

AGENDA

Hampton Roads Transportation Accountability Commission

Regular Meeting October 20, 2016

12:30 p.m.

The Regional Board Room

723 Woodlake Drive, Chesapeake, VA 23320

- 1. Call to Order**
- 2. Approval of Agenda**
- 3. Public Comment Period (5 Minute Limit)**
- 4. Chair's Comments**
- 5. Consent Items**
 - Recommended Action: Approval
 - A. Minutes of September 15, 2016 HRTAC Board Meeting (Attachment 5A)**
- 6. Action Items**
 - A. Hampton Roads Crossing Study SEIS – Proposed Plan of Finance Scenarios for the SEIS Alternatives (Attachment 6A) - Presentation by Executive Director Page and David Miller, PFM - Recommended Action: Discussion/Approval**
- 7. Information Items**
 - A. HRTF Financial Report (Attachment 7A) – Finance Chair, Senator Wagner**
- 8. Next HRTAC Regular Meeting – November 17, 2016, 12:30 p.m., Regional Building Board Room**
- 9. Adjournment**

Agenda Item 5A
Consent Item

To: Chair Sessoms and the other members of HRTAC

From: Kevin B. Page, Executive Director

Date: October 20, 2016

Re: September 15, 2016 Meeting Minutes

Recommendation:

The Commission is asked to approve the September 15, 2016 Commission's 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 September 15, 2016.

**Hampton Roads Transportation
Accountability Commission (HRTAC)
Summary Minutes of the September 15, 2016 Regular Meeting**

The Hampton Roads Transportation Accountability Commission (HRTAC) Regular Meeting was called to order at 1:14 p.m. in the HRTPO Regional Board Room, 723 Woodlake Drive, Chesapeake, Virginia, with the following in attendance:

HRTAC Members in Attendance:

William Sessoms, Chair	Barry Porter
Michael Hipple, Vice Chair	McKinley Price
Rex Alphin	Frank Rabil
John Cosgrove	Thomas Shepperd
Paul Freiling	Donnie Tuck
Linda Johnson	Frank Wagner *
Mamie Johnson	Kenneth Wright
(for Kenny Alexander)	David Yancey
Chris Jones	
Alan Krasnoff *	

HRTAC Executive Director

Kevin Page

HRTAC Ex-Officio Members in Attendance:

Charlie Kilpatrick	John Reinhart*
John Malbon	

Other Participants:

Tom Inglima	David Miller
Grindly Johnson*	James Utterback

HRTAC Voting Members Absent:

Eugene Hunt	Chris Stolle
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HRTAC Ex-Officio Members Absent:

Jennifer Mitchell

* Denotes Late Arrival or Early Departure

Others Recorded Attending:

John Gergely (Citizen); James Baker, Kelly Lackey (CH); Randy Martin (FR); Brian Deprofio, Mary Bunting (HA); Randy Keaton (IW); Pam Holt (JC); Jerri Wilson (NN); Marcus Jones, Jeff Raliski, Michelle Washington (NO); Bob Baldwin, Lydia Pettis-Patton (PO); Randy Wheeler (PQ); Michael Johnson (SH); Dave Hansen, Bob Matthias (VB); Bill Cashman (AECOM); Steve Schemmel (Bank of America); Dennis Heuer (Clark Nexsen); Frank Papcin

(CTAC); Theresa Clift (Daily Press); Amber Riviere, Don Quisenberry, Reginald Williams (eScribe Solutions and Veteran Reporters); Nick Antonucci, John Bourne, Anil Sharma (HNTB); Ross Grogg (Kemper Consulting); Tracy Baynard (McGuire Woods Consulting); Karen McPherson (McPherson Consulting); Mike Freidank (Michal Baker International); Phil Lohr (Parsons Brinkerhoff / WSP); Mike Garber (PBMares); Nelson Bush, Kevin Rotty (PFM); Mark Geduldig-Yatrofsky (Portsmouthcitywatch.org); Ken Yarberry (RK&K); Ellis W. James (Sierra Club and NEC Observer); Angel Deem, Tony Gibson, Paula Miller; Dawn Odom, Scott Smizik (VDOT); Jordan Pascale (Virginian Pilot); Mike Long, Joe Turner, Chris Vaigneur (HRPDC); Jennifer Coleman (HRTAC); Rob Case, Nancy Collins, Bob Crumb, Danetta Jankosky, Michael Kimbrel, Kendall Miller, Camelia Ravanbakht (HRTPO)

1. Call to Order

Chair William Sessoms called the meeting to order at 1:14 P.M., thanked everyone for attending, noted that the meeting was running behind schedule, and stated his expectation to adjourn before 2:30. P.M. He welcomed the following: Donnie Tuck from Hampton, a new member; Frank Rabil from Franklin; Tom Sheppard from York; Paul Freiling from Williamsburg; Mamie Johnson, a designee for Mayor Kenny Alexander; Barry Porter from Southampton; and John Cosgrove, the new representative from the Senate.

2. Approval of Agenda

Chair Sessoms announced that before approving the agenda, he recommended changing its order since some individuals have to leave early. On the Action items, Item B will become A; item D, will become B; item G will become C with the remainder in normal order.

Mr. Alan Krasnoff Moved to approve the amended agenda; seconded by Mr. Michael Hipple. The Motion carried.

3. Public Comment Period (limit 5 minutes per individual)

Mr. Frank Papcin spoke on the HOV change to HOT lanes and asked the following: (1) what is the cost of setting it up to be a toll road; (2) what is the cost of operating as a toll road; and (3) how much money was going to the HRTF. He requested information about how much money the region will realize for the inconvenience to those who depended on HOV. Regarding the SEIS Alternatives, Mr. Papcin is in favor of Alternatives C and D and suggested encouraging the use of I-664.

