



**BOARD OF DIRECTORS
REGULAR MEETING AGENDA**

March 7, 2018 – 1:30 PM

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

1. Call to Order
2. Election of Vice Chair
3. Approval of the February 21, 2018 Board Meeting Minutes
4. Public Comment on Non-agenda Items
5. Board Member Announcements
6. General Manager's Report
7. Consent
 - a. Approve a Resolution to Amend the Budgeted Safety and Compliance Officer Salary Range to the Authorized Personnel Allocations for Fiscal Year 2017-18
8. Review and Accept SMART's Fiscal Year 2016-17 Single Audit
9. Adopt and Support Proposition 69 and an Oppose Positions on any Ballot Measures that Repeal the Road Repair and Accountability Act (SB1).
10. Next Regular Meeting Board of Directors, March 21, 2018 – 1:30 PM – 5401 Old Redwood Highway, 1st Floor, Petaluma, CA 94954
11. 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
February 21, 2018 - 1:30 PM
5401 Old Redwood Highway, 1st Floor
Petaluma, CA 94954**

1. Call to Order

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

2. Election of Vice Chair

Chair Fudge stated that Director Phillips who is not present requested that the election of Vice Chair be deferred until March 7th Board meeting.

MOTION: Director Mackenzie moved approval to deferred election of Vice Chair until March 7, 2018 meeting as presented. Director Rabbitt second. The motion carries 11-0-0. (Director Phillips absent)

3. Approval of the January 17, 2018 Board Meeting Minutes

MOTION: Director Eddie moved approval of January 17, 2018 minutes as presented. Director Arnold second. The motion carries 9-0-0. (Director Phillips absent; Directors Lucan and Hillmer abstain)

4. Public Comment on Non-Agenda Items

Rick Coates had the opportunity to ride the train the last few weeks. He noticed that trash and graffiti has been accumulating on the right-of-way. He asked if SMART had a program to remove the trash, or have reached out to the Cities regarding the graffiti removal.

5. Board Member Announcements
None

6. General Manager's Report

General Manager Mansourian stated that since the start of passenger service through February 15th, SMART has carried approximately 338,680 passengers, 28,000 bicycles and 1,400 passengers with wheelchairs. Also, SMART has seen an increase of passengers over the weekend as the weather gets warmer.

Directors' Comments

Director Zane mentioned that her Aide has purchased a folding bicycle and it occupies less space than a regular bicycle. Hopefully there is a bicycle dealer in the area who sell them? since most passengers are using their bicycles to commute the first and last mile. Mr. Mansourian said that a business owner presented a folding bicycle at a previous board meeting and hope people considering the option.

Director Mackenzie asked if SMART has had increase in passengers over the weekends. Mr. Mansourian responded that since the fire, passenger service has been low but the last two weekends have had an increase in passenger service. Director Mackenzie asked if there is current data for the bicycle lockers at the stations. Mr. Mansourian responded that less than 15% of the bike lockers are being used at this time.

7. Consent

a. Approval of Monthly Financial Reports

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

MOTION: Director Russell moved approval of the Consent Agenda as presented. Director Lucan second. The motion carries 11-0-0 (Director Phillips absent).

8. Authorize the General Manager to execute Contract Amendment No. 1 with Golden Gate Bridge, Highway and Transportation District in the amount of \$322,596 for Customer Service Needs

Chief Financial Officer Erin McGrath gave a brief overview on the current contract between SMART and Golden Gate Bridge Highway and Transportation District (GGB) to provide customer service for SMART as they do for Marin Transit. SMART's success shows the demand for services has nearly doubled. SMART's customers accounted for 26% of customer calls, 20% of lost and found services, 30% of customer service email and voicemail inquiries and 50% of walk-up window service provided by Golden Gate.

SMART has negotiated a new monthly rate for GGB to continue to provide customer service for the next year.

Directors' Comments

Director Eddie thanked SMART and Golden Gate Bridge General Manager Denis Mulligan for working together to provide excellent customer service to passengers.

MOTION: Director Zane moved to authorize the General Manager to execute Contract Amendment No. 1 with Golden Gate Bridge, Highway and Transportation District in the amount of \$322,596 for Customer Service Needs as presented. Director Arnold second. The motion carries 11-0-0 (Director Phillips absent).

9. Authorize the General Manager to execute Contract Amendment No. 4 with The GBS Group in the amount of \$293,768 for on-going maintenance and monitoring services for Internet Connectivity on SMART Trains

General Manager Mansourian requested approval for the GBS Group to continue on-going maintenance and monitoring services for internet on SMART Trains.

Public Comments

Patricia Tuttle Brown is concerned that passengers with laptops require to take extra table/seating space. She asked if the Engineer-Conductors could remind the passengers to place extra items on the overhead, rather than occupying an extra space.

Director Zane suggested posting a sign displaying extra fare charge when personal items take a seat.

Director Mackenzie suggested that passenger should use common courtesy to ask politely to remove the personal items from the seat.

Chair Fudge stated that the Engineer-Conductors do address this issue if necessary on the train.

