

RESOLUTION NO. 88-167

A RESOLUTION

AUTHORIZING THE GENERAL MANAGER TO CERTIFY THAT THE LOCAL SHARE OF FUNDS FOR THE NORTH FREEWAY TRANSITWAY PHASE IV PROJECT WILL BE DERIVED FROM SALES TAX REVENUES AND INTEREST EARNINGS THEREON; DESIGNATING \$6,235,333 OF THE CAPITAL PROGRAM RESERVE ACCOUNT AS THE NORTH FREEWAY TRANSITWAY PHASE IV CAPITAL RESERVE ACCOUNT TO PROVIDE THE CAPITAL RESERVE REQUIRED BY THE FULL-FUNDING GRANT CONTRACT WITH THE URBAN MASS TRANSPORTATION ADMINISTRATION OF THE UNITED STATES DEPARTMENT OF TRANSPORTATION; AUTHORIZING THE GENERAL MANAGER TO TAKE SUCH ADMINISTRATIVE ACTIONS AS NECESSARY TO CREATE AND ADMINISTER THE NORTH FREEWAY TRANSITWAY PHASE IV CAPITAL RESERVE ACCOUNT; AND MAKING FINDINGS AND PROVISIONS RELATIVE TO THE SUBJECT.

WHEREAS, the Urban Mass Transportation Administration of the United States Department of Transportation (UMTA) has agreed to fund \$46,765,000 of the cost of the North Freeway Transitway Phase IV Project; and

WHEREAS, UMTA has determined to make its financial support available through an agreement known as a "full-funding contract;" and

WHEREAS, the full-funding contract with UMTA for this project requires that METRO identify the source of local funds to match the federal grant and that METRO create and maintain a capital reserve account of non-federal funds equal to ten percent (10%) of the net project cost of the project throughout the period of construction of the project to assure availability of local matching funds to complete the project in the event of cost overruns; and

WHEREAS, the Board of Directors has previously established a "Capital Program Reserve Account" by way of Resolution 80-118 to insure that the full amount of funds necessary for construction of the public mass transportation system are available throughout the duration of the development of that system; and

WHEREAS, the Board of Directors is of the opinion that it is appropriate to designate a "North Freeway Transitway Phase IV Capital Reserve Account" out of the "Capital Program Reserve Account" to comply with the UMTA full-funding contract requirements and to insure that the local contribution to fund this project will continue to be available throughout the project;

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

Section 1. The General Manager be and he is hereby authorized and directed to certify to the Urban Mass Transportation Administration that METRO's local share of funds for the North Freeway Transitway Phase IV Project will be derived from METRO's sales tax revenues and interest earnings thereon.

Section 2. The Board of Directors hereby authorizes and directs the designation of \$6,235,333 out of the "Capital Reserve Account" as the "North Freeway Transitway Phase IV Capital Reserve Account" to be used to satisfy the obligation to maintain a capital reserve account under the full-funding contract with the Urban Mass Transportation Administration for the North Freeway Transitway Phase IV Project.

Section 3. The General Manager be and he is hereby authorized and directed to undertake and complete all administrative actions reasonable and necessary to accomplish the designation of the "North Freeway Transitway Phase IV Capital Reserve Account" and to certify the existence and adequacy of said account to meet METRO's obligations under the full-funding contract with the Urban Mass Transportation Administration for the North Freeway Transitway Phase IV Project.

Section 4. The North Freeway Transitway Phase IV Capital Reserve Account is not to be pledged or otherwise encumbered for any purpose other than to satisfy the capital reserve account obligation of the full-funding contract described above prior to completion of the project. The General Manager be and he is hereby authorized and directed to reduce the North Freeway Transitway Phase IV Capital Reserve Account from time to time consistent with the terms and conditions of the full-funding contract.

Section 5. This resolution is effective immediately upon passage.

PASSED this 21st day of November, 1988.  
APPROVED this 21st day of November, 1988.

ATTEST:

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Assistant Secretary

  
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Robert C. Lanier  
Chairman

RESOLUTION NO. 88-168

A RESOLUTION

AUTHORIZING THE GENERAL MANAGER TO EXECUTE AND DELIVER A CONTRACT WITH O'ROURKE DISTRIBUTING COMPANY, INC. FOR PURCHASE OF AUTOMATIC TRANSMISSION FLUID MAKING FINDINGS; AND PROVISIONS RELATIVE TO THE SUBJECT.

