MEETING MINUTES

Call to Order

Carl Jackson, Chair – City of Portsmouth, welcomed everyone and called the meeting to order at 1:33 p.m.

Attendance was taken for the meeting.

Committee members in attendance In-Person:

Carl Jackson, Chair City of Portsmouth
James Burke, City of Portsmouth
Angela Hopkins, City of Newport News
Constantinos Velissarios, City of Newport News
Mark Shea, City of Virginia Beach
Megan Gribble, City of Virginia Beach
Brian DeProfio, City of Hampton
Troy Eisenberger, City of Chesapeake

Committee members in attendance virtual:

Amy Inman, City of Norfolk
Lisa Cipriano, City of Newport News
Jessica Dennis, City of Norfolk
Sheila McAllister, City of Newport News
Seth Parker, City of Norfolk
Alex Gottschalk, City of Virginia Beach
Karl Daughtrey, City of Hampton

Hampton Roads Transit Staff in attendance In-Person:

Brenda Green, Accounting Coordinator (recorder)
Conner Burns, Chief Financial Officer
Sibyl Pappas, Chief Engineering and Facilities Officer
John Powell, Telecommunications Specialist
William Harrell, President and Chief Executive Officer
Robert Travers, Attorney
Joe Dillard, Organizational Advancement Officer
Ray Amoroso, Chief Planning and Development Officer
Michael Price, Chief Information Officer/Chief Technology Officer
Scott Demharter, Director of Facilities
Gene Cavasos, Director of Marketing and Communications

Hampton Roads Transit Staff in attendance virtual:

Keisha Branch, Director of the Office of Program and Project Excellence
Larry Kirk, Assistant Director of Finance
Ben Simms, Director of Transportation Bus and Rail
Danielle Hill, Director of Human Resources
Amy Braziel, Manager of Operations
Dawn Sciortino, Chief Safety Officer
Sonya Luther, Director of Procurement
Angela Glass, Director of Budget and Financial Analysis
Debbie Ball, Director of Finance
Adrian Tate, Finance Manager
Misty Allen, Risk Manager
Shanti Mullen, Internal Auditor
Juanita Davis, Budget Analyst III
Kim Wolcott, Chief Human Resources Officer

Others in attendance virtual:

JeffRaliski, Hampton Roads Transportations Planning Organization (HRTPO)

The July 2021 Management/Financial Advisory Committee (MFAC) package was posted to HRT’s website and distributed electronically to Committee Members in advance of the meeting. The meeting package consisted of:

- Agenda
- July 19, 2021, Meeting Minutes
- Route Ridership FY18 – FY22 – ALL ROUTES
- July 2021 FY22 Financial Report

Approval of the July 2021 MFAC Minutes

A motion to approve the July 19, 2021, meeting minutes was made and properly seconded.

The July 2021 meeting minutes were approved by unanimous vote.
July 2022 FY 2021 Financials

Conner Burns, Chief Financial Officer, welcomed everyone to the meeting. Mr. Burns presented the Draft Financial Statement ending July 31, 2021, to the Committee Members. Page two (2) reflects the traditional statement of operations, which includes an estimated surplus from the Service Reliability Plan (SRP), which is an estimated credit of $304,500. Page three (3) of the financial report is structured to reflect specific revenues and expenditures related to COVID. The July financials, including the operating financial statement, non-operating COVID revenue/expenses, farebox revenue/expenses, locality crosswalk and locality reconciliations, were presented in detail by Mr. Burns to the Committee.

There were discussions concerning the drivers behind the variance in expenses, as it relates to the reporting differences between the FY21 and the FY22 Operating Statements. The adoption of the FY2022 Operating Budget in May and the unforeseen overlapping of the Service Reliability Plan (SRP) in FY2022 resulted in the reporting of a lower revenue and expenses on the July 2021 Draft Financial Statement. The effects of COVID were factored in and adjusted in the FY2022 Operating Budget. However, the SRP was an unexpected anomaly.

Federal dollars listed on the Statement of Operation are comprised of funding from the CARES Act, the American Rescue Plan (ARP), and the Coronavirus Response Relief Supplemental Appropriations Act (CRRSSA). These funds are being allocated for both operations and COVID related expenses. Mr. Burns emphasized that these federal funds are 5307 operating funds, citing United States Code 49, chapter § 5307, Urbanized Area Formula Grants.

There were discussions concerning the different requirements between the Traditional 5307 Federal Funds and the CARES Act funding and how these funds should be allocated. Amy Inman, City of Norfolk, stated that in accordance with the Resolution passed by the localities in FY2020, the agreement was to use the CARES Act funding first until its exhausted.

Action Item: HRT was asked to continue to report the use and allocation of the CARES Act Funding, and the Tradition 5307 Federal funding separately. In addition, the Agency was asked to report what federal funding dollars were used to strategically allocate funds to the localities.

There were some discussions concerning the renewal of the Resolution.
Non-Regional Transit Service (RTS) Shelters - Update

Sibyl Pappas, Chief Engineering and Facilities Officer, stated that the shortage of raw materials has impacted the delivery time of the bus shelters. Many shelters across the six cities have already been installed. HRT is optimistic that the vendor will deliver the additional shelters in a reasonable time frame. Shelters on the Regional Transit System (RTS) are being retrofitted with solar lighting. Ms. Pappas stated that shelters installed on the RTS route will be cleaned and maintained with RTS funding. Existing shelters that are not RTS routes could benefit from the funding from the previous shelter system. However, once the maintenance for the RTS shelters has been fully funded with RTS funds and the budget remains leveled, any available funding will be used to enhance the service for the remaining shelters. It is HRT’s desire to clean and maintain the shelters at a higher frequency than in the past.

Strategic Allocation

Robert Travers, Attorney, reminded the Committee Members that the Resolution will expire at the end of the fiscal year. HRT would like to extend the conversation of the Resolution to include the 2023 fiscal year, additional fiscal years, and the possibility of perpetuity.

There were discussions concerning HRT’s ability to have a “reserve fund” in accordance with current by-laws.

William Harrell, President and Chief Executive Officer, expressed that HRT would like to hear from the cities first concerning their interest or desire to extend, change, or adopt a new Resolution.

There were discussions concerning HRT’s ability to strategically allocate funds related to the shortfall of the localities share of the farebox revenue shortage and COVID related expenses.

Action Item: MFAC requested that HRT provide their vision of a multiple-year Resolution in a post-COVID setting and the funding sources that would be used to provide a successful outcome for the Agency and the localities.

HRT previously forwarded an overview of the ARP, and the CRRSSA federal funds outlining the restrictions, and their proposed usage to the Transportation District Commission of Hampton Road (TDCHR) Board and the MFAC Members.
FY 2023 Operating Budget Calendar

Angela Glass, Director of Budget and Financial Analysis, reviewed the FY 2022 Operating Budget Calendar, outlining the upcoming dates and events of importance with the Committee Members.

An updated version of the FY 2022 Budget Calendar that will reflect the Transit Strategic Plan (TSP) and the Capital Improvement Plan (CIP) dates are forthcoming.

Action Item: It was requested that the November 15, 2021, Local TSP deadline for localities to respond with a change request to the FY2022 TSP, be moved to the November 18, 2021.

Action Item: It was requested that the January 11, 2022, Special MFAC Meeting, scheduled to review the FY2023 Draft Budget & TSP, remain virtual and follow the same platform used to review the FY2022 Draft Budget & TSP. In addition, it was requested that the date be changed to January 12, 2022.

Other Business

There was no Other Business.

Adjournment

There being no further business, the meeting was adjourned at 2:30 p.m.