

**RICHMOND METROPOLITAN TRANSPORTATION AUTHORITY  
MINUTES OF THE OPERATIONS AND  
FINANCE COMMITTEE MEETING  
HELD FEBRUARY 21, 2022**

A Committee Meeting of the Operations and Finance Committee of the Board of Directors of the Richmond Metropolitan Transportation Authority was held on the 21st day of February 2022 via electronic communication as described below, pursuant to due notice.

Operations and Finance Committee Chairman Thomas Hawthorne and the following Committee members were present and acting throughout the committee meeting, except as noted below: Unwana Dabney, Barrett Hardiman, Darius Johnson, Ian Millikan Marvin Tart, and Gregory Whirley. Board member Jane duFrane (exited at 11:00 am) was also present.

Also in attendance were RMTA staff members Joi Dean, Sheryl Johnson, James Madison, Leslie Mehta, Theresa Simmons, and Paula Watson. Additionally, Christian and Barton counsel Belinda Jones and HNTB consultants Dan Papiernik and Cherie Gibson were present.

There was a quorum throughout the meeting.

Committee Chairman Hawthorne called the meeting to order at 10:00 a.m. As Secretary, Leslie Mehta conducted a roll call of everyone present at the meeting.

Upon motion duly made, seconded and unanimously carried by the affirmative votes of all of the Committee members present and pursuant to Virginia Code Section 2.2-3707 and 3708.2.A.3 of the Freedom of Information Act; Article 3, Section 6 of the RMTA Bylaws; and Richmond, Virginia Resolution No. 2020-R025, the meeting was held electronically (via audio and/or video conference through Zoom, a remote conferencing service) and recorded in its entirety and maintained and the recording and minutes will be made available to the public in accordance with FOIA rules and by the same method used to provide notice of the meeting. It was held electronically because of the coronavirus disease pandemic which rendered meeting in person impracticable and unsafe to assemble a quorum in a single location. Members affirmed that the purpose of the remote meeting was to discuss or transact the business statutorily required or necessary to continue operations of the public body and the discharge of its lawful purposes, duties, and responsibilities during this time. As noted above, the electronic meeting was held through Zoom and public notice was given using the same methods as has been customary for other RMTA public body meetings. Moreover, the public notice was provided contemporaneously with the notice sent to members of the Authority and arrangements were made for public access to the meeting through the video conferencing platform Zoom. Additionally, members asserted that this meeting otherwise complied with FOIA rules.

Ms. Mehta conducted a roll call to determine each member's agreement with the motion. All Committee members present affirmatively agreed with the motion.

Next, Ms. Dean provided her CEO comments. Ms. Dean began with an overview. Then there would be a Toll Adjustment presentation by Ms. Dean, Mr. Madison, and Ms. Simmons. Finally, Ms. Simmons would end with an ETC – 2021 update.

Ms. Simmons gave a brief update on the various toll collection system updates that have been completed.

Next, Ms. Dean turned to the Toll Adjustment presentation. Ms. Dean began with a toll adjustment historical perspective. With respect to the last toll adjustment in 2008, discussions began at the November 2007 board retreat and continued in January and February 2008. There was a March 2008 board vote to increase the mainline plaza tolls from \$0.55 to \$0.70 based on a number of factors, primarily the need for funds to continue to maintain the system in good repair. There was an April 2008 board vote to increase tolls for the ramps and to issue debt in the amount of \$10 million to increase reserves. The toll increases took effect in September 2008.

Next, Mr. Madison reviewed the Authority's financial guiding principles. Those principles are:

- The Authority will maintain the system in a state of good condition
- The Authority will maintain a good reputation in the credit markets
- The Authority will maintain debt service coverage ratios to comply with current bond documents
- The Authority will maintain adequate reserves to fund capital planning and provide for liquidity needs as necessary

Next, Mr. Madison discussed financial forecasts for 2022-2030. He stated that, under the current rate structure, the RMTA will be unable to fund (cash flow) the current annual capital plan from FY2023 forward. He noted that this condition exists even with the \$4,000,000 debt service reduction in 2024. He went on to say that this would necessitate the utilization of reserves, expending all unrestricted reserves (\$22,000,000) by 2027. He explained that implementing a cash differential as previously discussed will still result in a shortfall by 2027. He explained to the Board that forecasts show that both cash and electronic rates need to be adjusted. He also noted that, based upon inflation, the current toll rate on the Powhite and the Downtown Expressway would be \$1.05 (it is currently \$0.70) and the Boulevard Bridge would be \$0.72 (it is currently \$0.35). He also discussed long-range forecasts should the toll rate remain unchanged – highlighting losses in 2027 forward – and the difference for the long-range forecast should the toll rate be adjusted to \$1.00 at Powhite and the Downtown Expressway.

Ms. duFrane exited the meeting in progress.

Next, Ms. Simmons explained that, due to the COVID-19 impact, there have been significant reductions regarding maintenance and repair projects. Many projects (including protective coating projects) were pushed back and combined into one larger project. These decisions were made as cost-saving measures as a result of the COVID-19 financial impact.

Ms. Dean noted that there is a false assumption that costs would decrease with a transition to AET (all-electronic tolling). There would be other costs associated with that transition as well that would need to be factored in. Ms. Dean noted the following as the tentative timeline for the toll adjustment: end of March for the next Operations and Finance meeting; April for the full Board meeting discussion; full Board vote in May; and increase effective September 1. Mr. Whirley suggested an additional step of Ms. Dean meeting with the localities (Chesterfield, Henrico, and the City of Richmond) to discuss a toll adjustment with them and answer any questions that they may have.

Next, Ms. Simmons provided an ETC 2021 update. She noted that the kick off meeting with A-to-Be was held at the end of January and the project team continues to conduct weekly touchpoint meetings.

With regard to new business, Committee Chairman Hawthorne acknowledged new board member Ian Millikan and welcomed him as a new member of the Operations and Finance Committee. He also noted that the next Operations and Finance Committee meeting will be held the last week in March and that details will be forthcoming.

Having no further business, Committee Chairman Hawthorne adjourned the meeting at 11:27 a.m.