



Management / Financial Advisory Committee

Monday, December 9, 2024 • 1:30 p.m.
2nd Floor Board Room, 509 East 18th Street, Norfolk, VA
Hybrid In-Person/Zoom Teleconference

MEETING MINUTES

Call to Order

Brian DeProfio, Chair – City of Hampton welcomed everyone and called the meeting to order at 1:32 p.m.

Roll Call/Attendance was taken for the meeting.

Committee members in in-person attendance:

Brian DeProfio, Chair – City of Hampton
Angelique Shenk, City of Hampton
Lisa Cipriano, City of Newport News
Constantinos Velissarios, City of Newport News
John Stevenson, City of Norfolk
Laura Fitzpatrick, City of Chesapeake
Uros Jovanovic, City of Virginia Beach

Committee members in virtual attendance:

Grant Sparks, DRPT
Avery Daugherty, DRPT
Angela Hopkins, City of Newport News
Sheila McAllister, City of Newport News
Andrea Kerley, City of Chesapeake
Moria Facer, City of Norfolk
Hunter Anderson, City of Virginia Beach
William Landfair, City of Portsmouth
Karl Daughtrey, City of Hampton

Hampton Roads Transit Staff in in-person attendance:

William Harrell, President and Chief Executive Officer
Conner Burns, Chief Financial Officer
Adrian Tate, Assistant Director of Finance
Alexis Majied, Chief Communications and External Affairs Officer
Amy Braziel, Director of Contracted Services and Operational Analytics
Angela Glass, Director of Budget and Financial Analysis
Antoinette White, Interim Director of Service Plan and Scheduling
Ashley Johnson, Assistant Director of Budget and Financial Analysis



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Benjamin Simms, Chief Transit Operations Officer
Brenda Green, Accounting Supervisor (recorder)
Brian Smith, Deputy Chief Executive Officer/Executive and Management Services
Donna Brumbaugh, Director of Finance
Jamira DeWeese, Accounting Coordinator
John Nason, Director of Bus Maintenance
John Powell, Telecommunications Specialist
Keisha Branch, Director of Capital Programs
Kim Wolcott, Chief Human Resources Officer
Micheal Price, Chief Information Officer/Chief Technology Officer
Ray Amoruso, Chief Planning and Development Officer
Robert Travers, Attorney
Sherri Dawson, Director of Transit Development
Wayne Groover, Director of Maintenance – Facilities and Rail

Hampton Roads Transit Staff in virtual attendance:

Blue Bell, Budget Analyst
Dawn Sciortino, Chief Safety Officer
Dudley Clarke, Contract Budget Analyst
Farahnaz Karimi Tabrizi, Staff Accountant
James Lyons, Staff Accountant
Justin Kahler, Grants Program Analyst
Keianna Harris, Special Project Assistant
Kim Darden, Planner
Malika Blume, Director of Internal Audit
Matthew Stumpf, Budget Analyst
Shleaker Rodgers, Staff Auditor
Sonya Luther, Director of Procurement
Tammara Askew, Data Analyst II
Toni Hunter, Staff Auditor
Tracy Moore, Director of Transportation
Trevia Taylor, Senior Manager of Scheduling
Vanity Faulkner, Budget Analyst

Others in in- person attendance:

Jeff Raliski, Hampton Road Transportation Planning Organization (HRTPO)
Jessica Klion, Foursquare ITP



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The December 2024 Management/Financial Advisory Committee (MFAC) package was posted to the GoHRT.com website and distributed electronically to the Committee members prior to the meeting. The meeting package consisted of:

- Agenda
- Meeting Minutes November 12, 2024
- October 2024 FY2025 Financial Report
- FY2026 Draft Operating Budget
- December 2024 Quarterly Grants/Projects Update
- FY 2026 Service Plans – January 06, 2025 – Special MFAC Meeting

Approval of the November 12, 2024 Meeting Minutes

Lisa Cipriano, City of Newport News made a motion to approve the November 12, 2024 meeting minutes.

John Stevenson, City of Norfolk properly seconded.

The November 12, 2024 meeting minutes were approved by unanimous vote.

October 2024 FY2025 Financials

Conner Burns, Chief Financial Officer welcomed everyone to the meeting and presented the October 2024 Draft Financial Statement included with the meeting Agenda.

There was discussion concerning the overlap in services on Purchased Transportation, as it relates to the implementation of the new Paratransit provider. Amy Braziel, Director of Contracted Services and Operational Analytics stated that Easton, the new Paratransit provider's contract began July 1, 2024 and to ensure a smooth transition from the former provider, VIA. The Agency waived all contractual penalties that may have occurred for Easton for the first 2 months during the transition period. Ms Braziel confirmed that at no time was both providers paid for services rendered during this transition.

Quarterly Staff Updates

This agenda item will be addressed at the January 21, 2025 meeting.



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Quarterly Grant Project Update

Keisha Branch, Director of Capital Programs presented the Quarterly Grant Project Update presentation included with the meeting Agenda.

Ms. Cipriano informed the newer MFAC members that funding contributions for grant projects can consist of federal, state and local dollars.

There was discussion concerning the reporting funding error in line item #9, Replace TVM for Bus of the Grants Project presentation. Ms. Branch stated the dollar amount previously reported in her last quarterly report in October 2024 was in error. The amount reflected in today's presentation \$552,726 is correct.

