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# Nevada County Transportation Commission Triennial Performance Audit

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For Fiscal Years 2009/10, 2010/11 and 2011/12



*Final Audit Report Prepared for the*  
**Nevada County Transportation Commission**

*Prepared by*



**LSC Transportation Consultants, Inc.**



# NEVADA COUNTY TRANSPORTATION COMMISSION TRIENNIAL PERFORMANCE AUDITS

*For Fiscal Years 2009/10 through 2011/12*

*Final Audit Report Prepared for the*

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California Public Utilities Code Section 99246 requires that Regional Transportation Planning Agencies (RTPAs) such as the Nevada County Transportation Commission (NCTC) conduct Triennial Performance Audits (TPAs) of both their own activities and those of their associated transit operators. This performance audit of the NCTC covers the three-year period from July 1, 2009 to June 30, 2012. The primary objective of a TPA is to provide the NCTC with an independent and objective evaluation of its effectiveness, efficiency, and economy in its role as the RTPA for Nevada County. Separate audits were conducted for the transit operators in western Nevada County and eastern Nevada County for the same three-year period. As required under California Transportation Development Act (TDA) law, the NCTC will submit this report to Caltrans and certify that the transit operator performance audits were completed.

This audit was conducted in accordance with guidelines set forth in the *Performance Audit Guidebook* developed by Caltrans (September 2008). The audit process included a review of pertinent documents, TDA guidelines, on-site interviews with the NCTC Executive Director, and telephone interviews with NCTC commission members.

## **NEVADA COUNTY TRANSPORTATION COMMISSION DESCRIPTION**

Nevada County extends from the foothills of the Central Valley over the crest of the Sierra Nevada Mountains to the Nevada state line. The region is served by three transit operators: Truckee Transit in the eastern portion of the County and Gold Country Stage and Gold Country Telecare in the western portion of the County. The NCTC is the designated RTPA for the Nevada County region, including the incorporated Cities of Grass Valley, Nevada City, and the Town of Truckee. Among other transportation planning responsibilities, one of NCTC's roles is to allocate TDA funding in accordance with state statutes.

The NCTC is composed of two members of the Nevada County Board of Supervisors, two at-large representatives from Nevada County, and one member from each of the three city councils. The commission is served by two advisory committees: the Technical Advisory Committee and the Social Services Transportation Advisory Council (SSTAC).

## **REVIEW OF COMPLIANCE REQUIREMENTS**

NCTC was found to be in compliance with all statutes referenced in the Performance Audit Guidebook with the exception of completion of fiscal audits for transit operators. The fiscal audit for Gold Country Telecare was submitted shortly after the deadline. It should be noted that the late submittal was due to the fiscal auditors delay.

## **STATUS OF PRIOR AUDIT RECOMMENDATIONS**

The prior TPA was prepared by Moore and Associates (March 2010) and contained the following recommendations:

***Recommendation 1:*** *NCTC should incorporate its step by step TDA claims procedures with examples into the Policies and Procedures Manual.*

## **Recommendation Implemented**

***Recommendation 2:** Consider the development of a Transportation Regional Directory which consolidates all transportation options into a single resource.*

## **Recommendation In-Progress**

## **DETAILED REVIEW OF THE NCTC FUNCTIONS**

A large portion of a performance audit includes reviewing the various functions of the RTPA to determine if there are inefficiencies or particular areas for improvement. The functional review is conducted by reading various documents such as Personnel Policies, the Regional Transportation Plan and Overall Work Programs and conducting interviews with NCTC staff. The functional review covers the following broad topics:

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

During the audit period, NCTC was effective in accomplishing its goals and objectives. NCTC is appropriately staffed and experienced no staff turnover during the audit period. The Nevada County RTP addresses all the required elements. NCTC follows a comprehensive regional transportation planning process including the preparation and adoption of alternative transportation plans, such as a Bicycle and Pedestrian Plan and Transit Development Plans. NCTC has set forth a clear process for allocating TDA funds to the transit operators in the region. In general, marketing is conducted by the transit operators. During the audit period NCTC acquired discretionary grants and successfully distributed recurring grant monies. No state or federal grant applications were denied in Nevada County due to errors or omissions.

