

A RESOLUTION

APPOINTING ROSA E. DIAZ AS ASSISTANT SECRETARY TO THE METRO BOARD OF DIRECTORS; AND MAKING FINDINGS AND PROVISIONS RELATED TO THE SUBJECT

WHEREAS, recent organizational changes require the appointment of an additional Assistant Secretary to the Board of Directors; and

WHEREAS, Article II, Section 11 of METRO's By-laws provide for the Board's appointment, by resolution, of one or more Assistant Secretaries to the Board; and

WHEREAS, the role of the Assistant Secretary is to maintain the Authority seal, keep minutes of official meetings, see that notices are properly posted, maintain records of Board proceedings and transactions, and perform other duties of a Secretary to the Board; and

WHEREAS, the Board is of the opinion that Rosa E. Diaz should be appointed an Assistant Secretary to the Board;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE METROPOLITAN TRANSIT AUTHORITY THAT:

Section 1. The Board of Directors hereby appoints Rosa E. Diaz as Assistant Secretary to the Board of Directors with the authority to carry out such duties of an Assistant Secretary as set forth in Article II, Section 11 of METRO's By-laws.

Section 2. This Resolution is effective immediately upon passage.

PASSED this 17th day of December, 2010
APPROVED this 17th day of December, 2010

ATTEST:


Assistant Secretary





Gilbert Andrew Garcia, CFA
Chairman

A RESOLUTION

APPROVING A CONTRACT FOR THE PURCHASE OF SMART CARDS AND PORTABLE AGENCY POINT-OF-SALE DEVICES FROM ACS TRANSPORT SOLUTIONS, INC. FOR AN AMOUNT NOT-TO-EXCEED \$1,958,000; AND MAKING FINDINGS AND PROVISIONS RELATED TO THE SUBJECT

WHEREAS, METRO is in need of additional smart cards (Q Card and METRO Money) to replenish its fare media inventory and additional portable agency point-of-sale devices for its fare collection system; and

WHEREAS, ACS Transport Solutions, Inc. is the current proprietary provider of the smart cards and the point-of-sale devices and therefore, the sole source for the procurement of these items; and

WHEREAS, the contract with ACS Transport Solutions, Inc. will be for an amount not-to-exceed \$1,958,000, with an initial term of three years, with two options to extend the contract of up to one year each, and will provide these items on as-needed basis.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE METROPOLITAN TRANSIT AUTHORITY THAT:

Section 1. The Board of Directors hereby authorizes the President & CEO to execute and deliver a three-year requirements contract, with two one-year options, with ACS Transport Solutions, Inc. for the purchase of fare media and portable agency point-of-sale devices for an amount not-to-exceed \$1,958,000.

Section 2. This Resolution is effective immediately upon passage.



ATTEST:


Assistant Secretary

PASSED this 17th day of December, 2010
APPROVED this 17th day of December, 2010


Gilbert Andrew Garcia, CFA
Chairman

A RESOLUTION

AMENDING THE INVESTMENT POLICY FOR FISCAL YEAR 2011 TO ADD SUE A. BAILEY, CHIEF FINANCIAL OFFICER AS AN AUTHORIZED INVESTMENT OFFICER; AND MAKING FINDINGS AND PROVISIONS RELATED TO THE SUBJECT

WHEREAS, the Texas Public Funds Investment Act, Chapter 2256, Texas Government Code, requires political subdivisions such as METRO to annually review and adopt policies with respect to the investment of its funds; and

WHEREAS, by way of Board Resolution 2010-79, METRO previously approved a comprehensive investment policy for Fiscal Year 2011 including the list of authorized investment officers; and

WHEREAS, it is necessary to amend the policy to substitute Susan A. Bailey, METRO's new Chief Financial Officer as an authorized Investment officer in the place of Louise A. Richman, METRO's former Chief Financial Officer.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE METROPOLITAN TRANSIT AUTHORITY THAT:

Section 1. The Board hereby approves the amendment to the Investment Policy to add Susan A. Bailey, METRO's Chief Financial Officer in the place of Louise T. Richman, former Chief Financial Officer as an authorized investment officer.


Section 2. This Resolution is effective immediately upon passage.

