

Agenda Item No. 4



PLEASE NOTE:

In an effort to conserve paper, copies of the agenda items and staff reports for the July 16, 2008, SMART District Board meeting are not included in this packet, but are available in the Office of the District Secretary.



AGENDA: SMART BOARD SPECIAL MEETING PURSUANT TO GOVERNMENT CODE SECTION 54956

**August 22, 2008
4:00 PM**

Sonoma County Board of Supervisors Chambers
575 Administration Drive, Suite 102-A, Santa Rosa, California

Also by Teleconference at the Following Locations:

314 Laurel Court, Cloverdale, CA

2632 West Pueblo Avenue, Napa, CA

1250 Argonaut Road, Lakeport, CA

9401 Main Street, Potter Valley, CA

41 Renz Road, Mill Valley, CA

1400 Fifth Street, San Rafael, CA

1491 Dawn Hill Road, Glen Ellen, CA

- I. Call to Order
- II. Public Comment on Items Not on the Agenda (Comments Limited to 3 Minutes)
- III. **Closed Session**
The Board of Directors will consider the following in closed session: Initiation of litigation pursuant to subdivision (c) of Section 54956.9 (Govt. Code Section 54956.9 (c)).
- IV. Report on Closed Session
- V. Next Meeting Date: September 17, 2008 San Rafael City Council Chambers –
DISCUSSION/ACTION
- VI. Adjournment - **ACTION**

DISABLED ACCOMMODATION: if you have a disability that requires the agenda materials to be in an alternate format or that requires an interpreter or other person to assist you while attending this meeting, please contact SMART at least 72 hours prior to the meeting to ensure arrangements for accommodation.

Materials distributed by SMART through its Agenda Packet for its monthly Board meeting or committee meetings, which are not otherwise privileged, may be inspected at SMART's office located at 750 Lindaro Street, Ste. 200, San Rafael, CA during regular business hours and may also be inspected on SMART's Web site located at www.sonomamarintrain.org. To the extent that materials related to an item on this Agenda are submitted to the Board or Committee Members after distribution of the Agenda Packet, the materials will be available for public inspection in SMART's office during normal business hours.

* Information will be provided at the meeting. ** Information attached.



AGENDA: SPECIAL SMART DISTRICT BOARD MEETING

August 6, 2008
11:00 AM

Santa Rosa City Council Chambers, City Hall
100 Santa Rosa Avenue, Santa Rosa

Marin County Board of Supervisors' Chambers
Room 330, Civic Center, San Rafael

Also by Teleconference at the Following Locations:

9 Dupree Ct., Petaluma, CA

2632 West Pueblo Avenue, Napa, CA

1250 Argonaut Road, Lakeport, CA

- I. Call to Order
- II. Consent Agenda – **DISCUSSION/ACTION****
Renewing Sonoma County Line of Credit/Loan (Lillian Hames) – **DISCUSSION/ACTION****
II-a. Resolution 2008-09
- III. Board Member Announcements
- IV. Public Comment on Items Not on the Agenda (Comments Limited to 3 Minutes)
- V. Next Meeting Date: September 17, 2008, San Rafael City Council Chambers, San Rafael - **DISCUSSION/ACTION**
- VI. Adjournment - **ACTION**

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AGENDA: SMART DISTRICT BOARD MEETING

**July 16, 2008
1:30 PM**

San Rafael City Council Chambers
1400 Fifth Street, San Rafael

Also by Teleconference at the Following Locations

500 First Street, North
Newton, Iowa

Marriot Hotel
200 West 12th Street
Kansas City, Missouri.

- I. Call to Order
- II. Approval of June 18, 2008 Board Meeting Minutes – **DISCUSSION/ACTION****
- III. Consent Agenda – **DISCUSSION/ACTION****
 - III-a. SMART Project Cost Report - **INFORMATION ****
 - III-b. HDR Contract Amendment - **DISCUSSION/ACTION****
 - III-c. KNN Contract Amendment –**DISCUSSION/ACTION****
 - III-d. SMART Employee Salary Adjustments –**DISCUSSION/ACTION****
 - III-e. COLA Increase Resolution 2008-8 - **DISCUSSION/ACTION****
 - III-f. Petaluma Art Proposal – **DISCUSSION/ACTION****
 - III-g. Railroad Square ENA Extension - **DISCUSSION/ACTION****
- IV. Agenda Review
- V. Board Member Announcements
- VI. Public Comment on Items Not on the Agenda (Comments Limited to 3 Minutes)
- VII. SMART General Manager Report (Lillian Hames) – **DISCUSSION**
- VIII. Real Estate Committee Report (Lucrecia Milla) – **DISCUSSION**
- IX. Public Hearing on SMART Final SEIR and Ordinance for Retail Transactions and Use Tax– **DISCUSSION/ACTION****

Public Hearing on certifying the Final SEIR for a passenger rail system on the NWP right-of-way from Cloverdale to Larkspur and a parallel bicycle/pedestrian pathway; and on adoption of an ordinance, subject to voter approval, imposing a retail transactions and use tax to be

administered by the State Board of Equalization, including an expenditure plan and establishing an annual appropriations limit.