Ms. Donna Sayegh stated that she is concerned that the HOV lanes cannot be transferred to regular lanes. She noted the shortfall in the State budget and questioned HRTAC's legal expenditures.

Mr. John Gergely opined that the region can only afford one mega project, recommended looking at one project at a time, and questioned the prioritization process and the computer program on the website.

4. Consent Items

A. Minutes of June 16, HRTAC Annual Organizational Board Meeting

Senator Frank Wagner Moved for approval; seconded by Ms. Linda Johnson. The minutes were approved.

5. Action Items

A. FY2016 Financial Statement Audit

Senator Frank Wagner announced that the first audit of HRTAC concluded on September 7, and noted the following results from the audit firm PBMares, LLC: “The results of our test disclosed no instances of noncompliance or other matters that are required to be reported under the government auditing standards.”

Senator Frank Wagner Moved for acknowledgement of the audit; seconded by Ms. Linda Johnson. The Motion carried.

B. Standard Project Agreement for Standard Project Services to Support Right of Way and Construction Phase for I-64 Southside Widening and High Rise Bridge, Phase I

Mr. Kevin Page noted that the project would be the largest undertaken by HRTAC, and thanked Mr. Tom Inglima and Commissioner Charlie Kilpatrick and team for assistance.

Mr. Tom Inglima reported that some changes had been made to the Standard Project Agreement regarding providing greater clarity with respect to the construction schedule and the procedures VDOT should follow before entering into a construction contract with a performance or payment schedule different from that in the Project Agreement—basically an advice and consent procedure with HRTAC. In addition, the SPA includes a provision that confirms that if the contract is amended to reflect a reduction in cost, HRTAC’s commitment is also reduced, which will help HRTAC reallocate funds. During discussions, the parties acknowledged that the model contract may need to be revisited for mega-projects.

Mr. Alan Krasnoff Moved to approve the agreement and authorize the Chair to execute and deliver the agreement; seconded by Mr. Michael Hipple. The Motion carried.

C. Investment Management Services Contract Award

Senator Frank Wagner spoke on the search for a new provider of investment management services. He summarized that after an RFP was sent out, nine proposals were received, and the evaluation committee met and recommended to proceed with negotiations with PFM. He noted negotiations resulted in even lower rates and terms and conditions more favorable to HRTAC, specifically HRTAC’s option to terminate with thirty days’ notice and ability to renew for additional four,

one-year terms. The options are not reciprocal. He added that the investment fees are competitive.

Senator Frank Wagner Moved to authorize an Award of an Investment Management Services Contract to PFM and the execution and delivery of the contract after publishing a 10 day notice of award; seconded by Ms. Linda Johnson. Chair Sessoms abstained and the Motion carried.

Before members excused themselves, Chair Sessoms noted that he hoped that each received the letter pertaining to the schedule, and also noted the importance of upcoming meetings and the attendance of all members.

D. Hampton Roads Crossing Study SEIS—Proposed Plan of Finance Scenarios for the SEIS Alternatives

Mr. Kevin Page thanked the Chair for working with FSAC, and called Mr. David Miller of PFM to bring forward the plan of finance scenarios regarding how to fund each SEIS Alternative, show how the funding would fit into the 2040 constrained long-range transportation plan, and answer questions about how to advance the first phase of projects.

Mr. David Miller recapped the Plan of Finance adopted in March:

- A six-year pay-go funding plan was approved; and
- Included in the plan were the I-64 Widening, I-64/264 interchange, and Phase I of the High Rise Bridge.

The HRTPO set a project sequencing and adopted a fiscally-constrained 2040 long-range plan. Mr. David Miller reviewed the current status of the plan:

- Fiscal revenues of the HRTF came in at about four and a half percent less than previously estimated, specifically due to the lack of a floor on the fuel tax;
- A bond trust agreement is moving through the validation process;
- Some of the financial plans look at bonding sooner to move projects along and take advantage of low interest rates;
- CDM Smith performed preliminary traffic and revenue studies in 2014 and 2015 and recommend further study as some information changed;
- Tolls produce revenue, but they are low compared to the cost of the projects;
- The TIFIA, a federal low interest loan program, may be used for toll financing; and

- Illustrative sequencing of the projects show HRBT, projects that collectively make up the I-564/I-664 connector, and then Monitor-Merrimac.

Mr. David Miller continued with a number of options PFM considered in their calculations with the goal of completing most projects by 2040. He explained a number of tables depicting various sequencing and advantages of alternatives, the most noteworthy as follows:

- B-1 and D-1, which accelerate the I-564/I-664 project ahead of HRBT and caused B-2 and D-2 to have the HRBT first, then followed by the I-564 project; and
- D-3 which takes I-564 straight across to Monitor-Merrimac, not including the cost of VA 164.

Mr. David Miller stated that the projects can be accomplished one to three years, more quickly if the I-564 project was first. Members discussed the options and asked for clarification.

Mr. Alan Krasnoff asked about costs, and Mr. Miller explained the tables showed inflation effects.

Mr. David Yancey questioned how it would be different if I-564, which appears as new construction, was done first versus HRBT being improved plus a new tunnel. He asked for clarity on how PFM arrived at the numbers. Mr. Miller noted that the cost of I-564 depends on three variables:

- 1) Whether the plan is to go straight across or assume VA 164;
- 2) The inflation factor; and
- 3) I-564 produces more revenue.

Mr. David Miller referenced a comment from the HRTPO on whether Alternative B components could be added to Alternative D and noted that it was feasible.

