

## AGENDA

### Hampton Roads Transportation Accountability Commission

**Special Meeting**  
(*'Special' Due to Time Change*)  
**September 21, 2017**

10:30 a.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**
- 5. Consent Items**
  - Recommended Action: Approval
- A. Minutes of June 15, 2017 HRTAC Annual Organization Meeting (Attachment 5A)**
- 6. Action Items**
  - *Recommended Action: Discussion/Endorsement/Recommendation/Direction*
- A. Proposed HRTAC Debt Management Plan – First Steps (Attachment 6A)** – Finance Committee Chair Senator Wagner Recommended Action: Discussion/Approval
- B. Fiscal Year 2017 Annual Report to the Joint Commission on Transportation Accountability Relating to the Hampton Roads Transportation Fund (Attachment 6B)** – Executive Director Page Recommended Action: Discussion/Approval
- C. Amendment to and Termination of Interim Project Agreement for Standard Project Services to Support Hampton Roads Crossing Study SEIS - (UPC 106724) (Attachment 6C)** – Executive Director Page and HRTAC Counselor Inglima - Recommended Action: Discussion/Approval
- D. HRTAC FY2018 – FY2023 Plan of Finance Update (Attachment 6D)** - Finance Committee Chair Senator Wagner - Recommended Action: Discussion/Approval
- E. HRTAC 2040 Long Range Plan of Finance Update (Attachment 6E)** – Finance Committee Chair Senator Wagner - Recommended Action: Discussion/Approval
- F. Standard Project Agreement for Standard Project Services to a Support Feasibility Study of the Hampton Roads Crossing Study SEIS Components Not Included in Alternative A (Attachment 6F)** – Executive Director Page and HRTAC Counselor Inglima - Recommended Action: Discussion/Approval

- G. **Security Custody Services** – Security Custody Services RFP Evaluation Committee Spokesperson Senator Wagner – (Closed Session, as Needed) - Recommended Action: Discussion/Approval
- H. **Official Intent for Allocation of Bond Proceeds to Reimburse HRTAC Expenditures on I-64/I-264 Interchange Improvements Project, phase II (Attachment 6H)** – Executive Director Page – Recommended Action: Discussion/Approval

**7. Information Items**

- A. **HRTF Financial Report (Attachment 7A)** – Finance Committee Chair, Senator Wagner
- B. **VDOT HRTAC Project Update** – VDOT Administrator Utterback

**8. Next HRTAC Regular Board Meeting – December 14, 2017, 12:30 p.m., Regional Building Board Room**

**9. Adjournment**

**Agenda Item 5A**  
**Consent Item**

**To: Chair Hipple and the other members of HRTAC**

**From: Kevin B. Page, Executive Director**

**Date: September 21, 2017**

**Re: June 15, 2017 Meeting Minutes**

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**Recommendation:**

The Commission is asked to approve the Commission's June 15, 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 June 15, 2017.



**Hampton Roads Transportation  
Accountability Commission (HRTAC)  
Summary Minutes of the June 15, 2017 Regular Meeting**

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

**HRTAC Members in Attendance:**

William D. Sessoms, Chair	John Rowe
Michael Hipple, Vice Chair**	Thomas G. Shepperd
Linda T. Johnson***	Christopher Stolle
John Cosgrove	Donnie Tuck
Alan Krasnoff	Frank Wagner
McKinley Price	Herbert Green (for Eugene Hunt)
Barry T. Porter	David Yancey
Frank Rabil	

**HRTAC Executive Director**

Kevin Page

**HRTAC Ex-Officio Members in Attendance:**

Charlie Kilpatrick	John Malbon
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**Other Participants:**

Secretary Aubrey Layne	
James Baker	Randy Martin
Bob Baldwin	David Miller
Jeff Florin	Neil Morgan
J. Randall Wheeler	Patrick Roberts
Dave Hansen	Doug Smith
Bryan Hill	Bryan Stilley
Tom Inglima	Andrew Trivette
Grindley Johnson	James Utterback

**HRTAC Voting Members Absent:**

Kenneth Alexander	Chris Jones
Rex Alphin	Eugene Hunt
Paul Freiling	

**HRTAC Ex-Officio Members Absent:**

Jennifer Mitchell	John Reinhart
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\* Denotes Late Arrival or Early Departure

\*\* Elected Chair during Meeting

\*\*\* Elected Vice Chair during Meeting

### **Others Recorded Attending:**

Kelly Lackey, Earl Sorey (CH); Doug Beaver, Yovonda Bellamy, Wynter Benda, Thelma Drake, Jeff Raliski (NO); Angela Bezik (VB); Ali Soroush (C & M Associates); Donna Sayegh (Citizens for Self-Government); Scott Forehand, Don Quisenberry (ESSI/VRHR); John Bourne (HNTB); Karen McPherson (McPherson Consulting); Katie Perkins, Gary Webb (Parsons Transportation); Mark Geduldig-Yatrofsky (Portsmouthcitywatch.org); Chuck Cayton (RK&K); Scott Lovell (WSP); Jacob Brown, Tony Gibson, Martha Gross, John Lawson, Paula Miller, Dawn Odom (VDOT); Jordan Pascale (Virginian Pilot); Rob Case, Nancy Collins, Danetta Jankosky, Mike Long, Joe Turner, Chris Vaigneur (HRPDC); Jennifer Coleman (HRTAC); Kelli Arledge, Bob Crum, Mike Kimbrel, Camelia Ravanbakht (HRTPO)

### **Call to Order**

Chair William Sessoms called the meeting to order and reminded the Commission that Hampton Roads has only one representative on the Commonwealth Transportation Board currently, and suggested that a letter be sent to the Governor requesting additional representation.

Secretary of Transportation, Aubrey Layne addressed the Commission in regards to the Hampton Roads Bridge Tunnel Project. He indicated that HRTAC's funding plan could include estimated SMART SCALE monies, and noted that for planning purposes, to expect \$100 to \$150 million dollars in the next round of SMART SCALE. Mr. Layne praised the Region's ability to earn SMART SCALE awards and indicated that the HRBT project had a high probability of receiving award monies when it was submitted for scoring. He reviewed the procurement process and said it would include conversations and proposals from private contractors on the construction method and price, as compared to a budget being set by VDOT. Secretary Layne explained that VDOT will include HRTAC in regards to the estimated budget through the procurement process, as procurement will only continue if HRTAC can fund its obligations currently. Secretary Layne stated that any tolls collected would have to be used in the same corridor by law, and reminded the Commission that although VDOT owned the road, HRTAC was a significant partner and the project was being constructed due to HRTAC monies. He noted the project had a 40% contingency, however the largest amount of funds from HRTAC will be needed three or four years from now, with the preliminary study funds being available now. Secretary Layne emphasized the importance of the HRBT project to the entire Commonwealth and its continued commitment as a partner to HRTAC.

### **Approval of Agenda**

Mr. Herbert Green Moved to approve the agenda; Ms. Linda Johnson seconded. The Motion Carried.

### **Public Comment Period (limit 5 minutes per individual)**

No comments by the public were offered.

### **Consent Items**

#### **A. Minutes of March 16, 2017 HRTAC Regular Meeting**

Mr. John Rowe Moved to approve the minutes of the March 16, 2016 HRTAC Regular Meeting; seconded by Mr. Herbert Green. The Motion Carried.

## **Action Items**

### **A. Election of FY2018 Officers of the Commission**

Dr. McKinley Price presented the Nominating Committee's nominations for Chair and Vice Chair of James City County Supervisor, Michael Hipple, and Suffolk Mayor, Linda Johnson, respectively.

Dr. Price Moved that the Commission adopt the proposed FY2018 Slate of Officers. The Motion Carried.

### **B. HRTAC Proposed FY2018 Budget**

Senator Frank Wagner, Finance Committee Chair, noted the FY2018 budget had been amended from the budget presented at the March 16, 2017 meeting in regards to a reduction in COLA compensation from 3 percent to 2 percent. He indicated this change was a request of the Personnel Committee and a public hearing had been held.

Senator Frank Wagner Moved to adopt the HRTAC FY2018 Proposed Operating Budget, and authorize the HRTAC Chair and the Executive Director to implement the annual salary cost of living increase of 2 percent; seconded by Chair Michael Hipple. The Motion Carried.

### **C. HRTAC Adopted FY2016-FY2022 Financial Plan Adjustments**

HRTAC Executive Director Kevin Page informed the Commission that minor adjustments to the Funding Plan were being proposed to reflect a refund of \$23,855,187 from the I-64 Peninsula Widening Project Phase I and noted the refund monies were going to be reallocated to I-64 Peninsula Widening Project Phase II. Mr. Page stated the High Rise Bridge Project and I-64/I-264 Interchange project obligations were going to be reduced by \$100 Million and \$50 Million respectively, in anticipation of SMART SCALE award monies. He noted the plan adjustments included a \$4 Million allocation for the Bowers Hill Environmental Impact Study, a joint partnership with the TPO. HRTAC staff had already held a public hearing for the Bowers Hill Environmental Impact Study soliciting any public input.

Mayor Alan Krasnoff Moved to Adopt Resolution 2017-04, "HRTAC Adopted FY2016-FY2022 Financial Plan Adjustments"; seconded by Delegate David Yancey. The Motion Carried.

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

Executive Director Page updated the Commission on the funding and schedule of the I-64/I-264 Interchange Phase II project.

Mayor William Sessions Moved to Adopt Resolution 2017-05 "I-64/I-264 Interchange-Phase II, Construction (UPC 17630/108041), Standard Project Agreement Execution"; seconded by Senator Frank Wagner. The Motion Carried.

### **E. Remaining Projects Outside of the Third Crossing SEIS – Bowers Hill Environmental Study (UPC 106724)**

Executive Director Page briefed the Commission on the current status of the study and indicated that the proposed Commission action relating to the Bowers Hill study would program four million dollars of the total seven million initially allocated toward the study.

Mayor Alan Krasnoff Moved to Adopt Resolution 2017-06, "Remaining Projects Outside of the Third Crossing SEIS – Bowers Hill Environmental Study (UPC 106724)"; seconded by Mayor John Rowe. The Motion Carried.

**F. HRTAC Proposed HRTAC FY2018-FY2023 Plan of Finance Update**

HRTAC Finance Committee Chair, Senator Frank Wagner, explained a public hearing was needed before the final FY2018-2023 Plan of Finance could be adopted. Additionally, he noted the consequences of not having a floor on the gas tax.

Mr. Page noted that the Finance Plan would now have a fiscal year format, allowing HRTAC to align its plan with the CTB's Six Year Improvement Plan. He explained that SMART SCALE funds accounted for 19% of the total six year funding plan, with HRTF funds being the source of the remaining 81%.

Senator Frank Wagner Moved to Authorize the Finance Committee to conduct 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; seconded by Mr. Barry T. Porter. The Motion Carried.

**G. HRTAC Proposed 2040 Plan of Finance Update**

Mr. David Miller, PFM, reviewed the project schedule and costs originally presented to the Commission at the October 2016 HRTAC meeting and explained updated data had been received including:

- Project costs
- Virginia Department of Transportation (VDOT) funding
- Hampton Roads Transportation Fund (HRTF) revenue
- Hampton Roads Bridge Tunnel (HRBT) traffic and revenue

State of Virginia Transportation Secretary, Mr. Aubrey Layne, noted the lack of a gas tax floor has impacted the region's available revenues greatly.

Mr. Miller stated macro-level planning for executing the six year plan was well developed; however, micro-planning activities needed to begin.

Delegate David Yancey requested clarification on the bond structure and payout schedule.

Secretary Layne clarified the Commonwealth Transportation Board (CTB) and VDOT's role in HRTAC's ability to bond.

Mayor Frank Rabil voiced his concern in regards to the model of HRTF funding and its long term viability.

VDOT Commissioner of Highways, Mr. Charlie Kilpatrick, stated the contingency amount on the HRBT project could be lowered by \$200 Million to ensure the completion date of 2024 was met.

Senator Frank Wagner Moved that the Commission Authorize 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) 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; seconded by Mayor Frank Rabil.

Executive Director Page displayed an updated model of projects with the HRBT project being constructed by 2024 and recommended Board approval.

Senator Frank Wagner withdrew his original motion and subsequently, Moved to authorize the Finance Committee to hold a public hearing on the Proposed 2040 Long Range Plan, as amended, to reflect the \$200 Million reduction from the HRBT Project; seconded by Mayor William Sessoms. The Motion Carried.

## **H. FY2018 HRTAC Meeting Schedule**

Chair Hipple reviewed the FY2018 meeting schedule and indicated any changes to dates or times would be discussed at a later date.

Senator Frank Wagner Moved to approve the proposed meeting schedule of the commission for FY2018; seconded by Dr. McKinley Price. The Motion Carried.

## **I. Resolution of Appreciation of Outgoing Chairman**

Chair Hipple presented Mayor Sessoms a Resolution of Appreciation and thanked him for his service as HRTAC Chair since July 2015.

## **J. Executive Director's Annual Performance Evaluation**

Personnel Committee Chair, Mayor William Sessoms reported that the completed evaluations of Mr. Page from the individual members were extremely positive.

Mayor William Sessoms Moved to approve the Personnel Committee's annual 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 2 % Cost of Living Adjustment; seconded by Chair Michael Hipple. The Motion Carried.

### **Information Items**

#### **A. HRTF Financial Report**

Senator Frank Wagner referenced the HRTF Financial Report and indicated it was presented for informational purposes only.

#### **B. VDOT HRTAC Quarterly Projects Update**

VDOT District Administrator, Mr. James Utterback, reviewed the HRTAC Program Development Monthly Report and gave a status update on each of the HRTF Projects.

Mr. Kilpatrick informed the Commission a Record of Decision (ROD) for Alternative A had been issued by the Federal Highway Administration (FHWA) and presented the HRBT Project schedule, funding, and design/build options. He summarized the different toll options being considered and reiterated the process was transparent, while emphasizing the importance of public input.

**Next Meeting**

The next meeting will be held on September 21, 2017 at 12:30 p.m.

**Adjournment**

With no further business to come before the Hampton Roads Transportation Accountability Commission, the meeting adjourned at 2:27 p.m.

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Michael J. Hipple  
HRTAC Chair

**Agenda Item 6A**  
**Action Item**

**To: Chair Hipple and the other members of HRTAC**

**From: Kevin B. Page, Executive Director**

**Date: September 21, 2017**

**Re: Proposed HRTAC Debt Management Plan**

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**Recommendation:**

The Finance Committee recommends that the Commission endorse the Proposed HRTAC Debt Management Plan and authorize the Executive Director to take next steps to implement the Proposed HRTAC Debt Management Plan, including engaging a rating agency and other necessary additional services and exploration of funding sources like TIFIA. The Commission is being asked to begin to prepare for a debt offering. Further action will be required to advance to the next level of preparedness.

**Background:**

HRTAC's short and long-range funding plans include assumptions of debt financing and the use of federal TIFIA funds to support the delivery of the contemplated projects. HRTAC has developed a Proposed Debt Management Plan to guide the Commission through the funding and delivery of its program of projects. The Proposed HRTAC Debt Management Plan has been developed based on the assumptions of the HRTAC 2040 and Six Year Operating and Capital Program of Projects as they align with projects currently under development/construction, or advancing procurement for full project delivery. On September 6, 2017, the Finance Committee was briefed on the Proposed HRTAC Debt Management Plan. The briefing included identifying activities that are necessary in order for HRTAC to begin implementation of the Proposed Debt Management Plan in a timely and orderly manner: 1. Engage TIFIA in a program overview and lending discussions and develop a TIFIA Letter of Interest; 2. Engage rating agencies for preliminary credit assessments; 3. Assemble all financial team members; 4. Begin drafting all needed bond documents, including a preliminary official statement; 5. Finalize initial HRTF bond issuance based on VDOT construction progress; and, 6. Be prepared for inaugural bond issuance in calendar year 2018 based on credit market conditions. Following the briefing, the Finance Committee took action to endorse the Proposed Debt Management Plan and authorized Finance Committee Chair Wagner to communicate its endorsement and recommendation to authorize the Executive Director to take next steps to implement the Proposed HRTAC Debt Management Plan, which next steps include engaging a rating agency and other necessary additional services and exploration of funding sources like TIFIA.



**Fiscal Impact:**

The fiscal impact to the Hampton Roads Transportation Fund in relation to this Action Item will be determined as the plan is advanced and bonding occurs. Engagement of a rating agency or agencies is estimated to be approximately \$90,000.

**Suggested Motion:**

**Motion:** The Commission endorses the HRTAC Debt Management Plan and authorizes the Executive Director to take next steps to implement the Proposed HRTAC Debt Management Plan, including engaging a rating agency or agencies and other necessary additional services and exploration of funding sources like TIFIA.





# Hampton Roads Transportation Accountability Commission

## Finance Committee Presentation

### Debt Management Plan

September 6, 2017

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PFM Financial  
Advisors LLC

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- V. Appendix D: Initial Debt Management Plan Results
- VI. Appendix E: Moody's Credit Rating Scorecard & HRTF Evaluation



## **I. Introduction, Rationale, and Recommended Next Steps**

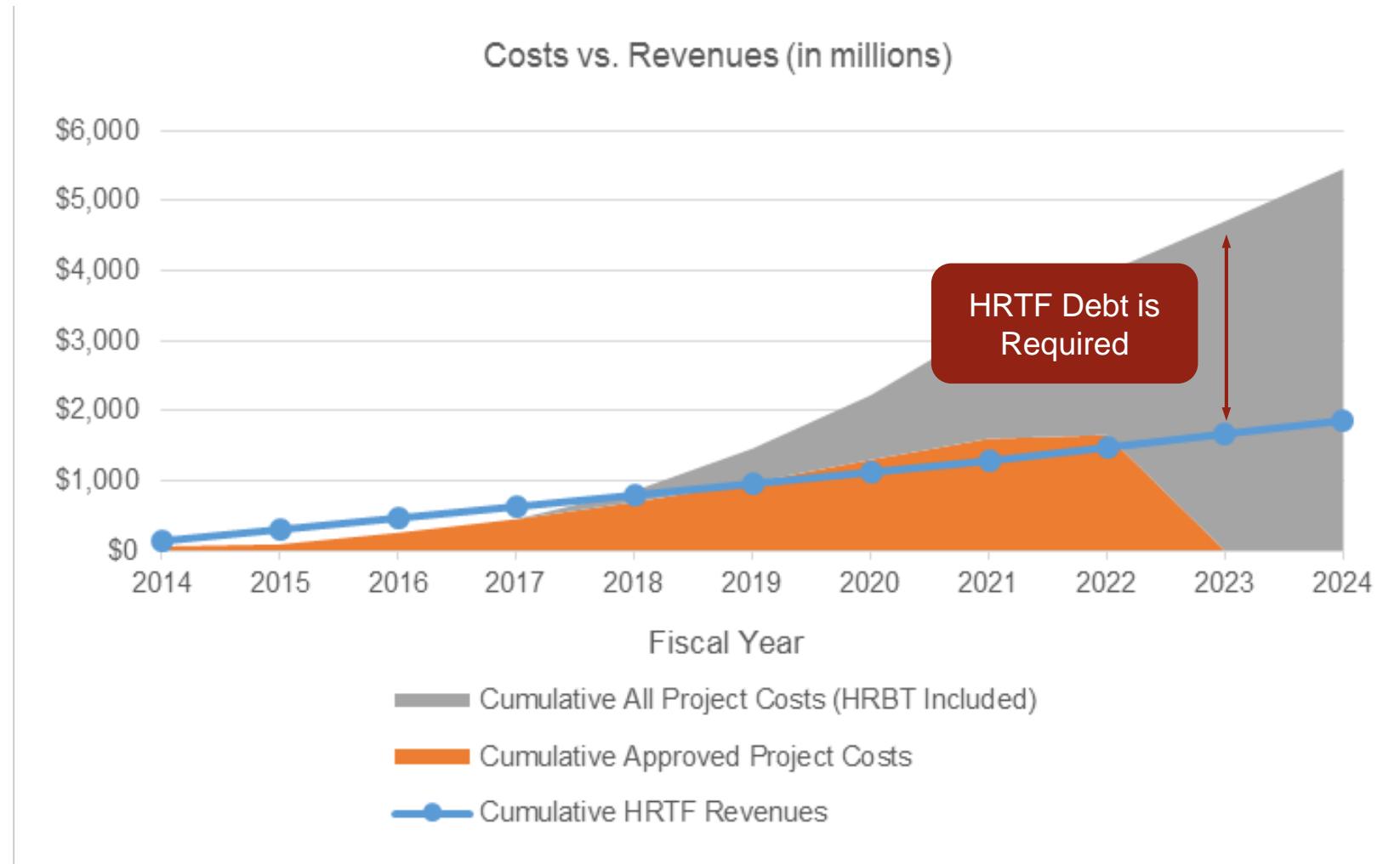


## Introduction & Rationale

- ◆ The Six-Year Plan and 2040 LRTP that have been adopted include issuing \$2,956M and \$4,635M of HRTF revenue backed debt, respectively. Six-Year Plan did not include the final construction year of HRBT, which mostly needs to be debt financed.
- ◆ If HRTF debt were not to be issued, the Approved Projects including High Rise Bridge I could still be completed on time. However, HRBT would be significantly delayed as would future projects such as High Rise Bridge Phase II.
- ◆ VDOT has multiple Approved Projects under construction, and the targeted HRBT completion in 2024 is on the horizon, all of which are eligible for tax-exempt bond financing.
- ◆ HRTAC has already adopted a master HRTF bond resolution, which has been validated, as well as a resolution to reimburse prior cash construction expenditures.
- ◆ Long term tax-exempt interest rates remain at historically low levels but are expected to rise steadily in the future.
- ◆ Therefore, HRTAC should consider a debt management plan that takes advantage of historically low interest rates to issue debt in an orderly and steady manner as construction progresses.



## Debt Financing is Required to Fund Approved Projects through HRBT

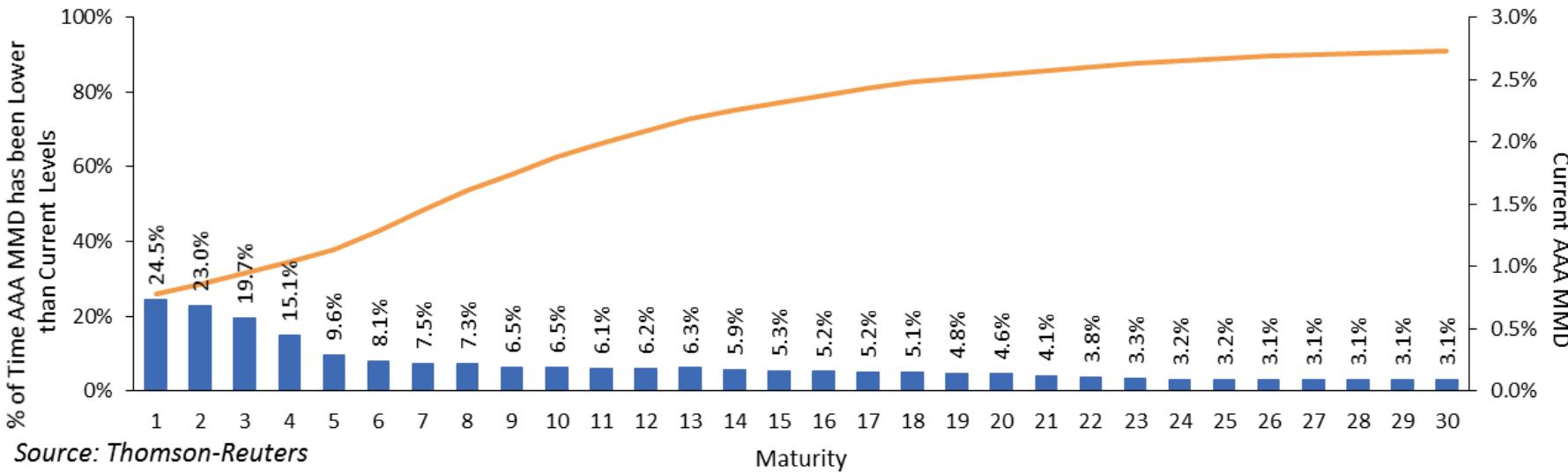




## Historical Tax-Exempt Interest Rates

- ◆ Current tax-exempt interest rates remain historically low.
- ◆ Over the past 30 years, long term tax-exempt interest rates have been lower than the current level in only 3-4% of this time period.
- ◆ However, US and global economic conditions have improved, and the Federal Reserve has ended – and is expected to begin reversing – the quantitative easing.

**% Of Time AAA MMD Has Been Lower Since 1986**  
08/28/2017 AAA MMD



Source: Thomson-Reuters

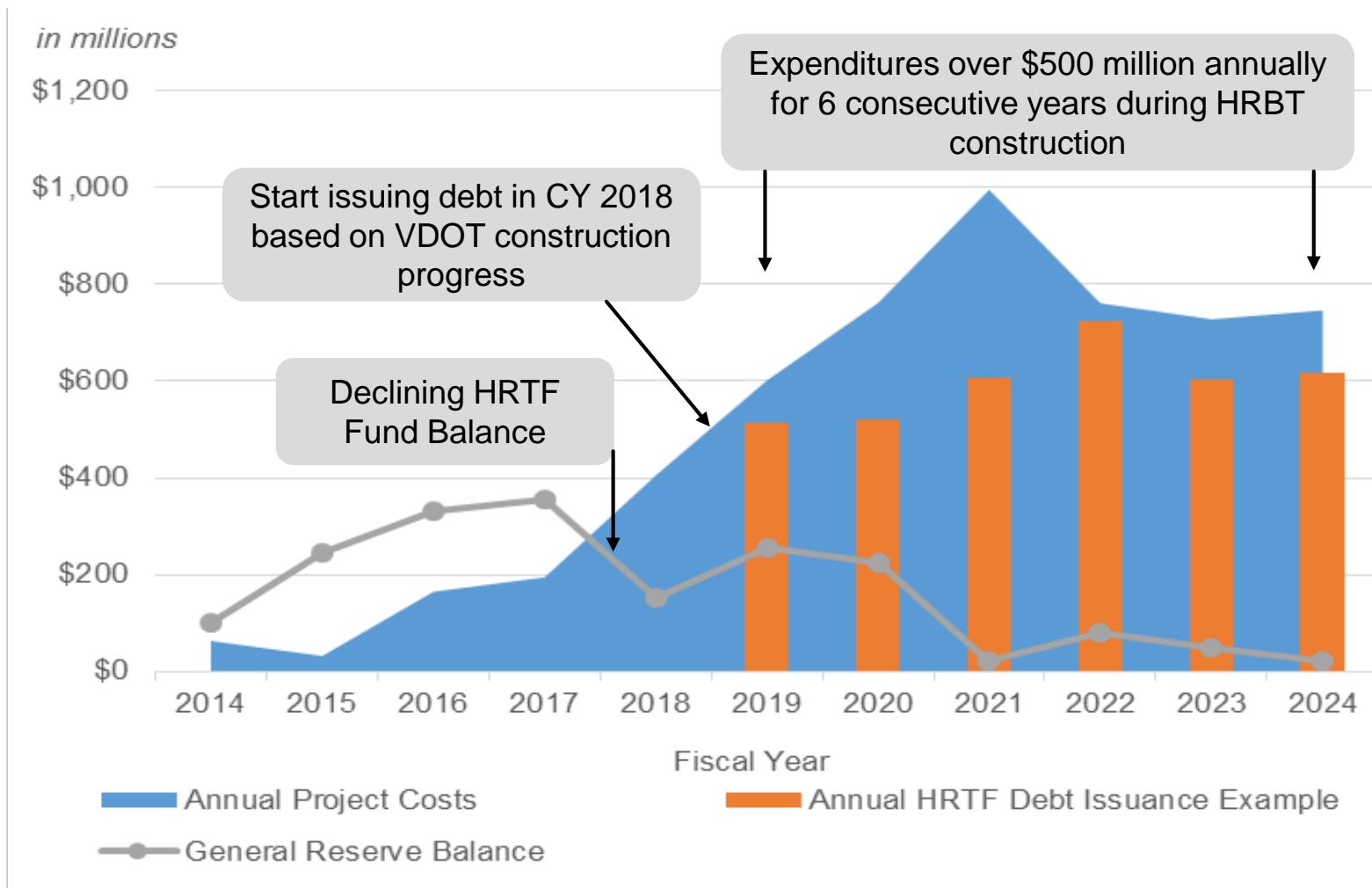


## Introduction & Rationale (continued)

- ◆ The HRTAC projects are good candidates for USDOT's TIFIA Loan program. Given the multi-project and multi-year plan for HRTAC projects, a TIFIA Master Credit Agreement should be sought.
- ◆ Credit markets and TIFIA both require credit ratings. Rating agencies prefer to see long term debt management plans, and TIFIA will require a robust debt & cash flow model.
- ◆ Consistent with all of the above points, the appendices to this presentation set forth recommendations for a reasonable debt management plan to:
  - Fully fund the Six-Year Plan including HRBT on the schedules anticipated by VDOT
  - Issue debt as construction progresses, starting in calendar year 2018
    - Avoid massive amounts of debt sale in the years when annual costs spike to \$700M - \$1,000M per year
    - Manage interest rate risks as rates are expected to increase
  - Focus on the funding plan through HRBT completion while establishing/maintaining a debt structure suited for subsequent debt issuances needed for the 2040 LRTP
  - Initiate conversations with TIFIA regarding a HRTF backed Master Credit Agreement



## Phased HRTF Debt Issuance Plan





## Next Steps for Implementation

The following action items are necessary in order for HRTAC to begin implementation of this debt management plan in a timely and orderly manner:

- ◆ Engage TIFIA in a program overview and lending discussions. Develop a TIFIA Letter of Interest.
- ◆ Engage rating agencies for preliminary credit assessments.
- ◆ Assemble all financial team members.
- ◆ Begin drafting all needed bond documents, including a preliminary official statement.
- ◆ Finalize initial HRTF bond issuance based on VDOT construction progress.
- ◆ Be prepared for inaugural bond issuance in 2018 based on credit market conditions.



