operating Cost/VSH (Actual \$)	\$69.29	\$92.79	\$101.31	\$92.14	\$93.57	\$103.14
Annual Change		33.9%	9.2%	-9.0%	1.5%	10.2%
Operating Cost/Passenger (Actual \$)	\$8.25	\$11.81	\$13.20	\$14.67	\$14.23	\$15.46
Annual Change		43.2%	11.7%	11.1%	-3.0%	8.7%
Passengers/VSH	8.40	7.85	7.68	6.28	6.58	6.67
Annual Change		-6.5%	-2.3%	-18.2%	4.7%	1.4%
Passengers/VSM	0.58	0.53	0.45	0.42	0.43	0.42
Annual Change		-8.9%	-14.6%	-7.4%	2.9%	-2.0%
Farebox Recovery	18.2%	20.6%	14.7%	20.0%	20.0%	20.0%
Annual Change		13.1%	-28.7%	36.3%	0.0%	0.1%
Hours/Employee	1237.6	822.9	732.1	858.9	1275.6	1280.3
Annual Change		-33.5%	-11.0%	17.3%	48.5%	0.4%
TDA Non-Required Indicators						
Operating Cost/VSM	\$4.82	\$6.29	\$5.99	\$6.17	\$6.16	\$6.56
Annual Change		30.4%	-4.7%	2.9%	-0.2%	6.5%
VSM/VSH	14.37	14.76	16.90	14.94	15.20	15.73
Annual Change		2.7%	14.5%	-11.6%	1.7%	3.5%
Fare/Passenger	\$1.50	\$2.43	\$1.94	\$2.93	\$2.85	\$3.10
Annual Change		62.0%	-20.4%	51.5%	-3.0%	8.8%

Source: FY 2013/14 – FY 2015/16 data from prior TDA Triennial Performance Audit.
FY 2016/17 – FY 2018/19 operating data from State Controller Reports and
FY 2016/17 – FY 2018/19 fiscal data from TDA fiscal audits.

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Exhibit 5.13 Fixed-Route Ridership

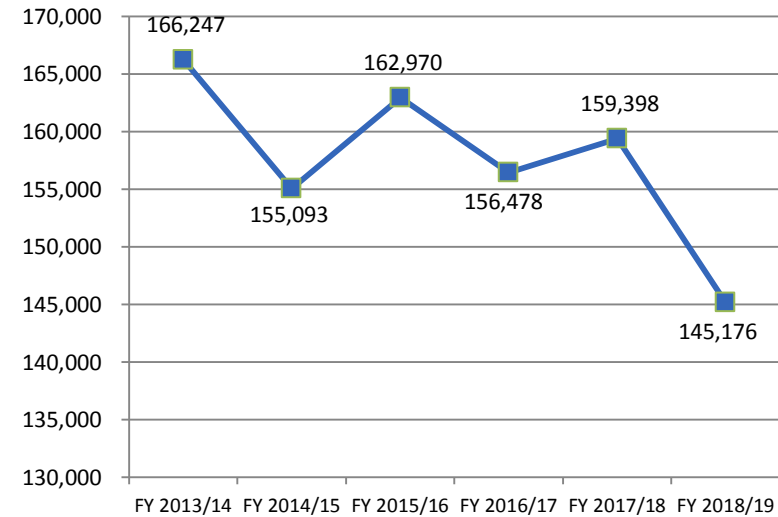


Exhibit 5.14 Fixed-Route Operating Cost/VSH

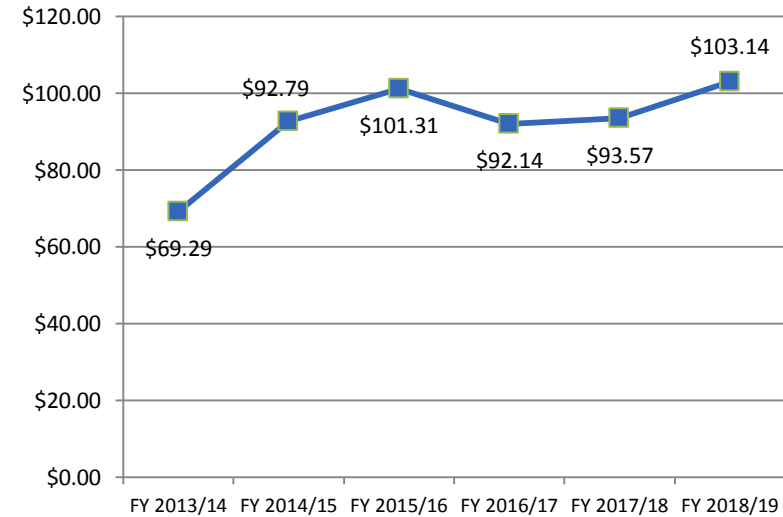


Exhibit 5.15 Fixed-Route Operating Cost/VSM

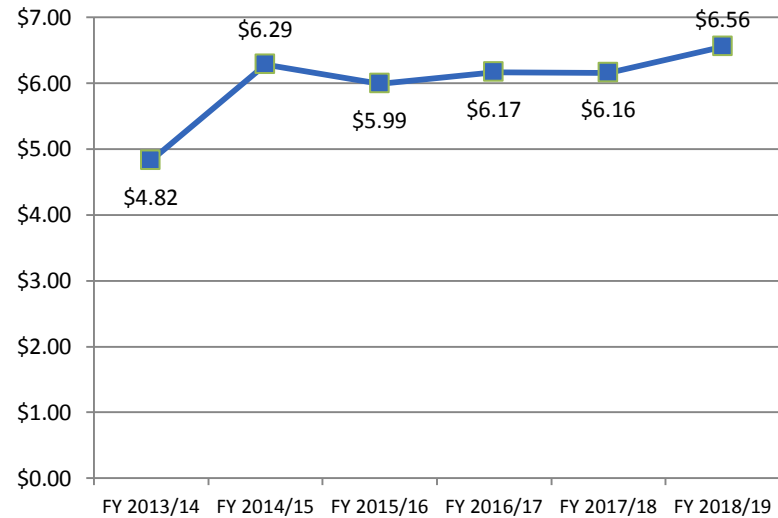
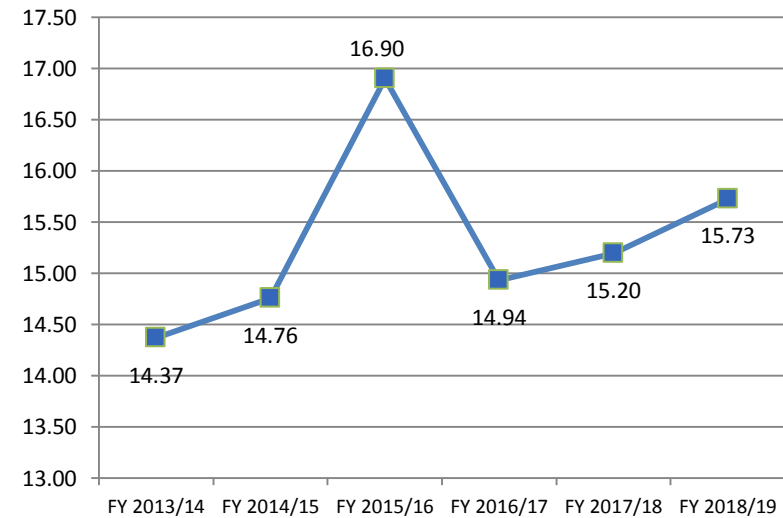