Mr. Michael Hipple asked if traffic issues, specifically at the HRBT, were part of the scenario. Mr. Miller explained that traffic was not considered in the calculations, but the HRTPO is looking at the problem.

Mr. McKinley Price stated that he believes any option should include transit and that all of the options do not.

Chair Sessoms asked Mr. Page for direction following the presentation. Mr. Page stated that he is asking the Commission to authorize him to take the information to the October HRTPO meeting, and to share it with the HRTPO in their deliberations and analysis for consideration of working with the Ports as an alternative.

E. FY2016 Annual Report to the Joint Commission on Transportation Accountability to the Hampton Roads Transportation Fund

Mr. Kevin Page explained that it is an annual report required by the Code of Virginia and reports the activities of the HRTF and the progress of HRTAC.

Mr. Chris Jones Moved to Endorse the Fiscal Year 2016 Annual Report to the Joint Commission on Transportation Accountability Relating to the Hampton Roads Transportation Fund; seconded by Mr. Michael Hipple. The Motion carried.

F. Official Intent for Allocation of Bond Proceeds to Reimburse HRTAC Expenditures on I-64 Southside Widening and High Rise Bridge Project

Mr. Kevin Page explained that this is the standard resolution passed for all pay-go projects and affords the opportunity to reimburse HRTAC for the project costs with bond proceeds in the future.

Mr. Rex Alphin Moved for Authorization to Adopt the Resolution of Official Intent for Allocation of Bond Proceeds to Reimburse HRTAC Expenditures on I-64 Southside Widening and High Rise Bridge Project; seconded by Mr. Michael Hipple. The Motion carried.

G. Standard Project Agreement for Standard Project Services to Support Route 460/58/13 Connector Improvements, Preliminary Engineering Phase

Mr. Kevin Page noted that it is an authorization to move forward with a contract on what was authorized by HRTAC.

Ms. Linda Johnson Moved to authorize the execution and delivery of the Standard Project Agreement; seconded by Mr. Alphin. The Motion carried.

H. Amended and Restated Bylaws, Second Reading

Mr. Thomas Inglima pointed out that at the last meeting he reviewed the bylaw amendments, all required by HB1111, and dealing with the manner in which each county may appoint its Commission representative from among its board. The amendments further reflect how a member can appoint a designee to serve at a specific meeting in his or her stead. HRTAC must be notified of the appointment forty-eight hours in advance.

Mr. Michael Hipple Moved to adopt the Amended and Restated Bylaws; seconded by Ms. Linda Johnson. The Motion carried.

I. Authorization of Public Hearing on the Proposed Amendment to the Approved HRTAC 2016-2022 Funding Plan - I-64/I-264 Interchange - Phase III, Standard Project Services to Support Preliminary Engineering Phase.

Mr. Kevin Page explained that this is authorization for HRTAC to hold a public hearing on the \$10 million necessary and requested by VDOT to continue forward with the I-64/I-264 Interchange Project.

Mr. Thomas Sheppard Moved to authorize a public hearing; seconded by Mr. Chris Jones. The Motion carried.

6. Information Items

A. HRTF Financial Report

Chair Sessoms asked the members to review the report.

7. Next HRTAC Regular Meeting – October 20, 2016

Adjournment

With no further business to come before the Hampton Roads Transportation Accountability Commission, the meeting adjourned at 2:12 p.m.

William D. Sessoms, Jr.
HRTAC Chair

Agenda Item 6A
Action Item

To: Chair Sessoms and the other members of HRTAC

From: Kevin B. Page, Executive Director

Date: October 20, 2016

Re: Hampton Roads Crossing Study SEIS - HRTAC Potential Plan of Finance Scenarios

Recommendation:

The Hampton Roads Transportation Planning Organization (HRTPO) has been briefed on the HRTAC Plan of Finance Scenarios for the Hampton Roads Crossing Study SEIS (HRCS SEIS) Alternatives as detailed as a part of this Agenda Item's presentation. When the Hampton Roads Transportation Planning Organization (HRTPO) takes action to endorse a HRCS SEIS Alternative, it is recommended that, if feasible, HRTAC take action to endorse the Plan of Finance scenario that accompanies the Alternative endorsed by the HRTPO.

Background:

Executive Director Page was asked to study the Alternatives of the HRCS SEIS. The Funding Strategies Advisory Committee and the Commission's consultants advised in the Commission's analysis of the funding feasibility of the HRCS SEIS Alternatives. On Thursday, October 20, 2016, Executive Director Page provided the HRTPO an overview of the HRTAC Plan of Finance scenarios for the HRCS SEIS Alternatives as detailed as a part of this Agenda Item's presentation. HRTAC stands ready to identify as to whether the Alternative selected by the HRTPO is financially feasible.

Fiscal Impact:

If the HRCS projects proceed, there will be an impact to the Hampton Roads Transportation Fund.

Suggested Motion:

Motion: is to adopt "HRTAC Resolution 2016-13, Determination RE: HRCS SEIS Alternative."





HRTAC RESOLUTION 2016-13

DETERMINATION RE: HRCS SEIS ALTERNATIVE [REDACTED]

WHEREAS, a draft Supplemental Environmental Impact Statement regarding the Hampton Roads Crossing Study (the “Draft HRCS SEIS”) has been produced by the Virginia Department of Transportation (“VDOT”), the Federal Highway Administration and certain other stakeholders;

WHEREAS, the Draft HRCS SEIS identifies several construction alternatives (the “Alternatives”);

WHEREAS, the Commission studied the financial feasibility of each Alternative;

WHEREAS, the results of the Commission’s study were presented to the Hampton Roads Transportation Planning Organization (the “HRTPO”) at its meeting on _____, 2016, and the HRTPO took action to endorse HRCS SEIS Alternative [REDACTED];

WHEREAS, the Commission now desires to express its view regarding the financial feasibility of Alternative [REDACTED];

NOW, THEREFORE, BE IT RESOLVED, that the Commission hereby (i) determines that the proposed Plan of Finance for HRCS SEIS Alternative [REDACTED], which has been advised through the work of the Funding Strategies Advisory Committee and presented at today’s meeting, is a feasible funding option based on the potential sources of revenue identified by the Commission’s consultant and the cost estimates provided by VDOT, and (ii) supports the HRTPO’s selection of HRCS SEIS Alternative [REDACTED] and advancing the projects covered by such Alternative through the regulatory approval process to project readiness.

