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Caltrain governance deal OK'd

SamTrans Board approves, other member agencies still need to ratify

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The SamTrans Board of Directors has agreed to a historic Caltrain governance proposal that addresses its administration among member agencies, with SamTrans set to receive significant financial compensation for the deal.


Charles Stone

SamTrans voted to approve a memorandum of understanding that gives San Francisco and Santa Clara counties more power and staffing oversight of Caltrain but repays significant right-of-way payments owed to SamTrans. Charles Stone, SamTrans and Caltrain board member, and also a Belmont councilmember, called the June 21 MOU vote a good compromise for all involved.

“I think this represents a great and important step towards SamTrans’ long-term goal of securing repayment,” Stone said.

SamTrans will remain the managing agency for Caltrain and be repaid $19.8 million for its 2008 right-of-way agreement to be the managing agency. SamTrans also gets an additional $15.2 million within a year to account for the payment delay. In return, it will give up the sole final discretionary appointing power of an executive director, general counsel and auditor. The Caltrain executive director position will only take direction from the Caltrain board, although it will remain a SamTrans position.

Caltrain will have sole authority over hiring and termination. A Caltrain board majority will now decide upon the executive director, as long as at least one member from each county votes in the majority. Several executive staffing positions will now solely work for Caltrain and have the executive director supervise them. The two organizations will still share job functions around human resources, contracts, information technology, marketing, customer service and accounting.

The Metropolitan Transportation Commission will pay $19.6 million for the 2008 agreement, while San Francisco paid its allotted $200,000 in April. MTC is a Bay Area regional agency responsible for transportation financing and coordination created by the state in 1970. According to the memorandum, San Francisco will pay $6,080,000, and the Santa Clara Valley Transportation Authority will pay $9,120,000 for the delay in payment from the original agreement.

The Caltrain board approved the governance recommendation at its March 3 meeting following a year of negotiations, but the recommendation still required approval from Caltrain’s member agencies of SamTrans, San Francisco and the VTA. The SamTrans board had previously been reluctant to governance change and had offered different proposals than the one it approved on June 21. The oversight role of SamTrans had concerned Caltrain board members from San Francisco and Santa Clara counties. Caltrain representatives wanted to change the three-county train system's governance structure to ensure both counties are more equally involved in decision-making and oversight authority at the highest levels.

Caltrain has nine total representatives from San Francisco, San Mateo and Santa Clara counties, with three from each. Worries by SamTrans officials about diminished San Mateo County influence and growing sway from its two larger county neighbors led to contentious talks and tough negotiations before the agreement. With the June 21 ratification from SamTrans, San Francisco and VTA still must ratify the memorandum.

Stone, who originally voted against the March Caltrain recommendation, said the memorandum had the level of detail and certainty he was comfortable with to believe it is a good deal for SamTrans and San Mateo County. He called on all involved to focus on Caltrain's future as it deals with increasing ridership and an unclear financial future.

"I really believe working together with our partner member agencies, we at Caltrain will be able to renew our focus on the necessary steps to build upon our infrastructure, which is critical to the success of our region," Stone said.

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