

**MINUTES OF THE MEETING  
OF THE BOARD OF DIRECTORS OF THE  
RICHMOND METROPOLITAN TRANSPORTATION AUTHORITY  
HELD MAY 13, 2025**

A meeting of the Board of Directors was held on the 13th day of May 2025, at the RMTA Main Office, 901 East Byrd St., Ste. 1120, Richmond, Virginia, pursuant to due notice and electronic communication (via Zoom) as noted below.

The following Directors were present and acting throughout the meeting in person unless otherwise noted: Chairman Lynch, Vice-Chairman Dabney, and Directors Clarke, Davis, duFrane, Fountain, Hardiman, Hawthorne, Millikan (arrived 12:09 p.m.), Mulroy, Nelson (arrived 12:22 p.m.), Story, West, and Williams. Board members absent: Schneider and Tart.

Authority staff present were Ms. Dean, Ms. M. Johnson, Ms. S. Johnson, Mr. Khan, Ms. Marshall, Ms. Moss, Ms. Murphy (via Zoom), Mr. Owen, Ms. Watson, and Ms. White. Also present was Board Secretary, Belinda Jones of Christian & Barton; Jimmy Sanderson and Ty Welford of Davenport; Heidi Abbott of Hunton Andrews Kurth; Phil Eshelman of Stantec (via Zoom); Dan Papiernik, Brad Stimpson, and Cherie Gibson (arrived 12:08) of HNTB; Rosa Rountree (via Zoom) and Danny Baiden of Atkins Realis; and Dee Baker-Amos of DBA & Associates, LLC.

Chairman Lynch presided over the meeting. There was a quorum present throughout the meeting. Chairman Lynch called the meeting to order at 12:01 p.m. The Board Secretary conducted a roll call.

Chairman Lynch turned to the agenda item of the previous Board minutes. Upon motion duly made, seconded, and unanimously carried by the affirmative votes of all Directors present,

the Board minutes of the Authority's meeting held on March 11, 2025, were approved, as previously distributed.

Chairman Lynch called on Ms. Dean to introduce new staff members. Ms. Dean first introduced new executive staff members: Ms. Shannon Marshall, serving as Chief of Staff; and Mr. Fahad Khan, serving as Chief Engineer/Director of Operations. Ms. Marshall introduced herself and relayed her recent experience. Mr. Khan also introduced himself and relayed his recent experience.

Chairman Lynch then called on Director Williams to report on behalf of the Compensation and Benefits Committee. Director Williams reported that the Committee is prepared to present the annual Resolution that authorizes salary increases for FY26. A copy of the Resolution was distributed to all meeting attendees. Director Williams reported that the Committee held numerous meetings and the Executive Staff worked countless hours to develop the compensation study. Director Williams noted that Executive Staff surveyed the local jurisdictions, analyzed private and public sector pay plans, and reviewed historical information to develop the recommendation. The Committee recommends that all employees receive a 3.5% salary increase, beginning July 1, 2025, for all employees employed as of April 1, 2025. The Committee further recommends a 0.5% merit increase to those who qualify based on their FY25 evaluations. Upon motion and recommendation of the Committee, unanimously carried by the affirmative roll call votes of all Directors present, the Resolution was approved. Director Williams also noted that there is more work to be done in the realm of compensation and benefits. Director Williams again commended the Committee and the Executive staff for their hard work.

Chairman Lynch then called on Director Hawthorne to report on behalf of the Operations and Finance Committee. Director Hawthorne previewed the FY26 Operating Budget with the Board. Director Hawthorne highlighted that FY26 is the first year that includes the conversion to AET and the pay-by-plate process, which is expected to begin in December 2025. Accordingly, the FY26 Budget reflects capital costs, staffing adjustments, and anticipated operating costs of the conversion. In reviewing the Proposed FY26 Budget, Director Hawthorne confirmed that all Board policies and requirements are satisfied, and that anticipated revenue covers the anticipated expenditures. Director Hawthorne expressed his appreciation of the involvement of the members of the Committee and Executive Staff.

Director Hawthorne then called on Mr. Owen for a presentation of the FY26 Draft Operating Budget. Comparing the FY25 Budget to the FY26 Budget: total revenue increases from \$52.1 million to \$52.4 million (0.6%); operating expenses increase from \$19.4 million to \$20.8 million (7.2%), as a result of toll collection costs and assumptions that all open personnel positions are filled; net revenue decreases from \$32.7 million to \$31.6 million (-3.3%); debt service remains at \$9.8 million; funds available for capital decrease by 4.6%; and capital expenditures represent a 21.8% change, including expenditures for the camera system for the Downtown Expressway. This results in a 3.24 debt service coverage ratio, again well above bond indentures and Authority policies. Mr. Owen also discussed the 6-year capital budget (2025-2031). There were no questions on the Draft Operating Budget or Capital Budget.

