

Board of Directors Meeting: May 19, 2021 – Public Comments

Date	Name	5. Public Comment on Non-Agenda Items
5/6/2021	Paul Garbarino	email attached
5/6/2021	Tom Litle	email attached
5/8/2021	Reed Maidenberg	email attached
5/6/2021	Rick Coates	email attached
5/10/2021	Terrie Noll	email attached
Date	Name	6. Consent <ul style="list-style-type: none"> a. Accept Monthly Ridership Report – April 2021 b. Adopt a Resolution to Amend the Budgeted Administrative Salary Ranges to Create a Range for the Position of General Manager c. Authorize the General Manager to Execute Contract No. HR-PS-21-004 with KL2 Connects LLC to provide executive recruitment services for the position of General Manager with a maximum not-to-exceed amount of \$48,450 d. Approve a Resolution Authorizing the Submittal of an Affordable Housing Sustainable Communities grant to the State of California Strategic Growth Council and Department of Housing and Community Development to construct the SMART Pathway crossing of McDowell Boulevard and the SMART second Petaluma Station at Corona Road
5/18/2021	Mike Arnold	Memo attached
Date	Name	7. Authorize the General Manager to Execute Contact Amendment No. 1 in the amount of \$158,075 to the existing Consultant Services contract with Civic Edge Consulting for marketing support services for a total not-to-exceed amount of \$258,050
		None
Date	Name	8. Fiscal Year 2022 Draft Budget (<i>Discussion</i>)
5/17/2021	Mike Arnold	Memo attached
Date	Name	9. Update on Schedule, Weekend Service and Fare Incentives (<i>Discussion</i>)
		None

From: [Leticia Rosas-Mendoza](#)
To: [Leticia Rosas-Mendoza](#)
Subject: FW: Performance metrics – SMART
Date: Tuesday, May 18, 2021 12:42:22 PM

From: Paul Garbarini <buyer@garbarini.us>
Sent: Thursday, May 6, 2021 12:56 PM
To: Customer Service <customerservice@sonomamarintrain.org>
Subject: Performance metrics – SMART

Please incorporate this comment in the next Directors meeting notes

Performance metrics got addressed at the last SMART Board meeting. From the taxpayer's vantage point, there is one crucial metric that SMART avoids, let's call it the "taxpayer metric." When a train passenger purchases a \$10 ticket, how much is the taxpayer subsidizing the ride? A straightforward calculation SMART seems to sidestep: (Operating expense + administrative expense related operations) times \$10 divided by revenue. SMART data leads one to believe that the taxpayer is subsidizing the \$10 commuter by more than \$90. SMART Directors, is this true?

Paul Garbarini, San Rafael

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From: tomlitle@gmail.com
To: [Leticia Rosas-Mendoza](#)
Subject: Comment on Agenda Item #9 - SMART Capital Improvement Plan
Date: Thursday, May 6, 2021 3:34:48 PM

Chair Rabbitt and Members of the SMART Board,

I am writing to express my strong support for the staff's recommendation to advance all unbuilt segments of the SMART pathway to shovel-ready status. However, since people cannot ride or walk on a pathway that is merely shovel-ready, I urge the Board to set a goal of opening one segment of pathway in Marin per year starting in 2022, which might require SMART to use its own money on construction.

This commitment would both fulfill the initial promise of the agency, and increase the electoral chances of a future ballot initiative. The best thing SMART can do to win the trust of the bicyclists and voters of Marin is to finish the pathway.

Thank you very much for your time and consideration.

Tom Litle
Belvedere Resident
617-650-1111

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From: [Reed Maidenberg](#)
To: [Leticia Rosas-Mendoza](#)
Subject: Thank you for prioritizing the path in the Capital Improvement Plan!
Date: Saturday, May 8, 2021 9:14:25 PM

We cyclists thank you!

Reed

Reed Maidenberg

Via mobile

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Promoting Green Business, EcoEducation and EcoAdventures
P.O. Box 2002, Guerneville, CA 95446
www.ecoring.org

SMART Board of Directors
5401 Old Redwood Hwy.
Petaluma, CA 94954

Re: General Manager's retirement, Pathway and Performance Metrics

Dear Board Members,

EcoRing is a nonprofit organization that promotes ecotourism and green travel in the North Bay. Our Partners are businesses in the tourism industry in Sonoma, Marin and San Francisco counties. These comments are on behalf of our Partners and Members.