PASSED this 17th day of December, 2010
APPROVED this 17th day of December, 2010

ATTEST:


Assistant Secretary




Gilbert Andrew Garcia, CFA
Chairman

A RESOLUTION

REVISING THE LIST OF PERSONS AUTHORIZED TO TRANSFER AND WITHDRAW FUNDS FROM BANKING INSTITUTIONS ON METRO'S BEHALF; AND MAKING FINDINGS AND PROVISIONS RELATIVE TO THE SUBJECT

WHEREAS, recent organizational changes require a revision to the list of persons authorized to make transfers and withdrawals of funds from METRO bank accounts; and

WHEREAS, Article IV §3 of METRO's By-Laws provides that the Board, by Resolution, may designate authorized representatives of METRO to make withdrawals and transfers of funds from financial accounts; and

WHEREAS, it is appropriate that the Chief Financial Officer, Susan A. Bailey be added to the list of those persons authorized to make transfers and withdrawals of funds from METRO accounts.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE METROPOLITAN TRANSIT AUTHORITY THAT:

Section 1. Susan A. Bailey is hereby added to that list of persons authorized to make transfers and withdrawals of funds from METRO's bank accounts.

Section 2. The Secretary or any Assistant Secretary is hereby authorized and directed to certify this Resolution to the banking institutions in which METRO's funds are deposited.

Section 3. The Banks or any one of them shall be promptly notified in writing by the Secretary or any Assistant Secretary of any change in this Resolution and until

the Banks or any one of them have actually received such notice in writing, the Banks or any one of them are authorized to act in pursuance of this Resolution.

Section 4. This Resolution is effective immediately upon passage.



ATTEST:


Assistant Secretary

PASSED this 17th day of December, 2010
APPROVED this 17th day of December, 2010


Gilbert A. Garcia, CFA
Chairman

A RESOLUTION

APPROVING AN EXTENSION OF THE TIME FOR MAKING TRANSFERS DURING A TRANSIT TRIP FROM TWO HOURS TO THREE HOURS; AND MAKING FINDINGS AND PROVISIONS RELATED TO THE SUBJECT

WHEREAS, METRO's current fare media allows customers to make transfers without a charge of an additional fare within two hours of the first boarding; and

WHEREAS, METRO has received numerous customer comments that the two hour transfer time is insufficient to make transfers; and

WHEREAS, the Board has carefully considered the needs of its customers and has determined that the transfer time should be extended to three hours.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE METROPOLITAN TRANSIT AUTHORITY THAT:

Section 1. The Board of Directors hereby approves extending the transfer time from two hours to three hours.

Section 2. The President & CEO is hereby authorized and directed to take such administrative action as necessary to implement this change in transfer time to the operation of the transit services.

Section . This Resolution is effective immediately upon passage.

ATTEST:


Assistant Secretary



PASSED this 17th day of December, 2010
APPROVED this 17th day of December, 2010


Gilbert Andrew Garcia, CFA
Chairman

A RESOLUTION

AUTHORIZING AND DIRECTING THE PRESIDENT & CEO TO EXECUTE AND DELIVER A MASTER OPERATIONS MAINTENANCE AND TOLLING AGREEMENT WITH THE TEXAS DEPARTMENT OF TRANSPORTATION FOR HIGH OCCUPANCY TOLL LANES; AND MAKING FINDINGS AND PROVISIONS RELATED TO THE SUBJECT

WHEREAS, in 1988, METRO and the Texas Department of Transportation entered into a Master Operations and Maintenance Agreement for METRO's operation and maintenance of High Occupancy Vehicle Lanes on segments of IH-45 North, IH-45 South, US-290, US-59 South and US-59 North (hereinafter "1988 Agreement"); and

WHEREAS, the High Occupancy Vehicle Lanes will be converted to High Occupancy Toll Lanes; and

WHEREAS, the 1988 Agreement does not provide for High Occupancy Toll Lanes; and

WHEREAS, METRO and the Texas Department of Transportation have reached an agreement on each parties' respective responsibilities for the operation and maintenance of the High Occupancy Toll Lanes and the use of revenues generated by the collection of tolls; and

WHEREAS, it is appropriate that METRO and the Texas Department of Transportation execute a Master Operation, Maintenance and Tolling Agreement for the new High Occupancy Toll Lanes on segments of IH-45 North, IH-45 South, US-290, US-59 South and US-59 North, to replace the 1988 Agreement;


NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE METROPOLITAN TRANSIT AUTHORITY THAT:

Section 1. The Board of Directors hereby authorizes the President & CEO to execute and deliver a Master Operations, Maintenance and Tolling Agreement for the High Occupancy Toll Lanes locate on segments of freeways located on IH-45 North, IH-45 South, US-290, US-59 South and US-59 North and to take administrative measures to carry out the agreement.

