



BOARD OF DIRECTOR MEETING/WORKSHOP AGENDA

May 3, 2023 – 1:30 PM

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

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

HOW TO WATCH THE LIVE MEETING USING THE ZOOM

<https://sonomamarintrain->

[org.zoom.us/j/81199231261?pwd=RWtkWFhVMFNMdUROczRYSFQwdkpydz09](https://sonomamarintrain-)

Webinar ID: 811 9923 1261

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HOW TO PROVIDE COMMENTS ON AGENDA ITEMS

Prior To Meeting:

Technology limitations may limit the ability to receive verbal public comments during the meeting. If you wish to make a comment you are strongly encouraged to please submit your comment to SMART by 5:00 PM on Tuesday, May 2, 2023. Use the following link to submit your comment on agenda items: <https://www.surveymonkey.com/r/SMARTBoardComments>

During the Meeting:

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

BOARD OF DIRECTOR MEETING/WORKSHOP AGENDA

MAY 3, 2023

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

1. Call to Order
2. Board Member Announcements
3. Public Comment on Non-Agenda Items

Consent Calendar

4. Approve a Resolution and Authorize the Board Chair to Execute the Collective Bargaining Agreement Between the Sonoma-Marin Area Rail Transit District (SMART) and the Operating Engineers Union Local No. 3 AFL-CIO (OE3) for the period of May 1, 2023 to April 30, 2028

Regular Calendar

5. Fiscal Year 2024 Draft Budget (Discussion) – *Presented by Heather McKillop*
6. Closed Session - Conference with Legal Counsel regarding existing litigation pursuant to California Government Code Section 54956.9(a); Filemon Hernandez, et al.v. Sonoma-Marin Area Rail Transit District (SMART) – United States District Court for the Northern District of California - CIV No. 4:21-cv-01782
7. Report Out Closed Session
8. Next Regular Meeting Board of Directors, May 17, 2023 – 1:30 PM – 5401 Old Redwood Highway, 1st Floor, Petaluma, CA 94954
9. Adjournment

DISABLED ACCOMODATIONS: Upon request, SMART will provide for written agenda materials in appropriate alternative formats, or disability-related modification or accommodation, to enable individuals with disabilities to participate in and provide comments at/related to public meetings. Please submit a request, including your name, phone number and/or email address, and a description of the modification, accommodation, service, or alternative format requested at least two (2) days before the meeting. Requests should be emailed to *Leticia Rosas, Clerk of the Board* at lrosas@sonomamarintrain.org or submitted by phone at (707) 794-3072. Requests made by mail SMART's, 5401 Old Redwood Highway, Suite 200, Petaluma, CA 94954 must be received at least two days before the meeting. Requests will be granted whenever possible and resolved in favor of accessibility.



Eric Lucan, Chair
Marin County Board of Supervisors

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

Kate Colin
Transportation Authority of Marin

Chris Coursey
Sonoma County Board of Supervisors

Rachel Farac
Transportation Authority of Marin

Debora Fudge
Sonoma County Mayors' and Councilmembers Association

Patty Garbarino
Golden Gate Bridge,
Highway/Transportation District

Barbara Pahre
Golden Gate Bridge,
Highway/Transportation District

Gabe Paulson
Marin County Council of Mayors and Councilmembers

David Rabbitt
Sonoma County Board of Supervisors

Chris Rogers
Sonoma County Mayors' and Councilmembers Association

Mary Sackett
Marin County Board of Supervisors

Eddy Cumins
General Manager

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

May 3, 2023

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

SUBJECT: Approve an Agreement between the Sonoma-Marín Area Rail Transit District and the Operating Engineers Union Local No. 3; Approve a Resolution to Amend Fiscal Year 2022-23 Budget

Dear Board Members:

RECOMMENDATION:

Authorize the Board Chair to Execute the five-year Collective Bargaining Agreement between the Sonoma-Marín Area Rail Transit District (SMART) and the Operating Engineers Union Local No. 3 AFL-CIO (OE3) and Approve Resolution No. 2023-13 amending Fiscal Year 2022-23, Appendix C - Position Authorization.

SUMMARY:

This agreement would be the second collective bargaining agreement between SMART and Operating Engineers Union Local No. 3 which represents the District's Engineer-Conductor and Conductor staff. The total number of staff currently allocated to these two job classes is thirty-one (31 FTE).

The agreement retains the District's current policies with modifications as indicated below.

The agreed upon terms include:

Term: May 1, 2023 - April 30, 2028

Salaries:

- Wage increases in the first year will be effective May 1, 2023.
- Cost of living adjustments are recommended for each year of the contract as shown in the table below.

Job Class	May 1, 2023 - June 30, 2023	Hourly Wage	July 1, 2023 - June 30, 2024	Hourly Wage	July 1, 2024- June 30, 2025	Hourly Wage	July 1, 2025 - June 30, 2026	Hourly Wage	July 1, 2026 - April 30, 2028	Hourly Wage
Engineer-Conductor	5.0% COLA	\$52.09	3.0% COLA	\$53.65	2% COLA	\$54.73	3% COLA	\$56.37	2% COLA	\$57.50
Engineer Trainee	5.0% COLA	\$44.28	3.0% COLA	\$45.61	2% COLA	\$46.52	3% COLA	\$47.91	2% COLA	\$48.87
Conductor	5.0% COLA	\$43.32	3.0% COLA	\$44.62	2% COLA	\$45.52	3% COLA	\$46.88	2% COLA	\$47.82
Conductor-Trainee	5.0% COLA	\$36.83	3.0% COLA	\$37.94	2% COLA	\$38.70	3% COLA	\$39.86	2% COLA	\$40.66

Vacation

- Increases the number of staff allowed to be off on vacation at any one time from two (2) to up to three (3) employees off.

Discipline

- Establishes a system whereby disciplinary records will be excluded for purposes of citation or consideration in future progressive disciplinary action when an employee maintains a discipline-free service records for a period of time as follows:
 - Warning, Letter of counseling or reprimand – 12 months
 - Suspension of 5 days or less or equivalent discipline – 24 months
 - Suspension of over 5 days or equivalent discipline – 36 months
- Discipline involving the District’s Drug and Alcohol Policy, an FRA mandated suspension or loss of Part 240/242 Certification, which is consistent with the terms set forth in 49 CFR Part 240.117(g)(3), 49 CFR Part 242.403(e) or any other disciplinary record which SMART is required to preserve under federal or state laws are not subject to the provisions of this rule.

Shift Bidding:

- The District conducts a minimum of three (3) shift bids per year for members in this unit. The agreement changes the current shift bidding months of April, August, and December to January, May, and September.

Critical Incident and Worker’s Compensation

- During the initial three (3) day period of relief from duty tours, train staff directly involved in a critical incident as defined by the District’s Critical Incident Stress Plan (CISP) will receive up to three (3) days of paid administrative leave if not cleared to return to work by a SMART contracted psychological provider following a Critical Incident Stress Debriefing.
- Staff not cleared to return to work by SMART’s psychological provider after the initial 3-day period following a critical incident as defined by the CISP will be eligible to file a worker’s compensation claim through the District’s worker’s compensation insurance provider.

FISCAL IMPACT: Funds are included in the Fiscal Year 2022-2023 Board Adopted Budget for these changes. Funds will need to be included in future budgets for the salary adjustments in Fiscal Year 2024, Fiscal Year 2025, Fiscal Year 2026 and Fiscal Year 2027.

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

Very truly yours,

/s/

Lisa Hansley
Human Resources Manager

Attachment(s): 1) Resolution No. 2023-13
 2) Operating Engineers Local Union No. 3 Collective Bargaining Agreement

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SONOMA-MARIN AREA RAIL TRANSIT DISTRICT, STATE OF CALIFORNIA, AMENDING RESOLUTION NO. 2022-22 TO REVISE THE ANNUAL BUDGET FOR FISCAL YEAR 2022-2023 TO PROVIDE FOR REVISED POSITION AUTHORITY

WHEREAS, as part of its approval of the Annual Budget for Fiscal Year 2022-2023, the Board duly considered the annual expenditures necessary for the Sonoma-Marín Area Rail Transit District; and

WHEREAS, on June 15, 2022, the Board adopted Resolution number 2022-22 approving the Annual Budget for Fiscal Year 2022-2023; and

WHEREAS, Resolution No. 2022-22 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 the revised position authority for increased salary and benefit expenditures.

NOW THEREFORE, BE IT RESOLVED THAT THE Fiscal Year 2022-2023 Budget for the Sonoma-Marín Area Rail Transit District, Appendix C, SMART Position Authorization is hereby amended to revise Appendix C, Fiscal Year 2022-2023 Proposed Position Authorizations to reflect position revisions as shown below.

Position	FTE	Salary Annual	Salary Hourly
Engineer-Conductor*	20	\$103,189 \$108,348	\$49.61 \$52.09
Engineer-Conductor Trainee*	20	\$87,714 \$92,099	\$42.17 \$44.28
Conductor*	11	\$85,821 \$90,112	\$41.26 \$43.32
Conductor Trainee*	11	\$72,966 \$76,615	\$35.08 \$36.83

*Total Positions cannot exceed 31

BE IT FURTHER RESOLVED except as specifically amended or supplemented by this Resolution, Resolution No. 2022-22, 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. 2022-22.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of the Sonoma-Marín Area Rail Transit District held on the 3rd day of May 2023, by the following vote:

DIRECTORS:

AYES:

NOES:

ABSENT:

ABSTAIN:

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

ATTEST:

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



AGREEMENT

BETWEEN

OPERATING ENGINEERS LOCAL UNION NO. 3 AFL-CIO

(LOCOMOTIVE ENGINEERS AND CONDUCTORS UNIT)

AND

**SONOMA-MARIN AREA RAIL TRANSIT
DISTRICT**

MAY 1, 2023 – APRIL 30, 2028

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ARTICLE 1 - RECOGNITION

- 1.1 The SONOMA MARIN AREA RAIL TRANSIT herein after referred to as “DISTRICT” or “SMART” recognizes the OPERATING ENGINEERS LOCAL UNION NO. 3 AFL-CIO (OE3) herein after referred to as “OE3” or the “UNION” as the formally recognized employee organization for the Engineer- Conductors and Conductors (EMPLOYEES) employed in the Sonoma-Marin Area Rail Transit District (DISTRICT) as determined by the Public Employment Relations Board.

SCOPE

- 1.2 This Agreement (MOU) will apply to the work or service of transporting passengers and operating freight locomotives used in passenger service performed by the employees specified herein and governs the rates of pay, hours of service, and working conditions of all such employees engaged in by the Engineer-Conductors and Conductors and/or any other motive power used in performing the work or services provided by EMPLOYEES and all other work generally recognized as the work of EMPLOYEES performed on main lines or branch lines, or within yard facilities, or in road, local, or yard service.
- 1.3 The EMPLOYEES Job duties are service delivery and guaranteeing quality control in the provision of safe, reliable efficient passenger train service to the public. These EMPLOYEES are responsible for the safe and reliable operation of all DISTRICT trains at all times.
- 1.4 If a new type of locomotive and/or conductors’ equipment is placed in service; EMPLOYEES will be instructed in the operation of the new train and/or equipment. Only employees qualified under 49 CFR Parts 240 and/or 242 will be used to run trains in revenue service.
- 1.5 The DISTRICT may not contract out work normally performed by an employee in a bargaining unit covered by this Agreement between the UNION and the DISTRICT without agreement of the UNION.

1.6 SUCCESSOR RIGHTS

- 1.6.1 In the event the operations of DISTRICT, in whole or in part, are assumed by any other entity, public or private, the successor organization or organizations shall agree, as a condition precedent of said assumption, to all terms and conditions of this agreement as though this agreement were fully set forth in the assumption agreement between the District and the assuming party or parties.
- 1.6.2 The DISTRICT shall ensure that written notice of the existence of this Agreement is provided to any potential purchaser, transferee, lessee, administrator, executor or assignee of the operations covered by this Agreement or any substantial part thereof on a timely basis and no later than the date the parties involved in the transaction exchange binding letters of intent (or similar documents) relating to the transaction.

