



Management / Financial Advisory Committee

Monday, August 24, 2020 • 1:30 p.m.
3400 Victoria Blvd., Hampton VA
Zoom Teleconference

MEETING MINUTES

Call to order

Amy Inman, Chair – City of Norfolk, welcomed everyone and called the meeting to order at 1:34 pm.

Attendance was taken via teleconference.

Committee members in attendance via Phone:

Amy Inman, Chair, City of Norfolk
Lisa Cipriano, City of Newport News
Constantinos Velissarios, City of Newport News
Jessica Dennis, City of Norfolk
Alex Gottschalk, City of Virginia Beach
Earl Sorey, City of Chesapeake
Carl Jackson, City of Portsmouth
Seth Parker, City of Norfolk
Cole Fisher, City of Virginia Beach
James Burke, City of Portsmouth
Brian DeProfio, City of Hampton
Michael Hayes, City of Hampton
Angela Hopkins, City of Newport News
Sheila McAllister, City of Newport News

Hampton Roads Transit Staff in attendance:

Brenda Green, Accounting Coordinator (recorder)
Adrian Tate, Finance Manager
Debbie Ball, Director of Finance
Larry Kirk, Assistant Director of Finance
Conner Burns, Chief Financial Officer
Angela Glass, Director of Budget and Financial Analysis
John Powell, Telecommunications Specialist
Brian Smith, Chief of Staff
Kim Wolcott, Chief Human Resources Officer
Ashely Johnson, Capital Improvement Plan Analyst III
Sheri Dixon, Director of Revenue
Keshia Branch, Director of Office of Program & Project Excellence



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Michael Price, Chief Information Officer/Chief Technology Officer
Ray Amoruso, Chief Planning and Development Officer
Erin Glen, Director of Enterprise Technology Solutions
Juanita Davis, Budget Analyst III
Shanti Mullen, Internal Auditor
Joe Dillard, Government Relations Liaison
William Harrell, President and Chief Executive Officer
Gene Cavasos, Director of Marketing and Communications
Robert Travers, Attorney
Jim Price, Chief Transit Operations Officer
Sonya Luther, Director of Procurement
Sibyl Pappas, Chief Engineering and Facilities Officer
Jim Price, Chief Transit Operations Officer
Amy Braziel, Executive Assistant to the Chief Officer
Benn Simms, Director of Transportation

Others in attendance via Phone:

Jeff Raliski, Hampton Roads Transportations Planning Organization (HRTPO)
Ann Doyle, City of Norfolk
Jim Gray, City of Hampton

The August 2020 Management/Financial Advisory Committee (MFAC) package was distributed electronically to Committee members in advance of the meeting. The meeting package consisted of:

- Agenda
- July 20, 2020 Meeting Minutes
- July 2020 FY21 Financial Statement
- August 2020 Transit Operations-Paratransit Key Performance Indicator Report
- Route Ridership FY16 – FY20 – All Routes

The financials were uploaded to the Agency's website prior to the meeting.

The following was distributed to MFAC members at the meeting.

- MFAC Regional Backbone Transit Program

Approval of the July 2020 Minutes



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A motion to approve the July 2020 Meeting Minutes was made and properly seconded.

The July 2020 Minutes were approved by unanimous vote.

July 2020 FY2021 Financial Report

Conner Burns, Chief Financial Officer, welcomed everyone to the first MFAC meeting for FY2021.

Mr. Burns welcomed the new chair, Amy Inman. He also thanked Ms. Inman as well as the (2) two past chairs, Brain DeProfio, and Lisa Cipriano for implementing and establishing a very organized MFAC meeting.

Mr. Burns asked that Committee to hold all questions, concerns, and comments until the end of the presentation.

By the request of MFAC, additional rows were added to the locality crosswalk. These rows will separate the 5307 and 5337 federal funding monies into traditional usage preventive maintenance and CARES Act.

The income statement was structured to reflect total expenditures, less COVID expenses.

The July Financials, including the operating financial statement, locality crosswalk and locality budget status to date were presented in detail to the Committee.

There were discussions concerning the federal CARES Act funds as it relates to the net operating expense and COVID expenses.

The Resolution, which was adopted in FY2020, allowed HRT to strategically allocate the recordation tax, enabling the localities to reflect a zero balance on the locality reconciliation.

There were discussions concerning the localities “carry over funds” as it relates to the offset of the recordation tax contribution.

HRT is utilizing the 5307 and 5337 CARES Act funding first in replacement of traditional operating and preventive maintenance monies with the goal of allowing the traditional grant monies to be available in front of the agency’s needs.



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The federal government application allowed transit agencies to apply for one “Activity Line Item” (ALI) concerning the CARES Act. HRT applied and was awarded 5307 CARES Act funding.

William Harrell, President and Chief Executive Officer, stated that, HRT’s strategy is to use the CARES Act funding over a three (3) year period. While reserving the right to use other federal funds, this would position HRT to be more financially flexible.

Ray Amoruso, Chief Planning and Development Officer, stated system wide service is down 50% since the start of full service, June 14, 2020, and the start of revenue services July 1, 2020.

FY 2020 Use of CARES Funding Update

HRT’s unaudited federal CARES Act Funding use for FY2020 is \$12.3 million dollars.