## **FINDINGS**

- ◆ The NCTC has complied with the requirements selected in the Performance Audit Guidebook, with one exception: the Telecare FY 2010-11 fiscal audit was completed just after the stipulated time period.
- ◆ The NCTC is in the process of implementing or has successfully implemented all of the prior audit recommendations.
- ◆ During the audit period, the NCTC commissioned several types of transportation and transit planning studies including Transit Development plans for both sides of the County. Several of the recommendations have been implemented.
- ◆ The NCTC and Nevada County transit operators have a good working relationship with defined duties which allow for a productive transit system, particularly in the western portion of the County.
- ◆ NCTC staff is held in high regard by commission members.

## **TDA RECOMMENDATIONS**

Overall, NCTC effectively and efficiently fulfilled roles and responsibilities assigned to it through the TDA during the audit period. The auditor has no recommendations with respect to TDA requirements.

## **OTHER RECOMMENDATIONS**

As part of the Nevada County TPA process, the auditor also prepared the performance audit for Truckee Transit services in the eastern portion of Nevada County. The performance audit review indicated that many performance indicators declined and Town oversight of the program was limited. TDA does not require that the RTPA oversee transit operators on a daily basis, and NCTC has fully fulfilled the requirements of PUC Section 99244 (identify, analyze and recommend potential productivity improvements), in that NCTC has been quite diligent in commissioning transit studies for both sides of the County. However, the transit studies only take place periodically and plan elements were not completely implemented during the audit period. It should be noted that the Town has recently increased management staff overseeing the transit program. At least in the short term until Town staff is more fully up to speed, the Truckee Transit program could benefit from increased oversight from NCTC staff to ensure that implementation steps identified in planning documents are occurring. Therefore, it is recommended that NCTC follow up with Truckee Transit on a quarterly basis to review progress towards goals, performance audit recommendations and implementation of transit plan elements.

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## **BACKGROUND**

This TPA has been prepared in compliance with the requirements of California Public Utilities Code Section 99246, which requires that the NCTC cause a performance audit to be conducted of its activities every three years. The primary objective of this Audit is to provide the NCTC with an independent and objective evaluation of its performance as it relates to responsibilities in its role as the RTPA for Nevada County.

This Audit evaluates the operations of the NCTC in terms of the efficiency, effectiveness, economy, and the results of its programs. In addition, this Audit includes a review of the NCTC's implementation of the recommendations contained in the previous Audit report, completed in March 2010. This current Audit covers the three-year period from Fiscal Year (FY) 2009-10 through 2011-12. Finally, this Audit includes a discussion of relevant issues currently facing the organization, based on discussions with the NCTC staff.

## **PERFORMANCE AUDIT AND REPORT ORGANIZATION**

This Audit was prepared in the following steps:

- ◆ A review of pertinent documents, including the Regional Transportation Plan, transit plans, annual Overall Work Programs (OWPs), annual fiscal audits and State Controller's Reports, and Nevada County Transportation Commission agendas, minutes, and supporting staff reports
- ◆ On-site discussions with the NCTC staff, including the Executive Director
- ◆ Telephone interviews with five of the seven NCTC members
- ◆ Review of prior TPA reports
- ◆ Review of the requirements of the Public Utilities Code, California Code of Regulations, and other appropriate statutes, followed by an assessment of the NCTC's compliance with the specified requirements

## **NEVADA COUNTY TRANSPORTATION COMMISSION DESCRIPTION**

### **Agency Organization and Function**

Nevada County extends from the foothills to the crest of the Sierra Nevada Mountains. The region is served by two transit operators: Truckee Transit in the eastern portion of the County and Gold Country Stage fixed route and demand response services (Gold Country Telecare) in the western portion of the County. The NCTC is the designated Regional Transportation Planning Agency (RTPA) for the Nevada County region, including the incorporated cities of Grass Valley, Nevada City, and Town of Truckee. NCTC's role as an RTPA is to:

- ◆ Allocate transportation funding such as TDA funds

- ◆ Review public transit performance
- ◆ Prepare and adopt a Regional Transportation Plan and Regional Transportation Improvement Plan
- ◆ Outline regional planning efforts to improve mobility for the region
- ◆ Provide direction to state, federal and local decision-makers regarding transportation planning

The NCTC is composed of two members of the Nevada County Board of Supervisors, two at-large representatives from Nevada County, and one member from each of the three city/town councils. The commission is served by two advisory committees: the Technical Advisory Committee (TAC) and the Social Services Transportation Advisory Council (SSTAC). The TAC includes representatives from local public works and planning departments, Caltrans, public airport operators, the air pollution control district and public transit operators. It provides technical input to the commission on a wide range of transportation issues. The primary role of the SSTAC is to provide advice on public transit services for Nevada County residents, particularly advocate for the elderly and disabled. NCTC has also been designated as the Nevada County Airport Land Use Commission. NCTC staff also provide support to the Truckee Tahoe Airport Land Use Commission.

