

# **Triennial Performance Audit**

*of*

## **Fairfield and Suisun Transit (FAST)**

**Fiscal Years 2021/22, 2022/23 and 2023/24**

**FINAL AUDIT REPORT**

*prepared for the*



**METROPOLITAN  
TRANSPORTATION  
COMMISSION**

*by*



**Pierlott & Associates, LLC**  
*Management Consulting*

**June 2025**

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NOTE: All exhibits in this report are presented at the end of the associated discussion in each section.

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## EXECUTIVE SUMMARY

This executive summary highlights the findings from the performance audit of Fairfield and Suisun Transit (FAST). In California, a performance audit must be conducted every three years of any transit operator receiving Transportation Development Act (TDA) Article 4 funds, to determine whether the operator is in compliance with certain statutory and regulatory requirements, and to assess the efficiency and effectiveness of the operator's services. The two service modes operated by FAST, bus, and paratransit, are the prime focus of this performance audit. The audit period is Fiscal Years 2022 through 2024 (from July 1, 2021 through June 30, 2024).

### **Performance Audit and Report Organization**

The performance audit was conducted for MTC in accordance with its established procedures for performance audits. The Final Audit Report consists of these sections:

- An assessment of data collection and reporting procedures;
- A review of performance trends in TDA-mandated indicators and component costs;
- A review of compliance with selected PUC requirements;
- An evaluation of FAST's actions to implement the recommendations from the last performance audit;
- An evaluation of functional performance indicator trends; and
- Findings, conclusions, and recommendations to further improve FAST's performance based on the results of the previous sections.

Comments received from FAST and MTC staff regarding the draft report were incorporated into the final report. Highlights of the key activities are presented in this executive summary.

## Results and Conclusions

Review of TDA Data Collection and Reporting Methods - FAST is in compliance with the data collection and reporting requirements for the TDA statistics. In addition, the statistics collected over the six-year review period appear to be consistent with the TDA definitions and indicate general consistency in terms of the direction and magnitude of the year-to-year changes across the statistics.

Performance Indicators and Trends – FAST’s performance trends for the five TDA-mandated indicators were analyzed by mode. A six-year analysis period was used for all the indicators. In addition, component operating costs were analyzed.

- Bus Service TDA Performance Indicators – The following is a brief summary of the TDA performance trend highlights over the six-year period of FY2019 through FY2024:
  - The cost per hour (cost efficiency) of bus service increased an average of 17.6 percent annually during the six-year review period.
  - The cost per hour ranged from a low of \$119.77 in FY2019 to a high of \$269.06 in the last year, FY2024. There were increases in most years, with the largest of 34.3 percent occurring in FY2023. In FY2019 constant dollars, there was an average annual increase in this indicator of 13.4 percent, more than 3.6 times the annual average CPI rate of 3.7 percent.
  - Passenger productivity fluctuated, with passengers per hour and per mile decreasing in the first two years and then increasing thereafter. Overall, passengers per hour increased by 1.4 percent and by 12.8 percent per mile.
  - Cost per passenger increased an average of 15.9 percent per year. The largest increase of 147.4 percent was in FY2021. In FY2019 constant dollars, there was an average annual increase in this indicator of 11.8 percent, slightly over three times the annual average CPI rate of 3.7 percent.
- Bus Service Component Costs – The following is a brief summary of the component operating costs trend highlights for the bus service between FY2019 and FY2024:

- Purchased transportation was the largest component, comprising about 32.3 percent of total costs over the analysis period. These costs decreased 11.4 percent per year.
  - In total, labor and fringe benefit costs comprised about 22.6 percent, or the third largest component, of the total costs in FY2024. Labor costs decreased an annual average of 3.1 percent, while fringes increased an average of 0.9 percent per year.
  - Services costs contributed 27.5 percent of total costs in FY2024 and decreased an average of 1.1 percent per year.
  - Materials/supplies decreased an average of 17.1 percent per year. These costs were 11.8 percent of the total costs in FY2024.
  - The remaining cost categories, casualty/liability, and other expenses, both increased over the analysis period, but only comprised about five percent of the total operating costs each year.
- Paratransit TDA Performance Indicators – The following is a brief summary of the TDA performance trend highlights over the six-year period of FY2019 through FY2024:
    - Cost per hour increased by 13.3 percent per year, or 9.3 percent in inflation adjusted dollars. This resulted in cost per hour increasing from \$104.34 in FY2019 to \$195.00 in FY 2024. It peaked at 268.43 in FY2021.
    - Though total passengers increased an average of 2.7 percent per year, the productivity rate declined by 5.4 percent due to a corresponding increase in service hours.
    - The operating costs increased an average of 22.9 percent per year over the period, passenger levels increased by a modest 2.7 percent per year. The combined result was a decline in cost effectiveness or an increase in cost per passenger of 19.7 percent per year, or 15.5 percent in constant FY2019 dollars, compared to the Bay area CPI of 3.7 percent.
  - Paratransit Component Costs – The following is a brief summary of the component operating costs trend highlights for paratransit between FY2019 and FY2024:

- Combined labor and fringe benefits were the second largest component of total cost at 22.8 percent in FY2024. Labor and fringe benefits increased respectively by 25.5 and 26.3 percent annually.
- Service costs increased at an annual average rate of 27.4 percent. These costs were the third largest component or 19.8 percent in FY2024.
- Purchased transportation costs represented the largest component of the total costs was 44.4 percent of total cost in FY2024. These costs increased by 21.9 percent per year.
- By the end of the analysis period in FY2024, costs for materials/supplies, casualty/liability and miscellaneous other expenses comprised about 6 percent of the total costs.

Compliance with Statutory Requirements – FAST is in compliance with the sections of the state PUC that were reviewed as part of this performance audit. The sections reviewed included requirements concerning CHP safety inspections, labor contracts, reduced fares, Welfare-to-Work, revenue sharing, and evaluation of passenger needs.

Status of Prior Audit Recommendations – There were no recommendations made in FAST’s prior audit.

Functional Performance Indicator Trends - To further assess FAST’s performance over the past three years, a detailed set of systemwide and modal functional area performance indicators was defined and reviewed.

- Systemwide (All Modes) – The following is a brief summary of the systemwide functional trend highlights between FY2022 and FY2024:
  - Administrative costs compared to total costs increased by 20.0 percent and compared to vehicle service hours by 64.8 percent during this audit period.
  - Marketing costs remained stable overall compared to total administrative costs but increased based on passenger trips.

- The systemwide farebox recovery ratio decreased over the audit period from 6.3 percent to 3.9 percent, a decline of 38.2 percent.
- Bus Service – The following is a brief summary of the bus service functional trend highlights between FY2022 and FY2024:
  - Service Planning results showed an overall 253.1 percent increase in the cost per passenger mile, farebox recovery down from 6.58 to 4.77 percent, TDA recovery ratio remained stable, on average 94 percent vehicle miles and hours were operated in service, and passengers per vehicle service mile and hour both increased during the audit period.
  - Operations results showed a decrease in vehicle operations costs as a portion of total operating costs, but an increase in vehicle operations costs per hour. On time performance improved. The rate of complaints per 100,000 passenger trips declined during this audit period. The percentage of missed trips spiked in FY2022 due to the unavailability of operators during the COVID 19 pandemic. It decreased by the end of the audit period.
  - Maintenance results showed an increase in total maintenance costs as a portion of total operating costs. At the same time, vehicle maintenance costs per service mile increased substantially, an increase of 207.1 percent during the audit period. The vehicle spare ratio increased from 34.9 percent in the first year to 52.0 percent in the last year. Mean distance between major failures and all failures improved significantly from the beginning to the end of the audit period.
  - Safety results showed preventable accidents per 100,000 vehicle miles decreasing from FY2022 to FY2023 but increased in FY2024.
- Paratransit – The following is a brief summary of the paratransit functional trend highlights between FY2022 and FY2024:
  - Service Planning results showed an overall 9.5 percent increase in the cost per passenger mile, farebox recovery down from 4.20 to 2.16 percent, TDA recovery down from 89.35 to 77.52 percent, at least 87 percent of vehicle miles and 88 percent of hours were operated in service, an almost steady rate of passengers per vehicle service mile and some decline in passengers per hour.

- Operations results showed a 27.7 percent increase in vehicle operations costs as a portion of total operating costs, an increase of 10.8 percent in vehicle operations cost per hour. All trips were within the on-time window and there were very few complaints and no missed trips. There were no ADA trip denials. The rate of trip cancellations declined slightly during the audit. The rate of late trip cancellations and no shows increased in the last year of the audit, the year in which demand response service was expanded to those beyond ADA eligible persons.
- Maintenance results showed total maintenance costs compared to total operating costs declined by 15.1 percent over the three years. At the same time vehicle maintenance costs per service mile remained stable. The spare ratio was reduced from 58.3 percent in the first two years to 41.2 percent in the last year of this audit. The mean distance between major and all mechanical failure decreased 63.0 and 55.6 percent respectively, from FY2022 to FY2024.
- Safety results showed that there were no preventable accidents during this audit period.

## Recommendations

1. DEVELOP, EVALUATE, AND IMPLEMENT OPTION(S) TO IMPROVE COST EFFICIENCY AND EFFECTIVENESS OF THE MOTOR BUS SERVICE  
*[Reference Section: III TDA Performance Indicators and Trends]*

FAST restructured motor bus service in FY2023 and FY2024. It stopped operating commuter bus service in FY2023. It eliminated Routes 2, 4 and 8 in FY2024. It began operation of FAST Connect, a shared on-demand microtransit service in two zones in FY2024. During the audit period cost per vehicle service hour increased by 34.3 percent from FY2022 to FY2023 and 17.9 percent in FY2024. It peaked at \$269.06 per service hour in FY2024. Though service effectiveness recovered to 10.9 passengers per vehicle service hour in FY2024, cost effectiveness, cost per passenger peaked at \$32.96 in FY 2023 and declined \$24.62 in FY2024. It is

recommended that FAST develop, evaluate, and implement option(s) to improve cost efficiency and effectiveness of its fixed route bus service.

# Table of Contents

	Page No.
Executive Summary .....	i
Performance Audit and Report Organization .....	i
Results and Conclusions .....	ii
Recommendations.....	vi
I. Introduction .....	1
Performance Audit and Report Organization .....	2
II. Review of TDA Data Collection and Reporting Methods .....	6
Compliance with Requirements .....	6
Consistency of the Reported Statistics.....	7
III. TDA Performance Indicators and Trends .....	12
Bus Service Performance Trends.....	13
Bus Service Component Costs.....	20
Paratransit Performance Trends .....	24
Paratransit Component Costs .....	30
IV. Compliance With PUC Requirements .....	34
V. Status of Prior Audit Recommendations.....	38
VI. Functional Performance Indicator Trends .....	39
Systemwide (All Modes) .....	40
Bus Service .....	42
Paratransit .....	47
VII. Conclusions and Recommendations.....	52
Conclusions.....	52
Recommendations.....	57
Appendix A: Input Statistics for Functional Performance Measures .....	A-1
Functional Performance Inputs - Systemwide (All Modes) .....	A-2
Functional Performance Inputs – Bus Service.....	A-3
Functional Performance Inputs – Paratransit.....	A-5

## List of Exhibits

	<u>Page No.</u>
Exhibit 1: System Overview .....	3
Exhibit 2: Current Organization Chart.....	5
Exhibit 3.1: Compliance with TDA Data Collection and Reporting Requirements.....	8
Exhibit 3.2: TDA Statistics – Bus Service.....	10
Exhibit 3.3: TDA Statistics – Paratransit.....	11
Exhibit 4: TDA Indicator Performance – Bus Service .....	16
Exhibit 4.1: Operating Cost per Vehicle Service Hour – Bus Service .....	17
Exhibit 4.2: Passengers per Hour and per Mile – Bus Service .....	18
Exhibit 4.3: Operating Cost per Passenger – Bus Service .....	19
Exhibit 4.4: Component Cost Trends – Bus Service .....	22
Exhibit 4.5: Distribution of Component Costs – Bus Service .....	23
Exhibit 5: TDA Indicator Performance – Paratransit .....	26
Exhibit 5.1: Operating Cost per Vehicle Service Hour – Paratransit .....	27
Exhibit 5.2: Passengers per Hour and per Mile – Paratransit .....	28
Exhibit 5.3: Operating Cost per Passenger – Paratransit .....	29
Exhibit 5.4: Component Costs Trends – Paratransit.....	32
Exhibit 5.5: Distribution of Component Costs – Paratransit .....	33
Exhibit 6: Compliance with State PUC Requirements .....	35
Exhibit 7: Functional Performance Trends – Systemwide (All Modes).....	41
Exhibit 8: Functional Performance Trends – Bus Service.....	45
Exhibit 9: Functional Performance Trends – Paratransit.....	50

## I. INTRODUCTION

Public Utilities Code (PUC) Section 99246 requires that a performance audit be conducted every three years of each public transit operator in California. The audit requirement pertains to recipients of Transportation Development Act (TDA) funds and is intended to assure that the funds are being used efficiently. The substance and process of the performance audit is defined by the Regional Transportation Planning Agency (RTPA).

In the San Francisco Bay Area, the Metropolitan Transportation Commission (MTC) has been designated the RTPA and has this responsibility. By statute, the audit must be conducted in accordance with the U.S. Comptroller General's "Standards for Audit of Governmental Organizations, Programs, Activities, and Functions" (the "yellow book"). The performance audit is a systematic review to determine the extent to which a transit operator has complied with pertinent laws and regulations and conducted operations in an efficient and economical manner. Relative to system compliance testing, all findings are reported regardless of materiality.

This report has been prepared as part of the performance audit of Fairfield and Suisun Transit (FAST). The two service modes operated by FAST, bus, and paratransit, are the prime focus of this performance audit. The audit period is Fiscal Years 2022 through 2024 (from July 1, 2021, through June 30, 2024).

An overview of FAST is provided in Exhibit 1. This is followed by a current agency organization chart in Exhibit 2, which reflects the basic in-house organizational structure.

## Performance Audit and Report Organization

This performance audit of FAST was conducted for MTC in accordance with its established procedures for performance audits. The audit consists of two discrete phases:

- Compliance Audit – Activities in this phase included:
  - An overview of data collection and reporting procedures for the five TDA performance indicators;
  - Analysis of the TDA indicators; and
  - A review of compliance with selected state Public Utilities Code (PUC) requirements.
- Functional Review – Activities in this phase included:
  - A review of actions to implement the recommendations from the prior performance audit;
  - Calculation and evaluation of functional performance indicator trends; and
  - Findings, conclusions, and the formulation of recommendations.

