

**MINUTES OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
RICHMOND METROPOLITAN AUTHORITY
HELD JUNE 10, 2014**

A regular meeting of the Board of Directors of the Richmond Metropolitan Authority was held on the 10th day of June, 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 throughout the meeting: Directors Brown, Cole, Hazelett, Johnson, Schewel, West and White. Directors Brat, Cannady, Homer and Jolly were absent. Also present were Ms. Gray, Ms. Simmons, Mr. Doughtie, Ms. Corbett, Ms. Greta Ryan of the Richmond Regional Planning District Commission, and Mr. Ballou.

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

The Chairman called the meeting to order at 12:30 p.m.

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 May 13, 2014 were approved as previously distributed.

Ms. Simmons gave the Expressway Report for June, prefacing her remarks with reference to her written report in the agenda packet previously distributed to Board members. She first updated the Board with regard to the small deck failure reported at the May, 2014 meeting. This had occurred at the intersection of the southbound Interstate 95 and westbound Downtown Expressway ramp. The problem resulted from lack of proper support for the VDOT bridge deck, although there was no effect on the RMA bridge itself and no injuries or property damage. Ms. Simmons explained that the incident could be attributed to inadequate reinforcement in the supporting structure. The structure's original plans had not been consulted when VDOT

replaced the bridge deck in 1998. At the time of the incident, VDOT provided reinforcing that corrected the issue, albeit on a temporary basis, and the permanent solution is scheduled to be provided during performance of the Authority's annual maintenance and repair contract.

Ms. Simmons next turned to the Authority's debris removal contract for 2014. Although work of this nature was sometimes included in the annual maintenance and repair contract, the Authority had made it a separate contract in order to increase SWAM ("small, women and minority") participation in its contracting efforts. The Authority advertised the work on May 15th, held a pre-bid meeting on May 20th and received two bids on June 3rd. Ms. Simmons noted that the bids were approximately 45% higher than estimated (a low bid of approximately \$133,000 as compared to an estimate of \$88,000). Staff had considered various options, including re-bidding the project, awarding the contract and finding savings from other approved projects in order to cover the cost increase, or providing for the work as a change order in the 2014 maintenance and repair contract. Staff's recommendation was to include the work under the 2014 maintenance and repair contract as a change order.

In response to questions from Messrs. Hazelett and Schewel, Ms. Simmons explained how the Authority could provide for the work in the annual maintenance and repair contract. Mr. Schewel then inquired as to whether there were lessons to be learned from the experience so far. Ms. Simmons pointed to various factors, including the relatively small size of the contract and the potentially high costs of mobilization, that could have led to the discrepancy between the bids and the estimated contract values. Mr. Hazelett noted that this was not an atypical situation when attempting to increase SWAM participation, especially for smaller contracts. Ms. West added that the Authority may desire to provide a forecast of the type and approximate amounts of its upcoming procurement opportunities so that the contracting community could be aware of

them. Mr. Cole also observed that timing might be a factor, as it was his experience that many of the Richmond area jurisdictions were seeing similar “high bid” situations. Reasons for this included the reduced number of contractors after the recent economic downturn and efforts to get work done prior to the federal Highway Trust Fund exhausting its funds by Fall, 2014.

Following the foregoing discussion and upon motion duly made, seconded and unanimously carried by the affirmative votes of all of the Directors noted above as being present, the inclusion of the debris removal work contract as a change order in the 2014 annual maintenance and repair contract was approved. Mr. White observed that the Authority’s existing contract procedures (that did not require Board approval of contracts in certain specified cases) would seem to have not required Board approval. Ms. Gray stated that this was correct, but that she wanted the Board to be aware of this matter especially in light of the ongoing efforts of the Authority’s Procurement Task Force.

Ms. Simmons concluded by reporting that the Authority had received two bids for the maintenance and repair work on June 5th. Principal work items included asphalt crack sealing, shotcrete work, steel repair on certain bridges, pavement line markings and overhead sign overlays. Staff was working to certify the bids, and Ms. Simmons noted that the contract value was estimated at approximately \$1.4 million and that the apparent low bid was approximately \$1.07 million.

Mr. Doughtie gave the Finance Report. Although with one less commuting day than the previous year period, gross traffic for May, 2014 increased by 2.4%, primarily due to the collegiate cycling championship and record attendance at the Dominion Riverrock event. Year to date, traffic was approximately 2.7% ahead of budget estimates. Cumulative toll revenue was

3.4% ahead of budget, while both monthly and year-to-date expenses were within budget. Mr. Doughtie remarked that year-to-date expenses were at approximately 98% of budget.

