

**MINUTES OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
RICHMOND METROPOLITAN TRANSPORTATION AUTHORITY
HELD JUNE 11, 2019**

A regular meeting of the Board of Directors of the Richmond Metropolitan Transportation Authority was held on the 11th day of June, 2019, at the RMTA Main Office, 901 East Byrd Street, Suite 1120, Richmond, Virginia, pursuant to due notice.

The following Directors were present and acting throughout the meeting, except as noted below: Chairman Nelson and Directors Dabney, Elswick, Gurley, Hardiman, Hawthorne, Hinson, Ramsey, Tart, Whirley, and Williams were present. Director Johnson joined the meeting in progress, as noted below. Directors Brown, Fountain, West, and Woodfin were absent. Authority staff present were Ms. Dean, Ms. Johnson, Mr. Madison, Ms. Mehta, Ms. Simmons, and Ms. Watson. Also present throughout the meeting were Belinda Jones of Christian and Barton; George Scruggs of Kutak Rock; Jimmy Sanderson of Davenport; and Joe Ely and Mark Grossenbacher of HNTB.

Chairman Nelson presided over the meeting, and Ms. Mehta acted as Secretary. There was a quorum throughout the meeting.

The Chairman called the meeting to order at 12:09 p.m.

Upon motion duly made, seconded and unanimously carried by the affirmative votes of all of the Directors present, the board minutes of the Authority's meeting held on May 14, 2019, were approved, as previously distributed.

The next agenda item was the resolution of appreciation for longtime RMTA employee Wilhelmina Kennard. The Chairman read the resolution, Ms. Kennard expressed her gratitude to the RMTA, and the Board congratulated her for her years of service and dedication to the Authority.

Next, the Chairman read a resolution of appreciation to James B. (“J.B.”) Gurley, Jr. for serving as a Board Member as well as on the Audit Committee and the Regional Projects, Outreach and Transportation Leadership Committee since 2017. After the reading of his resolution, Mr. Gurley recounted fondly his time serving as a board member of the Authority and wished RMTA continued success.

Director Johnson joined the meeting in progress.

Next, Chairman Nelson turned to the Board Committee Reports section of the meeting. In Director West’s absence, Director Ramsey presented the Compensation and Benefits Committee report from earlier that morning. Director Ramsey began by stating that he planned to discuss personnel issues – the evaluation and performance of the Authority’s CEO. At the request of the Chairman, the Board considered a motion to convene in executive session pursuant to Va. Code § 2.2-3711(A)(1) of the Virginia Freedom of Information Act as it relates to personnel issues, in order to discuss the evaluation and performance of the Authority’s CEO. Such motion was duly moved, seconded and approved by all Directors noted above as being present.

The Board reconvened in open session and considered a motion pursuant to Virginia Code § 2.2-3712(D) that, to the best knowledge of each Director then present, (i) only such public business matters lawfully exempted from open meeting requirements, and (ii) only such public business matters as were identified in the motion by which the closed meeting was convened were heard, discussed or considered by the Board and that a statement to such effect would appear in the minutes of the meeting. Such motion was duly made, seconded and approved by all Directors noted as being present.

Further, upon motion duly made, seconded and unanimously carried by the affirmative votes of all of the Directors present, the Board approved a motion concerning the evaluation of the Authority's CEO.

Further, Mr. Ramsey noted that the Committee will review the CEO evaluation assessment criteria for next year and bring comments back to the full Board.

Next, Mr. Tart presented the Audit Committee report from May 22. He stated that the Committee had met with Rob Churchman and Greg Miller of Cherry Bekaert (the "Auditor") on May 22. He noted that the Auditor provided an overview of the engagement services and service deliverables. Mr. Tart noted that, based on their review, the Auditor provided an unmodified or "clean" opinion on the financial statements. He then turned to Mr. Madison to provide an additional summary. Mr. Madison noted that the Authority implemented GASB Statement No. 75 (Accounting and Financial Reporting for Postemployment Benefits Other than Pensions) for FY18. This required a restatement of Net Position to record the Net OPEB Liability. This implementation is similar to when the Authority previously implemented GASB Statement No. 68 (Accounting and Financial Reporting for Pensions). Mr. Madison reiterated that the auditors provided an unmodified opinion on the FY18 financial statements.

