



**BOARD OF DIRECTORS
REGULAR MEETING AGENDA
NOVEMBER 20, 2024 - 1:30 PM**

Members of the public who wish to attend in person may do so at:

5401 Old Redwood Highway, 1st Floor
Petaluma, CA 94954

The SMART Board of Directors will facilitate using a dual format with listening and participation available through Zoom and in-person. SMART provides several remote methods for viewing the SMART Board Meetings and providing Public Comment.

HOW TO WATCH THE LIVE MEETING USING THE ZOOM

<https://sonomamarintrain-org.zoom.us/j/88227285065?pwd=SWQ4eDBMcTIHZUgvVndiYlhHTzJPUT09>

Webinar ID: 882 2728 5065

Passcode: 019592

TELECONFERENCE

Members of the public wishing to participate via teleconference can do so by dialing in the following number the day of the meeting: (669) 900-9128; Access Code: 882 2728 5065; Passcode: 019592.

WATCH THE BOARD MEETING VIA LIVESTREAM

You are able to [view live broadcasts](#) of Board meetings online here: <https://www.sonomamarintrain.org/meetings> To view the meeting, select "View Event" at the time of the meeting.

HOW TO PROVIDE COMMENTS ON AGENDA ITEMS

Prior To Meeting: Technology limitations may limit the ability to receive verbal public comments during the meeting. If you wish to make a comment you are strongly encouraged to please submit your comment to Board@SonomaMarinTrain.org by 5:00 PM on Tuesday, November 19, 2024.

During the Meeting: The SMART Board Chair will open the floor for public comment during the Public Comment period on the agenda. Please check and test your computer settings so that your audio speaker and microphones are functioning. Speakers are asked to limit their comments to two (2) minutes. The amount of time allocated for comments during the meeting may vary at the Chairperson's discretion depending on the number of speakers and length of the agenda.



BOARD OF DIRECTORS REGULAR MEETING AGENDA NOVEMBER 20, 2024 – 1:30 PM

Members of the public who wish to attend in person may do so at:
5401 Old Redwood Highway, 1st Floor
Petaluma, CA 94954

1. Call to Order
2. Approval of the October 16, 2024 Board Meeting Minutes
3. Board Member Announcements
4. Citizen's Oversight Committee Announcement – *Presented by Chair, Dani Sheehan-Meyer*
5. General Manager's Report
6. Public Comment on Non-Agenda Items

Consent Calendar

- 7a. Accept Monthly Ridership Report – October 2024
- 7b. Approve Monthly Financial Status Report – September 2024
- 7c. Authorize the General Manager to execute Amendment No. 6 to Contract No. OT-PS-16-004 with Masabi, LLC in an amount of \$67,750 for a not-to-exceed amount of \$563,170
- 7d. Authorize the General Manager to execute Amendment No. 2 to Contract No. FR-SV-22-009 with Summit Signal, Inc. in an amount of \$93,240 for a total not-to-exceed amount of \$244,824

Regular Calendar

8. Adopt a Resolution to Authorize the General Manager to execute Sole-Source Contract No. OP-SV-24-007 with Knorr Brake Company LLC to perform railcar air brake and air supply unit overhaul services in the amount-not to-exceed \$1,803,664 – *Presented by Chief Operating Officer, Marc Bader*
9. Marin-Sonoma Coordinated Transit Service Plan (MASCOTS) Update – *Presented by Planning Manager, Emily Betts*
10. Draft Fiscal Year 2025 – Fiscal Year 2030 Strategic Plan – *Presented by Planning Manager, Emily Betts*
11. Next Board of Directors Meeting, December 18, 2024 – 1:30 PM – 5401 Old Redwood Highway, 1st Floor, Petaluma, CA 94954
12. Adjournment

ACCOMODATIONS:

Public participation is solicited without regard to race, color, national origin, age, sex, gender identity, religion, disability or family status. Upon request, SMART will provide for written agenda materials in appropriate alternative formats, disability-related modification or other accommodation, to enable individuals to participate in and provide comments at/related to public meetings. Please submit a request, including your name, phone number and/or email address, and a description of the modification, accommodation, service, or alternative format requested at least two (2) days before the meeting. Requests should be emailed to *Leticia Rosas, Clerk of the Board* at lrosas@sonomamarintrain.org or submitted by phone at (707) 794-3072. Requests made by mail SMART's, 5401 Old Redwood Highway, Suite 200, Petaluma, CA 94954 must be received at least two days before the meeting. Requests will be granted whenever possible and resolved in favor of accessibility.



**BOARD OF DIRECTORS
REGULAR MEETING MINUTES
OCTOBER 16, 2024 – 1:30 PM
5401 Old Redwood Highway, 1st
Floor Petaluma, CA 94954**

1. Call to Order

Chair Lucan called the meeting to order at 1:30pm. Directors Coursey, Farac, Fudge, Pahre, Paulson, Rabbitt, and Sackett was present. Directors Bagby and Rogers absent; Directors Colin and Garbarino arrived later.

2. Approval of the September 18, 2024, Board Meeting

MOTION: Director Farac moved approval of the September 18, 2024, Board Meeting Minutes as presented. Director Rabbitt second. The motion carried 8-0 (Directors Bagby and Rogers absent; Directors Colin and Garbarino arrived later).

3. Board Members Announcements

Director Fudge asked if today's meeting can be adjourned in the Memory of Doug Williams. He was a supporter of SMART and Ambassador.

Director Paulson attended that Blue Angels event and spoke to the SMART Connect driver. Very pleased with the high demand of riders using the Larkspur Connect.

Chair Lucan announced that SMART received \$7 million federal grant for the completion of the SMART pathway segment from Santa Rosa to Sonoma County Airport. Also, the Transportation Authority of Marin approved allocating approximately \$5 million for the SMART pathway segment from Hanna Ranch Road to Rowland Blvd and to design a passenger drop off and pick up zone at the Civic Center Station.

Director Garbarino arrived at 1:35pm

Director Colin arrived at 1:36pm

Director Garbarino stated that she attended the North Bay Leadership Council, and it was a love fest for SMART.

4. General Manager's Report

General Manager Cumins provided an overview on the following:

- Contracts/Procurement over \$100k
- SB 904 Update
- Ridership Update
- MTC On-Board Survey Results
- Bike Share
- Construction Update
- Healdsburg Extension Progress
- Highlight of the Month
- Questions

Contract/Procurement over \$100k

Integrated Security Controls, Inc Contract Agreement No. IT-PS-24-006 is to provide on call maintenance support for SMART's CCTV and Access Control Systems in amount not-to-exceed \$120,000.

SB 904 Update

Governor Newsom signed SB 904 on September 28, 2024. This Bill will update SMART's Enabling Legislation.

Ridership Update

- August Average Weekday ridership: 3,659; 30% over September 2023
- October Average Weekday ridership: 3,618; 31% over October 2023
- September ridership 92,855; 36% higher than September 2023
- September Pathway trips: 83,987

MTC On-Board Survey Results

The last survey was conducted in 2018. MTC conducted an onboard survey between September 2023 and February 2024 and collected before the free fares program for youth and seniors. The key findings:

- More frequent riders
- More youth riders
- Range of Incomes
- Transit- Dependent Riders
- Local Riders
- Trip Purpose
- Employment Status
- Gender and Age
- Language spoken at home
- Race/Ethnicity

Bike Share

Regional Bikeshare Pilot Program launched on Tuesday, October 15th in Petaluma, Cotati, San Rafael, and Larkspur at SMART and Golden Gate Ferry. The ribbon cutting is planned for November 6th at 2pm at Petaluma Downtown Station. The Redwood Bikeshare App ([RedwoodBikeshare](#)).

Construction Update

The grade crossings at Schellville were repaired.

Pathway: McInnis Pathway Paving, San Rafael

Windsor Extension

- Roundabout Quiet Zone Diagnostic Review
- Track Construction at Depot

Petaluma:

- Erecting Canopy at Petaluma North Station
- Pathway paving
- Penngrove: Pathway Retaining Wall Near Main Street

Healdsburg Extension Progress

- September 2024 - SMART Board awarded Healdsburg Project Cost Estimator (CoCoConsult) for Project Delivery cost estimating and procurement support.
- October 2024 - SMART Healdsburg Project inclusion Plan Bay Area 2050 – Amendment recommended for approval by the committee to full MTC Commission for consideration on October 23rd. State of California will release Transit and Intercity Rail Capital Program Grant award announcement later this month.
- November 2024 - Caltrans and MTC submitting Solutions for Congested Corridors Program grant for SMART Extension to Healdsburg (Award - May/June 2025). SMART submitting Local Partnership Program Competitive grant for SMART Extension to Healdsburg (Award – May/June 2025).

Highlight of the Month

General Manager Cumins announced that **Joanne Parker** graduated from the Women’s Transportation Seminar Executive Leadership Program in Washington, DC. The program promotes skills to connect life and work for effective leadership, including: Setting strategic direction, Staying on course and Maneuvering through change.

5. Public Comment on Non-Agenda Items

Jack Swerengen asked when the report is available to the public for distribution. General Manager Cumins responded after the meeting the reports/presentations are uploaded to the website.

Richard Brand stated that the Strategic Plan Update Workshop was very organized and well attended. The wine tourism is excited to have the passenger service to Healdsburg. He said that Napa is developing a Tourism Strategic Plan and suggested that Sonoma and Marin County do the same.

Warren Wells congratulated SMART for receiving grant funding to complete pathway segments.

Mike Pechner said that the Schellville Depot has been restored and looks great. He was friends with Mr. Williams, and he will be greatly missed. He suggested staff revisit the wi-fi on the trains.

Chris Gunter stated that he is excited for SMART's progress and the Bike Share program. He asked for an update on the Jennings Avenue Crossing.

Matthew Hartzell congratulated SMART for receiving grant funding for the completion of the pathway segment gaps.

6. Consent
 - a. Accept Monthly Ridership Report – September 2024
 - b. Approve Monthly Financial Status Report – July/August 2024
 - c. Adopt a Resolution allowing the General Manager or his Designee to Execute a Master Funding Agreement with the Metropolitan Transportation Commission for planning, programming, transportation, transit, and land use or other projects
 - d. Authorize the General Manager to execute Amendment No. 3 to Contract No. IT-PS-21-002 with Golden Five, LLC in an amount of \$156,873.41 for a not-to-exceed amount of \$381,473.41
 - e. Authorize the General Manager to execute Amendment No. 1 to Contract No. OP-PS-21-005 with Urban Transportation Associates, Inc. in an amount of \$51,175 for a total not-to-exceed amount of \$387,859

Chair Lucan asked for Board and public comments on the proposed Consent Agenda.

MOTION: Director Garbarino moved approval of Consent Agenda as presented. Director Rabbitt second. The motion carried 10-0 (Directors Paulson and Rogers absent)

7. Petaluma North Station – Preparation for Passenger Service – Planned System Closure – *Presented by Train Control Systems Manager, Aaron Parkes*

Train Control Systems Manager, Aaron Parkes provided a presentation which is located on SMART's website. Highlights include:

Planned System Closure

- Full System Closure – Petaluma North Station
 - Saturday, December 14th and Sunday, December 15th
 - The public can expect to:
 - Hear the train horn near the Petaluma North station, despite the establishment of a Quiet Zone
 - Hear the bells and see flashing lights and gates activate at grade crossings
 - Hear the bell onboard SMART's train as it operates
 - See roadway flaggers performing traffic control near the Petaluma North Station
- Full System Closure - Todd Road Closure
 - Begin Friday, December 13th at 10pm
 - Saturday, December 14th
 - Conclude Sunday December 15th at 10pm
 - The public can expect to:
 - See traffic control in the vicinity of Todd Road, take detour routes around the Todd

- Road closure
- Hear and see heavy construction equipment operating at the grade crossing and in the vicinity of Todd Road

Train Control Systems Manager, Aaron Parkes introduced Communication and Marketing Manager, Julia Gonzalez who provided a presentation. Highlights include:

Full System Closure – Communications Plan

- Two communications campaign in tandem
- Key Audience
- Materials and Messaging in English and Spanish
- 4-week advance notification
- Key Message
- Channel of Communication

Comments

Director Coursey stated that he can assist SMART in providing the message to the residents between Todd Road and Bellevue. He suggested maps be provided for distribution.

Rick Luttmann said that there is construction on Hearn Avenue overhead crossing.

8. Strategic Plan Update – *Presented by Planning Manager, Emily Betts*

Planning Manager, Emily Betts provided a PowerPoint presentation, which is located on SMART's website. Highlights include:

- SMART Strategic Plan
- 2024-2029 Strategic Plan Process
- Strategic Plan – Community Workshops
- SMART House
- Strategic Planning Ladder
- Focus Areas and Goals
- Strategies
- Actions
- Strategies into Actions
 - Ridership
 - Pathway
 - Extensions
 - Freight
- Strategic Plan Outline
- Public Workshop
- 2024 Strategic Plan Timeline
- Questions and Feedback

Comments

Director Pahre stated that staff is very creative in engaging the public to participate to make it a successful event.

General Manager Cumins thanked staff for a successful open house.

Jack Swearingen stated that the open house was well organized and attended.

9. Adopt a Resolution to Amend the Fiscal Year 2025 Adopted Budget to Adjust Funding to the Windsor Extension Project (Budget Amendment #7) – *Presented by Chief Financial Officer, Heather McKillop*

Chief Financial Officer, Heather McKillop provided a presentation which is located on SMART’s website. Highlights include:

Budget Amendment #7 – Windsor Extension Project

- Increase funding for Windsor Extension project by \$345,000
 - \$120,000 funding originally planned in FY26 to be advanced to FY25 to initiate the mitigation portion of the project in the current fiscal year
 - \$225,000 funding shortfall in overall project cost
 - Funding with Measure Q dollars

Staff recommends approval of Resolution No. 2024-37 for Budget Amendment #7.

MOTION: Director Rabbitt moved to Adopt a Resolution to Amend the Fiscal Year 2025 Adopted Budget to Adjust Funding to the Windsor Extension Project (Budget Amendment #7) as presented. Director Farac second. The motion carried 10-0 (Directors Bagby and Rogers absent).

10. Adopt a Resolution to Amend the Fiscal Year 2025 Adopted Budget to add Fund Balance from Fiscal Year 2025 and increase Expenditure Authority for Freight (Budget Amendment #8) – *Presented by Chief Financial Officer, Heather McKillop*

Chief Financial Officer, Heather McKillop provided a presentation which is located on SMART’s website. Highlights include:

Budget Amendment #8 – Freight Bridges

- Fiscal Year 2024 close-out determined there was \$213,236 remaining in the freight fund balance
- Increase expenditure authority to fund bridge repair projects (total \$540,000)
 - Novato Creek - \$65,000
 - Sears Point Drainage - \$225,000
 - Wingo (Sonoma Creek) - \$250,000
- Program funding to cover bridge repair projects (total \$540,000)
 - \$213,236 freight fund balance roll forward
 - \$270,000 State Shortline Grant
 - \$56,764 of existing fund balance

Staff recommends approval of Resolution No. 2024-38 for Budget Amendment #8.

Comments

Richard Brand asked if the \$4 million funds from the State has been budgeted. Ms. McKillop responded that those funds have not.

MOTION: Director Pahre moved to Adopt a Resolution to Amend the Fiscal Year 2025 Adopted Budget to add Fund Balance from Fiscal Year 2025 and increase Expenditure Authority for Freight (Budget Amendment #8) presented. Director Paulson second. The motion carried 10-0 (Directors Bagby and Rogers absent).

Chair Lucan adjourned the Board to Closed Session 2:35pm on the following:

11. Closed Session - Conference with Legal Counsel regarding existing litigation pursuant to California Government Code Section 54956.9(a); Number of cases: One (1) Case: Dennis Muelrath, et al. v. Sonoma-Marín Area Rail Transit District (SMART) - Superior Court of California, County of Sonoma - SCV-271787
12. Report Out Closed Session

District Counsel Sutherland reported out of Closed Session at 3:15pm on the following:

Conference with Legal Counsel regarding existing litigation pursuant to California Government Code Section 54956.9(a); Number of cases: One (1) Case: Dennis Muelrath, et al. v. Sonoma-Marín Area Rail Transit District (SMART) - Superior Court of California, County of Sonoma - SCV-271787
Report Out: No reportable action.

13. Next Regular Meeting Board of Directors, November 20, 2024 – 1:30 PM – 5401 Old Redwood Highway, 1st Floor, Petaluma, CA 94954
14. Adjournment – Meeting adjourned in the *Memory of Doug Williams* at 3:17pm

Respectfully submitted,

Leticia Rosas
Clerk of the Board

Approved on: _____



November 20, 2024

Eric Lucan, Chair
Marin County Board of Supervisors

Melanie Bagby, Vice Chair
Sonoma County Mayors' and Councilmembers Association

Kate Colin
Transportation Authority of Marin

Chris Coursey
Sonoma County Board of Supervisors

Rachel Farac
Transportation Authority of Marin

Debora Fudge
Sonoma County Mayors' and Councilmembers Association

Patty Garbarino
Golden Gate Bridge,
Highway/Transportation District

Barbara Pahre
Golden Gate Bridge,
Highway/Transportation District

Gabe Paulson
Marin County Council of Mayors and Councilmembers

David Rabbitt
Sonoma County Board of Supervisors

Chris Rogers
Sonoma County Mayors' and Councilmembers Association

Mary Sackett
Marin County Board of Supervisors

Eddy Cumins
General Manager

5401 Old Redwood Highway
Suite 200
Petaluma, CA 94954
Phone: 707-794-3330
Fax: 707-794-3037
www.SonomaMarinTrain.org

Sonoma-Marín Area Rail Transit Board of Directors
5401 Old Redwood Highway, Suite 200
Petaluma, CA 94954

SUBJECT: Monthly Ridership Report – October 2024

Dear Board Members:

RECOMMENDATIONS: Accept Monthly Ridership Report

SUMMARY:

We are presenting the monthly ridership report for activity for the month of October 2024. This report shows trends in ridership for SMART by tracking Total riders Average Weekday riders, and Average Saturday riders, Average Sunday/Holiday riders, as well as bicycles and mobility devices on board the trains. The report also includes total users counted on the SMART Pathway for the month, and total riders on the SMART Connect shuttles.

With the transition to the Automatic Passenger Counter (APC) in October 2022, SMART has a highly accurate method of tracking boardings and alightings at stations that does not depend on manual counts by the conductors. The APC system has been tested and validated at a 99% accuracy level and has been certified for passenger count use by the Federal Transit Administration (FTA). Both APC-based ridership and fare-based collection rider counts are shown in the attached report to give a full picture of ridership. APC-based ridership captures all riders, including riders with passes who neglect to tag on or off, riders who fail to activate their mobile app tickets, as well as categories of riders such as children under five years old.

This report compares the most recent month to the same month during the prior year, as is standard industry practice for tracking trends over time. These reports also note relevant details associated with fare program discount usage and trends in riders bringing bicycles onboard as well as riders who use mobility devices.

SMART's ridership data through October 2024 is posted on the SMART website (<https://sonomamarintrain.org/RidershipReports>).

FISCAL IMPACT: None

REVIEWED BY: [x] Finance /s/ [x] Counsel /s/

Respectfully,
/s/
Emily Betts
Planning Manager

Attachment(s): Monthly Ridership Report – October 2024

OCTOBER 2024 SMART RIDERSHIP REPORT

October 2024 saw continued strong ridership, with average weekday ridership at 3,638, down just 1% from September. Average Saturday and Sunday ridership decreased by 8% and 22%, respectively, from the previous month. Total monthly ridership was 96,599, a 36% increase over last October, 69% over September 2019 (pre-COVID), and a new monthly ridership record for SMART. Average Saturday and Sunday ridership for October 2024 reached 40% and 51%, respectively, over October 2023.

As a reminder, SMART modified services in March 2020 due to the COVID-19 pandemic, with weekend service annulled and weekday service reduced to 16 trips. In May 2021, SMART added back 10 weekday trips. Saturday service was restored in May 2021, and Sunday service in May 2022. In June 2022, SMART added 10 additional weekday trips, and in October 2022, SMART added 2 additional midday trips, for a schedule of 38 trips per weekday. In May 2023, SMART added two evening trips on Friday and Saturday, known as the Starlighter. On October 2nd, SMART suspended the Starlighter service but increased weekend service, running 16 trips total on both Saturday and Sunday. In August 2024, SMART added two additional round trips for a total of 42 trips each weekday.

The tables below present data for October 2023 and 2024 year-over-year, and the Fiscal Year to date (July-October). Ridership for the fiscal year to date (FY25) is up 30% over the same time period for FY24.

MONTHLY TOTALS YEAR-OVER-YEAR	OCTOBER 2023	OCTOBER 2024	% Change
Ridership	70,807	96,599	36%
Fare Payments (Clipper + App Only)	59,142	53,336	-10%
Average Weekday Ridership	2,753	3,638	32%
Average Saturday Ridership	1,269	1,771	40%
Average Sunday Ridership	1,031	1,560	51%
Bicycles	11,028	15,381	39%
Mobility Devices	135	233	73%

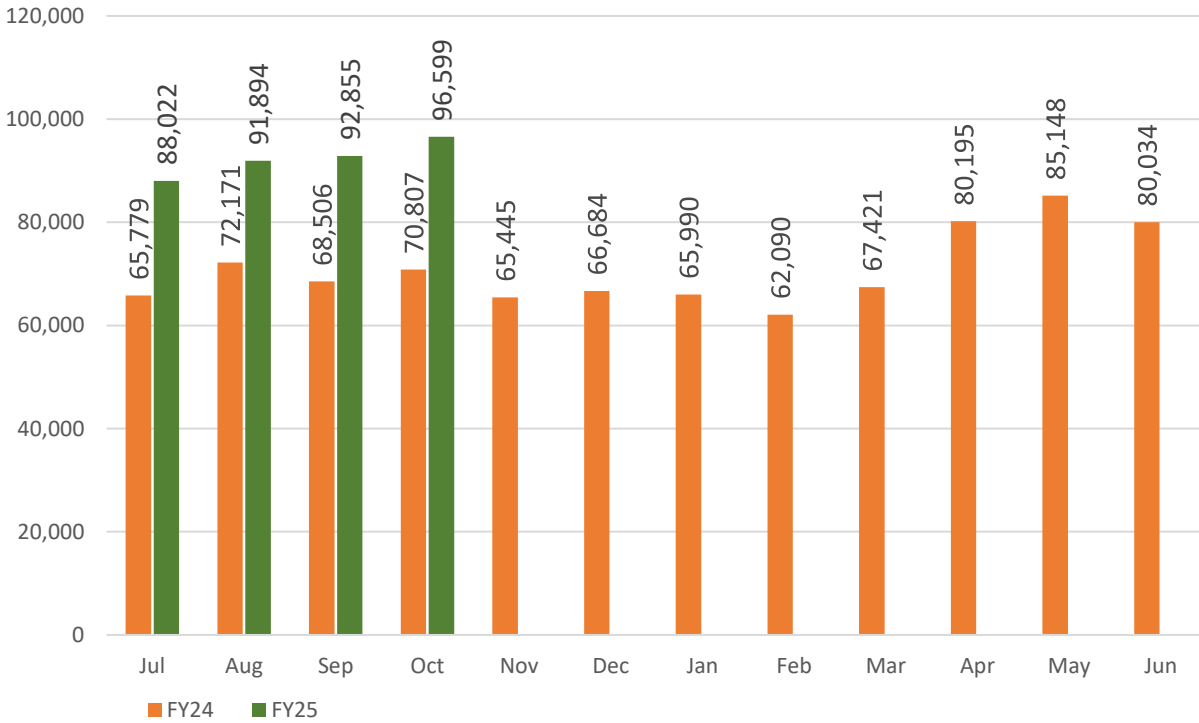
**Discrepancy between total ridership change and fare payments change due to launch of Free Fare program for youth and seniors on April 1.*

FISCAL YEAR (Jul - Oct)	Fiscal Year 2024	Fiscal Year 2025	% Change
Ridership	277,263	369,370	33%
Fare Payments (Clipper + App Only)	212,623	200,487	-6%
Average Weekday Ridership	2,702	3,460	28%
Average Saturday Ridership	1,368	1,960	43%
Average Sunday Ridership	1,147	1,865	63%
Bicycles	42,332	53,714	27%
Mobility Devices	703	978	39%

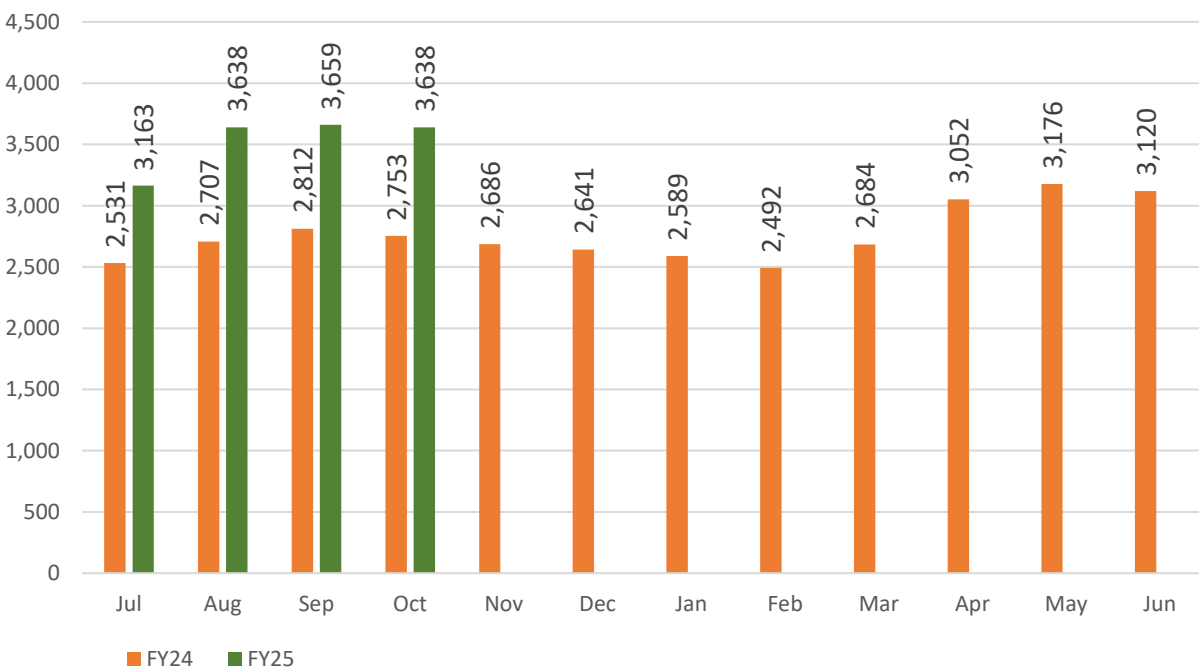
OCTOBER 2024 SMART RIDERSHIP REPORT

The following charts compare the average weekday ridership, average weekend ridership, boardings by day of week, and monthly totals for FY24-FY25.

SMART Monthly Ridership (FY24 - FY25)



SMART Average Weekday Ridership (FY24 - FY25)

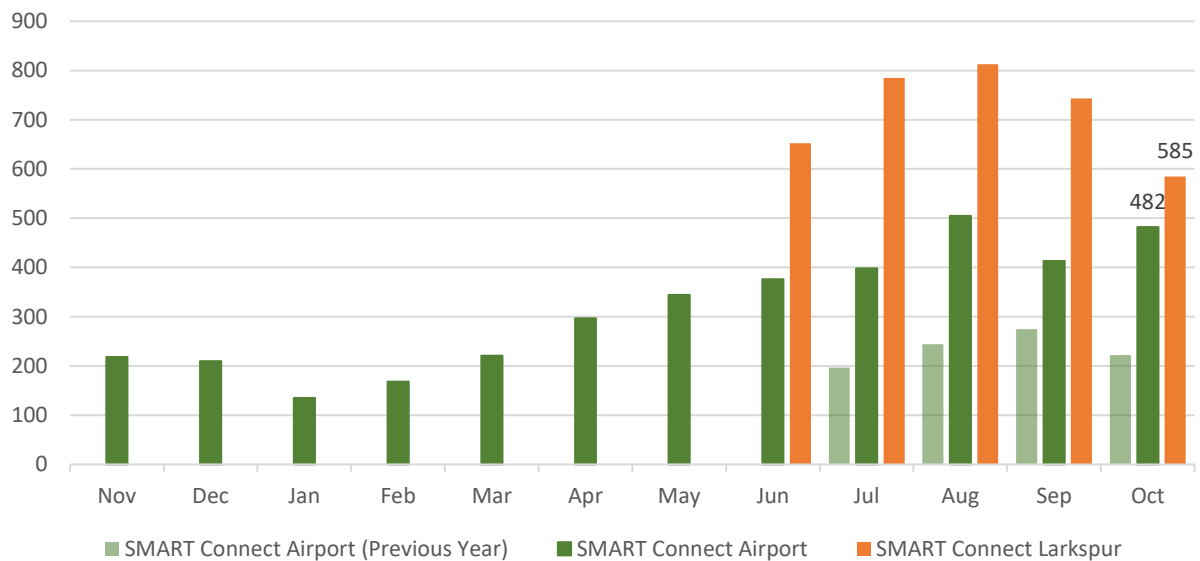


SMART Connect Program

SMART currently operates two on-demand shuttles, SMART Connect Airport and SMART Connect Larkspur. SMART Connect Airport, launched in June 2023, serves the SMART Sonoma County Airport station, the Charles M. Schultz Sonoma County Airport, and the surrounding area. SMART Connect Larkspur, launched in June 2024, serves the SMART Larkspur station, the Golden Gate Larkspur Ferry Terminal, and the surrounding Larkspur Landing area. The goal of the SMART Connect program is to facilitate first-and-last mile connections from SMART stations through the provision of a reliable on-demand shuttle that SMART riders can use for transit transfers, work and school commutes, and other destinations. SMART Connect uses microtransit software from The Routing Company called Ride Pingo, which allows users to pre-book trips or book a ride on-demand. Riders can also book by phone or walk on, space available.

Total October monthly ridership for the SMART Connect program was 1,067 riders.

SMART Connect Monthly Ridership

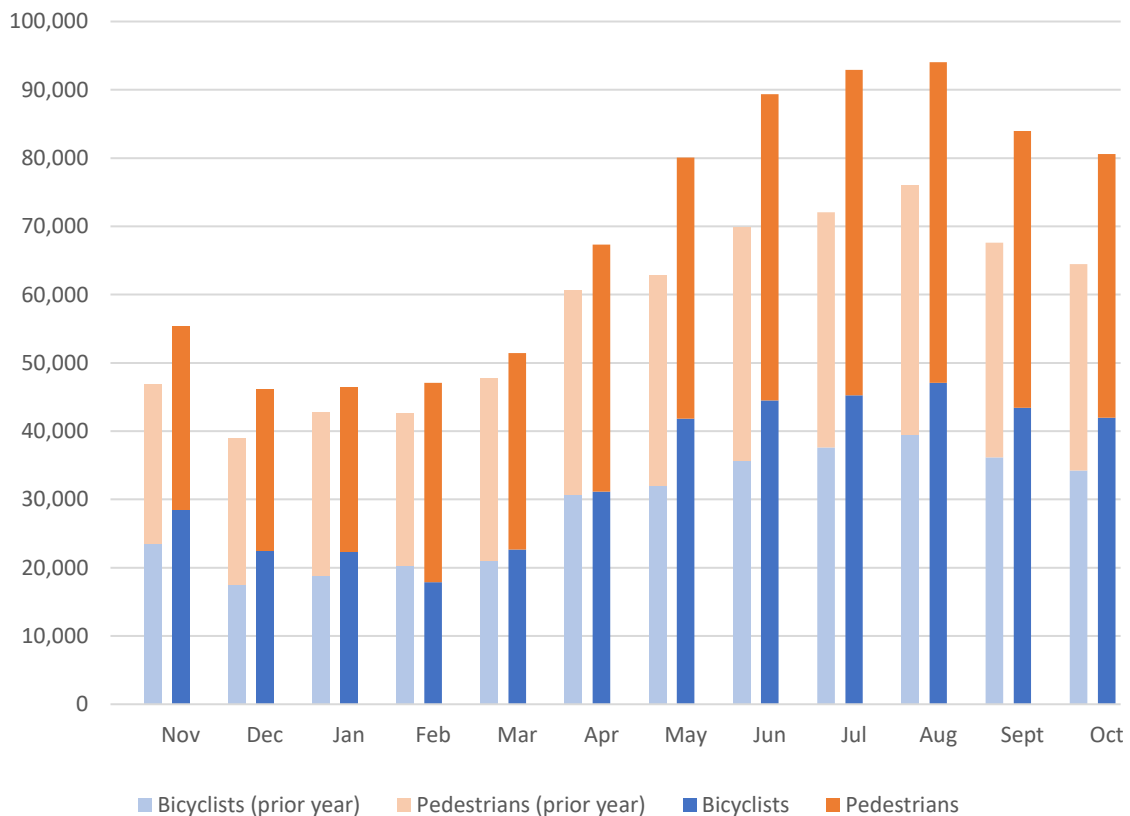


SMART Pathway

SMART has installed 10 counters on the Pathway, with five in Marin County and five in Sonoma County. The counters differentiate between bicycles and pedestrians, and track data by time of day and day of the week. The counters cannot distinguish between unique users, but based on the estimated average trip length of 3 miles, and the average spacing between counters of 4.6 miles, the counts are considered an accurate estimate of monthly pathway usage. As additional pathway segments are constructed, counters will be placed on those segments to measure pathway usage. To date, count data has shown a fairly even split between pedestrians and bicyclists.

In October 2024, SMART counted 80,610 users on the pathway, which was a 25% increase over last year.

SMART Monthly Pathway Counts





November 20, 2024

Eric Lucan, Chair
Marin County Board of Supervisors

Melanie Bagby, Vice Chair
Sonoma County Mayors' and Councilmembers Association

Kate Colin
Transportation Authority of Marin

Chris Coursey
Sonoma County Board of Supervisors

Rachel Farac
Transportation Authority of Marin

Debora Fudge
Sonoma County Mayors' and Councilmembers Association

Patty Garbarino
Golden Gate Bridge,
Highway/Transportation District

Barbara Pahre
Golden Gate Bridge,
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Gabe Paulson
Marin County Council of Mayors and Councilmembers

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Sonoma-Marin Area Rail Transit Board of Directors
5401 Old Redwood Highway, Suite 200
Petaluma, CA 94954

SUBJECT: Monthly Financial Status

Dear Board Members:

RECOMMENDATION: Approve Monthly Financial Report

SUMMARY:

This report provides information for the first quarter of Fiscal Year (FY) 2025. This information includes the Board Adopted Budget and Budget Amendment #6.

Budgeted revenues and actual expenditures for both passenger rail and freight are provided in separate charts in the attached document. The actual column reflects revenues and expenditures for the first quarter of FY 2025 (July – September). In addition, for passenger rail, we have shown more detail regarding sales tax and fare revenues to show current and comparative information over the last five years (FY 2021 – FY 2025). Fare revenues are down in the month of September due to three things (1) timing of cash collections (2) timing of the August Clipper settlement, and (3) additional reimbursement to Golden Gate for the rail & sail program because it had been calculated incorrectly since the change in pricing in April 2024. The first quarter collections averaged \$194,000/month.

Information on the approved budget, actual expenditures, and remaining budget have been provided. Please keep in mind that expenditures do not always occur on a straight-line basis, many large expenditures such as debt service only occur on specific intervals.

We have also included information regarding SMART's investment policy, where our funds are being held, and how much is currently being held. In addition, we have shown the current obligations, reserves, and fund balance requirements for FY 2025.

