

AGENDA

Hampton Roads Transportation Accountability Commission Annual Organizational Meeting of the Commission

June 15, 2017

12:30 p.m.

The Regional Board Room

723 Woodlake Drive, Chesapeake, VA 23320

1. Call to Order

2. Approval of Agenda

3. Public Comment Period (5 Minute Limit)

4. Chair's Comments

- HRTAC and HRTPO/HRPDC Administrative Staffing Review Committees

5. Consent Items

- Recommended Action: Approval

A. Minutes of March 16, 2017 HRTAC Regular Meeting (Attachment 5A)

6. Action Items

A. Election of FY2018 Officers of the Commission (Attachment 6A) – Nominating Committee Chair, Mayor Sessoms - Recommended Action: Discussion/Approval

B. HRTAC Proposed FY2018 Budget (Attachment 6B) – Finance Committee Chair Senator Wagner - Recommended Action: Discussion/Approval

C. HRTAC Adopted 2016-2022 Financial Plan Adjustments (Attachment 6C) – Executive Director Page - Recommended Action: Discussion/Approval

D. I-64/I-264 Interchange-Phase II, Standard Project Services to Support Construction Phase (UPC 17630/108041) (Attachment 6D)– Executive Director Page - Recommended Action: Discussion/Approval

E. Remaining Projects Outside of the Third Crossing SEIS – Bowers Hill Environmental Study (UPC 106724) (Attachment 6E)– Executive Director Page - Recommended Action: Discussion/Approval

F. HRTAC Proposed HRTAC FY2018-FY2023 Plan of Finance Update (Attachment 6F) – Finance Committee Chair Wagner, Executive Director Page, and PFM Financial Advisors - Recommended Action: Discussion/Approval

G. HRTAC Proposed 2040 Plan of Finance Update (Attachment 6G) – Finance Committee Chair Wagner, Executive Director Page, and PFM Financial Advisors - Recommended Action: Discussion/Approval

H. FY2018 HRTAC Meeting Schedule – Newly Elected Chair - Recommended Action: Discussion/Approval

I. Resolution of Appreciation of Outgoing Chairman – Newly Elected Chair - Recommended Action: Discussion/Approval

J. Executive Director's Annual Performance Evaluation (Closed Session as Necessary) (Attachment 6J)– Personnel Committee Chair, Mayor Sessoms - Recommended Action: Discussion/Approval

7. Information Items

A. HRTF Financial Report (Attachment 7A) – Finance Chair, Senator Wagner

B. VDOT HRTAC Quarterly Projects Update – James Utterback, VDOT Hampton Roads District Administrator

C. Next HRTAC Regular Meeting – September 21, 2017, 12:30 p.m., Regional Building Board Room if not adjusted by Action Item 6H.

8. Adjournment

Agenda Item 5A
Consent Item

To: Chair Sessoms and the other members of HRTAC

From: Kevin B. Page, Executive Director

Date: June 15, 2017

Re: March 16, 2017 Regular Meeting Minutes

Recommendation:

The Commission is asked to approve the Commission's March 16, 2017 Meeting minutes.

Background:

The Commission approves meeting minutes for the permanent record of the Commission.

Fiscal Impact:

There is no fiscal impact in relation to this Consent Item.

Suggested Motion:

Motion is to approve the minutes of the Commission's Meeting on March 16, 2017.



**Hampton Roads Transportation
Accountability Commission (HRTAC)
Summary Minutes of the March 16, 2017 Regular Meeting**

The Hampton Roads Transportation Accountability Commission (HRTAC) Regular Meeting was called to order at 12:30 p.m. in the Regional Board Room, 723 Woodlake Drive, Chesapeake, Virginia, with the following in attendance:

HRTAC Members in Attendance:

William D. Sessoms, Chair	Frank Rabil
Michael Hipple, Vice Chair	Barbara Ramsey
Rex Alphin	Paul Riddick
John Cosgrove	John Rowe
Linda T. Johnson	Thomas G. Shepperd
Chris Jones	Donnie Tuck
Alan Krasnoff	Frank Wagner
McKinley Price	David Yancey
Barry T. Porter	

HRTAC Executive Director

Kevin Page

HRTAC Ex-Officio Members in Attendance:

Charlie Kilpatrick	Cathie Vick
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Other Participants:

James Baker	Randy Keaton
Mary Bunting	Randy Martin
Marvin Collins	Neil Morgan
Dave Hansen	Lydia Pettis Patton
Bryan Hill	Patrick Roberts
Tom Inglima	Doug Smith
Michael Johnson	James Utterback

HRTAC Voting Members Absent:

Eugene Hunt	Christopher Stolle
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HRTAC Ex-Officio Members Absent:

John Malbon	Jennifer Mitchell
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* Denotes Late Arrival or Early Departure

Others Recorded Attending:

Kelly Lackey (CH); Brian DeProfio (HA); Bryan Stilley, Jerri Wilson (NN); Wynter Benda, Thelma Drake, Jeff Raliski (NO); Bob Baldwin (PO); Randolph Cook (SH); Lue Ward (SU); Bob Matthias (VB); Bill Cashman (AECOM); Cathy Davison (Albemarle Commission); Carlos Contreras (C & M Associates); Frank Papcin (Citizens Advisory Committee); Donna Sayegh (Citizens for Self-Government); Dennis Heuer (Clark Nexsen); Scott Forehand, Don Quisenberry (ESSI/VRHR); Nick Antonucci, Anil Sharma (HNTB); Chuck Eastman (Michael Baker Inc.); Gary Webb (Parsons Transportation); Sarah McCoy (Port of Virginia); Mark Geduldig-Yatrofsky (Portsmouthcitywatch.org); Jim Long (RK&K); Tony Gibson, (VDOT); Jordan Pascale (Virginian Pilot); Nancy Collins, Danetta Jankosky, Mike Long, Joe Turner, Chris Vaigneur (HRPDC); Jennifer Coleman (HRTAC); Bob Crum, Mike Kimbrel, Camelia Ravanbakht (HRTPO)

Approval of Agenda

Mr. Randy Martin Moved to approve the agenda; seconded by Ms. Linda Johnson. The Motion Carried.

Public Comment Period (limit 5 minutes per individual)

Ms. Donna Sayegh commented on Public Private Partnerships, Elizabeth River Crossings (ERC), TransCore, and designated public comment speaking time limits.

Mr. Frank Papcin made suggestions on how to organize and structure Hampton Roads Bridge Tunnel trucking capacity when built.

Mr. Mark Geduldig-Yatrofsky spoke in support of the HOT lane proposal. He then spoke with disapproval of VA-164 footprint expansion that claims City of Portsmouth taxable land.

Consent Items**A. Minutes of December 15, 2016 HRTAC Regular Meeting**

Mr. Thomas Shepperd Moved to approve the minutes of the December 15, 2016 HRTAC Regular Meeting; seconded by Delegate David Yancey. The Motion Carried.

Action Items**A. Amendments to the Approved HRTAC 2016-2022 Funding Plan – Study of Components not included in the HRCS SEIS Selected Alternative (UPC Not Assigned), and HRCS Preferred Alternative Refinement, Standard Project Services to Support Geotechnical, Survey, Administration and Staff Augmentation Phase (UPC 110577)**

HRTAC Executive Director, Kevin Page explained the amendment to the 2016-2022 Funding Plan was to add a total of \$32.0 million dollars in Hampton Roads Transportation Fund funding to two projects, The HRCS SEIS components not included in Alternative A and the HRCS Preferred Alternative Refinement. He further noted a public hearing was held on March 8, 2017 and HRTAC staff did not receive any written or oral comments.

Mr. McKinley Price Moved to adopt HRTAC Resolution 2017-01, "Amendment to the Approved HRTAC FY2016-FY2022 Funding Plan, RE: Funding of Study of Components not included in the HRCS SEIS Selected Alternative (UPC Not Assigned), and HRCS Preferred Alternative Refinement, Standard Project Services to Support Geotechnical, Survey, Administration and Staff Augmentation Phase (UPC 110577)"; seconded by Ms. Linda Johnson. The Motion Carried.

B. Memorandum of Understanding – Study of Components not Included in the Selected HRCS SEIS Alternative

Mr. Page explained the MOU was a framework for the remaining segments not included in the HRCS Alternative A and outlined the responsibilities of the participating agencies. Delegate David Yancey noted that he intended to offer a substitute motion, allocating an additional \$4.0 million contingency to the two projects if needed.

Delegate David Yancey Moved to adopt HRTAC Resolution 2017-02, "Memorandum of Understanding – Study of Components not included in the selected HRCS SEIS Alternative"; seconded by Mr. Alan Krasnoff. The Motion Carried.

C. Standard Project Agreement – HRCS Preferred Alternative Refinement, Standard Project Services to Support Geotechnical, Survey, Administration and Staff Augmentation Phase (UPC 110577)

Mr. Page indicated the Standard Project Agreement for the HRCS Preferred Alternative Refinement study already had a Commonwealth Transportation Board (CTB) designated UPC. HRTAC legal counsel Thomas Inglima, concurred the agreement was consistent with previous agreements with VDOT.

Ms. Linda Johnson Moved to adopt Resolution 2017-03, "Standard Project Agreement for the HRCS Preferred Alternative Refinement, Standard Project Services to Support Geotechnical, Survey, Administration and Staff Augmentation Phase (UPC 110577)"; seconded by Mr. Tom Shepperd. The Motion Carried.

D. Authorization of Public Hearing on the FY2018 Budget

Senator Frank Wagner Finance Chair indicated a public hearing was needed before the Commission could approve the FY2018 budget and he provided an overview of the proposed FY2018 budget that included a 3% cost of living salary increase aligned with the state's approved increase and that the budget was \$130.0 thousand lower than FY 2017

Vice Chair Michael Hipple Moved "The Commission authorizes the Finance Committee to hold a public hearing on the Draft HRTAC FY2018 Proposed Budget "; seconded by Ms. Linda Johnson. The Motion Carried.

E. Proclamation of Regional Consensus

Mr. Page explained the proclamation requested assistance of State and Federal governments to secure funding for:

- Completion of improvements to Interstate 64 from Hampton Roads to Richmond
- Improving passenger rail service from Hampton Roads to Richmond, and the emerging northeast passenger rail corridor
- Completion of dredging to deepen and widen the region's harbor channel to support post-Panamax container ships, while maintaining safe and secure mobility of Navy and Coast Guard Assets

Mr. Rex Alphin Moved "The Commission endorses the Proclamation of Regional Consensus"; seconded by Ms. Linda Johnson. The Motion Carried.

Information Items

A. HRTF Financial Report

Finance Chair Frank Wagner recognized the fluctuation of the retail price of gasoline, and the absence of a floor to the gas tax and its effects.

Other Business

Chair Sessoms noted he had appointed a Nominating Committee comprised of himself, Mayor McKinley Price, and Mayor Kenneth Alexander.

Mr. James Utterback, Virginia Department of Transportation Hampton Roads District Administrator, gave project updates on the widening of Interstate 64 on the Southside and Peninsula and the I-64/I-264 Interchange Improvements. He noted an industry meeting would be held on April 3, 2017 regarding the HRBT and procurement approaches.

Next Meeting

The next meeting will be held on June 15, 2017 at 12:30 p.m.

Adjournment

With no further business to come before the Hampton Roads Transportation Accountability Commission the meeting adjourned at 1:07 p.m.

William D. Sessoms, Jr.
HRTAC Chair

Agenda Item 6A
Action Item

To: Chair Sessoms and the other members of HRTAC

From: Kevin B. Page, Executive Director

Date: June 15, 2017

Re: Election of FY2018 Officers of the Commission

Recommendation:

The Nominating Committee recommends that the Commission adopt the proposed FY2018 Slate of Officers.

Background:

Sections III.A. and IV.A. of the HRTAC Amended and Reinstated Bylaws of the Commission Requires that the Commission annually elect from its voting Members a Chair and a Vice-Chair at its Annual Organizational Meeting. At its March 16, 2017 Regular Meeting, the HRTAC Chair appointed a Nominating Committee. The Nominating Committee met on May 18, 2017 and on May 23, 2017, the HRTAC Chair communicated to the Commissioners the FY2018 Slate of Officers as Michael Hipple (James City County Supervisor), Chair and Linda Johnson (Suffolk Mayor), Vice Chair. No opposition to the 2018 Slate of Officers has been expressed to the Nominating Committee since the May 23rd announcement.

Fiscal Impact:

There is no fiscal impact in relation to this Action Item.

Suggested Motion:

Motion is the Commission adopts the proposed FY2018 Slate of Officers by roll call vote for Chair and Vice Chair.



To: Chair Sessoms and the other members of HRTAC

From: Kevin B. Page, Executive Director

Date: June 15, 2017

Re: HRTAC FY2018 Proposed Budget

Recommendation:

The Finance Committee is asking the Commission to adopt the proposed FY2018 Budget reflected in the enclosed Budget (the “HRTAC FY2018 Proposed Budget”), which includes a 2.0 percent cost of living adjustment for staff.

Background:

Each year, HRTAC develops, adopts, and tracks its annual operating budget. For FY2018, the HRTAC Finance Committee has developed the Draft HRTAC FY2018 Proposed Budget based on its review of expenditures and anticipated additional needs of the Commission for the upcoming business year. The proposed budget is \$130,000 less than the FY2017 approved budget and anticipates that the HRTF interest/investment income will support the expenditures. The Finance Committee endorsed the Draft HRTAC FY2018 Proposed Budget at its March 9, 2017 meeting. The Finance Committee Chair communicated the endorsed Draft HRTAC FY2018 Proposed Budget to the Commission at its March 16, 2017 Regular meeting. The Commission authorized a public hearing that was held at 9:00 a.m. on Tuesday, May 2, 2016 in Board Room A of the Regional Building, 723 Woodlake Drive, Chesapeake, VA 23320. No comments on the HRTAC FY2018 Proposed Budget were received at the public hearing and no written comments were received by the June 2, 2017 deadline for submission of written comments. The HRTAC Personnel Committee met on Thursday, May 18, 2018 and voted to recommend a 2.0 percent cost of living increase to HRTAC Staff effective July 1, 2017. The cost of living increase is incorporated in the proposed HRTAC FY2018 Proposed Budget.

Fiscal Impact:

There is a \$2,270,000 fiscal impact in relation to this Action Item.

Suggested Motion:

Motion The Commission adopts the HRTAC FY2018 Proposed Operating Budget and authorizes the HRTAC Chair and the Executive Director implement the annual salary cost of living increase of 2.0 percent.





FY2017 Approved Budget and FY2018 Proposed Budget

CATEGORY	FY2017 Approved			FY2018 Proposed		
	OPERATIONS	PROJECT DEVELOPMENT	FY2017 BUDGET	OPERATIONS	PROJECT DEVELOPMENT	Proposed FY2018 BUDGET
REVENUES						
HRTF Support *	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest/Investment Income	1,475,000	925,000	2,400,000	1,300,000	970,000	2,270,000
TOTAL REVENUE	\$ 1,475,000	\$ 925,000	\$ 2,400,000	\$ 1,300,000	\$ 970,000	\$ 2,270,000
EXPENDITURES						
PERSONNEL**						
HRTAC Staff	\$ 500,000	\$ -	\$ 500,000	\$ 500,000	\$ -	\$ 500,000
HRTPO/HRPDC Support Staff**	120,000	-	120,000	75,000	-	75,000
SUBTOTAL PERSONNEL	620,000	-	620,000	575,000	-	575,000
PROFESSIONAL SERVICES						
Audit	40,000	-	40,000	22,000	-	22,000
Bank Fees & Investment Services	300,000	-	300,000	240,000	-	240,000
Legal	425,000	425,000	850,000	375,000	300,000	675,000
Financial Advisors	-	500,000	500,000	-	670,000	670,000
Insurance - D&O/Liability	3,000	-	3,000	4,000	-	4,000
Recruiting	2,500	-	2,500	2,000	-	2,000
SUBTOTAL PROFESSIONAL SERVICES	770,500	925,000	1,695,500	643,000	970,000	1,613,000
TECHNOLOGY/COMMUNICATION**						
Computer hardware & peripherals/ maintenance/communications/phone**	18,200	-	18,200	5,000	-	5,000
LAN system/ Cloud	10,000	-	10,000	10,000	-	10,000
Website Consultant	1,000	-	1,000	1,000	-	1,000
SUBTOTAL TECHNOLOGY/COMMUNICATION	29,200	-	29,200	16,000	-	16,000
ADMINISTRATIVE **						
Public Notices/Advertising	10,000	-	10,000	5,000	-	5,000
Office Space	12,000	-	12,000	12,000	-	12,000
Office Supplies**	1,000	-	1,000	5,000	-	5,000
Furniture	1,200	-	1,200	500	-	500
Printing/Copying**	5,000	-	5,000	9,000	-	9,000
Dues/Subscriptions	2,000	-	2,000	1,000	-	1,000
Travel	5,000	-	5,000	16,000	-	16,000
Meeting Expenses**	14,000	-	14,000	12,000	-	12,000
Postage**	100	-	100	500	-	500
Professional Development	5,000	-	5,000	5,000	-	5,000
SUBTOTAL ADMINISTRATIVE	55,300	-	55,300	66,000	-	66,000
TOTAL EXPENDITURES	\$ 1,475,000	\$ 925,000	\$ 2,400,000	\$ 1,300,000	\$ 970,000	\$ 2,270,000
BUDGET BALANCE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

* HRTF Support will be used if the Interest/Investment Income is less than budgeted.

**includes items to be reimbursed to HRPDC/HRTPO



Agenda Item 6C
Action Item

To: Chair Sessoms and the other members of HRTAC

From: Kevin B. Page, Executive Director

Date: June 15, 2017

Re: HRTAC Adopted FY2016-FY2022 Funding Plan Adjustments

Recommendation:

The Commission is being asked to amend its HRTAC 2016-2022 Funding Plan Approved March 17, 2016 to reduce HRTF funding to the I-64 Peninsula Widening Segment II Project (UPC 106665) by \$23,855,178 and the I-64 Southside Widening Including High Rise Bridge Phase I project (UPC 106692) by \$100,000,000 and adjust the allocation years of the I-64/I-264 Interchange Phase II Construction (17630/108041) and the Remaining Projects Outside of the Third Crossing SEIS – Bowers Hill Environmental Study (UPC 106724) and authorize the Chair to enter into new or amend existing project agreements as necessary to implement the changes, subject to the contingency described below.

Background:

On March 9, 2017, VDOT notified HRTAC of its release of \$23,855,178 of Hampton Roads Transportation Funds under agreement for the I-64 Peninsula Widening Segment II Project (UPC 106665), and on June 21, 2017, the Commonwealth Transportation Board is expected to take action to approve \$100,000,000 of SMART SCALE funds to the I-64 Southside High Rise Bridge Phase I Project (UPC 106692) and \$50,000,000 of SMART SCALE funds to the I-64/I-264 Interchange Phase II Construction (17630/108041) (the “CTB Approval”).

VDOT has also requested adjustment of allocation years of the I-64/I-264 Interchange Phase II Construction (17630/108041) and the Remaining Projects Outside of the Third Crossing SEIS – Bowers Hill Environmental Study (UPC 106724).

Subject to the CTB Approval, HRTAC will need to adjust its HRTAC 2016-2022 Funding Plan Approved March 17, 2016 to reflect changes within project line items and to deallocate funds and make them available for reprogramming. The updated allocations, which would reduce HRTF funding to the I-64 Peninsula Widening Segment II Project (UPC 106665) by \$23,855,178 and the HRTF funding to I-64 Southside Widening Including High Rise Bridge Phase I project (UPC 106692) by \$100,000,000, would be reflected in amendments to the existing project agreements. The updated allocation years of the I-64/I-264 Interchange Phase II Construction (17630/108041) and the Remaining Projects Outside of the Third



Crossing SEIS – Bowers Hill Environmental Study (UPC 106724) would require the Commission and VDOT to enter into Standard Project Agreements for each of these projects and the HRTAC 2016-2022 Funding Plan would reflect the years of expenditure commensurate to the project budget and cash flow. All projects are included in the HRTAC 2016-2022 Funding Plan and these adjustments do not require increasing any of the HRTF line items.

Fiscal Impact

These adjustments of Hampton Roads Transportation Funds are within in the HRTAC 2016-2022 Funding Plan Approved March 17, 2016, as amended.

Suggested Motion:

Motion. Motion is to adopt Resolution 2017-04, “HRTAC Adopted FY2016-FY2022 Financial Plan Adjustments” attached.



HRTAC RESOLUTION 2017-04

HRTAC ADOPTED 2016-2022 FINANCIAL PLAN ADJUSTMENTS

WHEREAS, the Commission has engaged in projects with VDOT as adopted in the HRTAC 2016-2022 funding plan adopted by the Commission on March 17, 2016 , as amended (the “Funding Plan”); and

WHEREAS, VDOT notified HRTAC of its release of \$23,855,178 of Hampton Roads Transportation Funds under agreement for the I-64 Peninsula Widening Segment II Project (UPC 106665); and

WHEREAS, on June 21, 2017, the Commonwealth Transportation Board is expected to take action to approve \$100,000,000 of SMART SCALE funds to the I-64 Southside High Rise Bridge Phase I Project (UPC 106692) and \$50,000,000 of SMART SCALE funds to the I-64/I-264 Interchange Phase II Construction (17630/108041) (the “CTB Approval”); and

WHEREAS, VDOT has also requested adjustment of allocation years of the I-64/I-264 Interchange Phase II Construction (17630/108041) and the Remaining Projects Outside of the Third Crossing SEIS – Bowers Hill Environmental Study (UPC 106724); and

WHEREAS, The updated allocations, which would reduce HRTF funding to the I-64 Peninsula Widening Segment II Project (UPC 106665) by \$23,855,178 and the HRTF funding to I-64 Southside Widening Including High Rise Bridge Phase I project (UPC 106692) by \$100,000,000, would be reflected in amendments to the existing project agreements; and

WHEREAS, The updated allocation years of the I-64/I-264 Interchange Phase II Construction (17630/108041) and the Remaining Projects Outside of the Third Crossing SEIS – Bowers Hill Environmental Study (UPC 106724) would require the Commission and VDOT to enter into Standard Project Agreements for each of these projects; and

WHEREAS, the HRTAC 2016-2022 Funding Plan would reflect the years of expenditure commensurate to the project budget and cash flow; and

WHEREAS, sufficient funding is available in the Funding Plan.

NOW, THEREFORE, BE IT RESOLVED, that the Commission hereby amends its HRTAC 2016-2022 Funding Plan Approved March 17, 2016 to reduce HRTF funding to the I-64 Peninsula Widening Segment II Project (UPC 106665) by \$23,855,178 and the I-64 Southside Widening Including High Rise Bridge Phase I project (UPC 106692) by \$100,000,000 and adjusts the allocation years of the I-64/I-264 Interchange Phase II Construction (17630/108041) and the Remaining Projects Outside of the Third Crossing SEIS – Bowers Hill Environmental Study (UPC 106724) and authorizes the



Chair to enter into new or amend existing project agreements as necessary to implement the changes; provided;

BE IT FURTHER RESOLVED, provided, however, for the adjustment in respect of the I-64 Southside Widening Including High Rise Bridge Phase I project (UPC 106692) of \$100,000,000 and the adjustment to the allocation years of the I-64/I-264 Interchange Phase II Construction (17630/108041) projects, are contingent upon the Commonwealth Transportation Board awarding SMART SCALE funding to HRTAC projects, as proposed, at its June 21, 2017 meeting.