Section 2. This Resolution is effective immediately upon passage.

PASSED this 17th day of December, 2010
APPROVED this 17th day of December, 2010

ATTEST:


Assistant Secretary





Gilbert Andrew Garcia, CFA
Chairman

A RESOLUTION

RESOLUTION TO MEET THE ATTORNEY GENERAL'S TESTS FOR DEBT CAPACITY BY AMENDING AND CONFIRMING RESOLUTION 2009-13, DECLARING THE BOARD'S INTENT TO ISSUE TAX EXEMPT OR TAXABLE BUILD AMERICA BONDS TO REIMBURSE THE GENERAL FUND FOR ELIGIBLE METRORAIL EXPANSION EXPENDITURES AND AMENDING RESOLUTION 2005-52 TO REFLECT THE BOARD'S INTENT TO REFINANCE COMMERCIAL PAPER NOTES.

WHEREAS, METRO affirms its commitment to the 2003 contract with the voters, and is committed to meeting the following milestones prior to the implementation of this resolution:

1. Attainment of \$50 million in Federal funding from the Federal Transit Administration (FTA) for METRORail expansion; and
2. Termination of the rail procurement contracts with CAF USA, Inc. (a subsidiary of the Spanish firm Construcciones y Auxiliar de Ferrocarriles, S.A.); and
3. Authorization by the FTA of letters of no prejudice (LONPs); and
4. Approval by the FTA of METRO's light rail vehicle re-procurement plan; and

WHEREAS, the staff of the Authority has recommended to the Board that it declare its intention to issue tax-exempt securities and/or taxable Build America Bonds to reimburse the Authority's General Fund for eligible expenditures relating to METRO Solutions Phase 2 made prior to the issuance of such securities;

WHEREAS, the staff of the Authority has further recommended to the Board that it amend the resolution authorizing the Sales and Use Tax Revenue Commercial Paper Notes, Series A (the "Commercial Paper Program") to reflect the Authority's current plan of finance; and

WHEREAS, the Board has reviewed and accepted both of the staff's recommendations;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE METROPOLITAN TRANSIT AUTHORITY OF HARRIS COUNTY, TEXAS, THAT:

Section 1. Declaration of Intention to Reimburse General Fund Expenditures and Ratification of Prior Reimbursement Resolution. (a) The Board hereby declares its intention (within the meaning of Treasury Regulation §1.150-2) to issue tax-exempt securities and/or taxable Build America Bonds to reimburse the General Fund for a maximum of \$640,000,000 in eligible expenditures relating to METRO Solutions Phase 2 made prior to the issuance of such securities. After the issuance of such securities, the Authority will: (1) evidence each allocation of proceeds of the securities to the reimbursement of expenditures with an entry in its records maintained with respect to the securities, and (2) identify in such entry the actual prior expenditure being reimbursed or the fund from which the expenditure was made.

(b) The Board hereby ratifies and confirms Resolution No. 2009-13, adopted on March 19, 2009, declaring the Authority's intention to issue tax-exempt securities to reimburse the General Fund for a maximum of \$640,000,000 in eligible expenditures relating to METRO Solutions Phase 2 made prior to the issuance of such securities.

(c) The Authority will maintain this Resolution at its main Administrative Office at 1900 Main Street, Houston, Texas 77002 and make it continuously available for inspection by the general public during normal business hours on business days beginning within 30 days after the date of this Resolution.


Section 2. Amendment of Resolution Approving Commercial Paper Program. The ninth recital of the Second Amended and Restated Resolution authorizing the Commercial Paper Program is hereby amended to read as follows:

The Authority intends to refinance the Notes and any Loan Notes under the Credit Agreements with revenue refunding bonds issued under Chapter 1207, Texas Government Code, as amended, which are expected to be issued as fixed rate obligations (at then current market rates for similarly-rated tax-exempt debt) with principal amortization beginning at the end of a five-year capitalized interest period followed by debt service payments in increasing annual installments of debt service over a term of forty years.

