

AGENDA

Hampton Roads Transportation Accountability Commission

Finance Committee Meeting ***In Person Meeting***

September 15, 2022
9:00 a.m.

1. Call to Order and Roll Call

2. Approval of Agenda

3. Public Comment Period

- Limit 5 minutes per individual

4. Consent Items

- Recommended Action: Approval

A. Minutes of the April 19, 2022 Finance Committee Meeting (Attachment 4A)

5. Action Items

- Recommended Action: Discussion/Endorsement/Recommendation

- A. Fiscal Year 2022 Annual Report to the Joint Commission on Transportation Accountability Relating to the Hampton Roads Transportation Fund (Attachment 5A)** - Executive Director Page **Recommended Action:** Endorsement and Recommendation to the Commission for Approval
- B. Amendment to Amended and Restated Project Agreement for Funding and Administration for the I-64 Hampton Roads Bridge-Tunnel Expansion Project regarding Timing of Smart Scale Funding (Attachment 5B)** - Executive Director Page, General Counselor Inglima - **Recommended Action:** Endorsement and Recommendation to the Commission for Approval
- C. HRTAC Debt Management Plan, Update on Financing Activities, and Next Step for HRELN Financing – Recommendation to the Commission to Authorize Commission Chair and Staff to Develop the HRTF Backed TIFIA Letter of Interest (Attachment 5C)** - Executive Director Page, David Miller and Liang Shan PFM Financial Advisors - **Recommended Action:** Endorsement and Recommendation to the Commission for Approval
- D. FY2023-FY2028 Plan of Finance Update – Six Year Operating and Capital Program of Projects – Independence Boulevard Interchange (Attachment 5D)** - Executive Director Page and Liang Shan, PFM Financial Advisors – **Recommended Action:** Endorsement and Recommendation to the Commission to Conduct a Public Hearing and Approve
- E. Consulting Engineer Services Engagement for HRELN (Attachment 5E)** - Executive Director Page, General Counselor Inglima, Bond Counselor Ballou, and Financial Advisor

Miller, PFM – **Recommended Action:** Endorsement and Recommendation to the Commission for Approval

6. Information Items

- A. HRTAC Monthly Financial Report – (Attachment 6A) – Executive Director Page**

7. Adjournment

Agenda Item 4A
Consent Item

To: Chair Hipple and the other members of the Finance Committee

From: Kevin B. Page, Executive Director

Date: September 15, 2022

Re: April 19, 2022 Meeting Minutes

Recommendation:

The Finance Committee is asked to approve the April 19, 2022 Finance Committee meeting minutes.

Background:

The Finance Committee approves meeting minutes for the permanent record of the Finance Committee.

Fiscal Impact:

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

Suggested Motion:

Motion is to approve the minutes of the HRTAC Finance Committee meeting on April 19, 2022.



**Hampton Roads Transportation
Accountability Commission (HRTAC)
Summary Minutes of the April 19, 2022 Finance Committee Meeting**

The Hampton Roads Transportation Accountability Commission (HRTAC) Finance Committee Meeting was called to order at 10:30 a.m. with the following in attendance:

HRTAC Members in Attendance:

Supervisor Michael Hipple, JC, Chair
Mayor McKinley Price, NN

Supervisor Thomas G. Shepperd, YK
Senator Monty Mason, VGA

HRTAC Executive Director:

Kevin Page

Other Participants:

Nelson Bush, PFM
Tom Inglima, Willcox & Savage

Megan Gilliland, Kaufman and Canoles

HRTAC Voting Members Absent:

Supervisor William McCarty, IW

Others Recorded Attending:

Danetta Jankosky, Sheila Wilson (HRTPO); Lynn Coen, Jennifer Hodnett (HRTAC); Renee Larkin (Veterans Reporters)

Call to Order and Roll Call

HRTAC Finance Committee Chair, Supervisor Michael Hipple, called the meeting to order and a roll call vote of all Members was taken:

Chair Michael Hipple: Present

Supervisor William McCarty: No Response

Mayor McKinley Price: Present

Supervisor Thomas Shepperd: Present

Senator Monty Mason: Present

The quorum was confirmed by HRTAC General Counsel, Tom Inglima.

Approval of Agenda

Mayor McKinley Price Moved to approve the Agenda as presented; Seconded by Senator Monty Mason. The Motion Carried.

Public Comment Period (limit 5 minutes per individual)

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

Consent Items

A. Minutes of the March 15, 2022 Finance Committee Meeting

Supervisor Thomas Shepperd Moved to approve the consent agenda items; Seconded by Senator Monty Mason, with Mayor Price abstaining. The Motion Carried.

Action Items

A. Annual Evaluation of Executive Director and Employment Agreement – Closed Session as Needed

Senator Mason Moved that a closed session be held to discuss and consider the performance and salary of the Executive Director of the Commission, which closed session will be held in accordance with Virginia Code Section 2.2-3711(A)(1) for the purpose of discussion and consideration of the assignment, appointment, performance, promotion, demotion, salary, disciplining, or resignation of specific employees of the Commission; Seconded by Supervisor Shepperd. The Motion Carried.

Closed Session began at 10:33 a.m. and ended at 10:47 a.m.

Mr. Inglima read the following certification:

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

A roll call vote was taken:

Chair Hipple: Yes

Mayor Price: Yes

Senator Mason: Yes

Supervisor Shepperd: Yes

Chair Hipple reported that the Finance Committee was extremely satisfied with the performance of HRTAC Executive Director, Mr. Kevin Page, and indicated that his evaluation scores from the Commission Members were high.

Supervisor Shepperd Moved that the Finance Committee has determined that the Executive Director has exceeded expectations for the review period; Seconded by Senator Mason. The Motion Carried.

B. Recommendations RE: Employment Agreement and Merit/Cost of Living Salary Adjustments

Mr. Inglima reminded the Committee that this Agenda item was to amend the Executive Director's Employment Agreement to include the 5% Cost of Living Adjustment (COLA).

He explained that the increase would be effective July 1, 2022 for FY2023 and is currently included in the endorsed FY2023 Proposed Budget for HRTAC Staff.

Supervisor Shepperd reminded the Committee that the Social Security Administration COLA increase was 5.94%.

Senator Mason Moved that the Finance Committee recommends amending the Executive Director's Employment Agreement to reflect a 5% COLA to the Executive Director's salary beginning FY2023, which COLA is included for all current staff in the endorsed FY2023 Proposed Budget, and authorizes the Finance Committee Chair to communicate the Finance Committee's recommendation to the Commission at its April 21, 2022 Regular Meeting; Seconded by Mayor Price. The Motion Carried.

C. HRTAC 2045 Long Range Plan of Finance Update for the Region's High Priority Projects and the Hampton Roads Regional Transit Fund

Executive Director Page explained HRTAC's efforts to update the Commission's 2045 Long Range Plan of Finance, which included input provided by the Virginia Department of Transportation (VDOT), HRTAC, Hampton Roads Transit (HRT), and Hampton Roads Transportation Planning Organization (HRTPO) Staff followed by input from the Finance Committee at its March 15, 2022 meeting.

Committee Members were presented with a table showing inflation costs based on the construction end year for the Highway Regional Priority Projects. Executive Director Page highlighted the I-664 Bowers Hill Interchange Project and stated that the project scope had been expanded to include the I-664 widening to College Drive. He noted that the costs based on inflation and construction end year had increased to \$1.5 billion.

Committee Members discussed the additional costs under the HRTAC Proposed 2045 Long Range Plan of Finance.

Executive Director Page clarified that if the Finance Committee approved the HRTAC Proposed 2045 Long Range Plan of Finance Update, a public hearing would be held before bringing the HRTAC Proposed 2045 Long Range Plan of Finance Update to the full Commission for approval and adoption.

Executive Director Page reminded the Committee that the HRTAC Proposed 2045 Long Range Plan of Finance Update would need to be fully funded or constrained in order to be approved and adopted.

Mr. Inglima clarified that the HRTAC Proposed 2045 Long Range Plan of Finance Update was currently a vision plan and that all HRTAC projects are funded through 2025.

Executive Director Page informed the Committee Members that VDOT assists HRTAC in project estimates when creating these vision plans and highlighted the Regional Connector Study.

Committee discussion ensued in regards to the importance of funding to accommodate additional capacity of the Highway Regional Priority Projects.

Committee Members questioned how projects get added or removed to the HRTAC 2045 Long Range Plan of Finance and inquired about the Fort Eustis Project.

Executive Director Page explained that in general potential projects are re-evaluated and updated, as necessary, to meet certain qualification standards. He indicated that the Fort Eustis Project originally contemplated improvements consisting of an eight-lane highway expansion and suggested that the project could be broken out into multiple phases to make it more feasible.

Committee Members requested that Executive Director Page communicate with HRTPO Executive Director, Robert Crum, and VDOT to discuss the feasibility of completing the Fort Eustis Project.

Committee discussion continued on the proposed projects included in the HRTAC Proposed 2045 Long Range Plan of Finance Update and additional potential projects that might be considered.

Executive Director Page explained that the cost estimates for future projects were based on present-day cost estimates with a 4% construction escalation charge and further reminded the Committee that the longer projects wait to be completed, the more expensive they become.

Executive Director Page summarized the other proposed projects included in the HRTAC 2045 Proposed Long Range Plan of Finance Update. He also reminded the Committee that the Hampton Roads Regional Transit Fund (HRRTF) was a separate program with a separate 2045 vision plan.

Committee Members were provided a table showing the Operations and Maintenance Costs and the Capital Costs associated with the HRRTF supported projects.

