

**MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS OF THE
RICHMOND METROPOLITAN TRANSPORTATION AUTHORITY
HELD FEBRUARY 13, 2024**

A meeting of the Board of Directors was held on the 13th of February 2024, 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 Directors were present and acting throughout the meeting in person unless otherwise noted: Chairman Tart and Directors Clarke, Dabney (entered at 12:12), Davis, duFrane, Fountain, Hardiman, Hawthorne, Millikan, Mulroy, Nelson (entered 12:24), Story, West (via electronic communication) and Williams. The following Board members were absent: Lynch and Ramsey.

Authority staff present were Ms. Dean, Ms. M. Johnson, Ms. S. Johnson, Ms. Moss, Ms. Murphy, Mr. Owen, Ms. Simmons, Ms. Watson, and Ms. White. Also present were Belinda Jones of Christian and Barton; Cherie Gibson and Dan Papiernik (via electronic communication) of HNTB; Robert LaGatta, and Rosa Rountree (via electronic communication) of Atkins Realis; Heidi Abbott of Hunton Andrews Kurth; and Phil Eshelman of Stantec (via electronic communication).

Chairman Tart presided over the meeting with Ms. Jones acting as Secretary. There was a quorum throughout the meeting.

Chairman Tart called the meeting to order at 12:02 p.m.

Chairman Tart 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 and annual retreat held on November 29, 2023, were approved, as previously distributed.

After the motion, Chairman Tart turned to Ms. Dean to formally recognize Whalen Bates, III, for his 43 years of excellent service to RMTA. Ms. Dean read aloud a resolution and the Board recorded in its minutes its recognition, gratitude, and applause for Mr. Bates for his dedication and outstanding contributions to RMTA. The Board provided Mr. Bates a standing ovation and a copy of the resolution and thanked him for his service and thanked his family for their attendance.

Chairman Tart next asked Director Williams to report on the Compensation and Benefits Committee. Director Williams reported that the Compensation and Benefits Committee met earlier that morning on February 13, 2024, and heard a presentation from Mary Jones with OneDigital with a preview of RMTA's health benefits program and potential future impacts due to employment trends at RMTA. Director Williams further reported that the Committee would meet again in March once the proposal was complete and report recommendations to Board at that time.

Chairman Tart then turned to Director Hawthorne to provide a report from the Operations and Finance Committee. Director Hawthorne reported that the Operations and Finance Committee met earlier that morning on February 13, 2024, directly before the Board Meeting. Director Hawthorne reported that the Committee discussed the cost of toll enforcement beyond that budgeted. As a result of the increased cost, Director Hawthorne reported on the budget shortfall and other items of the budget adjustment as itemized therein: an additional \$1.5 million for toll violation enforcement; an additional \$50,000 for audit and accounting services as a result of RMTA's efforts to complete the 2024 audit; an additional \$10,000 in training costs for new accounting system implementation; an additional \$20,000 in grounds and maintenance contractual

services; an additional \$15,000 for computer services agreements as it relates to the camera project; and an additional \$10,000 for website development, for a total of \$1,605,000. Director Hawthorne opened the floor to questions. The Board engaged in discussions that the cost of toll enforcement exceeded the toll revenue collected. Director duFrane questioned whether the toll enforcement expense was an industry issue to which Ms. Dean replied that the concern is industry wide. Ms. Dean used as an example that IBTTA created a Revenue Assurance Taskforce to investigate further the costs of toll enforcement. Ms. Dean reported that RMTA continued to explore options to mitigate loss and reach innovative solutions. Director Hawthorne then reported that the Operations and Finance Committee recommended that the Board pass the resolution included in the Board packet. The resolution expressly included clarifying language that the operating budget adjustment would be offset by increased projected revenue and would not require the use of any reserve funds.

Upon motion duly made and carried by a majority of the affirmative votes of the Directors present, the resolution concerning budget adjustments was approved. Ms. Jones conducted a roll call vote. The motion was carried with the following votes: Chairman Tart (yes); Directors Clarke (yes), Dabney (yes); Davis (yes); duFrane (yes); Fountain (yes); Hardiman (yes); Hawthorne (yes); Millikan (yes); Mulroy (yes); Nelson (yes); Story (yes); Williams (yes). Ms. West noted her agreement electronically.

