

AGENDA

Hampton Roads Transportation Accountability Commission

Regular Commission Meeting *In Person Meeting*

**September 19, 2024
12:30 p.m.**

1. Call to Order and Roll Call

2. Approval of Agenda

3. Public Comment Period

- Limit 5 minutes per individual

4. Chair's Comments

5. Consent Items

- Recommended Action: Approval

- A. Minutes of the June 20, 2024 Annual Organizational Meeting (Attachment 5A)
- B. Fiscal Year 2024 Annual Report to the Joint Commission on Transportation Accountability Relating to the Hampton Roads Transportation Fund (Attachment 5B)
- C. Title VI Policy (Attachment 5C)
- D. Authorizations relating to HRTAC Chief Financial Officer (Attachment 5D)
- E. I-64/I-264 Interchange Phase IIIA Preliminary Engineering and Right of Way (UPC 125602) Standard Project Agreement (Attachment 5E)

6. Action Items

- Recommended Action: Discussion/Endorsement/Recommendation/Direction

- A. Fiscal Year 2024 Audited Financial and Compliance Report (Attachment 6A) - Finance Committee Chair Hipple, Executive Director Page and Michael Garber PBMares LLC - **Recommended Action:** Approval

7. Information Items

- A. HRTAC Monthly Financial Report - (Attachment 7A) - Finance Committee Chair Hipple
- B. VDOT Project Updates - (Attachment 7B) - VDOT Hampton Roads Administrator Hall
- C. HRTAC Regular Meeting - December 12, 2024, 12:30 p.m.

8. Adjournment

**5. A. Minutes of the June 20, 2024 Annual Organizational
Meeting**

Agenda Item 5A
Consent Item

To: Chair West and the other members of the Commission

From: Kevin B. Page, Executive Director

Date: September 19, 2024

Re: June 20, 2024 Annual Organizational Meeting Minutes

Recommendation:

The Commission is asked to approve the Commission's June 20, 2024 Annual Organizational 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: The Commission approves and adopts the minutes of the Commission's Annual Organizational Meeting on June 20, 2024.



**Hampton Roads Transportation
Accountability Commission (HRTAC)**
Summary Minutes of the June 20, 2024 Annual Organizational Meeting

The Hampton Roads Transportation Accountability Commission (HRTAC) Annual Organizational Meeting was called to order at 12:31 p.m. with the following in attendance:

HRTAC Members in Attendance:

Mayor Richard West, Chair	Mayor Michael Duman, SU
Mayor Robert "Bobby" Cutchins, FR	Mayor Bobby Dyer, VB
Mayor Donnie Tuck, HA	
Supervisor Don Rosie (in for Supervisor William McCarty), IW	
Supervisor Michael Hipple, JC	Mayor Doug Pons, WM
Mayor Kenneth Alexander, NO	Supervisor Thomas G. Shepperd, YK
Vice Mayor Lisa Lucas-Burke (in for Mayor Shannon Glover), PO	Senator Louise Lucas, VGA
Mayor Gordon Helsel, PQ	

HRTAC Executive Director

Kevin Page

HRTAC Ex-Officio Members in Attendance:

Officer Barb Nelson, VPA

Other Participants:

Chris Price, CH	Al Moor, SU
Brian DeProfio, HA	Patrick Duhaney, VB
Jason Purse, JC	Andrew Trivette, WM
Doug Beaver, NO	District Engineer Chris Hall, VDOT
Tanya O'Connell, PQ	Eric Ballou, Kaufman and Canoles
Brian Thrower, SH	Tom Inglima, Willcox & Savage

HRTAC Voting Members Absent:

Mayor Phillip Jones, NN	Delegate Bonita Anthony, VGA
Supervisor Christopher Cornwell, SH	Delegate Anne Ferrell Tata, VGA
Senator Mamie Lock, VGA	Delegate Barry Knight, VGA

HRTAC Ex-Officio Members Absent:

Board Member Frederick T. Stant III, CTB	Commissioner Stephen Brich, VDOT
Acting Director Zach Trogdon, DRPT	

Others Recorded Attending:

David Westcott Jr. (CH); Jessica Dennis, John Stevenson (NO); Brent McKenzie (VB); Liang Shan (PFM Financial Advisors); Kirsten Krug (Stifel); Diane Kaufman (US Senator Tim

Kaine's Office); Todd Halacy (VDOT); D'Nashia Lynn Dower (Veterans Reporters); Courtney Whelan (Willcox & Savage); Matt Klepeisz, Andrew Margason, Chris Vaigneur, (HRPDC); Lynn Coen, Jennifer Hodnett, Danetta Jankosky (HRTAC); Bob Crum, John Mihaly, Pavithra Parthasarathi (HRTPO)

Call to Order and Roll Call

Chair Richard West called the meeting to order at 12:31 p.m. and a roll call of all Members was taken in order to confirm a quorum:

Chair Rick West: Present
Mayor Robert Cutchins: Present
Mayor Donnie Tuck: Present
Supervisor Don Rosie: Present
Supervisor Michael Hipple: Present
Mayor Phillip Jones: No Response
Mayor Kenneth Alexander: Present
Mayor Gordon Helsel: Present
Vice Mayor Lisa Lucas-Burke: Present
Supervisor Christopher Cornwell: No Response
Mayor Michael Duman: Present
Mayor Robert Dyer: Present
Mayor Doug Pons: Present
Supervisor Thomas Shepperd: Present
Senator Louise Lucas: Present
Senator Mamie Locke: No Response
Delegate Barry Knight: No Response
Delegate Bonita Anthony: No Response
Delegate Anne Ferrell Tata: No Response
CTB Board Member Frederick Stant: No Response
VDOT District Engineer Chris Hall: Present
Acting Director Zach Trogdon: No Response
Officer Barb Nelson: Present

The quorum was confirmed by Mr. John Mihaly.

Approval of Agenda

Mayor Bobby Dyer Moved to approve the agenda, Seconded by Supervisor Michael Hipple. The Motion Carried.

Public Comment Period (limit 5 minutes per individual)

No public comments were received and no members of the public addressed the Commission.

Chair's Comments

Chair West informed the Commission of two new member appointments from the Virginia General Assembly, Delegate Bonita Anthony and Senator Mamie Locke.

Consent Items

- A. Minutes of the April 18, 2024 Regular Meeting
- B. HRTAC FY2025 Administrative and Project Development Budget
- C. HRTAC FY2025-FY2030 Plan of Finance Update – Six Year Operating and Capital Program of Projects for the Region’s High Priority Projects and the Hampton Roads Regional Transit Fund
- D. HRTAC 2045 Long Range Plan of Finance Updates for the Region’s High Priority Projects and the Hampton Roads Regional Transit Fund Update
- E. FY2025 Meeting Schedule
- F. Title VI Policy
- G. HRTAC Office Lease
- H. Hampton Roads Regional Transit Fund – Application 202102, Projects 202102C, 202102D, and 202102E and Application 202301, Project 202301C – Float Down, Project Share Adjustments and Agreement Amendments

Mayor Donnie Tuck Moved to approve the consent agenda items; Seconded by Supervisor Thomas Shepperd. The Motion Carried.

Action Items

A. Election of FY2025 Officers of the Commission

Mr. Tom Inglima, Willcox & Savage, HRTAC General Counsel, reminded the Commission of the voting procedures for Chair and Vice Chair.

Supervisor Hipple, Nominating Committee Chair, informed the Commission that the Fiscal Year 2025 Slate of Officers recommended by the Nominating Committee included Mayor Richard West for Chair and Mayor Douglas Pons for Vice Chair.

No other nominations were made.

Mayor Tuck Moved that the Commission approve the recommended FY2025 Slate of Officers for Chair and Vice Chair; Seconded by Supervisor Thomas Shepperd. The Motion Carried.

B. Authorization to Issue Up to \$173,000,000 in Aggregate Principal Amount of Hampton Roads Transportation Fund Senior Lien Revenue Bonds Series 2024A – Resolution 2024-01

Mr. Kevin Page, HRTAC Executive Director, reminded the Commission of the actions at the April 18, 2024 Commission meeting regarding the upcoming issuance of debt. He explained

that the projects being financed by these dollars consisted of the remaining segments of the Hampton Roads Express Lanes Network (HRELN).

Mr. Ben Wills, Kaufman and Canoles, HRTAC Bond Counsel, reviewed HRTAC Resolution 2024-01 with the Commission. He explained that the Resolution contained certain parameters relating to the debt issuance, including the minimum amount of net proceeds, the length of the loan and the delegation of authority.

Supervisor Hipple, HRTAC Finance Committee Chair, stated that the HRTAC Finance Committee was briefed that morning and recommended approval of the Resolution.

Mayor Tuck Moved that the Commission approves Resolution 2024-01; Seconded by Mayor Dyer. The Motion Carried.

C. Hampton Roads Regional Transit Fund – Transit Regional High Priority Projects – Mid-Cycle Application and Related Projects

Chair West noted that this action item was to be voted on only by the Commission members from the jurisdictions of Chesapeake, Hampton, Newport News, Norfolk, Portsmouth and Virginia Beach, which are the six cities that are members of the Transportation District Commission of Hampton Roads (HRT).

Executive Director Page discussed the Mid-Cycle Application and related project agreements with the Commission.

Mayor Tuck Moved that the Commissioners of the Member Jurisdictions of Chesapeake, Hampton, Newport News, Norfolk, Portsmouth and Virginia Beach: i. approve the FY2024 Mid-Cycle Application for Funding Made by the Transportation District Commission of Hampton Roads; ii. authorize the Chair to execute and deliver a funding agreement relating to such application, in a form consistent with past practice, with such changes, insertions or omissions as may be finalized by such officer, with the advice of the Executive Director and the Commission's General Counsel; and iii. authorize the Chair and Executive Director, either of whom may act, to take such action as may be deemed necessary or appropriate to provide for the payment of the disbursement of \$7,436,431.00 from the Hampton Roads Regional Transit Fund when required under such funding agreement; Seconded by Vice Mayor Lisa Lucas-Burke. The Motion Carried.

D. Hampton Roads Regional Transit Fund – Transportation District Commission of Hampton Roads FY2025 Application for Funding and Related Project Agreements

Executive Director Page indicated that the Fiscal Year 2025 Application was the largest request from HRT since the inception of the Hampton Roads Regional Transit Fund (HRRTF) program. He noted the importance of the work getting done and the significance of the HRRTF program and the positive effects it will have on the region.

Mayor Tuck Moved that the Commissioners of the Member Jurisdictions of Chesapeake, Hampton, Newport News, Norfolk, Portsmouth and Virginia Beach: i. approve the FY2025 Application for Funding made by the Transportation District Commission of Hampton Roads; ii. authorize the Chair to execute and deliver a funding agreement relating to such application, in a form consistent with past practice, with such changes, insertions or omissions as may be finalized such officer, with the advice of the Executive Director and the Commission's General Counsel; and iii. authorize the Chair and Executive Director, either of whom may act, to take such action as may be deemed necessary or appropriate to provide for the payment of the disbursement of \$55,873,920.00 from the Hampton Roads Regional Transit Fund when required under such funding agreement; Seconded by Mayor Dyer. The Motion Carried.

Information Items

A. HRTAC Monthly Financial Report

Executive Director Page reviewed the Monthly Financial Report with the Commission.

B. VDOT Project Updates

Mr. Chris Hall, VDOT District Engineer, discussed the anticipated completion date of the Hampton Roads Bridge-Tunnel (HRBT) Project.

District Engineer Hall reiterated that the HRBT Project was expected to be completed by February 2027.

C. HRTAC Regular Meeting – September 19, 2024

Adjournment

With no further business to come before the Hampton Roads Transportation Accountability Commission, the meeting adjourned at 12:54 p.m.

Dr. Richard "Rick" West,
HRTAC Chair

**5. B. Fiscal Year 2024 Annual Report to the Joint Commission on
Transportation Accountability Relating to the Hampton Roads
Transportation Fund**

Agenda Item 5B
Consent Item

To: Chair West and the other members of the Commission

From: Kevin B. Page, Executive Director

Date: September 19, 2024

Re: Fiscal Year 2024 Annual Report to the Joint Commission on Transportation Accountability Relating to the Hampton Roads Transportation Fund

Recommendation:

The Finance Committee recommends that the Commission authorize the Executive Director to finalize and submit the legislatively mandated Fiscal Year 2024 Hampton Roads Transportation Fund (HRTF) Report to the Joint Commission on Transportation Accountability.

Background:

Item 1. I. of Chapter 2 of the 2024 Special Session I included the requirement for the Joint Commission on Transportation Accountability to 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 Director of the Department of Rail and Public Transportation, the Northern Virginia Transportation Authority and the Hampton Roads Transportation Accountability Commission shall each prepare a report on the uses of the Commonwealth Rail Fund, 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. To meet this requirement, HRTAC Staff has prepared the draft Fiscal Year 2024 Annual Report to the Joint Commission on Transportation Accountability Relating to the Hampton Roads Transportation Fund. At the September 19, 2024 Finance Committee meeting, the Finance Committee recommended that the Commission authorize the Executive Director to finalize and submit to the Joint Commission on Transportation Accountability the Fiscal Year 2024 Annual Report to the Joint Commission on Transportation Accountability Relating to the Hampton Roads Transportation Fund.

Fiscal Impact:

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



Suggested Motion:

Motion: The Commission authorizes the Executive Director to finalize and submit to the Joint Commission on Transportation Accountability the Fiscal Year 2024 Annual Report to the Joint Commission on Transportation Accountability Relating to the Hampton Roads Transportation Fund.





DRAFT

Fiscal Year 2024 Annual Report to the Joint Commission on Transportation Accountability Relating to the Hampton Roads Transportation Fund

Hampton Roads Transportation Accountability Commission

723 Woodlake Drive
Chesapeake, Virginia 23320

www.hrtac.org

Executive Summary

Item 1.l. of Chapter 2 of the Acts of Assembly of the 2024 Special Session 1 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 Director of the Department of Rail and Public Transportation, the Northern Virginia Transportation Authority and the Hampton Roads Transportation Accountability Commission shall each prepare a report on the uses of the Commonwealth Rail Fund, 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.

During FY2024, the Hampton Roads Transportation Accountability Commission ('HRTAC') took actions and executed project agreements or project amendments with the Virginia Department of Transportation ('VDOT') to advance project readiness and to provide financing and project delivery. During the fiscal year, HRTAC issued its \$7.261 billion FY2024 through FY2030 Funding Plan Update and its \$11.57 billion Long-Range Funding Plan Update through FY2045; further advanced project development and construction with VDOT supported by the Hampton Roads Transportation Fund ('HRTF'). HRTAC also advanced project agreements with the Transportation District Commission of Hampton Roads (Hampton Roads Transit) supported by the Hampton Roads Regional Transit Fund ('HRRTF'). The major work activity of FY2024 was relating to the continued execution of the Commission's debt financing and funding plan for HRTF supported projects, administration of the Master Tolling Agreement for the Hampton Roads Express Lanes Network ('HRELN'), and the administration of the third funding year of the Hampton Roads Regional Transit Fund and Program. Of the total HRTF and toll revenue supported project costs under agreement, \$5.3 billion is sourced by HRTAC controlled monies. The Commonwealth of Virginia's SMART SCALE Program has provided approximately \$463.8 million toward HRTAC projects including the I-64 Peninsula Widening, the I-64 Southside Widening/High Rise Bridge Phase I, the I-64/I-264 Interchange Improvements (Phase II) and the HRBT Expansion Project. Figure 1 provides a graphic showing the locations and the activities of the HRTAC HRTF and toll revenue funded projects. HRTAC does not allow balances to sit on projects that will not fully utilize the allocated funds in a timely manner. VDOT and HRTAC work together to identify projects that could release project contingency funds or allocations deemed surplus to allow other projects to advance.

Background

Prior Legislative Actions

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 the use of funds in the HRTF. Beginning in June 2015, monthly revenue collections from the previous accounting period were transferred to HRTAC by VDOT.

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. However, 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 the 2018 General Assembly Session, changes were made to the regional motor fuels tax that will stabilize the revenues, assist in bonding, and generate near \$20M in additional annual revenues for the Hampton Roads Transportation Fund. Senate Bill 896 (Chapter 797) established a floor on the 2.1 percent sales tax imposed on motor vehicle fuels sold in Northern Virginia and Hampton Roads by requiring that the average distributor price upon which the tax is based be no less than what the statewide average distributor price would have been on February 20, 2013. Also during the 2018 Session, the General Assembly included State Budget language (Chapter 2, Item 442 R.) authorizing the Commissioner of DMV to share tax collection data with HRTAC's Executive Director and included language (Chapter 2, Item 452 B.) that expressed the intent of the General Assembly that the toll revenues, and any bond proceeds or concession payments backed by such toll revenues, derived from the express lanes on Interstate 64 between the interchange of Interstate 64 with Interstate 664 and the interchange of Interstate 64 with Interstate 564 be used to reduce the necessary contribution from the Hampton Roads Transportation Accountability Commission established pursuant Chapter 26 of Title 33.2, Code of Virginia, for a project to expand the capacity of Interstate 64 between the interchange of Interstate 64 with Interstate 664 and the interchange of Interstate 64 with Interstate 564.

During the 2020 General Assembly Session, HB1726/SB1038 created the Hampton Roads Regional Transit Program and Fund to develop, maintain, and improve a regional network of transit routes and related infrastructure, rolling stock, and support facilities. The program is funded by an additional (i) regional grantor's tax at a rate of \$0.06 per \$100 of the consideration for the conveyance and (ii) regional transient occupancy tax at a rate of one percent of the charge for the occupancy, both imposed in localities in the Hampton Roads Transportation District. The legislation also dedicated \$20 million of revenues from existing recordation taxes to funding the program. The moneys will be deposited into the Hampton Roads Regional Transit Fund, created by the bill, and will be administered by HRTAC. Use of the funds would require a two-thirds vote of the HRTAC localities in which the new taxes were imposed. HB1438 authorized the Hampton Roads Transportation Accountability Commission to impose and collect tolls in high-occupancy toll lanes on certain portions of Interstate 64. The area of Interstate 64 in which such tolls may be imposed is the vicinity of the interchange of Interstate 64 and Jefferson Avenue to the interchange of Interstate 64, Interstate 264, and Interstate 664. The bill directs the Commission to enter into an agreement with the Commonwealth Transportation Board and the Department of Transportation regarding the standards for operating the facility and use of toll proceeds. Other legislation involving adjustments to state and regional motor fuels tax revenues included for HRTAC the conversion of the calculation of

gasoline tax revenue from a 2.1 percentage of wholesale cost per gallon to a new rate of 7.6 cents per gallon on gasoline and gasohol (and 7.7 cents per gallon on diesel), subject to an annual adjustment in accordance with the consumer price index beginning July 1, 2021.

During the 2021 General Assembly Session, legislative actions that impacted HRTAC included the following state budget language (HB 1800, Chapter 552, Item 447.1, B. 3 and HB 1800, Chapter 552, Item 447.1, F.):

B. 3. Up to \$93,100,000 shall be transferred to Item 447 for improvements to the Interstate 64 Corridor as follows: (i) to provide any amounts necessary to complete the funding plan for the Hampton Roads Express Lanes as identified in the Master Agreement for Development and Tolling of the Hampton Roads Express Lanes Network executed pursuant to Chapter 703 of the 2020 Acts of Assembly, and (ii) any remaining amounts to improve Interstate 64 between exit 205 and exit 234 as determined by the Commonwealth Transportation Board.

F. For amounts available pursuant to subsection B.3. of this item, the Board shall not distribute any funds for the Hampton Roads Express Lanes Network until updated traffic and revenue modeling considering summer weekend traffic volumes is completed and the amount necessary to complete the funding plan, if any, is determined by the Hampton Roads Transportation Accountability Commission in coordination with the Board. In the event that funds are available to improve the Interstate 64 corridor between exit 205 and exit 234, the Board shall coordinate with the Central Virginia Transportation Authority to determine whether there is an opportunity to partner with the Authority on such improvements.

During the 2022 General Assembly Session, legislative actions that impacted HRTAC included the following state budget language (HB 29, Chapter 1, Item 447.1, F. of Special Session 1):

F. For amounts available pursuant to subsection B.3. of this item, the Board shall not distribute any funds for the Hampton Roads Express Lanes Network until updated traffic and revenue modeling considering summer weekend traffic volumes is completed and the amount necessary to complete the funding plan, if any, is determined by the Hampton Roads Transportation Accountability Commission in coordination with the Board. In the event that funds are available to improve the Interstate 64 corridor between exit 205 and exit 234, the Board shall coordinate with the Central Virginia Transportation Authority to determine whether there is an opportunity to partner with the Authority on such improvements.

Hampton Roads Regional Transportation Priority Projects

\$5.3 Billion HRTAC Funded Under Construction

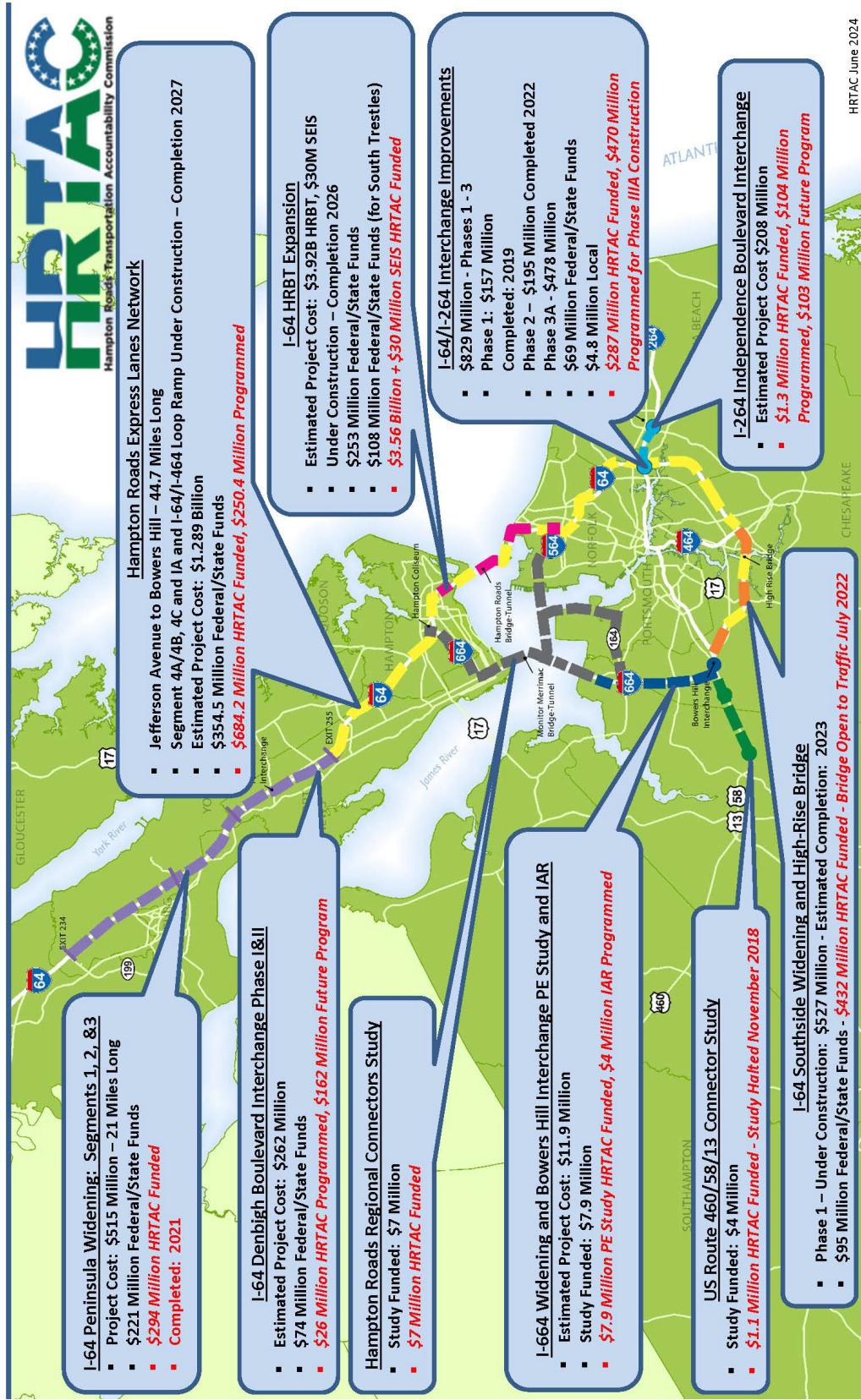


Figure 1 – Activities of HRTAC/HRTF Funded Projects

Revenue Sources and Collections

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).

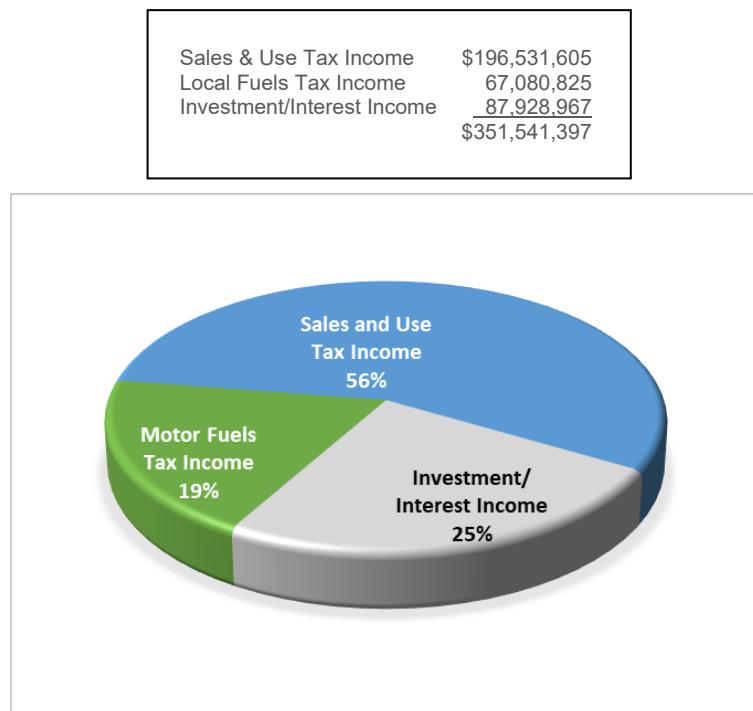
Local Fuels Tax

In 2013, Planning District 23, an additional fuels tax was added at the wholesale level of 2.1 percent. During the 2020 Acts of Assembly, legislative action involving adjustments to state and regional motor fuels tax revenues included for HRTAC the conversion of the calculation of gasoline tax revenue from a 2.1 percentage of wholesale cost per gallon to a new rate of 7.6 cents per gallon on gasoline and gasohol (and 7.7 cents per gallon on diesel), subject to an annual adjustment in accordance with the consumer price index beginning July 1, 2021. On July 1, 2023, through June 30, 2024, the regional tax per gallon of gasoline and gasohol was 8.7 cents (and 8.8 cents per gallon of diesel). 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 2024 totaled \$351.5 million. Figure 2 provides a detail and graphic of the collections by revenue source and percentage of total collections. Year-end cash balances of the HRTAC totaled \$1.6 billion including bond proceeds, operating, and investment accounts.

Figure 2 - HRTAC Revenue Collections FY2024



Expenditures

From July 1, 2023 through June 30, 2024, HRTAC incurred the following administrative and project expenditures:

Description	Amount
Legal Fees	\$ 945,029
Investment Fees	427,792
HRPDC/HRTPO Assistance	124,803
Financial Advisor	124,302
Payroll/Fringes	727,747
Pension Expense	(25,241)
Bond Issuance Costs	882,192
Interest Expense	48,277,224
DMV Fees	38,222
Operating	1,300,184
Capital Outlay	10,201
Project Related	551,283,744
Total	\$ 604,116,199

Expenditures (continued)

HRTAC project-related expenditures are provided in detail below (inception through June 30, 2024):

Hampton Roads Transportation Fund (HRTF)
Total Project-Related Expenditures as of June 30, 2024

Project	Total
I-64 Peninsula Widening	
UPC 104905/111926 - Segment 1 - PE/Construction	\$ 11,608,384
UPC 106665 - Segment 2 - PE/ROW/Construction	159,559,703
UPC 109790/106689 - Segment 3 - PE	5,755,293
UPC 109790/106689 - Segment 3 - Construction	91,887,022
UPC 123656 - Denbigh Blvd Interchange Phase 2 East Bound - Design/ROW	495,618
I-64/264 Interchange Improvement	
UPC 57048/108042 - Phase I- PE/ROW	15,071,063
UPC 57048/108042 - Phase I- Construction	124,332,863
UPC 17630/108041 - Phase II- PE/ROW	54,592,576
UPC 17630/108041 - Phase II- Construction	73,157,062
UPC 106693 - Phase III- PE&ROW	6,390,765
I-64 Southside Widening/High-Rise Bridge	
UPC 106692 - Phase I- PE	12,189,098
UPC 106692/108990 - Phase I- ROW/Construction	376,982,616
I-64 HRBTExpansion Project	
UPC 115008 - I-64 HRBTExpansion Project D-BContract	1,985,096,067
UPC 115009 - I-64 HRBTExpansion Project Owners Oversight	227,755,669
HRELN Segment 1 Phase 1 PE- UPC	
UPC 117840 - Segment 1 Phase 1 - PE	5,621,500
UPC 117839 - Segment 4A/4BPhase 1 - PE	5,916,425
UPC 117841 - Segment 4CPhase 1 - PE	6,062,743
UPC 119637 - Segment 1A- PE/ROW/Construction	2,706,362
UPC 120863 - Segment 1B- PE/ROW/Construction	2,272,899
UPC 119824 -Segment 4A/4B- PE/ROW/Construction	3,388,247
UPC 119638 - Segment 4C - PE/ROW/Construction	106,984,319
UPC 122714 - I-64/I-64 Interchange Improvemenrts - Full Interchange Access Report Development Project	739,593
HRCS Preferred Alternative Refinement - HRBT	UPC 110577 - SEIS
460/58/13 Connector Study- UPC 106694 - PE	1,095,368
Bowers Hill Interchange Study- UPC 111427	6,476,195
UPC 122761 - I-264 Independence Blvd Interchange IAR	286,879
HR Regional Connector Study- HRIPO (Remaining Projects of Third Crossing)	7,000,000
Accrual to be Allocated to Non-HRELN projects	8,222,164
Total	\$ 3,330,446,780

Allocations

Project allocations as of June 30, 2024 are provided in detail below (inception through June 30, 2024):

Hampton Roads Transportation Fund (HRTF)
Total Allocations as of June 30, 2024

Project	Total FY2014 - FY2023	FY2024 YTD	Total
I-64 Peninsula Widening			
UPC 104905 - Segment 1 - Construction	\$ 11,608,385	\$ -	\$ 11,608,385
UPC 106665 - Segment 2 - PE/ROW/Construction	159,559,703	-	159,559,703
UPC 109790/106689 - Segment 3 - PE	10,000,000	-	10,000,000
UPC 109790/106689 - Segment 3 - Construction	112,893,996	-	112,893,996
UPC 123656 - Denbigh Blvd Interchange Phase 2 East Bound	-	26,643,026	26,643,026
I-64/264 Interchange Improvement			
UPC 57048/108042 - Phase I - PE/ROW	15,071,063	-	15,071,063
UPC 57048/108042 - Phase I- Construction	137,023,653	-	137,023,653
UPC 17630/108041 - Phase II - PE/ROW	54,592,576	-	54,592,576
UPC 17630/108041 - Phase II- Construction	73,157,062	-	73,157,062
UPC 106693 - Phase III - PE&ROW	7,500,000	-	7,500,000
I-64 Southside Widening/High-Rise Bridge			
UPC 106692 - Phase I - PE	12,200,000	-	12,200,000
UPC 106692/108990 - Phase I- ROW/Construction	419,756,220	-	419,756,220
I-64 HRBTExpansion Project			
UPC 115008 - I-64 HRBTExpansion Project D-BContract	3,004,569,251	-	3,004,569,251
UPC 115009 - I-64 HRBTExpansion Project Owners Oversight	548,900,330	-	548,900,330
Hampton Roads Express Lanes Network (HRELN)			
UPC 117840 - Segment 1 Phase 1 - PE	5,621,500	-	5,621,500
UPC 117839 - Segment 4A/4BPhase 1 - PE	5,916,425	-	5,916,425
UPC 117841 - Segment 4C Phase 1 - PE	6,062,743	-	6,062,743
UPC 119637 - Segment 1A- PE/ROW/Construction	92,079,565	-	92,079,565
UPC 120863 - Segment 1B- PE/ROW/Construction	5,860,180	-	5,860,180
UPC 119824 -Segment 4A/4B- PE/ROW/Construction	6,074,638	130,536,856	136,611,494
UPC 119638 - Segment 4C - PE/ROW/Construction	399,153,311	-	399,153,311
UPC 122999 - Transportation Management Plan	8,000,000	-	8,000,000
UPC 122714 - I-464/I-64 Interchange Improvemenrnts - Full Interchange Access Report Development Project	2,500,000	-	2,500,000
UPC 120375 & 123322 - I-64/I-464 Interchange Exit 291 Flyover Ramp Improvements	-	15,380,374	15,380,374
UPC 110577 - SEIS - HRCS Preferred Alternative Refinement - HRBT	30,000,000	-	30,000,000
UPC 106694 - 460/58/13 Connector Study - PE	1,095,368	-	1,095,368
UPC 111427 - Bowers Hill Interchange Study	7,904,630	4,000,000	11,904,630
UPC 122761 - I-264 Independence Blvd Interchange IAR	1,250,000	-	1,250,000
HRRegional Connector Study- HRTPO (Remaining Projects of Third Crossing)	7,000,000	-	7,000,000
Total	\$ 5,145,350,599	\$ 176,560,256	\$ 5,321,910,855

5. C. Title VI Policy

Agenda Item 5C
Consent Item

To: Chair West and the other members of the Commission

From: Kevin B. Page, Executive Director

Date: September 19, 2024

Re: Title VI Policy

Recommendation:

HRTAC Staff recommends that the Commission approve the proposed HRTAC Title VI Policy.

Background:

At the June 20, 2024 Annual Organizational meeting, the Commission endorsed the proposed HRTAC Title VI Policy and authorized a public comment period ending September 18, 2024. No public comments were received.

Fiscal Impact:

There is no fiscal impact to the Commission relating to this Action Item.

Suggested Motion:

Motion: The Commission approves the proposed HRTAC Title VI Policy.



Hampton Roads Transportation Accountability Commission

Title VI Implementation Plan

DRAFT

For Internal Use Only

Adopted [September, 2024]

Hampton Roads Transportation Accountability Commission

Voting Members

Chesapeake

Richard West, Chair

Norfolk

Kenneth Alexander

Williamsburg

Douglas Pons, Vice Chair

Franklin

Robert Cutchins

Poquoson

Gordon Helsel

York County

Thomas Shepperd Jr.

Hampton

Donnie Tuck

Portsmouth

Shannon Glover

Virginia General

Assembly - Senate

Mamie Locke

L Louise Lucas

Isle of Wight County

William McCarty

Southampton County

Christopher Cornwell

Virginia General

Assembly - House of

Delegates

Bonita Anthony

Anne Ferrell Tata

Barry Knight

James City County

Michael Hipple

Suffolk

Michael Duman

Newport News

Phillip Jones

Virginia Beach

Robert Dyer

Ex-Officio Members

**Virginia
Department of
Transportation**
Stephen Brich

**Department of
Rail and Public
Transportation**
Jennifer DeBruhl

**Virginia Port
Authority**
Stephen Edwards

**Commonwealth
Transportation
Board**
Frederick Stant
III

Title:

The Hampton Roads Transportation Accountability Commission (HRTAC) Title VI Implementation Plan

Report Date:

June [] 2024

Hampton Roads Transportation Accountability Commission

723 Woodlake Drive
Chesapeake, Virginia 23320
Phone: (757) 420 - 8300
Website: www.hrtac.org

Staff Listing

Leadership

Kevin B. Page

Executive Director, HRTAC

Title VI Liaison

LeeQuan McLaurin

Title VI Liaison (Shared Services through HRPDC)

Finance

Sheila S. Wilson

Chief Financial Officer (Shared Services through HRPDC)

Danetta Jankosky

Senior Accounting Manager

Lynn Coen

Senior Accounting Manager

Administrative Support

Jennifer Hodnett

Executive Assistant to the Director

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Introduction

The Hampton Roads Transportation Accountability Commission (HRTAC) is a recipient of federal financial assistance for certain purposes, discussed below. As a recipient, HRTAC is required to comply with Title VI of the Civil Rights Act of 1964 (Title VI), as amended, and other nondiscrimination laws and authorities. Title VI prohibits agencies receiving federal financial assistance from discriminating against anyone or any group in the United States on the ground of race, color or national origin. Specifically, 42 USC 2000d states that: *“No person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.”*

“Program or activity” is broadly defined to include “all of the operations of a department, agency, special purpose district, or other instrumentality of a State or of a local government; or the entity of such State or local government that distributes such assistance and each such department or agency.” The federal assistance received by HRTAC is in the form of low interest loans for specific Interstate improvement projects and the proceeds are passed through to the Virginia Department of Transportation (VDOT) for the development and delivery of those projects.

The United States Department of Transportation (USDOT) Regulations, 49 Code of Federal Regulations (CFR), Part 21, and other applicable Executive Orders and authorities provide guidelines, actions, and responsibilities for implementation of this Title VI Implementation Plan to ensure that HRTAC complies with nondiscrimination requirements as outlined therein.

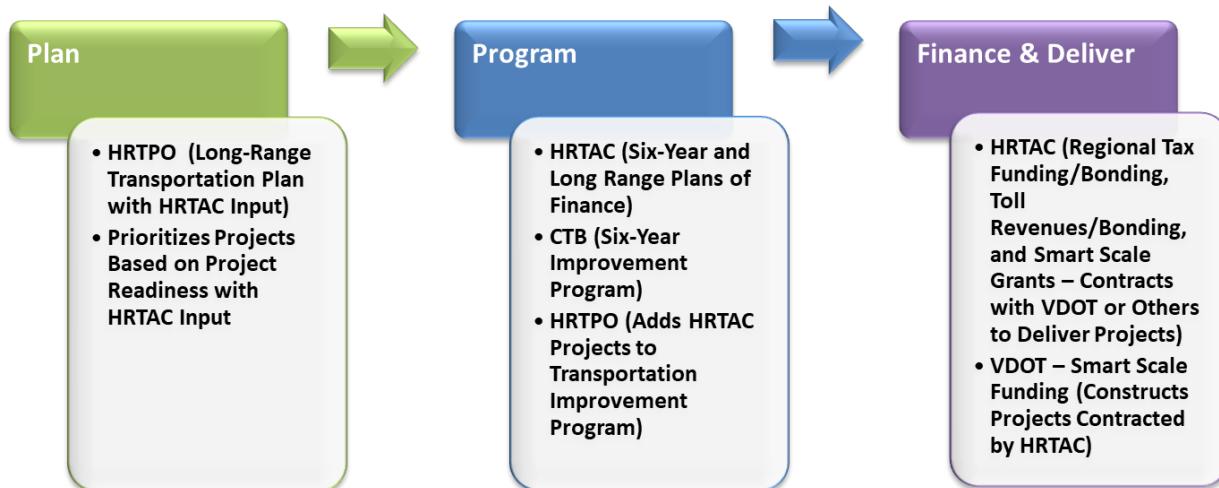
This Title IV Implementation Plan includes the structure of HRTAC’s Title VI Program as well as the policies, procedures and practices that will be followed to comply with nondiscrimination requirements.

HRTAC is responsible for the facts and the accuracy of the data presented herein. The contents do not necessarily reflect the official views or policies of the USDOT, the Federal Highway Administration (FHWA), VDOT or the Hampton Roads Transportation Planning Organization (HRTPO). This Title VI Implementation Plan does not constitute a standard, specification, or regulation. This Plan describes how HRTAC will accomplish nondiscrimination in the delivery of its federally-assisted programs and activities in accordance with federal guidelines. Additional planning and project-level environmental impact assessments, studies, right-of-way purchases, and construction may be necessary from time to time and will be administered by agreement with VDOT and/or the Hampton Roads Transportation Planning Organization (HRTPO), in which case the Title VI plans of VDOT and HRTPO shall apply to their respective programs and activities.

HRTAC utilizes Hampton Roads Transportation Fund monies and tolls through its own adopted Program of Projects for construction projects on new or existing highways, bridges and tunnels and to support the repayment of bonds used to finance its Program of Projects.

HRTAC works closely with the HRTPO which determines Project Prioritization and programs federal funds for the region. The evolution of HRTAC Projects, including the High Priority Highway Congestion Relief Projects is demonstrated in the following graphics, including the responsible party for each phase of the Project:

HRTAC HRTF Project Evolution



HRTAC Title VI Policy Statement

HRTAC will effectuate the provisions of Title VI of the Civil Rights Act of 1964, 49 Code of Federal Regulations (CFR) Part 21, and other applicable directives. These authorities provide that no person shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which HRTAC receives federal assistance.

Further, as a recipient of federal-aid funding, HRTAC strives to achieve nondiscrimination in its programs and activities. HRTAC's commitment includes, but is not limited to:

Equity

HRTAC is committed to proactively identifying and eliminating barriers to access and participation in HRTAC's programs and activities. HRTAC will work to ensure that all individuals, regardless of their race, color or national origin, have an equal opportunity to access and benefit from HRTAC's programs and activities.

Public Engagement

HRTAC recognizes that community input and engagement are critical to achieving equity and inclusion goals. HRTAC will ensure that HRTAC's public involvement activities are accessible to all individuals, regardless of race, color or national origin.

Accessibility

HRTAC will monitor and evaluate its programs and activities to ensure that they are accessible to all individuals, regardless of their race, color or national origin. HRTAC will review and update the HRTAC Title VI Implementation Plan as necessary to ensure compliance with all applicable federal and state laws and regulations related to civil rights.

Accountability

HRTAC is committed to addressing complaints of discrimination that may arise from HRTAC's programs or activities. HRTAC has established and publicized complaint procedures for individuals who believe they have been discriminated against based on race, color or national origin. HRTAC will investigate all complaints and take appropriate action to address any findings of discrimination.

Every employee and representative of HRTAC shall perform all official actions in full accord with applicable statutes, executive orders, regulations and policies enunciated thereunder to assure compliance with Title VI.

The HRTAC Executive Director is responsible for ensuring the implementation of HRTAC's Title VI Implementation Plan and Program. The Title VI Liaison, under the supervision of the Executive Director, is responsible for coordinating the overall administration of the Plan and the USDOT Standard Title VI/Non-Discrimination Assurances signed by HRTAC from time to time in accordance with DOT Order No. 1050.2A, which establish an agreement to assure

nondiscrimination in HRTAC's programs and activities. A copy of the Assurances signed by the Executive Director is attached as an Appendix to this Plan.

Employees of HRTAC, contractors or any member of the public with questions, problems or complaints regarding this Policy Statement, and the implementation of the stated provisions, should contact the Executive Director at 723 Woodlake Drive, Chesapeake, Virginia 23320; telephone: (757) 420 - 8300; or LeeQuan McLaurin, Title VI Liaison, at 723 Woodlake Drive, Chesapeake, Virginia 23320; telephone: (757) 420-8300.

Executive Director,
Hampton Roads Transportation Accountability Commission

Date

Understanding this Document

The HRTAC Title VI Implementation Plan outlines the steps that HRTAC will take to ensure that its programs and activities receiving federal financial assistance are accessible to all residents, regardless of their race, color, or national origin. This includes identifying potential barriers to access and developing strategies to eliminate them.

The Plan also includes a complaint procedure, allowing individuals who believe that they have experienced discrimination in HRTAC's programs or activities to file a complaint. HRTAC will investigate complaints and appropriately address any identified discrimination.

By developing and implementing a Title VI Implementation Plan and Program, HRTAC is demonstrating its commitment to administering equitable programs and activities. Additional planning and project-level environmental impact assessments, studies, right-of-way purchases, and construction may be necessary from time to time and will be administered by agreement with VDOT and/or HRTPO, in which case the Title VI plans of VDOT and HRTPO shall apply to their respective programs and activities.

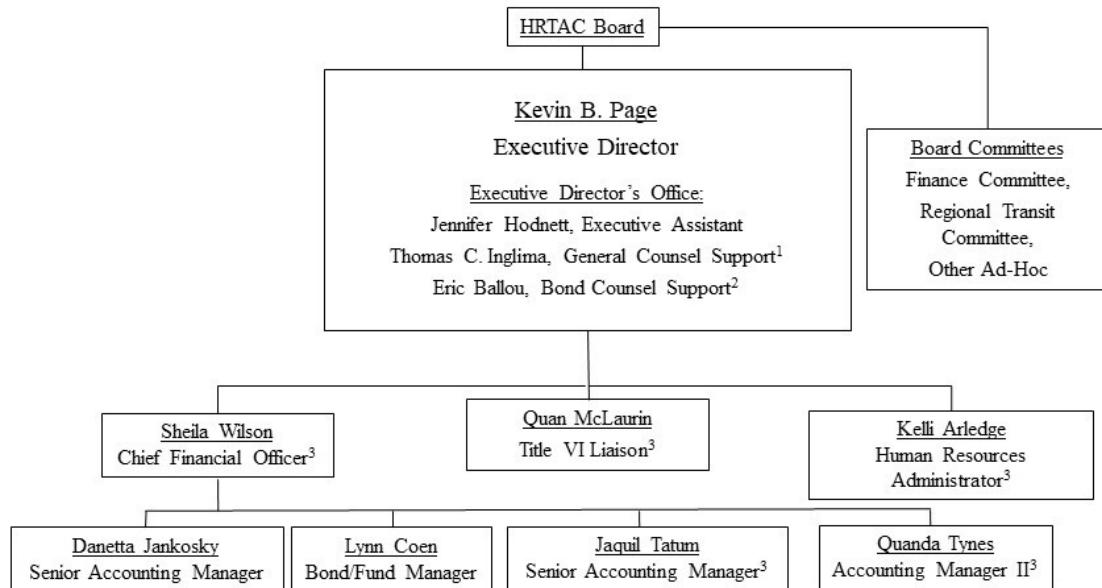
Organizational Structure

HRTAC (the Commission) consists of twenty-three (23) members as follows: (i) the chief elected officer of the governing body of each of the ten (10) cities embraced by the Commission; (ii) a current elected official of each of the four counties embraced by the Commission; (iii) three (3) members of the House of Delegates who reside in different counties or cities embraced by the Commission and two (2) members of the Senate who reside in different counties or cities embraced by the Commission; and (iv) the following four (4) persons serving as nonvoting ex officio members of the Commission – a member of the Commonwealth Transportation Board who resides in a locality embraced by the Commission, the Director of the Department of Rail and Public Transportation, the Commissioner of Highways, and the Executive Director of the Virginia Port Authority.

HRTAC employs an Executive Director who oversees the day-to-day operations of HRTAC as well as other staff to carry out the duties and responsibilities of HRTAC.

HRTAC Organizational Chart

Hampton Roads Transportation Accountability Commission Organization Chart



¹Willcox & Savage, P.C. Contracted Legal Support

²Kaufman and Canoles, P.C. Contracted Legal Support

³Hampton Roads Planning District Commission/Hampton Roads Transportation Planning Organization Contracted Staff Support

5/30/2024

HRTAC Title VI Responsibilities

HRTAC is empowered to procure, finance, build and operate highway, bridge and tunnel projects in Hampton Roads. HRTAC works closely with HRTPO which determines project prioritization and programs federal funds for the region. HRTAC contracts with VDOT to assist HRTAC in developing project readiness and to advertise and build certain projects through project development and construction agreements.

The following is a list of general Title VI responsibilities applicable to HRTAC's programs and activities. The Title VI Liaison is responsible for ensuring that these elements are appropriately implemented and maintained. Additional planning and project-level environmental impact assessments, studies, right-of-way purchases, and construction may be necessary from time to time and will be administered by agreement with VDOT and/or HRTPO, in which case the Title VI plans of VDOT and HRTPO shall apply to their respective programs and activities.

