

A RESOLUTION

ACCEPTING THE JUNE 2022 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 June 2022; 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 May 31, 2022, the June 2022 Sales & Use Tax Report, the May 2022 Investment Report, the May 2022 Debt Report, the May 2022 Monthly Performance Report, and the Monthly Report of the Interim Chief Financial Officer dated June 16, 2022 (collectively, the “Finance and Audit materials”); and

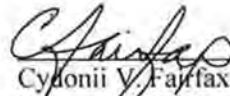
WHEREAS, the Board of Directors has reviewed such materials, including the May 2022 Investment Report.

NOW, THEREFORE, BE IT RESOLVED THAT:

Section 1. The Board of Directors hereby accepts the June 2022 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 May 2022 Investment Report.

Section 2. This Resolution is effective immediately upon passage.

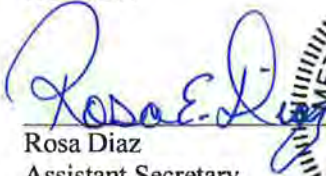
I hereby certify that the above resolution is accurate in describing the action herein of the Board of Directors on the date below.



Cydonii V. Fairfax
Executive Vice President & General Counsel

PASSED this 23rd day of June, 2022
APPROVED this 23rd day of June, 2022

ATTEST:



Rosa Diaz
Assistant Secretary



Sanjay Ramabhadran
Chair

A RESOLUTION

AUTHORIZING THE PRESIDENT & CEO TO EXECUTE A CONTRACT WITH CORESTONE CONSTRUCTION SERVICES TO PROVIDE CONSTRUCTION SERVICES FOR THE REHABILITATION OF THE PAVEMENT OF THE TRAVEL LANES AT THE NORTH SHEPHERD PARK & RIDE, AND MAKING FINDINGS AND PROVISIONS RELATED TO THE FOREGOING SUBJECT

WHEREAS, the Metropolitan Transit Authority of Harris County, Texas (“METRO”) requires construction services for the rehabilitation of the pavement of the travel lanes at the North Shepherd Park & Ride; and

WHEREAS, METRO issued an Invitation for Bids for such construction services and Corestone Construction Services was the lowest responsive and responsible bidder of all those that submitted bids; and


WHEREAS, management recommends that METRO enter into a contract with Corestone Construction Services to provide these construction services for the rehabilitation of the pavement of the travel lanes at the North Shepherd Park & Ride, with an initial not-to-exceed contract amount of \$1,033,694.52 and a ten percent (10%) owner-controlled contingency of \$103,369.45.

NOW, THEREFORE, BE IT RESOLVED THAT:

Section 1. The METRO Board of Directors hereby authorizes the President & CEO to execute a contract with Corestone Construction Services to provide construction services for the rehabilitation of the pavement of the travel lanes at the North Shepherd Park & Ride, with an initial not-to-exceed contract amount of \$1,033,694.52 and a ten percent (10%) owner-controlled contingency of \$103,369.45.


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 23rd day of June, 2022
APPROVED this 23rd day of June, 2022

ATTEST:


Rosa Diaz
Assistant Secretary




Sanjay Ramabhadran
Chair

A RESOLUTION

AUTHORIZING THE PRESIDENT & CEO TO EXECUTE A CONTRACT MODIFICATION WITH SUNOCO LLC TO INCREASE THE MAXIMUM CONTRACT AMOUNT FOR 87 OCTANE UNLEADED GASOLINE, AND MAKING FINDINGS AND PROVISIONS RELATED TO THE FOREGOING SUBJECT

WHEREAS, pursuant to Resolution 2019-45, the Metropolitan Transit Authority of Harris County, Texas (“METRO”) entered into a contract with Sunoco LLC to provide 87 octane unleaded gasoline for its vehicles on an as-needed basis, with a maximum contract amount of \$16,885,000; and

WHEREAS, local fuel costs have increased and a higher than expected volume of fuel consumption has reduced the remaining capacity under the contract to support METRO’s needs through the contract expiration date; and

WHEREAS, based on the foregoing, management recommends that METRO enter into a contract modification with Sunoco LLC for 87 octane unleaded gasoline to increase the maximum payment amount by \$1,250,000, resulting in a new maximum contract amount of \$18,135,000.

NOW, THEREFORE, BE IT RESOLVED THAT:

Section 1. The METRO Board of Directors hereby authorizes the President & CEO to execute a contract modification with Sunoco LLC for 87 octane unleaded gasoline to increase the maximum payment amount by \$1,250,000, resulting in a new maximum contract amount of \$18,135,000.

Section 2. This Resolution is effective immediately upon passage.

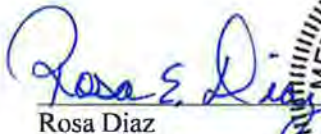
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Cydonii V. Fairfax
Executive Vice President & General Counsel

PASSED this 23rd day of June, 2022
APPROVED this 23rd day of June, 2022

ATTEST:



Rosa Diaz
Assistant Secretary





Sanjay Ramabhadran
Chair

A RESOLUTION

AUTHORIZING THE PRESIDENT & CEO TO EXECUTE A CONTRACT WITH THE AFTERMARKET PARTS COMPANY LLC DBA NFI PARTS TO PROVIDE DESIGN, MANUFACTURING AND INSTALLATION SERVICES FOR BUS SAFETY BARRIERS, AND MAKING FINDINGS AND PROVISIONS RELATED TO THE FOREGOING SUBJECT

WHEREAS, the Metropolitan Transit Authority of Harris County, Texas (“METRO”) requires design, manufacturing and installation services for seven hundred and thirty-four (734) safety barriers on METRO’s transit vehicles to protect METRO bus operators; and

WHEREAS, METRO issued an Invitation for Bids for such design, manufacturing and installation services for safety barriers and The Aftermarket Parts Company LLC DBA NFI Parts was the only firm that submitted a bid that was determined to be responsive, responsible, and reasonably priced; and

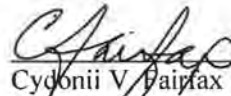
WHEREAS, management recommends that METRO enter into a two (2) year contract with The Aftermarket Parts Company LLC DBA NFI Parts to provide these design, manufacturing and installation services for seven hundred and thirty-four (734) safety barriers on METRO’s transit vehicles to protect METRO bus operators, with an initial not-to-exceed contract amount of \$5,697,656.91 and a ten percent (10%) owner-controlled contingency of \$569,765.69.

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 The Aftermarket Parts Company LLC DBA NFI Parts to provide design, manufacturing and installation services for seven hundred and thirty-four (734) safety barriers on METRO’s transit vehicles to protect METRO bus operators, with an initial not-to-exceed contract amount of \$5,697,656.91 and a ten percent (10%) owner-controlled contingency of \$569,765.69.

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
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PASSED this 23rd day of June, 2022
APPROVED this 23rd day of June, 2022

ATTEST:



Rosa Diaz
Assistant Secretary



Sanjay Ramabhadran
Chair

A RESOLUTION

AUTHORIZING THE PRESIDENT & CEO TO EXECUTE A CONTRACT WITH FIRETROL PROTECTION SYSTEMS, INC. FOR INSPECTION, ALARM MONITORING, MAINTENANCE, AND REPAIR SERVICES OF THE LIFE SAFETY SYSTEMS AT METRO'S ADMINISTRATION BUILDING, AND MAKING FINDINGS AND PROVISIONS RELATED TO THE FOREGOING SUBJECT

WHEREAS, the Metropolitan Transit Authority of Harris County, Texas ("METRO") requires inspection, alarm monitoring, maintenance and repair services for the life safety systems at METRO's Administration Building to protect the health and safety of employees and patrons; and

WHEREAS, METRO issued an Invitation for Bids for such inspection, alarm monitoring, maintenance and repair services and Firetrol Protection Systems, Inc. was the lowest responsive and responsible bidder of all those that submitted bids; and

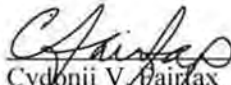
WHEREAS, management recommends that METRO enter into a five (5) year contract with Firetrol Protection Systems, Inc. to provide these inspection, alarm monitoring, maintenance and repair services for the life safety systems at METRO's Administration Building, with a maximum contract amount of \$421,150.

NOW, THEREFORE, BE IT RESOLVED THAT:

Section 1. The METRO Board of Directors hereby authorizes the President & CEO to execute a five (5) year contract with Firetrol Protection Systems, Inc. to provide inspection, alarm monitoring, maintenance and repair services for the life safety systems at METRO's Administration Building, with a maximum contract amount of \$421,150.


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 23rd day of June, 2022
APPROVED this 23rd day of June, 2022

ATTEST:


Rosa Diaz
Assistant Secretary




Sanjay Ramabhadran
Chair

A RESOLUTION

RESCINDING THE DESIGNATION OF ARTHUR C. SMILEY III AS AN AUTHORIZED INVESTMENT OFFICER IN RESOLUTION 2016-53 AND AUTHORIZING UPDATES TO SCHEDULE 2 OF METRO'S INVESTMENT POLICY, AND MAKING FINDINGS AND PROVISIONS RELATED TO THE FOREGOING SUBJECT

WHEREAS, Section 2256.005 of the Texas Public Funds Investment Act requires the Metropolitan Transit Authority of Harris County, Texas ("METRO") Board of Directors ("Board of Directors") to designate individuals responsible for the investment of METRO's funds, as investment officers, consistent with METRO's Investment Policy; and

WHEREAS, pursuant to Resolution 2016-53, the Board of Directors designated Arthur C. Smiley III as an authorized investment officer to engage in investment transactions on behalf of METRO; and

WHEREAS, in accordance with METRO's Investment Policy, such investment authority granted to the investment officer is effective until rescinded by the Board of Directors; and

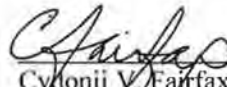
WHEREAS, Mr. Smiley has retired and management recommends that the Board of Directors rescind the designation of Mr. Smiley in Resolution 2016-53 as an authorized investment officer and authorize the update of Schedule 2 "List of Investment Officers" of METRO's Investment Policy to reflect this and other changes attached hereto as Exhibit A.

NOW, THEREFORE, BE IT RESOLVED THAT:

Section 1. The Board of Directors hereby rescinds the designation of Arthur C. Smiley III in Resolution 2016-53 as an authorized investment officer under METRO's Investment Policy and authorizes the update of Schedule 2 "List of Investment Officers" of METRO's Policy to reflect this and other changes attached hereto as Exhibit A.

Section 2. This Resolution is effective immediately upon passage.

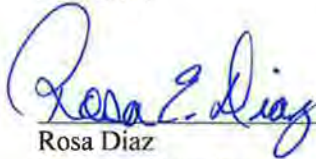
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Cydonii V. Fairfax
Executive Vice President & General Counsel

PASSED this 23rd day of June, 2022
APPROVED this 23rd day of June, 2022

ATTEST:



Rosa Diaz
Assistant Secretary



Sanjay Ramabhadran
Chair

METROPOLITAN TRANSIT AUTHORITY OF HARRIS COUNTY, TEXAS

INVESTMENT POLICY

As Approved on November 18, 2021

1.0 Policy

It is the policy of the Metropolitan Transit Authority of Harris County, Texas ("Metro") to invest public funds in a manner that will provide the highest investment return with maximum security while meeting the daily cash flow demands of Metro, conforming to all state and local statutes governing the investment of public funds and giving due consideration to the safety and risk of investments. This policy sets forth the investment program of Metro and the guidelines to be followed in achieving its objectives.

Effective cash management is recognized as essential to good fiscal management. Investment interest is a source of revenue to Metro. Metro's portfolio shall be designed and managed to maximize investment earnings as a revenue source, to be responsive to the public trust and to be in compliance with applicable legal requirements and limitations.

Investments shall be made with the primary objectives of:

- Preservation and safety of principal and diversification of the investment portfolio;
- Maintenance of sufficient liquidity to meet operating needs and marketability of the investment if the need arises to liquidate before maturity;
- Understanding the suitability of the investment to the financial requirements of Metro and maintaining public trust from prudent investment activities;
- Yield and optimization of interest earnings on the portfolio.

2.0 Purpose

The purpose of this investment policy is to comply with Section 451.104, Texas Transportation Code, and Chapter 2256, Texas Government Code (the "Public Funds Investment Act"). The Public Funds Investment Act requires Metro to adopt a written investment policy regarding the investment of its funds and funds under its control. This investment policy addresses the methods, procedures and practices that must be exercised to ensure effective and judicious fiscal management of Metro's funds.

3.0 Scope

This investment policy shall govern the investment of all financial assets of Metro, except those listed on Schedule 1, which are set up and administered separately and whose investment activities are conducted by third parties in accordance with instructions provided in ordinances, contracts, or escrow agreements, as applicable. The following funds shall be subject to this investment policy and are accounted for in Metro's Comprehensive Annual Financial Report ("CAFR"):

- General and Operating Funds;
- Capital Project Funds;
- Special Revenue Funds;
- Debt Service Funds, including reserves and sinking funds, to the extent not required by law, orders, resolutions or existing contracts to be kept segregated and managed separately;

- Trust and Agency Funds, to the extent not required by law, orders, resolutions or existing contracts to be kept segregated and managed separately.

Any new fund created by Metro shall be subject to this investment policy, unless specifically exempted from this investment policy by the Board or by applicable law.

Metro will consolidate cash balances from all funds to maximize investment earnings. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

4.0 Investment Objectives

General

Metro shall manage and invest its cash with four primary objectives, listed in order of priority:

- Safety
- Liquidity
- Suitability
- Yield (expressed as optimization of interest earnings)

The safety of the principal invested always remains the primary objective. All investments shall be designed and managed in a manner responsive to the public trust and consistent with applicable law.

Metro shall maintain a comprehensive cash management program that includes collection of account receivables, vendor payments in accordance with invoice terms and prudent investment of available cash. Cash management is defined as the process of managing monies in order to insure maximum cash availability and maximum earnings on short-term investment of idle cash.

Safety

Safety is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit and interest rate risk.

Metro will minimize credit risk, the risk of loss due to the failure of the issuer or backer of the investment, by (i) limiting investments to the safest types of investments; (ii) pre-qualifying financial institutions and broker/dealers that Metro does business with; and (iii) diversifying the investment portfolio so that potential losses on individual issuers will be minimized.