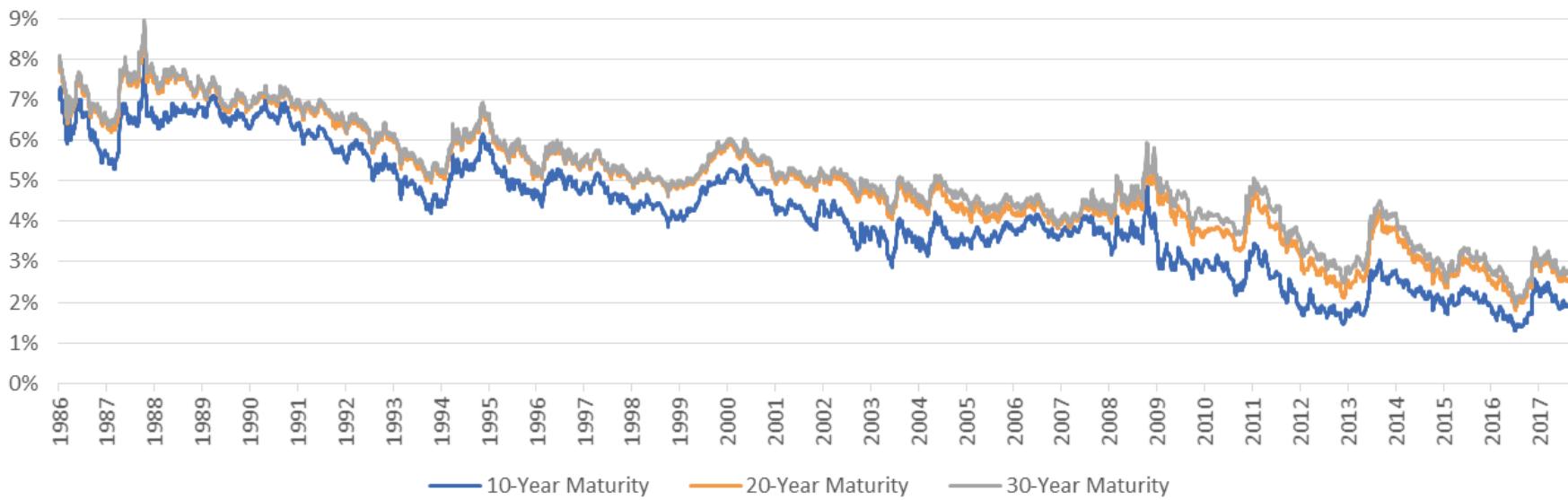
## **II. Appendix A: Interest Rate Forecast**



## Historical Tax-Exempt Interest Rates

- ◆ The 1986 tax act significantly changed municipal bond regulations.
- ◆ For a variety of reasons, long term tax-exempt interest rates have generally trended lower for roughly 30 years, but they remain sensitive to economic conditions.

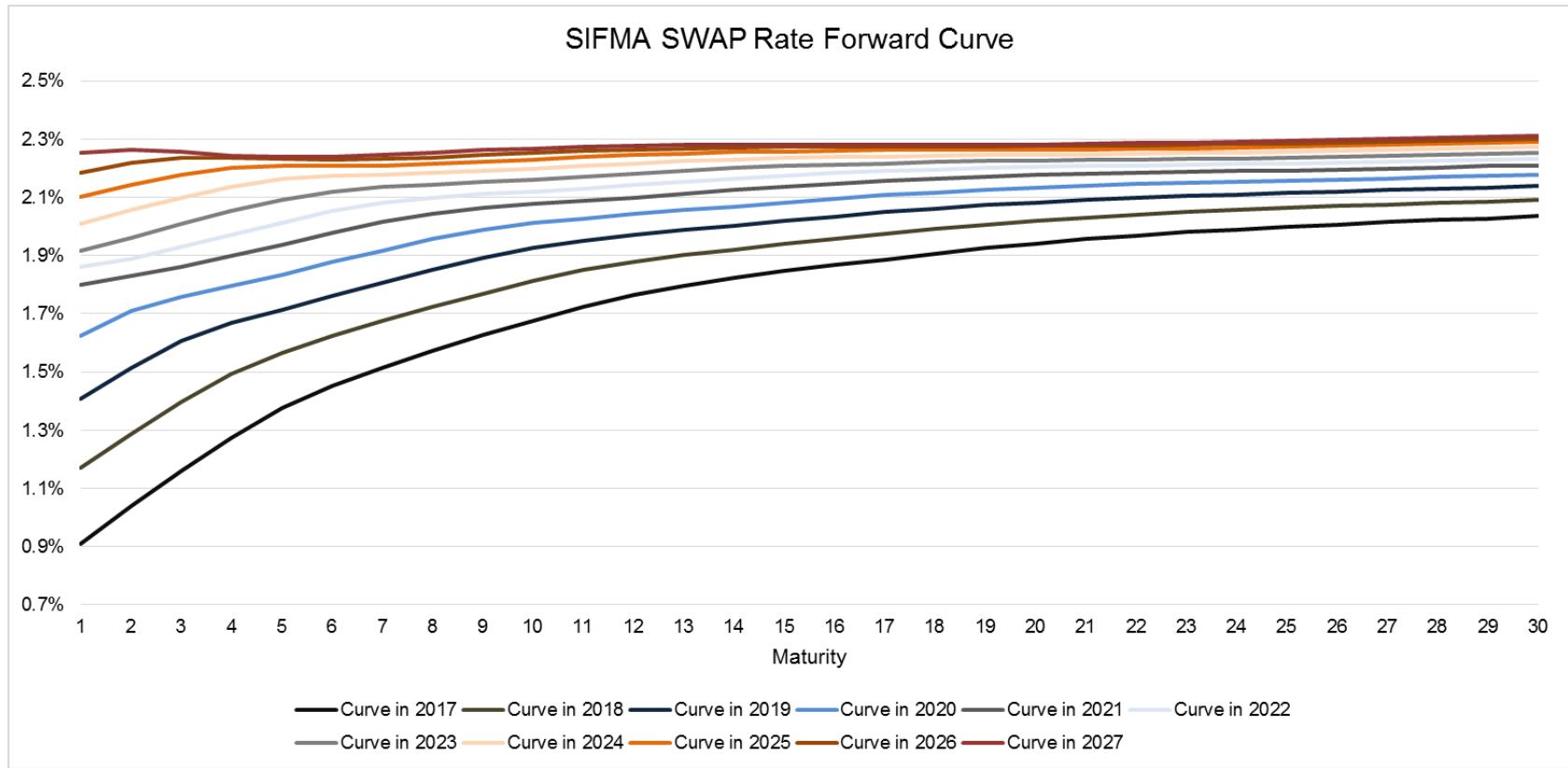
**Selected Maturities' Historical Movements (from 1/1/1986 to 8/28/2017)**





## SIFMA Swap Curve Interest Rate Forecast

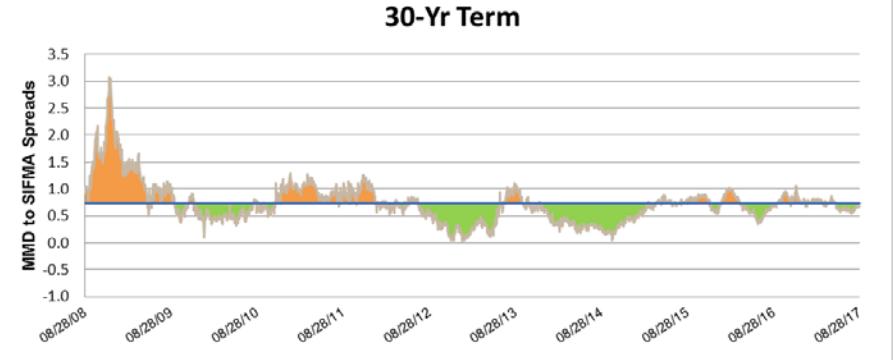
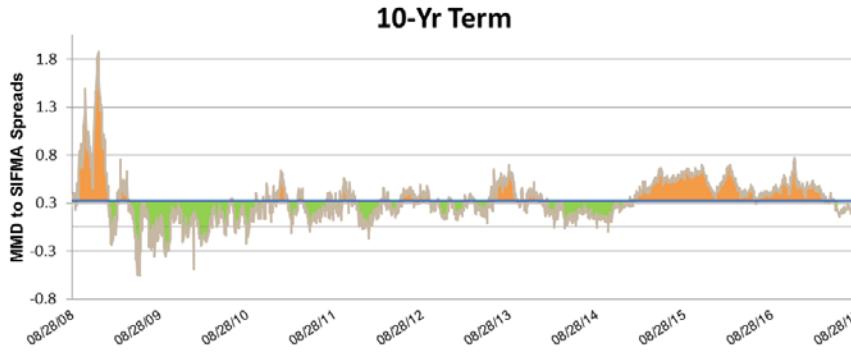
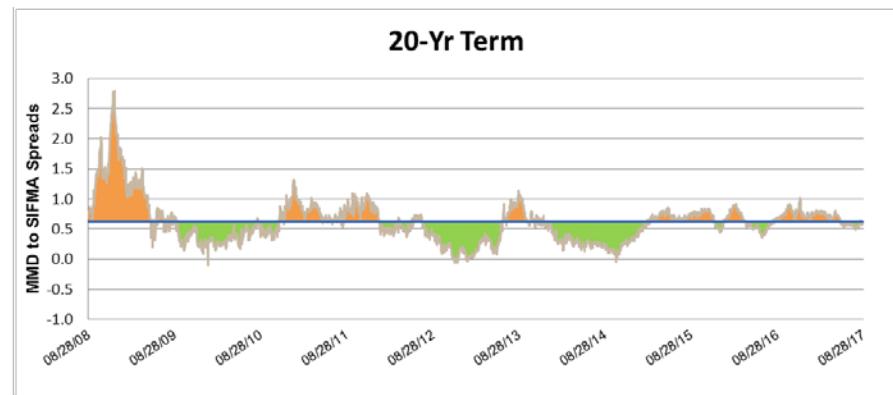
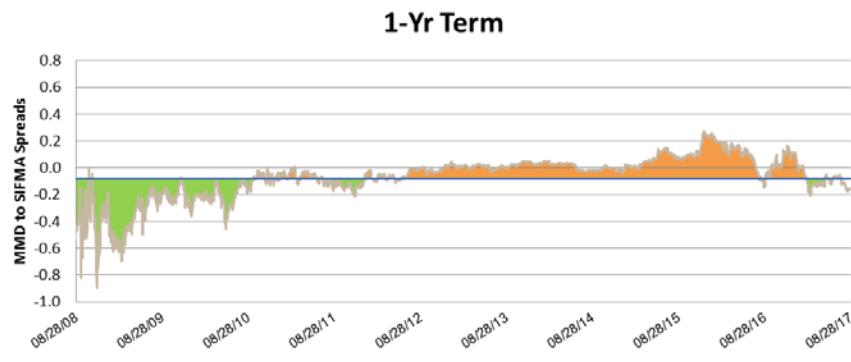
- ◆ One million dollar question; No long term future tax-exempt bond interest rate forecasts exist
- ◆ Alternate approach is to use tax-exempt SIFMA forward swap curves as a proxy
- ◆ Results show future yield curves flatten while 30-year rates increase only about 30 basis points





## Historical SIFMA SWAP and MMD

- While SIFMA swap rate curves historically have tracked MMD yield curves, there have also been periods of relative volatility.
- Also SIFMA yield curves are based on a non-callable assumption.



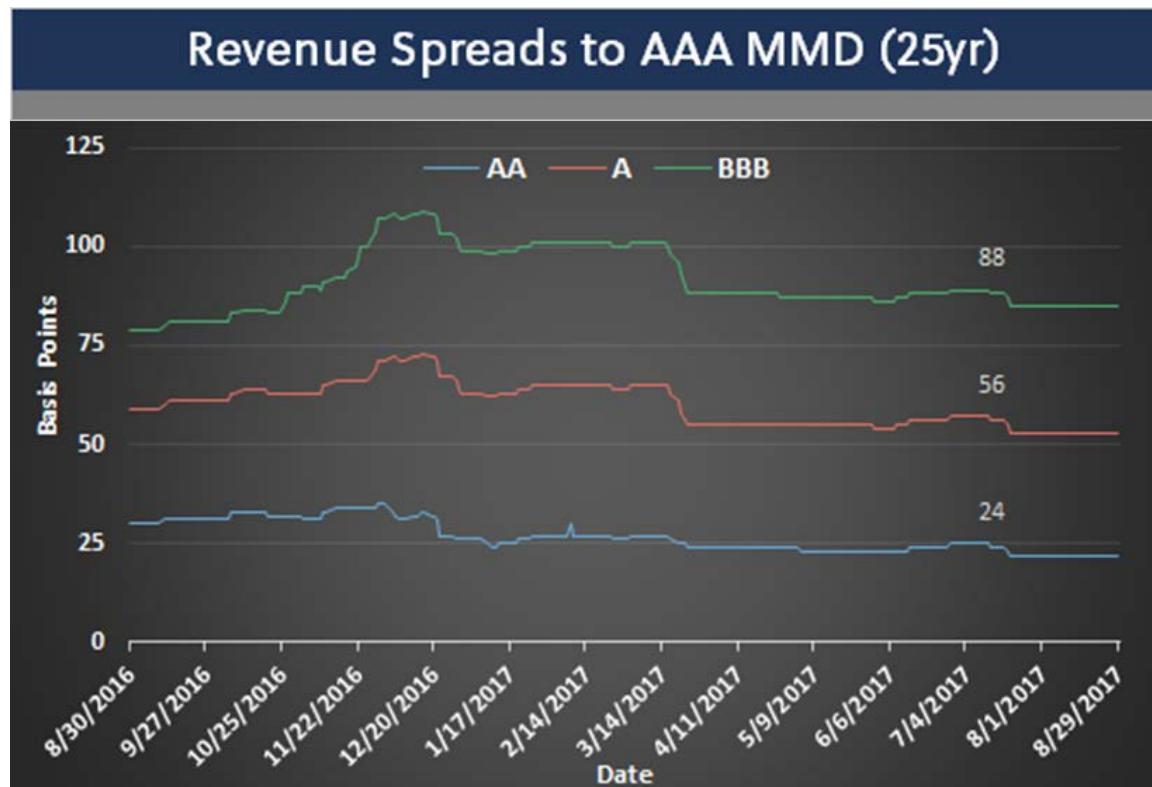
■ Differential (MMD-Swap Rate) ■ Differential Average

■ Differential>Average ■ Differential<Average



## Credit Rating Spreads

- MMD reflects the highest credit quality tax exempt municipal bonds
- Most municipal bonds are in the A to AA credit rating range, and that is where we'd expect the HRTF revenue bonds to be rated
- AA rating adds approximately 24 bps while a single A rating adds about 56 bps





## Interest Rate Assumptions for Debt Planning

- ◆ Use the current tax-exempt market benchmark, MMD AAA, as a baseline. MMD incorporates typical call option flexibility.
- ◆ Incorporate future forecasts of yield curve change per SIFMA swap curve
  - Approximately 60 bps increase over 10 years for 10-year maturity, 6 bps/year forecast
  - Approximately 40 bps increase over 10 years for 20-year maturity, 4 bps/year forecast
  - Approximately 30 bps increase over 10 years for 30-year maturity, 3 bps/year forecast
- ◆ Incorporate credit spread premium
  - Approximately 24 bps increase for a AA-rated credit
  - Approximately 56 bps increase for an A-rated credit
- ◆ Incorporate additional reasonable cushion to reflect volatility
  - Approximately 20 bps increase for bonds issued in 1-3 years
  - Approximately 35 bps increase for bonds issued in 3-6 years
  - Approximately 50 bps increase for bonds issued in 6-10 years
- ◆ While interest rate forecasts have proven notoriously wrong, and we do not expect future conditions to exactly match our estimates, we believe this is a reasonable basis for planning.
- ◆ Prior 2024 LRTP analyses actually used slightly more conservative interest rate assumptions, so PFM used those same assumptions for this Debt Management Plan.



### **III. Appendix B: HRTF Credit Rating Considerations**



## HRTF Revenue - Special Tax Revenue Credit

- ◆ HRTF revenues are considered “special tax”:
  - Not a state full faith & credit
  - Subject to appropriation by the General Assembly
  - Revenues are limited, i.e. they can not be raised without legislation, and subject to economic fluctuations
- ◆ Special tax credits are common security for bonds in the US, e.g. Moody's rates over 400 for local governments and over 150 for state governments
- ◆ The rating agencies publish credit rating criteria and methodology for these types of bonds. Most recent criteria are:
  - Moody's: “US Public Finance Special Tax Methodology” (January 2014)
  - S&P: “Public Finance Criteria: Special Tax Bonds” (June 2007)
  - Fitch Ratings: “U.S. Tax-Supported Rating Criteria” (April 2016)



## Credit Rating Criteria Overview

- ◆ Categories of Criteria include:
  - Tax base, economic strength, and nature of fees
  - Legal Structure including additional bonds test (ABT) and debt service reserve fund (DSRF) requirements
  - Financial metrics including projected debt service coverage and revenue trends/volatility
- ◆ Basic legal protections for bondholders assume a lien on a defined revenue(s) stream and defined flow of funds
  - The legislation define revenues/amounts available for debt service but do not create any legal structure
  - HRTAC is best able to control the legal structure
- ◆ The ABT and projected debt service coverage ratio (DSCR) are key criteria (40% of total credit score for Moody's)
  - ABT ranges: 1.76x to 2.99x equates to AA rating while 1.26x to 1.75x equates to A rating
  - DSCR ranges: 2.51x to 4.5x equates to AA rating while 1.51x to 2.5x equates to A rating
- ◆ The DSCR metric is best managed by the available revenue, timing & amount of borrowing needs, and amortization terms
  - Moody's and recently Fitch focus on coverage of maximum annual debt service (MADS), rather than on current coverage levels



## Legal Structure and Financial Metrics Considerations

- ◆ Legal structure considerations
  - Lower ABTs & projected DSCRs generate more bonding capacity but could result in lower ratings
  - Lower ratings result in higher interest rates, all else equal
  - Higher interest rates equal higher debt service costs and lower DSCRs, all else equal
  - There can sometimes be a trade-off between more flexibility to access revenue for purposes other than debt service and lower credit ratings, and vice versa
- ◆ Proposed legal structure example
  - Senior lien: 2.0x or higher historical revenue/MADS, DSRF funded at 50% of the 3-prong test
  - Junior lien: 1.35x or higher current year revenue/current year debt service, DSRF funded at the 3-prong test
- ◆ Financial metrics – Debt service coverage ratios are results of financial planning driven by interest rates as well as two main factors: (1) construction cost schedule and issuance size, and (2) bond amortization term and structure. PFM recommends:
  - Issue debt annually based upon construction progress and overall programmatic debt needed, with adjustments as interest rates may merit
  - 30-35 year amortization for senior lien debt and 30-40 year amortization for junior lien debt
  - Overall level debt service on senior lien
  - Overall modestly ascending aggregate debt service



# Preliminary Credit Assessment – Senior Lien HRTF Aa Credit Rating

## 4.4 weighted score could yield an Aa category rating

Rating Factors	Sub-Factors	1	2-4	5-7	8-10	11-21	Estimated Numeric Value	Weighted Numeric Value
1. Taxable Base and Pledge - 30%	Economic Strength	15%	Very strong and very well diversified economic base with solid growth OR PCI/MFI is 200% or greater of national median for primarily residential bases	Strong and well diversified economic base with solid growth OR PCI/MFI is 125% - 200% of national median for primarily residential bases	Developed and reasonably diversified economic base with average growth OR PCI/MFI is 75% - 125% of national median for primarily residential bases	Small to evolving economy with modest diversification and some concentration with slow to declining growth OR PCI/MFI is 50% - 75% of national median for primarily residential bases	Deteriorating economic base with very little diversification or significant concentration with declining growth OR PCI/MFI is 50% or below of national median for primarily residential bases	2 0.3
	Nature of the Special Tax Pledge	15%	Very Broad (e.g. Sales, Utility, Income, and Gas Taxes, Motor Vehicle Registration Fees; Fixed Payments from the State depending on State's Rating)	Broad (e.g. Sales, Utility, Income, and Gas Taxes, Motor Vehicle Registration Fees; Fixed Payments from the State depending on State's Rating)	Average (e.g. Sales, Utility, Income, and Gas Taxes, Motor Vehicle Registration Fees; Fixed Payments from the State depending on State's Rating)	Narrow (e.g. Hotel, Car Rental, Meals, Lottery, Liquor, and Cigarette Taxes)	Very Narrow (e.g. Document Stamp, Hotel, Car Rental, Meals, Lottery, Liquor, and Cigarette Taxes)	
2. Legal Structure - 30%	Additional Bonds Test (ABT)	20%	3.0x or higher OR a closed lien	1.76x to 2.99x	1.26x to 1.75x	1.0x to 1.25x	No limit	4 0.8
	Debt Service Reserve Fund Requirement	10%	DSRF funded at level greater than 1-year of MADS	DSRF funded at 1-year of MADS	DSRF funded at lesser of standard 3-prong test	DSRF funded at level less than 3-prong test or a springing DSRF	NO DSRF (or DSRF funded with low rated or speculative grade surety provider)	9 0.9
3. Financial Metrics - 40%	Maximum Annual Debt Service Coverage	20%	Over 4.5x	2.51x to 4.5x	1.51x to 2.5x	1.1x to 1.5x	Less than 1.1x	5 1.0
	Revenue Trend	10%	Significantly improving with one to no historic declines	Generally improving with few historic declines	Stable with some historic declines	Declining	Rapidly Declining	4 0.4
	Revenue Volatility	10%	Has never declined	Negative fluctuations generally within 0% to 5%	Negative fluctuations generally within 5% to 10%	Negative fluctuations generally within 10% to 15%	Negative fluctuations greater than 15%	7 0.7
<b>Total</b>								<b>4.4</b>



# Preliminary Credit Assessment – Junior Lien HRTF A Credit Rating

## 6.3 weighted score would yield an A category rating

Rating Factors	Sub-Factors	1	2-4	5-7	8-10	11-21	Estimated Numeric Value	Weighted Numeric Value
<b>1. Taxable Base and Pledge - 30%</b>	Economic Strength	15%	Very strong and very well diversified economic base with solid growth OR PCI/MFI is 200% or greater of national median for primarily residential bases	Strong and well diversified economic base with solid growth OR PCI/MFI is 125% - 200% of national median for primarily residential bases	Developed and reasonably diversified economic base with average growth OR PCI/MFI is 75% - 125% of national median for primarily residential bases	Small to evolving economy with modest diversification and some concentration with slow to declining growth OR PCI/MFI is 50% - 75% of national median for primarily residential bases	Deteriorating economic base with very little diversification or significant concentration with declining growth OR PCI/MFI is 50% or below of national median for primarily residential bases	<b>2</b> <b>0.3</b>
	Nature of the Special Tax Pledge	15%	Very Broad (e.g. Sales, Utility, Income, and Gas Taxes, Motor Vehicle Registration Fees; Fixed Payments from the State depending on State's Rating)	Broad (e.g. Sales, Utility, Income, and Gas Taxes, Motor Vehicle Registration Fees; Fixed Payments from the State depending on State's Rating)	Average (e.g. Sales, Utility, Income, and Gas Taxes, Motor Vehicle Registration Fees)	Narrow (e.g. Hotel, Car Rental, Meals, Lottery, Liquor, and Cigarette Taxes)	Very Narrow (e.g. Document Stamp, Hotel, Car Rental, Meals, Lottery, Liquor, and Cigarette Taxes)	
<b>2. Legal Structure - 30%</b>	Additional Bonds Test (ABT)	20%	3.0x or higher OR a closed lien	1.76x to 2.99x	1.26x to 1.75x	1.0x to 1.25x	No limit	<b>7</b> <b>1.4</b>
	Debt Service Reserve Fund Requirement	10%	DSRF funded at level greater than 1-year of MADS	DSRF funded at 1-year of MADS	DSRF funded at lesser of standard 3-prong test	DSRF funded at level less than 3-prong test or funded with low rated or a springing DSRF	NO DSRF (or DSRF funded with speculative grade surety provider)	<b>6</b> <b>0.6</b>
<b>3. Financial Metrics - 40%</b>	Maximum Annual Debt Service Coverage	20%	Over 4.5x	2.51x to 4.5x	1.51x to 2.5x	1.1x to 1.5x	Less than 1.1x	<b>13</b> <b>2.6</b>
	Revenue Trend	10%	Significantly improving with one to no historic declines	Generally improving with few historic declines	Stable with some historic declines	Declining	Rapidly Declining	<b>4</b> <b>0.4</b>
	Revenue Volatility	10%	Has never declined	Negative fluctuations generally within 0% to 5%	Negative fluctuations generally within 5% to 10%	Negative fluctuations generally within 10% to 15%	Negative fluctuations greater than 15%	<b>7</b> <b>0.7</b>
								<b>Total</b> <b>6.3</b>

