



ESTA BOARD AGENDA

Regular Meeting

Friday, March 13, 2020 at 9:00am

City of Bishop Council Chambers

301 West Line St, Bishop, California

The Agenda is available at www.estransit.com

Chairperson: Bob Gardner

Vice-Chairperson: Jim Ellis

Board Members:

Cleland Hoff (Mammoth Lakes)
Karen Schwartz (Bishop)
Jim Ellis (Bishop)
Dan Totheroh (Inyo County)

Jeff Griffiths (Inyo County)
Jennifer Kreitz (Mono County)
Bill Sauser (Mammoth Lakes)
Bob Gardner (Mono County)

Note: In compliance with the Americans with Disabilities Act, if an individual requires special assistance to participate in this meeting, please contact Eastern Sierra Transit at (760) 872-1901 ext. 15 or 800-922-1930. Notification 48 hours prior to the meeting will enable the Authority to make reasonable arrangements to ensure accessibility to this meeting. (28 CFR 13.102-35.104 ADA Title II)

Call to Order

Pledge of Allegiance

Roll Call

Public Comment: The Board reserves this portion of the agenda for members of the public to address the Eastern Sierra Transit Authority Board on any items not on the agenda and within the jurisdiction of the Board. The Board will listen to all communication, but in compliance with the Brown Act, will not take any action on items that are not on the agenda.

A. Information Agenda

- A-1 Executive Director Report
 - Reporting on ESTA activities and performance
- A-2 Financial Report
- A-3 Operations Report
- A-4 Audited Financials – Receive and File
- A-5 Bishop Airport Transit Report
- A-6 Operating Costs by Route Review
- A-7 Fare Changes
- A-8 Historical Society Contract

B. Action Agenda

- B-1 Low Carbon Transit Operations Program (LCTOP) FY 2019-20 Funds
 - Approve Resolution 2020-03 allocatiing \$97,479 to the following projects: Expansion of the Mammoth Express, Mammoth Express Pass Fare Reduction and for purchase of an Electric Vehicle and Infrastructure
- B- 2 5339(b) Bus and Facilites Grant Funding Opportunity for Bishop Administration Facility
 - Approve Resolution 2020-04 authorizing submittal of the grant application and approving matching funds
- B-3 Preliminary Budget
- B-4 Federal Certs and Assurances

C. Consent Agenda

The following items are considered routine and non-controversial by staff and will be approved by one motion if no member of the ESTA or public wishes an item removed. If discussion is desired by anyone, the item will be removed from the consent agenda and will be considered separately. Questions of clarification may be made by ESTA Board members, without the removal of the item from the Consent Agenda.

- C-1 Approval of Meeting Minutes of February 14, 2020

D. Board Member Comments

E. Adjournment

The next scheduled regular meeting will be April 10, 2020 City of Bishop Council Chambers 301 Wests Line St., Bishop, CA at 11:00 am.

STAFF REPORT

Subject: Executive Director's Report
Presented by: Phil Moores, Executive Director

Safety:

ESTA received inquiries from the FTA regarding our actions in response to the recent virus outbreak. Specifically, they wanted to know if we had taken any action to educate employees or the public. In fact, we had issued an educational memo to staff along with individual hand sanitizers. In addition, Dawn Vidal and Linda Robinson, Administrative Specialists, attended an online webinar titled "Preparing for a Potential Pandemic - Workplace Implications". Afterwards, an email was issued describing the appropriate precautions for ESTA. Further efforts including service reduction in the event of driver shortages and public communication are being planned.

Fleet Maintenance:

We have had some recent success with grant applications for new vehicles. A total of eight new vehicles in Bishop and one trolley in Mammoth have been approved by the FTA. With these new vehicles come the need to dispose of current ones. Over the course of the next two years, the Board will need to consider how to dispose of the excess vehicles. It will be recommended that local businesses be given every advantage and opportunity to acquire them.

Administration:

Staffing Report

The new weekend Bishop DAR Dispatcher started February 15th and customer response is positive. One comment described a customer's previous avoidance of weekend travel due to difficulty scheduling rides. Drivers are grateful for the assistance which allows them to focus more on safe driving. There is also improved productivity as a result of the extra staff.

Funding Report

The 5304 Planning application is still pending. A purchase order for the new trolley has been submitted and we expect delivery in April 2020. We were successful with a 5310 grant for two new Bishop DAR vehicles. On top of that, we have been successful with a 5339 grant awarding ESTA funds for six Bishop vehicles and one Mammoth Trolley.

A 5339(b) grant is being prepared for additional funds to complete the Bishop operations facility.

Labor Negotiations

The Management and Confidential Employees Association presented me with a letter indicating their willingness to open negotiations for their contract which expires March 28, 2021.

Teamwork Development

Staff participated in the Blue Ribbon 10k on March 7th raising money and awareness benefiting Eastern Sierra Cancer Alliance (ESCA). Last year, ESCA gave more than \$50,000 in direct aid to cancer patients in Inyo and Mono Counties.

Planning:

A Design and Engineering Request for Information (RFI) was issued to develop a price estimate for the services. Once the RFI process is completed in May, the Request for Proposals will be released. The lease from Inyo County for the new Operations Building at the Airport is also being drafted for future implementation.

I have been attending Regional Planning Advisory Committee meeting throughout both counties as part of the Unmet Needs process. Transportation Development Act funding requires that we hold hearings to address service equity across the service area population. A need that meets the definition of Unmet Transit Needs surfaced during meetings. Specifically, June Lake and Lee Vining requested the opportunity to access food, medical, and other basic needs in Mammoth. I will bring a recommendation to the ESTA Board and the Mono LTC to utilize one day of Walker DAR to connect Walker to Mammoth with a roundtrip service allowing five to six hours in Mammoth for residents of Walker, Bridgeport, Lee Vining, and June Lake. The annual ESTA summer service review will be presented to the Board in April.

GOOD PRESS!

IN APPRECIATION

Eastern Sierra Transit workers are 'very special people'

As another transplant from Southern California, I arrived in Bishop in mid-April 2014.

During my settling-in process, I noticed a small, white bus with blue markings going by my apartment several times a day.

I saw my neighbor using the bus often. And when I got a chance, I asked her what it was all about.

She explained: First, you call, tell them where you are and where you wish to go and within 10 to 20 minutes or less, you are taken "door to door." She went on to tell about "check points," i.e., at Vons a bus leaves every hour on the hour.

For about a month I left my Dodge van parked and used Eastern Sierra Transit service exclusively.

I didn't know it at the time but I was about to embark on a unique experience.

I don't remember the name of the driver who picked me up that first day, but I do remember what she said, "Hi Bob, how are you doing today?"

During that first month I used the bus almost daily. I also began to consider selling my van.

I was familiar with the Eastern Sierra and I loved Bishop. I hunted and fished Bridgeport and surrounding areas for 20 years. And at age 76, I had already decided that I was through hunting and I was never going south of Bishop again. Insurance, license fees, gasoline, tires and engine repairs - I didn't want any of it.

I sold my van and I began to live my stress-free life.

Sometimes, we make friends in strange places. The people at Eastern Sierra Transit have become my friends. And I cherish the friendship of these very special men and women.

They are considerably more than one might imagine. Oftentimes, they are help-mates and care-givers and the passengers with special needs always get special care.

To (Eastern Sierra Transit Authority Executive Director) Phil Moores and his organization of dispatchers, drivers and everyone else working at Eastern Sierra Transit, thanks from all of us. You are an integral part of our lives. We couldn't get on without you.

Bob Ruby
Bishop

STAFF REPORT

Subject: Financial Report – FY 2019/20

Initiated by: Karie Bentley, Administration Manger

The year-to-date roll-up and fund balance reports for the 2019/20 fiscal year are included on the following pages. Reports are as of March 5, 2020. The budget amendment approved at the February 14, 2020 board meeting is reflected in the attached budget report.

Fuel cost per gallon has been running at about 22% below budget, however, the low actual expense on the financial report for fuel and maintenance is primarily a result of not yet being in receipt of billings from the Town of Mammoth Lakes for the month of January or February.

The table below summarizes the year-to-date revenue and the expenses by major expense category.

ESTA Operating Expenses FY 19/20			
% of fiscal year →			68.0%
Category	Budget	Actual Year To Date	% of Budget
Total Revenue	5,452,119	2,978,164	54.6%
EXPENSES			
Total Salaries	2,147,694	1,244,047	57.9%
Total Benefits	770,029	404,768	52.6%
Total Insurance	323,760	297,601	91.9%
Total Maintenance	644,789	321,075	49.8%
Facilities	257,274	161,045	62.6%
Total Services	213,874	112,926	52.8%
Fuel	632,751	279,996	44.3%
Other	278,758	52,662	18.9%
Total Expenses	5,268,929	2,874,119	54.5%

Operational Revenue Analysis from Major Funding Sources

4061 Local Transportation Tax

This Local Transportation Fund (LTF) revenue is invoiced a monthly basis and is paid by Inyo LTC and Mono LTC. It is generally paid within 60 days.

We have received unexpected LTF revenue in February in the amount of of \$177,628 from Mono LTC as they had excess reserves.

4065 State Transit Assistance (STA)

This revenue is paid quarterly by the State Controller's office to the LTCs although the timing of the payments doesn't always fall in a predictable pattern. For example, only the first quarter's payment has been made to the LTCs. The allocation has been received by ESTA and is include in the financial report. The amount of the payments varies (they are not ¼ each). A notice is put out when the money is available and ESTA then invoices the LTCs.

The January 2019 estimate used in ESTA's budget was revised in November 2019 and went down. This will result in approximately \$44.3K less STA revenue than budgeted. This amount should be offset by other revenue which wasn't expected in the budget (toll credits for 5311(f) which frees up LTF funds previously budgeted as a match and excess LTF reserves).

4498 State Grants (LCTOP)

This is funding from the Low Carbon Transit Operations Program (LCTOP) program and is paid to ESTA in advance of the fiscal year. Funds are on track with the budget.

4499 State Grants Other (State of Good Repair)

This revenue is usually paid in method similar to the STA funds with is described above. Only the first quarter's allocation has been made, the payments are reflected in the financial reports.

Current SGR estimates are around \$900 higher than budgeted amounts.

4555 Federal Grants

5310 - This funding is for mileage reimbursement and administrative expenses for ESTA's Non-Emergency Medical Transportation Program. The first quarter's invoice has been submitted, \$4,287. The second quarter invoice will be sent this week.

5311 (apportionment) - We are awaiting our contract from Caltrans who has indicated the award has come through from the federal government and will be issuing contracts shortly. The full amount, \$187,601 will be invoiced once the contracts are in place.

5311(f) (395 routes) - We are awaiting our contract from Caltrans who has indicated the award has come through from the federal government and will be issuing contracts shortly. The first quarter's reimbursement packet is ready for submittal after the contract is executed. The second quarter's reimbursement requests are being reviewed.

4599 Other Agencies

This consists of funding from Kern Regional Transit and revenue from the contract with The Town of Mammoth Lakes. Revenue is on track with the budget.

4819 Services and Fees

Revenue is in line with expectations.

COUNTY OF INYO
Budget to Actuals with Encumbrances by Key/Obj

Ledger: GL

As of 3/5/2020

Object	Description	Budget	Actual	Encumbrance	Balance	%
Key: 153298 - ESTA - BUDGET						
OPERATING						
Revenue						
Expenditure						
NET OPERATING		0.00	0.00	0.00	0.00	
CAPITAL ACCOUNT						
Revenue						
Expenditure						
NET CAPITAL ACCOUNT		0.00	0.00	0.00	0.00	
Key: 153299 - EASTERN SIERRA TRANSIT						
OPERATING						
Revenue						
4061	LOCAL TRANSPORTATION TAX	1,272,738.00	901,648.03	0.00	371,089.97	70.84
4065	STATE TRANSIT ASST	503,314.00	93,940.06	0.00	409,373.94	18.66
4301	INTEREST FROM TREASURY	24,000.00	19,838.60	0.00	4,161.40	82.66
4498	STATE GRANTS	35,355.00	35,355.00	0.00	0.00	100.00
4499	STATE OTHER	70,940.00	29,204.27	0.00	41,735.73	41.16
4555	FEDERAL GRANTS	515,601.00	0.00	0.00	515,601.00	0.00
4599	OTHER AGENCIES	965,703.00	506,939.28	0.00	458,763.72	52.49
4747	INSURANCE PAYMENTS	0.00	1,816.77	0.00	(1,816.77)	0.00
4819	SERVICES & FEES	2,052,468.00	1,379,686.19	0.00	672,781.81	67.22
4959	MISCELLANEOUS REVENUE	12,000.00	9,735.58	0.00	2,264.42	81.12
Revenue Total:		5,452,119.00	2,978,163.78	0.00	2,473,955.22	54.62
Expenditure						
5001	SALARIED EMPLOYEES	1,510,603.00	814,521.19	0.00	696,081.81	53.92
5003	OVERTIME	83,106.00	46,705.53	0.00	36,400.47	56.19
5005	HOLIDAY OVERTIME	137,696.00	82,420.04	0.00	55,275.96	59.85
5012	PART TIME EMPLOYEES	416,289.00	300,400.29	0.00	115,888.71	72.16
5021	RETIREMENT & SOCIAL SECURITY	51,858.00	26,461.47	0.00	25,396.53	51.02
5022	PERS RETIREMENT	221,020.00	130,176.42	0.00	90,843.58	58.89
5031	MEDICAL INSURANCE	306,000.00	137,571.92	0.00	168,428.08	44.95
5043	OTHER BENEFITS	39,398.00	16,892.89	0.00	22,505.11	42.87
5045	COMPENSATED ABSENCE EXPENSE	146,000.00	91,237.38	0.00	54,762.62	62.49
5047	EMPLOYEE INCENTIVES	5,753.00	2,427.63	0.00	3,325.37	42.19
5111	CLOTHING	10,600.00	577.55	0.00	10,022.45	5.44
5152	WORKERS COMPENSATION	102,180.00	101,122.00	0.00	1,058.00	98.96
5154	UNEMPLOYMENT INSURANCE	43,000.00	17,937.96	0.00	25,062.04	41.71
5158	INSURANCE PREMIUM	178,580.00	178,541.00	0.00	39.00	99.97
5171	MAINTENANCE OF EQUIPMENT	613,789.00	317,124.40	0.00	296,664.60	51.66
5173	MAINTENANCE OF EQUIPMENT-	19,500.00	3,950.34	0.00	15,549.66	20.25
5191	MAINTENANCE OF STRUCTURES	11,500.00	0.00	0.00	11,500.00	0.00
5211	MEMBERSHIPS	2,300.00	890.00	0.00	1,410.00	38.69
5232	OFFICE & OTHER EQUIP < \$5,000	15,500.00	723.58	0.00	14,776.42	4.66
5238	OFFICE SUPPLIES	8,000.00	4,372.98	0.00	3,627.02	54.66
5253	ACCOUNTING & AUDITING SERVICE	49,750.00	28,537.50	0.00	21,212.50	57.36
5260	HEALTH - EMPLOYEE PHYSICALS	5,890.00	4,364.00	0.00	1,526.00	74.09
5263	ADVERTISING	53,700.00	23,523.20	0.00	30,176.80	43.80
5265	PROFESSIONAL & SPECIAL SERVICE	104,534.00	56,500.89	0.02	48,033.09	54.05
5291	OFFICE, SPACE & SITE RENTAL	194,648.00	127,541.74	0.00	67,106.26	65.52

COUNTY OF INYO
Budget to Actuals with Encumbrances by Key/Obj

Ledger: GL

As of 3/5/2020

Object	Description	Budget	Actual	Encumbrance	Balance	%
5311	GENERAL OPERATING EXPENSE	60,440.00	30,026.53	0.00	30,413.47	49.67
5326	LATE FEES & FINANCE CHARGES	0.00	(27.06)	0.00	27.06	0.00
5331	TRAVEL EXPENSE	14,600.00	6,523.07	0.00	8,076.93	44.67
5332	MILEAGE REIMBURSEMENT	32,468.00	9,575.35	0.00	22,892.65	29.49
5351	UTILITIES	62,626.00	33,502.78	0.00	29,123.22	53.49
5352	FUEL & OIL	632,751.00	279,996.14	0.00	352,754.86	44.25
5539	OTHER AGENCY CONTRIBUTIONS	60,000.00	0.00	0.00	60,000.00	0.00
5901	CONTINGENCIES	74,850.00	0.00	0.00	74,850.00	0.00
Expenditure Total:		<u>5,268,929.00</u>	<u>2,874,118.71</u>	<u>0.02</u>	<u>2,394,810.27</u>	<u>54.54</u>
NET OPERATING		<u>183,190.00</u>	<u>104,045.07</u>	<u>(0.02)</u>	<u>79,144.95</u>	
CAPITAL ACCOUNT						
Revenue						
4066	PTMISEA	278,742.00	0.00	0.00	278,742.00	0.00
4067	STATE TRANSIT ASST-CAPITAL	160,952.00	0.00	0.00	160,952.00	0.00
4495	STATE GRANTS - CAPITAL	61,568.00	61,568.00	0.00	0.00	100.00
4557	FEDERAL GRANTS - CAPITAL	705,957.00	0.00	0.00	705,957.00	0.00
Revenue Total:		<u>1,207,219.00</u>	<u>61,568.00</u>	<u>0.00</u>	<u>1,145,651.00</u>	<u>5.09</u>
Expenditure						
5640	STRUCTURES & IMPROVEMENTS	707,071.00	0.00	0.00	707,071.00	0.00
5650	EQUIPMENT	101,568.00	8,105.96	0.00	93,462.04	7.98
5655	VEHICLES	432,672.00	0.00	0.00	432,672.00	0.00
Expenditure Total:		<u>1,241,311.00</u>	<u>8,105.96</u>	<u>0.00</u>	<u>1,233,205.04</u>	<u>0.65</u>
NET CAPITAL ACCOUNT		<u>(34,092.00)</u>	<u>53,462.04</u>	<u>0.00</u>	<u>(87,554.04)</u>	
TRANSFERS						
Revenue						
Expenditure						
5798	CAPITAL REPLACEMENT	158,990.00	0.00	0.00	158,990.00	0.00
Expenditure Total:		<u>158,990.00</u>	<u>0.00</u>	<u>0.00</u>	<u>158,990.00</u>	<u>0.00</u>
NET TRANSFERS		<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	
153299 Total:		<u>(9,892.00)</u>	<u>157,507.11</u>	<u>(0.02)</u>	<u>(167,399.09)</u>	

**COUNTY OF INYO
UNDESIGNATED FUND BALANCES**

AS OF 06/30/2020

	Claim on Cash 1000	Accounts Receivable 1100,1105,1160	Loans Receivable 1140	Prepaid Expenses 1200	Accounts Payable 2000	Loans Payable 2140	Deferred Revenue 2200	Computed Fund Balance	Encumbrances	Fund Balance Undesignated
ESTA - EASTERN SIERRA TRANSIT AUTHORI										
1532 EASTERN SIERRA TRANSIT	2,842,899	51,436	23,500		41,900			2,875,935		2,875,935
1533 ESTA ACCUMULATED	1,214,588							1,214,588		1,214,588
1534 ESTA GENERAL RESERVE	523,528							523,528		523,528
1535 ESTA BUDGET STAB	209,409							209,409		209,409
1536 REDS MEADOW ROAD	110,555							110,555		110,555
6813 JARC-LONE PINE/BISHOP	21,254					3,000		18,254		18,254
6814 JARC-MAMMOTH EXPRESS	46,946							46,946		46,946
6817 GOOGLE TRANSIT PHASE 2	55							55		55
6818 CAPP-CLEAN AIR PROJECT	2,923							2,923		2,923
6819 MOBILITY MANAGEMENT 14	2,227							2,227		2,227
6820 NON-EMERGENCY TRAN REIM	1,463				48	15,500		(14,085)		(14,085)
6821 BISHOP YARD-ESTA	170					5,000		(4,830)		(4,830)
6822 LCTOP-ELECTRIC VEHICLE	88,643							88,643		88,643
6823 PTMISEA-CAPITAL PROJECT						1		(1)		(1)
6824 ESTA-LCTOP	12,086				283			11,803		11,803
ESTA Totals	5,076,746	51,436	23,500		42,231	23,501		5,085,950		5,085,950
Grand Totals	5,076,746	51,436	23,500		42,231	23,501		5,085,950		5,085,950

STAFF REPORT

Subject: Operations Report January 2020
Presented by: Phil Moores, Executive Director

Executive Summary

Overall ridership decreased in January compared to last year. Noteworthy variances are a decrease in the Mammoth routes. Road calls (0) and customer comments (8), Bishop DAR, and preventable accidents met the monthly goals. We missed 22 trips in January due to driver shortages and chain installation.

