Humboldt Transit Authority

TDA Triennial Performance Audit for Fiscal Years 2022/23, 2023/24, and 2024/25

FINAL REPORT | JUNE 2026

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Chapter 1 | Executive Summary

In 2025, the Humboldt County Association of Governments (HCAOG) selected Moore & Associates, Inc., to prepare Triennial Performance Audits of itself as the RTPA and the transit operators to which it allocates TDA funding.

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

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

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

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

Most public transit in Humboldt County is provided through a joint powers authority between the County and the cities of Arcata, Eureka, Fortuna, Rio Dell, and Trinidad. Humboldt Transit Authority is the regional public transit system in the county, providing public transit service between communities along the US 101 Corridor, as well as service between Arcata and Willow Creek along State Route (SR) 299. HTA's transit programs are under the Ride Humboldt systems with a variety of fixed-route, dial-a-ride, and flex microtransit options.

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

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

The Triennial Performance Audit includes five elements:

- Compliance requirements,
- Prior recommendations,
- Analysis of program data reporting,
- Performance Audit, and
- Functional review.

Test of Compliance

Based on discussions with HTA staff, analysis of program performance, and an audit of program compliance and function, the audit team presents two compliance findings:

- In FY 2024/25, HTA's TDA fiscal audit was not completed prior to the March 31, 2026, extended deadline. As of the time of this report (May 2026), the audit had yet to be finalized.
- HTA does not appear to be using the TDA definition of Full-time Equivalent (FTE) Employee in its reporting to the State Controller.

Status of Prior Recommendations

The prior Triennial Performance Audit – completed in 2023 by LSC Transportation Consultants, Inc. for the three fiscal years ending June 30, 2022 – included the following recommendations:

1. Report operating data and performance measures to the State Controller in accordance with definitions in Appendix B of the *Performance Audit Guidebook*.
   Status: Implemented.

2. If farebox recovery ratio falls below the 10 percent TDA requirement, consider allowances made by AB 149 (2021).
   Status: Implemented.

Findings and Recommendations

Based on discussions with HTA staff, analysis of program performance, and a review of program compliance and function, the audit team submits the aforementioned findings related to TDA compliance for the Humboldt Transit Authority.

- In FY 2024/25, HTA's TDA fiscal audit was not completed prior to the March 31, 2026, extended deadline. As of the time of this report (May 2026), the audit had yet to be finalized.
- HTA does not appear to be using the TDA definition of Full-time Equivalent (FTE) Employee in its reporting to the State Controller.

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

Exhibit 1.1 Summary of Audit Recommendations

Recommendations		Importance	Timeline
1	Work with HCAOG and the TDA fiscal auditor to ensure the annual TDA fiscal audit is completed on or before the extended deadline of March 31.	High	FY 2026/27
2	Utilize the TDA definition of Full-time Equivalent (FTE) Employee within State Controller Financial Transaction Reports.	Medium	FY 2026/27
3	Explore increasing staffing levels to support continued expansion, which may include a dedicated Trainer and/or additional Transportation Supervisors.	Medium	FY 2027/28

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Chapter 2 | Audit Scope and Methodology

The Triennial Performance Audit (TPA) of the Humboldt Transit Authority's public transit program covers the three-year period ending June 30, 2025. The California Public Utilities Code requires all recipients of Transit Development Act (TDA) funding to complete an independent review on a three-year cycle in order to maintain funding eligibility.

In 2025, the Humboldt County Association of Governments (HCAOG) selected Moore & Associates, Inc., to prepare Triennial Performance Audits of itself as the RTPA and the transit operators to which it allocates TDA funding. Moore & Associates is a consulting firm specializing in public transportation, including audits of non-TDA Article 4 recipients. Selection of Moore & Associates followed a competitive procurement process.

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

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

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

Objectives

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

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

Scope

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

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

Methodology

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

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

- National Transit Database reports;
- Accident/road call logs; and
- Organizational chart.

The methodology for this audit included a site visit with HTA representatives on March 11, 2026. The audit team met with Greg Pratt (General Manager), toured the operator's operations and maintenance facility at 133 V St. in Eureka, and reviewed materials germane to the triennial audit.

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

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

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Chapter 3 | Program Compliance

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

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

Two compliance issues were identified for Humboldt Transit Authority:

- In FY 2024/25, HTA's TDA fiscal audit was not completed prior to the March 31, 2026, extended deadline. It was completed five weeks late, on May 8, 2026..
- HTA does not appear to be using the TDA definition of Full-time Equivalent (FTE) Employee in its reporting to the State Controller.

Developments Occurring During the Audit Period

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

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

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

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

- Prohibits the imposition of the TDA revenue penalty on an operator that did not maintain the required ratio of fare revenues to operating cost from FY 2019/20 through FY 2025/26.
- Expands the definition of "local funds" to enable the use of federal funding to supplement fare revenues and allows operators to calculate free and reduced fares at their actual value.
- Adjusts the definition of operating cost to exclude the cost of ADA paratransit services, demand-response and microtransit services designed to extend access to service, ticketing/payment systems, security, some pension costs, and some planning costs.
- Allows operators to use STA funds as needed to keep transit service levels from being reduced or eliminated through FY 2025/26.

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

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

Exhibit 3.1 Transit Development Act Compliance Requirements

Compliance Element	Reference	Compliance	Comments
State Controller Reports submitted within seven months of the end of the fiscal year.	PUC 99243	In compliance	FY 2022/23: January 30, 2024 FY 2023/24: January 30, 2025 FY 2024/25: February 2, 2026*
Fiscal and compliance audits submitted within 180 days following the end of the fiscal year (or with up to 90-day extension).	PUC 99245	Not in compliance	FY 2022/23: March 27, 2024 FY 2023/24: February 12, 2025 FY 2024/25: May 8, 2026
Operator's terminal rated as satisfactory by CHP within the 13 months prior to each TDA claim.	PUC 99251 B	In compliance	January 16, 2025 December 4, 2023 November 2, 2022 October 8, 2021
Operator's claim for TDA funds submitted in compliance with rules and regulations adopted by the RTPA.	PUC 99261	In compliance	
If operator serves urbanized and non-urbanized areas, it has maintained a ratio of fare revenues to operating costs at least equal to the ratio determined by the rules and regulations adopted by the RTPA.	PUC 99270.1	Not applicable	HTA does not serve an urbanized area
Except as otherwise provided, the allocation for any purpose specified under Article 8 may in no year exceed 50% of the amount required to meet the total planning expenditures for that purpose.	PUC 99405	Not applicable	
An operator receiving allocations under Article 8(c) may be subject to regional, countywide, or subarea performance criteria, local match requirements, or fare recovery ratios adopted by resolution of the RTPA.	PUC 99405	Not applicable	
The operator's definitions of performance measures are consistent with the Public Utilities Code Section 99247.	PUC 99247	Not in compliance	HTA appears to have been reporting a person-count, rather than work hours.
The operator does not routinely staff with two or more persons a vehicle for public transportation purposes designed to be operated by one person.	PUC 99264	In compliance	
The operator's operating budget has not increased by more than 15% over the preceding year, nor is there a substantial increase or decrease in the scope of operations or capital budget provisions for major new fixed facilities unless the operator has reasonably supported and substantiated the change(s).	PUC 99266	In compliance	FY 2022/23: +9.40% FY 2023/24: +18.04% FY 2024/25: +8.38% *Source: HTA annual budgets.* *FY 2024 saw significant increases in administration and operations, as well as fuel.*

**January 31, 2026 fell on a Saturday. As a result, the deadline for the State Controller Report filing for that year was February 2, 2026. As such, submittal on that date was in compliance.*

Compliance Element	Reference	Compliance	Comments
If the operator serves an urbanized area, it has maintained a ratio of fare revenues to operating cost at least equal to one-fifth (20 percent).	PUC 99268.2, 99268.4, 99268.1	Not applicable	
If the operator serves a rural area, it has maintained a ratio of fare revenues to operating cost at least equal to one-tenth (10 percent).	PUC 99268.2, 99268.4, 99268.5	In compliance	FY 2022/23: 12.69% FY 2023/24: 10.91% FY 2024/25: 10.41% *Source: TDA fiscal audits*
For a claimant that provides only services to elderly and handicapped persons, the ratio of fare revenues to operating cost shall be at least 10 percent.	PUC 99268.5, CCR 6633.5	Not applicable	
If the operator has utilized the exemption from the farebox recovery requirement for extension of services, it shall submit a report on the service to the RTPA within 90 days of the end of the first year of implementation.	PUC 99268.8, CCR 6633.8	Not applicable	
The current cost of the operator's retirement system is fully funded with respect to the officers and employees of its public transportation system, or the operator is implementing a plan approved by the RTPA, which will fully fund the retirement system for 40 years.	PUC 99271	In compliance	
An operator claiming funds under Article 4.5 (CTSA) is in compliance with PUC 99268.3, 99268.4, 99268.5, or 99268.9, or regional, countywide, or county subarea performance criteria, local match requirements, or fare recovery ratios adopted by the RTPA.	PUC 99275.5	Not applicable	
If the operator receives State Transit Assistance funds, the operator makes full use of funds available to it under the Urban Mass Transportation Act of 1964 before TDA claims are granted.	CCR 6754 (a) (3)	In compliance	

Compliance Element	Reference	Compliance	Comments
In order to use State Transit Assistance funds for operating assistance, the operator's total operating cost per revenue hour does not exceed the sum of the preceding year's total plus an amount equal to the product of the percentage change in the CPI for the same period multiplied by the preceding year's total operating cost per revenue hour. An operator may qualify based on the preceding year's operating cost per revenue hour or the average of the three prior years. If an operator does not meet these qualifying tests, the operator may only use STA funds for operating purposes according to a sliding scale.	PUC 99314.6	In compliance	HTA uses STA funds for both operations and capital. HCAOG includes a form for the efficiency tests in its rules. However, this requirement was waived during audit period.
For an operator qualifying under PUC 99268.1, the funds received from the local transportation fund under Article 4 shall not exceed 50 percent of the amount that is the sum of the operator's operating cost, capital requirements, and debt service requirements less the sum of the operator's revenues from federal grants and the state transit assistance fund. The operator may receive from the local transportation fund up to 100 percent, rather than 50 percent, of the amount representing the operating cost of an extension of its public transportation system if the extension is within the definition of Section 6619.1 and if all the conditions of Section 6633.8 are met.	CCR 6633.1	Not applicable	
A transit claimant is precluded from receiving monies from the Local Transportation Fund and the State Transit Assistance Fund in an amount which exceeds the claimant's capital and operating costs less the actual amount of fares received, the amount of local support required to meet the fare ratio, the amount of federal operating assistance, and the amount received during the year from a city or county to which the operator has provided services beyond its boundaries.	CCR 6634	In compliance	

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Chapter 4 | Prior Recommendations

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

The prior audit – completed in July 2023 by LSC Transportation Consultants, Inc. for the three fiscal years ending June 30, 2022 – included two recommendations:

1. Report operating data and performance measures to the State Controller in accordance with definitions in Appendix B of the Performance Audit Guidebook.

   Discussion: HTA compiles detailed operating data reports for each route/type of service. The prior auditor noted the Dial-A-Ride reports separate revenue and non-revenue hours and miles. However, it also observed fixed-route reports only include total vehicle hours and miles. Those were also the figures reported to the State Controller. To be consistent with other transit operators, the prior auditor recommended HTA report vehicle service hours and miles to the State Controller as defined in Appendix B of the Performance Audit Guidebook. Discussion with HTA staff suggested that separated revenue and non-revenue vehicle miles and hours were extremely difficult to track using their various tools..

   Progress: HTA reports Vehicle Service Hours (VSH) and Vehicle Service Miles (VSM) using a combination of system data and manual workarounds due to limitations in available software tools. Revenue miles are primarily derived from the GTFS feed, which provides structured route-based data. However, GTFS is static and does not account for deviations such as off-route travel, requiring supplemental use of tools like Google Maps or manual estimates for non-revenue mileage. Swiftly is not currently able to reliably separate revenue and non-revenue service metrics for this operation, which limits its usefulness for VSH and VSM reporting in this context.

   To address these gaps, HTA uses workarounds through RideCo (for Dial-A-Ride and microtransit) and internal tracking methods to estimate deadhead miles and non-revenue hours. Similar adjustments are made for revenue versus non-revenue service hours. This hybrid approach allows HTA to produce the required reporting data, though it relies on multiple systems and manual reconciliation rather than a single integrated source.

   Status: Implemented.

2. If farebox recovery ratio falls below the 10 percent TDA requirement, consider allowances made by AB 149 (2021).

   Discussion: While the farebox recovery ratio did not fall below 10 percent during the prior audit period, the prior auditor advised HTA to consider how it would meet that requirement should the farebox recovery ratio fall below that threshold. The auditor cited additional revenues that could

be included in the farebox recovery calculation under PUC 99268.17 (as amended by AB 149) as well as potential exclusions to operating cost under PUC 99268.19 (as amended by AB 149).

Progress: Humboldt Transit Authority's farebox recovery ratio (FBRR) has historically remained above 10 percent, and therefore has not triggered the need for additional corrective measures. During the current audit period, the farebox recovery ratio remained above 10 percent, and the farebox recovery ratio is accurately calculated within the TDA fiscal audit. HTA noted that requiring expanded tracking or reporting to further analyze or augment the farebox recovery ratio would place an undue administrative burden on its Finance Department. As such, HTA found additional efforts to enhance the farebox recovery ratio would not be necessary unless it were to fall below 10 percent ***and*** the metric continued to be used as a key determinant for TDA eligibility. (Note: While a 10 percent farebox recovery ratio does mean 90 percent of funding must come from other sources, this recommendation and its resolution was specific to the 10 percent farebox recovery ratio as a compliance requirement under the TDA.)

