



Valley Express

TDA Triennial Performance Audit for
FY2022/23, 2023/24, and 2024/25



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Chapter 1 | Executive Summary

In 2025, the Ventura County Transportation Commission (VCTC) selected Moore & Associates, Inc., to prepare Triennial Performance Audits of itself as the RTPA and the 10 transit operators to which it allocates TDA funding.

The California Public Utilities Code requires all recipients of Transit Development Act (TDA) Article 4 funding to undergo an independent performance audit on a three-year cycle in order to maintain funding eligibility. Audits of Article 8 recipients are encouraged.

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

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

- Fiscal Year 2022/23,
- Fiscal Year 2023/24, and
- Fiscal Year 2024/25.

The Valley Express fixed-route service includes four routes serving the cities of Fillmore and Santa Paula as well as the unincorporated community of Piru. Two additional school trippers operate during the school year. Service hours vary by route. In August 2024, Valley Express launched its Fillmore-Moorpark Route, which offers 10 trips on weekdays and five trips on weekends.

Dial-A-Ride service is available to the general public, with priority given to ADA-certified individuals and seniors (65+). General Public Dial-A-Ride service is available throughout Santa Paula, Fillmore, and the unincorporated areas that make up the Heritage Valley. Seniors and ADA Paratransit Dial-A-Ride service is available throughout Santa Paula, Fillmore, and Saticoy.

This performance audit was conducted in accordance with generally accepted government auditing standards. Those standards require that the audit team plans and performs the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for its findings and conclusions based on the audit objectives. Moore & Associates, Inc. believes the evidence obtained provides a reasonable basis for 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,
- Prior recommendations,
- Analysis of program data reporting,
- Performance Audit, and
- Functional review.

Test of Compliance

Based on discussions with Valley Express staff, analysis of program performance, and an audit of program compliance and function, the audit team presents no compliance findings.

Status of Prior Recommendations

The prior audit – completed in April 2023 by Moore & Associates, Inc. for the three fiscal years ending June 30, 2022 – included no recommendations.

Findings and Recommendations

Based on discussions with Valley Express staff, analysis of program performance, and a review of program compliance and function, the audit team submits no findings related to TDA compliance for Valley Express.

Recommendations are intended to assist in bringing the operator into compliance with the requirements and standards of the TDA as well as address non-compliance-related issues, challenges, or opportunities observed during the site visit and functional review. The following recommendations are presented for the Valley Express.

Exhibit 1.1 Summary of Audit Recommendations

Recommendations		Importance	Timeline
1	Continue efforts regarding plans for the zero-emission vehicle transition since the current leased facility cannot accommodate the future transition.	Medium	Ongoing

Chapter 2 | Audit Scope and Methodology

The Triennial Performance Audit (TPA) of Valley Express' public transit program covers the three-year period ending June 30, 2025. 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 2025, the Ventura County Transportation Commission (VCTC) selected Moore & Associates, Inc., to prepare Triennial Performance Audits of itself as the RTPA and the 10 transit operators to which it allocates TDA funding. Moore & Associates, Inc. is a consulting firm specializing in public transportation, including audits of non-TDA Article 4 recipients. Selection of Moore & Associates, Inc. followed a competitive procurement process.

The Triennial Performance Audit is designed to be an independent and objective evaluation of Valley Express 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 that the audit team plans and performs the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for its findings and conclusions based on the audit objectives. The auditors believe the evidence obtained provides a reasonable basis for our findings and conclusions.

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

Objectives

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

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

Scope

The TPA is a systematic review of performance evaluating the efficiency, economy, and effectiveness of the transit operator. The audit of Valley Express includes six tasks:

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

Methodology

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

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

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

The methodology for this review included a virtual site visit on February 11, 2026. The audit team met with Claire Grasty (Director of Transit, VCTC), Matt Miller (Program Manager/Transit Services, VCTC), Erin Kenneally (Transit Planner/Transit Services, VCTC), Dolores Lopez (Transit Planner, VCTC), and Veronica Hurtado (Operations Manager, MV Transportation), and reviewed materials germane to the triennial audit.

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

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

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Chapter 3 | Program Compliance

This section examines the Valley Express program’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. Valley Express considers full use of funds under California Code of Regulations (CCR) 6754(a) as referring to operating funds but not capital funds. The TPA findings and related comments are delineated in Exhibit 3.1.

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

No compliance issues were identified for Valley Express.

Developments Occurring During the Audit Period

For many transit operators in California, recent years have reflected both the acute impacts of and recovery from the COVID-19 pandemic. By the end of FY 2024/25 – even earlier in some cases – most operators had exhausted federal relief funds, even though penalties for non-compliance with farebox recovery ratios continued to be waived. However, the receipt of federal relief funds complicated matters, as they impacted the amount of TDA funding operators were eligible to receive and, in some cases, resulted in over-payments that had to be resolved after the funds were spent. Many operators, even more than five years after the onset of the pandemic, still struggle with ridership that has yet to return to pre-pandemic levels.

California Assembly Bill 90, signed into law on June 29, 2020, provided temporary regulatory relief for transit operators required to conform with Transportation Development Act (TDA) farebox recovery ratio thresholds in FY 2019/20 and FY 2020/21. California Assembly Bill 149, signed into law on July 16, 2021, provided additional regulatory relief by extending the provisions of AB 90 through FY 2022/23 and adjusting definitions of eligible revenues and operating costs. Most recently, California Senate Bill 125, signed into law on July 10, 2023, extended protections provided via earlier legislation through FY 2025/26. While this means the audit period covered by this audit is fully exempt from penalties for non-compliance with the farebox recovery ratio, for example, it also means that transit operators may need to be in compliance by the second year of the next audit period.

While the ability to maintain state mandates and performance measures is important, these measures enabled transit operators to adjust to the impacts of the COVID-19 pandemic while continuing to receive their full allocations of funding under the TDA.

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

- Prohibits the imposition of the TDA revenue penalty on an operator that did not maintain the required ratio of fare revenues to operating cost from FY 2019/20 through FY 2025/26.

- Expands the definition of “local funds” to enable the use of federal funding to supplement fare revenues and allows operators to calculate free and reduced fares at their actual value.
- Adjusts the definition of operating cost to exclude the cost of ADA paratransit services, demand-response and micro-transit services designed to extend access to service, ticketing/payment systems, security, some pension costs, and some planning costs.
- Allows operators to use STA funds as needed to keep transit service levels from being reduced or eliminated through FY 2025/26.

SB 125 also called for the establishment of the Transit Transformation Task Force to develop policy recommendations aimed at increasing transit ridership and improving the customer experience statewide. In the more than 50 years since the adoption of the Transportation Development Act (TDA), California’s public transportation landscape has evolved significantly. Many transit operators have struggled to meet the farebox recovery ratio requirement, raising questions about whether it remains an appropriate or effective measure of TDA compliance.

In 2018, the chairs of California’s legislative transportation committees asked the California Transit Association to convene a policy task force to examine the TDA. That effort produced a draft framework for reform in early 2020, just prior to the COVID-19 pandemic. The Transit Transformation Task Force released its report in December 2025. While the report includes several recommendations to modernize the TDA - including identifying the farebox recovery ratio and operating cost per hour requirements as outdated and recommending that farebox recovery and cost-inflation penalties be replaced - these proposals represent an initial step rather than immediate policy changes. Achieving the necessary funding and statutory reforms will require sustained advocacy over the coming years.

Exhibit 3.1 Transit Development Act Compliance Requirements

Compliance Element	Reference	Compliance	Comments
State Controller Reports submitted on time.	PUC 99243	In compliance	FY 2022/23: December 20, 2023 FY 2023/24: December 16, 2024 FY 2024/25: January 26, 2026
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 2022/23: November 27, 2023 FY 2023/24: November 25, 2024 FY 2024/25: December 19, 2025
Operator’s terminal rated as satisfactory by CHP within the 13 months prior to each TDA claim.	PUC 99251 B	In compliance	July 27, 2021 August 2, 2022 August 16, 2023 August 20, 2024
Operator’s claim for TDA funds submitted in compliance with rules and regulations adopted by the RTPA.	PUC 99261	In compliance	
If operator serves urbanized and non-urbanized areas, it has maintained a ratio of fare revenues to operating costs at least equal to the ratio determined by the rules and regulations adopted by the RTPA.	PUC 99270.1	Not applicable	
Except as otherwise provided, the allocation for any purpose specified under Article 8 may in no year exceed 50% of the amount required to meet the total planning expenditures for that purpose.	PUC 99405	Not applicable	
An operator receiving allocations under Article 8(c) may be subject to regional, countywide, or subarea performance criteria, local match requirements, or fare recovery ratios adopted by resolution of the RTPA.	PUC 99405	Not applicable	
The operator’s definitions of performance measures are consistent with the Public Utilities Code Section 99247.	PUC 99247	In compliance	
The operator does not routinely staff with two or more persons a vehicle for public transportation purposes designed to be operated by one person.	PUC 99264	In compliance	
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 2022/23: +11.25% FY 2023/24: +17.69% FY 2024/25: +119.09% <i>Source: Final budgets; Valley Express Enterprise Fund. The increase in FY 2025 was due to the launch of the new route. The increase in FY 2024 was due to anticipating the route to be added during that fiscal year, which did not occur.</i>

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	Not applicable	
If the operator serves a rural area, it has maintained a ratio of fare revenues to operating cost at least equal to one-tenth (10 percent).	PUC 99268.2, 99268.4, 99268.5	In compliance	FY 2022/23: 10% FY 2023/24: 10% FY 2024/25: 10% <i>Source: Fiscal audits</i>
For a claimant that provides only services to elderly and handicapped persons, the ratio of fare revenues to operating cost shall be at least 10 percent.	PUC 99268.5, CCR 6633.5	Not applicable	
If the operator has utilized the exemption from the farebox recovery requirement for extension of services, it shall submit a report on the service to the RTPA within 90 days of the end of the first year of implementation.	PUC 99268.8, CCR 6633.8	Not applicable	No operating costs exempted for this reason on SCO report or audit.
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	VCTC staff are eligible for CalPERS. Operations staff are employed by a third-party contractor.
An operator claiming funds under Article 4.5 (CTSA) is in compliance with PUC 99268.3, 99268.4, 99268.5, or 99268.9, or regional, countywide, or county subarea performance criteria, local match requirements, or fare recovery ratios adopted by the RTPA.	PUC 99275.5	Not applicable	Valley Express does not receive funds under Article 4.5.
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	
In order to use State Transit Assistance funds for operating assistance, the operator's total operating cost per revenue hour does not exceed the sum of the preceding year's total plus an amount equal to the product of the percentage change in the CPI for the same period multiplied by the preceding year's total operating cost per revenue hour. An operator may qualify based on the preceding year's operating cost per revenue hour or the average of the three prior years. If an operator does not meet these qualifying tests, the operator may only use STA funds for operating purposes according to a sliding scale.	PUC 99314.6	Not applicable	

Compliance Element	Reference	Compliance	Comments
<p>For an operator qualifying under PUC 99268.1, the funds received from the local transportation fund under Article 4 shall not exceed 50 percent of the amount that is the sum of the operator's operating cost, capital requirements, and debt service requirements less the sum of the operator's revenues from federal grants and the state transit assistance fund.</p> <p>The operator may receive from the local transportation fund up to 100 percent, rather than 50 percent, of the amount representing the operating cost of an extension of its public transportation system if the extension is within the definition of Section 6619.1 and if all the conditions of Section 6633.8 are met.</p>	CCR 6633.1	Not applicable	
<p>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.</p>	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 Valley Express has made quantifiable progress toward improving both the efficiency and effectiveness of its public transit program.

The prior audit – completed in April 2023 by Moore & Associates, Inc. for the three fiscal years ending June 30, 2022 – included no recommendations.

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Chapter 5 | Data Reporting Analysis

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

Performance data was reported consistently across all reports. Variances regarding financial data are discussed below.

