

**Hampton Roads Transportation
Accountability Commission (HRTAC)
Summary Minutes of the December 18, 2014 Monthly Meeting**

The Hampton Roads Transportation Accountability Commission (HRTAC) Monthly Meeting was called to order at 10:05 AM in the Regional Board Room, 723 Woodlake Drive, Chesapeake, Virginia, with the following in attendance:

HRTAC Voting Members in Attendance:

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|----------------------------------|-------------------------|
| Alan Krasnoff, Chair | Mary Jones |
| Senator Frank Wagner, Vice Chair | Senator Louise Lucas * |
| Paul Fraim | McKinley Price |
| Delegate Johnny Joannou | William Sessoms |
| Linda Johnson | George Wallace |
| Raystine Johnson-Ashburn | Donald Wiggins |
| Delegate Chris Jones | Kenneth Wright |
| Dallas Jones | Delegate David Yancey * |

HRTAC Ex-Officio Members in Attendance:

Cathie France (Alternative)
Charlie Kilpatrick
John Malbon

HRTPO Interim Executive Director:

Camelia Ravanbakht

Other Participants:

Deputy Secretary Grindly Johnson *
James Utterback
Tom Inglima

HRTAC Voting Members Absent:

Byron Bailey
Eugene Hunt
Clyde Haulman

HRTAC Ex-Officio Members Absent:

Jennifer Mitchell

* Denotes Late Arrival or Early Departure

Others Recorded Attending:

Daniella Cossu, Stuart Goodpasture, Ellis W. James, Kathleen McCarthy, Frank Papcin, Philip Quillin, Donna Sayegh, Tom Shepperd (Citizens); James Baker, Jan Proctor (CH); Randy Martin (FR); Mary Bunting, Brian DeProfio (HA); Brittany Forman, Joe Howell, Marcus Jones, Jeffrey Raliski (NO); Tom Slaughter, Bryan Stilley, Jerri Wilson (NN); Sherri Neil (PO); Randy Wheeler (PQ); Michael Johnson (SH); Rob Catron, Selena Cuffee-Glenn, Eric Nielsen (SU); Angela Bezik, Bob Matthias, Brian Solis, Jim Spore (VB); J. Mark Carter (YK); Steve Schemmel (Bank of America Merrill Lynch); Laura Bateman (Bateman Consulting, City of Hampton); Doug Martin (Corps of Engineers); Jamaal E. O'Neal (Daily Press); Rob Correll, Scott Forehand, Don Quisenberry, (eScribeSolutions); Ryan Banas, Mark Cacamis, Anil Sharma (HNTB); Waverly Woods (Hampton Roads Tea Party); Jonathan Nye (HRPTA); Ross Crogg (Kemper Consulting); Generra Peck (McGuire Woods Consulting); Rhonda Murray (Navy Region Mid-Atlantic); Deborah Brown, John Hendrickson (Parsons Brinckerhoff); Mark Geduldig-Yatrofsky (PortsmouthCityWatch.org); Dennis Heuer (RK&K); Joseph Funaro (Sun Trust); Matthew Ward (Suffolk News Herald); Robyn D. Clark (Union First Market Bank); Bill Cashman (URS Corp.); Tony Gibson, Paula Miller (VDOT); Martha McClees (Virginia Beach Vision); David Forster (Virginian-Pilot); Amber Randolph (Willcox & Savage); Kelli Alredge, Melton Boyer, Nancy Collins, Greg Grootendorst, Whitney Katchmark, Randy Keaton, Mike Long, Joe Turner, Chris Vaigneur (HRPDC); Kathlene Grauberger, Danetta Jankosky, Theresa Jones, Mike Kimbrel, Kendall Miller (HRTPO);

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

Mr. Mark Geduldig-Yatrofsky remarked that he felt the presence of General Assembly members as voting members of HRTAC was unnecessary, unwarranted, and undesirable. He continued that the committee had brought legislation to Richmond last year that was in his opinion flawed without first bringing it to a public hearing. He also expressed hopes that the easily repaired deficiencies would be repaired, such as allowing back-up for mayors and chairs that sit on the commission.

Ms. Donna Sayegh spoke about another Principle of Liberty and relationships between the burdens of debt, destruction of freedom, involuntary servitude, and slavery. She discussed founding father wisdom related to debt. She described current ownership by Virginia State and US Federal governments of local area facilities such as various port facilities and marine terminals. She concluded by stating costs associated with various regional projects.

