



**BOARD OF DIRECTORS
REGULAR MEETING AGENDA**

November 1, 2017 – 1:30 PM

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

Additional/Changes to the Agenda (Government Code Section 54954.2(b)(2) (2/3 Vote) – Agenda Item 13c

1. Call to Order
2. Approval of the September 20, 2017 Board Meeting Minutes
3. Public Comment on Non-agenda Items
4. Board Member Announcements
5. General Manager's Report
 - a. Operations Report - *Information*
 - b. North Bay Fire Report - *Information*
6. Consent
 - a. Approval of Monthly Financial Reports
 - b. Approval of Certified Employment Group Contract Amendment No. 2
 - c. Approve a Resolution for the addition of two (2) Full Time Equivalent (FTE) Laborer positions in the Operations Budgeted position authorizations
 - d. Accept Railroad Liability and Property Insurance Report
7. Authorize the General Manager to execute Contract Amendment No. 1 to Contract No. OP-PS-17-008 with CMC Traffic Control Specialists in the amount of \$204,762
8. Award a Sole-Source Purchase to Nippon Sharyo Manufacturing, LLC for the purchase of specialized rail parts and equipment only manufactured by Nippon Sharyo Manufacturing, LLC and Authorize the General Manager to Execute a Purchase Order
9. Approve a Resolution to designate \$6,697,000 in SMART Measure Q Capital Reserve Funding for the Larkspur Extension Project

AMENDED AGENDA

10. Approve and Authorize the Board Chair to Execute the Collective Bargaining Agreement Between the Sonoma-Marin Area Rail Transit District and the International Association of Machinist and Aerospace Workers for the period of October 23, 2017 to June 30, 2019
11. Authorize the General Manager to Execute Contract Amendment No. 4 with Portola Systems Inc. for an amount of \$178,627
12. Review the Draft 2018 California State Rail Plan and Potential State and Regional Funding Opportunities (*Discussion*)
13. Closed Session
 - a. Conference with General Manager, Farhad Mansourian, pursuant to California Government Code Section 54956.8 regarding real estate property negotiations.
Property: Sonoma-Marin Area Rail Transit District
Santa Rosa property located at 2 W. 3rd Street and 34 W. 6th St.
APN #: 010-171-019, 010-166-003
Negotiating Parties: Farhad Mansourian – ROEM Corporation
 - b. Conference with General Manager, Farhad Mansourian, pursuant to California Government Code Section 54956.8 regarding real estate property negotiations.
Property: APN(s): 007-131-003; 007-131-004 and 137-061-019
D Street and Corona Road, Petaluma
Negotiating Parties: Farhad Mansourian – Lomas Partners
 - c. *Additional/Changes to the Agenda (Government Code Section 54954.2(b)(2) (2/3 Vote)* - Conference with General Manager, Farhad Mansourian, pursuant to California Government Code Section 54956.8 regarding real estate property negotiations
Property: APN: 011-279-03 (Second Street)
Negotiator: Farhad Mansourian – Golden Gate Bridge Hwy & Transportation District
14. Report Out of Closed Session
15. Next Regular Meeting Board of Directors, November 15, 2017 – 1:30 PM – 5401 Old Redwood Highway, 1st Floor, Petaluma, CA 94954
16. Adjournment

DISABLED ACCOMMODATION: If you have a disability that requires the agenda materials to be in an alternate format or that requires an interpreter or other person to assist you while attending this meeting, please contact SMART at least 72 hours prior to the meeting to ensure arrangements for accommodation. Please contact the Clerk of the Board at (707) 794-3072 or dial CRS 711 for more information.

DOCUMENTS: Documents distributed by SMART for its monthly Board meeting or committee meetings, and which are not otherwise privileged, may be inspected at SMART's office located at 5401 Old Redwood Highway, Suite 200, Petaluma, CA 94954 during regular business hours. Documents may also be viewed on SMART's website at: www.sonomamarintrain.org. Materials related to an item on this Agenda submitted to SMART after distribution of the agenda packet are available for public inspection at the SMART Office. For information about accessing SMART meetings by public transit, use the trip planner at www.511.org



**BOARD OF DIRECTORS
REGULAR MEETING MINUTES
September 20, 2017 - 1:30 PM
5401 Old Redwood Highway, 1st Floor
Petaluma, CA 94954**

1. Call to Order

Chair Fudge called the meeting to order at 1:30 PM. Directors Arnold, Eddie, Hillmer, Lucan, Mackenzie, Pahre, Rabbitt, Russell, Sears and Zane were present. Director Phillips arrived later.

2. Approval of the September 6, 2017 Board Meeting Minutes

MOTION: Director Eddie moved approval of September 6, 2017 minutes as presented. Director Russell second. The motion carries 10-0-0 (Director Phillips arrived later; Director Mackenzie abstain).

3. Public Comment on Non-Agenda Items

James Duncan mentioned that he has lived near the Jennings Avenue crossing for the last 35 years. He supported the City of Santa Rosa and California Public Utility Commission (CPUC) Jennings Avenue Crossing application. He urged the Board members to direct SMART staff to make construction improvements of Jennings Avenue crossing the highest priority to SMART and to complete before the arrival of the raining season.

Director Phillips arrived 1:33PM

Johanna James had comments on the Jennings Avenue crossing closure. She mentioned that she has lived near the Jennings Avenue crossing for over 39 years, and the closing of the crossing for over 2 years has made many people and students take a long detour, whereas before were able to walk across the railroad tracks on a daily basis. Many of them have supported SMART, not just for passenger service but especially for its commitment to promote pedestrian and bicycle pathways. The residents are questioning why the Jennings crossing is still closed even if CPUC application has approved. She urged to direct SMART to construct the Jennings Avenue crossing prior to the arrival of the raining season.

Steve Birdlebough mentioned that the Transportation and Land Use Coalition, Sierra Club and Friends of SMART all participated in the CPUC process to approve the Jennings Avenue Crossing Application. He stated that there is a safety issue and he is concerned about how many people jump the fence. Also, when the CPUC representatives visited the area, they pointed out four locations along the fence where various installations/electric boxes can be used for people to jump the fence. He urged the Board members to direct SMART to fix the Jennings Avenue Crossing.

Rick Coates mentioned that bicycles are overwhelming SMART's passenger service and perhaps causing some delays. He encouraged SMART's staff coordinate with Sonoma and Marin Counties Bicycle Coalitions to come up with some solutions, perhaps have bicycle rentals to make the last destination connection. He stated the bus connections needs to improve for people with disabilities. He thanked SMART's staff of all the work that has been completed.

Ben (Petaluma Resident/SMART rider) speaking on behalf of his wife who is a daily commuter and bicycle rider. He suggested that SMART holds a public meeting in the evening in Marin County where commuters can participate and give feedback. He addressed the following issues: 1) bicycle riders are competing with disabled riders; 2) folding seats need to be removed; 3) SMART should learn from BART and Caltrain and redesign the trains to accommodate more bicycles; 4) remove the snack bar and tables to create more space and 5) add a Caboose train.

Chris Rogers (City of Santa Rosa Councilmember) thanked everyone who have worked numerous years to obtain approval of the Jennings Avenue Crossing CPUC application. The City of Santa Rosa approved \$1.8M to fund the at-grade Jennings crossing last year. He stated that he was informed last week that the Jennings Agreement is being held for bargaining on a separate unrelated agreement. According to the Santa Rosa City Attorney and emails received, the Jennings Avenue Crossing Reimbursement Agreement is being held pending the approval of the long term infrastructure maintenance for the Quiet Zone issues. These two issues are unrelated and the City of Santa Rosa representatives are happy to meet with SMART staff to resolve the Quiet Zone issues. However, the City of Santa Rosa and CPUC have approved the Jennings Avenue Crossing and urged the Board to move forward the approval of the Jennings Avenue Crossing Reimbursement Agreement for the residents that rely on this at-grade crossing to have access as promised.

4. Board Member Announcements

Director Zane stated that she has requested a meeting to address the remaining issues with regard to the Jennings Avenue at-grade crossing with SMART's General Manager, SMART Board of Director Chair, City of Santa Rosa Manager, Mayor of Santa Rosa, Attorneys, and herself. She was informed by a constituent last week regarding Jennings Avenue crossing still being closed and contacted the City of Santa Rosa and SMART. She understands that this matter involves a contract issue to move forward, however this issue involves Safety and Quiet Zones. Her largest concern is that this is a high density living area with lots of

children. This section is a double track in an urban area and if you finish an at-grade crossing with a Quiet Zone you are informing the children and residents that is safe, however, I have issues with the horn not blowing. This issue can be resolve first instead of waiting and later point fingers. She stated that the fence should remained closed for safety. Chair Fudge mentioned that the meeting was suggested for the next week.

Director Mackenzie mentioned that the Governor will be considering Senate Bill 595 which contains language which enables the Metropolitan Transportation Commission (MTC) to request a vote in the nine Bay Area Counties for specified projects and programs. The Bill includes: 1) San Rafael Transit Center. Construct a replacement for the San Rafael (Bettini) Transit Center in downtown San Rafael for \$30M and 2) Provide SMART funding to extend the rail system north of Airport Station to the Cities of Windsor and Healdsburg for \$40M.

Director Lucan stated that while visiting Denver this last weekend he took the A-Line train from the Denver Airport and they are still staffing flaggers at each grade crossings. This is a very good reminder why SMART waited to have the system complete in order to start passenger service.

Director Phillips mentioned that 60% of the riders are choosing San Rafael Downtown Station as their destination and suggested having a meeting in San Rafael or Novato to discuss connectivity. He met with school district this morning as they want to provide connectivity for their teachers and the County is doing the same. He asked the General Manager if there is a staff person with connectivity knowledge that can facilitate the message.

Director Rabbitt thanked Director Zane for initiating and requesting a meeting to discuss the Jennings Avenue Crossing issue. The Sonoma County Board of Supervisors approved a contract with Ghilotti Bros. in the amount of \$633,600 for the construction of supplemental safety measures for Quiet Zones along the incorporated area of Sonoma County. He said the Johannes Hoevertsz who was the lead person for Quiet Zone Implementation for the County has been promoted to Director of Transportation and Public Works. Also, he suggested SMART have a Ridership Adaption Plan as we continue passenger service. Lastly, on Monday, September 25th at 1pm there is a State Route Highway 37 Policy Committee meeting.

Chair Fudge stated that she attended the League of California Cities meeting last week and met with the Mayor of Santa Rosa numerous times to discuss the Jennings Avenue Crossing. She is glad that Director Zane has requested the meeting.

5. General Manager's Report

General Manager Mansourian thanked the public for addressing their concerns and SMART will continue to improve passenger service.

SMART Mini Update

Mr. Mansourian provided a PowerPoint Presentation on Ridership from beginning of full passenger service to present. Highlights included:

- SMART is about 3 weeks old:
 - Projected Ridership: 15,600 per week
 - Projected 3 weeks ridership: 46,800
 - Actual passengers carried in 3 weeks: 52,975
- Fare Box Revenue over last 3 weeks
 - 12 months budgeted: \$3.9M
 - 3 weeks budgeted: \$225k
 - 3 weeks actual: \$242,098
- Survey of 642 riders
 - Where do you begin your trip?
 - Downtown Petaluma – 18%
 - Airport Station – 16%
 - Downtown San Rafael – 12%
 - Where is your destination?
 - Downtown San Rafael – 45%
 - Marin Civic Center – 12%
 - Downtown Petaluma – 9%

Mr. Mansourian asked the Board members and the public the following questions:

- Question #1 - Which day of the week have SMART carried the most passengers so far: 1) Monday (9,236); 2) Saturday(8,038); and 3) Sunday (7,581)
- Question #2:
 - Which hours of the day are the busiest on weekdays?
 - Southbound: 7:19am (2,391); 6:19am (2,235) and 12:49pm (1,514)
 - Northbound: 3:59pm (2,604); 2:39pm (2,291) and 5:29pm (1,775)
 - Which hour of the day is the busiest on weekend?
 - Southbound: 3:16pm (2,556)
 - Northbound: 11:52am (2,727)
- Question #3 - How many total bicycles have we carried on board? 3,787
- Question #4 – Which days of the week are the most popular for carrying bicycles? 1) Thursdays; 2) Friday and 3) Wednesday
- Question #5 - Which train trips carry the most bikes?
 - Southbound: 7:19am (317 bikes); 6:19am (285 bikes) and 7:49am (175 bikes)
 - Northbound: 5:29pm (258 bikes); 3:59pm (255 bikes) and 4:59pm (250 bikes)
 - A graph of the Bikelink locker usage to date was shown.
- Any Trends:
 - The busiest passenger times: 7-8 am, 6-7 am, 5-6 pm and 4-5 pm.
 - The busiest bicycle onboard times: 7-8am , 6-7am, 5-6pm and 4-5pm
 - If this trend continues how do we accommodate bicycles as a first/last mile solution while maintaining capacity for passengers?

Directors' Comments

Director Zane mentioned that her friend that is a bicycle commuter, stated that there were trains during the high commute hours that did not have room for bicycles. She asked if SMART's staff is keeping track of bike riders that are turned away. Mr. Mansourian responded that he will research on ideas of how to keep track and other options since bicycle commuters are part of SMART's business. He will also discuss with our planning partners including Sonoma County Transportation Authority, Transportation Authority of Marin and Sonoma and Marin Bicycle Coalitions to research ideas.

Chair Fudge stated that SMART, Sonoma County Transportation Authority, and the Transportation Authority of Marin are working together for Bike Share grants. Last week, at the League of California Cities meeting there were three bike share companies in attendance. The Town of Windsor will be starting discussion on Bike Share, since the Airport Station is only 3.2 miles away from the planned Windsor Station.

Director Phillips has concerns on the last mile connectivity. Does SMART have any thoughts about connectivity along the entire system, timing and drawing conclusions? Mr. Mansourian responded that by end of year, SMART will have 3 months full passenger service data that will be able to tell the story. Also, SMART does not have accurate Clipper data since passengers are not tagging on and off of the system. Clipper is working on a system that will be able to provide to SMART data on where passengers are riding to and from.

Director Pahre is compelling when the public informs the Board of the SMART problems and hopes they will continue to ride SMART. Also, we need to be patient and collect enough data that will help SMART. She suggested that SMART have a transparency message on the train and platforms.

Director Mackenzie stated that Downtown San Rafael is the focal point for commuters. Last week he took the train to San Rafael to arrive at 7:26am, however it was 4 minutes late. He said that Golden Gate Bridge District Bus Manager Malcom Meissner was informing SMART riders from Third Street "Shuttle This Way". However, people need to use the pedestrian crossings at Third Street due to heavy traffic. He suggested that there needs to be more time allowed to get to a connection from the time SMART arrives. Also, SMART needs to take its time to see the patterns that emerge since Golden Gate Bridge and other transit agencies that have been very helpful to assist SMART. We have excellent staff that is courteous and helpful that make me proud to be a SMART Director.