The NCTC's objectives and actions are outlined in the annual Overall Work Program (OWP). As the RTPA, the NCTC's OWP includes the following work elements:

- ◆ Communication and Coordination – An important purpose of the NCTC is to ensure that the public has open and timely access to information about regional transportation planning efforts.
- ◆ Regional Transportation Planning – This work element contains development and adoption of the RTP and Regional Transportation Improvement Program, as well as other planning efforts such as updating travel demand models, circulation plans, transit plans, pedestrian and bicycle facility plans.

## **REVIEW OF COMPLIANCE REQUIREMENTS**

As presented in Table 1, the following is a review of compliance requirements identified in the TDA and other state statutes:

1. In accordance with Public Utilities Code Section 99231, the NCTC allows no transportation operators and city or county governments, which have responsibility for serving a given area to claim, in total, more than those Local Transportation Fund (LTF) moneys apportioned to that area. The NCTC annually adopts a resolution approving LTF apportionments, and a good system for the apportionment is in place.
2. In reference to Public Utilities Code Sections 99233 and 99234, the NCTC adopted written rules for the submission of claims for pedestrian and bicycle facilities in November 2008 (Resolution 08-39). The resolution states that the funds shall be allocated in accordance with requirements described in TDA Statute 99234, Claims for Pedestrian and Bicycle Facilities. These rules are also outlined in the NCTC Policies and Procedures Manual.
3. In accordance with Public Utilities Code Sections 99238 and 99238.5, the NCTC has established a SSTAC. Although NCTC does not allocate TDA funds for streets and roads purposes, the NCTC conducts a joint unmet transit needs workshop with Placer County Transportation Planning Agency (PCTPA) and the Tahoe Regional Planning Agency (TRPA) each year, and holds a public hearing to receive input on unmet transit needs. During the audit period, SSTAC meetings were held on FY 2009-10 and FY 2011-12 and are currently scheduled quarterly,

provided there are sufficient items on the agenda. The NCTC actively recruits members for the SSTAC.

4. In accordance with Public Utilities Code Section 99244, the NCTC has annually identified, analyzed, and recommended potential transit productivity improvements that could lower the operating cost of those transit operators that operate at least 50 percent of their vehicle service miles within its jurisdiction. During the Audit period, the NCTC commissioned a Transit Development Plan (TDP) update for Western Nevada County transit services, an update of the ADA Paratransit Plan for Western Nevada County as well as a Transit Governance Study, which research alternative institutional/organizational structures which could lower overall administrative costs. NCTC is also currently in the process of updating the Eastern Nevada County Transit Development Plan. Additionally, NCTC staff members review transit operations reports for Gold Country Stage and Gold County Telecare at least every other month as reports are included in NCTC commission packets. Town of Truckee transit services are reviewed at least annually.
5. Per Public Utilities Code Section 99245, the NCTC must ensure that all claimants to whom it allocates TDA funds submit to it and to the State Controller an annual certified Fiscal and Compliance Audit within 180 days after end of the fiscal year. For Fiscal Year 2009-10, a 90-day extension was requested and granted for all transit claimants. With the extension, all fiscal audits were completed within the deadline. For FY 2010-11, the fiscal audit for Gold Country Telecare was completed on January 13, 2012, just after the 180-day deadline. An extension was requested from the State Controller. Fiscal audits for all three operators were completed on time for FY 2011-12.
6. In accordance with Public Utilities Code Sections 99246 and 99248, the NCTC has designated an independent entity to conduct a performance audit of operators and itself (for the current and previous TPA periods). Moore and Associates performed the performance audit for the prior three-year period. The prior performance audits addressed all elements indicated in the performance audit guidebook.
7. In accordance with Public Utilities Code Section 99246(c), the NCTC has submitted a copy of its TPA to the Director of the California Department of Transportation.
8. In accordance with Public Utilities Code Section 99246(d), the performance audit of the transit operators (under separate cover) include, a verification of the operator's cost per passenger, operating cost per vehicle service hour, passengers per vehicle service mile, and vehicle service hours per employee, as defined in Section 99247. The performance audit includes consideration of the needs and types of passengers being served and the employment of part-time drivers and the contracting with common carriers of persons operating under a franchise or license to provide services during peak hours, as defined in subdivision (a) of Section 99260.2.
9. Nevada County does not include an urbanized area; therefore PUC 99270.1 and 99270.2 is not applicable to NCTC.
10. The NCTC has adopted criteria, rules, and regulations for the evaluation of claims filed under Article 4.5 of the TDA (as permitted under Public Utilities Code Section 99275.5). NCTC has identified procedures for community transit services claims in the TDA claims section of the NCTC Policies and Procedures manual adopted March 2012. The rules were developed in accordance with the stipulations set forth in Public Utilities Code Section 99275.5.

