MINUTES OF THE MEETING

OF THE BOARD OF DIRECTORS OF THE

RICHMOND METROPOLITAN TRANSPORTATION AUTHORITY

HELD May 12, 2026

A meeting of the Board of Directors was held on the 12th day of May 2026, 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 Davis, DiStanlo (via Zoom), Fountain (12:21), Hawthorne, Millikan, Mulroy, Tart (via Zoom), West (via Zoom), and Williams. Board members absent: Schneider, Tart. As no quorum was present to permit electronic participation in accordance with Virginia Code § 2.2-3708.3, Board Members DiStanlo, Tart, and West attended but could not conduct business of the Authority.

Authority staff present were Ms. Dean, Ms. M. Johnson, Ms. S. Johnson, Mr. Khan, Ms. Marshall, Ms. Moss, Ms. Murphy, Ms. Freeman, and Ms. Watson. Also present was Board Secretary, Belinda Jones of Christian & Barton; Rosa Rountree (via Zoom); Adisa Muse (Hunton Andrews Kurth), Jimmy Sanderson of Davenport; Phil Eshelman of Stantec (via Zoom); Cherie Gibson of HNTB (via Zoom); Bob LaGatta of Atkins Realis (via Zoom); Brad Stimpson of HNTB; Danny Baiden of Atkins Realis; and Wayne Rees (via Zoom).

Chairman Lynch presided over the meeting. There was not a quorum present. Chairman Lynch called the meeting to order at 12:06 p.m. The Board Secretary conducted a roll call.

After the roll call, Chairman Lynch turned to Ms. Dean for the CEO's comments. Ms. Dean provided an AET update. She reported that the Authority is continuing to test and monitor the system, and is making upgrades as needed. Ms. Dean reported that cladding was installed to the gantry, to be followed by mesh and the Authority's logo. The installation of permanent signage also has begun. From a back-office perspective, Ms. Dean reported that statements have been mailed out to customers. A number of inquiries have been received. The Authority continues to respond to these through customer service. Mr. Mulroy inquired about legally required signage. Ms. Dean and Ms. Jones confirmed that certain toll rate information is required to be conspicuous to the customer and road user. Mr. Williams inquired if any data has been received regarding the percentage of customers paying within the 10-day grace period. Ms. Watson clarified that the grace period increased to 30 days and reported that type of data can be collected. Lastly, Mr. Williams inquired about cases where pay-by-plate charges are recorded due to license plate numbers being identical or similar to others that are using the tolls. Ms. Dean reported that this is a DMV issue, and that the Authority has been in contact with the DMV. The Authority plans to create a separate list for individuals in this situation to monitor.

Ms. Dean then reported the Tolling Industry Moment. Ms. Watson presented at the IBTTA Finance, Road Usage Charge, and Managed Lanes Summit in Norfolk, and she also serves on the Revenue Assurance committee for IBTTA. Ms. Dean received an award at the COMTO's Celebrating Women Who Move the Nation. Ms. Dean also spoke at the IBTTA Technology Summit the previous week, and Ms. M. Johnson and Ms. S. Johnson both presented at the IBTTA Technology Summit. Lastly, Ms. Dean reported that she started the Mary Jane O'Meara Leadership Web series last month. The Board congratulated Authority staff on their commitment to and engagement in the industry.

Ms. Dean next called on Mr. Muse for any updates from the General Assembly. Mr. Muse reported that the General Assembly adjourned its general session without a budget, and now has a deadline of June 30 to create a budget, or it will otherwise face a state shutdown. Examinations of the impact of a lack of a budget and potential shutdown have recently started, now that it is 40-50 days out. The Board discussed that a state shutdown would not directly impact the Authority.

Chairman Lynch then called on Mr. Khan to provide the Operations Report. Mr. Khan reiterated the excitement over the cladding to the gantry and stated mesh and lighting elements will be added. In regard to the MR-2026 Contract, a bid was sent out, and it is anticipated that a notice to proceed will be issued early July 2026. Mr. Khan further reported that regular spring maintenance is underway.

Chairman Lynch then called on Ms. Murphy to provide the Finance Report. Ms. Murphy reported that at the end of March, YTD revenue is 74.9% of the annual projected budget, FY26 toll revenue is $38.0 million, which is just over 2.4% of the projected YTD toll revenue, and expenses are approximately 4.1% lower than budget expectations. Ms. Dean responded to a question concerning the capital improvement plan budget and noted that the budget for capital improvements includes modernization to AET and projects which will be initiated or continue in the next fiscal year.

Mr. Lynch then noted that because a quorum still is not present, a reading and approval of the last Board meeting's minutes will occur at the June Board Meeting.