I wish to express our deep appreciation for the monumental service that General Manager Farhad Mansourian has contributed to the North Bay both in service to Marin County and to SMART. He has guided SMART through some of the most difficult times to make it, in our estimation, the premier transit system of the entire bay area. His firm resolve, wise and practical decisions and measured and respectful public persona is a model for all who hold public trust. It will indeed be difficult to fill his shoes. We wish him a fulfilling, restful and fun-filled retirement!

We want to state our wholehearted support for the pathway projects approved at the April 21 Board meeting. We wish to emphasize that the pathway is important to the ridership of the train. Filling the gaps is the appropriate strategy. We would also note that connectivity to other trail networks in both counties enhance the ability of riders to reach the SMART stations by foot or bicycle. The connection of the pathway between the Santa Rosa SMART station and the Prince Memorial Greenway and the Joe Rodota Trail is crucial for providing access to neighborhoods in Roseland and is important for equity.

I had the opportunity to bicycle the SMART path between Cotati and Sonoma Mountain Villiage on the Monday before your Board meeting. It struck me that

access to the SMART path from the neighborhoods was limited. Only Sonoma Mountain Village had direct access. I would like to suggest that SMART negotiate access points at Maple Dr., Mason Dr., Marque Dr, Mateo Dr., and Magnolia Dr. with the property owner of the narrow strip of land between Manor Drive and the pathway. I also suggest that SMART review the entire SMART pathway for other opportunities to connect the path directly to neighborhoods.

We also wish to express our support for the metrics approved at the April 21 Board meeting. We hope that the board will make it a policy to increase usage of the pathway as measured by these new metrics. Increased usage will translate to increased ridership.

We also support a metric measuring greenhouse gas production not only from the trains (passenger and freight) but from construction and maintenance. These numbers should always be presented along side similar numbers for auto/truck highway related emissions in order to emphasize to the public the benefits of the SMART project. No longer should the alternative to SMART escape scrutiny.

We suggest also that tourist use of the SMART system be broken out of the ridership numbers. It is our sense that tourist travel is an important market for SMART and that enhancements that cater to that traffic will benefit SMART. The extension of the passenger service between Novato and Fairfield connecting to Amtrak is especially important. Extension north to Cloverdale is important to tourist ridership as well. Once this is accomplished, addition of weekend stops at wineries adjacent to the tracks (Asti, Trione and Clo du Bois) and shuttles to parks should enhance ridership. We encourage SMART to lobby the state and federal governments for additional funding and an earlier date for completion of this extension.

Thank you for your consideration.

Sincerely,

Rick Coates

A handwritten signature in black ink that reads "Rick Coates". The signature is written in a cursive, flowing style with a long horizontal line extending from the end of the name.

Executive Director
EcoRing
ecoring@sonic.net

From: [Terrie Noll](#)
To: [Leticia Rosas-Mendoza](#)
Subject: Thank you for prioritizing the path in the Capital Improvement Plan!
Date: Monday, May 10, 2021 8:26:45 AM

Hi SMART!

Thanks for getting to work on the MUP. Although I voted for the train as good and necessary, I knew for my needs I would rarely use it. What I wanted for myself was the MUP for recreation and safe exercise.

I am disabled so at voting time rode a two-wheeled recumbent bike for comfort. Now I ride a recumbent e-trike, and neither of those are something a sane person would ride in the street next to cars. In my opinion, no bike should mix with cars. Class 1 paths are the only safe and relaxing way to cycle. If it wasn't so freezing in the Netherlands, I'd move there just for the bike paths.

Hoping to ride from Santa Rosa to Marin without danger of being killed ...

Terrie Noll

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Memo

To: David Rabbitt, SMART Chair and SMART Board Members
Heather McKillop, CFO

From: Mike Arnold

Subject: Agenda Item 6A: Comparisons of SMART Ridership with Other Transit Providers: How is SMART's Ridership Doing by Comparison?

