

NOTICE OF SPECIAL ELECTION

METRO

METROPOLITAN TRANSIT AUTHORITY
OF HARRIS COUNTY, TEXAS

(Portions of Harris, Fort Bend, Waller and Montgomery Counties)

NOTICE IS HERBY GIVEN that a Special Election will be held on Tuesday, November 4, 2003, within and throughout the boundaries and service Area of the Metropolitan Transit Authority of Harris County, Texas ("METRO"), in accordance with the following Resolution Nos. 2003-93 and 2003-77, passed and approved by the Board of METRO on August 18, 2003 and August 28, 2003, respectively, as amended on September 22, 2003.

RESOLUTION NO. 2003-93

A RESOLUTION APPROVING, ADOPTING, RATIFYING AND CONFIRMING RESOLUTION NO. 2003-77 CALLING A SPECIAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 4, 2003, FOR THE PURPOSE OF SUBMITTING TO THE QUALIFIED ELECTORS OF THE METROPOLITAN TRANSIT AUTHORITY OF HARRIS COUNTY, TEXAS ("METRO") A PROPOSITION TO AUTHORIZE METRO TO ISSUE BONDS, NOTES AND OTHER OBLIGATIONS PAYABLE, IN WHOLE OR IN PART, FROM SEVENTY-FIVE PERCENT (75%) OF METRO'S SALES AND USE TAX REVENUES FOR THE ACQUISITION, CONSTRUCTION, REPAIR, EQUIPPING, IMPROVEMENT OR EXTENSION OF METRO'S TRANSIT AUTHORITY SYSTEM, INCLUDING THE METRO SOLUTIONS TRANSIT SYSTEM PLAN, AS DESCRIBED HEREIN, WHICH INCLUDES BUS SERVICE EXPANSIONS AND CONSTRUCTION OF EXTENSIONS OF METRO'S RAIL SYSTEM KNOWN AS "METRORAIL," TO APPROVE SUCH PLAN AND CONSTRUCTION OF THE METRORAIL AND COMMUTER LINE COMPONENTS THEREOF, AND TO DEDICATE TWENTY-FIVE PERCENT (25%) OF METRO'S SALES AND USE TAX REVENUES THROUGH SEPTEMBER 30, 2014, FOR STREET IMPROVEMENTS AND MOBILITY PROJECTS, AS AUTHORIZED BY LAW AND WITH NO INCREASES IN THE CURRENT RATE OF METRO'S SALES AND USE TAX; AND MAKING OTHER PROVISIONS RELATED TO THE SUBJECT

WHEREAS, at a Special Meeting held on August 18, 2003, the Board of METRO deliberated, approved and adopted Resolution No. 2003-77, which called a Special Election to be held on Tuesday, November 4, 2003 for the purpose of seeking authorization to issue bonds, notes and other obligations for implementation of METRO's transit authority system, securing approval of the METRO Solutions Plan and construction of METRORail and METRO's continued funding of General Mobility Projects through September 30, 2014; and

WHEREAS, the Board's approval and adoption of such resolution included the proposition and ballot to be submitted to the qualified electors within the boundaries and service area of METRO; and

WHEREAS, the Board deems it appropriate to approve, adopt, ratify and confirm Resolution 2003-77 without substantive change or modification;

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

Section 1. The Board hereby approves, adopts, ratifies and confirms Resolution No. 2003-77, in the form attached hereto as Attachment I, and affirms its decision to call a Special Election to be held on November 4, 2003 for the purpose of submitting to the qualified electors of the Metropolitan Transit Authority of Harris County, Texas ("METRO") a proposition to authorize METRO to issue bonds, notes and other obligations payable, in whole or in part, from seventy-five percent (75%) of METRO'S sales and use tax revenues for the acquisition, construction, repair, equipping, improvement or extension of METRO'S transit authority system, including the METRO Solutions Transit System Plan, as described therein, which includes bus service expansions and construction of extensions of METRO's rail system known as "METRORail," to approve such plan and construction of the METRORail and commuter line components thereof, and to dedicate twenty-five percent (25%) of METRO's sales and use tax revenues through September 30, 2014, for street improvements and mobility projects, as authorized by law and with no increase in the current rate of METRO's sales and use tax.

Section 2. This resolution is effective immediately upon passage.

PASSED this 28th day of August, 2003 APPROVED this 28th day of August, 2003

ATTEST:


Arthur L. Schechter, Chairman


Rose Gonzales, Assistant Secretary

ATTACHMENT I
RESOLUTION NO. 2003-77
CALLING A SPECIAL ELECTION

TO BE HELD ON TUESDAY, NOVEMBER 4, 2003

A RESOLUTION CALLING A SPECIAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 4, 2003, FOR THE PURPOSE OF SUBMITTING TO THE QUALIFIED ELECTORS OF THE METROPOLITAN TRANSIT AUTHORITY OF HARRIS COUNTY, TEXAS ("METRO") A PROPOSITION TO AUTHORIZE METRO TO ISSUE BONDS, NOTES AND OTHER OBLIGATIONS PAYABLE, IN WHOLE OR IN PART, FROM SEVENTY-FIVE PERCENT (75%) OF METRO'S SALES AND USE TAX REVENUES FOR THE ACQUISITION, CONSTRUCTION, REPAIR, EQUIPPING, IMPROVEMENT OR EXTENSION OF METRO'S TRANSIT AUTHORITY SYSTEM, INCLUDING THE METRO SOLUTIONS TRANSIT SYSTEM PLAN, AS DESCRIBED HEREIN, WHICH INCLUDES BUS SERVICE EXPANSIONS AND CONSTRUCTION OF EXTENSIONS OF METRO'S RAIL SYSTEM KNOWN AS "METRORAIL," TO APPROVE SUCH PLAN AND CONSTRUCTION OF THE METRORAIL AND COMMUTER LINE COMPONENTS THEREOF, AND TO DEDICATE TWENTY-FIVE PERCENT (25%) OF METRO'S SALES AND USE TAX REVENUES THROUGH SEPTEMBER 30, 2014, FOR STREET IMPROVEMENTS AND MOBILITY PROJECTS, AS AUTHORIZED BY LAW AND WITH NO INCREASE IN THE CURRENT RATE OF METRO'S SALES AND USE TAX; AND MAKING OTHER PROVISIONS RELATED TO THE SUBJECT