Status: Implemented.

Chapter 5 | Data Reporting Analysis

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

- **Operating Cost:** In FY 2022/23, operating costs were consistent between the TDA fiscal audit and the State Controller report but differed from figures reported in monthly performance reports and to the National Transit Database (NTD). In FY 2023/24, operating costs were consistent between monthly performance reports and the NTD, while the TDA fiscal audit and State Controller reports differed from those figures. In FY 2024/25, all three external reports were generally consistent, with a variance of less than three percent between the highest reported figure (TDA fiscal audit) and the lowest (NTD report). The monthly performance report was the outlier, and was considerably lower than the figures reported elsewhere. Accounting adjustments following completion of the monthly reports can explain some of the variances.

- **Fare Revenue:** Fare revenue data was inconsistent across all reporting sources in both FY 2022/23 and FY 2023/24. In FY 2024/25, data reported in the TDA fiscal audit and to the State Controller were generally consistent, while data reported to the NTD was generally consistent with fare revenue reported internally. Accounting adjustments following completion of the monthly reports can explain some of the variances.

- **Vehicle Service Hours (VSH):** This metric was generally reported consistently in FY 2022/23. However, data reported in FY 2023/24 experienced variances ranging between 1.7 percent and 17.5 percent. In FY 2024/25, these variances ranged from 3.5 percent to 18.9 percent.

- **Vehicle Service Miles (VSM):** In FY 2022/23 and FY 2024/25, this metric was reported consistently between two of the three reports, though not the same two reports in both years. The variance between the two consistent reports and the outlier were modest, at just 0.4 percent in FY 2022/23 and 2.7 percent in FY 2024/25. In FY 2023/24, the variance between the highest and lowest reported figures was 11.7 percent. The monthly performance reports and NTD report were the most consistent of the three reports.

- **Passengers:** in FY 2022/23, this metric was reported consistently. In FY 2023/24, data reported on the monthly performance reports matched data reported on the NTD report. However, data reported to the State Controller was 16.7 percent higher. In FY 2024/25, data reported on the NTD report was slightly higher than that reported in the monthly performance reports, while data reported to the State Controller was 16.8 percent higher.

- **Full-time Equivalent (FTE) Employees:** Based on payroll records provided during the audit, HTA appears to be reporting a person-count rather than FTE based on the TDA definition of total work hours divided by 2,000.

Exhibit 5.1 Data Reporting Comparison

Performance Measure	System-Wide FY 2022/23	FY 2023/24	FY 2024/25
Operating Cost (Actual $)			
TDA fiscal audit	$8,663,029	$9,720,370	$11,366,832
Monthly Performance Reports	$7,402,094	$7,148,597	$9,795,953
National Transit Database	$7,402,092	$7,083,203	$11,039,977
State Controller Report	$8,663,016	$10,077,702	$11,170,980
Fare Revenue (Actual $)			
TDA fiscal audit	$949,313	$927,626	$1,110,678
Monthly Performance Reports	$1,038,495	$1,097,508	$1,281,599
National Transit Database	Not provided	$1,072,126	$1,289,289
State Controller Report	$1,583,449	$1,943,960	$1,110,556
Vehicle Service Hours (VSH)			
Monthly Performance Reports	55,546	56,203	66,010
National Transit Database	56,873	55,242	63,785
State Controller Report	55,546	66,998	75,862
Vehicle Service Miles (VSM)			
Monthly Performance Reports	1,092,410	1,147,427	1,270,664
National Transit Database	1,096,757	1,140,845	1,270,664
State Controller Report	1,092,410	1,273,965	1,304,690
Passengers			
Monthly Performance Reports	445,978	480,830	512,814
National Transit Database	445,978	480,195	513,016
State Controller Report	445,978	562,277	599,032
Full-Time Equivalent Employees			
State Controller Report	64	76	79
Per TDA methodology	0	0	53

Chapter 6 | Performance Analysis

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

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

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

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

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

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

Operating Cost

The Transportation Development Act requires an operator to track and report transit-related costs reflective of the Uniform System of Accounts and Records developed by the State Controller and the California Department of Transportation. The most common method for ensuring this occurs is through a compliance audit report prepared by an independent auditor in accordance with California Code of Regulations Section 6667[1]. The annual independent financial audit should confirm the use of the Uniform System of Accounts and Records. *Operating cost* – as defined by PUC Section 99247(a) – excluded the following during the audit period[2]:

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

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

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

Vehicle Service Hours and Miles

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

Passenger Counts

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

Employees

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

Fare Revenue

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

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

TDA Required Indicators

To calculate the TDA indicators for Humboldt Transit Authority, the following sources were employed:

- Operating Cost was not independently calculated as part of this audit. Operating Cost data were obtained via HTA's State Controller Reports and appeared to be consistent with TDA guidelines. In accordance with PUC Section 99247(a), the reported costs excluded depreciation and other allowable expenses.
- Fare Revenue was not independently calculated as part of this audit. Fare revenue data were obtained via State Controller Reports for each fiscal year covered by this audit. This appears to be consistent with TDA guidelines as well as the uniform system of accounts.
- Vehicle Service Hours (VSH) data were obtained via State Controller Reports for each fiscal year covered by this audit. VSH are based on the time in and out of service. HTA's calculation methodology is consistent with PUC guidelines.
- Vehicle Service Miles (VSM) data were obtained via State Controller Reports for each fiscal year covered by this audit. VSM are calculated based on odometer readings. HTA's calculation methodology is consistent with PUC guidelines.
- Unlinked trip data were obtained via State Controller Reports for each fiscal year covered by this audit. HTA's calculation methodology is consistent with PUC guidelines.
- Full-Time Equivalent (FTE) data were obtained from the operator for each fiscal year covered by this review. Use of the TDA definition regarding FTE calculation was not confirmed.

System Performance Trends

System-wide, operating cost experienced a net 61.3 percent increase between FY 2019/20 and FY 2024/25, and a 29.0 percent increase during the audit period. Fare revenue decreased significantly in FY 2021/22 and again in FY 2024/25, with double-digit increases in other years. This resulted in a net 29.9 percent decrease during the audit period and a net 2.3 percent decrease over the six-year period. Fare revenue reported as such to the State Controller included passenger-paid fares as well as LCTOP fare replacement, Jackpass and County of Humboldt fares, and City of Arcata employee bus passes.

Vehicle service hours (VSH) experienced a 36.6 percent increase during the audit period. Over the six-year period, they experienced a net 23.3 percent increase. Vehicle service miles (VSM) experienced a 19.4 percent increase during the audit period and a net 5.2 percent increase since FY 2019/20. Ridership increased 34.3 percent during the audit period, but only a net 3.1 percent over the six-year period.

Cost-related metrics typically provide an indicator of a system's efficiency, while passenger-related metrics offer insight into its productivity. Improvements are characterized by increases in passenger-related metrics and decreases in cost-related metrics. Operating cost per VSH and operating cost per passenger both decreased during the audit period, by 5.6 percent and 4.0 percent respectively, while operating cost per VSM increased by 8.0 percent. The impact on productivity was mixed. Passengers per VSH declined by 1.7 percent, while passengers per VSM increased by 12.5 percent.

Exhibit 6.1 System Performance Indicators

Performance Measure	System-wide					
	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25
Operating Cost (Actual $)	$6,926,010	$7,676,022	$7,201,091	$8,663,016	$10,077,702	$11,170,980
Annual Change		*10.8%*	*-6.2%*	*20.3%*	*16.3%*	*10.8%*
Fare Revenue (Actual $)	$1,137,024	$647,729	$1,260,250	$1,583,449	$1,943,960	$1,110,556
Annual Change		*-43.0%*	*94.6%*	*25.6%*	*22.8%*	*-42.9%*
Vehicle Service Hours (VSH)	61,546	54,919	53,728	55,546	66,998	75,862
Annual Change		*-10.8%*	*-2.2%*	*3.4%*	*20.6%*	*13.2%*
Vehicle Service Miles (VSM)	1,239,651	1,057,775	1,048,916	1,092,410	1,273,965	1,304,690
Annual Change		*-14.7%*	*-0.8%*	*4.1%*	*16.6%*	*2.4%*
Passengers	581,148	284,964	358,585	445,978	562,277	599,032
Annual Change		*-51.0%*	*25.8%*	*24.4%*	*26.1%*	*6.5%*
Employees	67	58	57	64	76	79
Annual Change		*-13.4%*	*-1.7%*	*12.3%*	*18.8%*	*3.9%*
Performance Indicators						
Operating Cost/VSH (Actual $)	$112.53	$139.77	$134.03	$155.96	$150.42	$147.25
Annual Change		*24.2%*	*-4.1%*	*16.4%*	*-3.6%*	*-2.1%*
Operating Cost/Passenger (Actual $)	$11.92	$26.94	$20.08	$19.42	$17.92	$18.65
Annual Change		*126.0%*	*-25.4%*	*-3.3%*	*-7.7%*	*4.0%*
Passengers/VSH	9.44	5.19	6.67	8.03	8.39	7.90
Annual Change		*-45.0%*	*28.6%*	*20.3%*	*4.5%*	*-5.9%*
Passengers/VSM	0.47	0.27	0.34	0.41	0.44	0.46
Annual Change		*-42.5%*	*26.9%*	*19.4%*	*8.1%*	*4.0%*
Farebox Recovery	16.4%	8.4%	17.5%	18.3%	19.3%	9.9%
Annual Change		*-48.6%*	*0.0%*	*4.4%*	*5.5%*	*-48.5%*
Hours/Employee	918.6	946.9	942.6	867.9	881.6	960.3
Annual Change		*3.1%*	*-0.5%*	*-7.9%*	*1.6%*	*8.9%*
TDA Non-Required Indicators						
Operating Cost/VSM	$5.59	$7.26	$6.87	$7.93	$7.91	$8.56
Annual Change		*29.9%*	*-5.4%*	*15.5%*	*-0.2%*	*8.2%*
VSM/VSH	20.14	19.26	19.52	19.67	19.01	17.20
Annual Change		*-4.4%*	*1.4%*	*0.7%*	*-3.3%*	*-9.6%*
Fare/Passenger	$1.96	$2.27	$3.51	$3.55	$3.46	$1.85
Annual Change		*16.2%*	*0.0%*	*1.0%*	*-2.6%*	*-46.4%*

Sources: FY 2019/20 – FY 2021/22 data taken from prior audit.
FY 2022/23 – FY 2024/25 data from State Controller Reports.

