

MINUTES  
METROPOLITAN TRANSIT AUTHORITY  
OF HARRIS COUNTY, TEXAS  
BOARD OF DIRECTORS  
REGULAR BOARD MEETING  
DECEMBER 17, 2010

MOTIONS - 2010 - 84 to 2010 - 91  
RESOLUTIONS - 2010 - 95 to 2010 - 106

Presiding - Chairman of the Board, Gilbert A. Garcia, CFA (City of Houston)

Board Members Present:

Vice Chairman Allen D. Watson  
(City of Houston)  
Burt Ballanfant (Multi-Cities)  
Honorable Dwight Jefferson  
(City of Houston)  
Trinidad Mendenhall Sosa (Harris County)  
Carrin F. Patman (City of Houston)  
Gary Stobb (Harris County)  
Christof Spieler (City of Houston)

Board Member Absent:

C. Jim Stewart, III (Multi-Cities)

The Regular Board Meeting of the Metropolitan Transit Authority Board of Directors was called to order at 9:20 a.m. by Chairman Gilbert A. Garcia.

MOTION NO. 2010 - 84

Chairman Gilbert A. Garcia called for a Motion for approval of the Minutes of the Regular Board Meeting of November 18, 2010. Board Member Carrin F. Patman moved for approval of the minutes. The Motion was seconded by Vice Chairman Allen D. Watson. All Board Members present voted in favor.

Public Speakers:

1. Mr. Andrew Jackson - Mr. Jackson stated that he would like METRO to bring back the all day bus pass.
2. Reverend Holmes - No show.
3. Mr. Herman Williams - Expressed his opinion that Houston's rail lines should be elevated as they are in Chicago.

4. Mr. Mark Smith - Expressed his dissatisfaction with METRO's service and the two-hour transfer window on the Q-Card.
5. Mr. Roger Boykins - Expressed his support for a weekly bus pass.
6. Ms. Dorothy Rucker - No show.
7. Mr. Joseph Charles - No show.
8. Mr. Mark Hogue - Advocated for stand-by buses in case a bus breaks down.
9. Ms. Patricia Martin - Ms. Martin complained that she had received two tickets for failure to have validated rail fare and that this has caused her hardship because she is visually impaired.

Following the Public Comment portion of the meeting, Chairman Garcia called upon Mr. George Greanias for the President & CEO's Monthly Business Report.

Mr. Greanias updated the Board on progress made with improving METRO's relationship with the Federal Transit Agency, including the positive response received in meetings with the FTA. Mr. Greanias reported on the very positive news that METRO had just received a \$50 million advance on grant funding. He also reported METRO's recent receipt of a gold standard rating from the Transportation Safety Administration for security and preparedness actions.

Mr. Greanias also reported on the partnering initiative with the Texas Children's Hospital to cooperate in completing construction of a major pedestrian bridge over the Main Street Rail Line. He reported on METRO's holiday activities, including the Theater Under the Stars promotion of "How the Grinch Stole Christmas," METRO's partnership with MD Anderson Hospital for creation of METRO's annual Christmas card, and METRO's Blue Santa gift giving program with local hospitals. Mr. Greanias also commended the creativity of the staff in decorating the buses for the bus decorating contest.

Mr. Greanias reported on the leadership development initiative headed by Paula Alexander and the task force that will help with METRO's hosting of the 2014 APTA Conference and Expo. Mr. Greanias introduced Sue Bailey as METRO's new Chief Financial Officer. Mr. Greanias concluded with reporting on customer service items including completion of METRO's 100<sup>th</sup> bus shelter, and the extension of the transfer window.

Following the President & CEO's report, Chairman Garcia called for committee reports.

Board Member Jefferson, Chair of the Finance and Audit Committee, updated the Board on sales tax revenue, general fund, capital, and debt reports. He also recommended two action items that were presented to his committee for approval by the Board -- a contract for Smart Cards and the issuance of Commercial Paper.

Chairman Garcia then called for consideration of the Consent Agenda, containing Agenda Items 6, 7, 8, and 9. A Motion for passage of the Consent Agenda was made by Board Member Sosa and seconded by Board Member Jefferson.

All Board Members present voted in favor of the passage of the items on the Consent Agenda. The following items were passed on the Consent Agenda:

MOTION NO. 2010 - 85

RESOLUTION NO. 2010 - 95: Appointment of Rosa E. Diaz as Assistant Secretary to the Board.

RESOLUTION NO. 2010 - 96: Approval of a 3-year requirements contract to purchase additional Smart Cards and Portable Agency Point-of-Sale devices from ACS Transport Solutions, Inc.