STATE OF TEXAS §
METROPOLITAN TRANSIT AUTHORITY
OF HARRIS COUNTY, TEXAS §

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

WHEREAS, METRO has, among others, the power to acquire, construct, complete, develop, own, operate and maintain a transit authority system, as defined in the METRO Act, and all powers necessary or convenient to carry out and effectuate the purposes and provisions of the METRO Act;

WHEREAS, since its confirmation METRO has developed and undertaken various plans and programs to provide its transit authority system (collectively, the “Prior Plans”), some of which are continuing and will continue for several years into the future;

WHEREAS, one of the Prior Plans is Phase I of a new rail system known as METRORail, which phase is an approximate 7.5-mile segment of light rail that extends from the University of Houston-Downtown to south of Reliant Park and is scheduled to commence operations in January 2004;

WHEREAS, in addition to the Prior Plans, METRO has developed a comprehensive plan that provides for increased bus routes, expanded Park & Ride service, buses, new Park & Ride lots, transit centers, shelters and other bus-related facilities and extensions and new segments of METRORail and other rail-related facilities (as more particularly described in **Exhibit A**, which is hereby made a part of this Resolution, the “METRO Solutions Transit System Plan” or “METRO Solutions Plan”);

WHEREAS, METRO has forwarded the METRO Solutions Plan to the Houston-Galveston Area Council (“HGAC”) for inclusion in its Metropolitan Transportation Plan (MTP) and Transportation Improvement Program (TIP) and will continue to support and cooperate with the long-range planning program (the 100% solution plan) being developed by HGAC for all modes of surface transportation;

WHEREAS, since February 1, 1988 and as authorized by the METRO Act, the Board of METRO (the “Board”) has dedicated approximately twenty-five percent (25%) of METRO’s sales and use tax revenues for street improvements, mobility projects and other facilities located within its boundaries and service area of the types permitted by Section 451.065 of the METRO Act, which dedication contractually extends through September 30, 2009;

WHEREAS, the Board has determined to continue the dedication of twenty-five percent (25%) of METRO’s sales and use tax revenues through September 30, 2014, for use for street improvements, mobility projects and other facilities (as more particularly described in Exhibit B, which is hereby made a part of this Resolution, “METRO’s Street Improvement Dedication”), which the Board estimates will provide an additional \$774 million for such purposes during the period October 1, 2009 through September 30, 2014 and a total of approximately \$1.597 billion for such purposes during the period October 1, 2003 through September 30, 2014;

WHEREAS, the Board finds and determines that (i) the proceeds of bonds, notes or other obligations are needed to acquire, construct, repair, equip, improve or extend METRO's transit authority system, including the METRO Solutions Plan, and (ii) the issuance of bonds, notes or other obligations is necessary, appropriate and the best available financing method to provide the METRO transit authority system at the earliest practicable date for the residents within the boundaries and service area of METRO;

WHEREAS, the Board finds and determines that the only portions of METRORail for which proceeds of bonds, notes or other obligations will be used pursuant to voter approval at the Election (as hereinafter defined) are new segments included in Phase II of METRORail, as more particularly described in **Exhibit A-4**;

WHEREAS, the city charter of the City of Houston provides that the Houston City Council shall not grant any permission, consent or authorization required by METRO in connection with the construction, maintenance or operation of all or part of a rail system unless METRO previously has conducted an election at which a majority of the METRO voters who participated in the election approved construction of the rail system;

WHEREAS, the Board finds that it is appropriate and in the best interests of METRO to call an election to determine the voters’ will on the construction of the METRORail and Commuter Line Components of the METRO Solutions Plan and METRO’s Street Improvement Dedication;

WHEREAS, the Board has determined that it is necessary and appropriate to call and hold the Election for the purposes of obtaining voter approval of the authorization of METRO to issue bonds, notes and other obligations payable, in whole or in part, from seventy-five percent (75%) of METRO’s sales and use tax revenues, in an aggregate principal amount not to exceed \$640,000,000 for the acquisition, construction, repair, equipping, improvement or extension of METRO’s transit authority system, including the METRO Solutions Plan, which includes bus service expansions and construction of extensions and new segments of METRO’s rail system known as “METRORail,” together with voter approval of such plan and construction of the METRORail and Commuter Line components thereof, and the dedication of twenty-five percent (25%) of METRO’s sales and use tax revenues through September 30, 2014, for street improvements, mobility projects and other facilities, as authorized by law and with no increase in the current rate of METRO’s sales and use tax; and

WHEREAS, the Board expressly recognizes and determines that the aggregate principal amount limitation contained in the Election bond authorization does not apply to bonds, notes or other obligations that have a term not more than five (5) years and that are issued by METRO under the authority of Section 451.362 of the METRO Act;

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

Section 1. Findings. All of the recitals contained in the preambles of this Resolution are adopted and incorporated herein as the official findings and determinations of the Board.

Section 2. Call of Election; Date; Eligible Electors; and Hours. An election (the "Election") shall be held on Tuesday, November 4, 2003, which date is one of the uniform election dates specified in and permitted by the Texas Election Code (the "Code"). The Election shall be held within and throughout the boundaries and service area of METRO. All resident, qualified electors within such boundaries and service area shall be entitled to vote. The Board hereby finds that holding the Election on a uniform election date is in the public interest. The hours during which the polling places are to be open at the Election shall be from 7:00 o'clock a.m. to 7:00 o'clock p.m.

Section 3. Proposition. At the Election there shall be submitted to the resident, qualified electors within the boundaries and service area of METRO the proposition (the "Proposition") as shown on Exhibit C, which is hereby made a part of this Resolution.

Section 4. Voting System and Ballots. Voting at the Election, and early voting therefor, shall be by the use of lawfully approved voting systems and ballots as specified in Section 6. The preparation of the necessary equipment and the official ballots for the Election shall conform to the requirements of the Election Code and the METRO Act so as to permit the voters to vote "FOR" or "AGAINST" the Proposition, which shall be set forth on the ballots in substantially the form as shown on **Exhibit D**, which is hereby made a part of this Resolution.