Continuing, Mr. Doughtie referred to the budget adjustment resolution included in the Board's agenda packet and briefly explained the reasons for Staff's recommendation that the Board approve same. Legal expenses were higher than budgeted due to the eventful year involving the Authority as well as employee separation agreements that the Board had previously approved. Following this explanation and upon motion duly made, seconded and unanimously carried by the affirmative votes of all of the Directors noted above as being present, the resolution entitled *Resolution Approving Budget Adjustments for Fiscal Year 2014* in the form attached to these minutes was approved.

Mr. Johnson, standing in for Ms. Jolly, gave the report of the Governance Committee. He referred to the resolution entitled *Resolution Regarding Implementation of General Assembly's 2014 Legislation and Related Matters*, included in the Board's agenda packet, and he and Mr. Ballou explained the resolution. In addition to implementing the name change as described in the resolution, the annual election of officers was being postponed until the expanded Board was in place. Mr. Ballou stated that the 2014 legislation did not create a new entity or fundamentally alter the Authority's continuing operations, but that it did make various specified changes, including an expanded Board, a name change, and other particular revisions. Mr. Ballou also described the ongoing process to update the Authority's bylaws, with the expanded Board ultimately to approve the new bylaws. While the 2014 legislation itself led to the need for new or revised bylaws, it was appropriate to update various provisions in the existing bylaws as well as raise various items for consideration by the expanded Board. These

included meeting dates and times, as well as the ability to change same, rotating various officers, and the like.

The Board discussed the foregoing, especially the orientation process for new members to the Board. Chairman Brown and the General Manager planned to meet with each new Board member for a general overview of the Authority, its various operations and ongoing projects, and similar matters. More detailed briefings would come during the Annual Retreat, which Ms. Gray anticipated would be accelerated to an earlier time in the Fall, possibly late September.

Following this discussion and upon motion duly made, seconded and unanimously carried by the affirmative votes of all of the Directors noted above as being present, the resolution entitled *Resolution Regarding Implementation of General Assembly's 2014 Legislation and Related Matters* in the form attached to these minutes was approved.

In Mr. Homer's absence, Ms. West gave the report of the Procurement Task Force. The Task Force had a productive first meeting and discussed a wide variety of contracting matters. Mr. Hazelett had been unable to attend the meeting, and Ms. West particularly looked forward to his input to the Task Force. She observed that the Task Force was not ready to make any particular recommendations, but rather its focus was on moving forward (rather than looking back), equity and fairness. The Procurement Task Force would be meeting again in the near future.

The next item on the agenda was the extension of the Authority's management agreement with Main Street Station. Mr. Ballou briefly described the resolution and contract extension in the Board's agenda package. Ms. Gray advised of the City approval process and anticipated approval of the extension in mid-July.

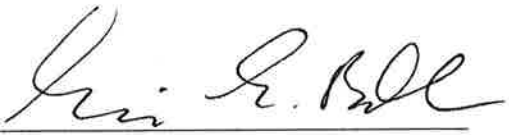
Mr. White desired that the expanded Board approve this resolution, and also felt that the City should act first on its approval. Mr. Ballou provided background on the Authority's Main Street Station operations and the various extensions as well as the timing of same, and the Board discussed the extension as well as the ability of the Authority to terminate the agreement for convenience upon relatively short notice. Mr. Hazelett observed that in future years the Authority and the City might want to move the extension approval cycle away from the July 1st date so as to provide more flexibility in extending the agreement. Following, upon motion duly made, seconded and unanimously approved by the affirmative votes of Directors Brown, Cole, Hazelett, Johnson, Schewel and West, the Board approved the *Resolution Authorizing Extension of Main Street Station Management Agreement with the City of Richmond and related actions* in the form attached to these minutes. Mr. White voted in the negative.

The Chairman observed that this meeting constituted the final meeting of the Board of the "Richmond Metropolitan Authority" and that in July, 2014, the first meeting of the "Richmond Metropolitan Transportation Authority" would take place. Continuing, he stated that the 2014 legislation did more than just change the Authority's name. It constituted a great step forward for regional cooperation and provided an excellent framework within which the jurisdictions could undertake projects of a regional nature. He was particularly thankful for the help and support from members of the Board, and he looked forward to the next chapter in the Authority's history. Various Board members echoed these sentiments, in particular the degree of respect and collegiality with which the various Board members addressed difficult issues. Mr. Cole pointed out that the Authority was not alone with regard to a name change, inasmuch as it had been proposed that the Richmond Area Metropolitan Planning Organization change its name to the Richmond Regional Transportation Planning Organization. Board members also credited the

Chairman for his vision, leadership and steadfastness in steering the Authority through this period.

