

**Hampton Roads Transportation
Accountability Commission (HRTAC)
Summary Minutes of the September 20, 2018 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:

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|------------------------------------|-------------------------------------|
| Michael Hipple, Chair | Barry T. Porter |
| Linda T. Johnson, Vice Chair | Thomas G. Shepperd |
| Kenneth Alexander | Elizabeth Psimas (in for John Rowe) |
| Joel Acree | Frank Rabil |
| John Cosgrove* | Donnie Tuck |
| Herbert Green (in for Eugene Hunt) | Frank Wagner |
| Chris Jones | Stephen Best (in for Rick West) |
| Louis Jones | Thomas G. Shepperd |
| McKinley Price* | David Yancey |

HRTAC Executive Director

Kevin Page

HRTAC Ex-Officio Members in Attendance:

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| Stephen Brich* | Cathy Vick |
| John Malbon | |

Other Participants:

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| Shannon Valentine | Randy Keaton* |
| James Baker | Neil Morgan* |
| Bob Baldwin | Patrick Roberts |
| Brian DeProfio | Cynthia Rohlf* |
| Christopher Hall | Doug Smith |
| Dave Hansen* | Scott Stevens* |
| Tom Inglima | James Utterback |
| Michael Johnson | J. Randall Wheeler* |
| Stephen Johnson* | John Yorks |

HRTAC Voting Members Absent:

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| Paul Freiling | Christopher Stolle |
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HRTAC Ex-Officio Members Absent:

Jennifer Mitchell

* Denotes Late Arrival or Early Departure

Others Recorded Attending:

Britta Ayers, Bridgette Parker, Bryan Stilley, Jerri Wilson (NN); Amy Inman, Lauren Lowery, Morgan Whayland (NO); Sherri Neil (PO); Andrew Trivette (WM); Jim Calpin (Bank of America Merrill Lynch); Kevin Johnson, Kirsten Krug, Ron Marena, Chris McNichol (Citigroup Global Market); Jake Fink, Mike Snare, Awil Sharma (HNTB); Mary DiMartino (J.P. Morgan); Eric Ballou (Kaufman and Canoles); Nelson Bush, David Miller, Liang Shan (PFM); Barbara Nelson (Port of Virginia); Patrick Allen (RK &K); Chuck Wall (Troutman Sanders); Kevin Carroll (U.S. Coast Guard); Morteza Farajian, Tony Gibson, Robin Grier, Paula Miller (VDOT); Mark Burns (Wells Fargo Securities) Brett Spain (Willcox and Savage); Kelli Arledge, Nancy Collins, Mike Long, Tiffany Smith, Chris Vaigneur Sheila Wilson (HRPDC); Jennifer Hodnett (HRTAC); Rob Case, Rob Cofield, Shirley Core, Bob Crum, Mike Kimbrel, John Mihaly, Dale Stith (HRTPO)

Approval of Agenda

Chair Michael Hipple introduced and thanked Shannon Valentine, Virginia Secretary of Transportation for attending the meeting. He indicated her presentation was in regards to the HRBT project and the proposed HOT network.

Mr. Herbert Green Moved to amend the agenda and move item 6B1, Secretary Valentine's remarks ahead of item 6A, HRTBT Expansion Project: P3 RFP Terms and Related Term Sheet and Agreements with HRTAC re: Funding including toll revenue, Ms. Linda Johnson seconded. The Motion Carried.

Public Comment Period (limit 5 minutes per individual)

No members of the public addressed the Hampton Roads Transportation Accountability Commission

Chair Comments

Chair Hipple identified continued progress on HRTF funded projects and thanked Senator Wagner, Delegate Jones, Mayor Alexander, and Mayor Tuck for agreeing to serve with Chair Hipple on the HRBT Funding Agreement Advisory Committee.

HRTAC Executive Director, Kevin Page, noted the additional meeting in November so the Commission could be kept up to date on the HRBT project.