Chairman Tart then turned to Ms. Dean for her CEO comments. First, Ms. Dean and Ms. Abbott updated the Board on the General Assembly session. Ms. Dean reported that the primary focus related to tolling this session was toll relief. The bill as introduced would have allowed for a maximum of \$200.00 in tolls per month. Other legislation concerned free passage for certain individuals like veterans, teachers and law enforcement. Ms. Abbott reported that the focus on toll relief is not likely to end and the aforementioned bills were carried over because of extensive

financial impacts. To that end, Ms. Dean reported that she offered to be a resource to members of the General Assembly and others involved as toll relief remained a topic of interest. Ms. Dean discussed her role and the role of RTMA executive staff in IBTTA, which lends itself to information that could be of interest to the General Assembly.

Ms. Dean then reported on updates concerning CVTA. Specifically, as to regional funding, Ms. Dean reported CVTA was in round three of regional funding. Director Clarke reported that more than \$600 million in requests were made by participating regions. Examples include the Powhite extension, improvements in the Short Pump area, north/south DRT, Downtown transit hub, Pulse east/west extension, and projects along Routes 5 and 60. Director Clarke stated the projects are diverse and the CVTA is moving projects that would not otherwise be funded. Ms. Clarke noted that Director Nelson also serves on the CVTA.

Ms. Dean then reported that the Transportation Forum would be held on March 15, 2024, at Main Street Station.

Ms. Dean reported on staff updates, including Ms. Moss's success in passing the SHRM certification exam, and the introduction of Ms. White as the Strategic Communications Manager. The Board enthusiastically congratulated Ms. Moss and welcomed Ms. White. Lastly, Ms. Dean reported that executive staff conducted a town hall for all employees concerning AET transition and intend to continue those conversations as progress continues.

Chairman Tart then turned to Ms. Simmons for her Operations Report. Ms. Simmons referred Board Members to the written report in the agenda packet. She noted that protective coatings work continues on the Seventh Street Bridge but has temporarily ceased due to investigation by the City of Richmond as to a potential gas leak. Also, Ms. Simmons reported two

lanes of the Downtown Expressway would be closed for repair of in-pavement sensors, but would be completed in off-hours to prevent any disruption and one of the three lanes would be open.

Next, Mr. Owen provided his traffic and revenue report – referring Board Members to the written report in the agenda packet. Regarding traffic highlights, year-to-date FY2024 traffic volumes system wide are 8.3% over the previous fiscal year YTD totals at the end of December. Year-to-date revenue is 51.7% of the annual projected budget at the end of December. Fiscal year 2024 toll revenue of \$22.4 million is just over 8.1% of the projected year-to-date toll revenue. Fiscal year-to-date expenses are slightly over budget expectations. Fiscal year 2024 revenue and expense amounts demonstrate compliance with debt coverage ratios. Cumulative YTD, through December, E-ZPass usage decreased from 77% in FY2023 to 76.4% in FY2024. Upon further discussion, Mr. Owen reported that as toll violation numbers are discovered, E-ZPass usage as recorded is diluted. Mr. Owen reported the usage is essentially even.

Mr. Eshelman then reported the traffic and revenue update. He provided an overview of the January 2024 Transaction and Revenue Forecast Performance. Fiscal year to date revenue is approximately 8% above forecast through January 2024. Estimated toll increase impact of traffic demand is approximately a 4.5% decrease in traffic. Mr. Eshelman reported that E-ZPass usage is stable. In terms of transactions for January 2024: Powhite Parkway 8.6% growth, Downtown Expressway 3.6%, Boulevard Bridge decreased by 14.6% and RMTA system is 9.2% over forecast for January. In terms of estimated toll revenue from January 2023 to January 2024: Powhite Parkway 16.4% increase, Downtown Expressway 5.9%, Boulevard Bridge -18% and RMTA System 11.8% and 8% year to date. Mr. Eshelman noted that the Boulevard Bridge was closed from January 15, 2024 through January 18, 2024 due to ice. Mr. Eshelman further reported that there is year-over-year growth in traffic despite the toll increase and continued recovery from

pandemic return to work, although traffic remains below FY19 levels. Revenue is well above FY19 as a function of the toll increase. In sum, RMTA is meeting forecasts well and growth occurred in 2023-2024, despite the toll increase.

Chairman Tart announced the next Compensation and Benefits Committee and Board Meeting to be held on March 12, 2024 and budget workshops on April 11 and May 2, 2024. Director Williams commented that in conjunction with the Compensation and Benefits Committee, as it relates to health benefits, due to market forces, an increase to health benefits premiums is expected and Board members are welcome to attend the March meeting.

Having no further business, the board meeting was adjourned at 12:52 p.m.



Secretary

APPROVED:



Chairman