Date: May 19, 2021

In light of the pandemic's impact on transit ridership, it is useful to review how the pandemic has impacted ridership on SMART and on other transit providers. This memo summarizes SMART ridership effects and national results by mode, other commuter rail providers, and other Bay Area transit providers.

National Transit Ridership Comparisons

Figure 1 plots by ridership trends by mode; the upper panel displays trends for buses and "heavy rail" (HR), such as BART. The lower panel provides ridership trends for commuter rail (CR), light rail and street cars (LR&SR), ferry boats (FB), and all other (such as cable cars, vanpools, and demand responsive services). SMART is in the commuter rail category.

All modes have plummeted to one-third or one-half of pre-pandemic rider levels.

Figure 1: Transit Ridership Trends

Monthly Ridership in
Millions of Boardings
per Month

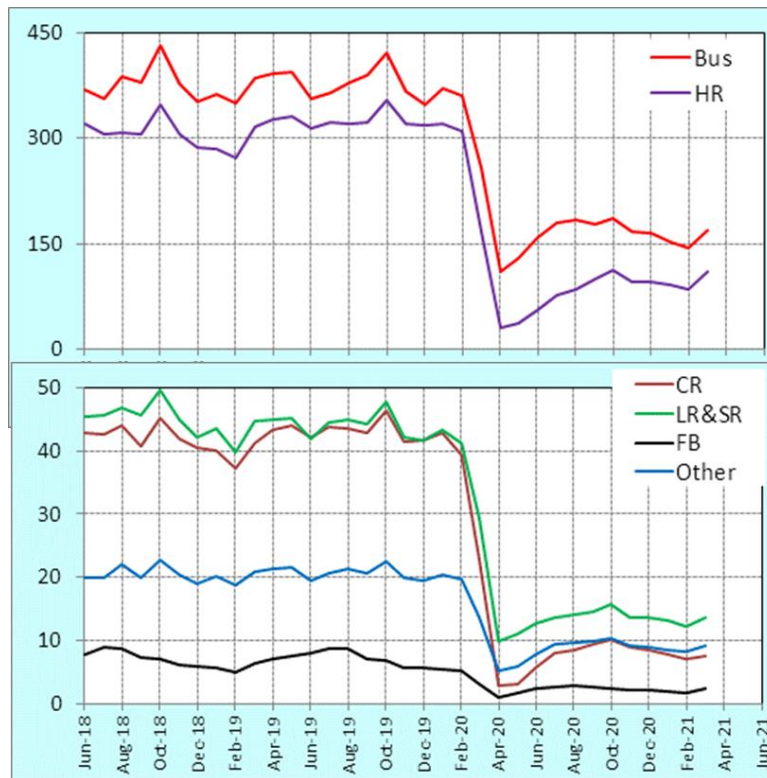
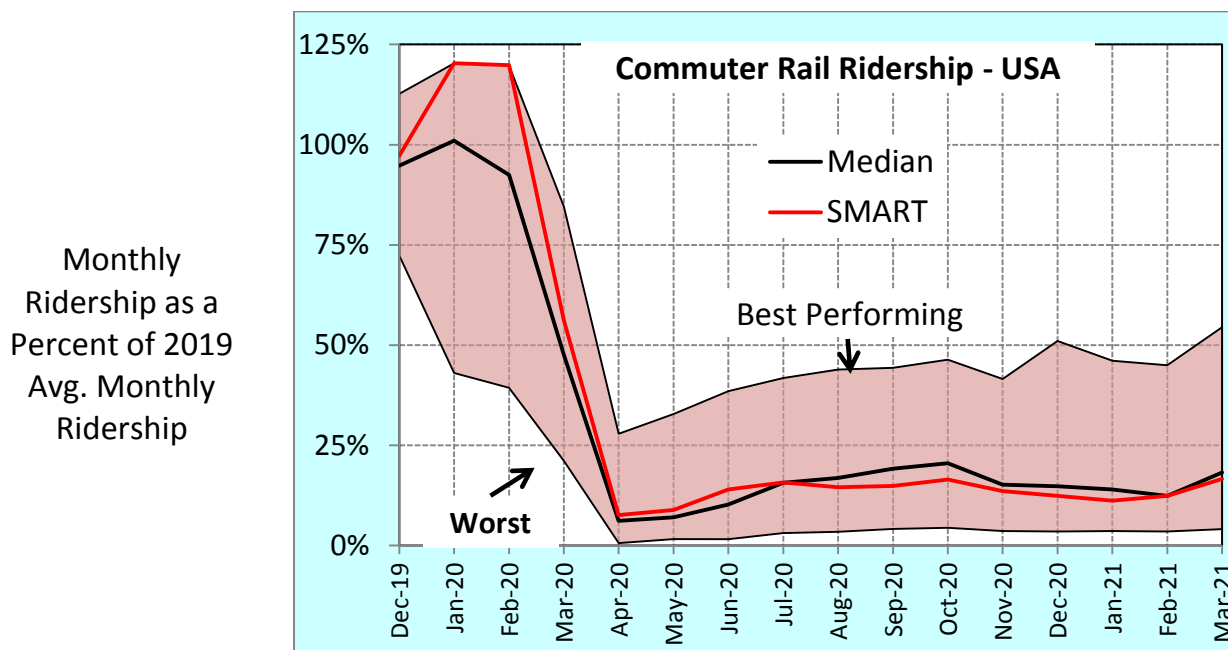