APPROVED and ADOPTED by the Hampton Roads Transportation Accountability Commission at its meeting on the 15th day of June 2017.

William D. Sessoms, Jr.
Chair
Hampton Roads Transportation
Accountability Commission

Michael J. Hipple
Vice-Chair
Hampton Roads Transportation
Accountability Commission

Agenda Item 6D
Action Item

To: Chair Sessoms and the other members of HRTAC

From: Kevin B. Page, Executive Director

Date: June 15, 2017

Re: I-64/I-264 Interchange-Phase II, Standard Project Services to Support Construction Phase (UPC 17630/108041), Authorization to enter into Agreement

Recommendation:

The Commission is being asked to authorize the Chair to execute and deliver the Standard Project Agreement with VDOT for the I-64/I-264 Interchange-Phase II, Standard Project Services to Support Construction Phase (UPC 17630/108041) if the Commonwealth Transportation Board awards SMART SCALE funding to HRTAC projects, as proposed, at its June 21, 2017 meeting and HRTAC Funding Plan amendments related thereto take effect.

Background:

VDOT has requested HRTAC to enter into an agreement for the I-64/I-264 Interchange-Phase II, Standard Project Services to Support Construction Phase (UPC 17630/108041). The I-64/I-264 Interchange-Phase II, Standard Project Services to Support Construction Phase (UPC 17630/108041) project is identified in the HRTAC-adopted Funding Plan and at the Commission's June 15, 2017 meeting, the Commission approved making adjustments to the HRTAC 2016-2022 Funding Plan Approved March 17, 2016 to adjust for additional SMART SCALE funding (and refinement of HRTF funding by year of project cash flow) if the CTB approves the proposed SMART SCALE funding at its June 21, 2017 meeting. This project component involves the Construction of Phase II of the I-64/I-264 Interchange. The project will improve traffic flow, connectivity, and congestion.

The Standard Project Agreement with VDOT for the I-64/I-264 Interchange-Phase II, Standard Project Services to Support Construction Phase (UPC 17630/108041) is as follows:

- FY2019 \$22,878,706 Hampton Roads Transportation Fund (HRTF)
- FY2020 \$14,750,000 HRTF
- FY2021 \$27,250,000 HRTF
- FY2022 \$8,278,411 HRTF
- Total allocated HRTF funds for Construction - \$73,157,117



Fiscal Impact

There will be an impact to the Hampton Roads Trust Fund in the amount of \$73,157,117 in relation to this Action Item.

Suggested Motion:

Motion. Motion is to adopt Resolution 2017-05, "I-64/I-264 Interchange-Phase II, Construction (UPC 17630/108041), Standard Project Agreement Execution", attached.



HRTAC RESOLUTION 2017-05

I-64/I-264 INTERCHANGE-PHASE II, CONSTRUCTION (UPC 17630/108041)–STANDARD PROJECT AGREEMENT EXECUTION

WHEREAS, the funding of Phases I and II of the I-64/I-264 Interchange construction project (the “Project”) is covered by the HRTAC 2016-2022 funding plan adopted by the Commission on March 17, 2016 (the “Funding Plan”); and

WHEREAS, Phase II involves the construction of the next set of improvements at the Interchange contemplated in the funding plan; and

WHEREAS, on Thursday, June 15, 2017, the Commission authorized adjustments to its funding plan to align Phase II Construction project allocations with anticipated expenditures by fiscal year (the “Construction Work”) and

WHEREAS, sufficient funding is available for the construction phase of this Project if, at its June 21, 2017 meeting, the Commonwealth Transportation Board awards \$150 million in proposed SMART SCALE funds for the Commission’s projects (the “CTB Approval”);.

NOW, THEREFORE, BE IT RESOLVED, that the Commission hereby authorizes the Chair to execute the Standard Project Agreement for the I-64/I-264 Interchange-Phase II, Standard Project Services to Support Construction Phase (UPC 17630/108041) contingent upon the CTB Approval.

APPROVED and ADOPTED by the Hampton Roads Transportation Accountability Commission at its meeting on the 15th day of June 2017.

William D. Sessoms, Jr.
Chair
Hampton Roads Transportation
Accountability Commission

Michael J. Hipple
Vice-Chair
Hampton Roads Transportation
Accountability Commission

**Standard Project Agreement for Funding and Administration
between
Hampton Roads Transportation Accountability Commission
and
Virginia Department of Transportation**

HRTAC Project Number: I-264/Witchduck Road Interchange & Ramp Extension
Improvements (Parent UPC 17630/ Child UPC 108041)

This Standard Project Agreement for Funding and Administration (the "Agreement") is made and executed in duplicate on this ____ day of _____, 2017, as between the Hampton Roads Transportation Accountability Commission ("HRTAC") and the Virginia Department of Transportation ("VDOT").

WITNESSETH

WHEREAS, Chapter 766 of the 2013 Acts of Assembly established the Hampton Roads Transportation Fund (the "HRTF"), and provides that moneys deposited in the HRTF are to be used solely for new construction projects on new or existing highways, bridges, and tunnels in the localities comprising Planning District 23;

WHEREAS, Chapter 678 of the 2014 Acts of Assembly (now codified in Section 33.2-2600 *et seq.* of the Code of Virginia, as amended) (the "HRTAC Act") created HRTAC as a political subdivision of the Commonwealth of Virginia, and moved the responsibility to determine the projects that will be funded by the HRTF from the Hampton Roads Transportation Planning Organization to HRTAC;

WHEREAS, under Sections 33.2-2606 and 33.2-2607 of the Code of Virginia, HRTAC is also authorized to issue bonds and other evidences of debt, and to impose and collect certain tolls;

WHEREAS, Section 33.2-2611 of the Code of Virginia requires HRTAC to use all moneys it receives (the "HRTAC-Controlled Moneys"), which include, without limitation, moneys from the HRTF as well as any bond proceeds and collections from any tolls imposed by HRTAC, solely for the benefit of those counties and cities that are embraced by HRTAC, and in a manner that is consistent with the purposes of the HRTAC Act;

WHEREAS, VDOT is the Virginia state agency responsible for building, maintaining and operating the interstate, primary, and secondary state highway systems ("VDOT Highways");

WHEREAS, in light of VDOT's responsibilities with respect to VDOT Highways, and HRTAC's responsibilities with respect to the application of the HRTAC-Controlled Moneys, VDOT and HRTAC entered into a Memorandum of Agreement dated March 30, 2015 (the "MOA");

WHEREAS, the MOA contemplates that HRTAC may from time to time enter into Project Agreements for Funding and Administration of projects that HRTAC selects and HRTAC requests VDOT to administer and/or develop with HRTAC Controlled Moneys;

WHEREAS, HRTAC has determined that it desires to proceed with the project set forth and described on Appendix A to this Agreement (the “Project”), and that the Project would benefit the cities and counties that are embraced by HRTAC and it otherwise satisfies the requirements of the HRTAC Act;

WHEREAS, VDOT agrees to administer and/or develop the Project in accordance with the budget (the “Project Budget”) and cashflow and construction schedule (the “Project Schedule”) set forth and described on Appendix B to this Agreement (this Agreement and its appendices may be amended from time to time by mutual agreement of the parties to address mutually agreed changes relating to, among other things, Project scope, design, funding and regulatory approvals);

WHEREAS, HRTAC desires to provide funding for the administration and/or development of the Project out of HRTAC-Controlled Moneys, subject to the terms, conditions and limitations set forth herein;

WHEREAS, the Commonwealth Transportation Board (“CTB”) has the authority, pursuant to Section 33.2-214 of the Code of Virginia, to cause VDOT to enter into this Agreement and has authorized the Commissioner of Highways to enter into agreements with HRTAC for project administration and development purposes, and Section 33.2-2608 of the Code of Virginia authorizes HRTAC to enter into this Agreement; and

WHEREAS, the CTB, by resolution passed on January 14, 2015, resolved that any agreement between VDOT and HRTAC for project services shall provide that overruns or other additional project costs shall be prorated between HRTAC and VDOT so that each party bears a proportionate share of the additional costs based on each party’s percentage responsibility of the initial project budget; and

WHEREAS, HRTAC's governing body and the CTB have each authorized that their respective designee(s) execute this Agreement on their respective behalf(s) as evidenced by copies of each such entity's clerk's minutes or such other official authorizing documents which are appended hereto as Appendix E.

NOW THEREFORE, in consideration of the foregoing premises and the mutual promises, covenants, and agreements contained herein, the parties hereto agree as follows:

A. VDOT's Obligations

VDOT shall:

1. Complete or perform or cause to be completed or performed all work relating to the Project, as described in Appendix A, advancing such work diligently and ensuring that all work is completed in accordance with (i)

any and all applicable federal, state, and local laws and regulations, and (ii) all terms and conditions of this Agreement, including, without limitation, the Project Budget and Project Schedule reflected in Appendix B, which Project Budget and Project Schedule (A) VDOT represents have been prepared in good faith, in accordance with the practices and procedures that VDOT uses for projects where the state or VDOT bears the cost of the project (including, without limitation, the practices used to price and budget services that may be internally sourced, such as Construction Engineering Inspection/CEI), and (B) the parties acknowledge may be amended pursuant to Section A.8 below or as follows:

- (a) In the event that VDOT determines, after receipt of proposals or bids for any work related to the Project, that the cost of the contract for said work will result in a significant reduction in costs associated with a portion of the Project Budget reflected in Appendix B that is allocated to work covered by the contract, then VDOT shall notify HRTAC's Executive Director of the significant reduction in costs. For purposes of this Section A.1(a), HRTAC and VDOT agree that a "significant reduction in costs" shall mean a reduction in costs that has the effect of reducing, in Appendix B, (x) the costs for the particular portion of the Project Budget allocated to work covered by the contract by more than 20 percent or (y) the entire Project Budget either by more than 10 percent or \$10,000,000, whichever applies. In the event there is a significant reduction in costs, VDOT and HRTAC will work reasonably and in good faith to amend Appendix B to fairly reflect the effect of the reduction (by way of example, if the Appendix B costs are to be paid initially from both HRTAC-Controlled Moneys and state or federal contributions, then the commitment of each funding source would be reduced by its proportionate share of the reduction in costs, which proportionate share will be based on the funding source's proportionate responsibility for the total budgeted costs before the reduction was realized) (for the avoidance of doubt, the amount by which a commitment is reduced shall be considered deobligated from the Project).
- (b) In the event that any federal or state funding not previously available for the Project becomes available for any portion of the Project Budget reflected in Appendix B, then VDOT and HRTAC will work reasonably and in good faith to amend Appendix B to fairly reflect the benefit of the additional funding (by way of example, if the Appendix B costs are to be paid initially from both HRTAC-Controlled Moneys and state contributions, but federal funding subsequently becomes available, then the respective commitments of HRTAC and the state would be reduced by each party's proportionate share of the additional funds, which proportionate share will be based on the party's proportionate responsibility for

the total budgeted cost before the additional funding became available).

2. Without limiting the foregoing,
 - (a) VDOT shall select contractors, contract with contractors, and administer and enforce contracts all in a manner that is consistent in all material respects with the policies, procedures and practices that VDOT uses where the state or VDOT bears the cost of a project; for example, VDOT shall use its customary policies, procedures and practices relating to requesting bids/proposals, negotiating/finalizing terms and conditions of contracts (using, where applicable, standard terms/forms), and monitoring and enforcing performance of contracts;
 - (b) VDOT shall not enter into any contract to perform the work related to the Project if (i) the cost of that contract would exceed the portion of the Project Budget reflected in Appendix B that is allocated to the work covered by that contract, (ii) the cost of that contract, when aggregated with the cost of all other contracts relating to the Project that have been, or are expected to be, entered into would exceed the Project Budget reflected in Appendix B, or (iii) the schedule in the contract for performing and paying for the work related to the Project would be materially different (whether accelerated or delayed) from the Project Schedule set forth in Appendix B; in addition, if the bids or proposals received for any portion of the Project are not qualitatively consistent with VDOT's standards for that work or quantitatively within VDOT's projections for that work, each as determined by VDOT in its good faith judgment, VDOT shall (i) undertake a new procurement, or (ii) recommend alternative measures to HRTAC, and seek HRTAC's advice and consent regarding pursuit of those alternative measures. If HRTAC grants its written consent to a modification to the Project Budget and/or Project Schedule in order to permit VDOT to enter into a contract to perform the work, VDOT and HRTAC will work reasonably and in good faith to amend Appendix B to reflect the modified Project Budget and Project Schedule.
3. Perform or have performed in accordance with VDOT's standards for highways, bridges and tunnels all design and engineering, all environmental work, and all right-of-way acquisition, construction, contract administration, testing services, inspection services, or capital asset acquisitions, as is required by this Agreement or that may be necessary for completion of the Project pursuant to the terms of this Agreement. If VDOT determines that a delay will more likely than not prevent the completion of a material phase of the Project (e.g., PE or ROW acquisition), or the entire Project, in accordance with the Project Schedule,

VDOT shall notify HRTAC in writing and provide HRTAC with such information as HRTAC may reasonably request, including information pertaining to potential corrective measures and remedies against the contractor (if VDOT and HRTAC mutually develop a model notice for such purposes, VDOT's notice will follow the format of the model).

4. Not use any funds provided by HRTAC, including the funds specified on Appendix B, to pay any Project cost if the HRTAC Act does not permit such Project cost to be paid with HRTAC funds.
5. Recognize that, if the Project contains "multiple funding phases" (as such "multiple funding phases" are set out for the Project on Appendix A), for which HRTAC will provide funding for such multiple funding phases (as scheduled on Appendix B), HRTAC may not have sufficient cash flows to permit accelerated funding to VDOT and to advance the funding schedule for the Project. In any circumstance where VDOT seeks to advance the funding schedule for the Project, VDOT shall submit a written request to HRTAC's Executive Director explaining VDOT's reasons why HRTAC should authorize acceleration to the next funding phase. (As used in this Agreement, "Executive Director" shall mean HRTAC's Chairman if at any applicable time, HRTAC has not engaged a dedicated, full-time Executive Director.) HRTAC's Executive Director will thereafter review the circumstances underlying the request in conjunction with Appendix B and HRTAC's current and projected cash flow position and make a recommendation to HRTAC whether to authorize VDOT's requested accelerated funding. The foregoing shall not prohibit VDOT from providing its own funds to advance a future funding phase of the Project and from requesting reimbursement from HRTAC for having advance funded a future phase of the Project; however, VDOT further recognizes that HRTAC's reimbursement to VDOT for having advance funded a phase of the Project will be dependent upon HRTAC's cash flow position at the time such a request for reimbursement is submitted and may be dependent upon the extent to which the reimbursement of any such advanced funding is otherwise consistent with the terms of this Agreement, including Appendix B.
6.
 - (a) Permit HRTAC's Executive Director to periodically update HRTAC's cash flow estimates for the Project with the objective toward keeping those estimates accurate throughout the performance of the Project. VDOT shall provide all available information reasonably required by HRTAC so as to ensure and facilitate accurate cash flow estimates and accurate updates to those cash flow estimates throughout the performance of the Project as described in Appendix B.
 - (b) Provide HRTAC's Executive Director with the monthly reports described on Appendix D.

7. Provide to HRTAC's Executive Director requests for payment consistent with Appendix C (and the most recently approved HRTAC cash flow estimates) that include (a) HRTAC's standard payment requisition(s), containing detailed summaries of actual project costs incurred with supporting documentation as determined by HRTAC, and (b) certifications that all such costs were incurred in the performance of work for the Project as authorized by this Agreement. Each payment requisition shall be in substantially the same form as set forth in Appendix C of this Agreement. If approved by HRTAC, VDOT can expect to receive payment within twenty (20) days upon receipt by HRTAC. Approved payments may be made by means of electronic transfer of funds from HRTAC to or for the account of VDOT.
8. (a) Promptly notify HRTAC's Executive Director if VDOT determines that any additional, unbudgeted costs may be incurred to perform and complete the Project ("Additional Costs"), which notice shall include a description of the Additional Costs, an explanation of how they arose and the assumptions in the initial budget regarding those costs, and a detailed estimate of the Additional Costs. VDOT shall make recommendations regarding any curative actions that may be available relating to such Additional Costs, including any potential modification or reduction that may be made to the Project scope or design, or any other action, in order to stay within the initial budget for the Project. If the Additional Costs can be absorbed in the Project Budget by modifying or reducing the scope or design of the Project (or avoided by cancelling the Project or any portion thereof), HRTAC may, in its sole discretion, elect to (i) authorize VDOT to proceed with such modifications or reductions, (ii) authorize the Additional Costs (or if a combination of (i) and (ii) is feasible, HRTAC may elect such combination), or (iii) elect to cancel the Project or a portion thereof; provided, however, in any case, the respective obligations of VDOT and HRTAC, as modified by the elected alternative, shall be set forth in an amendment to this Agreement (VDOT and HRTAC shall work in good faith to finalize and execute such amendment). If the Additional Costs cannot be absorbed in the initial budget by modifying or reducing the scope or design of the Project (and HRTAC elects option (ii) above), then, subject to Section F below, such Additional Costs shall be paid from HRTAC-Controlled Moneys and state and federal funds prorated based on the respective proportionate share of HRTAC-Controlled Moneys and state and federal funds in the Project Budget. In the event that HRTAC elects to cancel the Project (or any portion thereof) pursuant to this Section A.8(a)(iii), (A) all compensation due and owing to any and all contractors for work on the Project that has been completed at the time of cancellation, shall be paid in accord with Appendix B, and (B) subject to Section F, all reasonable costs associated with the cancellation due and owing to

said contractors pursuant to the terms of the contracts with the contractors, which terms shall be consistent with VDOT's standard contract terms relating to contract cancellation and termination, (the "Breakage Compensation"), shall be paid with HRTAC-Controlled Moneys, unless VDOT and HRTAC mutually determine that cancellation of the Project is necessary or warranted, in which case, the Breakage Compensation shall be paid from HRTAC-Controlled Moneys and state and federal funds prorated based on the respective proportionate share of HRTAC-Controlled Moneys and state and federal funds in the Project Budget.

- (b) VDOT shall not include in any contract with a contractor working on the Project any term, condition or remedy in respect of Additional Costs that is more favorable to the contractor than the terms, conditions or remedies VDOT includes in standard contracts where the state or VDOT bears the cost of the project.
- (c) The Additional Costs may include costs incurred by VDOT as a result of contractor claims relating to the Project made pursuant to the VDOT Roads and Bridge Specifications and §§ 33.2-1101 through 33.2-1105 of the Code, as amended. VDOT shall promptly notify HRTAC if any such claims are made or VDOT receives a notice of intent to file a claim or other written communication from a contractor relating to a claim or contractual dispute that could result in increased contract costs, and whether in each such case the claimed amount is expected to become, or result in, Additional Costs (and the estimate thereof) or is expected to have a material adverse effect on the contingency reserves established as part of the Project Budget (and the estimated effect thereon). VDOT shall be responsible to handle all such claims and notices of intent, but VDOT may not settle any claim or notice of intent to file a claim and thereafter submit it as an Additional Cost pursuant to Section A.8(a) unless the settlement has been approved by HRTAC. Funding for the settlement will be prorated based on the respective proportionate share of the HRTAC-Controlled Moneys and state and federal funds in the Project Budget. Should the claim not be settled, any final judgment from a court of competent jurisdiction shall be paid in accordance with the proration rule set forth in the preceding sentence.
- (d) Notwithstanding anything to the contrary set forth herein, if any additional cost (including, without limitation, any additional cost relating to a contractor claim described in Section A.8(c) above) arises out of or results from VDOT's negligence or breach of contract, HRTAC shall not be responsible for such additional costs.

9. Release or return any unexpended funds to HRTAC no later than 90 days after final payment has been made in respect of the Project.
10. Maintain complete and accurate financial records relative to the Project for all time periods as may be required by the Virginia Public Records Act and by all other applicable state or federal records retention laws or regulations.
11. Maintain all original conceptual drawings and renderings, architectural and engineering plans, site plans, inspection records, testing records, and as built drawings for the Project for the time periods required by the Virginia Public Records Act and any other applicable records retention laws or regulations.
12. Reimburse HRTAC (or such other entity as may have provided funds) for all funds provided by HRTAC (or on behalf of HRTAC) and, to the extent applicable and permitted by law, with interest earned at the rate earned by HRTAC, that VDOT misapplied, used or requisitioned in contravention of the HRTAC Act or any other applicable law, or any term or condition of this Agreement.
13. Acknowledge that VDOT is solely responsible for the administration and/or development of the Project and all engagements, commitments and agreements with contractors. VDOT shall ensure that VDOT's contractors maintain surety bonds and insurance in amounts and with coverages that VDOT requires under its Road and Bridge Specifications for all work to be performed for the Project, and name HRTAC and its members, officers, employees and, if applicable, any HRTAC bond trustee as additional insureds on any such insurance policy, and present HRTAC with satisfactory evidence thereof before any work on the Project commences.
14. If in connection with the work VDOT engages outside legal counsel approved by the Attorney General (as opposed to utilizing the services of the Office of the Attorney General), VDOT will give HRTAC notice of the engagement so as to ensure that no conflict of interest may arise from any such representation.
15. Subject to and consistent with the requirements of Section F of this Agreement, upon final payment to all contractors for the Project, if the Project is or is part of a VDOT Highway, VDOT will use the Project for its intended purposes for the duration of the Project's useful life. If the Project is or is part of a VDOT Highway, VDOT shall be responsible to operate and/or maintain the Project after its completion (including responsibility to correct any defects or to cause any defects to be corrected), and under no circumstances will HRTAC have any responsibility or obligation to operate and/or maintain the Project (or correct defects with respect to the Project). The provisions in this Section

A.15 will survive the completion of the Project under this Agreement and/or the termination of this Agreement.

16. Comply with all applicable federal, state and local laws and regulations, including without limitation requirements of the Virginia Public Procurement Act.
17. Recognize that VDOT or its contractors are solely responsible for obtaining, and shall obtain, all permits, permissions and approvals necessary to construct and/or operate the Project, including, but not limited to, obtaining all required VDOT and local land use permits, zoning approvals, environmental permits, and regulatory approvals.
18. Recognize that if the Project is being funded, in whole or in part, with federal and/or state funds (in addition to HRTAC Controlled-Moneys), that VDOT shall (a) take any and all necessary actions to satisfy any conditions to such additional federal and/or state funding (provided that such actions are within the control of VDOT) and to enforce any commitments made in connection therewith, (b) comply with all applicable federal and Commonwealth funding requirements within the control or purview of VDOT, and (c) include in its contracts with contractors provisions that permit such contracts to be terminated, without penalty, if the funding is rescinded or otherwise becomes unavailable (for clarification, a provision shall not be deemed to include a penalty solely as a result of terms that require payment of compensation due and owing at the time of cancellation and reasonable costs associated with cancellation provided that such costs are consistent with costs paid pursuant to VDOT's standard contract terms relating to contract cancellation and termination). VDOT acknowledges and agrees that if funding from such an additional federal or state source is rescinded or otherwise becomes unavailable HRTAC (i) shall not be responsible for any amount in excess of its commitment set forth on Appendix B, and (ii) may (A) replace said reduced funding with HRTAC Controlled-Moneys or (B) may request VDOT to immediately suspend or discontinue all work relating to the Project, provided if HRTAC requests suspension HRTAC shall be responsible for the costs reasonably incurred in connection with such suspension. Should HRTAC not replace the reduced funding or request VDOT to suspend or discontinue work, VDOT may reduce the Project scope or take any other actions needed to reduce the Project costs to the Project Budget.
19. Provide a certification to HRTAC no later than 90 days after final payment for the Project that VDOT adhered to all applicable laws and regulations and all requirements of this Agreement.

