

A RESOLUTION

APPROVING AND ACCEPTING THE JULY 2021 WORKING COMMITTEE REPORTS, FINANCIAL AND INVESTMENT REPORTS, AND MAKING FINDINGS AND PROVISIONS RELATED TO THE FOREGOING SUBJECT

WHEREAS, certain committees of the Metropolitan Transit Authority of Harris County, Texas Board of Directors (the "Board of Directors") held meetings in July 2021; and

WHEREAS, each such committee has provided the Board of Directors with a monthly committee report; and

WHEREAS, the materials for this meeting of the Board of Directors include certain finance and audit-related reports and supporting documents, including the Compliance Report for the period ended June 30, 2021, the July 2021 Sales & Use Tax Report, the June 2021 Investment Report, the June 2021 Debt Report, the June 2021 Monthly Performance Report, and the Monthly Report of the Chief Financial Officer dated July 15, 2021 (collectively, the "Finance and Audit materials"); and

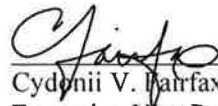
WHEREAS, the Board of Directors has reviewed such materials, including the June 2021 Investment Report.

NOW, THEREFORE, BE IT RESOLVED THAT:

Section 1. The Board of Directors hereby approves and accepts the July 2021 Finance and Audit Committee, Administration Committee, Capital and Strategic Planning Committee and Public Safety, Customer Service & Operations Committee monthly reports and the Finance and Audit materials, including the June 2021 Investment Report.

Section 2. This Resolution is effective immediately upon passage.


I hereby certify that the above resolution is accurate in describing the action herein of the Board of Directors on the date below.



Cydonii V. Fairfax
Executive Vice President & General Counsel

PASSED this 22nd day of July, 2021
APPROVED this 22nd day of July, 2021

ATTEST:



Recca Perry
Assistant Secretary





Carrin F. Patman
Chair

A RESOLUTION

AUTHORIZING THE PRESIDENT & CEO TO EXECUTE A CONTRACT WITH CUMMINS, INC. FOR THE PURCHASE AND DELIVERY OF TURBOS AND ACTUATORS FOR METRO TRANSIT VEHICLES, AND MAKING FINDINGS AND PROVISIONS RELATED TO THE FOREGOING SUBJECT

WHEREAS, the Metropolitan Transit Authority of Harris County, Texas ("METRO") requires the purchase and delivery of turbos and actuators for METRO transit vehicles; and

WHEREAS, METRO issued an Invitation for Bids for such turbos and actuators and Cummins, Inc. was the lowest responsive and responsible bidder of all those that submitted bids; and


WHEREAS, based on the foregoing, management recommends that METRO enter into a two (2) year contract with Cummins, Inc. for the purchase and delivery of turbos and actuators for METRO transit vehicles, with a maximum contract amount of \$319,638.44.

NOW, THEREFORE, BE IT RESOLVED THAT:

Section 1. The METRO Board of Directors hereby authorizes the President & CEO to execute a two (2) year contract with Cummins, Inc. for the purchase and delivery of turbos and actuators for METRO transit vehicles, with a maximum contract amount of \$319,638.44.

Section 2. This Resolution is effective immediately upon passage.

I hereby certify that the above resolution is accurate in describing the action herein of the Board of Directors on the date below.



Cydonii V. Fairfax
Executive Vice President & General Counsel


PASSED this 22nd day of July, 2021
APPROVED this 22nd day of July, 2021

ATTEST:



Recca Perry
Assistant Secretary





Carrin F. Patman
Chair

A RESOLUTION

AUTHORIZING THE PRESIDENT & CEO TO EXECUTE A CONTRACT WITH M&D DISTRIBUTORS FOR THE PURCHASE AND DELIVERY OF TURBOS AND ACUTATORS FOR METRO TRANSIT VEHICLES, AND MAKING FINDINGS AND PROVISIONS RELATED TO THE FOREGOING SUBJECT

WHEREAS, the Metropolitan Transit Authority of Harris County, Texas ("METRO") requires the purchase and delivery of turbos and actuators for METRO transit vehicles; and

WHEREAS, METRO issued an Invitation for Bids for such turbos and actuators and M&D Distributors was the lowest responsive and responsible bidder of all those that submitted bids; and


WHEREAS, based on the foregoing, management recommends that METRO enter into a two (2) year contract with M&D Distributors for the purchase and delivery of turbos and actuators for METRO transit vehicles, with a maximum contract amount of \$835,461.16.

NOW, THEREFORE, BE IT RESOLVED THAT:

Section 1. The METRO Board of Directors hereby authorizes the President & CEO to execute a two (2) year contract with M&D Distributors for the purchase and delivery of these turbos and actuators for METRO transit vehicles, with a maximum contract amount of \$835,461.16.

Section 2. This Resolution is effective immediately upon passage.

I hereby certify that the above resolution is accurate in describing the action herein of the Board of Directors on the date below.



Cydonii V. Fairfax
Executive Vice President & General Counsel

PASSED this 22nd day of July, 2021
APPROVED this 22nd day of July, 2021

ATTEST:



Recca Perry
Assistant Secretary





Carrin F. Patman
Chair

A RESOLUTION

AUTHORIZING THE PRESIDENT & CEO TO EXECUTE A CONTRACT WITH SIEMENS MOBILITY, INC. FOR THE PURCHASE AND DELIVERY OF TIRE KITS FOR METRO RAIL VEHICLES, AND MAKING FINDINGS AND PROVISIONS RELATED TO THE FOREGOING SUBJECT

WHEREAS, the Metropolitan Transit Authority of Harris County, Texas ("METRO") requires the purchase and delivery of tire kits for METRO rail vehicles; and

WHEREAS, METRO issued an Invitation for Bids for such tire kits and Siemens Mobility, Inc. was the lowest responsive and responsible bidder of all those that submitted bids; and

WHEREAS, based on the foregoing, management recommends that METRO enter into a one (1) year contract with Siemens Mobility, Inc. for the purchase and delivery of the tire kits for METRO rail vehicles, with a maximum contract amount of \$259,800.

NOW, THEREFORE, BE IT RESOLVED THAT:

Section 1. The METRO Board of Directors hereby authorizes the President & CEO to execute a one (1) year contract with Siemens Mobility, Inc. for the purchase and delivery of the tire kits for METRO rail vehicles, with a maximum contract amount of \$259,800.

Section 2. This Resolution is effective immediately upon passage.

I hereby certify that the above resolution is accurate in describing the action herein of the Board of Directors on the date below.



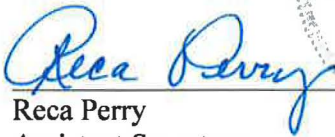
Cydonii V. Fairfax

Executive Vice President & General Counsel

PASSED this 22nd day of July, 2021

APPROVED this 22nd day of July, 2021

ATTEST:



Recca Perry
Assistant Secretary



Carrin F. Patman
Chair

A RESOLUTION

AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF METROPOLITAN TRANSIT AUTHORITY OF HARRIS COUNTY, TEXAS SALES AND USE TAX REFUNDING BONDS, TAXABLE SERIES 2021A FOR THE PURPOSE OF REFUNDING CERTAIN PRIOR BONDS AS FURTHER DESCRIBED HEREIN IN AN AMOUNT NOT TO EXCEED \$40,000,000 (WHICH INCLUDES COSTS OF ISSUANCE) AND THE EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT, PAYING AGENT/ REGISTRAR AGREEMENT, ESCROW AGREEMENT AND OTHER RELATED AGREEMENTS; AUTHORIZING THOMAS C. LAMBERT AND ARTHUR C. SMILEY, III AND, EXCEPT FOR PURPOSES OF EXECUTING AN OFFICER'S PRICING CERTIFICATE, THEIR DESIGNEES AS AUTHORIZED REPRESENTATIVES TO APPROVE THE AMOUNT, INTEREST RATES, PRICE AND TERMS THEREOF AND CERTAIN OTHER PROCEDURES AND PROVISIONS RELATED THERETO AND TO EXECUTE DOCUMENTS RELATING TO THE ISSUANCE, SUBJECT TO THE TERMS, LIMITATIONS AND CONDITIONS SET FORTH HEREIN; AND CONTAINING OTHER MATTERS RELATED THERETO

WHEREAS, the Metropolitan Transit Authority of Harris County, Texas (the "Authority" or "METRO") was created pursuant to Chapter 141, Acts of the 63rd Legislature of the State of Texas, Regular Session, 1973 (Article 1118x, Vernon's Texas Civil Statutes, as amended, now codified as Chapter 451, Texas Transportation Code, as amended (the "Authority Act")), and was confirmed at a confirmation and tax election held on August 12, 1978, in accordance with the Authority Act; and

WHEREAS, on November 4, 2003, there was held within and throughout the boundaries and service area of the Authority a special election (the "Special Election") at which there was submitted to the duly qualified voters of the Authority a proposition for the issuance of bonds, notes and other obligations in the aggregate principal amount not to exceed \$640,000,000, for the acquisition, construction, repair, equipment, improvement or extension of the Authority's transit authority system, including the METRO Solutions Plan, approval of such plan and construction of the METRORail and the commuter line components thereof, and the dedication of 25% of Authority's sales and use tax revenues through September 30, 2014 for street improvements, mobility projects and other facilities, all as more fully set forth in the proposition (the "Proposition"), as authorized by law and with no increase in the then current rate of the Authority's sales and use tax; and

WHEREAS, on November 12, 2003, the Board of Directors (the "Board") of the Authority canvassed the Special Election and determined that the Proposition had been approved by a majority of qualified voters voting at the Special Election; and

WHEREAS, on November 5, 2019, there was held within and throughout the boundaries and service area of the Authority a special election (the "Special Election") at which there was

submitted to the duly qualified voters of the Authority a proposition for the issuance of bonds, notes and other obligations in the aggregate principal amount not to exceed \$3,500,000,000, for the acquisition, construction, repair, equipment, improvement and/or extension of the Authority's transit authority system, including the METRONEXT plan, and the dedication of 25% of Authority's sales and use tax revenues through September 30, 2040 for street improvements, mobility projects and other facilities and services, all as more fully set forth in the proposition (the "2019 Proposition"), as authorized by law and with no increase in the then current rate of the Authority's sales and use tax; and

WHEREAS, on November 18, 2019, the Board of Directors (the "Board") of the Authority canvassed the Special Election and determined that the 2019 Proposition had been approved by a majority of qualified voters voting at the Special Election; and

WHEREAS, the Board of the Authority has heretofore issued its Metropolitan Transit Authority of Harris County, Texas, Sales and Use Tax Bonds, Series 2009A; Sales and Use Tax Bonds, Series 2009C; Sales and Use Tax Bonds, Series 2011A; Sales and Use Tax Bonds, Series 2015A; Sales and Use Tax Refunding Bonds, Series 2016A; Sales and Use Tax Bonds, Series 2016C; Sales and Use Tax Refunding Bonds, Series 2017A; Sales and Use Tax Refunding Bonds, Series 2019A, Sales and Use Tax Refunding Bonds, Taxable Series 2019B, and Sales and Use Tax Refunding Bonds, Taxable Series 2020A (collectively, the "Prior Bonds"); and

WHEREAS, the Authority is authorized by Chapter 451.359, Texas Transportation Code, and Chapter 1207, Texas Government Code, as amended, to issue its sales and use tax bonds for the purpose of refunding certain of the Prior Bonds to be further designated in the Officer's Pricing Certificate attached hereto as Exhibit A (the "Refunded Bonds"), and to accomplish such refunding by entering into an escrow agreement with a paying agent for any of the obligations to be refunded and depositing proceeds of such refunding bonds, together with other available funds, in such amounts as will be sufficient to provide for the scheduled payment of the Refunded Bonds, and such deposits shall constitute the making of firm banking and financial arrangements for the discharge and final payment of the Refunded Bonds; and

WHEREAS, the Board deems it necessary and advisable for the Authority to enter into an escrow agreement with Wells Fargo Bank, N.A., as escrow agent (the "Escrow Agent"), as authorized in said Chapter 1207, pursuant to which proceeds of the revenue bonds as herein authorized, and other available funds, will be deposited, invested and applied in a manner independently certified by a verification agent to be sufficient to provide for the full and timely payment of all principal of and interest on the Refunded Bonds; and

WHEREAS, the Authority is authorized to purchase certain direct obligations of the United States of America in the open market and/or subscribe for certain book entry United States Treasury certificates of indebtedness, notes and bonds and other obligations pursuant to the resolution authorizing the Refunded Bonds, to be purchased with a portion of proceeds of the revenue refunding bonds herein authorized, all for deposit into the escrow authorized pursuant to this Resolution; and

WHEREAS, the Board now deems it necessary and advisable to authorize, issue and deliver its Sales and Use Tax Refunding Bonds, Taxable Series 2021A (the "Bonds") as authorized

pursuant to Chapter 1207 of the Texas Government Code, as amended and Section 451.359 of the Texas Transportation Code, as amended to (a) refund the Refunded Bonds and (b) pay costs of issuance of the Bonds; and

WHEREAS, the Board of the Authority has determined that the issuance of the Bonds to redeem the Refunded Bonds is in the best interests of the Authority, and will benefit the Authority and further, the Authority hereby finds and determines that (a) the manner in which the refunding of the Refunded Bonds is being executed does not make it practical to make the determination required by Section 1207.008(a) of the Texas Government Code; and

WHEREAS, pursuant to Chapters 1207 and 1371, Texas Government Code, as amended, the Board desires to delegate the authority to effect the sale of and approve final terms of the Bonds to the Authorized Representatives of the Authority referred to herein.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Definitions. Throughout this Resolution the following terms and expressions as used herein shall have the meanings set forth below:

“2019 Proposition” has the meaning provided in the recitals hereto.

“Acts” means, together, Chapters 1201, 1207 and 1371, Texas Government Code, as amended, and Sections 451.352 and 451.359, Texas Transportation Code, as amended.

“Additional Obligations” means any bonds, notes or other debt obligations (including capital lease obligations and obligations to make deferred payments for goods and services in furtherance of METRO Solutions Phase 2, which deferred payments have been assigned to a third party and used to make payments to owners of public securities) which the Authority reserves the right to issue or incur in Section 32 of this Resolution, which are secured by a senior lien on Pledged Revenues.

“Adjustable Rate Obligations” means any Senior Lien Obligations that initially bear interest at an adjustable or variable rate of interest, including Adjustable Rate Obligations which may be, but have not yet been, converted to Senior Lien Obligations bearing a fixed rate of interest.

“Attorney General” means the Attorney General of Texas.

“Authority” means the Metropolitan Transit Authority of Harris County, Texas.

“Authority Act” has the meaning provided in the recitals hereto.

“Authorized Representative” means the Chief Executive Officer of the Authority, the Chief Financial Officer of the Authority and, except for purposes of executing an Officer’s Pricing Certificate, their designees. The execution of a document by any such officer as an Authorized Representative shall conclusively evidence the inaccessibility or incapacity of any other such officer with superior authority.

“Board” means the Board of Directors of the Authority.

“Bond Insurance Policy” means the financial guaranty insurance policy or policies, if any, issued by the Bond Insurer that guarantees the scheduled payment of principal of and interest on the Bonds when due, as provided in the Officer’s Pricing Certificate.

“Bond Insurer” means the provider of a Bond Insurance Policy, if any, as provided in the Officer’s Pricing Certificate.

“Bond Purchase Agreement” means the bond purchase agreement between the Authority and the Underwriters relating to the Bonds, substantially in the form attached as Exhibit D herein.

“Bonds” means the Authority’s Sales and Use Tax Refunding Bonds, Taxable Series 2021A.

“Bullet Obligation” means all Senior Lien Obligations of a series maturing in any single year in a principal amount that totals at least 15% of the initial aggregate principal amount of the entire series of such Senior Lien Obligations.

“Business Day” means any day other than a Saturday, a Sunday, or another day on which commercial banks generally located in the State of New York or the State of Texas are authorized or required by law or executive order to close.

“Code” means the Internal Revenue Code of 1986, as amended to the date of delivery of the Bonds.

“Comptroller” means the Comptroller of Public Accounts of the State of Texas.

“Construction Fund” means that certain fund established pursuant to and used in accordance with Section 27 of this Resolution.

“CP Notes” means the Sales and Use Tax Commercial Paper Notes, Series A of the Authority currently authorized to be issued in the maximum aggregate principal amount of \$165,000,000.