Director Russell agrees with Directors Mackenzie and Pahre comments. It's very important to inform the public we are working on issues and it takes time to get it correct. She is very excited to hear positive comments about the SMART's passenger service, this has improved the way of life for many. She suggested obtaining connection bus data.

Director Hillmer encouraged the Board members, staff and public to pay attention on data being presented today. This is an opportunity that should not be undervalued and also we

need to get as many bike riders to ride train. We need look at different opportunities, like bike valet, bike sharing and other way to transport bicycles.

Director Zane stated that there are opportunities to obtain Bike Share grants from the Bay Area Air Quality Management District.

Chair Fudge stated how great SMART staff is, and how helpful and friendly the Engineers-Conductors are.

Public Comments:

Jack Swearingen (Friends of SMART) heard that bicycle riders are being turned away and the trains are being delayed since they are too many bicycles on the platforms. He suggested having signs or notification at the platforms informing how many bicycle racks are available on the next arriving train.

Chair Fudge stated that SMART's Website has a Riders' Corner where we provide answers to riders' questions.

Willard Richards stated that he is very pleased on what he hears about SMART. The public is very interested in the last-mile connectivity. He said that Clipper should be able to provide SMART with bus connectivity data. He suggested when conducting surveys regarding bus services, it may be helpful to ask SMART's bike riders to provide demographic feedback.

- 6. Consent
 - a. Approval of Monthly Financial Report
 - b. Approval of James Flageollet Contract Amendment No. 5

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

MOTION: Director Mackenzie moved approval of the Consent Agenda as presented. Director Lucan second. The motion carried 12-0-0.

- 7. Approve and Authorize the Board Chair to Execute the Collective Bargaining Agreement between the Sonoma-Marin Area Rail Transit District and the SMART Engineers Conductors Association

Human Resources Manager Lisa Hansley: before you is the first collective bargaining agreement between SMART and SMART Engineers Conductors Association (SECA). The Agreement represents the Engineer-Conductors and Conductors staff and retains the District's current policies. She thanked all SMART staff, SECA negotiators and the Board that worked on the agreement.

Directors' Comments

Director Phillips stated that the City of San Rafael was recently criticized for not following

the contract approval law process. District Counsel Lyons responded that this agreement followed the Brown Act requirements. Mr. Mansourian stated that SMART also took extra measures and posted the Collective Bargain Agreement on SMART's Website on September 12th ahead of the required posting.

MOTION: Director Pahre moved to Approve and Authorize the Board Chair to Execute the Collective Bargaining Agreement between the Sonoma-Marín Area Rail Transit District and the SMART Engineers Conductors Association as presented. Director Arnold second. The motion carried 12-0-0

8. Approve a Cost of Living Adjustment for Unrepresented Staff for Fiscal Year 2017-2018 and Amend the District Holiday Schedule

MOTION: Director Arnold moved Approve a Cost of Living Adjustment for Unrepresented Staff for Fiscal Year 2017-2018 and Amend the District Holiday Schedule as presented. Director Pahre second. The motion carried 12-0-0

9. Approve a Resolution Implementing Collective Bargaining Agreement and Unrepresented Employee Increases

Chief Financial Officer McGrath stated that this item for you approval is to implement Agenda Item 7 and 8.

MOTION: Director Hillmer moved Approve a Resolution Implementing Collective Bargaining Agreement and Unrepresented Employee Increases as presented. Director Zane second. The motion carried 12-0-0

10. Reappoint and Approve First Amendment to Personal Service Agreement Contract for the position of General Counsel

General Manager Mansourian stated the Mr. Lyons has been doing an excellent job providing legal advice across all District functions including, construction, permitting, human resources, litigation, real estate and railroad right-of-way and regular matter.

Therefore, we are recommending to reappoint the terms of his contract.

MOTION: Director Mackenzie moved Approve Reappoint and Approve First Amendment to Personal Service Agreement Contract for the position of General Counsel as presented. Director Lucan second. The motion carried 12-0-0

11. Approve a Resolution Authorizing the General Manager to Execute Amendment No. 1 to Contract No. CV-DB-16-001 with Stacy and Witbeck/Herzog, Joint Venture for the Systems Work for the Larkspur Extension Project

Chief Engineer Bill Gamlen stated that the Larkspur Extension Project is a 2.2 mile extension of our passenger rail system from Downtown San Rafael to Larkspur with one proposed station. On June 21, 2017 your Board awarded a design-build contract to Stacy and Witbeck/Herzog for the construction of track, bridges, platforms and grade crossings in the amount of \$36.3M.

This amendment will design and construct the system portion of the passenger rail system, which includes: 1) Positive Train Control (PTC); 2) grade crossing protection system; 3) communication systems to provide train to dispatch communication and 4) communications system for security camera systems.

SMART chose to pursue a sole-source procurement for the train signaling and communications system. This is essential so SMART secures the same system design with the same methodologies and approach that has been applied to the Initial Operating System (IOS) especially the technology for critical systems elements like PTC system. From a safety point, it is safer to extend the existing system with the existing team rather than introducing a different system by a different team and also potentially unsafe location for two separate signaling technology to integrate. SMART has worked closely with our Federal funding partners, the Federal Transit Administration (FTA) to be sure that a sole source procurement is allowed and acceptable.

The project team prepared an estimate for the work that served as a baseline to evaluate the price proposal and have negotiated a contract price of \$8,693,101. This project has three funding sources which include: 1) Federal Transit Administration (\$22,533,000); 2) Federal Railroad Administration (\$3M); 3) Federal Highway Administration (\$3,205,079); 4) Metropolitan Transportation Commission Regional Measure 2 (\$20M); and 5) SMART (\$3,733,943). The federal grant agreement is under development and is anticipated to be executed in this fall.

Therefore, staff is recommending approving Resolution No. 2017-12 which approves Amendment No 1 to Contract No. CV-DB-16-001 in an amount of \$8,693,101 and not-to-exceed amount of \$44,993,101 and extend the terms by 246 calendar days.

General Manager Mansourian mentioned that many have address their concerns regarding Jennings Avenue Crossing today. This is the contract that will build the Systems of that Jennings Avenue Crossing contract. The issues of delay was incorrect and now SMART has a contract and can proceed with the work.

Directors' Comments

Director Lucan asked for clarification on the system component for the Downtown Novato Station that the City of Novato is funding. Mr. Gamlen responded that this would be the

contract that would be used for the systems component.

MOTION: Director Eddie Approve a Resolution Authorizing the General Manager to Execute Amendment No. 1 to Contract No. CV-DB-16-001 with Stacy and Witbeck/Herzog, Joint Venture for the Systems Work for the Larkspur Extension Project as presented. Director Mackenzie second. The motion carried 12-0-0

Chair Fudge adjourned the Board to closed session at 2:43PM to discuss the following:

12. Closed Session - Conference with the Chief of Police and General Manager regarding security of public services and public facilities pursuant to California Government Code Section 54957
13. Report Out of closed Session

Chair Fudge reported out of closed session at 3:38PM on the following:

Conference with the Chief of Police and General Manager regarding security of public services and public facilities pursuant to California Government Code Section 54957
Report Out: The Board meet in closed session and there's nothing to report.

14. Next Regular Meeting Board of Directors, October 4, 2017 – 1:30 PM – 5401 Old Redwood Highway, 1st Floor, Petaluma, CA 94954
15. Adjournment – Meeting adjourned at 3:39PM

Respectfully submitted,

Leticia Rosas-Mendoza
Clerk of the Board

Approved on: _____



Debora Fudge, Chair
Sonoma County Mayors and Councilmembers Association

Kathrin Sears, Vice Chair
Marin County Board of Supervisors

Judy Arnold
Marin County Board of Supervisors

Jim Eddie
Golden Gate Bridge,
Highway/Transportation District

Dan Hillmer
Marin Council of Mayors and Councilmembers

Eric Lucan
Transportation Authority of Marin

Jake Mackenzie
Sonoma Mayors and Councilmembers Association

Barbara Pahre
Golden Gate Bridge,
Highway/Transportation District

Gary Phillips
Transportation Authority of Marin

David Rabbitt
Sonoma County Board of Supervisors

Carol Russell
Sonoma Mayors and Councilmembers Association

Shirlee Zane
Sonoma County Board of Supervisors

Farhad Mansourian
General Manager

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

November 1, 2017

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

SUBJECT: Monthly Financial Reports

Dear Board Members:

RECOMMENDATION: Information Item

SUMMARY:

Due to the cancellation of the second October meeting, we are presenting the monthly financial report for September. As of September 30, SMART ended the month with a fund balance of \$44,529,279 and bond fund investments totaling \$25,734,356. Gross Sales Tax Revenue received through the month of September is \$3,375,584. Spending is within overall budgetary authority as approved by the Board.

Very truly yours,

Erin McGrath
Chief Financial Officer

Attachment(s): Monthly Financial Report
Contract Summary

SMART
Monthly Financial Report
As of September 2017

	FY 2017-18 Budget	YTD Actuals	Remaining Budget
Revenues			
Sales/Use Taxes	37,011,973	3,375,584	33,636,389
Interest Earnings	295,000	-	295,000
Rent - Real Estate	394,088	116,514	277,574
Other Governments	1,805,000	5,164	1,799,836
Measure M	285,000	-	285,000
MTC - RM2	4,073,222	-	4,073,222
Fare Revenue	2,950,000	392,620	2,557,380
Charges For Services	30,000	20,923	9,077
State Grants	4,321,096	-	4,321,096
Federal Funds	8,157,643	-	8,157,643
Miscellaneous Revenue	50,000	222,731	-
Revenue Total	59,373,023	4,133,535	55,412,218
Expenditures			
Administration			
Salaries & Benefits	5,309,286	1,005,483	4,303,803
Services & Supplies	7,049,872	564,184	6,485,689
Debt Service/ Other Charges	29,903,276	1,216,434	28,686,843
Machinery & Equipment	85,000	-	85,000
	<u>42,347,435</u>	<u>2,786,100</u>	<u>39,561,335</u>
Capital			
Salaries & Benefits	1,208,467	219,527	988,941
Services & Supplies	964,830	58,715	906,115
Other Charges	110,000	-	110,000
Land	2,754,000	829,000	1,925,000
Buildings & Capital Improvements	170,000	-	170,000
Machinery & Equipment	9,203,450	180,000	9,023,450
Infrastructure	23,142,218	2,186,258	20,955,960
Intangible Assets	-	-	-
	<u>37,552,965</u>	<u>3,473,499</u>	<u>34,079,466</u>
Operations			
Salaries & Benefits	12,348,298	2,512,960	9,835,339
Services & Supplies	7,220,923	887,442	6,333,481
Buildings & Capital Improvements	1,289,319	70,488	1,218,831
Appropriations for Contingencies	600,000	-	600,000
	<u>21,458,540</u>	<u>3,470,889</u>	<u>17,987,650</u>
Expenditure Total	101,358,940	9,730,488	91,628,451

Investment Report

	As of September 2017
Bond Reserve Fund	
Sonoma County Treasury Pool	17,072,500
Interest Fund	
Sonoma County Treasury Pool	4,670,539
Project Fund	
Sonoma County Treasury Pool	371,705
Principal Fund	
Sonoma County Treasury Pool	3,619,612
SMART Fund Balance	
Bank of Marin	8,531,993
Sonoma County Treasury Pool	<u>35,997,286</u>
	70,263,635



Contract Summary

Active Contracts as of September 30, 2017

Contractor	Scope	Fiscal Year 17-18 Projected	Fiscal Year 17-18 Actuals-To-Date
A.J. Janitorial Service	Janitorial Services for the ROC, Fulton, and Roblar	\$25,000	\$4,140
A.J. Janitorial Service	SMART Station Janitorial and Related Services	\$75,550	\$12,200
Adobe Associates Inc.	Real Property Support Services	\$12,000	\$0
ADS System Safety Consulting, LLC	Safety Program Development and Emergency Preparedness Consultation Services	\$39,912	\$0
Aihorn Fence & Steel, Inc.	Fencing and Gate Installation Services at the ROC	\$2,815	\$0
Alcohol & Drug Testing Services, LLC	DOT Drug and Alcohol Testing	\$35,000	\$1,318
Alliant Insurance Services	Insurance Brokerage & Risk Management Services	\$71,000	\$0
Aramark Uniform Services	Employee Uniform Provider and Cleaning Service	\$60,000	\$3,814
Area West Environmental, Inc	Environmental Compliance Support Services	\$44,491	\$0
Asbury Environmental Services (AES)	Recycling & Disposal Services for Used Oil, Fuel Filters, Rags, and Related Equipment	\$11,439	\$470
Barber Security Group	Security Guard/Patrol Services	\$25,000	\$0
Bender Rosenthal, Inc.	Real Estate Support Services for Larkspur Extension	\$98,780	\$9,724
Bettin Investigations	Background Investigations	\$10,000	\$2,728
Big Cat Advertising	Digital Advertisement Services	\$18,000	\$4,500
Biggs Cardosa Associates, Inc.	Engineering Design and Construction Support for Payran to Southpoint Multi-Use Pathway	\$325,000	\$39,922
Bradford D. Andersen dba Andersen Window Tinting	Anti-Graffiti Film and Window Tinting Installation Services for Stations	\$1,850	\$1,850
Burke, Williams & Sorensen, LLP	Litigation Support Services	\$129,348	\$0
Cal Accessibility, Inc.	ADA Compliance Support Services for CP4	\$20,000	\$0
CALOPPS - City of Foster City	Internet Employment Website - CALOPPS	\$2,000	\$0
Cascade Training Center	AED Program Management	\$2,000	\$0
Certified Employment Group	Temporary Staffing Services	\$16,470	\$4,821
Cinquini & Passarino, Inc.	Land Surveying and Related Services	\$15,000	\$0
CMC Traffic Control Specialists	Flagging, Traffic Control, and Related Services	\$50,000	\$43,718
Coates Field Service, Inc.	Real Estate Acquisition and Relocation Services	\$20,000	\$1,144
David Rzepinski & Associates	Transit Market, Fare Analysis, Coordination	\$10,000	\$0
David Tattersall & Co.	Real Estate Appraisal Services	\$10,000	\$0
David Tattersall & Co. Real Estate Advisory Service	Real Estate Appraisal Services for Larkspur Extension	\$10,000	\$0
DeAngelo Brothers, LLC (DBI Services)	Vegetation Control Services	\$24,627	\$0
Demo Enterprises	ROW Maintenance & Weed Abatement	\$89,420	\$50,415
DGD Feeds (dba Fritzel Enos Feeds)	Dust Suppression Services for Downtown Petaluma and Airport Blvd Park & Ride Lots	\$3,000	\$2,722
Diego Truck Repair	Towing, Recoveries, Demolition, and Related Services	\$1,000	\$1,000
Dr. Mark Clementi	Pre-Employment Psychological Evaluations	\$15,000	\$4,795
eLock Technologies, LLC	Station Bike Lockers and Maintenance Services	\$10,500	\$0
Empire Cleaners	Uniform Dry-Cleaning, Laundering, and Related Services	\$41,873	\$3,103
Emtec Consulting Services, LLC	Oracle Accounting System Support Services	\$65,000	\$0
ePath Learning, Inc.	Cloud-Based Training / Learning Management Software	\$6,180	\$0
George Hills Company, Inc.	Third Party Claims Administration Services	\$60,000	\$311
GHD, Inc.	SWPP Compliance, AutoCAD Management, Traffic and Hydraulic Analysis for CP4	\$182,373	\$681
Golden Gate Bridge, Highway and Transportation District	Customer Service Support Services	\$89,806	\$36,000
GP Crane & Hoist Services	Cal/OSHA Crane Inspection Services	\$1,050	\$0
Granicus, Inc.	Media Streaming & Internet Broadcasting Services	\$8,500	\$1,310
Holland Company	Track Geometry and Measurement Services	\$30,000	\$0
Hulcher Services, Inc.	Derailment & Hazmat Services	\$40,000	\$0
ICF Jones & Stokes, Inc.	Environmental Permitting Management and Support Services	\$360,320	\$40,859
Intelletrace, Inc.	Internet/Cellular Tower Maintenance Services	\$37,538	\$8,250
Intelligent Technology Solutions, Inc.	Maximo MMS Implementation and Support Services	\$122,101	\$30,303
James Flageollet	Legal Services	\$109,325	\$23,335
John Zanzi	Fire and Life Safety Planning	\$10,000	\$3,225

