



**BOARD OF DIRECTORS
REGULAR MEETING AGENDA
MAY 20, 2026 - 1:30 PM**

Members of the public who wish to attend in person may do so at:

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/85410509881?pwd=pButHwakIVNRUQA9u5YBDy0fHXFD2h.1>

Webinar ID: 854 1050 9881; Passcode: 971474

TELECONFERENCE

Members of the public wishing to participate via teleconference can do so by dialing in the following number the day of the meeting: (669) 900-9128; Access Code: 854 1050 9881; Passcode: 971474.

WATCH THE BOARD MEETING VIA LIVESTREAM

View the live broadcasts of Board meetings online at: <https://www.sonomamarintrain.org/meetings>

To view the meeting, select "View Event" at the time of the meeting.

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 Board@SonomaMarinTrain.org by 5:00 PM on Tuesday, May 19, 2026

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 DIRECTORS
REGULAR MEETING AGENDA
MAY 20, 2026 – 1:30 PM**

Members of the public who wish to attend in person may do so at:

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

1. Call to Order
2. Approval of the Board Meeting Minutes
 - a. April 15, 2026 Regular Meeting
 - b. May 6, 2026 Budget Workshop
3. Board Member Announcements
4. General Manager's Report
5. Public Comment on Non-Agenda Items

Consent Calendar

- 6a. Accept Monthly Ridership Report –April 2026
- 6b. Approve Monthly Financial Status Report – March 2026
- 6c. Determine there is a continued need for emergency repairs to the Black Point Bridge and approve Contract No. FR-BB-25-002.
- 6d. Adopt Resolutions 2026-07, 2026-08, 2026-09, 2026-10, 2026-11 and 2026-12 authorizing the filing of annual applications for funding.
- 6e. Adopt Resolution No. 2026-13 of The Board of Directors of the Sonoma-Marin Area Rail Transit District Authorizing HdL to Examine Sales and Use Tax Records.

Regular Calendar

7. Adopt Resolution No. 2026-14 to make various changes to the Fiscal Year 2025/2026 Adopted Budget - Amendment #10 – *Presented by Chief Financial Officer, Heather McKillop*
8. Authorize the General Manager to award Agreement of Contract No. IT-PS-26-002 with ZProcis Solutions, Inc. dba ZPro Solutions, *presented by Inventory and MMS Manager, Kent Patty,*
9. Consider authorizing the General Manager to execute the Construction and Maintenance Agreement with Caltrans for the State Route 37 at-grade crossing, *presented by Chief Engineer, Bill Gamlen*

10. Draft Budget FY 27, *Presented by Budget and Finance Manager, Claire Springer*

Public Hearing

11. Assembly Bill (AB) 2561: Status of Vacancies, Recruitment and Retention, *presented by Human Resources Manager, Lisa Hansley*
12. Next Board of Directors Meeting, June 17, 2026 – 1:30 PM – 5401 Old Redwood Highway, 1st Floor, Petaluma, CA 94954
13. Adjournment

ACCOMMODATIONS:

Public participation is solicited without regard to race, color, national origin, age, sex, gender identity, religion, disability or family status. Upon request, SMART will provide for written agenda materials in appropriate alternative formats, or make disability-related modification or other accommodation, to enable individuals to participate in and provide comments at/or related to public meetings. To request a modification, accommodation, service, or alternative format, 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 may be submitted to the Clerk of the Board by email at board@sonomamarintrain.org or by phone at (707) 794-3330. Requests can also be made by mail to SMART, 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.



**BOARD OF DIRECTORS
REGULAR MEETING MINUTES
APRIL 15, 2026 - 1:30 PM**

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

1. Call to Order [03:41 Minutes Mark on the Video Recording]

Chair Coursey called the meeting to order at 1:30PM.

Directors Colin and Paulson requested remote participation to utilize SB707 Just Cause, Cal. Gov't Code sec. 54953.8.3 (c)(4 & 6).

Chair Coursey, Vice Chair Sackett and Directors Colin, Garbarino, Jacobs, Kelley, Pahre, Paulson, and Rabbit were present. Directors Lucan, Cader Thompson and Fleming were absent.

2. Approval of the ~~February~~ March 18, 2026 Board Meeting Minutes [05:09 Minutes Mark on the Video Recording]

A correction was made to the language in the agenda. Agenda should reflect March, but published with the word "February." Board approved the correction.

Motion: Vice Chair Sackett moved to approve the March 18, 2026 minutes and was seconded by Director Colin. The motion carried 9-0-0-3, with Directors Cader Thompson, Fleming and Lucan absent.

3. Board Member Announcements [06:51 Minutes Mark on the Video Recording]

Directors Kelley, Rabbitt and Chair Coursey spoke.

4. General Manager's Report [12:03 Minutes Mark on the Video Recording]

General Manager Cumins provided a PowerPoint presentation, which is posted on SMART's website. Highlights included:

- Huge Win Announcement
- Ridership Report
- Transit App Transition for Rider Alerts
- Butter & Eggs Day
- Healdsburg Groundbreaking
- Bike to Whenever Day
- SRJC Event

- Highlights of the Month

Directors Kelley and Paulson spoke.

5. Public Comments on Non-Agenda Items [23:15 Minutes Mark on the Video Recording]

Mike Huber
Adina flores
Rosemary Olson
Andrew Forchini
Jenny Scott
Mike Pechner

6. Consent Calendar [35:58 Minutes Mark on the Video Recording]

- 6a. Receive Monthly Ridership Report –March 2026
- 6b. Receive Monthly Financial Status Report – February 2026
- 6c. Determine there is a continued need for emergency repairs to the Black Point Bridge and approve Contract No. FR-BB-25-002.

Public Comment:

None

MOTION: Director Garbarino moved to approve the Consent Calendar Items, 6a thru 6c and was seconded by Director Kelley. The motion carried 9-0-0-3, with Directors Cader Thompson, Fleming and Lucan absent.

7. Adopt Resolution No. 2026-06 to make various changes to the Fiscal Year 2025/2026 Adopted Budget - Amendment #9 – *Presented by Chief Financial Officer, Heather McKillop* [37:20 Minutes Mark on the Video Recording]

Public Comments:

None

MOTION: Vice Chair Sackett moved to Adopt Resolution No. 2026-06 to make various changes to the Fiscal Year 2025/2026 and was seconded by Director Pahre. The motion carried 9-0-0-3, with Directors Cader Thompson, Fleming and Lucan absent.

8. Authorize the General Manager to Award Three (3) Agreements for the Supply and Delivery of Fuel and Diesel Exhaust Fluid, *presented by Vehicle Maintenance Manager, Jessie McDermott* [39:56 Minutes Mark on the Video Recording]

Chair Coursey Spoke.

Heather McKillop answered a question.

Public Comments:
None

Motion: Director Rabbitt moved to Authorize the General Manager to Award Three (3) Agreements for the Supply and Delivery of Fuel and Diesel Exhaust Fluid and was seconded by Director Kelley. The motion carried 9-0-0-3, with Directors Cader Thompson, Fleming and Lucan absent.

9. Authorize the General Manager to award Agreement No. IT-PS-25-003 with Portola Systems, Inc. for ongoing management and maintenance support of the SMART Station Network. *Presented by Information Systems Manager, Bryan Crowley*
[42:27 Minutes Mark on the Video Recording]

Public Comments:
None

MOTION: Director Rabbitt moved to Authorize the General Manager to award Agreement No. IT-PS-25-003 with Portola Systems, Inc. for ongoing management and maintenance support of the SMART Station Network and Director Kelley seconded. The motion carried 9-0-0-3 with Directors Cader Thompson, Fleming and Lucan absent.

Closed Session **[45:04] Minutes Mark on the Video Recording]**

10. Conference with Labor Negotiator Eddy Cumins, General Manager pursuant to California Government Code Section 54957.6
Agency Designated Representative: General Manager
Unrepresented employees
11. Conference with Legal Counsel regarding existing litigation pursuant to California Government Code Section 54956.9(a) Number of cases: Four (4)
 - Dennis Muelrath, et al. v. Sonoma-Marín Area Rail Transit District (SMART) - Superior Court of California, County of Sonoma - SCV-271787
 - Behnam H. Arshi v. SMART -- Superior Court of California, County of Sonoma -- 25CV07566
 - SMART v. Dennis Muelrath - Superior Court of California, County of Sonoma -- 25CV06592
 - SMART v. Ellen Pauli et al. - Superior Court of California, County of Sonoma -- 25CV06571
12. Report Out Closed Session **[47:03] Minutes Mark on the Video Recording]**
No reportable action

13. **Budget Workshop** - Next Board of Directors Meeting **May 6, 2026** – 1:30 PM
5401 Old Redwood Highway, 1st Floor, Petaluma, CA 94954

Regular Meeting - Next Board of Directors Meeting, **May 20, 2026** – 1:30 PM
5401 Old Redwood Highway, 1st Floor, Petaluma, CA 94954

14. Adjournment – Meeting adjourned at 3:42PM

Respectfully submitted,

/s/

Kyreen Jorgensen
Clerk of the Board

Approved on:

DRAFT



**BOARD OF DIRECTORS
BUDGET WORKSHOP MEETING MINUTES**

May 6, 2026 - 1:30 PM

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

1. Call to Order [\[00:42 Minutes Mark on the Video Recording\]](#)

Chair Coursey called the meeting to order at 1:33PM.

Director Kelley requested remote participation to utilize SB707 Just Cause, Cal. Gov't. Code sec. 54953.8.3 (c)(2).

Chair Coursey, and Directors Cader Thompson, Garbarino, Kelley, Pahre and Paulson were present. Directors Colin, Fleming, Jacobs and Rabbit were absent.

Director Lucan arrived at 1:37PM and Vice Chair Sackett arrived at 1:39PM.

2. Board Member Announcements [\[02:00 Minutes Mark on the Video Recording\]](#)

Director Cader Thompson spoke.

3. Public Comments on Non-Agenda Items [\[02:31 Minutes Mark on the Video Recording\]](#)

None

4. Conduct Fiscal Year 2026/2027 Draft Budget Workshop (Discussion) – Presented by Budget and Finance Manager, Claire Springer [\[03:51 Minutes Mark on the Video Recording\]](#)

Chair Coursey, Vice Chair Sackett and Directors Lucan, Pahre and Paulson asked questions and made comments on the FY27 budget.

Public Comment:

None

Regular Meeting - Next Board of Directors Meeting, **May 20, 2026** – 1:30 PM

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

5. Adjournment – Meeting adjourned at 2:45PM

Respectfully submitted,

/s/

Kyreen Jorgensen
Clerk of the Board

Approved on:



Sonoma-Marín Area Rail Transit
5401 Old Redwood Hwy, Suite 200
Petaluma, CA 94954

P: 707-794-3330
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W: www.SonomaMarinTrain.org

BOARD OF DIRECTORS

Chris Coursey, Chair
Sonoma County Board of Supervisors

Mary Sackett, Vice Chair
Marin County Board of Supervisors

Janice Cader Thompson
Sonoma County Mayors' and
Councilmembers Association

Kate Colin
Transportation Authority of Marin

Victoria Fleming
Sonoma County Mayors' and
Councilmembers Association

Patty Garbarino
Golden Gate Bridge,
Highway/Transportation District

Ariel Kelley
Sonoma County Mayors' and
Councilmembers Association

Eric Lucan
Marin County Board of Supervisors

Kevin Jacobs
Transportation Authority of Marin

Barbara Pahre
Golden Gate Bridge,
Highway/Transportation District

Gabe Paulson
Marin County Council of Mayors and
Councilmembers

David Rabbitt
Sonoma County Board of Supervisors

GENERAL MANAGER
Eddy Cumins

May 20, 2026

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

SUBJECT:

Dear Board Members:

RECOMMENDATIONS:

Receive the April 2026 Ridership Report

SUMMARY:

We are presenting the monthly ridership report for activity for the month of April 2026. This report shows trends in ridership for SMART by tracking Total riders, Average Weekday riders, and Average Saturday riders, Average Sunday/Holiday riders, as well as bicycles and mobility devices on board the trains. The report also includes total users counted on the SMART Pathway for the month, and total riders on the SMART Connect shuttles.

With the transition to the Automatic Passenger Counter (APC) in October 2022, SMART has a highly accurate method of tracking boardings and alightings at stations that does not depend on manual counts by the conductors. The APC system has been tested and validated at a 99% accuracy level and has been certified for passenger count use by the Federal Transit Administration (FTA); the system was revalidated and recertified by FTA in June 2025. Both APC-based ridership and fare-based collection rider counts are shown in the attached report to give a full picture of ridership. APC-based ridership captures all riders, including riders with passes who neglect to tag on or off, riders who fail to activate their mobile app tickets, as well as free-fare riders.

This report compares the most recent month to the same month during the prior year, as is standard industry practice for tracking trends over time. These reports also note relevant details associated with fare program discount usage and trends in riders bringing bicycles onboard as well as riders who use mobility devices.

SMART's ridership data through April 2026 is posted on the SMART website (<https://sonomamarintrain.org/RidershipReports>).

FISCAL IMPACT:

None.

Sincerely,

/s/
Zoe Unruh
Planning Manager

Attachment: 1. Monthly Ridership Report – April 2026

APRIL 2026 SMART RIDERSHIP REPORT

SMART Ridership Report
Board of Directors,
May 20, 2026

April 2026 saw an increase in ridership from the previous month, with average weekday ridership at 4,926, up 6% from March and up 28% over April 2025. Average Saturday and Sunday ridership increased by 29% and 18%, respectively, from the previous month, and increased 32% and 52%, respectively, over April 2025. Total monthly ridership was 133,860 up 30% over April 2025 and 122% over April 2019 (pre-COVID).

As background, SMART modified services in March 2020 due to the COVID-19 pandemic, with weekend service annulled and weekday service reduced to 16 trips. In May 2021, SMART added back 10 weekday trips. Saturday service was restored in May 2021, and Sunday service in May 2022. In June 2022, SMART added 10 additional weekday trips, and in November 2022, SMART added 2 additional midday trips, for a schedule of 38 trips per weekday. In May 2023, SMART added two evening trips on Friday and Saturday, known as the Starlighter. In November 2023, SMART suspended the Starlighter service but increased weekend service, running 16 trips total on both Saturday and Sunday. In August 2024, SMART added two additional round trips for a total of 42 trips each weekday. In late May 2025, SMART began running service to Windsor Station. On April 12, 2026 SMART increased service as part of the implementation of the Marin and Sonoma Coordinated Transit Service Plan (MASCOTS), and added three additional weekday round trips and four additional weekend roundtrips for a total of 48 trips each weekday and 24 trips on both Saturday and Sunday.

The tables below present data for April 2025 and 2026 year-over-year, and the Fiscal Year to date (July-April). Ridership for the fiscal year to date is tracking 31% over the same time period in FY25.

MONTHLY TOTALS YEAR-OVER-YEAR	APRIL 2025	APRIL 2026	% Change
Ridership	103,086	133,860	30%
Fare-based Ridership (Clipper + App Only) ¹	54,869	63,193	15%
Average Weekday Ridership	3,855	4,926	28%
Average Saturday Ridership	2,823	3,731	32%
Average Sunday Ridership	1,744	2,643	52%
Bicycles	13,495	16,687	24%
Mobility Devices	282	327	16%

¹ Due to the Clipper transition, it appears the fare-based ridership data from Clipper is underreported. We continue to work with Clipper to resolve ongoing issues.

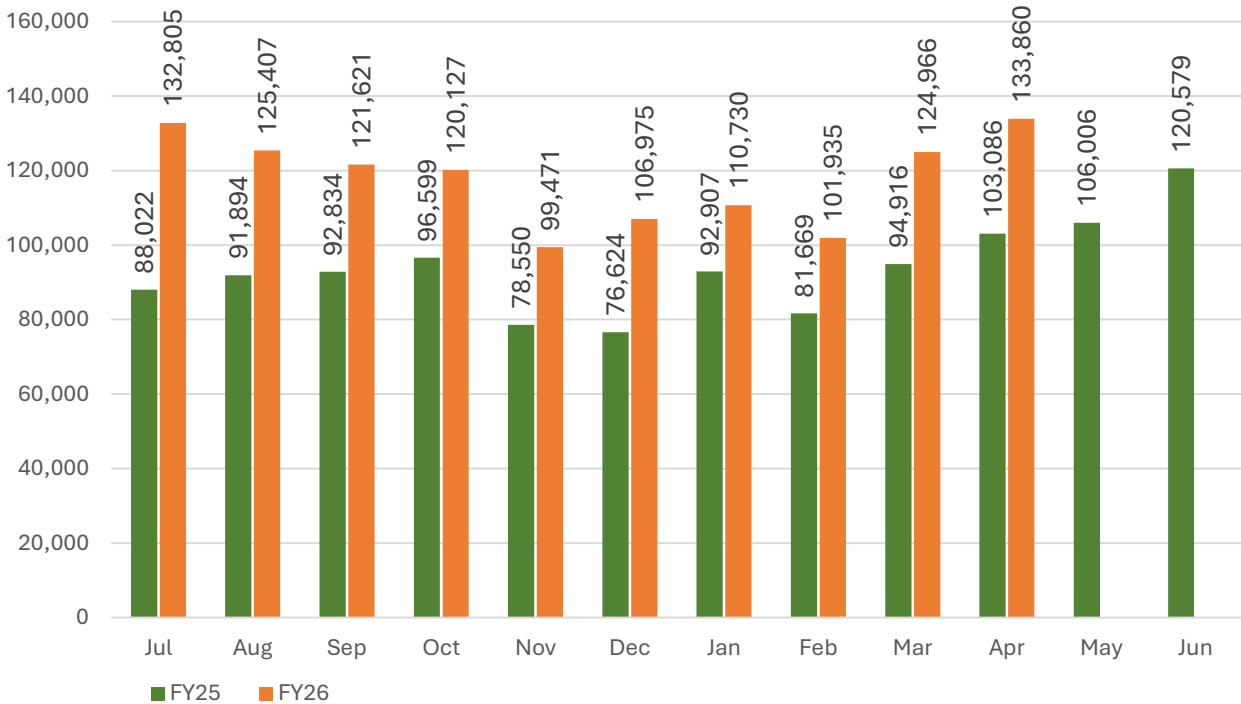
APRIL 2026 SMART RIDERSHIP REPORT

SMART Ridership Report
Board of Directors,
May 20, 2026

FISCAL YEAR (Jul – Apr)	Fiscal Year 2025	Fiscal Year 2026	% Change
Ridership	897,101	1,177,897	31%
Fare-based Ridership (Clipper + App Only)	475,655	570,758	20%
Average Weekday Ridership	3,489	4,536	30%
Average Saturday Ridership	2,076	2,765	33%
Average Sunday Ridership	1,717	2,232	30%
Bicycles	117,388	144,212	23%
Mobility Devices	2,228	3,106	39%

The following charts compare the average weekday ridership, average weekend ridership, and monthly totals for FY25-FY26.

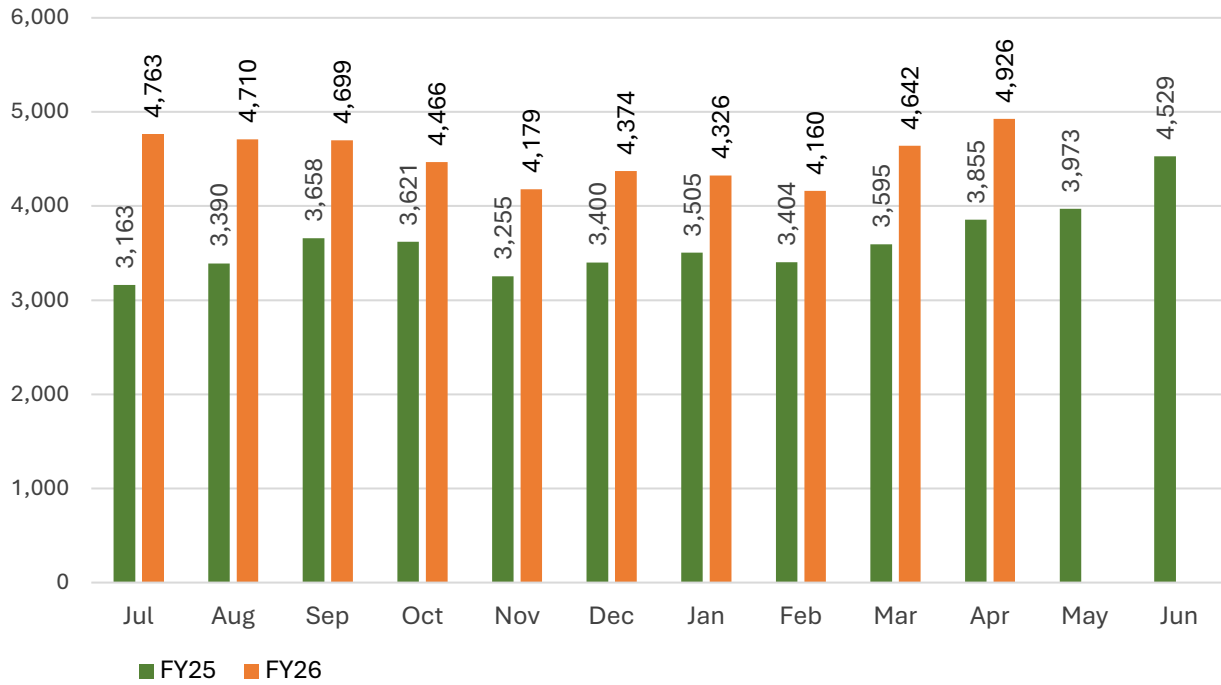
SMART Monthly Ridership (FY25 - FY26)



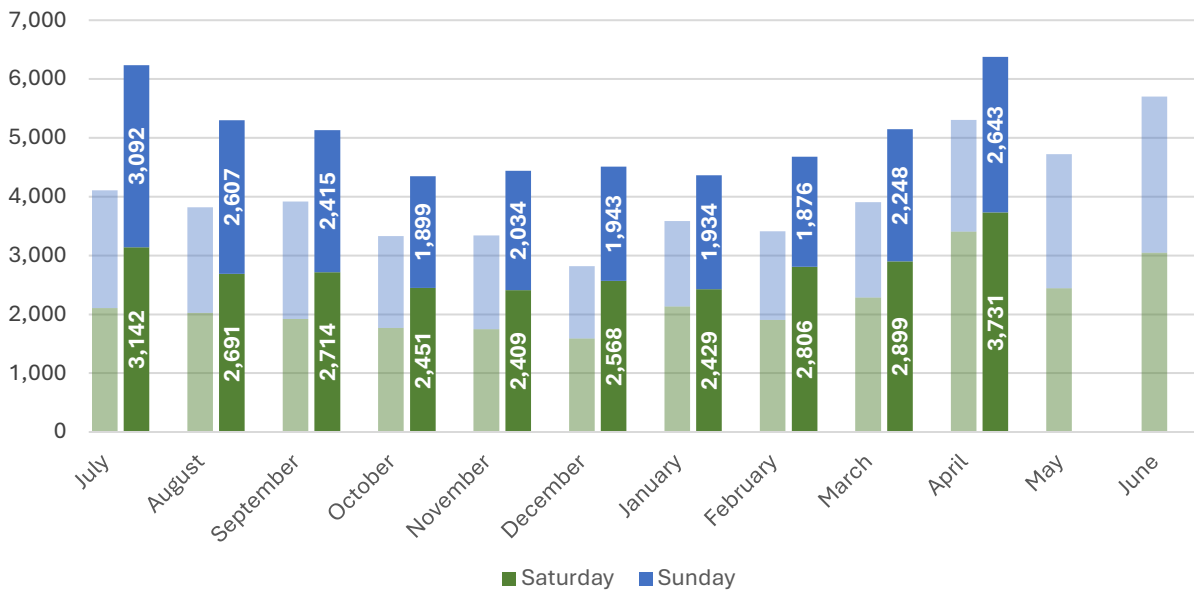
APRIL 2026 SMART RIDERSHIP REPORT

SMART Ridership Report
Board of Directors,
May 20, 2026

SMART Average Weekday Ridership (FY25 - FY26)



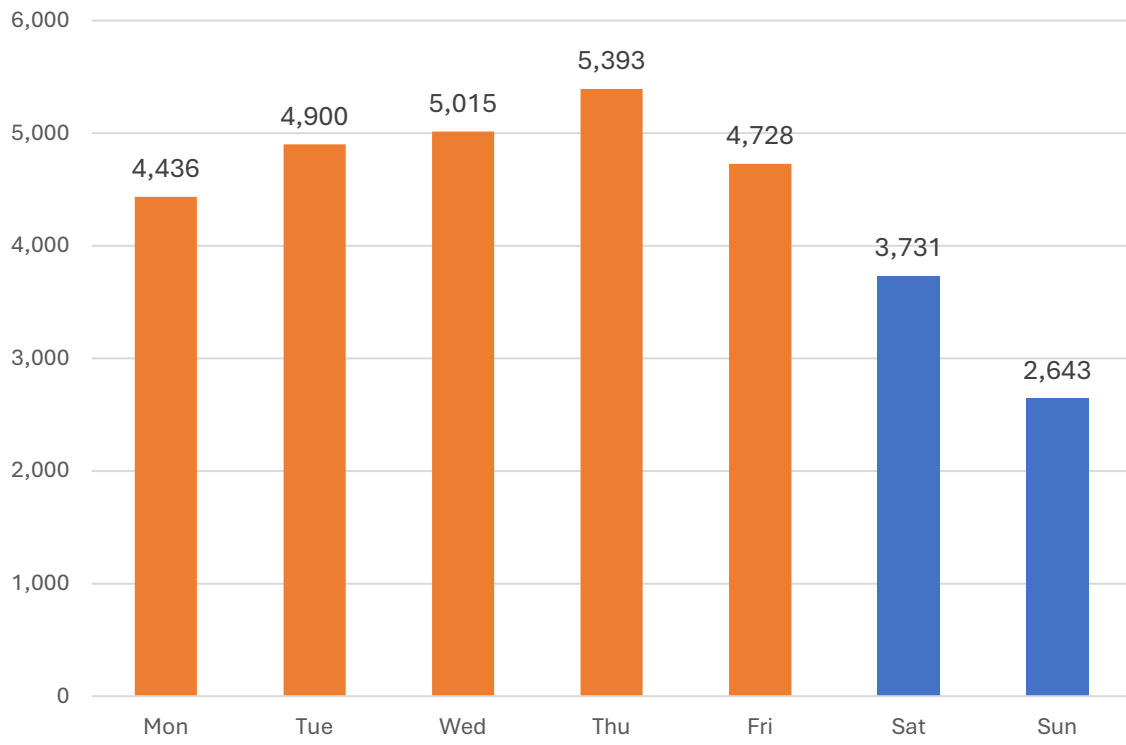
SMART Average Weekend Boardings (FY25 - FY26)



APRIL 2026 SMART RIDERSHIP REPORT

SMART Ridership Report
Board of Directors,
May 20, 2026

Average Boardings by Day of Week (April 2026)



APRIL 2026 SMART RIDERSHIP REPORT

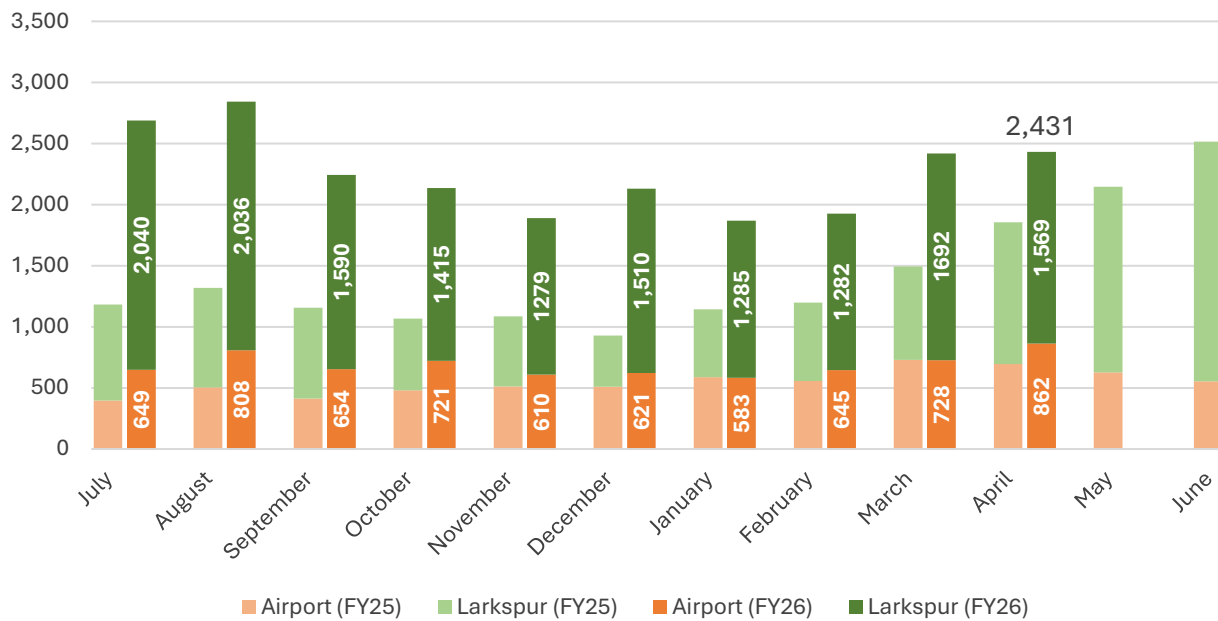
SMART Ridership Report
Board of Directors,
May 20, 2026

SMART Connect Program

SMART currently operates two on-demand shuttles, SMART Connect Airport and SMART Connect Larkspur. SMART Connect Airport, launched in June 2023, serves the SMART Sonoma County Airport station, the Charles M. Schultz Sonoma County Airport, and the surrounding area. SMART Connect Larkspur, launched in June 2024, serves the SMART Larkspur station, the Golden Gate Larkspur Ferry Terminal, and the surrounding Larkspur Landing area. The goal of the SMART Connect program is to facilitate first-and-last mile connections from SMART stations through the provision of a reliable on-demand shuttle that SMART riders can use for transit transfers, work and school commutes, and other destinations. SMART Connect uses microtransit software from The Routing Company called Ride Pingo, which allows users to pre-book trips or book a ride on-demand. Riders can also book by phone or walk-on, space available. In April 2025, Connect Shuttle service hours at Larkspur were expanded from 4 to 7 days per week; both shuttle locations now offer daily service.

Total April monthly ridership for the SMART Connect program was 2,431 riders.

SMART Connect Ridership (FY25-FY26)

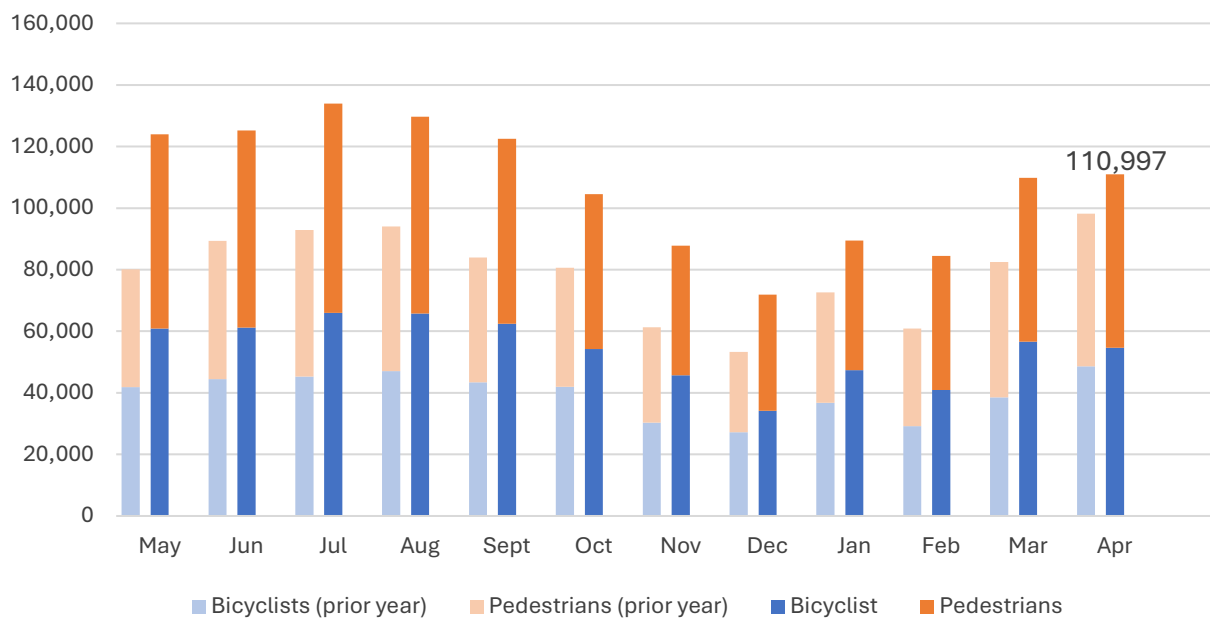


SMART Pathway

As of May 2025, SMART has installed 14 counters on the Pathway, with six in Marin County and eight in Sonoma County. The counters differentiate between bicycles and pedestrians, and track data by time of day and day of the week. The counters cannot distinguish between unique users, but based on the estimated average trip length of 3 miles, and the average spacing between counters of 3.7 miles, the counts are considered an accurate estimate of monthly pathway usage. As additional pathway segments are constructed, counters will be placed on those segments to measure pathway usage. To date, count data has shown a fairly even split between pedestrians and bicyclists.

In April 2026, SMART counted 110,997 users on the pathway, an increase of 13% compared to the same month in the prior year.

Monthly Pathway Count





Sonoma-Marín Area Rail Transit
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GENERAL MANAGER
Eddy Cumins

May 20, 2026

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

SUBJECT: Monthly Financial Report

Dear Board Members:

RECOMMENDATIONS:

Receive Monthly Financial Status Report – March 2026

SUMMARY:

This report provides information for the first nine months of Fiscal Year (FY) 2026, including details on the Board Adopted Budget through Budget Amendment #8. Attached, you will find separate charts displaying both budgeted and actual revenues and expenses for passenger rail and freight. The "actual" columns reflect revenues and expenses for the first nine months of FY 2026 (July - March). Additionally, for passenger rail, we have included more detailed information on sales tax and fare revenues, presenting current data alongside comparative figures from FY 2022 to FY 2026. Currently we are estimating that sales and use tax will be slightly over our estimate by approximately \$1.25 million. Fare revenues are estimated to be over our estimate by about \$250,000.

The report further outlines the approved budget, actual expenses, and remaining budget balance. Please note that expenses may not occur evenly throughout the fiscal year; many significant costs are incurred at specific intervals. Additionally, we have included information on SMART's investments, detailing where our funds are held and the current amounts. Lastly, we present the current obligations, reserves, and fund balance requirements for FY 2026.

FISCAL IMPACT:

None

Sincerely,

/s/
Heather McKillop
Chief Financial Officer

Attachments: 1.) Monthly Financial Report
2.) Contract Summary Report



MONTHLY FINANCIAL STATUS

March 2026

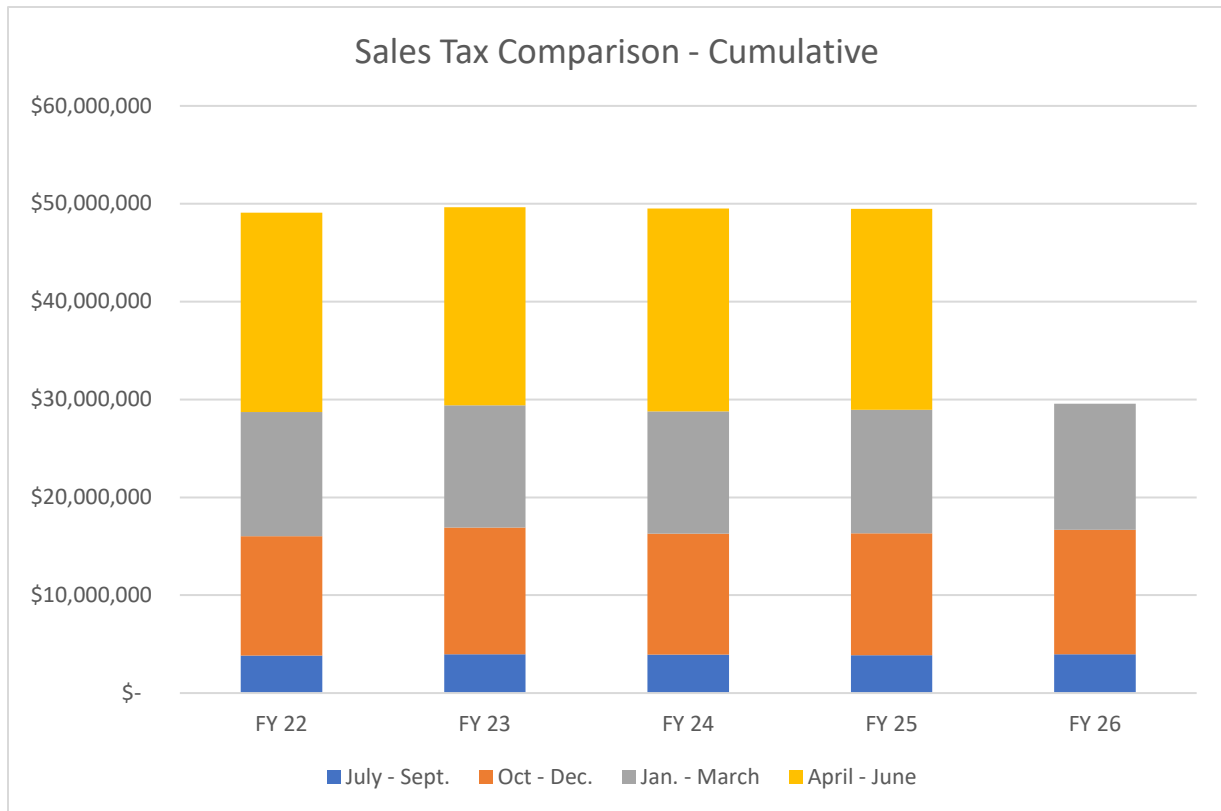
PASSENGER REVENUES

	FY 2026 Approved Budget and Amendments #1-#8	Actual	Amount Over/ (Under) Budget	% Over/(Under) Budget	% of FY Remaining
Sales & Use Tax	\$48,300,300	\$29,559,067	-\$18,741,233	-39%	25%
Sales Tax Collection Fees	-\$839,870	-\$419,940	\$419,930	-50%	25%
Federal Funds	\$7,349,744	\$2,944,494	-\$4,405,250	-60%	25%
State Grants	\$34,469,991	\$360,270	-\$34,109,721	-99%	25%
Passenger Fares	\$2,541,000	\$2,093,039	-\$447,961	-18%	25%
Shuttle Fares	\$8,000	\$8,302	\$302	4%	25%
Parking Fees	\$17,580	\$47,105	\$29,525	168%	25%
Interest & Lease Revenue	\$1,294,025	\$1,790,773	\$496,748	38%	25%
Misc./ Other Revenues	\$343,736	\$341,600	-\$2,136	-1%	25%
Other Governments	\$2,255,135	\$687,443	-\$1,567,692	-70%	25%
Total	\$95,739,641	\$37,412,153	-\$58,327,488	-61%	25%

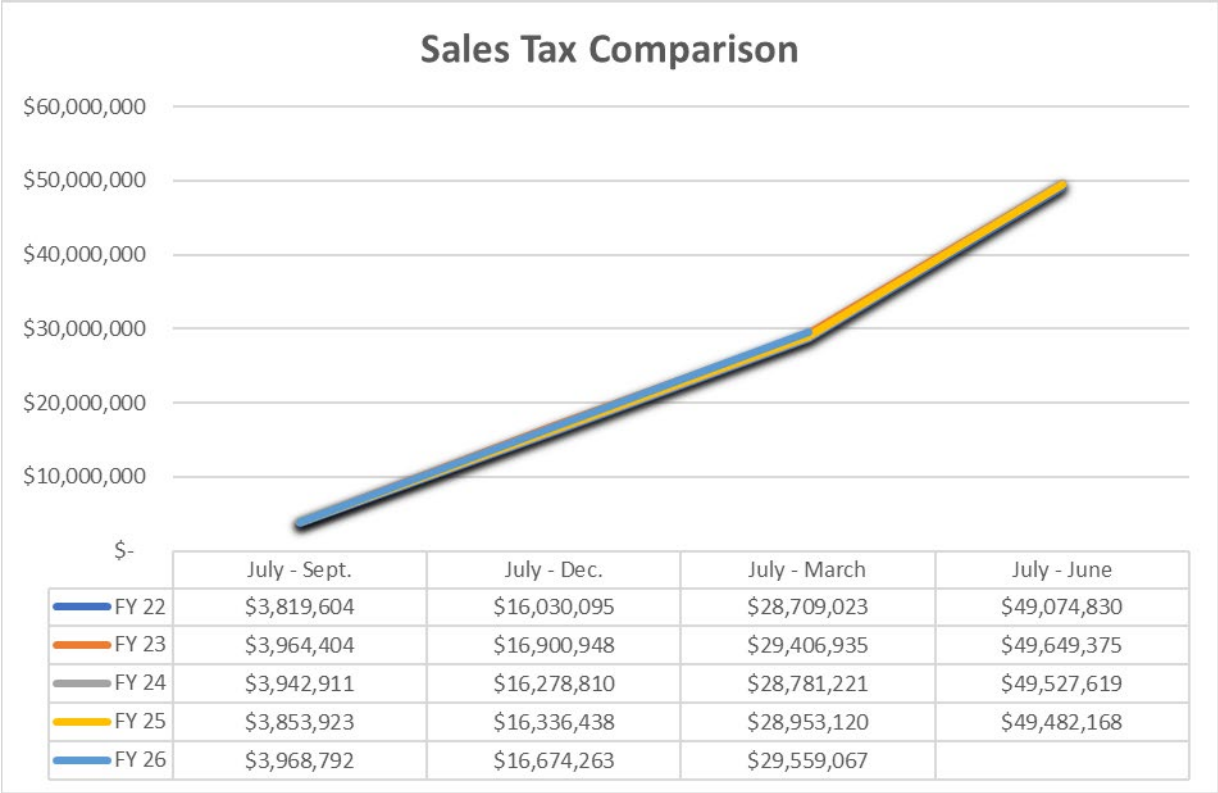
**Measure Q Sales Tax
Fiscal Year (FY) 2026**

Time Period	July – Sept	Oct - Dec	Jan - March	April - June
FY 26 Forecasted Sales Tax	\$3,864,024	\$12,075,075	\$12,558,078	\$19,803,123
Actual	\$3,968,792	\$12,705,075	\$12,884,804	\$0
Difference	\$104,768	\$630,000	\$326,726	-\$19,803,123

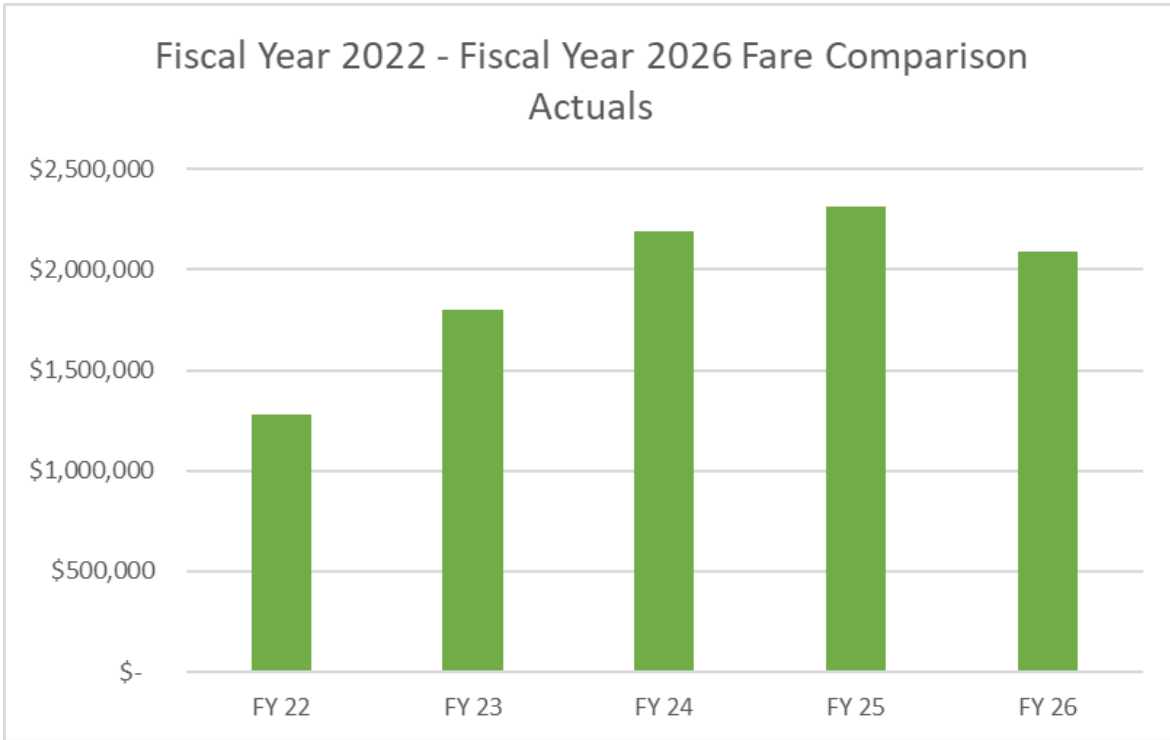
**Fiscal Year 2022-2026 Net Sales Tax Comparison
(by Quarter)**



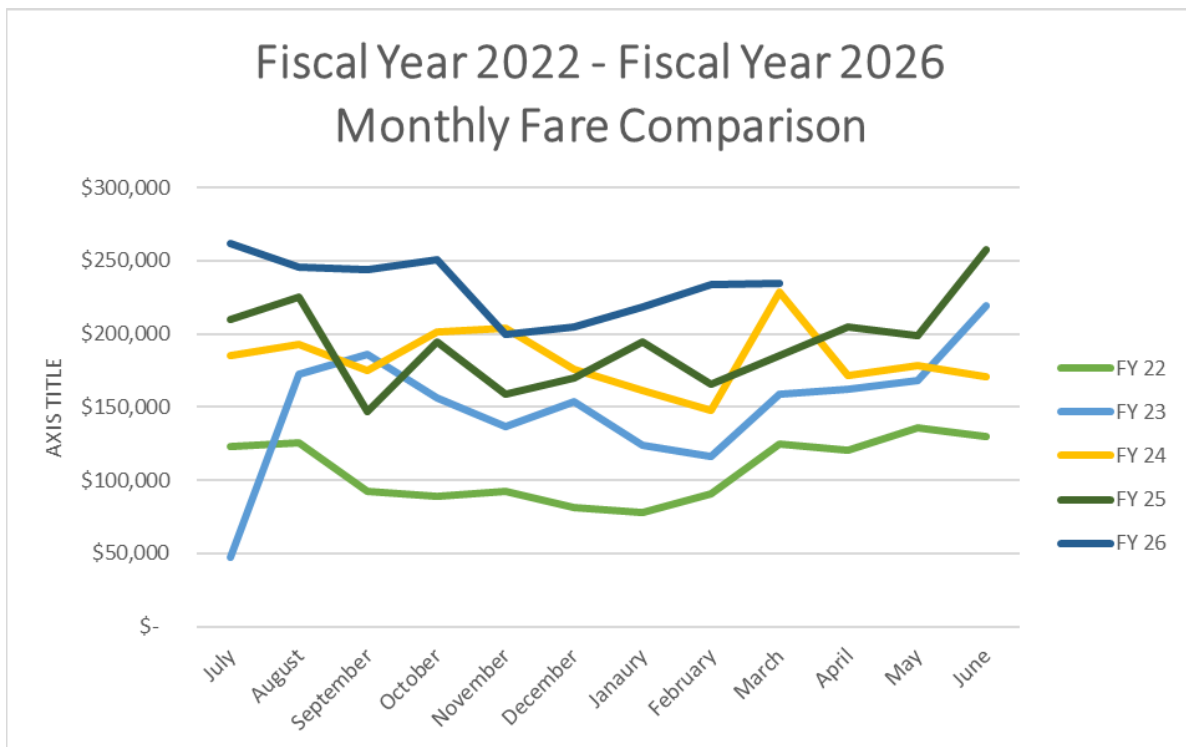
Fiscal Year 2022-2026 Cumulative Sales Tax Comparison



Fiscal Year 2022-2026 Fare Revenue Comparison



Fiscal Year 2022-2026 Monthly Fare Revenue Comparison



PASSENGER EXPENSES

	FY 2025-26 Approved Budget and Amendments #1-#8	Actual	Amount Over / (Under) Budget	% Over/(Under) Budget	% of FY Remaining
Administration					
Salaries & Benefits	\$7,521,481	\$5,168,680	-\$2,352,801	-31%	25%
Services & Supplies	\$12,844,183	\$6,725,182	-\$6,119,001	-48%	25%
Administration Total	\$20,365,664	\$11,893,862	-\$8,471,802	-42%	25%
Operations					
Salaries & Benefits	\$22,096,215	\$14,433,120	-\$7,663,095	-35%	25%
Services & Supplies	\$7,402,015	\$3,491,478	-\$3,491,478	-53%	25%
Operations Total	\$29,498,230	\$17,924,598	-\$11,573,632	-39%	25%
Engineering					
Salaries & Benefits	\$401,482	\$785,625	\$384,143	96%	25%
Services & Supplies	\$5,026,543	\$1,402,101	-\$3,624,442	-72%	25%
Engineering Total	\$5,428,025	\$2,187,726	-\$3,240,299	-60%	25%
Capitalized Expenses					
Facilities	\$26,063,007	\$7,144,990	-\$18,918,017	-73%	25%
Infrastructure	\$255,000	\$6,289	-\$248,711	-98%	25%
Equipment	\$3,515,948	\$332,395	-\$3,183,553	-91%	25%
Nonrevenue Vehicles	\$752,000	\$208,337	-\$543,663	-72%	25%
Capitalized Expenses Total	\$30,585,955	\$7,692,011	-\$22,893,944	-75%	25%
Total All Expenses	\$85,877,874	\$39,698,197	-\$46,179,677	-54%	25%

FREIGHT REVENUES

	FY 2026 Approved Budget and Amendments #1-#8	Actual	Amount Over/ (Under) Budget	% Over/(Under) Budget	% of FY Remaining
State Operating / Capital Grant	\$1,880,411	\$0	-\$1,880,411	-100%	25%
Caltrans SH 37	\$13,022	\$11,980	-\$1,042	-9%	25%
Caltrans Novato Creek Bridge Construction Support	\$12,500	\$0	-\$12,500	-100%	25%
State Shortline Grant	\$460,870	\$0	-\$460,870	-100%	25%
Freight Movement Fees	\$800,000	\$588,969	-\$256,225	-26%	25%
Leases	\$270,000	\$247,870	-\$22,130	-8%	25%
Freight Storage	\$40,000	\$0	-\$40,000	-100%	25%
45(g) Tax Credit & Misc.	\$261,000	\$261,970	\$970	0%	25%
FEMA/CalOES 2023 Disaster Recovery	\$175,977	\$175,977	\$0	0%	25%
Total	\$3,891,327	\$1,286,766	-\$2,627,014	-67%	25%

FREIGHT EXPENSES

	FY 2025-26 Approved Budget and Amendments #1-#8	Actual	Amount Over / (Under) Budget	% Over/(Under) Budget	% of FY Remaining
Operations					
Salaries & Benefits	\$1,068,089	\$779,865	-\$288,224	-27%	25%
Services & Supplies	\$1,572,317	\$966,576	-\$875,944	-39%	25%
Operations Total	\$2,640,406	\$1,746,441	-\$1,268,557	-34%	25%
Engineering					
Salaries & Benefits	\$19,500	\$12,396	-7,104	-36%	25%
Services & Supplies	\$1,253,875	\$667,856	-\$1,001,091	-47%	25%
Engineering Total	\$1,273,375	\$680,252	-\$1,013,602	-47%	25%
Total All Expenses	\$3,913,781	\$2,426,693	-\$1,487,088	-38%	25%

CAPITAL PROJECTS

Passenger/Pathway Projects	Total Project Budget	Expended in Prior Fiscal Years	Budgeted in FY26	Remaining Project Budget	Project Status
Development: Healdsburg Extension Progressive Design-Build	\$3,250,000	\$366,536	\$2,883,464	\$0	Work is ongoing.
Extension: Healdsburg Phase	\$265,058,000	\$0	\$25,259,000	\$239,799,000	Progressive Design-Build contract awarded; Phase I commenced.
Pathway: Design for 5 Segments in Marin County	\$2,222,537	\$2,172,537	\$50,000	\$0	Conducting engineering design and pursuing environmental permits to prepare segments for construction.
Pathway: Design for 7 Segments in Marin and Sonoma Counties	\$3,936,755	\$2,513,843	\$221,660	\$1,201,252	Conducting engineering design and pursuing environmental permits to prepare segments for construction.
Pathway: Guerneville Rd to Airport Blvd Pathway Permitting and Construction	\$14,212,729	\$18,095	\$20,000	\$14,174,634	Pursuing NEPA clearance and environmental permitting.
Pathway: Hanna Ranch to Vintage	\$7,070,119	\$35,995	\$185,000	\$6,849,124	Pursuing NEPA revalidation and preparing contract documents.
Pathway: Joe Rodota Trail	\$1,531,749	\$56,108	\$0	\$1,475,641	Preparing contract

					documents for FY 27 award.
Pathway: Puerto Suello Tunnel	\$561,465	\$56,816	\$504,649	\$0	Design and environmental clearance work is underway.
State of Good Repair: St Vincent Culvert Repairs	\$250,000	\$0	\$250,000	\$0	In design.
Station: Civic Center Kiss-n-Ride Design	\$224,000	\$0	\$224,000	\$0	In design.
WFO: Joe Rodota to Third Street Traffic Signal (City of Santa Rosa)	\$985,658	\$122,719	\$31,136	\$831,804	Design work completed, construction will be packaged in combination with the Joe Rodota Trail project for award in FY 27
WFO: Santa Rosa Downtown Station Access (Developer)	\$703,017	\$0	\$0	\$703,017	Will be packaged for construction in combination with Joe Rodota Trail project for award in FY 27
Freight Projects					
State of Good Repair: Bridge Rehabilitation Phase II (3 Bridges)	\$745,424	\$65,765	\$679,659	\$0	Work began in December and is expected to be completed in April 2026

INVESTMENTS

Investments are guided by the SMART investment policy adopted each year with the budget. The policy outlines the guidelines and practices to be used in effectively managing SMART’s available cash and investment portfolio. District funds that are not required for immediate cash requirements are to be invested in compliance with the California Code Section 53600, et seq.

