

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
RICHMOND METROPOLITAN TRANSPORTATION AUTHORITY
HELD MARCH 8, 2016**

The regular meeting of the Board of Directors of the Richmond Metropolitan Transportation Authority was held on the 8th day of March, 2016, at the Chesterfield County (Lane B. Ramsey) Administration Building, 5th Floor Conference Room (Room 502), 9901 Lori Road, Chesterfield, Virginia, pursuant to due notice.

The following Directors were present and acting throughout the meeting: Directors Hazelett, Hinson, Holland, Johnson, Tart, West, Whirley, White, and Woodfin. Directors Homer, Johnson and Nelson arrived during the course of the meeting, and Directors Brown, Cannady, and Kaechele were absent. Also present were Ms. Gray, Ms. Dean, Mr. Doughtie, Ms. Simmons, Ms. Johnson and Mr. Aida of RMTA, Ms. Welliver on behalf of the City of Richmond, Mr. Antonucci and Ms. O'Meara on behalf of HNTB, and Mr. Ballou.

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

The Chairman called the meeting to order at 12:30 p.m. Inasmuch as no quorum was present, the Chairman deferred consideration of the February, 2016 minutes until later in the meeting and asked that Ms. Welliver begin the Main Street Station presentation.

Ms. Welliver, project manager for Main Street Station, began with an overview of the Main Street Station project, describing its background and anticipated future role. She pointed out that no other site has a comparable nexus of transportation infrastructure, including rail lines to various points of the compass, access to Broad Street and Main Street, the Capitol Bicycle Trail, a future link with the City's Bus Rapid Transit project, and a location in Richmond, Virginia's central business district. She recited the various rounds of funding for renovations to

Main Street Station, as well as the current status of the high-speed rail corridor through the region. She described the various uses of the train shed in recent years, and then turned to the ongoing work for renovation of the Station's train shed, describing it and the various uses for the renovated facility.

As to the RMTA's role, she noted the Authority had been managing Main Street Station since 2003, and on behalf of the City conveyed the City's thanks and appreciation to the Authority for its important role in the Main Street Station project since that date. Recent funding for Main Street Station work specified that management of the facility be competitively bid. This meant that the Authority would have the opportunity to consider whether to submit a proposal for management of the Station, including the train shed. Similarly, the term of the current management agreement expires at the end of June, 2016. Following her presentation, she briefly answered questions from the Board concerning transit connections to Richmond International Airport and the Station's previously-mentioned role as a bus transfer station, after which she departed the meeting.

A quorum having been assembled with the arrival of Messrs. Johnson and Nelson during Ms. Welliver's presentation, upon motion duly made, seconded and unanimously carried by the affirmative votes of all of the Directors noted above as then being present, the minutes of the Authority's meeting held on February 9, 2016 were approved as previously distributed.

The Chairman turned to committee reports, and Mr. Hazelett began with the report of the Regional Projects and Outreach Committee. A PowerPoint of the draft presentation to the jurisdictions had been distributed to Board members. The Committee was still working on scheduling and coordination with the jurisdictions, and Ms. Gray joined Mr. Hazelett in describing the status of discussions with each jurisdiction's senior administration officials. The

Board briefly reviewed the draft PowerPoint presentation, including comments from various Board members on the draft presentation.

Mr. Homer joined the meeting in progress.

