

FY 2017–19 Triennial Performance Audit of Eastern Sierra Transit Authority



SUBMITTED TO:

**Inyo County Local Transportation Commission
Mono County Local Transportation Commission**

SUBMITTED BY:

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INTERNATIONAL

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Section I

Introduction

California's Transportation Development Act (TDA) requires that a triennial performance audit be conducted of public transit entities that receive TDA revenues. The performance audit serves to ensure accountability in the use of public transportation revenue.

Inyo County engaged Michael Baker International (Michael Baker) on behalf of the Inyo County Local Transportation Commission (ICLTC) to conduct a performance audit of the Eastern Sierra Transit Authority (ESTA or Authority) covering the most recent triennial period, fiscal years 2016–17 through 2018–19.

The purpose of the performance audit is to evaluate ESTA's effectiveness and efficiency in its use of TDA funds to provide public transportation in its service area. This evaluation is required as a condition for continued receipt of these funds for public transportation purposes. In addition, the audit evaluates ESTA's compliance with the conditions specified in the California Public Utilities Code (PUC). This task involves ascertaining whether ESTA is meeting the PUC's reporting requirements. Moreover, the audit includes calculations of transit service performance indicators and a detailed review of the transit administrative functions. From the analysis that has been undertaken, a set of recommendations has been made which is intended to improve the performance of transit operations.

In summary, this TDA audit affords the opportunity for an independent, constructive, and objective evaluation of the organization and its operations that otherwise might not be available. The methodology for the audit included conducting interviews with ESTA executive management and staff via videoconference platform, document collection from ESTA and Inyo County and Mono County LTCs, data analysis, and review of Board agendas during the audit period¹. The *Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Entities* published by the California Department of Transportation (Caltrans) was used to guide in the development and conduct of the audit.

Overview of the Transit System

Background

The Eastern Sierra Transit Authority was formed through adoption of a Joint Powers Agreement on October 10, 2006 by the County of Inyo, County of Mono, City of Bishop, and Town of Mammoth Lakes. ESTA was created to meet the growing need for public transportation for the four member jurisdictions and throughout the entire Eastern Sierra region. The ESTA Board of Directors is made

¹ Due to the 2020 COVID-19 Pandemic, videoconferencing and the review of Board agendas were employed in lieu of on-site observations as part of this audit's methodology.

up of eight members, two from each of the member jurisdictions and appointed from their respective governing bodies. ESTA began operating transit services on July 1, 2007, assuming control of all the services, staff, and capital from the system formerly known as Inyo Mono Transit.

ESTA is guided by its Mission Statement:

The purpose of the Eastern Sierra Transit Authority is to provide excellent public transportation services in an entrepreneurial style within the Eastern Sierra Region. The Authority, through its leadership, provides responsive and reliable services and is a regional platform for service planning and funding decisions.

Service Area Characteristics

Inyo County

Inyo County is geographically located in east central California, stretching from San Bernardino County to the south, Kern County to the southwest, Mono County to the north, Fresno and Tulare Counties to the west, and the State of Nevada to the east. The topography is composed of the highest and lowest points in the contiguous United States: Badwater Basin in Death Valley National Park at 279 feet below sea level and Mount Whitney adjacent to Sequoia National Park at 14,505 feet above sea level. The county’s geographical land area encompasses 10,181 square miles. Major highways include U.S. Routes (US) 6 and 395 and State Routes (SR) 127, 136, 168, 178, and 190. A demographic snapshot of the county is presented below in Table I-1:

**Table I-1
Inyo County Demographics**

City/Jurisdiction	2010 US Census Population	Change from 2000 US Census %	Population 65 years & older %	2020 Department of Finance Estimates	Land area (in square miles)
Bishop	3,879	+8.5%	15.75%	3,821	1.86
Unincorporated Area	14,667	+2.1%	19.94%	14,763	10,179
Total Inyo County	18,546	+3.4%	19.06%	18,584	10,181

Source: 2010 U.S. Census, California Department of Finance, 2020 Population Estimates

The city of Bishop, along with the suburbs immediately surrounding it, contains over 50 percent of all County residents and approximately 67 percent of the County’s residents live within a 15-mile radius of Bishop. Bishop is the only incorporated city in the County. Independence is the county seat. Other communities include Big Pine, Independence, Lone Pine, Olancho, Shoshone, and Tecopa. The county and the city of Bishop saw modest growth between the 2000 and 2010 U.S. Census. The senior citizen population, comprised of residents aged 65 and over is 19 percent countywide. The 2020 population for Inyo County is estimated to be 18,584 as reported by the State Department of Finance. The five federally-recognized Indian reservations in Inyo County are located in the communities of Bishop (Bishop Paiute Tribe), Big Pine (Big Pine Paiute Tribe of the Owens

Valley), Fort Independence (Fort Independence Community of Paiutes), Lone Pine (Lone Pine Paiute Shoshone Tribe), and Furnace Creek (Timbisha Shoshone Tribe).

Mono County

Mono County is geographically located in east central California, stretching from Inyo County to the south, Fresno and Madera Counties to the southwest, Tuolumne County to the west, Alpine County to the northwest and the State of Nevada to the north and east. The county’s geographical land area encompasses 3,049 square miles with the highest elevation of 14,252 feet above sea level. Major highways include US 6 and 395 and SR 108, 120, 167, 182, and 270. A demographic snapshot of the county is presented below in Table I-2:

**Table I-2
Mono County Demographics**

City/Jurisdiction	2010 US Census Population	Change from 2000 US Census %	Population 65 years & older %	2020 Department of Finance Estimates	Land area (in square miles)
Town of Mammoth Lakes	8,234	+16.1%	6.46%	7,859	24.87
Unincorporated Area	5,968	+3.6%	14.16%	5,605	3,024.13
Total Mono County	14,202	+10.5%	9.70%	13,464	3,049

Source: 2010 U.S. Census, California Department of Finance, 2020 Population Estimates

The town of Mammoth Lakes is the largest and the only incorporated municipality in the county. The community of Bridgeport is the county seat. Other important communities and census-designated places in the county include Benton, Coleville, Crowley Lake, June Lake, Lee Vining, and Walker. The county and the town of Mammoth Lakes saw modest growth between the 2000 and 2010 U.S. Census. However, based on recent data, the population has since decreased. The senior citizen population, comprised of residents aged 65 and over is just under 10 percent countywide. The 2020 population for Mono County is estimated to be 13,464 as reported by the State Department of Finance. The two federally-recognized Indian reservations located in Mono County are the Benton (Utu Utu Gwaitu Paiute) and Bridgeport (Paiute).

System Characteristics

ESTA is the primary provider of public bus services throughout Inyo and Mono counties and is the sole provider of interregional public transportation for the entire Eastern Sierra region. ESTA offers a variety of bus services including local fixed routes, Dial-A-Ride, town-to-town services, and interregional service. Although not funded by TDA, ESTA also administers a vanpool program of employees who share the cost of commuting to work from the Bishop area to Mammoth Lakes using vehicles provided by ESTA and paid for with state funds.² In addition, ESTA operates the Non-Emergency Medical Transportation (NEMT) Program that offers non-emergency medical

² The previous vanpool commuted between Mammoth and Bishop but is not in current operation due to lack of participation. At least eight participants are needed to maintain a vanpool.

transportation mileage reimbursement services to the transportation-disadvantaged community.³ Each trip must begin or end in Inyo or Mono County. The NEMT program offers reimbursement for trips up to 300 total miles and fuel is reimbursed at the current IRS medical mileage rate.

For purposes of description in this section, ESTA bus services are organized by geographic coverage including Local Mammoth Lakes Transit Service, Local Bishop Area Service, Rural Transit Services, and Highway 395 Corridor Services.

Local Mammoth Lakes Transit Service

Local bus routes are available year-round in Mammoth Lakes with service levels that vary between the summer, winter, and shoulder periods. Routes are generally color coded in the bus schedule for simplicity. While year-round service is available, commencement and termination of peak season transit service is dependent on Mammoth Mountain's winter operations as well as on shoulder weather conditions for summer service.

The Town of Mammoth Lakes contracts with ESTA for extra service hours beyond a base level that is provided through TDA. The Town approved a 1 percent increase in the Transient Occupancy Tax in 2006 (Measure T), and the Town Council has designated these funds to support local transit services in the town. The Town also collects a development transportation tax that is used for transit. These locally generated revenues fund the additional service in the contract.

In addition, Measure U, or the Mammoth Lakes Mobility, Recreation and Arts & Culture Utility Users Tax Ordinance, was adopted by the Mammoth Lakes Town Council on March 17, 2010, and approved by the voters of the Town of Mammoth Lakes on June 8, 2010. The intent of Measure U includes expenditures to enhance mobility, recreation, and arts and culture such as providing transit service for special events that occur throughout the year.

Year-Round Routes

Purple Line: The Purple Line runs along SR 203, Sierra Park Road, Manzanita Road, Lupin Street, Minaret, Forest Trail, Hillside Drive, and Canyon Boulevard from Vons Supermarket to The Village and to Meridian/Manzanita with stops by Mammoth Hospital, Mammoth Lakes Library, Mammoth Mountain RV Park, and the Mammoth Lakes California Welcome Center. This line operates daily from 7:00 a.m. to 6:00 p.m. with stops every 30 minutes.

Gray Line: The Gray Line ceased operation in late December 2016 due to declining ridership. When the Gray Line was in operation, it ran along Meridian Boulevard and Old Mammoth Road, originating at Vons and served the Mammoth Lakes Campus of Cerro Coso Community College, Mammoth Hospital, and Mammoth Lakes Library. It terminated at Juniper Springs Resort. This line operated year-round seven days a week from 7:00 a.m. to 6:00 p.m. with stops every 30 minutes. Funding from the Gray Line has been used to fund year-round expansion of the Town Trolley route in order

³ Approximately 75 participants are enrolled in the NEMT program.

to provide service to the Meridian Boulevard area between Old Mammoth Road and Juniper Springs Resort.

Town Trolley: The Town Trolley operates year-round on seasonally-adjusted schedules. The summer service schedule makes stops at Snowcreek Athletic Club, Sierra Center Mall, Minaret Village Shopping Center, The Village, and Canyon Lodge every 20 minutes from 7:00 a.m. to 2:00 a.m. During the shoulder seasons, service is provided from 7:00 a.m. to 10:00 p.m. from June through November. The winter Night Trolley operates daily during the winter schedule between Canyon Lodge, The Village, and Snowcreek Athletic Club. The trolley operates from 5:45 p.m. to 2:00 a.m. with stops every 20 minutes. Year-round service was expanded to the Meridian Boulevard area between Old Mammoth Road and Juniper Springs Resort to fill a service gap identified in the most recent Short Range Transit Plan.

Seasonal Routes

Lake Basin Trolley: During the summer months, from mid-June through early September, the Lakes Basin Trolley operates from The Village to Mammoth Lakes Basin from 8:00 a.m. to 6:00 p.m. daily. The trolley departs The Village every 30 minutes with stops at Twin Lakes (Tamarack Lodge), Lake Mary, Lake Mamie, and Horseshoe Lake. After Labor Day until October, the trolley operates from 8:00 a.m. to 6:00 p.m. every 60 minutes. This trolley also tows a 12-bike trailer for access to scenic cycling.

Reds Meadow Shuttle: From late June to early September, or as weather permits, the US Forest Service administers a vendor contract with ESTA for daily shuttle service from the Mammoth Mountain Main Lodge Adventure Center to Reds Meadow/Devils Postpile. In June 2012, ESTA transitioned from the original Challenge Cost Share Agreement with the US Forest Service to a Special Use Permit which provides fewer stipulations to the revenue generated from the service. From the Mammoth Mountain Adventure Center, the Reds Meadow/Devils Postpile Shuttle runs once an hour from 7:15 a.m. to 9:00 a.m., every 20 minutes from 9:00 a.m. to 5:00 p.m., and every 45 minutes from 5:00 p.m. to 7:00 p.m. The Reds Meadow Shuttle will also transport visitors from The Village in coordination with running times of the Mammoth Area Shuttle (MAS) Bike Shuttle.

June Mountain Shuttle: In FY 2013-14, ESTA and the June Mountain Ski Area executed an agreement for ESTA to provide general public service during the ski season between Mammoth Lakes and June Mountain. Two round trips are provided daily, one each in the morning and afternoon. This service coincided with the re-opening of the June Mountain Ski Area after closure the previous year, and also replaces the ESTA June Mountain Express which primarily served as an employee shuttle for the June Mountain Ski Area in which employees use vouchers that covered the ride. June Mountain Ski Area employees rode free on the new service, as do guests of Mammoth Mountain lodging properties with a voucher. Remaining bus riders paid a fare.

The June Mountain Shuttle was discontinued in 2019. In addition, a June Lake summer shuttle was also attempted during the audit period. Initially, it provided fixed route and subsequently a fixed

route/demand response hybrid service within the town of June Lake. It had poor ridership despite being fare free for a least part of the trial period and was eventually discontinued.

Mammoth Mountain Ski Area (MMSA) Winter Routes: In addition to the above services, in July 2012, the Mammoth Mountain Ski Area (MMSA) and ESTA agreed for ESTA to provide contract transit service for access from the town to Mammoth Mountain. MMSA had operated private bus service for decades between the town and the mountain. These additional routes during the winter include the Red Line, Blue Line, Yellow Line, Green Line, and Blue-Yellow Combination.

Furthermore, during the summer, MMSA privately funds and operates the Mammoth Area Shuttle (MAS) Bike Shuttle that provides daily access to the Mammoth Bike Park from The Village every 30 minutes from 9:00 a.m. to 5:30 p.m. The route extends from The Village to the Mammoth Mountain Adventure Center from June through September. ESTA does not provide this service.

Mammoth Dial-A-Ride

Door-to-door general public Dial-A-Ride is provided year-round with priority given to special needs riders. The service operates from 8:00 a.m. to 5:00 p.m. Monday through Friday. Limited service is available after 5:00 p.m. only for eligible riders who qualify under the Americans with Disabilities Act (ADA) and with 24 hours advance notice. The evening service provides complementary paratransit service to the fixed route under ADA regulations. The Dial-A-Ride service area consists of two zones—Zone 1 is the greater Mammoth area including North Village, the Industrial Park, and Old Mammoth, and Zone 2 is the outlying area of Lakes Basin and the Mammoth Mountain Ski Area Main Lodge. Mammoth Dial-A-Ride is also available on the weekends for eligible riders who qualify under the ADA and within 24 hours advance notice.

The Limited: In December 2017, ESTA implemented this service in conjunction with the winter season start of the Green, Blue, and Yellow Lines in response to public input regarding transit service to the Old Mammoth Road area west of Snowcreek Athletic Club. This route has been operated with the Mammoth Dial-A-Ride vehicle on school days only. The Limited was reduced to a two daily trips per school day for the remainder of the 2018-19 academic year per recent Board action. The Limited route (service to upper Old Mammoth Road area) operated through the end of the school year in June 2019. The service was eventually discontinued.

Local Bishop Area Service

Local transit service in Bishop and the surrounding area is provided by general public Dial-A-Ride with priority given to seniors and disabled. Service is available Monday through Thursday from 7:00 a.m. to 6:00 p.m., Friday from 7:00 a.m. to 2:00 a.m.; Saturday from 8:30 a.m. to 2:00 a.m., and Sunday from 8:00 a.m. to 1:00 p.m. The extended Friday and Saturday night service is referred to as the “Nite Rider.” Bishop Area Dial-A-Ride service consists of two zones - Zone 1 includes the greater Bishop area and Zone 2 covers the outlying areas. A check-point Dial-A-Ride system was instituted where the vehicle picks up passengers from marked designated locations at certain times and then transports them to their destination in the service area. Check-point pickups are located at

Vons/Kmart, Paiute Palace Casino, and Joseph's Market. Check-point Dial-A-Ride offers a \$1.00 discount off regular Dial-A-Ride fares.

Bishop Creek Shuttle: ESTA began the Bishop Creek Shuttle in summer 2017 serving South Lake and Lake Sabrina. Service is provided seven days per week from mid-June through Labor Day. Two roundtrips per day depart Bishop at 8:00 a.m. and 3:15 p.m.

Rural Transit Services

ESTA rural transit service is spread among different communities in Mono and Inyo counties. Both dial-a-ride and town-to-town services are provided that link these small rural locations. Lone Pine dial-a-ride offers door-to-door bus service in and around the community of Lone Pine for the general public and special needs riders. The Lone Pine dial-a-ride service consists of two zones and is provided Monday through Friday from 7:30 a.m. to 3:30 p.m. Walker dial-a-ride offers door-to-door bus service for the communities within the Antelope Valley including Walker and Coleville for the general public and special needs riders. Service is provided Monday through Thursday from 8:00 a.m. to 4:00 p.m. The Walker dial-a-ride service was expanded to Monday through Friday in 2017. The additional day is funded by Mono LTC. For both dial-a-rides, reservations are encouraged but same-day service is available.

Benton-Bishop service is provided on Tuesday and Friday from 8:30 a.m. to 2:30 p.m., with interim stops in Hammil Valley and Chalfant. One round trip per day is provided in which passengers are able to stay in Bishop for 5 hours before the return trip.

Service from Tecopa Heights in southeastern Inyo County to Pahrump, Nevada, is provided two Thursdays per month with an interim stop in Shoshone. Service is provided in a very isolated area and serves important lifeline transit needs. This service has been contracted to a local senior center to provide trips. One round trip is provided and begins in Tecopa on Thursday at 7:00 a.m., returning from Pahrump the same day at 1:00 p.m. Prior-day reservations are necessary. While the vehicle is in Pahrump between 8:50 a.m. and 11:00 a.m., door-to-door service within Pahrump is available.

Highway 395 Corridor Services

Corridor services include both town-to-town service and long-haul interregional service. Bishop-Mammoth Commuter Express includes four trips a day in each direction Monday through Friday from 6:50 a.m. to 7:50 p.m. Interim stops are made at Crowley Lake, Tom's Place, Pine Creek Road & Highway 395, and Round Valley (Tuesday and Thursday only). Stop requests at Round Valley/Pine Creek Road must be called in the prior day, while same day stop requests at Tom's Place can be accommodated.

The Lone Pine-Bishop Express service provides three trips a day in each direction Monday through Friday from 6:15 a.m. to 7:40 p.m. A mid-day trip is available three days a week from Lone Pine to Bishop. Interim stops are provided in Wilkerson, Big Pine, Aberdeen, and Independence. Stop requests at Wilkerson and Aberdeen Store must be called in the prior day. Also, in conjunction with the Lancaster route, there are 4 roundtrip options per day between Bishop and Lone Pine.

Intercity service is provided between Bridgeport and Gardnerville on Wednesdays with one trip in each direction. Stops are provided in Bridgeport, Walker, Coleville, and Gardnerville. While in Gardnerville, the vehicle provides door-to-door service for the passengers who rode in from Bridgeport/Walker/Coleville for about 3.5 hours that the vehicle is in town before the return trip at 7:00 pm.

The withdrawal of Greyhound intercity bus service from the Highway 395 corridor in 2001 resulted in Inyo and Mono counties instituting the former Carson Ridgecrest Eastern Sierra Transit interregional bus service between the end-points of Carson City in the north and Ridgecrest in the south. Over the years the route was expanded to Reno (both airport and Greyhound station) and the Lancaster Metrolink train station in Los Angeles County. Today, collectively referred to as 395 Routes, the intercity service connects communities along the corridor and links to other intercity transportation services. Days of service were expanded on these routes during the audit period. The Reno Route travels between Lone Pine and Reno Monday through Friday. The service starts in Lone Pine at 6:15 a.m. and serves cities and towns along Highway 395 such as Independence, Big Pine, Bishop, Mammoth Lakes, June Lake, Lee Vining, Bridgeport, and Walker, before entering Nevada near Topaz Lake and continuing to the larger cities of Gardnerville, Carson City, and Reno. The northern terminals in Reno are the Reno-Tahoe International Airport and the Greyhound station. The full trip one way takes about 6 hours. The bus then has a relatively short layover of over an hour before making the return trip to Lone Pine by 7:40 p.m.

The Lancaster Route runs Monday through Friday from Mammoth Lakes to Lancaster. The service starts in Mammoth Lakes at 7:50 a.m. and serves cities and towns along Highway 395 such as Crowley, Tom's Place, Bishop, Big Pine, Independence, Lone Pine, Inyokern, Mojave, and Lancaster. The expanded service to Lancaster replaced one run of the Kern Regional Transit line and allows direct connections to the Metrolink regional train service serving the greater Los Angeles region. The full trip one way from Mammoth takes a little over 5 hours. The bus then has a relatively short layover of a little over an hour before making the return trip to Mammoth Lakes by 7:00 p.m.

