

MINUTES
METROPOLITAN TRANSIT AUTHORITY
BOARD OF DIRECTORS
REGULAR BOARD MEETING
December 17, 2009

The regularly-scheduled monthly Board of Directors' ("Board") meeting convened and was called to order at 1:25 p.m. by David S. Wolff, Chairman of the Board. Board Members present were George DeMontrond, III, Vice-Chairman of the Board; Mr. Jackie L. Freeman, Board Secretary; and Board Members Mr. Burt Ballanfant, Mr. Terence Fontaine, Ms. Carmen Orta, Ms. Trinidad Mendenhall Sosa, and Mr. C. Jim Stewart, III. The Board Members present constituted a quorum.

Chairman Wolff invited Mr. William Paul Thomas, Chief of Staff for Houston City Council Member Sue Lovell, to address the Board.

Mr. Thomas stated that the Transportation, Infrastructure & Aviation ("TIA") Committee discussed METRO's proposed Business Assistance Plan. Mr. Thomas stated that he believes the plan speaks to lessons learned in the past with rail construction. He then expressed appreciation on behalf of the TIA Committee for METRO's consideration of the plan. Chairman Wolff thanked Mr. Thomas and stated that the plan is part of the Board's commitment to be sensitive to the neighborhoods along the construction path as the project is built out.

Chairman Wolff asked Mr. Thomas if the Committee's statement of support could be taken as an indication that signage exemption requests for businesses along the construction corridors would be looked upon favorably. Mr. Thomas said that there was some concern about the signage with regard to size and nature, but if they were not large and obtrusive there should be no problem with the exemptions. Mr. Thomas concluded by commending the efforts of METRO staff in working with the City on the signage and business assistance-related issues. Board Member Fontaine suggested to Mr. Thomas that the City workers responsible for sign removal may need to be informed about any exemptions so signs would not be erroneously removed. Mr. Thomas stated he would welcome a discussion on the matter with Mr. Fontaine.

Chairman Wolff then invited Mr. Adrian Collins, Community Liaison for Senator Rodney Ellis, to address the Board.

Mr. Collins greeted the Board and informed them that he was present to express Senator Ellis's pleasure that the business assistance program was going forward to help small businesses, particularly in these tough economic times. Chairman Wolff asked Mr. Collins to convey the Board's gratitude to Senator Ellis for Senator Ellis's support.

Chairman Wolff informed Mr. Collins and those present at the meeting that in addition to the proposed Business Assistance Plan, METRO had written into the contract with the facility provider that there will be several million dollars in incentives to encourage sensitivity for communities during the construction process.

Chairman Wolff invited Mr. Clark Martinson, Energy Corridor representative, to speak.

Mr. Martinson thanked the Board for giving him this opportunity to speak. He stated that the Energy Corridor is working as a partner with METRO on the proposed Eldridge Crosstown Circulator that would provide previously-unavailable transportation to the Energy Corridor. Mr. Martinson stated that the Energy Corridor planned to install distinctive, but inexpensive, shelters. Mr. Martinson asked if there was a possibility of METRO facility staff maintaining shelters and stated that he would like to explore the shelter maintenance issue. Mr. Martinson then expressed his desire that hybrid buses be dedicated to the route, and asked if distinctive wrapping or marking of the buses was possible.

Chairman Wolff invited Mr. David Feeley, Senior Vice President of Operations, to address Mr. Martinson's request. Mr. Feeley informed Mr. Martinson that METRO attempts to distribute the hybrid buses to where the riders are located. Mr. Feeley expressed his hope that the ridership of the Eldridge Crosstown Circulator would warrant the allocation of hybrid buses to that route. Mr. Feeley also stated that METRO will work with the Energy Corridor District with respect to requests regarding the shelters.

MOTION NO. 2009 - 44

Chairman Wolff called for a motion for approval of the minutes of the regularly-scheduled Board Meeting of November 19, 2009. Board Member Fontaine moved for approval and Board Member Mendenhall Sosa seconded the motion. All Board Members present voted in favor and the motion to approve the November 19, 2009, minutes passed.

Chairman Wolff invited those members of the public who had requested to speak before the Board to make their individual presentations. The public speakers and their comments are summarized below:

1. **Ms. Regina Goodwin:** Ms. Goodwin began by informing the Board that during the past six weeks, buses on Routes 77, 30, and 6 have all been running red lights. Ms. Goodwin said that two weeks prior, she had seen the Route 30 bus almost "t-bone" another vehicle. She also suggested that articulated buses be placed on Route 82, since there often only standing room on the bus. There are times, too, that one must wait for the next bus. She said this also occurs on Routes 81 and 53. She noted that she has called in several times about the situation and had received no response to her calls.