Director Zane asked if there will be improvement with Wi-Fi connection on the train with this contract amendment. Mr. Mansourian said for numerous reasons the Wi-Fi connection can be less than desirable; 1) location and 2) how much capacity is available. A survey will be conducted in the future to determine if the carrier can purchase extra level to provide additional Wi-Fi, he appreciates feedback.

MOTION: Director Lucan moved to authorize the General Manager to execute Contract Amendment No. 4 with The GBS Group in the amount of \$293,768 for on-going maintenance and monitoring services for Internet Connectivity on SMART Trains as presented. Director Hillmer second. The motion carries 11-0-0 (Director Phillips absent).

10. Consider Options for SMART's Railroad Square Property, located at 34 6th Street and 2 Fourth Street, Santa Rosa, CA

General Manager Mansourian stated that in January 2018, the selected firm decided not to proceed with the option for the Railroad Square property. Since, January 2018, SMART has received several unsolicited offers and/or inquires for the property. SMART has done this process twice and now is recommending to proceed with the following options: 1) Market the property and seek proposals in an expedited form. The process would include a 60-day review period for the developers to review all the information and provide proposals.

At the request of Chair Fudge and Director Zane, Mr. Mansourian has discussed with the Community Development Manager of the City of Santa Rosa to obtain any/or all information and vision for the property. The goal is to have the property information available and published at the end of March 2018 to developers, which would include 60-day review period to submit proposal to SMART. Once the proposals are received at SMART they will be reviewed by the established Sub-Committee and bring back to the Board in June 2018.

Directors' Comments

Director Zane stated that there has been an urged on this board to develop this site and move forward with the project. She requested that the Sub-Committee reviews and evaluates the received proposals and have the committee make recommendations to the Board.

Chair Fudge recommended that Director Hillmer be included in the Sub-Committee.

Director Mackenzie mentioned that a newspaper article stated that property title information was not properly provided. Mr. Mansourian responded that SMART will provide a Title report and all of the property information. The title report lists all the exceptions and/or restrictions related to the property. He also mentioned that the title and environmental reports were provided in the previous processes.

Director Lucan asked for clarification in the case that SMART receives various qualified proposals. Mr. Mansourian responded that the following process will take place if that is the case: 1) SMART's Staff evaluate proposals; 2) Sub-Committee evaluates proposals; 3) Sub-Committee makes recommendation to the Board; and 4) Board directs staff to proceed with negotiations with the top developers.

Director Rabbitt suggested that SMART can do additional work on the property, prior to the 60-day period to make the project more marketable.

Director Hillmer asked when the Sub-Committee can met to discuss the property and the terms of the process. Mr. Mansourian responded that the Clerk of the Board/Executive Assistant Leticia Rosas-Mendoza will coordinate a meeting in the next two weeks.

Director Zane suggested reviewing the assessment in price. Director Hillmer stated that objectives for the property will need to be discussed and if SMART will follow State Guideline/Codes. Mr. Mansourian responded yes, SMART will continue follow State Guidelines/Codes.

Director Pahre stated that SMART has done this process a couple of times and we are not starting from ground zero. She encouraged the Sub-Committee to review the history of the property, since so many hours have been spent on this goals of property.

Director Zane mentioned that there is a Railroad Square Historic District commercial organization, plus a very active neighborhood group called "West End". These groups have been engaged in the Railroad Square property project. Also, the City of Santa Rosa desperately needs affordable housing and commercial retail space and SMART needs parking near station.

Public Comments

Steve Birdlebough (Friends of SMART) mentioned that at this time there is focus with the City of Santa Rosa to make sure this Railroad Square project goals are met, more because of the most recent wildfires. He said there are two approaches; 1) Request for Proposal (RFP) and 2) Request for Qualifications (RFQ), however, many factors can change the proposed "project". He suggested that SMART review extensively the track record of the Developer. Director Hillmer agrees with Mr. Birdlebough comments

Mr. Mansourian stated that SMART has completed the Request for Proposal and Qualification for this project two times and has not been successful with Developer. In the most current process, SMART was always in the middle without having any control of the process or receiving any information from the Developer.

Chair Fudge stated that the information will be given about the project to the new members since this project has been in the works for the last 10 years.

Director Rabbitt suggested asking "what is the track record of the entity that is submitting the RFQ and RFP".

Director Hillmer said that the best deal most likely is "sell as is" with the real estate economic focus.

MOTION: Director Zane moved to approve to market the property and seek proposals in an expedited form. The process would include a 60-day review period for the developers to review all the information and provide proposals as presented. Director Lucan second. The motion carries 11-0-0 (Director Phillips absent).

Public Comment on Closed Session 11a

Duane Bellinger stated that he does not remember the Corona Road property having a Request for Proposal Process. He offered to provide information to avoid litigation.

Chair Fudge adjourned the Board to closed session at 2:10 p.m. to discuss the following:

11. Closed Session
 - a. Conference with Labor Negotiator Farhad Mansourian, General Manager pursuant to California Government Code Section 54957.6
Agency Designated Representative: General Manager
Represented Employees: Teamsters Collective Bargaining Unit
 - b. Conference with Legal Counsel regarding whether to initiate litigation pursuant to California Government Code Section 54956.9(d)(4); Number of possible cases: 1.
 - c. Conference with Legal Counsel regarding anticipated litigation pursuant to California Government Code Section 54956.9(d)(2); Number of possible cases: 1 - Lomas Partners, LLC.