“Credit Agreement” means a credit agreement, as such term is defined in Chapter 1371, Texas Government Code, as amended, including but not limited to a loan agreement, revolving credit agreement, agreement establishing a line of credit, letter of credit, reimbursement agreement, insurance contract, commitment to purchase obligations, purchase or sale agreement, interest rate swap, cap, floor, collar, or similar agreement, or other commitment or agreement authorized by the Board in anticipation of, related to, or in connection with the authorization, issuance, sale, resale, security, exchange, payment, purchase, remarketing, or redemption of some or all of the Authority’s obligations (as such term is defined in Chapter 1371) or interest on obligations, or both, or as otherwise authorized by such chapter.

“Credit Provider” means a party to a Credit Agreement other than the Authority.

“Debt Service Requirements” means, with respect to any Senior Lien Obligations for any period of time for which such calculation applies, an amount equal to the sum of the following:

(a) Interest: Current interest scheduled to be paid during such period on or under such Senior Lien Obligations; plus

(b) Principal: That portion of the principal of, or compounded interest on, such Senior Lien Obligations payable during such period (either at maturity or by reason of scheduled mandatory redemptions or upon demand, but after taking into account all prior optional and mandatory redemptions of Senior Lien Obligations); provided, however, that, in making such calculation, the following rules shall apply:

(1) Refinancing Assumption: For any series of Senior Lien Obligations issued as Short Term Obligations, Demand Obligations, or Bullet Obligations, Debt Service Requirements may be computed on the assumption that the principal amount shall be refinanced at maturity (or an earlier date on which principal thereof is payable on demand) by fixed rate Senior Lien Obligations bearing interest at (a) if the interest on such obligations is excludable from gross income of the owners thereof for federal income tax purposes, a Revenue Bond Index published by the Bond Buyer or any successor publication or (b) if the interest on such obligations is not excludable from gross income of the owners thereof for federal income tax purposes, the yield on the Treasury Constant Maturity Series as reported in Federal Reserve Statistical Release H.15, Selected Interest Rates of the Board of Governors of the Federal Reserve System, or any successor publication as certified by the Authority's financial advisor, in both cases (a) and (b) within 30 days prior to the date of such calculation (or the gross fixed or capped rate payable by the Authority under an interest rate swap or cap agreement that substantially hedges the rate of interest on such Senior Lien Obligations) and maturing in substantially equal annual payments of principal and interest over a term of 25 years (or such longer period as a nationally recognized financial advisor or investment banker certifies is then reasonably attainable) or less; and

(2) Interest Rate Assumption: For any series of Senior Lien Obligations issued as Adjustable Rate Obligations that are not Short Term Obligations, Demand Obligations, or Bullet Obligations, Debt Service Requirements may be computed on the assumption that such Senior Lien Obligations will bear interest at (a) to the extent the rate of interest thereon is effectively hedged by an interest rate swap or cap agreement, the gross fixed or capped rate payable by the Authority under such agreement, and (b) otherwise the greater of (i) the average rate on such Senior Lien Obligations over a 12-month period ending within two months of the date of such calculation and (ii) a rate estimated by the Authority's financial advisor in a written certificate delivered to the Authority at the time of such calculation to be the average rate of interest such Senior Lien Obligations would bear if issued as long-term bonds, in the same principal amount and with the same priority of lien, bearing interest at fixed rates based on the average life of the Adjustable Rate Obligations; and

(3) Effect of Federal Subsidies: For any series of Senior Lien Obligations for which the Authority is entitled to receive payments from the federal or state government in such period on account of, and substantially

contemporaneously with, interest paid on such Senior Lien Obligations, the amount to be received in such period may be deducted from such interest in computing Debt Service Requirements.

Debt Service Requirements shall be calculated with the assumption that no Senior Lien Obligations Outstanding at the time of calculation will cease to be Outstanding except by reason of the payment of scheduled principal maturities or scheduled mandatory redemptions, except as provided above.

“Demand Obligation” means any Senior Lien Obligation the principal of which is payable by the Authority on demand of the owner or holder thereof.

“DTC” means The Depository Trust Company, New York, New York, or any successor securities depository.

“DTC Participant” means brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created to hold securities to facilitate the clearance and settlement of securities transactions among DTC Participants.

“Escrow Agent” means Wells Fargo Bank, N.A., and its successors in such capacity.

“Escrow Agreement” shall mean the agreement between the Authority and the Escrow Agent for the Refunded Bonds in substantially the form attached hereto as Exhibit C.

“Fiscal Year” means the Fiscal Year of the Authority, currently beginning on October 1 of any year and ending on September 30 of the next succeeding year, but which may be changed by the Board.

“Financial Advisors” means PFM Financial Advisors LLC, and its successor in such capacity.

“Interest and Sinking Fund” means the fund confirmed by the Authority pursuant to Section 26 of this Resolution.

“Interest Payment Date” means November 1, 2021, and each November 1 and May 1 thereafter until maturity or prior redemption, unless otherwise provided in the Officer’s Pricing Certificate.

“Junior Lien Obligations” means any one or more of those series of bonds, notes or other debt obligations (including capital lease obligations and obligations to make deferred payments for goods and services in furtherance of METRO Solutions Phase 2, which deferred payments have been assigned to a third party and used to make payments to owners of public securities) or Credit Agreements that are secured, with or without other security, by a lien on Pledged Revenues that is junior and subordinate to the lien thereon securing the Senior Lien Obligations but is senior and superior to the lien thereon securing the Subordinate Lien Obligations.

“Maximum Annual Debt Service Requirements” for any Senior Lien Obligations means the maximum Debt Service Requirements for such Senior Lien Obligations calculated to occur in any future Fiscal Year or the then current Fiscal Year.

“Officer’s Pricing Certificate” means a certificate to be signed by the Authorized Representative and containing the information regarding the Bonds specified in Sections 3, 4 and 5 hereof substantially in the form of Exhibit A hereto, with such appropriate variations, omissions and insertions as are permitted hereby.

“Outstanding” means, when used with respect to Senior Lien Obligations, as of the date of determination, all Senior Lien Obligations theretofore delivered under this Resolution or other authorizing resolution, except:

(a) Cancelled Obligations: Senior Lien Obligations theretofore canceled and delivered to the Authority or delivered to the Paying Agent/Registrar for cancellation;

(b) Transferred and Exchanged Obligations: Senior Lien Obligations upon transfer of or in exchange for and in lieu of which other Senior Lien Obligations have been delivered; and

(c) Defeased Obligations. Senior Lien Obligations which have been released, discharged or extinguished in accordance with the terms thereof, or due to the deposit of cash or investments with the paying agent therefor or an escrow agent, the obligation of the Authority to pay the same is payable solely from and to the extent of such cash and investments and income therefrom.

“Owner” or “Registered Owner” means any person who shall be the registered owner of any outstanding Bond.

“Paying Agent/Registrar” means the entity identified as such in the Paying Agent/Registrar Agreement.

“Paying Agent/Registrar Agreement” means the paying agent/registrar agreement relating to the Bonds entered into in accordance with Section 9 hereof, substantially in the form of Exhibit B hereto, as amended from time to time.

“Person” means any individual, corporation, partnership, joint venture, unincorporated association, association, trust, joint stock company, unincorporated organization, government or government agency or other legal entity capable of carrying on a trade or business.

“Pledged Revenues” means seventy-five percent (75%) of the revenues collected and received by the Trustee or the Authority from its levy of the Sales and Use Tax, plus any investment income earned on any moneys in the Revenue Fund, the Interest and Sinking Fund and any reserve fund for Senior Lien Obligations, including the Reserve Fund, which are hereby pledged as security for payment of the Bonds and any other Senior Lien Obligations, and all other funds or revenues, if any, including additional Sales and Use Tax revenues, which the Authority pledges hereafter as security for payment of the Senior Lien Obligations.

“Proposition” has the meaning provided in the recitals hereto.

“Record Date” for interest due on the Bonds on any Interest Payment Date means the fifteenth day of the month next preceding such Interest Payment Date, whether or not such day is a Business Day.

“Refunded Bonds” has the meaning provided in the recitals hereto.

“Register” means the books of registration kept by the Paying Agent/Registrar in which are maintained the names and addresses of, and the principal amounts of the Bonds of each maturity registered to, each Owner.

“Reserve Fund” means the shared reserve fund for the Reserve Fund Participants confirmed by the Authority pursuant to Section 24 of this Resolution.

“Reserve Fund Participant” means the Bonds, the Series 2011 Bonds, the Series 2010 Contractual Obligations, the Series 2011 Contractual Obligations and Additional Obligations designated as Reserve Fund Participants in an officer’s pricing certificate at or before the time of issue to share the Reserve Fund. All such issues designated as a Reserve Fund Participant shall be entitled to a parity claim on the funds deposited in the shared Reserve Fund as and to the extent provided in Section 28 of this Resolution. None of the Series 2015 Bonds, the Series 2016 Bonds, the Series 2017 Bonds, the Series 2019 Bonds, the Series 2020 Bonds, the Series 2014 Contractual Obligations, the Series 2015 Contractual Obligations, the Series 2016 Contractual Obligations, the Series 2017 Contractual Obligations or the Series 2018 Contractual Obligations are Reserve Fund Participants.

“Reserve Fund Requirement” means an amount equal to 50% of the Maximum Annual Debt Service Requirements on the Reserve Fund Participants. The reserve fund requirement, if any, for Additional Obligations which are not Reserve Fund Participants shall be provided in the order or resolution authorizing their issuance.

“Reserve Fund Surety Policy” shall mean any reserve fund surety policy or bond, letter of credit or other instrument, however denominated, provided by a qualifying financial institution as described in the following sentence, pursuant to which the Trustee or Paying Agent may draw on such Reserve Fund Surety Policy to enable the Reserve Fund to make a required transfer to the Interest and Sinking Fund. Reserve Fund Surety Policies may only be acquired from a financial institution with a long term credit rating in one of the two highest generic rating categories from at least two nationally recognized rating services and having a credit rating or claims paying ability such that the purchase of such surety policy will not cause any rating agency then rating any Senior Lien Obligations to withdraw or lower its rating.

“Resolution” as used herein and in the Bonds means this resolution authorizing the Bonds.

“Revenue Fund” means the fund confirmed by the Authority pursuant to Section 24 of this Resolution.

“Sales and Use Tax” means the tax levied by the Authority pursuant to the Authority Act, orders or resolutions of the Authority’s Board and an election held within the Authority on

August 12, 1978. Under the authority of the Authority Act and pursuant to such resolutions, the rate of such tax is equal to 1% of the receipts from the sale at retail or on the sale price or the lease or rental price on the storage, use or other consumption of all taxable items within the boundaries of the Authority.

“Senior Credit Agreement” means any Credit Agreement to the extent the obligations of the Authority thereunder are Senior Lien Obligations.

“Senior Lien Obligations” means the Bonds, the Series 2011 Bonds, the Series 2015 Bonds, the Series 2016 Bonds, the Series 2017 Bonds, the Series 2019 Bonds, the Series 2020 Bonds, the Series 2010 Contractual Obligations, the Series 2011 Contractual Obligations, the Series 2014 Contractual Obligations, the Series 2015 Contractual Obligations, the Series 2016 Contractual Obligations, the Series 2017 Contractual Obligations, the Series 2018 Contractual Obligations, the CP Notes, any Additional Obligations, and any Senior Credit Agreements.

“Series 2010 Contractual Obligations” means the Authority’s Sales and Use Tax Contractual Obligations, Series 2010A, previously issued as Senior Lien Obligations.

“Series 2011 Bonds” means the Authority’s Sales and Use Tax Bonds, Series 2011A, previously issued as Senior Lien Obligations.

“Series 2011 Contractual Obligations” means the Authority’s Sales and Use Tax Contractual Obligations, Series 2011B, previously issued as Senior Lien Obligations.

“Series 2014 Contractual Obligations” means the Authority’s Sales and Use Tax Contractual Obligations, Series 2014, previously issued as Senior Lien Obligations.

“Series 2015 Bonds” means the Authority’s Sales and Use Tax Bonds, Series 2015A, previously issued as Senior Lien Obligations.

“Series 2015 Contractual Obligations” means the Authority’s Sales and Use Tax Contractual Obligations, Series 2015B, previously issued as Senior Lien Obligations.

“Series 2016 Bonds” means, collectively, the Authority’s Sales and Use Tax Refunding Bonds, Series 2016A and the Authority’s Sales and Use Tax Bonds, Series 2016C, each previously issued as Senior Lien Obligations.

“Series 2016 Contractual Obligations” means, collectively, the Authority’s Sales and Use Tax Refunding Contractual Obligations, Series 2016B, and the Authority’s Sales and Use Tax Contractual Obligations, Series 2016D, each previously issued as Senior Lien Obligations.

“Series 2017 Contractual Obligations” means the Authority’s Sales and Use Tax and Refunding Contractual Obligations, Series 2017B.

“Series 2018 Contractual Obligations” means the Authority’s Sales and Use Tax Contractual Obligations, Series 2018.

“Series 2019 Bonds” means, collectively, the Authority’s Sales and Use Tax Refunding Bonds, Series 2019A and the Authority’s Sales and Use Tax Refunding Bonds, Taxable Series 2019B, each previously issued as Senior Lien Obligations.

“Series 2020 Bonds” means the Authority’s Sales and Use Tax Refunding Bonds, Taxable Series 2020A.

“Short Term Obligations” means each series of bonds, notes and other debt obligations issued pursuant to a commercial paper or other similar financing program, the payment of principal of which is scheduled to be payable within one year from the date of issuance and is contemplated at the time of issuance to be refinanced through the issuance of Additional Obligations.

“Subordinate Lien Obligations” means any one or more of any series of bonds, notes or other obligations (including lease obligations and obligations to make deferred payments for goods and services in furtherance of METRO Solutions Phase 2 and which have been assigned to a third party and used by such third party to make payments to owners of public securities) or Credit Agreements secured, with or without other security, by a lien on Pledged Revenues that is junior and subordinate to the lien thereon of the Senior Lien Obligations and the Junior Lien Obligations.

“Taxable Bonds” shall mean the one or more series of the Bonds, as designated in the Officer’s Pricing Certificate, whose interest is included in the gross income of the owners thereof for federal income tax purposes.

“Trustee” means Wells Fargo Bank, N.A., as the trustee under this Resolution, and any successor to or replacement of such trustee appointed to serve in such capacity in accordance with this Resolution.

“Underwriters” means the entities defined as such in the Bond Purchase Agreement.

All terms defined herein and all pronouns used in this Resolution shall be deemed to apply equally to singular and plural and to all genders. The titles and headings of the sections are for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms and provisions hereof. This Resolution and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein and to sustain the validity of the Bonds and the validity of the levy of Sales and Use Tax to pay the principal of and interest on the Bonds. Unless the context indicates otherwise, all references herein to Sections and Exhibits are to the designated Sections of and Exhibits to this Resolution.

2. Authorization. The Bonds, unless otherwise designated in the Officer’s Pricing Certificate, shall be issued in fully registered form, without coupons, in an aggregate principal amount approved by the Authorized Representative, as set forth in the Officer’s Pricing Certificate, but not to exceed \$40,000,000 (which includes costs of issuance), for (a) refunding the Refunded Bonds and (b) paying the costs of issuance of the Bonds. The Bonds are authorized to be issued as fixed rate obligations, and as Taxable Bonds, all as determined in the Officer’s Pricing Certificate, with such appropriate variations, omissions, and insertions as are permitted with this Resolution. The Bonds shall be issued under and in strict conformity with the Constitution and laws of the State of Texas, particularly the Acts.

3. Designation and Date. The Bonds shall be designated as the “Metropolitan Transit Authority of Harris County, Texas, Sales and Use Tax Refunding Bonds, Taxable Series 2021A” or as designated in the Officer’s Pricing Certificate. The Bonds shall be dated September 1, 2021, unless otherwise provided in the Officer’s Pricing Certificate.

4. Initial Bonds; Numbers, Interest Rates, Interest Payment Dates and Denominations. The Bonds shall mature on November 1 in each of the years and in the aggregate principal amounts, and shall bear interest from the initial date of delivery at the per annum rates, approved by the Authorized Representative, and may be designated as a Reserve Fund Participant as set out in the Officer’s Pricing Certificate. Interest on the Bonds shall be payable on each Interest Payment Date. Bonds delivered upon transfer of or in exchange for other Bonds shall be in authorized denominations, Bonds shall be numbered (with appropriate prefix) in order of their authentication by the Paying Agent/Registrar, and shall mature on the same date and bear interest at the same rate as the Bond or Bonds in lieu of which they are delivered. The Bonds shall be issuable in denominations of \$5,000 of principal amount and integral multiples thereof.