Exhibit 5.16 Fixed-Route VSM/VSH



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Exhibit 5.17 Fixed-Route Operating Cost/Passenger

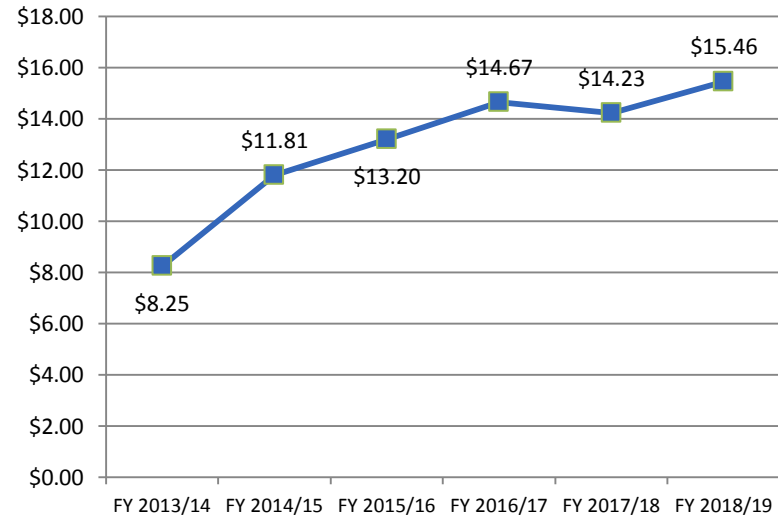


Exhibit 5.18 Fixed-Route Passengers/VSH

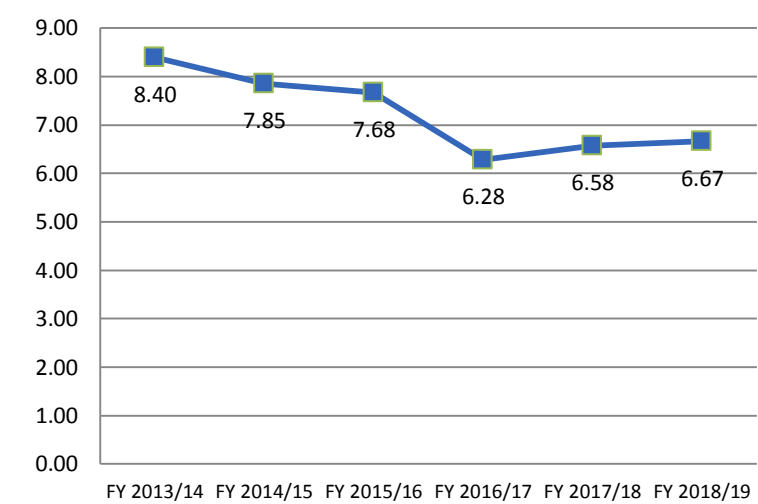


Exhibit 5.19 Fixed-Route Passengers/VSM

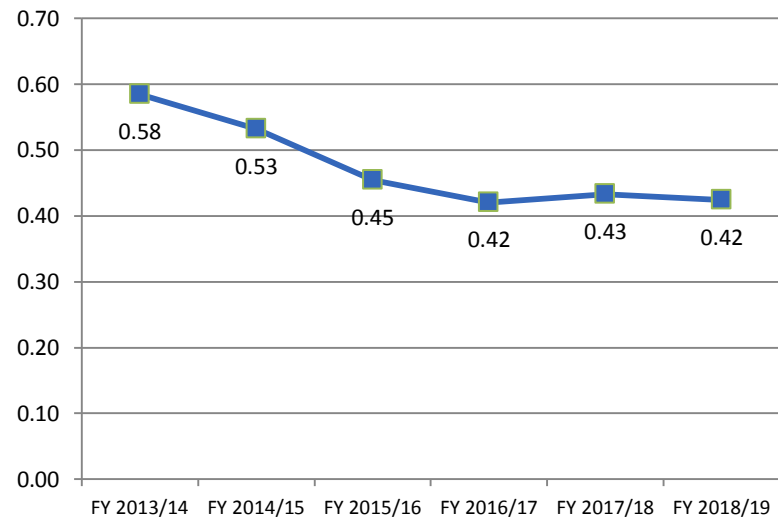
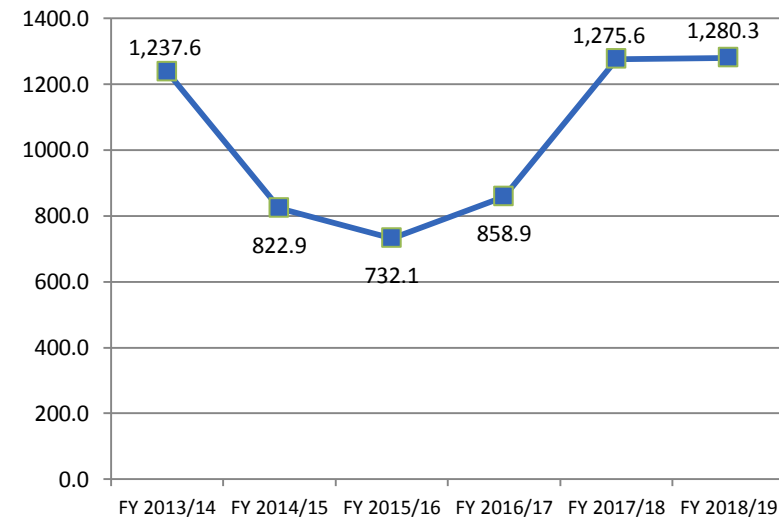


Exhibit 5.20 Fixed-Route VSH /FTE



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Exhibit 5.21 Fixed-Route Farebox Recovery

