

1 **RESOLUTION NO. 2020-42**

2 **BOARD OF DIRECTORS, PENINSULA CORRIDOR JOINT POWERS BOARD STATE OF CALIFORNIA**

3 **WHEREAS**, the Peninsula Corridor Joint Powers Board (JPB) is a joint exercise
4 of powers authority duly formed pursuant to the October 18, 1991 joint powers
5 agreement, as amended, between the City and County of San Francisco (CCSF), the
6 San Mateo County Transit District (SMCTD), and the Santa Clara Valley Transportation
7 Authority (VTA) (together, the "Member Agencies"); and

8 **WHEREAS**, the JPB operates the Caltrain passenger rail service between San
9 Francisco, California and Gilroy, California, currently serving 32 stations along the 77-
10 mile corridor; and

11 **WHEREAS**, the Joint Powers Agreement, as amended and restated on October
12 3, 1996 (1996 JPA) states in section 8[D] that "no action shall be taken by the JPB
13 except upon the affirmative vote of five or more of its members," but does not expressly
14 prohibit any higher voting threshold for Board action; and

15 **WHEREAS**, the 1996 JPA states in section 9 that the "The JPB shall have the
16 power to adopt such bylaws that it, in its sole discretion, may deem necessary or
17 desirable for the conduct of its business," and

18 **WHEREAS**, by a separate resolution, a regional measure ("Caltrain tax
19 measure") may be placed on the November 3, 2020, ballot in Santa Clara, San Mateo
20 and San Francisco Counties to impose a one-eighth of one percent (0.125%) retail
21 transactions and use tax for a period of thirty (30) years, throughout the three Counties
22 to enable Caltrain (or its successor agency) to fund operating and capital expenses of
23 the Caltrain rail service and support the operating and capital needs required to
24 implement the Service Vision adopted by the JPB on October 3, 2019, as part of the
25 Caltrain Business Plan; and,

26 **NOW, THEREFORE BE IT RESOLVED**, that JPB shall establish the following
27 rules or bylaws for its future conduct of business as follows:

- 1 a) That in each fiscal year beginning on July 1, 2021 the JPB may approve the
2 expenditure of up to \$40 million of revenue from the Caltrain tax measure for
3 operations or capital repair of Caltrain, with the approval of at least five (5)
4 members of the JPB;
- 5 b) That the JPB may expend an amount in excess of \$40 million of revenue from the
6 Caltrain tax measure in any fiscal year with the approval of at least six (6)
7 members of the JPB;
- 8 c) That the JPB shall be subject to the conditions described in (a) and (b), until such
9 time as the Joint Powers Agreement (JPA) has been amended to modify its
10 governance structure or procedures so that they are satisfactory to the three
11 Member Agencies. After that time, the JPB Board may allocate any and all sales
12 tax revenues for operating or capital expenditures with the approval of at least (5)
13 members of the JPB;
- 14 d) That it is the desire of the JPB that the modification of “governance structure or
15 procedures,” described above, will include amendments that enable the majority
16 of the JPB or successor governing board (or, if a larger regional rail authority is
17 created that includes Caltrain, a majority of that agency’s board), to appoint an
18 Executive Director to operate Caltrain provided that the parties have reached an
19 agreement to reimburse SMCTD for its investment in Caltrain.
- 20 e) That the JPB will recommend a governance structure or procedures to the three
21 Member Agencies no later than December 31, 2021.
- 22 f) That the JPB will initiate efforts to reimburse the SMCTD for its investment in
23 Caltrain, including by engaging with Metropolitan Transportation Commission and
24 other funding partners and, if the Caltrain sales tax measure is approved, by
25 prioritizing the payment of the SMCTD investment by the JPB.
- 26 g) That the JPB Board shall appoint an independent counsel (and shall not have the
27 same counsel as any member agency) by January 31, 2021 to represent the

1 JPB, and until such time the law firm of Olson Remcho LLP shall be available to
2 the Board for consultation upon request;

3 h) That the JPB Board shall appoint an auditor (and shall not have the same auditor
4 as SMCTD) by January 15, 2021.

5 i) On any agenda for a regularly scheduled meeting of the full JPB, with at least 7
6 calendar days prior notice in advance of the meeting, any item may be placed on
7 that board agenda for consideration by the JPB Board by the request of 2 or
8 more of the JPB members to the JPB Chair and General Manager.

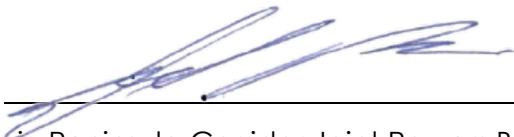
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10 Regularly passed and adopted this 6th day of August, 2020 by the following
11 vote:

12 AYES: Bruins, Chavez, Collins, Heminger, Walton, Zmuda, Davis, Pine

13 NOES: Stone

14 ABSENT: None



Chair, Peninsula Corridor Joint Powers Board

ATTEST:



JPB Secretary