SMART uses the Bank of Marin for day-to-day cash requirements and for longer term investments the Sonoma County Treasury Pool is used. This chart reflects a point in time versus a projection of future fund availability.

Cash on Hand	
Bank of Marin	\$46,967,180
Sonoma County Investment Pool	\$49,978,119
Total Cash on Hand	\$96,945,299
Reserves	
Self-Insured Reserve	\$2,370,675
OPEB/CalPERS Reserve	\$6,574,676
Operating Reserve	\$12,959,990
Capital Reserve	\$13,625,000
Corridor Completion Reserve	\$5,500,000
Total Reserves	\$41,030,341
Cash Balance	\$55,914,958
Less: Current Encumbrances	-\$30,611,584
Balance	\$25,303,374
Less Estimated FY 26 Year-End Balance	-\$57,338,843
Remaining Balance	-\$32,035,469



Contract Summary

PASSENGER RAIL

Active contracts as of 3/31/2026

Contractor	Scope	FY 25/26 Encumbered	FY 25/26 Actuals
Afaf Translations LLC	Oral and Document Translation Services	\$ 2,000	\$ 1,246
Alcohol & Drug Testing Services, LLC	Administration of DOT-, FRA-, and SMART-Regulated Drug and Alcohol Program Services	\$ 45,000	\$ 25,613
Alex Ruiz Sr. dba North Bay Bottling	Water Delivery Service to Fulton Maintenance Facility & Rail Operation Center	\$ 4,830	\$ 2,493
Alliant Insurance Services, Inc.	Insurance Brokerage and Risk Management Consulting Services	\$ 50,000	\$ 18,804
American Rail Engineers Corporation DBA Airshark	Railroad Bridge Inspections, Bridge Engineering, and Related Services	\$ 20,000	\$ 18,211
American Red Cross & Its Constituent Chapters and Branches	American Red Cross CPR/First Aid/ AED Training Certification Services and Cards	\$ 840	\$ 840
Asbury Environmental Services	Hazardous and Non-Hazardous Waste Removal, Disposal, and Related Services	\$ 3,756	\$ 1,521
Atlas Copco Compressors LLC	Air Compressor Maintenance Services	\$ 2,005	\$ 2,005
Bach-Simpson, A Division of Wabtec Canada, Inc	Event Recorder Overhaul and Maintenance Services	\$ 26,360	\$ 26,360
Balfour Beatty Infrastructure, Inc.	Track Surfacing, Lining and Ballast Restoration	\$ 166,185	\$ -
Barbier Security Group	Security Services at Cal Park Tunnel	\$ 11,436	\$ 8,577
Bender Rosenthal, Inc.	On Call Real Estate Advisory & Property Rights Acquisition Support Services	\$ 16,700	\$ 7,200
BKF Engineers	Design & Engineer Seven (7) Multi-Use Pathway Segments in Sonoma and Marin Counties	\$ 247,288	\$ 38,644
BKF Engineers	Design & Permitting of the Puerto Suello Non-Motorized Pathway	\$ 372,993	\$ 372,993
Bolt Staffing Service, Inc.	Temporary Staffing Services	\$ 40,000	\$ -
Cal Interpreting & Translations	Communication Access Realtime Translation (CART) Services	\$ 13,468	\$ 468
City Towel & Dust Services, Inc. DBA Sunset Linen & Uniform	Laundering and Pressing Services for SMART-Owned Uniforms	\$ 1,400	\$ 1,168
Clean Solutions Services, Inc.	Janitorial and Custodial Services for SMART Stations, Offices, and Parking Lots	\$ 115,831	\$ 112,530
Code3 Entertainment Services, LLC	Microtransit Operator Services	\$ 731,563	\$ 548,514
Construction Testing Services, Inc.	On Call Construction Materials Testing Services	\$ 2,746	\$ 2,746
Cooperative Personnel Services dba CPS HR Consulting	Employee Recruiting Services	\$ 30,000	\$ 7,000
County of Sonoma	Ongoing Maintenance and Monitoring of Riparian Enhancement Project at Helen Putnam Regional Park	\$ 51,899	\$ 51,899
County of Sonoma	Ongoing Maintenance and Monitoring of Riparian Enhancement Projects at Crane Creek Regional Park	\$ 36,712	\$ 36,712
County of Sonoma	Non-Revenue Fleet Maintenance and Repair Services	\$ 60,000	\$ 48,815
Courtney Robertson DBA CocoConsult LLC	Construction Alternate Project Delivery Advisor and Cost Estimation Services	\$ 500,000	\$ 288,239
CraneTech Inc.	Maintenance, Inspection, and Certification of SMART's Crane, Hoists and Fall Protection System	\$ 1,358	\$ -
CSW Stuber-Stroeh Engineering Group Inc.	Design & Engineer Five (5) Multi-Use Pathway Segments in Marin Counties	\$ 15,027	\$ 15,027
Data Ticket, Inc.	Citation Issuance and Administration for Illegal Parking at SMART's Facilities	\$ 1,950	\$ 600
DB E.C.O. North America Inc.	Perform Update to Dynamic Operations Simulation Modeling for the SMART Main Line	\$ 145,701	\$ -
Eco-Compteur Inc.	Pedestrian and Bicycle Pathway Counter Software Reporting Tools and Support	\$ 12,600	\$ 12,600
Eide Bailly LLP	Independent Auditor	\$ 59,664	\$ 43,849
eLock Technologies LLC	Ongoing Maintenance and Operation Support for Bicycle eLockers at SMART Stations	\$ 11,850	\$ 11,850
EMR LLC DBA Maxaccel	Software System for Managing and Reporting FRA Compliance	\$ 33,187	\$ 27,137
EMR LLC DBA Maxaccel	Learning Management System and Support Services	\$ 17,850	\$ 13,526
Fehr & Peers	Quality of Life and Economic Impact Assessment Study	\$ 172,167	\$ 120,741
FinQuery	LeaseQuery Accounting Software and Support Services	\$ 12,594	\$ 12,594
Foster & Foster Consulting Actuaries, Inc.	GASB 75 and GASB 68 Compliance and Actuarial Services	\$ 4,250	\$ 4,250
George Hills Company	Third-Party Administrator and Property and Liability Claims Adjusting Services	\$ 31,808	\$ 9,942
Golden Five LLC	Microsoft Office 365 Managed Services and Technical Support Services	\$ 98,655	\$ 83,725
Graymar Environmental Services, LLC	On Call Removal, Remediation, and Disposal of Hazardous and Biohazardous Materials	\$ 33,000	\$ 11,541
Hanford Applied Restoration & Conservation	San Rafael Creek Riparian Mitigation Implementation, Maintenance, and Monitoring Project	\$ 28,463	\$ 26,957
Hanford Applied Restoration & Conservation	Maintenance and Monitoring of the Las Gallinas Creek Watershed Riparian Enhancement Planting	\$ 16,535	\$ 13,092
Hanson Bridgett LLP	Labor and Employment Legal Services	\$ 140,000	\$ 114,867
HCI SYSTEMS, INC.	Fire Suppression System and Fire Extinguisher Inspection, Maintenance, and Certification	\$ 8,016	\$ 3,126
Holland LP	Track Geometry and Measurement Services	\$ 24,000	\$ 24,000

Contractor	Scope	FY 25/26 Encumbered	FY 25/26 Actuals
Hunt Oil of California	Supply and Deliver Valvoline Premium Blue 15W40 Motor Oil	\$ 18,446	\$ 16,609
Integrated Security Controls, Inc.	On Call Maintenance Support for SMART's Existing CCTV and Access Control Systems	\$ 37,186	\$ 29,638
Intelligent Technology Solutions, LLC	IBM Maximo Maintenance and Management System Software and Technical Support Services	\$ 286,650	\$ 221,887
ISC Applied Systems Corp	Test, repair and return ship eight (8) network video recorders.	\$ 10,000	\$ -
Khouri Consulting, LLC	California State Legislative Advocacy Services	\$ 124,000	\$ 92,500
Knorr Brake Holding Corporation DBA Knorr Brake Company LLC	Master Controller Overhaul and Upgrade Services	\$ 184,409	\$ 104,220
Knorr Brake Holding Corporation DBA Knorr Brake Company LLC	Standard Brake System Overhaul Services	\$ 1,151,404	\$ -
Krauthamer & Associates LLC	Employee Recruiting Services	\$ 20,000	\$ -
Lance A. O'Connor	DOT & FRA Regulated Pre-Employment & Recertification Screenings	\$ 4,500	\$ 3,495
Leete Generators	Generator Inspection, Maintenance, and Repair Services	\$ 3,539	\$ 2,716
Masabi LLC	SMART's Mobile Ticketing Application and Technical Support Services	\$ 64,572	\$ 48,036
Mike Brown Electric Co.	9th Street Vehicle Detection Loop Replacement	\$ 16,110	\$ 16,110
Mission Linen Supply	Rental and Laundering of Uniforms	\$ 17,112	\$ 9,765
Modern Railway Systems	TDX & Communication System Monitoring and Maintenance	\$ 94,679	\$ 70,545
Modern Railway Systems	Passenger Information Display Real Time Signage, Content Management Software, and Ongoing Support	\$ 28,997	\$ 28,997
Modern Railway Systems	Design and Construction of the Windsor Extension Systems	\$ 103,322	\$ 103,321
Mountain F Enterprises, Inc.	On Call Tree Trimming, Removal, and Arborist Services.	\$ 9,960	\$ 6,540
MuniServices, LLC.	Sales and Use Tax Recovery Services	\$ 40,000	\$ 14,869
Nelson Connects	Temporary Staffing Services	\$ 50,866	\$ 36,178
Netspeed LLC	Avaya Phone System Support Services	\$ 16,050	\$ 12,000
Nick Barbieri Trucking, LLC	Supply and Delivery of Diesel Fuel and Diesel Exhaust Fluid	\$ 1,540,000	\$ 1,393,298
Nossaman LLP	Legal Services Regarding Rail Transit Issues	\$ 1,505,000	\$ 1,108,773
Occupational Health Centers of CA, A Medical Corp.	DOT & FRA Regulated Pre-Employment & Recertification Screenings	\$ 25,000	\$ 14,184
Olson Remcho LLP	Legal Advisory Services on Ordinances and Retail Sales and Use Tax	\$ 7,000	\$ 5,316
Parodi Investigative Solutions	Pre-Employment Investigation and Background Screening	\$ 25,000	\$ 20,300
Peterson Mechanical, Inc	Emergency Maintenance on HVAC Equipment at SMART HQ Server Room	\$ 2,880	\$ -
PFM Financial Advisors, LLC	Financial Advisory Services	\$ 5,000	\$ -
Pitney Bowes, Inc.	Lease of Postage Meter Machine and Postage Fees	\$ 5,800	\$ 5,338
Pivotal Vision	PivotalSenseAI System Software License and Maintenance Program	\$ 2,300	\$ 2,300
Portola Systems, Inc.	Management, Maintenance, and Configuration Support of the SMART Station Network.	\$ 301,435	\$ 243,395
Precision Wireless Service	Land Mobile Radio System Technical Support and Maintenance Services	\$ 31,500	\$ 12,988
Quality Sprayers, Inc.	On-track and Off-track Vegetation Control Services	\$ 93,184	\$ 88,365
Rail Industries Canada Inc.	Portable Digital Wheel Profilometer System, Training, and Technical Support Services	\$ 94,556	\$ -
RSE Corporation	On-Call Civil Engineering, Design, and Land Surveying Services	\$ 242,300	\$ 49,159
Ryan Dunnigan	Pre-Employment, Post Incident, and Return-to-Duty Psychological Evaluations	\$ 38,000	\$ 27,105
Siemens Mobility, Inc.	Pilot Agreement for Siemens S-80 SMART Gate Mechanism	\$ -	\$ -
Sierra-Cedar Group Holdings, LLC dba Sierra-Cedar, LLC	Oracle Enterprise Resources Planning Software Support Services	\$ 137,369	\$ 94,483
Sonic.net, LLC	Fiberoptic Backhaul Circuit between Rail Operation Center and Larkspur Station	\$ 10,299	\$ 10,299
Sonic.net, LLC	Emergency Phone Backhaul Internet Service for Rail Operation Center	\$ 9,451	\$ 8,654
Sperry Rail, Inc.	Rail Flaw Detection Services	\$ 8,877	\$ -
SPTJ Consulting	Administration Network Management, Monitoring, and Technical Support Services	\$ 218,781	\$ 165,645
Square Signs LLC dba Front Signs	SMART Pathway Wayfinding Sign Fabrication and Installation	\$ 50,660	\$ 50,660
Stacy and Witbeck/Herzog, A Joint Venture	Design and Engineering for the Healdsburg Extension	\$ 22,495,718	\$ 8,053,125
Stacy and Witbeck-Ghilotti Bros, A Joint Venture	Early Works Package Phase II Amendment for the Potholing of Existing Utilities	\$ 72,923	\$ 72,923
Stephanie L. Van Houten	Substance Abuse Professional Services and Drug and Alcohol Counselor Services	\$ 3,334	\$ -
Sue R. Evans	Title Investigation Services	\$ 20,000	\$ 13,488
Survival AED	AED Compliance and Program Management Services	\$ 4,200	\$ 4,200
The Routing Company	Microtransit Software Application Design, Implementation, and Ongoing Support	\$ 17,332	\$ 12,947
Toshiba America Business Solutions	Lease and Maintenance Agreement of SMART Multi-Function Copy Machines	\$ 40,485	\$ 37,108
Triangle Land Restoration	Riparian Mitigation Implementation and Monitoring Project for Segments 1 & 2 of the SMART Pathway	\$ 28,915	\$ 21,896
Triangle Land Restoration	Riparian Mitigation Implementation and Maintenance Project at Windsor Creek	\$ 30,360	\$ 22,301
Triangle Land Restoration	Riparian Mitigation Implementation and Maintenance Project at Helen Putnam Regional Park	\$ 98,976	\$ 98,976

Contractor	Scope	FY 25/26 Encumbered	FY 25/26 Actuals
Triangle Land Restoration	Riparian Enhancement Project at Crane Creek Regional Park	\$ 399,152	\$ 384,369
Urban Transportation Associates, Inc.	Automatic Passenger Counter System and Ongoing Technical Support	\$ 12,860	\$ 12,380
Van Scoyoc Associates, Inc.	Federal Legislative Advocacy Services	\$ 60,000	\$ 45,000
Web Master Designs, LLC	As-Needed Website Support Services	\$ 8,522	\$ 2,834
WRA, Inc.	On-Call Environmental Consulting Support Services	\$ 2,245,316	\$ 1,266,505
	TOTAL	\$ 35,595,969	\$ 16,337,758
FREIGHT RAIL			
Contractor	Scope	FY 25/26 Encumbered	FY 25/26 Actuals
American Rail Engineers Corporation DBA Airshark	Railroad Bridge Inspections, Bridge Engineering, and Related Services	\$ 55,000	\$ 40,589
Asbury Environmental Services	Hazardous and Non-Hazardous Waste Removal, Disposal, and Related Services	\$ 25	\$ 25
County of Marin	Grandview Avenue Grade Crossing Paving Project	\$ 140,218	\$ 140,218
County of Sonoma	Non-Revenue Fleet Maintenance and Repair Services	\$ 9,544	\$ 6,247
Dida, Inc. dba Wine Country Sanitary	Portable Restroom Rental and Service for Freight Depot	\$ 2,400	\$ 1,969
Freight Tracking Software	Railcar Transportation Application Software and Support	\$ 6,000	\$ 3,743
GATX Rail Locomotive Group, LLC	Lease of Freight Locomotive 1501	\$ 55,355	\$ 46,073
Hue & Cry, Inc	Alarm Monitoring and Notification Services at Freight Depot	\$ 1,000	\$ 746
Lambertus J Verstegen DBA South West Locomotive Repair	As-Needed Freight Locomotive Maintenance and Repair Services	\$ 18,985	\$ 18,985
Mickco, Inc	45G Tax Credit Advisory and Assignment Services	\$ 15,718	\$ 15,718
Nick Barbieri Trucking, LLC	Supply and Delivery of Diesel Fuel and Diesel Exhaust Fluid	\$ 67,000	\$ 42,163
Quality Sprayers, Inc.	On-track and Off-track Vegetation Control Services	\$ 51,999	\$ 51,999
RailWorks Partners LP	Brazos Railroad Timber Bridge Repairs - Phase II Project	\$ 664,655	\$ 664,655
Stacy and Witbeck, Inc.	Emergency Hwy 37 At-Grade Crossing Panel Repair	\$ 14,193	\$ 14,193
Summit Signal, Inc.	Emergency Black Point Bridge Center Wedge Repair	\$ 277,594	\$ 91,373
Summit Signal, Inc.	Inspections, Testing, and Routine Maintenance services for Railroad Signal Equipment	\$ 100,230	\$ 82,360
Summit Signal, Inc.	Emergency Call-Out Maintenance Services for Signal Equipment	\$ 19,263	\$ 18,463
	TOTAL	\$ 1,499,179	\$ 1,239,519

Actuals-To-Date include invoices that have been matched to a Purchase Order but may not have been paid as of 3/31/2026



Sonoma-Marín Area Rail Transit
5401 Old Redwood Hwy, Suite 200
Petaluma, CA 94954

P: 707-794-3330
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W: www.SonomaMarinTrain.org

BOARD OF DIRECTORS

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Sonoma County Board of Supervisors

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Janice Cader Thompson
Sonoma County Mayors' and
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Kate Colin
Transportation Authority of Marin

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Sonoma County Mayors' and
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Golden Gate Bridge,
Highway/Transportation District

Ariel Kelley
Sonoma County Mayors' and
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Transportation Authority of Marin

Barbara Pahre
Golden Gate Bridge,
Highway/Transportation District

Gabe Paulson
Marin County Council of Mayors and
Councilmembers

David Rabbitt
Sonoma County Board of Supervisors

GENERAL MANAGER

Eddy Cumins

May 20, 2026

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

SUBJECT: Contract No. FR-BB-25-002 for the Black Point Bridge

Dear Board Members:

RECOMMENDATIONS:

Determine there is a continued need for emergency action and continue to approve Contract #FR-BB-25-002 for emergency repairs to Black Point Bridge for a total contract amount not to exceed \$274,594.

SUMMARY:

This emergency item first came to the District's attention in October. The Black Point Bridge malfunctioned and was unable to be moved without causing further damage. The bridge is a critical link to the SMART main line and must be traveled over to serve freight customers in Petaluma. Given that this critical connection is required for SMART to fulfill its common carrier obligations, the emergency would not permit a delay resulting from a competitive solicitation for bids as immediate repairs to the bridge were necessary. Pursuant to delegated authority, the General Manager in coordination with the SMART Board of Directors Chair, declared an emergency and began the procurement process. On November 7, 2025, SMART executed a contract with Summit Signal to complete the repairs for a total contract amount not to exceed \$135,141.00. In March the Board approved an increase of \$139,453 for a total of \$274,594 to address additional repairs beyond those originally anticipated to be able to turn the bridge permit trains to proceed over it.

Pursuant to Public Contract Code §22050, the governing body shall initially review the emergency action at its next scheduled meeting after the action and at least at every regularly scheduled meeting thereafter until the action is terminated to determine that there is a need to continue the action, unless a person with authority has terminated that action.

The contractor has begun the repair process of Black Point Bridge. Removal of the damaged bridge components is underway, and replacement parts are being fabricated. As required by Public Contract Code §22050, Staff will update the Board of Directors at the June 17, 2026, meeting, if required.

FISCAL IMPACT: Funding has been identified in the FY 2026 freight budget.

Very truly yours,

/s/
Eddy Cumins, General Manager



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Sonoma County Board of Supervisors

GENERAL MANAGER

Eddy Cumins

May 20, 2026

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

SUBJECT: Resolutions Authorizing the Annual Filing of Grant Applications for Various State and Federal Fund Programs for a Total of \$19,935,947 in Fiscal Year 2026-2027 Budget Operations Grant Support

Dear Board Members:

RECOMMENDATIONS:

Adopt Resolutions 2026-07, 2026-08, 2026-09, 2026-10, 2026-11 and 2026-12 authorizing the filing of annual applications for the following funds for SMART operating department expenses:

- \$4,202,279 in annual Federal Transit Administration (FTA) Formula 5307 Program funding for Preventive Maintenance and committing the necessary 20% in local matching funds; and
- \$5,061,159 in annual FTA Formula 5337 State of Good Repair funding and committing the necessary 20% in local matching funds; and
- \$4,415,709 in State Transit Assistance (STA) Program funding for Operations; and
- Up to \$5,086,476 in State Rail Assistance (SRA) Program funding for Operations; and
- \$799,967 in State Low Carbon Transit Program (LCTOP) funding for Transit Operations; and
- \$370,357 in State Transit Assistance – State of Good Repair (STA-SGR) funding for the SMART State of Good Repair Improvement project.

SUMMARY:

SMART became eligible for multiple State and Federal formula grants upon beginning operations in 2017. The Board of Directors has approved annual resolutions of local support for these funding sources over the past several years. Since 2021, efforts have been made to consolidate grant authorizations into a single agenda item ahead of the annual budget process. The listed funding sources reflect the most recent revenue estimates from the State Controller’s Office, CalSTA, and MTC, and are intended for use in the Fiscal Year 2026–27 Annual Budget.

Funding sources include FTA Sections 5307 and 5337, State Transit Assistance (STA), State of Good Repair (SGR), and Low Carbon Transit Operations Program (LCTOP), each derived from dedicated fuel taxes or state climate program revenues. SMART meets all eligibility requirements for these grants through its

ongoing operations, including reporting service data to the National Transit Database, which informs funding allocations.

Several of these funding programs involve coordination with regional and state agencies. For example, STA funding is allocated based on revenue and population, requiring coordination with county transportation agencies and MTC. MTC also requires compliance with regional transit coordination policies as part of the funding claim process. Each fund source includes specific application, certification, and reporting requirements.

In total, these six funding sources are expected to provide up to \$19,935,947 to support SMART's Fiscal Year 2026–27 operations, subject to adjustments for prior-year carryforward funds. Staff recommends approval of the attached resolutions authorizing acceptance of these funds, execution of required documentation, and completion of associated projects.

FISCAL IMPACT: SMART will assume these funding sources within the FY2026-2027 budget.

Very truly yours,

/s/

Heather McKillop

Chief Financial Officer

Attachments:

- 1) Resolution Number 2026-07 - Federal Transit Administration 5307 Formula Program
- 2) Resolution Number 2026-08 - State Transit Assistance Funds
- 3) Resolution Number 2026-09 - State Rail Assistance Funds
- 4) Resolution Number 2026-10 - Low Carbon Transit Operations Program (LCTOP)
- 5) Resolution Number 2026-11 - State Transit Assistance State Of Good Repair
- 6) Resolution Number 2026-12 - Federal Transit Administration 5337 Formula Program
- 7) MTC Resolution 3866 - Transit Coordination Requirement

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SONOMA-MARIN AREA RAIL TRANSIT DISTRICT AUTHORIZING THE FILING OF AN APPLICATION FOR FEDERAL TRANSIT ADMINISTRATION 5307 FORMULA PROGRAM FUNDING FOR PREVENTIVE MAINTENANCE AND COMMITTING THE NECESSARY LOCAL MATCH FOR THE PROJECT AND STATING THE ASSURANCE OF THE SONOMA-MARIN AREA RAIL TRANSIT DISTRICT TO COMPLETE THE PROJECT

WHEREAS, the Bipartisan Infrastructure Law, enacted as the Infrastructure Investment and Jobs Act (BIL, Pub. L 117-58) continues and increases funding amounts within Federal Transit Administration formula programs (49 U.S.C. §53); and

WHEREAS, pursuant to BIL/IIJA, and the regulations promulgated thereunder, eligible project sponsors wishing to receive Federal Transit Administration (FTA) Section 5307 Urbanized Area grants (Formula Program Funds) for a project shall submit an application first with the appropriate metropolitan transportation planning organization (MPO), for review and inclusion in the MPO's Transportation Improvement Program (TIP); and

WHEREAS, the Metropolitan Transportation Commission (MTC) is the MPO for the San Francisco Bay region; and

WHEREAS, the Sonoma-Marín Area Rail Transit District (SMART) is an eligible project sponsor for FTA Formula Program Funds for the following project:

SMART Preventive Maintenance

WHEREAS, MTC requires, as part of the application, a resolution stating the following:

1. SMART makes the commitment of necessary local matching funds (20% for FTA Formula Program funds); and
2. SMART understands that the FTA Formula Program funding is fixed at the programming amount, and therefore any cost increase cannot be expected to be funded from FTA Formula Program funds; and
3. SMART provides assurance that the project will be completed as described in the application, and, if approved, as programmed in MTC's TIP; and
4. SMART understands that the FTA Formula Program funds must be obligated within three years of programming in the TIP, or the project may be removed from the program.

NOW, THEREFORE, BE IT RESOLVED that by the Board of Directors that the SMART District is authorized to execute and file an application for funding under the FTA Formula Program in the amount of \$4,202,279 for Preventive Maintenance; and

BE IT FURTHER RESOLVED that the SMART Board of Directors, by adopting this resolution does hereby state that

1. SMART will provide \$1,050,570 in local, non-federal matching funds; and
2. SMART understands that the FTA Formula Program for the project is fixed at \$4,202,279 and that any cost increases must be funded by SMART from local matching funds, and that SMART does not expect any costs increases to be funded with FTA Formula Program funds; and
3. **SMART Preventive Maintenance** will be completed as described in this resolution and, if approved, for the amount shown in the Metropolitan Transportation Commission (MTC) Transportation Improvement Program (TIP) with obligation occurring within the timeframe established below; and
4. The program funds are expected to be obligated by January 31 within the year the project is programmed for in the TIP; and
5. SMART will comply with FTA requirements and all other applicable Federal and State and Local laws and regulations with respect to the proposed project; and

BE IT FURTHER RESOLVED that SMART is an eligible sponsor of projects in the program for FTA Formula Program funds; and

BE IT FURTHER RESOLVED that SMART is authorized to submit an application for FTA Formula Program funds for Preventive Maintenance; and

BE IT FURTHER RESOLVED that there is no legal impediment to SMART making applications for FTA Formula Program funds; and

BE IT FURTHER RESOLVED that there is no pending or threatened litigation which might in any way adversely affect the proposed project, or the ability of SMART to deliver such a project; and

BE IT FURTHER RESOLVED that SMART agrees to comply with the requirements of MTC's Transit Coordination Implementation Plan as set forth in MTC Resolution 3866; and

BE IT FURTHER RESOLVED that a copy of this resolution will be transmitted to the MTC prior to MTC programming the FTA Formula Program funded projects in the Transportation Improvement Program (TIP); and

BE IT FURTHER RESOLVED that the MTC is requested to support the application for the project described in the resolution and to program the project, if approved, in MTC's TIP.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of the Sonoma-Marin Area Rail Transit District held on the 20th day of May 2026 by the following vote:

DIRECTORS:

AYES:

NOES:

ABSENT:

ABSTAIN:

Chris Coursey, Chair, Board of Directors
Sonoma-Marin Area Rail Transit District

ATTEST:

Kyreen Jorgensen, Clerk of Board of Directors
Sonoma-Marin Area Rail Transit District

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SONOMA-MARIN AREA RAIL TRANSIT DISTRICT AUTHORIZING THE SUBMITTAL OF A CLAIM FOR STATE TRANSIT ASSISTANCE FUNDS AND DESIGNATION OF THE GENERAL MANAGER AND/OR CHIEF FINANCIAL OFFICER AS THE AUTHORIZED AGENTS TO SUBMIT AND EXECUTE ALL REQUIRED DOCUMENTS FOR STATE TRANSIT ASSISTANCE FUNDS ON BEHALF OF THE DISTRICT FOR FISCAL YEARS 2026-2027

WHEREAS, the Sonoma-Marín Area Rail Transit District (SMART) is an eligible project sponsor and may receive funding from State Transit Assistance (STA) Funds, including STA Revenue Funds (PUC 99314) and STA Population Funds (PUC 99313) for transit projects; and

WHEREAS, the state and regional statutes related to these state transit funds require implementing agencies to abide by various state and regional regulations; and

WHEREAS, the Metropolitan Transportation Commission (MTC) is the regional agency responsible for disbursement of STA funds, including STA Revenue Funds apportioned by the State Controller's Office; and

WHEREAS, MTC has developed guidelines for the purpose of administering and distributing STA funds to eligible project sponsors, described in MTC's Annual Fund Application Manual; and

WHEREAS, the State Controller's Office has apportioned \$1,890,109 in STA Revenue funds available for SMART to claim for Fiscal Year 2026-2027; and

WHEREAS, MTC delegates prioritization of STA Population Funds to the County Transportation Agencies and the transit operators within those counties; and

WHEREAS, the Sonoma County Transportation Authority (SCTA) and the Transportation Authority of Marin (TAM) have established procedures to apportion funds to transit operators within each county, including apportionment of STA Population Funds to SMART; and

WHEREAS, SCTA has apportioned \$1,088,487 available to claim in Fiscal Year 2026-2027 and TAM has apportioned \$233,033 available to claim in Fiscal Year 2026-2027 by SMART; and

WHEREAS, SMART's participation in Marin-Sonoma Coordinated Transit Service Plan (MASCOTS) includes an additional \$1,204,080 apportioned to SMART from Sonoma County STA Population funds; and

WHEREAS, MTC receives those recommended apportionments of STA Population funds and disburses those funds along with STA Revenue Funds directly to transit operators; and

WHEREAS, SMART wishes to delegate authorization to submit and execute all required STA claim documents and any amendments thereto to the SMART General Manager and Chief Financial Officer; and

WHEREAS, SMART wishes to utilize STA Revenue and STA Population apportionments to implement the SMART Rail Operations Project for Fiscal Year 2026-2027;

NOW, THEREFORE, BE IT RESOLVED THAT THE Board of Directors of the SMART District hereby

1. Authorizes the submittal of the SMART Rail Operations Project claim for State Transit Assistance Revenue and Population funds in the amount of \$4,415,709 to the Metropolitan Transportation Commission for Fiscal Year 2026-27; and
2. Agrees to comply with all conditions and requirements set for in MTC’s Annual Fund Application Manual and applicable statutes, regulations and guidelines for all State Transit Assistance funded transit projects; and
3. Designates SMART’s General Manager and/or Chief Financial Officer to be authorized to execute all required documents of the State Transit Assistance program and any Amendments thereto with the Metropolitan Transportation Commission which may be necessary for the completion of the aforementioned project.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of the Sonoma-Marín Area Rail Transit District held on the 20th day of May 2026 by the following vote:

DIRECTORS:
AYES:
NOES:
ABSENT:
ABSTAIN:

Chris Coursey, Chair, Board of Directors
Sonoma-Marín Area Rail Transit District

ATTEST:

Kyreen Jorgensen, Clerk of Board of Directors
Sonoma-Marín Area Rail Transit District

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SONOMA-MARIN AREA RAIL TRANSIT DISTRICT AUTHORIZING THE SUBMITTAL OF A CLAIM FOR STATE TRANSIT ASSISTANCE FUNDS AND DESIGNATION OF THE GENERAL MANAGER AND/OR CHIEF FINANCIAL OFFICER AS THE AUTHORIZED AGENTS TO SUBMIT AND EXECUTE ALL REQUIRED DOCUMENTS FOR STATE TRANSIT ASSISTANCE FUNDS ON BEHALF OF THE DISTRICT FOR FISCAL YEARS 2026-2027

WHEREAS, the Sonoma-Marin Area Rail Transit District (SMART) is an eligible project sponsor and may receive funding from State Transit Assistance (STA) Funds, including STA Revenue Funds (PUC 99314) and STA Population Funds (PUC 99313) for transit projects; and

WHEREAS, the state and regional statutes related to these state transit funds require implementing agencies to abide by various state and regional regulations; and

WHEREAS, the Metropolitan Transportation Commission (MTC) is the regional agency responsible for disbursement of STA funds, including STA Revenue Funds apportioned by the State Controller's Office; and

WHEREAS, MTC has developed guidelines for the purpose of administering and distributing STA funds to eligible project sponsors, described in MTC's Annual Fund Application Manual; and

WHEREAS, the State Controller's Office has apportioned \$1,890,109 in STA Revenue funds available for SMART to claim for Fiscal Year 2026-2027; and

WHEREAS, MTC delegates prioritization of STA Population Funds to the County Transportation Agencies and the transit operators within those counties; and

WHEREAS, the Sonoma County Transportation Authority (SCTA) and the Transportation Authority of Marin (TAM) have established procedures to apportion funds to transit operators within each county, including apportionment of STA Population Funds to SMART; and

WHEREAS, SCTA has apportioned \$1,088,487 available to claim in Fiscal Year 2026-2027 and TAM has apportioned \$233,033 available to claim in Fiscal Year 2026-2027 by SMART; and

WHEREAS, SMART's participation in Marin-Sonoma Coordinated Transit Service Plan (MASCOTS) includes an additional \$1,204,080 apportioned to SMART from Sonoma County STA Population funds; and

WHEREAS, MTC receives those recommended apportionments of STA Population funds and disburses those funds along with STA Revenue Funds directly to transit operators; and

WHEREAS, SMART wishes to delegate authorization to submit and execute all required STA claim documents and any amendments thereto to the SMART General Manager and Chief Financial Officer; and

WHEREAS, SMART wishes to utilize STA Revenue and STA Population apportionments to implement the SMART Rail Operations Project for Fiscal Year 2026-2027;

NOW, THEREFORE, BE IT RESOLVED THAT THE Board of Directors of the SMART District hereby

1. Authorizes the submittal of the SMART Rail Operations Project claim for State Transit Assistance Revenue and Population funds in the amount of \$4,415,709 to the Metropolitan Transportation Commission for Fiscal Year 2026-27; and
2. Agrees to comply with all conditions and requirements set for in MTC’s Annual Fund Application Manual and applicable statutes, regulations and guidelines for all State Transit Assistance funded transit projects; and
3. Designates SMART’s General Manager and/or Chief Financial Officer to be authorized to execute all required documents of the State Transit Assistance program and any Amendments thereto with the Metropolitan Transportation Commission which may be necessary for the completion of the aforementioned project.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of the Sonoma-Marín Area Rail Transit District held on the 20th day of May 2026 by the following vote:

DIRECTORS:

AYES:

NOES:

ABSENT:

ABSTAIN:

Chris Coursey, Chair, Board of Directors
Sonoma-Marín Area Rail Transit District

ATTEST:

Kyreen Jorgensen, Clerk of Board of Directors
Sonoma-Marín Area Rail Transit District

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SONOMA-MARIN AREA RAIL TRANSIT DISTRICT AUTHORIZING THE EXECUTION OF THE CERTIFICATION AND ASSURANCES AND AUTHORIZED AGENT FORMS FOR STATE RAIL ASSISTANCE FUNDS AND AUTHORIZING THE EXECUTION OF THE STATE RAIL ASSISTANCE PROJECT, SMART COMMUTER RAIL OPERATIONS FOR FISCAL YEARS 2026-2027

WHEREAS, the Sonoma-Marin Area Rail Transit District (SMART) is an eligible project sponsor and may receive funding from State Rail Assistance (SRA) for transit projects; and

WHEREAS, the statutes related to state-funded transit project require implementing agencies to abide by various regulations; and

WHEREAS, Senate Bill 1 (2017) named the California State Transportation Agency (CalSTA) as the administering agency for the SRA; and

WHEREAS, CalSTA has developed guidelines for the purpose of administering and distributing SRA funds to eligible project sponsors (Agencies identified as eligible recipients of these funds); and

WHEREAS, SMART wishes to delegate authorization to execute these documents and any amendments thereto to the General Manager and Chief Financial Officer; and

WHEREAS, SMART wishes to implement the Fiscal Year 2026-2027 SMART Commuter Rail Operations Project

NOW, THEREFORE, BE IT RESOLVED THAT THE Board of Directors of the SMART District hereby

1. Authorizes the submittal of the SMART Commuter Rail Operations Project for nomination and allocation request to CalSTA for State Rail Assistance funds for up to \$5,086,476 in FY2026-2027; and
2. Agrees to comply with all conditions and requirements set for in the Certifications and Assurances and Authorized Agent documents and applicable statutes, regulations and guidelines for all SRA funded transit projects; and
3. Designates the General Manager and Chief Financial Officer, to be authorized to execute all required documents of the SRA program and any Amendments thereto with the California Transportation Agency which may be necessary for the completion of the aforementioned project.

Resolution No. 2026-10
Sonoma-Marín Area Rail Transit District
May 20, 2026

PASSED AND ADOPTED at a regular meeting of the Board of Directors of the Sonoma-Marín Area Rail Transit District held on the 20th day of May 2026 by the following vote:

DIRECTORS:

AYES:

NOES:

ABSENT:

ABSTAIN:

Chris Coursey, Chair, Board of Directors
Sonoma-Marín Area Rail Transit District

ATTEST:

Kyreen Jorgensen, Clerk of Board of Directors
Sonoma-Marín Area Rail Transit District

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SONOMA-MARIN AREA RAIL TRANSIT DISTRICT AUTHORIZING THE EXECUTION OF THE CERTIFICATION AND ASSURANCES AND AUTHORIZED AGENT FORMS FOR THE LOW CARBON TRANSIT OPERATIONS PROGRAM (LCTOP) FOR THE FOLLOWING PROJECT: SMART TRANSIT OPERATIONS FY26/27

WHEREAS, the Sonoma-Marin Area Rail Transit District (SMART) is an eligible project sponsor and may receive state funding from the Low Carbon Transit Operations Program (LCTOP) for transit projects; and

WHEREAS, the statutes related to state-funded transit projects require a local or regional implementing agency to abide by various regulations; and

WHEREAS, Senate Bill 862 (2014) named the Department of Transportation (Department) as the administrative agency for the LCTOP; and

WHEREAS, the Department has developed guidelines for the purpose of administering and distributing LCTOP funds to eligible project sponsors (local agencies); and

WHEREAS, SMART wishes to delegate authorization to execute these documents and any amendments thereto the General Manager and/or the Chief Financial Officer; and

WHEREAS, SMART wishes to implement the following LCTOP project(s) listed above,

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Sonoma-Marin Area Rail Transit District (SMART) that the fund recipient agrees to comply with all conditions and requirements set forth in the Certification and Assurances and the Authorized Agent documents and applicable statutes, regulations and guidelines for all LCTOP funded transit projects.

NOW THEREFORE, BE IT FURTHER RESOLVED that the General Manager and/or Chief Financial Officer be authorized to execute all required documents of the LCTOP program and any Amendments thereto with the California Department of Transportation.

NOW, THEREFORE, BE IT FURTHER RESOLVED by the Board of Directors of SMART that it hereby authorizes the submittal of the following project nomination(s) and allocation request(s) to the Department in FY2025-2026 LCTOP funds:

Project Name: SMART Transit Operations FY26/27

Resolution No. 2026-11
Sonoma-Marín Area Rail Transit District
May 20, 2026

Short description of project: This project supports operations of commuter rail services in the SMART system. SMART operates 48 weekday trips as of FY25/26, an increase of six weekday trips from the prior year. In FY24/25 SMART also opened new stations at Petaluma North and Windsor, which included the addition of three new miles of track.

Amount of LCTOP funds requested: \$799,967

Benefit to a Priority Populations: SMART service connects low-income community members to desirable locations for work or activities through rail service and pedestrian pathways.

Amount to benefit Priority Populations: 15% to DAC and 85% to low-income households

Contributing Sponsor: Metropolitan Transportation Commission

PASSED AND ADOPTED at a regular meeting of the Board of Directors of the Sonoma-Marín Area Rail Transit District held on the 20th day of May 2026 by the following vote:

DIRECTORS:

AYES:

NOES:

ABSENT:

ABSTAIN:

Chris Coursey, Chair, Board of Directors
Sonoma-Marín Area Rail Transit District

ATTEST:

Kyreen Jorgensen, Clerk of Board of Directors
Sonoma-Marín Area Rail Transit District

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SONOMA-MARIN AREA RAIL TRANSIT DISTRICT AUTHORIZING THE SUBMITTAL OF APPLICATIONS, SUPPORTING DOCUMENTS AND EXECUTION OF FUNDING AGREEMENTS FOR FISCAL YEAR 2026-2027 STATE TRANSIT ASSISTANCE STATE OF GOOD REPAIR FUNDS FOR THE SMART STATE OF GOOD REPAIR IMPROVEMENT PROJECT

WHEREAS, the Sonoma-Marín Area Rail Transit District (SMART) is an eligible project sponsor and may receive State Transit Assistance funding from State of Good Repair Account (SGR) now or sometime in the future for transit projects; and

WHEREAS, the statutes related to state-funded transit projects require a local or regional implementing agency to abide by various regulations; and

WHEREAS, the State Controller’s Office has released the Fiscal Year 2027 SGR apportionments and SMART is estimated to receive \$370,357 in SGR funds; and

WHEREAS, the SMART State of Good Repair Improvement Project is an eligible project per the SGR program guidelines; and

WHEREAS, Senate Bill 1 (2017) named the Department of Transportation (Department) as the administering agency for the SGR; and

WHEREAS, the Department has designated the Metropolitan Transportation Commission (MTC) as the regional entity responsible for coordinating the administration of all SGR projects and distribution of SGR funds to eligible project sponsors (local agencies) within the nine county Bay Area; and

WHEREAS, SMART wishes to delegate the submittal of applications, necessary supporting documents and any amendments thereto to SMART’s General Manager or Chief Financial Officer.

NOW, THEREFORE, BE IT RESOLVED THAT THE Board of Directors of the SMART District hereby designates SMART’s General Manager and SMART’s Chief Financial Officer to be authorized to execute all required documents of the SGR program and any amendments thereto with the Metropolitan Transportation Commission and State of California.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of the Sonoma-Marín Area Rail Transit District held on the 20th day of May 2026 by the following vote:

DIRECTORS:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Chris Coursey, Chair, Board of Directors
Sonoma-Marín Area Rail Transit District

Kyreen Jorgensen, Clerk of Board of Directors
Sonoma-Marín Area Rail Transit District

Date: February 24, 2010
W.I.: 1227
Referred By: Operations Committee
Revised: 10/26/11-C
07/22/15-C

ABSTRACT

Resolution No. 3866, Revised

This resolution updates and adopts MTC's Transit Coordination Implementation Plan pursuant to the requirements of California Government Code §§ 66516 (SB 1474) and 66516.5; Public Utilities Code §§ 99282.51 and 99314.7; and Streets and Highways Code § 30914.5.

This resolution supersedes Resolution No. 3055, as amended.

Attachment B to this resolution was revised on July 22, 2015 to update and revise requirements for the 511 transit information program (Appendix B-1), the regional hub signage program (Appendix B-2), and the Clipper[®] program (Appendix B-3), and to add a new Appendix B-5 containing coordination requirements applicable to transit rider surveys.

Date: February 24, 2010
W.I.: 1227
Referred By: Operations Committee

Re: Transit Coordination Implementation Plan

METROPOLITAN TRANSPORTATION COMMISSION

RESOLUTION NO. 3866

WHEREAS, pursuant to Section 66516 of the California Government Code, the Metropolitan Transportation Commission (MTC) is required to adopt rules and regulations to promote the coordination of fares and schedules for all public transit systems within its jurisdiction and to require every system to enter into a joint fare revenue sharing agreement with connecting systems; and

WHEREAS, pursuant to Section 66516.5 of the Government Code, MTC may identify and recommend consolidation of those functions performed by individual public transit systems that could be consolidated to improve the efficiency of regional transit service and;

WHEREAS, pursuant to Section 99282.5 of the California Public Utilities Code (PUC), MTC is required to adopt rules and regulations to provide for governing interoperator transfers so that the public transportation services between public transit operators are coordinated; and

WHEREAS, pursuant to Section 99314.7 of the Public Utilities Code, MTC is required to evaluate an operator's compliance with coordination improvements prior to an operator receiving allocations of State Transit Assistance (STA) funds; and

WHEREAS, pursuant to Section 30914.5 of the Streets and Highways Code, MTC must adopt, as a condition of Regional Measure 2 fund allocation, a regional transit connectivity plan to be incorporated in MTC's Transit Coordination Implementation Plan pursuant to Section 66516.5, requiring operators to comply with the plan, which must include Policies and procedures for improved fare collection; and

WHEREAS, MTC previously adopted Resolution No. 3055 to implement these requirements; and

WHEREAS, in order to ensure progress toward implementing coordination recommendations, MTC wishes to formalize these recommendations by adopting the rules and requirements required pursuant to Government Code Section 66516 and PUC Section 99282.5 as set forth in this MTC Transit Coordination Implementation Plan, which includes a regional Transit Connectivity Plan and Implementation Requirements, attached to this Resolution as Attachments A and B, and incorporated herein as though set forth at length;

WHEREAS, MTC has consulted with the region's transit agencies to develop the regional Transit Connectivity Plan and Implementation Requirements, as required by Government Code §§ 66516 and Streets and Highways Code § 30914.5; now therefore be it

RESOLVED, that MTC adopts the Transit Connectivity Plan ("Plan") as set forth in Attachment A; and be it further

RESOLVED, that MTC adopts the Implementation Requirements, as set forth in Attachment B; and, be it further

RESOLVED, that prior to determining fund programming and allocations for an operator, MTC shall review the efforts made by the operator to implement the requirements identified in Attachments A and B, and if MTC determines that the operator has not made a reasonable effort to implement the requirements of Attachments A and B, MTC may, at its discretion, withhold, restrict or re-program funds and allocations to such operator to the extent allowed by statute, rule, regulation, or MTC policy; and, be it further

RESOLVED, that all funds subject to programming and/or allocation by MTC are covered by this resolution including but not limited to State Transit Assistance, Transportation Development Act, Regional Measure 2, Congestion Mitigation and Air Quality, Surface

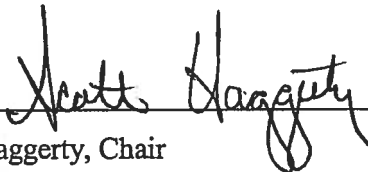
Transportation Program and Transit Capital Priorities funds, to the extent permitted by statute; and, be it further

RESOLVED, that this resolution shall be transmitted to the affected transit operators to guide them in development of their annual budgets and short-range transit plan revisions; and, be it further

RESOLVED, that the Operations Committee is authorized to approve amendments to Attachments A and B, following consultation with the affected transit operators; and be it further

RESOLVED, this resolution supersedes Resolution No. 3055.

METROPOLITAN TRANSPORTATION COMMISSION



Scott Haggerty, Chair

The above resolution was entered into by the Metropolitan Transportation Commission at a regular meeting of the Commission held in Oakland, California, on February 24, 2010

Date: February 24, 2010
W.I.: 1227
Referred By: Operations Committee

Attachment A
Resolution No. 3866
Page 1 of 1

Attachment A

MTC Transit Connectivity Plan

This Attachment A incorporates by reference the Transit Connectivity Plan, previously approved by MTC in MTC Resolution No. 3055, which may be downloaded at:
<http://www.mtc.ca.gov/planning/connectivity/index.htm>.