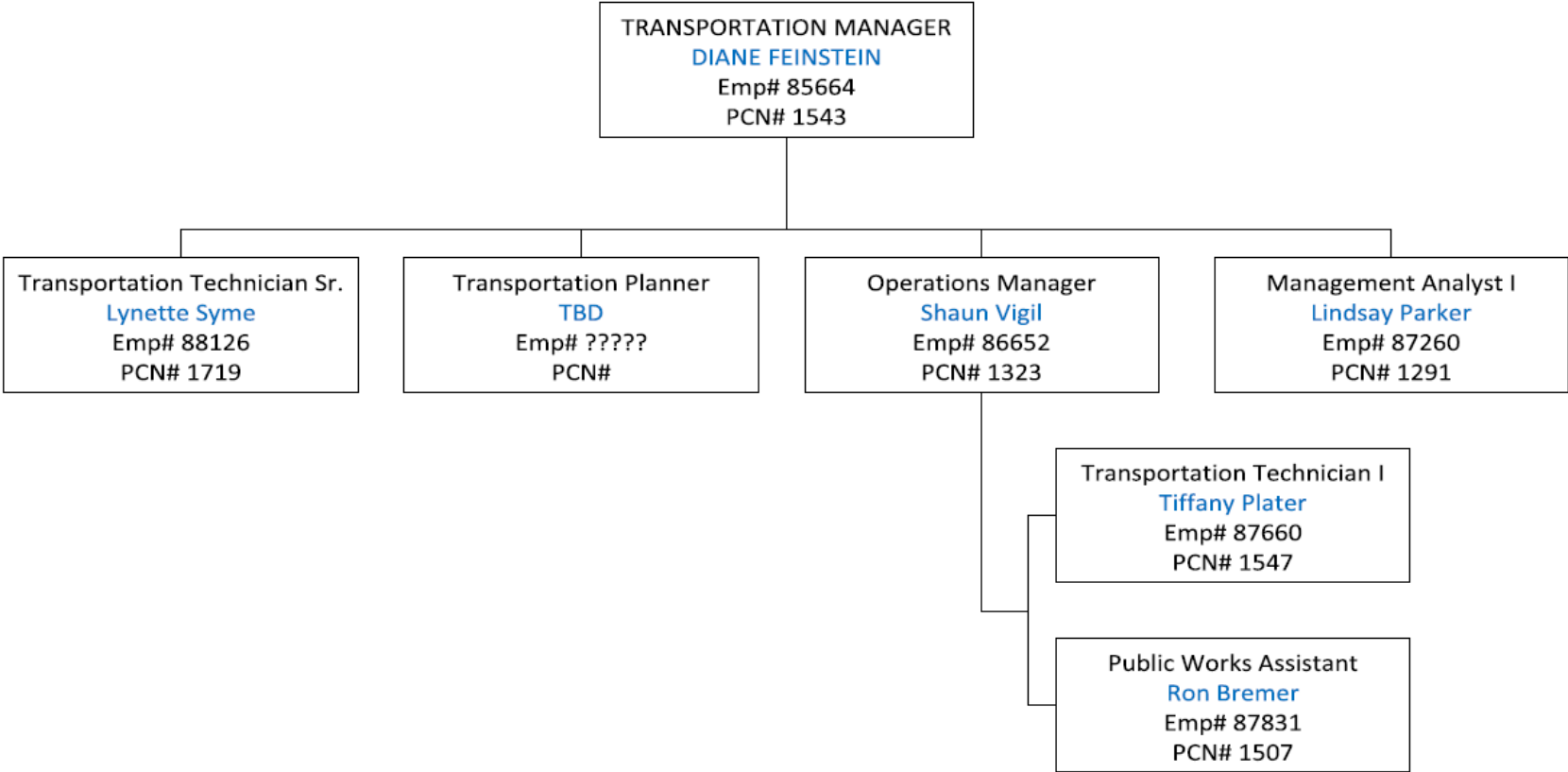
This final report presents the findings from both phases, Compliance Audit and Functional Review. Comments received from FAST and MTC staff regarding the Compliance Audit Report and the Draft Final Report were incorporated into this final report.

### Exhibit 1: System Overview

<b>Location</b>	2000 Cadenasso Drive, Fairfield, CA 94533
<b>Establishment</b>	FAST has operated general public transit since 1975. Services are managed by the City of Fairfield and operated by MV Transportation. The City of Fairfield initiated its general public dial-a-ride service in 1975. Fixed-route service began in 1980 with one route and subsequently expanded in stages. The separate Fairfield and Suisun City transit systems consolidated into the Fairfield/Suisun Transit System (FST) in 1989. In the following year, FST began participating in Solano County’s intercity service along the I-80 corridor as well. In 2008, the City changed the name of the service again to Fairfield and Suisun Transit (FAST). As of August 6, 2022, FAST no longer operates any Solano Express routes. Suisun City decided to operate its own microtransit service effective January 1, 2023.
<b>Board</b>	FAST policy is guided by the Fairfield City Council, which has seven members and an elected Mayor.
<b>Facilities</b>	FAST offices are located in the Fairfield Transportation Center (FTC), located on Cadenasso Drive in Fairfield. FAST operated two Park and Ride facilities in Fairfield and at the Fairfield-Vacaville Hannigan Train Station (Capital Corridor service). The Fairfield-Vacaville Hannigan Train Station began service in November 2017.
<b>Service Data</b>	<p>FAST contracts with MV Transportation, Inc. to operate fixed route and local on demand services. Fixed route service includes five local routes, on demand services include FAST Connect and FAST Connect ADA. All FAST vehicles are wheelchair accessible, and most buses are equipped with bike racks. Programs include:</p> <ul style="list-style-type: none"> <li>• Five general public fixed routes (“FAST”)</li> <li>• Two on-demand microtransit zones and two venues (“FAST Connect”)</li> <li>• Americans with Disabilities Act paratransit for residents living within Fairfield city limits (“FAST Connect ADA”)</li> <li>• Intercity Taxi Program for ADA-certified residents of Solano County</li> </ul> <p>Local cash fares are \$2.00 for adults, \$1.75 for youth, and \$1.00 for seniors age 65 or above and persons with disabilities. 31-day passes are available for all fare categories; ten-ride passes are available for ADA Paratransit.</p>
<b>Recent Changes</b>	<u>Effective July 1, 2023</u> , paper transfers are no longer issued on board the bus. A Clipper card allows for one-free transfer valid for 60 minutes, upon tapping the Clipper card reader at the time of boarding.

	<p><u>Effective September 5, 2023</u>, Route 2 (Solano Town Center/Grange Middle School/TAFB/FF-VV Hannigan Train Station) is eliminated and replaced with FAST Connect (microtransit) – Northeast Zone.</p> <p><u>Effective September 5, 2023</u>, Route 4 (Fairfield Walmart/TAFB/David Grant Medical Center) is eliminated and replaced with FAST Connect (microtransit) – Northeast Zone – effective September 5, 2023.</p> <p><u>Effective September 5, 2023</u>, Route 8 (Cordelia Library/Rodriguez High School/Green Valley Middle School) is eliminated and replaced with FAST Connect (microtransit) – Cordelia/Green Valley Zone.</p>
<b>Planned Changes</b>	<p>In September 2022, the Fairfield City Council held a public hearing and then unanimously approved implementing the following major FAST Forward COA recommendations:</p> <ul style="list-style-type: none"> <li>• Continue fixed route in areas with proven high ridership (current Routes 1, 3, 6).</li> <li>• Implement a new microtransit on-demand service mode called FAST Connect to increase existing citywide transportation coverage.</li> <li>• Comingle existing paratransit services (renamed FAST Connect ADA) with citywide microtransit.</li> <li>• Increase fares by \$.25 (from \$1.75 to \$2) for an adult single ride trip. Local fares had not increased since 2014.</li> </ul> <p>FAST continues its evaluation of COA implementation efforts through ongoing annual system evaluations over the next four years. FAST received a \$1million FY 2021 FTA Section 5307 ARP Route Planning Restoration grant to fund these evaluations and to ensure the overall efficiency, service quality, rider satisfaction, and financial sustainability of FAST is maintained. The planning study will also analyze the impact of its electrification initiative on future service improvements.</p>
<b>Staff</b>	<p>The City of Fairfield Department of Public Works’ Transportation Division has overall responsibility for FAST daily operations. As of June 30, 2021, the system has been administered by the Transportation Manager, with assistance from a staff of six City employees in the Public Works/Transportation Division. Operations, dispatch, training, information services, and reservations are provided through an operations contract with MV Transportation, Inc.</p>

## Exhibit 2: Current Organization Chart



*Effective February 1, 2024*

## II. REVIEW OF TDA DATA COLLECTION AND REPORTING METHODS

This section focuses on the five performance indicators required by TDA law. These indicators have been defined by the state PUC to evaluate the transit operator's efficiency, effectiveness, and economy. The purpose of this review is to determine if FAST is in compliance with the data collection and reporting requirements necessary to calculate the TDA performance indicators. The review is limited to the data items needed to calculate the indicators:

- Operating costs
- Vehicle service hours
- Vehicle service miles
- Unlinked passengers
- Employees (full-time equivalents)

The TDA indicator analysis is based on these operating and financial statistics in the National Transit Database (NTD) reports submitted annually to the Federal Transit Administration (FTA). The information reported by FAST covering the audit period has been reviewed. FAST's NTD reports include its bus and paratransit services. However, consistent with FTA reporting requirements, FAST does not submit employee hour information for purchased transportation service to the NTD.

### Compliance with Requirements

To support this review, FAST provided a copy of the Data Collection Section of its Operations and Procedure Manual, which documents the procedures for completing reports required by other agencies (federal, state, and local), and defines the various statistics used and how they are obtained. FAST also confirmed its data collection and

reporting procedures as described in the prior performance audit. The definitions and procedures used to derive the TDA statistics generally are consistent with those used for the NTD reporting system.

Based on the information provided, as shown in Exhibit 3.1, FAST is in compliance with the data collection and reporting requirements for the TDA statistics.

### Consistency of the Reported Statistics

The resulting TDA statistics for FAST's transit services are presented as follows:

- Bus Service: Commuter Bus Purchased Transportation (CB PT) and Motor Bus Purchased Transportation (MB PT) in Exhibit 3.2, and
- Paratransit: Demand Response Purchased Transportation (DR PT) in Exhibit 3.3.

Included are statistics covering each fiscal year of the three-year audit period, plus the immediately preceding three fiscal years, resulting in a six-year trend. It should be noted that employee work hour/FTE data are not included since FAST service is provided by a private contractor.

The statistics collected over the period appear to be consistent with the TDA definitions. Overall, there was a significant decrease in the level of bus service provided due to service changes described earlier in this report. There was also a corresponding decrease in the unlinked passengers carried. The level of paratransit service provided decreased over the first four out of six years but increased in the last two years. All paratransit statistics exhibit consistent trends of decrease and increase of operating costs, levels of service and unlinked passengers.

### Exhibit 3.1: Compliance with TDA Data Collection and Reporting Requirements

TDA Statistic	TDA Definition	Compliance Finding	Verification Information
Operating Cost	<p>“Operating cost” means all costs in the operating expense object classes exclusive of the costs in the depreciation and amortization expense object class of the uniform system of accounts and records adopted by the Controller pursuant to Section 99243, and exclusive of all subsidies for commuter rail services operated under the jurisdiction of the Interstate Commerce Commission and of all direct costs for providing charter services, and exclusive of all vehicle lease costs.</p>	In Compliance	<p>1) Statistics for NTD reporting supplied by City Finance/Accounting Division, via the TDA quarterly report.</p> <p>2) Data sources include Transportation Division Budget, Fleet Division Reports, Performance Summary Spreadsheet Report (with input from operating contractor’s Monthly Report), and Ridership/Interagency Expense Share Summary Spreadsheet.</p> <p>3) Operating cost includes all line items except depreciation. The City’s overhead is calculated using a cost allocation plan.</p>
Vehicle Service Hours	<p>“Vehicle service hours” means the total number of hours that each transit vehicle is in revenue service, including layover time.</p>	In Compliance	<p>1) Statistics for NTD reporting supplied by City Finance/Accounting Division, via the TDA quarterly report.</p> <p>2) Data sources include Transportation Division Budget, Fleet Division Reports, Performance Summary Spreadsheet Report (with input from operating contractor’s Monthly Report), and Ridership/Interagency Expense Share Summary Spreadsheet.</p> <p>3) Operating cost includes all line items except depreciation. The City’s overhead is calculated using a cost allocation plan.</p>

TDA Statistic	TDA Definition	Compliance Finding	Verification Information
Vehicle Service Miles	“Vehicle service miles” means the total number of miles that each transit vehicle is in revenue service.	In Compliance	<p>1) Statistics for NTD reporting based on information provided by the contract operator.</p> <p>2) Vehicle service miles (odometer readings) recorded by drivers on driver run sheets. Data from the run sheets for each vehicle entered into the daily service log and rolled up for inclusion in the Monthly Report. Vehicle service miles are also tracked by the City’s Fleet Division.</p>
Unlinked Passengers	“Unlinked passengers” means the number of boarding passengers, whether revenue producing or not, carried by the public transportation system.	In Compliance	<p>1) Statistics for NTD reporting are based on information provided by the contract operator.</p> <p>2) Passengers are counted by fare type and recorded by Genfare (GFI) fareboxes, with daily results rolled up for inclusion in the Monthly Report.</p>
Employee Full-Time Equivalents	2,000 person-hours of work in one year constitute one employee.	In Compliance	<p>1) City’s definition corresponds with TDA definition.</p> <p>2) Most activities related to FAST’s service provision are contracted out to a private operator.</p> <p>3) Contractor tracks driver work hours separately for fixed-route and paratransit.</p>

### Exhibit 3.2: TDA Statistics – Bus Service

TDA Statistics	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	Avg. Annual Change
Operating Cost (Actual \$)	\$10,382,342	\$9,577,256	\$10,845,035	\$10,736,175	\$8,617,555	\$7,035,994	- -
<i>Annual Change</i>	- -	-7.8%	13.2%	-1.0%	-19.7%	-18.4%	-7.5%
Operating Cost (Constant \$)	\$10,382,342	\$9,454,349	\$10,260,203	\$9,442,546	\$7,409,764	\$5,873,117	- -
<i>Annual Change</i>	- -	-9.0%	8.6%	-8.0%	-21.5%	-20.7%	-10.8%
Vehicle Service Hours	86,688	68,625	61,842	63,223	37,777	26,150	- -
<i>Annual Change</i>	- -	-20.8%	-9.9%	2.2%	-40.2%	-30.8%	-21.3%
Vehicle Service Miles	1,854,260	1,505,735	1,218,565	1,317,084	531,789	328,177	- -
<i>Annual Change</i>	- -	-18.8%	-19.1%	8.1%	-59.6%	-38.3%	-29.3%
Unlinked Passengers	883,124	664,287	304,074	355,878	261,479	285,764	- -
<i>Annual Change</i>	- -	-24.8%	-54.2%	17.0%	-26.5%	9.3%	-20.2%
Employee Full-Time Equivalents	(a)	(a)	(a)	(a)	(a)	(a)	- -
<i>Annual Change</i>	- -	- -	- -	- -	- -	- -	- -
Bay Area CPI - Annual Change	- -	1.3%	4.3%	7.6%	2.3%	3.0%	- -
<i>Cumulative Change</i>	- -	1.3%	5.7%	13.7%	16.3%	19.8%	3.7%

(a) Not applicable as FAST service is provided by a private contractor.

Sources: FY2019 through FY2021 - Prior Performance Audit Report

FY2021 through FY2024 - NTD Reports

CPI Data - U.S. Department of Labor, Bureau of Labor Statistics

### Exhibit 3.3: TDA Statistics – Paratransit

TDA Statistics	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	Avg. Annual Change
Operating Cost (Actual \$)	\$1,218,223	\$1,777,668	\$1,096,001	\$1,245,821	\$1,571,486	\$3,421,093	- -
Annual Change	- -	45.9%	-38.3%	13.7%	26.1%	117.7%	22.9%
Operating Cost (Constant \$)	\$1,218,223	\$1,754,330	\$1,037,099	\$1,095,641	\$1,350,811	\$2,855,478	- -
Annual Change	- -	44.0%	-40.9%	5.6%	23.3%	111.4%	18.6%
Vehicle Service Hours	11,676	8,237	4,083	5,542	7,457	17,544	- -
Annual Change	- -	-29.5%	-50.4%	35.7%	34.6%	135.3%	8.5%
Vehicle Service Miles	196,452	130,261	56,078	72,083	94,892	192,196	- -
Annual Change	- -	-33.7%	-56.9%	28.5%	31.6%	102.5%	-0.4%
Unlinked Passengers	21,899	14,098	6,333	9,031	12,305	24,974	- -
Annual Change	- -	-35.6%	-55.1%	42.6%	36.3%	103.0%	2.7%
Employee Full-Time Equivalents	(a)	(a)	(a)	(a)	(a)	(a)	- -
Annual Change	- -	- -	- -	- -	- -	- -	- -
Bay Area CPI - Annual Change	- -	1.3%	4.3%	7.6%	2.3%	3.0%	- -
Cumulative Change	- -	1.3%	5.7%	13.7%	16.3%	19.8%	3.7%

(a) Not applicable as FAST service is provided by a private contractor.