- **Operating cost:** Costs reported to the National Transit Database (NTD) were consistently lower than those reported to the State Controller and internally, which were consistent with one another. The NTD costs ranged from six percent to 18 percent lower than those reported elsewhere. It is possible there were some additional costs reported to the NTD as Other Reconciling Items that were comingled between Valley Express and VCTC Intercity, but those could not be determined from the NTD report. It is also unlikely that such items would account for the entire variance.
- **Fare Revenue:** Fares reported to the NTD do not include amounts categorized as “organization paid fares” in the TDA fiscal audit, which are also included in the fare revenue in the State Controller Reports. These include LCTOP funds used to reimburse Valley Express for rides taken through the College Ride Free program.
- **Full-time Equivalent (FTE) Employees:** When FTE for FY 2024/25 was calculated based on work hours provided by MV, it was significantly higher than that reported to the State Controller. It appears what was reported is consistent with a person-count of the drivers only. Though not reflected in this analysis, VCTC has already contacted its contractor to advise what data it needs to submit moving forward to ensure this metric is reported correctly using the TDA definition in future State Controller Reports. Assuming this results in the proper calculation, no additional action needs to be taken.

Exhibit 5.1 Data Reporting Comparison

Performance Measure	System-Wide		
	FY 2021/22	FY 2022/23	FY 2023/24
Operating Cost (Actual \$)			
<i>TDA fiscal audit</i>	\$2,103,412	\$2,697,071	\$2,727,476
<i>National Transit Database</i>	\$1,976,283	\$2,202,381	\$2,542,589
<i>State Controller Report</i>	\$2,103,412	\$2,697,071	\$2,727,476
Fare Revenue (Actual \$)			
<i>TDA fiscal audit</i>	\$65,867	\$71,719	\$69,781
<i>National Transit Database</i>	\$42,855	\$41,705	\$36,536
<i>State Controller Report</i>	\$65,867	\$71,719	\$69,782
Vehicle Service Hours (VSH)			
<i>Monthly Performance Reports</i>	20,590	22,372	22,980
<i>National Transit Database</i>	20,588	22,375	22,565
<i>State Controller Report</i>	20,590	22,366	22,981
Vehicle Service Miles (VSM)			
<i>Monthly Performance Reports</i>	214,358	217,775	270,403
<i>National Transit Database</i>	214,359	217,886	270,404
<i>State Controller Report</i>	214,358	217,775	270,403
Passengers			
<i>Monthly Performance Reports</i>	53,290	59,598	67,543
<i>National Transit Database</i>	53,290	59,598	67,550
<i>State Controller Report</i>	52,920	59,598	67,543
Full-Time Equivalent Employees			
<i>State Controller Report</i>	14	14	15
<i>Per TDA methodology</i>			24

Chapter 6 | Performance Analysis

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

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

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

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

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

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

Operating Cost

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

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

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

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

Vehicle Service Hours and Miles

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

Passenger Counts

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

Employees

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

Fare Revenue

Fare revenue is defined by California Code of Regulations Section 6611.2 as revenue collected from the farebox plus sales of fare media. Given other revenues may be added to fare revenue for the calculation of the farebox recovery ratio, the Farebox Recovery cited within this section is not necessarily consistent with the farebox recovery ratio used for compliance determination in Chapter 4.

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

TDA Required Indicators

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

- Operating Cost was not independently calculated as part of this audit. Operating Cost data were obtained via National Transit Database (NTD) reports for each fiscal year covered by this audit. Operating Cost from the reports was compared against that reported in Valley Express' audited financial reports and appeared to be consistent with TDA guidelines. In accordance with PUC Section 99247(a), the reported costs excluded depreciation and other allowable expenses.
- Fare Revenue was not independently calculated as part of this audit. Fare revenue data were obtained via National Transit Database (NTD) reports for each fiscal year covered by this audit. This appears to be consistent with TDA guidelines as well as the uniform system of accounts. NTD reports may not include all revenues cited as fare revenues within the State Controller Reports.
- Vehicle Service Hours (VSH) data were obtained via State Controller Reports for each fiscal year covered by this audit. Valley Express' 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. Valley Express' calculation methodology is consistent with PUC guidelines.
- Unlinked trip data were obtained via State Controller Reports for each fiscal year covered by this audit. Valley Express calculation methodology is consistent with PUC guidelines.
- Full-Time Equivalent (FTE) data were obtained from State Controller Reports for each fiscal year covered by this review. While the data submitted to the State Controller was not consistent with TDA definition, use of the correct calculation moving forward was confirmed.

System Performance Trends

Note: While the NTD data excludes some costs and fare revenue reported elsewhere (as discussed in Chapter 5), it is the only source that reports the financial data by mode. As such, it is the primary source of operating cost and fare revenue data used for the trend analysis in this chapter.

System-wide, operating cost experienced a net 28.7 percent increase during the audit period, and a 51.5 percent net increase across the last six years. Fare revenue significantly decreased during the six-year period, with most of the decline (100 percent) occurring in FY 2020/21 due to a free-fare period. Steady declines since FY 2021/22 resulted in a net 14.7 percent decrease during the audit period. However, these fares do not include LCTOP reimbursements for free-fare programs. When those are taken into account, fare revenue experienced a 5.9 percent increase during the audit period.

Vehicle service hours (VSH) increased steadily every year since COVID. This resulted in a net 11.6 percent increase during the audit period and a net 5.8 percent increase during the six-year period. Vehicle service miles (VSM) steadily decreased every year with the exceptions of FY 2023/24 and FY 2024/25. This resulted in an overall net increase of 26.1 percent during the audit period and 5.8 percent over the six-year period. Ridership fluctuated year over year, resulting in a 27.6 percent net increase during the audit period and a 3.4 percent net increase across the six-year period.

Cost-related metrics typically provide an indicator of a system’s efficiency, while passenger-related metrics offer insight into its productivity. Improvements are characterized by increases in passenger-related metrics and decreases in cost-related metrics. Cost-related metrics increased despite corresponding increases in other performance measures. Operating cost per vehicle service hour was impacted the most, as operating cost increased by 15.4 percent and VSH only increased by 2.7 percent. Passenger-related metrics rose during the audit period, with passengers per VSH increasing by 15.3 percent and passengers per VSM increasing by 1.2 percent.

Exhibit 6.1 System Performance Indicators

Performance Measure	System-wide					
	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25
Operating Cost (Actual \$)	\$1,678,394	\$1,511,657	\$1,688,165	\$1,976,283	\$2,202,381	\$2,542,589
<i>Annual Change</i>		-9.9%	11.7%	17.1%	11.4%	15.4%
Fare Revenue (Actual \$)	\$189,112	\$0	\$229,200	\$42,855	\$41,705	\$36,536
<i>Annual Change</i>		-100.0%		-81.3%	-2.7%	-12.4%
Vehicle Service Hours (VSH)	21,730	17,077	18,892	20,590	22,366	22,981
<i>Annual Change</i>		-21.4%	10.6%	9.0%	8.6%	2.7%
Vehicle Service Miles (VSM)	255,611	225,339	218,590	214,358	217,775	270,403
<i>Annual Change</i>		-11.8%	-3.0%	-1.9%	1.6%	24.2%
Passengers	65,319	33,838	55,832	52,920	59,598	67,543
<i>Annual Change</i>		-48.2%	65.0%	-5.2%	12.6%	13.3%
Employees	64	20	19	14	14	15
<i>Annual Change</i>		-68.8%	-5.0%	-26.3%	0.0%	7.1%
Performance Indicators						
Operating Cost/VSH (Actual \$)	\$77.24	\$88.52	\$89.36	\$95.98	\$98.47	\$110.64
<i>Annual Change</i>		14.6%	0.9%	7.4%	2.6%	12.4%
Operating Cost/Passenger (Actual \$)	\$25.70	\$44.67	\$30.24	\$37.34	\$36.95	\$37.64
<i>Annual Change</i>		73.9%	-32.3%	23.5%	-1.0%	1.9%
Passengers/VSH	3.01	1.98	2.96	2.57	2.66	2.94
<i>Annual Change</i>		-34.1%	49.1%	-13.0%	3.7%	10.3%
Passengers/VSM	0.26	0.15	0.26	0.25	0.27	0.25
<i>Annual Change</i>		-41.2%	70.1%	-3.3%	10.9%	-8.7%
Farebox Recovery	11.3%	0.0%	13.6%	2.2%	1.9%	1.4%
<i>Annual Change</i>		-100.0%		-84.0%	-12.7%	-24.1%
Hours/Employee	339.5	853.9	994.3	1,470.7	1,597.6	1,532.1
<i>Annual Change</i>		151.5%	16.5%	47.9%	8.6%	-4.1%
TDA Non-Required Indicators						
Operating Cost/VSM	\$6.57	\$6.71	\$7.72	\$9.22	\$10.11	\$9.40
<i>Annual Change</i>		2.2%	15.1%	19.4%	9.7%	-7.0%
VSM/VSH	11.76	13.20	11.57	10.41	9.74	11.77
<i>Annual Change</i>		12.2%	-12.3%	-10.0%	-6.5%	20.8%
Fare/Passenger	\$2.90	\$0.00	\$4.11	\$0.81	\$0.70	\$0.54
<i>Annual Change</i>		-100.0%		-80.3%	-13.6%	-22.7%

Sources: FY 2019/20 – FY 2021/22 data from prior Triennial Performance Audit.

FY 2022/23 – FY 2024/25 data from State Controller Reports.

FY 2022/23 – FY 2024/25 financial data from NTD reports.