5. Selling and Delivering Bonds. As authorized by Chapters 1207 and 1371, Texas Government Code, as amended, the Authorized Representative is authorized hereby to act on behalf of the Authority in selling and delivering the Bonds and carrying out the other procedures specified in this Resolution including, without limitation, determining any additional designation or title by which the Bonds shall be known, the number of subseries of Bonds to be issued, the date on and price at which the Bonds will be sold, the issuance date and dated date, the years in which the Bonds will mature, the aggregate principal amount of the Bonds, the principal amount of Bonds to mature in each year of maturity, the rate of interest to be borne by the Bonds of each such maturity, any optional and mandatory sinking fund redemption provisions, the purchase of a Bond Insurance Policy, if any, for all or any portion of the Bonds, and all other matters not expressly provided in this Resolution relating to the issuance, sale and delivery of the Bonds, all of which shall be specified in the Officer’s Pricing Certificate, provided that:

(a) Maximum Interest Rate: the net effective interest rate on the Bonds shall not exceed the maximum rate allowed by Chapter 1204, Texas Government Code, as amended;

(b) Aggregate Principal: the sum of the aggregate principal amount of each subseries of the Bonds, which may not exceed the aggregate maximum principal amount authorized in Section 2 hereof, plus any net premium from the sale of the Bonds, plus any available funds of the Authority, must be sufficient to provide amounts necessary to provide for the redemption of the Refunded Bonds, as provided in the Officer’s Pricing Certificate, with any remainder being available to fund the estimated costs of issuance of the Bonds, including underwriters’ discount, and any Bond Insurance Policy premium;

(c) Rating Floor: the Bonds shall have been rated prior to delivery by a nationally recognized rating agency for municipal securities in one of the four highest categories for long-term obligations; and

(d) Savings: the refunding of the Refunded Bonds by the Bonds, as designated in the Officers Pricing Certificate, produces a net present value debt service savings, as

shown by a calculation prepared by the Financial Advisors, and attached to the Officer's Pricing Certificate.

Any finding by the Authorized Representative relating to the sale and delivery of the Bonds shall have the same force and effect as a finding or determination made by the Board.

The authority conferred by this Section shall expire at 5:00 p.m. on December 31, 2021.

6. Execution of Bonds; Seal. The Bonds shall be signed by the President and Chief Executive Officer or the Chief Financial Officer or Authorized Representative of the Authority and attested to by the Board Secretary or Assistant Secretary of the Board, by their manual, lithographed or facsimile signatures, and the official seal of the Authority shall be impressed or placed in facsimile thereon. Such facsimile signatures on the Bonds shall have the same effect as if each of the Bonds had been signed manually and in person by each of such officers, and such facsimile seal on the Bonds shall have the same effect as if the official seal of the Authority had been manually impressed upon each of the Bonds. If any officer of the Authority whose manual or facsimile signature shall be on the Bonds shall cease to be such officer before the authentication of such Bonds or before the delivery of such Bonds, such manual or facsimile signature shall nevertheless be valid and sufficient for all purposes as if such officer had remained in such office.

7. Approval by Attorney General; Registration by Comptroller. The Bonds to be initially issued shall be delivered to the Attorney General for approval and shall be registered by the Comptroller. The Authorized Representative is authorized hereby to have control and custody of the Bonds and all necessary records and proceedings pertaining thereto pending their delivery, and the Authorized Representative and other officers and employees of the Authority are hereby authorized and directed to make such certifications and to execute such instruments as may be necessary to accomplish the delivery of the Bonds and to assure the investigation, examination and approval thereof by the Attorney General and the registration of the initial Bonds by the Comptroller. Upon registration of the Bonds, the Comptroller (or the Comptroller's bond clerk, or an assistant bond clerk lawfully designated in writing to act for the Comptroller) shall manually execute the registration certificate of the Comptroller substantially in the form provided in Section 20 of this Resolution, and such certificate shall be affixed or attached to the Bonds initially to be issued, and the seal of the Comptroller shall be impressed, or placed in facsimile, thereon. The Bonds shall initially be registered in the name of Cede & Co., as nominee of DTC.

8. Authentication Required. No Bond shall be entitled to the benefits of this Resolution or shall be valid or obligatory for any purpose unless there appears on such Bonds either a certificate of registration by the Comptroller of Public Accounts of the State of Texas or a certificate of authentication, executed by an authorized representative of the Paying Agent/Registrar, in each case by manual signature and substantially in the form provided in Section 20 of this Resolution and Exhibit A of the Officer's Pricing Certificate. Such duly executed certificate of registration or authentication shall be conclusive evidence that the Bond so authenticated was delivered hereunder.

9. Payment of Principal and Interest. The Paying Agent/Registrar is hereby appointed as the paying agent and registrar for the Bonds with power to act on behalf of the Authority pursuant to the terms and provisions of the Paying Agent/Registrar Agreement. The Paying

Agent/Registrar Agreement is hereby authorized and approved by the Board substantially in the form and to the effect attached hereto as Exhibit B. The Authorized Representative is hereby authorized to approve changes to such form and to execute and the Secretary of the Board is hereby authorized to attest and affix the Authority's seal to the Paying Agent/Registrar Agreement. The Paying Agent/Registrar, by undertaking the performance of the duties of the registrar and paying agent hereunder, and in consideration of the payment of any fees pursuant to the terms of the agreement between the Paying Agent/Registrar and the Authority and/or the deposits of money pursuant to this Resolution, shall be deemed to accept and agree to abide by the terms of this Resolution. All money transferred to the Paying Agent/Registrar in its capacity as registrar or paying agent for the Bonds under this Resolution (except any sums representing registrar or paying agent fees) shall be held in trust for the benefit of the Owners of the Bonds for the payment of which such money is transferred and shall be disbursed in accordance with this Resolution. Subject to the provisions of Section 12, all matured Bonds presented to the Paying Agent/Registrar for payment shall be paid without the necessity of further instructions from the Authority. Such Bonds shall be cancelled as provided herein.

The principal or redemption price of the Bonds shall be payable, without exchange or collection charges, in any coin or currency of the United States of America which, on the date of payment, is legal tender for the payment of debts due the United States of America, upon their presentation and surrender as they respectively become due and payable, at the corporate trust office of the Paying Agent/Registrar. The interest on each Bond shall be payable by check on each Interest Payment Date, mailed by the Paying Agent/Registrar on or before such Interest Payment Date to the Owner of record as of the Record Date, to the address of such Owner as shown on the Register. Any accrued interest on a Bond payable at maturity or redemption shall be paid upon presentation and surrender of such Bond at the corporate trust office of the Paying Agent/Registrar.

If the date for payment of the principal of or interest on any Bond is not a Business Day, then the date for such payment shall be the next succeeding Business Day with the same force and effect as if made on the date payment was originally due and without any increase in the amount then due.

10. Successor Paying Agent/Registrars. At all times while any Bonds are Outstanding, the Authority shall engage a legally qualified bank, trust company, financial institution or other agency with a minimum capital and surplus at the time of deposit of at least \$1,000,000,000 to act as Paying Agent/Registrar for the Bonds. The Authority reserves the right to change the Paying Agent/Registrar for the Bonds on not less than sixty (60) days' written notice to the Paying Agent/Registrar, as long as any such notice is effective not less than 60 days prior to the next succeeding principal or interest payment date on the Bonds. Promptly upon the appointment of any successor Paying Agent/Registrar, the previous Paying Agent/Registrar shall deliver the Register or a copy thereof to the new Paying Agent/Registrar, and the new Paying Agent/Registrar shall notify each Owner, by United States mail, first class postage prepaid, of such change and of the address of the new Paying Agent/Registrar. Each Paying Agent/Registrar hereunder, by acting in that capacity, shall be deemed to have agreed to the provisions of this Resolution.

11. Special Record Date. If interest on any Bond due on any Interest Payment Date remains unpaid for thirty (30) days thereafter, the Paying Agent/Registrar shall establish a new record date for the payment of such interest, to be known as a Special Record Date. The Paying

Agent/Registrar shall establish a Special Record Date when funds to make such interest payment are received from or on behalf of the Authority. Such Special Record Date shall be fifteen (15) days prior to the date fixed for payment of such past due interest, and notice of the date of payment and the Special Record Date shall be sent by United States mail, first class, postage prepaid, not later than five (5) days prior to the Special Record Date, to each Owner of record of an affected Bond as of the close of business on the Business Day prior to the mailing of such notice.

12. Ownership; Unclaimed Principal and Interest. The Authority, the Paying Agent/Registrar, the Trustee and any other person may treat the person in whose name any Bond is registered as the absolute Owner of such Bond for the purpose of making and receiving payment of the principal of or interest on such Bond and for all other purposes, whether or not such Bond is overdue, and neither the Authority nor the Paying Agent/Registrar nor the Trustee shall be bound by any notice or knowledge to the contrary. All payments made to the person deemed to be the Owner of any Bond in accordance with this Section shall be valid and effectual and shall discharge the liability of the Authority, the Trustee and the Paying Agent/Registrar upon or in respect of such Bond to the extent of the sums paid.

Amounts held by the Paying Agent/Registrar which represent principal of and interest on the Bonds remaining unclaimed by the Owner after the expiration of three (3) years from the date such amounts have become due and payable shall be reported and disposed of by the Paying Agent/Registrar in accordance with the applicable provisions of Texas law, including, to the extent applicable, Title 6 of the Texas Property Code, as amended. To the extent such provisions of the Texas Property Code do not apply to the funds, such funds shall be paid by the Paying Agent/Registrar to the Authority upon receipt by the Paying Agent/Registrar of a written request therefor from the Authority. The Paying Agent/Registrar shall have no liability to the Owners of the Bonds by virtue of actions taken in compliance with this Section.

13. Registration, Transfer and Exchange. As long as any Bond remains Outstanding, the Paying Agent/Registrar shall keep the Register at its corporate trust office and, subject to such reasonable regulations as it may prescribe, the Paying Agent/Registrar shall provide for the registration and transfer of Bonds in accordance with the terms of this Resolution.

Each Bond shall be transferable only upon the presentation and surrender thereof at the corporate trust office of the Paying Agent/Registrar, duly endorsed for transfer or accompanied by an assignment duly executed by the registered Owner or his authorized representative in form satisfactory to the Paying Agent/Registrar. Upon due presentation of any Bond in proper form for transfer, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor, within seventy-two (72) hours after such presentation, a new Bond or Bonds registered in the name of the transferee or transferees, in authorized denominations and of the same maturity and aggregate principal amount and bearing interest at the same rate as the Bond or Bonds so presented.

All Bonds shall be exchangeable upon presentation and surrender thereof at the corporate trust office of the Paying Agent/Registrar for a Bond or Bonds of the same maturity and interest rate and in any authorized denomination, in an aggregate principal amount equal to the unpaid principal amount of the Bond or Bonds presented for exchange. The Paying Agent/Registrar shall be and is hereby authorized to authenticate and deliver exchange Bonds in accordance with the provisions of this Section.

Each Bond delivered in accordance with this Section shall be entitled to the benefits and security of this Resolution to the same extent as the Bond or Bonds in lieu of which such Bond is delivered.

The Authority or the Paying Agent/Registrar may require the Owner of any Bond to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with the transfer or exchange of such Bond. Any fee or charge of the Paying Agent/Registrar for such transfer or exchange shall be paid by the Authority. The transferor shall also provide or cause to be provided to the Paying Agent/Registrar all information necessary to allow the Paying Agent/Registrar to comply with any applicable tax reporting obligations, including without limitation any cost basis reporting obligations under Internal Revenue Code Section 6045. The Paying Agent/Registrar may rely on the information provided to it and shall have no responsibility to verify or ensure the accuracy of such information.

The Paying Agent/Registrar shall not be required to transfer or exchange any Bond called for redemption in whole or in part during the 45-day period immediately prior to the date fixed for redemption; provided, however, that such limitation shall not apply to the transfer or exchange by the Owner of the unredeemed portion of a Bond called for redemption in part.

14. Book-Entry Only System. The definitive Bonds shall be initially issued in the form of a separate single fully registered Bond for each of the maturities thereof. Upon initial issuance, the ownership of each such Bond shall be registered in the name of Cede & Co., as nominee of DTC, and except as provided in Section 16 hereof, all of the Outstanding Bonds shall be registered in the name of Cede & Co., as nominee of DTC. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Resolution with respect to interest checks being mailed to the Owner at the close of business on the Record Date, the word "Cede & Co." in this Resolution shall refer to such new nominee of DTC.

With respect to Bonds registered in the name of Cede & Co., as nominee of DTC, the Authority and the Paying Agent/Registrar shall have no responsibility or obligation to any DTC Participant or to any Person on behalf of whom such a DTC Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the Authority and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (a) the accuracy of the records of DTC, Cede & Co., or any DTC Participant with respect to any ownership interest in the Bonds, (b) the delivery to any DTC Participant or any other Person, other than a Bondholder, as shown on the Register, of any notice with respect to the Bonds, or (c) the payment to any DTC Participant or any other Person, other than a Bondholder, as shown in the Register of any amount with respect to principal of, premium, if any, or interest on the Bonds.

Except as provided in Section 16 of this Resolution, the Authority and the Paying Agent/Registrar shall be entitled to treat and consider the Person in whose name each Bond is registered in the Register as the absolute Owner of such Bond for the purpose of payment of principal of, premium, if any, and interest on Bonds and other matters with respect to such Bond, for the purpose of registering transfer with respect to such Bond, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of, premium, if any, and interest on the Bonds only to or upon the order of the respective Owners, as shown in the Register as

provided in this Resolution, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the Authority's obligations with respect to payment of principal of, premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. No person other than an Owner shall receive a Bond certificate evidencing the obligation of the Authority to make payments of amounts due pursuant to this Resolution.

15. Payments and Notices to Cede & Co. Notwithstanding any other provision of this Resolution to the contrary, as long as any Bonds are registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on the Bonds, and all notices with respect to such Bonds shall be made and given, respectively, in the manner provided in the representation letter of the Authority to DTC.

16. Successor Securities Depository; Transfer Outside Book-Entry Only System. In the event that the Authority or the Paying Agent/Registrar determines that DTC is incapable of discharging its responsibilities described herein and in the representation letter of the Authority to DTC and that it is in the best interest of the beneficial owners of the Bonds that they be able to obtain certified Bonds, the Authority or the Paying Agent/Registrar shall (a) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities and Exchange Act of 1934, as amended, notify DTC of the appointment of such successor securities depository and, upon presentation of Bonds by DTC for transfer, transfer such Bonds to such successor securities depository or (b) notify DTC Participants of the availability through DTC of Bonds, and upon presentation of Bonds by DTC for transfer, transfer such Bonds to DTC Participants having Bonds credited to their DTC accounts. In such event, the Bonds shall no longer be restricted to being registered in the Register in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names Bondholders transferring or exchanging Bonds shall designate, in accordance with the provisions of this Resolution. In connection with any proposed transfer outside the Book-Entry Only system, the Authority or DTC shall provide or cause to be provided to the Paying Agent/Registrar all information necessary to allow the Paying Agent/Registrar to comply with any applicable tax reporting obligations, including without limitation any cost basis reporting obligations under Internal Revenue Code Section 6045. The Paying Agent/Registrar may rely on the information provided to it and shall have no responsibility to verify or ensure the accuracy of such information.

17. Mutilated, Lost or Stolen Bonds. Upon the presentation and surrender to the Paying Agent/Registrar of a damaged or mutilated Bond, the Paying Agent/Registrar shall authenticate and deliver to the Owner thereof in exchange therefor a replacement Bond of like maturity, interest rate and principal amount, bearing a number not contemporaneously outstanding. The Authority or the Paying Agent/Registrar may require the Owner of a damaged or mutilated Bond to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection therewith, and the fees and expenses of the Paying Agent/Registrar,

If any Bond is lost, apparently destroyed or wrongfully taken, the Authority, pursuant to the applicable laws of the State of Texas and in the absence of notice or knowledge that such Bond has been acquired by a bona fide purchaser, shall execute and the Paying Agent/Registrar shall authenticate and deliver to the Owner thereof a replacement Bond of like maturity, interest rate

and principal amount, bearing a number not contemporaneously outstanding. The Authority or the Paying Agent/Registrar may require the Owner of a lost, apparently destroyed or wrongfully taken Bond, before any replacement Bond is issued, to:

- (a) Evidence of Loss, Etc.: furnish to the Authority and the Paying Agent/Registrar satisfactory evidence of the ownership of and the circumstances of the loss, destruction or theft of such Bond;
- (b) Security or Indemnity: furnish such security or indemnity as may be required by the Paying Agent/Registrar or the Authority to save them harmless;
- (c) Payment of Expenses: pay all expenses and charges in connection therewith, including, but not limited to, printing costs, legal fees, fees of the Paying Agent/Registrar and any tax or other governmental charge that may be imposed; and
- (d) Other: meet any other reasonable requirements of the Authority and the Paying Agent/Registrar.