Next, Mr. Lynch turned to the Report of the Compensation and Benefits Committee. Mr. Williams reported that the Compensation and Benefits Committee met on April 28, 2026, to review recommendations for the FY27 Compensation Package. The Committee reviewed information from localities and the Commonwealth. With that information, the Committee proposes a resolution to be presented to the full Board when a quorum is established. Briefly, Mr. Williams shared that the package includes a recommendation of a 3% cost of living increase, an additional 1% merit increase for employees meeting and exceeding expectations in FY26, and, that given the substantial investment of time and effort into the AET modernization project, the Committee suggests the Board draft and send a letter to thank the staff members involved in the AET Modernization Project, with the help of Ms. Jones. Lastly, Mr. Williams asked that the CEO evaluation form be distributed, and asked that it be returned to Ms. S. Johnson by May 29, 2026. Chairman Lynch thanked the Compensation and Benefits Committee for its work and agreed that action items will be addressed in the next Board meeting.

Mr. Lynch next turned to Mr. Hawthorne for the report of the Operations and Finance Committee. Mr. Hawthorne reported that the Operations and Finance Committee met twice in the last month, April 3 and 28, 2026, to complete a detailed review of the FY26 budget performance, the FY27 budget proposal, the traffic and revenue forecast, long term financial plan, and the long-range capital expenditure plan. The proposed budget for FY27 reflects the first full year of all electronic tolling and pay-by-plate. Mr. Hawthorne reported that there is a net revenue increase of 15% projected for FY27, but also some additional expenses. The FY27 proposed budget meets or exceeds all policy requirements. Mr. Hawthorne thanked the staff members and representatives from Stantec and Davenport who attended the meetings and helped the Committee get to this point.

Ms. Dean reported that the budget workbook was forwarded on April 11, 2026. Ms. Dean shared that the upcoming budget is a reflection of a new beginning for the Authority given the technology updates and toll modernization. Ms. Dean reported that the FY26 forecast is outperforming the budget, which is driven by higher revenue and lower operating expenses. Further, the debt service coverage ratio is in line with the bond indenture and RMTA policy. Fiscal year 2027 shows budget growth with increased revenue of $11.5 million. Operating expenses are approximately $2.8 million higher in FY27, but this increase is directly related to the increase in revenue, and the revenue sharing model with back-office partner, Conduit. Ms. Dean reported a projected increase of approximately $4.4 million in toll processing costs, as well as savings in toll system maintenance. The higher tolling processing costs are expected to be partially offset by E-ZPass conversions, pay-by-plate, and cash payments.

Hearing no questions, Ms. Dean turned it over to Mr. Khan to discuss the routine Maintenance and Capital Budget. Mr. Khan noted there is a lot of work lined up for the next year, including re-aligning and demolishing the existing toll booths. Further, there is an effort to implement an ATMS & LED DMS system to better understand roadway conditions, and to communicate with the road users. Mr. Khan reported regular maintenance and repair work, as well as major deck and bridge rehab repair in an effort to maintain the system.

Ms. Dean then turned to Mr. Eshelman to report on the FY27 and Long-Term Transaction and Revenue Forecast. First, Mr. Eshelman answered a question regarding EZ-Pass use during the peak period. Mr. Eshelman stated peak period percentage is about 90% downtown, but 80% on the Powhite Parkway. Mr. Eshelman believes this is due to the reporting related to the new gantry, but will look into this more as a decrease is not expected. Mr. Eshelman reported that there is a strong growth in traffic, at about 3.1%, which is above the forecasted 2.6%. As to revenue, the Authority is approximately 2.4% above the forecast, leaving the Authority with strong footing for FY26. Next, Mr. Eshelman provided the preliminary results for FY26 through April. Fiscal year 2026 projections are expected to be slightly above budget by 1.5%. Mr. Eshelman then discussed assumptions related to the FY27 budget, including the introduction of AET, maintenance of the road, continuous steady growth, and some transition to E-ZPass. Fines also have been forecasted, which feed into the operation costs and revenue sharing costs. The final result is a conservative, achievable forecast. The monthly budget for FY27 shows some delayed pay-by-plate revenue, as well as fines as collected for late payments. The current debt service coverage ratio estimate is 3.98%. Stantec certifies that revenue under the existing toll schedule will meet the bond resolution requirements. Next, Mr. Eshelman reported on the RMTA System Long-Term T&R Forecast. Slow, steady growth is expected throughout the forecast period, due to the full AET conversion, and toll revenue expected during the forecast period.

Next, Mr. Sanderson with Davenport, the Authority's financial advisor, reported further on the revenue and debt coverage service ratio. First, Mr. Sanderson reported on projections for the Authority. Traffic volume is approaching pre-COVID-19 levels. There is a revenue growth jump in 2027, as planned. There is also an offsetting increase in operating expenses. Debt service is flat and level, until final maturity. Mr. Sanderson reported annual operating excess revenue will covering capital costs through 2031, where there is a little bit of a difference between what the Authority is bringing in versus spending. Mr. Sanderson reported a cumulative net cash flow of $36.1 million in 2032. Overall, the Authority's coverage numbers are projected to be line with the policies, and the days cash on hand are compliant. Mr. Mulroy inquired about current cash on hand. Mr. Sanderson reported a starting balance of $29.1 million.

Having no further business, the Board Meeting was adjourned at 1:04 p.m.

Secretary

APPROVED:

Chairman