1. Data Collection

The statistical data gathering process will be reviewed regularly to ensure the sufficiency of the data in meeting the requirements of Title VI and guiding public participation efforts. Statistical data, including race, national origin, age or disability (where known) of participants in and beneficiaries of HRTAC's programs will be collected, analyzed and maintained to determine the transportation investment benefits and burdens to the eligible population, including minority and limited English proficiency (LEP) populations. HRTAC may from time to time for reference Title VI data collected, analyzed and reported by HRTPO and/or VDOT pertaining to their respective program areas and in subrecipient reviews of the Title VI Program.

2. Dissemination

Information on the Title VI Program will be disseminated to employees and sub-recipients, including contractors, subcontractors, consultants, and sub-consultants and beneficiaries, as well as the public.

Internal communication materials and resources include distribution and evaluation of the Title VI related policies and procedures.

Community outreach and public education include making available, and where appropriate, distributing Title VI policy and procedures, posting HRTAC's Title VI Statement, outreaching to people with LEP, and using other forms of public distribution where applicable.

3. Audit by the Virginia Department of Transportation (VDOT) and Federal Partners on Title VI Compliance

As required, HRTAC will participate in Title VI audits conducted by VDOT or federal planning partners.

4. Title VI Statement

This text will remain permanently on the HRTAC websites, as well as in publications and other public documents:

HRTAC fully complies with Title VI of the Civil Rights Act of 1964 and related statutes and regulations as required. HRTAC will strive to provide reasonable accommodations and services for persons who require special assistance to participate in any public involvement opportunity. For more information on meeting accessibility or to obtain a Title VI Complaint Form, email TitleVI@HRTAC.org or call the HRTAC Title VI Liaison at (757) 420-8300.

5. Complaints

Any individual may exercise their right to file a complaint or have a legal representative file a claim on their behalf if that person believes that they or any other program beneficiaries have been subjected to unequal treatment or discrimination on the grounds of race, color, or national origin in any program or activity administered by the HRTAC, or its sub-recipients, including contractors, subcontractors, consultants, and sub-consultants and beneficiaries. Title VI complaints that may be received by HRTAC will be reviewed following the adopted procedural guidelines.

Title VI Liaison Responsibilities

The HRTAC Executive Director is responsible for ensuring the implementation of the HRTAC's Title VI Implementation Plan. The Title VI Liaison, under the supervision of the Executive Director, is generally responsible for administering HRTAC's Title VI Program and coordinating implementation of the Title VI Implementation Plan. In addition, the Title VI Liaison (i) ensures compliance with the assurances, policy and Program objectives, (ii) performs Title VI Program reviews to assess administrative procedures, staffing and resources, and (iii) provides recommendations, as required, to the Executive Director. Other staff assist the Title VI Liaison in conducting this work.

HRTAC Title VI Liaison
LeeQuan McLaurin
TitleVI@HRTAC.org
(757) 420-8300 (voice)
(757) 390-2578 (TTY)

Other responsibilities of the designated Title VI Liaison include:

- Identifying, investigating, and mitigating instances or patterns of discrimination when found to exist;
- Processing discrimination complaints received by HRTAC;
- Meeting with appropriate staff members to monitor and discuss progress, implementation, and compliance issues related to the HRTAC Title VI Implementation Plan;
- Periodically reviewing HRTAC's Title VI Implementation Plan to assess whether administrative procedures are effective, staffing is appropriate, and adequate resources are available to ensure compliance;
- Working with staff involved with consultant contracts to ensure contracts are solicited in accordance with federal and state laws and regulations and that contracts awarded include appropriate language on non-discrimination requirements;
- Working with staff to monitor consultants and investigate, resolve, and implement a remedial action plan in cases of Title VI deficiencies;
- Assessing communications and public involvement strategies to ensure adequate participation of impacted Title VI protected groups, as appropriate;
- Developing and maintaining a contact list of interpretation and translation service providers;
- Coordinating with appropriate federal, state, and regional entities to periodically provide HRTAC employees with training opportunities regarding nondiscrimination and Title VI; and
- Reviewing important nondiscrimination-related issues, as needed.

If this information is needed in another language or if there are questions about the information contained within this document, please contact LeeQuan McLaurin, Title VI Liaison TitleVI@HRTAC.org or (757) 420-8300.

Staff Training

HRTAC Title VI training consists of:

- Staff training and development opportunities throughout their employment;
- Wherever possible, HRTAC leverages the training and development resources of VDOT and FHWA on Title VI, including, without limitation VDOT Title VI Program Compliance Toolkit and various Title VI nondiscrimination document templates available on VDOT's website;
- Additional Title VI training opportunities available to staff, as provided by VDOT and FHWA – active participation in any available training opportunities is not just encouraged, but required;
- The Title VI Liaison is accessible to staff for any questions or concerns related to Title VI training and development; and

- Every staff member has access to the HRTAC Title VI Implementation Plan for continued reference throughout their employment.

Review and Reporting Processes

The designated Title VI Liaison employs the following processes to review the HRTAC Title VI Implementation Plan:

- The Title VI Liaison completes and submits reports to VDOT and FHWA, as required.
- The Title VI Liaison is included in the review process when the HRTAC directives are drafted and policies implemented. This allows the Title VI Liaison to review for any possible Title VI issues ahead of implementation.
- The Title VI Liaison advises staff working with HRTAC's decision-making committees to ensure directives are in accordance with the federal and state nondiscrimination laws, rules, and regulations.
- The Title VI Liaison reviews documents, materials, and public meeting transcripts, to ensure staff are aware of any potential Title VI issues.
- The Title VI Liaison works cooperatively with the VDOT and FHWA Division of Civil Rights staff to implement federal nondiscrimination directives applicable to HRTAC.

Sub-Recipient Review and Processes

HRTAC will conduct, or will cause to be conducted, Title VI compliance reviews and monitoring of its sub-recipients, including contractors, subcontractors, consultants, and sub-consultants and beneficiaries, of federal-aid highway or other federal funds, including consultants and contractors, to ensure adherence to Title VI requirements.

HRTAC is responsible for selecting, negotiating, and administrating consultant contracts and operates under its internal contract procedures and all relevant federal and state laws. HRTAC will periodically review operational guidelines provided to sub-recipients (including contractors, subcontractors, consultants, and sub-consultants and beneficiaries), including Title VI language, provisions, and related requirements, as applicable.

The designated Title VI Liaison is responsible for evaluating and monitoring compliance with nondiscrimination authorities in all applicable aspects of HRTAC's consultant contracts process.

The Title VI Liaison will:

- Ensure inclusion of specific Title VI nondiscrimination language in applicable contracts and Requests for Proposals (RFPs);
- Review consultants to ensure that:
 - All consultants verify their compliance with nondiscrimination authorities, procedures, and requirements;
 - If a recipient or sub-recipient does not comply with nondiscrimination authorities, the Title VI Liaison and relevant staff will work with the recipient

- or sub-recipient to resolve the deficiency status and write a remedial action if necessary; and
- Small, disadvantaged, minority, women, and veteran-owned businesses and people with disabilities can compete for consulting contracts.

If irregularities occur at sub-recipient levels, HRTAC will take corrective action to resolve the identified Title VI issues. HRTAC will seek the cooperation of the sub-recipient in correcting deficiencies found during periodic reviews and will provide technical assistance and guidance, upon request, to support voluntary compliance by the sub-recipient.

If a sub-recipient fails or refuses to comply with requirements voluntarily, HRTAC will submit copies of the case file and a recommendation that the sub-recipient be found in noncompliance to VDOT's Civil Rights Division.

A follow-up review will be conducted to ascertain if the sub-recipient has complied with the Title VI Program requirements in correcting deficiencies previously identified. If the sub-recipient refuses to comply, HRTAC and VDOT may, with FHWA's concurrence, initiate sanctions per 49 CFR 21.

Filing a Title VI Complaint

Any person who believes they—or a specific class of persons—were subjected to discrimination based on race, color, or national origin in the programs or activities of a recipient of federal financial assistance through HRTAC may file a Title VI complaint.

HRTAC refers to the person who submitted the discrimination complaint as the "complainant" and to the person/agency the complaint is about as the "respondent".

According to USDOT regulations, 49 CFR § 21.11(b), the complainant must file the discrimination complaint within 180 days after the date of the alleged act of discrimination, subject to the following:

- Where there has been a continued course of conduct, the 180-day timeframe begins after the date on which that conduct ceased.
- In either case, the respondent or their designee may extend the time for filing or waive the time limit in the interest of justice, specifying in writing the reason for doing so.

Title VI Complaint Process

Anyone filing a complaint can do so in the following ways:

In Writing

1. On Paper:

- a. To download the Complaint form from the HRTAC website, please click on the following link(s) or copy and paste it into your web browser: www.HRTAC.org.
- b. To obtain a paper copy of the Complaint form, you can:
 - i. Request a copy and postage-paid envelope by mail by emailing TitleVI@HRTAC.org
 - ii. Go to the HRTAC offices located at:

The Regional Building
723 Woodlake Drive
Chesapeake, VA 23320

2. Mail or deliver the completed form to:

Title VI Administrator
HRTAC
The Regional Building
723 Woodlake Drive
Chesapeake, VA 23320

Completed complaint forms can also be faxed to (757) 523-4881

Electronically

1. Through email attachment to: TitleVI@HRTAC.org
2. The online form does not automatically file a formal complaint. The completed form must be emailed as an attachment if submitted electronically. Upon receipt of your completed form, HRTAC's Title VI Liaison will review your form and contact you to initiate the process.

Verbally

1. If a person makes a verbal complaint of discrimination to an officer or employee of the respondent, the person shall be interviewed by the Title VI Liaison.
2. If necessary, the Title VI Liaison will assist the person in putting the complaint in writing and submitting the written version to the person for signature. The complaint shall then be handled in the manner described herein.

What happens when a Title VI Complaint is filed?

As part of HRTAC's commitment to ensuring adherence to Title VI and other nondiscrimination authorities, HRTAC follows a detailed Discrimination Complaint Procedure.

1. **WITHIN 10 DAYS** of HRTAC's receipt of a complaint, the Title VI Liaison shall:

- a. Acknowledge receipt of the allegation in writing;
 - b. Determine, if applicable, the responsible sub-entity (VDOT or HRTPO) and forward the complaint to either or both parties, as appropriate (*In the engagement with VDOT and the HRTPO for their responsible areas as described, the respective agency Title VI plans will be used by the entities to provide the compliance activities in the discharge of HRTAC engaged program activities.*);
 - c. Inform the complainant of action taken or proposed action to process the allegation;
 - d. Advise the respondent of their rights under Title VI and related statutes;
 - e. Advise the complainant of other avenues of redress, if available; and
 - f. Send a letter to the appropriate state and federal transportation organizations, listing the parties' names, the complaint's basis, and the assigned investigator.
2. **WITHIN 60 DAYS** of HRTAC's receipt of a complaint, the Title VI Liaison will conduct and complete an investigation of the allegation(s), and based on the information obtained, render a recommendation for action in a report of findings to the Executive Director.

Note: The complaint should be resolved by informal means whenever possible. Such informal attempts and their results will be summarized in the report of findings.

3. **WITHIN 90 DAYS** of HRTAC's receipt of a complaint, the Title VI Liaison will notify the complainant in writing of the final decision reached, including the proposed disposition of the matter.

a. **What happens if the complainant is dissatisfied with the decision?**

The Title VI Liaison will notify the complainant of their appeal rights with the state and federal transportation organizations. These appeal rights will be included with the correspondence on the final decision.

b. **Who else is notified of the final decision?**

The Title VI Liaison will also provide the appropriate state transportation department with a copy of the determination and report findings.

c. **What if it is a complaint against HRTAC?**

A state or federal transportation department investigator will investigate and prepare a final investigative report and send it to the complainant, the respondent (HRTAC person listed), the HRTAC Title VI Liaison, and the appropriate federal agency.

Note: If a complaint is routed to and managed by a state or federal agency, the processing timeframe may differ from the one described here.

d. What happens if the decision is escalated to a state or federal organization for further investigation?

The Title VI Liaison will monitor the investigation and notify the complainant of updates per applicable regulations, policies, and procedures of state transportation departments. At any time during the investigation, the complainant may communicate with the Title VI Liaison.

For any questions or concerns about the Title VI Complaint process, please email the Title VI Liaison at: TitleVI@HRTAC.org.

Title VI Complaint Form

Title VI Liaison –
Hampton Roads Transportation Accountability Commission
The Regional Building
723 Woodlake Drive
Chesapeake, VA 23320

Please provide the following information to process your complaint. Assistance is available upon request by contacting the Title VI Liaison Monday – Friday from 8:00 a.m. to 4:30 p.m. by phone at (757) 420-8300 or by email at TitleVI@HRTAC.org.

Section 1:			
Full Name:			
Address:			
Phone (Home):	Phone (Mobile):		
Phone (Work):	Email:		
Accessible Format Requirements? (check all that apply):			
Large Print	Audio	TDD	Other
Section 2:			
Are you filing this complaint on your behalf?	Yes*	No	
*If you answered "yes," go to section 3.			
If you answered "no," please supply the name and relationship of the person you are filing a complaint with.	Name:	Relationship:	
Please explain why you have filed for a third party:			
Please confirm that you have obtained the permission of the third party.		Yes	No
Section 3:			
I believe the discrimination I experienced was based on (circle all that apply):			
Race	Color	National Origin	Limited English Proficiency
Age	Income Status	Sex	Disability
Date of Alleged Discrimination (MM/DD/YYYY):			

Explain what happened and why you believe you were discriminated against as clearly as possible. Describe all persons who were involved. Include the name and contact information of the person(s) who discriminated against you (if known) and any witnesses names and contact information. If more space is needed, please attach pages.

Section 4:

Have you previously filed a Title VI complaint with this agency?	Yes	No
--	-----	----

Section 5:

Have you filed this complaint with any other agency or court?	Yes	No
---	-----	----

If yes, check all that apply.

Federal Agency: _____ Federal Court: _____

State Agency: _____ State Court: _____

Local Agency: _____ Other: _____

Please provide a point of contact at the agency or court where the complaint was filed.

Agency/Court:

Address:

Contact Name:

Title:

Phone:

Email:

Are you represented by legal counsel for this matter?	Yes	No
---	-----	----

If yes, please provide name and contact information:

Section 6:

Agency the complaint is against:

Contact Name:

Title:

Phone:

Email:

You may attach any written materials or other information relevant to your complaint.

Signature (required)

Date (required)



Access

The Title VI Complaint form can be accessed via the HRTAC website, email, mail, or in person.



Accommodation

Should individuals require accommodation support, including language translation services, during the complaint process, they can receive that support via our website, email, mail, or in person.



Website

WWW.HRTAC.ORG



Email

TitleVI@HRTAC.org



Phone

(757) 420-8300



Mail

Hampton Roads Transportation Accountability Commission

C/O Title VI Administrator

The Regional Building

723 Woodlake Drive

Chesapeake, VA 23320



In Person
The Regional Building
723 Woodlake Drive
Chesapeake, VA 23320

Other Nondiscrimination Authorities

In addition to Title VI, there are other nondiscrimination authorities that afford legal protection. These include the Americans with Disabilities Act and Executive Order 13166, each described in further detail below.

Americans with Disabilities Act (ADA)

Titles II and III of the Americans with Disabilities Act, as implemented by Department of Transportation regulations at 49 C.F.R. parts 37 and 38, prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131-12189).

In accordance with the Americans with Disabilities Act (ADA), HRTAC strives to provide reasonable accommodations and services for persons who require special assistance to participate in HRTAC's public involvement efforts. Services for persons with hearing or speech loss are available through the Virginia Relay System at 7-1-1, 1-866-894-4116 (voice), or 1-866-246-9300 (TTY).

HRTAC, in coordination with the Virginia Disabilities Services Council, will assist with the Virginia Relay System services for persons with a physical, visual, or reading disability. HRTAC may be contacted at (757) 420-8300 or TitleVI@HRTAC.org.

If you suffer from hearing or speech loss, contact the HRTAC at (757) 390-2578 (TTY).

NOTICE UNDER THE AMERICANS WITH DISABILITIES ACT

In accordance with the Americans with Disabilities Act of 1990 (ADA), HRTAC will not discriminate against individuals with disabilities in its programs or activities.

Employment

HRTAC does not discriminate based on disability in its hiring or employment practices and complies with all regulations promulgated by the U.S. Equal Employment Opportunity Commission under Title I of the ADA.

Accommodations

HRTAC will generally, upon request, provide appropriate aids and services leading to effective communication for qualified persons with disabilities so they can participate equally in HRTAC's programs and activities, including qualified sign language interpreters, documents in braille, and other ways of making information and communications accessible to people who have speech, hearing or vision impairments.

Modifications to Policies and Procedures

HRTAC will make all reasonable modifications to policies and programs to ensure that people with disabilities have an equal opportunity to enjoy all its programs and activities.

Anyone who requires an auxiliary aid or service for effective communication, or a modification of policies or procedures to participate in an agency program or activity, should contact the HRTAC Title VI Liaison as soon as possible, but no later than 48 hours before the scheduled event.

The ADA does not require HRTAC to take any action that would fundamentally alter the nature of its programs or activities or impose any undue financial or administrative burden.

Complaints that an agency program or activity is not accessible to persons with disabilities should be directed to the HRTAC Title VI Liaison at TitleVI@HRTAC.org.

HRTAC will not place a surcharge on a particular individual with a disability or any group with disabilities to cover the cost of providing auxiliary aids/services or reasonable policy modifications.

Accessibility Policy

Accessibility concerns, including those related to the website, can be communicated to the HRTAC Title VI Liaison at TitleVI@HRTAC.org.

Limited English Proficiency (LEP)

On August 11, 2000, President Clinton signed Executive Order 13166 to improve access to federally conducted and assisted programs and activities for persons who as a result of national origin have limited English proficiency (LEP). The Executive Order was titled, "Improving Access to Services for Persons with Limited English Proficiency". The USDOT issued its "Policy Guidance Concerning Recipients Responsibilities to Limited English Proficient (LEP) Persons" to effectuate Executive Order 13166. The policy guidance requires recipients of federal financial assistance to develop and implement guidance on how they will provide meaningful access to LEP persons, to comply with Title VI.

A Limited English Proficient person does not speak English as their primary language and/or has a limited ability to read, speak, write, or understand English very well. HRTAC endeavors to provide language assistance for LEP persons seeking meaningful access to HRTAC programs and activities, as required by Executive Order 13166.

HRTAC's identification of the LEP population is done in coordination with VDOT and/or HRTPO. While designed to be a flexible and fact-dependent standard, the starting point is an individualized assessment that balances the following four factors outlined by USDOT to determine what translations are appropriate:

1. The number or proportion of LEP persons eligible to be served or likely to be encountered by HRTAC programs or activities;

2. The frequency with which LEP individuals come in contact with the HRTAC programs or activities;
3. The nature and importance of the program or activity provided by HRTAC to the LEP population; and
4. The resources available to HRTAC and the overall cost to provide LEP assistance.

To ensure that LEP persons have access to important information, the following tools are available:

- **Interpretation Services** – HRTAC provides language interpreters for public meetings if given at least 48 hours' notice. HRTAC will endeavor to provide translators for other languages upon request.
- **Material Translation** – Documents and materials are translated depending on project needs and the impacted populations. Additional documents can be translated upon request. HRTAC aims to complete document translation within a reasonable time frame.
- **TDD/TTY capabilities** – Deaf and hearing impaired people can call the Virginia Relay Center at 7-1-1, 1-866-894-4116 (voice), or 1-866-246-9300 (TTY). HRPDC may be contacted at 757-420-8300 (voice) or (757) 390-2578 (TTY). This information is also listed on the HRTAC website.

HRTAC will ensure that organizational staff understands the following:

- How to handle verbal and written requests for interpretation or translation services; and
- Staff responsibility to notify the Title VI Liaison about any LEP persons' unmet needs.

Appendix

5. D. Authorizations relating to HRTAC Chief Financial Officer

Agenda Item 5D
Consent Item

To: Chair West and the other members of HRTAC

From: Kevin B. Page, Executive Director

Date: September 19, 2024

RE: Authorizations relating to HRTAC Chief Financial Officer

Recommendation:

The Executive Director recommends that the Commission acknowledge Ms. Lynn Coen as its new Chief Financial Officer to fulfill the duties and authorizations provided in the adopted Accounting Policies and Procedures and subsequent applicable actions of the Commission.

Background:

Ms. Sheila Wilson currently serves as HRTAC's Chief Financial Officer under the HRPDC/HRTPO/HRTAC shared services MOU arrangement. Ms. Wilson has announced her retirement and will transition away from her duties as the CFO for HRTAC September 30, 2024; and, effective October 1, 2024, Ms. Lynn Coen will become the new Chief Financial Officer for HRTAC. Ms. Coen is a full-time classified employee of the Commission.

Fiscal Impact:

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

Suggested Motion:

Motion is that the Commission acknowledges Ms. Lynn Coen as the new Chief Financial Officer for HRTAC, who, in her capacity as Chief Financial Officer, will have the duties and authorizations that are applicable to that position under the Commission's Accounting Policies and Procedures and other Commission actions and resolutions.



**5. E. I-64/I-264 Interchange Phase IIIA Preliminary Engineering
and Right of Way (UPC 125602) Standard Project Agreement**

Agenda Item 5E
Consent Item

To: Chair West and the other members of the Commission

From: Kevin B. Page, Executive Director

Date: September 19, 2024

Re: I-64/I-264 Interchange Phase IIIA Preliminary Engineering and Right of Way (UPC 125602) Standard Project Agreement

Recommendation:

The Finance Committee recommends that the Commission approve the I-64/I-264 Interchange Phase IIIA Preliminary Engineering and Right of Way (UPC 125602) Standard Project Agreement.

Background:

The Commission Staff and Counsel have developed with VDOT the I-64/I-264 Interchange Phase IIIA Preliminary Engineering and Right of Way (UPC 125602) Standard Project Agreement (SPA) to support the Preliminary Engineering (PE) and Right of Way of the proposed project. At the September 19, 2024 Finance Committee meeting, the Finance Committee recommended to the Commission approval of the I-64/I-264 Interchange Phase IIIA Preliminary Engineering and Right of Way (UPC 125602) SPA.

Fiscal Impact:

There is a fiscal impact in relation to this Action Item as the \$9,917,000 of HRTF funds provided for this project (UPC 125602) are identified in the Approved HRTAC FY2024-FY2030 Six Year Funding Plan. Of this amount, \$1.88 Million is the estimated amount needed to complete the PE for this Phase IIIA Project for improvements to the Interchange and supplements the prior funding in the amount of \$7.5 Million that was allocated by HRTAC pursuant to a separate SPA (UPC 106693) dated December 19, 2016 for the I-64/I-264 Interchange Phase III project, as amended on October 4, 2022.

Suggested Motion:

Motion: The Commission: i. Approves the I-64/I-264 Interchange Phase IIIA Preliminary Engineering and Right of Way (UPC 125602) Standard Project Agreement; and ii. Authorizes the Chair to execute and deliver such agreement to the Virginia Department of Transportation with such changes, insertions or omissions as may be finalized by the Chair, with the advice of the Executive Director and the Commission's general counsel.



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

HRTAC Project Title: I-64/I-264 Interchange Phase IIIA Improvements Project

HRTAC Project Number: UPC 125602

This Standard Project Agreement for Funding and Administration (the "Agreement") is made and effective as of the date of last execution below, between the Hampton Roads Transportation Accountability Commission ("HRTAC") and the Virginia Department of Transportation ("VDOT").

WITNESSETH

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

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

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

WHEREAS, HRTAC is required to use all moneys that it receives, whether from the HRTF, bond proceeds, collections from any tolls imposed by HRTAC or otherwise (collectively, "HRTAC-Controlled Moneys"), for the benefit of those counties and cities that are embraced by HRTAC and in accordance with applicable law;

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

WHEREAS, in light of VDOT's responsibilities with respect to VDOT Highways and HRTAC's responsibilities with respect to the application of the HRTAC-Controlled Moneys, VDOT and HRTAC entered into a Memorandum of Agreement dated March

30, 2015 (such agreement as thereafter amended and modified from time to time, the "MOA");

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

WHEREAS, HRTAC has determined that it desires to proceed with the services described on Appendix A in respect of the project set forth and described on Appendix A to this Agreement (the "Project");

WHEREAS, HRTAC has determined that the Project would benefit the cities and counties that are embraced by HRTAC and it otherwise satisfies the requirements of the HRTAC Act;

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

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

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

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

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

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

A. VDOT's Obligations

VDOT shall:

1. Complete or perform or cause to be completed or performed all work relating to the Project, as described in Appendix A, advancing such work diligently and ensuring that all work is completed in accordance with (i) any and all applicable federal, state, and local laws and regulations, and (ii) all terms and conditions of this Agreement, including, without limitation, the Project Budget and Project Schedule reflected in Appendix B, which Project Budget and Project Schedule (A) VDOT represents have been prepared in good faith, in accordance with the practices and procedures that VDOT uses for projects where the state or VDOT bears the cost of the project (including, without limitation, the practices used to price and budget services that may be internally sourced, such as Construction Engineering Inspection/CEI), and (B) the parties acknowledge may be amended pursuant to Section A.8 below or as follows:
 - (a) In the event that VDOT determines, after receipt of proposals or bids for any work related to the Project, that the cost of the contract for said work will result in a significant reduction in costs associated with a portion of the Project Budget reflected in Appendix B that is allocated to work covered by the contract, then VDOT shall notify HRTAC's Executive Director of the significant reduction in costs. For purposes of this Section A.1(a), HRTAC and VDOT agree that a "significant reduction in costs" shall mean a reduction in costs that has the effect of reducing, in Appendix B, (x) the costs for the particular portion of the Project Budget allocated to work covered by the contract by more than 20 percent or (y) the entire Project Budget either by more than 10 percent or \$10,000,000, whichever applies. In the event there is a significant reduction in costs, VDOT and HRTAC will work reasonably and in good faith to amend Appendix B to fairly reflect the effect of the reduction on the commitments of the funding sources (by way of example, if the Appendix B costs are to be paid initially from both HRTAC-Controlled Moneys and state or federal contributions, then the commitment of each funding source would be reduced by its proportionate share of the reduction in costs, which proportionate share will be based on the funding source's proportionate responsibility for the total budgeted costs before the reduction was realized) (for the avoidance of doubt, the amount by which a commitment is reduced shall be considered deobligated from the Project).
 - (b) In the event that any federal or state funding not previously available for the Project becomes available for any portion of the Project Budget reflected in Appendix B, then VDOT and HRTAC will

work reasonably and in good faith to amend Appendix B to fairly reflect the benefit of the additional funding (by way of example, if the Appendix B costs are to be paid initially from both HRTAC-Controlled Moneys and state contributions, but federal funding subsequently becomes available, then the respective commitments of HRTAC and the state would be reduced by each party's proportionate share of the additional funds, which proportionate share will be based on the party's proportionate responsibility for the total budgeted cost before the additional funding became available).

- (c) In the event that application is made for federal or state funding or loans not previously available for the Project, then VDOT will, to the extent within its reasonable control, provide reasonable support to such application and, if any such funding or loans are awarded or otherwise become available, take action to satisfy conditions and comply with requirements of such funding or loans, in each case as may be reasonably requested by HRTAC.

2. Without limiting the foregoing, VDOT shall:

- (a) Select contractors, contract with contractors, and administer and enforce contracts all in a manner that is consistent in all material respects with the policies, procedures and practices that VDOT uses where the state or VDOT bears the cost of a project; for example, VDOT shall use its customary policies, procedures and practices relating to requesting bids/proposals, negotiating/finalizing terms and conditions of contracts (using, where applicable, standard terms/forms), and monitoring and enforcing performance of contracts;
- (b) Not enter into any contract to perform the work related to the Project if (i) the cost of that contract would exceed the portion of the Project Budget reflected in Appendix B that is allocated to the work covered by that contract, (ii) the cost of that contract, when aggregated with the cost of all other contracts relating to the Project that have been, or are expected to be, entered into would exceed the Project Budget reflected in Appendix B, or (iii) the schedule in the contract for performing and paying for the work related to the Project would be materially different (whether accelerated or delayed) from the Project Schedule set forth in Appendix B; in addition, if the bids or proposals received for any portion of the Project are not qualitatively consistent with VDOT's standards for that work or quantitatively within VDOT's projections for that work, each as determined by VDOT in its good faith judgment, VDOT shall (i) undertake a new procurement, or (ii) recommend alternative measures to HRTAC, and seek HRTAC's advice and

consent regarding pursuit of those alternative measures. If HRTAC grants its written consent to a modification to the Project Budget and/or Project Schedule in order to permit VDOT to enter into a contract to perform the work, VDOT and HRTAC will work reasonably and in good faith to amend Appendix B to reflect the modified Project Budget and Project Schedule.

- (c) Involve HRTAC in any procurement consistent with customary practices between VDOT and HRTAC.
- 3. Perform or have performed in accordance with VDOT's standards for highways, bridges and tunnels (or that otherwise are applicable to the work under the Project) all design and engineering, all environmental work, and all right-of-way acquisition, construction, contract administration, testing services, inspection services, or capital asset acquisitions, as is required by this Agreement or that may be necessary for completion of the Project pursuant to the terms of this Agreement. If VDOT determines that a delay will more likely than not prevent the completion of a material phase of the Project (e.g., PE or ROW acquisition), or the entire Project, in accordance with the Project Schedule, VDOT shall notify HRTAC in writing and provide HRTAC with such information as HRTAC may reasonably request, including information pertaining to potential corrective measures and remedies against the contractor (if VDOT and HRTAC mutually develop a model notice for such purposes, VDOT's notice will follow the format of the model).
- 4. Not use any funds provided by HRTAC, including the funds specified on Appendix B, to pay any Project cost if the HRTAC Act does not permit such Project cost to be paid with HRTAC funds.
- 5. Recognize that, if the Project contains "multiple funding phases" (as such "multiple funding phases" are set out for the Project on Appendix A), for which HRTAC will provide funding for such multiple funding phases (as scheduled on Appendix B), HRTAC may not have sufficient cash flows to permit accelerated funding to VDOT and to advance the funding schedule for the Project. In any circumstance where VDOT seeks to advance the funding schedule for the Project, VDOT shall submit a written request to HRTAC's Executive Director explaining VDOT's reasons why HRTAC should authorize acceleration to the next funding phase. (As used in this Agreement, "Executive Director" shall mean HRTAC's Chairman if at any applicable time, HRTAC has not engaged a dedicated, full-time Executive Director.) HRTAC's Executive Director will thereafter review the circumstances underlying the request in conjunction with Appendix B and HRTAC's current and projected cash flow position and make a recommendation to HRTAC whether to authorize VDOT's requested accelerated funding. The foregoing shall not prohibit VDOT from providing its own funds to advance a future funding phase of the Project and from

requesting reimbursement from HRTAC for having advance funded a future phase of the Project; however, VDOT further recognizes that HRTAC's reimbursement to VDOT for having advance funded a phase of the Project will be dependent upon HRTAC's cash flow position at the time such a request for reimbursement is submitted and may be dependent upon the extent to which the reimbursement of any such advanced funding is otherwise consistent with the terms of this Agreement, including Appendix B.

6. (a) Permit (and assist) HRTAC's Executive Director to periodically update HRTAC's cash flow estimates for the Project with the objective toward keeping those estimates accurate throughout the performance of the Project. VDOT shall provide all available information reasonably required by HRTAC so as to ensure and facilitate accurate cash flow estimates and accurate updates to those cash flow estimates throughout the performance of the Project as described in Appendix B.
(b) Provide HRTAC's Executive Director with the monthly reports described on Appendix D.
7. Provide to HRTAC's Executive Director requests for payment consistent with Appendix C (and the most recently approved HRTAC cash flow estimates) that include (a) HRTAC's standard payment requisition(s), containing detailed summaries of actual project costs incurred with supporting documentation as determined by HRTAC, and (b) certifications that all such costs were incurred in the performance of work for the Project as authorized by this Agreement. Each payment requisition shall be in substantially the same form as set forth in Appendix C of this Agreement. If approved by HRTAC, VDOT can expect to receive payment within twenty (20) days upon receipt by HRTAC. Approved payments may be made by means of electronic transfer of funds from HRTAC to or for the account of VDOT.
8. (a) Promptly notify HRTAC's Executive Director if VDOT determines that any additional, unbudgeted costs may be incurred to perform and complete the Project ("Additional Costs"), which notice shall include a description of the Additional Costs, an explanation of how they arose and the assumptions in the initial budget regarding those costs, and a detailed estimate of the Additional Costs. VDOT shall make recommendations regarding any curative actions that may be available relating to such Additional Costs, including any potential modification or reduction that may be made to the Project scope or design, or any other action, in order to stay within the initial budget for the Project. If the Additional Costs can be absorbed in the Project Budget by modifying or reducing the scope or design of the Project (or avoided by cancelling the Project or any

portion thereof), HRTAC may, in its sole discretion, elect to (i) authorize VDOT to proceed with such modifications or reductions, (ii) authorize the Additional Costs (or if a combination of (i) and (ii) is feasible, HRTAC may elect such combination), or (iii) elect to cancel the Project or a portion thereof; provided, however, in any case, the respective obligations of VDOT and HRTAC, as modified by the elected alternative, shall be set forth in an amendment to this Agreement (VDOT and HRTAC shall work in good faith to finalize and execute such amendment). If the Additional Costs cannot be absorbed in the initial budget by modifying or reducing the scope or design of the Project (and HRTAC elects option (ii) above), then, subject to Section F below, such Additional Costs shall be paid from HRTAC-Controlled Moneys and state and federal funds prorated based on the respective proportionate share of HRTAC-Controlled Moneys and state and federal funds in the Project Budget. In the event that HRTAC elects to cancel the Project (or any portion thereof) pursuant to this Section A.8(a)(iii), (A) all compensation due and owing to any and all contractors for work on the Project that has been completed at the time of cancellation, shall be paid in accord with Appendix B, and (B) subject to Section F, all reasonable costs associated with the cancellation due and owing to said contractors pursuant to the terms of the contracts with the contractors, which terms shall be consistent with VDOT's standard contract terms relating to contract cancellation and termination, (the "Breakage Compensation"), shall be paid with HRTAC-Controlled Moneys, unless VDOT and HRTAC mutually determine that cancellation of the Project is necessary or warranted, in which case, the Breakage Compensation shall be paid from HRTAC-Controlled Moneys and state and federal funds prorated based on the respective proportionate share of HRTAC-Controlled Moneys and state and federal funds in the Project Budget.

- (b) VDOT shall not include in any contract with a contractor working on the Project any term, condition or remedy in respect of Additional Costs that is more favorable to the contractor than the terms, conditions or remedies VDOT includes in standard contracts where the state or VDOT bears the cost of the project.
- (c) The Additional Costs may include costs incurred by VDOT as a result of contractor claims relating to the Project made pursuant to the VDOT Roads and Bridge Specifications and §§ 33.2-1101 through 33.2-1105 of the Code, as amended. VDOT shall promptly notify HRTAC if any such claims are made or VDOT receives a notice of intent to file a claim or other written communication from a contractor relating to a claim or contractual dispute that could result in increased contract costs, and whether in each such case the claimed amount is expected to become, or result in, Additional

Costs (and the estimate thereof) or is expected to have a material adverse effect on the contingency reserves established as part of the Project Budget (and the estimated effect thereon). VDOT shall be responsible to handle all such claims and notices of intent, but VDOT may not settle any claim or notice of intent to file a claim and thereafter submit it as an Additional Cost pursuant to Section A.8(a) unless the settlement has been approved by HRTAC. Funding for the settlement will be prorated based on the respective proportionate share of the HRTAC-Controlled Moneys and state and federal funds in the Project Budget. Should the claim not be settled, any final judgment from a court of competent jurisdiction shall be paid in accordance with the proration rule set forth in the preceding sentence.

(d) Notwithstanding anything to the contrary set forth herein, if any additional cost (including, without limitation, any additional cost relating to a contractor claim described in Section A.8(c) above) arises out of or results from VDOT's negligence, breach of contract, willful misconduct or violation of law ("VDOT Fault"), HRTAC shall not be responsible for such additional costs. Any notice provided by VDOT to HRTAC pursuant to Section A.8(c) above shall be accompanied by a certification from VDOT that it has determined in good faith that any Additional Costs do not arise out of or result from VDOT Fault.

9. Release or return any unexpended funds to HRTAC no later than 90 days after final payment has been made in respect of the Project.
10. Maintain complete and accurate financial records relative to the Project for all time periods as may be required by the Virginia Public Records Act and by all other applicable state or federal records retention laws or regulations.
11. Maintain all original conceptual drawings and renderings, architectural and engineering plans, site plans, inspection records, testing records, and as built drawings for the Project for the time periods required by the Virginia Public Records Act and any other applicable records retention laws or regulations.
12. Reimburse HRTAC (or such other entity as may have provided funds) for all funds provided by HRTAC (or on behalf of HRTAC) and, to the extent applicable and permitted by law, with interest earned at the rate earned by HRTAC, (a) that VDOT misapplied, used or requisitioned in contravention of the HRTAC Act or any other applicable law, or any term or condition of this Agreement or (b) the expenditure of which arose out of VDOT Fault.

13. Be solely responsible for the administration and/or development of the Project and all engagements, commitments and agreements with contractors. VDOT shall ensure that VDOT's contractors maintain surety bonds and insurance in amounts and with coverages that VDOT requires under its Road and Bridge Specifications for all work to be performed for the Project, and name HRTAC and its members, officers, employees and, if applicable, any HRTAC lender and any bond trustee, as additional insureds on any such insurance policy, and present HRTAC with satisfactory evidence thereof before any work on the Project commences.
14. If in connection with the work VDOT engages outside legal counsel approved by the Attorney General (as opposed to utilizing the services of the Office of the Attorney General), VDOT will give HRTAC notice of the engagement so as to ensure that no conflict of interest may arise from any such representation (VDOT also shall ensure that such engagements are consistent with the practices and terms that VDOT uses where it is solely responsible for project costs).
15. Subject to and consistent with the requirements of Section E of this Agreement, upon final payment to all contractors for the Project, if the Project is or is part of a VDOT Highway, VDOT will use the Project for its intended purposes for the duration of the Project's useful life. If the Project is or is part of a VDOT Highway, VDOT shall be responsible to operate and/or maintain the Project after its completion (including responsibility to correct any defects or to cause any defects to be corrected), and under no circumstances will HRTAC have any responsibility or obligation to operate and/or maintain the Project (or correct defects with respect to the Project).
16. Comply with all applicable federal, state and local laws and regulations, including without limitation requirements of the Virginia Public Procurement Act.
17. Recognize that VDOT or its contractors are solely responsible for obtaining, and shall obtain, all permits, permissions and approvals necessary to construct and/or operate the Project, including, but not limited to, obtaining all required VDOT and local land use permits, zoning approvals, environmental permits, and regulatory approvals.
18. Recognize that if the Project is being funded, in whole or in part, with federal and/or state funds (in addition to HRTAC-Controlled Money), that VDOT shall (a) take any and all necessary actions to satisfy any conditions to such additional federal and/or state funding (provided that such actions are within the control of VDOT) and to enforce any commitments made in connection therewith, (b) comply with all applicable federal and Commonwealth funding requirements within the control or purview of VDOT, and (c) include in its contracts with contractors

provisions that permit such contracts to be terminated, without penalty, if the funding is rescinded or otherwise becomes unavailable (for clarification, a provision shall not be deemed to include a penalty solely as a result of terms that require payment of compensation due and owing at the time of cancellation and reasonable costs associated with cancellation provided that such costs are consistent with costs paid pursuant to VDOT's standard contract terms relating to contract cancellation and termination). VDOT acknowledges and agrees that if funding from such an additional federal or state source is rescinded or otherwise becomes unavailable HRTAC (i) shall not be responsible for any amount in excess of its commitment set forth on Appendix B, and (ii) may (A) replace said reduced funding with HRTAC Controlled-Moneys or (B) may request VDOT to immediately suspend or discontinue all work relating to the Project, provided if HRTAC requests suspension HRTAC shall be responsible for the costs reasonably incurred in connection with such suspension. Should HRTAC not replace the reduced funding or request VDOT to suspend or discontinue work, VDOT may reduce the Project scope or take any other actions needed to reduce the Project costs to the Project Budget.

19. Provide a certification to HRTAC no later than 90 days after final payment for the Project that VDOT adhered to all applicable laws and regulations and all requirements of this Agreement.
20. Notify HRTAC if VDOT determines that a delay will more likely than not prevent the timely completion of a material phase of the Project, including information regarding potential corrective measures and remedies against the contractor.
21. With respect to modifications to any agreement with a contractor, concede to HRTAC any resulting savings, if HRTAC-Controlled Moneys are funding 100% of the applicable work, or if the cost savings relate to work funded with HRTAC-Controlled Moneys and state and/or federal funds, concede such savings to such parties *pro rata*, based on the respective proportionate share of HRTAC-Controlled Moneys and state and federal funds in the Project Budget for such work.
22. Include in any agreement with a contractor an assessment of liquidated damages if either substantial completion or final acceptance is not achieved by the applicable deadline. Unless otherwise agreed by the parties acting reasonably, any liquidated damages (as well as other damages paid by a contractor, insurance proceeds, or recoveries from third parties) received by VDOT in respect of the Project shall be for the benefit of HRTAC.
23. Terminate any agreement with a contractor upon the written request of HRTAC if (a) VDOT has failed to exercise the right to terminate such

agreement for cause, but only (i) if such failure is reasonably expected to have a material adverse effect on HRTAC and (ii) following consultation between HRTAC and VDOT regarding the reasons, if any, for VDOT's failure to exercise such right; or (b) HRTAC determines in good faith that HRTAC has suffered a material adverse change in its ability to satisfy its obligations under this Agreement and it is in HRTAC's best interests for VDOT to terminate the contractor's agreement for convenience.

B. HRTAC's Obligations

HRTAC shall:

1. Subject to the limitations as to amounts set forth in Appendix B (and subject to Section F of this Agreement), provide to VDOT the funding authorized by HRTAC for the Project, on a reimbursement basis as set forth in this Agreement and as specified in Appendix B to this Agreement or the most updated amendment thereto, as approved by HRTAC.
2. Assign a person to serve as a Program Coordinator for the Project, who will be responsible for review of the Project on behalf of HRTAC for purposes of ensuring it is being completed in compliance with this Agreement and all HRTAC requirements. (In the absence of an assigned person, HRTAC's Executive Director shall serve as the Program Coordinator.) HRTAC's Program Coordinator will be responsible for overseeing, managing, reviewing, and processing, in consultation with HRTAC's Executive Director and its Chief Financial Officer ("CFO"), all payment requisitions submitted by VDOT for the Project. HRTAC's Program Coordinator will have no independent authority to direct changes or make additions, modifications, or revisions to the scope of the Project as set forth on Appendix A or to the Project Budget and Project Schedule as set forth on Appendix B.
3. Route to HRTAC's assigned Program Coordinator all VDOT payment requisitions and the summaries of actual costs submitted to HRTAC for the Project. After submission to HRTAC, HRTAC's Program Coordinator will conduct an initial review of all payment requisitions and supporting documentation for the Project in order to determine the submission's legal and documentary sufficiency. HRTAC's Program Coordinator will then make a recommendation to the HRTAC's CFO and Executive Director whether to authorize payment, refuse payment, or seek additional information from VDOT. If the payment requisition is sufficient as submitted, payment will be made within twenty (20) days from receipt. If the payment requisition is, in HRTAC's reasonable judgment, deemed insufficient, within twenty (20) days from receipt, HRTAC's Program Coordinator will notify VDOT in writing and set forth the reasons why the payment requisition was declined or why and what specific additional information is needed in order to authorize the payment request. Payment

will be withheld until all deficiencies identified by HRTAC have been corrected to HRTAC's reasonable satisfaction. Under no circumstances will HRTAC authorize payment for any work performed by or on behalf of VDOT that is not in conformity with the requirements of the HRTAC Act or this Agreement.

4. Route all of VDOT's accelerated or supplemental requests for funding from HRTAC under Sections A.5 and A.8, respectively, of this Agreement to HRTAC's Executive Director. HRTAC's Executive Director will initially review those requests and all supporting documentation with HRTAC's CFO. After such initial review, HRTAC's Executive Director will make a recommendation to HRTAC's Finance Committee for its independent consideration and review. HRTAC's Finance Committee will thereafter make a recommendation on any such request to HRTAC for final determination by HRTAC.
5. Conduct periodic compliance reviews scheduled in advance for the Project so as to determine whether the work being performed remains within the scope of this Agreement, the HRTAC Act and other applicable law. Such compliance reviews may entail (i) review of VDOT's financial records for the Project, (ii) on-Project site inspections and (iii) review of a contractor's books and records in relation to the Project to the extent VDOT has access thereto.
6. Acknowledge that if, as a result of HRTAC's review of any payment requisition or of any HRTAC compliance review, HRTAC staff determines that VDOT is required under Section A.12 of this Agreement to reimburse funds to HRTAC, HRTAC staff will promptly advise HRTAC's Executive Director and will advise VDOT's designated representative in writing. VDOT will thereafter have thirty (30) days to respond in writing to HRTAC's initial findings. HRTAC's staff will review VDOT's response and make a recommendation to HRTAC's Finance Committee. HRTAC's Finance Committee will thereafter conduct its own review of all submissions and make a recommendation to HRTAC. If HRTAC makes a final determination that VDOT is required under Section A.12 of this Agreement to reimburse funds to HRTAC, the parties should engage in dispute resolution as provided in Section D of this Agreement. Pending final resolution of the matter, HRTAC will withhold further funding on the Project. Nothing herein shall, however, be construed as denying, restricting or limiting the pursuit of either party's legal rights or available legal remedies.
7. Upon making final payment to VDOT for the Project, retain copies of all contracts, financial records, design, construction, and as-built project drawings and plans, if any, developed pursuant to or in association with the Project for the time periods required by the Virginia Public Records Act

and as may be required by other applicable records retention laws and regulations.

8. Be the sole determinant of the amount and source of HRTAC funds to be provided and allocated to the Project and the amounts of any HRTAC funds to be provided in excess of the amounts specified in Appendix B.
9. Have no obligation to pay or reimburse VDOT for any cost (including, without limitation, compensation paid or payable to any contractor) arising out of VDOT Fault.

C. Term

1. This Agreement shall (i) be effective upon adoption and execution by both parties and (ii) unless terminated earlier in accordance with its terms, expire ninety (90) days after the date on which VDOT makes final payment to Project contractor(s) and all contractor claims have been resolved or are barred.
2. VDOT may terminate this Agreement, for cause, in the event of a material breach by HRTAC of this Agreement. If so terminated, HRTAC shall pay for all Project costs incurred in accordance with the terms of this Agreement through the date of termination and all reasonable costs incurred by VDOT to terminate all Project-related contracts. The Virginia General Assembly's failure to appropriate funds to HRTAC as described in Section F of this Agreement and/or repeal or amendment of the legislation establishing the HRTF or HRTAC's powers shall not be considered material breaches of this Agreement by HRTAC if such failure to appropriate or such repeal or amendment eliminates funds in the HRTF to be used for the Project or renders HRTAC without legal authority to provide funding for the Project. Before initiating any proceedings to terminate under this Section, VDOT shall give HRTAC sixty (60) days written notice of any claimed material breach of this Agreement and the reasons for termination; thereby allowing HRTAC an opportunity to investigate and cure any such alleged breach.
3. HRTAC may terminate this Agreement, for cause, resulting from VDOT's material breach of this Agreement. If so terminated, VDOT shall refund to HRTAC all funds HRTAC provided to VDOT for the Project and, to the extent permitted by law, with interest earned at the rate earned by HRTAC. Before initiating any proceedings to terminate under this Section, HRTAC shall give VDOT sixty (60) days' written notice of any claimed material breach of this Agreement and the reasons for termination; thereby allowing VDOT an opportunity to investigate and cure any such alleged breach. Prior to termination, if VDOT has substantially completed the Project or a portion that is severable (meaning it is subject to independent use), VDOT may request that HRTAC excuse VDOT from refunding funds

paid in respect of the substantially completed Project or portion, and HRTAC may, in its sole discretion, excuse VDOT from refunding all or a portion of the funds HRTAC provided to VDOT for the substantially completed Project or portion thereof. No such request to be excused from refunding will be allowed (a) where VDOT has either misused or misapplied HRTAC funds in contravention of this Agreement or applicable law, or (b) without the prior written consent of any lender to HRTAC, if the terms of HRTAC's loan agreement with such lender require such consent.