Date: February 24, 2010
W.I.: 1227
Referred By: Operations Committee
Revised: 10/26/11-C
07/22/15-C

Attachment B
Resolution No. 3866, Revised
Page 1 of 28

Attachment B Implementation Requirements

The purpose of these Implementation Requirements is to establish the expectations and requirements for each transit agency with respect to implementing the recommendations of the Commission's Transit Connectivity Plan (2006) and maintaining other transit coordination programs, to outline the process by which MTC will involve transit operators in changes to coordination requirements, and to establish the process for Commission action in the event of transit agency non-compliance with these implementation requirements. A copy of this Resolution 3866 is available for download at <http://www.mtc.ca.gov/planning/tcip/>.

Per the Transit Connectivity Plan, MTC places high priority on improvements that:

- Accomplish tangible improvements for the passenger;
- Benefit the largest number of transit users, including both inter- and intra-system transit riders, to the extent possible;
- Improve system productivity by sharing agency resources; and
- Enhance the ability of transit riders to reach significant destinations in adjoining jurisdictions and along regional corridors by (1) improving the connections between system services and (2) providing through service to adjoining jurisdictions in those cases where the market clearly justifies such service.

In order to manage resources effectively, MTC will focus on a limited number of high priority improvements, transfer project leadership from MTC to one or more transit agencies where possible upon agreement of project partners, and establish priorities for implementing new projects.

The Commission has established specific transit operator requirements to implement a coordinated regional network of transit services and to improve overall service productivity as defined in the Transit Connectivity Plan. Any agency that is an eligible recipient of funds subject to allocation or programming by MTC is subject to these requirements, including, but not limited to the following:

- | | |
|--|--|
| 1. Altamont Corridor Express | 18. Sonoma Marin Area Rail Transit |
| 2. Alameda-Contra Costa Transit District | 19. Transbay Joint Powers Authority |
| 3. Caltrain | 20. Union City Transit |
| 4. Capital Corridor Joint Powers Authority | 21. Water Emergency Transportation Authority |
| 5. Central Contra Costa Transit Authority | 22. Western Contra Costa Transit Authority |
| 6. Eastern Contra Costa Transit Authority | 23. City of Dixon |
| 7. Golden Gate Bridge, Highway and Transportation District | 24. City of Emeryville |
| 8. Livermore/Amador Valley Transit Authority | 25. City of Fairfield (Fairfield and Suisun Transit) |
| 9. Marin County Transit District | 26. City of Petaluma |
| 10. Napa County Transportation Planning Agency | 27. City of Rio Vista |
| 11. San Francisco Bay Area Rapid Transit District | 28. City of Santa Rosa |
| 12. San Francisco Municipal Transportation Agency | 29. City of Vacaville |
| 13. San Mateo County Transit District | |
| 14. Santa Clara Valley Transportation Authority | |
| 15. Solano County Transit (SolTrans) | |
| 16. Solano Transportation Authority | |
| 17. Sonoma County Transit | |

Unless a particular action is reserved for the Commission or the Operations Committee in this Attachment B (including any Appendices hereto), where reference is made in this Attachment B to approval, determination, clarification or the development of guidelines or policies by MTC, such action may be taken or made by MTC staff in a manner that is consistent with the principles set forth in Resolution 3866 and this Attachment B.

A. Operator Implementation Requirements

1. Implementation Requirements

The region has a history of implementing projects to improve transit coordination. Early efforts focused on regional programs and policies such as disseminating tax-free transit benefits and making paratransit eligibility determinations. More recent efforts, such as the Transit Connectivity Plan and efforts to increase Transit Sustainability, identified improvements to (1) designated regional transit hubs, including way-finding signage and transit information, real time transit information, schedule coordination, last-mile services and hub amenities, (2) system wide connectivity improvements, including 511 information and Clipper® and (3) coordination of demographic and travel pattern transit rider surveys.

Specific implementation requirements for transit operators are listed in Appendices to this Attachment:

- Appendix B-1, 511 Transit Program Requirements (including real-time transit);
- Appendix B-2, Regional Transit Hub Signage Program Requirements;
- Appendix B-3, Clipper® Implementation Requirements; and
- Appendix B-4, Maintenance of Existing Coordinated Services.
- Appendix B-5, Cooperative Demographic and Travel Pattern Transit Rider Survey Program Requirements

As MTC continues to address recommendations from the Transit Connectivity Plan and other emerging issues such as Transit Sustainability, new implementation requirements may become necessary. The appendices may be modified to reflect changes in implementation responsibilities, following the procedures outlined in this Attachment B, and subject to approval by the Commission.

2. SB 602 Fare and Schedule Coordination Requirements

Currently, each operator certifies its adherence to the provisions of SB 602 (Statutes 1989, Chapter 692, Government Code Section 66516, and as subsequently amended) as part of the annual allocation process for TDA and STA funds when requests for these funds are submitted to MTC. The SB 602 requirements are now incorporated into this Res. 3866, and each operator's compliance will be monitored accordingly. Per the requirements of SB 602, each transit agency in the region has a revenue sharing agreement with every connecting agency. In some cases, this takes the form of a reciprocal agreement to accept each other's passengers free of charge or to honor each other's period passes or single-trip transfers for a discounted fare. The BART/Muni FastPass is an example of a joint fare instrument to address SB602 requirements. Each transit agency in the region is required to maintain these reciprocal agreements as a condition of receiving STA funds (Gov. Code 66516).

3. Preserve Ability to Post and Disseminate Transit Information

MTC expects transit operators to preserve rights for MTC and connecting transit operators to post and disseminate connecting transit information for free within their facilities. This would include but not be limited to route, schedule, fare, real-time transit information and information about regional transit projects (511, Clipper®). For any transit agency that has already entered into a third-party agreement that compromises these rights, MTC expects the transit agency to make good faith efforts to reinstate these rights in their agreement at the earliest opportunity and, at a minimum, to reinstate such rights in future agreements or renewals entered into after adoption of this Resolution. Nothing herein shall be interpreted as requiring transit agencies to display advertising. Rather, the objective is to provide transit customers with pertinent information that improves their transit experience.

B. Cost-Sharing

Implementation activities and other new transit connectivity and coordination efforts added to these Implementation Requirements will be funded with MTC discretionary funds, transit agency funds, and/or in-kind contributions of MTC and transit agency staff resources. If MTC considers

adding new projects or services, MTC would implement the consultation process described in Section C below to vet any expected cost impacts on the operators. Transit agencies are required to waive all agency fees (for permits, etc.) they would otherwise charge to MTC, other transit operators or third-party contractors to implement and maintain regional transit coordination projects detailed in these requirements. Unless otherwise noted, MTC and transit agencies are expected to cover the cost to implement their respective roles and responsibilities as identified in these requirements or in pre-existing agreements. As specific initiatives move to implementation, a lead agency may be designated to coordinate implementation activities on behalf of the other participating transit agencies. Any agency that assumes this lead role and incurs costs that it would otherwise not assume in order to perform this function may be reimbursed, based upon an equitable agreement with the participating agencies, on a marginal cost basis (i.e., the additional cost the transit operator incurs to perform the work).

C. Consultation Process

MTC will consult with transit agencies when defining new coordination requirements for inclusion in Res. 3866 or when updating or revising requirements already in Res. 3866.

MTC will first consult with one or more of its technical advisory committees (TACs) to receive transit agency input on the specific implementation requirements. MTC will notify TAC members of the meetings and provide agendas in advance, and facilitate TAC discussions. Affected transit operators are expected to participate. Transit agencies are responsible for ensuring that the appropriate staff attends TAC meetings, that they participate in discussions in good faith, and that they communicate with other relevant staff within their agency (including those employees whose work may be affected) and executive management so that timely and constructive agency feedback can be provided to MTC. MTC will consider TAC input when formulating draft policy. In cases where there is no relevant TAC to address the issue under consideration, MTC will formulate draft policy and solicit feedback from general advisory groups, such as the Partnership Technical Advisory Committee (PTAC) or the Transit Finance Working Group.

At its discretion, MTC may also solicit input from the Partnership Board, the Partnership Technical Advisory Committee, the Transit Finance Working Group and MTC's Policy Advisory Council prior to Commission action. Following consultation with the TAC(s) and/or other advisory groups, MTC will solicit feedback from the Partnership Transit Coordination Committee. MTC will provide notification of the proposed PTCC meeting and agenda through written communication to transit general managers and transit program coordinators and posting of the meeting materials on MTC's web site.

After consulting with transit agencies, MTC will forward staff's recommendations to the MTC Operations Committee and the Commission.

D. Sanctions

The Commission expects each transit agency to comply with the requirements outlined in this Resolution and its Attachments as a condition of eligibility for STA and TDA funds, Regional Measure 2 funds, transit capital funds (including federal transit formula funds, STP, CMAQ and

STIP funds) and other funds subject to Commission programming and allocation actions. MTC intends that the region's transit agencies will implement these requirements in good faith and cooperation among themselves and with MTC. The sanction of withholding, restricting or re-programming funds to enforce cooperation will be exercised by MTC through an action of the Commission in cases where an agency fails to meet or fails to exhibit good faith in meeting these requirements. In such cases, MTC staff will notify the agency of the possibility that a sanction may be imposed. This notification will also recommend corrective actions that the agency should take to meet the implementation requirements. The notification will be sent no less than sixty (60) days prior to forwarding an MTC staff recommendation to the Commission.

Appendix B-1 511 Transit Information Requirements

MTC provides static transit data through the 511 phone and web service and real-time transit departure information through the 511 phone and web services and the Regional Hub Signage Program. MTC requires the full participation and support of all transit agencies to deliver quality and timely information. MTC and the transit agencies have jointly developed data transfer mechanisms for static and real-time transit data and identified appropriate roles and responsibilities for all parties, as documented in “*511 Transit and Real-Time Transit Program Roles and Responsibilities*.” MTC will review these requirements on an as-needed basis with transit agency partners, and they may be updated from time to time. The document is available at: <http://www.mtc.ca.gov/planning/tcip/>. The key roles and responsibilities to provide transit agency data on 511 services are as follows:

Transit Agencies will:

Generally:

1. Participate in MTC’s 511 Regional Transit Information System (RTIS) and Real-Time Transit Technical Advisory Committee (511 TAC).
2. Support, fund and staff their roles and responsibilities related to the 511 services as described below.
3. Notify transit customers of the availability of 511 information and 511.org on transit agency web sites, in printed materials, at bus stops/rail stations, and on other transit agency information channels.

For Static Transit Information:

4. Provide accurate, complete, and timely information regarding transit routes, stops, schedules, and fares for dissemination on 511 and/or through data feeds to third parties.
5. Transmit and maintain transit schedule data and other transit service information to MTC, through provided tools, protocols and processes as discussed, updated and agreed in 511 TAC meetings, in advance of any schedule changes to allow for MTC’s timely inclusion on 511 and/or data feeds to third parties. MTC will provide a schedule identifying the necessary advance time.
6. Perform quality control review (focusing on data changed for upcoming service revisions) on a representative sample of agency service data prior to transmittal to MTC.

For Real-time Transit Information:

7. Provide prediction data to the Regional System by establishing and maintaining a data connection to the Regional System and operating and maintaining an interface application.
8. Meet requirements, as defined in “*511 Transit and Real-Time Transit Program Roles and Responsibilities*.”
9. Conduct on-going performance monitoring to ensure accurate and timely transfer of data to the Regional System and accurate provision of prediction data to the public, in collaboration with MTC.
10. Ensure that there is no impact to its provision of prediction data to 511 in the event that the transit agency provides its specific prediction data to a third party.

11. Provide service disruption information to 511 where available and logistically feasible through agreed upon formats.

MTC will:

Generally:

1. Organize and facilitate the 511 TAC.
2. Fund, operate, and maintain the 511 traveler information program for regional transit information, including 511.org, 511 phone, regional electronic Transit Information Displays (eTIDs) at transit hubs, and other relevant applications.
3. In collaboration with transit agencies, conduct performance monitoring to ensure accurate and timely transfer of both static and real-time transit data to the Regional 511 System.

For Static Transit Information:

4. Notify transit customers of the availability of transit agency websites at appropriate locations on web site pages of 511.org.

For Real-time Transit Information:

5. Share with third party vendors and the general public the real-time transit data as described in “*511 Transit and Real-Time Transit Program Roles and Responsibilities.*”
6. Provide agencies with contact information for the 511 Traveler Information Center (TIC) to allow for the posting of real-time transit service disruption/emergency information on 511.

Appendix B-2 Regional Transit Hub Signage Program Requirements

MTC and transit agencies have developed the Regional Transit Hub Signage Program Technical Standards and Guidelines (e.g. ‘the Standards’) to ensure consistency across the region as the signage is deployed and maintained. A detailed version of the Standards is available at: <http://www.mtc.ca.gov/planning/tcip/>. The Standards may be periodically updated.

The Standards include:

1. Four main sign types: directional signs, wayfinding kiosks, transit information displays, real-time transit information displays.
2. Guidance to locate signs at key decision points between transit operator services.
3. Design elements to establish a common “look” and “feel” for the signage including:
 - Orange ‘i’ icon on a green background;
 - Standard logos, icons, arrows and messages and an organizing hierarchy;
 - Standard ‘frutiger’ font;
 - Hierarchy for the location of information in each sign;
 - Consistent map orientation and colors;
 - Directional map compass and walking distance/time radius;
 - Transit stop designation through agency logo/mode icon/route number ‘bubbles’; and
 - Prominent 511 logo/message and regional transit program information.

Transit Agencies will:

1. Participate on the Transit Connectivity TAC as needed to raise and consider any further revisions to the Standards or other relevant transit connectivity policies.
2. Comply with the Standards. Where exceptions to the Standards are desired, transit operators must seek prior approval from MTC. Where ambiguity in the Standards exists, transit operators shall request clarification from MTC.
3. Comply with task responsibilities (O&M, replacement and ownership) further detailed in Appendix B-2, Attachment 1. In most cases, the transit agency that owns the property on which the sign has been installed is assigned responsibility. For signs installed on property not owned by a transit agency, the transit agency providing the most service (passenger boardings) in the area of the sign has been assigned responsibility.
4. Facilitate the permitting of signs by waiving all fees that a transit agency would usually charge for sign installation on its property or leased operating areas.
5. As transit agencies plan new facilities or prepare for major remodels of existing facilities, transit agencies will consult with MTC early in the planning process to ensure effective information is provided to transit users and consistency with the Standards is achieved. MTC will determine if a project requires application of the Standards. If yes, the responsible transit agency will implement the appropriate signage throughout the transit facility in accordance with the Standards.

MTC will:

1. In consultation with Transit Connectivity TAC, develop, document and periodically update regional sign Standards.
2. Comply with cost and task responsibilities detailed in Appendix B-2, Attachment 1.

3. Solicit feedback from transit agencies on significant changes to regional policy affecting the 24 hubs through the Transit Connectivity Technical Advisory Committee.
4. As resources permit, provide technical assistance to transit agencies wishing to extend the regional sign Standard to non-regional hubs.
5. Explore opportunities to extend constancy of wayfinding information across modes throughout the region, including through technological and other innovative means.

Appendix B-2, Attachment 1: Hub Signage Program Cost/Task Responsibilities

Hub Signage Operations & Maintenance (O & M)	Task	Cost Responsibility		Task Responsibility	
		Region	Operator	Region	Operator
A. Physical O & M by Sign Type					
1. Directional/Wayfinding Signs (incl. hub identification signs)	a. Annual Operations and Maintenance (O&M) ¹		X		X
	b. Lifecycle Replacement ²		X		X
	c. Ownership ³		X		X
2. Wayfinding Kiosks	a. Annual Operations and Maintenance (O&M) ¹		X		X
	b. Lifecycle Replacement ²		X		X
	c. Ownership ³		X		X
3. Real-Time Transit Signs	a. Annual Operations and Maintenance (O&M) ¹		X		X
	b. Lifecycle Replacement ²	X			X
	c. Ownership ³		X		X
4. Transit Information Displays	a. Annual Operations and Maintenance (O&M) ¹		X		X
	b. Lifecycle Replacement		X		X
	c. Ownership ³		X		X
B. Information Content O & M by Sign Type					
1. Directional/Wayfinding Signs (incl. hub identification signs)	d. Static Information Content		X		X
	d. Printed information content ⁴	X		X	
2. Wayfinding Kiosks	d. Printed information content ⁴	X		X	
	d. Electronic information content	X		X	

¹ Including electricity, cleaning, graffiti removal, and repairs.
² Including planning, procurement, coordination, and installation.
³ Insurance, liability, and warranty claims.
⁴ Including quarterly cleaning of physical sign case.

Appendix B-3 Clipper® Implementation Requirements

This Appendix defines the Commission's expectations of the transit agencies to ensure a successful operation of the Clipper® (formerly TransLink®) system in three sections:

- I. Participation Requirements
- II. Regional Clipper® Communications and Marketing Activities
- III. Fare Media Transition Schedules by Specific Operators

Section I describes general Clipper® implementation requirements for participating operators.

Section II defines expectations for communications and marketing: a program area critical to smooth implementation of a full transition to Clipper® that can only be addressed through a collaborative, regional approach.

Section III establishes the dates by which the transit agencies that are currently operating Clipper® will transition their existing prepaid fare media to Clipper®-only availability.

I. Participation Requirements

The Clipper® fare payment system was procured by MTC and has been implemented, operated and maintained under the Design Build Operate Maintain contract between MTC and Cubic Transportation Systems, Inc. for the Clipper® fare payment system (the current Clipper® Contract). The Clipper® Contract was assigned to Cubic Transportation Systems, Inc. (the current Clipper® Contractor), on July 2, 2009 and has an operating term extending through November 2, 2019. In this role as counterparty to the Clipper® Contract, MTC is sometimes referred to in this Appendix B-3 as the "Contracting Agency." Transit agencies operating Clipper® as their fare payment system are required to enter into the Memorandum of Understanding (MOU) among MTC and the transit agencies operating Clipper®.

The following describes general Clipper® implementation requirements for participating operators. An operator's failure to meet one or more of these requirements may result in non-compliance with Resolution 3866.

1. Implement and operate the Clipper® fare payment system in accordance with the Clipper® Operating Rules, as adopted and amended from time to time in accordance with the MOU. The current Clipper® Operating Rules (updated in June 2012) are incorporated herein by this reference. The Clipper® Operating Rules establish operating parameters and procedures for the consistent and efficient operation of Clipper® throughout the region and are available on MTC's website at <http://www.mtc.ca.gov/planning/tcip/>.
2. Pay its share of costs according to the MOU, including the cost allocation formula set forth in Appendix B to the MOU.
3. Abide by the revenue sharing formula in Appendix B to the MOU.

4. Make its facilities and staff available for implementation and operation of Clipper[®]. Any Operator and the Contracting Agency may agree to an Operator-Specific Implementation Plan, setting forth specific requirements regarding implementation and operation of Clipper[®] for such Operator.
5. Make determinations regarding the placement of Clipper[®] equipment on the Operator's facilities and equipment; perform necessary site preparation; attend Clipper[®] Contractor training on the use of the Clipper[®] equipment; and provide training to employees using the equipment.
6. Implement, operate and promote Clipper[®] as the primary fare payment system for each Operator. Clipper[®]'s primary market is frequent transit riders (i.e., commuters and transit passholders). Operators shall not establish other fare payment systems or fare policies that could deter or discourage these patrons' preference to use Clipper[®]. Operators shall set fares so that fares paid with Clipper[®] are equivalent or lower than fares paid either with cash or other forms of payment.

No new non-Clipper[®] prepaid fare product, other than for promotional, special event or limited-audience—e.g., tourist—fares, shall be created by any transit operator without consulting with and receiving prior approval from MTC.

Nothing in this provision is intended to discourage operators from providing leadership on new technologies or innovations that would offer improvement to fare collection operations or the customer experience. The expectation is that these new initiatives should leverage the attributes and assets of Clipper[®], not compete with Clipper[®] or undermine customers' preference to use Clipper[®].

7. Perform first-line maintenance upon Clipper[®] equipment located on their facilities or vehicles, promptly notify the Clipper[®] Contractor when second-line maintenance of Clipper[®] equipment is needed, promptly notify the Contracting Agency and the Clipper[®] Contractor of any issues affecting daily financial reconciliation or accuracy of system reports, issue all types (including, but not limited to, cards configured as senior or youth) of Clipper[®] cards and add value to existing Clipper[®] cards from all Ticket Office Terminals located at their business facilities, and provide at least the same level of front-line customer service to their patrons using Clipper[®] as to patrons using other forms of fare payment.
8. Sufficiently train and educate agency personnel who have Clipper[®]-related responsibilities so those personnel are able to carry out the requirements placed upon operators in this Resolution.
9. Assist MTC, as necessary, to develop a program for Transit Capital Priorities (TCP) funds for the purpose of procuring and installing end-of-lifecycle Clipper[®] equipment and to submit and administer grants for programmed TCP funds on a "pass-through" basis.

10. Take financial responsibility for replacement of equipment damaged in-service due to vandalism or any other cause not covered by the Clipper® Contract warranty.¹

II. Regional Clipper® Communications and Marketing Activities

1. Effective Date. For operators currently operating the Clipper® system, these Clipper® marketing and communications requirements are effective immediately. For operators not yet operating Clipper®, the requirements are effective two months after MTC's approval of the Clipper® system as Revenue Ready for that operator.
2. General Requirements. Operators shall present Clipper® to customers, employees and media as a fully operational fare payment option. This includes, but is not limited to, identification of Clipper® as a fare payment option in brochures, websites, advertisements, schedules/timetables, email newsletters, internal memos, bulletins and training manuals, and any other materials that describe an operator's fare payment options. Operators shall present Clipper® as an option so that Clipper® has equal or greater prominence than the presentation of other payment options. Each operator shall incorporate and/or modify the presentation of Clipper® in existing brochures, websites, schedules/timetables, etc. whenever the operator next updates the content of these items.

In all cases, operators' marketing and communications about Clipper®, whether in brochures, websites, advertisements or other forms, shall adhere to Clipper® brand guidelines developed by MTC with input from transit operators. The Clipper® Brand Guidelines are available at <https://www.clippercard.com/ClipperWeb/toolbox.do>.

3. Equipment Identification. If not already identified as such, operators shall identify Clipper®-compatible fare payment and Clipper®-compatible vending equipment with a decal or other visual identifier to indicate the equipment's Clipper® compatibility.
4. Operator Training. Operators shall ensure appropriate Clipper®-related training for transit operator staff including, but not limited to, vehicle operators, station agents, conductors, customer service personnel, proof of payment officers, ticket sales staff and any other personnel responsible for interacting with customers concerning payment options.
5. Marketing Coordination. Operators shall participate in the development and implementation of a Clipper® marketing and communications initiative that will begin approximately June 1, 2010. This includes, but is not limited to:
 - Staff participation in the development and implementation of the initiative;
 - Dissemination of Clipper® brochures and/or other information materials on vehicles and/or in stations in a manner consistent with the operator's dissemination of other similar operational information; and
 - Providing information about Clipper® utilizing space available on vehicles and/or in stations that is already used by the operator for dissemination of operational information (space available includes, but is not limited to, car cards, posters, and electronic displays).

¹ During the term of the existing Clipper® Contract, MTC shall procure replacement equipment on an operator's behalf, and operators shall pay for the full cost of the equipment including all installation costs and materials.

6. **Funding.** Funding for the initial phases of the communications and marketing program shall come from the marketing funds already in the Clipper® capital budget and previously assigned to individual operators.

III. Fare Media

The tables below set forth *the fare media* that the designated operator shall convert to Clipper®-only availability and *the date* by which the operator shall no longer accept such fare media in its existing form. In general, MTC has emphasized with each operator a transition of those fare products which currently represent a significant portion of that operator's boardings.

An operator will be excused from compliance with a transition date requirement for particular fare media, if the Clipper® Contractor has not met at least 80% of the cardholder support service level standards set forth in Section B.1.12 of the Clipper® Contract for the two calendar months ending one month before the scheduled transition date. The operator's transition date requirement for the affected fare media will be reset to one month after the Clipper® Contractor has met at least 80% of the Clipper® Contract's cardholder support service level standards for two consecutive calendar months.

AC Transit will transition its existing fare media by the following dates:

Fare Media	Date for Ending Acceptance of Listed Prepaid Fare Media	Comments
EasyPass	Transition complete	
31-Day Transbay Pass – Adult	Transition complete	
Bear Pass (U.C. Berkeley Employee Pass)	Transition complete	
10-Ride Ticket – Youth	Transition complete	
10-Ride Ticket – Adult	Transition complete	
31-Day Local Pass – Youth	Transition complete	
31-Day Local Pass – Adult	Transition complete	
10-Ride Ticket – Senior/Disabled	Transition complete	Product in paper form was effectively eliminated upon transition of Youth 10-Ride Ticket to Clipper®-only.

BART will transition its existing fare media by the following dates:

Fare Media	Date for Ending Sales and/or Acceptance of Listed Prepaid Fare Media	Comments
EZ Rider card as payment for transit	Transition complete	
High Value Discount (HVD) adult magnetic stripe ticket (blue)	12/31/2011	<ul style="list-style-type: none"> • Prior to 12/31/11, BART must discontinue sales of HVD tickets except as noted below; however, BART may continue accepting HVD tickets for fare payment after 12/31/2011. • BART may continue sales of HVD tickets for a limited period of time at seven My Transit Plus locations currently operating in BART stations. This exception shall remain in effect until 60 days after: <ul style="list-style-type: none"> (i) The Clipper® equivalent of HVD tickets becomes available through WageWorks and Edenred USA (parent company of Commuter Check); and (ii) The Clipper® Contractor completes the requirements in Section 2.3 of Clipper® Contract Change Order 122.
Senior magnetic stripe ticket (green)	12/31/2011	<ul style="list-style-type: none"> • Prior to 12/31/11, BART must discontinue sales of green tickets except as noted below; BART may continue accepting green tickets for fare payment after 12/31/2011. • BART may continue sales of green tickets at a limited number of existing sales locations. The number of locations and the length of time sales can continue is subject to mutual agreement by MTC and BART after public comment.
(table continues on following page)		

Fare Media	Date for Ending Sales and/or Acceptance of Listed Prepaid Fare Media	Comments
Youth and disabled magnetic stripe ticket (red)	12/31/2011	<ul style="list-style-type: none"> • Prior to 12/31/11, BART must discontinue sales of red tickets except as noted below; BART may continue accepting red tickets for fare payment after 12/31/2011. • BART may continue sales of red tickets at a limited number of existing sales locations. The number of locations and the length of time sales can continue is subject to mutual agreement by MTC and BART after public comment.
Student magnetic stripe ticket (orange)	Requirement waived	Product not available on Clipper®. Recommend that BART align its definition of youth/student discount with all other operators in region and eliminate this fare product.

Caltrain will transition its existing fare media by the following dates:

Fare Media	Date for Ending Acceptance of Listed Prepaid Fare Media	Comments
Full Fare Monthly Pass	Transition complete	
8-ride Ticket	Transition complete	
Caltrain + Muni Monthly Pass	Transition complete	
Eligible Discount Monthly Pass	Transition complete	
8-ride Eligible Discount Ticket	Transition complete	

Golden Gate Transit and Ferry will transition its existing fare media by the following dates:

Fare Media	Date for Ending Acceptance of Listed Prepaid Fare Media	Comments
\$25 Value Card	Transition complete	
\$50 Value Card	Transition complete	
\$75 Value Card	Transition complete	

San Francisco MTA will transition its existing fare media by the following dates:

Fare Media	Date for Ending Acceptance of Listed Prepaid Fare Media	Comments
Monthly Passes		
Adult BART/Muni Monthly Pass	Transition complete	
Adult Muni Monthly Pass	Transition complete	
Senior Muni Monthly Pass	Transition complete	
RTC/Disabled Monthly Pass	Transition complete	
Youth Monthly Pass	Transition complete	
Visitor/Cable Car		
1 Day Passport	Requirement waived	Product not currently available on Clipper® limited-use (LU) tickets. However, LUs are preferred implementation option.
3 Day Passport	Requirement waived	Product not currently available on Clipper® limited-use (LU) tickets. However, LUs are preferred implementation option.
7 Day Passport	Requirement waived	Product not currently available on Clipper® limited-use (LU) tickets. However, LUs are preferred implementation option.
Ticket Books/Tokens		
Adult Single Ride Ticket Book	Transition complete	
Inter-Agency Transfers		
BART Two-Way Transfer	Transition complete	
BART/Daly City Two-Way Transfer	Transition complete	
Golden Gate Ferry Two-Way Transfer	Transition complete	
Transfers		
Bus Transfers	Requirement waived	MTC and SFMTA are considering alternative strategies that could have a

Fare Media	Date for Ending Acceptance of Listed Prepaid Fare Media	Comments
		similar market share impact, including a fare differential favoring Clipper®
Metro/Subway Transfers	Transition complete	
ADA Transfers	Transition complete	

SamTrans will transition these existing fare media by the following dates:

Fare Media	Date for Ending Acceptance of Listed Prepaid Fare Media	Comments
Local Monthly Pass	Transition complete	SamTrans may continue to distribute paper form of this fare product through the county's social services agencies.
Local SF Monthly Pass	Transition complete	
Express Monthly Pass	Transition complete	
Eligible Discount Monthly Pass—senior/disabled	Transition complete	SamTrans may continue to distribute paper form of this fare product through the county's social services agencies.
Youth Monthly Pass	Transition complete	<ul style="list-style-type: none"> • SamTrans may continue to distribute paper form of this fare product through the county's social services agencies. • "Discount Youth Pass" may continue to be available in paper form through schools for eligible students only.

VTA will transition these existing fare media by the following dates:

Fare Media	Date for Ending Acceptance of Listed Prepaid Fare Media	Comments
Monthly Pass	Transition complete	Paper monthly passes will only be sold to social service agencies and providers, school districts, and nonprofit organizations which distribute the passes free or at a discount.
Monthly Express Pass	Transition complete	Paper monthly express passes will only be sold to social service agencies and providers, school districts, and nonprofit organizations which distribute the passes free or at a discount.
Day Pass Tokens	Transition complete	Day pass tokens will only be sold to social service agencies and providers, school districts, and nonprofit organizations which distribute the passes free or at a discount.

Other Operators

The following are general Clipper® implementation and fare media transition requirements for operators not yet operating Clipper®. Following MTC's approval of the Clipper® system as Revenue Ready for a given operator, MTC will work with the operator to identify more specific fare media transition plans. Unless otherwise approved by MTC, an operator shall (i) begin accepting Clipper® for fare payment by customers no more than two months following MTC's approval of the Clipper® system as Revenue Ready for the operator, and (ii) end acceptance of prepaid non-Clipper® fare media no more than one year following MTC's approval of the Clipper® system as Revenue Ready for the operator.

All of the below-listed operators (the "Phase 3 Operators") are exempt from subsection (ii) of the immediately preceding paragraph for the shorter of (a) the term of the MOU, as it may be extended hereafter, and (b) the term of the existing Clipper® Contract as it may be extended hereafter. For the duration of such exemption, the Phase 3 Operators may continue to accept prepaid non-Clipper® fare media, including passes, tickets and transfers; provided that such Operators continue to comply with Section I.6 and all other applicable provisions of this Appendix B-3.

Phase 3 Operators

Central Contra Costa Transit Authority (County Connection)
City of Fairfield, as the operator of Fairfield and Suisun Transit (FAST)
City of Petaluma, as the operator of Petaluma Transit
City of Santa Rosa, as the operator of Santa Rosa CityBus
City of Vacaville, as the operator of Vacaville City Coach
Eastern Contra Costa Transit Authority (Tri Delta Transit)
Livermore/Amador Valley Transit Authority (LAVTA Wheels)
Marin County Transit District (Marin Transit)
Napa County Transportation and Planning Agency (VINE Transit)
Solano County Transit (SolTrans)
Sonoma County Transit
Union City Transit
Water Emergency Transportation Authority (San Francisco Bay Ferry)
Western Contra Costa Transit Authority (WestCAT)

Appendix B-4 Maintenance of Existing Coordinated Services

The Commission's previously adopted Transit Coordination Implementation Plan (Resolution No. 3055) included a number of coordination programs that were not modified by the Transit Connectivity Plan. Of these, the Commission expects the transit operators to continue to support the following:

1. Regional Transit Connection (RTC) Discount Card Program – Provides identification cards to qualified elderly and disabled individuals for reduced fares on transit. Transit operators and MTC maintain memorandums of understanding about roles and responsibilities for program implementation. The RTC Discount Card is being incorporated into the Clipper® program
2. ADA Paratransit Eligibility Program – Consists of a regional application, a regional eligibility database administered by a transit agency on behalf of the region and universal acceptance across transit systems of all eligibility determinations. Transit operators have flexibility to tailor the application process to screen applicants to facilitate eligibility determinations.
3. Interagency ADA Paratransit Services – Establishes policies to promote a consistent approach to interagency paratransit passenger transfers (see Appendix A-4, Attachment 1).
4. Regional Transportation Emergency Management Plan – The Regional Transportation Emergency Management Plan (formerly know as the Trans Response Plan) is a framework to coordinate transit services during regional emergencies. Transit operators are required to participate in regional exercises to test the implementation of the plan. Transit agencies certify compliance through their annual State Transit Assistance (STA) funding claims process, and also address emergency coordination planning through their Short Range Transit Plans.
5. Regional Links/Express Bus/Feeder Bus Services – Regional Links include bus service across the Bay Bridge, Dumbarton Bridge, the San Mateo Bridge and the Richmond/San Rafael Bridge that has been incorporated into the Express Bus Services program funded with Regional Measure 2 (RM2), and will be monitored per RM2 requirements. Express Bus Services also include Owl Service which operates along the BART rail lines at night when BART is closed. Express feeder bus services to/from BART stations during peak periods are maintained through direct allocation of BART's STA funds to transit agencies as specified in the annual Fund Estimate. If STA is unavailable, BART's General Fund up to \$2.5 million is available to support these services per existing agreement. If additional funding is needed, it will be subject to discussion on an annual basis.

Appendix B-4, Attachment 1

Requirements for Interagency ADA Paratransit Services

Note: Transit operators developed guidelines for interagency ADA paratransit services. MTC adapted these guidelines for the purpose of defining coordination requirements.

Consistent with the Americans with Disabilities Act (ADA) requirement to provide paratransit services that are complementary to fixed-route transit services, Bay Area transit operators have identified a transfer-oriented network of interagency paratransit services. Interagency paratransit trips may require a transfer between connecting paratransit providers at a location specified by the transit operator. The following regional requirements are intended to improve connections between paratransit services for both passengers and paratransit providers. The requirements establish regional protocol for how the system will operate as well as specify the responsibilities of paratransit providers to assure an efficient, user-friendly system.

1. All public transit agencies in the San Francisco Bay Area will honor the regional ADA Eligibility Process [as approved by transit agencies] when certifying an individual for ADA paratransit services.
2. Eligibility for an individual requesting interagency paratransit services will be verified through the ADA Paratransit Regional Eligibility Database.
3. Transit operators will develop and make available customer information on how to access and use interagency paratransit services. This information will be made readily available in accessible formats.
4. Interagency paratransit trips will usually require a transfer between connecting paratransit providers at a location specified by the transit operator. Transit operators will transfer passengers at designated transfer locations that, to the extent possible, are also used as fixed-route transfer sites. For operational efficiency or customer service quality, use of other transfer sites is not precluded. Operators will seek to establish transfer locations that are clean, safe, sheltered and well-lit with accessible telephones and restrooms nearby. Established interagency paratransit transfer locations on transit properties will be clearly marked with a consistent sign designed and adopted at the regional level.
5. For operational efficiency or customer service reasons, transit operators may:
 - transfer passengers to a connecting paratransit provider at a transfer location, including having the passenger wait without assistance until the connecting provider arrives; or
 - provide through-trip service into an adjoining transit agency's service area (not requiring a transfer); or
 - provide transfer assistance to passengers at transfer points (waiting with the passenger until connecting provider arrives); and

- coordinate their schedules and dispatch procedures with connecting provider(s) on the day of service.
6. Coordinating Bay Area interagency paratransit reservations shall be the responsibility of paratransit providers. Subject to availability of rides, a single transit coordinator will be responsible to schedule an interagency paratransit trip (including round-trip service). For trips requiring coordination between only two transit operators, the operator in whose jurisdiction the trip originates will usually perform the function of trip coordinator to schedule the entire trip and to serve as a point of contact for passenger inquiries. For trips involving three or more paratransit providers, a regional trip coordinator may perform these functions.
 7. Transit operators shall accept reservations for interagency paratransit trips according to their local advance reservation policies. When coordinating a trip, the shorter advance reservation period of the connecting agencies will apply. In some cases, the scheduling operator will be unable to determine the availability of a requested interagency paratransit trip until the shortest advance reservation period is open. If, due to differences in advance reservation periods, trip availability cannot be determined at the time the trip is requested, the scheduling operator will inform the passenger of when to call to complete the trip reservation process. In the meantime, the scheduling operator may book available legs of the requested trip according to local advance reservation policies.
 8. Transit operators will charge a fare consistent with each individual operator's fare payment policy. All fares will be communicated to the passenger by the operator scheduling the first leg of the interagency paratransit trip at the time the ride is confirmed. Operators and MTC will work toward a regional fare payment method and/or regional fare policy for paratransit services.

Appendix B-5 Cooperative Demographic and Travel Pattern Transit Rider Survey Program Requirements

This Appendix defines the Commission's expectations of the transit agencies to ensure efficient collection of passenger demographic and travel pattern² information.

The Commission and the transit agencies have a common interest in understanding the demographics and travel patterns of transit riders. Between 2012 and March 2015, Commission staff have carried out transit surveys in partnership with 15 separate transit agencies as part of the Cooperative Demographic and Travel Pattern Transit Rider Survey Program ("Survey Program" henceforth). Collecting this information together is more cost effective than collecting it separately. The resulting consolidated data facilitates across-agency comparisons and analyses.

The key roles and responsibilities of MTC and the transit agencies on the Survey Program are as follows:

Transit agencies will:

1. Participate in the Survey Program when collecting information on transit passenger demographics AND travel patterns together.
2. Contribute to the cost of the agency-specific survey performed as part of the Survey Program. Federally-funded operators not listed below will pay no cost to survey service they provide; the following operators will pay 20 percent of the cost to survey service they provide:
 - Alameda-Contra Costa Transit District;
 - Bay Area Rapid Transit District;
 - Caltrain;
 - Golden Gate Bridge, Highway and Transportation District;
 - San Francisco Municipal Transportation Agency;
 - San Mateo County Transit District; and,
 - Santa Clara Valley Transportation Authority.
3. Contribute a limited number of agency-specific survey questions.
4. Contribute advice and suggestions to the survey procedures including, but not limited to, development of sampling plans, frequency and timing of demographic and travel pattern surveying, instrument design, and recruitment strategies.
5. Share ownership of all work products including raw and processed data.

² Defined here as: (a) the precise location of the trip origin, first transit boarding, last transit alighting, and trip destination; (b) the means of travel between the trip origin and first transit boarding and between the last transit alighting and trip destination; and, (c) the sequence of transit routes used between the first transit boarding and the last transit alighting.

MTC will:

1. Procure consultant resources to carry out the Survey Program.
2. Oversee consultant performance to ensure delivery of high quality products.
3. Contribute to the cost of the Survey Program. MTC will pay 80 percent of the cost to survey service provided by the seven agencies identified in item 2 of the “transit agencies will” list above; MTC will pay 100 percent of the cost to survey service provided by federally-funded transit providers not identified in the above list.
4. Develop a standard set of survey questions (including response options) and update these questions, as needed, in consultation with the transit agencies.
5. Develop and update a set of survey procedures including, but not limited to, development of sampling plans, instrument design, and passenger recruitment strategies.
6. Deliver survey results, including raw data, procedure documentation, and summary reports, to transit agencies in a timely manner.
7. Maintain a database of regional transit rider demographics and travel patterns.
8. Convene a working group to discuss the surveying effort (including the survey procedures) and the timing of surveys relative to capital projects, federal requirements, financial resources, customer service and other agency-led survey efforts, and schedule mark-ups (a.k.a., sign-ups, bid-dates). The group will meet no less than once a year and will develop and maintain a set of Survey Program standard operating procedures that will define operator-specific question allowances, data distribution procedures (including any necessary privacy safeguards), and other details.
9. Share ownership of all work products including raw and processed data.



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GENERAL MANAGER

Eddy Cumins

May 20, 2026

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

SUBJECT: Authorization for Examination of Sales or Transactions and Use Tax Records

Dear Board Members:

RECOMMENDATIONS: Adopt Resolution No. 2026-13 authorizing the General Manager and his designee(s) and Hinderliter, de Llamas & Associates dba HdL Companies the ability to examine sales or transactions and use tax record.

SUMMARY:

HdL Companies has been retained to provide sales tax auditing and forecasting services for SMART. To perform these functions, HdL must access confidential taxpayer information. This resolution authorizes both designated SMART staff and HdL to access such information, as necessary to fulfill their respective responsibilities.

BACKGROUND:

Since 2011, SMART has utilized MuniServices, LLC. to perform sales tax auditing and forecasting services. Following a recent Request for Proposals (RFP) process, SMART selected HdL Companies as the new service provider.

The California Department of Tax and Fee Administration (CDTFA) requires governing board authorization to grant access to confidential sales and use tax records due to the sensitive nature of the information.

This resolution provides for the following:

1. Delegation of Authority: Authorizes the General Manager to designate SMART staff who may access confidential tax information.
2. Consultant Access: Authorizes HdL Companies, as SMART's current consultant, to access necessary records.
3. Transition Continuity: Authorizes MuniServices, LLC. to retain access solely for matters initiated on SMART's behalf prior to the expiration of their contract.

FISCAL IMPACT:

Access to the data will enable HdL to fulfill their contractual requirements, which will most likely result in positive collection of sales and use tax although the amount is difficult to determine.

Sincerely,

/s/

Heather McKillop
Chief Financial Officer

Attachment: Resolution No. 2026-13

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE SONOMA-MARIN AREA RAIL TRANSIT DISTRICT
AUTHORIZING EXAMINATION OF SALES OR TRANSACTIONS AND USE TAX RECORDS**

WHEREAS, pursuant to Ordinance NO. 2008-01 of the Sonoma-Marín Area Rail Transit District (District), and Revenue and Taxation Code section 7270, the District entered into a contract with the California Department of Tax and Fee Administration (Department) to perform all functions incident to the administration and collection of transactions and use taxes; and

WHEREAS, the Board of the District deems it desirable and necessary for authorized officers, employees and representatives of the District to examine confidential sales or transactions and use tax records of the Department pertaining to transactions and use taxes collected by the Department for the District pursuant to that contract; and

WHEREAS, Section 7056 of the California Revenue and Taxation Code sets forth certain requirements and conditions for the disclosure of Department records, and Section 7056.5 of the California Revenue and Taxation Code establishes criminal penalties for the unlawful disclosure of information contained in, or derived from, the sales or transactions and use tax records of the Department; and

NOW, THEREFORE, BE IT RESOLVED

Section 1. That the General Manager or other officer or employee of the District designated in writing by the General Manager to the California Department of Tax and Fee Administration is hereby appointed to represent the District with authority to examine sales or transactions and use tax records of the Department pertaining to transactions and use taxes collected for the District by the Department pursuant to the contract between the District and the Department.

Section 2. The information obtained by examination of Department records shall be used only for purposes related to the collection of District transactions and use taxes by the Department pursuant to that contract.

Section 3. That Hinderliter, de Llamas & Associates dba HdL Companies is hereby designated to examine the sales or transactions and use tax records of the Department pertaining to transactions and use taxes collected for the District by the Department. The person or entity designated by this section meets all of the following conditions, which are also included in the contract between the District and HdL Companies:

- a) has an existing contract with the District to examine those sales or transactions and use tax records;
- b) is required by that contract to disclose information contained in, or derived from, those sales or transactions and use tax records only to the officer or employee authorized under Section 1 of this resolution to examine the information;
- c) is prohibited by that contract from performing consulting services for a retailer during the term of that contract;

Resolution No. 2026-13
Sonoma-Marin Area Rail Transit District
May 20, 2026

- d) is prohibited by that contract from retaining the information contained in or derived from those sales or transactions and use tax records, after that contract has expired.

BE IT FURTHER RESOLVED that the information obtained by examination of Department records shall be used only for purposes related to the collection of District transactions and use taxes by the Department pursuant to the contract between the District and the Department.

Section 4. That MuniServices, LLC is hereby designated to examine the sales or transactions and use tax records of the Department pertaining to any petition or appeal for the reallocation and/or redistribution of sales or transactions and use taxes that was filed by MuniServices LLC on behalf of the District pursuant to the contract between MuniServices, LLC. and District. The person or entity designated by this section meets all the following conditions, which are also included in the contract between the District and MuniServices, LLC.:

- a) has an existing contract with the District to examine those sales or transactions and use tax records;
- b) is required by that contract to disclose information contained in, or derived from, those sales or transactions and use tax records only to the officer or employee authorized under Section 1 of this resolution to examine the information.
- c) is prohibited by that contract from performing consulting services for a retailer during the term of that contract;
- d) is prohibited by that contract from retaining the information contained in or derived from those sales or transactions and use tax records, after that contract has expired.

Section 5. That this resolution supersedes all prior resolutions of the Board of the District adopted pursuant to subdivision (b) of Revenue and Taxation Code section 7056.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of the Sonoma-Marin Area Rail Transit District held on the 20th day of May 2026, by the following vote:

DIRECTORS:

AYES:

NOES:

ABSENT:

ABSTAIN:

Chris Coursey, Chair, Board of Directors
Sonoma-Marin Area Rail Transit District

ATTEST:

Kyreen Jorgensen, Clerk of the Board of Directors
Sonoma-Marin Area Rail Transit District



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GENERAL MANAGER

Eddy Cumins

May 20, 2026

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

SUBJECT: Fiscal Year 2025/2026 Budget Amendment #10

Dear Board Members:

RECOMMENDATIONS:

Adopt Resolution No. 2026-14, amending Resolution No. 2025-19, the Fiscal Year 2025/2026 Adopted Budget to modify position authority.

SUMMARY:

Position Reclassifications

The following position is currently vacant:

- Associate Planner

After reviewing the organization's current operational needs, staff is recommending a change to this position to better align duties, staffing levels, and compensation.

Assistant Planner (formerly Associate Planner)

Staff recommends reclassifying the Associate Planner position to Assistant Planner to re-establish an entry-level role within the Planning Division. Historically, this position was classified at the Assistant Planner level and was later upgraded as the incumbent gained experience. Reverting the position to Assistant Planner will support workforce development and succession planning while maintaining appropriate staffing flexibility.

The Assistant Planner classification carries a lower pay grade than the Associate Planner position, resulting in an annual salary difference ranging from \$6,178 to \$7,738.

Limited Term General Counsel

The Limited Term General Counsel position was for a period of July 1, 2025 – August 31, 2025. We are removing the position from the position authorization.

FISCAL IMPACT

The fiscal impact of this reclassification for the remainder of Fiscal Year

2026 is an estimated decrease of \$689 to \$863. Upon completion of the fiscal year, any resulting savings will be returned to the fund balance.

Sincerely,

/s/

Heather McKillop
Chief Financial Officer

Attachments: 1. Resolution No. 2025-13 – FY 2025/2026 Budget Amendment #10
2. Revised Appendix C

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SONOMA-MARIN AREA RAIL TRANSIT DISTRICT, STATE OF CALIFORNIA, AMENDING RESOLUTION NO. 2025-19, THE ANNUAL BUDGET FOR FISCAL YEAR 2025-2026 TO MODIFY POSITION AUTHORITY

WHEREAS, as part of its approval of the Annual Budget for Fiscal Year 2025-2026, the Board of Directors considered the annual expenditures necessary for the Sonoma-Marin Area Rail Transit District; and

WHEREAS, the Board approved Budget Amendment #1 which modified expenditure authority and revised position authority; and

WHEREAS, the Board approved Budget Amendment #2 to modify expenditure authority for the rollforward of funds and acceptance of additional funding; and

WHEREAS, the Board approved Budget Amendment #3 to modify expenditure authority for Phase I of the Healdsburg Extension project and the Teamsters agreement, and to revise position authority; and

WHEREAS, the Board approved Budget Amendment #4 to modify expenditure authority to add grant funding and roll forward funds related to continuing projects; and

WHEREAS, the Board approved Budget Amendment #5 to add additional funding for passenger rail, as well as add and modify funding sources for freight rail; and

WHEREAS, the Board approved Budget Amendment #6 increasing expenditure authority for passenger and freight; and

WHEREAS, the Board approved Budget Amendment #7 modifying the expenditure authority for passenger and freight and amending the position authorization for freight; and

WHEREAS, the Board approved Budget Amendment #8 modifying the expenditure authority for freight and amending the position authorization for passenger; and

WHEREAS, the Board approved Budget Amendment #9 modifying the expenditure authority for freight and passenger rail; and

WHEREAS, the Board desires to modify position authority; and

NOW, THEREFORE, BE IT RESOLVED that the position authority in Resolution No. 2025-19, Fiscal Year 2025-2026 Adopted Budget Appendix C is hereby amended.