Exhibit 6.2 System Ridership

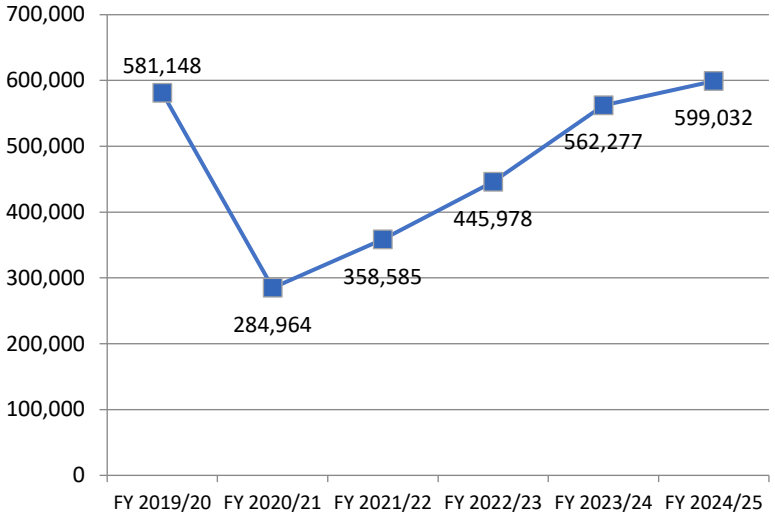


Exhibit 6.3 System Operating Cost/VSH

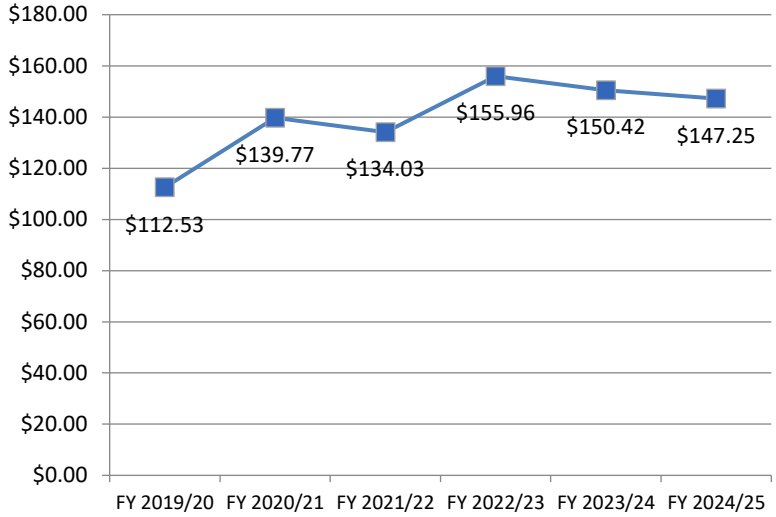


Exhibit 6.4 System Operating Cost/VSM

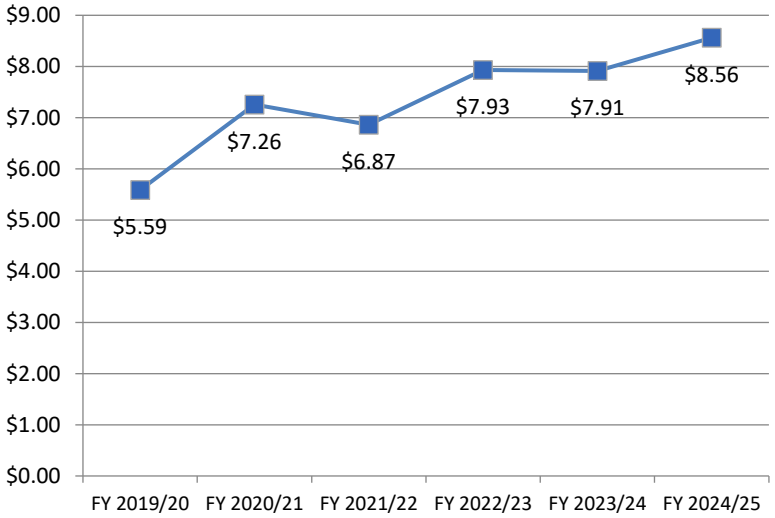


Exhibit 6.5 System VSM/VSH

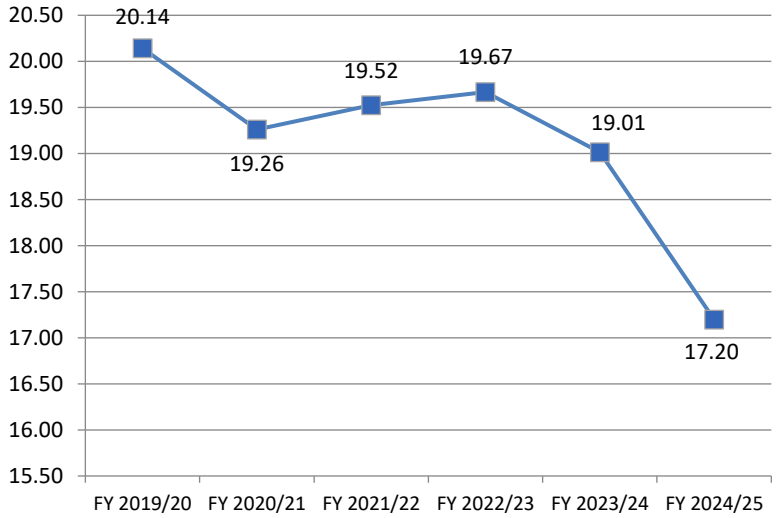


Exhibit 6.6 System Operating Cost/Passenger

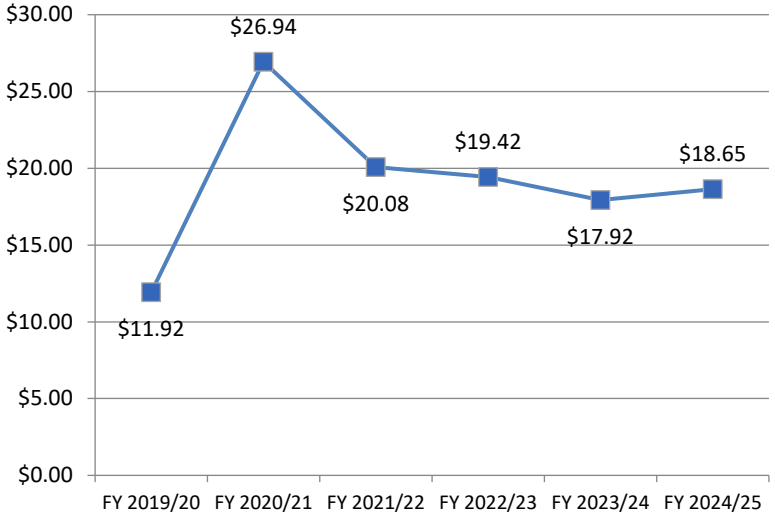


Exhibit 6.7 System Passengers/VSH

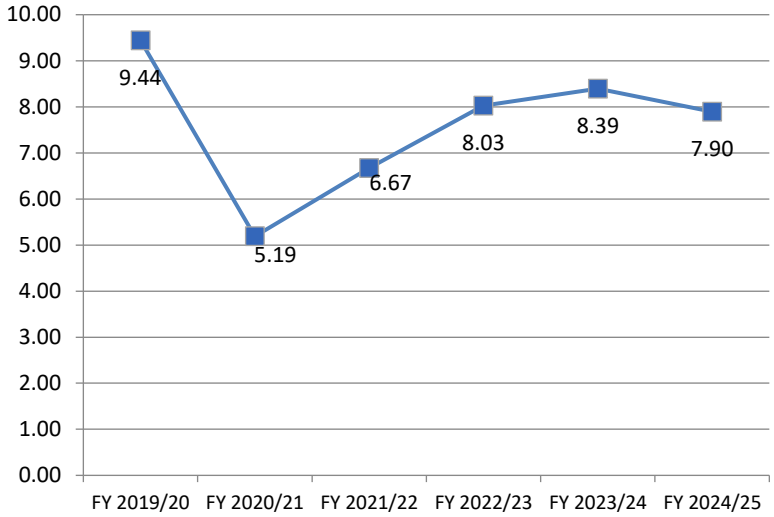


Exhibit 6.8 System Passengers/VSM

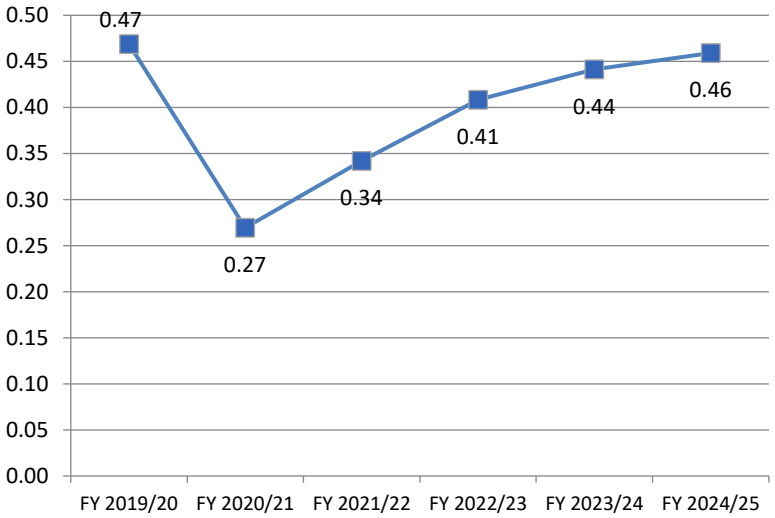


Exhibit 6.9 System VSH/FTE

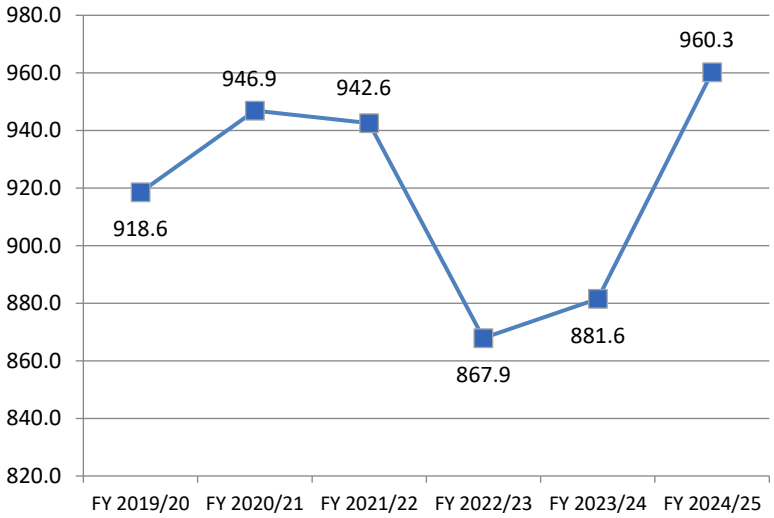


Exhibit 6.10 System Farebox Recovery

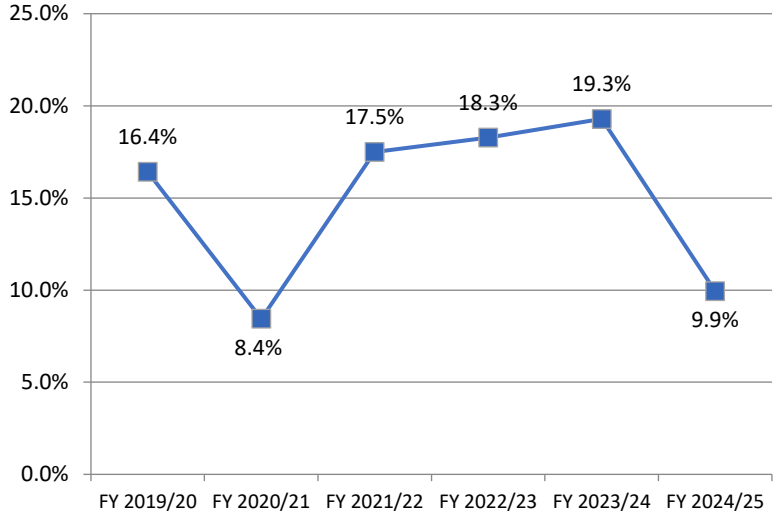
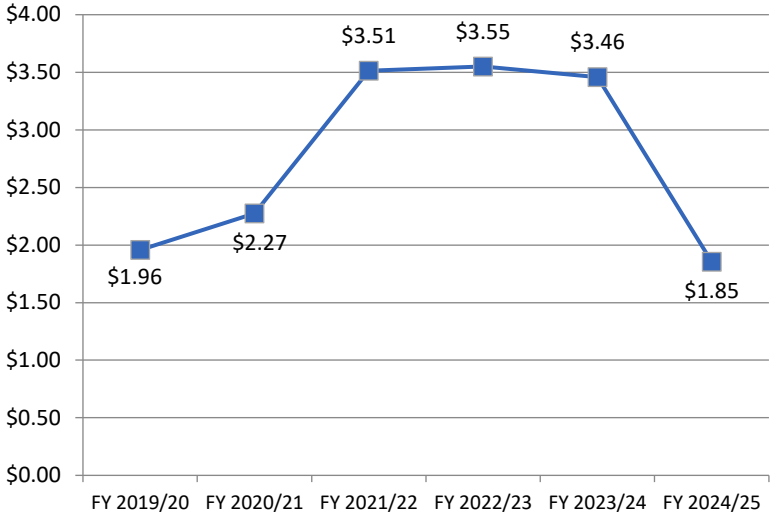


Exhibit 6.11 System Fare/Passenger



Fixed-Route Performance Trends

Fixed-route operating cost experienced a net 63.2 percent increase between FY 2019/20 and FY 2024/25, and a 31 percent increase during the audit period. Fare revenue decreased significantly in FY 2021/22 and again in FY 2024/25 as a result of fare consolidation, with double-digit increases in other years. This resulted in a net 31.5 percent decrease during the audit period and a net 5.0 percent decrease over the six-year period. Fare revenue reported as such to the State Controller included passenger-paid fares as well as LCTOP fare replacement, Jackpass and County of Humboldt fares, and City of Arcata employee bus passes.

Vehicle service hours (VSH) experienced a 39.1 percent increase during the audit period. Over the six-year period, they experienced a net 24.7 percent increase. Vehicle service miles (VSM) experienced a 21.6 percent increase during the audit period and a net 4.3 percent increase since FY 2019/20. Ridership increased 35.6 percent during the audit period, but only a net 3.4 percent over the six-year period.

Operating cost per VSH and operating cost per passenger both decreased during the audit period, by 5.8 percent and 3.3 percent respectively, while operating cost per VSM increased by 7.7 percent. The impact on productivity was mixed. Passengers per VSH declined by 2.5 percent, while passengers per VSM increased by 11.5 percent.

Exhibit 6.12 Fixed-Route Performance Indicators

Performance Measure	Fixed-Route					
	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25
Operating Cost (Actual $)	$5,920,317	$6,699,686	$6,121,090	$7,375,207	$8,657,782	$9,663,646
Annual Change		*13.2%*	*-8.6%*	*20.5%*	*17.4%*	*11.6%*
Fare Revenue (Actual $)	$1,076,748	$647,720	$1,190,239	$1,492,509	$1,898,925	$1,022,662
Annual Change		*-39.8%*	*83.8%*	*25.4%*	*27.2%*	*-46.1%*
Vehicle Service Hours (VSH)	51,805	45,951	46,818	46,431	59,313	64,576
Annual Change		*-11.3%*	*1.9%*	*-0.8%*	*27.7%*	*8.9%*
Vehicle Service Miles (VSM)	1,125,278	954,860	963,882	964,936	1,137,314	1,173,473
Annual Change		*-15.1%*	*0.9%*	*0.1%*	*17.9%*	*3.2%*
Passengers	560,638	269,822	343,451	427,558	544,137	579,613
Annual Change		*-51.9%*	*27.3%*	*24.5%*	*27.3%*	*6.5%*
Employees	53	50	49	56	67	70
Annual Change		*-5.7%*	*-2.0%*	*14.3%*	*19.6%*	*4.5%*
Performance Indicators						
Operating Cost/VSH (Actual $)	$114.28	$145.80	$130.74	$158.84	$145.97	$149.65
Annual Change		*27.6%*	*-10.3%*	*21.5%*	*-8.1%*	*2.5%*
Operating Cost/Passenger (Actual $)	$10.56	$24.83	$17.82	$17.25	$15.91	$16.67
Annual Change		*135.1%*	*-28.2%*	*-3.2%*	*-7.8%*	*4.8%*
Passengers/VSH	10.82	5.87	7.34	9.21	9.17	8.98
Annual Change		*-45.7%*	*24.9%*	*25.5%*	*-0.4%*	*-2.2%*
Passengers/VSM	0.50	0.28	0.36	0.44	0.48	0.49
Annual Change		*-43.3%*	*26.1%*	*24.4%*	*8.0%*	*3.2%*
Farebox Recovery	18.2%	9.7%	19.4%	20.2%	21.9%	10.6%
Annual Change		*-46.8%*	*101.1%*	*4.1%*	*8.4%*	*-51.8%*
Hours/Employee	977.5	919.0	955.5	829.1	885.3	922.5
Annual Change		*-6.0%*	*4.0%*	*-13.2%*	*6.8%*	*4.2%*
TDA Non-Required Indicators						
Operating Cost/VSM	$5.26	$7.02	$6.35	$7.64	$7.61	$8.24
Annual Change		*33.4%*	*-9.5%*	*20.4%*	*-0.4%*	*8.2%*
VSM/VSH	21.72	20.78	20.59	20.78	19.17	18.17
Annual Change		*-4.3%*	*-0.9%*	*0.9%*	*-7.7%*	*-5.2%*
Fare/Passenger	$1.92	$2.40	$3.47	$3.49	$3.49	$1.76
Annual Change		*25.0%*	*44.4%*	*0.7%*	*0.0%*	*-49.4%*

Sources: FY 2019/20 – FY 2021/22 data taken from prior audit.
FY 2022/23 – FY 2024/25 data from State Controller Reports.

