

**MINUTES OF THE REGULAR MEETING  
OF THE BOARD OF DIRECTORS OF THE  
RICHMOND METROPOLITAN TRANSPORTATION AUTHORITY  
HELD JULY 14, 2015**

The regular meeting of the Board of Directors of the Richmond Metropolitan Transportation Authority was held on the 14<sup>th</sup> day of July, 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 Cannady, Hinson, Holland, Johnson, Kornblau, Nelson, Tart, Whirley, White, and Woodfin. Director Homer departed the meeting in progress as provided below. Directors Brown, Cole, Hazelett, and West were absent. Also present were Ms. Gray, Ms. Dean, Mr. Doughtie, Ms. Johnson, Mr. Aida, and Mr. Ballou. Ms. Barbara Smith of Chesterfield County's Transportation Department was in attendance.

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

Mr. Holland called the meeting to order at 12:30 p.m. The Chairman thanked the Board members for their confidence in him and further remarked that he was humbled to serve as Chairman. There was much work to be done and time was not standing still. He referred to the preceding week's article in the *Richmond Times-Dispatch* and said that he intended that the Authority be bold, responsible and financially sound and that it would meet and act regionally.

He then turned to the minutes of the June 2015 meeting of the Board of Directors. 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 annual meeting held on June 9, 2015 were approved as previously distributed.

The Chairman noted that neither Mr. Brown nor Mr. Cole were in attendance and so the resolutions pertaining to their past service as Chairman and Vice-Chairman would be deferred to a subsequent meeting. He also noted that Mr. Johnson, the Vice-Chairman, was now a Senior Vice President at the Bank of America serving middle-market companies, and the Board recognized same.

He turned to Ms. Gray for comments of the CEO. Ms. Gray welcomed the Chairman. She also introduced Mr. Gonzalo Aida as a new executive assistant replacing Ms. Corbett who had recently retired. She gave a brief background on Mr. Aida. She also noted that Ms. Dean was in the class of 2016 for Leadership Metro Richmond, which the Board duly recognized. She also noted with sadness the passing of Mr. Ray Smith, an RMTA toll collector who had been a senior employee with the Authority since the year 2000 and had worked at all the toll plazas, most recently at Forest Hill. He was the recipient of the 2009 customer service award. He had a wonderful work ethic and was a great and valued colleague. Mr. Johnson added that he knew Mr. Smith and that he was the very model of an excellent government employee. The Board observed a moment a silence in memory of Mr. Smith.

Continuing, Ms. Gray updated the Board on the recently-held industry forum. This originally had been scheduled for two days but was extended to three days due to vendor demand to meet with the Authority. It was conducted June 26<sup>th</sup>, June 29<sup>th</sup>, and June 30<sup>th</sup>. Thirty-two attendees representing seventeen companies attended, and sixteen of such companies, including the five largest toll system integrators, met with the Authority in one-on-one meetings. The Authority had obtained much valuable information with regard to interoperability, all-electronic tolling, violations processing, mobility, connected vehicles and similar ongoing initiatives and technological innovations in the tolling industry, including separate tolling systems for

maintenance and violations processing, all with an eye towards the next generation of toll equipment for the Authority. Also discussed were topics such as social media programs and pay as you go plans. Her feedback from the industry was that they were impressed by RMTA and the RFI process. The next step would be the receipt of written responses to specific questions posed by the Authority to all vendors. In the future, the Authority would likely move forward with a more formal request for proposals. At its most recent meeting, the Operations Committee had discussed the roadmap for this process. Overall, she was pleased with the process to date.

Mr. Johnson asked if there had been any conversation with other public transportation authorities, especially in connection with converting to an all-electronic tolling system. Ms. Gray noted these discussions were ongoing, as always, especially with HNTB (the Authority's engineering firm) and with industry associations (such as IBTTA - International Bridge, Tunnel and Turnpike Association).

Continuing, she reported that on July 22<sup>nd</sup>, the U.S. Secretary of Transportation, Anthony Foxx, and the Virginia Secretary of Transportation, Aubrey Lane, would present remarks at the annual meeting of the Virginians for High Speed Rail, and Board members were welcome to attend. The Chairman added that he had heard U.S. Secretary of Transportation Foxx speak recently in Charlotte, North Carolina, regarding such issues as federal funding and sequestration, the lack of a six-year plan, current shortfalls in the Transportation Trust Fund and ways in which projects could be streamlined and costs reduced.

Ms. Gray also gave the report of the Operations Committee, as Ms. Simmons was not in attendance due to her attendance at the IBTTA Conference. Following the receipt of sealed bids, the approval for which was in the budget documents, the 2015 maintenance and repair contract had been awarded with notice to proceed on June 23<sup>rd</sup>. As to the protective coatings contract,

eleven potential bidders attended the pre-bid meeting. The Authority received sealed bids on July 9<sup>th</sup>, which were presently under evaluation.

Responding to a question from Mr. Hinson as to the Authority's new logo, Ms. Gray stated that feedback received to date from media and the Authority's patrons had been positive.

Mr. Doughtie gave the Finance Report. For the month, on a normalized basis, traffic grew at approximately 3.4% over the same period for the previous year. He noted that June was the end of the Authority's fiscal year but year-end accruals were yet to post. Traffic for the fiscal year had grown by approximately 2.4% over fiscal year 2014. Annual revenues were approximately 2.3% ahead of budget and annual expenses, while presently at 95% of budget, were anticipated to increase to approximately 96 - 97% as accruals posted. Mr. Holland asked if there were any major accruals as to which Mr. Doughtie noted that none were expected.