BE IT FURTHER RESOLVED except as specifically amended or supplemented by this Resolution, Resolution No. 2025-19, together with all supplements, amendments, and exhibits thereto is, and shall continue to be, in full force and effect as originally adopted, and otherwise contained herein shall, or shall be construed to, modify, invalidate, or otherwise affect and provision of Resolution No. 2025-19.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of the Sonoma-Marín Area Rail Transit District held on the 20th day of May, 2026, by the following vote:

DIRECTORS:

AYES:

NOES:

ABSENT:

ABSTAIN:

Chris Coursey, Chair, Board of Directors
Sonoma-Marín Area Rail Transit District

ATTEST:

Kyreen Jorgensen, Clerk of the Board of Directors
Sonoma-Marín Area Rail Transit District

Appendix C - Position Authorization

# of Positions	Position Title	Hourly		Annual	
Administive		Min	Max	Min	Max
1	Accountant I	\$ 38.39	\$ 47.99	\$ 79,851.20	\$ 99,819.20
1	Accounting Manager	\$ 67.73	\$ 84.66	\$ 140,878.40	\$ 176,092.80
1	Accounts Payable Technician	\$ 32.29	\$ 40.36	\$ 67,163.20	\$ 83,948.80
3	Administrative Assistant	\$ 33.10	\$ 41.38	\$ 68,848.00	\$ 86,070.40
1	Assistant General Counsel	\$ 93.38	\$ 116.73	\$ 194,230.40	\$ 242,798.40
1	Associate Planner	\$ 44.30	\$ 55.38	\$ 92,144.00	\$ 115,190.40
1	Assistant Planner	\$ 41.33	\$ 51.66	\$ 85,966.40	\$ 107,452.80
1	Budget and Finance Manager	\$ 67.73	\$ 84.66	\$ 140,878.40	\$ 176,092.80
1	Buyer I	\$ 39.15	\$ 48.90	\$ 81,432.00	\$ 101,712.00
1	Chief Financial Officer	\$ 122.45	\$ 153.06	\$ 254,696.00	\$ 318,364.80
1	Clerk of the Board/ Executive Assistant	\$ 47.94	\$ 59.93	\$ 99,715.20	\$ 124,654.40
2	Communications and Marketing Coordinator	\$ 41.33	\$ 51.66	\$ 85,966.40	\$ 107,452.80
1	Communications and Marketing Manager	\$ 76.64	\$ 95.80	\$ 159,411.20	\$ 199,264.00
1	Communications and Marketing Specialist	\$ 56.98	\$ 71.23	\$ 118,518.40	\$ 148,158.40
1	General Counsel	\$ 122.52	\$ 153.15	\$ 254,841.60	\$ 318,552.00
1	Limited Term General Counsel (August 31st)	\$ 122.52	\$ 153.15	\$ 254,841.60	\$ 318,552.00
1	General Manager	\$ 156.92	\$ -	\$ 326,393.60	\$ -
2	Grants and Budget Analyst	\$ 54.24	\$ 67.80	\$ 112,819.20	\$ 141,024.00
1	Grants and Legislative Affairs Manager	\$ 78.52	\$ 98.15	\$ 163,321.60	\$ 204,152.00
1	Human Resources Analyst	\$ 47.71	\$ 59.58	\$ 99,236.80	\$ 123,926.40
1	Human Resources Manager	\$ 76.64	\$ 95.80	\$ 159,411.20	\$ 199,264.00
1	Information Systems Analyst	\$ 47.94	\$ 59.93	\$ 99,715.20	\$ 124,654.40
1	Information Systems Manager	\$ 78.56	\$ 98.20	\$ 163,404.80	\$ 204,256.00
1	Information Systems Technician	\$ 42.37	\$ 52.96	\$ 88,129.60	\$ 110,156.80
1	Legal Administrative Assistant	\$ 38.39	\$ 47.99	\$ 79,851.20	\$ 99,819.20
1	Ops Information Systems Technician	\$ 45.63	\$ 57.04	\$ 94,910.40	\$ 118,643.20
1	Payroll Technician	\$ 34.07	\$ 42.59	\$ 70,865.60	\$ 88,587.20
1	Planning Manager	\$ 76.64	\$ 95.80	\$ 159,411.20	\$ 199,264.00
1	Procurement and Contracts Analyst	\$ 50.37	\$ 62.96	\$ 104,769.60	\$ 130,956.80
1	Procurement and Contracts Manager	\$ 71.16	\$ 88.95	\$ 148,012.80	\$ 185,016.00
1	Real Estate Manager	\$ 84.55	\$ 105.69	\$ 175,864.00	\$ 219,835.20
1	Regulatory Compliance & Civil Rights Manager	\$ 76.64	\$ 95.80	\$ 159,411.20	\$ 199,264.00
1	Senior Buyer	\$ 55.60	\$ 69.50	\$ 115,648.00	\$ 144,560.00
1	Senior Management Analyst	\$ 61.33	\$ 76.66	\$ 127,566.40	\$ 159,452.80
1	Senior Planner	\$ 56.98	\$ 71.23	\$ 118,518.40	\$ 148,158.40
1	Senior Real Estate Officer	\$ 56.95	\$ 71.19	\$ 118,456.00	\$ 148,075.20
	Interns (Multiple)	\$ -	\$ 20.00	\$ -	\$ 41,600.00
38					
# of Positions	Position Title				
Capital					
2	Assistant Engineer	\$ 50.37	\$ 62.96	\$ 104,769.60	\$ 130,956.80
2	Associate Engineer	\$ 58.41	\$ 73.01	\$ 121,492.80	\$ 151,860.80
1	Chief Engineer	\$ 100.47	\$ 125.59	\$ 208,977.60	\$ 261,227.20
1	Junior Engineer	\$ 43.44	\$ 54.30	\$ 90,355.20	\$ 112,944.00
1	Manager Train Control Systems	\$ 100.47	\$ 125.59	\$ 208,977.60	\$ 261,227.20
1	Principal Engineer	\$ 78.56	\$ 98.20	\$ 163,404.80	\$ 204,256.00
1	Senior Engineer	\$ 67.73	\$ 84.66	\$ 140,878.40	\$ 176,092.80
9					

# of Positions	Position Title				
Operations					
1	Administrative Services Specialist	\$ 47.93	\$ 59.91	\$ 99,694.40	\$ 124,612.80
4	Bridge Tender	\$ -	\$ 37.26	\$ -	\$ 77,500.80
1	Chief Operating Officer	\$ 105.65	\$ 132.06	\$ 219,752.00	\$ 274,684.80
1	Chief of Police	\$ 91.04	\$ 113.80	\$ 189,363.20	\$ 236,704.00
3	Code Compliance Officer	\$ 37.45	\$ 46.81	\$ 77,896.00	\$ 97,364.80
6	Conductor *	\$ -	\$ 46.88	\$ -	\$ 97,510.40
	Conductor Trainee*	\$ -	\$ 39.86	\$ -	\$ 82,908.80
33	Engineer *	\$ -	\$ 56.37	\$ -	\$ 117,249.60
	Engineer Trainee*	\$ -	\$ 47.91	\$ -	\$ 99,652.80
1	Facilities Maintenance Supervisor	\$ -	\$ 66.75	\$ -	\$ 138,840.00
3	Facilities Maintenance Technician	\$ -	\$ 46.60	\$ -	\$ 96,928.00
2	Inventory and Parts Clerk	\$ 34.07	\$ 42.59	\$ 70,865.60	\$ 88,587.20
1	Materials Sourcing Specialist	\$ 39.33	\$ 49.16	\$ 81,806.40	\$ 102,252.80
1	Inventory and MMS Manager	\$ 61.34	\$ 76.68	\$ 127,587.20	\$ 159,494.40
1	Lead Facility Maintenance Engineer	\$ -	\$ 51.26	\$ -	\$ 106,620.80
1	Maintenance of Way Manager	\$ 80.52	\$ 100.65	\$ 167,481.60	\$ 209,352.00
1	Maintenance of Way Superintendent	\$ 67.73	\$ 84.66	\$ 140,878.40	\$ 176,092.80
4	Operation Communication Specialist	\$ 38.39	\$ 47.99	\$ 79,851.20	\$ 99,819.20
1	Safety & Compliance Officer	\$ 69.40	\$ 86.75	\$ 144,352.00	\$ 180,440.00
1	Senior Administrative Assistant	\$ 36.53	\$ 45.66	\$ 75,982.40	\$ 94,972.80
1	Senior Code Compliance Officer	\$ 43.07	\$ 53.83	\$ 89,580.40	\$ 111,969.52
2	Signal Supervisor	\$ -	\$ 71.17	\$ -	\$ 148,033.60
9	Signal Technician **	\$ -	\$ 61.65	\$ -	\$ 128,232.00
	Signal Technician Trainee (2) **	\$ -	\$ 46.24	\$ -	\$ 96,179.20
3	Track Maintenance - Laborers	\$ -	\$ 34.84	\$ -	\$ 72,467.20
5	Track Maintainer I	\$ -	\$ 46.16	\$ -	\$ 96,012.80
2	Track Maintainer II	\$ -	\$ 50.77	\$ -	\$ 105,601.60
2	Track Maintenance Supervisor	\$ -	\$ 67.26	\$ -	\$ 139,900.80
1	Transportation Manager	\$ 80.52	\$ 100.65	\$ 167,481.60	\$ 209,352.00
1	Transportation Superintendent	\$ 67.73	\$ 84.66	\$ 140,878.40	\$ 176,092.80
12	Transportation Supervisor	\$ 59.87	\$ 74.84	\$ 124,529.60	\$ 155,667.20
11	Vehicle Maintenance - Laborers	\$ -	\$ 35.68	\$ -	\$ 74,214.40
1	Vehicle Maintenance Manager	\$ 80.52	\$ 100.65	\$ 167,481.60	\$ 209,352.00
5	Vehicle Maintenance Supervisor	\$ 59.87	\$ 74.84	\$ 124,529.60	\$ 155,667.20
13	Vehicle Maintenance Technician ***	\$ -	\$ 56.40	\$ -	\$ 117,312.00
	Vehicle Maintenance Tech Trainee (2) ***	\$ -	\$ 42.30	\$ -	\$ 87,984.00
134					
# of Positions	Position Title				
Freight					
0.5	Freight Administrative Specialist	\$ 43.22	\$ 53.98	\$ 89,897.60	\$ 112,278.40
1	Freight Manager	\$ 80.52	\$ 100.65	\$ 167,481.60	\$ 209,352.00
3	Freight Utility Worker	\$ 37.45	\$ 46.81	\$ 77,896.00	\$ 97,364.80
2	Freight Utility Worker/ Dispatcher	\$ 37.45	\$ 46.81	\$ 77,896.00	\$ 97,364.80
6.5					
Total FTE	187.5				

*

Total positions cannot exceed 39.

**

Total positions cannot exceed 9.

Total positions cannot exceed 13.



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GENERAL MANAGER

Eddy Cumins

May 20, 2026

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

SUBJECT: Authorize the General Manager to Award Agreement No. IT-PS-26-002 with ZPro Solutions Inc. for IBM Maximo Maintenance Software and Technical Support Services with a total not-to-exceed amount of \$1,528,529.

Dear Board Members:

RECOMMENDATIONS: Authorize the General Manager to Award and execute Agreement No. IT-PS-26-002 with ZPro Solutions Inc. for IBM Maximo Maintenance Software and Technical Support Services for the initial contract term and all option years, with a total not-to-exceed amount of \$1,528,529.

SUMMARY: SMART utilizes IBM Maximo as its enterprise maintenance management system (MMS) to support core asset management, preventive maintenance, inventory control, and work order tracking functions across the District. Reliable software licensing, technical support, and ongoing maintenance are critical to ensuring system availability, data integrity, and efficient maintenance operations. SMART's existing contract for this service is set to expire June 30, 2026.

SMART solicited proposals for IBM Maximo maintenance software and technical support services and following a competitive evaluation process, the Evaluation Committee recommends award to ZPro Solutions Inc.

BACKGROUND: SMART issued a Request for Proposals (RFP) for IBM Maximo Maintenance Software and Technical Support Services under Solicitation No. IT-PS-26-002 on March 11, 2026, to ensure continued technical support, system updates, and specialized technical assistance for its MMS environment. SMART received three responsive Proposals by the Proposal deadline.

An Evaluation Committee reviewed and evaluated all responsive proposals in accordance with the criteria established in the RFP, which included a service approach, demonstrated history of performing similar work, key personnel qualifications, and pricing. The Evaluation Committee determined that ZPro Solutions Inc. submitted the highest-scoring Proposal that provides the overall best value to SMART.

FISCAL IMPACT: Funding for this agreement is assumed in Fiscal Year 2027 and each subsequent fiscal year budget thereafter, subject to Board approval.

Sincerely,

/s/

Kent Patty
Inventory Manager and MMS Specialist

Attachment: 1. ZPro Solutions Agreement No. IT-PS-26-002

AGREEMENT FOR CONSULTANT SERVICES

This agreement (“Agreement”), dated as of June 1, 2026 (“Effective Date”) is by and between the Sonoma-Marín Area Rail Transit District (hereinafter “SMART”), and ZProcis Solutions Inc. dba ZPro Solutions (hereinafter “Consultant”).

RECITALS

WHEREAS, Consultant represents that it is a qualified IBM Maximo® Maintenance Management System (hereinafter “Maximo®”) IT technical support Consultant and authorized reseller of Maximo® software licensing experienced in the areas of reselling Maximo® software licensing, providing Maximo® technical support, development, advisory, and related services; and

WHEREAS, in the judgment of the Board of Directors of SMART or District, it is necessary and desirable to employ the services of Consultant to furnish Maximo® software renewal licensing, provide ongoing maintenance support, development, and advisory services for SMART’s existing Maximo maintenance management system; and

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual covenants contained herein, the parties hereto agree as follows:

AGREEMENT

ARTICLE 1. RECITALS.

Section 1.01 The above Recitals are true and correct.

ARTICLE 2. LIST OF EXHIBITS.

Section 2.01 The following exhibits are attached hereto and incorporated herein:

- (a) Exhibit A: Scope of Work & Timeline
- (b) Exhibit B: Schedule of Rates

ARTICLE 3. REQUEST FOR SERVICES.

Section 3.01 Initiation Conference. SMART’s Inventory Manager and MMIS Manager or designee (hereinafter “SMART Manager”) will initiate all requests for services through the issuance of written Task Orders. Task Orders are required to be signed by both SMART and Consultant prior to work being performed. The expectation is the Consultant sign the Task Order within two business days of receipt.

Section 3.02 Amount of Work. SMART does not guarantee a minimum or maximum amount of work under this Agreement.

ARTICLE 4. SCOPE OF SERVICES.

Section 4.01 Scope of Work. Consultant shall perform services within the timeframe outlined in **Exhibit A** (cumulatively referred to as the "Scope of Work").

Section 4.02 Cooperation With SMART. Consultant shall cooperate with the SMART Manager in the performance of all work hereunder.

Section 4.03 Performance Standard. Consultant shall perform all work hereunder in a manner consistent with the level of competency and standard of care normally observed by a person practicing in Consultant's profession. If SMART determines that any of Consultant's work is not in accordance with such level of competency and standard of care, SMART, in its sole discretion, shall have the right to do any or all of the following: (a) require Consultant to meet with SMART to review the quality of the work and resolve matters of concern; (b) require Consultant to repeat the work at no additional charge until it is satisfactory; (c) terminate this Agreement pursuant to the provisions of Article 7; or (d) pursue any and all other remedies at law or in equity.

Section 4.04 Assigned Personnel.

- (a) Consultant shall assign only competent personnel to perform work hereunder. In the event that at any time SMART, in its sole discretion, desires the removal of any person or persons assigned by Consultant to perform work hereunder, Consultant shall remove such person or persons immediately upon receiving written notice from SMART.
- (b) Any and all persons identified in this Agreement or any exhibit hereto as the project manager, project team, or other professional performing work hereunder on behalf of the Consultant are deemed by SMART to be key personnel whose services were a material inducement to SMART to enter into this Agreement, and without whose services SMART would not have entered into this Agreement. Consultant shall not remove, replace, substitute, or otherwise change any key personnel without the prior written consent of SMART.
- (c) In the event that any of Consultant's personnel assigned to perform services under this Agreement become unavailable due to resignation, sickness or other factors outside of Consultant's control, Consultant shall be responsible for timely provision of adequately qualified replacements.
- (d) Consultant shall assign the following key personnel for the term of this Agreement:

Srikar Ande, Sr. Project Manager (Onshore)
James Kanuch, Sr. Maximo Technical Lead (Onshore)
Uttam Kulkarni, Maximo Functional Consultant (Nearshore)
Babneet Kaur, Maximo Integration Architect (Nearshore)

Mubasher Ali, QA Lead (Offshore)
Jura Kaudo, Sr. Maximo Trainer (Onshore)
Ravindra Majji, Maximo Infra Admin (Offshore)
Lohit Kumar, Training Content Developer (Offshore)

ARTICLE 5. PAYMENT.

For all services required hereunder, Consultant shall be paid in accordance with the following terms:

Section 5.01 Consultant shall invoice SMART on a monthly basis, detailing the tasks performed pursuant to the Scope of Work requested by the SMART Manager and the hours worked. SMART shall pay Consultant within 30 days after submission of the invoices. If invoices require correction, the 30-day payment period shall restart upon submission of the revised invoice.

Section 5.02 Consultant shall be paid in accordance with the rates established in Exhibit B; provided, however, that total payments to Consultant shall not exceed \$1,528,529.00, without the prior written approval of SMART. Consultant shall submit its invoices in arrears on a monthly basis in a form approved by the Chief Financial Officer. The invoices shall show or include: (i) the Task Order Number; (ii) the task(s) performed; (iii) the rates corresponding to the service; (iv) for time and materials tasks, list the time in quarter hours devoted to the task, the names and/or classifications of the persons performing the work, and the hourly rate or rates for those individuals; (v) for IBM Maximo Software Renewal Licenses and App Points, provide copies of receipts; and (vi) copies of receipts for reimbursable materials/expenses, if any. All reimbursable expenses must comply with SMART's Travel Guidelines and must receive prior approval. Consultant's reimbursement for materials/expenses shall not include items already included in Consultant's overhead as may be billed as a part of its labor rates set forth in Exhibit B. SMART does not reimburse Consultant for travel time.

Section 5.03 Consultant agrees that 48 CFR Part 31, Contract Cost Principles and Procedures and 2 CFR Part 200 shall be used to determine the allowability of individual terms of cost. Any costs for which payment has been made to the Consultant that are determined by subsequential audit to be unallowable under 48 CFR Part 31 or 2 CFR Part 200 are subject to repayment by the Consultant to SMART.

Section 5.04 Consultant must submit all invoices on a timely basis, but no later than thirty (30) days from the date the services/charges were incurred. District shall not accept invoices submitted by Consultant after the end of such thirty (30) day period without District pre-approval. Time is of the essence with respect to submission of invoices and failure by Consultant to abide by these requirements may delay or prevent payment of invoices or cause such invoices to be returned to the Consultant unpaid.

ARTICLE 6. TERM OF AGREEMENT.

Section 6.01 The term of this Agreement shall remain in effect from June 1, 2026 through June 30, 2029 with two (2) one-year options to extend at SMART's sole discretion, unless terminated earlier in accordance with the provisions of **Article 7** below.

ARTICLE 7. TERMINATION.

Section 7.01 Termination Without Cause. The District's obligation under this contract is contingent upon the availability of appropriated funds from which payment for contract purposes can be made. No legal liability on the part of the District for any payment may arise until funds are made available by the District for this contract and until the Contractor or Consultant receives notice of such availability, as such and notwithstanding any other provision of this Agreement, at any time and without cause, SMART shall have the right, at their sole discretion, to terminate this Agreement by giving 30 days written notice to the other party.

Section 7.02 Termination for Cause. Notwithstanding any other provision of this Agreement, should Consultant fail to perform any of its obligations hereunder, within the time and in the manner herein provided, or otherwise violate any of the terms of this Agreement, SMART may immediately terminate this Agreement by giving Consultant written notice of such termination, stating the reason for termination.

Section 7.03 Delivery of Work Product and Final Payment Upon Termination. In the event of termination by either party, Consultant, within 14 days following the date of termination, shall deliver to SMART all materials and work product subject to **Section 12.08** and shall submit to SMART an invoice showing the services performed, hours worked, and copies of receipts for reimbursable expenses up to the date of termination.

Section 7.04 Payment Upon Termination. Upon termination of this Agreement by SMART, Consultant shall be entitled to receive as full payment for all services satisfactorily rendered and expenses incurred hereunder, an amount which bears the same ratio to the total payment specified in the Agreement as the services satisfactorily rendered hereunder by Consultant bear to the total services otherwise required to be performed for such total payment; provided, however, that if services are to be paid on an hourly or daily basis, then Consultant shall be entitled to receive as full payment an amount equal to the number of hours or days actually worked prior to termination times the applicable hourly or daily rate; provided further that if SMART terminates the Agreement for cause pursuant to **Section 7.02**, SMART shall deduct from such amount the amount of damage, if any, sustained by SMART by virtue of the breach of the Agreement by Consultant.

Section 7.05 Authority to Terminate. The Board of Directors has the authority to terminate this Agreement on behalf of SMART. In addition, the General Manager, in consultation with SMART Counsel, shall have the authority to terminate this

Agreement on behalf of SMART.

ARTICLE 8. INDEMNIFICATION

Consultant agrees to accept all responsibility for loss or damage to any person or entity, including SMART, and to indemnify, hold harmless, and release SMART, its officers, agents, and employees, from and against any actions, claims, damages, liabilities, disabilities, or expenses, that may be asserted by any person or entity, including Consultant, to the extent caused by the Consultant's negligence, recklessness or willful misconduct in its performance or obligations under this Agreement. Consultant agrees to provide a complete defense for any claim or action brought against SMART based upon a claim relating to Consultant's performance or obligations under this Agreement. Consultant's obligations under this Section 8 apply whether or not there is concurrent negligence on SMART's part, but to the extent required by law, excluding liability due to SMART's conduct. SMART shall have the right to select its legal counsel at Consultant's expense, subject to Consultant's approval, which shall not be unreasonably withheld. This indemnification obligation is not limited in any way by any limitation on the amount or type of damages or compensation payable to or for Consultant or its agents under workers' compensation acts, disability benefits acts, or other employee benefit acts.

Patent and Copyright Infringement. Consultant agrees to (a) defend against and hold SMART harmless from any claim by a third party that the Services infringe a valid U.S. patent (issued as of the Effective Date) of such third party and (b) indemnify SMART for settlement amounts or third-party damages, liabilities, costs and expenses (including reasonable attorneys' fees) awarded and arising out of such claim. If any part of the Services become or, in Consultant's opinion, is likely to become the subject of any injunction preventing its use as contemplated herein, Consultant may, at its option (1) obtain for SMART the right to continue using the Services or (2) replace or modify the Services so that such Services become non-infringing. If (1) and (2) are not reasonably available to Consultant, Consultant may terminate this Agreement upon written notice to SMART and refund to SMART a pro-rated amount of any pre-paid but unearned fees, if any.

ARTICLE 9. INSURANCE.

With respect to performance of work under this Agreement, Consultant shall maintain and shall require all of its Subcontractors, Consultants, and other agents to maintain, insurance as described below. If the Consultant maintains broader coverage and/or higher limits than the minimums shown below, SMART requires and shall be entitled to the broader coverage and/or the higher limits maintained by the Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to SMART.

Section 9.01 Workers' Compensation Insurance. Workers' Compensation as required by the State of California, with Statutory Limits, and Employer's Liability insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.

Section 9.02 General Liability Insurance. Commercial General Liability insurance covering products-completed and ongoing operations, property damage, bodily injury and personal injury using an occurrence policy form, in an amount no less than \$1,000,000 per occurrence, and \$2,000,000 aggregate.

Section 9.03 Automobile Insurance. Automobile Liability insurance covering bodily injury and property damage in an amount no less than \$1,000,000 combined single limit for each occurrence. Said insurance shall include coverage for owned, hired, and non-owned vehicles.

Section 9.04 Technology Professional Liability Errors and Omissions. Insurance shall be appropriate to the Consultant's profession and work hereunder, with limits not less than \$2,000,000 per occurrence. Coverage shall be sufficiently broad to respond to the duties and obligations as is undertaken by the Consultant in this agreement and shall include, but not be limited to, claims involving infringement of intellectual property, copyright, trademark, invasion of privacy violations, information theft, release of private information, extortion and network security. The policy shall provide coverage for breach response costs as well as regulatory fines and penalties as well as credit monitoring expenses with limits sufficient to respond to these obligations.

The Policy shall include, or be endorsed to include, property damage liability coverage for damage to, alteration of, loss of, or destruction of electronic data and/or information "property" of the Agency in the care, custody, or control of the Consultant. If not covered under the Consultant's liability policy, such "property" coverage of the Agency may be endorsed onto the Consultant's Cyber Liability Policy as covered property as follows:

Cyber Liability coverage in an amount sufficient to cover the full replacement value of damage to, alteration of, loss of, or destruction of electronic data and/or information "property" of the Agency that will be in the care, custody, or control of Consultant.

Section 9.05 Endorsements. Prior to commencing work, Consultant shall file Certificate(s) of Insurance with SMART evidencing the required coverage and endorsement(s) and, upon request, a certified duplicate original of any of those policies. Said endorsements and Certificate(s) of Insurance shall stipulate:

- (a) SMART, its officers, and employees shall be named as additional insured on all policies listed above, with the exception of the workers compensation insurance policy and the professional services liability policy (if applicable).
- (b) That the policy(ies) is Primary Insurance and the insurance company(ies) providing such policy(ies) shall be liable thereunder for the full amount of any loss or claim which Consultant is liable, up to and including the total limit of

liability, without right of contribution from any other insurance effected or which may be effected by the Insureds.

- (c) Inclusion of the Insureds as additional insureds shall not in any way affect its rights either as respects any claim, demand, suit or judgment made, brought or recovered against Consultant. Said policy shall protect Consultant and the Insureds in the same manner as though a separate policy had been issued to each, but nothing in said policy shall operate to increase the insurance company's liability as set forth in its policy beyond the amount or amounts shown or to which the insurance company would have been liable if only one interest had been named as an insured.
- (d) Consultant hereby grants to SMART a waiver of any right to subrogation which any insurer of said Consultant may acquire against SMART by virtue of the payment of any loss under such insurance. Consultant agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not SMART has received a waiver of subrogation endorsement from the insurer.
- (e) The insurance policy(ies) shall be written by an insurance company or companies acceptable to SMART. Such insurance company shall be authorized to transact business in the state of California.

SMART reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other circumstances.

Section 9.06 Deductibles and Retentions. Consultant shall be responsible for payment of any deductible or retention on Consultant's policies without right of contribution from SMART. Deductible and retention provisions shall not contain any restrictions as to how or by whom the deductible or retention is paid. Any deductible or retention provision limiting payment to the name insured is not acceptable.

Section 9.07 Claims Made Coverage. If any insurance specified above is written on a claims-made coverage form, Consultant shall:

- (a) Ensure that the retroactive date is shown on the policy, and such date must be before the date of this Agreement or beginning of any work under this Agreement;
- (b) Maintain and provide evidence of similar insurance for at least three (3) years following project completion, including the requirement of adding all additional insureds; and
- (c) If insurance is cancelled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to Agreement effective date, Consultant shall purchase "extending reporting" coverage for a minimum of three (3) years after completion of the work.

Section 9.08 Documentation. The following documentation shall be submitted to SMART:

- (a) Properly executed Certificates of Insurance clearly evidencing all coverages and limits required above. Said Certificates shall be submitted prior to the execution of this Agreement. At SMART's request, Consultant shall provide certified copies of the policies that correspond to the policies listed on the Certificates of Insurance. Consultant agrees to maintain current Certificates of Insurance evidencing the above-required coverages and limits on file with SMART for the duration of this Agreement.
- (b) Copies of properly executed endorsements required above for each policy. Said endorsement copies shall be submitted prior to the execution of this Agreement. Consultant agrees to maintain current endorsements evidencing the above-specified requirements on file with SMART for the duration of this Agreement.
- (c) After the Agreement has been signed, signed Certificates of Insurance shall be submitted for any renewal or replacement of a policy that already exists, at least ten (10) days before expiration or other termination of the existing policy.

Please email all renewal certificates of insurance and corresponding policy documents to InsuranceRenewals@sonomamarintrain.org.

Section 9.09 Policy Obligations. Consultant's indemnity and other obligations shall not be limited by the foregoing insurance requirements.

Section 9.10 Material Breach. If Consultant, for any reason, fails to maintain insurance coverage, which is required pursuant to this Agreement, the same shall be deemed a material breach of this Agreement. SMART, in its sole option, may terminate this Agreement and obtain damages from Consultant resulting from said breach. Alternatively, SMART may purchase such required insurance coverage, and without further notice to Consultant, SMART may deduct from sums due to Consultant any premium costs advanced by SMART for such insurance. These remedies shall be in addition to any other remedies available to SMART.

Section 9.11 Notice of Cancellation. Each insurance policy required above shall provide that coverage shall not be cancelled, except with notice to SMART.

ARTICLE 10. PROSECUTION OF WORK.

When work is requested of Consultant by SMART, all due diligence shall be exercised and the work accomplished without undue delay, within the performance time specified in the Task Order. Performance of the services hereunder shall be completed within the time required herein, provided, however, that if the performance is delayed by earthquake, flood, or wildfire, the time for Consultant's performance of this Agreement shall be extended by a number of days equal to the number of days Consultant has been delayed.

ARTICLE 11. EXTRA OR CHANGED WORK.

Extra or changed work or other changes to the Agreement may be authorized only by written amendment to this Agreement, signed by both parties. Minor changes, which do not increase the amount paid under the Agreement, and which do not significantly change the scope of work or significantly lengthen time schedules may be executed by the SMART Manager in a form approved by SMART Counsel. The Board of Directors or General Manager must authorize all other extra or changed work. The parties expressly recognize that SMART personnel are without authorization to order extra or changed work or waive Agreement requirements. Failure of Consultant to secure such written authorization for extra or changed work shall constitute a waiver of any and all right to adjustment in the Agreement price or Agreement time due to such unauthorized work and thereafter Consultant shall be entitled to no compensation whatsoever for the performance of such work. Consultant further expressly waives any and all right or remedy by way of restitution and quantum meruit for any and all extra work performed without such express and prior written authorization of SMART.

ARTICLE 12. REPRESENTATIONS OF CONSULTANT.

Section 12.01 Standard of Care. SMART has relied upon the professional ability and training of Consultant as a material inducement to enter into this Agreement. Consultant hereby agrees that all its work will be performed and that its operations shall be conducted in accordance with generally accepted and applicable professional practices and standards as well as the requirements of applicable federal, state and local laws, it being understood that acceptance of Consultant's work by SMART shall not operate as a waiver or release.

Section 12.02 Status of Consultant. The parties intend that Consultant, in performing the services specified herein, shall act as an independent Contractor and shall control the work and the manner in which it is performed. Consultant is not to be considered an agent or employee of SMART and is not entitled to participate in any pension plan, worker's compensation plan, insurance, bonus, or similar benefits SMART provides its employees. In the event SMART exercises its right to terminate this Agreement pursuant to **Article 7**, above, Consultant expressly agrees that it shall have no recourse or right of appeal under rules, regulations, ordinances, or laws applicable to employees.

Section 12.03 Taxes. Consultant agrees to file federal and state tax returns and pay all applicable taxes on amounts paid pursuant to this Agreement and shall be solely liable and responsible to pay such taxes and other obligations, including but not limited to state and federal income and FICA taxes. Consultant agrees to indemnify and hold SMART harmless from any liability which it may incur to the United States or to the State of California as a consequence of Consultant's failure to pay, when due, all such taxes and obligations. In case SMART is audited for compliance regarding any withholding or other applicable taxes, Consultant agrees to furnish SMART with proof of payment of taxes on these earnings.

Section 12.04 Records Maintenance. Consultant shall keep and maintain full and complete documentation and accounting records concerning all services performed that are compensable under this Agreement and shall make such documents and records available to SMART for inspection at any reasonable time. Consultant shall maintain such records for a period of four (4) years following completion of work hereunder. Consultant and Subconsultants shall permit access to all records of employment, employment advertisements, employment application forms, and other pertinent data and records by the State Fair Employment Practices and Housing Commission, or any other agency of the State of California designated by the State, for the purpose of any investigation to ascertain compliance with this document.

Section 12.05 Conflict of Interest. Consultant covenants that it presently has no interest and that it will not acquire any interest, direct or indirect, that represents a financial conflict of interest under state law or that would otherwise conflict in any manner or degree with the performance of its services hereunder. Consultant further covenants that in the performance of this Agreement no person having any such interests shall be employed. In addition, if requested to do so by SMART, Consultant shall complete and file and shall require any other person doing work under this Agreement to complete and file a "Statement of Economic Interest" with SMART disclosing Consultant's or such other person's financial interests.

Section 12.06 Nondiscrimination. Consultant shall comply with all applicable federal, state, and local laws, rules, and regulations in regard to nondiscrimination in employment because of race, color, ancestry, national origin, religion, sex, marital status, age, medical condition (including cancer), pregnancy, physical disability (including HIV and AIDS), mental disability, denial of family care leave, sexual orientation or other prohibited basis, including without limitation, SMART's Non-Discrimination Policy. All nondiscrimination rules or regulations required by law to be included in this Agreement are incorporated herein by this reference. Consultant shall also comply with the provisions of the Fair Employment and Housing Act (California Government Code, Section 12900 et seq.) and applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 11000 et seq).

Section 12.07 Assignment Of Rights. Consultant assigns to SMART all rights throughout the world in perpetuity in the nature of copyright, trademark, patent, right to ideas, in and to all versions of the plans and specifications and work product, if any, now or later prepared by Consultant in connection with this Agreement. Consultant agrees to take such actions as are necessary to protect the rights assigned to SMART in this Agreement, and to refrain from taking any action which would impair those rights. Consultant's responsibilities under this provision include, but are not limited to, placing proper notice of copyright on all versions of the plans and specifications as SMART may direct, and refraining from disclosing any versions of the plans and specifications to any third party without first obtaining written permission of SMART. Consultant shall not use or permit another to use the plans and specifications in connection with this or any other project without first obtaining written permission of SMART.

Section 12.08 Ownership And Disclosure Of Work Product. Any and all work product resulting from this Agreement is commissioned by SMART as a work for hire. SMART shall be considered, for all purposes, the author of the work product and shall have all rights of authorship to the work, including, but not limited to, the exclusive right to use, publish, reproduce, copy and make derivative use of, the work product or otherwise grant others limited rights to use the work product. To the extent Consultant incorporates into the work product any pre-existing work product owned by Consultant, Consultant hereby acknowledges and agrees that ownership of such work product shall be transferred to SMART. All reports, original drawings, graphics, plans, studies, and other data or documents (“documents”), in whatever form or format, assembled or prepared by Consultant and other agents in connection with this Agreement shall be the property of SMART. SMART shall be entitled to immediate possession of such documents upon completion of the work pursuant to this Agreement. Upon expiration or termination of this Agreement, Consultant shall promptly deliver to SMART all such documents, which have not already been provided to SMART in such form or format, as SMART deems appropriate. Such documents shall be and will remain the property of SMART without restriction or limitation. Consultant may retain copies of the above-described documents but agrees not to disclose or discuss any information gathered, discovered, or generated in any way through this Agreement without the express written permission of SMART.

ARTICLE 13. DEMAND FOR ASSURANCE.

Each party to this Agreement undertakes the obligation that the other’s expectation of receiving due performance will not be impaired. When reasonable grounds for insecurity arise with respect to the performance of either party, the other may in writing demand adequate assurance of due performance and until such assurance is received may, if commercially reasonable, suspend any performance for which the agreed return has not been received. “Commercially reasonable” includes not only the conduct of a party with respect to performance under this Agreement, but also conduct with respect to other agreements with parties to this Agreement or others. After receipt of a justified demand, failure to provide within a reasonable time, but not exceeding thirty (30) days, such assurance of due performance as is adequate under the circumstances of the particular case is a repudiation of this Agreement. Acceptance of any improper delivery, service, or payment does not prejudice the aggrieved party’s right to demand adequate assurance of future performance. Nothing in this **Article 13** limits SMART’s right to terminate this Agreement pursuant to **Article 7**.

ARTICLE 14. ASSIGNMENT AND DELEGATION.

Neither party hereto shall assign, delegate, sublet, or transfer any interest in or duty under this Agreement without the prior written consent of the other, and no such transfer shall be of any force or effect whatsoever unless and until the other party shall have so consented.

ARTICLE 15. METHOD AND PLACE OF GIVING NOTICE, SUBMITTING INVOICES AND MAKING PAYMENTS.

All notices, invoices, and payments shall be made in writing and shall be given by personal delivery, U.S. Mail or email. Notices, invoices, and payments shall be addressed as follows:

If to SMART Manager: Sonoma-Marine Area Rail Transit District
Attn: Kent Patty
5401 Old Redwood Highway, Suite 200
Petaluma, CA 94954
kpatty@sonomamarintrain.org
707-890-8624

If to SMART Billing: Sonoma-Marine Area Rail Transit District
Attn: Accounts Payable
5401 Old Redwood Highway, Suite 200
Petaluma, CA 94954
billing@sonomamarintrain.org
707-794-3330

If to Consultant: ZProCis Solutions Inc.
Attn: Mahwish Khan
5270 Golden Gate Pkwy, Suite 104
Naples, FL 34119
mahwish.khan@zpro solutions.com
833-326-9776

When a notice, invoice or payment is given by a generally recognized overnight courier service, the notice, invoice or payment shall be deemed received on the next business day. When a copy of a notice, invoice or payment is sent by facsimile or email, the notice, invoice or payment shall be deemed received upon transmission as long as (1) the original copy of the notice, invoice or payment is promptly deposited in the U.S. mail and postmarked on the date of the facsimile or email (for a payment, on or before the due date), (2) the sender has a written confirmation of the facsimile transmission or email, and (3) the facsimile or email is transmitted before 5 p.m. (recipient's time). In all other instances, notices, invoices and payments shall be effective upon receipt by the recipient. Changes may be made in the names and addresses of the person to whom notices are to be given by giving notice pursuant to this paragraph.

ARTICLE 16. MISCELLANEOUS PROVISIONS.

Section 16.01 Use of Recycled Paper. SMART requires that all printing jobs produced under this Agreement be printed on recycled content papers. Recycled-content papers are defined as papers containing a minimum of 30 percent

postconsumer fiber by weight. All papers used in the performance of a print job for SMART shall be recycled-content paper. The recycle logo or “chasing arrows” cannot be used on printed material unless the paper contains a minimum of 30 percent postconsumer material. If paper meets the 30 percent requirement, ask that the recycling logo be printed on the project.

Section 16.02 No Waiver of Breach. The waiver by SMART of any breach of any term or promise contained in this Agreement shall not be deemed to be a waiver of such term or provision or any subsequent breach of the same or any other term or promise contained in this Agreement.

Section 16.03 Construction. To the fullest extent allowed by law, the provisions of this Agreement shall be construed and given effect in a manner that avoids any violation of statute, ordinance, regulation, or law. The parties covenant and agree that in the event that any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired, or invalidated thereby. Consultant and SMART acknowledge that they have each contributed to the making of this Agreement and that, in the event of a dispute over the interpretation of this Agreement, the language of the Agreement will not be construed against one party in favor of the other. Consultant and SMART acknowledge that they have each had an adequate opportunity to consult with counsel in the negotiation and preparation of this Agreement.

Section 16.04 Consent. Wherever in this Agreement the consent or approval of one party is required to an act of the other party, such consent or approval shall not be unreasonably withheld or delayed.

Section 16.05 Drug-Free Workplace. Consultant certifies that it will provide a drug-free workplace in compliance with Government Code §8350-§8357.

Section 16.06 Relationships of the Parties: No Intended Third-Party Beneficiaries. The Parties do not intend to create a partnership, joint venture, joint enterprise, or any other business relationship. There is no third person or entity who is an intended third-party beneficiary under this Agreement. No incidental beneficiary, whatever relationship such person may have with the Parties, shall have any right to bring an action or suit, or to assert any claim against the Parties under this Agreement. Nothing contained in this Agreement shall be construed to create and the Parties do not intend to create any rights in third parties.

Section 16.07 Applicable Law and Forum. This Agreement shall be construed and interpreted according to the substantive law of California, regardless of the law of conflicts to the contrary in any jurisdiction. Venue for any action to enforce the terms of this Agreement or for the breach thereof shall be in the Superior Court of the State of California in the County of Marin.

Section 16.08 Use of SMART Name and Logo Restrictions. Consultant is prohibited from using SMART's name and logo unless expressly authorized herein or by written authorization from SMART's legal counsel.

Section 16.09 Captions. The captions in this Agreement are solely for convenience of reference. They are not a part of this Agreement and shall have no effect on its construction or interpretation.

Section 16.10 Merger. This writing is intended both as the final expression of the Agreement between the parties hereto with respect to the included terms and as a complete and exclusive statement of the terms of the Agreement, pursuant to Code of Civil Procedure Section 1856. No modification of this Agreement shall be effective unless and until such modification is evidenced by a writing signed by both parties.

Section 16.11 Acceptance of Electronic Signatures and Counterparts. The parties agree that this Contract, Agreements ancillary to this Contract, and related documents to be entered into this Contract will be considered executed when all parties have signed this Agreement. Signatures delivered by scanned image as an attachment to electronic mail or delivered electronically through the use of programs such as DocuSign must be treated in all respects as having the same effect as an original signature. Each party further agrees that this Contract may be executed in two or more counterparts, all of which constitute one and the same instrument.

Section 16.12 Time of Essence. Time is and shall be of the essence of this Agreement and every provision hereof.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Effective Date.

CONSULTANT: ZPROCIS SOLUTIONS INC. DBA ZPRO SOLUTIONS

By: _____
Mahwish Khan, Operations & Digital Project Manager

Date: _____

SONOMA-MARIN AREA RAIL TRANSIT (SMART)

By: _____
Eddy Cumins, General Manager

Date: _____

CERTIFICATES OF INSURANCE ON FILE WITH AND APPROVED AS TO SUBSTANCE FOR SMART:

By: _____
Ken Hendricks, Procurement and Contracts Manager

Date: _____

APPROVED AS TO FORM FOR SMART:

By: _____
District Counsel

Date: _____

EXHIBIT A SCOPE OF WORK & TIMELINE

I. **Overview**

The Sonoma-Marine Area Rail Transit District (SMART) is contracting with ZProcis Solutions, Inc. dba ZPro Solutions (“Consultant”) to provide software renewal licenses, monitoring and regular system maintenance services, and on-call technical support services for SMART’s existing IBM Maximo® Maintenance Management System (“Maximo®”).

SMART uses Maximo® as its official inventory system-of-record and asset management system for both fixed and mobile assets. Additionally, the Consultant will also provide the Maximo software and service licenses. Additionally, Maximo® is used to track maintenance (e.g. Work Orders), labor, parts, consumables, operator logs, IT service requests, and certain procurement process tasks related to operations purchasing. Finally, Maximo® reporting generated from the system is used to improve asset management decisions.

Consultant will serve a critical role to ensure SMART’s inventory and maintenance management system remains functional, reliable, efficient, secure, and accessible for SMART staff at all times. Additionally, Consultant shall serve as a technical advisor to assist SMART staff with identifying and implementing process and system improvements for stakeholders of the system, including but not limited to the inventory, finance, vehicle maintenance, operations, track, and facilities teams.

A. Objectives:

1. Provide Maximo® Technical Support to SMART
2. Provide Maximo® Software and Service Licenses
3. On-Call Support and Emergency Support

B. Optional Projects:

1. Integration of IBM Maximo® (Latest Version) with Oracle Database/ERP (Latest Version)
2. Update Maximo® to Current Version

C. Sensitive Security Information

Sensitive Security Information (“SSI”) may be disclosed during the performance of work under this Agreement. The Consultant shall be required to sign SMART’s Confidentiality and Non-Disclosure Agreement

prior to the start of any work being performed under this Agreement.

II. **Contract Management**

All work shall be initiated, scheduled, and reviewed by SMART's Inventory and MMIS Manager (hereinafter "SMART Manager"), or designee. Work will be initiated through written task orders that must be executed by both SMART and Consultant. It is the expectation that Task Orders be signed within two business days.

III. **Scope of Work**

Consultant shall perform the following work under this Agreement:

A. Transition of Service

Consultant shall perform the following necessary activities to assume full responsibility for the management and support of SMART's Maximo® system. Transition of service must be complete by July 1, 2026.

1. Transition Planning

Develop and submit a detailed Transition Plan within ten (10) business days of contract award.

The plan shall include timelines, key milestones, roles and responsibilities, risk mitigation strategies, and communication protocols.

2. Knowledge Transfer

Coordinate with the incumbent Consultant to facilitate comprehensive knowledge transfer sessions. This includes conducting deep dive sessions to capture all critical institutional knowledge.

This includes reviewing and documenting existing system configurations, customizations, custom workflows, integrations, workflows, reports, and user roles. This includes ensuring no historical data or architecture documentation is lost.

Obtain and validate all relevant documentation, including system architecture diagrams, configuration files, and support logs.

3. Access and Credential Management

Oversee and ensure the secure transfer of administrative credentials, system access rights, and SaaS licensing information.

Validate access to both environments (production and development) and third-party integrations (email listeners).

4. Data and System Integrity Review

Conduct a full system health check to evaluate and assess current data integrity, performance, and configuration accuracy.

Consultant will proactively identify and document any outstanding issues, risks, or areas requiring attention and will provide SMART with a prioritized baseline assessment.

5. Stakeholder Engagement

Meet with SMART team to align the support framework on current priorities, expectations, and operational realities. The objective is to ensure a sound understanding of SMART's current priorities and expectations to ensure the Maximo system continues to drive efficient, day-to-day asset management decisions without interruption.

A Task Order will be issued for this work.

B. Monthly Monitoring and Maintenance Support Services

Consultant shall provide the following regular and routine monthly monitoring and maintenance services, including emergency technical support services to ensure 99.9% system uptime:

1. System Administration

License usage monitoring and reporting.

2. Configuration and Maintenance

Data integrity checks and clean-up

3. Performance Monitoring

System health checks and performance optimization

Monthly system usage and performance reports

Identification and resolution of recurring issues

If Consultant discovers an issue where a feature of the Maximo® System will be unavailable for more than 30 minutes, Consultant shall notify the SMART Contract Manager by email.

Some issues with Maximo® may be reported to the Consultant by SMART personnel during regular business hours (8:00AM PST – 5:00PM PST, Monday – Friday). In this case, Consultant shall acknowledge the request within 1-hour of SMART contacting a technician or submitting a support ticket.

4. Patch Management and Upgrades

Application of vendor patches and updates

Testing and validation of updates in a staging environment before production deployment

5. Documentation

Maintenance of system configuration documentation

Monthly activity reports summarizing work performed, issues resolved, and recommendations.

6. Emergency Technical Support Services to Ensure 99.9% Uptime

To ensure 99.9% system uptime, Consultant shall be available for emergency technical support services when system issues arise.

When these incidents occur, Consultant shall initiate the following procedures:

- i. Log a service request into the Consultant's ticket tracking system.
- ii. Alert SMART of the incident
- iii. Estimate resolution time.
- iv. Start troubleshooting procedures.
- v. Identify cause of incident
- vi. Update SMART regarding the cause, solution, and estimated time of recovery.
- vii. Prepare incident report and Root Cause Analysis
- viii. Close request

A Task Order will be issued for this work. Work under this section cannot begin until July 1st, 2026.

C. Management of Maximo® Software Licensing

Consultant shall manage SMART's Maximo® Software Licensing program, including supplying SMART with annual Maximo® renewal licenses and adjustments to licenses required (e.g. additional licenses needed) throughout the duration of this Agreement.

Consultant shall notify SMART's Contract Manager four (4) months ahead of any pending Maximo® AppPoints expiration and provide the renewal date of these AppPoints.

Consultant shall work with SMART's Contract Manager to determine the appropriate AppPoint counts needed to meet SMART's usage of Maximo® and provide the costs associated with the renewal options.

Supply of Maximo® licensing to SMART shall be invoiced to SMART at cost with receipt documentation. Given that this is a cost-pass through, Consultant shall be motivated to deliver licensing at the best possible price to SMART.

This work shall be performed This section consists of the following two sub tasks:

Task 1 – Annual Base Licensing Task

Task 2 – Adjustments to the Annual Base AppPoints Model

1. Task 1 – Annual Base Licensing

Consultant shall furnish and supply SMART with annual Maximo® renewal licenses. The following requirements serve as SMART's Annual Base licensing need:

- i. Annual Base Licensing SMART requires access to the following applications and databases for its annual base licensing:

- (1) IBM Maximo®
- (2) IBM WebSphere
- (3) SQL Server
- (4) BIRT/Eclipse Reports

- ii. SMART's Maximo® system shall be a Software as a Service (SaaS) system installed in the cloud.
- iii. All access provided to SMART shall be via the web-hosted application as a packaged solution.
- iv. SMART's Maximo® system Consultant's SaaS package shall include:
 - o One secure, and confidential production database configuration.
 - o Maximo® Enterprise Asset Management applications including, but not limited to, Assets, Contracts, Inventory, Planning, Preventative Maintenance, Purchasing, and Work Orders
 - o Restricted End User access to the Administration, System Configuration, and Integration Maximo applications
 - o Standard Maximo® reports
 - o Up to 50 GB of space for attachments and up to 50 GB database size. Storage space must be able to be expanded (if additional space is required by SMART in the future.)
 - o Notification of planned downtime and tracking of Maximo® revisions and upgrades
 - o One additional Maximo® instance for use in a testing, development, or training environment.

A Task Order will be issued for this work. Work under this section cannot begin until July 1st, 2026.

2. Task 2 – Adjustments to the Annual Base AppPoints Model

SMART may require additional licenses above and beyond the Annual Base Licensing requirements. Consultant shall furnish and supply SMART with additional Maximo® renewal licenses as follows:

- i. Consultant shall obtain AppPoints on SMART's behalf to provide continued access to SMART's Maximo® applications in both production and development environments, provide related solutions and provide continued access to SMART's data.
- ii. System software upgrades are included in the annual AppPoints cost.
- iii. Consultant shall provide AppPoints for the software used with SaaS for the number of Concurrent Users Upon termination of

contract agreement.

- iv. SMART has no continued right to the AppPoints.

A Task Order will be issued for this work. Work under this section cannot begin until July 1st, 2026.

D. On-Call Support

SMART may require additional system development, configuration, and advisory services not included in the Transition of Services, Monthly Monitoring and Maintenance Support Services, and Management of Maximo® Software Licensing tasks.

SMART will issue Task Orders for work in this category. Each Task Order shall clearly identify the scope of work required, the deliverables and performance expectations, and timelines for completion of work. Task Orders shall be mutually agreed upon by both SMART and Consultant.

On Call support requests from SMART will be typically handled as follows:

- i. Log a service request into the Service Provider's ticket tracking system.
- ii. Acknowledge via email the receipt of the incident or change request from SMART.
- iii. Respond to the email request within the time parameters and according to the severity of the incident or change indicated by SMART, as defined in the agreement.
- iv. Provide SMART with updates from the incident or change request.
- v. Provide SMART with details about the resolution of the incident or change in accordance with the times listed in agreement.
- vi. If an outage is required as part of completing a support task, notify SMART when a resolution or request plan is identified.
- vii. Provide a schedule to SMART with a proposed start and completion date and time. If additional support services hours are needed to facilitate the request, notify SMART in writing for approval.

- viii. Request sign off acceptance of the resolution from SMART, once issue has been resolved, at which time the request.

Task Orders will be issued for work required. Work under this section cannot begin until July 1st, 2026.

E. Optional Project 1 - Integration of IBM Maximo® (Current Version) with Oracle Database/ERP (Current Version)

SMART is considering integration of its Inventory System-of-Record and Asset Management System (IBM Maximo®) with its Financial System-of-Record (Oracle Fusion Cloud Enterprise Resource Planning System).

Consultant shall be responsible for the following services under this project:

- i. Evaluate integration needs and use cases (e.g., work orders, assets, procurement, financials). Define integration objectives, data flows, and business rules.
- ii. Develop integration architecture (middleware, APIs, database-level links, etc.)
- iii. Identify integration method (e.g., REST APIs, Web Services, Oracle Business Events).
- iv. Define data mapping between Maximo® and Oracle entities, which may include collaboration with SMART's third-party Oracle support Consultant.
- v. Set up Oracle APIs or middleware (e.g., Oracle Integration Cloud, WebLogic).
- vi. Develop custom adapters or scripts if necessary.
- vii. Implement security protocols (authentication, encryption, access control).
- viii. Perform unit, system, and integration testing.
- ix. Validate data integrity and flow between systems.
- x. Conduct User Acceptance Testing (UAT) with key stakeholders.