Contractor	Scope	Fiscal Year 17-18 Projected	Fiscal Year 17-18 Actuals-To-Date
Krebs Construction Services, Inc	Project Cost Management Services	\$1,000	\$0
Lescure Company, Inc.	Fuel Reel Removal and Capping of Fueling Outlets	\$24,725	\$0
LTK Engineering Services	Vehicle and Systems Design and Construction Management Services	\$758,667	\$0
Managed Health Network	Employee Assistance Program (EAP) Services	\$4,500	\$912
Maze & Associates	Financial Audit Services	\$40,540	\$9,130
MGrodner, LLC	Project Management Services	\$99,575	\$5,538
Netspeed Solutions, Inc.	Avaya IP Office Support and Professional Services at Roblar	\$1,417	\$0
Netspeed Solutions, Inc.	Avaya IP Office Support and Professional Services at Petaluma, ROC, and MOW	\$5,800	\$0
Netwoven Inc.	Design Information Architecture for Document and Project Management Technology	\$46,050	\$4,860
North Bay SAP Services	Substance Abuse Professional Services	\$5,000	\$0
Nossaman LLP	Legal Services - Railroad Regulatory Issues & Transit D-B Projects	\$75,000	\$0
Oracle	Fusion Enterprise Resource Planning (ERP) Software & Hosting Services	\$42,707	\$10,677
Parks Electric	On-Call Electrical Contracting Services	\$35,000	\$125
Parodi Investigative Solutions	Pre-Employment Background Investigation Services	\$10,000	\$6,500
Paychex	Payroll Processing Services	\$31,000	\$6,819
Platinum Advisors, LLC	State Legislative Advocacy Services	\$120,000	\$20,000
Portola Systems, Inc.	SMART Station Network Configuration Services	\$130,966	\$22,140
Public Financial Management, Inc.	Financial Advisory Services	\$5,000	\$0
Public Financial Management, Inc.	Arbitrage Rebate Compliance Services	\$2,000	\$0
RailPross, Inc.	Professional Engineering Services for Larkspur Extension	\$180,000	\$16,515
ServPro of Lake Mendocino and Sonoma County	Biohazard Clean-Up and Hazmat Services	\$24,360	\$0
Shinnick Construction Co, Inc.	D/B Construction of IOS2, Haystack, OMF, Station Finishes and Pathway	\$3,292,813	\$503,592
Sonoma County Probation Department	Right-of-Way Vegetation Control, Brush and Debris Removal, and Homeless Camp Clean-up	\$42,160	\$6,201
SPTJ Consulting	Network Infrastructure, Security, Migration and Setup Services	\$133,416	\$22,005
Stacy and Witbeck/Herzog, JV	Design/Build Construction of Civil, Track & Structures Improvements of IOS-1	\$1,178,173	\$416,255
Stacy and Witbeck/Herzog, JV	Design/Build Construction of Civil, Track & Structures Improvements of Larkspur Extension	\$3,325,708	\$1,400,000
Steve Taylor Excavation	Excavation, Asphalt, and Related Contracting Services	\$35,000	\$0
Stripe N Seal	Painting Parking Lot Lines, Stenciling, and Asphalt Sealing Services	\$4,152	\$0
STV, Inc.	On-Call Railroad Bridge Inspection Services	\$50,000	\$0
Sumitomo Corporation	Manufacture & Delivery of Vehicles	\$8,978,318	\$0
Summit Signal, Inc.	Emergency Call-Out Services for Track and Signals	\$10,000	\$0
Swiftly, Inc.	AVL Mobile Application and Website Interface	\$8,500	\$0
The GBS Group	Internet Connectivity (Wi-Fi) for SMART Trains	\$254,647	\$72,173
United Mechanical Incorporated	HVAC Maintenance Services at SMART Facilities	\$24,994	\$0
United Mechanical Incorporated	HVAC Installation Services for SMART Facilities	\$16,832	\$0
Van Scoyoc Associates	Federal Legislative Advocacy Services	\$51,000	\$8,000
Ventek Transit Inc.	Fare Vending Machine Operations and Maintenance Services	\$225,000	\$0
WBE	Design and Installation of Security Equipment	\$95,088	\$79,867
William Campagna	Disability Access Consultant Services	\$30,000	\$1,750
	Totals	\$21,847,376	\$2,949,717

*Actuals-To-Date includes invoices that have been approved as of September 30, 2017, but may not have been processed in SMART's Financial System.



November 1, 2017

Debora Fudge, Chair
Sonoma County Mayors and Councilmembers Association

Kathrin Sears, Vice Chair
Marin County Board of Supervisors

Judy Arnold
Marin County Board of Supervisors

Jim Eddie
Golden Gate Bridge,
Highway/Transportation District

Dan Hillmer
Marin Council of Mayors and Councilmembers

Eric Lucan
Transportation Authority of Marin

Jake Mackenzie
Sonoma Mayors and Councilmembers Association

Barbara Pahre
Golden Gate Bridge,
Highway/Transportation District

Gary Phillips
Transportation Authority of Marin

David Rabbitt
Sonoma County Board of Supervisors

Carol Russell
Sonoma Mayors and Councilmembers Association

Shirlee Zane
Sonoma County Board of Supervisors

Farhad Mansourian
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: Approval of Certified Employment Group Contract Amendment No. 2

Dear Board Members:

RECOMMENDATION:

Authorize the General Manager to execute Amendment No. 2 with Certified Employment Group for Temporary Staffing Services in the amount of \$20,000 for a contract not to exceed amount of \$133,233.

SUMMARY:

Since July of 2015, Certified Employment Group has assisted SMART with a number of temporary staffing needs in both the Administration and Operations Departments. Currently the District contracts with Certified Employment Group for temporary staffing assistance with inventory and data management in the Operations Department. Due to the upcoming maternity leave of one of our staff, the District anticipates the need for additional temporary staffing services in this area. It is recommended that the District amend the current contract with Certified Employment Group by an amount of \$20,000 for a not to exceed amount of \$133,233.

FISCAL IMPACT: Funding for temporary staffing is included in the current Operations budget for the 2017-2018 fiscal year.

REVIEWED BY: [x] Finance  [x] Counsel 

Sincerely,

Lisa Hansley
Human Resources Manager

Attachment(s): Certified Employment Group Contract Amendment No. 2

**SECOND AMENDMENT TO AGREEMENT FOR CONSULTANT SERVICES
BETWEEN THE SONOMA-MARIN AREA RAIL TRANSIT DISTRICT
AND CERTIFIED EMPLOYMENT GROUP**

This Second Amendment dated as of November ____, 2017 (the “Second Amendment”) to the Agreement for Consultant Services by and between the Sonoma-Marin Area Rail Transit District (“SMART”) and Certified Employment Group (“CONSULTANT”), dated as of July 27, 2015 (the “Original Agreement,” and as amended by the First Amendment and this Second Amendment, the “Agreement”).

RECITALS

WHEREAS, SMART and CONSULTANT previously entered into the Original Agreement to provide temporary staffing services, Direct Hire Search Services, and computer skills testing; and

WHEREAS, SMART desires to increase the contract amount by \$20,000.00 and establish a not-to-exceed amount of \$133,233.12.

NOW, THEREFORE, in consideration of the recitals set forth above and the covenants contained herein, it is mutually agreed by and between the parties that:

AGREEMENT

1. **“PRICING/FEES AND BILL RATES”** Section of the Agreement is amended as follows:

The Agreement amount shall be increased by \$20,000.00 for the provision of services, establishing a not-to-exceed amount of \$133,233.12.

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.

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment as set forth below.

SONOMA-MARIN AREA RAIL TRANSIT DISTRICT

Dated: _____

By _____
Farhad Mansourian, General Manager

CERTIFIED EMPLOYMENT GROUP

Dated: _____

By _____
Its _____

APPROVED AS TO FORM:

Dated: _____

By _____
District Counsel



Debora Fudge, Chair
Sonoma County Mayors' and
Councilmembers Association

Kathrin Sears, Vice Chair
Marin County Board of Supervisors

Judy Arnold
Marin County Board of Supervisors

Jim Eddie
Golden Gate Bridge,
Highway/Transportation District

Dan Hillmer
Marin County Council of Mayors and
Councilmembers

Eric Lucan
Transportation Authority of Marin

Jake Mackenzie
Sonoma County Mayors' and
Councilmembers Association

Barbara Pahre
Golden Gate Bridge,
Highway/Transportation District

Gary Phillips
Transportation Authority of Marin

David Rabbitt
Sonoma County Board of Supervisors

Carol Russell
Sonoma County Mayors' and
Councilmembers Association

Shirlee Zane
Sonoma County Board of Supervisors

Farhad Mansourian
General Manager

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

November 1, 2017

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

SUBJECT: Budget Amendment to SMART Personnel Allocations

Dear Board Members:

RECOMMENDATION:

Approve Resolution Number 2017-13 to add two (2) Full Time Equivalent (FTE) Laborer positions to the Fiscal Year 2017-18 Operations budget.

SUMMARY:

On June 21, 2017, the Board adopted Resolution Number 2017-05 approving the annual budget for Fiscal Year 2017-2018, which considered the creation of employee positions and set the compensation and salary for those positions.

We recommend that the approved position authorizations for Fiscal Year 2017-2018 be amended to add two (2) Laborer positions to the Operations budget. SMART is currently allocated for five (5) FTE Laborer positions. The Laborer position is responsible for the interior/exterior cleaning and servicing of SMART's revenue vehicles. The Laborers must service each Diesel Multiple Unit (DMU) twice daily. This includes inspecting seats, cleaning restrooms and dumping waste tanks, cleaning floors, tables and windows so that each DMU is ready for public use. The servicing must be completed within set timeframes to prevent service delays.

With the start of revenue service in August 2017, we began running passenger trains seven days per week. At our current level of staffing, there is only one Laborer position per shift to perform the required duties which poses a strain on servicing. In order to maintain the quality of work and level of servicing required, we recommend that two (2) FTE Laborer positions be added for a total of seven (7) FTE Laborers.

FISCAL IMPACT: The addition of two Laborer positions will result in annual increase in salary and benefits costs of \$177,278. Because the addition is occurring after the start of the fiscal year, the Resolution attached increases salary and benefits for Fiscal Year 2017-18 by \$118,186.

REVIEWED BY: [x] Finance  [x] Counsel 

Very truly yours,



Lisa Hansley
Human Resources Manager

Attachment(s): Resolution No. 2017-13

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SONOMA-MARIN AREA RAIL TRANSIT DISTRICT, STATE OF CALIFORNIA, AMENDING RESOLUTION NO. 2017-05 TO REVISE THE ANNUAL BUDGET FOR FISCAL YEAR 2017-18 TO PROVIDE FOR REVISED POSITION AUTHORITY

WHEREAS, as part of its approval of the Annual Budget for Fiscal Year 2017-18, the Board duly considered the annual expenditures necessary for the Sonoma-Marín Area Rail Transit District; and

WHEREAS, on June 21, 2017, the Board adopted Resolution No. 2017-05 approving the Annual Budget for Fiscal Year 2017-18; and

WHEREAS, Resolution No. 2017-05 considered the creation of employee positions and fixed the compensation and salary for those positions; and

WHEREAS, the Board desires to amend the Annual Budget to provide revised position authority and to increase appropriation authority for increased salary and benefit expenditures.

NOW, THEREFORE, BE IT RESOLVED that the Fiscal Year 2017-18 Budget for the Sonoma-Marín Area Rail Transit District attached as Exhibit A to Resolution No. 2017-05 is hereby amended to revise Table 4, Fiscal Year 2017-18 Proposed Position Authorizations, to reflect position revisions shown below:

POSITION	FTE
Laborers	5.7

BE IT FURTHER RESOLVED that the Fiscal Year 2017-18 Annual Budget for the Sonoma-Marín Area Rail Transit District attached as Exhibit A to Resolution No. 2017-05 is hereby amended to include the following:

EXPENDITURES:

Operations Salaries and benefits \$118,186.

BE IT FURTHER RESOLVED except as specifically amended or supplemented by this Resolution, Resolution No. 2017-05, together with all supplements, amendments and exhibits thereto is, and shall continue to be, in full force and effect as originally adopted, and nothing contained herein shall, or shall be construed to, modify, invalidate, or otherwise affect any provision of Resolution No. 2017-05.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of the Sonoma-Marín Area Rail Transit District held on the 1st day of November, 2017, by the following vote:

DIRECTORS:

AYES:

NOES:

ABSENT:

ABSTAIN:

Debora Fudge, Chair, Board of Directors
Sonoma-Marín Area Rail Transit District

ATTEST:

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



Debora Fudge, Chair
Sonoma County Mayors' and
Councilmembers Association

Kathrin Sears, Vice Chair
Marin County Board of Supervisors

Judy Arnold
Marin County Board of Supervisors

Jim Eddie
Golden Gate Bridge,
Highway/Transportation District

Dan Hillmer
Marin County Council of Mayors and
Councilmembers

Eric Lucan
Transportation Authority of Marin

Jake Mackenzie
Sonoma County Mayors' and
Councilmembers Association

Barbara Pahre
Golden Gate Bridge,
Highway/Transportation District

Gary Phillips
Transportation Authority of Marin

David Rabbitt
Sonoma County Board of Supervisors

Carol Russell
Sonoma County Mayors' and
Councilmembers Association

Shirlee Zane
Sonoma County Board of Supervisors

Farhad Mansourian
General Manager

A handwritten signature in black ink, appearing to read "FM", is written over the name and title of Farhad Mansourian.