Sources: FY2019 through FY2021 - Prior Performance Audit Report

FY2021 through FY2024 - NTD Reports

CPI Data - U.S. Department of Labor, Bureau of Labor Statistics

### III. TDA PERFORMANCE INDICATORS AND TRENDS

The performance trends for FAST's bus and paratransit service modes are presented in this section. Performance is discussed for four of the five TDA-mandated performance indicators:

- operating cost per vehicle service hour
- passengers per vehicle service hour
- passengers per vehicle service mile
- operating cost per passenger

The performance results in these indicators were developed from the information in the NTD reports filed with the FTA for the three years of the audit period. FAST's NTD reports were the source of all operating and financial statistics utilized.

Performance results for the fifth TDA-mandated indicator, vehicle service hours per full-time equivalent employee (FTE), were deemed not applicable since FAST's services are provided by a private contractor.

In addition to presenting performance for the three years of the audit period (FY2019 through FY2021), this analysis features two enhancements:

Six-Year Time Period – While the performance audit focuses on the three fiscal years of the audit period, six-year trend lines have been constructed for FAST's service to provide a longer perspective on performance and to clearly present the direction and magnitude of the performance trends. In this analysis, the FY2022 to FY2024 trend lines have been combined with those from the prior audit period (FY2019 through FY2021) to define a six-year period of performance.

Normalized Cost Indicators for Inflation – Two financial performance indicators (cost per hour and cost per passenger) are presented in both constant and current dollars to illustrate the impact of inflation in the Bay Area. The inflation adjustment relies on the All-Urban Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for the San Francisco Metropolitan Area. The average CPI-W percent change for each fiscal year has been calculated based on the bi-monthly results reported on the U.S. Department of Labor – Bureau of Labor Statistics website. The CPI-W is used since labor is the largest component of operating cost in transit. Since labor costs are typically controlled through labor contracts, changes in normalized costs largely reflect those factors that are within the day-to-day control of the transit system.

The following discussion is organized to present an overview of FAST's performance trends in the four TDA performance indicators included. The discussion is organized by service mode -- bus service is discussed first, followed by paratransit. The analysis is also expanded to include a breakdown of the various component costs that contributed to the total and hourly operating costs during the last six years.

#### Bus Service Performance Trends

This section provides an overview of the performance of FAST's bus service over the past six years. The trends in the TDA indicators and input statistics are presented in Exhibit 4. The six-year trends are illustrated in Exhibits 4.1 through 4.3.

- Operating Cost per Vehicle Service Hour (Exhibit 4.1)
  - An indicator of cost efficiency, the cost per hour of bus service increased an average of 17.6 percent annually during the six-year review period.
  - The cost per hour ranged from a low of \$119.77 in FY2019 to a high of \$269.06 in the last year, FY2024. There were increases in most years; the largest of 34.3 percent occurred in FY2023.

- In FY2019 constant dollars, there was an average annual increase in this indicator of 13.4 percent, more than 3.6 times the annual average CPI rate of 3.7 percent.
- Passengers per Vehicle Service Hour (Exhibit 4.2)
  - An indicator of passenger productivity passengers per hour increased an average of 1.4 percent annually during the six-year period. There was a significant decrease from FYs 2020 to 2021, but passenger productivity increased every year thereafter. The largest increase of 57.9 percent was in FY2024.
  - The changes in service and passenger levels were generally consistent.
  - The net effect was that the passengers per hour changed modestly, 10.2 in FY2019 to 10.9 in FY2024.
- Passengers per Vehicle Service Mile (Exhibit 4.2)
  - Similar to passengers per hour, passengers per mile increased by 12.8 percent annually on average.
  - There were 0.48 passengers per mile in the first year, compared with 0.87 in the last year of the six-year trend.
- Operating Cost per Passenger (Exhibit 4.3)
  - A measure of cost effectiveness, cost per passenger increased an average of 15.9 percent per year. The largest increase of 147.4 percent was in FY2021.
  - The cost per passenger increased from \$11.76 in FY2019 to \$24.62 in FY2024. It peaked in FY2021 at \$35.67.
  - With the impact of inflation removed from the cost side (normalization), the six-year result was an average annual increase of 11.8 percent in the cost per passenger, slightly above three times the average annual CPI of 3.7 percent.

\* \* \* \* \*

The following is a brief summary of the TDA performance trend highlights over the six-year period of FY2019 through FY2024:

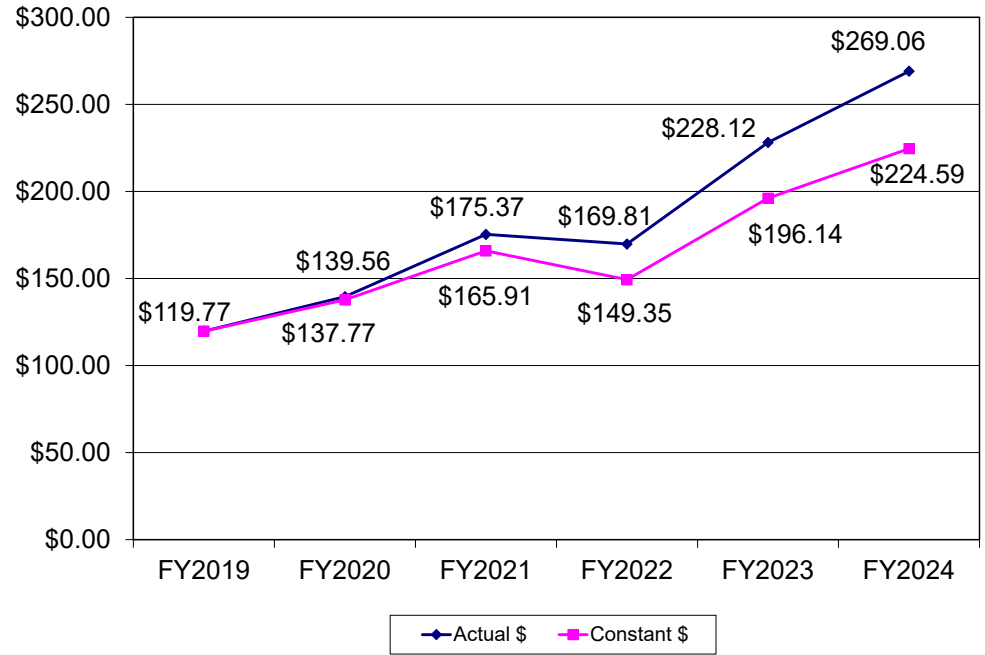
- The cost per hour (cost efficiency) of bus service increased an average of 17.6 percent annually during the six-year review period.
- The cost per hour ranged from a low of \$119.77 in FY2019 to a high of \$269.06 in the last year, FY2024. There were increases in most years, with the largest of 34.3 percent occurring in FY2023. In FY2019 constant dollars, there was an average annual increase in this indicator of 13.4 percent, more than 3.6 times the annual average CPI rate of 3.7 percent.
- Passenger productivity fluctuated, with passengers per hour and per mile decreasing in the first two years and then increasing thereafter. Overall, passengers per hour increased by 1.4 percent and by 12.8 percent per mile.
- Cost per passenger increased an average of 15.9 percent per year. The largest increase of 147.4 percent was in FY2021. In FY2019 constant dollars, there was an average annual increase in this indicator of 11.8 percent, slightly above three times the annual average CPI rate of 3.7 percent.

### Exhibit 4: TDA Indicator Performance – Bus Service

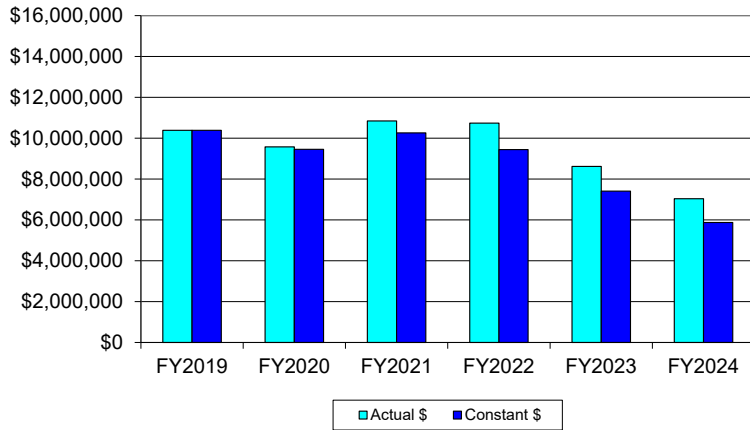
TDA Performance Indicator	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	<i>Avg. Annual Change</i>
Op. Cost per Vehicle Svc. Hour (Actual \$)	\$119.77	\$139.56	\$175.37	\$169.81	\$228.12	\$269.06	- -
<i>Annual Change</i>	- -	16.5%	25.7%	-3.2%	34.3%	17.9%	17.6%
Op. Cost per Vehicle Svc. Hour (Constant \$)	\$119.77	\$137.77	\$165.91	\$149.35	\$196.14	\$224.59	- -
<i>Annual Change</i>	- -	15.0%	20.4%	-10.0%	31.3%	14.5%	13.4%
Passengers per Vehicle Service Hour	10.2	9.7	4.9	5.6	6.9	10.9	- -
<i>Annual Change</i>	- -	-5.0%	-49.2%	14.5%	23.0%	57.9%	1.4%
Passengers per Vehicle Service Mile	0.48	0.44	0.25	0.27	0.49	0.87	- -
<i>Annual Change</i>	- -	-7.4%	-43.4%	8.3%	82.0%	77.1%	12.8%
Op. Cost per Passenger (Actual \$)	\$11.76	\$14.42	\$35.67	\$30.17	\$32.96	\$24.62	- -
<i>Annual Change</i>	- -	22.6%	147.4%	-15.4%	9.2%	-25.3%	15.9%
Op. Cost per Passenger (Constant \$)	\$11.76	\$14.23	\$33.74	\$26.53	\$28.34	\$20.55	- -
<i>Annual Change</i>	- -	21.1%	137.1%	-21.4%	6.8%	-27.5%	11.8%
Vehicle Service Hours per FTE	(a)	(a)	(a)	(a)	(a)	(a)	- -
<i>Annual Change</i>	- -	- -	- -	- -	- -	- -	- -
<i>Bay Area CPI - Annual Change</i>	- -	1.3%	4.3%	7.6%	2.3%	3.0%	- -
<i>Cumulative Change</i>	- -	1.3%	5.7%	13.7%	16.3%	19.8%	3.7%

(a) Not applicable as FAST service is provided by a private contractor

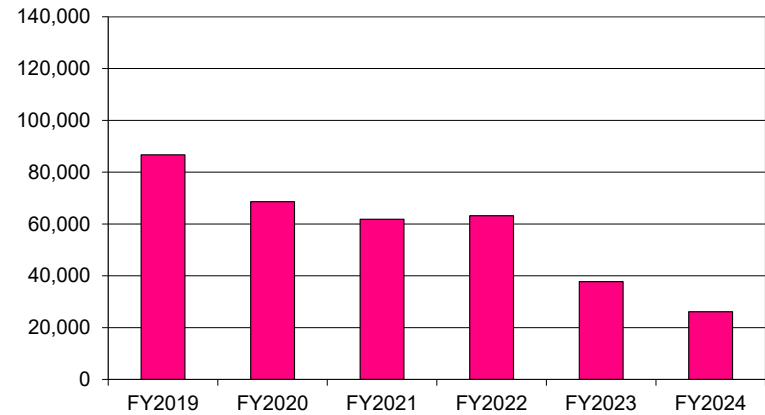
**Exhibit 4.1: Operating Cost per Vehicle Service Hour – Bus Service**



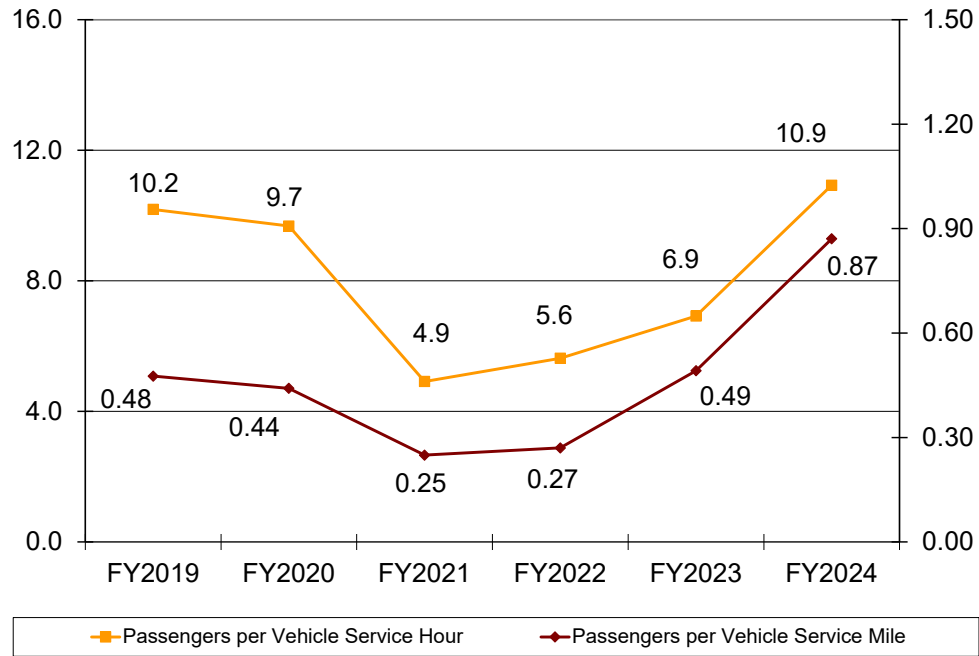
**Operating Cost**



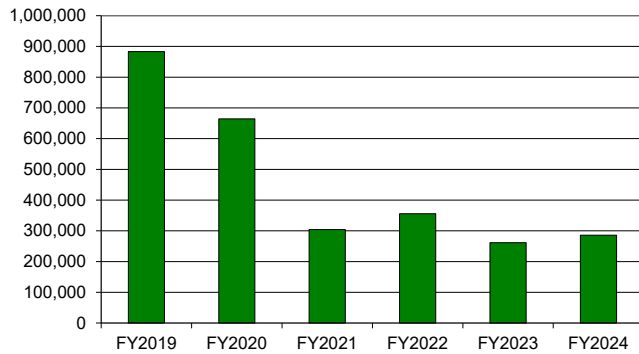
**Vehicle Service Hours**



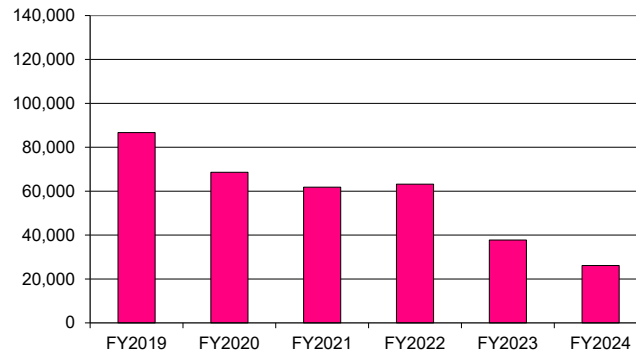
### Exhibit 4.2: Passengers per Hour and per Mile – Bus Service