- 1.6.3 In order to verify that the notice required above, is provided, the DISTRICT shall also ensure that a copy of the notice is delivered to the Union.

ARTICLE 2 - UNION MEMBERSHIP

- 2.1 All employees working in positions covered by this Agreement have the right to become members of the exclusive bargaining representative organization and shall remain members in good standing, until such time as they notify the Union that they no longer wish to be dues paying members.
- 2.2 The District will rely on a written certification from the Union requesting that the District deduct from employees' wages an amount equal to the Union's monthly dues authorized by the Union Bylaws. The Union has and will obtain and maintain signed employee authorizations for said wage deductions and will represent to the District that each bargaining unit employee is affirmatively consenting to the dues deductions consistent with state and federal law. After providing the required certification, the Union will not be required to provide a copy of individual authorizations to the District unless a dispute arises about the existence or terms of the authorization. The Union will, however, each month provide the District with a list of all active Union members.
- 2.3 Based on the certification from the Union described above, the District will deduct, bi-monthly, the amount of Union regular and periodic dues as may be specified by the Union under the authority of an authorization card signed by the employee. Dues deduction for employees will only be made upon the written certification from the Union. It is the Union's responsibility to provide timely notice of dues deduction authorizations to the District. The District requires ten (10) working days' notice of dues deduction authorization for an employee prior to the date the first deduction is to take effect.
- 2.4 The Union agrees to indemnify and hold harmless the DISTRICT for any loss or damage sustained which arises from the operation of this section.
- 2.5 In the event there is a change in the law whereby any provision hereof becomes invalid or if for any reason any provision of this Agreement is rendered unlawful by decision of a court of competent jurisdiction, this Agreement shall be either forthwith deemed amended to comply with the change or decision in question and those provisions not affected by the change in law shall remain in full force and effect. If this occurs, at the election of either party this provision may be reopened for further negotiations.

ARTICLE 3 - DUES DEDUCTIONS

- 3.1 The UNION will be granted permission by the DISTRICT to have regular dues of its member employees deducted from their paychecks, in accordance with the procedures prescribed by the DISTRICT.
- 3.2 The UNION will provide a certified list of current members, and shall certify that the UNION possesses, and will maintain, a signed authorization for dues deduction from each individual on the list.
- 3.3 Dues deductions shall be for a specified amount and shall be made only upon the voluntary written authorization of the UNION member, which authorization meets all of the requirements for the assignment of wages as set forth in §300 of the California Labor Code. Dues deduction authorization may be revoked and the dues check-off payroll discontinued at any time by the Union member upon voluntary written notice to the Union. The UNION will inform the District within ten (10) working days of the revocation. Once notification has been received by the District to stop dues deductions for an employee from the UNION, the change will be implemented in the first pay period following notification.
- 3.4 The member employee's earnings must be regularly sufficient after legal and required deductions are made, to cover the amounts of the dues check off authorized. In the case of a member employee who is in a non-pay status during any part of the pay period and the salary is not sufficient to cover the whole withholding, no deductions shall be made. In this connection, all other legal and required deductions have priority over Union dues.
- 3.5 Neither the UNION nor the member employees shall be charged a service fee for the deduction of regular Union dues as hereinabove provided for.
- 3.6 Dues withheld by the DISTRICT shall be transmitted to the officer designated in writing by the UNION as the person authorized to receive such funds at the address specified. Funds may also be transmitted by Automated Clearing House (ACH) or other accepted electronic banking process.
- 3.7 The UNION shall indemnify, defend and hold the DISTRICT harmless against any claim made and against any suit instituted against the DISTRICT on account of check-off of UNION dues. In addition, the UNION shall refund to the DISTRICT any amount paid to it in error upon presentation of supporting evidence.

ARTICLE 4 - NON-DISCRIMINATION

- 4.1 SMART is an equal opportunity employer and makes employment decisions on the basis of merit. In accordance with applicable law, the District prohibits discrimination based on race, color, religion, creed, sex, marital status, age, national origin or ancestry, physical or

mental disability, medical condition, genetic information, military or veteran status, sexual orientation, gender, gender identity, gender expression, or any other consideration protected by federal, state or local laws. All such discrimination is unlawful. The District's commitment to equal opportunity employment applies to all persons involved in the operations of the District and prohibits discrimination by any employee of the District, including Supervisors and co-workers. Neither the UNION nor the DISTRICT shall discriminate against any employee by reason of protected concerted activity or any other basis protected by applicable state or federal law. The UNION agrees it will represent the interests of all employees in the Engineer-Conductor and Conductor job classes equally and fairly, regardless of Union membership status.

- 4.2 All references in this Collective Bargaining Agreement that refer specifically to the male or female gender shall be construed to apply equally to the opposite.

ARTICLE 5 - MANAGEMENT RIGHTS

- 5.1 The exclusive rights of the District shall include, but not be limited to, the right to determine the organization of District, as well as its purpose and mission; to set standards of service to be offered to the public; and, through its management officials, to exercise control and discretion over its organization and operations; to establish and effect administrative regulations which are consistent with law and the specific provisions of any collective bargaining agreements that may exist; to direct its employees; to take disciplinary action; to lay off its employees; to determine whether District goods and services shall be made, purchased, or contracted for; to determine the methods, means, and personnel by which the District's services are to be provided, purchased, or contracted; to determine qualifications for employment; to schedule and assign work and overtime; and to otherwise act in the interest of efficient service to the public.
- 5.2 All matters pertaining to the management and scope of operations, such as the type and kind of service rendered to the public, the equipment used, workload, the administration of discipline and efficiency, the standards of hire, promotion and transfer of employees, and their discipline and discharge for just cause are within the discretion of SMART. SMART's rules, policies and procedures, as may be amended from time to time, are necessary for efficient operations and infraction of these rules shall constitute just cause for disciplinary action, up to and including discharge. Depending on the facts and circumstances involved in each situation, SMART may choose to begin disciplinary action at any step up to and including termination.

ARTICLE 6 – UNION STEWARDS

- 6.1 The DISTRICT agrees to recognize two (2) stewards, to represent employees in the EMPLOYEES bargaining unit. The UNION must inform the DISTRICT, in writing, of an employee's designation as a shop steward.

- 6.2 The shop steward, as much as possible, shall perform their duties as a shop steward when not scheduled to work. If the shop steward must perform any duties during regularly scheduled work hours, it shall be kept to a minimum and shall not interfere with normal operations. Authorized representative business shall consist of all aspects of representation covered by the MOU including but not limited to grievance resolution meetings; discipline hearings; participating in contract negotiations and arbitrations and new hire orientations where applicable. The shop steward must request time away from their regular duties in advance to perform their union duties during regularly scheduled work hours. Absent an emergency, the request must be in writing and submitted at least forty-eight (48) hours in advance. The release of shop stewards from work to perform their duties will depend on the DISTRICT'S operational needs as determined by the DISTRICT.
- 6.3 The DISTRICT will not compensate the shop steward for performing any duties as a shop steward, except as otherwise provided for in this Agreement. The shop steward shall be allowed time away from their regular duties during their normal working hours to handle grievances or meet with DISTRICT representatives concerning matters affecting employees' working conditions without loss of pay, provided that such meetings shall not exceed one (1) hour unless mutually agreed upon by the parties.
- 6.4 A maximum of two (2) employees shall serve on the UNION Bargaining Team. A maximum of two (2) employees shall be released from work by the DISTRICT to attend negotiations between the UNION and the DISTRICT. However, the employees released by the DISTRICT will be paid their regular straight time rate of pay for negotiations held during their regularly scheduled work hours.

ARTICLE 7 - BULLETIN BOARDS

- 7.1 The DISTRICT agrees to supply and provide suitable space for the UNION bulletin board at each location where bargaining unit members are employed. Postings by the UNION on such boards are to be confined to official business of the UNION. In each location, there shall be a covered bulletin board. UNION stewards shall have a key for the bulletin boards. The DISTRICT shall not remove, tamper with, or alter any notice posted by the UNION unless such notice is harmful to the DISTRICT. Any such notice removed by the DISTRICT shall be re-posted if the UNION'S position is sustained through the grievance procedure.

ARTICLE 8 - ACCESS TO WORK LOCATIONS

- 8.1 Within reasonable circumstances, a UNION business representative shall have access to the DISTRICT premises at a mutually agreeable time to investigate or adjust grievances or conduct other necessary business. Except for emergency circumstances, requests for access to the Rail Operations Center (ROC) and other SMART Operations facilities will be made 48 hours in advance.
- 8.2 DISTRICT facilities may be made available for meetings upon timely application by employees and the UNION. Such use shall not occur during regular duty hours, other than the lunch period. Application for such use shall be made to the designated Human Resources DISTRICT Representative under whose control the facility is placed. The UNION will contact HR or designee.

ARTICLE 9 - SENIORITY, FURLOUGH AND REDUCTIONS IN FORCE

- 9.1 The DISTRICT shall maintain a SMART Seniority List, and a Bargaining Unit Seniority List for the EMPLOYEES in this Unit. SMART Seniority is defined as the date an employee was hired by SMART. Bargaining unit seniority is defined as the length of time an employee has been employed by the DISTRICT as a Locomotive Engineer and/or Conductor. When more than one (1) employee has the same employment date, the employees' relative positions on the seniority list shall be determined by the greater number as determined by the last four digits of the employee's social security number. Whichever number is greater will be the most senior. In the event of a tie with social security numbers, seniority will be determined by lot in the presence of a UNION representative and acknowledged in writing by the employees.
- 9.2 An employee's seniority shall be terminated for the following reasons:
- 9.2.1 Resignation or termination of employment;
 - 9.2.2 Layoff for a period of more than twelve (12) months;
 - 9.2.3 Failure to respond within ten (10) days to a notice of recall during furlough or failure to return to work within fourteen (14) days after a recall notice;
 - 9.2.4 Failure to return to work following an approved leave of absence.
- 9.3 Furlough & Recall: When the DISTRICT determines it necessary to reduce the workforce, employees shall be furloughed in inverse seniority order within classification. For the purposes of this section, furlough or layoff is defined as a reduction in force whereby the total number of budgeted position allocations in a job

classification is reduced. A furlough may also include establishing unpaid days off to avoid the reduction of budgeted positions. A layoff/furlough is an involuntary separation and is not subject to the grievance and arbitration procedure.

9.3.1 The DISTRICT shall give fourteen (14) days' notice to employees that they will be furloughed. If the DISTRICT elects not to give fourteen (14) days' notice, the DISTRICT shall pay the employee their regular rate of pay for each day that notice was not given, up to a maximum of two (2) weeks' pay. The provisions for notice shall not apply if notice of furlough is prevented due to fire, storm, major breakdown, derailment, labor dispute or other cause beyond the control of the DISTRICT.

9.3.2 Employees on furlough will be recalled to work in seniority order within classification. Employees on furlough shall remain on the seniority list for purpose of recall for a period not to exceed twelve (12) months following furlough. Employees who are recalled within twelve (12) months will retain all seniority accrued in prior service. Benefits do not accrue during a furlough period. Employees will have accrued unused vacation and compensatory time off cashed out. Accrued, unused sick leave will be cashed out at a rate of 25% per District policy.

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

9.3.4 Any employee who rejects a recall offer, fails to respond to the notice of recall within ten (10) days of receipt of tracked mail service, or fails to return to work within fourteen (14) days after a recall notice shall be removed from the seniority lists.

9.3.5 In a case of a reduction in force, the DISTRICT will meet and confer with the UNION over the effects of the decision.

- 9.4 As required per AB 2224, Section 150143, the District agrees that it will not contract out the performance of services performed by or fairly claimable by the employees of the bargaining unit without the agreement of the accredited representative of that bargaining unit's employees.