Executive Director Page explained the importance of the HRRTF program and stated that because only localities may fund transportation routes located solely in the respective locality, the HRRTF program, which is managed by HRTAC, allowed for additional regional routes. He reminded the Committee that the HRRTF program was comprised of the six localities served by HRT (Chesapeake, Hampton, Newport News, Norfolk, Portsmouth and Virginia Beach).

Senator Mason Moved that the Finance Committee endorses the HRTAC 2045 Long Range Plan of Finance Update for the Region's High Priority Projects and the Hampton Roads Regional Transit Fund and authorizes the Finance Committee Chair to recommend the proposed 2045 Long Range Plan of Finance Update to the Commission and request that the Commission authorize the Executive Director to conduct a public hearing on the

proposed HRTAC 2045 Proposed Long Range Plan of Finance Update; Seconded by Mayor Price. The Motion Carried.

Discussion Item

A. HRTAC Financing Activities Update

Executive Director Page thanked the Committee Members for their endorsement of the financing requests at the March Finance Committee Meeting and expressed appreciation for Chair Hipple for efficiently communicating the Finance Committee's recommendations to the full Commission at the Commission's March 17, 2022 Special Meeting.

The Committee was reminded of the two approvals made at the March 17, 2022 Special Meeting – the 2022A Bond Anticipation Note (BAN) to replace the 2019A BAN, and the 2018A Bonds defeasance cash optimization model. Executive Director Page indicated that following the March 17, 2022 Special Meeting, market conditions shifted compromising the opportunity to issue a new 2022A BAN, at which point HRTAC Staff shifted its focus to the cash optimization model.

HRTAC Bond Counsel, Ms. Megan Gilliland, summarized the cash optimization model used for the 2018A defeasance and stated that the first part of the two-step process (i.e., the establishment of a defeasance escrow) had been completed that morning. She stated that \$364 Million of the first \$500 Million of the 2018A Bonds would be defeased. Thereafter, there would need to be a window between the defeasance and the issuance of the new bonds. Ms. Gilliland stated that the new bond proceeds would be applied to the HRBT project.

Committee members questioned when the pricing of the bonds would occur.

Ms. Gilliland indicated that the bond underwriters would release a pricing wire on the market in about one week and that HRTAC would sign a bond purchase agreement with the underwriters on May 19. She further explained the role of the underwriters in the bond purchasing process.

Committee Members asked about the amount of the new bond proceeds.

Ms. Gilliland stated that \$422 Million in new revenue would be generated, with a cost of \$3.6 Million to sell the bonds. She noted that defeasing the 2018A Bonds created a savings of \$42 Million, which amount was slightly less than that noted at the previous Finance Committee meeting due to the quickly changing interest market.

Committee discussion ensued in regards to the window between the two steps.

Mr. Nelson Bush, PFM, explained that during the waiting period, PFM is directed to invest the defeasance escrow funds until they are needed to defease the 2018A Bonds. He indicated that a typical investment option was to purchase slugs. "Slugs" refers to a special U.S. Treasury security offered in the municipal bond market and are frequently used in

escrows. He highlighted that in the event the open market securities had a higher yield on pricing day, PFM would invest the escrow funds wherever the higher yields existed to maximize savings to HRTAC. However, because the open market did not have the higher yields, slugs were purchased.

Mr. Bush discussed the risks of each investment option and indicated that the slugs were a safer option and preferred by bond attorneys.

Executive Director Page reminded the Committee Members that the 2022A BAN option was still available, as Commission approval had previously been obtained, and that HRTAC Staff and PFM were monitoring the market, should the conditions become favorable.

Committee Members asked when a preliminary official statement (POS) with respect to the new bonds would be available.

Mr. Bush stated that a POS would be available in about seven days.

Mr. Inglima then reminded the Committee that the 2022A BAN option was only available until the end of June, at which point the 2019A BAN reached maturity and the initial draw on the 2019/2021 Successor TIFIA Loan would occur.

Information Item

A. HRTAC Monthly Financial Report

Executive Director Page reviewed the HRTAC Monthly Financial Report with the Committee.

Committee Members commented on the fuels tax and reiterated its importance to the Region.

Adjournment

With no further business to come before the Finance Committee the meeting adjourned at 11:43 a.m.

Michael Hipple
HRTAC Finance Committee Chair

Agenda Item 5A
Action Item

To: Chair Hipple and the other members of the Finance Committee

From: Kevin B. Page, Executive Director

Date: September 15, 2022

Re: Fiscal Year 2022 Annual Report to the Joint Commission on Transportation Accountability Relating to the Hampton Roads Transportation Fund

Recommendation:

HRTAC Staff recommends that the Finance Committee recommend to the Commission to authorize the Executive Director to finalize and submit the legislatively mandated Fiscal Year 2022 Hampton Roads Transportation Fund (HRTF) Report to the Joint Commission on Transportation Accountability (Attachment 5A).

Background:

Item 1. I. of Chapter 2 of the 2022 Special Session I included the requirement that the Joint Commission on Transportation Accountability (JCTA) shall regularly review, and provide oversight of the usage of funding generated pursuant to the provisions of HB 2313 (2013 Session of the General Assembly). To meet this requirement, the Hampton Roads Transportation Accountability Commission (HRTAC) has prepared a report to inform the JCTA on the uses of the HRTF for Fiscal Year 2022.

Fiscal Impact:

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

Suggested Motion:

Motion: The Finance Committee: i. recommends to the Commission to authorize the Executive Director to finalize and submit to the Joint Commission on Transportation Accountability the Fiscal Year 2022 Annual Report to the Joint Commission on Transportation Accountability Relating to the Hampton Roads Transportation Fund; and ii, authorizes the Finance Committee Chair to communicate said recommendation to the Commission at its next meeting.





Draft Subject to Final Audited Financials

**Fiscal Year 2022 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 2022 Reconvened 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, 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 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 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 FY2022, 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 FY2022 through FY2027 Funding Plan Update and its Long-Range Funding Plan Update through FY2045, further advanced project development and construction with VDOT of \$6.1 billion total programmed value projects supported by the Hampton Roads Transportation Fund ('HRTF') and advanced project agreements with the Transportation District Commission of Hampton Roads (Hampton Roads Transit) supported by the Hampton Roads Regional Transit Fund ('HRRTF'). During FY2022, HRTAC issued two HRTF backed bond sales and completed negotiations with the United States Department of Transportation ('USDOT') Build America Bureau for two federal Transportation Infrastructure Finance and Innovation Act ('TIFIA') loans to support funding commitments to the I-64 Hampton Roads Bridge Tunnel Expansion Project. HRTAC completed negotiations with the USDOT Build America Bureau to refinance the 2019 TIFIA loan to a lower interest rate. The major work activity of FY2022 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 second funding year of the Hampton Roads Regional Transit Fund and Program. Of the total HRTF and toll revenue supported project costs under agreement, \$4.7 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. Through a special appropriation of the General Assembly (HB 1800, Chapter 552, Item 447.1.B3, 2020 Session) \$93,100,000 was provided 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. HRTAC and VDOT completed the updated traffic and revenue modelling of the Hampton Roads Express Lanes Network considering summer weekend traffic volume and determined that the \$93.1 million is necessary to complete the funding plan and placed those funds under agreement to be used in the first phase of construction of the express lanes. 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.

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.

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 use of funds in the HRTF. Beginning in June 2015, monthly revenue collections from the previous accounting period are 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.

Hampton Roads Regional Transportation Priority Projects \$4.7 Billion HRTAC Funded Under Construction

