

**MINUTES OF THE MEETING AND BOARD RETREAT
OF THE BOARD OF DIRECTORS OF THE
RICHMOND METROPOLITAN TRANSPORTATION AUTHORITY
HELD NOVEMBER 30, 2021**

A meeting and Board Retreat of the Board of Directors of the Richmond Metropolitan Transportation Authority (“RMTA”) was held on the 30th day of November 2021, via electronic communication through the Zoom video conferencing platform as described below and pursuant to due notice.

The following Directors were present and acting throughout the meeting: Chairwoman West and Directors Brown, Dabney, DuFrane (entered at 12:07 pm and exited at 2:00 pm), Elswick, Fountain, Hardiman (entered at 12:25 pm), Hawthorne, Hinson, Johnson (entered at 12:07 pm), Nelson (entered at 12:15 pm and exited at 2:10 pm), Ramsey (entered at 12:27 pm), Tart, Whirley (entered at 12:40 pm), and Williams (entered at 1:28 pm and exited at 2:10 pm).

Authority staff present were Ms. Dean, Ms. Johnson, Mr. Madison, Ms. Mehta, Ms. Simmons, and Ms. Watson. Also present were Daniel Papiernik and Kevin Hoeflich of HNTB and Belinda Jones of Christian & Barton. From the public, the following were present: H. Cordeiro, Andreia Afonso Polina Gankina, Jose Pinheiro, Douglas Chastain, and Christopher Melton of A-to-Be and Kinjal Mushi and Gerald Jameison of Parsons (all members of the public exited by 1:15 pm).

Chairwoman West presided over the meeting, with Ms. Mehta acting as Secretary. There was a quorum present throughout the meeting.

Chairwoman West called the meeting to order at 12:05 p.m.

Ms. Mehta conducted a roll call of all participants on the electronic call.

Upon motion duly made, seconded and unanimously carried by the affirmative votes of all of the Board members present and pursuant to Virginia Code Section 2.2-3707 and 3708.2.A.3 of the Freedom of Information Act (“FOIA”); Article 3, Section 6 of the RMTA Bylaws; and Richmond, Virginia Ordinance 2021-181, the meeting was held electronically (via audio and/or video conference through Zoom, a remote conferencing service) and recorded in its entirety and maintained and the recording and minutes are to be made available to the public in accordance with FOIA rules and by the same method used to provide notice of the meeting. It was held electronically in accordance with Virginia Code Section 54.1-2345 and 44-146.17, and because of the coronavirus/COVID-19 disease pandemic which rendered meeting in person impracticable and unsafe to assemble a quorum in a single location. Members affirmed that the purpose of the remote meeting was to discuss or transact the business statutorily required or necessary to continue operations of the public body and the discharge of its lawful purposes, duties, and responsibilities during this time. As noted above, the electronic meeting was held through Zoom and public notice was given using the same methods as has been customary for other RMTA public body meetings. Moreover, the public notice was provided contemporaneously with the notice sent to members of the Authority and arrangements were made for public access to the meeting through the video conferencing platform Zoom. Additionally, members asserted that this meeting otherwise complied with FOIA rules.

Ms. Mehta conducted a roll call of each board member’s vote. All board members present for the motion voted to approve the motion.

Next, Chairwoman West turned to the agenda item of the previous board minutes. Upon motion duly made, seconded and unanimously carried by the affirmative votes of all of the Board

members present, the Board minutes of the Authority's meeting held on October 12, 2021 was approved, as previously distributed.

Ms. Mehta conducted a roll call to determine each member's agreement with the motion. All Board members present affirmatively agreed with the motion.

Next, Chairwoman West moved to the Report of the Operations and Finance Committee. Committee Chairman Hawthorne noted that there was an Operations and Finance Committee meeting on November 29, 2021. In that meeting, RMTA staff explained the ETC-2021 procurement and selection process. In that meeting, staff recommended that A-to-Be be selected for the ORT upgrade. Committee Chairman Hawthorne stated that, after staff's presentation to the Committee, the Operations and Finance Committee concurred with staff's recommendation that A-to-Be be selected as the vendor for the ETC-2021 project. Committee Chairman Hawthorne turned to Ms. Simmons for more details about the procurement and selection process.