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

November 1, 2017

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

SUBJECT: Briefing on Railroad Liability and Property Insurance

Dear Board Members:

RECOMMENDATION: Receive Report.

As part of our ongoing work related to risk management for the District, we are continuously evaluating SMART's activities and the potential losses related to our operations, employees and property. Today we are updating you on newly enacted liability limits and our efforts to keep our coverage commensurate with those limits.

Railroad Liability Insurance Background

As part of the ramp-up in rail activities last year, we secured an increase in our Railroad Liability insurance to a limit of \$200 million per occurrence, with a \$250,000 self-insured retention. This increase was to cover the additional risk associated with testing and simulated passenger service. Our Railroad Liability program covers all liability and injuries that may occur within 50 feet of SMART-owned track, bridges, and crossings.

In order to build a policy with such high limits, coverage is achieved in layers with multiple carriers holding portions of SMART's liability. Having multiple carriers on SMART's policy also builds our District's visibility and relationships in the marketplace, which yielded more favorable quotes for SMART's current renewal. Our increased liability coverage requires us to utilize a third-party claims administrator, who is responsible for managing claims in conjunction with train-related incidents. Our third-party administrator, George Hills Company, has been under contract for two years and has worked with us to develop protocols, claims practices and other important risk management tools.

This year our expert risk consultants and insurance brokers, Alliant Insurance Services and Bedford Falls Insurance Services, reached out to fifteen domestic and international markets soliciting quotes for SMART's program.

The insurance market for heavy commuter rail is very limited, especially on the lower layers due to increased risk exposure. This was compounded by one of SMART’s domestic carriers declining to bid for our business as a way to reduce their own risk profile for rail liability. Nevertheless, Alliant was successful in their efforts to provide quotes below their normal minimum premium rates. They were also able to find a new domestic carrier to replace the one leaving the rail market, thus enabling SMART to access a wide market.

Insurance Program Changes this Year

In June 2017, SMART renewed its “base” insurance layer, which covers liability losses up to \$25 million per incidence. From an insurance carrier standpoint, this layer is the highest risk and therefore tends to be more expensive per million than all other layers of a program. Due to the exposure increase that comes with carrying passengers, our self-insured retention was increased to \$500,000 per incident. While this self-insured retention is a significant increase over our prior limits, it is still lower than most every other California rail agency (see table below). We believe this is due to our excellent brokerage team and the modern, safe, PTC rail system we have built.

Transit Agency	Self-Insured Retention	Limits (as of Oct 2017)
BART	\$2 million	\$198 million
North County Transit District	\$2 million	\$295 million
CalTrain	\$1 million	\$299 million
San Diego MTS	\$2 million	\$73 million
Tri-County Metropolitan Transit System	\$2 million	\$293 million
Metrolink	\$5 million	\$350 million
Sound Transit	\$1 million / \$2 million	\$295 million
LA County MTA	\$7.5 million	\$295 million

This year we also requested Alliant to solicit quotes to increase our liability to meet the new federal liability cap of \$295 million. As we have briefed you previously, the Fixing America’s Surface Transportation (FAST) Act, approved by Congress in 2015, increased the rail passenger transportation liability cap from \$200,000,000 to \$294,278,983. This increase was a direct result of recent rail accidents in which losses quickly reached the existing cap. Our own considerations in determining the need to increase our policy to that limit is driven by our limited ability to absorb losses within our own revenues and our determination to protect the District from claims of that magnitude in the event of a major rail disaster. Our Fiscal Year budget for 2017-18 appropriated the funds for this increased limit and we were successful in securing coverage with that budgeted amount.

SMART’s railroad liability program for the coming two years is outlined below. Alliant was successfully able to negotiate two-year policies for each layer, which helps stabilize our costs and secure extremely competitive rates for our first two years of new passenger service.

Layer	Carrier	Term	Premium (First Year)
\$0 to \$25M	XL / Indian Harbor	06/15/17 to 06/15/19	\$239,454
\$25M to \$100M	London Markets (multiple carriers)	04/01/17 to 06/15/19	\$229,333
\$100M to \$150M	Swiss Re & Aspen	10/02/17 to 06/15/19	\$108,535
\$150M to \$200M	London Markets (multiple carriers)	10/02/17 to 06/15/19	\$87,514
\$200M to \$295M	London Markets (multiple carriers)	10/02/17 to 06/15/19	\$147,060

Property Insurance

As part of our risk management strategies, we insure over \$120 million in property values. SMART’s Property Insurance policy renewed in October 2017 for an annual premium of \$247,737. This coverage is required for managing risk to new crossings and equipment, recently completed bridges, operations facilities and buildings, and our rail vehicles. Coverage amounts were derived in consultation with other agencies and Alliant, and are designed to provide quick resumption of service with limited financial impact in the event of accident or other damage such as our recent fires. We worked closely with operations and engineering staff to determine property values and which assets to insure. As a small District without alternatives to our operating facilities, it is imperative that we provide a financial safety net for the unexpected to occur so that we can recover quickly, without the need to deplete our reserves. Critical assets such as our Rail Operations Center, infrastructure related to crossings, our new rail cars and critical bridges are all well-insured under this policy for many types of losses.

FISCAL IMPACT: None. Insurance costs were included in the FY 2017-18 budget proposal.

Very truly yours,

Erin McGrath
Chief Financial Officer



Debora Fudge, Chair
Sonoma County Mayors' and
Councilmembers Association

Kathrin Sears, Vice Chair
Marin County Board of Supervisors

Judy Arnold
Marin County Board of Supervisors

Jim Eddie
Golden Gate Bridge,
Highway/Transportation District

Dan Hillmer
Marin County Council of Mayors and
Councilmembers

Eric Lucan
Transportation Authority of Marin

Jake Mackenzie
Sonoma County Mayors' and
Councilmembers Association

Barbara Pahre
Golden Gate Bridge,
Highway/Transportation District

Gary Phillips
Transportation Authority of Marin

David Rabbitt
Sonoma County Board of Supervisors

Carol Russell
Sonoma County Mayors' and
Councilmembers Association

Shirlee Zane
Sonoma County Board of Supervisors

Farhad Mansourian
General Manager

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

November 1, 2017

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

SUBJECT: Approval of Amendment No. 1 to Contract No. OP-PS-17-008
with CMC Traffic Control Specialists

Dear Board Members:

RECOMMENDATION:

Authorize the General Manager to execute Amendment No. 1 to Contract No. OP-PS-17-008 with CMC Traffic Control Specialists in the amount of \$204,762 for a total not-to-exceed contract amount of \$254,762.

SUMMARY:

The Federal Railroad Administration requires railroad operators to implement additional safety measures such as flagging when crossings are placed out of service. Since early 2017, SMART has been providing flaggers at several crossings during SMART's operational hours. In addition, SMART also uses flaggers along its operating segment in support of our municipal partner's road projects (i.e. Fulton Road in Santa Rosa supporting a County of Sonoma traffic signal preemption project). Two CMC flaggers are required at each crossing to protect each direction of travel on the roadway. In addition to being trained on how to properly flag vehicular traffic, they must be trained and familiar with railroad track safety and how to communicate with train staff and dispatch on the SMART radio system.

Due to the specialized nature of railroad crossing flagging, the hours of operation required in order to maintain SMART's current train schedule, and state prevailing wage requirements, flagging services can be quite costly. To minimize these costs, SMART staff solicited quotes from three qualified firms for flagging services, and selected CMC because they were the most cost effective.

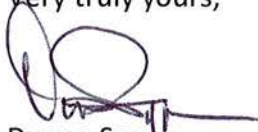
This amendment is intended to cover CMC's costs to-date that were not covered in the original contract budget, as well as to provide a cushion for flagging needs, should the need arise again.

In order to ensure public safety and compliance with federal regulations, we are asking your Board to approve Amendment No. 1 to Contract No. OP-PS-17-008 with CMC Traffic Control Specialists in the amount of \$204,762 for a total contract not-to-exceed amount of \$254,762.

FISCAL IMPACT: Costs will be absorbed within the Fiscal Year 2017-18 budget.

REVIEWED BY: [x] Finance  [x] Counsel 

Very truly yours,



Duane Sayers

Operations Manager

Attachment(s): CMC Traffic Control Specialists Contract Amendment No. 1

**FIRST AMENDMENT TO AGREEMENT FOR CONTRACTOR SERVICES
BETWEEN THE SONOMA-MARIN AREA RAIL TRANSIT DISTRICT
AND CMC TRAFFIC CONTROL SPECIALISTS**

This FIRST AMENDMENT dated as of _____, 2017 (the “First Amendment”) to the Agreement for Consultant Services by and between the SONOMA-MARIN AREA RAIL TRANSIT DISTRICT (“SMART”) and CMC TRAFFIC CONTROL SPECIALISTS (“CONTRACTOR”), dated as of August 23, 2017 (the “Original Agreement,” as supplemented and amended by this First Amendment, the “Agreement”).

RECITALS

WHEREAS, in order to ensure public safety and compliance with federal regulations, SMART must take immediate action to provide safety mechanisms at crossing placed out of service, including but not limited to flagging and traffic control; and

WHEREAS, SMART received three quotes for flagging services and determined that CONTRACTOR was the most qualified and cost effective; and

WHEREAS, SMART and CONTRACTOR previously entered into the Original Agreement, dated August 23, 2017, to provide flagging, traffic control, and related services for the SMART project; and

WHEREAS, SMART desires to amend the Agreement to increase the not-to-exceed amount of the Agreement by \$204,762 for a total not-to-exceed amount of \$254,762; and

NOW, THEREFORE, in consideration of the recitals set forth above and the covenants contained herein, it is mutually agreed by and between the parties that:

AGREEMENT

1. “**ARTICLE 5. PAYMENT**” is amended as follows:

In addition to the not-to-exceed amount set forth in the Original Agreement, the contract amount shall be increased by an amount not-to-exceed \$204,762 for the provisions of the services, for an aggregate not-to-exceed amount of \$254,762 for the Agreement.

2. 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.

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment as set forth below.

SONOMA-MARIN AREA RAIL TRANSIT DISTRICT

Dated: _____

By _____
Farhad Mansourian, General Manager

CMC TRAFFIC SPECIALISTS

Dated: _____

By _____
Phil Mieszkowski, Vice President

APPROVED AS TO FORM:

Dated: _____

By _____
District Counsel



Debora Fudge, Chair
 Sonoma County Mayors and
 Councilmembers Association

Kathrin Sears, Vice Chair
 Marin County Board of Supervisors

Judy Arnold
 Marin County Board of Supervisors

Jim Eddie
 Golden Gate Bridge,
 Highway/Transportation District

Dan Hillmer
 Marin Council of Mayors and
 Councilmembers

Eric Lucan
 Transportation Authority of Marin

Jake Mackenzie
 Sonoma Mayors and Councilmembers
 Association

Barbara Pahre
 Golden Gate Bridge,
 Highway/Transportation District

Gary Phillips
 Transportation Authority of Marin

David Rabbitt
 Sonoma County Board of Supervisors

Carol Russell
 Sonoma Mayors and Councilmembers
 Association

Shirlee Zane
 Sonoma County Board of Supervisors

Farhad Mansourian
 General Manager

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

November 1, 2017

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

SUBJECT: Approve sole source purchase of specialized rail equipment and/or parts from Nippon Sharyo Manufacturing, LLC. for a total cost of \$138,903.80.

Dear Board Members:

RECOMMENDATION:

Adopt the following findings and approve a purchase contract with Nippon Sharyo Manufacturing, LLC.:

- (1) There is only a single source of procurement for certain rail vehicle equipment and/or spare parts for equipment already installed on the Diesel Multiple Units (DMUs) that SMART owns and operates.
- (2) Find that the direct purchase of the specialized rail equipment/parts from Nippon Sharyo Manufacturing, LLC is necessary to meet the District's needs.

SUMMARY:

Nippon Sharyo Manufacturing, LLC is the sole manufacturer and distributor of certain vehicle equipment installed on SMART's current Diesel Multiple Unit rail cars (DMUs). The wheel and axle assembly packages are vital to maintaining our new commuter rail cars and must be on hand when repairs are needed to avoid service disruption and lack of fleet availability. SMART is purchasing one (1) driving wheel and axle assembly and two (2) trailer wheel and axle assemblies.


The equipment purchases we are requesting meet the sole source criteria in the Public Contract Code §3400. SMART's Diesel Multiple Units were designed and manufactured by Nippon Sharyo Manufacturing, LLC, the wheel and axle assembly(s) are comprised of specialized components that must match and be compatible with SMART's current DMU cars.

Your Board may direct the purchase of any supply, equipment, or material upon a finding that there is only a single source of procurement and that the purchase is for the purpose of matching other products in use on a particular system or equipment or for replacing supplies, equipment or material already in use (Public Contract Code §3400).

Additionally, pursuant to Public Contract Code §20355.7 the supplies, equipment or material are specialized rail transit equipment and the Board may, upon a finding by two-thirds of the members, determine that the purchase in compliance with certain provisions of the code (generally applicable to the purchase of materials and equipment) does not constitute a method of procurement that is adequate for the District's needs.

FISCAL IMPACT: Funding is included in the FY 2017-18 budget.

REVIEWED BY: Finance  Counsel 

Very truly yours,

Duane Sayers
Operations Manager



Debora Fudge, Chair
 Sonoma County Mayors and
 Councilmembers Association

Kathrin Sears, Vice Chair
 Marin County Board of Supervisors

Judy Arnold
 Marin County Board of Supervisors

Jim Eddie
 Golden Gate Bridge,
 Highway/Transportation District

Dan Hillmer
 Marin Council of Mayors and
 Councilmembers

Eric Lucan
 Transportation Authority of Marin

Jake Mackenzie
 Sonoma Mayors and Councilmembers
 Association

Barbara Pahre
 Golden Gate Bridge,
 Highway/Transportation District

Gary Phillips
 Transportation Authority of Marin

David Rabbitt
 Sonoma County Board of Supervisors

Carol Russell
 Sonoma Mayors and Councilmembers
 Association

Shirlee Zane
 Sonoma County Board of Supervisors

Farhad Mansourian
 General Manager

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

November 1, 2017

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

SUBJECT: Larkspur Extension Project - Commitment of Local SMART Funding

Dear Board Members:

RECOMMENDATION:

Approve Resolution Number 2017-14 to designate \$6,697,000 in SMART Measure Q Capital Reserve funding for the San Rafael to Larkspur Extension Project.