For both intercity routes, stops by request only are made at Aberdeen, Coso Junction, Pearsonville, Tom's Place, June Lake Junction, Coleville, and Gardnerville. Reservations are strongly recommended because of the limited seating for the one round trip per route.

In promoting transit connections to thru-hikers, ESTA, on its website, compiled a map showing its bus stops that are most relevant to thru-hikers to connect to different sections of major hiking trails, resupply locations and other services. There are seven main transit stops along US 395 where trail users can easily use transit and access the Sierra Nevada backcountry.

With the exception of services in Mammoth Lakes, ESTA does not operate on the following holidays: New Year's Day, Presidents Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. ESTA operates all of its services in Mammoth Lakes on these holidays.

Fares

ESTA fares are structured according to passenger category and the type of transit trip. Due to the various services offered and distance of travel, different fares are applied. Discount fares are available to riders age 60 and over, disabled individuals, and youth under the age of 16. Adult fares are charged to non-disabled persons age 16 and over. Children under age 5 ride free when accompanied by a paying adult. Multi-ride discounted passes are available. Fares are paid directly to the driver on most routes, and tickets/passes can be purchased from drivers and on the ESTA website for convenience. Tickets and fares are also available at ESTA's Bishop and Mammoth Lakes offices. Social service agencies purchase tickets for their clients to ride onboard the system.

Both cash and check are accepted on the buses, although checks must be from a local bank to be accepted. ESTA also processes credit card payments for advance reservations and advance purchases with a minimum charge of \$10.00. In 2014, ESTA began accepting credit cards on the Reno and Lancaster route buses. ESTA has in place a credit card policy describing the use of credit and related charge activities.

For town-to-town services and 395 Routes, one-way fares are charged according to the origin and destination of the passenger trip. Shorter trips charge a lower fare than a longer trip. Passengers who travel round trip on the Reno or Lancaster routes the same day are charged for only one way for certain origin-destination combinations. These passengers depart the bus at an interim stop (e.g., Carson City or Gardnerville) in the morning for services such as at a V.A. hospital, and reboard for the return trip in the afternoon.

Mammoth Lakes fixed-route services within town are free of charge. The Reds Meadow fare is a set charge established in the agreement with the Forest Service that helps to recover the operating costs of the service. Reds Meadow fares include daily, 3-day, and season passes for adults and children. The fare for Bishop Dial-A-Ride varies based on destination within the service area. Bishop, Lone Pine, and Mammoth dial-a-ride fares are all zone based.

Discounted passes are also available for each Dial-A-Ride. The passes are sold in increments of a 30-day pass and a 10-ride pass for Zone 1, as well as a town-to-town 10-ride pass. Check-point pickups for Bishop Dial-A-Ride receive a \$1.00 discount off the regular fare. For service from Tecopa to Pahrump, multiple drop-offs in Pahrump are available for an additional \$1.00 per stop.

Fleet

ESTA's vehicle fleet by the end of the audit period comprised 65 vehicles. Among the fleet are eight support vehicles utilized for staff transportation and three 14-passenger Ford vans that are used for the vanpool service. The remaining 54 vehicles are used for public transit revenue service and range in age from their acquisitions between 2006 and 2020. The majority of revenue service vehicles are Ford E-450 cutaway buses that can accommodate 15 to 16 ambulatory riders, or 11 to 12 riders plus 2 wheelchair passengers. The larger newer fixed-route buses can accommodate 37 passengers plus two wheelchairs. Among the revenue vehicles are eight contingency vehicles. Revenue service

vehicles in the fleet are wheelchair accessible while the staff transportation vehicles and the vans used for vanpools are not. ESTA's revenue fleet is summarized in Table I-3.

**Table I-3
ESTA Revenue Fleet Inventory**

Year	Make & Model	Quantity	Fuel Type	Seating Capacity
2006	Supreme Classic American Trolley	4	Unleaded	26 (2 W/C)
2008	Blue Bird Xcel 102	1	Diesel	33 or 29 (2 W/C)
2012	Ford E-450	1	Unleaded	16 or 12 (2 W/C)
2012	El Dorado Axess	8	Diesel	37 (2 W/C)
2012	El Dorado E-Z Rider	3	Diesel	37 (2 W/C)
2013	Braun Entervan	1	Unleaded	5
2013	Ford E-450	6	Unleaded	16 or 12 (2 W/C)
2013	Ford E-550	2	Diesel	25 or 19 (2 W/C)
2013	Ford E-550	1	Diesel	25 or 17 (2 W/C)
2013	El Dorado Axess	1	Diesel	37 (2 W/C)
2014	Ford E-450	4	Unleaded	16 or 12 (2 W/C)
2014	Daimler Sprinter Van	4	Diesel	14 or 7 (2 W/C)
2014	Freightliner Defender	2	Diesel	25 or 19 (2 W/C)
2014	Ford E-550	1	Diesel	25 or 19 (2 W/C)
2015	Ford E-450	1	Unleaded	20 or 16 (2 W/C)
2016	Ford E-450	1	Unleaded	16 or 12 (2 W/C)
2016	Hometown Trolley Villager	1	Diesel	26 (2 W/C)
2017	Hometown Trolley Villager	1	Diesel	26 (2 W/C)
2018	Hometown Trolley Villager	1	Diesel	26 (2 W/C)
2019	Freightliner Defender	1	Diesel	25 or 19 (2 W/C)
2020	Freightliner Defender	1	Diesel	33 or 27 (2 W/C)
Total		46		

Source: ESTA
W/C=Wheelchair

During the audit period, about 43 percent of vehicles were past their useful life and an estimated 57 percent in 2020. ESTA has been successful in securing federal grant funding to replace aging vehicles. In 2018, ESTA adopted its first Transit Asset Management (TAM) plan that gauges vehicle usage and needs.

Facilities

ESTA's main administrative office is located in the terminal of the Bishop Airport (KBIH), located 2 miles east of Bishop. ESTA leases office space and ground for parking. Most of the transit vehicles are parked in a paved lot across from the terminal building. The office houses executive

management, administrative staff, operations, and dispatch for the non-Mammoth Lakes services. The Town of Mammoth Lakes expanded a Town-owned facility from which ESTA leases six bays and office space for vehicle parking, operations, and dispatching of the local Mammoth transit services. The vehicles used for the local Mammoth service, including the Town-owned vehicles and the Red Meadow buses, are also parked at this facility. Because there are not enough spaces in the bus bays for the fleet, the vehicles that are kept indoors are typically those that will be readied for the next morning's runs. This is done in part to avoid potential issues caused by harsh weather elements. ESTA rotates buses every 4-5 days into the bays for overnight storage so they are able to melt out the night prior to service.

Additional transit vehicles are stored at other locations in both counties for efficiency and practical reasons for services that are too far away and/or do not serve Bishop or Mammoth Lakes. These locations include Walker (2 buses) and Lone Pine (3 buses). The vehicles are rotated as necessary within the main fleet for inspections and maintenance. ESTA does not conduct vehicle maintenance in-house and does not have a vehicle maintenance facility. In Mammoth Lakes, ESTA contracts with the Town for maintenance at a separate facility near the vehicle storage and operations building.

Section II

Operator Compliance Requirements

This section of the audit report contains the analysis of ESTA’s ability to comply with state requirements for continued receipt of TDA funds. The evaluation uses the guidebook, *Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Agencies*, to assess transit operators. The guidebook contains a checklist of eleven measures taken from relevant sections of the Public Utilities Code and the California Code of Regulations. Each of these requirements is discussed in the table below, including a description of the system’s efforts to comply with the requirements. In addition, the findings from the compliance review are described in the text following the table.

Table II-1 Operator Compliance Requirements Matrix		
Operator Compliance Requirements	Reference	Compliance Efforts
The transit operator has submitted annual reports to the RTPA based upon the Uniform System of Accounts and Records established by the State Controller. Report is due within seven (7) months after the end of the fiscal year (on or before January 31). The report shall contain underlying data from audited financial statements prepared in accordance with generally accepted accounting principles, if this data is available.	Public Utilities Code, Section 99243	Completion/submittal dates based on report copies provided by ESTA: FY 2017: January 31, 2018 FY 2018: January 31, 2019 FY 2019: January 31, 2020 Conclusion: Complied.
The operator has submitted annual fiscal and compliance audits to the RTPA and to the State Controller within 180 days following the end of the fiscal year (Dec. 27), or has received the appropriate 90-day extension by the RTPA allowed by law.	Public Utilities Code, Section 99245	Completion/submittal dates based on report copies provided by ESTA: FY 2017: January 8, 2018 FY 2018: March 19, 2019 FY 2019: January 27, 2020 A 90-day extension was granted by the Inyo and Mono LTCs pursuant to the TDA statute.

Table II-1 Operator Compliance Requirements Matrix		
Operator Compliance Requirements	Reference	Compliance Efforts
		Conclusion: Complied.
The CHP has, within the 13 months prior to each TDA claim submitted by an operator, certified the operator's compliance with Vehicle Code Section 1808.1 following a CHP inspection of the operator's terminal.	Public Utilities Code, Section 99251 B	<p>ESTA participates in the CHP Transit Operator Compliance Program in which the CHP has conducted inspections within the 13 months prior to each TDA claim.</p> <p>Inspections are conducted at Bishop, Lone Pine, Mammoth Lakes and Walker. Dates applicable to the audit period were:</p> <p>Bishop facility located at 703-B Airport Road: November 14, 2017; November 6, 2018; and November 6, 2019.</p> <p>Lone Pine facilities are located at 160 North Lone Pine Avenue & 1900 South Main Street: September 14, 2017; September 10, 2018; August 5, 2019 and September 26, 2019.</p> <p>Mammoth Lakes facility located at 210 Commerce Circle: September 12, 2017; September 11, 2018; and September 24, 2019.</p> <p>Walker facility located at 399 Mule Deer Road: June 28, 2017; June 20, 2018; and June 11, 2019.</p> <p>Minor violations were cited by the CHP inspector including maintenance program, driver records, and submission of daily conditions reports; however, each facility received a satisfactory terminal rating.</p>

Table II-1 Operator Compliance Requirements Matrix		
Operator Compliance Requirements	Reference	Compliance Efforts
		Conclusion: Complied.
The operator's claim for TDA funds is submitted in compliance with rules and regulations adopted by the RTPA for such claims.	Public Utilities Code, Section 99261	<p>ESTA receives TDA funds from both Inyo and Mono counties. Separate allocations from each LTC are made. In Inyo County, claimants such as ESTA submit a direct request for allocation of TDA funds to the Inyo LTC using a claim form. The claim form includes checks of conformance with efficiency standards and requests for supporting documentation of the claimant.</p> <p>In Mono County, the LTC passes an annual resolution allocating local transportation funds (LTF). Funds for transit system operations are apportioned to Mono County and the Town of Mammoth Lakes, which are claimed directly by ESTA on their behalf using a claims form.</p> <p>A resolution is then passed by the LTCs for direct allocation to ESTA. The claims process by the two LTCs is more consistent in how ESTA receives TDA funds for transit operations. ESTA complies with the rules and regulations adopted by each LTC.</p> <p>Conclusion: Complied</p>
If an operator serves urbanized and non-urbanized areas, it has maintained a ratio of fare revenues to operating costs at least equal to the ratio	Public Utilities Code, Section 99270.1	ESTA is not subject to this farebox recovery provision, as the Authority does not serve an urbanized area within the two counties.

Table II-1 Operator Compliance Requirements Matrix		
Operator Compliance Requirements	Reference	Compliance Efforts
determined by the rules and regulations adopted by the RTPA.		Conclusion: Not Applicable
The operator's operating budget has not increased by more than 15% over the preceding year, nor is there a substantial increase or decrease in the scope of operations or capital budget provisions for major new fixed facilities unless the operator has reasonably supported and substantiated the change(s).	Public Utilities Code, Section 99266	Percentage increase in ESTA's operating budget: FY 2017: -2.3% FY 2018: +5.3% FY 2019: +5.3% Source: FY 2016–2019 Annual ESTA adopted budgets Conclusion: Complied
The operator's definitions of performance measures are consistent with Public Utilities Code Section 99247, including (a) operating cost, (b) operating cost per passenger, (c) operating cost per vehicle service hour, (d) passengers per vehicle service hour, (e) passengers per vehicle service mile, (f) total passengers, (g) transit vehicle, (h) vehicle service hours, (i) vehicle service miles, and (j) vehicle service hours per employee.	Public Utilities Code, Section 99247	ESTA's performance measures are consistent with the definitions contained in the Public Utilities Code, Section 99247. Section IV of this audit describes ESTA's reporting of performance measures. Conclusion: Complied
If the operator serves an urbanized area, it has maintained a ratio of fare revenues to operating costs at least equal to one-fifth (20 percent), unless it is in a county with a population of less than 500,000, in which case it must	Public Utilities Code, Sections 99268.2, 99268.3, 99268.12, 99270.1	ESTA is not subject to this farebox recovery provision, as it does not serve an urbanized area within the two counties. Conclusion: Not Applicable

Table II-1 Operator Compliance Requirements Matrix		
Operator Compliance Requirements	Reference	Compliance Efforts
maintain a ratio of fare revenues to operating costs of at least equal to three-twentieths (15 percent), if so determined by the RTPA.		
If the operator serves a rural area, it has maintained a ratio of fare revenues to operating costs at least equal to one-tenth (10 percent).	Public Utilities Code, Sections 99268.2, 99268.4, 99268.5	The farebox recovery ratios per the annual audited financial statements: FY 2017: 46.98% FY 2018: 42.20% FY 2019: 43.35% Conclusion: Complied
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 within 40 years.	Public Utilities Code, Section 99271	According to the annual ESTA fiscal audit, the Authority's defined benefit pension plan is provided through CalPERS. Active plan members in the Authority's defined pension plan are required to contribute 6.25%, 7% or 8% of their annual covered salary depending upon the plan in which the employee participates. ESTA is required to contribute the actuarially determined remaining amounts necessary to fund the benefits for its members depending upon the retirement plan tier. Conclusion: Complied
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.	California Code of Regulations, Section 6754(a)(3)	As a recipient of State Transit Assistance Funds, ESTA makes use of federal funds available under the Federal Transit Administration. FTA funds include 5304 Transportation Planning, 5310 competitive grant, 5311 formula apportionment, and

Table II-1 Operator Compliance Requirements Matrix		
Operator Compliance Requirements	Reference	Compliance Efforts
		5311(f) intercity bus, and 5339(a)(b) bus and bus facilities. FY 2017: \$415,002 (operations) FY 2018: \$451,287 (operations) \$167,022 (capital) FY 2019: \$376,473 (operations) Source: FTA National Transit Database for FYs 2017–2019 Conclusion: Complied

Findings and Observations from Operator Compliance Requirements Matrix

1. Of the compliance requirements pertaining to ESTA, the Authority fully complied with the nine applicable requirements. Two additional compliance requirements did not apply to ESTA (e.g., urban and blended farebox recovery ratios).
2. Based on the annual fiscal audits, ESTA complied with the TDA farebox recovery ratio. The farebox ratio was relatively strong compared to the TDA threshold, averaging over 44 percent during the audit period compared to the minimum statutory requirement of 10 percent. Fare revenues, as reported in the annual fiscal audit, include passenger fares paid on routes as well as payments provided by entities for fare-free transit service including MMSA and June Lake Mountain. Contract revenue from the Town of Mammoth Lakes is not accounted for as fare revenue, instead ESTA considers it as an “other agency contribution.” Based on unaudited data, passenger fare revenues alone resulted in farebox ratios of about 22 percent, still well above the minimum standard.
3. ESTA participates in the annual CHP inspections for its four vehicle storage locations and received satisfactory ratings at each of its locations. Minor violations were found for some of the inspections including that vehicles were behind on their maintenance program checks referenced by either time or miles. Subsequent inspections during this audit period did not report as severe maintenance schedule issues, indicating that ESTA has improved its maintenance scheduling practice. Since ESTA does not have its own vehicle maintenance facility, the Authority relies on outside vendors for the service and has to coordinate the servicing of the vehicles.

In working with the Town of Mammoth Lakes, enhanced maintenance equipment and procedures have been put in place. The Town has purchased more advanced software for the maintenance employees to help track statistics on ESTA equipment. This data will help ESTA manage the system and plan for growth.

4. The operating budget exhibited modest fluctuations during the period. After a decrease of 2.3 percent in FY 2017, the operating budget increased 5.3 percent during the subsequent fiscal years of the audit period. The increases are attributed to benefited employees working more hours, overtime, training costs, rent increases at the Mammoth facility and fuel costs.
5. ESTA continues to utilize rural and innovative federal grant funding in addition to other funding sources including TDA for transit operations. Federal formula and discretionary funding are derived from FTA Sections 5304, 5310, 5311 and 5311(f), 5339(b) grant programs.

Federal operating grants comprised about 12 percent of operating revenues at the beginning of the triennial period, according to the Federal National Transit Database. By the end of the audit period, the federal grants comprised about 8 percent of operating revenues. The reduction is attributed to the conclusion of the FTA Section 5316 – JARC grant funding supporting the Mammoth Express and Lone Pine Express routes. In addition, the lower range is the result of inclusion of contract revenue, which had the effect of increasing total revenues while reducing the percentage contributions from federal funds.

Section III

Prior Triennial Performance Recommendations

ESTA's efforts to implement the recommendations made in the prior triennial audit of the Eastern Sierra Transit Authority ending June 30, 2016, are examined in this section of the report. The Caltrans performance audit guidelines prescribe a review of the status of prior audit recommendations. The review included discussions about the prior recommendations with ESTA staff. For this purpose, each prior recommendation for the Authority is described as listed in the prior audit, followed by a discussion of efforts to implement the recommendation. Conclusions concerning the extent to which the recommendations have been implemented by ESTA are then presented.

Prior Recommendation 1

Ensure vehicle maintenance is conducted within maintenance parameters. *(Implementation Priority: High)*

Background: As a continuation of a prior recommendation, the prior audit noted that the Authority relied on outside vendors for the service and coordinated the servicing of the vehicles since ESTA did not have its own vehicle maintenance facility. ESTA indicated communication breakdowns have resulted in maintenance dates that are not recorded properly by the vendor when, in fact, maintenance inspections were performed within the timeline. Inspection dates were shown as the date of the invoice supplied by the vendor rather than the actual service inspection date. ESTA improved its maintenance scheduling practice, including having satisfactory CHP inspection ratings at each of its vehicle storage locations. An operations database developed in-house to track performance and scheduling has also helped with tracking maintenance. ESTA is working with the vendor to improve protocols for dating inspections. It was suggested that ESTA continue working with the maintenance vendors to ensure that there are no late inspections cited on the CHP reports.

Actions Taken by ESTA

In response, ESTA has implemented procedures that enhance vehicle maintenance protocols. The executive director initiated more strict preventative maintenance inspection schedules in an effort to extend the life of the agency's assets. The maintenance of trolleys and buses was increased to 60-day intervals from 120 days at the Mammoth facility. Maintenance staff has been authorized to hold buses out of compliance with standards. Parameters are met better than 90 percent of the time. Supervisors deliver monthly reports on vehicle maintenance to ESTA's executive director. Additionally, in working with the Town of Mammoth Lakes, enhanced maintenance equipment and procedures have been implemented. The Town provides most of the maintenance for the ESTA Mammoth fleet and there were challenges to meet requirements during the heavy snowfall of 2019. ESTA and the Town concur that an expanded maintenance program will be required in the future. The Town has purchased more advanced software for the maintenance employees to help track statistics on ESTA equipment. This data will help ESTA manage the system and plan for growth.

Conclusion

This recommendation has been implemented.

Prior Recommendation 2

Study feasibility of bringing 45-day vehicle inspections in-house. (*Implementation Priority: Medium*)

Background: ESTA has investigated the option of having the 45-day (3,000 mile) vehicle inspection conducted in-house, rather than currently contracting out the service. The new Bishop operations facility might enable such efforts. It was suggested that the cost and operational feasibility to bring this service in-house be further evaluated given issues with timely recording of maintenance inspections. The Short Range Transit Plan (SRTP) analyzed the cost of in-house maintenance, and despite a finding that it was not cost effective to conduct major maintenance in-house, minor maintenance tasks could be considered for an expanded ESTA staff once the Bishop operations facility improvements are completed.

Actions Taken by ESTA

In response to this recommendation, ESTA's management studied the feasibility of bringing 45-day vehicle inspections-in house. Economical and logistical feasibility was considered along with necessary training and procedures to ensure the quality of the inspections. It was assessed that ESTA has not been equipped to increase staff and procure the necessary tools to conduct inspections in-house. The hiring of qualified staff has been deemed prohibitive and the current utility position would need to be competitive with regional mechanic pay. The procurement of tools and shop equipment would also be prohibitive. There is no access to a lift. The Organizational Assessment Report made a recommendation for ESTA fleet operations with regard to in-house maintenance based on the organization findings. Staff also indicated this issue will be re-evaluated during the next update of the Short Range Transit Plan.