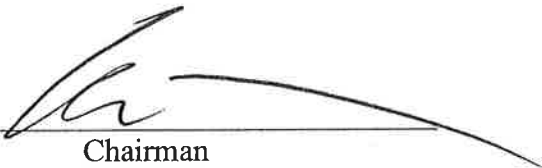
Finally, the Chairman also observed that this was Mr. Schewel's final Board meeting, and the Board, by unanimous and enthusiastic acclamation, duly approved the resolution entitled *Resolution of Appreciation – Michael J. Schewel* in the form attached to these minutes.

There being no further business to come before the meeting, the same, upon motion duly made, seconded and unanimously carried, was adjourned at 1:45 p.m.



Secretary

APPROVED:



Chairman

#1606226

RICHMOND METROPOLITAN AUTHORITY

**RESOLUTION APPROVING BUDGET
ADJUSTMENTS FOR FISCAL YEAR 2014**

(June 10, 2014)

WHEREAS, the Richmond Metropolitan Authority (the "Authority") desires to adjust its adopted budget for fiscal year 2014;

WHEREAS, the Authority's adopted financial policies require the approval of the Board of Directors to increase the total budgeted expense per fund or transfer budget authorization between the expense categories of salaries and benefits, operating, and capital; and

WHEREAS, the budget adjustments proposed by Staff that require Board approval are:

- Increase budget authorization of approximately \$125,000 for the Central Administration fund to provide for increased legal services for various unanticipated financial and operational issues, including 2014 General Assembly legislation and implementation of same, organizational and human resources policy updates, and employment/personnel related matters.
- Increase budget authorization of approximately \$75,000 for the Central Administration fund to provide for increased salaries related to employee separation agreements dated April 2014.

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

1. The foregoing budget adjustments are approved and adopted.
2. Staff shall include such adjustments in the Authority's fiscal year 2014 adjusted budget.
3. This resolution shall take effect immediately.

RICHMOND METROPOLITAN AUTHORITY

**RESOLUTION REGARDING IMPLEMENTATION OF GENERAL
ASSEMBLY'S 2014 LEGISLATION AND RELATED MATTERS**

(June 10, 2014)

WHEREAS, in 1966 through the enactment of 1966 Acts of Assembly, chapter 178 (as amended and in effect from time to time, the "Enabling Legislation"), the General Assembly of the Commonwealth of Virginia created and established the Richmond Metropolitan Authority (the "Authority") as a political subdivision and public body corporate and politic of the Commonwealth, in order to undertake various transportation and other projects as provided in the Enabling Legislation;

WHEREAS, from time to time, the General Assembly has amended the Enabling Legislation, most recently in 2014, through the enactment of 2014 Acts of Assembly, chapter 469 (the "2014 Legislative Amendments"); and

WHEREAS, the Authority wishes to provide for certain matters in connection with the implementation by the Authority of the 2014 Legislative Amendments.

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

1. As contemplated by the 2014 Legislative Amendments, effective July 1, 2014, the Authority shall continue as a political subdivision and public body corporate and politic of the Commonwealth of Virginia, vested with the powers and authority set forth under applicable law, including the Enabling Legislation, and the powers, assets, duties and obligations of the "Richmond Metropolitan Authority" shall continue pursuant to the Enabling Legislation under the name "Richmond Metropolitan Transportation Authority." All contracts, agreements, memoranda of understanding, resolutions and bond resolutions, financing arrangements and obligations, and similar instruments of the Authority in effect prior to July 1, 2014 (together, the "Existing Obligations") shall continue in full force and effect on and after such date as and to the extent provided in the Existing Obligations and the documents, instruments and proceedings related thereto.
2. Staff of the Authority is authorized and directed to implement the name change of the Authority to the "Richmond Metropolitan Transportation Authority" and to take all actions necessary or desirable to update on behalf of the Authority, the various Authority websites, equipment, facilities, manuals, policies and other similar documents of the Authority to reflect the 2014 Legislative Amendments.

3. Inasmuch as the 2014 Legislative Amendments provide for the modification of the Authority's Board of Directors after July 1, 2014, the election of officers of the Authority for the year beginning July 1, 2014 shall not occur at the June, 2014 meeting of the Board of Directors as provided in the current bylaws, but shall take place at the November, 2014 meeting of the Board of Directors. Officers of the Authority presently holding office shall continue in office until their successors are elected.
4. The Governance Committee shall assist the Chairman and the General Manager in the orientation of new appointments to the Board and in the planning and conduct of a retreat work session of the Board to be held in the early Fall, 2014. The Governance Committee shall also prepare draft revisions to the Authority's existing bylaws in order to implement the 2014 Legislative Amendments and to provide for other appropriate changes and updates to the bylaws, such revisions to be distributed to the existing Board of Directors but not acted upon until the installation of the Board of Directors in accordance with the Enabling Legislation.
5. This resolution shall take effect immediately.