Sincerely,
/s/
Heather McKillop
Chief Financial Officer

Attachment(s): 1) Monthly Financial Status Report
2) Contract Summary Report



MONTHLY FINANCIAL STATUS

September 2024

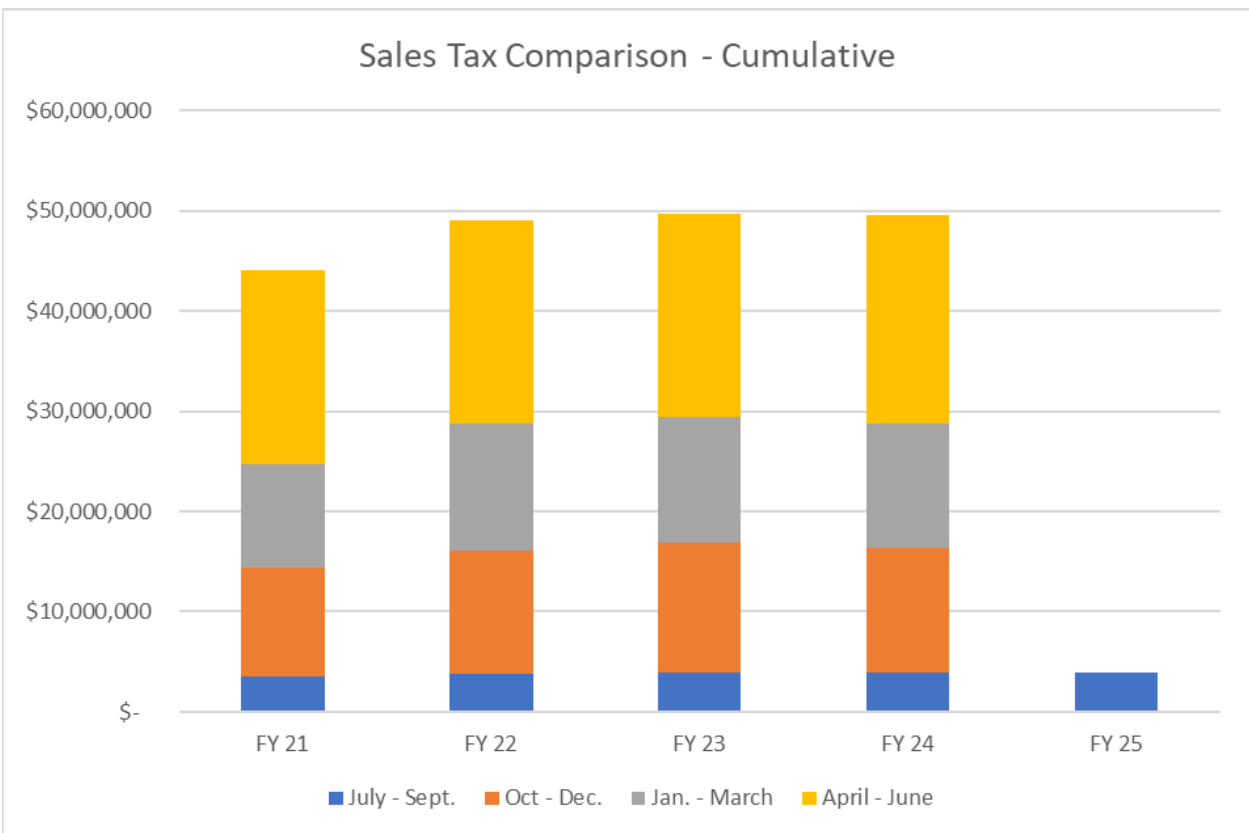
PASSENGER REVENUES

	FY 2024-25 Approved Budget + Amendments #1 - #6	Actual	Amount Over / (Under) Budget
Revenues			
Passenger Rail			
Sales/Use Taxes	\$ 50,426,000	\$ 3,853,923	\$ (46,572,077)
Interest and Lease Earnings	\$ 1,979,636	\$ 216,460	\$ (1,763,176)
Miscellaneous/ Other Revenue	\$ 295,921	\$ 118,367	\$ (177,554)
Passenger Fares	\$ 2,215,290	\$ 580,988	\$ (1,634,302)
Parking Fares	\$ 11,400	\$ 4,129	\$ (7,271)
Shuttle Fares	\$ 1,200	\$ 584	\$ (616)
State Grants	\$ 54,679,307	\$ -	\$ (54,679,307)
Federal Funds	\$ 8,332,676	\$ -	\$ (8,332,676)
Other Governments	\$ 3,305,915	\$ -	\$ (3,305,915)
Passenger Rail	\$ 121,247,345	\$ 4,774,451	\$ (116,472,894)

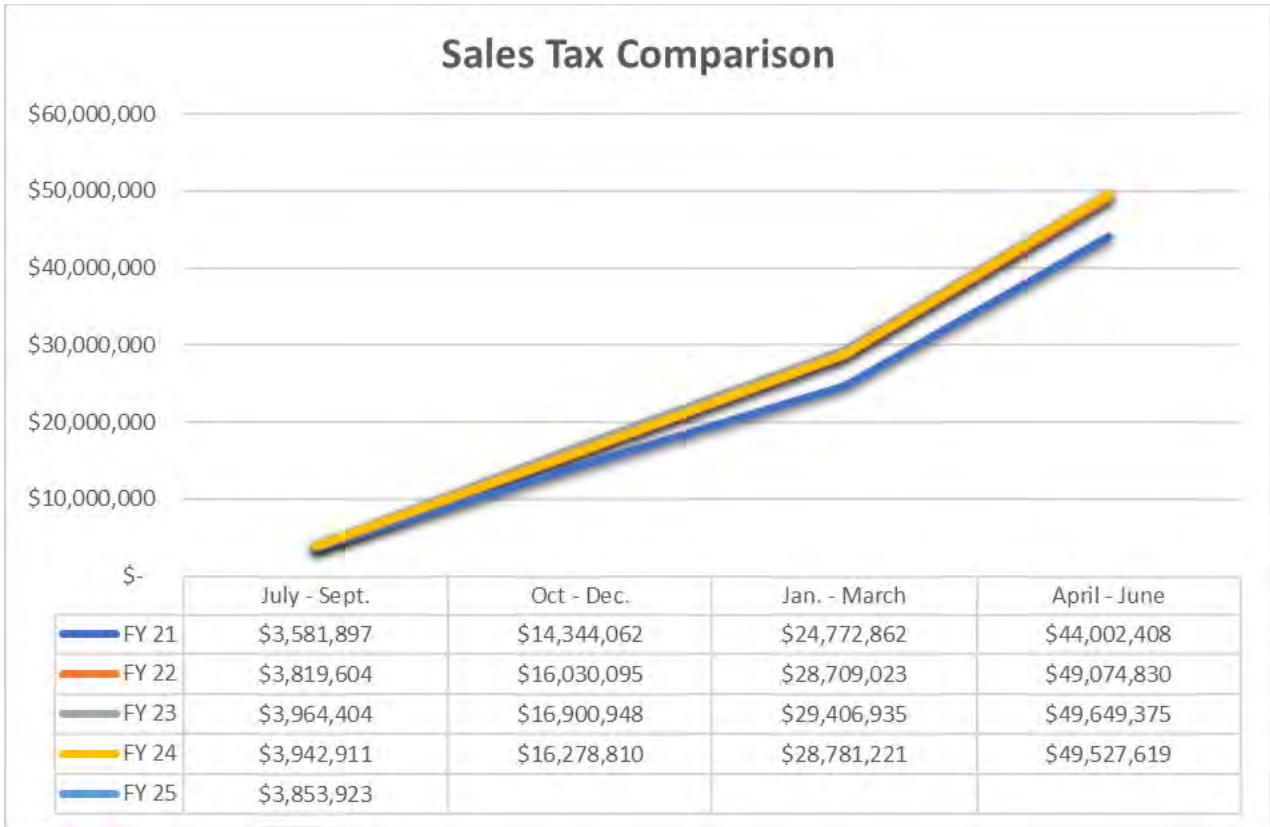
**Measure Q Sales Tax
Fiscal Year (FY) 2025**

Time Period	July - Sept.	Oct - Dec.	Jan. - March	April - June
FY 25 Forecasted Sales Tax	\$ 3,900,000	\$ 12,500,000	\$ 12,600,000	\$ 21,426,000
Actual	\$ 3,853,923			
Difference	\$ 46,077			

**Fiscal Year 2021-2025 Net Sales Tax Comparison
(by Quarter)**



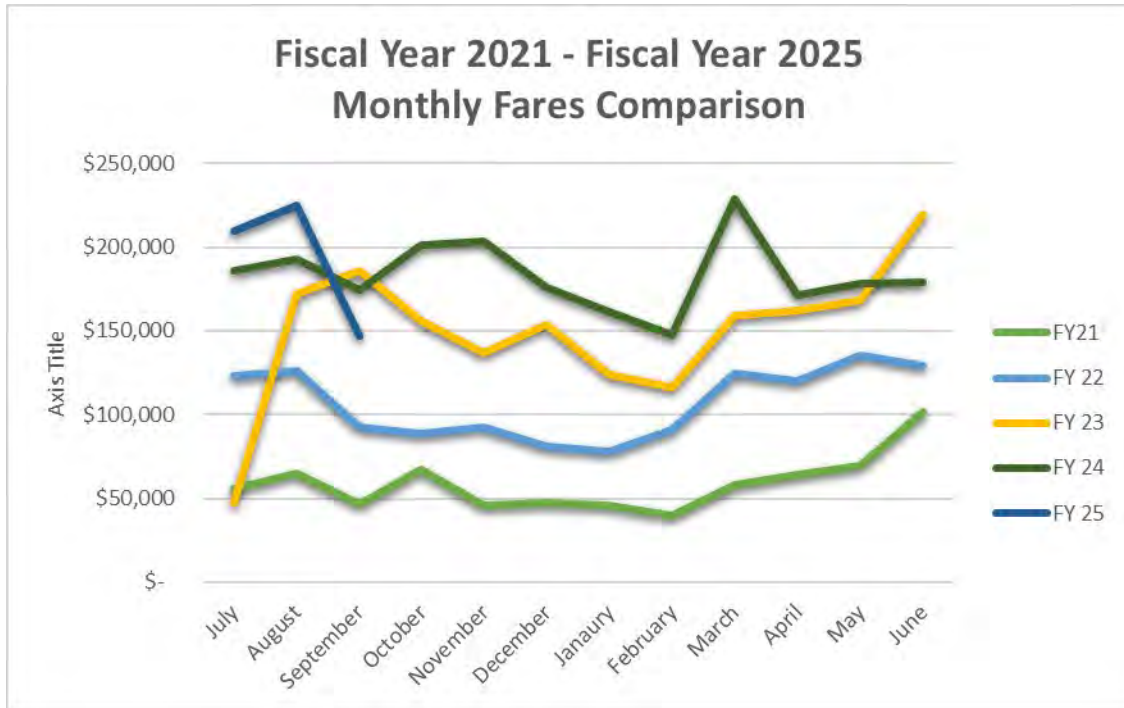
Fiscal Year 2021-2025 Cumulative Sales Tax Comparison



Fiscal Year 2021-2025 Fare Revenue Comparison



Fiscal Year 2021-2025 Monthly Fare Revenue Comparison



PASSENGER EXPENDITURES

	FY 2024-25 Approved Budget	Actual	Amount Over / (Under) Budget
Passenger Expenditures			
Administration			
Salaries & Benefits	\$ 6,560,493	\$ 1,597,586	\$ (4,962,907)
Services & Supplies	\$ 11,187,386	\$ 1,151,957	\$ (10,035,429)
Administration Subtotal	\$ 17,747,879	\$ 2,749,543	\$ (14,998,336)
Operations			
Salaries & Benefits	\$ 18,782,237	\$ 4,403,670	\$ (14,378,567)
Services & Supplies	\$ 7,453,524	\$ 1,091,644	\$ (6,361,880)
Operations Subtotal	\$ 26,235,761	\$ 5,495,314	\$ (20,740,447)
Capital			
Salaries & Benefits	\$ 1,834,833	\$ 168,194	\$ (1,666,639)
Services & Supplies	\$ 4,157,170	\$ 121,928	\$ (4,035,242)
Capital Subtotal	\$ 5,992,003	\$ 290,122	\$ (5,701,881)
Total Passenger Expenditures	\$ 49,975,643	\$ 8,534,979	\$ (41,440,664)

Passenger (Capitalized) Expenditures			
Facilities	\$ 46,807,112	\$ 21,895,204	\$ (24,911,908)
Infrastructure	\$ 2,580,324	\$ 1,477,460	\$ (1,102,864)
Equipment	\$ 2,725,605	\$ 7,949	\$ (2,717,656)
Nonrevenue vehicles	\$ 1,037,906	\$ 400,875	\$ (637,031)
Revenue vehicles	\$ -		\$ -
Land	\$ 1,307,750	\$ 1,313,032	\$ 5,282
Other Governments	\$ 1,293,812	\$ 415,765	\$ (878,047)
Total Passenger (Capitalized) Expenditures	\$ 55,752,510	\$ 25,510,285	\$ (30,242,225)

Passenger Expenditures + Capitalized	\$ 105,728,153	\$ 34,045,264	\$ (71,682,889)
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FREIGHT REVENUES

	FY 2024-25 Approved Budget	Actual	Amount Over / (Under) Budget
Revenues			
Freight			
State Operating/ Capital Grant (42341)	\$ 393,549		\$ (393,549)
State Shortline Grant	\$ 129,776		\$ (129,776)
Freight Movement Fees	\$ 700,000	\$ 227,879	\$ (472,121)
Leases	\$ 270,000	\$ 42,325	\$ (227,675)
Freight Storage	\$ 104,800	\$ 22,816	\$ (81,984)
45(g) Tax Credit & Misc. Revenues	\$ 593,000	\$ 250,580	\$ (342,420)
Freight	\$ 2,191,125	\$ 543,600	\$ 1,647,525

FREIGHT EXPENDITURES

	FY 2024-25 Approved Budget	Actual	Amount Over / (Under) Budget
Freight Expenditures			
Administration			
Salaries & Benefits	\$ -	\$ -	\$ -
Services & Supplies	\$ -	\$ -	\$ -
Administration Subtotal	\$ -	\$ -	\$ -
Operations			
Salaries & Benefits	\$ 870,099	\$ 183,018	\$ (687,081)
Services & Supplies	\$ 992,925	\$ 93,394	\$ (899,531)
Operations Subtotal	\$ 1,863,024	\$ 276,412	\$ (1,586,612)
Capital			
Salaries & Benefits	\$ -	\$ -	\$ -
Services & Supplies	\$ -	\$ -	\$ -
Capital Subtotal	\$ -	\$ -	\$ -
Total Freight Expenditures	\$ 1,863,024	\$ 276,412	\$ (1,586,612)

Freight (Capitalized) Expenditures			
Facilities		\$ -	\$ -
Infrastructure	\$ 209,553	\$ -	\$ (209,553)
Equipment		\$ -	\$ -
Nonrevenue vehicles		\$ -	\$ -
Revenue vehicles		\$ -	\$ -
Land		\$ -	\$ -
		\$ -	\$ -
Total Freight (Capitalized) Expenditures	\$ 209,553	\$ -	\$ (209,553)

Freight Expenditures + Capitalized	\$ 2,072,577	\$ 276,412	\$ (1,796,165)
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CAPITAL PROJECTS

Capital Project Report	Sep-24				
	Total Project Budget	Expended in Prior Fiscal Years	Budgeted in FY25	Remaining to be Budgeted in Future Years	Project Status
PASSENGER RAIL PROJECTS					
Extension: Windsor Civil	\$ 55,560,845	\$ 37,217,067	\$ 18,343,778	\$ -	Under construction. Action pending in Amended Budget to reduce FY25 Budget amount.
Extension: Windsor Systems	\$ 18,102,142	\$ 8,392,880	\$ 9,709,262	\$ -	Under construction
Extension: Windsor Pedestrian Undercrossing	\$ 4,300,000	\$ 2,127,124	\$ 2,172,876	\$ -	Under construction as part of the Windsor Extension project.
Town of Windsor Utility Crossing	\$ 407,100	\$ -	\$ 407,100	\$ -	Under construction as part of the Windsor Extension project.
Extension: Healdsburg	\$ 268,278,000	\$ -	\$ 3,250,000	\$ 265,028,000	Preparation for progressive design-build process beginning early this fiscal year
Station: Petaluma North	\$ 14,416,187	\$ 5,131,792	\$ 9,284,395	\$ -	Construction is in progress. Action pending in Amended Budget to reduce FY25 Budget amount.
SGR: McDowell Grade Crossing	\$ 4,005,892	\$ 1,521,842	\$ 2,484,050	\$ -	Construction is in progress
City of Petaluma North McDowell Paving Project	\$ 886,712	\$ 174,760	\$ 711,953	\$ -	Construction is in progress
Pathway: Golf Course to Bellevue and Southpoint to Penngrove Construction	\$ 20,814,815	\$ 3,947,547	\$ 16,847,271	\$ 19,997	Construction is in progress
Pathway: Design for 7 Segments in Marin and Sonoma Counties	\$ 3,936,755	\$ 2,408,679	\$ 1,304,423	\$ 223,653	Conducting engineering design and pursuing environmental permits to prepare for construction.
Pathway: Design for 5 Segments in Marin County	\$ 6,323,781	\$ 1,663,579	\$ 4,038,421	\$ 621,781	Conducting engineering design and pursuing environmental permits to prepare for construction.
Pathway: Construction for Mcinnis to Smith Ranch	\$ 4,841,108	\$ 1,645,339	\$ 3,073,668	\$ 122,101	Under construction.
Pathway: Joe Rodota Trail	\$ 523,862	\$ 56,108	\$ 465,985	\$ 1,769	Construction planned to start in FY25.
City of Santa Rosa W. 3rd Street Grade Crossing Design	\$ 153,855	\$ 122,719	\$ 13,987	\$ 17,149	Currently in design
Pathway: Hanna Ranch to Vintage	\$ 6,084,521	\$ -	\$ 200,000	\$ 5,884,521	Currently in design and permitting.
Pathway: Guerneville Rd to Airport Blvd Pathway Construction	\$ 14,618,729	\$ 17,325	\$ 200,000	\$ 14,401,404	Pursuing NEPA clearance.
Puerto Suello Pathway Design and Permitting	\$ 708,227	\$ -	\$ 708,227	\$ -	Request for Proposal (RFP) is being prepared for procurement.
FREIGHT RAIL PROJECTS					
Schellville Grade Crossing Repair	\$ 141,633	\$ -	\$ 141,633	\$ -	Construction planned for fall.
Brazos Branch Bridge Repairs (Phase 2)	\$ 67,920	\$ -	\$ 67,920	\$ -	Currently purchasing bridge timbers for this phase.

INVESTMENTS

Investments are guided by the SMART investment policy adopted each year with the budget. The policy outlines the guidelines and practices to be used in effectively managing SMART's available cash and investment portfolio. District funds that are not required for immediate cash requirements are to be invested in compliance with the California Code Section 53600, et seq.

SMART uses the Bank of Marin for day-to-day cash requirements and for longer term investments the Sonoma County Treasury Pool is used. This chart reflects a point in time versus a projection of future fund availability.

<u>Cash On Hand</u>	
Bank of Marin	\$ 37,582,709
Sonoma County Investment Pool *	\$ 76,391,914
Total Cash on Hand	\$113,974,623
<u>Reserves</u>	
Self-Insured	\$ 2,370,675
OPEB/ CalPERS	\$ 5,574,676
Operating Reserve	\$ 11,728,963
Capital Sinking Fund	\$ 11,317,250
Corridor Completion	\$ 7,000,000
Total Reserves	\$ 37,991,564
Cash Balance	\$ 75,983,059
Less: Current Encumbrances	\$ (42,457,771)
Balance	\$ 33,525,288
Less: Estimated FY24 Year-end Fund Balance	\$ (47,059,760)
Remaining Balance	\$ (13,534,472)
* Doesn't include trustee accounts	



Contract Summary

Active contracts as of September 30, 2024

PASSENGER RAIL		Scope	Fiscal Year 24/25 Projected	Fiscal Year 24/25 Actuals
Contractor				
A.J. Janitorial Service		Janitorial Services for all Stations Roblar, ROC and Fulton	\$ 9,140	\$ 9,140
Alcohol & Drug Testing Services, LLC		DOT and FRA-regulated Drug and Alcohol Testing Services	\$ 45,000	\$ 18,424
Allen, Glaessner, Hazelwood LLP		Legal Services for Litigation and Rail Transit Issues	\$ 50,000	\$ -
Alliant Insurance Services		Insurance Brokerage and Risk Management Services	\$ 50,000	\$ -
Asbury Environmental Services (AES)		Hazardous and Non-Hazardous Waste Removal and Disposal Services	\$ 75	\$ -
Atlas CopCo Compressors, LLC		Air Compressor Maintenance Services	\$ 1,003	\$ 1,003
BKF Engineers		Design and Engineering Services for MUP Segments in Sonoma and Marin Counties	\$ 273,662	\$ 26,628
Bolt Staffing Service, Inc.		Temporary Staffing Services	\$ 45,000	\$ 29,988
Bright Star Security, Inc.		Security Patrol at SMART's Cal Park Tunnel	\$ 5,718	\$ 2,859
Bureau Veritas Technical Assessments, LLC		Equal Access and ADA Consulting	\$ 25,000	\$ -
Cal Interpreting & Translations		Real Time Translation and Related Services	\$ 13,000	\$ -
Cinquini & Passarino, Inc.		Right-of-Way Land Surveying and Related Services	\$ 7,773	\$ -
Clean Solutions Services Inc.		Janitorial and Custodial Services for SMART's Stations, Offices, and Park & Ride Lots	\$ 137,885	\$ 11,335
Code 3 Entertainment Services, LLC		Microtransit Operations and Maintenance Services	\$ 567,433	\$ 140,639
Construction Testing Services		Construction Materials Testing Support Services	\$ 189,625	\$ 333
Craft & Commerce		Marketing and Community Outreach Services and Support	\$ 200,000	\$ 107,000
CSW/Stuber-Stroeh Engineering Group		Design and Engineering Services for 5 MUP Segments in Marin County	\$ 683,104	\$ -
CSW/Stuber-Stroeh Engineering Group		Design and Engineering for Petaluma North Station, N. McDowell Grade Crossing, Segments 2 & 3 Pathway	\$ 382,800	\$ 138,130
Data Ticket		Processing Parking Fines for Illegal Parking	\$ 1,800	\$ 300
Dr. Lance O'Connor		Occupational Health Screening Services	\$ 5,000	\$ -
Dudek		Biological and Cultural Resource Monitoring	\$ 195,000	\$ -
Dunnigan Psychological & Threat Assessments, LLC		Employment-Related Psychological Evaluation Services	\$ 25,000	\$ 4,200
Elde Brally LLP		Financial Audit Services	\$ 61,110	\$ -
eLock Technologies, LLC		Station Bike Lockers - Ongoing Maintenance and Support Services	\$ 11,850	\$ 6,165
Federated Indians of Graton Rancheria		Tribal Monitoring for Ground-Disturbing Activities - SoCo Pathway	\$ 20,000	\$ 6,097
Fehr & Peers		Comprehensive Quality of Life and Impact Assessment	\$ 413,113	\$ 10,275
Foster & Foster (formerly Demsey, Filliger, & Associates, LLC)		GASB Pension Compliance Services (Actuarial Calculations)	\$ 1,250	\$ -
Front Signs (Square Signs, LLC)		System-Wide Pathway Wayfinding Signage	\$ 599,447	\$ -
Front Signs (Square Signs, LLC)		Temporary Staffing and Placement Services	\$ 55,000	\$ 266
Gary D. Nelson Associates, Inc.		Third Party Claims Administration Services	\$ 30,000	\$ 440
George Hills Company, Inc.		Construction of NMP McInnis to Smith Ranch	\$ 1,785,346	\$ 1,371,420
Ghiolotti Bros. Inc.		Construction of 365 Consulting Services	\$ 54,389	\$ 9,050
Golden Five, LLC		Media Streaming and Internet Broadcasting Services	\$ 13,503	\$ 13,503
Granicus, Inc.		Implementation and Monitoring the the Las Gallinas Creek Riparian Enhancement Project	\$ 29,841	\$ 4,430
Hanford A.R.C.		Maintenance and Monitoring the the Las Gallinas Creek Watershed Riparian Enhancement Planting	\$ 17,425	\$ 3,011
Hanford A.R.C.		Legal Services - Union Negotiations	\$ 120,000	\$ 670
Hanson Bridgett LLP		Bulk Delivery of Motor Oil (15W40)	\$ 8,213	\$ 3,144
Hunt and Sons, Inc.		Maximo SaaS Development, Implementation, and Related Services	\$ 75,000	\$ -
Intelligent Technology Solutions, LLC		California State Legislative and Advocacy Services	\$ 120,000	\$ 30,000
Khouri Consulting, LLC		Various legal services related to transit	\$ 65,000	\$ 51
Lewis, Brisbois, Bisgaard & Smith LLP		Substance Abuse Professional Services	\$ 1,400	\$ -
Lisa Wolper, LCSW, SAP		SMART Mobile Ticketing Pilot Project	\$ 30,000	\$ 15,000
Masabi LLC		FRA Regulatory Compliance Software	\$ 31,664	\$ 8,790
MaxAccel		Learning Management System	\$ 15,832	\$ 2,982
MaxAccel		45G Tax Credit Advisory Services	\$ 15,035	\$ 15,035
Mickelson & Company, LLC		Employee Uniform Rentals	\$ 24,077	\$ 10,876
Mission Linen Supply		Laundry and Dry Cleaning for SMART-Owned Uniforms	\$ 9,025	\$ 700
Mission Linen Supply		Monitoring and Maintenance SMART's Communications Network and TDX System	\$ 15,726	\$ 15,664
Modern Railway Systems, Inc.		Design and Construction of Systems Improvements for the Windsor Extension Project	\$ 5,350,845	\$ 1,319,190
Modern Railway Systems, Inc.		Real Time Train Arrival Digital Signage for Train Platforms	\$ 452,877	\$ -
Modern Railway Systems, Inc.		Sales Tax Recovery Services	\$ 30,000	\$ 611
MuniServices, LLC		Drinking Water Delivery Service	\$ 3,260	\$ 396
North Bay Bottling (Alex Ruiz Sr.)		Provision of Fuel for DMUS	\$ 1,100,000	\$ 371,217
North Bay Petroleum		Litigation, Rail Transit Issues, and other related legal services	\$ 180,000	\$ 88,446
Nossaman LLP		Pre-Employment Evaluation Services	\$ 35,000	\$ 1,891
Occupational Health Centers of CA		Fusion ERP System	\$ 329,413	\$ -
Oracle		Equipment Repair and Related Services	\$ 7,507	\$ -
Pape Machinery, Inc.				

Contractor	Scope	Fiscal Year 24/25 Projected	Fiscal Year 24/25 Actuals
Parodi Investigative Solutions	Pre-Employment Background Investigation Services	\$ 25,000	\$ 3,500
PFM Financial Advisors, LLC	Financial Advisory Services	\$ 5,000	\$ -
Pitney Bowes, Inc.	Lease for Mail Machine	\$ 701	\$ -
Pivotal Vision, LLC	Security Software Licensing / Rail Network	\$ 2,750	\$ 2,750
Portola Systems, Inc.	SMART Station Network Maintenance and Configuration Services	\$ 271,543	\$ 201,693
Precision Wireless	Tech Support and Maintenance for Land Mobile Radio	\$ 44,932	\$ 2,851
RSE Corporation	Civil Engineering, Design, and Land Surveying	\$ 42,500	\$ -
Sierra-Cedar, LLC	Oracle Enterprise Resources Planning Software	\$ 152,000	\$ 44,475
Sonoma County Fleet Operation Division	Non-Revenue Fleet Vehicle Installation, Maintenance, and Repair Services	\$ 65,000	\$ 13,062
SPTJ Consulting, Inc.	Network Monitoring and Support Services	\$ 202,419	\$ 33,737
Square Signs LLC dba Front-Signs	System-Wide Pathway Wayfinding Signage	\$ 599,447	\$ -
Stacy and Witbeck, Inc.	Design/Build Construction of Civil, Track & Structures of Windsor Extension	\$ 17,936,174	\$ 11,417,263
Stacy and Witbeck/Ghiolotti Bros, A Joint Venture	Construction of Petaluma North Station Platform, Grade Crossing Reconstruction, and Pathway	\$ 22,871,960	\$ 10,457,246
Stacy and Witbeck/Ghiolotti Bros, A Joint Venture	Paving Work for the City of Petaluma as Part of the Petaluma North Project	\$ 582,187	\$ 45,665
Survival CPR & First Aid, LLC	Active Shooter Training and Related Services	\$ 2,970	\$ -
Survival CPR & First Aid, LLC	First Aid and CPR Training, AED Compliance Program Management	\$ 11,300	\$ 1,089
TDG Engineering, Inc.	Wayfinding System Planning and Design for the SMART Pathway	\$ 21,592	\$ -
The Routing Company	Furnish, implement, and Maintain a Microtransit Software Platform	\$ 12,000	\$ 4,266
Tom Hehir dba Aspire Consulting	Social Media Campaign for SMART Connect	\$ 6,200	\$ 6,200
TRC Engineers, Inc.	Leadership and Development Workshop Services	\$ 24,266	\$ -
Triangle Properties, Inc.	Construction Management Support Services	\$ 413,197	\$ -
Triangle Properties, Inc.	SoCo Pathway Riparian Enhancement Implementation and Monitoring	\$ 39,080	\$ 15,231
Triangle Properties, Inc.	Helen Putnam Riparian Mitigation	\$ 523,270	\$ -
Triangle Properties, Inc.	Windsor Creek Riparian Enhancement	\$ 41,932	\$ 3,701
United Construction Management Corp	Construction Management Support Services	\$ 160,083	\$ 32,525
Van Scoyoc Associates	Federal Lobbying Services	\$ 30,000	\$ 15,000
Vista Broadband Networks, Inc.	Broadband Services	\$ 9,000	\$ 2,250
Ward Levy Appraisal Group, Inc.	Real Estate Appraisals and Related Services	\$ 4,950	\$ -
Web Master Designs, LLC	As-Needed Monitoring, Management, and Support Services for Public-Facing Websites	\$ 5,580	\$ 1,463
WRA, Inc.	As-Needed Environmental Consulting Services	\$ 78,900	\$ 34,431
	TOTAL	\$ 58,201,961	\$ 26,128,557

FREIGHT RAIL

Contractor	Scope	Fiscal Year 24/25 Projected	Fiscal Year 24/25 Actuals
Freight Rail Tracking Software	Freight Rail Tracking Software	\$ 6,000	\$ 814
GATX Rail Locomotive Group, LLC	Freight Locomotive Lease Agreement	\$ 48,200	\$ 13,237
HCI Systems, Inc.	Fire Equipment Inspection and Certification	\$ 354	\$ -
Hue & Cry, Inc.	Security System at Schellville Depot	\$ 994	\$ 249
Lambertus J. Versteegen dba South West Locomotive Repair	Locomotive Maintenance and Repair	\$ 15,000	\$ -
North Bay Petroleum	Provision of Fuel For Freight Locomotives	\$ 90,000	\$ 18,601
Summit Signal, Inc.	Inspection, Testing, and Maintenance Services for Signal Equipment Along Brazos Branch	\$ 40,542	\$ 20,271
Summit Signal, Inc.	Freight Call-Out Maintenance and Repair Services	\$ 6,565	\$ 2,477
Wine Country Sanitary, Inc.	Portable Toilet Rental and Maintenance	\$ 1,600	\$ 394
	TOTAL	\$ 209,255	\$ 56,043

Actuals-To-Date include invoices that have been approved, but may not have been processed in SMART's Financial System, as of September 30, 2024



Eric Lucan, Chair
Marin County Board of Supervisors

November 20, 2024

Melanie Bagby, Vice Chair
Sonoma County Mayors' and Councilmembers Association

Sonoma- Marin Area Rail Transit Board of Directors
5401 Old Redwood Highway, Suite 200
Petaluma, CA 94954

Kate Colin
Transportation Authority of Marin

SUBJECT: Approval of Masabi, LLC Contract Amendment No. 6

Chris Coursey
Sonoma County Board of Supervisors

Dear Board Members:

Rachel Farac
Transportation Authority of Marin

RECOMMENDATIONS:

Authorize the General Manager to execute Amendment No. 6 to Contract No. OT-PS-16-004 with Masabi, LLC for an increase amount of \$67,750 for a total not-to-exceed of \$563,170.

Debora Fudge
Sonoma County Mayors' and Councilmembers Association

Patty Garbarino
Golden Gate Bridge,
Highway/Transportation District

SUMMARY:

On October 3, 2016, SMART entered into an agreement with Masabi, LLC. The scope required that Masabi to design and provide a working, fully functional mobile application that enables a SMART rider to purchase and activate a "ticket" that can be visually inspected by a train host and allow the agency to collect data necessary for reporting purposes. This scope was delivered, and SMART customers have been successfully using the application ever since.

Barbara Pahre
Golden Gate Bridge,
Highway/Transportation District

Gabe Paulson
Marin County Council of Mayors and Councilmembers

David Rabbitt
Sonoma County Board of Supervisors

The SMART application has provided options that weren't and are not currently available on the Clipper system. However, Clipper is in the process of transitioning from a card-based system to an account-based system. Once that transition is complete, we are anticipating that we will be able to deliver the services provided by the Masabi app through the Clipper system. SMART has committed to Clipper that we will transition once the options are available on the new system. Currently implementation of the new system is scheduled to take place in 2025. We are asking for Masabi's contract to be extended until we can transition to the new Clipper system with its new features.

Chris Rogers
Sonoma County Mayors' and Councilmembers Association

Mary Sackett
Marin County Board of Supervisors

Eddy Cumins
General Manager

5401 Old Redwood Highway
Suite 200
Petaluma, CA 94954
Phone: 707-794-3330
Fax: 707-794-3037
www.SonomaMarinTrain.org

The contract has two component parts. The first is the annual fee that we pay to use the app and for technical support which is \$5,250/ month. In addition, we pay a merchant and service fee for each transaction. That fee is deducted directly from fare collections prior to the funds being transferred to SMART. Approximately 28% of our fares are collected through the Masabi app.

FISCAL IMPACT: The funds are budgeted in the Fiscal Year 2024/2025 Board Adopted Budget.

REVIEWED BY: [] Finance _____ [x] Counsel /s/ _____

Sincerely,

/s/
Heather McKillop
Chief Financial Officer

Attachment(s): Masabi, LLC Contract Amendment No. 6

**SIXTH AMENDMENT TO THE AGREEMENT FOR CONSULTANT SERVICES
BETWEEN THE SONOMA-MARIN AREA RAIL TRANSIT DISTRICT
AND MASABI, LLC**

This Sixth Amendment dated as of November 20, 2024 (the “Sixth Amendment”), to the Agreement for Consultant Services by and between Masabi, LLC (hereinafter referred to as “CONSULTANT”) and the Sonoma-Marín Area Rail Transit District (hereinafter referred to as “SMART”), dated as of October 3, 2016 (the “Original Agreement,” as amended and supplemented by the First, Second, Third, Fourth, Fifth, and now this Sixth Amendment, the “Agreement”).

RECITALS

WHEREAS, CONSULTANT and SMART previously entered the Original Agreement on October 3, 2016 to develop and maintain SMART’s Mobile Ticketing Application; and

WHEREAS, SMART and CONSULTANT previously entered into various Amendments to the Agreement between January 1, 2018 to December 20, 2023 to increase the not-to-exceed amount, modify the scope of work, add additional insurance requirements, and extend the term of the Agreement; and

WHEREAS, SMART desires to amend the Agreement to extend the term of the Agreement through December 31, 2025, modify the Exhibit B Rate Schedule, and increase the not-to-exceed amount by \$67,750.00 for a total not-to-exceed amount of \$563,170.00;

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

AGREEMENT

1. **“ARTICLE 2. LIST OF EXHIBITS”**. The following exhibits are attached hereto and incorporated herein:

(b) Exhibit B: Fee or Schedule of Hourly Rates

The Exhibit B included in the Agreement is hereby deleted and replaced with the Exhibit B included in this Sixth Amendment.

2. **“ARTICLE 5. PAYMENT”**. Section 5.02 is hereby deleted and replaced with the following:

“Vendor shall be paid, as full compensation for the satisfactory completion of the work described in the Scope of Work (Exhibit A) in accordance with the budget established in Exhibit B, provided, however, that Vendor agrees to perform all services described in the Scope of Work for the negotiated amount of \$563,170.00 regardless of whether it takes Vendor more time to complete or costs are more than anticipated. The not-to-exceed (NTE) amount of \$563,170.00 for this Agreement includes labor, travel, supervision, applicable surcharges such as taxes, insurance and fringe benefits as well as indirect costs, overhead and profit allowance, equipment, materials and supplies; in no case shall Vendor be reimbursed for an amount in excess of the NTE amount without a formal written amendment to this Agreement.”

3. **“ARTICLE 6. TERM OF AGREEMENT”**. Section 6.01 is hereby deleted and replaced with the following:

“The term of this Agreement shall remain in effect through December 31, 2025, unless terminated earlier in accordance with the provisions of **Article 7.**”

4. Except to the extent the Agreement is specifically amended or supplemented hereby, the Agreement, together with all supplements, amendments and exhibits thereto is, and shall continue to be, in full force and effect as originally executed, and nothing contained herein shall, or shall be construed to, modify, invalidate, or otherwise affect any provision of the Agreement.

SIGNATURE PAGE TO FOLLOW

IN WITNESS WHEREOF, the parties hereto have executed this Sixth Amendment as of the date first set forth above.