Conclusion

This recommendation has not been implemented but should be re-considered by ESTA as part of its proposed operations facility development and next update of the SRTP.

Prior Recommendation 3

Include comparison of performance against new standards in the monthly operations report. (*Implementation Priority: Medium*)

Background: The prior audit found that the monthly performance reports presented to the ESTA Board and to the LTCs include a number of performance standards that are compared to actual data. Standards are shown for indicators such as road calls, preventable accidents, complaints and Bishop

dial-a-ride service. The Short-Range Transit Plan update provided a set of new goals and performance standards for several routes to validate existing and potential services. The goals differ from the previous SRTP by using a different unit basis to measure performance. For example, for the 395 routes and the Town-to-Town routes, the standard of number of passengers per hour was replaced with number of passenger-miles. This resulted in a change in standard from passengers per hour (2.5 to 4.0 passengers per hour) to a minimum standard of 100 passenger-miles per vehicle-hour and a target standard of 200 passenger-miles per vehicle hour. Other standards were also changed including from a subsidy per passenger-trip to a subsidy per passenger-mile standard for the Town-to-Town and 395 Routes. The monthly performance reports to the Board and LTCs should compare the new standards approved in the SRTP to the actual data to determine a basis for showing improvements from ESTA services.

Actions Taken by ESTA

In response to this recommendation, ESTA examined and implemented a comparison of performance metrics against new SRTP standards in the monthly operations reports presented to the ESTA Board and to the LTCs. The passenger per service miles indicator was added as per this recommendation.

Conclusion

This recommendation has been fully implemented.

Prior Recommendation 4

Continue working with Mono and Inyo LTCs and Caltrans to procure additional on-board video cameras for the bus fleet. *(Implementation Priority: Medium)*

Background: Some of the larger ESTA buses have on-board cameras procured through transit security grants in partnership with Mono and Inyo LTCs. On-board cameras are common on buses and provide a multitude of benefits, including driver monitoring; identification and remediation of risky driving behaviors such as distracted driving and drowsiness; passenger monitoring especially to address vandalism, theft, passenger disturbances and general security; enhanced collision review and analysis; and providing a means of increasing security and limiting liability from false liability claims and suits. ESTA indicated that additional procurement of on-board cameras is contingent on an update to a Caltrans District 9/10 Intelligent Transportation System Architecture and Deployment Plan document. The previous ITS plan was developed many years ago, and an update has been underway by Caltrans District 9/10 to add and modify projects. This document is mandated and serves as a framework where various electronics, communications, information processing systems, and hardware devices can be deployed to improve the safety and efficiency of the county's surface transportation system.

Existing technology procured by ESTA have been in previous ITS rural/small urban statewide plans such as real-time information, automatic vehicle location system, and transit traveler information. ESTA should continue working with the LTCs and Caltrans to complete the ITS deployment plan and

procure additional on-board video cameras for its fleet. The advancement of on-board cameras in ESTA capital asset planning should be considered.

Actions Taken by ESTA

ESTA has installed cameras on at least 15 buses since the close of the prior audit period. Approximately 90 percent of the fleet used for 395 or Express Routes and 30 percent of the Mammoth fixed route fleet have on board video. ESTA staff have continued working towards procuring additional on-board video cameras giving priority to busses used on 395 or Express Routes and Mammoth Lakes fixed routes due to their longer trip time and/or passenger count. Ten additional cameras were installed in 2019 and all new bus procurements include cameras. Staff concurs that cameras are useful and intend to look for funding to complete the fleet installment.

Conclusion

This recommendation is in the process of implementation and being carried forward for full implementation.

Section IV

TDA Performance Indicators

This section reviews ESTA operational performance measuring the relative efficiency and effectiveness in providing transit service. TDA requires that at least five specific performance indicators be reported for the transit system, which are contained in the first table. Farebox is not one of the five specific indicators, but is a requirement for continued TDA funding and is also included. A breakdown of service performance by route and comparatively by year is also provided using annual route statistics provided by ESTA and shown in the following tables. Findings from the analysis are contained in the section following the tables and graphs.

Data for the current audit period was obtained from various sources including audited financial statements, State Controller Reports, ESTA annual reports, monthly reports, and internal performance documents.

Operating Costs are defined as the annual cost of running a transit operation exclusive of depreciation, capital expenditures, vehicle lease costs, and direct costs of providing charter service. Operating cost data used for the systemwide performance indicators in the table is derived from annual audited financial statements.

Passenger Counts are based on the total number of one-way unlinked passenger trips provided by ESTA. Passenger counts were obtained from board summary reports produced by ESTA. Ridership is accounted for by type of passenger (adult, senior, disabled, wheelchair, child, and child under 5) and by route.

Vehicle Service Hours are defined as the total annual hours that vehicles operate in revenue service. Travel time to and from storage facilities and other deadhead travel are excluded. Driver manifests completed by drivers verify the separation of revenue and deadhead hours. Vehicle service hours were obtained from the State Controller Report and board summary reports.

Vehicle Service Miles are defined as the total annual miles that vehicles operate in revenue service. Travel distance to and from storage facilities and other deadhead travel are excluded. Driver manifests completed by drivers verify the separation of revenue and deadhead hours. Vehicle service miles were also obtained from the State Controller Report and board summary reports.

Employee Hours data was obtained from ESTA through a count of annual total pay hours for ESTA staff. Pay hours by fiscal year are:

FY 2016–17: 95,234.00 hours
FY 2017–18: 98,939.90 hours
FY 2018–19: 102,152.52 hours

TDA requires that employees be reported in terms of full-time equivalents (FTEs). This figure is calculated by dividing total annual employee pay hours by 2,000 hours. FTE data contained in the ESTA State Controller Reports during the audit period reflected this definition.

Annual Fare Revenue data was obtained from audited financial statements and board summary reports. Fares include cash, credit card payments for advance sales, and discount passes. The table showing annual fare revenue systemwide is audited data, while the table showing revenue by route is unaudited, partially explaining the difference between the two totals. The other explanation is that the audited fare revenue includes the contract payments made by local entities for transit services that do not charge a passenger fare. These services include the MMSA and June Mountain transit services. Contract revenue from the Town of Mammoth Lakes is not accounted for as fare revenue, instead ESTA considers it as an “other agency contribution.”

Table IV-1
ESTA Systemwide Performance Indicators

Performance Data and Indicators	Audit Period			% Change FY 2017- 2019
	FY 2017	FY 2018	FY 2019	
Operating Cost	\$4,007,477	\$4,460,758	\$4,596,353	14.7%
<i>Annual Change</i>		11%	3%	
Total Passengers	1,203,804	1,076,085	1,123,564	-6.7%
<i>Annual Change</i>		-11%	4%	
Vehicle Service Hours	56,054	58,287	56,757	1.3%
<i>Annual Change</i>		4%	-3%	
Vehicle Service Miles	893,618	961,915	944,365	5.7%
<i>Annual Change</i>		8%	-2%	
Employee FTE's ⁽¹⁾	48	49	51	7.3%
<i>Annual Change</i>		4%	3%	
Passenger Fares ⁽²⁾	\$1,882,654	\$1,882,467	\$1,992,457	5.8%
<i>Annual Change</i>		0%	6%	
Operating Cost per Passenger	\$3.33	\$4.15	\$4.09	22.9%
<i>Annual Change</i>		25%	-1%	
Operating Cost per Vehicle Service Hour	\$71.49	\$76.53	\$80.98	13.3%
<i>Annual Change</i>		7%	6%	
Operating Cost per Vehicle Service Mile	\$4.48	\$4.64	\$4.87	8.5%
<i>Annual Change</i>		3%	5%	
Passengers per Vehicle Service Hour	21.5	18.5	19.8	-7.8%
<i>Annual Change</i>		-14%	7%	
Passengers per Vehicle Service Mile	1.35	1.12	1.19	-11.7%
<i>Annual Change</i>		-17%	6%	
Vehicle Service Hours per Employee	1,177	1,178	1,111	-5.6%
<i>Annual Change</i>		0%	-6%	
Average Fare per Passenger	\$1.56	\$1.75	\$1.77	13.4%
<i>Annual Change</i>		12%	1%	
Subsidy per Passenger	\$1.77	\$2.40	\$2.32	31.3%
<i>Annual Change</i>		36%	-3%	
Fare Recovery Ratio	46.98%	42.20%	43.35%	-7.7%
<i>Annual Change</i>		-10%	3%	
Consumer Price Index (CPI)- California	2.6%	3.9%	3.1%	

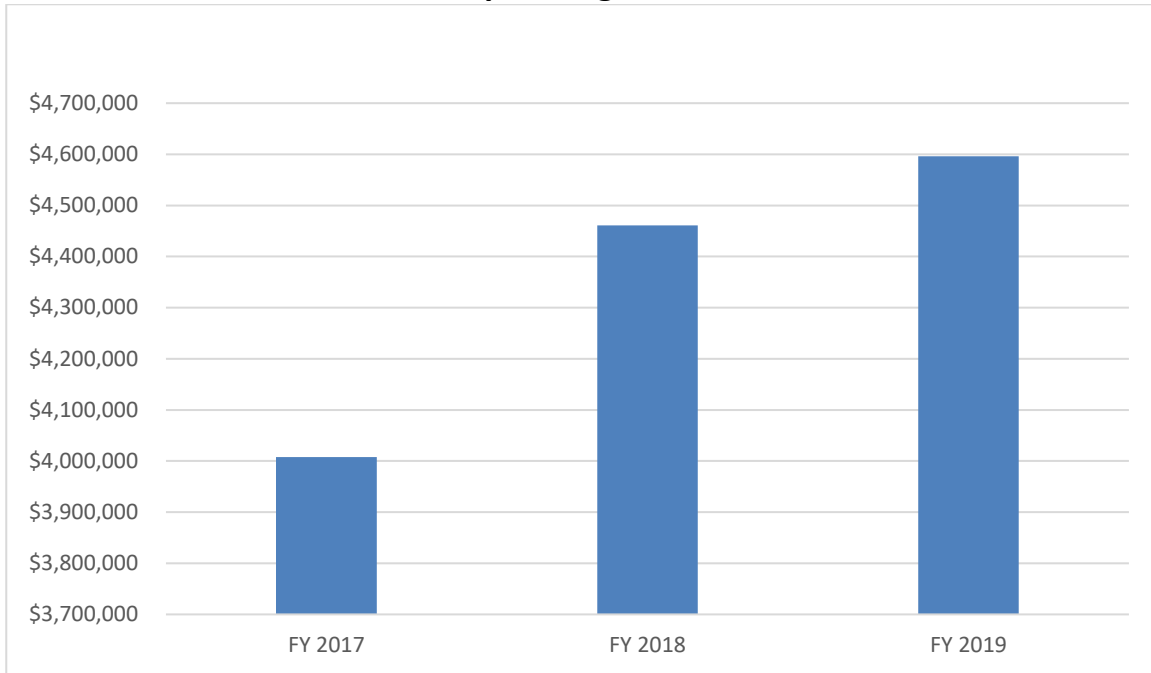
(1) Full time equivalents is annual total payroll hours divided by 2,000 hours.

(2) Passenger fares reported in the fiscal audit include fare subsidies paid by contract agencies for ESTA to provide service (e.g. June Lake Mountain, MMSA)

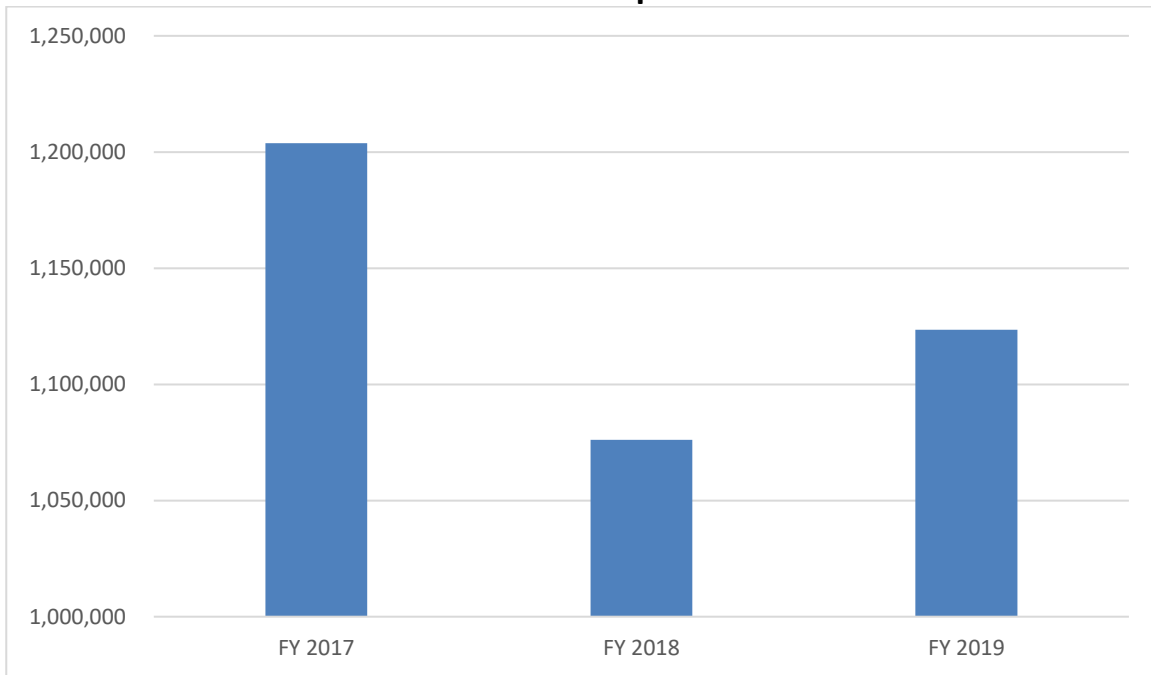
Source: Audited financial reports for cost and fares; ESTA annual performance data by route for passengers, hours and miles; ESTA payroll hours for FTEs.

Column graphs on the following pages are used to depict the trends for select systemwide performance indicators (Graphs IV-1 through IV-6).