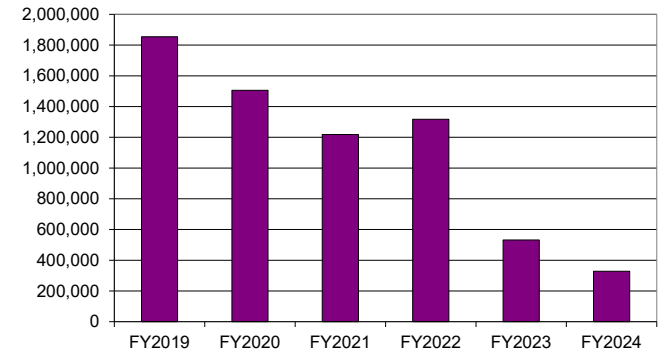
#### Unlinked Passengers



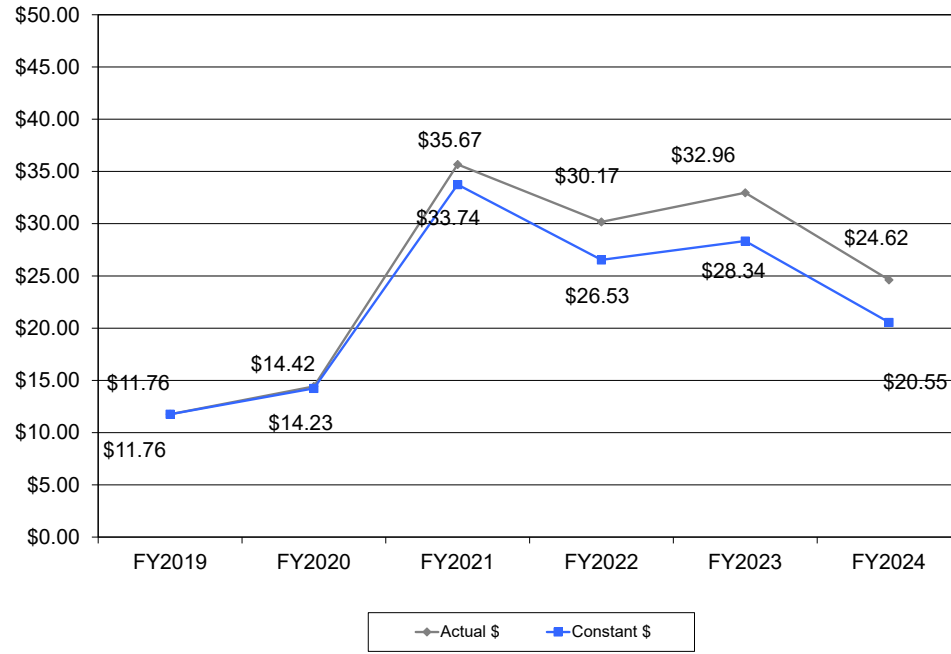
#### Vehicle Service Hours



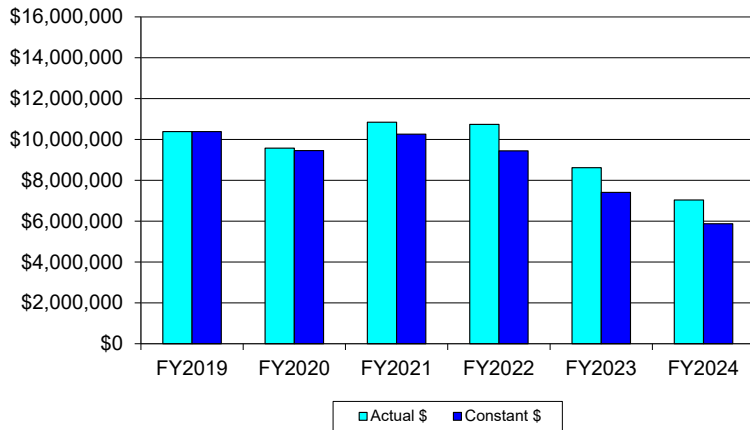
#### Vehicle Service Miles



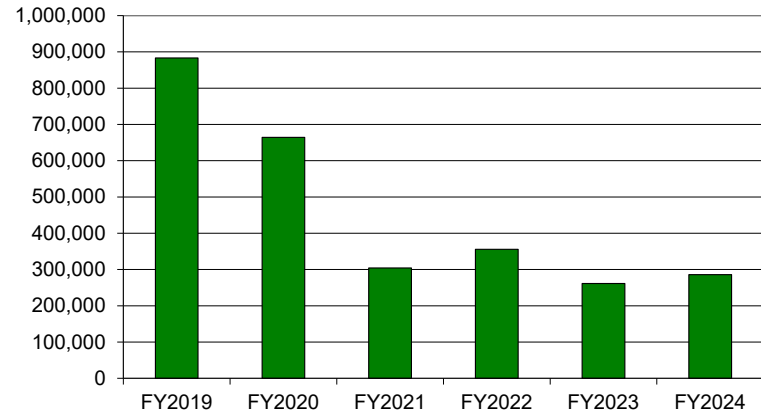
### Exhibit 4.3: Operating Cost per Passenger – Bus Service



### Operating Cost



### Unlinked Passengers



## Bus Service Component Costs

Year-to-year changes in selected operating cost categories over the past six years are presented in Exhibit 4.4. Examining components of operating costs (e.g., labor, fringes, fuel, and casualty/liability) may determine what particular components had the most significant impacts on the operating costs. Exhibit 4.4 also shows the concurrent changes in vehicle service hours and Exhibit 4.5 illustrates the portion of the cost per bus service hour that can be attributed to each included cost component.

- Labor costs decreased by 3.1 percent and fringe benefit costs increased by 0.9 percent per year respectively over the six years. In total, labor and fringe benefit costs were about 22.6 percent, the third largest component of the total costs in FY2024.
- Services decreased 1.1 percent per year but declined 16.0 percent in FY2021 and increased 19.8 percent in FY2022. Services costs were the second largest component of total costs in FY2024.
- Purchased transportation was the largest component, or 32.3 percent, of total costs in FY2024. These costs decreased an average of 11.4 percent per year.
- Materials/supplies decreased an average of 17.1 percent per year. There were substantial decreases in these costs in FYs2020, 2023 and 2024.
- Casualty and liability costs increased by 0.7 percent on average per year. The largest increase of 38.2 percent was in FY 2021 and the largest decrease of 35.6 percent in FY2023.
- Other expenses for utilities, taxes and miscellaneous categories increased 4.0 percent per year. The largest increase of 75.8 percent was noted in FY2021 and a 38.2 decrease in FY2024.

\* \* \* \* \*

The following is a brief summary of the component operating costs trend highlights between FY2019 and FY2024:

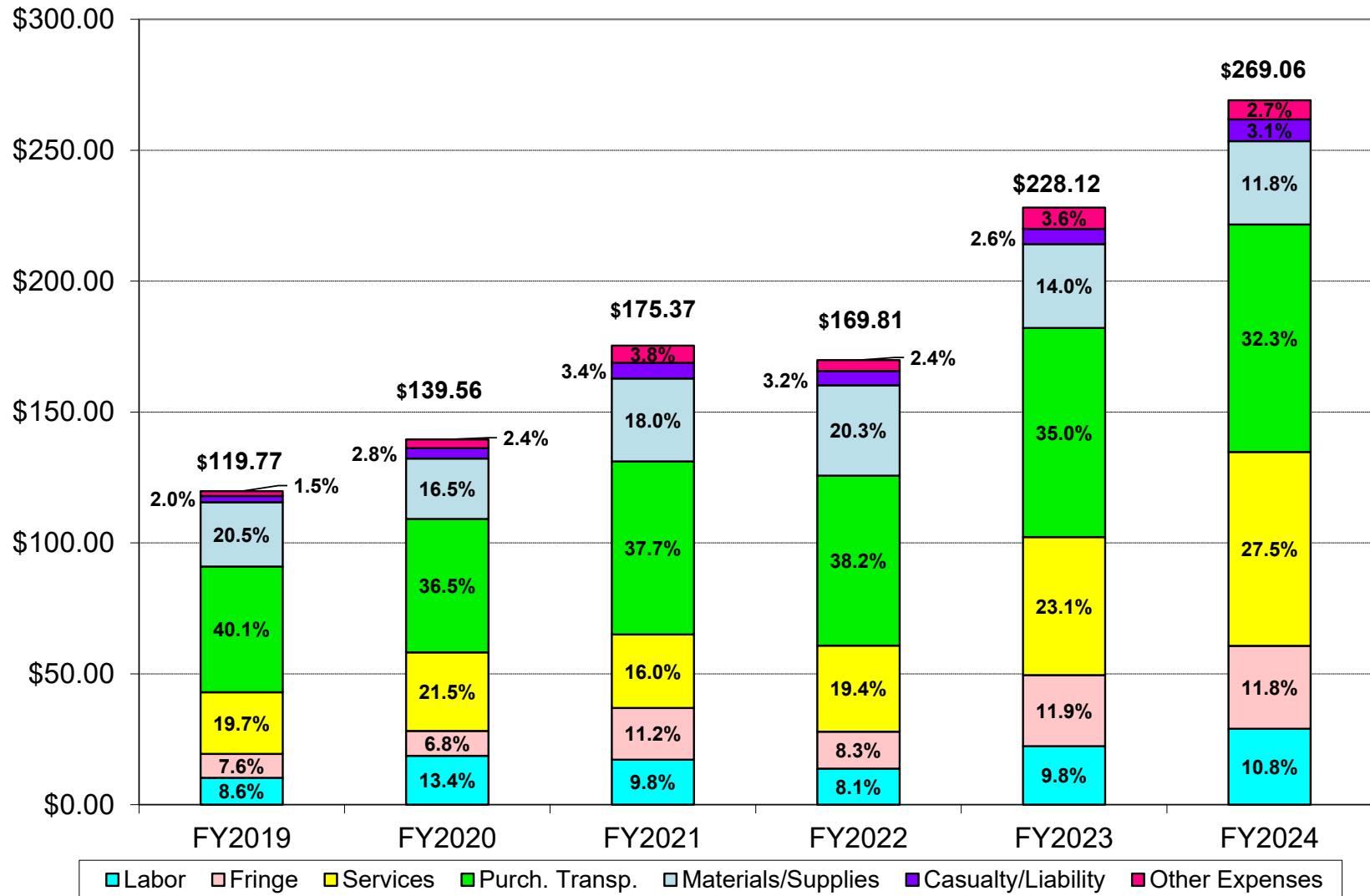
- Purchased transportation was the largest component, comprising about 32.3 percent of total costs over the analysis period. These costs decreased 11.4 percent per year.
- In total, labor and fringe benefit costs comprised about 22.6 percent, or the third largest component, of the total costs in FY2024. Labor costs decreased an annual average of 3.1 percent, while fringes increased an average of 0.9 percent per year.
- Services costs contributed 27.5 percent of total costs in FY2024 and decreased an average of 1.1 percent per year.
- Materials/supplies decreased an average of 17.1 percent per year. These costs were 11.8 percent of the total costs in FY2024.
- The remaining cost categories, casualty/liability, and other expenses, both increased over the analysis period, but only comprised about five percent of the total operating costs each year.

### Exhibit 4.4: Component Cost Trends – Bus Service

	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	Av. Ann. Chg.
<b>COST CATEGORIES</b>							
Labor (Salaries/Wages)	\$889,027	\$1,280,885	\$1,066,824	\$873,222	\$845,617	\$758,651	--
<i>Annual Change</i>	--	44.1%	-16.7%	-18.1%	-3.2%	-10.3%	-3.1%
Fringe Benefits (a)	\$791,226	\$652,716	\$1,219,954	\$892,596	\$1,024,906	\$828,674	--
<i>Annual Change</i>	--	-17.5%	86.9%	-26.8%	14.8%	-19.1%	0.9%
Services	\$2,046,663	\$2,063,488	\$1,733,914	\$2,078,057	\$1,992,579	\$1,936,286	--
<i>Annual Change</i>	--	0.8%	-16.0%	19.8%	-4.1%	-2.8%	-1.1%
Purchased Transportation	\$4,158,307	\$3,495,825	\$4,089,427	\$4,105,241	\$3,016,760	\$2,272,089	--
<i>Annual Change</i>	--	-15.9%	17.0%	0.4%	-26.5%	-24.7%	-11.4%
Materials/Supplies (b)	\$2,130,222	\$1,583,799	\$1,955,868	\$2,180,593	\$1,208,382	\$832,459	--
<i>Annual Change</i>	--	-25.7%	23.5%	11.5%	-44.6%	-31.1%	-17.1%
Casualty/Liability	\$211,500	\$268,783	\$371,501	\$345,894	\$222,869	\$218,531	--
<i>Annual Change</i>	--	27.1%	38.2%	-6.9%	-35.6%	-1.9%	0.7%
Other Expenses (c)	\$155,397	\$231,760	\$407,547	\$260,572	\$306,442	\$189,304	--
<i>Annual Change</i>	--	49.1%	75.8%	-36.1%	17.6%	-38.2%	4.0%
<b>Total</b>	\$10,382,342	\$9,577,256	\$10,845,035	\$10,736,175	\$8,617,555	\$7,035,994	--
<i>Annual Change</i>	--	-7.8%	13.2%	-1.0%	-19.7%	-18.4%	-7.5%
<b>OPERATING STATISTICS</b>							
Vehicle Service Hours	86,688	68,625	61,842	63,223	37,777	26,150	--
<i>Annual Change</i>	--	-20.8%	-9.9%	2.2%	-40.2%	-30.8%	-21.3%

(a) Includes paid absences      (b) Includes tires/tubes, fuels/lubricants, and other materials/supplies  
(c) Includes utilities, taxes, and miscellaneous expenses

**Exhibit 4.5: Distribution of Component Costs – Bus Service**  
*Operating Cost per Vehicle Service Hour*



## Paratransit Performance Trends

This section provides an overview of the performance of FAST's paratransit service over the six-year analysis period. The trends in the TDA indicators and input data are presented in Exhibit 5. The six-year trends are illustrated in Exhibits 5.1 through 5.3.

- Operating Cost per Vehicle Service Hour (Exhibit 5.1)
  - Paratransit cost per hour increased annually by 13.3 percent on average. These costs increased by 106.8 percent in FY 2020 and 24.4 percent in FY2021.
  - Cost per hour was \$104.34 in FY 2019 at the beginning of the six-year period, and \$195.00 in FY2024. It peaked at \$268.43 in FY2021.
  - With the effects of inflation being removed, cost per hour exhibited an average annual increase of 9.3 percent, over two and half times above the average annual CPI increase of 3.7 percent.
- Passengers per Vehicle Service Hour (Exhibit 5.2)
  - Passengers per vehicle service hour declined by 5.4 percent over six-year period.
  - Though total passengers increased by an average of 2.7 percent per year, productivity declined due to the corresponding increase in service levels of 8.5 percent.
- Passengers per Vehicle Service Mile (Exhibit 5.2)
  - Unlike passengers per vehicle service mile increased 3.1 percent during six years.
  - Unlinked passengers increased by an average of 2.7 percent and service miles declined by 0.4 percent over the analysis period. The combined result was an increase in passengers per mile over the six years.

- Operating Cost per Passenger (Exhibit 5.3)
  - Cost effectiveness declined by 19.7 percent per year on average over the review period. The cost per passenger was \$55.63 in FY2019 and ended at \$136.99 in FY2024. It peaked at \$173.06 per passenger in FY2021.
  - Though the operating costs increased by 22.9 percent per year over the period, passenger levels increased modestly by 2.7 percent per year. The combined result was the decline in cost effectiveness discussed above.
  - With the impact of inflation removed, the result was an average annual increase in cost per passenger of 15.5 percent compared to the 3.7 percent average annual CPI increase.