Ms. Simmons began by listing the evaluation committee members. The voting members were Theresa Simmons (Director of Operations); Jim Madison (Director of Finance); Leslie Mehta (Chief of Staff and Counsel to the CEO); Tom Barnes (Toll System Maintenance Administrator); and Kevin Burke (IT System Administrator). Paula Watson (Internal Auditor/Procurement Manager) was a non-voting member of the committee.

Ms. Simmons explained that the ETC-2021 RFP was advertised on August 30, 2021. The mandatory pre-proposal meeting and site visit occurred on September 20, 2021 and was attended by ten vendors. Proposals were due by October 25, 2021. The Authority received seven proposals. Six of the seven proposals were deemed responsive: A-to-Be; Conduent; Electronic Transactions

Consultants, Inc. (“ETC”); Kapsch; Parsons – Neology Joint Venture (“Parsons”); and The Revenue Markets, Inc. (“TRMI”).

Next, Ms. Simmons reviewed the Best Value Process: First, all responsive Technical Proposals were reviewed and evaluated by the evaluation committee, outside consultant Fagan Consulting independently verified project references supplied by vendors, and the committee conducted consensus scoring (technical proposals and vendor references). Next, vendors with 600 points or more from the first step above were invited to participate in virtual interviews. Those vendors were A-to-Be, ETC, and Parsons. The Committee’s Best Value vendor ranking was based on the vendors’ Technical Proposal; References; and Interview. Lastly, the Committee opened and reviewed the Price Proposals from the vendors that participated in virtual interviews and the committee calculated the vendors’ total points score. Ms. Simmons noted that the Best Value Process ranking factors were technical proposals; proposed modifications to RFP requirements; vendor references; proposed contract exceptions; project assumptions; ability to meet expedited schedule; experience with VDOT CSC interfaces; responses and clarifications offered during interviews; and technical experts’ evaluation and process opinions. She emphasized that pricing was not a factor in the evaluation committee’s vendor ranking.

Based on the factors enumerated above, the RMTA evaluation committee’s recommended vendor ranking is as follows: (1) A-to-Be; (2) ETC; and (3) Parsons.

Next, Ms. Simmons explained that there would need to be a discussion with the Board, staff, and consultants concerning confidential information from vendor proposals. At that time and at the request of Chairwoman West, the Board considered a motion to convene in executive session pursuant to Virginia Code §2.2-3711.A(8) and (A)(29) of the Virginia Freedom of Information

Act as it relates to legal and contract matters. Such motion was duly moved, seconded and approved by all Board members noted above as being present.

Ms. Mehta conducted a roll call to determine each member's agreement with the motion. All Board members present affirmatively agreed with the motion.

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 Board member 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 Board members present.

Ms. Mehta conducted a roll call to determine each member's agreement with the motion. All Board members present affirmatively agreed with the motion.

Board Secretary Leslie Mehta read into the record the Resolution Awarding Contract for Electronic Toll Collection 2021. Directors engaged in a discussion about the last sentence of the first paragraph of the Resolution concerning contract negotiations with the selected vendor: "If contract finalization with Selected Contractor is unsuccessful within ten business days of the beginning of those discussions, contract negotiations shall proceed with the next highest ranking offeror." The Directors agreed to modify the sentence as follows: "If contract finalization with Selected Contractor is unsuccessful within ten business days of the beginning of those discussions, RMTA may proceed with contract negotiations with the next highest ranking offeror."

Upon motion duly made (the motion being the approved Resolution from the Operations and Finance Committee) and unanimously carried by the affirmative votes of all of the Board members present, the Resolution Awarding Contract for Electronic Toll Collection 2021 (as modified above) was approved. The Resolution awards the Contract to A-to-Be (the “Selected Contractor”). Further, it grants the CEO of the Authority authorization to proceed to contract negotiations and finalization with Selected Contractor based upon the terms and conditions set forth in the RFP and as described in the Resolution for the toll equipment installation for the electronic toll collection on the Authority’s Expressway System.