	Jan-20	Dec-19	Percent Change	Jan-19	Percent Change
PASSENGERS					
Adult	128,043	121,981	5.0%	142,377	-10.1%
Senior	1,957	1,880	4.1%	1,646	18.9%
Disabled	697	641	8.7%	813	-14.3%
Wheelchair	275	315	-12.7%	283	-2.8%
Child	13,160	13,784	-4.5%	14,520	-9.4%
Child under 5	209	619	-66.2%	330	-36.7%
Total Passengers	144,341	139,220	3.7%	159,969	-9.8%
FARES	\$31,613.95	\$35,775.40	-11.6%	\$32,618.95	-3.1%
SERVICE MILES	84,337	81,486	3.5%	88,437	-4.6%
SERVICE HOURS	5,436	5,279	3.0%	5,588	-2.7%
Passengers per Hour	26.55	26.37	0.7%	28.63	-7.2%

RIDERSHIP COMPARISON				
REPORT MONTH - THIS YEAR/LAST YEAR				
Route	Jan-20	Jan-19	Variance	% Change
Mammoth Express	520	564	-44	-7.8%
Lone Pine Express	272	273	-1	-0.4%
Lone Pine DAR	481	370	111	30.0%
Tecopa	14	10	4	40.0%
Walker DAR	32	116	-84	-72.4%
Bridgeport to G'Ville	20	14	6	42.9%
Benton to Bishop	38	28	10	35.7%
Bishop DAR	3,492	3,637	-145	-4.0%
Nite Rider	324	230	94	40.9%
Mammoth FR	28,658	30,798	-2,140	-6.9%
Mammoth DAR	151	426	-275	-64.6%
Reno	592	606	-14	-2.3%
Lancaster	383	356	27	7.6%
MMSA	108,752	121,230	-12,478	-10.3%
TOTALS	144,341	159,969	-15,628	-9.8%

PASSENGERS PER SERVICE HOUR				
REPORT MONTH - THIS YEAR/LAST YEAR				PAX MILES/
Route	Jan-20	Jan-19	% Change	SVC HOUR
Mammoth Express	5.98	6.41	-6.8%	
Lone Pine Express	2.47	2.56	-3.4%	
Lone Pine DAR	3.10	2.40	29.2%	
Tecopa	0.76	0.63	21.1%	
Walker DAR	0.20	0.73	-73.1%	
Bridgeport to G'Ville	0.85	0.42	102.6%	
Benton to Bishop	2.32	1.86	25.2%	
Bishop DAR	3.72	3.89	-4.4%	
Nite Rider	4.73	3.38	39.8%	
Mammoth FR	30.77	33.03	-6.8%	
Mammoth DAR	0.81	2.27	-64.4%	
Reno	2.20	2.10	4.7%	167.93
Lancaster	1.63	1.51	7.9%	186.96
MMSA	49.16	54.28	-9.4%	
Total	26.55	28.63	-7.2%	

Route	Fares	Adults	Snr	Dis	W/C	Child	Free	Total Pax	Yd Hrs	Svc Hours	Yd Mi	SVC MILE S	AVG FARE	REV/SVC MILE	PAX / SVC HR	MI / SVC HR	PAX / SVC MI
Jan-20																	
Mammoth Express	\$2,742.50	485	24	0	0	2	9	520	103	87	3,923	3,824	5.27	.72	5.98	45.1	0.14
Lone Pine Express	\$1,364.75	160	96	15	0	0	1	272	125	10	5,191	5,038	5.02	.27	2.47	47.2	0.05
Lone Pine DAR	\$1,271.00	25	293	62	20	81	0	481	162	155	1,814	1,809	2.64	.70	3.10	117	0.27
Tecopa	\$70.00	0	14	0	0	0	0	14	19	19	456	456	5.00	.15	.76	24.6	0.03
Walker DAR	\$96.30	10	7	15	0	0	0	32	168	163	330	289	3.01	.33	.20	2.0	0.11
Bridgeport to G'Vill	\$10.00	0	0	20	0	0	0	20	24	24	334	318	5.50	.35	.85	14.2	0.06
Benton to Bishop	\$198.00	10	21	5	0	0	2	38	34	16	1,403	743	5.21	.27	2.32	85.8	0.05
Specials	\$0.00	610	0	0	0	2	0	612	22	20	106	83	N/A	N/A			
Bishop DAR	\$8,157.00	1291	1295	495	238	27	146	3,492	1015	940	10,322	9,432	2.34	.86	3.72	110	0.37
Nite Rider	\$1,302.00	232	11	48	14	16	3	324	71	69	942	933	4.02	140	4.73	13.8	0.35
Mammoth FR	\$0.00	26,740	0	0	0	1918	0	28,658	988	931	12,287	11,670	N/A	N/A	30.77	13.2	2.46
Mammoth DAR	\$338.40	100	11	0	0	0	40	151	189	187	672	534	2.24	.63	.81	3.6	0.28
Reno	\$9,562.75	456	116	5	2	11	2	592	287	269	12,264	12,101	16.6	.79	2.20	45.6	0.05
Lancaster	\$6,401.25	278	69	25	1	4	6	383	258	235	11,255	11,025	16.71	.58	163	47.9	0.03
MM SA	\$0.00	97,646	0	7	0	11099	0	108,752	2,326	2,212	28,149	26,082	N/A	N/A	49.16	12.7	4.17
Total	\$31,618.95	128,043	1957	697	275	13,160	209	144,341	5,790	5,436	89,448	84,337	22	.37	28.55	16.5	1.71
Jan-19																	
Mammoth Express	\$3,305.50	497	42	2	4	14	5	564	100	88	3,924	3,825	5.86	.86	6.41	44.6	0.15
Lone Pine Express	\$1,395.50	136	81	33	19	3	1	273	134	107	5,493	4,858	5.11	.29	2.56	51.6	0.06
Lone Pine DAR	\$937.00	12	212	58	38	50	0	370	161	154	1,507	1,507	2.53	.62	2.40	9.8	0.25
Tecopa	\$50.00	0	10	0	0	0	0	10	16	16	464	464	5.00	.11	.63	29.0	0.02
Walker DAR	\$308.10	11	1	104	0	0	0	116	168	159	820	693	2.66	.44	.73	5.2	0.17
Bridgeport to G'Vill	\$108.50	0	6	8	0	0	0	14	40	33	1,080	730	7.75	.15	.42	32.4	0.02
Benton to Bishop	\$159.50	11	11	5	1	0	0	28	28	16	1,224	625	5.70	.26	186	811	0.04
Specials	\$0.00	682	0	0	0	0	0	682	32	30	94	72	N/A	N/A			
Bishop DAR	\$8,239.10	1557	1145	492	203	65	175	3,637	1013	936	10,598	9,778	2.27	.84	3.89	113	0.37
Nite Rider	\$898.80	154	13	49	9	1	4	230	71	68	774	774	3.91	1.16	3.38	11.4	0.30
Mammoth FR	\$0.00	28,724	0	5	0	2,069	0	30,798	989	932	12,423	11,724	N/A	N/A	33.03	13.3	2.63
Mammoth DAR	\$850.20	266	8	4	2	8	138	426	192	188	941	860	2.00	.99	2.27	5.0	0.50
Reno	\$10,998.50	506	47	32	5	16	0	606	318	288	13,180	12,245	18.6	.90	2.10	45.7	0.05
Lancaster	\$5,303.25	250	70	21	2	6	7	356	259	236	11,223	11,066	14.90	.48	15.1	47.6	0.03
MM SA	\$0.00	108,945	0	0	0	12,285	0	121,230	2,358	2,233	27,946	26,445	.00	.00	54.28	12.5	4.58
Total	\$32,618.95	142,377	1646	813	283	14,520	330	159,969	6,004	5,588	94,767	88,437	20	.37	28.63	17.0	1.81

VARIANCE BY ROUTE (RAW NUMBERS) – December 2019 to December 2018																	
ROUTES	FARES	ADULTS	SNR	DIS	W/C	CHILD	FREE	TOTAL PAX	YD HOURS	SVC HOURS	YD MILE S	SVC MILE S	AVG FARE	REV/SV C MILE	PAX / SVC HR	MI / SVC HR	PAX / SVC MI
M ammoth Express	-\$563.00	-12	-8	-2	-4	-12	4	-44	3	-1	-1	-1	-0.59	-0.15	-0.43	0.48	-0.01
Lone Pine Express	-\$30.75	24	15	-8	-19	-3	0	-1	-9	3	-302	180	-0.09	-0.02	-0.09	-4.34	0.00
Lone Pine DAR	\$334.00	13	81	4	-18	31	0	111	1	1	307	302	0.11	0.08	0.70	192	0.02
Tecopa	\$20.00	0	4	0	0	0	0	4	3	3	-8	-8	0.00	0.05	0.13	-4.35	0.01
Walker DAR	-\$211.80	-1	6	-89	0	0	0	-84	-1	4	-490	-404	0.35	-0.11	-0.53	-3.14	-0.06
Bridgeport to G'Ville	\$150	0	-6	12	0	0	0	6	-16	-10	-746	-412	-2.25	0.20	0.43	-18.19	0.04
Benton to Bishop	\$38.50	-1	10	0	-1	0	2	10	6	1	179	118	-0.49	0.01	0.47	4.66	0.01
Bishop DAR	-\$82.10	-266	60	3	35	-38	-29	-145	2	4	-276	-346	0.07	0.02	-0.17	-0.34	0.00
Nite Rider	\$403.20	78	-2	-1	5	15	-1	94	0	1	168	159	0.11	0.23	135	2.37	0.05
M ammoth FR	\$0.00	-1984	0	-5	0	-151	0	-2140	0	-1	-186	-54	N/A	N/A	-2.26	-0.13	-0.17
M ammoth DAR	-\$511.80	-166	3	-4	-2	-8	-98	-275	-3	-1	-269	-326	0.25	-0.35	-1.46	-1.42	-0.21
Reno	-\$1,435.75	-50	69	-27	-3	-5	2	-14	-31	-19	-916	-144	-2.00	-0.11	0.10	-0.14	0.00
Lancaster	\$1,098.00	28	-1	4	-1	-2	-1	27	-1	-1	32	-41	1.82	0.10	0.12	0.27	0.00
M M SA	\$0.00	-11,299	0	7	0	-1,186	0	-2,478	-32	-21	203	-363	0.00%	0.00%	0.00%	0.00%	0.00%

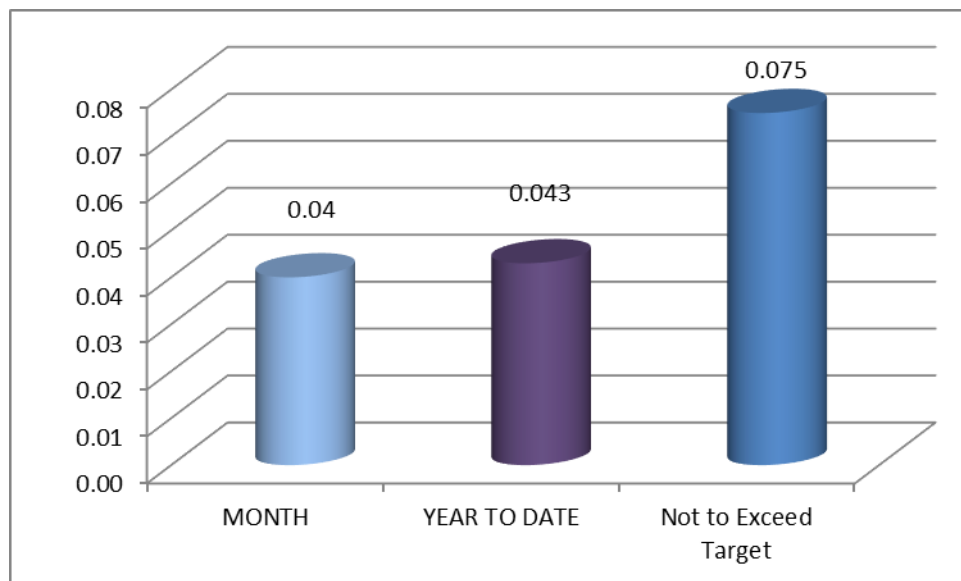
VARIANCE BY ROUTE (PERCENTAGE) – December 2019 to December 2018																	
ROUTES	FARES	ADULTS	SNR	DIS	W/C	CHILD	FREE	TOTAL PAX	YD HOURS	SVC HOURS	YD MILE S	SVC MILE S	AVG FARE	REV/SV C MILE	PAX / SVC HR	MI / SVC HR	PAX / SVC MI
M ammoth Express	-17%	-2%	-43%	-100%	-100%	-86%	80%	-8%	3%	-1%	0%	0%	-10%	-17%	-7%	1%	-8%
Lone Pine Express	-2%	18%	19%	-55%	-100%	-100%	0%	0%	-7%	3%	-5%	4%	-2%	-6%	-3%	-8%	-4%
Lone Pine DAR	36%	108%	38%	7%	-47%	62%		30%	1%	1%	20%	20%	4%	13%	29%	20%	8%
Tecopa	40%		40%					40%	16%	16%	-2%	-2%	0%	42%	21%	-15%	42%
Walker DAR	-69%	-9%	600%	-86%				-72%	0%	3%	-60%	-58%	13%	-25%	-73%	-61%	-34%
Bridgeport to G'Ville	1%		-100%	150%				43%	-41%	-30%	-69%	-56%	-29%	133%	103%	-56%	228%
Benton to Bishop	24%	-9%	91%	0%	-100%			36%	21%	8%	15%	19%	-9%	4%	25%	6%	14%
Bishop DAR	-10%	-17.1%	13.1%	0.6%	17.2%	-58.5%	-16.6%	-4.0%	0.2%	0.4%	-2.6%	-3.5%	3.1%	2.6%	-4.4%	-3.0%	-0.5%
Nite Rider	45%	51%	-15%	-2%	56%	100%	-25%	41%	0%	1%	22%	21%	3%	20%	40%	21%	17%
M ammoth FR		-7%		-100%		-7%		-7%	0%	0%	-1%	0%	N/A	N/A	-7%	-1%	-7%
M ammoth DAR	-60%	-62%	38%	-100%	-100%	-100%	-71%	-65%	-2%	0%	-29%	-38%	12%	-36%	-64%	-28%	-43%
Reno	-13%	-10%	147%	-84%	-60%	-31%		-2%	-10%	-7%	-7%	-1%	-11%	-12%	5%	0%	-1%
Lancaster	21%	11%	-1%	19%	-50%	-33%	-14%	8%	0%	0%	0%	0%	12%	21%	8%	1%	8%
M M SA		-10%				-10%		-10%	-1%	-1%	1%	-1%	0.00%	0.00%	0.00%	0.00%	0.00%

Customer Comments

There were eight comments received for the month of January 2020.

- 1/6: An anonymous called to complain that an ESTA bus was blocking the Bishop Paiute Palace Casino entryway. Driver had dropped off passenger and was inside using the restroom briefly.
- 1/6: Customer called to compliment the two drivers, Shawn Edwards and Phil Therrien, whom she had on her trip from Bishop to Reno and back.
- 1/8: Staff member of Coleville High School called to complain that the 395 North bus had not picked up kids to go to Bridgeport. Driver misunderstood instructions for pickup.
- 1/8: Customer called to complain about Red Line driver who was being rude and raising her voice with passengers on several occasions. Driver counselled on courteous behavior.
- 1/16: Customer called to express the need for service between Bishop and Mammoth on the weekend.
- 1/17: Customer called to complain that a bus drove right past her, making her 20 minutes late to work.
- 1/17: Customer called and emailed to complain that a driver told her that she would have to switch busses and offered no explanation as to why. Bus was experiencing a mechanical issue that required it to immediately stop for repairs.
- 1/28: Customer called to complain that a bus passed her stop and did not attempt to pick up her or other waiting. Bus was a tripper traveling to handle overloads at another stop.

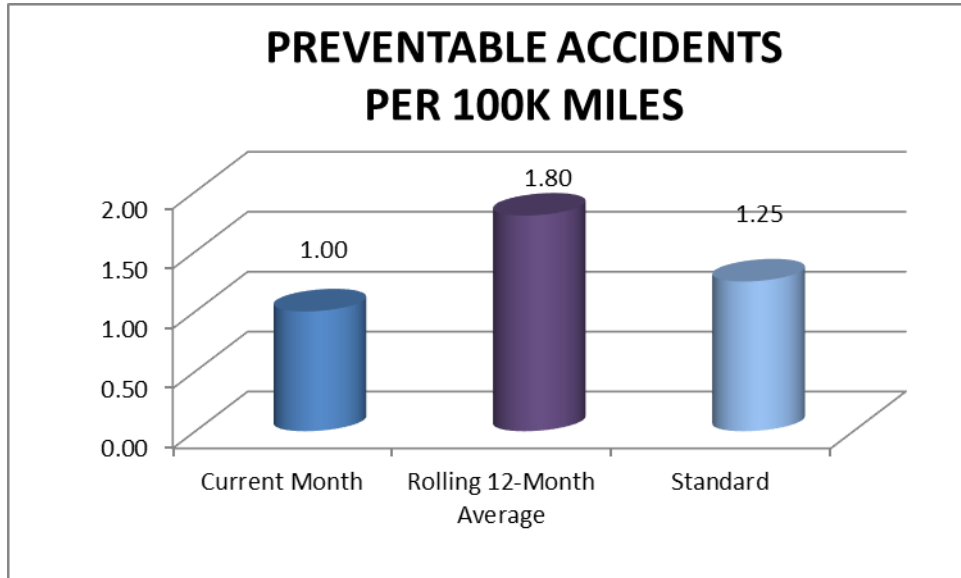
COMPLAINTS PER 1,000 PASSENGERS



Accident/Incidents

There was one preventable accident in January 2020.

- 1/10: Driver struck the rear window of a trolley with the mirror of another trolley, causing the window to shatter and damage to the mirror.



Road Call Frequency

There were no road calls during the month of January 2020 where a service vehicle had to be called to repair in place or tow a transit vehicle. There were 5 vehicle exchanges during the month of January 2020 due to mechanical issues requiring a replacement transit vehicle be placed into service. The average Road Call frequency is 0.75 per 100,00 miles.

Date	Road Calls	Bus Exchange	Miles	Road Calls / 100K Miles
Feb-19	1	5	78666	1.27
Mar-19	0	7	88385	0.00
Apr-19	2	6	85782	2.33
May-19	1	5	66050	1.51
Jun-19	1	8	65973	1.52
Jul-19	1	16	105637	0.95
Aug-19	0	11	109797	0.00
Sep-19	0	12	72042	0.00
Oct-19	1	8	68833	1.45
Nov-19	0	8	66663	0.00
Dec-19	0	6	86491	0.00
Jan-20	0	5	89448	0.00

Missed Runs

There were 22 missed/late runs in January 2020.

- 1/3: Blue Line missed 4 runs due to mechanical issue (coolant leak).
- 1/7: Purple Line missed 1 run due to mechanical issue (brake problems).
- 1/8: Walker DAR reduced hours due to staffing.
- 1/15: Walker DAR reduced hours due to staffing.
- 1/16: Red Line missed 3 runs due to chain install.
 Blue Line missed 3 runs due to chain install.
 Yellow Line missed 3 runs due to chain install.
- 1/22: Walker DAR reduced hours due to staffing.
- 1/27: Blue Line missed 4 runs due to traffic accident blocking Lakeview Blvd.
- 1/29: Walker DAR reduced hours due to staffing.

Bishop Area Dial-A-Ride Wait Times

Wait times for the Bishop Area Dial-A-Ride (Mon. through Fri., 7:00 a.m. – 6:00 p.m.)

JANUARY 2020			
		PERCENT	GOAL
IMMEDIATE RESPONSE TRIPS			
Total Trips:	2,305	82.9%	
Average Wait Time (min.):	11		< 20 Minutes
Trips > 30 Minute Wait:	67	2.9%	< 5%
ADVANCE RESERVATION TRIPS			
Total Trips:	476	17.1%	
On Time Trips (± 10 min.)	399	83.8%	
TOTAL SCHEDULED TRIPS			
No-Shows Including Checkpoints	261	9.4%	
No-Shows Excluding Checkpoints	153	5.5%	
Cancellations	102	3.7%	

STAFF REPORT

Subject: 2018/19 Audited Financial Report for the Eastern Sierra Transit Authority

Presented by: Karie Bentley, Administration Manager

BACKGROUND:

The Transportation Development Act requires that claimants receiving funds for transit services from a County Transportation Commission submit to an annual certified fiscal audit.

ANALYSIS/DISCUSSION:

In compliance with the requirements of the Transportation Development Act, the Eastern Sierra Transit Authority has an audited financial report prepared each year for the preceding fiscal year. The audit was performed this year by the firm CliftonLarsonAllan (CLA) who was chosen to perform the audit following a procurement conducted in 2018. This was the second year of their contract with ESTA.

There was one finding pertaining to a payroll that was not accrued to the correct fiscal year. As a remedy the Administration Manager will personally verify that all payroll is properly accrued to the correct fiscal years prior to each audit.

The audit for the fiscal year ending June 30, 2019 including the Management Report, is included on the following pages and will be available for public viewing on ESTA's website.

RECOMMENDATION:

This item is presented for the information of the Board, which is requested to receive and file the report.



Board of Directors
Eastern Sierra Transit Authority
Bishop, California

We have audited the financial statements of Eastern Sierra Transit Authority as of and for the year ended June 30, 2019, and have issued our report thereon dated January 27, 2020. We have previously communicated to you information about our responsibilities under auditing standards generally accepted in the United States of America and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. Professional standards also require that we communicate to you the following information related to our audit.

Significant audit findings

Qualitative aspects of accounting practices

Accounting policies

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Eastern Sierra Transit Authority are described in Note 1 to the financial statements.

No new accounting policies were adopted and the application of existing policies was not changed during the year ended June 30, 2019.

We noted no transactions entered into by the entity during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

- Management believes receivables are fully collectible based on historical experience. Accordingly, no allowance for doubtful accounts is included in the financial statements.

- Management's estimate of the other post-employment benefits (OPEB) liability is derived from actuarial valuations obtained from experts. We compared the liability reported in the financial statements to the actuarial report prepared and issued for the year under audit. Considering the total liability at year-end is based on a third-party actuarial valuations, the liability amount was deemed reasonable.
- Management's estimate of pension liability is derived from actuarial valuations obtained from CalPERS. We compared the liability reported in the financial statements to the actuarial report prepared and issued for the year under audit.

Financial statement disclosures

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There were no particularly sensitive financial statement disclosures.

The financial statement disclosures are neutral, consistent, and clear.

Supplementary Information

With respect to the Required Supplementary Information—Pensions and Other Postemployment Benefits Plan (OPEB) (collectively, the required supplementary information) accompanying the financial statements, on which we were engaged to report in relation to the financial statements as a whole, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period or the reasons for such changes, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves. We have issued our report thereon dated January 27, 2020.

Difficulties encountered in performing the audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Uncorrected misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management did not identify and we did not notify them of any uncorrected financial statement misstatements. Management has corrected all such misstatements.

Corrected misstatements

The following material misstatements detected as a result of audit procedures were corrected by management:

- Salaries expense was increased by \$70,684 to record salaries expense incurred but not paid as of June 30, 2019.

Disagreements with management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. No such disagreements arose during our audit.

Management representations

We have requested certain representations from management that are included in the management representation letter dated January 27, 2020.

Management consultations with other independent accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the entity's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Significant issues discussed with management prior to engagement

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to engagement as the entity's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our engagement.

This communication is intended solely for the information and use of the Board of Directors and management of Eastern Sierra Transit Authority and is not intended to be, and should not be, used by anyone other than these specified parties.



CliftonLarsonAllen LLP

Roseville, California
January 27, 2020

EASTERN SIERRA TRANSIT AUTHORITY
FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019



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**EASTERN SIERRA TRANSIT AUTHORITY
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YEAR ENDED JUNE 30, 2019**

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Eastern Sierra Transit Authority
Bishop, California

We have audited the accompanying financial statements of Eastern Sierra Transit Authority (ESTA), which comprise the statement of net position as of June 30, 2019, and the related statements of revenues, expenses, and changes in net position, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Eastern Sierra Transit Authority as of June 30, 2019, and the changes in its financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of ESTA's proportionate share of the net pension liability and schedule of contributions, and other postemployment benefits (OPEB) plan schedule of changes in ESTA's net OPEB liability and related ratios be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 27, 2020, on our consideration of ESTA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of ESTA's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering ESTA's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Roseville, California
January 27, 2020

**EASTERN SIERRA TRANSIT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2019**

The following Management's Discussion and Analysis (MD&A) of the Eastern Sierra Transit Authority (ESTA) financial performance provides an introduction to the financial statements for the year ended June 30, 2019. The information contained in this MD&A should be considered in conjunction with the information contained in ESTA's financial statements.

OVERVIEW OF THE FINANCIAL STATEMENTS

ESTA's financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America promulgated by the Governmental Accounting Standards Board. ESTA is structured as an enterprise fund. ESTA's revenues are recognized when earned, not when received. Expenses are recognized when incurred, not when paid. Capital assets are capitalized and, with the exception of land, are depreciated over their useful lives. See the notes to the financial statements for a summary of ESTA's significant accounting policies.

Following this discussion and analysis are the basic financial statements of ESTA.

ESTA's basic financial statements are designed to provide readers with a broad overview of ESTA's financial status.