4. Upon (a) expiration or earlier termination of this Agreement and (b) payment of all eligible expenses as set forth in Section C.3 above, VDOT will release or return to HRTAC all unexpended HRTAC funds and, to the extent permitted by law, with interest earned at the rate earned by HRTAC, no later than sixty (60) days after the date of such expiration or earlier termination.

D. Dispute

In the event of a dispute under this Agreement, the parties agree to meet and confer promptly in order to ascertain if the dispute can be resolved informally without the need of a third party or judicial intervention. HRTAC's Executive Director and the Commissioner shall be authorized to conduct negotiations on behalf of their respective entities. If a resolution of the dispute is reached via a meet and confer dispute resolution method, it shall be presented to HRTAC and to the Commissioner for formal confirmation and approval. If no satisfactory resolution can be reached via the meet and confer method, either party is free to pursue whatever remedies it may have at law or in equity, including all judicial remedies. The foregoing dispute resolution method shall not bar either party's right to seek equitable relief on an emergency basis. Neither party will seek or accept an award of attorneys' fees or costs incurred in connection with resolution of a dispute.

E. HRTAC's Interest in Project Assets

VDOT agrees to use the real property and appurtenances and fixtures thereto, capital assets, equipment and all other transportation facilities that are part of the Project and funded by HRTAC under this Agreement ("Assets") for the designated transportation purposes of the Project, in accordance with applicable law throughout the useful life of each such Asset. If VDOT intends to sell, convey, or dispose any Asset funded with HRTAC funds or intends to use any Asset for a purpose inconsistent with this Agreement, VDOT shall notify HRTAC's Executive Director in writing of any such intent before further action is taken by VDOT in furtherance thereof. Upon receiving notification from VDOT, HRTAC's Executive Director shall notify HRTAC of VDOT's intended action(s). The parties shall, thereafter, meet and confer to discuss what measures need to be taken regarding VDOT's proposed sale, conveyance, disposition, or use of any such Asset(s) so as to ensure compliance with all applicable requirements

and terms of the HRTAC Act (without limiting the foregoing, VDOT acknowledges that under the HRTAC Act and applicable law, HRTAC is vested with the right to impose and collect tolls on facilities constructed by the Commission and holds a license to, among other things, use the tolling infrastructure and system). All recommendations and/or proposed remedial actions developed by the parties' designated representatives during the meet and confer process shall be formally presented to HRTAC and the Commissioner for their respective approval.

F. Appropriations Requirements

1. Nothing herein shall require or obligate HRTAC to commit or obligate funds to the Project beyond those funds that have been duly authorized and appropriated by its governing body for the Project.
2. The parties acknowledge that all funding provided by HRTAC pursuant to the HRTAC Act is subject to appropriation by the Virginia General Assembly. The parties further acknowledge that: (i) the moneys allocated to the HRTF pursuant to applicable provisions of the Code of Virginia and any other moneys that the General Assembly appropriates for deposit into the HRTF are subject to appropriation by the General Assembly and (ii) HRTAC's obligations under this Agreement are subject to such moneys being appropriated to the HRTF by the General Assembly.
3. The parties agree that VDOT's obligations under this Agreement are subject to funds being appropriated by the General Assembly and allocated by the Commonwealth Transportation Board and otherwise legally available to VDOT for HRTAC projects.
4. Should VDOT be required to provide additional funds in order to proceed or complete the funding necessary for the Project, VDOT shall certify to HRTAC that such additional funds have been allocated and authorized by the CTB and/or appropriated by the Virginia General Assembly as may be applicable or have been obtained through another independent, lawful source.

G. Representations and Warranties

1. VDOT hereby represents and warrants to HRTAC as of the date of this Agreement as follows:
 - (a) VDOT is an agency of the Commonwealth of Virginia, and it has full power, right, and authority to execute, deliver, and perform its obligations under, in accordance with, and subject to the terms and conditions of this Agreement;
 - (b) VDOT has taken or caused to be taken all requisite action to authorize the execution and delivery of, and the performance of its obligations under, this Agreement, and each person executing this

Agreement on behalf of VDOT has been duly authorized to execute and deliver it on behalf of VDOT;

- (c) the execution and delivery by VDOT of this Agreement, and the performance of its obligations hereunder, will not conflict with, and will not result, at the time of execution, in a default under or violation of, (i) any other agreements or instruments to which it is a party or by which it is bound or (ii) to its knowledge, any law, where such violation will have a material adverse effect on the ability of VDOT to perform its obligations under this Agreement;
- (d) this Agreement has been duly authorized, executed, and delivered by VDOT and constitutes a valid and legally binding obligation of VDOT, enforceable against it in accordance with the terms hereof, subject to (i) bankruptcy, insolvency, reorganization, moratorium and other laws affecting the rights of creditors generally, (ii) principles of equity, whether considered at law or in equity, and (iii) sovereign immunity under the law of the Commonwealth of Virginia; *provided, however,* that, for the avoidance of doubt, sovereign immunity shall not bar an action to enforce a claim based on a breach of this Agreement presented in accordance with the law of the Commonwealth of Virginia; and
- (e) there is no action, suit, proceeding, investigation, or litigation pending and served on VDOT which challenges VDOT's authority to execute, deliver or perform, or the validity or enforceability of, this Agreement, or which challenges the authority of the VDOT official executing this Agreement, and VDOT has disclosed to HRTAC any pending and unserved or threatened action, suit, proceeding, investigation, or litigation with respect to such matters of which VDOT is aware.

2. HRTAC hereby represents and warrants to VDOT as of the date of this Agreement as follows:

- (a) HRTAC is a body politic and a political subdivision of the Commonwealth of Virginia, and it has full power, right, and authority to execute, deliver, and perform its obligations under, in accordance with, and subject to the terms and conditions of this Agreement;
- (b) HRTAC has taken or caused to be taken all requisite action to authorize the execution and delivery of, and the performance of its obligations under, this Agreement, and each person executing this Agreement on behalf of HRTAC has been duly authorized to execute and deliver it on behalf of HRTAC;

- (c) the execution and delivery by HRTAC of this Agreement, and the performance of its obligations hereunder, will not conflict with, and will not result, at the time of execution, in a default under or violation of, (i) any other agreements or instruments to which it is a party or by which it is bound or (ii) to its knowledge, any law, where such violation will have a material adverse effect on the ability of HRTAC to perform its obligations under this Agreement;
- (d) this Agreement has been duly authorized, executed, and delivered by HRTAC and constitutes a valid and legally binding obligation of HRTAC, enforceable against it in accordance with the terms hereof, subject to (i) bankruptcy, insolvency, reorganization, moratorium and other laws affecting the rights of creditors generally, (ii) principles of equity, whether considered at law or in equity, and (iii) sovereign immunity under the law of the Commonwealth of Virginia; *provided, however,* that, for the avoidance of doubt, sovereign immunity shall not bar an action to enforce a claim based on a breach of this Agreement presented in accordance with the law of the Commonwealth of Virginia; and
- (e) there is no action, suit, proceeding, investigation, or litigation pending and served on HRTAC which challenges HRTAC's authority to execute, deliver or perform, or the validity or enforceability of, this Agreement, or which challenges the authority of the HRTAC official executing this Agreement, and HRTAC has disclosed to VDOT any pending and unserved or threatened action, suit, proceeding, investigation, or litigation with respect to such matters of which HRTAC is aware.

H. Tax Covenants for Bond-Funded Projects

VDOT shall comply in all material respects with the Tax Covenants for Bond-Funded Projects set forth in Appendix F (Tax Covenants for Bond-Funded Projects).

I. Notices

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

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

J. Assignment

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

K. Modification or Amendment

(a) This Agreement may not be modified or amended, except pursuant a written agreement that is duly authorized, executed and delivered by both parties.

(b) If HRTAC is able to obtain a source of funding for the Project that would reduce or replace the amount of HRTAC-Controlled Moneys expended on the Project, VDOT and HRTAC will work in good faith to amend this Agreement so it takes into account that other funding.

(c) VDOT and HRTAC will work in good faith to adopt such amendments to this Agreement as VDOT and HRTAC may mutually agree are necessary and desirable in connection with any bond financing.

L. 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.

M. No Agency

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

N. Sovereign Immunity

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

O. 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.

P. 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.

Q. Governing Law

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

R. Survival

The following provisions shall survive the expiration or earlier termination of this Agreement: Sections A.4, A.9, A.12, A.15, A.17, A.19, A.22, B.5 and B.7, and Sections C through R.

[Signature page follows]

IN WITNESS WHEREOF, each party hereto has caused this Agreement to be executed by their duly authorized representatives, intending it to be effective on the date of last execution.

Hampton Roads Transportation Accountability Commission

By: _____

Name: Richard W. West

Title: Chair, HRTAC

Date: _____

Virginia Department of Transportation

By: _____

Name: Stephen C. Brich, P.E.

Title: Commissioner of Highways

Date: _____

APPENDIX A

I-64/I-264 INTERCHANGE PHASE IIIA IMPROVEMENTS PROJECT – UPC 125602

Scope: The work associated with this Standard Project Agreement (SPA) for the I-64/I-264 Interchange Phase IIIA Improvements project is to fund the design, right of way acquisition and eventually (and when amended) construction activities for installing roadway and bridge improvements along I-64 EB and I-264 EB respectively to reduce congestion, improve safety, and improve traffic operations. The project is located in the City of Norfolk and the City of Virginia Beach along I-64 from 0.081 miles South of Northampton Boulevard to 1.04 miles East of I-264, and along I-264 from the I-64/I-264 interchange to 0.643 miles East of Newtown Road. This project will address the needs identified in the Interchange Modification Report (IMR) approved by FHWA on October 30, 2020 for Phase III of the I-64/I-264 Interchange Improvements, and continue the implementation of interchange improvements started by the Phase I and Phase II projects (completed). This project will also serve as a connector for the Hampton Roads Express Lane (HREL) network for traffic in the I-64 EB direction.

The project scope includes the following improvements: new 2-lane flyover ramp from I-64 EB to I-264 EB to replace the existing single-lane ramp, widening of I-64 EB from the Northampton Boulevard interchange to the I-264 ramps along with the addition of the part time managed shoulder lane from the Northampton Boulevard interchange to the terminus of the reversible lanes at the bridges over the eastern branch of the Elizabeth River (Twin Bridges), realignment of a portion of the I-64 EB off-ramp to I-264 WB, and widening of existing I-64 EB bridges over Kempsville Road and Virginia Beach Boulevard and the existing I-264 EB bridge over Newtown Road.

APPENDIX B

I-64/I-264 INTERCHANGE PHASE IIIA IMPROVEMENTS PROJECT – UPC 125602

PROJECT BUDGET AND PROJECT SCHEDULE

Project Budget: I-64/I-264 INTERCHANGE PHASE IIIA IMPROVEMENTS PROJECT:

HRTAC Costs (UPC 125602):

*Preliminary Engineering (PE)	\$1,880,000
Right of Way (RW)	\$8,037,000
**Construction (CN)	\$0
Total Cost	\$9,917,000

*The Parties agree that the \$1.88 Million in funding set out in this SPA for PE is the estimated amount needed to complete the PE for this Phase IIIA Project for improvements to the Interchange and supplements the prior funding in the amount of \$7.5 Million that was allocated by HRTAC pursuant to a separate SPA (UPC 106693) dated December 19, 2016 for the I-64/I-264 Interchange Phase III project, as amended on October 4, 2022.

**The Parties agree that this SPA currently addresses the Preliminary Engineering and Right of Way phases of this Project and will require amendment to add Construction and additional project delivery details as needed, as well as funding, if (and before) any award for Construction is made at a later date as shown in the schedule below. Nothing herein shall be deemed or construed to commit either party to adopt any such amendment, and the terms of each amendment must be acceptable to each party acting in its sole discretion.

The Scope of Work for and activities associated with this SPA for the I-64/I-264 Interchange Phase IIIA Improvements Project are set out in Appendix A.

The parties agree that funding shall be made available by HRTAC under this SPA for the I-64/I-264 Interchange Phase IIIA Improvements Project, whether such work is undertaken before or subsequent to execution of this SPA.

The tasks contemplated under this Agreement include but are not limited to the following:

The work associated with this Agreement for the I-264/I-64 Interchange Phase IIIA Improvements Project includes the design, right of way activities and eventually (and when amended) construction of a new 2-lane flyover ramp from I-64 EB to I-264 EB to replace the existing single-lane ramp, widening of I-64 EB from the Northampton Boulevard interchange to the I-264 ramps along with the addition of the part time managed shoulder lane from the Northampton Boulevard interchange to the terminus of the reversible lanes at the bridges over the eastern branch of the Elizabeth River (Twin Bridges), realignment

of a portion of the I-64 EB off-ramp to I-264 WB, widening of the existing I-64 EB bridges over Kempsville Road and Virginia Beach Boulevard, and the existing I-264 EB bridge over Newtown Road. The work also includes public information meetings with localities and others as requested, finalize RFP plans and contract requirements, acquire RW, obtain permits, RFQ level plan development and advertisement RFP level plan development, complete two-phase best value Design-Build contractor procurement processes necessary to award construction, cost estimate & schedule refinements, and design support for this project as defined in the Appendix A

Project Schedule: I-64/I-264 Interchange Phase IIIA Improvements Project (all dates are estimates):

- **Preliminary Engineering (PE):**
 - PE Start: 10/2024
 - PE End: 04/2026
- **Right of Way (RW):**
 - RW Start: 11/2026
 - RW End: 10/2027
- **Construction (CN):**
 - CN Start: 05/2026
 - CN End: 05/2030

Project Cash Flow Schedule: See Annex I to this Appendix B (which is incorporated herein by this reference as if set out in full).

Annex I to the Appendix B

ANNEX I TO APPENDIX B -PROJECT BUDGET & CASH FLOW

PROJECT IDENTIFICATION AND PROPOSED FUNDING

HRTAC Project Title:	I-64/I-264 Interchange Phase IIIA Improvements Project
Scope of Project Services:	Standard Project Services to Support the Phase IIIA Project (UPC 125602)
Recipient Entity:	Virginia Department of Transportation
VDOT Project Contact:	Todd Halacy (757) 956-3010
Baseline Schedule:	PE: Start October 2024, End April 2026
	RW: Start November 2026, End October 2027
	CN: N/A

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	\$ 1,880,000	\$ 1,880,000				
Environmental Work						
Right-of-Way Acquisition	\$ 8,037,000	\$ 8,037,000				
Construction	\$ -	\$ -				
Contract Administration						
Testing Services						
Inspection Services						
Capital Asset Acquisitions						
Other						
Total Estimated Cost	\$ 9,917,000	\$ 9,917,000	\$ -	\$ -	\$ -	\$ -

FISCAL YEAR ANNUAL PROJECT CASH FLOW

Project Phase	Total Fiscal Year 2025		Total Fiscal Year 2026		Total Fiscal Year 2027		Total Fiscal Year 2028	
	PayGo	Financed	PayGo	Financed	PayGo	Financed	PayGo	Financed
Design Work	\$ -						\$ -	
Engineering	\$ 890,523		\$ 989,477		\$ -		\$ -	
Environmental Work								
Right-of-Way Acquisition			\$ -		\$ 5,358,000		\$ 2,679,000	
Construction	\$ -		\$ -		\$ -		\$ -	
Contract Administration								
Testing Services								
Inspection Services								
Capital Asset Acquisitions								
Other								
Total Estimated Cost	\$ 890,523	\$ -	\$ 989,477	\$ -	\$ 5,358,000	\$ -	\$ 2,679,000	\$ -

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

FISCAL YEAR ESTIMATED PROJECT CASH FLOW

	FY 25 Mthly Cash Flow		FY 26 Mthly Cash Flow		FY 27 Qtrly Cash Flow		FY 28 Mthly Cash Flow	
	PayGo	Financed	PayGo	Financed	PayGo	Financed	PayGo	Financed
July	\$ -		\$ 98,947		\$ -		\$ 669,750	
August	\$ -		\$ 98,947		\$ -		\$ 669,750	
September	\$ -		\$ 98,947		\$ -		\$ 669,750	
October	\$ 98,947		\$ 98,947		\$ -		\$ 669,750	
November	\$ 98,947		\$ 98,947		\$ 669,750		\$ -	
December	\$ 98,947		\$ 98,947		\$ 669,750		\$ -	
January	\$ 98,947		\$ 98,947		\$ 669,750		\$ -	
February	\$ 98,947		\$ 98,947		\$ 669,750		\$ -	
March	\$ 98,947		\$ 98,947		\$ 669,750		\$ -	
April	\$ 98,947		\$ 98,954		\$ 669,750		\$ -	
May	\$ 98,947		\$ -		\$ 669,750		\$ -	
June	\$ 98,947		\$ -		\$ 669,750		\$ -	
Total per Fiscal Year	\$ 890,523	\$ -	\$ 989,477	\$ -	\$ 5,358,000	\$ -	\$ 2,679,000	\$ -

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

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

Virginia Department of Transportation

Hampton Roads Transportation Accountability Commission

Signature
Commissioner
Title

Signature
HRTAC Chair
Title

Date
Stephen C. Brich, P.E.
Print name of person signing

Date
Richard W. West
Print name of person signing

APPENDIX C **FORM OF PAYMENT REQUISITION**

HRTAC Project Title and Number: I-64/I-264 Interchange Phase IIIA Improvements Project – UPC 125602

Project Scope/Services Description: The work associated with this Standard Project Agreement for the I-64/I-264 Interchange Phase IIIA Improvements Project is to perform the development and delivery of the I-64/I-264 Interchange Phase IIIA Improvements Project.

Draw Request Number: _____

Date: _____, 20____

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

Attention _____, Program Coordinator:

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

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

VIRGINIA DEPARTMENT OF TRANSPORTATION

By: _____

Name: _____

Title: _____

Recommended For Payment

By: _____

Name: _____

Title: HRTAC Program Coordinator

DETAILED PAYGO REQUEST

Draw Request Number: _____
 HRTAC Project Number: UPC 125602

Request Date: _____
 Project Title: I-264/I-64, Phase IIIA

Cost Category	HRTAC Approved Project Costs		Total PayGo Requests Previously	PayGo Requisition Amount this Period	Remaining PAYGO Project Budget (Calculation)
Project Starting Balance	\$0				\$ -
Design Work/ Engineering	\$1,880,000		\$ -	\$ -	\$ -
Engineering	\$0		-	-	\$ -
Environmental Work	-		-	-	\$ -
Right-of-Way Work	\$8,037,000		-	-	\$ -
Construction	\$0		-	-	\$ -
Contract Administration	-		-	-	\$ -
Testing Services	-		-	-	\$ -
Inspection Services	-		-	-	\$ -
Capital Asset Acquisitions	-		-	-	\$ -
Other (please explain)	-		-	-	\$ -
TOTALS	\$9,917,000		\$ -	\$ -	\$ -

LISTING OF ATTACHED INVOICES

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

Instructions

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

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

1. Column A- Please list the name as it appears on the Invoice
2. Column B- Please manually number the invoices attached with the corresponding Item number in this schedule.
3. Column C- Please list the invoice number as it appears on the Invoice
4. Column D- Please list the appropriate Cost Category based on the Project Category breakout above

5. Column E- Please enter the dollar amount listed on the invoice.
6. The calculated Requisition Amount should equal the total in Column D in the Schedule above.

APPENDIX D

REPORTS TO BE PROVIDED BY VDOT

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

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

APPENDIX E

OFFICIAL AUTHORIZING DOCUMENTS

APPENDIX F

TAX COVENANTS FOR BOND-FUNDED PROJECTS

1. (A) VDOT (the Department) shall not permit the "Proceeds" of any "Commission Bonds" or any "Financed Property" to be used in any manner that would result in either: (1) 5% or more of such proceeds being considered as having been used in any trade or business carried on by any person other than a governmental unit as provided in Section 141(b) of the "Code;" (2) 5% or more of such Proceeds being used with respect to any "output facility" (other than a facility for the furnishing of water) within the meaning of Section 141(b)(4) of the Code; (3) 5% or more of such Proceeds being considered as having been used directly or indirectly to make or finance loans to any person other than a governmental unit, as provided in Section 141(c) of the Code; or (4) more than an aggregate of \$15,000,000 of Proceeds of any single Commission Bond issue being considered as having been used in any trade or business, any output facility or to make or finance loans as described in (1), (2) or (3) above; **provided, however,** that if HRTAC (the Commission) and the Department receive an opinion of nationally recognized bond counsel concluding that such use or action will not affect the exclusion of interest on the Commission Bonds from gross income of the holders thereof for federal tax purposes under existing law, the Department need not comply with such restrictions.

(B) Notwithstanding the foregoing, the Department and the Commission agree that the provisions herein shall not apply to Proceeds of Commission Bonds derived from "qualified bonds" (as defined in Section 141(e) of the Code (or any successor provisions thereto or regulations thereunder)) the Commission may from time to time issue. In the event any such "qualified bonds" are issued by the Commission, the Department agrees that it will not permit Proceeds of Commission Bond derived from such "qualified bonds" to be used in a manner that fails to comply with the provisions of Section 141(e) and 142(a) of the Code (or any successor provisions thereto or regulations thereunder). The provisions of this subparagraph (B) shall not negate any provision in the Agreement or other agreement between the Commission and the Department that requires mutual consent of the parties or Commission approval of a concession arrangement in respect of the Project.

2. the Department agrees not to requisition or spend the proceeds of any the Commission Bond for any cost of the Project not constituting a "Capital Expenditure."

3. Except as may be described in writing to the Commission, the Department neither has on the date of this Agreement nor expects to have after this date any funds that are restricted, segregated, legally required or otherwise intended to be used, directly or indirectly, for the purposes for which the Department is receiving or may receive Proceeds of Commission Bonds.

4. The Department acknowledges that it may have to provide detailed information about the investment of the amount of any requisition unless (i) payments are remitted directly by the Commission to the contractors/vendors, or (ii) the Department remits payment to the contractors/vendors within five banking days after the date on which the Commission advances the amount of the requisition. The Commission may request the detailed information in order to compute the rebate liability to the U.S. Treasury on the Commission's bonds or other debt financing pursuant to Section 148 of the Code. In addition, the Department shall provide the Commission with any further

information reasonably requested by the Commission from time to time concerning the matters described in this Appendix F.

5. The following terms have the meanings assigned to them below whenever they are used in this Appendix F.

“Capital Expenditure” means any cost of a type that is properly chargeable to capital account (or would be so chargeable with (or but for) a proper election or the application of the definition of “placed in service” under Treas. Reg. § 1.150-2(c)) under general federal income tax principles, determined at the time the expenditure is paid.

“Code” means the Internal Revenue Code of 1986, as amended.

“Financed Property” means any property financed in whole or in part by any allocation of Commission Bond Proceeds.

“Commission Bond” means any Commission bond or other debt instrument that is a “tax-exempt bond” or a “tax-advantaged bond” (as defined in Treasury Regulations Section 1.150-1(a)).

“Proceeds” means the sale proceeds of any Commission Bond, together with the investment earnings on such proceeds, to the extent allocated to the Project.

6. A. Fiscal Year 2024 Audited Financial and Compliance Report

Agenda Item 6A
Action Item

To: Chair West and the other members of the Commission

From: Kevin B. Page, Executive Director

Date: September 19, 2024

Re: HRTAC Fiscal Year 2024 Audited Financial and Compliance Report

Recommendation:

The Finance Committee recommends that the Commission approve the Draft FY2024 Audited Financial and Compliance Report for HRTAC.

Background:

In accordance with the HRTAC enabling legislation, the Auditor of Public Accounts (APA) must conduct an annual audit of HRTAC. PBMares, LLP was engaged by the APA to conduct the annual audit. The auditor reported that there were no material weaknesses or deficiencies in any of the internal controls or processes of the HRTAC financial activity, and all information was free of any material misstatements. Mr. Michael A. Garber, Partner of PBMares, LLP, will provide the Commission an overview of the annual audit. At the September 19, 2024 Finance Committee meeting, the Finance Committee recommended that the Commission approve the Draft FY2024 Audited Financial and Compliance Report for HRTAC.

Fiscal Impact:

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

Suggested Motion:

Motion: The Commission: i. Approves the Draft FY2024 Audited Financial and Compliance Report for HRTAC; and ii. Authorizes the Executive Director to work with the Auditor of Public Accounts to finalize and provide its distribution.



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HAMPTON ROADS TRANSPORTATION ACCOUNTABILITY COMMISSION



**A COMPONENT UNIT OF THE
COMMONWEALTH OF VIRGINIA**

FINANCIAL AND COMPLIANCE REPORTS

YEAR ENDED JUNE 30, 2024

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HAMPTON ROADS TRANSPORTATION ACCOUNTABILITY COMMISSION

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INTRODUCTORY SECTION

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Douglas G. Pons, Vice Chair, City of Williamsburg

Kenneth C. Alexander, City of Norfolk
Christopher D. Cornwell, Sr., Southampton County
Robert M. Dyer, City of Virginia Beach
Michael J. Hippel, James City County
Gordon C. Helsel, City of Poquoson
L. Louise Lucas, Virginia Senate
Mamie Locke, Virginia Senate
William M. McCarty, Isle of Wight County
Bonita Anthony, Virginia House of Delegates
Phillip Jones, City of Newport News
Robert “Bobby” Cutchins, City of Franklin
Shannon E. Glover, City of Portsmouth
Thomas G. Shepperd, York County
Michael D. Duman, City of Suffolk
Donnie R. Tuck, City of Hampton
Jackie H. Glass, Virginia House of Delegates
Anne Ferrell H. Tata, Virginia House of Delegates

Non-Voting Members

Stephen Brich, Commissioner of Highways, VDOT
Zach Togden, Acting Director of DRPT
Frederick T. Stant, III, Member, Commonwealth Transportation Board
Stephen A. Edwards, Executive Director, Virginia Port Authority

Commission Staff

Kevin B. Page, Executive Director
Jennifer D. Hodnett, Executive Assistant
Lynn Coen, Senior Accounting Manager
Danetta M. Jankosky, Senior Accounting Manager

Support Staff

Sheila Wilson, Chief Financial Officer
Jaqil Tatum, Senior Accounting Manager
Quanda Tynes, Accounting Manager II
Otesa Mitchell, Accounting Manager

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Commission Board Members
Hampton Roads Transportation Accountability Commission

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and each major fund of the Hampton Roads Transportation Accountability Commission (Commission), a component unit of the Commonwealth of Virginia, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Commission, as of June 30, 2024, and the respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); and the *Specifications for Audits of Authorities, Boards, and Commissions* issued by the Auditor of Public Accounts of the Commonwealth of Virginia. Our responsibilities under those standards and specifications are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Commission and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Commission's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Commission's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the required supplementary information on **pages 4-10** and 47-50, respectively, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Commission's basic financial statements. The schedule of general and administrative expenditures and the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the schedule of general and administrative expenditures and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section as listed in the table of contents but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated **DATE, 2024** on our consideration of the Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Commission's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Commission's internal control over financial reporting and compliance.

Harrisonburg, Virginia
Date, 2024

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MANAGEMENT'S DISCUSSION AND ANALYSIS

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MANAGEMENT'S DISCUSSION AND ANALYSIS

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This discussion and analysis of Hampton Roads Transportation Accountability Commission's (the Commission) financial performance provides an overview of the Commission's financial activities for the fiscal year ended June 30, 2024.

The Commission is a political subdivision of the Commonwealth of Virginia, created April 3, 2014 by the Hampton Roads Transportation Accountability Commission Act, Title 15.2, of the *Code of Virginia* (HB1253 & SB513) and became effective July 1, 2014. The Commission's primary function is determining how the Hampton Roads Transportation Fund (HRTF) (HB2313 of the 2013 Acts of Assembly) regional Sales and Use Tax and Fuel Tax monies will be invested in new construction projects on new or existing highways, bridges, and tunnels in the localities comprising Planning District 23. The Hampton Roads Regional Transit Fund (HRRTF) (HB 1726 and SB 1038 of the 2020 Acts of Assembly) Regional Transportation District Transient Occupancy Tax, Regional Transportation Improvement Fee (Grantors Tax), and \$20 million of Statewide Recordation Tax Revenues will be invested in a core connected transit network. The HRTF function includes an improvement program development, required by the *Virginia Code* to give priority to those projects that are expected to provide the greatest impact on reducing congestion for the greatest number of citizens residing within Planning District 23. The HRRTF function includes the supporting member jurisdictions (currently the cities of Virginia Beach, Chesapeake, Norfolk, Portsmouth, Newport News, and Hampton) subject to the taxes imposed pursuant to Section 58.1-802.4 of the *Virginia Code* and Section 58.1-1743 of the *Virginia Code* approving projects to the development, maintenance, improvement, and operation of a core and connected regional network of transit routes and related infrastructure, rolling stock, and support facilities, to include the operation of a regional system of interjurisdictional, high-frequency bus service, in a transportation district in Hampton Roads created pursuant to § 33.2-1903 as included in the strategic plans and regional transit planning process developed pursuant to § 33.2-286.

In furtherance of its statutory purposes, especially congestion relief, many of the projects the Commission funds are located on major interstate highways owned by the Virginia Department of Transportation (VDOT), and the Commission enters into various agreements with VDOT for the funding of such projects. The Commission's role is principally as a funding source, including with monies generated from the issuance of Commission debt, and the Commission does not own such projects or the assets that it funds, nor does it participate in their construction or operation. Neither VDOT nor the Commonwealth is obligated to pay the Commission's debt, nor is any of such debt guaranteed or backed by the Commonwealth's full faith and credit.

The Commission member jurisdictions are 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 Commission has 23 members as follows: the chief elected official of each of the ten cities and a current elected official of each of the four counties that are members of the Commission; and five members of the General Assembly (two senators and three delegates). The counties embraced by the Commission must appoint by resolution a current member from its governing body to serve as its member on the Commission. In addition, there are four non-voting ex-officio members, one each from the Virginia Department of Rail and Public Transportation, the Commonwealth Transportation Board, the Virginia Department of Transportation, and the Virginia Port Authority.

FINANCIAL HIGHLIGHTS

Highlights for Government-wide Financial Statements

The government-wide financial statements report information about the Commission's reporting entity as a whole using the economic resources measurement focus and accrual basis of accounting.

The government-wide financial statements report information on all activities of the Commission as a whole, using the economic resources measurement focus and accrual basis of accounting.

- Liabilities and deferred inflows of resources of the Commission exceeded its assets and deferred outflows of resources for the year ended June 30, 2024 by \$1,085,322,372. This is an increase in the Commission's negative net position of \$232,256,635. The increase is due mainly to the use of cash for the payment of project costs, debt service, and operating expenses which exceeded the revenue received during the year.
- For the fiscal year ended June 30, 2024, regional tax revenues for the Commission's governmental activities totaled **\$298.9** million in addition to **\$92.7** million in investment income and \$50,000 in other income. Expenses totaled \$623.9 million; **\$570.8** million represents project funding in accordance with HB2313 (HRTF) and HB1726 (HRRTF), and **\$53.1** million represents reimbursement of authorized administrative costs, most of which was interest expense on bond proceeds (**\$48.3**million).

Highlights for Fund Financial Statements

The fund financial statements provide detailed information about the Commission's funds using the current financial resources measurement focus and modified accrual basis of accounting.

- The Commission's Capital Project Fund, established in the fiscal year 2018, reported a decrease in fund balance of **\$287,564,304** for a fund balance of **\$86,611,561** as of June 30, 2024. This decrease is the net effect of draws on two TIFIA loans, the defeasance of a BAN, and Project cost distributions (VDOT construction invoices). Once these projects are completed, they are a VDOT capital asset.
- The Commission's Special Revenue Fund (HRTF), established in fiscal year 2016, reported an increase in fund balance of **\$245,956,807** for a fund balance of **\$1,587,084,473** as of June 30, 2024. This increase is due to Project cost distributions (VDOT construction invoices) being lower than all revenues.
- The Commission's Special Revenue Fund (HRRTF), established in fiscal year 2021, reported an increase in fund balance of \$20,229,605 for a fund balance of **\$92,613,351** as of June 30, 2024. This increase is due to tax revenue being higher than Project cost distributions (HRT project invoices).
- The Commission's Debt Service Fund, established in fiscal year 2019, has a fund balance of \$687,976 due to interest earned during the last six months of the fiscal year.

OVERVIEW OF THE FINANCIAL STATEMENTS

The discussion and analysis provided here is intended to serve as an introduction to the Commission's basic financial statements. The Commission's basic financial statements consist of three components: government-wide financial statements, fund financial statements, and the notes to the financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

The financial statements presented include all the activities which are part of the Commission reporting entity using the integrated approach as prescribed by the Governmental Accounting Standards Board (GASB). The government-wide financial statements present the financial picture of the Commission's governmental activities from the economic resources' measurement focus using the accrual basis of accounting. The fund financial statements include a separate column for each of the major governmental funds. The governmental funds are prepared using the current financial resources measurement focus and modified accrual basis of accounting. A reconciliation of the fund financial statements to the government-wide financial statements is provided to explain the differences created by the integrated approach.

Government-Wide Financial Statements

The government-wide financial statements consist of the Statement of Net Position and the Statement of Activities, with the governmental activities combined. The Statement of Net Position presents the assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the Commission with the difference reported as net position. The Statement of Activities shows in broad terms changes to net position during the fiscal year.

Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Commission is improving or declining. Net position is one way to measure financial position but the reader should also consider other indicators, such as general economic conditions.

The Statement of Activities presents information indicating how the Commission's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported for some items that will result in cash flows in future fiscal periods.

General revenue consists of investment earnings and losses used to cover the Commission's administrative expenses, and Special revenues include the following intergovernmental revenues: sales and use tax and fuel tax collected on behalf of the HRTF, and regional transient occupancy tax, regional grantors tax, and statewide recordation tax collected on behalf of the HRRTF and remitted from the Commonwealth of Virginia. These tax receipts commenced July 1, 2013 (HRTF) and July 1, 2020 (HRRTF).

Fund Financial Statements

A fund is a grouping of related accounts used to maintain control over resources which have been segregated for specific activities or objectives. The Commission, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Commission only reports governmental funds. The Commission does not operate proprietary funds nor does it maintain fiduciary funds at this time. The governmental funds of the Commission are presented using four fund types: General Fund, Special Revenue Funds, Capital Project Fund, and Debt Service Fund.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental funds financial statements focus on near-term inflows and outflows of spendable resources as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in assessing a government's near-term financing requirements.

Because the focus of government funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds Balance Sheet and the governmental funds Statement of Revenues, Expenditures and Change in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

As mentioned above, the Commission maintains four types of governmental funds. Information is presented separately in the governmental funds Balance Sheet and in the governmental funds Statement of Revenues, Expenditures and Changes in Fund Balances for each of these funds. The General Fund includes the Commission's operating activities including the cost of the Commission's four-member staff.

The Special Revenue Funds report revenue received by the Commission and used to fund prioritized projects on new or existing highways, bridges and tunnels in the localities comprising Planning District 23 (HRTF) as well as revenues used to fund the improvement of transit routes, supporting facilities, and bus service (HRRTF). The Capital Project Fund reports interest earned on unexpended bond proceeds, cost of bond issuance, and project cost distributions. The Debt Service Fund reports interest earned on funds set aside for the payment of principal and interest. Interest is paid January 1 and July 1 of each fiscal year.

The Commission adopts an annual appropriated budget for its General Fund. An internal budgetary comparison statement is maintained for the General Fund to demonstrate compliance with this budget.

Notes to the Basic Financial Statements

The notes to the financial statements provide additional information essential to a full understanding of the data provided in the government-wide and fund financial statements.

Required Supplementary Information

The Required Supplementary Information provides additional information that is required by accounting principles generally accepted in the United States to be presented as a supplement to the basic financial statements.

Supplementary Information

Additional information is presented as a supplement to the basic financial statements. Although not required to be presented and not part of the basic financial statements, the schedules are included to provide additional information of interest to certain financial statement users.

FINANCIAL ANALYSIS OF THE REPORTING ENTITY'S FUNDS

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Statement of Net Position

The following table presents a summary of the Statement of Net Position for the Commission as of June 30, 2024. Data for June 30, 2023 has been included for comparison purposes.

Summary of Net Position
June 30, 2024 and 2023

	Governmental Activities			%
	2024	2023	Change	
Assets and Deferred Outflows of Resources:				
Current and other assets	\$ 1,853,183,943	\$ 1,924,597,502	\$ (71,413,559)	-3.7%
Deferred outflows of resources	72,034	63,697	8,337	13.1%
Total assets and deferred outflows of resources	1,853,255,977	1,924,661,199	(71,405,222)	
Liabilities:				
Current and other liabilities	2,886,406,475	2,699,494,373	186,912,102	6.9%
Deferred inflows of resources	52,171,874	78,232,563	(26,060,689)	-33.3%
Total liabilities	2,938,578,349	2,777,726,936	160,851,413	
Net Position:				
Net investment in capital assets	12,953	4,372	8,581	196.3%
Restricted	(1,242,383,458)	(853,060,887)	(389,322,571)	-45.6%
Unrestricted	157,048,133	(9,222)	157,057,355	1703072.6%
Total net position	\$ (1,085,322,372)	\$ (853,065,737)	\$ (232,256,635)	

As noted earlier, net position may serve as a useful indicator of a government's financial position. In the case of the Commission, liabilities and deferred inflows of resources exceeded assets and deferred outflows by \$1,085,322,372 at June 30, 2024 and mostly represents resources subject to external restriction.

Current assets consist primarily of amounts due from the Commonwealth of Virginia, cash and cash equivalents, and restricted cash and cash equivalents. As of June 30, 2024, approximately \$59.0 million was due from the Commonwealth of Virginia, which is restricted for prioritized projects on new or existing highways, bridges, and tunnels in the localities comprising Planning District 23, as well as transit projects in a transportation district in Hampton Roads.

On April 18, 2024, the Commission approved a new medical insurance retirement benefit for long-term employees. To conform with GASB Statements No. 68 and 75, as mandated by Government Accounting Standards, the Commission must record all total unfunded liabilities. These liabilities are primarily long-term liabilities, based on actuarial studies of the activity in the Virginia Retirement System. Therefore, actual results could differ substantially. The current liability of \$189,073 will be funded in the next fiscal year.

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Statement of Activities

The following table presents the revenues, expenses and change in net position of the Commission for the fiscal year ended June 30, 2024. Data for June 30, 2023 has been included for comparison purposes.

Summary of Changes in Net Position
Years Ended June 30, 2024 and 2023

	Governmental Activities			
	2024	2023	Change	%
Revenues:				
General revenue:				
Intergovernmental	\$ 298,925,351	\$ 289,157,143	\$ 9,768,208	3.4%
Use of money	92,661,336	70,708,328	21,953,008	31.0%
Loss on investments	-	(3,751,208)	3,751,208	-100.0%
Other income	50,000	-	50,000	-
Total revenues	391,636,687	356,114,263	35,522,424	
Expenses:				
General and administrative	1,445,173	1,268,298	176,875	13.9%
Investment fees	427,781	397,818	29,963	7.5%
Professional services	2,036,006	408,417	1,627,589	398.5%
Cost of issuance	882,190	1,001,805	(119,615)	-11.9%
Interest expense	48,277,225	47,849,506	427,719	0.9%
Project cost distributions	570,824,947	455,016,656	115,808,291	25.5%
Total expenses	623,893,322	505,942,500	117,950,822	
Change in net position	(232,256,635)	(149,828,237)	(82,428,398)	55.0%
Net Position, beginning	(853,065,737)	(703,237,500)	(149,828,237)	21.3%
Net Position, ending	\$ (1,085,322,372)	\$ (853,065,737)	\$ (232,256,635)	27.2%

For the fiscal year ending June 30, 2024, revenues totaled approximately \$391.6 million. Expenses totaled approximately \$623.9 million. A discussion of the key components of the revenue and expense is included in the funds' analysis.

FINANCIAL ANALYSIS OF THE REPORTING ENTITY'S FUNDS

Governmental Funds

As noted earlier, the Commission uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The focus of the Commission's governmental funds is to provide information on near-term inflows, outflows, and balance of spendable resources. Such information is useful in assessing the needs of the Commission's financing requirements.

General Fund. The General Fund is the operating fund of the Commission. It is currently funded by transfers of investment earnings, if available, with any additional costs covered from the Special Revenue fund per legislative action HB1111 of the 2016 Acts of Assembly and shared pro rata with revenues of the HRRTF per legislative action HB 1726 and SB 1038 of the 2020 Acts of Assembly. Any investment income not required for General Fund use is retained in the Special Revenue funds.

Special Revenue Funds. The Commission established special revenue funds which are categorized as major funds in the governmental fund statements. These funds are used to report the intergovernmental revenue received from the Commonwealth of Virginia.

Capital Project Fund. The Commission established a capital project fund during fiscal year 2018 which is categorized as a major fund in the governmental fund statements. This fund is used to report bond issuance expense, bond issuance premium and project cost distributions.

Debt Service Fund. The Commission established a debt service fund during fiscal year 2019 which is categorized as a major fund in the governmental fund statements. This fund is used to report investment earnings and bond interest expense.

Economic Factors and the Fiscal Year 2025 Budget

- Hampton Roads is both a nationally and globally significant region. It is categorized as having a broad, diverse, and stable regional economy. The region is the driver of economic activity for the Commonwealth of Virginia.
- The fiscal year 2025 budget is based on an analysis of trending revenues.

The Commission's General Fund, Special Revenue Fund, and Capital Project Fund operating budgets decreased from \$8,368,402 in fiscal year 2024 to \$6,962,793 in fiscal year 2025. This decrease of \$1,405,609 is due mainly to a reduction in debt issuance costs and related professional studies.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Commission's finances for all those interested. If you have any questions about this report or need additional financial information, contact Kevin Page, Executive Director, Hampton Roads Transportation Accountability Commission, 723 Woodlake Drive, Chesapeake, Virginia, 23320, or by e-mail to kpage@hrtac.org.

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BASIC FINANCIAL STATEMENTS

DRAFT

HAMPTON ROADS TRANSPORTATION ACCOUNTABILITY COMMISSION
STATEMENT OF NET POSITION
June 30, 2024

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**Governmental
 Activities**

ASSETS

Due from the Commonwealth of Virginia	\$ 58,971,878
Accrued investment income	3,686,049
Prepaid items	157,145,334
Restricted cash, cash equivalents and investments	1,633,253,946
Net pension asset	113,783
Capital assets, net	12,953
Total assets	<u>1,853,183,943</u>

DEFERRED OUTFLOWS OF RESOURCES

Pension plan	72,034
Total deferred outflows of resources	<u>72,034</u>

LIABILITIES

Current liabilities	
Accounts payable	260,405
Accrued interest payable	29,645,050
Accrued liabilities	8,827
Due to other governments	3,630,771
Due to Virginia Department of Transportation	52,571,876
Total current liabilities	<u>86,116,929</u>

Long-term liabilities	
Compensated absences	160,673
Other post-employment benefits	189,073
Long-term debt	2,799,939,800
Total long-term liabilities	<u>2,800,289,546</u>
Total liabilities	<u>2,886,406,475</u>

DEFERRED INFLOWS OF RESOURCES

Deferred gain on defeasance	52,114,764
Pension plan	57,110
Total deferred inflows of resources	<u>52,171,874</u>

NET POSITION

Net investment in capital assets	12,953
Restricted	(1,242,383,458)
Unrestricted	<u>157,048,133</u>
Total net position	<u><u>\$ (1,085,322,372)</u></u>

HAMPTON ROADS TRANSPORTATION ACCOUNTABILITY COMMISSION
STATEMENT OF ACTIVITIES
Year Ended June 30, 2024

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	Expenses	Net (Expense) Revenue and Change in Net Position Governmental Activities
Functions/Programs		
Governmental activities:		
General and administrative	\$ 1,445,173	\$ (1,445,173)
Investment fees	427,781	(427,781)
Professional services	2,036,006	(2,036,006)
Cost of debt issuance	882,190	(882,190)
Interest expense	48,277,225	(48,277,225)
Project cost distributions	570,824,947	(570,824,947)
	<hr/> Total governmental activities	<hr/> (623,893,322)
	<hr/> Total general revenues	<hr/> (623,893,322)
General revenues:		
Intergovernmental revenue:		
Motor fuel tax	67,080,824	
Sales and use tax	196,531,605	
Regional transit improvement fees	5,590,076	
Transient occupancy tax	9,722,846	
State recordation tax	20,000,000	
Use of money	92,661,336	
Other income	50,000	
	<hr/> Total general revenues	<hr/> 391,636,687
	<hr/> Change in net position	<hr/> (232,256,635)
	<hr/> Net Position, beginning of year	<hr/> (853,065,737)
	<hr/> Net Position, end of year	<hr/> \$ (1,085,322,372)

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HAMPTON ROADS TRANSPORTATION ACCOUNTABILITY COMMISSION

BALANCE SHEET – GOVERNMENTAL FUNDS

June 30, 2024

	General Fund	Special Revenue HRTF	Special Revenue HRRTF	Capital Project Fund	Debt Service Fund	Total Governmental Funds
ASSETS						
Due from the Commonwealth of Virginia	\$ -	\$ 56,266,620	\$ 2,705,258	\$ -	\$ -	\$ 58,971,878
Due from other funds	46,085	26,664	-	-	-	72,749
Accrued investment income	-	3,686,049	-	-	-	3,686,049
Prepaid items	8,152	156,178,035	942,064	17,083	-	157,145,334
Restricted cash, cash equivalents, and investments	8,827	1,411,296,659	91,664,372	129,596,112	687,976	1,633,253,946
Total assets	\$ 63,064	\$ 1,627,454,027	\$ 95,311,694	\$ 129,613,195	\$ 687,976	\$ 1,853,129,956
LIABILITIES						
Accounts payable	\$ 24,227	\$ 89,335	\$ 5,188	\$ 141,655	\$ -	\$ 260,405
Accrued interest payable	-	-	-	29,645,050	-	29,645,050
Accrued liabilities	8,827	-	-	-	-	8,827
Due to other governments	87,093	923,272	2,620,406	-	-	3,630,771
Due to Virginia Department of Transportation	-	39,356,947	-	13,214,929	-	52,571,876
Due to other funds	-	-	72,749	-	-	72,749
Total liabilities	120,147	40,369,554	2,698,343	43,001,634	-	86,189,678
FUND BALANCES						
Nonspendable	8,152	156,178,035	942,064	17,083	-	157,145,334
Restricted	-	1,430,906,438	91,671,287	86,594,478	687,976	1,609,860,179
Unassigned	(65,235)	-	-	-	-	(65,235)
Total fund balances	(57,083)	1,587,084,473	92,613,351	86,611,561	687,976	1,766,940,278
Total liabilities and fund balances	\$ 63,064	\$ 1,627,454,027	\$ 95,311,694	\$ 129,613,195	\$ 687,976	\$ 1,853,129,956

HAMPTON ROADS TRANSPORTATION ACCOUNTABILITY COMMISSION

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**RECONCILIATION OF THE BALANCE SHEET OF THE
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION**

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June 30, 2024

Governmental Funds

Reconciliation of fund balances on the Balance Sheet for the governmental funds to the net position of the governmental activities on the Statement of Net Position:

Fund balances - governmental funds	\$ 1,766,940,278
------------------------------------	------------------

Amounts reported for governmental activities in the Statement of Net Position are different because:

Deferred outflows of resources represent a consumption of net position that applies to a future period and, therefore, are not recognized as expenditures in the governmental funds until then.

Pension plan

72,034

Pension asset

113,783

Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental fund.

Capital assets

\$ 14,573

Less - accumulated depreciation and amortization

(1,620)

12,953

Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.

Compensated absences

(160,673)

Other post-employment benefits

(189,073)

Bonds and TIFIA loan payable

(2,651,497,637)

Bond premiums

(148,442,163)

(2,800,289,546)

Deferred inflows of resources represent an acquisition of net position that applies to a future period and, therefore, are not recognized in the governmental funds until then.