B. HRTAC's Obligations

HRTAC shall:

1. Subject to the limitations as to amounts set forth in Appendix B (and subject to Section F of this Agreement), provide to VDOT the funding authorized by HRTAC for the Project, on a reimbursement basis as set forth in this Agreement and as specified in Appendix B to this Agreement or the most updated amendment thereto, as approved by HRTAC.
2. Assign a person to serve as a Program Coordinator for the Project, who will be responsible for review of the Project on behalf of HRTAC for purposes of ensuring it is being completed in compliance with this Agreement and all HRTAC requirements. HRTAC's Program Coordinator will be responsible for overseeing, managing, reviewing, and processing, in consultation with HRTAC's Executive Director and its Chief Financial Officer ("CFO"), all payment requisitions submitted by VDOT for the Project. HRTAC's Program Coordinator will have no independent authority to direct changes or make additions, modifications, or revisions to the scope of the Project as set forth on Appendix A or to the Project Budget and Project Schedule as set forth on Appendix B.
3. Route to HRTAC's assigned Program Coordinator all VDOT payment requisitions and the summaries of actual costs submitted to HRTAC for the Project. After submission to HRTAC, HRTAC's Program Coordinator will conduct an initial review of all payment requisitions and supporting documentation for the Project in order to determine the submission's legal and documentary sufficiency. HRTAC's Program Coordinator will then make a recommendation to the HRTAC's CFO and Executive Director whether to authorize payment, refuse payment, or seek additional information from VDOT. If the payment requisition is sufficient as submitted, payment will be made within twenty (20) days from receipt. If the payment requisition is, in HRTAC's reasonable judgment, deemed insufficient, within twenty (20) days from receipt, HRTAC's Program Coordinator will notify VDOT in writing and set forth the reasons why the payment requisition was declined or why and what specific additional information is needed in order to authorize the payment request. Payment will be withheld until all deficiencies identified by HRTAC have been corrected to HRTAC's reasonable satisfaction. Under no circumstances will HRTAC authorize payment for any work performed by or on behalf of VDOT that is not in conformity with the requirements of the HRTAC Act or this Agreement.
4. Route all of VDOT's accelerated or supplemental requests for funding from HRTAC under Sections A.5 and A.8, respectively, of this Agreement to HRTAC's Executive Director. HRTAC's Executive Director will initially review those requests and all supporting documentation with HRTAC's

CFO. After such initial review, HRTAC's Executive Director will make a recommendation to HRTAC's Finance Committee for its independent consideration and review. HRTAC's Finance Committee will thereafter make a recommendation on any such request to HRTAC for final determination by HRTAC.

5. Conduct periodic compliance reviews scheduled in advance for the Project so as to assess whether the work being performed likely remains within the scope of this Agreement, the HRTAC Act and other applicable law. Such compliance reviews may entail review of VDOT's financial records for the Project and on-Project site inspections.
6. Acknowledge that if, as a result of HRTAC's review of any payment requisition or of any HRTAC compliance review, HRTAC staff determines that VDOT is required under Section A.12 of this Agreement to reimburse funds to HRTAC, HRTAC staff will promptly advise HRTAC's Executive Director and will advise VDOT's designated representative in writing. VDOT will thereafter have thirty (30) days to respond in writing to HRTAC's initial findings. HRTAC's staff will review VDOT's response and make a recommendation to HRTAC's Finance Committee. HRTAC's Finance Committee will thereafter conduct its own review of all submissions and make a recommendation to HRTAC. If HRTAC makes a final determination that VDOT is required under Section A.12 of this Agreement to reimburse funds to HRTAC, the parties should engage in dispute resolution as provided in Section D of this Agreement. Pending final resolution of the matter, HRTAC will withhold further funding on the Project. Nothing herein shall, however, be construed as denying, restricting or limiting the pursuit of either party's legal rights or available legal remedies.
7. Upon making final payment to VDOT for the Project, retain copies of all contracts, financial records, design, construction, and as-built project drawings and plans, if any, developed pursuant to or in association with the Project for the time periods required by the Virginia Public Records Act and as may be required by other applicable records retention laws and regulations.
8. Be the sole determinant of the amount and source of HRTAC funds to be provided and allocated to the Project and the amounts of any HRTAC funds to be provided in excess of the amounts specified in Appendix B.

C. Term

1. This Agreement shall be effective upon adoption and execution by both parties.

2. VDOT may terminate this Agreement, for cause, in the event of a material breach by HRTAC of this Agreement. If so terminated, HRTAC shall pay for all Project costs incurred in accordance with the terms of this Agreement through the date of termination and all reasonable costs incurred by VDOT to terminate all Project-related contracts. The Virginia General Assembly's failure to appropriate funds to HRTAC as described in Section F of this Agreement and/or repeal or amendment of the legislation establishing the HRTF or HRTAC's powers shall not be considered material breaches of this Agreement by HRTAC if such failure to appropriate or such repeal or amendment eliminates funds in the HRTF to be used for the Project or renders HRTAC without legal authority to provide funding for the Project. Before initiating any proceedings to terminate under this Section, VDOT shall give HRTAC sixty (60) days written notice of any claimed material breach of this Agreement and the reasons for termination; thereby allowing HRTAC an opportunity to investigate and cure any such alleged breach.
3. HRTAC may terminate this Agreement, for cause, resulting from VDOT's material breach of this Agreement. If so terminated, VDOT shall refund to HRTAC all funds HRTAC provided to VDOT for the Project and, to the extent permitted by law, with interest earned at the rate earned by HRTAC. HRTAC will provide VDOT with sixty (60) days written notice that HRTAC is exercising its rights to terminate this Agreement and the reasons for termination. Prior to termination, if VDOT has substantially completed the Project or a portion that is severable (meaning it is subject to independent use), VDOT may request that HRTAC excuse VDOT from refunding funds paid in respect of the substantially completed Project or portion, and HRTAC may, in its sole discretion, excuse VDOT from refunding all or a portion of the funds HRTAC provided to VDOT for the substantially completed Project or portion thereof. No such request to be excused from refunding will be allowed where VDOT has either misused or misapplied HRTAC funds in contravention of this Agreement or applicable law.
4. Upon termination and payment of all eligible expenses as set forth in Section C.3 above, VDOT will release or return to HRTAC all unexpended HRTAC funds and, to the extent permitted by law, with interest earned at the rate earned by HRTAC, no later than sixty (60) days after the date of termination.

D. Dispute

In the event of a dispute under this Agreement, the parties agree to meet and confer promptly in order to ascertain if the dispute can be resolved informally without the need of a third party or judicial intervention. HRTAC's Executive Director and the Commissioner shall be authorized to conduct negotiations on behalf of their respective entities. If a resolution of the dispute is reached via a meet and confer dispute resolution method, it shall be presented to HRTAC and

to the Commissioner for formal confirmation and approval. If no satisfactory resolution can be reached via the meet and confer method, either party is free to pursue whatever remedies it may have at law or in equity, including all judicial remedies. The foregoing dispute resolution method shall not bar either party's right to seek equitable relief on an emergency basis.

E. HRTAC's Interest in Project Assets

VDOT agrees to use the real property and appurtenances and fixtures thereto, capital assets, equipment and all other transportation facilities that are part of the Project and funded by HRTAC under this Agreement ("Assets") for the designated transportation purposes of the Project and in accordance with applicable law throughout the useful life of each such Asset. If VDOT intends to sell, convey, or dispose any Asset funded with HRTAC funds or intends to use any Asset for a purpose inconsistent with this Agreement, VDOT shall notify HRTAC's Executive Director in writing of any such intent before further action is taken by VDOT in furtherance thereof. Upon receiving notification from VDOT, HRTAC's Executive Director shall notify HRTAC of VDOT's intended action(s). The parties shall, thereafter, meet and confer to discuss what measures need to be taken regarding VDOT's proposed sale, conveyance, disposition, or use of any such Asset(s) so as to ensure compliance with all applicable requirements of the HRTAC Act (without limiting the foregoing, VDOT acknowledges that under the HRTAC Act and applicable law, HRTAC is vested with the right to impose and collect tolls on facilities constructed by the Commission). All recommendations and/or proposed remedial actions developed by the parties' designated representatives during the meet and confer process shall be formally presented to HRTAC and the Commissioner for their respective approval.

F. Appropriations Requirements

1. Nothing herein shall require or obligate HRTAC to commit or obligate funds to the Project beyond those funds that have been duly authorized and appropriated by its governing body for the Project.
2. The parties acknowledge that all funding provided by HRTAC pursuant to the HRTAC Act is subject to appropriation by the Virginia General Assembly. The parties further acknowledge that: (i) the moneys allocated to the HRTF pursuant to applicable provisions of the Code of Virginia and any other moneys that the General Assembly appropriates for deposit into the HRTF are subject to appropriation by the General Assembly and (ii) HRTAC's obligations under this Agreement are subject to such moneys being appropriated to the HRTF by the General Assembly.
3. The parties agree that VDOT's obligations under this Agreement are subject to funds being appropriated by the General Assembly and allocated by the Commonwealth Transportation Board and otherwise legally available to VDOT for HRTAC projects.

4. Should VDOT be required to provide additional funds in order to proceed or complete the funding necessary for the Project, VDOT shall certify to HRTAC that such additional funds have been allocated and authorized by the CTB and/or appropriated by the Virginia General Assembly as may be applicable or have been obtained through another independent, lawful source.

G. Notices

All notices under this Agreement to either party shall be in writing and forwarded to the other party by U.S. mail, care of the following authorized representatives:

- 1) to: HRTAC, to the attention of its Executive Director and Chairman;
723 Woodlake Drive
Chesapeake, VA 23320
- 2) to: VDOT, to the attention of:
Commissioner, Virginia Department of Transportation
1401 East Broad Street
Richmond, VA 23219

H. Assignment

This Agreement shall not be assigned by either party unless express written consent is given by the other party.

I. Modification or Amendment

- (a) This Agreement may not be modified or amended, except pursuant a written agreement that is duly authorized, executed and delivered by both parties.
- (b) If HRTAC is able to obtain a source of funding for the Project that would reduce or replace the amount of HRTAC-Controlled Moneys expended on the Project, VDOT and HRTAC will work in good faith to amend this Agreement so it takes into account that other funding.
- (c) If HRTAC proposes to issue bonds, VDOT and HRTAC will work in good faith to adopt such amendments to this Agreement as VDOT and HRTAC may mutually agree are necessary and desirable in connection with the bond offering, including, without limitation, tax covenants of the type made by VDOT under its Project Agreements with the Northern Virginia Transportation Authority.

J. No Personal Liability or Creation of Third Party Rights

This Agreement shall not be construed as creating any personal liability on the part of any officer, member, employee, or agent of the parties; nor shall it be construed as giving any rights or benefits to anyone other than the parties hereto.

K. No Agency

VDOT represents that it is not acting as a partner or agent of HRTAC; and nothing in this Agreement shall be construed as making any party a partner or agent with any other party.

L. Sovereign Immunity

This Agreement shall not be construed as a waiver of either party's sovereign immunity rights.

M. Incorporation of Recitals and Appendices

The recitals and Appendices to this Agreement are hereby incorporated into this Agreement and are expressly made a part hereof. The parties to this Agreement acknowledge and agree that the recitals are true and correct.

N. Mutual Preparation and Fair Meaning

The parties acknowledge that this Agreement has been prepared on behalf of all parties thereto and shall be construed in accordance with its fair meaning and not strictly construed for or against either party.

O. Governing Law

This Agreement is governed by the laws of the Commonwealth of Virginia.

[Signature page follows]

IN WITNESS WHEREOF, each party hereto has caused this Agreement to be executed as of the day, month, and year first herein written by their duly authorized representatives.

Hampton Roads Transportation Accountability Commission

By:_____

Name:_____

Title:_____

Date:_____

Virginia Department of Transportation

By:_____

Name:_____

Title:_____

Date:_____

Appendix A –Narrative Description of Standard Project Services

HRTAC Project Title: I-264/Witchduck Road Interchange & Ramp Extension Improvements (Parent UPC 17630/Child UPC 108041)

Recipient Entity: Virginia Department of Transportation

VDOT Program Manager Contact Information: Tony Gibson (757) 925-2274

HRTAC Executive Director: Kevin Page (757) 420-8300

Project Scope
<p>The Standard Project Services are intended to include overall project work and are set forth in more detail below in the Detailed Scope of Services. Generally, the overall project entails extending the new C-D roadway from the Newtown Interchange to the Witchduck Interchange, reconfiguring the Newtown Interchange ramps South of I-264, reconfiguring the Witchduck Interchange ramps South of I-264, and constructing an overpass between the two interchanges that connects Greenwich Road on the South side of I-264 and Cleveland Street on the North side.</p>

Detailed Scope of Services
<p>The detailed scope of the Standard Project Services addressed by this Agreement (and to which the funding provided thereunder relates) consists of the Construction (CN) Phase for the overall design bid build project described above and for which CN Advertisement is currently scheduled for June 2017.</p> <p>The cost estimate provided in Appendix B was developed using VDOT's Project Cost Estimating System and was current as of the date the Appendix B was executed. Any additional costs for the CN Phase of the Project will be subject to and addressed in accord with the terms of this Standard Project Agreement.</p>

APPENDIX B
PROJECT BUDGET, PROJECT SCHEDULE, AND CASHFLOW

APPENDIX B-PROJECT BUDGET & CASH FLOW

PROJECT IDENTIFICATION AND PROPOSED FUNDING

HRTAC Project Title:	<u>I-264 Interchange Improvements (Parent UPC 17630/Child UPC 108041)</u>
Scope of Project Services:	<u>Project Services to support the CN Phase of I-264 Interchange Improvements (Parent UPC 17630/ Child UPC 108041)</u>
Recipient Entity:	<u>Virginia Department of Transportation</u>
VDOT Project Contact:	<u>Anthony Gibson 757-925-2274</u>
Baseline Schedule:	<u>CN NTP October 2017 - CN End September 2021</u>

PROJECT COSTS & FUNDING SOURCE

Project Cost Category	Total Project Costs	HRTAC PayGo Funds	HRTAC Financed Funds	Description Other Sources of Funds	Amount Other Sources of Funds	Recipient Entity Funds
Design Work			\$ -		\$ -	\$ -
Engineering						
Environmental Work						
Right-of-Way Acquisition		\$ -				
Construction	\$ 126,028,411.00	\$ 73,157,117.00		Fed/State/ Local	\$ 52,871,294.00	
Contract Administration						
Testing Services						
Inspection Services						
Capital Asset Acquisitions						
Other						
Total Estimated Cost	\$ 126,028,411.00	\$ 73,157,117.00	\$ -	\$ -	\$ 52,871,294.00	\$ -

FISCAL YEAR ANNUAL PROJECT CASH FLOW

Project Phase	Total Fiscal Year 2019		Total Fiscal Year 2020		Total Fiscal Year 2021		Total Fiscal Year 2022	
	PayGo	Financed	PayGo	Financed	PayGo	Financed	PayGo	Financed
Design Work								
Engineering								
Environmental Work								
Right-of-Way Acquisition								
Construction	22,878,706.00		14,750,000.00		27,250,000.00		8,278,411.00	
Contract Administration								
Testing Services								
Inspection Services								
Capital Asset Acquisitions								
Other								
Total Estimated Cost	\$ 22,878,706.00	\$ -	\$ 14,750,000.00	\$ -	\$ 27,250,000.00	\$ -	\$ 8,278,411.00	\$ -

Please Note: If additional years are needed, please submit a separate form with additional columns

FISCAL YEAR ESTIMATED PROJECT CASH FLOW

	FY 19 Mthly Cash Flow		FY 20 Mthly Cash Flow		FY 21 Mthly Cash Flow		FY 22 Mthly Cash Flow	
	PayGo	Financed	PayGo	Financed	PayGo	Financed	PayGo	Financed
July					\$ 2,750,000.00		\$ 2,000,000.00	
August					\$ 2,500,000.00		\$ 2,000,000.00	
September					\$ 2,500,000.00		\$ 2,000,000.00	
October	\$ 128,706.00				\$ 2,500,000.00		\$ 1,139,206.00	
November	\$ 2,750,000.00				\$ 2,500,000.00		\$ 1,139,205.00	
December	\$ 2,750,000.00				\$ 2,500,000.00			
January	\$ 2,750,000.00		\$ 250,000.00		\$ 2,000,000.00			
February	\$ 2,750,000.00		\$ 2,750,000.00		\$ 2,000,000.00			
March	\$ 2,750,000.00		\$ 2,750,000.00		\$ 2,000,000.00			
April	\$ 3,000,000.00		\$ 3,000,000.00		\$ 2,000,000.00			
May	\$ 3,000,000.00		\$ 3,000,000.00		\$ 2,000,000.00			
June	\$ 3,000,000.00		\$ 3,000,000.00		\$ 2,000,000.00			
Total per Fiscal Year	\$ 22,878,706.00	\$ -	\$ 14,750,000.00	\$ -	\$ 27,250,000.00	\$ -	\$ 8,278,411.00	\$ -

Please Note: If additional years are needed, please submit a separate form with additional columns

This attachment is certified and made an official attachment to the Standard Project Agreement document by the parties of this agreement.

Virginia Department of Transportation

Hampton Roads Transportation Accountability Commission

Signature

Commissioner

Title

Signature

HRTAC Chairman

Title

Date
Charles A. Kilpatrick, P.E.

Print name of person signing

Date
William D. Sessoms, Jr

Print name of person signing

APPENDIX C

FORM OF PAYMENT REQUISITION

HRTAC Project Title and Number: _____

Project Scope/Services Description: [From Appendix B] _____

Draw Request Number: _____

Date: _____, 20____

Hampton Roads Transportation Accountability Commission
723 Woodlake Drive
Chesapeake, VA 23320

Attention _____, Program Coordinator:

This requisition is submitted in connection with the Standard Project Agreement for Funding and Administration for the project services noted above and dated _____, 20____ (the "Agreement") between the Hampton Roads Transportation Accountability Commission ("HRTAC") and the Virginia Department of Transportation ("VDOT"). VDOT hereby requests \$_____ of HRTAC funds, to pay the costs of the project services described and set forth in Appendices A and B of the Agreement ("Project Services") and in accordance with the Agreement. Also included are copies of each invoice relating to the items for which this requisition is requested.

The undersigned certifies (i) the amounts included within this requisition will be applied solely and exclusively for the payment or the reimbursement of VDOT's costs of the Project Services, (ii) VDOT is responsible for payment to vendors/contractors, (iii) VDOT is not in breach or default with respect to any of its obligations under the Agreement, including without limitation (but only if applicable) the tax covenants set forth in another Appendix to the Agreement, (iv) the representations and warranties made by VDOT in the Agreement are true and correct as of the date of this Requisition and (v) to the knowledge of VDOT, no condition exists under the Agreement that would allow HRTAC to withhold the requested advance.

VIRGINIA DEPARTMENT OF TRANSPORTATION

By: _____

Name: _____

Title: _____

Recommended For Payment

By: _____

Name: _____

Title: HRTAC Program Coordinator

DETAILED PAYGO REQUEST

Draw Request Number: _____ Request Date: _____
HRTAC Project Number: _____ Project Title: _____

Cost Category	HRTAC Approved Project Costs	Total PayGo Requests Previously Received	PayGo Requisition Amount this Period	Remaining PAYGO Project Budget (Calculation)
Project Starting Balance	\$ -			\$ -
Design Work	\$ -	\$ -	\$ -	\$ -
Engineering	-	-	-	\$ -
Environmental Work	-	-	-	\$ -
Right-of-Way Acquisition	-	-	-	\$ -
Construction	-	-	-	\$ -
Contract Administration	-	-	-	\$ -
Testing Services	-	-	-	\$ -
Inspection Services	-	-	-	\$ -
Capital Asset Acquisitions	-	-	-	\$ -
Other (please explain)	-	-	-	\$ -
TOTALS	\$ -	\$ -	\$ -	\$ -

LISTING OF ATTACHED INVOICES

Vendor/Contractor Name	Item Number	Invoice Number	Cost Category	Amount
	1			\$ -
	2			-
	3			-
	4			-
	5			-
	6			-
	7			-
	8			-
	9			-
	10			-
	11			-
	12			-
Requisition Amount				\$ -

Instructions

1. Column B-Please list approved PayGo Project Cost per category.
2. Column C-Please list Total PayGo Amounts per Category Previously Reimbursed by HRTAC
3. Column D- Please list invoice amounts summarized by Category from the Listing of Attached Invoices
4. Column E - Is a calculation of the Remaining PAYGO Budget per Category

Instructions-Listing of Attached Invoices: (please list each invoice separately)

1. Column A- Please list the name as it appears on the Invoice
2. Column B- Please manually number the invoices attached with the corresponding Item number in this schedule.
3. Column C- Please list the invoice number as it appears on the Invoice
4. Column D- Please list the appropriate Cost Category based on the Project Category breakout above
5. Column E- Please enter the dollar amount listed on the invoice.
6. The calculated Requisition Amount should equal the total in Column D in the Schedule above.

APPENDIX D

REPORTS TO BE PROVIDED BY VDOT

1) Monthly Project Expenditure Report which lists, by category of expense (*e.g.*, engineering, ROW, utility relocations, construction), (a) information regarding expenditures to date against the budget, both monthly and for the life of the project, and a statement of the percent completed; and (b) such other information as VDOT customarily provides with monthly expenditure reports

2) Monthly Project Report which provides (a) an overview of progress on major project tasks; (b) information regarding the budget (such as, the baseline planned forecast, any approved changes thereto, the monthly expenditures, the cumulative expenditures, and the cumulative forecasted expenditures); (c) future key tasks; and (d) significant issues.

APPENDIX E

OFFICIAL AUTHORIZING DOCUMENTS

Agenda Item 6E
Action Item

To: Chair Sessoms and the other members of HRTAC

From: Kevin B. Page, Executive Director

Date: June 15, 2017

**Re: Remaining Projects Outside of the Third Crossing SEIS – Bowers Hill
Environmental Study (UPC 106724), Authorization to enter into Agreement**

Recommendation:

The Commission is being asked to authorize the Chair to execute and deliver the Standard Project Agreement with VDOT for the Remaining Projects Outside of the Third Crossing SEIS – Bowers Hill Environmental Study (UPC 106724).