Mr. Owen then called on Mr. Eshelman for an update on traffic and revenue including RMTA FY25 Transaction and Revenue Forecast Performance and FY26 Budget Forecast & Long Term Forecast. Mr. Eshelman first discussed the previous FY25 presentation from the March 2025 Board Meeting and noted that RMTA was about 1.0% below the forecast through

February 2025. Mr. Eshelman reminded the Board that he explained at the March meeting that he expected revenue to bounce back in March and April. Mr. Eshelman then noted the stronger growth in March and April (2% and 4% respectfully) which beat the forecast by between 2 and 5%. Mr. Eshelman also commented that the current FY25 to-date is just at budget, and even slightly below (0.1%), and that they expect the next couple of months to continue the growth trend.

Mr. Eshelman then discussed the many assumptions for the FY26 Budget including on the demand side (e.g., continued slow return to work) and the supply side (e.g., continued maintenance of roadways and modernization of toll collection systems). He also explained that the forecast considers the expected lag in revenue as a result of the pay-by-plate conversion. Mr. Eshelman then provided the FY26 Traffic and Revenue Budget Forecast and pointed out that fee revenue will now be an additional forecast column starting in March 2026 due to the AET conversion. He also noted that there continues to be strong demographic growth in the region which is factored into the projections. Mr. Eshelman moved on to a historical recession analysis in which he noted the dip in 2020 for COVID but explained that the 2008 Great Recession is more indicative for what a major recession could look like for RMTA. The recovery for RMTA after the Great Recession took 7 years.

Mr. Eshelman then confirmed that Stantec certifies that FY26's revenue after operation and maintenance expenses will cover debt service and necessary capital programs to maintain roadway and toll systems under adopted toll policies. Mr. Eshelman then presented on the long-term forecast for RMTA, including a recession forecast based on a potential recession. Director Mulroy questioned the DSCR in the recession stress-test to which Mr. Eshelman confirmed that the debt coverage would be met for RMTA even assuming Great Recession level dips in revenue.

Mr. Sanderson and Mr. Welford from Davenport then presented on the long-term financial plan. Mr. Sanderson first reminded the Board of the guiding principles, including Debt Management Financial Policy, Expressway System Condition, and the Reserve Fund Financial Policy. Mr. Sanderson highlighted RMTA's goal to maintain an excess balances fund of one to two years of the annual operating budget.

Mr. Sanderson explained that the long-term financial plan is used to confirm that RMTA meets its debt service coverage ratio requirements, especially taking into account any decline in traffic and the need to fund future capital needs. Mr. Sanderson reviewed Key Financial Indicators and noted that RMTA's debt coverage and cash-on-hand numbers are excellent. Mr. Sanderson reviewed base case financial forecast in addition to a stress scenario in an economic recession.

Mr. Owen commented that Moody's just came out with a credit opinion on May 9 and affirmed RMTA's A1 rating. The Board discussed whether to distribute a press release, but Moody's itself releases such a statement and Mr. Owen agreed to share the link.

Director Hawthorne then presented the Resolution for consideration from the Operations and Finance Committee to approve the FY26 Budget. Upon motion and recommendation of the Committee, unanimously carried by the affirmative roll call votes of all Directors present, the Resolution was approved. Chairman Lynch thanked the Committee and Executive Staff.

Chairman Lynch then called on Ms. Baker-Amos for the Strategic Plan Presentation. Ms. Baker-Amos began by announcing that the Draft 2025-2027 Strategic Plan is complete. Ms. Baker-Amos then reminded the Board of the great discussions regarding successful outcomes at the Board retreat, including pandemic response, operational excellence, financial stewardship,

and employee engagement. She also noted opportunities that the Board identified, including, automated dashboards, strengthening of safety culture, acceleration of response time and solution delivery, addressing long-term infrastructure investment needs, and the pursuit of diverse funding opportunities. In setting the stage of the landscape for the Strategic Plan, Ms. Baker-Amos noted the critical factors affecting the Board's short-term strategy, including, advancements in technology such as AI and automated vehicles, customer and stakeholder expectations, evolving funding environment, and organizational agility and talent development. Ms. Baker-Amos also discussed the critical factors affecting the Board's long-term strategy, including infrastructure lifecycle, regional growth and transportation demands, regulatory and policy landscape, and reversion of the expressway system to the City of Richmond in 2041.