Metro will minimize the risk that interest earnings and the market value of investments in the portfolio will fall due to changes in general interest rates by (i) structuring the investment portfolio so that investments mature to meet cash requirements for ongoing operations, thereby avoiding the need to liquidate investments prior to maturity; (ii) investing operating funds primarily in certificates of deposit, shorter-term securities, money market mutual funds or local government investment pools functioning as money market mutual funds; and (iii) diversifying maturities and staggering purchase dates to minimize the impact of market movements over time.

Liquidity

The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that investments mature concurrent with cash needs to meet anticipated demands. Because all possible cash demands cannot be anticipated, a portion of the portfolio will be invested in shares of money market mutual funds or local government investment pools that offer same-day liquidity. In addition, a portion of the portfolio will consist of securities with active secondary or resale markets.

Suitability

All investments shall be suitable for the type of fund invested, and the investment portfolio shall be designed with the objective of meeting all legal requirements including yield restrictions. All participants in Metro's investment process shall seek to act responsibly as custodians of the public trust. Investment officers shall avoid any transaction that might impair public confidence in Metro's ability to govern effectively.

Yield (Optimization of Earnings)

The investment portfolio shall be designed with the objective of attaining a market rate of return through budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of secondary importance compared to the safety and liquidity objectives described above.

In order to minimize risk of loss due to interest rate fluctuations, investment maturities will not exceed the anticipated cash flow requirements of the funds. Investment guidelines by fund-type are as follows:

5.0 Investment Strategies for Funds

General and Operating Funds

Investment guidelines for Metro's general and operating funds are as follows:

Safety of Principal — All investments shall be in high quality securities with minimal default risk. Safety of principal shall be further ensured through diversification by issuer, maturity range and security type.

Liquidity — The general and operating funds will have high liquidity needs. Overnight repurchase agreements, local government investment pools and money market mutual funds can provide daily liquidity and may be utilized as competitive yield alternatives to fixed maturity investments.

Suitability — Any investment authorized by this investment policy having a final maturity not to exceed two years is suitable for general and operating funds.

Yield — Attaining a competitive market yield for comparable security types and portfolio restrictions is the desired objective. The minimum yield objective shall be the trailing three month average of the 3-month T-bill yield.

Capital Project Funds

Funds on deposit in capital project funds will pay for capital expenditures of Metro projects. Investment guidelines for such funds are as follows:

Safety — All investments shall be in high quality securities with minimal default risk. Maturities shall be placed to correspond with the anticipated capital spending or construction draw schedules. Safety of principal shall be further ensured through diversification by issuer, maturity range and security type.

Liquidity — Capital project funds require high short-term liquidity as the construction draw schedules are frequently uncertain. Overnight repurchase agreements, local government investment pools and money market mutual funds shall provide daily liquidity and may be utilized as competitive yield alternatives to fixed maturity investments.

Suitability — any investments authorized by this investment policy not exceeding the expected construction draw schedule are suitable for the capital project funds.

Yield — the most desirable yield objective when investing Capital Project Funds is to achieve a positive spread to the arbitrage yield that corresponds to the specific bond issue. In market conditions in which this objective is not possible within safety constraints, attaining a competitive market yield for comparable security types and portfolio restrictions is the desired objective. In this case, the minimum yield objective shall be the trailing average of the yield on the Treasury security corresponding to the weighted average maturity of the capital project fund portfolio.

Debt Service Funds

Investment guidelines for Metro debt service funds are as follows:

Safety of Principal — all investments shall be in high quality securities with no perceived default risk. Market price fluctuations will however occur, by managing the debt service fund's portfolio to not exceed the debt service payment schedule the market risk of the overall portfolio will be minimized. Market conditions influence the attractiveness of fully extending maturity to the next "unfunded" payment date. Generally, if investment rates are trending down, Metro is best served by locking in fixed rate securities. If interest rates are flat or trending up, concurrent market conditions will determine the attractiveness of extending maturity or investing in shorter alternatives. At no time shall the debt service schedule be exceeded in an attempt to bolster yield.

Liquidity — Debt service funds have predictable payment schedules. Therefore, investment maturities shall not exceed the anticipated cash flow requirements. Overnight repurchase agreements, local government investment pools and money market mutual funds shall provide competitive yield alternatives for short term fixed maturity investments.

Suitability — any investment authorized by this investment policy is suitable for the debt service fund.

Yield — attaining a competitive market yield for comparable security-types and portfolio restrictions is the desired objective. . The minimum yield objective shall be the trailing three-month average of the 3-month T-bill yield.

Special Revenue Funds

Metro's revenue funds are short term in nature and the investment guidelines are as follows:

Safety of Principal — all investments shall be in high quality short-term investments with no perceived default risk. Diversification is less of a concern since revenue funds will be highly liquid.

Liquidity — Revenue funds require high short-term liquidity. Overnight repurchase agreements, local government investment pools and money market mutual funds shall provide daily liquidity and may be utilized as competitive yield alternatives to fixed maturity investments.

Suitability — Eligible investments will be limited to overnight repurchase agreements, \$1 NAV money market funds, \$1 NAV local government investment pools, Treasury, agency and commercial paper issues with final maturities of less than 90 days.

Yield — attaining a competitive market yield for comparable security types and portfolio restrictions is the desired objective. The minimum yield objective shall be the trailing one-month average of the four-week T-bill yield.

6.0 Responsibility and Control

Delegation of Authority

In accordance with the Public Funds Investment Act, the Board designates the officers or employees listed on Schedule 2 as Metro's Investment Officers. An Investment Officer is authorized to execute investment transactions on behalf of Metro. No person may engage in an investment transaction or the management of Metro funds except as provided under the terms of this investment policy as approved by the Board. Such investment authority granted to the Investment Officers is effective until rescinded by the Board.

Quality and Capability of Investment Management

Metro shall provide periodic training in investments for the designated Investment Officers and other investment personnel through courses and seminars offered by professional organizations, associations, and other independent sources in order to insure the quality and capability of investment management in compliance with the Public Funds Investment Act.

Training Requirement

In accordance with the Public Funds Investment Act, the designated Investment Officers shall attend an investment training session no less often than once within every two of the Authority's fiscal years and shall receive not less than 10 hours of instruction relating to investment responsibilities. A newly appointed Investment Officer must attend a training session of at least 10 hours of instruction within 12 months of the date the officer took office or assumed the officer's duties. The investment training session shall be provided by an independent source approved by the Board. For purposes of this investment policy, an "independent source" from which investment training shall be obtained shall include a professional organization, an institution of higher education or any other sponsor other than a business organization with whom Metro may engage in an investment transaction.

Internal Controls

Metro's Chief Financial Officer is responsible for establishing and maintaining an internal control structure designed to ensure that Metro assets are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (i) the cost of a control should not exceed the benefits likely to be derived; and (ii) the valuation of costs and benefits requires estimates and judgments by management.

Accordingly, the Chief Financial Officer shall establish a process for annual independent review by an external auditor to assure compliance with policies and procedures. The internal controls shall address the following points:

- Control of collusion
- Separation of transaction authority from accounting and record keeping
- Custodial safekeeping
- Avoidance of physical delivery of securities
- Clear delegation of authority to subordinate staff members
- Written confirmation for telephone (voice) transactions for investments and wire transfers
- Development of a safekeeping agreement with a depository bank or third-party custodian

Prudence

The standard of prudence to be applied by an Investment Officer shall be the "prudent investor" rule, which states that "investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital, as well as the probable income to be derived." In determining whether an Investment Officer has exercised prudence with respect to an investment decision, the determination shall be made taking into consideration the following:

- The investment of all funds over which the officer had responsibility rather than a consideration as to the prudence of a single investment;
- Whether the investment decision was consistent with this investment policy.

Indemnification

The Investment Officers, acting in accordance with written procedures and exercising due diligence, shall not be held personally responsible for a specific investment's credit risk or market price changes, provided that these deviations are reported immediately and the appropriate action is taken to control adverse developments.

Ethics and Conflicts of Interest

Officers and employees involved in the investment process shall refrain from personal business activity that would conflict with the proper execution and management of the investment program, or that would impair their ability to make impartial decisions. Employees and Investment Officers shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with which business is conducted on behalf of Metro.

An Investment Officer who has a personal business relationship with an organization seeking to sell an investment to Metro shall file a statement disclosing that personal business interest. An Investment Officer who is related within the second degree by affinity or consanguinity to an individual seeking to sell an investment to Metro shall file a statement disclosing that relationship. A statement required under this subsection must be filed with the Texas Ethics Commission and the Board.

7.0 Suitable and Authorized Investments

Portfolio Management

Metro currently has a "buy and hold" portfolio strategy. Maturity dates are matched with cash flow requirements and investments are purchased with the intent to be held until maturity. However, investments may be liquidated prior to maturity for the following reasons:

- An investment with declining credit may be liquidated early to minimize loss of principal;
- Cash flow needs of Metro may require that the investment be liquidated;
- To improve the overall quality or maturity structure of the portfolio;
- To enhance the interest earnings of the portfolio.

Authorized Investments

Metro funds governed by this policy may be invested in the instruments described below, all of which are authorized by the Public Funds Investment Act. Investment of Metro funds in any instrument or security not authorized for investment under such act is prohibited. Metro will not be required to liquidate an investment that becomes unauthorized subsequent to its purchase.

- (a) Obligations of the United States of America or its agencies and instrumentalities.
- (b) Fully collateralized certificates of deposit issued by a state or national bank domiciled in the State of Texas, a savings and loan association domiciled in the State that are fully insured for the principal and accrued interest by the United States or an instrumentality of the United States
- (c) Direct obligations of the State of Texas or its agencies and instrumentalities;
- (d) Other obligations the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of the State of Texas or the United States of America or their respective

agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance or by the explicit full faith and credit of the United States of America.

- (e) Obligations of states, agencies, counties, cities and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than AA or its equivalent;
- (f) Fully collateralized repurchase agreements if Metro has obtained a signed Master Repurchase Agreement with the company with which the agreement is entered, as authorized by the Public Funds Investment Act or other applicable law;
- (g) Commercial Paper with a stated maturity of 270 days or fewer from the date of issuance, and is rated not less than A-1 or P-1 or an equivalent rating by at least two nationally recognized credit rating agencies, as authorized by the Public Funds Investment Act or other applicable law;
- (h) No-load money market mutual funds registered and regulated by the Securities Exchange Commission, with a dollar-weighted average stated maturity of 90 days or fewer, which provides investing entities with a prospectus and other information required by the Securities Exchange Act of 1934 (15 U.S.C. Section 78a et seq.) or the Investment Company Act of 1940 (15 U.S.C. Section 80a-1 et seq.) and which include in their investment objectives the maintenance of a stable net asset value of \$1 for each share, as authorized by the Public Funds Investment Act.
- (i) Guaranteed investment contracts and flexible repurchase agreements, as authorized by the Public Funds Investment Act or other applicable law.
- (j) Local government investment pools that (i) meet the requirements of the Public Funds Investment Act; (ii) are rated no lower than AAA, or AAAM or an equivalent rating by at least one nationally recognized rating service; and (iii) seek to maintain a stable net asset value of \$1 for each share, as authorized by the Public Funds Investment Act.
- (k) Any other investment authorized by the Public Funds Investment Act.

Credit Downgrade Provision

An investment that requires a minimum rating under this policy does not qualify as an authorized investment during any period in which the investment does not have the minimum rating. All prudent measures consistent with this policy will be taken to liquidate an investment that is downgraded to less than the required minimum rating.

Securities Lending

Metro may enter into a securities lending program with an authorized broker/dealer or financial institution in order to enhance investment return. Metro may administer a securities lending program directly or, if conditions warrant, use an outside agent. Should an agent be used, one will be selected by the Board using appropriate criteria. Securities lending will only be transacted with a written agreement, approved by legal counsel, which details: (i) acceptable types of collateral; (ii) standards for collateral custody and control; (iii) collateral valuation and initial margin, accrued interest, marking to market, and margin calls; (iv) method for transmitting security income; and (v) acceptable methods for delivery of securities and collateral.

Approved List of Money Market Mutual Funds and Investment Pools and Federal Agencies

An approved list of money market mutual funds and investment pools is attached to this investment policy as Schedule 3. An approved list of federal agencies is attached to this investment policy as Schedule 4.

Not Authorized

The following types of investments are strictly prohibited.

- (a) Obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pay no principal. (Commonly referred to as "IOs")
- (b) Obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest. (Commonly referred to as "POs")
- (c) Collateralized mortgage obligations that have a stated final maturity date of greater than 10 years.
- (d) Collateralized mortgage obligations, the interest rate of which is determined by an index that adjusts opposite to the changes in a market index. (Commonly referred to as "Inverse Floaters")

Maximum Maturities

The longer the maturity of investments, the greater their price volatility. It is Metro's policy to concentrate its investment portfolio in shorter-term securities in order to limit principal risk caused by changes in interest rates.

Metro will attempt to match its investments with anticipated cash flow requirements. With the exception of investments made for Capital Projects Funds, Metro will not directly invest in securities maturing more than two (2) years from the date of purchase; however, the above described obligations, certificates or agreements may be collateralized using longer dated investments.

Because no secondary market exists for repurchase agreements, the maximum maturity shall be 120 days, except in the case of a guaranteed investment contract or flexible repurchase agreement for bond proceeds. The maximum maturity for such an investment shall be determined in accordance with project cash flow projections and the requirements of the governing bond order or resolution.

Diversification

It is the policy of Metro to diversify its investment portfolio. Metro recognizes that investment risks can result from issuer defaults, market price changes or various technical complications leading to temporary illiquidity. All funds shall be diversified to eliminate the risk of loss resulting from over-concentration of assets in a specific maturity, a specific issuer or a specific class of securities. In establishing specific diversification strategies, the following general policies and constraints shall apply:

- (a) Limiting investments to avoid over-concentration in investments from a specific issuer or security type, excluding U.S. Treasury securities and other investments backed by the full faith and credit of the United States.
- (b) Limiting investments that have higher credit risks (example: commercial paper).
- (c) Investing in investments with varying maturities. Portfolio maturities shall be staggered in a way that avoids undue concentration of assets in a specific sector. Maturities shall be selected that provide for stability of income and reasonable liquidity.
- (d) Continuously investing a portion of the portfolio in readily available funds such as local government investment pools (LGIPs), money-market funds or overnight repurchase agreements to ensure that appropriate liquidity is maintained in order to meet ongoing obligations.