Deferred gain on defeasance

(52,114,764)

Pension plan

(57,110)

(52,171,874)

Net position of governmental activities

<u>\$ (1,085,322,372)</u>

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HAMPTON ROADS TRANSPORTATION ACCOUNTABILITY COMMISSION

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES – GOVERNMENTAL FUNDS**

Year Ended June 30, 2024

	General Fund	Special Revenue HRTF	Special Revenue HRRTF	Capital Project Fund	Debt Service Fund	Total Governmental Funds
Revenues						
Intergovernmental:						
Motor fuel tax	\$ -	\$ 67,080,824	\$ -	\$ -	\$ -	\$ 67,080,824
Sales and use tax	-	196,531,605	-	-	-	196,531,605
Regional transit improvement fees	-	-	5,590,076	-	-	5,590,076
Transient occupancy tax	-	-	9,722,846	-	-	9,722,846
State recordation tax	-	-	20,000,000	-	-	20,000,000
Use of money	-	77,617,281	4,732,369	9,318,544	993,142	92,661,336
Other Income	50,000	-	-	-	-	50,000
Total revenues	50,000	341,229,710	40,045,291	9,318,544	993,142	391,636,687
Expenditures						
Current:						
General and administrative	1,001,070	38,215	235,927	-	-	1,275,212
Investment fees	-	427,781	-	-	-	427,781
Professional services	-	198,059	-	1,837,947	-	2,036,006
Cost of debt issuance	-	2,440	-	879,750	-	882,190
Interest expense	-	-	-	-	79,975,619	79,975,619
Project cost distributions	-	248,308,015	19,541,203	302,975,729	-	570,824,947
Total expenditures	1,001,070	248,974,510	19,777,130	305,693,426	79,975,619	655,421,755
Excess (deficiency) of revenues over (under) expenditures	(951,070)	92,255,200	20,268,161	(296,374,882)	(78,982,477)	(263,785,068)
Other Financing Sources (Uses)						
Transfers in	1,076,412	207,914,517	179,021	150,236,363	79,384,328	438,790,641
Transfers out	(188,950)	(54,212,910)	(217,577)	(384,171,204)	-	(438,790,641)
Issuance of debt	-	-	-	235,118,729	-	235,118,729
Bond premiums	-	-	-	7,626,690	-	7,626,690
Total other financing sources (uses), net	887,462	153,701,607	(38,556)	8,810,578	79,384,328	242,745,419
Net change in fund balances	(63,608)	245,956,807	20,229,605	(287,564,304)	401,851	(21,039,649)
Fund Balances, beginning of year	6,525	1,341,127,666	72,383,746	374,175,865	286,125	1,787,979,927
Fund Balances (Deficit), end of year	\$ (57,083)	\$ 1,587,084,473	\$ 92,613,351	\$ 86,611,561	\$ 687,976	\$ 1,766,940,278

HAMPTON ROADS TRANSPORTATION ACCOUNTABILITY COMMISSION

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**RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGE IN FUND BALANCES –
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
Year Ended June 30, 2024**

Governmental Funds

Amounts reported for governmental activities in the Statement of Activities are different because:

Net changes in fund balances - total governmental funds \$ (21,039,649)

Deferred outflows of resources:
Pension plan contributions subsequent to measurement date 66,764

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.
Pension items (41,523)
Other post-employment benefits (189,073)

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation and amortization expense.

Capital outlay \$ 10,201
Depreciation and amortization (1,620) 8,581

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. The transaction, however, does not have any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Issuance of new debt (235,118,729)
Bond premium (7,626,690)
Amortization of bond premiums 5,641,006
Amortization of gain on defeasance 26,057,388
Compensated absences (14,710)

Change in net position of governmental activities \$ (211,061,735)

Note 1. Summary of Significant Accounting Policies

The financial statements of the Hampton Roads Transportation Accountability Commission (Commission) have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing U.S. GAAP for state and local governments through its pronouncements (Statements and Interpretations).

A. Reporting Entity

The Commission is an independent political subdivision of the Commonwealth of Virginia (Commonwealth), created in 2014 by House Bill 1253 (HB1253) and Senate Bill 513 (SB513). The Commission has sovereign power, and its operations and resources are not subjected to the control, direction or oversight of the Commonwealth. The Commission member jurisdictions are 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 Commission has 23 members as follows: the chief elected official of each of the ten cities and a current elected official of each of the four counties that are members of the Commission; and, five members of the General Assembly (two senators and three delegates). The counties embraced by the Commission must appoint by resolution a current member from its governing body to serve as its member on the Commission. In addition, there are four non-voting ex-officio members, one each from the Virginia Department of Rail and Public Transportation, the Commonwealth Transportation Board, the Virginia Department of Transportation, and the Virginia Port Authority.

Currently, the Commission's primary undertaking is to provide funding for regional transportation purposes in the Hampton Roads region. A significant part of this activity presently consists of allocating and leveraging funding from the Hampton Roads Transportation Fund (established by HB2313 of the 2013 Acts of Assembly and containing regional sales tax and use tax and motor fuel tax monies) to new construction projects on new or existing highways, bridges, and tunnels in member localities, with priority given to those projects that are expected to provide the greatest impact on reducing congestion for the greatest number of citizens residing within Planning District 23.

All moneys received by the Commission are required to be used solely for transportation purposes benefiting the member jurisdictions, as outlined above.

Although the Commission's economic resources are not for the direct benefit of the Commonwealth and the Commonwealth is not obligated by the debt of the Commission, the Comptroller has determined that, based on the projects that the Commission is presently funding and its current relationship with the Virginia Department of Transportation relating to the delivery of those projects, it would be misleading to exclude the Commission from the Commonwealth's audited financial statements. Thus, solely for financial reporting purposes, the Commonwealth has decided to include the Commission as a component unit of the Commonwealth. A separate report is prepared for the Commonwealth of Virginia, which includes all agencies, boards, commissions, and authorities determined to meet the component unit definition. Based on the Comptroller's decision to treat the Commission as a blended component unit, the Commission is an integral part of the reporting entity of the Commonwealth of Virginia; accordingly, all funds of the Commission are included in the financial statements of the Commonwealth as part of the reporting entity.

Note 1. Summary of Significant Accounting Policies (Continued)

B. Government-wide and Fund Financial Statements

The government-wide financial statements (Statement of Net Position and Statement of Activities) report information of the governmental activities supported by intergovernmental revenues.

The government-wide Statement of Net Position reports net position as restricted when externally imposed constraints are in effect. Internally imposed designations of resources are not presented as restricted net position.

The government-wide Statement of Activities is designed to report the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include contributions that are restricted to meet the operational requirements of a particular function.

Separate fund financial statements are provided for each of the governmental funds. In the fund financial statements, financial transactions and accounts of the Commission are organized on the basis of funds. The operation of each fund is considered to be an independent fiscal and separate accounting entity, with a self-balancing set of accounts recording cash and/or other financial resources together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. The governmental funds are reported on a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances (fund equity). Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements, a reconciliation is presented which briefly explains the adjustments necessary to reconcile the fund financial statements to the government-wide financial statements.

C. Measurement Focus and Basis of Accounting

Government-wide Financial Statements – Government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Intergovernmental revenues, consisting of taxes from the Commonwealth of Virginia, are recognized in the period the funding is collected at the point of sale.

Governmental Fund Financial Statements – The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. The Commission considers revenues to be available if they are collected within 75 days after year end. Expenditures are recorded when a liability is incurred under the full accrual method of accounting. The individual governmental funds are:

General Fund – The General Fund is the primary operating fund of the Commission and is used to account for and report all revenues and expenditures applicable to the general operations of the Commission which are not accounted for in other funds. Revenues are derived primarily from transfers from the Special Revenue Funds. The General Fund is considered a major fund for financial reporting purposes.

Note 1. Summary of Significant Accounting Policies (Continued)

C. Measurement Focus and Basis of Accounting (Continued)

Special Revenue Funds – The Commission has two Special Revenue Funds. The Special Revenue Hampton Roads Transportation Fund (HRTF) and Special Revenue Hampton Roads Regional Transit Fund (HRRTF) account for and report the proceeds of specific revenue sources restricted or committed to expenditures for specified purposes. The Special Revenue Funds are considered major funds for financial reporting purposes.

Capital Projects Fund – The Capital Projects Fund accounts for and reports the proceeds from the Commission's debt issuances and the expenditures associated with these financial instruments. The Capital Projects Fund transfers money to the Special Revenue Funds to cover costs incurred within the Special Revenue Funds that are approved to be paid from the debt proceeds and not local revenue sources. The Commission has one Capital Projects Fund. The Capital Projects Fund is considered a major fund for financial reporting purposes.

Debt Service Fund – The Debt Service Fund accounts for and reports the financial resources that are restricted or committed for expenditures related to principal and interest obligations. The Debt Service Fund is considered a major fund for financial reporting purposes.

D. Budgeting

The Commission adopts an annual operating budget for the planning and administrative activities of the General Fund. The budgeting process enables the Commission to determine the annual transfers required from the Special Revenue Funds to fund its general and administrative activities. Accumulated fund balances in excess of anticipated minimum operating cash requirements are used as a revenue source in subsequent budgets.

E. Other Significant Accounting Policies

1. Cash and Cash Equivalents

Cash equivalents include all highly liquid investments with maturities of three months or less.

2. Restricted Cash, Cash Equivalents and Investments

Restricted cash, cash equivalents and investments as reported in the Statement of Net Position and Balance Sheets are comprised of intergovernmental deposits and unspent bond proceeds that shall be used solely for regional highways, bridges and tunnel transportation projects benefiting the member jurisdictions.

3. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the financial statements using the consumption method. See Note 13 for more information.

Note 1. Summary of Significant Accounting Policies (Continued)**E. Other Significant Accounting Policies (Continued)****4. Capital Assets**

Capital assets include property and equipment and computer hardware with an individual cost of more than \$5,000 and an estimated useful life in excess of one year. For constructed assets, all costs necessary to bring assets to the condition and location necessary for the intended use are capitalized. Repairs and maintenance are charged to operations as incurred. Additions and betterments are capitalized. The cost of assets retired and accumulated depreciation are removed from the accounts.

Depreciation and amortization of all exhaustible equipment, leasehold improvements and intangibles is charged as an expense against operations using the straight-line method over the following estimated useful lives:

Asset Category	Useful Life (years)
Office Furniture and Equipment	5
Automobiles	5
Software	5

When, in the opinion of management, certain assets are impaired, any estimated decline in value is accounted for as a non-operating expense. There were no impaired assets as of June 30, 2024.

Funding of transportation capital projects: For projects approved and funded by the Commission, the Commission does not take ownership of such projects. Therefore, these projects are not reflected on the Commission's financial statements.

5. Pensions

The Virginia Retirement System (VRS) Political Subdivision Retirement Plan (the Commission's retirement plan) is a multi-employer, agent plan. For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Commission's retirement plan and the additions to/deductions from the Commission's retirement plan's fiduciary net position have been determined on the same basis as they were reported by the VRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

6. Other Post-employment Benefits

The Commission administers a single-employer defined post-employment health care benefit plan (the Plan). For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, an actuarial valuation was performed as of June 30, 2023, using updated actuarial assumptions. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms. There are no investments as this is a pay-as-you-go plan.

Note 1. Summary of Significant Accounting Policies (Continued)**E. Other Significant Accounting Policies (Continued)****7. Compensated Absences**

The Commission's policy permits employees to accumulate earned but unused vacation benefits, which are eligible for payment upon separation from the Commission's service up to twice the annual earnings. The liability for such leave is reported as incurred in the government-wide statements. Vacation leave for Commission employees is granted to all full-time employees and is earned based upon the length of employment. The General Fund is responsible for paying the liability for compensated balances for employees.

Accumulated sick leave accrues until employees leave the Commission and will be paid out at 25% of the balance, up to limits established by policy, reflective of years employed.

8. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Gains on defeasance of debt are deferred and amortized over the life of the bonds using the straight-line method.

In the fund financial statements, governmental fund types recognize gain on defeasance of debt, bond premiums, bond discounts, and bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances and deferred gains on defeasance of debt are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

9. Interfund Transactions

Transactions among Commission funds are treated as revenues and expenditures or expenses within the funds involved if the transaction involved organizations external to the Commission government.

Transactions, which constitute reimbursements to a fund for expenditures initially made from it, which are properly applicable to another fund, are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the reimbursed fund.

Transactions, which constitute the transfer of resources from a fund receiving revenues to a fund through which the revenues are to be expended, are separately reported in the respective funds' operating statements.

10. Fund Equity

The Commission reports fund balance in accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

Nonspendable fund balance classification includes amounts that are not in spendable form (such as prepaid items) or are required to be maintained intact (corpus of a permanent fund).

Note 1. Summary of Significant Accounting Policies (Continued)**E. Other Significant Accounting Policies (Continued)****10. Fund Equity (Continued)**

The Commission reports fund balance in accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

Nonspendable fund balance classification includes amounts that are not in spendable form (such as prepaid items) or are required to be maintained intact (corpus of a permanent fund).

Restricted fund balance classification includes amounts constrained to specific purposes by their providers (higher levels of government), through constitutional provisions, or by enabling legislation.

Committed fund balance classification includes amounts constrained to specific purposes by the government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint.

Assigned fund balance classification includes amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official body to which the governing body delegates the authority.

Unassigned fund balance classification includes the residual balance of the General Fund that has not been restricted, committed or assigned to specific purposes within the General Fund.

When fund balance resources are available for a specific purpose in more than one classification, the Commission will consider the use of restricted, committed or assigned funds prior to the use of unassigned fund balance as they are needed.

11. Net Position

Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Commission or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The Commission first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

12. Estimates and Assumptions

The preparation of financial statements in conformity with U.S GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Note 1. Summary of Significant Accounting Policies (Continued)**E. Other Significant Accounting Policies (Continued)****13. Deferred Outflows/Inflows of Resources**

In addition to assets, the Statement of Net Position will report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expenditure) until then. The Commission currently has items that qualify for reporting in this category and are described in detail in Note 7.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. The Commission currently has items which arise under the accrual basis of accounting, that qualify for reporting in this category, and are described in detail in Note 7.

14. Subsequent Events

Subsequent events have been evaluated through **DATE, 2024**, which was the date the financial statements were available to be issued.

Note 2. Deposits and Investments

At June 30, 2024, cash, cash equivalents and investments consisted of the following, at cost, which approximates fair value:

Governmental Activities

Cash	\$ 37,889,568
Local Government Investment Pool (LGIP)	966,192,186
TD Bank	489,301,171
State Non-Arbitrage Pool (SNAP)	54,118,554
Wilmington Trust	76,165,534
Atlantic Union Bank	9,586,933
Total restricted	<u>1,633,253,946</u>
Total	<u>\$ 1,633,253,946</u>

Deposits

Deposits with banks are covered by the Federal Deposit Insurance Corporation (FDIC) and collateralized in accordance with the Virginia Security for Public Deposits Act (SPDA), § 2.2-4400 et seq. of the *Code of Virginia*. Under the SPDA, banks and savings institutions holding public deposits in excess of the amount insured by the FDIC must pledge collateral to the Commonwealth of Virginia Treasury Board. Financial institutions may choose between two collateralization methodologies and, depending upon that choice, will pledge collateral that ranges in the amounts from 50% to 130% of excess deposits. Accordingly, all deposits are considered fully collateralized.

NOTES TO FINANCIAL STATEMENTS**Note 2. Deposits and Investments (Continued)****Investments**

Statutes authorize local governments and other public bodies to invest in obligations of the United States or its agencies thereof, obligations of the Commonwealth of Virginia or political subdivisions thereof, obligations of the International Bank for Reconstruction and Development (World Bank), the Asian Development Bank, the African Development Bank, “prime quality” commercial paper and certain corporate notes; bankers’ acceptances, repurchase agreements and the State Treasurer’s Local Government Investment Pool (LGIP).

The Commission has adopted a formal investment policy. The goal of the policy is to minimize risk and to ensure the availability of cash to meet Commission expenditures, while generating revenue from the use of funds which might otherwise remain idle. The primary objectives of the Commission’s investment activities in priority order are: safety, liquidity and yield. The policy specifies eligible and ineligible investments; diversification requirements; maximum length of time for various types of investments; and the process for purchasing securities.

Investment Policy

Investment	Credit Quality
U.S. Treasury Obligations	Bills, notes and any other obligation or securities issued by or backed by the full faith and credit of the United States Treasury. The final maturity shall not exceed a period of five years from the time of purchase.
Federal Agency/ Government Sponsored Enterprise Obligations	Bonds, notes and other obligations of the United States, and securities guaranteed by any federal government agency or instrumentality or government sponsored enterprise, with a rating of at least “AA” (or its equivalent) by at least two of the following Nationally Recognized Statistical Rating Organizations (NRSROs): Moody’s Investors Service, Inc. (“Moody’s”), Standard & Poor’s (“S&P”), or Fitch Ratings, Inc. (“Fitch”). The final maturity shall not exceed a period of five years from the time of purchase. Any investment in mortgage backed securities or collateralized mortgage obligations shall have a weighted average life that does not exceed five years from the time of purchase.
Municipal Obligations	Bonds, notes and other general obligations of the Commonwealth of Virginia and its agencies, authorities, and political subdivisions upon which there is no default, with a rating of at least AA (or its equivalent) by at least two of the following NRSROs: S&P, Moody’s, or Fitch, matures within three years of the date of purchase, and otherwise meets the requirements of <i>Code of Virginia</i> §2.2-4501.
Commercial Paper	“Prime quality” commercial paper, with a maturity of 270 days or less from the date of purchase, issued by domestic corporations (corporations organized and operating under the laws of the United States or any state thereof) provided that the issuing corporation, or its guarantor, has a short-term debt rating of at least two of the following: P-1 by Moody’s, A-1 by S&P, or F1 by Fitch, and that otherwise meets the requirements of <i>Code of Virginia</i> §2.2-4502.

NOTES TO FINANCIAL STATEMENTS**Note 2. Deposits and Investments (Continued)****Investment Policy (Continued)**

Investment	Credit Quality
Bankers' Acceptance	Issued by domestic banks or a federally chartered office of a foreign bank, which are eligible for purchase by the Federal Reserve System with a maturity of 180 days or less. The issuing corporation, or its guarantor, must have a short-term debt rating from at least two of the following: P-1 by Moody's, A-1 by S&P, or F1 by Fitch.
Corporate Notes	High quality corporate notes with a final maturity from the time of purchase of five years or less and that meet the following requirements: a. notes with maturities of no more than three years from the time of purchase shall have received at least two of the following ratings: A by S&P, A by Moody's, or A by Fitch; b. notes with maturities no more than five years from the time of purchase shall have received at least two of the following ratings: AA by S&P, Aa by Moody's, or AA by Fitch.
Negotiable Certificates of Deposit and Bank Deposit Notes	Negotiable certificates of deposit and negotiable bank deposit notes of domestic banks and domestic offices of foreign banks that meet the following requirements: a. notes with maturities or no more than one year from the time of purchase shall have received at least two of the following ratings: A-1 by S&P, P-1 by Moody's, or F1 by Fitch; b. Notes with maturities exceeding one year and not exceeding five years from the time of purchase shall have received at least two of the following ratings: AA by S&P, Aa by Moody's, or AA by Fitch.
Bank Deposits and Non-Negotiable Certificates of Deposit	Demand deposits, time deposits, and other deposits that comply with all aspects of SPDA or with §2.2-4518 with a final maturity no more than two years.
Repurchase Agreement	In overnight repurchase agreements provided that the following conditions are met: a. the contract is fully secured by deliverable U.S. Treasury and Federal Agency/Government Sponsored Enterprise obligations as described in paragraphs 1 and 2 above, including the maximum maturity of three (3) years, having a market value at all times of at least one hundred and two percent (102%) of the amount of the contract; b. a Master Repurchase Agreement or specific written Repurchase Agreement governs the transaction; c. the securities are free and clear of any lien and held by an independent third-party custodian acting solely as an agent for the Commission, provided such third party is not the seller under the repurchase agreement;

NOTES TO FINANCIAL STATEMENTS**Note 2. Deposits and Investments (Continued)****Investment Policy (Continued)**

Investment	Credit Quality
Repurchase Agreement (Continued)	<p>d. a perfected first security interest under the Uniform Commercial Code in accordance with book entry procedures prescribed at 31 C.F.R. 306.1 et seq. or 31 C.F.R. 350.0 et seq. in such securities are created for the benefit of the Commission;</p> <p>e. the counterparty is a:</p> <ul style="list-style-type: none">i. primary government securities dealer who reports daily to the Federal Reserve Bank of New York, orii. a bank, savings and loan association, or diversified securities broker-dealer having at least \$5 billion in assets and \$500 million in capital and subject to regulation of capital standards by any state or federal regulatory agency; and <p>f. the counterparty meets the following criteria:</p> <ul style="list-style-type: none">i. a long-term credit rating of at least "AA" or the equivalent from an NRSRO;ii. has been in operation for at least five years; andiii. is reputable among market participants.
Money Market Mutual Funds (Open-Ended Investment Funds)	Shares in open-end, no-load investment funds provided such funds are registered under the Investment Company Act of 1940 and provided that the fund is rated at least AAA or the equivalent by an NRSRO. The mutual fund must comply with all requirements of Rule 2(a)-7, or any successor rule, of the United States Securities and Exchange Commission, provided the investments by such funds are restricted to investments otherwise permitted by the <i>Code of Virginia</i> for political sub-divisions.
Local Government Investment Pool (LGIP)	A specialized commingled investment program that operates in compliance with GASB Statement No. 79 that was created in the 1980 session of the General Assembly (<i>Code of Virginia</i> §2.2-4700 et seq.) designed to offer a convenient and cost-effective investment vehicle for public funds. The LGIP is administered by the Treasury Board of the Commonwealth of Virginia and is rated AAA by S&P.
Virginia State Non-Arbitrage Program's (Virginia SNAP) SNAP Fund	As of June 30, 2024, the Commission had investments of \$54,118,554 in the Commonwealth of Virginia State Non-Arbitrage Program ("SNAP"). SNAP has been established by the Treasury Board of the Commonwealth of Virginia pursuant to the SNAP Act (Chapter 47, Title 2.2, <i>Code of Virginia</i> 1950, as amended) to provide comprehensive investment management, accounting and arbitrage rebate calculation services for proceeds of tax-exempt borrowings and other financings of Virginia Issuers subject to Section 148 (and related sections) of the Internal Revenue Code.

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NOTES TO FINANCIAL STATEMENTS**Note 2. Deposits and Investments (Continued)****Investment Policy (Continued)**

Investment	Credit Quality
Virginia State Non-Arbitrage Program's (Virginia SNAP) SNAP Fund (Continued)	The SNAP Fund is managed to maintain a dollar-weighted average portfolio maturity of 60 days or less and seeks to maintain a constant net asset value per share of \$1. The SNAP Fund invests in obligations of the United States Government and its agencies, high quality debt obligations of U.S. companies and obligations of financial institutions, and is rated "AAAm" by S&P. SNAP is managed in accordance with GASB Statement No. 79. The portfolio securities are valued by the amortized cost method, and on a daily basis this valuation is compared to current market to monitor any variance. Investments are limited to short-term, high quality credits that can be readily converted into cash with limited price variation.

Credit Risk

The investment policy specifies credit quality for certain types of investments, as described below, in accordance with the *Code of Virginia*, and the policy specifies the qualifications for institutions providing depository and investment services. In addition, the Executive Director must conduct a review of the condition of each authorized financial institution and broker/dealer.

As required by state statute, the Policy requires that commercial paper have a short-term debt rating of no less than "A-1" (or its equivalent) from at least two of the following; Moody's, S&P's and Fitch Investor's Service. Corporate notes, negotiable Certificates of Deposit and bank deposit notes maturing in less than one year must have a short-term debt rating of at least "A-1" by S&P's and "P-1" by Moody's. Notes having a maturity of greater than one year must be rated "AA" by S&P or "Aa" by Moody's.

The Commission's rated investments as of June 30, 2024 were rated by Standard & Poor's and the ratings are presented below.

	Commission's Rated Debt Investments' Values						
	Fair Quality Ratings						
	AAAm	AAA	AA	A	A-1	BBB	
Government Agencies	\$ -	\$ -	\$ 26,532,235	\$ -	\$ -	\$ -	-
Foreign Government Bonds	-	1,957,357	-	-	-	-	-
Commercial Paper	-	-	-	-	102,875,879	-	-
Corporate Notes	-	-	9,337,121	38,428,596	-	-	2,044,822
U.S. Treasury Obligations	-	-	108,881,460	-	78,538,005	-	-
Agency Unsecured Bonds and Notes	-	-	11,963,488	-	-	-	-
Certificates of Deposit	-	-	1,325,315	2,394,409	49,053,693	-	-
Money Market	55,968,791	-	-	-	-	-	-
Local Government Investment Pool	966,192,186	-	-	-	-	-	-
State Non-Arbitrage Pool (SNAP)	54,118,554	-	-	-	-	-	-
	<u>\$ 1,076,279,531</u>	<u>\$ 1,957,357</u>	<u>\$ 158,039,619</u>	<u>\$ 40,823,005</u>	<u>\$ 230,467,577</u>	<u>\$ 2,044,822</u>	

Note 2. Deposits and Investments (Continued)**Custodial Credit Risk (Deposits)**

For deposits, custodial credit risk is the risk that in the event of a failure of a depository financial institution, deposits may not be recovered. All of the Commission's deposits are maintained in accounts collateralized in accordance with the SPDA.

The Commission's investment policy provides that securities purchased for the Commission shall be held by the Commission or by the Commission's custodian. If held by a custodian, the securities must be in the Commission's name or in the custodian's nominee name and identifiable on the custodian's books as belonging to the Commission. Further, if held by a custodian, the custodian must be a third-party, not a counterparty (buyer or seller) to the transaction. At June 30, 2024, all of the Commission's investments were held in accordance with this policy.

Concentration of Credit Risk

Concentration of credit risk is defined as the risk of loss attributed to the magnitude of a government's investment in a single issuer. If certain investments in any one issuer represent 5% of total investments, there must be a disclosure of the amount and issuer. At June 30, 2024, the Commission's portfolio did not have any investment in a single issuer over 5% that is required to be disclosed.

Interest Rate Risk

In accordance with its investment policy, the Commission manages its exposure to declines in fair values by limiting the maturity of various investment vehicles, as indicated in the chart below.

The limitations provided in the investment policy for maximum maturity and percentage of the portfolio for each category of investment are as follows:

Permitted Investment	Sector Limit	Issuer Limit
U.S. Treasury Obligations	100%	100%
Federal Agency/GSE Obligations	100%	35%
Municipal Obligations	15%	5%
Commercial Paper	35%	5%
Bankers' Acceptances	35%	5%
Corporate Notes	25%	5%
Negotiable Certificates of Deposit and Bank Deposit Notes	25%	5%
Bank Deposits and Non-Negotiable Certificates of Deposit	100%	100%
Repurchase Agreements	25%	25%
Money Market Mutual Funds	25%	25%
Local Government Investment Pool (LGIP)	100%	100%
Virginia SNAP-SNAP Fund (Proceeds of Tax Exempt Bonds Only)	100%	100%

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Note 2. Deposits and Investments (Continued)

Interest Rate Risk (Continued)

As a means of limiting exposure to fair value losses arising from interest rates, the Commission's policy limits investments to investments with a duration and/or weighted average maturity of the total investment portfolio not to exceed two years.

	Fair Value	Investment Maturities (in years)			
		Less Than 1 Year	1 - 5 Years	Over 5 Years	
U.S. Treasury Obligations	\$ 187,419,465	\$ 119,909,552	\$ 67,509,913	\$ -	-
Agency Unsecured Bonds and Notes	11,963,488	11,963,488	-	-	-
Foreign Government Bonds	1,957,357	-	1,957,357	-	-
Certificates of Deposit	52,773,417	49,053,693	3,719,724	-	-
Money Market	55,968,791	55,968,791	-	-	-
Corporate Notes	49,810,539	17,220,754	32,589,785	-	-
Commercial Paper	102,875,879	102,875,879	-	-	-
Government Agencies	26,532,235	1,974,454	23,697,683	860,098	

As of June 30, 2024, the Commission had investments of \$966,192,186 in the LGIP for governmental activities. The LGIP is a professionally managed money market fund, which invests in qualifying obligations and securities as permitted by Virginia statutes. Pursuant to § 2.2-4605 of the *Code of Virginia*, the Treasury Board of the Commonwealth sponsors the LGIP and has delegated certain functions to the State Treasurer. The LGIP reports to the Treasury Board at their regularly scheduled monthly meetings. The Commission's investments in LGIP are stated at amortized cost and classified as cash and cash equivalents and the maturity is less than one year.

Note 3. Fair Value Measurement

The Commission categorizes its fair value measurements within the fair value hierarchy established by U.S GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The three levels of the fair value hierarchy are described below.

- Level 1** Valuation based on quoted prices in active markets for identical assets or liabilities.
- Level 2** Valuation based on quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable data for substantially the full term of the assets and liabilities.
- Level 3** Valuations based on unobservable inputs to the valuation methodology that are significant to the measurement of the fair value of assets or liabilities.

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Note 3. Fair Value Measurement (Continued)

The following table sets forth by level, within the fair value hierarchy, the Commission's assets at fair value as of June 30, 2024:

	June 30, 2024	Level 1	Level 2	Level 3
Investments by Fair Value Level				
U.S. Treasury Obligations	\$ 187,419,465	\$ 187,419,465	\$ -	\$ -
Agency Unsecured Bonds and Notes	11,963,488	11,963,488	-	-
Government Agency (State Taxable)	26,532,235	-	26,532,235	-
Foreign Government Bonds	1,957,357	-	1,957,357	-
Corporate Notes	49,810,539	-	49,810,539	-
Commercial Paper	102,875,879	-	102,875,879	-
Certificates of Deposit	52,773,417	-	52,773,417	-
Money Market	55,968,791	-	-	55,968,791

Note 4. Due To/From Other Governments

At June 30, 2024, due from the Commonwealth of Virginia consisted of the following:

	Special Revenue HRTF	Special Revenue HRRTF	Total
Sales and Use Tax	\$ 38,839,796	\$ -	\$ 38,839,796
Motor Fuel Tax	17,426,824	-	17,426,824
Transient Occupancy Tax	-	2,156,591	2,156,591
Regional Transit Improvement Fees	-	548,667	548,667
Total	\$ 56,266,620	\$ 2,705,258	\$ 58,971,878

At June 30, 2024, amounts due to other governments consisted of \$1,010,365 due to Hampton Roads Planning District and \$2,620,406 due to Hampton Roads Transit.

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Note 5. Long-Term Liabilities

Changes in long-term liabilities consisted of the following:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Governmental Activities:					
Revenue bonds	\$ 1,158,415,000	\$ 141,000,000	\$ -	\$ 1,299,415,000	\$ -
Premium on bonds	146,456,479	7,626,690	5,641,006	148,442,163	-
TIFIA loan	1,257,963,907	94,118,730	-	1,352,082,637	-
Compensated absences	145,963	14,710	-	160,673	-
	\$ 2,562,981,349	\$ 242,760,130	\$ 5,641,006	\$ 2,800,100,473	\$ -

Details of long-term obligations are as follows:

In 2018, the Commission issued \$500,000,000 in senior lien revenue bonds, Series 2018A, due in annual installments ranging from \$4,745,000 to \$37,915,000, plus semi-annual interest at 5.0% to 5.5%. The bonds were issued at a premium of \$83,270,073, which will be amortized over the life of the bonds. In 2022, the Commission did an in-substance defeasance of \$364,075,000 of the bonds, along with \$53,447,361 of the unamortized bond premium. The Commission used current resources for the defeasance and no new debt was issued. The remaining balance due is \$135,925,000 with an associated premium of \$22,636,969, which will be amortized over the life of the bonds.

Annual requirements to amortize long-term obligations and related interest are as follows:

Year(s) Ending June 30,	Governmental Activities	
	Senior Lien Revenue Bonds, Series 2018A	
	Principal	Interest
2025	\$ -	\$ 6,796,250
2026	4,745,000	6,677,625
2027	4,985,000	6,434,375
2028	5,235,000	6,178,875
2029	5,495,000	5,910,625
2030-2034	11,830,000	26,507,500
2035-2039	-	25,908,750
2040-2044	51,935,000	19,669,875
2045-2049	51,700,000	5,327,500
	\$ 135,925,000	\$ 109,411,375

NOTES TO FINANCIAL STATEMENTS**Note 5. Long-Term Liabilities (Continued)**

In 2020, the Commission issued \$614,615,000 in senior lien revenue bonds, Series 2020A, due in annual installments ranging from \$8,185,000 to \$63,965,000, plus semi-annual interest at 4.5% to 5.3%. The bonds were issued at a premium of \$129,973,450, which will be amortized over the life of the bonds.

Annual requirements to amortize long-term obligations and related interest are as follows:

Year(s) Ending June 30,	Governmental Activities	
	Principal	Interest
2025	\$ -	\$ 28,228,700
2026	-	28,228,700
2027	-	28,228,700
2028	8,185,000	28,024,075
2029	8,595,000	27,604,575
2030-2034	49,865,000	130,958,375
2035-2039	63,390,000	117,236,350
2040-2044	78,925,000	101,389,950
2045-2049	88,615,000	82,072,500
2050-2054	68,295,000	65,346,225
2055-2059	123,730,000	48,512,988
2060-2061	125,015,000	6,036,062
	<u>\$ 614,615,000</u>	<u>\$ 691,867,200</u>

In 2021, the Commission issued \$817,990,000 in senior lien bond anticipation notes, Series 2021A, due in full in July 2026, with semi-annual interest payments at 5.0% in the amount of \$20,449,750. The notes were issued at a premium of \$170,779,952, which will be amortized over the life of the bonds. In 2023, the Commission did an in-substance defeasance of the entire amount of the notes, along with \$50,934,372 of the unamortized premium. The Commission issued new debt in the form of a TIFIA loan for the majority of the defeasance, along with current resources. Funds were placed in escrow to pay the bonds as they mature and the balance of the defeased bonds is \$817,990,000 at June 30, 2024.

In 2022, the Commission issued \$407,875,000 in senior lien revenue bonds, Series 2022A, due in annual installments ranging from \$1,065,000 to \$36,905,000, plus semi-annual interest at 5.0%. The bonds were issued at a premium of \$6,175,604, which will be amortized over the life of the bonds.

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Note 5. Long-Term Liabilities (Continued)

Annual requirements to amortize long-term obligations and related interest are as follows:

Year(s) Ending June 30,	Governmental Activities	
	Senior Lien Revenue Bonds, Series 2022A	
	Principal	Interest
2025	\$ -	\$ 17,215,150
2026	-	17,215,150
2027	-	17,215,150
2028	1,065,000	17,188,525
2029	1,115,000	17,134,025
2030-2034	25,720,000	83,340,500
2035-2039	47,305,000	73,418,125
2040-2044	10,550,000	66,007,000
2045-2049	36,475,000	62,572,950
2050-2054	146,260,000	42,654,364
2055-2059	139,385,000	11,317,337
	<u>\$ 407,875,000</u>	<u>\$ 425,278,276</u>

In 2023, the Commission issued \$141,000,000 in senior lien revenue bonds, Series 2023A, due in full on July 1, 2027, with semi-annual interest at 5.0%. The bonds were issued at a premium of \$7,626,690, which will be amortized over the life of the bonds.

Year Ending June 30,	Governmental Activities	
	Senior Lien Revenue Bonds, Series 2023A	
	Principal	Interest
2025	\$ -	\$ 7,050,000
2026	-	7,050,000
2027	-	7,050,000
2028	141,000,000	3,525,000
	<u>\$ 141,000,000</u>	<u>\$ 24,675,000</u>

In 2021, the Commission entered into a TIFIA loan agreement, TIFIA 20211010A, for up to \$500,789,463 at 1.86% interest. In 2022, the Commission made an initial withdrawal of \$100,000,000. In October 2022 and February 2023, the Commission made additional withdrawals totaling \$330,000,000. Then in May 2024, the Commission made an additional withdrawal of \$70,789,463. Payments are due in annual installments ranging from \$2,369,779 to \$39,175,242, beginning in July 2025. Capitalized interest was \$14,379,866 at June 30, 2024.

Beginning in June 2024, the Commission began making monthly sinking fund payments of principal in accordance with the Seventh Supplemental Series Indenture of Trust. The first payment of principal to TIFIA will be made on July 1, 2025. The Seventh Supplemental Indenture also required for the Commission to issue a bond to TIFIA for the maximum principal amount of \$500,789,463.

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Note 5. Long-Term Liabilities (Continued)

Annual requirements to amortize long-term obligations and related interest are as follows:

Year(s) Ending June 30,	Governmental Activities	
	TIFIA 20211010A Loan	
	Principal	Interest
2025	\$ -	\$ 4,830,453
2026	2,369,779	9,559,929
2027	2,922,957	9,510,665
2028	3,467,161	9,438,221
2029	4,101,916	9,393,728
2030-2034	30,720,997	45,418,111
2035-2039	51,379,212	41,638,834
2040-2044	77,978,282	35,660,234
2045-2049	111,681,662	26,916,501
2050-2054	154,434,593	14,602,689
2055-2059	76,112,770	1,430,690
	\$ 515,169,329	\$ 208,400,057

In 2021, the Commission entered into a TIFIA loan agreement, TIFIA 20211008A, for up to \$817,990,000 at 1.86% interest. In 2023, the Commission withdrew the full amount of the loan. Loan Proceeds were used in the defeasance of Series 2021A bond anticipation notes. Principal payments are due in installments ranging from \$3,078,921 to \$45,184,815, beginning in July 2027. Capitalized interest was \$18,923,308 at June 30, 2024.

Annual requirements to amortize long-term obligations and related interest are as follows:

Year(s) Ending June 30,	Governmental Activities	
	TIFIA 20211008A Loan	
	Principal	Interest
2027	\$ -	\$ 7,954,994
2028	3,078,921	15,737,346
2029	3,164,471	15,737,928
2030-2034	49,997,578	77,186,896
2035-2039	100,698,583	70,418,056
2040-2044	120,149,825	60,568,748
2045-2049	141,957,826	48,493,930
2050-2054	166,575,540	34,166,403
2055-2059	194,468,454	17,399,967
2060-2061	87,675,877	1,649,121
	\$ 867,767,075	\$ 349,313,389

The amortization table above includes future capitalized interest of \$30,853,767 through June 30, 2025.

NOTES TO FINANCIAL STATEMENTS

Note 5. Long-Term Liabilities (Continued)

In 2021, the Commission entered into an additional TIFIA loan agreement, TIFIA 20211009A, for up to \$345,000,000. As of June 30, 2024, the unused line of credit was \$345,000,000.

Note 6. Intergovernmental Revenues, Commonwealth of Virginia

Intergovernmental revenues from the Commonwealth of Virginia include additional fees or taxes imposed in each of the Member Jurisdictions as follows:

Special Revenue HRTF:

- An additional Retail Sales Tax of 0.7% is added to the standard rate of retail sales tax imposed by the Virginia Code. The additional tax is not levied upon food purchased for human consumption.
- An additional Motor Fuel Tax at a rate of 2.1% on retail sales of motor vehicle fuel levied by the Commonwealth of Virginia through its Department of Motor Vehicles.

Special Revenue HRRTF:

- An additional distribution of recordation tax to cities and counties annual allocation of \$20 million into the HRRTF established pursuant to § 33.2-2600.1.
- A Regional Transportation Improvement Fee imposed on each deed, instrument, or writing by which lands, tenements, or other realty located in a county or city located in a transportation district in Hampton Roads (Currently the Cities of Chesapeake, Hampton, Newport News, Norfolk, Portsmouth, and Virginia Beach) created pursuant to § 33.2-1903 is sold and is granted, assigned, transferred, or otherwise conveyed to or vested in the purchaser or any other person, by such purchaser's direction. The rate of the fee, when the consideration or value of the interest, whichever is greater, equals or exceeds \$100, shall be \$0.06 for each \$100 or fraction thereof, exclusive of the value of any lien or encumbrance remaining thereon at the time of the sale, whether such lien is assumed or the realty is sold subject to such lien or encumbrance.
- A Transportation District Transient Occupancy Tax, an additional transient occupancy tax at the rate of one percent of the amount of the charge for the occupancy of any room or space occupied in any county or city located in a transportation district in Hampton Roads (Currently the Cities of Chesapeake, Hampton, Newport News, Norfolk, Portsmouth, and Virginia Beach.) created pursuant to § 33.2-1903.

Note 7. Pension Plan

A. Plan Description

Name of Plan: Virginia Retirement System (VRS)

Identification of Plan: Agent Multiple-Employer Pension Plan

Administering Entity: Virginia Retirement System (System)

All full-time, salaried permanent employees of the Commission are automatically covered by VRS Retirement Plan upon employment. This plan is administered by the Virginia Retirement System (the System) along with plans for other employer groups in the Commonwealth of Virginia. Members earn one month of service credit for each month they are employed and for which they and their employer pay contributions to VRS. Members are eligible to purchase prior service, based on specific criteria as defined in the *Code of Virginia*, as amended. Eligible prior service that may be purchased includes prior public service, active military service, certain periods of leave, and previously refunded service.

The System administers three different benefit structures for covered employees – Plan 1, Plan 2, and Hybrid. Each of these benefit structures has a different eligibility criteria. The specific information for each plan and the eligibility for covered groups within each plan are available at:

- <https://www.varetire.org/members/benefits/defined-benefit/plan1.asp>,
- <https://www.varetire.org/members/benefits/defined-benefit/plan2.asp>,
- <https://www.varetirement.org/hybrid.html>.

The System administers three different benefit structures for covered employees – Plan 1, Plan 2, and Hybrid. Each of these benefit structures has a different eligibility criteria. The specific information for each plan and the eligibility for covered groups within each plan are set out in the table below:

Employees Covered by Benefit Terms

As of the June 30, 2022 actuarial valuation, the following employees were covered by the benefit terms of the pension plan:

Active Members

3

NOTES TO FINANCIAL STATEMENTS

Note 7. Pension Plan (Continued)

A. Plan Description (Continued)

Contributions

The contribution requirement for active employees is governed by §51.1-145 of the *Code of Virginia*, as amended, but may be impacted as a result of funding options provided to political subdivisions by the Virginia General Assembly. Employees are required to contribute 5.00% of their compensation toward their retirement.

The Commission's contractually required contribution rates for the year ended June 30, 2024 were 11.87% and 8.62% (Hybrid) of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2021. This rate, when combined with employee contributions, was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the Commission were \$66,764 and \$52,703 for the years ended June 30, 2024 and 2023, respectively.

B. Net Pension Liability (Asset)

The net pension liability (asset) is calculated separately for each employer and represents that particular employer's total pension liability determined in accordance with GASB Statement No. 68, less that employer's fiduciary net position. The Commission's net pension asset was measured as of June 30, 2023. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation performed as of June 30, 2022, rolled forward to the measurement date of June 30, 2023.

Actuarial Assumptions

The total pension asset for the Commission's retirement plan was based on an actuarial valuation as of June 30, 2022, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2023.

Inflation	2.50%
Salary increases, including inflation	3.50% – 5.35%
Investment rate or return	6.75%, net of pension plan investment expense, including inflation

Note 7. Pension Plan (Continued)**B. Net Pension Liability (Asset) (Continued)*****Actuarial Assumptions (Continued)***

Mortality Rates:	15% of deaths are assumed to be service-related.
Pre-retirement:	Pub-2010 Amount Weighted Safety Employee Rates projected generationally; 95% of rates for males; 105% of rates for females set forward 2 years.
Post-retirement:	Pub-2010 Amount Weighted Safety Healthy Retiree Rates projected generationally; 110% of rates for males; 105% of rates for females set forward 3 years.
Post-disablement:	Pub-2010 Amount Weighted General Disabled Rates projected generationally; 95% of rates for males set back 3 years; 90% of rates for females set back 3 years.
Beneficiaries and Survivors	Pub-2010 Amount Weighted Safety Contingent Annuitant Rates projected generationally; 110% of rates for males and females set forward 2 years.
Mortality Improvement	Rates projected generationally with Modified MP-2020 Improvement Scale that is 75% of the MP-2020 rates.

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period from July 1, 2016 through June 30, 2020, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2021. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Update to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	No change
Salary Scale	No change
Discount Rate	No change

Note 7. Pension Plan (Continued)**B. Net Pension Liability (Asset) (Continued)*****Long-Term Expected Rate of Return***

The long-term expected rate of return on pension System investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension System investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation is best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class (Strategy)	Long-Term Target Asset Allocation	Arithmetic Long-Term Expected Rate of Return	Weighted Average Long-Term Expected Rate of Return*
Public Equity	34.00%	6.14%	2.09%
Fixed Income	15.00%	2.56%	0.38%
Credit Strategies	14.00%	5.60%	0.78%
Real Assets	14.00%	5.02%	0.70%
Private Equity	16.00%	9.17%	1.47%
MAPS - Multi-Asset Public Strategies	4.00%	4.50%	0.18%
PIP - Private Investment Partnership	2.00%	7.18%	0.14%
Cash	1.00%	1.20%	0.01%
Total	100.00%		5.75%
Inflation			2.50%
Expected arithmetic nominal return*			8.25%

*The above allocation provides a one-year expected return of 8.25%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return for the System, stochastic projections are employed to model future returns under various economic conditions. These results provide a range of returns over various time periods that ultimately provide a median return of 7.14%, including expected inflation of 2.50%.

On June 15, 2023, the VRS Board elected a long-term rate of 6.75% which is roughly at the 45th percentile of expected long-term results of the VRS fund asset allocation at that time, providing a median return of 7.14%, including expected inflation of 2.50%.

Note 7. Pension Plan (Continued)**B. Net Pension Liability (Asset) (Continued)*****Discount Rate***

The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that System member contributions will be made per the VRS statutes and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Consistent with the phased-in funding provided by the General Assembly for state and teacher employer contributions; political subdivisions were also provided with an opportunity to use an alternate employer contribution rate. For the year ended June 30, 2024, the alternate rate was the employer contribution rate used in FY 2012 or 100% of the actuarially determined employer contribution rate from the June 30, 2022 actuarial valuations, whichever was greater. From July 1, 2023 on, participating employers are assumed to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current active and inactive employees. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

C. Changes in the Net Pension Liability (Asset)

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balances at June 30, 2022	\$ 346,265	\$ 446,444	\$ (100,179)
Changes for the year:			
Service cost	77,921	-	77,921
Interest	28,633	-	28,633
Differences between expected and actual experience	(12,570)	-	(12,570)
Contributions - employer	-	52,703	(52,703)
Contributions - employee	-	22,602	(22,602)
Net investment income	-	32,517	(32,517)
Administrative expense	-	(248)	248
Other changes	-	14	(14)
Net changes	93,984	107,588	(13,604)
Balances at June 30, 2023	\$ 440,249	\$ 554,032	\$ (113,783)

Sensitivity of the Net Pension Asset to Changes in the Discount Rate

The following represents the net pension asset calculated using the stated discount rate, as well as what the net pension asset would be if it were calculated using a stated discount rate that is one-percentage point lower (5.75%) or one-percentage-point higher (7.75%) than the current rate:

	Current	1% Decrease	Discount Rate	1% Increase
5.75%	6.75%	5.75%	6.75%	7.75%
Plan's net pension asset	\$ (54,540)	\$ (113,783)	\$ (161,849)	

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Note 7. Pension Plan (Continued)

D. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2024, the Commission recognized pension expense of \$(41,523). At June 30, 2024, the Commission reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Employer contributions subsequent to the measurement date	\$ 66,764	\$ -
Differences between expected and actual experience	3,269	(51,927)
Changes of assumptions	2,001	(2,016)
Net difference between projected and actual earnings on plan investments	-	(3,167)
	<hr/>	<hr/>
	\$ 72,034	\$ (57,110)

The \$66,764 reported as deferred outflows of resources related to pensions resulting from the Commission's contributions subsequent to the measurement date will be recognized as a decrease to the net pension asset in the year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions as of June 30, 2024 will be recognized in pension expense as follows:

Year Ending June 30,	Amount
2025	\$ (11,530)
2026	(16,552)
2027	(4,111)
2028	(9,458)
2029	(6,512)
Thereafter	<hr/>
Total	<u>\$ (51,840)</u>

E. Pension Plan Data

Information about the VRS Political Subdivision Retirement Plan is also available in the separately issued VRS 2023 Annual Report (Annual Report). A copy of the 2023 VRS Annual Report may be downloaded from the VRS website at varetire.org/pdf/publications/2023-annual-report.pdf, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, Virginia 23218-2500.