\* \* \* \* \*

The following is a brief summary of the TDA performance trend highlights over the six-year period of FY2019 through FY2024:

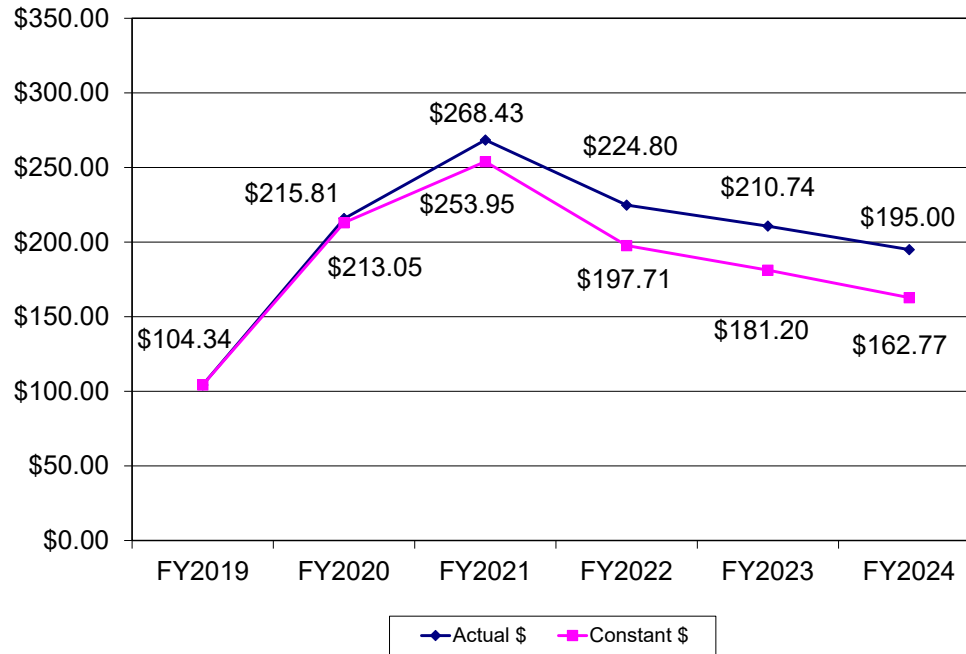
- Cost per hour increased by 13.3 percent per year, or 9.3 percent in inflation adjusted dollars. This resulted in cost per hour increasing from \$104.34 in FY2019 to \$195.00 in FY 2024. It peaked at 268.43 in FY2021.
- Though total passengers increased an average of 2.7 percent per year, the productivity rate declined by 5.4 percent due to a corresponding increase in service hours.
- The operating costs increased an average of 22.9 percent per year over the period, passenger levels increased by a modest 2.7 percent per year. The combined result was a decline in cost effectiveness or an increase in cost per passenger of 19.7 percent per year, or 15.5 percent in constant FY2019 dollars, compared to the Bay area CPI of 3.7 percent.

**Exhibit 5: TDA Indicator Performance – Paratransit**

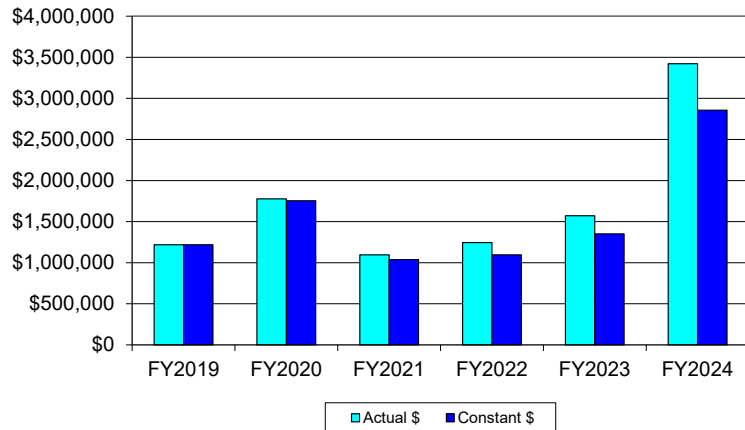
<b>TDA Performance Indicator</b>	<b>FY2019</b>	<b>FY2020</b>	<b>FY2021</b>	<b>FY2022</b>	<b>FY2023</b>	<b>FY2024</b>	<b>Avg. Annual Change</b>
Op. Cost per Vehicle Svc. Hour (Actual \$)	\$104.34	\$215.81	\$268.43	\$224.80	\$210.74	\$195.00	- -
<i>Annual Change</i>	- -	106.8%	24.4%	-16.3%	-6.3%	-7.5%	13.3%
Op. Cost per Vehicle Svc. Hour (Constant \$)	\$104.34	\$212.98	\$254.00	\$197.70	\$181.15	\$162.76	- -
<i>Annual Change</i>	- -	104.1%	19.3%	-22.2%	-8.4%	-10.1%	9.3%
Passengers per Vehicle Service Hour	1.9	1.7	1.6	1.6	1.7	1.4	- -
<i>Annual Change</i>	- -	-8.7%	-9.4%	5.1%	1.3%	-13.7%	-5.4%
Passengers per Vehicle Service Mile	0.11	0.11	0.11	0.13	0.13	0.13	- -
<i>Annual Change</i>	- -	-2.9%	4.3%	10.9%	3.5%	0.2%	3.1%
Op. Cost per Passenger (Actual \$)	\$55.63	\$126.09	\$173.06	\$137.95	\$127.71	\$136.99	- -
<i>Annual Change</i>	- -	126.7%	37.2%	-20.3%	-7.4%	7.3%	19.7%
Op. Cost per Passenger (Constant \$)	\$55.63	\$124.44	\$163.76	\$121.32	\$109.78	\$114.34	- -
<i>Annual Change</i>	- -	123.7%	31.6%	-25.9%	-9.5%	4.2%	15.5%
Vehicle Service Hours per FTE	(a)	(a)	(a)	(a)	(a)	(a)	- -
<i>Annual Change</i>	- -	- -	- -	- -	- -	- -	- -
Bay Area CPI - Annual Change	3.0%	1.3%	4.3%	7.6%	2.3%	3.0%	- -
<i>Cumulative Change</i>	- -	12.0%	16.8%	13.7%	16.3%	19.8%	3.7%

(a) Not applicable as FAST service is provided by a private contractor.

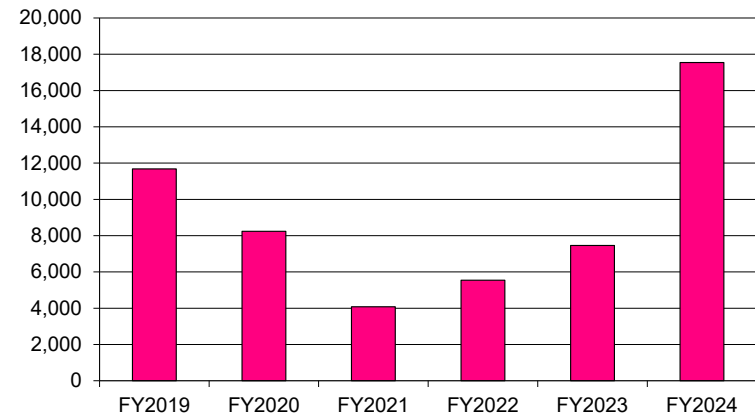
### Exhibit 5.1: Operating Cost per Vehicle Service Hour – Paratransit



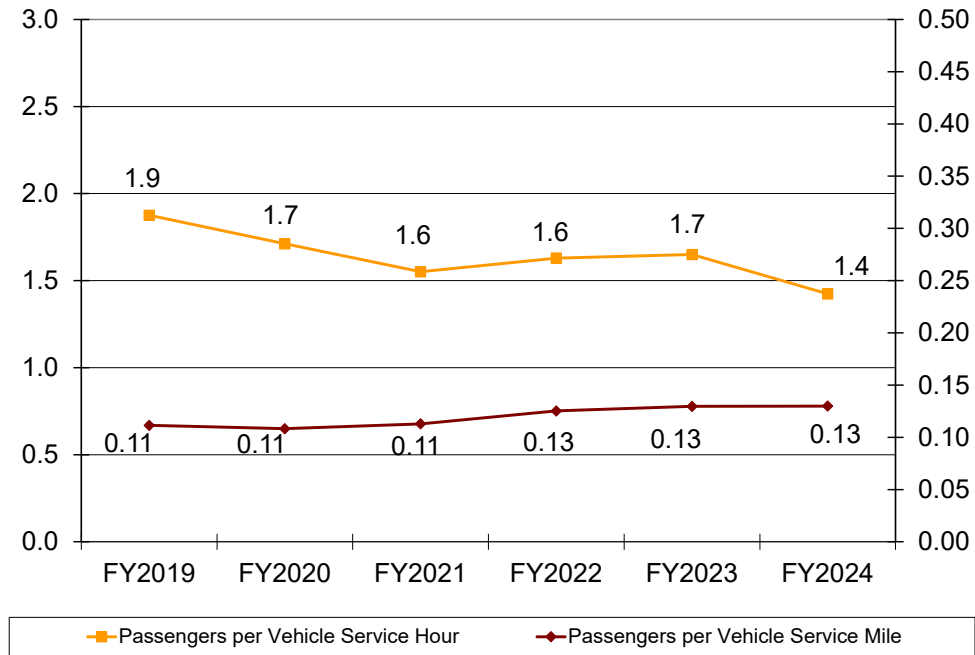
#### Operating Cost



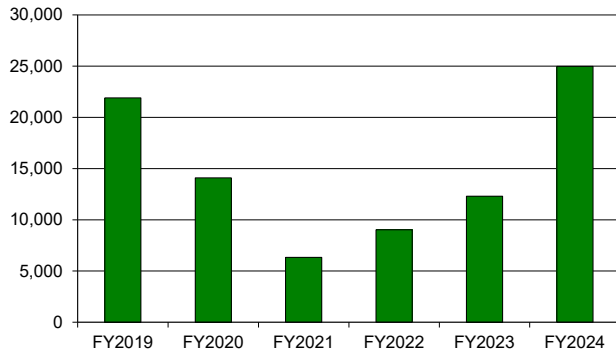
#### Vehicle Service Hours



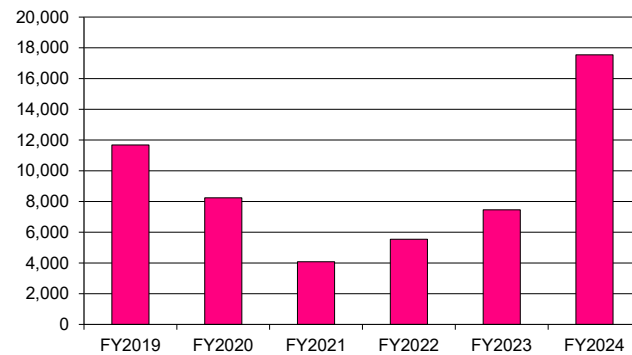
### Exhibit 5.2: Passengers per Hour and per Mile – Paratransit



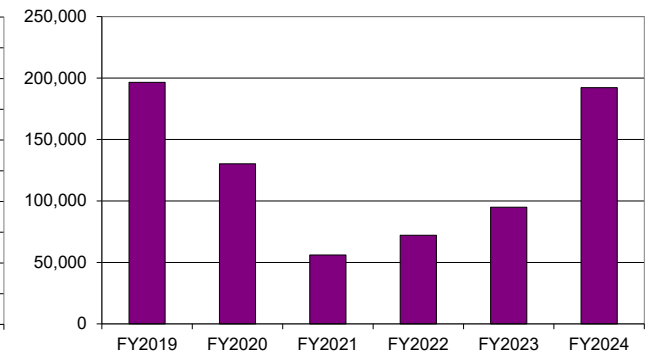
**Unlinked Passengers**



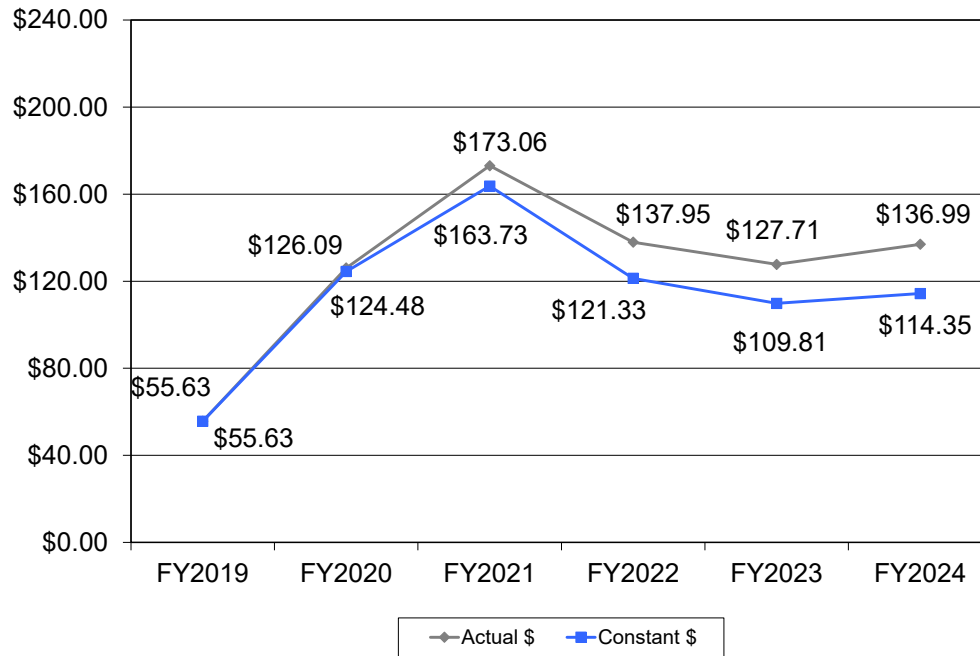
**Vehicle Service Hours**



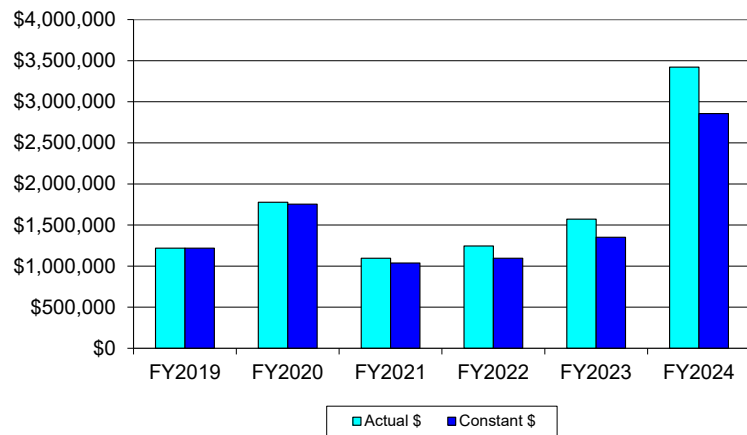
**Vehicle Service Miles**



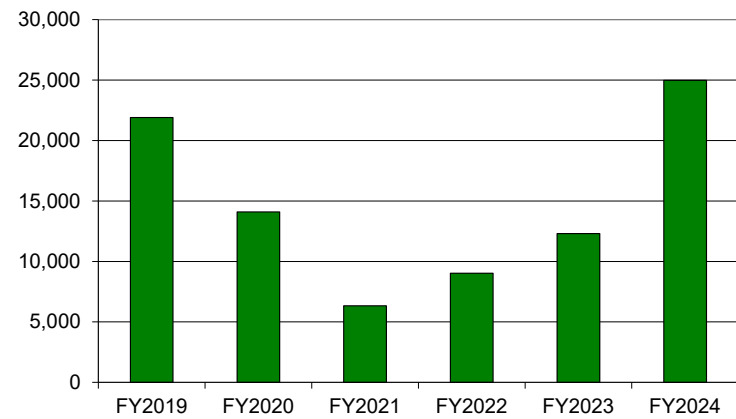
**Exhibit 5.3: Operating Cost per Passenger – Paratransit**



**Operating Cost**



**Unlinked Passengers**



## Paratransit Component Costs

The year-to-year changes in selected operating cost categories are presented in Exhibit 5.4, along with the concurrent changes in vehicle service hours. The portions of the cost per vehicle service hour that can be attributed to each included cost component are shown in Exhibit 5.5.

- Labor and fringe benefit costs increased 25.5 and 26.3 percent per year respectively over the analysis period. The combined labor and fringe benefits were the second largest component, or 22.8 percent, of total costs in FY2024.
- Service costs increased at an annual average of 27.4 percent. These costs were the third largest component, or 19.8 percent, in FY2024.
- Purchased transportation costs represented the largest component of the total costs, comprising 44.4 percent in FY2024. These costs increased by 21.9 percent per year.
- Materials/supplies costs increased at an average of 11.2 percent per year. These costs declined during the first two years and increased every year from FY2022 to FY2024.
- Casualty and liability costs increased by 23.4 percent per year but accounted for 4.3 percent of total costs in FY 2024.
- Other expenses for utilities, taxes and miscellaneous categories increased during six years but remained a small proportion of the total costs.

\* \* \* \* \*

The following is a brief summary of the component operating costs trend highlights between FY2019 and FY2024:

- Combined labor and fringe benefits were the second largest component of total cost at 22.8 percent in FY2024. Labor and fringe benefits increased respectively by 25.5 and 26.3 percent annually.