11. In accordance with Public Utilities Code Sections 99310.5 and 99313.3 and Proposition 116, State Transit Assistance (STA) funds received by the NCTC are allocated only for transit planning, transit capital projects, and transit operations.
12. The amount of STA funds received by the NCTC pursuant to the Public Utilities Code Section 99314.3 is allocated to the transit operator in the area as allocated by the State Controller's Office. The NCTC allocates STA funds to the jurisdictions using a population and revenue formula allocation per PUC 99313 and 99314.
13. According to Public Utilities Code Section 99401.5, if TDA funds are allocated to purposes not directly related to public or specialized transportation services or facilities for exclusive use of pedestrians and bicycles, the NCTC is annually required to:
  - Consult with the SSTAC established pursuant to Public Utilities Code Section 99238.
  - Identify transit needs, including: groups who are transit-dependent or transit-disadvantaged, adequacy of existing transit services to meet the needs of groups identified, and analysis of potential alternatives to provide transportation services.
  - Adopt or reaffirm a definition of “unmet transit needs” and “reasonable to meet.”
  - Identify the unmet transit needs and those needs that are reasonable to meet.
  - Adopt a finding that there are no unmet transit needs, that there are no unmet needs that are reasonable to meet, or that there are unmet transit needs including needs that are reasonable to meet.
  - If a finding is adopted that there are unmet transit needs, these needs must have been funded before an allocation was made for streets and roads.

TDA funds were not allocated for streets and roads purposes during this audit period. However, NCTC holds a joint unmet transit needs workshop with PCTPA and TRPA each year, and a holds a public hearing to receive input on unmet transit needs. Typically the SSTAC also meets at least annually to discuss unmet transit need for transportation disadvantaged groups and provides a recommendation to NCTC.

14. In accordance with California Code of Regulations Section 6662, the NCTC has caused a Fiscal and Compliance Audit of its accounts and records to be performed for each fiscal year by a certified public accountant. The audits were performed in accordance with the Basic Audit Program and Report Guidelines for the California Special Districts prescribed by the State Controller by the firms of Gallina LLP and R J Riccardi, Inc. The audits include a determination of compliance with the TDA and accompanying rules and regulations. Financial statements do not commingle the STA fund, the LTF, or other revenues or funds of any city, county or other agency. The NCTC maintains fiscal and accounting records and supporting papers for at least five years following fiscal year close.

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

Requirement	PUC Reference	In Compliance?	
		Yes	No
(1) All operators and city or county governments, in total, claim no more than those LTF monies apportioned to that area.	99231	X	
(2) The RTPA has adopted rules and regulations delineating procedures for the submission of claims for facilities provided for the exclusive use of pedestrians and bicycles.	99233, 99234	X	
(3) The RTPA has established a social services transportation advisory council. The RTPA must ensure that there is a citizen participation process that includes at least an annual public hearing.	99238, 99238.5	X	
(4) The RTPA has annually identified, analyzed and recommended potential productivity improvements which could lower operating cost of those operators.	99244	X	
(5) The RTPA has ensured that all claimants to whom it allocated TDA funds submit to it and to the state controller an annual certified fiscal and compliance audit within 180 days after the end of the fiscal year.	99245		X
(6) The RTPA has designated an independent entity to conduct a performance audit of operators and itself. The operator audit included calculation of performance indicators and was transmitted within 12 months. If not transmitted, TDA funds were not allocated to the operator.	99246, 99248	X	
(7) The RTPA has submitted a copy of its performance audit to the Director of the California Department of Transportation.	99246 c	X	
(8) The performance audit of the operator includes verification of performance indicators and includes consideration of the needs and types of passengers being served, employment of part-time drivers and contracting with common carriers.	99246 d	X	
(9) The RTPA has established rules and regulations regarding revenue ratios for transportation operators providing services in urbanized and non-urbanized areas.	99270.1, 99270.2	NA	
(10) The RTPA has adopted criteria, rules, and regulations for the evaluation of claims filed under Article 4.5 of the TDA and the determination of the cost effectiveness of the proposed community transit services.	99275.5	X	
(11) State transit assistance funds received by the RTPA allocated only for transportation planning and mass transportation purposes?	99310.5, 99313.3, Proposition 116	X	
(12) The amount received pursuant to the Public Utilities Code, Section 99314.3; by each RTPA for state transit assistance is allocated to the operators in the area of its jurisdiction as allocated by the State Controllers Office.	99314.3	X	
(13) If TDA funds are allocated for streets and road purposes, the RTPA has annually: Consulted with the SSTAC, identified transit needs, adopted or re-affirmed the definition of "unmet transit needs" and "reasonable to meet", identified the unmet needs or there are no unmet transit needs, or there are unmet transit needs that are reasonable to meet.	99401.5	NA	
(14) The RTPA has caused a fiscal audit to be performed each year and submit the audit report to the state controller within 12 months of the end of the fiscal year.	6662	X	