12. Report Out of Closed Session

Chair Fudge reported out of closed session at 3:20 p.m. on the following:

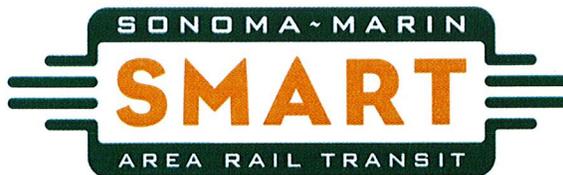
- a. Conference with Labor Negotiator Farhad Mansourian, General Manager pursuant to California Government Code Section 54957.6
Agency Designated Representative: General Manager
Represented Employees: Teamsters Collective Bargaining Unit
Report Out: Direction given to staff.
 - b. Conference with Legal Counsel regarding whether to initiate litigation pursuant to California Government Code Section 54956.9(d)(4); Number of possible cases: 1.
Report Out: Direction given to staff.
 - c. Conference with Legal Counsel regarding anticipated litigation pursuant to California Government Code Section 54956.9(d)(2); Number of possible cases: 1 - Lomas Partners, LLC.
Report Out: Direction given to staff.
13. Next Regular Meeting Board of Directors, March 7, 2018 – 5401 Old Redwood Highway, 1st Floor, Petaluma, CA 94954

14. Adjournment – Meeting adjourned at 3:23 p.m.

Respectfully submitted,

Leticia Rosas-Mendoza
Clerk of the Board

Approved on: _____



Debora Fudge, Chair
 Sonoma County Mayors' and
 Councilmembers Association

Judy Arnold
 Marin County Board of Supervisors

Damon Connolly
 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

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March 7, 2018

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

SUBJECT: Amendment to SMART Salary Ranges and Position Allocation Authorizations.

Dear Board Members:

RECOMMENDATION: Adopt Resolution Number 2018-05 to amend the budgeted Administrative position authorizations to adjust the salary range for the Safety and Compliance Officer position in Fiscal Year 2018-19.

SUMMARY:

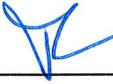
Safety and Compliance Officer: The District's Authorized Personnel Allocations for Fiscal Year 2017-18 include one full-time Safety and Compliance Officer Position. This position is responsible for the implementation and oversight of SMART's overall safety plans and compliance with federal, state and regional requirements, including the Federal Railroad Administration, Federal Transportation Administration, California Public Utilities Commission and the Occupational Health and Safety Administration.

The position is currently vacant and our efforts to date to recruit qualified candidates has not returned a sufficient pool of candidates. A recent salary survey found that the current authorized salary range was below average for the local area. We recommend increasing the budgeted salary range for the position in anticipation of a recruitment to assist in attracting qualified candidates.

Agency	Title	Low	High
BART	Chief Safety Officer	\$133,622	\$207,114
North County Transit District	Chief of Safety and Security	\$103,084	\$175,243
VTA (Santa Clara Valley Transit Authority)	Safety Manager	\$120,078	\$158,503
San Mateo County Transit District	Deputy Director, Safety and Security	\$120,642	\$174,931
Sacramento Regional Transit District	Director, Safety	\$107,784	\$150,864
LA Metro	Sr Director, Safety Certification and Operations Mgmt	\$122,969	\$184,433
Average Salary		\$118,030	\$175,181

	Bottom of Range	Top of Range
Current Salary Range	\$112,382	\$136,614
Requested Salary Range	\$121,056	\$147,118
Change	\$8,674	\$10,504

FISCAL IMPACT: Any increased costs will be absorbed in the current Fiscal Year. On an ongoing basis, this increase will result in increased salary and benefit costs of \$13,655.

REVIEWED BY: [x] Finance  [x] Counsel 

Very truly yours,



Lisa Hansley
Human Resources Manager

Attachment(s): Resolution 2018-05 Amending the Authorized Personnel and Salary Allocations for Fiscal Year 2017-18

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.

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
Safety & Compliance Officer	1	121,056	147,118	58.20	70.73

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 7th Day of March, 2018, by the following vote:

DIRECTORS:

AYES:

NOES:

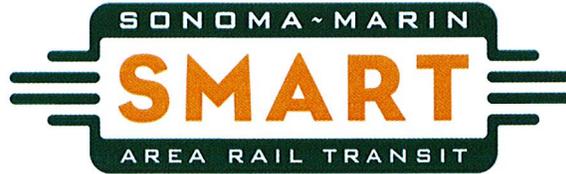
ABSENT:

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

Judy Arnold
 Marin County Board of Supervisors

Damon Connolly
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Jim Eddie
 Golden Gate Bridge,
 Highway/Transportation District

Dan Hillmer
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Eric Lucan
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 Highway/Transportation District

Gary Phillips
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 Sonoma County Board of Supervisors

Farhad Mansourian
 General Manager

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March 7, 2018

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

SUBJECT: Federal Single Audit for Fiscal Year 2016-17

Dear Board Members:

RECOMMENDATION: Review and accept SMART's Fiscal Year 2016-17 Single Audit

SUMMARY: Your Board reviewed and approved our annual financial audit at our December 6, 2017 meeting. That document, contained within our Comprehensive Annual Financial Report, was completed and produced on November 27, 2017. Because we expended federal funds in excess of \$750,000, we are also required to complete a second audit process of federal expenditures to ensure compliance with Title 2 U.S. Code of Federal Regulations CFR Part 200 Uniform Administrative Requirements, Cost Principles and Audit requirements for Federal Awards (Uniform Guidance).