SUMMARY:

SMART has begun initial work on the Larkspur extension project, our 2.1 mile extension from Downtown San Rafael to Larkspur. Construction began last month with pile driving for the bridges in San Rafael. We are finalizing a grant agreement with the Federal Transit Administration (FTA) for \$20 million that has been appropriated by Congress for the Project. The FTA requires that SMART establish a fully funded project that satisfies their requirements. Approval of Resolution Number 2017-14 commits \$6.697 million in local Measure Q funding to the Larkspur Extension Project to fund contingency and other needs in the project.

The project is funded by the following partners:

- Regional Measure 2 (MTC): \$13.9 million
- Federal Transit Administration (FTA) Small Starts: \$22.5 million
- Federal Railroad Administration (FRA): \$3.0 million
- Federal Highway Administration (FHWA): \$3.2 million
- Congestion Mitigation and Air Quality Program: \$6.1 million

SMART has secured funding from our partners and is in the final stages of executing a grant agreement with the FTA. There are many project elements that the FTA reviews as part of their grant review process. They consider the project scope, schedule, project management, safety and security analysis and a very thorough review of the project budget. One of the FTA metrics is the level of funding contingency that has been reserved for unexpected events. FTA typically insists on 15% contingency for a project like this that is being administered through a design-build delivery method. Because we awarded both the civil design-build contract in June and the systems amendment in September, SMART has established a fairly firm cost for construction which tends to be the project element with the greatest risk.

Therefore, we have negotiated with the FTA to carry a 10% project contingency of \$5.4M for the overall project. We are agreeable to the FTA desire for this level of contingency, but believe that this is conservative. As a comparison, we completed the two design build contracts for the Initial Operating Segment having spent approximately 5% contingency on unexpected items. Thus, the 10 percent contingency for the Larkspur Extension Project should more than suffice and satisfies the FTA's requirements. SMART's local funding commitment will fill the need for this contingency.

We have permission from the Federal government to spend funds against the currently committed funding while the Federal FTA grant is still in the process of being executed. The FTA issued a document called a "Letter of No Prejudice", (LNOP) that allows construction expenditures to be eligible for reimbursement from the Federal grant once it has been executed. We received an LNOP for critical in-water work that must be completed before the winter. We are now working with the FTA to secure a second LNOP for the remainder of the civil work in order to avoid delays while the grant agreement is finalized and executed.

RECOMMENDATION:

Approve Resolution Number 2017-14 to commit \$6.697 million of local Measure Q capital reserve funding to the Larkspur Extension Project to complete the project budget.

FISCAL IMPACT: Commits \$6.697 million of capital reserve funding until completion of the San Rafael to Larkspur Extension Project.

Very truly yours,



Erin McGrath
Chief Financial Officer

Attachment(s): Resolution No. 2017-14

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SONOMA-MARIN AREA RAIL TRANSIT DISTRICT, STATE OF CALIFORNIA, RESERVING CONTINGENCY FUNDS FOR THE SAN RAFAEL TO LARKSPUR CONSTRUCTION PROJECT

WHEREAS, at its duly noticed meeting on June 21, 2017, the Board fully reviewed and considered the Annual Budget for Fiscal Year 2017-18, which included funding for the San Rafael to Larkspur extension project; and

WHEREAS, the Larkspur extension project is funded jointly by the Federal Transit Administration, the Metropolitan Transportation Commission, the Federal Railroad Administration; the Federal Highway Administration and others; and

WHEREAS, in order to both fully fund the project and fulfill certain Federal Transit Administration risk analysis findings related to contingency funding for the project, the District is required to set aside certain funds; and

WHEREAS, available capital reserve funds in the Fiscal Year 2017-18 budget are anticipated to be \$10.7 million.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors hereby reserves \$6.697 million of available capital funds for completion of the Larkspur Extension project.

BE IT FURTHER RESOLVED that the funding for this Larkspur reserve funding is being provided by way of Measure Q sales tax.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of the Sonoma-Marin Area Rail Transit District held on the 1st day of November, 2017, by the following vote:

DIRECTORS:

AYES:

NOES:

ABSENT:

ABSTAIN:

Debora Fudge, Chair, Board of Directors
Sonoma-Marin Area Rail Transit District

ATTEST:

Leticia Rosas-Mendoza, Clerk of the Board of Directors
Sonoma-Marin Area Rail Transit District



Debora Fudge, Chair
 Sonoma County Mayors' and
 Councilmembers Association

Kathrin Sears, Vice Chair
 Marin County Board of Supervisors

Judy Arnold
 Marin County Board of Supervisors

Jim Eddie
 Golden Gate Bridge,
 Highway/Transportation District

Dan Hillmer
 Marin County Council of Mayors and
 Councilmembers

Eric Lucan
 Transportation Authority of Marin

Jake Mackenzie
 Sonoma County Mayors' and
 Councilmembers Association

Barbara Pahre
 Golden Gate Bridge,
 Highway/Transportation District

Gary Phillips
 Transportation Authority of Marin

David Rabbitt
 Sonoma County Board of Supervisors

Carol Russell
 Sonoma County Mayors' and
 Councilmembers Association

Shirlee Zane
 Sonoma County Board of Supervisors

Farhad Mansourian
 General Manager

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

November 1, 2017

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

SUBJECT: Approve agreement with the International Association of Machinists and Aerospace Workers, authorize the Board Chair to execute the agreement, and authorization of Fiscal Year 2017-18 budget amendment

Dear Board Members:

RECOMMENDATION:

Approve Resolution Number 2017-15 and the attached two-year collective bargaining agreement reached with the International Association of Machinists and Aerospace Workers (IAMAW), authorize the Board Chair to execute the Collective Bargaining Agreement, and approve the accompanying resolution implementing the new salaries and increasing Fiscal Year 2017-18 appropriations.

SUMMARY:

This agreement would be the first collective bargaining agreement between SMART and the IAMAW which represents the District's Vehicle Maintenance Technicians (10 Full Time Employees or FTE), Laborers (7 FTE) and Facilities Maintenance Technicians (2 FTE). The total number of staff currently allocated to the three job classes is nineteen (19). The average wages for the above job classes in Bay Area Rail Transit agencies are shown in the charts below.

Vehicle Technician	
Agency	Top Hourly Wage
BART	\$41.90
Santa Clara Valley Transit Authority (VTA)	\$44.44
Average	\$43.17

Facilities Technician	
Agency	Top Hourly Wage
BART	\$41.90
Santa Clara Valley Transit Authority (VTA)	\$30.35
SJRRC(ACE)	\$25.11
Average	\$32.45

Laborer	
Agency	Top Hourly Wage
BART	\$30.26
Sacramento Regional Transit	\$21.37
Santa Clara Valley Transit Authority (VTA)	\$32.78
Average	\$28.14

The agreement retains the District’s current policies with modifications to salaries and benefits as indicated below.

The agreed upon terms include:

Term: October 23, 2017 – June 30, 2019

Salaries:

- Effective October 23, 2017, the rate of pay for all represented employees will be as shown in the table below.

Job Class	Current Hourly Wage	Proposed Hourly Wage
Laborer	\$25.58	\$28.41
Vehicle Maintenance Tech	\$40.89	\$44.98
Facilities Maintenance Tech	\$31.94	\$35.13

- This wage represents a 10% increase above the current top hourly rate for each respective job class.
- There will be no additional salary increases, such as Cost of Living Adjustments, for the life of the agreement, which expires on June 30, 2019.

Standby Pay:

- An employee on standby status will be paid the equivalent of four (4) hours pay at the employee's straight time rate for each twenty four (24) hour period the employee is on standby status or for a period from the end of the employee's work shift and the beginning of the next shift, if the assignment is less than 24 hours. Standby pay will be offset by any actual hours worked if called out to work.
- Standby pay does not count toward the calculation of CALPERS pension benefits, vacation and sick time accruals, or overtime.

Benefits:

- Effective the pay period beginning October 23, 2017, the current cap on compensatory time will be increased from 40 hours to 80 hours.
- Effective in the 2018 calendar year beginning on January 1st, the Lincoln's Birthday Holiday currently observed by the District will be deleted and replaced by a Floating Holiday.

FISCAL IMPACT: The agreement will require a Fiscal Year 2017-18 budget amendment of \$169,390 which is attached to this item. This represents a budget increase of 1.4% over the Operations Salaries and Benefits budget.

The detailed cost of the agreement is as follows:

Annual number of FTE impacted:	19
Annual Baseline Cost of Employees (current):	\$1,848,657
Increased Annual Cost of Agreement (salaries+ benefits):	\$276,943
Two Year Total Incremental Cost of Agreement:	\$553,886

Amount Budgeted FY 2017-18	\$1,899,747
Supplemental Budget Needed FY 2017-18	\$169,390

REVIEWED BY: [x] Finance  [x] Counsel 

Very truly yours,



Lisa Hansley
Human Resources Manager

Attachment(s): IMAAW Collective Bargaining Agreement
Resolution No. 2017-15

MEMORANDUM OF UNDERSTANDING

BETWEEN

SONOMA-MARIN AREA RAIL TRANSIT DISTRICT

AND

INTERNATIONAL ASSOCIATION OF MACHINISTS & AEROSPACE
WORKERS,
AFL-CIO, MACHINISTS AUTOMOTIVE TRADES DISTRICT LODGE 190,

PENINSULA AUTO MECHANICS LOCAL LODGE 1414

OCTOBER 23, 2017 – JUNE 30, 2019

CONTENTS

ARTICLE 1	PREAMBLE.....	3
ARTICLE 2	RECOGNITION.....	3
ARTICLE 3	AGENCY SHOP.....	3
ARTICLE 4	DUES CHECKOFF	4
ARTICLE 5	BUSINESS REPRESENTATIVE ACCESS.....	5
ARTICLE 6	APPLICABLE LAW	5
ARTICLE 7	MANAGEMENT RIGHTS.....	6
ARTICLE 8	LAYOFF NOTICE AND SEVERANCE PAY	6
ARTICLE 9	PROBATIONARY PERIOD	7
ARTICLE 10	NO WORK STOPPAGES	7
ARTICLE 11	SAFETY AND TRAINING.....	8
ARTICLE 12	SUCCESSOR CLAUSE.....	8
ARTICLE 13	UNION ACTIVITY	8
ARTICLE 14	WORK SCHEDULES AND SHIFT BIDDING.....	9
ARTICLE 15	WORKERS' COMPENSATION.....	10
ARTICLE 16	SENIORITY	10
ARTICLE 17	RECRUITMENT, SCREENING & INTERVIEWING & EMPLOYMENT	11
ARTICLE 18	LEAVES.....	11
ARTICLE 19	HEALTH AND LIFE INSURANCE.....	14
ARTICLE 20	DISCIPLINE	14
ARTICLE 21	GRIEVANCES	16
ARTICLE 22	BULLETIN BOARDS	19
ARTICLE 23	SHOP STEWARD	19
ARTICLE 24	WAGES AND CLASSIFICATIONS	19
ARTICLE 25	UNIFORMS.....	20
ARTICLE 26	PENSION PLAN	21
ARTICLE 27	TERM OF AGREEMENT.....	21

ARTICLE 1 PREAMBLE

A. THIS MEMORANDUM OF UNDERSTANDING, entered into this ____ day of _____, by and between the SONOMA-MARIN AREA RAIL TRANSIT DISTRICT, its successors, lessees and assignees, hereinafter referred to as “**DISTRICT**” or “**SMART**”, and INTERNATIONAL ASSOCIATION OF MACHINISTS & AEROSPACE WORKERS, AFL-CIO, MACHINISTS AUTOMOTIVE TRADES DISTRICT LODGE 190, PENINSULA AUTOMOTIVE MACHINISTS LOCAL LODGE 1414, hereinafter referred to as the “**UNION**”, in compliance with the amended Meyers-Milias-Brown Act of the State of California.

B. The use of the pronouns “he” or “she” and the suffix “men” or “women” shall not be interpreted to refer to members of only one (1) sex but shall apply to members of either sex.

ARTICLE 2 RECOGNITION

A. The Union has been acknowledged as the formally recognized employee organization **of employees in the following job classes: Vehicle Maintenance Technician, Laborer, and Facilities Maintenance Technician.**

B.

C. The parties agree that required meetings have been held between the representatives of the Union and of the DISTRICT concerning wages, hours, and other terms and conditions of employment, and both the Union and DISTRICT have complied with the requirements of the Meyers-Milias-Brown Act providing for such meetings and discussions.

ARTICLE 3 AGENCY SHOP

A. *General* - As a condition of continued employment, each regular employee in this Unit shall be a member of the Union or pay an agency shop service fee to the Union in an amount determined as set forth in subsection (b) below.

B. *Service Fee* - The service fee required shall be an amount not to exceed the Union's uniformly-applied standard initiation fee, periodic dues, and general assessments. The service fee shall be utilized only for activities related to the Union's duties as exclusive bargaining representative. In computing such amounts, the Union shall exclude expenditures for members-only benefits and Union expenditures for political and ideological purposes unrelated to collective bargaining, contract administration, and grievance adjustment. Any dispute as to the service fee or the amount thereof shall be directed solely to the Union, and the District shall not be a party to the dispute. The Union shall promptly refund to the District any amounts paid to the Union in error under this Agreement.

C. *Religious Objection* - Any employee otherwise required to pay a service fee under this Agreement, and who is a member of a bona fide religion, body, or sect which has historically held conscientious objections to joining or financially supporting public employee organizations

shall not be required to join or financially support any public employee organization as a condition of continued employment. Such an employee shall be required as a condition of continued employment, in lieu of the service fee, to pay a sum equal to the service fee otherwise payable under this Agreement to one of the following four non-religious, non-labor charitable funds exempt from taxation under Internal Revenue Code Section 501(c) (3), as selected by the employee: Redwood Empire Food Bank; Special Olympics of Northern California; Canine Companions for Independence or Guide Dogs of America. Proof of the payments shall be made on a monthly basis to District and Union as a condition of continued exemption from the requirement of financial support to the Union. An employee claiming a religious exemption shall be required to file a written statement under oath or affirmation with the Union, which identifies the religious organization by name, if any, and which provides in detail that the employee and the organization meet all of the requirements for claiming the religious exemption.

D. *Disclosure and Reporting* - The Union shall keep an adequate itemized record of its financial transactions and, upon written request, shall make available annually to the District and to the employees who are members of the Union, within sixty (60) days after the end of its fiscal year, a detailed written financial report thereof in the form of a balance sheet and an operating statement, certified as to accuracy by the Union's president and treasurer or corresponding principal officer, or by a certified public accountant. The Union may satisfy the requirement by providing the District with a copy of the financial reports the Union files pursuant to the requirements of the federal Labor-Management Reporting and Disclosure Act of 1959 (29 U.S.C. Sec. 410, et seq.)