Section 5. Voting Precincts; Polling Places; Election Officers. a) Except as otherwise provided herein, the voting precincts for the Election are hereby established and designated as follows: Each voter must vote in the precinct in which the voter resides and only resident, qualified voters are entitled to vote. For METRO voters residing within the boundaries of Harris County, Fort Bend County, Waller County or Montgomery County, the precincts, polling places (including temporary branch polling places) and precinct judges for the Election shall be as arranged by the President and Chief Executive Officer of METRO (the "President") or any other officer of METRO designated by the President (the President or any such designee, each an "Authorized Representative") or specified in one or more supplemental election resolutions that will be adopted by the Board and made a part of this Resolution.

b) If required, additional or alternative election judges for the voting precincts and the temporary branch polling places may be appointed in writing by Authorized Representative. In the event that any of the Authorized Representatives shall determine from time to time that b) one or more of the polling places hereby established and designated shall become unavailable or unsuitable for such use, or it would be in METRO's best interests to relocate a polling place, or c) the precinct judges or assistant judges hereby appointed or hereinafter designated shall become unqualified or unavailable, each Authorized Representative is hereby authorized to designate and appoint in writing substitute polling places, precinct judges or assistant judges, giving such notice as is required by the Election Code and as deemed sufficient.

Section 6. Voting. Voting in the Election, including early voting by personal appearance, shall be by the respective voting system adopted by the Commissioners Court of Harris County, Texas, Fort Bend County, Texas, Waller County, Texas or Montgomery County, Texas, as applicable, for use in elections held by any such county. Each voter desiring to vote in favor of the Proposition shall indicate on his ballot "FOR" the Proposition, and each voter desiring to vote against the Proposition shall indicate on his ballot "AGAINST" the Proposition. Voting shall be in accordance with the Election Code.

(b) The Election shall be conducted in compliance with the Election Code, except as modified by the METRO Act, and shall be administered by such person or persons designated as an elections administrator for each respective county (each "Elections Administrator") pursuant to the contracts with the Board.

Section 7. Early Voting. Early voting, both by personal appearance and by mail, will be in accordance with the Election Code. Early voting by personal appearance will be conducted at the locations (including temporary branch polling places) and during the dates and times arranged by an Authorized Representative or specified in one or more supplemental election resolutions that will be adopted by the Board and made a part of this Resolution.

(b) The Board hereby appoints Beverly Kaufman, or her designee, as the early voting clerk for voters residing in Harris County. The mailing address to which ballot applications and ballots voted by mail may be sent is as follows: Clerk for Early Voting, P.O. Box 1525, Houston, Texas, 77001, Attention: Early Voting.

(c) The Board hereby appoints Steve Raborn, or his designee, as the early voting clerk for voters residing in Fort Bend County. The mailing address to which ballot applications and ballots voted by mail may be sent is as follows: Clerk for Early Voting, Fort Bend County, 309 South 4th Street, Suite 624, Richmond, Texas, 77469, Attention: Early Voting.

(d) The Board hereby appoints Lela Loewe, or her designee, as the early voting clerk for voters residing in Waller County. The mailing address to which ballot applications and ballots voted by mail may be sent is as follows: Clerk for Early Voting, Waller County, 836 Austin Street, Room 217, Hempstead, Texas, 77445, Attention: Early Voting.

(e) The Board hereby appoints Linda Garner, or her designee, as the early voting clerk for voters residing in Montgomery County. The mailing address to which ballot applications and ballots voted by mail may be sent is as follows: Clerk for Early Voting, Montgomery County, 225 Collins Street, Conroe, Texas 77301, Attention: Early Voting.

(f) The Board hereby appoints Beverly Kaufman, or her designee, as the presiding judge of the special early voting ballot board for voters residing in Harris County to count and return early voting ballots in accordance with the Election Code. The presiding judge shall appoint two election clerks, and such judge and clerks shall constitute the special early voting ballot board and shall perform the duties set forth for such board in the Election Code.

(g) The Board hereby appoints Steve Raborn, or his designee, as the presiding judge of the special early voting ballot board for voters residing in Fort Bend County to count and return early voting ballots in accordance with the Election Code. The presiding judge shall appoint two election clerks, and such judge and clerks shall constitute the special early voting ballot board and shall perform the duties set forth for such board in the Election Code.

(h) The Board hereby appoints Lela Loewe, or her designee, as the presiding judge of the special early voting ballot board for voters residing in Waller County to count and return early voting ballots in accordance with the Election Code. The presiding judge shall appoint two election clerks, and such judge and clerks shall constitute the special early voting ballot board and shall perform the duties set forth for such board in the Election Code.

(i) The Board hereby appoints Linda Garner, or her designee, as the presiding judge of the special early voting ballot board for voters residing in Montgomery County to count and return early voting ballots in accordance with the Election Code. The presiding judge shall appoint two election clerks, and such judge and clerks shall constitute the special early voting ballot board and shall perform the duties set forth for such board in the Election Code.

Section 8. Conduct of Election. The Election shall be conducted in each Election precinct by election officers, including the precinct judge appointed hereunder and assistant judge or clerk, in accordance with the conditions of one or more contracts between or among METRO, Harris County, Fort Bend County, Waller County, Montgomery County and others, the Election Code and the Constitution and laws of the State of Texas and the United States of America. The pay for precinct judges, alternate judges and clerks for the Election shall be in accordance with the Election Code and as designated, respectively, by Harris County, Fort Bend County, Waller County or Montgomery County.

Section 9. Delivery of Voted Ballots; Counting; Tabulation; Canvassing of Returns; Declaring Results. (b) The election officers shall deliver the ballot containers to a designated drop-off station as ordered by the Harris County Clerk, the Fort Bend County Clerk, the Waller County Clerk or the Montgomery County Clerk, as applicable. The following persons are hereby appointed to serve in the indicated offices at the respective central counting station of each county:

	Harris County	Fort Bend County	Waller County	Montgomery County
Manager:	Same as Harris County	Same as Fort Bend County	Same as Waller County	Same as Montgomery County
Tabulation Supervisor: (assistants optional)	Same as Harris County	Same as Fort Bend County	Same as Waller County	Same as Montgomery County
Central Counting Station	Same as Harris County	Same as Fort Bend County	Same as Waller County	Same as Montgomery County
Judge	Same as Harris County	Same as Fort Bend County	Same as Waller County	Same as Montgomery County

(b) Both the manager and the judge may appoint clerks to assist at the central counting station. After the completion of his or her responsibilities under the Election Code, including the counting of the voted ballots and the tabulation of the results, the judge shall make a written return of the Election results to METRO in accordance with the Election Code. The Board shall canvass the returns and declare the results of the Election.

(c) In the event the Proposition is authorized at the Election, all matters relating to the issuance of such bonds within the terms of the Proposition shall be determined by the Board, and such bonds may be issued at one time, or in installments from time to time as the Board may determine.

Section 10: Training of Election Officials. Pursuant to the Election Code, public schools of instruction for all election officers shall be held by Harris County, Fort Bend County, Waller County and Montgomery County.