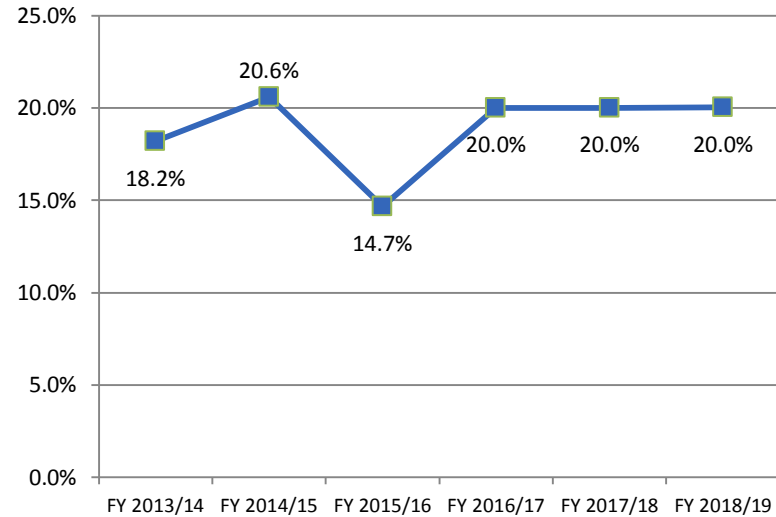
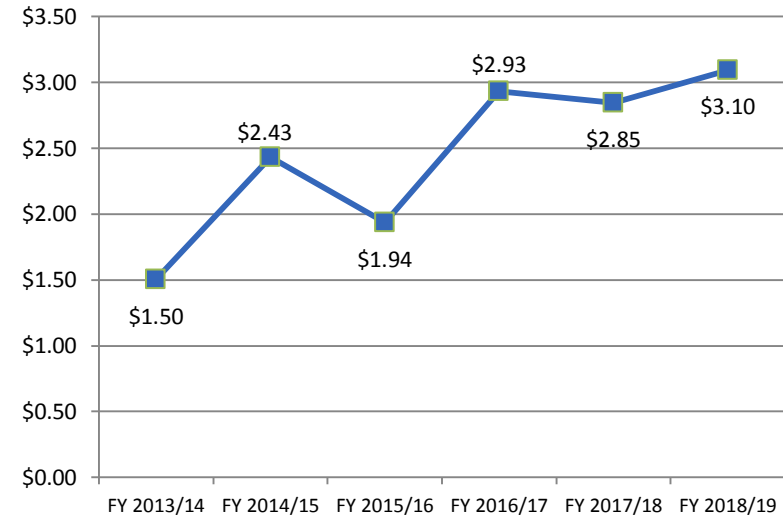


Exhibit 5.22 Fixed-Route Fare/Passenger



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Demand-Response Performance

Demand-response operating cost increased a net 4.4 percent across the past six years, yet experienced a net 2.8 percent decrease during the current audit period. Fare revenue shown for FY 2016/17 through FY 2018/19 is reflective of all allowed supplementation, as reported in the TDA fiscal audits. Overall, fare revenue saw a net decrease of 11.6 percent across the six-year period. The most significant increase changes took place in FY 2014/15 and FY 2015/16, with a 26.2 percent increase in FY 2014/15 and a 26.1 percent decrease in FY 2015/16. Fare revenue decreased 2.8 percent during the current audit period.

During the six-year period, vehicle service hours (VSH) posted a net 17.2 percent decrease. This measure saw increases in FY 2015/16 and FY 2016/17, followed by decreases in FY 2017/18 and FY 2018/19. The greatest change occurred in FY 2017/18, when VSH decreased by 21.1 percent. During the six-year period, vehicle service miles (VSM) saw a net 17.6 percent decrease. This measure experienced increases from FY 2014/15 through FY 2016/17, followed by decreases in FY 2017/18 and FY 2018/19. The greatest change took place in FY 2017/18, when VSM decreased by 26.8 percent. System ridership posted a net decrease of 17.5 percent between FY 2013/14 and FY 2018/19, despite an increase in FY 2015/16. The greatest decrease occurred during FY 2016/17 (9.8 percent).

Cost-related performance indicators increased during the audit period, reflecting a decline in cost-effectiveness. Passenger-related performance indicators also increased, reflecting an improvement in productivity.

During the current audit period, the farebox recovery ratio remained stable, as the fare revenue used in this analysis reflected local supplementation.

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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 \$)	\$1,989,914	\$2,088,335	\$2,077,620	\$2,137,217	\$2,146,566	\$2,077,630
Annual Change		4.9%	-0.5%	2.9%	0.4%	-3.2%
Fare Revenue (Actual \$)	\$235,105	\$296,585	\$373,890	\$213,722	\$214,657	\$207,763
Annual Change		26.2%	26.1%	-42.8%	0.4%	-3.2%
Vehicle Service Hours (VSH)	37,007	36,808	41,935	42,548	33,572	30,655
Annual Change		-0.5%	13.9%	1.5%	-21.1%	-8.7%
Vehicle Service Miles (VSM)	560,856	604,073	684,209	699,777	512,192	462,449
Annual Change		7.7%	13.3%	2.3%	-26.8%	-9.7%
Passengers	86,241	86,214	92,980	83,850	77,766	71,125
Annual Change		0.0%	7.8%	-9.8%	-7.3%	-8.5%
Employees	37	33	39	42	46	34
Annual Change		-10.8%	18.2%	7.7%	9.5%	-26.1%
Performance Indicators						
Operating Cost/VSH (Actual \$)	\$53.77	\$56.74	\$49.54	\$50.23	\$63.94	\$67.77
Annual Change		5.5%	-12.7%	1.4%	27.3%	6.0%
Operating Cost/Passenger (Actual \$)	\$23.07	\$24.22	\$22.34	\$25.49	\$27.60	\$29.21
Annual Change		5.0%	-7.8%	14.1%	8.3%	5.8%
Passengers/VSH	2.33	2.34	2.22	1.97	2.32	2.32
Annual Change		0.5%	-5.3%	-11.1%	17.5%	0.2%
Passengers/VSM	0.15	0.14	0.14	0.12	0.15	0.15
Annual Change		-7.2%	-4.8%	-11.8%	26.7%	1.3%
Farebox Recovery	11.8%	14.2%	18.0%	10.0%	10.0%	10.0%
Annual Change		20.2%	26.7%	-44.4%	0.0%	0.0%
Hours/Employee	1,000.2	1,115.4	1,075.3	1,013.0	729.8	901.6
Annual Change		11.5%	-3.6%	-5.8%	-28.0%	23.5%
TDA Non-Required Indicators						
Operating Cost/VSM	\$3.55	\$3.46	\$3.04	\$3.05	\$4.19	\$4.49
Annual Change		-2.6%	-12.2%	0.6%	37.2%	7.2%
VSM/VSH	15.16	16.41	16.32	16.45	15.26	15.09
Annual Change		8.3%	-0.6%	0.8%	-7.2%	-1.1%
Fare/Passenger	\$2.73	\$3.44	\$4.02	\$2.55	\$2.76	\$2.92
Annual Change		26.2%	16.9%	-36.6%	8.3%	5.8%

Source: FY 2013/14 – FY 2015/16 data from prior TDA Triennial Performance Audit.
FY 2016/17 – FY 2018/19 operating data from State Controller Reports and
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Exhibit 5.24 Demand-Response Ridership