The following maximum limits, by instrument, are established for Metro's total portfolio:

1.	U.S. Treasury Securities	100%
2.	Agencies and Instrumentalities	85%
	<u>Per issuer maximum limits:</u>	
	• FNMA, FHLMC, FHLB, FFBC	40%
	• Other Federal Agency/GSE	10%
3.	Certificates of Deposit	25%
4.	Corporate Commercial Paper	40%
5.	Municipal Commercial Paper	25%
6.	Municipal Bonds or Notes	25%
7.	Repurchase Agreements*	10%
8.	Money Market Mutual Funds	50%
9.	Authorized Investment Pools	75%

*Excluding flexible repurchase agreements for bond proceeds investments.

8.0 Selection of Banks and Broker/Dealers

Banks

Metro will maintain a list of qualified public depositories approved by the Board that are authorized to hold Metro funds. Deposits will only be placed with those institutions that have:

- (a) Provided audited financial statements;
- (b) Submitted a written request or completed an application to be an authorized depository;
- (c) Been designated by the Board as an authorized depository;
- (d) Signed an appropriate form of security or collateral agreement; and
- (e) Provided collateral as required by applicable law.

An annual review of the financial condition of each depository holding Metro funds will be conducted by Metro. A current audited financial statement is required to be on file for each broker/dealer and financial institution that transacts any investment activities with Metro.

Broker/Dealers

Metro will maintain a list of approved broker/dealers and financial institutions that have been approved by the Board and are authorized to provide investment services in the State of Texas. Investments shall only be made with those firms who qualify under Securities & Exchange Commission Rule 15C3-1 (uniform net capital rule) and who have:

- (a) Provided audited financial statements;
- (b) Completed a response to all requested information in any Metro questionnaire relating to creditworthiness, experience and reputation;
- (c) Acknowledged, in writing, that the policy has been thoroughly reviewed by qualified representatives dealing directly with Metro's account and that the organization has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between Metro and the organization that are not authorized by Metro's investment policy, except to the extent that this authorization depends on an analysis of the makeup of Metro's entire portfolio or requires an interpretation of subjective investment standards; and

- (d) Met any qualifications and standards recommended and approved by the Board.

An annual review of the financial condition and registrations of authorized broker/dealers and financial institutions providing investment services will be conducted by Metro. In addition, the quantity of transactions conducted with each approved broker/dealer will be reviewed at least annually. The results of this review and the related recommendations shall be submitted to the Board. The Board shall, at least annually, review, revise, and adopt a list of qualified brokers that are authorized to engage in investment transactions with Metro.

Securities shall be purchased using the delivery vs. payment method with the exception of investment pools and mutual funds. Funds will be released after notification that the purchased security has been received.

Approved List

An approved list of banks and broker/dealers is attached to this investment policy as Schedule 5.

Competitive Quotes

Each investment transaction shall be based upon competitive quotations received from at least three (3) broker/dealers approved by Metro. Competitive quotes shall be documented and retained as part of the transaction record.

Investment Advisors

Metro may contract with an investment advisor, who shall adhere to the spirit, philosophy and specific term of this Policy and shall invest within the same "Standard of Care." The investment advisor must be registered with the Securities and Exchange Commission (SEC) under the Investment Advisor's Act of 1940 as well as with the Texas State Securities Board. Advisors may assist Metro with the management of its funds and other responsibilities including but not limited to, broker compliance, competitive bidding, reporting and security documentation.

An appointed Investment Advisor shall act solely in an advisory and administrative capacity, within the guidelines of this Investment Policy. At no time shall the advisor take possession of securities or funds or otherwise be granted discretionary authority to transact business on behalf of Metro except as delineated by Metro in the pools listed on Schedule 3 – Approved List of Investment Pool, Money Market Mutual Funds and Overnight Sweep Fund.

9.0 Safekeeping of Securities and Collateral

To protect against potential fraud and embezzlement, the financial assets of Metro shall be secured through safekeeping procedures. The Investment Officers shall be bonded to protect the public against possible embezzlement and malfeasance.

Securing Deposits of Authority Funds

Metro shall contract with a bank or banks for the safekeeping of securities either owned by Metro as part of its investment portfolio or held as collateral to secure demand or time deposits. Securities owned by Metro shall be held in Metro's name as evidenced by safekeeping receipts of the institution holding the securities.

Collateral for deposits will be held by a third party custodian designated by the entity and pledged to Metro as evidenced by safekeeping receipts of the institution with which the collateral is deposited. Original safekeeping receipts shall be obtained. Collateral may be held by the depository bank's trust department, a Federal Reserve Bank or branch of a Federal Reserve Bank, a Federal Home Loan Bank, or a third-party bank approved by Metro.

Collateral Policy

Consistent with the requirements of the Public Funds Collateral Act, it is the policy of Metro to require full collateralization of all Metro funds on deposit with a depository bank. In order to anticipate market changes and provide a level of security for all funds, the collateralization level will be 102% of market value of principal and accrued interest on the deposits less the amount insured by the FDIC. At its discretion, Metro may require a higher level of collateralization for certain security types. Securities pledged as collateral shall be held by an independent

third party with whom Metro has a current custodial agreement. Metro's Chief Financial Officer is responsible for entering into collateralization agreements with third-party custodians in compliance with this investment policy. The agreements are to specify the acceptable security types for collateral, including provisions relating to possession of the collateral, the substitution or release of collateral, ownership of collateral, and the method of collateral valuation. A clearly marked evidence of ownership (safekeeping receipt) must be supplied to Metro and retained in file. Collateral shall be reviewed at least monthly to assure that the market value of the pledged securities is adequate.

Collateral Defined

Metro shall accept only the following types of collateral:

- Obligations of the United States or its agencies and instrumentalities.
- Direct obligations of the State of Texas or its agencies and instrumentalities.
- Collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States, provided that these CMO's do not fall under the Not Authorized section listed above.
- Obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized rating firm not less than AA or its equivalent with a remaining maturity of ten (10) years or less.
- A surety bond issued by an insurance company rated as to investment quality by a nationally recognized rating firm not less than A.
- A letter of credit issued to the entity by the Federal Home Loan Bank.

Subject to Audit

All collateral shall be subject to inspection and audit by a Metro representative or Metro's independent auditors.

10.0 Performance

Performance Standards

Metro's investment portfolio will be managed in accordance with the parameters specified within this investment policy. The portfolio shall be designed with the objective of obtaining a reasonable market yield through budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow requirements of Metro.

Performance Benchmark

It is the policy of Metro to purchase investments with maturity dates coinciding with cash flow needs. Through this strategy, Metro shall seek to optimize interest earnings utilizing allowable investments available on the market at that time. Market value will be calculated on a quarterly basis on all securities owned and compared to current book value. Metro's portfolio shall be designed with the objective of attempting to meet or exceed the average yield on U.S. Treasury securities at a maturity level comparable to Metro's weighted average maturity in days.

11.0 Reporting

Methods

The Investment Officer shall prepare an investment report on a quarterly basis that summarizes investment strategies employed in the most recent quarter and describes the portfolio in terms of investment securities, maturities, and yield to maturity.

The quarterly investment report shall include a summary statement of investment activity prepared in compliance with generally accepted accounting principles. This summary will be prepared in a manner that will allow Metro to ascertain whether investment activities during the reporting period have conformed to this investment policy. The report will be provided to the Board. The report must:

- Describe in detail the investment position;
- Be prepared jointly by all Metro investment officers;
- Be signed by each investment officer;
- Contain a summary statement prepared in compliance with generally accepted accounting principles of each pooled fund group that states the: beginning market value for the reporting period; additions and changes to the market value during the period; ending market value for the period; fully accrued interest for the reporting period;
- State the book value and market value of each separately invested asset at the beginning and end of the reporting period by the type of asset and fund type invested;
- State the maturity date of each separately invested asset that has a maturity date;
- State the fund for which each individual investment was acquired;
- Include a statement of compliance of Metro's investment portfolio with state law and the investment strategy and policy approved by the Board.

An independent auditor will perform a formal annual review of the quarterly reports with the results reported to the governing body

Monitoring Market Values and Ratings

Market value of all securities in the portfolio will be obtained from a reputable and independent source such as Bloomberg and disclosed to the Board not less than quarterly in a written report. The Ratings of all investments requiring a minimum rating to be considered an acceptable investment will be verified from a reputable, independent source such as Bloomberg, Standard and Poors or Moody's Investor Services and any downgrades disclosed to the Board not less than quarterly in a written report. The Authority shall take all prudent measures that are consistent with its investment policy to liquidate any investment that does not maintain the minimum rating prescribed by the Texas Public Funds Investment Act.

12.0 Investment Policy Adoption

Metro's investment policy shall be adopted by resolution of the Board. It is Metro's intent to comply with all applicable state laws and regulations. Metro's investment policy shall be subject to revisions consistent with changing laws, regulations, and needs of Metro. Metro shall adopt a resolution stating that it has reviewed the policy and investment strategies annually, approving any changes or modifications.

SCHEDULES

Schedule 1 — Metro Funds Specifically Exempted From Investment Policy

Schedule 2 — List of Investment Officers

Schedule 3 — Approved List of Money Market Mutual Funds and Investment Pools

Schedule 4 — Approved List of Federal Agencies

Schedule 5 — Approved List of Banks and Broker/Dealers

Schedule 6 — Approved Sources for Public Funds Investment Training

Schedule 1 — Metro Funds Specifically Exempted From Investment Policy

Construction Funds and balances in both the General Mobility Escrow and Real Estate Fund are specifically exempted from the maximum allocation guidelines set forth in Section 7.0 of the Investment Policy.

Schedule 2 — List of Investment Officers

Arthur C. Smiley III	Chief Financial Officer
George Fotinos	Chief Administrative Officer PE&C
Philip Brenner	Director of Office of Management & Budget
Katy Wei	Management Analyst, Debt Service & Investments

Schedule 3 — Approved List of Investment Pools, Money Market Mutual Funds and Overnight Sweep Fund

Investment Pools:

TexStar
LOGIC
TexPool
Texas DAILY
Texas CLASS

Money Market Mutual Funds:

SEI Investments Government Fund
Invesco Government and Agency Portfolio
Wells Fargo 100% Treasury Money Market Fund
Goldman Sachs Financial Square Government Fund/Select
BlackRock T-Fund Liquidity Fund

Overnight Sweep Fund:

Wells Fargo Public Institutional Bank Deposit Account

Schedule 4 — Approved List of Federal Agencies and Instrumentalities

All indirect obligations of the U.S. "such as" :

Federal Farm Credit Bank
Federal Home Loan Bank
Federal Home Loan Mortgage Corporation
Federal National Mortgage Corporation
Federal Agricultural Mortgage Corporation
Federal National Mortgage Association

"and other federal agency obligations, the principal and interest of which are unconditionally guaranteed or insured by or backed by the full faith and credit of the United States, its agencies or instrumentalities."

Direct Obligations of the State of Texas or any county, city, school district or other political subdivision of the State of Texas are also approved investments

Schedule 5 - Depository Banks and Broker/Dealers

Approved Depository Banks:

JPMorgan Chase
BBVA Compass (Formerly Guaranty Federal Savings)
East West Bank (For Certificates of Deposit Only)
Cadence Bank (For Certificates of Deposit Only)
Wells Fargo

Approved Broker / Dealers

American Veterans Group, PBC
BOK Financial Securities, Inc
Blaylock Van, LLC
Cabrera Capital Markets, LLC
Cantella & Co. Inc.
Crews & Associates, Inc.
FHN Financial Capital Markets
Great Pacific Securities
Hilltop Securities
Jefferies LLC
Loop Capital Markets
Mischler Financial Group, Inc.

Multi-Bank Securities, Inc.
Piper Sandler & Co.
PNC Capital Markets, LLC
Ramirez and Co., Inc.
Raymond James
RBC Capital Markets, LLC
Rice Financial Products Co.
Robert W. Baird & Co.
Stern Brothers & Co.
Vining Sparks
Wells Fargo Securities, LLC
Insperex, LLC

Schedule 6 – Approved Sources for Public Funds Investment Training

American Women's Society of Certified Public Accountants
Chartered Financial Analyst Society
Government Finance Officers Association of Texas
Government Treasurers' Organization of Texas
Public Financial Management
Texas Public Employees Retirement System
Texas Society of Certified Public Accountants
Texas State University
The Texas Association of Counties
The University of North Texas Center for Public Management

A RESOLUTION

AUTHORIZING A RETENTION INCENTIVE PROGRAM FOR CERTAIN ELIGIBLE FULL-TIME AND PART-TIME EMPLOYEES, AND MAKING FINDINGS AND PROVISIONS RELATED TO THE FOREGOING SUBJECT

WHEREAS, during this COVID-19 pandemic period, recruiting, hiring, and retaining drivers, cleaners, mechanics and other essential personnel is a challenge throughout the transit industry, adversely impacting service quality and schedule times for the community riders relying on such vital transportation services delivered by various transportation providers, including the Metropolitan Transit Authority of Harris County, Texas (“METRO”); and

WHEREAS, METRO desires to recognize these employees for their continued hard work and dedication during this unprecedented and difficult period of time, by creating the Retention Incentive Program; and

WHEREAS, the Retention Incentive Program is in furtherance of METRO’s purpose of providing essential transportation services to the public and benefits METRO by increasing employee morale and further encouraging employees to continue to provide essential transportation services to the region; and

WHEREAS, based on the foregoing, management recommends that the METRO Board of Directors (“Board of Directors”) implement a Retention Incentive Program consisting of a \$6,000 taxable payment for eligible full-time employees, a \$3,000 taxable payment for eligible part-time employees, and a prorated taxable payment for eligible employees, retained in such qualifying positions as outlined in Exhibit A, with a maximum aggregate payment not-to-exceed \$16,000,000; and

WHEREAS, to be eligible for any installment of the incentive payment, (i) full-time employees in qualifying positions must have worked at least 1,000 hours (excluding overtime) during the 12 months preceding such scheduled payment date and part-time employees at least 500 hours (excluding overtime) during such period; and (ii) employees must not be currently receiving a hiring incentive from METRO; and

WHEREAS, the eligible employees retained in such qualifying positions will receive payment in up to four (4) equal installments on August 2022, December 2022, April 2023, and August 2023.

