

**RICHMOND METROPOLITAN TRANSPORTATION AUTHORITY
MINUTES OF THE OPERATIONS AND
FINANCE COMMITTEE MEETING
HELD MARCH 22, 2023**

A Committee Meeting of the Operations and Finance Committee of the Board of Directors of the Richmond Metropolitan Transportation Authority (“RMTA”) was held on the 22nd day of March 2023 at the RMTA Main Office, 901 East Byrd Street, Suite 1120, Richmond, VA, pursuant to due notice and via electronic communication as noted below.

The following Operations and Finance Committee members were present in person and acting throughout the committee meeting, except as noted: Aubrey Fountain, Barrett Hardiman, Steven Mulroy, Steve Story, and Donald Williams. Board Chairman Tart was also present and acted as Chair of the Committee meeting in Committee Chairman Hawthorne’s absence. Committee members Clarke, Dabney, and Millikan were absent.

Also in attendance were RMTA staff members Kevin Burke, Joi Dean, Sheryl Johnson, Leslie Mehta (via Zoom), Marquita Murphy, Steven Owen, Theresa Simmons, and Paula Watson. Belinda Jones of Christian and Barton and James Sanderson and Ty Wellford of Davenport were present in person as well. Additionally, the following participated throughout the meeting electronically: HNTB consultants Cherie Gibson and Dan Papiernik; Atkins consultants Chris Bausher, Ram Jagannathan, and Rosa Rountree; and Stantec consultant Phil Eshelman.

There was a quorum throughout the meeting.

In Committee Chairman Hawthorne’s absence, Board Chairman Tart acted as Chair and called the meeting to order at 10:05 a.m.

Board Chairman Tart first turned to Ms. Dean for her CEO comments. Ms. Dean introduced James Sanderson and Ty Wellford of Davenport and Phil Eshelman of Stantec.

James Sanderson of Davenport began the long-term financial plan/toll adjustment discussion. He summarized RMTA’s outstanding bonds as of June 30, 2022 which totals \$128,370,000. He also reminded the Committee that the Authority has an A1 credit rating. He explained that RMTA’s operating revenues are at the low end of its peer group as measured by annual revenues (RMTA for FY19 \$42.9 million; FY20 \$37.1M; FY21 Est. \$29.6M; and FY22 Est. \$33.5M). Mr. Sanderson also reminded the Committee that, in addition to RMTA’s bond documents and the Virginia Code, the Authority has adopted policies to guide financial decisions and maintain a strong financial position. He also reviewed the financial outlook under several scenarios including if there is no toll adjustment as well as multiple adjustment scenarios including toll differentials.

Next, Mr. Eshelman continued the toll adjustment discussion. He explained that the toll revenue FY23 is \$35.0 million with a budget of \$36.4 million. Traffic for FY23 current is 56.3 million but budgeted for 57.5 million. For FY24, the toll revenue budget is \$43.4 million with a current forecast of \$35.0 million whereas regarding traffic the FY24 budget is 56.1 million with a current forecast of 56.3 million.

Mr. Owen also emphasized the need for a toll adjustment by FY24 based on the budget and the fact that traffic has not returned to FY 2019 levels.

After Committee discussion about paths to move forward for the Authority, Board Chair Tart entertained a motion for a one-time increase from \$0.70 (for both EZPass and cash) to a differential of \$0.90 for EZPass and \$1.00 for cash customers. Ms. Mehta conducted a roll call vote at the request of Director Williams. The motion was carried with the following votes: Fountain (yes); Hardiman (yes); Story (yes); Mulroy (no); Tart (yes); and Williams (no).

Next, Ms. Simmons turned to the FY24 draft Capital budget overview. She emphasized the need to continue to be proactive with regard to maintaining RMTA assets. She also reviewed the

Authority's asset condition ratings based on the FY 2023 inspections. Ms. Simmons also summarized the 2014 – 2023 overall bridge condition ratings, the average pavement condition rating scores, and the capital improvement plan for FY23 – FY 29. She also provided a breakdown of the FY24 capital plan budget which totals \$19,466,772 as well as the FY24 capital plan budget adjustments and the revised long-term capital plan for FY30 – FY 41.

Having no further business, Board Chairman Tart adjourned the meeting at 11:46 a.m.