Action item: HRT was asked to identify each grant project as it relates to the Agency's Capital Improvement Plan (CIP) Report. This would allow the members to compare and track the projects original estimated dollar amount, nature of the scope and the actual incoming bid awarded for a project.

There was discussion concerning the pending grant for the Duffy's Lane Transfer Center. Ms. Branch stated that this project is not listed in her presentation, because the grant currently is pending and is still under review with Federal Transit Administration (FTA) review. The presentation presented today only reflects the Agency's active grants. She also stated that it should be noted that when in comparison to the CIP and the grant projects that the timing of the arrival of the actual monies, can be broad and can be in excess of up to a year later. Ms. Branch also stated that because of the time period it takes for the Agency to plan for a project as well as go through all the cycles with the State, including the application process, and when the grant is awarded that a side-by-side view in comparison would be futile.

FY2022 Final Financial Audit Update

Conner Burns, Chief Financial Officer stated that this morning at the 10:00AM Audit and Budget Review Committee (ABRC) meeting, Brown Edwards gave a follow up to the FY2022 Financial Audit that was presented at the October 2024 meeting. In today's meeting Brown Edwards presented an unmodified opinion with 2 material findings. Mr Burns stated that the Agency requested that if any of the partnering localities had questions pertain to the financial audit to forward them to the Agency by December 2, 2024 for review. The Agency received one question. This question was thoroughly reviewed and addressed in detail in today's ABRC meeting. Mr Burns stated that due to the lack of the quorum that the ABRC made a recommendation to accept to the FY2022 Financial Audit to the Transportation District of Hampton Roads Committee (TDCHR)



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Board for adoption. The TDCHR is scheduled to convene on December 12, 2024 to vote in matter. He also stated that Brown Edwards will be on sight during the second week in January 2025 to begin the FY2023 Financial Audit with the targeted date of completion March 2025 and the FY2024 audit by October 2025.

Action Item: HRT was asked to electronically share the audit answers that were reviewed in today's ABRC meeting with the MFAC attendees.

FY2026 Draft Operating Budget & Transportation Service Plan (TSP) Review

Angela Glass, Director of Budget and Financial Analysis presented the FY2026 Draft Operating Budget & Transportation Service Plan (TSP) Review presentation included with the meeting Agenda. HRT asked that questions pertaining to this presentation be put in writing to ensure that they are circulated to those in whom they will impact. There was discussion concerning the reclassing of 3 Safety position being moving to other departments. Ms Glass stated that 2 Emergency Preparedness personnel were move from Security to Safety, due to a better job classification fit. She also stated that 1 Administrative Operations personnel was reclassified as a Video Technician. There was discussion concerning the budget increases in the cities of Portsmouth and Virginia Beach. Ms, Glass stated that for the past several years the Agency had the ability to strategically allocate funds to the localities, which help assist the partnering cities with farebox shortfalls. However, with the reimplementation of the traditional allocation through the Cost Allocation Agreement (CAA) that the localities are paying for the services and all associated cost related to those services. Currently, HRT is estimating an increase in ridership upward of 16% for all the localities.

There was discussion concerning how the Agency will distribute the \$ 4 million in Service Reliability Credits to the localities. William Harrell, President and Chief Executive Officer stated this is a credit and not cash. He also stated that based on how the agency has been trending with the budget that he believes by use of aggressive budget management that the Agency could spread the distribution of these credits over 2 years through the budgetary process.

Action items: MFAC requested that the Service Reliability Credit topic be added to the agenda to further understand and discuss this language. Currently, this language "service credit" does not appear in the Advance Capital Contribution (ACC) nor the Strategic Allocation Agreement.



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FY2026 Service Plans – Special MFAC Meeting – January 6, 2025

Ms. Glass stated that an agenda and potential time slots for the FY2026 Service Plans' meeting are forthcoming.

Action Items from the November 12, 2024 meeting

Action Item: HRT was asked to provide a chart that would reflect the constrained program by project types excluding the major electrification project. Brian Smith, Deputy Chief Executive Officer/Executive and Management Services stated that information pertaining to this request will be sent to the MFAC member via email today.

Action items: HRT was asked to provide the daily statistics on Micro Transit's pilot programs ridership on HRT's free fare day that was observed on "Election Day", November 5, 2024. This pilot program is currently only being ran in selected areas in Newport News and Virginia Beach. HRT was able to report that there were 60 rides in total, 47 in Newport News and 13 in Virginia Beach.

Ray Amoruso, Chief Planning and Development Officer reminded the MFAC attendees about the Department of Rail and Public Transit (DRPT)'s Transit Ridership Incentive Program (TRIP) Grant funding program. This grant program is designed to provide funding to transit agencies and governing bodies for the purpose of creating more accessible, safe, and regionally significant transit networks, such as the Agency's Pilot Mirco Transit Program. Mr. Amoruso reminded the attendees about the application submission deadline and the local match needed to participate in this program. He also stated that a draft letter outlining this information will be sent out to each City.

There was discussion concerning the DPRT's methodology and the potential negative impact it would have on HRT and its partnering localities. Mr. Harrel stated that HRT will always bring forth a well balance budget without taxing their local partner with a huge increase. He also confirmed that the Agency will continue to position itself to seek out additional funding resources.

Adjournment

There being no further business, the meeting was adjourned at 3:04 PM