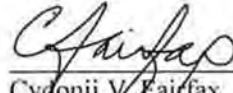
NOW, THEREFORE, BE IT RESOLVED THAT:

Section 1. The Board of Directors hereby approves a Retention Incentive Program for eligible full-time and part-time employees retained in such qualifying positions outlined in Exhibit A, with a maximum aggregate payment not-to-exceed \$16,000,000.

Section 2. The President & CEO is hereby authorized to allocate incentive payments in four (4) equal installments (August 2022, December 2022, April 2023, and August 2023), consisting of a \$6,000 payment for eligible full-time employees, a \$3,000 payment for eligible part-time employees, and a pro-rated payment for employees who become eligible after the initial installment payment in such qualifying positions outlined in Exhibit A.

Section 3. This Resolution is effective immediately upon passage.

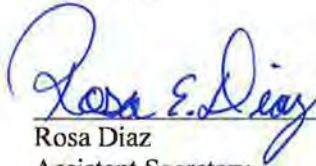
I hereby certify that the above resolution is accurate in describing the action herein of the Board of Directors on the date below.




Cydonii V. Fairfax
Executive Vice President & General Counsel

PASSED this 23rd day of June, 2022
APPROVED this 23rd day of June, 2022

ATTEST:



Rosa Diaz
Assistant Secretary



Sanjay Ramabhadran
Chair

A RESOLUTION

AUTHORIZING THE PRESIDENT & CEO TO NEGOTIATE AND EXECUTE AN INTERLOCAL AGREEMENT WITH EACH OF HARRIS COUNTY TRANSIT, FORT BEND TRANSIT, BRAZOS TRANSIT DISTRICT, COLORADO VALLEY TRANSIT, CITY OF CONROE, ISLAND TRANSIT – GALVESTON TRANSPORTATION SERVICES, GULF COAST TRANSIT DISTRICT, AND THE WOODLANDS TRANSIT FOR FARE COLLECTION, MOBILE TICKETING AND DATA MANAGEMENT SYSTEMS, AND MAKING FINDINGS AND PROVISIONS RELATED TO THE FOREGOING SUBJECT

WHEREAS, the Metropolitan Transit Authority of Harris County, Texas (“METRO”) is in the process of developing and implementing a regional fare collection system which includes fare collection, mobile ticketing, and data management systems to improve access and connectivity between neighboring transportation service providers (“Regional Partners”); and

WHEREAS, METRO is partnering with the Houston-Galveston Area Council (“H-GAC”) and the Regional Partners to conduct stakeholder assessments and system analysis for such regional fare collection system and H-GAC has provided grant funding to help METRO and the Regional Partners pay for a portion of the implementation costs, equipment and related fees for this project; and

WHEREAS, pursuant to Chapter 791 of the Texas Government Code, METRO may contract with other governmental entities to perform certain authorized functions; and

WHEREAS, management recommends that METRO negotiate and execute an interlocal agreement with each of Harris County Transit, Fort Bend Transit, Brazos Transit District, Colorado Valley Transit, City of Conroe, Island Transit – Galveston Transportation Services, Gulf Coast Transit District, and the Woodlands to outline the responsibilities and costs between METRO, H-GAC, and the Regional Partners for the fare collection, mobile ticketing, and data management systems of the regional fare collection system, substantially in the form attached hereto as Exhibit A.

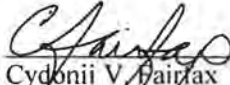
NOW, THEREFORE, BE IT RESOLVED THAT:

Section 1. The METRO Board of Directors hereby authorizes the President & CEO to negotiate and execute an interlocal agreement with each of Harris County Transit, Fort Bend Transit, Brazos Transit District, Colorado Valley Transit, City of Conroe, Island Transit – Galveston Transportation Services, Gulf

Coast Transit District, and the Woodlands to outline the responsibilities and costs between METRO, H-GAC, and the Regional Partners for the fare collection, mobile ticketing, and data management systems of the regional fare collection system, substantially in the form attached hereto as Exhibit A.

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.

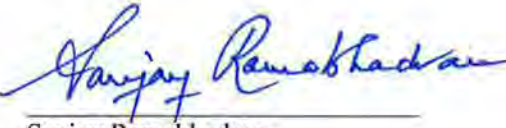

Cydonii V. Fairfax
Executive Vice President & General Counsel

PASSED this 23rd day of June, 2022
APPROVED this 23rd day of June, 2022

ATTEST:


Rosa Diaz
Assistant Secretary




Sanjay Ramabhadran
Chair

INTERLOCAL AGREEMENT
FOR
FARE COLLECTION, MOBILE TICKETING AND DATA MANAGEMENT SYSTEMS
BETWEEN
THE METROPOLITAN TRANSIT AUTHORITY OF HARRIS COUNTY, TEXAS
AND
[REGIONAL PARTNER AGENCY]

THE STATE OF TEXAS
COUNTY OF HARRIS

This Interlocal Agreement ("Agreement") for a Regional Transit Seamless Fare System is made and entered into by and between the Metropolitan Transit Authority of Harris County, Texas ("METRO"), a body corporate and politic authorized and existing pursuant to Chapter 451 of the Texas Transportation Code, and the [Regional Partner] ("[PARTNER]"), authorized to be the administrator for all non-infrastructure Federal Transit Authority (FTA) and Texas Department of Transportation (TxDOT) funds, (collectively, the "Parties").

WITNESSETH

WHEREAS, in response to comments from regional transit patrons, transit service providers and transportation stakeholders, the Gulf Coast Regionally Coordinated Transportation Plan ("RCTP") recommended the development of a regional transit seamless fare collection and management system to improve access and connectivity between neighboring transportation service providers; and

WHEREAS funding was set aside in the Metropolitan Planning Organization's ("MPO") 2018 Call for Projects for a regional transit seamless fare system and METRO has initiated the development of refinements to its fare collection system utilizing professional services; and

WHEREAS, through a Memorandum of Understanding for the Development of a Regional Transit Seamless Fare System that was executed on November 2, 2021, and is included as Exhibit A to this Agreement, H-GAC is partnering with METRO and other transit agencies to conduct additional stakeholder assessments and system analysis that includes the region's other regional transit service providers; and

WHEREAS individual transit providers are expected to customize their participation in the regional transit seamless fare system based on the needs of their ridership and the scope of the transit services they provide; and

WHEREAS, METRO has executed various contracts with third parties to provide software systems and services for systems associated to a regional transit seamless fare system effort for the Houston metropolitan area and named partners will participate in the costs, implementation, and ongoing maintenance of said systems; and

NOW, THEREFORE, in consideration of the premises and the mutual covenants specified herein, the Parties hereby agree as follows:

ARTICLE 1: INDEPENDENT ENTITY

The execution of this Agreement and the distribution of funds from this program do not change the independent status of METRO or [PARTNER]. No provision of this Agreement or act of METRO in performance of the Agreement shall be construed as making [PARTNER] the agent, servant or employee of METRO, the State of Texas or the United States Government. [PARTNER] shall notify METRO of the threat of lawsuit or of any actual suit filed against [PARTNER] pertaining to this Agreement or which would adversely affect [PARTNER]'s responsibilities under this Agreement.

ARTICLE 2: SCOPE OF AGREEMENT

This Agreement specifies the terms and conditions under which METRO will provide a seamless fare collection system to [PARTNER]. Funding for this project has been provided to METRO via funds programmed into the Transportation Improvement Program, as described in Exhibit A. The Parties agree that each will cooperate and coordinate with the others in all activities covered by this Agreement and any supplemental agreements hereto.

Regional Transit Seamless Fare System Background:

There are several transit operators in the greater Houston metropolitan area, some of which connect directly with METRO. Currently, there is no integration between transit operators, which means no regional fare, data sharing, or ability to plan trips between agencies. Each agency operates independently, utilizing a variety of disparate systems and processes both automated and manual. Many of the regional operators have expressed the desire to work with METRO towards regional interoperability. This Agreement works toward that goal by initiating several efforts which will run concurrently:

- Regional Fare Collection System
- Mobile Ticketing integration
- Regional Data Management

Each of these efforts will be executed independently and each agency will have the opportunity to participate in any or all of them.

2.1 REGIONAL FARE COLLECTION SYSTEM

METRO is initiating an innovative payment solution that is based on well-established payment practices using open architecture, open standards and open payments and is account-based. The new regional Fare Collection System ("FCS") shall provide an expanded range of convenient and clear payment and service options to customers. Open payments will allow for the use of technologies such as bank cards, digital wallets, retail outlets for cash preferred using barcodes, or any number of current or future technologies. New and expanded sales channels will provide access to sales and services that are convenient, cost-effective, easy to use, fast, secure, and transparent. The project goals that provide the guiding principles for all aspects of design and implementation of the new FCS are:

- 2.1.1 Customer Centric Approach (accessible, simple, highly available and attracts new customers)
- 2.1.2 Integrated Backend (scalable, secure, open architecture, configurable)
- 2.1.3 Interoperability (regional, integrated trip planner, fare, third-party services, intermodal)
- 2.1.4 Optimize Costs of Labor and Capital Equipment (cash options, equipment, revenue protection)
- 2.1.5 Speed and Reliability of Service – (Reduce dwell time, increase service reliability)

The scope of the project will consider the replacement and/or integration of existing equipment onboard vehicles and on platforms which includes validators, fareboxes and ticket vending machines as well as inspection terminals and other backend components. The software solution will be capable of hosting

additional entities besides METRO in the backend system. Regional partners were surveyed early in the METRO solicitation process to determine potential equipment needs. Based on those results, METRO negotiated pricing for equipment that will allow METRO to purchase the equipment on behalf of its partners at METRO pricing levels using available grant funding. METRO is responsible only for the purchase of such equipment for its partners. [PARTNER] will be required to work with the vendor to install its own equipment. [PARTNER] will also work with the vendor to maintain its own equipment according to the warranty. [PARTNER] may also be required to provide mobile data equipment and cellular services, at their expense, to support data exchange between vehicles and the FCS backend system.

As a separate effort, METRO will facilitate an assessment and requirements gathering effort as part of the regional FCS project, which is funded in a separate agreement, as detailed further in Exhibit A, and will follow compliance guidelines as required.

2.2. MOBILE TICKETING INTEGRATION

Mobile ticketing is a smartphone-enabled application ("App") that allows transit customers to securely purchase and use fares for the transit system on their mobile phone. This technology enables METRO and its partners to expand their methods of purchasing fare media in a very simple and customer friendly way. There is also online website access that allows customers to manage their accounts and ticket purchases. The application provides the following capabilities:

- 2.2.1 Standard fare items (Single ride, Day Pass, Park and Ride zoned fares)
- 2.2.2 Ride Sponsor client management capabilities
- 2.2.3 Discounted fares such as students, seniors & disabled
- 2.2.4 Special events fares such as Rodeo and conventions
- 2.2.5 Payment choices include mobile wallets, credit/debit, PayPal, Apple Pay and Google Pay
- 2.2.6 [Regional Partner] will be able to participate in the app offering their specific fare products branded specific to their organization

In parallel with retail, the expanding mobile payment application will also provide expanded services to METRO and [PARTNER] by integrating with the future regional FCS enabling interoperability with [PARTNER]. The regional FCS Integrator will integrate [PARTNER]'s system with the mobile ticketing solution. The regional FCS will capture, manage and update customer account records based on their interaction with the various hardware devices onboard vehicles and on platforms creating a seamless environment for customers to purchase and use fares throughout the region.

2.3 REGIONAL DATA MANAGEMENT SYSTEM

The purpose of the Regional Data Management System is to provide a single, easy to use source of transit data to travelers throughout the Houston region. To that end, METRO will host and maintain a Software as a Service ("SaaS") Regional Data Management system for METRO and its regional partners, including [PARTNER]. METRO will implement an integrated system to provide centralized passenger information management from all participating agencies in the Houston region including METRO as the host agency, and other member agencies such as: Fort Bend Transit, Harris County Transit, Woodlands Township, Brazos

Transit District, Colorado Valley Transit District, City of Conroe, Matagorda & Jackson Counties, Galveston County Transit District, and Island Transit.

The Regional Data Management System will be a METRO sponsored project and will:

- 2.3.1 Intake Member Agencies' General Transit Feed Specifications ("GTFS") and GTFS Real Time ("GTFS-RT") data as currently published for developers.
- 2.3.2 Allow agency users to create GTFS datasets for agencies that do not currently have GTFS
- 2.3.3 Aggregate GTFS from all agencies in the region to create a consolidated regional GTFS dataset
- 2.3.4 Aggregate GTFS-RT feeds from all agencies in the region to create a consolidated regional GTFS-RT feed, including GTFS-RT alert feeds
- 2.3.5 Allow agency users to enter, manage, and disseminate route targeted service alerts via consumable API, GovDelivery, Facebook, and Twitter
- 2.3.6 Provide regional multi-modal trip planning that can utilize multiple transit types and multiple transit providers to complete a trip (user should not be forced to select a single transit type)
- 2.3.7 Allow the public or other developers access to public data via web service APIs
- 2.3.8 Have a security management structure for each agency
- 2.3.9 Have reports on current and past alerts that have been sent to the public; have service availability reports for all member agencies.

ARTICLE 3: TERM

This Agreement shall be for a period of 10 years from the effective date of the Agreement, unless otherwise extended or terminated by either party in accordance with the other terms of this Agreement.

