

MINUTES  
METROPOLITAN TRANSIT AUTHORITY  
OF HARRIS COUNTY, TEXAS  
BOARD OF DIRECTORS  
REGULAR BOARD MEETING  
May 18, 2010

The regularly scheduled monthly meeting of the Metropolitan Transit Authority Board of Directors was called to order at 1:23 p.m. by Chairman Gilbert A. Garcia. Vice Chairman Allen Watson, Board Secretary, Jackie L. Freeman, and Board Members Burt Ballanfant, Judge Dwight Jefferson, Trinidad Mendenhall-Sosa, Carrin Patman, Christof Spieler, and C. Jim Stewart, III were present and constituted a quorum.

Chairman Garcia first called for approval of the Minutes of the Special Board meeting of April 7, 2010, the Regular Monthly Board meeting of April 15, 2010 and the Special Board meeting of April 22, 2010. Board Member Stewart moved for approval of the Minutes. The Motion was seconded by Board Member Mendenhall-Sosa and all Board Members present voted in favor.

MOTION NO. 2010 – 33

Chairman Garcia 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. David Thorne - Mr. Thorne commented that he represents the Urban Mass Transit Union. He complained that METRO has refused to acknowledge his organization as a representative body for METRO bargaining unit personnel.

2. Mr. Hartwell Remsburg- Mr. Remsburg expressed his disapproval of allowing bicycles on the light rail trains. He believes the bicycles pose a danger to passengers. He also commented that a bus operator had previously refused to give him his name after an incident on the bus.

John Sedlak, METRO's Executive Vice President asked that Mr. Remsburg provide additional information about the time of the incident. He offered to meet with Mr. Remsburg after this meeting.

3. Mr. James Harrell – was discharged from his position of Bus Operator some 14 years ago for being absent without leave. Mr. Harrell stated that he was absent due to his arrest. He stated that he recognized his mistake and requested another opportunity to work for METRO.

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4. Ms. Delaina Godchaux - Ms. Godchaux applied for a job with METRO but was not hired. She stated that she took a test when she applied for employment, but feels that she had not been treated fairly.

Ms. Godchaux was referred to the Human Resources Department for further information.

5. Pastor Andrew Lehoang – Pastor Lehoang commented that he is associated with several community organizations and is a partner in the Wheeler Watch Clinic. He stated that he has seen a decrease of business along the Main Street Line and the transitioning of the community. He would like to participate in discussions about “metropolitanization” and “suburbanization”. He extended an invitation to the Board for an anniversary party at the Ocean Palace on Bellaire Boulevard.

6. Mr. Barry Klein - Mr. Klein represents the Houston Property Rights Association and an ad hoc group called “Buses are Better”. He is concerned about downtown congestion with the construction of additional rail stations. Mr. Klein commented that he did not think that five minute headways for the light rail can be achieved in this operating environment. He suggested further investigation of this matter.

David Couch, METRO’s Managing Director Metro Solutions offered to review the materials referenced by Mr. Klein and have further discussions.

7. Mr. Peter Dickson - Mr. Dickson is concerned about the number of stations and pedestrian cross walks in the Midtown area on Main Street, and that the area is a wasteland. He would like METRO to consider a different model for METRORail.

Chairman Garcia then called upon the Acting President & CEO, George Greanias, for his business report.

Mr. Greanias began his business report by stating that Reed Richmond had received notification of the audit opinion from KPMG. He stated that in accounting terms, the report received a “clean” opinion. The information has been posted on the METRO website. Mr. Greanias also stated, as reported in the press, that METRO has responded to the FTA on its concerns about Buy America compliance. Mr. Greanias

acknowledged those persons who assisted in drafting the response. He described the response as factual and accurate. Mr. Greanias also thanked Chairman Garcia for drafting a second letter to the FTA. Mr. Greanias emphasized that the message is the same- that METRO will do whatever is necessary to comply with FTA requirements to insure execution of a Full Funding Grant Agreement.