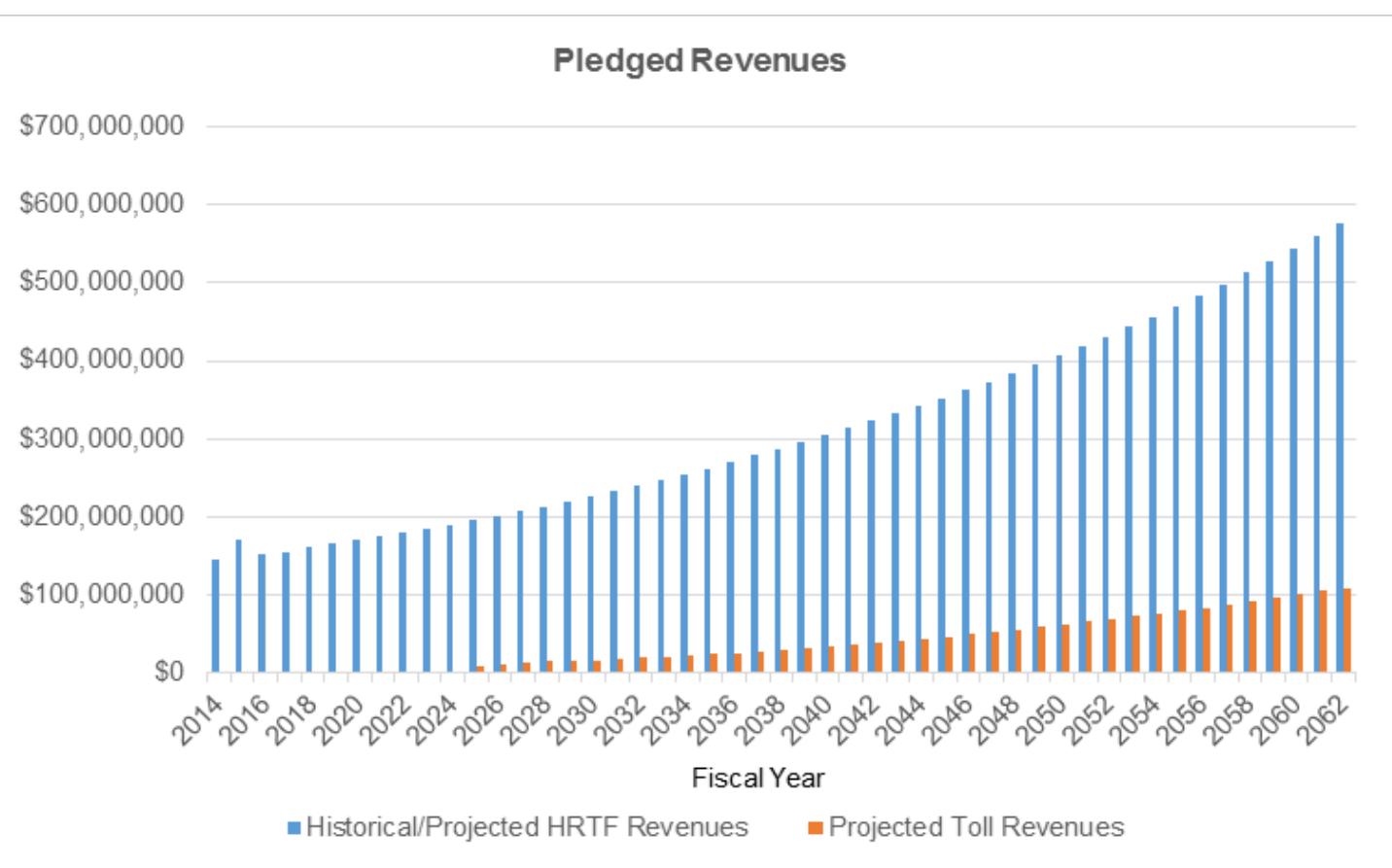


## **IV. Appendix C: HRTF Debt Security & Issuance Assumptions**



## Pledged Revenues

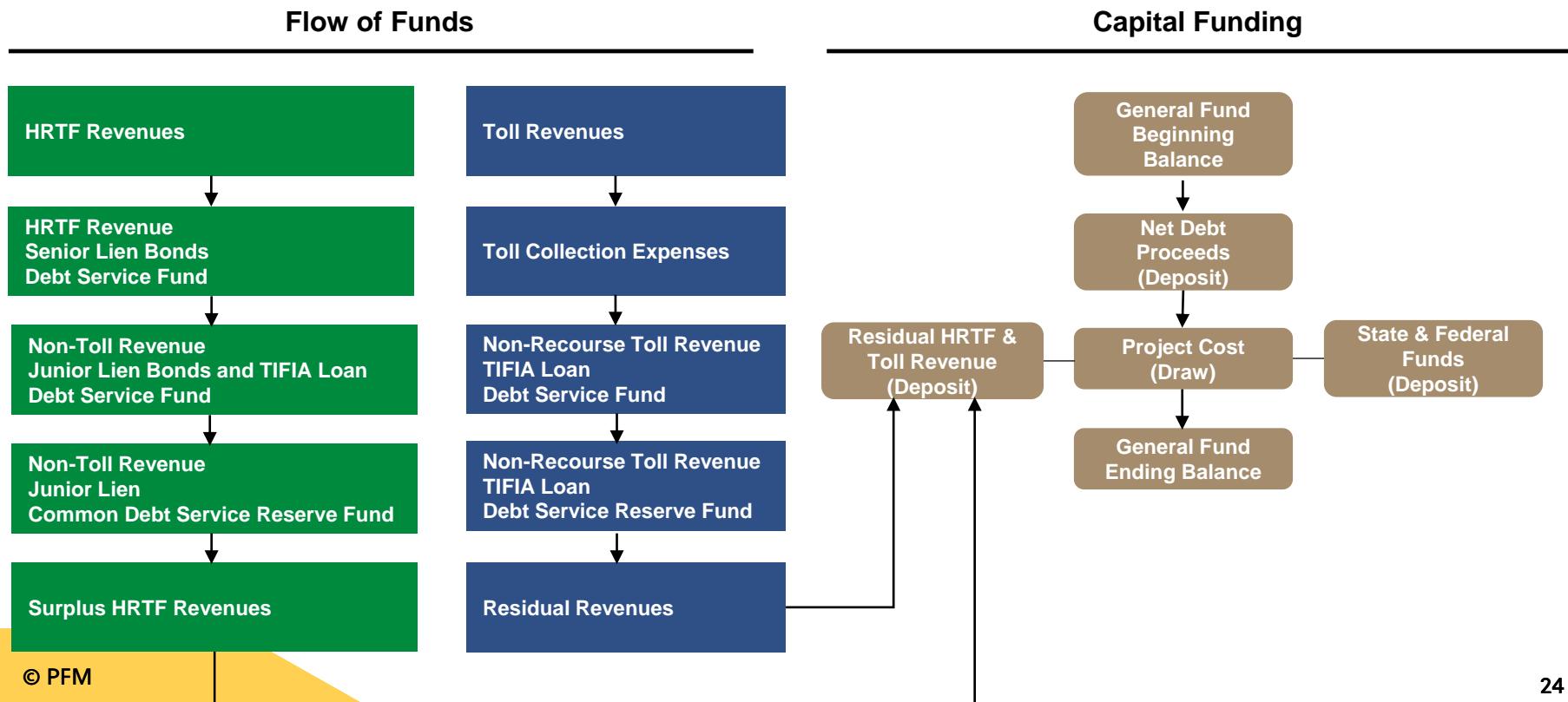
- ◆ HRTF revenues and toll revenues can be utilized to fund construction in two forms:
  - Issue debt upfront: projected future receipts (up to 40 years) to pay debt service
  - Pay-as-you-go during construction through 2024





## Proposed Flow of Funds and Lien Structure

- ◆ HRTF revenue pledged debt and toll revenue pledged debt do not commingle.
- ◆ HRTF debt has a senior lien and junior lien
  - Senior lien – tax-exempt bonds
  - Junior lien – tax-exempt bonds and TIFIA loan
- ◆ Toll revenue debt – TIFIA loan only





## HRTF Additional Bonds Test

- ◆ Any additional debt issued on parity with existing debt will reduce repayment capacity cushion of the same pledged revenues – more debt has to be repaid.
- ◆ To protect existing debt holders' interest, a covenant test is typically instituted to ensure that upon issuance of the additional bonds, satisfactory repayment capacity cushion still exists.
- ◆ ABT is a ratio of certain form of pledged revenues divided by certain form of debt service. For example, assuming the ABT requirement is 2.0x:
  - if the ratio result is greater than 2.0x, the ABT is passed, and HRTAC is allowed to issue this debt;
  - if lower than 2.0x, the ABT is failed, and HRTAC cannot issue more debt.
- ◆ Assumed HRTF debt ABT:
  - Senior lien - 2.0x historical revenue over MADs
  - Junior lien – 1.35x projected revenue over annual debt service



## Other Financing Assumptions

- ◆ Debt Service Reserve Fund
  - Senior lien: funded at 50% of the 3-prong test
  - Junior lien: DSRF funded at the 3-prong test
- ◆ Senior lien HRTF bond profile
  - Up to 35-year term
  - Individual level debt service for the first several issuances, then aggregate level structure with the last issuances
- ◆ Subordinate lien HRTF bond profile
  - Up to 40-year term
  - Individual level debt service for the first several issuances, then aggregate level structure with the last issuances
- ◆ Subordinate lien TIFIA loan profile
  - Final maturity within 35 year post substantial completion
  - Average loan life shorter than 27.5 years
  - Individual level debt service for the first several loans, then overall modestly ascending structure with the last loans
- ◆ 50 bps flat interest rate cushion for all debt issuances across the curve – more conservative than the previous interest rate forecast suggests.



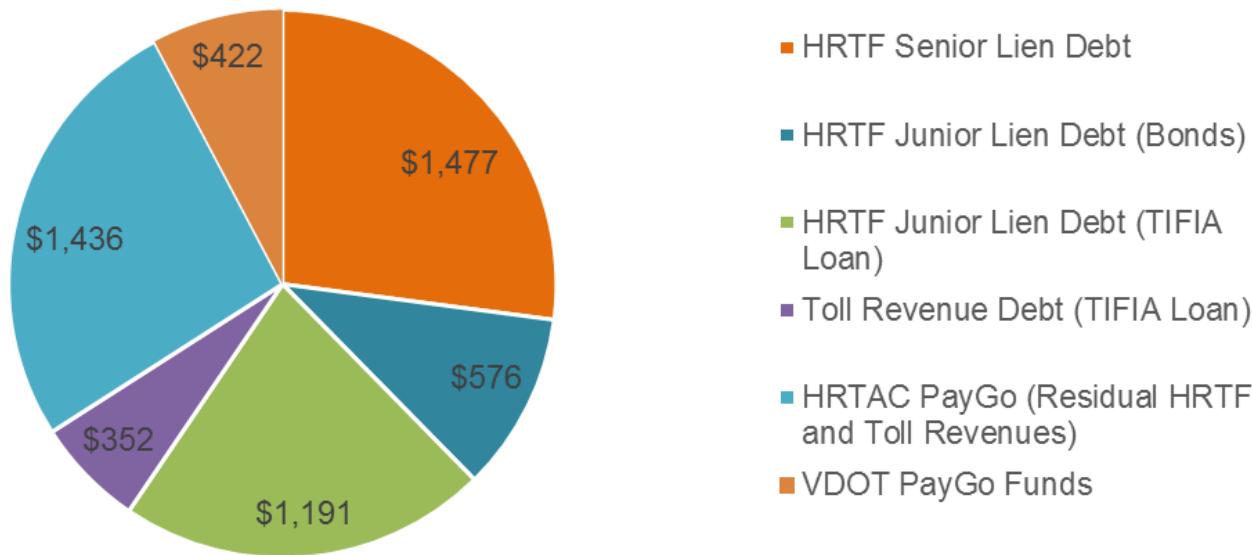
## **V. Appendix D: Initial Debt Management Plan Results**



## 2024 Financial Plan Funding Mix – \$5.5B Total

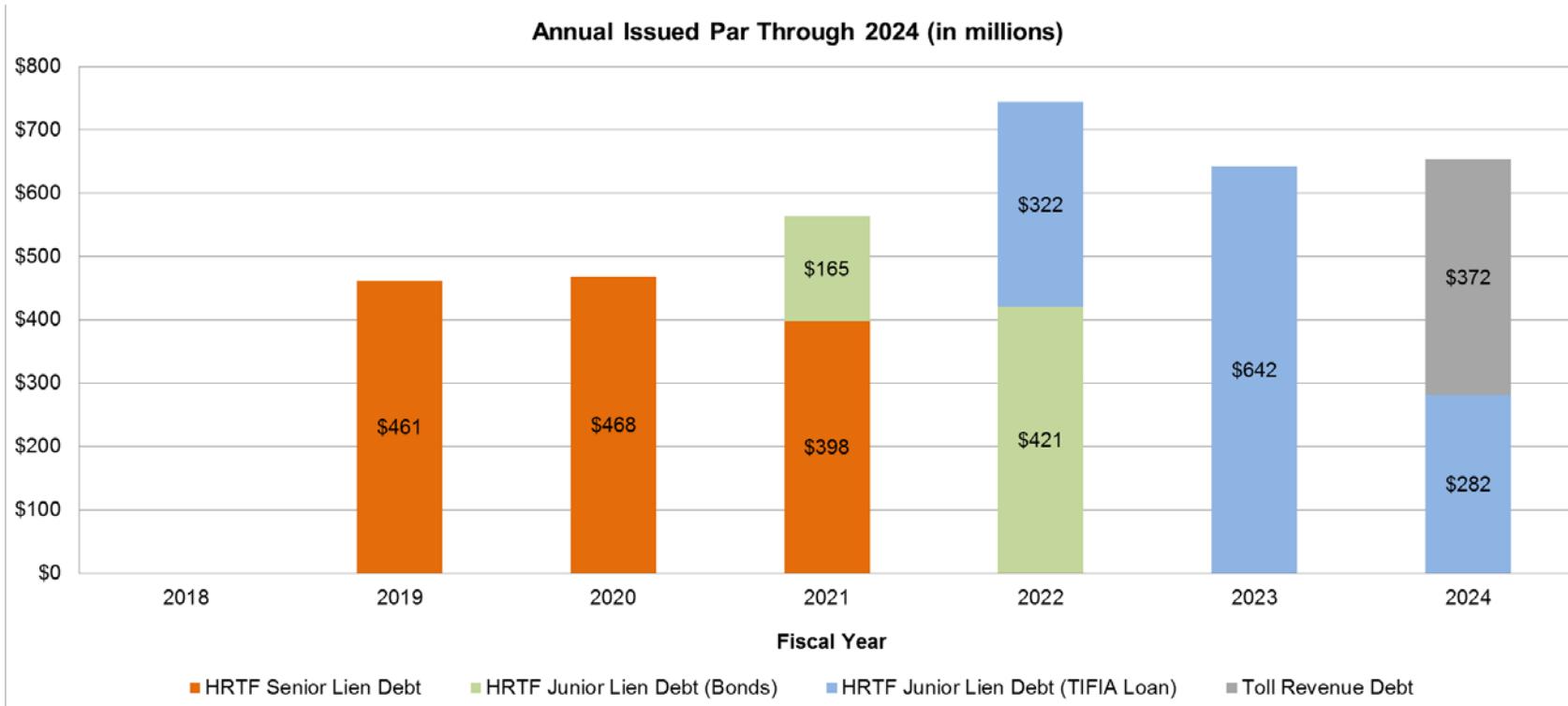
- Projects through HRBT are fully funded with a well-balanced sources including HRTF Paygo, HRTF Bonds, VDOT Funds, and TIFIA loans.
- Assumes a HRTF junior lien TIFIA master credit agreement.

Funding Source Through 2024 (in millions)





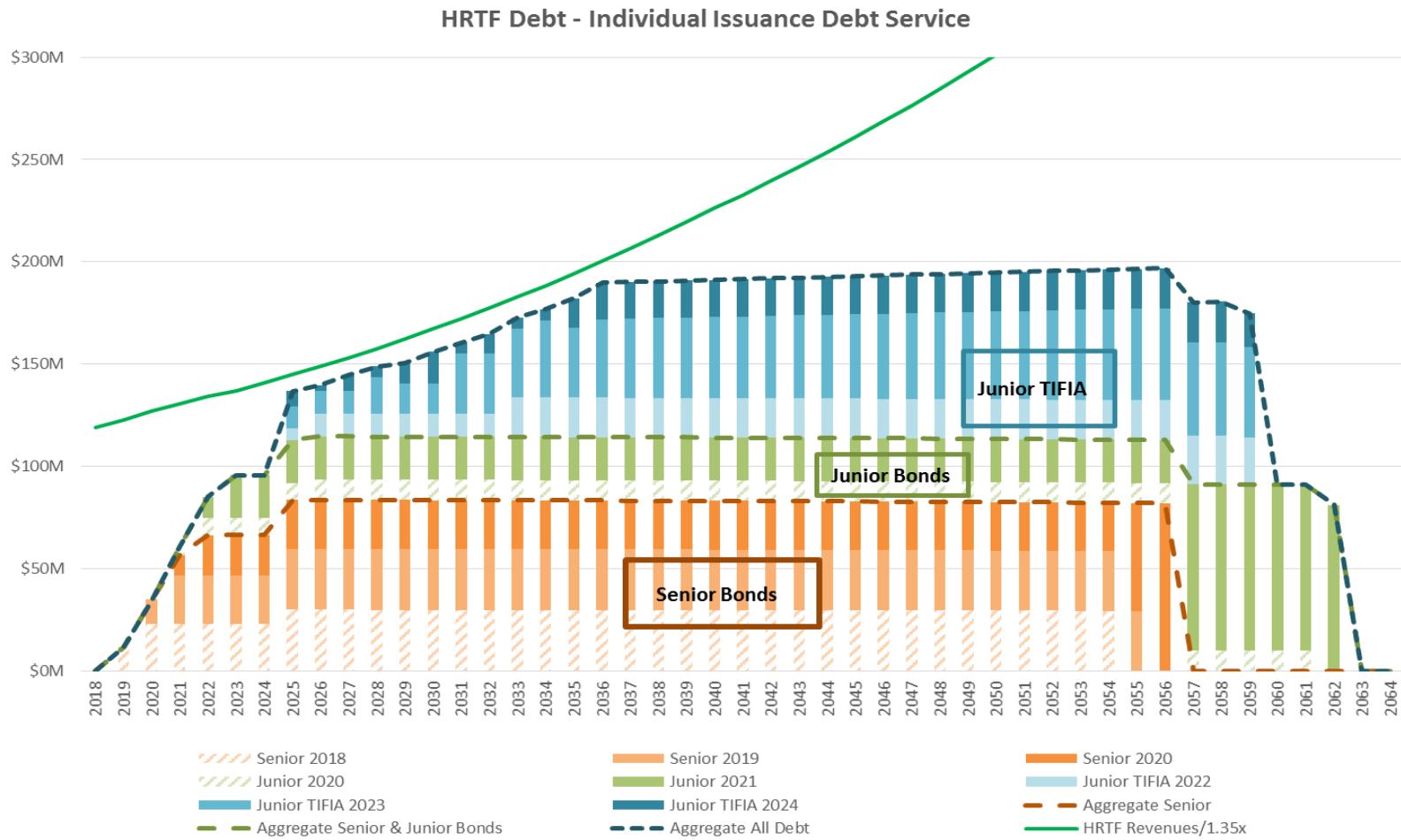
## Debt Issuance – Fund \$3.6B of the \$5.5B Total



- ➊ HRTF debt is issued at a steady annual pace during project construction
- ➋ Lower cost current interest bonds and TIFIA loans are emphasized



## HRTF Revenue Supported Debt Service Illustration





## **VI. Appendix E: Moody's Credit Rating Scorecard & HRTF Evaluation**



# Moody's Special Tax Scorecard

Rating Category	Aaa	Aa	A	Baa	SG
Score	1	2-4	5-7	8-10	11-21

Rating Factors	Sub-Factors		Aaa	Aa	A	Baa	SG
1. Taxable Base and Pledge - 30%	Economic Strength	15%	Very strong and very well diversified economic base with solid growth OR PCI/MFI is 200% or greater of national median for primarily residential bases	Strong and well diversified economic base with solid growth OR PCI/MFI is 125% - 200% of national median for primarily residential bases	Developed and reasonably diversified economic base with average growth OR PCI/MFI is 75% - 125% of national median for	Small to evolving economy with modest diversification and some concentration with slow to declining growth OR PCI/MFI is 50% - 75% of national median for primarily residential bases	Deteriorating economic base with very little diversification or significant concentration with declining growth OR PCI/MFI is 50% or below of national median for primarily residential bases
	Nature of the Special Tax Pledge	15%	Very Broad (e.g. Sales, Utility, Income, and Gas Taxes, Motor Vehicle Registration Fees; Fixed Payments from the State depending on State's Rating)	Broad (e.g. Sales, Utility, Income, and Gas Taxes, Motor Vehicle Registration Fees; Fixed Payments from the State depending on State's Rating)	Average (e.g. Sales, Utility, Income, and Gas Taxes, Motor Vehicle Registration Fees)	Narrow (e.g. Hotel, Car Rental, Meals, Lottery, Liquor, and Cigarette Taxes)	Very Narrow (e.g. Document Stamp, Hotel, Car Rental, Meals, Lottery, Liquor, and Cigarette Taxes)
2. Legal Structure - 30%	Additional Bonds Test (ABT)	20%	3.0x or higher OR a closed lien	1.76x to 2.99x	1.26x to 1.75x	1.0x to 1.25x	No limit
	Debt Service Reserve Fund Requirement	10%	DSRF funded at level greater than 1-year of MADS	DSRF funded at 1-year of MADS	DSRF funded at lesser of standard 3-prong test	DSRF funded at level less than 3-prong test or a springing DSRF	NO DSRF (or DSRF funded with low rated or speculative grade surety provider)
3. Financial Metrics - 40%	Maximum Annual Debt Service Coverage	20%	Over 4.5x	2.51x to 4.5x	1.51x to 2.5x	1.1x to 1.5x	Less than 1.1x
	Revenue Trend	10%	Significantly improving with one to no historic declines	Generally improving with few historic declines	Stable with some historic declines	Declining	Rapidly Declining
	Revenue Volatility	10%	Has never declined	Negative fluctuations generally within 0% to 5%	Negative fluctuations generally within 5% to 10%	Negative fluctuations generally within 10% to 15%	Negative fluctuations greater than 15%

Indicated Rating	Overall Weighted Score
Aaa	0 to 1.9
Aa	1.91 to 4.9
A	4.91 to 7.9
Baa	7.91 to 10.9
Ba to C	10.91 to 21



## Taxable Base and Pledge – Preliminary Evaluation

- Among the 14 member jurisdictions, James City, Chesapeake, Hampton, Newport News, Norfolk, Suffolk and Virginia Beach contribute to 87% of FY 2016 revenues.
- These 7 localities' general obligation bonds are highly rated, reflecting a strong, growing, and diversified economic base.
- As a proxy, it is reasonable to expect HRTAC will fall into the Aa category for Taxable Base and Pledge in Moody's scorecard (detailed analyses with economic data for each member will be conducted)

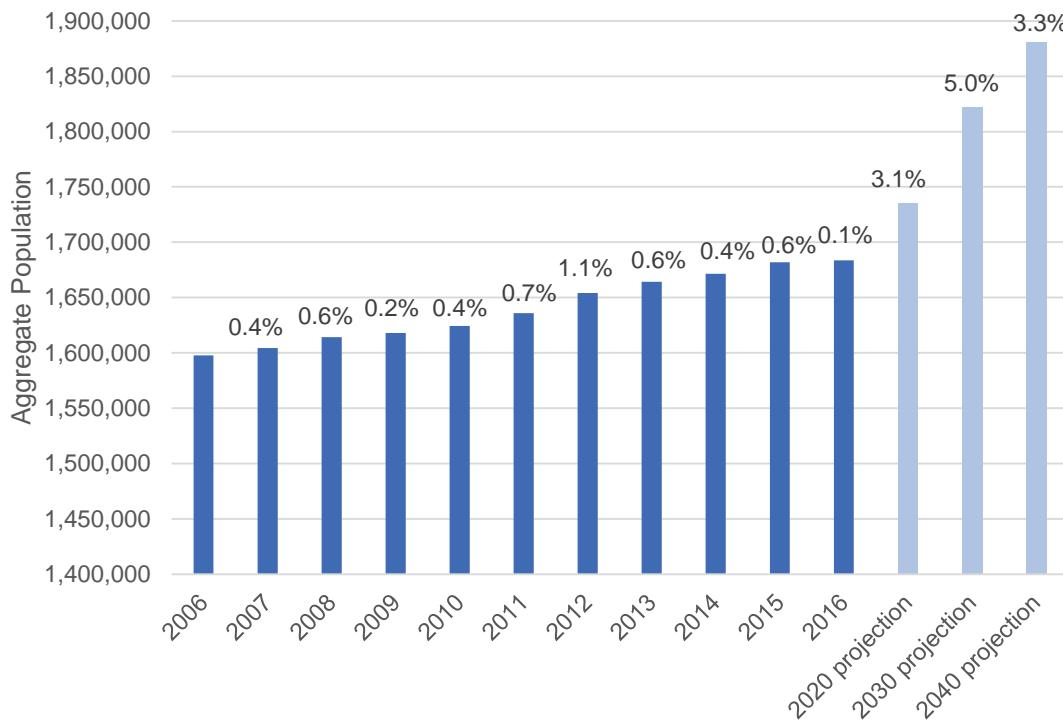
FY 2016 HRTF Collection

Localities	Sales and Use Tax	Fuels Tax	Total	%	Selected Localities Rating
Isle of Wight	1,425,899	794,033	2,219,931	1.4%	
James City	6,446,492	732,061	7,178,553	4.7%	Aaa/AAA/AAA
Southampton	313,684	344,398	658,082	0.4%	
York	5,735,733	1,244,720	6,980,452	4.6%	
Chesapeake	22,892,639	5,128,010	28,020,650	18.3%	Aa1/AAA/AAA
Franklin	953,188	275,363	1,228,551	0.8%	
Hampton	9,060,162	2,169,898	11,230,061	7.3%	Aa1/AA+/AA+
Newport News	13,703,842	2,694,253	16,398,094	10.7%	Aa1/AA+/NR
Norfolk	18,169,641	2,958,125	21,127,765	13.8%	Aa2/AA+/AA+
Poquoson	310,086	76,442	386,529	0.3%	
Portsmouth	4,128,359	1,353,317	5,481,676	3.6%	
Suffolk	5,353,651	1,916,442	7,270,093	4.7%	Aa1/AAA/AAA
Virginia Beach	35,225,995	6,466,139	41,692,134	27.2%	Aaa/AAA/AAA
Williamsburg	2,817,406	501,272	3,318,678	2.2%	
Total	126,536,777	26,654,473	153,191,249	100.0%	



## Taxable Base and Pledge - Population Growth

- Population for the region has been steadily growing for the past 10 years and is projected to continue growing over the next 20 years.



Source: Weldon Cooper Center for Public Service,  
January 2017 (projections as of March 2017)

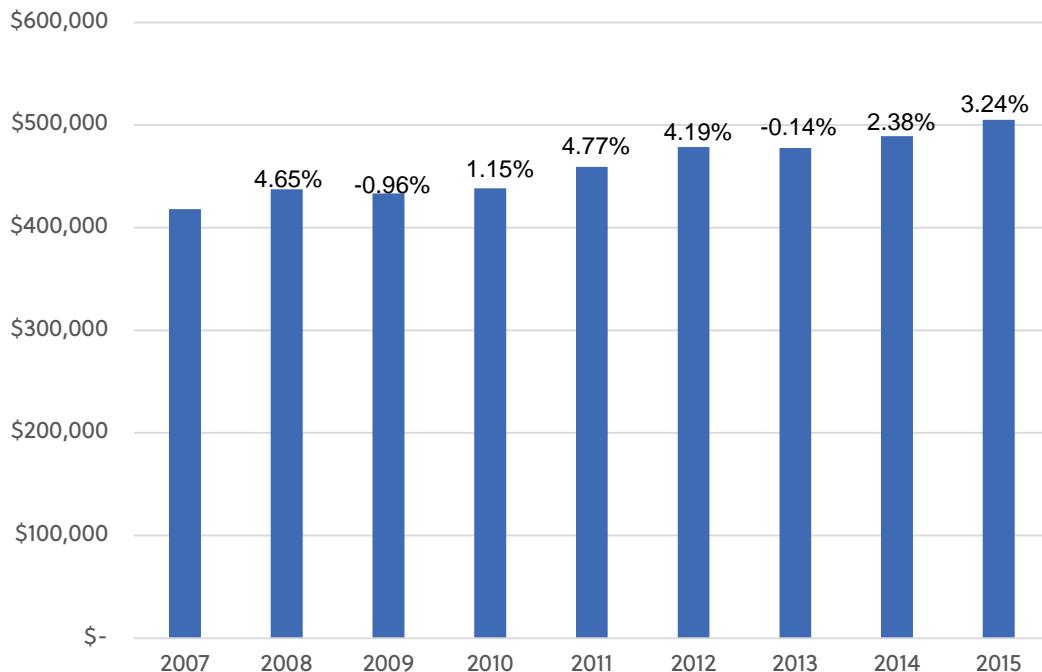
2016 Population	
Chesapeake City	240,485
Franklin City	8,597
Hampton City	137,492
Isle of Wight County	37,074
James City County	73,615
Newport News City	183,218
Norfolk City	247,087
Poquoson City	12,287
Portsmouth City	96,179
Southampton County	18,242
Suffolk City	91,722
Virginia Beach City	453,628
Williamsburg City	15,429
York County	68,585



## Taxable Base and Pledge - Per Capita Personal Income

- Per capita personal income has grown significantly over time with only 2 years of modest decline.