The statement of net position presents information on all of ESTA's assets and deferred outflows of resources and liabilities and deferred inflows of resources with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of ESTA's financial position.

$$\text{Net Position} = (\text{Assets} + \text{Deferred Outflows of Resources}) - (\text{Liabilities} + \text{Deferred Inflows of Resources})$$

The statement of revenues, expenses, and changes in net position presents information showing the change in ESTA's net position during the fiscal year. All changes in net position are reported as soon as the underlying event occurs, regardless of timing of related cash flows. Thus, revenues and expenses are recorded and reported in this statement for some items that will result in cash flows in future periods.

The statement of cash flows relates to the flows of cash and cash equivalents. Consequently, only transactions that affect ESTA's cash accounts are recorded in this statement. A reconciliation of the statement of cash flows is provided at the bottom of the statement to assist in understanding the difference between cash flows from operating activities and operating income.

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

**EASTERN SIERRA TRANSIT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2019**

FINANCIAL HIGHLIGHTS

On June 30, 2019, the assets and deferred outflows of ESTA exceeded its liabilities and deferred inflows by \$6,603,463 (net position). Of this amount, \$4,508,082 (unrestricted net position) may be used to meet ESTA's ongoing obligations to citizens and creditors, \$57,533 is restricted for road maintenance, and \$2,037,848 is ESTA's investment in capital assets.

ESTA's capital assets (e.g., land, infrastructure and equipment) decreased by \$700,240 due to \$259,970 of capital asset additions offset by the annual depreciation of existing assets.

Long-term liabilities increased by \$25,763 due to an increase in the net other postemployment benefits liability of \$52,857 and a decrease to the net pension liability of \$27,094.

FINANCIAL POSITION

Condensed Statement of Net Position

	2019	2018	Variance	Change
Assets:				
Current and Other Assets	\$ 5,629,911	\$ 5,039,778	11.71 %	\$ 590,133
Capital Assets	2,037,848	2,738,088	(25.57)	(700,240)
Total Assets	7,667,759	7,777,866	(1.42)	(110,107)
Deferred Outflows	615,579	917,552	(32.91)	(301,973)
Liabilities:				
Current Liabilities	676,067	637,010	6.13	39,057
Long-Term Liabilities	785,171	760,267	3.28	24,904
Total Liabilities	1,461,238	1,397,277	4.58	63,961
Deferred Inflows	218,637	325,658	(32.86)	(107,021)
Net Position:				
Investment in Capital Assets	2,037,848	2,738,088	(25.57)	(700,240)
Restricted for Road Maintenance	57,533	-	100.00	57,533
Unrestricted	4,508,082	4,234,395	6.46	273,687
Total Net Position	\$ 6,603,463	\$ 6,972,483	(5.29)	\$ (369,020)

As shown in the schedule above, at June 30, 2019, ESTA's total assets are \$7,667,759. The total assets held decreased \$110,107 from the June 30, 2018 balance of \$7,777,866. The decrease in total assets was due primarily to depreciation of capital assets. Deferred outflows of \$615,579 represent contributions made by ESTA during fiscal year 2018/19 after the pension and OPEB liability measurement date of June 30, 2018 and other pension related deferred outflows.

The largest portion of ESTA's net position reflects its unrestricted portion. These funds may be used to meet ESTA's ongoing obligations to citizens and creditors.

**EASTERN SIERRA TRANSIT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2019**

**Changes in Net Position
Years Ended June 30, 2019 and 2018**

	<u>2019</u>	<u>2018</u>	<u>Variance</u>	<u>Change</u>
Revenues:				
Operating	\$ 1,992,457	\$ 1,882,467	5.84%	\$ 109,990
Nonoperating	3,228,404	3,081,579	4.76%	146,825
Total Revenues	<u>5,220,861</u>	<u>4,964,046</u>	5.17%	<u>256,815</u>
Expenses:				
Operating Expenses	5,696,192	5,581,493	2.05%	114,699
Nonoperating Expenses	-	139,629	-100.00%	(139,629)
Total Expenses	<u>5,696,192</u>	<u>5,721,122</u>	-0.44%	<u>(24,930)</u>
Capital Contributions	<u>106,311</u>	<u>562,763</u>	-81.11%	<u>(456,452)</u>
Change in Net Position	(369,020)	(194,313)	-89.91%	(174,707)
Net Position - Beginning	6,972,483	7,686,694	-9.29%	(714,211)
Prior Period Adjustment	-	(519,898)	-100.00%	519,898
Net Position - Ending	<u><u>\$ 6,603,463</u></u>	<u><u>\$ 6,972,483</u></u>	-5.29%	<u><u>\$ (369,020)</u></u>

Revenues – ESTA's revenues for fiscal year 2018/19 increased by 5.17% or \$256,815. The increase was related primarily to additional State funding due to SB-1 legislation, and increased fare revenue. There were also increases to LTF Revenue and Insurance payments.

Expenses – ESTA's expenses for fiscal year 2018/19 decreased .44% or \$24,930. Operating expenses increased by 2.05% from the prior fiscal year primarily due to increases to payroll and employee benefits.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets – ESTA's investment in capital assets as of June 30, 2019 amounted to \$2,037,848 (net of accumulated depreciation and related debt). This investment in capital assets includes land, land improvements, and equipment. The \$700,240 decrease is due to depreciation of \$960,210.

Additional information on ESTA's capital assets can be found in Note 3 of this report.

Long-term liabilities - At June 30, 2019, ESTA reported \$786,030 related to net pension and OPEB liabilities.

Additional information on ESTA's long-term liabilities can be found in Notes 6 and 7 of this report.

**EASTERN SIERRA TRANSIT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2019**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Eastern Sierra Transit, like most employers in the Eastern Sierra region has been experiencing increased challenges in recruiting and retaining employees. Much of this is believed to be related to an acute shortage of available housing in the region. Particularly in Mammoth Lakes, the growth of the short-term rental market (Air BNB, VRBO), has moved many properties from the long-term rental inventory to short term. Increased employee compensation may be needed in future years to address this situation.

The current administration at the federal level has threatened to reduce funding to nearly every federal department, including the Department of Transportation. This may reduce federal funding in the future for programs such as the Inter-city bus service funded under Section 5311(f).

ESTA anticipates working on the new administration building which is partially funded with the 2018 FTA 5339 Bus & Bus Facilities Infrastructure Investment Program grant and will continue applying for additional funding.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of ESTA's finances for all those with an interest in ESTA's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Eastern Sierra Transit Authority Executive Director, at P.O. Box 1357, Bishop, CA 93515 or the Inyo County Auditor-Controller at P.O. Drawer R, Independence, CA 93526.

**EASTERN SIERRA TRANSIT AUTHORITY
STATEMENT OF NET POSITION
JUNE 30, 2019**

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

CURRENT ASSETS

Cash	\$ 4,752,467
Accounts Receivable	54,434
Due From Other Governments	515,238
Interest Receivable	24,038
Prepaid Expenses	283,734
Total Current Assets	5,629,911
 Capital Assets, Net of Accumulated Depreciation	 2,037,848
Total Assets	7,667,759

DEFERRED OUTFLOWS OF RESOURCES

Deferred Other Postemployment Benefits	859
Deferred Pensions	614,720
	615,579

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION

CURRENT LIABILITIES

Accounts Payable and Accrued Liabilities	402,327
Salaries Payable	121,042
Compensated Absences	151,839
Other Post Employment Benefits Liability	859
Total Current Liabilities	676,067

NONCURRENT LIABILITY

Net Other Post Employment Benefits Liability	662,277
Net Pension Liability	122,894
Total Noncurrent Liabilities	785,171
Total Liabilities	1,461,238

DEFERRED INFLOWS OF RESOURCES

Deferred Other Postemployment Benefits	32,765
Deferred Pensions	185,872
	218,637

NET POSITION

Investment in Capital Assets	2,037,848
Restricted for road maintenance	57,533
Unrestricted	4,508,082
Total Net Position	\$ 6,603,463

See accompanying Notes to Financial Statements.

**EASTERN SIERRA TRANSIT AUTHORITY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED JUNE 30, 2019**

OPERATING REVENUES

Fare Revenues	\$ 1,992,457
Total Operating Revenues	1,992,457

OPERATING EXPENSES

Salaries and Benefits	2,991,374
Fuel	475,648
Vehicle Maintenance	572,090
Professional and Other Services	144,820
Depreciation Expense	960,210
Insurance	160,829
Rents	186,655
Miscellaneous Expenses	39,813
Parts and Supplies	57,717
Utilities	70,117
Advertising	36,919
Total Operating Expenses	5,696,192

OPERATING LOSS

(3,703,735)

NONOPERATING REVENUES

Local Transportation Fund Allocation	1,276,239
State Transit Assistance Fund Allocation	439,038
Intergovernmental Revenues	513,952
Operating Assistance	831,766
Other Revenues	19,043
Non Operating Revenues	34,561
Use of Money and Property	113,805
Total Nonoperating Revenues	3,228,404

LOSS BEFORE CAPITAL CONTRIBUTIONS

(475,331)

CAPITAL CONTRIBUTIONS

106,311

CHANGE IN NET POSITION

(369,020)

Net Position - Beginning of Year

6,972,483

NET POSITION - END OF YEAR

\$ 6,603,463

See accompanying Notes to the Financial Statements.

**EASTERN SIERRA TRANSIT AUTHORITY
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2019**

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from Customers	\$ 2,139,473
Other Operating Expenses	(1,981,610)
Payroll and Related Fringe Benefits	(2,761,274)
Net Cash Used by Operating Activities	(2,603,411)

CASH FLOWS FROM INVESTING ACTIVITIES

Received for Use of Money and Property	102,025
Net Cash Provided by Investing Activities	102,025

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES

Local Transportation Fund Allocation	1,276,239
State Transit Assistance Allocation	439,038
Operating and Capital Grants	513,952
Operating Assistance	1,068,105
Other Revenues	53,604
Net Cash Provided by Noncapital Financing Activities	3,350,938

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Capital Grants	106,311
Payments for Capital Asset Purchases	(67,218)
Net Cash Provided by Capital and Related Financing Activities	39,093

NET INCREASE IN CASH AND CASH EQUIVALENTS

888,645

Cash and Cash Equivalents - Beginning of Year

3,863,822

CASH AND CASH EQUIVALENTS - END OF YEAR

\$ 4,752,467

**EASTERN SIERRA TRANSIT AUTHORITY
STATEMENT OF CASH FLOWS (CONTINUED)
YEAR ENDED JUNE 30, 2019**

**RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH
PROVIDED (USED) BY OPERATING ACTIVITIES**

Operating Income (Loss)	\$ (3,703,735)
Adjustments to Reconcile Operating Loss to Net Cash Provided (Used) by Operating Activities:	
Depreciation	960,210
(Increase) Decrease in:	
Accounts Receivable	148,666
Prepaid Expense	(74,713)
Deferred Pensions	301,973
Increase (Decrease) in:	
Accounts payable for vehicle purchase	(192,752)
Accounts Payable and Accrued Liabilities	30,463
Salaries Payable	9,385
Unearned Revenue	(1,650)
Net Pension Liability	(27,094)
Net Other Postemployment Liability	52,857
Deferred Pensions	(139,786)
Deferred Other Postemployment Benefits	<u>32,765</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (2,603,411)</u>

See accompanying Notes to the Financial Statements.

**EASTERN SIERRA TRANSIT AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Eastern Sierra Transit Authority (ESTA) was established in 2007 by a joint powers agreement between Inyo County, Mono County, the City of Bishop, and the Town of Mammoth Lakes to operate a regional transportation system in the Eastern Sierra region.

As required by Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, ESTA has reviewed criteria to determine whether other entities with activities that benefit ESTA should be included within its financial reporting entity. The criteria include, but are not limited to, whether the entity has a significant operational and financial relationship with ESTA.

ESTA has determined that no other outside entity meets the above criteria and, therefore, no agency has been included as a component unit in ESTA's financial statements. In addition, ESTA is not aware of any entity that has such a relationship to ESTA that would result in ESTA being considered a component unit of that other entity.

Basis of Presentation

ESTA reports the activity relevant to its operations in an enterprise fund. The enterprise fund is used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other policies. Unrestricted net position for the enterprise fund represents the net position available for future operations.

Measurement Focus and Basis of Accounting

Accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The enterprise fund is accounted for on a flow of economic resources measurement focus. This measurement focus emphasizes the determination of increased/decreased net position. The accrual basis of accounting is used for the enterprise fund. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

Operating Revenues — Revenues from the sale of tickets and passenger rides are recognized as income when the related service is provided.

Nonoperating Revenues — ESTA receives substantial funds that are not reported as operating revenues. For example, ESTA receives operating assistance from the Town of Mammoth Lakes. These funds are recognized as revenue when all applicable eligibility requirements are met. ESTA receives annual allocations from the Local Transportation and State Transit Assistance funds of the two counties it provides services in. These allocations are recognized into income as received. ESTA also receives a number of grants from various sources. These are recognized into income as eligibility requirements are met.

**EASTERN SIERRA TRANSIT AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019**

The following is a description of ESTA's main funding sources:

Passenger Revenue

Passenger fares consist of fare charges to the users of the system. Including revenue from a contract with Mammoth Mountain Ski Resort.

Operating Assistance

As mentioned above, the Town of Mammoth Lakes, a member of the Joint Powers Authority, provides operating assistance to ESTA. These revenues are not included as a component of fare revenues, but instead are reported as nonoperating revenues.

Federal Transit Administration (FTA)

FTA revenues are funded by a federal gas tax and revenues of the federal general fund. ESTA receives Section 5311 grants which are used for operations. Section 5310 funding is used for Non-Emergency Medical Program.

Local Transportation Fund (LTF)

LTF is derived from a ¼ cent of the general sales tax collected statewide. The State Board of Equalization, based on sales tax collected in each county, returns the general sales tax revenues to each county's LTF. Each county then apportions the LTF funds within the county based on population.

State Transit Assistance (STA)

STA funds are appropriated by the legislature to the State Controller's Office (SCO). The SCO then allocates the tax revenue, by formula, to planning agencies and other selected agencies. Statute requires that 50% of STA funds be allocated according to population and 50% be allocated according to transit operator revenues from the prior fiscal year.

Budgetary Information

State law requires the adoption of an annual budget for the enterprise fund, which must be approved by the board of directors. The budget is prepared on an accrual basis. The board of directors adopts an annual budget for transit operations. The executive director shall have the authority to transfer funds between line items, not to exceed \$5,000 or 20% for any one line item, whichever is greater, with the limits of the overall budget. The executive director shall report, on a regular basis, any such transfers to and from budgeted line items. Budget amendments in excess of \$5,000 or 20% of a line item, whichever is greater, shall require board approval.

Cash and Cash Equivalents

For purposes of the statement of cash flows, ESTA considers the cash held in the County Treasury, its only investments, to be cash and cash equivalents.

**EASTERN SIERRA TRANSIT AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019**

Investments

Investments consist of funds deposited in the pooled fund with Inyo County. Investments are stated at market value. Such investments are within the state statutes and ESTA's investment policy.

Prepaid Items

Payments made for services that will benefit future accounting periods are recorded as prepaid items.

Capital Assets

Capital assets are stated at historical cost. The cost of normal maintenance and repairs is charged to operations as incurred. Major improvements are capitalized and depreciated over the remaining useful lives of the related properties. Depreciation is computed using the straight-line method over estimated useful lives as follows:

Buildings and Improvements	40 to 50 Years
Buses and Maintenance Vehicles	5 to 12 Years
Light-Rail Structures and Light-Rail Vehicles	25 to 45 Years
Other Operating Equipment	5 to 15 Years

It is the policy of ESTA to capitalize all capital assets with an individual cost of more than \$5,000, and a useful life in excess of one year.

Compensated Absences

ESTA's policy allows employees to accumulate earned but unused comprehensive leave and compensated time off, which will be paid to employees upon separation from ESTA's service.

Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the County's California Public Employees' Retirement system (CalPERS) plan (Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. ESTA has two items that qualify for reporting in this category. These items relate to the outflows from changes in the net pension liability and from other postemployment benefits (OPEB) liability and are reportable on the statement of net position.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. ESTA has two types of items which qualify for reporting

**EASTERN SIERRA TRANSIT AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019**

in this category. These items relate to inflows from changes in the net pension and OPEB liabilities and are reportable on the statement of net position.

Other Postemployment Benefits (OPEB)

ESTA has not established a trust that meets paragraph 4 of Governmental Accounting Standards Board Statement No. 75 to fund its other postemployment benefits.

Federal, State, and Local Grant Funds

Grants are accounted for in accordance with the purpose for which the funds are intended. Approved grants for the acquisition of land, building, and equipment are recorded as revenues as the related expenses are incurred. Approved grants for operating assistance are recorded as revenues in which the related grant conditions are met. Advances received on grants are recorded as a liability until related grant conditions are met. The Transportation Development Act (TDA) provides that any funds not earned and not used may be required to be returned to their source.

When both restricted and unrestricted resources are available for the same purpose ESTA uses restricted resources first.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Allowance for Doubtful Accounts

Accounts receivable consist entirely of amounts due from other governmental agencies for operating and capital grants. Management believes its accounts receivable to be fully collectible, and, accordingly, no allowance for doubtful accounts is required.

**EASTERN SIERRA TRANSIT AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019**

NOTE 2 CASH AND INVESTMENTS

Cash and investments consisted of the following at June 30, 2019:

Deposits Held in the County of Inyo Investment Pool	\$ 4,637,946
Deposits Held in Financial Institutions	114,321
Imprest Cash	200
Total	<u>\$ 4,752,467</u>

Custodial Credit Risk

At June 30, 2019, the carrying amount of the deposits held at banks was \$114,321 and the bank balances totaled \$114,321. The bank balances are insured by the FDIC for \$250,000. State law requires that the collateral be equal to or greater than 100% of all public deposit that is held with the pledging financial institution if government securities are used or 150% if mortgages are used as the collateral.

Authorized Investments

California statutes authorize ESTA to invest idle or surplus funds in a variety of credit instruments as provided for in California Government Code Section 53600, Chapter 4 — Financial Affairs.

The Government Code allows investments in the following instruments:

- Securities of the United States government, or its agencies
- Small Business Administration loans
- Certificates of Deposit (or Time Deposits) Negotiable Certificates of Deposit
- Commercial paper and medium-term corporate notes
- Local Agency Investment Fund (State Pool and County Pool) Demand Deposits
- Repurchase Agreements (Repos)
- Passbook Savings Account Demand Deposits
- Reverse Repurchase Agreements
- County Cash Pool

The bulk of ESTA's assets are held in an investment pool with the County of Inyo. More information about the County's investments can be found in the County's financial statements.

**EASTERN SIERRA TRANSIT AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019**

Cash in County Treasury

Cash in Inyo County is held by the Inyo County treasurer in an investment pool. The County maintains a cash and investment pool in order to facilitate the management of cash. Cash in excess of current requirements is invested in various interest-bearing securities. Information regarding categorization and fair value of investments can be found in the County's financial statements. The treasurer's investments and policies are overseen by the Inyo County Treasury Oversight Committee.

Government Accounting Standards Board Statement No. 40 requires additional disclosures about a government's deposits and investment risks that include custodial risk, credit risk, concentration risk, and interest rate. ESTA did not have a deposit or investment policy that addresses specific types of risks.

Required risk disclosures for ESTA's investment in the Inyo County Investment Pool at June 30, 2019 were as follows:

Credit Risk	Not rated
Custodial Risk	Not applicable
Concentration of Credit Risk	Not applicable
Interest Rate Risk	Not available

The fair value of ESTA's investment in the Inyo County Investment Pool is determined on an amortized cost basis which approximates fair value.

NOTE 3 CAPITAL ASSETS

Capital assets consisted of the following at June 30, 2019:

	Balance 7/1/2018	Additions	Deletions	Transfers	Balance 6/30/2019
Capital assets, not being depreciated					
Construction in progress	\$ 23,189	\$ -	\$ -	\$ (23,189)	\$ -
Total capital assets not being depreciated	<u>23,189</u>	<u>-</u>	<u>-</u>	<u>(23,189)</u>	<u>-</u>
Capital assets, being depreciated					
Structures and improvements	544,472	9,498	-	23,189	577,159
Equipment	9,382,180	250,472	-	-	9,632,652
Total capital assets, being depreciated	<u>9,926,652</u>	<u>259,970</u>	<u>-</u>	<u>23,189</u>	<u>10,209,811</u>
Less accumulated depreciation for					
Structures and improvements	(71,564)	(12,554)	-	-	(84,118)
Equipment	(7,140,189)	(947,656)	-	-	(8,087,845)
Total accumulated depreciation	<u>(7,211,753)</u>	<u>(960,210)</u>	<u>-</u>	<u>-</u>	<u>(8,171,963)</u>
Capital Assets, Net	<u>\$ 2,738,088</u>	<u>\$ (700,240)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,037,848</u>

Depreciation expense was \$960,210 for the year ended June 30, 2019.

**EASTERN SIERRA TRANSIT AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019**

NOTE 4 FARE REVENUE RATIO

ESTA is required to maintain a fare revenue-to-operating expense ratio of 10% in accordance with the Transportation Development Act. The fare revenue-to-operating expense ratio for ESTA is calculated as follows for the year ended June 30, 2019:

Fare Revenues	\$ 1,992,457
Operating Expenses	5,556,563
Less: Allowable Exclusions:	
Depreciation and Amortization	(960,210)
Net Operating Expenses	\$ 4,596,353
Fare Revenue Ratio	43.35%

NOTE 5 LEASES

Operating Leases

ESTA leases office space and grounds under non-cancellable leases. Total costs for these leases was \$180,655 for the year ended June 30, 2019. The future minimum lease payments are as follows:

Year Ending June 30,	Amount
2020	\$ 19,836
2021	1,350
Total	\$ 21,186

ESTA also leases office and garage space from the town of Mammoth Lakes. This lease is cancellable by ESTA and is paid for on a month to month basis at a rate of \$12,500 per month.

NOTE 6 EMPLOYEES' RETIREMENT PLAN (DEFINED BENEFIT PLAN)

Plan Description

ESTA's defined benefit pension plan, the California Public Employee's Retirement System, provides retirement and disability annual cost of living adjustments, and death benefits to plan members and beneficiaries. The California Public Employee's Retirement System (CalPERS) is a cost sharing multiple-employer plan administered by CalPERS, which acts as a common investment and administrative agent for participating public employers within the state of California. A menu of benefit provisions as well as other requirements are established by state statutes within the Public Employee's Retirement Law. ESTA selects optional benefit provisions from the benefit menu by contract with CalPERS and adopts those benefits through local ordinance (other local methods). CalPERS issues a separate report.

**EASTERN SIERRA TRANSIT AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019**

Funding Policy

Active plan members in ESTA's defined pension plan are required to contribute either 8%, 7%, or 6.25% 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. The fiscal year 2018/2019 employer rates are as follows:

Tier	Misc.	PEPRA
Tier 1	10.022 %	6.842 %
Tier 2	8.892 %	N/A

The actuarial methods and assumptions used are those adopted by the CalPERS board of administration. The contribution requirements of the plan members are established by state statute and the employer contribution rate is established and may be amended by CalPERS. Per the employee Memorandum of Understanding, ESTA pays the plan members' contribution on their behalf for employees hired on or before December 31, 2012.