Chairman Wolff asked Mr. Feeley to respond. Mr. Feeley told Ms. Goodwin he would like to meet with her after the meeting so he could get more details on her statements. He informed her that METRO does not condone bus operators disregarding traffic signals, and that he will

work with METRO Chief of Police Thomas Lambert to make sure something is done about that issue.

Chairman Wolff thanked Ms. Goodwin for taking the time to bring these matters to the Board's attention. Board Member Fontaine asked Ms. Goodwin to whom she complained. Ms. Goodwin said she contacted customer service and left a message for a supervisor to contact her. The supervisor never called and she got tired of complaining.

Frank J. Wilson, President & CEO, advised Mr Feeley that notifications should go to more than one person within METRO. Mr. Feeley said he would follow up on Ms. Goodwin's complaint.

2. **Ms. Hope Vallian**: Ms. Vallian stated that she was before the Board because she was fired from METRO. She feels that she was fired unjustly because of an accident that she had in August 2008. She asked the Board for assistance in getting her job back.

Mr. Wolff said that his information showed that the Union filed a grievance on Ms. Vallian's behalf and the termination action was upheld. He said it appeared from his information that though the Union could have requested further review through arbitration, the Union did not do so. Ms. Vallian said she assumed she was getting proper representation.

Chairman Wolff asked Helen Cavazos, Vice President of Human Resources and Diversity, if she knew why the Union had not followed up on the grievance. Ms. Cavazos stated that as far as she knew, the investigation was conducted and showed that Ms. Vallian was not wearing her seatbelt at the time of the incident and the termination was upheld.

The Chairman invited Mr. Feeley to respond. Mr. Feeley stated that the Transport Workers Union represents this employee and they determined how to proceed. Mr. Feeley asserted that the issue would be better addressed with the Union president, who is present and sitting in the audience. Ms. Cavazos stated that she would have her staff review the file and the circumstances of the termination and follow up on the matter.

The Union President, John Parker, then asked to speak. Mr. Parker stated he was the new union president and when he took office, the time had already lapsed for Ms. Vallian to follow the normal process. He advised her to speak to the Board. Mr. Parker is of the opinion that after his review of the evidence of the accident, it seemed that it was caused by a vehicle running a red light at high speeds. Mr. Parker believes that would have displaced Ms. Vallian from her seat. He also stated he believes that should be taken into consideration as should the fact that Ms. Vallian was in the hospital when the Claims Department spoke to her.

He noted that he did not know why the Union chose not to arbitrate this matter.

Mr. Wilson stated that he did not know what relief Ms. Vallian was seeking, but that he was prepared, if the Board agreed, to suspend the running of limitations with regard to arbitration and allow this matter to go to arbitration.

3. **Mr. Charles Gribble:** When called for his presentation, Mr. Gribble did not appear.
4. **Mr. Jerry Asher:** Mr. Asher told the Board of an incident that occurred while he was riding Route 82 Westheimer bus, Bus Number 3293, on November 23, 2009. On that date, three women were entertaining and talking with the bus operator as Mr. Asher boarded. Mr. Asher took a seat in the front section of the bus, but the seats were blocked by a bicycle. Mr. Asher attempted to call the bus operator's attention to the situation but was ignored, allegedly due to the bus operator's interest in the women. Mr. Asher stated that this continued until he de-boarded. Mr. Asher asserted that he called customer service to complain but got no response.

Chairman Wolff invited Mr. Feeley to respond. Mr. Feeley said that bus operators may permit bicycles on the bus if the bicycle rack is not functioning and space permits. Chairman Wolff asked if the bicycle rack on the front of the bus was working properly. Mr. Feeley responded that he did not know if the bicycle rack was working. However, Senior Director of Operations, Tangee Mobley, had spoken with the operator to remind him that passengers should not stand in front of the yellow line.

5. **Mr. Marion Scott:** When called for his presentation, Mr. Scott did not appear.
6. **Mr. John Brown:** Mr. Brown introduced himself as the owner of Joe Black Barber Shop at 5227 Martin Luther King, Jr. Boulevard. He said he considers himself a valuable member of the community. He conducts a back-to-school drive for neighborhood kids. Mr. Brown identified himself as a former New Orleans resident who came to Houston after Katrina. He expressed his gratitude to the Board members for continuing with the Business Assistance Program.
7. **Mr. Carlton Rouse:** Mr. Rouse stated that he owns Tony's Café at the Palm Center. He asked how long METRO Solutions, Phase II was going to last. He expressed concern about his business's cash flow. Mr. Rouse said he has been there since 1997 and hopes to be around at the completion of the project.