Figure 1 documents what we all know: transit ridership has been hammered by the pandemic. SMART's decline in ridership is little different than for other transit providers. Ridership has recovered somewhat from the lowest level of April 2020, but remains relatively flat since. National data is not yet available for April 2021.

Commuter Rail Ridership Comparisons

Figure 2 shows NTD ridership data for SMART and the best and worst performing of 27 other commuter rail providers nationally. Ridership levels vary significantly by agency; therefore the figure represents each agency's ridership scaled as a percentage of its average 2019 monthly ridership before onset of the pandemic. Rather than plotting individual lines for 27 agencies, the range of responses are plotted for the best performing and the worst. SMART's ridership is superimposed as well as the median ridership response for all agencies.

Figure 2: Commuter Rail Ridership Trends



The commuter rail trend ridership data demonstrates more similarities across the country than differences. All agencies lost a significant proportion of their ridership, measured relative to the average monthly ridership in 2019. The major drop occurred in April 2020. A small percentage of riders returned in May and June 2020. Ridership has been relatively unchanged since then, with a dip in the holiday surge and a modest increase in March 2021.

SMART is not the worst performing commuter rail agency based on trending ridership; but it has lost a higher percentage of riders than over half of the other commuter rail agencies. Some improvement is visible in recent months but it is too early to know what changes may occur in coming months.

Bay Area Transit Ridership Comparisons¹

Ridership for SMART and other Bay Area transit agencies are shown in Figure 3. These include various modes -- commuter rail, buses, a ferry, light rail and street cars. Cable car travel is not included because service was halted in April 2020 and has yet to be restarted.

The similarity between Figure 3 and Figure 2 plots are remarkable. While ridership loss varied among modes, all transit service ridership in the Bay Area dropped quickly and dramatically between February 2020 and April 2020. Ridership rebounded slightly in the summer of 2020 but has remained relatively flat since. A rebound is visible since year end, but it is too soon to know how much and how quickly ridership will return.

As indicated, SMART is not the worst performing transit mode in the region but, again, the ridership of over half of the other modes did not fall as far as the ridership of SMART trains.