- Service costs increased at an annual average rate of 27.4 percent. These costs were the third largest component or 19.8 percent in FY2024.
- Purchased transportation costs represented the largest component of the total costs was 44.4 percent of total cost in FY2024. These costs increased by 21.9 percent per year.
- By the end of the analysis period in FY2024, costs for materials/supplies, casualty/liability and miscellaneous other expenses comprised about 6 percent of the total costs.

### Exhibit 5.4: Component Costs Trends – Paratransit

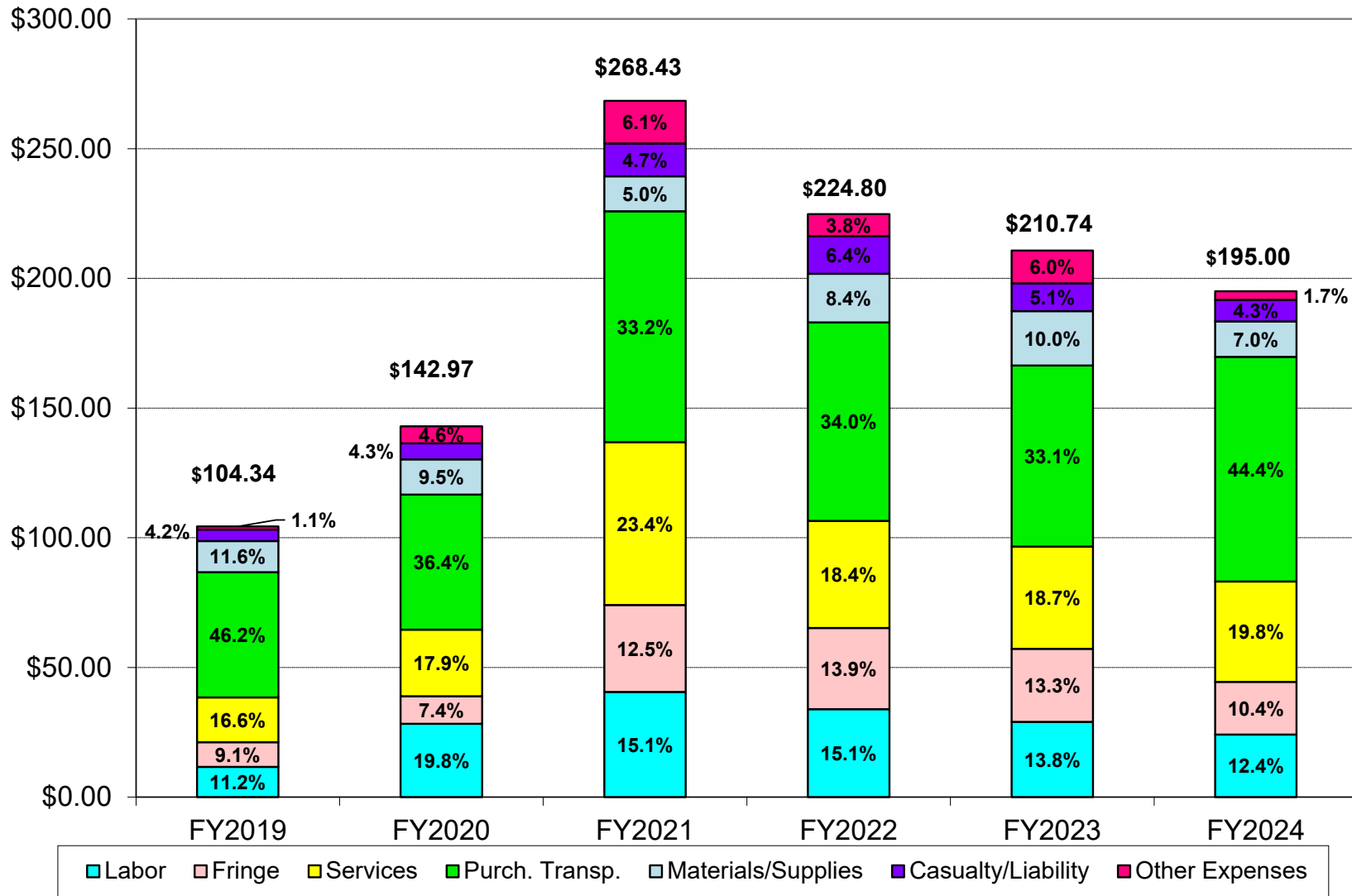
	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	Av. Ann. Chg.
<b>COST CATEGORIES</b>							
Labor (Salaries/Wages)	\$136,191	\$233,238	\$165,511	\$188,106	\$216,495	\$423,664	--
<i>Annual Change</i>	--	71.3%	-29.0%	13.7%	15.1%	95.7%	25.5%
Fringe Benefits (a)	\$110,668	\$87,584	\$137,033	\$173,537	\$209,778	\$355,761	--
<i>Annual Change</i>	--	-20.9%	56.5%	26.6%	20.9%	69.6%	26.3%
Services	\$202,056	\$210,836	\$256,150	\$228,663	\$293,966	\$678,649	--
<i>Annual Change</i>	--	4.3%	21.5%	-10.7%	28.6%	130.9%	27.4%
Purchased Transportation	\$563,427	\$429,100	\$363,740	\$423,994	\$520,675	\$1,519,191	--
<i>Annual Change</i>	--	-23.8%	-15.2%	16.6%	22.8%	191.8%	21.9%
Materials/Supplies (b)	\$140,902	\$111,600	\$54,718	\$104,187	\$156,411	\$239,906	--
<i>Annual Change</i>	--	-20.8%	-51.0%	90.4%	50.1%	53.4%	11.2%
Casualty/Liability	\$51,197	\$51,197	\$51,622	\$79,947	\$79,947	\$146,663	--
<i>Annual Change</i>	--	0.0%	0.8%	54.9%	0.0%	83.5%	23.4%
Other Expenses (c)	\$13,782	\$54,113	\$67,227	\$47,387	\$94,214	\$57,259	--
<i>Annual Change</i>	--	292.6%	24.2%	-29.5%	98.8%	-39.2%	33.0%
<b>Total</b>	\$1,218,223	\$1,177,668	\$1,096,001	\$1,245,821	\$1,571,486	\$3,421,093	--
<i>Annual Change</i>	--	-3.3%	-6.9%	13.7%	26.1%	117.7%	22.9%
<b>OPERATING STATISTICS</b>							
Vehicle Service Hours	11,676	8,237	4,083	5,542	7,457	17,544	--
<i>Annual Change</i>	--	-29.5%	-50.4%	35.7%	34.6%	135.3%	8.5%

(a) Includes paid absences

(b) Includes tires/tubes, fuels/lubricants, and other materials/supplies

(c) Includes utilities, taxes, and miscellaneous expenses

**Exhibit 5.5: Distribution of Component Costs – Paratransit**  
*Operating Cost per Vehicle Service Hour*



#### **IV. COMPLIANCE WITH PUC REQUIREMENTS**

An assessment of FAST's compliance with selected sections of the state Public Utilities Code (PUC) has been performed. The compliance areas included in this review are those that MTC has identified for inclusion in the triennial performance audit. Other statutory and regulatory compliance requirements are reviewed by MTC in conjunction with its annual review of FAST's TDA-STA claim application.

The results from this review are detailed by individual requirement in Exhibit 6. FAST is in compliance with each of the seven sections of the state PUC that were reviewed as part of this performance audit. These sections included requirements concerning CHP terminal safety inspections, labor contracts, reduced fares, Welfare-to-Work, revenue sharing, and evaluating passenger needs.

### Exhibit 6: Compliance with State PUC Requirements

Code Reference	Operator Compliance Requirements	Compliance Finding	Verification Information
PUC99251	<u>CHP Certification</u> - The CHP has, within the 13 months prior to each TDA claim submitted by an operator, certified the operator’s compliance with Vehicle Code Section 1808 following a CHP inspection of the operator’s terminal	In Compliance	Satisfactory Inspections: FY2022: 03/09/2021 FY2023: 11/30/2022 FY2024: 05/17/2024
PUC99264	<u>Operator-to-Vehicle Staffing</u> - The operator does not routinely staff with two or more persons public transportation vehicles designed to be operated by one person	In Compliance	No provision for excess staffing in Agreement with MV Transportation, Inc. for Fixed-Route, Paratransit and Micro transit Services – February 6,2024
PUC99314.5(e) (1)(2)	<u>Part-Time Drivers and Contracting</u> - If the operator receives STA funds, the operator is not precluded by contract from employing part-time drivers or from contracting with common carriers.	In Compliance	FAST contracts with MV Transportation Inc. for the provision of its fixed-route, paratransit, and micro transit service.
PUC99155	<u>Reduced Fare Eligibility</u> - For any operator who received TDA Article 4 funds, if the operator offers reduced fares to senior citizens and disabled persons, applicant will honor the federal Medicare identification card, the California Department of Motor Vehicles disability ID card, the Regional Transit Connection Discount Card, or any other current identification card issued by another transit operator that is valid for the type of transportation service or discount requested; and if the operator offers reduced fares to senior citizens, it also offers the same reduced fare to disabled patrons	In Compliance	Fare information, effective July 1, 2023, on FAST website notes acceptable reduced fare eligibility media.

Code Reference	Operator Compliance Requirements	Compliance Finding	Verification Information
PUC99155.1(a) (1)(2)	<u>Welfare-to-Work</u> - The operator coordinates with county welfare departments in order to ensure that transportation moneys available for purposes of assisting recipients of aid are expended efficiently for the benefit of that population; if a recipient of CalWORKs program funds by the county, the operator shall give priority to the enhancement of public transportation services for welfare-to-work purposes and to the enhancement of transportation alternatives, such as, but not limited to, subsidies or vouchers, van pools, and contract paratransit operations, in order to promote welfare-to-work purposes.	In Compliance	FAST coordinates with numerous Solano County Departments as well as agencies within Solano County to purchase single ride passes to accommodate their clients. FAST does not normally sell single ride tickets but makes the exception for these agencies.  FAST also provided transportation to the Department of Health and Social Services via fixed route and paratransit operations.
PUC99314.7, Govt Code 66516, MTC Res. Nos. 3837, 4073	<u>Joint Revenue Sharing Agreement</u> - The operator has current joint fare revenue sharing agreements in place with transit operators in the MTC region with which its service connects, and submitted copies of agreements to MTC	In Compliance	Clipper® Memorandum of Understanding (MOU), dated October 1, 2022, by and among MTC and the transit operators participating in the Clipper® program.  FY 2017-18 MOU for Intercity Paratransit Services (Solano County).  FY 2020-21 Intercity Transit Funding Agreement (Solano County).  Intercity ADA Taxi Card Program Agreement, April 16, 2019, (Solano County).  Solano Community College Transportation Fee Program, November 19, 2019

Code Reference	Operator Compliance Requirements	Compliance Finding	Verification Information
PUC99246(d)	<u>Process for Evaluation of Passenger Needs</u> - The operator has an established process in place for evaluating the needs and types of passengers being served	In Compliance	Short Range Transit Plan FY 2023-FY2028 – recommends extensive restructuring of the pre pandemic fixed-route and paratransit services and introduction of micro transit service.

## V. STATUS OF PRIOR AUDIT RECOMMENDATIONS

This section of the audit report addresses FAST's responses to the recommendations made in the prior performance audit, and whether FAST made reasonable progress toward their implementation. There were no recommendations made in FAST's prior audit.

## VI. FUNCTIONAL PERFORMANCE INDICATOR TRENDS

To further assess FAST's performance over the past three years, a detailed set of functional area performance indicators was defined. This assessment consists of a three-year trend analysis of the functions in each of the following areas:

- Management, Administration and Marketing
- Service Planning
- Operations
- Maintenance
- Safety

The indicators selected for this analysis were primarily those that were tracked regularly by FAST or for which input data were maintained by FAST on an on-going basis, such as performance reports, contractor reports, annual financial reports, and NTD reports. As such, there may be some overlap with the TDA indicators examined earlier in the audit process, but most indicators will be different. Some indicators were selected from the California Department of Transportation's Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Entities as being appropriate for this evaluation. The input statistics for the indicators, along with their sources, are contained in Appendix A at the end of this report.

The trends in performance are presented over the three-year audit period to give an indication of which direction performance is moving for these indicators. The remainder of this section presents the findings from this review. The discussion presents the highlights of performance by mode (Systemwide, Bus Service and Paratransit), each followed by an exhibit illustrating the indicators by function as applicable.

## Systemwide (All Modes)

For the purposes of this review, FAST's functional indicators relating to Management, Administration and Marketing have been included generally on a systemwide basis. Systemwide audit period performance is discussed below and presented in Exhibit 7.

- Administrative costs increased from 30.2 percent of total operating costs in the first year to 31.7 percent in the second year and to 36.3 percent in the last year of the audit. Overall, this was a 20.0 percent increase in this indicator during the audit period.
- Administrative costs increased significantly from about \$52.67 per vehicle service hour in the first year to \$71.34 in the second year and to \$86.81 in the last year of the audit period. Overall, this was an increase of 64.8 percent over three years.
- The portion of administrative costs contributed to marketing activities increased from 0.8 percent in the first year to 1.5 percent in the second year and then declined to 0.7 percent in the last year of the audit. In terms of passenger trips, marketing costs also show a similar pattern, 8 cents per passenger trip in the first year, increase to 18 cents in the second year and then decrease to 13 cents in the last year.
- The systemwide farebox recovery ratio decreased every year, from 6.3 percent in the first year to 4.7 percent the next year and to 3.9 percent in the last year of the audit.

\* \* \* \* \*

The following is a brief summary of the systemwide functional trend highlights between FY2019 and FY2021:

- Administrative costs compared to total costs increased by 20.0 percent and compared to vehicle service hours by 64.8 percent during this audit period.

- Marketing costs remained stable overall compared to total administrative costs and increased on the basis of passenger trips.
- The systemwide farebox recovery ratio decreased over the audit period from 6.3 percent to 3.9 percent, a decline of 38.2 percent.

### Exhibit 7: Functional Performance Trends – Systemwide (All Modes)

FUNCTION/Indicator	Actual Performance		
	FY2022	FY2023	FY2024
<b>MANAGEMENT, ADMINISTRATION &amp; MARKETING</b>			
Administrative Cost/Total Operating Cost	30.2%	31.7%	36.3%
<i>Annual Percent Change</i>	--	4.8%	14.5%
<i>Three Year Percent Change</i>	--	--	20.0%
Administrative Cost/Vehicle Service Hour	\$52.67	\$71.34	\$86.81
<i>Annual Percent Change</i>	--	35.4%	21.7%
<i>Three Year Percent Change</i>	--	--	64.8%
Marketing Cost/Total Administrative Cost	0.8%	1.5%	0.7%
<i>Annual Percent Change</i>	--	97.6%	-51.8%
<i>Three Year Percent Change</i>	--	--	-4.8%
Marketing Cost/Unlinked Passenger Trip	\$0.08	\$0.18	\$0.13
<i>Annual Percent Change</i>	--	134.6%	-26.4%
<i>Three Year Percent Change</i>	--	--	72.7%
Farebox Recovery Ratio (Farebox Rev./Oper. Cost)	6.3%	4.7%	3.9%
<i>Annual Percent Change</i>	--	-25.3%	-17.2%
<i>Three Year Percent Change</i>	--	--	-38.2%

## Bus Service

FAST's bus service functional area trends represent areas of cost efficiency, safety, productivity, and service reliability. Audit period performance is discussed below and presented in Exhibit 8.