- xi. Deploy the integration solution to production.
- xii. Migrate relevant data and ensure continuity.
- xiii. Conduct final verification and performance check.
- xiv. Provide detailed technical documentation for the integration.
- xv. Deliver training sessions for SMART's IT staff and system end-users.
- xvi. Provide support for twelve (12) weeks post-deployment.
- xvii. Address bugs, performance issues, and change requests.

Assumptions:

- i. Oracle and Middleware Responsibility: SMART and its third-party Oracle support consultant will handle of all Oracle Fusion Cloud ERP configuration, API publishing, and middleware setup (if any is introduced).
- ii. Current Environment: The integration will connect SMART's existing IBM Maximo® Version 7.6 (SaaS) with Oracle Fusion Cloud ERP Version 25D.
- iii. Current Architecture: SMART currently does not use a middleware application. The Maximo® team will configure direct API connections (e.g., REST APIs, Web Services) via the Maximo® Integration Framework (MIF).
- iv. Phased Approach: The project will utilize a phased integration approach, starting with a read-only synchronization (Phase 1) before moving to bi-directional integration (Phase 2).

If SMART determines to proceed with this project, a Task Order shall be issued. Work under this section cannot begin until July 1st, 2026.

F. Optional Project 2 - Update Maximo® to Current Version

SMART is considering updating its current version of IBM Maximo® to the most recent version.

Consultant shall be responsible for the following services under this project:

- i. The update will ensure compatibility with current technologies, enhance system performance, security, and maintainability, and provide users with access to new features and improvements.
- ii. Review current system configuration, architecture, and dependencies.
- iii. Identify potential upgrade risks and develop a mitigation plan.
- iv. Create a rollback/backup plan in case of issues during the upgrade.
- v. Prepare a staging/test environment mirroring production.
- vi. Install and configure the latest version of software in the test environment.
- vii. Validate environment readiness (hardware, OS, database, network).
- viii. Backup production data and configuration files
- ix. Migrate configurations, custom code, and integrations as required.
- x. Resolve any compatibility issues or deprecated features.
- xi. Conduct functional, integration, and regression testing.
- xii. Verify System performance, security settings, and data integrity.
- xiii. Schedule and communicate production deployment window.

- xiv. Perform final data backup.
- xv. Deploy the upgrade into production environment.
- xvi. Monitor system stability post upgrade.
- xvii. Update system documentation to reflect version changes.
- xviii. Provide updated configuration guides and operational procedures.
- xix. Conduct knowledge transfer or training for IT and end-users (if applicable)

Assumptions:

- i. Consultant will own and manage the complete upgrade lifecycle from planning through post-live support.
- ii. Consultant shall provide a fully accountable, single-point responsibility model, eliminating dependence on multiple vendors.
- iii. Consultant shall conduct a comprehensive current-state assessment and upgrade readiness analysis.
- iv. Consultant shall develop a detailed upgrade, roadmap, timeline, and risk mitigation strategy.
- v. Consultant shall handle environment setup (Dev, Test, Prod) and ensure alignment with best practices.
- vi. Consultant shall perform end-tend upgrade execution, including configurations, customizations, and integrations.
- vii. Consultant shall manage data validation, integrity checks, and migration activities.
- viii. Consultant shall execute full testing cycle (Unit Testing, SIT, UAT, Regression Testing).
- ix. Consultant shall provide performance tuning and system optimization post-upgrade.

- x. Consultant shall ensure minimal downtime and business disruption through structured cutover planning.
- xi. Consultant shall deliver comprehensive documentation and knowledge transfer to SMART Team.
- xii. Consultant shall provide post-go-live hypercare support to stabilize the system and resolve any issues quickly.
- xiii. Consultant shall leverage it's proven experience in Maximo® to MAS upgrades and cloud transformations.
- xiv. Consultant shall align upgrade with future scalability, AI capabilities, and long-term asset management strategy.

If SMART determines to proceed with this project, a Task Order shall be issued. Work under this section cannot begin until July 1st, 2026.

IV. Response Times

The response time and time-to-resolution will be based on the priority of the issue or incident. The response times are listed below.

Table A. Response Times

Severity level of Ticket	Response Interval for Initial Ticket	First Technical Response	Update Response Interval	Estimated Resolution Time
1	Immediate acceptance	Within 30 minutes	1 hour	Within 6 hours
2	Immediate acceptance	Within 1 hour	1 hour	Within 1 business day
3	Immediate acceptance	Within 4 hours	48 hours	Within 7 business days
4	Immediate acceptance	Within 8 hours	48 hours	Within 14 business days

Table B. Severity Levels and Associated Criteria (Indicators)

Severity and Impact	Indicators
4 - Critical	<ul style="list-style-type: none"> • High visibility • Large number of orders or customers affected • Affects online commitment • Major impact on revenue • Major component not available for use • Major loss of functionality • Problem cannot be bypassed • No viable or productive work around available
3 - Serious	<ul style="list-style-type: none"> • Moderate visibility • Moderate to large number of users or devices affected • Potentially affects online commitment • Serious slow response times • Serious loss of functionality • Moderate impact on revenue • Limited use of product or component • Component continues to fail -intermittently down for short periods, but repetitive • Few or small files lost • Major access down but a partial backup exists
2 - Moderate	<ul style="list-style-type: none"> • Low to medium visibility • Low order or customer or device impact • Low impact on revenue • Limited use of product or component • Minimal loss of functionality
1 - Minimal	<ul style="list-style-type: none"> • Low or no visibility • Single client device affected • Few functions impaired • Preventative maintenance request

IV. Acceptance Criteria

Upon successful completion of work, the SMART Manager shall provide written acceptance via email and recommend submission of the invoice for review.

Any defective work performed by Consultant that does not conform to the requirements of this Agreement or subsequently issued Task Orders shall be replaced by the Consultant at no additional cost to SMART.

**EXHIBIT B
SCHEDULE OF RATES**

A. Transition of Services (Onboarding)

Transition fees are waived given SMART has opted for a three (3)-year agreement commitment with two (2) one-year options to extend at SMART's sole discretion.

B. Monthly Monitoring and Maintenance Support Services

Year 1: Ongoing maintenance fees are waived given SMART has opted for a three (3)-year agreement commitment with two (2) one-year options to extend at SMART's sole discretion.

Years 2 and 3:

Description	Fixed Fee (USD)
Total Monthly Fixed Fee	\$7,600.00/month

Years 4 and 5:

Rates shall be fixed for the initial three-year term of the Agreement. Upon completion of the initial three-year term, and prior to the commencement of each optional term of this Agreement, Consultant may, upon 60 days written notice to SMART, request an increase in the fee equal to the Consumer Price Index, San Francisco Area, as reported by the Bureau of Labor Statistics, U.S. Department of Labor, using the month of April for the most recent year. The maximum increase shall be 5%. If Consultant does not submit a request at least 60 days before the start of the succeeding Agreement year, Consultant waives any CPI increase for the optional term.

C. Management of Maximo® Software Licensing

Description	Quantity	Unit Cost (USD)	Total Cost (USD)
ZIMS using IBM Maximo® AppPoints (Year 1)	185	\$531.32	\$98,294.20
ZIMS using IBM Maximo® AppPoints (Year 2)	185	\$531.32	\$98,294.20
ZIMS using IBM Maximo® AppPoints (Year 3)	185	\$531.32	\$98,294.20
ZIMS using IBM Maximo® AppPoints (Year 4, if utilized)	185	\$531.32	\$98,294.20
ZIMS using IBM Maximo® AppPoints (Year 5, if utilized)	185	\$531.32	\$98,294.20

Pricing Notes

- Bundled Offering includes:
 - Cloud Hosting (Z-Cloud)
 - 1 Production Environment
 - 2 Non-Production Environments
 - 1 TB Storage
 - Managed Services (40 Hours Bucket/Year)

Adjustments to the Annual Base AppPoints Model

- Years 1-3: Additional AppPoints required above the Base quantity of 185 will be charged at \$531.32 per AppPoint.
- Years 4 and 5: Additional AppPoints required above the Base quantity of 185 will be charged at cost with receipt documentation.

D. On-Call Support Services

Consultant shall perform services under this task on a time and materials basis in accordance with the rates herein.

- Labor shall be invoiced based on the classification and hourly rates listed in the below table.

Classification	Hourly Rates
Project Manager	\$160.00
Maximo Functional Consultant	\$95.00
Maximo Technical Consultant	\$175.00
Maximo Integration Architect	\$105.00
QA Lead	\$75.00
Trainer	\$150.00
Maximo Infra Admin	\$80.00
Training Content Developer	\$90.00

- Materials, if any, shall be invoiced at cost with receipt documentation.
- Travel Costs, if any, must be pre-approved in writing and be in accordance with SMART's current Travel Guidelines for Contractors.
- Personnel Rates shall be fixed for the initial three-year term of the Agreement. Upon completion of the initial three-year term, and prior to the commencement of each optional term of this Agreement, Consultant may, upon 60 days written notice to SMART, request an increase in the fee equal to the Consumer Price Index, San Francisco Area, as reported by the Bureau of Labor Statistics, U.S. Department of Labor, using the month of April for the most recent year. The maximum increase shall be 5%. If Consultant does not submit a request at least 60 days before the start of the succeeding

Agreement year, Consultant waives any CPI increase for the optional term.

E. Optional Project 1 - Integration of IBM Maximo® (Current Version) with Oracle Database/ERP (Current Version)

Description	Fixed Fee (USD)
Total Fixed Fee – Integration	\$270,000.00

F. Optional Project 2 - Update Maximo® to Current Version

Description	Fixed Fee (USD)
Total Fixed Fee – Upgrade (Services)	\$300,000.00



Sonoma-Marín Area Rail Transit
5401 Old Redwood Hwy, Suite 200
Petaluma, CA 94954

P: 707-794-3330
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GENERAL MANAGER

Eddy Cumins

May 20, 2026

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

SUBJECT: State Route 37 Project – Reconstruction of the At-Grade Crossing
Construction and Maintenance Agreement for Consideration

RECOMMENDATIONS:

Consider authorizing the General Manager to execute the Construction and Maintenance Agreement with Caltrans for the State Route 37 at-grade crossing.

SUMMARY:

Caltrans is managing the construction of State Route 37 (SR37) from SR121 to Mare Island. The work includes reconstructing and widening the at-grade crossing of the SMART tracks. The attached Construction and Maintenance Agreement memorializes Caltrans and SMART responsibilities for the construction and future maintenance of the crossing.

BACKGROUND:

The SR37 Program is embarking on flood and congestion relief projects along the SR37 corridor between US101 and Highway 80. An early construction package to implement the SR37 improvements is the reconstruction of the SR37/121 interchange and the Tolay Creek Bridge. This portion of SR37 crosses the SMART tracks between the intersection and the creek. As part of the road work, the project proposes to widen the crossing from two lanes to four lanes.

The attached Construction and Maintenance Agreement defines responsibilities between SMART and Caltrans for the reconstruction of the crossing and ongoing maintenance of the crossing. Caltrans will completely reconstruct the crossing with new track and signal warning devices. The crossing will double in size thereby increasing maintenance activities once it is in service. The agreement does not provide compensation for maintenance activities.

However, SMART received a letter from Caltrans signed by the Region 4 Acting District Director expressing their commitment to amending the Construction and Management Agreement prior to the planned construction completion in 2030 to address the following:

- Long-term maintenance responsibilities for the SMART Railroad Crossing
 - Caltrans will coordinate with SMART to request the California Public Utilities Commission for a determination of maintenance responsibility for the grade crossing.
- Lane-closure procedures for maintenance and repair activities at the grade crossing
 - Caltrans provides lane-closure support with 72-hour advance notice from SMART for routine maintenance and repair activities, and with

24-hour advance notice for emergency situations affecting train or vehicle movements or public safety. SMART will not be required to obtain encroachment permits for these activities.

FISCAL IMPACT: If SMART is required to assume full maintenance responsibility, It is estimated that the widened crossing will increase SMART Freight maintenance costs by \$100,000 to \$200,000 annually.

Sincerely,

/s/

Bill Gamlen
Chief Engineer

Attachment(s): 1.) C&M Agreement
 2.) Caltrans Letter

California Department of Transportation

DISTRICT 4
P.O. BOX 23660, MS-1A | OAKLAND, CA 94623-0660
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May 14, 2026

Mr. Eddy Cumins
General Manager
Sonoma–Marin Area Rail Transit (SMART)
5401 Old Redwood Highway, Suite 200
Petaluma, CA 94954

Dear Mr. Cumins:

The California Department of Transportation (Caltrans) District 4 appreciates our partnership with Sonoma–Marin Area Rail Transit (SMART) to address the corridor's near-term congestion and long-term sea level rise challenges through the Resilient SR 37 Program improvements.

The first Construction Package of the near-term Sear Point to Mare Island Improvement Project (Project) is the Tolay Creek Bridge Replacement and SR 37/121 Intersection (EA 04-1Q76U) improvement, which is scheduled to complete design and must be ready for construction funds allocation in June 2026. Because the Construction and Maintenance (C&M) Agreement for railroad grade crossing just east of the SR 37/121 intersection is a requirement in order for the California Transportation Commission to approve funds allocation for Caltrans to advertise the construction contract, we request SMART execute the standard C&M Agreement by the end of May 2026 to avoid risks of lapsing \$91.1M funds from SHOPP, LTCAP, and PROTECT.

Caltrans is committed to amending the C&M Agreement prior to the planned construction completion in 2030 to address the following:

- Long-term maintenance responsibilities for the SMART railroad crossing

Caltrans will coordinate with SMART to request the California Public Utilities Commission for a determination of maintenance responsibility for the grade crossing.

- Lane-closure procedures for maintenance and repair activities at the grade crossing

Mr. Cumins, General Manager

May 14, 2026

Page 2

Caltrans provides lane-closure support with 72-hour advance notice from SMART for routine maintenance and repair activities, and with 24-hour advance notice for emergency situations affecting train or vehicle movements or public safety. SMART will not be required to obtain encroachment permits for these activities.

We appreciate SMART's attention, collaboration, and flexibility on this matter. We look forward to continuing our partnership to deliver successfully the Resilient SR 37 Program improvements.

Sincerely,

David Ambuehl

DAVID D. AMBUEHL
Acting District Director

Attachment – draft C&M Agreement

File: 04-SON-37 PM 4.009
Agreement No.: 04R481
EA: 04-1Q76U
PID: 0424000414
DOT: 498708N
RMP: 33.40
Sub: Brazo Junction Sub

CONSTRUCTION AND MAINTENANCE AGREEMENT
SR 37 WIDENING AT SEARS POINT ROAD

This Agreement, made as of this ____ day of _____, 2026 (“Effective Date”), by and between the **SONOMA-MARIN AREA RAIL TRANSIT** District, a California public agency, as successor in interest to the Northwestern Pacific Railroad Company, a California corporation incorporated in 1907 and merged out in 1992, herein called “SMART”, and the **STATE OF CALIFORNIA**, acting by and through its **DEPARTMENT OF TRANSPORTATION**, herein called “STATE.” SMART and State are collectively referred to as the “Parties.”

RECITALS:

WHEREAS on October 19, 1926, the Northwestern Railroad Company granted the Sears Point Toll Road Company the right to construct and maintain a toll road at grade and across the railroad.

WHEREAS, on July 28, 1951, the Northwestern Pacific Railroad Company (NPR) granted to the State of California acting by and through its Department of Public Safety an easement for the purpose of widening and improving a public highway crossing at grade near Sears Point Road.

WHEREAS, SMART is now the successor to NPR and the California State Department of Transportation is the successor to the State’s Department of Public Works and the Sears Point Toll Road Company.

WHEREAS, STATE in cooperation with local partner transportation agencies proposes to widen State Route 37 from Sears Point to Mare Island to provide traffic congestion relief, improve traffic flow at peak travel times, and increase vehicle occupancy (“the Project”). Project will include widening the travel way at Highway/Railroad Crossing DOT# 498708N (“Crossing”) and raising the roadway seven feet (7 feet) to 1,200 feet east of the Crossing and any and all work related to the upgrade and installation of the advance preemption circuitry and crossing safety devices (“The Project”).

WHEREAS, SMART agrees to allow State to widen the travel way of the crossing within the State’s existing easement rights, and to preempt the highway traffic control signals with the grade crossing warning devices indicated on the location map herein identified as Exhibit “A”.

WHEREAS, State requires 11,541 square feet for a temporary construction area as shown in Exhibit "A - 1".

WHEREAS, the Parties agree that at SMART's request and at State's expense, State will install a new crossing surface and acquire and install crossing signal equipment. Upon installation, it is agreed that SMART will assume full responsibility for the operation and maintenance of the crossing.

WHEREAS, the California Public Utilities Commission (CPUC) provides rules governing the construction and maintenance of at grade railroad crossings in its General Order No. 72-B (GO 72B).

WHEREAS, the Parties desire to set forth herein their understanding and agreement relating to the widening of the State Route and any changes to the 1951 Easement made necessary in connection therewith;

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual covenants contained herein, the Parties hereto agree as follows:

AGREEMENT:

The following exhibits are hereby made a part of the Agreement:

- Exhibit A Railroad Location Print
- Exhibit A-1 Temporary Construction Area Description and Map
- Exhibit B Schematic of Crossing
- Exhibit C Railroad Cost Estimate
- Exhibit D SMART Right of Entry

1. SMART shall grant to State the temporary use for construction purposes of an area described in Exhibit A-1 for a period of 54 months upon receipt of the payment of Thirteen Thousand Dollars and Zero Cents (\$13,000.00). Said easement will go into effective upon the execution of this Agreement.

2. State shall furnish or cause to be furnished, at its expense; all labor, materials, tools, and equipment necessary for the modification of the State's Right of Way as described in this Agreement. The new roadway shall be constructed in a manner to commercially reasonably accommodate SMART's tracks, appurtenances and operations in accordance with State's plans and specifications, which shall be subject to the prior commercially reasonable approval of SMART. State shall provide an acknowledgement of review line for SMART's signature on contract plans for all work at the Crossing as shown on Exhibit "B" attached hereto and made a part of this Agreement. No review, comments,

requirements or inspection by SMART shall relieve State or State's engineers, contractors, subcontractors or consultants from their responsibility for errors or omissions in the drawings, specifications, and/or constructions documents or for the quality or accuracy of the work.

3. SMART if required shall furnish or cause to be furnished at no expense to SMART all labor, materials, tools and equipment necessary for the modification of the Crossing as described in this Agreement including engineering review, and inspection. The estimated cost and expense to be incurred by SMART is set forth in Exhibit "C" attached and made a part hereof.

4. At SMART's request and at no cost to SMART, State will install the new crossing panels, install all safety devices, and preemption measures. At the end of construction, SMART will be responsible for the maintenance of crossing panels, safety devices and preemption measures.

5. State, at State's expense, shall assume all responsibility for the reconstruction of the at grade crossing. Prior to commencement of the Project, including the reconstruction of the at grade crossing, State agrees to obtain for the duration of the Project a Right of Entry Permit as set forth in paragraph 6, below and the State shall take possession and responsibility of the railroad at grade crossing and all appurtenances in order to construct the Project, subject to the terms of the Right of Entry Permit. During this period, the State shall be responsible for temporary configurations of the at grade crossing, required maintenance and inspections, railroad flagging and other services as necessary to maintain a safe and operable at grade crossing. When State completes the Project it will request SMART's inspection and acceptance of the crossing. Upon SMART's acceptance of the crossing, SMART will assume maintenance of the crossing.

6. State shall notify railroad in writing of any desired shutdowns or interferences of the railroad one (1) week in advance of the desired shutdown or interference.

7. Additional work may be included as part of this Agreement upon written request by SMART or State provided the work is of emergency nature that is reasonably necessary for the immediate restoration of SMART's operations or for the protection of persons or SMART property or property in the care, custody, or control of either party within or in the vicinity of the construction area, subject to written amendment of this Agreement. SMART or State will, as soon as reasonably practicable, notify the other of said emergency and the nature of the work which either party intends to perform, due to said emergency. In good faith, the parties shall review the emergency work and determine whether to amend the Agreement to include the emergency work.

8. SMART hereby permits State, its employees, agents, contractors and subcontractors to enter upon the property of SMART upon issuance of Right of Entry Permits by SMART.

(A) State and SMART by their signatures below, agree to the general provisions of the form of Right of Entry Permit ("Permit") attached hereto as Exhibit "D" allowing reconstruction of the Crossing on the Property. State shall provide a detailed work plan which will include but not be limited to: a detailed schedule of the work, list of subcontractors who will be on-site, a construction narrative, and construction drawings which will be used as Exhibit B for the Permit.

(B) Issuance of such Permit shall not be unreasonably withheld or denied by SMART. State and its contractor shall coordinate their work with SMART. In the event of any conflict between the construction schedule for the Project and SMART operations, SMART operations shall take precedence, and State shall adjust its construction schedule to accommodate SMART operations.

9. SMART agrees to submit its bills to State on a monthly basis for actual costs incurred by SMART for work performed related to the demolition and reconstruction of the Crossing, on the basis of items set forth in Exhibit "C". Pursuant to the California Government Code Sections 927 to 927.12, State must reimburse SMART for all undisputed charges within forty-five (45) business days from the date of State's receipt of the invoice for such work. Within six (6) months of State completing the Project's railroad work, SMART will submit its final billing.

10. All work to be done hereunder by SMART shall be done by SMART's employees, SMART employees working under SMART Labor Agreements on a force account basis or by contract, and/or by SMART's contractors, and shall be subject to all applicable provisions of Title 23, Code of Federal Regulations, as amended, hereinafter referred to as 23 CFR. All applicable portions of 23 CFR 140 Subpart I and 646 Subparts A and B are by reference incorporated herein and made a part hereof.

11. The parties hereto agree that the widening of the Crossing as part of their reconstruction is deemed to be of no benefit to the SMART pursuant to 23 CFR 646.210(b)(2). Therefore, SMART will not be required to contribute to the cost of the Project.

12. In the event any of the work upon property of SMART, as herein contemplated, should be advertised for bids by State, the awarded contract shall

include the provisions set forth in Exhibit D, attached and made a part hereof. Said work shall not be commenced by the State's Contractor until:

- (A) State and/or State's Contractor has furnished to SMART:
 - (1) A copy of said contract executed by Contractor, and
 - (2) Original policy or policies of insurance coverage of the kinds and in the amounts specified in Exhibit D, SMART Right of Entry Permit; and
- (B) SMART has advised State by letter that limits, form and substance of said insurance policy or policies are satisfactory to SMART.

The above-described insurance policy or policies shall be kept in full force and effect by State's Contractor during the performance of said work upon and adjacent to SMART's property and thereafter until Contractor removes all tools, equipment and materials from SMART's property and cleans up the premises to a presentable condition satisfactory to SMART.

In conformance with and limited to the application effect of California Laws insofar as the indemnity and insurance provisions set forth in any of the preceding sections or any rider, amendment or addendum hereto, State is self-insured. State shall provide SMART defense and indemnification at least equal to the defense, indemnification and insurance provisions contained in Exhibit "C" in accordance with California Code section 14662.5. Nothing herein shall be deemed to insure SMART against its negligence or willful misconduct.

13. After a Right of Entry Permit has been issued, the State and its Contractor shall give ten (10) working days' notice to SMART's authorized representative before commencing any work in connection with State's Project upon or adjacent to SMART's property and shall observe SMART's rules and regulations with respect thereto. All work at Crossing shall be done at such times and in such manner so as not to unreasonably interfere with or endanger the operations of SMART.

14. All work contemplated in this agreement shall be performed in a good and workmanlike manner to the satisfaction of the parties hereto and each portion shall be promptly commenced by the party obligated to do the same and thereafter diligently prosecuted to conclusion in its logical order and sequence.

15. For any future work involving the Crossing, State shall coordinate with SMART on any roadway maintenance repair, inspection, replacement, or other work including work that requires interruption of railroad service, and shall be responsible for any traffic control and lane closures.

16. The books, papers, records, and accounts of the parties, so far as they relate to the items of expense for labor and materials, or are in any way connected with the work herein contemplated, shall at all reasonable times be open to inspection and audit by the agents and authorized representatives of the parties hereto and of the Federal Highway Administration for a period of three years following the date of SMART's final billing.

17. This Agreement shall inure to the benefit of and be binding upon the successors and assigns of SMART and upon the assigns of State.

18. The State and SMART agree that all communications hereunder shall be through a single representative for each party, authorized to make decisions and provide direction related to this Project.

The State designated representative is:

Alden Chalk
Senior Right of Way Agent Department
of Transportation (Caltrans) 111 Grand
Avenue MS 11A
Oakland, CA 94612
(510) 908-4134
alden.chalk@dot.ca.gov

The SMART designated representative is:

Bill Gamlen
Chief Engineer
SMART
5401 Old Redwood Highway, Suite 200
Petaluma, CA 94954
(707) 794-3330

bgamlen@sonomamarintrain.org

19. To the extent permitted by law, State hereby agrees to indemnify, defend and hold harmless SMART, its officers, directors, and employees and agents from and against any claims including attorneys' fees and reasonable expenses for litigation or settlement) for any loss or damages, bodily injuries, including death, damage to or loss of use of property caused by the negligent acts and omissions by State, its officers, directors, employees, agents, subcontractors or suppliers in connection with or arising out of the performance of this Agreement, or the uses

authorized by this Agreement and associated easements, licenses, rights of way or right of entry agreements. State agrees to repair or pay for any damage caused by reason of the negligent acts and omissions by State for the uses authorized by this Agreement and associated easements, licenses, rights of way or right of entry agreements.

To the extent permitted by law, SMART hereby agrees to indemnify, defend and hold harmless State, its officers, directors, employees and agents from and against any claims (including attorneys' fees and reasonable expenses for litigation or settlement) for any loss or damages, bodily injuries, including death, damage to or loss of use of property caused by the negligent acts and omissions by SMART, its officers, directors, employees, agents, subcontractors or suppliers in connection with or arising out of the performance of this Agreement. SMART agrees to repair or pay for any damage caused by reason of the negligent acts and omissions by SMART for the uses authorized by this Agreement and associated easements, licenses, rights of way or right of entry agreements.

20. Miscellaneous Provisions.

- (A) No Waiver of Breach. The waiver by SMART of any breach of any term or promise contained in this Agreement shall not be deemed to be a waiver of such term or provision or any subsequent breach of the same or any other term or promise contained in this Agreement.
- (B) Construction. To the fullest extent allowed by law, the provisions of this Agreement shall be construed and given effect in a manner that avoids any violation of statute, ordinance, regulation, or law. The parties covenant and agree that in the event that any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired, or invalidated thereby.
- (C) Applicable Law and Forum. This Agreement shall be construed and interpreted according to the substantive law of California, regardless of the law of conflicts to the contrary in any jurisdiction. Any action to enforce the terms of this Agreement or for the breach thereof shall be brought and tried in Santa Rosa, California, or the forum nearest to the city of Santa Rosa, California, in the County of Sonoma.
- (D) Merger. This writing is intended both as the final expression of the Agreement between the parties hereto with respect to the included terms and as a complete and exclusive statement of the terms of the

Agreement, pursuant to Code of Civil Procedure Section 1856. No modification of this Agreement shall be effective unless and until such modification is evidenced by a writing signed by both parties.

- (E) No Third-Party Beneficiaries. Nothing contained in this Agreement shall be construed to create and the Parties do not intend to create any rights in third parties
- (F) Time of Essence. Time is and shall be of the essence of this Agreement and every provision hereof.

IN WITNESS WHEREOF, the Parties have caused these presents to be executed in duplicate, by their officers thereunto duly authorized, as of the day and year first above written.

SONOMA-MARIN AREA RAIL TRANSIT

By: _____
EDDY CUMINS
Title: General Manager

STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION

By: _____
TIAIRA T. MOERING-HILL
Chief, Office of Railroad and Utility Relocations
Division of Right of Way and Land Survey

APPROVED AS TO FORM AND PROCEDURES

By: _____
(Attorney)

RECOMMENDED FOR APPROVAL

By: _____
TERESA McNAMARA
Railroad Coordinator
Office of Railroad and Utility Relocations
Division of Right of Way and Land Surveys

File: 04-SON-37-PM 4.009
Agreement No.: 04R481

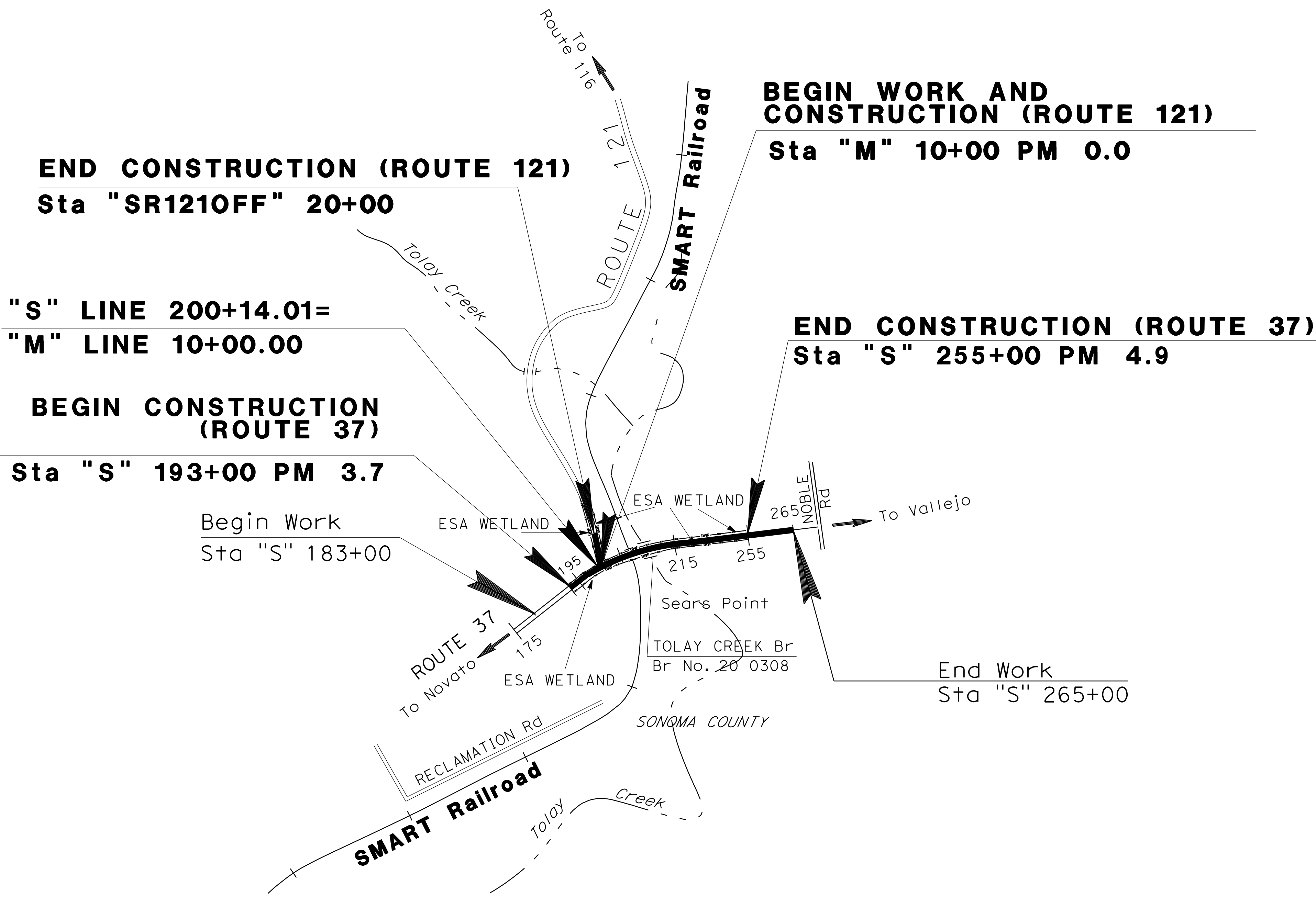
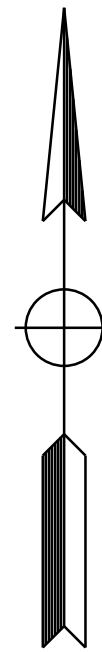
Exhibit "A"

RAILROAD LOCATION MAP

Dist	COUNTY	ROUTE	POST MILES TOTAL PROJECT	SHEET NO.	TOTAL SHEETS
04	Son	37, 121	3.7/4.9, 0.0/0.2	1	x



CONTRACT No.	04-1Q76U4
PROJECT ID	0424000414



NO SCALE

File: 04-SON-37-PM 4.009
Agreement No.: 04R481

Exhibit "A-1"

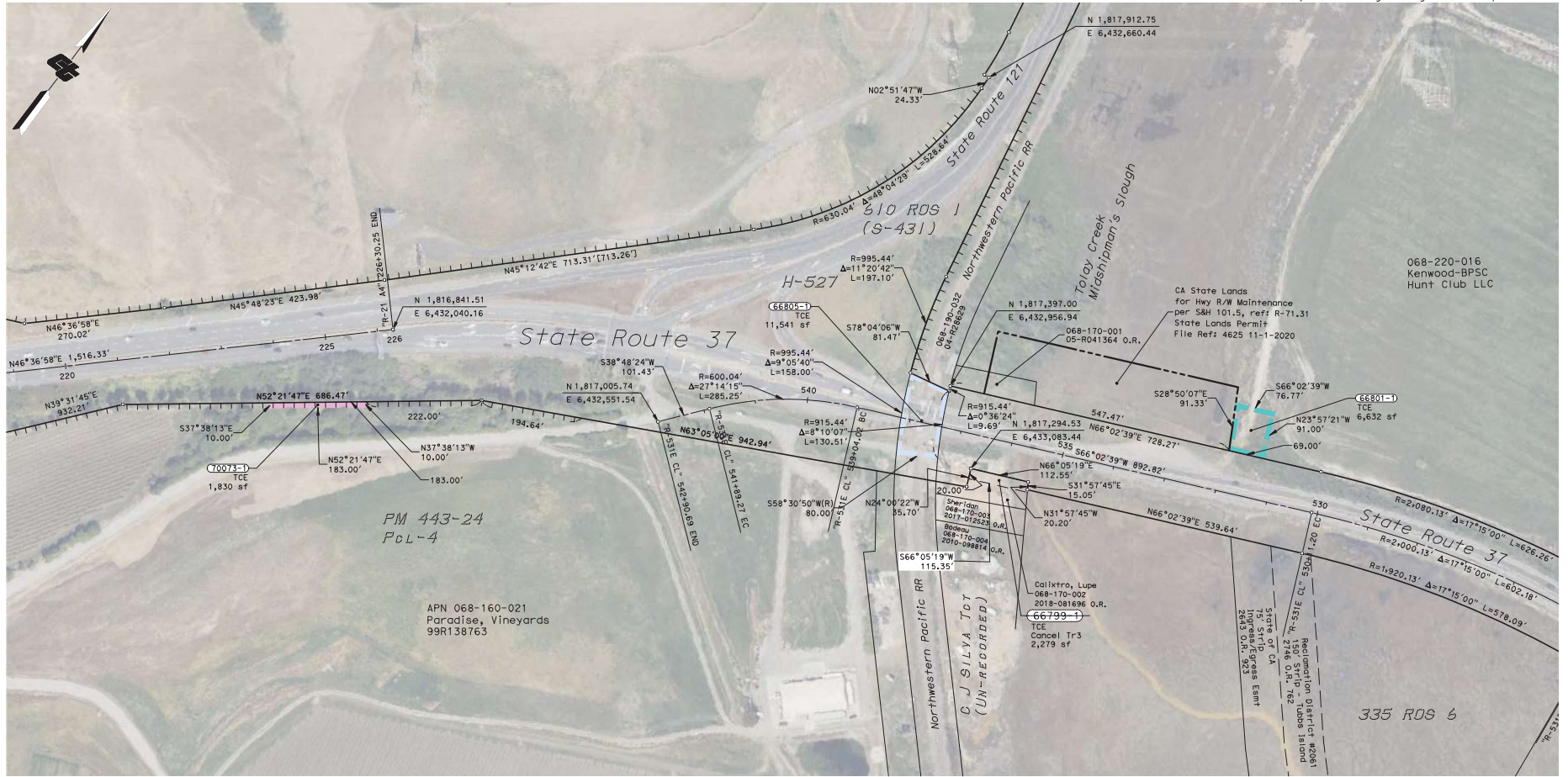
LEGAL DESCRIPTION OF TEMPORARY CONSTRUCTION AND MAP

Exhibit "A-1"

SONOMA COUNTY

See 10035.16a

NOTE: The State of California or its officers or agents shall not be responsible for the accuracy or completeness of digital images of this map.



PROJECT SURVEYOR	AL	REVISIONS	DATE	LICENSE	SURVEYOR	REVISIONS	DATE	LICENSE	SURVEYOR
01-18-2024	AL	1	01-18-2024	00073-1	AL	1	01-18-2024	00073-1	AL
01-18-2024	AL	2	01-18-2024	00073-1	AL	2	01-18-2024	00073-1	AL
01-18-2024	AL	3	01-18-2024	00073-1	AL	3	01-18-2024	00073-1	AL
01-18-2024	AL	4	01-18-2024	00073-1	AL	4	01-18-2024	00073-1	AL
01-18-2024	AL	5	01-18-2024	00073-1	AL	5	01-18-2024	00073-1	AL
01-18-2024	AL	6	01-18-2024	00073-1	AL	6	01-18-2024	00073-1	AL
01-18-2024	AL	7	01-18-2024	00073-1	AL	7	01-18-2024	00073-1	AL
01-18-2024	AL	8	01-18-2024	00073-1	AL	8	01-18-2024	00073-1	AL
01-18-2024	AL	9	01-18-2024	00073-1	AL	9	01-18-2024	00073-1	AL
01-18-2024	AL	10	01-18-2024	00073-1	AL	10	01-18-2024	00073-1	AL

PARCEL#	TITLE CODE	GRANTOR	AREAS (square feet or as noted)				REMARKS	RECORDATION		
			TOTAL	REQUIRED	[UF] EXCESS	[UF] REMAINDER		TYPE	DATE	DOC.#
66799-1	TCE	Calixtro, Lupe					TCE 2,279sf Expires 12-1-2028	ED		
66801-1	TCE	Kenwood-BPSC Hunt Club LLC					TCE 6,632sf Expires 9-9-2030	ED		
66805-1	TCE	Sonoma-Marin Area Rail Transit District					TCE 11,541sf Expires 9-9-2030	ED		
70073-1	TCE	Paradise, Vineyards					TCE 1,830sf Expires 9-9-2030	ED		

GRANTOR NOTES
 Areas shown do not include underlying fee, unless indicated. A=Access Rights Only E=Easement (Ease) TCE=Temp Construction Ease TCU=Temporary Construction Rights T=Other Temp Ease (See Remarks) T=Transfer of Jurisdiction
 (1) TITLE CODES
 A=Access Rights Only E=Easement (Ease) TCE=Temp Construction Ease TCU=Temporary Construction Rights T=Other Temp Ease (See Remarks) T=Transfer of Jurisdiction
 (2) TYPES
 (C) Document or Instrument number

NOTES
 Coordinates and bearings are on NAD 83 Zone 2. Distances are stationing and grid distances. Distances are in feet unless otherwise noted. Ref: Surv Job #19-211
LEGEND
 Access Prohibited
 Access Superseaded
 Existing R/W Superseaded
 Access Opening (Private)
 Indicates Radial Bearing
 Indicates Found Monument as noted
 Indicates calculated point. (Does not imply monument see)
 Title to State
 Required for Others

STATE OF CALIFORNIA
 CALIFORNIA STATE TRANSPORTATION AGENCY
 DEPARTMENT OF TRANSPORTATION
RIGHT OF WAY APPRAISAL MAP
 A-10935.16
 COPYRIGHT 2019 CALIFORNIA DEPARTMENT OF TRANSPORTATION. ALL RIGHTS RESERVED.
 FOR PREVIOUS R/W INFORMATION SEE MAP(S) R-49-7 H-527 S-431 R-531e-1
 FULL SIZE MAP SCALE: 1" = 100'
 FEET 0 50 100 200 300
 TO DESIGN: 24-2024 EA(s):
 DRAFTED BY: AL CHECKED BY: FAW:
 DISTRICT COUNTY ROUTE SHEET PM SHEET NO./TOTAL SHEETS
 4 SON 37 4.0 3 4
 4 SON 121 0.0

File: 04-SON-37-PM 4.009
Agreement No.: 04R481

Exhibit "B"

SCHEMATIC OF CROSSING

Exhibit "C"

**COST ESTIMATE
SONOMA-MARIN AREA RAIL TRANIST**

Location: Route 37, Sears Point Crossing, Caltrans PM 4.009
(DOT #498708N, RMP 33.40/Brazo Junction Subdivision)

Project: Widening of State Route 37 at Sears Point Road.

Estimate:

Construction Support	\$ <u>20,000</u>
Engineering Review & Inspection	\$ <u>60,000</u>
Contingency (20%)	\$ <u>16,000</u>
Total	\$ <u>96,000</u>

Note: This is an estimate only, SMART shall bill on an actual cost basis.

Exhibit "D"

SMART RIGHT OF ENTRY

Permit Number 20 – ROE –000
DATE

SMART TEMPLATE RIGHT-OF-ENTRY PERMIT

This Right-of-Entry Permit ("Permit") is entered into as of _____ ("Effective Date") by and between SONOMA-MARIN AREA RAIL TRANSIT DISTRICT ("Permittor") and _____ ("Permittee"), _____ (address).

1. Permit. Permittor hereby permits Permittee to enter upon Permittor's property located on State Route 37 near Sears Point Road and the railroad tracks near the City of Sonoma, County of Sonoma, California, near Milepost ____, as described in the attached **Exhibit A** ("Premises"), which is incorporated by this reference, subject to all existing licenses, easements, encumbrances, and claims of title affecting Premises and upon the terms and conditions contained herein. No work shall commence on Premises until Permittee accepts this Permit. The doing of any work under this Permit shall constitute acceptance of these Permit provisions.
2. Exclusive Use. This Permit is for Permittee's exclusive use and is not assignable without the prior consent of Permittor.
3. Purpose. The permitted purpose of Permit shall be solely for entry upon Premises for the addition of a highway lane over the SMART tracks at Sears Point Road and SR 37 in Sonoma County, as described in the attached **Exhibit B**, including bringing a detailed work plan which includes but is not limited to: a detailed schedule of work, lists of subcontractors who will be on-site, a construction narrative, and construction drawings, and a list of all necessary personnel and equipment onto Premises as necessary for the permitted purpose ("Project").
4. Term. This Permit shall be effective at such time as the fees identified in Section 6 have been paid and shall automatically terminate on _____ unless extended by mutual written agreement. If the fees are not received

within fifteen (15) days from the date of this Permit, then Permit shall be null and void.

Permitter reserves the right to revoke or modify this Permit at any time prior to the termination date upon forty-eight (48) hours advance notice from Permitter to Permittee.

If Permittee requires use of Premises prior or subsequent to the foregoing dates, then Permittee shall request approval from Permitter at least forty-eight (48) hours prior to the time requested. Permittee shall pay additional fees as set forth in Section 6 below for such additional use.

5. Permit Shall Remain On-Site. A copy of this Permit must be kept on the site of Premises at all times during the term of this Permit and shall be shown to any representative of Permitter upon demand. Project may be suspended if this Permit is not at Premises.
6. Permit Fees and Costs. As compensation for use of Premises, Permittee shall pay the costs for review of Permit application, design and construction plans, preparation of Permit, and any inspection of activity or construction authorized by this Permit, including but not limited to, expenses incurred by Permitter, which costs and expenses Permittee shall pay upon demand. Permittee shall pay to Permitter upon execution hereof the sum of ____ Thousand Dollars (\$____), which is an estimate of such costs and expenses. Any additional costs for inspectors/safety monitors will be billed at the completion of work.
7. Project Plan. Project shall be performed in accordance with a plan identifying the sequence of operations, schedules and locations for said Project. The plan shall be submitted to Permitter in advance of any work for Permitter's approval and such work shall be subject to monitoring and inspection by Permitter.
8. Cost of Work, Protection of Traffic, Access Requirements, and Working Procedures. All costs related to Permittee's operations upon Premises shall be at Permittee's expense. All work upon or in connection with the use of Premises shall be done at such times and in such manner as not to interfere with the current or future use of Premises. Permittee shall be responsible for the provision of barriers, directions, signage, and other forms of notice to the general public to assure the safe, smooth, and uninterrupted flow of traffic around Project site and on and about Premises. Permittee shall keep Permitter's Premises in a reasonably neat and safe condition failing which

Permitter, after twenty-four (24) hours prior notice to Permittee, may do so at Permittee's expense.

Permittee shall comply with the regulations of the instructions of Permitter's representatives relating to the proper manner of protecting the tracks, pipelines, wire lines, signals, and all other property at said location, the traffic moving on such tracks, and the removal of tools, equipment, and materials.

Not less than 72 hours prior to entering the Premises, Permittee shall submit a Track Access Permit in a form approved by Permitter. A sample of Permitter's current Track Access form is attached hereto as **Exhibit C**. As a condition of access, Permitter may require any combination of the following safety measures:

- a) Completion of Railroad Workplace Safety training mandated by the Federal Railroad Administration (49 C.F.R. Part 214). Permittee shall ensure that all Permittee's employees, contractors and subcontractors who will access the Premises complete the necessary on-line training and shall submit documentation of the completion of such training by each such employee, contractor and subcontractor, in the form of a Certificate of Completion, to Permitter with the Track Access Permit
- b) Hiring a railroad approved EIC contractor, at Permittee's expense, for the duration of the work in SMART's right of way. Permittee may choose from any contractor on Permitter's approved list or submit an alternate EIC contractor for consideration. Permitter will reserve the right to approve or deny any alternate EIC contractor submissions. The EIC must be onsite during all work on the railroad right of way.

Depending on the work, one or more flaggers may also be required at Permittees expense.

All work by Permittee upon Premises shall be performed in a good and worker-like manner satisfactory to Permitter. Since there is the possibility of the existence of pipelines or other structures beneath Premises, if Permittee should excavate or drill, then Permittee's forces shall explore such structures with hand tools to a depth of at least eight feet (8') below the surface of the ground or, at Permittee's option, use suitable detection equipment prior to drilling or excavating with mechanized equipment. Absence of markers does not constitute a warranty by Permitter of no subsurface installations. It shall be Permittee's responsibility to determine the existence of any underground facilities and Permittee shall call Underground Service Alert at 1 (800) 642-2444 prior to beginning any work on the property.

Fiber optic cable systems may be buried on the Permitter's property. Protection of the fiber optic cable systems is of extreme importance since any break could disrupt service to users resulting in business interruption and loss of revenue and profits. It shall be Permittee's responsibility to telephone 1 (800) 336-9193 to determine if fiber optic cable is buried anywhere on the Permitter's property. This number can be used during normal business hours (7:00 a.m. to 9:00 p.m. Central Time, Monday through Friday, except for holidays) and is also a 24-hour, 7-day number for emergency calls.

Any open holes shall be satisfactorily covered at all times when Permittee's forces are not physically working in the actual vicinity. Upon completion of work, all holes will be filled in to meet the surrounding ground level with clean, compacted, earthen material and the property left in a neat and safe condition reasonably satisfactory to Permitter.

Permittee agrees to reimburse Permitter for the cost and expense to Permitter of furnishing any materials or performing any labor in connection with the use of Premises, including, but not limited to, the installation and removal of such false work and other protection beneath or along the railroad tracks, and the furnishing of such security persons, flaggers, and inspectors as Permitter deems necessary. Prior to incurring any cost or expense, Permitter shall reasonably notify Permittee of the same. Said reimbursement shall be paid by Permittee to Permitter within thirty (30) days after presentation of a bill.

Permittee shall fully pay for all materials joined or affixed to Premises and shall pay in full all persons who perform labor on Premises. As Permitter is a public entity, its property is not subject to mechanics' or materialmen's liens, and nothing in this Permit shall be construed to make its property subject to such liens. However, if any such liens are filed, Permittee shall immediately remove them at Permittee's own expense and shall pay any judgment which may be entered. Should Permittee fail, neglect, or refuse to do so, Permitter, after 48 hours prior notice to Permittee, shall have the right to pay any amount required to release any such liens, or to defend any action brought, and to pay any judgment entered. Permittee shall be liable to Permitter for all costs, damages, reasonable fees, and any amounts expended in defending any proceedings or in the payment of any of said liens or any judgment. Permitter may post and maintain upon Premises notices of non-responsibility as provided by law.

Permittee shall cooperate with Permitter in making any tests Permitter requires of any installation or condition which in Permitter's reasonable

judgment may have an adverse effect on any of the facilities of Permitter. All costs incurred by the tests, or any corrections required as a result of such tests, shall be borne by Permittee.

Permittee shall take protective measures necessary to keep Permitter's facilities, including track ballast, free of sand or debris resulting from its use of Premises. Should any damage occur to Permitter's facilities as a result of Permittee's use of Premises, Permittee shall immediately notify Permitter. Permitter may require Permittee to contact the operator of any rail service on the rail line to make arrangements to ensure the safe performance of any work and agrees to give Permitter ten (10) calendar days of written notice prior to commencement of the work in the event such arrangements need to be made. Any damage to Permitter's facilities resulting from Permittee's use of Premises will be repaired or replaced by Permitter at Permittee's sole cost and expense, which Permittee shall pay to Permitter promptly upon demand.

9. No Crossing of Tracks. Permittee shall not be permitted to cross Permitter's tracks located near Premises but shall gain access to and from Premises only by use of designated public streets.
10. No Hazardous Materials. No hazardous materials shall be handled at any time upon Premises.
11. Mechanized Equipment. Under no condition shall Permittee be permitted to place or store any mechanized equipment, tools or other materials within twenty-five feet (25') of the center line of Permitter's nearest railroad tracks.
12. Indemnity and Insurance. Permittee shall release, defend (with counsel reasonably satisfactory to Permitter) and indemnify Permitter, its successors and assigns, any railroad company operating on Premises, and their respective directors, officers, employees, and agents (collectively, "Indemnitees") from and against all liability, cost, and expense for loss of, or damage to, property and for injuries to, or death of, any person (including, but not limited to, the property and employees of each party) when arising or resulting from the use of Premises by Permittee, its agents, employees, contractors, subcontractors, or invitees; or Permittee's breach of these provisions. The duty of Permittee to indemnify and save harmless the Indemnitees includes the duties to defend as set forth in Section 2778 of the Civil Code. It is the express intent of the parties under this Section 12 that Permittee will indemnify and hold harmless the Indemnitees from any and all claims, suits, or actions arising from any cause whatsoever as set forth above, other than the active negligence, willful misconduct, or criminal acts of the

Indemnitees. Permittee waives any and all rights to any type of express or implied indemnity against the Indemnitees arising out of Permittee's use of or activities on Premises. This indemnity shall survive termination of this Permit. It is the intention of the parties that should any term of this indemnity provision be found to be void or unenforceable, the remainder of the provision shall remain in full force and effect.