Exhibit 6.2 System Ridership

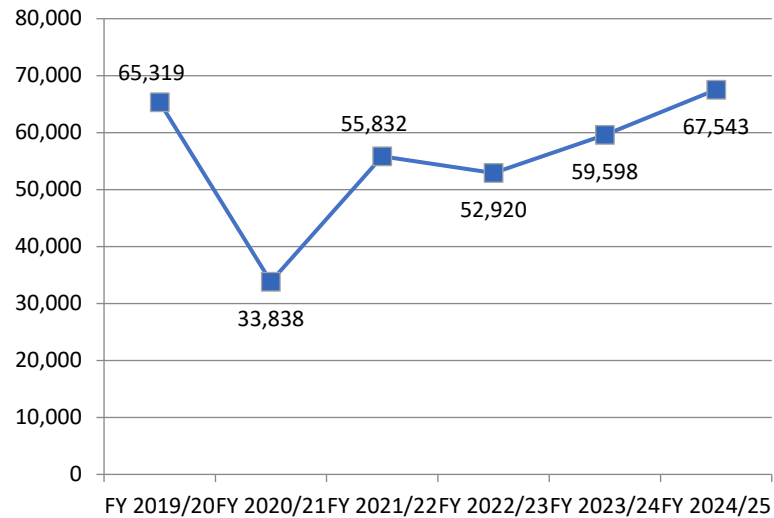


Exhibit 6.3 System Operating Cost/VS_H

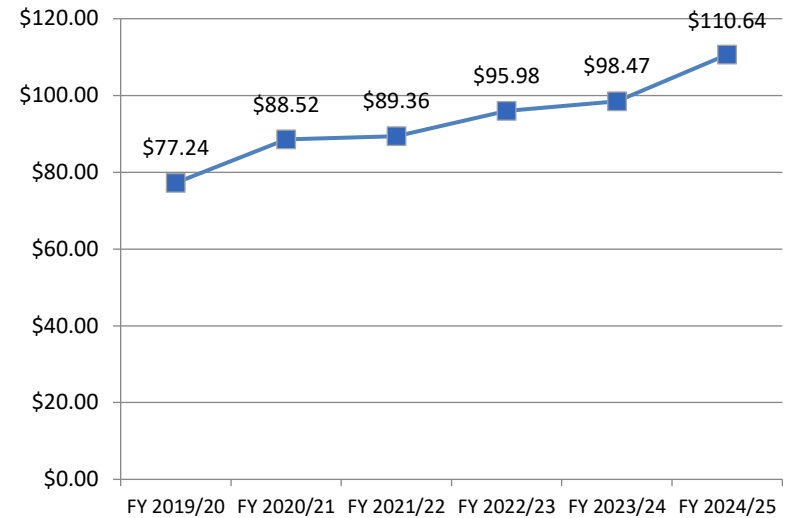


Exhibit 6.4 System Operating Cost/VS_M

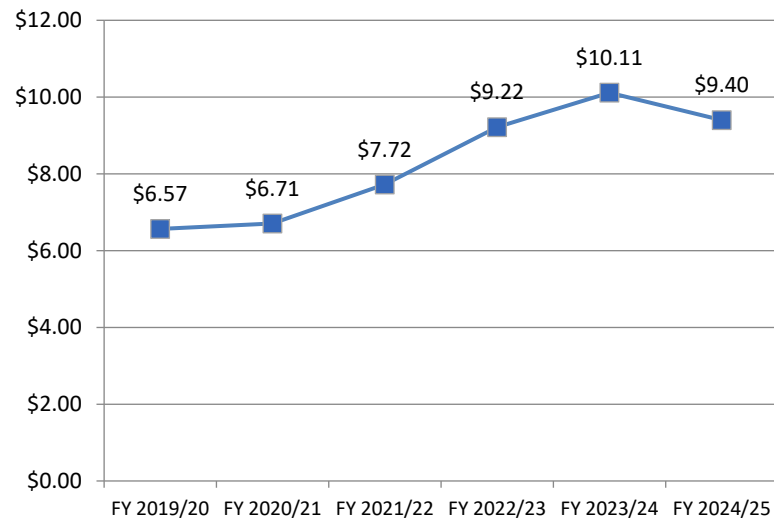


Exhibit 6.5 System VSM/VS_H

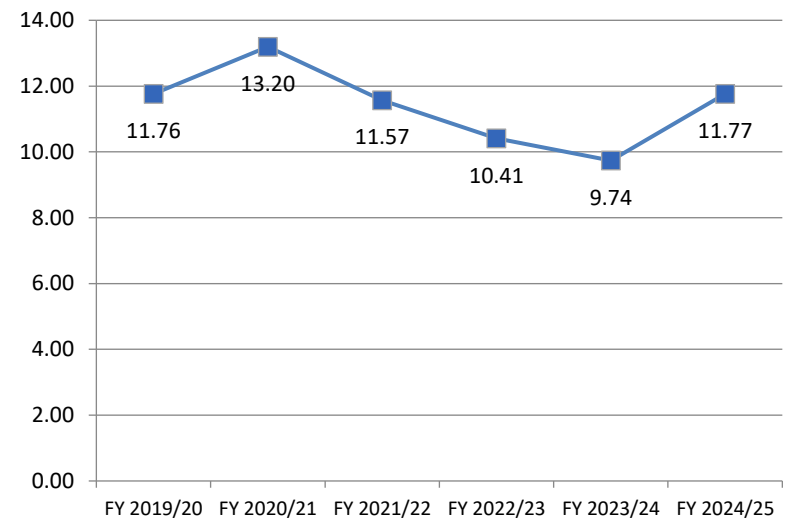


Exhibit 6.6 System Operating Cost/Passenger

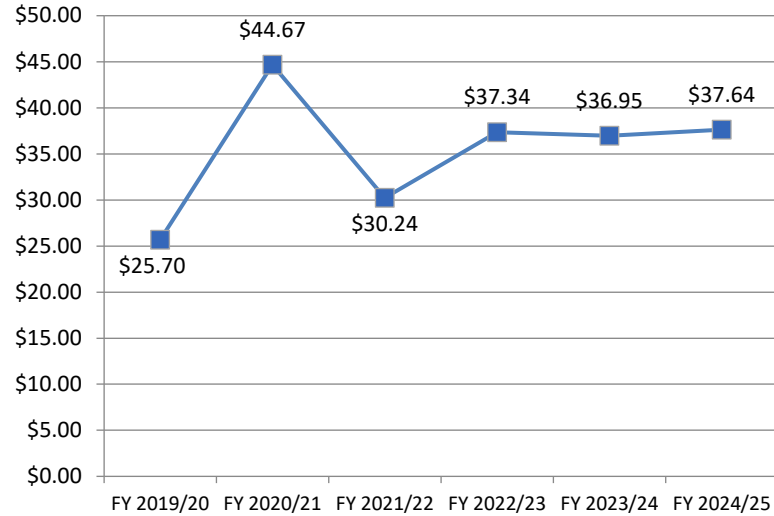


Exhibit 6.7 System Passengers/VSH

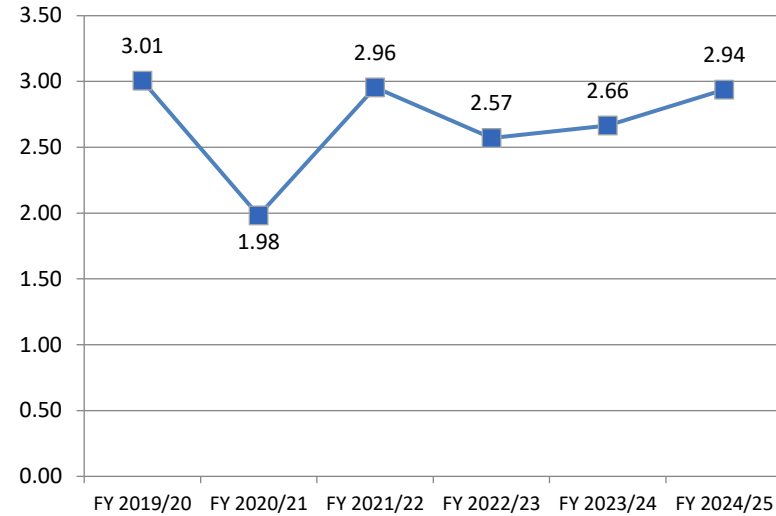


Exhibit 6.8 System Passengers/VSM

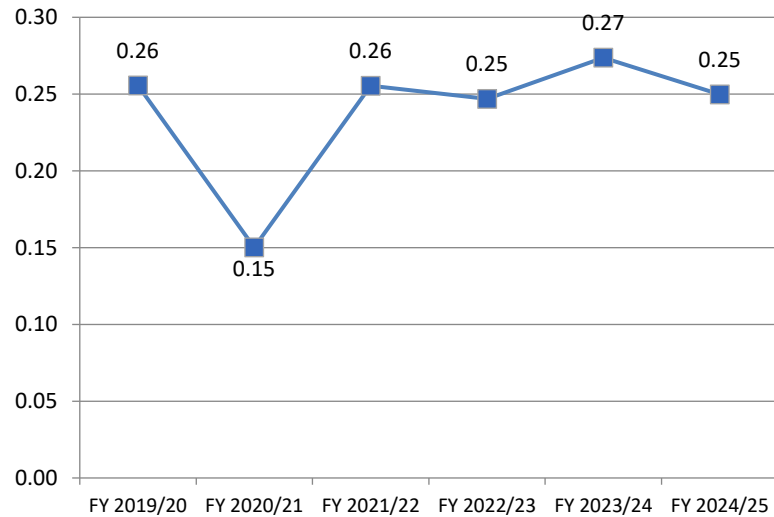


Exhibit 6.9 System VSH/FTE

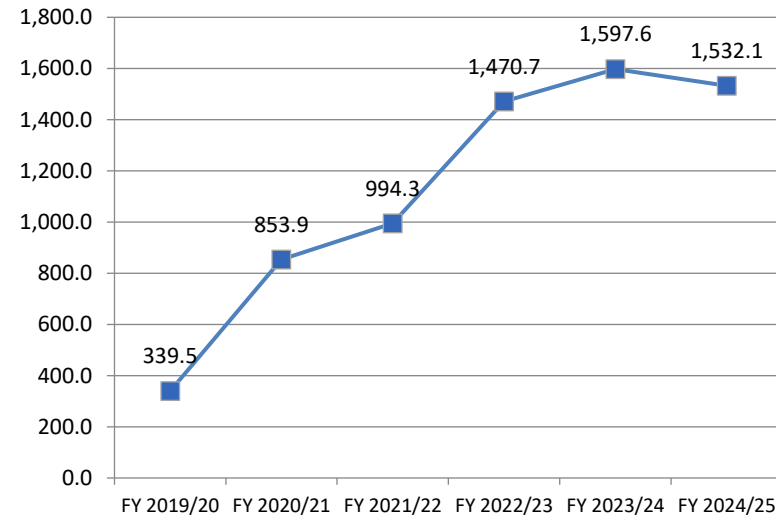


Exhibit 6.10 System Farebox Recovery

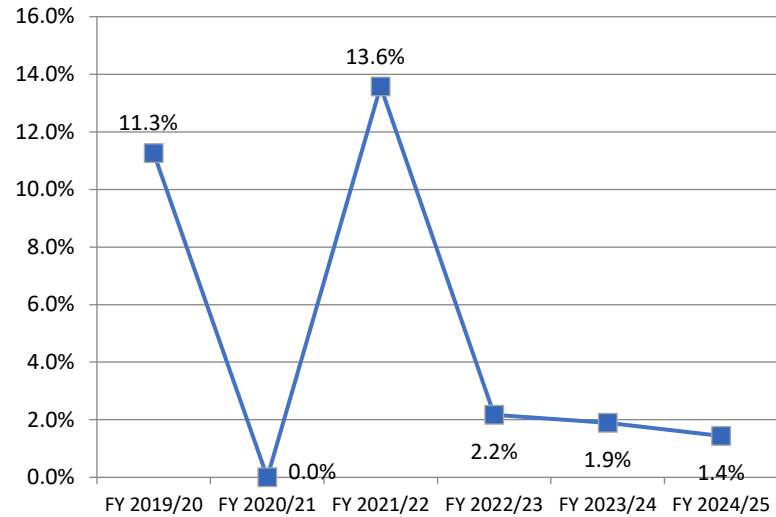
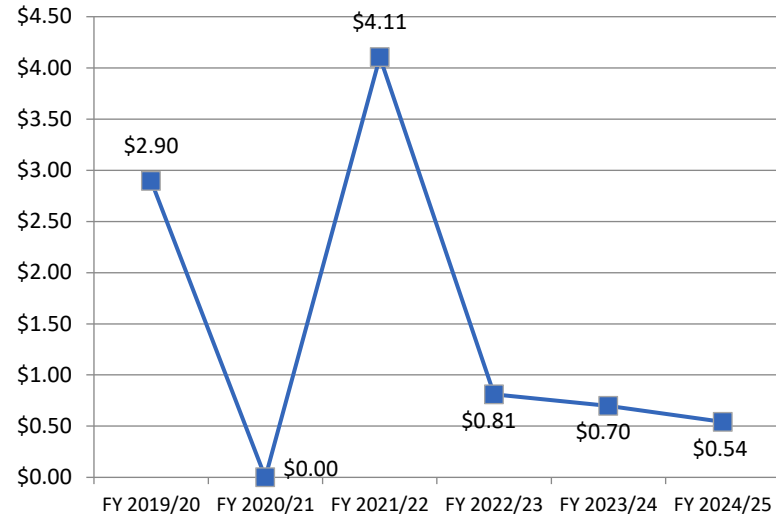


Exhibit 6.11 System Fare/Passenger



Fixed-Route Performance Trends

Fixed-route operating cost increased 89.5 percent during the audit period and 155.9 percent across the six-year period. Much of the 64.3 percent increase in FY 2024/25 is the result of the Fillmore-Moorpark route, which launched in August 2024. Fare revenue declined throughout the six-year period, the lone exception being FY 2022/23. This resulted in a net 12.8 percent net decrease during the audit period, and a 38.8 percent net decrease over the six-year period.