Mr. Whirley noted the amount in the Excess Balances Fund and the potential of transferring surplus amounts to that fund. The Board briefly discussed the existence of and need for a reserve fund policy. Mr. Doughtie commented that the bond resolution required Board approval for use of amounts in such fund. Mr. Holland concluded the discussion by noting that use of reserve funds should be handled first within the Finance Committee.

Continuing, Mr. Cannady asked if there were any remaining funds in the Diamond accounts, as to which Mr. Doughtie responded that approximately \$600,000 had been paid out in equal shares to the City and the Counties, and no funds were left.

As to new business, the Chairman noted several items, beginning with the Authority's mission statement and whether there was any reason to change it. This had been an item discussed at the November 2014 Board Retreat, and the Board generally discussed same as to whether user fees were the only source of funding or whether there were additional sources of

revenues to assist on other projects. The Chairman referenced the potential availability of federal funds for particular projects as well as a previous discussion with Delegate Loupassi that the Authority would originate projects and that the General Assembly would provide funding for such projects.

The Chairman commented on the importance of committees, particularly as to communications to and from the jurisdictions, as this would reflect that the Authority was regionally balanced and regionally focused. He expected that the Board would look at the various committees and streamline if appropriate.

Reference was made to the bus rapid transit informational session held at an earlier Board meeting. Mr. Hinson asked if the Authority had a policy regarding receipt of projects and how handled. Other Board members and Mr. Ballou responded that the current process was *ad hoc* and referenced the Enabling Act's requirements that the jurisdictions approve new projects. Mr. Hinson referenced a Henrico County policy that required two board members to support an agenda item.

Mr. Kornblau commented that the Authority and Board should focus on the Authority's capability to undertake a project. It would take some time to work with the jurisdictions to develop the regional relationship further. Mr. White commented about the potential costs of analyzing and considering a new project and the source of funding for this, particularly in light of restrictions on the use of toll revenues. The assignment to study a potential new project might constitute an unfunded mandate.

The Board also discussed various items that had been developed at the November 2014 Board Retreat meeting but not yet pursued. Messrs. Tart and Cannady, along with other Board members, noted the scheduling of upcoming strategic workshops and commented on the

difficulty of fleshing out these various Retreat themes in the context of a large group discussion. A central topic was the Authority's relationship with its participating jurisdictions.

The Chairman noted the importance of attendance by Board members, especially in light of the Enabling Act's quorum requirements. He referenced the Chesterfield County expectation of Board member participation and responsibilities to stakeholders. Mr. Hinson asked if alternate members were permissible, as to which Mr. Ballou responded that the Enabling Act did not specifically reference designees or alternates as having the authority to vote or act in the stead of a Board member. Other Board members questioned the need for monthly meetings, with Mr. Homer reiterating his view that the Board needed to move its meeting location from the present site and to rotate meetings among the jurisdictions.

Mr. Homer had a previously scheduled engagement and departed the meeting.

Mr. Whirley returned the discussion to the importance of themes begun at the 2014 Board Retreat. It would not do to repeat the Retreat process without any follow-up. While the Authority was doing a good job in operating the Expressway system, it still needed to build trust and confidence among its stakeholders. As was raised and discussed at the Retreat, a good solid plan for moving forward was important in that respect. He suggested that certain VCU personnel might assist in structuring the planning process, but not the actual planning itself. A particular focus would be on outcomes and action items.

Messrs. Hinson and Woodfin agreed with Mr. Whirley, with Mr. Hinson referring to his earlier comments at the April Board meeting with regard to strategic comprehensive planning, especially its financial and political aspects. Many of the current developments in the area were discussed and planned at VCU and in the area many years ago. Mr. Cannady commented that there were really two planning processes, one relating to the Authority's toll road operations and

one related to the Authority's relationship with its sponsors and building the relationship of trust and confidence as to engaging in new or additional undertakings.

Ms. Gray referenced the upcoming strategic development workshops and emphasized the 2041 date in particular, when the Authority's debt would be retired. This triggered a conveyance of the Expressway System to the City under the Enabling Act. This complicated the planning process and raised such issues as whether the Authority should operate the Expressway System after 2041, the Authority's current legislative requirements for incurring debt, and whether the Authority should initiate an effort to change these requirements. Mr. Kornblau mentioned the importance of funding to this particular issue and that adequacy of funding could assist in addressing it. Mr. Woodfin added that seeking General Assembly action could be potentially problematic, in that the legislative process sometimes would result in unanticipated or less than desirable outcomes.

Summarizing a productive discussion, the Chairman referenced various items that had been forthcoming, including the use of reserve funds, financial viability of new projects, Board member attendance and quorum requirements for Board and Committee meetings, the Authority's regional focus and mandate and expectations/relations with its member jurisdictions. He began with Mr. Tart's suggestion to poll Board members regarding the existing committees and assignments, which he asked that Ms. Gray undertake. The Chairman particularly referenced communication and strategic/regional planning as potential committee themes and assignments. He also asked that Ms. Gray determine whether VCU or another consultant might assist with the 2015 Board Retreat and developing the themes discussed during the past year.

There being no further business to come before the meeting, the same, upon motion duly made, seconded and unanimously carried, was adjourned at 2:35 p.m.



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Secretary

APPROVED:



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Chairman

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