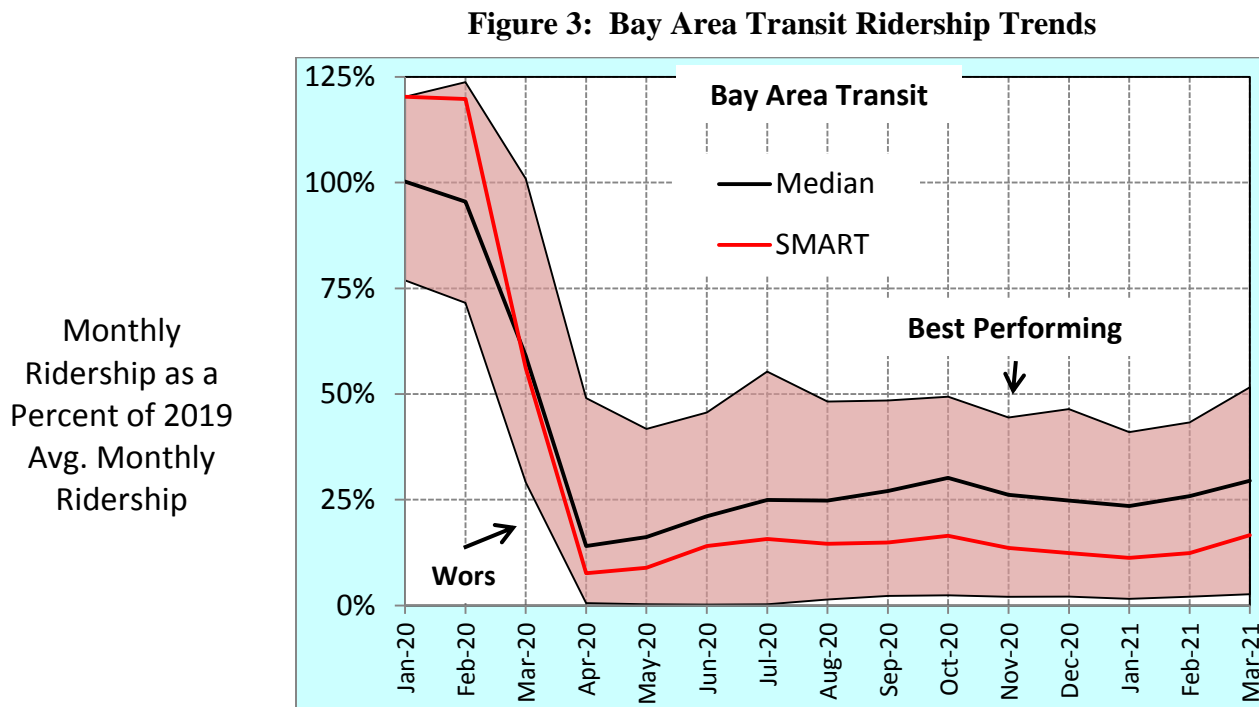


Table 1 (next page) shows the ridership percentage change for May 2020 and for March 2021, each relative to the average monthly ridership in 2019. Thus we can see how deep the percentage loss was in May 2020 and how much percentage has come back as of March 2021. Entries are rank ordered, so that the smallest declines on a percentage basis are at the top of the table and the largest declines are at the bottom of the table. Generally local bus systems have fared better in recapturing riders over time.

¹ Data utilized in this section are by mode. Since some agencies provide different services – for example, Golden Gate provides both bus and ferry service – the ridership is plotted separately. So the total count used in preparing Figure 3 is 34 different transit providers.

Table 1

Ridership in May 2020 and March 2021 Relative to Average Monthly Ridership in 2019

Agency	Mode	May-20	Agency	Mode	Mar-21
Napa Valley Transportation	CB	42%	Marin Co Transit District	MB	52%
ACT	MB	38%	City of Fairfield	MB	49%
Solano Co Transit	MB	37%	Napa Valley Transportation	CB	47%
ACE	MB	32%	City of Santa Rosa	MB	46%
Santa Clara VTA	MB	31%	San Mateo Co Transit Dist	MB	46%
San Mateo Co Transit Dist	MB	31%	MUNI	TB	42%
Marin Co Transit District	MB	30%	San Mateo Co Transit Dist	MB	41%
Solano Co Transit	CB	29%	MUNI	MB	40%
MUNI	MB	29%	County of Sonoma	MB	38%
County of Sonoma	MB	28%	Solano County Transit	MB	36%
City of Petaluma	MB	26%	ACT	MB	34%
City of Santa Rosa	MB	24%	Cent Contra Costa Transit	MB	34%
Western Contra Costa Transit	MB	24%	Santa Clara VTA	MB	34%
Central Contra Costa Transit	MB	21%	City of Petaluma	MB	34%
Napa Valley Transportation	MB	20%	ACT	MB	32%
San Mateo County Transit	MB	18%	West Contra Costa Transit	MB	31%
Livermore Valley Transit	MB	16%	BART	YR	30%
BART	YR	16%	Solano County Transit	CB	27%
Golden Gate BH&TD	MB	16%	Santa Clara VTA	LR	27%
City of Fairfield	CB	16%	City of Fairfield,	CB	25%
MUNI	TB	12%	Livermore Valley Transit	MB	25%
Santa Clara VTA	LR	12%	West Contra Costa Transit	CB	23%
West Contra Costa Transit	CB	12%	Napa Valley Transportation	MB	22%
City of Fairfield, California	MB	10%	Golden Gate BH&TD	MB	21%
SMART	CR	9%	SMART	CR	17%
BART	HR	7%	BART	HR	15%
Altamont Corridor Express	CR	6%	BART	MG	12%
Caltrain	MB	6%	Altamont Corridor Express	CR	11%
BART	MG	4%	SF Water Emerg Transport	FB	8%
Caltrain	CR	4%	Caltrain	MB	8%
Santa Clara VTA	MB	3%	Caltrain	CR	8%
SF Water Emerg Transport	FB	2%	Santa Clara VTA	MB	5%
Golden Gate BH&TD	FB	1%	Golden Gate BH&TD	FB	3%
ACT	CB	0%	ACT	CB	3%