Aggregate Per Capita Personal Income



### 2015 PCPI

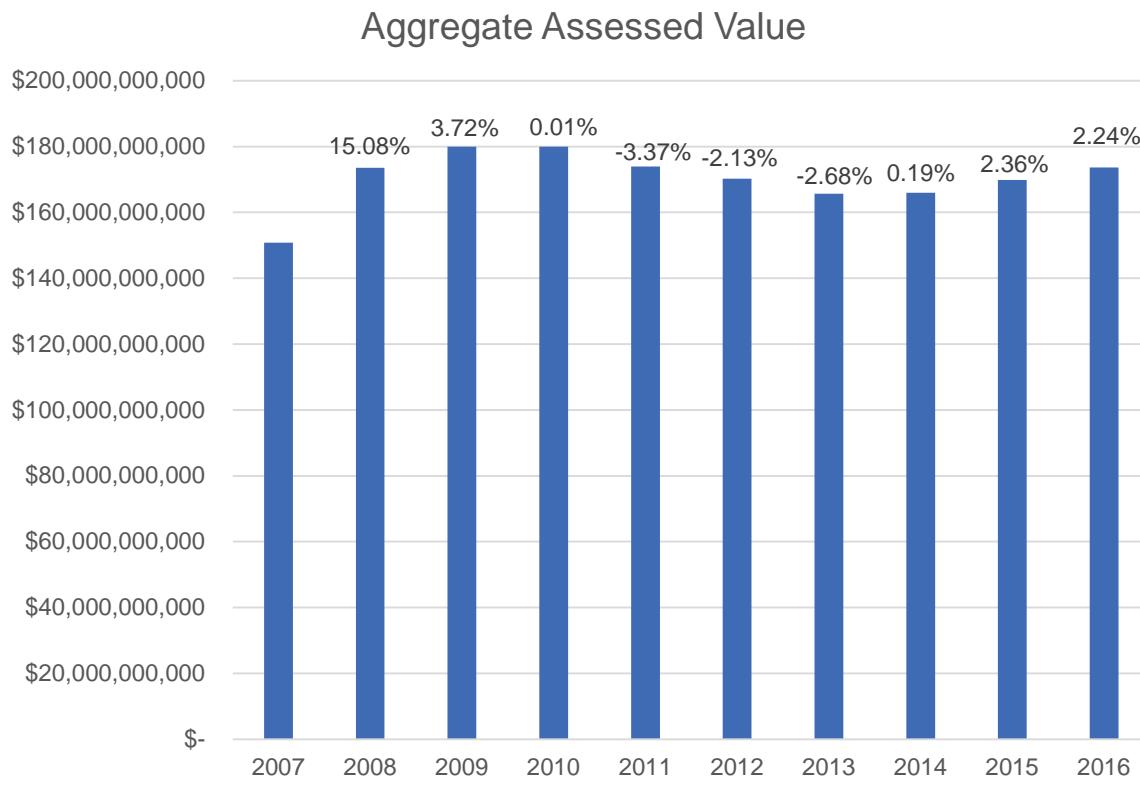
2015 PCPI	
Chesapeake City	\$ 46,769
Franklin City and Southampton County	\$ 34,987
Hampton City	\$ 40,759
Isle of Wight	50,643
James City County and Williamsburg City	\$ 58,504
Newport News City	\$ 40,453
Norfolk City	\$ 38,676
Poquoson City and York County	\$ 55,111
Portsmouth City	\$ 39,301
Suffolk City	47,533
Virginia Beach City	\$ 52,235

Source: Various 2016 Comprehensive Annual Financial Reports



## Taxable Base and Pledge - Total Assessed Value

- Assessed values have remained relatively constant over the last 10 years, showing growth in the past 4 years.



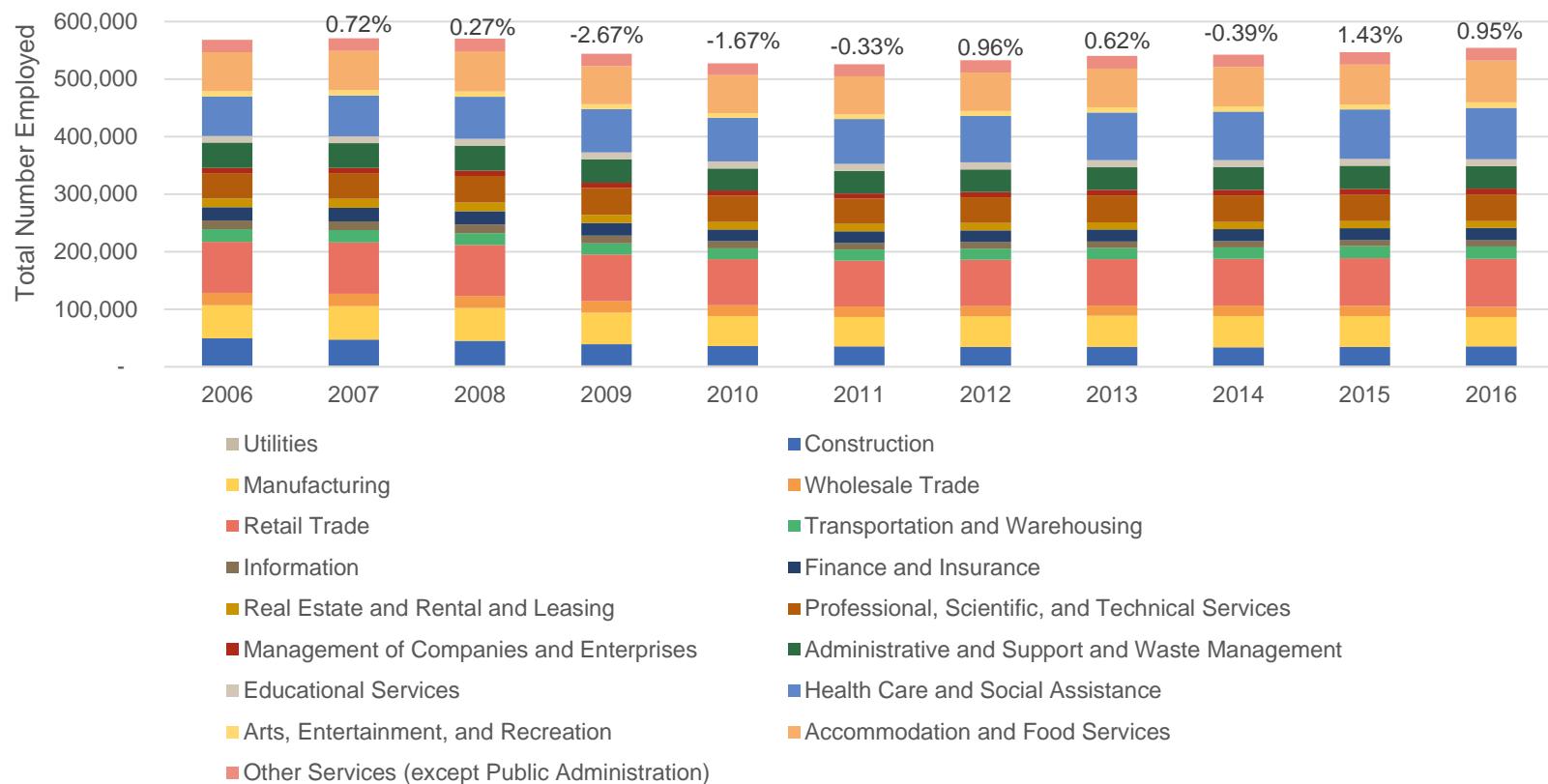
2016 Assessed Value	
Chesapeake City	\$ 26,496,419,433
Franklin City	\$ 619,312,030
Hampton City	\$ 11,476,503,000
Isle of Wight County	\$ 4,579,015,110
James City County	\$ 12,511,337,556
Newport News City	\$ 16,716,737,000
Norfolk City	\$ 21,336,996,000
Poquoson City	\$ 1,540,287,555
Portsmouth City	\$ 7,172,538,000
Southampton County	\$ 1,834,732,674
Virginia Beach City	\$ 57,493,914,067
Williamsburg City	\$ 1,866,959,116
York County	\$ 10,040,644,661

Source: Localities' 2016 Comprehensive Annual Financial Reports



## Taxable Base and Pledge - Labor Force

- ◆ The workforce is well diversified and has been making a strong recovery in recent years following a decline from 2009-2011.



Source: Virginia Labor Market Information Quarterly Reports, 2006-2016

# Thank You



**Agenda Item 6B**  
**Action Item**

**To: Chair Hipple and the other members of HRTAC**

**From: Kevin B. Page, Executive Director**

**Date: September 21, 2017**

**Re: FY2017 Annual Report to the Joint Commission on Transportation Accountability Relating to the Hampton Roads Transportation Fund**

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**Recommendation:**

The Commission is being asked to authorize the Executive Director to submit the legislatively mandated FY2017 Hampton Roads Transportation Fund (HRTF) Report to the Joint Commission on Transportation Accountability (Attachment 6B).

**Background:**

Item 1 of Chapter 780 of the 2016 Session included the requirement that the Joint Commission on Transportation Accountability (JCTA) shall regularly review, and provide oversight of the usage of funding generated pursuant to the provisions of HB 2313 (2013 Session of the General Assembly). To meet this requirement, the Hampton Roads Transportation Accountability Commission (HRTAC) has prepared a report to inform the JCTA on the uses of the HRTF for Fiscal Year 2017.

**Fiscal Impact:**

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

**Suggested Motion:**

**Motion:** The Commission authorizes the Executive Director to submit to the Joint Commission on Transportation Accountability the Fiscal Year 2017 Annual Report to the Joint Commission on Transportation Accountability Relating to the Hampton Roads Transportation Fund.





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# Fiscal Year 2017 Annual Report to the Joint Commission on Transportation Accountability Relating to the Hampton Roads Transportation Fund

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Hampton Roads Transportation Accountability Commission  
723 Woodlake Drive  
Chesapeake, Virginia 23320  
[www.hrtac.org](http://www.hrtac.org)

## Executive Summary

Item 1 of Chapter 780 of the 2016 Session of the General Assembly included the requirement that the Joint Commission on Transportation Accountability shall regularly review, and provide oversight of the usage of funding generated pursuant to the provisions of House Bill 2313, 2013 Session of the General Assembly. To this end, by November 15 the Secretary of Transportation, the Northern Virginia Transportation Authority and the Hampton Roads Transportation Accountability Commission shall each prepare a report on the uses of the Intercity Passenger Rail Operating and Capital Funds, the Northern Virginia Transportation Authority Fund, and the Hampton Roads Transportation Fund, respectively, each year to be presented to the Joint Commission on Transportation Accountability.

## Background

On April 3, 2013, the Governor's substitute for House Bill 2313 (HB 2313) was adopted by the Virginia General Assembly. Based on criteria set forth in HB 2313, several new taxes dedicated to transportation were imposed in Planning District 23, (located in Hampton Roads), thereby providing permanent, annual sources of revenue dedicated to transportation projects to reduce congestion in the region. These new revenue sources became effective on July 1, 2013 (FY 2014), with the new taxes being imposed in the localities comprising Planning District 23: the counties of Isle of Wight, James City, Southampton, and York and the cities of Chesapeake, Franklin, Hampton, Newport News, Norfolk, Poquoson, Portsmouth, Suffolk, Virginia Beach, and Williamsburg. The legislation established the Hampton Roads Transportation Fund (HRTF) which is funded with the new taxes imposed in Planning District 23. Pursuant to HB 2313, the Hampton Roads Transportation Planning Organization (HRTPO) was given authority over use of funds in the HRTF.

During the 2014 General Assembly Session, the Hampton Roads Transportation Accountability Commission (HRTAC) was created to administer the funding in the HRTF. House Bill 1253 and Senate Bill 513, (Chapters 678 and 545 respectively), created HRTAC as a political subdivision of the Commonwealth to procure, finance, build, and operate critical projects in the region. The Commission has 23 Members, consisting of the Chief Elected Officers of the governing bodies of the 14 localities in Planning District 23, two members of the Virginia Senate, three members of the House of Delegates, and four nonvoting ex officio members (Commissioner of Highways, Director of Rail and Public Transportation, Executive Director of the Virginia Port Authority, and a member of the Commonwealth Transportation Board). HRTAC was authorized to issue bonds and use the revenue generated by HB2313 in Planning District 23 to, among other things, support the debt service. HRTAC would not replace the planning functions that are provided by the HRTPO. The commission will utilize the HRTPO prioritized projects as its program of projects. The authority of the funding for the HRTF transitioned on July 1, 2014 to the HRTAC from the HRTPO.

During the 2016 General Assembly Session, changes were made to HRTAC's enabling legislation to improve the business operations of HRTAC. House Bill 1111 (Chapter 603) allows for HRTAC to invest the Hampton Roads Transportation Fund (HRTF) revenues and provides liability protections to HRTAC while investing the funds. The enacted legislation also allows counties to designate a representative to the Board in lieu of the Chief Elected Official, and allows all localities to have representation at the meetings if Chief Elected Officer or County Designee is unable to attend. HB1111 also provided that administrative and operating expenses shall be paid by HRTAC Revenues.

During FY2017, HRTAC took actions and executed project agreements with the Virginia Department of Transportation (VDOT) to accelerate projects through advancing project readiness, financing, and program delivery. During the fiscal year, HRTAC issued its Draft Short Term Six Year Funding Plan FY2018 through FY2023 and its Draft Long Range Funding Plan through FY2040, received uncontested bond validation, and advanced programming of construction of nearly \$1.6 billion total value construction projects with VDOT. Of the total project costs, \$1.23B is sourced by HRTAC controlled monies. The Smart Scale Program has provided \$295M towards HRTAC projects including the I-64 Peninsula Widening Segment 3 Project (\$145M), I-64 Southside Widening Including High Rise Bridge Project (\$100M Smart Scale), and Phase 2 of the I-64/I-264 Interchange Project (\$50M Smart Scale). Figure 1 provides a graphic showing the locations and the activities of the HRTAC funded projects. During FY2017, HRTAC spent \$78,113,800. Since its inception, HRTAC has spent \$111,292,828 towards projects.

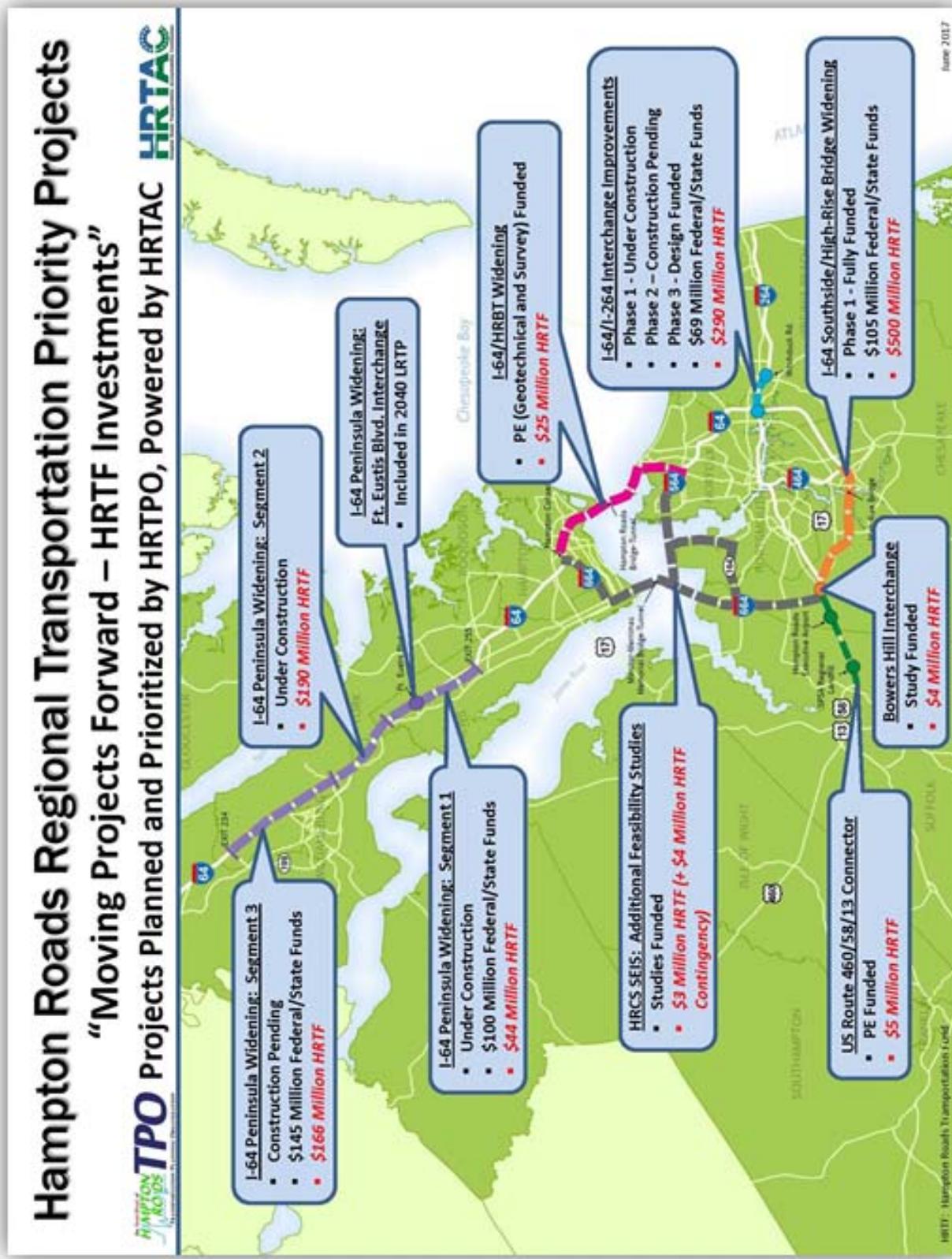


Figure 1 – Activities of HRTAC/HRTF Funded Projects

## Revenue Collections

### Sources

#### Retail Sales and Use Tax

In 2013, an additional state Retail Sales and Use Tax was imposed in Planning District 23 at the rate of 0.7 percent and dedicated to the HRTF. Accordingly, the total rate of the state and local Retail Sales and Use Tax became 6 percent in localities that fall within the District (4.3 percent state, 0.7 percent regional, and 1 percent local).

#### Local Fuels Tax

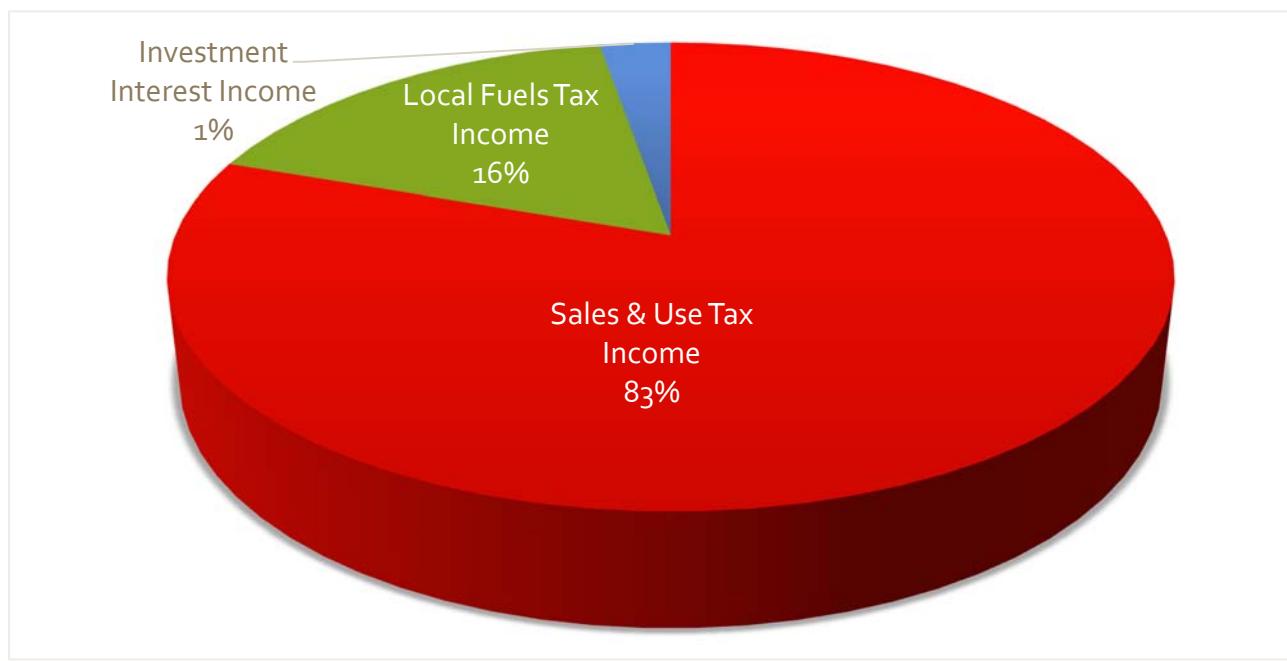
In Planning District 23, an additional fuels tax was added at the wholesale level of 2.1 percent. These funds were also dedicated to the HRTF.

#### Total Collections

Revenue collected from the Region's Retail Sales and Use and Fuels taxes plus interest and investment income earned in FY 2017 totaled \$157.8 million. Figure 2 provides a detail and graphic of the collections by revenue source and percentage of total collections.

Figure 2 - HRTAC Revenue Collections FY2017

Sales & Use Tax Income	\$131,472,531
Local Fuels Tax Income	25,031,995
Investment/ Interest Income	1,272,608
	\$157,777,134



## Expenditures

July 1, 2016 Through June 30, 2017, HRTAC incurred the following administrative and project expenditures:

Description	Amount
Legal Fees	\$182,996
Investment Fees	282,887
HRPDC/HRTPO Assistance	66,146
Financial Advisor	160,621
Payroll	327,361
Operating	73,112
Project Related	77,020,677
<b>Total</b>	<b>\$78,113,800</b>

HRTAC project related expenditures detail, inception through June 30, 2017:

Description	Amount
I-64 Peninsula Segment 1	\$1,544,503
I-64 Peninsula Segment 2	49,326,465
I-64/264 Interchange Improvement PE/ROW	24,549,786
I-64/264 Interchange Improvements PE/ROW	8,941,701
I-64/264 Interchange Improvements Construction - Phase 1	17,353,214
I-64 Southside High Rise Bridge Phase 1	9,577,159
<b>Total</b>	<b>\$111,292,828</b>

Year-end cash balances of the HRTAC totaled \$507.7 million in both operating and investment accounts. Beginning in June 2015, monthly revenue collections from the previous accounting period are transferred to HRTAC by VDOT.

## Allocations

For the period July 1, 2016 through June 30, 2017, HRTAC approved an allocation of \$151.7 million from the HRTF to advance project readiness through construction phases of the Region's high priority projects as identified and prioritized by the HRTPO. Project allocations through June 30, 2017 are provided in detailed below.

**Hampton Roads Transportation Fund (HRTF)**  
***Total Allocations as of June 30 2017***

Project	Total FY2014 - FY 2016	Total FY2017	Total
<i>I-64 Peninsula Widening</i>			
- UPC 104905 (Segment 1) – Construction	\$ 44,000,000	\$ 0	\$ 44,000,000
- UPC 106665 (Segment 2) - PE & Construction	213,592,853	(23,885,178)	189,707,675
- UPC 106689 (Segment 3) – PE	10,000,000	0	10,000,000
- UPC 106689 (Segment 3) – ROW & Construction	0.00	156,376,066	156,376,066
<i>I-64/264 Interchange Improvement</i>			
- UPC 17630 - PE/ROW	54,592,576	0	54,592,576
- UPC 57048 - PE/ROW	15,071,063	0	15,071,063
- UPC 57048 - Construction Phase 1	137,023,653	0	137,023,653
- UPC 17630/108041 – Construction Phase 2	0.00	73,157,062	73,157,062
- UPC 106693 – PE – Phase 3	0.00	10,000,000	10,000,000
<i>Third Crossing - UPC 106724 – SEIS</i>	5,000,000	0	5,000,000
<i>Remaining Projects of Third Crossing – UPC 106724</i>	0.00	7,000,000	7,000,000
<i>HRCS – UPC 110577 – SEIS</i>	0.00	25,000,000	25,000,000
<i>I-64 Southside/High-Rise Bridge</i>			
- UPC 106692 – PE	20,000,000	0	20,000,000
<i>I-64 Southside/High-Rise Bridge</i>			
- UPC 106692 - ROW & Construction	580,000,000	(100,000,000)	480,000,000
<i>Route 460/58/13 Connector – UPC 106694 – PE</i>	5,000,000	0	5,000,000
<b>Total</b>	<b><u>\$ 1,084,280,145</u></b>	<b><u>\$ 147,647,950</u></b>	<b><u>\$ 1,231,928,095</u></b>

**Agenda Item 6C**  
**Action Item**

**To: Chair Hipple and the other members of HRTAC**

**From: Kevin B. Page, Executive Director**

**Date: September 21, 2017**

**Re: Amendment to and Termination of Interim Project Agreement for Funding and Administration of the Hampton Roads Third Crossing – Environmental (UPC 106724)**

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**Recommendation:**

The Commission is being requested to: 1. Authorize the Chair to execute and deliver the Amendment to and Termination of the Interim Project Agreement for Funding and Administration of the Hampton Roads Third Crossing – Environmental (UPC 106724) that terminates the agreement; and, 2. Deallocate the \$5 million of Hampton Roads Transportation Funds for this project.

**Background:**

On April 3, 2015, HRTAC entered into an Interim Project Agreement with VDOT that provided \$5 million in Hampton Roads Transportation Fund monies for VDOT to conduct the Hampton Roads Third Crossing Study SEIS (UPC 106724). VDOT has notified HRTAC that the \$5 million in HRTAC-Controlled Moneys provided pursuant to and addressed by the Interim Agreement is no longer necessary to accomplish the Initial Project Services contemplated under the Interim Agreement as subsequent federal and state funding not previously available for the Project became available and has served and will serve as the sole funding source for said services as they have been or will be completed. In accordance with Section I(b) of the Interim Agreement, VDOT and HRTAC seek to amend the Interim Agreement to take into account the subsequent federal and state funding that has become available for the Initial Project Services and because the subsequent funding completely replaced the Interim Agreement Funding prior to any expenditure of the Interim Agreement Funding, the Parties have concluded that termination of the Interim Agreement is warranted.

**Fiscal Impact**

There will be a positive impact to the Hampton Roads Trust Fund in the amount of \$5,000,000 in relation to this Action Item.



**Suggested Motion:**

**Motion.** Motion is to authorize the Chair to execute and deliver the Amendment to the Interim Project Agreement for Funding and Administration of the Hampton Roads Third Crossing – Environmental (UPC 106724) that terminates the agreement; and, the Commission deallocates the \$5 million of Hampton Roads Transportation Funds previously allocated for this project.



**AMENDMENT TO AND TERMINATION OF  
INTERIM PROJECT AGREEMENT  
FOR FUNDING AND ADMINISTRATION**

THIS AMENDMENT TO AND TERMINATION OF THE INTERIM PROJECT AGREEMENT FOR FUNDING AND ADMINISTRATION (this “Amendment and Termination”), dated as of September \_\_\_, 2017 (the “Effective Date”), is made by and between the VIRGINIA DEPARTMENT OF TRANSPORTATION (“VDOT”), and the HAMPTON ROADS TRANSPORTATION ACCOUNTABILITY COMMISSION (“HRTAC”).

**RECITALS:**

A. The parties entered into an Interim Project Agreement for Funding and Administration of the Hampton Roads Third Crossing – Environmental (UPC 106724), dated as of April 3, 2015 (the “Interim Agreement”).

B. VDOT has notified HRTAC that the \$5 million in HRTAC-Controlled Moneys provided pursuant to and addressed by the Interim Agreement (“Interim Agreement Funding”) is no longer necessary to accomplish the Initial Project Services contemplated under the Interim Agreement as subsequent federal and state funding not previously available for the Project became available and has served and will serve as the sole funding source for said services as they have been or will be completed.

C. In accordance with Section I(b) of the Interim Agreement, the Parties seek to amend the Interim Agreement to take into account the subsequent federal and state funding that has become available for the Initial Project Services and because the subsequent funding completely replaced the Interim Agreement Funding prior to any expenditure of the Interim Agreement Funding, the Parties have concluded that termination of the Interim Agreement is warranted.