ARTICLE 10 - PERFORMANCE EVALUATIONS

- 10.1 An annual employee evaluation system shall be used for all probationary and regular employees.
- 10.2 The DISTRICT shall determine the use and significance, if any, of job performance evaluations in determinations regarding, but not limited, examinations, promotions, demotions, transfers, dismissals and suspensions.
- 10.3 Supervisors preparing job performance evaluations shall discuss with employees their evaluations. Employees shall have access to their evaluations on file in Human Resources.
- 10.4 All employees will sign the evaluation indicating their receipt of the evaluation within ten (10) calendar days of receipt. An employee who is dissatisfied with their annual performance evaluation may submit a written response and request a review of the evaluation by the Department Manager, (Operations Manager). Responses and requests for review must be submitted to the Department Manager with a copy to Human Resources by the employee or his/her Exclusive Bargaining Representative within thirty (30) calendar days following receipt of the evaluation. The Department Manager will schedule a meeting with the employee and his/her Exclusive Bargaining Representative to discuss the evaluation within ten (10) working days from receipt. The Department Manager will inform the employee and his/her Exclusive Bargaining Representative in writing within ten (10) working days of his/her decision following the meeting. If the Department Manager determines that a revision to the evaluation is warranted, a revised evaluation will be placed in the employee's personnel file with a copy to the employee. All copies of the original evaluation will be destroyed. If the employee is not satisfied with the decision of the Department Manager, he/she or his or her Exclusive Bargaining Representative may appeal the decision, in writing to the Human Resources Manager within ten (10) working days of receiving the decision. The Human Resources Manager will schedule a meeting within ten (10) working days from receipt of the written request. The Human Resources Manager will inform the employee and his/her Exclusive Bargaining Representative in writing within ten (10) working days of his/her decision. If the employee is still not satisfied, he or she may write a written response that will be placed in the employee's personnel file along with the annual performance evaluation. Performance evaluations are not grievable under article 16 or 17 of this MOU.

ARTICLE 11 - NEW EMPLOYEES AND TRAINING

- 11.1 All new employees shall meet the minimum qualifications for a position as defined by the District. All new employees shall train for a minimum of three (3) weeks; unless it is determined by the trainer that additional training is necessary. At no time shall

a training employee be allowed to bid into a shift before the end of their training period, unless approved by the UNION.

- 11.2 New employees (Trainees) who are hired to work full-time (forty (40) hours per week) will receive a minimum of eight (8) hours of pay for each day that they are scheduled to and report for work in a five (5) day workweek. Employees in training (Trainees) who fail to report to work or request to leave the work site early for personal reasons will use accrued paid leaves to cover the hours not worked. Employees attending training outside of their regularly scheduled forty-hour workweek will be paid for the hours actually spent in training.

ARTICLE 12 - PROBATIONARY PERIOD

- 12.1 The probationary period shall be a trial period during which SMART evaluates the employee's ability, competency, fitness and other qualifications to do the work for which they are employed.
- 12.2 All new employees shall be on probation for nine (9) months immediately following their date of hire. If an employee is absent from work for good cause during the probationary period, probation may, be extended day for day by SMART to allow the employee to complete the full nine (9) months. SMART, at its discretion, may extend the probationary period for an additional three (3) months. SMART will inform the employee in writing of the reasons for the extension. New probationary employees may be disciplined or discharged at the total discretion of SMART and such actions shall not be subject to review under any provision of this Memorandum of Understanding.

ARTICLE 13 - PROMOTIONS AND TRANSFERS

- 13.1 Employees who are transferred or promoted out of the bargaining unit, and who fail to successfully complete the probationary period of the new position (for a reason that does not disqualify them from employment in any classification), may elect to return to their original position in their previous classification within the bargaining unit. Bargaining unit Employees who promote and/or are transferred to a job class within the District and elect to return to a previously held job classification within the bargaining unit will not retain Bargaining Unit seniority hours for time spent in another classification. Employees who are transferred or promoted out of the bargaining unit may elect to return to their original job class, if a vacancy exists, minus the time spent in the previous job class. Bargaining unit Employees who are temporarily promoted in an acting capacity to a higher class within the District will retain Bargaining Unit seniority and all rights and privileges when they return to their original job class. The salary of an employee who temporarily promotes to a higher classification shall be moved to the first step of the wage scale of the higher

classification or shall be increased by up to 5% if their current wage is greater than the minimum step of the new class. At no time will an employee who temporarily promotes be paid a wage that is higher than the maximum salary range for the new job class.

- 13.2 Applicants who meet the qualifications of the position descriptions will undergo a selection process as determined by the District. This process may include, but is not limited to, screening of the most qualified applicant for job suitability, skills assessment, such as written, hands on, video or interview. Employees promoted or transferred into the Locomotive Engineers/Conductors Unit from other District positions will be placed on the Locomotive Engineers/Conductors Bargaining Unit Seniority list; pursuant to Article 9.1; the date they were promoted or transferred into the unit.
- 13.3 The DISTRICT shall notify the UNION of all job openings within the bargaining unit covered by this Agreement. The UNION may refer qualified applicants for such openings. In interviewing and hiring of such job openings, the DISTRICT will not discriminate against any applicant referred by the UNION. Applicants referred by UNION will participate in the competitive process as would any other applicant. The UNION is not eligible to participate in the District's Employee Referral Program.

ARTICLE 14 – TRAINING

- 14.1 The DISTRICT encourages employees to keep their job-related skills current and to look for opportunities to enhance those skills. The Superintendent or designee will meet with each EMPLOYEE once a year through the performance evaluation process to assess individual training and career development needs.
- 14.2 When appropriate, the DISTRICT will provide employees the opportunity to attend job-related training, including, but not limited to, conferences and seminars. Voluntary training sessions attended after an employee's work hours are unpaid.
- 14.3 Upon approval by the DISTRICT, the employee will be reimbursed for expenses related to attending job-related, pre-approved training as allowed per the District's travel policy, vehicle use guidelines and applicable state and federal law.
- 14.4 EMPLOYEES will be required to attend training classes and take examinations connected with their duties as required by Federal, State, Local and Agency regulations. Examinations may be written or oral and include physical examinations, geographical qualification examinations and service examinations as required by Federal Railroad Administration Regulations.

- 14.5 EMPLOYEES required by the District to attend a training class or an examination will be compensated at their base hourly rate of pay for the time engaged in such training or examination. Such hours compensated will be counted as hours worked for the purpose of calculating overtime pay.

ARTICLE 15 - SAFETY

- 15.1 When an employee is injured on the job so as to require that they be excused from work by an authorized representative of Management, they shall be paid at their base hourly rate of pay for the balance of the shift for the initial medical evaluation. Subsequent physician's visits, if necessary, will be charged to sick leave if not scheduled outside of the employee's regular working hours. A copy of the accident report shall be given to the employee.
- 15.2 Workers' Compensation is a plan established by State Law under which payments are made to employees who become disabled due to accident or disease occurring as a direct result of their job. The cost of Workers' Compensation Insurance is paid entirely by DISTRICT. If an employee suffers a work-related injury, receives benefits under this plan and is granted sick leave during a disability resulting from an on-the-job injury, DISTRICT shall receive credit against any Workers' Compensation Insurance granted to him, until such leave is exhausted. Payments to the employee will not exceed 100% of regular base pay.
- 15.3 The employer and employee are required to comply with Federal Railroad Administration regulations & Cal-OSHA standards.
- 15.4 The DISTRICT will hold regular quarterly safety meetings pursuant to the Illness and Injury Prevention Program (IIPP), in which Engineer-Conductors and Conductors will have the opportunity to discuss safety matters. The UNION shall appoint an employee representative to the District safety committee. Safety matters should be directed to Dispatch and the closest Supervisor available immediately. Nothing in this MOU prevents an employee from contacting a State or Federal Safety Department.
- 15.5 Efficiency Testing – As required by the Federal Railroad Administration, the District will administer a Program of Operational Tests and Inspections as required per 49 CFR Part 217. All Operational tests will be conducted per the District's Efficiency Testing Program.

ARTICLE 16 - GRIEVANCE PROCEDURE

16.1 DEFINITION

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

16.2 SCOPE

- 16.2.1 Selection appeals, disciplinary action, examination appeals, release from Probationary period, complaints of discrimination, the content of performance evaluations and reviews are not grievable hereunder.
- 16.2.2 A grievance may be filed by an employee or employees on their own behalf, or by the UNION.
- 16.2.3 If it is asserted that the grievance is outside of the scope of procedures or definitions contained herein, such assertion will be evaluated and ruled upon at each step.
- 16.2.4 Disputes concerning the applicability of the Grievance Procedure that persist beyond step 3 may be submitted to step 4, Arbitration, for determination. The Arbitrator will decide the grievability of the issue before taking evidence concerning the merits of the dismissed grievance. If the Arbitrator decides that the dispute is Grievable, the Arbitrator will proceed to consider the merits of the grievance.
- 16.2.5 For the purpose of Article 16 “Working Days” shall be defined as those in a normal, five-day work week, Monday through Friday, excluding Holidays when the Administration is closed.

16.3 GRIEVANCE TIME LIMITS

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

16.4 PROCEDURE

- 16.4.1 The District recognizes that disputes should be resolved at the lowest possible administrative level. The grievance procedure shall be followed in its entirety before further actions are taken to seek resolution to the dispute. When the grievance is filed by a bargaining

unit employee, the grievant may be represented by the UNION representative throughout the grievance process.

16.5 INFORMAL GRIEVANCE

16.5.1 Whenever practicable, a grievance will be promptly resolved by discussion between the employee or shop steward and the supervisor in question, or between the parties if a higher administrative level is involved. The employee will discuss the grievance with a designated grievance supervisor within ten (10) working days of the event giving rise to the grievance, or within ten (10) working days of when the employee knew of or could have reasonably discovered such action or occurrence.

16.5.2 Presentation of an informal grievance will be a prerequisite to the institution of a formal grievance.

16.6 FORMAL GRIEVANCE

16.6.1. STEP 1 - Grievance Form:

16.6.1.1 Within ten (10) working days, if the grievant is not satisfied with the informal response, or he/she has not received a response from the supervisor within a reasonable period of time, the grievant, grievants or the UNION may initiate a formal grievance. A formal grievance shall be initiated by completing and filing a Grievance Form with the Human Resources Department with a copy to the supervisor and the UNION. The form must contain:

- i. Name(s) of grievant;
- ii. Position title(s);
- iii. Department(s);
- iv. Mailing Address(es);
- v. A clear statement of the nature of the grievance, citing applicable rule, regulation, policy or contract language;
- vi. The date upon which the event giving rise to the alleged grievance occurred;
- vii. The date upon which the informal discussion with the supervisor took place;
- viii. A proposed solution to the grievance;
- ix. The date of execution of the Grievance Form

16.6.2. Resolution Process: After filing the Grievance Form with Human Resources, the process for resolving the grievance is as follows:

- i. **STEP 2:** Within fifteen (15) working days after a formal grievance is filed, the Department Manager will investigate the grievance, and meet with the Grievant(s) or the UNION in an attempt to resolve the grievance and make a decision in writing within ten (10) working days of concluding the Step 2 grievance investigation.
- ii. **STEP 3:** If the grievance is not resolved in Step 2 to the satisfaction of the Grievant(s) or the UNION, within ten (10) working days of receipt of the Department Manager’s decision, the Grievant(s) or the UNION may request consideration of the grievance by the General Manager, by notifying the Human Resources Department in writing.
 - 1) Within twenty (20) working days after such notification, the General Manager will investigate the grievance, conferring with person(s) affected to the extent they deem necessary, and will render a decision in writing within ten (10) working days of completing the Step 3 investigation process.
 - 2) If the written decision of the General Manager resolves the grievance to the satisfaction of the UNION, it will bind the District.
 - 3) If the UNION is not satisfied with the decision of the General Manager or has not received a response within the time limits specified in Step 3, the UNION may proceed to Step 4.
- iii. **STEP 4 Arbitration:** Should the matter remain unresolved in Step 3 above, a final consideration of the grievance to Step 4, arbitration, may be filed in writing with the Human Resources Department not more than ten (10) working days from receipt of the General Manager’s decision.
 - 1) The grievance will be determined by an arbitrator.
 - 2) As soon as possible, but no later than twenty (20) working days, after receipt of the Step 4 request for arbitration, the District and the UNION shall select an arbitrator. If the parties are unable to agree upon an

arbitrator, they shall request a list of five (5) names from the State Conciliation and Mediation Services and shall strike names until an arbitrator is selected.