Section 11. Notice of Election. Notice of the Election, in English, Spanish and Vietnamese, stating in substance the contents of this Resolution, shall be: a) published once a week for three consecutive weeks in *The Houston Chronicle*, the first such publication to be made not less than twenty-one (21) days before the date of the Election; and b) posted on the bulletin board used by the Board to post notices of the Board's meetings no later than the twenty-first (21st) day before the date of the Election.

Section 12. Authority of the Authorized Representatives. The Authorized Representatives shall have the authority to take, or cause to be taken, all actions reasonable and necessary to insure that the Election is fairly held and returns properly counted and tabulated for canvass for the canvass of the election returns in accordance with state law.

Section 13. Multilingual Materials. The election materials enumerated in the Election Code shall be printed in English, Spanish and Vietnamese for use at each polling place and for early voting. The presiding election judge for each voting precinct shall appoint a sufficient number of election clerks who are fluent in English, Spanish and Vietnamese to serve the needs of the Spanish-speaking and Vietnamese-speaking voters of each precinct in accordance with the requirements of the Election Code.

Section 14. METRO Agreements with the Voters. As authorized by Section 451.072 of the METRO Act and other applicable law, the Board hereby declares that, if a majority of the voters voting at the Election approve the Proposition, the following agreements will be binding on METRO and will constitute contracts with the voters in accordance with their terms and may not be repealed, altered or rescinded by any succeeding Board without voter approval at a subsequent election:

(a) The aggregate principal amount of bonds, notes or other obligations of METRO that are payable, in whole or in part, from seventy-five percent (75%) of METRO's sales and use tax revenues and are issued pursuant to the authority granted at this Election will never exceed \$640,000,000;

(b) Proceeds of the bonds, notes or other obligations authorized at the Election will be used to acquire, construct, repair, equip, improve or extend METRO's transit authority system, including the METRO Solutions Plan, provided that the only portions of METRORail for which such proceeds may be used are new segments included in Phase II of METRORail, as more particularly described in Exhibit A-4;

(c) Approval of the Proposition at the Election constitutes approval of the METRO Solutions Plan, including the extensions and segments of METRORail and the construction of the METRORail and Commuter Line Components thereof for purposes of the city charter of the City of Houston;

(d) METRO will not undertake the construction of any new segment of Phase II of METRORail with proceeds of the bonds, notes or other obligations authorized at the Election without first obtaining approval of the segment for federal capital assistance under applicable federal law and regulations or the commitment of a substantial amount of private funds;

(e) METRO's Street Improvement Dedication will be in force and effect through September 30, 2014, in accordance with the terms of such dedication, as described in Exhibit B;

(f) Between November 1, 2009 and January 1, 2013, METRO will call an election seeking a local determination by voters regarding METRO's continuing support after September 30, 2014 for improvements of the types described in Section 451.065 of the METRO Act;

(g) Prior to November 1, 2009, METRO will not call any other election seeking voter approval to authorize METRO to issue bonds, notes or other obligations to provide any rail facilities other than Commuter Line Component, as more particularly described in Exhibit A-8 and depicted in Exhibit A-9, which are hereby made a part of this Resolution; and

(h) METRO will not implement any increase in the rate of its currently existing, previously voted one percent (1%) sales and use tax.

Section 15. Authorization to Execute. The Chairman is authorized to execute and the Secretary of METRO is authorized to attest this Resolution on behalf of the Board; and each Authorized Representative is authorized to do all other things legal

and necessary in connection with the holding and consummation of the Election, including entering into contracts with other public officials and private parties for the conduct and administration of the Election.

Section 16. Notice of Meeting. The Board officially finds, determines, recites and declares that written notice of the date, hour, place and subject of the meeting at which this Resolution is adopted was posted on a bulletin board located at a place convenient to the public for a least 72 hours preceding the scheduled time of the meeting as required by the Open Meetings Law, Chapter 551, Texas Government Code, as amended; and that such meeting was open to the public as required by law at all times during which this Resolution and the subject matter thereof was discussed, considered and formally acted upon.

Section 17. Effective Date. This Resolution is effective immediately upon its passage and approval.

PASSED AND APPROVED THIS August 18, 2003.

ATTEST:


Arthur L. Schechter, Chairman

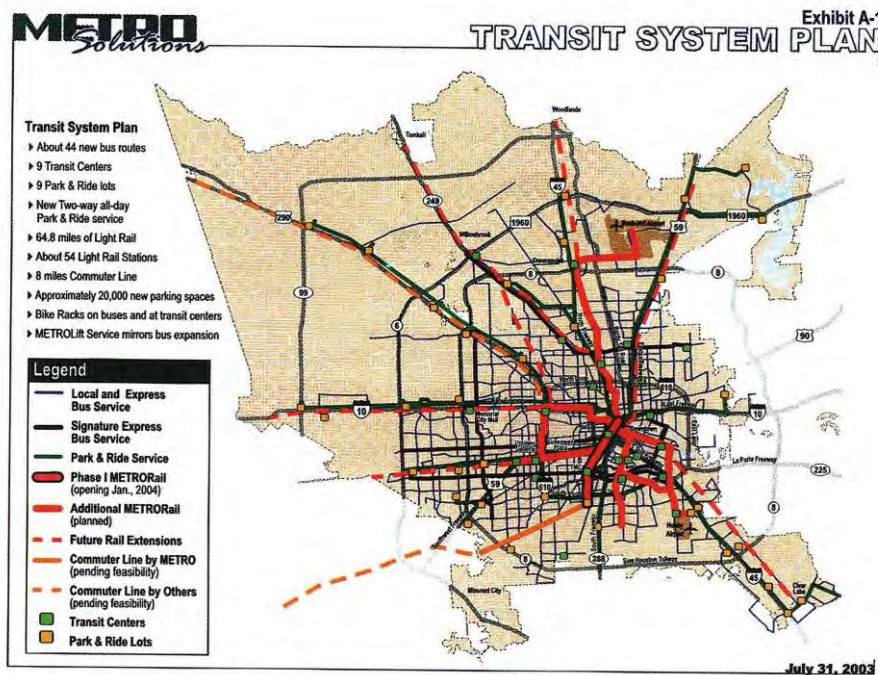

Rosa Gonzales, Assistant Secretary

LIST OF EXHIBITS:

- Exhibit A – Description of METRO Solutions Transit System Plan
- Exhibit A-1 – Depiction of METRO Solutions Transit System Plan
- Exhibit A-2 – Depiction of Bus Component
- Exhibit A-3 – Depiction of METRORail Component
- Exhibit A-4 – Description of Phase II of METRORail
- Exhibit A-5 – Depiction of Phase II of METRORail
- Exhibit A-6 – Description of Later Phases of METRORail (exclusive of Phase I and Phase II)
- Exhibit A-7 – Depiction of Later Phases of METRORail (exclusive of Phase I and Phase II)
- Exhibit A-8 – Description of Commuter Line
- Exhibit A-9 – Depiction of Commuter Line
- Exhibit B – METRO’s Street Improvement Dedication
- Exhibit C – Proposition
- Exhibit D – Ballot

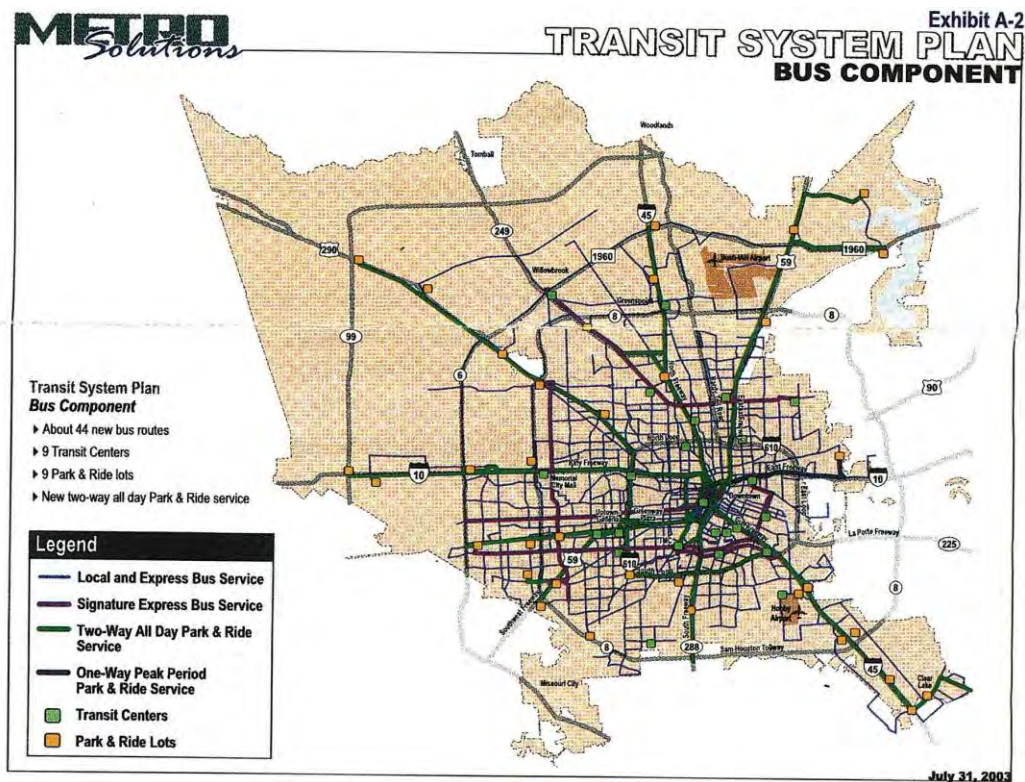
**EXHIBIT A
DESCRIPTION OF
METRO SOLUTIONS TRANSIT SYSTEM PLAN**

The METRO Solutions Transit System Plan (also known as the METRO Solutions Plan), as depicted in Exhibit A-1 attached hereto, consists of the following Components:



1. A Bus Component, as depicted in Exhibit A-2 attached hereto, generally consisting of the following:
 - a. Approximately forty-four (44) new local, signature express, express and Park & Ride bus routes throughout the METRO service area;
 - b. Approximately nine (9) new transit centers in the vicinity of the Central Business District, Texas Medical Center, Gulfgate Center, Hobby Airport, Westpark/South Rice, University of Houston Central Campus, Texas Southern University, Willowbrook Mall and Town & Country Mall;
 - c. Expansion and new parking at approximately four (4) transit centers;
 - d. An increase in miles of Park & Ride service from 108 miles to approximately 250 miles by expansion from one-way reversible to two-way service in all major freeway corridors;
 - e. Approximately nine (9) new Park & Ride facilities in the vicinity of Gulf Freeway/Clear Lake, Hobby Airport, Westpark/Beltway 8, US 290/Barker Cypress, US 290/Fairfield, Katy Freeway/Grand Parkway, US 59/Atascocita, South Freeway/Airport and Fannin/Bellfort; and
 - f. Approximately 400 buses.

Final details and implementation schedule for the Bus Component will be based upon demand and completion of the project development process, including community input.



2. A METRORail Component, as depicted in Exhibit A-3 attached hereto, generally consisting of the following 64.8 miles of light rail:

- a. Phase II of METRORail, consisting of approximately 39.7 miles of light rail, associated vehicles and facilities, as described in Exhibit A-4 and depicted in Exhibit A-5, both as attached hereto; and

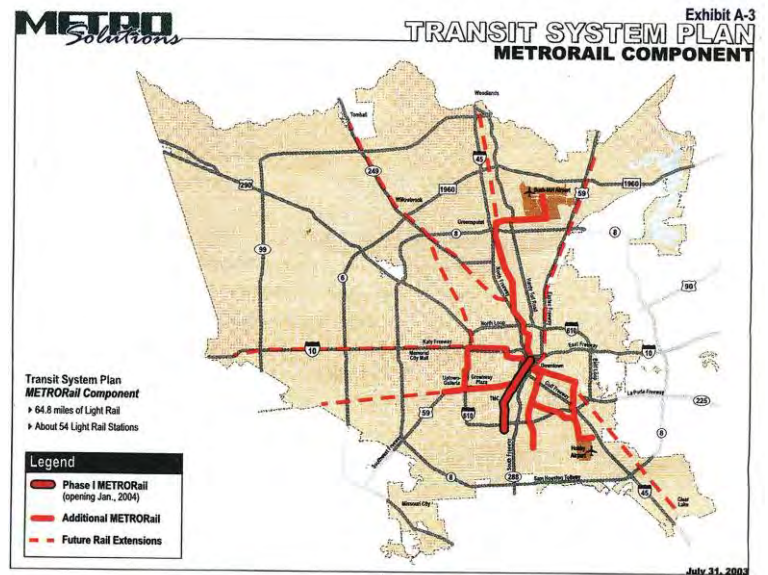


EXHIBIT A-4 METRORail PHASE II

METRORail Phase II generally consists of the following light rail segments or lines, including associated vehicles and facilities:

North Hardy

- Approximately 5.4 miles from University of Houston-Downtown through the Near Northside neighborhoods to Northline Mall, serving Downtown, Moody Park, and Houston Community College at Northline. This segment or line will have approximately 4 stations.