NOW, THEREFORE, in consideration of the premises, the mutual covenants and agreements set forth in this Amendment, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree:

1. That the subsequent federal and state funding that has become available for the Initial Project Services has completely replaced the Interim Agreement Funding, as demonstrated by the revised Appendix B attached hereto, and that none of the Interim Agreement Funding has been or will be requested or expended by VDOT for the Initial Project Services and accordingly shall no longer be encumbered by the Interim Project Agreement.

2. That notwithstanding Section C of the Interim Project Agreement which makes provision for termination of the Agreement only for cause, termination of the Interim Project Agreement by mutual agreement of the parties is warranted in this case.

3. That the Interim Project Agreement is hereby amended to provide for termination by mutual agreement of the parties and that the Interim Project Agreement is hereby terminated.

4. That this Amendment and Termination applies only to the Interim Project Agreement and in no way modifies or has effect with regard to any other agreement of the parties relating directly or indirectly to the Hampton Roads Third Crossing or Hampton Roads Crossing Study, including but not limited to any agreement entered into with respect to the HRCS Preferred Alternative Refinement.

5. This Amendment and Termination may be executed in any number of counterparts, and by each party on a separate counterpart, each of which, when so executed and delivered, shall be deemed to be an original and all of which taken together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have executed this Amendment and Termination by their duly authorized representative as of the Effective Date.

**VIRGINIA DEPARTMENT OF  
TRANSPORTATION**

By: \_\_\_\_\_  
Charles A. Kilpatrick, P.E.  
Commissioner of Highways

Date: \_\_\_\_\_

**HAMPTON ROADS  
TRANSPORTATION  
ACCOUNTABILITY COMMISSION**

By: \_\_\_\_\_  
Michael J. Hipple  
Chair

Date: \_\_\_\_\_

**APPENDIX B**

(See attached.)

**APPENDIX B-PROJECT BUDGET & CASH FLOW**

**PROJECT IDENTIFICATION AND PROPOSED FUNDING**

HRTAC Project Title:	Hampton Roads Third Crossing- Environmental (UPC 106724)
Scope of Initial Project Services:	Initial Project Services to support information update and re-evaluation relating to Hampton Roads Third Crossing EIS (UPC 106724)
Recipient Entity:	Virginia Department of Transportation
Project Contact Information:	Anthony Gibson (757) 556-7885
Baseline Schedule: Env	Env: Start Jan 2015 (30 month duration)

**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	\$ 6,352,527.00	\$0.00		Fed/State	\$ 6,352,527.00	
Right-of-Way Acquisition						
Construction						
Contract Administration						
Testing Services						
Inspection Services						
Capital Asset Acquisitions						
Other						
<b>Total Estimated Cost</b>	<b>\$ 6,352,527.00</b>	<b>\$0.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 6,352,527.00</b>	<b>\$ -</b>

**FISCAL YEAR ANNUAL PROJECT CASH FLOW**

Project Phase	Total Fiscal Year 2015		Total Fiscal Year 2016		Total Fiscal Year 2017		Total Fiscal Year 2018	
	PayGo	Financed	PayGo	Financed	PayGo	Financed	PayGo	Financed
Design Work								
Engineering								
Environmental Work								
Right-of-Way Acquisition								
Construction								
Contract Administration								
Testing Services								
Inspection Services								
Capital Asset Acquisitions								
Other								
<b>Total Estimated Cost</b>	<b>\$ -</b>	<b>\$ -</b>						

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

**YEAR ESTIMATED PROJECT CASH FLOW**

	FY 15 Mthly Cash Flow		FY 16 Mthly Cash Flow		FY 17 Qtrly Cash Flow		FY 18 Qtrly Cash Flow	
	PayGo	Financed	PayGo	Financed	PayGo	Financed	PayGo	Financed
July								
August								
September								
October								
November								
December								
January								
February								
March								
April								
May								
June								
<b>Total per Fiscal Year</b>	<b>\$ -</b>	<b>\$ -</b>						

*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 Interim Project Agreement document by the parties of this agreement.

Virginia Department of Transportation

Hampton Roads Transportation Accountability Commission

Signature

Signature

Commissioner

HRTAC Chairman

Title

Title

Date

Date

Charles A. Kilpatrick, P.E.

Michael J. Hipple

Print name of person signing

Print name of person signing

**Agenda Item 6D**  
**Action Item**

**To: Chair Hipple and other members of HRTAC**

**From: Kevin B. Page, Executive Director**

**Date: September 21, 2017**

**Re: HRTAC FY2018-FY2023 Plan of Finance Update**

---

**Recommendation:**

The Finance Committee is recommending the Commission finalize 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) which will 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:**

On June 15, 2017, the Commission authorized 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 Proposed HRTAC FY2018-FY2023 – Six Year Operating and Capital Program of Projects for the Region's High Priority Projects at its September 21, 2017 meeting. The public hearing was conducted by HRTAC Finance Committee Chair Wagner on July 20, 2017 at 1:00 p.m. No oral or written public comments have been received. Minor adjustments have been made to the proposed plan to reflect updated project estimates and obligations of both HRTAC and VDOT, including the June 2017 Smart Scale awards to two HRTAC projects and the reduction of HRTAC's obligations relating to two projects due to a reduction in total project costs or a return of the funding obligation by VDOT due to the use of federal funding to support total project costs. At its September 6, 2017 meeting, the Finance Committee endorsed the HRTAC FY2018-FY2023 Six Year Operating and Capital Program of Projects and sent a recommendation through the Finance Committee Chair that the Commission finalize and adopt the HRTAC FY2018-FY2023 Six Year Operating and Capital Program of Projects (With Toll Revenues to HRTAC) as its Plan of Finance Update.

**Fiscal Impact:**

The fiscal impact to the Hampton Roads Transportation Fund in relation to this Action Item is \$4,317,190,088 for the six-year period FY2018 through FY2023. The fiscal impact to the Hampton Roads Transportation Fund since its inception, FY2015 through FY2023, in relation to this action item is \$4,582,321,157. Of these monies, all programmed project



expenses, with exception of the \$3.3 billion of combined HRTAC controlled monies through HRTF, TIFIA, and bond financing for the I-64 Hampton Roads Bridge Tunnel expansion have already been approved by previous actions of the Commission. The \$4 million contingency provided to the HRTPO to conduct the feasibility study of the projects not selected in the Hampton Roads Crossing SEIS was established by Commission Resolution 2017-02 and is being programmed by this action.

**Suggested Motion:**

**Motion:** The Commission adopts the HRTAC FY2018-FY2023 – Six Year Operating and Capital Program of Projects for the Region's High Priority Projects (With Toll Revenues to HRTAC) as its Plan of Finance Update.



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# HAMPTON ROADS TRANSPORTATION ACCOUNTABILITY COMMISSION



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*Economic Vitality and Quality of Life  
Unlocking Hampton Roads*

**Finalizing the Proposed HRTAC FY2018-FY2023  
Plan of Finance Update  
(With Toll Revenues to HRTAC)**

**Kevin B. Page  
Executive Director**

# Proposed HRTAC FY2018-FY2023 – Six Year Operating and Capital Program of Projects for the Region’s High Priority Projects (With Toll Revenues to HRTAC)

- On June 15, 2017, HRTAC released for public comment the HRTAC FY2018-FY2023 Funding Plan
- Public hearing was conducted the update on July 20, 2017
  - No comments were received
- Assumptions/Adjustments made:
  - HRBT advances on schedule – completion 2024
  - First bond activity FY2019
  - Smart Scale funding for HRTAC funded projects continues
  - Minor adjustments have been made to bring the proposed plan to reflect updated project estimates and obligations of both HRTAC and VDOT
    - June 2017 Smart Scale awards to two HRTAC projects
    - Reduction in total project costs
    - Return of the funding obligation by VDOT due to the use of federal funding to support total project costs.

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

### HRTAC Six-Year Plan FY 2018 to FY 2023

#### HRTAC Project Costs and Expenses

	Prior Years	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	Total	<u>HRTAC Share</u>		VDOT Funds	HRTPO Funds	Outside Contribution	
									PayGo	Debt Proceeds <sup>1</sup>				
Operating/HRTF Fees		\$7	\$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		\$136	\$77	\$73	\$44	\$24	\$8	\$362	\$290		\$67	\$2	\$3	
I-64 Southside/High Rise Bridge		\$57	\$44	\$170	\$170	\$164	\$0	\$605	\$500		\$105			
Project Development		\$8	\$29	\$4	\$1			\$41	\$41					
Mega-Project Delivery (HRBT)			\$164	\$332	\$473	\$742	\$795	\$824	\$3,330	\$352	\$2,978			
<b>Total</b>		<b>\$455</b>	<b>\$412</b>	<b>\$643</b>	<b>\$741</b>	<b>\$1,079</b>	<b>\$848</b>	<b>\$826</b>	<b>\$5,004</b>	<b>\$1,605</b>	<b>\$2,978</b>	<b>\$417</b>	<b>\$2</b>	<b>\$3</b>

#### Funding Sources

	Prior Years	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	Total
VDOT Funds		\$186	\$49	\$46	\$69	\$60	\$8	\$417
HRTPO Funds			\$2					\$2
Outside Contribution			\$3					\$3
HRTAC Share		\$265	\$363	\$597	\$672	\$1,020	\$840	\$826
<b>Total</b>		<b>\$455</b>	<b>\$412</b>	<b>\$643</b>	<b>\$741</b>	<b>\$1,079</b>	<b>\$848</b>	<b>\$826</b>
								<b>\$5,004</b>

Notes:

1. Net of financing costs

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

### HRTAC Six-Year Plan FY 2018 to FY 2023

#### 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
<b>Total HRTF Revenue</b>	<b>\$160</b>	<b>\$165</b>	<b>\$172</b>	<b>\$177</b>	<b>\$181</b>	<b>\$185</b>	<b>\$1,040</b>
 HRTAC Toll Revenues <sup>1</sup>	\$0	\$0	\$0	\$0	\$0	\$2	\$2
HRTF Interest Income <sup>2</sup>	\$1	\$2	\$2	\$2	\$1	\$1	\$7
HRTF Investment Income <sup>2</sup>	\$2	\$2	\$2	\$0	\$0	\$0	\$5
HRTAC HRTF Revenue Debt Proceeds <sup>3</sup>	\$164	\$320	\$438	\$693	\$710	\$652	\$2,978
HRTAC Toll Revenue Debt Proceeds	\$0	\$0	\$0	\$0	\$0	\$0	\$0
 <b>Total Available HRTAC Funding</b>	<b>\$328</b>	<b>\$489</b>	<b>\$613</b>	<b>\$871</b>	<b>\$892</b>	<b>\$840</b>	<b>\$4,031</b>
 HRTAC Share - PayGo Funding	\$363	\$585	\$637	\$970	\$755	\$730	\$4,040
HRTAC Share - Debt Service	\$12	\$35	\$50	\$85	\$96	\$96	\$277
<b>Total Annual Expenditure</b>	<b>\$363</b>	<b>\$597</b>	<b>\$672</b>	<b>\$1,020</b>	<b>\$840</b>	<b>\$826</b>	<b>\$4,317</b>
 <b>Carryover Balance From Previous Year</b>	<b>\$371</b>	<b>\$336</b>	<b>\$228</b>	<b>\$169</b>	<b>\$20</b>	<b>\$71</b>	
<b>Remaining HRTAC Funds Unobligated</b>	<b>\$336</b>	<b>\$228</b>	<b>\$169</b>	<b>\$20</b>	<b>\$71</b>	<b>\$85</b>	

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

2. Rounded income

3. Net of financing costs

4

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



Unlocking Hampton Roads

5

9/21/2017

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

9/4/17

Project Location	Project Description	User	Source of Funds	Pre-SYIP Funding Activities	HRTAC FY18	HRTAC FY19	HRTAC FY20	HRTAC FY21	HRTAC FY22	HRTAC FY23	Total
<b>Operating/HRTF Fees</b>											
HRTAC Districtwide	HRTAC Operating Budget HRTAC Project Initiation Budget Department of Taxation Fees Department of Motor Vehicle Fees	HRTAC HRTAC TAX DMV	HRTAC HRTF HRTAC HRTF HRTAC HRTF HRTAC HRTF	\$ 4,230,095 \$ 2,225,000 \$ 499,518 \$ 98,695	\$ 1,300,000 \$ 970,000 \$ 994,250 -	\$ 1,332,500 \$ 1,019,106 \$ 1,044,584 -	\$ 1,365,813 \$ 1,070,699 \$ 1,070,699 -	\$ 1,399,958 \$ 1,097,466 \$ 1,097,466 -	\$ 1,434,957 \$ 1,097,466 \$ 1,097,466 -	\$ 1,470,831 \$ 1,097,466 \$ 1,097,466 -	
	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
<b>Construction Projects</b>											
<b>I-64 Peninsula Widening</b>											
Newport News	I-64 Widening Segment 1 UPC 104905	VDOT	VDOT HRTAC HRTF	100,000,000 44,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000,000 44,000,000
			Total	144,000,000							144,000,000
Newport News, James City County, York County	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, James City County, York County	I-64 Widening Segment 2 ROW/Construction UPC 106665	VDOT	VDOT HRTAC HRTF	84,583,377 69,210,987	69,210,987 29,913,311	-	-	-	-	-	183,707,675
			Total	84,583,377 69,210,987	69,210,987 29,913,311						183,707,675
York County	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
York County	I-64 Widening Segment 3 - RW Construction Construction UPC 106689 - 109790	VDOT	VDOT HRTAC HRTF	10,000,000	19,210,469	32,000,000	25,858,850	57,858,434	-	-	144,927,753
			Total	10,000,000	19,210,469	32,000,000	50,611,057	146,872,185	42,610,108	-	156,376,066
											301,303,819
<b>I-64/I-264 Interchange Improvement</b>											
Norfolk	I-64/I-264 Interchange Improvement Phase I PE/ROW UPC 57048 - 108042	VDOT	VDOT HRTAC HRTF	5,047,700 15,071,063	-	-	-	-	-	-	5,047,700 15,071,063
			Total	20,118,763							20,118,763
Norfolk	I-64/I-264 Interchange Improvement Phase 1 Construction UPC 57048 - 108042	VDOT	VDOT HRTAC HRTF	22,402,977 64,831,612	64,831,612 41,680,228	41,680,228 8,108,836	-	-	-	-	137,023,653
			Total	22,402,977 64,831,612	64,831,612 41,680,228	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 VDOT HRTAC HRTF	1,892,000 11,990,900 54,592,576	-	-	-	-	-	-	1,892,000 11,990,900 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 Outside Contribution HRTAC HRTF	21,396,361 2,871,294	7,950,000 17,243,819	10,288,526 31,993,778	2,756,222 23,919,465	-	7,608,946	-	50,000,055 2,871,294
			Total	24,267,655 2,871,294	7,950,000 17,243,819	10,288,526 31,993,778	2,756,222 23,919,465	-	7,608,946	-	73,157,062
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
<b>I-64 Southside/High Rise Bridge</b>											
Chesapeake, Suffolk	I- 64 Southside/High Rise Bridge PE UPC 106692	VDOT	VDOT HRTAC HRTF	5,000,000 20,000,000	-	-	-	-	-	-	5,000,000 20,000,000
			Total	25,000,000							25,000,000
Chesapeake, Suffolk	I- 64 Southside/High Rise Bridge ROW/Construction UPC 106692 - 108990	VDOT	VDOT HRTAC HRTF	32,133,168 21,802,794	22,064,038 166,595,282	3,404,718 129,618,343	40,381,657 161,983,581	1,849,715 -	166,704	-	100,000,000 480,000,000
			Total	32,133,168 21,802,794	43,866,832 170,000,000	170,000,000	170,000,000	163,833,296	166,704	-	580,000,000
<b>Project Development</b>											
Newport News, Norfolk, Portsmouth, Chesapeake, Suffolk	Third Crossing SEIS Study UPC 106724	VDOT	VDOT HRTAC HRTF	-	-	-	-	-	-	-	-
Norfolk, Hampton, Newport News	HRCS 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	4,000,000	-	-	-	-	-	7,000,000
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
<b>Mega-Project Delivery</b>											
Norfolk, Hampton, Newport News	Financing Proceeds - I-64 HRBT Expansion	HRTAC	VDOT HRTAC HRTF (Pay Go) HRTF (HRTF Rev Bonds) HRTAC Toll Rev (TIFIA) HRTF Rev Bonds (Debt Service) HRTAC Toll Revenue TIFIA (Debt Service)	- 164,134,647 - 11,528,500 - 164,134,647	- 320,194,927 - 34,750,625 - 320,194,927	438,131,930 - 49,540,750 - 438,131,930	692,765,808 - 85,169,375 - 692,765,808	710,084,953 - 95,701,000 - 710,084,953	75,405,969 - 276,690,250 - 652,431,108	75,405,969 - 276,690,250 - 652,431,108	2,977,743,373 - 3,329,839,592
			Total	\$ 448,409,184	\$ 409,461,203	\$ 640,215,967	\$ 738,301,368	\$ 1,076,931,504	\$ 845,640,086	\$ 823,538,077	\$ 4,982,497,389
<b>Total Development/Construction Project Costs</b>											
<b>Total Estimated Operating and Capital Costs</b>											
Estimates Carried into Out Years as Place Holders											
Mega-Project Under Development - Not Under Contract											
				Total HRTAC Share	\$ 265,131,069	\$ 362,506,696	\$ 596,849,473	\$ 671,689,558	\$ 1,019,667,897	\$ 840,370,091	\$ 826,106,374
											4,582,321,157
				</							

**Agenda Item 6E**  
**Action Item**

**To: Chair Hipple and the other members of HRTAC**

**From: Kevin B. Page, Executive Director**

**Date: September 21, 2017**

**Re: HRTAC 2040 Long Range Plan of Finance Update**

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**Recommendation:**

The Finance Committee is recommending the Commission finalize the Proposed 2040 Long Range Plan of Finance Update (With Toll Revenues to HRTAC) for the HRTAC High Priority Projects and recommend Commission approval of the HRTAC 2040 Long Range Plan of Finance Update to include certain modifications for the Region's High Priority Projects and additional revenues based on new or updated information.

**Background:**

On June 15, 2017, the Commission authorized 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 (With Toll Revenues to HRTAC) for the HRTAC High Priority Projects at its September 21, 2017 meeting. The public hearing was conducted by HRTAC Finance Committee Chair Wagner on July 20, 2017 at 1:30 p.m. No oral or written public comments have been received. At its September 6, 2017 meeting, the Finance Committee endorsed the HRTAC 2040 Long Range Plan of Finance Update and sent recommendation through the Finance Committee Chair that the Commission finalize and adopt the HRTAC 2040 Long Range Plan of Finance Update (With Toll Revenues to HRTAC).

**Fiscal Impact:**

The Long Range Plan fiscal impact to the Hampton Roads Transportation Fund in relation to this Action Item is \$8,558,000 through FY2040.

**Suggested Motion:**

**Motion:** The Commission adopts the 2040 Long Range Plan of Finance Update (With Toll Revenues to HRTAC) for the HRTAC High Priority Projects and directs the Chair to communicate this action to the Hampton Roads Transportation Planning Organization for its use in updating the Constrained Long Range Transportation Plan.



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# HAMPTON ROADS TRANSPORTATION ACCOUNTABILITY COMMISSION



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*Economic Vitality and Quality of Life  
Unlocking Hampton Roads*

## HRTAC Proposed 2040 Long Range Plan of Finance Update (With Toll Revenues to HRTAC)

Kevin B. Page  
Executive Director

## Proposed HRTAC Proposed 2040 Long Range Plan of Finance Update (With Toll Revenues to HRTAC)

- On June 15, 2017, HRTAC released for public comment the HRTAC Proposed 2040 Long Range Plan of Finance Update (With Toll Revenues to HRTAC)
- Public hearing was conducted the update on July 20, 2017
  - No comments were received
- Assumptions/Adjustments made:
  - HRBT advances on schedule – completion 2024
  - First bond activity FY2019
  - Smart Scale funding for HRTAC funded projects continues
  - Minor adjustments have been made to bring the proposed plan to reflect updated project estimates and obligations of both HRTAC and VDOT
    - June 2017 Smart Scale awards to two HRTAC projects
    - Reduction in total project costs
    - Return of the funding obligation by VDOT due to the use of federal funding to support total project costs.

# PROPOSED HRTAC 2040 LONG RANGE PLAN OF FINANCE UPDATE

HRBT finished in 2024 (*with toll revenues to HRTAC*)

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	
<b>2040 FCLRTP (With Toll Revenues to HRTAC)</b>											
Inflated Costs (MM)	\$1,654	\$3,799	\$1,729	\$659	\$396	\$320					
Fiscally Constrained Construction End Year	2022	2024	2037	2037	2038	2038	\$8,558	\$4,635	\$743	\$2,430	\$750

# Regional Projects: Proposed 2040 Long Range Plan

## \$8.5B

YEAR	PROJECT	YOE COST (\$M)
2018-2022	I-64 Peninsula – Segments 1, 2, and 3	\$645
2019-2021	I-64/I-264 Interchange – Phases I & II	\$347
2020	I-64 Southside/High-Rise Bridge – Phase I	\$600
2020	Project Development	\$37
2024	HRBT	\$3,799
2037	I-64 Southside/High-Rise Bridge – Phase II	\$1,729
2037	Bowers Hill Interchange	\$659
2038	US 460/58/13 Connector	\$396
2038	I-64/Fort Eustis Blvd Interchange	\$320
Vision Plan	I-564/I-664 Connectors (Patriots)	
	I-664/MMMBT	
	VA 164/164 Connector	

Unlocking Hampton Roads

4



Unlocking Hampton Roads

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9/21/2017

**Agenda Item 6F**  
**Action Item**

**To: Chair Hipple and the other members of HRTAC**

**From: Kevin B. Page, Executive Director**

**Date: September 21, 2017**

**Re: Standard Project Agreement for Standard Project Services to a Support Feasibility Study of the Hampton Roads Crossing Study SEIS Components Not Included in Alternative A**

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**Recommendation:**

The Commission is being asked to authorize the Chair to execute and deliver the Standard Project Agreement with the Hampton Roads Transportation Planning Organization to support a Feasibility Study of the Hampton Roads Crossing Study SEIS Components Not Included in Alternative A.

**Background:**

The HRTPO has requested HRTAC to enter into agreement to conduct a Feasibility Study of the Hampton Roads Crossing Study SEIS Components Not Included in Alternative A. The project is identified in the HRTAC adopted Funding Plan. At the Commission's September 21, 2017 meeting, the Commission adopted the HRTAC FY2018 – FY2023 Plan of Finance Update which increased the project's allocation by \$4,000,000 to a total of \$7,000,000 of HRTF funding available for the feasibility study. The \$4,000,000 acts as a project contingency provided the HRTPO identifies work effort directly associated with the study. Commission action approve The Standard Project Agreement with the HRTPO for the Feasibility Study of the Hampton Roads Crossing Study SEIS Components Not Included in Alternative A with a budget as follows:

- FY2017 \$3,000,000 Hampton Roads Transportation Fund (HRTF)
- FY2018 \$4,000,000 HRTF
- Total allocated HRTF funds for Study - \$7,000,000

**Fiscal Impact**

There will be an impact to the Hampton Roads Trust Fund in the amount of \$7,000,000 in relation to this Action Item.



**Suggested Motion:**

**Motion.** Motion is to authorize the Chair to execute, with the Hampton Roads Transportation Planning Organization, the prepared Standard Project Agreement for Standard Project Services to a Support Feasibility Study of the Hampton Roads Crossing Study SEIS Components Not Included in Alternative A.



**Project Agreement for Funding and Administration  
between  
Hampton Roads Transportation Accountability Commission  
and  
Hampton Roads Transportation Planning Organization**

This Project Agreement for Funding and Administration (the “**Agreement**”) is made and executed in duplicate on this \_\_\_\_\_ day of \_\_\_\_\_, 2017, by and between the Hampton Roads Transportation Accountability Commission (“**HRTAC**”) and the Hampton Roads Transportation Planning Organization (“**HRTPO**”).

**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; and,

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 of allocating regional funds for the projects that will be funded by the HRTF from HRTPO to HRTAC; and,

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; and,

WHEREAS, HRTPO, in accordance with Section 33.2-3200 *et seq.* of the Code of Virginia, is the regional transportation planning organization for the Hampton Roads Region; and,

WHEREAS, on July 25, 2016 the Federal Highway Administration and the Virginia Department of Transportation (“**VDOT**”) released the Hampton Roads Crossing Study Draft Supplemental Environmental Impact Statement (“**HRCS SEIS**”)<sup>1</sup>; and,

WHEREAS, on October 20, 2016, HRTPO unanimously approved the Hampton Roads Crossing Study Alternative A, “modified” to include the Bowers Hill Interchange, as the Region’s Preferred Alternative; and

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<sup>1</sup> Study documentation available on web site:

[http://www.hamptonroadscrossingstudy.org/learn\\_more/hrcs\\_draft\\_seis.asp](http://www.hamptonroadscrossingstudy.org/learn_more/hrcs_draft_seis.asp)

WHEREAS, on October 20, 2016, HRTAC unanimously supported HRTPO's selection of Alternative A "modified" (to include the Bowers Hill Interchange) and allocated up to \$7,000,000, (including the reallocation of the balance of \$5,000,000 that was previously allocated by HRTAC toward the cost of the Hampton Roads Crossing SEIS) to be applied toward the cost of further study of the HRCS SEIS components not included in the Selected Alternative – specifically the I-564/I-664 Connectors ("**Patriot's Crossing**"), I-664/MMMBT (Including Bowers Hill), and VA 164/164 Connector; and,

WHEREAS, the Commonwealth Transportation Board ("CTB"), in a resolution dated December 7, 2016, (i) approved Alternative A, (ii) instructed VDOT to continue to work with HRTPO, HRTAC, the Army Corps of Engineers ("USACE"), the United States Navy ("Navy"), the Port of Virginia, and other parties to advance separate studies to identify appropriate access options around Craney Island to include I-564/I-664 Connectors, I-664/MMMBT, and VA 164/164 Connector, and (iii) also directed VDOT to continue to work with HRTPO, HRTAC, USACE, and other parties to advance a separate study (the "**Bowers Hill Study**") of the Bowers Hill Interchange at I-664 and I-264 in Chesapeake; and,

WHEREAS, on March 16, 2017, HRTAC amended its HRTAC 2016-2022 Funding Plan Approved March 17, 2016 to provide \$7,000,000 for the study of HRCS SEIS components not included in Alternative A as approved by CTB in accordance with its October 20, 2016 action; and,

WHEREAS, on March 16, 2017, HRTAC agreed to provide up to an additional \$4,000,000 for use by HRTPO, if needed, in conducting its assigned feasibility studies; and,

WHEREAS, the parties desire to complete a further study to evaluate the following corridors, which were considered but not advanced from the HRCS SEIS (the "**Additional Corridors Study**"):

- (i) VA-164 (Illustrated as Segment 14 on Exhibit A to Appendix A),
- (ii) I-564 Connector (Illustrated as Segment 10 on Exhibit A to Appendix A),
- (iii) VA 164 Connector (Illustrated as Segment 13 on Exhibit A to Appendix A),
- (iv) I-664 Connector (Illustrated as Segment 11 on Exhibit A to Appendix A),
- (v) I-664 (Illustrated as Segments 2-7 on Exhibit A to Appendix A); and,

WHEREAS, HRTPO has directed that the impacted jurisdictions will be engaged in the development of these study efforts; and,

WHEREAS, HRTAC has determined that it desires to proceed with the Additional Corridors Study as described in the project set forth in Appendix A to this Agreement (the "**Project**"), and that the Project will benefit the cities and counties that are embraced by HRTAC and otherwise satisfies the requirements of the HRTAC Act; and,

WHEREAS, HRTAC desires to provide funding, on a Reimbursement Basis as that term is defined in Section B(1) of this Agreement, for the administration and/or development of the Project out of HRTAC-Controlled Moneys, subject to the terms, conditions and limitations set forth herein; and,

WHEREAS, HRTPO agrees to perform the Project in accordance with the budget (the “**Project Budget**”) and cashflow and schedule (the “**Project Schedule**”) set forth and described on Appendix B to this Agreement (it being agreed by HRTAC and HRTPO that this Agreement and its appendices may be amended from time to time by written agreement of the parties to address mutually agreed changes relating to, among other things, Project scope, design, funding, and regulatory approvals); and,

WHEREAS, HRTAC's governing body and the HRTPO's governing body have each authorized their respective designee(s) execute this Agreement on behalf of their respective organizations as evidenced by copies of each such entity's board's minutes or such other official authorizing documents attached hereto as Appendix E; and,

WHEREAS, the parties are entering into this Agreement to advance the Additional Corridors Study as contemplated in the Memorandum of Understanding (the “**MOU**”), dated May 1, 2017, between HRTAC, HRTPO, and VDOT incorporated hereto in Appendix F; and

WHEREAS, on September 21, 2017, HRTAC approved the HRTAC 2017-2023 Six Year Funding Plan, Program of Projects to include the additional amount of \$4,000,000 as a contingency for use by HRTPO, if necessary, in connection with the performance of the Additional Corridors Studies.