SONOMA-MARIN AREA RAIL TRANSIT DISTRICT

Dated: _____

By _____
Eddy Cumins, General Manager

MASABI, LLC

Dated: _____

By _____
Jen Braly, SVP, PMO and Global Deployments

APPROVED AS TO FORM:

Dated: _____

By _____
District Counsel

**EXHIBIT B
FEE SCHEDULE**

Implementation		
Fee Type	Cost	Notes
Upfront Fixed Cost	\$65,000.00	
Transaction Fee	3.5% per Transaction	
Merchant Acquirer and Payment Processing Fees (Credit Card Fees)	Per transaction fee, at an estimate of 3-4% of transaction, depending on average transaction size.	<p>Masabi passes through all direct payment card and processing fees without markup. These fees include industry standard payment card Interchange Fees together with those standard payment processing fees levied by Merchant Acquirer and Payment Gateway. Masabi uses the following providers:</p> <ul style="list-style-type: none"> • Merchant Acquirer: Chase Paymentech • Payment Gateway: MasterCard Payment Gateway Services (MPGS) <p>It is anticipated Interchange Fees should not exceed 3-4%, but such fees are industry-standard and depend on the average transaction size.</p>
Merchant Acquirer & Payment Processing Fees	\$1,000.00	Upfront Fixed Configuration Cost
Payment Reconciliation / Bank Transfer Fees	\$100 per first monthly reconciliation/transfer; \$50 per subsequent reconciliation/transfer per month.	Monthly Fixed Configuration Cost

Fully Refundable Deposit for Refund Processing	\$5,000.00	Will be refunded to SMART at the end of the contract.
Pre-Agreed Time and Materials Development Costs	Vendor Standard Hourly rate card, plus direct expenses.	It is not currently envisioned that any “custom” development will be required, but any such development will be scheduled by mutual agreement and price in accordance with the standard development rate-card prevailing at that time.

Ongoing Service and Support		
Fee Type	Cost	Notes
Ongoing Service and Support	\$5,000/month	Until December 2017
Ongoing Service and Support	\$4,900/month	January 2018 through June 2019
Ongoing Service and Support	\$4,750/month	Beginning July 2019
Ongoing Service and Support	\$5,000/month	Effective January 1, 2024
Ongoing Service and Support	\$5,250/month	Effective January 1, 2025

The following payment schedule applies:

- Ongoing Service and Support Fees and Payment Reconciliation/Bank Transfer fees shall be invoiced at the end of each calendar month commencing with the month of deployment.
- Vendor Transaction Fees, and pass-through Merchant Acquirer and Payment Processing Fees shall be deducted from each bank transfer of ticketing proceeds.



Eric Lucan, Chair
Marin County Board of Supervisors

Melanie Bagby, Vice Chair
Sonoma County Mayors' and Councilmembers Association

Kate Colin
Transportation Authority of Marin

Chris Coursey
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Marin County Board of Supervisors

Eddy Cumins
General Manager

5401 Old Redwood Highway
Suite 200
Petaluma, CA 94954
Phone: 707-794-3330
Fax: 707-794-3037
www.SonomaMarinTrain.org

November 20, 2024

Sonoma-Marín Area Rail Transit Board of Directors
5401 Old Redwood Highway, Suite 200
Petaluma, CA 94954

SUBJECT: Approval of Summit Signal, Inc Contract Amendment No. 2

Dear Board Members:

RECOMMENDATION

Authorize the General Manager to execute Amendment No. 2 to Contract No. FR-SV-22-009 with Summit Signal, Inc. for an increase amount of \$93,240 for a total not-to-exceed amount of \$244,824 and extend the term for one year through December 31, 2025.

SUMMARY

On January 1, 2023, SMART entered into an Agreement with Summit Signal, Inc. to perform the Federal Railroad Administration ("FRA") required routine inspections, tests, minor repairs, and maintenance for railroad signal equipment located along SMART's Brazos Subdivision for SMART's Freight division. This Agreement was the result of a formal Invitation for Bid solicitation process and included a one-year base term with four (4) available options to extend. Last year, SMART amended the agreement incorporating option year 2, which provided a one-year extension through December 31, 2024, and an increase of \$81,084 to the not-to-exceed amount.

SMART wishes to continue receiving Summit Signal's services and recommends amending the agreement to incorporate option year 3 to provide another one-year extension through December 31, 2025, and an increase of \$93,240 for a not-to-exceed amount of \$244,824 to cover the extension term.

Extending this service agreement is vital in maintaining continued routine inspections, tests, minor repairs and maintenance to ensure all Federal Railroad Administration ("FRA"), California Public Utilities Commission ("CPUC"), American Railway Engineering and Maintenance of Way Association ("AREMA"), California Manual on Uniform Traffic Control Devices ("MUTCD") and Original Equipment Manufacturer requirements are met for compliance and to maintain a safe and efficient freight operation.

FISCAL IMPACT: The Fiscal impact of the amendment is \$93,240. The funds are included in the Fiscal Year 2025 budget and assumed in the Fiscal Year 2026 budget.

REVIEWED BY: [x] Finance /s/ [x] Counsel /s/

Respectfully,

 /s/
Jon Kerruish
Freight Manager

Attachment(s): Summit Signal, Inc Contract Amendment No. 2

**SECOND AMENDMENT TO THE SERVICE AGREEMENT BETWEEN THE
SONOMA-MARIN AREA RAIL TRANSIT DISTRICT
AND SUMMIT SIGNAL, INC**

This Second Amendment dated as of November 20, 2024 (the “Second Amendment”), to the Service Agreement by and between Summit Signal, Inc (hereinafter referred to as “CONTRACTOR”) and the Sonoma-Marín Area Rail Transit District (hereinafter referred to as “SMART”), dated as of January 1, 2023 (the “Original Agreement,” as amended and supplemented by the First, and now this Second Amendment, the “Agreement”).

RECITALS

WHEREAS, CONTRACTOR and SMART previously entered the Original Agreement on January 1, 2023 to perform required inspections, testing, and maintenance services for railroad signal equipment along SMART’s Brazos Subdivision; and

WHEREAS, SMART and CONTRACTOR entered into the First Amendment to the Agreement on November 3, 2023 to extend the term of the agreement through December 31, 2024 using the first available option in the Agreement and increase the not-to-exceed amount by \$81,084.00; and

WHEREAS, SMART desires to amend the Agreement to extend the term through December 31, 2025 using the second available option in the Agreement and increase the not-to-exceed amount by \$93,240.00 for a total not-to-exceed amount of \$244,824.00.; and

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

AGREEMENT

1. **“ARTICLE 5. PAYMENT”**. Section 5.02 is hereby deleted and replaced with the following:

“Section 5.02 CONTRACTOR shall be paid, as full compensation for the satisfactory completion of the work described in the Scope of Work (Exhibit A), for the negotiated amount of \$244,824.00, regardless of whether it takes CONTRACTOR more time to complete or costs are more than anticipated. The not-to-exceed (NTE) amount of \$244,824.00 for this Agreement includes labor, supervision, applicable surcharges such as taxes, insurance and fringe benefits as well as indirect costs, overhead and profit allowance, equipment, materials and supplies; in no case shall CONTRACTOR be reimbursed for an amount in excess of the NTE amount without a formal written amendment to this Agreement. CONTRACTOR must submit all invoices on a timely basis, but no later than thirty (30) days from the date the services/charges were incurred. SMART does not reimburse for travel time.”

2. **“ARTICLE 6. TERM OF AGREEMENT”** is hereby deleted and replaced in its entirety with the following:

“Section 6.01. The term of this Agreement shall remain in effect through December 31, 2025 with two (2) one-year options to extend thereafter at SMART’s sole discretion, unless terminated earlier in accordance with the provisions of Article 7 below.”

3. Except to the extent the Agreement is specifically amended or supplemented hereby, the Agreement, together with all supplements, amendments and exhibits thereto is, and shall continue to be, in full force and effect as originally executed, and nothing contained herein shall, or shall be construed to, modify, invalidate, or otherwise affect any provision of the Agreement.

SIGNATURE PAGE TO FOLLOW

IN WITNESS WHEREOF, the parties hereto have executed this Second Amendment as of the date first set forth above.

SONOMA-MARIN AREA RAIL TRANSIT DISTRICT

Dated: _____

By _____
Eddy Cumins, General Manager

SUMMIT SIGNAL, INC

Dated: _____

By _____
Danny Mihelcic, Secretary

APPROVED AS TO FORM:

Dated: _____

By _____
District Counsel



Eric Lucan, Chair
Marin County Board of Supervisors

Melanie Bagby, Vice Chair
Sonoma County Mayors' and Councilmembers Association

Kate Colin
Transportation Authority of Marin

Chris Coursey
Sonoma County Board of Supervisors

Rachel Farac
Transportation Authority of Marin

Debora Fudge
Sonoma County Mayors' and Councilmembers Association

Patty Garbarino
Golden Gate Bridge,
Highway/Transportation District

Barbara Pahre
Golden Gate Bridge,
Highway/Transportation District

Gabe Paulson
Marin County Council of Mayors and Councilmembers

David Rabbitt
Sonoma County Board of Supervisors

Chris Rogers
Sonoma County Mayors' and Councilmembers Association

Mary Sackett
Marin County Board of Supervisors

Eddy Cumins
General Manager

5401 Old Redwood Highway
Suite 200
Petaluma, CA 94954
Phone: 707-794-3330
Fax: 707-794-3037
www.SonomaMarinTrain.org

November 20, 2024

Sonoma - Marin Area Rail Transit Board of Directors
5401 Old Redwood Highway, Suite 200
Petaluma, CA 94954

SUBJECT: Award Contract No. OP-SV-24-007 with Knorr Brake Company LLC

Dear Board Members:

RECOMMENDATION:

Adopt Resolution No. 2024-39, authorizing the General Manager to execute sole-source Contract No. OP-SV-24-007 with Knorr Brake Company LLC to perform railcar air brake and air supply unit overhaul services in the amount-not to-exceed \$1,803,664 and approve the following findings:

- 1) There is only a single source of procurement for certain specialized rail car equipment overhaul services on equipment which have been specifically designed for SMART's rail car system, and the negotiating process has resulted in a fair and reasonable contract price with Knorr Brake Company, LLC.
- 2) The Board approves the direct purchase of this specialized overhaul service from Knorr Brake Company LLC.

SUMMARY:

The Board-Approved Fiscal Year 2024-25 Budget includes the purchase of specialized rail car overhaul services essential for supporting train operations. This purchase is for the specialized overhaul of the train's air brake system, which includes: disassembly and cleaning of components, replacing consumables and preselected material per the brake overhaul requirements, condition inspection of all not-kit parts prior to re-use and replacement based on inspection findings, reassembly utilizing new OEM (Original Equipment Manufacturer) wear components, testing, and final inspection.

Federal Regulations require the train air brake systems to be inspected and overhauled every five years. Knorr Brake Company, LLC was the original design-builder for the specialized brake systems on SMART's Nippon Sharyo Diesel Multiple Units and is the only authorized service provider to perform these required overhaul services.

To further ensure there were no other vendors able to perform this service, SMART issued a public Notice of Intent to Award a Noncompetitive, Negotiated Contract to Knorr Brake Company for these services and invited vendors to respond back if in fact they were able to fulfill this need. No responses were received by any other vendor and SMART proceeded with successfully negotiating a fair and reasonable contract with Knorr Brake Company, LLC.

Staff recommends that the Board approve the findings and authorize the General Manager to execute sole-source Contract No. OP-SV-24-007 with Knorr Brake Company LLC for a not-to-exceed amount of \$1,803,664 to perform the air brake system overhaul services.

The planned overhaul schedule allows for the servicing of rail cars as follows:

- Fiscal Year 2025 - 2 cars for an amount of \$200,407.
- Fiscal Year 2026 - 5 rail cars in the amount of \$501,018.
- Fiscal Year 2027 - 6 rail cars in the amount of \$601,221.
- Fiscal Year 2028 - 5 rail cars in the amount of \$501,018.

FISCAL IMPACT: Funding is assumed in the approved Fiscal Year 2025 budget with subsequent years included in the Capital Plan.

REVIEWED BY: [x] Finance /s/ [x] Counsel /s/

Respectfully,

/s/
Marc Bader
Chief Operating Officer

Attachment(s): Resolution No. 2024-39

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SONOMA-MARIN AREA RAIL TRANSIT DISTRICT APPROVING CONTRACT NO. OP-SV-24-007 WITH KNORR BRAKE COMPANY, LLC TO PERFORM RAILCAR AIR BRAKE AND AIR SUPPLY UNIT OVERHAUL SERVICES

WHEREAS, Section 20355.7 of the Public Utilities Code authorizes the Sonoma-Marín Area Rail Transit District (SMART) to purchase specialized rail equipment by competitive negotiation upon a finding of two thirds of the members of the Board that the purchase of that equipment in compliance with provisions of this code generally applicable to the purchase does not constitute a method of procurement adequate for the District’s needs.

WHEREAS, the Board-Approved Fiscal Year 2024-25 Budget includes the purchase of specialized rail car overhaul services essential for supporting train operations.

WHEREAS, this purchase is for the specialized overhaul of the trains’ air brake system.

WHEREAS, Federal Regulations require train air brake systems to be inspected and overhauled every five years.

WHEREAS, Knorr Brake Company, LLC was the original design-builder for the specialized brake systems on SMART’s Nippon Sharyo Diesel Multiple Units and is the only authorized service provider to perform these required overhaul services.

WHEREAS, to further ensure there were no other vendors able to perform this service, on July 19, 2024, SMART issued a public Notice of Intent to Award a Noncompetitive, Negotiated Contract to Knorr Brake Company for these services and invited vendors to respond back if in fact they were able to fulfill this need.

WHEREAS, SMART did not receive any responses by any other vendor and SMART proceeded with successfully negotiating a fair and reasonable contract with Knorr Brake Company, LLC.

WHEREAS, a competitive procurement process would not accomplish the purpose of the public procurement statutes as there is only a single source of procurement for certain specialized rail car equipment overhaul services on equipment which have been specifically designed for SMART’s rail car system.

WHEREAS, SMART has determined there is adequate justification for a single source procurement for this specialized rail equipment.

NOW, THEREFORE, BE IT RESOLVED THAT THE BOARD OF DIRECTORS OF SMART HEREBY FINDS, DETERMINES, DECLARES, AND ORDERS AS FOLLOWS:

1. The forgoing Recitals are true and correct and are incorporated herein and form a part of this Resolution.

Resolution No. 2024-39
Sonoma-Marín Area Rail Transit District
November 20, 2024

2. There is only a single source of procurement for certain specialized rail car equipment overhaul services on equipment which have been specifically designed for SMART's rail car system and the Board finds the negotiating process has resulted in a fair and reasonable contract price with Knorr Brake Company, LLC.

3. The Board approves the direct purchase of these specialized overhaul service from Knorr Brake Company LLC.

4. The General Manager is authorized to execute a Sole-Source Contract No. OP-SV-24-007 with Knorr Brake Company, LLC for a total not-to-exceed contract amount of \$1,803,664 and a maximum period of 4 years.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of the Sonoma-Marín Area Rail Transit District held on the 20th day of November 2024, by the following vote:

DIRECTORS:

AYES:

NOES:

ABSENT:

ABSTAIN:

Eric Lucan, Chair, Board of Directors
Sonoma-Marín Area Rail Transit District

ATTEST:

Leticia Rosas, Clerk of Board of Directors
Sonoma-Marín Area Rail Transit District

SERVICE AGREEMENT

This agreement (“Agreement”), dated as of November 20, 2024 (“Effective Date”) is by and between the Sonoma-Marín Area Rail Transit District (hereinafter “SMART”), and Knorr Brake Company LLC (hereinafter “Service Provider”).

RECITALS

WHEREAS, Service Provider represents that it is qualified, experienced, and authorized to perform standard brake system overhaul services on SMART’s Nippon Sharyo Diesel Multiple Units; and

WHEREAS, in the judgment of the Board of Directors of SMART or District, it is necessary and desirable to employ the services of Service Provider to perform Standard Brake System Overhaul Services for SMART’s fleet of eighteen (18) Nippon Sharyo Diesel Multiple Units (DMUs); and

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual covenants contained herein, the parties hereto agree as follows:

AGREEMENT

ARTICLE 1. RECITALS.

Section 1.01 The above Recitals are true and correct.

ARTICLE 2. LIST OF EXHIBITS.

Section 2.01 The following exhibits are attached hereto and incorporated herein:

- (a) Exhibit A: Scope of Work & Timeline
- (b) Exhibit B: Schedule of Rates
- (c) Exhibit C: State of California Provisions

ARTICLE 3. REQUEST FOR SERVICES.

Section 3.01 Initiation Conference. SMART’s Vehicle Maintenance Manager or designee (hereinafter “SMART Manager”) will initiate all requests for services through an Initiation Conference, which may be in person, by telephone, or by email.

Section 3.02 Amount of Work. SMART does not guarantee a minimum or maximum amount of work under this Agreement.

ARTICLE 4. SCOPE OF SERVICES.

Section 4.01 Scope of Work. Service Provider shall perform services within the timeframe outlined in **Exhibit A** (cumulatively referred to as the “Scope of Work”).

Section 4.02 Cooperation With SMART. Service Provider shall reasonably cooperate with the SMART Manager in the performance of all work hereunder.

Section 4.03 Performance Standard. Service Provider shall perform all work hereunder in a manner consistent with the level of competency and standard of care normally observed by a person practicing in Service Provider’s profession. If, within one (1) year from the date of delivery, SMART determines that any of Service Provider’s work is not in accordance with such level of competency and standard of care, SMART, in its sole discretion, shall have the right to do any or all of the following: (a) require Service Provider to meet with SMART to review the quality of the work and resolve matters of concern; (b) require Service Provider to repeat the work at no additional charge until it is reasonably satisfactory; (c) terminate this Agreement pursuant to the provisions of Article 7; or (d) pursue any and all other remedies at law or in equity.

Section 4.04 Assigned Personnel.

- (a) Service Provider shall assign only competent personnel to perform work hereunder. In the event that at any time SMART, in its reasonable discretion, desires the removal of any person or persons assigned by Service Provider to perform work hereunder, Service Provider shall remove such person or persons promptly upon receiving written notice from SMART specifically enumerating the reasons for such request.
- (b) Any and all persons identified in this Agreement or any exhibit hereto as the project manager is deemed by SMART to be key personnel whose services were a material inducement to SMART to enter into this Agreement, and without whose services SMART would not have entered into this Agreement. Service Provider shall not remove, replace, substitute, or otherwise change any key personnel without the prior written consent of SMART, such consent not to be unreasonable withheld or delayed.
- (c) In the event that any of Service Provider’s personnel assigned to perform services under this Agreement become unavailable due to resignation, sickness or other factors outside of Service Provider’s control, Service Provider shall be responsible for timely provision of adequately qualified replacements.

ARTICLE 5. PAYMENT.

For all services required hereunder, Service Provider shall be paid in accordance with the following terms:

Section 5.01 Service Provider shall invoice SMART upon completion of each standard brake overhaul service, detailing the tasks performed pursuant to the Scope of Work

requested by the SMART Manager and the hours worked. SMART shall pay Service Provider within 30 days after submission of the invoices.

Section 5.02 Service Provider shall be paid in accordance with the rates established in **Exhibit B**; provided, however, that total payments to Service Provider shall not exceed \$1,803,664.00, without amendment to this Agreement. Service Provider shall submit its invoices in arrears on a form approved by the Chief Financial Officer. The invoices shall show or include: (i) the task(s) performed; (ii) the corresponding rates for the task (iii) a copy of the fixed price service quote for any additional repair work required; and (iv) documentation of the SMART Manager's written approval of the quote and additional repair work. Service Provider's reimbursement for materials/expenses shall not include items already included in Service Provider's overhead as may be billed as a part of its labor rates set forth in **Exhibit B**. SMART does not reimburse Service Provider for travel time.

Section 5.03 Service Provider agrees that 48 CFR Part 31, Contract Cost Principles and Procedures and 2 CFR Part 200 shall be used to determine the allowability of individual terms of cost. Any costs for which payment has been made to the Consultant that are determined by subsequential audit to be unallowable under 48 CFR Part 31 or 2 CFR Part 200 are subject to repayment by the Service Provider to SMART.

ARTICLE 6. TERM OF AGREEMENT.

Section 6.01 The term of this Agreement shall remain in effect through March 31, 2029, unless terminated earlier in accordance with the provisions of **Article 7** below.

ARTICLE 7. TERMINATION.

Section 7.01 Termination Without Cause. Notwithstanding any other provision of this Agreement, at any time and without cause, SMART shall have the right, at their sole discretion, to terminate this Agreement by giving 30 days written notice to the other party and the payment of all outstanding amounts rightfully due prior to the effective date of the termination and all costs and expenses, actually incurred by Service Provider, as a result of such termination.

Section 7.02 Termination for Cause. The District's obligation under this contract is contingent upon the availability of appropriated funds from which payment for contract purposes can be made. No legal liability on the part of the District for any payment may arise until funds are made available by the District for this contract and until the Contractor or Consultant receives notice of such availability, as such and notwithstanding any other provision of this Agreement, should Service Provider fail to perform any of its material obligations hereunder, within the time and in the manner herein provided, or otherwise violate any of the terms of this Agreement, SMART may immediately terminate this Agreement if such failure or

violation is not cured within thirty (30) days of receipt by Service Provider of written notice thereof.

Section 7.03 Delivery of Work Product and Final Payment Upon Termination. In the event of termination by either party, Service Provider, within 14 days following the date of termination, shall deliver to SMART all finished product, upon receipt of payment therefor from SMART and shall submit to SMART an invoice showing the services performed, hours worked, and copies of receipts for reimbursable expenses up to the date of termination.

Section 7.04 Payment Upon Termination. Upon termination of this Agreement by SMART, Service Provider shall be entitled to receive as full payment for all services satisfactorily rendered and expenses incurred hereunder, an amount which bears the same ratio to the total payment specified in the Agreement as the services satisfactorily rendered hereunder by Service Provider bear to the total services otherwise required to be performed for such total payment; provided, however, that if services are to be paid on an hourly or daily basis, then Service Provider shall be entitled to receive as full payment an amount equal to the number of hours or days actually worked prior to termination times the applicable hourly or daily rate; provided further that if SMART terminates the Agreement for cause pursuant to **Section 7.02**, SMART shall deduct from such amount the amount of damage, if any, sustained by SMART by virtue of the breach of the Agreement by Service Provider.

Section 7.05 Authority to Terminate. The Board of Directors has the authority to terminate this Agreement on behalf of SMART. In addition, the General Manager, in consultation with SMART Counsel, shall have the authority to terminate this Agreement on behalf of SMART.

ARTICLE 8. INDEMNIFICATION AND LIMITATION OF LIABILITY

Service Provider agrees to accept all responsibility for loss or damage to any person or entity, including SMART, and to indemnify, hold harmless, provide a complete defense and release SMART, its officers, agents, and employees, from and against any actions, claims, damages, liabilities, disabilities, or reasonable expenses, that may be asserted by any person or entity, including Service Provider, to the extent caused by the Service Provider's negligence, recklessness or willful misconduct in its performance or obligations under this Agreement. Service Provider's obligations under this Section 8 apply whether or not there is concurrent negligence on SMART's part, but only to the extent required by this Article. This indemnification obligation is not limited in any way by any limitation on the amount or type of damages or compensation payable to or for Service Provider or its agents under workers' compensation acts, disability benefits acts, or other employee benefit acts.

Neither party shall be liable for any indirect, special, incidental or consequential damages resulting from or arising out of this agreement, including lost profits, whether or not such party had been advised, knew or should have known of the possibility of such damages. Service provider's liability for damages to SMART whether in contract or in tort, shall be limited to the service provider's insurance coverage required under Article 9 or \$5,000,000, whichever is greater.

ARTICLE 9. INSURANCE.

With respect to performance of work under this Agreement, Service Provider shall maintain and shall require all of its Subcontractors, Service Providers, and other agents to maintain, insurance as described below. If the Service Provider maintains broader coverage and/or higher limits than the minimums shown below, SMART requires and shall be entitled to the broader coverage and/or the higher limits maintained by the Service Provider. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to SMART.

Section 9.01 Workers' Compensation Insurance. Workers' Compensation as required by the State of California, with Statutory Limits, and Employer's Liability insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.

Section 9.02 General Liability Insurance. Commercial General Liability insurance covering products-completed and ongoing operations, property damage, bodily injury and personal injury using an occurrence policy form, in an amount no less than \$5,000,000 per occurrence, and \$5,000,000 aggregate.

Section 9.03 Automobile Insurance. Automobile Liability insurance covering bodily injury and property damage in an amount no less than \$1,000,000 combined single limit for each occurrence. Said insurance shall include coverage for owned, hired, and non-owned vehicles.

Section 9.04 Endorsements. Prior to commencing work, Service Provider shall file Certificate(s) of Insurance with SMART evidencing the required coverage and endorsement(s) Said endorsements and Certificate(s) of Insurance shall stipulate:

- (a) SMART, its officers, and employees shall be named as additional insured on all policies listed above, with the exception of the workers compensation insurance policy and the professional services liability policy (if applicable).
- (b) That the policy(ies) is Primary Insurance and the insurance company(ies) providing such policy(ies) shall be liable thereunder for the full amount of any loss or claim which Service Provider is liable, up to and including the total limit of liability, without right of contribution from any other insurance effected or which may be effected by the Insureds.
- (c) Inclusion of the Insureds as additional insureds shall not in any way affect its rights either as respects any claim, demand, suit or judgment made, brought or recovered against Service Provider. Said policy shall protect Service Provider and the Insureds in the same manner as though a separate policy had been issued to each, but nothing in said policy shall operate to increase the insurance company's liability as set forth in its policy beyond the amount or amounts shown or to which the insurance company would have been liable if only one interest had been named as an insured.

- (d) Service Provider hereby grants to SMART a waiver of any right to subrogation which any insurer of said Service Provider may acquire against SMART by virtue of the payment of any loss under such insurance. Service Provider agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not SMART has received a waiver of subrogation endorsement from the insurer.
- (e) The insurance policy(ies) shall be written by an insurance company or companies reasonably acceptable to SMART. Such insurance company shall be authorized to transact business in the state of California.

Section 9.05 Deductibles and Retentions. Service Provider shall be responsible for payment of any deductible or retention on Service Provider's policies without right of contribution from SMART. Deductible and retention provisions shall not contain any restrictions as to how or by whom the deductible or retention is paid. Any deductible or retention provision limiting payment to the name insured is not acceptable.

Section 9.06 Claims Made Coverage. If any insurance specified above is written on a claims-made coverage form, Service Provider shall:

- (a) Ensure that the retroactive date is shown on the policy, and such date must be before the date of this Agreement or beginning of any work under this Agreement;
- (b) Maintain and provide evidence of similar insurance for at least three (3) years following project completion, including the requirement of adding all additional insureds; and
- (c) If insurance is cancelled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to Agreement effective date, Service Provider shall purchase "extending reporting" coverage for a minimum of three (3) years after completion of the work.

Section 9.07 Documentation. The following documentation shall be submitted to SMART:

- (a) Properly executed Certificates of Insurance clearly evidencing all coverages and limits required above. Said Certificates shall be submitted prior to the execution of this Agreement. Service Provider agrees to maintain current Certificates of Insurance evidencing the above-required coverages and limits on file with SMART for the duration of this Agreement.
- (b) Copies of properly executed endorsements required above for each policy. Said endorsement copies shall be submitted prior to the execution of this Agreement. Service Provider agrees to maintain current endorsements evidencing the above-specified requirements on file with SMART for the duration of this Agreement.

- (c) After the Agreement has been signed, signed Certificates of Insurance shall be submitted for any renewal or replacement of a policy that already exists, at least ten (10) days before expiration or other termination of the existing policy.

Please email all renewal certificates of insurance and corresponding policy documents to InsuranceRenewals@sonomamarintrain.org.

Section 9.08 Policy Obligations. Service Provider's indemnity and other obligations shall not be limited by the foregoing insurance requirements.

Section 9.09 Material Breach. If Service Provider, for any reason, fails to maintain insurance coverage, which is required pursuant to this Agreement, the same shall be deemed a material breach of this Agreement. SMART, in its sole option, may terminate this Agreement in accordance with Section 7 hereof and obtain damages from Service Provider resulting from said breach. Alternatively, SMART may purchase such required insurance coverage, and without further notice to Service Provider, SMART may deduct from sums due to Service Provider any premium costs advanced by SMART for such insurance. These remedies shall be in addition to any other remedies available to SMART.

Section 9.10 Notice of Cancellation. Each insurance policy required above shall provide that coverage shall not be cancelled, except with notice to SMART.

ARTICLE 10. PROSECUTION OF WORK.

When work is requested of Service Provider by SMART, all due diligence shall be exercised and the work accomplished without undue delay, within the performance time specified in the Task Order. Performance of the services hereunder shall be completed within the time required herein, provided, however, that if the performance is delayed by earthquake, flood, wildfire, pandemic, and civil unrest or any other similarly unforeseen reason beyond the reasonable control of Service Provider, the time for Service Provider's performance of this Agreement shall be extended by a number of days equal to the number of days Service Provider has been delayed.

ARTICLE 11. EXTRA OR CHANGED WORK.

Extra or changed work or other changes to the Agreement may be authorized only by written amendment to this Agreement, signed by both parties. Minor changes, which do not increase the amount paid under the Agreement, and which do not significantly change the scope of work or significantly lengthen time schedules may be executed by the SMART Manager in a form approved by SMART Counsel, and Service Provider shall enact such minor changes upon mutual execution of the form submitted by SMART. The Board of Directors or General Manager must authorize all other extra or changed work. The parties expressly recognize that SMART personnel are without authorization to order extra or changed work or waive Agreement requirements. Failure of Service Provider to secure such written authorization for extra or changed work shall constitute a waiver of any and all right to adjustment in the Agreement price or Agreement time due to such unauthorized work and thereafter Service Provider shall be

entitled to no compensation whatsoever for the performance of such work. Service Provider further expressly waives any and all right or remedy by way of restitution and quantum meruit for any and all extra work performed without such express and prior written authorization of SMART.

ARTICLE 12. REPRESENTATIONS OF SERVICE PROVIDER.

Section 12.01 Standard of Care. SMART has relied upon the professional ability and training of Service Provider as a material inducement to enter into this Agreement. Service Provider hereby agrees that for one (1) year from the completion of the work, all its work will be performed and that its operations shall be conducted in accordance with generally accepted and applicable professional practices and standards as well as the requirements of applicable federal, state and local laws, it being understood that acceptance of Service Provider's work by SMART shall not operate as a waiver or release.

Section 12.02 Status of Service Provider. The parties intend that Service Provider, in performing the services specified herein, shall act as an Independent Contractor and shall control the work and the manner in which it is performed. Service Provider is not to be considered an agent or employee of SMART and is not entitled to participate in any pension plan, worker's compensation plan, insurance, bonus, or similar benefits SMART provides its employees. In the event SMART exercises its right to terminate this Agreement pursuant to **Article 7**, above, Service Provider expressly agrees that it shall have no recourse or right of appeal under rules, regulations, ordinances, or laws applicable to employees.

Section 12.03 Taxes. Service Provider agrees to file federal and state tax returns and pay all applicable taxes on amounts paid pursuant to this Agreement and shall be solely liable and responsible to pay such taxes and other obligations, including but not limited to state and federal income and FICA taxes. Service Provider agrees to indemnify and hold SMART harmless from any liability which it may incur to the United States or to the State of California as a consequence of Service Provider's failure to pay, when due, all such taxes and obligations. In case SMART is audited for compliance regarding any withholding or other applicable taxes, Service Provider agrees to furnish SMART with reasonable proof of payment of taxes on these earnings.

Section 12.04 Records Maintenance. Service Provider shall keep and maintain full and complete documentation and accounting records concerning all services performed that are compensable under this Agreement and shall make such documents and records available to SMART for inspection at any reasonable time during normal business hours, upon prior written notice. Service Provider shall maintain such records for a period of four (4) years following completion of work hereunder. Service Provider and Subcontractors shall permit access to all records of employment, employment advertisements, employment application forms, and other pertinent data and records by the State Fair Employment Practices and Housing Commission, or

any other agency of the State of California designated by the State, for the purpose of any investigation to ascertain compliance with this document.

Section 12.05 Conflict of Interest. Service Provider covenants that it presently has no interest and that it will not acquire any interest, direct or indirect, that represents a financial conflict of interest under state law or that would otherwise conflict in any manner or degree with the performance of its services hereunder. Service Provider further covenants that in the performance of this Agreement no person having any such interests shall be employed. In addition, if requested to do so by SMART, Service Provider shall complete and file and shall require any other person doing work under this Agreement to complete and file a “Statement of Economic Interest” with SMART disclosing Service Provider’s or such other person’s financial interests.

Section 12.06 Nondiscrimination. Service Provider shall comply with all applicable federal, state, and local laws, rules, and regulations in regard to nondiscrimination in employment because of race, color, ancestry, national origin, religion, sex, marital status, age, medical condition (including cancer), pregnancy, physical disability (including HIV and AIDS), mental disability, denial of family care leave, sexual orientation or other prohibited basis, including without limitation, SMART’s Non-Discrimination Policy. All nondiscrimination rules or regulations required by law to be included in this Agreement are incorporated herein by this reference. Service Provider shall also comply with the provisions of the Fair Employment and Housing Act (California Government Code, Section 12900 et seq.) and applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 11000 et seq).

Section 12.07 Not Used

Section 12.08 Ownership And Disclosure Of Work Product. Any and all work product resulting from this Agreement is and shall remain the intellectual property of Service Provider. Service Provider shall be considered, for all purposes, the author of the work product and shall have all rights of authorship to the work, including, but not limited to, the exclusive right to use, publish, reproduce, copy and make derivative use of, the work product or otherwise grant others limited rights to use the work product. All reports, original drawings, graphics, plans, studies, and other data or documents (“documents”), in whatever form or format, assembled or prepared by Service Provider and other agents in connection with this Agreement shall be the physical property of SMART, with all underlying intellectual property owned by Service Provider. SMART shall be entitled to immediate possession of such documents upon completion of the work pursuant to this Agreement. Upon expiration or termination of this Agreement, Service Provider shall promptly deliver to SMART all such documents, which have not already been provided to SMART in such form or format, as the parties mutually agree. Such documents shall be and will remain the physical property of SMART without restriction or limitation, except in regards to the intellectual property rights of Service Provider. Service Provider may retain copies of the above- described documents but agrees not to disclose or

discuss any information gathered, discovered, or generated in any way through this Agreement without the express written permission of SMART.

ARTICLE 13. DEMAND FOR ASSURANCE.

Each party to this Agreement undertakes the obligation that the other's expectation of receiving due performance will not be impaired. When reasonable grounds for insecurity arise with respect to the performance of either party, the other may in writing demand adequate assurance of due performance and until such assurance is received may, if commercially reasonable, suspend any performance for which the agreed return has not been received. "Commercially reasonable" includes not only the conduct of a party with respect to performance under this Agreement, but also conduct with respect to other agreements with parties to this Agreement or others. After receipt of a justified demand, failure to provide within a reasonable time, but not exceeding thirty (30) days, such assurance of due performance as is adequate under the circumstances of the particular case is a repudiation of this Agreement. Acceptance of any improper delivery, service, or payment does not prejudice the aggrieved party's right to demand adequate assurance of future performance. Nothing in this **Article 13** limits SMART's right to terminate this Agreement pursuant to **Article 7**.

ARTICLE 14. ASSIGNMENT AND DELEGATION.

Neither party hereto shall assign, delegate, sublet, or transfer any interest in or duty under this Agreement without the prior written consent of the other, and no such transfer shall be of any force or effect whatsoever unless and until the other party shall have so consented.

ARTICLE 15. METHOD AND PLACE OF GIVING NOTICE, SUBMITTING INVOICES AND MAKING PAYMENTS.

All notices, invoices, and payments shall be made in writing and shall be given by personal delivery, U.S. Mail or email. Notices, invoices, and payments shall be addressed as follows:

If to SMART Manager:	Sonoma-Marín Area Rail Transit District Attn: Mario Frias 5401 Old Redwood Highway, Suite 200 Petaluma, CA 94954 mfrias@sonomamarintrain.org 707-890-8614
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If to SMART Billing:	Sonoma-Marín Area Rail Transit District Attn: Accounts Payable 5401 Old Redwood Highway, Suite 200 Petaluma, CA 94954 billing@sonomamarintrain.org 707-794-3330
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If to Service Provider:

Knorr Brake Company
Attn: Nic Wolfe
1 Arthur Peck Drive
Westminster, MD 21157
nicolas.wolfe@knorrbrake.com
410-645-3184

When a notice, invoice or payment is given by a generally recognized overnight courier service, the notice, invoice or payment shall be deemed received on the next business day. When a copy of a notice, invoice or payment is sent by facsimile or email, the notice, invoice or payment shall be deemed received upon transmission as long as (1) the original copy of the notice, invoice or payment is promptly deposited in the U.S. mail and postmarked on the date of the facsimile or email (for a payment, on or before the due date), (2) the sender has a written confirmation of the facsimile transmission or email, and (3) the facsimile or email is transmitted before 5 p.m. (recipient's time). In all other instances, notices, invoices and payments shall be effective upon receipt by the recipient. Changes may be made in the names and addresses of the person to whom notices are to be given by giving notice pursuant to this paragraph.

ARTICLE 16. MISCELLANEOUS PROVISIONS.

Section 16.01 Use of Recycled Paper. SMART requires that all printing jobs produced under this Agreement be printed on recycled content papers. Recycled-content papers are defined as papers containing a minimum of 30 percent postconsumer fiber by weight. All papers used in the performance of a print job for SMART shall be recycled-content paper. The recycle logo or "chasing arrows" cannot be used on printed material unless the paper contains a minimum of 30 percent postconsumer material. If paper meets the 30 percent requirement, ask that the recycling logo be printed on the project.