Update on Monthly Close

HRT’s financial close cycle begins between the 10th – 12th day of each month.

Update/Review of HRTAC Regional Funding MOU

Robert Travers, Attorney, informed the Committee that HRT’s Memorandum of Understanding (MOU) as it relates to Hampton Roads Transportation Accountability Commission (HRTAC) is still in the “infancy stage” of the process. Currently, there is nothing to report. However, a presentation will be presented to the Transportation District Commission of Hampton Roads (TDCHR) members once an agreement has been finalized.

Paratransit Update

Jim Price, Chief Transit Operations Officer, gave a presentation of the Transit Operations – Paratransit Key Performance Indicator (KPI).

Paratransit ridership experienced lower than normal usage since April 2020 due to the COVID outbreak. Services in May, June and July 2020 were also down. VIA, HRT’s paratransit provider, is adhering to the pandemic social distance requirements. Limiting the number of riders per trip to 3 or 4 passengers. This has resulted in the rapid growth of the paratransit services hours. The number of users is down however, the number of vehicles needed to meet the social distance requirement are higher.



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VIA's "on-time" performance has averaged 93% over the last three (3) months.

VIA's percentage of "successful calls" and "calls answer times" have steadily improved.

VIA's has been testing its "riders app" and anticipates its implementation among all its paratransit users and drivers soon.

HRTAC Regional Transit Funding

Ray Amoruso, Chief Planning and Development Officer, gave a high-level presentation that contained information about the strategic plan development and the uniqueness of Chapter 6, that outlines HRT's "Regional Backbone Transit Program". Mr. Amoruso expounded on the new regional classification and service standards which is comprised of regional backbone routes, local priority routes, coverage routes, limited or express routes, and the on-demand Services.

Mr. Amoruso provided the legislation, declared by the General Assembly, and adopted by the governing board that supports the usage and summarizes the Hampton Roads Regional Transit Program and Fund § [33.2-2600.1](#)

The state recordation tax, regional transportation improvement fee, and the transient occupancy tax (TOT) are the three funding sources authorized by General Assembly to subsidize the Hampton Roads Regional Transit Fund.

Mr. Amoruso presented HRT's 10-year Capital Investment Planning as it relates to the Regional Backbone Network – Capital and Operation and Maintenance

HRT's next steps for the FY2021-2030 Transit Strategic Plan are to establish and adopt a MOU between HRT and HRTAC for the implementation and the use of the Hampton Roads Regional Transit Program funds. Early implementation of technology investments such as real time, mobile fare payment and passenger information displays. The Agency anticipates early implementation of facility improvements and passenger amenities.

There were some discussion concerning passenger and real property acquisitions as it relates to the capital investment program.



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Action Item: It was requested that HRT provide the level of funding, in order of importance, estimated time needed, and the allocation of funding as it relates to the primary and secondary needs of the agency outlined on the HRT's 10-year Capital investment program

HRT is preparing an application outlining the 10-year Capital Investment Programs funding levels and the time frame funded need to be allocated. A presentation of this timeline will be given to the Committee upon its completion.

New Business

HRT is preparing a "Calendar of Activities" that will be presented to the MFAC members, that will include all anticipated dates of importance.

Mr. Burns thanked both Mr. Amoroso and Mr. Price for their presentations and the level of detail provided to the MFAC members.

HRT began the process of the 6-year Capital Improvement Plan (CIP) on July 1, 2020. A draft is scheduled to be presented to the Transportation District Commission of Hampton Roads (TDCHR) in a workshop in November 2020. Adoption of the CIP by the board will be in December 2020. DRPT allocates funds based on HRT's CIP and the application request for funding submitted in February 2020.

Four Square Integrating will be assisting HRT in the framing of the CIP for FY2021.

Action Item: HRT was asked to provide MFAC with a list its capital expenditure needs, anticipated timeline, and the cost from both local and capital contributions.

Action Item: MFAC requested the Committee to be updated during the steps of formulating the CIP and provide a better understanding of what is incorporated in the CIP.

Action Item: It was requested that HRT provide an update on the "state of good repair". Providing a detailed overview, timeline, and capital needs as they relate to the CIP program for the light rail and the ferry, within 30-days.

Mr. Harrell reminded the Committee that the "Regional Back Bone" is based on the buses network. The other modes of operations are not included in that funding.



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Lisa Cipriano, City of Newport News, advised that because HRT is still in the infancy stages of the developing the FY2022 CIP that to request any information within 30-days may be futile. Ms. Inman stated that MFAC is requesting to be part of the process in whole and during the development and would like the Committee to be informed when the information is available.

Mr. Smith stated the HRT will be able to provide an update concerning the CIP during next month's MFAC meeting, September 21, 2020.

There were discussions concerning FY2022 CIP and how funding will be based on the items not addressed in the FY2021 CIP funds.

Ms. Inman asked the MFAC members to submit any agenda items or request that they would like to discuss to her two (2) – weeks prior to the next meeting.

Ms. Inman asked that Ms. Cipriano continue to be a part of the predevelopment of the agenda process.

Ms. Inman welcome all the new MFAC members.

Other Business

Adjournment

The meeting was adjourned at 3:34 p.m.