DISCUSSION/ACTION:

1. Resolution 2008-05** certifying the Final SEIR.
2. Proposed Sales Tax Ordinance 2008-01**, including the 2008 Expenditure Plan, and Resolution 2008-06** making appropriate CEQA findings.
3. Resolution 2008-07* calling an election on the Sales Tax Ordinance and requesting consolidation of the election with the November 2008 general election (special vote requirement per Public Utilities Code section 105115)

X. Next Steps on Pending Significant Projects/Matters (Lillian Hames) –

DISCUSSION/ACTION*

- a. Program Management RFP Process
- b. Negotiations with New Railroad Square LLC regarding Development Agreement
- c. Negotiations with NCRA on New Operating Agreement

XI. Closed Session

- a. Closed Session: Conference with Real Property Negotiator (Govt. Code. Section 54956.8)

Property: Northwestern Pacific Railroad (NWP) Right-of-Way at NWP Milepost 53.8 in Santa Rosa, Sonoma County.

District Negotiator: Lillian Hames, General Manager

Negotiating Parties: Railroad Square, LLC
Owner: SMART District

XII. Report on Closed Session

XIII. Next Meeting Date: To Be Determined, Sonoma County Board of Supervisors Chambers, Santa Rosa - **DISCUSSION/ACTION**

XIV. Adjournment - **ACTION**

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* Information will be provided at the meeting, ** Information attached.



**MINUTES OF SMART BOARD MEETING
June 18, 2008
Sonoma County Board of Supervisor Chambers
575 Administrative Drive, Rm. 102
Santa Rosa, California**

I Call to Order

Chair McGlashan brought the meeting to order. The following Board members were present:

Peter Breen
Valerie Brown – *arrived late*
Carole Dillon-Knutson
James Eddie
Debra Fudge
Bob Jehn
Mike Kerns
Barbara Pahre

II Minutes of the May 21, 2008 SMART Meeting

Motion was made by Director Breen and seconded by Vice Chair Fudge to approve the minutes of the May 21, 2008 SMART Board meeting. Motion passed unanimously.

III Consent Agenda

Chair McGlashan introduced the Consent Agenda. Motion was made by Director Kerns and seconded by Director Jehn to approve the Consent Agenda. Motion passed unanimously.

IV Agenda Review

Hearing no comment, Chair McGlashan moved to the next item.

V Board Member Announcements

Chair McGlashan called for announcements from the Board members. Director Pahre stated it was nice to have Nina West back. Ms. West thanked everyone for a warm welcome back and stated she was very excited about returning to SMART. Director Breen requested that the Board adjourn in memory of Mayor Blanchard of Santa Rosa. Motion was made by Director Breen and seconded by Director Kerns. Motion passed unanimously. Director Dillon-Knutson announced that the TAM Working Group on SMART had met again regarding the financial aspect of SMART and there will be a report going to the TAM Regular meeting. Chair McGlashan stated he sensed that those sessions were proceeding very well. Director Dillon-Knutson concurred. Chair McGlashan thanked members and Staff for attending the meetings.

VI Public Comment on Items Not On the Agenda

Chair McGlashan called for any comments from the public on items not on the agenda. There were none.

VII SMART General Manager Report

Lillian Hames also stated how happy SMART staff was to have Nina West back. She mentioned that the July Board Meeting could be a longer session and attendance was very important. She noted that an additional Board meeting date on July 23rd was planned if required. Ms. Hames stated she attended the American Public Transit Association Conference in San Francisco earlier in the month and that she planned to bring information from that meeting back to the Board at a later date. Director Breen mentioned that the Novato Narrows PAG meeting for July had been cancelled.

Chair McGlashan asked if Ms. Hames would summarize the agenda for July. Ms. Hames stated staff anticipated the Final SEIR document certification would be addressed, the Expenditure Plan for 2008, proposed ballot language and all resolutions and ordinances required to place SMART on the 2008 ballot. Chair McGlashan asked if there any comments from the Board. There was none. Chair McGlashan asked if there were any comments from the public, there were none.

VIII Real Estate Committee Report

Lucrecia Milla reported that the June 4th Real Estate Committee meeting was very short and most of the meeting was devoted to a closed session on Railroad Square. There was nothing further to report and the Board had no questions.