Section 16.02 No Waiver of Breach. The waiver by either party of any breach of any term or promise contained in this Agreement shall not be deemed to be a waiver of such term or provision or any subsequent breach of the same or any other term or promise contained in this Agreement.

Section 16.03 Construction. To the fullest extent allowed by law, the provisions of this Agreement shall be construed and given effect in a manner that avoids any violation of statute, ordinance, regulation, or law. The parties covenant and agree that in the event that any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired, or invalidated thereby. Service Provider and SMART acknowledge that they have each contributed to the making of this Agreement and that, in the event of a dispute over the interpretation of this Agreement, the language of the Agreement will not be construed against one party in favor of the other. Service Provider and SMART

acknowledge that they have each had an adequate opportunity to consult with counsel in the negotiation and preparation of this Agreement.

Section 16.04 Licensing Laws. The Service Provider shall comply with the provisions of Chapter 9 Division 3 of the Business and Professions code concerning the licensing of contractors. All Service Providers shall be licensed in accordance with the laws of the State of California and any Service Provider not so licensed is subject to the penalties imposed by such laws. Prior to commencing any work under contract, all Service Providers and subcontractors must show that they hold appropriate and current Contractor Licenses in the State of California. The Service Provider shall provide such subcontractor information, including the class type, license, number, and expiration date to SMART.

Section 16.05 Drug-Free Workplace. Service Provider certifies that it will provide a drug-free workplace in compliance with Government Code §8350-§8357.

Section 16.06 Claims Made Against Service Provider. Service Provider shall provide SMART with copies of all correspondence and records relating to any claims made against the Service Provider while working on SMART's property by SMART employees or third-party on a monthly basis.

Section 16.07 Consent. Wherever in this Agreement the consent or approval of one party is required to an act of the other party, such consent or approval shall not be unreasonably withheld or delayed.

Section 16.08 Relationships of the Parties: No Intended Third-Party Beneficiaries. The Parties intend by this Agreement to establish a cooperative funding relationship, and do not intend to create a partnership, joint, venture, joint enterprise, or any other business relationship. There is no third person or entity who is an intended third-party beneficiary under this Agreement. No incidental beneficiary, whatever relationship such person may have with the Parties, shall have any right to bring an action or suit, or to assert any claim against the Parties under this Agreement. Nothing contained in this Agreement shall be construed to create and the Parties do not intend to create any rights in third parties.

Section 16.09 Applicable Law and Forum. This Agreement shall be construed and interpreted according to the substantive law of California, regardless of the law of conflicts to the contrary in any jurisdiction. Venue for any action to enforce the terms of this Agreement or for the breach thereof shall be in the Superior Court of the State of California in the County of Marin.

Section 16.10 Captions. The captions in this Agreement are solely for convenience of reference. They are not a part of this Agreement and shall have no effect on its construction or interpretation.

Section 16.11 Merger. This writing is intended both as the final expression of the Agreement between the parties hereto with respect to the included terms and as a complete and exclusive statement of the terms of the Agreement, pursuant to Code of Civil Procedure Section

1856. No modification of this Agreement shall be effective unless and until such modification is evidenced by a writing signed by both parties.

Section 16.12 Acceptance of Electronic Signatures and Counterparts. The parties agree that this Contract, Agreements ancillary to this Contract, and related documents to be entered into this Contract will be considered executed when all parties have signed this Agreement. Signatures delivered by scanned image as an attachment to electronic mail or delivered electronically through the use of programs such as DocuSign must be treated in all respects as having the same effect as an original signature. Each party further agrees that this Contract may be executed in two or more counterparts, all of which constitute one and the same instrument.

Section 16.13 Time of Essence. Time is and shall be of the essence of this Agreement and every provision hereof.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Effective Date.

SERVICE PROVIDER: KNORR BRAKE COMPANY LLC

By: _____

Name: _____

Title: _____

Date: _____

SONOMA-MARIN AREA RAIL TRANSIT (SMART)

By: _____
Eddy Cumins, General Manager

Date: _____

CERTIFICATES OF INSURANCE ON FILE WITH AND APPROVED AS TO SUBSTANCE FOR SMART:

By: _____
Ken Hendricks, Procurement and Contracts Manager

Date: _____

APPROVED AS TO FORM FOR SMART:

By: _____
District Counsel

Date: _____

EXHIBIT A
SCOPE OF WORK & TIMELINE

I. Overview

The Sonoma-Marín Area Rail Transit District (SMART) is contracting with Knorr Brake Company LLC (hereinafter “Service Provider”) to perform standard brake system overhaul services on SMART’s eighteen (18) Diesel Multiple Units.

II. Contract Management

All work shall be initiated, scheduled, and reviewed by SMART’s Vehicle Maintenance Manager, Mario Frias, or designee (hereinafter “SMART Manager”). Work may be initiated in writing or by teleconference.

Service Provider and SMART will conduct bi-monthly meetings following the execution of this Agreement to ensure schedule and quality requirements are met.

III. Scope of Work

A. Objectives

Service Provider shall perform a standard brake system overhaul service (minus the master controller) on SMART’s eighteen (18) Nippon Sharyo Diesel Multiple Units (DMUs). The standard brake system overhaul includes overhauling the Air Supply Unit (ASU).

The service objectives are to:

1. Perform a Standard Brake System and Air Supply Unit Overhaul Service on SMART’s eighteen (18) Nippon Sharyo Diesel Multiple Units (DMUs).
2. Ensure SMART’s Brake Systems, including the Air Supply Units are maintained and certified for safe and continued operation per the original equipment manufacturer’s maintenance requirements.
3. Ensure SMART’s Brake Systems, including the Air Supply Unit, are in compliance with all Federal Railroad Administration regulations.

B. Standard Basic System Overhaul Service (Including Air Supply Unit)

a. Task 1 – Shipment of Brake System to Service Provider

SMART shall provide an RMA request to Service Provider's RMA_Request.RESWES@knorrbrake.com indicating the Brake System is ready for overhaul.

Upon issuance of the Return Material Authorization ("RMA"), SMART shall package and arrange for the shipment of one (1) Brake System at a time to Service Provider's Maintenance Facility located at:

Knorr Brake Company
Attn: Nic Wolfe / RMA Overhaul
29471 Kohoutek Way
Union City, CA 94587

SMART is responsible for all shipping costs to the Service Provider's Service Center.

SMART shall ship items Free On Board ("FOB") Destination.

If reusable packaging is required for shipping material, SMART will be responsible for the supply and maintenance for standard equipment shipments. Service Provider will re-use SMART's same packaging for return shipment.

b. Task 2 – Initial Inspection and Disassembly

Service Provider shall perform an initial visual inspection of each Brake System and their components upon receipt. Service provider shall make note of the initial condition.

Service Provider shall disassemble the components and take pictures of any damaged components. The SMART Manager shall be notified of any damaged components along with the pictures showing the damage.

c. Task 3 – Clean, Wash, Dry, and Inspection

Service Provider shall:

1. Clean the external surfaces of the components to remove built-up dirt and debris to prepare the equipment for teardown and overhaul.
2. Complete the breakdown and inspection of the hydraulic brake system equipment.

Equipment to be disassembled according to the overhaul instruction manual. Following disassembly, Service Provider shall perform a detailed cleaning of the hydraulic brake system equipment components. All components which are not replaced new shall be thoroughly cleaned (by hand and/or ultrasonic cleaner), visually inspected, and reinstalled.

Service Provider shall then perform a visual condition inspection of all non-kit parts prior to reuse and to be replaced based on inspection findings (e.g. Out of Scope Parts)

- Out of Scope Parts are either potential wear components or damaged components. These are components not normally included in standard Knorr Brake Company service kits, but which are found to be in need of replacement on an unpredictable and random basis resulting from service life. These items are inspected at every tear down and overhaul for damage, wear, or corrosion and are replaced as necessary if found to be outside the Original Equipment Manufacturer (“OEM”) specification and requirements.
- The replacement of out of scope parts during an overhaul cycle is dependent heavily on the equipment condition based on applied duty cycle, operation environment and maintenance. At the time of contract execution, out of scope parts replacement is unknown.
- Due to the unidentified out of scope parts, the overhaul material turnaround time frames are subject to the replacement material lead time. Service Provider shall expedite these out of scope parts in order to mitigate turnaround times.
- Refer to Article C “Additional Repairs” on Page 21 for how out-of-scope repairs will be handled.

d. Task 4 – Replacement of Consumables

Replace consumable and preselected materials per overhaul requirements (e.g. elastomers, wear parts, selected fixing material, and other selected items). Service provider shall use OEM-approved parts and lubricants.

e. Task 5 – Touch Up Painting

Touch-up painting will be performed to OEM standards and is applied to the components with the purpose of improving the visual aesthetics, and as applicable, to restore corrosion protection.

The paint will not be removed and residual markings may remain after touch up.

If the area requiring touch up paint is significant and affects the Service Provider's ability to progress with the overhaul work scope prior to the paint surface drying or otherwise, the timeline for completion may be extended if mutually agreed upon by both the SMART Manager and Service Provider.

Additionally, the timeline for completion for material that has significant damage may also require extension to allow time for procuring any unplanned equipment or parts exhibiting abnormal wear or damage. Any extension requires mutual agreement by the Service Provider and the SMART Manager.

f. Task 6 – Overhaul Service and Reassembly

Service Provider shall reassemble the brake system per its respective assembly drawings and instructions in the overhaul manuals, using cleaned components, the overhaul kit, and replacement parts, as required.

The overhaul Kit includes the following components:

Item #	Description	Part Number	OH Kit Part Number	Qty Per Carset	Extended Qty (18 Carsets)
1	POU Assembly, Front End	813311/1	813311/OH	1	18
2	POU Assembly, Back End	813312/1	813312/OH	1	18
3	Loco Haulage Unit	813907	813907/OH	1	18
4	Brake Caliper Unit	II83453/27MX	OPK02557	4	72
5	Brake Caliper Unit, w/ Parking Brake	II83857/55127MX	OPK02558	4	72
6	Tread Brake Unit, Right	II83519/3MX	OPK02560	4	72
7	Tread Brake Unit, Left	II83518/3MX	OPK02560	4	72
8	Mean Pressure, Valve with NPT Fittings	810333	810333/OH	2	36
9	Duplex Check Valve, With Paint	807976	STU13240	2	36
10	Leveling Valve, Assembly Left with 3/8 NP	807848	STU00161	2	36
11	Leveling Valve, Assembly Right with 3/8 NP	807848/1	STU00161	2	36
12	Brake Valve, Emergency	813908	OPK00464	1	18
13	Valve Assembly, B3C Conductors	761033/1	767976	3	54
14	Check Valve, Double	STU15157	STU00400/K	1	18
15	Air Supply Unit	813292	813292/OH	1	18
16	Impulse Valve	813577	813577/OH	1	18

The following items shall be replaced new along with the overhaul:

Item #	Description	Part Number	Qty Per Carset	Extended Qty (18 Carsets)
1	Check Valve, 3/4	817170/1	2	36
2	Check Valve, 1/2	817170	2	36

Included with both POU Assemblies, a new transducer has been developed to replace the existing obsolete transducer. As part of the overhaul, the transducer will be replaced with the new design. However, the existing fitting will not allow for the new transducer to be used. Each transducer requires the new fitting (Part # 806561). The new fitting will be provided at no additional cost to SMART. See below table for the new fitting details.

Item #	Description	Part Number	Qty Per POU	Extended Qty (18 Carsets)
1	POU Assembly, Front End, 813311, Adapter Fitting	806561	3	54
2	POU Assembly, Back End, 813311, Adapter Fitting	806561	1	18

There are no special tools, manuals, or training provided in the standard brake overhaul service.

g. Task 7 – Testing and Final Inspection

Service Provider shall perform all OEM required testing and perform a final inspection to ensure the brake system is certified and ready for immediate operational use.

A test log sheet shall be completed for each individual unit to confirm that it meets the same performance specifications as a new unit. Each log sheet shall be recorded and stored with Service Provider with a copy being provided to the SMART Manager with each return shipment.

h. Task 8 - Notification of Service Completion

1. Service Provider shall provide written notice to the SMART Manager within 24 hours of when the overhaul service for each brake system has been completed and is ready for return shipment.
2. SMART reserves the right to perform onsite inspections of the Brake System Units prior to Service Provider shipping the final assembly back to SMART's Rail Operation Center. If SMART elects to perform an onsite final inspection, SMART will coordinate the inspection timeline and details with the Service Provider. Alternatively, if an on-site inspection is not required, SMART will provide written direction to proceed with the return shipment.

i. Task 9 – Return Shipment to SMART

1. Upon SMART's written direction to proceed with the return shipment, the Service Provider shall be responsible for preparing the overhauled brake system (including the Air Supply Unit) via the RMA closure process using the SMART shipping account for return shipment to the following address:

Sonoma-Marín Area Rail Transit District (SMART)
Attn: Vehicle Maintenance Manager
3748 Regional Parkway
Santa Rosa, CA 95403

2. SMART is responsible for all shipping costs from the Service Provider's Service Center to SMART's Rail Operation Center.
3. Service Provider shall package and secure all equipment for shipping in a manner that ensures equipment will not be damaged during transportation.
4. Service Provider shall provide the SMART Manager with tracking information as soon as shipment has been initiated.

C. Additional Repairs

If additional repairs are needed above and beyond that included in the basic overhaul and upgrade service, the repairs will be on a fixed price service basis. Service Provider shall submit a proposal for the fixed price service to the SMART Manager for review.

All additional repairs require the prior written approval by the SMART Manager before any work commences. Service Provider shall provide an estimate for the additional repairs to the SMART Manager.

D. Capacity Non-Utilization Fee

Service Provider will begin planning service center capacity upon execution of this Agreement (OP-SV-24-007). Service Provider's Project Manager will coordinate the material demand planning, as well as, the necessary staffing required to support the service center work cells to ensure all milestones and project schedules are achieved. The project schedule herein will be considered fixed upon contract execution. In the event that SMART requires a schedule adjustment to delay the planned work, then such a change can only begin following the completion of a 90-day "Frozen Zone." The notification period which begins upon Service Provider's receipt of a request to adjust the schedule. During the Frozen Zone, the existing planned schedule of work will be maintained. If the existing planned schedule of work is not maintained, both within the Frozen Zone or at any other time, due to SMART not providing equipment for overhaul, a capacity non-utilization fee of \$250 will be accrued each week that the reserved capacity is not utilized by SMART in fulfilling the scheduled delivery of carsets of equipment to be processed through the overhaul activity. Any accrued capacity non-utilization fee will be invoiced with the next carset of equipment when it completes its overhaul.

A maximum adjustment to the project schedule by up to 3 months can be made over the duration of the project, either in a single change or in aggregate for more than a single adjustment (where each adjustment would be subject to a separate 90-day Frozen Zone before implementation).

In the event that the total delay to the planned schedule of work exceeds 3 months, due either to decisions or actions taken solely by SMART, then a 1% penalty shall be applied to the price for all remaining material for the duration of the contract. If the delay causes the schedule to go past the period of performance plus 3 months, then escalation will apply to the remaining material.

If any overhauled units require warranty repair work during the warranty period these units will count towards the minimum requirement that SMART is required to provide for each overhaul cycle.

IV. **Timeline for Each Requirement / Task**

Refer to the Standard Brake System and ASU Overhaul Service Timeline on page 24.

The standard brake system overhaul service can begin fifty-nine (59) weeks after the execution of this Agreement; however, SMART needs to expedite this timeline as much as possible.

Standard Brake System Overhaul Service

Service Provider shall complete the standard brake system overhaul service within thirty (30) working days, which starts with a receipt of goods at the Service Provider's maintenance facility dock. The thirty (30) working day overhaul turnaround cycle will be reset if an incomplete carset is received by Service Provider, restarting the thirty (30) day working day turnaround for the complete carset of equipment upon receipt of any missing material. In addition, the turnaround time frame for material that has significant damage may also be extended to allow time for procuring any unplanned equipment or parts exhibiting abnormal damage.

The shipment of the completed and overhauled equipment typically take three (3) to seven (7) days to be delivered at SMART's Rail Operation Center.

Additional Repair Services

Any authorized additional repair services are subject to current lead times for parts and materials. Service Provider and the SMART Manager shall mutually agree on the turnaround time needed for additional repair services.

ID	Task Mode	Task Name	Duration	Start	Finish	Predecessors	2024	2025	2026	2027	2028	2029
1		SMART Brake Overhaul Project Schedule	1107 days	Mon 12/2/24	Mon 5/21/29							
2		Milestones	1107 days	Mon 12/2/24	Mon 5/21/29							
3		NTP	1 day	Mon 12/2/24	Mon 12/2/24							
4		First Carset Delivery	1 day	Wed 4/29/26	Wed 4/29/26	18FF						
5		Last Carset Delivery	1 day	Mon 5/21/29	Mon 5/21/29	16FF						
6		Post Award Phase	19 days	Tue 12/3/24	Thu 1/9/25							
7		PO Received	1 day	Tue 12/3/24	Tue 12/3/24	3						
8		Project Schedule Creation	5 days	Wed 12/4/24	Tue 12/10/24	7						
9		Internal KB Kickoff Meeting	1 day	Wed 12/11/24	Wed 12/11/24	8						
10		Materials Placed on Order	1 day	Thu 12/12/24	Thu 12/12/24	9						
11		SMART Kickoff Meeting	1 day	Wed 1/8/25	Wed 1/8/25	9FS+10 days						
12		Submission of Kickoff Presentation	1 day	Thu 1/9/25	Thu 1/9/25	11						
13		Submission of Kickoff Meeting Minutes	1 day	Thu 1/9/25	Thu 1/9/25	11						
14		Submission of Kickoff Meeting Action Items	1 day	Thu 1/9/25	Thu 1/9/25	11						
15		Submission of Project Schedule	1 day	Thu 1/9/25	Thu 1/9/25	11						
16		Delivery Phase	803 days	Tue 3/3/26	Mon 5/21/29							
17		Materials Received for Overhaul	1 day	Tue 3/3/26	Tue 3/3/26	10FS+59 wks						
18		Carset 1	40 days	Wed 3/4/26	Wed 4/29/26							
19		RMA Requested	1 day	Wed 3/4/26	Wed 3/4/26	17						
20		Equipment Shipped to KBC Union City	3 days	Thu 3/5/26	Mon 3/9/26	19						
21		Receiving Inspection	1 day	Tue 3/10/26	Tue 3/10/26	20						
22		DV10 Valve Shipped to Kansas City	5 days	Wed 3/11/26	Tue 3/17/26	21						
23		DV10 Valve Overhaul	20 days	Wed 3/18/26	Wed 4/15/26	22						
24		Carset Overhaul at Union City	30 days	Wed 3/11/26	Wed 4/22/26	21						
25		DV10 Valve shipped to Union City	5 days	Thu 4/16/26	Wed 4/22/26	23						
26		Quality Verification	1 day	Thu 4/23/26	Thu 4/23/26	24,25						
27		Packaging	1 day	Fri 4/24/26	Fri 4/24/26	26						
28		Shipment to SMART	3 days	Mon 4/27/26	Wed 4/29/26	27						
29		Carset 2	40 days	Mon 5/4/26	Mon 6/29/26							
30		RMA Requested	1 day	Mon 5/4/26	Mon 5/4/26	27FS+5 days						
31		Equipment Shipped to KBC Union City	3 days	Tue 5/5/26	Thu 5/7/26	30						
32		Receiving Inspection	1 day	Fri 5/8/26	Fri 5/8/26	31						
33		DV10 Valve Shipped to Kansas City	5 days	Mon 5/11/26	Fri 5/15/26	32						
34		DV10 Valve Overhaul	20 days	Mon 5/18/26	Mon 6/15/26	33						
35		Carset Overhaul at Union City	30 days	Mon 5/11/26	Mon 6/22/26	32						
36		DV10 Valve shipped to Union City	5 days	Tue 6/16/26	Mon 6/22/26	34						
37		Quality Verification	1 day	Tue 6/23/26	Tue 6/23/26	35,36						
38		Packaging	1 day	Wed 6/24/26	Wed 6/24/26	37						

Project: SMART Brake Overhaul Date: Mon 10/28/24	Task		Project Summary		Manual Task		Start-only		Deadline
	Split		Inactive Task		Duration-only		Finish-only		Progress
	Milestone		Inactive Milestone		Manual Summary Rollup		External Tasks		Manual Progress
	Summary		Inactive Summary		Manual Summary		External Milestone		

Page 1

ID	Task Mode	Task Name	Duration	Start	Finish	Predecessors	2024	2025	2026	2027	2028	2029
39		Shipment to SMART	3 days	Thu 6/25/26	Mon 6/29/26	38						
40		Carset 3	40 days	Tue 7/7/26	Mon 8/31/26							
41		RMA Requested	1 day	Tue 7/7/26	Tue 7/7/26	39FS+5 days						
42		Equipment Shipped to KBC Union City	3 days	Wed 7/8/26	Fri 7/10/26	41						
43		Receiving Inspection	1 day	Mon 7/13/26	Mon 7/13/26	42						
44		DV10 Valve Shipped to Kansas City	5 days	Tue 7/14/26	Mon 7/20/26	43						
45		DV10 Valve Overhaul	20 days	Tue 7/21/26	Mon 8/17/26	44						
46		Carset Overhaul at Union City	30 days	Tue 7/14/26	Mon 8/24/26	43						
47		DV10 Valve shipped to Union City	5 days	Tue 8/18/26	Mon 8/24/26	45						
48		Quality Verification	1 day	Tue 8/25/26	Tue 8/25/26	46,47						
49		Packaging	1 day	Wed 8/26/26	Wed 8/26/26	48						
50		Shipment to SMART	3 days	Thu 8/27/26	Mon 8/31/26	49						
51		Carset 4	40 days	Wed 9/9/26	Tue 11/3/26							
52		RMA Requested	1 day	Wed 9/9/26	Wed 9/9/26	50FS+5 days						
53		Equipment Shipped to KBC Union City	3 days	Thu 9/10/26	Mon 9/14/26	52						
54		Receiving Inspection	1 day	Tue 9/15/26	Tue 9/15/26	53						
55		DV10 Valve Shipped to Kansas City	5 days	Wed 9/16/26	Tue 9/22/26	54						
56		DV10 Valve Overhaul	20 days	Wed 9/23/26	Tue 10/20/26	55						
57		Carset Overhaul at Union City	30 days	Wed 9/16/26	Tue 10/27/26	54						
58		DV10 Valve shipped to Union City	5 days	Wed 10/21/26	Tue 10/27/26	56						
59		Quality Verification	1 day	Wed 10/28/26	Wed 10/28/26	57,58						
60		Packaging	1 day	Thu 10/29/26	Thu 10/29/26	59						
61		Shipment to SMART	3 days	Fri 10/30/26	Tue 11/3/26	60						
62		Carset 5	40 days	Wed 11/11/26	Mon 1/18/27							
63		RMA Requested	1 day	Wed 11/11/26	Wed 11/11/26	61FS+5 days						
64		Equipment Shipped to KBC Union City	3 days	Thu 11/12/26	Mon 11/16/26	63						
65		Receiving Inspection	1 day	Tue 11/17/26	Tue 11/17/26	64						
66		DV10 Valve Shipped to Kansas City	5 days	Wed 11/18/26	Tue 11/24/26	65						
67		DV10 Valve Overhaul	20 days	Wed 11/25/26	Mon 1/4/27	66						
68		Carset Overhaul at Union City	30 days	Wed 11/18/26	Mon 1/11/27	65						
69		DV10 Valve shipped to Union City	5 days	Tue 1/5/27	Mon 1/11/27	67						
70		Quality Verification	1 day	Tue 1/12/27	Tue 1/12/27	68,69						
71		Packaging	1 day	Wed 1/13/27	Wed 1/13/27	70						
72		Shipment to SMART	3 days	Thu 1/14/27	Mon 1/18/27	71						
73		Carset 6	40 days	Tue 1/26/27	Mon 3/22/27							
74		RMA Requested	1 day	Tue 1/26/27	Tue 1/26/27	72FS+5 days						
75		Equipment Shipped to KBC Union City	3 days	Wed 1/27/27	Fri 1/29/27	74						
76		Receiving Inspection	1 day	Mon 2/1/27	Mon 2/1/27	75						

Project: SMART Brake Overhaul
Date: Mon 10/28/24

Task		Project Summary		Manual Task		Start-only		Deadline	
Split		Inactive Task		Duration-only		Finish-only		Progress	
Milestone		Inactive Milestone		Manual Summary Rollup		External Tasks		Manual Progress	
Summary		Inactive Summary		Manual Summary		External Milestone			

ID	Task Mode	Task Name	Duration	Start	Finish	Predecessors	2024 2025 2026 2027 2028 2029											
77		DV10 Valve Shipped to Kansas City	5 days	Tue 2/2/27	Mon 2/8/27	76												
78		DV10 Valve Overhaul	20 days	Tue 2/9/27	Mon 3/8/27	77												
79		Carset Overhaul at Union City	30 days	Tue 2/2/27	Mon 3/15/27	76												
80		DV10 Valve shipped to Union City	5 days	Tue 3/9/27	Mon 3/15/27	78												
81		Quality Verification	1 day	Tue 3/16/27	Tue 3/16/27	79,80												
82		Packaging	1 day	Wed 3/17/27	Wed 3/17/27	81												
83		Shipment to SMART	3 days	Thu 3/18/27	Mon 3/22/27	82												
84		Carset 7	40 days	Tue 3/30/27	Tue 5/25/27													
85		RMA Requested	1 day	Tue 3/30/27	Tue 3/30/27	83FS+5 days												
86		Equipment Shipped to KBC Union City	3 days	Wed 3/31/27	Fri 4/2/27	85												
87		Receiving Inspection	1 day	Mon 4/5/27	Mon 4/5/27	86												
88		DV10 Valve Shipped to Kansas City	5 days	Tue 4/6/27	Tue 4/13/27	87												
89		DV10 Valve Overhaul	20 days	Wed 4/14/27	Tue 5/11/27	88												
90		Carset Overhaul at Union City	30 days	Tue 4/6/27	Tue 5/18/27	87												
91		DV10 Valve shipped to Union City	5 days	Wed 5/12/27	Tue 5/18/27	89												
92		Quality Verification	1 day	Wed 5/19/27	Wed 5/19/27	90,91												
93		Packaging	1 day	Thu 5/20/27	Thu 5/20/27	92												
94		Shipment to SMART	3 days	Fri 5/21/27	Tue 5/25/27	93												
95		Carset 8	40 days	Thu 6/3/27	Thu 7/29/27													
96		RMA Requested	1 day	Thu 6/3/27	Thu 6/3/27	94FS+5 days												
97		Equipment Shipped to KBC Union City	3 days	Fri 6/4/27	Tue 6/8/27	96												
98		Receiving Inspection	1 day	Wed 6/9/27	Wed 6/9/27	97												
99		DV10 Valve Shipped to Kansas City	5 days	Thu 6/10/27	Wed 6/16/27	98												
100		DV10 Valve Overhaul	20 days	Thu 6/17/27	Thu 7/15/27	99												
101		Carset Overhaul at Union City	30 days	Thu 6/10/27	Thu 7/22/27	98												
102		DV10 Valve shipped to Union City	5 days	Fri 7/16/27	Thu 7/22/27	100												
103		Quality Verification	1 day	Fri 7/23/27	Fri 7/23/27	101,102												
104		Packaging	1 day	Mon 7/26/27	Mon 7/26/27	103												
105		Shipment to SMART	3 days	Tue 7/27/27	Thu 7/29/27	104												
106		Carset 9	40 days	Fri 8/6/27	Fri 10/1/27													
107		RMA Requested	1 day	Fri 8/6/27	Fri 8/6/27	105FS+5 days												
108		Equipment Shipped to KBC Union City	3 days	Mon 8/9/27	Wed 8/11/27	107												
109		Receiving Inspection	1 day	Thu 8/12/27	Thu 8/12/27	108												
110		DV10 Valve Shipped to Kansas City	5 days	Fri 8/13/27	Thu 8/19/27	109												
111		DV10 Valve Overhaul	20 days	Fri 8/20/27	Fri 9/17/27	110												
112		Carset Overhaul at Union City	30 days	Fri 8/13/27	Fri 9/24/27	109												
113		DV10 Valve shipped to Union City	5 days	Mon 9/20/27	Fri 9/24/27	111												
114		Quality Verification	1 day	Mon 9/27/27	Mon 9/27/27	112,113												

Project: SMART Brake Overhaul Date: Mon 10/28/24	Task		Project Summary		Manual Task		Start-only		Deadline	
	Split		Inactive Task		Duration-only		Finish-only		Progress	
	Milestone		Inactive Milestone		Manual Summary Rollup		External Tasks		Manual Progress	
	Summary		Inactive Summary		Manual Summary		External Milestone			

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ID	Task Mode	Task Name	Duration	Start	Finish	Predecessors	Timeline											
							2024	2025	2026	2027	2028	2029						
115		Packaging	1 day	Tue 9/28/27	Tue 9/28/27	114												
116		Shipment to SMART	3 days	Wed 9/29/27	Fri 10/1/27	115												
117		Carset 10	40 days	Mon 10/11/27	Tue 12/7/27													
118		RMA Requested	1 day	Mon 10/11/27	Mon 10/11/27	116FS+5 days												
119		Equipment Shipped to KBC Union City	3 days	Tue 10/12/27	Thu 10/14/27	118												
120		Receiving Inspection	1 day	Fri 10/15/27	Fri 10/15/27	119												
121		DV10 Valve Shipped to Kansas City	5 days	Mon 10/18/27	Fri 10/22/27	120												
122		DV10 Valve Overhaul	20 days	Mon 10/25/27	Fri 11/19/27	121												
123		Carset Overhaul at Union City	30 days	Mon 10/18/27	Tue 11/30/27	120												
124		DV10 Valve shipped to Union City	5 days	Mon 11/22/27	Tue 11/30/27	122												
125		Quality Verification	1 day	Wed 12/1/27	Wed 12/1/27	123,124												
126		Packaging	1 day	Thu 12/2/27	Thu 12/2/27	125												
127		Shipment to SMART	3 days	Fri 12/3/27	Tue 12/7/27	126												
128		Carset 11	40 days	Wed 12/15/27	Wed 2/16/28													
129		RMA Requested	1 day	Wed 12/15/27	Wed 12/15/27	127FS+5 days												
130		Equipment Shipped to KBC Union City	3 days	Thu 12/16/27	Mon 12/20/27	129												
131		Receiving Inspection	1 day	Tue 12/21/27	Tue 12/21/27	130												
132		DV10 Valve Shipped to Kansas City	5 days	Wed 12/22/27	Wed 1/5/28	131												
133		DV10 Valve Overhaul	20 days	Thu 1/6/28	Wed 2/2/28	132												
134		Carset Overhaul at Union City	30 days	Wed 12/22/27	Wed 2/9/28	131												
135		DV10 Valve shipped to Union City	5 days	Thu 2/3/28	Wed 2/9/28	133												
136		Quality Verification	1 day	Thu 2/10/28	Thu 2/10/28	134,135												
137		Packaging	1 day	Fri 2/11/28	Fri 2/11/28	136												
138		Shipment to SMART	3 days	Mon 2/14/28	Wed 2/16/28	137												
139		Carset 12	40 days	Thu 2/24/28	Thu 4/20/28													
140		RMA Requested	1 day	Thu 2/24/28	Thu 2/24/28	138FS+5 days												
141		Equipment Shipped to KBC Union City	3 days	Fri 2/25/28	Tue 2/29/28	140												
142		Receiving Inspection	1 day	Wed 3/1/28	Wed 3/1/28	141												
143		DV10 Valve Shipped to Kansas City	5 days	Thu 3/2/28	Wed 3/8/28	142												
144		DV10 Valve Overhaul	20 days	Thu 3/9/28	Thu 4/6/28	143												
145		Carset Overhaul at Union City	30 days	Thu 3/2/28	Thu 4/13/28	142												
146		DV10 Valve shipped to Union City	5 days	Fri 4/7/28	Thu 4/13/28	144												
147		Quality Verification	1 day	Fri 4/14/28	Fri 4/14/28	145,146												
148		Packaging	1 day	Mon 4/17/28	Mon 4/17/28	147												
149		Shipment to SMART	3 days	Tue 4/18/28	Thu 4/20/28	148												
150		Carset 13	40 days	Fri 4/28/28	Fri 6/23/28													
151		RMA Requested	1 day	Fri 4/28/28	Fri 4/28/28	149FS+5 days												
152		Equipment Shipped to KBC Union City	3 days	Mon 5/1/28	Wed 5/3/28	151												

Project: SMART Brake Overhaul Date: Mon 10/28/24	Task		Project Summary		Manual Task		Start-only		Deadline	
	Split		Inactive Task		Duration-only		Finish-only		Progress	
	Milestone		Inactive Milestone		Manual Summary Rollup		External Tasks		Manual Progress	
	Summary		Inactive Summary		Manual Summary		External Milestone			

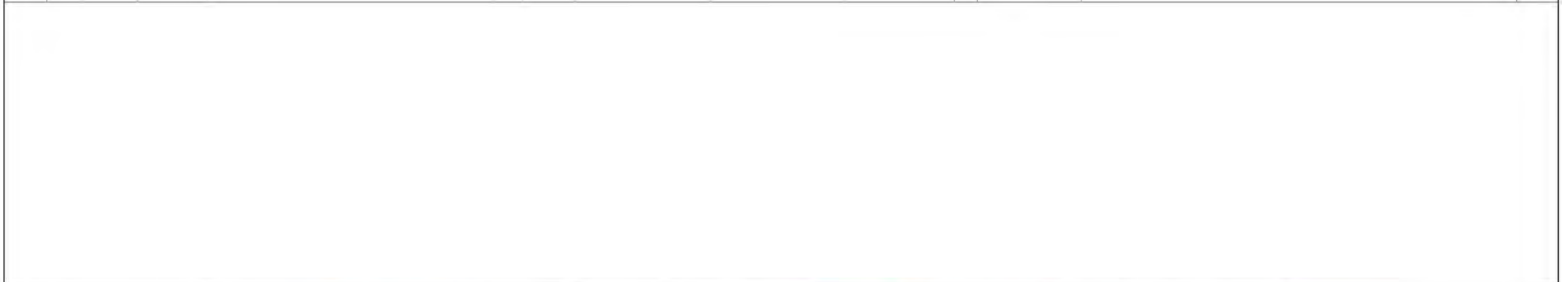
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ID	Task Mode	Task Name	Duration	Start	Finish	Predecessors	Gantt Chart															
							2024	2025	2026	2027	2028	2029										
153		Receiving Inspection	1 day	Thu 5/4/28	Thu 5/4/28	152																
154		DV10 Valve Shipped to Kansas City	5 days	Fri 5/5/28	Thu 5/11/28	153																
155		DV10 Valve Overhaul	20 days	Fri 5/12/28	Fri 6/9/28	154																
156		Carset Overhaul at Union City	30 days	Fri 5/5/28	Fri 6/16/28	153																
157		DV10 Valve shipped to Union City	5 days	Mon 6/12/28	Fri 6/16/28	155																
158		Quality Verification	1 day	Mon 6/19/28	Mon 6/19/28	156,157																
159		Packaging	1 day	Tue 6/20/28	Tue 6/20/28	158																
160		Shipment to SMART	3 days	Wed 6/21/28	Fri 6/23/28	159																
161		Carset 14	40 days	Wed 7/5/28	Tue 8/29/28																	
162		RMA Requested	1 day	Wed 7/5/28	Wed 7/5/28	160FS+5 days																
163		Equipment Shipped to KBC Union City	3 days	Thu 7/6/28	Mon 7/10/28	162																
164		Receiving Inspection	1 day	Tue 7/11/28	Tue 7/11/28	163																
165		DV10 Valve Shipped to Kansas City	5 days	Wed 7/12/28	Tue 7/18/28	164																
166		DV10 Valve Overhaul	20 days	Wed 7/19/28	Tue 8/15/28	165																
167		Carset Overhaul at Union City	30 days	Wed 7/12/28	Tue 8/22/28	164																
168		DV10 Valve shipped to Union City	5 days	Wed 8/16/28	Tue 8/22/28	166																
169		Quality Verification	1 day	Wed 8/23/28	Wed 8/23/28	167,168																
170		Packaging	1 day	Thu 8/24/28	Thu 8/24/28	169																
171		Shipment to SMART	3 days	Fri 8/25/28	Tue 8/29/28	170																
172		Carset 15	40 days	Thu 9/7/28	Wed 11/1/28																	
173		RMA Requested	1 day	Thu 9/7/28	Thu 9/7/28	171FS+5 days																
174		Equipment Shipped to KBC Union City	3 days	Fri 9/8/28	Tue 9/12/28	173																
175		Receiving Inspection	1 day	Wed 9/13/28	Wed 9/13/28	174																
176		DV10 Valve Shipped to Kansas City	5 days	Thu 9/14/28	Wed 9/20/28	175																
177		DV10 Valve Overhaul	20 days	Thu 9/21/28	Wed 10/18/28	176																
178		Carset Overhaul at Union City	30 days	Thu 9/14/28	Wed 10/25/28	175																
179		DV10 Valve shipped to Union City	5 days	Thu 10/19/28	Wed 10/25/28	177																
180		Quality Verification	1 day	Thu 10/26/28	Thu 10/26/28	178,179																
181		Packaging	1 day	Fri 10/27/28	Fri 10/27/28	180																
182		Shipment to SMART	3 days	Mon 10/30/28	Wed 11/1/28	181																
183		Carset 16	40 days	Thu 11/9/28	Mon 1/15/29																	
184		RMA Requested	1 day	Thu 11/9/28	Thu 11/9/28	182FS+5 days																
185		Equipment Shipped to KBC Union City	3 days	Fri 11/10/28	Tue 11/14/28	184																
186		Receiving Inspection	1 day	Wed 11/15/28	Wed 11/15/28	185																
187		DV10 Valve Shipped to Kansas City	5 days	Thu 11/16/28	Wed 11/22/28	186																
188		DV10 Valve Overhaul	20 days	Mon 11/27/28	Fri 12/22/28	187																
189		Carset Overhaul at Union City	30 days	Thu 11/16/28	Mon 1/8/29	186																
190		DV10 Valve shipped to Union City	5 days	Tue 1/2/29	Mon 1/8/29	188																

Project: SMART Brake Overhaul Date: Mon 10/28/24	Task		Project Summary		Manual Task		Start-only		Deadline	
	Split		Inactive Task		Duration-only		Finish-only		Progress	
	Milestone		Inactive Milestone		Manual Summary Rollup		External Tasks		Manual Progress	
	Summary		Inactive Summary		Manual Summary		External Milestone			

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ID	Task Mode	Task Name	Duration	Start	Finish	Predecessors	2024	2025	2026	2027	2028	2029
191		Quality Verification	1 day	Tue 1/9/29	Tue 1/9/29	189,190						
192		Packaging	1 day	Wed 1/10/29	Wed 1/10/29	191						
193		Shipment to SMART	3 days	Thu 1/11/29	Mon 1/15/29	192						
194		Carset 17	40 days	Tue 1/23/29	Mon 3/19/29							
195		RMA Requested	1 day	Tue 1/23/29	Tue 1/23/29	193FS+5 days						
196		Equipment Shipped to KBC Union City	3 days	Wed 1/24/29	Fri 1/26/29	195						
197		Receiving Inspection	1 day	Mon 1/29/29	Mon 1/29/29	196						
198		DV10 Valve Shipped to Kansas City	5 days	Tue 1/30/29	Mon 2/5/29	197						
199		DV10 Valve Overhaul	20 days	Tue 2/6/29	Mon 3/5/29	198						
200		Carset Overhaul at Union City	30 days	Tue 1/30/29	Mon 3/12/29	197						
201		DV10 Valve shipped to Union City	5 days	Tue 3/6/29	Mon 3/12/29	199						
202		Quality Verification	1 day	Tue 3/13/29	Tue 3/13/29	200,201						
203		Packaging	1 day	Wed 3/14/29	Wed 3/14/29	202						
204		Shipment to SMART	3 days	Thu 3/15/29	Mon 3/19/29	203						
205		Carset 18	40 days	Tue 3/27/29	Mon 5/21/29							
206		RMA Requested	1 day	Tue 3/27/29	Tue 3/27/29	204FS+5 days						
207		Equipment Shipped to KBC Union City	3 days	Wed 3/28/29	Fri 3/30/29	206						
208		Receiving Inspection	1 day	Mon 4/2/29	Mon 4/2/29	207						
209		DV10 Valve Shipped to Kansas City	5 days	Tue 4/3/29	Mon 4/9/29	208						
210		DV10 Valve Overhaul	20 days	Tue 4/10/29	Mon 5/7/29	209						
211		Carset Overhaul at Union City	30 days	Tue 4/3/29	Mon 5/14/29	208						
212		DV10 Valve shipped to Union City	5 days	Tue 5/8/29	Mon 5/14/29	210						
213		Quality Verification	1 day	Tue 5/15/29	Tue 5/15/29	211,212						
214		Packaging	1 day	Wed 5/16/29	Wed 5/16/29	213						
215		Shipment to SMART	3 days	Thu 5/17/29	Mon 5/21/29	214						



Project: SMART Brake Overhaul Date: Mon 10/28/24	Task		Project Summary		Manual Task		Start-only		Deadline	
	Split		Inactive Task		Duration-only		Finish-only		Progress	
	Milestone		Inactive Milestone		Manual Summary Rollup		External Tasks		Manual Progress	
	Summary		Inactive Summary		Manual Summary		External Milestone			

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V. Warranty

Service provider warrants the labor performed and materials supplied against defects in workmanship and material for a period of one (1) year from delivery of overhauled equipment to SMART.