APPROVED and ADOPTED by the Hampton Roads Transportation Accountability Commission at its meeting on the ____ day of _____, 2016.

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

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

HAMPTON ROADS TRANSPORTATION ACCOUNTABILITY COMMISSION



Hampton Roads Crossing Study SEIS Potential Funding Scenarios

Kevin B. Page

HRTAC FSAC August-September 2016 - Updated Analysis

- Funding Strategies Advisory Committee (FSAC) re-engaged PFM consultants to assist in development of Plan of Finance scenarios for the four Alternatives of the HRCS SEIS
 - Two FSAC meetings were held with multiple scenarios of the four Alternatives run based on FSAC discussions
- The HRTF estimate stream utilized was based on FY 2016's actuals.
 - The 4.5% reduction rate is applied to the HRTF revenue stream assumed in the February analysis
- Tolling scenarios analyzed:
 - HOT – all Harbor Crossing projects are HOT except fixed rates on I-564/I-664 Connectors (Patriots Crossing)
 - No Toll – no tolling on Harbor Crossing project except fixed rates on I-564/I-664 Connectors
 - High Rise Bridge is tolled in the HOT scenario only

HRTPO Designation of Project Sequencing in 2040 Fiscally Constrained Long Range Transportation Plan (FCLRTP) Adopted July 21, 2016

2040 FCLRTP

	I-64 Seg. I	I-64 Seg. II	I-64 Seg. III	I-64/I-264 Interchange (Phase I)	I-64/I-264 Interchange (Phase II)	High Rise Bridge (Phase I)	HRC Study (SEIS)	Harbor Crossing Project (Phase I)	High Rise Bridge (Phase II)	Ft. Eustis Interchange	Rt 460/58/13 Connector	Total FV Cost	First HRTF Bonds In	Funded by HRTF Bonds	Funded by Toll Bonds	Funded by HRTF Pay- Go	Funded by Other Pay- Go (see Notes 5&6)
2040 CLRP with HOT																	
Inflated Costs (MM)	\$123	\$190	\$311	\$157	\$190	\$600	\$5	\$4,848	\$1,396	\$267	\$334						
Fiscally Constrained Construction End Year	2018	2019	2022	2019	2021	2020	2018	2028	2029	2031	2032	\$8,421	2023	\$3,965	\$170	\$3,536	\$750
2040 CLRP without HOT																	
Inflated Costs (MM)	\$123	\$190	\$311	\$157	\$190	\$600	\$5	\$4,848	\$1,396	\$267	\$334						
Fiscally Constrained Construction End Year	2018	2019	2022	2019	2021	2020	2018	2028	2029	2031	2032	\$8,421	2023	\$4,161	\$0	\$3,510	\$750

2040 Vision Plan

	Harbor Crossing Project (Phase II)	Harbor Crossing Project (Phase III)	Total FV Cost	Funded by HRTF Bonds	Funded by Toll Bonds	Funded by HRTF Pay-Go	Funded by Other Pay-Go (see Notes 5&6)
Post 2040 Vision Plan with HOT							
Inflated Costs (MM)	\$12,143	\$9,675					
Fiscally Constrained Construction End Year	2061	2066	\$21,818	\$15,010	\$922	\$5,136	\$750

One operationally independent component of Harbor Crossing Project and all other HRTAC projects completed by 2040.

HRTAC FSAC Analysis

- Alternatives developed included:
 - ‘Approved Projects’, i.e. I-64 Peninsula Widening, I-64/I-264 Interchange, I-64 Widening and High Rise Bridge Phase I (HRB I)
 - First Harbor Crossing Project (HCP) – could be either HRBT or the I-564/VA 164 Connector project segments as applicable for SEIS Alt B or Alt D
 - I-64 Widening and High Rise Bridge Phase II (HRB II)
 - The goal is to ensure HRB II is completed by 2040
 - VDOT has indicated that Bowers Hill needs to be concurrent to HRB II
 - Ft Eustis Boulevard Interchange
 - Rt 460/58/13 Connector
 - The remaining Harbor Crossing Project segments

Draft HRCS SEIS Alternatives' Map

Alt. A



Alt. B



Alt. C



Alt. D



Draft HRCS SEIS Alternatives' Alignment Segments Map



Traffic and Revenues

- CDM Smith conducted preliminary T&R studies for VAP3 Office in 2014 and 2015. These studies are used as the Harbor Crossing projects' toll revenues assumptions in this analysis.
- However, project scopes and configurations are different in some SEIS Alternatives than what were assumed in the prior work.
- Toll rates were provided by VDOT. CDM Smith did not conduct toll rate sensitivity analyses or recommend the toll rates.
 - HOT tolling - assume \$0.35 per mile (peak) and \$0.16 per mile (off peak) for passenger cars in 2016; inflate @ 2.5% annually
 - I-564/I-664 Connectors \$2.9 passenger car in 2016; inflate @ 2.5% annually
- CDM Smith recommends further T&R study to best determine financial feasibility of toll estimates.
 - No revenues are assumed on the VA 164 segment (no T&R study data). High Rise Bridge HOT revenues start after the Phase I project completes, as applicable.