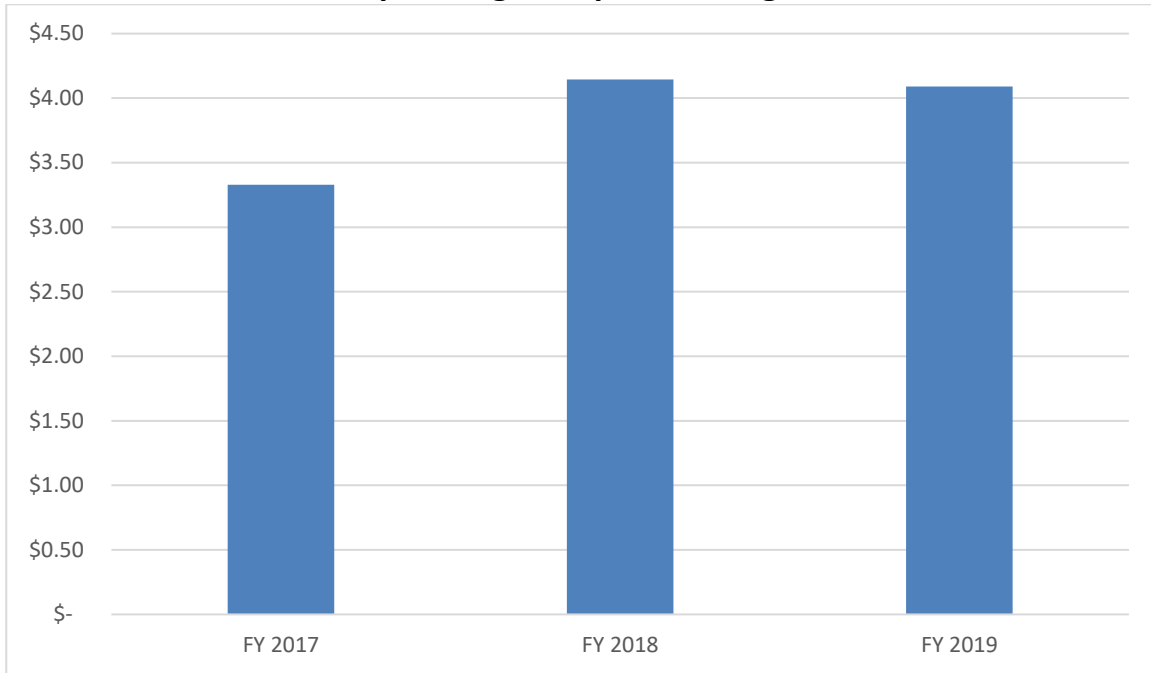
**Graph IV-1
Operating Costs**



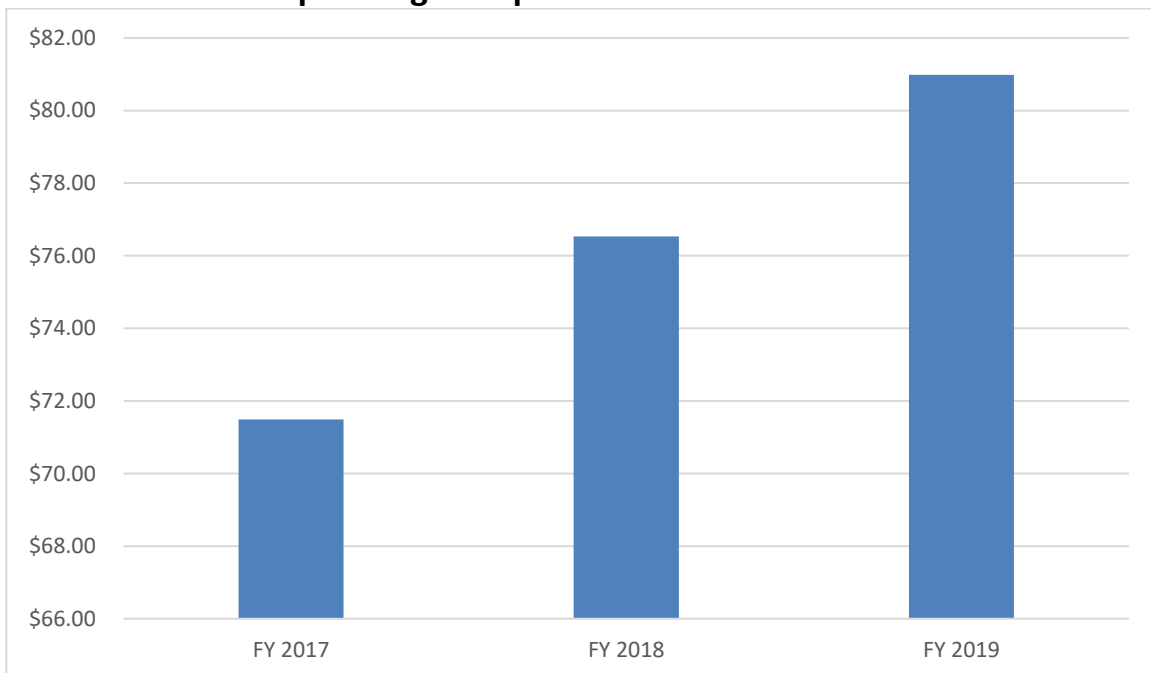
**Graph IV-2
Ridership**



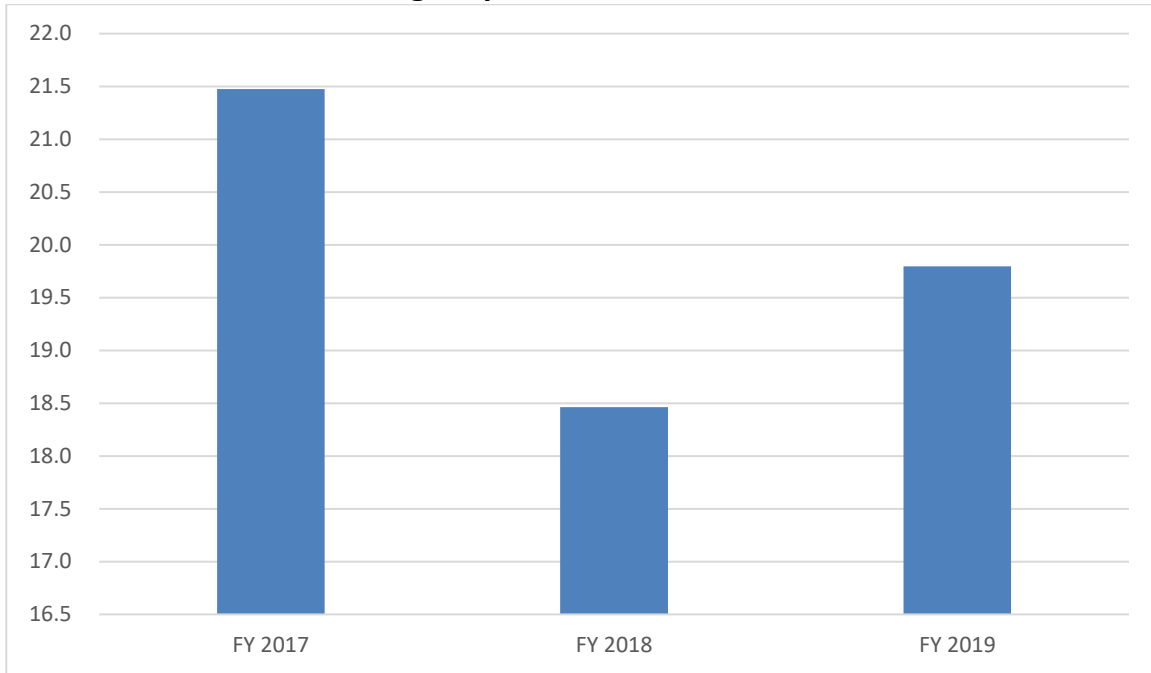
Graph IV-3
Operating Cost per Passenger



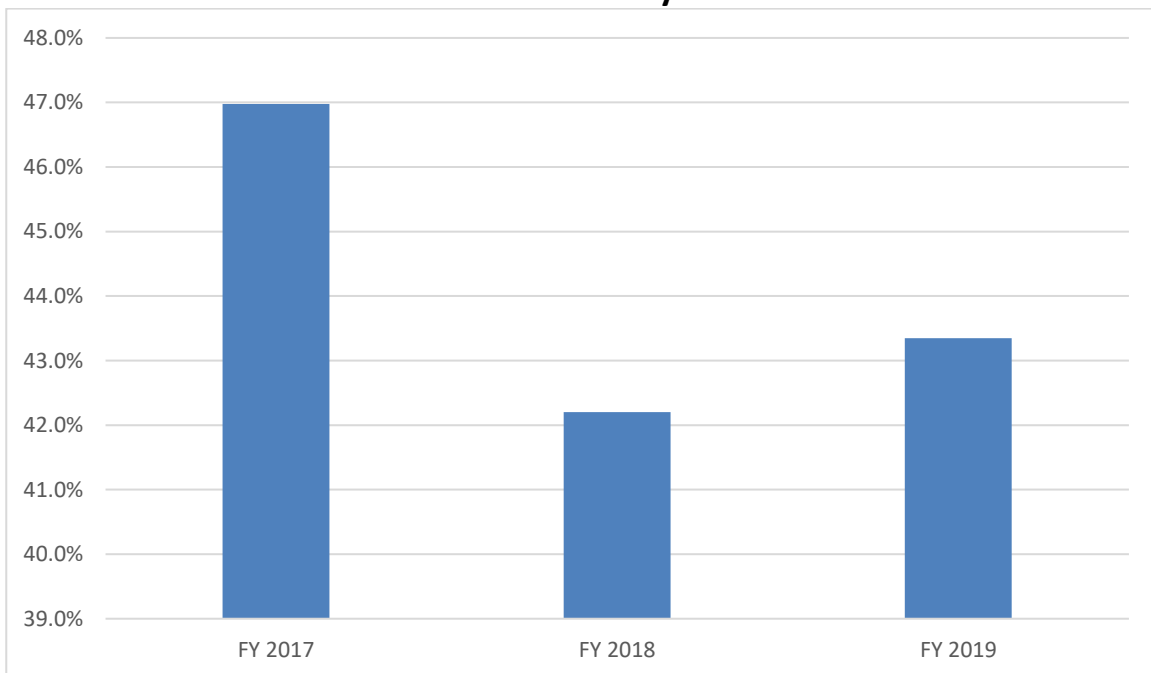
Graph IV-4
Operating Cost per Vehicle Service Hour



Graph IV-5
Passengers per Vehicle Service Hour



Graph IV-6
Farebox Recovery Ratio



**Table IV-2
FY 2016–17 Performance Data by Route (Unaudited)**

Route	Fares	Pax	Hours	Miles
Benton to Bishop	\$1,316.00	246	149	6,830
Bishop DAR	\$92,665.00	41,731	10,743	110,637
Bishop FR	\$310.00	86	56	1,529
Bridgeport to Gardnerville	\$3,445.00	454	321	6,766
June Lake Shuttle	\$27,976.00	2,931	967	21,268
Lancaster	\$80,876.00	4,872	1,657	77,526
Lone Pine to Bishop	\$20,900.00	4,058	1,485	64,460
Lone Pine DAR	\$9,423.00	3,871	1,764	17,500
Mammoth FR	\$0.00	385,635	15,337	206,102
Mammoth DAR	\$8,882.00	4,068	2,087	6,560
Mammoth Express	\$31,103.00	5,560	1,467	59,455
Mammoth Mountain Ski Area	\$0.00	564,102	10,587	124,237
Measure U	\$0.00	7,585	156	1,457
Mule Shuttle	\$557.00	565	52	422
Nite Rider	\$15,781.00	4,146	820	12,092
Other	\$0.00	1,333	38	747
Reds Meadow	\$469,876.00	163,569	4,061	51,303
Reno	\$149,699.00	6,601	2,710	111,531
Tecopa	\$355.00	69	82	1,640
Walker DAR	\$6,761.00	2,322	1,515	11,556
Total	\$919,925.00	1,203,804	56,054	893,618

Source: ESTA

**Table IV-3
FY 2017–18 Performance Data by Route (Unaudited)**

Route	Fares	Pax	Hours	Miles
Benton to Bishop	\$2,133.75	362	171	7,646
Bishop DAR	\$100,446.55	43,992	10,940	117,190
Bishop Creek	\$2,225.00	657	280	9,125
Bridgeport to Gardnerville	\$2,996.25	501	326	7,188
June Lake Shuttle	\$20,324.00	1,661	812	17,968
Lancaster	\$91,973.50	5,728	2,583	124,625
Lone Pine to Bishop	\$19,197.13	3,571	1,256	55,904
Lone Pine DAR	\$11,068.70	4,317	1,759	18,407
Mammoth FR	\$0.00	378,701	16,791	211,372
Mammoth DAR	\$7,524.80	3,745	2,201	7,258
Mammoth Express	\$23,830.45	4,500	1,005	44,292
Mammoth Mountain Ski Area	\$0.00	480,770	10,131	124,937
Measure U	\$0.00	0	0	1,033
Mule Shuttle	\$291.50	0	0	315
Nite Rider	\$16,704.00	4,415	847	12,240
Other	\$0.00	0	0	1,671
Reds Meadow	\$545,851.40	128,587	3,592	45,476
Reno	\$171,853.33	7,950	3,313	138,682
Tecopa	\$534.00	113	152	4,099
Walker DAR	\$5,903.70	2,130	1,837	12,487
Total	\$1,022,858.06	1,071,700	57,996	961,915

Source: ESTA

**Table IV-4
FY 2018–19 Performance Data by Route (Unaudited)**

Route	Fares	Pax	Hours	Miles
Benton to Bishop	\$2,246.00	410	179	7,714
Bishop DAR	\$97,230.25	43,434	9,900	113,759
Bishop Creek	\$2,562.50	603	276	8,716
Bridgeport to Carson City	\$1,348.05	198	308	7,041
June Lake Shuttle	\$17,610.00	2,123	804	15,984
Lancaster	\$97,404.80	6,289	2,674	126,525
Lone Pine to Bishop	\$18,069.50	3,318	1,226	55,360
Lone Pine DAR	\$10,540.80	4,078	1,755	17,511
Mammoth FR	\$0.00	290,171	12,058	149,438
Mammoth DAR	\$7,273.00	4,052	2,096	7,290
Mammoth Express	\$28,620.00	5,209	949	42,774
Mammoth Mountain Ski Area	\$0.00	521,606	10,872	128,898
Nite Rider	\$16,065.00	4,074	810	11,146
Purple Route	\$0.00	91,435	3,997	50,204
Reds Meadow	\$434,154.00	130,914	3,785	46,780
Reno	\$171,394.65	7,958	3,345	140,589
Specials	\$0.00	6,175	218	1,861
Tecopa	\$540.00	115	169	4,238
Walker DAR	\$3,891.10	1,402	1,335	8,537
Total	\$908,949.65	1,123,564	56,756	944,365

Source: ESTA

**Table IV-5
Fare Revenues by Route by Year (Unaudited)**

Route	Fares			% Change FY 2017-19
	FY 2017	FY 2018	FY 2019	
Benton to Bishop	\$1,316	\$2,134	\$2,246	71%
<i>Annual Change</i>		62%	5%	
Bishop DAR	\$92,665	\$100,447	\$97,230	5%
<i>Annual Change</i>		8%	-3%	
Bishop FR/Bishop Creek	\$310	\$2,225	\$2,563	727%
<i>Annual Change</i>		618%	15%	
Bridgeport to Gardnerville	\$3,445	\$2,996	\$1,348	-61%
<i>Annual Change</i>		-13%	0%	
June Lake Shuttle	\$27,976	\$20,324	\$17,610	-37%

Route	Fares			% Change FY 2017-19
	FY 2017	FY 2018	FY 2019	
<i>Annual Change</i>		-27%	-13%	
Lancaster	\$80,876	\$91,974	\$97,405	20%
<i>Annual Change</i>		14%	6%	
Lone Pine to Bishop	\$20,900	\$19,197	\$18,070	-14%
<i>Annual Change</i>		-8%	0%	
Lone Pine DAR	\$9,423	\$11,069	\$10,541	12%
<i>Annual Change</i>		17%	-5%	
Mammoth FR ⁽¹⁾	\$0	\$0	\$0	n/a
<i>Annual Change</i>		n/a	0%	
Mammoth DAR	\$8,882	\$7,525	\$7,273	-18%
<i>Annual Change</i>		-15%	-3%	
Mammoth Express	\$31,103	\$23,830	\$28,620	-8%
<i>Annual Change</i>		-23%	20%	
Mammoth Mountain Ski Area ⁽¹⁾	\$0	\$0	\$0	n/a
<i>Annual Change</i>		n/a	n/a	
Measure U ⁽¹⁾	\$0	\$0	\$0	n/a
<i>Annual Change</i>		n/a	n/a	
Mule Shuttle	\$557	\$292	\$0	-100%
<i>Annual Change</i>		-48%	-100%	
Nite Rider	\$15,781	\$16,704	\$16,065	2%
<i>Annual Change</i>		6%	-4%	
Other	\$0	\$0	\$0	n/a
<i>Annual Change</i>		n/a	n/a	
Reds Meadow	\$469,876	\$545,851	\$434,154	-8%
<i>Annual Change</i>		16%	-20%	
Reno	\$149,699	\$171,853	\$171,395	14%
<i>Annual Change</i>		15%	0%	
Tecopa	\$355	\$534	\$540	52%
<i>Annual Change</i>		50%	1%	
Walker DAR	\$6,761	\$5,904	\$3,891	-42%
<i>Annual Change</i>		-13%	-34%	
Total	\$919,615	\$1,020,633	\$906,387	-1%

(1) Mammoth Lakes fixed route services are fare-free.

**Table IV-6
Ridership by Route by Year**

Route	Ridership			% Change FY 2017-19
	FY 2017	FY 2018	FY 2019	
Benton to Bishop	246	362	410	67%
<i>Annual Change</i>		47%	13%	
Bishop DAR	41,731	43,992	43,434	4%
<i>Annual Change</i>		5%	-1%	
Bishop FR/Bishop Creek	86	657	603	601%
<i>Annual Change</i>		664%	-8%	
Bridgeport to Gardnerville	454	501	198	-56%
<i>Annual Change</i>		10%	0%	
June Lake Shuttle	2,931	1,661	2,123	-28%
<i>Annual Change</i>		-43%	28%	
Lancaster	4,872	5,728	6,289	29%
<i>Annual Change</i>		18%	10%	
Lone Pine to Bishop	4,058	3,571	3,318	-18%
<i>Annual Change</i>		-12%	0%	
Lone Pine DAR	3,871	4,317	4,078	5%
<i>Annual Change</i>		12%	-6%	
Mammoth FR (1)	385,635	378,701	290,171	-25%
<i>Annual Change</i>		-2%	0%	
Mammoth DAR	4,068	3,745	4,052	0%
<i>Annual Change</i>		-8%	8%	
Mammoth Express	5,560	4,500	5,209	-6%
<i>Annual Change</i>		-19%	16%	
Mammoth Mountain Ski Area (1)	564,102	480,770	521,606	-8%
<i>Annual Change</i>		-15%	8%	
Measure U (1)	7,585	0	0	-100%
<i>Annual Change</i>		-100%	n/a	
Mule Shuttle	565	0	0	-100%
<i>Annual Change</i>		-100%	n/a	
Nite Rider	4,146	4,415	4,074	-2%
<i>Annual Change</i>		6%	-8%	
Other	1,333	0	0	-100%
<i>Annual Change</i>		-100%	n/a	
Reds Meadow	163,569	128,587	130,914	-20%
<i>Annual Change</i>		-21%	2%	
Reno	6,601	7,950	7,958	21%

Route	Ridership			% Change FY 2017-19
	FY 2017	FY 2018	FY 2019	
<i>Annual Change</i>		20%	0%	
Tecopa	69	113	115	67%
<i>Annual Change</i>		64%	2%	
Walker DAR	2,322	2,130	1,402	-40%
<i>Annual Change</i>		-8%	-34%	
Total	1,203,718	1,071,043	1,025,351	-15%

(1) Mammoth Lakes fixed route services are fare-free.

Table IV-7
Revenue Service Hours by Route by Year

Route	Revenue Hours			% Change FY 2017-19
	FY 2017	FY 2018	FY 2019	
Benton to Bishop	149	171	179	20%
<i>Annual Change</i>		15%	5%	
Bishop DAR	10,743	10,940	9,900	-8%
<i>Annual Change</i>		2%	-10%	
Bishop FR/Bishop Creek	56	280	276	393%
<i>Annual Change</i>		400%	-1%	
Bridgeport to Gardnerville	321	326	308	-4%
<i>Annual Change</i>		2%	0%	
June Lake Shuttle	967	812	804	-17%
<i>Annual Change</i>		-16%	-1%	
Lancaster	1,657	2,583	2,674	61%
<i>Annual Change</i>		56%	4%	
Lone Pine to Bishop	1,485	1,256	1,226	-17%
<i>Annual Change</i>		-15%	0%	
Lone Pine DAR	1,764	1,759	1,755	-1%
<i>Annual Change</i>		0%	0%	
Mammoth FR (1)	15,337	16,791	12,058	-21%
<i>Annual Change</i>		9%	0%	
Mammoth DAR	2,087	2,201	2,096	0%
<i>Annual Change</i>		5%	-5%	
Mammoth Express	1,467	1,005	949	-35%
<i>Annual Change</i>		-31%	-6%	
Mammoth Mountain Ski Area (1)	10,587	10,131	10,872	3%
<i>Annual Change</i>		-4%	7%	

Route	Revenue Hours			% Change FY 2017-19
	FY 2017	FY 2018	FY 2019	
Measure U (1)	156	0	0	-100%
<i>Annual Change</i>		-100%	n/a	
Mule Shuttle	52	0	0	-100%
<i>Annual Change</i>		-100%	n/a	
Nite Rider	820	847	810	-1%
<i>Annual Change</i>		3%	-4%	
Other	38	-	-	-100%
<i>Annual Change</i>		-100%	n/a	
Reds Meadow	4,061	3,592	3,785	-7%
<i>Annual Change</i>		-12%	5%	
Reno	2,710	3,313	3,345	23%
<i>Annual Change</i>		22%	1%	
Tecopa	82	152	169	106%
<i>Annual Change</i>		85%	11%	
Walker DAR	1,515	1,837	1,335	-12%
<i>Annual Change</i>		21%	-27%	
Total	55,998	57,716	52,265	-7%

(1) Mammoth Lakes fixed route services are fare-free.

Table IV-8
Revenue Service Miles by Route by Year

Route	Revenue Miles			% Change FY 2017-19
	FY 2017	FY 2018	FY 2019	
Benton to Bishop	6,830	7,646	7,714	13%
<i>Annual Change</i>		12%	1%	
Bishop DAR	110,637	117,190	113,759	3%
<i>Annual Change</i>		6%	-3%	
Bishop FR/Bishop Creek	1,529	9,125	8,716	470%
<i>Annual Change</i>		497%	-4%	
Bridgeport to Gardnerville	6,766	7,188	7,041	4%
<i>Annual Change</i>		6%	0%	
June Lake Shuttle	21,268	17,968	15,984	-25%
<i>Annual Change</i>		-16%	-11%	
Lancaster	77,526	124,625	126,525	63%
<i>Annual Change</i>		61%	2%	
Lone Pine to Bishop	64,460	55,904	55,360	-14%
<i>Annual Change</i>		-13%	0%	

Route	Revenue Miles			% Change FY 2017-19
	FY 2017	FY 2018	FY 2019	
Lone Pine DAR	17,500	18,407	17,511	0%
<i>Annual Change</i>		5%	-5%	
Mammoth FR (1)	206,102	211,372	149,438	-27%
<i>Annual Change</i>		3%	0%	
Mammoth DAR	6,560	7,258	7,290	11%
<i>Annual Change</i>		11%	0%	
Mammoth Express	59,455	44,292	42,774	-28%
<i>Annual Change</i>		-26%	-3%	
Mammoth Mountain Ski Area (1)	124,237	124,937	128,898	4%
<i>Annual Change</i>		1%	3%	
Measure U (1)	1,457	1,033	0	-100%
<i>Annual Change</i>		-29%	-100%	
Mule Shuttle	422	315	0	-100%
<i>Annual Change</i>		-25%	-100%	
Nite Rider	12,092	12,240	11,146	-8%
<i>Annual Change</i>		1%	-9%	
Other	747	1,671	-	-100%
<i>Annual Change</i>		124%	-100%	
Reds Meadow	51,303	45,476	46,780	-9%
<i>Annual Change</i>		-11%	3%	
Reno	111,531	138,682	140,589	26%
<i>Annual Change</i>		24%	1%	
Tecopa	1,640	4,099	4,238	158%
<i>Annual Change</i>		150%	3%	
Walker DAR	11,556	12,487	8,537	-26%
<i>Annual Change</i>		8%	-32%	
Total	892,089	952,790	883,584	-1%

(1) Mammoth Lakes fixed route services are fare-free.

**Table IV-9
Average Fare per Passenger per Route by Year**

Route	Average Fare Per Passenger			% Change FY 2017-19
	FY 2017	FY 2018	FY 2019	
Benton to Bishop	\$5.35	\$5.89	\$5.48	2%
Bishop DAR	\$2.22	\$2.28	\$2.24	1%
Bishop FR	\$3.60	\$3.39	\$4.25	18%

Bridgeport to Gardnerville	\$7.59	\$5.98	\$6.81	-10%
June Lake Shuttle	\$9.54	\$12.24	\$8.29	-13%
Lancaster	\$16.60	\$16.06	\$15.49	-7%
Lone Pine to Bishop	\$5.15	\$5.38	\$5.45	6%
Lone Pine DAR	\$2.43	\$2.56	\$2.58	6%
Mammoth FR ⁽¹⁾	\$0.00	\$0.00	\$0.00	n/a
Mammoth DAR	\$2.18	\$2.01	\$1.79	-18%
Mammoth Express	\$5.59	\$5.30	\$5.49	-2%
Mammoth Mountain Ski Area ⁽¹⁾	\$0.00	\$0.00	\$0.00	n/a
Measure U ⁽¹⁾	\$0.00	\$0.00	\$0.00	n/a
Mule Shuttle	\$0.99	\$0.00	\$0.00	-100%
Nite Rider	\$3.81	\$3.78	\$3.94	4%
Other	\$0.00	\$0.00	\$0.00	n/a
Reds Meadow	\$2.87	\$4.24	\$3.32	15%
Reno	\$22.68	\$21.62	\$21.54	-5%
Tecopa	\$5.14	\$4.73	\$4.70	-9%
Walker DAR	\$2.91	\$2.77	\$2.78	-5%

(1) Mammoth Lakes fixed route services are fare-free.