Section 3. Effective Date. This Resolution is effective immediately upon passage.



ATTEST:


Assistant Secretary

PASSED this 17th day of December, 2010
APPROVED this 17th day of December, 2010



Gilbert A. Garcia, CFA
Chairman

RESOLUTION NO. 2010 - 102

A RESOLUTION

INCREASING THE PRESIDENT & CEO'S AUTHORITY TO APPROVE THE ISSUANCE OF COMMERCIAL PAPER FROM \$200 MILLION TO \$350 MILLION TO PROVIDE CASH FLOW SUPPORT FOR CAPITAL EXPENDITURES FOR THE EXPANSION OF METRORAIL PENDING ISSUANCE OF ADDITIONAL VOTER AUTHORIZED SALES TAX BONDS; AND MAKING FINDINGS AND PROVISIONS RELATED TO THE SUBJECT

WHEREAS, the Board of Directors (the "Board") of the Metropolitan Transit Authority of Harris County, Texas ("Authority") adopted Board Resolution No. 2005-75 (the "Second Amended and Restated Resolution") on October 27, 2005, as amended on March 27, 2008, May 22, 2008 and April 23, 2009, authorizing the issuance of the Authority's Sales and Use Tax Commercial Paper Notes, Series A, in the maximum aggregate principal amount of \$400,000,000 (the "Series A Notes");

WHEREAS, the Board has heretofore limited the authority of the President/Chief Executive Officer and the Chief Financial Officer to issue Series A Notes to an aggregate principal amount outstanding at any one time of \$200,000,000; and

WHEREAS, the Board now desires to increase the authority of the President/Chief Executive Officer and the Chief Financial Officer to issue Series A Notes to an aggregate principal amount outstanding at any one time of \$350,000,000;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE METROPOLITAN TRANSIT AUTHORITY OF HARRIS COUNTY, TEXAS THAT:

Section 1. Board Determination. The Board hereby ratifies and confirms the Second Amended and Restated Resolution and finds, determines and certifies that the actions described in the preamble hereto are in the best interests of the Authority.

Section 2. Approval of Increase in Authority. The Board hereby increases the authority of the President/Chief Executive and the Chief Financial Officer to issue Series A Notes from \$200,000,000 to \$350,000,000 in aggregate principal amount outstanding at any one time.

Section 3. Authorization to Execute and Deliver Documents and Approval of Certain Other Matters. The Board hereby authorizes the President/Chief Executive Officer, the Chief Financial Officer and any other officer of the Authority designated by the President/Chief Executive Officer or the Chief Financial Officer (each, an "Authorized Representative") to execute and deliver, or to cause to be executed and delivered, any documents, instruments and certificates, as any such Authorized Representative, in such person's discretion, may deem necessary, advisable or appropriate to effectuate or carry out the obligations or responsibilities of the Authority under the Second Amended and Restated Resolution or the purpose and intent of this Resolution and the taking of any

such action shall conclusively evidence the appropriateness or necessity of any such documents, instruments and certificates. The Board hereby authorizes the Authorized Representatives to take all other actions and do all other things, as may be necessary, desirable or appropriate to carry out the obligations or responsibilities of the Authority under the Second Amended and Restated Resolution or the purpose and intent of this Resolution.

Section 4. 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.

Section 5. Open Meeting. It is hereby found, determined, and declared that a sufficient written notice of the date, hour, place, and subject of the meeting of the Board at which this Resolution was adopted was posted at a location and for the time required by law preceding this meeting, as required by the Open Meetings Act, Chapter 551, Texas Government Code, and that this meeting has been open to the public as required by law at all times during which this Resolution and the subject matter thereof has been discussed, considered, and formally acted upon. The Board further ratifies, approves, and confirms such written notice and the contents and posting thereof.

Section 6. Ratification and Confirmation. All acts, transactions or agreements undertaken prior to the adoption of this Resolution by any member of the Board or any representative of the Authority in connection with the matters authorized by this Resolution and all actions incidental thereto are hereby ratified, confirmed and adopted by the Authority.