WHEREAS, METRO issued an invitation for bid for the supply of automatic transmission fluid; and

WHEREAS, the firm of O'Rourke Distributing Company Inc. submitted the lowest responsive and responsible bid;

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

Section 1. The General Manager be and he is hereby authorized and directed to execute and deliver a contract with O'Rourke Distributing Company, Inc. for the supply of automatic transmission fluid in an amount not to exceed \$124,000.

Section 2. This resolution is effective immediately upon passage.

PASSED this 21st day of November, 1988.  
APPROVED this 21st day of November, 1988.

ATTEST:

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Assistant Secretary

  
\_\_\_\_\_  
Robert C. Lanier  
Chairman

RESOLUTION NO. 88-169

A RESOLUTION

AUTHORIZING THE GENERAL MANAGER TO NEGOTIATE, EXECUTE AND DELIVER CONSTRUCTION MANAGEMENT CONTRACTS FOR INSPECTION SERVICES OF SELECTED CONSTRUCTION.

WHEREAS, inspection services are needed to monitor and review METRO's construction projects; and

WHEREAS, the Future Programs Committee has reviewed the qualifications of firms to provide inspection services and has recommended the firms of Ebasco Services and Menendez-Donnell & Associates as the most qualified;

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

Section 1. The General Manager be and he is hereby authorized and directed to negotiate, execute and deliver a contract with Ebasco Services for inspection services of construction projects, on an as-needed basis, in an amount not to exceed \$750,000.

Section 2. The General Manager be and he is hereby authorized and directed to negotiate, execute and deliver a contract with Menendez-Donnell & Associates for inspection services of construction projects, on an as-needed basis, in an amount not to exceed \$750,000.

Section 3. This resolution is effective immediately upon passage.

PASSED this 21st day of November, 1988.  
APPROVED this 21st day of November, 1988.

ATTEST:

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Assistant Secretary

  
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Robert C. Lanier  
Chairman

## A RESOLUTION COMMENDING AND CONGRATULATING BILL MINTZ

WHEREAS, Bill Mintz became the transportation reporter for the **Houston Chronicle** in February, 1987; and

WHEREAS, during the time that Bill Mintz has reported on transportation activities, his work has been characterized by initiative, insight, accuracy and thoroughness; and

WHEREAS, Bill Mintz has now accepted a position with the Washington Bureau of the **Houston Chronicle**; and

WHEREAS, the Board of Directors wishes to commend Bill Mintz for his transportation reporting and to congratulate him on his new assignment;

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

Bill Mintz is hereby commended for his efforts to inform the public on the transportation issues and activities in the greater Houston area, and the Board of Directors hereby extends its heartfelt congratulations to Bill Mintz on his new assignment and conveys to him very best wishes for his continued success.

ADOPTED this 21st day of November, 1988.

*Bob Lanier*

Robert C. Lanier  
Chairman

*P. J. Lionetti*

P. J. Lionetti  
Secretary

*Newton J. Calvin, Jr.*

Newton J. Calvin, Jr.

*Naomi Lede*

Naomi Lede

*Gunter W. Koettler*

Gunter W. Koettler  
Vice Chairman

*Wm. F. Burge, III*

Wm. F. Burge, III

*Grover G. Jackson*

Grover G. Jackson

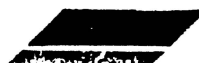
*Louis Macey*

Louis Macey

*Alfonso L. Matta*

Alfonso L. Matta

**METRO**



RESOLUTION NO. 88-171

A RESOLUTION

ADOPTING A CODE OF ETHICS FOR THE METROPOLITAN TRANSIT AUTHORITY OF HARRIS COUNTY, TEXAS; AND MAKING FINDINGS AND PROVISIONS RELATIVE TO THE SUBJECT.

WHEREAS, it is essential to the proper administration and effective operation of METRO that its Board members and employees be, and give the appearance of being, independent and impartial; that service to METRO not be used for private benefit; and that there be confidence in METRO's integrity as a public agency; and

WHEREAS, the Board of Directors is of the opinion that it is reasonable and proper to implement this policy through adoption of a code of ethics governing certain conduct of the members of the Board of Directors and the METRO staff;

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

Section 1. The code of ethics attached hereto as Exhibit A is hereby adopted to be effective immediately.