Actuarial Assumptions

ESTA's net pension liability is measured as its proportionate share of the total pension liability, less the proportionate share of the pension plan's fiduciary net position. The net pension liability of the cost sharing plan is measured as of June 30, 2018, using an annual actuarial valuation as of July 1, 2017, with update procedures used to roll forward the total pension liability to June 30, 2018. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

- Discount Rate/Rate of Return – 7.15%
- Inflation Rate – 2.5%
- Salary increases – Varies by Entry Age and Service
- COLA Increases – up to 2.5%
- Post-Retirement Mortality – Derived using CalPERS' Membership Data for all Funds

The actuarial assumptions used in the June 30, 2017 valuation were based off on the results of an actuarial experience study for the period from 1997 to 2015. The Experience Study Report can be obtained at CalPERS' website under Forms and Publications.

**EASTERN SIERRA TRANSIT AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019**

The long-term expected rate of return on pension plan investments (7.15%) was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

<u>Asset Class</u>	<u>New Strategic Allocation</u>	<u>Real Return Years 1 - 10 (a)</u>	<u>Real Return Years 11 + (b)</u>
Global Equity	50.00 %	4.80 %	5.98 %
Fixed Income	28.00	1.00	2.62
Inflation Sensitive	-	0.77	1.81
Private Equity	8.00	6.30	7.23
Real Estate	13.00	3.75	4.93
Liquidity	1.00	-	(0.92)
	<u>100.00 %</u>		

(a) An expected inflation of 2.00% used for this period.

(b) An expected inflation of 2.92% used for this period.

Detailed information about the pension fund's fiduciary net position is available in the separately issued CalPERS comprehensive annual financial report which may be obtained by contacting CalPERS.

Net Pension Liability

At June 30, 2019, ESTA reported a liability of \$122,894 in the statement of net position for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2018 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2018. ESTA's proportion of the net pension liability was based on a projection of ESTA's long-term share of contributions to the pension plan relative to the projected contributions of all pension plan participants, which was actuarially determined.

Sensitivity of Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of ESTA's proportionate share of the Plan as of the measurement date calculated using the discount rate of 7.15%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.15%) or 1 percentage point higher (8.15%) than the current rate.

	<u>1% Decrease 6.15%</u>	<u>Discount Rate 7.15%</u>	<u>1% Increase 8.15%</u>
ESTA's Proportionate Share of the Net Pension Plan Liability	\$ 619,856	\$ 122,894	\$ (287,341)

**EASTERN SIERRA TRANSIT AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019**

Pension Expense and Deferred Outflows/Inflows of Resources Related to Pensions

Pension expense represents the change in the net pension liability during the measurement period, adjusted by actual contributions and the deferred recognition of changes in investment gain/loss, actuarial gain/loss, actuarial assumptions or method, and plan benefits. During the year ended June 30, 2019, ESTA recognized a pension expense of \$258,429. At June 30, 2019, ESTA reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	\$ 14,010	\$ 3,434
Differences between Expected and Actual Experience	4,715	1,605
Differences between Projected and Actual Investment Earnings	608	-
Differences between Employer Contributions and Proportionate Share of Contributions	336,783	-
Change in Employer's Proportion Pension Contributions Made Subsequent to Measurement Date	135,267	180,833
	123,337	-
	\$ 614,720	\$ 185,872

The \$123,337 reported as deferred outflows of resources related to contributions subsequent to the June 30, 2018, measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expenses as follows:

Year Ending June 30,	Amount
2020	\$ 140,266
2021	119,806
2022	46,545
2023	(1,105)
Total	\$ 305,512

NOTE 7 OTHER POSTEMPLOYMENT BENEFITS PLAN

Plan Description

Plan administration. ESTA sponsors healthcare coverage under the California Public Employees Medical and Hospital Care Act ("PEMHCA"), commonly referred to as PERS Health. PEMHCA provides health insurance through a variety of Health Maintenance Organization (HMO) and Preferred Provider Organization (PPO) options.

**EASTERN SIERRA TRANSIT AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019**

Benefits provided. Employees hired before January 1, 2013 are eligible for ESTA-paid retiree medical benefits upon attainment of age 50 and 5 years CalPERS service. Employees hired on or after January 1, 2013 are eligible for ESTA-paid retiree medical benefits upon attainment of age 52 and 5 years CalPERS service.

ESTA contributes the PEMHCA minimum under the unequal method (5% times number of years ESTA has been in PEMHCA). ESTA joined PEMHCA in 2007, therefore for 2017, ESTA contributes 50% of the PEMHCA minimum (\$128), or \$64 per month to its retirees. In 2018, this amount is 55% of the PEMHCA minimum (\$133), or \$73.15 per month. The 2019 PEMHCA minimum is \$136, and ESTA will contribute \$81.60 per month towards retirees. In addition to the PEMHCA minimum, ESTA pays administrative fees of 0.23% per premium. Also, survivor benefits are available.

Plan membership. At July 1, 2017, membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefit payments	3
Active plan members	42

Contributions – ESTA currently finances benefits on a pay-as-you-go basis.

Total OPEB Liability

ESTA’s Total OPEB Liability was measured as of June 30, 2018 and the Total OPEB Liability used to calculate the Net OPEB Liability was determined by an actuarial valuation as of July 1, 2017. Standard actuarial update procedures were used to project/discount from valuation to measurement dates.

Actuarial Assumptions

The total OPEB liability was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Salary increases	3.00 percent
Medical cost trend rate	5.00 percent for 2018 and later years.
PEMHCA minimum increase	3.5 percent after 2019
Age adjustment factor	3.00 percent
Percent married	60 percent

Pre-retirement mortality rates were based on the RP-2014 Employee Mortality Table for Males or Females, as appropriate, without projection. Post-retirement mortality rates were based on the RP-2014 Health Annuitant Mortality Table for Males or Females, as appropriate, without projection.

**EASTERN SIERRA TRANSIT AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019**

Discount rate. GASB 75 requires a discount rate that reflects the following:

- a) The long-term expected rate of return on OPEB plan investments – to the extent that the OPEB plan’s fiduciary net position (if any) is projected to be sufficient to make projected benefit payments and assets are expected to be invested using a strategy to achieve that return;
- b) A yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher – to the extent that the conditions in (a) are not met.

To determine a resulting single (blended) rate, the amount of the plan’s projected fiduciary net position (if any) and the amount of projected benefit payments is compared in each period of projected benefit payments. The discount rate used to measure ESTA’s Total OPEB liability is based on these requirements and the following information:

Reporting Date	Measurement Date	Long-Term Expected Return of Plan (if any)	Municipal Bond 20-Year High Grade Rate Index	Discount Rate
June 30, 2019	June 30, 2018	4.00%	3.62%	3.62%

Changes in the Total OPEB Liability

The table below shows the changes in the Total OPEB liability, the Plan Fiduciary Net Position, and the Net OPEB liability as of the measurement date June 30, 2018

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance - July 1, 2017	\$ 610,279	\$ -	\$ 610,279
Change in the Year:			
Service Cost	76,297	-	76,297
Interest on Total OPEB Liability	19,066	-	19,066
Changes of Assumptions	(40,212)	-	(40,212)
Benefit Payments	(2,294)	(2,294)	(4,588)
Contributions - Employer ¹	-	2,294	2,294
Net Changes	52,857	-	52,857
Balance - June 30, 2018	\$ 663,136	\$ -	\$ 663,136

Amount includes implicit subsidy associated with benefits paid

**EASTERN SIERRA TRANSIT AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019**

If an actuarially determined contribution is calculated for a single or agent employer, the employer is required to present in required supplementary information a schedule covering each of the 10 most recent fiscal years that includes information about the actuarially determined contribution, contributions to the OPEB plan, and related ratios. If a single or agent employer does not have information about an actuarially determined contribution but has a contribution requirement that is established by statute or contract, the employer is required to present a schedule covering each of the 10 most recent fiscal years that includes information about the statutorily or contractually required contribution rate, contributions to the OPEB plan, and related ratios.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of ESTA, as well as what ESTA's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate.

	1% Decrease 2.62%	Discount Rate 3.62%	1% Increase 4.62%
Net OPEB Liability	\$ 749,599	\$ 663,136	\$ 592,003

The following presents the net OPEB liability of ESTA, as well as what ESTA's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates.

	1% Decrease 4.00%	Trend Rate 5.00%	1% Increase 6.00%
Net OPEB Liability	\$ 584,039	\$ 663,136	\$ 759,658

OPEB Expense, Deferred Outflows and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2019, ESTA recognized OPEB expense of \$87,916. OPEB expense represents the change in the total OPEB liability during the measurement period, adjusted for actual contributions and the deferred recognition of changes in actuarial assumptions or method. At June 30, 2019, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Employer contributions made subsequent to the measurement date	\$ 859	\$ -
Change in assumptions		32,765
Total	\$ 859	\$ 32,765

**EASTERN SIERRA TRANSIT AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019**

The \$859 reported as deferred outflows of resources related to contributions subsequent to the June 30, 2018 measurement date will be recognized as a reduction of the total OPEB liability in the fiscal year ending June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as OPEB expense as follows:

Year Ended June 30,	Amount
2020	(7,447)
2021	(7,447)
2022	(7,447)
2023	(7,447)
2024	(2,977)
	<u>\$ (32,765)</u>

**EASTERN SIERRA TRANSIT AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2019**

Other Postemployment Benefits Plan (OPEB) – Schedule of Changes in the Net OPEB Liability and Related Ratios

Last 10 Fiscal Years*

	FY2018	FY2019
Total OPEB Liability		
Service Cost	\$ 74,075	\$ 76,297
Interest	16,306	19,066
Changes of Assumptions	-	(40,212)
Benefit Payments	(2,116)	(2,294)
Net Changes in Total OPEB Liability	88,265	52,857
Total OPEB Liability - beginning	522,014	610,279
Total OPEB Liability - ending (a)	<u>\$ 610,279</u>	<u>\$ 663,136</u>
Plan Fiduciary Net Position		
Contributions - Employer	\$ 2,116	\$ 2,294
Benefit Payments	(2,116)	(2,294)
Net Change in Plan Fiduciary Net Position	-	-
Plan Fiduciary Net Position - beginning	-	-
Plan Fiduciary Net Position - ending (b)	<u>\$ -</u>	<u>\$ -</u>
ESTA's Net OPEB Liability - ending (a) - (b)	<u>\$ 610,279</u>	<u>\$ 663,136</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	0.00%	0.00%
Covered Employee Payroll	\$ 1,285,438	\$ 1,469,433
ESTA's Net OPEB Liability as a Percentage of Covered Employee Payroll	47.48%	45.13%
Measurement Date	6/30/2017	6/30/2018

* Additional years will be presented as they become available

**EASTERN SIERRA TRANSIT AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2019**

Schedule of ESTA's Proportionate Share of the Net Pension Liability (Last 10 Fiscal Years*):

	Reporting Fiscal Year Ended June 30, (Measurement Date as of June 30,)				
	2015 (2014)	2016 (2015)	2017 (2016)	2018 (2017)	2019 (2018)
ESTA's Proportion of the Net Pension Liability	Varies by plan	0.0166 %	0.0156 %	0.0038 %	0.0033 %
ESTA's Proportionate Share of the Net Pension Liability	\$ 413,616	\$ 387,894	\$ 540,971	\$ 149,988	\$ 122,894
ESTA's Covered Payroll	\$ 1,366,206	\$ 1,582,603	\$ 1,517,088	\$ 1,296,176	\$ 1,285,438
ESTA's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	30.27 %	24.51 %	35.66 %	11.57 %	9.56 %
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	79.87 %	83.27 %	80.22 %	75.39%	77.69%

CalPERS — Schedule of ESTA Contributions (Last 10 Fiscal Years*)

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Actuarially Determined Contribution	\$ 183,362	\$ 209,515	\$ 227,073	\$ 190,183	\$ 123,337
Total Actual Contributions	(183,362)	(209,515)	(690,642)	(190,183)	(123,337)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ (463,569)	\$ -	\$ -
ESTA's Covered Payroll	\$ 1,582,603	\$ 1,517,088	\$ 1,296,176	\$ 1,285,438	\$ 1,469,433
Contributions as a Percentage of Covered Payroll	11.59%	13.81%	53.28%	14.80%	8.39%

*Amounts presented above were determined as of 6/30. Additional years will be presented as they become available.



INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Directors
Eastern Sierra Transit Authority
Bishop, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Eastern Sierra Transit Authority (ESTA), as of and for the year ended June 30, 2019, and the related notes to the financial statements, and have issued our report thereon dated January 27, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered ESTA's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of ESTA's internal control. Accordingly, we do not express an opinion on the effectiveness of ESTA's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and responses as item 2019-001 that we consider to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether ESTA's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

ESTA's Response to Finding

ESTA's audit's response to the finding identified in our audit is described in the accompanying schedule of findings and responses. ESTA's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Roseville, California
January 27, 2020



**REPORT ON COMPLIANCE OVER FINANCIAL REPORTING BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH THE STATUTES, RULES,
AND REGULATIONS OF THE CALIFORNIA TRANSPORTATION DEVELOPMENT ACT
AND THE ALLOCATION INSTRUCTIONS AND RESOLUTIONS OF THE LOCAL
TRANSPORTATION COMMISSION**

Board of Directors
Eastern Sierra Transit Authority
Bishop, California

We have audited the financial statements of the Eastern Sierra Transit Authority (ESTA) as of and for the year ended June 30, 2019 and have issued our report thereon dated January 27, 2020. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

As part of obtaining reasonable assurance about whether the Eastern Sierra Transit Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. Additionally, we performed tests to determine that allocations made and expenditures paid by the Mono County Local Transportation Commission and Inyo County Transportation Commission were made in accordance with the allocation instructions and resolutions of the Commission and in conformance with the California Transportation Development Act. Specifically, we performed each of the specific tasks identified in the California Code of Regulations Section 6667 that are applicable to the Eastern Sierra Transit Authority. In connection with our audit, nothing came to our attention that caused us to believe the Eastern Sierra Transit Authority failed to comply with the Statutes, Rules, and Regulations of the California Transportation Development Act and the allocation instructions and resolutions of the Local Transportation Commission. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion.

In November 2006, California voters passed a bond measure enacting the Highway Safety, Traffic Reduction, Air Quality and Port Security Bond Act of 2006. Of the \$19.925 billion of state general obligation bonds authorized, \$4 billion was set aside by the state as instructed by statute as the Public Transportation Modernization Improvement and Service Enhancement Account (PTMISEA). These funds are available to the California Department of Transportation for intercity rail projects and to transit operators in California for rehabilitation, safety, or modernization improvements; capital service enhancements or expansions; new capital projects; bus rapid transit improvements; or for rolling stock procurement, rehabilitation, or replacement.

During the fiscal year ended June 30, 2019, ESTA received \$0 of PTMISEA funds. As of June 30, 2019, ESTA had expended \$180,069 of the PTMISEA funds and had unexpended funds of \$0 remaining.

This report is intended solely for the information and use of the Eastern Sierra Transit Authority, the Mono County Local Transportation Commission, the Inyo County Local Transportation Commission, management, the California Department of Transportation, and the State Controller's Office and is not intended to be, and should not be, used by anyone other than these specified parties.



CliftonLarsonAllen LLP

Roseville, California
January 27, 2020

**EASTERN SIERRA TRANSIT AUTHORITY
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2019**

Internal Control Over Financial Reporting

2019 – 001 Salaries Payable Accrual

Type of Finding; Material Weakness in Internal Control Over Financial Reporting

Criteria: Accounting principles generally accepted in the United States of America (GAA) requires that entities using full accrual basis of accounting report liabilities incurred regardless of when paid.

Condition: ESTA failed to record a liability for payroll expense incurred during the year under audit that was paid subsequent to year-end.

Cause: ESTA identified the payroll that required accrual and did not confirm that the liability was in fact posted to the correct period.

Effect: ESTA's payroll expense for the year was understated by \$70,000.

Repeat Finding: This is not a repeat finding

Recommendation: We recommend that ESTA review year-end transactions to identify items that should be accrued at year end and review year-end accruals to ensure that amounts are posted to the correct period.

Views of responsible officials and planned corrective actions: ESTA's Administration Manager will review year-end transactions to identify items that should be accrued at year-end and will also review year-end accruals in the financial management software to ensure that amounts have been posted to the correct period.

Compliance and Other Matters

There are no findings related to compliance and other matter that are required to be reported under governmental auditing standards generally accepted in the United States of America for the year ended June 30, 2019.



Date: March 13, 2020
Subject: Bishop Airport Ground Transportation
Prepared By: Phil Moores, Executive Director

Upon Bishop Airport Commercialization, a demand for ESTA services is expected to go up. Initially, Dial-a-Ride demand from the airport to Bishop is expected to increase. There are reportedly 18,000 passenger trips between Mammoth Airport and the Town annually. The bulk of these trips is provided by The Mountain and taxis. Destinations for the air passengers are a mix of Inyo and Mono locations with the bulk of riders expected to head north to Mammoth. Three flights a day are expected. The maximum passenger capacity of the planes is around 70 passengers. Other ski resorts with airports around an hour away have shuttle systems as a prominent transportation solution. The wild card for Bishop Airport is the rental car market.

The opening date for the new service is targeted for October 1st or November 1st. The Airline has stated that, failing to meet a December 1st deadline, an opening date of October 1, 2021 is expected. ESTA should plan to meet the expected increase in foot traffic through the airport. Options include adding timed checkpoints to Dial-a-Ride coinciding with flights. For destinations beyond Bishop, such as Kearsarge trailhead, additional revenue would be needed to fund the service. The Kearsarge route would involve three hours for one round trip, six hours if the Bishop Creek model of two roundtrips is used.

Shuttle service from the airport to Mammoth is being planned through John Urdi with Mammoth Lakes Tourism and Eric Clark the COO of Hospitality at MMSA. I have been working with Mr. Urdi and discussing the various business models that may be applied to the expected demand for travel to Mammoth. After speaking with Enterprise Rental Car, I believe they will build a business sufficient to handle a large share of the demand. Their price point is very competitive. For example, two or more travelers planning to go to Mammoth as a group may choose to rent a car for the price and convenience. The shuttle price would need to be drastically less to attract ridership in the face of such a low car rental price. The low shuttle price would make turning a profit very difficult. For example, a shuttle trip would cost the provider around \$255 per roundtrip. If a profit were desired, more than six passengers at more than \$45 each would be required. Single travelers may find that price attractive, but groups may not. Regardless, other ski resorts have successful shuttle services and one reason may be the hesitation to drive in snowy conditions.

Ridesharing companies such as Uber, Lyft, and Taxis are yet another player in the mix. Also, the Mountain and the Mammoth hotels will want a seamless and quality transition for their customers. I do not know if or how these companies will respond.

The scheduling of shuttle service is further complicated by the potential for inconsistent flight arrivals. There is also the fare disparity between existing Mammoth Express service that would need to be addressed. An added benefit of providing an ESTA shuttle to Mammoth would be the potential for return trip service opportunity. I would expect to leave the shuttle in service and not deadhead back empty in either direction. This service compared to the Mammoth Express puts additional downward pressure on the fare highlighting the need for subsidized service.

Admittedly, this is all very preliminary and I may be wrong about all of it. As for ESTA's role in the mix of services, we are nimble enough to respond if we are needed. All involved want to avoid mishaps that reflect poorly on the traveler experience since the successful deployment of this project promises economic prosperity for the area. Mr. Urdi, Mr. Clark, Inyo County, and I are continuing to plan and work together on the ground transportation project.

STAFF REPORT

Subject: Cost and Performance by Route FY18/19
Initiated by: Phil Moores, Executive Director

BACKGROUND

A recommendation of ESTA's initial triennial performance audit was to establish a methodology to determine operating costs on a route level. Also, the ESTA Joint Powers Agreement requires a qualitative and quantitative report before April 1st of each year.

ANALYSIS

The financial reports for FY 2018/19 were finalized earlier this year. With this information, it is possible to update the analysis of the operating cost per route, as recommended in the Triennial Performance Audit.

The operating cost per route takes into consideration the following operating cost categories and is detailed in the table below:

- Vehicle Maintenance
- Fuel
- Operating Salaries & Benefits
- All Other Operating Expenses including some future liability adjustments recommended by the Financial Audit.

Cost per hour in the table is loosely based on budget unit groupings which are not route specific. Budget units were derived by a combination of funding sources and JPA member entities. Getting more specific route costs would require a major overhaul of the budget process and more staff time to maintain the new system.

Both total ridership and productivity (riders per hour) increased over FY17-18 despite the late start to Reds Meadow services. The big mover in ridership was MMSA thanks to the long ski season.