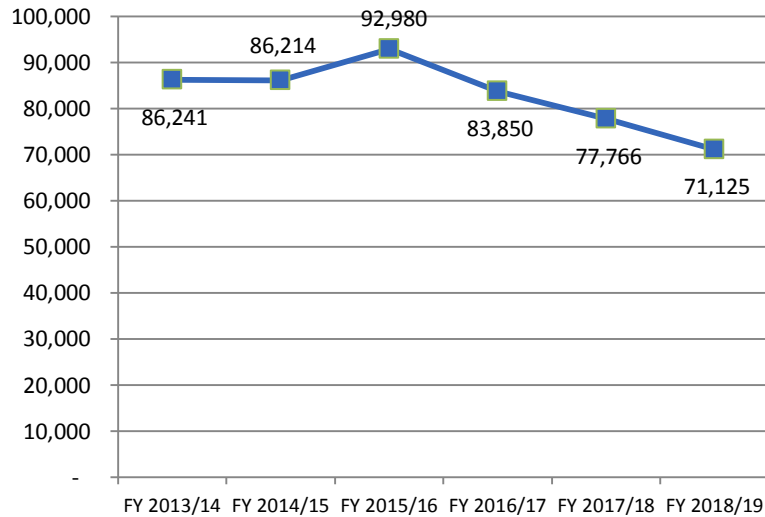


Exhibit 5.25 Demand-Response Operating Cost/VSH

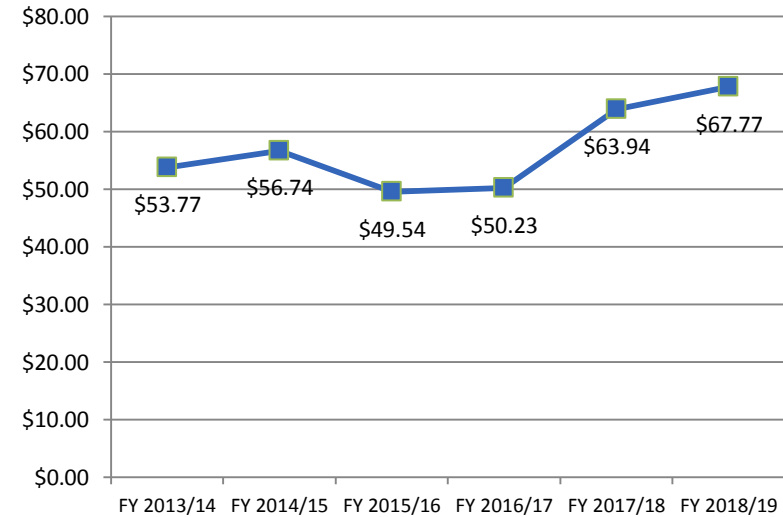


Exhibit 5.26 Demand-Response Operating Cost/VSM

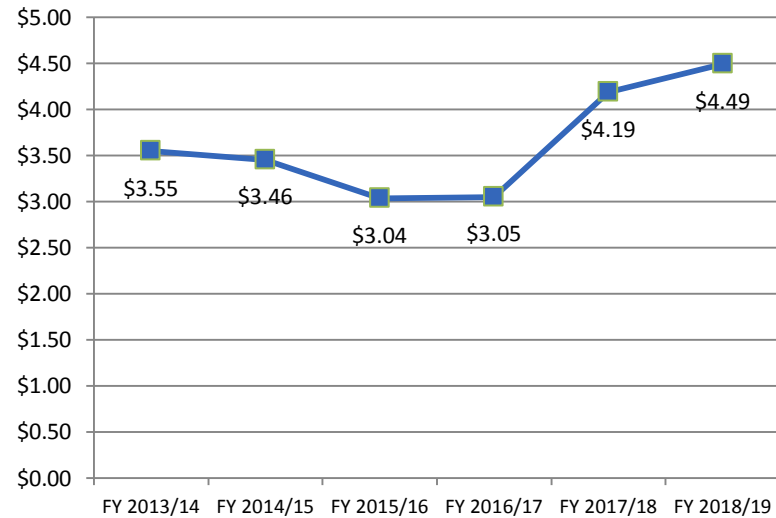
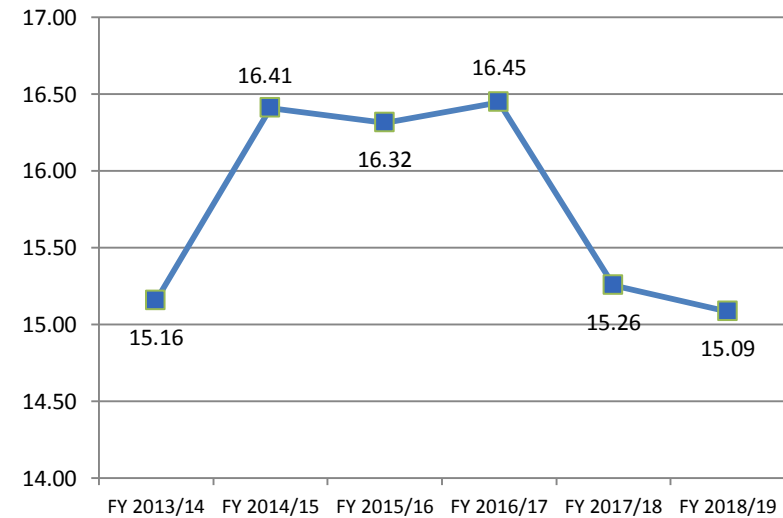


Exhibit 5.27 Demand-Response VSM/VSH



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Exhibit 5.28 Demand-Response Operating Cost/Passenger