Our new auditors this year, Maze and Associates, completed the process for this second audit on February 28, 2018. The format of the document, which is attached for your review, is set by federal requirements and is consistent regardless of the jurisdiction. The report contains, first on page 1, a summary of the auditor's results which show that the auditors found no material weaknesses or significant deficiencies related to either our full financial statements or our federal awards. Next, the report contains a Schedule of Expenditures of Federal Awards detailing federal funds tied to District expenditures. SMART expended a total of \$2,930,193 in federal funds in FY 2016-17. The Single Audit focused on Federal Funds passed through the State of California for the completion of the Black Point Bridge automation project and for the construction of SMART Pathway in Rohnert Park. We also spent Federal Transit Administration (FTA) funds for the Larkspur Extension and Homeland Security Funds for station cameras. The report also documents funds received as part of storm-related damage from January 2017.

At the end of the report are two letters from Maze and Associates, the first of which is the original financial audit letter from November 27, 2017, related to our compliance with Government Auditing Standards. Added to that is a new letter dated February 28, 2018 related to the Federal Uniform Guidance.

We are pleased to report that this new February report concludes on page 9 that the District complied, in all material respects, with all federal compliance requirements tested as part of the auditor's examination and that there were no material weaknesses or significant deficiencies found related to our federal awards.

FISCAL IMPACT: None.

Very truly yours,



Erin McGrath
Chief Financial Officer

Attachment(s): Fiscal Year 2017 Single Audit Report

SONOMA-MARIN AREA RAIL TRANSIT DISTRICT

**SINGLE AUDIT REPORT
FOR THE YEAR ENDED JUNE 30, 2017**

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SONOMA-MARIN AREA RAIL TRANSIT DISTRICT

**SINGLE AUDIT REPORT
For The Year Ended June 30, 2017**

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SONOMA-MARIN AREA RAIL TRANSIT DISTRICT

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For The Year Ended June 30, 2017**

SECTION I—SUMMARY OF AUDITOR’S RESULTS

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? _____ Yes X No
- Significant deficiency(ies) identified? _____ Yes X None Reported

Noncompliance material to financial statements noted? _____ Yes X No

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? _____ Yes X No
- Significant deficiency(ies) identified? _____ Yes X None Reported

Type of auditor’s report issued on compliance for major federal programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? _____ Yes X No

Identification of major programs:

<u>CFDA#(s)</u>	<u>Name of Federal Program or Cluster</u>
<u>20.205</u>	<u>Highway Planning and Construction (Federal-Aid Highway Program)</u>

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? X Yes _____ No

SECTION II – FINANCIAL STATEMENT FINDINGS

Our audit did not disclose any significant deficiencies, or material weaknesses or instances of noncompliance material to the basic financial statements. We have also issued a separate Memorandum on Internal Control dated November 27, 2017 which is an integral part of our audits and should be read in conjunction with this report.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

Our audit did not disclose any findings or questioned costs required to be reported in accordance with Uniform Guidance.

SONOMA-MARIN AREA RAIL TRANSIT DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2017

Federal Grantor/ Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Identifying Number	Federal Expenditures
U.S. Department of Transportation Pass-Through Programs			
Passed Through California Department of Transportation Highway Planning and Construction (Federal-Aid Highway Program)			
Black Point Bridge Automation	20.205	ISTDEML 6411(002)	\$296,460
SMART Pathway - Golf Course to East Cotati in Rohnert Park	20.205	RPSTPL 6411(007)	<u>1,347,027</u>
Subtotal Passed Through California Department of Transportation			<u>1,643,487</u>
Passed Through City of Petaluma			
Federal Transit Capital Investment Grants			
SMART Environmental and Design Work	20.500	E2010-NWST-017	<u>1,112,627</u>
Passed Through California Department of Transportation			
Federal Transit Administration, Section 5304 - Transit Planning for Sustainable Communities			
SMART Stations Bicycle Parking Investment Plan	20.505	2660-001-0890	<u>5,030</u>
Total U.S. Department of Transportation			<u>2,761,144</u>
U.S. Department of Homeland Security Pass-Through Programs From:			
Passed Through Marin County Sheriff's Office of Emergency Services			
Security Camera Purchase	97.067	SHSGP2015	<u>47,625</u>
Total U.S. Department of Homeland Security			<u>47,625</u>
U.S. Department of Homeland Security- Federal Emergency Management Agency Pass-Through Programs From:			
California Governor's Office of Emergency Services			
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	FEMA-4301-DR-CA	<u>121,424</u>
Total U.S. Department of Homeland Security - Federal Emergency Management Agency			<u>121,424</u>
Total Expenditures of Federal Awards			<u><u>\$2,930,193</u></u>