Consent Items

- A. Minutes of June 21, 2018 HRTAC Annual Organizational Meeting**
- B. Fiscal Year 2018 Annual Report to the Joint Commission on Transportation Accountability relating to the Hampton Roads Transportation Fund**
- C. Meeting Schedule for Remainder of 2018**
- D. Authorizations relating to HRTAC Chief Financial Officer**
- E. De-Allocation of HRTAC Project Funds Returned by VDOT – HRTAC Adopted FY2016-FY2024 Funding Plan Adjustment**
- F. Amendment to the Approved HRTAC FY2016-FY2024 Funding Plan-HRCS Preferred Alternative Refinement to Support Geotechnical, Survey,**

Administration and Staff Augmentation Phase (UPC 110577) Request for Public Hearing and Letter of No Prejudice to Proceed

Mr. Thomas Shepperd Moved to approve the consent agenda items; seconded by Ms. Linda Johnson. The Motion Carried.

Action Items (per reordered agenda)

A1. Hampton Roads HOT Network Overview

Mr. James Utterback, VDOT HRBT Project Director, reviewed the total lane miles and interchanges and new facility included in the HRBT Expansion project. He outlined the project activities which included NEPA SEIS Re-Evaluation, design public hearings and agency coordination.

He stated VDOT had the authority to pursue a design build under the Public Private Transportation Act (PPTA) or the Virginia Public Procurement Act (VPPA) and reminded the Commission the HRBT is not a typical project and the benefits of the project being built using a PPTA process.

He reviewed the key policy considerations and noted due to the technical complexity of the project, the proposal scoring would be weighted for 60% price and 40% technical. Additional policy considerations indicated were Alternative Technical Concepts (ATCs), managing the financial exposure until the issuance of key permits, and minimization of construction impact and duration.

Mr. Utterback reviewed the major business terms of the project and outlined the procurement milestones.

Commission members reiterated the need for limited to proceed clause and a not to exceed price of the project.

Virginia Secretary of Transportation, Shannon Valentine, discussed the Hampton Roads Express Lanes Network and indicated the 4 segments would reduce congestion, prioritize safety, deliver reliability, provide choices to citizens and moved the highest number of people through the corridor for the lowest price.

She stated two studies were being performed and highlighted the Commonwealth was examining how efficiently and cost effectively toll revenues could be managed. She reassured the Commission the P3 process was being followed and public input has been included in the project.

Secretary Valentine noted the importance of the trestles to be included in the scope of the project and the project achieves economies of scale previously not available. She noted the age of the structures and indicated the future impacts it could have on the facility.

Commission members reminded the Secretary, the legal uses for the Hampton Roads Transportation Fund (HRTF) and the lack of success rate for the High Occupancy Vehicle (HOV) lanes in the region.

Secretary Valentine noted Traffic and Revenue (T&R) studies were to be completed by the end of November, which would provide valuable data for tolling decisions.

Commission members indicated previous versions of the express lanes network did not include segment 4 and questioned its viability. Additionally, members stated the Hampton Roads Transportation Planning Organization (HRTPO) needed to be briefed to ensure all legal components of the project were met.

Commission discussion ensued in regards to the property rights around Hampton University and the potential designs of the project.

Secretary Valentine assured the Commission that the Commonwealth was a partner on this project and that all information would be shared with the Commission to guarantee the best decisions for the citizens of the Region were made.

A2. HRBT Expansion Project: P3 RFP Terms and Related Term Sheet and Agreements with HRTAC re: Funding, Including Toll Revenue (Closed Session, as Needed)

HRTAC Legal Counsel, Thomas Inglima, indicated that VDOT is trying to maximize the negotiating outcome with bidders and there is also a confidentiality agreement between VDOT and the Commission, so he advised the Commission to go into closed session.

Closed Session Motion:

Mr. Thomas Shepperd Moved that a closed session be held for discussions regarding the request for proposals for the Hampton Roads Bridge Tunnel project and the agreements being developed to fund and construct the project, in accordance with (1) Virginia Code Section 2.2-3711(A)(29) for the purpose of discussion of the award of a public contract involving the expenditure of public funds and discussion of the terms and scope of such contract, where discussion in an open session would adversely affect the bargaining position or negotiating strategy of the public body, and (2) Virginia Code Section 2.2-3711(A)(8) for the purpose of consulting with legal counsel regarding specific legal matters requiring the provision of legal advice by such counsel.