Exhibit 6.13 Fixed-Route Ridership

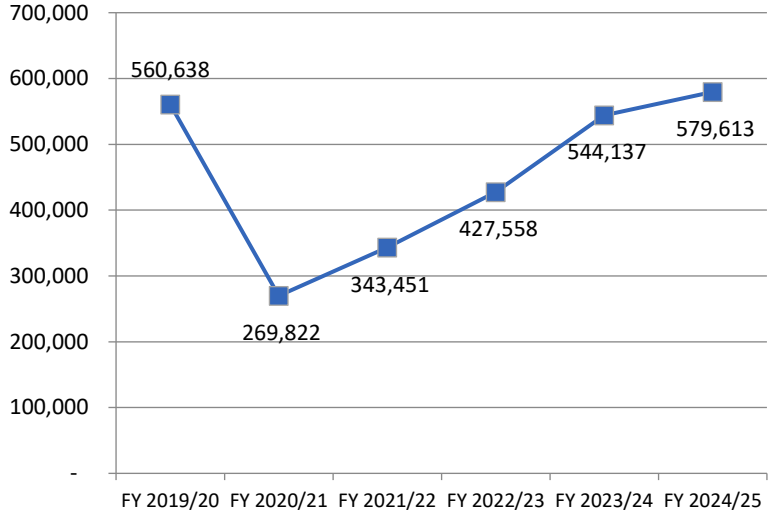


Exhibit 6.14 Fixed-Route Operating Cost/VSH

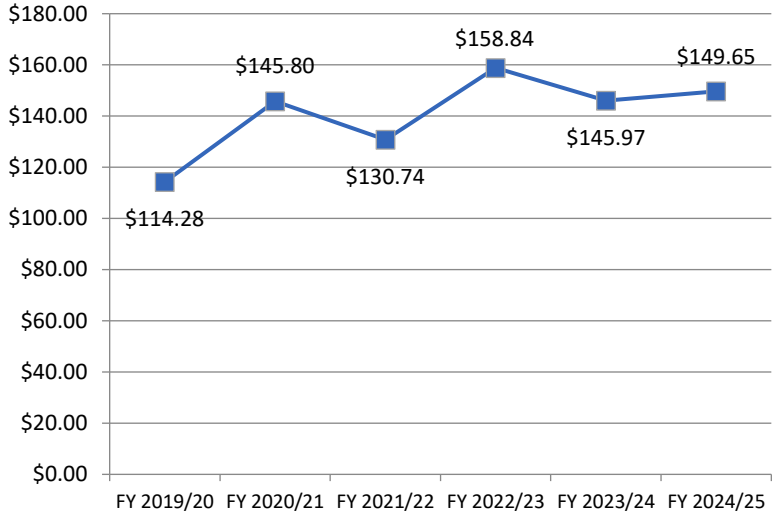


Exhibit 6.15 Fixed-Route Operating Cost/VSM

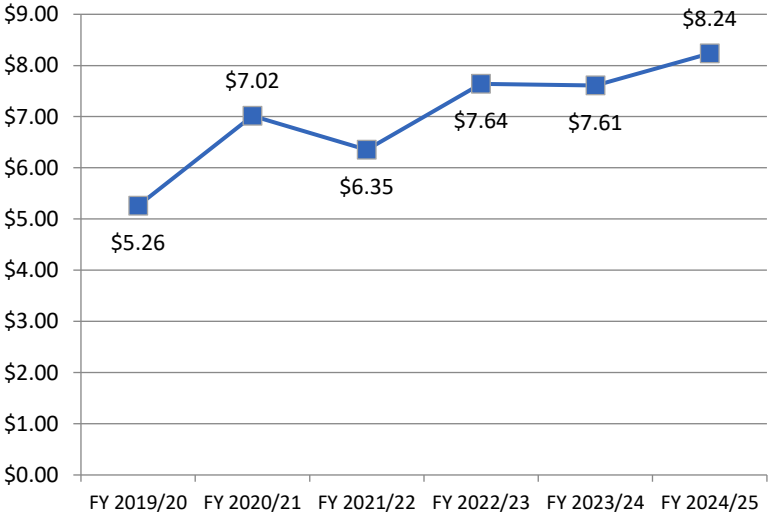


Exhibit 6.16 Fixed-Route VSM/VSH

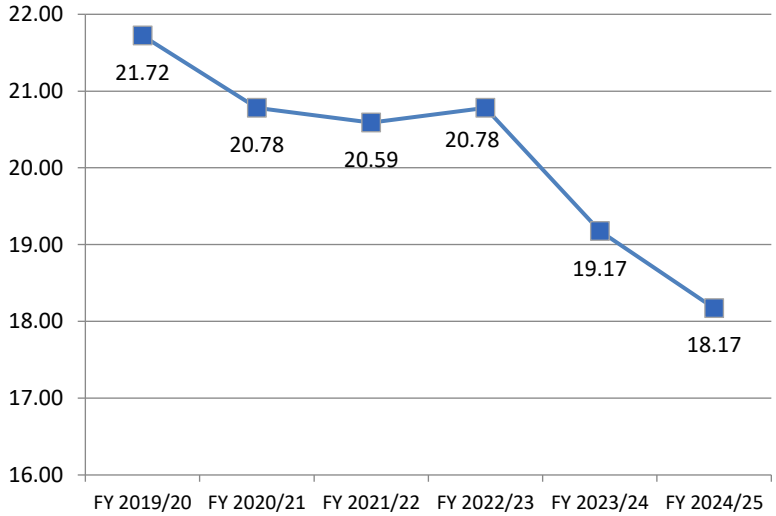


Exhibit 6.17 Fixed-Route Operating Cost/Passenger

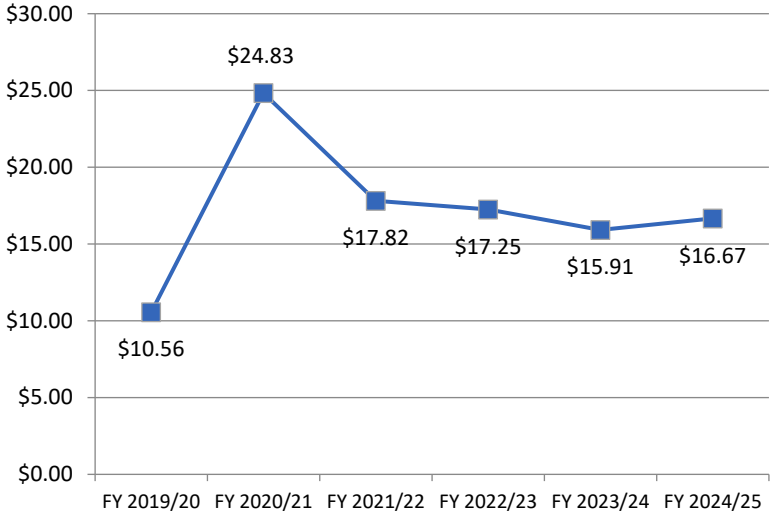


Exhibit 6.18 Fixed-Route Passengers/VSH

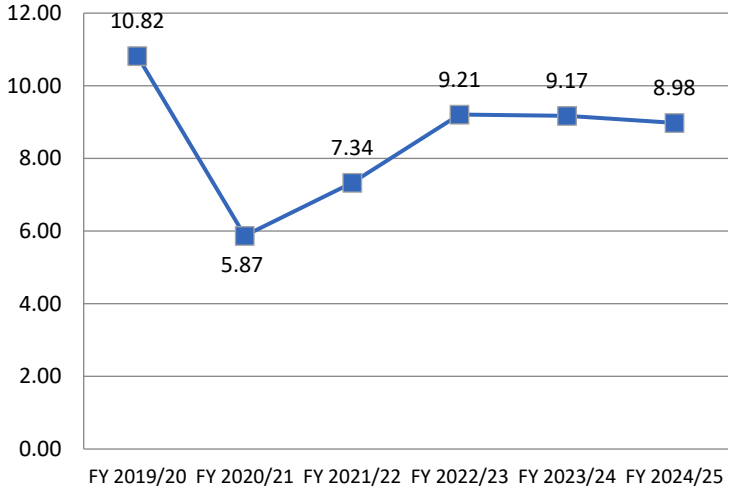


Exhibit 6.19 Fixed-Route Passengers/VSM

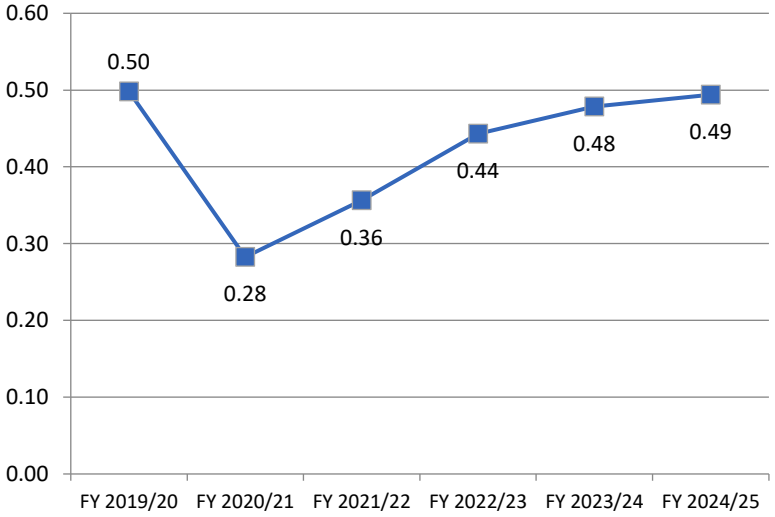


Exhibit 6.20 Fixed-Route VSH/FTE

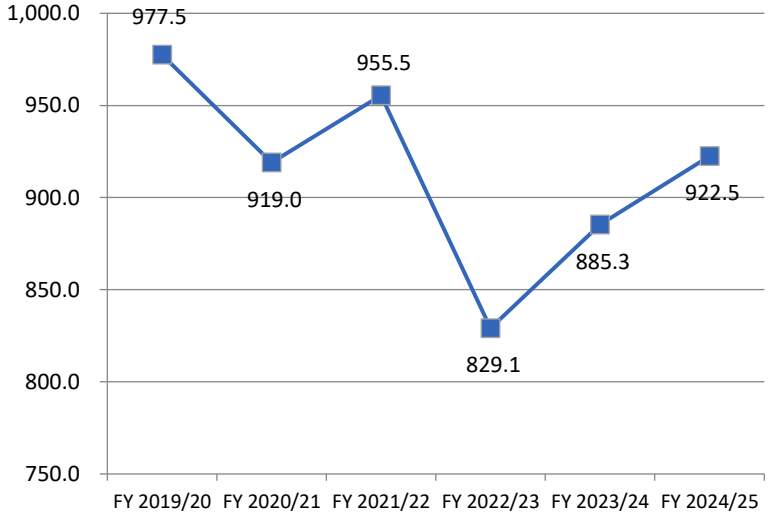


Exhibit 6.21 Fixed-Route Farebox Recovery

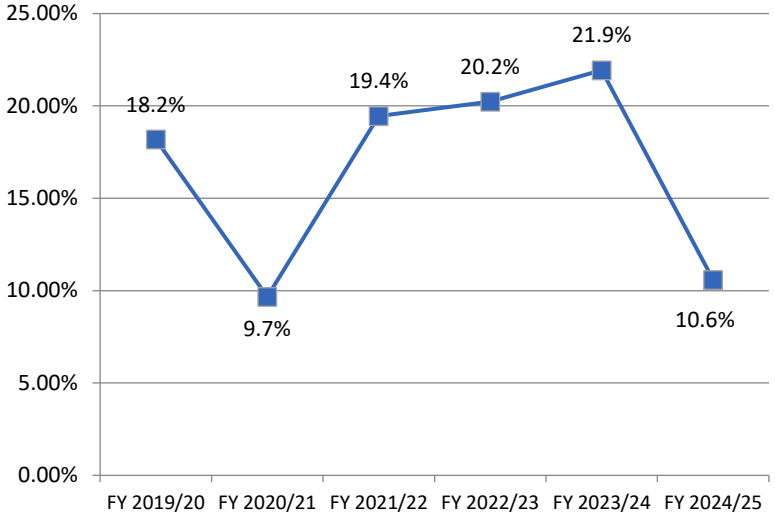
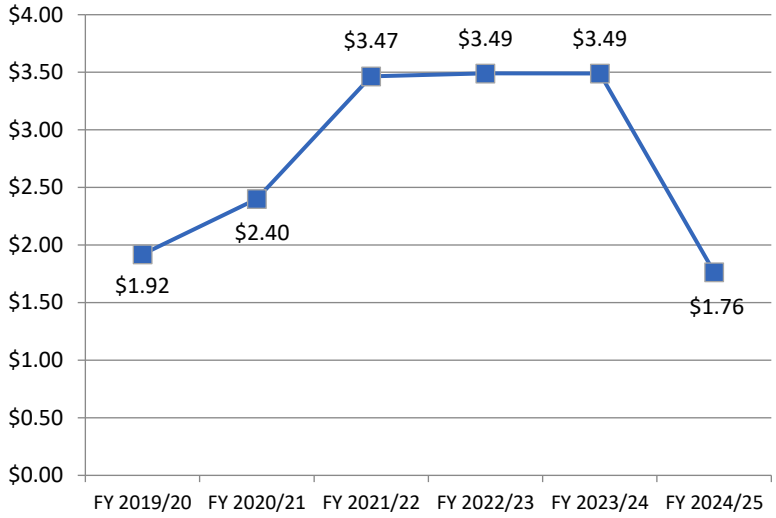


Exhibit 6.22 Fixed-Route Fare/Passenger



Demand-Response Performance Trends

Demand-response operating cost experienced a net 49.9 percent increase between FY 2019/20 and FY 2024/25, and a 17 percent increase during the audit period. Fare revenue decreased significantly in FY 2021/22 and again in FY 2023/24, with double-digit increases in other years. This resulted in a net 3.3 percent decrease during the audit period and a net 45.8 percent increase over the six-year period. Fare revenue reported as such to the State Controller included only passenger-paid fares.