IX Quiet Zone Implementation Overview

Chair McGlashan asked John Nemeth to give his presentation on Quiet Zones. As the projector was not responding immediately, Chair McGlashan asked that staff go to the next item and revisit item IX once projector was working again.

X SMART Project Funding Plan Update

Lillian Hames gave an overview and update of the SMART Project Funding Plan, noting that the Expenditure Plan would be presented to the Board next month. She also noted that the consultant team was unavailable for today's meeting. She explained that over the last month SMART staff and consultants had made three presentations to the TAM Working Group on SMART and the Funding Plan was discussed at each of those. She also stated that Staff did a presentation on the Funding Plan to the Sonoma County Transportation Authority. Staff had also received two letters with a series of questions on the financial plan, one letter from the League of Woman Voters and one from MCL. In addition, SMART had also received comments from Dr. Robert Eyler, Sonoma State University.

In updating the Board on changes to the plan since the May meeting, Ms Hames noted that the average escalation rate was increased from 3.5% annually to 3.67%; thus making the plan more conservative in that the San Francisco Consumer Price Index had averaged 3.05% over the past 20 years. She noted that the cost of fuel, both for SMART operations and assumed pump prices has been adjusted up to \$5.50 per gallon in 2008. This change in the cost of fuel for SMART operations would result in a higher annual operating costs.

Ms. Hames stated Quiet Zones crossing funding had been increased from \$1.5 million in the 2006 Plan to \$4.5 million in the 2008 Expenditure Plan. In addition, NCRA corridor upgrades had been removed from the revenue list and were now listed as capital offsets. The offset total had been changed to \$37 million based on input from NCRA. Ms. Hames also noted that the plan alternative, if NCRA did not move forward, still showed completion of the train project in five years and 80% funding of the pathway project.

SMART received a request from MCBC/SCBC that the pathway be accelerated if additional funding becomes available. She noted that the staff recommendation would be to include that wording.

Ms. Hames noted that the 2006 sensitivity analysis on ridership and gas prices had also been incorporated into the plan. New ridership numbers would reflect the FEIR's conclusion that \$5/gallon gas would increase daily weekday ridership to 6,000 boarding riders.

The weekend and weekday operating costs have now been summarized separately, as requested at the last meeting. The weekend annual services costs are estimated at \$2.4 million per year. Last, as a response to the comments on the plan, the revenue summary in the spreadsheet had been changed to exclude bond proceeds, given the concern that these funds could be considered as double counting.

Chair McGlashan asked for clarity on the NCRA issue. Ms. Hames stated if there was no more money from NCRA, SMART still forecasts that the rail project could be completed in 5 years. The bicycle pathway would take longer to build to 80% in 20 years.

Chair McGlashan stated he appreciated the conservative assumptions in the plan. It required no state funding, other than funds SMART has already been authorized to receive and new state funding allocated to operating rail systems by formula. He felt the federal funding assumptions were well below what he thought was achievable in Washington. He noted that the ¼ cent tax maintained the project over 20 years with or without NCRA's contributions to the corridor.

Director Dillon-Knutson asked if NCRA had agreed to pay trackage fees. Ms. Hames stated no, NCRA had not agreed to pay trackage fees to SMART for operation over SMART upgraded track. She noted that NCRA assumed that they would not charge SMART between Healdsburg and Cloverdale and SMART would not charge trackage fees south of Healdsburg. She went on to note that SMART did not plan to charge trackage fees until operations were up and running and that the trackage fees were estimated at approximately \$168,000 for the first year of SMART's operation.

Chair McGlashan asked for public comment. Allen Tacy stated that SMART should use the word fuel versus gas. Chair McGlashan stated we would now return to Item IX.

IX Quiet Zone Implementation Overview

John Nemeth gave a summary of the Quiet Zone Conference he recently attended in Southern California. He noted that the costs of quiet zones were lower than previously assumed and that many of SMART's upgraded crossings would comply with full or partial safety measures. He provided the Board with a PowerPoint presentation. In response to a question by Director Dillon-Knutson, he concluded that all of Novato's eight crossings could be one continuous quiet zone.

Ms. Hames reminded the Board that SMART had tripled funding for Quiet Zone implementation to \$4.5 million. She also noted that SMART had committed to provide all technical expertise required to work with local jurisdictions to implement the quiet zones.

XI Closed Session

Chair McGlashan announced it was time for the closed session and asked the room to be cleared. The next SMART Board Meeting would be held on July 16, 2008 at the San Rafael City Council Chambers.

XII Report on Closed Session

Greg Dion reported out of closed session that direction had been given to staff and there was nothing else to report.

XIII Next Meeting Date July 16, 2008, 1:30 pm, San Rafael City Council Chambers

XIV Adjournment

The meeting was adjourned at 3:30 pm.