Background:

VDOT has requested HRTAC to enter into agreement to conduct the Remaining Projects Outside of the Third Crossing SEIS – Bowers Hill Environmental Study (UPC 106724). The Remaining Projects Outside of the Third Crossing SEIS – Bowers Hill Environmental Study (UPC 106724) project is identified in the HRTAC-adopted Funding Plan and at the Commission's June 15, 2017 meeting, the Commission made adjustments to the HRTAC 2016-2022 Funding Plan Approved March 17, 2016 to adjust for SMART SCALE funding and refinement of HRTF funding by year of project cash flow. This project component involves the Environmental Study of the Bowers Hill Interchange. The project will improve traffic flow, connectivity, and congestion.

The Standard Project Agreement with VDOT for the Remaining Projects Outside of the Third Crossing SEIS – Bowers Hill Environmental Study (UPC 106724) is as follows:

- FY2018 \$1,640,000 Hampton Roads Transportation Fund (HRTF)
- FY2019 \$1,950,000 HRTF
- FY2020 \$410,000 HRTF
- Total allocated HRTF funds for Construction - \$4,000,000

Fiscal Impact

There will be an impact to the Hampton Roads Trust Fund in the amount of \$4,000,000 in relation to this Action Item.



Suggested Motion:

Motion. Motion is to adopt Resolution 2017-06, “Remaining Projects Outside of the Third Crossing SEIS – Bowers Hill Environmental Study (UPC 106724)”, attached.



HRTAC RESOLUTION 2017-06

REMAINING PROJECTS OUTSIDE OF THE THIRD CROSSING SEIS – BOWERS HILL ENVIRONMENTAL STUDY (UPC 106724) – STANDARD PROJECT AGREEMENT EXECUTION

WHEREAS, the funding of Remaining Projects Outside of the Third Crossing SEIS – Bowers Hill Environmental Study (UPC 106724 (the “Project”) is covered by the HRTAC 2016-2022 funding plan adopted by the Commission on March 17, 2016 , as amended (the “Funding Plan”); and

WHEREAS, The Bowers Hill Environmental Study involves the development of the set of improvements at the Bowers Hill Interchange contemplated in the funding plan, as amended; and

WHEREAS, sufficient funding is available for the study phase of this Project. Any future incremental allocations to advance the project will be allocated on a case by case basis.

NOW, THEREFORE, BE IT RESOLVED, that the Commission hereby authorizes the Chair to execute and deliver the Standard Project Agreement for Projects Outside of the Third Crossing SEIS – Bowers Hill Environmental Study (UPC 106724).

APPROVED and ADOPTED by the Hampton Roads Transportation Accountability Commission at its meeting on the 15th day of June 2017.

William D. Sessoms, Jr.
Chair
Hampton Roads Transportation
Accountability Commission

Michael J. Hipple
Vice-Chair
Hampton Roads Transportation
Accountability Commission

**Standard Project Agreement for Funding and Administration
between
Hampton Roads Transportation Accountability Commission
and
Virginia Department of Transportation**

HRTAC Project Number: Bowers Hill Interchange (UPC)

This Standard Project Agreement for Funding and Administration (the "Agreement") is made and executed in duplicate on this ____ day of _____, 2017, as between the Hampton Roads Transportation Accountability Commission ("HRTAC") and the Virginia Department of Transportation ("VDOT").

WITNESSETH

WHEREAS, Chapter 766 of the 2013 Acts of Assembly established the Hampton Roads Transportation Fund (the "HRTF"), and provides that moneys deposited in the HRTF are to be used solely for new construction projects on new or existing highways, bridges, and tunnels in the localities comprising Planning District 23;

WHEREAS, Chapter 678 of the 2014 Acts of Assembly (now codified in Section 33.2-2600 *et seq.* of the Code of Virginia, as amended) (the "HRTAC Act") created HRTAC as a political subdivision of the Commonwealth of Virginia, and moved the responsibility to determine the projects that will be funded by the HRTF from the Hampton Roads Transportation Planning Organization to HRTAC;

WHEREAS, under Sections 33.2-2606 and 33.2-2607 of the Code of Virginia, HRTAC is also authorized to issue bonds and other evidences of debt, and to impose and collect certain tolls;

WHEREAS, Section 33.2-2611 of the Code of Virginia requires HRTAC to use all moneys it receives (the "HRTAC-Controlled Moneys"), which include, without limitation, moneys from the HRTF as well as any bond proceeds and collections from any tolls imposed by HRTAC, solely for the benefit of those counties and cities that are embraced by HRTAC, and in a manner that is consistent with the purposes of the HRTAC Act;

WHEREAS, VDOT is the Virginia state agency responsible for building, maintaining and operating the interstate, primary, and secondary state highway systems ("VDOT Highways");

WHEREAS, in light of VDOT's responsibilities with respect to VDOT Highways, and HRTAC's responsibilities with respect to the application of the HRTAC-Controlled Moneys, VDOT and HRTAC entered into a Memorandum of Agreement dated March 30, 2015 (the "MOA");

WHEREAS, the MOA contemplates that HRTAC may from time to time enter into Project Agreements for Funding and Administration of projects that HRTAC selects and HRTAC requests VDOT to administer and/or develop with HRTAC Controlled Moneys;

WHEREAS, HRTAC has determined that it desires to proceed with the project set forth and described on Appendix A to this Agreement (the “Project”), and that the Project would benefit the cities and counties that are embraced by HRTAC and it otherwise satisfies the requirements of the HRTAC Act;

WHEREAS, VDOT agrees to administer and/or develop the Project in accordance with the budget (the “Project Budget”) and cashflow and construction schedule (the “Project Schedule”) set forth and described on Appendix B to this Agreement (this Agreement and its appendices may be amended from time to time by mutual agreement of the parties to address mutually agreed changes relating to, among other things, Project scope, design, funding and regulatory approvals);

WHEREAS, HRTAC desires to provide funding for the administration and/or development of the Project out of HRTAC-Controlled Moneys, subject to the terms, conditions and limitations set forth herein;

WHEREAS, the Commonwealth Transportation Board (“CTB”) has the authority, pursuant to Section 33.2-214 of the Code of Virginia, to cause VDOT to enter into this Agreement and has authorized the Commissioner of Highways to enter into agreements with HRTAC for project administration and development purposes, and Section 33.2-2608 of the Code of Virginia authorizes HRTAC to enter into this Agreement; and

WHEREAS, the CTB, by resolution passed on January 14, 2015, resolved that any agreement between VDOT and HRTAC for project services shall provide that overruns or other additional project costs shall be prorated between HRTAC and VDOT so that each party bears a proportionate share of the additional costs based on each party’s percentage responsibility of the initial project budget; and

WHEREAS, HRTAC's governing body and the CTB have each authorized that their respective designee(s) execute this Agreement on their respective behalf(s) as evidenced by copies of each such entity's clerk's minutes or such other official authorizing documents which are appended hereto as Appendix E.

NOW THEREFORE, in consideration of the foregoing premises and the mutual promises, covenants, and agreements contained herein, the parties hereto agree as follows:

A. VDOT's Obligations

VDOT shall:

1. Complete or perform or cause to be completed or performed all work relating to the Project, as described in Appendix A, advancing such work diligently and ensuring that all work is completed in accordance with (i)

any and all applicable federal, state, and local laws and regulations, and (ii) all terms and conditions of this Agreement, including, without limitation, the Project Budget and Project Schedule reflected in Appendix B, which Project Budget and Project Schedule (A) VDOT represents have been prepared in good faith, in accordance with the practices and procedures that VDOT uses for projects where the state or VDOT bears the cost of the project (including, without limitation, the practices used to price and budget services that may be internally sourced, such as Construction Engineering Inspection/CEI), and (B) the parties acknowledge may be amended pursuant to Section A.8 below or as follows:

- (a) In the event that VDOT determines, after receipt of proposals or bids for any work related to the Project, that the cost of the contract for said work will result in a significant reduction in costs associated with a portion of the Project Budget reflected in Appendix B that is allocated to work covered by the contract, then VDOT shall notify HRTAC's Executive Director of the significant reduction in costs. For purposes of this Section A.1(a), HRTAC and VDOT agree that a "significant reduction in costs" shall mean a reduction in costs that has the effect of reducing, in Appendix B, (x) the costs for the particular portion of the Project Budget allocated to work covered by the contract by more than 20 percent or (y) the entire Project Budget either by more than 10 percent or \$10,000,000, whichever applies. In the event there is a significant reduction in costs, VDOT and HRTAC will work reasonably and in good faith to amend Appendix B to fairly reflect the effect of the reduction (by way of example, if the Appendix B costs are to be paid initially from both HRTAC-Controlled Moneys and state or federal contributions, then the commitment of each funding source would be reduced by its proportionate share of the reduction in costs, which proportionate share will be based on the funding source's proportionate responsibility for the total budgeted costs before the reduction was realized) (for the avoidance of doubt, the amount by which a commitment is reduced shall be considered deobligated from the Project).
- (b) In the event that any federal or state funding not previously available for the Project becomes available for any portion of the Project Budget reflected in Appendix B, then VDOT and HRTAC will work reasonably and in good faith to amend Appendix B to fairly reflect the benefit of the additional funding (by way of example, if the Appendix B costs are to be paid initially from both HRTAC-Controlled Moneys and state contributions, but federal funding subsequently becomes available, then the respective commitments of HRTAC and the state would be reduced by each party's proportionate share of the additional funds, which proportionate share will be based on the party's proportionate responsibility for

the total budgeted cost before the additional funding became available).

2. Without limiting the foregoing,
 - (a) VDOT shall select contractors, contract with contractors, and administer and enforce contracts all in a manner that is consistent in all material respects with the policies, procedures and practices that VDOT uses where the state or VDOT bears the cost of a project; for example, VDOT shall use its customary policies, procedures and practices relating to requesting bids/proposals, negotiating/finalizing terms and conditions of contracts (using, where applicable, standard terms/forms), and monitoring and enforcing performance of contracts;
 - (b) VDOT shall not enter into any contract to perform the work related to the Project if (i) the cost of that contract would exceed the portion of the Project Budget reflected in Appendix B that is allocated to the work covered by that contract, (ii) the cost of that contract, when aggregated with the cost of all other contracts relating to the Project that have been, or are expected to be, entered into would exceed the Project Budget reflected in Appendix B, or (iii) the schedule in the contract for performing and paying for the work related to the Project would be materially different (whether accelerated or delayed) from the Project Schedule set forth in Appendix B; in addition, if the bids or proposals received for any portion of the Project are not qualitatively consistent with VDOT's standards for that work or quantitatively within VDOT's projections for that work, each as determined by VDOT in its good faith judgment, VDOT shall (i) undertake a new procurement, or (ii) recommend alternative measures to HRTAC, and seek HRTAC's advice and consent regarding pursuit of those alternative measures. If HRTAC grants its written consent to a modification to the Project Budget and/or Project Schedule in order to permit VDOT to enter into a contract to perform the work, VDOT and HRTAC will work reasonably and in good faith to amend Appendix B to reflect the modified Project Budget and Project Schedule.
3. Perform or have performed in accordance with VDOT's standards for highways, bridges and tunnels all design and engineering, all environmental work, and all right-of-way acquisition, construction, contract administration, testing services, inspection services, or capital asset acquisitions, as is required by this Agreement or that may be necessary for completion of the Project pursuant to the terms of this Agreement. If VDOT determines that a delay will more likely than not prevent the completion of a material phase of the Project (e.g., PE or ROW acquisition), or the entire Project, in accordance with the Project Schedule,

VDOT shall notify HRTAC in writing and provide HRTAC with such information as HRTAC may reasonably request, including information pertaining to potential corrective measures and remedies against the contractor (if VDOT and HRTAC mutually develop a model notice for such purposes, VDOT's notice will follow the format of the model).

4. Not use any funds provided by HRTAC, including the funds specified on Appendix B, to pay any Project cost if the HRTAC Act does not permit such Project cost to be paid with HRTAC funds.
5. Recognize that, if the Project contains "multiple funding phases" (as such "multiple funding phases" are set out for the Project on Appendix A), for which HRTAC will provide funding for such multiple funding phases (as scheduled on Appendix B), HRTAC may not have sufficient cash flows to permit accelerated funding to VDOT and to advance the funding schedule for the Project. In any circumstance where VDOT seeks to advance the funding schedule for the Project, VDOT shall submit a written request to HRTAC's Executive Director explaining VDOT's reasons why HRTAC should authorize acceleration to the next funding phase. (As used in this Agreement, "Executive Director" shall mean HRTAC's Chairman if at any applicable time, HRTAC has not engaged a dedicated, full-time Executive Director.) HRTAC's Executive Director will thereafter review the circumstances underlying the request in conjunction with Appendix B and HRTAC's current and projected cash flow position and make a recommendation to HRTAC whether to authorize VDOT's requested accelerated funding. The foregoing shall not prohibit VDOT from providing its own funds to advance a future funding phase of the Project and from requesting reimbursement from HRTAC for having advance funded a future phase of the Project; however, VDOT further recognizes that HRTAC's reimbursement to VDOT for having advance funded a phase of the Project will be dependent upon HRTAC's cash flow position at the time such a request for reimbursement is submitted and may be dependent upon the extent to which the reimbursement of any such advanced funding is otherwise consistent with the terms of this Agreement, including Appendix B.
6.
 - (a) Permit HRTAC's Executive Director to periodically update HRTAC's cash flow estimates for the Project with the objective toward keeping those estimates accurate throughout the performance of the Project. VDOT shall provide all available information reasonably required by HRTAC so as to ensure and facilitate accurate cash flow estimates and accurate updates to those cash flow estimates throughout the performance of the Project as described in Appendix B.
 - (b) Provide HRTAC's Executive Director with the monthly reports described on Appendix D.

7. Provide to HRTAC's Executive Director requests for payment consistent with Appendix C (and the most recently approved HRTAC cash flow estimates) that include (a) HRTAC's standard payment requisition(s), containing detailed summaries of actual project costs incurred with supporting documentation as determined by HRTAC, and (b) certifications that all such costs were incurred in the performance of work for the Project as authorized by this Agreement. Each payment requisition shall be in substantially the same form as set forth in Appendix C of this Agreement. If approved by HRTAC, VDOT can expect to receive payment within twenty (20) days upon receipt by HRTAC. Approved payments may be made by means of electronic transfer of funds from HRTAC to or for the account of VDOT.
8. (a) Promptly notify HRTAC's Executive Director if VDOT determines that any additional, unbudgeted costs may be incurred to perform and complete the Project ("Additional Costs"), which notice shall include a description of the Additional Costs, an explanation of how they arose and the assumptions in the initial budget regarding those costs, and a detailed estimate of the Additional Costs. VDOT shall make recommendations regarding any curative actions that may be available relating to such Additional Costs, including any potential modification or reduction that may be made to the Project scope or design, or any other action, in order to stay within the initial budget for the Project. If the Additional Costs can be absorbed in the Project Budget by modifying or reducing the scope or design of the Project (or avoided by cancelling the Project or any portion thereof), HRTAC may, in its sole discretion, elect to (i) authorize VDOT to proceed with such modifications or reductions, (ii) authorize the Additional Costs (or if a combination of (i) and (ii) is feasible, HRTAC may elect such combination), or (iii) elect to cancel the Project or a portion thereof; provided, however, in any case, the respective obligations of VDOT and HRTAC, as modified by the elected alternative, shall be set forth in an amendment to this Agreement (VDOT and HRTAC shall work in good faith to finalize and execute such amendment). If the Additional Costs cannot be absorbed in the initial budget by modifying or reducing the scope or design of the Project (and HRTAC elects option (ii) above), then, subject to Section F below, such Additional Costs shall be paid from HRTAC-Controlled Moneys and state and federal funds prorated based on the respective proportionate share of HRTAC-Controlled Moneys and state and federal funds in the Project Budget. In the event that HRTAC elects to cancel the Project (or any portion thereof) pursuant to this Section A.8(a)(iii), (A) all compensation due and owing to any and all contractors for work on the Project that has been completed at the time of cancellation, shall be paid in accord with Appendix B, and (B) subject to Section F, all reasonable costs associated with the cancellation due and owing to

said contractors pursuant to the terms of the contracts with the contractors, which terms shall be consistent with VDOT's standard contract terms relating to contract cancellation and termination, (the "Breakage Compensation"), shall be paid with HRTAC-Controlled Moneys, unless VDOT and HRTAC mutually determine that cancellation of the Project is necessary or warranted, in which case, the Breakage Compensation shall be paid from HRTAC-Controlled Moneys and state and federal funds prorated based on the respective proportionate share of HRTAC-Controlled Moneys and state and federal funds in the Project Budget.

- (b) VDOT shall not include in any contract with a contractor working on the Project any term, condition or remedy in respect of Additional Costs that is more favorable to the contractor than the terms, conditions or remedies VDOT includes in standard contracts where the state or VDOT bears the cost of the project.
- (c) The Additional Costs may include costs incurred by VDOT as a result of contractor claims relating to the Project made pursuant to the VDOT Roads and Bridge Specifications and §§ 33.2-1101 through 33.2-1105 of the Code, as amended. VDOT shall promptly notify HRTAC if any such claims are made or VDOT receives a notice of intent to file a claim or other written communication from a contractor relating to a claim or contractual dispute that could result in increased contract costs, and whether in each such case the claimed amount is expected to become, or result in, Additional Costs (and the estimate thereof) or is expected to have a material adverse effect on the contingency reserves established as part of the Project Budget (and the estimated effect thereon). VDOT shall be responsible to handle all such claims and notices of intent, but VDOT may not settle any claim or notice of intent to file a claim and thereafter submit it as an Additional Cost pursuant to Section A.8(a) unless the settlement has been approved by HRTAC. Funding for the settlement will be prorated based on the respective proportionate share of the HRTAC-Controlled Moneys and state and federal funds in the Project Budget. Should the claim not be settled, any final judgment from a court of competent jurisdiction shall be paid in accordance with the proration rule set forth in the preceding sentence.
- (d) Notwithstanding anything to the contrary set forth herein, if any additional cost (including, without limitation, any additional cost relating to a contractor claim described in Section A.8(c) above) arises out of or results from VDOT's negligence or breach of contract, HRTAC shall not be responsible for such additional costs.

9. Release or return any unexpended funds to HRTAC no later than 90 days after final payment has been made in respect of the Project.
10. Maintain complete and accurate financial records relative to the Project for all time periods as may be required by the Virginia Public Records Act and by all other applicable state or federal records retention laws or regulations.
11. Maintain all original conceptual drawings and renderings, architectural and engineering plans, site plans, inspection records, testing records, and as built drawings for the Project for the time periods required by the Virginia Public Records Act and any other applicable records retention laws or regulations.
12. Reimburse HRTAC (or such other entity as may have provided funds) for all funds provided by HRTAC (or on behalf of HRTAC) and, to the extent applicable and permitted by law, with interest earned at the rate earned by HRTAC, that VDOT misapplied, used or requisitioned in contravention of the HRTAC Act or any other applicable law, or any term or condition of this Agreement.
13. Acknowledge that VDOT is solely responsible for the administration and/or development of the Project and all engagements, commitments and agreements with contractors. VDOT shall ensure that VDOT's contractors maintain surety bonds and insurance in amounts and with coverages that VDOT requires under its Road and Bridge Specifications for all work to be performed for the Project, and name HRTAC and its members, officers, employees and, if applicable, any HRTAC bond trustee as additional insureds on any such insurance policy, and present HRTAC with satisfactory evidence thereof before any work on the Project commences.
14. If in connection with the work VDOT engages outside legal counsel approved by the Attorney General (as opposed to utilizing the services of the Office of the Attorney General), VDOT will give HRTAC notice of the engagement so as to ensure that no conflict of interest may arise from any such representation.
15. Subject to and consistent with the requirements of Section F of this Agreement, upon final payment to all contractors for the Project, if the Project is or is part of a VDOT Highway, VDOT will use the Project for its intended purposes for the duration of the Project's useful life. If the Project is or is part of a VDOT Highway, VDOT shall be responsible to operate and/or maintain the Project after its completion (including responsibility to correct any defects or to cause any defects to be corrected), and under no circumstances will HRTAC have any responsibility or obligation to operate and/or maintain the Project (or correct defects with respect to the Project). The provisions in this Section

A.15 will survive the completion of the Project under this Agreement and/or the termination of this Agreement.

16. Comply with all applicable federal, state and local laws and regulations, including without limitation requirements of the Virginia Public Procurement Act.
17. Recognize that VDOT or its contractors are solely responsible for obtaining, and shall obtain, all permits, permissions and approvals necessary to construct and/or operate the Project, including, but not limited to, obtaining all required VDOT and local land use permits, zoning approvals, environmental permits, and regulatory approvals.
18. Recognize that if the Project is being funded, in whole or in part, with federal and/or state funds (in addition to HRTAC Controlled-Moneys), that VDOT shall (a) take any and all necessary actions to satisfy any conditions to such additional federal and/or state funding (provided that such actions are within the control of VDOT) and to enforce any commitments made in connection therewith, (b) comply with all applicable federal and Commonwealth funding requirements within the control or purview of VDOT, and (c) include in its contracts with contractors provisions that permit such contracts to be terminated, without penalty, if the funding is rescinded or otherwise becomes unavailable (for clarification, a provision shall not be deemed to include a penalty solely as a result of terms that require payment of compensation due and owing at the time of cancellation and reasonable costs associated with cancellation provided that such costs are consistent with costs paid pursuant to VDOT's standard contract terms relating to contract cancellation and termination). VDOT acknowledges and agrees that if funding from such an additional federal or state source is rescinded or otherwise becomes unavailable HRTAC (i) shall not be responsible for any amount in excess of its commitment set forth on Appendix B, and (ii) may (A) replace said reduced funding with HRTAC Controlled-Moneys or (B) may request VDOT to immediately suspend or discontinue all work relating to the Project, provided if HRTAC requests suspension HRTAC shall be responsible for the costs reasonably incurred in connection with such suspension. Should HRTAC not replace the reduced funding or request VDOT to suspend or discontinue work, VDOT may reduce the Project scope or take any other actions needed to reduce the Project costs to the Project Budget.
19. Provide a certification to HRTAC no later than 90 days after final payment for the Project that VDOT adhered to all applicable laws and regulations and all requirements of this Agreement.