HRTAC Alternative Analysis Observations

- The accelerated HRTF bonding and bi-furcated credit structure improves financial feasibility
- Scenarios that do not work within the 2040 FCLRTP as Adopted by the HRTPO
 - SEIS Plan of Finance Alt B-1 & B-2 can be completed as well as HRB II by 2040 to keep constrained, other approved 2040 FCLRTP projects are impacted
 - SEIS Plan of Finance Alt C includes project components that are outside of HRTAC's scope
 - SEIS Plan of Finance Alt D, the complete HCP can not be completed by 2040, but some segments can with impacts to the approved 2040 FCLRTP
- Scenarios that work within the 2040 FCLRTP as Adopted by the HRTPO
 - SEIS Plan of Finance Alt A Modified as proposed delivers HRBT, HRB II and Bowers Hill (added), Ft. Eustis Boulevard Interchange, and 460/58/13. can be completed under the approved 2040 FCLRTP without impact to other projects
 - SEIS Plan of Finance Alt B-3 as proposed delivers HRBT, HRB II and Bowers Hill (added), Ft. Eustis Interchange, and 460/58/13. The second segment of Alternative B, I-564 Connector/VA 164 is delivered by 2048 (with HOT tolls) and 2052 (no HOT tolls) following further project development

HRTAC Analysis - SEIS Alternative A Modified, 2040 FCL RTP with HRBT as 'Harbor Crossing Project Phase I' - Bowers Hill Added Concurrent with High Rise Bridge Phase II – September 2016 Analysis

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

- HRBT is the only Harbor Crossing component in Alternative A.
- Alt A can be completed under the approved 2040 FCL RTP without impact to other projects.
- HRBT, HRB II/Bowers Hill Interchange, the Rt 460/58/13 and the Ft. Eustis Boulevard Interchange can all be completed within 2040 FCL RTP.

HRTAC Analysis – Alternative B-3 – 2040 FCL RTP with HRBT as first of two Components of ‘Harbor Crossing Project Phase I’ - Bowers Hill Added Concurrent with High Rise Bridge Phase II – September 2016 Analysis

2040 FCL RTP	Approved Projects	HRBT (seg. 8&9)	HRB II	Bower's Hill Interchange	Rt 460/58/13	Ft. Eustis Interchange	I-564 Connectors (seg. 10&12)	VA 164 (seg. 13&14)	Total FV Cost	Funded by HRTF Bonds	Funded by Toll Bonds	Funded by HRTF Pay-Go	Funded by Other Pay-Go
2040 FCL RTP with HOT													
Inflated Costs (MM)	\$1,576	\$4,031	\$1,493	\$568	\$368	\$297							
Fiscally Constrained Construction End Year	2022	2024	2031	2031	2035	2035			\$8,333	\$4,912	\$347	\$2,324	\$750
2040 FCL RTP without HOT													
Inflated Costs (MM)	\$1,576	\$4,131	\$1,529	\$583	\$368	\$297							
Fiscally Constrained Construction End Year	2022	2025	2032	2032	2035	2035			\$8,484	\$5,500		\$2,234	\$750

2040 Vision Plan	Approved Projects	HRBT (seg. 8&9)	HRB II	Bower's Hill Interchange	Rt 460/58/13	Ft. Eustis Interchange	I-564 Connectors (seg. 10&12)	VA 164 (seg. 13&14)	Total FV Cost	Funded by HRTF Bonds	Funded by Toll Bonds	Funded by HRTF Pay-Go	Funded by Other Pay-Go
Post 2040 vision plan with HOT													
Inflated Costs (MM)							\$6,315	\$1,214					
Fiscally Constrained Construction End Year							2048	2048	\$7,529	\$4,448	\$1,716	\$1,365	
Post 2040 vision plan without HOT													
Inflated Costs (MM)							\$6,971	\$1,341					
Fiscally Constrained Construction End Year							2052	2052	\$8,312	\$5,356	\$1,510	\$1,447	

- HRBT is first of two projects of the Harbor Crossing Project Phase I project of 2040 FCL RTP.
- HRBT, HRB II/Bowers Hill Interchange, the Rt 460/58/13 and the Ft. Eustis Boulevard Interchange can all be completed within the 2040 FCL RTP.
- The I-564 Connectors (seg. 10 & 12) and VA 164 (seg. 13 & 14) – Can be completed in 2048 (with HOT tolls) and 2052 (no HOT tolls)
- In the HOT version, a cash injection of \$2.9 billion in the 2033/34 time frame from federal grants, state grants, private equity, or other non-HRTAC sources could accelerate the I-564/VA164 project to a 2040 completion. Further study is needed to determine if excess project toll revenue (after TIFIA debt service) will support returns on private equity near the amount of cash injection needed.