See Accompanying Notes to Schedule of Expenditures of Federal Awards

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SONOMA-MARIN AREA RAIL TRANSIT DISTRICT

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended June 30, 2017**

NOTE 1-REPORTING ENTITY

The Schedule of Expenditure of Federal Awards (the Schedule) includes expenditures of federal awards for the Sonoma-Marín Rail Transit District (District), California and its component units as disclosed in the notes to the Basic Financial Statements.

NOTE 2-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting refers to *when* revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements, regardless of the measurement focus applied. All proprietary funds are accounted for using the accrual basis of accounting. Expenditures of Federal Awards reported on the Schedule are recognized when incurred.

NOTE 3 – INDIRECT COST ELECTION

The District has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

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**INDEPENDENT AUDITOR’S REPORT ON
INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Directors of the
Sonoma-Marín Area Rail Transit District
Petaluma, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Sonoma-Marín Area Rail Transit District (District) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District’s basic financial statements, and have issued our report thereon dated November 27, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District’s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District’s internal control. Accordingly, we do not express an opinion on the effectiveness of the District’s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the District’s financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We have also issued a separate Memorandum on Internal Controls dated November 27, 2017 which is an integral part of our audit and should be read in conjunction with this report.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Maze + Associates

Pleasant Hill, California
November 27, 2017

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE;
AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Directors of the
Sonoma-Marín Area Rail Transit District
Petaluma, California

Report on Compliance for Each Major Federal Program

We have audited the Sonoma-Marín Area Rail Transit District's (District) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2017. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2017.

Report on Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

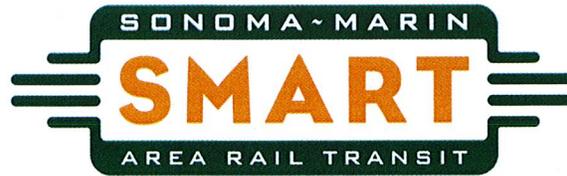
The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the District as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our reported thereon dated November 27, 2017, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Mazze + Associates

Pleasant Hill, California
February 28, 2018



Debora Fudge, Chair
 Sonoma County Mayors' and
 Councilmembers Association

Judy Arnold
 Marin County Board of Supervisors

Damon Connolly
 Marin County Board of Supervisors

Jim Eddie
 Golden Gate Bridge,
 Highway/Transportation District

Dan Hillmer
 Marin County Council of Mayors and
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Eric Lucan
 Transportation Authority of Marin

Jake Mackenzie
 Sonoma County Mayors' and
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Barbara Pahre
 Golden Gate Bridge,
 Highway/Transportation District

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March 7, 2018

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

SUBJECT: Protect Road Repair and Accountability Act (SB1) Funds and Support Proposition 69

Dear Board Members:

RECOMMENDATIONS:

Adopt a support position on Proposition 69 and an oppose positions on any ballot measures that repeal the Road Repair and Accountability Act (SB1).

SUMMARY:

The Road Repair and Accountability Act (SB1) was passed by the California Legislature and signed into law in April 2017. Several of the funding programs created or enhanced by the passage of SB1 have been made available on a formula or competitive basis to advance SMART projects or provide additional SMART services. Your Board has taken actions in recent months and will take additional future actions to accept those funds resulting in benefits to the public and SMART, including in the following areas:

- Acceptance of SB1 State Rail Assistance funds in support of deployment of SMART Operations and rail trips above and beyond planned levels over the next three years.
- Advancement of SB1 Active Transportation Funds for completion of the SMART Pathway in Petaluma with construction anticipated starting in July 2018.
- Acceptance of SB1 Local Partnership Program Funds as a match to SMART's Measure Q local sales tax in support of needed additional maintenance and operations equipment.
- Acceptance of SB1 State Transit Assistance and Low Carbon Transit Operations Funds in support of SMART Operations and Maintenance.
- Submittal of applications for SB1 Transit and Intercity Rail Capital Program Funds in support of SMART Rail Extensions to Windsor and Larkspur.

Proposition 69: Proposition 69 is the Constitutional amendment placed on the June 2018 ballot by ACA 5 (Frazier). ACA 5 was part of the transportation funding package with SB1. This Constitutional amendment will close loopholes and prevent the transfer of transportation funds to the general fund. If approved on the June ballot by a majority of voters it would amend the Constitution to make the following changes.