2018/19 Operating Cost and Performance by Route

Route	Type	Total Pax	Svc Hours	Svc Miles	Cost	Pax/hr	Cost Per Hour
Mammoth Express	Com	5,209	949	42,774	\$116,279	5.5	\$122.52
Lone Pine to Bishop	Com	3,318	1,226	55,360	\$150,186	2.7	\$122.52
Lone Pine DAR	DAR	4,078	1,755	17,511	\$215,016	2.3	\$122.52
Tecopa	LL	115	169	4,238	\$20,665	0.7	\$122.52
June	MD	2,123	804	15,984	\$98,443	2.6	\$122.52
Walker DAR	DAR	1,402	1,335	8,537	\$163,569	1.1	\$122.52
Bridgeport to Carson	LL	198	308	7,041	\$37,772	0.6	\$122.52
Benton to Bishop	LL	410	179	7,714	\$21,969	2.3	\$122.52
Specials	Chr	6,175	218	1,861	\$26,684	28.4	\$122.52
Bishop Creek	MD	603	276	8,716	\$33,862	2.2	\$122.52
Bishop DAR	DAR	43,434	9,900	113,759	\$461,497	4.4	\$46.61
Nite Rider	DAR	4,074	810	11,146	\$37,769	5.0	\$46.61
Mammoth FR	Cor	290,171	12,058	149,438	\$871,779	24.1	\$72.30
Purple	Cor	91,435	3,997	50,204	\$289,001	22.9	\$72.30
Mammoth DAR	Par	4,052	2,096	7,290	\$151,512	1.9	\$72.30
Reno	Cor	7,958	3,345	140,589	\$315,283	2.4	\$94.27
Lancaster	Cor	6,289	2,674	126,525	\$288,458	2.4	\$107.87
Reds Meadow	Cor	130,914	3,785	46,780	\$417,469	34.6	\$110.28
MMSA	Cor	521,606	10,872	128,898	\$903,832	48.0	\$83.13
Totals		1,123,564	56,757	1,114,101	\$4,621,046	19.8	\$83.61

2017/18 Operating Cost and Performance by Route

FY 2017-18		Operating Statistics			Operating Expenses					Performance	
Route	Type	Total Pax	Svc Hours	Svc Miles	Maint	Fuel	Salaries & Benefits	Other	Total	Pax/hr	Cost Per Hour
MMSA	Cor	480,770	10,131	124,937	71,661	59,232	502,308	102,639	735,840	47.5	72.63
Mammoth FR	Cor	378,701	16,791	212,405	121,830	100,701	832,522	170,113	1,225,166	22.6	72.97
Reds Meadow	Cor	128,587	3,592	45,476	26,084	21,560	178,093	36,391	262,128	35.8	72.98
Bishop DAR	Par	43,992	10,940	117,190	67,217	55,560	542,413	110,834	776,023	4.0	70.94
Reno	Cor	7,950	3,313	138,682	79,544	65,749	164,247	33,561	343,101	2.4	103.57
Lancaster	Cor	5,728	2,583	124,625	71,482	59,085	128,076	26,170	284,812	2.2	110.26
Mammoth Express	Com	4,500	1,005	44,292	25,405	20,999	49,814	10,179	106,397	4.5	105.90
Nite Rider	DAR	4,415	847	12,240	7,021	5,803	41,996	8,581	63,401	5.2	74.85
Lone Pine DAR	DAR	4,317	1,759	18,407	10,558	8,727	87,222	17,823	124,329	2.5	70.68
Mammoth DAR	Par	3,745	2,201	7,258	4,163	3,441	109,114	22,296	139,013	1.7	63.17
Lone Pine to Bishop	Com	3,571	1,256	55,904	32,065	26,504	62,254	12,721	133,544	2.8	106.36
Charter	Chr	3,200	213	1,986	1,139	942	10,561	2,158	14,800	15.0	69.48
Walker DAR	DAR	2,130	1,837	12,487	7,162	5,920	91,081	18,611	122,774	1.2	66.84
June Lake Winter*	MD	1,323	356	9,816	5,630	4,654	17,651	3,607	31,542	3.7	88.60
The Limited	MD	1,185	80	1,402	803	664	3,961	809	6,237	14.8	77.97
Bishop Creek*	MD	657	280	8,723	5,003	4,136	13,883	2,837	25,859	2.3	92.35
Bridgeport to G'Ville	LL	501	326	7,188	4,123	3,408	16,182	3,307	27,019	1.5	82.79
Benton to Bishop	LL	362	171	7,646	4,386	3,625	8,462	1,729	18,202	2.1	106.65
June Lake Summer*	MD	338	456	6,271	3,597	2,973	22,609	4,620	33,799	0.7	74.12
Tecopa	LL	113	152	4,099	2,351	1,943	7,517	1,536	13,348	0.7	88.04
Total		1,076,085	58,287	961,034	551,223	455,624	2,889,967	590,520	4,487,334	18.5	76.99

* Data is from calendar year to capture a full season dataset.

Legend: Cor=Core, Chr=Charter, DAR=Dial-a-Ride, Par=Paratransit Required, MD=Market Development, LL=Lifeline, Com=Commuter

STAFF REPORT

Subject: Fare Changes
Initiated by: Phil Moores, Executive Director

BACKGROUND

A public meeting is scheduled for March 30, 2020, for a proposed fare increase for Reds Meadow service and some new fares for the Bridgeport to Carson City Route. Following the public meeting, our next Board meeting will serve as the final public meeting and the Board's review and decision on the changes. The Reds Meadow service has been running at a deficit and with impending road construction impacts and vehicle replacement, an increase is in order. The Bridgeport to Carson City route needs new Carson City fares established and some minor adjustments to inequities in the current fare structure. The public comment period will be March 30th to April 10th.

The following fare changes are proposed:

REDS MEADOW SHUTTLE

	<u>Current</u>	<u>Proposed</u>
Adult (over 15 years old) Daily Pass:	\$8.00	\$10.00
Child (aged 3 – 15 years old) Daily Pass:	\$4.00	\$5.00
Infant (<2 years old):	Free	Free
Adult 3-day Pass:	\$16.00	\$20.00
Child 3-day Pass:	\$8.00	\$10.00
Adult Season Pass:	\$40.00	\$50.00
Child Season Pass:	\$20.00	\$25.00

Bridgeport to Carson City Route

CURRENT

	Bridgeport	Walker	Coleville	Gardnerville
	Adult / Discount	Adult / Discount	Adult / Discount	Adult / Discount
Bridgeport	—	\$5.50 / \$4.50	\$6.00 / \$5.00	\$13.00 / \$10.75
Walker	\$5.50 / \$4.50	—	\$2.50 / \$2.00	\$6.50 / \$5.50
Coleville	\$6.00 / \$5.00	\$2.50 / \$2.00	—	\$6.00 / \$5.00
Gardnerville	\$13.00 / \$10.75	\$6.50 / \$5.50	\$6.00 / \$5.00	—

PROPOSED

	Bridgeport	Walker	Coleville	Topaz	Holbrook	Gardnerville	Carson City
Bridgeport	X	5.50/4.50	6.00/5.00	7.50/6.50	8.00/7.00	13.00/11.00	17.00/15.00
Walker	5.50/4.50	X	3.00/2.50	4.00/3.00	4.50/3.50	6.50/5.50	10.50/9.50
Coleville	6.00/5.00	3.00/2.50	X	3.50/2.50	4.00/3.00	6.00/5.00	10.00/8.75
Topaz	7.50/6.50	4.00/3.00	3.50/2.50	X	3.00/2.50	5.00/4.00	9.00/8.00
Holbrook	8.00/7.00	4.50/3.50	4.00/3.00	3.00/2.50	X	4.50/3.50	8.50/7.50
Gardnerville	13.00/11.00	6.50/5.50	6.00/5.00	5.00/4.00	4.50/3.50	X	6.50/5.50
Carson City	17.00/15.00	10.50/9.50	10.00/8.75	9.00/8.00	8.50/7.50	6.50/5.50	X
	Decrease						
	Increase						
	New						

Public comment opportunities:

1. Public Meeting – March 30, 2020, Town/County Conference Room, Minaret Village Mall, 437 Old Mammoth Rd. Ste 202, above Giovanni's Pizzeria.
2. Public Meeting – ESTA Board Meeting, April 10, 2020, City of Bishop Council Chambers 301 West Line St, Bishop, California.
3. Email – Info@estransit.com
4. Phone – 760-872-1901 ext. 12
5. Facebook – Eastern Sierra Transit

ANALYSIS

Reds Meadow ran at a combined \$47,000 deficit the last two years. Besides running at a loss, vehicle replacement savings need to be increased. A small added benefit is the ease at which drivers can make change with \$5 and \$10 fares as opposed to \$4 and \$8 fares. Finally, the pending road construction in the Valley threatens to erode fares even further. The U.S. Forest Service and National Park Service has tentatively agreed to the increase.

The Bridgeport to Carson City Route needed revision due to the new Carson City destination added last summer. Minor equity adjustments to other trips were made in the process.

SUMMARY

Fare increases are never popular; however, they are sometimes necessary. The two cases described above are in ESTA's best interest and will help to sustain the service for several years ahead. Every opportunity to support the replacement of the aging bus fleet in Mammoth should be considered. Finally, labor and maintenance costs are rising over the next few years and the described increases will provide needed support.

Public notices will be posted to various locations throughout Mono County. Supervisor John Peters has also been consulted regarding the services in his district.

BOARD COMMENT

Staff is seeking guidance on the increases before public notices are issued.

**AGREEMENT BETWEEN EASTERN SIERRA TRANSIT AUTHORITY (ESTA)
AND SOUTHERN MONO HISTORICAL SOCIETY (SOCIETY)
FOR THE PROVISION OF VISITOR INFORMATION AND ENTERTAINMENT SERVICES**

INTRODUCTION

WHEREAS, the Southern Mono Historical Society (hereinafter referred to as "SOCIETY"), desires to provide the public with entertainment and other tourist-related information; and

WHEREAS, SOCIETY desires to utilize ESTA's bus routes to provide said entertainment and other tourist-related information, and in consideration of the mutual promises, covenants, terms, and conditions hereinafter contained, the parties hereby agree as follows:

TERMS AND CONDITIONS

1. SCOPE OF WORK.

ESTA shall make their bus routes available to SOCIETY as set forth in **Attachment A**, for SOCIETY's purposes set forth in **Attachment A**.

2. TERM.

The term of this Agreement shall be from May 25, 2020 to October 21, 2020, unless sooner terminated as provided below.

3. CONSIDERATION.

A. This Agreement is based wholly on non-monetary consideration. ESTA may, in its sole discretion, advertise and/or promote SOCIETY's services provided through this Agreement for ESTA's business purposes...

B. No additional consideration. Except as expressly provided in this Agreement, SOCIETY shall not be entitled to, nor receive, from ESTA, any additional consideration, compensation, salary, wages, or other type of remuneration for services rendered under this Agreement.

4. WORK SCHEDULE.

SOCIETY's obligation is to perform, in a timely manner, those services identified in **Attachment A**. SOCIETY will coordinate with ESTA to ensure that all services will be performed within the time frame set forth in **Attachment A**.

5. REQUIRED LICENSES, CERTIFICATES, AND PERMITS.

A. Any licenses, certificates, or permits required by the federal, state, county, or municipal governments for SOCIETY to provide the services and work described in **Attachment A** must be procured by SOCIETY and be valid at the time SOCIETY enters into this Agreement or as otherwise may be required. Further, during the term of this Agreement, SOCIETY must maintain such licenses, certificates, and permits in full force and effect.

Licenses, certificates, and permits may include, but are not limited to, driver's licenses, professional licenses or certificates, and business licenses. Such licenses, certificates, and permits will be procured and maintained in force by SOCIETY at no expense to ESTA. SOCIETY will provide ESTA, upon execution of this Agreement, with evidence of current and valid licenses, certificates and permits which are required to perform the services identified in **Attachment A**. Where there is a dispute between SOCIETY and ESTA as to what licenses, certificates, and permits are required to perform the services identified in **Attachment A**, ESTA reserves the right to make such determinations for purposes of this Agreement.

6. OFFICE SPACE, SUPPLIES, EQUIPMENT, ETC.

SOCIETY shall provide such office space, supplies, equipment, vehicles, reference materials, and telephone service as is necessary for SOCIETY to provide the services identified in **Attachment A** to this Agreement. ESTA is not obligated to reimburse or pay SOCIETY, for any expense or cost incurred by SOCIETY in procuring or maintaining such items. Responsibility for the costs and expenses incurred by SOCIETY in providing and maintaining such items is the sole responsibility and obligation of SOCIETY.

7. ESTA PROPERTY.

Personal Property of ESTA. Any personal property such as, but not limited to, protective or safety devices, badges, identification cards, keys, etc. provided to SOCIETY by ESTA pursuant to this Agreement are, and at the termination of this Agreement remain, the sole and exclusive property of ESTA. SOCIETY will use reasonable care to protect, safeguard and maintain such items while they are in SOCIETY's possession. SOCIETY will be financially responsible for any loss or damage to such items, partial or total, which is the result of SOCIETY's negligence.

8. [RESERVED]

9. INSURANCE.

For the duration of this Agreement SOCIETY shall procure and maintain insurance of the scope and amount specified in **Attachment B** and with the provisions specified in that attachment.

10. STATUS OF CONTRACTOR.

This Agreement does not, and shall not be deemed to make either party hereto the agent or legal representative of the other for any purpose whatsoever. Neither party shall have the right or authority to assume or create any obligations or responsibility whatsoever, express or implied, on behalf of or in the name of the other, or to bind the other in any respect whatsoever. In making and performing this Agreement, SOCIETY shall act at all times as an independent contractor and nothing contained in this Agreement shall be construed or implied to create between SOCIETY and ESTA an agency, partnership, or employee-employer relationship, or to create between SOCIETY and ESTA any other form of legal association or arrangement which imposes liability upon one party for the act or failure to act of the other party.

All acts of SOCIETY, its agents, officers, and employees, relating to the performance of this Agreement, shall be performed as independent contractors, and not as agents, officers, or employees of ESTA. SOCIETY, by virtue of this Agreement, has no authority to bind or incur any obligation on behalf of ESTA. SOCIETY has no authority or responsibility to exercise

any rights or power vested in ESTA. No agent, officer, or employee of ESTA is to be considered an employee of SOCIETY. It is understood by both SOCIETY and ESTA that this Agreement shall not under any circumstances be construed or considered to create an employer-employee relationship or a joint venture. As an independent contractor:

A. SOCIETY shall determine the method, details, and means of performing the work and services to be provided by SOCIETY under this Agreement, as further specified in **Attachment A**.

B. SOCIETY shall be responsible to ESTA only for the requirements and results specified in this Agreement, and except as expressly provided in this Agreement, shall not be subjected to ESTA's control with respect to the physical action or activities of SOCIETY in fulfillment of this Agreement.

C. SOCIETY, its agents, officers, and employees are, and at all times during the term of this Agreement shall, represent and conduct themselves as independent contractors, and not as employees of ESTA.

11. DEFENSE AND INDEMNIFICATION.

SOCIETY shall defend, indemnify, and hold harmless ESTA, its agents, officers, and employees from and against all claims, damages, losses, judgments, liabilities, expenses, and other costs, including litigation costs and attorney's fees, arising out of, resulting from, or in connection with, the performance of this Agreement by SOCIETY, or SOCIETY's agents, officers, or employees. SOCIETY's obligation to defend, indemnify, and hold harmless applies to any actual or alleged personal injury, death, or damage or destruction to tangible or intangible property, including the loss of use. SOCIETY's obligation under this paragraph extends to any claim, damage, loss, liability, expense, or other costs which is caused in whole or in part by any act or omission of the SOCIETY, its agents, employees, supplier, or any one directly or indirectly employed by any of them, or anyone for whose acts or omissions any of them may be liable.

SOCIETY's obligation to defend, indemnify, and hold harmless ESTA, its agents, officers, and employees harmless under the provisions of this paragraph is not limited to, or restricted by, any requirement in this Agreement for SOCIETY to procure and maintain a policy of insurance.

To the extent permitted by law, ESTA shall defend, indemnify, and hold harmless SOCIETY, its agents, officers, and employees from and against all claims, damages, losses, judgments, liabilities, expenses, and other costs, including litigation costs and attorney's fees, arising out of, or resulting from, the sole and active negligence, or wrongful acts of ESTA, its officers, or employees.

12. NONDISCRIMINATION.

During the performance of this Agreement, SOCIETY, its agents, officers, and employees shall not unlawfully discriminate in violation of any federal, state, or local law, against any employee, or applicant for employment, or person receiving services under this Agreement, because of race, religion, color, national origin, ancestry, physical handicap, medical condition, marital status, age, or sex. SOCIETY and its agents, officers, and employees shall comply with the provisions of the Fair Employment and Housing Act (Government Code section 12900, et seq.), and the applicable regulations promulgated thereunder in the California Code of Regulations. SOCIETY shall also abide by the Federal

Civil Rights Act of 1964 (P.L. 88-352) and all amendments thereto, and all administrative rules and regulations issued pursuant to said act.

13. [RESERVED]

14. CANCELLATION.

This Agreement may be canceled by ESTA without cause, and at will, for any reason by, and immediately upon, giving to SOCIETY written notice of such intent to cancel. Contractor may cancel this Agreement without cause, and at will, for any reason whatsoever by giving thirty (30) days written notice of such intent to cancel to ESTA.

15. ASSIGNMENT.

This is an agreement for the services of SOCIETY. ESTA has relied upon the skills, knowledge, experience, and training of SOCIETY as an inducement to enter into this Agreement. SOCIETY shall not assign or subcontract this Agreement, or any part of it, without the express written consent of ESTA. Further, SOCIETY shall not assign any monies due or to become due under this Agreement without the prior written consent of ESTA.

16. [RESERVED]

17. [RESERVED]

18. CONFIDENTIALITY.

SOCIETY further agrees to comply with the various provisions of the federal, state, and county laws, regulations, and ordinances providing that information and records kept, maintained, or accessible by SOCIETY in the course of providing services and work under this Agreement, shall be privileged, restricted, or confidential. SOCIETY agrees to keep confidential all such information and records. Disclosure of such confidential, privileged, or protected information shall be made by SOCIETY only with the express written consent of ESTA. Any disclosure of confidential information by SOCIETY without ESTA's written consent is solely and exclusively the legal responsibility of SOCIETY in all respects.

Notwithstanding anything in the Agreement to the contrary, names of persons receiving public social services are confidential and are to be protected from unauthorized disclosure in accordance with Title 45, Code of Federal Regulations Section 205.50, the Health Insurance Portability and Accountability Act of 1996, and Sections 10850 and 14100.2 of the Welfare and Institutions Code, and regulations adopted pursuant thereto. For the purpose of this Agreement, all information, records, and data elements pertaining to beneficiaries shall be protected by the provider from unauthorized disclosure.

19. CONFLICTS.

SOCIETY agrees that it has no interest, and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of the work and services under this Agreement.

20. POST AGREEMENT COVENANT.

SOCIETY agrees not to use any confidential, protected, or privileged information which is gained from ESTA in the course of providing services and work under this Agreement, for

any personal benefit, gain, or enhancement. Further, SOCIETY agrees for a period of two years after the termination of this Agreement, not to seek or accept any employment with any entity, association, corporation, or person who, during the term of this Agreement, has had an adverse or conflicting interest with ESTA, or who has been an adverse party in litigation with ESTA, and concerning such, SOCIETY by virtue of this Agreement has gained access to ESTA's confidential, privileged, protected, or proprietary information.

21. SEVERABILITY.

If any portion of this Agreement or application thereof to any person or circumstance shall be declared invalid by a court of competent jurisdiction, or if it is found in contravention of any federal, state, or county statute, ordinance, or regulation, the remaining provisions of this Agreement, or the application thereof, shall not be invalidated thereby, and shall remain in full force and effect to the extent that the provisions of this Agreement are severable.

22. [RESERVED]

23. AMENDMENT.

This Agreement may be modified, amended, changed, added to, or subtracted from, by the mutual consent of the parties hereto, if such amendment or change is in written form and executed with the same formalities as this Agreement, and attached to the original Agreement to maintain continuity.

24. NOTICE.

Any notice, communication, amendments, additions, or deletions to this Agreement, including change of address of either party during the terms of this Agreement, which SOCIETY or ESTA shall be required, or may desire, to make, shall be in writing and may be personally served, or sent by prepaid first class mail to, the respective parties as follows:

ESTA
Executive Director
Eastern Sierra Transit Authority
P.O. Box 1357
Bishop, CA 93515

SOCIETY
Board Chair
Southern Mono Historical Society
P.O. Box 65
Mammoth Lakes, CA 93546

25. ENTIRE AGREEMENT.

This Agreement contains the entire agreement of the parties, and no representations, inducements, promises, or agreements otherwise between the parties not embodied herein or incorporated herein by reference, shall be of any force or effect. Further, no term or provision

hereof may be changed, waived, discharged, or terminated, unless the same be in writing executed by the parties hereto.

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**AGREEMENT BETWEEN EASTERN SIERRA TRANSIT AUTHORITY (ESTA)
AND SOUTHERN MONO HISTORICAL SOCIETY (SOCIETY)
FOR THE PROVISION OF VISITOR INFORMATION AND ENTERTAINMENT SERVICES**

IN WITNESS THEREOF, THE PARTIES HERETO HAVE SET THEIR HANDS AND SEALS THIS

_____ DAY OF _____, _____.

SOUTHERN MONO HISTORICAL SOCIETY

By: _____

(Title)

Date: _____

EASTERN SIERRA TRANSIT AUTHORITY

By: _____
Executive Director

Date: _____

ATTACHMENT A

**AGREEMENT BETWEEN EASTERN SIERRA TRANSIT AUTHORITY (ESTA)
AND SOUTHERN MONO HISTORICAL SOCIETY (SOCIETY)
FOR THE PROVISION OF VISITOR INFORMATION AND ENTERTAINMENT SERVICES**

TERM:

FROM: May 25, 2020 TO: October 21, 2020

SCOPE OF WORK:

ESTA grants to SOCIETY permission for an individual designated by SOCIETY, hereinafter referred to as "DOCENT", to ride aboard ESTA buses in the Mammoth Lakes area to provide information and entertainment to visitors. The DOCENT must comply with instructions given by ESTA staff at all times while aboard the bus, including but not limited to instructions regarding where and how to sit to insure safety. DOCENT must never remain on board a bus without a driver present, and must exit the bus when the driver exits. SOCIETY agrees to immediately comply with any request by ESTA to remove a particular DOCENT from these services in the future. It is expected that the DOCENTS will ride aboard ESTA buses 2-3 times per week, focusing on the weekends and holidays, during the busy summer season (late June - Labor Day).

ATTACHMENT B

AGREEMENT BETWEEN EASTERN SIERRA TRANSIT AUTHORITY (ESTA) AND SOUTHERN MONO HISTORICAL SOCIETY (SOCIETY) FOR THE PROVISION OF VISITOR INFORMATION AND ENTERTAINMENT SERVICES

TERM:

FROM: May 25, 2020 TO: October 21, 2020

SEE ATTACHED INSURANCE PROVISIONS

Without limiting SOCIETY's indemnification of ESTA, and prior to commencement of visitor information and entertainment services aboard ESTA buses, SOCIETY shall obtain, provide and maintain at its own expense during the term of this Agreement, policies of insurance of the type and amounts described below and, in a form, satisfactory to Agency.

General liability insurance. SOCIETY shall maintain commercial general liability insurance with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than \$2 million per occurrence, \$4 million general aggregate, for bodily injury, personal injury, and property damage.

Workers' compensation insurance. SOCIETY shall maintain Workers' Compensation Insurance (Statutory Limits) and Employer's Liability coverage for not less than \$1,000,000 per occurrence for all employees engaged in services or operations under this Agreement.

Consultant shall submit to Agency, along with the certificate of insurance, a Waiver of Subrogation endorsement in favor of Agency, its officers, agents, employees and volunteers.

Other provisions or requirements

Proof of insurance. Vendor shall provide certificates of insurance to Agency as evidence of the insurance coverage required herein, along with a waiver of subrogation endorsement for workers' compensation. Insurance certificates and endorsement must be approved by Agency's Risk Manager prior to commencement of performance. Current certification of insurance shall be kept on file with Agency at all times during the term of this contract. Agency reserves the right to require complete, certified copies of all required insurance policies, at any time.

Duration of coverage. Vendor shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property, which may arise from or in connection with the performance of the Work hereunder by Vendor, his agents, representatives, employees or subconsultants.

Primary/noncontributing. Coverage provided by vendor shall be primary and any insurance or self-insurance procured or maintained by Agency shall not be required to contribute with it. The limits of insurance required herein may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain

or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of Agency before the Agency's own insurance or self-insurance shall be called upon to protect it as a named insured.

Agency's rights of enforcement. In the event any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, Agency has the right but not the duty to obtain the insurance it deems necessary and any premium paid by Agency will be promptly reimbursed by Vendor or Agency will withhold amounts sufficient to pay premium from Vendor payments. In the alternative, Agency may cancel this Agreement.