Southeast

- Approximately 9.9 miles through Downtown serving the University of Houston Central Campus, Texas Southern University and Palm Center ending at Griggs at the South Loop 610, including an approximate 1.5-mile connection into Downtown and an approximate 2.8-mile branch to the Sunnyside community along Cullen to Bellfort. These extensions, including the Sunnyside branch, will have approximately 13 stations.

Harrisburg

- Approximate 6-mile branch off the Southeast line that extends east from Dowling through the East End to the Magnolia Transit Center, then turning southward and extending to the Gulfgate Center and the Gulfgate area. This segment or line will have approximately 4 stations.

Westpark

- Approximately 6.6 miles westward from the Wheeler station on Phase I METRORail to the Hillcroft Transit Center, serving Greenway Plaza, West University, Bellaire and the Uptown/Galleria area. This segment or line will have approximately 4 stations.

Uptown/West Loop

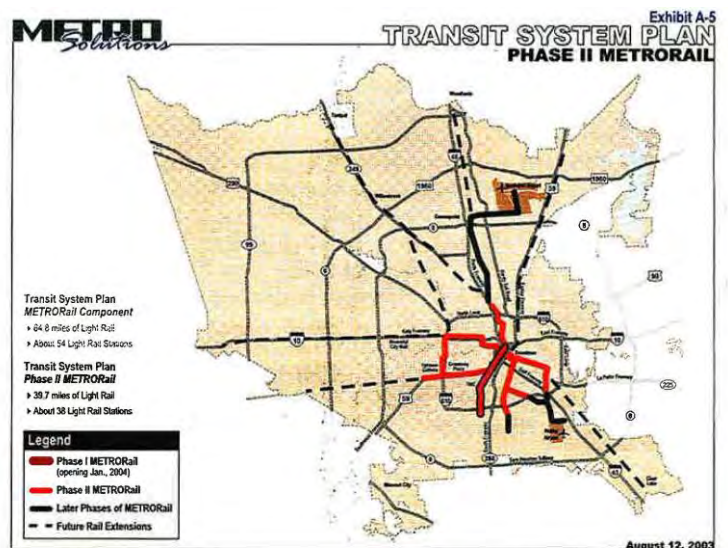
- Approximately 4.4 miles north from Westpark along Post Oak Blvd. and the West Loop 610 to the Northwest Transit Center. Serves the Galleria and Uptown businesses on Post Oak Boulevard. This segment or line will have approximately 7 stations.

Inner Katy

- Approximately 7.4 miles westward from Downtown tying into the Uptown/West Loop line at the Northwest Transit Center. Serves Washington Avenue and the Heights areas. This segment or line will have approximately 6 stations.

Note:

Final scope, length of rail segments or lines and other details, together with implementation schedule, will be based upon demand and completion of the project development process, including community input. The METRO Solutions Bus Component Park & Ride in the vicinity of Hobby Airport will be deferred until a later phase of the Southeast segment or line.



- b. Later Phases of METRORail (exclusive of Phase I and Phase II), consisting of approximately 25.1 miles of light rail, associated vehicles and facilities, as described in Exhibit A-6 and depicted in Exhibit A-7, both as attached hereto.

(Phase I of METRORail, which is the approximate 7.5-mile segment of light rail that extends from the University of Houston-Downtown to south of Reliant Park is a Prior Plan and is *not* a part of the METRO Solutions Plan.)

EXHIBIT A-6

LATER PHASES OF METRORail (AFTER PHASE II)

Later phases will complete the METRORail Component of the METRO Solutions Plan and serve both airports. Later Phases of METRORail (after Phase II) generally consist of the following light rail segments or lines, including associated vehicles and facilities:

North Hardy

- Approximately 16.5 miles from Northline Mall to Greenspoint and then to Bush IAH Airport. This segment or line will have approximately 8 stations.

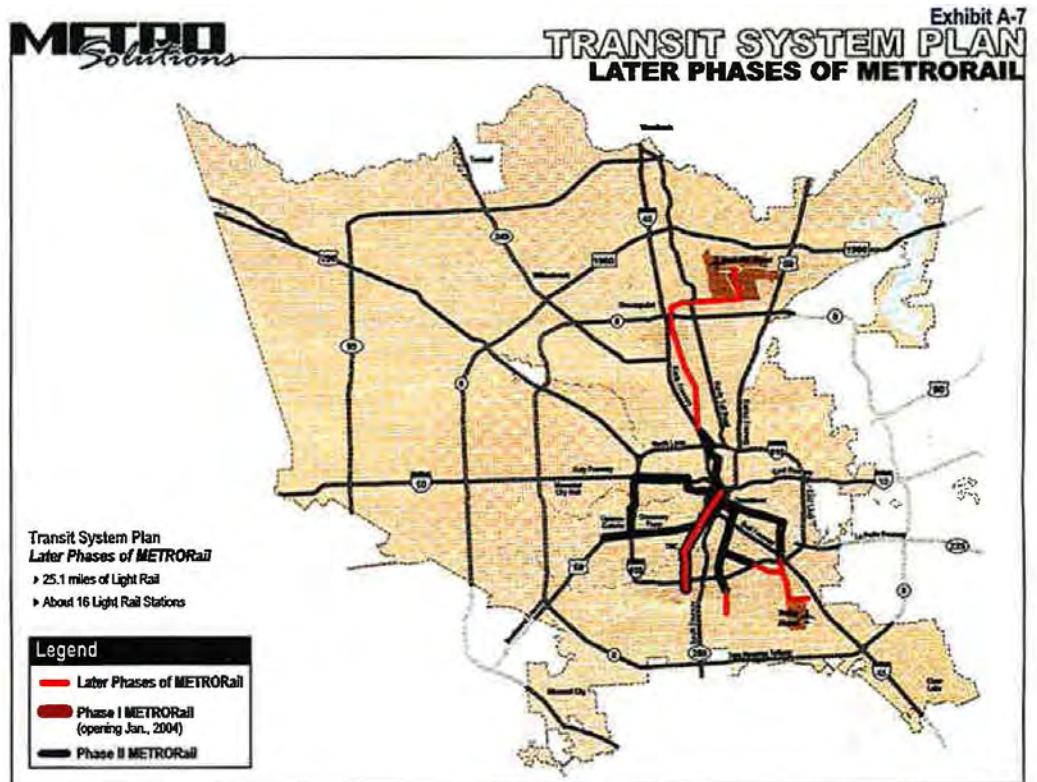
Southeast

- Approximately 7.2 miles from Griggs at South Loop 610 to a Park & Ride in the vicinity of Hobby Airport, with an extension of the Sunnyside branch from Bellfort to Airport Boulevard. These extensions, including the Sunnyside branch, will have approximately 5 stations.