If, after the delivery of a replacement Bond, a bona fide purchaser of the original Bond in lieu of which such replacement Bond was issued presents for payment such original Bond, the Authority and the Paying Agent/Registrar shall be entitled to recover such replacement Bond from the Person to whom it was delivered or any Person taking therefrom, except a bona fide purchaser, and shall be entitled to recover upon the security or indemnity provided therefor to the extent of any loss, damage, cost or expense incurred by the Authority or the Paying Agent/Registrar in connection therewith.

If any such mutilated, lost, apparently destroyed or wrongfully taken Bond has become or is about to become due and payable, the Authority in its discretion may, instead of issuing a replacement Bond, authorize the Paying Agent/Registrar to pay such Bond.

Each replacement Bond delivered in accordance with this Section shall be entitled to the benefits and security of this Resolution to the same extent as the Bond or Bonds in lieu of which such replacement Bond is delivered.

18. Cancellation of Bonds. All Bonds paid or redeemed in accordance with this Resolution, and all Bonds in lieu of which exchanged Bonds or replacement Bonds are authenticated and delivered in accordance herewith, shall be cancelled and destroyed upon the making of proper records regarding such payment or redemption and, pursuant to the Paying Agent/Registrar's retention policy then in effect and the Paying Agent/Registrar shall furnish the Authority with appropriate certificates of destruction of such Bonds upon the Authority's written request.

19. Redemption Prior to Maturity. The Bonds shall be subject to redemption prior to maturity as determined by the Authorized Representative and set forth in the Officer's Pricing Certificate. The Authorized Representative shall have the authority on behalf of and in the name of the Authority to direct and/or consent to the delivery to the Registered Owners and other required notice parties of any notice of redemption of the Bonds, provided that any notice of optional redemption may be conditioned on the authorization and issuance of a series of refunding

bonds by the Authority or on any other condition. Any conditional notice of redemption may be rescinded and notice of such rescission shall be given in the same manner and to the same parties as the notice of redemption was given.

20. Forms. The form of the Bonds, the Paying Agent/Registrar's Authentication Certificate, the form of Assignment and the form of Registration Certificate of the Comptroller of Public Accounts of the State of Texas, which shall be attached or affixed to the Bonds initially issued shall be, respectively, substantially as follows, with such additions, deletions and variations, including any insurance legend or statement, as may be necessary or desirable and not prohibited by this Resolution:

FORM OF BOND

United States of America
State of Texas

NUMBER
R-¹
REGISTERED

PRINCIPAL AMOUNT
\$ _____
REGISTERED

METROPOLITAN TRANSIT AUTHORITY OF HARRIS COUNTY, TEXAS,
SALES AND USE TAX REFUNDING BONDS
TAXABLE SERIES 2021A

INTEREST RATE: _____%	DATED DATE: _____	ISSUANCE DATE _____	MATURITY DATE: _____	CUSIP: _____
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REGISTERED OWNER:

PRINCIPAL AMOUNT: _____ DOLLARS

THE METROPOLITAN TRANSIT AUTHORITY OF HARRIS COUNTY, TEXAS, (the "Authority"), for value received, promises to pay to the Registered Owner identified above, or registered assigns, on the Maturity Date specified above, upon presentation and surrender of this Bond at the corporate trust office of Wells Fargo Bank, N.A., or its successor (the "Paying Agent/Registrar"), the Principal Amount identified above (or so much as shall not have been paid upon prior redemption), payable in any coin or currency of the United States of America which on the date of payment of such principal is legal tender for the payment of debts due the United States of America, and to pay interest thereon at the rate shown above, calculated on the basis of a 360-day year of twelve 30-day months, from the later of the Issuance Date specified above or the most recent interest payment date to which interest has been paid or duly provided for. Interest on this Bond is payable semiannually on November 1 and May 1 of each year until maturity or prior redemption, beginning November 1, 2021, by check mailed to the Registered Owner of record as

¹ Initial Bond shall be numbered T-1; R-1 and upward, for all the bonds issued in exchange therefor.

of the last business day of the month next preceding each interest payment date, to the address of such owner as shown on the books of registration kept by the Paying Agent/Registrar. Any accrued interest due at maturity shall be paid upon presentation and surrender of this Bond at the corporate trust office of the Paying Agent/Registrar.

THIS BOND is one of a duly authorized issue of bonds of the series specified in the title above, aggregating \$_____² (the "Bonds"), issued for the purposes of refunding the Refunded Bonds and paying the costs of issuance of the Bonds, all pursuant to the Constitution and laws of the State of Texas, particularly the Authority Act, the Act, and the Special Election. Capitalized terms used but not defined herein shall the meaning ascribed to such terms by the Resolution.

[THIS BOND is not subject to redemption prior to maturity.] [THE BONDS maturing on and after _____, 20____² are subject to optional redemption, in whole or (from time to time) in part on any date on or after _____, 20____², at a redemption price equal to the principal amount thereof plus accrued interest thereon from the most recent interest payment date to which interest has been paid or duly provided for to the date of redemption.]

[THE BONDS MATURING IN THE YEARS 20__² and 20____² (the "Term Bonds") are subject to mandatory redemption prior to maturity in the following amounts (subject to reduction as hereinafter provided), on the following dates, in whole or in part, at a price equal to the principal amount thereof plus accrued interest thereon from the most recent interest amount to which interest has been paid or duly provided for to the redemption date, without premium:

Term Bonds Due _____ ²		Term Bonds Due _____ ²	
Year	Principal Amount	Year	Principal Amount
	\$		\$

THE PRINCIPAL AMOUNT of Term Bonds of either maturity required to be redeemed on any redemption date pursuant to the foregoing mandatory redemption provisions shall be reduced, at the option of the Authority, by the principal amount of any Bonds having the same maturity which have been purchased or redeemed by the Authority at its option as follows, at least 45 days prior to the mandatory redemption date and cancelled by the Paying Agent Registrar:

- (i) if the Authority directs the Paying Agent to purchase Bonds with money in the Interest and Sinking Fund (at a price not greater than par plus accrued interest to the date of purchase), then a credit of 100% of the principal amount of such Bonds purchased will be made against the next mandatory redemption installment due, or
- (ii) if the Authority purchases or redeems Bonds with other available moneys, then the principal amount of such Bonds will be credited against future mandatory redemption installments in any order, and in any annual amount, that the Authority may direct.]

² To be completed in accordance with the Officer's Pricing Certificate.

BONDS MAY BE REDEEMED IN PART only in integral multiples of \$5,000. If less than all of the Bonds are to be redeemed at the option of the Authority, the Authority may select the principal amount of each maturity to be redeemed at the option of the Authority. If less than all of the Bonds of a maturity are to be redeemed at the option of the Authority, the Paying Agent/Registrar shall select the Bonds of such maturity to be redeemed on a random basis by means acceptable to it. If a Bond subject to redemption is in a denomination larger than \$5,000, a portion of such Bond may be redeemed, but only in integral multiples of \$5,000. In selecting portions of Bonds for redemption, each Bond shall be treated as representing that number of Bonds of \$5,000 denomination which is obtained by dividing the principal amount of such Bond by \$5,000. Upon presentation and surrender of any Bond for redemption in part, the Paying Agent/Registrar, in accordance with the provisions of the Resolution, shall authenticate and deliver in exchange therefor a Bond or Bonds of like maturity and interest rate in an aggregate principal amount equal to the unredeemed portion of the Bond so surrendered. If the Bonds are registered in book-entry only form and so long as DTC or its nominee or a successor securities depository is the sole registered owner of the Bonds, if less than all of the Bonds are to be redeemed, the particular Bonds or portions thereof to be redeemed shall be selected on a pro rata pass-through distribution of principal basis in accordance with DTC procedures; *provided*, that the selection for redemption of the Bonds shall be made in accordance with the operational arrangements of DTC as then in effect. If the DTC operational arrangements do not allow for redemption of the Bonds on a pro rata pass-through distribution of principal basis, then the Bonds will be selected for redemption in accordance with DTC's then existing procedures. If DTC or its nominee or a successor securities depository is no longer the sole registered owner of the Bonds, if less than all of the Bonds of the same maturity are called for redemption, the Trustee shall select the Bonds to be redeemed on a pro rata basis taking into account authorized denominations.

NOTICE OF ANY REDEMPTION, identifying the Bonds or portions thereof to be redeemed, shall be sent by first-class mail, postage prepaid, to the Registered Owners thereof at their addresses as shown on the books of registration kept by the Paying Agent/Registrar, not less than thirty (30) days before the date fixed for such redemption. By the date fixed for redemption, due provision shall be made with the Paying Agent/Registrar for the payment of the redemption price of the Bonds called for redemption. If such notice of redemption is given, and if due provision for such payment is made, all as provided above, the Bonds which are to be so redeemed thereby automatically shall be redeemed prior to their scheduled maturities, they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the purpose of being paid with the funds so provided for such payment.

THIS BOND IS TRANSFERABLE only upon presentation and surrender at the corporate trust office of the Paying Agent/Registrar duly endorsed for transfer or accompanied by an assignment duly executed by the registered owner or his authorized representative, subject to the terms and conditions of the Resolution.

THIS BOND IS EXCHANGEABLE at the corporate trust office of the Paying Agent/Registrar for Bonds in the same principal amount in denominations of \$5,000 or any integral multiple thereof, subject to the terms and conditions of the Resolution.

THE PAYING AGENT/REGISTRAR IS NOT REQUIRED to accept for transfer or exchange any Bond called for redemption in whole or in part during the 45-day period immediately

prior to the date fixed for redemption; provided, however, that such limitation shall not apply to the transfer or exchange by the Registered Owner of the unredeemed portion of any Bond called for redemption in part.

THIS BOND shall not be valid or obligatory for any purpose or be entitled to any benefit under the Resolution unless this Bond is registered by the Comptroller of Public Accounts of the State of Texas by registration certificate endorsed hereon or authenticated by the Paying Agent/Registrar by due execution of the authentication certificate endorsed hereon.

THE REGISTERED OWNER of this Bond, by acceptance hereof, acknowledges and agrees to be bound by all the terms and conditions of the Resolution.

THE AUTHORITY has covenanted in the Resolution that it will at all times provide a legally qualified registrar for the Bonds and will cause notice of any change of registrar to be mailed to each registered owner.

THE BONDS are payable from all legally available funds of the Authority and are secured ratably with other Senior Lien Obligations by, in addition to other property described in the Resolution, a first lien on and pledge of the Pledged Revenues, which is expressly made senior to the pledge of and lien on the Pledged Revenues, or any portions thereof, which the Authority has granted or may grant to secure the Authority's Junior Lien Obligations and Subordinate Lien Obligations, as both terms are defined in the Resolution. The Pledged Revenues are defined in the Resolution to include 75% of revenues collected and received by the Trustee or the Authority from its levy of sales and use taxes plus any investment income earned on any moneys in the Revenue Fund, the Interest and Sinking Fund and any reserve fund for Senior Lien Obligations, including the Reserve Fund. The rate of such tax is equal to one percent (1 %) of the receipts from the sale at retail or on the sale price or the lease or rental price on the storage, use or other consumption of all taxable items within the boundaries of the Authority. Pursuant to the Resolution, the Pledged Revenues are required to be set aside for and are pledged to the payment of the Bonds and all additional Senior Lien Obligations issued on a parity therewith. The Authority has reserved the right to issue additional parity obligations.

IT IS HEREBY certified, recited and covenanted that this Bond has been duly and validly issued and delivered; that all acts, conditions and things required or proper to be performed, to exist and to be done precedent to or in the issuance and delivery of this Bond have been performed, exist and have been done in accordance with law and that the Bonds do not exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF, this Bond has been signed with the manual or facsimile signature of the President and Chief Executive Officer or the Chief Financial Officer or the Authorized Representative of the Authority and countersigned with the manual or facsimile signature of the Board Secretary or Assistant Secretary of the Board of Directors of the Authority, and the official seal of the Authority has been duly impressed, or placed in facsimile, on this Bond.

(SEAL)

METROPOLITAN TRANSIT AUTHORITY
OF HARRIS COUNTY, TEXAS,

Chief Financial Officer

Board Secretary

FORM OF COMPTROLLER'S REGISTRATION CERTIFICATE

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO.

I hereby certify that this bond has been examined, certified as to validity and approved by the Attorney General of the State of Texas, and that this bond has been registered by the Comptroller of Public Accounts of the State of Texas.

WITNESS MY SIGNATURE AND SEAL this _____.

Comptroller of Public Accounts of the
State of Texas

(SEAL)

* * * * *

FORM OF PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

AUTHENTICATION CERTIFICATE

It is hereby certified that this bond has been delivered pursuant to the Resolution described in the text of this Bond, in exchange for or in replacement of a bond, bonds or a portion of a bond or bonds of an issue of bonds which was originally approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

WELLS FARGO BANK, N.A.
as Paying Agent/Registrar

By: _____
Authorized Signature _____
Date of Authentication: _____

FORM OF ASSIGNMENT

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto _____

(Please print or type name, address, and zip code of Transferee)

(Please insert Social Security or Taxpayer Identification Number of Transferee)

the within bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____
_____ attorney to transfer such bond on the books kept for registration thereof, with full power
of substitution in the premises.

DATED: _____

Signature Guaranteed: _____

Registered Owner

NOTICE: Signature must be guaranteed by a
member firm of the New York Stock Exchange
or a commercial bank or trust company.

NOTICE: The signature above must
correspond to the name of the registered owner
as shown on the face of this bond in every
particular, without any alteration, enlargement
or change whatsoever.

FORM OF STATEMENT OF INSURANCE

[To be inserted if a Bond Insurance Policy is obtained in accordance with
the Officer's Pricing Certificate]

21. Opinion of Co-Bond Counsel; CUSIP. The approving opinion of Orrick, Herrington & Sutcliffe LLP and Sara Leon & Associates LLC (“Co-Bond Counsel”) and CUSIP Numbers may be reproduced on the Bonds, but errors or omissions in the printing of such opinion or such numbers shall have no effect on the validity of the Bonds.

22. Pledges and Sources of Payment; Tax Levy; Other Security.

(a) Pledge of Pledged Revenues. The Authority has heretofore transferred, set over and assigned, and does hereby again TRANSFER, SET OVER and ASSIGN, to the Trustee all of the Pledged Revenues, in trust, in order to provide for the payment of the principal of, interest on, and other payment obligations under the Senior Lien Obligations, Junior Lien Obligations and Subordinate Lien Obligations and all expenses of paying the same, subject to paragraph (c) below and to provide for the disposition of the remaining Pledged Revenues in accordance with this Resolution. In order to facilitate the transfer made in the foregoing sentence, the Authority has heretofore appointed and does hereby confirm its irrevocable appointment of the Trustee as its lawful agent and attorney-in-fact for the purpose of (i) performing those duties of its treasurer which consist of receiving the Pledged Revenues from the Comptroller pursuant to the Authority Act and other applicable law and (ii) taking such steps as may be necessary, if any, to perfect and maintain the liens granted hereunder. The Pledged Revenues shall be set aside for and are hereby irrevocably pledged to the payment of the Senior Lien Obligations, including the Series 2011 Bonds, the Series 2015 Bonds, the Series 2016 Bonds, the Series 2017 Bonds, the Series 2019 Bonds, the Series 2020 Bonds, the Bonds, the Series 2010 Contractual Obligations, the Series 2011 Contractual Obligations, the Series 2014 Contractual Obligations, the Series 2015 Contractual Obligations, the Series 2016 Contractual Obligations, the Series 2017 Contractual Obligations, the Series 2018 Contractual Obligations, and any Additional Obligations, any Senior Credit Agreements, any Junior Lien Obligations and any Subordinate Lien Obligations.