**Table IV-10
Fare Revenue per Mile by Year**

Route	Fare Revenue Per Mile			% Change FY 2017-19
	FY 2017	FY 2018	FY 2019	
Benton to Bishop	\$0.19	\$0.28	\$0.29	51%
Bishop DAR	\$0.84	\$0.86	\$0.85	2%
Bishop FR	\$0.20	\$0.24	\$0.29	45%
Bridgeport to Gardnerville	\$0.51	\$0.42	\$0.19	-62%
June Lake Shuttle	\$1.32	\$1.13	\$1.10	-16%
Lancaster	\$1.04	\$0.74	\$0.77	-26%
Lone Pine to Bishop	\$0.32	\$0.34	\$0.33	1%
Lone Pine DAR	\$0.54	\$0.60	\$0.60	12%
Mammoth FR (1)	\$0.00	\$0.00	\$0.00	n/a
Mammoth DAR	\$1.35	\$1.04	\$1.00	-26%
Mammoth Express	\$0.52	\$0.54	\$0.67	28%
Mammoth Mountain Ski Area ⁽¹⁾	\$0.00	\$0.00	\$0.00	n/a
Measure U (1)	\$0.00	\$0.00	\$0.00	n/a
Mule Shuttle	\$1.32	\$0.93	\$0.00	-100%
Nite Rider	\$1.31	\$1.36	\$1.44	10%

Other	\$0.00	\$0.00	\$0.00	n/a
Reds Meadow	\$9.16	\$12.00	\$9.28	1%
Reno	\$1.34	\$1.24	\$1.22	-9%
Tecopa	\$0.22	\$0.13	\$0.13	-41%
Walker DAR	\$0.59	\$0.47	\$0.46	-22%

(1) Mammoth Lakes fixed route services are fare-free.

Table IV-11
Passengers per Hour per Route by Year

Route	Passengers Per Hour			% Change FY 2017-19
	FY 2017	FY 2018	FY 2019	
Benton to Bishop	1.7	2.1	2.3	39%
Bishop DAR	3.9	4.0	4.4	13%
Bishop FR	1.5	2.3	2.2	42%
Bridgeport to Gardnerville	1.4	1.5	0.6	-55%
June Lake Shuttle	3.0	2.0	2.6	-13%
Lancaster	2.9	2.2	2.4	-20%
Lone Pine to Bishop	2.7	2.8	2.7	-1%
Lone Pine DAR	2.2	2.5	2.3	6%
Mammoth FR (1)	25.1	22.6	24.1	-4%
Mammoth DAR	1.9	1.7	1.9	-1%
Mammoth Express	3.8	4.5	5.5	45%
Mammoth Mountain Ski Area (1)	53.3	47.5	48.0	-10%
Measure U (1)	48.6	0.0	0.0	-100%
Mule Shuttle	10.9	0.0	0.0	-100%
Nite Rider	5.1	5.2	5.0	-1%
Other	35.1	0.0	0.0	-100%
Reds Meadow	40.3	35.8	34.6	-14%
Reno	2.4	2.4	2.4	-2%
Tecopa	0.8	0.7	0.7	-19%
Walker DAR	1.5	1.2	1.1	-31%

(1) Mammoth Lakes fixed route services are fare-free.

Table IV-12
Passengers per Mile per Route by Year

Route	Passengers Per Mile			% Change FY 2017-19
	FY 2017	FY 2018	FY 2019	
Benton to Bishop	0.04	0.05	0.05	48%
Bishop DAR	0.38	0.38	0.38	1%
Bishop FR	0.06	0.07	0.07	23%
Bridgeport to Gardnerville	0.07	0.07	0.03	-58%
June Lake Shuttle	0.14	0.09	0.13	-4%
Lancaster	0.06	0.05	0.05	-21%
Lone Pine to Bishop	0.06	0.06	0.06	-5%
Lone Pine DAR	0.22	0.23	0.23	5%
Mammoth FR (1)	1.87	1.79	1.94	4%
Mammoth DAR	0.62	0.52	0.56	-10%
Mammoth Express	0.09	0.10	0.12	30%
Mammoth Mountain Ski Area (1)	4.54	3.85	4.05	-11%
Measure U (1)	5.21	0.00	0.00	-100%
Mule Shuttle	1.34	0.00	0.00	-100%
Nite Rider	0.34	0.36	0.37	7%
Other	1.78	0.00	0.00	-100%
Reds Meadow	3.19	2.83	2.80	-12%
Reno	0.06	0.06	0.06	-4%
Tecopa	0.04	0.03	0.03	-36%
Walker DAR	0.20	0.17	0.16	-18%

(1) Mammoth Lakes fixed route services are fare-free.

Findings from Verification of TDA Performance Indicators

1. **Operating cost per vehicle service hour**, an indicator of cost efficiency, increased systemwide by 13.3 percent from \$71.49 in FY 2017 to \$80.98 in FY 2019 as derived from audited financial data. Overall operating costs increased by 14.7 percent during the triennial period, with overall operating hours exhibiting an increase of 1.3 percent. The increase in operating costs is attributed to the implementation of new services, benefited employees working more hours, overtime, training costs, rent increases at the Mammoth facility and fuel costs.
2. **Operating cost per passenger**, an indicator of cost effectiveness, increased by 22.9 percent systemwide from \$3.33 in FY 2017 to \$4.09 in FY 2019. Despite increases in operating costs from increased service, ridership decreased by a modest 6.7 percent, which forms a positive trend for this performance indicator. Most of the ridership growth in the past year occurred on the Benton to Bishop, June Lake Shuttle and Mammoth Express as part of ESTA's ridership performance. Ridership increases from these routes offset the losses on the other ESTA services.
3. **Passengers per vehicle service hour**, which measures the effectiveness of the service delivered, decreased 7.8 percent systemwide during the triennial period, from 21.5 passengers per hour in FY 2017 to 19.8 passengers per hour in FY 2019. The June Lake Shuttle and The Limited were eliminated during the audit period. The driver shortage resulted in limited service to Reds Meadow and other seasonal routes. The increase on newer routes, such as Bishop Creek, helped to offset ridership and service hour declines with other ESTA transit routes.
4. **Passengers per vehicle service mile**, another indicator of service effectiveness, decreased 11.7 percent systemwide from 1.35 in FY 2017 to 1.19 in FY 2019. This correlates with the passenger per hour indicator showing the effects from ridership decreases relative to the levels of service. As vehicle service miles grew in FY 2019 due to the snow tripper service and implementation of five days a week service on the Lancaster and Reno routes, systemwide ridership decreased on certain routes.
5. **Vehicle service hours per employee**, which provides a general measure of labor productivity, decreased 5.6 percent during the audit period, from 1,177 hours in FY 2017 to 1,111 hours in FY 2019. The 7.3 percent growth in full-time equivalent employees, during the last year, exceeds the rate of change in service hours during the same time period. The MMSA contract service contributed significantly to the increased FTE count, along with fluctuations of seasonal part-time workers hired during peak periods based on the level of services provided for that period. Administrative and management staff operate under lean staffing levels for a service the size of ESTA although several new administrative and management staff were added to address the significant service growth in Mammoth Lakes over the past years.

- 6. Farebox recovery** has remained well above the TDA requirement of 10 percent, averaging 44 percent for the triennial period. Fare revenues, as reported in the annual fiscal audit, include passenger fares paid on routes as well as payment provided by entities for fare-free transit service including MMSA and the Town of Mammoth Lakes. When considering only passenger fares paid on routes, the revenues showed growth over the three-year period. With the MMSA winter transit service as well as stable fare revenues collected from the Reds Meadow Shuttle, the farebox recovery ratio increased. Because no fare is charged for Mammoth Lakes fixed-route service, the payments made to provide service are counted toward the farebox in lieu of direct fare payment by passengers. This was the case for the MMSA funded service that boosted the farebox recovery ratio in addition to overall increases in fare revenue from other routes in the system. Contract revenue from the Town of Mammoth Lakes is not accounted for as fare revenue, instead ESTA considers it as an “other agency contribution.”

Data Consistency

In a review of data consistency among data sources, fiscal year-end operations performance data was compared between the annual State Controller Report, annual financial statements, and internal year-end summaries. Performance data reviewed includes operating costs, fare revenue, ridership, vehicle revenue service hours, and vehicle revenue service miles. State Controller Report information submitted to the Controller’s Office is used to publish a statewide annual transit operators transactions report and enables a comparison of ESTA transit performance against equivalent information provided by all other public transit systems in the state. Incomplete or inaccurate data provided to the State Controller by a transit operator does not provide a fair assessment of actual performance compared to other transit systems and the actual use of TDA revenues.

Among the data sources reviewed for consistency, despite some differences that were found, each can be explained. State Controller Reports of ESTA operations are generally prepared and submitted using unaudited data compared to the audited financial statements prepared for the fiscal audit. This often explains the difference in financial data between the two reports. As described in the prior section of this audit, ESTA has improved upon the reporting of supplemental operations data in the State Controller Report. A review of the State Controller Reports submitted to the State by ESTA shows improvement over the years. With passage of AB 1113 in July 2017, the State Controller Reports will now be required to use audited financial data and be more consistent with the financial statements.

	FY 2016-17			FY 2017-18			FY 2018-19		
	ESTA Annual Ops Data	National Transit Database (RU-20)	State Controller Report	ESTA Annual Ops Data	National Transit Database (RU-20)	State Controller Report	ESTA Annual Ops Data	National Transit Database (RU-20)	State Controller Report
Total Passengers	1,203,804	1,203,867	1,203,953	1,076,085	1,075,093	1,075,093	1,123,564	1,123,564	1,123,564
Vehicle Service Hours	56,053	56,004	56,059	58,287	58,182	58,183	56,757	58,337	56,756
Vehicle Service Miles	893,506	892,089	956,551	961,034	961,915	961,915	1,114,101	944,365	944,365
Employee FTE's	48	46	46	49	48	60	51	49	60

Note: National Transit Database FTE calculation based on payroll hours divided by 2,080; ESTA and SCO use TDA standard of 2,000.

Section V

Review of JPA Formation Documents

As part of the project scope for this audit, a special analysis is provided that goes beyond the standard Caltrans Performance Audit Guidelines. In the evaluation of the JPA, a comparison is provided between the operation of the Eastern Sierra Transit Authority and the duties and powers set forth in the Transit Authority Joint Powers Agreement. The JPA formation documents creating the Authority help to define ESTA's role in service delivery, service planning, reporting, funding, and administration. An amendment to the agreement was finalized in October 2015 regarding Article I, Section 1.2 to permit member entities to fill one of the entity's two positions on the ESTA Board with a member of the public at large rather than a member of the governing body through June 30, 2017. On July 31, 2017, this provision was extended to December 31, 2018 and the amendment was filed with the Secretary of State.

We reviewed the Authority's formation documents in which the JPA includes language specifying the duties and responsibilities granted by the member local jurisdictions. Article provisions specify the powers and duties of the Authority, management, and funding role. These provisions were discussed with the ESTA Executive Director during the interviews, along with supporting documentation to compare against actual operating activities.

A table was developed that presents the comparison of operations against the JPA document. Findings from the comparison are highlighted following the table.

**Table V-1
Comparison of JPA Document and ESTA Operations**

	JPA Document	Status of ESTA Operations
	Article II, Section 2.3: Powers and Duties of Executive Director	
a.	To lead and coordinate the transit system of the Authority and to be responsible to the Board of Directors for proper administration of all affairs of the Authority.	Compliance. Executive Director performs this function agencywide.
b.	To appoint, assign, direct, supervise, and, subject to the personnel rules adopted by the Board of Directors, discipline or remove Authority employees.	Compliance. Executive Director performs this function agencywide, including being the Authority's designated representative for negotiations with represented groups. Operations Supervisor has prime responsibility for drivers and dispatchers. There are separate labor MOUs for operations personnel and the management team. An agencywide organizational study was completed in May 2018 that provided an

	JPA Document	Status of ESTA Operations
		assessment of administrative staffing levels, review of position descriptions, benchmarking salary levels, and comparing administrative functions against industry best management practices. Recommendations were made for optimizing the administrative staffing, salaries, and practices for administrative functions at ESTA.
c.	To supervise and direct the preparation of the annual operating and capital improvement budgets for the Board of Directors and be responsible for their administration after adoption by the Board of Directors.	Compliance. The budget is guided by ESTA budget policies. Budget units are detailed and tracked monthly. Statements of Budgeted Revenues and Expenditures provide several updates of the budget, including adjusted budget, monthly activity, actual year-to-date, actual year-to-date compared to budget, and budget variance.
d.	To formulate and present to the Board of Directors plans for transit facilities and/or services within the Authority and the means to finance them.	Compliance. A biannual service review is conducted in March and September. Route descriptions are provided for the next six-month period that are approved by the ESTA board. Plans for transit facilities have been presented to the board. Examples of financing transit facilities include progress made in securing partial funding for a new administration facility in partnership with ICLTC and the Federal Transit Administration for FTA Section 5339(b) funds. A US BUILD grant was also submitted to the US DOT for funding of the facility. In addition, FTA Section 5310 and 5339(a) grant funds were acquired to purchase transit vehicles. No FTA Section 5339(b) funds were awarded for vehicles.
e.	To supervise the planning, acquisition, construction, maintenance, and operation of the transit facilities and/or services of the Authority.	Compliance. ESTA leases space at the expanded Town of Mammoth Lakes facility for dispatch and vehicle storage. ESTA coordinated a project with the Town of Mammoth Lakes to expand and pave the vehicle parking area in Mammoth. The vehicle parking area at the ESTA administrative facility at the airport in Bishop was also paved. Lighting and security measures were installed at the Bishop location as well. Design and engineering is underway for a new administration facility.

	JPA Document	Status of ESTA Operations
f.	To attend all meetings of the Board of Directors and act as secretary of the Board. To cause to be kept minutes of all meetings of the Board of Directors and to cause a copy of the minutes to be forwarded to each member of the Board of Directors and to the member entities, prior to the next regular meeting of the Board of Directors.	Compliance. The ESTA Administration Manager/Board Clerk maintains minutes of board meetings.
g.	To establish and maintain fare collection and deposit services.	Compliance. Farebox revenues are locked in a drop box at the ESTA administrative office in Bishop and in Mammoth Lakes. Fares are counted in the presence of the Operations Supervisor. Separate individuals 1) tabulate what the fare revenue should be 2) count the actual fare revenue and, 3) deposit the fare revenue. A report is completed approximately bi-monthly that details variances from expected to actual fare count.
h.	To organize and operate an ongoing transit marketing program, including free-ride events and other special promotions selected by the Board of Directors.	Compliance. Sample of transit marketing events includes the annual Stuff-A-Bus Food Drive to support the Salvation Army food pantry. During the audit period, the food drive was in its 12 th year. ESTA set up a booth during Earth Day at Bishop City Park to educate the community in reducing their carbon footprint by utilizing public transit. Mule Shuttles are operated during the Mule Days Celebration in Bishop. ESTA also works with Mammoth Mountain Ski Area and the Town for the Wounded Warriors Project at Mammoth Mountain. Discounted fare promotions for select routes have also been implemented. In addition, a mascot for the transit system named "Esty" and shaped like a bus was introduced to deliver key messaging to customers and the public.
i.	To execute transfers within major budget units, in concurrence with the Treasurer Auditor-Controller of the Authority, as long as the total expenditures of each major budget unit remain unchanged.	Compliance. As allowed under the budget policy. As stated in the ESTA financial audit, the Executive Director has authority to transfer funds between line items, not to exceed \$5,000 or 20% for any one line item within the limits of the overall budget. Budget amendments in excess of \$5,000 or 20% of a line item require Board approval.

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j.	To purchase or lease items, fixed assets, or services within the levels authorized in the Bylaws.	Compliance. ESTA adopted a purchasing policy to establish an efficient procedure for the purchase of equipment, vehicles, furnishings, supplies, materials, and services. ESTA leases office space grounds under noncancelable operating leases. According to the fiscal audit, the cost for such leases was \$180,219 for the year ending June 30, 2018, which includes the office and garage space leases from the Town of Mammoth Lakes on a month-to-month basis at a rate of \$12,500 per month. The bylaws are being updated due to organizational changes and changes to board member compensation.
k.	To lease buses, vans, and other transit vehicles on an “as needed” basis from public or private organizations when deemed necessary to assure continued reliability of service.	Compliance. ESTA retains the ability to lease vehicles, as was the case in the past when the agency leased bus vehicles from Mammoth Mountain Ski Area for use on the Reds Meadow Shuttle.
l.	To perform other such duties as the Board of Directors may require in carrying out the policies and directives of the Board of Directors.	As warranted.
	Article III, Section 3.1: Authority Powers	
a.	To make and enter into contracts and expend funds, providing for transportation services to the public, including special transportation dependent groups, such as the elderly and handicapped, as well as other governmental entities, such as the U.S. Government.	Compliance. Examples include contracts with the US Forest Service for the Reds Meadow Shuttle, the Mammoth Mountain Ski Area for winter service, the Town of Mammoth Lakes for extended transit services, June Mountain Ski Area to transport employees and guests to/from Mammoth Lakes, and the Bishop Paiute Tribe for dial-a-ride. The Board has also approved ESTA to pursue grant funding including from State and Federal sources. In addition, ESTA coordinates transfers with RidgeRunner Transit in Ridgecrest.
b.	To supervise and oversee the performance of transportation service contracts.	Compliance. ESTA implements, supervises, and monitors transportation service contracts, including those described above.
c.	To provide all service necessary to operate a transportation system.	Compliance.
d.	To acquire, construct, manage, maintain or operate any facilities or improvements.	Compliance. ESTA oversees improvements made to its facilities including fencing, lighting, cameras,

	JPA Document	Status of ESTA Operations
		and paving of the transit facility. Design and engineering of a new administration facility is underway.
e.	To acquire, hold and dispose of property.	Compliance. Per the ESTA purchasing policy and federal and state regulations.
f.	To incur debts, liabilities or obligations, which do not constitute a debt, liability, or obligation of their member entities.	Compliance. The member entities formerly extended to ESTA a line of credit which was renewed on an annual basis by the local jurisdictions. ESTA no longer needs or requests a line of credit funding from the member entities.
g.	To employ personnel.	Compliance. ESTA personnel comprise management and administrative staff, drivers, dispatchers, and utility workers.
h.	To sue and be sued in its own name.	As necessary.
i.	To invest in accordance with the provisions of Section 6509.5 of the Act, money in the treasury of the Authority that is not required for immediate necessities of the Authority.	Compliance. As stated in the ESTA financial audit, the bulk of the Authority's cash and investments are held in an investment pool with the County of Inyo. Such investments are within the state statutes and the Authority's investment policy. Additional smaller investment amounts are held at banks. Interest earned on ESTA's balance is apportioned to ESTA.
j.	To apply for, accept and utilize funds from any source for public transit purposes, including Transportation Development Act Funds, State Transit Assistance Funds, and Section 5310 and Section 5311 funds available through the Federal Transit Administration.	Compliance. ESTA uses funding from local, state, and federal sources, including Local Transportation Fund, State Transit Assistance, State Proposition 1B (PTMISEA and Transit Security Grant), Low Carbon Transit Operations Program (LCTOP), State Transportation Improvement Program (STIP), and FTA Sections 5304, 5310, 5311 (including 5311 apportionment, 5311(f)), and 5339(a)(b).
k.	To raise revenue, including the establishment of transportation fares, for transit services.	Compliance. Fares are set by ESTA for transit services. Other revenues raised include contract transportation services, interest income, gain on sale of capital assets, and rental income.
l.	To incur short term indebtedness.	As necessary.
m.	To own, lease, operate and maintain transportation vehicles and other property or equipment, which is necessary or reasonable to carry out the purpose of this agreement.	Compliance. ESTA owns, operates, and maintains a fleet of vehicles. ESTA also operates vehicles owned by the Town of Mammoth Lakes. ESTA's small fleet of vanpool vehicles are leased to eligible vanpool participants.