Section 2. The General Manager be and he is hereby authorized and directed to implement the provisions of the code of ethics and to undertake all administrative actions reasonable and necessary to accomplish the purposes and objectives of the code of ethics.

Section 3. This resolution is effective immediately upon passage.

PASSED this 21st day of November, 1988.  
APPROVED this 21st day of November, 1988.

ATTEST:

\_\_\_\_\_  
Assistant Secretary

  
\_\_\_\_\_  
Robert C. Lanier  
Chairman

RESOLUTION NO. 88-172

A RESOLUTION

AUTHORIZING THE GENERAL MANAGER TO NEGOTIATE, EXECUTE AND DELIVER A CONTRACT WITH DELOITTE, HASKINS & SELLS TO REVIEW METRO'S FINANCE AND ACCOUNTING SYSTEMS; AND MAKING FINDINGS AND PROVISIONS RELATIVE TO THE SUBJECT.

WHEREAS, it is appropriate to assess the operation and management of METRO's finance and accounting systems in order identify areas where efficiency can be enhanced; and

WHEREAS, the firm of Deloitte, Haskins & Sells is uniquely experienced in the use of the accounting and reporting system used by METRO and in its application in the transit industry; and

WHEREAS, the General Manager has submitted written justification recommending authority to enter into a contract with Deloitte, Haskins & Sells on a sole-source basis;

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

Section 1. The General Manager be and he is hereby authorized and directed to negotiate, execute and deliver a contract with Deloitte, Haskins & Sells for review of METRO's finance and accounting systems at a cost not to exceed \$75,000.


RESOLUTION NO. 88-172 (Page 2)

Section 2. This resolution is effective immediately upon passage.

PASSED this 21st day of November, 1988.  
APPROVED this 21st day of November, 1988.

ATTEST:

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Assistant Secretary

  
\_\_\_\_\_  
Robert C. Lanier  
Chairman

RESOLUTION NO. 88-173

A RESOLUTION

AUTHORIZING THE GENERAL MANAGER TO NEGOTIATE, EXECUTE AND DELIVER A CONTRACT WITH MCKINSEY & COMPANY, INC. FOR ASSISTANCE IN PLANNING AND IMPLEMENTATION OF A DEMONSTRATION PROGRAM OF OPERATIONAL IMPROVEMENT RECOMMENDATIONS; AND MAKING FINDINGS AND PROVISIONS RELATIVE TO THE SUBJECT.

WHEREAS, METRO engaged the services of McKinsey & Company, Inc. in May of 1988 to identify any operating procedural changes that may be necessary as a result of METRO's Phase 2 Mobility Plan; and

WHEREAS, McKinsey & Company, Inc. has developed a number of specific recommendations to improve efficiency and cost effectiveness; and

WHEREAS, the Board is of the opinion that further assistance from McKinsey & Company during the planning and implementation of a demonstration program to test these recommendations is desirable;

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

Section 1. The General Manager be and he is hereby authorized to modify the contract with McKinsey & Company, Inc. for assistance during the planning and implementation of a demonstration program to test the operational improvement recommendations by increasing the authorized expenditures by an amount not to exceed \$370,000.


RESOLUTION NO. 88-173 (Page 2)

Section 2. This resolution is effective immediately upon passage.

PASSED this 21st day of November, 1988.  
APPROVED this 21st day of November, 1988.

ATTEST:

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Assistant Secretary

  
\_\_\_\_\_  
Robert C. Lanier  
Chairman

RESOLUTION NO. 88-174

A RESOLUTION

AUTHORIZING THE GENERAL MANAGER TO SUBMIT A GRANT APPLICATION TO THE URBAN MASS TRANSPORTATION ADMINISTRATION FOR THE COORDINATION OF DBE PARTICIPATION AT THE 1990 MEETING OF THE AMERICAN PUBLIC TRANSIT ASSOCIATION; AUTHORIZING THE GENERAL MANAGER TO UNDERTAKE ALL ADMINISTRATIVE ACTIONS REASONABLE AND NECESSARY TO PREPARE AND SUBMIT SAID GRANT APPLICATION; AUTHORIZING THE GENERAL MANAGER TO EXECUTE ANY RESULTING GRANT AGREEMENT; AND MAKING FINDINGS AND PROVISIONS RELATIVE TO THE SUBJECT.