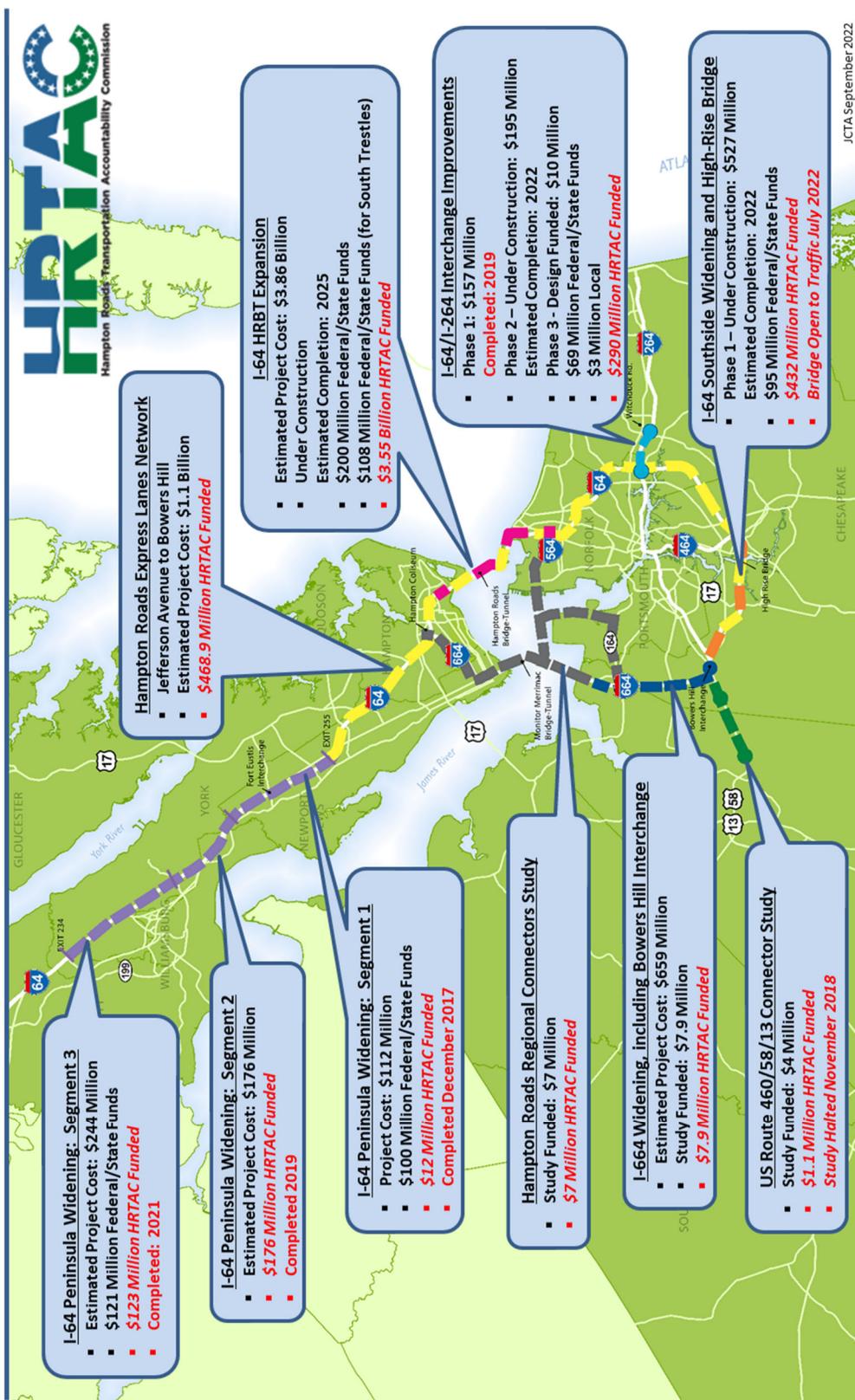


Figure 1 – Activities of HRTAC/HRTF Funded Projects

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

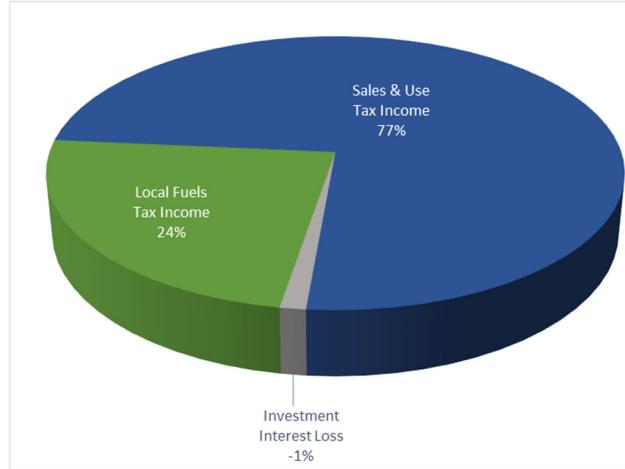
In 2013, Planning District 23, an additional fuels tax was added at the wholesale level of 2.1 percent. During the 2020 Acts of Assembly, legislative action involving adjustments to state and regional motor fuels tax revenues included for HRTAC the conversion of the calculation of gasoline tax revenue 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. 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 2022 totaled \$240.5 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 \$2.1 billion including bond proceeds, operating, and investment accounts.

Figure 2 - HRTAC Revenue Collections FY2022

Sales & Use Tax Income	\$184,850,963
Local Fuels Tax Income	58,725,641
Investment/Interest Income	(3,098,098)
	\$240,478,506



Expenditures

From July 1, 2021 through June 30, 2022, HRTAC incurred the following administrative and project expenditures:

Description	Amount
Legal Fees	\$ 399,474
Investment Fees	233,055
HRPDC/HRTPO Assistance	156,754
Financial Advisor	1,500
Payroll/Fringes	465,300
Pension Expense	(15,625)
Bond Issuance Costs	4,400,554
Interest Expense	51,479,000
DMV Fees	65,967
Operating	132,392
Capital Outlay	0.00
Project Related	643,497,833
Total	\$700,816,204

Expenditures (continued)

HRTAC project-related expenditures are provided in detail below (inception through June 30, 2022):

Project	Total
<i>I-64 Peninsula Widening</i>	
<i>UPC 104905/111926 - Segment 1 - PE/Construction</i>	\$ 11,608,384
<i>UPC 106665 - Segment 2 - PE/ROW/Construction</i>	159,559,703
<i>UPC 109790/106689 - Segment 3 - PE</i>	5,711,500
<i>UPC 109790/106689 - Segment 3 - Construction</i>	88,736,547
<i>I-64/264 Interchange Improvement</i>	
<i>UPC 57048/108042 - Phase I - PE/ROW</i>	15,071,063
<i>UPC 57048/108042 - Phase I - Construction</i>	121,502,110
<i>UPC 17630/108041 - Phase II - PE/ROW</i>	54,592,576
<i>UPC 17630/108041 - Phase II - Construction</i>	73,157,062
<i>UPC 106693 - Phase III - PE & ROW</i>	3,975,409
<i>I-64 Southside Widening/High-Rise Bridge</i>	
<i>UPC 106692 - Phase I - PE</i>	12,189,098
<i>UPC 106692/108990 - Phase I - ROW/Construction</i>	319,643,390
<i>I-64 HRBT Expansion Project</i>	
<i>UPC 115008 - I-64 HRBT Expansion Project D-B Contract</i>	1,351,057,226
<i>UPC 115009 - I-64 HRBT Expansion Project Owners Oversight</i>	81,049,431
<i>HRELN Segment 1 Phase 1 PE - UPC</i>	
<i>UPC 117840 - Segment 1 Phase 1 - PE</i>	5,602,807
<i>UPC 117839 - Segment 4A/4B Phase 1 - PE</i>	5,916,425
<i>UPC 117841 - Segment 4C Phase 1 - PE</i>	5,356,437
<i>UPC 119637 - Segment 1A - PE/ROW/Construction</i>	1,769,885
<i>UPC 120863 - Segment 1B - PE/ROW/Construction</i>	606,480
<i>UPC 119824 - Segment 4A/4B - PE/ROW/Construction</i>	-
<i>UPC 119638 - Segment 4C - PE/ROW/Construction</i>	-
<i>HRCS Preferred Alternative Refinement - HRBT - UPC 110577 - SEIS</i>	28,800,287
<i>460/58/13 Connector Study - UPC 106694 - PE</i>	1,095,368
<i>Bowers Hill Interchange Study - UPC 111427</i>	5,317,912
<i>HR Regional Connector Study - HRTPO (Remaining Projects of Third Crossing)</i>	4,251,901
Total	<u>2,356,571,000</u>

Allocations

Project allocations as of June 30, 2022 are provided in detail below.

Hampton Roads Transportation Fund (HRTF)

Total Allocations as of June 30 2022

Project	Total FY2014 - FY2021	Total YTD FY2022	Total
<i>I-64 Peninsula Widening</i>			
<i>UPC 104905 - Segment 1 - Construction</i>	\$ 11,608,385	\$ -	\$ 11,608,385
<i>UPC 106665 - Segment 2 - PE/ROW/Construction</i>	175,832,897	-	175,832,897
<i>UPC 109790/106689 - Segment 3 - PE</i>	10,000,000	-	10,000,000
<i>UPC 109790/106689 - Segment 3 - Construction</i>	112,893,996	-	112,893,996
<i>I-64/264 Interchange Improvement</i>			
<i>UPC 57048/108042 - Phase I - PE/ROW</i>	15,071,063	-	15,071,063
<i>UPC 57048/108042 - Phase I - Construction</i>	137,023,653	-	137,023,653
<i>UPC 17630/108041 - Phase II - PE/ROW</i>	54,592,576	-	54,592,576
<i>UPC 17630/108041 - Phase II - Construction</i>	73,157,062	-	73,157,062
<i>UPC 106693 - Phase III - PE & ROW</i>	10,000,000	-	10,000,000
<i>I-64 Southside Widening/High-Rise Bridge</i>			
<i>UPC 106692 - Phase I - PE</i>	12,200,000	-	12,200,000
<i>UPC 106692/108990 - Phase I - ROW/Construction</i>	419,756,220	-	419,756,220
<i>I-64 HRBT Expansion Project</i>			
<i>UPC 115008 - I-64 HRBT Expansion Project D-B Contract</i>	3,004,569,251	-	3,004,569,251
<i>UPC 115009 - I-64 HRBT Expansion Project Owners Oversight</i>	548,900,330	-	548,900,330
<i>HRELN Segment 1 Phase 1 PE - UPC</i>			
<i>UPC 117840 - Segment 1 Phase 1 - PE</i>	5,621,500	-	5,621,500
<i>UPC 117839 - Segment 4A/4B Phase 1 - PE</i>	5,916,425	-	5,916,425
<i>UPC 117841 - Segment 4C Phase 1 - PE</i>	15,421,200	-	15,421,200
<i>UPC 119637 - Segment 1A - PE/ROW/Construction</i>	-	12,079,075	12,079,075
<i>UPC 120863 - Segment 1B - PE/ROW/Construction</i>	-	5,860,180	5,860,180
<i>UPC 119824 -Segment 4A/4B - PE/ROW/Construction</i>	-	12,421,553	12,421,553
<i>UPC 119638 - Segment 4C - PE/ROW/Construction</i>	-	14,203,800	14,203,800
<i>HRCS Preferred Alternative Refinement - HRBT</i>	<i>UPC</i>		
<i>110577 - SEIS</i>	<i>110577 - SEIS</i>	30,000,000	30,000,000
<i>460/58/13 Connector Study - UPC 106694 - PE</i>		1,095,368	1,095,368
<i>Bowers Hill Interchange Study - UPC 111427</i>		7,904,630	7,904,630
<i>HR Regional Connector Study - HRTPO</i>	<i>(Remaining Projects of Third Crossing)</i>	7,000,000	7,000,000
Total	\$ 4,658,564,556	\$ 44,564,608	\$ 4,703,129,164

Agenda Item 5B
Action Item

To: Chair Hipple and the other members of the Finance Committee

From: Kevin B. Page, Executive Director

Date: September 15, 2022

Amendment to Amended and Restated Project Agreement for Funding and Administration for the I-64 Hampton Roads Bridge-Tunnel Expansion Project regarding Timing of Smart Scale Funding

Recommendation:

The HRTAC Staff recommends that the Finance Committee recommend to the Commission to: i. Endorse the VDOT request to accelerate the planned spending schedule of the Smart Scale funding to the I-64 Hampton Roads Bridge-Tunnel Expansion Project; and, ii. Authorize the Chair to finalize and execute an amendment to the Amended and Restated Project Agreement for Funding and Administration for the I-64 Hampton Roads Bridge-Tunnel Expansion Project.