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n.	All other powers that are necessary and proper for the Authority in order to provide public transportation service.	As warranted.
o.	Provide service to locations outside the jurisdiction and boundaries of any of the member jurisdictions.	Compliance. ESTA serves communities and areas outside the boundaries of the member jurisdictions for the 395 Routes, including in Nevada (Gardnerville, Carson City, and Reno/Sparks) and Southern California (Inyokern, Mojave, and Lancaster), as well as lifeline service to Pahrump, Nevada.
	Article III, Section 3.2: Authority Duties	
a.	On or before April 1 of each year, it shall cause to be prepared and submitted to the Board of Directors and each of the member entities a proposed budget for the upcoming fiscal year. The proposed budget shall be subject to the provisions of Article IV of this Agreement.	Compliance. ESTA staff draft and present the annual budget during the March board meeting. The Board of Directors have opportunity to provide direction to staff in preparation for the final budget which is approved in June.
b.	The Governing Board of each member entity shall designate the Authority as its nonexclusive agent to prepare and submit claims for funds to the Mono County Local Transportation Commission (MCLTC) and/or the Inyo County Local Transportation Commission (ICLTC) in accordance with the Transportation Development Act and its regulation, to receive such funds, and to provide and/or negotiate, prepare contracts, and contract for transportation service.	Compliance. ESTA receives TDA funds from both Mono and Inyo counties. Fund allocations and resolutions are made from each LTC. ESTA is a direct claimant of the transit funds in both counties through submission of a direct request for TDA funds. ESTA complies with the rules and regulations adopted by each LTC.
c.	The Authority will prepare and submit to the member entities quarterly reports concerning the provision of services by the contracting parties.	Compliance. ESTA management prepares a monthly operating statistics report including comparisons to the prior year's performance. The report includes analysis of performance measures by route such as ridership by type, fares, service hours, and miles. A separate monthly financial report is prepared and presented summarizing revenues and expenditures against the budget. Operating costs by route are also presented regularly along with performance statistics such as operating cost per service hour and farebox recovery by route. The statistics are provided at monthly LTC meetings as a standing agenda item.

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d.	The Authority shall provide transit services and shall, on or about April 1 of each year, provide a qualitative and quantitative evaluation of the services to the member entities.	Compliance. On a monthly basis as described above, ESTA prepares a detailed performance report including ridership, fare revenue, and hours and miles statistics, and comparisons to the prior years. In addition, the monthly report describes other operational information systemwide such as complaints, accidents/incidents, missed runs, road calls, and Bishop Dial-A-Ride wait times. The statistics are provided at monthly LTC meetings as a standing agenda item.
e.	Within 90 days after the close of the fiscal year, the Authority shall prepare and submit an annual report of its operation to the member entities.	Compliance. ESTA staff prepare an annual summary report highlighting the events and activities of the transit system. The annual summary report is prepared and formatted as a public information piece. Within the report are sections containing the Executive Director's Message, Overview of the Authority, listing of Board of Directors, Statement of Revenues and Expenditures, and select Operating Statistics.
	Article IV, Section 4.3: Administrative and Operating Costs	
	The Governing Board of each member entity shall designate the Authority as its nonexclusive agent for purposes of applying for and receiving Transportation Development Act Funds to be used solely for the purposes of funding the administrative, operating and capital costs to be incurred by the Authority under the provisions of the Transportation Development Act statutes and applicable California Code of Regulations.	Compliance. See Article III, Authority Duties, letter b above.
	Article IV, Section 4.6: Assignment of Federal Transportation (FTA) Contracts and Grant Application Authority	
	The Authority Executive Director is hereby authorized to prepare, submit and execute grant applications for the use of FTA operating, planning, and capital funds, as well as other state and federal funds which may become available.	Compliance. The Executive Director and staff prepare state and federal transit grant applications that result in several funding sources, including FTA Sections 5304, 5310, 5311, 5311(f), and 5339(a)(b). Applications are submitted to Caltrans with certifications provided by the LTCs. ESTA also submitted a project list to the LTCs for funding through the PTMISEA (now sunset), and

	JPA Document	Status of ESTA Operations
		receives funds through State LCTOP. Further, through the new SB1 program, ESTA is using funds through the State of Good Repair program and receives additional state transit funds on a formula basis.

Summary

The comparison shows that ESTA has been fulfilling its duties and responsibilities contained in the Joint Powers Agreement. ESTA staff provide the administrative and operational manpower to serve an independent entity in the provision of public transportation in Mono and Inyo counties and locations beyond. From engaging in partnerships that result in improved and expanded service to obtaining funding and planning for current and future services while being accountable, the Authority is complying with the duties and responsibilities granted by the member local jurisdictions. Also, ESTA has adopted written policies such as for budgeting, service planning, purchasing, and use of public resources that help guide its activities and decision making.

Section VI

Review of Operator Functions

This section provides an in-depth review of various functions within ESTA. The review highlights activities and operational practices that impact performance during the audit period and are based on interviews, data analysis, and observations. The following departments and functions were reviewed consistent with the Caltrans audit guidelines:

- Operations
- Maintenance
- Planning
- Marketing
- General Administration and Management (including grants management)

Operations

The ESTA service area is composed of a 400-mile corridor running from Lancaster in the Antelope Valley of Los Angeles County to Reno, Nevada. Service to Reno and Lancaster was expanded to five days a week. The June Lake Shuttle and The Limited were eliminated during the audit period. The driver shortage resulted in limited service to Reds Meadow and other seasonal routes. During FY 2016-17, the service area received higher than average snowfall, which resulted in higher ridership.

Changes at ESTA have resulted improved organizational cultures and higher employee morale at its Bishop and Mammoth bases. In 2018, ESTA experienced turnover of two-thirds of its administrative and supervisory staff, including the director. Four out of six employees separated from ESTA over a seven-month period. Staffing has since stabilized with all positions filled. ESTA developed a tasks and deadlines spreadsheet and improved communication and cross-training. The driver trainer program was enhanced in 2018, which has helped with driver retention. ESTA revamped its training program with increased hours and expanded topics. Discipline protocols were implemented for accidents whereby drivers receive warnings.

In 2011, ESTA entered into a lease agreement with Inyo County for office space at the Bishop Airport. The initial term of the agreement expired in June 2016 and ESTA's continued tenancy has been on a month-to-month basis under the same terms and conditions. In December 2017, the Inyo County Board of Supervisors ratified and approved a new lease agreement for the provision of office space for ESTA. The agreement is to replace the previous lease agreement, which had expired in 2016. The lease agreement includes a 10.4 percent increase in the monthly rent amount, from \$1,250 to \$1,380. The current lease amount for office space is \$1,414.50 and will increase 2.5 percent annually for the next three option years of the agreement.

ESTA plans to construct its own operating and administration facility at the Bishop airport on property adjacent to the bus parking area pending the securement of funding. ESTA has been actively pursuing grant funding for the project including submitting a grant application under the FTA Section 5339(b) program in 2017, which was not funded. A subsequent application was submitted in 2018, which was partially funded. A third application was submitted in 2020 for the balance of the project but was not funded.

In 2017, service was expanded to five days a week on the Lone Pine to Reno Route and the Mammoth Lakes to Lancaster Route. Bishop Creek Shuttle, a seasonal service to the popular Bishop Creek Recreation Area was added in 2017.

In addition, the Limited Route was implemented in December 2017 in conjunction with the winter season start of the Green, Blue, and Yellow Lines in response to public input regarding transit service to the Old Mammoth Road area west of Snowcreek Athletic Club. The Limited was reduced to a two daily trips per school day for the remainder of the 2018/19 academic year per recent Board action. The Limited route (service to upper Old Mammoth Road area) is scheduled to operate through the end of the school year in June 2019. This route has been provided by the Mammoth Dial-A-Ride vehicle on school days only. Ridership was composed primarily of 4-7 individual school children, averaging four children per day. The route was eventually discontinued due to low ridership.

In FY 2019, the Greyhound in Reno closed its depot and relocated to neighboring Sparks. The move was made with no warning and ESTA had to make routing adjustments to the Lone Pine-to-Reno service to accommodate the changes.

Mammoth Lakes bus services have between 15- and 30-minute headways with tripper services inserted at strategic locations along the bus routes to meet surges in demand. As a fair amount of the workforce around the Mammoth area is transient due to the seasonality and tourist nature of the local economy, most bus drivers are seasonal workers hired to work no more than 1,000 hours per year which fit the types of available employees.

Transit services out of the Bishop base serve a different ridership market from Mammoth where the drivers are more permanent and serve a more consistent clientele taking trips for life-line services. Dial-A-Ride service is utilized more from Bishop compared to Mammoth Lakes, with drivers building a relationship with the elderly and disabled riders.

ESTA's operation of the Reds Meadow shuttle since 2012 has been governed by a Special Use Permit that is issued for each summer season's operation. The partnerships that have been developed with the U.S. Forest Service, the National Park Service, Mammoth Mountain Ski Area (MMSA), and the Bishop Paiute tribe, continue to promote and facilitate the Authority's mission throughout the Eastern Sierra Region. While certain portions of ESTA fixed route and paratransit services experienced stagnant growth including Bishop, Lone Pine, the Antelope Valley, and the Tri-Valley area, more due to their life-line service needs, ridership gains have primarily been made from MMSA winter service, and Reds Meadow Shuttle and Lakes Basin Trolley summer services.

ESTA and MMSA entered into an Agreement in 2012 for the provision of enhanced transit services during the winter ski season. The Agreement is amended annually to address each of the subsequent ski seasons. ESTA operates the transit service on the Red, Blue, Green and Yellow Lines for the winter season along with early and late season route variations.

ESTA's Mammoth Lakes operation has been challenged with a driver shortage. In June 2018, the Mammoth Operations Supervisor provided a summer driver staffing spreadsheet indicating that Mammoth Lakes was short between 5-8 full time drivers and showed a weekly shortfall of over 200 hours, and, assuming one daily shift per person, a shortage of 137 weekly shifts.

The regional housing shortage caused in part by the short-term rental housing trend has caused many drivers, as well as others in similar situations such as employees from Mammoth Resorts, to commute into the Mammoth facility from relatively far locations including Crowley Lake and Bishop. The operations supervisor looked into an internal vanpool and commute assistance for the ESTA drivers and implemented a program during the audit period.

ESTA utilizes the RouteMatch paratransit scheduling and dispatch system for the Bishop dial-a-ride service. This computerized system, which utilizes Automatic Vehicle Location (AVL) technology and mobile tablet computers in the bus, allows ESTA dispatchers to constantly monitor the vehicles' locations and to efficiently assign trip requests to the vehicles. The system also provides a wealth of operational and management information to help to improve the effectiveness of the service. Ten video systems were installed in March 2018. Ten additional on-board video camera systems were installed on ESTA's fleet in March 2019.

In addition, ESTA utilizes a rider information system called Swiftly. This web-based app provides real-time information and live maps with vehicle locations to passengers regarding bus arrivals as well as valuable trip planning tools. In addition, the Swiftly mobile app also contains a real-time trip planner to help users compare the travel time and price of a variety of transportation options, including walking, biking, transit, rideshare, and more. The Swiftly link provides access to route information for buses operating on many of ESTA's fixed routes. Swiftly replaces the prior real-time information system and offering ESTA more functionality that meets the agency's needs including identifying choke points in the fixed route system and being more automated by not requiring manual input by the drivers during service.

Automated vehicle locators are installed on buses for town-to-town and intercity routes that continuously track each vehicle and are viewed on a computer screen at ESTA offices. The technology also enhances the performance of on-time checks. Radio communication is used between the Operations Supervisor and drivers to ensure continued communication protocol for all routes and services.

Fare counting and reconciliation involves one employee counting the fares and a second employee comparing the reconciling the count with the driver manifests/trip sheets. The Mammoth Lakes buses are equipped with lockboxes whereas other buses are equipped with pouches for fare collection. Credit card payment is accepted on the Lancaster and Reno routes.

Rather than providing cash change, ESTA issues coupons valid for payment for future travel on ESTA. Although passenger fare revenues make up a lesser percentage of total fares reported and defined by TDA, cash and coins are deposited in a locked drop box inside ESTA's administrative facility and adjacent to the Executive Director's office. Drivers who end their shifts in Bishop drop off the fare pouches directly. However, for some of the more remote services that do not start or end in Bishop, such as Walker dial-a-ride and Tecopa-Pahrump service, ESTA employs unique methods to collect the fares generated from these services. For the Walker service, the driver meets with the returning bus from Reno and transfers the fares for conveyance to Bishop. For the Tecopa service, in which there is no connecting bus back to Bishop, fare revenues are deducted from the bill for the transportation services provided by the Pahrump Senior Center. In both instances, the account clerk matches the driver manifest to the revenues delivered to verify that the money collected is consistent with the number of passengers.

ADA Policy

Passenger certification under the Americans with Disabilities Act (ADA) for after-hours service on Mammoth dial-a-ride is coordinated by the administrative manager. An interview is conducted by either the Executive Director or the Operations Supervisor. ESTA has in place an ADA Paratransit Policy describing the process and conditions for receiving certification and service. The Authority utilizes a self-certification process with professional verification. The applicant completes a four-page application form that requests basic transportation information including questions about the applicant's ability to use accessible fixed-route transit. The form requests that the applicant provide the name of a licensed professional who can attest to the validity of the information.

Applicants who are determined eligible for ADA complementary paratransit service are assigned an eligibility category. The eligibility category is consistent with the applicant's ability to use the regular fixed-route service. These categories are Unconditional, Conditional, Trip-by-Trip, and Temporary. Included in the ADA policy, which is described online and in the printed brochure "Eastern Sierra Transit Dial-A-Ride Riders Guide," is a no-show and late cancellation policy aimed at preventing abuse of the system that adversely affects performance. Specific actions by ESTA are enforced based on how many no shows/late cancellations occur within a 90-day period. ESTA created a reservation database. The database of verified ADA applicants has remained small; as such, only a limited number of ADA requested trips are made at night for Mammoth dial-a-ride in which a driver is assigned to provide the trip.

Consolidated Transportation Services Agency

ESTA is the designated Consolidated Transportation Services Agency (CTSA) for both Mono and Inyo counties. ESTA is allocated Local Transportation Funds by each LTC during the annual TDA allocation process. In Mono County, the Local Transportation Commission provides separate funding to ESTA for CTSA purposes up to 5 percent funding maximum under law. In Inyo County, the LTC allocates a total amount to ESTA for general public service, of which a portion is used for CTSA purposes.

The nature of CTSA services is closely tied to ESTA's administration of public transportation. In this capacity, ESTA has worked to provide services including joint safety training and wheelchair lift maintenance, drug and alcohol test training, and coordination with health and human service organizations, as well as Spanish language assistance for mobility management. ESTA also conducts outreach to the communities to solicit unmet transit needs. ESTA is an active member of the Inyo County Social Service Transportation Advisory Committees and attends meetings annually. Unmet Transit Needs workshops are held annually in Bishop and in the southern section of the county. In Mono County, ESTA is an active member of the Mono County Social Service Transportation Advisory Committees and attends meetings annually. In addition, ESTA is scheduled annually on the agenda of all Mono County Regional Planning Advisory Committee meetings that are held in Wheeler Crest, Antelope Valley, June Lake, Bridgeport, Crowley Lake, Lee Vining, Benton, and Chalfant in order to solicit transportation needs directly from the community.

Other CTSA activities conducted by ESTA include donating a retired van to the Northern Inyo Hospital for use by volunteer drivers, and working with a local foundation to obtain another van.

The non-emergency medical transportation mileage reimbursement program that is paid for through an FTA Section 5310 transit grant is also connected to ESTA's CTSA administration, as it is a coordinated service that fills a service gap to bring people to medical appointments. These trips would otherwise go unserved.

Operations Workforce

ESTA is staffed with 19 full-time employees, 16 employees who work 28 to 34 hours (75 percent); and one employee who works 20 hours (50 percent). The remaining 39 employees are classified as seasonal, non-benefited.

Recruitment efforts involve the use of various methods and media. The Authority has sought out candidates through the local Bishop Choo Choo Swap Meet, employee referrals, business cards, CoolWorks, Indeed, movie theater advertisements, Facebook and the local Chamber of Commerce website. ESTA has to compete with Mammoth Mountain Resort for candidates. The mechanic position is highly sought after.

Work shifts are based on seniority, ability, and desire. Some routes require different skill sets than others, such as the 395 Routes, which travel very long distances over one day with a short layover in between the round trips. Drivers for the local Bishop and Mammoth services tend to stay within their service areas and do not interchange due to the different transit services offered as well as the differences between the communities. In this manner, customer service is enhanced by the driver's local knowledge and familiarity with the clientele. While benefited positions have minimal turnover with many drivers having over 10-years' experience with the agency, there has been more turnover of Mammoth drivers which to a degree match the transient nature of the workforce and seasonal fluctuations in service level in Mammoth.

Drivers receive the required ongoing training as a condition of maintaining their certification. Certifications for all drivers include the Class A or B license with passenger endorsement, and

Verification of Transit Training (VTT). For dial-a-ride, drivers receive certification for General Public Paratransit Vehicle (GPPV), while drivers of large transit buses receive air brake certification. The Operations Supervisor conducts quarterly safety and defensive driving meetings in Bishop and Mammoth Lakes that consist of various training techniques and materials including videos and classroom discussion. Driver training for new employees include behind the wheel evaluation and a six-month probation period.

Transit Safety Institute (TSI) certification is required for all new transit bus operator licensing. ESTA has only one TSI certified instructor. Two employees were sent to Texas in April 2018 for TSI certification. This has greatly enhanced ESTA's ability to train new drivers. Due to the difficulty of scheduling DMV skill and drive testing for new bus operators, ESTA began sending new drivers to Bakersfield or Lancaster to expedite the training process. ESTA applied for the DMV Employer Testing Program (ETP) in order to send an employee to the DMV Examiner training. These measures allow for enhanced flexibility in getting new drivers behind the wheel.

At the July 2018 Board meeting, ESTA staff was directed to immediately implement an Employee Incentive and Training Program to improve employee retention and to ensure current staff felt appreciated and were acknowledged for the work they are doing. A budget of \$10,000 was authorized. This included lunch-time cookouts, for example, in the Mammoth Lakes area in the summer of 2018. One was hosted at the Main Lodge for drivers on the Red's Route and another at the Mammoth Lakes office for in-town drivers.

ESTA is working to conduct regular annual employee evaluations by the Operations Supervisor. Driver turnover occurs for reasons including retirement and medical purposes, while non-voluntary separation (termination) is rare. ESTA prefers to hire drivers that already have obtained a commercial driver's license (CDL); however, ESTA does provide training for applicants without a CDL. Depending on labor market conditions, particularly in recent years, ESTA has increasingly provided new driver training for individuals without a commercial driver's license resulting in increased issuance of the number of CDLs.

ESTA has an Employee of the Quarter program which rotates between the Mammoth Lakes and Bishop facilities. The program is sustained by coworker nominations and a selection committee comprised of drivers, office staff, and supervisors. Winners are selected for outstanding professionalism and customer service. This program was implemented that allows management and supervisory staff to recognize employees for their work. Gift cards are given out at the digression of management and/or supervisory staff within budgeted amount. Each gift card is accompanied with a handwritten thank you note describing the exemplary event(s). A copy of the note is retained in the employees file.

The Authority implemented enhanced discipline procedures for accidents. For an incident involving a vehicle, a vehicle accident report or an accident/incident report is filled out. The nearest police or sheriff's station is notified for vehicle accidents requiring law enforcement response which are checked on by the Operations Supervisor. Minor fender benders are handled with exchange of information. The protocol for drivers involved in accidents includes an immediate drug test for qualifying accidents, per federal transit regulations, and additional defensive driving training.

The ESTA Safety Committee convened its first meeting in February 2019. Members of the committee include Mammoth and Bishop drivers, supervisors, and office staff. The meetings are scheduled on a quarterly basis. One of the items on the agenda included improved path lighting at the Bishop yard. Lighting was improved after there were two trips and falls on the path.

Dispatch for Bishop dial-a-ride is conducted by the dispatcher at ESTA’s main administrative facility. Operational staff located in Mammoth Lakes and Lone Pine handle dispatching, scheduling, and driving for their respective communities. The utilization of RouteMatch for Bishop dial-a-ride provides electronic automated upgrades in the process of scheduling and recording trips. The dispatcher maintains a log of calls for service. Drivers are no longer required to hand-record the actual pickup/drop-off time on their trip sheets, among other pertinent operations data, which are recorded on the tablet computer.

Operations Performance

Performance indicators for transportation operations were determined using financial reports and annual service data. Operations comprise non-administrative and non-management expenditures minus vehicle maintenance and parts. These indicators are shown in Table VI-1.

Transportation operations costs (total operating expenses excluding depreciation, vehicle maintenance and parts budget line items) increased over the past three years by a little over 6 percent. Operator salaries/wages and benefits, which represent the bulk of operations costs, increased at a larger pace (22 percent), and reflect schedule reduction measures due to seasonal service fluctuations in Mammoth during the audit period. Fuel costs increased 29.3 percent over the three years despite systemwide increases in service hours and miles. Performance cost indicators (cost per hour, cost per mile) show efficiencies as operations cost increased in parallel with service hour and mile growth. Cost per passenger increased following a significant decrease in passengers from the expanded MMSA and Red Meadows service, along with modest cost of operations increases. Deadhead hours and miles which are non-revenue producing make up about 7-8 percent of all hours and miles, respectively. These figures are within reason given the large rural service area and the starting points of many routes. ESTA stages vehicles in various locations distant from Bishop and Mammoth to reduce deadhead service, as well as contracted out remote service (Pahrump).

