

**Hampton Roads Transportation
Accountability Commission (HRTAC)
Summary Minutes of the March 17, 2022 Special Meeting**

The Hampton Roads Transportation Accountability Commission (HRTAC) Regular Meeting was called to order at 9:04 a.m. with the following in attendance:

HRTAC Members in Attendance:

Mayor Donnie Tuck, Chair
Mayor Rick West, CH
Mayor Frank Rabil, FR
Supervisor William McCarty, IW*
Supervisor Michael Hipple, JC
Mayor McKinley Price, NN
Mayor Shannon Glover, PO*
Councilman Herbert "Buddy" Green (in for
Mayor Gordon Helsel)*

Mayor Michael Duman, SU
Supervisor Thomas G. Shepperd, YK
Mayor Bobby Dyer, VB
Mayor Doug Pons, WM
Delegate Clint Jenkins, VGA*
Senator Louise Lucas, VGA
Senator Monty Mason, VGA

HRTAC Executive Director:

Kevin Page

HRTAC Ex-Officio Members in Attendance:

Board Member Frederick T. Stant, III, CTB
Commissioner Stephen Brich, VDOT

Officer Cathie Vick, VPA*

Other Participants:

Chris Price, CH
Mary Bunting, HA
Chip Filer, NO
Bob Baldwin, PO
J. Randall Wheeler, PQ
Al Moor, SU

Christopher Hall, VDOT
Andrew Trivette, WM
William Harrell, HRT
Eric Ballou, Kaufman & Canoles
Tom Inglima, Willcox & Savage

HRTAC Voting Members Absent:

Mayor Kenneth Alexander, NO
Supervisor Christopher Cornwell, SH

Delegate Mike Mullen, VGA

HRTAC Ex-Officio Members Absent:

Director Jennifer Mitchell, DRPT

* Denotes Late Arrival or Early Departure

Others Recorded Attending:

Robert E. Lee, Brian Smith (HRT); Liang Shan (PFM); Todd Halacy (VDOT); Renee Cordero Larkin (Veterans Reporters); Julie Burger, Mark Burns (Wells Fargo); Danetta Jankosky,

Sheila Wilson (HRPDC); Lynn Coen, Jennifer Hodnett (HRTAC); Robert Case, Bob Crum, John Mihaly, Pavithra Parthasarathi (HRTPO)

Call to Order and Roll Call

Chair Donnie Tuck called the meeting to order at 9:04 a.m. and a roll call vote of all Members was taken in order to confirm a quorum:

Mayor Rick West: Present
Mayor Frank Rabil: Present
Chair Donnie Tuck: Present
Supervisor William McCarty: No Response
Supervisor Michael Hipple: Present
Mayor McKinley Price: Present
Mayor Kenneth Alexander: No Response
Councilman Herbert "Buddy" Green: No Response
Mayor Shannon Glover: No Response
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 Monty Mason: Present
Delegate Clint Jenkins: No Response
Delegate Mike Mullin: No Response
Board Member Frederick Stant: Present
Commissioner Stephen Brich: Present
Vice President Barb Nelson: No Response

The quorum was confirmed by Mr. John Mihaly.

Approval of Agenda

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

Public Comment Period (limit 5 minutes per individual)

No one from the public requested to make a public comment.

Chair's Comments

Chair Tuck did not have any comments.

Consent Items

- A. Minutes of the December 16, 2021 Regular Meeting
- B. HRBT Right-of-Way Acquisition

Supervisor Hipple Moved to approve the consent agenda items; Seconded by Mayor McKinley Price. The Motion Carried.

Action Items

A. Custodial Banking Services

HRTAC Finance Committee Chair, Supervisor Hipple, stated that the HRTAC Finance Committee met on March 15, 2022 and had a comprehensive meeting on all the action items being presented to the Commission today.

Supervisor Hipple stated that the Finance Committee discussed the Security Custody Services Request for Proposals and selection of a finalist, and the Finance Committee endorsed the recommendation of the Security Custody Services RFP Evaluation Committee and recommended approval of TD Bank.