RICHMOND METROPOLITAN AUTHORITY

**RESOLUTION AUTHORIZING EXTENSION OF
MAIN STREET STATION MANAGEMENT AGREEMENT
WITH THE CITY OF RICHMOND
AND RELATED ACTIONS**

June 10, 2014

WHEREAS, the Richmond Metropolitan Authority (the "Authority") currently manages Main Street Station pursuant to the terms of a Management Agreement (as amended, the "Management Agreement") with the City of Richmond, Virginia (the "City");

WHEREAS, the City has requested that the Authority extend the term of the Management Agreement for an additional two (2) year term, and there has been presented to this meeting the form of an Eighth Amendment to the Management Agreement (the "Eighth Amendment") between the City and the Authority that provides for the foregoing;

WHEREAS, the City has acknowledged that during the foreseeable term of the Management Agreement, the Station will operate at a deficit, requiring contributions on an annual basis from or on behalf of the City for the payment of operating expenses and for any necessary purchases of capital equipment or capital improvements.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Board of Directors of the Authority that

1. The Eighth Amendment and the extension of the Authority's management of Main Street Station is hereby approved, and the General Manager, with the advice of counsel to the Authority, is hereby authorized to execute and deliver the Eighth Amendment in substantially the form presented to this meeting. The Management Agreement shall continue to provide that the Authority's obligations thereunder are expressly conditioned upon and limited to amounts made available by the City to pay operating expenses and to pay for capital equipment and capital improvement purchases. None of the Authority's other funds, whether general or connected to or derived from or on behalf of its expressway system or sports stadium operations, shall be available for payments thereunder or in connection with the management or operation of Main Street Station.

2. This Resolution shall take effect immediately.

**Eighth Amendment to
Management Agreement
By and Between
City of Richmond, Virginia, and
Richmond Metropolitan Authority**

THIS EIGHTH AMENDMENT TO MANAGEMENT AGREEMENT (“Eighth Amendment”) is made as of _____, 2014, Between the **CITY OF RICHMOND**, a municipal corporation of the Commonwealth of Virginia (the “City”), and the **RICHMOND METROPOLITAN AUTHORITY**, a political subdivision of the Commonwealth of Virginia (“RMA”):

WITNESSETH:

WHEREAS, the City and RMA entered into a Management Agreement dated June 11, 2003 (as supplemented and amended, the “Management Agreement”) pursuant to which RMA provided certain management services to the City for Main Street Station (the “Station”), as such Management Agreement was extended by the certain First Amendment to Management Agreement dated as of June 1, 2006, between the parties;

WHEREAS, the original Management Agreement as then in effect between the parties provided that the City and RMA may agree to mutually extend the term of the Management Agreement for additional two (2) year terms following expiration of the Management Term, as therein defined, as provided in Section 7.1 thereof;

WHEREAS, notwithstanding the provisions of Section 7.1 of the Management Agreement, the City and the RMA entered into that certain Second Amendment to Management Agreement dated as of July 1, 2008 to extend the Management Agreement by one year rather than the two year terms provided for the Section 7.1 of the Management Agreement;

WHEREAS, notwithstanding the provisions of Section 7.1 of the Management Agreement, the City and the RMA entered into that certain Third Amendment to Management Agreement dated as of July 1, 2009 to extend the Management Agreement by one year rather than the two year terms provided for the Section 7.1 of the Management Agreement;

WHEREAS, notwithstanding the provisions of Section 7.1 of the Management Agreement, the City and the RMA entered into that certain Fourth Amendment to Management Agreement dated as of July 1, 2010 to extend the Management Agreement by one year rather than the two year terms provided for the Section 7.1 of the Management Agreement;

WHEREAS, notwithstanding the provisions of Section 7.1 of the Management Agreement, the City and the RMA entered into that certain Fifth Amendment to Management Agreement dated as of July 1, 2011 to extend the Management Agreement by one year rather than the two year terms provided for the Section 7.1 of the Management Agreement;

WHEREAS, notwithstanding the provisions of Section 7.1 of the Management Agreement, the City and the RMA entered into that certain Sixth Amendment to Management Agreement dated as of July 1, 2012 to extend the Management Agreement by one year rather than the two year terms provided for the Section 7.1 of the Management Agreement;