Vehicle service hours (VSH) experienced a net 23.8 percent increase during the audit period. Over the six-year period, they experienced a net 15.9 percent increase. Vehicle service miles (VSM) experienced a net 2.9 percent increase during the audit period and a net 14.7 percent increase since FY 2019/20. Ridership increased a net 5.4 percent during the audit period, but experienced a net 5.3 percent decrease over the six-year period.

Operating cost per VSH decreased during the audit period, by 5.5 percent, while operating cost per passenger and operating cost per VSM increased by 11 percent and 13.7 percent, respectively. The impact on productivity was mixed. Passengers per VSH declined by 14.9 percent, while passengers per VSM increased by 2.4 percent.

Exhibit 6.23 Demand-Response Performance Indicators

Performance Measure	Demand-Response					
	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25
Operating Cost (Actual $)	$1,005,693	$976,336	$1,080,001	$1,287,809	$1,419,920	$1,507,334
Annual Change		*-2.9%*	*10.6%*	*19.2%*	*10.3%*	*6.2%*
Fare Revenue (Actual $)	$60,276	$9	$70,011	$90,940	$45,035	$87,894
Annual Change		*-100.0%*		*29.9%*	*-50.5%*	*95.2%*
Vehicle Service Hours (VSH)	9,741	8,968	6,910	9,115	7,685	11,286
Annual Change		*-7.9%*	*-22.9%*	*31.9%*	*-15.7%*	*46.9%*
Vehicle Service Miles (VSM)	114,373	102,915	85,034	127,474	136,651	131,217
Annual Change		*-10.0%*	*-17.4%*	*49.9%*	*7.2%*	*-4.0%*
Passengers	20,510	15,142	15,134	18,420	18,140	19,419
Annual Change		*-26.2%*	*-0.1%*	*21.7%*	*-1.5%*	*7.1%*
Employees	14	8	8	8	9	9
Annual Change		*-42.9%*	*0.0%*	*0.0%*	*12.5%*	*0.0%*
Performance Indicators						
Operating Cost/VSH (Actual $)	$103.24	$108.87	$156.30	$141.28	$184.77	$133.56
Annual Change		*5.4%*	*43.6%*	*-9.6%*	*30.8%*	*-27.7%*
Operating Cost/Passenger (Actual $)	$49.03	$64.48	$71.36	$69.91	$78.28	$77.62
Annual Change		*31.5%*	*10.7%*	*-2.0%*	*12.0%*	*-0.8%*
Passengers/VSH	2.11	1.69	2.19	2.02	2.36	1.72
Annual Change		*-19.8%*	*29.7%*	*-7.7%*	*16.8%*	*-27.1%*
Passengers/VSM	0.18	0.15	0.18	0.14	0.13	0.15
Annual Change		*-18.0%*	*21.0%*	*-18.8%*	*-8.1%*	*11.5%*
Farebox Recovery	6.0%	0.0%	6.5%	7.1%	3.2%	5.8%
Annual Change		*-100.0%*		*8.9%*	*-55.1%*	*83.8%*
Hours/Employee	695.8	1121.0	863.8	1139.4	853.9	1254.0
Annual Change		*61.1%*	*-22.9%*	*31.9%*	*-25.1%*	*46.9%*
TDA Non-Required Indicators						
Operating Cost/VSM	$8.79	$9.49	$12.70	$10.10	$10.39	$11.49
Annual Change		*7.9%*	*33.9%*	*-20.5%*	*2.9%*	*10.6%*
VSM/VSH	11.74	11.48	12.31	13.99	17.78	11.63
Annual Change		*-2.3%*	*7.2%*	*13.6%*	*27.1%*	*-34.6%*
Fare/Passenger	$2.94	$0.00	$4.63	$4.94	$2.48	$4.53
Annual Change		*-100.0%*	*778211.2%*	*6.7%*	*-49.7%*	*82.3%*

Sources: FY 2019/20 – FY 2021/22 data taken from prior audit.
FY 2022/23 – FY 2024/25 data from State Controller Reports.