VI. Acceptance Criteria

Upon delivery of the overhauled brake systems to SMART's Rail Operation Center, SMART shall have thirty (30) days to inspect the units and review the reports and certificates. Upon successful completion and acceptance of the work, the SMART Manager shall provide written acceptance of the work for each Overhauled Brake System and recommend submission of the invoice for review within such thirty (30) day period. IF Service Provider does not receive an express acceptance or rejection from SMART within such thirty (30) day period, the overhaul brake system shall be deemed accepted by SMART.

EXHIBIT B
SCHEDULE OF RATES

I. Standard Brake System Overhaul Service

The Standard Brake System and Air Supply Unit Overhaul Service shall be at a fixed price of \$96,271.00 per carset. This includes replacement of the Check Valves.

This fixed fee includes all labor, supervision, materials, supplies, overhead, profit, insurance, taxes, fees, and all other direct and indirect costs to perform this service.

II. Additional Repairs

If additional repairs are needed above and beyond that included in the basic overhaul and upgrade service, the repairs will be on a fixed price service basis. Service Provider shall submit a proposal for the fixed price service to the SMART Manager for review.

All additional repairs require the prior written approval by the SMART Manager before any work commences. Service Provider shall provide an estimate for the additional repairs to the SMART Manager.

EXHIBIT C
STATE OF CALIFORNIA PROVISIONS

1. General.

In performance of its obligations pursuant to this Agreement or Purchase Order [Hereinafter “Agreement”], the Contractor, Seller, Service Provider, or Consultant [Hereinafter “Contractor”] agrees to comply with all applicable provisions of the State of California and local law, regulations, and directives. The terms of the most recent amendment to any state or local laws, regulations, directives, and amendments to the grant or cooperative agreement providing funding for this Agreement that may be subsequently adopted, are applicable to the Agreement to the maximum extent feasible, unless the State of California provides otherwise in writing. The State regulations set forth in this Agreement to be observed in the performance of the Agreement are subject to change, and such changed requirements will apply to this Agreement as required. Contractor shall include in its subcontracts, and require its subcontractors of every tier to include in their respective subcontracts, provisions incorporating the requirements of this Attachment. Contractor’s failure to comply with these requirements shall constitute a material breach of this Agreement and may result in the withholding of progress payments to the Contractor, in addition to other remedies.

It is the responsibility of the Contractor and its subcontractors to ensure that all clauses included in this Exhibit applicable to the work specified within the Agreement are adhered to by the Contractor and its subcontractors.

2. Access To Records and Reports.

Applicability: All Contracts

Contractor shall comply with the following requirements:

(a) Record Retention. Contractor will retain, and will require its subcontractors of all tiers to retain, complete and readily accessible records related in whole or in part to the contract, including, but not limited to, data, documents, reports, statistics, sub-Contracts, leases, subcontracts, arrangements, other third-party Contracts of any type, and supporting materials related to those records.

(b) Retention Period. The Contractor agrees to comply with the record retention requirements in accordance with 2 C.F.R. §200.333. The Contractor shall maintain all books, records, accounts and reports required under this Contract for a period of at not less than three (3) years after the date of termination or expiration of this Contract, except in the event of litigation or settlement of claims arising from the performance of this Contract, in which case records shall be maintained until the disposition of all such litigation, appeals, claims or exceptions related thereto.

(c) Access to Records. The Contractor agrees to provide access to SMART, the State of California, and its contractors to inspect and audit records and information related to performance of this contract as reasonably may be required. Contractor shall also permit SMART, the State of California, or their authorized representatives, to inspect all project work, materials, payrolls, and other data, and to audit the books, records, and accounts of Contractor and its subcontractors pertaining to the Agreement.

(d) Access to the Site of Performance. The Contractor agrees to permit the State of California and its contractors access to the sites of performance under this contract as reasonably may be required.

(e) State Audit, Inspection, Access to Records and Retention of Records Requirements. Contractor and its subcontractors shall establish and maintain an accounting system and records that properly accumulate and segregate incurred costs by line item for the project. Contractor and its subcontractors' accounting systems shall conform to generally accepted accounting principles (GAAP) and all records shall provide a breakdown of total costs charged to the project, including properly executed payrolls, time records, invoices and vouchers as well as all accounting generated reports. Contractor and its subcontractors shall permit, upon reasonable prior written notice, representatives of the State and State Auditor to inspect and examine Contractor and its subcontractors' work, documents, papers, materials, payrolls, books, records, accounts, any and all data relevant to this Agreement at any reasonable time during normal business hours and to audit and verify statements, invoices or bills submitted by Contractor and its subcontractors pursuant to this Agreement, and shall provide copies thereof upon request and shall provide such assistance as may be reasonably required in the course of such audit or inspection.

The State, its representatives and the State Auditor further reserve the right to examine, inspect, make copies, or excerpts of all work, documents, papers, materials, payrolls, books and accounts, and data pertaining to this Agreement and to inspect and re-examine said work, documents, papers, materials, payrolls, books, records, accounts and data during the life of the Agreement and for the three (3) year period following the final payment under this Agreement, and Contractor and its subcontractors shall in no event dispose of, destroy, alter or mutilate said work, documents, papers, materials, payrolls, books, records, accounts and data in any manner whatsoever for three (3) years after final payment under this Agreement and all pending matters are closed.

Any costs for which Contractors and its subcontractors have received payment that are determined by subsequent audit to be unallowable under the terms of this agreement may be required to be repaid to SMART by the Contractors and its subcontractors. Should Contractor and its subcontractors fail to reimburse money due SMART within 30 days of demand, or within such other period as may be agreed between the parties hereto, SMART is authorized to withhold future payments due Contractor and its subcontractors from any source.

The Contractor agrees that the Contract Cost Principles and Procedures at least as restrictive as 48 CFR, Federal Acquisition Regulations System, Chapter 1, Part 31 *et seq.*, shall be used to determine the allowability of individual items of costs.

The Contractor agrees to comply with Federal procedures in accordance with 49 CFR, Part 18, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments.

Any costs for which payments have been made to the Contractor, which are determined by subsequent audit to be unallowable under 48 CFR, Federal Acquisition Regulations System, Chapter 1, Part 31 *et seq.*, or 49 CFR, Part 18, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments, are subject to repayment by Contractor to SMART.

Any subcontract entered into as a result of this Agreement shall contain all the provisions of this section.

3. **ADA Access**

Applicability: All Construction, Architecture & Engineering, Operations Management, and Rolling Stock Contracts

The contractor agrees to comply with all applicable requirements of section 504 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. § 794, which prohibits discrimination on the basis of handicaps, with the Americans with Disabilities Act of 1990 (ADA), as amended, 42U.S.C. §§ 12101 *et seq.*, which requires that accessible facilities and services be made available to persons with disabilities, including any subsequent amendments to that Act, and with the Architectural Barriers act of 1968, as amended, 42 U.S.C. §§ 4151 *et seq.*, which requires that buildings and public accommodations be accessible to persons with disabilities, including any subsequent amendments to that Act. In addition, the contractor agrees to comply with any and all applicable requirements issued by the State of California, DOT, DOJ, U.S. GSA, U.S. EEOC, U.S. FCC, any subsequent amendments thereto and any other nondiscrimination statute(s) that may apply to the Project or Services.

4. **Civil Rights.**

Applicability: All Contracts

The following Federal Civil Rights laws and regulations apply to the Agreement:

1. **Federal Equal Employment Opportunity (EEO) Requirements.** These include, but are not limited to:

- a) Nondiscrimination in Federal Public Transportation Programs. 49 U.S.C. § 5332, covering projects, programs, and activities financed under 49 U.S.C. Chapter 53, prohibits discrimination on the basis of race, color, religion, national origin, sex (including sexual orientation and gender identity), disability, or age, and prohibits discrimination in employment or business opportunity.
 - b) Prohibition against Employment Discrimination. Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. § 2000e, and Executive Order No. 11246, “Equal Employment Opportunity,” September 24, 1965, as amended, prohibit discrimination in employment on the basis of race, color, religion, sex, or national origin.
2. **Nondiscrimination on the Basis of Sex.** Title IX of the Education Amendments of 1972, as amended, 20 U.S.C. § 1681 et seq. and implementing Federal regulations, “Nondiscrimination on the Basis of Sex in Education Programs or Activities Receiving Federal Financial Assistance,” 49 C.F.R. part 25 prohibit discrimination on the basis of sex.
 3. **Nondiscrimination on the Basis of Age.** The “Age Discrimination Act of 1975,” as amended, 42 U.S.C. § 6101 et seq., and Department of Health and Human Services implementing regulations, “Nondiscrimination on the Basis of Age in Programs or Activities Receiving Federal Financial Assistance,” 45 C.F.R. part 90, prohibit discrimination by participants in federally assisted programs against individuals on the basis of age. The Age Discrimination in Employment Act (ADEA), 29 U.S.C. § 621 et seq., and Equal Employment Opportunity Commission (EEOC) implementing regulations, “Age Discrimination in Employment Act,” 29 C.F.R. part 1625, also prohibit employment discrimination against individuals age 40 and over on the basis of age.
 4. **Federal Protections for Individuals with Disabilities.** The Americans with Disabilities Act of 1990, as amended (ADA), 42 U.S.C. § 12101 et seq., prohibits discrimination against qualified individuals with disabilities in programs, activities, and services, and imposes specific requirements on public and private entities. Third party contractors must comply with their responsibilities under Titles I, II, III, IV, and V of the ADA in employment, public services, public accommodations, telecommunications, and other provisions, many of which are subject to regulations issued by other Federal agencies.

Civil Rights and Equal Opportunity

The Sonoma-Marín Area Rail Transit District is an Equal Opportunity Employer. As such, SMART agrees to comply with all applicable Federal civil rights laws and implementing regulations. Apart from inconsistent requirements imposed by Federal laws or regulations, SMART agrees to comply with the requirements of 49 U.S.C. § 5323(h) (3) by not using any Federal assistance to support procurements using

exclusionary or discriminatory specifications. Under this Contract, the Contractor shall at all times comply with the following requirements and shall include these requirements in each subcontract entered into as part thereof.

1. **Nondiscrimination.** In accordance with Federal transit law at 49 U.S.C. § 5332, the Contractor agrees that it will not discriminate against any employee or applicant for employment because of race, color, religion, national origin, sex, disability, or age.
2. **Race, Color, Religion, National Origin, Sex.** In accordance with Title VII of the Civil Rights Act, as amended, 42 U.S.C. § 2000e et seq., and Federal transit laws at 49 U.S.C. § 5332, the Contractor agrees to comply with all applicable equal employment opportunity requirements of U.S. Department of Labor (U.S. DOL) regulations, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," 41 C.F.R. chapter 60, and Executive Order No. 11246, "Equal Employment Opportunity in Federal Employment," September 24, 1965, 42 U.S.C. § 2000e note, as amended by any later Executive Order that amends or supersedes it, referenced in 42 U.S.C. § 2000e note. The Contractor agrees to take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, national origin, or sex (including sexual orientation and gender identity). Such action shall include, but not be limited to, the following: employment, promotion, demotion or transfer, recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.
3. **Age.** In accordance with the Age Discrimination in Employment Act, 29 U.S.C. §§ 621- 634, U.S. Equal Employment Opportunity Commission (U.S. EEOC) regulations, "Age Discrimination in Employment Act," 29 C.F.R. part 1625, the Age Discrimination Act of 1975, as amended, 42 U.S.C. § 6101 et seq., U.S. Health and Human Services regulations, "Nondiscrimination on the Basis of Age in Programs or Activities Receiving Federal Financial Assistance," 45 C.F.R. part 90, and Federal transit law at 49 U.S.C. § 5332, the Contractor agrees to refrain from discrimination against present and prospective employees for reason of age.
4. **Disabilities.** In accordance with section 504 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. § 794, the Americans with Disabilities Act of 1990, as amended, 42 U.S.C. § 12101 et seq., the Architectural Barriers Act of 1968, as amended, 42 U.S.C. § 4151 et seq., and Federal transit law at 49 U.S.C. § 5332, the Contractor agrees that it will not discriminate against individuals on the basis of disability.
5. **Promoting Free Speech and Religious Liberty.** The Contractor shall ensure that Federal funding is expended in full accordance with the U.S. Constitution, Federal Law, and statutory and public policy requirements: including, but not limited to,

those protecting free speech, religious liberty, public welfare, the environment, and prohibiting discrimination.

The Contractor also agrees to include these requirements in each subcontract.

5. Clean Water Act

Applicability: All Contracts > \$150,000

The Contractor agrees to comply with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act (42 U.S.C. § 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. § 1251-1387). Violations must be reported to SMART and the Regional Office of the Environmental Protection Agency. The following applies for contracts of amounts in excess of \$150,000:

Clean Air Act

- a. The contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq.
- b. The contractor agrees to report each violation to SMART and understands and agrees that SMART will, in turn, report each violation as required to assure notification to the Agency, Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office.
- c. The contractor agrees to include these requirements in each subcontract exceeding \$150,000.

Federal Water Pollution Control Act

- (1) The contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq.
- (2) The contractor agrees to report each violation to SMART and understands and agrees that SMART will, in turn, report each violation as required to assure notification to the Agency, Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office.
- (3) The contractor agrees to include these requirements in each subcontract exceeding \$150,000.

6. **Contract Work Hours and Safety Standards Act.**

Applicability: All Operations Management, Service Agreements, Rolling Stock Purchases, and Construction Contracts >\$100,000.

- a. Where applicable (see 40 U.S.C. § 3701 et seq), all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. §§ 3702 and 3704, as supplemented by Department of Labor regulations at 29 C.F.R. Part 5. See 2 C.F.R. Part 200, Appendix II.
- b. Under 40 U.S.C. § 3702, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week.
- c. The requirements of 40 U.S.C. § 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

Compliance with the Contract Work Hours and Safety Standards Act.

- (1) Overtime requirements - No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty (40) hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half (1.5) times the basic rate of pay for all hours worked in excess of forty (40) hours in such workweek.
- (2) Violation; liability for unpaid wages; liquidated damages - In the event of any violation of the clause set forth in paragraph (1) of this section the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (1) of this section, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty (40) hours

without payment of the overtime wages required by the clause set forth in paragraph (1) of this section.

- (3) Withholding for unpaid wages and liquidated damages. SMART shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (2) of this section.
- (4) Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (1) through (4) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (1) through (4) of this section.”

7. Davis Bacon Act and Copeland Anti-Kickback Act

Applicability: All Construction Contracts > \$2,000

For all prime construction, alteration or repair contracts in excess of \$2,000 awarded by FTA, the Contractor shall comply with the Davis-Bacon Act and the Copeland “Anti-Kickback” Act. Under 49 U.S.C. § 5333(a), prevailing wage protections apply to laborers and mechanics employed on FTA assisted construction, alteration, or repair projects. The Contractor will comply with the Davis-Bacon Act, 40 U.S.C. §§ 3141-3144, and 3146-3148 as supplemented by DOL regulations at 29 C.F.R. part 5, “Labor Standards Provisions Applicable to Contracts Governing Federally Financed and Assisted Construction.” In accordance with the statute, the Contractor shall pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, the Contractor agrees to pay wages not less than once a week. The Contractor shall also comply with the Copeland “Anti-Kickback” Act (40 U.S.C. § 3145), as supplemented by DOL regulations at 29 C.F.R. part 3, “Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in part by Loans or Grants from the United States.” The Contractor is prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled.

8. Debarment and Suspension

Applicability: All Contracts > \$25,000

The Contractor shall comply and facilitate compliance with U.S. DOT regulations, “Nonprocurement Suspension and Debarment,” 2 C.F.R. part 1200, which adopts and supplements the U.S. Office of Management and Budget (U.S. OMB) “Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement),” 2 C.F.R. part 180. These provisions apply to each contract at any tier of \$25,000 or more, and to each contract at any tier for a federally required audit (irrespective of the contract amount). As such, the Contractor shall verify that its principals, affiliates, and subcontractors are eligible to participate in this federally funded contract and are not presently declared by any Federal department or agency to be:

- i. Debarred from participation in any federally assisted Award;
- ii. Suspended from participation in any federally assisted Award;
- iii. Proposed for debarment from participation in any federally assisted Award;
- iv. Declared ineligible to participate in any federally assisted Award;
- v. Voluntarily excluded from participation in any federally assisted Award; or
- vi. Disqualified from participation in any federally assisted Award.

By signing and submitting its bid or proposal, the bidder or proposer certifies as follows:

The certification in this clause is a material representation of fact relied upon by SMART. If it is later determined by SMART that the bidder or proposer knowingly rendered an erroneous certification, in addition to remedies available to SMART, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment. The bidder or proposer agrees to comply with the requirements of 2 C.F.R. part 180, subpart C, as supplemented by 2 C.F.R. part 1200, while this offer is valid and throughout the period of any contract that may arise from this offer. The bidder or proposer further agrees to include a provision requiring such compliance in its lower tier covered transactions.

9. Prohibition on Certain Telecommunications and Video Surveillance Services or Equipment.

Applicability: All Contracts

- a) SMART, Contractors, and Subcontractors are prohibited from obligating or expending loan or grant funds to:
 - 1) Procure or obtain;
 - 2) Extend or renew a contract to procure or obtain; or
 - 3) Enter into a contract (or extend or renew a contract) to procure or obtain equipment, services, or systems that uses covered telecommunications equipment

or services as a substantial or essential component of any system, or as critical technology as part of any system. As described in Public Law 115-232, section 889, covered telecommunications equipment is telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities).

- (ii) For the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities).
 - (iii) Telecommunications or video surveillance services provided by such entities or using such equipment.
 - (iv) Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country.
- b) In implementing the prohibition under Public Law 115-232, section 889, subsection (f), paragraph (1), heads of executive agencies administering loan, grant, or subsidy programs shall prioritize available funding and technical support to assist affected businesses, institutions and organizations as is reasonably necessary for those affected entities to transition from covered communications equipment and services, to procure replacement equipment and services, and to ensure that communications service to users and customers is sustained.
- c) See Public Law 115-232, section 889 for additional information.
- d) See also § 200.471.

10. Restrictions on Lobbying

Applicability: All Contracts > \$100,000

Conditions on use of funds.

- (a) No appropriated funds may be expended by the recipient of a Federal contract, grant, loan, or cooperative agreement to pay 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 any of the following covered Federal actions: 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) Each person who requests or receives from an agency a Federal contract, grant, loan, or cooperative agreement shall file with that agency a certification, that the person has not made, and will not make, any payment prohibited by paragraph (a) of this section.
- (c) Each person who requests or receives from an agency a Federal contract, grant, loan, or a cooperative agreement shall file with that agency a disclosure form if such person has made or has agreed to make any payment using nonappropriated funds (to include profits from any covered Federal action), which would be prohibited under paragraph (a) of this section if paid for with appropriated funds.
- (d) Each person who requests or receives from an agency a commitment providing for the United States to insure or guarantee a loan shall file with that agency a statement, whether that person has made or has agreed to make any payment to influence or attempt 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 that loan insurance or guarantee.
- (e) Each person who requests or receives from an agency a commitment providing for the United States to insure or guarantee a loan shall file with that agency a disclosure form if that person has made or has agreed to make any payment to influence or attempt 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 that loan insurance or guarantee.

Certification and disclosure.

(a) Each person shall file a certification, and a disclosure form, if required, with each submission that initiates agency consideration of such person for:

- (1) Award of a Federal contract, grant, or cooperative agreement exceeding \$100,000;
or
- (2) An award of a Federal loan or a commitment providing for the United States to insure or guarantee a loan exceeding \$150,000.

(b) Each person shall file a certification, and a disclosure form, if required, upon receipt by such person of:

- (1) A Federal contract, grant, or cooperative agreement exceeding \$100,000; or
- (2) A Federal loan or a commitment providing for the United States to insure or guarantee a loan exceeding \$150,000, Unless such person previously filed a certification, and a disclosure form, if required, under paragraph (a) of this section.

(c) Each person shall file a disclosure form at the end of each calendar quarter in which there occurs any event that requires disclosure or that materially affects the accuracy of the information contained in any disclosure form previously filed by such person under paragraphs (a) or (b) of this section. An event that materially affects the accuracy of the information reported includes:

(1) A cumulative increase of \$25,000 or more in the amount paid or expected to be paid for influencing or attempting to influence a covered Federal action; or

(2) A change in the person(s) or individual(s) influencing or attempting to influence a covered Federal action; or,

(3) A change in the officer(s), employee(s), or Member(s) contacted to influence or attempt to influence a covered Federal action.

(d) Any person who requests or receives from a person referred to in paragraphs (a) or (b) of this section:

(1) A subcontract exceeding \$100,000 at any tier under a Federal contract;

(2) A subgrant, contract, or subcontract exceeding \$100,000 at any tier under a Federal grant;

(3) A contract or subcontract exceeding \$100,000 at any tier under a Federal loan exceeding \$150,000; or,

(4) A contract or subcontract exceeding \$100,000 at any tier under a Federal cooperative agreement, Shall file a certification, and a disclosure form, if required, to the next tier above.

(e) All disclosure forms, but not certifications, shall be forwarded from tier to tier until received by the person referred to in paragraphs (a) or (b) of this section. That person shall forward all disclosure forms to the agency.

(f) Any certification or disclosure form filed under paragraph (e) of this section shall be treated as a material representation of fact upon which all receiving tiers shall rely. All liability arising from an erroneous representation shall be borne solely by the tier filing that representation and shall not be shared by any tier to which the erroneous representation is forwarded. Submitting an erroneous certification or disclosure constitutes a failure to file the required certification or disclosure, respectively. If a person fails to file a required certification or disclosure, the United States may pursue all available remedies, including those authorized by section 1352, title 31, U.S. Code.

(g) For awards and commitments in process prior to December 23, 1989, but not made before that date, certifications shall be required at award or commitment, covering activities occurring between December 23, 1989, and the date of award or commitment. However, for awards and commitments in process prior to the December 23, 1989 effective date of these provisions, but not made before December 23, 1989, disclosure forms shall not be required at time of award or commitment but shall be filed within 30 days.

(h) No reporting is required for an activity paid for with appropriated funds if that activity is allowable under either subpart B or C.

11. Safe Operation of Motor Vehicles.

Applicability: All Contracts

Seat Belt Use

The Contractor is encouraged to adopt and promote on-the-job seat belt use policies and programs for its employees and other personnel that operate company-owned vehicles, company rented vehicles, or personally operated vehicles. The terms “company-owned” and “company-leased” refer to vehicles owned or leased either by the Contractor or SMART.

Distracted Driving

The Contractor agrees to adopt and enforce workplace safety policies to decrease crashes caused by distracted drivers, including policies to ban text messaging while using an electronic device supplied by an employer, and driving a vehicle the driver owns or rents, a vehicle Contractor owns, leases, or rents, or a privately-owned vehicle when on official business in connection with the work performed under this Contract.

12. Procurement of Recovered Materials

Applicability: All Contracts > \$10,000

The Contractor agrees to comply with all the requirements of Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act (RCRA), as amended (42 U.S.C. 6962), including but not limited to the regulatory provisions of 40 CFR Part 247, and Executive Order 12873, as they apply to the procurement of the items designated in Subpart B of 40 CFR Part 247. The Contractor agrees to comply with the U.S. Environmental Protection Agency (US EPA), “Comprehensive Procurement Guideline for Products Containing Recovered Materials”, 40 CFR Part 247.

13. Special DOL EEO Clause

Applicability: All Construction Contracts > \$10,000

The contractor and subcontractor shall abide by the requirements of 41 CFR 60-1.4(a), 60-300.5(a) and 60- 741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, disability or veteran status.

14. Termination.

Applicability: All Contracts > \$10,000

In addition to the Termination provisions contained in the Agreement, the following Termination provisions apply.

(a) Termination for Convenience. SMART may terminate this Agreement, in whole or in part, at any time by no less than thirty (30) days prior written notice to the Contractor when it is in SMART's best interest. The Contractor shall be paid its costs, including Agreement close-out costs, and profit on work performed up to the time of termination. The Contractor shall promptly submit its termination claim to SMART to be paid the Contractor. If the Contractor has any property in its possession belonging to SMART, the Contractor will account for the same, and dispose of it in the manner SMART directs.

(b) Termination for Default [Breach or Cause]. If the Contractor does not deliver supplies in accordance with the Agreement delivery schedule, or, if the Agreement is for services, the Contractor fails to perform in the manner called for in the contract, or if the Contractor fails to comply with any other provisions of the contract, SMART may terminate this Agreement for default. Termination shall be effected by serving a Notice of Termination on the Contractor setting forth the manner in which the Contractor is in default. The Contractor will only be paid the Contract price for supplies delivered and accepted, or services performed in accordance with the manner of performance set forth in the contract. If it is later determined by SMART that the Contractor had an excusable reason for not performing, such as a strike, fire, or flood, events which are not the fault of or are beyond the control of the Contractor, then SMART, after setting up a new delivery of performance schedule, may allow the Contractor to continue work, or treat the termination as a Termination for Convenience.

(c) Opportunity to Cure. In the case of a termination for breach or default, SMART shall allow the Contractor thirty (30) calendar days in which to cure the defect. In such case, the notice of termination will state the date of termination if not cured and other appropriate conditions.

If Contractor fails to remedy to SMART's reasonable satisfaction the breach or default of any of the terms, covenants, or conditions of this Agreement within thirty (30) calendar days after receipt by Contractor of written notice from SMART setting forth the nature of said breach or default, SMART shall have the right to terminate the Agreement without any further obligation to Contractor. Any such termination for default shall not in any way operate to preclude SMART from also pursuing all available remedies against Contractor and its sureties for said breach or default.

(d) Waiver of Remedies for any Breach. In the event that SMART elects to waive its remedies for any breach by Contractor of any covenant, term or condition of this Agreement, such waiver by SMART shall not limit SMART's remedies for any

succeeding breach of that or of any other term, covenant, or condition of this Agreement.

15. Violation and Breach of Contract.

Applicability: All Contracts

Rights and Remedies of SMART

The duties and obligations imposed by the Agreement and the rights and remedies available thereunder shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law. No action or failure to act by SMART or Contractor shall constitute a waiver of any right or duty afforded any of them under the Contract, nor shall any such action or failure to act constitute an approval of or acquiescence in any breach thereunder, except as may be specifically agreed in writing.

Remedies

Unless this Agreement provides otherwise, all claims, counterclaims, disputes and other matters in question between SMART and the Contractor arising out of or relating to this Agreement or its breach will be decided by arbitration if the parties mutually agree, or in a court of competent jurisdiction within California.

Disputes

Disputes arising in the performance of this Agreement which are not resolved by agreement of the parties shall be decided by arbitration or litigation, as stated in the preceding paragraph.

Performance during Dispute

Unless otherwise directed by SMART, Contractor shall continue performance under this Contract while matters in dispute are being resolved.

Claims for Damages

Should either party to the Contract suffer injury or damage to person or property because of any act or omission of the party or of any of its employees, agents or others for whose acts it is legally liable, a claim for damages therefor shall be made in writing to such other party within a reasonable time after the first observance of such injury or damage.

16. Conformance with National ITS Architecture

Applicability: All ITS Contracts

Intelligent Transportation Systems (ITS) projects shall conform to the National ITS Architecture and standards pursuant to 23 CFR § 940. Conformance with the National ITS Architecture is interpreted to mean the use of the National ITS Architecture to develop a regional ITS architecture in support of integration and the subsequent adherence of all ITS projects to that regional ITS architecture. Development of the

regional ITS architecture should be consistent with the transportation planning process for Statewide and Metropolitan Transportation Planning (49 CFR Part 613 and 621).

17. Severability

Applicability: All Contracts

The Contractor agrees that if any provision of this Agreement or any amendment thereto is determined to be invalid, then the remaining provisions thereof that conform to State of California laws, regulations, requirements, and guidance will continue in effect.

18. Trafficking in Persons

Applicability: All Contracts

The contractor agrees that it and its employees that participate in this contract, may not:

- (a) Engage in severe forms of trafficking in persons during the period of time that the contract is in effect;
- (b) Procure a commercial sex act during the period of time that the contract is in effect;
or
- (c) Use forced labor in the performance of the contract or subagreements thereunder.

19. Rights to Inventions Made Under a Contract or Agreement.

Applicability: All Research and Development Contracts

Contractor agrees to comply with the requirements of 37 C.F.R. §401.2(a), “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms under Government Grants, Contracts and Cooperative Agreements” and any implementing regulations issued by SMART.

20. Domestic Preferences for Procurements

Applicability: All Contracts

Contractor shall make every effort to provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products). This section must be included in all subcontracts.

For the purposes of this section:

- 1) “Produced in the United States” means, for iron and steel products, that all

manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States.

2) “Manufactured products” means items and construction materials composed in whole or in part of non-ferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride pipe; aggregates such as concrete; glass, including optical fiber; and lumber.

21. Whistleblower Protections

Applicability: All Contracts

An employee of the Contractor or Subcontractor must not be discharged, demoted, or otherwise discriminated against as a reprisal for disclosing to a person or body described in paragraph (a)(2) of 41 U.S.C. 4712 information that the employee reasonably believes is evidence of gross mismanagement of a Federal contract or grant, a gross waste of Federal funds, an abuse of authority relating to a Federal contract or grant, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a Federal contract (including the competition for or negotiation of a contract) or grant. The Contractor and their subcontractors must inform their employees in writing of employee whistleblower rights and protections under 41 U.S.C. 4712. See statutory requirements for whistleblower protections at 10 U.S.C. 4701, 41 U.S.C. 4712, 41 U.S.C. 4304, and 10 U.S.C. 4310.



November 20, 2024

Eric Lucan, Chair
Marin County Board of Supervisors

Melanie Bagby, Vice Chair
Sonoma County Mayors' and Councilmembers Association

Kate Colin
Transportation Authority of Marin

Chris Coursey
Sonoma County Board of Supervisors

Rachel Farac
Transportation Authority of Marin

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Highway/Transportation District

Barbara Pahre
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Sonoma-Marín Area Rail Transit Board of Directors
5401 Old Redwood Highway, Suite 200
Petaluma, CA 94954

SUBJECT: Marin-Sonoma Coordinated Transit Service Plan (MASCOTS) Update

Dear Board Members:

RECOMMENDATION: Information item.

SUMMARY

With the introduction of SMART service 2017, followed by the COVID-19 pandemic's effects on the transit market, transit operators in Marin and Sonoma determined that the timing is right to conduct a coordinated service planning effort to determine the future of transit service. The Marin Sonoma Coordinated Transit Service Plan (MASCOTS) is multi-agency planning effort to comprehensively analyze transit service in the Highway 101 corridor. This item provides an update on the MASCOTS effort including background, overview, timeline, and findings from the existing conditions analysis. The Board will receive another update in early 2025 on the recommendations from this effort.

BACKGROUND

Transit operators in Marin County and Sonoma County form a unique sub-region. Regional services that cross county boundaries are Golden Gate Transit Bus, Golden Gate Transit Ferry, and SMART; these are complemented by local transit services, including Marin Transit, Sonoma County Transit, Santa Rosa CityBus, and Petaluma Transit. Our seven agencies have a history of coordinating fares, marketing, bus stops, and schedules to improve the network of transit services in the area. However, historically, transit service planning in the Marin-Sonoma region has been done by each agency independently for their service area, with agencies responding as possible to changes in other agencies' schedules. True integrated service planning has never occurred.

SMART train service launched in 2017 and was extended to Larkspur in 2019. Then, the pandemic significantly changed travel patterns and agencies adjusted services to attempt to accommodate changed patterns, but not in a coordinated fashion.

This has resulted in redundancy along the 101 corridor. As the pandemic recedes into the past, and we start to see “new normal” travel patterns emerge, it is an opportune time for a comprehensive evaluation of service along the 101 corridor.

In 2023, the Golden Gate Bridge Highway and Transportation District (GGBHTD) undertook a strategic planning process. One of the key themes identified through that strategic planning process was the need for improved coordination among transit and county transportation agencies in Marin and Sonoma counties. In response, GGBHTD convened a transit and funding partner meeting in September of 2023 to discuss the Strategic Plan and other topics. This workshop kickstarted an ongoing coordination process through 2024, consisting of a service planning project called the Marin Sonoma Coordinated Transit Service (MASCOTS) Plan, a regular marketing coordination meeting, financial coordination meetings, and a monthly meeting of General Managers and Executive Directors. Participating agencies are Marin Transit, GGBHTD, Sonoma-Marín Area Rail Transit (SMART), Santa Rosa CityBus, Petaluma Transit, Sonoma County Transit, Transportation Authority of Marin (TAM), Sonoma County Transportation Authority (SCTA), and the Metropolitan Transportation Commission (MTC).