Acceptable insurers. All insurance policies shall be issued by an insurance company currently authorized by the Insurance Commissioner to transact business of insurance or is on the List of Approved Surplus Line Insurers in the State of California, with an assigned policyholders' Rating of A- (or higher) and Financial Size Category Class VII (or larger) in accordance with the latest edition of Best's Key Rating Guide, unless otherwise approved by the Agency's Risk Manager.

Waiver of subrogation. All insurance coverage maintained or procured pursuant to this agreement shall be endorsed to waive subrogation against Agency, its elected or appointed officers, agents, officials, employees and volunteers or shall specifically allow Vendor or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Vendor hereby waives its own right of recovery against Agency, and shall require similar written express waivers and insurance clauses from each of its subconsultants.

Enforcement of contract provisions (non estoppel). Vendor acknowledges and agrees that any actual or alleged failure on the part of the Agency to inform Vendor of non-compliance with any requirement imposes no additional obligations on the Agency nor does it waive any rights hereunder.

Requirements not limiting. Requirements of specific coverage features or limits contained in this Section are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be all inclusive, or to the exclusion of other coverage, or a waiver of any type. If the Consultant maintains higher limits than the minimums shown above, the Agency requires and shall be entitled to coverage for the higher limits maintained by the Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the Agency.

Notice of cancellation. Vendor agrees to oblige its insurance agent or broker and insurers to provide to Agency with a thirty (30) day notice of cancellation (except for nonpayment for which a ten (10) day notice is required) or nonrenewal of coverage for each required coverage.

Additional insured status. General liability policies shall provide or be endorsed to provide that Agency and its officers, officials, employees, and agents shall be additional insureds under such policies. This provision shall also apply to any excess/umbrella liability policies.

Prohibition of undisclosed coverage limitations. None of the coverages required herein will be in compliance with these requirements if they include any limiting endorsement of any kind that has not been first submitted to AGENCY and approved of in writing.

Separation of Insureds. A severability of interests provision must apply for all additional insureds ensuring that (Vendor's/Consultant's/Contractor's) insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the insurer's limits of liability. The policy(ies) shall not contain any cross-liability exclusions.

Agency's right to revise specifications. The Agency reserves the right at any time during the term of the contract to change the amounts and types of insurance required by giving the Vendor ninety (90) days advance written notice of such change. If such change results in substantial additional cost to the Vendor, the Agency and Vendor may renegotiate Vendor's compensation.

Self-insured retentions. Any self-insured retentions must be declared to and approved by Agency. Agency reserves the right to require that self-insured retentions be eliminated, lowered, or replaced by a deductible. Self-insurance will not be considered to comply with these specifications unless approved by Agency.

Timely notice of claims. Vendor shall give Agency prompt and timely notice of claims made or suits instituted that arise out of or result from Vendor's performance under this Agreement, and that involve or may involve coverage under any of the required liability policies.

Additional insurance. Vendor shall also procure and maintain, at its own cost and expense, any additional kinds of insurance, which in its own judgment may be necessary for its proper protection and prosecution of the Work.

STAFF REPORT

Subject: Low Carbon Transit Operations Program FY 2019-20 Funds
Initiated by: Karie Bentley, Administration Manager

BACKGROUND:

The Low Carbon Transit Operations Program (LCTOP) is one of several programs that are part of the Transit, Affordable Housing, and Sustainable Communities Program established by the California Legislature in 2014 by Senate Bill 862. The LCTOP was created to provide operating and capital assistance for transit agencies to reduce greenhouse gas emission and improve mobility, with a priority on serving disadvantaged communities. Approved projects in LCTOP will support new or expanded bus or rail services, expand intermodal transit facilities, and may include equipment acquisition, fueling, maintenance and other costs to operate those services or facilities, with each project reducing greenhouse gas emissions. For agencies whose service area includes disadvantaged communities, at least 50 percent of the total moneys received shall be expended on projects that will benefit disadvantaged communities.

This program is administered by Caltrans in coordination with Air Resource Board (ARB) and the State Controller's Office (SCO). The California Department of Transportation (Caltrans) is responsible to ensure that the statutory requirements of the program are met in terms of project eligibility, greenhouse gas reduction, disadvantaged community benefit, and other requirements of the law.

ANALYSIS/DISCUSSION:

Eastern Sierra Transit is requesting FY 2019-20 LCTOP funds from both the Inyo and Mono County LTCs to fund three projects: an expansion of the Mammoth Express fixed route service with updated times, 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.

The expansion of the Mammoth Express route is a continuation from the prior year and would continue to provide an additional northbound run departing Bishop but will have updated times to suit rider needs and to allow continued funding. The trips will be at 6:45am to permit passengers to arrive in Mammoth in time to work a Monday through Friday 8:00am to 5:00pm shift, and additional southbound run departing Mammoth at 7:05pm to permit passengers who work later shifts (beyond 5:00pm), or who wish to stay in Mammoth for the early evening hours for

shopping, dining or socializing, to travel back to the communities of Crowley Lake, Tom’s Place or Bishop. Currently the service picks up at 6:50 am and 7:00 pm. The new times will go into effect July 1, 2020.

The fare reduction on multi-ride 10-Punch passes on the Mammoth Express routes would be available on all runs on the Mammoth Express route including: the north-bound 6:45am, 7:30am, 1:00pm and 6:10pm between Bishop and Mammoth Lakes; south-bound 7:50am, 2:05pm, 5:15pm and 7:05pm between Mammoth Lakes and Bishop. Under the pass price reduction program, the 10-ride pass price between Bishop and Mammoth Lakes is \$30 (from \$63), Tom’s Place to Mammoth Lakes is \$18 (from \$36), and Crowley Lake to Mammoth Lakes is \$15 (from \$27). These amount to approximate 50% reductions from the full-fare multi-ride pass price.

The third project is for the purchase of one electric paratransit van to be used in Bishop dial-a-ride service. The vehicle will be fully ADA accessible and carry up to 15 passengers. This project will utilize four years of LCTOP roll over funding, state vouchers & incentives, and State Transit Assistance (STA) or State of Good Repair (SGR) funds. The vehicle is anticipated to be purchased in 2021.

FINANCIAL CONSIDERATIONS:

The (LCTOP) provides formula funding for approved operating and capital assistance for transit agencies to reduce greenhouse gas emissions and improve mobility, with a priority on serving disadvantaged communities. The allocation of funding from the State Controller’s office for the Eastern Sierra Region totals \$97,479. The Section 99314 funds allocated to Eastern Sierra Transit are based primarily on ridership and fares received during the previous fiscal year.

Mono County (99313)	\$ 24,905
Eastern Sierra Transit Authority (99314)	\$ 38,566
Inyo County (99313)	\$ 34,008
Total	\$ 97,479

PROJECT COSTS:

The proposed costs for each of the three projects are detailed below.

Expansion of the Mammoth Express Route

- Operating cost for additional fixed route service: ~\$48,000
- Expected fare revenue: 2,033 annual passengers at an average fare of \$5.85 = \$13,000
- Required funding

LCTOP (Mono 99313)	\$ 24,905
LCTOP (ESTA/ Mono 99314)	\$ 10,095
Fares	\$ 13,000
<hr/>	
Total	\$ 48,000

10-Punch Pass Price Reduction Mammoth Express Route

- Current Mammoth Express Ridership = 5,347
- Projected 15% increase = 802
- Total Projected Ridership = 6,149
- 80% of new passenger use 10-punch pass = 641
- 70% of existing passengers use 10-punch pass = 3,475.55
- Balance of passengers @ full fare (\$5.87 avg) = 2,032
- Current avg fare = \$5.87
- Projected avg fare = \$4.23
- Reduction from current avg fare = - \$1.55
- Total reduction in fares = -\$9,520

LCTOP (ESTA 99314)	\$9,520
<u>Total</u>	<u>\$ 9,520</u>

Electric Vehicle

- Anticipated vehicle and infrastructure costs = \$225,000

\$26,093	17/18 LCTOP funding
\$61,568	18/19 LCTOP funding
\$52,959	19/20 LCTOP funding
\$34,062	20/21 LCTOP funding
\$50,000	Incentives/Vouchers
\$225,000	TOTAL

RECOMMENDATION

It is recommended that the Board approve Resolution 2020-03 allocating \$97,479 of FY 2019-20 Low Carbon Transit Operations Program (LCTOP) funds for the expansion of Mammoth Express 2.0 fixed route service, the continued reduction of pass prices on the Mammoth Express route, and the purchase of an electric vehicle and infrastructure, and to authorize the Eastern Sierra Transit Authority’s Executive Director or Administration Manager to complete and execute all documents for the Low Carbon Transit Operations Program submittal, allocation requests, and required reporting.



FY 2019-2020 LCTOP

Authorized Agent

AS THE Chairperson
(Chief Executive Officer/Director/President/Secretary)

OF THE Eastern Sierra Transit Authority
(Name of County/City/Transit Organization)

I hereby authorize the following individual(s) to execute for and on behalf of the named Regional Entity/Transit Operator, any actions necessary for the purpose of obtaining Low Carbon Transit Operations Program (LCTOP) funds provided by the California Department of Transportation, Division of Rail and Mass Transportation. I understand that if there is a change in the authorized agent, the project sponsor must submit a new form. This form is required even when the authorized agent is the executive authority himself. I understand the Board must provide a resolution approving the Authorized Agent. The Board Resolution appointing the Authorized Agent is attached.

Phil Moores, Executive Director- Eastern Sierra Transit Authority OR
(Name and Title of Authorized Agent)

Karie Bentley, Administration Manager – Eastern Sierra Transit OR
(Name and Title of Authorized Agent)

Click here to enter text. OR
(Name and Title of Authorized Agent)

Click here to enter text. OR
(Name and Title of Authorized Agent)

Bob Gardner Chairperson
(Print Name) (Title)

(Signature)

Approved this 13 day of March, 2020

RESOLUTION #2020-03

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE EASTERN SIERRA TRANSIT AUTHORITY (ESTA) AUTHORIZING THE EXECUTION OF THE CERTIFICATIONS AND ASSURANCES AND AUTHORIZED AGENT FORMS FOR THE LOW CARBON TRANSIT OPERATIONS PROGRAM (LCTOP) FOR THE FOLLOWING PROJECT(S):
MAMMOTH EXPRESS 2.0 FIXED ROUTE SERVICE \$35,000
MAMMOTH EXPRESS PASS FARE REDUCTION \$9,520
ELECTRIC VEHICLE \$52,959

WHEREAS, the Eastern Sierra Transit Authority is an eligible project sponsor and may receive state funding from the Low Carbon Transit Operations Program (LCTOP) for transit projects; and

WHEREAS, the statutes related to state-funded transit projects require a local or regional implementing agency to abide by various regulations; and

WHEREAS, Senate Bill 862 (2014) named the Department of Transportation (Department) as the administrative agency for the LCTOP; and

WHEREAS, the Department has developed guidelines for the purpose of administering and distributing LCTOP funds to eligible project sponsors (local agencies); and

WHEREAS, the Eastern Sierra Transit Authority wishes to delegate authorization to execute these documents and any amendments thereto to Phil Moores, Executive Director and Karie Bentley Administration Manager.

WHEREAS, the Eastern Sierra Transit Authority wishes to implement the following LCTOP project(s) listed above,

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Eastern Sierra Transit Authority that the fund recipient agrees to comply with all conditions and requirements set forth in the Certification and Assurances and the Authorized Agent documents and applicable statutes, regulations and guidelines for all LCTOP funded transit projects.

NOW THEREFORE, BE IT FURTHER RESOLVED that Phil Moores, Executive Director and Karie Bentley Administration Manager be authorized to execute all required documents of the LCTOP program and any Amendments thereto with the California Department of Transportation.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Eastern Sierra Transit Authority that it hereby authorizes the submittal of the following project nomination(s) and allocation request(s) to the Department in FY19-2020 LCTOP funds:

List project(s), including the following information:

Project Name: Mammoth Express 2.0 Fixed Route Service
Amount of LCTOP funds requested: \$35,000

Short description of project: Operation of the 6:45 am Bishop to Mammoth and the 7:05 Mammoth to Bishop runs of the Mammoth Express Route.

Benefit to a Priority Populations: Project improves transit connectivity for residents in low-income communities.

Contributing Sponsors (if applicable): Mono County Local Transportation Commission

List project(s), including the following information:

Project Name: Mammoth Express Pass Fare Reduction

Amount of LCTOP funds requested: \$9,520

Short description of project: Reduces the 10-ride pass prices on the Mammoth Express

Benefit to a Priority Populations: Project provides transit incentives to residents of low-income communities or low-income households

Contributing Sponsors (if applicable): Mono County Local Transportation Commission

List project(s), including the following information:

Project Name: Electric Vehicle

Amount of LCTOP funds requested: \$52,959

Short description of project: Purchase of one electric paratransit vehicle and infrastructure

Benefit to a Priority Populations: Project creates or improves infrastructure or equipment that reduces criteria air pollutant or toxic air contaminant emissions in low-income communities.

Contributing Sponsors (if applicable): Inyo County Local Transportation Commission and Mono County Local Transportation Commission

APPROVED AND ADOPTED this 13th day of March, 2020, by the following vote of the Eastern Sierra Transit Authority Board of Directors:

AYES:

NOES:

ABSTAIN:

ABSENT:

Bob Gardner, Chairperson
Eastern Sierra Transit Authority
Board of Directors

Attest: Linda Robinson

Secretary of the Board

By: _____

STAFF REPORT

Subject: Grant Funding Opportunity – Bishop Operations
and Administrative Facility

Initiated by: Karie Bentley, Administration Manager

BACKGROUND:

A Notice of Funding Opportunity (NOFO) was published in the Federal Register on January 30, 2020 advising of Federal Transit Administration (FTA) funding availability for Bus and Bus Facility Infrastructure Investment Program projects (Section 5339(b)). ESTA applied for this funding in FY 18/19 and was partially successful and was awarded \$457,139 towards an Operations and Administration Facility. This year's application will request the funding needed to complete the partially funded project and will focus on the cost of the building itself as the initial award was sufficient to fund all other phases of the project, as well as, a portion of the building. The application will continue to highlight the development of Bishop Airport and an urgent need for a new permanent facility.

ANALYSIS:

The Bus and Bus Facility Infrastructure Investment Program makes federal resources available to states and direct recipients to replace, rehabilitate and purchase buses and related equipment and to construct bus-related facilities. Funding is provided through formula allocations and competitive grants. The NOFO announced on January 30th is a competitive program that will provide approximately \$454.6 million for eligible projects. Caltrans is an eligible recipient, as it allocates funding to fixed route bus operators. ESTA is an eligible subrecipient of this Caltrans funding in that it is a rural operator that receives grant funding under federal formula or discretionary programs (e.g. Section 5311) and is a public agency engaged in fixed route public transportation. A grant application by ESTA would be submitted to Caltrans, which would then submit it to the FTA as part of the state, rural operator package. Although the deadline for submittal of applications identified in the NOFO is March 30, 2020, Caltrans has indicated that rural transit operators wishing to apply for grant funding through this program must submit their completed applications to the state by March 25th. This grant funding opportunity is of considerable interest to ESTA as these funds could be used to fund the balance of our Operations and Administration facility project.

Currently, ESTA leases office space in the Eastern Sierra Regional Airport from Inyo County for these purposes. ESTA has outgrown the office

space available at the airport terminal, and has had a long-term goal to develop an operations and administration facility adjacent to the ESTA bus parking, cleaning and light maintenance yard on the airport grounds.

There is an additional urgency as, with the commercialization of Bishop Airport, ESTA will at some point be expected to vacate the current office space.

In FY 18/19 ESTA applied for 5339(b) funding the amount of \$800,000 to fund a \$1,000,000 Operations and Administrative Facility. This application was partially successful and ESTA was awarded \$457,139 in funds. When factoring in the required 20% match it amounted to \$571,424 for the project.

Although the contract for this funding is yet to be executed, ESTA has pre-award authority. Steps have been taken to negotiate a 50-year, unrestricted lease. The property the facility will be built on is owned by DWP who leases it to Inyo County. ESTA's lease would be with Inyo County and is currently under development. The environment approval process has begun and research has been done to better estimate current project costs. The current project cost estimate is \$1,180,000. This increase is due to inflation and a desire for a larger parking area.

ESTA will issue Request for Proposals for Design and Engineering this spring. Existing funding will cover all phases of the project with the exception of the building. ESTA will request an additional \$470,576 and offer \$138,000 in matching funds which represents a 22.67% match. Although only a 20% match is required, it is hoped that the additional match will make the application more competitive. The \$138,000 will come out of Capital Restricted STA funds held by Mono County LTC.

ESTA will not execute any contracts or spend any funds on the building itself prior to hearing the outcome of this new application. If ESTA is successful, this new grant opportunity will not cover any expenses incurred before the award is announced. Below is a breakdown of the budget and funding.

Description	Quantity	Federal 80%	Local 20%
Design, engineering, and construction of a Transit Operations Facility for the Eastern Sierra Transit Authority in Bishop, CA. Project will construct a 2,500 square foot, single story office building, and provide parking for 25 staff members and visitors (including spaces for individuals with disabilities). The lot is approximately 18,000 square foot. All cost estimates are derived from recent quotes from building manufacturers.	1	\$944,000	\$236,000
Project Component Cost Estimates	Quantity	Estimated Cost	
Environmental Approvals This includes NEPA approval only, since CEQA does not apply to projects this size. The application was submitted December 12, 2019.	1		\$15,000
Design and Engineering A Request for Information (RFI) was issued February 2020 to obtain estimates on the price for Design and Engineering plans. The Request for Proposals is prepared for posting and is expected to post in May after the RFI process is completed.	1		\$150,000
Grading, Site preparation, Utilities, and Storm Water Once the Design and Engineering plans are complete, the site will be graded and prepared for construction. Utilities will be accessed and storm water runoff will be addressed.	18,000 sq. ft.		\$60,000
Office Building Construction An RFP will be released for building construction and a firm will be selected for the work. The contract will be negotiated and a Notice to Proceed issued.	2,500 sq. ft.		\$700,000
Asphalt Paving/Striping (Asphalt \$175-\$200/ton, Agg. \$130/yd³) Once construction of the building is finished, the asphalt will be installed for parking and any other necessary areas surrounding the building.	14,500 sq. ft.		\$95,000
Landscaping Finally, the landscaping will be put in place to finish the property.	1		\$10,000
Contingency These funds are set aside to account for unexpected costs and price increases due to market changes.	1		\$150,000
Total Project Cost:			\$1,180,000

Funding Summary

5339(b) Awarded in 2018		Balance Needed - 5339(b) 2020	
Awarded	20% Local Match	New Application	Local Match 22.67%
\$ 457,139	\$ 114,285	\$470,576	\$138,000.00
Project total:			\$1,180,000

This application will request \$470,576 for the unfunded portion of the building. The Section 5339 grant funding requires a 20% match for bus facilities. It is hoped that offering a larger match will improve the scoring of our application. A 22.67% match is being offered on this application. These funds are available

FINANCIAL:

Submittal and award of Section 5339(b) grant funding for the development of an Operations and Administration Facility in Bishop would entail an approximate \$608,576 expenditure, of which up to \$138,000 would be provided by ESTA as matching funds. ESTA currently has these matching funds available.

LEGAL:

ESTA is an eligible recipient of these Section 5339(b) grant funds and has demonstrated through previous federal grant funding projects that the Authority possesses the required legal, financial, and technical capabilities to receive and administer the federal funding.

RECOMMENDATION:

The Board is requested to pass and approve Resolution 2020-04 authorizing submittal of an application for grant funding under the Federal Transit Administration’s Bus and Bus Facilities Infrastructure Investment Program, and to approve the use of up to \$138,000 in existing STA and General Fund Balance funds as matching funds for the grant.

RESOLUTION 2020- 04

A RESOLUTION OF THE EASTERN SIERRA TRANSIT AUTHORITY BOARD OF DIRECTORS, AUTHORIZING SUBMITTAL OF A GRANT APPLICATION FOR SECTION 5339(B) FUNDING FOR A BISHOP OPERATIONS AND ADMINISTRATION FACILITY, AND APPROVING REQUIRED MATCH FUNDING FOR THE GRANT AND TO SIGN

WHEREAS, pursuant to Section 26002 of the Government Code, the Counties of Inyo and Mono are authorized to establish and operate transit systems, and pursuant to Section 39732 of the Government Code the Town of Mammoth Lakes and the City of Bishop are authorized to operate transit systems; and

WHEREAS, pursuant to the Transportation Authority Joint Powers Agreement dated October 10, 2006, the County of Inyo, County of Mono, City of Bishop and Town of Mammoth Lakes, created the Eastern Sierra Transit Authority to provide public transportation service within the jurisdiction and boundaries of the member entities and surrounding areas; and

WHEREAS, Section 4.6 of the Eastern Sierra Transit Authority Joint Powers Agreement states that the Authority's Executive Director is authorized to prepare, submit, and execute grant applications for the use of Federal Transit Administration operating, planning, and capital funds; and

WHEREAS, the U. S. Department of Transportation (USDOT) is authorized to make grants directly to eligible recipients and to states where such states administer the applicable federal transit assistance programs; and

WHEREAS, the California Department of Transportation (Caltrans) has been designated by the Governor of the State of California to administer Section 5339(b) Bus and Bus Facilities Infrastructure Investment Program projects for rural transit operators; and

WHEREAS, the Eastern Sierra Transit Authority desires to apply for federal financial assistance through Section 5339(b) to develop an Operations and Administration Facility in Bishop, California; and

WHEREAS, the grant or cooperative agreement for Federal financial assistance will impose certain obligations upon the Authority, and will require the Authority to provide the local share of the project cost; and

WHEREAS, the Eastern Sierra Transit Authority has or will provide all annual certifications and assurances required for the project.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED that:

1. the Board of Directors of the Eastern Sierra Transit Authority does hereby authorize the Executive Director, to file and execute an application on behalf of the Eastern Sierra Transit Authority with the USDOT and Caltrans to aid in the financing for development of an Operations and Administration Facility in Bishop, California pursuant to Sections 5339 of the Federal Transit Act, as amended
2. the Eastern Sierra Transit Authority possesses the requisite legal, technical, and financial capabilities required for the project
3. the Executive Director is authorized to provide additional information as requested by the USDOT or Caltrans and to execute and file certification of assurances, contracts, agreements, or any other document required in connection with the application for the Section 5339 project, and
4. the Eastern Sierra Transit Authority has up to \$138,000.00 available for the required 20% match for this project and that, if selected by the FTA Administrator for project funding, these funds will be expended on the project. ESTA will provide the entire amount \$138,000 on a fully funded project resulting in a 22.67% match.

PASSED AND ADOPTED by the Board of Directors of the Eastern Sierra Transit Authority, State of California, at a regular meeting of said Board held on the 13th day of March, 2020 by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Bob Gardner, Chairperson
Eastern Sierra Transit Authority Board of Directors

Attest: Linda Robinson
Acting Board Clerk

By: _____
Linda Robinson

STAFF REPORT

Subject: Preliminary FY2020/21 Budget

Presented By: Phil Moores, Executive Director

BACKGROUND:

ESTA's Joint Powers Agreement (JPA) states that on or before April 1 of each year, the Authority shall cause to be prepared and submitted to the Board of Directors a proposed budget for the upcoming fiscal year.