Background:

The Virginia Department of Transportation (VDOT) requested HRTAC consideration in accelerating the timing of the application of the \$200,000,000 Smart Scale Funding awarded to the I-64 Hampton Roads Bridge-Tunnel Expansion Project. The opportunity for VDOT is to take advantage of federal funds available in current and near future years ahead. The opportunity for HRTAC is that the Commission sourced funds allocated to such project will be spent later, providing value savings of loan interest impacts.

In order to clarify the timing for the application of the Smart Scale Funds, VDOT and HRTAC need to agree that Exhibit 5 to the Amended and Restated Project Agreement for Funding and Administration for the I-64 Hampton Roads Bridge-Tunnel Expansion Project is supplemented with the following table which shows the timing for the expenditure of the Smart Scale Funds:

UPC 115011

Source	FY2023 and Prior	FY2024	FY2025	FY2026	FY2027	FY2028	Total
Federal Funds	\$ 150,761,861	\$ 30,328,004	\$ 7,130,676	\$ 11,779,459	\$ -	\$ -	\$ 200,000,000



Fiscal Impact:

There is no fiscal impact to the Hampton Roads Transportation Fund to accelerate the timing of the Smart Scale funding allocated to the project.

Suggested Motion:

Motion is that the Finance Committee recommends that the Commission: i. Endorse the VDOT request to accelerate the planned spending schedule of the Smart Scale funding to the I-64 Hampton Roads Bridge-Tunnel Expansion Project; and, ii. Authorize the Chair to finalize and execute an amendment to the Amended and Restated Project Agreement for Funding and Administration for the I-64 Hampton Roads Bridge-Tunnel Expansion Project.



**AMENDMENT TO AMENDED AND RESTATED PROJECT AGREEMENT FOR
FUNDING AND ADMINISTRATION FOR THE I-64 HAMPTON ROADS BRIDGE-
TUNNEL EXPANSION PROJECT**

This AMENDMENT TO PROJECT AGREEMENT FOR FUNDING AND ADMINISTRATION FOR THE I-64 HAMPTON ROADS BRIDGE-TUNNEL EXPANSION PROJECT (this “Amendment”) is made, entered into and effective as of [●], 2022, by and between the HAMPTON ROADS TRANSPORTATION ACCOUNTABILITY COMMISSION (the “Commission”), a body politic and a political subdivision of the Commonwealth of Virginia; and the VIRGINIA DEPARTMENT OF TRANSPORTATION (the “Department”), an agency of the Commonwealth of Virginia.

RECITALS

WHEREAS, the Commission and the Department have previously entered into the Amended and Restated Project Agreement for Funding and Administration for the I-64 Hampton Roads Bridge-Tunnel Expansion Project (the “Agreement”), dated as of December 16, 2021, for the Project, as identified and described in the Agreement;

WHEREAS, words and phrases not otherwise defined in this Amendment have the same meanings that such words and phrases have in the Agreement;

WHEREAS, in order to achieve the design and construction of the Project, the Department has entered into the Comprehensive Agreement (the form of which is attached to the Agreement as Exhibit 8), dated April 2, 2019, with Hampton Roads Connector Partners (the “Design-Builder”);

WHEREAS, Exhibit 3 to the Agreement set forth the Project Budget and Exhibit 5 to the Agreement set forth an Estimated Costs and Payout Schedule;

WHEREAS, the Project Budget is supported by a \$200,000,000 SMART SCALE award (referred to in the Agreement as the “SMART SCALE Funds”);

WHEREAS, under Section 3.08(b)(i) of the Agreement, following final action by the CTB to award the SMART SCALE Funds to the Project, the Parties were to allocate the SMART SCALE Funds to the payment of Commission-Funded Design-Build Costs, and the Commission-Controlled Moneys displaced by such allocation was to continue to be available as part of the Maximum Commission Financial Commitment through the Commission-Supported Contingency Reserves;

WHEREAS, on June 19, 2019, the CTB took final action and approved the Six-Year Improvement Program and Rail and Public Transportation Allocations For Fiscal Years 2020 – 2025 and Authorization Relating to Federal Funding that included the award of the SMART SCALE Funds to the Project;

WHEREAS, the Commission and the Department desire to amend the Agreement on the terms set forth herein to confirm when and how the SMART SCALE Funds will be used to pay Commission-Funded Design-Build Costs.

NOW, THEREFORE, in consideration of the covenants contained herein and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties agree as follows:

1. In order to clarify the timing for the application of the SMART SCALE Funds, the Parties hereby agree that Exhibit 5 to the Agreement is supplemented with the following table which shows the timing for the expenditure of the SMART SCALE Funds:

UPC 115011

	2023 and Prior	2024	2025	2026	2027	2028	Total
Federal	\$ 150,761,861	\$ 30,328,004	\$ 7,130,676	\$ 11,779,459	\$ -	\$ -	\$ 200,000,000

In connection with the foregoing, on a monthly basis throughout the period indicated, (a) the Department will apply the SMART SCALE Funds against Commission-Funded Design-Build Costs that are payable to the Design-Builder until the SMART SCALE Funds are completely expended, and (b) the Department will provide documentation to the Commission supporting such expenditures.

2. Except as modified hereby, all other terms of the Agreement shall remain full force and effect.

3. This Amendment may be executed in two or more counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties, intending to be legally bound, have executed this Amendment to Amended and Restated Project Agreement for Funding and Administration for the I-64 Hampton Roads Bridge-Tunnel Expansion Project as of the date first written above.

HAMPTON ROADS TRANSPORTATION ACCOUNTABILITY COMMISSION,
a body politic and a political subdivision of the Commonwealth of Virginia

By: _____
Name: _____
Title: _____

VIRGINIA DEPARTMENT OF TRANSPORTATION,
an agency of the Commonwealth of Virginia

By: _____
Stephen C. Brich, P.E.
Commissioner of Highways

Agenda Item 5C
Action Item

To: Chair Hipple and the other members of the Finance Committee

From: Kevin B. Page, Executive Director

Date: September 15, 2022

RE: HRTAC Debt Management Plan, Update on Financing Activities, and Next Step for HRELN Financing – Recommendation to the Commission to Authorize Commission Chair and Staff to Develop the HRTF Backed TIFIA Letter of Interest

Recommendation:

The Finance Committee is asked by Staff to recommend that the Commission authorize the Commission Chair and Staff to develop the Hampton Roads Transportation Fund (HRTF) backed TIFIA Letter of Interest for further funding of the Commission's Hampton Roads Express Lanes Network Project.

Background:

Previous Commission actions have authorized the Executive Director to explore funding options for HRTAC projects, including TIFIA. Within the approved FY2023-2028 Funding Plan, TIFIA loans are included in order to provide the necessary funds to meet the construction schedule of the projects, which include the Hampton Roads Express Lanes Network Project. In consideration of the TIFIA loan approach, HRTAC financial advisors reviewed the costs and benefits of HRTAC selling HRTF revenue bonds versus a TIFIA loan and found that TIFIA was a more cost beneficial financing vehicle. As the Commission works to implement its Approved Debt Management Plan, developing the TIFIA financing Letter of Interest for the HRELN is the next step. Finalized application, bond documents, and loan documents will be brought to the Commission at later meeting(s) in an iterative process for approval to proceed.

Fiscal Impact:

The development costs for the TIFIA Letter of Interest and loan application are included in the Approved HRTAC FY2023 Administrative and Project Development Budget.

Suggested Motion:

Motion: The Finance Committee recommends that the Commission authorize the Commission Chair and Staff to develop the Hampton Roads Transportation Fund backed



TIFIA Letter of Interest for the Commission's Hampton Roads Express Lanes Network Project, and authorizes the Finance Committee Chair to communicate this recommendation to the Commission at its next meeting.





September 2022 HRTAC Finance Committee Meeting

Agenda Item 5C: HRTAC Debt Management Plan, Update on Financing Activities, and Next Step for HRELN Financing

Agenda Item 5D: FY2023-FY2028 Plan of Finance Update – Six Year Operating and Capital Program of Projects

David Miller, PFM

Liang Shan, PFM

September 15, 2022

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**Agenda Item 5C: HRTAC Debt Management Plan, Update on
Financing Activities, and Next Step for HRELN Financing**



HRELN Construction Schedule Update

- In July 2022, VDOT provided an updated construction schedule for HRELN.

Segment	NTP	Completion
4C	Aug 2022	Dec 2026
1A	Nov 2022	Dec 2025
1B	Feb 2024	May 2027
4AB	Sept 2024	Dec 2026

- Segment 4C design-build contract has been awarded and is in scope validation phase.
- Segment 1A is expected to be awarded later in 2022.
- Segments 4AB and 1B will not complete contract procurement until 2024 – nearly 2 years from now for Segment 4AB.



