



Management / Financial Advisory Committee

Monday, November 8, 2021, • 1:30 p.m.
509 East 18th Street, Norfolk VA
Hybrid In-Person/Zoom Teleconference

MEETING MINUTES

Call to Order

Carl Jackson, Chair – City of Portsmouth, welcomed everyone and called the meeting to order at 1:30 p.m.

Attendance was taken for the meeting.

Committee members in attendance In-Person:

Carl Jackson, Chair – City of Portsmouth
Amy Inman, City of Norfolk
Andy Fox, City of Norfolk
Lisa Cipriano, City of Newport News
Mark Shea, City of Virginia Beach
Troy Eisenberger, City of Chesapeake
Constantinos Velissarios, City of Newport
Alex Gottschalk, City of Virginia Beach

Committee members in attendance virtual:

Sheila McAllister, City of Newport News
Jason Beasley, City of Norfolk
Brian DeProfio, City of Hampton
James Burke, City of Portsmouth
Angela Hopkins, City of Newport News
Megan Gribble, City of Virginia Beach

Hampton Roads Transit Staff in attendance In-Person:

Brenda Green, Accounting Coordinator (recorder)
Conner Burns, Chief Financial Officer
John Powell, Telecommunications Specialist
Angela Glass, Director of Budget and Financial Analysis
Debbie Ball, Director of Finance
Larry Kirk, Assistant Director of Finance
Adrian Tate, Finance Manager
Ray Amoruso, Chief Planning and Development Officer
Michael Price, Chief Information Officer/Chief Technology Officer
Sibyl Pappas, Chief Engineering and Facilities Officer



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Robert Travers, Attorney
Keisha Branch, Director of the Office of Program and Project Excellence

Hampton Roads Transit Staff in attendance virtual:

William Harrell, President and Chief Executive Officer
Dawn Sciortino, Chief Safety Officer
Michele Goode-Bacon, Contract Administrator
Ashley Johnson, Capital Budget Analyst
Sonya Luther, Director of Procurement
Misty Allen, Risk Manager
Danielle Hill, Director of Human Resources
Shanti Mullen, Internal Auditor
Juanita Davis, Budget Analyst III
Gene Cavazos, Director of Marketing and Communications
Jim Price, Chief Transit Operations Officer
Amy Braziel, Manager of Operations Administration
Ben Simms, Deputy Chief Transit Operations Officer
Robert Lee, Management Analyst
Vincent Jackson, Director of Service Planning and Scheduling
Schuyler Mathis, Enterprise Project Manager
Noelle Pinard, Organizational Advancement Officer
Sam Ballard, Client Technology Engineer

Others in attendance virtual:

Jeff Raliski, Hampton Roads Transportations Planning Organization (HRTPO)
Josh Diamond, Foursquare ITP
Lori Zeller, Foursquare ITP
Andy Zalewishi, Foursquare ITP
Elyssa Gensib, WSP USA
Simon Mosbah, WSP USA
Madeleine Yi, WSP USA



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The November 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
- October 25, 2021, Meeting Minutes
- Transit Strategic Plan (TSP) Update
- Federal Grant Funds Allocations and Obligations
- FY2023-F2032 Capital Improvement Plan (CIP)

The additional items electronically distributed in the November 2021 MFAC meeting invite consisted of:

- Project Sheet (CIP)
- FY2022 Summary Capital Project Plan

Approval of the October 2021 MFAC Minutes

A motion to approve the October 25, 2021, meeting minutes was made and properly seconded.

The October 2021 meeting minutes were approved by unanimous vote.

Strategic Resolution Draft Update

Robert Travers, Attorney, stated that the Draft Resolution language is the same language used in the Resolutions that were previously adopted for the past two years. The only change to the Resolution would include coverage for the next 2-years versus the previously stated coverage of 1 year. This coverage would be for FY2023 and FY2024.

A motion was given to start the discussion, as it relates to the Strategic Resolution Draft, and the motion was properly seconded.

The motion to begin the discussion about the Strategic Resolution Draft was approved by unanimous vote.



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There were discussions concerning the funding sources that were being allocated to support the Strategic Resolution. Mr. Travers stated that all eligible funding sources will be used to support the financial needs of the Strategic Resolutions. HRT has the flexibility to reprogram capital projects that were federal funded towards operational expenses if needed.

William Harrell, President and Chief Executive Officer, stated that any funding adjustments to a capital project must be approved by the Transportation District Commission of Hampton Roads (TDCHR) Board.

The six (6) partnering City's Management and Council must all agree with the Strategic Resolution prior to its adoption.

Carl Jackson, Chair – City of Portsmouth, gave the motion to postpone the “discussion”, as it relates to the Resolution Draft. The motion was given and properly seconded.

The motion to postpone the “discussion”, as it relates to the Resolutions was approved by unanimous vote.

MFAC will continue with these “discussions” at the December 6, 2021, meeting.

Mr. Jackson suggested that any edits or language change requests made by the MFAC Members, as it relates to the Resolution Draft, be forwarded to Brenda Green, Accounting Coordinator, and carbon copied to Mr. Burns, prior to December's meeting.