Mr. Greanias described METRO's single biggest resource as its employees. Mr. Greanias acknowledged the recent award, by the American Public Transportation Association in its 35<sup>th</sup> International Bus Roadeo, to bus operator Frank Gonzalez. Mr. Gonzalez won the title of Number One Bus Operator in North America, and first place in the customer service competition. Mr. Greanias also acknowledged the bus maintenance team, Mr. Van Ho, Mr. Khanh Nguyen, and Mr. David Tat, who placed ninth in the competition. Mr. Greanias thanked these gentlemen for their combined efforts for achieving second place in the overall competition. Mr. Greanias also acknowledged six former first and second place winners who brought recognition to the organization in the past. Mr. Greanias revealed that Mr. Gonzalez will be honored by having his likeness placed on a METRO bus.

As the next item for business, Chairman Garcia called for consideration of the Consent Agenda containing Agenda Items 9, 10 and 11. Board Member Stewart moved for approval of the Consent Agenda. The motion was duly seconded by Board Member Ballanfant and all Board Members present voted in favor.

MOTION NO. 2010 – 34

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

Authorization for the President & CEO to negotiate, execute and deliver a requirements contract with Siemens Industry, Inc., for S70 Light Rail brake parts for an amount not to exceed \$1,432,658.21.

RESOLUTION NO. 2010 – 29

Authorization for the President & CEO to negotiate, execute and deliver requirements contracts for the purchase of Knorr Brake Corporation for 70 Light Rail brake parts for an amount not to exceed \$346,174.13.

RESOLUTION NO. 2010 – 30

Authorization the President & CEO to negotiate, execute and deliver a requirements contract with ADA Resources for Engine Oil for METRO buses for an amount not to exceed \$301,895.00.

RESOLUTION NO. 2010 – 31

Chairman Garcia next asked for consideration of items on the Non-Consent Agenda.

Judge Jefferson moved authorization for the President & CEO to approve the resolution for issuance of Contractual Obligations in an amount not to exceed \$42 million, plus associated issuance costs and debt service reserve funding. He further moved that the Board approve the sale of methodology for the pricing and sale of the contractual obligations. Judge Jefferson moved authorization to engagement of Siebert Brandford Shank as lead underwriters for the issuance, and CITI, RBC Capital Markets and Ramirez & Company as co-managing underwriters for issuance of the obligations

The motion was duly seconded by Board Secretary Freeman and all Board Members present voted in favor.

MOTION NO. 2010 – 35  
RESOLUTION NO. 2010 – 32

Judge Jefferson moved authorization for the President and CEO to approve the extension of the General Mobility Program agreement between the City of Houston and METRO, through June 30, 2010.

The motion was duly seconded by Board Member Patman and all Board Members present voted in favor.

MOTION NO. 2010 – 36  
RESOLUTION NO. 2010 – 33

Board Member Ballanfant moved authorization for the President & CEO to execute and deliver an Advanced Funding Agreement with the Texas Department of Transportation for the construction of US-290 Diamond Lanes and approval of funding for design and construction for an amount not to exceed \$687,092.00

The motion was duly seconded by Board Member Stewart and all Board Members present voted in favor.

MOTION NO. 2010 – 37  
RESOLUTION NO. 2010 – 34

Board Member Ballanfant moved approval of funding in an amount not to exceed \$4.4 million for activities through September 30, 2011, in support of the METRO Solutions Facility Provider's Small Business/Disadvantaged Business Program. Staff will report to the Board on the status of the Workforce Training Program before the end of the fiscal year.

The motion was duly seconded by Board Member Freeman and all Board Members present voted in favor.

Judge Jefferson commended David Couch and staff on the progress of the Small and Disadvantaged Business Program.

Board Member Ballanfant commended Judge Jefferson on his chairmanship of the Finance and Audit Committee, and noted that last month's sales tax receipts exceeded budget estimates.