HRELN Financing Update

- As TIFIA requires executed construction contracts, any TIFIA loan for Segment 4AB and 1B cannot close until 2024. However, additional debt is needed prior to 2024 to support the capital program.
- Therefore, we propose to divide the HRELN financings into two phases, as illustrated below.

Projects	Funding Sources	Debt Financing Start	Debt Financing Complete
Funding Phase 1 Segment 4C	HRTF TIFIA Loan	Fall 2022	Fall 2023
	HRTF Paygo	n.a.	n.a.
Funding Phase 2 Segment 1A, 1B, and 4AB	HRTF Bonds	Late 2023	Early 2024
	Toll TIFIA Loan	Fall/Late 2023	Fall 2024

- The groupings/phases are for TIFIA loan application purposes, for instance:
 - Submit a new HRTF Loan application to fund 33% of eligible costs for Segment 4C
 - Submit a new Toll Revenue Loan application to fund 33% of eligible costs for Segments 1A, 1B, and 4AB
- Although construction contract for Segment 1A is expected to be awarded later in 2022, it is moved to Funding Phase 2 to increase eligible costs for the Toll Revenue Loan borrowing.



HRELN Funding Plan Update

- This overall debt financing structure, including new debt elements, is consistent with what the Commission endorsed in June 2022. It is now divided into two pieces/phases.

	Segment 4C	Segment 1A, 1B, and 4AB	HRELN Total
Project Costs	\$429,754,878	\$612,831,943	\$1,042,586,821
Toll Integration	\$2,149,254	\$23,650,660	\$25,799,914
Total Costs	\$431,904,132	\$636,482,603	\$1,068,386,735
HRTAC Funding			
HRTF TIFIA Loan	\$142,528,364		\$142,528,364
HRTF Paygo	\$284,520,514		\$284,520,514
Toll TIFIA Loan		\$265,719,446	\$265,719,446
HRTF Bonds		\$166,312,497	\$166,312,497
Total	\$427,048,878	\$432,031,943	\$859,080,821
Bridge Funding*	\$2,706,000	\$63,300,000	\$66,006,000
VDOT IOEP Funding		\$24,400,000	\$24,400,000
CTB/VDOT Funding		\$93,100,000	\$93,100,000
VDOT - Toll Integration Funding	\$2,149,254	\$23,650,660	\$25,799,914

**Include VDOT Bridge funding and IIJA Bridge funding*

- The funding plan is subject to change, primarily depending on toll revenue projections, final project costs, future interest rates, and TIFIA creditworthiness review.



HRELN Financing Preliminary Timeline

	HRTF TIFIA Loan	HRTF Bonds	Toll TIFIA Loan	Toll T&R Study
CY 2022				
Sept.				
Oct.	Prepare LOI			Full Update Start
Dec.	Submit LOI			
CY 2023				
May				Full Update Finish
Jul - Aug	Close Loan			
Oct - Nov		Start	Prepare LOI	Refresh
CY 2024				
Feb		Complete	Submit LOI	
Dec			Close Loan	

- Highlighted in green - seeking the Commission's approval in September 2022:
 - Authorization to commence preparation of the TIFIA Letter of Interest for the next HRTF TIFIA Loan (no binding HRTAC binding obligation until the loan is closed)
 - TIFIA BANs will be evaluated in early 2023



HRELN Traffic and Revenue Study Update

- An investment grade study was completed in 2020 to support the HRBT/HRELN Project's toll debt financing.
- A study update is needed to support the HRELN's toll debt financing.
- A summary of the updates is as follows:
 - Expand the scope of study from the existing Segment 1, Segment 2 and 3 to the planned full build configuration of the entire HRELN
 - Incorporate the summer weekend study completed in 2021
 - Refresh economic analysis
 - Collect and analyze 2021 regional network traffic counts and speed data & Segment 1 T&R
- Funding for this effort can be supported by the existing HRTAC FY 2023 Project Development Budget.



Alternative to the 2023 HRTF TIFIA Loan

- If HRTAC does not apply for the 2023 HRTF TIFIA Loan, then it will need to issue HRTF bonds to help fund HRELN
- HRTAC may issue the HRTF bonds in any of the three established HRTF debt liens:
 - Senior lien bonds are less costly than intermediate lien or subordinate lien bonds
 - Adding more senior lien bonds now will reduce the senior lien capacity for future projects' financing
 - However, for this analysis, assume the HRTF bonds are issued on the senior lien
- Key comparison of TIFIA Loan and Bonds
 - TIFIA has a flat loan rate, regardless of the loan term and loan credit
 - The bonds' interest rates are determined by the bonds' term and credit. The longer the term and the lower the credit rating, the higher the interest rates
 - TIFIA allows for long-dated and ascending debt structures without an increase in the interest rate



HRTF TIFIA Loan vs. HRTF Bonds Comparison

	Subordinate Lien HRTF 2023 TIFIA Loan [Assume Aa3/A-/NR rated]	Senior Lien HRTF Revenue 2023 Bonds [Assume Aa2/AA/AA+ rated]
First Draw Date/Bond Issuance Date	4/1/2023	4/1/2023
Financed Project Costs (millions)	\$142.5	\$142.5
Interest Rate	8/17/2022 market rates plus 100 bps	8/17/2022 market rates plus 100 bps
Upfront Financing Expenses (millions)		
Debt Service Reserve Fund	\$9.1	n.a
Issuance Expenses	\$0.8	\$0.9
First Maturity	7/1/2028	7/1/2028
Final Maturity	7/1/2061	7/1/2062
TIFIA Loan Rate	4.15%	n.a
Bonds TIC	n.a	4.72%
Bonds Arbitrage Rate	n.a	4.47%
Total Debt Repayments - Future Value (millions)	\$310.5	\$323.2
Total Debt Repayments - Present Value* (millions)	\$144.4	\$155.5

*Use TIFIA Interest rate to discount to 4/1/2023

- This analysis includes all issuance expenses for implementing either a TIFIA loan or HRTF Bonds.
- The analysis indicates that even assuming the most economical form of the alternatives (senior lien HRTF revenue bonds), TIFIA is still a better option which costs lower overall debt service.



Debt Management Plan Optimization

- Since 2018, HRTAC's financing team has identified multiple strategies to optimize the debt management plan to achieve present value interest savings of \$551 million:
 - Utilize TIFIA Loans vs. issue higher cost HRTF Bonds

Debt	Loan Amount (\$MM)	Savings (\$MM)
2019 HRTF TIFIA Loan	\$501	\$125
2021 HRTF TIFIA Loan	\$818	\$309

- Utilize TIFIA interim financing (TIFIA BANs) vs. drawing down the loans directly for construction

Debt	BANs Par (\$MM)	Savings (\$MM)
2019A HRTF TIFIA BANs	\$414	\$22
2021A HRTF TIFIA BANs	\$818	\$33

- Cash defeasance of selected 2018A Bonds

Debt	Defeased Par (\$MM)	Savings (\$MM)
A portion of HRTF Series 2018A	\$364	\$25

- 2019/2021 HRTF TIFIA Successor Loan rate reset

Debt	Loan Amount (\$MM)	Savings (\$MM)
2019/2021 HRTF TIFIA Successor Loan	\$501	\$37



Investment Strategy for the HRTF 2019/2021 Successor TIFIA Loan

- The Loan amount is \$501 million, and HRTAC drew \$100 million in June 2022, leaving \$401 million undrawn.
- The Loan rate was reset to 1.86% in September 2021.
- The current investment rate is 2.39%, and the short-term investment market anticipates that very short-term securities will yield over 3% during calendar years 2023 and 2024*.
- Given these assumptions, it is recommended that HRTAC accelerate the draws of remaining amounts in October 2022 rather than utilizing paygo to cover project spending through project completion.

	Previous Draw Schedule (\$MM)	New Draw Schedule (\$MM)
Oct 2022		\$401
Jan 2023	\$100	
Aug 2023	\$200	
Dec 2023	\$101	
Total	\$401	\$401

*The accelerated draw is expected to produce additional \$2.9 million investment earnings**.*

*LGIP rate as of 9/6/2022 is 2.39%; future projections provided by CME Group

** Investment earning rate assumptions: now to Dec 2022 2.39%, Q1 2023 2.8%, Q2 2023 3.0%, Q3-Q4 2023 3.125%; assume the loan proceeds will be spent starting Q3 2023.