Ms. Dianna Howard thanked Mayor Krasnoff, Mayor Johnson, and Executive Director Ravanbakht for recently holding a town hall meeting in Suffolk. She remarked that the format was conducive for question presentation and information gathering. She continued remarking that the \$8.5 Billion in approved projects doesn't include any changes to the Hampton Roads Bridge Tunnel. She went on to state that HB2313 created the Commonwealth Mass Transit Fund, and that she feels like we are not getting as much money as we should. She followed by showing that a minority portion of the unified planning work program is focused on roads. She concluded by stating that we are only

receiving \$200 Million per year to pay for \$8.5 Billion in road projects, which still isn't addressing the Hampton Roads Bridge Tunnel.

Mr. Ellis James remarked that with reference to VDOT, a lot of money has gone somewhere and that there are potentially 11,000 guardrails that now need replacing. He expressed hopes that local area governments would get clarification on expenses and project costs.

Ms. Waverly Woods thanked Mayor Krasnoff for recently having the public town hall in Suffolk. She felt that the meeting gave citizens an opportunity to speak in a manner not available to them at the normally scheduled HRTAC meetings. She expressed her displeasure with SB743, put forth by Senator Louise Lucas. She summarized the bill by stating that it will allow locality chief elected officers to send proxies in their stead, which she stated would remove accountability from the elected official.

Minutes of the November 20, 2014 HRTAC Monthly Meeting

Mr. Tom Inglima spoke about the last part of the minutes in question with reference to a motion made by Mayor Hunt. Mr. Inglima suggested that the motion presented in the minutes read as presented to the Commission.

The motion, as presented at the November 20, 2014 meeting is as follows:

Mayor Eugene Hunt Moved to include the cost of the projects in the finance plan and the only difference is the staff involved; seconded by Mayor Paul Fraim. The Motion Carried.

Ms. Mary Jones asked for an amendment to the minutes demonstrating that she did speak regarding the Board rushing to a decision. She also referenced that James City County taxpayers had contributed nearly \$9 Million to HRTAC and it is important for the record to show that they had representation at the table.

Mr. Tom Inglima clarified the motion, and Delegate Joannou asked if it was in support of Senate Bill 743, to which Mr. Inglima responded that it was not. Delegate Joannou then confirmed that it has nothing to do with SB743.

Mr. Mary Jones further clarified the motion that it was simply stating that the minutes reflect exactly what was stated by Mayor Hunt and nothing otherwise.

Ms. Mary Jones Moved to Amend the Minutes to reflect the motion that Mayor Hunt made was the exact language he used in his motion, and that the comments of Ms. Jones were, should be reflected in the minutes of the meeting; seconded by Mayor Linda Johnson. The Motion Carried.

Resolution to Clarify Actions Taken Approving Fiscal Year 2015 by Tom Inglima

Mr. Tom Inglima began by going over the process of actions. The steps in the process summarized by Mr. Inglima are: selecting a proposed project, reviewing costs and potential funding, authorizing a public hearing, conducting a public hearing, endorsing a project, entering into a project agreement and a funding plan for that project agreement.

Mr. Inglima went on to recount the actions during the meetings of September 29th, November 5th, and November 20th. He recounted that Mayor Hunt had presented the administrative budget with a few reductions, as well as a suggestion made by Mr. Hunt for the Commission to express support for a group of projects in lieu of endorsing any project. He went on to say that even after lengthy discussion and a Commission decision to endorse projects, some difference in beliefs regarding the projects covered by the action still existed, which is the reason for the Resolution.

Mr. Inglima continued to clarify Mayor Hunt's approved motion from the November meeting and reiterated the verbiage of the motion emphasizing the words "to include the cost of the projects in the finance plan and the only difference is the staff involved." He stated that the only finance plan presented to the commission was the one presented during the September meeting, and it did not include the costs of preliminary engineering for the second phase I-64 or I-264, or the preliminary engineering for the Suffolk bypass. He continued and finalized the clarification of the resolution by stating that the resolution has two components, one of which is to affirm that the budget being adopted is the attached budget presented by Mayor Hunt showing a headcount reduction, and the second component is that the initial projects shown on the first page of his presentation, which have been through the public hearing process, are the ones being endorsed.

Chair Krasnoff questioned whether one or two motions would be needed, to which Mr. Inglima responded that a single motion to approve the Resolution as drafted is all that would be necessary.