**Table VI-1
ESTA Operations Performance Indicators**

Performance Data and Indicators	Audit Review Period			% Change FY 2017– FY 2019
	FY 2017	FY 2018	FY 2019	
Cost for Operations *	\$4,007,477	\$4,460,758	\$4,596,353	14.7%
Operator Salaries/Wages & Benefits	\$2,451,803	\$2,694,624	\$2,991,374	22.0%
Cost of Fuel	\$367,988	\$454,961	\$475,648	29.3%
Vehicle Service Hours (VSH) **	56,054	58,287	56,757	1.3%
Vehicle Service Miles (VSM) **	893,618	961,915	944,365	5.7%

Performance Data and Indicators	Audit Review Period			% Change FY 2017– FY 2019
	FY 2017	FY 2018	FY 2019	
Total Vehicle Hours	60,880	61,724	61,172	0.5%
Total Vehicle Miles	956,374	1,037,389	1,004,575	5.0%
Unlinked Passenger Trips	1,203,804	1,076,085	1,123,564	-6.7%
Veh Ops Cost per VSH	\$71.49	\$76.53	\$80.98	13.3%
Veh Ops Cost per VSM	\$4.48	\$4.64	\$4.87	8.5%
Veh Ops Cost per Psgr Trip	\$3.33	\$4.15	\$4.09	22.9%
Fuel Cost per VSM	\$0.41	\$0.47	\$0.50	22.3%
Service Miles per Service Hour	15.9	16.5	16.6	4.4%
Service Hours/Total Hours	92.1%	94.4%	92.8%	0.8%
Service Miles/Total Miles	93.4%	92.7%	94.0%	0.6%
Percentage Change Consumer Price Index (CPI-U)	2.6%	3.9%	3.1%	

* Budgeted operations cost excludes depreciation, vehicle maintenance and parts budget line item.

** ESTA reports service and total hours and miles separately.

Source: ESTA Statement of Revenues, Expenses & Changes in Net Position FYs 2017-2019

Table VI-2 reflects the trends in passenger complaints that are recorded by ESTA. Most complaints are made over the phone. The Operations Supervisor fields the complaints and logs those that are verifiable, meaning the complaint can be tracked and substantiated with enough detail given by the caller. ESTA began tracking all complaints during the audit period, not just the verifiable ones. The logged complaints are reported to the Board as part of the monthly report.

The number of documented complaints increased between FY 2017 and FY 2019, from 19 to 71. Complaints are reported on the monthly operations report presented to the Board. Monthly complaint data* was reviewed for FY 2017 and FY 2018 and there were gaps in the monthly reporting, which may account for the lower figures as compared to FY 2019 data. When compared to the growing number of riders in the same time frame, the number of complaints is relatively low. This is exemplified by the performance indicator of the number of complaints per 1,000 passengers, which shows a decline from an already low figure. The figures meet ESTA's minimum performance standard of 0.075 complaints per 1,000 passengers.

Table VI-2
ESTA Passenger Complaints

Performance Data and Indicators	FY 2017	FY 2018	FY 2019	% Change FY 2017– FY 2019
Total Passengers	1,203,804	1,076,085	1,123,564	-6.7%
Complaints*	19	21	71	273.7%
Complaints per 1,000 Passengers	0.016	0.020	0.063	300.4%
Minimum Performance Standard	0.075	0.075	0.075	

Source: ESTA

*Complaint data for FY 2017 and FY 2018 were incomplete, thus the relatively lower figures than FY 2019.

There have been no trip denials on dial-a-ride, as the vehicles do not typically reach full capacity during revenue service. About two-thirds of riders are provided service in real time, meaning they call in when a ride is needed. Also, missed runs for fixed-route service because of weather and reduced visibility and road conditions are reported monthly to the Board.

Maintenance

ESTA does not have an in-house facility or staff for vehicle maintenance. For transit vehicles located in Mammoth Lakes, the Town's Public Works Department maintains ESTA's vehicles at a facility near the transit storage facility. Maintenance by Town staff is performed Monday through Friday, leaving no mechanic on site for weekend bus issues. The Town's maintenance facility was upgraded with maintenance software to digitize work orders and enhance record keeping compared to paper records.

The designated Town mechanics for the ESTA vehicles work on the preventive maintenance inspection (PMI) scheduling and sign the pre-trip inspection forms and the PMI sheets. ESTA operators are located at a separate Town facility that is leased across the way from the maintenance yard. The operator facility has available bays to store equipment and vehicles for prepping for pull out. This saves time and resources at pull out during winter weather.

In response to a prior audit recommendation, ESTA increased the frequencies of its maintenance inspections. Preventative maintenance inspections scheduling was reduced from 5,000 miles/120 days to every 5,000 miles/60 days.

Nevertheless, the Town has not been able to adequately service the vehicles with current mechanic staffing levels. The potential for utilizing the ESTA leased facility in Mammoth is being explored. The ideal solution would be a dedicated mechanic solely concerned with keeping ESTA vehicles in good running condition. In FY 2019, a large canvas and steel canopy was constructed in the Bishop yard to provide shelter from the elements while cleaning and maintaining the vehicles. Major repairs are ongoing to the fleet include transmission replacements and engine rebuilds.

For the remaining vehicles located in Bishop and other locations, ESTA outsources the work to local vendors. Vehicles in Bishop are serviced by various vendors including Britt's Diesel and Automotive located approximately seven miles northeast of ESTA's administrative facility. The vendor provides mobile services for routine maintenance, including oil changes. Warranty repairs are serviced by another local vendor, Bishop Ford.

ESTA employs fleet fuel management as vehicles are fueled at various locations. Mammoth vehicles are fueled at the Town corporation yard and at Commercial Fueling Network (CFN) stations for emergencies. Local fueling in Bishop is provided at both the Chevron gas station and Haycock Petroleum Eastern Sierra Oil Company in Bishop, which are part of the CFN. ESTA no longer fuels at the Bishop Shell Station. The Chevron gas station in Lone Pine is used for vehicles kept at that location. In Mammoth Lakes, ESTA fuels at the Town's fueling facilities using magnetic card keys and is invoiced by the Town. For the longer-haul 395 Routes, drivers fuel at CFN stations in Reno and

Lancaster. As part of the CFN program, drivers are issued a fuel card by ESTA management that requires a PIN and places a limit on how much fuel could be consumed per fill-up.

There have been no serious maintenance infractions during the audit period as determined by the annual CHP inspections conducted at each of the five locations where vehicles are parked. General findings by the CHP inspections on the vehicles include maintenance that occurs past the scheduled intervals.

With the new database and record keeping, as well as continued improvements to complete the Bishop operations facility, ESTA investigated the option of having the required 45-day vehicle inspection conducted in-house, rather than the current method of contracting out the service and the challenges of timely inspections. The 45 day inspection requires no fluid changes in the engines which reduces need for additional infrastructure investment. Drivers conduct daily pre-trip inspections and record any issues on an inspection sheet.

Pursuant to a prior audit recommendation, ESTA's management studied the feasibility of bringing 45-day vehicle inspections-in house. Economical and logistical feasibility was considered along with necessary training and procedures to ensure the quality of the inspections. It was assessed that ESTA has not been equipped to increase staff and procure the necessary tools to conduct inspections in-house. The hiring of qualified staff has been deemed prohibitive and the current utility position would need to be competitive with regional mechanic pay. Longer term, this concern should be re-addressed in light of the design and engineering for the new operations facility. Also, the Organizational Assessment Final Report made a recommendation for ESTA fleet operations with regard to maintenance.

In 2018, ESTA developed its first Transit Asset Management (TAM) Plan. The TAM is a business model that prioritizes funding based on the condition of transit assets to achieve and maintain a state of good repair (SGR) for the nation's public transportation assets. ESTA's primary assets are its revenue and non-revenue vehicle fleets, plus its facilities. After listing its shelters and the Bishop Bus Parking Facility, as well as other equipment that ESTA owns, the 2018 ESTA TAM Plan focuses on revenue vehicles. The TAM could serve as a basis for an update to ESTA's capital replacement strategy for the fleet. With California Air Resources Board requirements for fleet conversion to zero-emission vehicles and infrastructure, ESTA should plan, schedule, and budget for this eventual conversion of the fleet and infrastructure. The design and engineering of the new operations facility might consider integrating zero-emission infrastructure and vehicle operations and storage.

The Lakes Basin Tolley has experienced several problems with bike trailers. This has included lost and damaged bicycles and one dislodged trailer on the highway. The Authority ended up closing several stations on the trailers with weak or broken components. The hitches on the fleet of trailers were inspected.

Maintenance Performance

Performance indicators for maintenance were determined using internal budgeted expenditure data. These indicators are shown in Table VI-3.

**Table VI-3
ESTA Maintenance Performance Indicators**

Performance Data and Indicators	Audit Review Period			% Change FY 2017–FY 2019
	FY 2017	FY 2018	FY 2019	
Cost for Maintenance *	\$592,345	\$627,465	\$629,807	6.3%
Total Vehicle Hours	60,880	61,724	61,172	0.5%
Total Vehicle Miles	956,374	1,037,389	1,004,575	5.0%
Maintenance Cost per Vehicle Hour	\$9.73	\$10.17	\$10.30	5.8%
Maintenance Cost per Vehicle Mile	\$0.62	\$0.60	\$0.63	1.2%
Percentage Change Consumer Price Index (CPI-U)	2.6%	3.9%	3.1%	

* Maintenance cost reflects vehicle maintenance and parts budget line item.

Source: ESTA Statement of Revenues, Expenses & Changes in Net Position FYs 2017-2019

Maintenance costs increased by 6.3 percent between FYs 2017 and 2019. The vehicle fleet underwent some replacement as many of the Ford cutaway vehicles were replaced. A number of the older vehicles, including the trolleys, are owned by the Town of Mammoth Lakes and are included in the ESTA maintenance costs. In prior years, the Town paid directly for those costs. The TAM plan developed by ESTA provides for capital asset replacement and policy direction for the fleet and the agency's assets.

The large number of vehicles in the fleet allows ESTA to rotate new vehicles more readily among the older ones and spread the wear and tear. The procurement of new vehicles through grants and programmed funds, along with previous elimination of some town-to-town services and the local Bishop fixed-route service, enables the rotation of vehicles for the remaining routes. As the vehicle fleet ages, however, maintenance costs on a per hour and per mile basis increased over the three-year period.

Planning

In April 2016, ESTA's Short Range Transit Plan (SRTP) was completed. The 2015 SRTP update serves as a roadmap to guide improvements to the public transit program for the next five years. In addition to reviewing ESTA's current services, the Plan also made important recommendations regarding future service enhancements which include: expansion of the days of service for the Reno and Lancaster routes, development of a transit hub or hubs in the Town of Mammoth Lakes, expansion of service on the Mammoth Town Trolley route to address a service gap along the Meridian Corridor, and expansion of service to recreational opportunities, specifically the Bishop

Creek Recreation Area. The SRTP also identified sustainable funding sources to ensure that existing and expanded service can continue into the future.

The unmet transit needs process has been robust, which has resulted in better access to Carson City, Nevada from Gardnerville. Service between Walker to Mammoth was another unmet transit need. ESTA is examining the feasibility of implementing weekend service on the Lancaster and Reno.

In anticipation of commercial air service being proposed for Bishop Airport in late 2020/early 2021, At the end of FY 2019, ESTA conducted an analysis for a shuttle service between the airport and the Town of Mammoth Lakes. Two flight arrivals and two flight departures are planned at the airport. Mileage between Bishop Airport and downtown Mammoth Lakes is 45 miles. The estimated cost per round-trip is \$170.00 plus vehicle inspection time \$60.00 shared amongst multiple trips. An \$85.00 is for the return trip. The service could be served by two drivers and one vehicle at a cost of \$400.00 per day amounting to \$102,000 annually (Monday thru Friday) or \$146,000 annually (daily).

ESTA staff conduct service planning and analysis by route and by jurisdiction. Service hours and miles are divided by route and through an allocation by jurisdiction assignment. For example, Bishop dial-a-ride is shared 40 percent by Inyo County and 60 percent by the City of Bishop. Service hours and miles are allocated to each jurisdiction according to the percentage share. This allocation of service is balanced with the revenue analysis that is also separated by jurisdiction contribution. With a methodology to allocate operating cost on a route level, ESTA has additional performance data to apply toward specific planning tasks.

ESTA's Service Change Policy includes a plan for bi-annual service planning sessions to allow the Board an opportunity to review and approve the services proposed to be operated for the coming six months. The biannual review occurs once in the spring (March) and once in the fall (September) for the upcoming summer and winter schedules. Staff details the specific routes that are planned to be operated and the revenues provided. Planned transit service is impacted by funding limitations and guided by public input, including workshops and public hearings on modifications to improve efficiencies.

Performance Standards

The SRTP establishes performance goals and standards that provide general direction for policies and operation, are value-driven, and provide a long-range perspective. The SRTP established baseline minimum performance standards that the transit route should meet. It also established a recommended higher minimum performance standard that ESTA should strive to achieve to reach the goal during the next five years.

The SRTP update provided a set of new goals and performance standards for a number of routes to validate existing and potential services. The goals differ from the previous SRTP by using a different unit basis to measure performance. For example, for the 395 routes and the Town-to-Town routes, the standard of number of passengers per hour was not appropriate given the very long trip lengths. Rather, the standard was replaced with number of passenger-miles, reflecting the benefit of these services in carrying passengers long distances. This resulted in a change in standard from passengers

per hour (2.5 to 4.0 passengers per hour) to a minimum standard of 100 passenger-miles per vehicle-hour and a target standard of 200 passenger-miles per vehicle hour. The existing 395 routes meet both of these standards, while the Mammoth Express and Lone Pine Express routes meet the minimum standard but not the target standard. Other standards were also changed including from a subsidy per passenger-trip standard to a subsidy per passenger-mile standard for the Town-to-Town and 395 Routes.

Table VI-4 provides a sample comparison of select systemwide performance goals with actuals. The comparison suggests that ESTA has met most of the recommended systemwide targets for performance, including systemwide passengers per hour, farebox recovery, subsidy per passenger, and preventable accidents per 100,000 miles.

**Table VI-4
Comparison of Performance Goals Against Actuals**

Systemwide	Short Range Transit Plan Goals		Actual		
	Minimum	Target	FY 2017	FY 2018	FY 2019
Passengers per Hour	8.0	10.0	21.5	18.5	19.8
Farebox Recovery	10%	15%	46.98%	42.20%	43.35%
Subsidy per Passenger	\$6.50	\$5.00	\$1.77	\$2.40	\$2.32
Preventable Accidents per 100,000 miles		1.25	1.44	1.56	2.33

Source: ESTA Short Range Transit Plan and monthly performance reports. Michael Baker summed the monthly performance data provided by ESTA by fiscal year to derive annual figures.

There was a significant increase in accidents during the audit period. The majority of these accidents were winter snow related. The Safety Committee is looking at ways to mitigate accidents during winter driving conditions.

Marketing

ESTA has a presence on the Internet through its website that contains information about the transit system, updates, and news (<https://www.estransit.com/>). The website has gone through upgrades such as ADA accessibility, ticket and pass purchasing and real-time bus information. ESTA serves as a pass-through to other rural agencies for funding of Google Transit and has led development of the Rural Statewide Google Transit Implementation Project in association with other rural transit providers. Social media engagement is conducted through ESTA's Facebook page and Twitter account to further communicate with its riders. ESTA utilizes Twitter to provide riders with real-time updates regarding route services.

Focused outreach has been conducted at the Bishop Senior Center and the Choo Choo Swap Meet. ESTA developed a uniform brand that has defined the overall system including reflection upon partnerships with the US Forest Service, the National Park Service, Mammoth Mountain Ski Area, June Mountain Ski Area, Town of Mammoth Lakes, and the Bishop Paiute Tribe. Improved lighting

at ESTA bus stops also serves a marketing objective along with providing security measures. ESTA has an advertising program that generates auxiliary revenues.

ESTA undertakes community functions to promote goodwill and community partnerships with local businesses and service clubs. The Stuff-A-Bus Food Drive is one such successful activity run by ESTA. The annual food drive in November/December generates hundreds of pounds of food that are collected and delivered to the Salvation Army food bank. The Stuff-A-Bus Food Drive is an important source of food for the Salvation Army's Christmas food baskets.

ESTA continues to work with health and human services agencies to receive referrals for service. Upon receiving a referral, ESTA will provide a walk-through of the steps with the customer, and drivers will provide follow up customer service during the ride. ESTA also participates in health fairs to meet with prospective riders.

ESTA supports various venues to communicate with the public. Several printed transit brochures are based on geographic reach (such as service for the Walker-Coleville and Bridgeport areas), single communities (Mammoth Lakes and Bishop), special events, long haul 395 Routes, and combination of town-to-town, intercity, and local services. Targeted prints are developed for special groups such as seniors for dial-a-ride, and sierra hikers that connect among services. An advertisement highlights that commuter routes have bike racks. The Town of Mammoth Lakes schedules have a different format from the other routes. This can be expected as the Mammoth Lakes schedules are developed in partnership with both public agency and private interests and provide a regional marketing piece to attract visitors to use the service.

Complementing the print media is ESTA's use of newspaper and broadcast advertising to promote its services. The brochures can be easily viewed on ESTA's website and are readily printable from the website as PDF files. The Dial-A-Ride Riders Guide was discontinued in lieu of providing information on the website and on the printed brochures.

Pursuant to the federal Civil Rights Act of 1964, the Authority has an adopted Title VI Program. Title VI of the Civil Rights Act of 1964 requires that no person in the United States, on the grounds of race, color, or national origin, be excluded from, be denied the benefits of, or be subjected to discrimination, under any program or activity receiving federal financial assistance. The Title VI Plan was updated during the audit period in 2017. The Title VI Program Update compliance includes a Language Assistance Plan, Public Participation Plan, and an Equity Analysis. The Title VI Plan was subsequently updated and adopted in August 2020 after the audit period.

The Authority receives about 40 charter requests annually. A charter is defined as Transportation provided by ESTA at the request of a third party for the exclusive use of a bus or van for a negotiated price. This encompasses transportation provided by ESTA to the public for events or functions that occur on an irregular basis or for a limited duration. A premium fare is generally charged that is greater than the usual or customary fixed route fare or the service is paid for in whole or in part by a third party. ESTA's charter policy has consisted of a table of charter rates. Without the guidance of a policy, the rates have not been applied consistently. The Eastern Sierra Transit Authority Charter Policy was adopted in April 2019 and authorizes the Executive Director to manage, deny, and/or

approve ESTA charter services. The minimum charter fare is \$340.00 for a minimum of four hours and \$85.00 for each additional hour.

General Administration and Management

ESTA is directed and managed by an eight member Board of Directors, comprised of two elected representatives from each jurisdiction. Since 2015, one of the Mono County seats has been filled by a member of the public at large. In July 2017, the JPA was amended to permit the governing board of each member agency to appoint one of its two governing board members from the public at large through December 31, 2018. The ESTA By-Laws approved in 2015 specify that the representative elected to the Chair position shall alternate between Inyo and Mono Counties each year, and that the persons elected to the Chair and Vice-Chair positions shall not be from the same county. Board meetings are held on the second Friday of each month alternating between Bishop and Mammoth at 9:00 a.m. or 11:00 a.m. in coordination with the Eastern Sierra Council of Governments (ESCOG) meetings.