PASSED this 17th day of December, 2010
APPROVED this 17th day of December, 2010

ATTEST:


Assistant Secretary





Gilbert Andrew Garcia, CFA
Chairman

A RESOLUTION

AUTHORIZING AND APPROVING AN AMENDMENT TO THE FISCAL YEAR 2011 CAPITAL IMPROVEMENT PROGRAM BUDGET BY INCREASING THE METRORAIL EXPANSION BUDGET FROM \$143,571,000 TO \$156,071,000 FOR THE SOUTHEAST, NORTH AND RAIL OPERATIONS CENTER EXPANSION; AND MAKING FINDINGS AND PROVISIONS RELATED TO THE SUBJECT

WHEREAS, in anticipation of approval of Letters of No Prejudice from the Federal Transit Administration, METRO desires to fund roadway and bridge construction for the North and Southeast Rail Lines and the expansion of the Rail Operations Center expansion;

WHEREAS, METRO desires to move the construction of these projects forward in order to deliver to the community an expanded rail system; and

WHEREAS, this budget amendment will add \$12,500,000 to the North and Southeast Rail Lines, and Rail Operations Center expansion budget and the Capital Improvement Program Budget.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE METROPOLITAN TRANSIT AUTHORITY THAT:

Section 1. The Board of Directors hereby approves an amendment to the FY2011 budget increasing the Capital Improvement Program Budget by \$12,500,000 for the Southeast and North Corridor Rail project and the Rail Operation Center.

Section 2. This Resolution is effective immediately upon passage.

PASSED this 17th day of December, 2010
APPROVED this 17th day of December, 2010

PASSED this 17th day of December, 2010
APPROVED this 17th day of December, 2010

ATTEST:




Assistant Secretary


Gilbert Andrew Garcia, CFA
Chairman

A RESOLUTION

AUTHORIZING AND APPROVING AN AMENDMENT TO THE FISCAL YEAR 2011 CAPITAL IMPROVEMENT PROGRAM BUDGET BY INCREASING THE METRORAIL EXPANSION UNIVERSITY LINE BUDGET FROM \$156,071,000 TO \$158,071,000 AND AUTHORIZING \$605,000 OF THESE FUNDS FOR PRIVATE UTILITY COORDINATION AND ENGINEERING; AND MAKING FINDINGS AND PROVISIONS RELATED TO THE SUBJECT

WHEREAS, METRO's University Corridor Rail project requires technical studies, engineering, private utility coordination and proactive community coordination in association with the Upper Kirby Management District to minimize duplicate road improvements and utility work, expenditure of funds and community impact; and

WHEREAS, METRO'S coordination of engineering and utility work with the private utility companies in this area is estimated to not exceed \$605,000; and

WHEREAS, this budget amendment will add a total of \$2,000,000 to the FY2011 METRORail Expansion budget and the Capital Improvement Program Budget for the METRO University Line.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE METROPOLITAN TRANSIT AUTHORITY THAT:

Section 1. The Board of Directors hereby approves an amendment to the Capital Improvement Program Budget by increasing the University Corridor Rail project budget by \$2,000,000.

Section 2. The Board of Directors hereby approves an allocation of \$605,000 of this budget increase amount for utility engineering and coordination and authorizes the

President & CEO or his designee to take such administrative action as necessary to establish reimbursement agreements and pay for the private utility companies' utility engineering and coordination work.

Section 3. This Resolution is effective immediately upon passage.

PASSED this 17th day of December, 2010
APPROVED this 17th day of December, 2010

ATTEST:


Assistant Secretary




Gilbert Andrew Garcia, CFA
Chairman

A RESOLUTION

APPROVING METRO'S USE OF THE COMPETITIVE NEGOTIATION PROVISIONS PERMITTED UNDER ARTICLE 451.110 OF THE TEXAS TRANSPORTATION CODE FOR THE PROCUREMENT OF LIGHT RAIL VEHICLES; AND MAKING FINDINGS AND PROVISIONS RELATED TO THE SUBJECT

WHEREAS, METRO's enabling legislation allows for competitive negotiation for the purchase of certain items, consistent with the rules adopted by METRO; and

WHEREAS, METRO has adopted rules governing the purchase of items by competitive negotiation; and