Harrisburg

- Approximately 1.4 miles off the Southeast line that extends east from the Magnolia Transit Center, then turning southward to the Gulfgate Center and the Gulfgate area. From Gulfgate Center it will pass by the Gulfgate Transit Center and continue southward to tie into the Southeast line in the vicinity of Telephone Road. This segment or line will have approximately 3 stations.

Note:
Final scope, length of rail segments or lines and other details, together with implementation schedule, will be based upon demand and completion of the project development process, including community input.



3. A Commuter Line Component, as described in Exhibit A-8 and depicted in Exhibit A-9, both as attached hereto.

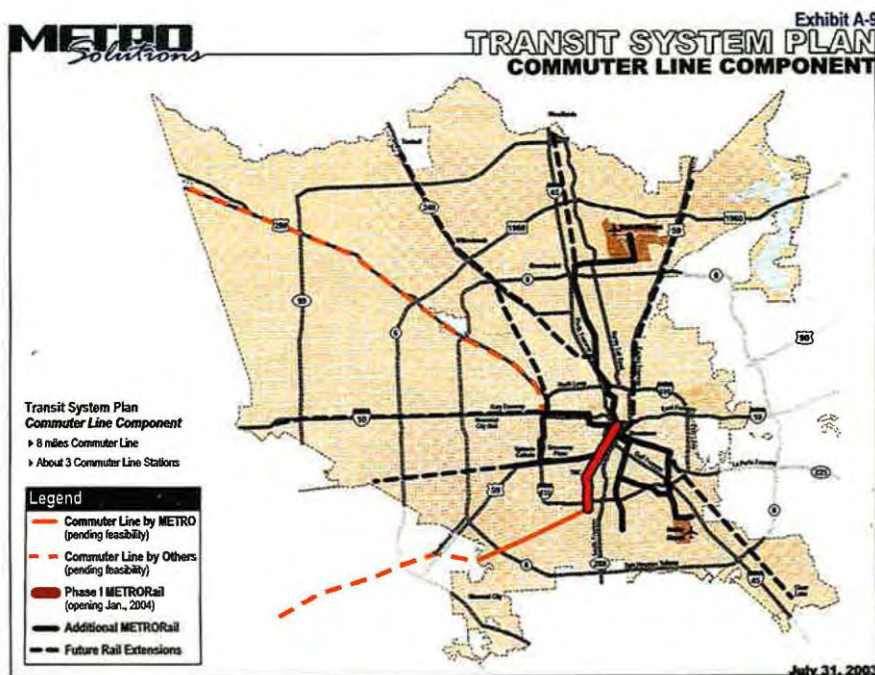
EXHIBIT A-8 COMMUTER LINE

The Commuter Line Component of the METRO Solutions Plan generally consists of the following rail segments or lines, including associated vehicles and facilities:

- US 90A. Approximately 8 miles in the METRO service area of an approximate 25-mile commuter rail line following the Union Pacific line parallel to US 90A extending from the Fannin South Park & Ride at the southern end of the Phase I METRORail line and extending southwest to Fort Bend County, serving southwest Houston, Missouri City, Stafford, Sugarland, Richmond and Rosenberg. METRO's commuter rail investment to be implemented in conjunction with the companion Fort Bend County commuter rail element.
- US 290. Harris County to study the feasibility of a 38-mile commuter rail line using the Union Pacific line parallel to the Northwest Freeway (US 290) from West Loop 610 to the Harris County limit at Waller. Serves the rapidly growing northwest area and will provide connections to Uptown/Galleria and Downtown, via METRORail.
- Other commuter rail corridors within the METRO service area as are found to be feasible through consultation with other agencies

Note:

Final scope, length of rail segments or lines and other details, together with implementation schedule, will be based upon demand and completion of the project development process, including community input.



4. A System-Wide Component consisting of certain elements such as the following: METROLift expansion commensurate with bus service expansions; approximately 20,000 new parking spaces; accommodations for bicycles such as bike racks on all buses; and rehabilitation, renovation and expansion of existing transit centers, Park & Ride facilities and METRO support facilities and equipment.

Elements of the System-Wide Component of the METRO Solutions Plan may be modified in the same manner as the Bus Component of the METRO Solutions Plan.

EXHIBIT B
METRO'S STREET IMPROVEMENT DEDICATION

METRO'S Street Improvement Dedication is a voter-approved dedication of twenty-five percent (25%) of its sales and use tax revenues through September 30, 2014, for use for street improvements and mobility projects. The improvements and projects must be located within the boundaries and service area of METRO and be of the types permitted by Section 451.065 of the METRO Act.