ANALYSIS/DISCUSSION:

A preliminary budget for FY2020/21 is being presented to the Board at this time in order to provide opening information and it is intended to provide a general financial overview of the upcoming year and to solicit direction, if desired, from the Board prior to finalization of the 20/21 budget.

The preliminary FY2020/21 budget anticipates service levels that are generally consistent with 2019/20. The State Transit Assistance funding, based on gasoline taxes continues to decline. Federal funding for the 5311(f) program, which funds the intercity routes to Reno and Lancaster, is projected to increase over FY19/20 revenue. LCTOP revenue is projected to increase. Revenue from the new State of Good Repair Program is expected to increase slightly. The projected year-to-year changes in state and federal revenue is detailed in the table below.

State and Federal Grant Revenues	19-20 Estimate	20-21 Estimate	Variance
LTF	\$1,272,785	\$1,399,534	\$126,749
STA*	\$509,221	\$461,712	-\$47,509
5311 Apportionment	\$187,601	\$198,250	\$10,649
5311(f)	\$225,000	\$290,000	\$65,000
LCTOP	\$35,355	\$44,520	\$9,165
SGR	\$70,941	\$71,828	\$887
Total	\$2,300,903	\$2,465,844	\$164,941
*Capital restricted = \$3,132, not included			

The balance of the revenue picture for FY2020/21 is detailed below. Overall, the preliminary estimate of total operating revenue for the coming year is projected to increase by 6.3% (\$328,443).

Other Agencies	19-20 Estimate	20-21 Estimate	Variance
TOML	\$862,000	\$906,677	\$44,677
MMSA	\$1,050,000	\$1,061,000	\$11,000
KRT	\$24,000	\$24,000	\$0
Total	\$1,936,000	\$1,991,677	\$55,677
Fares	19-20 Estimate	20-21 Estimate	Variance
Reds Meadow	\$490,000	\$597,825	\$107,825
395 Routes	\$255,000	\$255,000	\$0
All Other	\$210,000	\$210,000	\$0
Total	\$955,000	\$1,062,825	\$107,825
Total Operating Revenue	\$5,191,903	\$5,520,346	\$328,443

The revenues detailed in the tables above assume a level of service generally consistent with the service level planned for in the 2019/20 budget. The Bishop Creek Recreation Area Shuttle and the continuation of the additional mid-day Lone Pine Express run service are included in the calculations at this time. Based on this service level, preliminary estimates of expenditures project that revenues will be sufficient to fund the service. This preliminary analysis anticipates continuation of comparatively low fuel prices and continued increases in vehicle maintenance costs. A summary of preliminary expenses for FY2020/21 by major expense category is detailed in the table below. The increase in the "Services" line item is attributable to an anticipated payroll software replacement.

Operating Expense Categories	19-20 Budget	20-21 Estimate	Variance
Salaries & Benefits	\$2,884,788	\$3,000,180	\$115,392
Insurance	\$306,000	\$325,000	\$19,000
Maintenance	\$603,789	\$620,000	\$16,211
Fuel	\$632,752	\$632,752	\$0
Facilities	\$246,694	\$246,694	\$0
Services	\$288,915	\$288,915	\$0
All Other	\$296,060	\$300,000	\$3,940
Total	\$5,258,998	\$5,413,541	\$154,543

FINANCIAL CONSIDERATIONS

A budget for the 2020/21 fiscal year is required in order to operate ESTA's services. The preliminary budget presented at this time is an estimate of the revenues and expenditures now known or anticipated. Further financial and operational information will be developed in the next few months prior to the anticipated final budget to be presented for the Board's consideration in June of 2020.

RECOMMENDATION

This preliminary budget is presented for the Board's information, in compliance with the ESTA Joint Powers Agreement, and to receive any desired input from the Board as the FY20/21 budget is finalized.

STAFF REPORT

Subject: Federal Fiscal Year 2020 Certifications and Assurances

Initiated by: Phil Moores, Executive Director

BACKGROUND

The Eastern Sierra Transit Authority, which is considered a sub-recipient by the California Department of Transportation (Caltrans) for federal funding, submits required certifications and assurances to Caltrans on an annual basis in conjunction with receipt of Federal funding for its transportation programs.

ANALYSIS/DISCUSSION:

In order to receive Federal Transit Administration (FTA) assistance, recipients and sub-recipients must provide certain certifications and assurances required by Federal law or regulation. Submittal of these certifications and assurances is required on an annual basis.

The FTA Certifications and Assurances for 2020 have been consolidated into 21 groups. At a minimum, a Subrecipient must provide the assurances in Group 01 and, if the Subrecipient requests more than \$100,000, the Subrecipient must also provide the Lobbying certification in Group 02. Depending on the nature of the Subrecipient and its Project, the Subrecipient may need to provide some of the certifications and assurances in Groups 03 through 21. However, instead of selecting individual groups of certifications and assurances, the Subrecipient may make a single selection that will encompass all groups of certifications and assurances applicable to all FTA programs. The Preface states that applicants are responsible for compliance with the Certifications and Assurances selected on its behalf that apply to its project, itself, any subrecipient, or any other third party participant in its project. The type of project and subrecipient will determine which certifications and assurances apply. The Certifications and Assurances clearly state that any provision of an Assurance that does not apply will not be enforced. For this reason, and in accordance with the practice in previous years after consultation with legal counsel, staff has determined to select the option agreeing to comply with all applicable provisions of Groups 01 – 21.

The FY 2020 Federal Certifications and Assurances have been forwarded to John Vallejo, Assistant County Counsel Inyo County, for his review. Affirmation of the Certifications and Assurances by ESTA's legal counsel is required as part of the submittal.

The FY 2020 Federal Certifications and Assurances are included on the following pages for the Board's information.

FINANCIAL CONSIDERATIONS

Approval and submittal of the FY2020 Certifications and Assurances is required in order to receive federal operating and capital assistance. ESTA's FY2019/20 budget includes \$764,418 in federal funding. Staff estimates potentially \$900,000 in federal financial assistance in ESTA's FY2020/21 budget. \$457,000 of this is 5339 grant funds for the new facility which is given on a reimbursement schedule.

RECOMMENDATION

The Board is requested to authorize the Executive Director to sign the Federal Fiscal Year 2020 Certifications and Assurances binding ESTA's compliance with these certifications and assurances for Federal Transit Administration assistance programs.

EASTERN SIERRA TRANSIT AUTHORITY

**Minutes of Friday, February 14, 2020
 Regular Meeting**

The meeting of the Board of Directors of the Eastern Sierra Transit Authority was called to order at 11:07 a.m. on Friday, February 14, 2020, at the Town of Mammoth Lakes Council Chambers, 2520 Main St., Ste. Z, Mammoth Lakes, California. The following members were present: Karen Schwartz, Jennifer Kreitz, Bob Gardner, Bill Sauser, Dan Tothoroh, Cleland Hoff, Jeff Griffiths and Jim Ellis. Director Tothoroh led the pledge of allegiance.

Public Comment	None
Executive Director Report	Phil Moores reported on ESTA activities and performance.
Financial Report – 2019-20	Karie Bentley presented the Financial Report for the 2019/20 fiscal year as of February 4, 2020.
Operations Report	Phil Moores presented the Monthly Operations Report for December 2019.
Triennial Audit and Organizational Assessment	Karie Bentley presented the quarterly Update on the Triennial Audit and Organizational Assessment.
Employee of the Quarter	Phil Moores introduced Eric Hunter as the Employee of the Quarter for the 4 th Quarter of 2019.
Approve Resolution #2020-02	Moved by Director Sauser and seconded by Director Kreitz to pass and approve Resolution #2020-02 adopting ESTA’s revised Drug and Alcohol Testing Policy. Motion carried 8-0.
Adopt OPEB Funding Policy	Chris Tsuda (HighMark Capital Management – Portfolio Manager) called in to answer questions regarding the OPEB. Moved by Director Hoff and seconded by Director Kreitz to adopt the OPEB Funding Policy, approve the Moderately Conservative Index PLUS Account for investments, and to authorize the Executive Director to manage the Trust in accordance with ESTA adopted policies. Motion carried 8-0

<p>Approve Budget Amendment</p>	<p>Moved by Director Sauser and seconded by Director Schwartz to approve and adopt a 2019/20 Budget Amendment transferring \$64,000 from Contingency to the following:</p> <ol style="list-style-type: none"> 1. \$8,000 to 5003 Overtime 2. \$13,000 to 5005 Holiday Overtime 3. \$38,000 to 5012 Part Time Employees 4. \$5,000 to 5331 Travel <p>Motion Carried 8-0</p>
<p>Consent Agenda:</p>	<p>Moved by Director Kreitz and seconded by Director Totheroh to approve the Consent Agenda consisting of:</p> <ul style="list-style-type: none"> • Approval of Meeting Minutes of January 10, 2020. • Authorizing of Representative for the California Joint Powers Insurance Authority. <p>Motion carried 8-0.</p>
<p>Board Member Comments</p>	<p>Director Sauser commented on the need for snow.</p> <p>Director Schwartz commented that with new air service in Bishop, ESTA needs to consider shuttles to various trailheads such as Kearsarge and Death Valley.</p> <p>Director Kreitz commented that that there has been a lot of discussion about the Bishop Airport Scoping Session and would like to see ESTA involved in the talks.</p> <p>Director Ellis indicated there are limitations with public transportation vs. private transportation.</p> <p>Director Gardner requested updates on Bishop Airport transportation be placed on future agendas.</p>
<p>Adjournment</p>	<p>The Chairperson adjourned the meeting at 12:28 p.m.</p> <p>The next regular meeting of the Eastern Sierra Transit Authority Board of Directors is scheduled for March 13, 2020 in the City of Bishop Council Chambers 301 West Line St., Bishop, CA at 9:00 am.</p>

Recorded & Prepared by:

Linda Robinson
 Board Clerk
 Eastern Sierra Transit Authority
 Minutes approved:

Not every provision of every certification will apply to every applicant or award. If a provision of a certification does not apply to the applicant or its award, FTA will not enforce that provision. Refer to FTA's accompanying Instructions document for more information.

Text in italics is guidance to the public. It does not have the force and effect of law, and is not meant to bind the public in any way. It is intended only to provide clarity to the public regarding existing requirements under the law or agency policies.

CATEGORY 1. CERTIFICATIONS AND ASSURANCES REQUIRED OF EVERY APPLICANT.

All applicants must make the certifications in this category.

1.1. Standard Assurances.

The certifications in this subcategory appear as part of the applicant's registration or annual registration renewal in the System for Award Management (SAM.gov) and on the Office of Management and Budget's standard form 424B "Assurances—Non-Construction Programs". This certification has been modified in places to include analogous certifications required by U.S. DOT statutes or regulations.

As the duly authorized representative of the applicant, you certify that the applicant:

- (a) Has the legal authority to apply for Federal assistance and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project cost) to ensure proper planning, management and completion of the project described in this application.
- (b) Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the award; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
- (c) Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
- (d) Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.
- (e) Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§ 4728–4763) relating to prescribed standards for merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).

- (f) Will comply with all Federal statutes relating to nondiscrimination. These include but are not limited to:
- (1) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin, as effectuated by U.S. DOT regulation 49 C.F.R. Part 21;
 - (2) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§ 1681–1683, and 1685–1686), which prohibits discrimination on the basis of sex, as effectuated by U.S. DOT regulation 49 C.F.R. Part 25;
 - (3) Section 5332 of the Federal Transit Law (49 U.S.C. § 5332), which prohibits any person being excluded from participating in, denied a benefit of, or discriminated against under, a project, program, or activity receiving financial assistance from FTA because of race, color, religion, national origin, sex, disability, or age.
 - (4) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794), which prohibits discrimination on the basis of handicaps, as effectuated by U.S. DOT regulation 49 C.F.R. Part 27;
 - (5) The Age Discrimination Act of 1975, as amended (42 U.S.C. §§ 6101–6107), which prohibits discrimination on the basis of age;
 - (6) The Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse;
 - (7) The comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91–616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism;
 - (8) Sections 523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§ 290 dd-3 and 290 ee-3), as amended, relating to confidentiality of alcohol and drug abuse patient records;
 - (9) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§ 3601 et seq.), as amended, relating to nondiscrimination in the sale, rental, or financing of housing;
 - (10) Any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and,
 - (11) the requirements of any other nondiscrimination statute(s) which may apply to the application.
- (g) Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (“Uniform Act”) (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal or federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases. The requirements of the Uniform Act are effectuated by U.S. DOT regulation 49 C.F.R. Part 24.

- (h) Will comply, as applicable, with provisions of the Hatch Act (5 U.S.C. §§ 1501–1508 and 7324–7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.
- (i) Will comply, as applicable, with the provisions of the Davis–Bacon Act (40 U.S.C. §§ 276a to 276a-7), the Copeland Act (40 U.S.C. § 276c and 18 U.S.C. § 874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§ 327–333), regarding labor standards for federally assisted construction subagreements.
- (j) Will comply, if applicable, with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
- (k) Will comply with environmental standards which may be prescribed pursuant to the following:
 - (1) Institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514;
 - (2) Notification of violating facilities pursuant to EO 11738;
 - (3) Protection of wetlands pursuant to EO 11990;
 - (4) Evaluation of flood hazards in floodplains in accordance with EO 11988;
 - (5) Assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§ 1451 et seq.);
 - (6) Conformity of Federal actions to State (Clean Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§ 7401 et seq.);
 - (7) Protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and
 - (8) Protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93–205).
- (l) Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§ 1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
- (m) Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. § 470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§ 469a-1 et seq.).
- (n) Will comply with P.L. 93-348 regarding the protection of human subjects involved in research, development, and related activities supported by this award of assistance.
- (o) Will comply with the Laboratory Animal Welfare Act of 1966 (P.L. 89-544, as amended, 7 U.S.C. §§ 2131 et seq.) pertaining to the care, handling, and treatment of warm blooded

- animals held for research, teaching, or other activities supported by this award of assistance.
- (p) Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§ 4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.
 - (q) Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and 2 C.F.R. Part 200, Subpart F, “Audit Requirements”, as adopted and implemented by U.S. DOT at 2 C.F.R. Part 1201.
 - (r) Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing the program under which it is applying for assistance.
 - (s) Will comply with the requirements of Section 106(g) of the Trafficking Victims Protection Act (TVPA) of 2000, as amended (22 U.S.C. § 7104) which prohibits grant award recipients or a sub-recipient from:
 - (1) Engaging in severe forms of trafficking in persons during the period of time that the award is in effect;
 - (2) Procuring a commercial sex act during the period of time that the award is in effect; or
 - (3) Using forced labor in the performance of the award or subawards under the award.

1.2. Standard Assurances: Additional Assurances for Construction Projects.

This certification appears on the Office of Management and Budget’s standard form 424D “Assurances—Construction Programs” and applies specifically to federally assisted projects for construction. This certification has been modified in places to include analogous certifications required by U.S. DOT statutes or regulations.

As the duly authorized representative of the applicant, you certify that the applicant:

- (a) Will not dispose of, modify the use of, or change the terms of the real property title or other interest in the site and facilities without permission and instructions from the awarding agency; will record the Federal awarding agency directives; and will include a covenant in the title of real property acquired in whole or in part with Federal assistance funds to assure nondiscrimination during the useful life of the project.
- (b) Will comply with the requirements of the assistance awarding agency with regard to the drafting, review, and approval of construction plans and specifications.
- (c) Will provide and maintain competent and adequate engineering supervision at the construction site to ensure that the complete work confirms with the approved plans and specifications, and will furnish progressive reports and such other information as may be required by the assistance awarding agency or State.

1.3. Procurement.

The Uniform Administrative Requirements, 2 C.F.R. 200.324, allow a recipient to self-certify that its procurement system complies with Federal requirements, in lieu of submitting to certain pre-procurement reviews.

The applicant certifies that its procurement system complies with:

- (a) U.S. DOT regulations, “Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards,” 2 C.F.R. Part 1201, which incorporates by reference U.S. OMB regulatory guidance, “Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards,” 2 C.F.R. Part 200, particularly 2 C.F.R. §§ 200.317–200.326 “Procurement Standards;
- (b) Federal laws, regulations, and requirements applicable to FTA procurements; and
- (c) The latest edition of FTA Circular 4220.1 and other applicable Federal guidance.

1.4. Suspension and Debarment.

Pursuant to Executive Order 12549, as implemented at 2 C.F.R. Parts 180 and 1200, prior to entering into a covered transaction with an applicant, FTA must determine whether the applicant is excluded from participating in covered non-procurement transactions. For this purpose, FTA is authorized to collect a certification from each applicant regarding the applicant’s exclusion status. 2 C.F.R. § 180.300. Additionally, each applicant must disclose any information required by 2 C.F.R. § 180.335 about the applicant and the applicant’s principals prior to entering into an award agreement with FTA. This certification serves both purposes.

The applicant certifies, to the best of its knowledge and belief, that the applicant and each of its principals:

- (a) Is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily or involuntarily excluded from covered transactions by any Federal department or agency;
- (b) Has not, within the preceding three years, been convicted of or had a civil judgment rendered against him or her for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public or private agreement or transaction; violation of Federal or State antitrust statutes, including those proscribing price fixing between competitors, allocation of customers between competitors, and bid rigging; commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, receiving stolen property, making false claims, or obstruction of justice; or commission of any other offense indicating a lack of business integrity or business honesty;

- (c) Is not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any offense described in paragraph (b) of this certification;
- (d) Has not, within the preceding three years, had one or more public transactions (Federal, State, or local) terminated for cause or default.

1.5. Prohibition on Contracting for Certain Telecommunications and Video Surveillance Services or Equipment.

The applicant certifies that, consistent with Section 889 of the John S. McCain National Defense Authorization Act for Fiscal Year 2019, Pub. L. 115-232 (Aug. 13, 2018), beginning on and after August 13, 2020, it will not use assistance awarded by FTA to procure or obtain, extend or renew a contract to procure or obtain, or enter into a contract (or extend or renew a contract) to procure or obtain “covered telecommunications equipment or services” (as that term is defined in Section 889 of the Act) if such equipment or services will be used as a substantial or essential component of any system or as critical technology as part of any system.

CATEGORY 2. PUBLIC TRANSPORTATION AGENCY SAFETY PLANS

Beginning on July 20, 2020, this certification is required of each applicant under the Urbanized Area Formula Grants Program (49 U.S.C. § 5307), each rail operator that is subject to FTA’s state safety oversight programs, and each State that is required to draft and certify a public transportation agency safety plan on behalf of a small public transportation provider pursuant to 49 C.F.R. § 673.11(d). This certification is required by 49 C.F.R. § 673.13.

This certification does not apply to any applicant that receives financial assistance from FTA exclusively under the Formula Grants for the Enhanced Mobility of Seniors Program (49 U.S.C. § 5310), the Formula Grants for Rural Areas Program (49 U.S.C. § 5311), or combination of these two programs.

An applicant may make this certification only after fulfilling its safety planning requirements under 49 C.F.R. Part 673. If an applicant is making its fiscal year 2020 certifications prior to completing its requirements under 49 C.F.R. Part 673, it will make all other applicable certifications except this certification; the applicant may add this certification after it has fulfilled its requirements under 49 C.F.R. Part 673. FTA’s regional offices and headquarters Office of Transit Safety and Oversight will provide support for incorporating this certification in 2020.

On and after July 20, 2020, FTA will not process an application from an applicant required to make this certification unless the applicant has made this certification.

If the applicant is an operator, the applicant certifies that it has established a public transportation agency safety plan meeting the requirements of 49 C.F.R. Part 673.

If the applicant is a State, the applicant certifies that:

- (a) It has drafted a public transportation agency safety plan for each small public transportation provider within the State, unless the small public transportation provider provided notification to the State that it was opting-out of the State-drafted plan and drafting its own public transportation agency safety plan; and
- (b) Each small public transportation provider within the state has a public transportation agency safety plan that has been approved by the provider's Accountable Executive (as that term is defined at 49 C.F.R. § 673.5) and Board of Directors or Equivalent Authority (as that term is defined at 49 C.F.R. § 673.5).

CATEGORY 3. TAX LIABILITY AND FELONY CONVICTIONS.

If the applicant is a business association (regardless of for-profit, not for-profit, or tax exempt status), it must make this certification. Federal appropriations acts since at least 2014 have prohibited FTA from using funds to enter into an agreement with any corporation that has unpaid Federal tax liabilities or recent felony convictions without first considering the corporation for debarment. E.g., Consolidated Appropriations Act, 2020, Pub. L. 116-93, div. C, title VII, §§ 744–745. U.S. DOT Order 4200.6 defines a “corporation” as “any private corporation, partnership, trust, joint-stock company, sole proprietorship, or other business association”, and applies the restriction to all tiers of subawards. As prescribed by U.S. DOT Order 4200.6, FTA requires each business association applicant to certify as to its tax and felony status.

If the applicant is a private corporation, partnership, trust, joint-stock company, sole proprietorship, or other business association, the applicant certifies that:

- (a) It has no unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability; and
- (b) It has not been convicted of a felony criminal violation under any Federal law within the preceding 24 months.

CATEGORY 4. LOBBYING.

If the applicant will apply for a grant or cooperative agreement exceeding \$100,000, or a loan, line of credit, loan guarantee, or loan insurance exceeding \$150,000, it must make the following

certification and, if applicable, make a disclosure regarding the applicant's lobbying activities. This certification is required by 49 C.F.R. § 20.110 and app. A to that part.

This certification does not apply to an applicant that is an Indian Tribe, Indian organization, or an Indian tribal organization exempt from the requirements of 49 C.F.R. Part 20.

4.1. Certification for Contracts, Grants, Loans, and Cooperative Agreements.

The undersigned certifies, to the best of his or her knowledge and belief, that:

- (a) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- (b) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- (c) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

4.2. Statement for Loan Guarantees and Loan Insurance.

The undersigned states, to the best of his or her knowledge and belief, that:

If any funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this commitment providing for the United States to insure or guarantee a loan, the undersigned shall complete and

submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

Submission of this statement is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required statement shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

CATEGORY 5. PRIVATE SECTOR PROTECTIONS.

If the applicant will apply for funds that it will use to acquire or operate public transportation facilities or equipment, the applicant must make the following certification regarding protections for the private sector.

5.1. Charter Service Agreement.

To enforce the provisions of 49 U.S.C. § 5323(d), FTA's charter service regulation requires each applicant seeking assistance from FTA for the purpose of acquiring or operating any public transportation equipment or facilities to make the following Charter Service Agreement. 49 C.F.R. § 604.4.

The applicant agrees that it, and each of its subrecipients, and third party contractors at any level who use FTA-funded vehicles, may provide charter service using equipment or facilities acquired with Federal assistance authorized under the Federal Transit Laws only in compliance with the regulations set out in 49 C.F.R. Part 604, the terms and conditions of which are incorporated herein by reference.