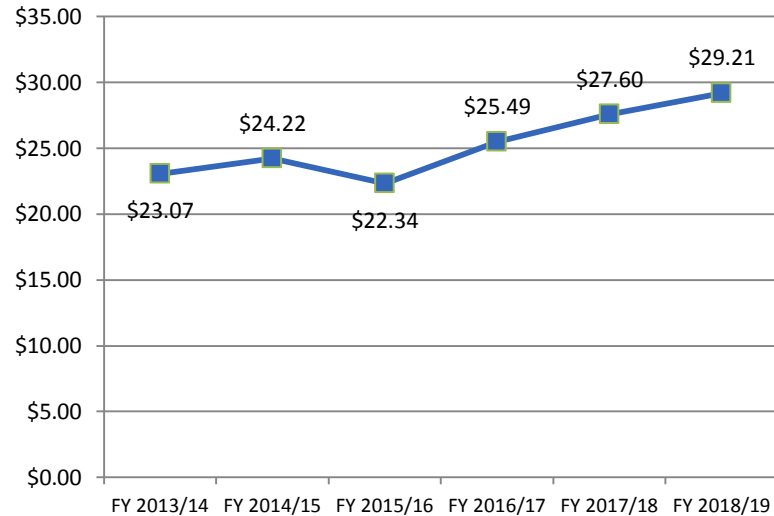


Exhibit 5.29 Demand-Response Passengers/VSH

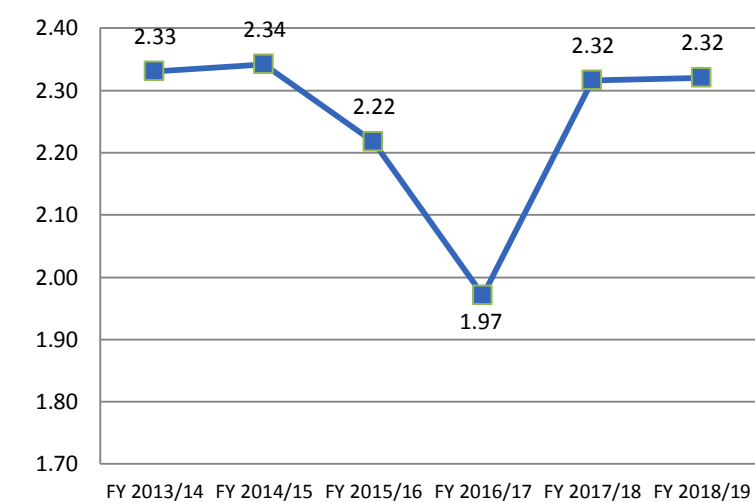


Exhibit 5.30 Demand-Response Passengers/VSM

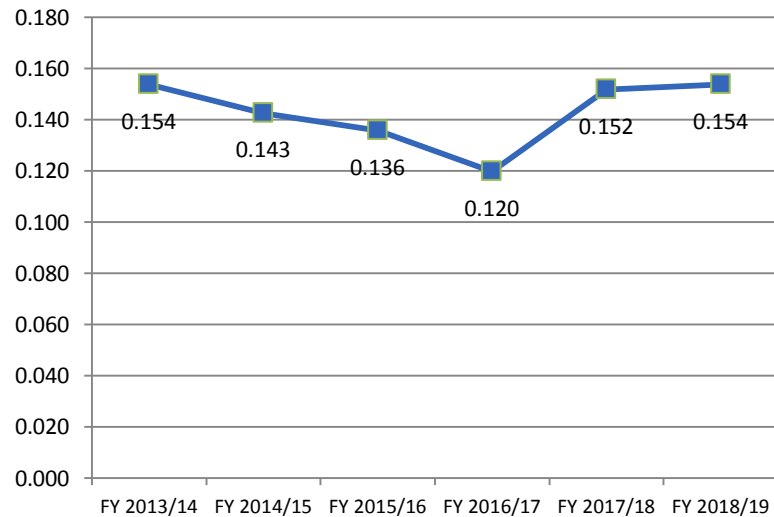
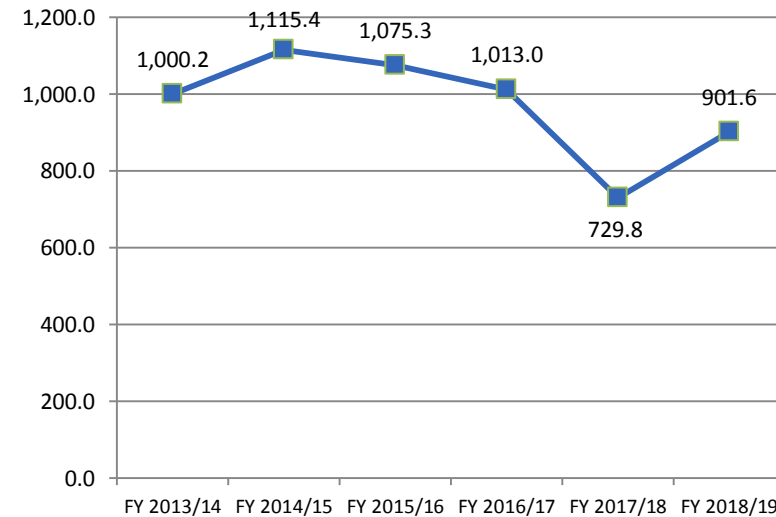


Exhibit 5.31 Demand-Response VSH /FTE



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Exhibit 5.32 Demand-Response Farebox Recovery

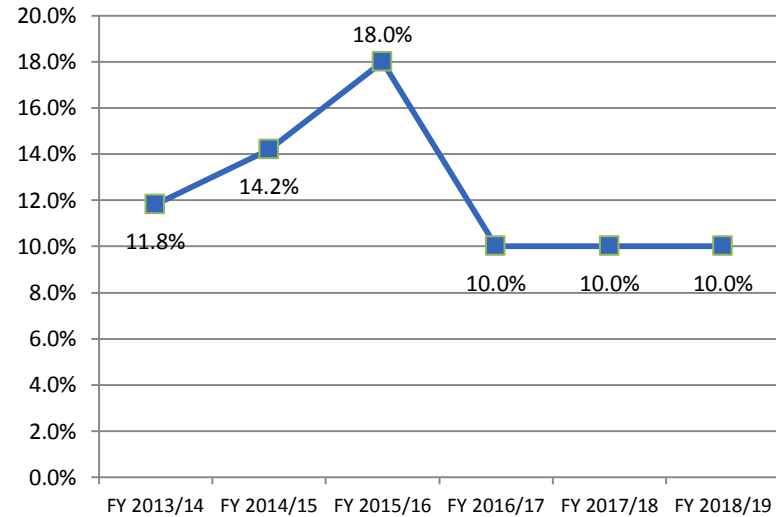
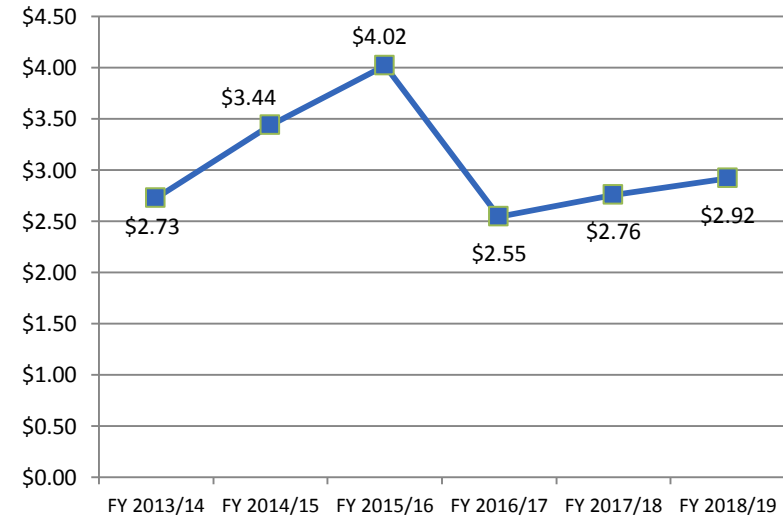


Exhibit 5.33 Demand-Response Fare/Passenger



Chapter 6

Functional Review

A functional review of the City of Thousand Oaks' 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 Thousand Oaks 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 Thousand Oaks' transit program is marketed as Thousand Oaks Transit (TOT). The TOT service area includes the cities of Thousand Oaks and Westlake Village; as well as Ventura County's unincorporated areas of Newbury Park, Ventu Park, Lynn Ranch, Rolling Oaks, Oak Park, Hidden Valley, and Lake Sherwood. Collectively, the TOT coverage area includes an estimated 200,000 people. It is accessible via State Route 23 from the north and U.S. Highway 101 from the east and west.



The City's fixed-route system is comprised of five fixed routes which cover Thousand Oaks, a portion of Westlake Village, and portions of unincorporated Ventura County. Until June 29, 2018, service was also provided to the Metrolink station in Moorpark via a commuter shuttle (Metrolink Shuttle). Fixed-route service hours are 6:00 a.m. to 7:00 p.m. Monday through Friday, and 8:00 a.m. to 7:00 p.m. Saturday. The City also offers a summer Beach Bus linking designated stops in Thousand Oaks to Zuma Beach in Malibu.

