

**MINUTES OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
RICHMOND METROPOLITAN TRANSPORTATION AUTHORITY
HELD MAY 12, 2015**

A regular meeting of the Board of Directors of the Richmond Metropolitan Transportation Authority was held on the 12th day of May, 2015, at the offices of Christian & Barton, L.L.P., in the Mutual Building, 909 East Main Street, Conference Room 11-B, pursuant to due notice.

The following Directors were present and acting throughout the meeting: Directors Brown, Hinson, Holland, Johnson, Kornblau, Nelson, Tart, West, Whirley, White, and Woodfin. Directors Cannady, Cole, Hazelett, Homer and Jolly were absent. Also present were Ms. Gray, Ms. Dean, Mr. Doughtie, Ms. Johnson, Ms. Simmons, and Mr. Ballou. Ms. Greta Ryan of the MPTO was in attendance, as were representatives of RVA Rapid Transit - Rev. Ben Campbell and Mr. Charles Merritt.

Mr. Brown served as Chairman of the meeting, with Mr. Ballou serving as Secretary.

Mr. Brown called the meeting to order at 12:30 p.m. Consideration of the minutes of the Authority's regular meeting held on April 14, 2015 was deferred until the following meeting.

The Chairman introduced Rev. Ben Campbell and Mr. Charles Merritt, present on behalf of RVA Rapid Transit, for an informational presentation to the Board.

Following introductory comments by Rev. Campbell, Mr. Merritt began the presentation with a background on RVA Rapid Transit. The organization was formed in early 2013 and has approximately 1,500 members, with backgrounds in various areas including urban planning, technology startups, branding/marketing/media, and community organization. The organization believes that transportation infrastructure is one of the largest growth opportunities in the region,

with bus rapid transit comprising the basis for a regional metro system, through a ground-up effort led by private citizens, businesses and organizations, who urge the creation and implementation of new projects and policies. Said another way, RVA Rapid Transit represents citizens of metro Richmond in efforts to educate, organize and advocate for the construction of a metropolitan-area rapid transit system. Mr. Merritt gave backgrounds on the demographics of the metropolitan Richmond area, as well as transit in the Richmond area and Richmond's relatively poor rankings compared to other metropolitan areas. The Richmond area ranks 44th in the top 100 metropolitan areas in the U.S. by population, but ranks 92nd in public transportation: with no access via public transit to higher education, 27% of the population has access to 9 to 5 jobs via public transportation, 95% of the region's land area is inaccessible via transit, thereby leading to major issues for workforce hiring and consequent competitive disadvantages to other metropolitan regions.

Continuing, he noted that studies have shown that transit inspires economic growth. RVA Rapid Transit is a data driven organization, and while it does not conduct studies, it utilizes information from academic and other studies to underpin its advocacy efforts. Mr. Merritt discussed economic, quality of life, environmental and access aspects of a regional metro system as key drivers to the growth theme. He also illustrated the regional layout of four main bus rapid transit lines - Broad Street/Route 250, Hull Street/Route 360, Midlothian Turnpike/Route 60 and Jefferson Davis Highway/Route 1. RVA Rapid Transit argues that a full-service metro-area bus rapid transit system with local transit and support would transform the Richmond region into a top-10 metropolitan area in the U.S. for public transportation with 80% of the population connected, up from 27%, and transform a major regional disadvantage into a major competitive advantage, especially as to maintaining and attracting employees.

He then turned to the first step which would be the Broad Street bus rapid transit project, for which the City had received a TIGER grant of approximately \$25 million. This funding is from a competitive federal grant program that invests in road, rail, transit and port projects across the nation on the basis of safety, economic competitiveness, state of good repair, livability and environmental sustainability. He described ongoing development and future development opportunities along the Broad Street corridor and noted the ways in which it would enhance the businesses and lifestyle along that corridor.

Rev. Campbell provided a brief summation, and then various Board members asked questions of the RVA Rapid Transit presenters. In response to questions from Messrs. Johnson, Holland and Kornblau as to the system's costs, Rev. Campbell noted that the overall cost (of all four corridors and based on an estimated mileage of 95 miles) was in the range of \$615 to \$630 million in capital/construction costs and approximately \$39 million in annual operation costs. This cost could be met by a \$0.07 regional tax authorized by the General Assembly, similar to that authorized for the Northern Virginia and Hampton Roads areas. The system likely would not generally break even, and Rev. Campbell emphasized the importance of a dedicated source of revenue. In response to questions from other Board members, Rev. Campbell and Mr. Merritt addressed the system's hours of operation (15 to 17 hours daily and keyed to the transportation of customers and employees to and from businesses), the General Assembly's receptivity for this funding arrangement (as to which Rev. Campbell thought that regional members of the legislature were sympathetic), and the dedicated corridors or lanes of pavement along each thoroughfare (generally, one lane, which VDOT had agreed to maintain). Mr. Merritt, in response to a comment from Mr. Hinson as to whether the similar system Portland, Oregon, was an example, noted that both Portland and Cleveland had successful transit programs. Mr. Hinson

further commented that the Oregon state/local arrangement involved mandated land use controls, such as where businesses could locate, which was a different situation from that in Virginia.

The Chairman thanked Rev. Campbell and Mr. Merritt for their presentation, and further observed that this was part of the Board's information gathering process and did not constitute a formal position or advocacy area for the Authority. Ms. West asked that RVA Rapid Transit keep the Authority informed as to developments, and Mr. Holland also requested a budget, as to both of which the RVA Rapid Transit representatives agreed to do so.