## STATUS OF PRIOR AUDIT RECOMMENDATIONS

The prior TPA was prepared by Moore and Associates and contained the following recommendations:

**Recommendation 1:** *NCTC should incorporate its step by step TDA claims procedures with examples into the Policies and Procedures Manual.*

**Recommendation Implemented:** On March 21, 2012 NCTC adopted an updated Policies and Procedures Manual, which includes step-by-step TDA claims procedures. The TDA funds section of the manual includes a general description of how local agencies can obtain TDA funds, useful definitions, examples of findings of apportionment, overview of TDA claims purposes and a detailed outline of paperwork and certificate of assurances required to be submit with the claim. Procedures are outlined for TDA claims for transit/paratransit, bicycle and pedestrian, community transit services and streets and roads purposes.

**Recommendation 2:** *Consider the development of a Transportation Regional Directory which consolidates all transportation options into a single resource. The prior auditor recommended that NCTC consider publishing a countywide transit guide with schedule and system information for county residents. The anticipated cost of this recommendation was \$25,000.*

**Implementation In-Progress:** NCTC has considered the recommendation. However, due to significant changes taking place in western Nevada County transit/paratransit services, development of a regional directory has been postponed until funding and service characteristics stabilize. During the audit period, Gold Country Stage was forced to make several route/service adjustments to address a shrinking budget. Additionally, there is a Request for Proposals for the operation of paratransit services in western Nevada County circulating currently.

Nevada County Transit Services Division staff is involved in the Easter Seals Project Accessible Transportation Coalitions Initiative (ATCI) in Western Nevada County. The primary goal of this process is to improve accessible transportation options for people with disabilities in local communities. This effort merged with the Mobility Action Partners (MAP) group (part of a TDP recommendation) as they share a common goal. NCTC staff participates as a member of the ACTI-MAPCO group. In addition to other projects to improve mobility in western Nevada County, the ATCI-MAPCO effort includes development of a regional directory of transportation services with a GIS mapping component of all mobility options and important transit generators. Once complete, this element will satisfy the regional transit directory recommendation in the previous audit report.

## DETAILED REVIEW OF THE NCTC FUNCTIONS

There is concurrence within Nevada County, supported by the auditor's own evaluation, that the NCTC reflects well researched, proactive policy practices, and that these outcomes have been the result of quality staff work produced by a competent executive director and staff during the Audit period.

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

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

## Administration and Management

This functional review focuses on internal management of the organization, including:

- ◆ Governing Board Activities
- ◆ Internal Planning and Achievements
- ◆ General Administration
- ◆ Personnel

The NCTC meets on the third Wednesday of every other month. Meeting locations alternate between Nevada City and Grass Valley, with one meeting a year on the eastern side of the County in Truckee. Agenda materials are available to commission members and the public at least seven business days in advance.

Attendance at monthly NCTC meetings is strong. The commission dealt with a long list of key documents and funding decisions during the Audit period, including all of those required or suggested by state law and good RTPA practices. The NCTC does a good job of posting important documents on its website for public review.