Fixed-route vehicle service hours experienced significant increases in FY 2021/22 and FY 2024/25. This resulted in a net 74.1 percent increase across the six-year period and a net 69.9 percent increase during the audit period. Vehicle service miles increased all six years, increasing 149.4 percent during the six-year period and a net 66.6 percent during the audit period. Ridership fluctuated throughout the six-year period with the most significant decrease occurring in FY 2020/21 (49.6 percent). Ultimately ridership experienced a net increase of 39.6 percent during the audit period.

Operating cost per vehicle service hour and operating cost per passenger increased during the audit period, with operating cost per passenger exhibiting the greatest change (35.8 percent). Passenger-related productivity metrics (passengers per VSH and passengers per VSM) saw decreases of 17.9 percent and 16.2 percent, respectively.

Exhibit 6.12 Fixed-Route Performance Indicators

Performance Measure	Fixed-Route					
	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25
Operating Cost (Actual \$)	\$451,806	\$439,518	\$507,345	\$610,158	\$703,871	\$1,156,164
<i>Annual Change</i>		-2.7%	15.4%	20.3%	15.4%	64.3%
Fare Revenue (Actual \$)	\$25,925	\$0	\$15,523	\$18,200	\$16,004	\$15,868
<i>Annual Change</i>		-100.0%		17.2%	-12.1%	-0.8%
Vehicle Service Hours (VSH)	6,333	5,448	6,449	6,489	6,463	11,026
<i>Annual Change</i>		-14.0%	18.4%	0.6%	-0.4%	70.6%
Vehicle Service Miles (VSM)	78,457	112,231	116,476	117,468	117,804	195,663
<i>Annual Change</i>		43.0%	3.8%	0.9%	0.3%	66.1%
Passengers	37,884	19,094	38,373	36,823	40,930	51,391
<i>Annual Change</i>		-49.6%	101.0%	-4.0%	11.2%	25.6%
Employees	32	6	6	5	6	8
<i>Annual Change</i>		-81.3%	0.0%	-16.7%	20.0%	33.3%
Performance Indicators						
Operating Cost/VSH (Actual \$)	\$71.34	\$80.68	\$78.67	\$94.03	\$108.91	\$104.86
<i>Annual Change</i>		13.1%	-2.5%	19.5%	15.8%	-3.7%
Operating Cost/Passenger (Actual \$)	\$11.93	\$23.02	\$13.22	\$16.57	\$17.20	\$22.50
<i>Annual Change</i>		93.0%	-42.6%	25.3%	3.8%	30.8%
Passengers/VSH	5.98	3.50	5.95	5.67	6.33	4.66
<i>Annual Change</i>		-41.4%	69.8%	-4.6%	11.6%	-26.4%
Passengers/VSM	0.48	0.17	0.33	0.31	0.35	0.26
<i>Annual Change</i>		-64.8%	93.6%	-4.8%	10.8%	-24.4%
Farebox Recovery	5.7%	0.0%	3.1%	3.0%	2.3%	1.4%
<i>Annual Change</i>		-100.0%		-2.5%	-23.8%	-39.6%
Hours/Employee	197.9	908.0	1,074.8	1,297.8	1,077.2	1,378.3
<i>Annual Change</i>		358.8%	18.4%	20.7%	-17.0%	28.0%
TDA Non-Required Indicators						
Operating Cost/VSM	\$5.76	\$3.92	\$4.36	\$5.19	\$5.97	\$5.91
<i>Annual Change</i>		-32.0%	11.2%	19.2%	15.0%	-1.1%
VSM/VSH	12.39	20.60	18.06	18.10	18.23	17.75
<i>Annual Change</i>		66.3%	-12.3%	0.2%	0.7%	-2.6%
Fare/Passenger	\$0.68	\$0.00	\$0.40	\$0.49	\$0.39	\$0.31
<i>Annual Change</i>		-100.0%		22.2%	-20.9%	-21.0%

Sources: FY 2019/20 – FY 2021/22 data from prior Triennial Performance Audit.

FY 2022/23 – FY 2024/25 data from State Controller Reports.

FY 2022/23 – FY 2024/25 financial data from NTD reports.