The City's door-to-door Dial-A-Ride service is available to passengers 65 years of age or above and Americans with Disabilities Act cardholders. Dial-A-Ride hours of operation are the same as those of regular fixed-route buses, except service is also offered from 8:00 a.m. to 7:00 p.m. on Sunday. DAR service is provided throughout Thousand Oaks, to Westlake Village, and to the county's unincorporated areas of Newbury Park, Ventu Park, Lynn Ranch, Rolling Oaks, Oak Park, Hidden Valley and Lake Sherwood. A City-issued DAR card is required.

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Additionally, the City provides inter-city transit service through the East County Transit Alliance (ECTA). One of the principal goals of the ECTA is to improve transit service coordination and connectivity. In its role as the fiscal agent, the City of Thousand Oaks is the lead agency for the ECTA. It was determined that, given the City's status as the largest service provider in the eastern portion of the county, as well as the fact that it was already contracted to provide drivers and maintenance for multiple transit operators, the City of Thousand Oaks was best positioned to take the lead in the alliance. ECTA Dial-A-Ride services are provided to persons with disabilities and seniors age 65 years and above on an advance reservation basis. The service is offered Monday through Friday on a shared-ride, reservation basis by the cities of Moorpark, Simi Valley, and Thousand Oaks, as well as the County of Ventura. Service is available in Camarillo, Simi Valley, Thousand Oaks, and unincorporated portions of eastern Ventura County. 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.

Exhibit 6.1 illustrates the City's current fixed-route fare structure, while Exhibit 6.2 details the City's current Dial-A-Ride fare structure. Current fares went into effect in January 2020. The fare adjustment that went into effect at that time (the first since 2012) reflected the following changes:

- Fifty-cent increase in the Regular single-ride fare.
- Twenty-five cent reduction to the Senior/Disabled/Medicare single-ride fare.
- Some passes were discounted, while others were modified (for example, time restrictions were removed from the Student pass).
- One dollar increase to the local Dial-A-Ride fare.
- The program that allowed Dial-A-Ride/ADA cardholders to ride the fixed-route service for free was discontinued.

In November 2019, ECTA fares were increased from five dollars to six dollars to support TDA farebox recovery ratio attainment. This was the first increase to ECTA fares since 2015.

Exhibit 6.1 Fixed-Route Service Fare Structure

Fare Category	Fare Price
Single Ride	
Regular	\$2.00
Senior/Disabled/Medicare	\$0.50
Transfer (between TOT and VCTC)	Free
Children age 5 and under (with fare-paying passenger)	Free
10-Ride Pass	
Regular	\$16.00
Senior/Disabled/Medicare	\$4.00
7-Day Pass	
Regular	\$16.00
Senior/Disabled/Medicare	\$4.00
31-Day Pass	
Regular	\$56.00
Senior/Disabled/Medicare	\$14.00
Student (grades 1-12)	\$28.00

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Exhibit 6.2 Dial-A-Ride Fare Structure

Fare Category	Fare Price
Thousand Oaks Dial-A-Ride (one-way)	\$4.00
Intercity Dial-A-Ride (ECTA) (one-way)	\$6.00

General Management and Organization

The City's transit program lead (Senior Transit Analyst) reports to the Deputy Public Works Director. Despite a non-management classification within the City, the Senior Transit Analyst is afforded the necessary program governance oversight authority without needing additional approvals or consultations. The City is unique in this regard, as it is more typical that a transit program of the City's size and scope would be led by someone with a Director or Deputy Director classification. All staff assigned to the City's transit program as their primary responsibility report to the Senior Transit Analyst. Program leads meet as necessary to discuss and prioritize staffing resources and executive management is consulted if conflicts are identified.

City staffing is appropriate and supported by other City divisions and departments as required. There is a clear chain of command within the program and those staff who substantially support the program (Administration, Finance, IT, Facilities, Fleet, Streets) understand that, while they support the transit program, they do not report to the program lead. The City has gone to great lengths to ensure a collaborative and supportive environment across divisions and departments.

In addition to Thousand Oaks Transit, the City is also contracted to manage operations provision of the City of Moorpark's public transit service, as well as the County of Ventura's Kanan Shuttle and transit services for the cities of Agoura Hills and Westlake Village.

The City of Thousand Oaks contracts with MV Transportation to provide vehicle operators as well as maintenance on leased service vehicles. City employees provide maintenance on City-owned vehicles as well as Moorpark City Transit vehicles. The contract with MV spells out specific performance measures on a variety of measures, and the contractor reports on these measures on a monthly basis. The contract is performance-based, rather than penalty-based, with the contractor earning bonus payments for superior performance. The City also maintains separate lists of performance targets for all City services and reports transit program performance there as well.

Program information is received from the operations contractor on a daily, weekly, and monthly basis. The City also monitors performance through installed technologies. The City also utilizes qualified consultants to review and monitor data.

Team meetings with assigned program staff, support staff, and contractor management staff are scheduled on a biweekly basis. Additional meetings are scheduled on an as-needed basis and occur frequently. The deputy division manager and program manager also meet with the transit operations contractor's Senior Vice-President on a regular basis.

MV has provided the City's transit services for nearly 20 years. A new four-year contract (with two two-year extension options) went into effect on July 1, 2019. The pricing of the new contract represented a significant increase over prior years.

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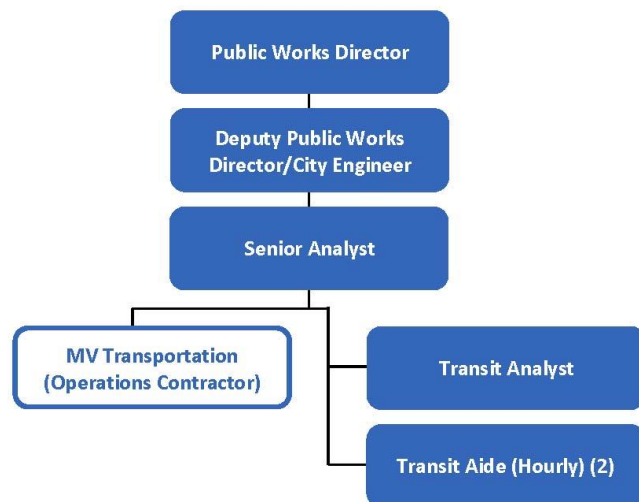
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In the past, the City requested the operations contractor replace top management assigned to the program due to performance issues and routine call-out major performance issues. When necessary, the City has withheld payment for services requiring corrective action. The City has also responded to contractor requests for assistance including approving contract cost increases to address staff recruitment and retention issues that have had substantial negative impact on transit operations during the audit period.

The operations contractor is experiencing high turnover in management and supervisory positions yet is meeting the staff requirements of the current contract that specified the hiring of an additional management position. The contractor cites an ongoing and systemic staffing shortage for drivers, customer service representatives, and dispatchers, which has resulted in MV being understaffed for the past 18 months.

Exhibit 6.3 illustrates the City's transit organizational structure.

Exhibit 6.3 Organizational Chart, FY 2019/20



Source: City of Thousand Oaks.

The Thousand Oaks City Council is the governing body for the City's public transit program. Meetings are open to the public. City council meets on the second and fourth Tuesday of the month at 6:00 p.m. at city hall, which is well served by transit. During the audit period, several citizen advisory committees provided periodic input on transit issues, including:

- Traffic and Transportation Advisory Committee,
- Disabled Access Appeals and Advisory Board,
- Council on Aging, and
- Youth Commission.