Mayor Wallace confirmed with Mr. Inglima that the Resolution being adopted did not include the Virginia Beach intersection improvements or Bowers Hill.

Delegate Joannou asked if tolls were going to be used and asked if there was going to be enough money to finance the projects. Chair Krasnoff responded that there was enough money to fund the projects on a pay-as-you-go basis through 2019. Delegate Joannou again asked if they were voting for tolls in the event there wasn't enough money to complete the projects.

Senator Wagner responded by saying that they were not voting on tolls. Senator Wagner further explained that the engineering work has to be done first to be able to determine if existing cash flow and bonding will be sufficient. He continued that the answer of whether tolls will be necessary or not is not known and will not be able to be known unless the

expenditures to complete the preliminary engineering studies and environmental work are made and the studies are completed.

Mr. Tom Inglima continued the discussion by giving an example of the process using the I-64 first and second segments as examples of the process.

Delegate Joannou asked another question to confirm that the first four peninsula projects were not going to be tolled. Chair Krasnoff confirmed. Delegate Joannou asked a question about the outcome regarding tolling if they pass a projected budget mark and need additional funding to complete a project. He stated he wanted to know what he was voting on and wanted to make certain that he wasn't voting for tolls. He concluded by stating that they had an obligation to their people to let them know that they were going to raise their taxes.

Delegate Jones, paraphrasing Senator Wagner, stated that they were only voting on the first few projects that they can pay for with existing funds. He further explained that they were giving endorsements, not voting on funding. He recommended the safe vote if Delegate Joannou still had concerns would be to vote "No."

Senator Wagner and Mr. Inglima gave further insight into the process and reiterated that the process would get to a point where the actual expenditures would have to go through the same process they are currently going through, including public hearings and additional voting.

Delegate Joannou gave an example of running out of money on the last two projects and then stated it was illogical to vote on projects for which you don't have enough money, and then have to use tolls to finish the projects.

Chair Krasnoff stated that to be one of the reasons for having the January 8th meeting, and that those very questions should be posed at that time. He concluded that they have the ability to get the projects to a certain level on a pay-as-you-go basis and they have the money in the bank.

Mayor Kenneth Wright questioned why two of the nine projects were left off and not voted on during the previous meeting, to which Ms. Jones responded that the public hearings on those projects had not been held yet.

Ms. Mary Jones then asked why the process couldn't be started on the two projects so that they could amend a past decision after the projects had been properly vetted.

Mayor Kenneth Wright then questioned whether the two projects would impact the pay-as-you-go method. Further he stated that if it would, he would want the Secretary to look at all of these projects as a system, and not as individual projects. He expressed further concerns that they might be told there isn't enough funding to complete the last four projects without tolling, and that would potentially put all of the tolls on one side. He

remarked that he thought they had previously asked Secretary Layne to present that data using the model of which Secretary Layne presented. Mayor Wright again asked what happened to the other two projects and whether there was enough money to do them.

Senator Wagner explained that the TPO has already approved all of the I-64 and I-264 interchange upgrades, and that the funding here gets one phase of the projects done. He went on to say that with SPSA going away in 2018 and the landfill in Suffolk becoming the landfill for Virginia Beach, that an already dangerous intersection will become even more dangerous with the increased truck traffic. He made a recommendation that those two projects be vetted by the technical committee in preparation for a future Board discussion. He closed by stating the importance of being anticipatory.

Deputy Secretary Grindly Johnson remarked that the Technical Committee has been working closely with KPMG to bring some funding models before the board. She suggested that the two projects in question be referred to them as well to generate funding models.

Mayor Linda Johnson stated that Suffolk still has funding concerns regarding the project being discussed. She also noted that the projects presented in the clarifying resolution have already been vetted and have been through a public hearing.

Mayor Linda Johnson Moved to accept the Resolution (attached hereto as Exhibit A) and verify the action; seconded by Mayor William Sessoms. The Motion Carried.

Briefing Regarding Discussion with VDOT regarding HRTAC/VDOT Memorandum of Agreement and Standard Project Agreement

Mr. Tom Inglima stated that no action on the Memorandum was to be taken today. He did give an update as to the progress of the Memorandum creation and that it is just about ready, but that there was still one facet of the agreement that they were still working on with VDOT. Specifically, they are still working on the Standard Project Agreement.

Mr. Charlie Kilpatrick confirmed Mr. Inglima's characterization of the initial projects VDOT is working on, and added that some of the projects underway are being funded from by the state and HRT.