E. *Hold Harmless and Indemnity* - The Union expressly agrees to indemnify and hold the District harmless from any and all claims, demands, or other actions relating to the District's compliance with this Agreement. This hold harmless and indemnity agreement shall include, but not be limited to, employee legal actions of any sort or nature against the District based upon or related to this Agreement, and shall include any costs, expenses and damages incurred in any such action. Further, in the event that the District undertakes disciplinary action against an employee pursuant to this Agreement, this hold harmless and indemnity subsection shall cover all costs, expenses and damages incurred by the District in defense of a lawsuit.

F. *Change of Law* - In the event there is a change in the law whereby any provision hereof becomes invalid or if for any reason any provision of this Agreement is rendered unlawful by decision of a court of competent jurisdiction, this Agreement shall be either forthwith deemed amended to comply with the change or decision in question and those provisions not affected by the change in law shall remain in full force and effect. If this occurs, at the election of either party this provision may be reopened for further negotiations.

ARTICLE 4 DUES CHECKOFF

A. The Union will be granted permission by SMART to have regular dues of its member employees deducted from their paychecks, in accordance with the procedures prescribed by SMART.

B. Dues deductions shall be for a specified amount and shall be made only upon the voluntary written authorization of the Union member, which authorization meets all of the requirements for the assignment of wages as set forth in §300 of the California Labor Code. Dues deduction authorization may be revoked and the dues check-off payroll discontinued at any time by the Union member upon voluntary written notice to SMART.

C. The member employee's earnings must be regularly sufficient after legal and required deductions are made, to cover the amounts of the dues check off authorized. In the case of a member employee who is in a non-pay status during any part of the pay period and the salary is not sufficient to cover the whole withholding, no deductions shall be made. In this connection, all other legal and required deductions have priority over Union dues.

D. Neither the Union nor the member employees shall be charged a service fee for the deduction of regular Union dues as hereinabove provided for.

E. Dues withheld by SMART shall be transmitted to the officer designated in writing by the Union as the person authorized to receive such funds at the address specified. Funds may also be transmitted by ACH or other accepted electronic banking process.

F. The Union shall indemnify, defend and hold SMART harmless against any claim made and against any suit instituted against SMART on account of check-off of Union dues. In addition, the Union shall refund to SMART any amount paid to it in error upon presentation of supporting evidence.

ARTICLE 5 BUSINESS REPRESENTATIVE ACCESS

A. Any authorized business representative of the Union shall have the right to contact individual employees working within the representation unit represented by their organization in the DISTRICT. A Union business representative shall have access to SMART premises at a mutually agreeable time to investigate or adjust grievances, or conduct other necessary Union business. Except for emergency circumstances, requests for access to the Rail Operations Center (ROC) and other SMART Operations facilities will be made forty eight (48) hours in advance.

B. DISTRICT facilities may be made available for meetings upon timely application by employees and Union. Such use shall not occur during regular duty hours, other than the lunch period. Application for such use shall be made to the designated Human Resources DISTRICT Representative under whose control the facility is placed.

ARTICLE 6 APPLICABLE LAW

A. The parties hereby acknowledge that this Memorandum of Understanding is subject to the provisions of the Meyers-Milias-Brown Act (Section 3500 through 3510 of the California Government Code) and all other applicable laws of the State of California. For the purpose of determining the conformance of the provisions of this Memorandum of Understanding with the

applicable laws of the State of California, each provision of this Memorandum of Understanding shall be deemed separate and servable, from all other provisions of this Memorandum of Understanding. Should any provision or provisions of this Memorandum of Understanding be found or become contrary to the applicable laws of the State of California either by judicial decision or amendment to the applicable laws of the State of California, such provision or provisions shall be deemed void and invalid for all purposes, but all other provisions of this Memorandum of Understanding shall remain in full force and effect unless the parties shall agree that to hold such other provision or provisions in full force and effect shall be inconsistent with the purpose and intention of this Memorandum of Understanding.

B. In the event there is a change in state or federal law which results in any provision of this Memorandum of Understanding being invalid or inconsistent with the law, the parties shall meet promptly concerning such provision.

ARTICLE 7 MANAGEMENT RIGHTS

A. The exclusive rights of the District shall include, but not be limited to, the right to determine the organization of District, as well as its purpose and mission; to set standards of service to be offered to the public; and, through its management officials, to exercise control and discretion over its organization and operations; to establish and effect administrative regulations which are consistent with law and the specific provisions of any collective bargaining agreements that may exist; to direct its employees; to take disciplinary action; to lay off its employees; to determine whether District goods and services shall be made, purchased, or contracted for; to determine the methods, means, and personnel by which the District's services are to be provided, purchased, or contracted; to determine qualifications for employment; to schedule and assign work and overtime; and to otherwise act in the interest of efficient service to the public.

B. All matters pertaining to the management of operations, such as the type and kind of service rendered to the public, the equipment used, workload, the administration of discipline and efficiency, the standards of hire, promotion and transfer of employees, and their discipline and discharge for cause are within the discretion of SMART. SMART's rules, policies and procedures, as may be amended from time to time, are necessary for efficient operations and infraction of these rules shall constitute cause for disciplinary action, up to and including discharge.

ARTICLE 8 LAYOFF NOTICE AND SEVERANCE PAY

A. District employees with seniority subject to lay off due to curtailment of forces, shall be given two (2) weeks (14 calendar days) advance notice of such lay off or two (2) weeks' pay in lieu of such notice. The provisions of this section shall not apply if notice of lay off is prevented by reason of fire, storm, major breakdown, labor dispute, or other cause beyond the control of DISTRICT.

B. Employees who quit without notice or who give less than two (2) weeks' notice, shall be paid only for time worked. Employees will have accrued, unused vacation and

compensatory time off cashed out. Any accrued, unused sick leave will be cashed out at a rate of 25%.

C. The DISTRICT will pay for two months of the employee's COBRA medical coverage provided the employee has one or more years of service. Note: Under CALPERS medical, the employee is eligible to receive an additional month of insurance coverage after separation from employment if the employee agrees to pay their portion of the premium (15%) prior to the start of COBRA eligibility.

D. Employees on layoff will be recalled to work in seniority order within classification. Employees on layoff shall remain on the seniority list for the purpose of recall for a period not to exceed twelve (12) months following layoff. Employees who are recalled within twelve (12) months will retain all seniority accrued in prior service. Benefits do not accrue during a layoff period.

E. Recognizing the concerns of the employees, DISTRICT acknowledges it is not its intent to reduce positions in bargaining units by subcontracting. DISTRICT commits to meet and bargain in a reasonable time in good faith with the union about concerns with the DISTRICT's subcontracting. As required per AB 2224, Section 105143 of the Government Code, the District agrees that it will not contract out the performance of services performed by or fairly claimable by the employees of the bargaining unit without the agreement of the accredited representative of that bargaining unit's employees.

ARTICLE 9 PROBATIONARY PERIOD

A. The probationary period shall be a trial period during which SMART evaluates the employee's ability, competency, fitness and other qualifications to do the work for which they are employed.

B. All new employees shall be on probation for twelve (12) months immediately following their date of hire. If an employee is absent from work for good cause during the probationary period, probation may, be extended day for day by SMART to allow the employee to complete the full twelve (12) months. New probationary employees may be disciplined or discharged at the total discretion of SMART and such actions shall not be subject to review under any provision of this Memorandum of Understanding.

ARTICLE 10 NO WORK STOPPAGES

The Union agrees that during the life of this Agreement there shall be no strikes, slowdowns, or any other form of work stoppage, including sympathy strikes and the DISTRICT agrees that there shall be no lockouts.

ARTICLE 11 SAFETY AND TRAINING

A. DISTRICT shall furnish necessary safety equipment as required for each respective job class covered under this MOU, which may include eye protection, hard hats, and safety belts. Employees working in rain or water shall be furnished with waterproof clothing and boots.

B. The Union shall cooperate with DISTRICT and with each employee in carrying out all pertinent rules and regulations dealing with health, safety, and welfare of employees promulgated by the Department of Industrial Relations of the State of California. All employees shall perform their duties in each operation in such manner as to promote safe and efficient operations of each particular duty as a whole.

C. Adequate first-aid equipment shall be maintained and provision shall be made for the safety of employees covered by this Memorandum of Understanding. DISTRICT shall arrange for adequate and prompt transportation to a hospital or doctor for any employee who is injured on the job and may require doctor's care, hospitalization, or both. DISTRICT shall post the name and address of the Workers' Compensation Insurance Carrier and information regarding the nearest medical clinic or hospital.

D. *Safety Boots* - Per SMART policy HRM-0020, Section 7 Clothing and Equipment, the DISTRICT will reimburse employees up to two hundred dollars (\$200) per fiscal year for the purchase of safety boots if required for the performance of their job duties. Documentation of purchase/payment is required for reimbursement.

E. *Prescription Safety Glasses* - Per SMART policy HRM-0020, Section 7 Clothing and Equipment, the DISTRICT will reimburse employees up to one hundred and seventy five dollars (\$175) per fiscal year for the purchase of prescription safety glasses if required for the performance of their job duties. Documentation of purchase/payment is required for reimbursement.

ARTICLE 12 SUCCESSOR CLAUSE

This Agreement shall be binding upon the successors and/or the assignees of the parties hereto, and no provisions, terms, or obligations herein contained nor the certification of the exclusive bargaining agent shall be affected, modified, altered, or changed in any way by the consolidation, merger, sale, transfer, affiliation, or assignment of either party hereto, nor affected, modified, altered, or changed in any respect whatsoever by any change of ownership or management by either party; or by any change, geographical, or otherwise, in the location of place of business of either party.

ARTICLE 13 UNION ACTIVITY

Neither DISTRICT nor the Union shall interfere with, intimidate, restrain, coerce, or discriminate against employees because of the exercise of their rights to engage in Union activity.

ARTICLE 14 WORK SCHEDULES AND SHIFT BIDDING

A. The regular work day shall consist of eight (8) hours of work unless otherwise specified per an alternative work schedule agreement. The District work week begins on Monday and ends on Sunday.

B. Five (5) days of eight (8) hours each shall constitute a week's work for a full time employee unless an alternative work schedule agreement exists. Shift bids will be held every twelve (12) months or whenever a new shift is added. SMART will distribute shift schedules to be bid upon at least ten (10) days prior to the scheduled bid.

C. Employees shall bid shifts according to the departmental seniority order. Assignments will be made to employees in seniority order from bids submitted prior to the close of the bid period every twelve (12) months. Employees will be given confirmation for bids submitted. SMART reserves the right to deny a bid if an employee does not have the required skills or training for the position.

D. Each employee will submit their bid on the date designated. If an employee is absent for their assigned bid day, the employee may give a proxy bid in writing to a shop steward to bid for the employee. If an employee does not bid on the assigned bid day or fails to submit a proxy bid, the employee will fall to the bottom of the list and bid in the last position. Final results will be posted within twenty four (24) hours of the close of the bid at the SMART work facility where bidding members are assigned.

E. Employees on a leave of absence who will not be able to return to work for at least two (2) months of the bid period will not be permitted to bid, unless SMART and the Union mutually agree to permit the employee to bid. If the employee returns to work during the bid period, SMART will assign the employee to an open shift.

F. The Union shop steward will work with a SMART representative in processing the shift bids. All bids will be submitted in writing to the appropriate Division Superintendent or designee. The Superintendent will post copies of all bids submitted.

G. SMART reserves the right to determine staffing levels of daily assignments. If a shift becomes open on a temporary basis, and SMART determines to cover all or part of that shift, the coverage will be filled based on:

- (a) Availability within the Hours of Service Regulations, if applicable; and
- (b) By seniority order.

H. *Standby Pay*

- (a) An employee on standby status will be paid the equivalent of four (4) hours pay at the employee's straight time rate for each twenty four (24) hour period the employee is on standby status, or for a period from the end of the employee's work shift and the beginning of the employee's next shift, if the standby assignment is less than 24 hours. Standby pay does not count toward the calculation of overtime.

Standby pay will be offset by any actual hours worked if called out to work. While on standby, the employee must be fit for duty.

(b) Any employee who is on standby until the next shift or for a twenty four (24) hour period and is called out for work shall be paid at the applicable rate of pay for all actual hours worked. Overtime rates will apply to all hours actually worked in excess of eight (8) hours per day or forty (40) hours per week.

I. *Compensatory Time Off*

(a) Employees may elect compensatory time off for any overtime work performed. Compensatory time off is earned at time and one half. Employees may accumulate a maximum of eighty (80) hours of compensatory time off. Once the maximum number of hours has been accrued, employees shall receive overtime pay per District policy and may not elect compensatory time off until they fall below the maximum eighty- (80) hour accumulation.

(b) No employee shall take compensatory time off without the prior approval of the employee's supervisor.

(c) Each employee who is separated from District service shall be entitled to payment for accrued compensatory time at the employee's base hourly rate of pay at the time of the employee's separation or as otherwise required by law.

ARTICLE 15 WORKERS' COMPENSATION

A. Workers' Compensation is a plan established by State Law under which payments are made to employees who become disabled due to accident or disease occurring as a direct result of their job. The cost of Workers' Compensation Insurance is paid entirely by the DISTRICT. If you suffer an industrial injury, this coverage entitles you to receive all medical, surgical, and hospital treatment essential to the care or relief of the effects of your injury. In those cases where an employee receives benefits under this plan and is granted sick leave during a disability resulting from an on-the-job injury, DISTRICT shall receive credit against any Workers' Compensation Insurance granted to him, until such leave is exhausted. Payments to the employee will not exceed 100% of regular base pay.

B. Employees injured on the job who seek medical treatment for their injury during their regularly scheduled work hours will be compensated at their normal rate of pay for the initial medical evaluation. Subsequent physician's visits, if necessary, will be charged to sick leave if not scheduled outside of the employee's regular working hours.

ARTICLE 16 SENIORITY

A. In reduction and restoration of forces, when the senior employee is qualified to perform the required task, seniority shall prevail.

B. When two or more employees in the same job classification, have the same hire date, date of birth will be the seniority tie breaker

C. Seniority shall be considered broken by:

1. Discharge for just cause.
2. Resignation, including failure to respond to recall within forty-eight (48) hours from receipt of registered mail or failure to return to work within fourteen (14) calendar days after a recall notice is issued.
3. Twelve (12) consecutive months of unemployment, unless employee is unable to work due to an on-the-job injury or illness, in which case this period is extended to twenty four 24 months.

ARTICLE 17 RECRUITMENT, SCREENING AND INTERVIEWING & EMPLOYMENT

A. When positions become available and authorized, DISTRICT will post the vacancy within DISTRICT, advertise outside as appropriate and at the same time notify the Union of such opening.