NOW, THEREFORE, in connection with the foregoing, HRTPO commits to complete the appropriate feasibility study, conceptual design, subsequent necessary analyses, and documentation necessary to determine feasibility, permitability, and transportation benefits necessary to advance the Additional Corridors, and the parties hereby agree to the following:

A. HRTPO shall:

1. Complete or perform or cause to be completed or performed all work relating to the Project, as described in Appendix A, 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 the Project Schedule (A) HRTPO represents have been prepared in good faith, in accordance with the practices and procedures that HRTPO uses for projects where the HRTPO bears the cost of the project, and (B) the parties acknowledge may be amended pursuant to Section A.6(a) below or as follows:

- (a) Intentionally Deleted.

(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 HRTPO 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, HRTPO shall:

(a) Select contractors, including consultants, contract with contractors, and administer and enforce contracts in a manner that is consistent in all material respects with the policies, procedures and practices that HRTPO uses where the HRTPO bears the cost of a project; for example, HRTPO 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) 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, including project contingency, 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 HRTPO's standards for that work or quantitatively within HRTPO's projections for that work, each as determined by HRTPO in its good faith judgment, HRTPO 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 HRTPO to enter into a contract to perform the work, HRTPO and HRTAC will work reasonably and

in good faith to amend Appendix B to reflect the modified Project Budget and Project Schedule.

3. 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.
4. 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 HRTPO and to advance the funding schedule for the Project. In any circumstance where HRTPO seeks to advance the funding schedule for the Project, HRTPO shall submit a written request to HRTAC's Executive Director explaining HRTPO's reasons why HRTAC should authorize acceleration to the next funding phase. 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 HRTPO's requested accelerated funding. The foregoing shall not prohibit HRTPO 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, HRTPO further recognizes that HRTAC's reimbursement to HRTPO 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.
5.
  - (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. HRTPO 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.
6. Provide HRTAC's Executive Director with requests for payment consistent with the Project Budget 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, HRTPO can expect to receive payment within thirty (30) 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 HRTPO.

- (a) Promptly notify HRTAC's Executive Director if HRTPO 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. HRTPO shall make recommendations regarding any curative actions that may be available relating to such Additional Costs, including use of project contingency and/or 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, use of project contingency or 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 HRTPO to proceed with such use of contingency, 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 HRTPO and HRTAC, as modified by the elected alternative, shall be set forth in a written amendment to this Agreement (HRTPO and HRTAC shall work in good faith to finalize and execute such amendment). In the event that HRTAC elects to cancel the Project (or any portion thereof), 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 HRTPO's standard contract terms relating to contract cancellation and termination (the "Breakage Compensation") shall be paid with HRTAC-Controlled Moneys, unless HRTPO 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) HRTPO 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 HRTPO includes in standard contracts where the HRTPO bears the cost of the project.
- (c) Intentionally Deleted.
- (d) Notwithstanding anything to the contrary set forth herein, if any Additional Cost arises out of or results from HRTPO's negligence or breach of contract, HRTAC shall not be responsible for such costs.

7. Release or return any unexpended funds to HRTAC no later than 90 days after final payment has been made in connection with the Project.
8. 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.
9. Maintain all original work for the Project for the time periods required by the Virginia Public Records Act and any other applicable records retention laws or regulations.
10. Acknowledge that HRTPO is solely responsible for the administration and/or development of the Project and all engagements, commitments and agreements with contractors. HRTPO shall ensure that HRTPO's contractors maintain insurance in amounts and with coverages that HRTPO requires 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.
11. If in connection with the Project, HRTPO engages outside legal counsel other than Crenshaw, Ware, and Martin, P.L.C., HRTPO will give HRTAC notice of the engagement so as to ensure that no conflict of interest may arise from any such representation.
12. Comply with all applicable federal, state and local laws and regulations, including without limitation requirements of the Virginia Public Procurement Act.
13. Recognize that HRTPO or its contractors are solely responsible for obtaining, and shall obtain, all permits, permissions and approvals

necessary to complete the Project, including, but not limited to, property right-of-entry access agreements.

14. 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 HRTPO 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 HRTPO) 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 HRTPO, 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 HRTPO's standard contract terms relating to contract cancellation and termination). HRTPO 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 HRTPO 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 HRTPO to suspend or discontinue work, HRTPO may reduce the Project scope or take any other actions needed to reduce the Project costs to the Project Budget.
15. Provide a certification to HRTAC no later than 90 days after final payment for the Project that HRTPO adhered to all applicable laws and regulations and all requirements of this Agreement.

B. 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 HRTPO the funding authorized by HRTAC for the Project, on a Reimbursement Basis as defined in this Agreement and as specified in Appendix B to this Agreement or the most updated amendment thereto, as approved by HRTAC. For purposes of this Agreement, "Reimbursement Basis" means that HRTPO may submit to HRTAC not more frequently than once per month applications or requests for payment (together with such supporting documentation and information as HRTAC may reasonably request) for costs incurred by HRTPO or for invoices submitted to HRTPO for work

performed during the preceding month in connection with contracts entered into by HRTPO in connection with the Additional Corridors Study. For purposes of clarity, HRTAC and HRTPO agree that HRTPO will not be advancing any payments owed under such contracts.

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 HRTPO 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 HRTPO 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 HRTPO. If the payment requisition is sufficient as submitted, payment will be made within thirty (30) days from receipt. If the payment requisition is, in HRTAC's reasonable judgment, deemed insufficient, within thirty (30) days from receipt, HRTAC's Program Coordinator will notify HRTPO 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 HRTPO that is not in conformity with the requirements of the HRTAC Act or this Agreement.
4. Route all of HRTPO's requests for accelerated or additional funding from HRTAC under Sections A.4 and A.6(a), 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 HRTPO'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 HRTPO is required under Section A.10 of this Agreement to reimburse funds to HRTAC, HRTAC staff will promptly advise HRTAC's Executive Director and will advise HRTPO's Executive Director in writing. HRTPO will thereafter have thirty (30) days to respond in writing to HRTAC's initial findings. HRTAC's Executive Director will review HRTPO'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 HRTPO is required under Section A.10 of this Agreement to reimburse funds to HRTAC, the parties should engage in dispute resolution as provided in Section D of this Agreement. 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 HRTPO 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. HRTPO 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 HRTPO 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, HRTPO 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 HRTPO's material breach of this Agreement. If so terminated, HRTPO shall release or return to HRTAC all funds, if any, that HRTAC provided, in advance, to HRTPO for the Project and, to the extent permitted by law, with interest earned at the rate earned by HRTAC. HRTAC will provide HRTPO with sixty (60) days written notice of any claimed material breach of this Agreement and the reasons for termination; thereby allowing HRTPO an opportunity to investigate and cure any such alleged breach.
4. Upon termination and payment of all eligible expenses as set forth in Section C.3 above, HRTPO will release or return to HRTAC all unexpended HRTAC funds, if any, advanced by HRTAC to HRTPO in connection with the Project 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 HRTPO's Executive Director 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's Executive Director and to the HRTPO's Executive Director 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

Intentionally Deleted.

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 HRTPO's obligations under this Agreement are subject to funds being appropriated by the Virginia General Assembly and allocated by the Commonwealth Transportation Board and otherwise legally available to HRTPO for HRTAC projects.
4. Should HRTPO be required to provide additional funds in order to proceed or complete the funding necessary for the Project, HRTPO 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.
5. In the event that HRTAC is unable to comply with its obligations to fund the Project because moneys are not appropriated to the HRTF by the Virginia General Assembly, and HRTAC does not have an alternate source of funds with which to pay HRTPO in accordance with the provision of this Agreement, HRTPO shall no longer have any duty to perform its obligations under this Agreement.

#### 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: HRTPO, to the attention of:  
Executive Director and Chairman  
723 Woodlake Drive  
Chesapeake, VA 23320

#### 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, HRTPO 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, HRTPO and HRTAC will work in good faith to adopt such amendments to this Agreement as HRTPO 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 HRTPO 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

HRTPO 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: \_\_\_\_\_

Hampton Roads Transportation Planning Organization

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

## **APPENDIX A**

**APPENDIX A**  
**PROJECT**  
**NARRATIVE DESCRIPTION OF STANDARD PROJECT SERVICES**

HRTAC Project Title: Funding and Administration of additional feasibility studies of the additional corridors considered but not advanced from the Hampton Roads Crossing Study SEIS

Recipient Entity: Hampton Roads Transportation Planning Organization

HRTPO Program Manager Contact Information: Robert A. Crum, Jr

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

**Project Scope**

The Project Services are intended to provide for additional studies (“Additional Feasibility Studies”) to evaluate the following corridors, which were considered but not advanced from the HRCS SEIS (collectively, the “Additional Corridors”):

VA-164 (Illustrated as Segment 14 on ‘Exhibit A’, Appendix A),

I-564 Connector (Illustrated as Segment 10 on ‘Exhibit A’, Appendix A),

VA 164 Connector (Illustrated as Segment 13 on ‘Exhibit A’, Appendix A),

I-664 Connector (Illustrated as Segment 11 on ‘Exhibit A’, Appendix A),

I-664 (Illustrated as Segments 2-7 on ‘Exhibit A’, Appendix A)’

Exhibit A

**HRCS SEIS**  
Hampton Roads Crossing Study SEIS

*Draft Supplemental Environmental Impact Statement*  
**APPENDIX A: ALIGNMENT SEGMENTS & OIS**

Figure A-1: Alignment Segments



APPENDIX A-3

## **Detailed Scope of Services**

The detailed scope of the Project Services addressed by this Agreement (and to which the funding provided thereunder relates) will be mutually developed and finalized by the HRTPO and HRTAC Staff and Working Group and Steering (Policy) Committee and subsequently attached hereto as Annex I, using the following as the principal guidance:

*According to the May 1, 2017 Memorandum of Understanding (MOU) between Hampton Roads Transportation Accountability Commission (HRTAC), Hampton Roads Transportation Planning Organization (HRTPO), and Virginia Department of Transportation (VDOT), the purpose of this study is to evaluate the “feasibility, permitability, and transportation benefits” of the following segments not included in the HRCS alternative recommended by the HRTPO (“Alternative A Modified”), known as “Additional Corridors”, shown in Fig. 1:*

- i. VA 164 (segment 14)
- ii. I-564 Connector (segment 10)
- iii. VA 164 Connector (segment 13)
- iv. I-664 Connector (segment 11)
- v. I-664 (segments 2 thru 7, from I-64 in Hampton to [but not including] Bowers Hill interchange in Chesapeake)

*This study will start with a baseline assumption that the I-64 / Hampton Roads Bridge Tunnel (HRBT) project will be advanced and built. The primary goal of this feasibility study will be to evaluate the region’s long-range transportation needs beyond the HRBT project. Projects emerging from this study will be considered by the HRTPO Board for inclusion in its 2045 Long-Range Transportation Plan (LRTP). The study scope may be expanded as deemed necessary by the Policy Committee and agreed to by the HRTPO and HRTAC Staff.*

Until Annex I is finalized, the HRTPO may not incur out of pocket consultant costs relating to the Project.

Any additional costs for said studies will be subject to and addressed in accord with the terms of this Standard Project Agreement.

## **APPENDIX B**

## APPENDIX B

### PROJECT BUDGET & CASH FLOW

#### PROJECT IDENTIFICATION AND PROPOSED FUNDING

HRTAC Project Title: Funding and Administration of additional feasibility studies of the additional corridors considered but not advanced from the Hampton Roads Crossing Study SEIS

Scope of Project Services: Project Services To to provide for additional studies ("Additional Feasibility Studies") to evaluate the following corridors, which were considered but not advanced from the HRCS SEIS (collectively, the "Additional Corridors")

Recipient Entity: Hampton Roads Transportation Planning Organization

HRTPO Project Contact: Robert A. Crum, Jr., Executive Director

Baseline Schedule: FEASIBILITY STUDIES	Start July 2017, End June 2020
--	--------------------------------

#### 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						
Feasibility Studies	\$ 3,000,000.00	\$ 3,000,000.00				
Project Contingency	\$ 4,000,000.00	\$ 4,000,000.00				
<b>Total Estimated Cost</b>	<b>\$ 7,000,000.00</b>	<b>\$ 7,000,000.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

#### 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	\$ -		\$ -		\$ -	
Engineering						
Environmental Work						
Right-of-Way Acquisition						
Construction						
Contract Administration						
Testing Services						
Inspection Services						
Feasibility Studies	-					
Project Contingency	-					
<b>Total Estimated Cost</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

*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	\$ -			-		-
August	-			-		-
September	-			-		-
October	-			-		-
November	-			-		-
December	-			-		-
January	-			-		-
February	-			-		-
March	-			-		-
April	-			-		-
May	-			-		-
June	-			-		-
<b>Total per Fiscal Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

*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.

Hampton Roads Transportation  
Planning Organization

Hampton Roads Transportation  
Accountability Commission

Signature  
HRTPO Chair  
Title

Signature  
HRTAC Chair  
Title

Date  
Linda T. Johnson  
Print name of person signing

Date  
Michael J. Hipple  
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 Hampton Roads Transportation Planning Organization ("HRTPO"). HRTPO 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 HRTPO's costs of the Project Services, (ii) HRTPO is responsible for payment to vendors/contractors, (iii) HRTPO 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 HRTPO in the Agreement are true and correct as of the date of this Requisition and (v) to the knowledge of HRTPO, no condition exists under the Agreement that would allow HRTAC to withhold the requested advance.

**HAMPTON ROADS TRANSPORTATION PLANNING  
ORGANIZATION**

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)
<b>Project Starting Balance</b>	\$ -			\$ -
Design Work	\$ -	\$ -	\$ -	\$ -
Engineering	-	-	-	\$ -
Environmental Work	-	-	-	\$ -
Right-of-Way Acquisition	-	-	-	\$ -
Construction	-	-	-	\$ -
Contract Administration	-	-	-	\$ -
Testing Services	-	-	-	\$ -
Inspection Services	-	-	-	\$ -
Feasibility Studies	-	-	-	\$ -
Project Contingency	-	-	-	\$ -
<b>TOTALS</b>	\$ -	\$ -	\$ -	\$ -

### 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			-
<b>Requisition Amount</b>				\$ -

#### **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 HRTPO**

- 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 HRTPO 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**

## **APPENDIX F**

### **HRTAC, HRTPO, VDOT MEMORANDUM OF UNDERSTANDING**

**Study of Components not Included in the Selected Hampton Roads Crossing Study SEIS  
Alternative**

**Memorandum of Understanding  
among  
Hampton Roads Transportation Accountability Commission  
and  
Hampton Roads Transportation Planning Organization  
and  
Virginia Department of Transportation**

This Memorandum of Understanding (MOU) for the study of components not included in the Selected Hampton Roads Crossing Study (HRCS) SEIS Alternative is made and executed in triplicate on this 1<sup>st</sup> day of May 2017, among the Hampton Roads Transportation Planning Organization (HRTPO), Hampton Roads Transportation Accountability Commission (HRTAC), and the Virginia Department of Transportation (VDOT).

**RECITALS**

**WHEREAS**, on July 25, 2016 the Federal Highway Administration and VDOT approved the Hampton Roads Crossing Study Draft Supplemental Environmental Impact Statement (HRCS SEIS)<sup>1</sup>; and,

**WHEREAS**, on October 20, 2016, the Hampton Roads Transportation Planning Organization (HRTPO) unanimously approved the Hampton Roads Crossing Study Alternative A, "modified" to include the Bowers Hill Interchange, as the Region's Preferred Alternative; and

**WHEREAS**, on October 20, 2016, HRTAC unanimously supported the HRTPO's selection of Alternative A-modified (to include the Bowers Hill Interchange), and allocated up to \$7,000,000, to include the reallocation of the balance of the \$5,000,000 that was allocated by the Commission toward the cost of the Hampton Roads Crossing SEIS to be applied toward the cost of further study of the Hampton Roads Crossing Study SEIS components not included in the selected SEIS Alternative – specifically the I-564/I-664 Connectors (Patriot's), I-664/MMMBT (Including Bowers Hill), and VA 164/164 Connector; and,

**WHEREAS**, the Commonwealth Transportation Board (CTB), in a resolution dated December 7, 2016, approved Alternative A as the location for this project and instructed VDOT to continue to work with HRTPO, HRTAC, USACE, Navy, the Port of Virginia, and other parties to advance separate studies to identify appropriate access options around Craney Island to include I-564/I-664 Connectors, I-664/MMMBT and VA 164/164 Connector. The resolution also directed VDOT to continue to work with HRTPO, HRTAC, USACE, and other parties to advance a separate study of the Bowers Hill Interchange at I-664 and I-264 in Chesapeake.

**WHEREAS**, on March 16, 2017, HRTAC amended its HRTAC 2016-2022 Funding Plan Approved March 17, 2016 to provide \$7,000,000 for Study of HRCS SEIS Components not included in the

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<sup>1</sup> Study documentation available on web site:  
[http://www.hamptonroadscrossingstudy.org/learn\\_more/hrcs\\_draft\\_seis.asp](http://www.hamptonroadscrossingstudy.org/learn_more/hrcs_draft_seis.asp)

Commonwealth Transportation Board's Selected Preferred HRCS SEIS Alternative in accordance with its October 20, 2016 Action; and,

**WHEREAS**, the parties desire to complete additional studies ("Additional Feasibility Studies") to evaluate the following corridors, which were considered but not advanced from the HRCS SEIS (collectively, the "Additional Corridors" ). The funding and administration of the Additional Feasibility Studies will be covered under a separate standard project agreement between the HRTPO and HRTAC, not to exceed \$3,000,000 of the \$7,000,000 allocated:

- (i) VA-164 (Illustrated as Segment 14 on Exhibit A),
- (ii) I-564 Connector (Illustrated as Segment 10 on Exhibit A),
- (iii) VA 164 Connector (Illustrated as Segment 13 on Exhibit A),
- (iv) I-664 Connector (Illustrated as Segment 11 on Exhibit A),
- (v) I-664 (Illustrated as Segments 2-7 on Exhibit A); and,

**WHEREAS**, the parties also desire to advance study under the NEPA process for the Bowers Hill Interchange (the "Bowers Hill Study") (Illustrated as Segment 1 on Exhibit A), which was also considered as a HRCS SEIS Segment but not advanced under the CTB-approved HRCS SEIS Alternative A. The Bowers Hill Study will be covered under a separate standard project agreement between VDOT and HRTAC. HRTAC is to provide all funding for the Bowers Hill Study, not to exceed \$4,000,000 of the \$7,000,000 allocated; and,

**WHEREAS**, the HRTPO Board has directed that the impacted jurisdictions will be engaged in the development of these study efforts: and,

**WHEREAS**, the parties have developed this MOU to establish a framework to advance these two study efforts.

**NOW, THEREFORE**, in connection with the foregoing, HRTPO, HRTAC, and VDOT commit to complete the appropriate studies, designs, funding analyses, and documentation necessary to determine feasibility, permitability, and transportation benefits necessary to advance the Additional Corridors, and the parties hereby agree to the following:

- 1. AGREEMENT DOCUMENTS** – The Exhibit listed below is hereby incorporated into and made part of this MOU, and this MOU and the incorporated Exhibit shall be the "Agreement Documents." In the event of conflict among the Agreement Documents, the provisions of this MOU shall supersede the Exhibit. The studies on the Additional Corridors shall provide an assessment of probability for projects being permitted and also a traffic benefit analysis.

<b>EXHIBIT A</b>	Alignment Segments figure from Appendix A of the HRCS Draft SEIS
------------------	--

- 2. TERM & TERMINATION** – The parties will initiate the Additional Feasibility Studies and Bowers Hill Study in whole or in part at a mutually-agreeable time that does not conflict with ongoing

federal actions associated with the HRCS SEIS. The terms of this MOU will survive until the efforts described herein are completed. The terms of this MOU will be referenced in the respective Standard Project Agreements as described; however, the terms of the Standard Project Agreement will prevail over any conflicts to this MOU.

**3. HRTPO'S DUTIES – Manage Additional Feasibility Studies.**

HRTPO shall for the Additional Feasibility Studies:

- a. complete or cause to be completed all work relating to the Additional Feasibility Studies of the Additional Corridors, and ensure that all relevant work is completed in accordance with all applicable federal, state, and local laws and regulations, including the engagement of appropriate regional, state and federal agencies; and,
- b. lead a working group comprised of HRTPO, VDOT, HRTAC and local impacted jurisdictions; and,
- c. lead the formation of a steering committee comprised of the local jurisdictions, the U.S. Army Corps of Engineers (USACE), the U.S. Navy (Navy), the Port of Virginia, and other parties which will develop the scope of work and also determine the consultant selection approach; and,
- d. use the information collected through the Additional Feasibility Studies of the Additional Corridors to develop a regional consensus.
- e. Develop with HRTAC a separate funding agreement

**4. VDOT'S DUTIES – Manage the Bowers Hill Study and support the Additional Feasibility Studies**

**- VDOT shall for the Bowers Hill Study:**

- a. manage study under the NEPA process for the Bowers Hill Interchange (the "Bowers Hill Study") (Illustrated as Segment 1 on Exhibit A), which was also considered as a HRCS SEIS Segment but not advanced under the CTB-approved HRCS SEIS Alternative A.
- b. develop with HRTAC an agreement for the Bowers Hill Study as a separate standard project agreement between VDOT and HRTAC.

**- VDOT shall for the Additional Feasibility Studies:**

- a. provide input and data for the Additional Feasibility Studies.

**5. HRTAC'S DUTIES – HRTAC shall provide funding for the Bowers Hill Study and the Additional Feasibility Studies and more specifically shall:**

- a. Provide all funding for the Bowers Hill Study, not to exceed \$4,000,000 of the \$7,000,000 allocated; and,
- b. provide all funding for the Additional Feasibility Studies, not to exceed \$3,000,000 of the \$7,000,000 allocated;
- c. enter into funding agreements with VDOT and the HRTPO regarding the funding described in 5(a) and 5(b), respectively; and,

- d. provide input and data in its possession related to the studies and designs.
- 6. **CONTROLLING LAW & VENUE** – The MOU is made and entered into, and shall be performed, in the Commonwealth of Virginia, and shall be governed by the applicable laws of the Commonwealth of Virginia without regard to conflicts of law principles. Notwithstanding any other provisions of the MOU, any dispute arising out of the Agreement, or its interpretations, or its performance shall be litigated only in Richmond General District Court or the Circuit Court of the City of Richmond.
- 7. **MERGER** – The Agreement Documents represent the entire agreement among the parties with respect to the subject matter hereof and supersede all prior communications and negotiations. This MOU may be modified only in writing, signed by all parties.
- 8. **SEVERABILITY** – If any provision of the Agreement Documents is held by a court of competent jurisdiction to be invalid or unenforceable, the remainder of the Agreement Documents shall not be affected thereby and each other provision of the Agreement Documents shall be valid and enforceable to the fullest extent permitted by law.
- 9. **SOVEREIGN IMMUNITY** – No party waives or abrogates its sovereign immunity, in part or in whole, in any manner, under any theory, hereunder.
- 10. **ASSIGNMENT** – This MOU shall not be assigned by any party unless express written consent is provided by all other parties.
- 11. **NOTICES** – All notices under this MOU shall be sent in writing to the following representatives:
  - a. **HRTAC**

Kevin B. Page, Executive Director  
The Regional Building  
723 Woodlake Drive  
Chesapeake, VA 23220
  - b. **HRTPO**

Robert A. Crum, Jr., Executive Director  
The Regional Building  
723 Woodlake Drive  
Chesapeake, VA 23220

c. **VDOT**

James S. Utterback, District Administrator  
1700 N. Main Street  
Suffolk, VA 23434

**12. DISPUTES** – In the event of a dispute under this MOU, the parties agree to meet and confer promptly to ascertain if the dispute can be resolved informally without the need of a third party or judicial intervention. If no satisfactory resolution can be reached via the meet and confer method, any 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 a party's right to seek equitable relief on an emergency basis.

**13. NO AGENCY OR THIRD PARTY RIGHTS** – VDOT represents that it is not acting as a partner or agent of HRTAC or HRTPO; and nothing in this MOU shall be construed as making any party a partner or agent with any other party. This MOU 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.

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IN WITNESS WHEREOF, each party hereto has caused this Memorandum of Understanding to be executed as of the day, month, and year first herein written by its duly authorized representative.

Hampton Roads Transportation Accountability Commission

By: William Sessions

Name: William Sessions

Title: Chair, HRATAC

Date: March 16, 2017

Hampton Roads Transportation Planning Organization

By: Linda T. Johnson

Name: Linda T. Johnson

Title: Chair, HRTPO

Date: April 20, 2017

Virginia Department of Transportation

By: Charles A. Kilpatrick

Name: Charles A. Kilpatrick, P.E.

Title: Commissioner of Highway

Date: May 1, 2017

## Exhibit A

Figure A-1: Alignment Segments





## HRTAC RESOLUTION 2017-02

### MEMORANDUM OF UNDERSTANDING - STUDY OF COMPONENTS NOT INCLUDED IN THE SELECTED HRCS SEIS ALTERNATIVE

**WHEREAS**, the funding of the Hampton Roads Crossing Study (the “Project”) is covered by the HRTAC 2016-2022 funding plan adopted by the Commission on March 17, 2016 (the “Funding Plan”); and

**WHEREAS**, on October 20, 2016, the Hampton Roads Transportation Planning Organization (HRTPO) unanimously approved the Hampton Roads Crossing Study Alternative A as the Preferred Alternative; and

**WHEREAS**, on October 20, 2016, HRTAC unanimously supported the HRTPO’s selection of Alternative A and allocated up to \$7,000,000, to include the reallocation of the balance of the \$5,000,000 that was initially allocated by the Commission toward the cost of the Hampton Roads Crossing SEIS, to be applied toward the cost of further study of the Hampton Roads Crossing Study SEIS components not included in the selected SEIS Alternative – specifically the I-564/I-664 Connectors (Patriot’s), I-664/MMMBT (Including Bowers Hill), and VA 164/164 Connector; and,

**WHEREAS**, the Project has evolved to include the further study of the HRCS SEIS components not included in the selected alternative; and

**WHEREAS**, on Thursday, March 16, 2017, the Commission amended the Funding Plan to allocate a total of \$7,000,000\* towards the cost of a study of the HRCS SEIS components not included in the selected SEIS Alternative A; and

**WHEREAS**, sufficient funding is available for the study phase of this Project that has been separated into two discrete parts: one relating to Bowers Hill (\$4,000,000) following the NEPA process, and the other a planning evaluation of the feasibility of the remaining components not selected in the HRCS SEIS Alternative (\$3,000,000); and,

**WHEREAS**, the Commission desires to amend its Approved HRTAC 2016-2022 Funding Plan to include a contingency of up to \$4,000,000 to be available to complete the work under the Memorandum of Understanding; and,

**WHEREAS**, sufficient funding is available to establish a contingency of \$4,000,000 to be available if additional funding is required for the work; and,



**WHEREAS**, any future incremental allocations to advance the project will be allocated on a case by case basis; and

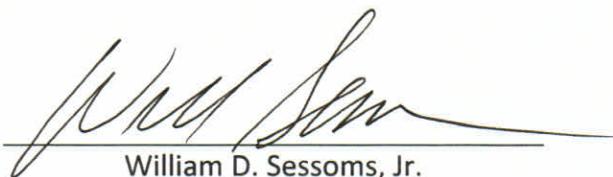
**WHEREAS**, the Virginia Department of Transportation ("VDOT"), Hampton Roads Transportation Planning Organization ("HRTPO"), and the Hampton Roads Transportation Accountability Commission have developed an MOU that establishes a framework to advance these two study efforts.