- Service Planning
  - Operating costs per passenger mile increased every year, from \$3.42 in FY2022 to \$8.69 in FY2023, and to \$12.06 in FY2024, a 253.1 percent increase overall.
  - The bus service farebox recovery ratio decreased from 6.58 percent in the first year to 4.77 percent by FY2024. At the same time, the TDA recovery ratio, reflecting farebox revenue plus local support less operating cost exclusions, decreased from 73.79 percent in FY2022 to 69.94 percent in FY2023 but increased to 74.2 percent in FY2024.
  - On average about 93 percent of vehicle miles and 94 percent of the vehicle hours traveled were in service in all three years.
  - Passengers per vehicle service mile and vehicle service hour both increased overall by 109.5 and 26.2 percent respectively during the audit period.
- Operations
  - Vehicle operations costs decreased from 46.0 percent of total operating costs in FY2022 to 34.5 percent by FY2024.
  - Vehicle operations costs per service hour increased overall by 18.6 percent, from \$78.16 in FY 2022 to \$92.69 in FY2024.
  - On time performance improved during the audit period from 70.8 to 77.4 percent, an improvement of 9.3 percent.
  - The rate of complaints regarding the bus service decreased in each year, from 8.15 to 4.31 per 100,000 passenger boardings over the three years.
  - The incidence spiked in FY2022 at 70.3 percent due to unavailability of operators during the COVID 19 pandemic. It decreased in FY2023 and further decreased in FY2024 to 2.1 percent.

- Maintenance
  - Total maintenance costs increased from 25.7 to 32.2 percent of total operating costs during the audit period.
  - Vehicle maintenance costs per service mile also increased substantially over the audit period from \$1.78 to \$5.47, or 207.1 percent.
  - The vehicle spare ratio increased from 34.9 percent in FY2022 to 50.0 percent in FY2023 and then increased slightly to 52.0 percent in FY2024.
  - The mean distance between major failures increased 236.1 percent and between all failures increased 105.4 percent from FY2022 to FY2024.
- Safety
  - The rate of preventable accidents increased from 1.05 to 1.74 per 100,000 vehicle miles or a 65.8 percent overall increase during the audit period.

\* \* \* \* \*

The following is a brief summary of the bus service functional trend highlights between FY2022 and FY2024:

- Service Planning results showed an overall 253.1 percent increase in the cost per passenger mile, farebox recovery down from 6.58 to 4.77 percent, TDA recovery ratio remained stable, on average 94 percent vehicle miles and hours were operated in service, and passengers per vehicle service mile and hour both increased during the audit period.
- Operations results showed a decrease in vehicle operations costs as a portion of total operating costs, but an increase in vehicle operations costs per hour. On time performance improved. The rate of complaints per 100,000 passenger trips declined during this audit period. The percentage of missed trips spiked in FY2022 due to the unavailability of operators during the COVID 19 pandemic. It decreased by the end of the audit period.
- Maintenance results showed an increase in total maintenance costs as a portion of total operating costs. At the same time, vehicle maintenance costs per service mile increased substantially, an increase of 207.1 percent during the audit

period. The vehicle spare ratio increased from 34.9 percent in the first year to 52.0 percent in the last year. Mean distance between major failures and all failures improved significantly from the beginning to the end of the audit period.

- Safety results showed preventable accidents per 100,000 vehicle miles decreasing from FY2022 to FY2023 but increased in FY2024.

## Exhibit 8: Functional Performance Trends – Bus Service

FUNCTION/Indicator	Actual Performance		
	FY2022	FY2023	FY2024
<b>SERVICE PLANNING</b>			
Total Operating Cost/Passenger Mile	\$3.42	\$8.69	\$12.06
<i>Annual Percent Change</i>	--	154.4%	38.8%
<i>Three Year Percent Change</i>	--	--	253.1%
Farebox Recovery Ratio (Farebox Rev./Oper. Cost)	6.58%	4.94%	4.77%
<i>Annual Percent Change</i>	--	-24.9%	-3.5%
<i>Three Year Percent Change</i>	--	--	-27.6%
TDA Recovery Ratio (a)	73.79%	69.94%	74.02%
<i>Annual Percent Change</i>	--	-5.2%	5.8%
<i>Three Year Percent Change</i>	--	--	0.3%
Vehicle Service Miles/Total Miles	92.1%	93.1%	94.9%
<i>Annual Percent Change</i>	--	1.1%	2.0%
<i>Three Year Percent Change</i>	--	--	3.1%
Vehicle Service Hours/Total Hours	93.1%	94.3%	95.6%
<i>Annual Percent Change</i>	--	1.2%	1.4%
<i>Three Year Percent Change</i>	--	--	2.6%
Passengers/Vehicle Service Mile	0.3	0.5	0.6
<i>Annual Percent Change</i>	--	82.0%	15.1%
<i>Three Year Percent Change</i>	--	--	109.5%
Passengers/Vehicle Service Hour	5.6	6.9	7.1
<i>Annual Percent Change</i>	--	23.0%	2.6%
<i>Three Year Percent Change</i>	--	--	26.2%
<b>OPERATIONS</b>			
Vehicle Operations Cost/Total Operating Cost	46.0%	41.4%	34.5%
<i>Annual Percent Change</i>	--	-10.0%	-16.8%
<i>Three Year Percent Change</i>	--	--	-25.2%
Vehicle Operations Cost/Vehicle Service Hour	\$78.16	\$94.47	\$92.69
<i>Annual Percent Change</i>	--	20.9%	-1.9%
<i>Three Year Percent Change</i>	--	--	18.6%
Trips On-Time/Total Trips	70.8%	73.7%	77.4%
<i>Annual Percent Change</i>	--	4.1%	5.0%
<i>Three Year Percent Change</i>	--	--	9.3%
Complaints/100,000 Unlinked Passenger Trip	8.15	4.59	4.31
<i>Annual Percent Change</i>	--	-43.7%	-6.2%
<i>Three Year Percent Change</i>	--	--	-47.2%
Missed Trips/Total Trips	70.3%	6.7%	2.1%
<i>Annual Percent Change</i>	--	-90.5%	-68.1%
<i>Three Year Percent Change</i>	--	--	-97.0%

FUNCTION/Indicator	Actual Performance		
	FY2022	FY2023	FY2024
<b>MAINTENANCE</b>			
Vehicle + Non-Veh. Maint. Cost/Total Operating Cost	25.7%	29.1%	32.2%
<i>Annual Percent Change</i>	--	13.1%	10.7%
<i>Three Year Percent Change</i>	--	--	25.2%
Vehicle Maintenance Cost/Vehicle Service Mile	\$1.78	\$3.66	\$5.47
<i>Annual Percent Change</i>	--	105.6%	49.4%
<i>Three Year Percent Change</i>	--	--	207.1%
Spare Vehicles/Total Vehicles	34.9%	50.0%	52.0%
<i>Annual Percent Change</i>	--	43.3%	4.0%
<i>Three Year Percent Change</i>	--	--	49.1%
Mean Distance between Major Failures (Miles)	9,351	7,417	31,424
<i>Annual Percent Change</i>	--	-20.7%	323.7%
<i>Three Year Percent Change</i>	--	--	236.1%
Mean Distance between All Failures (Miles)	8,416	5,769	17,283
<i>Annual Percent Change</i>	--	-31.5%	199.6%
<i>Three Year Percent Change</i>	--	--	105.4%
<b>SAFETY</b>			
Preventable Accidents/100,000 Vehicle Miles	1.05	0.88	1.74
<i>Annual Percent Change</i>	--	-16.5%	98.3%
<i>Three Year Percent Change</i>	--	--	65.6%

## Paratransit

FAST's paratransit functional area trends represent mostly similar areas to the bus service. Audit period performance is discussed below and presented in Exhibit 9.

- Service Planning
  - Operating costs per passenger mile increased from \$13.55 in the first year to \$14.84 by the last year, a 9.5 percent increase.
  - The paratransit farebox recovery ratio decreased overall from 4.20 percent in the first year to 2.16 percent by FY2024. The TDA recovery ratio, reflecting farebox revenue plus local support less operating cost exclusions, increased from 89.35 to 90.4 percent in the second year but decreased to 87.0 percent in the last year.
  - At least 87 percent of all vehicle service miles and 88 percent of the vehicle service hours were operated in service in all three years.
  - Passengers per vehicle service mile remained essentially steady during the audit period. Passengers per vehicle service hour declined 12.6 percent over the same period.
- Operations
  - Vehicle operations costs decreased from 30.4 percent of total operating costs in FY2022 to 26.1 percent in FY2023 but then increased to 38.9 percent by FY2024.
  - Similarly, vehicle operations costs per service hour also decreased from \$68.40 in FY2022 to \$55.06 in FY2023 but increased to \$75.77 in FY2024, a 10.8 percent increase overall.
  - All trips were operated within the 30 minute on-time window throughout the audit period.
  - The rate of complaints per 10,000 unlinked passenger trips increased from the beginning to the end of the audit period by 80.8 percent.
  - Similarly, there were no missed trips, and no ADA trip denials reported throughout the audit period.

- The rate of trip cancellations declined slightly but the rate of late trip cancellations and no shows increased during the last year of the audit. This appears primarily due to the expansion of demand response service to the general population beyond those who are ADA eligible during the last year of the audit, or in FY2024.
- Maintenance
  - Total maintenance costs compared to total operating costs declined by 15.1 percent, from 22.1 percent in FY2022 to 18.8 percent in FY2024.
  - Vehicle maintenance costs per service mile increased during the first two years, from \$3.07 to \$4.08, but declined in FY 2024 to \$3.09.
  - The vehicle spare ratio was reduced from 58.3 percent in FY2022 and FY2023 to 41.2 percent in FY2024.
  - The mean distance between major failures and between all failures increased from FY2022 to FY2023 but decreased in FY2024. Overall, for major failures, the decline was 63.0 percent and for all failures it was 55.6 percent.
- Safety
  - There were no preventable accidents during this audit period.

\* \* \* \* \*

The following is a brief summary of the paratransit functional trend highlights between FY2022 and FY2024:

- Service Planning results showed an overall 9.5 percent increase in the cost per passenger mile, farebox recovery down from 4.20 to 2.16 percent, TDA recovery down from 89.35 to 77.52 percent, at least 87 percent of vehicle miles and 88 percent of hours were operated in service, an almost steady rate of passengers per vehicle service mile and some decline in passengers per hour.
- Operations results showed a 27.7 percent increase in vehicle operations costs as a portion of total operating costs, an increase of 10.8 percent in vehicle operations cost per hour. All trips were within the on-time window and there

were very few complaints and no missed trips. There were no ADA trip denials. The rate of trip cancellations declined slightly during the audit. The rate of late trip cancellations and no shows increased in the last year of the audit, the year in which demand response service was expanded to those beyond ADA eligible persons.

- Maintenance results showed total maintenance costs compared to total operating costs declined by 15.1 percent over the three years. At the same time vehicle maintenance costs per service mile remained stable. The spare ratio was reduced from 58.3 percent in the first two years to 41.2 percent in the last year of this audit. The mean distance between major and all mechanical failure decreased 63.0 and 55.6 percent respectively, from FY2022 to FY2024.
- Safety results showed that there were no preventable accidents during this audit period.

## Exhibit 9: Functional Performance Trends – Paratransit

FUNCTION/Indicator	Actual Performance		
	FY2022	FY2023	FY2024
<b>SERVICE PLANNING</b>			
Total Operating Cost/Passenger Mile	\$13.55	\$12.55	\$14.84
<i>Annual Percent Change</i>	--	-7.4%	18.3%
<i>Three Year Percent Change</i>	--	--	9.5%
Farebox Recovery Ratio (Farebox Rev./Oper. Cost)	4.20%	3.58%	2.16%
<i>Annual Percent Change</i>	--	-14.6%	-39.6%
<i>Three Year Percent Change</i>	--	--	-48.5%
TDA Recovery Ratio (a)	89.35%	90.78%	77.52%
<i>Annual Percent Change</i>	--	1.6%	-14.6%
<i>Three Year Percent Change</i>	--	--	-13.2%
Vehicle Service Miles/Total Miles	89.6%	90.4%	87.0%
<i>Annual Percent Change</i>	--	0.9%	-3.7%
<i>Three Year Percent Change</i>	--	--	-2.9%
Vehicle Service Hours/Total Hours	92.0%	92.8%	88.1%
<i>Annual Percent Change</i>	--	0.9%	-5.0%
<i>Three Year Percent Change</i>	--	--	-4.1%
Passengers/Vehicle Service Mile	0.1	0.1	0.1
<i>Annual Percent Change</i>	--	3.5%	0.2%
<i>Three Year Percent Change</i>	--	--	3.7%
Passengers/Vehicle Service Hour	1.6	1.7	1.4
<i>Annual Percent Change</i>	--	1.3%	-13.7%
<i>Three Year Percent Change</i>	--	--	-12.6%
<b>OPERATIONS</b>			
Vehicle Operations Cost/Total Operating Cost	30.4%	26.1%	38.9%
<i>Annual Percent Change</i>	--	-14.1%	48.7%
<i>Three Year Percent Change</i>	--	--	27.7%
Vehicle Operations Cost/Vehicle Service Hour	\$68.40	\$55.06	\$75.77
<i>Annual Percent Change</i>	--	-19.5%	37.6%
<i>Three Year Percent Change</i>	--	--	10.8%
Trips On-Time/Total Trips	100.0%	100.0%	100.0%
<i>Annual Percent Change</i>	--	0.0%	0.0%
<i>Three Year Percent Change</i>	--	--	0.0%
Complaints/10,000 Unlinked Passenger Trips	1.1	0.8	2.0
<i>Annual Percent Change</i>	--	-26.6%	146.4%
<i>Three Year Percent Change</i>	--	--	80.8%
Missed Trips/Total Trips	0.0	0.0	0.0
<i>Annual Percent Change</i>	--	--	--
<i>Three Year Percent Change</i>	--	--	--

FUNCTION/Indicator	Actual Performance		
	FY2022	FY2023	FY2024
<b>OPERATIONS , continued</b>			
ADA Trip Denials/Total ADA Trips	0.0%	0.0%	0.0%
<i>Annual Percent Change</i>	--	--	--
<i>Three Year Percent Change</i>	--	--	--
Trip Cancellations/Total Trips	11.7%	12.3%	10.3%
<i>Annual Percent Change</i>	--	5.4%	-16.9%
<i>Three Year Percent Change</i>	--	--	-12.4%
Late Trip Cancellations/Total Trips	3.2%	3.3%	31.9%
<i>Annual Percent Change</i>	--	4.8%	857.6%
<i>Three Year Percent Change</i>	--	--	904.0%
No-Shows/Total Trips	3.7%	4.7%	11.3%
<i>Annual Percent Change</i>	--	25.4%	141.0%
<i>Three Year Percent Change</i>	--	--	202.4%
<b>MAINTENANCE</b>			
Vehicle + Non-Veh. Maint. Cost/Total Operating Cost	22.1%	30.0%	18.8%
<i>Annual Percent Change</i>	--	35.8%	-37.5%
<i>Three Year Percent Change</i>	--	--	-15.1%
Vehicle Maintenance Cost/Vehicle Service Mile	\$3.07	\$4.08	\$3.09
<i>Annual Percent Change</i>	--	32.9%	-24.3%
<i>Three Year Percent Change</i>	--	--	0.6%
Spare Vehicles/Total Vehicles	58.3%	58.3%	41.2%
<i>Annual Percent Change</i>	--	0.0%	-29.4%
<i>Three Year Percent Change</i>	--	--	-29.4%
Mean Dist. betw. Major Failures (Miles)	11,493	34,995	4,247
<i>Annual Percent Change</i>	--	204.5%	-87.9%
<i>Three Year Percent Change</i>	--	--	-63.0%
Mean Dist. betw. All Failures (Miles)	7,314	13,123	3,248
<i>Annual Percent Change</i>	--	79.4%	-75.3%
<i>Three Year Percent Change</i>	--	--	-55.6%
<b>SAFETY</b>			
Preventable Accidents/100,000 Vehicle Miles	0.00	0.00	0.00
<i>Annual Percent Change</i>	--	--	--
<i>Three Year Percent Change</i>	--	--	--

## VII. CONCLUSIONS AND RECOMMENDATIONS

The preceding sections presented a review of FAST's transit service performance during the three-year period of FY2022 through FY2024 (July 1, 2021 through June 30, 2024). They focused on TDA compliance issues including trends in TDA-mandated performance indicators and compliance with selected sections of the state Public Utilities Code (PUC). They also provided the findings from an overview of FAST's data collection activities to support the TDA indicators, actions taken to implement recommendations from the prior performance audit, and a review of selected key functional performance results.