DISCUSSION

MASCOTS is a comprehensive structural analysis of transit service in the Highway 101 corridor. The purpose of this effort is to improve service efficiency, effectiveness, and legibility along Highway 101 corridor to better serve existing and future transit customers. At the outset, the MASCOTS General Manager and Executive Director group agreed on the following Principles of Coordination to ensure good faith participation in the coordination process with the end goal of ensuring the best possible regional and local transit service for riders, the highest combined ridership, and the greatest benefit for the communities we serve.

Marin & Sonoma County Transit Operator Principles of Coordination:

1. Coordination of transit service maximizes the utility of the transit network for riders and the cost effectiveness of service provision
2. Coordination of schedules supports riders’ ability to seamlessly transfer between services
3. Coordinated fares and transfer policies maximize the legibility, usability, and equity of the system
4. Coordinated and joint outreach, marketing, and communication efforts help riders better understand the services available to them and maximize the impact of each operator’s efforts.

As work progresses, the MASCOTS effort is assessing the most competitive markets for transit service, existing ridership patterns, areas of overlapping service, areas where service does/does not meet demand, and connections among services. The outcome will be a coordinated plan for services to meet the needs/demands within the US 101 corridor. Work is currently underway, building off the development of MTC’s regional Transit 2050+ planning process, with potential service recommendations being identified in early 2025.

The project will unfold in three phases: 1) Understand Current Conditions, 2) Develop Solutions to Address Opportunities, and 3) Document Impacts of Alternatives. Phase 1 is complete, and highlights will be presented to the Board at this meeting. In summary, highlights from the assessment of existing conditions are:

- SMART has *fundamentally changed mobility* in the 101 corridor in Marin and Sonoma Counties, increasing ridership and offering a competitive attractive travel option for commuters and all-day riders; local connectivity to SMART is critical
- Golden Gate Transit all-day bus ridership north of San Rafael has *declined significantly* since the launch of SMART and should be re-evaluated
- The 101 corridor in Marin County from San Rafael to Marin City in particular, and to a lesser degree Novato to San Rafael, is *overserved by transit*; overlapping services create rider confusion and resources could be more effectively deployed
- Demand to San Francisco is strongest *from San Rafael south* and more frequent all-day bus service in this corridor is warranted.

The coordination of regional and local transit services, to respond to post-pandemic realities, is expected to result in changes to service availability and distribution in Marin and Sonoma Counties, and potentially to result in new transit service and capital needs. Staff will continue to participate in these efforts, and support planning and implementation of MASCOTS service changes to adjust to emerging needs. A comparable presentation is being made at the Boards of each of the participating transit agencies in October – December 2024. Initial recommended service changes will be presented to this Board in early 2025, followed by public engagement.

FISCAL IMPACT: None.

REVIEWED BY: [x] Finance /s/ [x] Counsel /s/

Respectfully,

/s/
Emily Betts
Planning Manager



Eric Lucan, Chair
Marin County Board of Supervisors

Melanie Bagby, Vice Chair
Sonoma County Mayors' and Councilmembers Association

Kate Colin
Transportation Authority of Marin

Chris Coursey
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November 20, 2024

Sonoma-Marin Area Rail Transit Board of Directors
5401 Old Redwood Highway, Suite 200
Petaluma, CA 94954

SUBJECT: Draft FY2025-FY2030 Strategic Plan

Dear Board Members:

RECOMMENDATION: Discussion Item

SUMMARY

SMART continues to develop the FY2025-FY2030 Strategic Plan, following the process previously outlined to the Board. The Strategic Plan is an opportunity to define the strategic direction of the organization, and to establish goals, objectives, and actions in line with SMART's vision and mission. The previous plan was adopted by the Board of Directors on September 18, 2019, for the period 2019 – 2024. This Strategic Plan is for the period 2025 – 2030, which will carry SMART through the reauthorization of a sales tax measure, the construction of pathway segments and rail extensions to the north, and into a new period of growth as the primary regional transit service in Marin and Sonoma Counties.

The outreach and community engagement conducted as part of the FY25-FY30 strategic planning process was vital to ensure that the investments SMART makes over the next five years align with the priorities of the community. Input received through the community outreach process has been merged with ongoing local, regional, State, and Federal goals to create a series of Strategies and Actions designed to move the needle on SMART's four goal areas: Ridership, Pathway, Extensions, and Freight.

The Strategic Plan directly influences SMART's financial plan by providing the roadmap for achieving SMART's goals, which informs the allocation of resources, investment decisions, and budgeting strategies needed to execute those goals.

The financial plan guides the annual budget by identifying key priorities and challenges that need to be addressed over a longer timeframe.

While many of the strategic plan’s actions are currently funded fully or partially, other activities and initiatives in this plan do not have committed funds. Using the Strategic Plan to shape SMART’s annual budgeting process and ongoing grant applications will ensure that the agency’s resources are put to work to achieve the goals that SMART and the public established in this plan.

The Draft Strategic Plan was presented to the Citizens Oversight Committee on November 13, 2024, and is posted on the SMART website for public comment through November 30, 2024. The Final FY2025 – FY2030 Strategic Plan will be presented to this Board for adoption in December.

FISCAL IMPACT: None

REVIEWED BY: Finance /s/ Counsel /s/

Respectfully,

 /s/
Emily Betts
Planning Manager

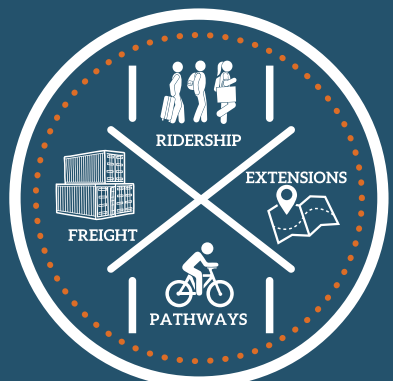
Attachment(s): Draft SMART FY2025 – FY2030 Strategic Plan



SONOMA~MARIN
SMART
AREA RAIL TRANSIT

SONOMA-MARIN
SMART
AREA RAIL TRANSIT

110 Downtown 110



SONOMA-MARIN AREA RAIL TRANSIT DISTRICT
DRAFT STRATEGIC PLAN
2025-2030



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EXECUTIVE SUMMARY

The Strategic Plan is an opportunity to define the strategic direction of the organization, and to establish goals, objectives, and actions in line with SMART's vision and mission. The previous plan was adopted by the Board of Directors on September 18, 2019, for the period 2019 – 2024. This Strategic Plan is for the period 2025 – 2030, which will carry SMART through the reauthorization of a sales tax measure, the construction of pathway segments and rail extensions to the north, and into a new period of growth as the primary regional transit service in Marin and Sonoma Counties.

SMART had only been in revenue service for two years when the last Strategic Plan was completed, and those two years had seen multiple fire and flood disasters that negatively impacted ridership. The beginning of the COVID-19 pandemic created unprecedented challenges for all transit systems. As of Fall 2024, SMART is operating more services than ever before and is more affordable than pre-pandemic. Ridership is hitting record highs, with SMART achieving the highest ridership recovery rate in the Bay Area, and the second highest rate for commuter rail in the nation. SMART carried over 850,000 passengers in FY24, exceeding the highest year pre-pandemic, and is anticipated to carry over 1 million riders in FY25, with the opening of Petaluma North and Windsor Stations. In addition, the SMART pathway averaged 63,610 users per month in FY24, for a total count of 763,325 for the year.

The outreach and community engagement conducted as part of the FY25–FY30 strategic planning process was vital to ensure that the

investments SMART makes over the next five years align with the priorities of the community. Input received through the community outreach process has been merged with ongoing local, regional, State, and Federal goals to create a series of Strategies and Actions designed to move the needle on SMART's four goal areas: Ridership, Pathway, Extensions, and Freight.

The Strategic Plan directly influences SMART's financial plan by providing the roadmap for achieving SMART's goals, which informs the allocation of resources, investment decisions, and budgeting strategies needed to execute those goals. The financial plan guides the annual budget by identifying key priorities and challenges that need to be addressed over a longer timeframe. While many of the strategic plan's actions are currently funded fully or partially, other activities and initiatives in this plan do not have committed funds. Using the Strategic Plan to shape SMART's annual budgeting process and ongoing grant applications ensures that the agency's resources are put to work to achieve the goals that SMART and the public fortified in this plan.

SMART is in a period of rapid expansion, active construction, and ridership growth. By the conclusion of this Strategic Plan period in 2030, the system is envisioned to be nearly complete, with long-term operating funds secured. Agency and community priorities will continue to shift as the SMART system approaches buildout, expands services for the community, and matures as the leading transit system in the North Bay.



BACKGROUND

In 2002, the California State Legislature created the Sonoma–Marin Area Rail Transit (SMART) District under Assembly Bill (AB) 2224, formally establishing SMART as a special district within Marin and Sonoma counties. AB2224, also known as the Sonoma–Marin Area Rail Transit District Act was codified in the Public Utilities Code section 105000, et. seq., effective January 1, 2003. Under the enabling legislation, SMART was required to create a 12-member governing board of directors and carry out its newly established authorities in the pursuit of creating passenger rail service in Marin and Sonoma counties. Among the responsibilities granted to the District were the authorizations to impose voter-approved taxes and to accept grants.

Following the creation of the District, the rail system right-of-way assets which had been held by several public agencies along the corridor, including the Golden Gate Bridge Highway and Transportation District, were transferred to SMART for the purposes outlined in AB2224. In 2006, SMART secured California Environmental Quality Act (CEQA) clearance of SMART’s project that included the rebuilding and operation of 70 miles of passenger rail service within the publicly owned SMART right-of-way through Marin and Sonoma counties as well as the provision of a parallel ancillary multi-use pathway to facilitate first/last mile connections to SMART’s passenger rail system. This was followed by a Supplemental EIR in 2008 that included weekend rail service. With an environmentally cleared project in hand, the District was able to put Measure Q

(2008) before the voters seeking approval of a sales tax that would:

“provide funding for the design, construction, implementation, operation, financing, maintenance and management of a passenger rail system and a bicycle/ pedestrian pathway connecting the 14 rail stations from Cloverdale to Larkspur.”

In 2021, the State of California and the North Coast Railroad Authority (NCRA) transferred the right-of-way between Healdsburg and the Mendocino County line from NCRA to SMART. Additionally, SMART took over freight responsibilities in the corridor and the Brazos Branch (east-west line) as the public short line freight rail operator, having received Surface Transportation Board approval to assume common carrier responsibilities from the private freight operator.

PLAN HISTORY AND MEASURE Q

SMART’s ¼ cent sales tax (Measure Q) was enacted in 2008 by 70% of voters in Sonoma and Marin counties. This stable revenue stream has allowed SMART to both build and operate the current commuter rail service and pathway connections between Larkspur in Marin to Airport Boulevard in Sonoma.

Since the passage of Measure Q in 2008, SMART has completed a Strategic Plan every five years. In 2009, SMART prepared and approved its first

Strategic Plan, which focused on initiation of the SMART capital project and the funding available for that project. The Great Recession was just beginning to make its impacts felt, affecting the sales tax starting in 2008 through 2010; this initial reduction meant an overall reduction in the sales tax revenue stream for bonding purposes in 2011. Ultimately the difference in the 20-year stream between the SMART initial sales tax proposal and later plans meant a loss of over \$100 million for SMART. This fact led SMART to reevaluate the capacity to deliver the full 70-mile system, in the face of a falling revenue stream, cost increases tied to new regulatory requirements, the realities of construction in an active freight corridor, and significant environmental mitigation expectations. Board policy conversations with regional input outlined the initial plan for SMART's phasing. With that consensus, SMART proceeded with steps to secure the grants, financing and contracts needed to build the first operating segment.

The 2014 Strategic Plan summarized the subsequent decision-making by the Board to build the SMART project in phases and provided updates on the decisions made as part of the capital buildout. The initial operating segment was under construction at that time, from downtown San Rafael to Railroad Square in Santa Rosa. SMART's ability to move quickly during a slow economic time led to favorable bid results, construction savings, greater confidence in the success of the project and ultimately further project expansions. Favorable contract negotiations resulted in the expansion of the first phase project to include the Novato San Marin Station and the Santa Rosa North Station. State and regional funding agencies were willing to grant more funds to SMART as a "shovel-ready" project with momentum and the track was able to be fully rebuilt between Santa Rosa North and the SMART Rail Operations Center with a station added at Airport Boulevard in Sonoma County. The 2014 Strategic Plan included more informed estimates for the cost of opening and operating rail passenger service utilizing state of the art trains, tracks, signals and related infrastructure. Between the 2014 Strategic Plan and its successor document, SMART secured funding to add two additional miles and two stations (Larkspur and Downtown Novato) into the system. These projects

were being brought online for passenger use as the 2019 Strategic Plan was being finalized.

The 2019 Strategic Plan was the first plan since SMART completed construction of the initial operating segment and began operating passenger rail service in August of 2017. The Plan documented the progress to date and focused on a path forward, which included plans to seek voter approval to extend the current sales tax past its 2029 expiration date through a 2020 ballot initiative. Consistent with the direction of the 2019 Strategic Plan, SMART placed the sales tax reauthorization ballot initiative, Measure I, on the March 2020 ballot, just as the pandemic arrived. The reauthorization effort failed to receive the two-thirds super majority required to pass, instead receiving 54% across the SMART District of Sonoma and Marin counties. In addition to the unfavorable outcome of the 2020 ballot initiative, the COVID-19 Pandemic dramatically altered conditions for SMART's transit services as extended stay-at-home mandates and prolonged social distancing protocols altered the public's travel behavior and required SMART operations to adjust to the reduced travel and increased public health and safety protocols.

Since March 2020, SMART has seen a remarkable recovery, with ridership in 2024 exceeding pre-COVID by 30%. SMART's deliberate and responsive improvements to the rider experience and incentives to return to transit have paid off, with record-breaking ridership in 2024 and strengthened relationships with our partners and community. Funding agencies have also recognized SMART's progress and potential for growth, with over \$413 Million in outside grant funding secured for passenger rail, pathways, and freight since July 2020. The FY25 – FY30 Strategic Plan builds on these successes, and on extensive public outreach conducted over the last three years, to create a five-year plan for the agency to meet the strategic goals set by the Board in the areas of ridership, pathway, extensions, and freight.

SMART TODAY

PEOPLE RIDE SMART FOR DIFFERENT TRIPS



Work Commutes	49%
School Commutes	15%
Social/Recreational	29%
Errands/Shopping.....	7%

IN FY24
SMART CARRIED
18.4 MILLION
PASSENGER MILES
ON THE TRAIN



AS MANY PEOPLE TRAVEL ON THE PATHWAY AS ON THE TRAIN



In the second half of 2024, there were 85,000 average monthly pathway users and 86,000 average monthly train passengers



PASSENGERS TRAVEL LONG DISTANCES
THE AVERAGE PASSENGER TRAVELS
22 MILES
ON SMART ONE-WAY

SMART IS PROVIDING MORE SERVICE THAN EVER BEFORE

42 weekday train trips and 16 weekend trips; running two shuttles; and 29 miles of pathway



2019-2024 ACHIEVEMENTS

SMART had only been in revenue service for two years when the last Strategic Plan was completed, and those two years had seen multiple fire and flood disasters that negatively impacted ridership. The beginning of the COVID-19 pandemic created unprecedented challenges for all transit systems. As of Fall 2024, SMART is operating more service than ever before and is more affordable than pre-pandemic. Ridership is hitting record highs, with SMART achieving the highest ridership recovery rate in the Bay Area, and the second highest rate for commuter rail in the nation. Unlike many rail systems nationwide, which are designed to carry commuters into a central business district, SMART's ability to serve origins and destinations throughout the corridor, with strong bidirectional travel, enabled the system to recover from the pandemic and begin expanding into new markets.

SMART carried over 850,000 passengers in FY24, which exceeded the highest year pre-pandemic, FY19, by 19%. Ridership is anticipated to exceed 1 million riders in FY25, with the opening of Petaluma North and Windsor Stations. On the SMART Pathway, the installation of 10 bicycle and pedestrian counters has enabled data tracking on pathway usage; in FY24 the pathway averaged 63,610 users per month, for a total count of 763,325 for the year.

Both pathway and train users have been recently surveyed to ensure that SMART is meeting the community's needs. In 2023, an intercept survey of pathway users was conducted both in person

and online, in both English and Spanish. The survey had 429 total responses and provided insights into frequency of pathway use, trip purpose, whether people use the pathway and train, and what types of improvements they would like to see. The majority of the respondents (72%) indicated they used the pathway at least once a week or more frequently. The pathway serves multiple trips needs including recreational trips (36%), connecting to recreational destinations (24%), commuting to work or school (22%), running errands (16%), and other trips (2%). Most (54%) pathway users indicated that they use the train and pathway together to complete their trip with varying degrees of frequency between monthly to daily.

MTC conducted an onboard survey on SMART between September 2023 and February 2024; the last onboard survey had been done in 2018. Overall, the survey found that SMART Riders represent a range of ages, income levels, employment status, genders, trip purposes, and race/ethnicities. Less than half of the riders identified as white-only, with 21% of Hispanic, Latino, or Spanish origin. Riders were split nearly evenly by gender and distributed broadly across the age ranges. Just over half of the riders were employed full time, and 50% of trips were for the work commute. A third of riders indicate that they were transit-dependent, or did not have access to a vehicle for their trip. The median household income for riders was \$110,000, with a third of respondents indicating a household income of less than \$60,000.

RIDERSHIP

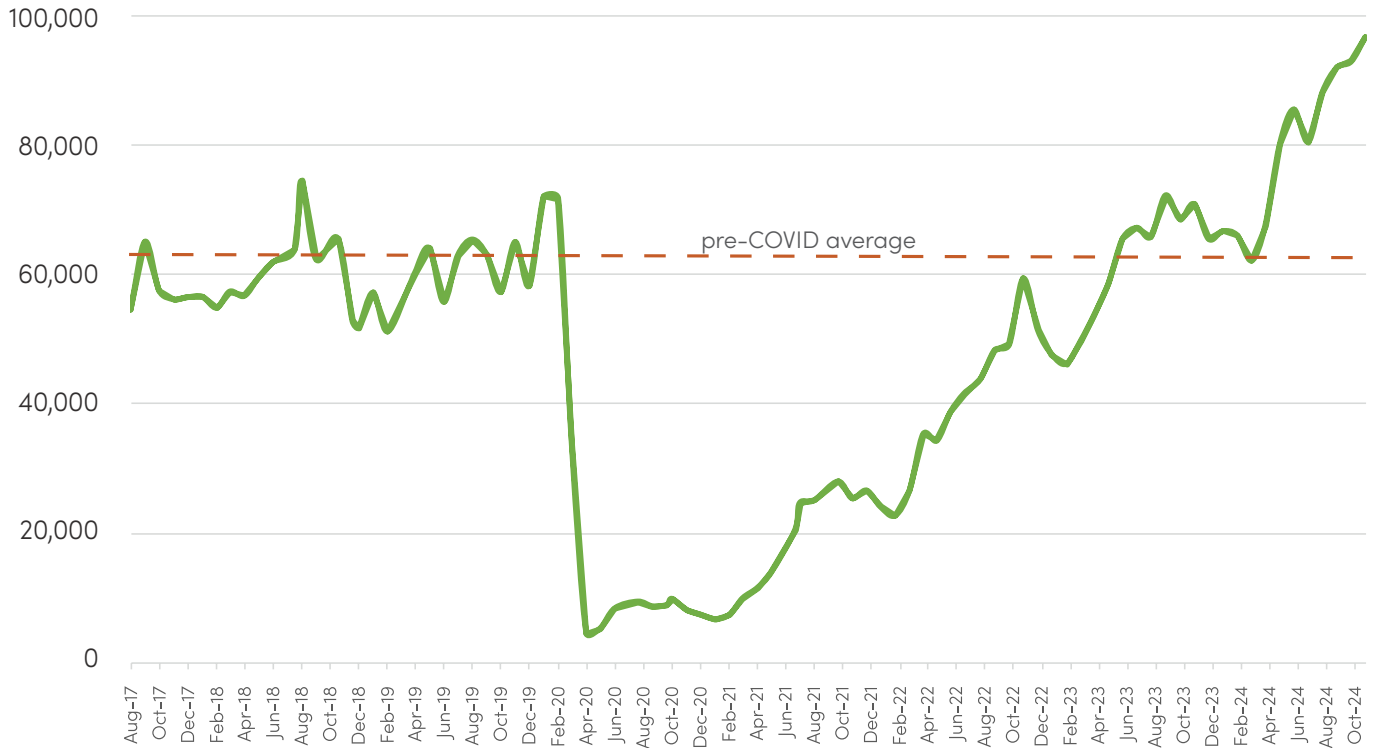
SERVICE HISTORY

SMART initiated service in August 2017 with 34 trips/weekday, and increased to 38 trips/weekday in January 2020, with the opening of the Larkspur extension. SMART modified services in March 2020 due to the pandemic, with weekend service annulled, and weekday service reduced to 16 trips. In May 2021, SMART added back 10 weekday trips. Saturday service was restored in May 2021, and Sunday service in May 2022. In June 2022, SMART added 10 additional weekday trips, and in October 2022, SMART added two additional midday trips, for a schedule of 38 trips per weekday. During Summer 2023, SMART ran a pilot weekend evening service, known as the Starlighter, in response to rider

requests. In October 2023, again increased weekend service, running 16 trips total on both Saturday and Sunday. On August 12, 2024, SMART added four additional trips for a total of 42 trips each weekday.

As ridership on SMART has grown and exceeded pre-COVID levels, the need to improve coordination with neighboring agencies has increased. SMART has taken a proactive approach to schedule coordination with Golden Gate Ferry at Larkspur and with Golden Gate Transit at Downtown San Rafael, resulting in several schedule adjustments designed to improve connections between SMART, the Larkspur Ferry, and Golden Gate Route 101. Coordination continues through several regional and North Bay transit corridor coordination processes.

SMART MONTHLY RIDERSHIP



FARES AND PARKING POLICY

SMART initiated service with the regional Clipper fare collection system and the most progressive transfer credit policy in the Bay Area, intentionally designed to incentivize regional connectivity through bus, ferry and rail fare integration. SMART and Golden Gate Ferry services implemented a Sail and Rail pass to further incentivize the rail and ferry connection created when SMART's Larkspur Extension was opened.

SMART has adjusted fares in response to rider feedback and to encourage a return to transit post-pandemic. In June 2021, fares were reduced by 40%, to \$1.50 per zone; the monthly pass was reduced from \$200 to \$135. In January 2023, a program was launched to offer free field trips for school groups; in FY24, SMART carried over 1,700 students free of charge through this program. In July 2023, SMART developed an innovative monthly pass price based on the new 3-day workweek, reducing the monthly pass from \$135 to \$117. During Summer 2023, SMART partnered with other North Bay transit agencies to offer a free fare program for youth; the youth ridership increased over the previous summer by over 150%. Based on the success of this program, and in response to community requests, in April 2024, SMART launched a Free Fare Pilot Program for youth and seniors; this is currently in place through June 2025. The program has been extremely successful; for the period April to July 2024, SMART saw a 99% increase in Youth ridership and 144% increase in Senior ridership over the same time period in 2023.

SMART reduced barriers to parking in SMART-owned lots and created incentives for riders to utilize these lots. In 2021, SMART made day-use parking free in all SMART-owned lots (Sonoma County Airport, Rohnert Park, Petaluma Downtown, Novato San Marin, Novato Hamilton, and Larkspur). In June 2023, in response to rider requests to use SMART for overnight trips, an overnight parking policy was created to permit riders to park for \$5 per night, using the Park Mobile app. SMART has also partnered with the City of Santa Rosa to offer a discounted commuter parking lot pass, for riders who travel regularly out of the Downtown Santa Rosa Station.

MICROTRANSIT

On-demand or microtransit shuttles have been identified as a potential first-and-last mile solution for SMART since the inception of service. In June 2023, after an extensive planning process that included competitive procurements for microtransit software and shuttle operating services, SMART launched its first shuttle pilot, known as SMART Connect. SMART Connect serves the SMART Sonoma County Airport station, the Charles M. Schultz Sonoma County Airport, and the surrounding business and industrial area. In addition to offering app and phone-based hailing, the shuttle meets every inbound train, offering riders a seamless walk-on experience from train to shuttle. Boardings on the shuttle have seen slow but steady growth, with ridership increasing 107% year-over-year and a monthly ridership of 505 passengers in August 2024. The shuttle is being funded for a 3-year pilot period through a state grant.

Following the success of its first shuttle, SMART launched the second SMART Connect at Larkspur in June 2024, in partnership with Golden Gate Bridge, Highway and Transportation District (GGBHTD) and the Transportation Authority of Marin (TAM). SMART Connect Larkspur serves the SMART Larkspur station, the Golden Gate Larkspur Ferry Terminal, and the surrounding area. The shuttle currently operates four days per week, Thursday – Sunday, but may be expanded based on rider demand. Ridership for the Larkspur shuttle has been high with 813 passengers per month in August 2024. The shuttle is currently funded as a 1-year pilot by SMART, GGBHTD and TAM.





Figure 2: Pathway Map

SMART PATHWAY AND THE GREAT REDWOOD TRAIL

SMART's initial operating segment included completion of several segments of pathway, connecting SMART stations in San Rafael, Novato, Cotati, Rohnert Park and Santa Rosa. As of the 2019 Strategic Plan, SMART and its local partners had completed 27 miles of Pathway. Since the 2019 Strategic Plan, SMART has opened segments of completed pathway in Petaluma, is completing construction of 9 miles of pathway, and has advanced all remaining planned pathway segments through sufficient engineering such that they are ready-to-go for a mix of project delivery methods. See Figure 2: Pathway Map showing status of pathway segments.

In 2021, Senate Bill 69 (McGuire) transferred the railroad right-of-way publicly owned by NCRA to SMART and officially designated the SMART Pathway as the southern portion of the Great Redwood Trail.

EXTENSIONS

PETALUMA NORTH STATION

Between 2022 and 2023, SMART secured full funding for the Petaluma North Station. Funds include two state grants - Transit and Intercity Rail Capital Program (TIRCP) and Affordable Housing Sustainable Communities Program (AHSC) - and a grant directly from the City of Petaluma and Measure M funds from Sonoma County Transportation Authority. In addition, long term financial plans for the project include reimbursement for land for SMART station parking from the affordable housing developer on the adjacent property (Danco). Construction on the station and amenities, freight gauntlet track at the station, and rail safety systems, began in January 2024, with completion expected by January 2025.

WINDSOR STATION

Between 2018 and 2024, SMART secured full funding for the Windsor rail and pathway extension. Funds include a Federal Railroad Administration (FRA) grant - five state grants - TIRCP, two AHSC grants, Interregional Transportation Improvement Program (ITIP), and Solutions for Congested Corridors (SCC) - and a combination of the Town of Windsor and Regional Measure 3 Bridge Toll funds and SMART's sales and use tax. The Windsor extension scope includes just over 3 miles of rehabilitated track, 1 mile of new (double) track, rail safety systems, a second/new entrance to the SMART Rail Operations Center, just over 3 miles of pathway (including the Town of Windsor/Bridge Toll funded enhancement of a pedestrian/bicycle grade separated crossing of the tracks connecting the pathway to Windsor High School), corridor broadband capacity increases, and one station with amenities. Construction originally began in 2020, and was put on hold due to Regional Measure 3 Bridge Toll litigation unrelated to SMART. The project was re-activated in November 2023, with construction beginning in January 2024. The extension is anticipated to be completed and open for passenger service by Spring 2025 and is expected to be one of the highest ridership stations in the system.



FREIGHT

SMART was granted freight common carrier status by the Surface Transportation Board in June 2021 and began operating those services in 2022. SMART was granted ownership of the railroad between the Mendocino County line and Healdsburg in 2021 from the State of California and maintains freight accommodations on the SMART-owned rail line between American Canyon and through Novato northward, as authorized in SMART's enabling and subsequent legislation.

In 2022, SMART assumed the freight operations from the Northwestern Pacific Railroad Company (NWP Co), which had been operating service from American Canyon in Napa County to Petaluma since 2011. SMART has provided accommodation to freight along the corridor including gauntlet tracks at each station, upgraded freight rail sidings, passenger rail vehicles that meet applicable Federal Railroad Administration safety standards for interaction with freight equipment, and installation of "positive train control" equipment on all SMART-owned freight locomotives and along the entire right-of-way. SMART became the freight common carrier on the railroad with a Surface Transportation Board approval to assume freight operator responsibilities from the private freight operator on the corridor (June 11, 2021, STB Docket 1310X). SMART's Board authorized the hiring of freight-only employees to operate the short-line freight services; SMART began operations with our own staff on July 1, 2022.

SMART is unique nationally as a public owner operator of both the freight and passenger railroad. Currently, SMART provides service coverage from Napa Junction/Lombard to Sonoma County Airport. At Napa Junction the California Northern Railroad Company (CFNR) provides connecting service to the national rail network with a connection to the Union Pacific Railroad at Suisun-Fairfield. SMART currently provides two operating transload service locations: Petaluma and Schellville. These facilities allow trucks to transfer freight onto the rail network and vice versa.

SMART currently has four contracted customers shipping feed grain and hops. Periodic additional customers have included delivery of PGE Substation

equipment and prefabricated lumber trusses. Storage of freight cars is done at the Schellville yard. The current regularly scheduled service consists of two round trips to Petaluma customers a week, as well as two round trips to the California Northern Railroad to receive and deliver rail cars to and from the interchange. SMART has additional track storage capacity and leases the capacity for customers such as Caltrain, currently storing retired passenger rail fleet on the SMART-owned freight storage tracks.

SMART has secured grant funds to procure new, lower emission freight switcher locomotives and retire the current freight locomotive fleet.



STRATEGIC PLAN FRAMEWORK

VISION, MISSION, VALUES, AND STRATEGIC OBJECTIVES

In 2022, SMART's Board of Directors created Vision and Mission Statements to help guide the agency's path forward.

Vision: Smarter Transportation for a Smarter Future. SMART envisions an innovative transportation system that provides integrated mobility solutions, promotes sustainable growth, and enhances quality of life.

Mission: We Connect Communities. SMART provides safe, reliable, and environmentally responsible transportation options.

The vision and mission were supported by four Values that are foundational to all of SMART's work: Safety, Integrity, Stewardship, Continuous Improvement.

SAFETY

Safety is integral to SMART's core values and is considered a fundamental aspect of the operational and strategic goals. It is embedded in every aspect of the SMART's work. SMART prioritizes safety in all aspects of operations, decision-making, and behaviors. It encompasses the collective commitment of all employees, from leadership to frontline workers, to prioritize safety, adhere to safety procedures, and continuously improve safety practices.

INTEGRITY

SMART is committed to adhering to high ethical principles and moral standards in all actions, decisions, and interactions. SMART will conduct business with honesty, transparency, fairness and

consistency both internally and externally. SMART is accountable to the public and will take responsibility for actions and decisions, acknowledge mistakes, and make necessary corrections when required.

STEWARDSHIP

SMART is dedicated to responsible financial management and sustainability. SMART will effectively manage resources, assets, and responsibilities entrusted to the district, with a focus on sound financial decisions, sustainability, ethical practices, and long-term value. SMART will make informed and thoughtful decisions to ensure resources are used effectively, preserved for future generations, and aligned with overarching goals and values that meet the needs of the community.

CONTINUOUS IMPROVEMENT

SMART will continuously seek opportunities to enhance processes, schedules, and service incrementally and systematically over time. This will include regularly evaluating and refining methods and practices to achieve higher efficiency, quality, and performance, fostering a culture of innovation and excellence.

The Vision, Mission, and Values are the structures that guide every decision and project at SMART. The work of the agency can be seen as comprised of four parts: ridership, pathways, extensions, and freight. Envisioning these as the pillars of the agency, these components come together in the "SMART House," which has served as a decision-making framework and the outline for this Strategic Plan (see Figure 3: SMART House). Additionally, SMART's values are woven into all of the strategies and actions details in this Strategic Plan and described in more detail below.

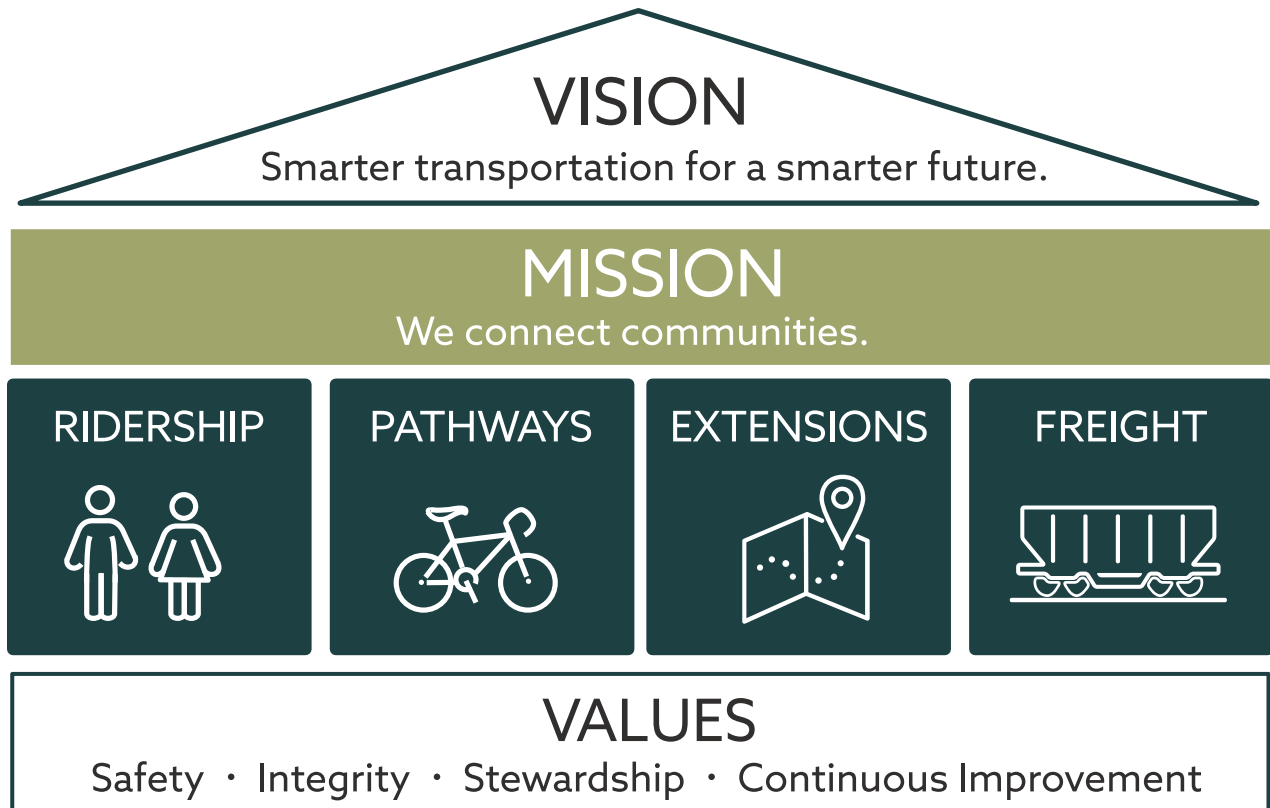


Figure 3

PLANNING AND POLICY CONTEXT

This planning effort not only builds upon prior SMART Strategic Plans, but also is grounded in other state, regional and local planning efforts. As such, SMART's implementation of this plan will contribute to SMART's goal attainment while also helping to make progress on local, regional, and state objectives. Additionally, there are other planning efforts underway currently that this Strategic Plan will inform. The section below describes some of the other related plans, programs and policies.

RIDERSHIP

Marin-Sonoma Coordinated Transit Service Plan (MASCOTS)

In September 2023, North Bay transit operators initiated a comprehensive coordinated service planning for Marin and Sonoma counties,

particularly for the services along the Highway 101 corridor where there is overlap between operators. Two major factors that led to this effort were 1) the operators in Marin and Sonoma counties have not reconsidered the regional service structure comprehensively since SMART came into service, and 2) the pandemic has changed regional travel demand and service levels/options to/from San Francisco and the East Bay. The Marin-Sonoma Coordinated Transit Service Plan (MASCOTS) kicked off in Spring 2024. The effort will pull together an understanding of the travel markets that exist, the scale of those markets, and then determine which type of service and providers can best serve those markets; the assessment of how best to serve demands will consider rider needs, operational cost effectiveness, and funding availability. The service alternatives are being developed during Fall 2024, with proposals for public review anticipated in early 2025.

Quality of Life and Economic Impact Assessment

In July 2024, SMART began developing a Caltrans-funded study to evaluate the benefits of the system that exists today and the prospective benefits that would result with the full build out of the planned rail and pathway system. This Quality of Life and Economic Impact Assessment has the goal of providing SMART and its patrons, community members, and partners with a more comprehensive, data-driven picture of what benefits are generated for Sonoma and Marin by completing and operating SMART. It is anticipated that this study, to be completed in Fiscal Year 2025-26, will provide new analytical tools and data points to capture current and future benefits.