B. HRTAC's Obligations

HRTAC shall:

1. Subject to the limitations as to amounts set forth in Appendix B (and subject to Section F of this Agreement), provide to VDOT the funding authorized by HRTAC for the Project, on a reimbursement basis as set forth in this Agreement and as specified in Appendix B to this Agreement or the most updated amendment thereto, as approved by HRTAC.
2. Assign a person to serve as a Program Coordinator for the Project, who will be responsible for review of the Project on behalf of HRTAC for purposes of ensuring it is being completed in compliance with this Agreement and all HRTAC requirements. HRTAC's Program Coordinator will be responsible for overseeing, managing, reviewing, and processing, in consultation with HRTAC's Executive Director and its Chief Financial Officer ("CFO"), all payment requisitions submitted by VDOT for the Project. HRTAC's Program Coordinator will have no independent authority to direct changes or make additions, modifications, or revisions to the scope of the Project as set forth on Appendix A or to the Project Budget and Project Schedule as set forth on Appendix B.
3. Route to HRTAC's assigned Program Coordinator all VDOT payment requisitions and the summaries of actual costs submitted to HRTAC for the Project. After submission to HRTAC, HRTAC's Program Coordinator will conduct an initial review of all payment requisitions and supporting documentation for the Project in order to determine the submission's legal and documentary sufficiency. HRTAC's Program Coordinator will then make a recommendation to the HRTAC's CFO and Executive Director whether to authorize payment, refuse payment, or seek additional information from VDOT. If the payment requisition is sufficient as submitted, payment will be made within twenty (20) days from receipt. If the payment requisition is, in HRTAC's reasonable judgment, deemed insufficient, within twenty (20) days from receipt, HRTAC's Program Coordinator will notify VDOT in writing and set forth the reasons why the payment requisition was declined or why and what specific additional information is needed in order to authorize the payment request. Payment will be withheld until all deficiencies identified by HRTAC have been corrected to HRTAC's reasonable satisfaction. Under no circumstances will HRTAC authorize payment for any work performed by or on behalf of VDOT that is not in conformity with the requirements of the HRTAC Act or this Agreement.
4. Route all of VDOT's accelerated or supplemental requests for funding from HRTAC under Sections A.5 and A.8, respectively, of this Agreement to HRTAC's Executive Director. HRTAC's Executive Director will initially review those requests and all supporting documentation with HRTAC's

CFO. After such initial review, HRTAC's Executive Director will make a recommendation to HRTAC's Finance Committee for its independent consideration and review. HRTAC's Finance Committee will thereafter make a recommendation on any such request to HRTAC for final determination by HRTAC.

5. Conduct periodic compliance reviews scheduled in advance for the Project so as to assess whether the work being performed likely remains within the scope of this Agreement, the HRTAC Act and other applicable law. Such compliance reviews may entail review of VDOT's financial records for the Project and on-Project site inspections.
6. Acknowledge that if, as a result of HRTAC's review of any payment requisition or of any HRTAC compliance review, HRTAC staff determines that VDOT is required under Section A.12 of this Agreement to reimburse funds to HRTAC, HRTAC staff will promptly advise HRTAC's Executive Director and will advise VDOT's designated representative in writing. VDOT will thereafter have thirty (30) days to respond in writing to HRTAC's initial findings. HRTAC's staff will review VDOT's response and make a recommendation to HRTAC's Finance Committee. HRTAC's Finance Committee will thereafter conduct its own review of all submissions and make a recommendation to HRTAC. If HRTAC makes a final determination that VDOT is required under Section A.12 of this Agreement to reimburse funds to HRTAC, the parties should engage in dispute resolution as provided in Section D of this Agreement. Pending final resolution of the matter, HRTAC will withhold further funding on the Project. Nothing herein shall, however, be construed as denying, restricting or limiting the pursuit of either party's legal rights or available legal remedies.
7. Upon making final payment to VDOT for the Project, retain copies of all contracts, financial records, design, construction, and as-built project drawings and plans, if any, developed pursuant to or in association with the Project for the time periods required by the Virginia Public Records Act and as may be required by other applicable records retention laws and regulations.
8. Be the sole determinant of the amount and source of HRTAC funds to be provided and allocated to the Project and the amounts of any HRTAC funds to be provided in excess of the amounts specified in Appendix B.

C. Term

1. This Agreement shall be effective upon adoption and execution by both parties.

2. VDOT may terminate this Agreement, for cause, in the event of a material breach by HRTAC of this Agreement. If so terminated, HRTAC shall pay for all Project costs incurred in accordance with the terms of this Agreement through the date of termination and all reasonable costs incurred by VDOT to terminate all Project-related contracts. The Virginia General Assembly's failure to appropriate funds to HRTAC as described in Section F of this Agreement and/or repeal or amendment of the legislation establishing the HRTF or HRTAC's powers shall not be considered material breaches of this Agreement by HRTAC if such failure to appropriate or such repeal or amendment eliminates funds in the HRTF to be used for the Project or renders HRTAC without legal authority to provide funding for the Project. Before initiating any proceedings to terminate under this Section, VDOT shall give HRTAC sixty (60) days written notice of any claimed material breach of this Agreement and the reasons for termination; thereby allowing HRTAC an opportunity to investigate and cure any such alleged breach.
3. HRTAC may terminate this Agreement, for cause, resulting from VDOT's material breach of this Agreement. If so terminated, VDOT shall refund to HRTAC all funds HRTAC provided to VDOT for the Project and, to the extent permitted by law, with interest earned at the rate earned by HRTAC. HRTAC will provide VDOT with sixty (60) days written notice that HRTAC is exercising its rights to terminate this Agreement and the reasons for termination. Prior to termination, if VDOT has substantially completed the Project or a portion that is severable (meaning it is subject to independent use), VDOT may request that HRTAC excuse VDOT from refunding funds paid in respect of the substantially completed Project or portion, and HRTAC may, in its sole discretion, excuse VDOT from refunding all or a portion of the funds HRTAC provided to VDOT for the substantially completed Project or portion thereof. No such request to be excused from refunding will be allowed where VDOT has either misused or misapplied HRTAC funds in contravention of this Agreement or applicable law.
4. Upon termination and payment of all eligible expenses as set forth in Section C.3 above, VDOT will release or return to HRTAC all unexpended HRTAC funds and, to the extent permitted by law, with interest earned at the rate earned by HRTAC, no later than sixty (60) days after the date of termination.

D. Dispute

In the event of a dispute under this Agreement, the parties agree to meet and confer promptly in order to ascertain if the dispute can be resolved informally without the need of a third party or judicial intervention. HRTAC's Executive Director and the Commissioner shall be authorized to conduct negotiations on behalf of their respective entities. If a resolution of the dispute is reached via a meet and confer dispute resolution method, it shall be presented to HRTAC and

to the Commissioner for formal confirmation and approval. If no satisfactory resolution can be reached via the meet and confer method, either party is free to pursue whatever remedies it may have at law or in equity, including all judicial remedies. The foregoing dispute resolution method shall not bar either party's right to seek equitable relief on an emergency basis.

E. HRTAC's Interest in Project Assets

VDOT agrees to use the real property and appurtenances and fixtures thereto, capital assets, equipment and all other transportation facilities that are part of the Project and funded by HRTAC under this Agreement ("Assets") for the designated transportation purposes of the Project and in accordance with applicable law throughout the useful life of each such Asset. If VDOT intends to sell, convey, or dispose any Asset funded with HRTAC funds or intends to use any Asset for a purpose inconsistent with this Agreement, VDOT shall notify HRTAC's Executive Director in writing of any such intent before further action is taken by VDOT in furtherance thereof. Upon receiving notification from VDOT, HRTAC's Executive Director shall notify HRTAC of VDOT's intended action(s). The parties shall, thereafter, meet and confer to discuss what measures need to be taken regarding VDOT's proposed sale, conveyance, disposition, or use of any such Asset(s) so as to ensure compliance with all applicable requirements of the HRTAC Act (without limiting the foregoing, VDOT acknowledges that under the HRTAC Act and applicable law, HRTAC is vested with the right to impose and collect tolls on facilities constructed by the Commission). All recommendations and/or proposed remedial actions developed by the parties' designated representatives during the meet and confer process shall be formally presented to HRTAC and the Commissioner for their respective approval.

F. Appropriations Requirements

1. Nothing herein shall require or obligate HRTAC to commit or obligate funds to the Project beyond those funds that have been duly authorized and appropriated by its governing body for the Project.
2. The parties acknowledge that all funding provided by HRTAC pursuant to the HRTAC Act is subject to appropriation by the Virginia General Assembly. The parties further acknowledge that: (i) the moneys allocated to the HRTF pursuant to applicable provisions of the Code of Virginia and any other moneys that the General Assembly appropriates for deposit into the HRTF are subject to appropriation by the General Assembly and (ii) HRTAC's obligations under this Agreement are subject to such moneys being appropriated to the HRTF by the General Assembly.
3. The parties agree that VDOT's obligations under this Agreement are subject to funds being appropriated by the General Assembly and allocated by the Commonwealth Transportation Board and otherwise legally available to VDOT for HRTAC projects.

4. Should VDOT be required to provide additional funds in order to proceed or complete the funding necessary for the Project, VDOT shall certify to HRTAC that such additional funds have been allocated and authorized by the CTB and/or appropriated by the Virginia General Assembly as may be applicable or have been obtained through another independent, lawful source.

G. Notices

All notices under this Agreement to either party shall be in writing and forwarded to the other party by U.S. mail, care of the following authorized representatives:

- 1) to: HRTAC, to the attention of its Executive Director and Chairman;
723 Woodlake Drive
Chesapeake, VA 23320
- 2) to: VDOT, to the attention of:
Commissioner, Virginia Department of Transportation
1401 East Broad Street
Richmond, VA 23219

H. Assignment

This Agreement shall not be assigned by either party unless express written consent is given by the other party.

I. Modification or Amendment

- (a) This Agreement may not be modified or amended, except pursuant a written agreement that is duly authorized, executed and delivered by both parties.
- (b) If HRTAC is able to obtain a source of funding for the Project that would reduce or replace the amount of HRTAC-Controlled Moneys expended on the Project, VDOT and HRTAC will work in good faith to amend this Agreement so it takes into account that other funding.
- (c) If HRTAC proposes to issue bonds, VDOT and HRTAC will work in good faith to adopt such amendments to this Agreement as VDOT and HRTAC may mutually agree are necessary and desirable in connection with the bond offering, including, without limitation, tax covenants of the type made by VDOT under its Project Agreements with the Northern Virginia Transportation Authority.

J. No Personal Liability or Creation of Third Party Rights

This Agreement shall not be construed as creating any personal liability on the part of any officer, member, employee, or agent of the parties; nor shall it be construed as giving any rights or benefits to anyone other than the parties hereto.

K. No Agency

VDOT represents that it is not acting as a partner or agent of HRTAC; and nothing in this Agreement shall be construed as making any party a partner or agent with any other party.

L. Sovereign Immunity

This Agreement shall not be construed as a waiver of either party's sovereign immunity rights.

M. Incorporation of Recitals and Appendices

The recitals and Appendices to this Agreement are hereby incorporated into this Agreement and are expressly made a part hereof. The parties to this Agreement acknowledge and agree that the recitals are true and correct.

N. Mutual Preparation and Fair Meaning

The parties acknowledge that this Agreement has been prepared on behalf of all parties thereto and shall be construed in accordance with its fair meaning and not strictly construed for or against either party.

O. Governing Law

This Agreement is governed by the laws of the Commonwealth of Virginia.

[Signature page follows]

IN WITNESS WHEREOF, each party hereto has caused this Agreement to be executed as of the day, month, and year first herein written by their duly authorized representatives.

Hampton Roads Transportation Accountability Commission

By:_____

Name:_____

Title:_____

Date:_____

Virginia Department of Transportation

By:_____

Name:_____

Title:_____

Date:_____

APPENDIX A

PROJECT

NARRATIVE DESCRIPTION OF STANDARD PROJECT SERVICES

HRTAC Project Title: Bowers Hill Interchange (UPC)

Recipient Entity: Virginia Department of Transportation

VDOT Program Manager Contact Information: Anthony Gibson (757) 925-2274

HRTAC Executive Director: Kevin Page (757) 420-8300

Project Scope
<p>The Standard Project Services are intended to provide preliminary work for the overall project and are set forth in more detail below in the Detailed Scope of Services. The project entails identifying short term and long term operational improvements to the I-64/I-264/I-664 and Route 58/460 Interchange.</p>

Detailed Scope of Services
<p>The detailed scope of the Standard Project Services addressed by this Agreement (and to which the funding provided thereunder relates) consists of preliminary work for the Project with the purpose of initiating preliminary analyses.</p> <p>Any additional costs for the preliminary work will be subject to and addressed in accord with the terms of this Standard Project Agreement.</p>

APPENDIX B
PROJECT BUDGET, PROJECT SCHEDULE, AND CASHFLOW

APPENDIX B-PROJECT BUDGET & CASH FLOW

PROJECT IDENTIFICATION AND PROPOSED FUNDING

HRTAC Project Title:	<u>Bowers Hill Interchange (UPC)</u>
Scope of Project Services:	<u>Standard Project Services To Support Preliminary Work For Bowers Hill Interchange</u>
Recipient Entity:	<u>Virginia Department of Transportation</u>
VDOT Project Contact:	<u>Anthony Gibson (757) 925-2274</u>
Baseline Schedule: PE	<u>Start September 2017, End September 2019</u>

PROJECT COSTS & FUNDING SOURCE

Project Cost Category	Total Project Costs	HRTAC PayGo Funds	HRTAC Financed Funds	Description Other Sources of Funds	Amount Other Sources of Funds	Recipient Entity Funds
Design Work			\$ -		\$ -	\$ -
Engineering						
Environmental Work						
Right-of-Way Acquisition		\$ -				
Construction						
Contract Administration						
Testing Services						
Inspection Services						
Capital Asset Acquisitions						
Other	\$ 4,000,000.00	\$ 4,000,000.00				
Total Estimated Cost	\$ 4,000,000.00	\$ 4,000,000.00	\$ -	\$ -		\$ -

FISCAL YEAR ANNUAL PROJECT CASH FLOW

Project Phase	Total Fiscal Year 2018		Total Fiscal Year 2019		Total Fiscal Year 2020	
	PayGo	Financed	PayGo	Financed	PayGo	Financed
Design Work	\$ 1,640,000.00		\$ 1,950,000.00		\$ 410,000.00	
Engineering						
Environmental Work						
Right-of-Way Acquisition						
Construction						
Contract Administration						
Testing Services						
Inspection Services						
Capital Asset Acquisitions						
Other						
Total Estimated Cost	\$ 1,640,000.00	\$ -	\$ 1,950,000.00	\$ -	\$ 410,000.00	\$ -

Please Note: If additional years are needed, please submit a separate form with additional columns

FISCAL YEAR ESTIMATED PROJECT CASH FLOW

	FY 18 Mthly Cash Flow		FY 19 Mthly Cash Flow		FY 20 Qtrly Cash Flow	
	PayGo	Financed	PayGo	Financed	PayGo	Financed
July			\$180,000		\$150,000	
August			\$180,000		\$100,000	
September			\$160,000		\$100,000	
October	\$ 160,000.00		\$160,000		\$60,000	
November	\$ 180,000.00		\$160,000			
December	\$ 180,000.00		\$160,000			
January	\$ 200,000.00		\$160,000			
February	\$ 200,000.00		\$160,000			
March	\$ 180,000.00		\$160,000			
April	\$ 180,000.00		\$160,000			
May	\$ 180,000.00		\$160,000			
June	\$ 180,000.00		\$150,000			
Total per Fiscal Year	\$ 1,640,000.00	\$ -	\$ 1,950,000.00	\$ -	\$ 410,000.00	\$ -

Please Note: If additional years are needed, please submit a separate form with additional columns

This attachment is certified and made an official attachment to the Standard Project Agreement document by the parties of this agreement.

Virginia Department of Transportation

Hampton Roads Transportation Accountability Commission

Signature
Commissioner
Title

Signature
HRTAC Chairman
Title

Date
Charles A. Kilpatrick, P.E.
Print name of person signing

Date
William D. Sessoms, Jr
Print name of person signing

APPENDIX C

FORM OF PAYMENT REQUISITION

HRTAC Project Title and Number: _____

Project Scope/Services Description: [From Appendix B] _____

Draw Request Number: _____

Date: _____, 20____

Hampton Roads Transportation Accountability Commission
723 Woodlake Drive
Chesapeake, VA 23320

Attention _____, Program Coordinator:

This requisition is submitted in connection with the Standard Project Agreement for Funding and Administration for the project services noted above and dated _____, 20____ (the "Agreement") between the Hampton Roads Transportation Accountability Commission ("HRTAC") and the Virginia Department of Transportation ("VDOT"). VDOT hereby requests \$_____ of HRTAC funds, to pay the costs of the project services described and set forth in Appendices A and B of the Agreement ("Project Services") and in accordance with the Agreement. Also included are copies of each invoice relating to the items for which this requisition is requested.

The undersigned certifies (i) the amounts included within this requisition will be applied solely and exclusively for the payment or the reimbursement of VDOT's costs of the Project Services, (ii) VDOT is responsible for payment to vendors/contractors, (iii) VDOT is not in breach or default with respect to any of its obligations under the Agreement, including without limitation (but only if applicable) the tax covenants set forth in another Appendix to the Agreement, (iv) the representations and warranties made by VDOT in the Agreement are true and correct as of the date of this Requisition and (v) to the knowledge of VDOT, no condition exists under the Agreement that would allow HRTAC to withhold the requested advance.

VIRGINIA DEPARTMENT OF TRANSPORTATION

By: _____

Name: _____

Title: _____

Recommended For Payment

By: _____

Name: _____

Title: HRTAC Program Coordinator

DETAILED PAYGO REQUEST

Draw Request Number: _____ Request Date: _____
HRTAC Project Number: _____ Project Title: _____

Cost Category	HRTAC Approved Project Costs	Total PayGo Requests Previously Received	PayGo Requisition Amount this Period	Remaining PAYGO Project Budget (Calculation)
Project Starting Balance	\$ -			\$ -
Design Work	\$ -	\$ -	\$ -	\$ -
Engineering	-	-	-	\$ -
Environmental Work	-	-	-	\$ -
Right-of-Way Acquisition	-	-	-	\$ -
Construction	-	-	-	\$ -
Contract Administration	-	-	-	\$ -
Testing Services	-	-	-	\$ -
Inspection Services	-	-	-	\$ -
Capital Asset Acquisitions	-	-	-	\$ -
Other (please explain)	-	-	-	\$ -
TOTALS	\$ -	\$ -	\$ -	\$ -

LISTING OF ATTACHED INVOICES

Vendor/Contractor Name	Item Number	Invoice Number	Cost Category	Amount
	1			\$ -
	2			-
	3			-
	4			-
	5			-
	6			-
	7			-
	8			-
	9			-
	10			-
	11			-
	12			-
Requisition Amount				\$ -

Instructions

1. Column B-Please list approved PayGo Project Cost per category.
2. Column C-Please list Total PayGo Amounts per Category Previously Reimbursed by HRTAC
3. Column D- Please list invoice amounts summarized by Category from the Listing of Attached Invoices
4. Column E - Is a calculation of the Remaining PAYGO Budget per Category

Instructions-Listing of Attached Invoices: (please list each invoice separately)

1. Column A- Please list the name as it appears on the Invoice
2. Column B- Please manually number the invoices attached with the corresponding Item number in this schedule.
3. Column C- Please list the invoice number as it appears on the Invoice
4. Column D- Please list the appropriate Cost Category based on the Project Category breakout above
5. Column E- Please enter the dollar amount listed on the invoice.
6. The calculated Requisition Amount should equal the total in Column D in the Schedule above.

APPENDIX D

REPORTS TO BE PROVIDED BY VDOT

1) Monthly Project Expenditure Report which lists, by category of expense (*e.g.*, engineering, ROW, utility relocations, construction), (a) information regarding expenditures to date against the budget, both monthly and for the life of the project, and a statement of the percent completed; and (b) such other information as VDOT customarily provides with monthly expenditure reports

2) Monthly Project Report which provides (a) an overview of progress on major project tasks; (b) information regarding the budget (such as, the baseline planned forecast, any approved changes thereto, the monthly expenditures, the cumulative expenditures, and the cumulative forecasted expenditures); (c) future key tasks; and (d) significant issues.

APPENDIX E

OFFICIAL AUTHORIZING DOCUMENTS

To: Chair Sessoms and the other members of HRTAC

From: Kevin B. Page, Executive Director

Date: June 15, 2017

Re: Proposed HRTAC FY2018-FY2023 Plan of Finance Update

Recommendation:

The Finance Committee is requesting that the Commission authorize the Finance Committee to conduct a public hearing on the Proposed HRTAC FY2018-FY2023 – Six Year Operating and Capital Program of Projects for the Region’s High Priority Projects (With Toll Revenues to HRTAC) to update the HRTAC-adopted 2016-2022 Financial Plan to include certain modifications for the Region’s High Priority Projects and additional revenues based on new or updated information.

Background:

During FY2017, HRTAC Staff developed a Proposed HRTAC FY2018-FY2023 – Six Year Operating and Capital Program of Projects for the Region’s High Priority Projects (With Toll Revenues to HRTAC) as an update to the Commission’s Adopted 2016-2022 Financial Plan, adopted by the Commission on March 17, 2016. This effort to update the Financial Plan included employing financial consultant services, general and bond counsel, and traffic and revenue estimators, and included input provided by VDOT, HRTAC and HRTPO Staff. The purpose of updating the Financial Plan is to provide current direction on project financing, revenue assumptions, and timing that will be used as the Commission’s current funding plan. This will guide the Commission and inform others through advancing project construction readiness, project finance, bonding, tolling, environmental planning and the development of the Constrained and Unconstrained elements of the HRTPO 2040 Long Range Transportation Plan Update as necessary. HRTAC Staff briefed the Finance Committee on the Proposed HRTAC FY2018-FY2023 – Six Year Operating and Capital Program of Projects for the Region’s High Priority Projects (With Toll Revenues to HRTAC) at its June 5, 2017 meeting. The Finance Committee endorsed the Proposed HRTAC FY2018-FY2023 – Six Year Operating and Capital Program of Projects for the Region’s High Priority Projects (With Toll Revenues to HRTAC) and authorized the Finance Committee Chair to communicate the Proposed HRTAC FY2018-FY2023 Plan of Finance Update and request that the Commission authorize the Finance Committee to hold a public hearing and report back public comments for consideration in the Commission’s action at its next Regular meeting.



Fiscal Impact:

There is no fiscal impact in relation to this Action Item authorizing a public hearing.

Suggested Motion:

Motion: The Commission authorizes the Finance Committee to hold a public hearing on the Proposed HRTAC FY2018-FY2023 – Six Year Operating and Capital Program of Projects as the Commission’s Plan of Finance Update for the Region’s High Priority Projects (With Toll Revenues to HRTAC) and report back public comments for consideration in the Commission’s action at its September 21, 2017 Regular meeting.



Action 6F: HRTAC FY2018 – FY2023 Funding Plan

Presentation to: **HRTAC Board**

Kevin Page, HRTAC

David Miller, PFM

June 15, 2017

PFM Financial
Advisors LLC

300 S. Orange Avenue
Ste 1170
Orlando, Florida 32801

407.648.2208
pfm.com



Project Costs and Expenses & Funding Sources (With Toll Revenues to HRTAC)

HRTAC Project Costs and Expenses

	Prior Years	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	Total	HRTAC Share PayGo	Debt Proceeds ¹	VDOT Funds	HRTPO Funds	Outside Contribution
Operating/HRTF Fees	\$7	\$2	\$2	\$2	\$2	\$3	\$3	\$22	\$22				
I-64 Peninsula Widening	\$247	\$96	\$62	\$51	\$147	\$43		\$645	\$400		\$245		
I-64/I-264 Interchange Improvement ²	\$134	\$77	\$71	\$44	\$27	\$8		\$362	\$290		\$67	\$2	\$3
I-64 Southside/High Rise Bridge ²	\$57	\$44	\$170	\$170	\$156	\$8		\$605	\$500		\$105		
Project Development	\$13	\$25	\$4	\$1				\$42	\$42				
Mega-Project Delivery (HRBT) ^{3,4}						\$181	\$360	\$541	\$410	\$132			
Total	\$458	\$245	\$308	\$268	\$332	\$243	\$363	\$2,216	\$1,663	\$132	\$417	\$2	\$3

Funding Sources

	Prior Years	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	Total
VDOT Funds	\$186	\$42	\$38	\$75	\$68	\$8		\$417
HRTPO Funds	\$2							\$2
Outside Contribution		\$3						\$3
HRTAC Share	\$270	\$200	\$271	\$193	\$264	\$235	\$363	\$1,795
Total	\$458	\$245	\$308	\$268	\$332	\$243	\$363	\$2,216

Notes:

1. Net of financing costs
2. Approval of \$150M Smart Scale funds for I-64/I-264 Interchange (\$50M) and High Rise Bridge (\$100M) are expected in June 2017
3. Including HRBT project costs and debt service associated with the debt issued for HRBT
4. Assume HRBT receives no VDOT funds.