Mr. Johnson gave the report of the Operations and Finance Committee, which had met on two occasions since the January meeting of the Board. He began with the development of a surplus property policy, briefly describing the Authority's receipt of an unsolicited proposal by a developer for the purchase of certain Authority property. Following Committee discussion, it was determined that Board members Hazelett, Homer, and Whirley would work with Staff in formulating a surplus property policy to be brought before the Board, with a timeframe of approximately 60 days. Currently, only a few Authority parcels might be considered in the surplus category. At its February meeting, the Committee reviewed the upcoming fiscal year 2017 operating budget, and at its March meeting, the Committee reviewed the upcoming fiscal year capital budget. A Committee meeting currently scheduled for April 1 would also feature review of the Authority's long range financial plan, and all Board members were invited to attend. Next, Mr. Johnson addressed a resolution regarding certain budget amendments for Fiscal Year 2016, which resolution had been set forth in the Board packet and approved by the Committee. Messrs. Johnson and Doughtie explained that two adjustments were addressed by the resolution: an increase to E-ZPass processing fees of \$100,000 and an increase to violation enforcement fees of \$200,000. Mr. Doughtie noted additional revenue to cover the costs of these adjustments, providing no net impact to the bottom line. Board approval is needed for this adjustment as the request was an increase to the total budgeted expenses, and Mr. Doughtie commented that the budget remained in balance with these adjustments. Following these remarks, the resolution entitled "*Resolution Approving Budget Adjustments for Fiscal Year*

2016' was duly moved, seconded and approved by the affirmative votes of all of the Directors noted above as then being present, in the form attached to these minutes.

Finally, Mr. Johnson noted that the RMTA was considering replacement of its toll equipment. He and Ms. Gray gave a brief overview of this process and the current status, and then asked Mr. Antonucci of HNTB to address the subject.

After noting the objectives of the presentation, including the tentative schedule and areas where Board action or involvement is required, Mr. Antonucci described the age and condition of the Authority's current toll system, which were the principal reasons for replacement. HNTB had looked at various options, in keeping with the Authority's guiding principles (reduction of operations costs, minimization of operational risks, maintenance of toll revenues, and keeping station with industry best practices and in support of staged decision-making) and the traffic and operational characteristics of the Expressway System. The desired solution was a single system with one vendor that would either incorporate or lead to future technologies for more cost effective toll collection, which system was compatible with VDOT and other potential third party toll providers and was also scalable to support long term traffic growth and interoperability. HNTB's recommended course was to maintain cash and open road tolling as toll collection options and seek to increase E-ZPass penetration so as to reduce costs. Various options for this course included a cash toll price differential and a reduction in staffed lane hours/number of lanes. He illustrated the key milestone dates for the toll system replacement, noting in connection with the timeline that approximately \$23.3 million was set forth in the approved RMTA capital plan for this purpose.

After Mr. Antonucci concluded his presentation, the Board discussed same. Mr. Johnson noted the importance of moving towards an all-electronic tolling environment in order to reduce

costs but also remarked on the importance of outreach to Expressway users and other stakeholders and a go-slow approach. Other Board members inquired as to staffing levels and transition or management plans, as to which Ms. Gray noted that specific staffing levels for the various Expressway facilities had not been determined. Further, the current plan does not in and of itself reduce staff levels, and it was her view that appropriate staffing levels would be reached through natural attrition. Mr. Homer inquired as to whether the existing system could adequately meet the Authority's needs during the timeline for replacement of the toll system. Mr. Antonucci was of the view that the current system was viable through 2019, but after such date the risk profile worsened and revenue was increasingly at risk. The primary reason for this was the increasing lack of spare parts for current equipment. Mr. Holland also pointed out the gains that might be achieved through more rigorous violations enforcement, especially at unstaffed locations. Mr. Johnson then referred to the resolution that was before the Board. Mr. Ballou and Mr. Johnson described the resolution, and upon motion duly made, seconded and unanimously carried by the affirmative votes of all of the Directors noted above as then being present, the resolution entitled "*Resolution Approving Toll System Replacement Plan,*" was approved in the form attached to these minutes.

With regard to the CEO's portion of the agenda, Ms. Gray began her remarks by referring back to Ms. Welliver's presentation. The City was behind in its schedule of developing and distributing the RFP for management of Main Street Station, and she anticipated the procurement process to last past the expiration of the Authority's current management of Main Street Station. Accordingly, she expected to bring before the Board by the June meeting a short term extension of the management agreement pending the RFP and any successor management arrangement.

Continuing, she reported that the Authority and Mr. Aida had received United Way recognition and that the Authority, for the twenty-second consecutive year, had received the Government Finance Officer Association (GFOA) award for its Comprehensive Annual Financial Report.