SB 904 (Dodd)

In September 2024, Governor Newsom signed into law, SB 904 (Dodd), a bill updating SMART's enabling statute that created the SMART special district. The update included raising bidding procurement thresholds from their 2002 levels, aligning state law with SMART's new dual status as a freight operator, and eliminating obsolete references to NCRA (no longer in existence). This bill also confirmed the voters of the district's right to pursue their own ballot measure through a voter initiative, as a voter-approved qualified initiative process has the potential to provide an opportunity to enhance community engagement, provide greater accountability, and enable the community an opportunity to protect their investment. Finally, SB904 removes the restriction against constructing passenger stations in the unincorporated areas north of Healdsburg. As part of the legislative discussion regarding an unincorporated station north of Healdsburg, various community boards and elected officials submitted support letters for removing the prohibition specifically so that a station could be considered in the community of Geyserville. Geyserville is within an unincorporated services district, located half-way along the 13.5 miles between the northern limits of Healdsburg and Cloverdale.

PATHWAY

Marin County North - South Bikeway Feasibility Study

This study was prepared in 1994 by Marin County Department of Parks, Open Space and Cultural Services and it formally detailed conceptual plans for a north-south pathway alignment along the historic Northwestern Pacific Railroad between Sausalito and Novato. This initial plan largely informed what would become the SMART Pathway and Great Redwood Trail, and within Marin what is also referred to as the North-South Greenway. SMART's Pathway aligns with the portion of the North-South Greenway from its northernmost extent in Unincorporated Marin County to Larkspur, at which point the North-South Greenway alignments continues south to Sausalito. Since 1994, SMART and local jurisdictions have made significant progress delivering the North-South Greenway. In 2023, the Transportation Authority of Marin, with input from SMART, prepared a status report to identify the remaining gaps in the North-South Greenway. SMART's continued progress on the Pathway is helping to close remaining gaps and deliver on the long-envisioned connection to the North-South Greenway.

Bay Trail Gap Closure Implementation Plan

In 2005, MTC and the Association of Bay Area Governments conducted an evaluation of the Bay Trail network titled "The San Francisco Bay Trail Project Gap Analysis Study," which identified gaps in the Bay Trail network and prioritized them for delivery to work towards the completion of the full 500-mile vision of the Bay Trail. In 2024, MTC published the Bay Trail Gap Closure Implementation Plan that builds upon the prior 2005 study, to identify and evaluate existing missing segments of Bay Trail (trail gaps) and prioritize their construction in the remaining build-out of the Bay Trail. SMART's Pathway in Marin County carries the Bay Trail designation and completion of the Pathway support's MTC's efforts to complete the 500-mile Bay Trail.

Great Redwood Trail Master Plan

Through the passage of Senate Bill (SB) 69 in 2021, the SMART Pathway officially became co-designated as the southern portion of the Great Redwood Trail. Once complete, the Great Redwood Trail will be a 307-mile multiuse path connecting California's San Francisco and Humboldt Bays. In 2024, the Great Redwood Trail Agency published their Draft Great Redwood Trail Master Plan, and the document aims to serve as the roadmap for planning, constructing, and managing the future Great Redwood Trail. SMART's Pathway aligns with and connects with the Great Redwood Trail. As such, advancing the Pathway and progressing towards completion supports the implementation and execution of the Great Redwood Trail Master Plan.

Active Transportation/Bicycle and Pedestrian Plans

The SMART Pathway is included as a key active transportation project priority in various local and regional active transportation plans, including: the Marin County Unincorporated Area Bicycle and Pedestrian Master Plan, San Rafael's Bicycle and Pedestrian Master Plan, Novato's Bicycle and Pedestrian Plan, SCTA's Countywide Active Transportation Plan (underway), Petaluma's Active Transportation Plan (underway), Cotati's Active Transportation Plan, Rohnert Park's Bicycle and Pedestrian Master Plan, Santa Rosa's Active Transportation Plan, Windsor's Bicycle and Pedestrian Plan, and Coverdale's Circulation Element of their General Plan.

Sonoma County Vision Zero Action Plan

The Sonoma County Transportation Authority (SCTA), in partnership with local jurisdictions, law enforcement, health care providers, transit operators, climate change leaders, and advocacy groups, came together to create the Sonoma County Vision Zero Action Plan (VZAP) to identify local safety obstacles and outline the strategies and specific actions needed to meet the goal to end traffic deaths and severe injuries on Sonoma County roadways by 2030. As both a transit builder and operator, and a pathway builder and maintainer in Sonoma County, SMART is delivering low stress facilities as well as safe and sustainable transit options that contribute to building safer streets

for all and curbing private vehicle use, which will ultimately help the county move toward meeting the goals of their VZAP.

SMART's Bicycle Parking Investment Plan

In 2016, SMART prepared a Bicycle Parking Investment Plan that aimed to anticipate bike parking demand to plan for bike parking needs at each of SMART's stations. The plan was developed with input from members of the public as well as the bicycle coalitions. The plan led to SMART's current bike parking accommodations.

EXTENSIONS

State Route 37

SMART owns and operates the East-West railroad, known as the Brazos line, that cross State Route 37 near State Route 121. In March 2023, SMART entered into an MOU with Caltrans, Metropolitan Transportation Commission (MTC), Bay Area Infrastructure Financing Authority (BAIFA), Transportation Authority of Marin (TAM), Sonoma County Transportation Authority (SCTA), Napa Valley Transportation Authority (NVTA) and Solano Transportation Authority (STA) to cooperatively deliver the Resilient State Route 37 Program. The Program aims to address resiliency of transportation to sea level rise and flooding, traffic congestion, and opportunities for ecological enhancements, transit, multimodal use and public access along the SR 37 corridor. SMART has participated in multiple [SR 37 planning processes](#), including the Resilient 37 Design Alternatives Assessment, Comprehensive Multimodal Corridor Plan, and Planning and Environmental Linkages Study.

Plan Bay Area

Plan Bay Area is a long-range Regional Transportation Plan and Sustainable Communities Strategy jointly developed and adopted by the Metropolitan Transportation Commission (MTC) and the Association of Bay Area Governments (ABAG) every four years. The latest version of the plan, [Plan Bay Area 2050](#), is made up of 35 strategies across four key elements: housing, the economy, transportation, and the environment. [Plan Bay Area 2050+](#) is the next long-range plan currently in development; it is a limited and focused update that

builds on Plan Bay Area 2050, adopted by MTC and ABAG in October 2021. Projects must be included in Plan Bay Area in order to compete for most State and Federal funding. The Healdsburg extension was successfully amended into Plan Bay Area 2050 in October 2024. SMART and partners continue to advocate for inclusion of completion of the SMART system to Cloverdale into the Plan.

FRA Corridor ID Program

In December 2023, the Federal Railroad Administration (FRA) selected eight California corridors for inclusion in the [Corridor Identification and Development](#) (Corridor ID) Program, including the SMART-owned east-west rail corridor, connecting the City of Novato to Suisun City as part of the Capitol Corridor. This achievement is a significant step forward for intercity passenger rail development in the region, with Caltrans to receive and administer \$500,000 in initial Corridor ID funds to scope planning and project development work for passenger rail expansion in the region.

Groundwork was laid for this federal decision through legislative action taken by the State of California through the 2022 passage of Senator McGuire’s Senate Bill 1175, designating SMART’s track as a state-recognized intercity passenger rail service corridor. Caltrans followed this change by including SMART in a State-prioritized list of passenger rail corridors for consideration through the federal Corridor ID process.

The Corridor ID Program is intended to develop a sustained, comprehensive intercity passenger rail planning and development program, and set forth a capital project pipeline ready for Federal funding. The Program is intended to become the primary means for directing Federal financial support and technical assistance toward the development of proposals for new or improved intercity passenger rail services throughout the United States. The first Step of the program is to scope the Service Development Plan that will be developed in Step 2 and will identify a phased implementation with priority capital projects ready to move onto final design and NEPA; the scoping process is underway. Caltrans is the California program lead, which will allow for improved efficiencies,

standardized methodologies across the state, reduced administrative burden on partner agencies, overarching policy guidance and streamlined coordination.

State Rail Plan

[The California State Rail Plan](#) lays out the vision for an integrated rail and transit network that supports California’s economic, environmental, and equity goals. Included in the Rail Plan is the full SMART Rail project between Larkspur and Cloverdale, as well as East-West Passenger Rail, by 2050.

FREIGHT

Short Line Rail Improvement Plan

In 2021, Caltrans published the Short Line Rail Improvement Plan was developed to identify the role short line freight operations play in California as “first mile” and “last mile” solutions of the freight rail system as well as the value they provide to smaller markets that otherwise would not have access to rail service. The plan also focused on the operations and oversight models of short line freight and recognized SMART’s unique position as a publicly-owned freight operator. SMART’s freight operations meet the intent of the Short Line Rail Improvement Plan, which aims to make sure these freight operations continue to serve local markets and contribute to a robust network of good movement infrastructure.



PLAN DEVELOPMENT PROCESS

SMART began the 2024 Strategic Plan update in earnest in December 2023, with the proposed plan development timeline. Since January 2024, SMART has worked to refine the plan’s objective areas and identify the appropriate goals, strategies, and actions to feed into the Draft and Final Strategic Plan.

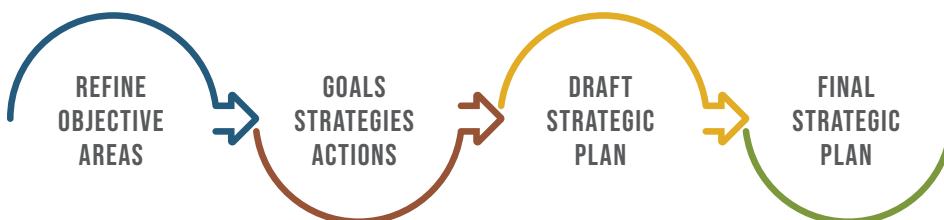
Each Strategic Plan is guided by SMART’s Citizen’s Oversight Committee (COC), and the COC is required to review and provided input on the plan before it is advanced to the SMART Board for approval and adoption. In anticipation of this plan update, SMART staff engaged COC members to get input on the proposed plan development process and public engagement for the plan in December 2023. The COC participated in two focused workshops on March 13, 2024, and August 14, 2024, where members provide their input and direction on the plan’s structure; specific goal areas and the draft strategies; and the assessment of the agency’s current strengths, weakness, opportunities, and threats.

CITIZENS OVERSIGHT COMMITTEE

The 2008 Board-approved “Measure Q Expenditure Plan” called for the formation of a Citizens Oversight Committee to “provide input and review on the Strategic Plan and subsequent updates.” Following the passage of Measure Q, the Citizens Oversight Committee was established in 2009. In December 2022, the SMART Board approved the Citizen Oversight Committee (COC) bylaws expanding the Committee’s role in reviewing and providing input on budgetary and financial matters, capital projects, and major strategic initiatives in addition to SMART’s five-year Strategic Plan. SMART’s COC consists of nine members of the public, who independently applied to join the committee and who were then subsequently recommended by an ad-hoc selection committee of the SMART Board of Directors. Recommended candidates were then appointed by the full SMART Board of Directors. COC members serve a three-year term.

In addition to the COC’s guidance, SMART relied on an iterative public engagement process to inform the plan and to help identify and refine the Plan’s strategies and actions. The following section details the outreach conducted.

STRATEGIC PLAN PROCESS



OUTREACH SUMMARY

As part of the planning process for the Strategic Plan, SMART conducted extensive community outreach over the course of the year in order to understand community priorities for the strategic direction of the District. This included online and in-person community workshops, community presentations to key stakeholders, workshops with SMART's Citizens Oversight Committee, and the receiving of written, verbal, and electronic public comments throughout the year. The Outreach approach is summarized below, with more detailed results shown in Appendix A.

PROJECT WEBSITE

SMART maintained a webpage dedicated to the Strategic Plan update, inviting members of the public to submit comments and request presentations throughout the course of the planning process. SMART received over 160 comments through the website form on a wide range of topics and conducted many presentations to community groups, business groups, local governments, and other interested parties.

COMMUNITY WORKSHOPS

SMART began the public outreach process with a series of online community workshops aimed at gathering input on the strategic direction of the organization. At each of the workshops, the live-polling service Mentimeter was utilized, and SMART staff polled the participants on important issues

during the workshops. For the full results of the community engagement process, see Appendix A.

WORKSHOP 1: SWOT ANALYSIS

On January 31, 2024, SMART conducted its first online community workshop, aimed at gathering community feedback on the strengths, weaknesses, opportunities, and threats (SWOT) of the agency. Staff introduced the Strategic Plan update planning process and presented a review of SMART's recent accomplishments, previously stated strategic objectives, and current challenges. Members of the public were then asked to submit their thoughts on the strengths, weaknesses, opportunities, and threats of the organization using the Mentimeter software. After community members had given their input on the SWOT Analysis, people had the opportunity for public feedback in a live dialogue section of the workshop.

WORKSHOP 2: RIDERSHIP

On February 7, 2024, SMART conducted its second online community workshop, aimed at gathering community feedback on themes related to SMART's ridership. Staff presented the current SMART ridership strategies and highlighted successes. Members of the public were then asked to submit their feedback on ridership strategies using the Mentimeter software. People were asked what strategies SMART should use to increase ridership in an open-answer format, and people were also asked to rank strategies in order of importance.

WORKSHOP 3: PATHWAYS

On February 28, 2024, SMART conducted its third online community workshop, themed around the SMART Pathway/Great Redwood Trail. Staff summarized the current state of the Pathway and members of the public were then asked to submit their feedback on pathway strategies, first in an open-answer format, and then by ranking preselected strategies from most to least important.

WORKSHOP 4: EXTENSIONS

On March 14, 2024, SMART held its fourth community workshop, centered around the SMART rail and Pathway extensions. SMART staff presented an overview of the current system and detailed the Windsor, Healdsburg, and Cloverdale extensions, as well as East-West rail, which is currently under study by Caltrans. For the interactive portion of the workshop, the public was invited to weigh in on a few questions, including: the biggest obstacles to SMART completing extensions, how SMART can best meet passenger needs with extensions of the system, and what benefits SMART extensions will bring to the community.

WORKSHOP 5: FREIGHT

On March 27, 2024, the final virtual community workshop that SMART conducted was centered around the future of SMART's freight service. SMART staff began the workshop by giving a short history and describing the current SMART freight operations. For the interactive portion of the workshop, SMART solicited opinions on its freight strategy using the live-polling service Mentimeter. SMART asked community members three freight-related questions: the biggest challenges facing SMART Freight; how the North Bay can make the most of its existing freight infrastructure; and how SMART should engage businesses to start thinking about freight service.

OPEN HOUSE: DRAFT PLAN AND STRATEGIES (IN-PERSON WORKSHOP)

On September 25, 2024, SMART conducted an in-person open house public workshop at the Petaluma Arts Center, located adjacent to the SMART Petaluma Downtown Station. The event was well attended, with around 150 participants joining

staff for updates on SMART and interactive exhibits related to the Strategic Plan.

SMART presented the draft strategies and actions for each goal area (Ridership, Pathways, Extensions, Freight) that were generated from input received through the prior Strategic Plan Workshops, and invited participants to place dots next to their highest priority strategies and actions. Community members could also write comments on sticky notes corresponding to each goal area. SMART staff was available to answer questions regarding the strategic plan and the future of SMART. Community members placed over seven hundred dots on the various posters and left over sixty comments on sticky notes. The comments are summarized in Appendix A: Public Outreach.

SMART CITIZENS OVERSIGHT COMMITTEE

The SMART Citizens' Oversight Committee is tasked with providing input and review for the SMART strategic plan. Accordingly, SMART Planning Department staff engaged the COC three times over the course of the year, first getting general input on direction for the plan presenting the results of the initial workshops. In August, staff presented the draft Strategies and Actions the proposed framework for the plan. In November, the Draft Strategic Plan was brought to the COC for review.

SUMMARY OF INPUT RECEIVED

RIDERSHIP

Input on the best way to grow ridership covered a wide range of strategies. Overall, riders prioritized improving the convenience of taking SMART by adjusting and increasing service levels, as well as coordinating with buses and ferries to improve connection times. They also emphasized the importance of enhancing first-last mile connections, such as bikeshare, shuttles, and auto and bike parking options. There was also support for onboard improvements such as restoring Wi-Fi, re-opening the café car, and increasing bicycle capacity, as well as longer-term initiatives such as facilitating Transit-Oriented Development at our stations and long-term fleet transition to zero-emission technology.

PATHWAY

The community has clearly communicated that SMART needs to prioritize pathway design and construction. The completion of existing gaps in the planned pathway system and the construction of new segments alongside SMART rail extensions has been a clear priority in every form of input received regarding the pathway. There is also interest in SMART pursuing construction of a number of pathway segments that were not included in the EIR. Second to pathway completion, pathway users also value improving the ease of using the pathway, including wayfinding, mapping, lighting, maintenance, safety, and improved local connections. All of these improvements are being included in the Strategies and Actions listed below.

EXTENSIONS

Similar to the Pathway focus area, the public has voiced clear and strong support for SMART to deliver the extensions. Public input strongly supports

the agency's focus on aggressively pursuing grant funding for the construction of the extensions and pathway, and delivering passenger rail service and pathway to Healdsburg, Geyserville, and Cloverdale. There is also broad support for SMART continuing to participate in the State Route 37 coordination efforts and Caltrans-led FRA Corridor ID process to advance east-west passenger rail.

FREIGHT

Public input affirms SMART's role in operating Freight rail in the North Bay and the potential this service has for stimulating economic growth while taking truck traffic off of our roads. There is strong public support for prioritizing ways to increase the freight revenue to close the funding gap, including expanding service to new customers and increasing fees. Expanding the freight territory with the northern extensions, working with the private sector, and improving the freight marketing all received high levels of positive support.



GOALS, STRATEGIES, ACTIONS

Creating an actionable Strategic Plan ensures that the Plan's implementation is in alignment with the agency's ultimate goals. Through this strategic planning process, SMART created more definition around the agency's goals and developed goal statements for SMART's four focus areas of ridership, pathways, extensions, and freight.

In the service of these stated goals, SMART has identified several strategies the agency could take to advance our progress in meeting these goals, as well as the respective actions that need to be taken to carry out these strategies. This ladder approach is intended to clearly outline the specific activities SMART will execute, while also providing an overarching strategic vision over the Plan's 5-year horizon.



RIDERSHIP INCREASE RIDERSHIP TO 5,000+ RIDERS PER DAY



PATHWAYS DESIGN AND CONSTRUCT PLANNED PATHWAY, MAINTAIN EXISTING PATHWAY, AND ENHANCE USER EXPERIENCE



EXTENSIONS COMPLETE SYSTEM EXTENSIONS TO CLOVERDALE AND PURSUE PROJECT DEVELOPMENT OF EAST/WEST ALIGNMENT



FREIGHT ENSURE LONG-TERM SUSTAINABILITY OF FREIGHT OPERATIONS

RIDERSHIP: STRATEGIES AND ACTIONS

Ridership is a standard measure for how effectively a transit service is serving the community. While there are many other benefits to Marin and Sonoma counties from the SMART system, such as reduced emissions, health benefits, improved access to opportunities, and economic impacts, SMART is focused on increasing ridership as a proxy indicator of how well we are meeting the needs of the community.

GOAL: Increase ridership to 5,000 riders per day.

1. Ensure clean, safe, reliable and accessible service
 - Monitor on-time performance and pro-actively address operational issues causing delays
 - Continue to work with various first responder agencies to minimize externally created delays
 - Continue onboard and station safety monitoring
2. Provide an affordable and user-friendly fare program
 - Continue free fares for youth and seniors through FY25
 - Work with regional partners to streamline transfers between agencies
 - Work with MTC to implement Clipper 2.0
3. Improve first/last mile connections
 - Continue SMART Connect Shuttle Program at Airport and Larkspur stations; expand service as demand warrants
 - Explore offering SMART Connect Shuttle service to new stations
 - Support implementation of Bikeshare Program at SMART stations
 - Install pathway wayfinding to stations
 - Work with MTC to implement station area wayfinding at all SMART Stations
4. Work with local partners to improve transit connections
 - Work with partners to improve local bus and ferry connections and transfer times
5. Work to maintain and expand auto and bike parking options where appropriate
 - Continue free daytime parking program

INSIGHTS

SMART achieved 98% on-time performance in FY24.

The Free Fare program has boosted youth ridership on SMART by 99% and senior ridership by 144%.

In June, SMART approved a free and reduced transfer agreement with MTC that provides for free transfers on all Bay Area transit systems up to a maximum of \$2.50. This will go into effect with Clipper 2.0.

Clipper 2.0 will transition users to an account-based fare system and enable riders to use credit cards for payment.

The Connect shuttle carried 2,899 passengers in Fiscal Year 2024.

The Redwood Bikeshare program, led by SCTA and TAM, with funding from MTC, launched at most SMART stations in October 2024.

Santa Rosa Downtown and Larkspur Stations will be pilot locations for the prototype MTC Regional Wayfinding Standards in 2025.

INSIGHTS

- Continue overnight paid parking program through FY25 and consider for future extension
 - Offer improved information on bike and auto parking options at all SMART stations
 - Explore shared auto parking arrangements with public and private entities around SMART stations
 - Ensure a sufficient range of bicycle parking facilities at each station
 - Explore ways to support bicycle use within the system, including additional station area bicycle parking, full-service bike stations, and station-based bicycle service providers
 - Plan for future Electric Vehicle (EV) charging needs at SMART-owned parking lots
6. Adjust service levels to meet demand (frequency, span of service, etc.)
- Partner to offer special event service
 - Add train service as resources permit, including weekend, midday, earlier morning or later night service
 - Explore adding double track or sidings to decrease travel time
7. Enrich customer experience (information and amenities)
- Install real-time message signs on platforms
 - Explore re-opening the onboard snack bar
 - Explore adding Wi-Fi to trains
 - Explore ways to increase bicycle capacity on board
 - Explore partnering with local communities to integrate art into SMART facilities
8. Enhance marketing, outreach, and communications
- Promote connections to SF Giants games and other events accessible by train
 - Conduct targeted marketing to larger user groups and non-commute travelers
 - Update SMART website to provide better customer information
 - Submit schedule data to trip planning tools; work with partner agencies to streamline messaging

SMART has partnered with the City of Santa Rosa to offer a discounted monthly parking pass for SMART commuters.

SMART will install 10 EV charging locations at the Petaluma North station to serve as a pilot program to evaluate future EV charging demand and infrastructure provision.

In 2023 and 2024, SMART partnered with the County of Marin to offer special night service following the Marin County Fair.

Additional double track or siding locations will be needed for SMART to reach “clockface” 30-minute headways.

In 2022, SMART removed the flip seats along the windows to make more room for bicycles. We are evaluating removing additional seating by the bicycle hooks.

Updating the SMART website to improve ease of use and provide better customer information is a priority for 2025.



9. Maintain system in a state of good repair
 - Continue to perform State of Good Repair activities
 - Continue to perform train inspections and preventative maintenance at manufacturer recommended and regulatory required intervals
 - Continue daily, weekly, and monthly scheduled maintenance activities at all station facilities
 - Continue to perform proactive maintenance activities and regulatory required inspections to the track, signal system, and right of way
 - Ensure that non-operating segments of the SMART railroad are maintained to minimize impacts to the surrounding communities
10. Plan for fleet needs, including fleet expansion and replacement needed to expand service
 - Conduct service planning for potential service expansions to determine fleet needs as feasible

INSIGHTS

11. Support climate friendly practices within SMART's standard operating procedures, including acquiring low and zero-emission fleet technology
 - Integrate sustainability into operating and business practices
 - Plan for transition to a zero-emission revenue and non-revenue fleet
12. Ensure resilience of system by planning for sea level rise and weather events
 - Work with partner agencies to assess the threat of sea level rise and weather events to SMART and develop plans and projects to create resiliency in the system
13. Continue to secure grant revenue to support transit operations and projects needed to support ridership
 - Pursue funding for train sidings to support travel time and operational improvements
 - Pursue funds needed to support a State of Good Repair
14. Support locally-sponsored Transit-Oriented Development in collaboration with local jurisdictions
 - Work with cities and counties to explore transit-oriented development (TOD) opportunities along the SMART alignment
15. Continue to support workforce development
 - Partner with local colleges and universities on career technical programs
 - Utilize the Certification Training Programs created by SMART to advance new hires and staff promotions into qualified operating positions
 - Partner with Career Technical Education Foundation Sonoma Corps Program to host high school graduate interns for one-year rotations

SMART has been participating in the Sea Level Rise Planning efforts for Marin County led by the Transportation Authority of Marin, and the Sea Level Rise Adaptation Vision for the North Bay Water Reuse Authority (NBWRA), to identify vulnerabilities and adaptation strategies.

The new Transit-Oriented Communities policy approved by MTC provides a framework and guidelines to support TOD in station areas.

SMART began partnering with SRJC in 2017 to develop education programs that would be beneficial to people seeking a career in rail.

PATHWAY: STRATEGIES AND ACTIONS

The SMART Pathway is a key component of SMART’s transit system. Closing the pathway gaps and completing the remaining segments are critical to supporting SMART’s mission to connect communities and to maximizing the utility of this multimodal system. SMART aims to enhance user experience by closing gaps to create more continuity along the Pathway and by making improvements to Pathway information and wayfinding.

GOAL: Design and construct planned pathway, maintain existing pathway and enhance user experience

1. Construct segments of the SMART Pathway
 - Complete segments of the SMART Pathway currently under construction
 - Construct funded segments of the SMART Pathway
2. Continue building pathway with rail extensions
 - Include pathway design and construction as a component of all extension projects and grant applications
3. Ensure adequate wayfinding on the Pathway
 - Implement Pathway Wayfinding Program on the pathway and support coordinated wayfinding in surrounding communities
4. Improve pathway website with enhanced information
 - Continue to enhance and support the online interactive SMART Pathway map
5. Aggressively pursue grant funding for pathway construction
 - Continue to make the remaining pathway segments shovel-ready and position them for funding
 - Seek funding in partnership with local jurisdictions and countywide transportation agencies to construct planned Pathway segments
 - Utilize local/state/federal partnerships to fund projects
6. Ensure pathway is safe and user-friendly
 - Support bicycle services around stations
 - Conduct patrols of SMART-owned pathway to monitor conditions

INSIGHTS

McInnis Pkwy. to Smith Ranch Road in San Rafael

Southpoint Blvd. to Main St. between Petaluma and Penngrove

Golf Course Drive to Bellevue Avenue between Rohnert Park and Santa Rosa

Airport Blvd. to Windsor Road between unincorporated Sonoma County and Windsor

Guerneville Rd. to Airport Blvd. between Santa Rosa and unincorporated Sonoma County

Joe Rodota Trail to 3rd Street in Santa Rosa

Hanna Ranch Rd. To Vintage Way S./ Rowland Way in Novato

Windsor River Road to Front Street, and Grove to Lytton Springs Road, as part of the Healdsburg Extension to connect to the Foss Creek Path

Smith Ranch Rd. to Main Gate Rd. between San Rafael and Novato

State Access Rd. to Frosty Ln. in Novato

Vintage Way N. to Novato Creek/Sutter Health in Novato

Grant Ave. to Rush Creek Pl. in Novato

Main St. to E. Railroad Ave. between Penngrove and Rohnert Park

W. 6th St. to Downtown Santa Rosa Station in Santa Rosa

Lytton Springs Rd. to 1st St. between Healdsburg and Cloverdale

INSIGHTS

- Evaluate the feasibility of providing additional pathway amenities such as lighting, benches, and art
7. Support local efforts to improve connections to pathway
 - Work with local jurisdictions to add enhancements or amenities for bicyclists and pedestrians
 - Support local efforts to improve connections to the SMART pathway
 8. Maintain existing pathway in a state of good repair
 - Continue to perform State of Good Repair maintenance activities on SMART-owned segments of the pathway
 9. Develop plan for future pathway segments/enhancements
 - Evaluate the feasibility and conceptual planning for those future segments of the Pathway that were not originally environmentally cleared as part of the SMART Rail and Pathway project, for example:

SMART's new pathway wayfinding program will enhance the user experience by making it easier to navigate the pathway and to destinations around the pathway.

Puerto Suello Hill Pathway in San Rafael

Water St. Pathway between Oak St. and Lakeville St. in Petaluma

1st St. to the County line between Cloverdale and Mendocino County



EXTENSIONS: STRATEGIES AND ACTIONS

Since the start of revenue service in 2017, SMART has been providing both passenger rail system and delivering major capital projects, as the Novato Downtown, Larkspur extension, Petaluma North, Windsor extension, and multiple pathway projects, have been underway. Completing the full system buildout remains a priority for the public and the agency.

GOAL: Complete system extensions to Cloverdale and pursue project development of east/west alignment.

1. Complete funded rail and pathway extensions:
 - Petaluma North Station
 - Windsor Extension and Station
2. Complete funding of partially funded extensions
 - Aggressively pursue grant funding for the construction of extensions and pathway.
 - Consider addition of a Geyserville station halfway between Cloverdale and Healdsburg to enhance value of the investment in the railroad through northern Sonoma County.
3. Work with funding agencies to prioritize SMART projects and needs in long range planning documents
 - Work with MTC to get completion to Cloverdale added to the Regional Transportation Plan, Plan Bay Area 2050+.
4. Aggressively pursue grant funding for the construction of extensions and pathway
5. Continue development of east/west passenger rail project
 - Participate in Caltrans-led FRA Corridor ID process
 - Participate in Hwy 37 coordination efforts and work with partners to incorporate rail into Hwy 37 projects
6. Increase rail car fleet, yard and facilities as needed to support service
 - Procure additional train cars needed to support SMART's expanding system and growing ridership
 - Pursue grant funding to expand SMART revenue fleet, replace SMART revenue fleet when the useful life is complete, and prepare for future transition to zero-emission technology for SMART's rail fleet, each while maintaining system performance
7. Plan for growth of freight rail services in coordination with passenger rail expansion

INSIGHTS

The Windsor Station and 2.2 new miles of parallel pathway are anticipated to open Spring 2025.

Healdsburg northern city limit extension and station has secured 70% of funding needed for the nearly 9-mile project between Windsor and Alexander Valley.

The Cloverdale extension includes 13.5 miles of rail and pathway, from Lytton Springs Road to 1st Street in Cloverdale.

The east-west rail line is 46 miles and provides a connection to the national rail network.

SMART's 18 DMU rail cars were received in 2017 and 2019 and have Tier 4 engines, the cleanest diesel engine available, with a selective catalytic reduction system that helps reduce emissions. These cars have a useful life of 39 years, with replacement in 2056 and 2058.

FREIGHT: STRATEGIES AND ACTIONS

Since the SMART was granted freight common carrier status by the Surface Transportation Board in June 2021 and began operating those services in 2022, SMART has been working to create a fiscally sustainable freight business for the North Bay.

GOAL: Ensure long-term sustainability of freight operations.

1. Increase freight revenue to close funding gap
 - Develop railcar storage business to maximize revenue of storage track
 - Expand service to new and existing customers
 - Examine freight tariffs and consider increasing fees
 - With completion of Northern extensions, explore new potential customers north of Airport station
2. Assess potential rail spurs and new transload sites
 - Identify and develop a transload facility
3. Explore public-private partnerships
 - Work with the private sector to rehabilitate/construct rail spurs for freight
 - Develop relationships within business oversight/certification/evaluation organizations like B-Corps
4. Market advantages of shipping by rail
 - Develop marketing materials and business development plan for freight
5. Ensure state of good repair
 - Repair and maintain bridges, tracks and locomotives
6. Seek and secure freight capital and operating grants
 - Pursue grant funding to improve track and bridge conditions
 - Pursue grant funding to acquire replacement and expansion of non-revenue vehicles and locomotives
7. Meet CARB requirements for freight locomotives

INSIGHTS

SMART delivers over 600 rail cars per year – offsetting emissions/vehicle miles equivalent to 1,800 trucks transporting goods and materials from Minnesota, South Dakota, and Canada.

The northern extension will facilitate short line rail transport of goods and materials between adjacent rural areas, with economies reliant on agriculture, tourism, beverage production, lumber processing, and national markets.

The 24-mile Brazos Branch, owned by SMART, faces challenges from sea level rise and recurring winter storm damage, leading to a 20-day closure during the Winter of 2022-23. Lacking dedicated funding source for railroad investment, SMART inherits a maintenance backlog on the Brazos Branch track along with winter storm damage.



FUNDING SOURCES, FINANCIAL PLAN AND HOW WE FUND PLAN IMPLEMENTATION

The strategic plan directly influences SMART's financial plan by providing the roadmap for achieving SMART's goals, which informs the allocation of resources, investment decisions, and budgeting strategies needed to execute those goals. The financial plan then guides the annual budget by identifying key priorities and challenges that need to be addressed over a longer timeframe and promoting proactive decision making in the budgeting process.

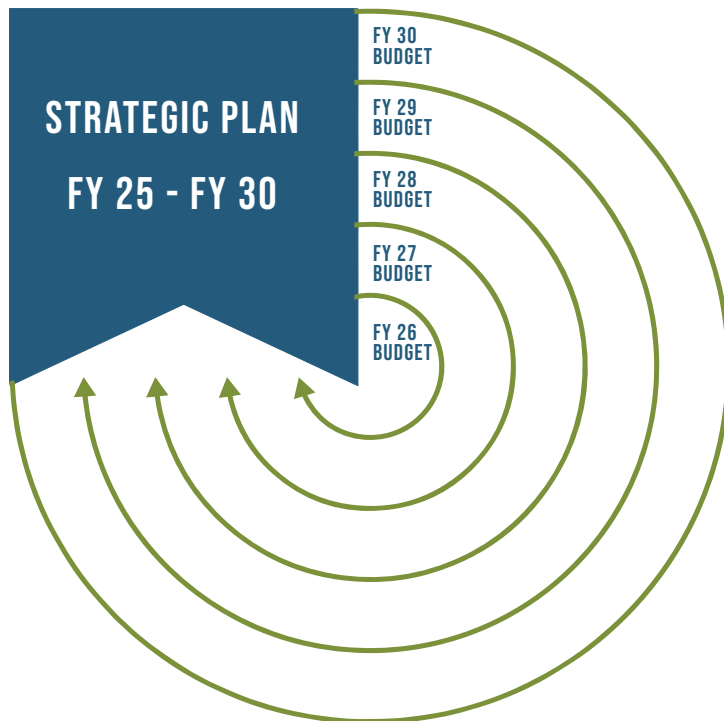


Figure 4 Strategic Plan-Budget Feedback Loop

With each annual budget, SMART assesses the planned revenues available after SMART meets its obligations that include debt service, funding reserves, operations and maintenance expenditures in order to determine the funding capacity for capital and state of good repair projects and specific projects and initiatives.

While many of the strategic plan's actions are currently funded fully or partially, other activities and initiatives in this plan do not have committed funds. Carrying out the strategies and actions of this strategic plan will depend on the availability of resources and funding. At the outset of the annual budget development process, SMART will use this Strategic Plan to inform funding priorities in order to ensure that SMART's budget advances the implementation of the Strategic Plan. Where funding capacity is identified, SMART will incorporate the Strategic Plan's actions into SMART's capital, operating and administrative budget (see Figure 4: Strategic Plan-Budget Feedback Loop). Additionally, where there is synergy between the discretionary grants available and the plan's actions, SMART can pursue additional fund sources to deliver the projects and initiatives in this plan. Using the Strategic Plan to shape SMART's annual budgets ensures that the agency's resources are put to work to achieve the goals that SMART and the public fortified in this plan.

FUNDING SOURCES – PASSENGER RAIL

SMART receives funding from a variety of sources including local sales tax, state, federal, and local/regional grant programs. See chart below.

