

MINUTES
METROPOLITAN TRANSIT AUTHORITY
BOARD OF DIRECTORS
REGULAR BOARD MEETING
MARCH 27, 2008

The regularly scheduled monthly meeting of the Metropolitan Transit Authority Board of Directors was called to order at 1:35 p.m. by Chairman David S. Wolff. Vice Chairman Gerald Smith and Board Members Burt Ballanfant, George DeMontrond, III, James W. E. Dixon, Carmen Orta, Trinidad Mendenhall Sosa and C. Jim Stewart, III were present and constituted a quorum. Board Secretary Jackie Freeman was absent.

Chairman Wolff first apologized for the late start of the Board meeting, and explained that a previous meeting with members of the area's congressional delegation contributed to the delay. Chairman Wolff then called for approval of the Minutes of the Board Meeting of February 21, 2008. Board Member Orta moved approval of the Minutes. Board Member Stewart seconded the Motion and all Board Members present voted in favor.

MOTION NO. 2008 – 8

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. Rev. Holmes – complained of an operator using his personal cellular phone while driving the bus. He also complimented Transit Police officers for their professionalism and prompt assistance.

David Feeley, Vice President of Operations, explained that METRO has a policy prohibiting the use of personal cellular phones while operating transit vehicles. Operators in violation of the policy are subject to disciplinary action, up to and including discharge.

2. Mr. Hartwell Remsburg – asked that the route numbers displayed on the buses identify the correct destination, and that the numbers be legible. Mr. Remsburg also asked that METRO prohibit bikes on the rail cars, claiming that the bicycles pose a danger to the patrons.

Chairman Wolff responded that several patrons have requested broader acceptance of bikes on rail cars, including the installation of bike racks. Bicycles are currently permitted only during non-peak hours and this approach seems to offer an acceptable compromise.

Mr. Remsburg also asked for clarification of any practice of allowing a passenger to remain on the bus when the bus “lays over” at the end of the route. Mr. Feeley offered to meet with Mr. Remsburg following the Board meeting to provide additional information.

3. Mr. Jim Schickschneit – requested a “citizen’s police academy” comprised of patrons equipped with cellular phones and other communications devices who can quickly alert the transit police when dangerous situations occur on the trains and buses. He commended Transit Police Chief Thomas C. Lambert and his staff for their hard work, and called for expansion of the transit system.

Chief Lambert stated that he would be speaking further with Mr. Schickschneit regarding his ideas for maximizing security throughout the transit system.

4. Ms. Gwendolyn Babineaux – a METROLift patron, stated that she was unable to obtain “subscription” METROLift service from her temporary job with the Livestock Show & Rodeo. Daily calls for rides were unreliable. She described an occasion in which the METROLift van did not arrive to take her home when her work shift ended. Ms. Babineaux said she was informed that her home was outside the service area. She also questioned METROLift’s reliability for transportation needs during the late evening or nighttime.

Chairman Wolff explained that METRO does not have an unlimited service area, and METRO must comply with any applicable regulations for the service that it provides. He suggested that she speak with David Feeley and Art Jackson, METRO’s Director of Transportation Programs for additional information about the METROLift services.

5. Mr. Tom Bazan – complained of the untimely release of information that he has requested pursuant to the Texas Public Information Act. He stated that certain “traffic count” information for Main Street shows significant decreases which demonstrate the negative impact of light rail on area businesses. He asked that more current “traffic count” data be used for environmental impact statements and other reports.

Chairman Wolff acknowledged the short term impact of construction along Main Street. However, light rail has had a very beneficial impact on the Main Street corridor. Main Street improvements have contributed in a revitalization of the downtown area and the anticipated construction of office buildings and high rise residential development. It has greatly improved access to Midtown and to the Texas Medical Center. Chairman Wolff thanked Mr. Bazan for his interest, but suggested that he also consider the long term benefits of rail transit.

Mr. Bazan briefly described his real estate appraisal background and stated his belief that METRORail's harms outweigh its benefits.

Chairman Wolff suggested that he appraise the property along Richmond Avenue before and after the construction of light rail. He expressed confidence that property values will increase.