WHEREAS, notwithstanding the provisions of Section 7.1 of the Management Agreement, the City and the RMA entered into that certain Seventh Amendment to Management Agreement dated as of July 1, 2013 to extend the Management Agreement by one year rather than the two year terms provided for the Section 7.1 of the Management Agreement;

WHEREAS, pursuant to the provisions Section 7.1 of the Management Agreement, the parties desire to extend the term of the Management Agreement by two years;

NOW, THEREFORE, in consideration of the foregoing and the mutual agreements herein contained and other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, the City and RMA agree as follows:

1. This Eighth Amendment shall become effective as of July 1, 2014 (the "Effective Date"). Unless modified herein, all other terms and conditions of the Management Agreement shall remain in force and effect. All obligations of the parties hereto accruing prior to the Effective Date, including any accrued by unpaid sums, amounts and fees, shall continue to be the respective obligations of each party on, from and after the Effective Date.

2. Pursuant to the provisions of Section 7.1 of the Management Agreement, the City and RMA hereby mutually agree to extend the term of the Management Agreement to June 30, 2016, unless otherwise sooner terminated pursuant to the terms of the Management Agreement, or modified pursuant to the Management Agreement.

3. It is understood and agreed between the parties herein, that all payments and other performance by the City under the Management Agreement, as amended by this Eighth Amendment, are subject to annual appropriations by the City Council; consequently, the Management Agreement, as amended by this Eighth Amendment, shall bind the City only to the extent that the City Council appropriates sufficient funds for the City to perform its obligations hereunder. Under no circumstances shall the City's total liability under the Management Agreement, as amended by this Eighth Amendment, exceed the total amount of funds appropriated by the City Council for the City's payments under and performance of the Management Agreement, as amended by this Eighth Amendment. The City shall provide the Authority prompt notice of any such insufficiency of funding or failure to appropriate.

4. All provisions, terms and conditions of the Management Agreement shall apply during the Renewal Term.

5. Terms used in this Eighth Amendment and not defined herein shall have the meaning given to them in the Management Agreement. Unless the context otherwise requires, the term

“Management Agreement” shall mean the original Management Agreement as supplemented and amended to the date hereof.

6. In the event of a conflict between the terms, conditions and provisions of this Eighth Amendment and the Management Agreement, the terms of this Eighth Amendment shall prevail.

7. Except as expressly modified by this Eighth Amendment, all of the terms and provisions of the Management Agreement are hereby ratified and confirmed and shall remain in full force and effect.

8. This Eighth Amendment may be executed in any number of counterparts, each of which shall be an original and all of which together shall constitute but one and the same instrument.

IN WITNESS WHEREOF, this Eighth Amendment has been entered into effective as of the date first above written, by the respective officers of the parties hereto, thereunto duly authorized.

CITY OF RICHMOND, VIRGINIA

Date: _____

By: _____

Title _____
Byron C. Marshall, Chief Administrative Officer

**RICHMOND METROPOLITAN
AUTHORITY**

Date: _____

By: _____
General Manager

RICHMOND METROPOLITAN AUTHORITY

RESOLUTION OF APPRECIATION

MICHAEL J. SCHEWEL

June 10, 2014

WHEREAS, Michael J. Schewel has faithfully served as a Director of the Richmond Metropolitan Authority from September 24, 2012 through June 30, 2014 and as a member of the Authority's Audit, Operations, Finance and Local Finance Committees.

WHEREAS, through his astute leadership, prudent judgment and wise counsel, he has not only served the Authority and the Richmond metropolitan community with distinction, he has also furthered the Authority's objective of excellence in service to the community and to the bondholders and patrons of the Authority;

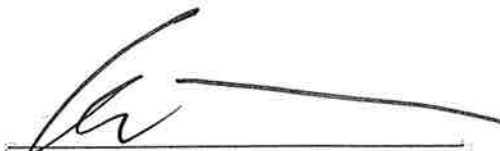
WHEREAS, his colleagues, the Directors of the Richmond Metropolitan Authority, now desire to express and record permanently in the minutes of the meetings of this Board their warm affection for Michael J. Schewel, and their admiration for his many contributions and able leadership;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Richmond Metropolitan Authority hereby records its gratitude and great appreciation and that of the Richmond metropolitan community to Michael J. Schewel for his outstanding contributions and many years of faithful and devoted public service to this community through his distinguished service as a member of the Board of Directors of the Richmond Metropolitan Authority.

Attest:



A handwritten signature in black ink, appearing to be 'J. E. [unclear]', written over a horizontal line.



A handwritten signature in black ink, appearing to be 'A. [unclear]', written over a horizontal line.

Chairman