(b) Parity Senior Lien Obligations. The Senior Lien Obligations may be payable from all legally available funds of the Authority and shall be equally and ratably secured by (i) a senior lien on and pledge of the Pledged Revenues, as collected and received by the Authority or the Trustee, which pledge and lien is expressly made senior to the pledge of and lien on Pledged Revenues which the Authority has granted or may grant to secure the Junior Lien Obligations and the Subordinate Lien Obligations and (ii) to the extent such Senior Lien Obligations are Reserve Fund Participants, the Reserve Fund.

(c) Deposit of Pledged Revenues. The Authority shall, by appropriate notice, direction, request or other legal method, cause the Comptroller to pay all Pledged Revenues (or, if required by the Comptroller, all Sales and Use Tax collections) directly to the Trustee for the account of the Revenue Fund. If the Comptroller shall refuse or shall not be legally obligated to make transfers in accordance with such notice, direction or request, then the Authority shall itself cause the Pledged Revenues to be transferred to the Trustee in their entirety immediately upon receipt thereof by the Authority or by others for its account wherever located. If all Sales and Use Tax collections are paid to the Trustee by the Comptroller, then the Trustee shall promptly remit all such payment that is not Pledged

Revenues to the Authority. All Pledged Revenues received by the Trustee shall be deposited in the Revenue Fund and applied in accordance with this Resolution.

(d) Limitation on Security for Termination Payments. The lien on and pledge of Pledged Revenues granted by this Resolution shall not secure payment of any termination payment under an interest rate management agreement; provided, however, that nothing in this Resolution shall prevent the Authority from granting a junior or subordinate lien on and pledge of the Pledged Revenues for such purpose.

23. Levy of Sales and Uses Tax; Covenant to Levy Sales and Use Tax. The orders levying the Authority's Sales and Use Tax previously adopted by the Board are hereby approved, ratified and readopted in full, and this Resolution shall be cumulative of such orders.

24. Special Funds. The Authority hereby recognizes and confirms the prior establishment of (a) the Revenue Fund, which fund shall be maintained with the Trustee and shall be kept separate and apart from all other funds and accounts of the Authority (b) the Interest and Sinking Fund, which shall be maintained as a separate fund with the Trustee, which shall hold such fund in trust for the registered owners of the Senior Lien Obligations, and (c) the Reserve Fund, which shall be maintained as a separate fund with the Trustee, which shall hold such fund in trust for the registered owners of the Reserve Fund Participants. All of the foregoing funds shall be used solely as herein provided so long as any Senior Lien Obligation remains Outstanding.

The Authority or the Trustee may create accounts and subaccounts within any fund created by this Resolution when in the judgment of the Authority or the Trustee the creation of such accounts or subaccounts will enable the Authority or the Trustee to better administer the funds.

25. Flow of Funds. The Trustee shall deposit the portion of the Sales and Use Tax payment that constitutes Pledged Revenues into the Revenue Fund promptly after receipt. Immediately upon such deposit and upon each deposit to the Revenue Fund thereafter, the Trustee shall apply moneys from time to time on deposit to the credit of the Revenue Fund in the following order of priority:

(a) First, to make all deposits into the Interest and Sinking Fund as provided herein and, if the Bonds are ratably secured thereby, in any other interest and sinking fund provided in any order or resolution authorizing the issuance of any other Senior Lien Obligations;

(b) Second, to make all deposits into the Reserve Fund as provided herein and in any other reserve fund provided in any order or resolution authorizing the issuance of any Senior Lien Obligations other than Reserve Fund Participants, provided that on any date on which there is a deficiency in the Reserve Fund, the Trustee shall not apply any moneys to any other such fund in an amount greater than that required to produce a balance therein equal to 50% of the Maximum Annual Debt Service Requirements on the Senior Lien Obligations payable from such other reserve fund ratably over a 36-month period from the original date of any deficiency therein unless an additional deposit to the Reserve Fund is made to cure such deficiency in the Reserve Fund at the same rate;

(c) Third, to make all other deposits not made pursuant to subsection (b) above into any reserve fund provided in any order or resolution authorizing the issuance of any Senior Lien Obligations;

(d) Fourth, to make all other deposits required by any order or resolution authorizing the issuance of any Senior Lien Obligations and any related agreement or Credit Agreement;

(e) Fifth, to make all deposits required by any order or resolution authorizing the issuance of any Junior Lien Obligations (a copy of which shall be provided by the Authority to the Trustee on or before the date of issuance of such Junior Lien Obligations);

(f) Sixth, to make all deposits required by any order or resolution authorizing the issuance of any Subordinate Lien Obligations (a copy of which shall be provided by the Authority to the Trustee on or before the date of issuance of such Subordinate Lien Obligations); and

(g) Seventh, to the Authority for any lawful purpose.

In case such moneys on deposit in the Revenue Fund shall at any time be insufficient to make in full all deposits and transfers then due and unpaid as provided above, then, such deposits and transfers shall be made from such moneys in the priority set out above, but ratably according to the aggregate amount within each priority to be deposited and without any preference within a priority.

26. Revenue Fund and Interest and Sinking Fund. Moneys from time to time on deposit to the credit of the Revenue Fund shall be applied by the Trustee as follows:

(a) Transfers to Interest and Sinking Fund. Subject to subsections (b) and (c) below, for so long as any Bonds remain Outstanding, the Trustee shall transfer from the Revenue Fund to the Interest and Sinking Fund on each date on which funds are deposited to the Revenue Fund such amounts which, when added to other amounts in the Interest and Sinking Fund, will provide for the accumulation, in substantially equal monthly installments, of amounts sufficient to pay (i) the interest scheduled to become due on all Outstanding Senior Lien Obligations on the next succeeding interest payment date (other than interest scheduled to become due but anticipated to be paid with the proceeds of Senior Lien Obligations), (ii) the principal of all Outstanding Senior Lien Obligations scheduled to mature on the next succeeding principal payment date (other than maturing principal anticipated to be paid with the proceeds of Senior Lien Obligations), (iii) payments due and payable to Credit Providers on Senior Credit Agreements on ensuing payment dates; and (iv) the redemption price of all Outstanding Senior Lien Obligations called or scheduled for redemption on the next redemption date, plus all fees, charges and other amounts payable to any Paying Agent/Registrar, market agent, broker/dealer, remarketing agent or Credit Provider in respect of Senior Lien Obligations; provided that in all cases the Trustee shall transfer an amount sufficient to ensure that the Interest and Sinking Fund has adequate funds on deposit to make all required principal, interest, and other payments on Senior Lien Obligations through the immediately succeeding month, assuming accrual

of interest at the maximum rate for any period for which the rate has not been fixed and payment thereof on the last day of such succeeding month.

(b) Limitation on Use of Capitalized Interest. Proceeds of any issue of Senior Lien Obligations on deposit in the Interest and Sinking Fund shall be available to pay interest only on such Senior Lien Obligations and shall be credited against the transfer requirements described in subsection (a)(i) above only for such issue of Senior Lien Obligations.

(c) Suspension of Payments. Whenever the total amount on deposit to the credit of the Interest and Sinking Fund shall be equal to the sum of the aggregate principal amount of all Outstanding Senior Lien Obligations plus the aggregate amount of all interest accrued and to accrue thereon and all bank charges and other costs and expenses related to the payment thereof, no further payments need be made into such funds, and the Senior Lien Obligations shall not be regarded as being Outstanding except for the purpose of being paid with the moneys on deposit in such funds.

(d) Application of Interest and Sinking Fund. Monies deposited to the credit of the Interest and Sinking Fund shall be used solely for the purpose of paying the principal of and interest and other payments on the Outstanding Senior Lien Obligations, plus all bank charges, fees and expenses of the Trustee and paying agents and registrars and Credit Providers, and other costs and expenses, relating to such payment. On or before each due date for the payment of principal and/or interest or other amounts on Senior Lien Obligations, the Trustee shall pay (or transfer to the applicable paying agent for the payment of) the principal of and interest and other amounts payable on the Senior Lien Obligations on such date, together with an amount equal to all bank charges, fees and expenses of the Trustee and paying agents and registrars and Credit Providers and other costs and expenses relating to such payment; provided that, if the balance of the Interest and Sinking Fund is insufficient on any such date to pay such principal, interest and other amounts then due in full, then the Trustee shall apply all available funds therein to pay (or transfer to the applicable paying agents for the payment of) such principal, interest, and other amounts ratably, in proportion to the amounts then due, without any preference or priority of any Senior Lien Obligation over any other Senior Lien Obligations. Any moneys remaining in the Interest and Sinking Fund after all Senior Lien Obligations are no longer Outstanding shall be transferred to the Revenue Fund.

(e) Payment of the Bonds. The Trustee shall pay, out of the Interest and Sinking Fund, to the Paying Agent in no event later than each applicable principal payment date and Interest Payment Date for any Outstanding Bonds, an amount (as determined by the Paying Agent) sufficient for the Paying Agent to pay principal of and interest on the Outstanding Bonds due on such dates (and to be paid by such Paying Agent).

27. Construction Fund. The Authority does not anticipate creating a Construction Fund (the "Construction Fund") as a special fund of the Authority held by the Authority in connection with the issuance of the Bonds.

28. Reserve Fund.

(a) Funding of Reserve Fund. If the Reserve Fund is not fully funded on the date of issuance of any Reserve Fund Participant with proceeds of such issuance, other funds of the Authority or a combination of both, or if the balance of the Reserve Fund is less than the Reserve Fund Requirement as of any other valuation date, then on each date on which funds are deposited to the Revenue Fund, the Trustee shall transfer into the Reserve Fund, out of money held in the Revenue Fund, an amount equal to 1/36 of the Reserve Fund Requirement or the amount needed to attain the Reserve Fund Requirement, whichever is lesser, which transfers shall continue until the Reserve Fund contains the Reserve Fund Requirement; provided, however, that the Authority may provide for other or greater transfers in connection with the purchase or acquisition of any Reserve Fund Surety Policy or otherwise.

(b) Application of Reserve Fund. If, on any Interest Payment Date, any date a principal installment is due or any other date, after giving effect to all transfers pursuant to Section 25, the Paying Agent/Registrar and other paying agents for the Reserve Fund Participants have not received sufficient funds to make all payments of interest on and principal of the Reserve Fund Participants then due and payable or to make any other then required payments on Reserve Fund Participants, the Trustee shall transfer amounts from the Reserve Fund to the Paying Agent/Registrar and other paying agents to the extent necessary to enable them to make such payments; provided that, if the balance of the Reserve Fund is insufficient on any such date to make all such transfers in full, then the Trustee shall apply all available funds therein to make transfers to the applicable paying agents ratably, in proportion to the transfers then due, without any preference or priority of any Reserve Fund Participant over any other Reserve Fund Participant.

(c) Use to Retire Reserve Fund Participant. When the amount in the Reserve Fund, together with the amounts in the Interest and Sinking Fund available for such purpose, is sufficient to fully pay all Outstanding Reserve Fund Participants in accordance with their terms (including principal or redemption price and interest thereon), the funds on deposit in the Reserve Fund at the direction of the Authority may be used to pay the principal and redemption price of and interest on all Outstanding Reserve Fund Participants.

(d) Surety Bonds. In lieu of cash or investment securities, the Reserve Fund Requirement may be satisfied in whole or in part with one or more Reserve Fund Surety Policies. Such policies may be drawn upon only after all other amounts in the Reserve Fund have been used or applied, and other amounts in the Reserve Fund may be used to reimburse and repay issuers of such policies for amounts drawn thereon together with interest thereon and related costs.

(e) Application of Surplus. Whenever the amount in the Reserve Fund exceeds the Reserve Fund Requirement and all reimbursement and repayment obligations pursuant to any Reserve Fund Surety Policy have been satisfied, the Authority may direct the Trustee to transfer such excess to the Interest and Sinking Fund or to any other Fund hereunder.

29. Investment of Trust Funds. Amounts in any fund or account held by the Trustee may, to the extent permitted by applicable law, be invested in accordance with the Authority's investment policy upon written instruction of an Authorized Representative and the Trustee shall have no obligation or responsibility for selecting such investments or for any loss therefrom. Such investments shall mature in such amounts and at such times as may, in the judgment of such Authorized Representative, be necessary to provide funds when needed to make timely payments from such fund or account. In order to comply with the directions of such Authorized Representative, the Trustee may cause the liquidation prior to their maturities of obligations in which funds have been invested, and the Trustee shall not be liable for any loss or penalty of any nature resulting therefrom. In order to avoid loss in the event of a need for funds, the Authority may instruct the Trustee, in lieu of a liquidation of investments in the fund or account needing funds, to exchange such investments for investments in another fund or account that may be liquidated at no, or at a reduced, loss.

Obligations purchased as an investment of any money credited to any fund or any account thereof shall be deemed at all times to be a part of such fund or account. Except as otherwise provided herein, the interest accruing on obligations so purchased and any profit realized from such investment shall be credited to the Revenue Fund and any loss resulting from such investment shall be charged to such fund or account. For the purpose of determining the amount on deposit to the credit of any such fund, obligations in which money in such fund shall have been invested shall be computed at the fair market value thereof.

All money in excess of the amount guaranteed by the Federal Deposit Insurance Corporation or other federal agency shall be continuously secured by the Trustee, for the benefit of the Authority and the owners of the Senior Lien Obligations, as their interests appear, either (a) in the manner provided by the Public Funds Collateral Act, Chapter 2257, Texas Government Code, as amended, or (b) in any other manner as may then be required or permitted by applicable state or federal laws and regulations regarding the security for, or granting a preference in the case of, the deposit of trust funds; provided, however, that it shall not be necessary for the Trustee or the Paying Agent/Registrar to give such security for the deposit with it of any money to be used to pay principal (and premium, if any) or interest which is at the time of such deposit due and payable with respect to any Senior Lien Obligations, or for the Trustee to give security for any money which shall be represented by obligations purchased under the provisions of this Section as an investment of such money.

The Trustee shall retain all records of its application and investment of funds hereunder for at least six years after the final maturity of Bonds. The Authority acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the Authority the right to receive brokerage confirmations of security transactions as they occur, the Authority specifically waives receipt of such confirmations to the extent permitted by law. The Trustee will furnish the Authority periodic cash transaction statements which include detail for all investment transactions made by the Trustee hereunder. No statement need be rendered for any fund or account if no activity occurred in such fund or account during such month. The Authority may receive brokerage confirmations at no additional cost at its written request.

30. Sale; Bond Purchase Agreement; Ratings; Bond Insurance. The Bonds shall be sold and delivered to the Underwriters at a price (not less than 90% of the aggregate initial offering

price of the Bonds) determined by the Authorized Representative and set forth in the Officer's Pricing Certificate and in accordance with the terms of the Bond Purchase Agreement. Upon completion of the terms of the Officer's Pricing Certificate, the Authorized Representative is hereby authorized and directed to execute the Bond Purchase Agreement on behalf of the Authority substantially in the form attached as Exhibit D herein in accordance with the terms specified in the Officer's Pricing Certificate, and the Authorized Representative and all other officers, agents and representatives of the Authority are hereby authorized to do any and all things necessary or desirable to satisfy the conditions set out therein and to provide for the issuance and delivery of the Bonds.

The Authority hereby acknowledges that the sale of the Bonds pursuant to the Bond Purchase Agreement may be contingent upon the issuance of a Bond Insurance Policy from the Bond Insurer insuring the timely payment of principal of and interest on the Bonds. The Authorized Representatives and other appropriate Authority officials are hereby authorized and directed to execute such documents and certificates and to do any and all things necessary or desirable to obtain such insurance, if any, and the printing on the Bonds of an appropriate legend or statement regarding such insurance is hereby approved.

31. Use of Proceeds. Proceeds from the sale of the Bonds shall, promptly upon receipt by the Authority, be applied as follows:

(a) Refunding. Sufficient proceeds shall be applied, and other legally available funds of the Authority, to deposit with the Escrow Agent an amount sufficient to provide for the redemption of the Refunded Bonds to pay the principal of, premium if any, and accrued interest on the Refunded Bonds on their respective maturities or redemption dates and to pay all expenses (or to reimburse amounts withdrawn from legally available funds of the Authority to pay such expenses) arising in connection with the issuance of the Bonds, the establishment of the escrow fund and the refunding of the Refunded Bonds, as more particularly described in the Officer's Pricing Certificate; and

(b) Costs of Issuance. A portion of the proceeds shall be applied to pay expenses arising in connection with the issuance of the Bonds and the premium for any Bond Insurance Policy, if any.

