



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Mayor Mahan
Councilmember Davis
Councilmember Cohen

SUBJECT: Consideration of Cooperative Agreement
with Diridon Partner Agencies to Establish Interim
Project Organization Structure

DATE: 10/04/2024

Approved

Date

RECOMMENDATION

Accept staff recommendation with the following direction to the City Manager:

This memorandum outlines proposed additions to the current draft of the Diridon Cooperative Agreement. These changes are based on recent discussions at the VTA Administration and Finance Committee and the Caltrain JPB Advocacy and Major Projects Committee meetings. The objective of these additions is to improve governance, ensure accountability, and establish a clear process for dispute resolution in the Diridon Station Redevelopment Project.

Key Additions

1. Governance Structure and Lead Agency

To streamline decision-making and communication among stakeholders, it is recommended that the Diridon Station Redevelopment Project implement a clear governance structure by designating a lead agency. This will enhance operational efficiency, maintain accountability, and ensure project goals are met within the established timeline and budget.

Proposed Addition:

Designate Caltrain as the lead agency for the Project Director for the duration specified in the cooperative agreement. The Steering Committee will review this designation within four years or upon establishing a new governance structure.

2. Dispute Resolution

The current draft lacks a robust mechanism for resolving disputes, which was a key point of discussion in committee meetings.

Proposed Addition:

Establish a comprehensive and escalating dispute resolution process that includes a meeting with the Steering Committee Chair, the agency Chairs, and the Executive Directors. If unresolved, the process will allow for agencies to opt out of the agreement if their needs are not adequately addressed, allowing for the potential creation of a new agreement if appropriate.

3. Role Clarity and Decision-Making Authority

The agreement must clearly define decision-making authority and the roles of all involved parties to prevent overlap and ensure effective project management.

Proposed Addition:

Grant the Steering Committee final decision-making authority over critical project matters, including the hiring of the Project Director.

Clearly indicate that the Project Director will report directly to the Steering Committee and Caltrain, free from influence or hindrance by any single entity. The Project Director will be responsible for managing the project activities, including but not limited to, meeting deadlines, producing deliverables, managing budgets and negotiating any agreement terms with partner agencies. The Lead Agency is accountable for the Project Director meeting expectations on the responsibilities, particularly in delivering to budget and schedule.

Conclusion

Incorporating these additions will strengthen the governance framework, enhance accountability, and ensure that the Diridon Station Redevelopment Project proceeds smoothly. These measures will provide the necessary clarity and flexibility to meet the expectations of all stakeholders.