

RICHMOND METROPOLITAN TRANSPORTATION AUTHORITY  
MINUTES OF THE OPERATIONS AND FINANCE COMMITTEE

*May 8, 2018*

A meeting of the Operations and Finance Committee of the Board of Directors of the Richmond Metropolitan Transportation Authority was held on May 8, 2018, at the offices of Christian Barton, 909 E. Main Street, Suite 1200, Richmond, VA 23219. Committee Chairman Greg Whirley and Board members, Tom Hawthorne, Darius Johnson and Reverend Waller were present. Also in attendance were RMTA staff members Joi Dean, Jim Madison, Theresa Simmons and Leslie Mehta, Eric Ballou of Christian and Barton, and Mark Grossenbacher and Dan Papiernik of HNTB.

The Operations and Finance Committee Chairman, Mr. Whirley, called the meeting to order at 9:35 AM.

Mr. Whirley stated that since a quorum was not present, approval of the minutes from the August 29, 2017, January 8, 2018 and March 18, 2018 committee meetings would be postponed.

Mr. Whirley proceeded to the CEO's comments portion of the agenda. Ms. Dean provided a brief update on the Forest Hill surplus property noting the purchaser agreed to the suggested deed restriction not allowing future access via new curb cuts off of Forest Hill Road. The Committee members present approved the Resolution to sell the property awaiting a quorum. Next Ms. Dean provided a brief update on the VDOT Salt Sheds. The Authority will be conducting both a Phase I and a Limited Phase II environment study prior to presenting staff recommendations to the Board regarding the purchase of the buildings.

The CEO proceeded with an updated on Pope's Alley stating she was cautiously optimistic about reaching a settlement and reiterating the RMTA continues to provide a consistent message focusing on the protection of the pier supporting the Downtown Expressway that is adjacent to the alley. Ms. Dean moved on with a brief update on the Main Office expansion. The office lease amendment was signed the week of May 1, 2018. Build-out of the expansion space was estimated at six (6) months and will begin as soon as the Contractor obtains the necessary permits from the City of Richmond.

Mr. Madison then proceeded to review the draft FY 2019 Operating budget, informing members that the RMTA is taking a conservative approach with its projections. Budget draft highlights note a toll revenue increase of 2.5% over FY 2018. Various operating expenses were discussed noting that total expenses increased 12.8%. This overall increase was primarily due to higher Expressway Maintenance expense with the termination of the VDOT maintenance contract, medical expenses, and the Main Office expansion. Attention was then turned to the VDOT violation processing fees. Mr. Madison noted that preliminary estimates were based on a 4% increase, but that staff is still awaiting the VDOT processing fee rate. Mr. Madison stated once the new fees were obtained from VDOT he would adjust the draft budget accordingly. Mr. Madison also provided a brief update on the Main Street Station budget which would only be for a 6-month period to coincide with the current management agreement's termination date of December 31, 2018.

Ms. Simmons then proceeded to describe how the RMTA determines its capital needs and which maintenance activities are required. Using inspection condition ratings of individual structures, staff determines what needs to be repaired immediately versus what needs to be monitored. RMTA uses the historical averages that VDOT provides as cost estimates for repairs.

Ms. Simmons shared the 6 year outlook – in terms of a long range capital plan – including toll system expansions and upgrades, buildings and facilities repairs, and renovations and preventative maintenance activities. Ms. Simmons also reviewed the FY 2018 budget adjustments for the Powhite Parkway Mill and Overlay project and the Protective Coatings project in the amount of approximately \$3.2 million, noting this budget adjustment was funded through prior year contract savings.

Next, Ms. Simmons provided an overview of the Flexible Asset Management Services invitation for bid results. Five (5) bids were received ranging from \$13.3 million to \$6.5 million over a five (5) year initial term. The lowest qualified bidder was Roy Jorgensen Associates, Inc. The annual base cost for this contract is approximately \$1.3 million.

Committee member Marvin Tart arrived at 10:35 AM while committee meeting was in progress. Upon Mr. Tart's arrival a quorum was reached. Mr. Whirley then asked for a motion to approve the Committee minutes from August 29, 2017, January 8, 2018 and March 18, 2018. Reverend Waller made a motion to approve and Mr. Tart seconded the motion. Mr. Hawthorne abstained from voting because he was not a Board member at the time of the above noted Committee meetings. Motion passed unanimously.

Mr. Whirley then asked for a motion to approve the FY 2019 budget resolution. Mr. Tart made the motion to approve, seconded by Reverend Waller and the motion passed unanimously.

The next item on the agenda was an update on the Toll System Replacement project. Ms. Simmons highlighted that TransCore has completed the first two (2) milestones. TransCore posed to deliver an updated schedule showing all work completed to date that TransCore has performed at their own risk. To estimate the trajectory of the schedule, Ms. Simmons stated TransCore would need to complete a few more milestones, but remains cautiously optimistic.

Ms. Simmons and Mr. Papiernik provided a brief update on the Toll Business plan. Staff is updating data and will begin working on information relative to All-Electronic Tolling and increasing E-ZPass penetration.

Board Member, Mr. Harvey Hinson arrived at 11:12 AM.

Staff reiterated the importance of increasing E-ZPass penetration rate prior to converting to All Electronic. One way to accomplish this is to offer a toll differential between E-ZPass and Cash payment. Committee members asked for staff to further research options.

With no new business to be discussed, Mr. Whirley called for a motion to adjourn the meeting. Mr. Tart made a motion to adjourn, Mr. Hawthorne seconded and motion was approved. The committee meeting adjourned at 11:22 AM.

APPROVED:

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Chairman

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Secretary