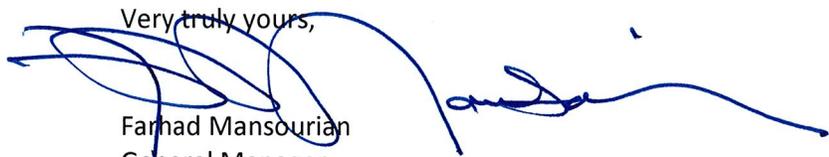
- Require diesel fuel sales tax revenues to be deposited into the Public Transportation Account (PTA) and prohibit the Legislature from diverting or appropriating those funds for purposes other than transportation planning and mass transportation. While the Constitution currently protects the base level of funding allocated to the PTA, those protections do not apply to the diesel sales tax increase in SB1. ACA 5 would correct this oversight.
- Require revenues derived from a proposed Transportation Improvement Fee, including the vehicle registration fee, to be used solely for transportation purposes, prohibit those revenues from being used to pay for previously authorized transportation bond debt service, and prohibit the Legislature from borrowing or using those revenues for unauthorized purposes.
- Exempts appropriations of revenues generated as part of the proposed Road Repair and Accountability Act of 2017 (SB1, Beall) from counting towards the state appropriation limit (Gann Limit).

Potential SB1 Repeal on Future Ballot: The targeted repeal of SB1 by a proposed Constitutional amendment initiative is heading toward the November 6, 2018, ballot. In December 2017, the Secretary of State's Office announced that the campaign to repeal SB1 has already reached the 25% threshold of required signatures. Officials heading the signature drive campaign have stated they are now closing in on the 585,407 signatures needed to qualify this initiative for the November 2018 ballot. Carl DeMaio, a former San Diego City Councilmember and current conservative talk radio host, has been hosting signature gathering events and broadcasting live from those locations throughout Southern California. The deadline to submit signatures is May 21, 2018.

A coalition of local governments and interested organizations has formed to provide information to the public regarding SB1 impacts and benefits and to "support sustainable, accountable funding for California's roads, highways and bridges". This group is called the Coalition to Protect Local Transportation Improvements and its membership includes the California State Association of Counties, the League of California Cities, the California Alliance for Jobs, the California Transit Association, the Sonoma County Transportation Authority and the Sonoma County Mayors' and Councilmembers' Association, to name a few. The coalition has recently shifted from simply advocating for SB 1 to also fighting any SB1 repeal effort through education and information. Coalition efforts going forward will focus on promoting the passage of Proposition 69 on the June ballot, and opposing any initiative that would repeal the gains made by SB 1.

FISCAL IMPACT: Loss of SB1 revenues will have a significant negative impact on SMART's operating and capital budget with likely results including reductions in service.

Very truly yours,


Farnad Mansourian
General Manager

Attachment(s): 1) Proposition 69
 2) The Coalition to Protect Local Transportation Improvements Summary

RESOLUTION CHAPTER _____

Assembly Constitutional Amendment No. 5—A resolution to propose to the people of the State of California an amendment to the Constitution of the State, by amending Section 1 of Article XIX A thereof, by adding Section 15 to Article XIII B thereof, and by adding Article XIX D thereto, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

ACA 5, Frazier. Motor vehicle fees and taxes: restriction on expenditures: appropriations limit.

(1) Article XIX of the California Constitution restricts the expenditure of revenues from taxes imposed by the state on fuels used in motor vehicles upon public streets and highways to street and highway and certain mass transit purposes, and restricts the expenditure of revenues from fees and taxes imposed by the state upon vehicles or their use or operation to state administration and enforcement of laws regulating the use, operation, or registration of vehicles used upon the public streets and highways, as well as to street and highway and certain mass transit purposes. These restrictions do not apply to revenues from taxes or fees imposed under the Sales and Use Tax Law or the Vehicle License Fee Law.

This measure would add Article XIX D to the California Constitution to require revenues derived from vehicle fees imposed under a specified chapter of the Vehicle License Fee Law to be used solely for transportation purposes, as defined. The measure would prohibit these revenues from being used for the payment of principal and interest on state transportation general obligation bonds issued after that date unless the bond act submitted to the voters expressly authorizes that use. The measure would also prohibit the Legislature from borrowing these revenues, except as specified, or using them for purposes other than transportation purposes.

(2) Article XIII B of the California Constitution prohibits the total annual appropriations subject to limitation of the state and

each local government from exceeding the appropriations limit of the entity of the government for the prior year, as adjusted.

This measure would exclude appropriations of certain revenues associated with the Road Repair and Accountability Act of 2017 from the appropriations subject to constitutional limitation.

(3) Article XIX A of the California Constitution requires the deposit of a specified portion of the sales and use tax on diesel fuel in the Public Transportation Account in the State Transportation Fund, and restricts the expenditure of those revenues to certain transportation planning and mass transportation purposes. Article XIX A prohibits the Legislature from borrowing these revenues and from using these revenues other than as specifically permitted by Article XIX A.

This measure would restrict additional portions of the sales and use tax on diesel fuel to expenditure on certain transportation planning and mass transportation purposes and require those revenues to be deposited in the Public Transportation Account. The measure would prohibit the Legislature from temporarily or permanently diverting or appropriating these additional revenues for other than certain transportation planning and mass transportation purposes, or from borrowing, except as specified, these additional revenues.