**NOW, THEREFORE, BE IT RESOLVED**, that the Commission approves the Memorandum of Understanding and authorizes the Chair to execute and deliver the document; and

**BE IT FURTHER RESOLVED**, the Commission's executive director will consult with VDOT and the HRTPO as they perform the work under the Memorandum of Understanding, and if he determines additional funding may be reasonably required, he will seek the Commission's authorization of that additional funding, it being the Commission's intent to support the completion of the work under the Memorandum of Understanding; and,

**BE IT FURTHER RESOLVED**, that the Commission authorizes a public hearing relating to an amendment to its Approved HRTAC 2016-2022 Funding Plan to include the \$4,000,000 contingency, which amendment will be considered at the Commission's June 15, 2017 meeting.

**APPROVED and ADOPTED** by the Hampton Roads Transportation Accountability Commission at its meeting on the 16th day of March, 2017.



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



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



## COMMONWEALTH of VIRGINIA

### *Commonwealth Transportation Board*

Aubrey L. Layne, Jr.  
Chairman

1401 East Broad Street  
Richmond, Virginia 23219

(804) 786-2701  
Fax: (804) 225-2940

*Agenda item # 8*

### **RESOLUTION**

#### **OF THE**

#### **COMMONWEALTH TRANSPORTATION BOARD**

**April 19, 2017**

#### **MOTION**

**Made By: Mr. Malbon, Seconded By: Mr. Rosen**

**Action: Motion Carried, Unanimously**

**Title: Authorization for the Commissioner of Highways to Enter into a MOU with the Hampton Roads Transportation Accountability Commission (HRTAC) and the Hampton Roads Transportation Planning Organization Concerning the Study of Components not Included in the Selected Hampton Roads Crossing Study SEIS Alternative and to Execute a Standard Project Agreement with HRTAC Relating to the Bowers Hill Study**

**WHEREAS**, on December 7, 2016, the Commonwealth Transportation Board (“CTB”) approved as the location for the Hampton Roads Crossing Study/Project, Alternative A, as set forth in the Draft SEIS approved by FHWA on July 25, 2016 (“Preferred HRCS SEIS Alternative”) and, among other things, directed the Virginia Department of Transportation (“VDOT”) to continue to work with the Hampton Roads Transportation Planning Organization (“HRTPO”), Hampton Roads Transportation Accountability Commission (“HRTAC”), U.S. Army Corps of Engineers (“USACE”), U.S. Navy, the Port of Virginia and other parties to advance separate studies to identify appropriate access options around Craney Island to include I-564/I-664 Connectors, I-664/MMMBT and VA 164/164 Connector (“Additional Corridors Studies”), which were HRCS SEIS components not included in the Preferred HRCS SEIS Alternative; and

Resolution of the Board

Authorization for the Commissioner of Highways to Enter into a MOU with the Hampton Roads Transportation Accountability Commission (HRTAC) and the Hampton Roads Transportation Planning Organization Concerning the Study of Components not Included in the Selected Hampton Roads Crossing Study SEIS Alternative and to Execute a Standard Project Agreement with HRTAC Relating to the Bowers Hill Study

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**WHEREAS**, on December 7, 2016, the CTB also directed VDOT to continue to work with the HRTPO, HRTAC, USACE and other parties to advance a separate study of the Bowers Hill Interchange at I-664 and I-264 in Chesapeake (“Bowers Hill Study”) which also was an HRCS SEIS component not included in the Preferred HRCS SEIS Alternative; and

**WHEREAS**, HRTAC, on March 16, 2017, amended the HRTAC 2016-2022 Funding Plan to provide \$7,000,000 for study of HRCS SEIS components not included in the Commonwealth Transportation Board’s Preferred HRCS SEIS Alternative; and

**WHEREAS**, VDOT, HRTAC and HRTPO have identified a need to develop a Memorandum of Understanding between the parties to identify a framework and specify the various responsibilities of each of the parties in order to advance the additional studies noted herein (“HRCS Additional Studies MOU”); and

**WHEREAS**, the HRCS Additional Studies MOU contemplates that VDOT will bear responsibility for managing the Bowers Hill Study, HRTAC will provide \$ 4 million in funding to VDOT from the Hampton Roads Transportation Fund (HRTF) for the study, and HRTAC will require execution of a Standard Project Agreement relating to said funding; and

**WHEREAS**, the Virginia General Assembly, pursuant to Chapter 26 of Title 33.2 of the Code of Virginia, established the Hampton Roads Transportation Accountability Commission (HRTAC), a political subdivision of the Commonwealth; and

**WHEREAS**, the Virginia General Assembly, pursuant to §33.2-2600 of the Code of Virginia, also established the HRTF to fund new construction projects on new or existing highways, bridges, and tunnels in the localities comprising Planning District 23; and

**WHEREAS**, pursuant to §33.2-2608 the HRTAC may enter into contracts or agreements necessary or convenient for the performance of its duties and the exercise of its powers under Chapter 26; and

**WHEREAS**, §33.2-214 (C) of the Code of Virginia empowers the CTB to enter into contracts with local districts, commissions, agencies, or other entities created for transportation purposes; and

**WHEREAS**, VDOT has requested that the CTB approve and authorize the Commissioner to enter into/execute the HRCS Additional Studies MOU and further, to authorize

Resolution of the Board

Authorization for the Commissioner of Highways to Enter into a MOU with the Hampton Roads Transportation Accountability Commission (HRTAC) and the Hampton Roads Transportation Planning Organization Concerning the Study of Components not Included in the Selected Hampton Roads Crossing Study SEIS Alternative and to Execute a Standard Project Agreement with HRTAC relating to the Bowers Hill Study

April 19, 2017

Page Three

the Commissioner to execute a Standard Project Agreement with HRTAC regarding the Bowers Hill Study and use of HRTF funds for the study, upon approval by HRTAC of the Standard Project Agreement.

**NOW, THEREFORE BE IT RESOLVED**, that the Commonwealth Transportation Board hereby approves and authorizes the Commissioner of Highways to execute the HRCS Additional Studies MOU between VDOT, HRTAC and the HRTPO concerning the Additional Corridors Studies and Bowers Hill Study, as set out in Attachment A, with such changes as the Commissioner deems necessary or appropriate.

**BE IT FURTHER RESOLVED**, that the Commonwealth Transportation Board hereby approves and authorizes the Commissioner of Highways to execute a Standard Project Agreement with HRTAC relating to the Bowers Hill Study and the HRTF funding therefor in substantially the same form as Attachment B with such changes as the Commissioner deems necessary, upon approval by HRTAC of said Agreement.

**BE IT FURTHER RESOLVED**, that the Commissioner is directed to report back to the CTB upon execution of the Standard Project Agreement relating to the Bowers Hill Study by HRTAC and the Commissioner.

# # #

**To: Chair Hipple and the other members of HRTAC**

**From: Kevin B. Page, Executive Director**

**Date: September 21, 2017**

**Re: Security Custody Services**

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**Recommendation:**

Security Custody Services RFP Evaluation Committee Spokesperson, Senator Wagner recommends that the Commission authorize the Chair to execute the prepared Security Custody Services Agreement with the final offeror to be announced at the meeting.

**Background:**

During FY2015, HRTAC employed banking services for the custody of funds for investment of Hampton Roads Transportation Funds (HRTF). HRTAC issued a Request for Proposal for Security Custody Services (HRTAC 2017-02). To evaluate the proposals and make recommendation to the Board, an Ad-Hoc RFP Evaluation Committee was established. The Security Custody Services RFP Evaluation Committee met on June 5, 2017 to review the five proposals received and select a short list of two proposers to advance interviews. The RFP Evaluation Committee met again on September 6, 2017 to conduct interviews and finalize its recommendation to the Board for consideration and approval. The Commission will be fully briefed at the meeting on the results of the recommendation of the Security Custody Services RFP Evaluation Committee.

**Fiscal Impact:**

There is a fiscal impact in relation to this Action Item that is already included in the Commission's Approved FY2018 Operating Budget.

**Suggested Motion:**

Motion is the Commission approves the issuance of a notice of intent to award the contract relating to the Security Custody Services RFP to the offeror recommended by the Evaluation Committee and authorizes the Chair to execute and deliver that contract to the awardee.

**Agenda Item 6H**  
**Action Item**

**To:** **Chair Hipple and the other members of HRTAC**

**From:** **Kevin B. Page, Executive Director**

**Date:** **September 21, 2017**

**Re:** **Resolution to Preserve Flexibility to Reimburse Expenditures on I-64/I-264 Interchange Improvements Project, Phase II, with Proceeds of a Bond Issue**

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**Recommendation:**

The Commission is asked to adopt a "Resolution of Official Intent for Allocation of Bond Proceeds to Reimburse HRTAC Expenditures on I-64/I-264 Interchange Improvements Project, Phase II," which is attached hereto as Attachment 6H, in order to preserve the option to reimburse itself for the costs of such project from proceeds of a future bond issue.

**Background:**

The Commission may adopt a written "official intent" to preserve its flexibility under bond regulations to advance funds for current project expenses and later reimburse those advances out of proceeds of a future tax-exempt bond issue. An "official intent" resolution must set forth a general description of the applicable projects and the maximum principal amount of bonds expected to be applied to reimburse project costs. By adopting such resolution at this time, the Commission will preserve the option to allocate bond proceeds to expenditures made on the project, if they were spent no earlier than 60 days before the date of the resolution, and if the Bonds are issued no later than 3 years after the first expenditure being reimbursed. Adopting the "official intent" resolution does not obligate the Commission to use bonds instead of pay-go for the project.

**Fiscal Impact:**

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

**Suggested Motion:**

Motion is to adopt the "Resolution of Official Intent for Allocation of Bond Proceeds to Reimburse HRTAC Expenditures on I-64/I-264 Interchange Improvements Project, Phase II."





## **HRTAC RESOLUTION 2017-07**

### **RESOLUTION OF OFFICIAL INTENT FOR ALLOCATION OF BOND PROCEEDS TO REIMBURSE HRTAC EXPENDITURES ON I-64/I-264 INTERCHANGE IMPROVEMENTS PROJECT, PHASE II**

WHEREAS, in accordance with its statutory powers and purposes, the Hampton Roads Transportation Accountability Commission (the "Commission") has resolved and agreed to pay portions of the costs incurred by the Virginia Department of Transportation ("VDOT") in the acquisition, construction and completion of the second phase of VDOT's I-64/I-264 Interchange Improvements Project, to: (i) extend the new C-D roadway from the Newtown Interchange to the Witchduck Interchange; (ii) reconfigure the Newtown Interchange ramps South of I-264; (iii) reconfigure the Witchduck Interchange ramps South of I-264; and (iv) construct an overpass between the two interchanges that connects Greenwich Road on the South side of I-264 and Cleveland Street on the North side (collectively, the "Project"); and

WHEREAS, plans for the Project have proceeded and it is expected that the Commission will cause funds under its control to be advanced to pay expenditures related to the Project (each, an "Expenditure" and, collectively, the "Expenditures") prior to such time as the Commission may be prepared to issue one or more series of tax-exempt bonds ("Bonds") to finance transportation projects within Planning District 23 generally; and

WHEREAS, the Commission intends for a portion of the proceeds of a future issue of Bonds to be available to reimburse the Commission for the payment of Expenditures; and

WHEREAS, Section 1.150-2 of the Treasury Regulations, promulgated under the Internal Revenue Code of 1986, as amended (the "Code"), provides that to allocate proceeds of Bonds to reimbursement of Expenditures paid in advance of an issue of Bonds, the Commission must declare its official intent to allocate proceeds of Bonds to reimbursement of the Expenditures;

**NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE HAMPTON ROADS TRANSPORTATION ACCOUNTABILITY COMMISSION:**

1. The Commission intends to issue Bonds in a future period and allocate a portion of the proceeds thereof, in a maximum principal amount of \$127,749,693, to the reimbursement of the Expenditures.
2. Each Expenditure to be reimbursed with Bond proceeds was or shall be either (a) of a type properly chargeable to a capital account under general federal income tax principles (determined in each case as of the date of such Expenditure), or (b) a cost of issuance with respect to the Bonds.

3. The Commission intends to make a reimbursement allocation, which is a written allocation by the Commission that evidences the Commission's use of proceeds of the Bonds to reimburse Expenditures, no later than 18 months after the later of (a) the date on which the first Expenditure for the Project was paid or (b) the date the Project is placed in service or abandoned, but in no event more than three (3) years after the date on which the first Expenditure was paid with respect to the Project.

4. The Commission intends that the adoption of this resolution shall confirm the "official intent" of the Commission within the meaning of Treasury Regulations Section 1.150-2 to reimburse Expenditures paid not earlier than sixty (60) days prior to the date of adoption of this resolution and not later than the date of the final allocation described in paragraph 3 above.

5. This resolution shall take effect immediately upon its adoption.

\* \* \*

The undersigned hereby certify that this is a true and correct copy of a resolution duly adopted at a meeting of the Hampton Roads Transportation Accountability Commission held on September 21, 2017.

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Chair, Hampton Roads Transportation  
Accountability Commission

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Vice Chair, Hampton Roads Transportation  
Accountability Commission



## HAMPTON ROADS TRANSPORTATION FUND

### FINANCIAL REPORT

FY2014 – FY2018

As of July 31, 2017

VDOT provides the 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 July 2017 financial reports. Based on the financial reports received to date from VDOT, the HRTAC staff has analyzed the data and prepared the attached reports and summaries:

### **Revenues**

Total Gross Revenues (Inception to July 31, 2017): \$ 641,622,466

- State Sales and Use Tax : 501,427,339
- Local Fuels Tax : 132,079,343
- Interest : 1,965,363
- Investment Income: 6,150,421

### **Expenditures**

Total Expenditures (Inception to July 31, 2017): \$114,861,643

- Project Construction: 111,292,828
- Total DMV and Dept. of Tax Administrative Fees: 598,214
- Investment Fees: 667,225
- Operating Expenses: 2,303,376

### **Cash Balance**

Ending Cash Balance: \$526,760,823

### **Encumbered Balance**

Balance of Encumbered (through FY2022): \$1,124,665,322

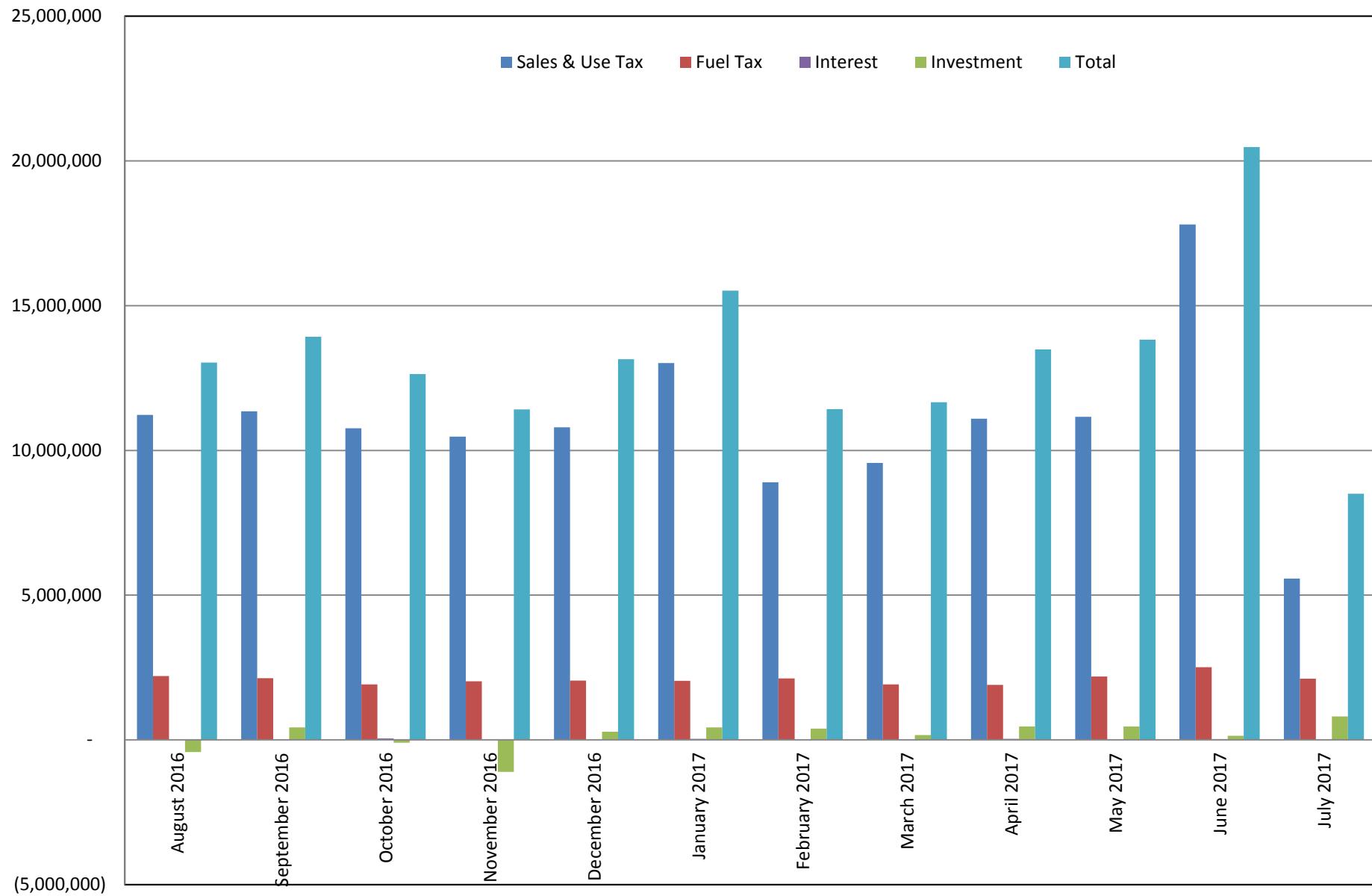
Allocation: \$1,235,958,150

- Less Construction Expenditures: \$111,292,828

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

	Gross Revenue					Expenditures					Cummulative Balance 7/1/13 - 7/31/17
	Sales & Use Tax		Fuel Tax		Interest	Investment		Dept of Tax	Operating		
	Sales & Use Tax	Fuel Tax	Interest	Income	Total	Construction	Admin Fee	Investment Fees	Expenses	Total	
July 2013 - July 2016	\$ 369,687,599	\$ 106,975,676	\$ 1,695,596	\$ 4,185,367	\$ 482,544,237	\$ 38,360,934	\$ 598,214	\$ 397,880	\$ 1,448,750	\$ 40,805,777	\$ 441,738,460
August 2016	11,224,415	2,208,256	18,323	(415,914)	13,035,081	-	-	24,521	46,924	71,445	454,702,096
September 2016	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
October 2016	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
November 2016	10,474,452	2,020,272	18,410	(1,100,202)	11,412,932	-	-	19,752	126,389	146,141	483,309,594
December 2016	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
January 2017	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
February 2017	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
March 2017	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
April 2017	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
May 2017	11,163,834	2,188,487	7,285	467,771	13,827,377	3,394,550	-	19,046	85,117	3,498,714	514,969,441
June 2017	17,803,673	2,508,420	27,208	139,630	20,478,931	16,962,152	-	26,493	111,152	17,099,797	518,348,574
July 2017	5,576,511	2,112,352	9,551	807,469	8,505,882	-	-	19,077	74,557	93,633	526,760,823
Total 12 Months	\$ 131,739,740	\$ 25,103,667	\$ 269,767	\$ 1,965,055	\$ 159,078,229	72,931,894	\$ -	\$ 269,345	\$ 854,626	\$ 74,055,866	
Grand Totals	501,427,339	132,079,343	1,965,363	6,150,421	641,622,466	111,292,828	598,214	667,225	2,303,376	114,861,643	
Less Balance of Encumbered (through FY2022)											\$ (1,124,665,322)
Total Net Available											(597,904,499)

# HRTF Revenue



**Table 1 - Total HRTF Revenues**

Hampton Roads Transportation Fund (HRTF)

*Total of Sales & Use and Fuels Taxes**Fiscal Year 2018*

Locality	Total FY2014 - FY 2017	Previous FY2018	July 2017	Total YTD	FY2018	Total
<i>Chesapeake</i>	114,985,401	-	1,420,412	1,420,412		116,405,814
<i>Franklin</i>	5,369,194	-	85,274	85,274		5,454,468
<i>Hampton</i>	46,180,660	-	576,052	576,052		46,756,712
<i>Isle of Wight</i>	9,950,877	-	119,565	119,565		10,070,442
<i>James City</i>	28,587,671	-	422,416	422,416		29,010,087
<i>Newport News</i>	66,706,250	-	748,620	748,620		67,454,870
<i>Norfolk</i>	86,298,842	-	991,251	991,251		87,290,093
<i>Poquoson</i>	1,563,499	-	13,329	13,329		1,576,828
<i>Portsmouth</i>	21,954,713	-	255,942	255,942		22,210,656
<i>Southampton</i>	2,953,969	-	50,946	50,946		3,004,915
<i>Suffolk</i>	29,658,369	-	381,965	381,965		30,040,334
<i>Virginia Beach</i>	169,080,447	-	2,106,923	2,106,923		171,187,370
<i>Williamsburg</i>	13,827,614	-	152,824	152,824		13,980,438
<i>York</i>	28,700,309	-	363,343	363,343		29,063,652
Total	625,817,818	-	7,688,863	7,688,863		633,506,682
Interest	1,955,812	-	9,551	9,551		1,965,363
Investment Income (Sterling&PFMAM/ Union/LGIP)	5,342,953	-	807,469	807,469		6,150,421
Total Revenues	633,116,583	-	8,505,882	8,505,882		641,622,466
Construction	(111,292,828)	-	-	-		(111,292,828)
DMV and Dept of Tax Admin Fees	(598,214)	-	-	-		(598,214)
Investment Fees (Sterling&PFMAM)	(648,149)	-	(19,077)	(19,077)		(667,225)
Operating Expense	(2,228,820)	-	(74,557)	(74,557)		(2,303,376)
Cash Balance	518,348,573	-	8,412,249	8,412,249		526,760,823
Less Balance of Encumbered						(1,124,665,322)
Net Available Cash						(597,904,499)
Updated Forecast	658,745,037	-	5,113,307	5,113,307		663,858,344
Total Revenue - Forecast (under)/over	(30,971,407)	-	2,575,556	2,575,556		(28,395,851)

Source: VDOT report "Revenues By Locality"

Prepared by HRTAC on 9/11/2017

## Table 1A - State Sales & Use Tax

Hampton Roads Transportation Fund (HRTF)

*State Sales & Use Tax*

*Fiscal Year 2018*

Locality	Total FY2014 - FY 2017	Previous FY2018	July 2017	Total YTD	FY2018	Total
Chesapeake	\$ 89,270,404	\$ -	\$ 983,657	\$ 983,657	\$ 90,254,061	
Franklin	3,804,591	-	39,542	39,542		3,844,133
Hampton	35,655,491	-	361,906	361,906		36,017,397
Isle of Wight	5,731,108	-	53,483	53,483		5,784,591
James City	25,149,785	-	308,652	308,652		25,458,437
Newport News	54,119,914	-	569,482	569,482		54,689,397
Norfolk	72,166,247	-	779,003	779,003		72,945,250
Poquoson	1,178,660	-	11,807	11,807		1,190,467
Portsmouth	15,986,660	-	171,665	171,665		16,158,326
Southampton	1,317,996	-	26,716	26,716		1,344,712
Suffolk	20,605,661	-	238,469	238,469		20,844,130
Virginia Beach	137,449,742	-	1,652,270	1,652,270		139,102,013
Williamsburg	10,990,948	-	111,368	111,368		11,102,316
York	22,423,620	-	268,489	268,489		22,692,110
<b>Total</b>	<b>\$ 495,850,828</b>	<b>\$ -</b>	<b>\$ 5,576,511</b>	<b>\$ 5,576,511</b>		<b>501,427,339</b>
Updated Forecast	493,271,042	-	4,867,052	4,867,052		498,138,094
Diff(under)/over	2,579,786	-	709,459	709,459		3,289,245

**Table 1B - Local Fuels Tax**  
**Hampton Roads Transportation Fund (HRTF)**  
*Local Fuels Tax*  
*Fiscal Year 2018*

Locality	Total FY2014 - FY 2017	Previous FY2018	July 2017	Total YTD	FY2018	Total
<i>Chesapeake</i>	\$ 25,714,997	\$ -	\$ 436,755	\$ 436,755	\$ 26,151,753	
<i>Franklin</i>	1,564,603	-	45,732	45,732	1,610,335	
<i>Hampton</i>	10,525,169	-	214,147	214,147	10,739,316	
<i>Isle of Wight</i>	4,219,769	-	66,081	66,081	4,285,851	
<i>James City</i>	3,437,887	-	113,764	113,764	3,551,651	
<i>Newport News</i>	12,586,337	-	179,138	179,138	12,765,475	
<i>Norfolk</i>	14,132,595	-	212,248	212,248	14,344,843	
<i>Poquoson</i>	384,838	-	1,522	1,522	386,360	
<i>Portsmouth</i>	5,968,053	-	84,277	84,277	6,052,330	
<i>Southampton</i>	1,635,974	-	24,230	24,230	1,660,204	
<i>Suffolk</i>	9,052,708	-	143,496	143,496	9,196,204	
<i>Virginia Beach</i>	31,630,704	-	454,653	454,653	32,085,357	
<i>Williamsburg</i>	2,836,667	-	41,456	41,456	2,878,123	
<i>York</i>	6,276,689	-	94,853	94,853	6,371,543	
<b>Total</b>	<b>129,966,991</b>	<b>\$ -</b>	<b>\$ 2,112,352</b>	<b>\$ 2,112,352</b>	<b>\$ 132,079,343</b>	
Updated Forecast	164,600,002	-	246,255	246,255	164,846,257	
Diff(under)/over	(34,633,011)	-	1,866,097	1,866,097	(32,766,914)	

## Table 2 - Allocations

### Hampton Roads Transportation Fund (HRTF)

#### Allocations

#### Fiscal Year 2018

Project	Total FY2014 - FY 2017	Previous FY2018	July 2017	Total YTD FY2018	Total
<i>I-64 Peninsula Widening</i>					
- <i>UPC 104905 (Segment 1) -Construction</i>	\$ 44,000,000	\$ -	\$ -	\$ -	\$ 44,000,000
- <i>UPC 106665 (Segment 2) - PE &amp; Construction</i>	189,737,675	-	-	-	189,737,675
- <i>UPC 106689 (Segment 3) - PE</i>	10,000,000	-	-	-	10,000,000
- <i>UPC 106689 (Segment 3) -ROW &amp; Construction</i>	156,376,066	-	-	-	156,376,066
<i>I-64/264 Interchange Improvement</i>					
- <i>UPC 17630 - PE/ROW</i>	54,592,576	-	-	-	54,592,576
- <i>UPC 57048 - PE/ROW</i>	15,071,063	-	-	-	15,071,063
- <i>UPC 57048 - Construction of Phase 1</i>	137,023,653	-	-	-	137,023,653
- <i>UPC 17630/108041 - Construction of Phase 2</i>	73,157,117	-	-	-	73,157,117
- <i>UPC 106693 - PE - Phase 3</i>	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>	11,000,000	-	-	-	11,000,000
<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 &amp; Construction</i>	480,000,000	-	-	-	480,000,000
<i>Route 460/58/13 Connector - UPC 106694 - PE</i>	5,000,000	-	-	-	5,000,000
<b>Total</b>	<b>\$ 1,235,958,150</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,235,958,150</b>

### Table 3 - Expenditures

**Hampton Roads Transportation Fund (HRTF)**  
**Expenditures**  
**Fiscal Year 2018**

Project	Total FY2014 - FY 2017	Previous FY2018	July 2017	Total YTD FY2018	Total
<i>I-64 Peninsula Widening</i>					
- UPC 104905 (Segment 1) -Construction	\$ 1,544,502	\$ -	\$ -	\$ -	\$ 1,544,502
- UPC 106665 (Segment 2) - PE & Construction	49,326,465	-	-	-	49,326,465
- UPC 106689 (Segment 3) - PE	-	-	-	-	-
- UPC 106689 (Segment 3) - ROW & Construction	-	-	-	-	-
<i>I-64/264 Interchange Improvement</i>					
- UPC 17630/108041 - PE/ROW	24,549,786	-	-	-	24,549,786
- UPC 57048 - PE/ROW	8,941,701	-	-	-	8,941,701
- UPC 57048 - Construction of Phase 1	17,353,214	-	-	-	17,353,214
- 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>	9,577,159	-	-	-	9,577,159
<i>I-64 Southside/High-Rise Bridge - UPC 106692 - ROW &amp; Construction</i>	-	-	-	-	-
<b>Total</b>	<b>\$ 111,292,827</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 111,292,828</b>

**I-64 Peninsula Widening- Segment I****Project Scope:**

From 0.50 miles east of Yorktown Road/Rte 238 (Exit 247) to 1.55 miles west of Jefferson Ave/Rte 143 (Exit 255) (6.5 miles)

- Additional 12' wide travel lanes and 12' wide shoulder lanes within the existing median space
- Repair and widening of 6 bridges and 2 major culverts
- Strengthened shoulder lane from Ft Eustis Blvd Interchange to Jefferson Avenue Interchange

**Project Financial Summary:**

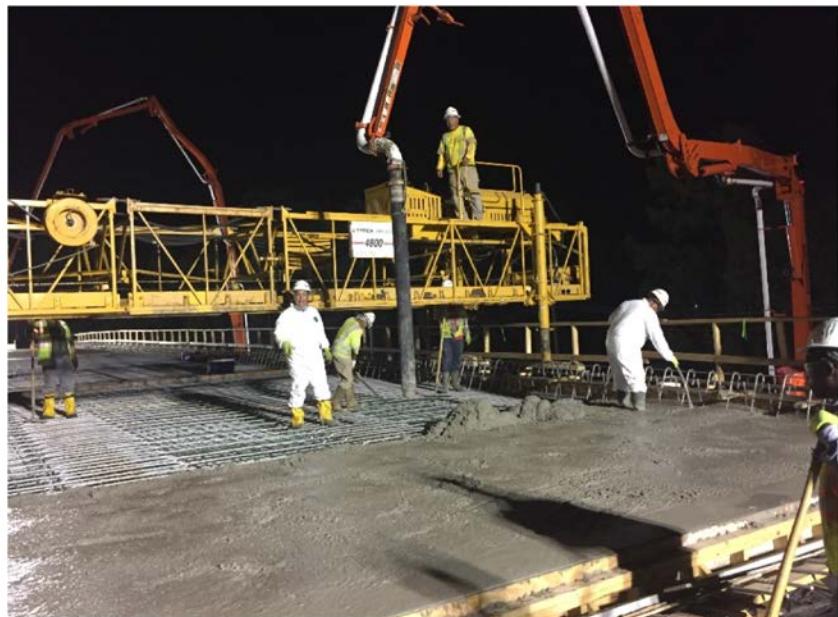
<u>Project Budget (\$144,000,000):</u>	<u>Funds Expended (as of 09/07/17):</u>	<u>Projected Cost Over/(Under):</u>
○ PE \$ 4,135,000	\$ 2,643,796	\$ ( 724,824)
○ RW \$ 5,901,490	\$ 32,494	\$ (5,866,490)
○ CN \$ 133,963,510	<u>\$ 77,430,679</u>	<u>\$ (3,648,315)</u>
	\$ 80,106,969	\$ (10,239,629)

**Project Schedule:**

Notice To Proceed (NTP)	March 2015
Project Completion	Dec 2017
Schedule Status	On Schedule

**Project Status:**

- Panel installation is mostly complete for Noise Wall 47/48, and foundation construction continues for Noise Wall 46.
- Reconstruction of the Industrial Park Drive Bridges is in progress. Concrete has been placed for the eastbound bridge deck, and preparatory work for the westbound bridge deck is underway.
- Repairs to existing concrete pavement continue, and work has started on asphalt surface overlays.