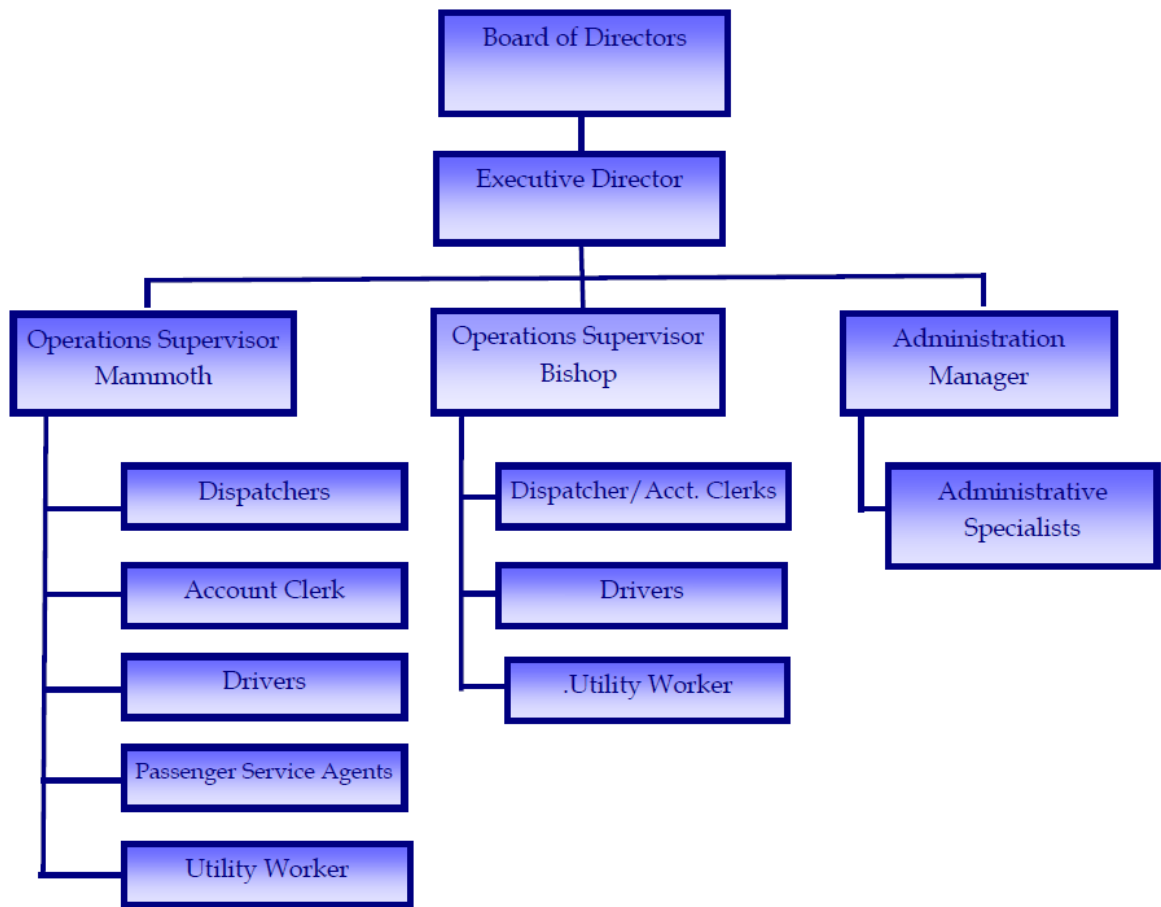
The Authority underwent an organizational assessment involving job classification changes. In October 2017, ESTA retained consultant services to review and assess ESTA's current organizational structure, operational functions and levels of staffing. No assessment of ESTA's organizational structure has been conducted since a business plan was prepared at the time of the Authority's founding in 2007, although the Authority has grown significantly since that time. The organizational assessment was completed in May 2018 and provided 12 recommendations that were ranked in priority. The report recommended that ESTA adopt a new organizational structure for administrative functions that would be led by an administrative manager. This position would be supported by two Administrative Services Specialists who, in conjunction with the Manager would address all of the administrative functions including accounting, human resources, payroll and grants administration.

ESTA's Conflict of Interest Code was amended in FY 2019. The amendment was necessary in order to change the designated positions and details. The transit analyst and administrative analyst positions were eliminated with ESTA's reorganization. The administration manager was added to position titles and the transit operation supervisor/chief of operations was changed to operations supervisor to match current job title. Wording to require electronic filings was also added. Amending the Conflict of Interest Code resulted in an accurate conflict of interest code and allows ESTA to remain in compliance with the requirements of the Political Reform Act.

ESTA's management and administrative support structure operates under a relatively lean staffing level of four management and six administrative personnel located in the Bishop and Mammoth transit facilities. The Executive Director leads the Authority with administrative management provided by the Operations Supervisor Bishop, Operations Supervisor Mammoth, and Administration Manager. Support services are provided including legal counsel by Inyo County⁴ and the Treasurer/Auditor-Controller by Inyo County. Figure VI-1 shows the ESTA organization chart.

⁴ Legal counsel for ESTA was previously provided by Mono County but it was determined that Mono County could not provide legal services concurrently for both Mono County LTC and ESTA.

**Figure VI-1
Organization Chart**



There was turnover in the executive director position in 2018. ESTA’s long time executive retired earlier in the year. In addition, two key administrative staffers took positions with other agencies. The Authority conducted three assisted recruitment efforts to find a replacement. After two unsuccessful recruitment attempts, the Authority changed recruiting firms and received 10 applications by the deadline in mid-August 2018 with about half considered qualified. Screening interviews were conducted with all 10 applicants and the ESTA Board interviewed the top four candidates. The retired and interim executive directors also participated in the interviews held in late September 2018.

The top candidate selected for the position has 30 years of public transit industry experience starting as a bus driver and advancing to an operations manager at the San Luis Obispo Regional Transit Authority, a position which he held for more than seven years. The Board approved the contract for the new executive director in October 2018. The current executive is preparing a strategic business plan containing key performance indicators or KPIs for measurement of progress towards attainment of planned goals.

According to payroll counts for FY 2018–19, there are 82 total employees at ESTA inclusive of administrative and operations personnel. Employee work benefit status is classified as being full-time benefited, three-quarter-time benefited, half-time benefited, and part time with no benefits. Among the ranks of personnel are seasonal drivers who are hired during peak operations, such as for the Reds Meadow Shuttle for the summer and MMSA for the winter. The driver demographic varies between the Bishop and Mammoth locations, as the Mammoth driver pool is generally younger and drawn from a resort and transient environment, while the Bishop drivers tend to remain in their positions. As a result, there is more driver turnover at the Mammoth location because the service level in Mammoth experiences significant seasonal variation, versus a very static service level in Bishop. Driver shortages have become more common from these factors along with the housing crisis, resulting in growth in driver overtime. The driver trainer program was enhanced in 2018, which has helped with retention.

There are two separate Memorandums of Understanding between ESTA and employee union groups that represent the mutual agreement on wages, hours, and other conditions of employment. One is with the Management & Confidential Employees Association (MCEA)/American Federation of State, County and Municipal Employees, Local 315, AFL-CIO that covers administrative support employees (Transit Analyst, Transportation Operations Supervisor, Transportation Operations Assistants, and Administrative Analyst/Board Clerk). As of the MOU that went into effect August of 2014, the MCEA group decertified their affiliation with AFSCME and became an independent employee association.

At the beginning of the audit period in FY 2017, an MOU was entered into between ESTA and the Eastern Sierra Transit Authority Employees Association that covers operations personnel (Transit Driver, Lead Transit Driver Transit Trainer, Transportation Dispatcher, Account Clerk, and Utility Worker). Effective December 1, 2016, ESTA started paying 80 percent of the health insurance premiums with the employees paying the balance. ESTA's portion of the health insurance premium is pro-rated for 75 percent and 50 percent employment category employees. ESTA currently pays 83 percent of the health insurance premium for employees selecting PERS Choice and 87 percent of the premium for employees selecting PERS Select. During the audit period, ESTA established an Other Post-employment Benefits (OPEB) trust. The Authority's OPEB liability is estimated to be \$670,000.

Accounts payables are processed through the Inyo County integrated financial accounting system. This is conducted by ESTA staff using a county-issued computer. Payroll is processed through ADP solutions. Staff responsible for the in-house operational database was developing modules capable of importing the administrative data into the database for interconnectivity with other agency information. A set of desktop procedures was being evaluated for production as administrative tasks were being streamlined.

ESTA established personnel rules and regulations that provide an equitable system of personnel management. The purpose of these rules includes administration of the merit system, classification of positions, compensation of employees, recruitment and qualifications of applicants, appointment of employees, evaluation of performance, promotion, discipline, and separation of employees, standards for attendance and leaves, and policies for services and records. The personnel rules and

regulations are revised and readopted as necessary to address changes in personnel rules followed by both labor agreements.

Management follows the provisions of the Joint Powers Agreement in developing performance reports for the ESTA Board on a regular basis. Reports are provided at regular monthly and annual intervals. A review of such reports shows that ESTA makes incremental improvements to the reports over time to provide additional pertinent information or additional summaries of activities. For example, the monthly reports consist of a seven- or eight-page report highlighting both performance and operational data trends from different areas of operations. Operating cost on a route level and ensuing performance measures by route that are generated by ESTA adds to the level of detailed analysis presented to the Board. In addition to presenting information to the Board, staff also regularly attend the LTC meetings and provide monthly and quarterly updates to the LTC directors. Staff reports are prepared and distributed to the respective agencies for review.

Administrative Performance

Quantitative trends for ESTA administrative functions are shown in Table VI-5.

**Table VI-5
ESTA Administrative Performance Indicators**

Performance Data and Indicators	Audit Review Period			% Change FY 2017–2019
	FY 2017	FY 2018	FY 2019	
Costs for Administration *	\$726,591	\$681,430	\$774,426	6.6%
Vehicle Service Hours (VSH)	56,054	58,287	56,757	1.3%
Vehicle Service Miles (VSM)	893,618	961,915	944,365	5.7%
Unlinked Passenger Trips	1,203,804	1,076,085	1,123,564	-6.7%
Admin Cost per VSH	\$12.96	\$11.69	\$13.64	5.3%
Admin Cost per VSM	\$0.81	\$0.71	\$0.82	0.9%
Admin Cost per Passenger Trip	\$0.60	\$0.63	\$0.69	14.2%
Percentage Change Consumer Price Index (CPI-U)	2.6%	3.9%	3.1%	

* Administration cost includes compensation totals by route.

Source: ESTA Cost by Route Analysis FY 2017; Annual budgets for FY 2018 & FY 2019 inclusive of insurance, total services and other expenses.

Administrative costs increased by 6.6 percent over the three-year period. However, combined with the increase in ridership by the last audit year, administrative cost per passenger increased modestly. Administrative cost per service hour increased 5.3 percent and the cost per service mile increased just under one percent. The increase in administration compensation using the cost by route calculations was the result in a change in the way administration compensation costs were allocated. A change was made in 2016 that allocated the dispatchers' compensation to administration, whereas it had previously been allocated to operations salaries and benefits.

Grant Administration and Funding

The Authority's grant portfolio is overseen by the administration manager. A capital replacement savings plan was established by the previous executive director to pursue an asset investment strategy for fleet vehicles. ESTA maintains a spreadsheet that tracks active federal grants as well as a running spreadsheet to track funding and expenditures by each LTC. Contractor invoices are tracked in the spreadsheet for status of payment schedules.

ESTA staff have been active and successful in pursuing funding opportunities, including competitive grants. ESTA is eligible for state funding through the Proposition 1B Public Transportation Modernization, Improvement & Service Enhancement Account (PTMISEA), State Transportation Improvement Program (STIP), and Low Carbon Transportation Operations Program (LCTOP).

Through programming and budgeting the funds in partnership with the Mono and Inyo LTCs, as well as grant partnerships with local and federal entities, vehicle purchases were made to update the fleet, and capital projects were funded that make transit facilities and bus stops more safe and secure. Transit security grant program allocations were made to fund solar real-time route information signs, as well as security cameras for transit facilities and on some large buses.

The new Bishop operations facility is being designed and engineered for eventual construction, enabled from ESTA's success acquiring a FTA Section 5339(b) Bus and Bus Facility Infrastructure Investment Program grant. Also, ESTA utilized the last of its Proposition 1B PTMISEA allocation from Mono County to purchase one large replacement bus for use on the Reno/Lancaster Route. This purchase was approved by the Mono LTC in March 2018. Inyo County's PTMISEA funds were programmed for the Bishop yard but are slated to be reprogrammed for the Bishop administration building. In FY 2018, ESTA partnered with ICLTC to apply for a U.S. BUILD grant for the Bishop facility.

In an effort to utilize CalOES Prop 1B Security funds that have been spent down over the years, a Request for Proposals/Qualifications was issued during mid-FY 2019 for bus camera systems. Expiration of the funds was March 31, 2019.

Active federal grants have come from various FTA programs including Section 5310 discretionary (for JARC, Mobility Management, and Medical Transport), Section 5311 apportionment, and Section 5311 (f) intercity bus. FTA Section 5311 and 5311(f) funds are available to Inyo and Mono County to be used to augment operational and or capital costs. FTA Section 5311 funds are apportioned annually by formula to each County to be used for public transportation projects only in nonurbanized areas. Drawdowns from grants have occurred for projects such as operations of 395 Routes and town-to-town services, preventive maintenance, mobility management and development of the non-emergency medical transportation reimbursement program, and safety/security improvements. FTA Section 5311(f) funds in the amount of \$160,726 were approved for the purchase of a 2019 Champion Defender Cutaway for operation on the 395 corridor routes.

ESTA applied for funding in FY 2018-19 under the FTA Section 5339(b) program to replace 17 aging vehicles; however, no funding was granted. The Authority was able to secure seven vehicles through the FTA Section 5339(a) program. ESTA was also awarded funding through an FTA Section 5339

Saving program for one trolley vehicle. In addition, the Authority considered a competitive grant for the procurement of electric vehicles under the FTA Section 5339(c) program.

ESTA and Mono County submitted a successful LCTOP grant application for fare reduction on multi-ride 10-Punch passes on the Mammoth Express routes. FY 2018-19 LCTOP funds from both the Inyo and Mono County LTCs fund the continued expansion of the Mammoth Express fixed route service, reduction of the 10-punch pass prices on the Mammoth Express and the purchase of one electric paratransit van to be used in Bishop dial-a-ride service and infrastructure. Caltrans has been working with ESTA to determine if grant savings unused by other agencies can be given to ESTA for vehicle purchases.

Section VII

Findings and Recommendations

The following material summarizes the findings obtained from this triennial audit covering FYs 2017 through 2019. A set of recommendations is then provided.

Triennial Audit Findings

1. Of the compliance requirements pertaining to ESTA, the Authority fully complied with the nine applicable requirements. Two additional compliance requirements did not apply to ESTA (e.g., urban and blended farebox recovery ratios).
2. Based on the annual fiscal audits, ESTA complied with the TDA farebox recovery ratio. The farebox ratio was relatively strong compared to the TDA threshold, averaging over 44 percent during the audit period compared to the minimum statutory requirement of 10 percent. Fare revenues, as reported in the annual fiscal audit, include passenger fares paid on routes as well as payments provided by entities for fare-free transit service including MMSA and June Lake Mountain. Contract revenue from the Town of Mammoth Lakes is not accounted for as fare revenue, instead ESTA considers it as an “other agency contribution.” Based on unaudited data, passenger fare revenues alone resulted in farebox ratios of about 22 percent, still well above the minimum standard.
3. ESTA participates in the annual CHP inspections for its four vehicle storage locations, and received satisfactory ratings at each of its locations. Minor violations were found for some of the inspections including that vehicles were behind on their maintenance program checks referenced by either time or miles. Subsequent inspections during this audit period did not report as severe maintenance schedule issues, indicating that ESTA has improved its maintenance scheduling practice. Since ESTA does not have its own vehicle maintenance facility, the Authority relies on outside vendors for the service and has to coordinate the servicing of the vehicles.
4. The operating budget exhibited modest fluctuations during the period. After a decrease of 2.3 percent in FY 2017, the operating budget increased 5.3 percent during the subsequent fiscal years of the audit period. The increases are attributed to benefited employees working more hours, overtime, training costs, rent increases at the Mammoth facility and fuel costs.
5. Of the four prior performance audit recommendations, ESTA has fully implemented two while one prior recommendation was not implemented, and one recommendation is in the process of implementation. The prior recommendations implemented were ensuring that vehicle maintenance is conducted within maintenance parameters and including a comparison of performance against new standards in the monthly operations report. The feasibility of bringing 45-day vehicle inspections in-house was studied and not found to be currently feasible. The procurement of additional on-board video cameras for the bus fleet

is in the process of implementation and being forwarded in this audit for full implementation.

6. Performance indicator trends reflect higher operating costs offset by high farebox recovery ratios. Operating cost per hour increased systemwide by 13.3 percent attributed to the increase of 14.7 percent in operating costs while vehicle service hours increased 1.3 percent. Cost per passenger increased by a higher rate as passenger ridership decreased 6.7 percent. The subsidy per passenger, which measures the level of non-fare revenue to support each rider, increased 31.3 percent, which indicates reduced payments by local entities for ESTA contract services in the audited fare revenues.
7. Driver recruitment and retention are recognized as on-going issues for the service. ESTA enhanced the ability to train new drivers through more trainer certifications and testing protocol. ESTA also implemented an Employee Incentive and Training Program to improve employee retention and recognition.
8. ESTA plans to construct its own operating and administration facility at the Bishop airport on property adjacent to the bus parking area pending the securement of funding. ESTA has been actively pursuing grant funding for the project, most recently a grant application under the FTA Section 5339 program that was submitted in the summer of 2017.
9. In 2018, ESTA developed its first Transit Asset Management (TAM) Plan. ESTA's primary assets are its revenue and non-revenue vehicle fleets, plus its facilities. After listing its shelters and the Bishop Bus Parking Facility, a few items of equipment that ESTA owns, the 2018 ESTA TAM Plan focuses on revenue vehicles.
10. In October 2017, ESTA retained consultant services to review and assess ESTA's current organizational structure, operational functions and levels of staffing. The organizational assessment was completed in May 2018 and provided 12 recommendations that were ranked in priority. The report recommended that ESTA adopt a new organizational structure for administrative functions that would be led by an administrative manager.
11. There was turnover in the executive director position in 2018. ESTA's long time executive retired earlier in the year. The Authority conducted three assisted recruitment efforts to find a replacement. The top candidate selected for the position has 30 years of public transit industry experience. The Board approved the contract for the new executive director in October 2018. The current executive is preparing a strategic business plan containing key performance indicators or KPIs for measurement of progress towards attainment of planned goals.
12. ESTA staff have been active and successful in pursuing funding opportunities, including competitive grants. Grant administration and pursuits are overseen by the administration manager. ESTA maintains a spreadsheet that tracks active federal grants as well as a running spreadsheet to track funding and expenditures by each LTC. Contractor invoices are tracked in the spreadsheet for status of payment schedules.

Triennial Audit Recommendations

1. Continue procurement of on-board security cameras.

ESTA has installed cameras on multiple buses in the fleet since the close of the prior audit period. ESTA staff have been successful and have continued working towards procuring additional on-board video cameras giving priority to vehicles used on 395 or Express Routes and Mammoth Lakes fixed routes due to their longer trip time and/or passenger count. Additional cameras were installed in 2019 and all new bus procurements include cameras. Cameras on buses have become standard in the industry and serve many positive purposes which provide a degree of comfort and incentive to the customers. Staff concurs that cameras are useful and intend to look for funding to complete the fleet installment.

2. Update the capital vehicle replacement plan.

ESTA has had success in procuring funding for replacement of its fleet vehicles. Most of the fleet is currently within the useful life standard for transit vehicles. The fleet inventory shows the estimated timing of when older and higher mileage vehicles will need to be sold and replaced. However, several industry factors are weighing on a need for ESTA to further update the vehicle replacement plan and extend the replacement schedule longer into the future. One significant factor is the California Air Resources Board Innovative Clean Transit requirements for conversion of transit fleets to zero-emission vehicles.

Transit agencies are required to submit a complete Zero-Emission Bus Rollout Plan, showing how it plans to achieve a full transition to zero-emission buses (ZEBs). Although the due date for the rollout plan for small operators like ESTA are not for a few more years, capital vehicle replacement and procurement takes considerable advance planning, with near term purchases of buses impacting what the fleet composition will be when ZEBs will need to be procured. The TAM could serve as a basis for an update to ESTA's capital replacement strategy for the fleet.

ESTA should start to plan, schedule, and budget for this rollout conversion of the fleet and infrastructure, accounting for the replacement schedule of each vehicle in the near and long term. The design and engineering of the new operations facility might consider integrating zero-emission infrastructure and vehicle operations and storage to match future investments and compatibility.

3. Re-evaluate in-house 45-day vehicle inspections as part of the Bishop operations facility project and Short Range Transit Plan Update.

This prior recommendation is being carried forward for further consideration in context of the design of the new facility and transit plan update. ESTA studied the option of having the 45-day (3,000 mile) vehicle inspection conducted in-house, rather than currently contracting out the service. In spite of identified challenges with economical and logistical feasibility, the new Bishop

operations facility might enable such efforts in terms of configuration and equipment to allow some level of light duty vehicle inspections to be conducted in-house.

It was suggested in the past that the cost and operational feasibility to bring this service in-house be further evaluated given issues with timely recording of maintenance inspections. The Short Range Transit Plan (SRTP) analyzed the cost of in-house maintenance and found that minor maintenance tasks could be considered for an expanded ESTA staff once the Bishop operations facility improvements are completed. An update of the SRTP should re-evaluate the feasibility of in-house maintenance. More recently, the Organizational Assessment Report made a recommendation for ESTA fleet operations with regard to in-house maintenance. With the eventual transition to zero-emission vehicles and a more diversified alternative fueled fleet, consideration should be given to planning and investing in staff development for light duty maintenance versus full reliance on contracted services.