Chairman Wolff asked Kimberly Williams to speak. Ms. Williams stated that METRO is holding monthly workshops at Palm Center on the Southeast Corridor. They will hold community meetings for the other corridors and will communicate with businesses in the areas as the project progresses.

Chairman Wolff referred to his own notes and cited Mr. Rouse's previously-asserted position that he would like to see the program administered as a grant rather than a loan. Chairman Wolff said the Board had heeded those wishes and the program will be a grant program.

8. **Ms. Arga Bourgeois:** Ms. Bourgeois stated that she and her family have owned a health food store in the South Park area for more than 20 years. Ms. Bourgeois said she wanted to express how important the Business Assistance Program is to her personally. She stated that a health food store on Main Street owned by a friend did not survive the rail construction there. Ms. Bourgeois closed her remarks to the Board by expressing both her concern about the rail construction and her appreciation for the Program.

Chairman Wolff then called for the President & CEO's business report.

Mr. Wilson stated that his report for the month consisted of an important observation. Thirty (30) years ago, Thomas Lambert came to METRO and he has since become an institution. Mr. Wilson advised that Chief Lambert is not only a master officer, but he is also a major player in the organization. Mr. Wilson said that while it is one thing to be a good player on the management team, but something else entirely to be recognized in the community, in the city, in the region, and even nationally because it brings respect and credibility to this organization. Mr. Wilson then recalled the officer in Washington D.C. for inaugural activity security who had proven himself to be a hero. Mr. Wilson pointed out that that officer was one of Chief Lambert's men. Mr. Wilson noted that Chief Lambert has held national office with ITS America (Intelligent Transportation Society of America) and he brings professionalism and integrity to the position that he holds.

Mr. Wilson stated that for those reasons, for all he has done, not just for the organization, but for the region and across the country, it is the Board's and Mr. Wilson's privilege to recognize Chief Thomas Lambert's service at METRO. Mr. Wilson presented a plaque to Chief Lambert.

Chief Lambert thanked Mr. Wilson for his kind words and support. He also thanked the current Board and past Boards. The Chief stated that the organization is successful because the Board expects high standards. He said that the Board should be complimented for what it has done for the region. He expressed his gratitude at the opportunity to work with a lot of talented and committed people. He closed by saying that he believes that the things METRO and its management does make the community a better place and he is proud to be a part of it.

Chairman Wolff then invited Mr. Roman Martinez to speak:

Mr. Martinez introduced himself as the President of Texas Taxi. He said he was joined by Marlee Skinner, the new President of Yellow Cab Greater Transportation Company in Houston, and Cletus Newman, the general manager for contract services, and liaison for METRO Lift. Mr. Martinez congratulated Chief Lambert on his many years of service.

Mr. Martinez stated that they had come to honor someone who was a member of the Taxicab, Limousine, and Paratransit Association. Mr. Martinez and his colleagues previously submitted the name of Jim Laughlin to be honored by the Association. [Jim Laughlin was the Director of Transportation Programs prior to his passing.] Mr. Martinez asked that the current Director of Transportation Programs, Auturo "Art" Jackson, receive the award on Mr. Laughlin's behalf. Mr. Martinez informed the Board that this was the first time the Taxicab, Limousine, and Paratransit Association had ever given an award outside the industry and the first time a transit agency employee had ever received the award. Mr. Martinez then read the plaque: "The Taxicab, Limousine, and Paratransit Association Award in recognition of a lifetime of exceptional service and superior leadership in the transportation industry to Mr. Jim Laughlin, Houston METRO, Houston, Texas is awarded the outstanding industry service award by the Taxicab, Limousine and Paratransit Association, October 2009."

Mr. Martinez said that Mr. Laughlin was a pioneer in the industry. Mr. Laughlin was the first person in the country to institute the use of cabs for paratransit service. Mr. Martinez expressed that it was an honor to work with him for many, many years.

MOTION NO. 2009-45

Chairman Wolff called for consideration of the Summary Agenda, which included Agenda Items 6, 8, 9, 10, 12, 13, 14, and 15. Board Member Fontaine moved for approval of the Summary Agenda. Board Member Mendenhall Sosa seconded the Motion and all Board Members present voted in favor of the motion to approve the Summary Agenda.

RESOLUTION NO. 2009-98

Approving amendments to METRO's debt policy.

RESOLUTION NO. 2009-99

Authorization for the President & CEO to execute and deliver a modification to Contract RA0800016 with HDR Engineering, Inc.