- 3) Both parties will endeavor to submit the grievance to the arbitrator within twenty (20) working days after selection.
- 4) The Arbitrator(s) will neither add to, detract from nor modify or ignore the existing language of any District rules, policies or regulations in considering any issue properly before them. If the arbitrator sustains the grievance, they shall fashion an appropriate remedy that does not conflict with any provisions contained in any District rule, policy or regulation.
- 5) The Arbitrator(s) will expressly confine themselves to the precise issues being raised by the grievance and submitted to them, and will have no authority to consider any other issue not so submitted.
- 6) Any monetary award in favor of the grievant is limited to lost wages or benefits. In no event will the Arbitrator(s) award any other type of monetary award, including, but not limited to, attorney's fees.
- 7) The decision will be final and binding on all parties.

16.6.3 General Considerations

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

- vi. There will be no amendments of a grievance without the approval of both parties in writing.
- vii. Mediation may be used by both parties to assist them in resolving grievances. The decision to utilize mediation will be voluntary. Mediation may be held at any step prior to submission of the final appeal under Step 4 of the grievance procedure.

ARTICLE 17 – DISCIPLINE

- 17.1 The DISTRICT has the right to discipline or discharge employees for just cause. The DISTRICT employs a progressive disciplinary program, which program may include, but is not limited to, counseling, verbal warning, written warning, suspension, and discharge. Disciplinary action may begin at any step in the program depending upon the seriousness of the infraction. The District will notify the employee and the UNION in writing of the commencement of a disciplinary investigation, other than counseling or verbal warning, within ten (10) working days of the District's date of knowledge that the employee may have engaged in misconduct. The District will notify the employee and the Union by mail, email or in-person delivery to arrange an investigatory interview with the employee and his/her Union Representative/Shop Steward if requested.
- 17.2 The causes for which an employee may be disciplined or discharged shall include, but not be limited to, the following:
- 17.2.1 Dishonesty
 - 17.2.2 Insubordination
 - 17.2.3 Intoxication or use of alcoholic beverages or illegal drugs while on duty or on DISTRICT property.
 - 17.2.4 Sexual harassment or other harassment of fellow employees.
 - 17.2.5 Violation of DISTRICT rules or policies.
 - 17.2.6 Violation or non-compliance with federal and state operating rules and regulations, including Federal Railroad Administration rules and regulations.
 - 17.2.7 Violence and/or threats of violence in the workplace.

17.3 The DISTRICT will inform employees and the Union in writing as to the reasons for any formal discipline that includes suspension, demotion or discharge. Disciplinary documents will become part of the employee’s personnel record.

17.3.1 The parties agree that disciplinary records will be excluded for purposes of citation or consideration in future progressive disciplinary action when an employee maintains a discipline-free service record (except warning, counseling and reprimand) for a period of time as follows:

Discipline	Discipline Free Record
Warning, Letter of Counseling or Reprimand	12 Months
Suspension of 5 days or less or equivalent discipline	24 Months
Suspension of over 5 days or equivalent discipline	36 Months

17.3.2 Discipline involving the District’s Drug and Alcohol Policy, an FRA mandated suspension or loss of Part 240 and/or 242 Certification, which is consistent with the terms set forth in 49 CFR 240.117(g)(3), 49 CFR 242.403(e) or any other disciplinary record which SMART is required to preserve under federal or state laws; are not subject to the provisions of this rule.

17.4 Regular employees (those who have completed the Probation Period) claiming that they were unjustly disciplined or discharged may challenge the discipline or discharge through the Discipline policy and procedures set forth in the DISTRICT’s Discipline Policy, HRM-0018, as modified herein HRM-0018 and any modifications thereto are incorporated into this Agreement and are binding on all parties. The Regular employee may be represented by the UNION throughout the disciplinary process. Except as provided in paragraph 17.5, no Bargaining unit employee will be disciplined, suspended or dismissed from the service until a fair and impartial formal investigation has been conducted by the District.

17.5 Except when a serious act or occurrence is involved, or as required by Federal Railroad Administration regulations, a Bargaining unit employee will not be held out of service in disciplinary matters before a formal investigation is conducted. A serious act or occurrence is defined in section 17.2 above.

17.5.1 If a Bargaining unit employee is held out of service before a formal investigation of a non-FRA Regulations violation, the District will put the employee on Administrative Leave of Absence with pay during the investigatory and disciplinary process. Holding a Bargaining unit employee out of service before a formal investigation or paying the

employee for being out of service for less than a serious act or occurrence is not prejudging the employee.

- 17.6 The General Manager's or designee's decision to discipline shall only be appealed by the employee or by the UNION on the employee's behalf to an Arbitrator selected by the Parties.
- 17.6.1 The request for arbitration may be filed in writing with the Human Resources Department not more than fifteen (15) working days from receipt of the General Manager's decision, or the right to appeal the decision is forfeited.
 - 17.6.2 The decision will be resolved by an arbitrator.
 - 17.6.3 As soon as possible, but no later than twenty (20) working days, after receipt of the request for arbitration, the District and the UNION shall select an arbitrator. If the parties are unable to agree upon an arbitrator, they shall request a list of five (5) names from the State Conciliation and Mediation Services and shall strike names until an arbitrator is selected.
 - 17.6.4 Both parties will endeavor to submit the appeal to the arbitrator within twenty (20) working days after selection.
 - 17.6.5 The decision of the arbitrator will be final and binding on all parties.
 - 17.6.6 The Arbitrator(s) will neither add to, detract from nor modify or ignore the existing language of any District rules, policies or regulations in considering any issue properly before them. If the arbitrator sustains the decision, he/she shall fashion an appropriate remedy that does not conflict with any provisions contained in any District rule, policy or regulation.
 - 17.6.7 The Arbitrator(s) will expressly confine themselves to the precise issues being raised by the appeal and submitted to them, and will have no authority to consider any other issue not so submitted.
 - 17.6.8 Any monetary award in favor of the employee is limited to lost wages and benefits suffered measured from the date of the imposed discipline forward. In no event will the Arbitrator(s) award any other type of monetary award, including, but not limited to, attorney's fees.
 - 17.6.9 All expenses of arbitration will be shared equally by the District and the UNION.
 - 17.6.10 Failure on the part of the District or the UNION to appear in any matter before an arbitrator, without good cause, will result in

forfeiture of the matter and responsibility for payment of all costs of arbitration.

17.6.11 Mediation may be used by both parties to assist them in resolving the disciplinary matter. The decision to utilize mediation will be voluntary. Mediation may be held at any step prior to submission of the final appeal to arbitration.

17.7 Revocation of Certification: For matters related to the revocation of engineer and conductor certifications under the Federal Railroad Administration regulations, 49 CFR 240 and 242, the District will comply with the procedures set forth in sections 49 CFR Parts 240 and 242. The District shall have the discretion to consolidate any such revocation hearing with any discipline hearing arising from the same facts.

ARTICLE 18 – LEAVES

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

18.2. HOLIDAYS

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

18.2.2 Paid holidays are as follows:

1. New Year's Day - January 1st
2. Martin Luther King, Jr.'s Birthday, third Monday in January.
3. President's Day, the third Monday in February
4. Memorial Day, the last Monday in May.
5. Independence Day, July 4th.
6. Labor Day, the first Monday in September.
7. Veteran's Day, November 11th.
8. Thanksgiving Day
9. The day following Thanksgiving Day
10. Christmas Day, December 25th.
11. Two (2) Floating Holidays

12. Each day appointed by the Governor of the State of California and formally recognized by the Board of Directors as a day of mourning or other special observance.
- 18.2.3 Floating Holidays. Two eight (8) hour days per year will be deemed as floating holidays, which may be taken at any time during the calendar year in which it is accrued provided a written request is made in advance and the supervisor approves such request in writing. Floating holiday pay will be pro-rated for part-time employees. Employees eligible for floating holidays are regular and Probationary. Floating holiday pay must be taken in increments of eight (8) hours. Floating holiday hours must be used in the year that they are accrued and will not carry over from one calendar year to the next. If an eligible employee does not use their floating holiday hours during the calendar year, one eight (8) hour day will be paid out at the straight time rate following the end of the calendar year. Floating holiday hours are not eligible to be paid out upon separation of employment from the District. New hires hired prior to June 1st of each year will receive two floating holidays. New hires hired between June 1st and August 31st of each year will receive one (1) floating holiday. New hires on or after September 1st will not receive the floating holidays for that year. Supervisor approval is needed prior to scheduling a floating holiday.
- 18.2.4 If in the future, the DISTRICT and UNION agree to establish an Alternative Work Schedule, (i.e. a 4/10 shift), employees whose normally scheduled work shift is greater than 8 hours will receive holiday pay equivalent to the number of hours they are regularly scheduled to work. Holiday pay in excess of eight hours will be paid at the straight time rate. If the Employee actually works on the holiday, hours worked will be paid as specified in District policy HRM-0022.

18.3. VACATION ACCRUAL AND PAY

- 18.3.1 All regular full-time employees are eligible to accrue vacation leave based on hours worked on a maximum forty (40) hour workweek. Part-time employees who work a minimum of 20 hours per week shall accrue vacation on a pro-rata basis. Usage and accrual shall be governed by the same rules and regulations applicable to full time employees. Vacation accrual schedules can be found in District policy HRM-0022 – Leaves.
- 18.3.2 If in the future, the DISTRICT and UNION agree to establish an Alternative Work Schedule, (i.e. a 4/10 shift), employees whose normally scheduled work shift is greater than 8 hours may use accrued vacation pay equivalent to the number of hours they are regularly scheduled to work. Vacation pay in excess of eight hours in one day will be paid at the straight time rate.

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

18.3.4 Additional Vacation Time – To allow for flexibility throughout the year, after the annual bid process been has completed, employees may request additional vacation or compensatory time off as needed. All such requests must be scheduled in advance and receive Supervisor approval. . Such time off requests shall be responded to no later than two weeks after the request is submitted to the supervisor. Responses will include approved, denied or “denied/waitlisted”. It is the employee’s responsibility to follow up on “denied/waitlisted” requests. The District reserves the right to deny additional time off requests due to Operational needs.

18.3.4.1 The District will allow up to three (3) Employees off on vacation at any one time.

18.3.5 Vacation Bid Process

18.3.5.1 The District will conduct annual seniority-based vacation bidding in two rounds. Employees will select time off in one-week increments (40 hours), up to a maximum of two weeks (80 hours) consecutive time off in the first round.

18.3.5.2 Employees who do not bid two consecutive weeks off in the first round, or who accrue vacation at a higher rate based on years of service, may bid on an additional week of time off in the second round of bidding.

18.3.5.3 For the purpose of vacation bidding, a week is defined as a five-day, 40-hour period that the employee is regularly scheduled to work, i.e. Tuesday – Saturday.