Supervisor William McCarty Moved that the Commission (i) approves the award of the Security Custody Services contract to the offeror recommended at the Commission's March 17, 2022 Special Meeting; and (ii) authorizes the HRTAC Chair to execute the prepared Security Custody Services Agreement with such offeror; Seconded by Supervisor Thomas Shepperd. The Motion Carried.

B. HREL Segment 1 Standard Project Agreement – Bifurcation/Replacement with Segment 1A and Segment 1B Standard Project Agreements

HRTAC Executive Director, Kevin Page, explained that a need had been identified for the previously executed Segment 1 Standard Project Agreement to be split into two phases – Segment 1A and Segment 1B.

Supervisor Hipple indicated that the Finance Committee had discussed and recommended approval of the replacement of the Segment 1 Standard Project Agreement with the Segment 1A and Segment 1B Standard Project Agreements.

Supervisor Hipple Moved that the Commission (i) accepts the recommendation of the Finance Committee, (ii) adjusts the Approved FY2022-FY2027 HRTAC Six Year Improvement Plan for the Hampton Roads Express Lanes Network to reflect the specific Segment 1A and 1B projects, (iii) approves the Standard Project Agreements for Funding and Administration with respect to the Hampton Roads Express Lanes Network – Segment 1A and Segment 1B, Preliminary Engineering and Right-of-Way for Construction work, and (iv) authorizes the Chair to finalize, execute, and deliver the Standard Project Agreements for Segment 1A and Segment 1B of the Hampton Roads Express Lanes Network 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; Seconded by Supervisor Shepperd. The Motion Carried.

C. HRTAC FY2023 Administrative and Project Development Budget and Request for a Public Hearing

Executive Director Page summarized the FY2023 Administrative and Project Development Budget for the Commission. He noted that the Budget had increased from FY2022 due to new TIFIA loan requirements.

Supervisor Hipple noted that the Finance Committee discussed the Proposed HRTAC FY2023 Administrative and Project Development Budget at its March 15, 2022 meeting and recommended approval of the Budget.

Senator Monty Mason Moved that the Commission (i) accepts the Finance Committee recommendation, (ii) endorses the Proposed HRTAC FY2023 Administrative and Project Development Budget, and (iii) authorizes the Executive Director to conduct a public hearing on the Proposed HRTAC FY2023 Administrative and Project Development Budget; Seconded by Supervisor Shepperd. The Motion Carried.

D. HREL Plan of Finance Update – Adjusted Cost Estimates, Updated Traffic and Revenue Analysis, Funding Analysis and Determination of Revenue Assumptions

Executive Director Page stated that the HREL Plan of Finance Update included increased cost estimates and an updated traffic and revenue analysis which was required by state legislation to determine the need for the \$93.1 million included in the Plan of Finance.

He indicated that a PowerPoint presentation that provided further detail was included in the agenda materials and that it was identical to the presentation at the March 15, 2022 Finance Committee meeting.

Supervisor Hipple indicated that the Finance Committee discussed the Proposed HRTAC Hampton Roads Express Lanes Plan of Finance Update at its March 15, 2022 meeting and recommended that the Commission approve this agenda item, including the determination therein regarding the need for \$93.1 million in the State Appropriation Act provided funding.

Mayor Price Moved that the Commission (i) accepts the Finance Committee recommendation; and (ii) approves the Proposed HRTAC Hampton Roads Express Lanes Plan of Finance Update, including the determination therein regarding the need for the full \$93.1 million in state Appropriation Act provided funding; Seconded by Supervisor Shepperd. The Motion Carried.

E. HRTF/Toll Debt Management Plan Update

Executive Director Page stated that the Debt Management Plan had been updated to ensure the Hampton Roads Express Lanes Network (HRELN) project was on track for completion.

Supervisor Hipple indicated that the Finance Committee discussed the Proposed HRTAC HRTF/Toll Debt Management Plan Update at its March 15, 2022 meeting and recommended approval of this agenda item.

Supervisor Shepperd Moved that the Commission (i) accepts the Finance Committee recommendation; and (ii) approves the Proposed HRTAC HRTF/Toll Debt Management Plan Update; Seconded by Supervisor McCarty. The Motion Carried.