Note 8. Other Post-employment Benefits**A. Plan Description**

The Commission provides post-retirement health benefits to retirees who were hired prior to 7/1/2010 and were vested at 1/1/2013 and are age 50 or older with 10 years of service or age 55 or older with 5 years of service. All others are eligible at age 60 with 5 years of service or reach the Rule of 90. These benefits are provided for in a single-employer defined benefit healthcare plan administered by the Commission. None of the assets in the Plan are accumulated in a trust and therefore do not meet trust accounting requirements per paragraph 4 of GASB Statement No. 75.

Employees Covered by Benefit Terms

As of the June 30, 2023 actuarial valuation, the following employees were covered by the benefit terms of the OPEB plan:

Active eligible employees	4
Total	4

B. Net OPEB Liability (Asset)***Actuarial Assumptions***

The total OPEB liability for the Commission's retirement plan was based on an actuarial valuation as of June 30, 2023, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2024.

Plan type	Single Employer
Discount Rate	3.86%
Long-term investment return assumption	N/A
Inflation rate	2.5%
Mortality	
Healthy mortality	Pub-2010 Amount Weighted General Employee Rates projected generationally with generational mortality improvement using 75% of scale MP-2020, and other adjustments.
Disabled mortality	Pub-2010 Amount Weighted General Disabled Rates projected generationally with generational mortality improvement using 75% of scale MP-2020, and other adjustments.
Healthcare cost trend rate	
Medical, not Medicare eligible	7.6% for FY2024, gradually decreasing over several decades to an ultimate rate of 3.9% in FY2076 and later years.
Medical, Medicare eligible	5.1% for FY2024, gradually decreasing over several decades to an ultimate rate of 3.9% in FY2076 and later years.

Note 8. Other Post-employment Benefits (Continued)**C. Changes in the Net OPEB Liability (Asset)**

	<u>Total OPEB Liability</u>
Balance at June 30, 2023	<u>\$ -</u>
Changes for the year:	
Changes of benefit terms	<u>189,073</u>
Net changes	<u>189,073</u>
Balance at June 30, 2024	<u>\$ 189,073</u>

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following represents the net OPEB liability calculated using the stated discount rate, as well as what the net OPEB liability would be if it were calculated using a stated discount rate that is one-percentage point lower (2.86%) or one-percentage-point higher (4.86%) than the current rate:

	1% Decrease (2.86%)	Discount Rate (3.86%)	1% Increase (4.86%)
Total OPEB liability	<u>\$ 220,207</u>	<u>\$ 189,073</u>	<u>\$ 164,530</u>

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following represents the net OPEB liability calculated using the current healthcare trend rates, as well as what the net OPEB liability would be if it were calculated using a stated discount rate that is one-percentage point lower or one-percentage-point higher than the current rate:

	Current		
	1% Decrease	Trend Rate	1% Increase
Total OPEB liability	<u>\$ 160,188</u>	<u>\$ 189,073</u>	<u>\$ 226,146</u>

D. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2024, the Commission recognized OPEB expense of \$189,073. At June 30, 2024, the Commission reported no deferred outflows of resources and deferred inflows of resources related to OPEB.

Note 9. Interfund Transfers

Transfers from the Special Revenue Funds to the General Fund are for general administration. Transfers from the Capital Projects Fund to the Special Revenue Funds were made to cover the costs of capital projects incurred by the Special Revenue Funds. Transfers from the Special Revenue Funds to the Debt Service Fund were made to cover debt service requirements and the defeasance of bonds.

Note 10. Risk Management

The Commission is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by insurance purchased from Virginia Risk Sharing Association Insurance Programs, a group insurance pool in the Commonwealth of Virginia. There have been no significant reductions in insurance coverage from the prior year, and settled claims have not exceeded insurance coverage for the past three years.

Note 11. Development and Delivery of Congestion Relief Projects – Project Agreements with VDOT

The Commission has entered into Standard Project Agreements with the Virginia Department of Transportation (VDOT) for its pre-HRBT projects, Project Administration and Funding Agreement with VDOT for the HRBT Expansion Project, and Master Agreement for Development and Tolling of the Hampton Roads Express Lanes Network (MTA), all of which relate to the Commission's funding of approved projects that will be part of VDOT's statewide transportation system. The MTA includes the establishment of the relationship between the state and Commission as to how the Commission will fund, develop, and control tolling operations and toll rates of the Hampton Roads Express Lanes Network. To date, all of the Commission's projects are included in the statewide transportation system. Under certain Project Agreements, the Commonwealth Transportation Board has agreed to also contribute state funds to the construction of Commission projects. Under all Project Agreements to date, VDOT has agreed to provide administration of project construction as reimbursed by the Commission, and VDOT has assumed responsibility for operation and maintenance of the projects at no cost to the Commission. Following the first day of collection of tolls of the HRBT project, the Commission will be responsible for the operation and maintenance of the toll collection facilities associated with the Hampton Roads Express Lanes Network. The Commission's funding obligation under each of these agreements is limited to the amounts budgeted. If VDOT determines it may incur additional, unbudgeted costs, such as to cover cost overruns, the Commission has the option to provide additional funding, cancel the project or a portion thereof, or authorize VDOT to make modifications or reductions in scope or design to stay within the initial budget under the applicable Standard Project Agreement. Based on the projects the Commission is presently funding, all capital assets constructed are reported as Commonwealth assets by the VDOT.

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Note 11. Development and Delivery of Congestion Relief Projects – Project Agreements with VDOT (Continued)

The Commission's executed Standard Project Agreements, PAFA for HRBT, MTA and funding shares looking forward are described below. In the administration of its financing plan, the Commission will continue to allocate funds to such projects and others, and such contributions will be made either from Bond proceeds or other available funds.

Commission Projects Under Agreements with VDOT (in Millions)

	Year Ending June 30,					Total
	2025	2026	2027	2028		
HRBT Expansion Project	\$ 291	\$ 11	\$ -	\$ -	\$ 302	
HRELN - Segment 1A, 4A/4B, 4C, I-464 Interchange, TMP, Tolling Integration and PE Costs	197	181	97	4	479	
I-264/I-64 Phase III-A	1	-	-	-	1	

Note 12. Contingency

Federal Programs

The Commission has received proceeds from federal grant programs. Periodic audits of these grants are required and certain costs may be questioned as not being appropriate expenditures under the grant agreements. Such audits could result in the refund of grant monies to the grantor agencies. Management believes that any required refunds will be immaterial. Based upon past experience, no provision has been made in the accompanying financial statements for the refund of grant monies.

Note 13. Prepaid Items

At June 30, 2024, Prepaid expenses and advances consisted of the following:

Annual fees paid to ratings agencies	\$ 17,083
Rent and operating expenses	8,152
Project costs advanced to the Commonwealth of Virginia	156,178,035
Project costs advanced to other agencies	<u>942,064</u>
	<u><u>\$ 157,145,334</u></u>

Advances of project costs to the Commonwealth of Virginia began in 2024, and are being made as part of a comprehensive funding agreement between the commission, the VDOT, and the Design-Builder of a large transportation project. Under this agreement the Design-Builder may receive disbursements from HRTAC which are held and administered by VDOT. The funding advances are calculated based on a rolling three-month "covered period" of target earnings, and are increased or decreased by factors including the performance of the Design-Builder. The advances do not increase the contract price, and the total of outstanding advances may not exceed \$250 million.

NOTES TO FINANCIAL STATEMENTS

Note 14. Subsequent Events

On June 20, 2024, the Commission authorized the Executive Director to issue up to \$173,000,000 in Senior Lien Revenue Bonds Series 2024A.

On September 11, 2024, the Commission posted a voluntary notice to the Municipal Securities Rulemaking Board of its plan for the proposed sale of \$165,000,000 in HRTF Senior Lien Revenue Bonds, Series 2024A, on or about October 8, 2024.

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REQUIRED SUPPLEMENTARY INFORMATION

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SCHEDULE OF CHANGES IN THE COMMISSION'S NET PENSION LIABILITY (ASSET) AND RELATED RATIOS – VIRGINIA RETIREMENT SYSTEM

	Fiscal Year June 30,						
	2018	2019	2020	2021	2022	2023	2024
Total Pension Liability:							
Service cost	\$ 44,473	\$ 43,344	\$ 44,551	\$ 54,309	\$ 55,203	\$ 72,602	\$ 77,921
Interest	-	5,481	8,556	11,565	15,639	23,893	28,633
Differences between expected and actual experience	-	(4,896)	(9,099)	(5,528)	(18,447)	(31,592)	(12,570)
Changes of assumptions	(5,175)	-	5,106	-	(2,717)	-	-
Benefit payments, including refunds of employee contributions	38,997	-	-	-	-	-	-
Net change in total pension liability	78,295	43,929	49,114	60,346	49,678	64,903	93,984
Total pension liability - beginning	-	78,295	122,224	171,338	231,684	281,362	346,265
Total pension liability - ending (a)	\$ 78,295	\$ 122,224	\$ 171,338	\$ 231,684	\$ 281,362	\$ 346,265	\$ 440,249
Plan Fiduciary Net Position:							
Contributions - employer	\$ 39,187	\$ 40,173	\$ 35,265	\$ 45,199	\$ 34,596	\$ 40,244	\$ 52,703
Contributions - employee	12,231	12,538	12,852	16,437	16,602	19,262	22,602
Net investment income (loss)	5,504	6,867	11,406	4,103	78,504	(2,066)	32,517
Administrative expense	20	(13)	(53)	(79)	(140)	(214)	(248)
Other	(7)	(8)	(8)	(6)	8	11	14
Net change in plan fiduciary net position	56,935	59,557	59,462	65,654	129,570	57,237	107,588
Plan fiduciary net position - beginning	18,029	74,964	134,521	193,983	259,637	389,207	446,444
Plan fiduciary net position - ending (b)	\$ 74,964	\$ 134,521	\$ 193,983	\$ 259,637	\$ 389,207	\$ 446,444	\$ 554,032
Commission's net pension liability (asset) - ending (a)-(b)	\$ 3,331	\$ (12,297)	\$ (22,645)	\$ (27,953)	\$ (107,845)	\$ (100,179)	\$ (113,783)
Plan fiduciary net position as a percentage of the total pension liability	96%	110%	113%	112%	138%	129%	126%
Covered payroll	\$ 265,658	\$ 264,821	\$ 366,121	\$ 318,014	\$ 357,815	\$ 400,437	\$ 540,484
Commission's net pension liability (asset) as a percentage of covered payroll	1.25%	(4.64%)	(6.19%)	(8.79%)	(30.14%)	(25.02%)	(21.05%)

Note to Schedule:

(1) This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the Commission will present information for those years which information is available.

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SCHEDULE OF COMMISSION CONTRIBUTIONS –
VIRGINIA RETIREMENT SYSTEM
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	Fiscal Year June 30,						
	2018	2019	2020	2021	2022	2023	2024
Contractually required contribution (CRC)	\$ 40,173	\$ 35,265	\$ 45,199	\$ 34,596	\$ 40,244	\$ 52,703	\$ 66,764
Contributions in relation to the CRC	40,173	35,265	45,199	34,596	40,244	52,703	66,764
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employer's covered payroll	\$ 265,658	\$ 264,821	\$ 366,121	\$ 318,014	\$ 357,815	\$ 400,437	\$ 540,484
Contributions as a percentage of covered payroll	15.12%	13.32%	12.35%	10.88%	11.25%	13.16%	12.35%

Note to Schedule:

(1) This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the Commission will present information for those years for which information is available.

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**VIRGINIA RETIREMENT SYSTEM****Year Ended June 30, 2024**

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Note 1. Changes of Benefit Terms

There have been no actuarially material changes to the System benefit provisions since the prior actuarial valuation.

Note 2. Changes of Assumptions

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period from July 1, 2016 through June 30, 2020, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2021. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Update to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through nine years of service
Disability Rates	No change
Salary Scale	No change
Discount Rate	No change

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HAMPTON ROADS TRANSPORTATION ACCOUNTABILITY COMMISSION

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE – BUDGET AND ACTUAL – GENERAL FUND**

Year Ended June 30, 2024

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Over (Under)
Revenues				
Other Income	\$ -	\$ -	\$ 50,000	\$ 50,000
Total revenues	-	-	50,000	50,000
Expenditures				
General and administrative	2,022,806	2,022,806	1,001,070	(1,021,736)
Total expenditures	2,022,806	2,022,806	1,001,070	(1,021,736)
Deficiency of revenues under expenditures	(2,022,806)	(2,022,806)	(951,070)	1,071,736
Other Financing Sources (Uses)				
Transfers in	2,022,806	2,022,806	1,076,412	(946,394)
Transfers out	-	-	(188,950)	(188,950)
Total other financing sources, net	2,022,806	2,022,806	887,462	(1,135,344)
Net change in fund balance	-	-	(63,608)	(63,608)
Fund Balance, beginning of year	-	-	6,525	6,525
Fund Balance (Deficit), end of year	\$ -	\$ -	\$ (57,083)	\$ (57,083)

Note:

The Commission adopts an annual operating budget for the planning and administrative activities of the General Fund. The budgeting process enables the Commission to determine the annual transfers required from the Special Revenue Funds to fund its general and administrative activities. Accumulated fund balances in excess of anticipated minimum operating cash requirements are used as a revenue source in subsequent budgets.

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SUPPLEMENTARY INFORMATION

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HAMPTON ROADS TRANSPORTATION ACCOUNTABILITY COMMISSION

SCHEDULE OF GENERAL AND ADMINISTRATIVE EXPENDITURES
Year Ended June 30, 2024

Expenditures	
Salaries and wages	\$ 540,484
Employee benefits	116,598
VRS contributions	55,956
Support services - HRTPO/HRPDC	124,803
Office rent	15,449
Office supplies	21,409
Professional and legal	59,854
Travel and meeting	14,145
Insurance	6,181
Computer hardware	28,846
Public notice and advertising	1,244
Capital outlay	10,201
Other	5,900
Total expenditures	\$ 1,001,070

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COMPLIANCE SECTION

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2024

Federal Granting Agency/ Grant Program	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Provided to Subrecipients	Total Expenditures
U.S. DEPARTMENT OF TRANSPORTATION (DOT)				
Direct payments:				
Build America Bureau:				
Transportation Infrastructure Finance and Innovation Act (TIFIA) Program	20.223	N/A	\$ -	\$ 70,789,463
Total Department of Transportation			\$ -	\$ 70,789,463
Total Expenditures of Federal Awards			<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**Year Ended June 30, 2024****Note 1. Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal grant activity of the Hampton Roads Transportation Accountability Commission (Commission) under programs of the federal government for the year ended June 30, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Commission, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Commission.

Federal Financial Assistance – The Single Audit Act Amendments of 1996 (Public Law 104-156) and Uniform Guidance define federal financial assistance as grants, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations or other assistance. Federal financial assistance does not include direct federal cash assistance to individuals.

Pass-through Payments – Assistance received in a pass-through relationship from entities other than the Federal government is classified as pass-through payments on the Schedule.

Direct Payments – Assistance received directly from the Federal government is classified as direct payments on the Schedule.

Major Programs – The Single Audit Act Amendments of 1996 and Uniform Guidance establish the criteria to be used in defining major programs. The major program for the Commission was determined using a risk-based approach in accordance with Uniform Guidance.

Federal Assistance Listing – The Federal Assistance Listing is a government-wide compendium of individual federal programs. Each program included in the listing is assigned a five-digit program identification number, which is reflected in the Schedule.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Pass-through identifying numbers are presented where available.

Note 3. Indirect Cost Rate

The Commission has elected not to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2024

Note 4. TIFIA Loan Program

The Transportation Infrastructure Finance and Innovation Act (TIFIA) Loan Program balance and transactions relating to this program are included in the basic financial statements. Loans made during the year are included in the federal expenditures presented in the Schedule. The balance of the loan outstanding at June 30, 2024 is \$1,352,082,637.

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**INDEPENDENT AUDITOR'S REPORT ON
INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the Honorable Commission Board Members
Hampton Roads Transportation Accountability Commission

We have audited, in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); and the *Specifications for Audits of Authorities, Boards and Commissions*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia, the financial statements of the governmental activities and each major fund of the Hampton Roads Transportation Accountability Commission (Commission), a component unit of the Commonwealth of Virginia, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements, and have issued our report thereon dated **DATE, 2024**.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Commission's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility a material misstatement of the Commission's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control we considered to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Commission's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Commission's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Commission's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Harrisonburg, Virginia

Date, 2024

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
FOR THE MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER
COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL
AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

To the Honorable Commission Board Members
Hampton Roads Transportation Accountability Commission

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited Hampton Roads Transportation Accountability Commission's (Commission) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on the Commission's major federal program for the year ended June 30, 2024. The Commission's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Commission complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the major federal program for the year ended June 30, 2024.

Basis for Opinion on the Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Commission and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of the Commission's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Commission's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Commission's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Commission's compliance with the requirements of the major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Commission's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Commission's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Harrisonburg, Virginia

DATE, 2024

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2024

Section I. SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of report the auditor issued on whether the financial statements were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

Significant deficiency(ies) identified?

Noncompliance material to financial statements noted?

<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> None Reported
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Federal Awards

Internal control over the major federal program:

Material weakness(es) identified?

Significant deficiency(ies) identified?

<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> None Reported

Type of auditor's report issued on compliance for the major federal program: Unmodified

Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)?

Yes No

Identification of the major federal program:

Federal Assistance Listing Number

20.223

Name of Federal Program

Transportation Infrastructure Finance and Innovation Act (TIFIA) Program

Dollar threshold used to distinguish between type A and type B programs: \$2,123,684

Auditee qualified as low-risk auditee?

Yes No

Section II. FINANCIAL STATEMENT FINDINGS

No matters were reported.

Section III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

No matters were reported.



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Chair, DR. RICHARD W. "RICK" WEST • *Vice-Chair*, DOUGLAS G. PONS
Executive Director, KEVIN B. PAGE
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HAMPTON ROADS TRANSPORTATION ACCOUNTABILITY COMMISSION

SCHEDULE OF PRIOR AUDIT FINDINGS **Year Ended June 30, 2024**

There were no matters reported during the fiscal year ended June 30, 2023.

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7. A. HRTAC Monthly Financial Report



HAMPTON ROADS TRANSPORTATION FUND and
HAMPTON ROADS REGIONAL TRANSIT FUND
FINANCIAL REPORTS
FY2014 – FY2024
Period Ending May 31, 2024

The HRTAC staff has prepared the attached May 2024 financial report based on data received to date from the Virginia Department of Transportation.

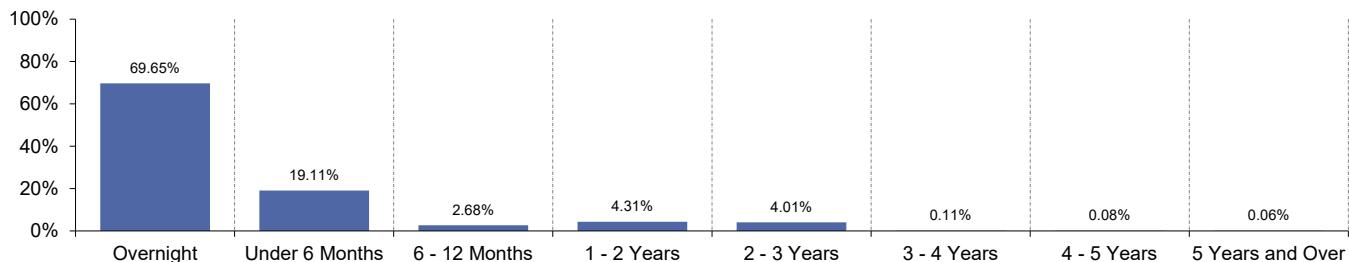
<u>Revenues</u>	Inception to May 2024	FY2024 YTD	May 2024
Total Gross Revenues¹	\$ 5,513,217,213	\$ 574,981,531	\$ 103,751,570
HRTF - State Sales Tax & Local Fuels Tax	2,182,985,264	237,208,593	23,810,734
HRRTF – Fees, Taxes & other Revenue	136,825,110	33,491,740	1,429,890
Interest and Investment Income	226,760,237	84,840,045	7,721,483
Other Income	784,274	25,000	-
Bond and Debt Net Proceeds	2,965,862,328	219,416,153	70,789,463
Expenditures			
Total Expenditures	\$ 3,535,916,261	\$ 491,061,026	\$ 82,715,362
Projects	3,256,178,534	443,991,350	78,402,515
Operating Expenses & Investment Fees	28,579,117	3,131,410	142,974
Bond Interest Expenses	251,158,610	43,938,266	4,169,873
Modified Cash Position at May 31, 2024	\$ 1,977,300,952		
Items not using or providing cash since inception:			
Amortization - Bond Premium and Gain on Defeasance	(143,652,360)		
Purchase of Capital Assets	(14,573)		
Gain not affecting cash	(759,274)		
Capitalized interest added to long-term debt	31,205,753		
Assets not requiring current use of cash	(203,593,270)		
Liabilities not requiring current sources of cash	<u>(1,317,442)</u>		
Actual cash and investments at May 31, 2024	<u>\$ 1,659,169,786</u>		

¹ Beginning in June 2020, State Sales Tax and Local Fuels Tax are recorded either one month (sales tax) or two months (fuels tax) earlier than in previous periods, due to additional information received from the Commonwealth of Virginia on the timing of the source transactions for tax revenues.

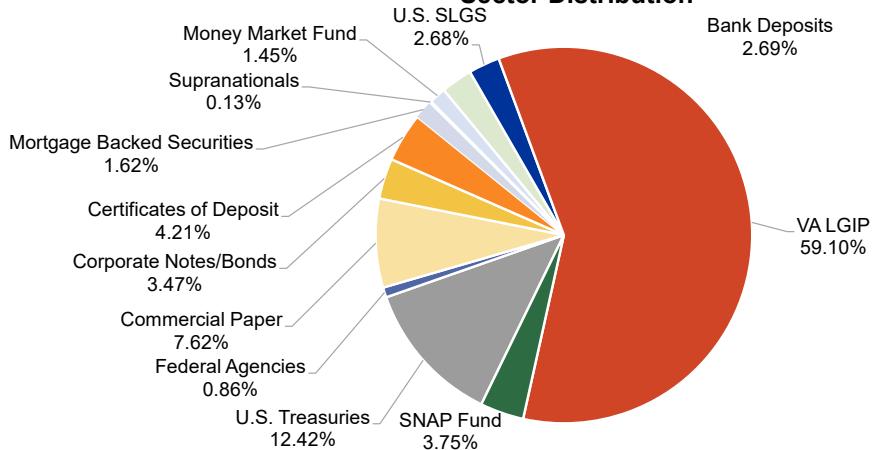
Hampton Roads Transportation Fund
Summary of Cash and Investments
For May 2024

Portfolio	Yield at Cost	Yield at Market	Balances at Cost	Balances at Market	% of Total
Union Checking	0.00%	0.00%	1,000,000	1,000,000	0.06%
Union Sweep	5.00%	5.00%	9,473,910	9,473,910	0.61%
Union Money Market	5.12%	5.12%	27,520	27,520	0.00%
Union General	5.12%	5.12%	30,933,504	30,933,504	2.01%
Wilmington Trust	Variable	Variable	41,333,981	41,333,981	2.68%
VA LGIP	5.42%	5.42%	910,536,626	910,536,626	59.08%
Enhanced Cash Portfolio	5.23%	5.26%	346,598,338	349,408,003	22.67%
Core Portfolio	4.38%	5.03%	141,131,287	140,700,326	9.13%
SNAP Fund	5.48%	5.48%	57,730,653	57,730,653	3.75%
Total			\$ 1,538,765,819	\$ 1,541,144,523	100.00%

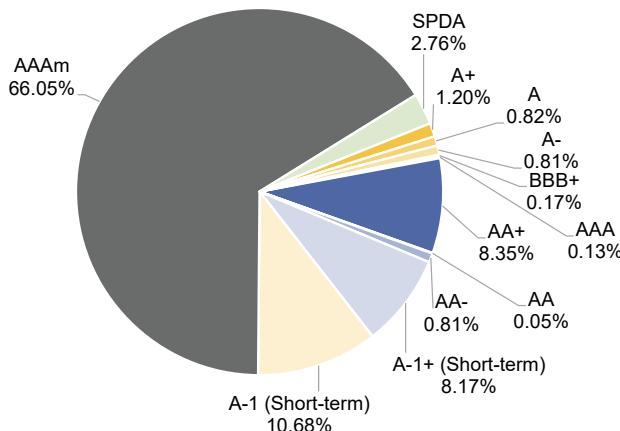
Total Maturity Distribution



Sector Distribution



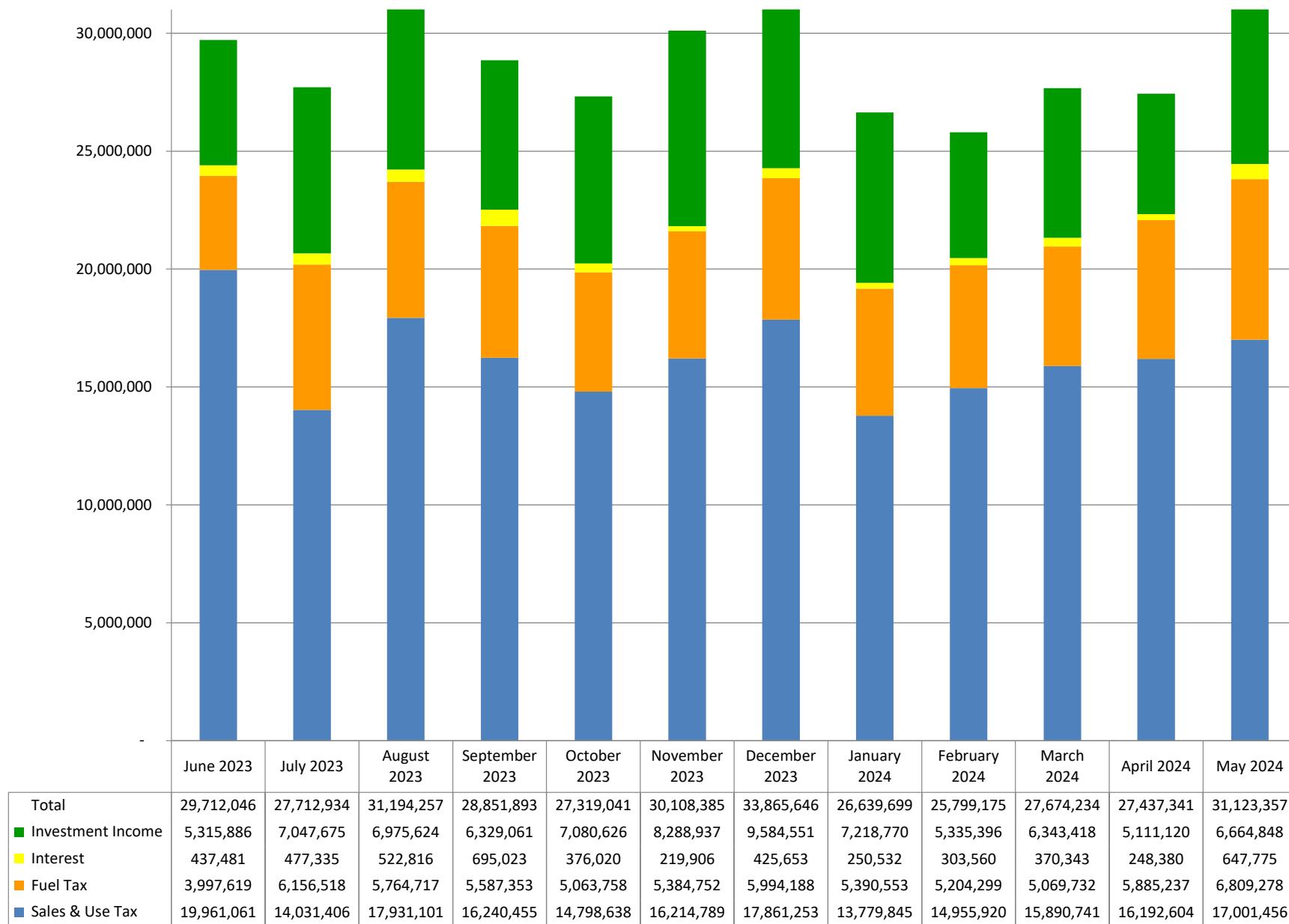
Credit Distribution



All charts are based on market value as of May 31, 2024

This material is for general informational purposes only and is not intended to provide specific advice or a specific recommendation.

HRTF Revenue



Notes: November 2018 Wholesale Fuels Tax revenue includes a \$9,865,900 Special Audit Assessment adjustment sourced from vendor audit settlement.

January 2019 Wholesale Fuels Tax revenue includes \$510,330 in adjustments from a Special Audit Assessment and a vendor audit settlement.

February 2019 Wholesale Fuels Tax revenue includes \$806,491 from a vendor audit assessment.

June 2019 Sales & Use Tax includes \$7,424,592 of FY2019 AST Estimated Sales & Use Tax revenue.

Hampton Roads Transportation Fund (HRTF)
Interest and Investment Income
Inception - May 2024

	FY2014 - FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	Total
HRTF Interest Income	\$ 2,277,312	\$ 1,000,093	\$ 669,108	\$ 363,661	\$ 296,307	\$ 3,273,956	\$ 4,537,343	\$ 12,417,779
HRTF Investment Income	<u>14,211,356</u>	<u>29,869,111</u>	<u>26,275,750</u>	<u>3,240,310</u>	<u>(3,394,409)</u>	<u>61,182,839</u>	<u>75,980,027</u>	<u>207,364,983</u>
Total	<u>\$ 16,488,667</u>	<u>\$ 30,869,204</u>	<u>\$ 26,944,858</u>	<u>\$ 3,603,971</u>	<u>\$ (3,098,103)</u>	<u>\$ 64,456,795</u>	<u>\$ 80,517,370</u>	<u>\$ 219,782,762</u>

Notes:

"HRTF Interest Income" includes interest from Union Bank money market, sweep, and general accounts, as well as Regional Tax Interest/Interest Refund Adjustments.

"HRTF Investment Income" in FY2019 includes income from PFMAM (US Bank & TD Wealth) core and enhanced cash, LGIP, and SNAP accounts. FY2014-2018 totals also include income from Sterling and Union Bank.

Hampton Roads Transportation Fund (HRTF)
Total of HRTF Revenue and Expenditures Activities
Summary

	Revenue							Expenditures							Cumulative Balance 7/1/13 - 5/31/24
	Sales & Use Tax	Fuels Tax	Interest	Investment Income	Other Income	Bond Proceeds	Total	Projects	Dept of Tax Admin Fee	Investment Fees	Bond Expenses	Operating Expenses	Total		
July 2013 - May 2023	\$ 1,451,615,422	\$ 470,202,569	\$ 7,442,955	\$ 126,069,071	\$ 759,274	\$ 2,746,446,175	\$ 4,802,535,466	\$ 2,613,679,945	\$ 1,042,620	\$ 2,108,898	\$ 203,493,768	\$ 21,117,376	\$ 2,841,442,606	\$ 1,961,092,859	
June 2023	19,961,061	3,997,619	437,481	5,315,886	-	-	29,712,046	165,483,093	71,429	70,158	3,726,576	417,448	169,768,703	1,821,036,203	
July 2023	14,031,406	6,156,518	477,335	7,047,675	-	-	27,712,934	-	-	35,848	3,759,051	117,299	3,912,198	1,844,836,938	
August 2023	17,931,101	5,764,717	522,816	6,975,624	-	-	31,194,257	-	93	35,947	3,759,051	114,753	3,909,844	1,872,121,351	
September 2023	16,240,455	5,587,353	695,023	6,329,061	-	-	28,851,893	23,725,295	-	34,839	3,759,051	226,681	27,745,866	1,873,227,378	
October 2023	14,798,638	5,063,758	376,020	7,080,626	-	-	27,319,041	40,333,110	-	35,039	3,759,051	260,825	44,388,026	1,856,158,394	
November 2023	16,214,789	5,384,752	219,906	8,288,937	-	148,626,690	178,735,075	44,242,019	-	35,573	4,026,342	561,906	48,865,840	1,986,027,629	
December 2023	17,861,253	5,994,188	425,653	9,584,551	12,500	-	33,878,146	47,358,761	-	36,246	4,026,390	555,963	51,977,360	1,967,928,415	
January 2024	13,779,845	5,390,553	250,532	7,218,770	-	-	26,639,699	44,932,375	-	-	4,169,864	214,936	49,317,175	1,945,250,939	
February 2024	14,955,920	5,204,299	303,560	5,335,396	-	-	25,799,175	95,617,686	-	36,317	4,169,858	129,188	99,953,048	1,871,097,066	
March 2024	15,890,741	5,069,732	370,343	6,343,418	12,500	-	27,686,734	56,520,259	-	32,770	4,169,864	149,405	60,872,298	1,837,911,502	
April 2024	16,192,604	5,885,237	248,380	5,111,120	-	-	27,437,341	353,382	-	33,766	4,169,873	181,587	4,738,607	1,860,610,237	
May 2024	17,001,456	6,809,278	647,775	6,664,848	-	70,789,463	101,912,820	74,507,253	38,129	-	4,169,873	99,409	78,814,663	1,883,708,393	
Total 12 Months	\$ 194,859,269	\$ 66,308,004	\$ 4,974,824	\$ 81,295,912	\$ 25,000	\$ 219,416,153	\$ 566,879,162	\$ 593,073,232	\$ 109,651	\$ 386,503	\$ 47,664,842	\$ 3,029,400	\$ 644,263,629		
Grand Totals	\$ 1,646,474,691	\$ 536,510,573	\$ 12,417,779	\$ 207,364,983	\$ 784,274	\$ 2,965,862,328	\$ 5,369,414,628	\$ 3,206,753,177	\$ 1,152,271	\$ 2,495,401	\$ 251,158,610	\$ 24,146,775	\$ 3,485,706,235		
Less Balance of Encumbered (through FY2030)															(2,115,157,678)
Total Net Available *															\$ (231,449,285)

Notes:

* Total Net Available does not include TIFIA loans not drawn on or HRTF future revenues through FY2028.

Table 1 - Total HRTF Revenues

Hampton Roads Transportation Fund (HRTF)

Total of Sales & Use Taxes and Fuels Taxes

Fiscal Year 2024

Locality	Total FY2014 - FY2023	Previous FY2024	May 2024	FY 2024 YTD	Total
<i>Chesapeake</i>	\$ 356,494,992	\$ 37,924,012	\$ 4,345,238	\$ 42,269,251	\$ 398,764,243
<i>Franklin</i>	21,122,685	2,377,169	271,116	2,648,286	23,770,971
<i>Hampton</i>	141,771,513	15,762,150	1,775,568	17,537,718	159,309,231
<i>Isle of Wight</i>	30,993,193	3,799,212	380,037	4,179,250	35,172,443
<i>James City</i>	85,305,886	9,755,268	1,029,575	10,784,843	96,090,729
<i>Newport News</i>	206,892,137	22,194,575	2,407,741	24,602,317	231,494,454
<i>Norfolk</i>	272,988,241	29,973,952	3,420,001	33,393,953	306,382,194
<i>Poquoson</i>	5,324,878	631,551	70,694	702,245	6,027,123
<i>Portsmouth</i>	70,140,988	8,095,712	833,924	8,929,636	79,070,624
<i>Southampton</i>	10,198,426	1,195,342	119,093	1,314,435	11,512,861
<i>Suffolk</i>	104,904,026	12,682,741	1,430,069	14,112,810	119,016,836
<i>Virginia Beach</i>	517,936,416	56,525,179	6,450,035	62,975,214	580,911,630
<i>Williamsburg</i>	36,424,494	3,361,202	359,973	3,721,175	40,145,669
<i>York</i>	85,278,796	9,119,793	917,667	10,037,460	95,316,256
Total ^d	\$ 1,945,776,671	\$ 213,397,858	\$ 23,810,734	\$ 237,208,593	\$ 2,182,985,264
<i>Interest ^a</i>	7,880,436	3,889,568	647,775	4,537,343	12,417,779
<i>Investment Income(Loss) ^b</i>	131,384,956	69,315,179	6,664,848	75,980,027	207,364,983
<i>Other Income</i>	759,274	25,000	-	25,000	784,274
<i>Bond & TIFIA Proceeds</i>	2,746,446,175	148,626,690	70,789,463	219,416,153	2,965,862,328
Total Revenues	\$ 4,832,247,512	\$ 435,254,295	\$ 101,912,820	\$ 537,167,116	\$ 5,369,414,628
<i>Project Expenses</i>	(2,779,163,037)	(353,082,887)	(74,507,253)	(427,590,140)	(3,206,753,177)
<i>DMV & Dept. of Tax Admin Fees</i>	(1,114,049)	(93)	(38,129)	(38,222)	(1,152,271)
<i>Investment Fees (Sterling&PFMAM)</i>	(2,179,055)	(316,346)	-	(316,346)	(2,495,401)
<i>Bond Interest Expenses</i>	(207,220,344)	(39,768,394)	(4,169,873)	(43,938,266)	(251,158,610)
<i>Operating Expense</i>	(21,534,823)	(2,512,544)	(99,409)	(2,611,952)	(24,146,775)
<i>Modified Cash Position</i>	\$ 1,821,036,204	\$ 39,574,031	\$ 23,098,157	\$ 62,672,188	\$ 1,883,708,393
<i>Less Balance of Encumbered</i>	(2,364,937,561)				(2,115,157,678)
<i>Net Modified Cash Position</i>	\$ (543,901,357)				\$ (231,449,285)
<i>Updated Forecast</i>	1,855,838,517	221,470,440	22,102,574	243,573,014	2,099,411,531
<i>Total Revenue - Forecast (under)/over</i>	89,938,154	(8,072,582)	1,708,160	(6,364,421)	83,573,733

Table 1A - State Sales & Use Tax
Hampton Roads Transportation Fund (HRTF)
Fiscal Year 2024

Locality	Total FY2014 - FY2023	Previous FY2024	May 2024	FY 2024 YTD	Total
<i>Chesapeake</i>	\$ 267,781,778	\$ 28,220,586	\$ 3,010,615	\$ 31,231,201	\$ 299,012,979
<i>Franklin</i>	10,866,067	1,102,242	115,399	1,217,640	12,083,707
<i>Hampton</i>	102,816,728	10,992,512	1,195,149	12,187,662	115,004,390
<i>Isle of Wight</i>	18,692,766	2,276,129	246,726	2,522,855	21,215,621
<i>James City</i>	69,377,167	7,272,474	794,245	8,066,719	77,443,886
<i>Newport News</i>	160,209,027	16,610,478	1,728,345	18,338,823	178,547,850
<i>Norfolk</i>	213,349,044	22,678,726	2,423,707	25,102,433	238,451,477
<i>Poquoson</i>	3,943,361	515,412	55,605	571,017	4,514,378
<i>Portsmouth</i>	49,300,279	5,823,989	622,945	6,446,933	55,747,212
<i>Southampton</i>	4,473,134	514,771	55,464	570,235	5,043,369
<i>Suffolk</i>	68,748,894	8,254,892	841,165	9,096,057	77,844,951
<i>Virginia Beach</i>	409,027,186	43,985,155	4,892,142	48,877,298	457,904,484
<i>Williamsburg</i>	28,657,707	2,947,066	315,895	3,262,960	31,920,667
<i>York</i>	64,333,345	6,702,319	704,055	7,406,374	71,739,719
Total¹	\$ 1,471,576,483	\$ 157,896,752	\$ 17,001,456	\$ 174,898,208	\$ 1,646,474,691
Updated Forecast	1,378,144,223	165,197,316	16,730,221	181,927,537	1,560,071,760
Diff(under)/over	93,432,260	(7,300,564)	271,235	(7,029,329)	86,402,931

Table 1B - Local Fuels Tax
Hampton Roads Transportation Fund (HRTF)
Fiscal Year 2024

Locality	Total FY2014 - FY2023	Previous FY2024	May 2024	FY 2024 YTD	Total
<i>Chesapeake</i>	\$ 88,713,218	\$ 9,703,426	\$ 1,334,623	\$ 11,038,049	\$ 99,751,267
<i>Franklin</i>	10,256,619	1,274,928	155,718	1,430,645	11,687,264
<i>Hampton</i>	38,954,787	4,769,638	580,418	5,350,056	44,304,843
<i>Isle of Wight</i>	12,300,427	1,523,083	133,312	1,656,395	13,956,822
<i>James City</i>	15,928,715	2,482,794	235,330	2,718,124	18,646,839
<i>Newport News</i>	46,683,113	5,584,097	679,397	6,263,494	52,946,607
<i>Norfolk</i>	59,639,196	7,295,226	996,294	8,291,520	67,930,716
<i>Poquoson</i>	1,381,517	116,138	15,090	131,228	1,512,745
<i>Portsmouth</i>	20,840,714	2,271,723	210,980	2,482,703	23,323,417
<i>Southampton</i>	5,725,293	680,571	63,629	744,200	6,469,493
<i>Suffolk</i>	36,155,142	4,427,849	588,904	5,016,753	41,171,895
<i>Virginia Beach</i>	108,909,220	12,540,024	1,557,893	14,097,917	123,007,137
<i>Williamsburg</i>	7,766,782	414,136	44,078	458,214	8,224,996
<i>York</i>	20,945,445	2,417,474	213,612	2,631,086	23,576,531
Total¹	\$ 474,200,188	\$ 55,501,107	\$ 6,809,278	\$ 62,310,385	\$ 536,510,573
Updated Forecast	477,694,293	56,273,124	5,372,353	61,645,477	539,339,770
Diff(under)/over	(3,494,105)	(772,017)	1,436,925	664,908	(2,829,197)

Note: November 2018 Wholesale Fuels Tax revenue included a \$9,865,900 Special Audit Assessment adjustment sourced from vendor audit settlement.

¹ Beginning in June 2020, State Sales Tax and Local Fuels Tax are recorded either one month (sales tax) or two months (fuels tax) earlier than in prior accounting periods, due to additional information received from the Commonwealth of Virginia on the timing of the source transactions for tax revenues. The change is retroactive and the prior year amounts have been restated.