6. Ms. Kate Lyons – of the Coalition of the Homeless, a non-profit organization that provides services and support for homeless persons. Ms Lyons stated that METRO's new fare structure will cause her agency and similar organizations to spend more money for their client's transportation. She suggested the issuance of one-way tickets, discounts for community-based organizations, re-adjustment of the transfer policy to 3 – 4 hours, or special cards for those with disabilities.

Louise Richman, Chief Financial Officer, referred Ms. Lyons to Jeff Linton, METRO's Director of Revenue. Mr. Linton has been working with the social service agencies so that they can continue to address their clients' transit needs.

Chairman Wolff further explained that the transit fares cover less than 20 percent of operating costs, and the price of fuel has dramatically increased. Thus, METRO is also carefully reviewing its expenditures as it continues to provide affordable services.

7. Mr. Clifton Casimire – complained that bus operators failed to lower the front portion of the bus so that he could board. He also complained of unsafe driving.

Mr. Richard Clarence, Jr. – complained that the senior citizen discount fares, for persons aged 62 to 65, had been discontinued. He also complained that when buses are crowded, there is very poor access to the "back of the bus" device for adding value to the METRO Q Card. As the location of the device is near the exit there is a risk of danger if the patron uses cash.

8. Mr. Mark Hogue – presented his ideas for a new bus route from the Northwest Transit Center to the Texas Medical Center.
9. Mr. Luther Vandenburg – representing a group known as the “Houston Transit Ridership Union”, voiced support for an elevated rail system.
10. Mr. Rudy Sutherland – asked that his firm and a select group of other small business owners be allowed to review and submit comments on the utilization of small and disadvantaged businesses for METRO Solutions, Phase II. He charged that METRO’s Small/Disadvantaged Business Enterprise Program fails to comply with federal regulations

At the conclusion of the public comment portion of the meeting, Mr. Frank Wilson gave his monthly Business Report. Mr. Wilson began his Report with a slide presentation of small and disadvantaged business participation under the existing contract with the METRO Solutions Facility Provider. Approximately \$12 million has been spent, to date, for services provided by eligible small and disadvantaged businesses. This expenditure represents some 28% of the current contract value. Under the current Small and Disadvantaged Business Enterprise Program, some \$55 million has been committed to eligible firms for professional services alone. Mr. Wilson next reported that the Federal Transit Administration has approved METRO’s re-entry into preliminary engineering for the North and Southeast Lines. The timing of the approval represents commitment and cooperation by both parties to proceed in accordance with the METRO Solutions Project schedule. The next milestone is approval of environmental documents and re-issuance of Records of Decisions. Mr. Wilson stated that new federal regulations greatly limit METRO’s ability to provide “special events” transit service. Private carriers are encouraged to register their availability for charter services on the FTA website. Event sponsors must first seek services from private carriers. Effective April 30, transit agencies can provide charter-type services only if there are no private carriers available and capable of performing the work. Mr. Wilson ended his report with special recognition of John Sedlak, METRO’s Executive Vice President, for his selfless dedication, his tremendously hard work, and the grace and distinction of his 25 years of service to METRO. (Mr. Sedlak was then given a standing ovation).

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At the conclusion of the Business Report, Chairman Wolff reported that fiscal year '08 ridership, to date, has increased for local and express bus service, for Park & Ride service, and for METRORail. METRO is carrying out its mission to carry more people.

Chairman Wolff then called for approval of the Summary Agenda containing Agenda Items 5,8,9,10,11,12,13,14, 16, 17 and 18. Board Member Stewart moved approval of the Summary Agenda. The Motion was approved by Vice Chairman Smith and all Board Members present voted in favor.

MOTION NO. 2008 – 9

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

1. Authorization for the President & CEO to negotiate, execute and deliver a substitute letter of credit and other appropriate documents to increase the authorization of the notes that can be issued to \$300 million.

RESOLUTION NO. 2008 - 8

2. Authorization for the President & CEO to execute and deliver contracts with Laguna Construction, with Columbia Environmental Services and other firms for remediation services for a total amount not to exceed \$20 million.