WHEREAS, Article 451.110(b)(3)(c)(i) of the Texas Transportation Code permits the Board of Directors to waive competitive bidding, if competitive bidding is inappropriate because the procurement requires design by the supplier and if competitive negotiation, with proposals solicited from an adequate number of qualified sources, will permit reasonable competition consistent with the procurement; and

WHEREAS, the procurement of the light rail vehicles will require design by the supplier and competitive negotiation, with proposals solicited from an adequate number of qualified sources, and will permit reasonable competition consistent with the procurement; and

WHEREAS, the Board of Directors has determined that a waiver of competitive bidding for the procurement of light rail vehicles is appropriate for the procurement of up to 103 light rail vehicles.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE METROPOLITAN TRANSIT AUTHORITY THAT:

Section 1. The Board of Directors hereby determines that competitive negotiation is appropriate for the purchase of the light rail vehicles and hereby waives the competitive bidding requirement for the purchase of up to 103 light rail vehicles in accordance with Article 451.110 of The Texas Transportation Code.


Section 2. This Resolution is effective immediately upon passage.

PASSED this 17th day of December, 2010
APPROVED this 17th day of December, 2010

ATTEST:



Assistant Secretary


Gilbert Andrew Garcia, CFA
Chairman

A RESOLUTION

RATIFYING THE SETTLEMENT AGREEMENT BETWEEN METRO, CAF AND CAF, S.A. AND TERMINATING CONTRACT NUMBER CT0800138 FOR THE PURCHASE OF 103 LIGHT RAIL VEHICLES AND CONTRACT NUMBER CT0900044 FOR THE PURCHASE OF TWO LIGHT RAIL VEHICLES.

WHEREAS, METRO and HOUSTON LRV 100, LLC, a joint venture between Parsons Transportation Group, Inc. and CAF USA, INC. (hereinafter referred to as "CAF") entered into Contract No. CT0900044 for the supply of two light rail vehicles to METRO; and

WHEREAS, CAF took assignment from Parsons Transportation Group of Contract No. CT08000138 for the supply of 103 light rail vehicles to METRO; and

WHEREAS, CAF, S.A. executed Parent Company Guarantees by which CAF, S.A. guaranteed to METRO full and prompt payment and performance of the obligations of these vehicle supply contracts, when due; and

WHEREAS, disagreements arose between METRO, CAF and CAF S.A. regarding the terms and execution of the contracts; and

WHEREAS, METRO issued a Notice of Suspension of Work for both vehicle supply contracts; and

WHEREAS, METRO, CAF and CAF, S.A. wish to resolve any and all disputes between them related to the vehicle supply contracts and the Operations and Maintenance Contract and mutually agree to terminate Contract No. CT0800138 and Contract No. CT0900044; and

WHEREAS, this settlement releases all parties from claims made or potentially to be made and provides an additional monetary payment to METRO as consideration thereof; and

WHEREAS, the Board of Directors of METRO has determined that, for the consideration to be received, a settlement of all contractual disputes arising from these contracts and the termination of these contracts is in the best interest of METRO and its constituents.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE METROPOLITAN TRANSIT AUTHORITY THAT:

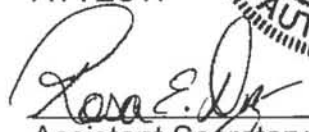
Section 1. The Board of Directors hereby ratifies the settlement agreement entered into with CAF and CAF S.A. for all matters related to Contract No. CT0800138 and Contract No. CT0900044 relating to the procurement of 103 light rail vehicles and two light rail vehicles as executed by METRO's Chairman of the Board and as attached herein as Exhibit A. Further, the Board of Directors authorizes the Chairman and President & CEO to take any actions necessary to finalize and/or implement any final terms and conditions regarding that settlement that may be necessary to implement this resolution.

Section 2. The Board of Directors also authorizes the President & CEO to immediately terminate Contract No. CT0800138 and Contract No. CT0900044 entered into with or assigned to Houston LRV 100, LLC, a joint venture between Parsons Transportation and CAF USA, Inc.

Section 3. This Resolution is effective immediately upon passage.

PASSED this 17th day of December, 2010
APPROVED this 17th day of December, 2010

ATTEST:


Assistant Secretary





Gilbert Andrew Garcia, CFA
Chairman