B. Applicants who meet the qualifications of the position description will undergo the District's selection process.

C. The DISTRICT will notify the Union of all new hires at least one week prior to the new employee's start date. All new hires will receive a new employee orientation on their first day of employment. The DISTRICT agrees to allocate a thirty (30) minute timeframe during the new hire orientation schedule for Union representatives to meet with the new employee(s). A Union representative will contact a representative of the District's human resources department at least twenty four hours in advance of the new hire orientation date to arrange a time to meet with the new employee during the orientation process. If Union does not wish to send a representative to the new hire orientation, they may provide written materials to the DISTRICT Human Resources Department which will be provided to the new employee.

D. The DISTRICT will provide the Union with employee contact information within 30 days of the date of hire pursuant to AB 119, Section 3558 of the Government Code

ARTICLE 18 LEAVES

A. All leave time, including Holiday, Sick and Vacation leave will be processed in accordance with District policy HRM-0022 Leaves, as of date of ratification, except as modified herein. From time to time it may be necessary to modify District leave policy as required by Local, State or Federal law. Should the District be required by law to modify a leave policy, the District will notify the Union in writing of the required change. Any other proposed changes not required by law will be subject to the provisions of the Meyers-Milias Brown Act.

B. *Holidays*

(a) The DISTRICT observes various District designated holidays each year. Regular full-time and part-time employees are eligible for paid District designated holidays. To be eligible for Holiday pay, employees must work or be in paid status on the employee's regularly scheduled work days the day before and the day after the holiday.

(b) Paid holidays are as follows:

1. New Year's Day - January 1st
2. Martin Luther King, Jr.'s Birthday, third Monday in January.
3. President's Day, the third Monday in February
4. Memorial Day, the last Monday in May.
5. Independence Day, July 4th.
6. Labor Day, the first Monday in September.
7. Veteran's Day, November 11th.
8. Thanksgiving Day
9. The day following Thanksgiving Day
10. Christmas Day, December 25th.
11. Two (2) Floating Holidays
12. Each day appointed by the Governor of the State of California and formally recognized by the Board of Directors as a day of mourning or other special observance.

(c) *Floating Holidays.* Two eight (8) hour days per year will be deemed as floating holidays, which may be taken at any time during the calendar year in which it is accrued provided a written request is made in advance and the supervisor approves such request in writing. Floating holiday pay will be pro-rated for part-time employees. Employees eligible for floating holidays are regular, Probationary, and at-will. Temporary and contracted employees are not eligible for floating holiday pay. Floating holiday pay must be taken in increments of eight (8) hours. Floating holiday hours must be used in the year that they are accrued and will not carry over from one calendar year to the next. If an eligible employee does not use their floating holiday hours during the calendar year, one eight (8) hour day may be paid out as cash. Floating holiday hours are not eligible to be paid out upon separation of employment from the District. New hires hired prior to June 1st of each year will receive two floating holidays. New hires hired between June 1st and August 31st of each year will receive one (1) floating holiday. New hires on or after September 1st will not receive the floating holidays for that year. Supervisor approval is needed prior to scheduling a floating holiday.

C. *Vacation Accrual and Pay*

(a) All regular and probationary full-time employees are eligible to accrue vacation leave based on hours worked on a maximum forty (40) hour workweek. Part-time employees who work a minimum of 20 hours per week shall accrue vacation on a pro-rata basis. Usage and accrual shall be governed by the same rules and regulations applicable to full time employees. Vacation accrual schedules can be found in District policy HRM-0022 – Leaves.

(b) *Vacation Buyback*. Each represented employee may request once a calendar year to receive payment for up to eighty (80) hours of accrued vacation hours, provided that there is a minimum remaining balance of eighty (80) hours following payment. Such requests may be made bi-weekly during any pay period.

(c) *Additional Vacation Time*. To allow for flexibility throughout the year, after the annual bid process been has completed, employees may request additional vacation or compensatory time off as needed. All such requests must be scheduled in advance and receive Supervisor approval. The District reserves the right to deny additional time off requests due to Operational needs.

D. *Sick Leave Accrual and Pay*

Regular and probationary full-time and part-time employees are eligible to receive sick pay. Each DISTRICT full-time employee will accrue up to 12 sick days (96 hours) per year, with no limit on accumulation. Regular part-time employees who work at least 20 hours per week are eligible to accrue paid sick leave on a pro-rata basis. In accordance with AB 1522, Article 1.5. Section 246 (b)(1), the minimum sick leave accrual rate for regular part-time employees who work at least 20 hours per week will be one hour per every 30 hours worked. Usage and accrual of said benefits shall be governed by the same rules and regulations applicable to full-time employees. Use of sick leave will be consistent with District policy HRM-0022 Leaves, Section 3, Sick Time Accrual and Pay.

E. *Medical and Other Legally Required Leaves of Absence*

(a) Leaves of Absence are periods of time in which an employee is permitted to be away from work without being terminated or considered to have voluntarily resigned. Completion of the Probationary Period is required, except where state or federal laws require otherwise. Examples of circumstances where a leave of absence is appropriate are work-related disabilities, military duty and medical disabilities, (including pregnancy). In instances where the leave occurs during the Probationary Period, the Probationary period is extended by the time an employee is out on a leave. Leaves are generally unpaid time off, unless the employee is eligible for and has accrued time under the sick or vacation plans.

(b) The General Manager or designee, on a case-by-case basis, may grant a leave of absence (LOA), depending on the nature of the leave and the business needs at that time. It is the employee's responsibility to maintain contact by phone or in writing, with his/her supervisor and/or the Human Resources Department while he/she is on a LOA. The employee must provide documentation supporting the need for the leave (e.g., physician's visit certification) and keep it up-to-date. Any holidays that occur while an employee is on a LOA are not paid unless accrued sick, compensatory and/or vacation time on the day prior to and after the District holiday are being used. Vacation and sick time does not accrue during a leave if an employee is in unpaid leave status.

(c) All legally required leaves will be administered according to SMART policy HRM-0022 – Leaves. SMART reserves the right to update this policy as required to comply with changes in State, Federal or local laws.

ARTICLE 19 HEALTH AND LIFE INSURANCE

A. DISTRICT provides each employee with a comprehensive group insurance plan as outlined in District Policy HRM-0019 Employee Benefits.

B. New employees who work a minimum of 20 hours per week are eligible to participate in District health and welfare benefits on the first day of the month following their date of hire.

ARTICLE 20 DISCIPLINE

A. SMART has the right to discipline or discharge employees for just cause. SMART employs a progressive disciplinary program, which program may include, but is not limited to, counseling, verbal warning, written warning, suspension, and discharge. Disciplinary action may begin at any step in the program depending upon the seriousness of the infraction. The District will notify the employee and the Union by certified mail of the commencement of a disciplinary investigation within seven (7) calendar days of the District's knowledge of the act or occurrence.

B. The causes for which an employee may be disciplined or discharged shall include, but not be limited to, the following:

- (a) Dishonesty
- (b) Insubordination
- (c) Intoxication or use of alcoholic beverages or illegal drugs while on duty or on SMART property.
- (d) Sexual harassment or other harassment of fellow employees.
- (e) Serious Violation of SMART rules or policies.
- (f) Violation or non-compliance with Federal Railroad Administration rules and regulations.
- (g) Violence and/or threats of violence in the workplace.

C. SMART will inform regular employees in writing as to the reasons for a discharge or suspension.

D. Regular employees (those who have completed the Probationary Period) claiming that they were unjustly disciplined or discharged may challenge the discipline or discharge through the Discipline policy and procedures set forth in SMART's Discipline Policy, HRM-0018. HRM-0018 and any modifications thereto are incorporated into this Agreement and are binding on all parties. The Regular employee may be represented by the Union throughout the disciplinary process. Except as provided in paragraph E, no bargaining unit employee will be disciplined,

suspended or dismissed from the service until a fair and impartial formal investigation has been conducted by an authorized Department Manager.

E. Except when a serious act or occurrence is involved, or as required by Federal Railroad Administration regulations, a bargaining unit employee will not be held out of service in disciplinary matters before a formal investigation is conducted. A serious act or occurrence is defined in section B above.

(a) If a bargaining unit employee is held out of service before a formal investigation, the District may elect to put the employee on Administrative Leave of Absence with pay during the disciplinary process. Holding a bargaining unit employee out of service before a formal investigation or paying the employee for being out of service for less than a serious act or occurrence is not prejudging the employee.

F. The General Manager's or designee's decision shall only be appealed by the employee or by the Union on the employee's behalf to an Arbitrator selected by the Parties.

(a) The request for arbitration may be filed in writing with the Human Resources Department not more than ten (10) working days from receipt of the General Manager's decision, or the right to appeal the decision is forfeited.

(b) The decision will be resolved by an arbitrator, provided that the District and the Union agree on the issues to be arbitrated.

(c) As soon as possible, but no later than ten (10) working days, after receipt of the request for arbitration, the District and the Union shall select an arbitrator. If the parties are unable to agree upon an arbitrator, they shall request a list of five (5) names from the State Conciliation and Mediation Services and shall strike names until an arbitrator is selected.

(d) Both parties will endeavor to submit the appeal to the arbitrator within twenty (20) working days after selection.

(e) The decision of the arbitrator will be final and binding on all parties.

(f) The Arbitrator(s) will neither add to, detract from nor modify or ignore the existing language of any District rules, policies or regulations in considering any issue properly before them. If the arbitrator sustains the decision, he/she shall fashion an appropriate remedy that does not conflict with any provisions contained in any District rule, policy or regulation.

(g) The Arbitrator(s) will expressly confine themselves to the precise issues being raised by the appeal and submitted to them, and will have no authority to consider any other issue not so submitted.

- (h) Any monetary award in favor of the employee is limited to lost wages and benefits suffered measured from the date of the imposed discipline forward. In no event will the Arbitrator(s) award any other type of monetary award, including, but not limited to, attorney's fees.
- (i) All expenses of arbitration will be shared equally by the District and the employee.
- (j) Failure on the part of the District or the employee to appear in any matter before an arbitrator, without good cause, will result in forfeiture of the matter and responsibility for payment of all costs of arbitration.
- (k) Mediation may be used by both parties to assist them in resolving the disciplinary matter. The decision to utilize mediation will be voluntary. Mediation may be held at any step prior to submission of the final appeal to arbitration.

ARTICLE 21 GRIEVANCES

A. A grievance must be in writing, and is defined as a complaint that there has been noncompliance with or a misinterpretation or misapplication of this Memorandum of Understanding or a work rule or resolution of SMART. Grievances will be processed in accordance with SMART policy HRM-0011 Grievance Procedure as modified herein.

B. Selection appeals, disciplinary action, examination appeals, release from Probationary period, complaints of discrimination, the content of performance evaluations and reviews are not grievable hereunder.

- (a) A grievance may be filed by an employee on his/her own behalf or by the Union.
- (b) If it is asserted that the grievance is outside of the scope of procedures or definitions contained herein, such assertion will be evaluated and ruled upon at each step. Such claim will not halt the further processing of the grievance until Step 4 of the resolution process is reached, as defined below. At Step 4, the General Manager will evaluate the assertion, and make a ruling prior to hearing the grievance on its merits.
- (c) "Working Days" shall be defined as those in a normal, five-day work week, Monday through Friday.

C. Grievance Time Limits

- (a) Time limits specified in each step of the procedure shall be strictly observed and may only be extended by mutual agreement of the parties in writing.
- (b) Failure of a grievant to observe a time limit shall terminate the grievance. Failure of the party to whom the grievance is submitted to observe the time limits shall give the Union the right to move the grievance to the next level.

D. *Procedure.* The District recognizes that disputes should be resolved at the lowest possible administrative level. When the grievance is filed by a bargaining unit employee, the grievant may be represented by the Union or a Union Steward throughout the grievance process.

E. *Informal Grievance - Step 1*

(a) The employee will discuss the grievance with his/her immediate supervisor within ten (10) working days of the event giving rise to the grievance, or within ten (10) working days of when the employee knew of or could have reasonably discovered such action or occurrence. The supervisor shall give his/her decision to the employee within ten (10) working days following the discussion.

(b) Presentation of an informal grievance will be a prerequisite to the institution of a formal grievance.

(c) If the informal grievance is not resolved within ten (10) days, the grievant shall file a written formal grievance on a form provided by the Union and served on the District by providing a copy to the Manager or Designee.

F. *Formal Grievance*

(a) *STEP 2:* Within ten (10) working days, after a formal grievance is filed, the Department Manager will investigate the grievance, confer with the Union in an attempt to resolve the grievance and make a decision in writing.

(b) *STEP 3:* If the grievance is not resolved in Step 2 to the satisfaction of the Union, within ten (10) working days of receipt of the Department Manager's decision, the Union may request consideration of the grievance by the General Manager or General Manager's Designee, by notifying the Human Resources Department in writing.

1) Within ten (10) working days after such notification, the General Manager or Designee will investigate the grievance, conferring with person(s) affected to the extent he or she deems necessary, and will render a decision in writing.

2) If the written decision of the General Manager or Designee resolves the grievance to the satisfaction of the Union, it will bind the District.

3) If the Union is not satisfied with the decision of the General Manager or Designee or has not received a response within the time limits specified in Step 3, the Union may proceed to Step 4.

(c) *STEP 4 Arbitration:* Should the matter remain unresolved in Step 3 above, a final consideration of the grievance to Step 4, arbitration, may be filed in writing with the Human Resources Department not more than ten (10) working days from receipt of the General Manager or Designee's decision.

- 1) The grievance will be determined by an arbitrator, provided that the District and the grievant agree on the issues to be arbitrated.
- 2) As soon as possible, but no later than ten (10) working days, after receipt of the Step 4 request for arbitration, the District and the Union shall select an arbitrator. If the parties are unable to agree upon an arbitrator, they shall request a list of five (5) names from the State Conciliation and Mediation Services and shall strike names until an arbitrator is selected.
- 3) Both parties will endeavor to submit the grievance to the arbitrator within twenty (20) working days after selection.
- 4) The Arbitrator(s) will neither add to, detract from nor modify or ignore the existing language of any District rules, policies or regulations in considering any issue properly before them. If the arbitrator sustains the grievance, he/she shall fashion an appropriate remedy that does not conflict with any provisions contained in any District rule, policy or regulation.
- 5) The Arbitrator(s) will expressly confine themselves to the precise issues being raised by the grievance and submitted to them, and will have no authority to consider any other issue not so submitted.
- 6) Any monetary award in favor of the grievant is limited to lost wages or benefits suffered measured from the date of the grievance forward. In no event will the Arbitrator(s) award any other type of monetary award, including, but not limited to, attorney's fees.
- 7) The decision will be final and binding on all parties.

(d) *General Considerations*

- 1) The Human Resources Department will act as the central repository for all grievance records.
- 2) All expenses of arbitration will be shared equally by the District and the Union.
- 3) Failure on the part of the District or the Union to appear in any case before an arbitrator, without good cause, will result in forfeiture of the case and responsibility for payment of all costs of arbitration.
- 4) The grievant's or Union designee's signature is required at each step of the grievance procedure.
- 5) A copy of the grievance will be provided to the General Manager at each step of the grievance process.