Concrete Placement for the Eastbound Industrial Park Drive Overpass

**I-64 Peninsula Widening- Segment II****Project Scope:**

From MM 241.30, 1.05 miles west of Hummelsine Parkway/Rte 199 (Exit 242) to where the Segment I project ends at MM 248.35, 0.50 miles east of Yorktown Road/Rte 238 (Exit 247) (7.1 miles)

- Additional 12' wide travel lanes and 12' wide shoulder lanes within the existing median space
- Repair and widening of 9 bridges and 6 major culverts
- Reconstruction of existing roadway

**Project Financial Summary:**

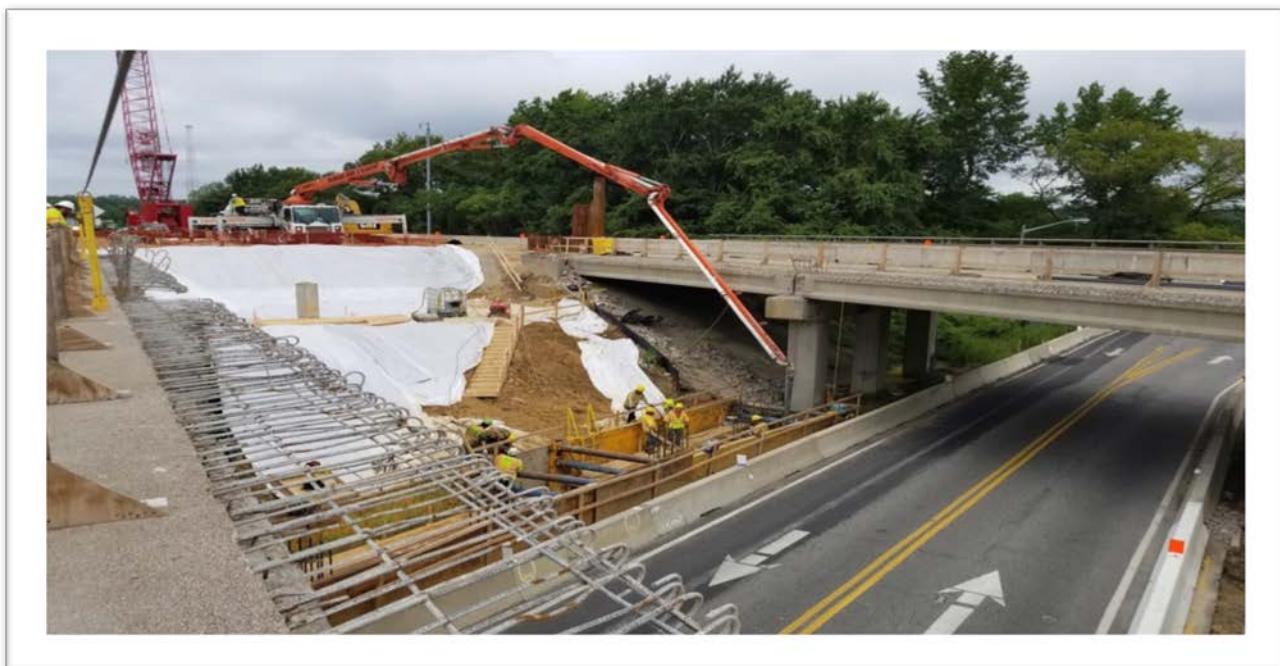
• Project Budget (\$213,592,853):	Funds Expended (as of 09/07/17):	Projected Cost Over/(Under):
○ PE \$ 6,000,000	\$ 1,895,946	\$ 0
○ RW \$ 2,413,318	\$ 312,597	\$ ( 901,770)
○ CN \$ 205,179,535	<u>\$ 59,741,151</u>	<u>\$ (22,983,408)</u>
	\$ 61,949,694	\$ (23,885,178)

**Project Schedule:**

NTP	Feb 2016
Project Completion	May 2019
Schedule Status	Slightly behind schedule (5 days), working to recover

**Project Status:**

- Production piles are being driven at all nine bridges within the project corridor.
- Substructure concrete operations are in progress at Yorktown Road, Jefferson Avenue, Burma Road, and B-629 Ramp Bridges.
- Box culvert work has been completed at various locations, and fine grading operations have started in the median.



Yorktown Bridge Substructure Work Underway

**I-64 Peninsula Widening- Segment III****Project Scope:**

From approximately 1.0 mile West of Rte 199 (Exit 234) to where the Segment II project ends at 1.05 miles west of Hummelsine Parkway/Rte 199 (Exit 242) (8.2 miles)

- Additional 12' wide travel lanes and 12' wide shoulder lanes within the existing median space
- Replacement of the two Queen's Creek bridges, repair and widening of 4 bridges, 3 major culverts
- Reconstruction of existing mainline roadway

**Project Financial Summary:**

• <u>Project Budget (\$311,303,819):</u>	<u>Funds Expended (As of 09/07/17):</u>	<u>Projected Cost Over/(Under):</u>
○ PE \$ 10,000,000	\$ 3,667,581	\$ 0
○ RW \$ 12,000,000	\$ 0	\$ 0
○ CN \$ 289,303,819	<u>\$ 0</u>	<u>\$ 0</u>
	\$ 3,667,581	

**Project Schedule:**

Request For Proposals (RFP)	June 2017
Projected Award	Dec 2017
Projected Notice to Proceed	Jan 2018
Schedule Status	On Schedule

**Project Status:**

- Three Offerors have been shortlisted:
  - Shirley/Dewberry
  - Lane/RK&K
  - Skanska/WSP
- Offerors Preparing their Technical Proposals (Due 9/14/17) and Price Proposals



**I-64/I-264- Phase I****Project Scope:**

From the I-64 Twin Bridges to the I-264/Newtown Road Interchange

- Widening westbound I-64 by adding a second exit lane from Twin Bridges to the I-64/I-264 interchange
- Introducing a new two lane Collector-Distributor (C-D) roadway from I-64 to the Newtown Road interchange
- Constructing a new two-lane flyover ramp from westbound I-64 tying into the existing eastbound I-264 C-D road

**Project Financial Summary:**

<u>Project Budget (\$158,730,023):</u>	<u>Funds Expended (as of 09/07/17):</u>	<u>Projected Cost Over/(Under):</u>
○ PE \$ 10,135,307	\$ 10,135,307	\$ 0
○ RW \$ 11,571,063	\$ 10,156,539	\$ 0
○ CN \$ 137,023,653	<u>\$ 28,995,517</u>	\$ 0
	\$ 49,287,363	

**Project Schedule:**

Notice To Proceed (NTP)	Oct 2016
Project Completion	Oct 2019
Schedule Status	On-Schedule

**Project Status:**

- Constructing bridge columns and cap beams Curlew Drive to Kempsville Road
- I-64 West approach to Curlew Drive Overpass; drilling Densified Aggregate Piers (DAPs) to stabilize soil foundation at Retaining Walls M and P
- Culvert construction; infield between I-264 and Exit 15A to Newtown Road



Densified Aggregate Pier Drilling (foreground) at Retaining Wall M and P (I-64W)

## I-64/I-264- Phase II

## Project Scope:

From the I-264/Newtown Road Interchange to the I-264/Witchduck Road Interchange

- Extends the new C-D roadway from the Newtown Road interchange to the Witchduck Road interchange
- Reconfigure the Newtown Road and Witchduck Road interchange ramps south of I-264
- Constructing a new overpass that connects Greenwich Road south side of I-264 and Cleveland north of I-264

## Project Financial Summary:

<u>Project Budget (\$194,503,887):</u>	<u>Funds Expended (as of 09/07/17):</u>	<u>Projected Cost Over/(Under):</u>
o PE \$ 14,082,810	\$ 13,833,764	\$ 0
o RW \$ 54,392,666	\$ 26,236,314	\$ 0
o CN \$ 126,028,411	\$ _____ 0	\$ 0
	\$ 40,070,078	

## Project Schedule:

Projected Award	Dec 2017
Projected NTP	Jan 2018
Projected Completion	Sept 2021
Schedule Status	On-Schedule

## Project Status:

- Project was advertised on 7/25/2017
- Bid letting date was rescheduled from 9/27/2017 to 11/15/2017 to encourage competition
- RW acquisition completed, two outstanding tenant relocations
- Utility relocations underway, 65% complete, currently on schedule



## I-64 Southside Widening and High Rise Bridge- Phase I

### Project Scope:

From approximately the I-64/464 Interchange in Chesapeake and extending to the I-64/264/664 Interchange at Bowers Hill

- Widening from 4 to 6 lanes
- Constructing a new High Rise Bridge parallel to and to the South of the existing High Rise Bridge
- Addition of Strengthened Shoulder between the Route 17 and I-464 interchanges

### Project Financial Summary:

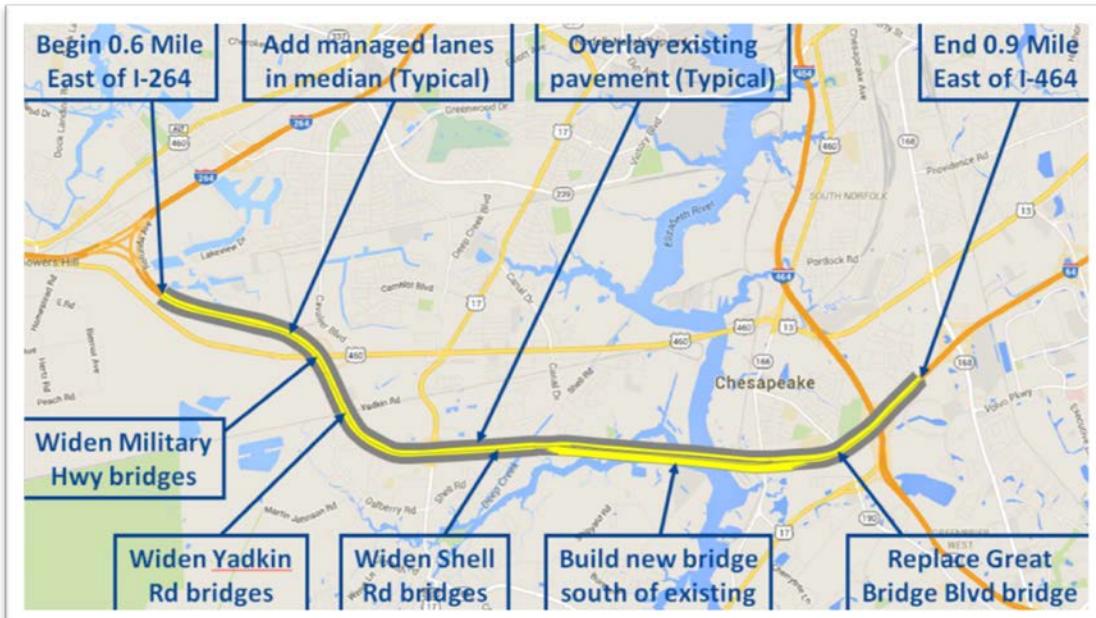
<u>Project Budget (\$600,000,000):</u>	<u>Funds Expended (as of 09/07/17):</u>	<u>Projected Cost Over/(Under):</u>
○ PE \$ 20,000,000	\$ 9,801,378	\$ 0
○ RW \$ 42,000,000	\$ 0	\$ 0
○ CN \$ 538,000,000	\$ 0	\$ 0
	\$ 9,801,378	

### Project Schedule:

Technical Proposals Due	Aug 2017
Projected Award	Oct 2017
Projected Notice to Proceed	Nov 2017
Schedule Status	On-Schedule

### Project Status:

- Coordinating with FHWA to complete the major projects requirements (Cost Estimate Review, Finance Plan, Project Management Plan)
- Offerors proposals under evaluation:
  - Granite-Parsons-Corman JV (GPC)/ Parsons Transportation Group
  - Lane-McLean-Branch JV (LMB)/ STV Incorporated
  - Skanska-Archer Western JV (SAW2JV)/ WSP



## I-64 Hampton Roads Bridge-Tunnel Expansion

### Refinement of Preferred Alternative

#### Project Scope:

Preliminary work for the I-64 corridor from I-664 to I-564, including the following activities for refinement of the Preferred Alternative and initial activities to develop the most appropriate procurement approach for expansion of the HRBT:

- Land survey, including photogrammetry, right-of-way verification, planimetric mapping, digital terrain modeling, and initial utility designation
- Wetlands survey/delineation to obtain preliminary Jurisdictional Determination
- Cultural resources/archaeological survey (land and marine)
- Hazardous materials investigations (land and marine)
- Geotechnical investigations (land and marine)
- Environmental permitting and agency coordination, including for in-channel geotechnical sampling
- Evaluation of disposal options for sediment dredge material and excavated boring material
- Procurement preparation, including industry outreach (Request for Information process, industry forum, meetings with potential proposers) and assessment of procurement- and delivery-method alternatives

#### Project Financial Summary:

<u>Project Budget (\$25,000,000):</u>	<u>Funds Expended (as of 09/07/17):</u>	<u>Projected Cost Over/(Under):</u>
○ PE \$25,000,000	\$ 2,361,832	\$ 0
○ RW \$0	\$ 0	\$ 0
○ CN \$0	<u>\$ 0</u>	<u>\$ 0</u>
	<u>\$ 2,361,832</u>	

#### Project Schedule:

Request for Qualifications (RFQ)	Fall 2017
Request for Proposals (RFP)	Summer 2018
Project Award	Spring 2019
Project Completion	2024
Schedule Status	On-Schedule

#### Project Status:

- Cultural resources survey completed; Department of Historic Resources provided concurrence in August 2017
- Geotechnical data report completed for soil borings on north and south HRBT islands
- Land survey of project corridor completed
- Conceptual engineering of roadway and tunnel in progress
- Draft RFQ and commercial term sheets in progress

### Route 460/58/13 Connector

#### Project Scope:

Study from approximately the I-664/US 58 Interchange and extending to the US 58/Route 460 Interchange

- o Improve existing roadway
- o Improve accessibility to/from the SPSA Regional Landfill
- o Improve accessibility to/from the Hampton Roads Executive Airport

#### Project Financial Summary:

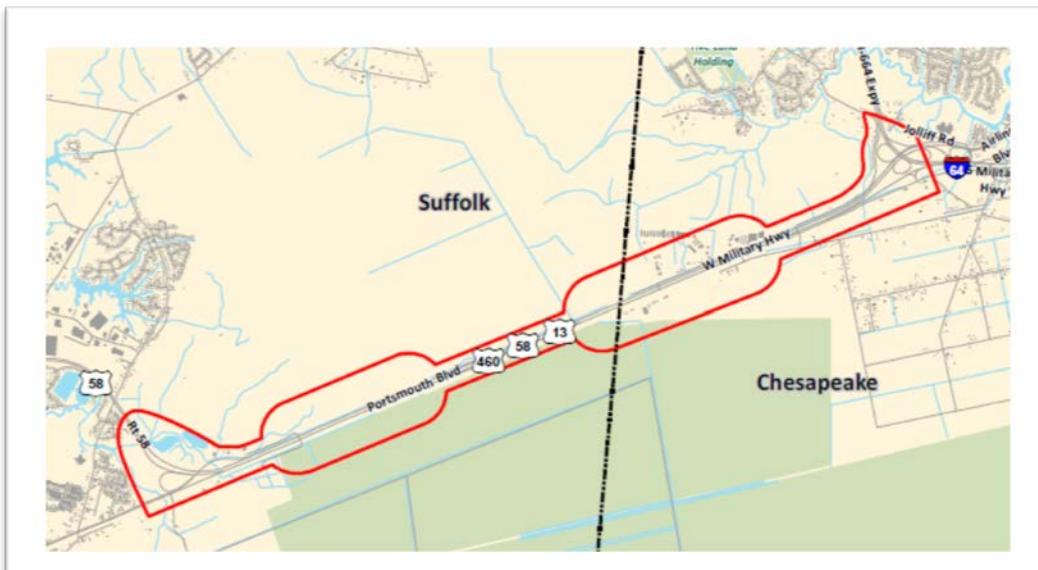
<u>Project Budget (\$5,000,000):</u>	<u>Funds Expended (as of 09/07/17):</u>	<u>Projected Cost Over/(Under):</u>
o PE \$ 5,000,000	\$ 116,315	\$ 0
o RW \$ 0	\$ 0	\$ 0
o CN \$ 0	<u>\$ 0</u>	<u>\$ 0</u>
	\$ 116,315	

#### Project Schedule:

Begin NEPA Process Jun 2017  
Projected Completion 2020

#### Project Status:

- o VDOT met with the federal regulatory agencies that will have a role in the concurrence process for the study on August 29, 2017. The purpose of the meeting was to introduce the study, solicit feedback on the proposed methods for environmental analysis, and outline the approach for additional agency involvement moving forward.
- o Following up on FHWA and VDOT's scoping outreach efforts, invitations for further involvement in the study development will be distributed to other federal, state, and local agencies (including the HRTPO/HRPDC, HRTAC, and localities within the study area). An initial meeting with these agencies is expected to be held in October 2017.
- o Opportunities for public input on the development of the study are anticipated to occur between Fall 2017 and Winter 2018. A project web page and opportunity to provide online feedback is expected to be in place by October 2017 and January 2018 is currently targeted for Public Information Meeting(s).
- o The overall study Purpose and Need and potential alternative concepts for consideration in the study analyses are presently under development.



### I-64/I-264- Phase III

#### Project Scope:

Study/design to improve the remaining I-64/I-264 movements

- o Includes I-64 Eastbound (EB) movements to I-264
- o Includes I-264 movements to I-64

#### Project Financial Summary:

<u>Project Budget (\$10,000,000):</u>	<u>Funds Expended (as of 09/07/17):</u>	<u>Projected Cost Over/(Under):</u>
o PE \$ 10,000,000	\$0	\$ 0
o RW \$ 0	\$0	\$ 0
o CN \$ 0	\$0	\$ 0
	\$0	

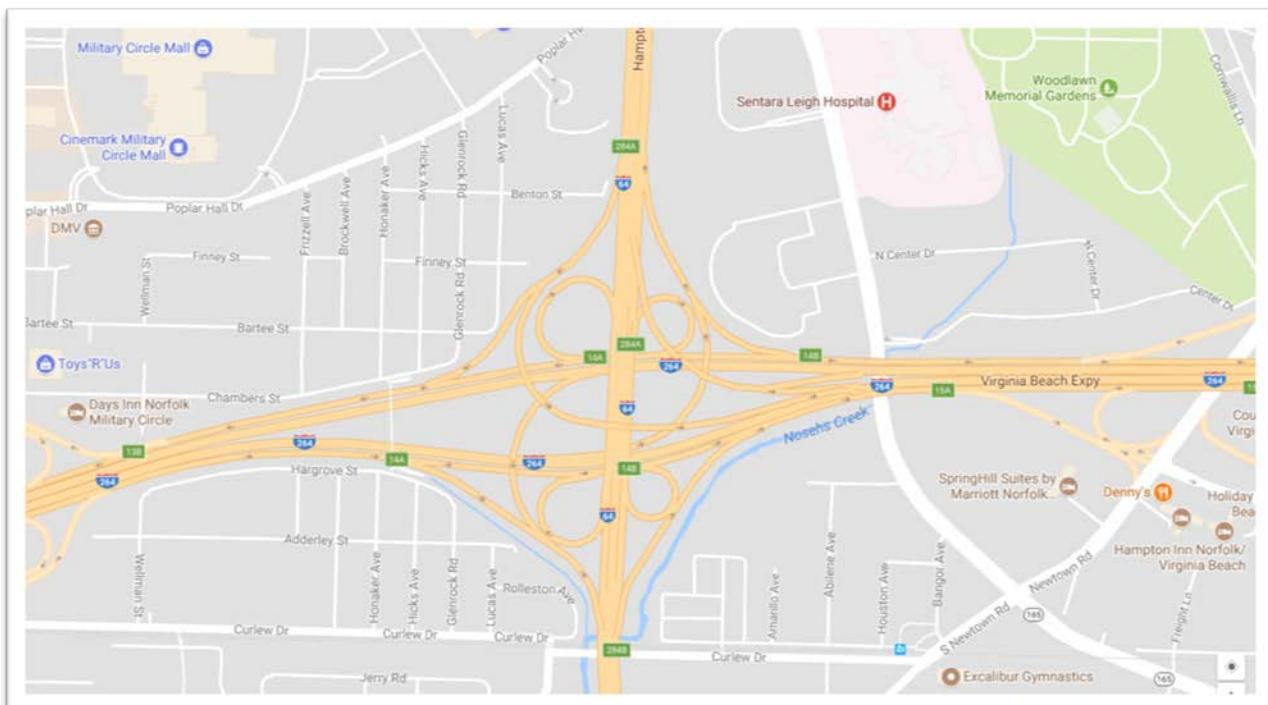
#### Project Schedule:

Release of Request for Proposals Sept 2017

Anticipated Consultant Contract Mar 2018

#### Project Status:

- o Consultant Scope of Services finalized
- o Request for Proposals for Engineering Support Consultant to be released



## Bowers Hill Interchange

## Project Scope:

Develop environmental and feasibility studies for improvements to the I-64/I-264/I-664 Interchange and the Route 58/Route 460 Interchange

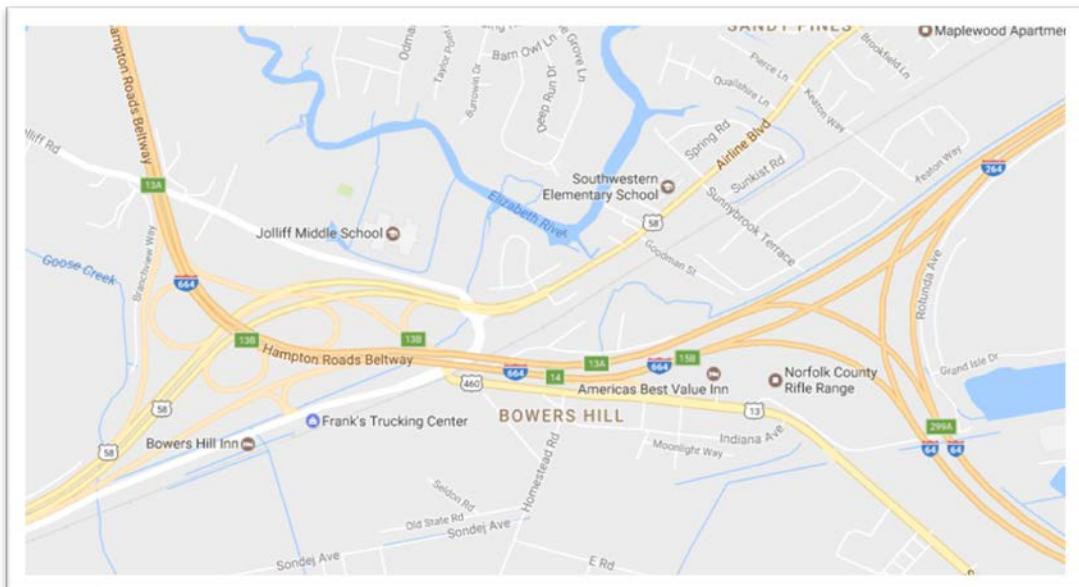
## Project Financial Summary:

<u>Project Budget (\$4,000,000):</u>	<u>Funds Expended (as of 09/07/17):</u>	<u>Projected Cost Over/(Under):</u>
o PE \$4,000,000	\$0	\$ 0
o RW \$0	\$0	\$ 0
o CN \$0	<u>\$0</u>	\$ 0
	\$0	

## Project Schedule:

## Project Status:

- Activities to be initiated when funding is available





**HRTAC Program Development  
Monthly Executive Report  
September 2017**

Hampton Roads District  
1700 N. Main Street  
Suffolk

**Ft. Eustis Interchange**

**Project Scope:**

Replace the I-64 Ft Eustis Interchange to mitigate congestion and improve safety.

**Project Financial Summary:** TBD

**Project Schedule:** TBD

**Project Status:** TBD

**I-64 Southside Widening and High Rise Bridge- Phase II**

**Project Scope:**

From approximately the I-64/464 Interchange in Chesapeake extending to the I-64/264/664 Interchange at Bowers Hill

- Widening from 6 to 8 lanes
- Replacing the existing High Rise Bridge
- Rebuilding the four Interchanges

**Project Financial Summary:** TBD

**Project Schedule:** TBD

**Project Status:** TBD