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HAMPTON ROADS TRANSPORTATION FUND

FINANCIAL REPORT

FY2014 – FY2017

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

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

Attached are the August 2016 financial reports. Based on the financial reports received to date from VDOT, the HRTPO staff has analyzed the data and prepared the attached reports and summaries:

Revenues

Total Gross Revenues (as of August 31, 2016): \$495,579,315

- State Sales and Use Tax : 380,912,014
- Local Fuels Tax : 109,183,929
- Interest : 1,713,919
- Investment Income: 3,769,453

Expenditures

Total Expenditures: \$40,877,197

- Project Construction: 38,360,934
- Total Dept. of Tax Administrative Fees: 499,518
- Total DMV Administrative Fees: 98,695
- Investment Fees: 422,401
- Operating Expenses: 1,495,649

Cash Balance

Ending Cash Balance: \$454,702,118

Encumbered Balance

Balance of Encumbered (through FY2020): \$1,045,919,211

Allocation: \$1,084,280,145

- Less Construction Expenditures: \$38,360,934

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

	Gross Revenue					Expenditures						Cummulative Balance
	Sales & Use Tax	Fuel Tax	Interest	Investment Income	Total	Construction	Dept of Tax Admin Fee	DMV Admin Fee	Investment Fees	Operating Expenses	Total	7/1/13 - 8/31/16
July 2013 - August 2015	\$ 253,124,863	\$ 83,034,814	\$ 1,582,315	\$ 363,443	\$ 338,105,434	1,544,502.42	\$ 499,518	\$ 98,695	\$ 71,031	\$ 535,285	\$ 2,749,031	\$ 335,356,403
September 2015	10,921,675	3,103,960	-	693,355	14,718,990	-	-	-	136	135,430	135,566	349,939,827
October 2015	10,667,491	2,730,430	20,956	(135,702)	13,283,175	-	-	-	5,835	50,205	56,040	363,166,962
November 2015	10,278,741	2,476,244	-	(641,787)	12,113,199	-	-	-	52,597	35,761	88,358	375,191,803
December 2015	10,227,086	2,309,950	-	(243,682)	12,293,354	-	-	-	23,888	228,745	252,633	387,232,524
January 2016	12,517,610	1,982,010	15,257	1,647,705	16,162,582	-	-	-	34,984	42,542	77,527	403,317,580
February 2016	8,517,528	2,135,239		331,223	10,983,989	-	-	-	29,424	51,529	80,953	414,220,616
March 2016	9,586,789	1,714,858	-	750,130	12,051,777	-	-	-	28,370	108,236	136,606	426,135,787
April 2016	11,106,409	1,278,871	14,767	86,070	12,486,116	-	-	-	39,416	51,089	90,505	438,531,397
May 2016	10,954,209	2,081,793	-	(283,883)	12,752,118	-	-	-	55,869	46,199	102,068	451,181,447
June 2016	16,475,897	2,086,824	30,779	1,795,212	20,388,713	32,727,649	-	-	23,712	133,538	32,884,898	438,685,262
July 2016	5,309,301	2,040,681	31,522	(176,716)	7,204,788	4,088,783	-	-	32,618	30,167	4,151,567	441,738,483
August 2016	11,224,415	2,208,256	18,323	(415,914)	13,035,080	-	-	-	24,521	46,924	71,445	454,702,118
Total 12 Months	\$ 127,787,151	\$ 26,149,116	\$ 131,604	\$ 3,406,010	\$ 157,473,880	36,816,432	\$ -	\$ -	\$ 351,370	\$ 960,364	\$ 38,128,165	
Grand Totals	\$ 380,912,014	\$ 109,183,929	\$ 1,713,919	\$ 3,769,453	\$ 495,579,316	38,360,934	\$ 499,518	\$ 98,695	\$ 422,401	\$ 1,495,649	\$ 40,877,197	
Less Balance of Encumbered												\$ (1,045,919,211)
Total Net Available												(591,217,093)