HRTAC Projected Cash Flow FY 2018 to FY 2023 (With Toll Revenues to HRTAC)

HRTAC Projected Cash Flow

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	Total
HRTF .7% local Sales Tax Funds	\$133	\$136	\$138	\$141	\$144	\$147	\$840
HRTF 2.1% Fuel Tax Funds	\$27	\$30	\$33	\$35	\$37	\$38	\$200
Total HRTF Revenue	\$160	\$165	\$172	\$177	\$181	\$185	\$1,040
HRTAC Toll Revenues ¹	\$0	\$0	\$0	\$0	\$0	\$2	\$2
HRTF Interest Income	\$2	\$2	\$1	\$0	\$1	\$1	\$7
HRTF Investment Income	\$1	\$1	\$1	\$0	\$0	\$0	\$3
HRTAC HRTF Revenue Debt Proceeds ²	\$0	\$0	\$0	\$0	\$132	\$0	\$132
HRTAC Toll Revenue Debt Proceeds	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Available HRTAC Funding	\$164	\$168	\$174	\$177	\$313	\$187	\$1,182
HRTAC Share - PayGo Funding	\$200	\$271	\$193	\$264	\$235	\$356	\$1,518
HRTAC Share - Debt Service						\$7	\$7
Total Annual Expenditure	\$200	\$271	\$193	\$264	\$235	\$363	\$1,525
Carryover Balance From Previous Year	\$364	\$328	\$225	\$206	\$119	\$198	
Remaining HRTAC Funds Unobligated	\$328	\$225	\$206	\$119	\$198	\$22	

Notes:

1. High Rise Bridge Phase I toll revenues starting FY 2023

2. Net of financing costs

Maintain General Reserve Balance at Minimum 10% of HRTF Revenue in Current Fiscal Year



FY 2018 – FY 2023 Funding Plan Detail (With Toll Revenues to HRTAC)

Hampton Roads Transportation Accountability Commission
Draft Working Document - FY2018 - FY2023 - Six-Year Operating and Capital Program of Projects (With Toll Revenues to HRTAC)

Project Location	Project Description	User	Source of Funds	Pre-SYP Funding Activities	HRTAC FY18	HRTAC FY19	HRTAC FY20	HRTAC FY21	HRTAC FY22	HRTAC FY23	Total		
Operating/HRTF Fees													
HRTAC Districtwide	HRTAC Operating Budget	HRTAC	HRTAC HRTF	\$ 4,230,095	\$ 1,300,000	\$ 1,332,500	\$ 1,365,813	\$ 1,399,968	\$ 1,434,967	\$ 1,470,831	\$ 12,534,153		
	HRTAC Project Initiation Budget	HRTAC	HRTAC HRTF	2,225,000	970,000	994,250	1,019,106	1,044,584	1,070,699	1,097,466	8,421,105		
	Department of Taxation Fees	TAX	HRTAC HRTF	499,518	-	-	-	-	-	-	499,518		
	Department of Motor Vehicle Fees	DMV	HRTAC HRTF	98,695	-	-	-	-	-	-	98,695		
	Total Operating Costs/HRTF Fees			Total \$	7,053,308	\$ 2,270,000	\$ 2,326,750	\$ 2,384,919	\$ 2,444,542	\$ 2,505,655	\$ 2,568,297	\$ 21,553,470	
Construction Projects													
I-64 Peninsula Widening													
Newport News	I-64 Widening Segment 1	VDOT	VDOT	100,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000,000		
			HRTAC HRTF	44,000,000	-	-	-	-	-	44,000,000			
Total			144,000,000	-	-	-	-	-	-				
Newport News	I-64 Widening Segment 2 PE UPC 106665	VDOT	VDOT	-	-	-	-	-	-	-	-		
			HRTAC HRTF	6,000,000	-	-	-	-	-	6,000,000			
Total			6,000,000	-	-	-	-	-	6,000,000				
Newport News	I-64 Widening Segment 2 ROW/Construction UPC 106665	VDOT	VDOT	-	-	-	-	-	-	-	-		
			HRTAC HRTF	84,583,377	69,210,987	29,913,311	-	-	-	183,707,675			
Total			84,583,377	69,210,987	29,913,311	-	-	-	183,707,675				
James City , Williamsburg	I-64 Widening Segment 3 PE UPC 106689	VDOT	VDOT	-	-	-	-	-	-	-	-		
			HRTAC HRTF	2,800,000	7,200,000	-	-	-	-	10,000,000			
Total			2,800,000	7,200,000	-	-	-	-	10,000,000				
James City , Williamsburg	I-64 Widening Segment 3 - RW Construction Construction UPC 106689 - 109790	VDOT	VDOT	10,000,000	19,210,469	32,000,000	25,858,850	57,858,434	42,610,108	-	144,927,753		
			HRTAC HRTF	-	-	24,752,207	89,013,781	-	-	-	156,776,066		
Total			10,000,000	19,210,469	32,000,000	50,611,057	146,872,185	42,610,108	-	301,303,819			
I-64/I-264 Interchange Improvement													
Norfolk	I-64/I-264 Interchange Improvement Phase I PE/ROW UPC 57048 - 108042	VDOT	VDOT	5,047,700	-	-	-	-	-	-	5,047,700		
			HRTAC HRTF	15,071,063	-	-	-	-	-	15,071,063			
Total			20,118,763	-	-	-	-	-	20,118,763				
Norfolk	I-64/I-264 Interchange Improvement Phase I Construction UPC 57048 - 108042	VDOT	VDOT	-	-	-	-	-	-	-	-		
			HRTAC HRTF	22,402,977	64,831,612	41,680,228	8,108,836	-	-	137,023,653			
Total			22,402,977	64,831,612	41,680,228	8,108,836	-	-	137,023,653				
Norfolk	I-64/I-264 Interchange Improvement Phase II PE/ROW UPC 17630 - 108041	VDOT	HRTPO RSTP	1,892,000	-	-	-	-	-	-	1,892,000		
			VDOT	11,990,900	-	-	-	-	-	11,990,900			
HRTAC HRTF			54,592,576	-	-	-	-	-	54,592,576				
Total				68,475,476	-	-	-	-	-	-	68,475,476		
Norfolk	I-64/I-264 Interchange Improvement Phase II Construction UPC 17630 - 108041	VDOT	VDOT	21,761,000	5,950,000	2,289,000	20,000,000	-	-	-	50,000,000		
			Outside Contribution	-	2,871,294	-	-	-	-	2,871,294			
Total			21,761,000	8,821,294	25,167,706	22,879,706	14,750,000	27,250,000	8,278,411	28,157,117			
Norfolk	I-64/I-264 Interchange Improvement - Phase III PE UPC 106693	VDOT	VDOT	-	-	-	-	-	-	-	-		
			HRTAC HRTF	1,100,000	3,750,000	3,750,000	1,400,000	-	-	-	10,000,000		
Total			1,100,000	3,750,000	3,750,000	1,400,000	-	-	-	10,000,000			
I-64 Southside/High Rise Bridge													
Chesapeake, Suffolk	I- 64 Southside/High Rise Bridge PE UPC 106692	VDOT	VDOT	5,000,000	-	-	-	-	-	-	5,000,000		
			HRTAC HRTF	20,000,000	-	-	-	-	-	20,000,000			
Total			25,000,000	-	-	-	-	-	25,000,000				
Chesapeake, Suffolk	I-64 Southside/High Rise Bridge ROW/Construction UPC 106692	VDOT	VDOT	31,768,000	17,064,000	3,405,000	29,288,000	10,250,000	8,225,000	-	100,000,000		
			HRTAC HRTF	-	27,168,000	166,595,000	140,712,000	145,525,000	-	-	480,000,000		
Total			31,768,000	44,232,000	170,000,000	170,000,000	155,775,000	8,225,000	-	580,000,000			
Project Development													
Newport News, Norfolk, Portsmouth, Chesapeake, Suffolk	Third Crossing SEIS Study UPC 106724	VDOT	VDOT	-	-	-	-	-	-	-	-		
			HRTAC HRTF	5,000,000	-	-	-	-	-	5,000,000			
Total			5,000,000	-	-	-	-	-	5,000,000				
Norfolk, Hampton Newport News	HRCIS SEIS Preferred Alternative Refinement PE UPC 110577	VDOT	VDOT	-	-	-	-	-	-	-	-		
			HRTAC HRTF	3,000,000	22,000,000	-	-	-	-	25,000,000			
Total			3,000,000	22,000,000	-	-	-	-	25,000,000				
Newport News, Norfolk, Portsmouth, Chesapeake, Suffolk	Remaining Projects of the Third Crossing SEIS Projects Outside of Alternative A Modified	HRTPO	VDOT	-	-	-	-	-	-	-	-		
			HRTAC HRTF	3,000,000	-	-	-	-	-	3,000,000			
Total			3,000,000	-	-	-	-	-	3,000,000				
Portsmouth, Chesapeake, Suffolk	Remaining Projects of the Third Crossing SEIS Bowers Hill Environmental Study UPC 106724	VDOT	VDOT	-	-	-	-	-	-	-	-		
			HRTAC HRTF	-	1,640,000	1,950,000	410,000	-	-	4,000,000			
Total			-	1,640,000	1,950,000	410,000	-	-	4,000,000				
Suffolk	Route 460/58/13 PE UPC 106694	VDOT	VDOT	-	-	-	-	-	-	-	-		
			HRTAC HRTF	1,527,768	1,666,656	1,666,656	138,920	-	-	5,000,000			
Total			1,527,768	1,666,656	1,666,656	138,920	-	-	5,000,000				
Mega-Project Delivery													
Norfolk, Hampton Newport News	Financing Proceeds - I-64 HRTB Expansion	HRTAC	VDOT	-	-	-	-	-	-	-	-		
			HRTAC HRTF (Pay Go)	-	-	-	-	49,664,084	353,435,288	-	403,099,372		
			HRTF (HRTF Rev Bonds)	-	-	-	-	-	131,509,855	-	131,509,855		
			HRTAC Toll Rev (TIFIA)	-	-	-	-	-	-	-	-		
			HRTF Rev Bonds (Debt Service)	-	-	-	-	-	-	6,596,681	6,596,681		
			HRTAC Toll Revenue TIFIA (Debt Service)	-	-	-	-	-	-	-	-		
Total				-	-	-	-	-	181,173,939	360,031,969	541,205,908		
Total Development/Construction Project Costs					Total \$	450,537,361	\$ 242,563,018	\$ 306,127,901	\$ 265,418,813	\$ 329,897,185	\$ 240,287,458	\$ 360,031,969	\$ 2,194,863,705

Estimates Carried into Out Years as Place Holders	Total Estimated Operating and Capital Costs	\$ 457,590,669	\$ 244,833,018	\$ 308,454,651	\$ 267,803,732	\$ 332,341,727	\$ 242,793,113	\$ 362,600,286	\$ 2,216,417,175
Mega-Project Under Development - Not Under Contract	Less: VDOT Sourced Funds	185,567,600	42,224,469	37,694,000	75,146,850	68,108,434	8,225,000	-	416,966,303
	Outside Contribution Funds (HRSO, VA Beach)	-	2,871,294	-	-	-	-	-	2,871,294
	HRTPO RSTP Funds	1,892,000	-	-	-	-	-	-	1,892,000
	Total HRTAC Share	\$ 270,131,069	\$ 196,737,255	\$ 270,760,651	\$ 192,656,882	\$ 264,233,293	\$ 234,568,113	\$ 362,600,286	\$ 1,794,687,528
	HRTF 3% local Sales Tax Funds by Year *	\$ 572,758,821	\$ 133,000,000	\$ 135,500,000	\$ 136,300,000	\$ 141,300,000	\$ 144,300,000	\$ 147,300,000	\$ 1,412,458,821
	HRTF 2.1% Fuel Tax Funds by Year *	\$ 51,054,471	\$ 27,400,000	\$ 29,900,000	\$ 33,200,000	\$ 36,800,000	\$ 37,700,000	\$ 37,700,000	\$ 251,754,471
	HRTF Interest Income	2,126,836	2,250,000	1,950,000	1,200,000	450,000	500,000	500,000	\$ 8,976,836
	HRTF Investment Income	7,987,545	950,000	550,000	1,000,000	-	-	-	10,487,545
	HRTAC Toll Debt (HRTF Revenue Bonds)	-	-	-	-	-	131,509,855	-	131,509,855
	HRTAC Toll Revenue Debt (TIFIA)	-	-	-	-	-	-	-	-
	HRTAC Toll Revenues	-	-	-	-	-	-	-	-
	Decoligated Funds From Previous Projects Carryover from Previous Years	-	-	-	-	-	-	1,577,500	1,577,500
	Total Available HRTAC HRTF Funding	\$ 634,427,674	\$ 527,896,605	\$ 496,059,350	\$ 398,998,699	\$ 383,291,817	\$ 432,168,379	\$ 384,677,746	\$ 3,447,777,746
	Total HRTAC HRTF Funds Unobligated	\$ 364,296,605	\$ 328,159,350	\$ 225,298,699	\$ 206,341,817	\$ 119,058,524	\$ 197,600,266	\$ 22,077,500	\$ 1,047,777,500
	Pre-SYP Funding Activities		HRTAC FY18	HRTAC FY19	HRTAC FY20	HRTAC FY21	HRTAC FY22	HRTAC FY23	

Agenda Item 6G
Action Item

To: Chair Sessoms and the other members of HRTAC

From: Kevin B. Page, Executive Director

Date: June 15, 2017

Re: Proposed HRTAC 2040 Long Range Plan of Finance Update

Recommendation:

The Finance Committee is requesting that the Commission authorize the Finance Committee to hold a public hearing on the Proposed 2040 Long Range Plan of Finance for the HRTAC High Priority Projects and report back public comments for consideration in the Commission's action at its next Regular meeting to communicate the 2040 Long Range Plan of Finance Update for the HRTAC High Priority Projects to the HRTPO.

Background:

During FY2017, HRTAC Staff developed a Proposed 2040 Long Range Plan of Finance for the HRTAC High Priority Projects to be communicated to the HRTPO for use in its 2040 Constrained Long Range Transportation Plan for the Region's High Priority Projects. This effort to update the 2040 Long Range Plan of Finance for the HRTAC High Priority Projects included employing financial consultant services, general and bond counsel, and traffic and revenue estimators, and included input provided by VDOT, HRTAC and HRTPO Staff. The purpose of updating the 2040 Long Range Plan of Finance Update for the HRTAC High Priority Projects is to provide current direction on project financing and timing that will be used by the HRTPO's long range funding plan. This will guide the Region and inform others through advancing project construction readiness, project finance, bonding, tolling, environmental planning and the development of the Constrained and Unconstrained elements of the HRTPO 2040 Long Range Transportation Plan Update as necessary. HRTAC Staff briefed the Finance Committee on the Proposed 2040 Long Range Plan of Finance at its June 5, 2017 meeting. The Finance Committee endorsed the Proposed 2040 Long Range Plan of Finance (With Toll Revenues to HRTAC) and authorized the Finance Committee Chair to communicate the Proposed 2040 Long Range Plan of Finance (With Toll Revenues to HRTAC) and request that the Commission authorize the Finance Committee to hold a public hearing and report back public comments for consideration in the Commission's action at its next Regular meeting.



The 2040 Long Range Plan of Finance Update for the HRTAC High Priority Projects process includes HRTAC conducting a public hearing for the purpose of sharing the proposed update with the public and soliciting public input for the Commission to be aware of prior to the Commission taking Action on the 2040 Long Range Plan of Finance Update for the HRTAC High Priority Projects at its next Regular meeting.

Fiscal Impact:

There is no fiscal impact in relation to this Action Item authorizing a public hearing.

Suggested Motion:

Motion: The Commission authorizes the Finance Committee to hold a public hearing on the Proposed 2040 Long Range Plan of Finance Update for the HRTAC High Priority Projects (With Toll Revenues to HRTAC) to the Commission and report back public comments for consideration in the Commission's action at its next Regular meeting to enable the Commission to communicate the 2040 Long Range Plan of Finance Update for the HRTAC High Priority Projects to the HRTPO.



Action 6G: HRTAC 2040 Plan of Finance Update

Presentation to: **HRTAC Board**

Kevin Page, HRTAC

David Miller, PFM

June 15, 2017

PFM Financial
Advisors LLC

300 S. Orange Avenue
Ste 1170
Orlando, Florida 32801

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HCRS SEIS Alternative A Modified

- In the October 2016 Board Meeting, the Alternative A Modified was approved
- HRBT is the only Harbor Crossing component in Alternative A
- HRBT, High Rise Bridge Phase II, Bower's Hill Interchange, Route 460/58/13, and Ft. Eustis Boulevard Interchange can be completed within the 2040 FCLRTP

	Approved Projects	HRBT (seg. 8&9)	HRB II	Bower's Hill Interchange	Rt 460/58/13	Ft. Eustis Interchange	Total FV Cost	Funded by HRTF Bonds	Funded by Toll Bonds	Funded by HRTF Pay-Go	Funded by Other Pay-Go
2040 FCLRTP with HOT											
Inflated Costs (MM)	\$1,576	\$4,031	\$1,493	\$568	\$368	\$297	\$8,333	\$4,912	\$347	\$2,324	\$750
Fiscally Constrained Construction End Year	2022	2024	2031	2031	2035	2035					
2040 FCLRTP without HOT											
Inflated Costs (MM)	\$1,576	\$4,131	\$1,529	\$583	\$368	\$297	\$8,484	\$5,500		\$2,234	\$750
Fiscally Constrained Construction End Year	2022	2025	2032	2032	2035	2035					



June 2017 Updated Analysis

- The objective of the updated regional financial plan analysis is to re-assess the financially-constrained construction timeline for the HRTAC projects included in the 2040 LRTP based upon new/revised data

- Data reviewed includes:
 - Project Costs
 - VDOT funding
 - HRTF Revenue
 - HRBT Traffic and Revenue



Project Costs Update

- ◆ The Approved Projects costs are reflective of the latest ongoing project development status. The cost estimate changed from \$1,576M to \$1,654M in nominal dollars
- ◆ All the other projects' costs in real dollars remain the same. These costs are inflated by 2.5% to their respective planned schedule timeline

Estimates Prepared	Inflated Costs	Uninflated Costs				
	Approved Projects	HRBT	High Rise Bridge (Phase 2)	Bower's Hill Interchange	Route 460/58/13 Connector	Ft. Eustis Blvd Interchange
October 2016	\$1,576M	\$3,264M	\$1,000M	\$400M	\$222M	\$179M
May 2017	\$1,654M	\$3,264M	\$1,000M	\$400M	\$222M	\$179M

Approved Projects include: I-64 Peninsula Widening, I-64/I-264 Interchange Improvement, I-64 Southside/High Rise Bridge, and various Project Development costs

Estimates' sources:

1. HRBT – 2016 Draft Hampton Roads Crossing Study SEIS - Alternative A (segment 8 and 9)
2. HRB II – VDOT's estimate in 2016
3. Bower's Hill Interchange - VDOT's estimate in 2016
4. Route 460/58/13 Connector and Ft. Eustis Blvd Interchange – CH2M Hill estimates in 2014 and updated in 2015



VDOT Funds

- ◆ The 2040 FCLRTP in 2016 assumes \$627M Smart Scale funds (previously HB2 funds) and \$123M VDOT SYIP funds, totaling \$750M
- ◆ Total public funds remain \$750M. However, the latest assumption is that no VDOT funds would be available for HRBT

Fund Sources	Projects Allocated	Period	Amount	Notes
Smart Scale	Approved Projects	Through FY 2022	\$294M	HRTAC Six-Year Plan: \$417 total VDOT funds less \$123M SYIP
Smart Scale	Future Projects after HRBT	After HRBT completion - FY 2040	\$328M	Remainder of the previous \$750M funds less \$417M total VDOT funds and \$5M HRTPO/other contribution
VDOT SYIP	Approved Projects	Through FY 2017	\$123M	HRTAC Program Level planning by VDOT in 2016
HRTPO Funds	Approved Projects	Through FY 2022	\$3M	HRTAC Six-Year Plan
Other Contribution	Approved Projects	Through FY 2022	\$2M	HRTAC Six-Year Plan
Total Smart Scale Funds through FY 2040:			\$622M	
Total VDOT Funds Through FY 2040			\$745M	
Total Public Funds through FY 2040:			\$750M	



HRTF Revenue Forecast Update

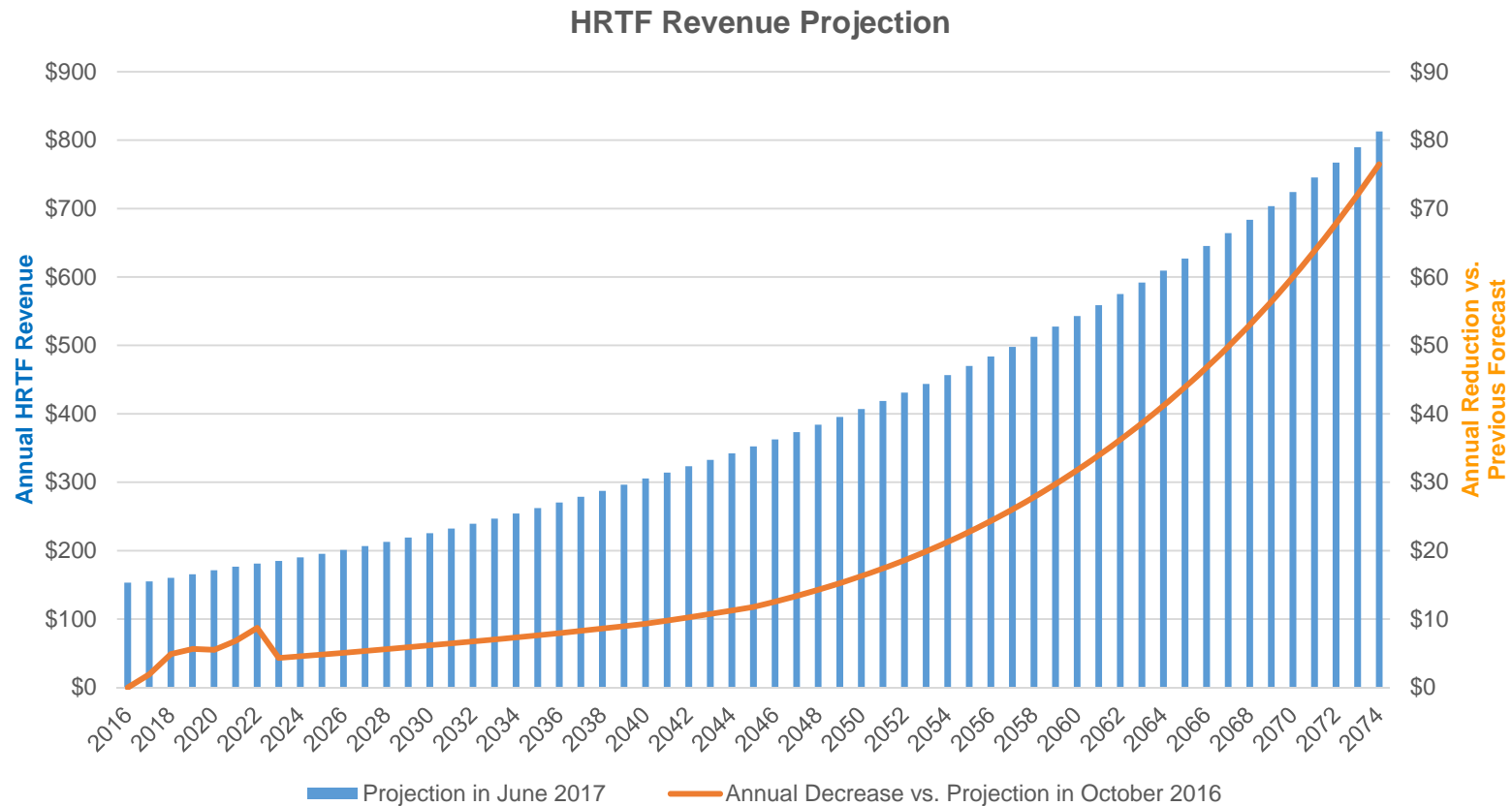
- In January 2017, VDOT provided the latest HRTF revenue estimates from FY 2017 to FY 2023
- Revenue projections from FY 2024 to FY 2045 are based on annual growth rates embedded in VDOT's 2045 revenue forecast prepared in 2015
- Revenues starting FY 2046 grow annually at the ratio in FY 2045

HRTF Revenue Forecast by VDOT in January 2017

	0.7% Local Sales Tax	2.1% Fuels Sales Tax	Total HRTF Revenues	HRTF Change vs. Prior Forecast
FY 2017	\$130.1	\$24.9	\$155.0	(\$7.9)
FY 2018	\$133.0	\$27.4	\$160.4	(\$10.1)
FY 2019	\$135.5	\$29.9	\$165.4	(\$10.1)
FY 2020	\$138.3	\$33.2	\$171.5	(\$9.2)
FY 2021	\$141.3	\$35.2	\$176.5	(\$10.0)
FY 2022	\$144.3	\$36.8	\$181.1	(\$11.2)
FY 2023	\$147.3	\$37.7	\$185.0	n.a.



