

**MINUTES OF THE ANNUAL MEETING
OF THE BOARD OF DIRECTORS OF THE
RICHMOND METROPOLITAN TRANSPORTATION AUTHORITY
HELD JUNE 12, 2018**

The annual meeting of the Board of Directors of the Richmond Metropolitan Transportation Authority was held on the 12th day of June, 2018, in the Riverfront Plaza East Tower Conference Room, 951 East Byrd Street, Richmond, Virginia, pursuant to due notice.

The following Directors were present and acting throughout the meeting: Directors Brown, Hardiman, Hawthorne, Hinson, Nelson, Ramsey, Tart, Waller, West, Whirley, White, and Woodfin. Director Dabney arrived during the course of the meeting. Directors Gurley, Holland, and Johnson were absent. Staff present were Ms. Dean, Ms. Johnson, Mr. Madison, Ms. Mehta, Ms. Simmons, and Ms. Watson. Others present were Messrs. J. Ely and M. Grossenbacher of HNTB and Mr. Ballou.

The meeting commenced at 12:05 p.m. As the Chairman was not in attendance and the position of Vice Chairman was vacant due to Mr. Hazelett's retirement, the Board followed the procedure set forth in the bylaws and, upon motion duly made and seconded, appointed Mr. Brown to serve as Chairman *Pro Tem* for the duration of the meeting. Mr. Ballou served as Secretary of the meeting. Following, upon motion duly made, seconded and unanimously carried by the affirmative votes of all of the Directors noted above as being present, the minutes of the Authority's meeting held on May 8, 2018 were approved as previously distributed.

The Chairman turned to Ms. West for the report of the Compensation and Benefits Committee. Ms. West noted that the Committee had met immediately preceding the Board meeting to discuss the compensation study, including its scope and coverage. The consultant, Paypoint HR, had completed the first phase of the study, which included a survey of all

employees. The Committee also discussed the performance goals of the CEO. There were no questions of Ms. West.

Ms. Dabney joined the meeting in progress.

Mr. Brown gave the report of the Governance and Nominating Committee. The Committee ^{met} ~~met~~ also met prior to the Board meeting, with a quorum in attendance. Mr. Brown presented the Committee's recommendations for the following slate of officers: Mr. Nelson for a one-year term as Chairman, Mr. Whirley for a one-year term as Vice Chairman, and Mr. Ballou for a one-year term as Secretary. There were no further nominations from the floor with respect to any of these positions. The Board approved the Governance and Nominating Committee's recommended slate of officers by taking separate action for each position, with each motion duly made, seconded and unanimously carried by the affirmative votes of all of the Directors noted above as being present, each officer to serve until the next annual meeting of the Authority and until their respective successors shall have been duly elected.

Mr. Nelson stated that he was looking forward to furthering the mission of the Authority and working with the Board, the Authority's member jurisdictions, as well as other stakeholders, and with Mr. Whirley as a knowledgeable Vice Chairman. Mr. Whirley echoed these sentiments.

The Chairman asked that Mr. Nelson provide the report of the Local Finance Board. Mr. Nelson, together with Mr. Madison, reported that the annual period ending December 31, 2017 had been a strong quarter with regard to the financial performance of the Authority's OPEB trust (which provided for the Authority's health insurance for retirees), although performance declined slightly during the three month period ended March 31, 2018. The targeted rate of return was 7.5%, and while the performance for the one year period ended March 31, 2018 was 10.4%, the

average annual return for the five year period ended March 31, 2018 was 6.9%. There were no questions of Mr. Nelson or Mr. Madison.

The CEO began her remarks with the Pope's Alley matter. The parties continued to actively pursue settlement discussions. An alternative method of protecting the pier located adjacent to the Alley had been proposed and largely agreed upon. The mid-July trial date was still on the calendar, and she would have further details at the next Board meeting or, if there was a desire, in Executive Session at the appropriate time during this meeting. There were no questions of Ms. Dean regarding Pope's Alley. With respect to the Authority's pending contract to purchase of the VDOT salt sheds, a Phase II environmental report regarding the site revealed, due to VDOT's salt operations, the presence on the site of petroleum contamination and below ground salt contamination, including in the ground water, although it appeared that none of such contamination had reached nearby Powhite Creek. The Authority had communicated these findings to VDOT. In light of these findings, the Authority and VDOT had extended by several weeks the closing date of the purchase contract and were scheduled to meet the following week to discuss the matter. The contract provided for a study period during which the Authority had the option to terminate the contract and not purchase the salt facilities.

Continuing her report, Ms. Dean noted that the Authority had received the GFOA certificate of achievement for the 24th consecutive year for excellence in financial reporting, with regard to the Authority's financial statements. In addition, the Fitch financial ratings service had recently affirmed the Authority's ratings at "A", with a stable outlook. A copy of the Fitch report with its rationale and evaluation of the Expressway System was in Board members' packets. Regarding the office lease expansion, the Authority had signed the lease amendment and Ms. Dean illustrated the revised layout and construction progress. She concluded her report

by recognizing Theresa Simmons, who had recently served as a faculty instructor at HNTB's Tolling Academy, a nationwide gathering sponsored by HNTB that served to instruct those new to the tolling field in various operational and financial matters.

Ms. Simmons gave the Operations report, referring Board members to her written report in the agenda packet. The deck rehabilitation project was in the wrapping up phases. TransCore, the Authority's contractor on the tolling equipment contract had recently submitted elements of the system design, which were under review by Staff and HNTB, with comments transmitted by to TransCore. While there had been a personnel change on Transcore's project team, this was not expected to lead to a delay or reduction of resources committed to the project. Mr. Ramsey asked about new technologies in the contract, and Ms. Simmons noted that the tolling system's multi-protocol readers were an important component with respect to the interoperability aspects of the system and had factored into the evaluation process.

Mr. Madison gave the Traffic and Revenue report, also referring Board members to the written report. Traffic for May 2018 increased by approximately 1.6% versus May 2017, with growth on a normalized basis of approximately 1.4%. For the fiscal year to date, gross traffic was approximately 1.5% ahead of the previous year. Toll revenue for the fiscal year to date through May is approximately 1.0% ahead of budget, while expenses were at approximately 97% of budget, although this spread was expected to tighten somewhat as the fiscal year end concluded.

There being no further items of new business or any further business to come before the meeting, the meeting was adjourned at 12:25 p.m.



Secretary

APPROVED:



Chairman *Pro-tem*

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