Therefore, upon motion duly made, seconded and unanimously carried by the affirmative votes of all of the Directors present, the Board approved the Resolution to Accept the Comprehensive Annual Finance Report for the Fiscal Year Ending June 30, 2018.

The Chairman then turned to Mr. Whirley to provide an Operations and Finance Committee report from that morning. Mr. Whirley began with the Toll System update. He noted that TransCore, the primary contractor implementing the toll system, is behind schedule. The

Committee believed that the toll and billing issues can be resolved. He noted that Authority Staff will continue to meet with TransCore and the Committee continues to monitor this issue closely.

Mr. Whirley next turned to the bond refunding issue. Mr. Whirley stated that Jimmy Sanderson of Davenport and George Scruggs (Bond Counsel) of Kutak Rock provided a presentation to the Operations and Finance Committee earlier that morning. Based on that presentation, Mr. Whirley explained to the Board that the Authority has been presented with an opportunity to achieve savings in debt service through bond defeasance. He noted that these savings are even more significant than the savings from the 2017 bond refunding. Mr. Sanderson noted that this bond transaction is similar to that in 2017 with one important distinction: the Authority will use reserves to defease current bonds and replace with new bonds at a lower interest rate. Debt savings will be approximately \$100,000 annually until 2024 when savings will reach approximately \$150,000 annually. Closing is expected on August 14, 2019.

Ms. Dean noted that the Counties of Henrico and Chesterfield and the City of Richmond are aware of this issue as there can be no movement forward without approval from all jurisdictions. Mr. Scruggs summarized “A Series Resolution Authorizing The Issuance And Sale To The Virginia Resources Authority Of A Richmond Metropolitan Transportation Authority Expressway Revenue Bond, In A Principal Amount Not To Exceed \$21,500,000, In Order To Fund Certain Expressway Improvement Projects; Providing For The Terms And Details Thereof; And Providing For The Defeasance Of Certain Bonds Previously Issued To The Virginia Resources Authority.” He noted that the resolution would approve the defeasance. He explained that this would be a one-time approval request and that the Authority could proceed after approval. He also reiterated that the resolution would also be contingent on the three jurisdictions’ approval and the mayor for the City of Richmond.

Thereafter, upon motion duly made, seconded and unanimously carried by the affirmative votes of all of the Directors present, the Board approved "A Series Resolution Authorizing The Issuance And Sale To The Virginia Resources Authority Of A Richmond Metropolitan Transportation Authority Expressway Revenue Bond, In A Principal Amount Not To Exceed \$21,500,000, In Order To Fund Certain Expressway Improvement Projects; Providing For The Terms And Details Thereof; And Providing For The Defeasance Of Certain Bonds Previously Issued To The Virginia Resources Authority."

Next, Director Hardiman provided the report for the Regional Projects, Outreach and Transportation Leadership Committee held on June 6. Mr. Hardiman noted that there are potential transportation projects in the Richmond region. At the May 14 Committee meeting, the Committee requested that Staff research factors for determining whether to take on potential projects. Staff continue to research these issues and the Committee will continue to take a look at this issue and report back at a future Board meeting.

Next, in Director Brown's absence, Mr. Hinson provided the Nominations and Governance Committee report from that morning. Although the Committee had no quorum to vote, the consensus was to maintain the current jurisdictional rotation and have the next Chairman be Vice Chairman Greg Whirley and the next Vice Chairman be Director Marilyn West. Further, after notification to the public regarding a change in the meeting schedule and electronic communications, the consensus of the Committee was that the Board approve a change in meeting schedule from a minimum of eight meetings per year to six (meetings will be held the second Tuesday in January, March, May, June, October, and November (there will be a July meeting if onboarding a new board member)) and allowance for electronic communications

and an amendment to the bylaws regarding the same. Accordingly, the next board meeting would be October 8 unless there would be a new board member in Director Gurley's stead.