HRTF Revenue

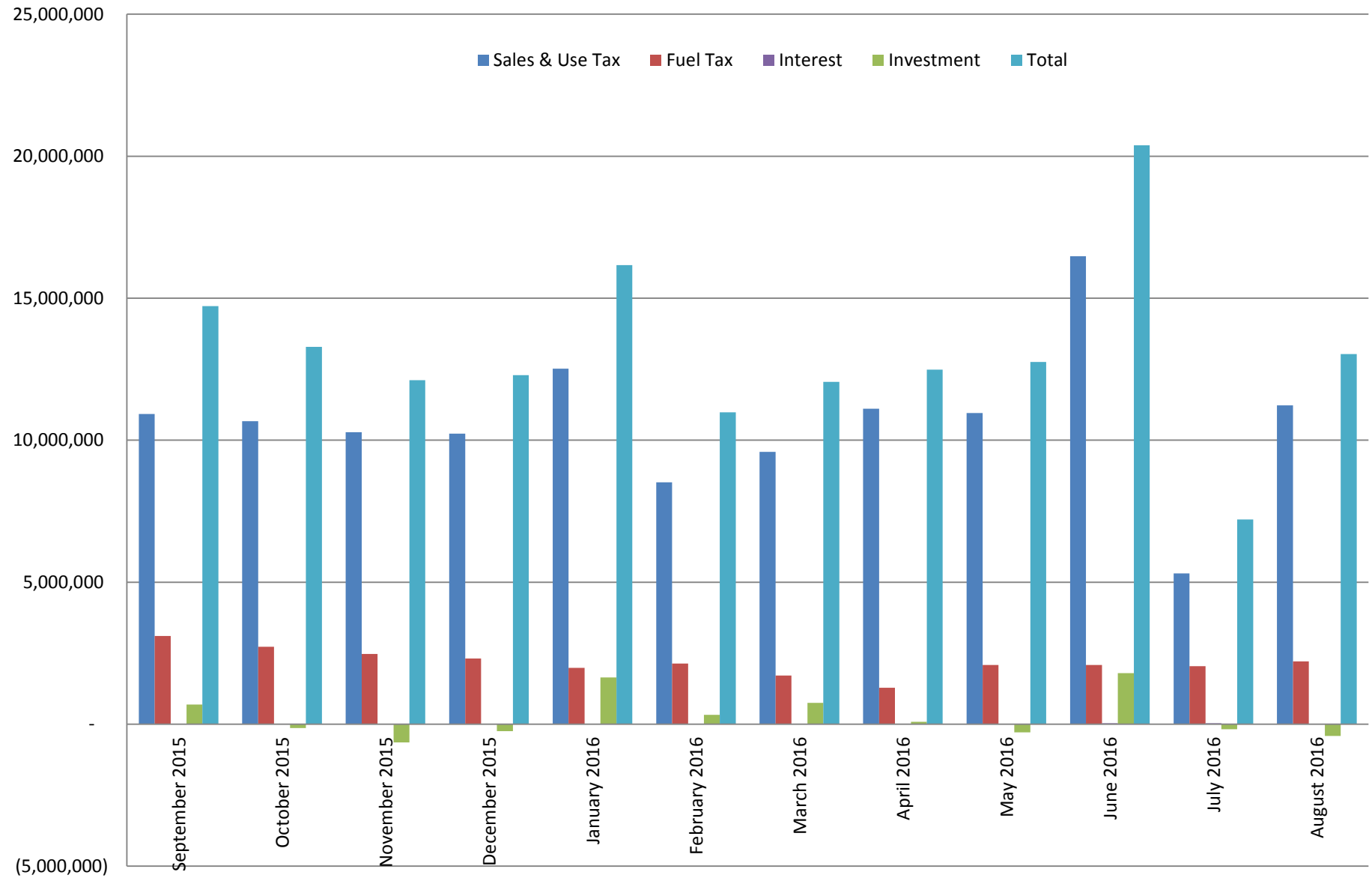


Table 1 - Total HRTF Revenues**Hampton Roads Transportation Fund (HRTF)****Total of Sales & Use and Fuels Taxes****Fiscal Year 2017**

Locality	Total FY2014 - FY 2016	Previous FY2017	August 2016	Total YTD FY2017	Total
<i>Chesapeake</i>	85,583,739	1,398,785	2,360,806	3,759,591	89,343,331
<i>Franklin</i>	4,094,524	53,279	107,130	160,409	4,254,933
<i>Hampton</i>	34,772,960	522,733	935,336	1,458,069	36,231,028
<i>Isle of Wight</i>	7,502,182	106,327	206,411	312,739	7,814,921
<i>James City</i>	21,356,516	325,571	642,668	968,239	22,324,755
<i>Newport News</i>	49,945,592	723,514	1,334,463	2,057,977	52,003,569
<i>Norfolk</i>	64,950,150	902,343	1,729,657	2,632,000	67,582,150
<i>Poquoson</i>	1,237,029	10,902	27,830	38,733	1,275,761
<i>Portsmouth</i>	16,717,771	242,753	446,730	689,483	17,407,254
<i>Southampton</i>	2,255,654	26,720	54,230	80,950	2,336,604
<i>Suffolk</i>	22,212,686	318,760	594,243	913,002	23,125,688
<i>Virginia Beach</i>	126,726,303	2,024,362	4,037,151	6,061,513	132,787,815
<i>Williamsburg</i>	10,340,895	342,287	312,643	654,930	10,995,825
<i>York</i>	21,617,290	351,645	643,373	995,019	22,612,309
Total	469,313,290	7,349,982	13,432,671	20,782,653	490,095,943
Interest	1,664,074	31,522	18,323	49,845	1,713,919
Investment Income (Sterling/ Union/LGIP)	4,362,082	(176,716)	(415,914)	(592,629)	3,769,453
Total Revenues	475,339,447	7,204,788	13,035,081	20,239,870	495,579,315
Construction	(34,272,151)	(4,088,783)	-	(4,088,783)	(38,360,934)
Dept of Tax Admin Fees	(499,518)	-	-	-	(499,518)
DMV Admin Fees	(98,695)	-	-	-	(98,695)
Investment Fees (Sterling)	(365,262)	(32,618)	(24,521)	(57,139)	(422,401)
Operating Expense	(1,418,558)	(30,167)	(46,924)	(77,091)	(1,495,649)
Cash Balance	438,685,263	3,053,220	12,963,636	16,016,857	454,702,118
Less Balance of Encumbered					(1,045,919,211)
Net Available Cash					(591,217,093)
Forecast	503,745,037	6,271,395	14,382,069	20,653,464	524,398,501
Total Revenue - Forecast (under)/over	(28,405,590)	1,078,587	(949,398)	129,189	(28,819,186)

Table 1A - State Sales & Use Tax

Hampton Roads Transportation Fund (HRTF)

State Sales & Use Tax

Fiscal Year 2017

Locality	Total FY2014 - FY 2016	Previous FY2017	August 2016	Total YTD FY2017	Total
<i>Chesapeake</i>	\$ 65,494,853	\$ 957,928	\$ 1,871,843	\$ 2,829,771	\$ 68,324,624
<i>Franklin</i>	2,808,293	39,769	84,465	124,234	2,932,527
<i>Hampton</i>	26,599,916	351,721	725,545	1,077,267	27,677,183
<i>Isle of Wight</i>	4,089,875	56,132	123,269	179,401	4,269,276
<i>James City</i>	18,544,657	288,820	588,944	877,765	19,422,422
<i>Newport News</i>	39,689,099	543,518	1,132,297	1,675,815	41,364,914
<i>Norfolk</i>	53,291,271	704,138	1,515,852	2,219,990	55,511,261
<i>Poquoson</i>	868,089	9,344	26,029	35,373	903,463
<i>Portsmouth</i>	11,922,181	149,402	334,758	484,160	12,406,341
<i>Southampton</i>	930,935	11,535	26,468	38,003	968,938
<i>Suffolk</i>	14,870,545	217,853	447,759	665,612	15,536,157
<i>Virginia Beach</i>	100,505,441	1,599,977	3,548,158	5,148,136	105,653,577
<i>Williamsburg</i>	8,209,028	117,933	259,339	377,273	8,586,301
<i>York</i>	16,554,113	261,230	539,687	800,918	17,355,030
Total	<u>\$ 364,378,298</u>	<u>\$ 5,309,301</u>	<u>\$ 11,224,415</u>	<u>\$ 16,533,717</u>	<u>380,912,014</u>
Updated Forecast	<u>363,171,042</u>	<u>5,893,027</u>	<u>11,320,547</u>	<u>17,213,574</u>	<u>380,384,616</u>
Diff(under)/over	1,207,256	(583,726)	(96,132)	(679,857)	527,398