Exhibit 6.13 Fixed-Route Ridership

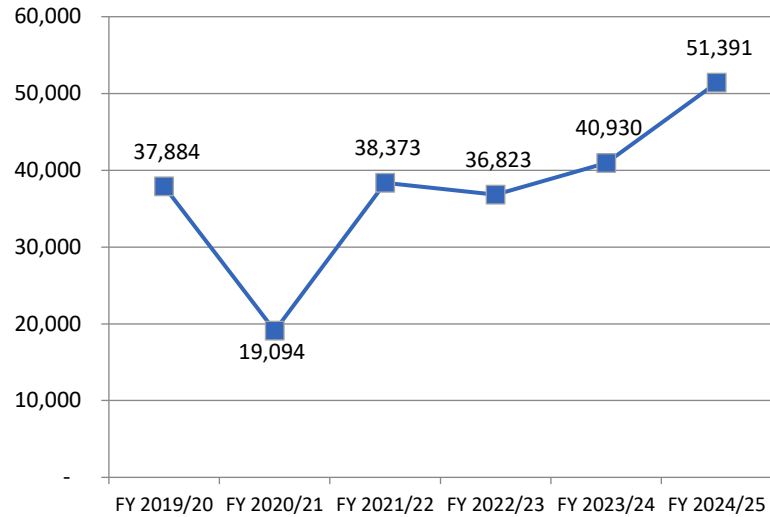


Exhibit 6.14 Fixed-Route Operating Cost/VSH

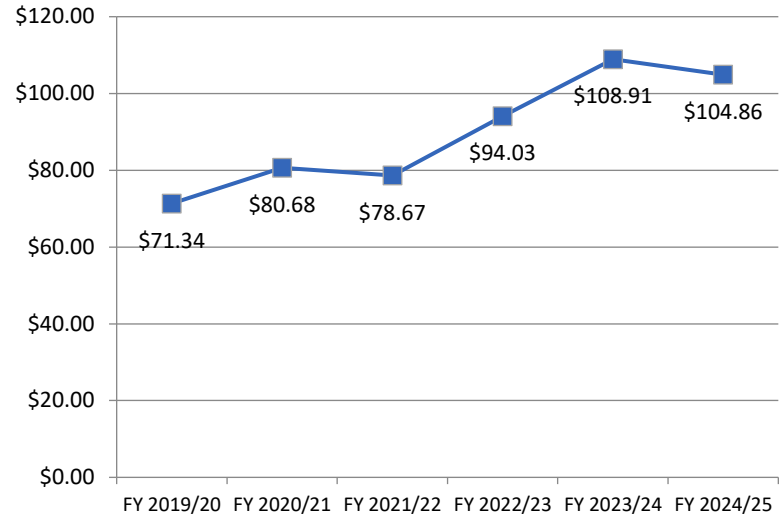


Exhibit 6.15 Fixed-Route Operating Cost/VSM

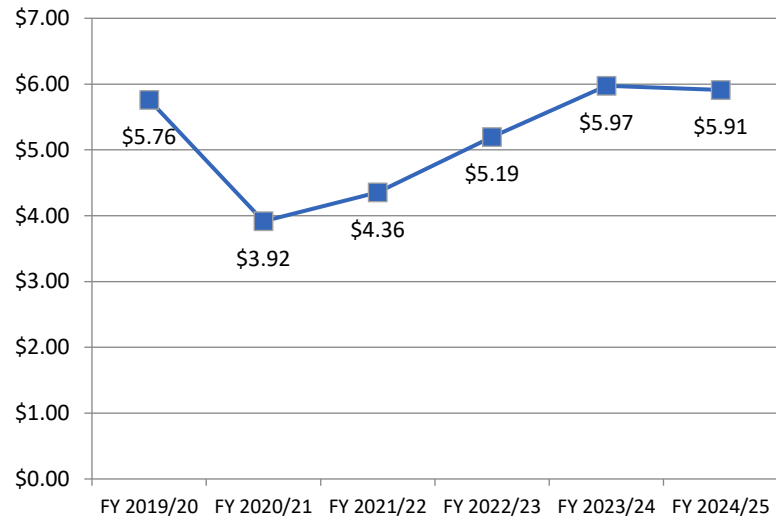


Exhibit 6.16 Fixed-Route VSM/VSH

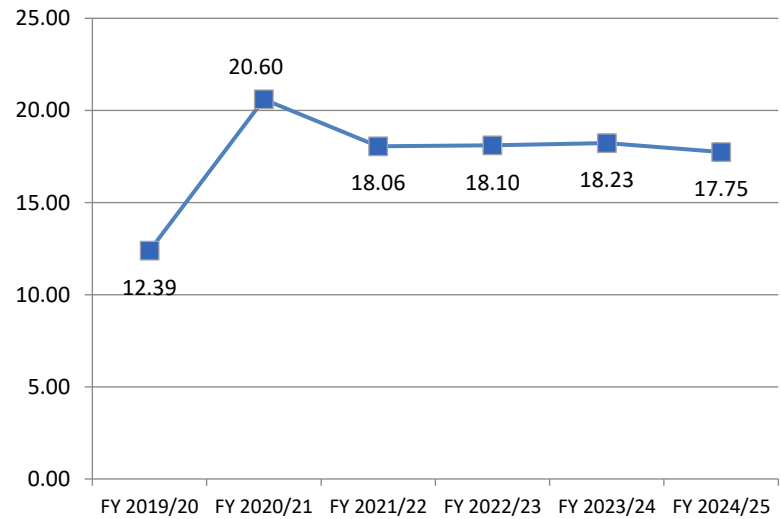


Exhibit 6.17 Fixed-Route Operating Cost/Passenger

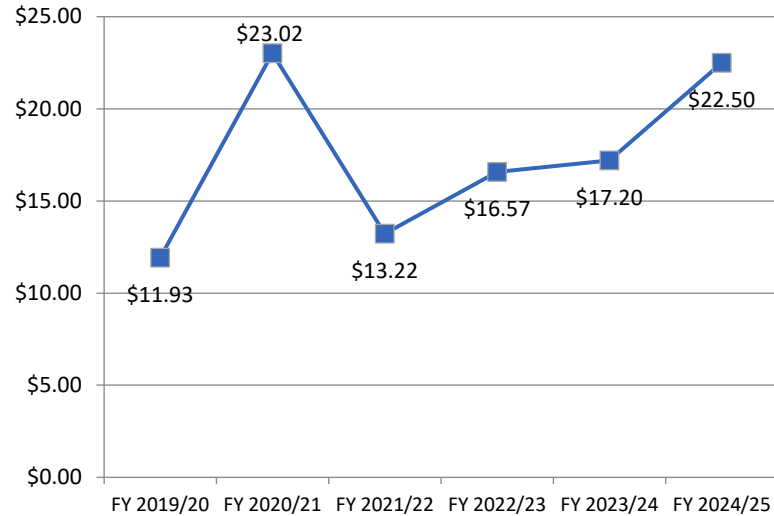


Exhibit 6.18 Fixed-Route Passengers/VSH

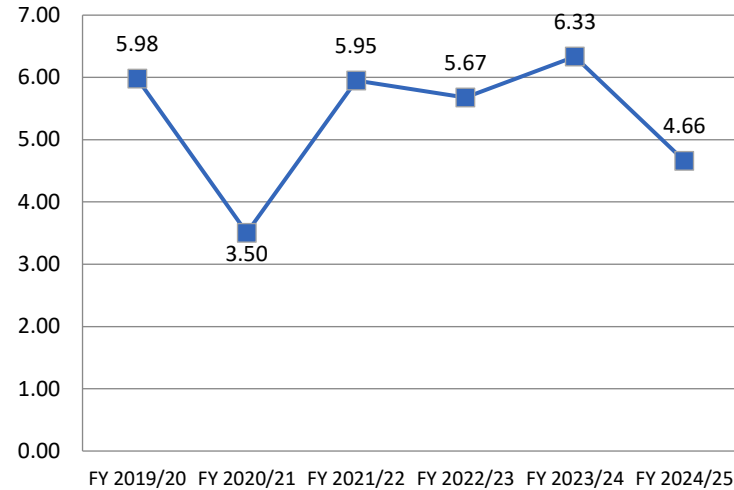


Exhibit 6.19 Fixed-Route Passengers/VSM

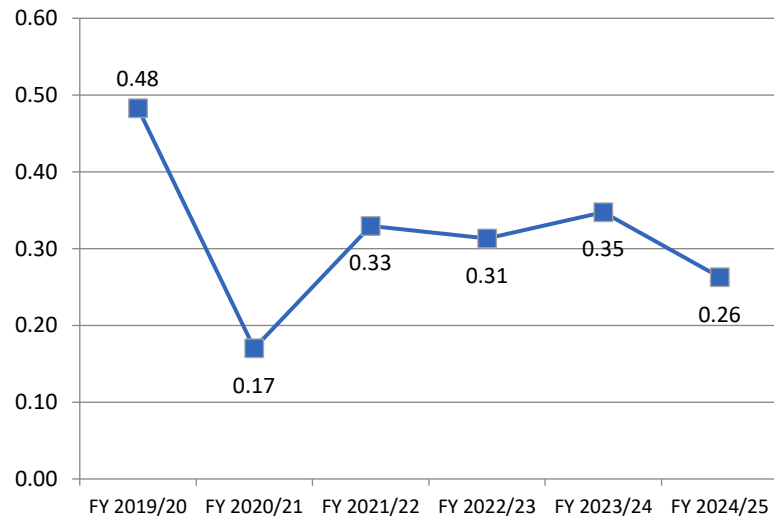


Exhibit 6.20 Fixed-Route VSH/FTE

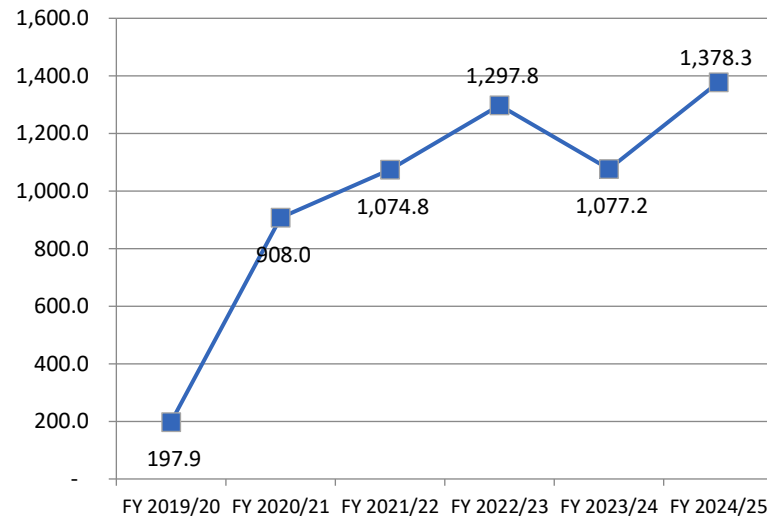


Exhibit 6.21 Fixed-Route Farebox Recovery

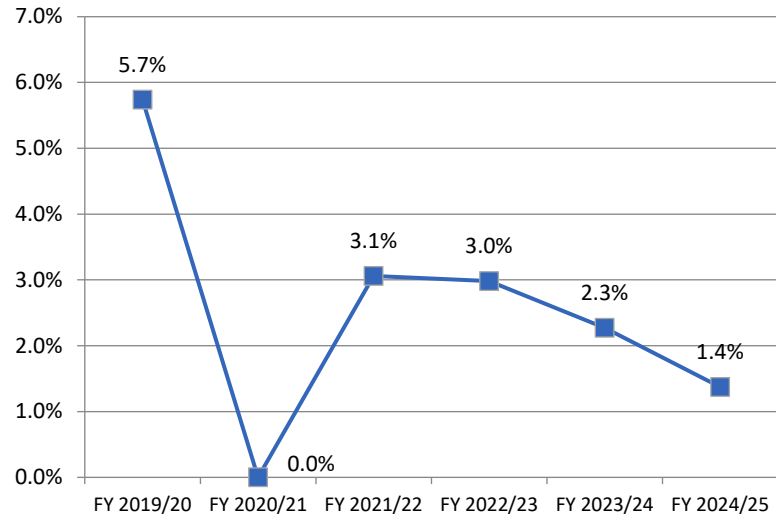
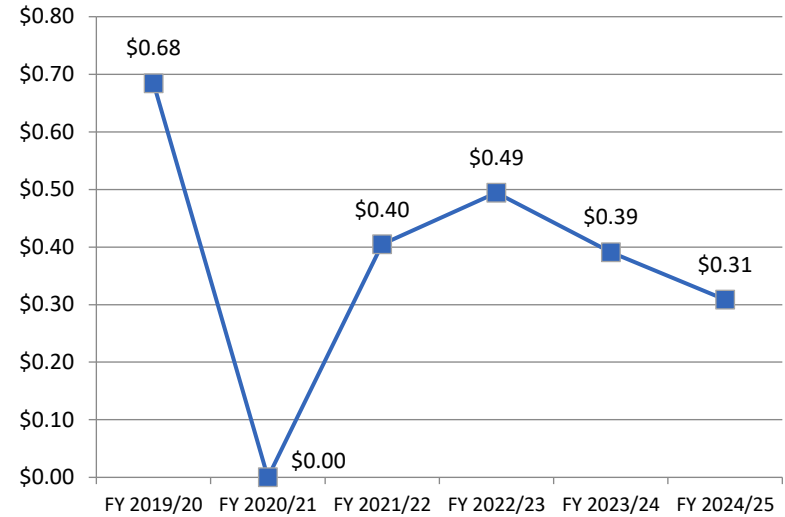


Exhibit 6.22 Fixed-Route Fare/Passenger



Demand-Response Performance Trends

Demand-response service experienced increases in operating cost during most of the prior six years. Decreasing costs in FY 2020/21 are due primarily to a decrease in demand arising from the COVID-19 pandemic. The other year with a decrease was FY 2024/25. This resulted in a net 1.5 percent increase during the audit period and a net 22 percent increase across the six-year period. Fare revenue increased during two of the three years of the audit period, but declined nearly 20 percent in FY 2024/25. Overall, fare revenue decreased a net 16.2 percent during the audit period and a net 31.3 percent across the six-year period.

Demand-response vehicle service hours experienced a 19.2 percent net decrease during the audit period, but a 11.3 percent net increase across the six-year period. Vehicle service miles saw a net decrease of 42.4 percent during the audit period and 40.7 percent across the six-year period. Ridership also decreased significantly, declining 36.4 percent during the audit period.

Operating cost per vehicle service hour, operating cost per vehicle service mile, and operating cost per passenger increased during the audit period. Operating cost per VSM was impacted the most, increasing by 31.6 percent. Productivity improved as passengers per VSH increased 18.4 percent during the audit period, while passengers per VSM increased 30.1 percent.

Exhibit 6.23 Demand-Response Performance Indicators

Performance Measure	Demand-Response					
	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25
Operating Cost (Actual \$)	\$1,136,347	\$977,629	\$1,079,652	\$1,366,125	\$1,498,510	\$1,386,425
<i>Annual Change</i>		-14.0%	10.4%	26.5%	9.7%	-7.5%
Fare Revenue (Actual \$)	\$30,089	\$0	\$13,413	\$24,655	\$25,701	\$20,668
<i>Annual Change</i>		-100.0%		83.8%	4.2%	-19.6%
Vehicle Service Hours (VSH)	15,397	11,629	12,443	14,101	15,903	11,955
<i>Annual Change</i>		-24.5%	7.0%	13.3%	12.8%	-24.8%
Vehicle Service Miles (VSM)	177,154	113,108	102,114	96,890	99,971	74,740
<i>Annual Change</i>		-36.2%	-9.7%	-5.1%	3.2%	-25.2%
Passengers	27,435	14,744	17,459	16,097	18,668	16,152
<i>Annual Change</i>		-46.3%	18.4%	-7.8%	16.0%	-13.5%
Employees	32	14	13	9	8	7
<i>Annual Change</i>		-56.3%	-7.1%	-30.8%	-11.1%	-12.5%
Performance Indicators						
Operating Cost/VSH (Actual \$)	\$73.80	\$84.07	\$86.77	\$96.88	\$94.23	\$115.97
<i>Annual Change</i>		13.9%	3.2%	11.7%	-2.7%	23.1%
Operating Cost/Passenger (Actual \$)	\$41.42	\$66.31	\$61.84	\$84.87	\$80.27	\$85.84
<i>Annual Change</i>		60.1%	-6.7%	37.2%	-5.4%	6.9%
Passengers/VSH	1.78	1.27	1.40	1.14	1.17	1.35
<i>Annual Change</i>		-28.8%	10.7%	-18.6%	2.8%	15.1%
Passengers/VSM	0.15	0.13	0.17	0.17	0.19	0.22
<i>Annual Change</i>		-15.8%	31.2%	-2.8%	12.4%	15.7%
Farebox Recovery	2.6%	0.0%	1.2%	1.8%	1.7%	1.5%
<i>Annual Change</i>		-100.0%		45.3%	-5.0%	-13.1%
Hours/Employee	481.2	830.6	957.2	1566.8	1987.9	1707.9
<i>Annual Change</i>		72.6%	15.2%	63.7%	26.9%	-14.1%
TDA Non-Required Indicators						
Operating Cost/VSM	\$6.41	\$8.64	\$10.57	\$14.10	\$14.99	\$18.55
<i>Annual Change</i>		34.7%	22.3%	33.4%	6.3%	23.8%
VSM/VSH	11.51	9.73	8.21	6.87	6.29	6.25
<i>Annual Change</i>		-15.5%	-15.6%	-16.3%	-8.5%	-0.5%
Fare/Passenger	\$1.10	\$0.00	\$0.77	\$1.53	\$1.38	\$1.28
<i>Annual Change</i>		-100.0%		99.4%	-10.1%	-7.1%

Sources: FY 2019/20 – FY 2021/22 data from prior Triennial Performance Audit.

FY 2022/23 – FY 2024/25 data from State Controller Reports.

FY 2022/23 – FY 2024/25 financial data from NTD reports.