The NCTC processes TDA claims in an accurate and timely manner. Policies and procedures for TDA claims are outlined in the NCTC Policies and Procedures Manual. NCTC adopts preliminary findings of apportionments before March 1st. TDA allocations are approved, around July. TDA claimants must include the following items in their claim packets:

- ◆ Budget and signed board or council resolution approving budget and submission of claim
- ◆ If applicable, statement identifying the reason or need for an increase in the operating budget in excess of 15 percent above the previous year
- ◆ CHP certifications of compliance
- ◆ Completed Standard Assurances by Claimant, which includes any applicable TDA compliance requirements from the state Public Utilities Code
- ◆ Statement that the proposed expenditure is in conformity with the Regional Transportation Plan
- ◆ Statement of the estimated amount of maximum eligibility of LTF and STA funds per Section 6634(a). No operator or transit service claimant shall be eligible to receive moneys during the fiscal year for which the claim is filed for operating costs in an amount that exceeds its actual operating cost (including payments for disposition of claims arising out of the operator's liability) in the fiscal year, less the sum of the following amounts:
  - The actual or estimated amount of fare revenues received during the current fiscal year;
  - The amount of fare revenues needed to achieve a fare recovery ratio of ten percent;
  - The amount of federal operating assistance received or estimated to be received during the fiscal year; and
  - The amount received or estimated to be received during the fiscal year from a city or county to which the operator provides service beyond its boundaries.
- ◆ Statement signed by the chief financial officer of the claimant attesting to the statements above as reasonable and accurate.

The NCTC adopts a resolution approving the claim and directing the County Auditor to allocate funds before the end of the fiscal year. Claims are paid in full.

The Executive Director prepares a report for each commission meeting which provides an overview of the current transportation issues, an update on projects and various events/meetings attended. The NCTC has an organized process for filing and the retention of pertinent plans and other documents. Electronic files are maintained on the server. Depending on the type of plan, documents are kept at least seven to ten years.

In terms of internal planning, the NCTC has set forth very clear goals and objectives. Its achievements in meeting OWP objectives during the Audit period were good, despite the uncertainties involved with state and federal funding in recent years. The NCTC has been successful in obtaining discretionary funding to facilitate the programming of all types of transportation projects aimed at reducing congestion, enhancing pedestrian/bicycle safety, increasing mobility through transit studies, and improving the efficiency of the overall transportation system. For each year of the audit period, the budget has generally been adequate for funding the NCTC's activities.

NCTC staff consists of an Executive Director, Transportation Planner, Administrative Services Officer, and Administrative Assistant. There was no staff turnover during the audit period; in fact, staff tenure ranges from 11 – 23 years. Workloads appear to be appropriate for the number of staff. The success of obtaining funding and completing projects is a good indication of the effectiveness of the NCTC staff. Staff members meet weekly to coordinate and assign projects. Approved training courses can be paid for by the commission. Work planning and performance evaluation occur annually. Staff members are offered health benefits through Special District Risk Management Authority's Medical Benefits Program. Full-time employees are eligible for retirement benefits through the International City Management Association (ICMA) Retirement Trust. The NCTC staff members do not receive performance incentive bonuses. Performance reviews are conducted annually.

The Auditor attempted to contact all regular NCTC members to anonymously discuss transportation issues facing the organization in coming years. Based on interviews completed with five NCTC members, all respondents indicated strong support of the NCTC staff efforts. In addition, all respondents support the direction that the NCTC is going in terms of long-term transportation planning in the region and see the NCTC staff as a good example for other regions. The only frustrations voiced by commission members were related to insufficient funding sources and the requirements attached to various funding programs.

### **Transportation Planning and Regional Coordination**

This functional area covers one of the two major RTPA responsibilities – transportation planning in a regional context and fiscal management, including:

- ◆ RTP Development and Adoption
- ◆ RTP Topics
- ◆ RTP Implementation
- ◆ Information Collection
- ◆ Information Generation and Distribution

The most recently completed update of the Nevada County RTP occurred in 2010. The RTP, which was adopted in July of 2011, set forth clear goals and cost estimates for transportation in the region. Many of the short-term transportation projects identified in the Action Element have been completed and funding has been secured for other long-term projects. The RTP includes all elements required under state guidelines, including a discussion of regional issues. Major issues, such as growth of the elderly population and traffic growth in rural resort communities, are addressed in the Action Element. As with

all NCTC transportation projects, the 2010 RTP update incorporates a good public outreach and public involvement program. The Nevada County RTP update process included input from the TAC, neighboring RTPAs, and a wide variety of groups including the public. While there are no Native American Tribal Governments within NCTC's boundaries, NCTC does consult with Native American tribal organizations.

Travel demand forecasting models have been developed for both the eastern and western portions of the County using the TransCAD software package. The models help to identify future roadway inefficiencies as the region grows.