Table 1B - Local Fuels Tax

Hampton Roads Transportation Fund (HRTF)

Local Fuels Tax

Fiscal Year 2017

Locality	Total FY2014 - FY 2016	Previous FY2017	August 2016	Total YTD FY2017	Total
<i>Chesapeake</i>	\$ 20,088,886	\$ 440,857	\$ 488,963	\$ 929,820	\$ 21,018,706
<i>Franklin</i>	1,286,231	13,510	22,665	36,175	1,322,406
<i>Hampton</i>	8,173,043	171,012	209,790	380,802	8,553,845
<i>Isle of Wight</i>	3,412,308	50,195	83,142	133,338	3,545,645
<i>James City</i>	2,811,859	36,750	53,724	90,474	2,902,333
<i>Newport News</i>	10,256,493	179,996	202,166	382,162	10,638,655
<i>Norfolk</i>	11,658,879	198,205	213,805	412,010	12,070,889
<i>Poquoson</i>	368,939	1,558	1,801	3,359	372,299
<i>Portsmouth</i>	4,795,589	93,351	111,973	205,323	5,000,912
<i>Southampton</i>	1,324,719	15,185	27,762	42,947	1,367,666
<i>Suffolk</i>	7,342,141	100,907	146,483	247,391	7,589,531
<i>Virginia Beach</i>	26,220,861	424,385	488,993	913,377	27,134,239
<i>Williamsburg</i>	2,131,867	224,354	53,303	277,657	2,409,524
<i>York</i>	5,063,178	90,415	103,686	194,101	5,257,279
Total	<u>104,934,993</u>	<u>\$ 2,040,681</u>	<u>\$ 2,208,256</u>	<u>\$ 4,248,937</u>	<u>\$ 109,183,929</u>
Updated Forecast	<u>139,700,002</u>	<u>378,368</u>	<u>3,061,522</u>	<u>3,439,890</u>	<u>143,139,892</u>
Diff(under)/over	(34,765,009)	1,662,313	(853,266)	809,047	(33,955,963)

Table 2 - Allocations

Hampton Roads Transportation Fund (HRTF)

Allocations

Fiscal Year 2017

Project	Total FY2014 - FY 2016	Previous FY2017 August 2016	Total YTD FY2017	Total
<i>I-64 Peninsula Widening</i>				
- UPC 104905 (Segment 1) -Construction	\$ 44,000,000	\$ - \$ - \$ -	\$ -	\$ 44,000,000
- UPC 106665 (Segment 2) - PE & Construction	213,592,853	-	-	213,592,853
- UPC 106689 (Segment 3) - PE	10,000,000	-	-	10,000,000
<i>I-64/264 Interchange Improvement</i>				
- UPC 17630 - PE/ROW	54,592,576	-	-	54,592,576
- UPC 57048 - PE/ROW	15,071,063	-	-	15,071,063
- UPC 57048 - Construction of Phase 1	137,023,653	-	-	137,023,653
<i>Third Crossing - UPC 106724 - SEIS</i>	5,000,000	-	-	5,000,000
<i>I-64 Southside/High-Rise Bridge - UPC 106692 - PE</i>	20,000,000	-	-	20,000,000
<i>I-64 Southside/High-Rise Bridge - UPC 106692 - ROW & Construction</i>	580,000,000	-	-	580,000,000
<i>Route 460/5/13 Connector - UPC 106694 - PE</i>	5,000,000	-	-	5,000,000
		-		
Total	<u>\$ 1,084,280,145</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,084,280,145</u>

Table 3 - Expenditures

Hampton Roads Transportation Fund (HRTF)

Expenditures

Fiscal Year 2017

Project	Total FY2014 - FY 2016	Previous FY2017	August 2016	Total YTD FY2017	Total
<i>I-64 Peninsula Widening</i>					
- UPC 104905 (Segment 1) -Construction	\$ 1,544,502	\$ -	\$ -	\$ -	\$ 1,544,502
- UPC 106665 (Segment 2) - PE & Construction	7,701,121	3,302,314	-	3,302,314	11,003,435
- UPC 106689 (Segment 3) - PE		-	-	-	-
<i>I-64/264 Interchange Improvement</i>					
- UPC 17630 - PE/ROW	14,029,051	474,906	-	474,906	14,503,958
- UPC 57048 - PE/ROW	7,635,322	103,782	-	103,782	7,739,104
- UPC 57048 - Construction of Phase 1		-	-	-	-
<i>Third Crossing - UPC 106724 - SEIS</i>		-	-	-	-
<i>I-64 Southside/High-Rise Bridge - UPC 106692 - PE</i>	3,362,155	207,780	-	207,780	3,569,935
<i>I-64 Southside/High-Rise Bridge - UPC 106692 - ROW & Construction</i>	-	-	-	-	-
Total	<u>\$ 34,272,151</u>	<u>\$ 4,088,783</u>	<u>\$ -</u>	<u>\$ 4,088,783</u>	<u>\$ 38,360,934</u>