18.3.6 Vacation Accrual Chart

Non-exempt Employees Vacation Accrual

Years of Continuous Completed Full-Time Service	Number of Continuous Completed In-Service Hours	Vacation Accrual per 80 In-Service Hours	Annual Total Equivalent Days
0 - 2	0 - 4,160	3.08	10
2 - 3	4,161 - 6,240	3.69	12
3 - 4	6,241 - 8,320	4.00	13
4 - 5	8,321 - 10,400	4.31	14
5 - 10	10,401 - 20,800	4.62	15
10 - 15	20,801 - 31,200	5.85	19
15 - 20	31,201 - 41,600	6.46	21
20 - 25	41,601 - 52,000	7.08	23
More than 25	52,001 or more	7.38	24

18.4. SICK LEAVE ACCRUAL AND PAY

- 18.4.1 Regular full-time and part-time employees are eligible to receive sick pay. Each DISTRICT full-time employee will accrue up to 12 sick days (96 hours) per year, with no limit on accumulation. Regular part-time employees who work at least 20 hours per week are eligible to accrue paid sick leave on a pro-rata basis. In accordance with AB 1522, Article 1.5. Section 246 (b)(1), the minimum sick leave accrual rate for regular part-time employees who work at least 20 hours per week will be one hour per every 30 hours worked. Usage and accrual of said benefits shall be governed by the same rules and regulations applicable to full-time employees. Use of sick leave will be consistent with District policy HRM-0022 Leaves, Section 3, Sick Time Accrual and Pay except as modified herein.
- 18.4.2 If in the future the DISTRICT and UNION agree to establish an Alternative Work Schedule (i.e. a 4/10 shift), employees whose normally scheduled work shift is greater than 8 hours may use accrued sick leave pay equivalent to the number of hours they are regularly scheduled to work. Sick leave used in excess of eight hours in one day will be paid at the straight time rate.

18.5. MEDICAL AND OTHER LEGALLY REQUIRED LEAVES OF ABSENCE

- 18.5.1 Leaves of Absence are periods of time in which an employee is permitted to be away from work without being terminated or considered to have voluntarily resigned. Completion of the Probationary Period is required, except where state or federal laws require otherwise. Examples of circumstances where a leave of absence is appropriate are work-related disabilities, military duty and medical disabilities, (including pregnancy). In instances where the leave occurs during the Probationary Period, the Probationary period is extended by the time an employee is out on a leave. Leaves are generally unpaid time off, unless the employee is eligible for and has accrued time under the sick or vacation plans.
- 18.5.2 The General Manager or designee, on a case-by-case basis, may grant a leave of absence (LOA), depending on the nature of the leave and the business needs at that time. It is the employee's responsibility to maintain contact by phone or in writing, with the Human Resources Department while he/she is on a LOA. The employee must provide documentation supporting the need for the leave (e.g., physician's visit certification) and keep it up-to-date. Any holidays that occur while an employee is on a LOA are not paid unless the use of accrued sick, compensatory and/or vacation time on the day prior to and after the District holiday is used. Vacation and sick time do not accrue during a leave if an employee is in unpaid leave status.
- 18.5.3 All legally required leaves will be administered according to DISTRICT policy HRM-0022 – Leaves. The DISTRICT reserves the right to update this policy as required to comply with changes in State, Federal or local laws. The District will notify the union of any changes. To the extent required by law at the time of any Union request, the District will discuss with the Union the impact of any legally mandated changes as a result of State, Federal or local laws.

18.6 – Critical Incident and Worker's Compensation

- 18.6.1 During the initial three (3) day period of relief from duty tours, train staff directly involved in a critical incident as defined by the District's Critical Incident Stress Plan (CISP) will receive up to three (3) days of paid administrative leave if not cleared to return to work by a SMART contracted psychological provider following a Critical Incident Stress Debriefing.
- 18.6.2 Staff not cleared to return to work by SMART's psychological provider after the initial 3-day period following a critical incident as defined by the CISP

will be eligible to file a worker’s compensation claim through the District’s worker’s compensation insurance provider.

ARTICLE 19 - HEALTH AND LIFE INSURANCE

- 19.1 DISTRICT provides each employee with a comprehensive group insurance plan as outlined in District Policy HRM-0019 Employee Benefits. New employees who work a minimum of 20 hours per week are eligible to participate in District health and welfare benefits on the first day of the month following their date of hire.
- 19.2 Maintenance of Benefits and Premium Sharing – The DISTRICT shall contribute the amounts outlined in APPENDIX A toward health and welfare benefits for the life of this agreement. If Employees elect to enroll in DISTRICT benefit plans, they shall make a premium sharing contribution according to the schedules set forth in APPENDIX A.
 - 19.2.1 Medical Benefits for Retirees/Dependents – Eligibility for medical benefits for retirees/dependents is set per Government Code Section 22892 of the PEMCHA.
- 19.3 At appropriate normal open enrollment periods or other enrollment periods as arranged by the District for initial enrollment, the District's group insurance plans shall be made available to employees covered by this Agreement.
- 19.4 Coordination of Benefits. If an employee and their spouse or other qualified dependent both work for the District, benefits received under group policies will be coordinated with any other Employer-provided benefits an employee or dependent may have. This means an employee and their dependent(s) may not receive double coverage under any plan offered by the District.

ARTICLE 20 - PENSION PLAN

20.1 CalPERS

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

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

20.2 457 Deferred Compensation

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

ARTICLE 21- WAGES

Wages for this Unit of employees as shown below:

21.1 Wages will be effective May 1, 2023, following ratification of the Agreement. Subsequent wage increases will be effective on July 1st of each year through the life of the contract.

Job Class	May 1, 2023 - June 30, 2023	Hourly Wage	July 1, 2023 - June 30, 2024	Hourly Wage	July 1, 2024- June 30, 2025	Hourly Wage	July 1, 2025 - June 30, 2026	Hourly Wage	July 1, 2026 - April 30, 2028	Hourly Wage
Engineer-Conductor	5.00%	\$52.09	3.00%	\$53.65	2%	\$54.73	3%	\$56.37	2%	\$57.50
Engineer Trainee	5.00%	\$44.28	3.00%	\$45.61	2%	\$46.52	3%	\$47.91	2%	\$48.87
Conductor	5.00%	\$43.32	3.00%	\$44.62	2%	\$45.52	3%	\$46.88	2%	\$47.82
Conductor-Trainee	5.00%	\$36.83	3.00%	\$37.94	2%	\$38.70	3%	\$39.86	2%	\$40.66

21.2 A newly hired employee shall receive 85% of the full rate of pay in effect at the time of hire until such employee has successfully completed the training period and has been certified as an Engineer-Conductor and/or Conductor by SMART at which time they will be compensated at the full rate of pay.

21.3 Training Pay – Employees who are tasked with training the Engineer-Conductor/ Conductor Trainees shall receive a flat rate of \$35.00 per workday for each workday that they are training. Only one employee per train will be assigned to conduct training and receive the training pay. SMART management will select employee trainers at its discretion.

ARTICLE 22 – TRANSPORTATION EXPENSE

- 22.1 Transportation Expense: When operating employees are required to travel to assignments outside of their home terminal on other than regular assignment, the District will either provide transportation or authorize the use of the employee's personal vehicle. When so authorized, the employee shall receive compensation per mile equal to the IRS rate then in effect between the ROC and the reporting point and return, and for work-related mileage at the other point.

ARTICLE 23 - UNIFORMS

- 23.1 The DISTRICT will provide uniforms for bargaining unit staff; ten shirts (at least one of which must be long sleeve), eight pants and will provide laundered service for such uniforms. The DISTRICT will also provide two pairs of uniform boots annually.
- 23.2 Personal Protective Equipment, if necessary, will be provided per HRM-0020, Employment Practices.

ARTICLE 24 – LEFT INTENTIONALLY BLANK

ARTICLE 25 - CIVIC DUTY TIME OFF

- 25.1 SMART encourages employees to serve as jurors or witnesses when called. Full-time and part-time regular employees will receive full pay while serving on jury or witness duty. An employee must notify their Supervisor of the need for time off for jury or witness duty as soon as a notice or summons from the court or a subpoena is received. Proof of attendance shall be required when the employee returns to work.
- 25.2 An employee may retain such payment as may be allowed for travel but shall make payable to SMART any and all fees which the employee may receive in payment for service as a juror. Employees are required to provide written verification of having served from the court clerk. If work time remains after any day of jury or witness duty, the employee will be expected to return to work for the remainder of their work schedule.
- 25.3 For positions covered under the FRA Hours of Service law, the employee will not be required to perform any work during the 24-hour period in which the jury duty is served.

- 25.4 Time spent on jury duty service will be considered time worked for purposes of DISTRICT'S contributions to health and welfare, pension plans, vacation eligibility and payment, holidays, and seniority.

ARTICLE 26 - OVERTIME AND WORK SCHEDULES

- 26.1 Overtime compensation will be paid at the rate of one and one-half (1 ½) times the regular rate for all hours worked in excess of eight hours in one day or forty (40) hours worked in a workweek.
- 26.1.2 Hours spent attending Jury Duty do not count toward the number of hours needed before an employee is eligible for overtime compensation.
- 26.2 Employees may elect compensatory time off for any overtime work performed. Compensatory time off is earned at time and one half. Employees may accumulate a maximum of eighty (80) hours of compensatory time off. Once the maximum number of hours has been accrued, the employee shall receive overtime pay as described in Paragraph 26.1. Employees may not elect compensation time off until they fall below the maximum eighty- (80) hour accumulation.
- 26.3 All employees must submit a timesheet indicating hours worked.
- 26.4 If an employee is called back to work after the regular work day having performed at least 8 hours of compensated service on the day involved, he shall be paid a minimum of two (2) hours at the overtime rate. All work beyond the first two (2) hours shall be paid by the hour at the overtime rates.
- 26.5 On the seventh consecutive day worked within the workweek, the first eight (8) hours are paid at one and one-half times their regular rate, and hours worked beyond eight (8) are paid at double their regular rate of pay. For overtime purposes, the workday begins at 12:01 a.m. and ends at midnight. The workweek begins at 12:01 a.m. Monday and ends at midnight the following Sunday for all employees.
- 26.6 Full time employees will receive a minimum of eight (8) hours of pay for each day that they are scheduled to and report for work in a five (5) day, forty (40) hour workweek. Employees who fail to report to work or request to leave the worksite early for personal reasons will use accrued paid leaves to cover the hours not worked.

- 26.7 Employees may receive one on-duty paid meal break when practicable subject to District Operations.
- 26.8 There will be no split shifts for full-time employees during the term of this agreement. A split shift is defined as a District established work schedule that is interrupted by non-paid and non-working time periods. If an employee requests the unpaid time for their own convenience for any reason, then it is not a split shift.

ARTICLE 27 - SHIFT BIDDING AND EXTRA WORK

- 27.1 The DISTRICT will conduct a minimum of three (3) bids per year, at four-(4) month intervals. The bid dates will be in January, in May and in September. The DISTRICT will announce bids electronically, distribute and/or post shift schedules to be bid upon at least fourteen (14) days prior to the day on which the bid/s process will occur.. Bidding will take place one week prior to the effective date of the awarding of the bids.
- 27.2 Employees shall bid shifts according to the bargaining unit seniority order. Seniority lists will be distributed with the bid packet at least fourteen days prior to the day on which the bid process will occur. Assignments- will be made to employees in bargaining unit seniority order from bids submitted prior to the close of an advertisement period. Employees will be given confirmation for bids submitted.
- 27.3 Each employee will submit their bid by seniority order on the first business Monday (i.e. non-holiday) of the month. Employees may submit bids in person, by phone, or by proxy. The District and the Union agree that if the District purchases appropriate software in the future, bids may be submitted electronically. If an employee fails to submit a bid, a UNION representative will bid for them. Bidding will take place one week prior to effective date of the awarding of bids. Final results will be posted in the Rail Operations Center office.
- 27.4 Employees on a leave of absence who will not be able to work at least one (1) month of the bid period will not be permitted to bid, unless the DISTRICT and the UNION mutually agree to permit the employee to bid. If the employee returns to work during the bid period, the DISTRICT will assign the employee to an open shift.
- 27.5 DISTRICT reserves the right to determine staffing levels of daily Engineer-Conductors and Conductors assignments. If a shift becomes open between bidding cycles and the DISTRICT determines to cover all or part of that shift, the coverage of that shift will be as follows: Open assignments (vacancies due to resignation, termination or discipline, leaves of absence

greater than 30 days or schedules not being covered by an Extra Board employee) that the DISTRICT determines need to be filled will be offered for bid to the Extra Board pursuant to bargaining unit seniority. Bids will be offered in writing starting with the most senior Extra Board employee and working to the lowest seniority Extra Board employee. In the event there is no volunteer or interest in bidding for the open assignment(s), the Extra Board Employee(s) with the least amount of bargaining unit seniority on the opposing assignment will be obligated to fill the open assignment.