Both the City Council and the City's executive management continue to be concerned regarding farebox recovery ratio shortfalls. For the ECTA Management Committee, the issues of capacity and cost controls as well as area-wide consolidation efforts have been a primary focus during the current audit period.

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The City did not introduce any new services during the audit period. Route 2 was split into two routes (Route 2 – Green and Route 2B – Purple) beginning August 14, 2017 in order to reduce travel time. The Metrolink Shuttle service was discontinued on June 29, 2018. In addition, Saturday service was added to ECTA's Intercity Dial-A-Ride service. The City tracks ridership, costs, and other performance criteria for any new service. Evaluation of new programs and services is ongoing. For example, the combined ridership of Route 2 and Route 2B exceeds that of the single route covering the same territory, and overall on-time performance has improved.

During the audit period, the City also reinstituted using some TDA funds to support streets and roads projects, as allowable under California Assembly Bill 1814, passed on June 11, 2018. The change in funding allocation has not impacted the transit program.

As a provider of services, the City has developed strong, cooperative relations with other local municipal entities in order to provide transit services under contract. The City serves as the lead agency and fiscal agent for the ECTA MOU. The City works cooperatively with the Gold Coast Transit District on joint procurements and VCTC on issues of regional concern including the rollout of new technologies and coordination of services and special programs and projects such as the College Free Ride Program. The City does not have a direct relationship with the FTA, as it is a sub-recipient through VCTC.

Service Planning

With its transit program, the City strives to achieve all mandated performance goals such as farebox recovery, FTA-defined wait times, and generally accept performance measures on areas such as on-time performance and trip denials. The transit program also strives to satisfy the City Council's seven goals for transit as well as the council's annual goals and priorities and Public Works departmental goals.

The City regularly reviews and evaluates its progress toward established goals and objectives. Future goals and objectives are currently under development as part of a long-range transit plan. Thousand Oaks is essentially at build-out, meaning there is little opportunity for new development. The City is currently updating its General Plan, which will include a Circulation Element.

The City ensures all services, regardless of type, are accessible to persons with disabilities. The fleet is 100 percent accessible, as are all facilities. Wherever possible, the transit program exceeds federal minimums. Demand-response services typically reflect fixed-route service hours; however, Sunday service is also offered, which exceeds federal requirements.

The City conducted extensive outreach in advance of the May City Council meeting recommending transit program changes. This was followed by additional outreach prior to and following the public hearing in October to formally approve the changes. In addition, the transit program participates in and sponsors public outreach events and travel training seminars. Public hearings are conducted as required by VCTC, CEQA, Title VI, or FTA. Hearings are held at city hall or other city venues designed for public meetings.

Onboard surveys are conducted as part of the public outreach process for proposed program changes. Surveys are administered online and in person, typically by a third party rather than by transit drivers.

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Personnel Management and Training

The City contracts with MV Transportation to provide vehicle operators and maintenance of leased vehicles. Currently, there is an insufficient number of drivers to meet the contractor's needs. Recruitment and training are handled on an ongoing basis. MV has not had full staffing for at least 18 months due to low unemployment and higher wages available in neighboring counties. The City believes the operations contractor needs to hire 12 additional drivers to meet current program needs. 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.

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. Minimum safety and training requirements are included in the transit operations contract.

Approximately 50 percent of recruits successfully complete the training period, including the required 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 left 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 for its full-time employees. Employees receive an package outlining available benefits on an annual basis.

Scheduling, Dispatch, and Operations

Drivers are unionized (Teamsters Local 848) and bid for their work 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 on a single shift. All drivers are trained to operate all fixed-route and demand-response vehicles.

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.

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Fareboxes are pulled once weekly (on Tuesdays) for all buses that have been 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'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.

Bus pass sales at the Thousand Oaks Transit Center are recorded by individual transaction and accounting is provided monthly. MV Transportation is required to pre-purchase demand-response trip tickets, the purchase price of which is credited against the contractor's monthly invoice and reconciled against the sales log maintained by the City on a monthly basis. The contractor is required to credit the agency based on ridership, regardless of what is actually collected (leaving the contractor responsible for short fares, lost tickets, etc.).

Administration

The City prepares a biennial operating budget which includes transit expenditures. Each month, the City compares budgeted expectations with actual expenditures, and tends to do a good job of estimating. All financial data is maintained in NaviLine and multiple spreadsheets.

The City's transit staff is smaller than many peer organizations, and it lacks dedicated transit planning and transit finance staff. The City's finance department handles claims as well as reporting to the State Controller and TDA. As a result, different individuals may be working on these reports from year to year.

Transit staff handles the preparation of grants as well as NTD submittals. Transit staff prepares the draft reimbursements for Section 5307 claims, which are then processed by the finance department. The City has not lost any grants due to inattention or failure to comply with requirements. Some grants have been voluntarily returned when a project could not be pursued.

The City has both a Risk Manager and Safety Analyst on staff, and has a procedure for processing claims. The City's self-insurance covers the first one million dollars for liability and auto insurance, and additional claims are covered by Alliant. MV Transportation maintains its own insurance that meets the requirements of the contract. The safety of operating practices is reviewed by the City on an ongoing basis by its Health and Safety Officer, while MV reviews its practices on a daily, monthly, and quarterly basis. The operations contractor is required to maintain a disaster preparedness plan, which is updated annually. 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 better prepare the Ventura County region to respond to future natural disasters.

Transit staff manage contracts, including the transit operations contract as well as contracts for ECTA, the City of Moorpark, and the County of Ventura. Oversight of contracts includes monthly reporting, review of performance measures, and routing inspections. Contracts under \$30,000 can be approved by department heads, while contracts under \$50,000 can be approved by the City Manager. All other contracts must be approved by City Council. Any changes to scope require a City Council amendment.

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The City's purchasing procedures are governed by the Municipal Code as well as the TO Purchasing Ordinance. VCTC also has established procurement policies, which the City is following to the letter. The City also follows FTA procurement rules.

The City has an internal annual audit plan that is risk-based. It is reviewed annually and modified as needed based on any new risks identified. The audit plan is reviewed by the Finance Director, City Manager, and Finance Audit Committee. Audit reports with recommendations receive periodic follow-ups.

Marketing and Public Information

Transit marketing is conducted by the City using City resources, channels, and contractors. It includes website maintenance, social media, print advertising, community outreach events, flyers, postcards, and promotional items. Service brochures (including service schedules) are frequently updated and distributed.

Brochures are available at both libraries, the senior and teen centers, City Hall, TOTC, Oaks Mall, on vehicles, and at some ancillary locations (e.g., Senior Concerns, Area Housing Authority, social services offices). Brochures are also provided to Mobility Management Partners, VCTC, and Gold Coast Transit. The Thousand Oaks Transit Center also has brochures for VCTC, Commuter Express, Metro 161, Kanan Shuttle, and Moorpark Shuttle. The City's transit website includes .pdfs of all brochures. Brochures are also provided with DAR cards.