Exhibit 6.24 Demand-Response Ridership

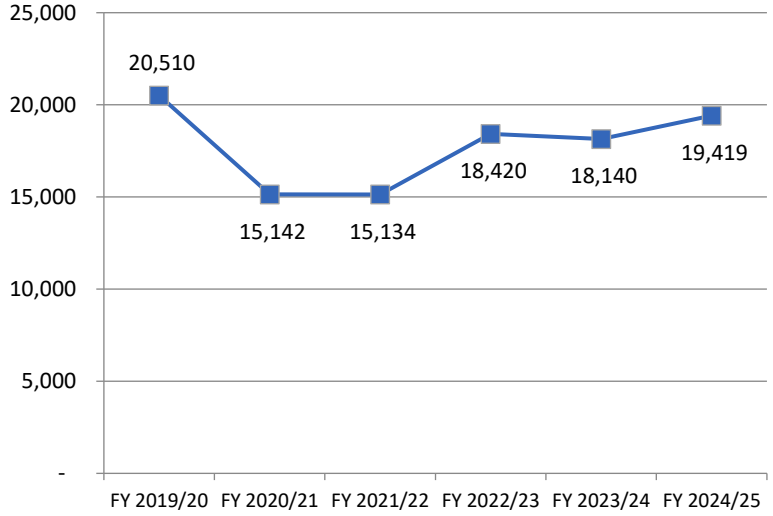


Exhibit 6.25 Demand-Response Operating Cost/VSH

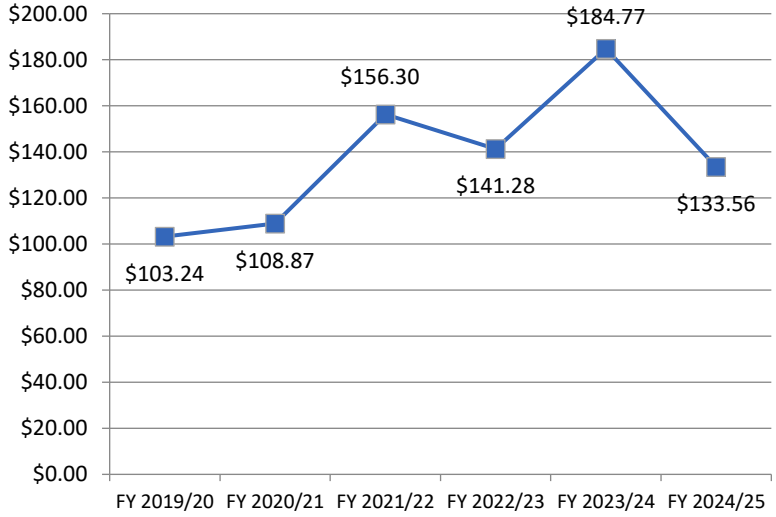


Exhibit 6.26 Demand-Response Operating Cost/VSM

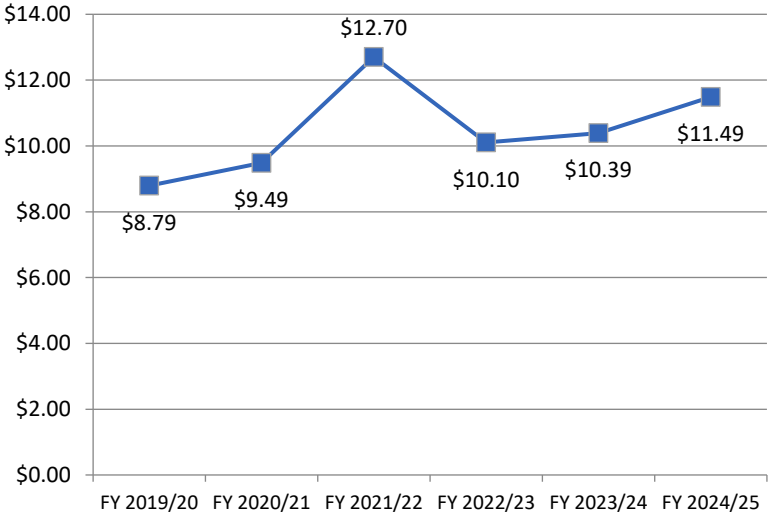


Exhibit 6.27 Demand-Response VSM/VSH

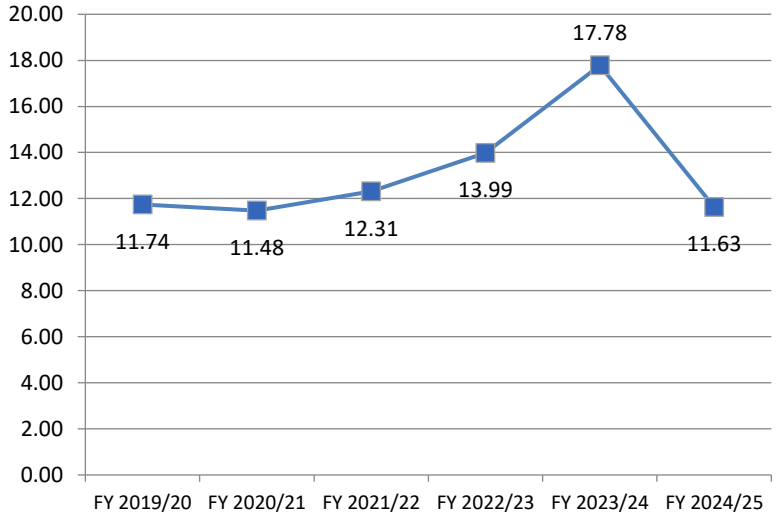


Exhibit 6.28 Demand-Response Operating Cost/Passenger

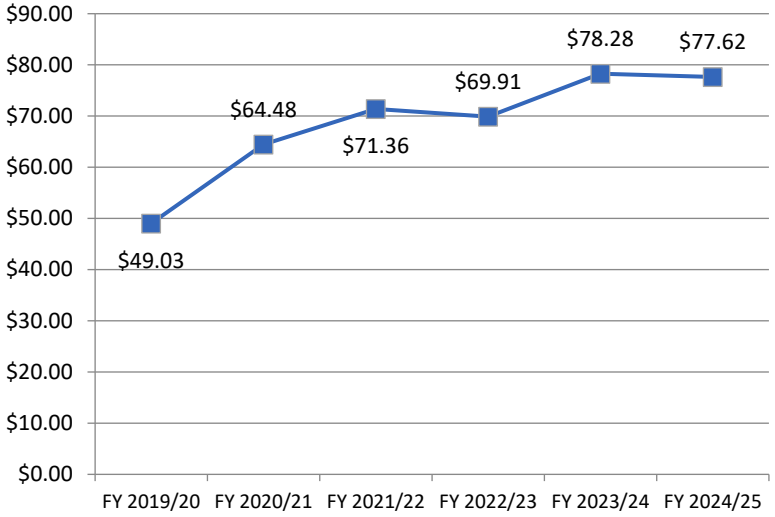


Exhibit 6.29 Demand-Response Passengers/VSH

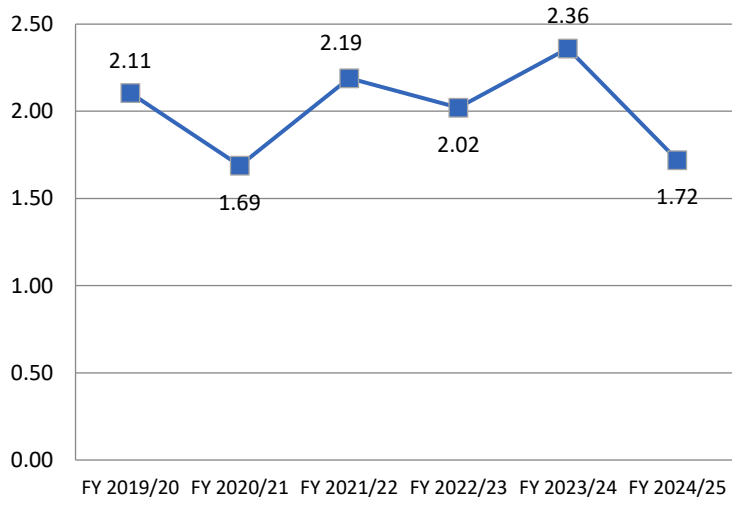


Exhibit 6.30 Demand-Response Passengers/VSM

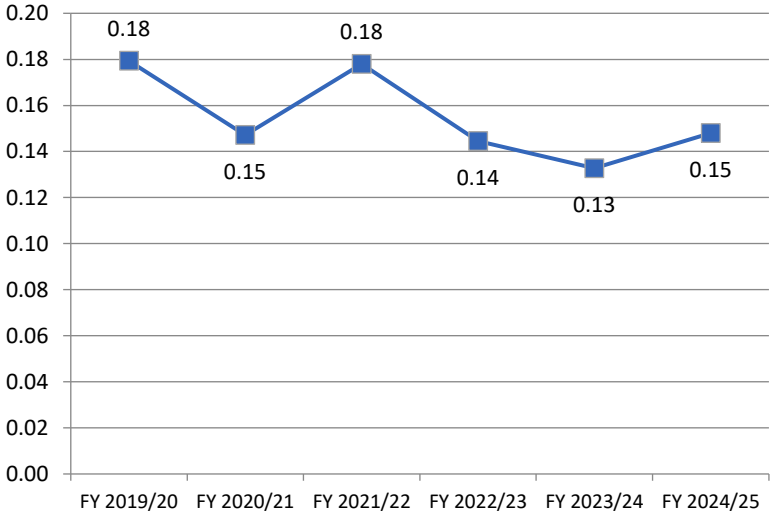


Exhibit 6.31 Demand-Response VSH/FTE

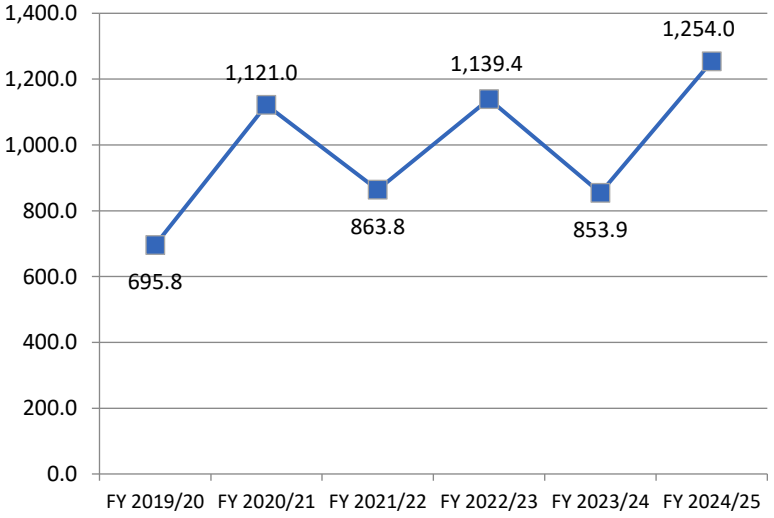


Exhibit 6.32 Demand-Response Farebox Recovery

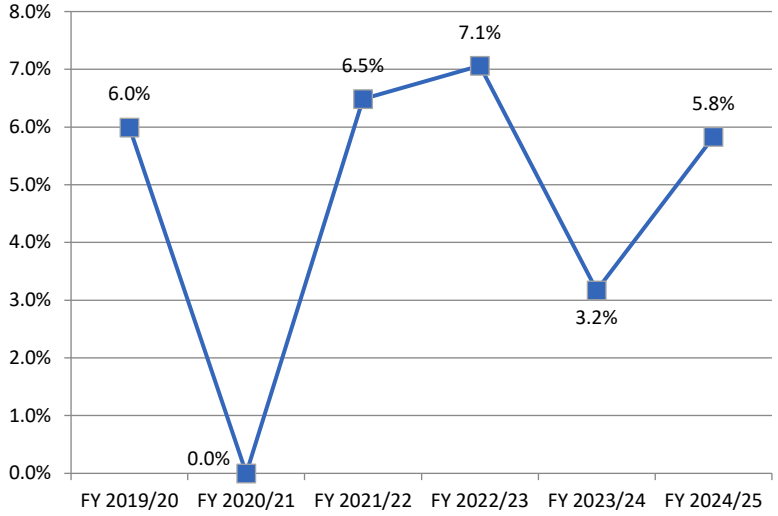
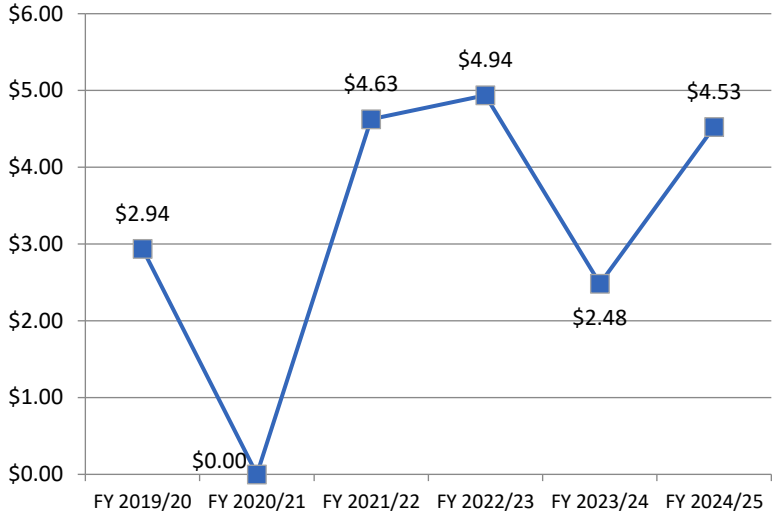


Exhibit 6.33 Demand-Response Fare/Passenger



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Chapter 7 | Functional Review

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

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

Service Overview

Most public transit in Humboldt County is provided through a joint powers authority between the County and the cities of Arcata, Eureka, Fortuna, Rio Dell, and Trinidad. Humboldt Transit Authority is the regional public transit system in the county, providing public transit service between communities along the US 101 Corridor, as well as service between Arcata and Willow Creek along State Route (SR) 299. HTA's transit programs are operated under the Ride Humboldt umbrella with a variety of fixed-route, dial-a-ride, and flex microtransit options. Regional names for the various systems have been retained (along with separate branding on many of the buses) for ease of recognition, as multiple services may operate within a geographic area. A "Ride Humboldt" decal on the vehicles identifies them as part of the HTA system. A summary of each program is listed in Exhibit 7.1.

Exhibit 7.1 HTA Fixed-Route Systems

Route	Service Days and Hours	Areas Served
Arcata & Mad River Transit System		
Red Loop	Monday – Friday, 7 a.m.-7 p.m.	Arcata
Gold Loop	Monday – Friday, 7 a.m.-10 p.m.	Arcata
Orange Loop	Saturday, 7 a.m.-7 p.m.	Arcata
Green & Gold Loop	Monday – Friday, 6:30 a.m.-10:30 a.m. and 3:30 p.m.-7:30 p.m. (when school is in session)	Arcata, Cal Poly Humbolt
Eureka Transit System		
Gold Loop	Monday – Friday, 7 a.m.-6 p.m. Saturday, 9 a.m.-5 p.m.	West Eureka
Purple Loop	Monday – Friday, 7 a.m.-6 p.m.	Central Eureka
Red Loop	Monday – Friday, 7 a.m.-6 p.m.	Northwest/Southeast Eureka
Green Loop	Monday – Friday, 7 a.m.-6 p.m.	East/South Eureka
Rainbow Loop	Saturday, 9 a.m.-5 p.m.	Central/East/South Eureka

Route	Service Days and Hours	Areas Served
North State Express (NSE)		
NSE 101 (formerly Redwood Coast Express)	Monday – Saturday; Southbound: 10 a.m.-1:30 p.m. Northbound: 2:15 p.m.-5:45 p.m.	Travels between Eureka and Ukiah; connects with Crescent City to the north via Redwood Coast Transit and Santa Rosa to the south via Mendocino Transit Authority.
NSE 299 (formerly Willow Creek Intercity)	Monday – Friday, 6:55 a.m. – 6:24 p.m. Saturday, 8:25 a.m. – 8:03 p.m.	Arcata, Blue Lake, Willow Creek
Redwood Transit System		
Redwood Transit System	Monday – Friday, 5:34 a.m.-10:27 p.m. Saturday, 8:30 a.m.-9:27 p.m.	Scotia, Rio Dell, Fortuna, Loleta, Fields Landing, King Salmon, Eureka, Arcata, McKinleyville, Westhaven, and Trinidad
Southern Humboldt Intercity		
Southern Humboldt Intercity	Monday – Friday, 6:46 a.m.-9:20 p.m. Saturday, 8:30 a.m.-7:02 p.m.	Benbow, Garberville, Redway, Phillipsville, Miranda, Myers Flatt, Weott, Redcrest, Rio Dell, Fortuna, College of the Redwoods, Eureka

HTA provides two demand-response systems: Dial-A-Ride and Ride Humboldt Flex. Dial-A-Ride is an eligibility-based origin to destination, shared ride service for persons who are unable to use public transportation due to a disability. Ride Humboldt Flex is an on-demand shared ride service that operates from designated bus stops to offer additional connectivity options within HTA's existing Dial-A-Ride service areas.

Exhibit 7.2 HTA Demand-Response Programs

Program	Operating hours	Service Area
Dial-A-Ride (ADA Paratransit)	Monday – Friday, 7 a.m.-6 p.m. Saturday. 9 a.m.-5 p.m.	Eureka, Arcata, McKinleyville, Old Arcata Road, Manila Samoa, Humboldt Hill, King Salmon, Fields Landing, and College of the Redwoods.
Ride Humboldt Flex	Monday – Friday, 7 a.m.-6 p.m. Saturday. 9 a.m.-5 p.m.	Humboldt, Humboldt Hill, King Salmon, Rosewood, Myrtletown, Eureka, Fairhaven, Samoa, Indianola, Bayside, Sunny Brae, Arcata, Alliance, Calville, Mckinleyville, and Clam Beach

In November 2024, HTA announced it would be consolidating fares across all of the Ride Humboldt transit systems to streamline fare structures, simplify payments, and provide more consistent pricing across all regions. The consolidation excluded Dial-A-Ride and Flex microtransit.

Exhibit 7.3 Fixed-Route Fare Structure

Fare Category	Cash Fare	Tap to Pay
Single Ride	$2.00	$2.00 (unlimited rides for 2 hours)
Day Pass	$5.00	$5.00
Week (7-Day) Pass	$15.00	$15.00
Month (31-Day) Pass	$50.00	$50.00
Stored Value Card	$10.00	-
Stored Value Card	$20.00	-

Reduced fares of $1.00 per ride are available for seniors age 62 and over, youth age 3 through 17, and persons with a disability with transit identification card who use stored value passes.

Passes may be purchased onboard the vehicle with cash or Tap to Pay with a Visa or Mastercard, as well as in person at the HTA office located at 133 V St., Eureka. Digital tickets and transit passes are available through the Token Transit app. Fare capping is available using Tap to Pay as long as the same payment card is used. Ride Humboldt Flex fares are paid at the time of booking, either through the RideCo app or by pre-loading funds on the rider's account at the HTA office.

Exhibit 7.4 Demand-Response Fare Structure

Fare Category	Cost
Dial-A-Ride (ADA Paratransit)	
Single ride, each zone per person ($9.00 maximum regardless of distance traveled)	$3.00
$10 Regional/Multi-ride pass	$10.00
$20 Regional/Multi-ride pass	$20.00
Ride Humboldt Flex	
Each zone per person	$2.00
Each additional zone per person	$4.00

General Management and Organization

Management monitors transit program performance through weekly reviews of data from the Swiftly platform and RideCo system. These tools are used to assess service performance, trip activity, and operational trends on an ongoing basis.

Since the beginning of the audit period, HTA has experienced operational challenges primarily related to the long Redwood Transit System (RTS) routes and intercity services, which are significantly impacted by roadway construction and unpredictable traffic congestion, particularly along Broadway in Eureka. To address these issues, the agency is evaluating service modifications but has not yet implemented final changes. Considerations include eliminating select RTS stops, streamlining routes through communities such as Arcata and Fortuna, and restructuring the Redwood Transit System from a fixed-route commuter service into a more intercity-style service with fewer stops and a city-to-city express model. A draft

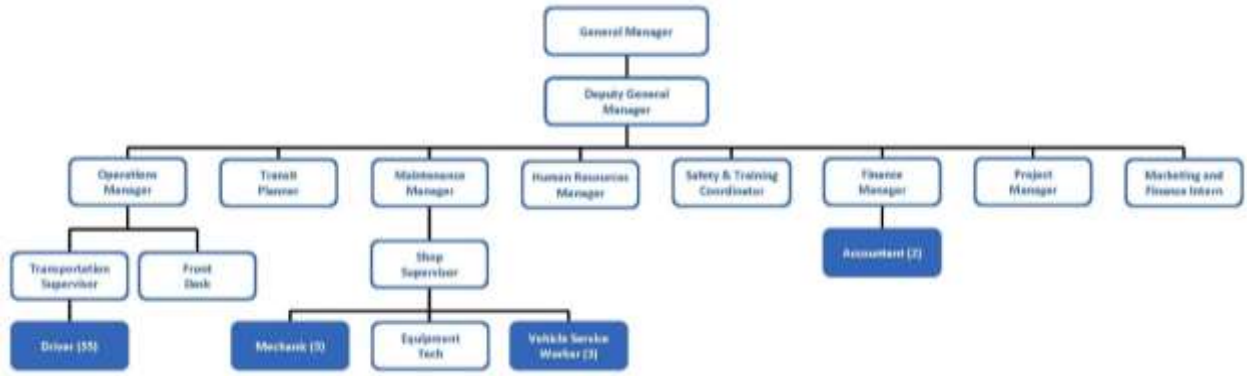
schedule reflecting these concepts was presented to the Board to obtain direction on potential service restructuring.