27.5.1 New assignments, assignments subject to re-advertisement, extra board positions and vacancies, will be advertised for bid **pursuant to Section 27.2.**

27.5.2 Regular assignments will be re-advertised when any of the following permanent changes are made in such assignments:

1. Changing the on duty location.
2. Changing advertised starting time at the on duty location and or tie up time at the end of the assignment, one hour or more
3. Changing the assigned rest days.
4. Changing any run of the assignment to working a different Shift.

27.6 When regular runs, rosters or holiday schedules are rearranged, the local DISTRICT management representative and duly accredited UNION Representative on Site having jurisdiction will meet with the express intent of agreeing to group such assignments consistent with bargaining unit seniority while recognizing the necessity to protect service.

27.7 The UNION shop steward will work with a DISTRICT representative in processing the shift bids. The Superintendent or designee will post copies of all bids submitted each day.

27.8 When the District determines that it is necessary to temporarily reassign an employee to a shift other than their bidded shift, reassignment will be done in inverse seniority order based on availability.

ARTICLE 28 - EMPLOYEE ASSISTANCE PROGRAMS

28.1 The DISTRICT and UNION are committed to protecting the safety, health and well-being of all employees, the public and other individuals in the workplace. The District provides an Employee Assistance Program (EAP) to all Employees as part of its benefits program. In addition, pursuant to

Federal Railroad Administration regulations, the District has developed a Critical Incident Stress Plan compliant with 49 CFR Part 272.

- 28.2 Substance Abuse: As required by District policy and Federal Railroad Administration Regulations, the District has developed a Drug and Alcohol-Free Workplace Policy and 49 CFR Part 219 Compliance Plan. All Employees in the bargaining unit are covered under the provisions of this plan.

ARTICLE 29 - NO STRIKES, WORK STOPPAGES OR LOCKOUTS

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

ARTICLE 30 – ACCESS TO NEW HIRE INFORMATION

- 30.1 The DISTRICT will notify the UNION of all new hires at least ten days prior to the new employee's start date. If a bargaining unit member's first day of work begins less than ten days after the date the employee is hired, the 10-day notice requirement will be reduced and the District will provide as much advance notice as reasonably possible. All new hires will receive a new employee orientation on their first day of employment. The DISTRICT agrees to allocate a thirty (30) minute timeframe during the new hire orientation schedule for UNION representatives to meet with the new employee(s). A UNION representative will contact a representative of the District's human resources department at least twenty-four hours in advance of the new hire orientation date to arrange a time to meet with the new employee during the orientation process. If UNION does not wish to send a representative to the new hire orientation, they may provide written materials to the DISTRICT Human Resources Department which will be provided to the new employee.
- 30.2 To the extent required by Government Code Section 3558, the District will provide the Union with a list of names and contact information (listed below if on file) for any newly hired bargaining unit member within 30 days of the date of hire or by the first pay period of the month following hire. The District will also provide the Union a list of all bargaining unit member names and contact information on the last working day of September, January, and May. The information will include the following information except for any information subject to exclusion pursuant to Government Code Section 6254.3(c):

- Employee name,
- Job title,
- Department,
- Work location,
- Home address, and
- Work, home and personal telephone numbers and personal email addresses on file.

Each month, the Union will provide the District with a list of the names of all current bargaining unit members who are and who are not Union members.

ARTICLE 31 - TERM OF AGREEMENT

31.1 Upon both Parties ratification of this agreement, this Agreement shall become effective May 1, 2023 and remain in effect for five years from that date up to and including April 30 , 2028, and thereafter shall automatically be renewed from year to year unless either party shall give notice in writing to the other party at least one hundred and twenty (120) days prior to the end of the initial term of a desire to amend, modify, or terminate this Agreement. If such notice or notices are not given, the Agreement shall be deemed to be renewed for the succeeding year.

IN WITNESS WHEREOF, the duly authorized representatives of the parties hereto, having met and conferred in good faith, have caused their names to be subscribed this 3rd day of May 2023.

FOR THE DISTRICT

FORTHE UNION

APPROVED

RATIFIED

Eric Lucan
Chair, Board of Directors

Carl Carr
Chief Negotiator
Operating Engineers Local 3

Attest Leticia Rosas-Mendoza
Clerk of the Board

SMART NEGOTIATORS

Diane O'Malley, Chief Negotiator

Lisa Hansley
SMART Human Resources

UNION NEGOTIATORS

Christopher Green
Employee Negotiator

Timothy Dulin
Employee Negotiator

APPENDIX A**SMART EMPLOYER/EMPLOYEE MONTHLY BENEFIT PREMIUM CONTRIBUTIONS
EFFECTIVE May 1, 2023**

Benefit Type	Employer Share	Employee share
Medical	85%	15%
Dental	80%	20%
Vision	100%	0%
Long Term Disability	100%	0%
Group Term Life	100%	0%
EAP	100%	0%
Additional Life	0%	100%
Dependent Life	0%	100%
Short Term Disability	0%	100%

APPENDIX B

DEFINITIONS

Only to be applied to this agreement

District, SMART all interchangeable and stand for Sonoma Marin Area Rail Transit District.

Employee, Engineer-Conductor, Conductor are interchangeable and stand for any employee covered by this agreement employed at SMART as an Engineer-Conductor, Conductor, Engineer-Conductor Trainee, or Conductor Trainee.

Exclusive Bargaining Representative, Local 3, Operating Engineers, Operating Engineers Local 3 are interchangeable and stand for Operating Engineers Local 3, AFL-CIO.

Home location means home terminal.

Trainee is any employee training to be a conductor and/or engineer-conductor.

Efficiency and operational testing as defined by 49 CFR part 217 are interchangeable.

Job Classes: Conductor, Engineer-Conductor (~~and~~ dual certified), Engineer-Conductor trainee, Conductor trainee.

Basic Day – 8 times hourly rate.

He, she, him, her, his, reference all genders.

The Shift Bid process describes the selection of assignments by employees by seniority based on the posted bidding documents.



Eric Lucan, Chair
Marin County Board of Supervisors

May 3, 2023

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

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

Kate Colin
Transportation Authority of Marin

SUBJECT: Fiscal Year 2024 Draft Budget Workshop

Chris Coursey
Sonoma County Board of Supervisors

Dear Board Members:

Rachel Farac
Transportation Authority of Marin

RECOMMENDATION:

Discuss the Draft Fiscal Year 2024 Budget

Debora Fudge
Sonoma County Mayors' and
Councilmembers Association

SUMMARY:

Input is being solicited on information that is being presented for the draft FY 2023/2024 budget. Staff will present information regarding the components of the FY 2023/2024 budget and how they support implementation of SMART's objectives and strategies.

Patty Garbarino
Golden Gate Bridge,
Highway/Transportation District

Barbara Pahre
Golden Gate Bridge,
Highway/Transportation District

Very truly yours,

Gabe Paulson
Marin County Council of Mayors and
Councilmembers

/s/

David Rabbitt
Sonoma County Board of Supervisors

Heather McKillop
Chief Financial Officer

Chris Rogers
Sonoma County Mayors' and
Councilmembers Association

Attachment(s): Presentation Fiscal Year 2024 Draft Budget

Mary Sackett
Marin County Board of Supervisors

Eddy Cumins
General Manager

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

FY 2023/2024 Budget Workshop

May 3, 2023

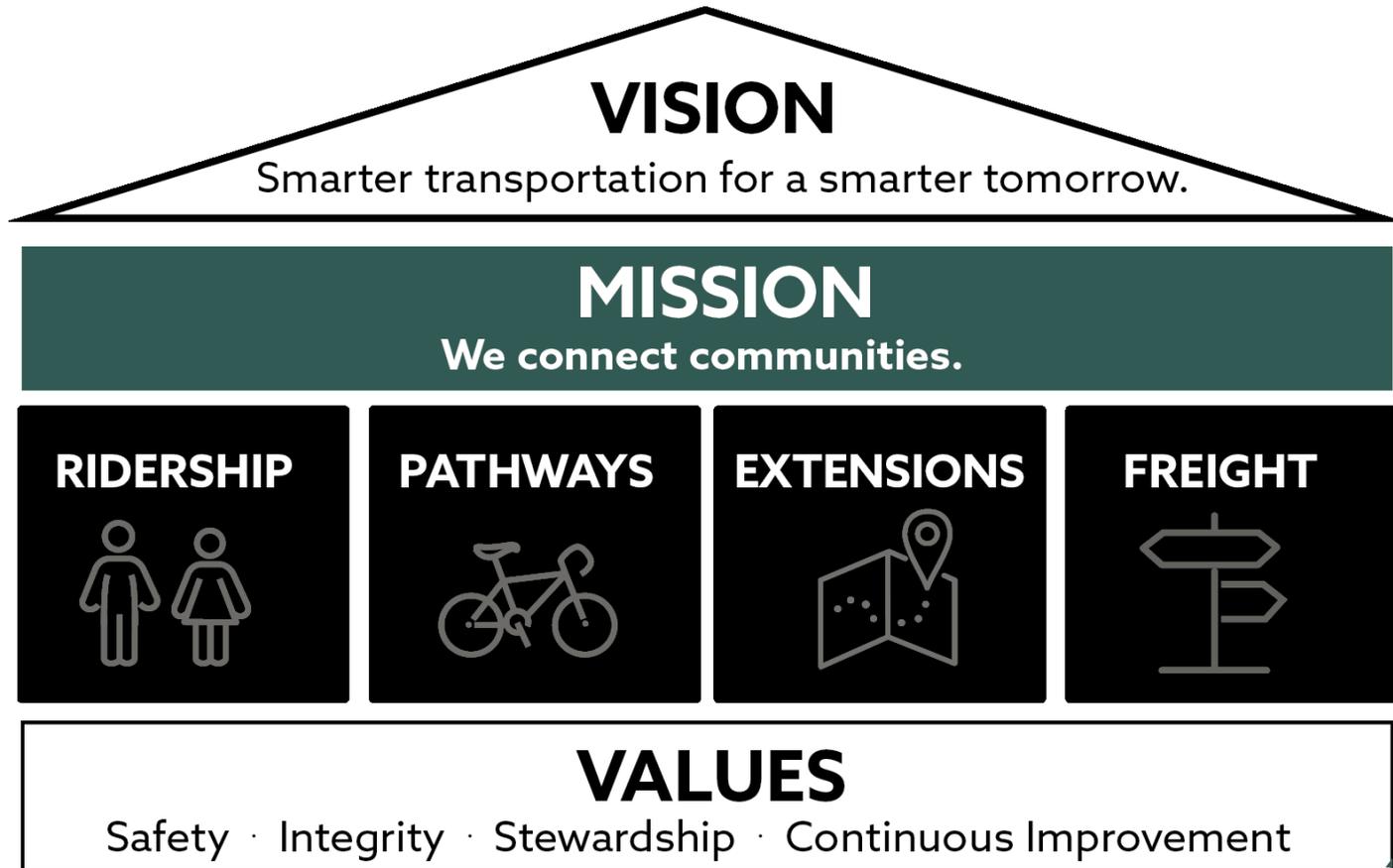


Contents

- Vision and Mission
- Objectives and Strategies
- Revenues – Passenger
- Expenditures – Passenger
- Revenues – Freight
- Expenditures – Freight
- Next Steps