The Chairman then turned to Mr. White for a report of the Audit Committee. Mr. White reported that the Audit Committee, which had convened prior to the Board meeting, had met with the Authority's auditors in preparation for their upcoming audit. There were no questions of Mr. White.

Ms. West gave the report of the Branding Task Force, which included Messrs. Hinson and Woodfin and was continuing its work. Recent meetings had been productive, and the Task Force hoped to present specific information regarding its work at next month's meeting. There were no questions of Ms. West.

The Chairman turned to the fiscal 2016 budget, which had been previously distributed and discussed at the April meeting. Ms. Gray and Mr. Doughtie noted that no comments or questions had been received from Board members, whereupon the Chairman turned to the resolution entitled "*Resolution Approving Fiscal Year 2016 Budget*" that was before the Board. Upon motion duly made and seconded, such resolution and the Fiscal Year 2016 proposed operating and capital budgets were approved as presented, with all members noted above as being present voting in the affirmative, except for Mr. White who was absent from the room at the time of the vote.

Turning to the CEO's comments, Ms. Gray updated the Board on a promotional effort by the Richmond Times-Dispatch in celebration of the Times-Dispatch 165th anniversary. For that, the newspaper was undertaking various "acts of kindness" in the region, one of which involved the payment by the Times-Dispatch of 165 tolls at the Boulevard Bridge toll plaza during a recent rush hour, which had been duly featured in the newspaper and this had been noted in a media article the previous weekend.

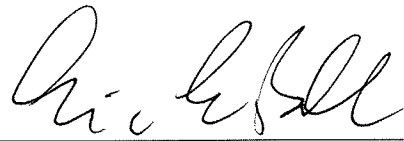
She then advised that Ms. Johnson, Director of Human Resources, was the recent recipient of the Individual Risk Management Excellence Award from VML Insurance Programs, recognizing members with a proactive risk management attitude and commitment, excellent loss experience and reporting time, and minimization of lost time. The purpose of the award is to encourage and recognize outstanding risk management performance. The Board congratulated Ms. Johnson on her achievements.

Ms. Simmons gave the Operations report. In addition to her written report, she showed lighting improvements on the double-decker bridge on the ramps from Interstate 95 onto the eastbound Downtown Expressway, and illustrated the dramatic improvement of before and after. The use of LED fixtures should lead to a reduction in overall power consumption.

Mr. Doughtie gave the Finance report. Year-to-date gross traffic was approximately 2.8% ahead of the previous year, and estimated monthly traffic for April on a "normalized" basis grew approximately 3.0% from April, 2014. As to revenues and expenses, fiscal year-to-date toll revenue was approximately 1.5% ahead of the budget estimate, while fiscal year-to-date expenses were at approximately 95%. Messrs. White and Holland asked if there were major accruals or major expenses due to "timing." Mr. Doughtie estimated that while no major accruals were expected, he did expect expenses to grow another 1 – 2% through year end.

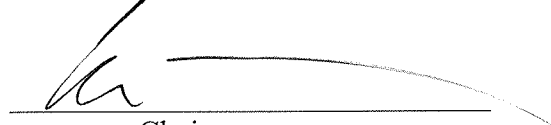
As to new business, the Chairman noted that Ms. Jolly had resigned effective as of June 1, 2015, and was not in attendance at the meeting. He anticipated that Mr. Cannady would handle the officer nomination/election process on behalf of the Governance Committee for June's upcoming annual meeting.

There being no further business to come before the meeting, the same, upon motion duly made, seconded and unanimously carried, was adjourned at 1:40 p.m.



Secretary

APPROVED:



Chairman

#1763802

RICHMOND METROPOLITAN TRANSPORTATION AUTHORITY

RESOLUTION APPROVING FISCAL YEAR 2016 BUDGET

May 12, 2015

WHEREAS, Staff has submitted to the Board of Directors (the "Board") proposed annual operating and capital budgets (together, the "Budget") for the Richmond Metropolitan Transportation Authority (the "Authority") for the fiscal year beginning July 1, 2015 and ending June 30, 2016, which Budget has been reviewed by the Board;

WHEREAS, it is necessary to adopt the Budget and approve the expenditure of funds to cover the various elements included therein;

WHEREAS, as required by the Authority's bond resolution, the Authority's consulting engineer and revenue consultant have provided the requisite certifications of operating expenses, debt service, and maintenance and repairs on the Expressway System and schedule of tolls for the forthcoming fiscal year, respectively, as further described in the Budget;

WHEREAS, the Board's Operations Committee has reviewed the capital maintenance and repair projects recommended for the Expressway System; and

WHEREAS, the Board, in exercising its independent judgment, has considered the Budget and the availability of funds and contemplated expenses as set forth therein, and now desires to approve and adopt the Budget for fiscal year 2016.

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

1. The Budget, consisting of the fiscal year 2016 annual operating and capital budgets of the Richmond Metropolitan Transportation Authority for the funds and divisions described therein, be, and is hereby, approved and adopted as proposed on this date, subject to and contingent upon the availability of funds as indicated therein, such Budget to be in effect beginning July 1, 2015.
2. Staff of the Authority is hereby directed and authorized to do all things necessary or desirable to implement the Budget and the undertakings, projects, and matters therein authorized.
3. This resolution shall take effect immediately.