RESOLUTION NO. 2010 - 97: Amending METRO's Investment Policy to reflect changes in personnel, and appointing Susan Bailey as an investment officer.

RESOLUTION NO. 2010 - 98: Revising the list of persons authorized to transfer and withdraw funds from banking institutions on METRO's behalf.

Chairman Garcia then called for consideration of Item 10 on the agenda. A Motion for the passage of this item was made by Board Member Jefferson and was seconded by Board Member Sosa. All Board Members present voted in favor.

MOTION NO. 2010 - 86

RESOLUTION NO. 2010 - 99: Approving the extension of time for making a transfer during a transit trip from two hours to three hours.

Chairman Garcia then called for consideration of Item 11 on the agenda. A Motion for the passage of this item was made by Board Member Ballanfant and was seconded by Board Member Spieler. All Board Members present voted in favor.

MOTION NO. 2010 - 87

RESOLUTION NO. 2010 - 100: Authorizing and directing the President & CEO to execute and deliver a Master Operations Maintenance Agreement and Tolling Agreement with the Texas Department of Transportation for High Occupancy Toll Lanes.

Chairman Garcia then called for consideration of Items 12 and 13 on the agenda. A Motion for the passage of these items was made by Board Member Jefferson and was seconded by Board Member Spieler. All Board Members present voted in favor.

MOTION NO. 2010 - 88

RESOLUTION NO. 2010 - 101: Declaring intention to reimburse expenditures relating to METRO Rail Expansion; Ratifying and confirming prior reimbursement resolutions; making a finding with respect to the Commercial Paper Notes, Series A.

RESOLUTION NO. 2010 - 102: Increasing the President & CEO's authority to approve the issuance of commercial paper from \$200 million to \$350 million to provide cash flow support for capital expenditures for the expansion of METRO Rail pending issuance of additional voter authorized sales tax bonds.

Chairman Garcia then called for consideration of Items 14 and 15 on the agenda. A Motion for the passage of these items was made by Board Member Ballanfant and was seconded by Board Member Sosa. All Board Members present voted in favor.

MOTION NO. 2010 - 89

RESOLUTION NO. 2010 - 103: Authorizing and approving an amendment to the Fiscal Year 2011 Capital Improvement Program budget by increasing the METRO Rail expansion budget from \$143,571,000 to \$156,071,000 for the Southeast, North, and Rail Operations Center expansion.

RESOLUTION NO. 2010 - 104: Authorizing and approving an amendment to the Fiscal Year 2011 Capital Improvement Program budget by increasing the METRO Rail Expansion University Line budget from \$156,071,000 to \$158, 071,000 and authorizing \$605,000 of these funds for private utility coordination and engineering.

Chairman Garcia then called for consideration of Item 17 on the agenda. A Motion for the passage of this item was made by Board Member Ballanfant and was seconded by Board Member Patman. All Board Members present voted in favor.

MOTION NO. 2010 - 90

RESOLUTION NO. 2010 - 105: Approving METRO's use of the competitive negotiation provisions permitted under Article 451.110 of the Texas Transportation Code for the procurement of light rail vehicles.

At 10:54 a.m., Chairman Garcia convened the meeting into EXECUTIVE SESSION, pursuant to the Texas Government Code §551.071, §551.072, §551.074, and §551.0763 to consult with the Board's attorneys regarding pending or potential litigation, including Cause No. 2010-24578, Higgins v. Wilson, et al, legal matters in which the attorneys' duties are governed by the State Bar of Texas Code of Conduct; deliberations pursuant to the Act, to deliberate the purchase, lease, exchange or value of real property; personnel matters, security matters and devices, and legal issues regarding contract negotiations that may result in potential litigation.

The regular Board meeting re-convened into public session at 11:29 a.m.

Chairman Garcia then called for consideration of Item 16 on the agenda. A Motion for the passage of this item was made by Board Member Ballanfant and was seconded by Board Member Sosa. All Board Members present voted in favor.

MOTION NO. 2010 - 91

RESOLUTION NO. 2010 - 106: Ratifying the settlement agreement with Houston LRV 100, LLC, a joint venture between Parsons Transportation and CAF USA, Inc. and authorizing the President & CEO to negotiate the final terms and conditions of the settlement agreement and terminating contract number CT0800138 for the purchase of 103 light rail vehicles and contract number CT0900044 for the purchase of two light rail vehicles.

There being no other matters to come before the Board, Vice Chairman Watson moved to adjourn. Board Member Spieler seconded the Motion. All Board Members voted in favor.

The meeting adjourned at 11:29 a.m.

Respectfully submitted,



---

Alva I. Treviño  
Acting General Counsel and  
Assistant Secretary