WHEREAS, the 1990 meeting of the American Public Transit Association will be held in Houston, Texas; and

WHEREAS, the meeting will include an exhibition by vendors in the transit industry; and

WHEREAS, it is the opinion of the Board of Directors that it is appropriate to encourage the use of minority and disadvantaged businesses by transit agencies; and

WHEREAS, the Board of Directors wishes to authorize the General Manager to pursue funding to coordinate the participation of minority and disadvantaged businesses at the 1990 meeting of the American Public Transit Association;

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

Section 1. The General Manager be and he is hereby authorized and directed to prepare and submit a grant application to the Urban Mass Transportation Administration for funds to coordinate the participation of minority and disadvantaged businesses at the 1990 meeting of the American Public Transit Association.

RESOLUTION NO. 88-174 (Page 2)

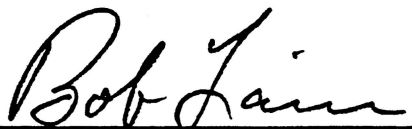
Section 2. The General Manager be and he is hereby authorized to undertake all the administrative actions reasonable and necessary for the preparation and submission of said grant application.

Section 3. This resolution is effective immediately upon passage.

PASSED this 21st day of November, 1988.  
APPROVED this 21st day of November, 1988.

ATTEST:

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Assistant Secretary

  
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Robert C. Lanier  
Chairman

RESOLUTION NO. 88-175

A RESOLUTION

AUTHORIZING THE GENERAL MANAGER TO NEGOTIATE, EXECUTE AND DELIVER A CONTRACT FOR ADVERTISING, MARKETING AND PUBLIC INFORMATION SERVICES WITH OGILVY & MATHER; AND MAKING FINDINGS AND PROVISIONS RELATIVE TO THE SUBJECT.

WHEREAS, METRO issued a request for proposals for the provision of advertising, marketing and information services for the period of January 1, 1989 through September 30, 1990 with an option to extend the performance period of the contract for up to two one-year periods; and

WHEREAS, the Community Relations Committee has reviewed the firms responding to METRO's request for proposals and concurred in the staff Source Evaluation Committee's recommendation that the firm of Ogilvy & Mather be engaged to perform the advertising, marketing and public information services;

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

Section 1. The General Manager be and he is hereby authorized and directed to negotiate, execute and deliver a contract with Ogilvy & Mather, Inc. for provision of advertising, marketing and public information services for the period of January 1, 1989 through September 30, 1990 with an option to extend the performance period for up to two additional one-year periods.


Section 2. The contract cost limitation shall be dependent upon the authorized fiscal year 1990 budget for advertising, marketing and public information services and the General Manager is authorized and directed to negotiate and execute the contract consistent with this budget authorization.

Section 3. This resolution is effective immediately upon passage.

PASSED this 21st day of November, 1988.  
APPROVED this 21st day of November, 1988.

ATTEST:

\_\_\_\_\_  
Assistant Secretary

  
\_\_\_\_\_  
Robert C. Lanier  
Chairman

A RESOLUTION

ADOPTING A STATEMENT OF PRINCIPLES FOR PRIVATE SECTOR PARTICIPATION IN THE DESIGN, CONSTRUCTION AND OPERATION OF THE SYSTEM CONNECTOR ELEMENT OF THE PHASE 2 REGIONAL TRANSIT PLAN; AND MAKING FINDINGS AND PROVISIONS RELATIVE TO THE SUBJECT.

WHEREAS, the Board of Directors, in adopting the Phase 2 Regional Transit Plan on October 22, 1987, expressed its intention to pursue involvement of the private sector in development of the System Connector element; and

WHEREAS, following adoption of the Phase 2 Regional Transit Plan and its approval by the voters on January 16, 1988, the Board of Directors and METRO Staff have extensively studied alternative means to involve the private sector in the design, construction and operation of the System Connector; and

WHEREAS, the Board of Directors is of the opinion that it is appropriate to state the principles for such private sector involvement which, based on the studies to date, it believes are reasonable and proper for cost effective and efficient development of the System Connector in order to provide guidance to METRO Staff;

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

Section 1. The statement of principles for private sector participation in the design, construction and operation of the


System Connector element of the Phase 2 Regional Transit Plan attached hereto as Exhibit A is hereby adopted for guidance of METRO Staff in development of the System Connector.

Section 2. This resolution is effective immediately upon passage.

PASSED November 21, 1988.  
APPROVED November 21, 1988.