CB=commuter bus. TB=trolley bus. YR= hybrid rail. MG=monorail/automated guideway.
 Apologies for naming conventions used to save space. ACT = Alameda-Contra Costa County Transit

To: David Rabbit, SMART Chair and SMART Boardmembers;
Heather McKillop

From: Mike Arnold

Subject: Comment on Agenda Item 8: Questions and Comment on the Draft Budget Presentation

Date: May 19, 2021

The Draft FY21/22 Budget staff presentation presents several very important questions and policy issues for the Board. In the interest of transparency, I have posed some of the more critical questions and issues the Board should ask of staff when reviewing the budget presentation.

Section I. The Questions (for those interested details to follow in Section II)

1. What is the Budget's use of the \$67 million in Cash reported in the March Monthly Finance Report?
2. Why are there are no "Performance Metrics" provided in the Budget Presentation?
3. What is the additional cost included in the Proposed Budget for weekend service? What is the additional cost in the Proposed Budget for increasing weekday frequencies to 26 trains per day?
4. Why is the Operations Expenditures forecast to be less next year than this year, when there has been an increase in service?
5. Why are Legal Services forecast to be so much higher in the coming fiscal year?
6. What is the Ridership assumed to be from July 2021-June 2022?

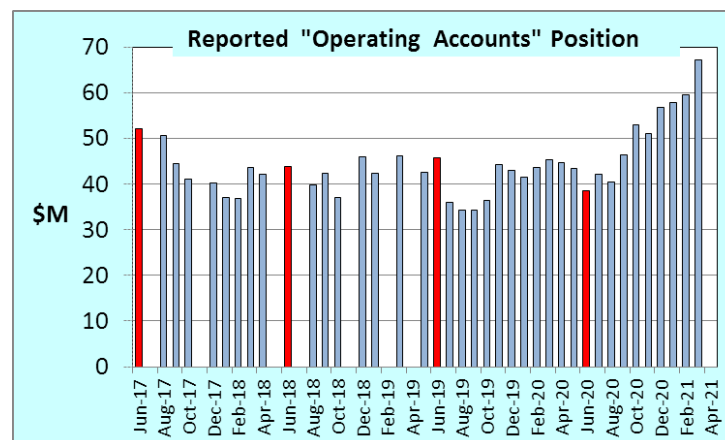
Section II. Discussion

1. **What is the Budget's use of the \$67 million in Cash reported in the March Monthly Finance Report?**

Figure 1 provides data on this issue. The figure is the reported the history of Operating Account that has been reported in the Monthly Finance Reports in **blue** and the Annual Comprehensive Financial Report (ACFR) in **red**. The missing columns are those months in which an MFR was not reported. As indicated, the amount of cash has grown by almost \$30 million since June and exceeds the average cash position (Jun '17-June '20) by \$25 million.

Figure 1

Reported Operating Accounts Cash Position



SMART CFO Ms. McKillop reported the following in the cover memo in the March Monthly Finance Report (posted in the Consent Calendar for the May 5th Board Meeting):

Each month, we include SMART's investment report. The 1st part of the report shows the amount of funds available to pay our semi-annual bond principal and interest. Funds are set aside each month for this payment. The amount listed under SMART Operating Accounts is the amount of "Cash on Hand." This is not synonymous with what is available for projects. A large amount of these funds is committed through the budget process, but have not yet been spent.