Exhibit 6.24 Demand-Response Ridership

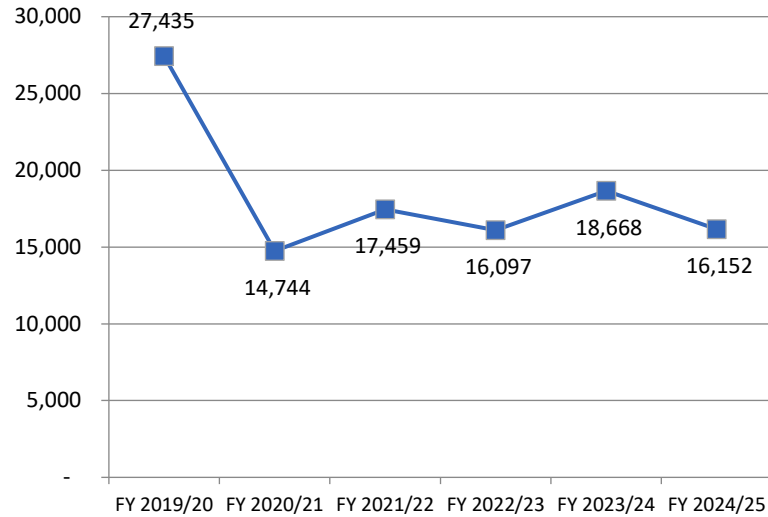


Exhibit 6.25 Demand-Response Operating Cost/VSH

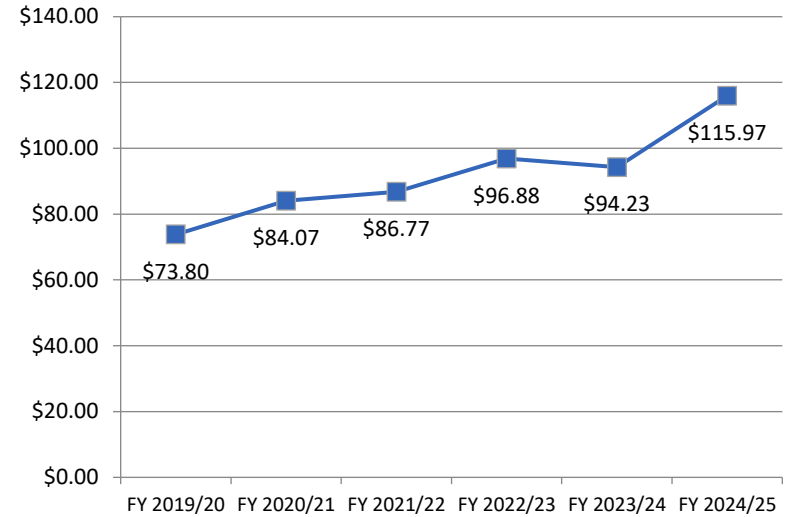


Exhibit 6.26 Demand-Response Operating Cost/VSM

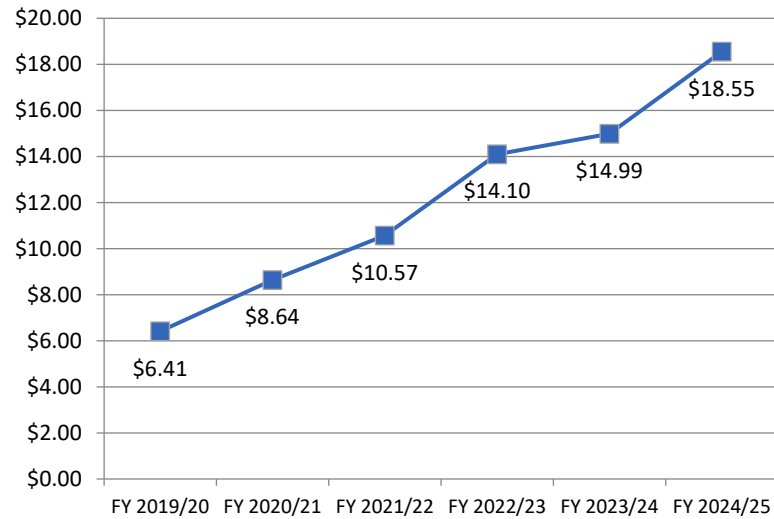


Exhibit 6.27 Demand-Response VSM/VSH

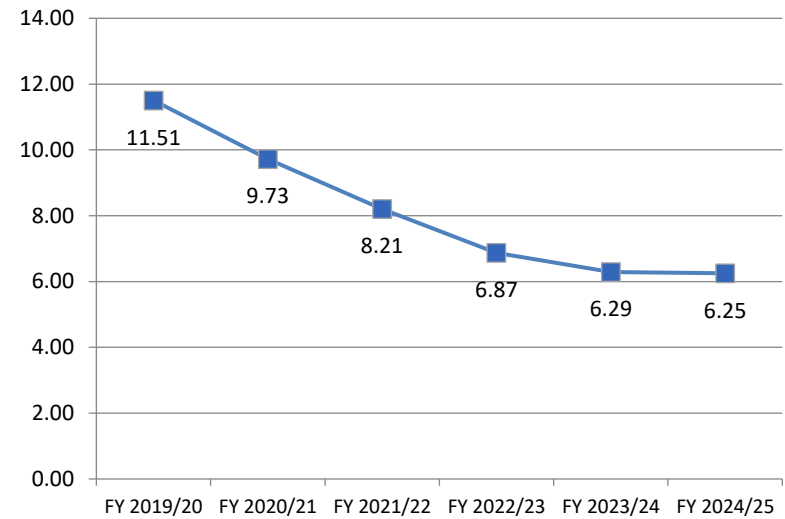


Exhibit 6.28 Demand-Response Operating Cost/Passenger

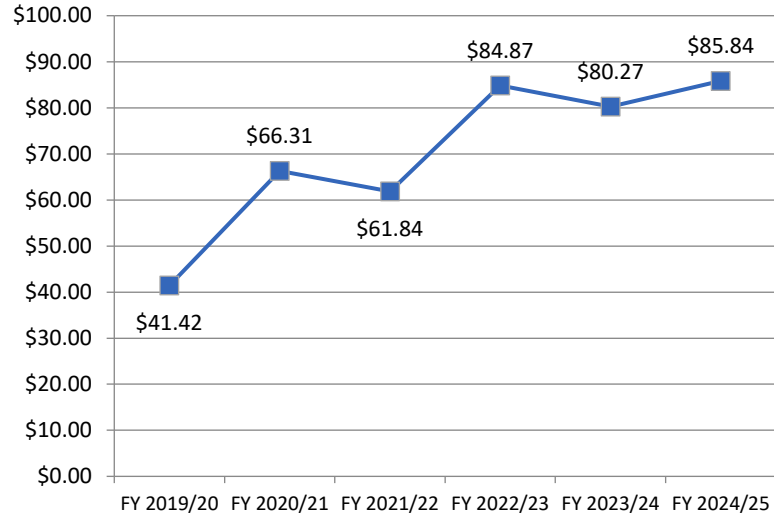


Exhibit 6.29 Demand-Response Passengers/VSH

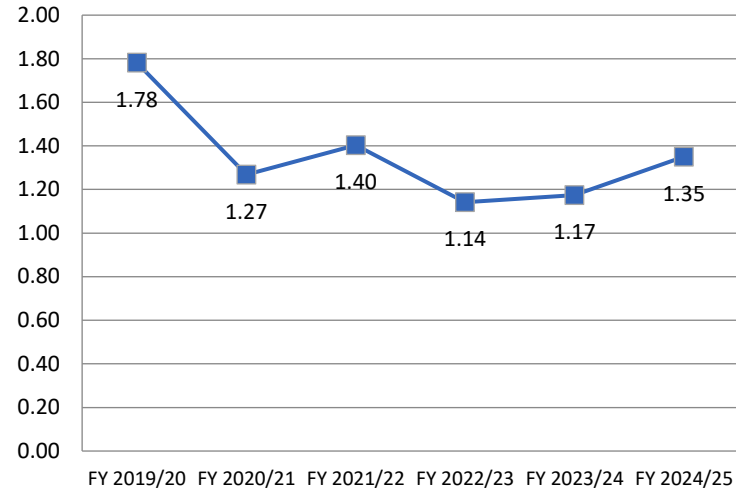


Exhibit 6.30 Demand-Response Passengers/VSM

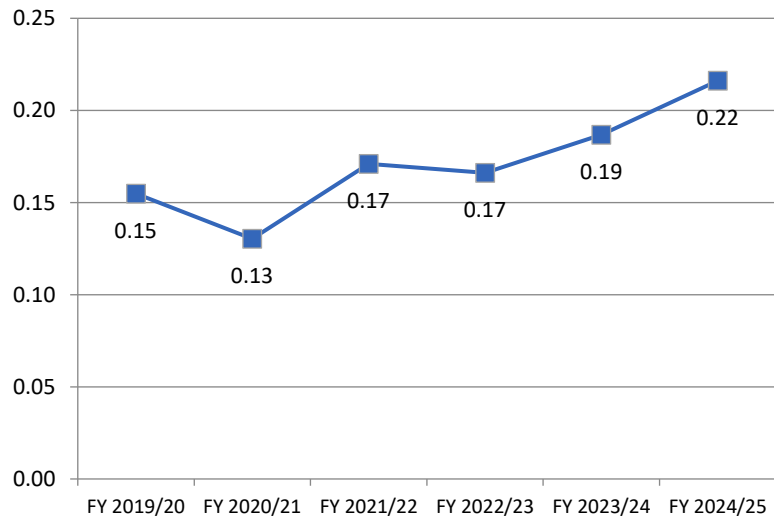


Exhibit 6.31 Demand-Response VSH/FTE

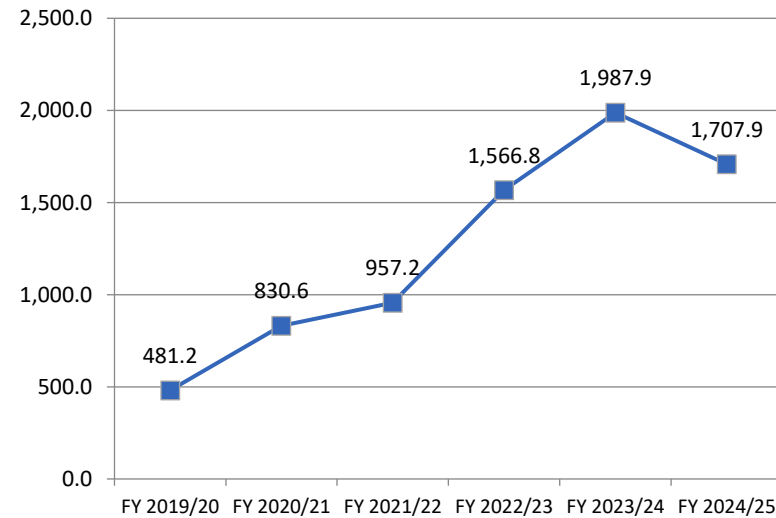


Exhibit 6.32 Demand-Response Farebox Recovery

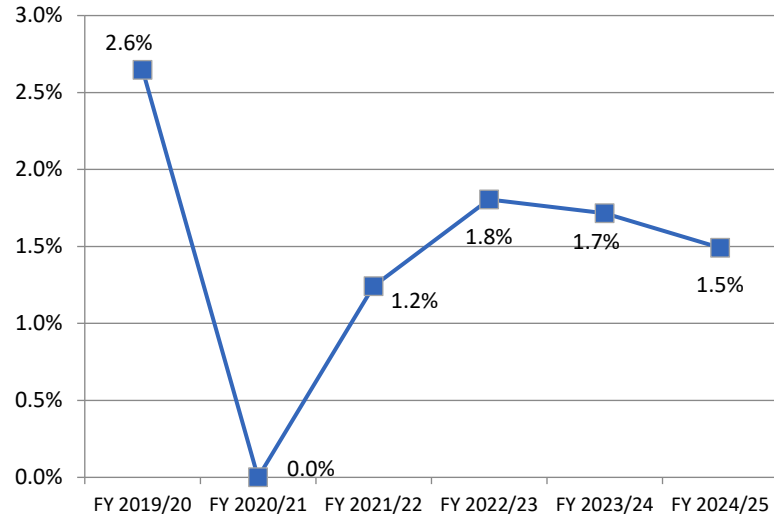
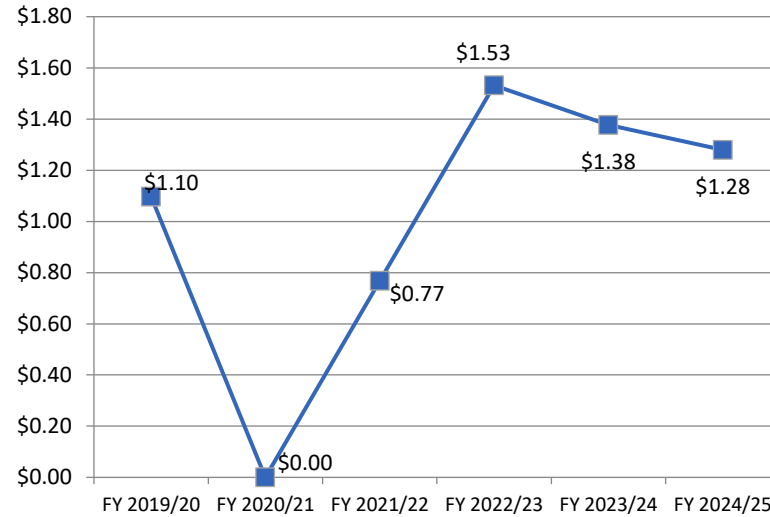


Exhibit 6.33 Demand-Response Fare/Passenger



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Chapter 7 | Functional Review

A functional review of the Valley Express transit program is intended to assess the effectiveness and efficiency of the operator. Following a general summary of 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 Valley Express:

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

Service Overview

The Valley Express service is managed and administered by the Ventura County Transportation Commission and provided through a cooperative agreement between VCTC, the cities of Fillmore and Santa Paula, and the County of Ventura. Valley Express routes link passengers to medical, civic, shopping, educational, and tourist destinations, as well as provide regional connectivity via VCTC Intercity's Highway 126 service.