The NCTC has been effective at working with all local and regional partners over an extended period of time to secure funding for top priority projects with high public support, such as the Dorsey Drive Interchange. The NCTC is also involved with other regional planning efforts which have an impact on transportation in Nevada County. NCTC is a member of the Rural Counties Task Force, which was established as a joint partnership between the California Transportation Commission and rural counties in California as a way to provide rural counties with information and a voice for statewide transportation policies. NCTC is also a member of the Nevada County Economic Resource Council (NCERC), as there is a strong relationship between transportation improvements and economic development. Along the same lines, Nevada County is part of the North State Super Region, which is an alliance of 16 counties in Northern California who have decided to share information and collaborate in an effort to become a larger voice for state and federal funding policies. In sum, NCTC is very involved in regional and statewide collaborations that help to achieve the goals of the organization.

Four traffic impact mitigation programs exist in Nevada County to offset the cost of roadway improvements resulting from new development: the Regional Transportation Mitigation Fee (RTMF) program, Grass Valley Transportation Impact Fee, Nevada County Local Transportation Mitigation Fee (in the western portions of the County) and the Town of Truckee Traffic Impact Fee program (in the eastern portion of the County). NCTC administers the program in western Nevada County. NCTC administers the RTMF program in western Nevada County.

The NCTC's website is kept up-to-date, with links to transit operators, local transportation-related information, traffic data and various transportation planning documents. The NCTC prepares a quarterly community newsletter which is available on the website and provides an overview of the status of on-going transportation projects.

A review of the OWPs shows that the NCTC work elements go beyond the basic plans and processes for which RTPA's are responsible. The program includes efforts for coordination with other agencies (Rural Counties Task Force, SR 49 Corridor Study), pedestrian and transit facilities, as well as public outreach and education of the local communities. The NCTC transportation planning process allows staff to be well informed on transportation issues and conditions in the region while providing the tools for a solution to transportation problems.

### **Claimant Relationships and Oversight**

This section covers the NCTC's actions regarding TDA claims and subsequent transit operations, including:

- ◆ Productivity Committee Functions
- ◆ Technical and Managerial Assistance to Operators
- ◆ Communication of TDA Rules and Information to Claimants

- ◆ Reports and Information Received by the RTPA
- ◆ TDA Claim Processing

The NCTC does not have a formal productivity committee to review services and recommend improvements for lower transit costs. Rather, the Transit Services Commission (TSC) serves that purpose. A recent example is the commissioning of a Western Nevada County Transit Governance Study by NCTC at the request of the TSC. Several NCTC members also serve on the TSC. In addition, a NCTC staff member is involved with the SSTAC which provides input on transit issues.

Staff of all Nevada County operators and the NCTC concur that a good working relationship exists between the organizations. As noted in the transit operator Audit Report, the western Nevada County operators are well managed and frequently review services for improvements. All transit operators have been responsive to any suggestions that the NCTC has had with respect to transit. Nevada County Transit Services Division staff (transit operator for Western County) communicates frequently with NCTC. While communication is less frequent with the Town of Truckee transit operator, there have been recent efforts on both sides to improve productivity of Truckee Transit. For the most part, the transit operators work independently, focusing on their given tasks. The transit operators review the need for service adjustments and perform most marketing efforts. The NCTC conducts grant writing for planning and technical assistance, commissions planning documents such as TDP efforts, and provides a degree of oversight and assistance when it comes to TDA matters. This relationship has proved to be an effective strategy for transit services in Nevada County.

During the Audit period, the NCTC commissioned fiscal and compliance audits from an independent auditor for the NCTC and for the three transit operators. The fiscal and compliance audits of the transit operator attest that TDA funds were expended in conformance with most applicable laws, regulations, allocation instructions, and resolutions of the NCTC. All transit operators submit TDA claims in accordance with NCTC's Policies and Procedures Manual. During the audit period there was no cause for the NCTC to withhold TDA funds from any of the transit operators.

### **Marketing and Transportation Alternatives**

This function involves the outreach activities of a RTPA, including marketing, public relations, public information, and planning for alternative transportation modes.

The majority of marketing for transit services in Nevada County are performed by transit operator staff. Press releases announcing transit service changes are prepared by the transit operators. On occasion, an operator may work with the SSTAC to advertise proposed changes. Comments and complaints regarding public transit are generally directed to the operators, although NCTC staff has responded to complaints on a few occasions. Marketing strategies such as implementing a "211" information line for western Nevada County is one of the tasks taken on by the ACTI MAPCO project. A more detailed review of transit operator marketing efforts is provided in the transit operator audit.