In the presentation of the proposed budget for FY 2021/22, there is no mention of what has happened to the cash reported in the Monthly Finance Report. Here are the questions Board members should ask to ensure transparency on this issue:

- How much, if any of the current cash was included in the revenue stream for next fiscal year?
- What is the expected cash position on June 30th, 2021?
- What is the projected cash position on June 30th, 2022 based on the assumptions in the proposed budget?

2. Why are there are no "Performance Metrics" provided in the Budget Presentation?

As they were not provided, below are my estimates for two performance metrics voters care about.

In a prior Board meeting, SMART's CFO stated that SMART's operating expenses were \$28.8 million in FY 2019/20. As indicated in the table below and based on reported ridership and fare revenues for last year, operating costs per passenger were \$51 per passenger to provide rail services and \$45 in taxpayer subsidy per passenger in the prior fiscal year.

FY	Operating Expenses (\$MM)	Ridership*	Fare Revenues (\$MM)	Per Rider (\$)		Source
				Op Exp	Taxpayer Subsidy	
19/20	28.8	567,103	3.1	51	45	CFO - "Performance Metrics"
20/21	33.9	108,261	0.7	313	307	Revised FY 2020/21 Budget
21/22	36.6	216,523	1.3	169	163	Proposed FY 2021/22 Budget

* Ridership was estimated for this year and next year by dividing fare revenues by current average revenues per passenger. See #6 below for details.

In order to allocate the Revised Budget figures to the "NTD Operating Expense Concept" I estimated based on FY 2019/20 figures that only 68.5% of the Administration budget was allocated to operating expenses reported to the FTA. When we apply that assumption to the Revised Budget for this year:

- **Operating expenses per passenger = \$313 per passenger**
- **Taxpayer subsidy per passenger = \$307 per passenger.**

When we apply the same assumption to the Proposed Budget:

- **Operating expenses per passenger = \$169 per passenger**
- **Taxpayer subsidy per passenger = \$163 per passenger.**

These are my estimates. Staff is invited to provide their own estimates of these two performance metrics that are of concern to voters as indicated by arguments used by the No on Measure I campaign last year.

3. What is the additional cost included in the Proposed Budget for weekend service? What is the additional cost in the Proposed Budget for increasing weekday frequencies to 26 trains per day?

This information is relevant for assessing the financial impacts of increasing service at this time when ridership is forecast to remain low and the costs per rider, particularly to the taxpayer, are so high.

4. Why is the Operations Expenditures forecast to be less next year than this year, when there has been an increase in service?

- The Revised Budget for FY 2020/21 for the Operations Expenditures is \$26.1 million. .
- The Proposed Budget for FY 2021/22 for Operations Expenditures is \$25.2 million.

The discussion in the memo states that the Proposed Budget includes an increase in service during weekdays and restarting weekend service. No expenditure is provided for the proposed increase in service.

5. Why are Legal Services forecast to be so much higher in the coming fiscal year?

Is this the expected court costs of fighting the lawsuit over the bike path right of way?

6. What is the Ridership assumed to be from July 2021-June 2022?

Since staff did not provide this estimate, here's how it can be estimated.

Row	Variable	Value	Source
1	Fare and Revenue Parking Revenues through March	\$482,347	Monthly Finance Reports
2	Parking Revenue	\$25,000 for year or \$18,750 through March	Revised Budget for FY 2020/21
3	Estimate of Fare Revenues through March 2021	\$463,597	Row 1 – Row 2
4	FY20/21 Ridership through March 2021	76,564	Ridership Reports
5	Avg. Fares per Rider	\$6.06	Row 3/Row 4
6	Fare Revenues FY 2020/21	\$655,525	Revised Budget
7	Expected Riders FY 2020/21	108,261	Row 6/Row 5
8	Fare Revenues FY 2021/22	\$1,311,050	Proposed Budget
9	Expected Riders FY 2021/22	216,523	Row 8/Row 5

Based on this estimate, the implicit forecast for next fiscal year is less than 30% of the ridership in the 12 pre-COVID months March 2019-February 2020.