The Valley Express fixed-route service includes four routes serving the cities of Fillmore and Santa Paula as well as the unincorporated community of Piru. Two additional school trippers operate during the school year. Service hours vary by route. Weekday service operates from approximately 6:15 a.m. to 7:45 p.m. Weekend service operates in Santa Paula and Piru from approximately 8:00 a.m. to 5:45 p.m. Service is not operated on designated holidays. In August 2024, Valley Express launched its Fillmore-Moorpark Route, which offers 10 trips on weekdays and five trips on weekends.

Dial-A-Ride service is available to the general public, with priority given to ADA-certified individuals and seniors (65+). General Public Dial-A-Ride service is available throughout Santa Paula, Fillmore, and the unincorporated areas that make up the Heritage Valley. Seniors and ADA Paratransit Dial-A-Ride service is available throughout Santa Paula, Fillmore, and Saticoy. The Dial-A-Ride service operates weekdays from 5:45 a.m. to 7:45 p.m. and weekends from 8:00 a.m. to 6:00 p.m., excluding designated holidays. Reservations for ADA paratransit riders and seniors (65+) can be made up to seven days in advance. General public riders must schedule their trip on the day of travel.

The current fare structure is shown in Exhibit 7.1 and Exhibit 7.2. All Valley Express services offer free transfers to VCTC Highway 126, and Valley Express Dial-A-Ride users also transfer for free to the Valley Express Fixed-Route service. Transfers onto Dial-A-Ride from any service require a \$0.50 transfer fee.

VCTC provides grant-funded free bus service for students throughout the county, including on Valley Express buses. The College Ride program allows students of all Ventura County Adult Schools, California

Lutheran University, California State University – Channel Islands (CSUCI), Moorpark College, Ventura College, Oxnard College, University of California – Santa Barbara (UCSB), and Santa Barbara City College (SBCC) with school ID. This program was introduced during the prior audit period and remains as of FY 2025/26. A second similar program, Youth Ride Free, for youth 18 and under, was launched September 1, 2022.

The 31-day fixed route pass is good for 31 consecutive days of unlimited usage on the Valley Express Fixed Route. The 31-Day Super Pass is good for 31 consecutive days of unlimited usage on the Valley Express Fixed Route and Valley Express Dial-A-Ride. The 31-Day VCbuspass is good for 31 consecutive days of unlimited usage on the Valley Express Fixed Route, Valley Express Dial-A-Ride, as well as six other operators in Ventura County (VCTC Intercity, Gold Coast Transit, Simi Valley Transit, Thousand Oaks Transit, Ojai Trolley, and Moorpark Transit).

Exhibit 7.1 Fixed-Route Fare Structure

Single Ride		
	Cash Fare	VCbuspass stored value
Adult	\$1.25	\$1.12
Senior (65+)/Medicare/ADA	\$0.60	\$0.54
Children (under 5)	Free	Free
Youth (up to age 18)	Free	Free
College students	Free	Free
31-Day Pass		
	Fixed Route Pass	Super Pass
Adult	\$20.00	\$30.00
Senior (65+)/Medicare/ADA	\$10.00	\$25.00
Children (under 5)	Free	Free
VCbuspass 31-Day Pass (all participating operators)		
	Zone 1	Zone 2
Full	\$50.00	\$130.00
Senior (65+)/Medicare/ADA	\$25.00	\$65.00

Exhibit 7.2 Demand-Response Fare Structure

	Cash	VCbuspass stored value
Adult	\$2.00	\$1.80
Senior (65+)/Medicare/ADA	\$2.00	\$1.80

General Management and Organization

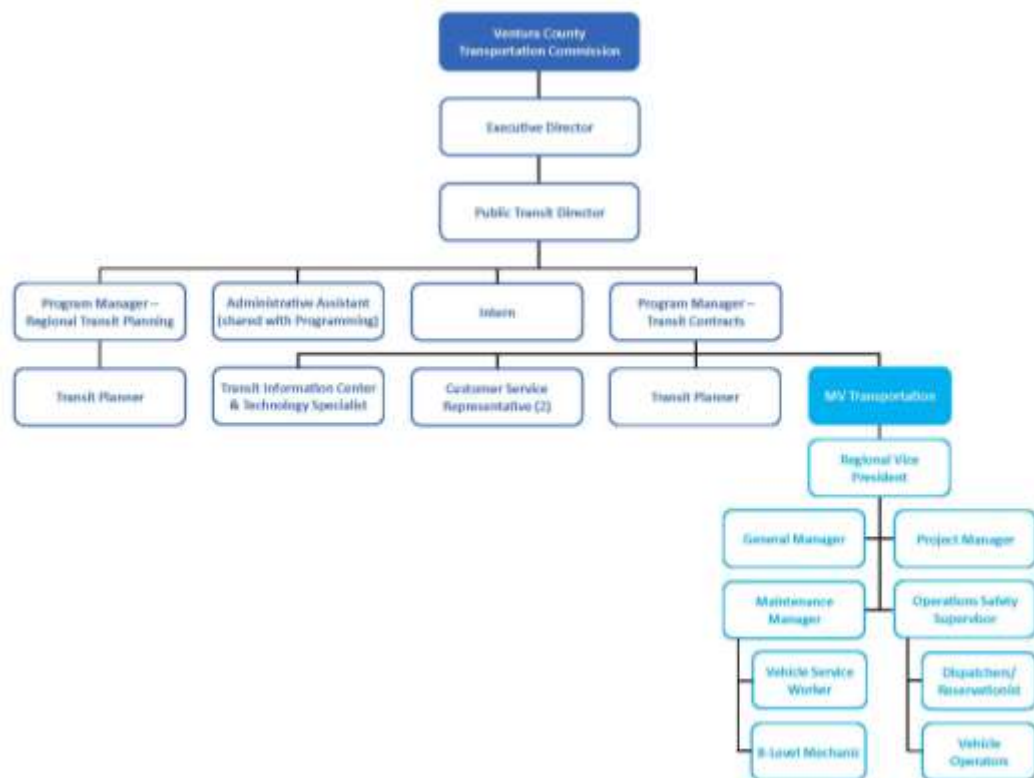
Valley Express service is managed and administered by the Ventura County Transportation Commission and provided through a cooperative agreement between VCTC, the cities of Fillmore and Santa Paula, and the County of Ventura. As the contracting entity, VCTC is responsible for project management and oversight.

The Valley Express program is guided by two committees:

- The **Heritage Valley Policy Advisory Committee (HVPAC)**, which consists of representatives from the cities of Santa Paula and Fillmore and the Third Supervisorial District of Ventura County, and determines the routes, schedules and operation of the service; and
- The **Heritage Valley Technical Advisory Committee (HVTAC)**, which is comprised of technical staff from the cities of Santa Paula, Fillmore, the County of Ventura, VCTC, and the transit operator, and provides recommendations to the HVPAC.

Exhibit 7.3 illustrates the Valley Express organizational structure.

Exhibit 7.3 Organizational Chart



VCTC staff monitor the MV Transportation contract through bi-monthly meetings and monthly reports from the contractor. While Valley Express is structured appropriately, MV Transportation still needs three full-time drivers to be fully staffed. The organization also experienced several leadership changes beginning in 2024, including transitions in the General Manager role. During this period, management practices evolved to include maintenance in monthly meetings, improving coordination between operations and maintenance. These practices have continued following the return of the prior General Manager.

Relationships between VCTC staff, the contractor, Caltrans, and the FTA are positive and effective. Much of the relationship with Caltrans goes through VCTC's Programming and Planning staff.

Recent Service Changes

Valley Express launched its Fillmore-Moorpark Route on August 1, 2024. The route has been well received by the public, achieving the second-highest ridership and accounting for approximately 20 percent of total fixed-route ridership. Up to 80 percent of riders are students who use the service for travel to and from school, as well as during school breaks. Following initiation of the service, adjustments were made to the Fillmore and Piru routes to optimize connectivity.

The transition to RideCo software from Trapeze has significantly improved Dial-A-Ride operations. The new system is installed on tablets on all vehicles, providing real-time data dashboards and allowing VCTC staff to take a more active role in managing service. As a result, dispatchers and reservationists now focus more on monitoring than manual scheduling. Performance has improved with passengers per hour increasing from less than one to nearly three. This has led to cost savings, including a 24 percent reduction in cost per passenger and a 30 percent decrease in miles traveled due to more efficient routing and scheduling. As the platform has become more regional, riders are able to book their own transfer.

VCTC staff highlighted the provision by Valley Express of an emergency shuttle established in response to a landslide that temporarily closed Highway 150 as a notable accomplishment during the audit period. The free service operated between Santa Paula and Ojai to assist residents affected by the closure and was implemented through a coordinated effort with the County of Ventura, Caltrans, and the California Highway Patrol. MV Transportation operated the service while Valley Express provided the vehicles, demonstrating the organizations' willingness to step up in the event of an emergency.

Other changes during the audit period included the launch of the Youth Ride Free program, replacement of most of the fleet with new vehicles, and the debut of a new logo and website.

Service Planning

At the time of this report, VCTC was in the process of adopting a county-wide Short Range Transit Plan, which includes recommendations for the City's transit program. Those recommendations lean more on fixed-route than Dial-A-Ride, as demand-response costs are harder to predict. Members of the HVPAC and the HVTAC were very involved in the process, and the results were in line with what the HVPAC has asked for. Staff will work on further analysis to determine the next steps toward implementation.

The HVPAC and HVTAC meet on an as-needed basis. HVPAC and HVTAC meetings are open to the public and listed on the VCTC website.

The Unmet Transit Needs process is conducted annually. The most frequently requested items are for service between Fillmore and Moorpark and between the Heritage Valley and Santa Clarita. This request is actively being reviewed. VCTC conducts planning for persons with special needs beyond ADA requirements. The agency collaborates with the County of Ventura Disability Access Manager, who also serves on the VCTC Commission. In addition, VCTC prepares a Coordinated Public Transit Human Services Transportation Plan every five years and plans to procure a consultant in FY 2026/27 to update the 2022 Coordinated Plan.

In addition to other service planning efforts, VCTC is in the process of procuring consultant bids to support the update of its Zero Emission Bus Rollout plan and to help define implementation strategies. The agency

has identified battery electric as its preferred fuel pathway and is evaluating charging infrastructure needs and strategies in preparation for future vehicle deployment. One of the most significant challenges is that none of the jurisdictions owns a facility that could be used for charging infrastructure. Staff have some ideas regarding potential partnerships to guide the consultant, but have not identified many creative ideas for transitioning to battery-electric when there is no owned facility.

The most recent customer survey was conducted in April 2023.

Administration

VCTC's annual budget includes a program-level annual budget for the Valley Express service. The Program Manager develops the Valley Express budget by reviewing the current fiscal year's budget versus actuals; accounts for planned projects; anticipated federal revenues; and the current fiscal year's revenue, deadhead, and total hours, fuel use, and maintenance costs. The Program Manager is supported by the Public Transit Director.

