

MINUTES  
METROPOLITAN TRANSIT AUTHORITY  
BOARD OF DIRECTORS  
REGULAR BOARD MEETING  
MAY 31, 2007

The regularly scheduled monthly meeting of the Metropolitan Transit Authority Board of Directors was called to order at 1:26 p.m. by Chairman David S. Wolff. Vice Chairman Gerald Smith, Board Secretary Jackie Freeman, and Board Members Burt Ballanfant, George DeMontrond, III, James W. E. Dixon, II, Rafael Ortega and C. Jim Stewart, III were present and constituted a quorum. Board Member Carmen Orta was absent.

Chairman Wolff first called for approval of the Minutes of the Board Meeting of April 26, 2007 and the Special Board Meeting of May 8, 2007. Board Member DeMontrond moved approval of the Minutes. The Motion was seconded by Board Member Dixon and all Board Members present voted in favor.

MOTION NO. 2007 – 23

Chairman Wolff next called upon those members of the public who had requested to speak before the Board. The persons who spoke and the substance of their comments were as follows:

1. Mr. Larry Lancon – Mr. Lancon was concerned about Route 6 in regards to the amount of high speed bus traffic and the destruction of the road. Mr. Lancon also commended the METRO Police Department for the police work they have done in the areas of Airline and Tidwell.

2. Mr. Joseph Charles – requested the return of his ADA paratransit disability card and certain stolen property.

3. Mr. Mark Hogue – Mr. Hogue spoke about the need for elevated cross walks long Westheimer, between Dunvale and Old Farm Road. He also requested that a Sunday service be added to Route 88.

4. Mr. Tom Bazan – Mr. Bazan spoke about what he believes are discrepancies on the reporting of bus boardings and Light Rail line revenue. He also requested that an independent organization review the report on stray currents. President & Chief Executive Officer, Frank J. Wilson offered a meeting with John Sedlak, METRO's Executive Vice President and Louise Richman, METRO's Chief Financial Officer. Mr. Bazan declined the invitation stating he had another commitment.

Minutes of the Regular Meeting  
of the Metropolitan Transit  
Authority Board of Directors  
May 31, 2007  
Page Two

5. Ms. Bernadette Skinner – Ms. Skinner requested that service of bus Route 88 be extended to Sunday. David Feeley, METRO's Senior Vice President of Operations stated that the route would be examined to determine ridership levels and the cost effectiveness of Sunday service.

At the conclusion of the Public Comments portion of the meeting, Chairman Wolff called upon Mr. Frank J. Wilson for his Business Report. Mr. Wilson began his Report by discussing ridership and growth trends for Park & Ride Service. Mr. Wilson announced a new campaign that will be launched to increase Park & Ride ridership. The campaign includes a commercial, to be shown at local movie theaters located near Park & Ride facilities, to inform the public of service availability. Mr. Wilson presented a video of the commercial advertisement. (Video played).

Mr. Wilson announced that METRO has been selected as a participant in the FTA's public/private partnership pilot program. He stated that METRO was one of two transit agencies selected for participation. He stated that METRO's participation in the program will expedite the federal process for funding requests and provide greater project flexibility. Mr. Wilson explained that the designation is, at this time, limited to the transit improvements for the North and Southeast corridors. METRO has reserved the right to add the University Line and others, such as the East and Uptown lines. He stated that the federal designation means less regulation, less process time and priority for federal action.

Mr. Wolff asked what other projects in the country have received such approval and how many had applied.

Mr. Wilson stated that the Oakland transit system and METRO are the only two transit authorities that have been approved for participation in the FTA pilot program, from a pool of approximately 40 to 50 applicants.

Chairman Wolff then called for consideration of the Summary Agenda containing Agenda Items 6, 7, 8 9, and 11. Board Member Dixon moved approval of the Summary Agenda. Board Member DeMontrond seconded the Motion and all Board Members present voted in favor.

MOTION NO. 2007 – 24

By way of Summary Agenda, the Board of Directors approved the following:

1. Authorization for the President & Chief Executive Officer to execute and deliver a two year contract with KPMG LLP for external financial auditing services for fiscal years 2007 and 2008, for an amount not to exceed \$405,000.

RESOLUTION NO. 2007 – 42

2. Authorization for the President & Chief Executive Officer to execute and deliver a contract with MCI Service Parts, Inc. to purchase body, structural and chassis parts for METRO's fleet of MCI transit vehicles, for an amount not to exceed \$292,966.74.

RESOLUTION NO. 2007 – 43

3. Authorization for the President & Chief Executive Officer to execute and deliver a contract with Siemens Transportation Systems for one power truck frame, one center truck frame and two center truck axels assemblies, for an amount not to exceed \$325,150.

RESOLUTION NO. 2007 – 44

4. Authorization for the President & Chief Executive Officer to execute and deliver a contract with the Houston Downtown Management District to provide bus stop and shelter cleaning services within the Central Business District for an amount not to exceed \$312,039.00, and to execute and deliver a contract with BJ's Enterprises to provide bus stop and shelter cleaning services within the Midtown for an amount not to exceed \$136,305.00.

RESOLUTION NO. 2007 – 45

Minutes of the Regular Meeting  
of the Metropolitan Transit  
Authority Board of Directors  
May 31, 2007  
Page Four

5. Authorization for the President & Chief Executive Officer to negotiate, execute and deliver a modification to the license agreement with Transco Tower Limited for a communications antenna site, extending the agreement for an additional five (5) year period, and increasing the maximum authorized expenditures by an amount not to exceed \$450,264.00.

RESOLUTION NO. 2007 – 46

Vice Chairman Smith next moved that the President & Chief Executive Officer be authorized to deliver a grant contract for CMAQ funds supporting the Bike Racks on Buses program and authorize the execution of a contract with the FTA for the reimbursement of grant funds. Board Member Ortega seconded the Motion. All Board Members present voted their approval.

MOTION NO. 2007 – 25  
RESOLUTION NO. 2007 – 47

Board Member Stewart next moved that the President & Chief Executive Officer be authorized to negotiate, execute and deliver a contract with Sports Works Northwest, Inc. for the purchase of bicycle racks for buses in an amount not to exceed \$1,346,666. Board Member DeMontrond seconded the Motion. All Board Members present voted their approval.

MOTION NO. 2007 – 26  
RESOLUTION NO. 2007 – 48

Board Member Stewart next moved approval of amendments to the employment agreement with President & Chief Executive Officer Frank J. Wilson, in accordance with the terms discussed during Executive Session and as further negotiated by Chairman Wolff. Board Member DeMontrond seconded the Motion. All Board Members present voted their approval.

MOTION NO. 2007 – 27  
RESOLUTION NO. 2007 – 49

Minutes of the Regular Meeting  
of the Metropolitan Transit  
Authority Board of Directors  
May 31, 2007  
Page Five

There being no other matters to come before the Board for consideration,  
the meeting adjourned at 2:01 p.m.

Respectfully submitted,

---

Alva I. Trevino  
Deputy General Counsel  
Acting Board Assistant Secretary