Customer inquiries, concerns, and compliments are encouraged and can be received by phone, email, and other methods. All customer contacts are entered into a Customer Response Management (CRM) system by the contractor. The CRM system is owned and maintained by the City and custom transit templates have been created for use by the operations contractor.

The City recently launched its Ride Alerts for DAR (RADAR) program, which provides a notification via phone, text, or email either the night before a scheduled ride or shortly before the vehicle arrives. The launch was supported by a promotional campaign. The City also conducts regular advertising and promotional campaigns to support transit program and travel training modifications.

The public's perception of Thousand Oaks Transit is generally positive. The last general survey was conducted in 2015 as part of the Transit Master Plan. A subsequent survey focused on specific proposed service changes.

Maintenance

The Thousand Oaks Transit Center (TOTC) is managed by the City's facilities division, while the Municipal Services Center (MSC) is managed by the City's fleet and facilities division. Several maintenance-related services are contracted out:

- Maintenance of systems including air conditioning,
- Janitorial services,
- Site security of TOTC,
- TOTC landscaping is included in a city-wide contract, and
- Bus stop maintenance (overlaps with City staff).

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The City maintains its own transit vehicles as well as vehicles for the City of Moorpark. MV maintains vehicles for ECTA, the City of Agoura Hills, the County of Ventura's Kanan Shuttle, 12 leased Dial-A-Ride vans for Thousand Oaks, and two spare vans that may be used for any service.

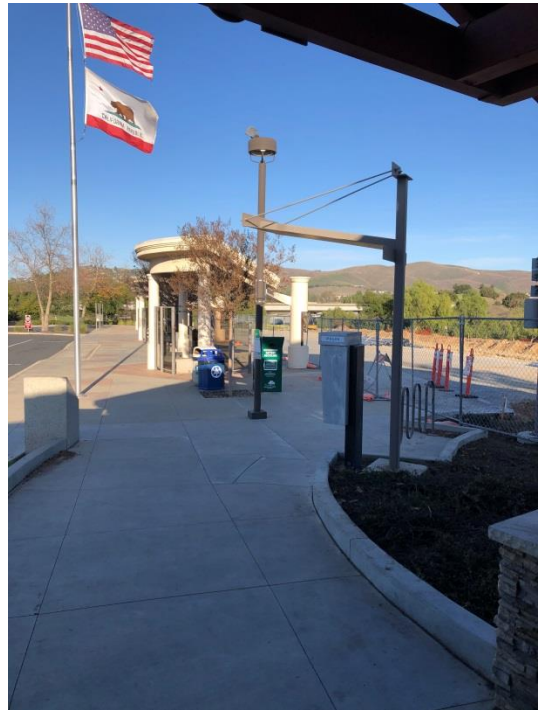
The TOTC is currently undergoing a \$1.6 million expansion, which will ultimately result in the addition of three new bus bays. The facility features video displays and 27 security cameras. Typically, the City maintains at least one spare vehicle per service it operates (Thousand Oaks fixed-route, Thousand Oaks DAR, Kanan Shuttle, Moorpark, etc.) at the TOTC for ease of access, though this practice has been temporarily curtailed due to the significant reduction in parking availability resulting from the expansion efforts.

The City adheres to the OEM preventive maintenance program, though vehicles sometimes reach the mileage threshold before the age threshold. The City has been using the FASTER fleet management program since 1994 and is very satisfied with how the software performs. It undergoes annual upgrades and is well supported by the manufacturer. It is capable of running a wide variety of customized reports. Since non-transit maintenance is conducted at the same facility, the FASTER program also supports linking specific work to a specific work order or cost code, ensuring transit costs and hours can be reported appropriately. The system is capable of running a wide variety of customized reports, and a preventive maintenance list is run at the beginning of each month.

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 issue with vehicle downtimes, as an adequate reserve fleet is maintained and vehicles can be exchanged across services if necessary.

California Highway Patrol (CHP) inspections are conducted every 45 days. Vehicles that cannot pass the CHP inspection are not put into service. The City 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's policy prohibits deferred maintenance. There is currently no backlog of repairs and no idle time, as fleet mechanics work on all City 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's transit fueling facility was completed in 2013 and activated in 2014. Numbered parking spaces are tied to specific DAR vehicles. City of Moorpark buses are also fueled and maintained at the MSC. Moorpark and Thousand Oaks buses have their own CNG fueling meters so that fuel is allocated accurately.



In 2011, MV essentially outgrew the office space at the Thousand Oaks Transit Center. An MV trailer at the City's Municipal Services Center is lease-free and all utilities are provided.

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 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 shrinkage.

Exhibit 6.5 illustrates the City's fleet inventory for FY 2019/20. MV uses a useful life standard of four years or 150,000 miles for DAR vehicles. A high percentage of DAR vehicles are scheduled for replacement during the current fiscal year. Vehicle replacement was addressed in VCTC's group Transit Asset Management Plan as well as in the City's Capital Improvement Project budget. The City replaces vehicles as soon as they became eligible under FTA qualifications.

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Exhibit 6.5 City of Thousand Oaks Transit Fleet FY 2019/20

Make/Model	Year	Seating capacity	Fuel Type	Quantity	Assigned to:
Orion VII Bus	2008	34/2 WC	CNG	2	Thousand Oaks FR
Gillig Bus	2015	23/2 WC	CNG	2	Thousand Oaks FR
Ford E450 Cutaway	2014	16/2 WC	CNG	2	Thousand Oaks FR
Ford E450 Cutaway	2018	28/2 WC	Diesel	1	Thousand Oaks FR
Gillig Bus	2019	23/2 WC	CNG	4	Thousand Oaks FR
El Dorado Bus	2010	23/3 WC	CNG	3	Moorpark
El Dorado Bus	2015	23/3 WC	CNG	2	Moorpark
Ford E450 Cutaway	2014	20/2 WC	CNG	4	Kanan Shuttle
Dodge Caravan	2014	3/1 WC	Gasoline	9	Thousand Oaks DAR
Ford Transit	2018	8/5 WC	Gasoline	2	Thousand Oaks DAR
Ford E450 Cutaway	2014	12/2 WC	CNG	6	Thousand Oaks DAR
Dodge Caravan	2013	3/1 WC	Gasoline	1	Agoura Hills
Dodge Caravan	2014	6/0 WC	Gasoline	1	Agoura Hills
Dodge Caravan	2014	7/0 WC	Gasoline	1	Agoura Hills
Starcraft Cutaway	2015	8/2 WC	Gasoline	1	Agoura Hills
Starcraft Cutaway	2017	28/0 WC	CNG	1	Agoura Hills
Starcraft Cutaway	2018	8/3 WC	Gasoline	6	ECTA
Starcraft Cutaway	2015	8/3 WC	Gasoline	3	Thousand Oaks DAR

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Chapter 7

Findings and Recommendations

Conclusions

The auditors find the City of Thousand Oaks to be in compliance with the requirements of the Transportation Development Act. In addition, the City's transit program generally functions in an efficient, effective, and economical manner.

Findings and Recommendations

Based on discussions with City staff and its transit operations contractor, analysis of program performance, and an audit of program compliance and function, the audit team presents no compliance or functional findings.

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