Table 2 - Allocations

Hampton Roads Transportation Fund (HRTF)

Fiscal Year 2024

Project	Total FY2014 - FY2023	Previous FY2024	May 2024	FY 2024 YTD	Total
<i>I-64 Peninsula Widening</i>					
UPC 104905 - Segment 1 - Construction	\$ 11,608,385	\$ -	\$ -	\$ -	\$ 11,608,385
UPC 106665 - Segment 2 - PE/ROW/Construction	159,559,703	-	-	-	159,559,703
UPC 109790/106689 - Segment 3 - PE	10,000,000	-	-	-	10,000,000
UPC 109790/106689 - Segment 3 - Construction	112,893,996	-	-	-	112,893,996
UPC 123656 - Denbigh Blvd Interchange Phase 2 East Bound	-	26,643,026	-	26,643,026	26,643,026
<i>I-64/264 Interchange Improvement</i>					
UPC 57048/108042 - Phase I - PE/ROW	15,071,063	-	-	-	15,071,063
UPC 57048/108042 - Phase I - Construction	137,023,653	-	-	-	137,023,653
UPC 17630/108041 - Phase II - PE/ROW	54,592,576	-	-	-	54,592,576
UPC 17630/108041 - Phase II - Construction	73,157,062	-	-	-	73,157,062
UPC 106693 - Phase III - PE & ROW	7,500,000	-	-	-	7,500,000
<i>I-64 Southside Widening/High-Rise Bridge</i>					
UPC 106692 - Phase I - PE	12,200,000	-	-	-	12,200,000
UPC 106692/108990 - Phase I - ROW/Construction	419,756,220	-	-	-	419,756,220
<i>I-64 HRBT Expansion Project</i>					
UPC 115008 - I-64 HRBT Expansion Project D-B Contract	3,004,569,251	-	-	-	3,004,569,251
UPC 115009 - I-64 HRBT Expansion Project Owners Oversight	548,900,330	-	-	-	548,900,330
<i>Hampton Roads Express Lanes Network (HRELN)</i>					
UPC 117840 - Segment 1 Phase 1 - PE	5,621,500	-	-	-	5,621,500
UPC 117839 - Segment 4A/4B Phase 1 - PE	5,916,425	-	-	-	5,916,425
UPC 117841 - Segment 4C Phase 1 - PE	6,062,743	-	-	-	6,062,743
UPC 119637 - Segment 1A - PE/ROW/Construction	92,079,565	-	-	-	92,079,565
UPC 120863 - Segment 1B - PE/ROW/Construction	5,860,180	-	-	-	5,860,180
UPC 119824 - Segment 4A/4B - PE/ROW/Construction	6,074,638	130,536,856	-	130,536,856	136,611,494
UPC 119638 - Segment 4C - PE/ROW/Construction	399,153,311	-	-	-	399,153,311
UPC 122999 - Transportation Management Plan	8,000,000	-	-	-	8,000,000
UPC 122714 - I-464/I-64 Interchange Improvements - Full Interchange Access Report Development Project	2,500,000	-	-	-	2,500,000
UPC 120375 & 123322 - I-64/I-464 Interchange Exit 291 Flyover Ramp Improvements	-	15,380,374	-	15,380,374	15,380,374
UPC 110577 - SEIS - HRCS Preferred Alternative Refinement - HRBT	30,000,000	-	-	-	30,000,000
UPC 106694 - 460/58/13 Connector Study - PE	1,095,368	-	-	-	1,095,368
UPC 111427 - Bowers Hill Interchange Study	7,904,630	4,000,000	-	4,000,000	11,904,630
UPC 122761 - I-264 Independence Blvd Interchange IAR	1,250,000	-	-	-	1,250,000
HR Regional Connector Study - HRTPO (Remaining Projects of Third Crossing)	7,000,000	-	-	-	7,000,000
Total	\$ 5,145,350,599	\$ 176,560,256	\$ -	\$ 176,560,256	\$ 5,321,910,855

Table 3 - Expenditures

Hampton Roads Transportation Fund (HRTF)

Fiscal Year 2024

Project	Total FY2014 - FY2023	Previous FY2024	May 2024	FY 2024 YTD	Total
<i>I-64 Peninsula Widening</i>					
UPC 104905/111926 - Segment 1 - PE/Construction	\$ 11,608,384	\$ -	\$ -	\$ 11,608,384	
UPC 106665 - Segment 2 - PE/ROW/Construction	159,559,703	-	-	-	159,559,703
UPC 109790/106689 - Segment 3 - PE	5,754,521	(5,240)	6,013	773	5,755,293
UPC 109790/106689 - Segment 3 - Construction	91,846,979	40,526	(5,436)	35,090	91,882,069
UPC 123656 - Denbigh Blvd Interchange Phase 2 East Bound - Design/ROW	-	197,690	190,064	387,753	387,753
<i>I-64/264 Interchange Improvement</i>					
UPC 57048/108042 - Phase I - PE/ROW	15,071,063	-	-	-	15,071,063
UPC 57048/108042 - Phase I - Construction	122,235,275	1,158,674	639,378	1,798,052	124,033,327
UPC 17630/108041 - Phase II - PE/ROW	54,592,576	-	-	-	54,592,576
UPC 17630/108041 - Phase II - Construction	73,157,062	-	-	-	73,157,062
UPC 106693 - Phase III - PE & ROW	6,119,431	66,870	74,083	140,953	6,260,384
<i>I-64 Southside Widening/High-Rise Bridge</i>					
UPC 106692 - Phase I - PE	12,189,098	-	-	-	12,189,098
UPC 106692/108990 - Phase I - ROW/Construction	360,673,832	1,871,881	2,610,000	4,481,881	365,155,713
<i>I-64 HRBT Expansion Project</i>					
UPC 115008 - I-64 HRBT Expansion Project D-B Contract	1,627,306,147	255,440,681	53,094,712	308,535,393	1,935,841,540
UPC 115009 - I-64 HRBT Expansion Project Owners Oversight	116,275,040	65,760,499	7,254,524	73,015,024	189,290,064
<i>HRELN Segment 1 Phase 1 PE - UPC</i>					
UPC 117840 - Segment 1 Phase 1 - PE	5,621,500	-	-	-	5,621,500
UPC 117839 - Segment 4A/4B Phase 1 - PE	5,916,425	-	-	-	5,916,425
UPC 117841 - Segment 4C Phase 1 - PE	6,062,743	-	-	-	6,062,743
UPC 119637 - Segment 1A - PE/ROW/Construction	2,671,455	11,122	13,694	24,816	2,696,271
UPC 120863 - Segment 1B - PE/ROW/Construction	1,636,100	506,976	96,632	603,607	2,239,707
UPC 119824 - Segment 4A/4B - PE/ROW/Construction	1,827,276	1,429,382	60,650	1,490,032	3,317,308
UPC 119638 - Segment 4C - PE/ROW/Construction	57,817,978	25,700,403	9,806,048	35,506,451	93,324,429
UPC 122999 - Transportation Management Plan	-	2,230	(2,230)	-	-
UPC 122714 - I-464/I-64 Interchange Improvements - Full Interchange Access Report Development Project	-	119,782	558,119	677,901	677,901
UPC 120375 & 123322 - I-64/I-464 Interchange Exit 291 Flyover Ramp Improvements	-	-	-	-	-
<i>HRCS Preferred Alternative Refinement - HRBT</i>					
UPC 110577 - SEIS	28,800,287	-	-	-	28,800,287
<i>460/58/13 Connector Study - UPC 106694 - PE</i>					
460/58/13 Connector Study - UPC 106694 - PE	1,095,368	-	-	-	1,095,368
<i>Bowers Hill Interchange Study - UPC 111427</i>					
Bowers Hill Interchange Study - UPC 111427	5,905,879	390,481	111,003	501,485	6,407,364
<i>UPC 122761 - I-264 Independence Blvd Interchange IAR</i>					
UPC 122761 - I-264 Independence Blvd Interchange IAR	-	-	-	-	-
<i>HR Regional Connector Study - HRTPO (Remaining Projects of Third Crossing)</i>					
HR Regional Connector Study - HRTPO (Remaining Projects of Third Crossing)	5,418,917	390,929	390,929	390,929	5,809,846
Total	\$ 2,779,163,037	\$ 353,082,887	\$ 74,507,253	\$ 427,590,140	\$ 3,206,753,177

Table 3A - Bond-Reimbursed Expenditures

Hampton Roads Transportation Fund (HRTF)

Fiscal Year 2024

Project	Total FY2014 - FY2023	Previous FY2024	May 2024	FY 2024 YTD	Total
<i>I-64 Peninsula Widening</i>					
UPC 104905/111926 - Segment 1 - PE/Construction	\$ 10,063,882	\$ -	\$ -	\$ -	\$ 10,063,882
UPC 106665 - Segment 2 - PE/ROW/Construction	159,559,703	-	-	-	159,559,703
UPC 109790/106689 - Segment 3 - PE	5,693,804	-	-	-	5,693,804
UPC 109790/106689 - Segment 3 - Construction	87,210,472	-	-	-	87,210,472
UPC 123656 - Denbigh Blvd Interchange Phase 2 East Bound	-	-	-	-	-
<i>I-64/264 Interchange Improvement</i>					
UPC 57048/108042 - Phase I - PE/ROW	15,071,063	-	-	-	15,071,063
UPC 57048/108042 - Phase I - Construction	121,364,711	-	-	-	121,364,711
UPC 17630/108041 - Phase II - PE/ROW	54,592,576	-	-	-	54,592,576
UPC 17630/108041 - Phase II - Construction	65,786,903	-	-	-	65,786,903
UPC 106693 - Phase III - PE & ROW	-	-	-	-	-
<i>I-64 Southside Widening/High-Rise Bridge</i>					
UPC 106692 - Phase I - PE	12,189,098	-	-	-	12,189,098
UPC 106692/108990 - Phase I - ROW/Construction	257,901,644	-	-	-	257,901,644
<i>I-64 HRBT Expansion Project</i>					
UPC 115008 - I-64 HRBT Expansion Project D-B Contract	1,098,111,167	218,713,495	-	218,713,495	1,316,824,662
UPC 115009 - I-64 HRBT Expansion Project Owners Oversight	72,990,559	19,035,770	7,254,524	26,290,295	99,280,854
<i>HRELN Segment 1 Phase 1 PE - UPC</i>					
UPC 117840 - Segment 1 Phase 1 - PE	-	-	-	-	-
UPC 117839 - Segment 4A/4B Phase 1 - PE	-	-	-	-	-
UPC 117841 - Segment 4C Phase 1 - PE	-	-	-	-	-
UPC 119637 - Segment 1A - PE/ROW/Construction	-	-	-	-	-
UPC 120863 - Segment 1B - PE/ROW/Construction	-	-	-	-	-
UPC 119824 - Segment 4A/4B - PE/ROW/Construction	-	-	-	-	-
UPC 119638 - Segment 4C - PE/ROW/Construction	-	34,515,338	9,898,408	44,413,746	44,413,746
UPC 122999 - Transportation Management Plan	-	-	-	-	-
UPC 122714 - I-464/I-64 Interchange Improvements - Full Interchange Access Report Development Project	-	-	-	-	-
UPC 120375 & 123322 - I-64/I-464 Interchange Exit 291 Flyover Ramp Improvements	-	-	-	-	-
<i>HRCS Preferred Alternative Refinement - HRBT</i>					
UPC 110577 - SEIS	-	-	-	-	-
<i>460/58/13 Connector Study - UPC 106694 - PE</i>	-	-	-	-	-
<i>Bowers Hill Interchange Study - UPC 111427</i>	-	-	-	-	-
<i>UPC 122761 - I-264 Independence Blvd Interchange IAR</i>	-	-	-	-	-
<i>HR Regional Connector Study - HRTPO (Remaining Projects of Third Crossing)</i>	-	-	-	-	-
Total	\$ 1,960,535,583	\$ 272,264,604	\$ 17,152,932	\$ 289,417,536	\$ 2,249,953,119

Table 3B - Non-Bond Reimbursed Expenditures

Hampton Roads Transportation Fund (HRTF)

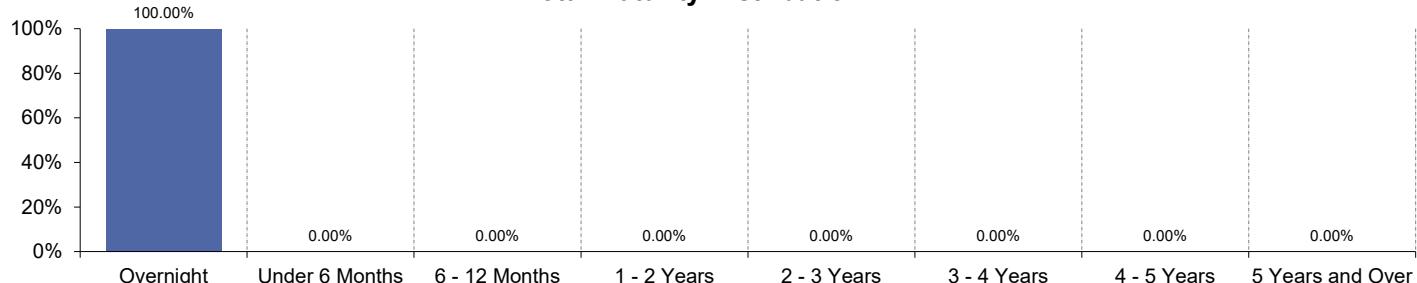
Fiscal Year 2024

Project	Total FY2014 - FY2023	Previous FY2024	May 2024	FY 2024 YTD	Total
<i>I-64 Peninsula Widening</i>					
UPC 104905/111926 - Segment 1 - PE/Construction	\$ 1,544,502	\$ -	\$ -	\$ -	\$ 1,544,502
UPC 106665 - Segment 2 - PE/ROW/Construction	-	-	-	-	-
UPC 109790/106689 - Segment 3 - PE	60,716	(5,240)	6,013	773	61,489
UPC 109790/106689 - Segment 3 - Construction	4,636,506	40,526	(5,436)	35,090	4,671,596
UPC 123656 - Denbigh Blvd Interchange Phase 2 East Bound	-	197,690	190,064	387,753	387,753
<i>I-64/264 Interchange Improvement</i>					
UPC 57048/108042 - Phase I - PE/ROW	-	-	-	-	-
UPC 57048/108042 - Phase I - Construction	870,564	1,158,674	639,378	1,798,052	2,668,616
UPC 17630/108041 - Phase II - PE/ROW	-	-	-	-	-
UPC 17630/108041 - Phase II - Construction	7,370,159	-	-	-	7,370,159
UPC 106693 - Phase III - PE & ROW	6,119,431	66,870	74,083	140,953	6,260,384
<i>I-64 Southside Widening/High-Rise Bridge</i>					
UPC 106692 - Phase I - PE	-	-	-	-	-
UPC 106692/108990 - Phase I - ROW/Construction	102,772,188	1,871,881	2,610,000	4,481,881	107,254,069
<i>I-64 HRBT Expansion Project</i>					
UPC 115008 - I-64 HRBT Expansion Project D-B Contract	529,194,979	36,727,186	53,094,712	89,821,898	619,016,878
UPC 115009 - I-64 HRBT Expansion Project Owners Oversight	43,284,482	46,724,729	-	46,724,729	90,009,211
<i>HRELN Segment 1 Phase 1 PE - UPC</i>					
UPC 117840 - Segment 1 Phase 1 - PE	5,621,500	-	-	-	5,621,500
UPC 117839 - Segment 4A/4B Phase 1 - PE	5,916,425	-	-	-	5,916,425
UPC 117841 - Segment 4C Phase 1 - PE	6,062,743	-	-	-	6,062,743
UPC 119637 - Segment 1A - PE/ROW/Construction	2,671,455	11,122	13,694	24,816	2,696,271
UPC 120863 - Segment 1B - PE/ROW/Construction	1,636,100	506,976	96,632	603,607	2,239,707
UPC 119824 - Segment 4A/4B - PE/ROW/Construction	1,827,276	1,429,382	60,650	1,490,032	3,317,308
UPC 119638 - Segment 4C - PE/ROW/Construction	57,817,978	(8,814,935)	(92,360)	(8,907,295)	48,910,682
UPC 122999 - Transportation Management Plan	-	2,230	(2,230)	-	-
UPC 122714 - I-464/I-64 Interchange Improvements - Full Interchange Access Report Development Project	-	119,782	558,119	677,901	677,901
UPC 120375 & 123322 - I-64/I-464 Interchange Exit 291 Flyover Ramp Improvements	-	-	-	-	-
<i>HRCS Preferred Alternative Refinement - HRBT</i>					
UPC 110577 - SEIS	28,800,287	-	-	-	28,800,287
460/58/13 Connector Study - UPC 106694 - PE	1,095,368	-	-	-	1,095,368
<i>Bowers Hill Interchange Study - UPC 111427</i>					
UPC 122761 - I-264 Independence Blvd Interchange IAR	5,905,879	390,481	111,003	501,485	6,407,364
<i>HR Regional Connector Study - HRTPO (Remaining Projects of Third Crossing)</i>					
5,418,917	390,929	-	390,929	5,809,846	
Total	\$ 818,627,454	\$ 80,818,282	\$ 57,354,320	\$ 138,172,603	\$ 956,800,057

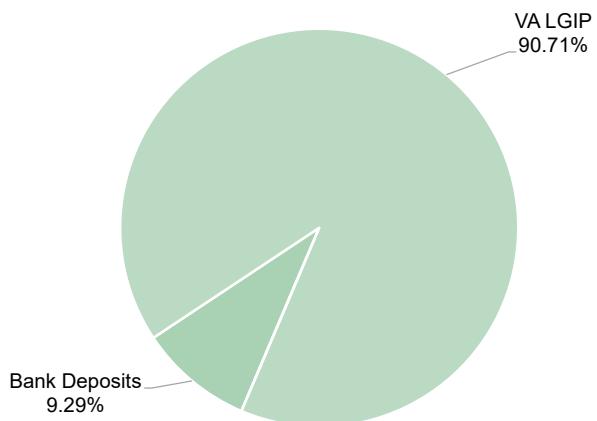
Hampton Roads Regional Transit Fund
Summary of Cash and Investments
For May 2024

Portfolio	Yield at Cost	Yield at Market	Balances at Cost	Balances at Market	% of Total
Union Checking	0.00%	0.00%	1,000,000	1,000,000	1.11%
Union Sweep	5.00%	5.00%	7,363,194	7,363,194	8.18%
VA LGIP	5.42%	5.42%	81,656,993	81,656,993	90.71%
Total			\$ 90,020,187	\$ 90,020,187	100.00%

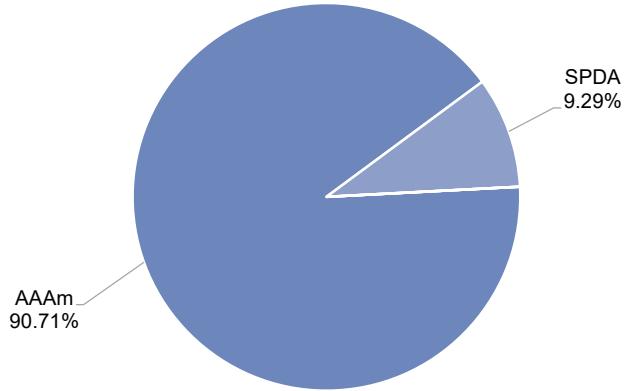
Total Maturity Distribution



Sector Distribution



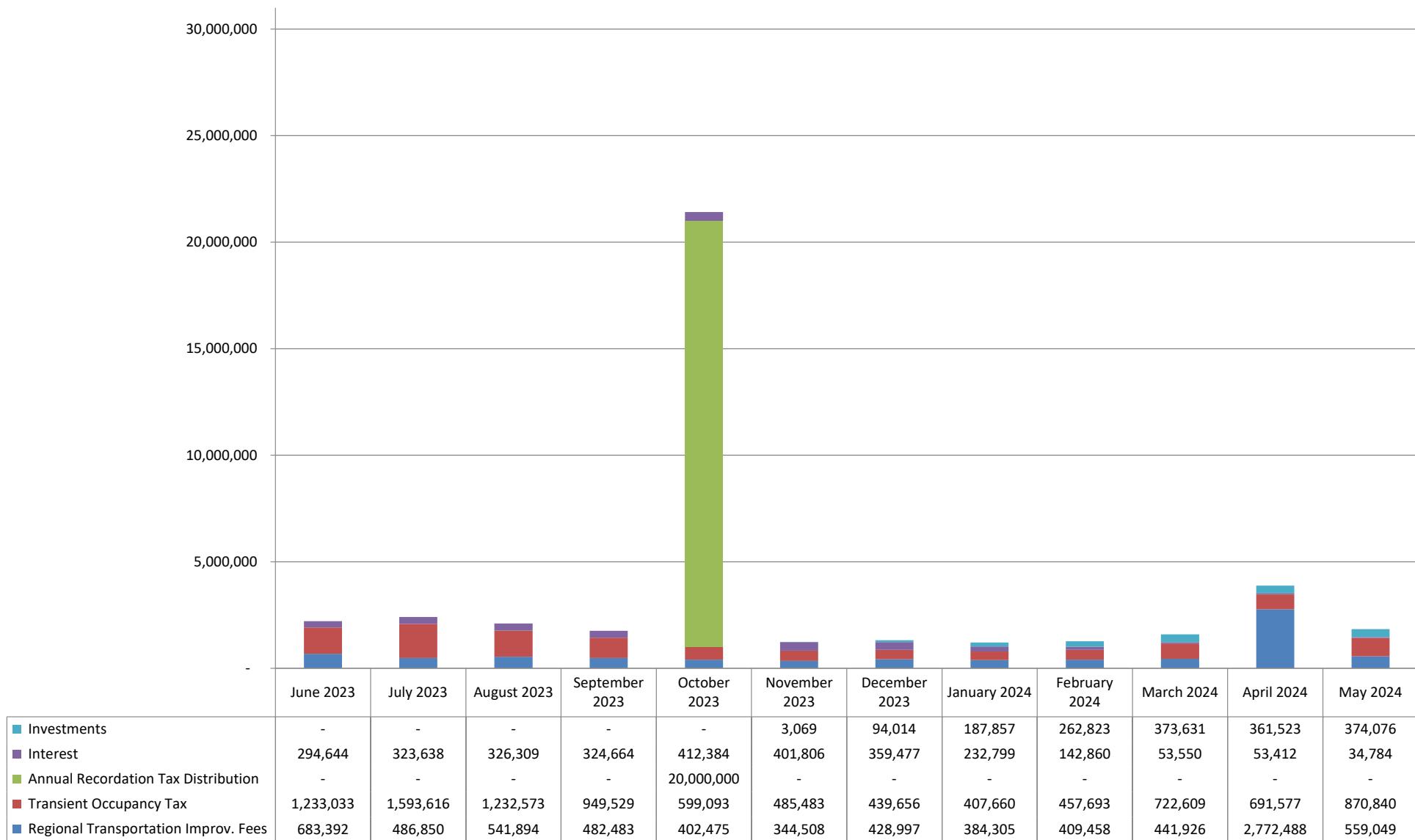
Credit Distribution



All charts are based on market value as of May 31, 2024.

This material is for general informational purposes only and is not intended to provide specific advice or a specific recommendation.

HRRTF Revenue



Hampton Roads Regional Transit Fund
Interest and Investment Income
Inception - May 2024

	FY2021	FY2022	FY2023	FY2024	Total
HRRTF Interest Income	\$ 57,044	\$ 97,432	\$ 2,500,324	\$ 2,665,682	\$ 5,320,482
HRRTF Investment Income	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,656,993</u>	<u>1,656,993</u>
Total	<u>\$ 57,044</u>	<u>\$ 97,432</u>	<u>\$ 2,500,324</u>	<u>\$ 4,322,675</u>	<u>\$ 6,977,475</u>

Hampton Roads Regional Transit Fund (HRRTF)
Revenue and Expenditures
Summary

	Gross Revenue							Expenditures			Cumulative Balance
	Regional		Annual					Operating			
	Transportation Improv. Fees	Transient Occupancy Tax	Recordation Tax Distribution	Interest	Investments	Total Revenue	Project Expenses	Expenses	Total	7/1/20 - 5/31/24	
<i>July 2020 - May 2023</i>	\$ 23,123,328	\$ 18,293,618	\$ 60,000,000	\$ 2,360,156	\$ -	\$ 103,777,102	\$ 21,248,936	\$ 525,838	\$ 21,774,774	\$ 82,002,328	
<i>June 2023</i>	683,392	1,233,033	-	294,644	-	2,211,069	11,775,210	93,942	11,869,152	72,344,245	
<i>July 2023</i>	486,850	1,593,616	-	323,638	-	2,404,104	-	1,620	1,620	74,746,729	
<i>August 2023</i>	541,894	1,232,573	-	326,309	-	2,100,776	-	3,214	3,214	76,844,291	
<i>September 2023</i>	482,483	949,529	-	324,664	-	1,756,676	-	36,574	36,574	78,564,393	
<i>October 2023</i>	402,475	599,093	20,000,000	412,384	-	21,413,952	-	3,353	3,353	99,974,992	
<i>November 2023</i>	344,508	485,483	-	401,806	3,069	1,234,865	1,874,305	1,839	1,876,144	99,333,713	
<i>December 2023</i>	428,997	439,656	-	359,477	94,014	1,322,144	3,064,799	45,641	3,110,440	97,545,418	
<i>January 2024</i>	384,305	407,660	-	232,799	187,857	1,212,621	-	9,045	9,045	98,748,994	
<i>February 2024</i>	409,458	457,693	-	142,860	262,823	1,272,834	-	1,482	1,482	100,020,346	
<i>March 2024</i>	441,926	722,609	-	53,550	373,631	1,591,716	7,566,843	43,732	7,610,575	94,001,487	
<i>April 2024</i>	559,464	691,577	-	53,412	361,523	1,665,976	-	12,954	12,954	95,654,509	
<i>May 2024</i>	559,049	870,840	-	34,784	374,076	1,838,749	3,895,262	5,436	3,900,698	93,592,560	
<i>Total 12 Months</i>	<u>5,724,802</u>	<u>9,683,362</u>	<u>20,000,000</u>	<u>2,960,326</u>	<u>1,656,993</u>	<u>40,025,483</u>	<u>28,176,420</u>	<u>258,831</u>	<u>28,435,250</u>		
<i>Total</i>	<u>\$ 28,848,130</u>	<u>\$ 27,976,980</u>	<u>\$ 80,000,000</u>	<u>\$ 5,320,482</u>	<u>\$ 1,656,993</u>	<u>\$ 143,802,585</u>	<u>\$ 49,425,356</u>	<u>\$ 784,669</u>	<u>\$ 50,210,025</u>	<u></u>	
<i>Less Balance of Encumbered (through FY2028)</i>										<u>(36,525,137)</u>	
<i>Total Net Available</i>										<u>\$ 57,067,422</u>	

Table 1 - Revenues
Hampton Roads Regional Transit Fund (HRRTF)
Fiscal Year 2024

Locality	Total FY2020 - FY2023	Previous FY2024	May 2024	FY 2024 YTD	Total
<i>Regional Taxes and Fees</i>					
Chesapeake	\$ 7,116,831	\$ 1,797,684	\$ 195,850	\$ 1,993,534	\$ 9,110,365
Hampton	3,482,206	909,748	110,864	1,020,612	4,502,818
Newport News	3,653,408	929,701	120,890	1,050,591	4,703,999
Norfolk	6,515,772	2,057,495	248,393	2,305,888	8,821,660
Portsmouth	1,715,091	472,680	51,503	524,183	2,239,274
Virginia Beach	<u>20,850,062</u>	<u>5,894,541</u>	<u>702,389</u>	<u>6,596,930</u>	<u>27,446,991</u>
Total	<u>\$ 43,333,370</u>	<u>12,061,850</u>	<u>1,429,890</u>	<u>13,491,740</u>	<u>\$ 56,825,110</u>
Annual Recordation Tax Distribution	<u>60,000,000</u>	<u>20,000,000</u>	<u>-</u>	<u>20,000,000</u>	<u>80,000,000</u>
Total Tax and Fees Revenue	<u>\$ 103,333,370</u>	<u>\$ 32,061,850</u>	<u>\$ 1,429,890</u>	<u>\$ 33,491,740</u>	<u>\$ 136,825,110</u>
Interest	2,654,800	2,630,898	34,784	2,665,682	5,320,482
Investments	-	1,282,917	374,076	1,656,993	1,656,993
Total Revenue	<u>\$ 105,988,170</u>	<u>35,975,665</u>	<u>1,838,750</u>	<u>37,814,415</u>	<u>\$ 143,802,585</u>
Project Expenses	(33,024,146)	(12,505,948)	(3,895,262)	(16,401,210)	\$ (49,425,356)
Operating Expense	<u>(619,780)</u>	<u>(159,453)</u>	<u>(5,436)</u>	<u>(164,889)</u>	<u>\$ (784,669)</u>
Modified Cash Position	<u>\$ 72,344,244</u>	<u>\$ 23,310,265</u>	<u>\$ (2,061,948)</u>	<u>\$ 21,248,317</u>	<u>\$ 93,592,560</u>
Less Balance of Encumbered	(29,180,479)				(36,525,137)
Net Modified Cash Position	<u>\$ 43,163,765</u>				<u>\$ 57,067,422</u>
Forecast	<u>99,155,259</u>	<u>33,841,098</u>	<u>1,564,808</u>	<u>35,405,906</u>	<u>134,561,165</u>
Total Revenue - Forecast (under)/over	4,178,111	(1,779,248)	(134,918)	(1,914,166)	2,263,945

Table 1A - Regional Transportation Improvement Fees
Hampton Roads Regional Transit Fund (HRRTF)
Fiscal Year 2024

Locality	Total FY2020 FY2023	Previous FY2024	May 2024	FY 2024 YTD	Total
<i>Regional Transit Improvement Fees</i>					
Chesapeake	\$ 5,224,050	\$ 1,013,343	\$ 109,168	\$ 1,122,511	\$ 6,346,561
Hampton	2,191,369	342,007	38,275	380,282	2,571,651
Newport News	2,376,102	457,582	61,130	518,712	2,894,814
Norfolk	3,735,275	794,276	91,800	886,076	4,621,351
Portsmouth	1,449,630	328,724	35,187	363,911	1,813,541
Virginia Beach	<u>8,830,294</u>	<u>1,546,428</u>	<u>223,489</u>	<u>1,769,917</u>	<u>10,600,211</u>
Total	<u>\$ 23,806,720</u>	<u>\$ 4,482,360</u>	<u>\$ 559,049</u>	<u>\$ 5,041,410</u>	<u>\$ 28,848,130</u>
<i>Forecast</i>	<u>21,700,002</u>	<u>5,152,786</u>	<u>516,710</u>	<u>5,669,496</u>	<u>27,369,498</u>
Total Revenue - Forecast (under)/over	2,106,718	(670,426)	42,339	(628,087)	1,478,632

Table 1B - Transient Occupancy Tax
Hampton Roads Regional Transit Fund (HRRTF)
Fiscal Year 2024

Locality	Total FY2020 FY2023	Previous FY2024	May 2024	FY 2024 YTD	Total
<i>Transient Occupancy Tax</i>					
Chesapeake	\$ 1,892,781	\$ 784,341	\$ 86,682	\$ 871,023	\$ 2,763,804
Hampton	1,290,837	567,741	72,589	640,330	1,931,167
Newport News	1,277,306	472,119	59,760	531,879	1,809,185
Norfolk	2,780,497	1,263,219	156,593	1,419,812	4,200,309
Portsmouth	265,461	143,956	16,316	160,272	425,733
Virginia Beach	12,019,769	4,348,113	478,900	4,827,013	16,846,782
Total	\$ 19,526,651	\$ 7,579,489	\$ 870,840	\$ 8,450,329	\$ 27,976,980
<i>Forecast</i>	<u>17,455,256</u>	<u>8,688,312</u>	<u>1,048,098</u>	<u>9,736,410</u>	<u>27,191,666</u>
Total Revenue - Forecast (under)/over	2,071,395	(1,108,823)	(177,258)	(1,286,081)	785,314

Table 2 - Allocations
Hampton Roads Regional Transit Fund (HRRTF)
Fiscal Year 2024

Project	Total FY2020 - FY2023	Previous FY2024	May 2024	FY 2024 YTD	Total
<i>Regional Transit System - 757 Express</i>					
Transit Bus Expansion (Group A) - Project 202101A	\$ 9,306,000	\$ -	\$ -	\$ -	\$ 9,306,000
Transit Bus Expansion (Group B) - Project 202301H	4,380,520	769,142	-	769,142	5,149,662
<i>Bus Stop Amenity Program</i>					
- Project 202101B	3,265,000	-	-	-	3,265,000
- Project 202201F	5,326,000	-	-	-	5,326,000
- Project 202401F	-	1,065,000	-	1,065,000	1,065,000
<i>Regional Transit System Technology</i>					
- Project 202101C	80,000	-	-	-	80,000
- Project 202201G	518,000	-	-	-	518,000
<i>Regional Transit Services</i>					
Operations & Maintenance RTS - Project 202201C	5,730,123	(2,206,901)	-	(2,206,901)	3,523,222
Development & Support Services RTS - Project 202201D	4,946,973	(3,023,531)	-	(3,023,531)	1,923,442
Operations & Maintenance RTS - Project 202301C	18,669,009	(10,675,504)	-	(10,675,504)	7,993,505
Operations & Maintenance RTS - Project 202401C	-	25,975,300	-	25,975,300	25,975,300
<i>Net Center Replacement</i>					
- Project 202101D	62,000	-	-	-	62,000
Robert Hall Blvd (Chesapeake) - Project 202201A	100,000	-	-	-	100,000
Evelyn T. Butts (Norfolk) - Project 202201B	100,000	-	-	-	100,000
<i>New Bus Operating Division - Southside</i>					
- Project 202101E	1,000,000	-	-	-	1,000,000
- Project 202201E	6,708,000	-	-	-	6,708,000
- Project 202301E	597,000	-	-	-	597,000
- Project 202401E	-	11,514,000	-	11,514,000	11,514,000
<i>Non-Revenue Fleet</i>					
- Project 202301J	951,000	292,421	-	292,421	1,243,421
- Project 202401J	-	35,941	-	35,941	35,941
<i>Paratransit Fleet</i>					
- Project 202301I	465,000	-	-	-	465,000
Total Allocations	\$ 62,204,625	\$ 23,745,868	\$ -	\$ 23,745,868	\$ 85,950,493

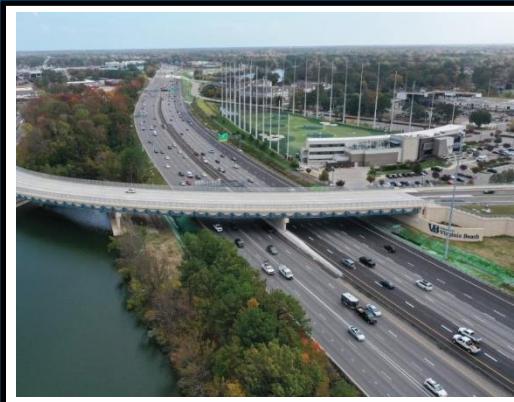
Table 3 - Expenditures
Hampton Roads Regional Transit Fund (HRRTF)
Fiscal Year 2024

Project	Total FY2020 - FY2023	Previous FY2024	May 2024	FY 2024 YTD	Total
<i>Regional Transit System - 757 Express</i>					
<i>Transit Bus Expansion (Group A) - Project 202101A</i>	\$ 9,099,298	\$ -	\$ -	\$ -	9,099,298
<i>Transit Bus Expansion (Group B) - Project 202301H</i>	1,406	3,661,452	825,035	4,486,487	4,487,893
<i>Bus Stop Amenity Program</i>					
- <i>Project 202101B</i>	4,495,188	(1,230,188)	-	(1,230,188)	3,265,000
- <i>Project 202201F</i>	609,778	1,643,240	911,600	2,554,840	3,164,618
- <i>Project 202401F</i>	-	-	-	-	-
<i>Regional Transit System Technology</i>					
- <i>Project 202101C</i>	143,884	(82,587)	(82,587)	61,297	61,297
- <i>Project 202201G</i>	296,664	(85,299)	140,000	54,701	351,365
<i>Regional Transit Services</i>					
<i>Operations & Maintenance RTS - Project 202201C</i>	3,523,222	-	-	-	3,523,222
<i>Development & Support Services RTS - Project 202201D</i>	1,923,442	-	-	-	1,923,442
<i>Operations & Maintenance RTS - Project 202301C</i>	7,385,807	607,698	607,698	7,993,505	7,993,505
<i>Operations & Maintenance RTS - Project 202401C</i>	-	8,717,772	1,643,364	10,361,136	10,361,136
<i>Net Center Replacement</i>					
- <i>Project 202101D</i>	61,869	-	-	-	61,869
<i>Robert Hall Blvd (Chesapeake) - Project 202201A</i>	1,226,271	(1,226,271)	(1,226,271)	-	-
<i>Evelyn T. Butts (Norfolk) - Project 202201B</i>	-	-	26,508	26,508	26,508
<i>New Bus Operating Division - Southside</i>					
- <i>Project 202101E</i>	1,436,087	(436,087)	(436,087)	1,000,000	1,000,000
- <i>Project 202201E</i>	2,390,426	625,741	625,741	3,016,167	3,016,167
- <i>Project 202301E</i>	-	-	-	-	-
- <i>Project 202401E</i>	-	-	-	-	-
<i>Non-Revenue Fleet</i>					
- <i>Project 202301J</i>	-	310,476	345,545	656,021	656,021
- <i>Project 202401J</i>	-	-	-	-	-
<i>Paratransit Fleet</i>					
- <i>Project 202301I</i>	430,804	-	3,210	3,210	434,014
Total Expenditures	\$ 33,024,146	\$ 12,505,948	\$ 3,895,262	\$ 16,401,210	49,425,355

7. B. VDOT Project Updates

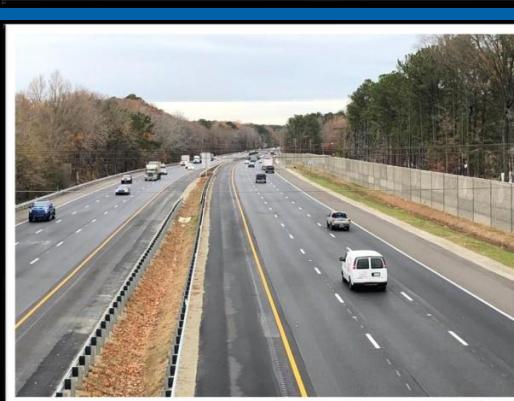


HRTAC PROGRAM MONTHLY EXECUTIVE REPORT



September 2024







ORIGINAL MAJOR PROJECTS

I-64 Peninsula Widening- Segment I	Construction Completed
I-64 Peninsula Widening- Segment II	Construction Completed
I-64 Peninsula Widening- Segment III	Construction Completed
I-64/I-264- Phase I	Construction Completed
I-64/I-264- Phase II	Construction Completed
I-64 Southside Widening and High Rise Bridge Phase I	In Construction

I-64 Peninsula Widening- Segment I**UPC 104905 (HRTAC)**
UPC 111926 (State/Federal)**Project Scope:**

From 0.52 miles east of Yorktown Road/Rte 238 (Exit 247) to 1.55 miles west of Jefferson Ave/Rte 143 (Exit 255) (6.1 miles)

- Additional 12' wide travel lanes and 12' wide shoulders within the existing median space
- Replacement of the Industrial Park Drive bridges, and repair and widening of 4 bridges and 2 major culverts
- Strengthened shoulder lane from Ft Eustis Blvd Interchange to Jefferson Avenue Interchange

Project Financial Summary:

<u>Project Budget (\$111,608,384):</u>	<u>Funds Expended (as of 08/31/2024):</u>	<u>Budget Remaining (+) / Overrun (-):</u>
○ PE \$ 2,738,567	\$ 2,738,567	\$ 0
○ RW \$ 32,494	\$ 32,494	\$ 0
○ CN \$ 108,837,323	<u>\$ 108,837,323</u>	\$ 0
	\$ 111,608,384	

Project Schedule (Design-Builder – Shirley Contracting Co., LLC):

DB Notice to Proceed	March 2015
Project Completion	December 2017
Schedule Status	Completed

Enabling Funding

HRTAC	\$ 11,608,384
State/Federal	<u>\$ 100,000,000</u>
	\$ 111,608,384

Project Status:

- Completion achieved on December 1, 2017
- Project financially closed

**Project Site (Looking West from Denbigh)**

I-64 Peninsula Widening- Segment II

UPC 106665 (HRTAC)

Project Scope:

From 1.05 miles west of Hummelsine Parkway/Marquis Center Pkwy/Rte 199 (Exit 242) to where the Segment I project ends at 0.54 miles east of Yorktown Road/Rte 238 (Exit 247) (7.1 miles)

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

Project Financial Summary:

Project Budget (\$159,559,703):	Funds Expended (as of 08/31/2024):	Budget Remaining (+) / Overrun (-):
○ PE \$ 2,869,659	\$ 2,869,659	\$ 0
○ RW \$ 530,122	\$ 530,122	\$ 0
○ CN \$ 156,159,922	<u>\$ 156,159,922</u>	\$ 0
	\$ 159,559,703	

Project Schedule (Design-Builder – Allan Myers VA, Inc.):

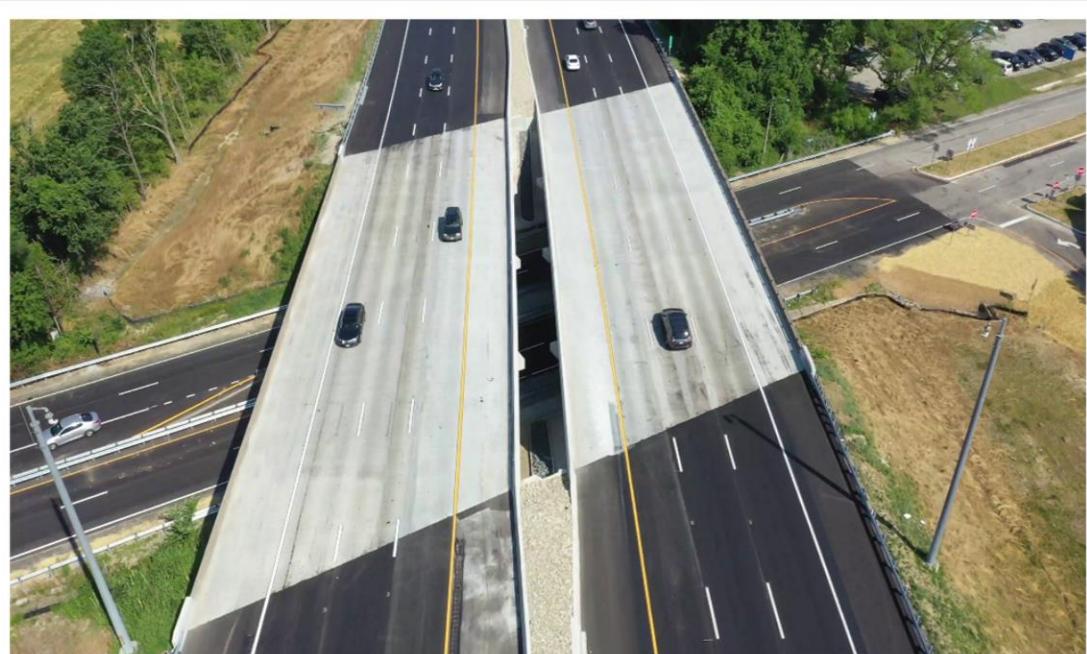
DB Notice to Proceed	February 2016
Project Completion	May 2019
Schedule Status	Completed

Enabling Funding

HRTAC	\$ 159,559,703
State/Federal	\$ _____.
	\$ 159,559,703

Project Status:

- Completion achieved on November 15, 2019
- Project financially closed



Project Site (Looking West from the Yorktown Road overpass)

I-64 Peninsula Widening- Segment III**UPC 106689 (HRTAC)**
UPC 109790 (State/Federal)**Project Scope:**

From approximately 1.26 miles West of Rte 199/Lightfoot (Exit 234) to where the Segment II project ends at 1.05 miles west of Hummelsine Parkway/Marquis Center Pkwy /Rte 199 (Exit 242) (8.36 miles)

- Additional 12' wide travel lanes and 12' wide shoulders 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 (\$244,045,973):</u>	<u>Funds Expended (as of 08/31/2024):</u>	<u>Budget Remaining (+) / Overrun (-):</u>
○ PE \$ 10,000,000	\$ 5,766,837	\$ 4,233,163
○ RW \$ 12,000,000	\$ 925,723	\$ 11,074,277
○ CN \$ 222,045,973	<u>\$ 201,046,393</u>	<u>\$ 20,999,580</u>
	\$ 207,738,953	

Project Schedule (Design-Builder – Shirley Contracting Co., LLC):

DB Notice to Proceed	January 2018
Project Completion	December 2021*
Schedule Status	Completed

<u>Enabling Funding</u>	
HRTAC	\$ 122,893,996
State/Federal	<u>\$ 121,151,977</u>
	\$ 244,045,973

*The Project Fixed Completion Date was extended from September to December 2021 to accommodate the additional required sound wall installation.

Project Status:

- In final contract close out (NPDES permit is in close out; Working on transferring cost savings so project can be financially closed)

**I-64 traffic at the Barlow Road overpass (looking west)**

I-64/I-264- Phase I**UPC 108042 (HRTAC)**
UPC 57048 (State/Federal)**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 08/31/2024):</u>	<u>Budget Remaining (+) / Overrun (-):</u>
○ PE \$ 10,135,307	\$ 10,135,307	\$ 0
○ RW \$ 11,571,063	\$ 20,458,115	-\$ 8,887,052*
○ CN \$ 137,023,653	<u>\$ 125,024,733</u>	<u>\$ 11,998,920</u>
	\$ 155,618,155	

*Note: Overrun due to higher than expected property settlements.

Project Schedule (Contractor – Tutor Perini Corp.):

Construction Notice to Proceed	October 2016
Project Completion	October 2019
Schedule Status	Completed

<u>Enabling Funding</u>	
HRTAC	\$ 152,094,716
State/Federal	<u>\$ 6,635,307</u>
	<u>\$ 158,730,023</u>

Project Status:

- In final contract close out (in claim litigation)

**CD Road Bridge, 264 Flyover and Tidal Channel (low tide)**

I-64/I-264- Phase II

UPC 108041 (HRTAC)
UPC 17630 (State/Federal)

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 43
- 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 08/31/2024):</u>	<u>Budget Remaining (+) / Overrun (-):</u>
○ PE \$ 14,082,810	\$ 14,082,810	\$ 0
○ RW \$ 54,392,666	\$ 56,052,618	- \$ 1,659,952*
○ CN \$ 126,028,411	<u>\$ 134,876,156</u>	- \$ 8,847,745**
	\$ 205,011,584	

*Note: Overrun due to higher than expected property settlements.

**Note: Overrun primarily due to change orders and CEI costs.

Project Schedule (Contractor – The Lane Construction Corp.):

Construction Notice to Proceed	February 2018
Project Completion	November 2022***
Schedule Status	Completed

<u>Enabling Funding</u>	
HRTAC	\$ 127,749,638
State/Federal	<u>\$ 66,754,249</u>
	\$ 194,503,887

***Note: The Project Fixed Completion Date was extended from September 2021 to November 2022 due to additional scope and differing site conditions.

Project Status:

- In final contract close out (Environmental and NPDES permits are in close out. Working on transferring funds so we can financially close project)



I-264 EB at Cleveland Street Flyover



I-264 EB at Cleveland Street Flyover (Bridge Lighting)

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

UPC 106692 (HRTAC)
UPC 108990 (State/Federal)

Project Scope:

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

- Widening from 4 to 6 lanes
- Constructing a new High Rise Bridge parallel to and to the South of the existing High Rise Bridge

Project Financial Summary:

<u>Project Budget (\$524,613,765):</u>	<u>Funds Expended (as of 08/31/2024):</u>	<u>Budget Remaining (+) / Overrun (-):</u>
○ PE \$ 12,200,000	\$ 12,189,268	\$ 10,732
○ RW \$ 18,726,000	\$ 11,430,846	\$ 7,295,154
○ CN \$ 493,687,765	<u>\$ 431,179,895</u>	<u>\$ 62,507,870</u>
	\$ 454,800,009	

Enabling Funding

HRTAC	\$ 431,956,220
State/Federal	<u>\$ 92,657,545</u>
	\$ 524,613,765

Project Schedule (Design-Builder – Granite-Parsons-Corman, JV):

DB Notice to Proceed	November 2017
Fixed Completion Date	December 2022*
Projected Completion	Summer 2024

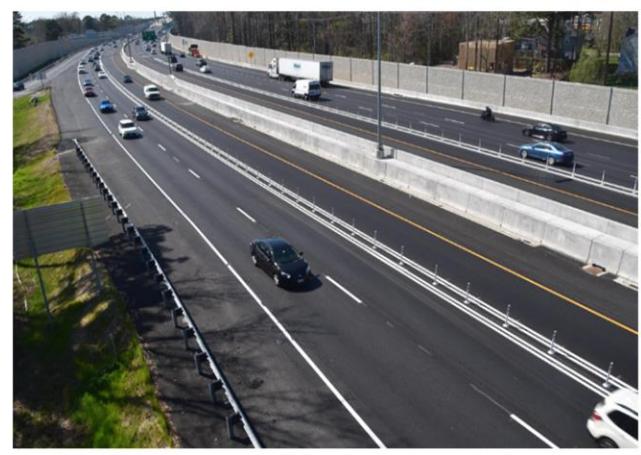
* Note: The Project Fixed Completion Date was extended to December 2022 to add roadway/drainage infrastructure for future Part-Time Shoulder Express Lanes.

Project Status:

- Express lanes completed and open to traffic on February 19, 2024; Tolling began on March 17, 2024
- Great Bridge Blvd Bridge – All construction activities on the bridge and roadway approaches are completed and traffic is in its final configuration
- I-64 Bridge Widenings over Military Highway, Yadkin Road, and Shell Road completed and open to traffic. Some minor barrier/guardrail work on Military Highway and Shell Road continue
- BMP grading, ITS testing, remedial work on underdrains, barrier/guardrail work, and punch-list items continue



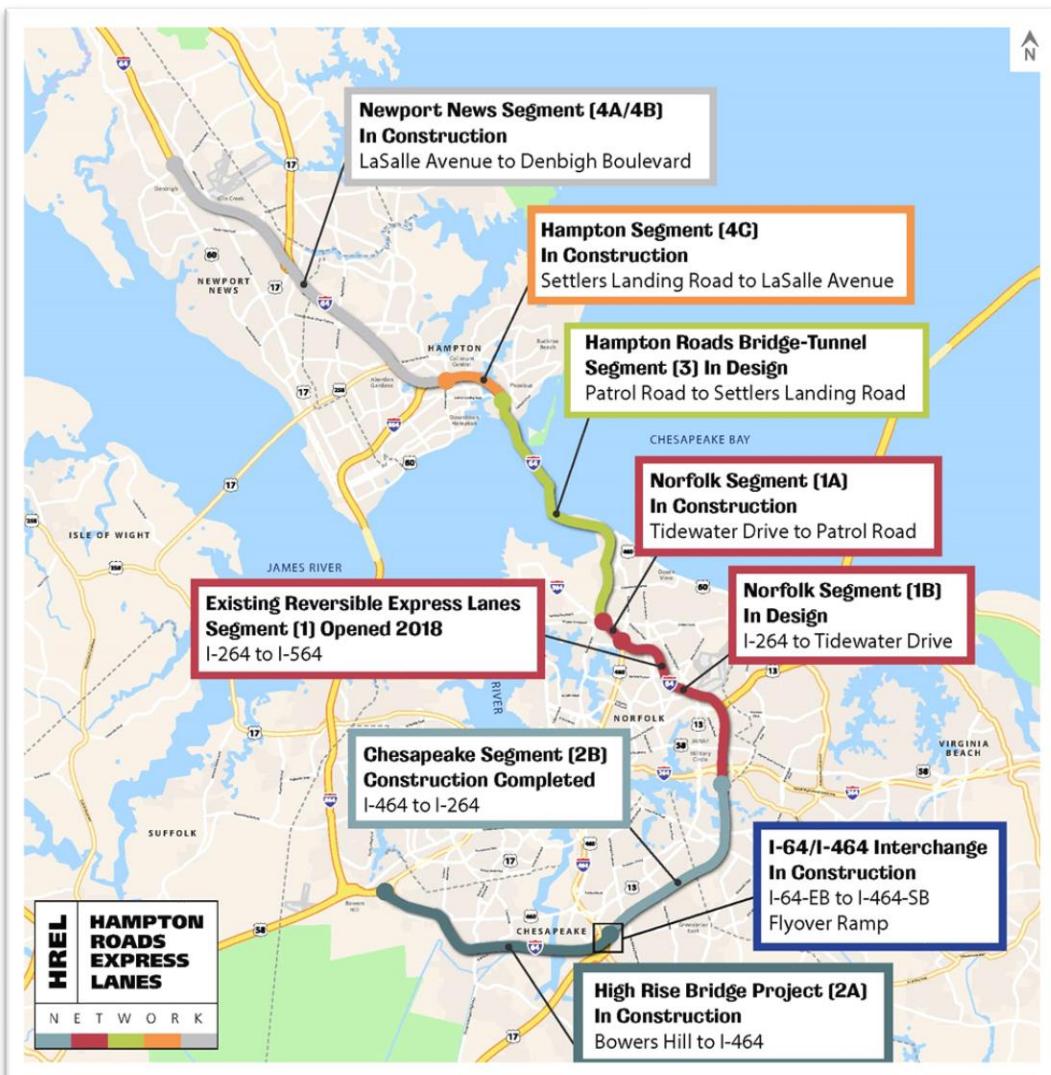
**Traffic on new High Rise Bridge
(looking west)**



**Traffic on I-64 just West of Great Bridge Blvd
(looking west)**

HREL PROJECTS

HREL Segment 1A (Norfolk)	In Construction
HREL Segment 1B (Norfolk)	In Design
HREL Segment 2B (Chesapeake)	Construction Completed
HREL Segment 3 (HRBT Tolling Infrastructure)	In Design
HREL Segment 4A/4B (Newport News)	In Construction
HREL Segment 4C (Hampton)	In Construction
I-64/I-464 Exit 291 Interchange Improvements	In Construction



HREL Segment 1A (Norfolk)

UPC 117840 (HRTAC) Phase 1-PE
UPC 119637 (HRTAC) PE, RW, CN
UPCs 120944, 121360, 121361 (State/Federal)

Project Scope:

From 0.078 Miles East of Patrol Road to 0.558 Miles East of Tidewater Drive, an existing General Purpose shoulder will be converted into a Part Time Shoulder Express Lane in each direction

- Widening five bridges (EB/WB Tidewater Drive, EB Granby Street, EB I-564, and EB E. Little Creek Road)
- Rehabilitating/strengthening two miles of shoulder in each direction
- Widening roadway in spot locations to maintain minimum shoulder width
- Includes noise walls, tolling gantries, and overhead signing

Project Financial Summary:

<u>Project Budget (\$197,612,207):*</u>	<u>Funds Expended (as of 08/31/2024):</u>	<u>Budget Remaining (+) / Overrun (-):</u>
○ PE \$ 4,900,000*	\$ 2,671,455	\$ 2,228,545
○ RW \$ 500,000	\$ 37,383	\$ 462,617
○ CN \$ 192,212,207	<u>\$ 71,821,167</u>	\$ 120,391,040
	\$ 74,530,005	

*Note: The Project PE budget includes \$1,981,680 from the HRTAC funded UPC 117840 Phase 1-PE \$5,621,500 budget. Current SPA includes PE, RW and CN.

