

TOWN COUNCIL STAFF REPORT

Title: Service Agreement with Eastern Sierra Transit Authority (ESTA) for transit related services.

Meeting Date: February 2, 2022

Prepared by: Haislip Hayes, PE Public Works Director

RECOMMENDATION:

Staff recommends the Town Council authorize the Town Manager to execute a service agreement between the Town and the Eastern Sierra Transit Authority (ESTA) for transit related services.

BACKGROUND:

The Eastern Sierra Transit Authority (ESTA) was established in 2006 as a Joint Powers Authority (JPA) between Inyo and Mono Counties, the City of Bishop, and the Town of Mammoth Lakes. ESTA offers a variety of services, including fixed routes, local in-town dial-a-ride services, multiple town-to-town services throughout the Hwy 395 and Hwy 6 corridors, and interregional service extending from Reno, Nevada to Lancaster, California with connections to the Los Angeles area.

Since ESTA began operating in 2007 its capacity to provide service has grown year after year. Pre-COVID ridership increased annually, and the entity has become less reliant on Town support. The last service agreement with ESTA was executed in 2010. This agreement has been amended to meet the financial needs of both parties, but the document deserves review and updates to represent the relationship shared today.

ANALYSIS:

The 2010 Agreement with ESTA was developed to define the relationship between the Town and ESTA. How the Town and ESTA currently work together is still generally reflected in this document; however, there are some key aspects that have changed, and the agreement needs to be updated to reflect these changes. The revised agreement retains much of the core elements of the original contract including:

- TOML providing maintenance and repair services.
 - TOML provides shop service that include preventative maintenance, emergency service including towing and repairs, and major overhauls. Some machine shop and specialty service must be contracted out. ESTA reimburses the Town for this work.

- TOML providing access to fuel.
 - The Town owns and operates a fueling station that is used by ESTA. The Town charges 10 cents over our cost for fuel. This service provides a secure and convenient fueling option for ESTA.
- TOML providing use of its rolling stock.
 - When the previous contract was executed, the Town owned a number of buses. This is no longer the case, and the Town only provides Trolleys for ESTA to use on TOML routes. The Town currently has six Trolleys for ESTA to use. The agreement defines how this fleet is to be used and what steps need to be taken in the event a trolley is needed for charter outside of Town.
- Defining services that ESTA will provide.
 - ESTA provides a baseline 19,058 hours of service. This is often expanded each season, as needed to provide late season service in the Lakes Basin and Red's Meadow. The base services include:

Service	Hours
Purple Line	4,015
Town Trolley	10,775
Dial-a-Ride	2,268
Lakes Basin	1,848
Trippers	152
Total	19,058

- Cost per hour for ESTA to provide service.
 - The Town pays ESTA by the hour. The contract includes an hourly rate set by the Board of Directors of ESTA. This rate may be adjusted annually on July 1 of each year subject to concurrence by the Town of Mammoth Lakes
- Cost per hour for TOML to provide shop services.
 - The contract includes the Town shop rate for repair and maintenance services. This rate is reviewed regularly with the Town's fee schedule.

The revised contract eliminates lease language for the "Transit Yard" located at 210 Commerce. ESTA leases the yard and much of the building for their Town operations. In discussions with ESTA, it was determined that it was best to separate the lease from the service contract as they each require unique and specific language. This lease agreement is in development and will be materially the same as the previous agreement.

FINANCIAL CONSIDERATIONS:

The new contract reflects changes to the billable rates for Town and ESTA services. The Town currently bills ESTA \$108 for shop services, and 10 cents over cost for fuel. ESTA just raised their billable rates from \$47.47 to \$51.65. This increase is a direct result of increasing driver wages. Wages were determined to be a factor in driver recruitment and increases were necessary to ensure appropriate staffing to service the routes. The Town

contracts for 19,058 hours of service which means the annual TOML cost for service will increase \$79,662.44. The Town proposes to contract for a rate up to \$52 in order to capture any minor rate changes in the near future.