Vision and Mission

Vision and Mission



Strategies - Ridership

- Implement Micro-transit Pilot Program at the Airport Station
- Additional Evening Service
- Additional Event Service Based on Demand
- Work with Transit Providers to improve Bus/Ferry Connections
- Allow Overnight Parking at SMART P-n-R Lots
- Reprice Monthly Pass for 3-Day Work Week
- Implement Aggressive Marketing Plan
- Pursue Grant for Quality-of-Life Study
- Free K-12 Summer Program
- Public Information Display Signs at Platforms
- Closely Monitor System/Ridership and Adjust as Necessary

Strategies - Pathways

- Construct funded segments of the Pathway
- Continue to design and permit pathways
- Publish updated Pathway maps
- Develop and implement wayfinding program

Strategies - Extensions

North Extension to Cloverdale:

- Design and Build Portions that are Funded
- Continue to Seek Federal and State Capital Grants

East/ West:

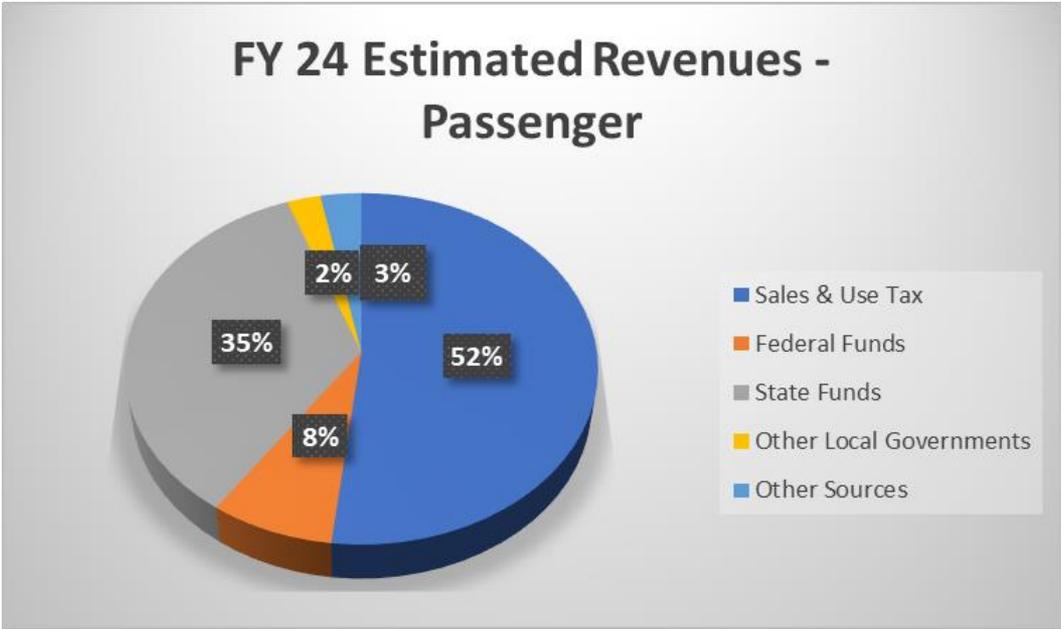
- Continue participation in Highway 37 corridor activities
- Work with partners to incorporate rail into the project
- Complete Caltrans rail service plan analysis
- Partner with Caltrans and FRA Corridor ID Program through SMART East-West project development and subsequent phases

Strategies - Freight

- Increase annual revenue by \$500,000+
- Decrease expenditures by \$100,000+
- Secure funding for capital/ SGR improvement (\$8.2 million)
- Market freight and storage opportunities at SMART
- Leverage storage track at Schellville and Burdell
- Promote transload opportunities at Victory Station (Schellville)
- Acquire new business
- Examine freight tariffs and consider increasing fees
- Reduce car hire fees
- Manage maintenance requirements
 - Bridges, tracks, crossings, equipment, etc.

Revenues - Passenger

Estimated Revenues – FY 2024

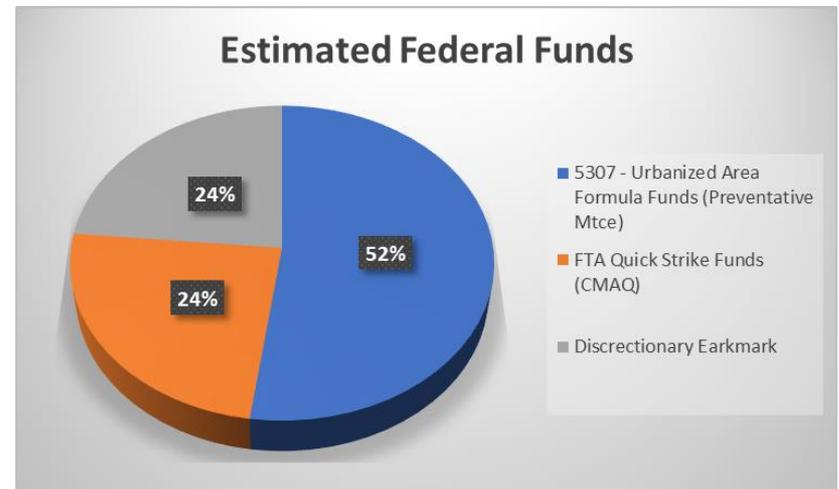


Revenues – Sales and Use Tax

- Current Forecast FY 24 - \$51,103,000
 - FY 23 Forecast was \$51,090,000
 - Flat for FY 24
 - Reflects slowing in the economy
- Previous Growth Rates
 - FY 21 – 12.9%
 - FY 22 – 11.5%
 - FY 23 – 4.1%
- Recession Scenario
 - \$49,148,000 decrease of 3.8% or \$1.95 million

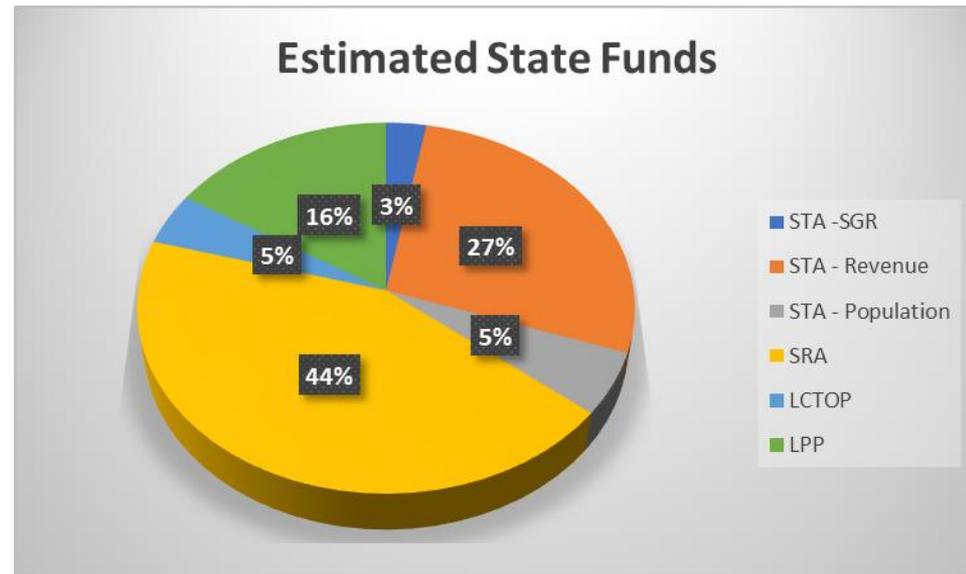
Revenues - Federal

- 5307 – Urbanized Area Formula Funds
 - Utilized for preventative maintenance - \$3,997,642
- FTA / Quick Strike Funds
 - Pathway - \$1,857,999
- Discretionary Earmark
 - Windsor to Healdsburg - \$1,800,000



Revenues - State

- STA – State of Good Repair
 - \$330,712
- STA – State Transit Assistance
 - \$3,170,013
 - Revenue Based
- STA – State Transit Assistance
 - \$629,067
 - Population Based
- SRA - State Rail Assistance
 - \$5,026,754
- LCTOP- Low Carbon Transit Operating
 - \$520,218
- LPP – Local Partnership Program
 - \$1,857,999



Revenues – State – Project Specific

- Windsor Extension
 - AHSC – Affordable Housing & Sustainable Communities
 - Total grant \$5,000,000
 - FY 24 - \$1,093,230
 - SCC – Solutions for Congested Corridors
 - Grants to be announced in June
 - \$30,000,000 requested
 - \$6,559,379 budgeted in FY 24
 - ITIP – Interregional Transportation Improvement Program
 - \$10,000,000 awarded
 - \$2,186,460 budgeted in FY 24
- Windsor to Healdsburg
 - RM3 – Regional Measure 3
 - \$40,000,000 available
 - \$3,200,000 budgeted in FY 24

Revenues – State – Project Specific

- Petaluma North Station
 - TIRCP – Transit and Intercity Rail Capital Program
 - \$9,521,187 total grant
 - \$3,546,955 budgeted in FY 24
- McDowell Crossing
 - TIRCP – Transit and Intercity Rail Capital Program
 - \$578,813 available and budgeted in FY 24
- Sonoma County Pathway
 - ATP – Active Transportation Program
 - \$10,756,925 total grant
 - \$5,210,927 budgeted in FY 24

Revenues – State – Project Specific

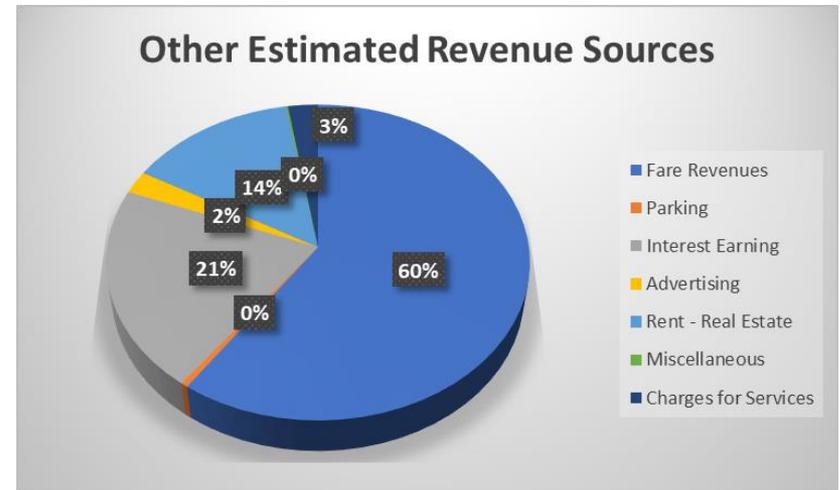
- Quality of Life and Economic Impact Assessment
 - RMRA – Road Maintenance and Repair Act
 - \$400,000 grant pending announcement in June 2023

Revenues – Local Governments –Project Specific

- Petaluma North Station
 - City of Petaluma
 - \$2,000,000 all budgeted in FY 24
 - Sonoma County Transportation Authority
 - Measure M \$2,000,000 total
 - \$480,108 budgeted in FY 24
 - \$1,519,892 budgeted in FY 23

Revenues – Other SMART Sources

- Fare Revenues
 - \$1,803,384
 - Based on ridership of 653,400 & average fare of \$2.76
- Parking
 - \$15,000
 - Estimate for overnight parking
- Interest
 - \$627,926
- Advertising
 - \$70,000
- Leases
 - \$423,721
- Miscellaneous
 - \$5,659
- Charges for Service
 - \$75,637

