SMART BOARD OF DIRECTORS
Review of 2020 Activities and 2021 Goals and Challenges

FEBRUARY 3, 2021
February 3, 2021 Board of Directors Public Meeting

2020 Department Activities Report and 2021 Goals and Challenges

Department Presentations:

- Legal
- Finance
- Human Resource
- Procurement
- Information Technology
Legal Department
2020 Activities

Litigation / Claims / Applications and Responses

▪ Matters before Federal and State Courts
▪ Matters before the various Federal regulatory agencies including:
  • Surface Transportation Board (STB)
  • Federal Railroad Administration (FRA)
  • Federal Occupational Safety and Health Administration (OSHA)
▪ Matters before the various State agencies including:
  • California Public Utilities Commission (CPUC)
  • Bay Conservation and Development Commission (BCDC)
  • California Occupational Safety and Health Administration (Cal-OSHA)
▪ Matters before the various California Boards
  • California Public Employment Relations Board (PERB)
  • California Department of Labor and Industrial Relations (DLSE).
▪ Arbitrations pursuant to various Labor Agreements
Claims and Risk Management:

- Claims, recovery and Insurance
  - SMART claimed, recovered or was reimbursed for damage to SMART’s property including:
    - Diesel Multi-Units
    - Tracks
    - Fencing
    - Signals
    - Bridges

- Responded to 200+ public records act requests (PRAs)
Damage to SMART DMU’s:
Damage to SMART Property:
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2021 Goals and Challenges

- Labor Negotiations
- COVID-19 Matters
- Freight Operations
- Federal Regulatory Issues
  - FRA, STB and Common Carrier issues
- Property Access/Crossing/Freight Spur Issues
- Litigation
Finance Department
Introduction

- **Functions**
  - Budget
  - Accounting
  - Finance
  - Payroll
  - Grants Budgeting and Reporting

- 6 staff members
Financial Documents

Financial Documents and Reports - Found on SMART’s External Website
2020 Activities

- 2020/2021 Annual Budget
  - Proactive reductions in expenditures done early in pandemic – put us in better position than most organizations
  - Held six workshops/presentations with the Board

- Annual Financial Audit
  - No audit findings
  - No post closing adjustments
  - Won Government Finance Officers Association (GFOA) award for Excellence in Financial Reporting (7th year in a row)

- Refinanced $122.9 million in Outstanding Debt
  - Resulted in $3.4 million in annual savings
2020 Challenges

▪ COVID-19
  • Shifting to remote work
  • New processes

▪ Measure I Election
  • 42% of funds come from sales and use tax authorized by Measure Q (2008)
  • Measure Q sunsets in 2029

▪ Payroll System
  • COVID leave
  • New User Interface
2021 Goals

- 2021/2022 Annual Budget
  - Balanced Budget
  - Build reserves
- Review and Update SMART’s Short Range Transit Plan
  - Requirement to receive federal funds
- Develop a Transit Asset Management Plan
  - Required by 49 CFR Section 625
- Review and Improve Invoice Process
  - Interface/Integration with Operations Management System
2021 Challenges

- Revenues
- Remote Work
- Regional Measure 3 Funding
- Financial Reporting and Analysis
- “New Normal”
- New Chief Financial Officer
- Budget Development
- Service Levels

UNCERTAINTY
QUESTIONS
Human Resources Department
2020 Activities

- Federal Railroad Administration (FRA) audited our Drug and Alcohol Compliance Program and congratulated us on a “well-run” program
- Implemented Drug and Alcohol testing of staff as required by Federal Law
- Signal Technician Training Program was created
- National Recruitment was successfully conducted for Chief Financial Officer
- COVID-19 Relief Act required implementation of certain policies and leaves. 46 such cases were managed
- 2 amendments were negotiated and finalized with two of our Unions
- Conducted 17 recruitments resulting in 7 external hires and 11 internal promotions
2021 Goals

- Labor Relations – Teamsters Supervisors unit contract
- Customer Service – Increase presence at Operations Center
- Training
  - Collaborate with Operations department to create Trainee positions for Vehicle Maintenance as well as for Transportation divisions
  - Launch the “Supervisor Academy”
2021 Challenges

- COVID-19 and Its Impacts – New Laws and Regulations
- Planning for the Future
- Training – Creating a Coordinated System District-Wide
QUESTIONS
Procurement

Purchases of Goods, Equipment, Supplies
Examples: Toilet Paper, Office Supplies, Train Wheels, Maintenance Vehicles, Ballast Cars, Wheel Truing Machine

Contracting of Services
Examples: Janitorial Services, Fueling Services, Financial Consultants, Engineering Design, Design-Build Contractors