ARTICLE 4: REGIONAL FARE COLLECTION SYSTEM

4.1 METRO RESPONSIBILITIES:

As previously described, the regional FCS will be designed in a manner to facilitate regional interoperability. METRO will work with its FCS vendors and consultants on the following:

- 4.1.1 METRO will work cooperatively with its partners, as detailed in Exhibit A, and [PARTNER] to define and implement a regional fare strategy.
- 4.1.2 Ensure software and hardware components will support the regional transit fare system and [PARTNER]
- 4.1.3 Ensure the successful completion of a detailed assessment of each stakeholder's operational and technical readiness
- 4.1.4 Work cooperatively with [PARTNER] to ensure their needs are met
- 4.1.5 Provide comprehensive reports specific to [PARTNER] customers and sales data for performance and reconciliation
- 4.1.6 Work to ensure appropriate payment options are available for each transit operators needs
- 4.1.7 Provide basic training to [PARTNER] on back-office procedures and customer support activities within the application
- 4.1.8 Purchase equipment on [PARTNER]'s behalf to be shipped directly to [PARTNER].

METRO will share the cost of the initial system development and configuration with partners under its current contract. Software maintenance and hosting fees are contracted at a negotiated rate. METRO will pass along a portion of those costs to be paid by H-GAC on behalf of all partners as outlined in the Budget Summary table of Exhibit A. Following the initial reimbursement period outlined in Exhibit A, ongoing software maintenance and support costs will need to be assumed directly by individual partner agencies.

4.2 [PARTNER] RESPONSIBILITIES:

[PARTNER] agrees to participate in the regional FCS integration effort and commits to full participation in order to meet project requirements, deliverables and deadlines. [PARTNER] expectations include but are not limited to the following:

- 4.2.1 Provide knowledgeable subject matter experts to join the project team and participate in all required project meetings
- 4.2.2 Project team members will be responsive and provide all required documentation and responses in a timely manner causing no delay or adverse effect to the project schedules or deliverables
- 4.2.3 [PARTNER] project team members will act as a liaison within their organizations and will serve as the focal point to make necessary contact with other experts and management to ensure project success
- 4.2.4 Cooperate fully with METRO and its designated contractors to meet project requirements
- 4.2.5 [PARTNER] will grant permission for vendor to enter property at a time approved by the partner to inspect and analyze equipment and systems related to the FCS
- 4.2.6 [PARTNER] will be responsible for establishing and maintaining banking relationships that will allow METRO to provide automated payments
- 4.2.7 [PARTNER] will provide marketing collateral as needed (logos, font and image color Hex codes, etc.) as needed
- 4.2.8 [PARTNER] will provide internal customer service support and be the main contact for customer calls associated with their fare products and customer issues
- 4.2.9 [PARTNER] will be responsible for obtaining and maintaining cellular connectivity, at its cost, for onboard vehicle equipment to connect to METRO's regional FCS backend system
- 4.2.10 [PARTNER] will be responsible for entering into a maintenance contract with METRO's vendor for hardware maintenance and support and may utilize METRO's negotiated pricing with the vendor.

ARTICLE 5: MOBILE TICKETING INTEGRATION

5.1 METRO RESPONSIBILITIES:

In addition to standard system functions described earlier, METRO will work with its mobile ticketing vendor to ensure the application provides the following capabilities to [Regional Partner] ([PARTNER]):

- 5.1.1 Provide a separate and distinct area within the app for [PARTNER] fare selections
- 5.1.2 Provide specific branding for [PARTNER] as well as distinct fraud prevention and detection capabilities using animation or other techniques
- 5.1.2 Provide reports specific to [PARTNER] customers and sales data for performance and reconciliation
- 5.1.4 Provide payment options for all fare media requested
- 5.1.5 Provide basic training to [PARTNER] on back-office procedures and customer support activities within the application

METRO will absorb the cost of the initial system development and configuration for partners under its current contract. However, if future costs are generated due to requests for additional functionality or requirements, those costs, if not covered by agreements described in Exhibit A, may be passed on to [PARTNER]. [PARTNER] will be solely responsible for its own processing and operating costs, and hosting fees as described in Exhibit A.

Transaction processing fees and ongoing operational costs will be shared with [PARTNER] at fixed rates. Transaction fees are assessed based on bank processing charges as well as application processing fees based on sales. Total processing costs will be billed at 10%.

Operational and hosting fees are contracted at a fixed rate which is increased annually by 5%. METRO will pass along a portion of that cost to be paid by H-GAC on behalf of all partners, including [PARTNER], as described in the Budget Summary table of Exhibit A.

Reconciliation reports will be provided to identify transactions processed for each agency.

5.2 [PARTNER] RESPONSIBILITIES:

[PARTNER] agrees to participate in the mobile ticketing application and commits to full participation in order to meet project requirements, deliverables and deadlines. [PARTNER] expectations include but are not limited to the following:

- 5.2.1 Provide knowledgeable subject matter experts to participate in all required project meetings
- 5.2.2 Project team members will be responsive and provide requested documentation and responses as required and cause no adverse effect to the project timelines or deliverables
- 5.2.3 Cooperate fully with METRO and its designated contractors to meet project requirements
- 5.2.4 [PARTNER] will be responsible for establishing and maintaining banking relationships that will allow METRO to provide automated payments
- 5.2.5 [PARTNER] will provide marketing collateral as needed (logos, font and image color Hex codes, etc.) as needed
- 5.2.6 [PARTNER] will provide internal customer support and be the primary contact for customer calls associated with their fare products

- 5.2.7 [PARTNER] will pay banking and processing fees related to the purchases of agency ticket products as outlined in the METRO responsibilities Section 5.1 of this document.
[PARTNER] will pay a portion of the ongoing hosting and operational fees as outlined in the METRO responsibilities Section 5.1 of this document.

ARTICLE 6: REGIONAL DATA MANAGEMENT SYSTEM

6.1 METRO RESPONSIBILITIES

METRO responsibilities as it pertains to the Regional Data Management System include:

- 6.1.1 METRO will work cooperatively with its partners, as detailed in Exhibit A to define, and implement an overall Regional Data Management strategy for current and future system functions and additions
- 6.1.2 Maintaining and managing the vendor contract for the hosted SaaS Regional Data Management System
- 6.1.3 Project management of vendor contract
- 6.1.4 Renegotiating contract at renewal-contract negotiations and extension of period of performance.
- 6.1.5 Hosting procurement process for a new contract in the event of expiration of current vendor contract
- 6.1.6 Managing and applying the payments by member agencies, per the agreed upon processes and procedures of each agency, for the maintenance and hosting of the system
- 6.1.7 Coordinating any bug, downtime, or system performance issues from the member agencies with the vendor
- 6.1.8 Ensuring the successful completion of a detailed assessment of each stakeholder's operational and technical readiness by the data management vendor
- 6.1.9 Work cooperatively with each regional partner who chooses to participate in the project to ensure their needs are met
- 6.1.10 Coordinate basic training to regional partners on back-office procedures and customer support activities within the application

6.2 [PARTNER] RESPONSIBILITIES:

- 6.2.1 [PARTNER] will be responsible for assigning, training, and maintaining its own staff to run and manage its part of the Regional Data Management System
- 6.2.2 Provide knowledgeable subject matter experts to join the project team and participate in all required project meetings
- 6.2.3 Project team members will be responsive and provide all required documentation and responses in a timely manner causing no delay or adverse effect to the project schedules or deliverables

- 6.2.4 [PARTNER] project team members will act as a liaison within their organizations and will serve as the focal point to make necessary contact with other experts and management to ensure project success
- 6.2.5 Cooperate fully with METRO and its designated contractors to meet project requirements
- 6.2.6 [PARTNER] will provide marketing collateral as needed (logos, font and image color Hex codes, etc.) as needed
- 6.2.7 [PARTNER] will provide internal customer service support and be the main contact for customer calls associated with their Regional Data Management System customer issues
- 6.2.8 [PARTNER] will be responsible for obtaining and maintaining Internet connectivity, at its cost, for access to the Regional Data Management System
- 6.2.9 [PARTNER] will be responsible for reporting any bug, downtime, or system performance issues to METRO or the vendor
- 6.2.10 [PARTNER] will be responsible for working with the vendor on any internal issues with its network infrastructure, cyber security infrastructure, or hardware infrastructure to resolve any issues with the System. All partners, including [PARTNER], will be charged a collective as described in the Budget Summary table of Exhibit A. Payment will be made for approved costs via funds approved by the Transportation Policy Council and programmed into the Transportation Improvement Program, as detailed in Exhibit A. However, if future costs are generated due to requests for additional functionality or requirements, those costs will be passed on directly to the requesting agency.

ARTICLE 7: RELATIONSHIP OF THE PARTIES

- 7.1 METRO is a governmental entity under the Texas Tort Claims Act.
- 7.2 [PARTNER] acknowledges that it is not an agent, servant, nor employee of METRO.
- 7.3 METRO acknowledges that it is not an agent, servant, nor employee of [PARTNER].
- 7.4 The Parties expressly agree that the disbursement of funds under this initiative is not a joint venture or enterprise. It is not the intent of the Parties that a joint enterprise relationship is being entered into and the Parties specifically disclaim such relationship. This Agreement does not constitute a joint enterprise.
- 7.5 No party has the authority to commit or bind the other party in any manner.

ARTICLE 8: TERMINATION

- 8.1 **Termination for Convenience.** Notwithstanding any other provision of this Agreement, each party may, in its sole discretion, terminate this Agreement, if it determines that it is in its best interest to do so, providing, however, that the party seeking to terminate the provision of services under this Agreement gives written notice to the other parties at least sixty (60) calendar days prior to the expected date of the termination of services.
- 8.2 **Termination Procedure.** Upon receipt of written notice to terminate this agreement, METRO shall cease performance entirely, and prepare and submit a final invoice and standard reconciliation reports to [PARTNER] within thirty (30) calendar days. The invoice shall include payments for revenue

generated for [PARTNER] in any component of the AFCS, Mobile Ticketing and Regional Data Management system. Also, charges for transaction fees, processing and other operating expenses not paid prior to termination shall be invoiced to [PARTNER] for immediate payment.

ARTICLE 9: DEFAULT AND REMEDIES

- 9.1 **Default.** The failure by any party to fully and timely comply with its respective obligations, and the failure to cure such noncompliance within ten (10) days after written notice from the other parties, shall constitute a default ("Default"). In the event of a Default, the non-defaulting parties may notify the defaulting party of its intent to terminate this Agreement as of a date specified in such notice. If such default is not cured by such termination date, this Agreement shall be deemed automatically terminated as of the date so specified in the notice without further act of any party. This Agreement shall not be considered as specifying the exclusive remedy for any Defaults; and all remedies existing at large or in equity may be availed of by any party and shall be cumulative.

ARTICLE 10: FORCE MAJEURE

No party shall be held liable for any loss or damage due to delay in performance of any part of this Agreement from any cause beyond its control and without its fault or negligence, which causes may include acts of God, acts of civil or military authority, government regulations, embargoes, epidemics, war, terrorist acts, riots, insurrections, fires, explosions, earthquakes, nuclear accidents, floods, strikes, power blackouts, other major environmental disturbances or unusually severe weather conditions.

ARTICLE 11: AUDIT AND INSPECTION OF RECORDS

[PARTNER] shall permit the authorized representatives of METRO and the federal government to inspect and audit all data and records of [PARTNER] relating to its performances under this Agreement. METRO representatives may perform, or have performed, an audit of [PARTNER]'s books and records. [PARTNER] shall keep its books and records available for this purpose for at least three (3) years after this Agreement terminates.

ARTICLE 12: FUNDING OBLIGATION

Each party paying for the performance of governmental functions or services under this Agreement must make those payments from current revenues available to the paying party.

ARTICLE 13: NOTICES

Any notices required or permitted to be given under the terms of this Agreement shall be in writing and shall be deemed to be given as of the time of hand delivery to the addresses set forth below, or three (3) days after deposit in the United States mail, postage prepaid, by registered or certified mail, return receipt requested, addressed as follows:

To METRO: Reginald Brown
Metropolitan Transit Authority of Harris County
P.O. Box 61429
Houston, Texas 77208-1429

To [PARTNER]:

ARTICLE 14: WAIVER

The failure of any party at any time to require performance of any provision hereof shall in no manner affect the right at a later time to enforce the same. No waiver of any party of any condition, or of any breach of any term, covenant, representation or warranty contained herein, in any one or more instances, shall be deemed to be construed as a further or continuing waiver of any such condition or breach or waiver of any other condition.

ARTICLE 15: ENTIRE AGREEMENT

This Agreement contains the entire agreement of the Parties with regard to the matters addressed herein. This Agreement may not be amended, modified, superseded or canceled, nor may any of the terms, covenants, representations, warranties or conditions be waived except by written instrument executed by all the Parties.

ARTICLE 16: GOVERNING LAW

This Agreement is subject to all applicable laws, regulations, codes, ordinances, rules and rulings of the Federal government, the State of Texas, City of Houston, and any other governmental entity that has jurisdiction over the Parties or activities set out herein. The laws of the State of Texas shall govern the interpretation, validity, performance and enforcement of this Agreement. Any action brought to enforce or interpret this Agreement shall be brought in a court of appropriate jurisdiction in Harris County, Texas. METRO is not waiving any governmental immunities.

ARTICLE 17: SCOPE AND SCHEDULE - REGIONAL FARE SYSTEM

This Agreement will be amended to add the Scope of Services once it is developed and agreed to by the parties.

ARTICLE 18: SCOPE AND SCHEDULE - MOBILE TICKETING

This Agreement will be amended to add the Scope of Services once it is developed and agreed to by the parties.

ARTICLE 19: SCOPE AND SCHEDULE - REGIONAL DATA MANAGEMENT

This Agreement will be amended to add the Scope of Services once it is developed and agreed to by the parties

The parties to this agreement have read, agreed, and executed the whole Agreement as of the date first written above, and approved by:

**METROPOLITAN TRANSIT AUTHORITY
OF HARRIS COUNTY, TEXAS**

Thomas C. Lambert
President & Chief Executive Officer

Date

**REGIONAL PARTNER AGENCY -
[REGIONAL PARTNER DIVISION (if needed)]**

[Authorized Approver]
[Title]

Date

August 1st, 2021

**MEMORANDUM OF UNDERSTANDING
FOR THE DEVELOPMENT OF
A REGIONAL TRANSIT SEAMLESS FARE SYSTEM**

BACKGROUND

In response to comments from regional transit patrons, transit service providers, and transportation stakeholders, the Gulf Coast Regionally Coordinated Transportation Plan (RCTP) recommended the development of a regional transit seamless fare collection and management system to improve access and connectivity between neighboring transportation service providers. Figure 1 illustrates the service areas of those service providers.