The Authority authorizes the deposit of other funds of the Authority into the Reserve Fund as may be set forth in the applicable Officer's Pricing Certificate.

32. Additional Obligations.

(a) Right to Issue. Subject to the requirements of subsection (b) of this Section, the Authority reserves the right to issue or enter into, at any time and from time to time, in one or more installments, for any lawful purpose, the CP Notes, Additional Obligations, and Senior Credit Agreements, all of which, when issued or otherwise entered into and delivered, shall be payable from and secured by the senior lien on and pledge of the Pledged Revenues to the Trustee confirmed by this Resolution on a parity with all other Senior Lien Obligations and shall in all respects be on a parity and of equal dignity with and shall be secured in the same manner as the Bonds. Such pledge of and lien on the Pledged Revenues

securing the Senior Lien Obligations is and shall be senior to the pledge of and lien on the Pledged Revenues which the Authority has granted or may grant to secure the Junior Lien Obligations and the Subordinate Lien Obligations.

(b) Condition to Issuance. Except as provided in paragraph (c) of this Section, no Additional Obligations may be issued and no Senior Credit Agreements may be entered into unless the Chief Financial Officer of the Authority shall certify to the Trustee in writing that, for either the preceding Fiscal Year or any consecutive 12-month period out of the 18-month period preceding the month in which the order or resolution authorizing such Additional Obligations or Senior Credit Agreement is adopted (the "Base Period"):

(1) Historical/Pro Forma Coverage. The Pledged Revenues were not less than 200% of the Maximum Annual Debt Service Requirements, after giving effect to the issuance of the Additional Obligations or execution of the Senior Credit Agreement, as applicable; or

(2) Pro Forma Coverage. Pledged Revenues, adjusted to give effect to the occurrence prior to the adoption of the order or resolution authorizing such Additional Obligations of (A) any increase in the Sales and Use Tax rate or (B) any increase in the percentage of the Sales and Use Tax revenues designated by the Authority as Pledged Revenues, as if either such increase had been in effect for the entire Base Period, would have been not less than 200% of the Maximum Annual Debt Service Requirements after giving effect to the issuance of the Additional Obligations or execution of the Senior Credit Agreement, as applicable.

(c) Exception. Additional Obligations issued to refund Senior Lien Obligations are not subject to subsection (b) of this Section if their issuance will not increase Maximum Annual Debt Service Requirements by more than 10%.

33. Covenant to Maintain Sales and Use Tax Rate. The Authority agrees and covenants that at all times while there are Outstanding Bonds, it will not reduce the rate at which the Sales and Use Tax is levied below its current rate of 1% of the receipts from the sale at retail or on the sale price or the lease or rental price on the storage, use or other consumption of all taxable items within the boundaries of the Authority or take action to apply such tax to less than all of such transactions.

34. Continuing Disclosure Undertaking.

(a) Annual Reports. The Authority shall provide annually to the MSRB, within six months after the end of each Fiscal Year, financial information and operating data with respect to the Authority of the general type included in the final Official Statement authorized by Section 38, being the information described in the Official Statement in Appendix B and in Tables 1 through 7. Any financial statements so to be provided shall be (1) prepared in accordance with the accounting principles as the Authority may be required to employ from time to time pursuant to State law or regulation and (2) audited, if the Authority commissions an audit of such statements and the audit is completed within the period during which they must be provided. If audited financial statements are not so

provided, then the Authority shall provide unaudited financial statements for the applicable Fiscal Year to the MSRB, and audited financial statements when and if audited financial statements become available.

If the Authority changes its Fiscal Year, it will notify the MSRB of the change (and of the date of the new Fiscal Year end) prior to the next date by which the Authority otherwise would be required to provide financial information and operating data pursuant to this Section.

The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document (including an official statement or other offering document, if it is available from the MSRB) or filed with the SEC, or may be provided in any other manner consistent with the Rule.

(b) Event Notices. The Authority shall notify the MSRB, in a timely manner, not in excess of 10 business days after the occurrence of the event, notice of any of the following events with respect to the Bonds:

- (1) Principal and interest payment delinquencies;
- (2) Non-payment related defaults, if material;
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) Substitution of credit or liquidity providers, or their failure to perform;
- (6) Adverse tax opinions the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;
- (7) Modifications to rights of holders of the Bonds, if material;
- (8) Bond calls, if material, and tender offers;
- (9) Defeasances;
- (10) Release, substitution, or sale of property securing repayment of the Bonds, if material;
- (11) Rating changes;

(12) Bankruptcy, insolvency, receivership or similar event of the Authority, which is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Authority in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person;

(13) The consummation of a merger, consolidation, or acquisition involving the Authority or the sale of all or substantially all of the assets of the Authority, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and

(14) Appointment of a successor or additional trustee or the change of name of a trustee, if material;

(15) Incurrence of a Financial Obligation of the Authority, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Authority, any of which affect security holders, if material; and

(16) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Authority, any of which reflect financial difficulties.

For these purposes, the Authority intends the words used in the immediately preceding paragraphs 15 and 16 and the definition of Financial Obligation in this Section to have the same meanings as when they are used in the Rule, as evidenced by SEC Release No. 34-83885, dated August 20, 2018.

(c) General. The Authority shall be obligated to observe and perform the covenants specified in this Section for so long as, but only for so long as, the Authority remains an “obligated person” with respect to the Bonds within the meaning of the Rule, except that the Authority in any event will give the notice required by this Section of any redemption calls and defeasance that cause the Authority to be no longer such an “obligated person.”

The notices and information required to be provided by the Authority pursuant to this Section will be provided in an electronic format or in such other format as required by the MSRB or the SEC and shall be accompanied by such identifying information as required by the MSRB or the SEC.

The Authority shall provide to the MSRB in a timely manner a notice of any failure to provide financial information and operating data in accordance with Section 34(a) of this Resolution.

The provisions of this Section are for the sole benefit of the Registered Owners and beneficial owners of the Bonds, and nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The Authority undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Section and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the Authority's financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided herein. The Authority does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Bonds at any future date.

UNDER NO CIRCUMSTANCES SHALL THE AUTHORITY BE LIABLE TO THE REGISTERED OWNER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE AUTHORITY, IF NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS SECTION, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE.

No default by the Authority in observing or performing its obligations under this Section shall constitute a breach of or default under the Resolution for purposes of any other provision of this Resolution.

Nothing in this Section is intended or shall act to disclaim, waive, or otherwise limit the duties of the Authority under federal and state securities laws.

The provisions of this Section may be amended by the Authority from time to time to adapt the changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the Authority, but only if (1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell the Bonds in the primary offering of the Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (2) either (a) the Registered Owners of a majority in aggregate principal amount (or any greater amount required by any other provision of this Resolution that authorizes such an amendment) of the Outstanding Bonds consent to such amendment or (b) a person that is unaffiliated with the Authority (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the Registered Owners and beneficial owners of the Bonds. If the Authority so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided in accordance with this Section an explanation, in narrative form, of the reasons for the

amendment and of the impact of any change in the type of financial information or operating data so provided. The Authority may also amend or repeal the provisions of this Section if the SEC amends or repeals the applicable provisions of the Rule or a court of final jurisdiction enters judgment that such provisions of the Rule are invalid, and the Authority also may amend the provisions of this Section in its discretion in any other manner or circumstance, but in either case only if and to the extent that the provisions of this sentence would not have prevented an underwriter from lawfully purchasing or selling Bonds in the primary offering of the Bonds, giving effect to (a) such provisions as so amended and (b) any amendments or interpretations of the Rule.

(d) Definitions. As used in this Section, the following terms have the meanings ascribed to such terms below:

“EMMA” means the Electronic Municipal Market Access system of the MSRB.

“MSRB” means the Municipal Securities Rulemaking Board.

“Rule” means SEC Rule 15c2-12, as amended from time to time.

“SEC” means the United States Securities and Exchange Commission.

35. The Trustee.

(a) Appointment. Wells Fargo Bank, N.A. has heretofore been appointed and is hereby again appointed as Trustee for the sole purpose of holding, investing, securing and disbursing the Pledged Revenues in accordance with this Resolution and is not acting in a fiduciary capacity for the Owners. The Trustee shall not be responsible for any Pledged Revenues until such Pledged Revenues are actually received by the Trustee. The Trustee undertakes to perform such functions and duties and only such functions and duties as are specifically set forth in this Resolution, and no implied duties or obligations shall be read into this Resolution against the Trustee.

(b) Limited Obligations. The Trustee shall be under no obligation to perform any duty or exercise any right or power under this Resolution until it is provided with adequate funds to do so and receives an indemnity reasonably satisfactory to it against any and all costs and expenses, outlays, and counsel fees and other disbursements, and against all liability not due to its negligence or willful misconduct. No provision of this Resolution shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or to take any action, which in the judgment of the Trustee would conflict with any rule of law or with the terms of this Resolution or would expose it to liability.

(c) Compensation. The Authority shall pay to the Trustee from time to time reasonable compensation for its services. The Trustee’s compensation shall not be limited by any law on compensation of a trustee of an express trust. The Authority shall promptly reimburse the Trustee upon request for all reasonable out-of-pocket expenses incurred by it. Such expense shall include the reasonable compensation and out-of-pocket expenses of its agents and counsel.

(d) Limited Liability. The Trustee shall be protected and shall incur no liability in acting or proceeding, or in not acting or not proceeding, in good faith, reasonably and in accordance with the terms of this Resolution, upon any resolution, order, notice, request, consent, waiver, certificate, statement, affidavit, requisition, bond or other paper or documents which it shall in good faith reasonably believe to be genuine and to have been adopted or signed by the proper board or person, or to have been prepared and furnished pursuant to any of the provisions of this Resolution, or upon the written opinion of any attorney (who may be an attorney for the Authority), engineer, appraiser or accountant (any of which, unless otherwise specified herein, may be an employee of the Authority) reasonably believed by the Trustee to be qualified in relation to the subject matter. The Trustee shall not be liable for any error of judgment made in good faith by the Trustee unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts. The Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the express provisions of this Resolution.

(e) Establishing Facts Prior to Action. Whenever, in the administration of the trust confirmed by this Resolution, the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof is specifically prescribed herein) may, in the absence of bad faith on the part of the Trustee, be deemed to be proved and established by a certificate of an Authorized Representative; and, in the absence of bad faith on the part of the Trustee, such certificate shall constitute full authority for any action taken, suffered or omitted by the Trustee under the provisions of this Resolution in reliance thereon.

(f) Use of Released Funds. The Trustee shall not be concerned with or accountable to anyone for the subsequent use or application of any money which shall be released or withdrawn and used in accordance with the provisions hereof.

(g) Executing Powers Through Third Parties. The Trustee may execute any of the trusts or powers hereof and perform the duties required of it hereunder by or through attorneys, accountants, agents or receivers and may, in all cases, pay, and be reimbursed for, the reasonable fees and expenses thereof. The Trustee shall not be responsible for the conduct of such attorneys, accountants, agents or receivers it appointed with due care.

(h) Limited Responsibility for the Bonds and Bond Documents. The Trustee shall not be responsible for any recital or statement in this Resolution, any amendment to this Resolution, the Bonds, or any official statement or other disclosure document prepared or distributed in connection with the Bonds or for the validity of the execution by the Authority of this Resolution, any amendment to this Resolution or the Bonds, or for the validity of the execution of any other or supplemental instrument by the Authority, or for the validity or sufficiency of the security for the Bonds issued hereunder or intended to be secured hereby, or for the value of or title to the security for the Bonds pledged hereunder or for the creditworthiness of the Authority. Except as otherwise expressly provided herein, the Trustee shall have no duty to ascertain or inquire as to the performance or observance of any of the terms, conditions, covenants or agreements herein or in an amendment to this Resolution, but the Trustee may require of the Authority full information and advice as to

the performance of such covenants, conditions and agreements set forth herein and in an amendment to this Resolution.

(i) No Representation or Warranty. Reserved.

(j) No Obligation or Duty. The permissive right of the Trustee to do things enumerated in this Resolution shall not be construed as an obligation or duty of the Trustee. The Trustee shall not be required to give any bond or surety in respect of the execution of its trusts and powers hereunder or otherwise in respect of these premises, except as provided in Section 29. Nothing contained herein or in the Bonds shall be construed to impose any duties upon the Trustee beyond those expressly contained in this Resolution or in an amendment to this Resolution. All immunities, indemnities and other provisions of this Resolution as related to the duties and liabilities of the Trustee shall apply to its duties and liabilities with respect to the Bonds.

(k) No Individual Liability. Under no circumstances shall the Trustee be liable in its individual capacity for the obligations evidenced by the Bonds. In accepting the trust hereby created, the Trustee acts solely as Trustee for the trust estate hereunder and not in its individual capacity and, except as otherwise provided herein, all persons, including without limitation the Owners and the Authority, having any claim against the Trustee arising from this Resolution shall look for payment only from the funds and accounts held by the Trustee hereunder.

(l) Indemnification of the Trustee. The Authority hereby covenants and agrees, to the extent permitted by applicable law and solely from the amounts held or required to be held hereunder, to indemnify the Trustee for any loss, liability, outlays and reasonable fees of its inhouse and/or outside counsel, other reasonable disbursements, expenses or advances reasonably incurred or made, without negligence or willful misconduct on the part of the Trustee, arising out of or in connection with its acceptance or administration of the trust or performance of its duties hereunder. All indemnifications and releases from liability granted to the Trustee hereunder shall extend to its directors, officers, employees, officials and agents and shall survive the resignation or removal of the Trustee.

(m) Trustee May Purchase Senior Lien Obligations. The Trustee shall not be disqualified from buying, selling, holding, owning or dealing in Senior Lien Obligations solely because it is trustee hereunder, nor is the Trustee disqualified from being the depository of the Authority of moneys not entrusted to it hereunder.

(n) Trustee May Resign or be Removed. The Trustee may resign and thereby become discharged from the trusts confirmed upon the acceptance thereof by a successor by notice in writing to be given to the Authority and by notice mailed, postage prepaid to all Owners not less than 60 days before such resignation is to take effect, but such resignation shall take effect immediately upon the appointment of a successor Trustee pursuant to this Section, if such successor Trustee shall be appointed before the time specified by such notice and shall accept such appointment. If no successor Trustee is appointed within 60 days after the date of such notice of resignation, the resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor

Trustee. The Trustee may be removed, with or without cause, at any time by an instrument or concurrent instruments in writing, filed with the Trustee, and signed by the Owners of a majority in principal amount of the Senior Lien Obligations.

(o) Successor Trustee. The Authority covenants that at all times while any Bonds are Outstanding it will engage a legally qualified bank, trust company, financial institution or other agency with a minimum capital and surplus at the time of deposit of at least \$1,000,000,000 to act as Trustee for the Bonds. The Authority reserves the right to change the Trustee for the Bonds on not less than sixty (60) days' written notice to the Trustee, as long as any such notice is effective not less than 60 days prior to the next succeeding principal or interest payment date on the Bonds. Any successor Trustee appointed under this Resolution shall execute, acknowledge, and deliver to its predecessor Trustee, and also to the Authority, an instrument accepting such appointment, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become fully vested with all moneys, estates, properties, rights, powers, duties, and obligations of such predecessor Trustee, with like effect as if originally named as Trustee; but the Trustee ceasing to act shall nevertheless, on the written request of the Authority, or of the successor Trustee, execute, acknowledge, and deliver such instruments of assignment and further assurance and do such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor Trustee all the right, title, and interest of the predecessor Trustee in and to any property held by it under this Resolution, and shall pay over, assign, and deliver to the successor Trustee any money or other property subject to the trusts and conditions herein set forth. Any such successor Trustee shall promptly notify any paying agents and registrars of its appointment as Trustee. Each Trustee hereunder, by acting in that capacity, shall be deemed to have agreed to the provisions of this Resolution. No resignation or removal of the Trustee and no appointment of a successor Trustee pursuant to this Section shall become effective until the acceptance of appointment by the successor Trustee under this Section.