HRTF Revenue Forecast Update (continued)



- Through FY 2024, total estimated revenues are reduced by \$42M
- Through FY 2040, total estimated revenues are reduced by \$153M
- Through FY 2074*, total estimated revenues are reduced by \$1.2B; The long term revenue reduction decreases HRTF bonding capacity for the 2040 FCL RTP projects

*Last year of planned debt service



HRTF Debt Financing

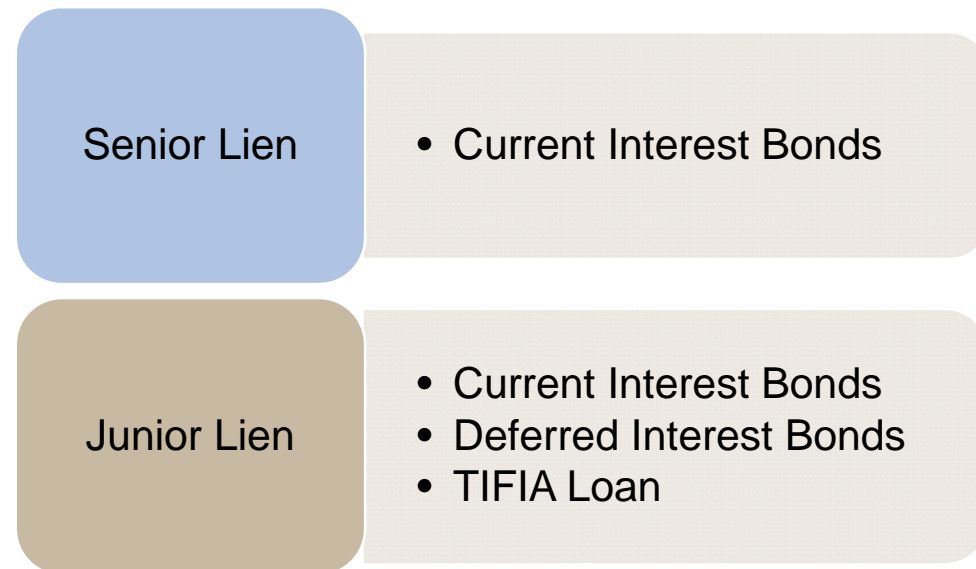
◆ AA category credit rated senior lien

- 30 year term
- Current Interest Bonds only
- Level annual debt service
- 2.0x additional bonds test based on Maximum Annual Debt Service and historical revenues

◆ A category credit rated junior lien

- Up to 40 year term
- Current Interest Bonds and deferred interest bonds
- TIFIA loans are assumed to be used
- Ascending annual debt service
- 1.35x Additional Bond Test based on annual debt service and projected revenues

HRTF Debt Structure



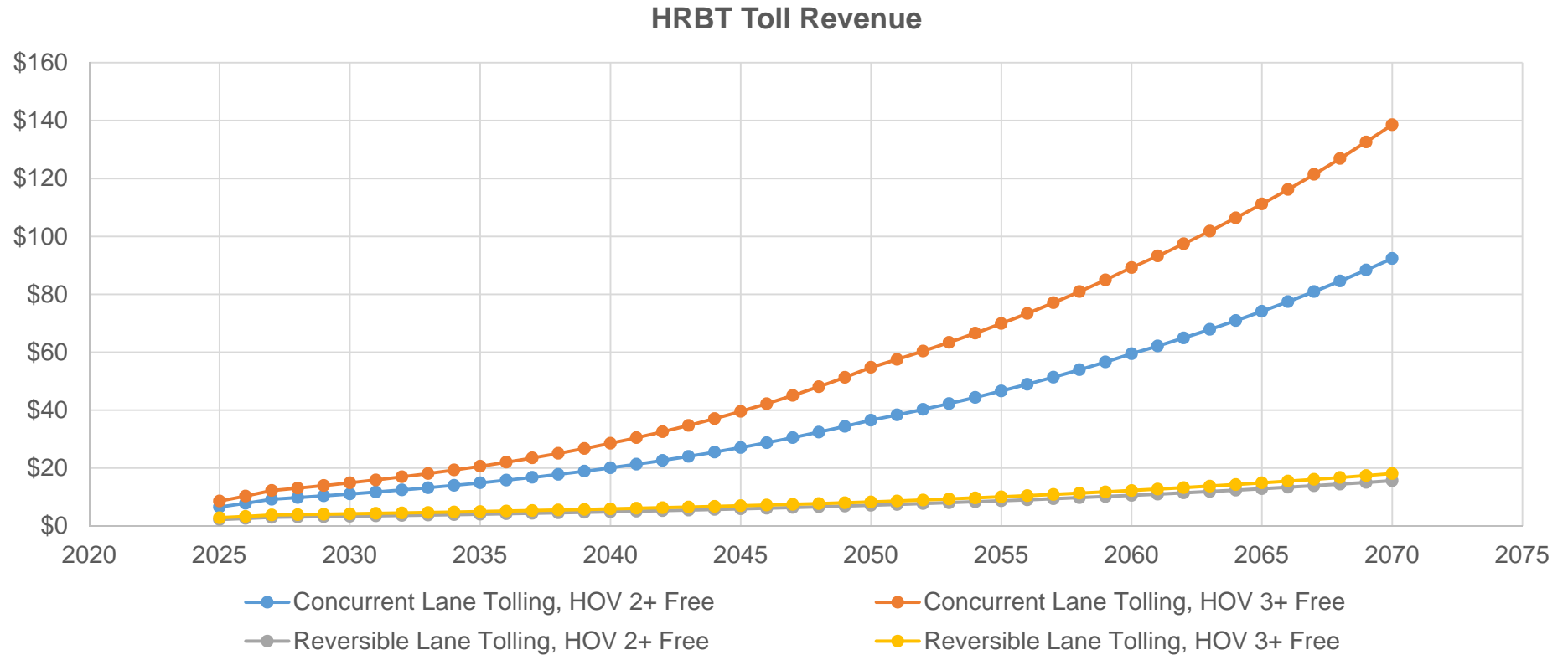


HRBT Traffic and Revenue Forecast Update

- ◆ In May 2017, CDM Smith prepared HRBT HOT Traffic and Revenue forecast assuming expansion from 4 lanes to 6 lanes with four different configurations approved by VDOT:
 - Scenario 1: Concurrent HOT Lanes, HOV2+ free
 - **Scenario 2: Concurrent HOT Lanes, HOV3+ free**
 - Scenario 3: Reversible HOT Lanes, HOV2+ free
 - Scenario 4: Reversible HOT Lanes, HOV3+ free
- ◆ Key assumptions:
 - Dynamic tolling rates established to maximize usage of the HOT lane and not necessarily maximize toll revenue
 - Analyzed an average non-summer weekday and no seasonal variations evaluated
 - Open in January 2025. Ramp up factor applied: 80% in 2025 and 90% in 2026
- ◆ Scenario 2 is selected for the financial plan analysis
- ◆ Weekday toll rates in Scenario 2:
 - Peak hours range \$1.00 to \$2.50 in 2025
 - Off-peak hours minimum \$0.65 in 2025



HRBT Revenue Forecast



Concurrent lane tolling, HOV 3+ free is selected in the financial planning



Toll Revenue Debt Financing

- Toll revenue debt for new toll project is typically BBB category credit rated
 - Uncertainty of projected traffic & toll revenue
 - 1.90x minimum projected coverage on annual debt service assumed

- The HRTAC HOT projects are treated as a regional network for toll system financing purposes
 - HOT revenues are not relatively significant - support only 6.2% of project costs

- Assume TIFIA loan is the only toll revenue debt
 - Toll revenue supported debt less than allowed TIFIA loan cap (33% of project costs)
 - Lower cost compared to long-term toll revenue bonds (2.93% vs. 3.20% to 3.90%)*

- The amount of TIFIA loan supported by toll revenues and supported by HRTF can not exceed 33% of projects' eligible costs

*Estimates based on market conditions as of 5/25/2017



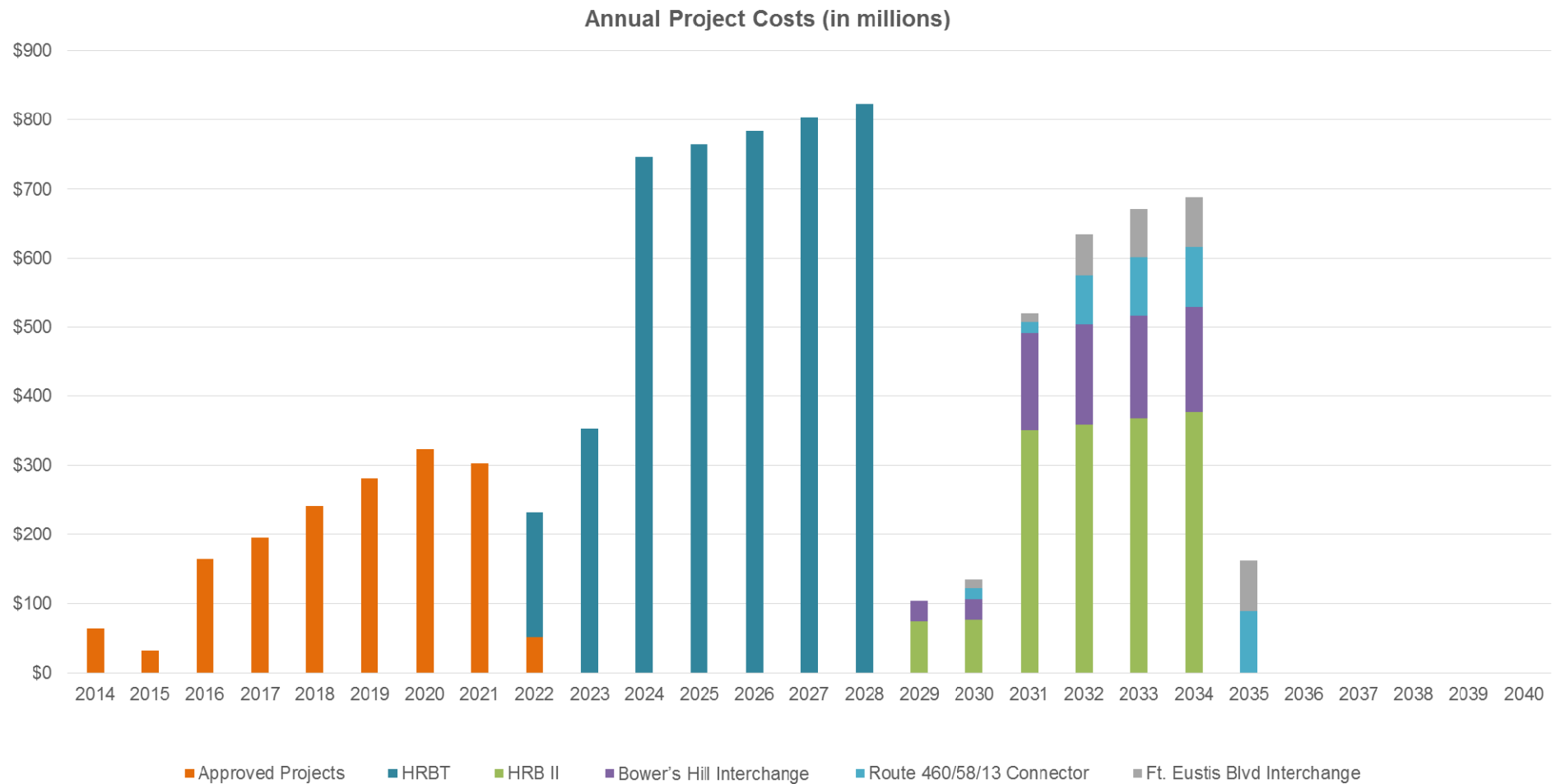
June 2017 Analysis Result

- With toll revenues to HRTAC, HRBT completion is delayed from 2024 to 2028. With no toll revenues to HRTAC, HRBT is delayed from 2025 to 2028. Other projects can still be finished before 2040
- The delay of HRBT is due to:
 - \$78M cost increase in the Approved Projects
 - HRTF revenue forecast has been reduced by \$1.2B over the life of the financing horizon
 - Reduction of VDOT funds for HRBT, approximately \$200M
 - \$100M incremental HRBT cost increase each year due to inflation

	Approved Projects	HRBT	HRB II	Bower's Hill Interchange	Rt 460/58/13	Ft. Eustis Interchange	Total FV Cost	Funded by HRTF Debt	Funded by Toll Debt	Funded by HRTAC Pay-Go	Funded by VDOT and Other Pay-Go
2040 FCLRTP (With Toll Revenues to HRTAC)											
Inflated Costs (MM)	\$1,654	\$4,449	\$1,606	\$612	\$368	\$297					
Fiscally Constrained Construction End Year	2022	2028	2034	2034	2035	2035	\$8,986	\$4,786	\$556	\$2,894	\$750
2040 FCLRTP (With No Toll Revenues to HRTAC)											
Inflated Costs (MM)	\$1,654	\$4,449	\$1,688	\$644	\$387	\$312					
Fiscally Constrained Construction End Year	2022	2028	2036	2036	2037	2037	\$9,133	\$5,592		\$2,791	\$750



Annual Project Costs

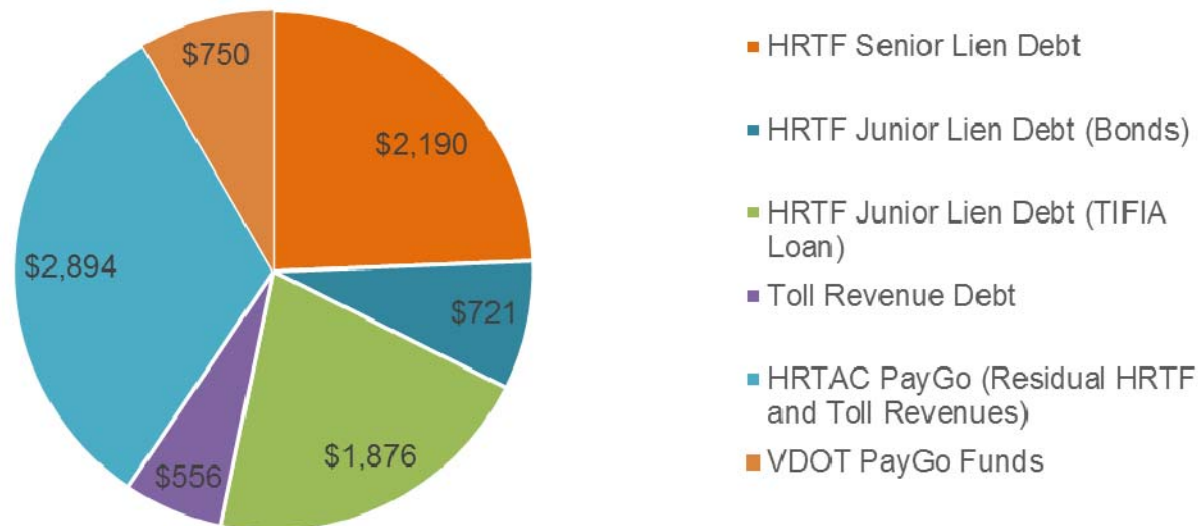




2040 Financial Plan Funding Mix – \$9.0B Total

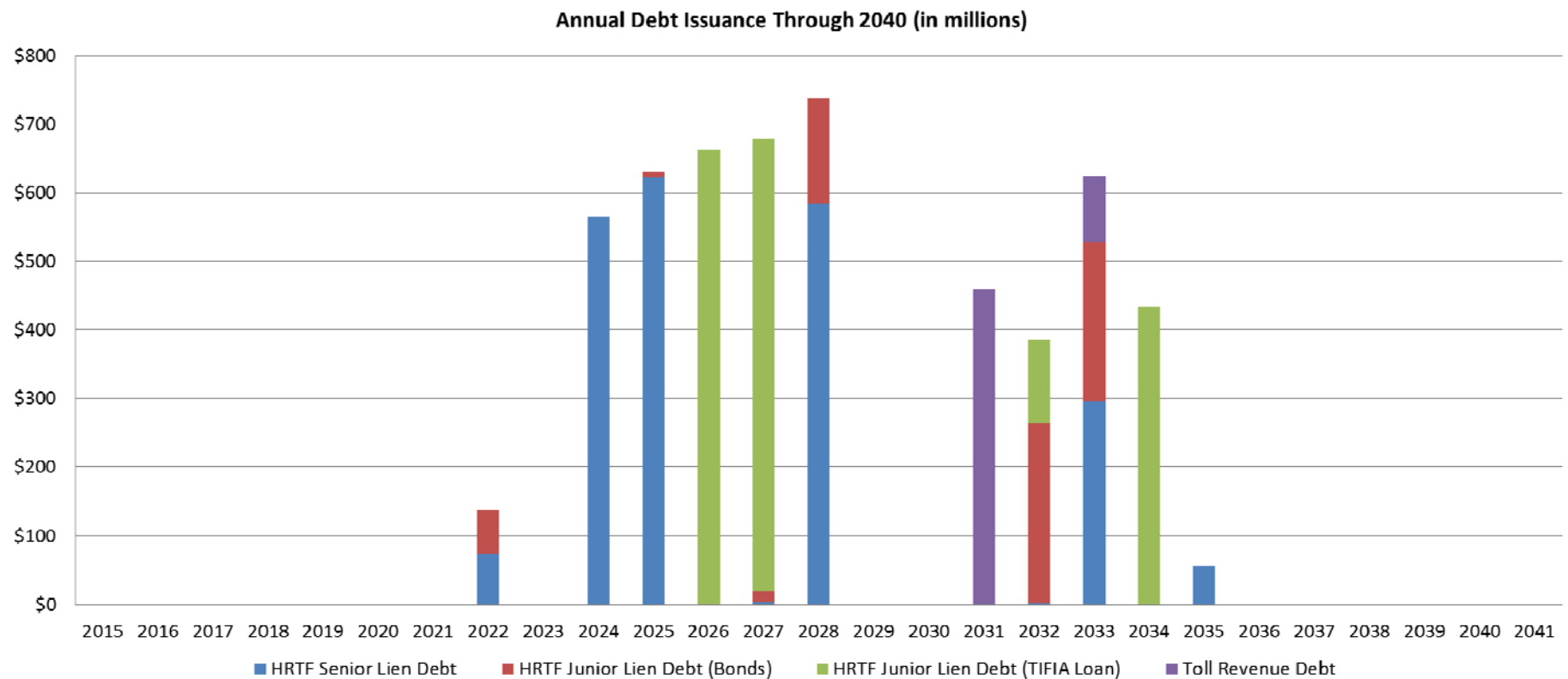
- The regional financial plan is well balanced among HRTF Pay-go, HRTF Bonds, VDOT Funds, and TIFIA loans.
- Assumes a HRTF junior lien TIFIA master credit agreement

Funding Source Through 2040 (in millions)