HTA has experienced significant growth in recent years, and there is a recognized need to strengthen operational staffing and supervision to support continued expansion. In particular, additional supervisory and training capacity is needed at the operational level. The agency currently lacks a dedicated full-time trainer and instead relies on pulling drivers from operations to conduct training, which can create staffing strain. There is also an ongoing question of whether a single supervisor is sufficient to oversee approximately 55 drivers.

HTA is governed by a seven-member Board of Directors comprised of two Humboldt County Supervisors and one elected official each from the cities of Arcata, Eureka, Fortuna, Rio Dell, and Trinidad. The Board generally meets on the first Wednesday of the month at 9:00 a.m. in the HTA conference room (133 V Street in Eureka). Beginning in May 2026 and for the duration of the year, the Board will meet in the conference room of the North Coast Unified Air Quality Management District (707 L Street in Eureka) as an alternative location is needed due to construction at the HTA offices.

In terms of organizational structure and future improvements, succession planning is underway as part of broader leadership transitions. At the time of the site visit, the current General Manager was expected to retire within two months, with the Deputy General Manager slated to assume the General Manager role. A Project Manager position is already in development to support approximately $80 million in funded projects. An organizational chart is provided in Exhibit 7.5.

Exhibit 7.5 HTA Organizational Chart



During the last two years of the audit period, the City of Arcata began contracting operation of the A&MRTS service to HTA, which had already been providing maintenance and storage for the service for several years. This change improved overall service reliability, eliminating prior trip cancellations and inconsistencies caused by driver shortages. Core Red and Gold Loops were maintained with minor adjustments, while the Green & Gold Loop has experienced persistently low ridership despite continued operation funded by Cal Poly Humboldt. A new HHM shuttle service between dorms and the library has performed strongly, with consistently high ridership.

Additional system changes included the discontinuation of Samoa Transit in June 2023 due to extremely low ridership and no funding source, with affected users shifting to the Ride Humboldt Flex microtransit services and RTS service to the peninsula. Blue Lake Rancheria service ended in October 2023 and was replaced by the rerouted Willow Creek Intercity Service, with minimal system impact due to overlapping service along Highway 299. Fare integration was completed in October 2024, consolidating passes across systems resulting in positive operational impacts. Overall, most service transitions occurred as anticipated, with limited disruption and targeted adjustments based on ridership demand.

Subsequent to the audit period, effective July 1, 2025, HTA brought Dial-A-Ride (DAR) service operations in-house. The decision to transition was influenced by program and contract cost considerations, as well as the opportunity for improved integration with transit management tools such as RideCo. The shift was intended to enhance operational efficiency and provide HTA with greater direct oversight of service delivery, with the agency determining that Dial-A-Ride services could be operated more efficiently under an in-house model.

HTA maintains strong and collaborative relationships with key regional and state partners. The relationship with HCAOG is described as highly effective, with frequent communication and coordination on projects and planning efforts. HTA also plays a leadership role among regional transit providers, organizing and facilitating monthly North State Super Region (NSSR) Transit Working Group meetings that bring together operators from 16 northern California counties to share information and coordinate on transit issues.

Accomplishments during the audit period have included streamlining the fare structure, which was very well received, and becoming the first rural agency in the country to operate a hydrogen fuel cell bus. HTA is proud to be able to spearhead that transition for rural agencies. HTA was also able to fund an intermodal transit center with affordable housing on top through the Transit and Intercity Rail Capital Program (TIRCP) Cycle 5.

Service Planning

HTA has historically contracted with City Ambulance of Eureka, Inc. to provide Dial-A-Ride services within Arcata, Eureka, and unincorporated areas of Humboldt County. This agreement remained in effect through FY 2023/24 and was subsequently extended through June 30, 2025. At that time, the Dial-A-Ride service began being operated in-house.

The City of Arcata continued as the operator of A&MRTS through FY 2024/25, while HTA provided maintenance services and fleet storage. In addition, HTA also supplied drivers for A&MRTS services during the final two years of the audit period. On March 21, 2025, the City of Arcata and HTA executed a Memorandum of Understanding (MOU) for the transfer of ownership and management of A&MRTS. Effective July 1, 2025, the City transferred ownership of A&MRTS vehicles, along with the allocation of local, state, and federal transit funding, to HTA. As a result, the A&MRTS service will be included in subsequent Triennial Performance Audits of the Humboldt Transit Authority, rather than of the City of Arcata as a stand-alone operator.

The General Manager, Deputy General Manager, Operations Manager, and Transit Planner are responsible for transportation planning at HTA. Planning efforts are guided by the 2023 Humboldt County

Transit Development Plan (TDP), which outlines key recommendations for HTA such as introducing microtransit service to expand on-demand service to the general public, introducing express routes between Eureka and Arcata, and revising existing routes and span of service to improve both local and regional connectivity.

Exhibit 7.6 2023-2028 TDP Recommendations for HTA Services

Service Area/Transit System	Recommendations

Redwood Transit System	• RTS Express Service (focus on service to key transit hubs)
	  ○ McKinleyville – College of the Redwoods Express
	  ○ Cal Poly – College of the Redwoods Express
	  ○ Cal Poly – Eureka Express
	• Later weekday service on RTS Mainline
	• Later Saturday service on RTS Mainline
	• Sunday service on RTS Mainline
	• Samoa/Manila microtransit service (stop RTS service to Manila)

Eureka Transit System	• F/Harris Route Structure Scenario • EaRTH Center Route Structure Scenario • Adjustments to Purple Route • Span of service alternatives • Citywide microtransit in Eureka • Microtransit serving southwest Eureka
Southern Humboldt Intercity	• No adjustments recommended
Willow Creek Intercity (now NSE 299)	• Eliminate Saturday Willow Creek service • Reduce Willow Creek Saturday service to two round trips
Other HTA alternatives (NSE 101)	• Service to Mendocino County – Redwood Coast Express
Arcata & Mad River Transit System	• Route alignment – three bus routes • Citywide microtransit in Arcata • Span of service alternatives
McKinleyville (TDP anticipates HTA would be the operator)	• Fixed route in McKinleyville • Microtransit in McKinleyville
Dial-A-Ride	• Alternative funding allocation scenarios

HTA feels the TDP was developed using outdated financial assumptions and did not fully anticipate recent increases in operating costs and workforce constraints. As a result, while some of the recommendations remain relevant, and several have been implemented, continued implementation has been challenging due to funding limitations and staffing capacity constraints.

HTA has two representatives on the HCAOG Social Services Transportation Advisory Committee (SSTAC), serving as both a transit operator and the Consolidated Transportation Services Agency (CTSA).

HTA has completed both a Zero-Emission Bus Rollout Plan and an FTA Zero-Emission Vehicle Transition Plan and has begun implementation of its transition to a zero-emission fleet. This includes the purchase and deployment of hydrogen fuel cell (HFC) buses, development of a pilot bus with extended range modifications, and securing grant funding for

additional vehicles and infrastructure. The agency has received funding through the Transit and Intercity Rail Capital Program (TIRCP) for multiple bus procurement cycles (including 10 buses in Cycle 5 and an additional five in Cycle 7), as well as a permanent hydrogen fueling station planned to break ground in June 2026. The permanent station will be located on-site and will also include a public fueling component.

During the audit period, HTA deployed a temporary hydrogen fueling station to support early implementation of zero-emission bus technology. The station has experienced some operational and software integration challenges between the fueling system and bus, but has been successfully used for fueling when available. The temporary station has also been taken offline at times due to safety-related concerns associated with similar systems elsewhere, and additional driver training on hydrogen fuel cell buses is still underway.

Administration

The Finance Manager is primarily responsible for preparing the budget in coordination with the General Manager. A draft budget is then reviewed by the Finance and Operations Committee, a subcommittee of the Board, before being presented at a public hearing and ultimately submitted to the Board for final approval. Transit staff compare budgeted and actual revenues and expenses monthly. During the audit period, expenses and revenue were monitored through Quickbooks. Effective January 1, 2026, HTA transitioned to MIP accounting software.

HTA considers how well grant opportunities align with its needs and project timelines when determining which grants to apply for. Staff would like to pursue grant opportunities such as TIRCP Cycle 8 funding; however, limited staff capacity and time constraints have prevented HTA from applying. A team including the General Manager, Deputy General Manager, Finance Manager, and Transit Planner are tasked with managing grants. Additional staff would be beneficial in managing grants, though HTA has been able to remain in compliance with respect to reporting.

Some grants have different definitions of rural and small urban, and sometimes HTA does not fit either definition. To address these limitations, HTA is exploring the potential to become an FTA Section 5307 direct recipient, which would allow the agency to apply directly for federal urban transit funding as well as rural funding and potentially provide a more stable funding stream. It currently operates using approximately 35 to 40 percent grant funds. HTA is also exploring the potential benefits of becoming a transit district.

HTA's Human Resources Manager and the Safety and ADA Coordinator advise transit staff regarding risk management practices and procedures. HTA is self-insured, part of the California Transit Indemnity Pool (CalTIP). HTA has a current disaster and response plan and is responsible for assisting in evacuation transportation. The Safety and ADA Coordinator is also tasked with reviewing HTA's safety practices.

HTA maintains a broad range of vendor and service contracts supporting transit operations, technology systems, facilities, and capital projects. These include call center services, Swiftly, RideCo, Genfare fareboxes, automatic passenger counters (Urban Transportation Associates), credit card validators, Optibus scheduling software, Token Transit, SAMSARA vehicle diagnostics and cameras, and UTG Digital

infotainment screens, as well as IT support, legal counsel, and consulting services for projects. Infrastructure-related contracts include hydrogen fueling systems through Linde and communication towers through Humboldt Redwood Communications. The agency also contracts for cleaning and janitorial services, yard maintenance, ADA accessibility design support at the Transit Center, and service partnerships with jurisdictions and institutions such as Blue Lake Rancheria, the City of Blue Lake, and Cal Poly Humboldt. Additional project work includes redevelopment and improvement efforts such as paving vacated W Street, demolition near the transit facility, and installation of real-time signage along the North State Express corridor.

HTA employees clock in and clock out for shifts, which are reviewed and approved by managers in the iSolved platform. A majority of employees utilize direct deposit. Accounts payable and accounts receivable functions are primarily handled by the Bookkeeper, the Finance & Administration Assistant, and the Finance Manager. Additional department managers serve as authorized check signers and may approve expenditures for processing as needed.

Verification of goods and services prior to payment is completed through an internal approval process. Payments are only processed after confirmation from the individual who initiated the purchase or order, ensuring that the goods or services have been received and meet expectations before invoices are paid.

Procurement follows guidelines set by HTA, FTA, and HCAOG, and procedures are documented in the HTA procurement manual. Any purchases over $50,000 must be approved by the Board of Directors. The General Manager has authority to approve purchases up to $50,000. HTA utilizes the State bid and CalACT bid for purchasing vehicles.

Marketing and Public Information

HTA's marketing efforts have transitioned from using an external marketing consultant funded through a TIRCP grant to now being managed in-house by a Marketing Coordinator. The agency publishes service information such as maps, system updates, and rider information through its website, social media platforms, and printed materials. A formal marketing plan currently exists for microtransit services, with a broader comprehensive marketing strategy in development.

Marketing and outreach activities are informed by performance data and rider surveys, which are used to better understand customer needs and guide decision-making. In addition to routine service communications, HTA has conducted promotional campaigns focused on initiatives such as student ridership, new service introductions, and event-based transit use. The most successful campaign to date has been targeted at student riders, which has resulted in a significant increase in student ridership over the past year. HTA also conducted a free fare promotion in the summer of 2025, with free tickets provided to Tri-County Independent Living, homeless veterans, the Betty Kwan Chinn Homeless Foundation, and other such organizations thanks to LCTOP funds.

Surveys are typically conducted by the Humboldt County Association of Governments, most recently in late 2022 as part of the Humboldt County Transit Development Plan. These efforts resulted in the collection of 183 surveys from Humboldt County residents and 155 surveys from riders across all transit services (of which 46 percent were completed by RTS riders and 15 percent by ETS riders). HTA also conducted a survey of Southern Humboldt Intercity riders in May 2025.

HTA uses the Transit app for service information, the Token Transit app for mobile ticketing, and the RideCo app for Ride Humboldt Flex reservations and ticketing.

Customer calls are not logged with the exception of complaints, which are typically resolved within seven days. Overall, the public's perception of the service is generally positive.

Scheduling, Dispatch, and Operations

HTA's transit program is currently operated in-house with approximately 50 full-time drivers represented by the American Federation of State, County and Municipal Employees (AFSCME) Local #1684. While the program is fully staffed at present, anticipated service expansion will require additional personnel. HTA has identified a need for approximately five additional drivers to support general operations, as well as six additional drivers to facilitate Redwood Transit System service improvements and increased frequency. The agency would also prefer to maintain a pool of approximately seven part-time drivers to provide coverage for open shifts not filled by full-time staff; however, the program currently employs only two part-time drivers. Part-time drivers choose to work a part-time shift and are typically used to cover assignments that cannot be covered by full-time drivers.

Drivers bid on shifts three times a year based on seniority. Vehicle assignments are made based on route requirements and vehicle size, and vehicles are rotated. All drivers are cross-trained and qualified to operate all routes within the system.