Agenda Item 5D: FY2023-FY2028 Plan of Finance Update –
Six Year Operating and Capital Program of Projects



Highway Regional Priority Projects FY2023-2028 Plan of Finance Update – Six Year Operating and Capital Program of Projects

Proposed Changes in this Update:

- For Admin & Project Development Costs Category, the Independence Boulevard Interchange IAR and \$1.25M is added in FY2023
- For HRBT, include \$200M committed SMART SCALE funding, supplanted by IIJA funding.
- For HRELN, include Bridge – IIJA funding provided by VDOT
- HRELN costs and funding sources are updated



Highway Regional Priority Projects (in \$MM) - Addition of Independence Boulevard Interchange IAR

Highway Regional Priority Projects Costs and Expenses

	Prior Years	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	Total	HRTAC HRTF Paygo	HRTAC HRTF Debt	HRTAC Toll Debt	VDOT & Other	Federal*
Admin & Project Development Costs**	\$25	\$8	\$8	\$8	\$8	\$7	\$7	\$71	\$71				
I-64 Peninsula Widening	\$531							\$531		\$310			\$221
I-64/I-264 Interchange Improvement	\$362							\$362	\$10	\$280			\$72
I-64 Southside/High Rise Bridge Project Development	\$527							\$527		\$432			\$95
HRBT	\$46							\$46	\$46				
HRELN***	\$2,284	\$546	\$532	\$369	\$32			\$3,762	\$1,269	\$1,948	\$345		\$200
	\$41	\$150	\$306	\$296	\$215	\$61		\$1,068	\$285	\$309	\$266	\$151	\$58
Total	\$3,816	\$704	\$845	\$673	\$255	\$67	\$7	\$6,367	\$1,680	\$3,279	\$611	\$540	\$258

Funding Sources

	Prior Years	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	Total
Federal*		\$151	\$36	\$25	\$31	\$15		\$258
VDOT & Other		\$389	\$33	\$62	\$37	\$17	\$1	\$540
HRTAC HRTF Paygo		\$432	\$403	\$550	\$137	\$99	\$52	\$1,680
HRTAC HRTF Debt		\$2,995	\$116	\$168				\$3,279
HRTAC Toll Debt				\$29	\$474	\$108		\$611
Total		\$3,816	\$704	\$845	\$673	\$255	\$67	\$6,367

*For HRBT, include \$200M committed SMART SCALE funding, supplanted by IIJA funding. For HRELN, include Bridge – IIJA funding

**For Admin & Project Development Costs Category, the Independence Boulevard Interchange IAR and \$1.25M is added in FY2023

***HRELN costs and funding sources are updated



HRTF Cash Flow

	Prior Years	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	Total
Revenues								
HRTF Tax Revenues:								
Sales Tax	\$1,268,731,211	\$186,800,000	\$192,200,000	\$197,000,000	\$198,200,000	\$199,200,000	\$200,000,000	\$2,442,131,211
Fuels Tax	\$410,992,465	\$58,900,000	\$59,700,000	\$60,200,000	\$60,700,000	\$61,700,000	\$63,100,000	\$775,292,465
Total	\$1,679,723,676	\$245,700,000	\$251,900,000	\$257,200,000	\$258,900,000	\$260,900,000	\$263,100,000	\$3,217,423,676
Investment Revenues:								
Interest Income	\$2,358,847	\$4,631,563	\$3,076,139	\$1,755,847	\$1,286,241	\$2,314,314	\$2,360,870	\$17,783,821
Investment Income	\$60,840,417	\$12,844,458	\$9,334,185	\$4,451,023	\$3,758,114	\$4,905,259	\$6,074,006	\$102,207,462
Total	\$63,199,264	\$17,476,021	\$12,410,324	\$6,206,870	\$5,044,355	\$7,219,573	\$8,434,876	\$119,991,283
Total Revenues	\$1,742,922,940	\$263,176,021	\$264,310,324	\$263,406,870	\$263,944,355	\$268,119,573	\$271,534,876	\$3,337,414,959
Payments								
HRTF Debt Payments:	\$179,922,882	\$56,250,225	\$60,260,350	\$77,003,978	\$77,517,818	\$107,165,291	\$116,910,444	\$675,030,989
HRTF Subordinate Lien DSRF - Ongoing Deposit			\$859,844	\$915,318	\$476,397		\$1,163,419	\$3,414,979
HRTF Admin & Proj. Dev. Budget	\$24,789,106	\$7,140,611	\$7,515,494	\$7,910,057	\$8,325,335	\$6,618,702	\$6,966,184	\$69,265,489
HRTF Operating Reserve Fund Deposit (Release)	\$7,854,673	\$412,370	\$434,020	\$456,806	-\$1,877,296	\$382,230	\$402,297	\$8,065,099
Total	\$32,643,779	\$7,552,982	\$7,949,513	\$8,366,863	\$6,448,039	\$7,000,932	\$7,368,481	\$77,330,588
Paygo Allocation to Highway Projects	\$406,792,848	\$396,151,866	\$542,873,689	\$129,136,161	\$90,350,688	\$45,175,350		\$1,610,480,602
Paygo Payments to Financing Costs:								
Toll TIFIA DSRF - Initial Deposit							\$39,611,267	\$39,611,267
Tolling M&R Reserve - Initial Deposit								\$9,000,000
Toll Revenue Stabilization Fund								\$10,000,000
HRTF TIFIA DSRF - Initial Deposit		\$27,515,023					\$48,703,981	\$76,219,004
2021 Successor Loan Reimbursement		-\$83,996,867						-\$83,996,867
2018A Cash Defeasance	\$412,791,056							\$412,791,056
Total	\$412,791,056	-\$56,481,844						\$463,624,460
Total Payments	\$1,024,295,893	\$403,473,229	\$611,943,397	\$215,422,320	\$183,792,942	\$208,045,555	\$175,053,611	\$2,829,881,619
HRTF Cash Unobligated								
Annual Deposit (Draws)		-\$140,297,208	-\$347,633,073	\$47,984,550	\$80,151,413	\$60,074,018	\$96,481,265	\$507,533,340
Carry Over from Prior Year		\$710,772,374	\$570,475,167	\$222,842,094	\$270,826,643	\$350,978,057	\$411,052,075	
Ending Balance		\$710,772,374	\$570,475,167	\$222,842,094	\$270,826,643	\$350,978,057	\$411,052,075	\$507,533,340

* Negative annual deposits indicate drawing on the previous year's cash available balance

** Paygo Allocation to Highway Projects does not include admin and project development cost payments

*** Interest payments on the 2018A Bonds are TIFIA eligible costs, and HRTAC can apply \$84M borrowed under the related TIFIA loan agreement to reimburse itself for prior use of HRTF revenues to make the interest payments



Toll Revenue Cash Flow

	Prior Years	FY 2025	FY 2026	FY 2027	FY 2028	Total
Revenues						
Gross Revenues		\$11,134,939	\$29,929,650	\$42,591,281	\$47,395,565	\$131,051,434
Investment Earnings				\$254,460	\$511,790	\$766,250
<i>Total Revenues</i>		<u>\$11,134,939</u>	<u>\$29,929,650</u>	<u>\$42,845,741</u>	<u>\$47,907,355</u>	<u>\$131,817,685</u>
Payments						
Tolling O&M Expenditure		\$202,656	\$13,632,153	\$15,937,751	\$16,863,792	\$46,636,352
Tolling O&M Reserve Deposit				\$576,400	\$231,510	\$807,910
Debt Service Fund - Mandatory						
Debt Service Fund - Scheduled					\$20,105,535	\$20,105,535
TIFIA DSRF Deposit						
Tolling M&R Reserve			\$13,037,998	\$26,331,590	\$11,463,354	\$50,832,941
<i>Total Payments</i>		<u>\$202,656</u>	<u>\$26,670,150</u>	<u>\$42,845,741</u>	<u>\$48,664,192</u>	<u>\$118,382,739</u>
Toll Revenues Unobligated						
Annual Deposit(Draws)		\$10,932,284	\$3,259,499		-\$756,837	\$13,434,946
Carry Over from Prior Year			\$10,932,284	\$14,191,783	\$14,191,783	
Ending Balance		\$10,932,284	\$14,191,783	\$14,191,783	\$13,434,946	

Thank You



Agenda Item 5D
Action Item

To: Chair Hipple and the other members of the Finance Committee

From: Kevin B. Page, Executive Director

Date: September 15, 2022

FY2023-FY2028 Plan of Finance Update – Six Year Operating and Capital Program of Projects – Independence Boulevard Interchange

Recommendation:

The HRTAC Staff recommends that the Finance Committee make recommendation to the Commission to: i. Endorse the VDOT request for the allocation of \$1,250,000.00 for the I-264 Independence Boulevard Interchange Improvements – Full Interchange Access Report Development; and, ii. Authorize the Executive Director to conduct a public hearing on the addition of the I-264 Independence Boulevard Interchange Improvements Interchange Access Report (IAR) to the Approved FY2023-FY2028 Plan of Finance Update – Six Year Operating and Capital Program of Projects.

Background:

As the I-64/I-264 Interchange Phase I and Phase II projects near full completion and in review of project developmental activities in the Approved HRTAC 2045 Long Range Funding Plan, VDOT has requested funding to conduct a full Interchange Access Report (IAR) for the I-264/Independence Boulevard Interchange and I-264 Widening projects between the Witchduck Road and Independence Boulevard interchanges.

The Virginia Department of Transportation (VDOT) and the City of Virginia Beach have been engaged in conducting a recently completed operational analysis for the I-264/Independence Blvd Interchange to determine the needed I-264/Independence Boulevard Interchange and I-264 Widening improvements, timing and phasing of the work. In the attached letter, VDOT and the City of Virginia Beach are collectively recommending an IAR be prepared to fully evaluate these locations.

Before adding the I-264 Independence Boulevard Interchange Improvements Access Report Development to the Six Year Improvement Plan, HRTAC needs to conduct a public hearing to seek public comments to advise the Commission at a future meeting prior to action on the addition of the I-264 Independence Boulevard Interchange Improvements IAR.



Fiscal Impact:

There is no fiscal impact to the Hampton Roads Transportation Fund to endorse and authorize the public hearing. An HRTF investment of \$1,250,000.00 will be necessary to perform the full IAR.

Suggested Motion:

Motion is that the Finance Committee recommends that the Commission i. Endorse the VDOT request for the allocation of \$1,250,000.00 for the I-264 Independence Boulevard Interchange Improvements – Full Interchange Access Report Development; and, ii. Authorize the Executive Director to conduct a public hearing on the addition of the I-264 Independence Boulevard Interchange Improvements Interchange Access Report to the Approved FY2023-FY2028 Plan of Finance Update – Six Year Operating and Capital Program of Projects; and, iii. Authorizes the Finance Committee Chair to communicate said recommendation to the Commission at its next meeting.