F. FY2023-FY2028 Plan of Finance Update – Six Year Operating and Capital Program of Projects – Highway Regional High Priority Projects

Executive Director Page reminded the Commission that the Hampton Roads Transportation Fund (HRTF) included toll debt and toll revenues and that the six year program was for highway projects only. He clarified that the HRTF six year program did not cover transit projects, which are covered under the Hampton Roads Regional Transit Fund.

Supervisor Hipple noted that the Finance Committee discussed and recommended approval of this agenda item.

Senator Mason Moved that the Commission (i) accepts the Finance Committee recommendation, (ii) endorses the Proposed FY2023-FY2028 Plan of Finance Update – Six Year Operating and Capital Program of Projects – Highway Regional High Priority Projects, as an update to the HRTAC-adopted Financial Plan, and (iii) authorizes HRTAC Staff to conduct a public hearing on the Proposed FY2023-FY2028 Plan of Finance Update – Six Year Operating and Capital Program of Projects – Highway Regional High Priority Projects, as an update to the HRTAC-adopted Financial Plan to include certain modifications for the Region's High Priority Highway Projects and additional revenues based on new or updated information; Seconded by Supervisor Shepperd. The Motion Carried.

G. FY2023-FY2028 Plan of Finance Update – Six Year Operating and Capital Program of Projects - Transit Regional High Priority Projects

Executive Director Page noted that this agenda item related to regional transit projects, as opposed to highway projects, and highlighted for the Commission the various projects contemplated by the program.

Supervisor Hipple explained that the Finance Committee discussed the Proposed FY2023-2038 Plan of Finance Update – Six Year Operating and Capital Program of Projects – Transit Regional High Priority Projects at its March 15, 2022 meeting and recommended approval of the FY2023-FY2028 Plan of Finance Update.

Senator Mason Moved that the Commission (i) accepts the Finance Committee recommendation, (ii) endorses the Proposed FY2023-FY2028 Plan of Finance Update –

Operating and Capital Program of Projects – Transit Regional High Priority Projects, as an update to the HRTAC-adopted Financial Plan, and (iii) authorizes HRTAC Staff to conduct a public hearing on the Proposed FY2023-FY2028 Plan of Finance Update – Six Year Operating and Capital Program of Projects – Transit Regional High Priority Projects, as an update to the HRTAC-adopted Financial Plan to include certain modifications for the Region's High Priority Projects and additional revenues based on new or updated information; Seconded by Supervisor McCarty. The Motion Carried.

H. Authorization to Issue up to \$501,000,000 of Additional Bond Anticipation Notes to Refund and Extend HRTF Series 2019A Bond Anticipation Notes (BANs) – Resolution 2022-01

Executive Director Page reminded the Commission that HRTAC is always collaborating with its Financial Advisors to take advantage of any cost savings opportunities. He noted that the proposed extension of the Series 2019A BANs provided for a lower interest rate than the TIFIA Loan, and due to the extension of the High Rise Bridge Project completion date, HRTAC was able to delay drawing on its 2019 TIFIA Loan.

HRTAC Bond Counsel, Eric Ballou, explained that the proposed transaction would be similar to previous bond sales and noted that there would need to be a cost savings of at least \$100,000 in order to move forward with refunding and extending the Series 2019A BANs.

Supervisor Hipple stated that the Finance Committee discussed the issuance of up to \$501,000,000 of additional BANs to refund and extend the Series 2019A BANs and recommended approval of this agenda item.

Supervisor Shepperd Moved that the Commission (i) accepts the Finance Committee recommendation, and (ii) approves Resolution 2022-01; Seconded by Mayor Price. A roll call vote was taken:

Mayor Rick West: Yes
Mayor Frank Rabil: Yes
Chair Donnie Tuck: Yes
Supervisor William McCarty: Yes
Supervisor Michael Hipple: Yes
Mayor McKinley Price: Yes
Mayor Kenneth Alexander: No Response
Councilman Herbert "Buddy" Green: Yes
Mayor Shannon Glover: Yes
Supervisor Christopher Cornwell: No Response
Mayor Michael Duman: Yes
Mayor Robert Dyer: Yes
Mayor Doug Pons: Yes
Supervisor Thomas Shepperd: Yes
Senator Louise Lucas: Yes

Senator Monty Mason: Yes
Delegate Clint Jenkins: Yes
Delegate Mike Mullin: No Response

The Motion Carried.