Planned absences are typically covered through extra board drivers who bid on vacation coverage shifts in advance. For unplanned absences, drivers are required to notify operations at least one hour prior to their scheduled shift. In these cases, the Supervisor contacts available drivers to arrange coverage as needed.

HTA uses GFI fareboxes along with credit/debit card tap-and-pay readers and the Token Transit mobile app for fare collection. Farebox vaults are emptied nightly by shop staff when buses return for fueling, and revenues are transported to a secure vault building where they are sorted by two to three Finance Department employees in a monitored, access-controlled area with cameras and key fob entry. Funds are stored in the vault with access limited to designated Finance staff and select senior and technical personnel, and are verified through reconciliation of GFI system reports and bank deposit records. Deposits are then processed through weekly Brinks pickups. Token Transit and credit card payments are deposited directly into HTA's accounts, making them a simpler and safer process.

Personnel Management and Training

A sufficient number of drivers is being recruited to meet the operator's needs. Open positions are advertised on NeoGov, GovernmentJobs, and social media. Word-of-mouth is also a successful means for recruitment. HTA provides comprehensive training to all recruits.

While there is no formal incentive program, management motivates employees primarily through improved scheduling and work-life balance initiatives. Efforts include restructuring shifts to reduce split shifts and provide two consecutive days off. HTA implemented a four-day, 34-hour work week as an additional incentive to improve employee satisfaction and retention. This is still in the process of being implemented as more drivers are needed to make this a reality. Wages were increased by 17 percent per

hour to ensure drivers maintain the same total wages at 34 hours they previously made working 40 hours. However, in the interim while the four-day work week is being implemented, drivers benefit from the higher wages across more working hours.

HTA has experienced high turnover among drivers, driven by a combination of personal reasons, the irregular hours required, and FTA drug testing requirements (as marijuana use is common in the area). It is too soon to know what impact the above changes will ultimately have on driver turnover. All HTA employees received performance evaluations twice a year.

The Safety and ADA Coordinator is responsible for training and holds a California training certification. HTA does not currently have an in-house DMV tester; however, given evolving DMV standards, the agency may wish to consider establishing an internal testing function. The contractor's safety program is also overseen by the Safety and ADA Coordinator to ensure compliance and consistency. In addition, four safety meetings are held annually to support ongoing training and reinforce safety practices across operations and satisfy VTT certification requirements.

HTA utilizes a progressive discipline policy, which is detailed in its MOU. HTA employees are eligible for benefits including medical insurance, dental insurance and vision insurance. Benefits are communicated during the onboarding process and via notices from Human Resources.

Maintenance

Maintenance services for HTA's transit program are provided in-house. The agency uses RTA software to manage its maintenance program and reports satisfaction with the system. Preventive maintenance schedules are aligned with manufacturer-recommended intervals, and compliance with these schedules can be readily monitored and assessed through existing tracking processes.

Repairs covered under manufacturer warranty are generally identified effectively. However, the timeliness of warranty work performed by vendors or manufacturers is inconsistent and varies on a case-by-case basis, which is a common issue among transit operators.

HTA has experienced challenges with certain vendors, including difficulties obtaining timely responses, quotes, and service from vehicle manufacturers, as well as concerns regarding parts pricing. In some instances, manufacturers do not dispatch technicians to the region, requiring HTA staff to complete warranty-related work in-house when able. For major body repairs, vehicles must be towed to Santa Rosa for service, which can further delay turnaround times and impact fleet availability.

HTA reports that its maintenance facility is currently insufficient to meet operational needs. The number of maintenance bays and lifts is inadequate for the size of the fleet, and there is also limited office space for administrative staff and insufficient storage for both active and archived records. Access to the parts room is limited to shop personnel. Baseline inventory levels are set through the RTA software.

Key challenges in maintaining the transit fleet include funding limitations and facility layout issues, particularly related to workflow and lot circulation between fueling, washing, and parking areas. Parking capacity is a significant concern, with planned fleet growth exceeding available space. HTA has identified potential facility expansion needs, including additional maintenance bays and improved site circulation,

but implementation is dependent on securing grant funding. The agency also notes difficulty in navigating and applying for federal grant opportunities directly, which further limits expansion efforts. It anticipates needing $60 to $70 million for the desired facility improvements, but would first need funding for a 30 percent design to be completed in order to qualify for this amount of funding. Purchasing nearby parcels for expansion is greatly hindered by FTA acquisition requirements.

HTA has several processes in place to ensure unsafe vehicles are not placed into service. The maintenance staff and dispatch communicate frequently regarding vehicle status during morning meetings. Drivers also perform thorough pre-trip evaluations before a bus leaves the yard.

A vehicle replacement plan exists and funding has been identified. Exhibit 7.7 details HTA's public transit fleet.

Exhibit 7.7 HTA Transit Fleet

Vehicle #	Model Year	Make/Model	Service
60	2019	Gillig Low Floor	HTA/ETS
61	2021	Gillig Low Floor	HTA/ETS
62	2021	Gillig Low Floor	HTA/ETS
65	2009	Gillig Low Floor	HTA/ETS
66	2009	Gillig Low Floor	HTA/ETS
67	2009	Gillig Low Floor	HTA/ETS
68	2014	Gillig Low Floor	HTA/ETS
69	2014	Gillig Low Floor	HTA/ETS
883	2011	Gillig 40' Low Floor	HTA
884	2012	Gillig Hybrid	HTA
885	2012	Gillig Hybrid	HTA
886	2014	Gillig 40' Low Floor	HTA
887	2014	Gillig 40' Low Floor	HTA
888	2014	Gillig 40' Low Floor	HTA
889	2014	Gillig 40' Low Floor	HTA
890	2014	Gillig 40' Low Floor	HTA
891	2014	Gillig 40' Low Floor	HTA
892	2015	Gillig 40' Low Floor	HTA
893	2017	Gillig 40' Low Floor	HTA
894	2023	Gillig 40' Low Floor	HTA
895	2024	Gillig 40' Low Floor	HTA
896	2017	Gillig 40' Low Floor	HTA
897	2023	Gillig 40' Low Floor	HTA
898	2024	Gillig 40' Low Floor	HTA
922	2009	Gillig 35' Low Floor	A&MRTS
923	2014	Gillig 35' Low Floor	A&MRTS
924	2014	Gillig 35' Low Floor	A&MRTS
925	2022	Gillig 35' Low Floor	A&MRTS
926	2022	Gillig BEV	A&MRTS
927	2010	Gillig BEV	A&MRTS
1001	2018	Proterra 40' Electric	HTA

Vehicle #	Model Year	Make/Model	Service
1241	2024	New Flyer HFC	HTA
510	2015	Champion Freightliner	HTA/NSE
511	2015	Champion Freightliner	HTA/NSE
512	2015	Champion Freightliner	HTA/NSE
513	2015	Champion Freightliner	HTA/NSE
515	2018	Champion Freightliner	HTA/NSE
516	2024	Champion Freightliner	HTA/NSE
517	2024	Champion Freightliner	HTA/NSE
714	2016	Champion Freightliner	HTA/STAFF
53	2019	Ford Starcraft	HTA/DAR
54	2019	Ford Starcraft	HTA/DAR
56	2017	Ford Starcraft	HTA/DAR
57	2015	Ford Starcraft	HTA/DAR
58	2019	Ford Starcraft	HTA/DAR
59	2019	Ford Starcraft	HTA/DAR
78	2015	Ford Starcraft	HTA/DAR
79	2015	Ford Starcraft	HTA/DAR
200	2023	Toyota Sienna Hybrid	HTA/DAR
201	2023	Ford EV	HTA/DAR
412	2017	Ford Glaval	HTA/NSE
413	2019	Ford Glaval	HTA/NSE
551	2025	Ford Starcraft	HTA/DAR
552	2025	Ford Starcraft	HTA/DAR
553	2025	Ford Starcraft	HTA/DAR
554	2025	Ford Starcraft	HTA/DAR
932	2010	Ford Glaval	A&MRTS
934	2010	Ford Glaval	A&MRTS

Chapter 8 | Findings and Recommendations

Conclusions

With two exceptions, the Humboldt Transit Authority is found to be in compliance with the Transportation Development Act (TDA). Three recommendations intended to remedy the compliance findings as well as improve the effectiveness and efficiency of the transit operator are detailed below.

Findings

Based on discussions with HTA staff, analysis of program performance, and an audit of program compliance and function, the audit team presents two findings related to compliance with the TDA.

- In FY 2024/25, HTA's TDA fiscal audit was not completed prior to the March 31, 2026, extended deadline. It was completed five weeks late, on May 8, 2026.
- HTA does not appear to be using the TDA definition of Full-time Equivalent (FTE) Employee in its reporting to the State Controller.

Program Recommendations

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

Recommendation 1: Work with HCAOG and the TDA fiscal auditor to ensure the annual TDA fiscal audit is completed on or before the extended deadline of March 31.

Discussion: In FY 2024/25, HTA's TDA fiscal audit was completed on May 8, 2026. This was five weeks after the deadline established under PUC 99245.

Contributing Factor(s): The cause of the late completion of the TDA fiscal audit was delays on the part of HTA during the finalization and review period. Per HCAOG, there were no delays on the part of the RTPA or the auditor. Prior TDA fiscal audits completed during this audit period were completed on time.

Recommended Action: Ensure future audits can be completed prior to March 31 following the end of the fiscal year being audited.

Timeline: FY 2026/27 (FY 2025/26 audit).

Anticipated Cost: Negligible.

Recommendation 2: Utilize the TDA definition of Full-time Equivalent (FTE) Employee within State Controller Financial Transaction Reports.

Discussion: One of the requirements of the TDA is use of performance measure definitions as defined in the legislation. One of these definitions is for Full-time Equivalent (FTE) Employees. It defines FTE as total work hours related to transit in a given year divided by 2,000. This would include transit-related work performed by staff throughout the organization, not just drivers. It would include all regular and overtime hours but would not include any hours that are paid but not worked (such as leave, sick time, or vacation).

Contributing Factor(s): This is a different definition than is typically used for budget creation and position descriptions, which adds to the confusion. In addition to not defining an employee as a specific individual, this metric is calculated using 2,000 as the divisor (rather than 2,080). This is because it only accounts for work hours, not any paid time off.

Recommended Action: Staff should reference the FTE calculation worksheet provided as part of this audit process (as well as Exhibit 8.2) regarding the calculation of this data for the State Controller Report.

Timeline: FY 2026/27 (reporting for FY 2025/26).

Anticipated Cost: None.

Recommendation 3: Explore increasing staffing levels to support continued expansion, which may include a dedicated Trainer and/or additional Transportation Supervisors.

Discussion: With HTA's significant growth in recent years, there is a need to strengthen operational staffing and supervision to support continued expansion. Additional supervisory and training capacity is needed at the operational level.

Contributing Factor(s): The agency currently lacks a dedicated full-time trainer and instead relies on pulling drivers from operations to conduct training, which can create staffing strain. There is also an ongoing question of whether a single supervisor is sufficient to oversee approximately 55 drivers.

Recommended Action: HTA should explore how best to enhance its operational staffing so as to optimize its personnel resources. This could include the addition of a dedicated Trainer or one or more additional Transportation Supervisors.

Timeline: FY 2027/28.

Anticipated Cost: Dependent upon salary and compensation for positions hired.

Exhibit 8.1 Audit Recommendations

Recommendations		Importance	Timeline
1	Work with HCAOG and the TDA fiscal auditor to ensure the annual TDA fiscal audit is completed on or before the extended deadline of March 31.	High	FY 2026/27
2	Utilize the TDA definition of Full-time Equivalent (FTE) Employee within State Controller Financial Transaction Reports.	Medium	FY 2026/27
3	Explore increasing staffing levels to support continued expansion, which may include a dedicated Trainer and/or additional Transportation Supervisors.	Medium	FY 2027/28

Exhibit 8.2 Full-time Equivalent (FTE) Calculation Worksheet Example

Hours worked by mode:	**FY 20xx/xx**
Fixed-Route Drivers	
Fixed-Route Dispatchers	
Other:	
Other:	
Total Fixed-Route Hours	**0.00**
Dial-A-Ride Drivers	
Dial-A-Ride Dispatchers	
Other:	
Other:	
Total Dial-A-Ride Hours	**0.00**
Pooled hours worked:	**FY 20xx/xx**
Administrative Salary	
Maintenance Salary	
Dispatcher Wages	
Maintenance Wages	
Training Wages	
Other:	
Other:	
Other:	
Total Pooled Hours:	**0.00**
Allocation for Pooled Hours	
Fixed-Route VSH	
Dial-A-Ride VSH	
Total VSH	0.00
Fixed-Route percentage	#DIV/0!
Dial-A-Ride percentage	#DIV/0!
Fixed-Route FTE	
Mode-specific hours	0.00
Allocated Hours	#DIV/0!
Total Fixed-Route Hours	#DIV/0!
Fixed-Route Hours divided by 2,000	0.00
Round to a whole number for reporting	0.00
Dial-A-Ride FTE	
Mode-specific hours	0.00
Allocated Hours	#DIV/0!
Total Dial-A-Ride Hours	0.00
Dial-A-Ride Hours divided by 2,000	0.00
Round to a whole number for reporting	0.00

Total hours worked should be based on payroll hours, not a full-time designation. This should include both regular and overtime hours, but **not** non-work hours (PTO, sick, etc.). The exception to this is for administrative or management personnel who do not track their time but are assigned to transit on a percentage basis. In such cases, you may allocate hours for someone who is assigned to transit. For example, if they are 0.25 FTE assigned to transit, calculate their hours by multiplying 2,000 hours (assumes full-time employment less two weeks of time off) by 0.25, for a total of 500 hours.

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