All personal property of Permittee, including, but not limited to fixtures, equipment, or related materials upon the Property, will be at the risk of OWNER only, and Permittor will not be liable for any damage thereto or theft thereof, whether or not due in whole or in part to the negligence of Permittor.

Prior to entry upon the Property and commencement of construction activities, Permittee shall provide Permittor with satisfactory evidence, in the form of a Certificate of Insurance, that Permittee is insured in accordance with the following. Said insurance shall remain in effect throughout the term of this License:

a. Workers' Compensation and Employers' Liability

Permittee shall procure and maintain Workers' Compensation Insurance and Employers' Liability Insurance in accordance with the laws of the State of California. Employers' Liability Insurance shall have coverage for a minimum liability of \$2,000,000, covering Permittee's employees engaged in the work. Permittee shall insure the procurement and maintenance of such insurance by all contractors or subcontractors engaged in the construction, operation or maintenance of the Conveyor.

b. Commercial General Liability

Permittee shall procure and maintain Commercial General Liability insurance covering products-completed and ongoing operations, property damage, bodily injury and personal injury using an occurrence policy form, in an amount no less than \$5,000,000 per occurrence.

Said policy shall either include a Railroads CG 24 17 endorsement removing the exclusion of coverage for bodily injury or property damage arising out of construction or demolition operations within 50 feet of any railroad property and affecting any railroad bridge, trestle, tracks, roadbeds, tunnel, underpass or crossing, or provide evidence

that said policy does not have any railroad exclusions. A follow form Excess Liability policy may be utilized to satisfy the required limits of liability under this section.

c. Professional Liability

Permittee shall procure and maintain Professional Liability insurance covering liability arising out of any negligent act, error or omission in performance of design or engineering services for the Project in an amount no less than \$2,000,000 per claim. If any Design Professional Services are furnished by a Subcontractor, the Subcontractor shall be required to provide professional liability coverage.

d. Automobile Liability

Permittee shall procure and maintain Automobile Liability insurance covering bodily injury and property damage in an amount no less than \$2,000,000 combined single limit for each occurrence. Said insurance shall include coverage for owned, hired, and non-owned vehicles. Said policy shall also include a CA 20 70 10 13 endorsement removing the exclusion of coverage for bodily injury or property damage arising out of operations within 50 feet of any railroad bridge, trestle, track, roadbeds, tunnel, underpass or crossing.

e. Contractors Pollution Liability

Contractors Pollution Liability insurance in an amount no less than \$2,000,000 per incident. The Contractor's Pollution Liability policy shall be written on an occurrence basis with coverage for bodily injury, property damage and environmental damage, including cleanup costs arising out of third-party claims, for pollution conditions, and including claims of environmental authorities, for the release of pollutants caused by construction activities related to the Permit. Coverage shall include the Permittee as the named insured and shall include coverage for acts by others for whom the Permittee is legally responsible.

Coverage to be provided for bodily injury to or destruction of tangible property, including the resulting loss of use thereof, loss of use of tangible property that has been physically injured, and natural resource damage. There shall be no exclusions or limitations regarding damages or injury from existence, removal or abatement of lead paint. There shall be no insured vs. insured exclusion in the policy.

f. Railroad Protective Liability

Prior to commencement of construction activities, Permittee shall procure and maintain Railroad Protective Liability insurance, in Permitter's name, with limits of liability of no less than \$5,000,000 per occurrence, for losses arising out of injury to or death of all persons, and for physical loss or damage to or destruction of property, including the loss of use thereof. The additional named insureds shall be the Sonoma-Marín Area Rail District and the North Coast Railroad Authority, and shall cover all other railroads operating on the right-of-way.

Prior to entering onto the Property, Permittee shall file Certificate(s) of Insurance with Permitter evidencing the required coverage and endorsement(s) and, upon request, a certified duplicate original of any of those policies. Said endorsements and Certificate(s) of Insurance shall stipulate:

- 1) SMART, its officers and employees, shall be named as additional insured on all policies listed above.
- 2) That the policy(ies) is Primary Insurance and the insurance company(ies) providing such policy(ies) shall be liable thereunder for the full amount of any loss or claim which Permittee is liable, up to and including the total limit of liability, without right of contribution from any other insurance effected or which may be effected by the Insureds.
- 3) The policy shall also stipulate: Inclusion of the Insureds as additional insureds shall not in any way affect its rights either as respects any claim, demand, suit or judgment made, brought or recovered against Permittee. Said policy shall protect Permittee and the Insureds in the same manner as though a separate policy had been issued to each, but nothing in said policy shall operate to increase the insurance company's liability as set forth in its policy beyond the amount or amounts shown or to which the insurance company would have been liable if only one interest had been named as an insured.
- 4) Permittee hereby grants to Permitter a waiver of any right to subrogation which any insurer of said Permittee may acquire against Permitter by virtue of the payment of any loss under such insurance. Permittee agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but

this provision applies regardless of whether or not Permittor has received a waiver of subrogation endorsement from the insurer.

The insurance policy(ies) shall be written by an insurance company or companies acceptable to Permittor. Such insurance company shall be authorized to transact business in the state of California.

g. Deductibles and Retentions

Permittee shall be responsible for payment of any deductible or retention on Permittee's policies without right of contribution from Permittor. Deductible and retention provisions shall not contain any restrictions as to how or by whom the deductible or retention is paid. Any deductible or retention provision limiting payment to the name insured is not acceptable.

h. Self-Insurance

Permittee's obligation hereunder may be satisfied in whole or in part by adequately funded self-insurance, upon evidence of financial capacity satisfactory to Permittor.

i. Claims Made Coverage

If any insurance specified above is written on a claims-made coverage form, Permittee shall:

- 1) Ensure that the retroactive date is shown on the policy, and such date must be before the date of this Permit or beginning of any work under this Permit;
- 2) Maintain and provide evidence of similar insurance for at least three (3) years following project completion, including the requirement of adding all additional insureds; and
- 3) If insurance is cancelled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to Permit effective date, Permittee shall purchase "extending reporting" coverage for a minimum of three (3) years after completion of the work.

13. Permits from Other Agencies; Hazardous Materials. Permittee shall comply, at Permittee's expense, with all applicable laws, regulations, rules and orders with respect to the use of Premises, and shall obtain all required licenses, permits or other approvals in connection with Permittee's use of Premises. Permittee shall furnish satisfactory evidence of such compliance upon request of Permittor.

Should any discharge, leakage, spillage, emission or pollution of any type occur upon or from Premises due to Permittee's use and occupancy thereof, Permittee, at Permittee's expense, shall clean all affected property to the satisfaction of Permitter and any governmental body having jurisdiction.

Permittee shall indemnify, hold harmless and defend the Indemnitees against all liability, cost, and expense (including, without limitation, any fines, penalties, judgments, litigation costs, reasonable attorneys' fees and consulting, engineering and construction costs) incurred by Permitter as a result of Permittee's breach of this section or as a result of any such discharge, leakage, spillage, emission, or pollution by Permittee, regardless of whether such liability, cost, or expense arises during or after the term of this Permit.

14. Assumption of Risk. Permittee shall assume all risk of damage to any and all other property of Permittee, or any property under the control or custody of Permittee while upon or near Premises of Permitter incident to the use of Premises; provided, however, such assumption by Permittee shall not include any damage caused by the active negligence and/or willful misconduct of Permitter. Permittee releases Permitter from any liability, including claims for damages or extra compensation, arising from construction delays due to transportation activities by Permitter or transportation operations by any agency as authorized by Permitter.
15. Subcontractors. Any person, firm or corporation Permittee authorizes to work upon Premises, shall be deemed to be Permittee's agent and shall be subject to all the applicable terms hereof.
16. Restoration of Premises. Upon termination of this Permit, Permittee, at its own expense, shall remove from Premises all property it owns or controls, all debris and other materials, and restore Premises to its condition prior to entry or to a condition reasonably satisfactory to Permitter. Upon Permittee's failure to do this, Permitter, upon forty-eight (48) hours prior notice to Permittee, may perform such work at Permittee's expense.
17. Severability. If any provision of this Permit shall be for any reason unenforceable, in any respect, such unenforceability shall not affect the other provisions of this Permit.
18. Attorneys' Fees. If any legal proceeding should be instituted by either of the parties to enforce the terms of this Permit or to determine the rights of the parties under this Permit, the prevailing party in the proceeding shall receive, in addition to all court costs, reasonable attorneys' fees.

19. Time of Essence. Time is and shall be of the essence of this Permit and of each and every provision contained in this Permit.
20. No Third-Party Beneficiaries. Nothing contained in this Permit shall be construed to create and the parties do not intend to create any rights in third parties.
21. Construction of Agreement. The provisions in this Permit shall be construed and given effect in a manner that avoids any violation of statute, regulation or law. Permitter and Permittee agree that in the event any provision in this Permit is held to be invalid or void by any court of competent jurisdiction, the invalidity of any such provision shall in no way affect any other provision in this Permit. Permitter and Permittee acknowledge that they have each contributed to the making of this Permit and that, in the event of a dispute over the interpretation of this Permit, the language of the Permit will not be construed against one party in favor of the other. Permitter and Permittee further acknowledge that they have each had an adequate opportunity to consult with counsel in the negotiation and preparation of this Permit.
22. Relationship. The parties intend by this Permit to establish the relationship of permittor and permittee only, and do not intend to create a partnership, joint venture, joint enterprise, or any business relationship other than that of permittor and permittee.
23. Captions. The captions in this Permit are for convenience only and are not a part of this Permit. The captions do not in any way limit or amplify the provisions hereof and shall have no effect upon the construction or interpretation of any part hereof.

If the endorsed copy of this Permit is not received within fifteen (15) days from the date of this Permit, then this Permit shall be null and void.

[REMAINDER OF PAGE INTENTIONALLY BLANK]

IN WITNESS WHEREOF, the parties have executed this Permit as of the Effective Date by their duly authorized representatives.

PERMITTOR:
SONOMA-MARIN AREA RAIL TRANSIT
DISTRICT

PERMITTEE:

By:

*By:

Real Estate Manager

Name:

Title:

* If Permittee is a corporation, two corporate officers must sign on behalf of the corporation as follows: 1) the chairman of the board, president or vice president; and 2) the secretary; assistant secretary, chief financial officer or assistant treasurer.

File: 04-SON-37-PM 4.009
Agreement No.: 04R481

SMART TEMPLATE RIGHT OF ENTRY PERMIT

EXHIBIT A

[DESCRIPTION OF PREMISES]

SMART TEMPLATE RIGHT OF ENTRY PERMIT


EXHIBIT B

[DESCRIPTION OF PURPOSE OF RIGHT OF ENTRY]

SMART TEMPLATE RIGHT OF ENTRY PERMIT

EXHIBIT C

Must Be Signed for Approval

		One Permit must be submitted for each calendar day of work	Permit Number _____
RIGHT OF WAY ACCESS PERMIT			ROE Permit # _____
This form must be kept onsite by the contractor at all times. If you decide not to use your approved permit for the date requested contact Dispatch and cancel the request.		Date of Work: _____	
		Start Time: _____	
		Finish Time: _____	
CONTRACTOR INFORMATION		Crew Size: _____	
Company Name: _____		Territory	
Applicant Name: _____		<input type="checkbox"/> Brazos Jct. (B-25.8 TO B-49.8)	
Phone: _____		<input type="checkbox"/> SMART Mainline (14.9 TO 84.7)	
Email: _____		<input type="checkbox"/> OTHER: _____	
Always expect a train or on track equipment. Trains may travel in either direction on any track at any time.		EXACT WORK LIMITS:	
Supervisor on Site		FROM: _____	
Supervisor Name: _____		TO: _____	
Cell Phone: _____		OTHER: _____	
The Supervisor is required to: *Be on site at all times and reachable by Dispatch *Call OCC by phone to activate the Permit before work starts & call OCC to deactivate the Permit after work is done and crews are clear.		FORM B EIC ONLY FILL OUT BELOW	
		FORM B Limits _____ to _____	
		Short Flag Location _____ / _____	
DESCRIPTION OF WORK			
WORK CONDITIONS			
<input type="checkbox"/>	Roadway Protection Certification is current	<input type="checkbox"/>	Operation of a hysrail vehicle
<input type="checkbox"/>	Work crew may be fouling tracks	<input type="checkbox"/>	Right of entry
<input type="checkbox"/>	Heavy equipment within right-of-way	<input type="checkbox"/>	Outside of fouling zone
Level of On Track Safety			
<input type="checkbox"/>	Track & Time	<input type="checkbox"/>	Form B
<input type="checkbox"/>	Track Out of Service	<input type="checkbox"/>	Approved Flagger
<input type="checkbox"/>		<input type="checkbox"/>	Track Warrant
<input type="checkbox"/>		<input type="checkbox"/>	None Required
		EIC:	_____
		Cell:	_____
Operations Control Center Phone: 707-890-8600 Submit permit requests by email to the Track Access Coordinators		SMART TRACK ACCESS COORDINATORS: Jon Kerruish: Jkerruish@sonomamarintrain.org Rachel Schmuhl: Rschmuhl@sonomamarintrain.org Marc Bader: Mbader@sonomamarintrain.org	
FOR CONTROL OFFICE USE		Permit Approval: _____	Date: _____
Active Time: _____	Controller Signature: _____		ID# _____
Clear Time: _____	Controller Signature: _____		ID# _____



Draft Proposed
Fiscal Year
2026/2027 Budget

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Sonoma-Marin Area Rail Transit District's Board of Directors

SMART is governed by a 12-member Board consisting of elected officials appointed as specified in AB 2224: two county supervisors each from Marin and Sonoma counties, three appointed City Council members from each county and two representatives from the Golden Gate Bridge District.

Chris Coursey – Chair

Sonoma County Board of Supervisors

Mary Sackett – Vice Chair

Marin County Board of Supervisors

Janice Cader Thompson

Sonoma County Mayors' and
Councilmembers Association

Kate Colin

Transportation Authority of Marin

Victoria Fleming

Sonoma County Mayors' and
Councilmembers Association

Patty Garbarino

Golden Gate Bridge, Highway and
Transportation District

Ariel Kelley

Sonoma County Mayors' and
Councilmembers Association

Eric Lucan

Marin County Board of Supervisors

Kevin Jacobs

Transportation Authority of Marin

Barbara Pahre

Golden Gate Bridge Highway/Transportation
District

Gabe Paulson

Marin County Council of Mayors and
Councilmembers

David Rabbitt

Sonoma County Board of Supervisors

Sonoma-Marin Area Rail Transit Executive Management Team

Eddy Cumins

General Manager

Jessica Sutherland

General Counsel

Bill Gamlen

Chief Engineer

Heather McKillop

Chief Financial Officer

Marc Bader

Chief Operating Officer

About SMART

The Sonoma-Marín Area Rail Transit (SMART) District was established by the California Legislature with the authorization of Assembly Bill 2224 in 2002. The SMART District includes Sonoma and Marin Counties and was formed to provide the unified and comprehensive structure for ownership and governance of the passenger and freight rail system within Sonoma and Marin Counties, as well as to provide passenger and freight train service along the existing publicly owned railroad right-of-way.

SMART rail service began in August of 2017 with two-way passenger train service spanning 43 miles and 10 stations, from Downtown San Rafael in Marin County to Airport Boulevard in Sonoma County.

In March of 2022, SMART assumed the right-of-way between Healdsburg and the Mendocino County line from the North Coast Rail Authority (NCRA) and the freight operations on the Brazos Branch from the Northwestern Pacific Railroad Company (NWPCo), the service operator from Napa County to Petaluma since 2011.

Passenger rail service is provided by diesel multiple unit (DMU) rail vehicles utilizing one of the first Positive Train Control systems for passenger rail. In late 2019, SMART opened two new stations in Downtown Novato and Larkspur, facilitating connection via regional Ferry to San Francisco. These two stations in Marin County increased the rail line to 45 miles. In January of 2025, SMART opened the infill station at Petaluma North for a total of 13 passenger stations. The rail and pathway extension to Windsor opened in June of 2025, increasing the number of passenger stations to 14 and the length of SMART's system to 48 miles.

In April of 2026, SMART increased rail service as part of the implementation of the Marin-Sonoma Coordinated Transit Service Plan (MASCOTS) an effort designed to more efficiently and effectively provide transit service in the 101 corridor between Marin and Sonoma counties. SMART is currently offering its highest levels of service ever, with 48 weekday trips and 24 weekend trips.

As of 2024, SMART and partner agencies constructed 28 miles of bicycle/pedestrian pathway, including 21 miles of Class I pathway, on its right-of-way. The pathway connects to the stations where cyclists can find secure parking or can bring their bicycles on-board the train. To date, SMART along with partner agencies have constructed over 39 miles of pathway, of which approximately 29 miles are Class I SMART Pathway/Great Redwood Trail within and along the railroad right-of-way.

SMART's History

2002	The SMART District was created by the California Legislature
2008	SMART's ¼ cent sales tax was passed
August 2017	Service started between San Rafael and Santa Rosa Airport to include 34 weekday trips and 10 weekend trips

October 2017	Tubbs Fire
February 2019	Area flooding
October 2019	Kincade Fire
December 2019	Larkspur Extension and Downtown Novato Station open
January 2020	Service increases to 38 weekday trips
March 2020	COVID-19 Shelter-in-Place orders; weekday trips reduced to 16 and weekend service annulled
August 2020	LNU Lighting Complex Fires
May – June 2021	Fares lowered by 40%; 10 additional weekday trips are added for a total of 26 weekday trips; Saturday service returns
March 2022	Assumed freight operations from the Northwestern Pacific Railroad Company (NWPCo.)
June 2022	Additional 10 weekday trips added for a total of 36 weekday trips
September 2022	Launched real-time map and arrival prediction tool on SMART website
October 2022	Additional two weekday trips are added for a total of 38 weekday trips
June 2023	Launched free Summer Youth Pass
June 2023	Commenced new SMART Connect service at Sonoma Co. Airport Station
July 2023	Reduced 31-day pass by 15% to reflect hybrid work schedule
October 2023	Added one weekend round trip for total of 16 weekend trips
April 2024	Youth and Seniors Ride Free Program implemented
June 2024	Launched SMART Connect shuttle at Larkspur
August 2024	Additional four weekday trips added for a total of 42 weekday trips
December 2024	SMART's 2025-2030 Strategic Plan adopted
January 2025	Opened Petaluma North Station and completed the McDowell Boulevard grade crossing and paving work
January 2025	McInnis Pathway construction completed and opened
June 2025	Windsor Extension completed, Windsor Station opened
June 2025	Pathway segment from Airport Boulevard in Santa Rosa to Windsor Road in Windsor opened as part of the Windsor Extension project
August 2025	Pathway segments from South Point Boulevard in Petaluma to Main Street in Penngrove and from Golf Course Drive in Rohnert Park to Bellevue Avenue in Santa Rosa to open to the public
September 2025	Progressive Design-Build Contract awarded for Healdsburg Extension of railway and pathway
April 2026	MASCOTS service increases went into effect, expanding service by 19% - weekday trips increased to 48 and weekend trips increased to 24
May 8, 2026	Healdsburg Extension groundbreaking

SMART's Passenger Rail and Pathway System

System Statistics

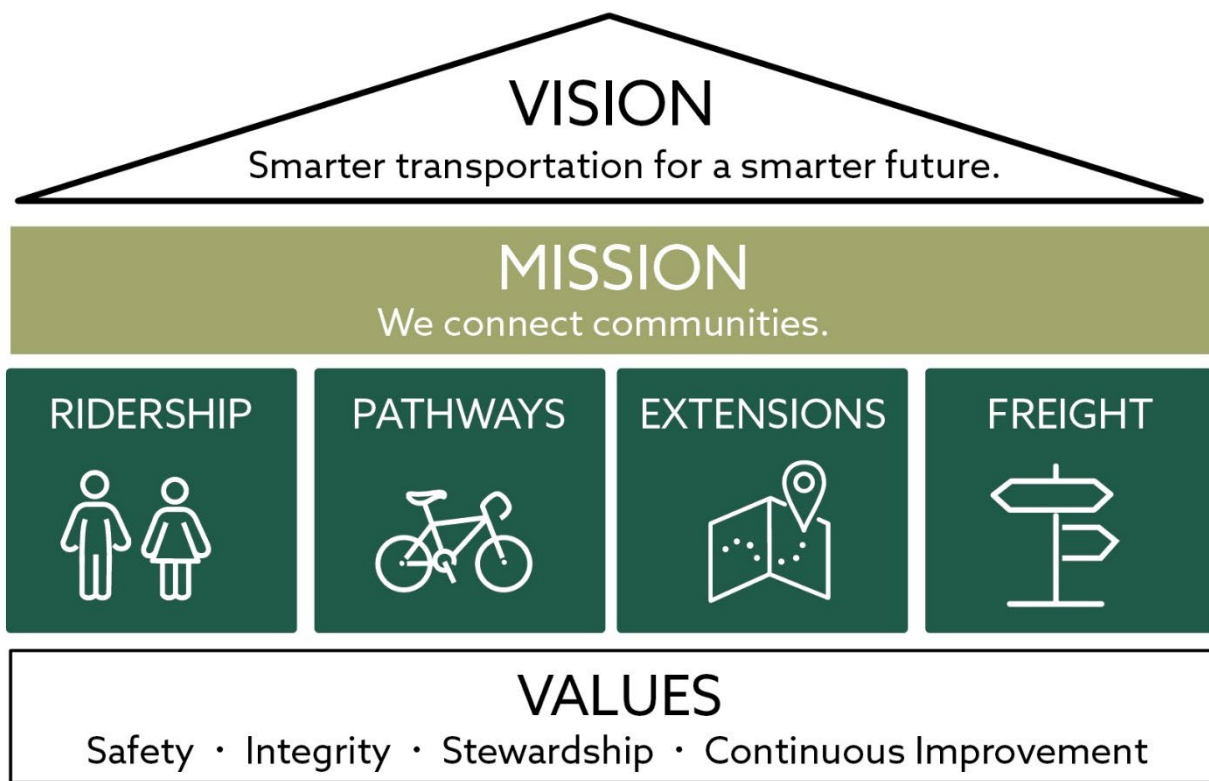
- Forty-eight (48) miles rail corridor – connecting the Larkspur Ferry to the Town of Windsor
- Twenty-one (21) miles of pathway maintained by SMART of the thirty-nine (39) overall pathway miles providing a first/last mile connection to the rail corridor
- Fourteen (14) stations constructed and open
- Seven (7) park-n-ride lots
- Seventy-four (74) public crossings
- Thirty-five (35) bridges
- Two (2) tunnels
- Fleet of eighteen (18) Diesel Multiple Units (DMUs)





SMART's Mission, Vision, and Values

In Fiscal Year 2022, the Board of Directors established and approved SMART's Vision, Mission, Objectives, and Values. In Fiscal Year 2023, strategies for these objectives were developed and presented. In Fiscal Year 2025, guided by the Citizen's Oversight Committee, the Board of Directors approved the Strategic Plan 2025-2030, which identifies a robust set of strategies to achieve identified goals around SMART's four pillars: Ridership, Pathways, Extensions, and Freight. SMART's 2025-2030 Strategic Plan incorporated many of the existing SMART services, projects, and initiatives funded and implemented in Fiscal Years 2025 and 2026, while identifying new strategies and actions to guide the agency through 2030.



Fiscal Year 2026 Progress Toward SMART's Goals

SMART's Strategic Plan was adopted in the second quarter of Fiscal Year 2025, and the 2026 Budget was developed to support and implement its core goals. The following sections present the projects delivered under each of the four strategic objective areas.

Ridership

The Fiscal Year 2026 Budget aimed to increase ridership through a range of initiatives. In the previous fiscal year, SMART opened new stations: the Petaluma North Station and the Windsor

Station. The addition of these two stations marked a significant milestone in SMART's development adding passenger and pathway miles, as well as encouraging a new pool of riders from communities north of Santa Rosa. As a result, ridership is trending higher every month, with April of 2026 reaching the highest ridership levels since system inception. Through April, the average daily ridership in Fiscal Year 2026 is 4,534 riders per weekday, 2,765 riders on Saturdays, and 2,232 riders on Sunday.

In April of Fiscal Year 2026, SMART increased service as part of the Marin-Sonoma Coordinated Transit Service (MASCOTS) Plan, aligning with nine regional transit agencies to improve transit in the North Bay. SMART began earlier morning service, filled in mid-day schedule gaps, provided increased evening service, improved connections with local bus service, and overall increased transit options for residents and visitors alike. This new service plan adds six weekday trips for a total of 48 and eight additional weekend trips for a total of 24 each weekend day. Throughout Fiscal Year 2026, SMART has continued providing three-car trains when available for events including Giants games and the Butter and Eggs Festival to support passenger needs.

The Youth and Seniors Ride Free program began in April 2024 and has led to significant increases in youth, senior, and adult ridership. Fiscal Year 2026 ridership among youth and seniors has increased by 195% compared to Fiscal Year 2024. Youth and seniors now make up an estimated 43% of SMART riders, mirroring the demographic patterns in Sonoma and Marin Counties. The overall ridership increase of 65% attributed to both fare-paying and free-fare riders that occurred between Fiscal Year 2024 and Fiscal Year 2026 points to the success of this program, as well as other efforts to expand ridership.

The SMART Shuttles at the Sonoma County Airport station and Larkspur station connect the SMART system to important transportation hubs to expand travel opportunities within the Bay Area and beyond. In Fiscal Year 2026, the Larkspur Shuttle received funding through a partnership between SMART, the Golden Gate Bridge Highway and Transportation District, and the Transportation Authority of Marin, allowing SMART riders a comfortable, accessible, and efficient route to the ferry. While the initial offering of the Larkspur Shuttle was four days a week, positive customer feedback led to an expansion of service in 2025 to seven days a week. Both shuttles currently operate daily, providing SMART riders with an integral first and last mile connection.

To further increase ridership, SMART has closely monitored the system to improve its service and enhance rider experience. The real-time Public Information Display Signs provide the public with real-time information on train arrival and connection times at every station platform. SMART has worked with the Metropolitan Transportation Commission (MTC) to implement the updated Clipper 2.0 program to make the process of purchasing rides more streamlined. In an effort to enrich the rider experience, SMART has partnered with the Transit app to allow passengers to plan multimodal transit trips and see rider alerts in the app. To improve the first and last mile connections, SMART has supported the implementation of a Bikeshare program at SMART stations, as well as retrofitted a car as a pilot project with additional bicycle parking. SMART has increased coordination efforts with transit providers to improve bus and ferry connections and has adjusted wherever necessary and possible. As a result of projects, services,

programs, and enhancements, SMART is consistently increasing its ridership and is poised to surpass its initial FY26 goal of 1,210,000 riders and is currently on track to meet its reach goal of 1,400,000 riders.

Pathway

Fiscal Year 2026 advanced work on the SMART multiuse pathway largely in the design and permitting stages. Two segments – from Guerneville Road to Airport Boulevard in Santa Rosa and from Hanna Ranch Road to Vintage Way in Novato – were previously planned to start construction but are awaiting final permitting requirements before the commencement of construction. The Joe Rodota to Third Street pathway segment in Santa Rosa has funding allocated and is ready to be bid out in the beginning of the new fiscal year, in conjunction with the Jennings Crossing project in Santa Rosa funded by the City of Santa Rosa, the Third Street traffic signal work also funded by the City of Santa Rosa, and the crossing requested and funded by a private developer to take advantage of economies of scale. The Puerto Suello pathway design project was initiated in Fiscal Year 2025 and the work was completed in Fiscal Year 2026, and is awaiting further funding to move into the construction phase.

Extensions

In Fiscal Year 2026, SMART executed a contract to begin the progressive design-build process for the Healdsburg Extension of the rail line and pathway. This nearly nine-mile section will extend the system north and construct a station in Healdsburg, representing SMART's dedication to its mission to continue expanding to the north. By engaging the contractor, initiating this progressive design-build process, and advancing design, SMART is one step closer to completing the voter-approved rail and pathway system that stretching from Larkspur to Cloverdale.

SMART continues its involvement in planning activities related to the East/West Rail Highway 37 Corridor Project. Working with partners, SMART seeks to incorporate rail into the corridor project. SMART's engineering team is working with Caltrans on a rail service plan analysis.

Freight

In Fiscal Year 2026, the Freight Division secured an additional \$4 million of funding through the State of California for operations, capital, and State of Good Repair projects. The SMART Engineering team worked in conjunction with Freight to rehabilitate three bridges on the Brazos Branch. The Freight team also replaced hundreds of rail ties to maintain the right-of-way. Additionally, SMART partnered with the County of Marin to complete the grade crossing repair at Grandview Drive in Novato.

Unfortunately, the Freight Division dealt with a couple of emergency repairs in Fiscal Year 2026. There was an emergency repair necessary at the Highway 37 crossing in December. Thanks to the quick actions of many departments and contractors, the repair was completed within twenty-four hours of the incident. The Black Point Bridge has necessitated a longer and more extensive repair process after an emergency with both mechanical and structural elements. The emergency repair is currently underway and is anticipated to be completed by the end of Fiscal Year 2026.

The freight division of SMART continues to seek out additional freight and storage customers or other methods to increase revenue.

Performance Measures – National Transit Database (NTD)

After data reporting was required by Congress in 1974, the Federal Transit Administration's National Transit Database (NTD) was set up as the system of record to track the financial, operating and asset conditions of American transit systems. The NTD records the financial, operating, and asset condition of transit systems helping to keep track of the industry and provide publicly available information and statistics. The NTD is designed to support local, state and regional planning efforts and to help governments and other decision-makers make multi-year comparisons and trend analyses. It contains a wealth of information such as agency funding sources, inventories of vehicles and maintenance facilities, safety event reports, measures of transit service provided and consumed, and data on transit employees.

FTA uses NTD data to apportion funding to urbanized and rural areas in the United States. Transit agencies report data on several key metrics including Vehicle Revenue Miles (VRM), Vehicle Revenue Hours (VRH), Passenger Miles Traveled (PMT), Unlinked Passenger Trips (UPT), and Operating Expenses (OE).¹

SMART reports our information to NTD in October of each year for the previous fiscal year after the completion of the annual financial audit

NTD Metrics	2021	2022	2023	2024	2025
Boardings	122,849	354,328	640,099	850,270	1,123,686
Vehicle Revenue Miles	398,291	679,245	977,309	1,013,842	1,114,691
Passenger Miles	3,148,345	7,855,912	13,922,153	18,401,990	23,384,889
Operating Expense	\$ 24,833,822	\$ 27,834,598	\$ 30,585,066	\$ 35,581,765	\$ 37,453,652
Operating Cost per Vehicle Revenue Mile	\$ 62.35	\$ 40.98	\$ 31.30	\$ 35.10	\$ 33.60
Operating Cost per Passenger Mile	\$ 7.89	\$ 3.54	\$ 2.20	\$ 1.93	\$ 1.60
Passenger Trips per Vehicle Revenue Mile	0.3	0.5	0.7	0.8	1.0
Investment Per Passenger Mile (IPPM) = (Cost - Fare/ Passenger Miles)	\$ 7.66	\$ 3.38	\$ 2.07	\$ 1.81	\$ 1.50
Fare Revenues	\$ 706,938	\$ 1,283,112	\$ 1,800,747	\$ 2,192,253	\$ 2,311,171
Farebox Recovery (Fare Revenues/Operating Expense)	3%	5%	6%	6%	6%
Average Fare (Fares/ Boardings)	\$ 5.75	\$ 3.62	\$ 2.81	\$ 2.58	\$ 2.06
Cost per Boarding (Operating Expense/ Boardings)	\$ 202.15	\$ 78.56	\$ 47.78	\$ 41.85	\$ 33.33
Subsidy per Boarding [(Cost - Fare)/ Boardings]	\$ 196.39	\$ 74.93	\$ 44.97	\$ 39.27	\$ 31.27

Note: Fiscal Years 2021 and 2022 were impacted by COVID and had reduced or curtailed service.

¹ <https://www.transit.dot.gov/ntd>

Fiscal Year 2027 – Strategic Plan-led Budget Priorities

SMART’s five-year Strategic Plan created a roadmap to achieve SMART’s goals, informing the allocation of resources, investment decisions, and budgeting strategies needed to execute its goals. With each annual budget, SMART assesses requirements to meet its obligations, namely debt service, reserves, as well as operations and maintenance expenditures. After funding these obligations, SMART evaluates revenues for capital and state of good repair projects. SMART leadership look at specific projects and initiatives requested to determine how they fit into the priorities set by the Strategic Plan across capital, operating, and administrative budgets. While many of the plan’s actions are already partially or fully funded, other activities and initiatives have not yet received funding, either from outside sources or internal sales tax funds.



Figure 3: Strategic Plan-Budget Feedback Loop

Since the implementation of the 2025-2030 Strategic Plan, SMART has made progress on achieving the goals set in that guiding document. For the Fiscal Year 2027 Budget, funding was prioritized as detailed here to ensure that the budget supports the implementation of the Strategic Plan. Listed below are the Strategic Plan’s five-year goals and the strategies that inform the Fiscal Year 2027 Budget.

Ridership Goal: Increase to 5,000 riders per day

Strategies to advance this goal in Fiscal Year 2027:

- Maintain SMART’s system at the utmost state of good repair, providing reliability, safety, cleanliness, and accessibility for all riders
- Work with other transit providers to improve connections for easier first/last mile
- Offer SMART Connect Shuttle service 7 days a week for improved first/last mile

- Continue affordable and user-friendly fare programs through the extension of the Youth and Seniors Fare Free program through FY27
- Conduct an on-board passenger survey to understand how to improve the passenger experience
- Improve communications by utilizing the Transit app as a hub for all rider updates
- Enrich the customer experience with the completion of SMART's website upgrade
- Continue monitoring the system/ridership and adjusting where necessary
- FY27 Ridership estimate: 1,618,000

Pathway Goal: Maintain existing pathway, design and construct planned pathway, enhance user experience

Strategies to advance this goal in Fiscal Year 2027:

- Maintain the existing pathway in a state of good repair
- Complete the design and permitting phase for planned pathways, ensuring segments are prepared for future phases and funding
- Pursue grant funding for unfunded segments
- Continue design of the pathway extension to Healdsburg as part of the progressive design build process, anticipating entering construction
- Commence construction on the Joe Rodota Trail to Third Street pathway segment in Santa Rosa, as part of the larger Santa Rosa Crossings project
- Brainstorm ways to improve pathway for users, and investigate possible funding partners
- Expand the information available about the pathway on SMART's website

Extension Goal: Complete system extension to Cloverdale and explore planning the development of east/west alignment

Strategies to advance this goal in Fiscal Year 2027:

- Healdsburg Extension – advance progressive design-build process to establish the Guaranteed Maximum Price (GMP) and enter final design and construction
- Pursue funding for extension north to Cloverdale
- East/ West Rail
 - Continue participation in Highway 37 corridor activities
 - Work with partners to incorporate rail into the project
 - Continue to partner with Caltrans and FRA Corridor ID Program through SMART East-West project development and subsequent phases

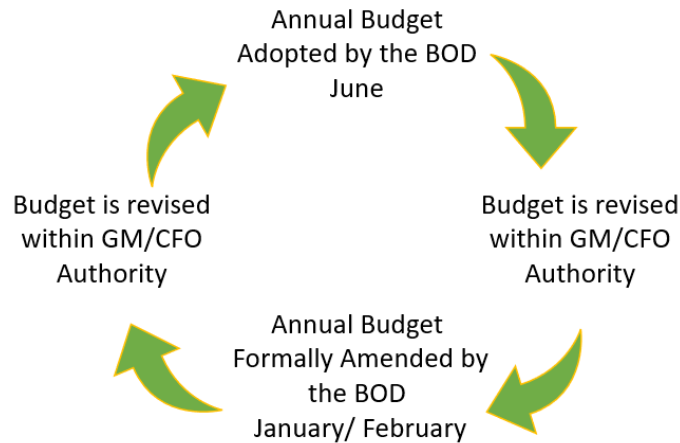
Freight Goal: Ensure long-term sustainability of freight operations

Strategies to advance this goal in Fiscal Year 2027:

- Repair and maintain bridges, track, crossings, equipment, and locomotives
- Market freight and storage opportunities at SMART to acquire new business and increase annual revenue
- Evaluate potential fee increase

Budget Cycle

The Administrative Code of SMART, as adopted by the Board of Directors in July 2013, provides that the Board of Directors will adopt an annual budget no later than the District's June meeting for the ensuing fiscal year.



The budget outlines the expected revenues and expenditure amounts needed for salaries, benefits, services, supplies, capital and other necessary spending throughout the fiscal year. The budget limits the amount of total expenditures that can be incurred without further Board approval.

Budget adjustments can be made and approved by the Chief Financial Officer as long as total expenditures in the Board-adopted Budget are not exceeded. In the event that total expenditures need to be increased, a budget amendment must be presented to the Board of Directors for approval.

Mid-year, an amended budget will be presented to the Board of Directors for approval. The amended budget will include the most recent expectations for revenues and expenditures projected through fiscal year end.

At the end of each fiscal year, once the financial audit has been finalized, a comparison of the previous year's budget to actual expenditures will be generated and presented to the Board of Directors for information.

Basis of Budgeting

The District's financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred regardless of the timing of related cash flows. Sales taxes are recorded when earned and reported as non-operating

revenue. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the funder have been met.

The District’s budget is prepared on a modified accrual basis with the following exceptions:

- Inclusion of capital outlays and debt principal payments as expenditures
- Inclusion of asset sale proceeds and debt issuance proceeds
- Exclusion of gains and losses on disposition of property and equipment
- Exclusion of the non-cash portion of long-term unfunded pension accruals

Fund Structure

SMART reports its financial activity as an enterprise. We have two funds, the General Fund (01), with several sub funds for purposes of segregating expenditures, and the Freight Fund (60).

Fund	Description
01	General Fund
02	Bond Fund
03	Bond Reserve Fund
08	General Reserve Fund
15	Self-Insurance Fund
18	OPEB Pension Fund
20	Equipment Replacement Fund
30	Landing Way Replacement Fund
50	Capital Engineering Projects Fund
60	Freight

BUDGET OVERVIEW

Passenger

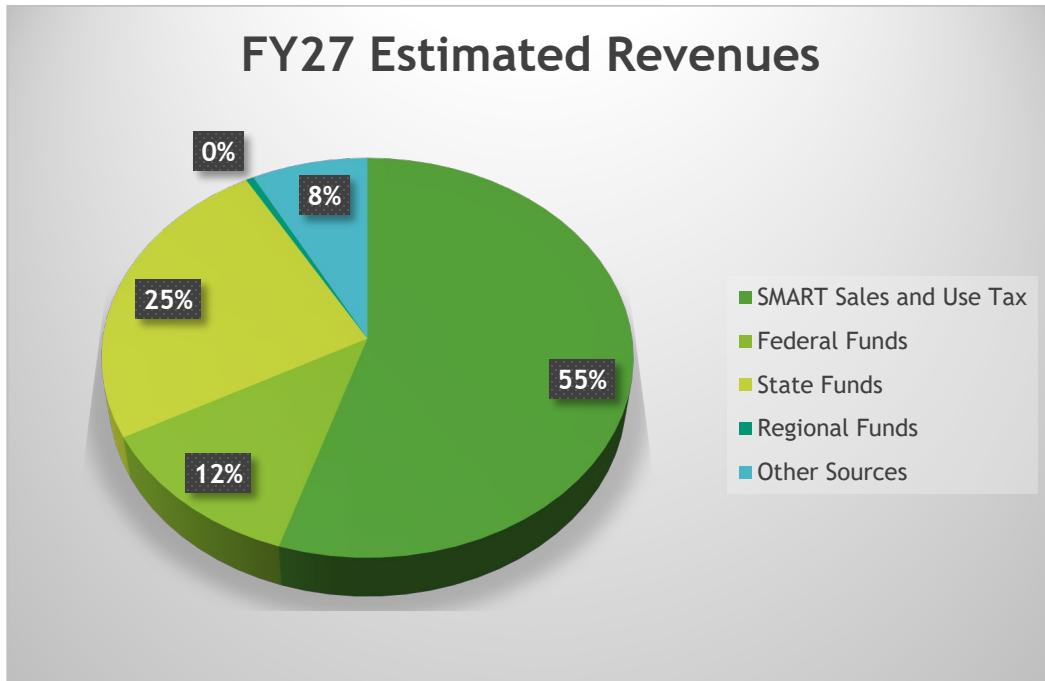
The Fiscal Year 2027 revenue estimate for passenger rail and pathways totals \$91.8 million. Compared to \$96.6 million in Fiscal Year 2026, Fiscal Year 2027 revenues are slightly lower due to finishing out the design phase of the Healdsburg Extension. For the most part, revenues are similar to the previous fiscal year.

SMART will receive Federal 5337 funds for State of Good Repair projects for the second year, allowing the agency to undertake necessary maintenance, replacement, and rehabilitation projects. These 5337 funds in the amount of nearly \$7 million are in addition to the State and Federal grants which provide \$12.6 million of formula funds to support the Fiscal Year 2027 operating budget.

Revenues	FY26 Amended Budget	FY27 Budget	Difference
SMART Sales and Use Tax	\$ 48,300,300	\$ 50,408,000	\$ 2,107,700
Federal Funds	\$ 7,349,744	\$ 11,189,778	\$ 3,840,034
State Funds	\$ 34,469,991	\$ 22,603,435	\$ (11,866,556)
Regional Funds	\$ 2,224,000	\$ 481,520	\$ (1,742,480)
Other Sources	\$ 4,258,926	\$ 7,110,300	\$ 2,851,374
Total Revenues	\$ 96,602,961	\$ 91,793,033	\$ (4,809,928)

Expenditures	FY26 Amended Budget	FY27 Budget	Difference
Debt Service	\$ 16,996,844	\$ 16,998,869	\$ 2,025
Salaries & Benefits	\$ 31,682,864	\$ 33,997,748	\$ 2,314,884
- Reduction for Salaries Charged to Projects	\$ (1,663,687)	\$ (1,731,972)	\$ (68,285)
- Reduction for Admin Salaries and Services to Freight	\$ (34,944)	\$ (18,782)	\$ 16,162
Services & Supplies	\$ 19,377,683	\$ 20,175,589	\$ 797,906
Contribution to OPEB/CalPERS Liability Fund	\$ 750,000	\$ 500,000	\$ (250,000)
Vehicle/Equipment Capital Reserve	\$ 1,000,000	\$ 1,000,000	\$ -
Operating Reserve	\$ 1,231,027	\$ 170,299	\$ (1,060,728)
Projects			
Non-Capital	\$ 5,054,293	\$ 4,023,434	\$ (1,030,859)
State of Good Repair	\$ 3,356,368	\$ 10,079,775	\$ 6,723,407
Equipment	\$ 1,220,628	\$ 2,502,726	\$ 1,282,098
Facilities	\$ 26,092,718	\$ 11,619,000	\$ (14,473,718)
Infrastructure	\$ 28,450	\$ 1,056,497	\$ 1,028,047
Non-Revenue Vehicles	\$ 752,000	\$ 1,169,000	\$ 417,000
Total Expenditures	\$ 105,844,243	\$ 101,542,183	\$ (4,302,060)

Revenues



The revenue distribution for Fiscal Year 2027 shows a majority of revenues coming from SMART's Sales and Use Tax at 55% or \$51,184,044. State funds make up the next largest proportion at 25% or \$22,603,435 and include both project specific funding and formula funding. Federal funding makes up 12% of the budget at \$11,189,778, coming from funding for State of Good Repair projects and Preventative Maintenance activities. Other sources account for 8% or \$7,110,300 of the budgeted revenues and include fares, interest, leases, advertising, and other operational revenues. Regional funds show up in this chart at 0% but account for \$481,520 of revenues, both tied to project funding and increased service under MASCOTS.

Fiscal Year 2027 Estimated Revenues

Revenues by Funding Sources	FY27
Sales and Use Tax	
	FY27
Measure Q	\$ 50,408,000
Measure Q Cost of Collection	\$ (850,000)
Net Sales & Use Tax	\$ 49,558,000
Measure Q Roll Forward	\$ 1,626,044
Subtotal	\$ 51,184,044
Federal Funds	
	FY27
5307 - Urbanized Area Formula Funds (Preventative Maintenance)	\$ 4,202,279
5337 - Federal State of Good Repair Funds	\$ 6,987,499
Subtotal	\$ 11,189,778
State Funds	
	FY27
AHSC - Affordable Housing and Sustainable Communities	\$ 290,000
LCTOP - Low Carbon Transit Operating	\$ 763,868
LPP - Local Partnership Program	\$ 1,151,291
SRA - State Rail Assistance	\$ 5,085,000
STA - State Transit Assistance (Population)	\$ 1,114,982
STA - State Transit Assistance (Revenue)	\$ 2,156,953
STA - SGR (State of Good Repair)	\$ 737,261
STA - MTC - MASCOTS	\$ 500,000
STA - STCTA - MASCOTS	\$ 704,080
TIRCP - Windsor to Healdsburg Phase I	\$ 10,100,000
Subtotal	\$ 22,603,435
Regional Funds	
	FY27
Regional Measure 3 (RM3)	\$ 50,000
TAM - MASCOTS	\$ 431,520
Subtotal	\$ 481,520
Other Sources	
	FY27
Advertising	\$ 140,595
Charges for Services	\$ 124,002
Fare Revenues - Passenger Rail	\$ 3,333,189
Fare Revenues - Shuttle	\$ 12,941
Interest Earning	\$ 1,500,000
Misc.	\$ 60,000
Parking	\$ 55,727
Rent - Real Estate	\$ 508,846
Other Governments/Private Sector	\$ 1,375,000
Subtotal	\$ 7,110,300
Total Revenues	\$ 92,569,076

THE FLOW OF FUNDING

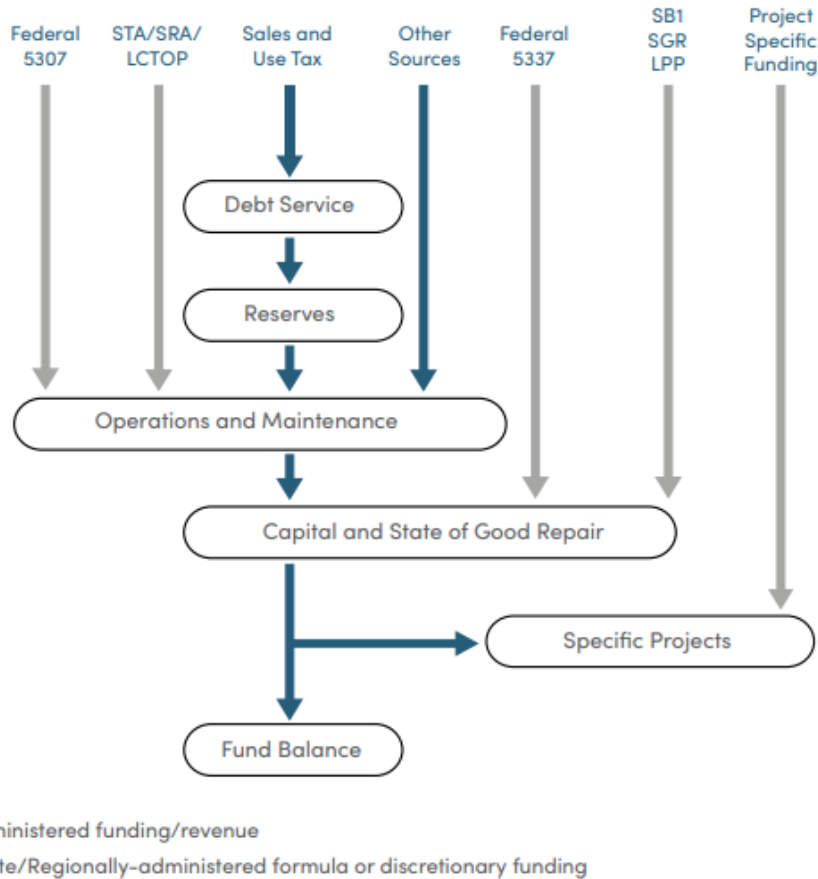


Figure 6: Flow of Funding

This funding flow chart was included in the Strategic Plan and helps to illustrate the funding SMART receives from all funding sources, and the activities each source can fund.

Sales Tax

On November 4, 2008, more than two-thirds of the voters in Sonoma and Marin counties approved Measure Q implementing the 2008 Measure Q Sales Tax. The 2008 Measure Q Sales Tax is a sales and use tax of one quarter of one percent (1/4%) imposed for a period of 20 years beginning April 1, 2009, on the gross receipts from all tangible personal property sold at retail businesses in the counties and a use tax at the same rate on the storage, use, or other consumption in the counties of such property purchased from any retailer, subject to certain exceptions. While we saw a decrease of revenues in Fiscal Year 2020, subsequent growth was in the double digits for Fiscal Year 2021 and 2022. While Fiscal Year 2023 finished out a little over a percentage point above Fiscal Year 2022, Fiscal Year 2024 showed a decrease in revenues from the previous year. Fiscal Year 2025 forecasts were down from their initial budgeted amount, coming in under the 2024 amount. Fiscal Year 2026 is shaping up to come in slightly over what was forecasted in last year's

budget, and then in Fiscal Year 2027 the models are estimating a minor increase, to over \$50 million in sales tax revenues for the first time.