Mr. Inglima went on to describe other components of the Memorandum including access and rights (or lack thereof) to monies.

Mayor Wallace asked what would happen if the General Assembly didn't appropriate the money. Delegate Jones responded by stating that would mean we don't have a budget and are all in trouble. He went on to say that the Constitution sets it up that all money must be appropriated by the General Assembly.

Mr. Charlie Kilpatrick next stated that at the next meeting they expected to be in good shape to have the Project Agreements executed. He then stated that he does not have the authority to expend funds on a project that is not in the 6-year plan. He gave some examples of funding that was in the plan for specific parts of specific projects.

HRTAC Regular Meeting to Approve HRTAC/VDOT Memorandum of Agreement and Project Agreements for Certain Projects January 8, 2015 -- 8:00 a.m.

Mayor Linda Johnson Moved to hold the January Regular Meeting at 8:00 AM on January 8th and confirm the Chair may, at his discretion, cancel any of the January, February or March meetings by giving Notice of Cancellation to the members; seconded by Mayor William Sessoms. The Motion Carried.

FY 2014 Annual Report on Hampton Roads Transportation Fund

Dr. Camelia Ravanbakht presented the report as required by Item 1, Chapter 2 of the 2014 Special Session. She briefly described how much money had been spent, how much money had been generated by the region, and that they had been working with VDOT staff. She requested endorsement of the document so that it could be submitted to the Joint Commission on Transportation Accountability.

Mayor Wright had a question regarding how much money had been spent, to which Dr. Ravanbakht responded.

Mayor William Sessoms Moved to endorse the document so it can be submitted to the Joint Commission on Transportation Accountability; seconded by Senator Wagner. The Motion Carried.

HRTAC Working Groups

Dr. Camelia Ravanbakht stated explained that the work groups to be formed are similar to what has been done with the TPO and the PDC in the past many years to conduct the business of these two Boards. She is proposing to have working groups made of HRTAC staff on a volunteer basis for a legal working group, an organizational group, and a project implementation group. She remarked that she and Mr. Inglima had a discussion with Northern Virginia Transportation Authority staff and that's what they have put in place.

Mayor Kenneth Wright questioned who would make the decision to put people on the groups and whether this was part of the bylaws. Mr. Inglima stated the members of the advisory committee would be appointed by the chairman. Chair Krasnoff expanded that a need for people with various types of expertise would be needed, such as legal, financial, or engineers. Mr. Inglima added that the appointments would be made by the chairman at the discretion of the chair according to the HRTAC Bylaws.

Chair Krasnoff remarked that it would not be helpful to the organization to leave any one person out and lose their expertise.

Update on Attorney General Opinion

Mr. Tom Inglima stated that they did not have a response from the Attorney General yet, but that they were hopeful to receive a response by the January 8th meeting, as well as the Bank RFP. Mayor William Sessoms remarked that he had heard it would be Christmas before they should anticipate receiving it.

Mr. Inglima also stated that there was a misconception regarding the choosing of a bank for HRTAC and the reduction of costs from the state associated with the collection of the taxes. In summary, choosing a bank for HRTAC will not alleviate state charges associated with collection of taxes.

HRTF Financial Report

Dr. Camelia Ravanbakht remarked that the latest HRTF Financial Report reflected the month of October.

Next Meeting

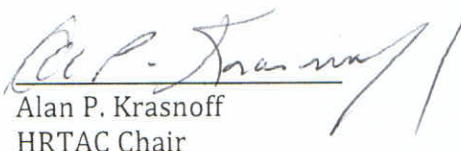
Mayor Paul Fraim asked if VDOT was going to be presenting any actual data on the projects at the next meeting. Mr. Kilpatrick responded that the Memorandum of Agreement and then individual Project Agreements. He also offered to bring additional modeling if desired. It was discussed that VDOT will be bringing forth how the money would be spent for the SEIS. Mr. Kilpatrick stated that they wouldn't have the full scope and scale, but they would present how they are going to spend the money for the SEIS.

Delegate Jones asked a few questions regarding timelines and process, which shed more light on expectations.

The next meeting is scheduled for January 8, 2015 at 8:00 AM.

Adjournment

With no further business to come before the Hampton Roads Transportation Accountability Commission (HRTAC), the meeting adjourned at 11:12 AM.


Alan P. Krasnoff
HRTAC Chair