MOTION NO. 2010 – 38  
RESOLUTION NO. 2010 – 35

Board Member Carrin Patman moved approval and declaration of the policy that all METRO Records are the property of METRO and that the unauthorized destruction, removal or use of such records is prohibited. Board Member Patman moved approval and declaration of the policy that all METRO records be managed in accordance with the Local Government Records Act and accepted records management practices, and adoption of appropriate records control schedules as issued by the Texas State Library and Archives Commission. She further moved designation of Terence Fontaine, METRO's Vice President of System Performance & Compliance, as METRO's Records Management Officer, who shall be responsible for ensuring compliance with the requirements of the local government records act. The Records Management Policy and all appropriate compliance documents must be forwarded to the State as required by law. Additionally, Board Member Patman moved that the Records Management Officer report back to the Board after 90 days on the status of the implementation of the policy.

The motion was duly seconded by Board Secretary Freeman and all Board Members present voted in favor.

MOTION NO. 2010 – 39  
RESOLUTION NO. 2010 – 36

Board Member Spieler then moved authorization for the President & CEO to implement a revised e-mail management strategy, and allocation of funds in the not to exceed amount of \$441,000.00, for acquisition of hardware and software for enhanced storage capacity. He further moved authorization to fill a staff vacancy for the position of Server Support Specialist IV and that the President & CEO take such administrative action as necessary to implement the e-mail management strategy.

The motion was duly seconded by Board Member Patman and all Board Members present voted in favor.

MOTION NO. 2010 – 40  
RESOLUTION NO. 2010 – 37

At 2:05 p.m., Chairman Garcia convened the Board into **EXECUTIVE SESSION** pursuant to Texas Government Code §551.072, §551.074 and §551.076 to consult with its attorneys on pending or potential litigation, including Lloyd Kelley v. Frank J. Wilson, et al, and Pauline Higgins v. Frank J. Wilson, et al, legal matters in which the attorneys' duties are governed by the State Bar of Texas, deliberations on attorneys' fees and consultant fees for pending or potential litigation; real estate matters; personnel matters; security matters and devices; and any legal issues regarding contract negotiations that may result in potential litigation.

At 3:35 p.m., Chairman Garcia re-convened the Board Meeting into public session. Chairman Garcia called for consideration of any other matters.

Board Member Ballanfant stated that in 2001, METRO purchased a 6.3 acre tract of land at the northwest corner of Fannin Street South and West Belfort for future transit development. METRO's property is adjacent to a 109 acre tract of land owned by 8<sup>th</sup> Wonder Property, LP. Acquisition of a 1.6 acre tract out of the property owned by 8<sup>th</sup> Wonder Property, LP will provide for a better configuration for development of a light rail platform and station. 8<sup>th</sup> Wonder Property, LP is willing to convey the property to METRO in exchange for METRO's conveyance, to 8<sup>th</sup> Wonder Property, LP, of a 1.6 acre tract from METRO's parcel. 8<sup>th</sup> Wonder Property, LP is also willing to donate to METRO, 0.683 acres along West Belfort.

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Board Member Ballanfant moved that the President & CEO be authorized and directed to negotiate, execute and deliver appropriate exchange agreements to effectuate these transactions. He further moved that this action be contingent upon final review and approval by the Chairman as discussed in Executive Session.

The Motion was seconded by Board Secretary Freeman and all Board Members present voted in favor.

MOTION NO. 2010 – 41  
RESOLUTION NO. 2010 – 38

There being no other matters to come before the Board, Board Secretary Freeman moved to adjourn. The Motion was seconded by Board Member Mendenall-Sosa. All Board Members voted in favor and the meeting adjourned at 3:40 p.m.

MOTION NO. 2010 – 42

The next regularly-scheduled Board Meeting is scheduled for June 17, 2010.

Respectfully submitted,



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Paula J. Alexander  
Assistant Secretary