SMART HISTORICAL SALES TAX COLLECTIONS

	Sales Tax	Growth Rate	
2009	\$ 4,976,687	0%	
2010	\$ 24,059,929	383.45%	Actual
2011	\$ 26,826,843	11.50%	Actual
2012	\$ 28,303,501	5.50%	Actual
2013	\$ 30,435,753	7.53%	Actual
2014	\$ 32,473,329	6.69%	Actual
2015	\$ 33,845,426	4.23%	Actual
2016	\$ 34,776,012	2.75%	Actual
2017	\$ 36,061,895	3.70%	Actual
2018	\$ 37,135,476	2.98%	Actual
2019	\$ 41,241,140	11.06%	Actual
2020	\$ 38,978,630	-5.49%	Actual
2021	\$ 44,002,410	12.89%	Actual
2022	\$ 49,074,830	11.53%	Actual
2023	\$ 49,649,375	1.17%	Actual
2024	\$ 48,837,349	-1.64%	Actual
2025	\$ 48,804,068	-0.07%	Actual
2026	\$ 48,300,300	-1.03%	Estimated
2027	\$ 50,408,000	4.36%	Estimated
	\$ 708,190,953		

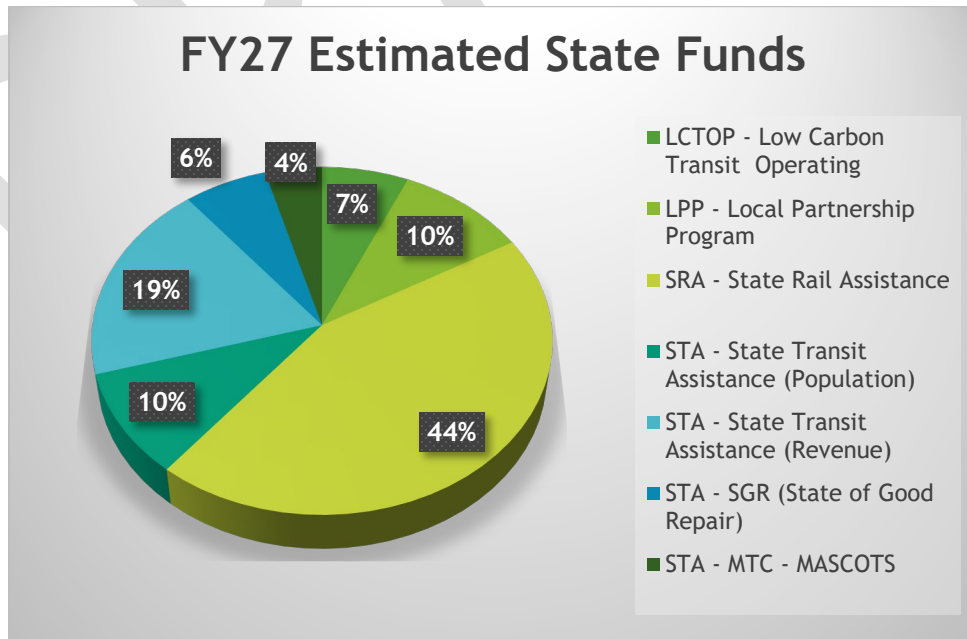
State Revenues

SMART receives formula allocation from four (4) state revenue programs itemized below. SMART may receive other state grants but those are competitive applications, are project specific, and typically provide one-time funding.

- State Transit Assistance (STA): A portion of the revenues derived from the sales tax on diesel fuel purchases and registration fees is appropriated by the State Legislature to the State Transit Assistance Program for public transportation purposes. These STA revenues are allocated to public transit agencies throughout the State based on population and operating revenues by formula. This fund source increased through 2017 Senate Bill 1, the Road Repair and Accountability Act. SB1 created an additional STA program, the STA State of Good Repair (SGR) Program to provide annual funding to transit operators in California for eligible transit maintenance, rehabilitation, and capital projects. In Fiscal

Year 2027 there are additional funds being allocated to SMART via the STA program through the Metropolitan Transportation Commission (MTC) and the Sonoma County Transportation to help fund higher service levels under the MASCOTS plan.

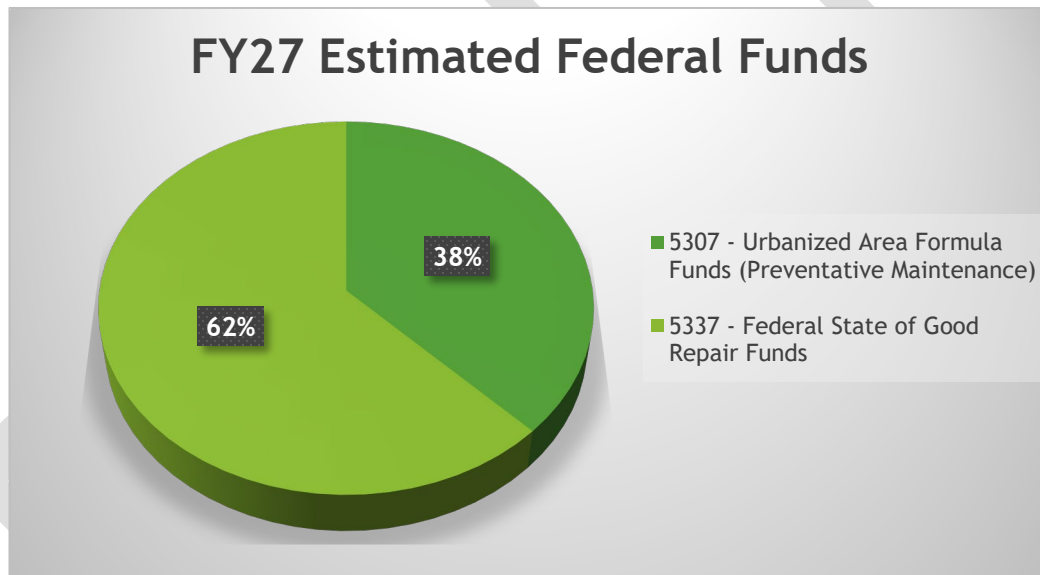
- **State Rail Assistance (SRA):** Created through Senate Bill 1 (SB1), SRA directs a 0.5% portion of new diesel sales tax revenue for allocation: half to the state’s five commuter rail providers (Altamont Corridor Express Authority (ACE), North County Transit Development Board (Coaster), Peninsula Corridor Joint Powers Board (Caltrain), Sonoma-Marin Area Rail Transit District (SMART), Southern California Regional Rail Authority (Metrolink)) and half to intercity rail corridors.
- **Local Partnership Program (LPP):** SB 1 established the Local Partnership Program Formula fund source. This program continuously appropriates funding annually from the Road Maintenance and Rehabilitation Account to local and regional transportation agencies that have sought and received voter approval of taxes or that have imposed fees dedicated solely for transportation improvements. The funds are managed by the California Transportation Commission, which also manages a competitive portion of the Local Partnership Program.
- **Low Carbon Transit Operations Program (LCTOP):** LCTOP was created to provide operating and capital assistance for transit agencies to reduce greenhouse gas emissions and improve mobility, with a priority on serving disadvantaged communities. Funds for this program come from State Cap and Trade auctions. Approved projects in LCTOP will support new or expanded bus or rail services, expand intermodal transit facilities, or support equipment acquisition, fueling, maintenance and other costs to operate those services or facilities.



Federal Revenues

SMART is a direct recipient of Federal Transit Administration (FTA) and Federal Rail Administration (FRA) grant funds. The Fiscal Year 2027 Budget includes the following federal funds sources:

- 5337 Funds: FTA Formula funds providing capital assistance for maintenance, replacement, and rehabilitation projects of fixed guideway systems to help transit agencies in urbanized areas maintain assets in a state of good repair. SMART became eligible for these funds in Fiscal Year 2025. In the Fiscal Year 2027 budget, these funds make up 62% of federal funding or \$6,987,499.
- 5307 Funds: FTA Urbanized Area Formula Funds that can be used for capital projects, operating assistance, job access, reverse commute projects, and transportation related planning. SMART became eligible for these funds in Fiscal Year 2020. These funds account for 38% of federal funding or \$4,202,279.



State Funds – Project Specific

- Windsor to Healdsburg Extension
 - TIRCP – Transit and Intercity Rail Capital Program
 - \$10,100,000 budgeted in FY27
- Joe Rodota to Third Street in Santa Rosa Pathway Construction
 - AHSC – Affordable Housing Sustainable Communities Program
 - \$225,000 of funding rolling into FY27
 - LPP – Local Partnership Program
 - \$357,500 budgeted in FY27

- Workforce Development
 - AHSC – Affordable Housing Sustainable Communities Program
 - \$65,000 budgeted in FY27
- Hi-Rail Excavator
 - LPP – Local Partnership Fund
 - \$506,000 budgeted in FY27
- Tow-Behind Scrubber
 - LPP – Local Partnership Fund
 - \$98,500 budgeted in FY27
- DMU Pneumatic Test Bench Equipment
 - LPP – Local Partnership Fund
 - \$189,291
- DMU Car Mover
 - LPP – Local Partnership Fund
 - \$100,000 budgeted in FY27
- Hi-Rail Boom Truck
 - LPP – Local Partnership Fund
 - \$200,000 budgeted in FY27

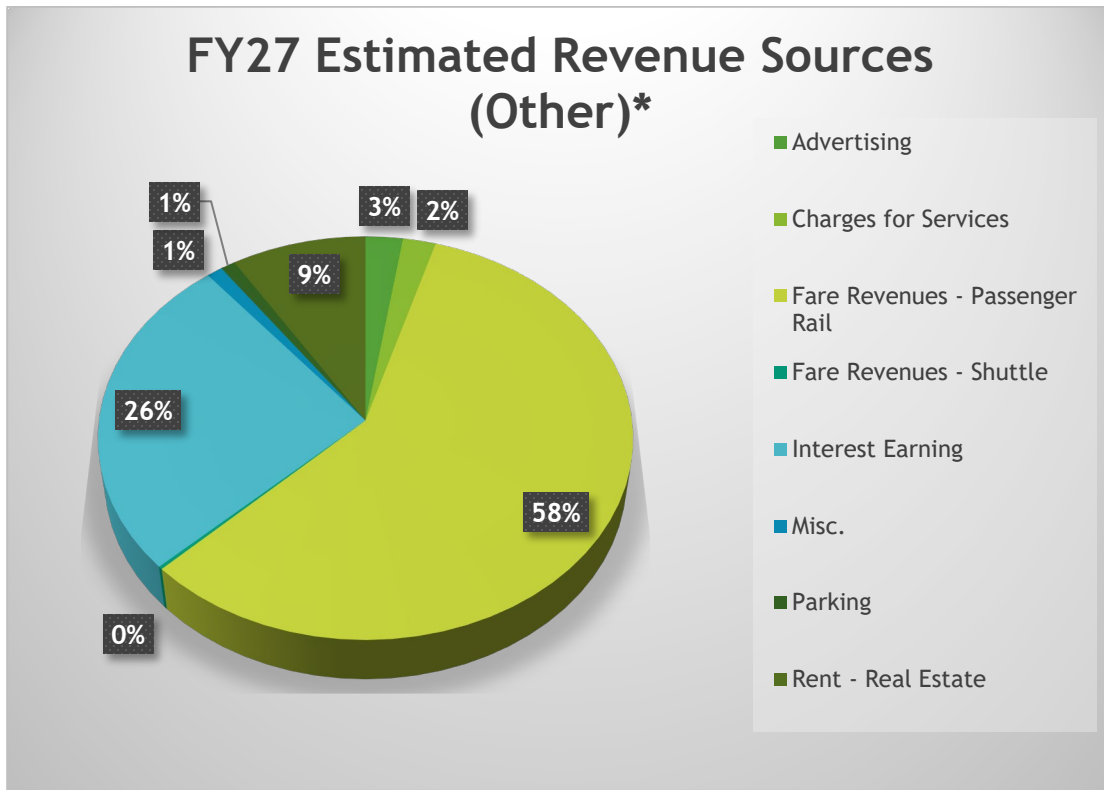
Regional Funds – Project Specific

- Civic Center Kiss-n-Ride
 - RM3 – Regional Measure 3
 - \$50,000 budgeted to FY27

Local Governments/Private Sector – Project Specific

- Jennings Crossing
 - City of Santa Rosa
 - \$650,000 budgeted for FY27
- Joe Rodota to 3rd Street Traffic Signal Construction
 - City of Santa Rosa
 - \$400,000 budgeted in FY27
- 4th Street Station Access (as part of Joe Rodota to 3rd Street Project)
 - Private Developer
 - \$325,000 budgeted in FY27

Other SMART Revenues



*These percentages exclude funding from Other Government or Private Sector sources.

- Farebox Revenues: SMART passengers pay for their rides using the fare structure approved by the SMART Board in 2015 and 2016. SMART participates in the regional Clipper fare system that allows riders to transfer seamlessly among Bay Area operators using one fare media card. SMART also has its own mobile ticket app that provides easy purchasing of multiple or discounted tickets without purchasing a Clipper card. The fares are based on the distance travelled by a rider, like other commuter rail services. In May of 2021, fares were lowered by approximately 40%. SMART also provides several discounts to SMART riders.
- In May 2021, a new Weekend Day Pass was implemented. The Weekend Day Pass is \$10.00 for adults and \$5.00 for passengers with disabilities and Clipper START customers. The Weekend Day Pass offers unlimited rides for the entire day.
- In September 2021, the 31-Day Pass was lowered to \$135.00 for adults and \$67.50 for youth, seniors, and passengers with disabilities. In July 2023, the 31-day pass was lowered again and was priced based on a 3-day work week and an average of 3-zones travelled. This reduced the price to \$117.00 for adults and \$58.50 for seniors, youth, and passengers with disabilities.

- In April 2024, the Youth and Seniors Ride Free Program was implemented, and is planned to continue through June of 2027.
- In the Fiscal Year 2027 budget, farebox revenues for passenger rail account for 58% of other revenues.
- Advertising Revenues: Revenues from advertising space sold onboard trains and station platform shelter panels.
 - Advertising is 3% of SMART's other revenues in Fiscal Year 2027.
- Charges for Services: Includes flagging services SMART provides for external entities that need to do work in SMART's right of way.
 - Charges for services is 2% of other funds budgeted in the Fiscal Year 2027 budget.
- Interest Earnings: Interest earnings are budgeted in Fiscal Year 2027 at higher than in Fiscal Year 2026 due to a higher than anticipated fund balance and interest rates.
 - Interest earnings make up a 26% proportion of the other budget category in this budget.
- Lease Revenues: Revenues generated by real estate holdings, escalated for 2027 based on Consumer Price Index (CPI).
 - Lease Revenues account for 9% of the Fiscal Year 2027 budget.
- Miscellaneous Revenues: These revenues vary each year but are assumed to be similar to past Fiscal Years.
 - These funds correspond to 1% of other revenues for Fiscal Year 2027.
- Parking Revenue: Parking fees are suspended during the hours of 4:00 am and 11:59 pm. Effective July 1, 2023, those wishing to park overnight pay a fee of \$5.00 to park between the hours of 12:00 am and 3:59 am, for up to five nights. Parking revenues have come in higher than anticipated in FY26, which has increased the expected amount for FY27.
 - Parking revenues are estimated at 1% of other revenues in this Fiscal Year 2027 budget.
- Shuttle Revenue: SMART Connect marked its first full year of shuttle service in Fiscal Year 2024, expanded to a second location at the Larkspur Station in Fiscal Year 2025 and extended to seven days a week from its previous four day per week schedule. Revenues are budgeted based on a percentage increase from previous years.
 - Shuttle revenue is represented as 0% on the chart as it is a relatively small amount in comparison to the other revenues.

RIDERSHIP

Expenditures – Ridership

Planned ridership expenditures are based on the following priorities for reaching Strategic Plan goals:

- Continue “Youth and Seniors Ride Free” program
- Undertake Preventative Maintenance and State of Good Repair projects to maintain the safety, quality, and efficiency of SMART’s rail system
- Maintain compliance requirements and regulations
- Conduct on-board passenger survey
- Continue the collaborative approach with other agencies through MASCOTS for increased service and improved connections
- Continue monitoring the system/ridership
- Deliver improved website for ease of use
- Ridership estimate: 1,618,000

Ridership	
Category	FY27 Budget Amount
Administration*	\$ 10,325,155
Operations*	\$ 30,744,842
Website*	\$ 42,553
CCTV State of Good Repair Camera Replacements*	\$ 80,000
On-Board Survey	\$ 50,000
IT Projects*	\$ 190,148
Bridges	\$ 445,000
Civic Center Kiss-n-Ride (Design)	\$ 50,000
Non-Revenue Vehicles	\$ 1,099,000
Maintenance of Way Activities and Upgrades	\$ 1,412,826
On-Board DMU Camera Replacement	\$ 2,871,334
Hi-Rail Excavator	\$ 1,012,000
Tow-Behind Scrubber	\$ 197,200
Train Wash Replacement	\$ 50,000
Siemens S-80 Smart Gate Pilot Program*	\$ 40,749
Rail Operations Center Building Feasibility Study	\$ 400,000
Shop Elevated Track & Catwalk OSHA Compliant Fall Protection	\$ 25,000
Security System for Fulton, Roblar, Healdsburg, Larkspur	\$ 250,000
UPS Node Batteries	\$ 100,000
DMU Overhaul and Maintenance Projects	\$ 4,780,615
Vehicle Maintenance Equipment	\$ 723,082
Total	\$ 54,889,504

PATHWAYS

Expenditures – Pathways

Planned pathway expenditures are based on the following priorities for reaching Strategic Plan goals:

- Advance funded segments of the pathway
 - Hanna Ranch Rd to Vintage Way
 - Guerneville Rd to Airport Blvd
 - Joe Rodota to 3rd Street
- Complete design and permitting of remaining pathway segments
- Continue mitigation projects to mitigate impact of the pathway as required
- Maintain pathway in a state of good repair
- Expand information available about the pathway on SMART’s website

Pathways	
Category	FY27 Budget Amount
Administration*	\$ 2,290,987
Operations*	\$ 63,000
Engineering*	\$ 341,963
Website*	\$ 42,553
CCTV State of Good Repair Camera Replacements*	\$ 80,000
IT Projects*	\$ 190,148
Code Compliance Vehicle*	\$ 35,000
Code Compliance Vehicle*	\$ 35,000
Mitigate Pathway Segments	
- Petaluma Riparian Construction & Monitoring	\$ 29,000
- Crane Creek - Poppy Drainage Riparian Monitoring	\$ 121,532
- Crane Creek - Fiddleneck Drainage Riparian Monitoring	\$ 236,071
- Helen Putnam Riparian Monitoring	\$ 52,899
- Windsor Riparian Mitigation Monitoring	\$ 23,560
Design Pathway Segments	
- Marin-Sonoma Pathway - Design	\$ 1,201,251
Pathway Repairs & Rehab	\$ 165,000
Olive Avenue Path-of-Travel	\$ 200,000
Windsor to Healdsburg - Pathway	\$ 1,414,000
Advance Pathway Segments	
- Joe Rodota Trail to 3rd Street	\$ 715,000
- Hanna Ranch Road to Vintage Way	\$ 120,000
- Guerneville Road to Airport Boulevard	\$ 24,000
Total	\$ 7,380,964

EXTENSIONS

Expenditures – Extensions

Planned extension expenditures are based on the following priorities for reaching Strategic Plan goals:

- Continue design phase of Healdsburg Extension
- Continue participating in Highway 37 corridor activities to incorporate East/ West rail
- Conduct mitigation activities for the extension/station projects as required

Extensions	
Category	FY27 Budget Amount
Administration *	\$ 7,897,988
Engineering *	\$ 837,219
Website*	\$ 42,553
CCTV State of Good Repair Camera Replacements*	\$ 80,000
IT Projects*	\$ 190,148
Siemens S-80 Smart Gate Pilot Program*	\$ 40,749
State Route 37 Study	\$ 6,000
Healdsburg to Geyserville Fire Abatement	\$ 200,000
Mitigate Extension Projects	
- San Rafael Creek Riparian Construction & Monitoring	\$ 35,829
- Las Gallinas Riparian Enhancement & Monitoring	\$ 14,633
- Mira Monte Restoration	\$ 15,000
- IOS-1 Riparian Mitigation	\$ 1,260,000
Windsor to Healdsburg	\$ 8,686,000
Total	\$ 19,306,118

FREIGHT

Expenditures – Freight

Planned Freight expenditures are based on the following priorities for reaching Strategic Plan goals:

- Conduct required maintenance on bridges, track, crossings, equipment, and other components of the freight operation
- Fiscal Year 2027 budgets funds for Phase III of the Brazos Branch Bridge Repairs to improve bridges
- Replace the 8th Street Cantilever using owner furnished material ordered in Fiscal Year 2026
- Replace railroad ties at the end of their useful life
- Continue to market freight and storage opportunities
- Leverage storage track at Schellville and Burdell
- Promote transload opportunities at Victory Station (Schellville)

Freight	
Category	FY27 Budget Amount
Salaries and Benefits	\$ 1,217,673
Freight Services and Supplies	\$ 1,037,489
Brazos Branch Bridge Repairs Phase III	\$ 360,000
8th Street Cantilever Replacement	\$ 121,380
SR 37 Grade Crossing PE Review	\$ 6,000
Tie Replacement	\$ 125,000
Total	\$ 2,867,542

Expenditures

Passenger Rail Operations

Passenger Rail Operations delivers SMART's core mission to move people in a safe, reliable, and affordable way.

Transportation

The Transportation Division is responsible for operating the trains, checking fares, assisting passengers, ensuring onboard passenger safety, and guaranteeing compliance with FRA regulations related to train operations and passenger service. The Operations Control Center monitors the status of the entire system, dispatches passenger and freight trains, and is the emergency point of contact for outside first responder agencies.

Vehicle Maintenance

The Vehicle Maintenance Division is responsible for preventative maintenance, inspections, cleaning, and repairs of the Diesel Multiple Units (DMUs).

Maintenance of Way

The Maintenance of Way Division is responsible for track and right of way inspection and maintenance, train control and grade crossing warning device maintenance and inspections, and maintenance of all SMART owned facilities (pathway, stations, moveable bridge electronics and mechanics, buildings, and right of way fencing).

In addition to Transportation, Vehicle Maintenance, and Maintenance of Way, two additional departments are under the operations budget.

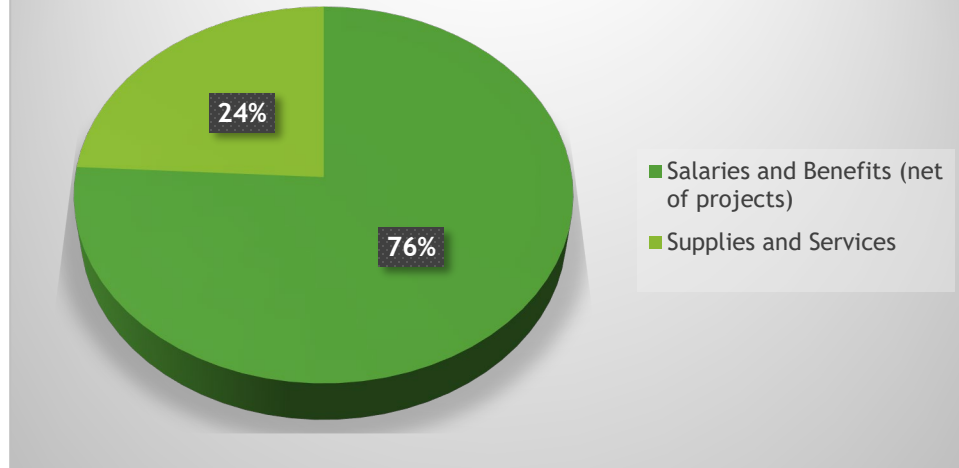
Public Safety

The Public Safety Department works to ensure public, infrastructure, and facility safety, including coordinating with Federal, State, and local jurisdictions to provide incident response.

Train Control Systems

Train control systems perform a wide variety of functions – including: safely routing trains, safely separating trains, tracking and reporting the location of trains; detecting and reporting broken rail; detecting and reporting misaligned switches; detecting and reporting misaligned bridges; and detecting and reporting faults; interconnecting traffic signals; operating grade crossing warning systems; and providing positive train control (PTC) to prevent derailments and collisions.

FY27 Operations Budget



In Fiscal Year 2027, the Operations Department has 137 full-time equivalent (FTE) employees with an estimated budget for salaries and benefits net of projects at \$23,371,633. Salaries and Benefits make up 76% of the total Operations budget.

Operations Salaries and Benefits	FY27
Operations General	\$ 1,315,745
Maintenance of Way	\$ 5,281,323
Transportation	\$ 10,746,803
Vehicle Maintenance	\$ 4,944,861
Safety and Security	\$ 1,082,901
Total	\$ 23,371,633

This budget funds three new Operations positions.

Department	New Positions
Operations General	Parts and Inventory Clerk
Vehicle Maintenance	Vehicle Maintenance Superintendent
Vehicle Maintenance	Vehicle Maintenance Supervisor

The Fiscal Year 2027 budget assumes all currently open positions are filled.

Operations Salaries and Benefits in Fiscal Year 2027 increased by 11.1% from the initially adopted Fiscal Year 2026 Budget, but only 5.8% since adding positions to support MASCOTS in July of 2026. The increases result from the implementation of raises in accordance with SMART's collective bargaining agreements and cost of living increases, as well as a projected increases in benefits (at 10%).

SMART operates 48 weekday trips and 24 trips each weekend day. This represents a 26.3% increase in weekday trips and a 140% increase in weekend trips compared to January 2020. The Operations Supplies and Services Budget (shown below) funds the full year of operations of SMART rail service. Finance and Operations leadership reviewed the Operations budget based on preceding years' data, recognizing that the increase in service under MASCOTS, coupled with increased system mileage with the addition of the Windsor Extension and maintenance activities as the system ages, come with additional costs. With this understanding, additional funds were budgeted for the Maintenance of Revenue Vehicles to allow for increased material inventory usage, as well as additional funds for Fuel and Lubricants based on forecasted high fuel prices. Overall, this results in a 15.2% increase in the Supplies and Services budget from the Fiscal Year 2026 Amended Budget.

Account Description	FY26 Amended Budget	FY27 Requested Budget
Freight (in-bound)	\$ 16,173	\$ 38,099
Maintenance of Equipment	\$ 432,863	\$ 464,940
Maintenance of Signals	\$ 204,356	\$ 161,606
Maintenance of Revenue Vehicles	\$ 579,606	\$ 925,000
Maintenance of Facilities	\$ 287,619	\$ 294,200
Maintenance of Railway	\$ 282,906	\$ 305,000
Maintenance of Pathway	\$ 25,500	\$ 63,000
Training & Travel Expense	\$ 59,209	\$ 128,275
Rental/ Leases - Equipment	\$ 39,900	\$ 34,900
Mileage Reimbursement & Auto Tolls	\$ 1,380	\$ 1,950
Contract Services - Administrative	\$ 248,852	\$ 189,978
Contract Services - Transportation	\$ 786,249	\$ 988,081
Communications	\$ 65,700	\$ 54,280
Uniform Expense	\$ 75,200	\$ 52,600
Personal Protective Equipment	\$ 35,500	\$ 25,000
Fuel and Lubricants	\$ 1,856,000	\$ 2,168,000
Memberships	\$ 3,350	\$ 1,700
Office Expense	\$ 63,433	\$ 70,000
Postage	\$ 39,000	\$ 87,500
Consumables	\$ 93,667	\$ 83,500
Small Tools and Equipment	\$ 200,418	\$ 288,000
Software	\$ 25,863	\$ 27,620
Public Relations Expense	\$ 29,800	\$ 30,000
Utilities	\$ 1,000,500	\$ 952,980
Grand Total	\$ 6,453,044	\$ 7,436,209

Administration

The Administration budget funds the day-to-day business functions of the organization including finance, human resources, planning, legal, real estate, information technology, government/legislative relations, and engineering not dedicated to specific projects.

Communications and Marketing Department

The Communications Department consists of three different areas of focus: Media and Public Relations, Marketing, and Customer Service.

Media and Public Relations is responsible for keeping SMART's external audiences informed and engaged about the agency's services, programs, and projects through media relations, digital and social media platforms, SMART's website, rail safety education, and community presentations.

Marketing is responsible for outreach and marketing, including producing marketing materials and managing advertising both for SMART services and on SMART's trains and platforms.

Customer Service is responsible for responding to customer inquiries through phone calls and emails received.

Finance and Procurement Department

The Finance Department is responsible for a wide variety of compliance functions required of SMART by state and federal law. These include accounting, budgeting, finance, payroll, treasury, procurement, and grant budgeting and reporting.

Human Resource Department

The Human Resources Department is responsible for recruitment and selection of employees, employee compensation, benefits administration, labor negotiations, performance management, and compliance with state and federal drug and alcohol programs, labor laws, and regulations.

Information Systems Department

The Information Systems Department develops, operates, and maintains SMART's information and telecommunications systems. It manages the function and cybersecurity of: administrative Information Systems for 4 offices including email, servers, and printers; 1,500 devices consisting of computers, cell phones, vehicle locators, printers, radios, cameras, and network devices; railroad Information Systems such as CCTV, radio, platform equipment, and fare collection devices.

Legal Department

The Legal Department is responsible for transactional matters, litigation, and risk management for SMART.

Planning Department

The Planning Department is responsible for rail and multiuse pathway planning and service delivery studies; ridership and service planning analyses and recommendations; capital planning studies; local and regional agency planning coordination; planning first-last mile solutions.

Real Estate

The Real Estate Department is responsible for managing SMART's Right-of-Way and processing all third-party requests for access to the Right-of-Way. It also handles property sales and acquisitions and supports all departments with title research and boundary information.

Engineering

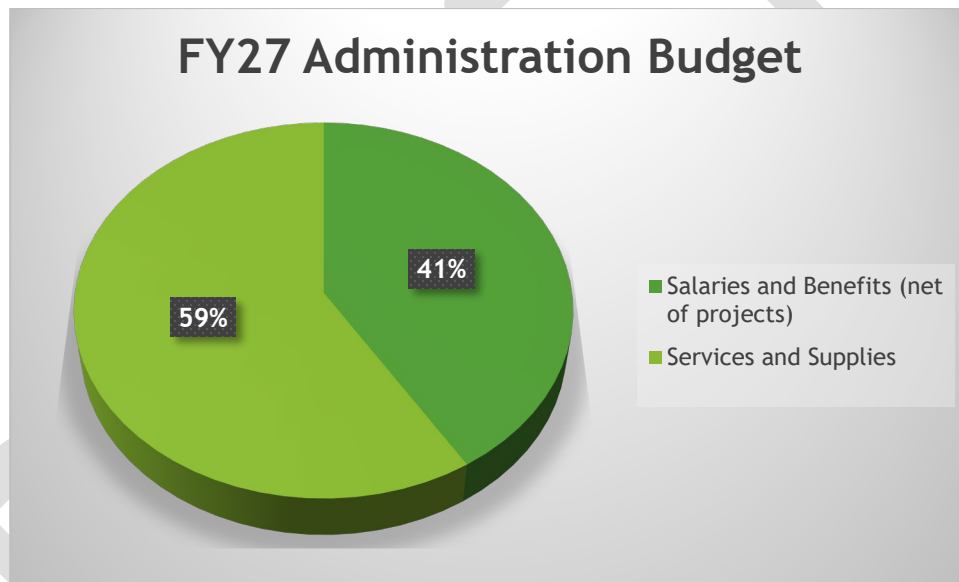
SMART's Engineering Department is responsible for planning and managing the expansion of the rail and pathway systems, managing SMART's existing infrastructure, supporting grant applications, and coordinating with local jurisdictions. Most of the staff time in engineering is charged to projects, but time associated with leave, training, and non-project related activities are included in the chart below.

In Fiscal Year 2027, SMART's Administration Division has 51 full-time equivalent (FTE) employees and various interns with an estimated budget for salaries and benefits of \$8.9 million, excluding project costs. The Budget includes four new positions under Administration, as well as upgrades two positions to different job titles. These additions and upgrades are designed to expand the capacity of the Administration Division to accommodate the additional workload and responsibilities of a maturing agency. Additionally, the Analyst II position added in this budget will fall under the Administrative headcount but will effectively support operations. The Associate Engineer position will be made available for internal candidates so a lower-level engineering position will be removed once this process is complete. As part of the MASCOTS process, two Administrative positions were planned to be added, and as such, the adding of two of these roles will utilize MASCOTS funding.

Department	Current Position	Requested Position
Finance	Administrative Assistant	Senior Administrative Assistant
Finance	New	Buyer II
Finance	New	Buyer II
Finance	New	Analyst II
Engineering	New	Associate Engineer

A three percent (3%) cost of living increase has been included for all non-bargaining unit employees, except for those eligible for a five percent (5%) raise based on their current pay within the range for their position classification. Projected increases in benefits at 10% were included. These changes led to a 13.3% increase in Administrative salaries and benefits between Fiscal Year 2026 and Fiscal Year 2027.

Administration Salaries & Benefits	FY27
Finance	\$ 3,846,711
Information Systems	\$ 758,626
Human Resources	\$ 542,899
Legal	\$ 771,890
Marketing and Outreach	\$ 665,891
Board Activities	\$ 174,150
Real Estate	\$ 593,685
Planning	\$ 383,470
Planning - Pathway	\$ 194,809
Engineering (non-project specific)	\$ 962,011
Total	\$ 8,894,143



Overall, the Administrative Budget has decreased by \$96,617 over the Fiscal Year 2026 Amended Budget. The fact that expenses are so similar over the two years speaks to the fact that many items within this budget are governed by contracts that maintain or control cost increases.

While insurance costs continue to increase at a blinding clip (25% between Fiscal Year 2026 and 2027), they are offset in this budget by a significant decrease in the legal services budget. Additional less drastic decreases in computer hardware offset increases in training and travel, agency extra help, and fare collection fees.

Account Description	FY 26 Amended Budget	FY27 Requested Budget
Insurance	\$3,513,275	\$4,384,475
Provisions for Claims	\$450,000	\$435,000
Freight (in-bound)	\$1,725	\$1,725
Maintenance of Radios	\$233,931	\$270,777
Maintenance of Facilities	\$12,000	\$0
Auditing/ Accounting Services	\$59,870	\$73,319
Fiscal Accounting Services	\$5,000	\$4,000
Legal Services	\$1,890,000	\$744,000
Agency Extra Help	\$90,866	\$120,000
Training & Travel Expense	\$161,520	\$204,276
Contracted Services	\$110,000	\$100,000
Printing Services	\$66,662	\$76,000
Fiscal Agent Fees	\$3,000	\$3,000
Permits/ Fees	\$30,180	\$30,180
Fare Collection Fees	\$160,883	\$266,144
Public/ Legal Notices	\$36,460	\$45,600
Rental/ Leases - Equipment	\$51,440	\$51,440
Rental/ Leases - Buildings	\$453,667	\$465,812
Mileage Reimbursement & Auto Tolls	\$38,846	\$40,658
Contract Services - Administrative	\$2,257,888	\$2,296,849
Contract Services - Personnel	\$231,150	\$257,000
Communications	\$298,483	\$296,412
Claims Processing Payroll	\$39,100	\$42,000
Facility Services	\$6,000	\$6,000
Uniform Expense	\$3,200	\$4,700
Personal Protective Equipment	\$1,600	\$1,000
Memberships	\$41,660	\$46,722
Miscellaneous Expense	\$1,000,000	\$1,000,000
Office Expense	\$81,450	\$81,600
Books/ Periodicals	\$2,500	\$2,700
Postage	\$6,600	\$6,000
Small Tools and Equipment	\$700	\$700
Computer Hardware	\$171,450	\$76,800
Computer Software	\$1,254,292	\$1,231,891
Marketing/ Promotional Items	\$42,000	\$42,000
Public Relations Expense	\$25,000	\$27,000
Utilities	\$3,600	\$3,600
Grand Total	\$12,835,997	\$12,739,380

Non-Capital Projects

Environmental Projects

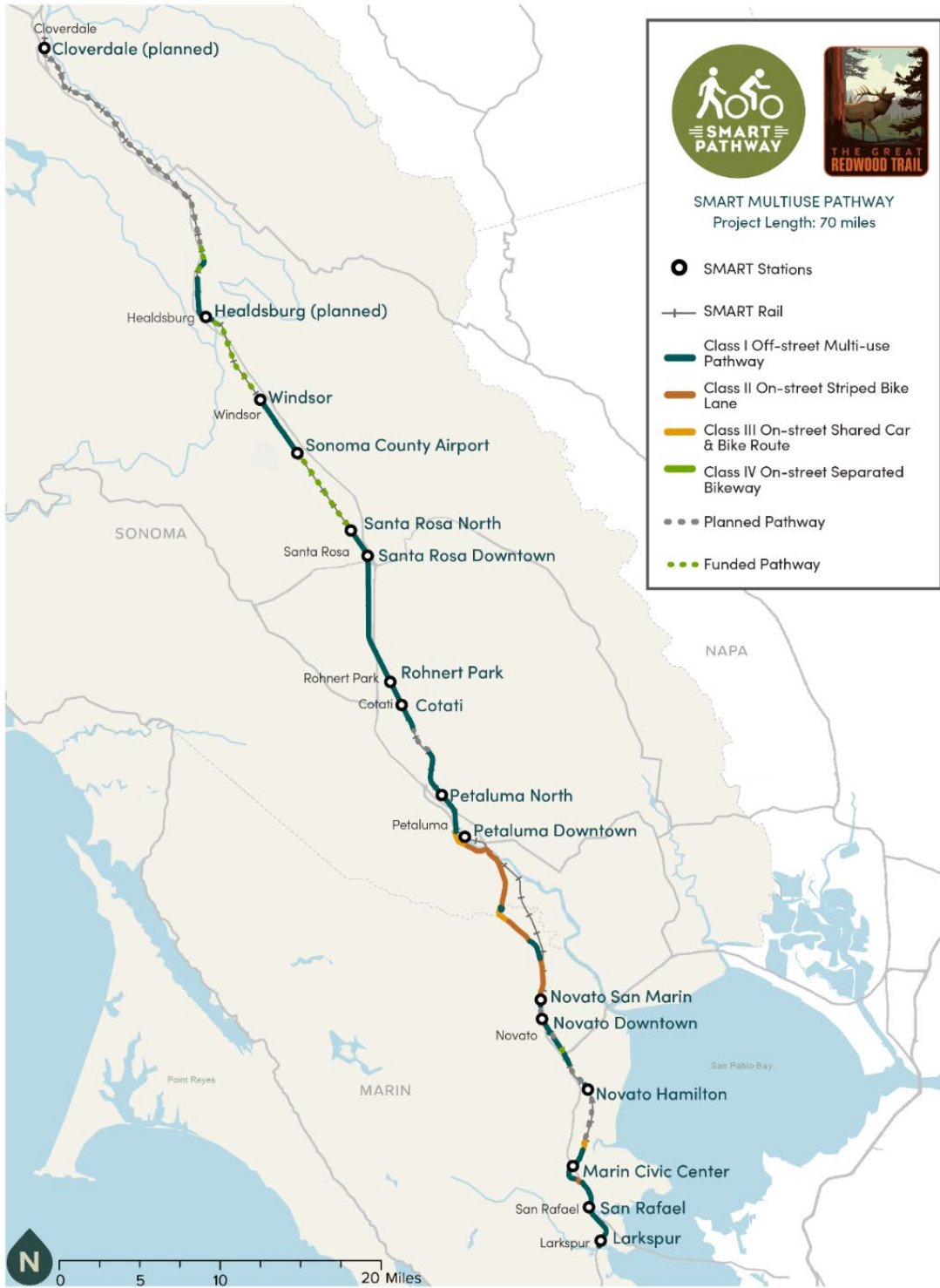
As part of SMART's expansions and pathway projects, environmental permits often require riparian mitigation projects to compensate for temporary and permanent construction impacts on the environment. These projects entail restoring creeks, rivers, and marshland by planting native trees and scrubs, removing invasive plant species, and cleaning up trash. There are performance and monitoring criteria for each project for periods of 5 to 10 years to confirm success of the mitigation efforts.

Project Name	FY27 Budget Amount
San Rafael Creek Riparian Construction & Monitoring	\$ 35,828.66
Las Gallinas Riparian Enhancement & Monitoring	\$ 14,632.66
Mira Monte Restoration	\$ 15,000.00
Cedar Grove (Petaluma) Riparian Construction & Monitoring	\$ 29,000.00
Crane Creek Poppy Drainage Riparian Monitoring	\$ 121,532.14
Crane Creek Fiddleneck Drainage Riparian Monitoring	\$ 236,071.00
Helen Putnam Riparian Monitoring	\$ 52,898.82
Windsor Riparian Mitigation Monitoring	\$ 23,560.00
IOS-1 Riparian Mitigation	\$ 1,260,000.00
Total	\$ 1,788,523.28

Other Non-Capital Projects

Categorized as non-capital, these projects serve an organizational need and advance SMART objectives but do not directly result in a tangible asset to the Agency, defined as having a useful life of at least a year and a value of at least \$5,000. Many of these non-capital projects are funded by grants. Others, namely the West Third Street Traffic Signal Construction project, are assets being built as part of a SMART capital project but result in an asset for another entity with dedicated outside funding.

Non Capital Projects		
Department	Project Name	Total Project Costs FY27
Marketing and Outreach	New Website	\$ 127,660.00
Planning	On-Board Passenger Survey	\$ 50,000.00
Engineering	Marin - Sonoma Pathway Design & Permitting	\$ 1,201,251.00
Engineering	W. 3rd St Traffic Signal Construction (City of Santa Rosa)	\$ 400,000.00
Engineering	Olive Avenue Path-of-Travel	\$ 200,000.00
Engineering	Healdsburg to Geyserville Fire Abatement	\$ 200,000.00
Engineering	State Route 37 Planning Staff Time	\$ 6,000.00
Maintenance of Way	Engle Ave. Tree Removal	\$ 50,000.00
	Total Non-Capital Projects	\$ 2,234,911.00



State of Good Repair and Capital Projects

49 CFR 625.5 defines State of Good Repair (SGR) as the condition in which a capital asset can operate at a full level of performance. Per FTA, “having well maintained, reliable transit infrastructure – track, signal systems, bridges, tunnels, vehicles and stations – will help ensure safe, dependable and accessible services.” State of Good Repair expenditures are those costs that keep our assets in a condition where the asset can operate at a full level of performance. Maintaining assets in a state of good repair requires regular repairs and replacements.

SMART has broken out capital assets into State of Good Repair and Capital/Engineering Projects.

State of Good Repair Projects		
Department	Project Name	Total Project Costs FY27
IT	CCTV State of Good Repair Camera Replacements	\$ 240,000
Total		\$ 240,000
Engineering - Bridges	St. Vincent's Culvert Repair	\$ 225,000
	Basalt Creek Timber Trestle Replacement	\$ 110,000
	San Antonio Tributary Timber Trestle	\$ 110,000
Total		\$ 445,000
Maintenance of Way	FY26 Switches Signal - Perle	\$ 137,026
	Replace Standby battery banks for wayside signals	\$ 70,400
	Guideway and Track Mainline Surfacing	\$ 750,000
	Train Control Systems CIL Battery Replacement	\$ 70,400
	Rail Operations Center Building Feasibility Study	\$ 400,000
	Train Wash Replacement	\$ 50,000
	UPS Node Batteries	\$ 100,000
Total		\$ 1,577,826
Maintenance of Way - Pathway	FY27 Pathway Repairs and Rehabilitation (slurry seal)	\$ 165,000
Total		\$ 165,000
Vehicle Maintenance	DMU Air Brake Overhaul and Air Supply Unit	\$ 600,000
	DMU Coupler & Crash Energy Management Overhaul	\$ 645,615
	On-board DMU Cameras	\$ 2,871,334
	Fire Sup. System, PKP	\$ 60,000
	DMU LED Light Replacement Project	\$ 200,000
	Cummins End of Life Replacement	\$ 3,075,000
	Battery Overhaul	\$ 200,000
Total		\$ 7,651,949
	Total State of Good Repair	\$ 10,079,775

The Fiscal Year 2027 Budget includes expenditures related to capital projects for specific pathway segments and extensions. These costs are funded by revenues from various grants and Measure Q.

In the Fiscal Year 2027, there are several State of Good Repair projects, including a repair of the St. Vincent's Culvert (bridge), various overhauls and modifications, light replacements on the DMUs, a new on-board camera system, as well as an overhaul of the fire suppression system on the trains. On the right-of-way, there is funding for guideway and track surfacing, pathway repairs and rehabilitation, and switches and battery banks.

Project Specific		
Department	Project Name	Total Project Costs FY27
Engineering	Healdsburg Extension (Windsor Station to Healdsburg Station)	\$ 10,100,000
	Civic Center Kiss-and-Ride Design	\$ 50,000
Total		\$ 10,150,000
Engineering - Pathway	Joe Rodota Trail to 3rd St NMP Construction	\$ 715,000
	Hanna Ranch Rd to Vintage Wy NMP Construction	\$ 120,000
	Guerneville Rd to Airport Blvd NMP Construction	\$ 24,000
Total		\$ 859,000
Maintenance of Way	Hi-Rail Excavator	\$ 1,012,000
	Tow-Behind Scrubber	\$ 197,000
	Hi-Rail Boom Truck	\$ 400,000
Total		\$ 1,609,000
Vehicle Maintenance	DMU Pneumatic Test Bench Equipment	\$ 378,582
	DMU Car Mover	\$ 200,000
Total		\$ 578,582
	Total Project Specific	\$ 13,196,582

The funds allocated in this budget will begin construction of the Joe Rodota Trail to Third Street in Santa Rosa segment of the pathway, as well as complete the permitting phase for the Hanna Ranch Road to Vintage Way portion of the pathway in Novato and the Guerneville Road to Airport Boulevard section in Santa Rosa. Upon completion of the permitting phase, additional funds will be budgeted to enter the construction phase.

The Windsor to Healdsburg Extension progressive design-build project will continue the design phase Fiscal Year 2027. The amount currently budgeted for the Extension represents the remainder of the design funding with the intention that more revenues and expenditures will be added through a budget amendment once the guaranteed maximum price (GMP) is reached and we are prepared to proceed to final design and construction, or to fund early works construction packages embarked upon in Fiscal Year 2027.

The Civic Center Kiss-n-Ride design project commenced in Fiscal Year 2026 and will be completed in Fiscal Year 2027. Future construction will be contingent on grant funding.

Under the Maintenance of Way division, this budget funds a Hi-Rail Excavator to accomplish further tasks on and adjacent to the right-of-way. The Tow-Behind Scrubber will provide a backup to SMART’s current scrubber, allowing for maintenance. The Vehicle Maintenance equipment adds DMU Pneumatic Test Bench Equipment and the DMU Car Mover for movement of the vehicles throughout the SMART Rail Operations Center yard.

Capital Administration and Operations Projects		
Department	Project Name	Total Project Costs FY27
IT	IT Equipment	\$ 570,444
Total		\$ 570,444
Operations Administration	Non-Revenue Vehicles	\$ 1,169,000
	Operations Inventory/Supervisors Modulares	\$ 300,000
Total		\$ 1,469,000
Maintenance of Way	Power drop - Fulton	\$ 35,000
	Siemens S-80 Smart Gate Pilot Program	\$ 81,497
	Security System for Fulton, Roblar, Healdsburg, Larkspur	\$ 250,000
Total		\$ 366,497
Vehicle Maintenance	Shop Elevated Track & Catwalk OSHA Compliant Fall Protection	\$ 25,000
	Shop Utility Carts	\$ 28,000
	DMU Door Force Measuring Gauge	\$ 6,500
	Shop DMU Access and Work Platforms	\$ 50,000
	Shop Engine Stand, Jigs, & Test Bench	\$ 60,000
Total		\$ 169,500
	Total Capital and Operations Projects	\$ 2,575,441

The Fiscal Year 2027 Budget funds capital projects required for the Administration and Operations Divisions. The Information Technology department has many pieces of equipment that are capital items and require replacement on a regular schedule. These IT projects include servers, firewalls, routers, switches, concentrators, and routers. The non-revenue vehicle program at SMART schedules vehicles for replacement based on their useful life calculations. There are two Interceptors for use by the Safety and Security division, eight trucks, a hi-rail boom truck, a tilt trailer, and a dump trailer included as part of the Operations budget. This budget funds the purchase of modulars for use at SMART's Rail Operation Center for inventory storage as well as a break room for the Vehicle Maintenance supervisors. The DMU Access and Work Platforms and Engine Stand, Jigs, and Test Bench, provide much needed safety and efficiency upgrades and allow the Vehicle Maintenance Division to bring work previously outsourced in-house to be performed by SMART employees. The Shop Utility Carts will be utilized to allow for efficient ability to transport equipment in the yard.

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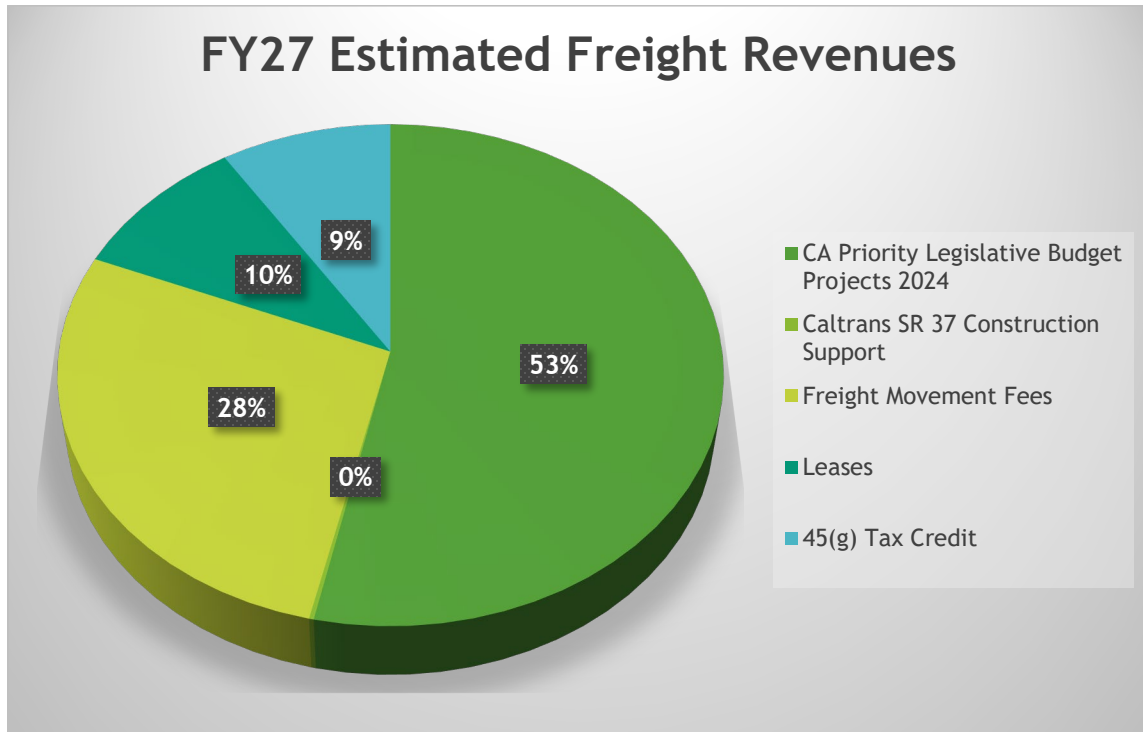


FREIGHT

In March of 2022, SMART assumed the freight operations from the Northwestern Pacific Railroad Company (NWPCo) which had been operating service from Napa County to Petaluma since 2011. SMART began in-house operations on July 1, 2022. Over the past three years, SMART has worked to maintain and improve the freight right-of-way and facilities as well as increase its revenue base by attracting storage and freight customers. Currently there are three customers that receive primarily feed grain. In addition, there is a freight car storage location at the Schellville yard. Service consists of two round trips a week to Petaluma customers as well as two round trips to the California Northern Railroad to receive and deliver rail cars to and from the interchange.