Mr. Donnie Tuck seconded the Motion and Chair Hipple, hearing no further discussion, called for a voice vote. The Motion Carried.

The closed session commenced at 1:30 p.m. and ended at 2:30 p.m. When the open session recommenced, Mr. Thomas Shepherd read the following certification to be adopted:

The Hampton Roads Transportation Accountability Commission hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements and the Virginia Freedom of Information Act, and (ii) only such public business matters as were identified in the motion by which the closed meeting was convened, were heard, discussed, or considered in the closed meeting just concluded.

Chair Hipple initiated a roll call vote:

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| McKinley L. Price | Y |
| Stephen Best Sr. | Y |
| Donnie Tuck | Y |
| Joel C. Acree | Y |
| Michael J. Hipple | Y |
| Kenneth C. Alexander | Y |
| Herbert Green Jr. | Y |
| Elizabeth Psimas | Y |
| Barry Porter | Y |
| Linda T. Johnson | Y |
| Louis Jones | Y |
| Thomas G. Shepperd | Y |
| Senator John A. Cosgrove | Y |
| Senator Frank W. Wagner | Y |
| Delegate S. Chris Jones | Y |
| Delegate David Yancey | Y |
| Cathy Vick | Y |

Messrs. Randy Keaton, Scott Stevens, Dough Smith, J. Randall Wheeler, Dave Hansen, Neil Morgan, Stephen Johnson and Stephen Brich left.

Dr. McKinley Price, Senator John Cosgrove, and CTB Representative John Malbon left.

B2 Hampton Roads HOT Network Request re: Toll Revenue Study

HRTAC Finance Chair, Senator Wagner, reiterated the need for the toll revenues to be returned to Hampton Roads due to the insufficient revenues at the State level and the HRTF. He indicated the citizens were always going to be offered a free alternative to tolls and indicated the completion of the studies will assist the Commission in making further decisions.

Mr. Stephen Best Moved to authorize the Chair to request that VDOT modify its investment grade, toll-based traffic and revenue study of the Hampton Roads Express Lane Network to take into account two scenarios: (1) A scenario where on a 24/7 basis all users of the "HOT" Managed Lanes for the HRBT water crossing are charged for use of those lanes, and (2) A scenario where during off peak hours all users of the "HOT" Managed Lanes for the

HRBT water crossing are charged for use of those lanes, such that HOV-2 and HOV-3 free use would be limited to peak hours, Seconded by Mr. Joel Acree. The Motion Carried.

C. Debt Management Plan – Authorization of TIFIA Loan Application for Existing Projects

HRTAC Executive Director, Kevin Page, reminded the Commission that TIFIA was a federal loan program and HRTAC projects do qualify for funding monies. He indicated the loan monies did not have to be used immediately, however, the interest rate would be locked in allowing for cost savings. He stated the Finance Committee recommended seeking a loan for \$450 Million and noted that the loan application amount was \$250,000.

Commission members acknowledged the uptick of treasury interest rates and the importance of the cost savings associated with a lower interest rate.

Mr. Barry Porter Moved to authorized advancement of the TIFIA Loan Application for the Commission's existing projects and authorize the Executive Director to work within the Commission's Adopted Annual Administrative and Project Development Budget to advance payment of the TIFIA Loan Application and pay TIFIA legal and processing fees, Seconded by Ms. Linda Johnson. The Motion Carried.

Information Items

A. HRTAC Monthly Financial Report

Senator Wagner reviewed the HRTF Financial Report included in the agenda packet.

B. VDOT/HRTAC Project Updates

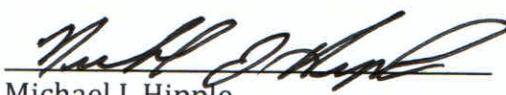
Mr. Christopher Hall, Hampton Roads District Administrator reviewed the progress of the projects and studies currently under construction in regards to budget and schedule

Next Meeting

The HRTAC Regular Meeting will be held on November 15, 2018 at 9:00 a.m. in the Regional Building Board Rooms, 723 Woodlake Drive, Chesapeake VA.

Adjournment

With no further business to come before the Hampton Roads Transportation Accountability Commission, the meeting adjourned at 2:43 p.m.



Michael J. Hipple
HRTAC Chair