ATTEST:

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Assistant Secretary

  
\_\_\_\_\_  
Robert C. Lanier  
Chairman

## PRIVATIZATION AND THE SYSTEM CONNECTOR

The METRO Board is committed to designing and constructing the System Connector in the most cost effective and efficient way possible. To that end, it has studied alternative methods to accomplish the task, sought advice from other transit agencies that have constructed and operate rail systems comparable to the System Connector and held an all-day symposium on September 27th to which were invited knowledgeable persons from both the public and private sector. The Board has explored various ways in which private firms might be involved in the design, construction and operation of the System Connector (sometimes referred to as "privatization") and has come to some conclusions which are reflected in this statement.

It appears in the best interest of METRO that the design, construction and operation of the System Connector be under the direct control of the METRO Board and Staff, with private firms utilized to provide those specialized services which they are uniquely capable of providing.

### System Definition and Preliminary Design

It is a non-transferable METRO responsibility to define the basic system requirements - alignment, configuration, extent of grade separation, operating speed and capacity requirements and technology. This can best be done through the normal public planning and decision-making process and not through competitive outside proposals; provided, however, that it is the intent of

the Board that METRO timely solicit proposals to engage the services of a program management firm with specific relevant experience in fixed guideway mass transit projects. Based upon the system definition, design must then be advanced to the 25-30% level of completion, known as preliminary design, so that the system and its individual components are adequately described and reliable cost estimates are possible.

#### Detailed Design and Construction

Once the system is defined and preliminary engineering is complete and a Record of Decision is received from the Federal Government, METRO should proceed into detailed engineering, utilizing private firms for this purpose. At this juncture and at other key points in the evolution of the project, METRO should be aware of and give careful consideration to the desirability of design and build contracts and/or the use of value engineering contracts to determine whether there would be a clear advantage to using one or both of these techniques.

On the basis of study to date, it appears that an area where extensive private sector involvement can yield significant benefits to METRO is in the development of stations. Private real estate developers might well be able to present proposals for the construction of stations and the development of surrounding land and/or air rights which would be mutually attractive and economically sound for METRO.

### Operation

Operation of the System Connector by the private sector may be more economical than METRO operation. This option should be retained and fully explored at the appropriate time.

### Summary

The basic strategy, then, is to have a METRO-directed project with exploration of private involvement opportunities at key junctures in the development of the System Connector to determine if a clear advantage exists in turning more of the responsibilities over to private firms. If a clear advantage cannot be satisfactorily demonstrated, then conventional design and build techniques would be used.

The METRO Board believes that this approach reflects the best experience of public agencies to date and the advice of responsible private parties as to the course of action that the METRO System Connector project should follow. It must be kept in mind that, at a minimum, all detailed engineering, all construction and all equipment, including vehicles, train control, power, communications and fare-collection equipment will be supplied by private entities.

RESOLUTION NO. 88-177

A RESOLUTION

AUTHORIZING THE GENERAL MANAGER TO ACQUIRE APPROXIMATELY 0.9573 ACRES OF LAND NEEDED FOR THE EXTENSION OF WESTPARK DRIVE FROM EDLOE TO KIRBY; AND MAKING FINDINGS AND PROVISIONS RELATIVE TO THE SUBJECT.

WHEREAS, the Board of Directors has previously authorized the General Manager to negotiate with Jack H. Roach III, et al for the acquisition of approximately 0.9573 acres of land needed for the extension of Westpark Drive; and

WHEREAS, negotiations with the owners, Jack H. Roach III, et al have resulted in an agreement for the acquisition of the property for \$1,050,000.

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

Section 1. The General Manager be and he is hereby authorized and directed to contract with Jack H. Roach III et al for the acquisition of approximately 0.9573 acres of land needed for the extension of Westpark Drive from Edloe to Kirby at a cost of \$1,050,000.

Section 2. The General Manager or his designee be and he is hereby authorized to undertake all administrative actions reasonable and necessary to complete the acquisition of said property from the owners, Jack H. Roach III, et al, and to execute all documents necessary to complete said transaction.


RESOLUTION NO. 88-177 (Page 2)

Section 3. This resolution is effective immediately upon passage.

PASSED this 21st day of November, 1988.  
APPROVED this 21st day of November, 1988.

ATTEST:

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Assistant Secretary

  
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Robert C. Lanier  
Chairman