Detailed monthly financial statements are created from the general ledger and presented to the Commission on a monthly and quarterly basis. Staff use SAGE and Excel to management financial data. The Program Manager monitors actual versus budgeted expenses on a monthly basis and requests budget amendments on an as-needed basis. Administrative budget amendments (such as moving funds between budget categories) are requested by the Project Manager, reviewed by the Public Transit Director and Finance Director, and approved by the Executive Director. Any request for additional funds requires approval of the Commission.

Transit staff develop a list of needs and looks for grant opportunities that match those needs and Valley Express is eligible to apply for. The Programming department manages grants and handles all reporting. Transit staff provide data and information needed for reporting.

The Program Manager is responsible for contract management. During the audit period, this has included the operations contract with MV Transportation, a marketing consultant contract, CSUCI, and vendor contracts with Cubic, Elavon, Enghouse, Genfare, Kuba, Remix, RideCo, Syncromatic, TransTrack, Trillium, and UTA. Contracts are monitored regularly through monthly, weekly, or quarterly meetings and informal check-ins with vendors; Transcom meetings; and technology monitoring tools.

Risk management is handled through a risk management consultant through VCTC's insurance broker.

VCTC employees submit a digital timesheet to a supervisor for review and approval. Signed timesheets are automatically routed to accounting staff for processing.

Accounts receivable and accounts payable are handled collectively by the senior accountants and Program Manager. Disbursements are coded and approved by the Program Managers before being reviewed and paid by the Finance Department. It is the responsibility of the Program Manager to ensure goods or services have been received before the invoice payment is approved.

Procurement procedures are guided by a VCTC procurement manual, per recommendation from an FTA Triennial Review. The Programming Department leads all procurement activities. Procurement practices conform to all applicable requirements.

VCTC conducted a procurement for the operations and maintenance contract due to the prior contract expiring. Five bids were received, and the contract was awarded to MV Transportation, who had been the incumbent since the service was formed in 2015. The current operations contract has a base period of March 2, 2023 through June 30, 2027, with three one-year extensions.

The Public Transit Director can approve purchases up to \$10,000, and the Executive Director can approve purchases up to \$50,000. Commission approval is required for anything above \$50,000. Vehicles are procured using the CalACT purchasing cooperative.

Marketing and Public Information

VCTC contracts with a marketing consultant to provide marketing services for Valley Express, including social media promotion, rider alerts, onboard notices, and posters and notices at bus stops. Staff meet with the consultant on a monthly basis. Recently, Valley Express updated its website, logo, and vehicle wraps. Valley Express also produces a bus book that includes a ride guide and route information, which is available on the buses and at community events.

VCTC launched its *Buenas con VCTC* Spanish-language campaign designed specifically for the Spanish-speaking community. The campaign was based on the popular game Loteria. The campaign was intended to connect with the Spanish-speaking audience not only through language but also through culture. The success garnered several awards including first place in APTA's AdWheel Awards competition. Other notable promotions included a campaign about the launch of the new RideCo app and a celebration of the tenth anniversary of the Valley Express service.

All customer calls and complaints are logged with the Regional Transit Information Center (RTIC). Calls also are received by the contractor. Complaints are comprehensively documented in TransTrack. The goal for resolving complaints is seven days; this is not always met but has been improving since TransTrack was implemented. Overall, the public perception of the service is positive.

Scheduling, Dispatch, and Operations

Operations and maintenance are provided under contract with MV Transportation. Employees are not represented. MV currently employs 12 full-time and four part-time drivers, which is three drivers short of fully staffed. Any driver working more than 37.5 hours per week is considered full-time. There is no extra board. All drivers are required to have the same certifications to offer maximum flexibility in assignments.

Drivers bid for work assignments annually, with awards based on seniority and time of day (for Dial-A-Ride shifts). Part-time drivers choose to be part-time and typically cover certain days and shifts, as well as times when full-time drivers are scheduled to be off.

Planned time off is scheduled at least a week in advance, and other drivers are given the opportunity to cover. With no extra board, the priority is to cover the fixed-route service first, then adjust the Dial-A-Ride

drivers and trips if someone calls out sick. Accommodating time off is where the biggest impact is felt due to being understaffed. There is no missed service, but drivers are asked to increase overtime or extend their day. In rare cases MV has to seek resources from other divisions. RideCo has been a great improvement when there is a call-out or change in staffing. The platform enables MV to deactivate a demand-response run and have those passengers filter to another driver/run. Staff are still learning what the software can do but are excited about what they have seen so far.

Vehicles are assigned randomly based on passenger volume. Services with a higher passenger count are assigned to larger capacity vehicles. Maintenance communicates to dispatch regarding which vehicles are available for use each day verbally, via email, and through the quick reference whiteboard located in the dispatch office.

Valley Express uses Diamond drop-style fareboxes for cash fares, as well as Genfare Cardquest readers for electronic fare media. The fareboxes are locked with no driver access. Fare collection is handled by the Project Manager, Operations Supervisor, and one administrative staff member. Money is removed from the fareboxes into a money bag while under camera surveillance. Each farebox is tied to a date, driver, bus number, and route and counted separately. The collected funds are transported to the office, where they are counted and stored in a secured, locked location. Counting takes place in a conference room with interior windows that is in plain view of other staff. The funds are then taken to the bank twice a week at random times and deposited into a VCTC account. Deposits are reconciled with trip sheets.

Non-cash fare media are sold at VCTC and the Santa Paula and Fillmore city offices. Contactless payment through VCBuspass is processed through Umo.

Personnel Management and Training

At the time of the site visit, MV Transportation was short three full-time drivers, though it did have one driver candidate identified who was just beginning the process. The contractor is selective in its efforts to find people who are a good fit. MV uses a staff recruiter, internet job-site applications, attendance at job/career fairs and word of mouth in its recruiting practices. The MV recruiter and word of mouth are the most successful methods.

Roughly half of recruits already possess necessary certifications, while the other half are inexperienced. This does not reduce the number of training hours required, however, as all recruits receive comprehensive training. MV Transportation has a fairly intense training program, and can train non-CDL recruits through their licensing. The contractor has a TSI-certified operations safety supervisor who conducts monthly safety meetings, but also partners with its Santa Clarita division for some of the initial training and DMV testing. Retraining can be triggered by DriveCam violations or incident reports. Points-based disciplinary policies are covered in the MV Transportation Employee Handbook.

Drivers are motivated with set shift schedules with two consecutive days off as well as an annual safety bonus, DriveCam awards, recognizing birthdays and anniversaries, and bringing in food. Supervisors conduct evaluations annually. They recently started documenting all engagement with employees. Any feedback from passengers received by MV is printed out and given to the driver. The RideCo app prompts passengers to rate the trip in real time similar to Uber and Lyft.

The Safety Director, Safety Supervisor, and Operations and General Manager oversee MV's safety program. Safety activities include monthly safety meetings, biannual mobility device certifications, and engagement events with staff.

Full-time employees are eligible for holidays, vacation, bereavement, health insurance, dental and vision insurance, life insurance, 401(k), and a recruitment bonus. Part-time drivers receive prorated sick leave. Vacation is typically scheduled eight to 30 days in advance, up to one year. Employee policies regarding progressive discipline and absences/tardiness are communicated in the Employee Handbook. Benefit information is communicated via inter-office mail, postings throughout the office, email, and postal mail.

Maintenance

MV Transportation utilizes preventive and predictive maintenance practices. Preventive maintenance schedules follow manufacturer recommendations. Predictive maintenance uses software to identify trends within the fleet, resulting in maintenance or parts replacement before a failure occurs. Asset management software (Trapeze EAM) tracks preventive and predictive maintenance, parts purchase orders, work codes, and road calls. The software also tracks warranty work. MV's maintenance manager can review division compliance with preventive maintenance schedules.

MV provides all preventive maintenance records to VCTC on a monthly basis via hard copy, but is working on providing VCTC with direct access to the system. Digital data is provided on a semi-annual basis.

The maintenance facility has sufficient space for the fleet (one bay, one lift) with ample outdoor work space. Engine and transmission replacements are typically sent out, though rebuilds are done in-house. MV has said the most useful improvement that could be made to its facility would be electrical upgrades in preparation of electric vehicles. At present, even if they had one portable charger, the electrical network would not be able to handle it. MV also provides maintenance support for other local divisions (including Thousand Oaks) at this facility.

MV's parts inventory is sufficient to minimize down time. The Trapeze-EAM software monitors the minimum/ maximum status of parts and notifies the maintenance manager when a part hits the minimum number in stock and needs to be reordered. As the vehicles aged, it was harder to get parts. With the new fleet, most repairs are under warranty, which puts MV at the mercy of the dealership in terms of turnaround time.

Mechanics review daily vehicle inspection reports at the end of the day and in the morning prior to rollout. Once a vehicle is identified as unsafe, the keys are pulled from dispatch and kept in maintenance. Lock-out/tag-out procedures are used in the yard to ensure an unsafe bus is not used. Keys are returned to dispatch when the vehicle is cleared.

VCTC received funding from the last CMAQ/State of Good Repair call for projects and procured replacements for all 15 vehicles. Exhibit 7.4 details the Valley Express fleet, including both the 2015 and 2025 vehicles used during the audit period. An additional four vehicles are pending.

Exhibit 7.4 Valley Express Transit Fleet

Manufacturer	Vehicle Type	Year	Passengers	WC Capacity	Quantity
Glaval	Cutaway	2015	16	12+2	5
Glaval	Cutaway	2015	12	10+2	5
Arboc	Cutaway	2015	26	22+2	5
Promaster	Van	2025	8	2	5
Glaval	Cutaway	2025	14	12+2	6

VCTC has selected battery-electric as the fuel path for the transition to zero emission. However, there are significant hurdles that will need to be overcome before Valley Express can transition to zero-emission. As discussed above, since MV does not own its current facility, investing in the charging infrastructure will be a challenge.

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Chapter 8 | Findings and Recommendations

Conclusions

The Valley Express is found to be in compliance with the Transportation Development Act (TDA). One recommendation intended to improve the effectiveness and efficiency of the operator are detailed below.

Findings

Based on discussions with Valley Express staff, analysis of program performance, and an audit of program compliance and function, the audit team presents no findings related to compliance with the TDA.

Program Recommendations

Recommendations are intended to assist in bringing the operator into compliance with the requirements and standards of the TDA as well as address non-compliance-related issues, challenges, or opportunities observed during the site visit and functional review. The following recommendations are presented for Valley Express.

Recommendation 1: Continue efforts regarding plans for the zero-emission vehicle transition since the current leased facility cannot accommodate the future transition.

Discussion: Ensuring Valley Express can make the transition to zero-emission vehicles is one of the most significant challenges at present. VCTC is reacting proactively by hiring a consultant to help explore options. In addition, with the recent replacement of the entire fleet with conventionally fueled vehicles, Valley Express has given itself some additional time to come up with a plan for its transition to zero-emission.

Contributing Factor(s): At present, MV's maintenance facility in Santa Paula is not able to service electric vehicles, as they cannot be charged at that location. This is due in part to insufficient electrical capacity at the location, which precludes MV from being able to install even one portable charger. In addition, none of the Valley Express jurisdictions own their own facility which could be used to charge vehicles. VCTC has a few ideas (such as partnerships with school districts or private operators) that it will share with the consultant, but at present there is no ready solution.

Recommended Action: VCTC staff should continue working with the contractor and its consultant to explore viable options regarding the transition to battery-electric vehicles before it becomes necessary to begin placing orders for those vehicles.

Timeline: Ongoing.

Anticipated Cost: Unknown.

Exhibit 8.1 Audit Recommendations

	Recommendations	Importance	Timeline
1	Continue efforts regarding plans for the zero-emission vehicle transition since the current leased facility cannot accommodate the future transition.	Medium	Ongoing