WHEREAS, Transportation revenues raised by the Road Repair and Accountability Act of 2017 should be constitutionally protected for transportation purpose; and

WHEREAS, By so doing, Californians are assured revenues raised by that act are spent to repair streets and bridges, address years of deferred maintenance on highways and local roads, improve mobility and public transit, and invest in needed transportation infrastructure to benefit all Californians; now, therefore, be it

Resolved by the Assembly, the Senate concurring, That the Legislature of the State of California at its 2017-18 commencing on the fifth day of December 2016, two-thirds of the membership of each house concurring, hereby proposes to the people of the State of California, that the Constitution of the State be amended as follows:

First—That Section 15 is added to Article XIII B thereof, to read:

SEC. 15. "Appropriations subject to limitation" of each entity of government shall not include appropriations of revenues from the Road Maintenance and Rehabilitation Account created by the Road Repair and Accountability Act of 2017, or any other revenues deposited into any other funds pursuant to the act. No adjustment in the appropriations limit of any entity of government shall be required pursuant to Section 3 as a result of revenues being deposited in or appropriated from the Road Maintenance and Rehabilitation Account created by the Road Repair and Accountability Act of 2017 or any other account pursuant to the act.

Second—That Section 1 of Article XIX A thereof is amended to read:

SECTION 1. (a) The Legislature shall not borrow revenues from the Public Transportation Account, or any successor account, and shall not use these revenues for purposes, or in ways, other than those specifically permitted by this article.

(b) The Public Transportation Account in the State Transportation Fund, or any successor account, is a trust fund. The Legislature may not change the status of the Public Transportation Account as a trust fund. Funds in the Public Transportation Account may not be loaned or otherwise transferred to the General Fund or any other fund or account in the State Treasury.

(c) All revenues specified in paragraphs (1) through (3), inclusive, of subdivision (a) of Section 7102 of the Revenue and Taxation Code, as that section read on June 1, 2001, shall be deposited no less than quarterly into the Public Transportation Account (Section 99310 of the Public Utilities Code), or its successor. The Legislature may not take any action which temporarily or permanently diverts or appropriates these revenues for purposes other than those described in subdivision (d), or delays, defers, suspends, or otherwise interrupts the quarterly deposit of these funds into the Public Transportation Account.

(d) Funds in the Public Transportation Account may only be used for transportation planning and mass transportation purposes. The revenues described in subdivision (c) are hereby continuously appropriated to the Controller without regard to fiscal years for allocation as follows:

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(1) Fifty percent pursuant to subdivisions (a) through (f), inclusive, of Section 99315 of the Public Utilities Code, as that section read on July 30, 2009.

(2) Twenty-five percent pursuant to subdivision (b) of Section 99312 of the Public Utilities Code, as that section read on July 30, 2009.

(3) Twenty-five percent pursuant to subdivision (c) of Section 99312 of the Public Utilities Code, as that section read on July 30, 2009.

(e) For purposes of paragraph (1) of subdivision (d), "transportation planning" means only the purposes described in subdivisions (c) through (f), inclusive, of Section 99315 of the Public Utilities Code, as that section read on July 30, 2009.

(f) For purposes of this article, "mass transportation," "public transit," and "mass transit" have the same meaning as "public transportation." "Public transportation" means:

(1) (A) Surface transportation service provided to the general public, complementary paratransit service provided to persons with disabilities as required by 42 U.S.C. 12143, or similar transportation provided to people with disabilities or the elderly; (B) operated by bus, rail, ferry, or other conveyance on a fixed route, demand response, or otherwise regularly available basis; (C) generally for which a fare is charged; and (D) provided by any transit district, included transit district, municipal operator, included municipal operator, eligible municipal operator, or transit development board, as those terms were defined in Article 1 of Chapter 4 of Part 11 of Division 10 of the Public Utilities Code on January 1, 2009, a joint powers authority formed to provide mass transportation services, an agency described in subdivision (f) of Section 15975 of the Government Code, as that section read on January 1, 2009, any recipient of funds under Sections 99260, 99260.7, 99275, or subdivision (c) of Section 99400 of the Public Utilities Code, as those sections read on January 1, 2009, or a consolidated agency as defined in Section 132353.1 of the Public Utilities Code, as that section read on January 1, 2009.

(2) Surface transportation service provided by the Department of Transportation pursuant to subdivision (a) of Section 99315 of the Public Utilities Code, as that section read on July 30, 2009.

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(3) Public transit capital improvement projects, including those identified in subdivision (b) of Section 99315 of the Public Utilities Code, as that section read on July 30, 2009.

(g) All revenues specified in Sections 6051.8 and 6201.8 of the Revenue and Taxation Code, as those sections read on January 1, 2018, shall be deposited no less than quarterly into the Public Transportation Account, or its successor. Except as provided in Sections 16310 and 16381 of the Government Code, as those sections read on January 1, 2018, the Legislature may not take any action that temporarily or permanently diverts or appropriates these revenues for purposes other than those described in subdivision (d), or delays, defers, suspends, or otherwise interrupts the quarterly deposit of these revenues into the Public Transportation Account.