FY2022-FY2032 Capital Improvement Plan (CIP) Workshop

Keisha Branch, Director of the Office of Program and Project Excellence gave an overview of the FY2022-FY2032 Capital Improvement Plan's (CIP) funding outlook, processes, needs and priorities. The CIP is a ten-year plan for capital improvements of the Agencies investments, expansions, rehabilitations, or replacement of assets. The CIP is updated annually. Ms. Branch discussed the calendar and dates of importance related to the processing of the CIP. The various funding sources were reviewed, as well as the forecasted allocation of those funding sources throughout the ten-year plan. Ms. Branch also presented the trend of federal traditional 5307 funds, that are used for capital expenses verses the use of the traditional 5337 federal funds used for preventive maintenance for operations. HRT currently has 61 CIP projects documented. The “prioritization process” of screening, scoring, cost scaling, project ratings, and the state's conditions and their impact scores were also presented. HRT's methodology is to fund the highest rated projects first, maximizing federal and state funding, while meeting the regulatory and eligibility requirements used to balance the need for a constrained CIP.



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The lower ranking projects are funded with any remaining CIP balances, only when feasible.

Ray Amoruso, Chief Planning and Development Officer stated that the ten-year CIP program estimated cost is \$382 million. He also explained that the CIP is tailored to fit the Making Efficient and Responsible Investments in Transit (MERIT) Program's criteria. This process would increase the likelihood of state funding matching. The CIP's top priority needs are the distribution of capital funding, the allocation of funding by the year for the projected projects, and the fleet plan update, which was also presented. In addition, the CIP Constrained Plan for FY2023 was also reviewed, however this list excluded projects with active grant funding. The next steps moving forward is the November 10th Work Session, for the TDCHR Board and the adoption of the Resolution on December 9, 2021.

There were discussions concerning improvements to the ferry docks, the Hampton Transfer Center (HTC), and the Newport News Transfer Centers (NNTC), as it relates to projects projected funding in the FY2023-FY2032 ten-year CIP. Mr. Amoruso stated that those projects were part of a previous CIP and that improvements to the ferry docks and work for the transfer centers have already commenced.

There were discussions concerning the System for the Management and Allocation of Resources for Transit (SMART) Scale projects. The interior renovations for the HTC and NNTC are being funded with SMART Scale funds in FY2024.

There were discussions concerning the proposed Bus Rapid Transit (BRT) buildouts, as it relates to the ten-year CIP and the allocated grant funding.

There were discussions concerning the funding for the capital improvement projects, as it relates to the "light rail". Andy Zalewishi, Foursquare ITP, stated that based on the asset's current years of service, the Agency has identified all the foreseeable needs for Light Rail, for the next ten years. The funding for these assets will be allocated from the state's 5307 "light rail state of good repair fix guideway" funds, and matched with the 5337 federal dollars

Mr. Harrell stated that HRT's legislative priority is to push for additional federal and state funding, to help and aid in the support of Light Rail.



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10-year Transit Strategic Plan (TSP) Annual Update Workshop

The MFAC members were reminded that their Transit Strategic Plan (TSP) letters are due by November 18, 2021.

Mr. Amoruso reviewed the ten-year Transit Strategic Plan (TSP) with the MFAC members. The TSP is a living document with a ten-year horizon plan. The major updates to the TSP are done every 5-years and are mandated by State Law. The Agency's most recent TSP major update was in June 2020 and the first minor update was adopted in March of 2021. The second minor update is scheduled for adoption in December 2021. The TSP consists of the following chapters and appendixes.

Chapters:

1. Systems Overview and Strategic Vision
2. System Performance and Operations Analysis
3. Planned Improvements and Modifications
4. Implementation Plan
5. Financial Plan
6. Hampton Roads Regional Transit Fund Program (HRRTF)

Appendix:

- A. Agency Profile and System Overview
- B. Phased System Maps
- C. Estimated Ridership Methodology and Results
- D. On-Demand (Micro transit) Service

Mr. Amoruso presented an overview of each chapter and appendix to the attendees. He also outlined the various TSP areas of importance.

There were discussions concerning the “discretionary and relief” fund sources and opportunities that could affect the HRRTF projects, revenues, and expenditures, as it relates to the ten-year TSP.



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Federal Funds Planned for Operations and Capital

Conner Burns, Chief Financial Officer, stated that the Agency has previously presented the federal funding dollars allocated for the capital expenses to the MFAC members. However, as a collaborative effort, the Agency is presenting the federal grant funded allocations and obligations for the operating expenditures.

Ms. Branch reviewed the CARES Act and grants funds and the use of these funding sources for the support of the Agency's forecasted operations expenditures. The CARES Act funding was first received and allocated in FY2020. Ms. Branch presented the apportionment of the other pandemic related funding sources that are forecasted to be allocated through FY2023, as well as the allocation of the traditional federal funding sources: 5307, 5337 and 5309.

There were discussions concerning the distribution of the Advanced Capital Contribution fund, contributions that are allocated from the localities. The "Capital Sources of Funds Active and New Project Draft" charts show that Agency has an ACC balance which was carried forward from prior years. These available funds will be allocated in the earlier years of the TSP.

There were some discussions concerning "Cash Capital".

ACTION ITEM: HRT was asked to show how they reported the retention from the savings of the ACC funds that occurred during the previous years. - Tabled

ACTION ITEM: HRT was asked to define what the Agency views as its "Cash Capital" how are those funds being reported and from what funding sources are they being allocated. - Tabled

Adjournment

There being no further business, the meeting was adjourned at 3:29 p.m.