6) New issues if not set forth in the original grievance must be filed separately if timely.

7) Mediation may be used by both parties to assist them in resolving grievances. The decision to utilize mediation will be voluntary. Mediation may be held at any step prior to submission of the final appeal under Step 5 of the grievance procedure.

ARTICLE 22 BULLETIN BOARDS

A. Reasonable space shall be allowed on bulletin boards as specified by DISTRICT for use by the Union to communicate with DISTRICT employees. Material shall be posted upon the bulletin board space as designated, and not upon the walls, doors, file cabinets, or any other place. All posted material shall bear the identity of the sponsor, shall be neatly displayed, and shall be removed when no longer timely.

B. The Union may post within the employee work or rest area a written notice which sets forth the name and address of the Union, the recognized employee organization for such unit.

ARTICLE 23 SHOP STEWARD

The Union may select an employee in the recognized unit and/or work area to serve as Shop Steward. The Union shall notify DISTRICT, or its representative, in writing, of the appointment of a Shop Steward, and DISTRICT shall notify the Union of the Shop Steward's termination. The Shop Steward shall receive no loss in pay for performing duties of official Union Business, during his/her assigned shift, for this bargaining unit pertaining to negotiation and/or enforcement of the Memorandum of Understanding. The shop steward shall, as much as possible, perform their duties as a shop steward when not scheduled to work. If the shop steward must perform any duties during regularly scheduled work hours, it shall be kept to a minimum and shall not interfere with normal operations. The shop steward must request time off in advance to perform their duties during regularly scheduled work hours. Absent an emergency, the request must be in writing and submitted at least 48 hours in advance.

ARTICLE 24 WAGES AND CLASSIFICATIONS

A. Wages for this Unit of employees will be as shown below:

Job Class	Hourly Wage
Laborer	\$28.14
Vehicle Maintenance Technician	\$44.98
Facilities Maintenance Technician	\$35.13

B. Wages will be effective on the first day of the first full pay period following ratification of the Agreement. The pay schedule for District employees is bi-weekly, payable every

other Friday. Each pay period shall cover fourteen (14) consecutive calendar days and shall start on the Monday and end on the second Sunday thereafter. Employees shall be paid for each hour in pay status and other compensation five calendar days following the end of the pay period. If a holiday falls on said day, payment shall be made on the preceding work day.

C. Certification - During the term of this Agreement. DISTRICT will pay the registration fee and test cost for any certification tests taken related to the bargaining unit employee's job duties for tests required by the District.

D. *Temporary Promotion*

(a) When an incumbent in a position is on an extended leave or a position becomes vacant, the Department Manager may choose to fill a position by temporarily promoting an existing DISTRICT employee. In order to be considered for temporary promotion, the candidate must meet the minimum qualifications of the higher job class. Only such vacancies expected to last for thirty (30) days or longer may be filled by temporary promotion.

(b) When a regular employee is temporarily assigned to substantially fulfill the duties of a higher position for thirty (30) or more working days, the employee will be temporarily promoted, in writing, and given a temporary merit increase of 5% above the employee's current pay level in his/her regular position.

(c) A single assignment performed in a higher classification does not qualify an employee for temporary promotion pay consideration. Further, when the work associated with a vacant position is redistributed to several employees, rather than given to one individual on an interim basis, no single individual will be deemed to be working in a higher class and eligible for temporary promotion.

(d) When an employee is promoted to a position in which he or she has, immediately preceding the appointment, served in a temporary promotion capacity, the employee will be given time credit for the acting service. Credit shall begin on the effective date of the temporary appointment and will count toward the completion of the Probationary period in the new position.

(e) When the incumbent of the higher level class returns to work or is replaced on a permanent basis by another individual from an employment list, the individual promoted on a temporary basis will be returned to his/her former job class and rate of pay. Time spent in the higher job class will count towards seniority in the former job class.

ARTICLE 25 UNIFORMS

DISTRICT shall provide sufficient uniforms for employees as needed for performance of their respective job duties and will launder uniforms at no charge to employees.

ARTICLE 26 PENSION PLAN

A. CalPERS

(a) The DISTRICT and each employee, who is scheduled to work twenty (20) hours per week or who actually works one thousand (1,000) hours or more in a fiscal year, shall continue to contribute to the Public Employees' Retirement System in accordance with the applicable rules and regulations.

(b) Employees hired on or after January 1, 2013, the effective date of the new CalPERS Retirement Plan, (2% @ Age 62) shall be covered by the terms of that retirement plan.

B. 457b Deferred Compensation

(a) The DISTRICT has available to all employees a 457 b Deferred Compensation Plan. This plan allows employees to make voluntary contributions, on a pre-tax basis, for their own retirement savings. For employees hired after June 1, 2012, the DISTRICT will match employee voluntary contributions up to a maximum of 2% of annual base salary.

ARTICLE 27 TERM OF AGREEMENT

A. This Agreement shall become effective October 23, 2017 and remain in effect to and including June 30, 2019, and thereafter shall automatically be renewed from year to year unless either party shall give notice in writing to the other party at least sixty (60) days prior to the end of the initial term of a desire to amend, modify, or terminate this Agreement. If such notice or notices are not given, the Agreement shall be deemed to be renewed for the succeeding year.

B. IN WITNESS WHEREOF, the duly authorized representatives of the parties hereto, having met and conferred in good faith, have caused their names to be subscribed this _____ day of _____, 20__.

C.

FOR DISTRICT

FOR THE UNION

APPROVED

RATIFIED

Deborah Fudge, Chair
Board of Directors

Tom Brandon
Business Representative

Attest

SMART NEGOTIATORS

IAM NEGOTIATORS

Pat Glenn, Chief Negotiator

Steve Older, Area Director

Lisa Hansley
SMART Human Resources

Jarvis Smothers
Employee Representative

Jessica Sutherland
SMART Assistant General Counsel

Garrett Hardisty
Employee Representative

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SONOMA-MARIN AREA RAIL TRANSIT DISTRICT, STATE OF CALIFORNIA, AMENDING RESOLUTION NO. 2017-05 TO REVISE THE ANNUAL BUDGET FOR FISCAL YEAR 2017-18 TO PROVIDE FOR REVISED POSITION AUTHORITY

WHEREAS, as part of its approval of the Annual Budget for Fiscal Year 2017-18, the Board duly considered the annual expenditures necessary for the Sonoma-Marín Area Rail Transit District; and

WHEREAS, on June 21, 2017, the Board adopted Resolution No. 2017-05 approving the Annual Budget for Fiscal Year 2017-18; and

WHEREAS, Resolution No. 2017-05 considered the creation of employee positions and fixed the compensation and salary for those positions; and

WHEREAS, the Board desires to amend the Annual Budget to provide revised position authority and to increase appropriation authority for increased salary and benefit expenditures related to collective bargaining agreements.

NOW, THEREFORE, BE IT RESOLVED that the Fiscal Year 2017-18 Budget for the Sonoma-Marín Area Rail Transit District attached as Exhibit A to Resolution No. 2017-05 is hereby amended to revise Table 4, Fiscal Year 2017-18 Proposed Position Authorizations, to reflect position revisions shown below:

POSITION	FTE	Annual		Hourly	
		Low	High	Low	High
Facilities Maintenance Technician	2	-	73,070	-	35.13
Laborers	7	-	53,206	-	28.41
Vehicle Maintenance Technician	10	-	93,558	-	44.98

BE IT FURTHER RESOLVED that the Fiscal Year 2017-18 Annual Budget for the Sonoma-Marín Area Rail Transit District attached as Exhibit A to Resolution No. 2017-05 is hereby amended to include the following:

EXPENDITURES:

Operations Salaries and benefits \$169,390.

BE IT FURTHER RESOLVED except as specifically amended or supplemented by this Resolution, Resolution No. 2017-05, together with all supplements, amendments and exhibits thereto is, and shall continue to be, in full force and effect as originally adopted, and nothing contained herein shall, or shall be construed to, modify, invalidate, or otherwise affect any provision of Resolution No. 2017-05.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of the Sonoma-Marín Area Rail Transit District held on the 1st day of November, 2017, by the following vote:

DIRECTORS:

AYES:

NOES:

ABSENT:

ABSTAIN:

Debora Fudge, Chair, Board of Directors
Sonoma-Marín Area Rail Transit District

ATTEST:

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



November 1, 2017

Debora Fudge, Chair
Sonoma County Mayors' and
Councilmembers Association

Kathrin Sears, Vice Chair
Marin County Board of Supervisors

Judy Arnold
Marin County Board of Supervisors

Jim Eddie
Golden Gate Bridge,
Highway/Transportation District

Dan Hillmer
Marin County Council of Mayors and
Councilmembers

Eric Lucan
Transportation Authority of Marin

Jake Mackenzie
Sonoma County Mayors' and
Councilmembers Association

Barbara Pahre
Golden Gate Bridge,
Highway/Transportation District

Gary Phillips
Transportation Authority of Marin

David Rabbitt
Sonoma County Board of Supervisors

Carol Russell
Sonoma County Mayors' and
Councilmembers Association

Shirlee Zane
Sonoma County Board of Supervisors

Farhad Mansourian
General Manager

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

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

SUBJECT: Approve Portola Systems Inc. Contract Amendment No. 4

Dear Board Members:

RECOMMENDATION:

Authorize the General Manager to approve contract Amendment No. 4 for an amount of \$178,627 to the existing contract with Portola Systems Inc. for Information Systems support services for a total not-to-exceed amount of \$1,511,404 and to extend the term of the contract to October 31, 2018.

SUMMARY:

Portola Systems Inc. were procured to perform Information Technology (IT) maintenance and support services for SMART. Their services included monthly monitoring of all Cisco routers and Cisco SMARTNet maintenance contracts, firewalls, and switches for the Stations Network including closed-circuit cameras, Clipper vending machines, and Wi-Fi infrastructure at the platforms. Maintenance of Cisco routers, firewalls, and switches is required to ensure secure, reliable communications between the Station Platforms and the Fare Collection and CCTV Administration offices.

We anticipate the continued use of Portola's expertise in the outside IT support role to ensure a healthy Station Network infrastructure and to maintain a high level of competency in our IT management services. We recommend approval of Amendment No. 4 in the amount of \$178,627 for professional outside IT support services for a total not-to-exceed contract amount of \$1,511,404.

FISCAL IMPACT: Funding for this amendment was included in the Fiscal Year 17-18 budget.

REVIEWED BY: [X] Finance  [X] Counsel 

Very truly yours,


Dan Hurlbutt
Information Technology Manager

Attachment: Portola Systems Inc. Contract Amendment No. 4

**FOURTH AMENDMENT TO AGREEMENT FOR CONSULTANT SERVICES
BETWEEN THE SONOMA-MARIN AREA RAIL TRANSIT DISTRICT
AND PORTOLA SYSTEMS, INC.**

This Fourth Amendment dated as of November ____, 2017 (the “Fourth Amendment”) to the Agreement for Consultant Services by and between the Sonoma-Marin Area Rail Transit District (“SMART”) and Portola Systems, Inc. (“CONSULTANT”), dated as of April 6, 2016 (the “Original Agreement,” and as amended by the First Amendment, Second Amendment, Third Amendment, and now this Fourth Amendment, the “Agreement”).

RECITALS

WHEREAS, SMART and CONSULTANT previously entered into the Original Agreement to provide station network configuration services for its SMART stations; and

WHEREAS, SMART desires to amend the Agreement to increase the not-to-exceed amount by \$178,627, for a total not-to-exceed amount of \$1,511,404, and to extend the term to October 31, 2018; and

NOW, THEREFORE, in consideration of the recitals set forth above and the covenants contained herein, it is mutually agreed by and between the parties that:

AGREEMENT

1. **“ARTICLE 5. PAYMENT”** Article 5 of the Agreement is amended as follows:

In addition to the not-to-exceed amount set forth in the Original Agreement, the contract amount shall be increased by an amount not-to-exceed \$178,627, for the provisions of the services, for an aggregate not-to-exceed amount of \$1,511,404, for the Agreement.

2. **“ARTICLE 6. TERM OF AGREEMENT”** Article 6 of the Agreement is amended as follows:

“The term of this Agreement shall remain in effect until October 31, 2018 unless terminated earlier in accordance with the provisions of **Article 7.**”

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.

IN WITNESS WHEREOF, the parties hereto have executed this Fourth Amendment as set forth below.

SONOMA-MARIN AREA RAIL TRANSIT DISTRICT

Dated: _____

By _____
Farhad Mansourian, General Manager

PORTOLA SYSTEMS, INC.

Dated: _____

By _____
Its _____

APPROVED AS TO FORM:

Dated: _____

By _____
District Counsel



Debora Fudge, Chair
Sonoma County Mayors' and
Councilmembers Association

November 1, 2017

Kathrin Sears, Vice Chair
Marin County Board of Supervisors

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

Judy Arnold
Marin County Board of Supervisors

Jim Eddie
Golden Gate Bridge,
Highway/Transportation District

SUBJECT: Review the Draft 2018 California State Rail Plan and Potential
State and Regional Funding Opportunities

Dan Hillmer
Marin County Council of Mayors and
Councilmembers

Dear Board Members:

Eric Lucan
Transportation Authority of Marin

RECOMMENDATION: Discussion

Jake Mackenzie
Sonoma County Mayors' and
Councilmembers Association

SUMMARY:

Recently the California State Transportation Agency released their draft 2018 California State Rail Plan, which can be accessed at <http://www.dot.ca.gov/californiarail/>. They examined the role of rail in statewide transportation. They also examined existing policies and programs, existing rail systems and discussed the State's vision for California Rail Network. They proposed short, midterm and long term State goals and visions.

Barbara Pahre
Golden Gate Bridge,
Highway/Transportation District

Gary Phillips
Transportation Authority of Marin

David Rabbitt
Sonoma County Board of Supervisors

Finally they discussed the State's Rail Service and Investment Program, including State SB1 and Cap and Trade funds which can be matched by potential Regional Measure 3 bridge toll funds.

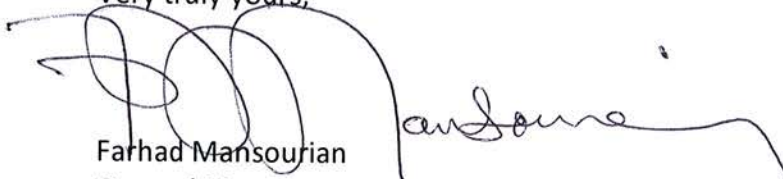
Carol Russell
Sonoma County Mayors' and
Councilmembers Association

Shirlee Zane
Sonoma County Board of Supervisors

We are preparing an executive summary on the Plans' vision for SMART and our rail corridor and also we will be discussing upcoming opportunities. This presentation will be available at your Board Meeting.

Farhad Mansourian
General Manager

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

Very truly yours,

Farhad Mansourian
General Manager