I. Authorization to Defease and Redeem up to \$486,000,000 of Series 2018A Bonds from Available Funds and Related Actions – Resolution 2022-02

Mr. Ballou explained that the purpose of the proposed defeasance was to realize additional economic benefit through interest rate savings. He explained that through a two-step cash optimization program, the Commission could pay off certain of its Series 2018A Bonds, which have higher interest rates, and then re-issue bonds at a lower interest rate to finance the Hampton Roads Bridge Tunnel (HRBT) Project. Legally, the defeasance and reissuance would need to be two distinct steps. Mr. Ballou explained that Resolution 2022-02 outlines the parameters for carrying out step 1 by establishing an escrow account and defeasing (or paying off) certain of the Series 2018A Bonds.

Supervisor Hipple noted that the Finance Committee discussed and recommended approval of this agenda item at its March 15, 2022 meeting.

Supervisor Shepperd Moved that the Commission (i) accepts the Finance Committee recommendation and (ii) approves Resolution 2022-02; Seconded by Mayor Price. A roll call vote was taken:

Mayor Rick West: Yes
Mayor Frank Rabil: Yes
Chair Donnie Tuck: Yes
Supervisor William McCarty: Yes
Supervisor Michael Hipple: Yes
Mayor McKinley Price: Yes
Mayor Kenneth Alexander: No Response
Councilman Herbert "Buddy" Green: Yes
Mayor Shannon Glover: Yes
Supervisor Christopher Cornwell: No Response
Mayor Michael Duman: Yes
Mayor Robert Dyer: Yes
Mayor Doug Pons: Yes
Supervisor Thomas Shepperd: Yes
Senator Louise Lucas: Yes
Senator Monty Mason: Yes
Delegate Clint Jenkins: Yes
Delegate Mike Mullin: No Response

The Motion Carried.

J. Authorization to Issue up to \$590,000,000 of HRTF Series 2022A Senior Lien Bonds (to fund certain HRBT Project Costs) – Resolution 2022-03

Mr. Ballou noted that after completing step 1 of the cash optimization strategy, which entailed the defeasance of certain Series 2018A Bonds, a thirty day waiting period would need to be observed before step 2 could be completed, which would be the issuance of a new set of bonds. He explained that Resolution 2022-03 outlines the parameters for the new issuance of debt for the HRBT Project.

Supervisor Hipple indicated that the Finance Committee discussed and recommended approval of this agenda item.

Supervisor Hipple Moved that the Commission (i) accepts the Finance Committee recommendation, and (ii) approves Resolution 2022-03; Seconded by Mayor Price. A roll call vote was taken:

Mayor Rick West: Yes
Mayor Frank Rabil: Yes
Chair Donnie Tuck: Yes
Supervisor William McCarty: Yes
Supervisor Michael Hipple: Yes
Mayor McKinley Price: Yes
Mayor Kenneth Alexander: No Response
Councilman Herbert "Buddy" Green: Yes
Mayor Shannon Glover: Yes
Supervisor Christopher Cornwell: No Response
Mayor Michael Duman: Yes
Mayor Robert Dyer: Yes
Mayor Doug Pons: Yes
Supervisor Thomas Shepperd: Yes
Senator Louise Lucas: Yes
Senator Monty Mason: Yes
Delegate Clint Jenkins: Yes
Delegate Mike Mullin: No Response

The Motion Carried.

Information Items

A. HRTAC Monthly Financial Report

Executive Director Page highlighted the Monthly Financial Report for the Commission.

B. VDOT Project Updates

Executive Director Page indicated that Virginia Department of Transportation (VDOT) project updates were included in the agenda materials.

C. HRTAC Regular Meeting – April 21, 2022

Adjournment

With no further business to come before the Hampton Roads Transportation Accountability Commission, the meeting adjourned at 9:45 a.m.



Donnie Tuck
HRTAC Chair