### Conclusions

The key findings and conclusions from the individual sections of this performance audit are summarized below:

Data Collection – FAST is in compliance with the data collection and reporting requirements for the TDA statistics. In addition, the statistics collected over the six-year review period appear to be consistent with the TDA definitions and indicate general consistency in terms of the direction and magnitude of the year-to-year changes across the statistics.

TDA Performance Trends – FAST's performance trends for the five TDA-mandated indicators were analyzed by mode. A six-year analysis period was used for all the indicators. In addition, component operating costs were analyzed.

- Bus Service TDA Performance Indicators – The following is a brief summary of the TDA performance trend highlights over the six-year period of FY2019 through FY2024:

- The cost per hour (cost efficiency) of bus service increased an average of 17.6 percent annually during the six-year review period.
- The cost per hour ranged from a low of \$119.77 in FY2019 to a high of \$269.06 in the last year, FY2024. There were increases in most years, with the largest of 34.3 percent occurring in FY2023. In FY2019 constant dollars, there was an average annual increase in this indicator of 13.4 percent, more than 3.6 times the annual average CPI rate of 3.7 percent.
- Passenger productivity fluctuated, with passengers per hour and per mile decreasing in the first two years and then increasing thereafter. Overall, passengers per hour increased by 1.4 percent and by 12.8 percent per mile.
- Cost per passenger increased an average of 15.9 percent per year. The largest increase of 147.4 percent was in FY2021. In FY2019 constant dollars, there was an average annual increase in this indicator of 11.8 percent, more than three times the annual average CPI rate of 3.7 percent.
- Bus Service Component Costs – The following is a brief summary of the component operating costs trend highlights for the bus service between FY2019 and FY2024:
  - Purchased transportation was the largest component, comprising about 32.3 percent of total costs over the analysis period. These costs decreased 11.4 percent per year.
  - In total, labor and fringe benefit costs comprised about 22.6 percent, or the third largest component, of the total costs in FY2024. Labor costs decreased an annual average of 3.1 percent, while fringes increased an average of 0.9 percent per year.
  - Services costs contributed 27.5 percent of total costs in FY2024 and decreased an average of 1.1 percent per year.
  - Materials/supplies decreased an average of 17.1 percent per year. These costs were 11.8 percent of the total costs in FY2024.
  - The remaining cost categories, casualty/liability, and other expenses, both increased over the analysis period, but only comprised about five percent of the total operating costs each year.

- Paratransit TDA Performance Indicators – The following is a brief summary of the TDA performance trend highlights over the six-year period of FY2019 through FY2024:
  - Cost per hour increased by 13.3 percent per year, or 9.3 percent in inflation adjusted dollars. This resulted in cost per hour increasing from \$104.34 in FY2019 to \$195.00 in FY 2024. It peaked at 268.43 in FY2021.
  - Though total passengers increased an average of 2.7 percent per year, the productivity rate declined by 5.4 percent due to a corresponding increase in service hours.
  - The operating costs increased an average of 22.9 percent per year over the period, passenger levels increased by a modest 2.7 percent per year. The combined result was a decline in cost effectiveness or an increase in cost per passenger of 19.7 percent per year, or 15.5 percent in constant FY2019 dollars, compared to the Bay area CPI of 3.7 percent.
- Paratransit Component Costs – The following is a brief summary of the component operating costs trend highlights for paratransit between FY2019 and FY2024:
  - Combined labor and fringe benefits were the second largest component of total cost at 22.8 percent in FY2024. Labor and fringe benefits increased respectively by 25.5 and 26.3 percent annually.
  - Service costs increased at an annual average rate of 27.4 percent. These costs were the third largest component or 19.8 percent in FY2024.
  - Purchased transportation costs represented the largest component of the total costs was 44.4 percent of total cost in FY2024. These costs increased by 21.9 percent per year.
  - By the end of the analysis period in FY2024, costs for materials/supplies, casualty/liability and miscellaneous other expenses comprised about 6 percent of the total costs.

Compliance with Statutory Requirements – FAST is in compliance with the sections of the state PUC that were reviewed as part of this performance audit. These sections included requirements concerning CHP terminal safety inspections, labor

contracts, reduced fares, Welfare-to-Work, revenue sharing, and evaluating passenger needs.

Status of Prior Audit Recommendations – There were no recommendations made in FAST’s prior audit.

Functional Performance Indicator Trends – to further assess FAST’s performance over the past three years, a detailed set of systemwide and modal functional area performance indicators was defined and reviewed.

- Systemwide (All Modes) – The following is a brief summary of the systemwide functional trend highlights between FY2022 and FY2024:
  - Administrative costs compared to total costs increased by 20.0 percent and compared to vehicle service hours by 64.8 percent during this audit period.
  - Marketing costs remained stable overall compared to total administrative costs and increased on the basis of passenger trips.
  - The systemwide farebox recovery ratio decreased over the audit period from 6.3 percent to 3.9 percent, a decline of 38.2 percent.
- Bus Service – The following is a brief summary of the bus service functional trend highlights between FY2022 and FY2024:
  - Service Planning results showed an overall 253.1 percent increase in the cost per passenger mile, farebox recovery down from 6.58 to 4.77 percent, TDA recovery ratio remained stable, on average 94 percent vehicle miles and hours were operated in service, and passengers per vehicle service mile and hour both increased during the audit period.
  - Operations results showed a decrease in vehicle operations costs as a portion of total operating costs, but an increase in vehicle operations costs per hour. On time performance improved. The rate of complaints per 100,000 passenger trips declined during this audit period. The percentage of missed trips spiked in FY2022 due to the unavailability of operators during the COVID 19 pandemic. It decreased by the end of the audit period.

- Maintenance results showed an increase in total maintenance costs as a portion of total operating costs. At the same time, vehicle maintenance costs per service mile increased substantially, an increase of 207.1 percent during the audit period. The vehicle spare ratio increased from 34.9 percent in the first year to 52.0 percent in the last year. Mean distance between major failures and all failures improved significantly from the beginning to the end of the audit period.
- Safety results showed preventable accidents per 100,000 vehicle miles decreasing from FY2022 to FY2023 but increased in FY2024.
- Paratransit – The following is a brief summary of the paratransit functional trend highlights between FY2022 and FY2024:
  - Service Planning results showed an overall 9.5 percent increase in the cost per passenger mile, farebox recovery down from 4.20 to 2.16 percent, TDA recovery down from 89.35 to 77.52 percent, at least 87 percent of vehicle miles and 88 percent of hours were operated in service, an almost steady rate of passengers per vehicle service mile and some decline in passengers per hour.
  - Operations results showed a 27.7 percent increase in vehicle operations costs as a portion of total operating costs, an increase of 10.8 percent in vehicle operations cost per hour. All trips were within the on-time window and there were very few complaints and no missed trips. There were no ADA trip denials. The rate of trip cancellations declined slightly during the audit. The rate of late trip cancellations and no shows increased in the last year of the audit, the year in which demand response service was expanded to those beyond ADA eligible persons.
  - Maintenance results showed total maintenance costs compared to total operating costs declined by 15.1 percent over the three years. At the same time vehicle maintenance costs per service mile remained stable. The spare ratio was reduced from 58.3 percent in the first two years to 41.2 percent in the last year of this audit. The mean distance between major and all mechanical failure decreased 63.0 and 55.6 percent respectively, from FY2022 to FY2024.
  - Safety results showed that there were no preventable accidents during this audit period.

## Recommendations

1 DEVELOP, EVALUATE, AND IMPLEMENT OPTION(S) TO IMPROVE COST EFFICIENCY AND EFFECTIVENESS OF THE MOTOR BUS SERVICE

*[Reference Section: III TDA Performance Indicators and Trends]*

FAST restructured motor bus service in FY2023 and FY2024. It stopped operating commuter bus service in FY2023. It eliminated Routes 2, 4 and 8 in FY2024. It began operation of FAST Connect, a Shared on-demand microtransit service in two zones in FY2024. During the audit period cost per vehicle service hour increased by 34.3 percent from FY2022 to FY2023 and 17.9 percent in FY2024. It peaked at \$269.06 per service hour in FY2024. Though service effectiveness recovered to 10.9 passengers per vehicle service hour in FY2024, cost effectiveness, cost per passenger peaked at \$32.96 in FY 2023 and declined \$24.62 in FY2024. It is recommended that FAST develop, evaluate, and implement option(s) to improve cost efficiency and effectiveness of its fixed route bus service.

**APPENDIX A:  
INPUT STATISTICS FOR  
FUNCTIONAL PERFORMANCE MEASURES**

## Functional Performance Inputs - Systemwide (All Modes)

Data Item	FY2022	FY2023	FY2024	Source
Total Operating Costs	\$11,981,996	\$10,189,041	\$10,457,087	NTD F-40
Administrative Costs	\$3,622,114	\$3,227,183	\$3,793,165	NTD F-40
Vehicle Service Hours	68,765	45,234	43,694	NTD S-10
Marketing Costs	\$27,862	\$49,051	\$27,790	City Financial System Reports
Unlinked Passenger Trips	364,909	273,784	210,783	NTD S-10
Farebox Revenue (All Modes)	\$758,852	\$481,967	\$409,364	NTD F-10

## Functional Performance Inputs – Bus Service

Data Item	FY2022	FY2023	FY2024	Source
Vehicle Service Miles	1,317,084	531,789	328,177	NTD S-10
Total Vehicle Miles	1,430,711	571,103	345,667	NTD S-10
Vehicle Service Hours	63,223	37,777	26,150	NTD S-10
Total Vehicle Hours	67,892	40,076	27,360	NTD S-10
Unlinked Passenger Trips	355,878	261,479	185,764	NTD S-10
Farebox Revenue	\$706,549	\$425,650	\$335,344	NTD F-10
Total Operating Costs	\$10,736,175	\$8,617,555	\$7,035,994	NTD F-30
Passenger Miles	3,143,250	991,567	583,376	NTD S-10
Vehicle Operations Costs	\$4,941,805	\$3,568,973	\$2,423,960	NTD F-30
Local Support (a)	\$6,371,062	\$5,078,296	\$4,508,833	City of Fairfield Audit (D)
TDA Oper. Cost Exclusions - PUC 99247 (b)	\$1,144,833	\$747,661	\$491,386	City of Fairfield Audit
TDA Oper. Cost Exclusions - PUC 99268.17 (c)	\$0	\$0	\$0	N/A
Trips On-Time	59366	52371	41535	Swiftly
Total Trips (Scheduled)	83,851	71,060	53,664	Printed Schedules
Complaints	29	12	8	Solutions for Transit
Missed Trips	58982	4762	1146	Solutions for Transit
Vehicle Maintenance Costs	\$2,345,702	\$1,947,185	\$1,794,958	NTD F-30
Non-Vehicle/Facility Maintenance Costs	\$418,814	\$563,482	\$473,839	NTD F-30
Spare Vehicles (Total less Maximum Service)	15	21	13	NTD S-10
Total Vehicles	43	42	25	NTD S-10
Revenue Vehicle Mechanical System Failures - Total	170	99	20	NTD R-20
Revenue Vehicle Mechanical System Failures - Major	153	77	11	NTD R-20

<b>Data Item</b>	<b>FY2022</b>	<b>FY2023</b>	<b>FY2024</b>	<b>Source</b>
Preventable Accidents (Chargeable Collisions)	15	5	6	Internal Tracking

(a) Local Support includes the following (USOA revenue class in parentheses):

- Auxiliary transportation revenue (406)
- Taxes directly levied (408)
- Local cash grants and reimbursements (409)
- Local special fare assistance (410)
- Subsidy from other sectors of operation (440)
- Other non-federal/non-state grant funds or other revenues

(b) Operating expense object classes exclusive of the following pursuant to PUC Section 99247:

- depreciation and amortization expenses
- subsidies for commuter rail services operated on railroad lines under the jurisdiction of the Federal Railroad Administration
- costs for providing charter services
- vehicle lease costs
- principal and interest payments on capital projects funded with certificates of participation

(c) Operating expense object class exclusions pursuant to PUC Section 99268.17:

- additional operating costs for federally required ADA paratransit service that exceed prior year costs (CPI adjusted)
- cost increases beyond the CPI change for: fuel; alternative fuel programs; power (including electricity);
- insurance premiums/liability claims payouts; state and federal mandates
- start-up costs for new services (not more than two years)

**NOTES:**

(D) Local Support (a) is comprised of Local Transportation Fund, RM2 and Other Revenue.

### Functional Performance Inputs – Paratransit

Data Item	FY2022	FY2023	FY2024	Source
Vehicle Service Miles	72,083	94,892	192,196	NTD S-10
Total Vehicle Miles	80,451	104,985	220,843	NTD S-10
Vehicle Service Hours	5,542	7,457	17,544	NTD S-10
Total Vehicle Hours	6,027	8,037	19,903	NTD S-10
Unlinked Passenger Trips	9,031	12,305	24,974	NTD S-10
Farebox Revenue	\$52,303	\$56,317	\$74,020	NTD F-10
Total Operating Costs	\$1,245,821	\$1,571,486	\$3,421,093	NTD F-30
Passenger Miles	91,936	125,265	230,526	NTD S-10
Vehicle Operations Costs	\$379,081	\$410,556	\$1,329,360	NTD F-30
Local Support (a)	\$998,711	\$1,332,896	\$2,522,046	City of Fairfield Audit (d)
TDA Oper. Cost Exclusions - PUC 99247 (b)	\$69,523	\$41,207	\$72,070	City of Fairfield Audit
TDA Oper. Cost Exclusions - PUC 99268.17 (c)	\$0	\$0	\$0	N/A
Total Trips On-Time (within 30 minute window)	9,031	12,305	24,974	All trips were made within the required 30 minute period.
Total Trips	9,031	12,305	24,974	Solutions for Transit
Complaints	1	1	5	Solutions for Transit
Missed Trips	1	1	0	Solutions for Transit & Pingo (e)
Total ADA Trips	9,031	12,305	14,633	Solutions for Transit
ADA Trip Denials	0	0	0	Solutions for Transit
Total Trip Cancellations	1,058	1,519	1,502	MV/Route Match/Pingo(f)
Total Late Trip Cancellations	287	410	4669	MV/Route Match/Pingo(f)
Total No Shows	337	576	1,651	MV/Route Match/Pingo(f)
Vehicle Maintenance Costs	\$221,287	\$387,190	\$593,852	NTD F-30

<b>Data Item</b>	<b>FY2022</b>	<b>FY2023</b>	<b>FY2024</b>	<b>Source</b>
Non-Vehicle/Facility Maintenance Costs	\$53,993	\$84,472	\$47,953	NTD F-30
Spare Vehicles (Total less Maximum Service)	7	7	7	NTD S-10
Total Vehicles	12	12	17	NTD S-10
Revenue Vehicle Mechanical System Failures - Total	11	8	68	NTD R-20
Revenue Vehicle Mechanical System Failures - Major	7	3	52	NTD R-20
Preventable (Chargeable) Accidents	0	0	0	Internal Tracking

(a) Local Support includes the following (USOA revenue class in parentheses):

- Auxiliary transportation revenue (406)
- Taxes directly levied (408)
- Local cash grants and reimbursements (409)
- Local special fare assistance (410)
- Subsidy from other sectors of operation (440)
- Other non-federal/non-state grant funds or other revenues

(b) Operating expense object classes exclusive of the following pursuant to PUC Section 99247:

- depreciation and amortization expenses
- subsidies for commuter rail services operated on railroad lines under the jurisdiction of the Federal Railroad Administration
- costs for providing charter services
- vehicle lease costs
- principal and interest payments on capital projects funded with certificates of participation

(c) Operating expense object class exclusions pursuant to PUC Section 99268.17:

- additional operating costs for federally required ADA paratransit service that exceed prior year costs (CPI adjusted)
- cost increases beyond the CPI change for: fuel; alternative fuel programs; power (including electricity);
- insurance premiums/liability claims payouts; state and federal mandates
- start-up costs for new services (not more than two years)

(d) Local Support (a) is comprised of Local Transportation Fund, RM2 and Other Revenue.

(e) Pingo was implemented in July 2023 for FAST Connect ADA; Solutions data up until that point.

(f) Annualized based on 11 months of statistics.