Vendor Outreach, Onboarding, & Management
Examples: Advertising of Projects and Purchases, Conducting all Bidding Activities (Site Visits, Bid Openings, etc.), Setting-up of Direct Credit Accounts, Small Business Outreach

2 Staff Members
Supports 13 Departments & 19 Project Managers
2020 Activities

- Implemented a fully electronic eProcurement and Vendor Management System (Bonfire)
- Implemented DocuSign for SMART (including all security controls) and shifted Contract Execution to electronic signature
- Managed SMART’s Equipment and Supply Needs during the 2020 Wildfires and COVID-19 Emergencies
- Issued:
  - 91 Purchase Orders totaling over $3M
  - 35 New Contracts totaling Nearly $4M
  - Established 74 new vendors
2020 Challenges

- Transitioning from In-Person Procurement Activities to Fully Electronic
  - Receiving Bids/Proposals
  - Hosting Pre-Proposal Conferences
  - Evaluations
- Finding credible vendors for COVID-19 emergency supplies
- Managing Supply Chain and Shipment Delays of all of our goods and supplies due to the pandemic
2021 Goals/Challenges

**GOALS**
- More efficiency and Automation
- Implement Purchasing and Contracting Resource and Training Program for Staff
- Reduction of Paper Files – Transition to Fully Electronic Procurement Records

**CHALLENGES**
- Influx of New Funding Sources will add complexities to the Procurement Process
- Increased Procurement Activity Expected as we look to shift back to normal operations and boost ridership post COVID-19.
- Developing multi year procurements and contract needs.
The Procurement Department expects to have a significant increase in purchasing and contracting activity as SMART:

1. Shifts back to normal operations post the COVID-19 pandemic
2. Further increases efforts on capital projects (SMART Pathway, Rail Extensions, etc.)
3. Adds Freight to the portfolio of services
QUESTIONS
Information Technology Department
SMART’S IT Landscape

- SMART IT Systems are in place across the whole agency:
  - 4 Offices
  - 12 Stations
  - 46 miles

- All managed by a team of 3
What We Do?

▪ **Administrative Information Systems – 4 offices**
  - Redundant secure systems for phones, email, servers, printers, and misc. devices.

▪ **Railroad Information Systems**
  - CCTV, Platform equipment, Fare Collection Devices

▪ **MAXIMO – Enterprise Asset Management**
  - Asset Management, Purchasing, Work Management, Schedule Maintenance, Inventory, and Event Logs.

▪ **Devices Maintained Today - 758**
  - 181 Network Devices
  - 141 Radios
  - 124 Computers
  - 90 CCTV Devices
  - 55 Servers
  - 66 Cell Phones
  - 65 Fare Devices
  - 19 Vehicle Locators
  - 17 Printers
2020 Accomplishments

- **IT Support**
  - Restructured IT department under new leadership
  - Implemented a trouble ticket system
  - Completed **1606** IT Tickets!
  - Transitioned to a new unified documentation system

- **Infrastructure**
  - Developed and implemented a SMART work from home plan
  - Modernized our Office Software Suite
  - Established a new remote Board Meeting setup

- **Security**
  - Completed an external IT Security Audit with positive results. Auditors said our security is much better than they typically see.
  - Applied IT security improvements to better protect systems.
  - Implemented central management for device security and anti-virus scans.

- **SMART General**
  - Developed in house solution for new Customer Service
  - Cost savings realized.

- **MAXIMO System**
  - Automated some FRA reports.
  - Automated monthly and weekly reports for departments.
  - Developed department dashboards in MAXIMO to manage work and assets.
2020 Challenges

- COVID-19
  - Remote Board Meetings
    - Training all related persons
    - Designing and procuring technology solutions
  - Work From Home
    - Converting many staff to work from home, including supporting users remotely for all IT issues
  - Canceled Trainings
    - Cancellation of seminars and trainings for IT systems

- Budget
  - Deferred replacement of some devices
2021 Goals and Opportunities

- Complete the SMART File System migration to the cloud
- Continue to invest in IT security
  - Implement a company-wide IT Security training program
  - Continue IT Department training on the latest in IT security
- MAXIMO
  - Further automate reporting
  - Asset audits - Documentation vs. reality
  - Implement more detailed tracking of asset conditions
    - Automatic work orders
2021 Growth Post Pandemic

- Establishing a summer IT Internship Program
  - Fresh new perspective on technology
  - Help a student gain experience for their career
  - Give back by educating local students about the unique aspects of working in tech at a transit agency
Connect with us:
www.SonomaMarinTrain.org

Customer Service:
CustomerService@SonomaMarinTrain.org
(707) 794-3330