COMMONWEALTH of VIRGINIA

DEPARTMENT OF TRANSPORTATION
HAMPTON ROADS DISTRICT
7511 Burbage Drive
SUFFOLK, VIRGINIA 23435

Stephen C. Brich, P.E.
Commissioner

July 18, 2022

Mr. Kevin B. Page
Executive Director
Hampton Roads Transportation Accountability Commission
The Regional Building
723 Woodlake Drive
Chesapeake, VA, 23320

RE: I-264 Widening & I-264/Independence Blvd Interchange Access Report (IAR) Request

Dear Mr. Page:

We are writing to follow up on our recent discussion on accelerating the development of a full Interchange Access Report (IAR) for the I-264/Independence Boulevard Interchange and I-264 Widening projects.

The Virginia Department of Transportation (VDOT) and the City of Virginia Beach have recently been discussing opportunities to advance the above referenced projects which are currently in the region's 2045 Long Range Transportation Plan (LRTP) and the Hampton Roads Transportation Accountability Commission's (HRTAC) 2045 Long Range Plan of Finance.

VDOT recently completed an operational analysis for the I-264/Independence Blvd Interchange to determine the needed I-264/Independence Boulevard Interchange and I-264 Widening improvements, timing and phasing of the work. VDOT and the City of Virginia Beach are collectively recommending an IAR be prepared to fully evaluate these locations.

VDOT requests an investment of \$1.25 million to perform the full IAR referenced above.

We respectfully request that the HRTAC implement the necessary steps to redirect funds to proceed with this Interchange Access Report. Given the scope of the project and the potential funding opportunities that might be available such as BIL, it would be prudent to complete the IAR as soon as possible.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Christopher G. Hall, P.E.".

Christopher G. Hall, P.E.
District Engineer
Hampton Roads District
Virginia Department of Transportation

A handwritten signature in black ink, appearing to read "Patrick A. Duhaney".

Patrick A. Duhaney
City Manager
City of Virginia Beach

Agenda Item 5E
Action Item

To: Chair Hipple and the other members of the Finance Committee

From: Kevin B. Page, Executive Director

Date: September 15, 2022

RE: Consulting Engineer Services Engagement for HRELN

Recommendation:

The Finance Committee is asked by Staff to recommend that the Commission authorize the Commission Chair and Staff to prepare for the engagement of Consulting Engineer Services for the Hampton Roads Express Lanes Network Project.

Background:

HRTAC's Approved FY2023 Administrative and Project Development budget includes a \$400,000 line item for a "Consulting Engineer".

Under HRTAC's loan agreements with TIFIA relating to the HRBT project (one loan is backed by toll financing, while the other is backed by the HRTF) and the terms of the Master Toll Indenture, HRTAC is required to retain a Consulting Engineer to perform certain responsibilities for the benefit of both HRTAC and the lender/US DOT. This role "activates" prior to the initial loan disbursement under the toll -backed TIFIA loan agreement and continues for the life of the loans. Whether VDOT, by agreement, or a third party engaged by HRTAC serves the role, HRTAC must be prepared to bear the cost of the services in light of its obligations to retain such an entity.

In addition to the loan agreement and Master Toll Indenture requirements, under the Master Agreement for Development and Tolling, HRTAC will have the responsibility to perform the "tolling operations and maintenance duties" for the Hampton Roads Express Lanes Network. It is likely that HRTAC will either subcontract with VDOT or a third party for the performance of such duties. If HRTAC desires to engage VDOT, HRTAC must notify VDOT by July 1, 2023. During this fiscal year, HRTAC Staff will develop and provide information and recommendations to HRTAC's governing members in order to assist in this decision. As part of this workstream, a third-party consultant, which may be a professional engineering firm experienced in tolling/express lane operations, may be necessary to assist HRTAC in the development of information, evaluation of alternatives and formulation of recommendations to the governing body.

In addition to preparatory evaluation prior to the July 1, 2023 decision to notify VDOT of



tolling duties, efficiencies may be realized by using the same engineer for the Consulting Engineer role under the TIFIA loan agreements.

A Summary of the Purpose of the Consulting Engineer is attached to this Decision Brief.

Fiscal Impact:

While HRTAC's Approved FY2023 Administrative and Project Development budget already includes a \$400,000 line item for a "Consulting Engineer," (which is anticipated to greater than needed).

Suggested Motion:

Motion: The Finance Committee recommends that the Commission authorize the Commission Chair and Staff to prepare for the engagement of Consulting Engineer Services for the Hampton Roads Express Lanes Network, which may include procurement of an independent third-party consultant, and authorizes the Finance Committee Chair to communicate this recommendation to the Commission at its next meeting.



Summary of Purpose of Consulting Engineer

(i) HRTAC's FY2023 budget has a \$400,000 line item for a "Consulting Engineer", why?

A: That is a placeholder in case HRTAC needs to retain one this fiscal year.

(ii) Why would HRTAC need one?

A1: Under HRTAC's loan agreements with TIFIA relating to the HRBT project (one loan is backed by toll financing, while the other is backed by the HRTF) and the terms of the Master Toll Indenture (TIFIA has an interest in that indenture because the TIFIA toll loan is evidenced by a bond that is issued under the indenture), HRTAC is required to retain a Consulting Engineer to perform certain responsibilities (outlined below) for the benefit of both HRTAC and the lender/US DOT. This role "activates" prior to the initial loan disbursement under the toll –backed TIFIA loan agreement and continues for the life of the loans.

A2: See also Q.(v) below.

(iii) What do the loan agreements say about the Consulting Engineer's role?

A1: The Consulting Engineer is responsible to advise US DOT with respect to "all technical matters" related to HRTAC's compliance under the loan agreements and related documents.

A2: Further, among other things: (1) before disbursements may be made under the toll loan agreement, the Consulting Engineer must confirm that the funds described in the Financial Plan most recently submitted to US DOT as being available and committed to pay for Project costs will be sufficient to complete the Project in accordance with the construction schedule, and (2) the Consulting Engineer plays a role in helping to estimate/establish reserves under the Indenture.

(iv) Could VDOT serve as the Consulting Engineer under those agreements/documents?

A: Possibly. When the parties entered into the loan agreements and the supporting terms of the Toll Indenture were adopted, US DOT required that the Toll Indenture identify a Consulting Engineer. Because there wasn't such an engineer under contract at that point, HRTAC was able to persuade US DOT to allow VDOT to be considered the initial Consulting Engineer. In the context of the Indenture, the Consulting Engineer plays the estimating role, among others. In the context of the loan agreements, the Consulting Engineer advises US DOT and provides information relied on by US DOT. Before disbursements are made under the loan agreements, US DOT will have to approve the Consulting Engineer named for purposes of the loan agreements. Whether either VDOT or US DOT feels that VDOT or a third party is appropriate is yet to be determined. Whether VDOT or a third party serves the role, HRTAC must be prepared to bear the cost of the services in light of its obligations to retain such an entity.

(v) Does HRTAC anticipating needing engineering services for anything else?

A: Under the Master Tolling Agreement, HRTAC will have the responsibility to perform the “tolling operations and maintenance duties”. HRTAC will either subcontract with VDOT or a third party for the related services. If HRTAC desires to engage VDOT, HRTAC must notify VDOT by July 1, 2023. Very soon, HRTAC will look to begin discussions with VDOT regarding this subject, so staff can develop the information that HRTAC’s governing members will need to make a decision. As part of this workstream, a third-party consultant may be necessary. HRTAC will consider whether efficiencies may be realized by using the same engineer that is retained for the Consulting Engineer role under the TIFIA loan agreements.



**HAMPTON ROADS TRANSPORTATION FUND and
HAMPTON ROADS REGIONAL TRANSIT FUND
FINANCIAL REPORTS
FY2014 – FY2022
Period Ending May 31, 2022**

The HRTAC staff has prepared the attached May 2022 financial report based on data received to date from the Virginia Department of Transportation.

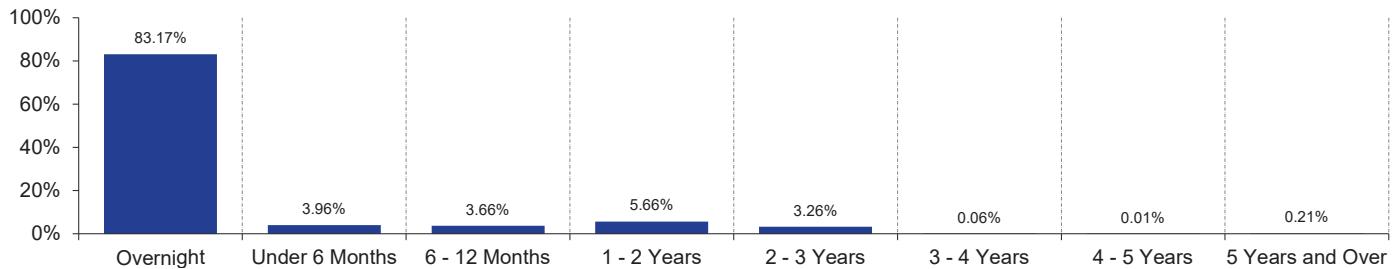
<u>Revenues</u>	<u>Inception to May 2022</u>	<u>FY2022 YTD</u>	<u>May 2022</u>
Total Gross Revenues¹	4,577,983,352	1,240,774,198	24,589,570
State Sales & Use Tax	1,260,245,123	165,459,947	15,841,010
Local Fuels Tax	408,754,784	54,013,734	4,950,936
Regional Transportation Fees	16,142,206	8,586,744	794,223
Transient Occupancy Tax	8,772,209	7,300,517	843,436
Annual Recordation Tax Distribution	40,000,000	20,000,000	-
Interest	4,703,201	335,984	36,445
Investment Income	69,903,847	(3,692,680)	2,123,520
Bond Proceeds	2,769,461,982	988,769,952	-
<u>Expenditures</u>	<u>Inception to May 2022</u>	<u>FY2022 YTD</u>	<u>May 2022</u>
Total Expenditures	2,402,553,333	561,708,905	70,800,898
Projects	2,222,912,196	509,239,498	65,164,937
DMV & DOT Admin. Fees	976,653	-	-
Investment Fees	1,805,032	213,922	19,727
Bond Interest Expenses	157,824,219	46,981,062	4,421,500
Operating Expenses	19,035,233	5,274,423	1,194,734
<u>Cash Balance</u>			
May 31, 2022 Ending Cash/Cash Equivalents			2,175,430,019
<u>Encumbered Balance</u>			
Balance of Encumbered (through FY2027)			2,517,359,064
Allocation			4,740,271,260
Less: Project Expenditures			2,222,912,196

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.