Funding was set aside in the Metropolitan Planning Organization's (MPO) 2018 Call for Projects of the Transportation Improvement Program (TIP) for a Regional Transit Seamless Fare System. The Metropolitan Transit Authority of Harris County (METRO) has initiated the development of refinements to its fare collection system utilizing professional services and the Houston-Galveston Area Council (H-GAC) is partnering with METRO and other transit agencies to conduct additional stakeholder assessments and system analysis that includes the region's other transit service providers.

This Memorandum of Understanding (MOU) is established between the Houston-Galveston Area Council (H-GAC) Transportation Policy Council (TPC) as the MPO for the Houston-Galveston Region, the Metropolitan Transit Authority of Harris County (METRO), and other participating regional transit stakeholders including the following: Brazos Transit District, Colorado Valley Transit District, Gulf Coast Transit District (Connect Transit), Fort Bend County Transit, City of Conroe, Harris County Community Services Department -Transit Services, The Woodlands Township, and City of Galveston (Island Transit) for the purpose of developing a regional transit fare system, including stakeholder assessments for software configuration and hardware required to connect to METRO's fare collection system. A Budget Summary for this project is provided below for planning purposes.

Individual transit providers are expected to customize their participation in the Regional Transit Seamless Fare System based on the needs of their ridership and the scope of the transit services they provide. This MOU is intended to serve as the master document outlining the arrangement between all parties outlining the overall scope of the Regional Transit Seamless Fare System and the responsibilities of each party, with subsequent agreements between individual parties detailing specific arrangements for each participating stakeholder.

This MOU is to be effective upon approval by each participating stakeholder. ¹

¹ It is anticipated that some of the regional stakeholders will require coordination with their Boards of Directors, City Councils or Commissioners Courts before this Memorandum of Understanding can be approved.

NON-BINDING EFFECT

All parties understand and acknowledge that this MOU merely constitutes a statement of their mutual intentions and a recital of their discussions in connection with the transactions contemplated by this MOU and therefore does not constitute a binding agreement. This MOU shall not create or otherwise give rise to, and there shall not exist, any binding legal obligation on any of the parties to perform their responsibilities under the MOU, and no party will have any financial liability to any other party for failure to perform such responsibilities. If two or more parties deem that an activity which may give rise to a legal or financial obligation is necessary, those parties will consult each other on the necessity of a separate agreement and, if appropriate, enter into a separate agreement. No subsequent oral agreement or conduct of the parties, including partial performance, shall be deemed to impose an obligation or liability on any other party under this MOU. By executing this MOU, the parties do not intend to create a joint venture or partnership, and each party will remain an independent contractor

RESPONSIBILITIES OF THE PARTIES

The Metropolitan Transit Authority of Harris County will have the following responsibilities:

1. METRO modified their consultant's scope of work for analysis and assessment for the Regional Transit Seamless Fare System to include up to eight (8) additional participating regional transit stakeholders, listed on page 1 in the "Background" section of this MOU Agreement. The Scope Modification valued at \$256,000 was completed before this MOU was executed. METRO will deliver a copy of the results from the analysis and assessment and resulting strategic plan, project plan and timeline for the Regional Transit Seamless Fare System to be shared with all stakeholders and H-GAC.
2. METRO will serve as project sponsor for this regional fare project and will purchase the following base component systems to support its execution:
 - a. A Regional Data Management System to provide a tool for each participating regional stakeholder to develop and manage their General Transit Feed Specification (GTFS) data, which will provide a foundation for the development of a regional transit trip planner including regional fare payment options.
 - b. A Mobile Ticketing System to provide a tool for fares purchased by mobile devices. METRO will work with regional transit stakeholders to add their fares to the System. Each stakeholder who chooses to participate in the Mobile Ticketing System will be responsible for the transaction costs and applicable fees associated with their fares sold and according to METRO's contracts with its consultants.

- c. A Fare Collection System with the capability to support multiple regional partners using a configurable backend software system. Additional hardware components in support of the regional transit fare system were previously identified by the regional transit stakeholders who chose to participate in the regional transit fare hardware equipment purchase as shown in Attachment 1. Additionally, regional transit stakeholders may elect to purchase and participate in the backend software system. The effort and costs of this will be determined after the completed assessments of each stakeholder as outlined in item 1 above.
3. After the funds for the Regional Transit Fare System Project have been programmed into the Fiscal Year (FY) 2020 Transportation Improvement Program (TIP), METRO will initiate a request to the Federal Transit Administration (FTA) for a Letter of No Prejudice (LONP) for pre-award authorization of \$2,344,000 to proceed with the development of the regional transit fare system components, as itemized in the Budget Summary below.
4. METRO will initiate additional requests (to support the various components of the regional fares project) as needed based on coordination with H-GAC, the regional partners, and funding authorizations from the Transportation Policy Council.
5. METRO will collaborate with H-GAC throughout the life of the project, and provide monthly Progress Reports to H-GAC and quarterly updates to the regional stakeholders through the Regional Transit Coordination Subcommittee.
6. METRO will work with the participating regional transit stakeholders and H-GAC as needed to develop a regional fare policy to address how fares, discounts and revenue sharing would work as a result of regional transit fare implementation.
7. METRO and H-GAC will enter into an Interlocal Agreement (ILA). METRO will also enter into individual agreements with each participating regional stakeholder.

The Houston-Galveston Area Council will have the following responsibilities:

1. H-GAC received authorization from its Board of Directors, at its December 19, 2019 meeting, to establish an Intergovernmental Agreement with METRO for the additional assessments.
2. H-GAC has requested and received approval from the Transportation Policy Council (TPC) to program \$2,344,000 into the FY 2020 TIP to supplement the local funding provided by METRO.
3. H-GAC has submitted a letter to the Texas Department of Transportation to initiate a request for a funds transfer of \$2,344,000 to the Federal Transit Administration to expedite the project.
4. Although METRO will be responsible for procuring its own hardware components in support of the regional transit fare system, H-GAC will provide input on specifications and service needs, as previously identified by the participating regional transit stakeholders who chose to participate in the regional transit fare hardware equipment purchase, as well as input on the backend software necessary to support this equipment and manage the regional fare system. This is as shown in Regional Stakeholders Initial Equipment Requests below. Please note, H-GAC will not be procuring anything for this agreement or any resultant contract stemming

from this agreement. Although METRO is purchasing its own hardware and backend software, the Regional Stakeholders will buy through their contracts for any of their needs resulting from the assessment. This will be done through the resultant contracts as mentioned in bulletpoint 4 of the regional stakeholder responsibilities below, as well as via this agreement.

5. To support the METRO's procurement of additional hardware and software needed to implement the regional fare collection system, H-GAC will make additional FTA requests for funding only as required, based on funding authorizations from the Transportation Policy Council and in the event additional procurement is needed.
6. H-GAC will coordinate with METRO and the regional transit stakeholders in their efforts to develop a regional fare policy addressing how fares, discounts and revenue sharing would work as a result of regional transit fare implementation. This will be accomplished through a Regional Transit Connectivity Workgroup associated with the Regional Transit Coordination Subcommittee.
7. H-GAC will ensure Federal planning and programming requirements are met throughout the life of the project, including but not limited to updating the TIP and air quality conformity processes.

The regional transit stakeholders will have the following responsibilities:

1. The regional transit stakeholders who choose to participate in this System will do so in all assessments, system configuration and development, and procurement and installation of hardware and software as needed.
2. The regional transit stakeholders who agreed to participate in the transit fare equipment purchase will maintain the equipment purchased through this MOU.
3. The regional transit stakeholders will work with one another and with METRO and H-GAC to develop a regional fare policy to address how fares, discounts, revenue sharing, etc. would work in the regional transit fare implementation.
4. Each participating regional stakeholder will enter into an individual agreement with METRO detailing specific arrangements for the regional fare collection system. Each participating regional stakeholder shall obtain the approval of its governing board.

BUDGET SUMMARY ²

Budget Item	Preliminary Cost Estimates (\$)	Notes
Additional Stakeholder Assessments (8)	256,000	Planning funds to be reimbursed to METRO by H-GAC.

² This budget is preliminary for planning purposes and subject to change. It represents the funds that will be coordinated through H-GAC and doesn't include the total project costs as budgeted by METRO.

Regional Data Management System for GTFS files.	195,000	25% of annual cost for three years. Total 3-year annual cost estimated at \$585,000. ³
Regional Fare System Hardware for Regional Stakeholders	2,118,950 ⁵	As previously identified by stakeholders (see Regional Stakeholders Initial Equipment Requests for details)
Software backend configuration and implementation	TBD	To be determined after review of the assessments and decisions made for each transit stakeholder
Contractor implementation support	TBD	Additional implementation support of CH2M Hill to be determined after assessments are reviewed and decisions made
Additional hardware costs (TBD)	15,000	To be determined after the completion of the additional stakeholder assessments.
Total Estimated Cost Not-To-Exceed	\$ 20 million*	

*\$2.344 million is currently programmed in the 2021-2024 Transportation Improvement Program (TIP).⁴ An FTA Transfer of these funds has been facilitated by H-GAC to METRO. The remaining \$17.656 million is to be provided as needed for the project by H-GAC as allocated in the Unified Transportation Program. These funds can be amended to the TIP as approved by the Transportation Policy Council.

REGIONAL STAKEHOLDERS INITIAL EQUIPMENT REQUESTS

Agency	Card Readers/ Validators	Fareboxes	Ticket Vending Machines (TVM)	Cashless TVM
City of Conroe	0	6	0	0
Harris County Transit	20	20	4	1
City of Galveston Island Transit	26	26	1	1

³ Option to renew based on satisfactory performance during years 1-3.

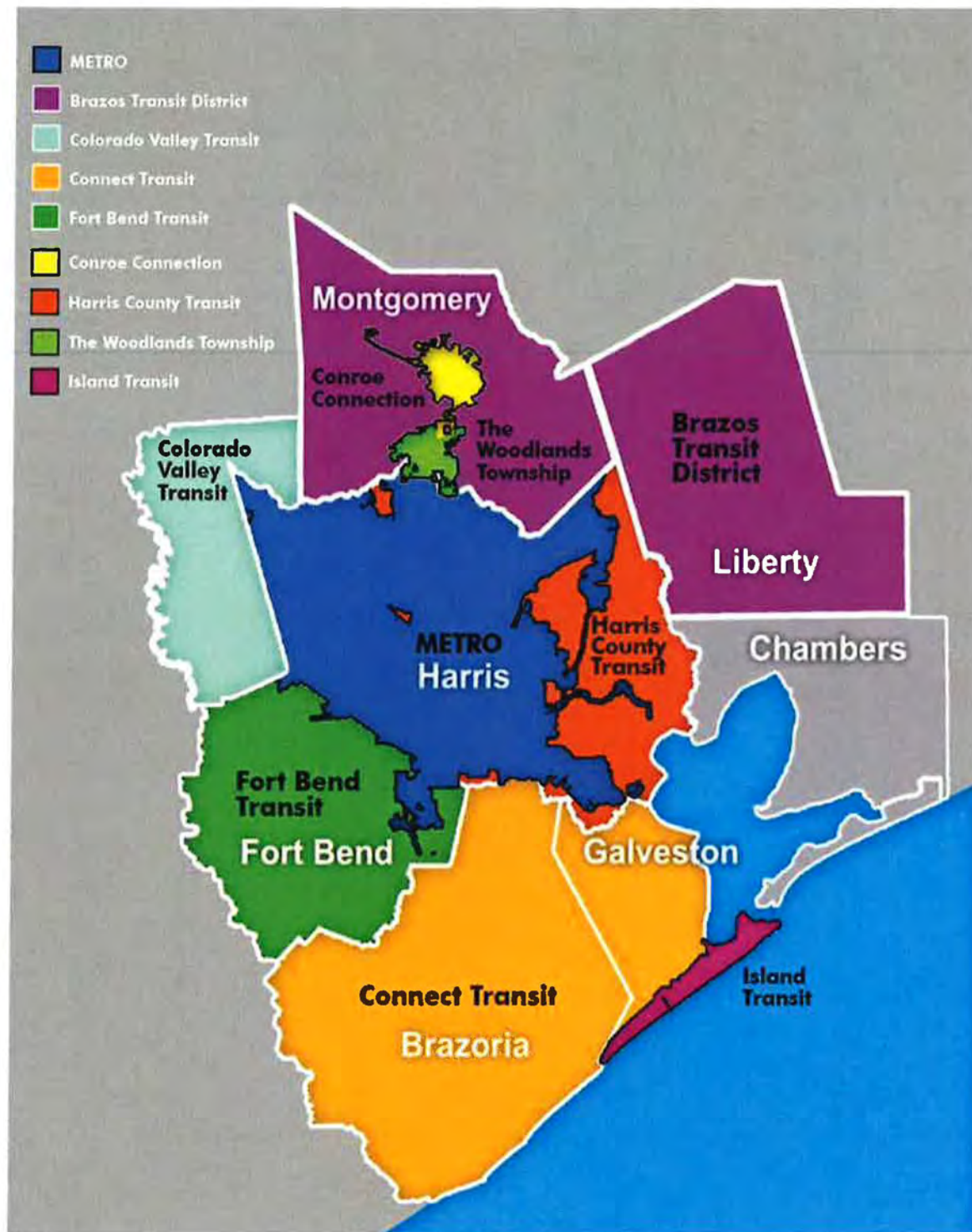
⁴ "Regional Transit Fare Collection System project (FY 20)" MPOID 18163; CSJ 0912-00-623

⁵ Expenditures outlined in Regional Stakeholders Initial Equipment Requests

Fort Bend County Transit	75	75	5	5
Subtotals # Units	119	125	10	7
Estimated Cost for Units⁵	\$2,150	\$8,650	\$48,050	\$43,050
Subtotals by Type of Item	\$255,850	\$1,081,250	\$480,500	\$301,350
Total Estimated Cost	\$2,118,950			

⁵ Preliminary cost estimates are based on information developed by METRO Consultant CH2M.