The NCTC is quite involved in alternative transportation planning efforts as, evidenced in the preparation and adoption of a Pedestrian Plan, Bicycle Plan and Transit Development Plans during the audit period. NCTC staff is aware of and reviews all types of major land use proposals in Nevada County (such as zoning changes or general plan amendments) that may result in traffic congestion and other community impacts. If appropriate, NCTC will recommend transportation improvements to mitigate these impacts.

By all accounts, the NCTC has a strong public information process in place. The NCTC website lists completed plans and studies along with an archive of commission meeting minutes. An NCTC quarterly

newsletter is also available on the NCTC website, and is disseminated to interested organizations and individuals.

### **Grant Applications and Management**

This section considers the NCTC’s performance in discharging its grant management duties, including:

- ◆ Grant Application Coordination
- ◆ Grant Management and Compliance
- ◆ Grant Application Assistance

Discussion of the organization’s functions regarding these duties is largely redundant with previous portions of this functional review. As noted, the NCTC actively assists its potential claimants in “getting the most for their money.”

Much of the generic consideration of this function for RTPAs across the state relates to urban areas with many competing operators and claimants, where the RTPA is expected to sort out conflicts and “ride herd” on activities. That context does not pertain to Nevada County’s relatively straightforward setting, as there is essentially one fixed route and one paratransit operator in the western portion of the County (that coordinate closely) and one transit operator in the eastern portion of the County.

During the Audit period, no state or federal grant applications were denied in Nevada County due to errors or omissions. NCTC has been productive in obtaining discretionary grants such as Caltrans administered Community-Based Transportation Planning Grants. The NCTC staff was also effective in distributing special grants such as American Recovery and Reinvestment Act (ARRA), Congestion Management and Air Quality grants, and Proposition 1 B funding. In general, the transit operators prepare Federal Transit Administration (FTA) grants, although NCTC staff members assist transit operators with scoring for some FTA capital grants.

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## Conclusions and Recommendations

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There is unanimous support among member agencies and associated stakeholders that the NCTC is managed and operated in an effective, efficient, and economical manner. The NCTC provides a strong organization that effectively coordinates and furthers transportation policy within Nevada County.

The NCTC members are considered to be knowledgeable, fair, and effective, and its Executive Director widely enjoys a strong reputation in the region for knowledge and excellence in performance. All commission members interviewed were in agreement that the NCTC is meeting its goals and objectives. During the Audit period, the NCTC was composed of capable and seasoned officials, both elected and appointed, who met regularly, and conducted themselves with efficiency.

### FINDINGS

- ◆ The NCTC has complied with the requirements selected in the Performance Audit Guidebook with one exception. The Telecare FY 2010-11 fiscal audit was completed just after the stipulated time period.
- ◆ The NCTC is in the process of implementing or has successfully implemented all of the prior audit recommendations.
- ◆ During the audit period, the NCTC commissioned several types of transportation and transit planning studies including Transit Development plans for both sides of the County. Several of the recommendations have been implemented.
- ◆ The NCTC and Nevada County transit operators have a good working relationship with defined duties which allow for a productive transit system, particularly in the western portion of the County.
- ◆ NCTC staff is held in high regard by commission members.

### TDA RECOMMENDATIONS

Overall, NCTC effectively and efficiently fulfilled roles and responsibilities assigned to it through the TDA during the audit period. The auditor has no recommendations with respect to TDA requirements.

### OTHER RECOMMENDATIONS

As part of the Nevada County TPA process, the auditor also prepared the performance audit for Truckee Transit services in the eastern portion of Nevada County. The performance audit review indicated that many performance indicators declined and Town oversight of the program was limited. TDA does not require that the RTPA oversee transit operators on a daily basis, and NCTC has fully fulfilled the requirements of PUC Section 99244 (identify, analyze and recommend potential productivity improvements), in that NCTC has been quite diligent in commissioning transit studies for both sides of the County. However, the transit studies only take place periodically and plan elements were not completely implemented during the audit period. It should be noted that the Town has recently increased management staff overseeing the transit program. At least in the short term until Town staff is more fully up to speed, the Truckee Transit program could benefit from increased oversight from NCTC staff to

ensure that implementation steps identified in planning documents are occurring. Therefore, it is recommended that NCTC follow up with Truckee Transit on a quarterly basis to review progress towards goals, performance audit recommendations and implementation of transit plan elements.