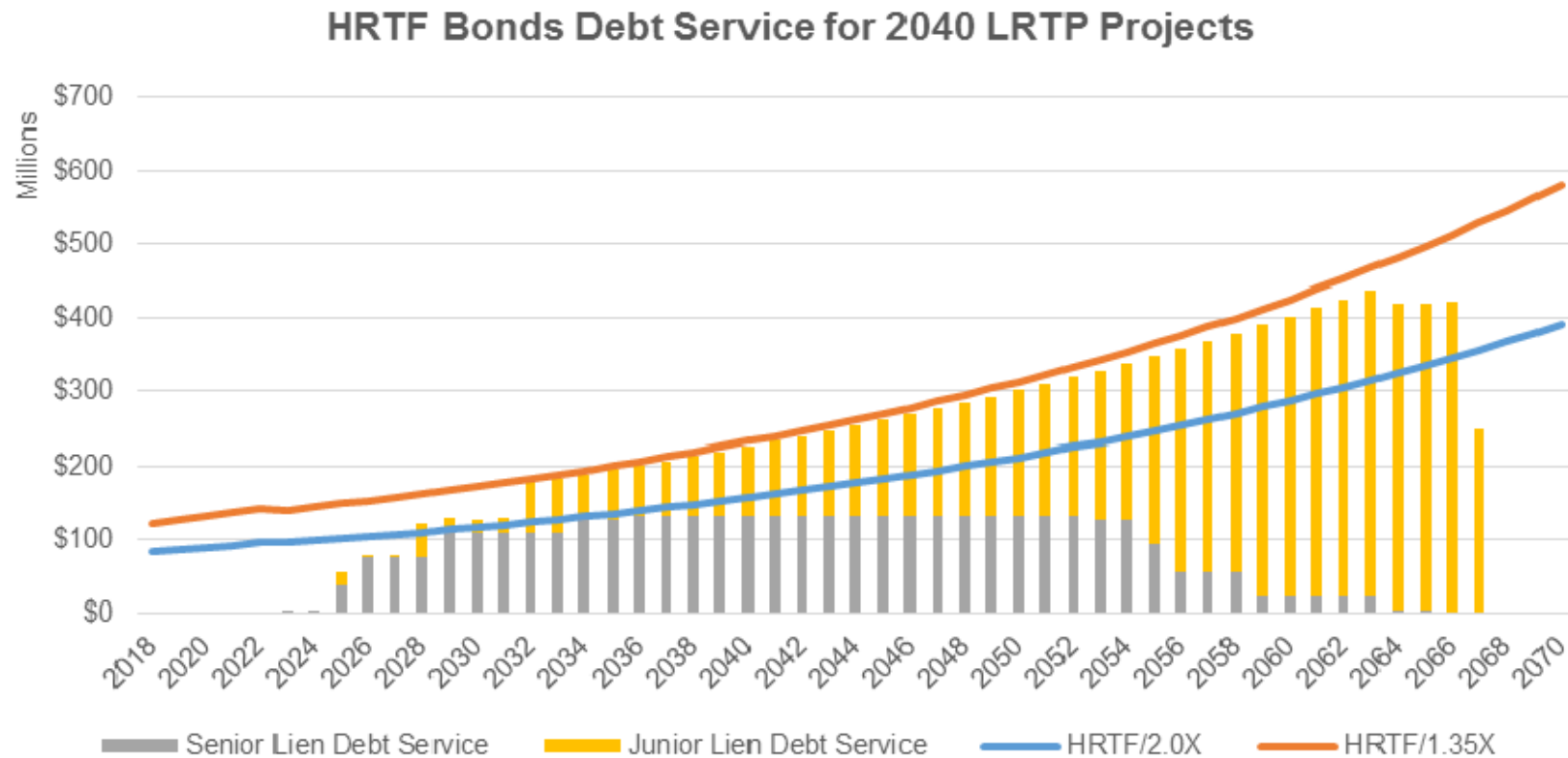
Debt Issuance – Fund \$5.3B of the \$9.0B Total



- ◆ HRTF debt is issued as needed during project construction
- ◆ Lower cost current interest bonds and TIFIA loans are emphasized over higher cost capital appreciation bonds



HRTF Revenue Supported Debt Service Illustration





Debt Management Discussion – September Meeting

- ◆ Detailed credit market & interest rate forecasts
 - First issuance timing; rising interest rates
- ◆ Develop a detailed debt management plan
 - Phased debt issuances vs. issuances as needed at the time; debt instruments
- ◆ Outreach to TIFIA regarding a master credit agreement
 - Offers predictability and efficiency for planning vs. apply for each individual project
 - List of eligible projects, the maximum amount of credit assistance available, and the available period of the contingent commitment
 - Limited buydown available (up to 150 basis points) between executions of the agreement and an underlying loan
- ◆ Pursue a non-public credit rating assessment
 - Confirmation for financial planning purposes
 - Two ratings needed for applying TIFIA

Agenda Item 6J
Action Item

To: Chair Sessoms and the other members of HRTAC

From: Personnel Committee Chair Sessoms

Date: June 15, 2017

Re: Executive Director's Annual Performance Evaluation (Closed Session as Necessary)

Recommendation:

The Commission is asked to approve the Personnel Committee's report of the Annual Evaluation of the Executive Director and a 2.0 percent Cost of Living Adjustment (COLA) rate for all current staff that is included in the FY2018 Proposed Budget.

Background:

The Executive Director's Employment Agreement calls for the annual review and evaluation of the Executive Director's performance. The Commission's Personnel Committee met on May 18, 2017 to discuss the Commission voting member submitted Executive Director's performance surveys. It was found by the Committee that the Executive Director met or exceeded expectations on all categories.

Fiscal Impact:

There is a \$4,917 combined direct fiscal impact in relation to this Action Item for the 2.0 percent COLA for all Commission staff. The 2.0 percent COLA cost is included in the FY2018 Proposed Budget.

Suggested Motion:

Motion is to approve the Personnel Committee's annual performance evaluation report of the Executive Director and to authorize the HRTAC Chair to execute and deliver an amendment to the Executive Director's Employment Agreement reflecting the Cost of Living Adjustment once the FY2018 Proposed Budget is approved.



HAMPTON ROADS TRANSPORTATION FUND

FINANCIAL REPORT

FY2014 – FY2017

VDOT provides the HRTPO and HRTAC staff with monthly financial reports relating to the HRTF including the following information:

- Revenue from sources as detailed by the collecting agency
- Interest earnings
- Expenditures reflecting both the program total as well as project totals
- The current cash position/balance in the HRTF as well as forecasted cash position/balance

Attached are the April 2017 financial reports. Based on the financial reports received to date from VDOT, the HRTPO staff has analyzed the data and prepared the attached reports and summaries:

Revenues

Total Gross Revenues (as of April 30, 2017): \$ 598,810,277

- State Sales and Use Tax : 466,883,322
- Local Fuels Tax : 125,270,084
- Interest : 1,921,319
- Investment Income: 4,735,552

Expenditures

Total Expenditures: \$94,169,499

- Project Construction: 90,936,125
- Total DMV and Dept. of Tax Administrative Fees: 598,214
- Investment Fees: 602,609
- Operating Expenses: 2,032,551

Cash Balance

Ending Cash Balance: \$504,640,778

Encumbered Balance

Balance of Encumbered (through FY2022): \$1,191,720,086

Allocation: \$1,282,656,211

- Less Construction Expenditures: \$90,936,125

Hampton Roads Transportation Fund (HRTF)
Total of Sales & Use and Fuels Taxes
Summary

	Gross Revenue					Expenditures					Cummulative Balance 7/1/13 - 4/30/17
	Sales & Use Tax	Fuel Tax	Interest	Investment Income	Total	Construction	Dept of Tax Admin Fee	Investment Fees	Operating Expenses	Total	
<i>July 2013 - April 2016</i>	\$ 336,948,192	\$ 100,766,378	\$ 1,633,295	\$ 2,850,754	\$ 442,198,618	\$ 1,544,502	\$ 598,214	\$ 285,681	\$ 1,238,846	\$ 3,667,243	\$ 438,531,375
<i>May 2016</i>	10,954,209	2,081,793	-	(283,883)	12,752,119	-	-	55,869	46,199	102,068	451,181,427
<i>June 2016</i>	16,475,897	2,086,824	30,779	1,795,212	20,388,712	32,727,649	-	23,712	133,538	32,884,898	438,685,240
<i>July 2016</i>	5,309,301	2,040,681	31,522	(176,716)	7,204,788	4,088,783	-	32,618	30,167	4,151,567	441,738,461
<i>August 2016</i>	11,224,415	2,208,256	18,323	(415,914)	13,035,080	-	-	24,521	46,924	71,445	454,702,096
<i>September 2016</i>	11,352,413	2,127,695	18,986	428,810	13,927,904	7,721,877	-	23,749	132,191	7,877,817	460,752,183
<i>October 2016</i>	10,761,910	1,919,439	54,945	(94,235)	12,642,059	1,244,537	-	32,586	74,316	1,351,440	472,042,803
<i>November 2016</i>	10,474,452	2,020,272	18,410	(1,100,202)	11,412,932	-	-	19,752	126,389	146,141	483,309,594
<i>December 2016</i>	10,797,186	2,049,963	16,692	285,117	13,148,958	5,659,728	-	14,214	31,198	5,705,141	490,753,411
<i>January 2017</i>	13,017,048	2,038,261	35,565	427,888	15,518,761	4,311,834	-	27,141	48,335	4,387,310	501,884,862
<i>February 2017</i>	8,900,116	2,119,282	14,830	391,970	11,426,199	11,818,475	-	17,300	30,755	11,866,531	501,444,531
<i>March 2017</i>	9,571,456	1,914,230	13,639	166,311	11,665,635	9,455,183	-	27,055	58,773	9,541,010	503,569,156
<i>April 2017</i>	11,096,726	1,897,011	34,333	460,440	13,488,510	12,363,557	-	18,411	34,920	12,416,888	504,640,778
Total 12 Months	\$ 129,935,130	\$ 24,503,706	\$ 288,024	\$ 1,884,798	\$ 156,611,657	89,391,623	\$ -	\$ 316,928	\$ 793,705	\$ 90,502,255	
Grand Totals	\$ 466,883,322	\$ 125,270,084	\$ 1,921,319	\$ 4,735,552	\$ 598,810,277	\$ 90,936,125	\$ 598,214	\$ 602,609	\$ 2,032,551	\$ 94,169,499	
Less Balance of Encumbered (through FY2022)											\$ (1,191,720,086)
Total Net Available											(687,079,308)

HRTF Revenue

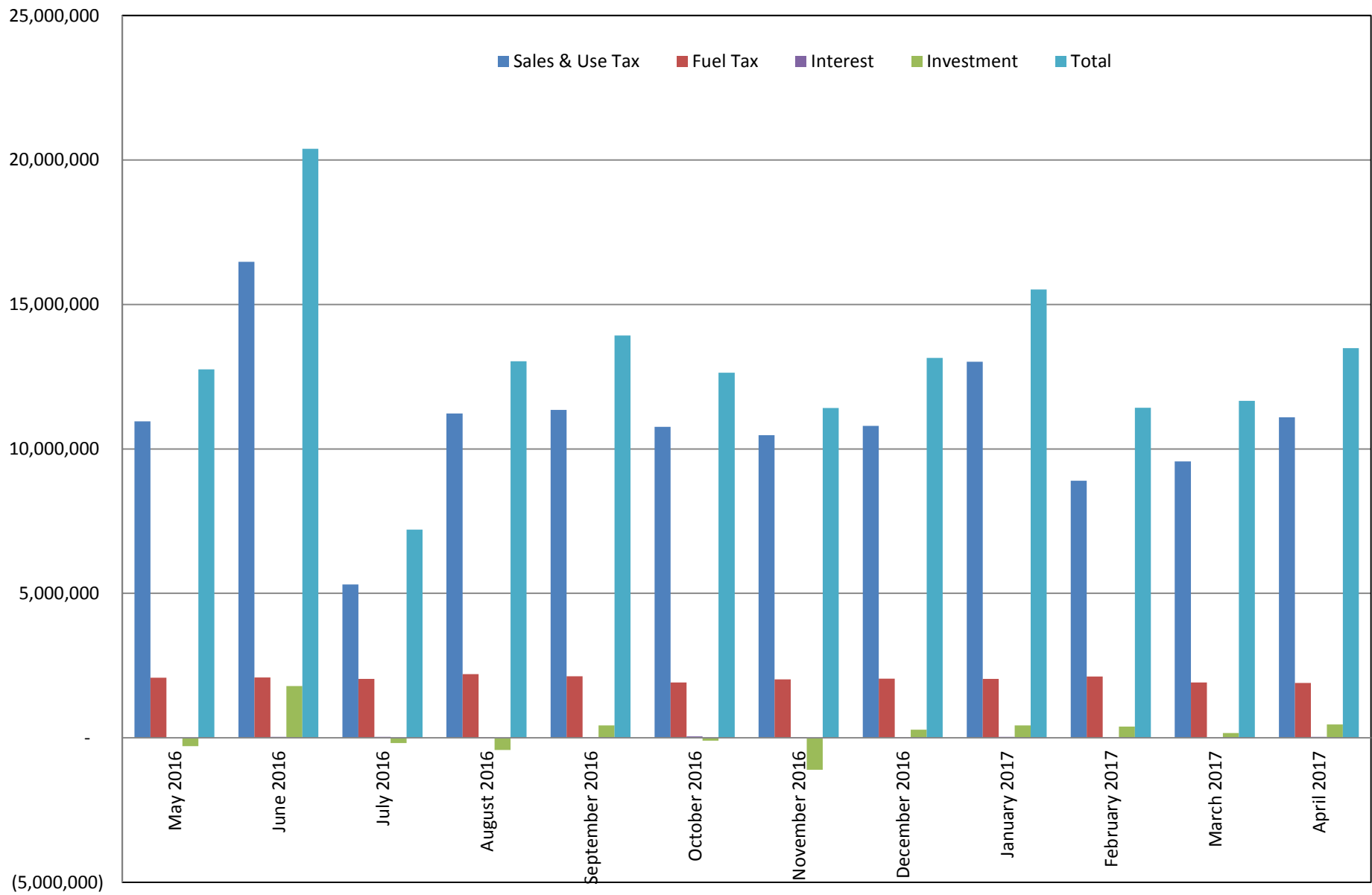


Table 1 - Total HRTF Revenues

Hampton Roads Transportation Fund (HRTF)

Total of Sales & Use and Fuels Taxes

Fiscal Year 2017

Locality	Total FY2014 - FY 2016	Previous FY2017	April 2017	Total YTD FY2017	Total
Chesapeake	85,583,739	20,644,757	2,487,630	23,132,387	108,716,127
Franklin	4,094,524	878,871	109,931	988,803	5,083,327
Hampton	34,772,960	7,926,676	1,000,367	8,927,043	43,700,002
Isle of Wight	7,502,182	1,754,724	192,955	1,947,679	9,449,861
James City	21,356,516	5,018,460	548,164	5,566,624	26,923,140
Newport News	49,945,592	11,800,938	1,426,696	13,227,634	63,173,226
Norfolk	64,950,150	14,787,121	1,854,885	16,642,006	81,592,156
Poquoson	1,237,029	228,064	26,079	254,142	1,491,171
Portsmouth	16,717,771	3,681,786	460,006	4,141,792	20,859,562
Southampton	2,255,654	486,104	58,631	544,734	2,800,388
Suffolk	22,212,686	5,233,132	638,493	5,871,625	28,084,311
Virginia Beach	126,726,303	29,820,970	3,370,763	33,191,733	159,918,035
Williamsburg	10,340,895	2,586,635	245,979	2,832,615	13,173,510
York	21,617,290	4,998,140	573,159	5,571,299	27,188,589
Total	469,313,290	109,846,378	12,993,737	122,840,113	592,153,406
Interest	1,664,074	222,912	34,333	257,245	1,921,319
Investment Income (Sterling&PFMAM/ Union/LGIP)	4,362,082	(86,970)	460,440	373,470	4,735,552
Total Revenues	475,339,447	109,982,319	13,488,510	123,470,827	598,810,277
Construction	(34,272,151)	(44,300,417)	(12,363,557)	(56,663,974)	(90,936,125)
DMV and Dept of Tax Admin Fees	(598,214)	-	-	-	(598,214)
Investment Fees (Sterling&PFMAM)	(365,262)	(218,937)	(18,411)	(237,348)	(602,609)
Operating Expense	(1,418,583)	(579,048)	(34,920)	(613,968)	(2,032,551)
Cash Balance	438,685,238	64,883,917	1,071,622	65,955,538	504,640,778
Less Balance of Encumbered					(1,191,720,086)
Net Available Cash					(687,079,308)
Updated Forecast	503,745,037	107,744,231	12,155,288	119,899,519	623,644,556
Total Revenue - Forecast (under)/over	(28,405,590)	2,102,146	838,449	2,940,594	(25,464,996)

Table 1A - State Sales & Use Tax

Hampton Roads Transportation Fund (HRTF)

State Sales & Use Tax

Fiscal Year 2017

Locality	Total FY2014 - FY 2016	Previous FY2017	April 2017	Total YTD FY2017	Total
<i>Chesapeake</i>	\$ 65,494,853	\$ 16,513,575	\$ 2,054,838	\$ 18,568,412	\$ 84,063,266
<i>Franklin</i>	2,808,293	684,908	88,666	773,574	3,581,867
<i>Hampton</i>	26,599,916	6,208,372	811,438	7,019,810	33,619,726
<i>Isle of Wight</i>	4,089,875	1,148,067	136,722	1,284,789	5,374,664
<i>James City</i>	18,544,657	4,578,447	483,471	5,061,918	23,606,576
<i>Newport News</i>	39,689,099	10,086,541	1,243,183	11,329,724	51,018,823
<i>Norfolk</i>	53,291,271	12,972,337	1,669,103	14,641,440	67,932,712
<i>Poquoson</i>	868,089	215,953	25,164	241,117	1,109,207
<i>Portsmouth</i>	11,922,181	2,812,022	369,777	3,181,799	15,103,981
<i>Southampton</i>	930,935	264,848	35,956	300,804	1,231,739
<i>Suffolk</i>	14,870,545	3,983,311	503,521	4,486,832	19,357,377
<i>Virginia Beach</i>	100,505,441	25,811,593	2,974,576	28,786,169	129,291,610
<i>Williamsburg</i>	8,209,028	1,995,970	213,489	2,209,460	10,418,488
<i>York</i>	16,554,113	4,132,355	486,821	4,619,176	21,173,288
Total	<u>\$ 364,378,298</u>	<u>\$ 91,408,298</u>	<u>\$ 11,096,726</u>	<u>\$ 102,505,024</u>	<u>466,883,322</u>
Updated Forecast	363,171,042	90,949,482	10,694,322	101,643,804	464,814,846
Diff(under)/over	1,207,256	458,816	402,404	861,220	2,068,476

Table 1B - Local Fuels Tax

Hampton Roads Transportation Fund (HRTF)

Local Fuels Tax

Fiscal Year 2017

Locality	Total FY2014 - FY 2016	Previous FY2017	April 2017	Total YTD FY2017	Total
<i>Chesapeake</i>	\$ 20,088,886	\$ 4,131,183	\$ 432,793	\$ 4,563,975	\$ 24,652,861
<i>Franklin</i>	1,286,231	193,964	21,265	215,228	1,501,459
<i>Hampton</i>	8,173,043	1,718,304	188,929	1,907,233	10,080,276
<i>Isle of Wight</i>	3,412,308	606,657	56,233	662,890	4,075,197
<i>James City</i>	2,811,859	440,013	64,693	504,706	3,316,565
<i>Newport News</i>	10,256,493	1,714,398	183,513	1,897,911	12,154,404
<i>Norfolk</i>	11,658,879	1,814,784	185,781	2,000,565	13,659,444
<i>Poquoson</i>	368,939	12,109	915	13,024	381,963
<i>Portsmouth</i>	4,795,589	869,764	90,228	959,992	5,755,581
<i>Southampton</i>	1,324,719	221,256	22,675	243,930	1,568,650
<i>Suffolk</i>	7,342,141	1,249,821	134,972	1,384,793	8,726,934
<i>Virginia Beach</i>	26,220,861	4,009,377	396,187	4,405,564	30,626,425
<i>Williamsburg</i>	2,131,867	590,666	32,490	623,156	2,755,023
<i>York</i>	5,063,178	865,785	86,338	952,123	6,015,301
Total	<u>104,934,993</u>	<u>\$ 18,438,080</u>	<u>\$ 1,897,011</u>	<u>\$ 20,335,091</u>	<u>\$ 125,270,084</u>
Updated Forecast	<u>139,700,002</u>	<u>16,794,749</u>	<u>1,460,966</u>	<u>18,255,715</u>	<u>157,955,717</u>
Diff(under)/over	<u>(34,765,009)</u>	<u>1,643,331</u>	<u>436,045</u>	<u>2,079,376</u>	<u>(32,685,633)</u>

Table 2 - Allocations

Hampton Roads Transportation Fund (HRTF)

Allocations

Fiscal Year 2017

Project	Total FY2014 - FY 2016	Previous FY2017 April 2017	Total YTD FY2017	Total
<i>I-64 Peninsula Widening</i>				
- UPC 104905 (Segment 1) -Construction	\$ 44,000,000	\$ - \$ - \$ -	\$ -	\$ 44,000,000
- UPC 106665 (Segment 2) - PE & Construction	213,592,853	- - -	-	213,592,853
- UPC 106689 (Segment 3) - PE	10,000,000	- - -	-	10,000,000
- UPC 106689 (Segment 3) -ROW & Construction	-	156,376,066 -	156,376,066	156,376,066
<i>I-64/264 Interchange Improvement</i>				
- UPC 17630 - PE/ROW	54,592,576	- - -	-	54,592,576
- UPC 57048 - PE/ROW	15,071,063	- - -	-	15,071,063
- UPC 57048 - Construction of Phase 1	137,023,653	- - -	-	137,023,653
- UPC 106693 - PE - Phase 3	-	10,000,000 -	10,000,000	10,000,000
<i>Third Crossing - UPC 106724 - SEIS</i>	5,000,000	- - -	-	5,000,000
<i>Remaining Projects of Third Crossing- UPC 106724</i>	-	- - -	7,000,000	7,000,000
<i>HRCS - UPC 110577 - SEIS</i>	-	- - -	25,000,000	25,000,000
<i>I-64 Southside/High-Rise Bridge - UPC 106692 - PE</i>	20,000,000	- - -	-	20,000,000
<i>I-64 Southside/High-Rise Bridge - UPC 106692 - ROW & Construction</i>	580,000,000	- - -	-	580,000,000
<i>Route 460/58/13 Connector - UPC 106694 - PE</i>	5,000,000	- - -	-	5,000,000
		-		
Total	\$ 1,084,280,145	\$ 166,376,066	\$ - \$ 198,376,066	\$ 1,282,656,211

Table 3 - Expenditures

Hampton Roads Transportation Fund (HRTF)

Expenditures

Fiscal Year 2017

Project	Total FY2014 - FY 2016	Previous FY2017	April 2017	Total YTD FY2017	Total
<i>I-64 Peninsula Widening</i>					
- UPC 104905 (Segment 1) -Construction	\$ 1,544,502	\$ -	\$ -	\$ -	\$ 1,544,502
- UPC 106665 (Segment 2) - PE & Construction	7,701,121	20,614,420	1,935,282	31,690,025	39,391,145
- UPC 106689 (Segment 3) - PE	-	-	-	-	-
- UPC 106689 (Segment 3) - ROW & Construction	-	-	-	-	-
<i>I-64/264 Interchange Improvement</i>					
- UPC 17630/108041 - PE/ROW	14,029,051	9,211,892	410,507	9,732,889	23,761,940
- UPC 57048 - PE/ROW	7,635,322	603,727	67,996	747,975	8,383,297
- UPC 57048 - Construction of Phase 1	-	-	9,846,676	9,846,676	9,846,676
- UPC 106693 - PE - Phase 3	-	-	-	-	-
<i>Third Crossing - UPC 106724 - SEIS</i>	-	-	-	-	-
<i>Remaining Projects of Third Crossing- UPC 106724</i>	-	-	-	-	-
<i>HRCS - UPC 110577 - SEIS</i>	-	-	-	-	-
<i>I-64 Southside/High-Rise Bridge - UPC 106692 - PE</i>	3,362,155	4,415,195	103,097	4,646,411	8,008,565
<i>I-64 Southside/High-Rise Bridge - UPC 106692 - ROW & Construction</i>	-	-	-	-	-
Total	<u>\$ 34,272,151</u>	<u>\$ 34,845,234</u>	<u>\$ 12,363,557</u>	<u>\$ 56,663,974</u>	<u>\$ 90,936,125</u>