

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
RICHMOND METROPOLITAN AUTHORITY
HELD JANUARY 14, 2014**

The regular meeting of the Board of Directors of the Richmond Metropolitan Authority was held on the 14th day of January, 2014, at the Bull and Bear Club, One James Center, 901 East Cary Street, 21st Floor, pursuant to due notice.

The following Directors were present and acting during the meeting: Directors Brat, Cannady, Cole, Hazelett, Homer, Johnson, Jolly, Schewel and West. Directors Brown and White were absent. Also present were Ms. Gray, Mr. Akers, Mesdames Corbett and Simmons, and Mr. Ballou.

In Mr. Brown's absence, Mr. Cole served as Chairman of the meeting, and Mr. Ballou as Secretary.

Mr. Cole called the meeting to order at 12:30 p.m.

As to the minutes of the December, 2013 meeting, Mr. Ballou noted that Mr. White asked that the minutes reflect that Messrs. Cannady and White voted "nay" as to the Diamond conveyance because the counties had not been informed as to the change in the nature of the resolution and its wording. Thereafter, 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 regular meeting held on December 10, 2013 were approved as supplemented.

Ms. Simmons presented the Expressway Report, referring the Board to her written report in the Board agenda packet. The Authority was in the final stages of implementing the contract arrangements with TRMI for replacement of the Powhite Parkway toll equipment as authorized at the December, 2013 Board meeting. The remaining significant issue related to the source

code and escrow arrangements for the software associated with the project, and resolution was expected within the week. She also updated the Board on the installation of new signage to replace fading signs, as well as a new “thank you” sign to be placed on the Expressway.

As to the traffic study aspect of the Parkway Crossings development noted in Ms. Simmons’ report, Mr. Schewel asked who the developer looked to for preparation of the traffic impact survey. Ms. Simmons responded that the initial survey would likely be undertaken by the developer’s engineering firm, Vanasse Hangen Brustlin, Inc. (VHB). Mr. Johnson asked about the ability of Authority Staff and Board members to park in the Expressway Deck upon its transfer. Ms. Simmons stated that the matter was still under discussion with the City’s administration.

Mr. Akers gave the Finance Report for December, 2013, noting continued strong traffic volume for the month. On a *pro-forma* basis (adjusting traffic volume for weekend versus business day of week changes and differences as to where Christmas Day and New Year’s Day fell during the week), he estimated that monthly traffic was approximately 2.0% ahead of December, 2012. Monthly toll revenue of \$2.9 million increased 3.9% from the prior year and was approximately 2.6% ahead of budget. Cumulative toll revenue was approximately 4.4% ahead of budget. Expenses were in line with budget, and Mr. Akers concluded by commenting that the Authority was well-positioned to meet its budget by fiscal year-end.

In response to a question from Mr. Cannady as to the reasons underlying the 6.9% increase in traffic at the Downtown Expressway for the cumulative year to date, Mr. Akers responded that it could be attributed to a number of factors, including diverted traffic due to VDOT’s ongoing bridge reconstruction work on Interstate 95, organic growth in traffic and the continued effect of open road tolling on the facility. Mr. Cole noted that VDOT and Amtrak

were discussing the use of E-ZPass at Amtrak's parking lot (Staples Mill Road station) and asked as to other uses of E-ZPass in the metropolitan area. Mr. Ballou and Ms. Simmons replied that the Powhite Parkway Extension and the Pocahontas Parkway were the only facilities that came to mind.

Mr. Cole turned to Ms. Gray for the General Manager's report. Referring to the meeting of the Authority's OPEB local finance board just prior to the Board meeting, a triennial actuary study is needed in 2014 to determine the funding requirements for the OPEB trust for fiscal years 2015 to 2017. The Authority's last study was performed in 2011, and accounting standards require an update every three years. The Authority selected Danzinger & Markhoff, LLP to perform the required study, with completion anticipated by the end of February and presentation at the March local finance board meeting.

Continuing, she stated that Staff had commenced planning and development of the Authority's fiscal year 2015 budget. This year, the process would be expanded to include two Finance Committee workshops, the first to review budget processes and key factors, and the second to consider adoption of budget-related financial policies. A separate meeting might be needed to consider the Authority's long-range financial plan. She referred to the following budget calendar:

February 4 --	Finance Committee Workshop, Overview
March 4 --	Finance Committee Workshop, Policies
April 14 --	Proposed Budget to Board
May 13 --	Board Action on Budget

Ms. West asked if the proposed process and schedule should be deferred or otherwise adjusted in light of the ongoing study of the Authority's central administration, as to which Ms. Gray noted that the process had sufficient flexibility to accommodate suggestions or

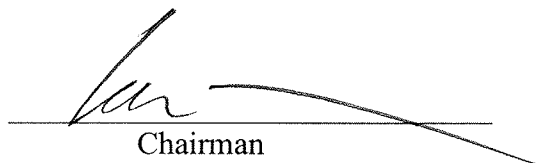
recommendations. Messrs. Schewel, Hazelett and Cannady also commented on the process, with Mr. Schewel noting the importance of a long-range strategy for the Board in its review of and input on the budget, Mr. Hazelett asking for historical comparisons of revenues, expenses and capital expenditures, as well as key ratios that pertain to the Authority's fiscal health and its bond rating, and Mr. Cannady seeking information on debt service and other bondholder requirements. Mr. Brat also mentioned that the Authority may wish to receive the input of the localities. The Board briefly discussed the above topics.

Mr. Cole observed that there was no further business to come before the meeting and entertained a motion to adjourn. The same was duly made, seconded and unanimously carried by the affirmative votes of all of the Directors noted above as being present, and the meeting was adjourned at 12:55 p.m.



Secretary

APPROVED:



Chairman

#1541218