Next, Ms. Dean provided her CEO comments. She thanked the ETC-2021 Evaluation Committee for their hard work in evaluating the vendor proposals and making a recommendation.

Next, Ms. Simmons provided the Operations Report, referring Board Members to the written report in the agenda packet. She highlighted that permanent repairs were made to asphalt at the Boulevard Bridge where there had been a waterline break. She reported that the area looks good now.

Next, Mr. Madison then provided the Traffic and Revenue Report as included in the agenda packet. Regarding traffic highlights, he noted that October 2021 had one less commuting day as compared to the prior year. Monthly gross traffic increased by an estimated 757,000 vehicles or 18.5% when compared to the prior year. Year to date traffic for fiscal year 2022 is approximately 19.4% above the prior year.

Fiscal year 2022 toll revenue of \$11.4 million is approximately 10.9% over the budget estimate through October 2021. Fiscal year to date expenses of \$3.8 million are 16.5% under

budget expectations. Fiscal year 2022 revenue and expense amounts are projected to demonstrate compliance with required debt coverage ratios.

As for new business, Chairwoman West noted that the next Board Meeting is January 11, 2022.

Having no further business, the board meeting was adjourned at 1:15 p.m. and was immediately followed by the Board Retreat.

BOARD RETREAT

Chairwoman West turned to Mr. Hoeflich of HNTB to discuss trends in tolling. That discussion included traffic pattern changes since the beginning of the COVID-19 pandemic. Prior to the pandemic, there were defined morning and afternoon peaks. Due to flexibility in work schedules, peak times vary. As a result of the pandemic, some agencies quickly turned to AET. Because interest rates are historically low, some agencies have restructured debt. There have been some toll increases during COVID-19, including some that had already been planned.

Next, Ms. Dean provided an overview of RMTA's COVID-19 response and a presentation overview of the traffic impact of the pandemic. Next, Ms. Dean discussed tolling agency rate structure policies. She noted that there are several different rate-setting policies amongst tolling agencies, including annual CPI adjustments (some with a minimum "floor"); based upon a financing agreement; based upon a bond indenture; support of a capital initiative; or evaluation of margin based upon budgeted O&M expenses or debt. She explained that establishing a Board policy regarding the consistent adjustment of the rate structure will provide added predictability in financial management; ensure increasing costs for capital improvements and maintenance are fully funded; increase reserves ensuring long-term financial health; and improve financial metrics and

potentially improve the credit rating. Ms. Dean then provided policy examples and recent and planned rate adjustments of other tolling authorities.

Next, Mr. Madison outlined RMTA financial forecasts for 2022-30:

- Under the current rate structure, the RMTA will be unable to fund (cash flow) the annual capital plan from FY 2023 forward.
- This condition exists even with the \$4M debt service reduction in 2024.
- This would necessitate the utilization of reserves, expending all unrestricted reserves (\$22M) by 2027.
- Implementing a cash differential as previously discussed will still result in a shortfall by 2027.
- Forecasts show that both cash and electronic rates need to be adjusted.

Ms. Simmons then discussed RMTA Capital Improvement Plans and Adjustments. She noted that there has been a reduction in maintenance and repair by 60-65% because of the financial impact.

Mr. Madison also noted that, based upon inflation, the current toll rate on the Powhite and the Downtown Expressway would be \$1.05 and the Boulevard Bridge would be \$0.72. Mr. Madison also provided projections to 2030 should the rate remain unchanged; with a toll rate differential (toll increase to \$1.00 for cash and remaining the same at \$0.70 for E-ZPass); and toll rate adjustment to \$1.00 for Cash and E-ZPass and \$0.50 for Ramps.

Board members then discussed financial and other impacts should there be a toll increase. Ms. Dean noted that this discussion was for informational purposes and that there could be further discussion in 2022.

Having no further business, the Board Retreat meeting was adjourned at 2:35 pm.


Secretary

APPROVED:


Chairwoman