RESOLUTION NO. 2009-100

Authorization for the President & CEO to execute and deliver a contract with Durwood Green Construction Company for improvements to the Fort Bend-Kay Road.

RESOLUTION NO. 2009-101

Authorization for the President & CEO to execute, and deliver an amendment to the Utility Reimbursement Agreement with Centerpoint Energy to increase authorized expenditures.

RESOLUTION NO. 2009-102

Authorization for the President & CEO to execute and deliver a contract with Booz Allen Hamilton, Inc. for total procurement services.

RESOLUTION NO. 2009-103

Authorization for the President & CEO to execute and deliver a contract with WJP and Associates, Stewart Investigative Services, and Confidential Research, Inc.

RESOLUTION NO. 2009-104

Authorization for the President & CEO to execute and deliver a modification with Contract CT0800070 with Allied Barton Security Services.

RESOLUTION NO. 2009-105

Authorization for the President & CEO to execute and deliver a contract with Veolia Transportation for delivery of a proactive operations management program.

MOTION NO. 2009- 46

Chairman Wolff called for Board Secretary Freeman to present Agenda Item 5. Board Secretary Freeman moved that the Board of Directors approve the pricing methodologies and subsequent sale of Revenue and Appropriations Bonds and Voted Sales Tax and Use Bonds. Board Vice Chairman Demontrond seconded the motion. The motion was approved by all Board Members present with the exception of Board Member Ballanfant who abstained from the vote.

Subsequent to the vote on the motion, Board Member Ballanfant stated that he abstained from the vote because he believed the pending vote addressed funding on the extension of the East End line from the railroad tracks to termination in Magnolia. He stated that He stated that this extension represented a change in the Board's position with regard to the length of the East End line, which Member Ballanfant believed would affect the funding available for the University line. Mr. Ballanfantfurther noted that he considers the University Line to the principal addition of the five lines being considered. Board Member Ballanfant stated that while he supports construction for the East End, his principal and primary interest is in making sure that the University Line is funded to its fullest extent because he considers the University Line more important than the other lines.

RESOLUTION NO. 2009-106

Approval of the pricing methodologies and subsequent sale of Revenue and Appropriations Bonds and Voted Sales Tax Bonds in an amount not to exceed \$707 Million plus costs of issuance, debt service reserve funding and capitalized interest

MOTION NO. 2009-47

Chairman Wolff called for Board Secretary Freeman to present Agenda Item 11. Secretary Freeman moved that the Board of Directors authorize and direct the President & CEO to develop a METRO Rail Business Assistance Program and execute all necessary instruments for implementation of the program.

RESOLUTION NO. 2009-107

Authorization for the President & CEO to develop the METRO Rail Business Assistance Program for the assistance of small businesses during rail construction.

MOTION NO. 2009-48

Chairman Wolff called for Board Secretary Freeman to present Agenda Item 16. Board Secretary Freeman moved that the Board of Directors approve the addition of the Eldridge Crosstown Circulator to the Section 5316 Job Access/Reverse Commute list of approved projects. Board Member Fontaine seconded the motion. The motion was approved by all Board Members present.

RESOLUTION NO. 2009-108

Approval of the addition of the Eldridge Crosstown Circular to the Section 5316 Job Access/Reverse Commute list of projects.

MOTION NO. 2009-49

Chairman Wolff called for Board Secretary Freeman to present Agenda Item 17. Board Secretary Freeman moved that the Board of Directors authorize and direct the President & CEO to execute a modification to METRO's contract with McDade, Smith, Gould, Johnston, Mason and Company. Board Member Stewart seconded the motion. The motion was approved by all Board Members present.

RESOLUTION NO. 2009-109

Authorization for the President & CEO to execute and deliver a modification to Contract No. LA0500003 with McDade, Smith, Gould, Johnston, Mason and Company.

There being no other matters to come before the Board for its consideration, the meeting adjourned at 2:21 p.m.

Board Member Carmen Orta thanked Chairman Wolff for his leadership and praised the Board as a whole. Ms. Orta additionally thanked Chairman Wolff for guiding the team and helping the Board to take rail forward. Ms. Orta also thanked Mr. Wilson. She wished the Board and those present Happy Holidays.

The next regularly-scheduled Board Meeting is scheduled for January 21, 2009, at 1 p.m.

Minutes of Regular Board Meeting
December 17, 2009

Respectfully submitted,

A handwritten signature in black ink, appearing to read "P. Higgins". The signature is written in a cursive, flowing style with a large initial "P".

Pauline E. Higgins
Senior Vice President and General Counsel
Metropolitan Transit Authority of Harris County, Texas