Third—That Article XIX D is added thereto, to read:

ARTICLE XIX D
VEHICLE LICENSE FEE REVENUES FOR
TRANSPORTATION PURPOSES

SECTION 1. (a) Notwithstanding Section 8 of Article XIX, revenues derived from vehicle fees imposed under the Vehicle License Fee Law pursuant to Chapter 6 (commencing with Section 11050) of Part 5 of Division 2 of the Revenue and Taxation Code, or its successor, over and above the costs of collection and any refunds authorized by law, shall be used solely for transportation purposes, as defined by Section 11050 of the Revenue and Taxation Code, as that section read upon enactment of the Road Repair and Accountability Act of 2017.

(b) The revenues described in subdivision (a) shall not be used for the payment of principal and interest on state transportation general obligation bonds that were authorized by the voters on or before November 8, 2016, nor shall those revenues be used for payment of principal and interest on state transportation general obligation bond acts approved by the voters after that date, unless the bond act expressly authorizes that use.

(c) Except as provided in Sections 16310 and 16381 of the Government Code, as those sections read on January 1, 2018, the Legislature shall not borrow the revenues described in subdivision (a), and shall not use these revenues for purposes, or in ways, other than as authorized in subdivisions (a) or (b).



Support Safer Roads and Protect Local Transportation Improvements

Californians depend on a safe and reliable transportation network to support our quality of life and a strong economy. In April 2017, California passed Senate Bill 1 (SB 1) – which will provide more than \$5 billion annually to make road safety improvements, fill potholes, repair local streets, freeways, tunnels, bridges and overpasses and invest in public transportation in every California community. Road safety and transportation improvement projects are already underway or planned in every community, but this long-awaited progress could come to a halt unless voters take action in 2018.

The Coalition to Protect Local Transportation Improvements has formed to support the June 2018 constitutional amendment protecting transportation funds from being diverted and to oppose the November 2018 measure to repeal transportation funds. Here's how you can help:

SUPPORT ACA 5:

June 2018 ballot measure: Prohibits the Legislature from raiding new transportation funds and ensures funds can only be used for transportation projects.

- ✓ ACA 5 extends constitutional protections to the new revenues generated by SB 1 that aren't currently protected and ensures these funds can only be used for transportation improvement purposes.
- ✓ The measure would prohibit the Legislature from borrowing or diverting these revenues for non-transportation purposes. This will ensure that all revenues from SB 1 can only be used for transportation improvement purposes.

OPPOSE SB 1 Repeal:

November 2018 ballot measure: Would repeal SB 1 and rob our communities of vital local road safety and transportation improvement funds.

Certain politicians are currently collecting signatures to try to repeal the Road Repair and Accountability Act of 2017 (SB 1) and stop critical investments in future transportation improvement projects. We need to build a strong coalition to oppose this measure now because its passage would:

- ✗ **Jeopardize public safety.** According to the National Highway Traffic Safety Administration, poor roadways were a contributing factor in more than half of the 3,623 roadway fatalities on California roads in 2016. Currently, 89% of California counties have roads that are in poor or at-risk condition, and 25% of local bridges show significant deterioration. Roadway improvements at the state and local level will save lives and increase safety for the traveling public. This measure will cut funding currently dedicated to fixing roads and upgrading freeways, bridges, tunnels and overpasses to make them safer.



OPPOSE the November 2018 ballot measure that would repeal SB 1 and rob our communities of vital local road safety and transportation improvement funds.

- X Take away road improvement funds dedicated to every community.** SB 1 guarantees funds to every city and county to fix potholes, make safety improvements, ease traffic congestion and improve public transportation. These funds are already being put to use and California cities and counties have already identified 4,000 local projects for funding in 2017-18 and into the future. This measure would rob funding currently benefiting every California community and stop thousands of local road improvement projects from moving forward. Our local roads, streets and state highways already face a backlog of \$132 billion and this measure will only worsen the crisis.
- X Make traffic congestion worse.** Our freeways and major thoroughfares are among the most congested in the nation, and Californians spend too much time stuck in traffic away from family and work. This measure would make our traffic worse by repealing SB 1 funds that are dedicated to reducing traffic congestion.
- X Cost drivers and taxpayers more money in the long-run.** Repealing the gas tax and vehicle fee will only save the average driver \$10 per month. But it will cost drivers much more in the long-run because of the wear and tear on our vehicles caused by bad roads. The average driver spends \$762 per year on front end alignments, body damage, shocks, tires and other repairs because of bad roads. It is important to fix our roads now vs. later as it costs 8 times more to fix a road than to maintain it.
- X Would hurt job-creation and our economy.** A reliable transportation infrastructure is critical to get people to work, to move goods and services to the market and to support our economy. Furthermore, every \$1 billion invested in transportation infrastructure supports 13,000 jobs a year. By repealing funding for road repairs and transportation improvements, this measure would eliminate 650,000 good-paying jobs and \$100 billion dollars in economic growth that will be created fixing our roads over the next decade.

Paid for by the Coalition to Protect Local Transportation Improvements, sponsored by business, labor, local governments, transportation advocates and taxpayers

Committee Major Funding from
California Alliance for Jobs

Funding details at www.fppc.ca.gov