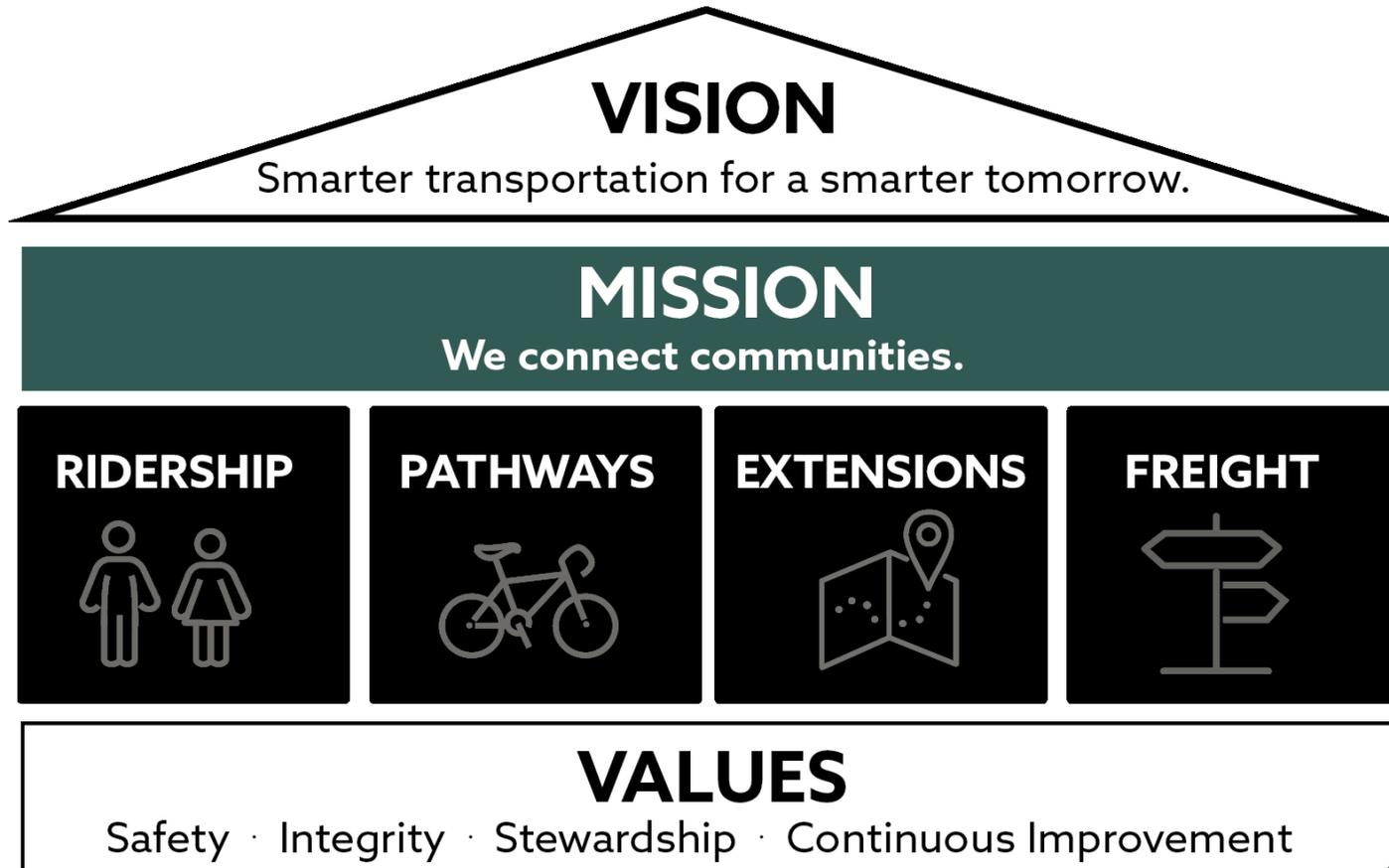


Expenditures - Passenger

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4 Pillars



Ridership

Revenue Impacts

- ✓ Allow Overnight Parking at SMART P-n-R Lots
- ✓ Reprice Monthly Pass for 3-Day Work Week
- ✓ Free K-12 Summer Program

Expenditures

- ✓ Implement Micro-transit Pilot Program at the Airport Station
 - Budgeted \$500,000 for first & last mile
- ✓ Implement Aggressive Marketing Plan
 - Increased budget by \$25,000
 - Website upgrade & redesign - \$150,000
- ✓ Quality of Life & Economic Impact Assessment
 - \$400,000 grant pending
- ✓ Public Information Display Signs at Platforms
 - Budgeted \$250,000
- ✓ Additional Evening Service
- ✓ Additional Event Service Based on Demand

Expenditures - Ridership

- Convert One (1) Signal Technician Position to a Vehicle Maintenance Supervisor
 - 24/7 with three (3) shifts
 - Currently have shifts that are not covered
- Three (3) New Engineer/ Conductor Positions
 - Will be used as flex positions
 - Will allow us to continually recruit and limit the impact of vacancies in this area
- Bike Locker Upgrades
 - \$16,000
- Fare collection fee increases - \$216,000 up 10%
 - Increased ridership
 - Implementation of Clipper 2
- Customer Service Support Software
 - \$4,500
- EV Charging Stations at San Marin and Hamilton
 - \$150,000

Pathways

- ✓ Construct funded segments of the Pathway
 - McGinnis to Smith Ranch Pathway - \$4,835,333
 - Hannah Ranch to Vintage Way Pathway - \$246,466
 - Guerneville Road to Airport Blvd Pathway - \$1,429,430
 - Sonoma County Pathways - \$6,513,660

- ✓ Continue to design and permit pathways
 - Marin-Sonoma Pathways - \$1,603,744
 - Marin Pathways - \$4,098,301
 - Puerto Suello to San Pedro Road - \$708,277

- ✓ Develop and implement wayfinding program
 - Fabrication and Installation \$150,000

Extensions

- ✓ Santa Rosa to Windsor
 - \$10,000,000

- ✓ Windsor to Healdsburg
 - \$5,000,000

- ✓ Petaluma North Station
 - \$6,027,063

- ✓ McDowell Crossing
 - \$778,141

Expenditures – Pathways and Extensions

- Administration
 - One (1) New Procurement Position
 - Senior Buyer
- Engineering
 - Convert one (1) position from Associate Engineer to Assistant Engineer (Existing position)
 - One (1) New Assistant Engineer
 - One (1) New Junior Engineer

Efficiencies

- CDL and Hi-Rail Inspection Training
 - \$18,500
- Software
 - Oracle Projects & Grants Implementation & Licenses
 - One time implementation \$200,000
 - Ongoing licenses \$82,000

Compliance

- Operations
 - One (1) New Parts Clerks
 - Currently have two (2) positions
 - Based on workload
 - One (1) New Inventory Manager/ Asset Management Specialist
 - Need centralized point of contact for purchasing, inventory, and asset tracking
- EEO consultant – Plan update required

Other Capital and State of Good Repair

- Track, MOW, & Facilities
 - \$545,300
- Non-Revenue Vehicles
 - Price Increases FY 24 - \$159,000
 - Advance FY 25 - \$530,000
- Equipment
 - \$69,500
- Information Technology
 - \$235,400
- DMUs
 - \$1,785,000

Expenditures – Salaries and Benefits

- Pay Increases
 - Represented Employees
 - Consistent with CBAs
 - Non-Represented Employees
 - 3% COLA effective 1st full pay period in July (July 28th Pay Day)
- Benefits
 - Overall Increase of 10%
 - Formalize Tuition Reimbursement
 - Up to \$2,500 per year/ employee
- Classification and Compensation Study
 - Still finalizing results
 - Expectation of title changes and limited classification changes

Expenditures – Services & Supplies

- Utilities
 - Increased by 7%
 - \$775,520 to \$830,120
- Insurance
 - Increase by 18%
 - \$2,361,764 to \$2,795,395

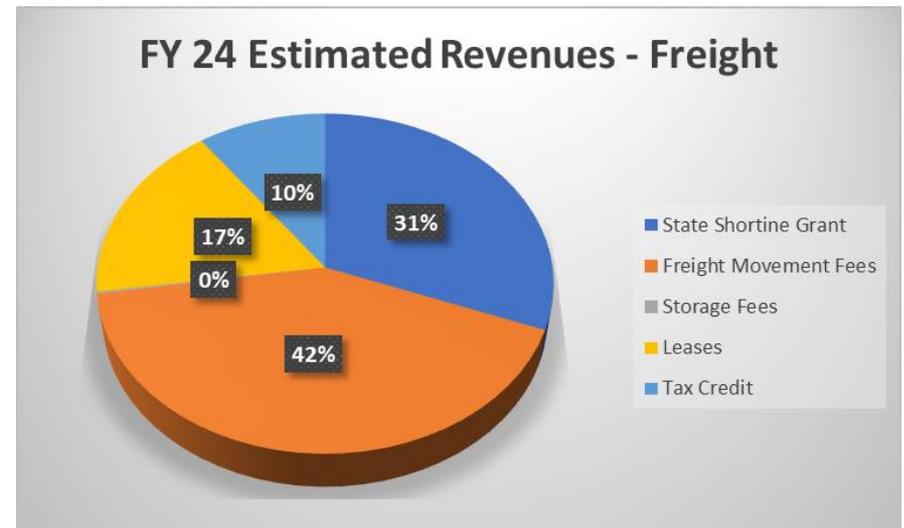
Revenues - Freight

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Revenues

Revenues	
State Shortline Grant	\$ 740,000
Freight Movement Fees	\$ 1,000,000
Storage Fees	\$ 4,800
Leases	\$ 415,000
45(g) Tax Credit	\$ 239,190
Total Revenues	\$ 2,398,990



Strategies - Freight

In Progress

- Increase annual revenue by \$500,000+
 - State Short-line Grant is still pending approval
 - \$1,249,000
 - 50% match
 - Expecting \$1,307,711 in revenues to roll-forward from FY 23
- Secure funding for capital/ SGR improvement (\$8.2 million)
- Market freight and storage opportunities at SMART
- Leverage storage track at Schellville and Burdell
- Promote transload opportunities at Victory Station (Schellville)
- Acquire new business
- Examine freight tariffs and consider increasing fees

Expenditures - Freight

Expenditures

- ✓ Decrease expenditures by \$100,000+
 - Decreased by \$335,000
- ✓ Manage maintenance requirements
 - Bridges, tracks, crossings, equipment, etc.
- Reduce car hire fees
 - Still working on

Account Description	FY 24 Requested Budget
Cost Allocation - Salaries & Benefits	\$ 59,975
Insurance	\$ 73,704
Maintenance of Equipment	\$ 33,250
Maintenance of Radios	\$ 2,034
Maintenance of Signals	\$ 15,000
Maintenance of Revenue Vehicles	\$ 95,000
Maintenance of Facilities	\$ 25,000
Maintenance of Railway	\$ 60,000
Training & Travel Expense	\$ 10,000
Permits/ Fees	\$ 110,000
Rental/ Leases - Equipment	\$ 55,000
Mileage Reimbursement & Auto Tolls	\$ 2,500
Contract Services - Administrative	\$ 223,206
Communications	\$ 15,000
Uniform Expense	\$ 5,000
Fuel and Lubricants	\$ 115,000
Memberships	\$ 1,000
Miscellaneous Expense	\$ 102,500
Small Tools and Equipment	\$ 15,000
Computer Software	\$ 33,640
Utilities	\$ 15,000
Cost Allocation - Services & Supplies	\$ 104,120
	\$ 1,170,929

Projects

Working on highest priority improvements:

Account Description	FY24 Requested Budget
Brazos Branch - Phase II	\$ 440,000
Tie Replacement	\$ 50,000
Grade Crossing Repair	\$ 100,000
	\$ 590,000

Next Steps

Next Steps

- Incorporate Feedback as Appropriate from Workshop
- BoD meeting on May 17th
- Draft Budget Published for Public Review
- COC meeting on May 24th
- Incorporate comments
- Present Budget for BoD Approval June 21st

Connect with us:

www.SonomaMarinTrain.org



Customer Service:

CustomerService@SonomaMarinTrain.org

(707) 794-3330