Project Schedule (Design-Builder – Allan Myers, Inc.):

DB Notice to Proceed	December 20, 2022
Project Completion	January 15, 2026
Schedule Status	On-Schedule

Project Status:

- The final roadway and drainage plans are approved.
- I-64 mainline traffic shifted towards the median, with most work occurring on the shoulders through early 2025
- Ongoing bridge work on reversible lanes over 564/Little Creek, I-64-EB over I-64-WB to I-564-WB ramp, I-64-EB and I-64 WB over Little Creek Rd, I-64-EB and I-64 WB over Granby St, I-64-EB and I-64 WB over Tidewater Dr

Enabling Funding

HRTAC	\$ 94,061,245*
State/Federal	<u>\$ 103,550,962</u>
	\$ 197,612,207



Widening of I-64-EB Bridge over I-564

HREL Segment 1B (Norfolk)

UPC 117840 (HRTAC) Phase 1-PE
UPC 120863 (HRTAC) PE, RW, CN
UPCs 121052, 121258 (State/Federal)

Project Scope:

From 0.558 Miles East of Tidewater Drive to 1.04 miles East of I-264, an existing General Purpose shoulder will be converted into a Part Time Shoulder Express Lane in each direction

- Replacing two bridges (EB/WB Chesapeake Boulevard)
- Rehabilitating/strengthening seven miles of shoulder in each direction
- Widening roadway in spot locations to maintain minimum shoulder width
- Includes noise walls, tolling gantries, and overhead signing

Project Financial Summary:

Project Budget (\$361,727,648):*	Funds Expended (as of 08/31/2024):	Budget Remaining (+) / Overrun (-):
○ PE \$ 15,400,000*	\$ 8,672,300	\$ 6,727,700
○ RW \$ 2,865,000	\$ 0	\$ 0
○ CN \$ 343,462,648	<u>\$ 0</u>	<u>\$ 0</u>
	\$ 8,672,300	

* Note: The Project PE budget includes \$3,639,820 from the HRTAC funded UPC 117840 Phase 1-PE \$5,621,500 budget. Current SPA includes PE and RW only. CN will be added at award.

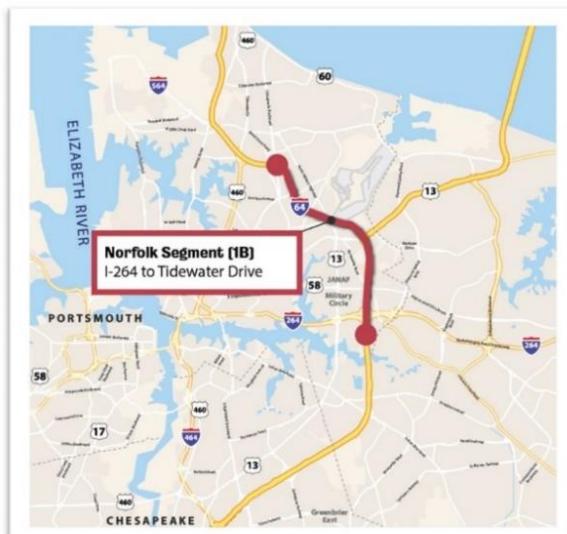
Project Schedule

Public Hearing	December 1 & 2, 2021
Request for Qualifications	November 2024
Request for Proposals	March 2025
Notice of Intent to Award	August 2025
DB Notice to Proceed	Nov 2025
Project Completion	Nov 2029
Schedule Status	On-Schedule

Project Status:

- The preliminary design continues for the RFQ release. Final RFQ plans were submitted in August 2024
- VDOT is preparing the RFQ package

Enabling Funding	
HRTAC	\$300,327,648*
State/Federal	<u>\$ 61,400,000</u>
	\$361,727,648



HREL Segment 2B (Chesapeake)**UPC 112923 (TIFRA)****Project Scope:**

From the I-64/464 interchange to the I-64/264 interchange, 7.65 miles of an existing HOV lane is being converted into an Express Lane in each direction

- Includes concrete barriers and minor drainage improvement
- Includes tolling gantries, tolling equipment, signing, and overhead signage

Project Financial Summary:

<u>Project Budget (\$24,919,901):</u>	<u>Funds Expended (as of 08/31/2024):</u>	<u>Budget Remaining (+) / Overrun (-):</u>
○ PE \$ 2,543,662	\$ 2,543,662	\$ 0
○ RW \$ 0	\$ 0	\$ 0
○ CN \$ 22,376,239	\$ 22,365,696	\$ 10,543
	\$ 24,909,358	

Project Schedule (Contractor – Aldridge Electric, Inc.):

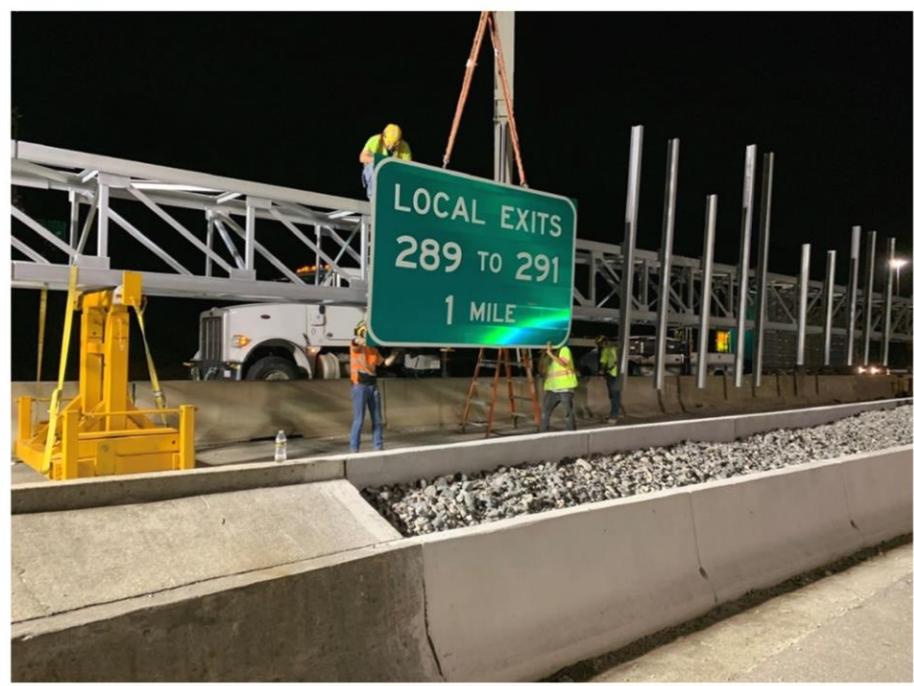
Construction Notice to Proceed	October 2020
Project Completion	September 2022
Schedule Status	Completed

Enabling Funding

TIFRA	\$ 24,919,901
State/Federal	\$ _____.
	\$ 24,919,901

Project Status:

- In final contract close out (Working on transferring funds so we can financially close project)
- The HREL 2B Unveiling project was completed on 7/31/2024

**Local Exit Sign for the Express Lanes**

HREL Segment 3**UPC 118376 (HRTAC)**Project Scope:

From 0.398 miles East of Settlers Landing Road to 0.078 miles East of Patrol Road, Express Lane tolling infrastructure is being installed in each direction for 9.7 miles within the HRBT expansion project limits. Enhancements to the Over Height Vehicle Detection System (OHVDS) will also be added in the Westbound direction of I-64 within the project limits.

- Limited to tolling signage and structures, ITS and equipment, pavement markings, and OHVDS equipment
- Connector to HREL Segments 4C and 1A

Project Financial Summary:

<u>Project Budget (\$18,789,474):</u>	<u>Funds Expended (as of 08/31/2024):</u>	<u>Budget Remaining (+) / Overrun (-):</u>
○ PE \$ 1,361,556	\$ 977,153	\$ 384,403
○ RW \$ 0	\$ 0	\$ 0
○ CN \$ 17,427,918	\$ 0	\$ 17,427,918
	\$ 977,153	

Project Schedule:

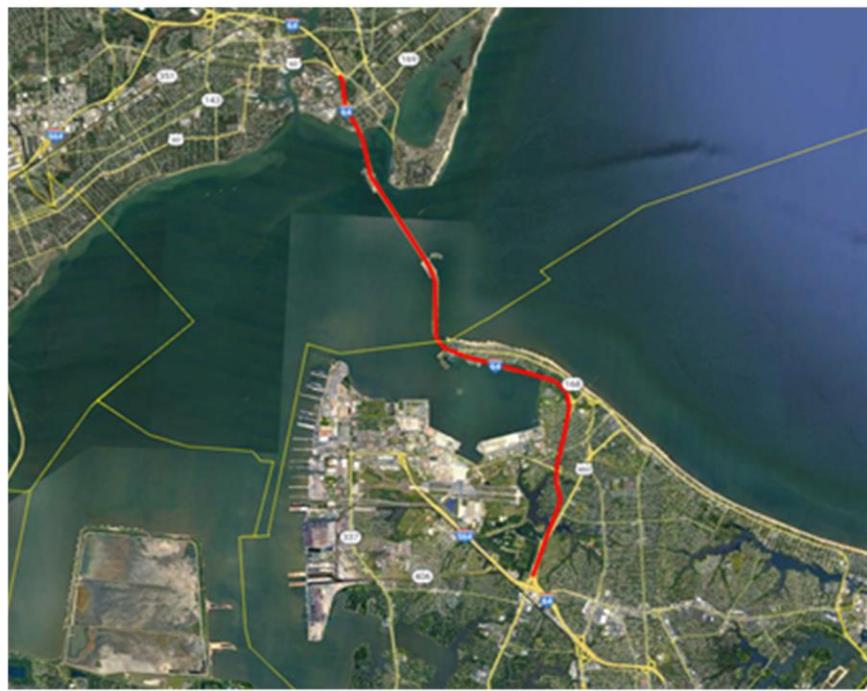
Willingness Posted	April 26, 2023
Design Approval	August 15, 2024
Advertisement	January 14, 2025
Construction Notice to Proceed	May 2025*
Project Completion	April 2027 *
Schedule Status	On-Schedule

<u>Enabling Funding</u>	
HRTAC	\$ 18,789,474
State/Federal	\$ _____
	\$ 18,789,474

*Note: Dates for construction activities may be adjusted to match the HRBT project's construction timeline for opening the HREL corridor to tolling.

Project Status:

- Scoping Approval received 04/10/24
- Design Approval received 08/15/24
- Submission for Advertisement 08/20/24. Plans currently under review by Central Office



HREL Segment 4A/4B (Newport News)

UPC 117839 (HRTAC) Phase 1-PE
UPC 119824 (HRTAC) PE, RW, CN
UPCs 120324, 121054 (State/Federal)

Project Scope:

From 1.20 miles west of Denbigh Boulevard in Newport News to Mercury Boulevard in Hampton, an existing HOV lane will be converted into an Express Lane in both directions. From Mercury Boulevard to 0.139 miles east of LaSalle Avenue in Hampton, one Express Lane will be constructed in each direction. The total length of the project is 13.5 miles

- Replacing two bridges (EB/WB LaSalle Avenue)
- Rehabilitating three bridges (EB/WB Armistead Avenue, EB/WB Billy Woods Canal, and EB/EB J. Clyde Morris Blvd)
- Includes tolling gantries, and overhead signage

Project Financial Summary:

<u>Project Budget (\$163,527,919):*</u>	<u>Funds Expended (as of 08/31/2024):</u>	<u>Budget Remaining (+) / Overrun (-):</u>
○ PE \$ 12,391,063*	\$ 9,546,237	\$ 2,844,826
○ RW \$ 77,782	\$ 43,496	\$ 34,286
○ CN \$ 151,059,074	\$ 9,768,795	\$ 141,290,279
	\$ 19,358,528	

* Note: The Project PE budget includes \$5,916,425 from the HRTAC funded UPC 117839 Phase 1-PE budget. Current SPA includes PE and RW only. CN will be added at award.

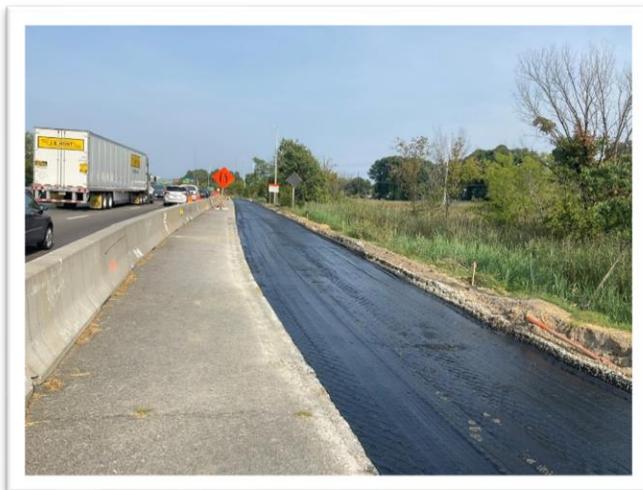
Project Schedule (Contractor – The Lane Construction Corp.):

Construction Notice to Proceed	March 2024
Project Completion	May 2027
Schedule Status	On-Schedule

<u>Enabling Funding</u>	
HRTAC	\$ 142,527,909*
State/Federal	\$ 21,000,000
	\$ 163,527,919

Project Status:

- Installing new drainage, overhead signage, toll gantries, and barrier wall in the I-64 median between Denbigh Boulevard and J. Clyde Morris Boulevard.
- Widening I-64 EB/WB from I-664 interchange to LaSalle Ave.
- I-64 over J. Clyde Morris Boulevard bridge repairs expected to start fall 2024.
- Demolition of the existing I-64 EB/WB bridges over LaSalle Avenue and reconstruction of these bridges expected to start fall 2024.



Placement of Cement Treated Aggregate I-64EB

HREL Segment 4C (Hampton)

UPC 117841 (HRTAC) Phase 1- PE
UPC 119638 (HRTAC) PE, RW, CN
UPC 120880 (State/Federal)

Project Scope:

From 0.136 miles East of LaSalle Avenue to 0.398 miles East of Settlers Landing Road, one Express Lane will be constructed, and one general purpose lane will be converted into an Express Lane in each direction for 2.415 miles

- Replacing two bridges (EB Hampton River) and rehabilitating one bridge (Rip Rap Road)
- Rehabilitating/widening three bridges (WB Hampton River, EB/WB King Street, EB/WB Settlers Landing Road)
- Includes noise walls, tolling gantries, and overhead signage

Project Financial Summary:

<u>Project Budget (\$407,922,054):</u>	<u>Funds Expended (as of 08/31/2024):</u>	<u>Budget Remaining (+) / Overrun (-):</u>
○ PE \$ 6,167,176	\$ 6,207,235	- \$ 40,059
○ RW \$ 8,000,000	\$ 1,617,473	\$ 6,382,527
○ CN \$ 393,754,878	<u>\$123,103,962</u>	\$ 270,650,916
	\$130,928,670	

Project Schedule (Design-Builder – Shirley-Branch, JV):

DB Notice to Proceed	August 1, 2022
Interim Milestone (tie into HRBT)	May 2026
All Lanes Open to Traffic	November 2026
Project Completion	December 2026
Schedule Status	On-Schedule

<u>Enabling Funding</u>	
HRTAC	\$ 405,216,054
State/Federal	<u>\$ 2,706,000</u>
	\$ 407,922,054

Project Status:

- JPA Environmental Permit was approved in September 2023. USCG Permit approved in March 2024
- Part-Time Shoulder Lane (PTSL) design is progressing having received final comments from FHWA
- Bridge rehabilitation work on the WB Hampton River, Rip Rap Road, King Street and Settlers Landing bridges continuing
- One through lane in each direction on Settlers Landing Road will be closed for approximately one year beginning in October 2024
- All pile installation for WB I-64 over Hampton River complete
- Setting of beams on WB I-64 bridge over Hampton River started
- Roadway widening and reconstruction work in the median continues
- Design of soundwalls incorporating crab medallion progressing



HREL 4C setting of beams on the WB I-64 bridge over the Hampton River

I-64/I-464 Interchange Exit 291 Ramp Improvements

UPC 123322 (HRTAC)
UPC 120375 (State Federal)

Project Scope:

To improve the I-64/I-464 Interchange and provide a direct connection between I-64 EB and Route 168 SB (Chesapeake Expressway) via I-464 SB. The project limits on I-64 are from 1.815 miles east of the Intersection of I-464 southbound to 0.229 miles west of the Intersection of I-464 southbound. The project includes the following:

- New flyover ramp from I-64 eastbound to I-464 southbound (to Route 168)
- Reconfiguration of I-64 eastbound ramp to I-464 northbound
- Shift the I-464 southbound diverge point for Rte. 17 and Rte. 168 approximately 2000ft. to the north

Project Financial Summary:

<u>Project Budget (\$155,380,374):</u>	<u>Funds Expended (as of 08/31/2024):</u>	<u>Budget Remaining (+) / Overrun (-):</u>
○ PE \$ 4,420,000	\$ 2,458,157	\$ 1,961,843
○ RW \$ 1,276,469	\$ 0	\$ 1,276,469
○ CN \$ 149,683,905	<u>\$ 10,390,027</u>	<u>\$ 139,293,878</u>
	\$ 12,848,184	

Project Schedule (Design-Builder – Joseph B. Fay Co.):

DB Notice to Proceed	February 2024
Project Completion	September 2027
Schedule Status	On-Schedule

<u>Enabling Funding</u>	
HRTAC	\$ 15,380,374
State/Federal	<u>\$ 140,000,000</u>
	\$ 155,380,374

Project Status:

- Project Awarded to Joseph B. Fay Company
- Scope validation period ended on 6/14/24 and meeting held on July 30, 2024
- Roadway ROW revision plan set was received on August 16, 2024
- Bridge Stage 1 report for B679 was approved by the District on August 26, 2024
- Initial Geotechnical Engineering Report was received on August 23, 2024
- Bridge Stage 1 report for B678 was received on August 28, 2024



Supplemental Borings on Exit 291 Ramp

OTHER MAJOR PROJECTS

I-264/I-64 Interchange Phase III-A	In Design
Bowers Hill Interchange IAR	Under Study
I-64/I-464 Interchange IAR	Under Study
I-264/Independence Blvd Interchange IAR	Under Study
I-64/Denbigh Blvd Interchange, Phase 2	In Design



I-264/I-64 Interchange Phase III-A**UPCs 106693, 125602 (HRTAC)****Project Scope:**

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

- Includes study and IMR of entire interchange
- Includes preliminary design and design-build procurement of Subproject III-A – Ramp from I-64 EB to I-264 EB

Project Financial Summary:

<u>Project Budget (\$524,516,000):</u>	<u>Funds Expended (as of 08/31/2024):</u>	<u>Budget Remaining (+) / Overrun (-):</u>
○ PE \$ 9,380,000	\$ 7,579,184	\$ 1,800,816
○ RW \$ 8,037,000	\$ 0	\$ 8,037,000
○ CN \$ 507,099,000	\$ 0	\$ 507,099,000
	\$ 7,579,184	

Project Schedule:

IMR Final Approval	October 2020
Complete Preliminary Design	January 2023
Start DB Contract Development and Procurement	February 2024
Request for Qualifications	July 2025
Request for Proposals	December 2025
Notice of Intent to Award	May 2026
DB Notice to Proceed	August 2026
Project Completion	April 2030
Schedule Status	On-Schedule

<u>Enabling Funding</u>	
HRTAC	\$ 524,516,000
State/Federal	\$ _____.
	\$ 524,516,000

Project Status:

- Preliminary design and plans for Subproject III-A complete
- Continued coordination with HREL 1B project
- Geotechnical Field Investigation complete. Draft GDR received 07/30/24 for review
- Seeking approvals for Design Waivers and Exceptions
- PFI meeting held 06/10/24. Draft Public Hearing Plans received 07/12/24 for review. Public Hearing set for 10/24/24
- Draft CE document approved by FHWA for public availability January 24, 2024

**Proposed I-64/I-264 Interchange Improvements from IMR (Subproject III-A shown in Blue)**

Bowers Hill Interchange IAR

UPC 122714 (HRTAC)

Study Scope:

- Develop NEPA document and supporting studies for improvements to the I-64/I-264/I-664 Interchange and the Route 58/Route 460 Interchange (Bowers Hill) extending north to approximately the College Drive Interchange. Original scope modified to include extending study to College Drive interchange with 664 and add Managed Lane component through Bowers Hill interchange to College Drive Interchange to reflect HRTPO directed changes.
- Scope also includes the IAR of the Bowers Hill interchange and the I-664 widening to College Drive. HRTAC added \$4 million of funding to the UPC in July 2023 for the IAR study.

Study Financial Summary:

<u>Project Budget (\$11,904,630):</u>	<u>Funds Expended (as of 08/31/2024):</u>	<u>Budget Remaining (+) / Overrun (-):</u>
○ PE 11,904,630	\$ 936,173	\$ 10,968,457
○ RW \$ 0	\$ 0	\$ 0
○ CN \$ 0	<u>\$ 0</u>	<u>\$ 0</u>
	\$ 936,173	

Study Schedule:

Begin NEPA Process	July 2020
Preferred NEPA Alternative Recommendation	February 2022
NEPA Completion	Summer 2024*
IAR Consultant NTP	June 2023
Citizen Information Meeting	March 2025
IAR Completion	June 2025
Schedule Status	On-Schedule

<u>Enabling Funding</u>	
HRTAC	\$ 11,904,630
State/Federal	\$ _____.
	\$ 11,904,630

*Pending FHWA's final decision on the Record of Decision (ROD)

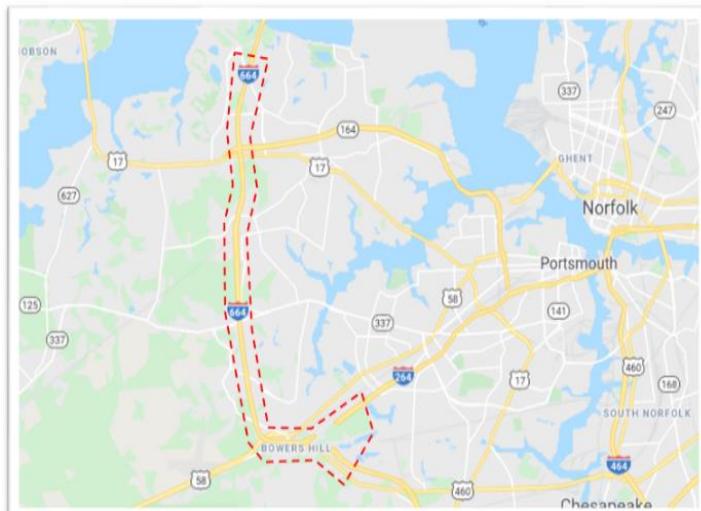
Study Status:

NEPA

- VDOT is working to resolve federal agency comments from the August 2023 public hearing for the Draft EIS
- Comment resolution taking longer than expected, therefore, dates for the FEIS and ROD approvals are uncertain
- VDOT leadership is engaged in working on a path forward with FHWA to complete the study
- Ongoing work with FHWA, addressing comments with stormwater and wetlands.

IAR

- IAR Kickoff meeting occurred on July 26, 2023
- Traffic Data Collection was completed 10/15/23-10/21/23 for the IAR
- IAR Final Framework approved by all parties November 29, 2023
- A preferred alternative will be determined by November 2024
- Revised Safety Analysis has been sent to all stakeholders



I-64/I-464 Interchange IAR

Study Scope:

Study and develop an IAR of the entire interchange

Study Financial Summary:

Project Budget (\$2,500,000):	Funds Expended (as of 08/31/2024):	Budget Remaining (+) / Overrun (-):
○ PE \$ 2,500,000	\$ 928,675	\$ 1,571,325
○ RW \$ 0	\$ 0	\$ 0
○ CN \$ 0	\$ 0	\$ 0
	\$ 928,675	

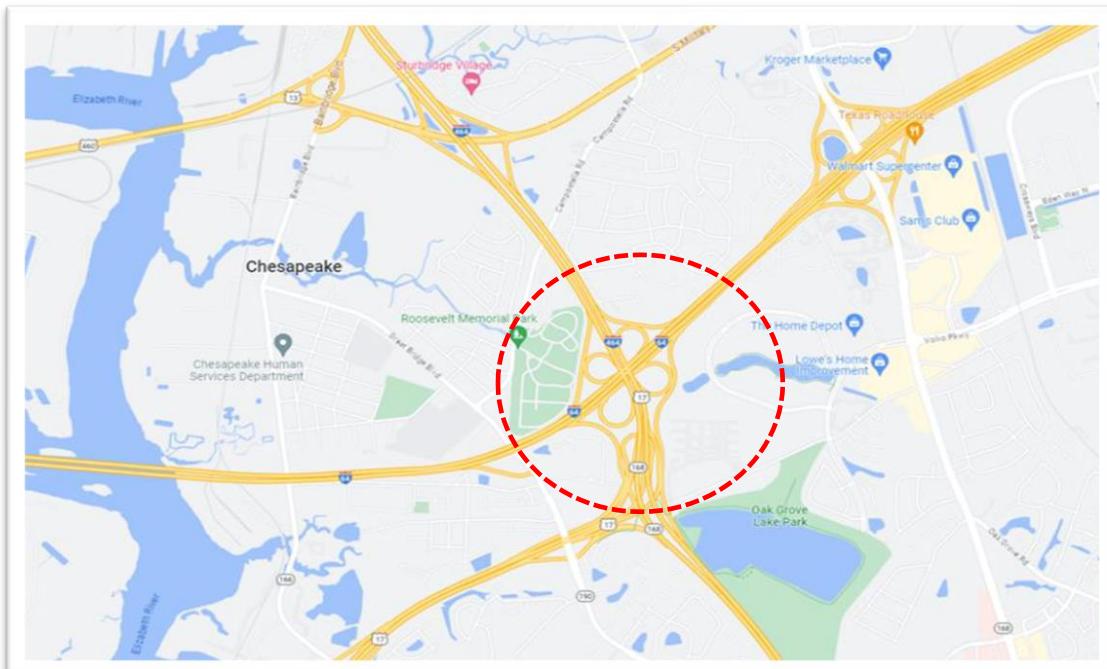
Study Schedule:

Study Authorization	January 2023
LD-459 Framework Document	April 2023
Preferred Alternatives	April 2024
Citizen Information Meeting	July 2024
Final IAR Submission	October 2024
Schedule Status	On-Schedule

<u>Enabling Funding</u>	
HRTAC	\$ 2,500,000
State/Federal	\$ _____.
	\$ 2,500,000

Study Status:

- Existing Conditions package approved November 21, 2023
- The Preferred Alternative was selected on April 26, 2024 and is undergoing review for operations, constructability, and phasing
- The Citizens Information Meeting was held on July 24, 2024
- The Preliminary Design Plans were sent out for review August 29, 2024



I-264/Independence Blvd Interchange IAR**UPC 122761 (HRTAC)****Study Scope:**

This IAR will address the existing operational and safety issues at the interchange, associated ramps, and adjacent intersections, while also considering future long-term regional transportation needs for this key growth area within the City of Virginia Beach.

Study Financial Summary:

<u>Project Budget (\$1,250,000):</u>	<u>Funds Expended (as of 08/31/2024):</u>	<u>Budget Remaining (+) / Overrun (-):</u>
o PE \$ 1,250,000	\$ 336,667	\$ 913,333
o RW \$ 0	\$ 0	\$ 0
o CN \$ 0	\$ 0	\$ 0
	\$ 336,667	

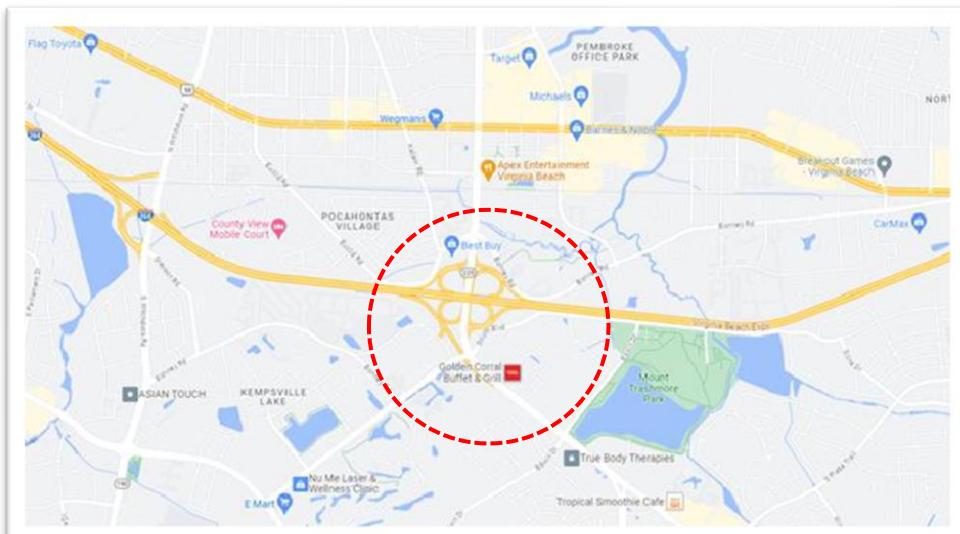
Study Schedule:

Framework Document Approval	November 2023
Existing Conditions Analysis	January 2024
Future Design Year Volumes	February 2024
Tier 1 Concept Development & Screening	August 2024
Citizen Information Meeting	November 2024
Tier 2 Final Alternatives Summary and Selection	December 2024
Project Prioritization/Phasing Memo	March 2025
Study Completion	September 2025
Schedule Status	On Schedule

<u>Enabling Funding</u>	
HRTAC	\$ 1,250,000
State/Federal	\$ _____.
	\$ 1,250,000

Study Status:

- o Tier 1 draft concepts were sent to Study work group members on 08/29 for review and comments
- o No-Build Model development is ongoing
- o VDOT/Consultant Coordination meeting held on 08/29 to discuss status of IAR
- o Next Steps: Stakeholder meeting on 09/13/24 to review draft concepts



I-64/Denbigh Blvd. Interchange, Phase 2**UPC 123656 (HRTAC)**Project Scope:

Study/design to construct a new interchange on Interstate 64 at Denbigh Boulevard in Newport News. Project limits are from 0.41 mi. North of Rte 173 (Denbigh Blvd.) to 0.41 mi. South of Rte 173 (Denbigh Blvd.)

- Includes widening the existing Denbigh Boulevard bridge over I-64 and CSXT railroad
- Includes the construction of new access ramps, sound walls, and stormwater management facilities

Project Financial Summary:

Project Budget (\$188,063,070):	Funds Expended (as of 08/31/2024):	Budget Remaining (+) / Overrun (-):
○ PE \$ 17,712,000	\$ 1,037,161	\$ 16,674,839
○ RW \$ 8,931,026	\$ 0	\$ 8,931,026
○ CN \$161,420,044	\$ 0	\$ 161,420,044
	\$ 1,037,161	

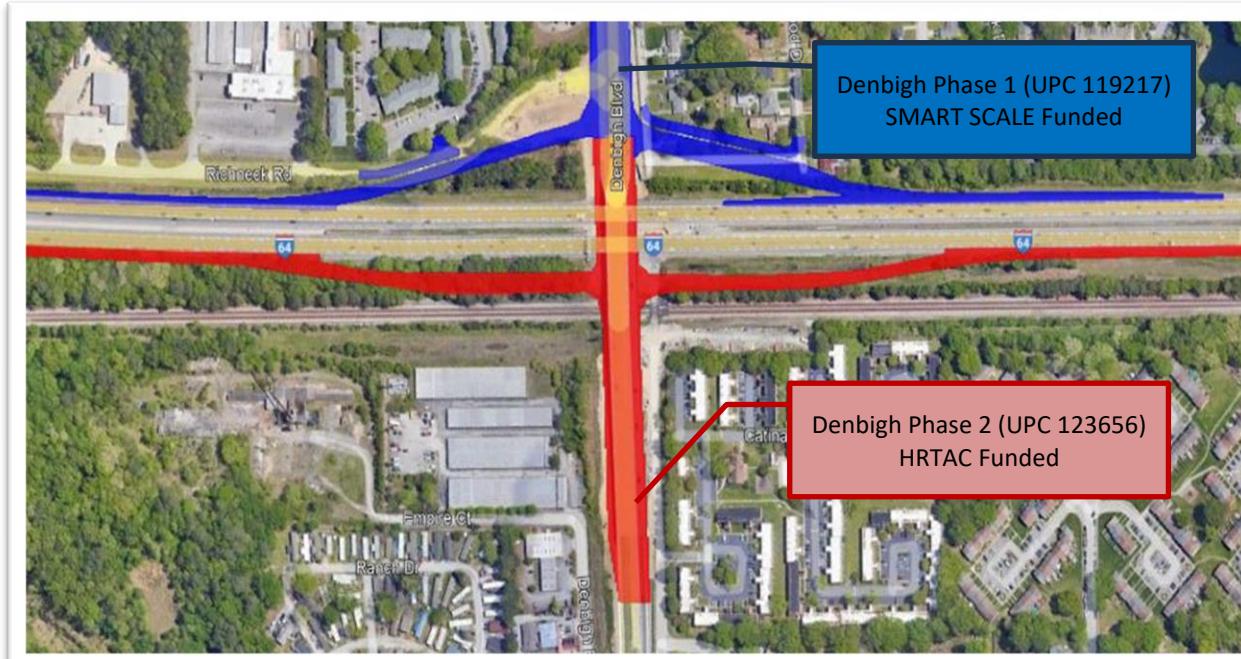
Project Schedule:

Public Hearing	June 2024
Advertisement	April 2030
Construction Notice to Proceed	August 2030
Fixed Completion Date	July 2034
Schedule Status	On-Schedule

Enabling Funding	
HRTAC	\$ 188,063,070
State/Federal	\$ _____.
	\$188,063,070

Project Status:

- FI Plans in development
- Value Engineering held August 19, 2024
- NEPA Draft EA FONSI anticipated in November 2024
- CSX Public Hearing Plan Review Completed August 20, 2024





**August 2024
Monthly Project Report
I-64 HAMPTON ROADS
BRIDGE-TUNNEL
EXPANSION**

Report No. 65
Project No. 0064-M06-032



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Issue Date: September 6, 2024

Prepared by:

Virginia Department of Transportation

www.hrbtexpansion.org

1. Executive Summary

1.1 Overview

This report provides an overview of accomplishments and activities for the Hampton Roads Bridge-Tunnel Expansion Project from July 21, 2024 – August 24, 2024. The Design-Builder for the project is Hampton Roads Connector Partners (HRCP), a consortium that includes lead contractors Dragados, Vinci, Flatiron, and Dodin Campenon Bernard, with lead designers HDR and Mott MacDonald.

The current reporting period is aligned with HRCP's fiscal-month structure, on which the project's design-build schedule updates and invoiced construction progress are based. Reporting periods typically close on the Saturday on or preceding the 24th of each month.

During this reporting period, project accomplishments included the following:

- South Island Progress:
 - Installation of south portal external walls 78% complete.
 - Installation of south portal internal walls 21% complete.
- Tunnel Progress:
 - Completed U-Turn of gantry 1 and began work to reconnect gantry 1 to the shield.
 - Began U-Turn of gantry 2.
- North Island Progress:
 - Completed installation of rectilinear approach temporary struts.
 - Excavation for the rectilinear approach 38% complete.
- Landside Progress:
 - Opened new half of Mallory St. Bridge to the traveling public.
 - Began demolition of old bridge at Span 1 at Mallory St. Bridge.
 - Completed installation of deck concrete at Spans 20 - 22 at Bay Avenue Bridge.
 - Began installation of jacking beams at Patrol Road Bridge.
 - Completed lead abatement work on the project.
- Marine Progress:
 - South Trestle eastbound decks 65% complete.

1.2 Priorities

VDOT's priorities for the Project are to achieve the following objectives:

- To provide mobility enhancements and travel-time reliability along the Project corridor.
- To minimize Project impacts on adjacent communities.
- To improve transportation operations and safety throughout the Project corridor.
- To develop public infrastructure in a financially responsible manner.

1.3 Key Updates

Project Schedule

The last approved schedule for the project is Update 59 (data date: June 23, 2024), and the schedule information in this report reflects this update. Schedule 59 was returned Approved as Noted on July 24, 2024.

- Contractual Substantial and Final Completion Dates remain unchanged.
- Substantial Completion on February 26, 2027
- Final Completion on August 27, 2027

Project Budget

The project budget summary below now includes all billed to date costs through August 24, 2024 and does not include forecasted cost outside of the reporting period.

- Project budget overview:

Current total project budget:	\$ 3,935,451,641
Total costs to date:	\$ 2,519,701,813
Remaining project budget:	\$ 1,415,749,828

- Design-build contract overview:

Design-build contract original amount:	\$ 3,299,997,227
Net change orders:	\$ 9,983,846
Exercised Options:	\$ 73,454,414
Material Price Adjustments to Date:	\$ 101,265,113
Assessed Liquidated Damages (LD):	\$ (957,500)
Design-build contract sum to date:	\$ 3,483,743,100
Expenditures to date:	\$ 2,396,163,251
Remaining design-build contract amount:	\$ 1,087,579,849

- Design-build progress to date:

Project Management:	84.7%
Design:	95.1%
Physical Construction Progress:	50.8%
Overall:	68.8%

Environmental

Environmental updates for this reporting period include:

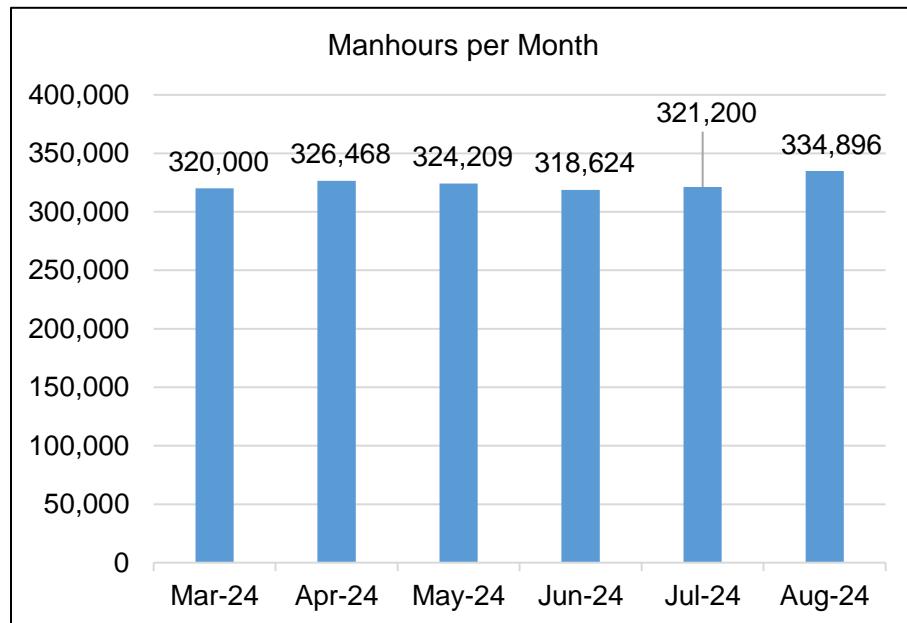
- HRCP continues to coordinate with the regulatory agencies on a variety of permit modifications and new permits covering the North Island Bi-component Plant, North Island and South Island air permits for the generators, Construction General Permit, and Joint Permit modification #11 that covers additional dredging, the South Island Expansion changes, and a dock extension at Willoughby Bay.
- HRCP is winding down their 2024 bird season efforts on bird deterrent measures and dog patrolling of North Island, South Island, and Willoughby Spit with the season ending on September 1, 2024.

Construction

Summary progress updates for this reporting period include:

- Landside Roadways
 - Opened new half of Mallory St. Bridge to the traveling public.
 - Began and completed surcharge removal at retaining wall 306 located at Abutment A at 13th View St. eastbound.
 - Began installation of coping and level up pad at retaining wall 405 near Evans St. Bridge.
 - Completed embankment at retaining wall 402 near 1st View St. Bridge.
 - Began installation of columns for sound wall 4-1B between Mason Creek Bridge and 1st View St. Bridge.
- Marine Works
 - Placed decks at HOT lanes trestle (2 installed this period).
 - Placed beams at North westbound permanent trestle (14 installed this period).
- Tunnels and Islands
 - 66% complete for stage 1 ballast placement for HT tunnel.
 - 80% complete for rectilinear approach permanent struts at South Island.
- Landside Bridges
 - Completed installation of girders at 4th View St. Bridge.
 - Completed forming diaphragms at Spans 18 – 20 at Bay Ave. Bridge.
 - Continued installation of girders and began SIP work at Willoughby Bay Bridge.

The number of construction manhours worked each month is provided by HRCP and is current as of August 31, 2024:



Project Manhours to Date:
12,488,108

Operations

The following operations activities took place during this reporting period:

- Traffic shift onto newly constructed portion of Mallory Street Bridge.
- Relocation of OH-7 sign.
- Permanent DMS installation at Overhead Sign Structure 50.

Quality

Quality updates for this reporting period include:

- VDOT continues to monitor HRCP's QA and QC material testing. VDOT also performed Independent Testing and Verification Testing on materials in accordance with VDOT requirements and coordinated with VDOT Materials Division for shop inspections as required.
- VDOT continues to engage HRCP in discussions on HRCP's implementation of their Quality Management System Plan (QMSP) and the effectiveness of the plan.



Safety

The following safety performance indicator information is provided by HRCP and is current as of August 31, 2024:

- Total Recordable Incidence Rate: 1.57 (National Average: 2.5)
- Lost Time Incidence Rate: 0.27 (National Average 1.6)

Civil Rights & DBE/SWaM Business Opportunities

HRCP has awarded **371** subcontracts, subconsultant agreements, and purchase orders to certified DBE/SWaM firms on the project. These contract awards represent a total of **\$567.6 million** to certified DBE/SWaM firms.

Public Outreach & Media

Public outreach and project media updates provided by VDOT and HRCP for this reporting period include:

- Opening the first phase of the new Mallory Street Bridge to traffic.
- Project milestones including the first gantry lift and turnaround at the North Island.
- Project leadership presented progress updates to the Hampton Roads Legislative Caucus.

2. Project Schedule

2.1 Schedule Status

The following table depicts key milestone dates for the project and has been updated as of the current approved schedule. The last approved schedule for the project is Update 59 (data date: June 23, 2024), and the schedule information in this report reflects this update. Contractual Substantial and Final Completion dates remain unchanged from the Contract Amendment; February 26, 2027 and August 27, 2027 respectively.

	Contract Requirement	June 2024 Schedule	Actual
NTP		Sep 11, 2020	Sep 11, 2020
Substantial Completion	Feb 26, 2027	Feb 26, 2027	
Final Completion	Aug 27, 2027	Aug 27, 2027	

2.2 Longest Path

The longest path/critical path in Project Schedule Update 59

is driven by the following activities:

- TBM U-Turn on North Island
- TBM Break-in General Purpose Tunnel
- TBM disassembly in south pit
- South Island Tri-Cell Permanent Structures
- South Island Ventilation Building and Commissioning
- Commissioning – High Occupancy Toll and General Purpose Operational Testing
- Commissioning – Tunnel, Buildings, Roadways, and Trestles Integration Testing
- ITT Reversal
- Substantial Completion

2.3 Impact Analysis

Several elements of work are near-critical and could affect schedule performance if they are not addressed diligently. VDOT and HRCP are closely monitoring these activities. The following work elements have been identified as near critical, meaning there is less than one month of float in the current schedule.

South Portal – Work Below Grade

- South Portal Cell 1 Permanent Structures – Exterior Headwall & Roadway Slab
- South Portal Cell 2 Permanent Structures – Keystone Columns, Interior Walls, Roadway Level Slabs & Walls, Plenum Level Slabs & Walls, Roof Slabs
- South Portal Cell 3 Permanent Structures – Roadway Level Walls, Roof Slabs
- South Portal - Cell 1 GP Permanent Structure Construction after TBM Extraction
- South Island Rectilinear Construction in South Island Expansion Cell 2 – Mud Slab & Waterproofing, Base Slabs, Exterior Walls & Waterproofing, Roadway Concrete
- South Island Buildings Final MEP Work

South Island – Work Above Grade

- South Island Ventilation Building – Phase 1 Construction

Tunneling

- North Island U-Turn – Installation of Thrust Frame
- High Occupancy Tunnel – Interior Structures – South to North Sta. 677+85 to 598+44
- General Purpose Tunnel – Interior Structures – North to South Sta. 598+44 to 677+85
- General Purpose Tunnel – Final MEP Construction

North Portal – Work Below Grade

- North Portal – Temporary U-Turn Structures - Gantry Cradles
- North Portal – Rectilinear Approach Excavation, Permanent Struts Installation, Cross Wall demolition to Support U-Turn
- North Portal Cell 2 Permanent Structures – Exterior Walls, Plenum Slabs, Struts & Roof Slabs
- North Portal Cell 1 Permanent Structures – Headwall, Internal Walls, Plenum Slabs, Roof Slabs
- North Island Rectilinear Permanent Structure Construction – Base Slabs & Exterior Walls

North Island – Work Above Grade

- North Island Ventilation Building – Phase 1 & 2

Roadway and Land Bridges

- Roadway Segment 1 Phase 1A, 2, 2A, 2B – I-64 North Shore Roadway Widening & Asphalt, Lighting, Permanent Barrier Wall, Storm Drainage, Retaining Wall 106
- ITS Segment 1 Phases 2 & 2A – Installation

Trestles

- North Trestle Temporary Work Trestle N2, N3 – Construction & Demolition
- North Trestle Temporary Work Trestle N4 – Construction
- North Trestle – Eastbound Zone 4 Construction, Westbound Zone 9 & 10 Construction
- North Trestle Utilities – Eastbound Phase 3A, Westbound Phase 4 & 7
- North Trestle Demolition Existing Eastbound Trestle
- South Trestle – Zone 2 Final Median Barrier



- South Island Expansion – Marine Work – Rock Placement & Substructure

Commissioning and Integration

- Operational Testing – General Purpose Tunnel – Egress Corridor Pressurization System
- Commissioning Integration – Existing Westbound Tunnel, Existing Eastbound Tunnel, General Purpose Tunnel
- ITT Reversal – Preparation Work for Eastbound Tunnel Traffic Direction Change, Roadway Median Barrier Walls after EB ITT Reversal

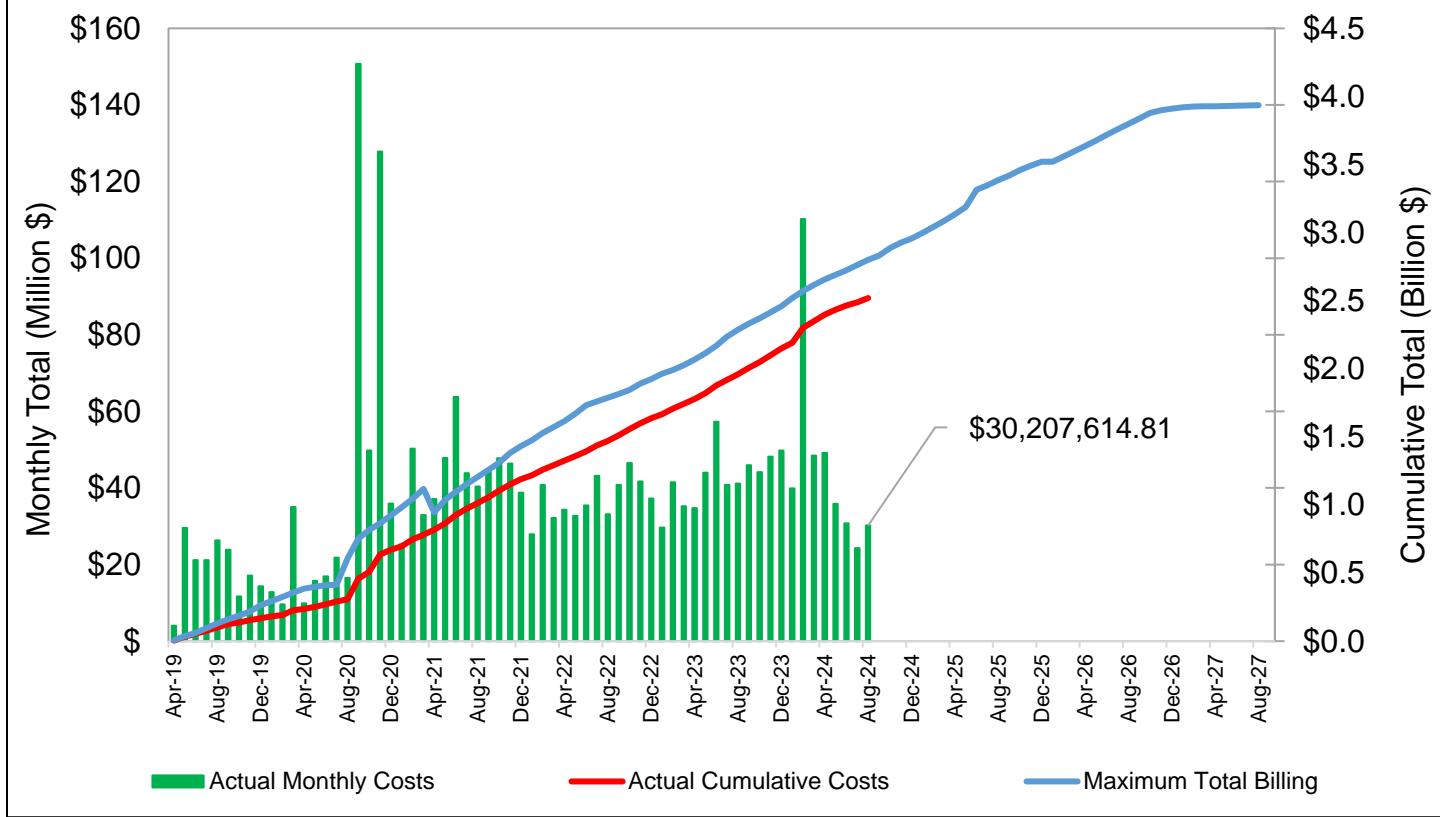
3. Project Budget

3.1 Overall Budget

The overall budget outlined in this report is based on the terms and conditions of Article 3 (Project Funding) in the Project Agreement for Funding and Administration (PAFA). The cost curve is based on Exhibit 6 of the Comprehensive Agreement (monthly maximum cumulative compensation amount).