Figure 1. Map of Regional Transit Service Providers in the H-GAC MPO



ATTACHMENT 1
DISTRIBUTION LIST

This Memorandum of Understanding is approved by:

HOUSTON-GALVESTON AREA TRANSPORTATION POLICY COUNCIL

DocuSigned by:

Ken Clark

11/1/2021

AEF0FF5C8DEC4FA

Honorable Ken Clark, Chairman, Transportation Policy Council

Date

DocuSigned by:

Craig Raborn

10/27/2021


14B4C9748051405

Craig Raborn, Director of Transportation,

Date

This Memorandum of Understanding is approved by:

HOUSTON-GALVESTON AREA COUNCIL

DocuSigned by:

62EC270D5D81423

10/27/2021

Charles Wemple, Executive Director

Date

This Memorandum of Understanding is approved by:

METROPOLITAN TRANSIT AUTHORITY OF HARRIS COUNTY (METRO)

DocuSigned by:

Thomas Lambert

2AC1DA4753A140B

11/2/2021

Thomas C. Lambert, President and Chief Executive Officer

Date

This Memorandum of Understanding is approved by:

THE CITY OF CONROE

A handwritten signature in blue ink, appearing to be "P. Virgadamo Jr.", is written over a horizontal line.

Paul Virgadamo Jr., City Administrator

A handwritten date "8/4/21" in blue ink is written over a horizontal line.

Date

This Memorandum of Understanding is approved by:

THE WOODLANDS TOWNSHIP

DocuSigned by:

John Powers

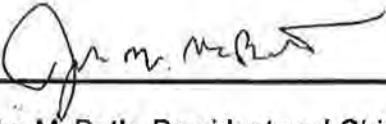
7/27/2021

John Powers, Assistant General Manager

Date

This Memorandum of Understanding is approved by:

BRAZOS TRANSIT DISTRICT (THE DISTRICT)



John McBeth, President and Chief Executive Officer

8/16/21

Date

This Memorandum of Understanding is approved by:

COLORADO VALLEY TRANSIT DISTRICT

Claudia Wicks, Executive Director 9/1/21

Claudia Wicks, Executive Director

Date

This Memorandum of Understanding is approved by:

GULF COAST TRANSIT DISTRICT - CONNECT TRANSIT

A handwritten signature in blue ink, appearing to read "Sean Middleton", is written over a horizontal line.


Sean Middleton, Executive Director

08/25/2021


Date

This Memorandum of Understanding is approved by:

FORT BEND COUNTY PUBLIC TRANSPORTATION DEPARTMENT



Honorable K.P. George, County Judge



Date August 24, 2021

This Memorandum of Understanding is approved by:

**HARRIS COUNTY COMMUNITY AND ECONOMIC DEVELOPMENT DEPARTMENT NOW
CALLED HARRIS COUNTY COMMUNITY SERVICES DEPARTMENT- HARRIS COUNTY
TRANSIT**



August 24, 2021

Honorable Lina Hidalgo, County Judge

Date


This Memorandum of Understanding is approved by:

CITY OF GALVESTON - ISLAND TRANSIT



9/17/21

Date

 Brian Maxwell, City Manager

APPROVED AS TO FORM:



Asst. City Attorney

A RESOLUTION

AUTHORIZING THE PRESIDENT & CEO TO NEGOTIATE AND EXECUTE A MASTER INTERGOVERNMENTAL COOPERATIVE PURCHASING AGREEMENT WITH THE EQUALIS GROUP LLC TO PARTICIPATE IN THE EQUALIS GROUP PURCHASING PROGRAM TO PROCURE CERTAIN GOODS AND SERVICES, AND MAKING FINDINGS AND PROVISIONS RELATED TO THE FOREGOING SUBJECT

WHEREAS, the Metropolitan Transit Authority of Harris County, Texas (“METRO”) seeks to expand its procurement sourcing opportunities to a wide variety of existing contracts; and

WHEREAS, the Equalis Group Purchasing Program (the “Program”) has contracts for commodities and services that satisfy METRO’s competitive bidding requirements; and

WHEREAS, METRO is a qualified public entity which would benefit from participating in the Program; and

WHEREAS, management recommends that METRO negotiate and execute a Master Intergovernmental Cooperative Purchasing Agreement with Equalis Group LLC to participate in the Program to procure certain goods and services.

NOW, THEREFORE, BE IT RESOLVED THAT:

Section 1. The METRO Board of Directors hereby authorizes the President & CEO to negotiate and execute a Master Intergovernmental Cooperative Purchasing Agreement with Equalis Group LLC to participate in the Equalis Group Purchasing Program to procure certain goods and services.

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 23rd day of June, 2022
APPROVED this 23rd day of June, 2022

ATTEST:


Rosa Diaz
Assistant Secretary





Sanjay Ramabhadran
Chair

A RESOLUTION

AUTHORIZING THE PRESIDENT & CEO TO NEGOTIATE AND EXECUTE A SOLE SOURCE CONTRACT WITH THE HOUSTON CHRONICLE FOR NEWSPAPER PUBLICATION SERVICES, AND MAKING FINDINGS AND PROVISIONS RELATED TO THE FOREGOING SUBJECT

WHEREAS, the Metropolitan Transit Authority of Harris County, Texas (“METRO”) requires newspaper publication services to publish contract solicitations, marketing collateral, and notices to the public to comply with certain laws and legal requirements including Chapter 451 of the Texas Transportation Code, METRO’s Title VI Program, METRO’s Major Service Change Policy, and METRO’s Fare Policy, which require that contract solicitations and notices to the public be published in a newspaper of general circulation in the area in which METRO is located; and

WHEREAS, the Houston Chronicle is the newspaper of general circulation in which METRO is located; and

WHEREAS, based on the foregoing, management recommends that METRO enter into a one (1) year sole source contract with the Houston Chronicle to provide these newspaper publication services to publish METRO’s contract solicitations, marketing collateral, and notices to the public, with a maximum contract amount of \$205,000.

NOW, THEREFORE, BE IT RESOLVED THAT:

Section 1. The METRO Board of Directors hereby authorizes the President & CEO to negotiate and execute a one (1) year sole source contract with the Houston Chronicle to provide newspaper publication services to publish METRO’s contract solicitations, marketing collateral, and notices to the public, with a maximum contract amount of \$205,000.

Section 2. This Resolution is effective immediately upon passage.

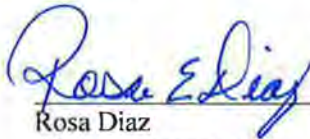
I hereby certify that the above resolution is accurate in describing the action herein of the Board of Directors on the date below.



Cydonii V. Fairfax
Executive Vice President & General Counsel

PASSED this 23rd day of June, 2022
APPROVED this 23rd day of June, 2022

ATTEST:



Rosa Diaz
Assistant Secretary





Sanjay Ramabhadran
Chair

A RESOLUTION

APPROVING THE PROPOSED AUGUST 2022 SERVICE CHANGES, AND MAKING FINDINGS AND PROVISIONS RELATED TO THE FOREGOING SUBJECT

WHEREAS, the Metropolitan Transit Authority of Harris County, Texas (“METRO”) implements regular service changes during the year, typically in or around January, May/June, and August, after a public hearing is held in accordance with the requirements of the Federal Transit Administration Circular 4702.1B, including after analyzing the changes to ensure that they will not result in a disparate impact based on race, color, or national origin or disproportionate burdens to low income populations; and

WHEREAS, it is proposed that METRO enhance service reliability improvement features, restore pre-COVID service levels, update service levels based upon workforce availability, restore service levels to accommodate returning students and expand the Community Connector program (collectively, the “August 2022 Service Changes”); and

WHEREAS, METRO has determined that such changes will not have a disparate impact based on race, color, or national origin or disproportionate burden to low income populations; and

WHEREAS, METRO held a Public Hearing on June 8, 2022 to discuss the proposed August 2022 Service Changes which are expected to have an estimated financial impact of \$547,000 in operating costs in fiscal year 2022 and an annualized cost of \$4,795,000 in fiscal year 2023; and

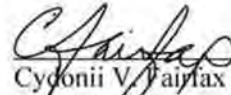
WHEREAS, following such public participation, management has reported findings to the METRO Board of Directors (the “Board of Directors”) and recommends that the Board of Directors approves the analyses performed determining that the proposed August 2022 Service Changes will not have a disparate impact based on race, color, or national origin or disproportionate burden to low-income populations and authorizes the proposed August 2022 Service Changes as outlined in the presentation attached hereto as Exhibit A.

NOW, THEREFORE, BE IT RESOLVED THAT:

Section 1. The Board of Directors hereby approves the analyses performed determining that the proposed August 2022 Service Changes will not have a disparate impact based on race, color, or national origin or disproportionate burden to low-income populations and authorizes the proposed August 2022 Service Changes as outlined in the presentation attached hereto as Exhibit A.

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 23rd day of June, 2022
APPROVED this 23rd day of June, 2022

ATTEST:


Rosa Diaz
Assistant Secretary




Sanjay Ramabhadran
Chair

A RESOLUTION

AUTHORIZING THE PRESIDENT & CEO TO DEVELOP AND IMPLEMENT A SUMMER PILOT PROGRAM FOR THE WEEKEND USE OF METRO'S HIGH OCCUPANCY VEHICLE/HIGH OCCUPANCY TOLL LANES AND TO NEGOTIATE AND EXECUTE A CONTRACT MODIFICATION WITH TRANSORE ITS, LLC FOR OPERATION OF THE SUMMER PILOT PROGRAM, AND TO INCREASE THE MAXIMUM CONTRACT AMOUNT, AND MAKING FINDINGS AND PROVISIONS RELATED TO THE FOREGOING SUBJECT

WHEREAS, pursuant to Resolution 2017-98, the Metropolitan Transit Authority of Harris County, Texas ("METRO") entered into a contract with TransCore ITS, LLC ("Contractor") to operate and maintain the Automated Reversible Gate Operation ("ARGO") equipment that METRO uses to open and close five (5) High Occupancy Vehicle/High Occupancy Toll ("HOV/HOT") lanes; and

WHEREAS, use of the HOV/HOT lanes is currently limited to weekdays only and METRO desires to open the lanes during the weekends from July 2, 2022 through September 5, 2022 to gauge potential demand for such services during the weekend ("Summer Pilot Program"); and

WHEREAS, the Summer Pilot Program is authorized under METRO's Major Service Change Policy because it is for less than one (1) year; and

WHEREAS, the Summer Pilot Program will require the support of METRO police officers, ARGO operators, MAP operators, and other Contractor personnel; and

WHEREAS, based on the foregoing, management recommends that the METRO Board of Directors ("Board of Directors") authorize the President & CEO to develop and implement the Summer Pilot Program to allow weekend use of the five (5) METRO HOV/HOT lanes for a maximum amount not-to-exceed \$575,000, and to negotiate and execute a modification of the existing contract with TransCore ITS, LLC to operate the Summer Pilot Program, increasing the maximum contract amount by \$387,750, resulting in a new maximum contract amount of \$31,619,198.55.

NOW, THEREFORE, BE IT RESOLVED THAT:

Section 1. The Board of Directors hereby authorizes the President & CEO to develop and implement the Summer Pilot Program to allow weekend use of the five (5) METRO HOV/HOT lanes for a maximum amount not-to-exceed \$575,000.

Section 2. The Board of Directors hereby authorizes the President & CEO to negotiate and execute a modification of the existing contract with TransCore ITS, LLC to operate the Summer Pilot Program, increasing the maximum contract amount by \$387,750, resulting in a new maximum contract amount of \$31,619,198.55.

Section 3. This Resolution is effective immediately upon passage.

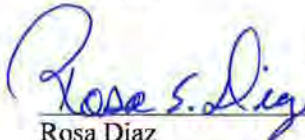
I hereby certify that the above resolution is accurate in describing the action herein of the Board of Directors on the date below.



Cydonii V. Fairfax
Executive Vice President & General Counsel

PASSED this 23rd day of June, 2022
APPROVED this 23rd day of June, 2022

ATTEST:



Rosa Díaz
Assistant Secretary



Sanjay Ramabhadran
Chair

August 2022 Service Enhancements

Public Safety, Customer Service, and Operations
Committee
June, 2022

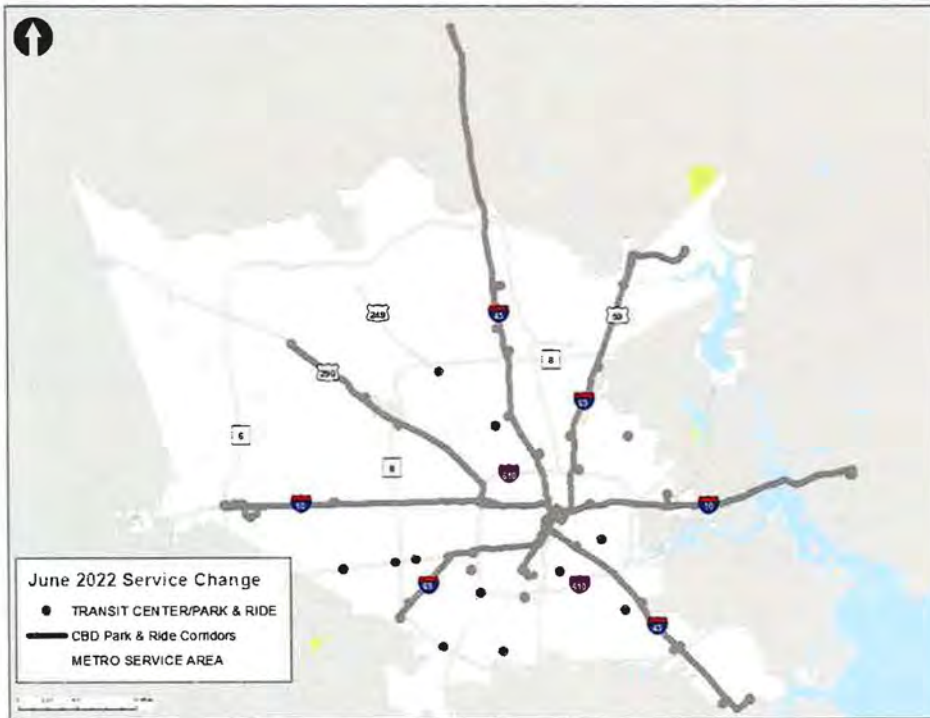


Exhibit A

OVERVIEW – August 2022

- Restore pre COVID-19 service levels
- Enhance service reliability improvement features
- Update service levels based upon workforce availability
- Restore school trippers
- Nurture Community Connector program