EXHIBIT C
PROPOSITION

METROPOLITAN TRANSIT AUTHORITY OF HARRIS COUNTY, TEXAS

SHALL THE METROPOLITAN TRANSIT AUTHORITY OF HARRIS COUNTY, TEXAS ("METRO"), BE AUTHORIZED TO ISSUE BONDS, NOTES AND OTHER OBLIGATIONS PAYABLE, IN WHOLE OR IN PART, FROM SEVENTY-FIVE PERCENT (75%) OF METRO'S SALES AND USE TAX REVENUES, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED SIX HUNDRED FORTY MILLION DOLLARS (\$640,000,000) FOR THE ACQUISITION, CONSTRUCTION, REPAIR, EQUIPMENT, IMPROVEMENT OR EXTENSION OF METRO'S TRANSIT AUTHORITY SYSTEM, INCLUDING THE METRO SOLUTIONS TRANSIT SYSTEM PLAN (AS DESCRIBED IN EXHIBITS A AND A-1 OF METRO RESOLUTION NO. 2003-77 AND THE OFFICIAL NOTICE OF ELECTION, WHICH ARE INCORPORATED HEREIN), WHICH INCLUDES BUS SERVICE EXPANSIONS (INCLUDING NEW BUSES, BUS ROUTES, TRANSIT CENTERS AND PARK & RIDE FACILITIES) AND CONSTRUCTION OF EXTENSIONS AND NEW SEGMENTS OF METRO'S RAIL SYSTEM KNOWN AS "METRORAIL," SHALL SUCH PLAN AND CONSTRUCTION OF THE METRORAIL AND COMMUTER LINE COMPONENTS THEREOF (INCLUDING APPROXIMATELY 64.8 MILES OF LIGHT RAIL AND 8 MILES OF COMMUTER LINE, AS DESCRIBED IN EXHIBITS A AND A-3 THROUGH A-9 OF SUCH RESOLUTION AND THE OFFICIAL NOTICE OF ELECTION, WHICH ARE SPECIFICALLY INCORPORATED HEREIN AND GENERALLY SUMMARIZED BELOW), BE APPROVED, AND SHALL TWENTY-FIVE PERCENT (25%) OF METRO'S SALES AND USE TAX REVENUES THROUGH SEPTEMBER 30, 2014, BE DEDICATED FOR STREET IMPROVEMENTS AND RELATED PROJECTS, AS AUTHORIZED BY LAW AND WITH NO INCREASE IN THE CURRENT RATE OF METRO'S SALES AND USE TAX, WHICH BONDS, NOTES OR OTHER OBLIGATIONS MAY BE ISSUED IN VARIOUS SERIES OR ISSUES, MAY BE SOLD AT ANY PRICE OR PRICES, SHALL MATURE SERIALLY OR OTHERWISE NOT MORE THAN FORTY (40) YEARS FROM THEIR DATE OR DATES AND BEAR INTEREST AT SUCH RATE OR RATES (FIXED, VARIABLE, FLOATING, ADJUSTABLE OR OTHERWISE) AS SHALL BE DETERMINED BY THE BOARD OF METRO WITHIN ITS DISCRETION AT THE TIME OF ISSUANCE, BUT NOT TO EXCEED THE MAXIMUM RATE NOW OR HEREAFTER AUTHORIZED BY LAW, ALL AS AUTHORIZED BY THE CONSTITUTION AND LAWS OF THE STATE OF TEXAS, INCLUDING PARTICULARLY (BUT NOT BY WAY OF LIMITATION) SECTIONS 451.352(c) AND 451.072 OF THE TEXAS TRANSPORTATION CODE, TOGETHER WITH ALL AMENDMENTS AND ADDITIONS THERETO, AND OF THE UNITED STATES OF AMERICA?

* * * * *

The following summary lists the components and segments of METRORAIL and Commuter Line, as described in Exhibits A and A-3 through A-9 of such Resolution and the Official Notice of the Election, and is a part of the Ballot and the Proposition being submitted to the voters at the Election. The segments marked ★ are expected to be completed by the end of 2012 utilizing the proceeds of the \$640 million of bonds, if approved at the Election.

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| <p>1. North Hardy:</p> <ul style="list-style-type: none">★ (a) UH-Downtown to Northline Mall(b) Northline Mall to Greenspoint(c) Greenspoint to Bush IAH Airport <p>2. Southeast:</p> <ul style="list-style-type: none">★ (a) Downtown/Bagby to Dowling★ (b) Dowling to Griggs/610(c) Griggs/610 to Park & Ride in the vicinity of Hobby Airport(d) Sunnyside: Southeast Transit Center to Bellfort(e) Sunnyside: Bellfort to Airport Blvd. | <p>3. Harrisburg:</p> <ul style="list-style-type: none">★ (a) Dowling to Magnolia Transit Center(b) Magnolia Transit Center to Gulfgate Center(c) Gulfgate Center to Telephone Road <p>4. ★ Westpark - Wheeler Station to Hillcroft Transit Center</p> <p>5. Uptown/West Loop - Westpark to the Northwest Transit Center</p> <p>6. Inner Katy – Downtown/Bagby to Northwest Transit Center</p> <p>7. Southwest Commuter Line - Fannin South Park & Ride to Harris County Line</p> |
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**EXHIBIT D
BALLOT
METROPOLITAN TRANSIT AUTHORITY
OF HARRIS COUNTY, TEXAS**

FOR AGAINST

AUTHORIZATION OF METRO TO ISSUE BONDS, NOTES AND OTHER OBLIGATIONS PAYABLE, IN WHOLE OR IN PART, FROM 75% OF METRO'S SALES AND USE TAX REVENUES IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$640,000,000 FOR METRO'S TRANSIT AUTHORITY SYSTEM, INCLUDING THE METRO SOLUTIONS TRANSIT SYSTEM PLAN (AS DESCRIBED IN EXHIBIT A AND A-1 OF METRO RESOLUTION NO. 2003-77 AND THE OFFICIAL NOTICE OF ELECTION, WHICH ARE INCORPORATED HEREIN), WHICH INCLUDES BUS SERVICE EXPANSIONS (INCLUDING NEW BUSES, BUS ROUTES, TRANSIT CENTERS AND PARK & RIDE FACILITIES) AND CONSTRUCTION OF EXTENSIONS AND NEW SEGMENTS OF METRO'S RAIL SYSTEM KNOWN AS "METRORAIL," APPROVAL OF SUCH PLAN AND CONSTRUCTION OF ALL SEGMENTS OF THE METRORAIL AND COMMUTER LINE COMPONENTS (INCLUDING APPROXIMATELY 64.8 MILES OF LIGHT RAIL AND 8 MILES OF COMMUTER LINE, AS DESCRIBED IN EXHIBITS A AND A-3 THROUGH A-9 OF SUCH RESOLUTION AND THE OFFICIAL NOTICE OF ELECTION, WHICH ARE SPECIFICALLY INCORPORATED HEREIN AND GENERALLY SUMMARIZED BELOW), AND DEDICATION OF 25% OF METRO'S SALES AND USE TAX REVENUES THROUGH SEPTEMBER 30, 2014, TO STREET IMPROVEMENTS AND RELATED PROJECTS, AS AUTHORIZED BY LAW AND WITH NO INCREASE IN THE CURRENT RATE OF METRO'S SALES AND USE TAX

* * * * *

The following summary lists the components and segments of METRORAIL and Commuter Line, as described in Exhibits A and A-3 through A-9 of such Resolution and the Official Notice of the Election, and is a part of the Ballot and the Proposition being submitted to the voters at the Election. The segments marked ★ are expected to be completed by the end of 2012 utilizing the proceeds of the \$640 million of bonds, if approved at the Election.

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