Ms. Baker-Amos announced that the theme for the 2025-2027 Strategic Plan is "Moving Forward Through Modernization." She also announced a proposed RMTA mission statement: "Lead with innovative solutions to deliver reliable, efficient, and safe transportation, ensuring seamless connectivity in the greater Richmond region." The Board discussed the graphic accompanying the mission statement. Ms. Baker-Amos then discussed the idea of creating an RMTA coin, similar to those used in the military, to present to employees or others in the community on behalf of RMTA for the meeting of the RMTA values. The Board discussed whether it is excluding any other public service opportunities with this mission statement and graphic. Ms. Baker-Amos explained that she believes the "regional leadership and collaboration" part of the graphic provides the flexibility beyond the traditional transportation piece. The Board also discussed the "T" in RMTA and its broad interpretation. Director West communicated her agreement with the mission statement and noted that if RMTA looks at diversifying revenue

streams, they could use those for the “other,” not necessarily clearly related to transportation projects.

The Board discussed the refreshed RMTA Strategic Priorities and the key initiatives under each. Ms. Baker-Amos noted the critical nature of the value of transparency and trust, as it pertains to employees and the community, particularly given RMTA’s upcoming changes as a result of the modernization of the system to AET. Ms. Baker-Amos informed the Board that new RMTA branding is being proposed to accompany the new mission statement. Ms. Baker-Amos stated that the Board will receive copies of the slides used during her presentation as well as an electronic version of the Strategic Plan. Ms. Baker-Amos complimented the leadership at RMTA and expressed her enjoyment in working with the Board.

Chairman Lynch thanked Ms. Baker-Amos on behalf of the Board for listening to their ideas and then called on Ms. Dean for her CEO comments. Ms. Dean thanked the Board for its intentionality on the budget and the Executive Staff for its hard work. Ms. Dean then provided an update on the AET system, including the award of the ITS/Civil contract and that three proposals in response to the toll collection RFP have been received and are being reviewed.

Ms. Dean then asked Ms. White to present the new Communications Plan. Ms. White explained that the purpose of modernization is to enhance the commuter experience, improve safety and traffic flow, and minimize environmental impact. Ms. White described the key audiences for the communication framework regarding the AET system: employees, the Board and regional leaders, the public, and regional and industry stakeholders. Ms. White then explained the importance of the key “project” messages as well as the key AET “activation” messages with a particular emphasis on the activation message that “full service and coin basket lanes will be phased out.” Ms. White explained a high-level timeline for the communication of

these messages, starting with RMTA employees, with more detailed communications planned through March 2026. Director Millikan pointed out that RMTA needs to focus on the benefits when communicating with the public, especially the benefit of increased safety.

Ms. Dean then reported on a visit to the United States Department of Transportation at which the IBTTA team presented their goals. The USDOT indicated that they want to build big, beautiful, bold, infrastructure projects and the delegation of IBTTA explained that is what the organization does.

Chairman Lynch then turned to Mr. Khan for the Operations Report. Mr. Khan reported that the AET conversion of the Powhite Parkway is in process—there is signage on site and pre-construction deliveries have taken place. Mr. Khan further reported that VDOT reached out to RMTA for support on the Chippenham ramp project in 2026, that the RMTA is coordinating with VDOT on this VDOT project, adjacent to RMTA's right of way, and that RMTA will work to ensure there is no interference with the AET conversion. Mr. Khan then updated the Board on the executed contract in April 2025 for gantry fabrication and delivery. Mr. Khan confirmed that they are still on track for Go-Live in December 2025.

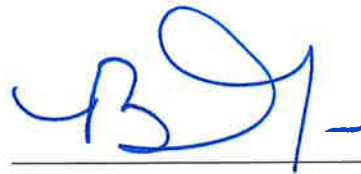
Chairman Lynch then called on Mr. Owen for the Finance Report. Mr. Owen reported that through March, RMTA is 1% over projected year to date toll revenue, which was related to recovery from the snow and water crisis. Expenses are 8.7% lower than budget and Mr. Owen is projecting about 5% below for the year. Mr. Owen stated that E-Z Pass usage is stable at 77% and that it has been that way for years. There was a question regarding the 8% lower on expenses. Mr. Owen explained the reason for the 8% is because of unfilled staff positions and maintenance contracts that did not close as early as expected.



For new business, Chairman Lynch stated that there was a personnel matter to be discussed. Chairman Lynch entertained a motion to convene into executive session under Virginia Code § 2.2-3711(A)(1), specifically because of a personnel matter. Upon motion duly made, seconded, and unanimously carried by the votes of the Directors present, the Board approved the motion and entered executive session.

Chairman Lynch then entertained a motion pursuant Virginia Code § 2.2-3712(B) that to the best of each Director's knowledge, the executive session only involved discussion or consideration of the matters identified in the motion to enter executive session. Upon motion duly made, seconded, and unanimously carried by the affirmative votes of all Directors present, the motion was approved.

Having no further business, the Board Meeting was adjourned at 1:54 p.m.



Secretary

APPROVED:

  
Chairman