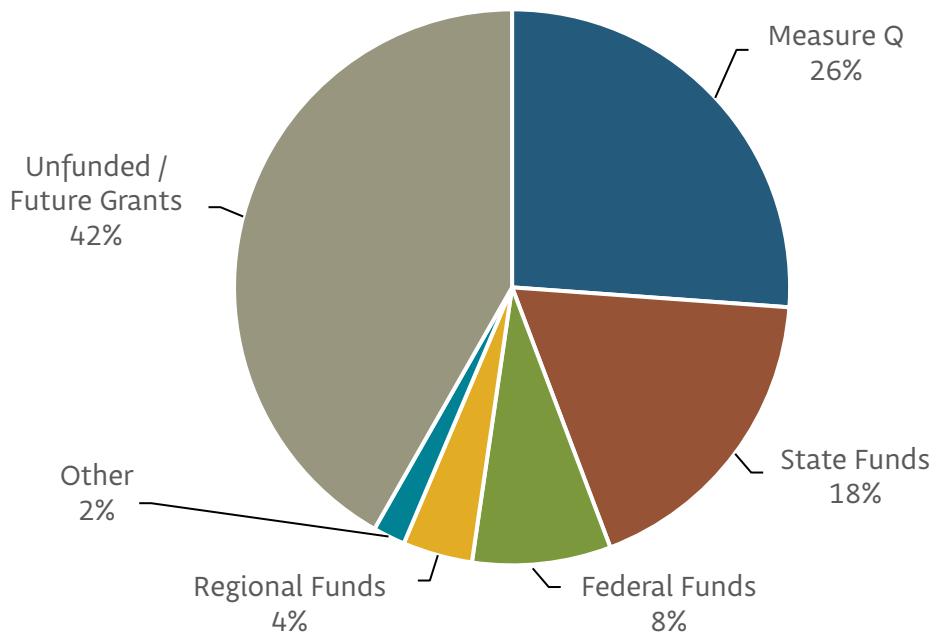
SALES AND USE TAX (MEASURE Q)

On November 4, 2008, more than two-thirds of the voters in Sonoma and Marin counties approved Measure Q implementing the 2008 Measure Q Sales Tax. The 2008 Measure Q Sales Tax is a sales and use tax of one quarter of one percent (1/4%) imposed for a period of 20 years beginning April 1, 2009, on the gross receipts from all tangible personal property sold at retail businesses in the counties and a use tax at the same rate on the storage, use, or other consumption in the counties of

such property purchased from any retailer, subject to certain exceptions. While we saw a decrease of revenues in Fiscal Year 2020, subsequent growth was in the double digits for Fiscal Year 2021 and 2022. While Fiscal Year 2023 finished out a little over a percentage point above Fiscal Year 2022, in Fiscal Year 2024 growth slowed even further. Based on current projections, Fiscal Year 2025 appears to be flat. Between 2025 and 2030 growth is expected to average 2.1%. Sales and Use taxes are the most flexible funding source that SMART receives (see Figure 5: Sales and Use Tax Trend).

SMART’s sales and use tax is currently scheduled to sunset in the Spring of 2029. For purposes of this financial plan, SMART has assumed that the sales and use tax will be reauthorized by the voters prior to that date.

ESTIMATED REVENUES FY 25 - FY 30



SALES AND USE TAX TREND

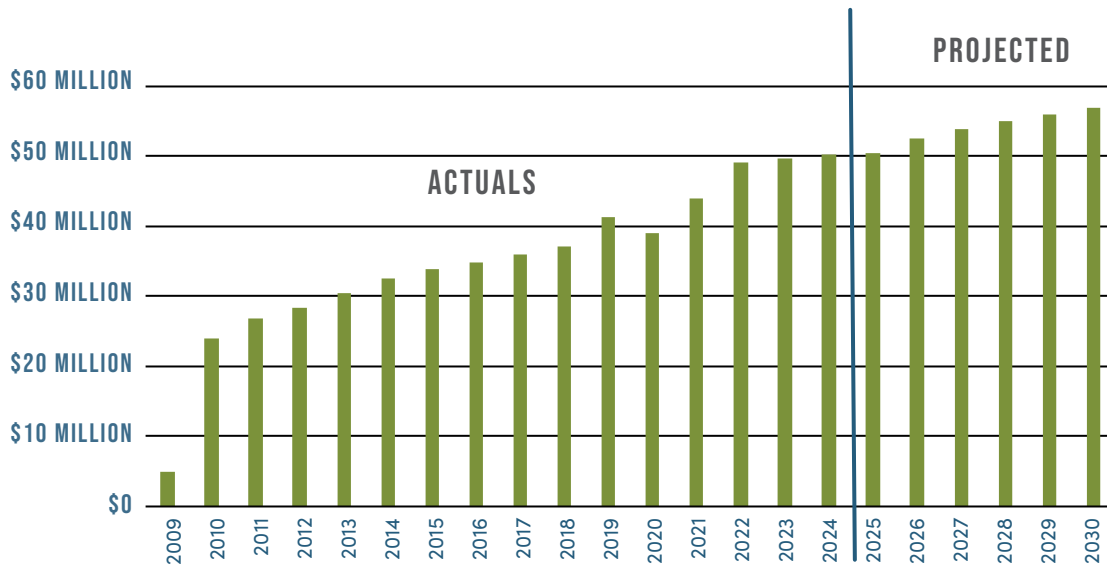


Figure 5: Sales and Use Tax Trend

OPERATIONS – STATE REVENUES

SMART receives formula allocation from three state revenue programs itemized below that can be utilized for operations.

State Transit Assistance

A portion of the revenues derived from the sales tax on diesel fuel purchases and registration fees is appropriated by the State Legislature to the State Transit Assistance Program (STA) for public transportation purposes. These STA revenues are allocated to public transit agencies throughout the State based on population and operating revenues by formula. This fund source increased through 2017 Senate Bill 1, the Road Repair and Accountability Act.

State Rail Assistance

Another new funding source created by SB 1 is the State Rail Assistance (SRA) program. SRA directs a 0.5% portion of new diesel sales tax revenue for allocation: half to the five (including, Altamont Corridor Express Authority (ACE), North County Transit Development Board (Coaster), Peninsula Corridor Joint Powers Board (Caltrain), Sonoma-Marin Area Rail Transit District (SMART), Southern California Regional Rail Authority (Metrolink) commuter rail providers and half to intercity rail corridors.

Low Carbon Transit Operations Program (LCTOP)

LCTOP was created to provide operating and capital assistance for transit agencies to reduce greenhouse gas emissions and improve mobility, with a priority on serving disadvantaged communities. Funds for this program come from State Cap and Trade auctions. 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.

OPERATIONS – FEDERAL REVENUES

SMART is a direct recipient of Federal Transit Administration (FTA) funds.

5307 Funds

FTA Urbanized Area Formula Funds that can be used for capital projects, operating assistance, job access, reverse commute projects, and transportation related planning. SMART uses these funds for preventative maintenance.

OPERATIONS – OTHER REVENUES

Farebox Revenues

SMART passengers pay for their rides using the fare structure approved by the SMART Board in 2015 and 2016. SMART participates in the regional Clipper fare system that allows riders to transfer seamlessly among Bay Area operators using one fare media card. SMART also has its own mobile ticket app that provides easy purchasing of multiple or discounted tickets without purchasing a Clipper card. The fares are based on the distance travelled by a rider, like other commuter rail services.

Shuttle Revenues

SMART passengers pay a one-way fare of \$1.50 for adults or \$0.75 for persons with a disability. Youth and seniors ride for free.

Parking Revenue

Parking fees are suspended during the hours of 4:00 am and 11:59 pm. Overnight parkers pay a fee of \$5.00 between the hours of 12:00 am and 3:59 am.

Advertising Revenues

These revenues are generated from advertising space sold onboard trains and station platform shelter panels.

Charges for Services

These revenues come from fees that we charge for services such as flagging or permits.

ADMINISTRATION AND OPERATIONS – OTHER REVENUES

The following revenues can be used to fund administration or operation costs.

- **Interest Earnings:** Are earnings related to funds held with either the Sonoma County Treasurer or the Bank of Marin.
- **Lease Revenues:** These revenues are generated by leasing real estate holdings that SMART is not currently utilizing.
- **Miscellaneous Revenues:** Miscellaneous revenues are those revenues such as insurance reimbursements, restitution, or other revenues that cannot be classified in one of the other revenue categories.

STATE OF GOOD REPAIR – FEDERAL AND STATE

5337 Funds

FTA Formula funds providing capital assistance for maintenance, replacement, and rehabilitation projects of fixed guideway systems to help transit agencies maintain assets in a state of good repair in urbanized areas. Fiscal Year 2026 is the first year that SMART is eligible for this fund source.



Flexible Revenue	FY 2025-FY 2030
Measure Q	\$324,860,000
Measure Q Cost of Collection	\$(4,897,286)
Net Sales and Use Tax	\$319,962,714
Measure Q Roll forward	\$2,291,677
Administration (1010)	
Interest Earning	\$3,250,000
Rent - Real Estate	\$3,102,482
Misc.	\$350,957
Operations (3010)	
5307 - Urbanized Area Formula Funds (Preventative Maintenance)	\$23,783,458
LCTOP - Low Carbon Transit Operating	\$3,512,903
LCTOP - Population Marin Allocation	\$23,270
SB1 - SRA - State Rail Assistance	\$22,200,000
STA - State Transit Assistance (Revenue)	\$15,466,295
STA - State Transit Assistance (Population)	\$7,331,443
Fare Revenues	\$14,712,735
Parking	\$73,740
Advertising	\$898,533
Charges for Services	\$708,705
State of Good Repair	
5337 - Federal State of Good Repair Funds	\$32,391,382
STA - State of Good Repair (SGR)	\$2,148,760
Shuttle	
State Funds - Shuttle Service	\$1,500,000
Shuttle Revenues	\$9,488
Subtotal	\$453,718,542



SGR Funds

California SB1 created an additional STA program, the STA State of Good Repair (SGR) Program to provide annual funding to transit operators in California for eligible transit maintenance, rehabilitation, and capital projects.

PROJECT SPECIFIC FUNDING - STATE

Affordable Housing and Sustainable Communities (AHSC)

This funding source provides grants and/or loans, or a combination thereof, to projects that seek to integrate low-carbon transportation and affordable housing, with an emphasis on providing benefits to Disadvantaged and Low-Income Communities. Funding for this program is provided from the Greenhouse Gas Reduction Fund established to receive Cap-and-Trade auction proceeds.

Active Transportation Program (ATP)

This funding source was created by SB 99 to encourage increased use of active modes of transportation such as biking and walking. The goals of the program include increasing the proportion of trips accomplished by walking and biking, increasing the safety and mobility of non-motorized users, advancing efforts of regional agencies to achieve greenhouse gas reduction goals, enhancing public health, and providing broad spectrum of project to benefit many types of users including disadvantaged communities.

Clean California Transit Grant

These funds go to communities to beautify and improve local streets, roads, tribal lands, parks, pathways, and transit centers. AB 149 created this program, and it was codified under Streets and Highway Code § 91.41 et al.

State Local Partnership Program (LPP)

SB 1 created the Local Partnership Program Formula fund source. This program continuously appropriates funding annually from the Road Maintenance and Rehabilitation Account to local and regional transportation agencies that have sought and received voter approval of taxes or that have imposed fees, which taxes or fees are dedicated solely for transportation improvements.

The funds are managed by the California Transportation Commission, which also manages a Competitive portion of the Local Partnership Program.

Interregional Transportation Improvement Program (ITIP)

As specified by California law, using its 25 percent share of the STIP, Caltrans nominates ITIP projects that improve the Interregional Transportation System between regions for the movement of people and goods as outlined in the Interregional Transportation Strategic Plan (ITSP). Project selection for the ITIP is guided by State Statutes, the ITSP, and Commission STIP Guidelines. In particular, Caltrans' ITSP provides the framework to identify strategic corridors for the investment of ITIP funds and the facility concepts that the investments are intended to achieve. Caltrans works with Regional and local agencies to identify those projects.

Regional Measure 3 (RM3)

RM3 finances a comprehensive suite of highway and transit improvements through an increase of tolls on the region's seven state-owned toll bridges.

Solutions for Congested Corridors (SCCP)

SCCP is a statewide, competitive program that provides funding to achieve a balanced set of transportation, environmental and community access improvements to reduce congestion throughout the state. The program was created by the Road Repair and Accountability Act of 2017 (SB1).

Sustainable Transportation Planning Grant

Planning projects funded from this program are expected to directly benefit the multi-modal transportation system. Grants from this program are also expected to improve public health, social equity, environmental justice, the environment, and provide other important community benefits.

Transit and Intercity Rail Capital Program (TIRCP)

The TIRCP program funds transformative capital improvements that modernize California's intercity rail, bus, ferry, and rail transit systems to achieve the objectives of (1) reducing emissions of greenhouse gasses (2) expanding and improvement transit

services to increase ridership (3) integrating rail service to the state's various rail operation to include integration with the high-speed rail system (4) improving transit safety.

PROJECT SPECIFIC FUNDING – FEDERAL

SMART is a direct recipient of Federal Transit Administration (FTA) and Federal Rail Administration (FRA) Funds.

Community Project Funds (Discretionary Earmark)

The Consolidated Appropriations Act, 2023 appropriated \$360.46 million in Community Project Funding (CPF), also known as Congressionally Directed Spending (CDS). The SMART Rail Extension to Healdsburg – Preliminary Design was nominated by U.S. Congressman Jared Huffman.

FRA CRISI Funds

Consolidated Rail Infrastructure and Safety Improvements Program, which provides funding for projects that improve safety, efficiency, and reliability of intercity passenger and freight rail. These grant funds are specifically to fund the Windsor Systems and Healdsburg Systems projects to implement positive train control (PTC) on the extensions.

FTA/ One Bay Area Grant Program (OBAG 2)

A Metropolitan Transportation Commission (MTC) program that continues to integrate the region's federal transportation program with California's climate statutes and the Sustainable Communities Strategy (SCS) and contributes to the implementation of the goals and objectives of the Regional Transportation Plan. The program encourages land-use, housing and complete streets policies that support the production of housing with supportive transportation investments.

FTA/ One Bay Area Grant Program (OBAG 3)

A MTC program that distributes federal transportation funding from the Federal Highway Administration (FHWA) to project and programs that improve safety, spur economic development, and help the Bay Area meet climate change and air quality improvement goals.

FTA/ Quick-Strike Funds

The Safe and Seamless Mobility Quick-Strike program is a one-time, competitive grant program established by the Metropolitan Transportation Commission. Federal funding was made available to support local and regional projects that could be implemented quickly to benefit communities responding and adapting to the COVID-19 environment. The program emphasizes bicycle/ pedestrian safety and mobility, connections to transit, and projects that advance equitable mobility. SMART was awarded these funds and transferred them to the FTA for execution into a grant.

USDOT Safe Streets and Roads for All (SS4A)

This program funds regional, local, and Tribal initiatives through grants to prevent roadway deaths and serious injuries.

Project Specific Funding Sources	FY 2025-FY 2030
Community Project Funds - Discretionary Earmark	\$1,800,000
FTA/ OBAG 2 Funds	\$500,000
FTA/ OBAG 3 Funds	\$3,000,000
FTA - Quick Strike - McInnis to Smith Ranch Road	\$997,143
FRA - CRISI - Windsor	\$1,749,298
FRA- CRISI - Healdsburg	\$28,140,000
FRA - Suicide Prevention Grant	\$15,943
USDOT Safe Streets and Roads for All (SS4A)	\$7,000,000
AHSC - Roseland Village (Round 5) - Windsor (Mid-Pen)	3,817,891
AHSC - Kashia Tribe (Round 7) - Windsor	\$750,000
AHSC - Petaluma (Danco) Petaluma North Station	\$3,849,485
ATP - SoCo Pathway	\$6,789,381
Caltrans Sustainability Communities Competitive Planning Grant	\$400,000
Clean California Transit Grant	\$1,000,000
LPP - Local Partnership Program	\$4,732,281
ITIP - Windsor Systems	\$6,624,890
ITIP Complete Streets Funds - Pathways	\$6,097,000
RM3 - Civic Center Kiss-n-Ride	\$1,719,000
RM3 - Hanna Ranch to Vintage Way	\$4,713,180
RM3 - Windsor to Healdsburg	\$40,000,000
RM3 - Windsor Ped Undercrossing	\$1,276,000
SCCP - Windsor	\$13,023,322
TIRCP - Petaluma North and McDowell Crossing	\$8,559,722
TIRCP - Windsor to Healdsburg (Design)	\$34,338,000
TIRCP - Windsor to Healdsburg (Construction)	\$81,000,000
Measure M Sonoma County - Windsor to Healdsburg	\$2,000,000
Other Governments	\$2,029,915
Subtotal - Project Specific	\$265,922,451
Grants - Pending	
RM3 SR2TBT Grant	\$13,528,000
Future Windsor to Healdsburg	\$81,000,000
Healdsburg to Cloverdale	\$401,735,661
Future Pathway Grants	\$18,430,807
Total Grants Pending	\$514,694,469

LOCAL GOVERNMENTS

Local and Regional Government such as cities and counties, the Sonoma County Transportation Authority, or the Transportation Authority of Marin participate in some of SMART’s projects by granting funds for specific improvements or activities. In some cases, local governments want additional improvements done while SMART is building a project, and they fund those improvements that SMART undertakes on their behalf.

SMART’S FLOW OF FUNDING

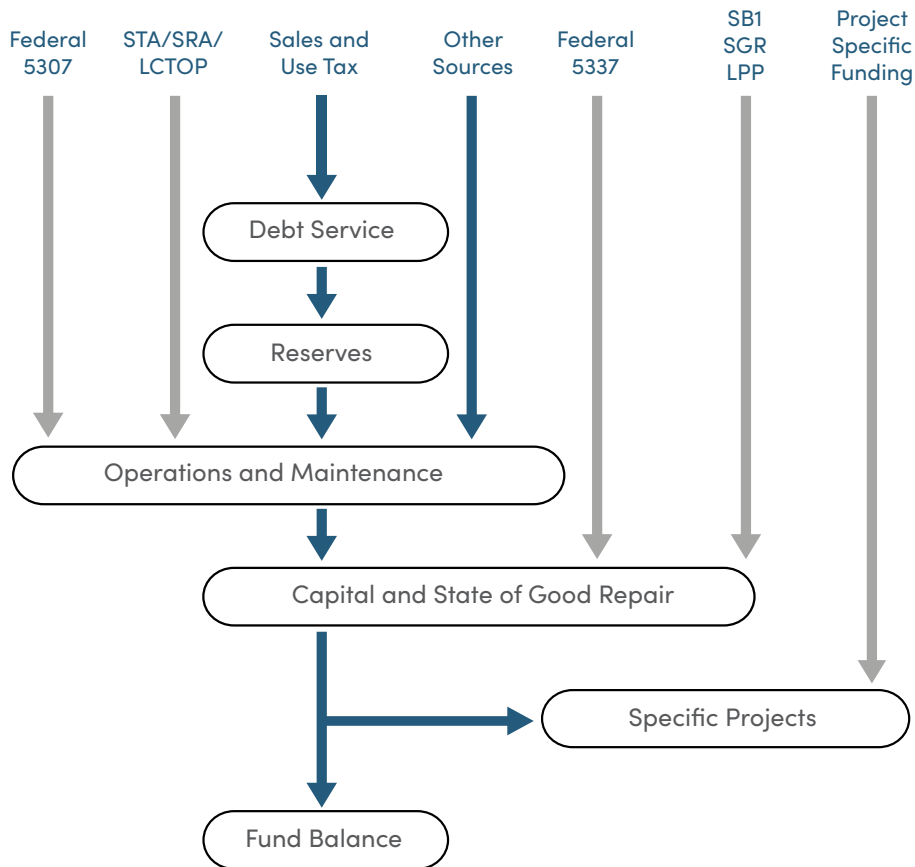
SMART’s Strategic Plan provides guidance for directing funding to projects and programs, as

well as what additional funds need to be pursued in order to achieve SMART’s short- and long-term goals. Funding is then allocated based on the eligible activities provided for by the respective funding sources (See Figure 6: Flow of Funding).

EXPENDITURES

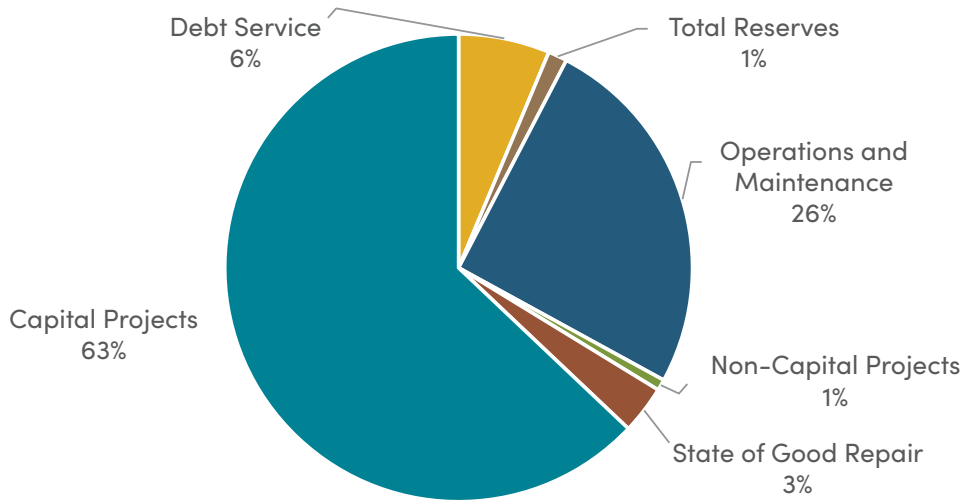
Expenditures consist of both recurring expenses, such as operating expenses, as well as non-recurring outlays such as projects, debt service and capital expenditures. SMART’s largest expenditures are related to providing transit-related operations. These costs include compensation, materials and supplies, contracted services, insurance, utilities, and other such expenses.

THE FLOW OF FUNDING



- SMART-administered funding/revenue
- Federal/State/Regionally-administered formula or discretionary funding

ESTIMATED EXPENDITURES FY 25 - FY 30



SMART also has outstanding debt which was used to fund construction of the passenger rail system and rolling stock. SMART’s debt will be fully repaid in FY 29. No additional issuance of debt is contemplated in this planning horizon.

DEBT SERVICE

SMART’s first lien on our sales and use tax is debt service. Prior to receiving our sales and use tax each month, one twelfth of the annual debt service is taken off the top and set aside in a separate account held by the Sonoma County Treasurer to be used to pay the debt service. SMART has \$81.8 million in outstanding debt. This debt will be entirely paid off in 2029 (See Figure 7: Debt Service).

Fiscal Year	Debt Service
FY 25	\$ 16,904,116
FY 26	\$ 16,996,844
FY 27	\$ 16,998,869
FY 28	\$ 16,999,931
FY 29	\$ 13,899,281
Total	\$ 81,799,041

RESERVES

SMART has four (4) reserves that have been established for very distinct purposes:

- 1. Pension and OPEB Liability Reserve:** This reserve is to ensure that we have funds set aside for future pension costs. We contribute \$750,000 per year to this reserve.
- 2. Vehicles and Capital Reserve:** This reserve is used to accumulate funds for future capital needs such as DMU replacement. We contribute \$1.5 million per year to this reserve.
- 3. Corridor Completion Reserve:** This reserve was established in the FY 2020/2021 amended budget to set aside funds for design, environmental, or leveraging grants. The current balance is \$7,000,000.
- 4. Operating Reserve:** The operating reserve is set aside to stabilize finances by providing a cushion against temporary unexpected events or losses of funding. The Board of Director’s policy for this reserve is 25% of operating costs or \$10 million whichever is greater.

Figure 7: Debt Service

Contributions to Reserves	FY25-FY30
Contribution to OPEB/CalPers Liability Fund	\$4,750,000
Contribution to Capital (Revenue Vehicles)	\$8,192,250
Operating Reserve (25% of Operating)	\$4,128,246
Total Reserves	\$17,070,496

OPERATIONS AND MAINTENANCE

Operations and maintenance include the activities that ensure the safe and efficient operation of SMART's system of passenger rail and pathways. Also included is administration of the system as well as non-capitalized projects such as mitigation and monitoring and planning projects.

Operations and Maintenance	FY25-FY30
Salaries and Benefits	\$184,784,062
Services and Supplies	\$143,841,703
Total Maintenance and Operations	\$328,625,765

NON-CAPITAL PROJECTS

The following are operational activities that SMART has deemed to be set up and tracked as projects but don't meet the definition or dollar threshold of a project that can be capitalized.

Non-Capital Projects	FY25-FY30
Ongoing Mitigation and Monitoring	\$2,750,831
Quality of Life and Economic Analysis	\$436,403
State Route 37	\$9,000
Suicide Prevention	\$15,943
Pathway Design	\$6,065,058
Maintenance Projects	\$500,000
Civic Center Kiss-n-Ride (Design)	\$1,719,000
Subtotal Expense Projects	\$11,496,235
Subtotal Expense Projects with Inflation	\$11,706,403

STATE OF GOOD REPAIR

Title 49 of the Code of Federal Regulations (CFR) 625.5 defines State of Good Repair (SGR) as the condition in which a capital asset can operate at a full level of performance. Per FTA, "having well maintained, reliable transit infrastructure – track, signal systems, bridges, tunnels, vehicles and stations – will help ensure safe, dependable and accessible services."

State of Good Repair expenditures are those costs that keep our assets in a condition where the asset can operate at a full level of performance. This requires regular repairs and replacement of those assets.

State of Good Repair Projects	FY25-FY30
Bridges	\$8,801,495
DMUs	\$16,781,436
MOW Projects	\$11,195,827
Train Control Systems and Communications	\$2,887,500
Safety and Security	\$81,060
Subtotal SGR	\$39,747,318
Subtotal SGR with Inflation	\$43,198,729



CAPITAL PROJECTS

Capital projects are defined as those projects that are over \$5,000 in cost and that have a useful life of more than one year. Capital projects include but are not limited to equipment, computers, pathway projects, and expansion projects.



Project/ Capital	FY25-FY30
Buildings	\$6,830,000
DMUs	\$7,925,000
Energy Cushion Device Crash System	\$150,000
Equipment	\$214,650
IT Equipment	\$2,188,050
Land Acquisition	\$1,307,750
Larkspur Train and Ferry Shuttle Electrification Project	\$100,000
Non-Revenue Vehicles	\$1,400,654
Pathways	\$18,430,807
Subtotal Capital	\$38,596,911
Subtotal with Inflation	\$41,948,797
Pathways	
Guerneville Road to Airport Blvd.	\$16,626,430
Hanna Ranch Road to Vintage Way	7,690,648
Joe Rodota Trail to 3rd Street	\$465,986
McInnis to Smith Ranch Pathway	\$3,073,668
Smith Ranch to Main Gate Road (Hamilton Station)	\$13,528,000
Sonoma County Pathway	\$16,847,271
Wayfinding	\$803,605
Windsor - Ped Grade Separation	\$2,172,876
Extensions/ Expansions	
Santa Rosa to Windsor - Civil	\$18,337,042
Santa Rosa to Windsor - Systems Work	\$9,709,262
Windsor to Healdsburg	\$268,278,000
Healdsburg to Cloverdale	\$401,735,662
Other Capital Improvements	
Petaluma North Station	\$10,754,722
McDowell Crossing	\$2,490,586
Real Time Signage	\$602,504
Work for Other Governments	
McDowell Paving	\$711,952
Utility Crossings	\$407,100
Subtotal Project Specific	\$774,235,314

FINANCIAL PLAN ASSUMPTIONS – REVENUES

SALES AND USE TAX (MEASURE Q)

Sales and Use Tax is SMART’s largest funding source. SMART utilizes MuniServices to forecast this revenue source. This voter authorized tax will sunset in the Spring of 2029. For purposes of this financial plan, it is assumed that the voters will reauthorize this funding source prior to the sunset date.

FEDERAL 5337 STATE OF GOOD REPAIR FUNDS

Fiscal Year 2026 will be the first year that SMART receives these funds. The funding estimates were based on information received from FTA. Based on MTC’s current policy, SMART would only receive a portion of the funds estimated by FTA. The rest of the funds would be allocated based on MTC’s policy. If SMART does not receive these funds as forecasted, State of Good Repair projects will have to be delayed.

FARE REVENUES

Fare revenues assume the following:

- The opening of Windsor in FY 2025
- The opening of Healdsburg in FY 2028
- No fare increases
- The continuation of free fares for youth and seniors.

Project Specific Grants: The grants have already been approved for specific projects.

GRANTS – NOT YET RECEIVED

These are grants that have either been applied for but not yet granted or grants that still need to be applied for.

FINANCIAL PLAN ASSUMPTIONS – EXPENDITURES

OPERATIONS AND MAINTENANCE

Salaries and benefits grow at 5% and service and supplies grow by estimated inflation of 3%. Additional operating costs for Windsor are assumed in FY 25 and for Healdsburg in FY 28. Additional service beyond Windsor and Healdsburg are not funded in this plan.

STATE OF GOOD REPAIR

As was mentioned under revenues, federal funding is assumed each year. If these funds are not received, State of Good Repair projects will have to be deferred.

CAPITAL PROJECTS

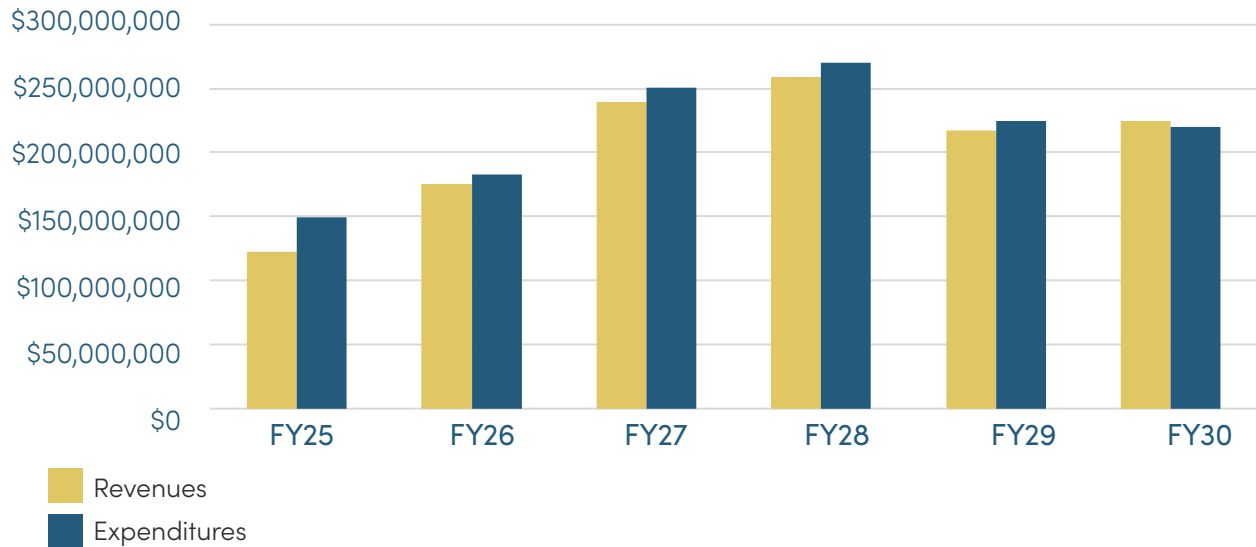
Grant funding will be required for the following projects be completed by FY 30:

- Pathway projects not already funded
- Remaining 30% of funding from Windsor to Healdsburg
- Healdsburg to Cloverdale pathway and rail extension.

FUND BALANCE

In this plan period (FY 25 – FY 30), planned expenditures exceed estimated revenues by \$64,249,084, which will come from the fund balance. At the end of FY 30, it is estimated the fund balance will be \$7,947,288. See Appendix B for SMART’s assumed FY2025-FY2030 Revenues and Expenditures.

REVENUES VS. EXPENDITURES FY 25 - FY 30



FUNDING SOURCES – FREIGHT

OPERATING REVENUE

Operating revenue for Freight services comes from the following sources:

- **Freight Movement Fees:** Fees charged to the shipper for the cost associated with transporting goods. These funds are estimated to remain flat through FY 30.
- **Storage Fees:** Fees charged to customers to store cars on SMART’s tracks. Fee revenues are expected to increase between FY 25 and FY 30 as SMART continues to get new customers.
- **Leases:** Rental income from customers that utilize SMART’s property associated with freight.

GRANTS AND MISCELLANEOUS REVENUE

- **AB 157:** This funding source can be used for operations, maintenance, and capital expenditures.
- **CalSTA 19-003 Grant:** These funds were available from SB 170 the Budget Act of 2021 for administration, maintenance, and security.
- **Short-Line Railroad Improvement Program (SLRIP):** This program funds infrastructure improvement projects designed to enable Class III/ short-line railroads to improve freight mobility, efficiency, reliability, sustainability, safety, and load capacity.
- **Tax Credits:** SMART is eligible to receive a tax credit under 26 U.S. Code § 45G. This tax credit is equal to 40% of the qualified railroad track maintenance expenditures paid or incurred by an eligible taxpayer during the taxable year. Since SMART does not pay income tax, the tax credit can be sold by a broker and SMART freight received the revenues from that sale.

EXPENDITURES - FREIGHT

- **Salaries and Benefits:** The Freight Division has six employees. These costs have been inflated 8% per year based on estimated benefit cost increases.
- **Services and Supplies:** Included in these costs are activities such as maintenance of the railway, maintenance of signals, maintenance of the locomotives and fuel. These costs have been inflated 3% per year.
- **Capital and State of Good Repair:** Due to limited funding, SMART is doing the minimal amount of capital and state of good repair to keep the system safe and functional. The work includes crossings, bridges, and tie replacement.

LOCOMOTIVES

SMART has secured the following grants to fund the purchase of (2) two Tier IV locomotives.

- **FRA – CRISI Grant:** This grant will provide \$3,750,000 towards the purchase.
- **California Volkswagen Mitigation Settlement:** This grant will provide \$3,240,000 towards the match and purchase.

Locomotive - Funding	FY26
FRA - CRISI Grant	\$3,750,000
California Volkswagen Mitigation Funds	\$3,240,000
Locomotive - Expenditures	
2 Tier IV	\$6,990,000



Freight	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
Beginning Fund Balance	\$213,236	\$61,784	\$3,241,864	\$2,339,632	\$1,651,198	\$874,167
Revenues						
State Grant (42341)	\$393,549	\$-	\$-	\$-	\$-	\$-
State Grant - AB 157	\$-	\$4,000,000	\$-	\$-	\$-	\$-
State Shortline Grant	\$399,776	\$225,000	\$-	\$-	\$-	\$-
Freight Movement Fees	\$700,000	\$700,000	\$700,000	\$700,000	\$700,000	\$700,000
Leases	\$270,000	\$270,000	\$270,000	\$270,000	\$270,000	\$270,000
Storage	\$104,800	\$150,000	\$190,000	\$215,000	\$245,000	\$275,000
45(g) Tax Credit and Misc.	\$593,000	\$253,000	\$253,000	\$253,000	\$253,000	\$253,000
Total Revenues	\$2,461,125	\$5,598,000	\$1,413,000	\$1,438,000	\$1,468,000	\$1,498,000
Expenditures						
Salaries and Benefits	\$870,099	\$939,707	\$1,014,883	\$1,096,074	\$1,183,760	\$1,278,461
Service and Supplies	\$942,925	\$971,213	\$1,000,349	\$1,030,360	\$1,061,270	\$1,093,109
Subtotal	\$1,813,024	\$1,910,920	\$2,015,233	\$2,126,434	\$2,245,030	\$2,371,569
Brazos Branch Bridges - Phase II	\$607,920	\$250,000	\$250,000	\$-	\$-	\$-
Tie Replacement	\$50,000	\$50,000	\$50,000	\$-	\$-	\$-
Grade Crossing Repair	\$141,633	\$150,000	\$-	\$-	\$-	\$-
Equipment and Non-Revenue Vehicles	\$-	\$57,000	\$-	\$-	\$-	\$-
Subtotal State of Good Repair/ Capital	\$799,553	\$507,000	\$300,000	\$-	\$-	\$-
Total Need	\$2,612,577	\$2,417,920	\$2,315,233	\$2,126,434	\$2,245,030	\$2,371,569
Remaining Balance	\$61,784	\$3,241,864	\$2,339,632	\$1,651,198	\$874,167	\$598

Unfunded	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
Facilities	\$-	\$500,000	\$500,000			
Bridge Replacement	\$-	\$250,000	\$250,000	\$500,000	\$500,000	\$500,000
Tie Replacement	\$-	\$50,000	\$50,000	\$100,000	\$100,000	\$100,000
Track Surfacing	\$-	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000
Equipment and Vehicles	\$-			\$50,000		\$50,000
Total Unfunded	\$-	\$1,000,000	\$1,000,000	\$850,000	\$800,000	\$850,000

CONCLUSION

The Strategic Plan is an opportunity to define the strategic direction of the organization, and to establish goals, objectives, and actions in line with SMART's vision and mission. The outreach and community engagement conducted as part of the FY25-FY30 strategic planning process have been invaluable in ensuring that the investments SMART makes over the next five years align with the priorities of the community.

The Strategic Plan directly influences SMART's financial plan by providing the roadmap for achieving SMART's goals, which informs the allocation of resources, investment decisions, and budgeting strategies needed to execute those goals. The financial plan then guides the annual budget by identifying key priorities and challenges that need to be addressed over a longer timeframe and promoting proactive decision making in the budgeting process.

While many of the strategic plan's actions are currently funded fully or partially, other activities and initiatives in this plan do not have committed funds. Carrying out the strategies and actions of this strategic plan will depend on the availability of resources and funding. At the outset of the annual budget development process, SMART will use this Strategic Plan to inform funding priorities within SMART's constrained resources to ensure that SMART's budget advances the implementation of the Strategic Plan. Using the Strategic Plan to shape

SMART's annual budgets ensures that the agency's resources are put to work to achieve the goals that SMART and the public fortified in this plan.

SMART is in a period of rapid expansion, active construction, and ridership growth. By the conclusion of this Strategic Plan period in 2030, the system is envisioned to be nearly complete, with long-term operating funds secured. Agency and community priorities will continue to shift as the SMART system approaches buildout, expands services for the community, and matures as the leading transit system in the North Bay.





APPENDICES

[Appendix A – Outreach Summary](#)

[Appendix B – SMART Revenues and Expenditures FY 2025 -2030](#)