Director Johnson acknowledged that the Authority will honor the current Board Chair, Chairman Nelson, at the next board meeting by the incoming Chairman, but that Director Johnson wanted to take this time to thank the outgoing Chairman for his service to the Authority over the past year.

Upon motion duly made, seconded and unanimously carried by the affirmative votes of all of the Directors present, the Board approved the following motions: (1) a motion to change the number of RMTA board meetings from a minimum of eight meetings per year to six (meetings to be held in January, March, May, June, October, and November and an additional meeting in July if there is the onboarding of a new board member); (2) a policy on electronic communications concerning board meetings and an amendment to the bylaws concerning the same; (3) approval of "Resolution Amending Article III of the Bylaws of the Richmond Metropolitan Transportation Authority" (meeting schedule); (4) approval of "Resolution Amending Article III of the Bylaws of the Richmond Metropolitan Transportation Authority" (electronic communication); (5) approval of Vice Chairman Greg Whirley to be the next Chairman of the Authority's Board; (6) approval of Director Marilyn West to be the next Vice Chairman of the Authority's Board; and (7) approval of Authority Staff Member Leslie Mehta to continue as Board Secretary.

Next, Chairman Nelson turned to Ms. Dean for CEO Comments. Ms. Dean began by reading a Resolution of Appreciation for Dr. Roy A. West, a former Authority Board Member from July 19, 1994 to June 20, 2006, who passed away on May 25, 2019 at the age of 89 years old. Ms. Dean noted that the Authority plans to present the resolution to Dr. West's family at the

next board meeting. Chairman Nelson and Director Whirley provided comments of appreciation for Dr. West as well.

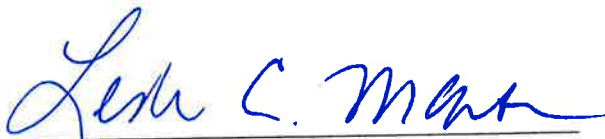
Next, Ms. Dean informed the Board that the Authority will hold a personnel Safety Fair Training on June 25 from 10 am to 2 pm at Powhite South. She also noted that there will be a DMV-To-Go mobile unit event on June 17 from 10 am to 4 pm, also at Powhite South. Ms. Dean also provided a Main Street Station update: the Authority continues to effectuate a seamless transition of the management of Main Street Station (“MSS”) to the City of Richmond. The last day of the Authority’s contract to manage MSS will be June 30. Ms. Dean also reminded the Board that there will be Arthur Ashe events in honor of the Boulevard being renamed to the Arthur Ashe Boulevard. Those events will take place from June 20-22. The unveiling will take place on June 22 at 11 am and the Board members and executive staff received VIP tickets to the event where the keynote speaker will be Congressman John Lewis.

Next, Ms. Simmons provided the Operations Report, referring Board members to the written report in the agenda packet. She noted that the invitation to bid regarding the protective coating of Boulevard Bridge would be advertised on June 27.

Mr. Madison provided the Traffic and Revenue report, also referring Board members to the written report in the agenda packet. Regarding traffic highlights, he noted that May 2019 had the same number of commuting days as compared to the prior year. Monthly gross traffic increased by an estimated 29,000 vehicles or 0.5% when compared to the prior year. Year to date fiscal year 2019 gross traffic is approximately 1.1% ahead of the prior year. Concerning revenue and expense highlights, Mr. Madison stated that fiscal year 2019 toll revenue of \$38.2 million is approximately 0.1% under the budget estimate through May 31, 2019. Fiscal year to date

expenses of \$14.1 million are within budget expectations. Fiscal year 2019 revenue and expense amounts continue to demonstrate compliance with required debt coverage ratios.

There being no further items of new business or any further business to come before the meeting, the board meeting was adjourned at 1:19 p.m.


Secretary

APPROVED:


Chairman