For Fiscal Year 2027, revenues for freight operations are estimated at \$2.9 million. The majority of these funds, or 53%, are coming from the California Priority Legislative Budget Projects grant from the 2024 state budget. The next largest revenue source comes from Freight Movement Fees, at 28%. Then Leases at 10% and the 45(g) Tax Credit at 9% round out the remainder of the anticipated revenues for Fiscal Year 2027.



*Caltrans SR 37 Construction Support comes through as 0% on this chart.

Revenues	FY27
CA Priority Legislative Budget Projects 2024	\$ 1,540,254
Caltrans SR 37 Construction Support	\$ 6,000
Freight Movement Fees	\$ 800,000
Leases	\$ 278,100
45(g) Tax Credit	\$ 261,970
Total	\$ 2,886,324

SMART anticipates spending \$1,217,673 on salaries and benefits, \$1,056,271 on operations, and \$612,380 on capital repairs and replacements. Revenues and expenditures for freight operations are tracked separately in Fund 60. Administrative expenses are allocated from Fund 01 based on a ratio of total passenger miles freight operates to total passenger miles commuter rail operates as estimated in this year's budget, with a passenger mile for freight defined as cars multiplied by miles.

The SMART Board of Directors approved six and a half (6.5) full-time equivalent (FTEs) positions in 2025 to operate the Freight Division for the organization. The Fiscal Year 2027 budget for salaries and benefits for freight operations is estimated at \$1,217,673. This budget funds one (1) freight manager, three (3) freight utility workers, two (2) freight utility worker/dispatchers, and a half-time (1/2) freight administrative specialist. The details regarding these positions can be found in Appendix C. A three percent (3%) cost of living increase is included except for those eligible for a five percent (5%) raise based on their current pay within the range for their position classification for Fiscal Year 2027.

The SMART Freight Division evaluates and prioritizes the work necessary to run the service and comply with all Federal Railroad Administration requirements. Improvements to the Schellville Depot and repairs to high priority bridges were completed in previous fiscal years and continue moving into Fiscal Year 2027. Further maintenance on bridges along the Brazos Branch is included in the Fiscal Year 2027 budget. The Freight Manager continues to reach out to potential new freight and storage customers to increase revenues.

Account Description	FY26 Amended Budget	FY27 Requested Budget
Salaries and Benefits	\$ 1,087,589	\$ 1,217,673
Salaries and Benefits Cost Allocation	\$ 22,538	\$ 18,782
Provisions for Claims	\$ 500,000	\$ 25,000
Freight (in-bound)	\$ 938	\$ 938
Maintenance of Equipment	\$ 45,085	\$ 35,085
Maintenance of Signals	\$ 8,050	\$ 13,500
Maintenance of Revenue Vehicles	\$ 64,637	\$ 86,000
Maintenance of Facilities	\$ 10,500	\$ 25,000
Maintenance of Railway	\$ 134,688	\$ 132,000
Permits and Fees	\$ 123,090	\$ 73,098
Training & Travel Expense	\$ -	\$ 8,000
Rental/ Leases - Equipment	\$ 59,205	\$ 61,328
Mileage Reimbursement & Auto Tolls	\$ 1,000	\$ 1,000
Contract Services - Administrative	\$ 279,448	\$ 292,500
Communications	\$ 10,000	\$ 12,000
Uniform Expense	\$ 3,500	\$ 4,500
Personal Protective Equipment	\$ -	\$ 4,000
Fuel and Lubricants	\$ 90,200	\$ 91,800
Memberships	\$ 2,150	\$ 1,100
Miscellaneous Expense	\$ 66,751	\$ 101,500
Postage	\$ 2,932	\$ 4,500
Consumables	\$ -	\$ -
Small Tools and Equipment	\$ 15,625	\$ 16,000
Computer Hardware	\$ 13,500	\$ 15,000
Computer Software	\$ 8,640	\$ 8,640
Utilities	\$ 22,000	\$ 25,000
Subtotal	\$ 2,572,066	\$ 2,273,944

Projects	FY26 Amended Budget	FY27 Requested Budget
Brazos Branch Bridge Repairs - Phase II	\$ 679,658	\$ -
Brazos Branch Bridge Repairs - Phase III	\$ -	\$ 360,000
Caltrans SR 37 Grade Crossing Engineering Review	\$ 13,022	\$ 6,000
Tie Replacement	\$ 93,840	\$ 125,000
Black Point Bridge Emergency Repair	\$ 306,954	\$ -
Emergency Repair: Hwy 37 Crossing	\$ 100,000	\$ -
8th Street Cantilever Replacement	\$ 44,000	\$ 121,380
Grandview Grade Crossing Repair	\$ 154,240	\$ -
Subtotal Projects	\$ 1,391,714	\$ 612,380
Grand Total	\$ 3,963,780	\$ 2,886,324

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Reserves

SMART has several reserves that have been established for various purposes.

Pension & OPEB Liability Reserve

This reserve is to ensure that SMART has funds set aside for future pension costs. We have set aside \$500,000 for Fiscal Year 2027 for a Fiscal Year 2027 balance of \$7,074,676.

Vehicles & Equipment Reserve

This reserve is used to accumulate funds for future capital equipment needs such as DMU replacement. The Fiscal Year 2026 balance is \$12,317,250. The Fiscal Year 2027 budget adds an additional \$1,000,000 for a total reserve of \$13,317,250.

Corridor Completion Reserve

This reserve was established in the Fiscal Year 2021 amended budget to set aside funds for design, environmental costs, or to leverage grant funding. The balance as of June 30, 2026 is \$5,500,000. This Fiscal Year 2027 budget maintains that balance.

Operating Reserve

The Fiscal Year 2026 operating reserve was \$12,959,990. We have calculated 25% of the operating costs for Fiscal Year 2027 which would result in an increase of \$170,299 for a total of 13,130,289.

Fund Balance

The estimated fund balance for Fiscal Year 2026 year-end is \$57,338,843. The difference between revenues and expenditures for Fiscal Year 2027 is \$8,973,107 which will be coming from the unassigned fund balance. This leaves a fund balance of \$48,365,736 at the conclusion of Fiscal Year 2027.

Debt

In October of 2020, SMART successfully pursued a taxable advance refunding of the 2011A bonds. The refunding matched the existing March 1, 2029 final maturity date of the 2011A bonds. These bonds are secured by a gross lien on SMART's ¼ cent sales tax. The bonds were rated "AA" by Standard & Poor's. The debt service schedule is listed below.

Fiscal Year	Series 2020 Bonds Principal	Series 2020 Bonds Interest	Debt Service
2021	\$3,365,000.00	\$566,576.35	\$3,931,576.35
2022	13,280,000.00	1,656,755.80	14,936,755.80
2023	14,015,000.00	1,581,192.60	15,596,192.60
2024	14,765,000.00	1,479,443.70	16,244,443.70
2025	15,580,000.00	1,324,115.90	16,904,115.90
2026	15,860,000.00	1,136,844.30	16,996,844.30
2027	16,105,000.00	893,869.10	16,998,869.10
2028	16,385,000.00	614,930.50	16,999,930.50
2029	13,615,000.00	284,281.20	13,899,281.20
Total	\$122,970,000.00	\$9,538,009.45	\$132,508,009.45

APPENDIX A – PASSENGER RAIL OVERVIEW OF
SOURCES & USES

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Appendix A - Passenger Rail/Pathway Sources & Uses				
FISCAL YEAR 2026-2027 DRAFT BUDGET - SOURCES AND USES (ESTIMATED)				
		A	B	C
		FY26 Amended Budget	FY27 Requested Budget	Difference
1	Beginning Fund Balance *	\$ 61,508,650	\$ 57,338,843	\$ (4,169,807)
2	Revenues			
3	SMART Sales and Use Tax			
4	Measure Q	\$ 48,300,300	\$ 50,408,000	\$ 2,107,700
5	Measure Q Cost of Collection	\$ (839,870)	\$ (850,000)	\$ (10,130)
6	Net Sales & Use Tax	\$ 47,460,430	\$ 49,558,000	\$ 2,097,570
7	Measure Q Roll Forward	\$ 4,411,345	\$ 1,626,044	\$ (2,785,301)
8	Transfer from Capital Fund	\$ -	\$ -	\$ -
9	Transfer from Corridor Reserve	\$ 1,500,000	\$ -	\$ (1,500,000)
10	Subtotal	\$ 53,371,774	\$ 51,184,044	\$ (2,187,731)
11	Federal Funds			
12	5307 - Urbanized Area Formula Funds (Preventative Maintenance)	\$ 4,246,710	\$ 4,202,279	\$ (44,431)
13	5337 - Federal State of Good Repair Funds	\$ 1,485,890	\$ 6,987,499	\$ 5,501,609
14	Discretionary Earmark	\$ 1,617,144	\$ -	\$ (1,617,144)
15	Subtotal	\$ 7,349,744	\$ 11,189,778	\$ 3,840,034
16	State Funds			
17	AHSC - Affordable Housing and Sustainable Communities	\$ 85,000	\$ 290,000	\$ 205,000
18	ATP - Active Transportation Program	\$ 99,429	\$ -	\$ (99,429)
19	Caltrans Sustainability Communities Competative Planning Grant	\$ 159,354	\$ -	\$ (159,354)
20	LCTOP - Low Carbon Transit Operating	\$ 760,918	\$ 763,868	\$ 2,950
21	LPP - Local Partnership Program	\$ 300,000	\$ 1,151,291	\$ 851,291
22	SRA - State Rail Assistance	\$ 3,700,000	\$ 5,085,000	\$ 1,385,000
23	STA - State Transit Assistance (Population)	\$ 1,266,953	\$ 1,114,982	\$ (151,971)
24	STA - State Transit Assistance (Revenue)	\$ 2,094,129	\$ 2,156,953	\$ 62,824
25	STA - MASCOTS - MTC	\$ 800,000	\$ 500,000	\$ (300,000)
27	MASCOTS - SCTCA	\$ -	\$ 704,080	\$ 704,080
28	STA - SGR (State of Good Repair)	\$ 363,183	\$ 737,261	\$ 374,078
29	State Funds - Shuttle Service	\$ 315,705	\$ -	\$ (315,705)
30	TIRCP - Windsor to Healdsburg Project Development	\$ 1,266,320	\$ -	\$ (1,266,320)
31	TIRCP - Windsor to Healdsburg Phase I	\$ 23,259,000	\$ 10,100,000	\$ (13,159,000)
32	Subtotal	\$ 34,469,991	\$ 22,603,435	\$ (11,866,556)
33	Regional Funds			
34	Regional Measure 3 (RM3)	\$ 224,000	\$ 50,000	\$ (174,000)
35	Measure M - Healdsburg	\$ 2,000,000	\$ -	\$ (2,000,000)
26	MASCOTS - TAM	\$ -	\$ 431,520	\$ 431,520
36	Subtotal	\$ 2,224,000	\$ 481,520	\$ (1,742,480)
37	Other Sources			
38	Advertising	\$ 175,000	\$ 140,595	\$ (34,405)
39	Charges for Services	\$ 112,851	\$ 124,002	\$ 11,151
40	Fare Revenues - Passenger Rail	\$ 2,541,000	\$ 3,333,189	\$ 792,189
41	Fare Revenues - Shuttle	\$ 8,000	\$ 12,941	\$ 4,941
42	Interest Earning	\$ 800,000	\$ 1,500,000	\$ 700,000
43	Misc.	\$ 55,885	\$ 60,000	\$ 4,115
44	Parking	\$ 17,580	\$ 55,727	\$ 38,147
45	Rent - Real Estate	\$ 494,025	\$ 508,846	\$ 14,821
46	Other Governments/Private Sector	\$ 54,585	\$ 1,375,000	\$ 1,320,415
47	Subtotal	\$ 4,258,926	\$ 7,110,300	\$ 2,851,374
48	Total Revenues	\$ 101,674,435	\$ 92,569,076	\$ (9,105,359)
49	Total Revenues + Fund Balance	\$ 163,183,085	\$ 149,907,919	\$ (13,275,165)

		FY26 Amended Budget	FY27 Requested Budget	Difference
50				
51				
52	Debt Service	\$ 16,996,844	\$ 16,998,869	\$ 2,025
53	Salaries & Benefits	\$ 31,682,864	\$ 33,997,748	\$ 2,314,884
54	Reduction for Salaries Charged to Projects	\$ (1,663,687)	\$ (1,731,972)	\$ (68,284)
55	Reduction for Allocation of Salaries/ Services/ Supplies to Freight	\$ (34,944)	\$ (18,782)	\$ 16,162
56	Service & Supplies	\$ 19,377,683	\$ 20,175,589	\$ 797,906
57	Total Salaries, Benefits, Service, & Supplies	\$ 49,361,915	\$ 52,422,583	\$ 3,060,668
58	Contribution to OPEB/ CalPERS Liability Fund	\$ 750,000	\$ 500,000	\$ (250,000)
59	Contribution to Capital Sinking Fund	\$ 1,000,000	\$ 1,000,000	\$ -
60	Operating Reserve	\$ 1,231,027	\$ 170,299	\$ (1,060,728)
61	Total Reserve Contributions	\$ 2,981,027	\$ 1,670,299	\$ (1,310,728)
62	Total Debt Service, Operating, Reserves	\$ 69,339,786	\$ 71,091,751	\$ 1,751,965
63	Balance	\$ 93,843,299	\$ 78,816,168	\$ (15,027,131)
64				
65				
66	Non-Capital Projects	\$ 5,054,293	\$ 4,023,434	\$ (1,030,859)
67	Total Non-Capital Projects	\$ 5,054,293	\$ 4,023,434	\$ (1,030,859)
68	State of Good Repair and Projects	\$ 3,356,368	\$ 10,079,775	\$ 6,723,407
69	Total State of Good Repair	\$ 3,356,368	\$ 10,079,775	\$ 6,723,407
70	Capital Projects			
71	Equipment	\$ 1,220,628	\$ 2,502,726	\$ 1,282,098
72	Facilities	\$ 26,092,718	\$ 11,619,000	\$ (14,473,718)
73	Infrastructure	\$ 28,450	\$ 1,056,497	\$ 1,028,047
74	Non-Revenue Vehicles	\$ 752,000	\$ 1,169,000	\$ 417,000
75	Land Acquisition	\$ -	\$ -	\$ -
76	Total Capital Expenditures	\$ 28,093,795	\$ 16,347,223	\$ (11,746,572)
77	Ending Fund Balance	\$ 57,338,843	\$ 48,365,736	\$ (8,973,107)

APPENDIX B – FREIGHT OVERVIEW OF SOURCES &
USES

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Appendix B - Freight Sources and Uses				
Fiscal Year 2026-2027 Draft Budget (Estimated)				
		FY26 Amended Budget	FY27 Requested Budget	Difference
1	Beginning Fund Balance	\$ -	\$ -	\$ -
2	Revenues			
3	State Transportation Agency Grant 2022	\$ 606,785	\$ -	\$ (606,785)
4	CA Priority Legislative Budget Projects 2023	\$ 750,000	\$ -	\$ (750,000)
5	CA Priority Legislative Budget Projects 2024	\$ 570,627	\$ 1,540,254	\$ 969,628
6	Caltrans SR 37 Construction Support	\$ 13,022	\$ 6,000	\$ (7,022)
7	Caltrans Novato Creek Bridge Construction Support	\$ 12,500	\$ -	\$ (12,500)
8	State Shortline Grant	\$ 463,870	\$ -	\$ (463,870)
9	Freight Movement Fees	\$ 800,000	\$ 800,000	\$ -
10	Leases	\$ 270,000	\$ 278,100	\$ 8,100
11	Storage	\$ 40,000	\$ -	\$ (40,000)
12	45(g) Tax Credit	\$ 251,000	\$ 261,970	\$ 10,970
13	FEMA/CalOES 2023 Disaster Recovery Funding	\$ 175,977	\$ -	\$ (175,977)
14	Misc.	\$ 10,000	\$ -	\$ (10,000)
15	Total Revenues	\$ 3,963,781	\$ 2,886,324	\$ (1,077,457)
16	Total Revenues + Fund Balance	\$ 3,963,781	\$ 2,886,324	\$ (1,077,457)
17	Expenditures			
18	Salaries & Benefits	\$ 1,087,589	\$ 1,217,673	\$ 130,084
19	Services & Supplies	\$ 1,484,477	\$ 1,056,271	\$ (428,206)
20	Black Point Bridge Emergency Repair	\$ 306,954	\$ -	\$ (306,954)
21	Brazos Branch Bridge Repairs (3 Bridges) Phase II	\$ 679,658	\$ -	\$ (679,658)
22	Brazos Branch Bridge Repairs Phase III	\$ -	\$ 360,000	\$ 360,000
23	8th Street Cantilever Replacement	\$ 44,000	\$ 121,380	\$ 77,380
24	Grandview Grade Crossing Repair	\$ 154,240	\$ -	\$ (154,240)
25	SR 37 Grade Crossing Emergency Repair	\$ 100,000	\$ -	\$ (100,000)
26	SR 37 Grade Crossing PE Review	\$ 13,022	\$ 6,000	\$ (7,022)
27	Tie Replacement	\$ 93,840	\$ 125,000	\$ 31,160
28	Total	\$ 3,963,780	\$ 2,886,324	\$ (1,077,457)
29	Ending Fund Balance	\$ 0	\$ 0	\$ 0

APPENDIX C – POSITION AUTHORIZATION

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Appendix C - Position Authorization					
		Fiscal Year 2026/2027			
# of Positions	Position Title	Hourly		Annual	
Administive		Min	Max	Min	Max
1	Accountant I	\$ 39.54	\$ 49.43	\$ 82,243.20	\$ 102,814.40
1	Accounting Manager	\$ 69.76	\$ 87.20	\$ 145,100.80	\$ 181,376.00
1	Accounts Payable Technician	\$ 33.26	\$ 41.57	\$ 69,180.80	\$ 86,465.60
2	Administrative Assistant	\$ 34.09	\$ 42.62	\$ 70,907.20	\$ 88,649.60
1	Analyst II	\$ 49.38	\$ 61.73	\$ 102,710.40	\$ 128,398.40
1	Assistant General Counsel	\$ 96.18	\$ 120.23	\$ 200,054.40	\$ 250,078.40
1	Associate Planner	\$ 45.63	\$ 57.04	\$ 94,910.40	\$ 118,643.20
1	Budget and Finance Manager	\$ 69.76	\$ 87.20	\$ 145,100.80	\$ 181,376.00
1	Buyer I	\$ 40.32	\$ 50.37	\$ 83,865.60	\$ 104,769.60
2	Buyer II	\$ 45.85	\$ 57.26	\$ 95,368.00	\$ 119,100.80
1	Chief Financial Officer	\$ 126.12	\$ 157.65	\$ 262,329.60	\$ 327,912.00
1	Clerk of the Board/ Executive Assistant	\$ 49.38	\$ 61.73	\$ 102,710.40	\$ 128,398.40
2	Communications and Marketing Coordinator	\$ 42.57	\$ 53.21	\$ 88,545.60	\$ 110,676.80
1	Communications and Marketing Manager	\$ 78.94	\$ 98.67	\$ 164,195.20	\$ 205,233.60
1	Communications and Marketing Specialist	\$ 58.69	\$ 73.37	\$ 122,075.20	\$ 152,609.60
1	General Counsel	\$ 126.20	\$ 157.74	\$ 262,496.00	\$ 328,099.20
1	General Manager	\$ 161.63	\$ -	\$ 336,190.40	\$ -
2	Grants and Budget Analyst	\$ 55.87	\$ 69.84	\$ 116,209.60	\$ 145,267.20
1	Grants and Legislative Affairs Manager	\$ 80.88	\$ 101.10	\$ 168,230.40	\$ 210,288.00
1	Human Resources Analyst	\$ 49.14	\$ 61.37	\$ 102,211.20	\$ 127,649.60
1	Human Resources Manager	\$ 78.94	\$ 98.67	\$ 164,195.20	\$ 205,233.60
1	Information Systems Analyst	\$ 49.38	\$ 61.73	\$ 102,710.40	\$ 128,398.40
1	Information Systems Manager	\$ 80.92	\$ 101.15	\$ 168,313.60	\$ 210,392.00
1	Information Systems Technician	\$ 43.64	\$ 54.55	\$ 90,771.20	\$ 113,464.00
1	Legal Administrative Assistant	\$ 39.54	\$ 49.43	\$ 82,243.20	\$ 102,814.40
1	Ops Information Systems Technician	\$ 47.00	\$ 58.75	\$ 97,760.00	\$ 122,200.00
1	Payroll Technician	\$ 35.09	\$ 43.87	\$ 72,987.20	\$ 91,249.60
1	Planning Manager	\$ 78.94	\$ 98.67	\$ 164,195.20	\$ 205,233.60
1	Procurement and Contracts Analyst	\$ 51.88	\$ 64.85	\$ 107,910.40	\$ 134,888.00
1	Procurement and Contracts Manager	\$ 73.29	\$ 91.62	\$ 152,443.20	\$ 190,569.60
1	Real Estate Manager	\$ 87.09	\$ 108.86	\$ 181,147.20	\$ 226,428.80
1	Regulatory Compliance & Civil Rights Manager	\$ 78.94	\$ 98.67	\$ 164,195.20	\$ 205,233.60
1	Senior Administrative Assistant	\$ 37.63	\$ 47.03	\$ 78,270.40	\$ 97,822.40
1	Senior Buyer	\$ 57.27	\$ 71.59	\$ 119,121.60	\$ 148,907.20
1	Senior Management Analyst	\$ 63.17	\$ 78.96	\$ 131,393.60	\$ 164,236.80
1	Senior Planner	\$ 58.69	\$ 73.37	\$ 122,075.20	\$ 152,609.60
1	Senior Real Estate Officer	\$ 58.66	\$ 73.33	\$ 122,012.80	\$ 152,526.40
	Interns (Multiple)	\$ -	\$ 20.00	\$ -	\$ 41,600.00
41					
# of Positions	Position Title				
Capital					
2	Assistant Engineer	\$ 51.88	\$ 64.85	\$ 107,910.40	\$ 134,888.00
3	Associate Engineer	\$ 60.16	\$ 75.20	\$ 125,132.80	\$ 156,416.00
1	Chief Engineer	\$ 103.48	\$ 129.36	\$ 215,238.40	\$ 269,068.80
1	Junior Engineer	\$ 44.74	\$ 55.93	\$ 93,059.20	\$ 116,334.40
1	Manager Train Control Systems	\$ 103.48	\$ 129.36	\$ 215,238.40	\$ 269,068.80
1	Principal Engineer	\$ 80.92	\$ 101.15	\$ 168,313.60	\$ 210,392.00
1	Senior Engineer	\$ 69.76	\$ 87.20	\$ 145,100.80	\$ 181,376.00
10					

# of Positions	Position Title				
Operations					
1	Administrative Services Specialist	\$ 49.37	\$ 61.71	\$ 102,689.60	\$ 128,356.80
4	Bridge Tender	\$ -	\$ 38.57	\$ -	\$ 80,225.60
1	Chief Operating Officer	\$ 108.82	\$ 136.02	\$ 226,345.60	\$ 282,921.60
1	Chief of Police	\$ 93.77	\$ 117.21	\$ 195,041.60	\$ 243,796.80
3	Code Compliance Officer	\$ 38.57	\$ 48.21	\$ 80,225.60	\$ 100,276.80
6	Conductor *	\$ -	\$ 47.82	\$ -	\$ 99,465.60
	Conductor Trainee*	\$ -	\$ 40.66	\$ -	\$ 84,572.80
33	Engineer *	\$ -	\$ 57.50	\$ -	\$ 119,600.00
	Engineer Trainee*	\$ -	\$ 48.87	\$ -	\$ 101,649.60
1	Facilities Maintenance Supervisor	\$ -	\$ 69.09	\$ -	\$ 143,707.20
3	Facilities Maintenance Technician	\$ -	\$ 48.23	\$ -	\$ 100,318.40
3	Inventory and Parts Clerk	\$ 35.09	\$ 43.87	\$ 72,987.20	\$ 91,249.60
1	Materials Sourcing Specialist	\$ 40.51	\$ 50.63	\$ 84,260.80	\$ 105,310.40
1	Inventory and MMS Manager	\$ 63.18	\$ 78.98	\$ 131,414.40	\$ 164,278.40
1	Lead Facility Maintenance Engineer	\$ -	\$ 53.06	\$ -	\$ 110,364.80
1	Maintenance of Way Manager	\$ 82.94	\$ 103.67	\$ 172,515.20	\$ 215,633.60
1	Maintenance of Way Superintendent	\$ 69.76	\$ 87.20	\$ 145,100.80	\$ 181,376.00
4	Operation Communication Specialist	\$ 39.54	\$ 49.43	\$ 82,243.20	\$ 102,814.40
1	Safety & Compliance Officer	\$ 71.48	\$ 89.35	\$ 148,678.40	\$ 185,848.00
1	Senior Administrative Assistant	\$ 37.63	\$ 47.03	\$ 78,270.40	\$ 97,822.40
1	Senior Code Compliance Officer	\$ 44.36	\$ 55.45	\$ 92,268.80	\$ 115,336.00
2	Signal Supervisor	\$ -	\$ 73.66	\$ -	\$ 153,212.80
9	Signal Technician **	\$ -	\$ 63.75	\$ -	\$ 132,600.00
	Signal Technician Trainee (2) **	\$ -	\$ 47.81	\$ -	\$ 99,444.80
3	Track Maintenance - Laborers	\$ -	\$ 36.06	\$ -	\$ 75,004.80
5	Track Maintainer I	\$ -	\$ 47.77	\$ -	\$ 99,361.60
2	Track Maintainer II	\$ -	\$ 52.55	\$ -	\$ 109,304.00
2	Track Maintenance Supervisor	\$ -	\$ 69.61	\$ -	\$ 144,788.80
1	Transportation Manager	\$ 82.94	\$ 103.67	\$ 172,515.20	\$ 215,633.60
1	Transportation Superintendent	\$ 69.76	\$ 87.20	\$ 145,100.80	\$ 181,376.00
12	Transportation Supervisor	\$ 61.67	\$ 77.09	\$ 128,273.60	\$ 160,347.20
11	Vehicle Maintenance - Laborers		\$ 36.93		\$ 76,814.40
1	Vehicle Maintenance Manager	\$ 82.94	\$ 103.67	\$ 172,515.20	\$ 215,633.60
1	Vehicle Maintenance Superintendent	\$ 69.76	\$ 87.20	\$ 145,100.80	\$ 181,376.00
6	Vehicle Maintenance Supervisor	\$ 61.67	\$ 77.09	\$ 128,273.60	\$ 160,347.20
13	Vehicle Maintenance Technician ***	\$ -	\$ 58.37	\$ -	\$ 121,409.60
	Vehicle Maintenance Tech Trainee (2) ***	\$ -	\$ 43.78	\$ -	\$ 91,062.40
137					
# of Positions	Position Title				
Freight					
0.5	Freight Administrative Specialist	\$ 44.52	\$ 55.60	\$ 92,601.60	\$ 115,648.00
1	Freight Manager	\$ 82.94	\$ 103.67	\$ 172,515.20	\$ 215,633.60
3	Freight Utility Worker	\$ 38.57	\$ 48.21	\$ 80,225.60	\$ 100,276.80
2	Freight Utility Worker/ Dispatcher	\$ 38.57	\$ 48.21	\$ 80,225.60	\$ 100,276.80
6.5					
Total FTE	194.5				
*	Total positions cannot exceed 39.				
**	Total positions cannot exceed 9.				
***	Total positions cannot exceed 13.				

APPENDIX D -STATISTICAL INFORMATION

Will be included in the final Fiscal Year 2026/2027 Budget.

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APPENDIX E - STATEMENT OF INVESTMENT POLICY

SMART's 2026-2027 Investment Policy

1.0 Policy:

This investment policy is intended to outline the guidelines and practices to be used in effectively managing the SMART District (District's) available cash and investment portfolio. District monies not required for immediate cash requirements will be invested in compliance with the California Government Code Section 53600, et seq. Investment of Surplus.

2.0 Scope:

This policy applies to all the financial assets accounted for in the District's Annual Comprehensive Financial Report and any new fund created by the District, unless specifically exempted. The investment of bond proceeds will be governed by the provisions of relevant bond documents.

3.0 Prudence:

The Board of Directors and Chief Financial Officer shall adhere to the guidance provided by the "prudent investor rule," California Government Code Section 53600.3, which obligates a fiduciary to ensure that "when investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency. Within the limitations of this section and considering individual investments as part of an overall strategy, investments may be acquired as authorized by law."

4.0 Objectives:

In accordance with California Government Code Section 53600.5, and in order of importance, the Chief Financial Officer shall adhere to the following three criteria:

- (a) Safety of Principal – Safety of principal is the foremost objective of the investment program. Investments of the District shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.
- (b) Liquidity – Investments shall be made whose maturity date is compatible with cash flow requirements and which will permit easy and rapid conversion into cash without substantial loss of value.
- (c) Return on Investment – The District's investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the District's investment risk constraints and the cash flow characteristics of the portfolio.

5.0 Delegation of Authority:

The authority of the Board to purchase or sell securities for the District's portfolio, may be delegated by the Board to the Chief Financial Officer, who shall thereafter assume full responsibility for those transactions until the delegation of authority is revoked. The Chief Financial Officer shall act in accordance with established written procedures and internal controls for the operation of the investment program consistent with this investment policy.

The oversight responsibility for the investment program is hereby delegated to the Chief Financial Officer who shall monitor and review all investments for consistency with this Investment Policy.

The Chief Financial Officer may delegate investment decision making and execution authority to an independent SEC-registered investment advisor. The advisor shall comply with this Policy and such other written instructions as are provided by the Chief Financial Officer.

6.0 Investment Procedures:

The Chief Financial Officer shall establish written operational procedures pertaining to the investment of District funds. These procedures shall be compliant with the parameters and limits set forth by this investment policy. The procedures should regulate actions regarding: safekeeping, repurchase agreements, wire transfer agreements, banking service contracts, and collateral/depository agreements. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Chief Financial Officer.

7.0 Ethics and Conflicts of Interest:

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business to the Chief Financial Officer. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the District.

8.0 Authorized Financial Dealers and Institutions:

For brokers/dealers of government securities and other investments, the Chief Financial Officer shall select only brokers/dealers who are licensed and in good standing with the California Department of Securities, the Securities and Exchange Commission, the National Association of Securities Dealers or other applicable self-regulatory organizations. Before engaging in investment transactions with a broker/dealer, the Chief Financial Officer shall obtain a signed verification form that attests the individual has reviewed the District's Investment Policy, and intends to present only those investment recommendations and transactions to the District that is appropriate under the terms and conditions of the Investment Policy.

If an Investment Advisor is authorized to conduct investment transactions on the District's behalf, the Investment Advisor may use their own list of approved broker/dealers and financial institutions for investment purposes.

9.0 Authorized and Suitable Investments:

The District is governed by the California Government Code, Sections 53600, *et seq.* Within the context of these limitations, the investments listed below are authorized. Those investments not identified are considered

to be ineligible.

1. **U.S. Treasury Obligations.** United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the full faith and credit of the United States are pledged for the payment of principal and interest.
2. **U.S. Agency Obligations.** Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises.
3. **California State and Local Agency Obligations.** Obligations of the State of California or any local agency within the state, including bonds payable solely out of revenues from a revenue producing property owned, controlled or operated by the state or any local agency or by a department, board, agency or authority of the state or any local agency.
4. **Other State Obligations.** Registered treasury notes or bonds of any of the other forty-nine (49) United States in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other forty-nine (49) United States, in addition to California.
5. **Bankers' Acceptances.** Time drafts or bills of exchange that are drawn on and accepted by a commercial bank and brokered to investors in the secondary market. The maximum maturity of an issue will be one hundred eighty (180) days. Securities eligible for investment under this subdivision shall be rated in the highest letter and number category by nationally recognized statistical-rating organization. The maximum exposure shall be no more than 40% of the portfolio value. However, no more than 30% of the agency's money may be invested in the bankers' acceptances of any one commercial bank pursuant to this section.
6. **Commercial Paper.** Commercial paper of "prime" quality of the highest ranking or of the highest letter and number rating as provided for by a nationally recognized statistical-rating organization. The entity that issues the commercial paper shall meet all of the following conditions in either paragraph a or paragraph b:
 - a. The entity meets the following criteria: (i) Is organized and operating in the United States as a general corporation. (ii) Has total assets in excess of five hundred million dollars (\$500,000,000). (iii) Has debt other than commercial paper, if any, that is rated "A" or its equivalent or higher by a nationally recognized statistical-rating organization.
 - b. The entity meets the following criteria: (i) Is organized within the United States as a special purpose corporation, trust, or limited liability company. (ii) Has program wide credit enhancements including, but not limited to, over collateralization, letters of credit, or surety bond. (iii) Has commercial paper that is rated "A-1" or higher, or the equivalent, by a nationally recognized statistical-rating organization.

Eligible commercial paper shall have a maximum maturity of two hundred seventy (270) days or less. The District may invest no more than 25% of its money in eligible commercial paper. The District may purchase no more than 10% of the outstanding commercial paper of any single issuer.

7. **Medium-Term Notes.** Medium-term notes are defined in Government Code Section 53601 as all

corporate and depository institution debt securities with a maximum remaining maturity of five (5) years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States. Notes eligible for investment under this subdivision shall be rated "A" or its equivalent or better by a nationally recognized statistical-rating organization. Purchases of medium-term notes shall not include other instruments authorized by section 53601 and may not exceed 30% of the portfolio value. No more than 10% of SMART's total investment assets may be invested in the commercial paper and medium-term notes of any single issuer.

8. **Negotiable Certificates of Deposit.** Negotiable certificates of deposit issued by a nationally or state-chartered bank, a savings association or a federal association (as defined by Section 5102 of the Financial Code), a state or federal credit union, or by a state-licensed branch of a foreign bank. Securities eligible for investment under this subdivision shall be rated in the highest letter and number category by a nationally recognized rating service for short-term ratings (A-1/P1/F-1) and AA or better for longer-term ratings. Purchases of negotiable certificates of deposit may not exceed 30% of the District's aggregate portfolio.
9. **Time Deposits.** The District may invest in non-negotiable time deposits (CDs) that are FDIC insured or fully collateralized in a state or national bank, savings association or federal association, federal or state credit union located in California, including U.S. branches of foreign banks licensed to do business in California. To be eligible to receive local agency deposits, a financial institution must receive a minimum overall "satisfactory rating" for meeting the credit needs of California Communities in its most recent evaluation. CDs are required to be collateralized as specified under Government Code Section 53630 et seq. The District, at its discretion, may waive the collateralization requirements for any portion that is covered by federal deposit insurance. The District shall have a signed agreement with any depository accepting District funds per Government Code Section 53649. No deposits shall be made at any time in CDs issued by a state or federal credit union if a member of the Governing Council or the Finance Director serves on the board of directors or any committee appointed by the board of directors of the credit union. In accordance with Government Code Section 53638, any deposit shall not exceed that total shareholder's equity of any depository bank, nor shall the deposit exceed the total net worth of any institution.
10. **Local Agency Investment Fund (LAIF)** is a pooled investment fund through the State Chief Financial Officer. Deposits for the purpose of investment in the Local Agency Investment Fund of the State Treasury may be made up to the maximum amount permitted by State Treasury policy.
11. **Money Market Funds.** The Chief Financial Officer may invest in shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (Government Code Section 53601(k).)

The following criteria will be used in evaluating companies:

- a. Attain the highest ranking letter and numerical rating provided by not less than two nationally recognized rating services; or
- b. Have an investment advisor registered or exempt from registration with the Securities and Exchange Commission with not less than five (5) years' experience managing money market mutual funds and with assets under management in excess of five hundred million dollars (\$500,000,000).

- c. The maximum purchase price of shares shall not exceed 20% of the portfolio. However, no more than 10% of the agency's funds may be invested in shares of beneficial interest of any one mutual fund.

12. **Local Government Investment Pools.** Shares of beneficial interest issued by a joint powers authority organized pursuant to Government Code Section 6509.7 that invests in the securities and obligations authorized in subdivisions (a) to (o) of Government Code Section 53601, inclusive. Each share shall represent an equal proportional interest in the underlying pool of securities owned by the joint powers authority. To be eligible under this section, the joint powers authority issuing the shares shall have retained an investment adviser that meets all of the following criteria:

- a. The adviser is registered or exempt from registration with the Securities and Exchange Commission.
- b. The adviser has not less than five (5) years of experience investing in the securities and obligations authorized in subdivisions (a) to (o) Government Code Section 53601, inclusive.
- c. The adviser has assets under management in excess of five hundred million dollars (\$500,000,000).

Credit criteria and sectors and issuers percentages for investments listed in this section will be determined at the time the security is purchased. A decline in the overall investment balances that causes the percent to any investment above its maximum policy limit will not be considered out of compliance. The District may from time to time be invested in a security whose rating is downgraded. In the event a rating drops below the minimum allowed rating category for that given investment type, the Chief Financial Officer shall notify the District General Manager and District Council and recommend a plan of action.

10.0 Prohibited Investments:

Under the provisions of California Government Code Sections 53601.6 and 53631.5, the District shall not invest any funds covered by this Investment Policy in inverse floaters, range notes, mortgage-derived, interest-only strips or any investment that may result in a zero interest accrual if held to maturity.

11.0 Collateralization:

Collateralization is required on Certificates of Deposit as per California Government Code section 53601. The collateralization level for certificates of deposit is 100% of market value of principal and accrued interest.

The entity chooses to limit collateral to the following: U.S. Treasuries and Federal Agency Obligations. Collateral will always be held by an independent third party with whom the entity has a current custodial agreement. A clearly marked evidence of ownership (safekeeping receipt) must be supplied to the entity and retained. The right of collateral substitution is granted.

12.0 Safekeeping and Custody:

All securities purchased may be delivered versus payment (“DVP”) basis, and held in safekeeping pursuant to a safekeeping agreement.

13.0 Maximum Maturities:

To the extent possible, the District will attempt to match its investments with anticipated cash flow

requirements. For certain instruments, the term of the investment is limited by market convention or as otherwise prescribed herein. No investments may be acquired that exceed five (5) years, unless approved by the Board at least ninety (90) days in advance of the purchase.

14.0 Internal Control:

The Chief Financial Officer shall establish an annual process of independent review by an external auditor. This review will provide internal control by assuring compliance with policies and procedures. The Chief Financial Officer may, at any time, further restrict the securities approved for investment as deemed appropriate.

15.0 Performance Standards:

The investment portfolio will be designed to obtain a market average rate of return during budgetary and economic cycles, taking into account the District's investment risk constraints and cash flow needs.

16.0 Reporting:

In accordance with Government Code Section 53607, the Chief Financial Officer shall submit an annual report to the Board indicating the types of investment by fund, institution, date of maturity, and amount of deposit, and shall provide the current market value of all securities with a maturity of more than twelve (12) months, rates of interest, and expected yield to maturity.

17.0 Investment Policy Adoption:

The Chief Financial Officer may, at any time, further restrict the securities approved for investment as deemed appropriate.

Additionally, the Chief Financial Officer shall annually send a copy of the current Investment Policy to all approved dealers. Each dealer is required to return a signed statement indicating receipt and understanding of the District's investment policies.

APPENDIX F: APPROPRIATION CALCULATION

Information not yet received, however it will be included in the Final Budget

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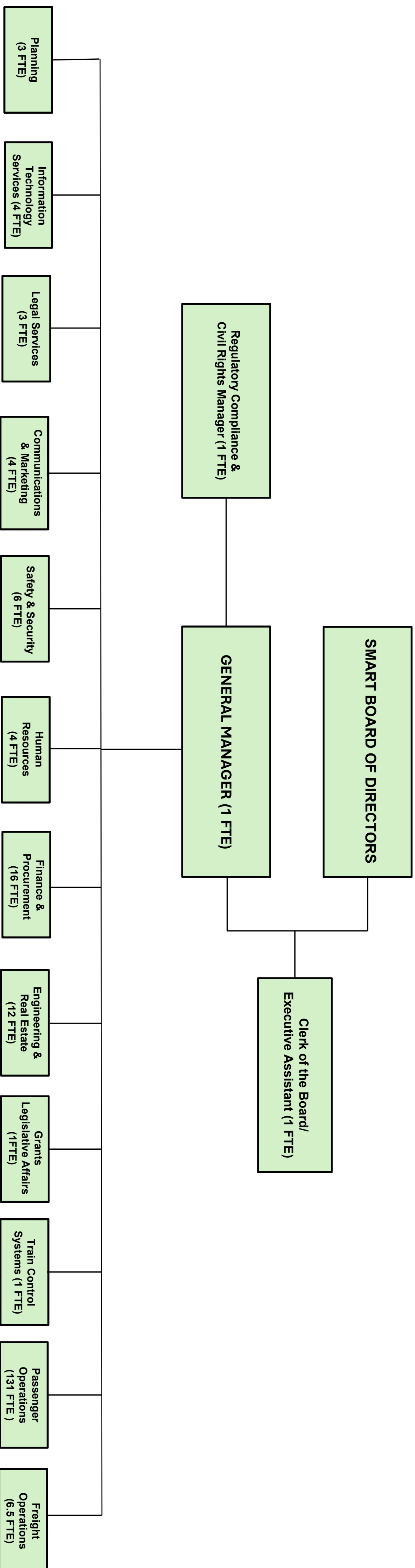
APPENDIX G – ORGANIZATION CHART

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ORGANIZATION CHART

Total FTE: 194.5





Sonoma-Marín Area Rail Transit
 5401 Old Redwood Hwy, Suite 200
 Petaluma, CA 94954

P: 707-794-3330
 F: 707-794-3037
 W: www.SonomaMarinTrain.org

BOARD OF DIRECTORS

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 Sonoma County Board of Supervisors

Mary Sackett, Vice Chair
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Janice Cader Thompson
 Sonoma County Mayors' and Councilmembers Association

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 Transportation Authority of Marin

Victoria Fleming
 Sonoma County Mayors' and Councilmembers Association

Patty Garbarino
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Kevin Jacobs
 Transportation Authority of Marin

Barbara Pahre
 Golden Gate Bridge, Highway/Transportation District

Gabe Paulson
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David Rabbitt
 Sonoma County Board of Supervisors

GENERAL MANAGER

Eddy Cumins

May 20, 2026

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

SUBJECT: Status of Vacant Positions as required by AB 2561

Dear Board Members:

RECOMMENDATIONS: Informational Only

SUMMARY: California State Assembly Bill (AB) 2561 (McKinnor) was approved on September 22, 2024, and added §3502.3 to the Government Code. This law requires public agencies to present the status of their union vacancies at a public hearing at least once per fiscal year. It also requires the agency to provide a summary of recruitment and retention efforts, and identify any necessary changes to policies, procedures, and recruitment efforts that may lead to obstacles in the hiring process. The presentation must be made prior to the adoption of a final budget for the fiscal year.

BACKGROUND:

The table below shows the current vacancy rates per bargaining unit.

Teamsters Technicians Vacancy Rate	
Total Approved Headcount	23
Total Number of Vacancies	1
Vacancy Rate %	4.35%
Teamsters Supervisors Vacancy Rate	
Total Approved Headcount	5
Total Number of Vacancies	0
Vacancy Rate %	0%
Operating Engineers Local 3 (OE3) Vacancy Rate	
Total Approved Headcount	39
Total Number of Vacancies	7
Vacancy Rate %	17.95%
Machinists (IAMAW) Vacancy Rate	
Total Approved Headcount	28
Total Number of Vacancies	2
Vacancy Rate %	7.14%

Status of Current Vacancies

Teamsters – Technicians Bargaining Unit

This unit is comprised of 5 job classes, a total of 23 full-time positions: Bridge Tender (4 FTE), Track Laborer (3 FTE), Track Maintainer I (5 FTE), Track Maintainer II (2 FTE), Signal Technician (9 FTE). There is currently one vacancy in the Track Laborer job class. A recruitment for this position is currently in process.

IAMAW (Machinists) Bargaining Unit

This unit is comprised of 4 job classes, a total of 28 full-time positions: Laborer (11 FTE), Vehicle Maintenance Technician (13 FTE), Facilities Maintenance Technician (3 FTE) and Lead Facilities Engineer (1 FTE). There are currently 2 vacancies in this unit: Laborer (1 FTE) and Facilities Maintenance Technician (1 FTE). Both vacancies resulted from employees promoting within SMART to new positions. There is currently a candidate in background for the Facilities Maintenance position, and the Laborer position will be filled as of May 26, 2026.

Operating Engineers Local 3 (OE3) Bargaining Unit

This unit is comprised of four job classes, Engineer Trainee, Engineer-Conductor, Conductor, and Conductor Trainee for a total of 39 full-time positions. There are currently seven (7) positions vacant in this unit. The District currently has two candidates in background and is actively recruiting to fill the remaining positions.

Recruitment and Retention Efforts

SMART participates in local job fairs and promotes job openings on various platforms including job boards, social media, and the agency's website. SMART distributes current job openings to a network of career services and workforce development providers including educational institutes, veteran organizations, transportation organizations, chambers of commerce, the Employment Development Department (EDD), Department of Rehabilitation, and others. Human Resources staff also participate in Vet Net, a monthly online workshop hosted by the EDD that brings together employers and military veterans seeking employment. Veterans are able to speak directly with employers to learn about new opportunities as well as ask general questions about employment. SMART offers an employee referral program for certain hard to fill positions and may also retain the services of professional recruiting agencies.

SMART strives to retain talent by offering competitive pay, strong benefits, and retirement plans. SMART updates job descriptions as positions become available to ensure accurate job postings; offers internal promotion opportunities and education and training reimbursements. SMART has established internal trainee programs in its Transportation, Track, Vehicle Maintenance and Signals divisions that allow employees to learn on-the-job skills as well as classroom education to facilitate growth within the organization. In the past year, six (6) employees were promoted to new positions within SMART via SMART's internal training programs.

Identified necessary changes to policies, procedures and recruitment activities

In the past year, SMART has broadened the reach of its recruitment activities by working with our Regulatory Compliance and Civil Rights Manager to identify additional community organizations that provide workforce

development services. These agencies are notified each time a new recruitment is opened. We are also working to create more flexibility in hiring by exploring the creation of job class series, for example Analyst I/II, that can be used across the organization to create career paths and advancement opportunities for existing staff. SMART will continue to evaluate the effectiveness of its recruitment efforts. At present, 49% of current staff have been with SMART for 5 or more years (5 – 18 years).

FISCAL IMPACT:

None

Sincerely,

/s/

Lisa Hansley

Human Resources Manager

Assembly Bill No. 2561

CHAPTER 409

An act to add Section 3502.3 to the Government Code, relating to public employment.

[Approved by Governor September 22, 2024. Filed with
Secretary of State September 22, 2024.]

LEGISLATIVE COUNSEL'S DIGEST

AB 2561, McKinnor. Local public employees: vacant positions.

Existing law, the Meyers-Milias-Brown Act (act), authorizes local public employees, as defined, to form, join, and participate in the activities of employee organizations of their own choosing for the purpose of representation on matters of labor relations. The act requires the governing body of a public agency to meet and confer in good faith regarding wages, hours, and other terms and conditions of employment with representatives of recognized employee organizations and to consider fully presentations that are made by the employee organization on behalf of its members before arriving at a determination of policy or course of action.

This bill would, as specified, require a public agency to present the status of vacancies and recruitment and retention efforts at a public hearing at least once per fiscal year, and would entitle the recognized employee organization to present at the hearing. If the number of job vacancies within a single bargaining unit meets or exceeds 20% of the total number of authorized full-time positions, the bill would require the public agency, upon request of the recognized employee organization, to include specified information during the public hearing. By imposing new duties on local public agencies, the bill would impose a state-mandated local program. The bill would also include related legislative findings.

The California Constitution requires local agencies, for the purpose of ensuring public access to the meetings of public bodies and the writings of public officials and agencies, to comply with a statutory enactment that amends or enacts laws relating to public records or open meetings and contains findings demonstrating that the enactment furthers the constitutional requirements relating to this purpose.

This bill would make legislative findings to that effect.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement shall be made pursuant to these statutory provisions for costs mandated by the state pursuant to this act, but would recognize that a local agency or school district may pursue any available remedies to seek reimbursement for these costs.

The people of the State of California do enact as follows:

SECTION 1. The Legislature finds and declares as follows:

(a) Job vacancies in local government are a widespread and significant problem for the public sector affecting occupations across wage levels and educational requirements.

(b) High job vacancies impact public service delivery and the workers who are forced to handle heavier workloads, with understaffing leading to burnout and increased turnover that further exacerbate staffing challenges.

(c) There is a statewide interest in ensuring that public agency operations are appropriately staffed and that high vacancy rates do not undermine public employee labor relations.

SEC. 2. Section 3502.3 is added to the Government Code, to read:

3502.3. (a) (1) A public agency shall present the status of vacancies and recruitment and retention efforts during a public hearing before the governing board at least once per fiscal year.

(2) If the governing board will be adopting an annual or multiyear budget during the fiscal year, the presentation shall be made prior to the adoption of the final budget.

(3) During the hearing, the public agency shall identify any necessary changes to policies, procedures, and recruitment activities that may lead to obstacles in the hiring process.

(b) The recognized employee organization for a bargaining unit shall be entitled to make a presentation at the public hearing at which the public agency presents the status of vacancies and recruitment and retention efforts for positions within that bargaining unit.

(c) If the number of job vacancies within a single bargaining unit meets or exceeds 20 percent of the total number of authorized full-time positions, the public agency shall, upon request of the recognized employee organization, include all of the following information during the public hearing:

(1) The total number of job vacancies within the bargaining unit.

(2) The total number of applicants for vacant positions within the bargaining unit.

(3) The average number of days to complete the hiring process from when a position is posted.

(4) Opportunities to improve compensation and other working conditions.

(d) This section shall not prevent the governing board from holding additional public hearings about vacancies.

(e) The provisions of this section are severable. If any provision of this section or its application is held invalid, the invalidity shall not affect other provisions or applications that can be given effect without the invalid provision or application.

(f) For purposes of this section, “recognized employee organization” has the same meaning as defined in subdivision (a) of Section 3501.

SEC. 3. The Legislature finds and declares that Section 2 of this act, which adds Section 3502.3 to the Government Code, furthers, within the

meaning of paragraph (7) of subdivision (b) of Section 3 of Article I of the California Constitution, the purposes of that constitutional section as it relates to the right of public access to the meetings of local public bodies or the writings of local public officials and local agencies. Pursuant to paragraph (7) of subdivision (b) of Section 3 of Article I of the California Constitution, the Legislature makes the following findings:

It is in the public interest, and it furthers the purposes of paragraph (7) of subdivision (b) of Section (3) of Article I of the California Constitution, to ensure that information concerning public agency employment is available to the public.

SEC. 4. No reimbursement shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code for costs mandated by the state pursuant to this act. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Part 7 (commencing with Section 17500) and any other law.