36. Related Matters. To satisfy in a timely manner all of the Authority's obligations under this Resolution; the Paying Agent/Registrar Agreement and the Bond Purchase Agreement, the Authorized Representative and all other appropriate officers, agents and representatives of the Authority are hereby authorized and directed to take all other actions that are reasonably necessary to provide for the issuance of the Bonds, including, without limitation, executing and delivering on behalf of the Authority all certificates, consents, receipts, requests and other documents as may be reasonably necessary to satisfy the Authority's obligations under the Bond Purchase Agreement, the Paying Agent/Registrar Agreement, the Escrow Agreement and this Resolution and to direct the transfer and application of funds of the Authority consistent with the provisions of this Resolution.

37. Resolution a Contract - Amendments. This Resolution shall constitute a contract with the Owners from time to time, be binding on the Authority and the Trustee, and shall not be amended or repealed by the Authority so long as any Bond remains Outstanding except as permitted in this Section. The Authority may, without the consent of or notice to any Owners but with notice to the Trustee, from time to time and at any time, amend this Resolution in any manner not detrimental to the interests of the Owners, including the curing of any ambiguity, inconsistency, or formal defect or omission herein. In addition, the Authority may, with the written

consent of the Trustee and Owners who own in the aggregate 51% of the principal amount of the Bonds then Outstanding, amend, add to, or rescind any of the provisions of this Resolution; provided that, without the consent of all Owners of Outstanding Bonds, no such amendment, addition, or rescission shall (i) extend the time or times of payment of the principal of and interest on the Bonds, reduce the principal amount thereof, the redemption price, or the rate of interest thereon, or in any other way modify the terms of payment of the principal of or interest on the Bonds, (ii) give any preference to any Bond over any other Bond, or (iii) reduce the aggregate principal amount of Bonds required to be held by Owners for consent to any such amendment, addition, or rescission. The Authority will not amend this Resolution in any manner that imposes additional obligations on the Trustee or adversely affects the Trustee's rights, duties or immunities hereunder without the Trustee's written consent.

No one or more Owner of Outstanding Bonds shall have any right in any manner whatever by virtue of, or by availing of, any provision of this Resolution to affect, disturb, or prejudice the rights of any other Owner of Outstanding Bonds or the Trustee, or to obtain or to seek to obtain priority or preference over any other Owner of Outstanding Bonds or to enforce any right under this Resolution, except in the manner herein provided and for the equal and ratable benefit of all Owners of Outstanding Bonds and, on a basis subordinate thereto, all Owners of Junior Lien Obligations and Subordinate Lien Obligations.

38. Official Statement. The Board hereby approves, in connection with the sale of the Bonds, (a) the preparation and distribution of a Preliminary Official Statement, in the form approved by the Authorized Representative with such changes approved by the Authority's working group, and (b) the Authorized Representative to act on behalf of the Authority to deem the Preliminary Official Statement for any series of the Bonds final within the meaning of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, and hereby authorizes the preparation of a final Official Statement containing such additional information and amendments as may be necessary to conform to the terms of the Bonds, this Resolution, the Officer's Pricing Certificate and the Bond Purchase Agreement. The Authorized Representative is hereby authorized to sign such Official Statement and/or to deliver a certificate pertaining to such Official Statement as prescribed therein, dated as of the date of payment for and delivery of the Bonds.

39. Power to Revise Form of Documents. Notwithstanding any other provision of this Resolution, the Authorized Representative is authorized hereby to make or approve such revisions, additions, deletions, and variations to this Resolution and in the form of the documents attached hereto as exhibits as, in the judgment of the Authorized Representative, and in the opinion of Co-Bond Counsel to the Authority, may be necessary or convenient to carry out or assist in carrying out the purposes of this Resolution, the Preliminary Official Statement, the final Official Statement, or as may be required for approval of the Bonds by the Attorney General of Texas; provided, however, that any changes to such documents resulting in substantive amendments to the terms and conditions of the Bonds or such documents shall be subject to the prior approval of the Board and the provisions of Section 37 of this Resolution.

40. No Personal Liability. No recourse shall be had for payment of the principal of or interest on any Bonds or for any claim based thereon, or on this Resolution, against any official or employee of the Authority or any person executing any Bonds.

41. Co-Bond Counsel and Disclosure Counsel. The engagement of Co-Bond Counsel and the firms of [Bracewell LLP and West & Associates LLP] as co-disclosure counsel are hereby confirmed in accordance with these firm's engagement letters with the Authority, approved contemporaneously herein in connection with the resolution approving the Bonds.

42. Reserved.

43. Escrow Agreement. To provide for the deposit of proceeds of the Bonds into an escrow fund, the discharge and defeasance of the Refunded Bonds will be effectuated pursuant to the terms and provisions of the Escrow Agreement as determined in the Officer's Pricing Certificate to be entered into by and between the Authority and the Escrow Agent for Refunded Bonds, which shall be substantially in the form of Exhibit C, the terms and provisions of which are hereby approved, subject to such insertions, additions, and modifications as shall be necessary (a) to carry out the program designed for the Authority by the underwriters, (b) to comply with all applicable laws and regulations relating to the refunding of the Refunded Bonds, and (c) to carry out the other intents and purposes of this Resolution and the Officer's Pricing Certificate, and the Authorized Representative is hereby authorized to execute and deliver such Escrow Agreement on behalf of the Authority.

44. Purchase of Escrowed Securities. In order to assure the purchase of the escrowed securities shown in the Officer's Pricing Certificate and to be held pursuant to the Escrow Agreement, the Authorized Representative is hereby authorized to subscribe for, agree to purchase and purchase, securities authorized by the ordinances relating to the Refunded Bonds and by applicable law, in such amounts, maturities, and bearing interest at such rates as may be provided for in the Escrow Agreement, and the Chief Financial Officer is authorized to execute, and the Secretary is authorized to attest to any and all subscriptions, purchase agreements, forward purchase agreements, commitments, letters of authorization, and other documents necessary to effectuate the foregoing, and any actions heretofore taken by the Chief Financial Officer for such purpose are hereby ratified and approved.

45. Defeasance. The Authority may defease the provisions of this Resolution (except as herein expressly stated), and discharge its obligation to the Owners of any or all of the Senior Lien Obligations (except to the extent otherwise expressly provided therein) to pay the principal of and interest thereon from other funds, by depositing with the Paying Agent/Registrar, the Comptroller or any other entity with which such deposits may be made (as specified in Section 1207.061, Texas Government Code, as amended) which has a minimum capital and surplus at the time of deposit of at least \$100,000,000 either:

(a) Cash Deposit. Cash in an amount equal to the principal amount of and interest thereon to the date of maturity or earlier redemption, if any, or

(b) Governmental Obligations. Pursuant to an escrow or trust agreement, cash and/or (i) direct noncallable obligations of United States of America, including obligations that are unconditionally guaranteed by the United States of America; (ii) noncallable obligations of an agency or instrumentality of the United States, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that are rated as to investment quality by a nationally recognized investment rating firm not less

than "AAA" or its equivalent; or (iii) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that are rated as to investment quality by a nationally recognized investment rating firm not less than "AAA" or its equivalent, which, in the case of (i), (ii) or (iii), may be in book entry form, and the principal of and interest on which will, when due or redeemable at the option of the holder, without further investment or reinvestment of either the principal amount thereof or the interest earnings thereon, provide money in an amount which, together with other moneys, if any, held in such escrow at the same time and available for such purpose, shall be verified by a nationally recognized firm of accountants or actuaries sufficient to provide for the timely payment of the principal of and interest thereon to the date of maturity or earlier redemption, if any; provided, however, that if any of such Bonds are to be redeemed prior to their respective dates of maturity, irrevocable provision shall have been made for giving notice of redemption as provided in this Resolution. Upon such deposit, such Bonds shall no longer be regarded to be Outstanding and shall no longer be subject to other redemption at the option of the Authority. Any surplus amount not required to accomplish such defeasance shall be returned to the Authority.

Upon such defeasance of all Senior Lien Obligations as provided in this Section, the lien on and pledge of the Pledged Revenues and powers of the Trustee granted under this Resolution and all covenants, agreements and other obligations of the Authority to the Owners thereof shall thereupon cease, terminate and become void and be discharged and satisfied. In such event, the Trustee shall cause an accounting for such period or periods as shall be requested by the Authority to be prepared and filed with the Authority and, upon the request of the Authority, shall execute and deliver to the Authority all such instruments as may be desirable to evidence such discharge and satisfaction, and shall pay over or deliver to the Authority all moneys or securities held by it pursuant to this Resolution which are not required for the payment of principal or redemption price, if applicable, on Senior Lien Obligations not theretofore surrendered for such payment, or redemption.

46. Notice. Any notice, demand, direction, request or other instrument authorized or required by this Resolution to be given to or filed with the Authority, the Trustee or the Paying Agent/Registrar shall be deemed to have been given only upon receipt. Any notice shall be sent by first class mail, postage prepaid, to the address specified below or, to such other address as may be designated in writing by the parties:

Authority: Metropolitan Transit Authority of Harris County, Texas
1900 Main Street
Houston, Texas 77002
Attn: Chief Financial Officer
Facsimile Transmission Number: (713) 758-9771

Paying Agent/Registrar: Wells Fargo Bank, N.A.
MAC C7300-122
1700 Lincoln, 12th Floor
Denver, CO 80203-4500
Attn: Corporate Trust Department
Facsimile Transmission Number: (303) 863-5023

Trustee:

Wells Fargo Bank, N.A.
MAC C7300-122
1700 Lincoln, 12th Floor
Denver, CO 80203-4500
Attn: Corporate Trust Department
Facsimile Transmission Number: (303) 863-5023

47. Legal Holidays. In any case where the date interest becomes payable on the Bonds or principal of the Bonds matures or the date fixed for redemption of any Bonds shall not be a Business Day, then payment of interest or principal need not be made on such date, but payment may be made on the next succeeding Business Day and in the same amount with the same force and effect as if made on the scheduled date for payment, and no interest shall accrue for the period from the date of maturity or redemption to the date of actual payment.

48. Open Meeting. It is hereby officially found and determined that the meeting at which this Resolution was adopted was open to the public, and public notice of the time, place and purpose of said meeting was given, all as required by the Open Meetings Law, Chapter 551, Texas Government Code, as amended.

49. Effective Date. This Resolution shall be in full force and effect from and upon its adoption.

50. Severability. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

51. Repealer. All orders, resolutions and ordinances, or parts thereof, inconsistent herewith are hereby repealed to the extent of such inconsistency.

ACCEPTANCE OF TRUST

The Trustee, acting by and through the below named duly authorized officer, hereby accepts the trusts confirmed by this Resolution and agrees to perform the duties of Trustee hereunder, but only upon and subject to the express terms and conditions herein, on this ____ day of _____, 2021.

WELLS FARGO BANK, N.A., as Trustee

By: _____
Authorized Officer

EXHIBIT A

FORM OF OFFICER'S PRICING CERTIFICATE

**METROPOLITAN TRANSIT AUTHORITY OF HARRIS COUNTY, TEXAS,
SALES AND USE TAX REFUNDING BONDS, TAXABLE SERIES 2021A**

THIS OFFICER'S PRICING CERTIFICATE is executed as of _____, 2021 by the Authorized Representative of the Metropolitan Transit Authority of Harris County, Texas (the "Authority") pursuant to the authorization contained in a resolution of the Board of Authority, acting as the governing body of the Authority, adopted on July 22, 2021 (the "Resolution"), authorizing the issuance of the captioned series of bonds (the "Bonds") and delegating to the undersigned the authority to agree to and stipulate certain terms and provisions thereof, all of which are set forth herein.

Capitalized terms used in this Officer's Pricing Certificate shall have the meanings assigned to them in the Resolution.

1. Designation, Principal Amounts, Numbers, Interest Rates, Reserve Fund Participant, and Maturities. The Bonds shall be issued as Taxable Bonds in the total authorized principal amount of \$_____. The Bonds [shall/shall not] be Reserve Fund Participants. The Bonds shall mature on November 1 in each of the years and in the amounts set out in the following schedule:

<u>Bond Number</u>	<u>Year of Maturity (November 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
R-1			
R-2			
R-3			

2. Redemption. [The Bonds are not subject to redemption prior to maturity.] [The Bonds maturing on and after _____ are subject to optional redemption, in whole or, from time to time, in part on any date on or after _____ at a redemption price of par plus accrued interest.]

[The Bonds maturing in the years ____ and ____ will be issued as term bonds and shall be subject to the following mandatory redemption requirements:]

The Bonds due November 1, _____:

<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>
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3. Purchase Price. The sale of the Bonds is authorized pursuant to the form of Bond Purchase Agreement approved in the Resolution at the following price:

PRINCIPAL AMOUNT	\$ _____
Plus Original Issue Premium	_____
Less Underwriter's Discount	_____
PURCHASE PRICE	\$ _____

It is hereby found and declared that the sale of the Bonds pursuant to the Bond Purchase Agreement at such price is on the best terms and at the best prices reasonably obtainable by the Authority.

4. Deposits. Pursuant to Section 31 of the Resolution, \$_____ from the proceeds of the Bonds, [and \$_____ of legally available funds] shall be deposited with the Escrow Agent to pay the principal, premium, if any, and accrued interest on the Refunded Bonds on their respective maturities or redemption dates (as provided in Schedule I attached hereto) and \$_____ from available funds of the Authority shall be deposited into the Reserve Fund.
5. Form of Bond. Pursuant to Section 5 of the Resolution, the Form of Bonds as set forth in Exhibit A hereto is hereby approved and supersedes the Form of Bond set forth in the Resolution.
6. _____ YES _____ NO Bond Insurance. The payment of principal of and interest on the Bonds, when due, shall be insured by a Bond Insurance Policy issued by _____, upon the terms and conditions of the commitment attached hereto as Exhibit B. The statement of insurance set forth in Exhibit A hereto is hereby approved and authorized to be printed on each Bond.
7. Reserve Fund Requirement. It is hereby determined that upon the issuance of the Bonds, the Reserve Fund Requirement shall be \$_____.
8. Pursuant to Section 5 of the Resolution, we hereby further find and determine that:
- The net effective interest rate on each series of the Bonds, respectively, does not exceed the maximum rate allowed by Chapter 1204, Texas Government Code, and
 - The sum of the aggregate principal amount of each subseries of the Bonds does not exceed the aggregate maximum principal amount authorized in Section 2 of the Resolution and, when added to any premium and available funds of the Authority, is sufficient to provide amounts necessary to provide for the redemption of the Refunded Bonds, with any remainder being available to fund the estimated costs of issuance of the Bonds, including underwriters' discount, and any Bond Insurance Policy premium;

- c. the Bonds have been rated prior to delivery by a nationally recognized rating agency for municipal securities in one of the four highest categories for long-term obligations; and
 - d. the refunding of a portion of the Refunded Bonds by the Bonds produces a net present value savings, as shown by a calculation prepared by the Financial Advisors, and attached hereto as Schedule II.
9. The undersigned hereby find, determine and declare, that in accordance with the requirements of the Resolution, this Officer's Pricing Certificate complies with and satisfies the terms and provisions of the Resolution in accordance with the delegation contained therein.

WITNESS MY HAND this _____, 2021.

Authorized Representative

SCHEDULE I TO EXHIBIT A
REFUNDED BONDS

SCHEDULE II TO EXHIBIT A
PRESENT VALUE SAVINGS CALCULATION

EXHIBIT A TO OFFICER'S PRICING CERTIFICATE
FORM OF BONDS

EXHIBIT B TO OFFICER'S PRICING CERTIFICATE
COMMITMENT FOR BOND INSURANCE

N/A

EXHIBIT B
FORM OF PAYING AGENT/REGISTRAR AGREEMENT

EXHIBIT C
FORM OF ESCROW AGREEMENT

EXHIBIT D

FORM OF BOND PURCHASE AGREEMENT

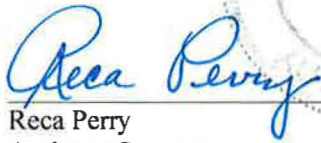
I hereby certify that the above resolution is accurate in describing the action herein of the Board of Directors on the date below.