5.2. School Bus Agreement.

To enforce the provisions of 49 U.S.C. § 5323(f), FTA's school bus regulation requires each applicant seeking assistance from FTA for the purpose of acquiring or operating any public transportation equipment or facilities to make the following agreement regarding the provision of school bus services. 49 C.F.R. § 605.15.

- (a) If the applicant is not authorized by the FTA Administrator under 49 C.F.R. § 605.11 to engage in school bus operations, the applicant agrees and certifies as follows:
- (1) The applicant and any operator of project equipment agrees that it will not engage in school bus operations in competition with private school bus operators.
 - (2) The applicant agrees that it will not engage in any practice which constitutes a means of avoiding the requirements of this agreement, part 605 of the Federal Mass Transit Regulations, or section 164(b) of the Federal-Aid Highway Act of 1973 (49 U.S.C. 1602a(b)).

- (b) If the applicant is authorized or obtains authorization from the FTA Administrator to engage in school bus operations under 49 C.F.R. § 605.11, the applicant agrees as follows:
- (1) The applicant agrees that neither it nor any operator of project equipment will engage in school bus operations in competition with private school bus operators except as provided herein.
 - (2) The applicant, or any operator of project equipment, agrees to promptly notify the FTA Administrator of any changes in its operations which might jeopardize the continuation of an exemption under § 605.11.
 - (3) The applicant agrees that it will not engage in any practice which constitutes a means of avoiding the requirements of this agreement, part 605 of the Federal Transit Administration regulations or section 164(b) of the Federal-Aid Highway Act of 1973 (49 U.S.C. 1602a(b)).
 - (4) The applicant agrees that the project facilities and equipment shall be used for the provision of mass transportation services within its urban area and that any other use of project facilities and equipment will be incidental to and shall not interfere with the use of such facilities and equipment in mass transportation service to the public.

CATEGORY 6. TRANSIT ASSET MANAGEMENT PLAN.

If the applicant owns, operates, or manages capital assets used to provide public transportation, the following certification is required by 49 U.S.C. § 5326(a).

The applicant certifies that it is in compliance with 49 C.F.R. Part 625.

CATEGORY 7. ROLLING STOCK BUY AMERICA REVIEWS AND BUS TESTING.

7.1. Rolling Stock Buy America Reviews.

If the applicant will apply for an award to acquire rolling stock for use in revenue service, it must make this certification. This certification is required by 49 C.F.R. § 663.7.

The applicant certifies that it will conduct or cause to be conducted the pre-award and post-delivery audits prescribed by 49 C.F.R. Part 663 and will maintain on file the certifications required by Subparts B, C, and D of 49 C.F.R. Part 663.

7.2. Bus Testing.

If the applicant will apply for funds for the purchase or lease of any new bus model, or any bus model with a major change in configuration or components, the applicant must make this certification. This certification is required by 49 C.F.R. § 665.7.

The applicant certifies that the bus was tested at the Bus Testing Facility and that the bus received a passing test score as required by 49 C.F.R. Part 665. The applicant has received or will receive the appropriate full Bus Testing Report and any applicable partial testing reports before final acceptance of the first vehicle.

CATEGORY 8. URBANIZED AREA FORMULA GRANTS PROGRAM.

If the applicant will apply for an award under the Urbanized Area Formula Grants Program (49 U.S.C. § 5307), or any other program or award that is subject to the requirements of 49 U.S.C. § 5307, including the Formula Grants for the Enhanced Mobility of Seniors Program (49 U.S.C. § 5310); “flex funds” from infrastructure programs administered by the Federal Highways Administration (see 49 U.S.C. § 5334(i)); projects that will receive an award authorized by the Transportation Infrastructure Finance and Innovation Act (“TIFIA”) (23 U.S.C. §§ 601–609) or State Infrastructure Bank Program (23 U.S.C. § 610) (see 49 U.S.C. § 5323(o)); formula awards or competitive awards to urbanized areas under the Grants for Buses and Bus Facilities Program (49 U.S.C. § 5339(a) and (b)); or low or no emission awards to any area under the Grants for Buses and Bus Facilities Program (49 U.S.C. § 5339(c)), the applicant must make the following certification. This certification is required by 49 U.S.C. § 5307(c)(1).

The applicant certifies that it:

- (a) Has or will have the legal, financial, and technical capacity to carry out the program of projects (developed pursuant 49 U.S.C. § 5307(b)), including safety and security aspects of the program;
- (b) Has or will have satisfactory continuing control over the use of equipment and facilities;
- (c) Will maintain equipment and facilities in accordance with the applicant’s transit asset management plan;
- (d) Will ensure that, during non-peak hours for transportation using or involving a facility or equipment of a project financed under this section, a fare that is not more than 50 percent of the peak hour fare will be charged for any—
 - (1) Senior;
 - (2) Individual who, because of illness, injury, age, congenital malfunction, or any other incapacity or temporary or permanent disability (including an individual who is a wheelchair user or has semi-ambulatory capability), cannot use a public transportation service or a public transportation facility effectively without special facilities, planning, or design; and
 - (3) Individual presenting a Medicare card issued to that individual under title II or XVIII of the Social Security Act (42 U.S.C. §§ 401 et seq., and 1395 et seq.);
- (e) In carrying out a procurement under 49 U.S.C. § 5307, will comply with 49 U.S.C. §§ 5323 (general provisions) and 5325 (contract requirements);

- (f) Has complied with 49 U.S.C. § 5307(b) (program of projects requirements);
- (g) Has available and will provide the required amounts as provided by 49 U.S.C. § 5307(d) (cost sharing);
- (h) Will comply with 49 U.S.C. §§ 5303 (metropolitan transportation planning) and 5304 (statewide and nonmetropolitan transportation planning);
- (i) Has a locally developed process to solicit and consider public comment before raising a fare or carrying out a major reduction of transportation;
- (j) Either—
 - (1) Will expend for each fiscal year for public transportation security projects, including increased lighting in or adjacent to a public transportation system (including bus stops, subway stations, parking lots, and garages), increased camera surveillance of an area in or adjacent to that system, providing an emergency telephone line to contact law enforcement or security personnel in an area in or adjacent to that system, and any other project intended to increase the security and safety of an existing or planned public transportation system, at least 1 percent of the amount the recipient receives for each fiscal year under 49 U.S.C. § 5336; or
 - (2) Has decided that the expenditure for security projects is not necessary;
- (k) In the case of an applicant for an urbanized area with a population of not fewer than 200,000 individuals, as determined by the Bureau of the Census, will submit an annual report listing projects carried out in the preceding fiscal year under 49 U.S.C. § 5307 for associated transit improvements as defined in 49 U.S.C. § 5302; and
- (l) Will comply with 49 U.S.C. § 5329(d) (public transportation agency safety plan).

CATEGORY 9. FORMULA GRANTS FOR RURAL AREAS.

If the applicant will apply for funds made available to it under the Formula Grants for Rural Areas Program (49 U.S.C. § 5311), it must make this certification. Paragraph (a) of this certification helps FTA make the determinations required by 49 U.S.C. § 5310(b)(2)(C). Paragraph (b) of this certification is required by 49 U.S.C. § 5311(f)(2). Paragraph (c) of this certification, which applies to funds apportioned for the Appalachian Development Public Transportation Assistance Program, is necessary to enforce the conditions of 49 U.S.C. § 5311(c)(2)(D).

- (a) The applicant certifies that its State program for public transportation service projects, including agreements with private providers for public transportation service—
 - (1) Provides a fair distribution of amounts in the State, including Indian reservations; and
 - (2) Provides the maximum feasible coordination of public transportation service assisted under 49 U.S.C. § 5311 with transportation service assisted by other Federal sources; and

- (b) If the applicant will in any fiscal year expend less than 15% of the total amount made available to it under 49 U.S.C. § 5311 to carry out a program to develop and support intercity bus transportation, the applicant certifies that it has consulted with affected intercity bus service providers, and the intercity bus service needs of the State are being met adequately.
- (c) If the applicant will use for a highway project amounts that cannot be used for operating expenses authorized under 49 U.S.C. § 5311(c)(2) (Appalachian Development Public Transportation Assistance Program), the applicant certifies that—
 - (1) It has approved the use in writing only after providing appropriate notice and an opportunity for comment and appeal to affected public transportation providers; and
 - (2) It has determined that otherwise eligible local transit needs are being addressed.

CATEGORY 10. FIXED GUIDEWAY CAPITAL INVESTMENT GRANTS AND THE EXPEDITED PROJECT DELIVERY FOR CAPITAL INVESTMENT GRANTS PILOT PROGRAM.

If the applicant will apply for an award under any subsection of the Fixed Guideway Capital Investment Program (49 U.S.C. § 5309), including an award made pursuant to the FAST Act's Expedited Project Delivery for Capital Investment Grants Pilot Program (Pub. L. 114-94, div. A, title III, § 3005(b)), the applicant must make the following certification. This certification is required by 49 U.S.C. § 5309(c)(2) and Pub. L. 114-94, div. A, title III, § 3005(b)(3)(B).

The applicant certifies that it:

- (a) Has or will have the legal, financial, and technical capacity to carry out its Award, including the safety and security aspects of that Award,
- (b) Has or will have satisfactory continuing control over the use of equipment and facilities acquired or improved under its Award.
- (c) Will maintain equipment and facilities acquired or improved under its Award in accordance with its transit asset management plan; and
- (d) Will comply with 49 U.S.C. §§ 5303 (metropolitan transportation planning) and 5304 (statewide and nonmetropolitan transportation planning).

CATEGORY 11. GRANTS FOR BUSES AND BUS FACILITIES AND LOW OR NO EMISSION VEHICLE DEPLOYMENT GRANT PROGRAMS.

If the applicant is in an urbanized area and will apply for an award under subsection (a) (formula grants) or subsection (b) (competitive grants) of the Grants for Buses and Bus Facilities Program (49 U.S.C. § 5339), the applicant must make the certification in Category 7 for Urbanized Area Formula Grants (49 U.S.C. § 5307). This certification is required by 49 U.S.C. § 5339(a)(3) and (b)(6), respectively.

If the applicant is in a rural area and will apply for an award under subsection (a) (formula grants) or subsection (b) (competitive grants) of the Grants for Buses and Bus Facilities Program (49 U.S.C. § 5339), the applicant must make the certification in Category 8 for Formula Grants for Rural Areas (49 U.S.C. § 5311). This certification is required by 49 U.S.C. § 5339(a)(3) and (b)(6), respectively.

If the applicant, regardless of whether it is in an urbanized or rural area, will apply for an award under subsection (c) (low or no emission vehicle grants) of the Grants for Buses and Bus Facilities Program (49 U.S.C. § 5339), the applicant must make the certification in Category 7 for Urbanized Area Formula Grants (49 U.S.C. § 5307). This certification is required by 49 U.S.C. § 5339(c)(3).

Making this certification will incorporate by reference the applicable certifications in Category 7 or Category 8.

CATEGORY 12. ENHANCED MOBILITY OF SENIORS AND INDIVIDUALS WITH DISABILITIES PROGRAMS.

If the applicant will apply for an award under the Formula Grants for the Enhanced Mobility of Seniors and Individuals with Disabilities Program (49 U.S.C. § 5310), it must make the certification in Category 7 for Urbanized Area Formula Grants (49 U.S.C. § 5307). This certification is required by 49 U.S.C. § 5310(e)(1). Making this certification will incorporate by reference the certification in Category 7, except that FTA has determined that (d), (f), (i), (j), and (k) of Category 7 do not apply to awards made under 49 U.S.C. § 5310 and will not be enforced.

In addition to the certification in Category 7, the applicant must make the following certification that is specific to the Formula Grants for the Enhanced Mobility of Seniors and Individuals with Disabilities Program. This certification is required by 49 U.S.C. § 5310(e)(2).

The applicant certifies that:

- (a) The projects selected by the applicant are included in a locally developed, coordinated public transit-human services transportation plan;
- (b) The plan described in clause (a) was developed and approved through a process that included participation by seniors, individuals with disabilities, representatives of public, private, and nonprofit transportation and human services providers, and other members of the public;
- (c) To the maximum extent feasible, the services funded under 49 U.S.C. § 5310 will be coordinated with transportation services assisted by other Federal departments and agencies, including any transportation activities carried out by a recipient of a grant from the Department of Health and Human Services; and

- (d) If the applicant will allocate funds received under 49 U.S.C. § 5310 to subrecipients, it will do so on a fair and equitable basis.

CATEGORY 13. STATE OF GOOD REPAIR GRANTS.

If the applicant will apply for an award under FTA’s State of Good Repair Grants Program (49 U.S.C. § 5337), it must make the following certification. Because FTA generally does not review the transit asset management plans of public transportation providers, this certification is necessary to enforce the provisions of 49 U.S.C. § 5337(a)(4).

The applicant certifies that the projects it will carry out using assistance authorized by the State of Good Repair Grants Program, 49 U.S.C. § 5337, are aligned with the applicant’s most recent transit asset management plan and are identified in the investment and prioritization section of such plan, consistent with the requirements of 49 C.F.R. Part 625.

CATEGORY 14. INFRASTRUCTURE FINANCE PROGRAMS.

If the applicant will apply for an award for a project that will include assistance under the Transportation Infrastructure Finance and Innovation Act (“TIFIA”) Program (23 U.S.C. §§ 601–609) or the State Infrastructure Banks (“SIB”) Program (23 U.S.C. § 610), it must make the certifications in Category 7 for the Urbanized Area Formula Grants Program, Category 9 for the Fixed Guideway Capital Investment Grants program, and Category 12 for the State of Good Repair Grants program. These certifications are required by 49 U.S.C. § 5323(o).

Making this certification will incorporate the certifications in Categories 7, 9, and 12 by reference.

CATEGORY 15. ALCOHOL AND CONTROLLED SUBSTANCES TESTING.

If the applicant will apply for an award under FTA’s Urbanized Area Formula Grants Program (49 U.S.C. § 5307), Fixed Guideway Capital Investment Program (49 U.S.C. § 5309), Formula Grants for Rural Areas Program (49 U.S.C. § 5311), or Grants for Buses and Bus Facilities Program (49 U.S.C. § 5339) programs, the applicant must make the following certification. The applicant must make this certification on its own behalf and on behalf of its subrecipients and contractors. This certification is required by 49 C.F.R. § 655.83.

The applicant certifies that it, its subrecipients, and its contractors are compliant with FTA’s regulation for the Prevention of Alcohol Misuse and Prohibited Drug Use in Transit Operations, 49 C.F.R. Part 655.

CATEGORY 16. RAIL SAFETY TRAINING AND OVERSIGHT.

If the applicant is a State with at least one rail fixed guideway system, or is a State Safety Oversight Agency, or operates a rail fixed guideway system, it must make the following certification. The elements of this certification are required by 49 C.F.R. §§ 659.43, 672.31, and 674.39.

The applicant certifies that the rail fixed guideway public transportation system and the State Safety Oversight Agency for the State are:

- (a) Compliant with the requirements of 49 C.F.R. part 659, “Rail Fixed Guideway Systems; State Safety Oversight”;
- (b) Compliant with the requirements of 49 C.F.R. part 672, “Public Transportation Safety Certification Training Program”; and
- (c) Compliant with the requirements of 49 C.F.R. part 674, “State Safety Oversight”.

CATEGORY 17. DEMAND RESPONSIVE SERVICE.

If the applicant operates demand responsive service and will apply for an award to purchase a non-rail vehicle that is not accessible within the meaning of 49 C.F.R. Part 37, it must make the following certification. This certification is required by 49 C.F.R. § 37.77.

The applicant certifies that the service it provides to individuals with disabilities is equivalent to that provided to other persons. A demand responsive system, when viewed in its entirety, is deemed to provide equivalent service if the service available to individuals with disabilities, including individuals who use wheelchairs, is provided in the most integrated setting appropriate to the needs of the individual and is equivalent to the service provided other individuals with respect to the following service characteristics:

- (a) Response time;
- (b) Fares;
- (c) Geographic area of service;
- (d) Hours and days of service;
- (e) Restrictions or priorities based on trip purpose;
- (f) Availability of information and reservation capability; and
- (g) Any constraints on capacity or service availability.

CATEGORY 18. INTEREST AND FINANCING COSTS.

If the applicant will pay for interest or other financing costs of a project using assistance awarded under the Urbanized Area Formula Grants Program (49 U.S.C. § 5307), the Fixed Guideway Capital Investment Grants Program (49 U.S.C. § 5309), or any program that must comply with the requirements of 49 U.S.C. § 5307, including the Formula Grants for the

Enhanced Mobility of Seniors Program (49 U.S.C. § 5310), “flex funds” from infrastructure programs administered by the Federal Highways Administration (see 49 U.S.C. § 5334(i)), or awards to urbanized areas under the Grants for Buses and Bus Facilities Program (49 U.S.C. § 5339), the applicant must make the following certification. This certification is required by 49 U.S.C. §§ 5307(e)(3) and 5309(k)(2)(D).

The applicant certifies that:

- (a) Its application includes the cost of interest earned and payable on bonds issued by the applicant only to the extent proceeds of the bonds were or will be expended in carrying out the project identified in its application; and
- (b) The applicant has shown or will show reasonable diligence in seeking the most favorable financing terms available to the project at the time of borrowing.

CATEGORY 19. CONSTRUCTION HIRING PREFERENCES.

If the applicant will ask FTA to approve the use of geographic, economic, or any other hiring preference not otherwise authorized by law on any contract or construction project to be assisted with an award from FTA, it must make the following certification. This certification is required by the Further Consolidated Appropriations Act, 2020, Pub. L. 116-94, div. H, title I, § 191.

The applicant certifies the following:

- (a) That except with respect to apprentices or trainees, a pool of readily available but unemployed individuals possessing the knowledge, skill, and ability to perform the work that the contract requires resides in the jurisdiction;
- (b) That the grant recipient will include appropriate provisions in its bid document ensuring that the contractor does not displace any of its existing employees in order to satisfy such hiring preference; and
- (c) That any increase in the cost of labor, training, or delays resulting from the use of such hiring preference does not delay or displace any transportation project in the applicable Statewide Transportation Improvement Program or Transportation Improvement Program.

CATEGORY 20. CYBERSECURITY CERTIFICATION FOR RAIL ROLLING STOCK AND OPERATIONS.

If the applicant operates a rail fixed guideway public transportation system, it must make this certification. This certification is required by 49 U.S.C. § 5323(v), a new subsection added by the National Defense Authorization Act for Fiscal Year 2020, Pub. L. 116-92, § 7613 (Dec. 20, 2019). For information about standards or practices that may apply to a rail fixed guideway

public transportation system, visit <https://www.nist.gov/cyberframework> and <https://www.cisa.gov/>.

The applicant certifies that it has established a process to develop, maintain, and execute a written plan for identifying and reducing cybersecurity risks that complies with the requirements of 49 U.S.C. § 5323(v)(2).

FEDERAL FISCAL YEAR 2020 CERTIFICATIONS AND ASSURANCES FOR FTA ASSISTANCE PROGRAMS

(Signature pages alternate to providing Certifications and Assurances in TrAMS.)

Name of Applicant: Eastern Sierra Transit Authority

The Applicant certifies to the applicable provisions of categories 01-20. X

Or,

The Applicant certifies to the applicable provisions of the categories it has selected:

Category	Certification
01 Certifications and Assurances Required of Every Applicant	_____
02 Public Transportation Agency Safety Plans	_____
03 Tax Liability and Felony Convictions	_____
04 Lobbying	_____
05 Private Sector Protections	_____
06 Transit Asset Management Plan	_____
07 Rolling Stock Buy America Reviews and Bus Testing	_____
08 Urbanized Area Formula Grants Program	_____
09 Formula Grants for Rural Areas	_____
10 Fixed Guideway Capital Investment Grants and the Expedited Project Delivery for Capital Investment Grants Pilot Program	_____
11 Grants for Buses and Bus Facilities and Low or No Emission Vehicle Deployment Grant Programs	_____

12 Enhanced Mobility of Seniors and Individuals with Disabilities Programs

13 State of Good Repair Grants

14 Infrastructure Finance Programs

15 Alcohol and Controlled Substances Testing

16 Rail Safety Training and Oversight

17 Demand Responsive Service

18 Interest and Financing Costs

19 Construction Hiring Preferences

20 Cybersecurity Certification for Rail Rolling Stock and Operations

FEDERAL FISCAL YEAR 2020 FTA CERTIFICATIONS AND ASSURANCES SIGNATURE

PAGE

(Required of all Applicants for federal assistance to be awarded by FTA in FY 2020)

AFFIRMATION OF APPLICANT

Name of the Applicant: Eastern Sierra Transit Authority

BY SIGNING BELOW, on behalf of the Applicant, I declare that it has duly authorized me to make these Certifications and Assurances and bind its compliance. Thus, it agrees to comply with all federal laws, regulations, and requirements, follow applicable federal guidance, and comply with the Certifications and Assurances as indicated on the foregoing page applicable to each application its Authorized Representative makes to the Federal Transit Administration (FTA) in federal fiscal year 2020, irrespective of whether the individual that acted on his or her Applicant's behalf continues to represent it.

FTA intends that the Certifications and Assurances the Applicant selects on the other side of this document should apply to each Award for which it now seeks, or may later seek federal assistance to be awarded during federal fiscal year 2020.

The Applicant affirms the truthfulness and accuracy of the Certifications and Assurances it has selected in the statements submitted with this document and any other submission made to FTA, and acknowledges that the Program Fraud Civil Remedies Act of 1986, 31 U.S.C. § 3801 *et seq.*, and implementing U.S. DOT regulations, "Program Fraud Civil Remedies," 49 CFR part 31, apply to any certification, assurance or submission made to FTA. The criminal provisions of 18 U.S.C. § 1001 apply to any certification, assurance, or submission made in connection with a federal public transportation program authorized by 49 U.S.C. chapter 53 or any other statute

In signing this document, I declare under penalties of perjury that the foregoing Certifications and Assurances, and any other statements made by me on behalf of the Applicant are true and accurate.

Signature _____ Date: _____

Name _____ Authorized Representative of Applicant

AFFIRMATION OF APPLICANT’S ATTORNEY

For (Name of Applicant): _____

As the undersigned Attorney for the above-named Applicant, I hereby affirm to the Applicant that it has authority under state, local, or tribal government law, as applicable, to make and comply with the Certifications and Assurances as indicated on the foregoing pages. I further affirm that, in my opinion, the Certifications and Assurances have been legally made and constitute legal and binding obligations on it.

I further affirm that, to the best of my knowledge, there is no legislation or litigation pending or imminent that might adversely affect the validity of these Certifications and Assurances, or of the performance of its FTA assisted Award.

Signature _____ Date: _____

Name _____ Attorney for Applicant

Each Applicant for federal assistance to be awarded by FTA must provide an Affirmation of Applicant’s Attorney pertaining to the Applicant’s legal capacity. The Applicant may enter its electronic signature in lieu of the Attorney’s signature within TrAMS, provided the Applicant has on file and uploaded to TrAMS this hard-copy Affirmation, signed by the attorney and dated this federal fiscal year.