RESOLUTION NO. 2008 – 9

3. Authorization for the President & CEO to execute and deliver contracts with the firms of Wastren Advantage, Inc. and Malcolm Pirnie, Inc. for Environmental Remediation Oversight Services, for a total amount not to exceed \$5 million.

RESOLUTION NO. 2008 – 10

4. Authorization for the President & CEO to negotiate, execute and deliver contracts with the firms of MMC Houston, BRH-Garver Construction, LP, TJ & T Enterprises, Inc., and Reytec Construction Resources, Inc., for the Utility Relocation and Associated Civil Work for a total amount not to exceed \$20 million.

RESOLUTION NO. 2008 – 11

5. Authorization for the President & CEO to negotiate, execute and deliver modifications to the contract with A.O. Phillips and Associates to exercise the option to extend the current contract and increase the maximum authorized expenditures by \$1 million.

RESOLUTION NO. 2008 – 12

6. Authorization for the President & CEO to negotiate, execute and deliver a contract with Sirrus Engineer, Inc., for professional Computer Aided Drafting & Design (CADD) and visualization services, for an amount not to exceed \$500,000.

RESOLUTION NO. 2008 – 13

7. Authorization for the President & CEO to negotiate, execute and deliver a modification to the METRO Solutions Phase 1 Development Agreement, increasing the maximum authorized expenditures for payment of Civil Design Resources by an amount not to exceed \$13.5 million.

RESOLUTION NO. 2008 – 14

8. Authorization for the President & CEO to execute and deliver a modification to the development agreement with Washington Group Transit Management Company for continued management and oversight, to be provided “at-risk”, and to increase the maximum authorized expenditures by an amount not to exceed \$8 million.

RESOLUTION NO. 2008 – 15

9. Authorization for the President & CEO to negotiate, execute and deliver modifications to Personal Service Contracts with Thomas Hemingway and Katherine Barnes, increasing the maximum authorized expenditures under each contract by the not-to-exceed amount of \$187,200.

RESOLUTION NO. 2008 – 16

10. Authorization for the President & CEO to negotiate, execute, and deliver a contract with Zonar Systems for an electronic fleet management system for an amount not to exceed \$1,600,000.00.

RESOLUTION NO. 2008 – 17

11. Authorization for the President & CEO to negotiate, execute, and deliver a five year contract with Greater Houston Transportation Company (GHTC) for METROLift accessible minivan transportation services for an amount not to exceed \$72,473,721.00.

RESOLUTION NO. 2008 – 18

Vice Chairman Smith then moved approval of the Program of Projects for submission to the FTA for Section 5307 federal funding. The projects include certain bus acquisitions, preventive bus maintenance, bus shelters and allocations for designated transit projects to be administered by Harris County, Fort Bend County and Galveston Island Transit. Vice Chairman Smith further moved that the President & CEO be authorized to take such administrative action as necessary for execution and submission of grant agreements for receipt of federal funding for the projects. Board Member DeMontrond seconded the Motion and all Board Members present voted their approval.

MOTION NO. 2008 – 10

RESOLUTION NO. 2008 – 19

As the next item for business, Board Member DeMontrond moved acquisition of a tract of land, consisting of approximately 10.79 acres, located at 6400 Harrisburg Blvd, for transit development, including the construction and operation of a service and inspection facility. A service and inspection facility will provide a central location for service of light rail vehicles in preparation for transit operations. The property will be acquired for an amount consistent with its appraised value. Board Member DeMontrond's motion was seconded by Board Member Orta, and all Board Members present voted in favor.

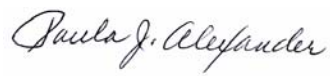
MOTION NO. 2008 – 11

RESOLUTION NO. 2008 – 20

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There being no other matters to come before the Board for consideration, the meeting adjourned at 2:41 p.m.

Respectfully Submitted,

A handwritten signature in cursive script that reads "Paula J. Alexander".

Paula J. Alexander
Assistant Secretary