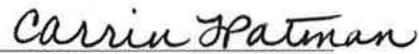
Cydonii V. Fairfax
Executive Vice President & General Counsel

PASSED this 22nd day of July, 2021
APPROVED this 22nd day of July, 2021

ATTEST:



Recca Perry
Assistant Secretary



Carrin F. Patman
Chair

A RESOLUTION

AUTHORIZING THE PRESIDENT & CEO TO NEGOTIATE AND EXECUTE A CONTRACT WITH FIRST TRANSIT, INC. TO PROVIDE ON-SITE INSPECTION SERVICES OF METRO ROLLING STOCK, AND MAKING FINDINGS AND PROVISIONS RELATED TO THE FOREGOING SUBJECT

WHEREAS, the Federal Transit Administration ("FTA") requires the Metropolitan Transit Authority of Harris County, Texas ("METRO") to have inspectors present at manufacturing facilities during the production of rolling stock, including transit buses, commuter buses and paratransit vans; and

WHEREAS, such on-site rolling stock inspection services are further required by the FTA for METRO to complete a Buy-America compliance certification for each bus and paratransit van delivery; and

WHEREAS, METRO issued a Request for Proposals for such on-site rolling stock inspection services and the proposal from First Transit, Inc. was determined by an evaluation committee to offer the most advantages and best overall value to METRO; and

WHEREAS, management recommends that METRO enter into a three (3) year contract with First Transit Inc. to provide on-site rolling stock inspection services, with two (2) one (1) year options and a maximum contract amount of \$1,264,000.

NOW, THEREFORE, BE IT RESOLVED THAT:

Section 1. The METRO Board of Directors hereby authorizes the President & CEO to negotiate and execute a three (3) year contract with First Transit Inc. to provide on-site rolling stock inspection services, with two (2) one (1) year options and a maximum contract amount of \$1,264,000.

Section 2. This Resolution is effective immediately upon passage.

I hereby certify that the above resolution is accurate in describing the action herein of the Board of Directors on the date below.



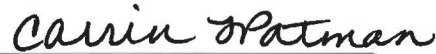
Cydonii V. Fairfax
Executive Vice President & General Counsel

PASSED this 22nd day of July, 2021
APPROVED this 22nd day of July, 2021

ATTEST:



Recca Perry
Assistant Secretary



Carrin F. Patman
Chair

A RESOLUTION

APPROVING METRO'S FY2021 TITLE VI MONITORING OF SERVICE RESULTS AND AUTHORIZING SUBMISSION TO THE FEDERAL TRANSIT ADMINISTRATION, AND MAKING FINDINGS AND PROVISIONS RELATED TO THE FOREGOING SUBJECT

WHEREAS, as a recipient of federal funds, the Metropolitan Transit Authority of Harris County, TX ("METRO") is required to monitor the performance of the transit system relative to its system-wide service standards and service policies (i.e., vehicle load, vehicle assignment, transit amenities, etc.), and to submit the results of its monitoring program as well as verification of the METRO Board of Directors' consideration, awareness and approval of such results, once every three years to the Federal Transit Administration ("FTA"), to ascertain METRO's compliance with the U.S. Department of Transportation's Title VI regulations and the FTA Circular 4702.1B (the "Circular"); and

WHEREAS, transit providers are required to undertake these periodic service monitoring activities to address transit equity needs for low-income communities and communities of color, to ensure applicable policies and decision-making are unbiased and nondiscriminatory; and

WHEREAS, if a transit provider determines, based on its monitoring activities, that prior decisions have resulted in a disparate impact on the basis of race, color, or national origin, the transit provider shall take corrective action to remedy the disparities to the greatest extent possible, and shall discuss in its Title VI Program these disparate impacts and actions taken to remedy the disparities; and

WHEREAS, management has performed the requisite monitoring of its transit service standards and policies using March 2021 data and the monitoring results are attached hereto as Exhibit A (the "FY2021 Monitoring of Service Results"); and

WHEREAS, an analysis of the FY2021 Monitoring of Service Results indicates that there was no aggregate level disparate impact in standard or COVID-19 adjusted vehicle load, on-time performance, transit amenities, or service availability in any service category, but there was a disparate impact and disproportionate burden in vehicle headway on Park & Ride and light rail, and vehicle assignment (aging) on Park & Ride; and

WHEREAS, management has indicated that each of these disparate impacts or disproportionate burdens are related to interim measures implemented by METRO as a result of the COVID-19 pandemic in response to changes in demand for service, and that service adjustments were made in June 2021 and further adjustments are expected to be made in August 2021 to continue to remedy these disparate impacts and disproportionate burdens; and

WHEREAS, on July 15, 2021, the METRO Board of Directors' Public Safety, Customer Service and Operations Committee (the "Committee") was briefed on the FY2021 Monitoring of Service Results, and following their review and discussion on the matter, a consensus was reached among Committee members to recommend that the Board approve the FY2021 Monitoring of Service Results; and

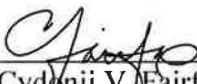
WHEREAS, in light of the foregoing and following the METRO Board of Directors' review and consideration of the FY2021 Monitoring of Service Results, including the actions taken to remedy the identified disparities, the Board desires to approve such results, and authorize their submission to the FTA.

NOW, THEREFORE, BE IT RESOLVED THAT:

Section 1. The Board of Directors hereby approves the Fiscal Year 2021 Monitoring of Service Results attached hereto as Exhibit A and authorizes the President & CEO to submit the results to the FTA.

Section 2. This Resolution is effective immediately upon passage.

I hereby certify that the above resolution is accurate in describing the action herein of the Board of Directors on the date below.



Cydonii V. Fairfax
Executive Vice President & General Counsel

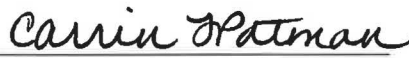
PASSED this 22nd day of July, 2021
APPROVED this 22nd day of July, 2021

ATTEST:



Recca Perry
Assistant Secretary





Carrin F. Patman
Chair

FY2021 TITLE VI MONITORING OF SERVICE REPORT

Public Safety, Customer Service, and Operations
Committee
July, 2021

BACKGROUND

- The Federal Transit Administration's circular 4702.1B requires all recipients of federal assistance to monitor various aspects of the provision of transit service to ensure that there is no disparate impact on the basis of race, color, or national origin.
- This Title VI monitoring must be completed and approved by the Board of Directors not less than every three years.
- The last Board approved Title VI monitoring report was for FY2018.

COVID -19

- The Federal Transit Administration has been flexible with various regulations in line of decisions forced on agencies due to the pandemic
- METRO made multiple system wide and interim bus and rail service changes to respond to demand (social distancing, ridership)
- METRO has prepared annual Monitoring of Service Reports using March (mid-year) data
- In March 2021 METRO implemented interim service changes to respond to changes in demand (business case)
- With future service changes planned for June and August 2021, some short-term issues were identified in March which were scheduled to be corrected subsequently

MONITORING ACTIVITIES

- METRO staff analyzed the following service characteristics annually to ensure compliance with the Monitoring of Service requirements:
 - Vehicle Load
 - Vehicle Headway
 - On-Time Performance
 - Transit Amenities
 - Service Availability
 - Vehicle Assignment
- METRO staff used March data for this analysis

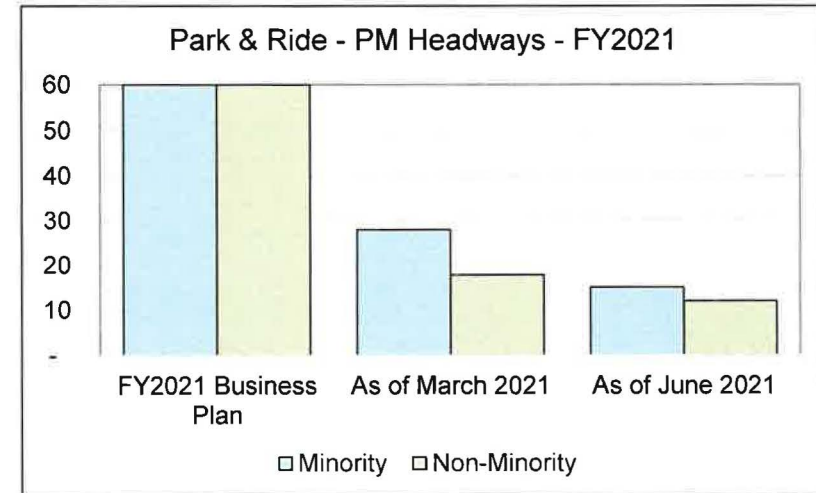
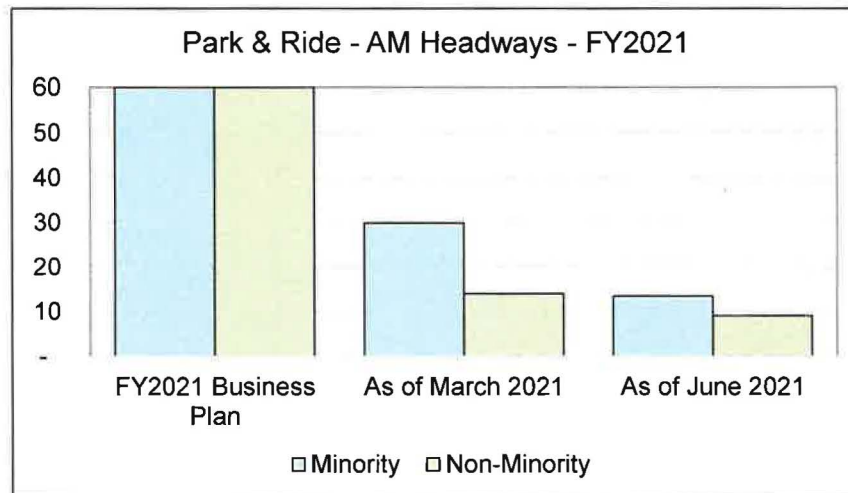
ANALYSIS OF RESULTS

- There were no disparate impacts or disproportionate burden on any service category in the following four requirements:
 - Vehicle Load
 - On-Time Performance
 - Transit Amenities
 - Service Availability
- There were either disparate impacts or disproportionate burdens on one or more service category in the following two requirements:
 - Vehicle Headway
 - Vehicle Assignment
- Each of these disparate impacts or disproportionate burdens are related to METRO's COVID-19 responsiveness

ANALYSIS OF RESULTS – VEHICLE HEADWAY

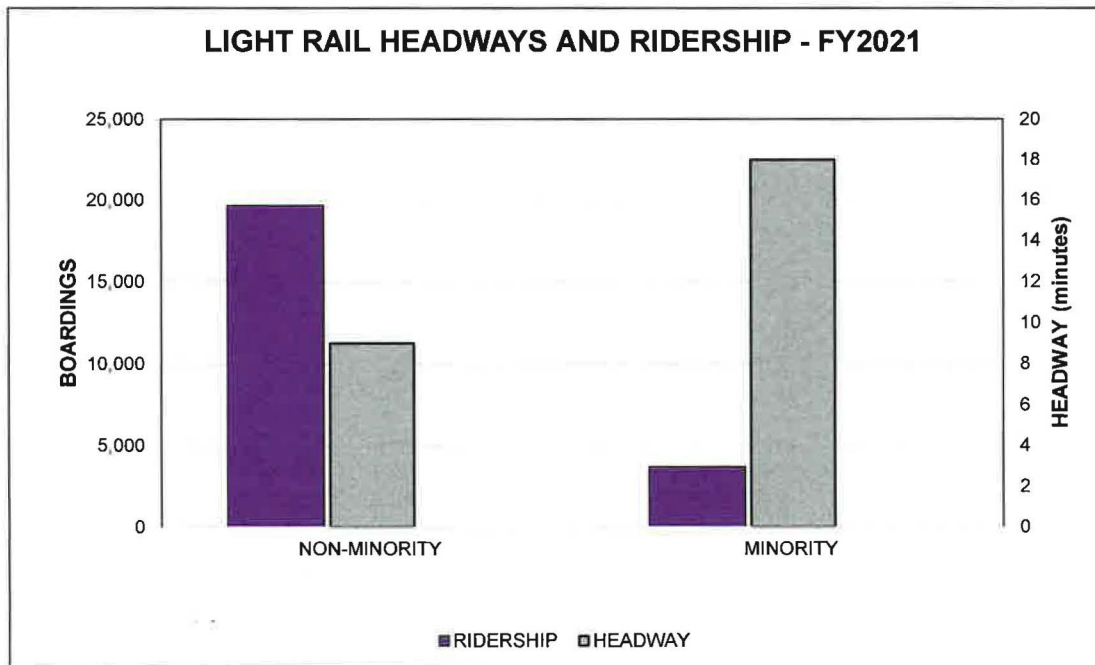
EXAMPLE: Park & Ride

- The FY2021 Business Plan assumed Park & Ride service operating in corridors on an hourly basis
- Jan. 2021: METRO added service to this base
- Mar. 2021: METRO added service in response to increased ridership
- Jun. 2021: METRO added more service in response to increased ridership



ANALYSIS OF RESULTS – VEHICLE HEADWAY

EXAMPLE: Light Rail



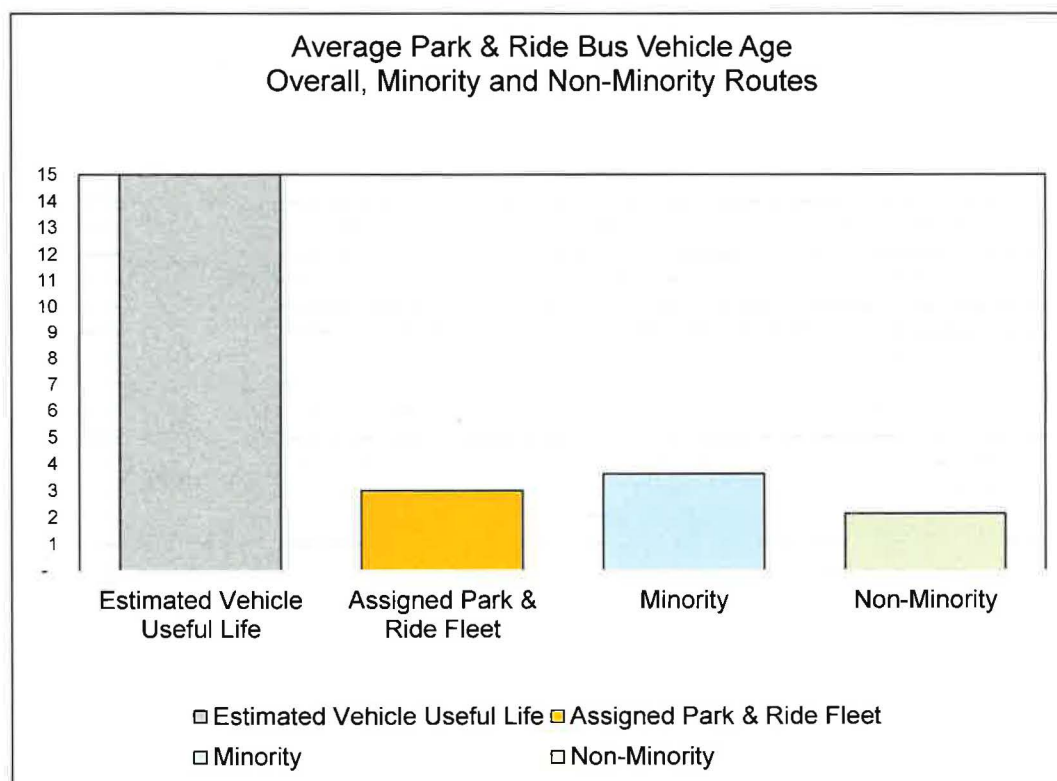
- With limited in-person classes at Texas Southern University and University of Houston, ridership on the **GREEN** and **PURPLE** rail lines is significantly below pre-COVID-19 levels
- METRO has proposed to reinstate the 12-minute weekday headway in August 2021 when classes resume

ANALYSIS OF RESULTS

VEHICLE ASSIGNMENT

EXAMPLE: Park & Ride

- Reinstatement of Park & Ride corridor service based on ridership resulted in corresponding increased service on non-minority corridors
- Average vehicle age for all METRO Park & Ride buses: 2.99 years
- Average vehicle age for all METRO Park & Ride buses on minority routes: 3.61 years
- METRO increased service on all corridors in June 2021 and will increase service on all corridors in August 2021 which will eliminate this disparity



ANALYSIS OF RESULTS

- The analysis did not indicate any aggregate level disparate impact in standard or COVID-19 adjusted vehicle load, on-time performance, transit amenities, or service availability in any service category in March 2021
- The analysis did indicate a disparate impact and disproportionate burden in vehicle headway on Park & Ride and light rail; and vehicle assignment (aging) on Park & Ride
- METRO has made service adjustments in June 2021 and is proposing service adjustments in August 2021 to continue to address these disparate impacts and disproportionate burdens

RECOMMENDATION

- Request Board approval of FY 2021 Monitoring of Service results