RESTORE PRE-COVID-19 SERVICE LEVELS

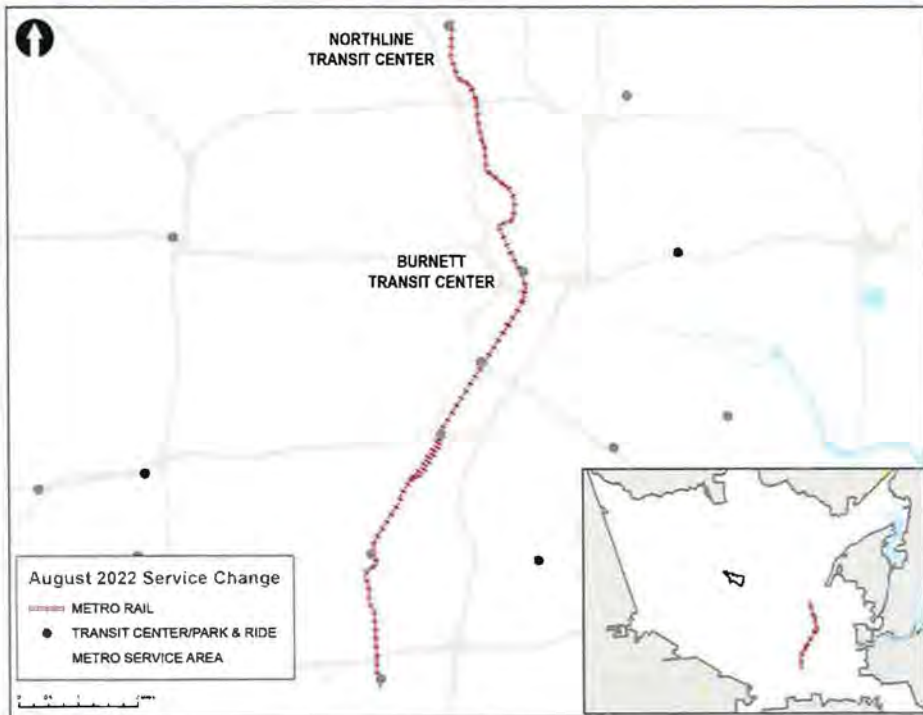


RESTORE PRE-COVID 19 SERVICE LEVELS Peak Period / Weekday

- CBD Park & Ride Corridors

Based upon workforce availability

RESTORE NORTHLINE EXTENSION SERVICE

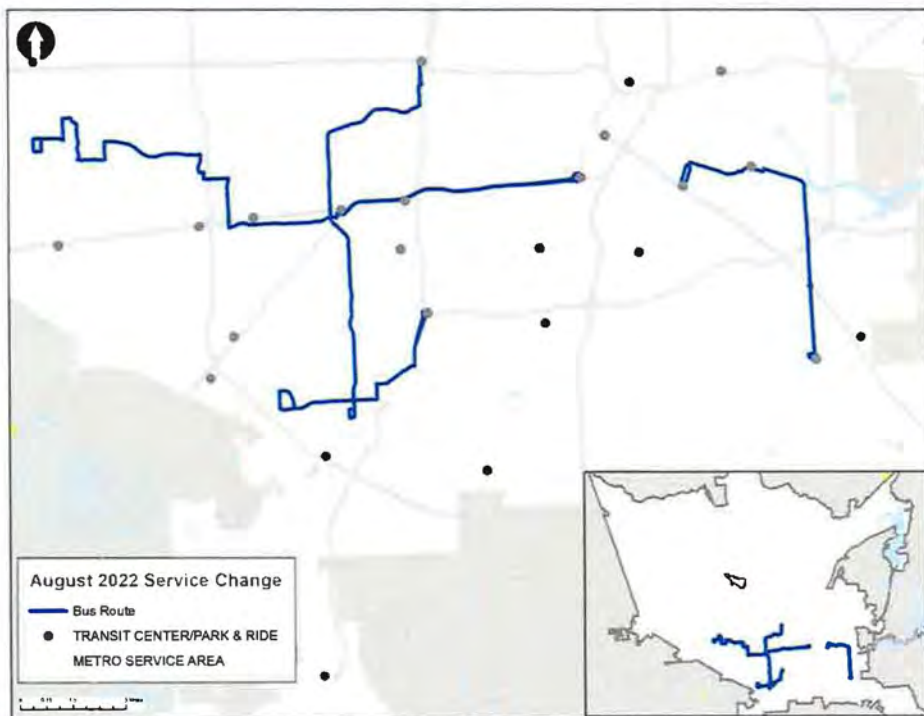


RESTORE 6-MINUTE WEEKDAY FREQUENCY

- **METRO Rail Red Line, Burnett to Northline Transit Center**
Pre-COVID-19: 6-minute weekday headway
Current: 12-minute weekday headway
- Restoration improves customer experience
- Eliminates transfers for passengers travelling between Fannin South and Northline Transit Centers
- Reduces wait time for passengers travelling between Burnett and Northline Transit Centers

Based upon workforce availability

ADD SCHOOL TRIPPERS

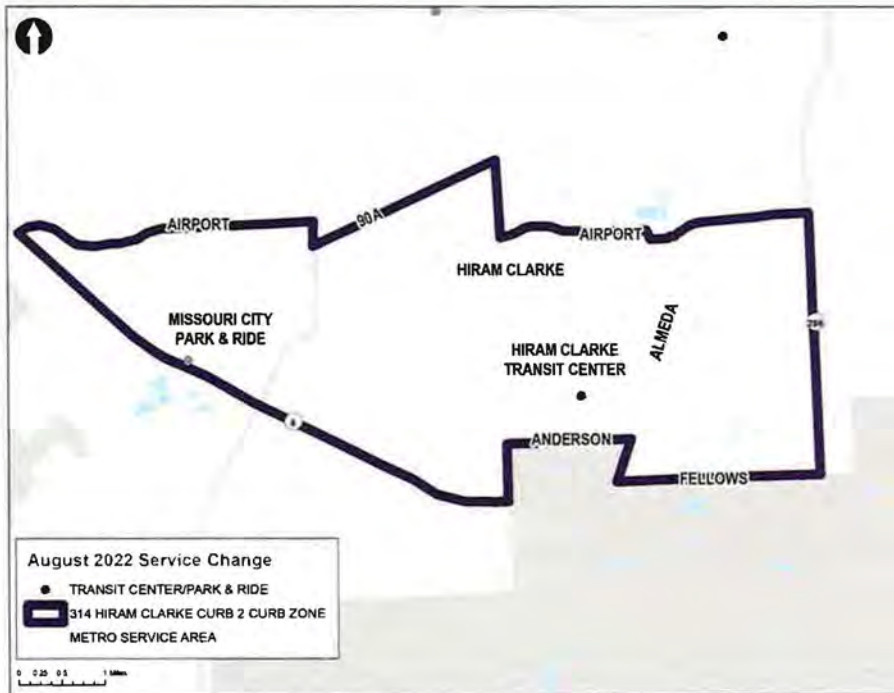


ADD SCHOOL TRIPPERS

- 7 West Airport
- 47 Hillcroft
- 50 Broadway
- 153 Harwin Express

Based upon workforce availability

EXPAND COMMUNITY CONNECTOR (CURB 2 CURB) PROGRAM

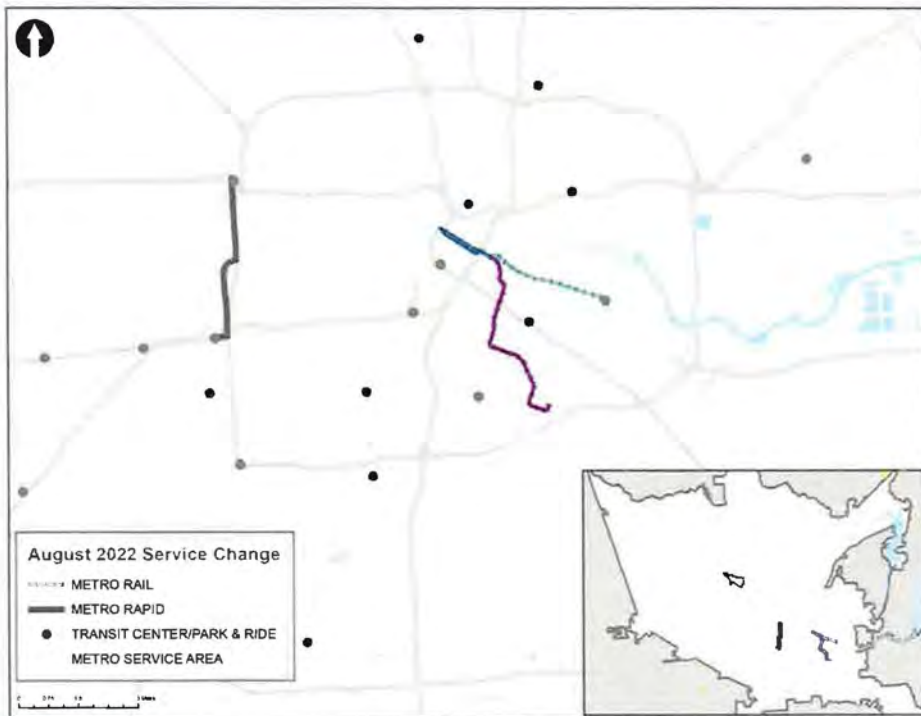


314 HIRAM CLARKE CURB 2 CURB

PROPOSED OPERATING CHARACTERISTICS

- Span of Service: 7 a.m. – 9 p.m.
- Headway: 60 minutes
- Peak Buses: 2
- Operators: 4
- Anchor Points: Missouri City Park & Ride
Hiram Clarke Transit Center

RETAIN EXISTING SERVICE LEVELS



RETAIN EXISTING SERVICE LEVELS

- 433 METRO Rapid Silver Line
- **METRO Rail Green Line**
- **METRO Rail Purple Line**

PUBLIC HEARING – Wednesday, June 8, 2022

Public Comments



- Conducted at noon in METRO Board Room
- Public comment followed by presentation followed by public comment
- Two public speakers, one in-person and one virtual
- Each public speaker supported a different service enhancement
 - Restoration of 6-minute weekday headways on **METRO Rail Red Line** between Burnett and Northline Transit Centers
 - New 314 Hiram Clarke curb2curb

TITLE VI / ENVIRONMENTAL JUSTICE

- The 314 Hiram Clarke curbside is classified as both Minority and Low-Income
- The Weekday, Saturday, and Sunday revenue hours for bus and rail service classified as Minority and Low-Income exceed the Weekday, Saturday, and Sunday revenue hours for bus and rail service classified as Non-Minority and Non-Low-Income
- As a result, there is no disparate impact or disproportionate burden associated with the proposed August 2022 service change

ESTIMATED COSTS

	FY2022	Annualized
Add School Trippers	\$ 37K	\$ 321K
Phase XI – Downtown Park & Ride	\$125K	\$1,093K
Hiram Clarke curb2curb	\$ 36K	\$ 320K
Restore Northline Extension – RED Rail Line	\$349K	\$3,060K
TOTAL	\$547K	\$4,795K

ESTIMATED RESOURCES

	Operators	Buses / Rail Cars
Add School Trippers	7	7 40' transit buses
Phase XI – Downtown Park & Ride	13	13 45' suburban buses
Hiram Clarke curb2curb	4	2 New England Wheels buses
Restore Northline Extension – RED Rail Line	6 - 8	6 rail cars
TOTAL	30 - 32	

KEY DATES

Item	Important Date
Board Committee Briefing	Thursday, May 19, 2022
Public Hearing	Wednesday, June 8, 2022
Board Committee Briefing	Thursday, June 16, 2022
Board Approval	Thursday, June 23, 2022
Rail Operator Sign-up	Starting July 27, 2022
Bus Operator Sign-up	Starting July 27, 2022
Service Change Implementation (Bus and Rail)	Sunday: Sunday, August 21, 2022 Weekday: Monday, August 22, 2022 Saturday: Saturday, August 27, 2022

A RESOLUTION

AUTHORIZING THE PRESIDENT & CEO TO NEGOTIATE AND EXECUTE A CONTRACT WITH FIRST CLASS TOURS TO PROVIDE TRANSPORTATION SERVICES FOR THE PARK & RIDE ROUTES ALONG THE INTERSTATE 45 SOUTH CORRIDOR ON AN EMERGENCY BASIS, AND MAKING FINDINGS AND PROVISIONS RELATED TO THE FOREGOING SUBJECT

WHEREAS, the Metropolitan Transit Authority of Harris County, Texas (“METRO”) requires additional resources on an emergency basis to meet unexpected ridership demands and in accordance with Section 6.3.1 of METRO’s Procurement Manual, METRO’s President & CEO has declared the existence of an emergency and has deemed competitive bidding inappropriate; and

WHEREAS, solicitation of such services would delay and could severely affect METRO’s ability to carry out operations to meet public demand for vital transportation services; and

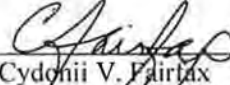
WHEREAS, based on the foregoing, management recommends that METRO enter into an emergency procurement contract with First Class Tours to provide bus operators, ADA compliant buses, maintenance, training, supervision, and other essential transportation-related services for the Park & Ride routes along the Interstate 45 south corridor for a one (1) year period, with an initial not-to-exceed contract amount of \$6,200,000 and a contingency of \$1,800,000.

NOW, THEREFORE, BE IT RESOLVED THAT:

Section 1. The METRO Board of Directors hereby authorizes the President & CEO to negotiate and execute an emergency procurement contract with First Class Tours to provide bus operators, ADA compliant buses, maintenance, training, supervision, and other essential transportation-related services for the Park & Ride routes along the Interstate 45 south corridor for a one (1) year period, with an initial not-to-exceed contract amount of \$6,200,000 and a contingency of \$1,800,000.

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 23rd day of June, 2022
APPROVED this 23rd day of June, 2022

ATTEST:


Rosa Diaz
Assistant Secretary




Sanjay Ramabhadran
Chair