Mr. Ballou and Ms. Gray gave a brief update on Virginia General Assembly matters, as to Special Conservator of the Peace and toll bills.

Due to the length of the meeting, Ms. Simmons and Mr. Doughtie referred to their respective written Expressway Operations and Expressway Finance reports as contained in the Board packet – there were no questions of either.

There was no new business.

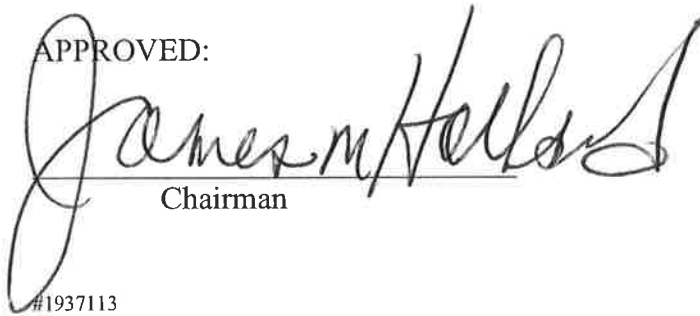
The Chairman entertained a motion for the Board to convene in executive session, as permitted by Va. Code § 2.2-3711.A(7) of the Virginia Freedom of Information Act, for consultation with legal counsel (1) pertaining to matters of actual or probable litigation, where such consultation in open meeting would adversely affect the negotiating or litigating posture of the Authority, and (2) specific legal matters requiring the provision of legal advice by such counsel, relating to the conversion of open road tolling on the Powhite Parkway and the Authority's contract for same with The Revenue Markets, Inc. (TRMI). The Board approved the foregoing motion by the unanimous vote of all the Directors noted above as being present and convened in Executive Session for such purposes.

The Board reconvened in Open Session and considered a motion pursuant to Virginia Code Section 2.2 3712(D) that, to the best of each Director's knowledge, (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 Authority and that a statement to such effect would appear in the minutes of the meeting. Such motion was duly made, seconded and approved in a roll call vote by all Directors noted above as still being present.

There being no further business to come before the meeting, the same, upon motion duly made, seconded and unanimously carried, was adjourned at 2:30 p.m.

APPROVED:



James M. Helms

Chairman

#1937113



Secretary

RICHMOND METROPOLITAN TRANSPORTATION AUTHORITY

**RESOLUTION APPROVING BUDGET
ADJUSTMENTS FOR FISCAL YEAR 2016**

March 8, 2016

WHEREAS, the Richmond Metropolitan Transportation Authority (the "Authority") desires to adjust its adopted budget for fiscal year 2016;

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 \$100,000 for the Expressway fund to provide for increased electronic tolling collection (ETC) services cost related to fiscal year 2016 traffic growth in excess of budgeted expectations. Increased toll revenue resulting from transaction growth provides for no net impact to the fiscal year budget.
- Increase budget authorization of approximately \$200,000 for the Expressway fund to provide for increased electronic tolling collection (ETC) violation enforcement services cost related to fiscal year 2016 traffic growth in excess of budgeted expectations. Revenue growth from violation enforcement services provides for no net impact to the fiscal year budget.

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

1. The foregoing budget adjustments are approved and adopted
2. Staff shall include such adjustments in the Authority's' fiscal year 2016 adjusted budget.
3. This resolution shall take effect immediately.

RICHMOND METROPOLITAN TRANSPORTATION AUTHORITY

**RESOLUTION APPROVING
TOLL SYSTEM REPLACEMENT PLAN**

(March 8, 2016)

WHEREAS, the Richmond Metropolitan Transportation Authority (the “Authority”) has received from its toll system consultant a briefing on a toll system replacement plan for the Authority’s Expressway System and desires to approve and accept same;

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

1. The Toll System Replacement Plan is approved and accepted. Staff is authorized to move forward with initial steps for its implementation, including preparation of one or more solicitations, and shall keep the Board advised on a regular basis; provided however, that the Authority will not distribute any solicitation for construction and equipping of the Toll System until further Board authorization of same.
2. This resolution shall take effect immediately.