	Amount Spent this Period:	Total Spent to Date:	Original Total Budget:	Total Remaining Budget:	Percent Spent To-date:
<u>Comprehensive Agreement</u>					
<i>Construction</i>	\$19,727,387.31	\$2,248,381,991.32	\$3,299,997,227.00	\$1,051,615,235.68	68.13%
<u>Owner Costs</u>					
<i>Administration</i>	\$2,511,410.76	\$109,972,849.07	\$122,000,000.00	\$12,027,150.93	90.14%
<i>Right of Way</i>	\$23,299.88	\$9,565,712.29	\$15,000,000.00	\$5,434,287.71	63.77%
<i>No-Excuses Incentive</i>	\$0.00	\$0.00	\$90,000,000.00	\$90,000,000.00	0.00%
<i>Contingency</i>	\$7,852,321.72	\$144,366,470.53	\$335,000,000.00	\$190,633,529.47	43.09%
<i>Bridge Repair Work Option</i>	\$93,195.14	\$7,414,789.49	\$73,454,413.96	\$66,039,624.47	10.09%
Total	\$30,207,614.81	\$2,519,701,812.70	\$3,935,451,640.96	\$1,415,749,828.26	64.03%

Overall Payments by Month* **

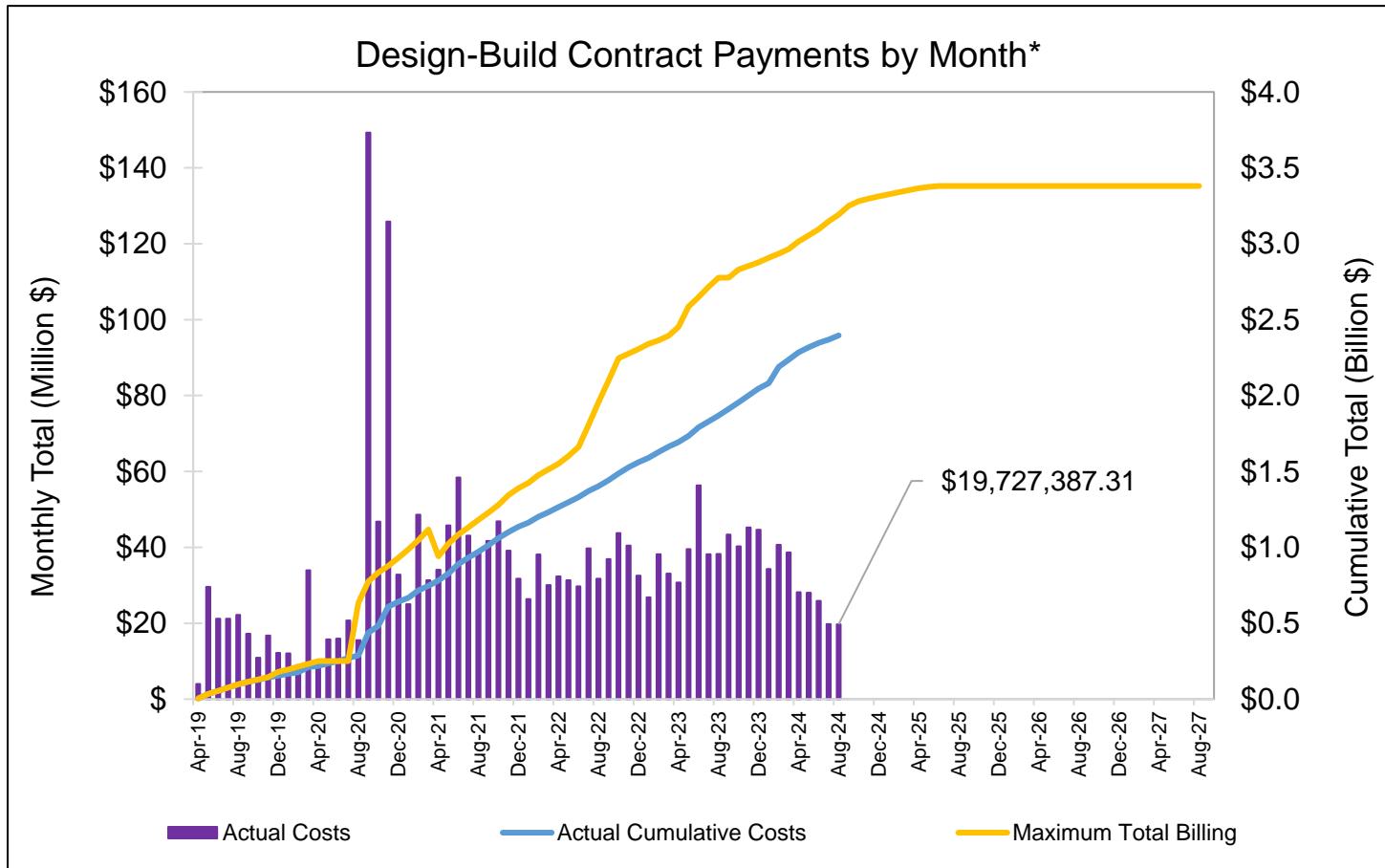


*The Maximum Total Billing showed an adjustment in May 2021 due to the executed Change Order #40 – Update Maximum Cumulative Cost Curve.

** The increase to monthly costs during February 2024 is primarily due to initial Material Price Adjustments associated with CA Amendment #1.

3.2 Design-Build Contract Cost Status

The budget and planned cost have been established based on the maximum cumulative compensation amount. For this period, the invoiced expenditures cover the activities noted in this report.



*The Maximum Total Billing showed an adjustment in May 2021 due to the executed Change Order #40 – Update Maximum Cumulative Cost Curve.

3.3 Budget by Funding Source

The budget for expenditures by funding source is based on the terms and conditions of Article 3 (Project Funding) and Exhibit 5 of the PAFA. This section outlines planned expenditures of both HRTAC and VDOT funds. The cost curve has been developed based on the monthly maximum cumulative compensation amount in the Comprehensive Agreement and will be updated as HRCP refines its design, construction means-and-methods, activity sequences, and project resourcing.

3.3.1 HRTAC and Smart Scale

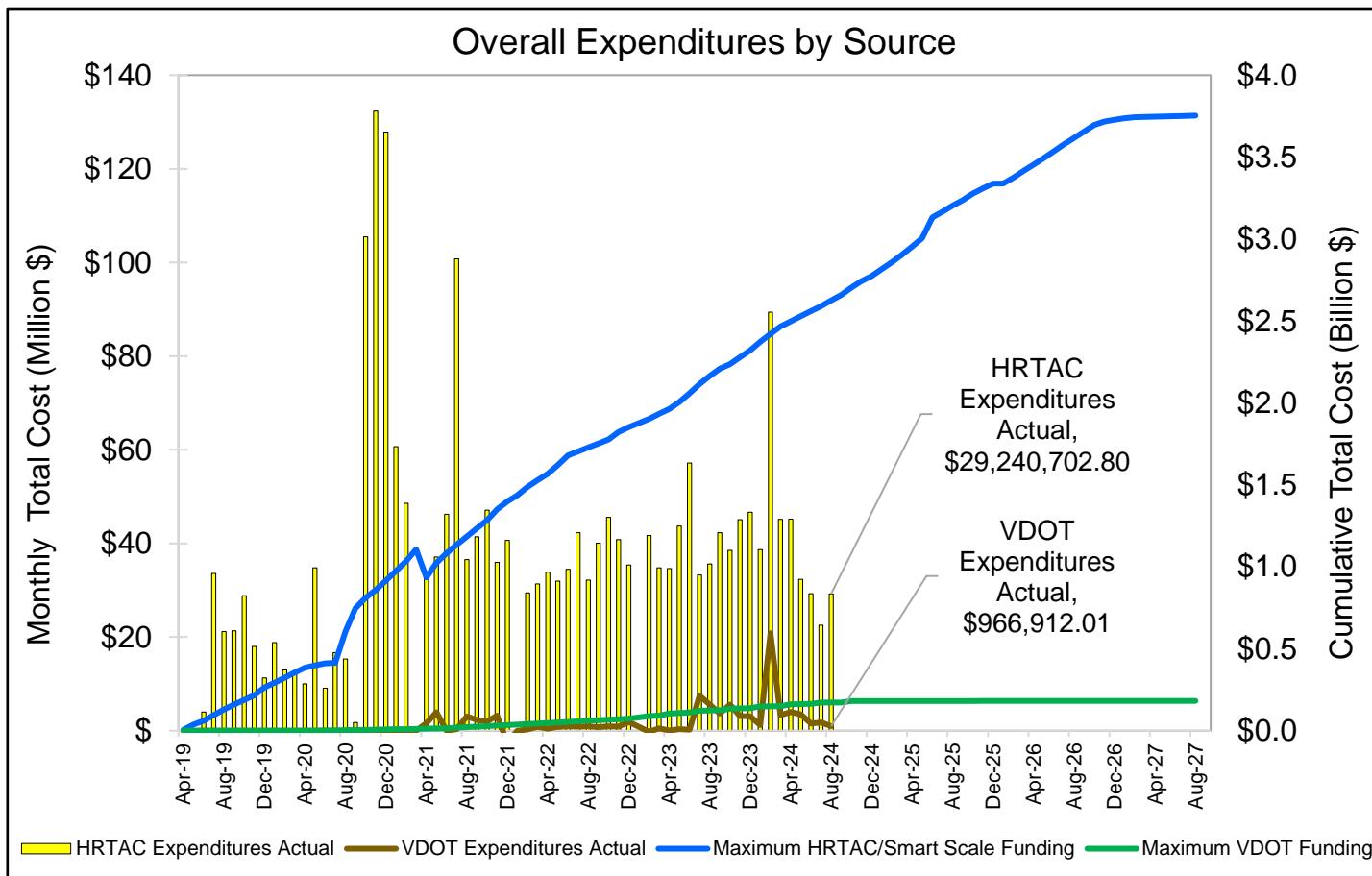
	Amount Spent this Period:	Total Spent to Date:	Original Total Budget:	Total Remaining Budget:	Percent Spent To-date:
<u>Comprehensive Agreement</u>					
Construction	\$19,260,740.97	\$2,198,853,738.47	\$3,204,569,251.00	\$1,005,715,512.53	68.62%
<u>Owner Costs</u>					
Administration	\$2,250,800.20	\$105,024,105.79	\$118,472,054.00	\$13,447,948.21	88.65%
Right of Way	\$23,299.88	\$9,565,712.29	\$15,000,000.00	\$5,434,287.71	63.77%
No-Excuses Incentive	\$0.00	\$0.00	\$90,000,000.00	\$90,000,000.00	0.00%
Contingency	\$7,705,861.75	\$116,483,983.76	\$325,428,276.00	\$208,944,292.24	35.79%
Total	\$29,240,702.80	\$2,429,927,540.31	\$3,753,469,581.00	\$1,323,542,040.69	64.74%

3.3.2 VDOT

	Amount Spent this Period:	Total Spent to Date:	Original Total Budget:	Total Remaining Budget:	Percent Spent To-date:
<u>Comprehensive Agreement</u>					
Construction	\$466,646.34	\$49,528,252.85	\$95,427,976.00	\$45,899,723.15	51.90%
<u>Owner Costs</u>					
Administration	\$260,610.56	\$4,948,743.28	\$3,527,946.00	(\$1,420,797.28)*	140.27%
Right of Way	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
No-Excuses Incentive	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Contingency	\$146,459.97	\$27,882,486.77	\$9,571,724.00	(\$18,310,762.77)**	291.30%
Bridge Repair Work Option	\$93,195.14	\$7,414,789.49	\$73,454,413.96	\$66,039,624.47	10.09%
Total	\$966,912.01	\$89,774,272.39	\$181,982,059.96	\$92,207,787.57	49.33%

* The VDOT Administration costs are due to higher Owners Costs for South Trestle work oversight, bird management, bridge repair oversight, and Visitor Center Costs.

** The VDOT Contingency costs are primarily due to the VDOT portion of the CA Amendment material price adjustments.



3.4 Contingency

3.4.1 Contract Changes

	Description	Date	Value	Time
CO-1	VDOT's Acquisition of Willoughby Staging Area	2/11/2020	\$ (3,000,000.00)	0 days
CO-2	Minor Revisions to Technical Requirements	3/18/2020	\$ -	0 days
CO-3	Tunnel Approach Structure Support of Excavation Requirements Refinement	4/28/2020	\$ -	0 days
CO-4	Dispute Resolution Board (DRB) Allowance	5/12/2020	\$ 200,000.00	0 days
CO-5	North Island Armor Stone Value Engineering Change Proposal (VECP)	4/28/2020	\$ (2,011,117.50)	0 days
CO-6	Exit Ramp at Bayville Avenue	5/29/2020	\$ 46,906.29	0 days
CO-7	Minor revisions to the Technical Requirements	7/16/2020	\$ -	0 days
CO-8	Zero Spread Drainage	9/16/2020	\$ 3,239,212.24	0 days
CO-9	Roadway and Bridge Scope Validation Issues	9/4/2020	\$ 15,516,248.00	0 days
CO-10	Slurry Walls as Permanent Structures	8/28/2020	\$ -	0 days
CO-12	Road and Bridge Lighting Requirements	8/27/2020	\$ 2,495,000.00	0 days
CO-13	Bridge Repair Work-Exercise Option	10/9/2020	\$ 73,454,413.96	0 days
CO-14	Trestle Barrier Form Liner Elimination	7/29/2020	\$ (99,571.80)	0 days

CO-15	South Island Ground Improvement Value Engineering Change Proposal (VECP)	9/17/2020	\$ (5,338,000.00)	0 days
CO-16	Navy Security Fencing Design	7/15/2021	\$ 150,000.00	0 days
CO-17	Westbound ITT Reduced Instrumentation	10/30/2020	\$ (184,277.50)	0 days
CO-18	Willoughby Bay Bridge Barriers	9/10/2020	\$ -	0 days
CO-19	GeoPak Version Software Updates	8/3/2020	\$ -	0 days
CO-21	Material Price Adjustment for Asphalt Materials	2/26/2021	\$ -	0 days
CO-22	South Island Asbestos Conduits	9/16/2020	\$ 81,973.93	0 days
CO-23	Island & Tunnel Baseline Monitoring Requirements	7/22/2020	\$ -	0 days
CO-24	Construction Water Supply	9/10/2020	\$ (609,157.27)	0 days
CO-25	Solids Handling Pumps Requirements	11/12/2020	\$ -	0 days
CO-26	Mass Notification Independent System Requirements	11/12/2020	\$ -	0 days
CO-27	Fixed Fire Fighting System Requirements	11/16/2020	\$ -	0 days
CO-28	HOT Lane Shoulder Width	3/29/2021	\$ 2,950,000.00	0 days
CO-30	Willoughby Bay Bridges Fender & Lighting Replacement	2/12/2021	\$ 1,495,000.00	0 days
CO-31	Builder's Risk Insurance	10/21/2021	\$ 1,500,000.00	0 days
CO-32	VCU Fisheries and SAV Mitigation Plan	4/16/2021	\$ (1,042,144.00)	0 days
CO-33	Tunnel Finishes Height	12/18/2020	\$ -	0 days
CO-38	H-Piles in Aggressive Soils	12/18/2020	\$ (47,541.00)	0 days
CO-39	Re-use of Existing Drainage Pipes	4/20/2021	\$ (100,984.25)	0 days
CO-40	Update Maximum Cumulative Cost Curve	7/15/2021	\$ -	0 days
CO-41	Wetland Mitigation Costs	4/26/2021	\$ 3,503,400.00	0 days
CO-42	Navy Gate 22 Drainage Design and Construction	8/19/2022	\$ 1,524,940.16	0 days
CO-43	Hybrid Trestle Beam Design	7/2/2021	\$ -	0 days
CO-44	SCADA Control of Deluge Valves	7/27/2021	\$ -	0 days
CO-45	HRCP Project Executive/Representative Change	5/24/2021	\$ -	0 days
CO-46	Tunnel Sprinkler Heads Material Change	7/28/2021	\$ -	0 days
CO-47	Evans Street Approach Slab Settlement Repair	6/22/2022	\$ 34,082.83	0 days
CO-48	Scope Reduction – City of Hampton	8/24/2022	\$ (6,072,941.31)	0 days
CO-49	HRCP Senior Representative Change	7/2/2021	\$ -	0 days
CO-50	Change in Precast Form Tolerance & Curing Methods	1/10/2022	\$ -	0 days
CO-53	Sound Wall Quantity Reconciliation	12/6/2021	\$ (16,561,217.63)	0 days
CO-54	4th View Interchange Design and Construction Drainage	8/17/2022	\$ 984,598.45	0 days
CO-55	HREL Overlap Scope Change in Norfolk - Proposal Costs	8/12/2022	\$ 157,237.34	0 days
CO-56	Building Code Changes - Design	10/21/2022	\$ 2,186,150.00	0 days
CO-57	Design-Builder's Senior and Representative Changes	1/11/2022	\$ -	0 days
CO-58	Scope Reduction – City of Norfolk	5/16/2023	\$ (18,739,670.82)	0 days
CO-59	Fisheries and SAV Mitigation Plan - VCU	6/16/2022	\$ (70,238.22)	0 days
CO-60	Navy Fence (remaining design costs)	8/17/2022	\$ 180,142.36	0 days
CO-61	HRELN Tie-In Zero Drainage Spread	11/29/2022	\$ 2,965,469.69	0 days
CO-62	SIP Forms for Marine Bridges	6/28/2022	\$ -	0 days
CO-63	Bridge Repair Item – Insert Plates - New Unit Prices	8/30/2023	\$ -	0 days
CO-64	Tolling Infrastructure Proposal Costs	10/21/2022	\$ 645,242.40	0 days
CO-65	Snowplowable Raised Pavement Markers (SRPMs)	3/3/2023	\$ 256,174.09	0 days

CO-66	Additional Design Costs – CSPM Code Changes and Island Security Fencing - Unilateral	8/14/2024	\$ 3,541,051.00	0 days
CO-68	Buoyancy Calculations	3/3/2023	\$ -	0 days
CO-69	Change of Department's Senior Representative	4/6/2023	\$ -	0 days
CO-70	Reuse of Existing Pipe 29-26 to 29-31	7/26/2023	\$ (117,734.20)	0 days
CO-71	Addendum to WO-24 Water Supply Line	4/25/2023	\$ -	0 days
CO-72	Bay Avenue Approach Ramp	6/29/2023	\$ 120,053.43	0 days
CO-73	Pile Jackets – Additional Chloride Sampling/Testing	1/10/2024	\$ 118,665.12	0 days
CO-74	South Island – Asbestos Pipes	7/7/2023	\$ 128,883.51	0 days
CO-76	Northern Long-Eared Bat (NLEB) Consultation Process	5/1/2024	\$ 45,463.00	0 days
CO-77	Scope Reduction – Segment 5 ITS Trunk Line	11/12/2023	\$ (153,079.38)	0 days
CO-78	Steel Escalation Price Adjustments	9/19/2023	\$ 2,835,839.00	0 days
CO-79	WB Willoughby Bay Bridge Obstructions	1/10/2024	\$ 50,682.44	0 days
CO-80	Marine Fleet Safe Harbor – Hurricane Ian	1/10/2024	\$ 452,075.00	0 days
CO-81	3-Coat Paint System for Steel on Applicable Bridges	1/10/2024	\$ 140,000.00	0 days
CO-82	CA Amendment Disputed Items Resolution	3/21/2024	\$ 9,910,582.34	0 days
CO-83	Marine Fleet Safe Harbor – Tropical Storms Idalia/Ophelia	1/11/2024	\$ 200,262.16	0 days
CO-84	Bird Management Outside of South Island 2023	2/29/2024	\$ 458,375.51	0 days
CO-85	DRBISC #08 SMOT WB Rock Removal	4/3/2024	\$ 1,135,513.87	0 days
CO-86	OHSS No. 36 Foundation – Archaeologist Assessment	2/20/2024	\$ 14,641.81	0 days
CO-87	Traffic IIM-TE-395	8/12/2024	\$ 787,510.46	0 days
CO-88	Bird Management 2024 to Project Completion	5/1/2024	\$ 2,369,359.64	0 days
CO-91	DRBISC #08 ST Zone 6 Rock Removal	5/8/2024	\$ 1,710,784.92	0 days
CO-94	HRCP Representative Change	6/11/2024	\$ -	0 days
		TOTAL	\$ 83,438,260.07	0 days

3.4.2 Material Price Adjustments

This progress period included the following material price adjustments:

Material	Current Amount	Total to Date	Material Price Adjustment Through*
Per Contract Adjustments (Federally Eligible Costs)			
Exhibit 9 - Asphalt	\$7,016.86	\$213,865.76	June 2024
Exhibit 10 - Fuel	\$11,184.13	\$533,585.95	June 2024
Exhibit 11 - Steel	\$57,517.84	\$6,754,369.64	February 2024
Total	\$75,718.83	\$7,501,821.35	
Per CA Amendment Adjustments (Non-Federally Eligible Costs)			
Exhibit 9 - Asphalt	\$0.00	\$0.00	June 2024
Exhibit 10 - Fuel	\$3,892.38	\$39,489.13	June 2024
Exhibit 11 - Steel	\$28,076.71	\$8,675,543.58	February 2024
Exhibit 10A – Fuel (Atypical Items)	\$11,312.28	\$1,500,028.68	June 2024
Exhibit 15A – Index-Adjusted Commodities	\$4,122,176.12	\$62,810,571.76	February 2024
Exhibit 15B – Escrow-Adjusted Commodities	\$3,523,391.34	\$20,737,658.69	June 2024
Total	\$7,688,848.83	\$93,763,291.84	

* Steel price adjustments are based on Federal index data finalized 4 months after each period.

4. Environmental

The following environmental management activities occurred during this reporting period:

Permits:

- HRCP provides weekly inspection report summaries to the U.S. Army Corps of Engineers (USACE).
- HRCP submitted additional information to the Virginia Department of Environmental Quality (DEQ) on August 5, 2024, in response to DEQ's comments on the North Island Wastewater Treatment Plant VPDES application.
- A meeting was held on August 7, 2024, with DEQ staff to introduce HRCP's new Head of Environmental Compliance.
- HRCP held a meeting with DEQ on August 14, 2024, to discuss comments on the air permit modification request for the North Island and South Island generators.

Marine Mammal Protection:

- No new activities.

Bird Mitigation:

- 2024 bird season efforts, bird deterrent measures, and dog patrolling of North Island, South Island, and Willoughby Spit continued through the reporting period. The season will conclude on September 1, 2024.

Programmatic Agreement:

- No new activities.

Archeological Discoveries:

- No new activities.

Protected Species:

- No new activities.

5. Construction

The figure below illustrates a map of the project corridor. The project is further categorized into four construction areas.

- Construction Area 1 is composed of landside road work.
- Construction Area 2 is composed of marine work, including the North Trestle, South Trestle, and island expansions.
- Construction Area 3 is composed of tunnel and island site work.
- Construction Area 4 is composed of landside road and bridge work.



5.1 Construction Area 1: Landside Roadways

I-64 (Segment 1):

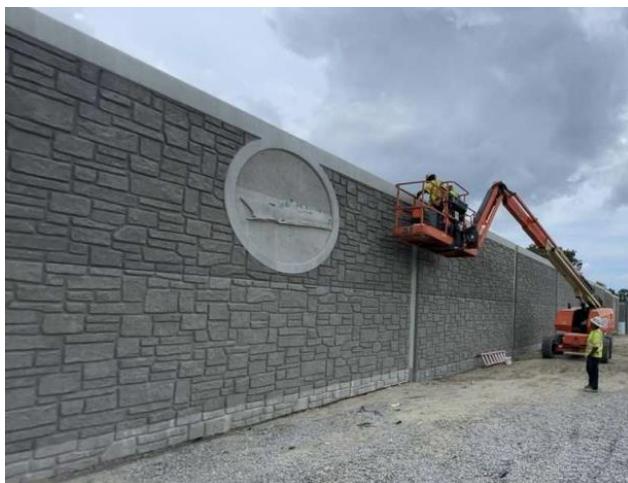
- Opened new half of Mallory St. Bridge to the traveling public.
- Continued installation of sidewalk and approach grade work at retaining wall 105 near Abutment B at Mallory Street Bridge.
- Continued Ramp E and Ramp H asphalt work for Mallory Street Phase 1 bridge shift.

I-64 (Segment 3):

- Continued installation of base leveling pads and wall panels at retaining wall 302 on Bayville Street between 13th View and eastbound off-ramp.
- Continued drainage work at Bayville Street.
- Continued installation of coping at retaining wall 308 between Willoughby Bay Bridge and 4th View eastbound.
- Continued formwork for coping and moment slab at retaining wall 302 along Bayville Rd.
- Continued installation of panels at sound wall 3-3 along the 4th View St. on-ramp.
- Began and completed surcharge removal at retaining wall 306 at Abutment A at 13th View St. eastbound.

I-64 (Segment 4):

- Continued installation of coping and moment slab at retaining wall 407 between Bayview Bridge and Oastes Creek Bridge.
- Began installation of coping and level up pad at retaining wall 405 near Evans St. Bridge.
- Continued installation of panels and columns for sound wall 4-1A near Mason Creek Road.
- Began installation of columns for sound wall 4-1B between Mason Creek Bridge and 1st View St. Bridge.
- Continued drainage work at retaining wall 501 at Abutment B at Patrol Road Bridge eastbound.
- Completed embankment at retaining wall 402 near 1st View St. Bridge eastbound.
- Continued installation of panels at retaining wall 409 between Oastes Creek Bridge and Patrol Road Bridge.



◀ Sound Wall 3-3
Along 4th View
Street On-ramp
Eastbound
Punchlist inspection

5.2 Construction Area 2: Marine Trestle Work

North Trestle:

- **Westbound Trestle**
 - 14 beams placed during this period (84 out of 280 total beams placed).
 - 2 caps placed during this period (18.5 out of 46 total caps placed).
 - Partial deck placed during this period (9 out of 45 total decks placed).

South Trestle:

- **Eastbound Trestle**
 - Partial deck placed during this period (34.5 out of 53 total decks placed).
- **Westbound Trestle**
 - 1 cap placed during this period (2 out of 22 total caps placed).
- **Westbound MOT Trestle**
 - 2 piles driven during this period (101 out of 107 total piles driven).
- **HOT Lanes Trestle**
 - 1 cap placed during this period (11 out of 16 total caps placed).
 - 2 decks placed during this period (2 out of 16 total decks placed).



◀ **North Trestle Westbound**
Beam Launcher installing girders at Span 23

5.3 Construction Area 3: Tunnels and Islands

South Island:

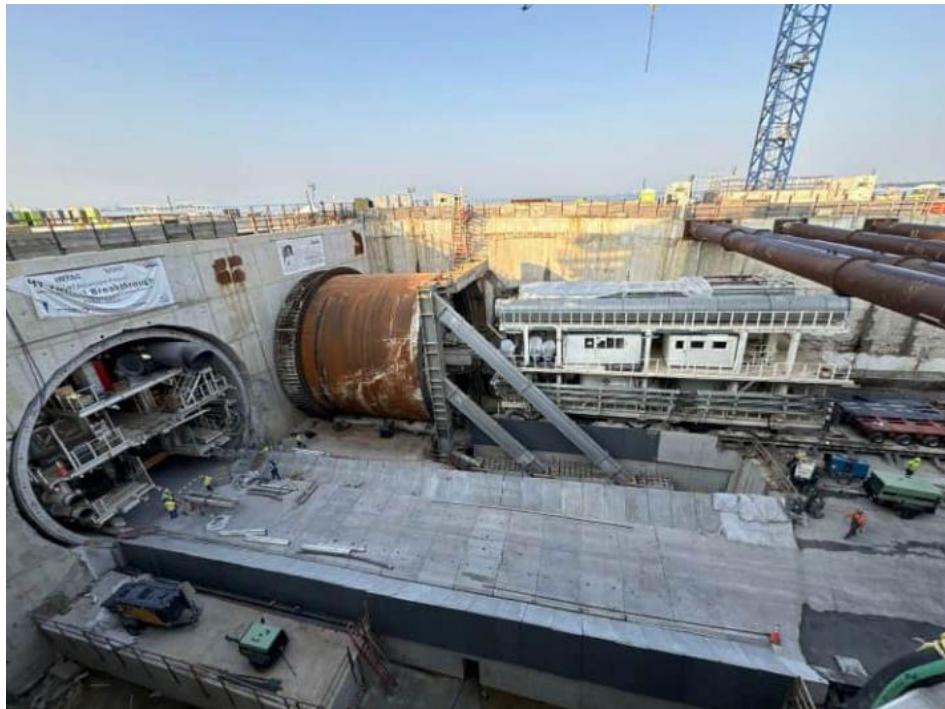
- 78% complete for south portal external walls.
- 21% complete for south portal internal walls.
- 80% complete for rectilinear approach permanent struts.
- 96% complete for rectilinear approach temporary struts.

North Island:

- Completed installation of rectilinear approach temporary struts.
- 38% complete for rectilinear approach excavation.
- Completed demolition of cross wall between Cell 2 and the rectilinear approach to the gantry support slab elevation.

Tunnel:

- 66% complete for HT tunnel stage 1 installation of cement-treated base (CTB) ballast for tunnel roadway.
- Continued work on concrete tunnel egress structures in the HT Tunnel.
- 8% complete for HT Tunnel installation of egress footer.
- Completed U-Turn of gantry 1 and began work to reconnect gantry 1 to the shield.
- Began U-Turn of gantry 2.
- Complete installation of HT and GP gantry cradles.
- Continued installation of thrust frame.



► GP Tunnel

Gantry 1 transferred behind the shield, in launching position.

5.4 Construction Area 4: Landside Bridges

Mallory Street Bridge:

- Continued installation of pedestrian fence for eastbound widening.
- Completed Phase 1 to open the new half to the traveling public.
- Began demolition of old bridge at Span 1.

Bayville/13th View St. Bridge:

- Completed lead abatement and coating work for the existing bridge.

Willoughby Bay Bridge:

- Continued repair/rehabilitation of existing westbound bridge.
- Continued installation of precast caps for westbound widening.
- Continued installation of stay-in-place (SIP) deck formwork for eastbound widening.

4th View St. Bridge:

- Continued installation of pads and beam seats for eastbound widening.
- Completed installation of girders for eastbound widening.

Mason Creek Bridge:

- Continued repair/rehabilitation of existing eastbound and westbound bridges.
- Began preparation for concrete deck placement for existing eastbound bridge.

1st View Street Bridge:

- Continued repair/rehabilitation of existing eastbound bridge.

Bay Avenue Bridge:

- Continued installation of mainline SIP deck forms and overhangs for eastbound widening.
- Completed forming diaphragms at Spans 18 – 20 for eastbound widening.
- Completed installation of deck concrete at Spans 20 – 22 for eastbound widening.

Oastes Creek Bridge:

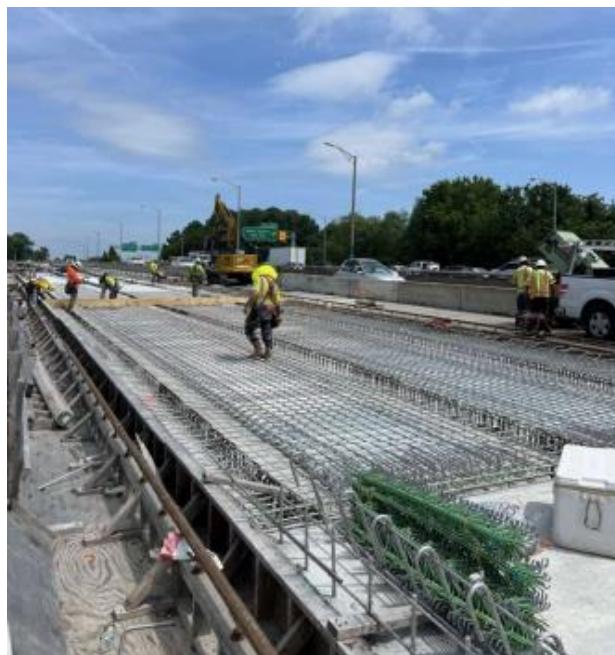
- Continued installation of sound wall for eastbound widening.
- Continued installation of conduit for eastbound widening.

Patrol Road Bridge:

- Continued repair/rehabilitation of existing substructure for eastbound bridge.
- Began installation of jacking beams for eastbound widening.



◀ **Willoughby Bay
Bridge Westbound
Bent 71 cap**



◀ **Bay Avenue
Bridge Eastbound
Deck reinforcement
installed at Spans
20 - 22**

6. Operations

Operations activities include shoulder and lane closures, creation and maintenance of Intelligent Transportation System (ITS) architecture, other maintenance within the corridor, coordination with existing VDOT Operations, and communication with the Hampton Roads Harbor Tunnels (HRHT) facility staff. The following operations activities occurred during this reporting period:

Short-Term Lane Closures:

- Willoughby Bay Bridge, North Trestle, and South Trestle eastbound and westbound to facilitate beam placement as well as concrete placement for piles, caps, and decks.
- Striping maintenance throughout project corridor.
- Lane closures eastbound and westbound for sign structure foundation installation.

Long-Term Lane Closures:

- Bay Ave. in Norfolk to facilitate staging-area access for widening Oastes Creek Bridge.
- Bayview Blvd. in Norfolk and Mallory St. in Hampton to facilitate bridge widening.
- West Ocean Ave. in Norfolk traffic shift to facilitate bridge widening.
- 4th View St. in Norfolk traffic shift to facilitate bridge widening.
- Patrol Rd. in Norfolk traffic shift to facilitate bridge rehabilitation and widening.
- 13th View St. underpass beneath I-64 reduced to one lane to facilitate utility work. Traffic is controlled by temporary automatic one-lane, two-way traffic control signal.

Hampton Traffic Shifts:

- Traffic shifted onto newly constructed portion of Mallory Street Bridge.

Detours:

- Temporary detour of W. Bay Ave. eastbound onramp for bridge widening activities.
- Long-term detour on Mason Creek Road to facilitate bridge widening.

Intelligent Transportation System (ITS):

- Installation of ITS, Medium Voltage power, and private utility conduit on North Trestle and landside.
- Relocation of OH-7 sign.
- Installation of temporary pole, junction boxes, and conduit for OH-11 relocation on eastbound South MOT Trestle.
- Permanent DMS installation at Overhead Sign Structure 50.

Overhead Sign Structures:

- Installation of Overhead Sign Structures 35, 50, and 51.
- Foundation for Overhead Sign Structure 9.
- Removal of existing sign structure on I-64 eastbound near Patrol Road.

Roadway Lighting:

- Continued permanent lighting installation on Willoughby Bay Bridge, Oastes Creek Bridge, and Mallory Street Bridge.
- Continued temporary lighting installation at South MOT bridge.
- Addressing maintenance of temporary lighting throughout the corridor.

7. Quality

Quality updates for this reporting period include:

Construction Quality Management Plan (CQMP) Updates:

- VDOT reviews CQMP updates as part of final “Released for Construction” (RFC) design packages and “Notice of Design Change” (NDC) packages. Two packages were received this period, reviewed and returned to HRCP as Approved.
- HRCP submitted quarterly update V18 of the CQMP last period, which was reviewed this period and returned to HRCP as Revise and Resubmit.

Independent Assurance (IA) Testing Activities:

- VDOT continues to monitor HRCP’s QA and QC material testing. VDOT also performed Independent Testing and Verification Testing on materials in accordance with VDOT requirements and coordinated with VDOT Materials Department for shop inspections as required. This testing included oversight of the HRCP precast yard in Chesapeake.

Design Quality Management Plan (DQMP):

- HRCP submitted quarterly update V21 of the DQMP last period, which was reviewed this period and returned to HRCP as Approved.

Quality Management System Plan (QMSP):

- VDOT continues to engage HRCP in discussions on HRCP’s implementation of their QMSP and the effectiveness of the plan.
- HRCP submitted quarterly update V25 of the QMSP last period, which was reviewed this period and returned to HRCP as Approved as Noted.

Material Book Records:

- VDOT conducted a monthly review of the current records, and HRCP is responding to audit comments provided by VDOT. Review of the Material Book records includes confirming that HRCP is completing the proper documentation for Buy America compliance. VDOT has completed the full audit of thirty-two volumes of Material Book records and is currently auditing three additional volumes of Material Book records.

Routine Quality Activities:

- VDOT’s quality team conducted reviews of written deficiency notices (WDNs), non-conformance reports (NCRs), root cause analyses and dispositions of deficiencies, with 36 NCRs reviewed for concurrence during this period. VDOT conducted reviews of QA and QC records for accuracy and quality issues and coordinated documentation reviews through VDOT’s Material Department. VDOT also continues a review of current construction quality by performing inspections based on VDOT’s Construction Quality Improvement Program (CQIP).

8. Safety

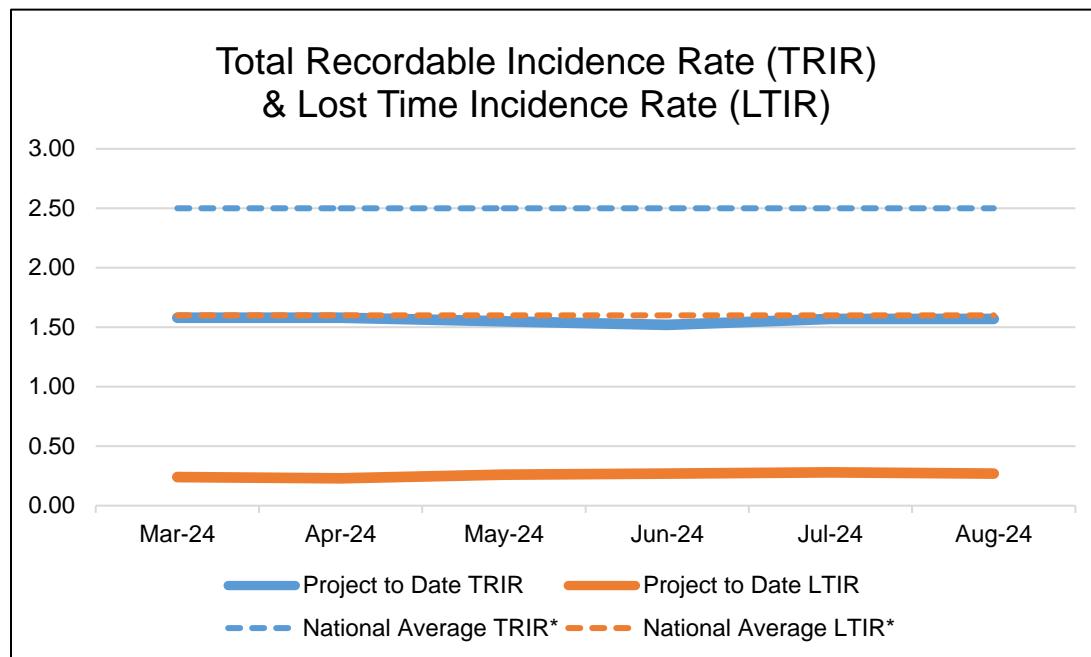
Safety procedures and activities during this reporting period include:

Safety Activities:

- HRCP continued weekly Safety Walks at North and South Island.
- HRCP conducted safety “stand down” for all staff.
- HRCP prepared and conducted a defensive driving course for employees.
- HRCP continued to monitor project safety of contractor operations.
- HRCP implemented “Get Ahead” using past safety incidents for training new hires.
- HRCP continued to monitor work plan activities for compliance.

Safety Performance Indicators:

- The following safety performance indicator information is provided by HRCP and is current as of August 31, 2024:



*National averages are from the Bureau of Labor Statistics, US Department of Labor – 2021 Data for Construction Industry, Published November 9, 2022.

9. Civil Rights & DBE/SWaM Business Opportunities

To date, HRCP has awarded **371** subcontracts, subconsultant agreements and purchase orders to certified DBE/SWaM firms. Contract awards remain at **\$567.6 million** for this period. A total of **\$453.3 million** has been paid for work completed by DBE/SWaM firms. HRCP has exceeded both commitment and attainment goals.

Compliance Activities:

- HRCP and VDOT met on August 20, 2024, for its monthly Civil Rights Workgroup Meeting. Discussion continued on the reporting of subcontract payments using B2G Now, tentative plans for a celebratory event for OJT graduates, and available procurement opportunities.
- HRCP's 2nd Quarter DBE/SWaM Good Faith Efforts Report/C-111, DBE/SWaM Utilization Plan, and Workforce Participation Plan were submitted on July 15, 2024, as required for VDOT's formal review. While the plans were found compliant, there were some areas that required clarification.

Workforce Development Activities:

- HRCP's On-the-Job Training Program has increased to 39 graduates, representing a little less than half of the goal requirement. There are 12 active enrollees.

Business Development Activities:

- HRCP issued an Addendum Notice to the Tunnel Support & Facility Buildings Package. Proposals were due on August 20, 2024.
- HRCP & VDOT participated in the Virginia Asian Chamber of Commerce's 2024 ProcureCon Industry Day Region 757 held on August 22, 2024. Maritime was this year's industry spotlight along with contracting opportunities available for small businesses.

10. Public Outreach & Media

The following public outreach and project media activities occurred in this period:

Public Outreach

- July 24, 2024 – HRBT Expansion Project team hosted a site visit and discussion for members of the Santa Clara, California Valley Transportation Authority.
- July 25, 2024 – Hampton Roads District Engineer Chris Hall and HRBT Expansion Project Director Ryan Banas presented progress updates to local elected officials at the Hampton Roads Legislative Caucus at Hampton University.
- July 31, 2024 – HRBT Expansion Project team hosted a site visit for Cape Charles Mayor Adam Charney and other city officials.
- August 8, 2024 – HRBT Expansion Project Director Ryan Banas presented progress updates to the Greater Wards Corner Task Force and local elected officials in Norfolk.
- August 14, 2024 – Bradley Weidenhammer, HRBT Expansion Team Operations Manager presented progress updates at the Virginia AeroSpace Business Association luncheon in Hampton.
- August 21, 2024 – Bradley Weidenhammer, HRBT Expansion Team Operations Manager and Chris Foley, HRBT Engineering Task Manager presented progress updates to the Norfolk Local Emergency Management Committee.
- August 22, 2024 - HRBT Expansion Project Director Ryan Banas presented progress updates to the Kiwanis Club of Virginia Beach.

Media

- July 27, 2024 – (WVEC) 1st half of new Mallory Street Bridge opens to traffic as part of HRBT expansion <https://www.13newsnow.com/article/traffic/new-mallory-street-bridge-opens-in-hampton/291-a1539288-72b4-4f8e-80b5-86ba274a7868>
- July 27, 2024 – (WAVY) New Mallory Street Bridge opens to traffic <https://www.wavy.com/traffic/vdot-new-mallory-street-bridge-opens-to-traffic/>
- July 29, 2024 – (Virginian Pilot) Mastodon bones unearthed at Hampton Roads Bridge-Tunnel construction site <https://www.pilotonline.com/2024/07/29/mastodon-bones-unearthed-at-hampton-roads-bridge-tunnel-construction-site/>
- July 31, 2024 – (WAVY) Remains of mastodon found at HRBT <https://www.wavy.com/video/remains-of-mastodon-found-at-hrbt/9911969/>
- August 5, 2024 – (Chesapeake Bay Magazine) Mastodon Fossils Unearthed During Hampton Roads Bridge-Tunnel Project <https://www.chesapeakebaymagazine.com/mastodon-fossils-unearthed-during-hampton-roads-bridge-tunnel-project/>.

- August 6, 2024 – (WAVY) VDOT: Staying on 'trap': HRBT traffic control manager reflects on competing in 1988 Olympics <https://www.wavy.com/news/local-news/staying-on-trap-hrbt-traffic-control-manager-reflects-on-competing-in-1988-olympics/>
- August 14, 2024 – (WTKR) HRBT Expansion Project's first gantry extracted and lifted <https://www.wtkr.com/transportation/hrbt-expansion-projects-first-gantry-extracted-and-lifted>
- August 15, 2024 – (Roads & Bridges) HRBT Expansion Hits a Milestone <https://www.roadsbridges.com/tunnels/news/55133313/hrbt-expansion-hits-a-milestone>
- August 19, 2024 – (Virginian Pilot) Hampton officials push to restore Fort Wool, open the historic island public <https://www.msn.com/en-us/news/us/hampton-officials-push-to-restore-fort-wool-open-the-historic-island-to-the-public/ar-AA1p3znp?ocid=BingNewsVerp>

Lane Closures/Advisories

- July 26, 2024 – Mallory Street Bridge traffic shift
- July 26, 2024 – Weekly Lane Closure Report
- August 2, 2024 – Weekly Lane Closure Report
- August 2, 2024 – Closure and detour of I-64 W at 4th View Street
- August 9, 2024 – Weekly Lane Closure Report
- August 16, 2024 – Weekly Lane Closure Report
- August 23, 2024 – Weekly Lane Closure Report

Visit our website to view more information:

www.hrbtexpansion.org