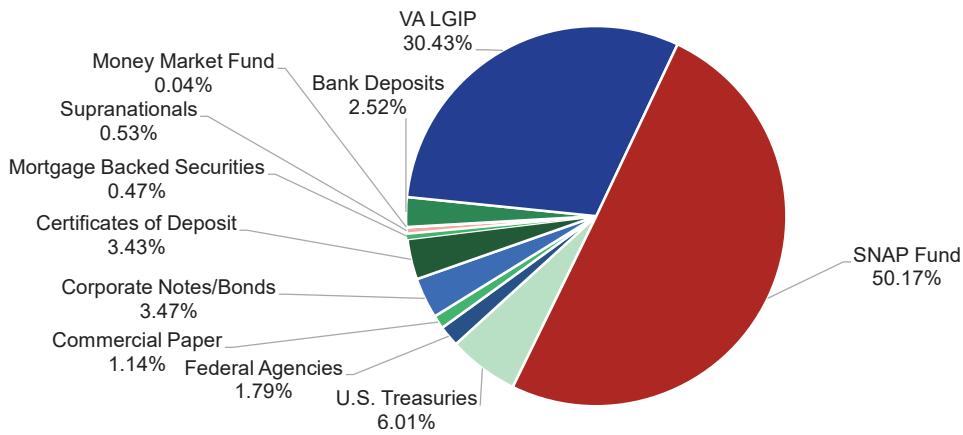
Hampton Roads Transportation Fund
Summary of Cash and Investments
For May 2022

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	0.05%
Union Sweep	0.39%	0.39%	7,274,054	7,274,054	0.36%
Union Money Market	0.39%	0.39%	4,973	4,973	0.00%
Union General	0.39%	0.39%	43,013,266	43,013,266	2.11%
VA LGIP	0.72%	0.72%	620,392,566	620,392,566	30.43%
Enhanced Cash Portfolio	0.57%	2.12%	212,871,585	209,688,555	10.29%
Core Portfolio	0.84%	2.55%	138,451,022	134,294,237	6.59%
SNAP Fund	0.88%	0.88%	1,022,788,524	1,022,788,524	50.17%
Total			\$ 2,045,795,991	\$ 2,038,456,176	100.00%

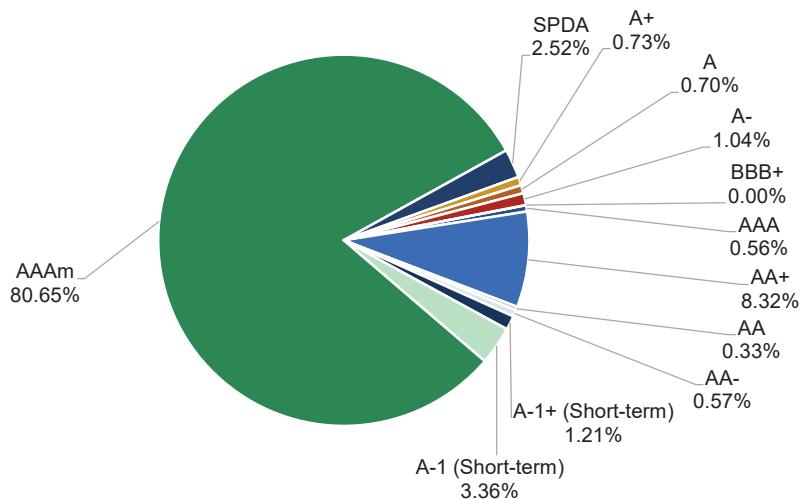
Total Maturity Distribution



Sector Distribution



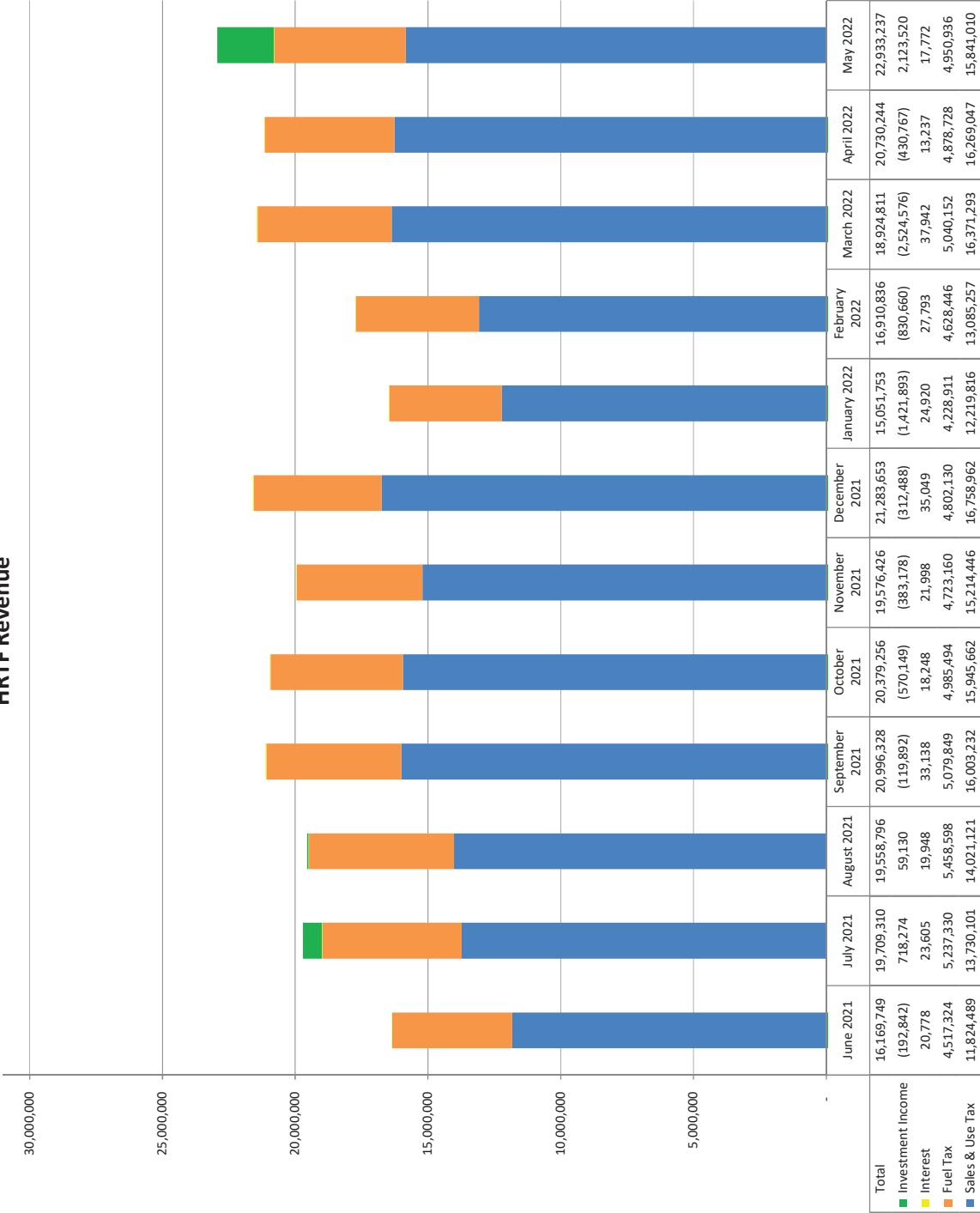
Credit Distribution



All charts are based on market value as of 5/31/22

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 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, 5.5% Estimated Sales & Use Tax revenue.

Hampton Roads Transportation Fund (HRTF)
 Interest and Investment Income
 Inception - May 2022

	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	Total
HRTF Interest Income	\$ 363,854	\$ 1,027,959	\$ 272,261	\$ 291,738	\$ 321,499	\$ 1,000,093	\$ 669,108	\$ 363,660	\$ 273,650	\$ 4,583,823
HRTF Investment Income	-	368,310	3,993,773	980,870	8,868,404	29,869,111	26,275,750	3,240,310	(3,692,680)	69,903,847
Total	\$ 363,854	\$ 1,396,269	\$ 4,266,033	\$ 1,272,608	\$ 9,189,903	\$ 30,869,204	\$ 26,944,858	\$ 3,603,970	\$ (3,419,030)	\$ 74,487,670

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 and FY2020 includes income from PFMAM (US Bank) 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

	Gross Revenue						Expenditures					Cumulative Balance 7/1/13 - 5/31/22
	Sales & Use Tax	Fuels Tax	Interest	Investment Income	Bond Proceeds	Total	Projects	Dept of Tax Admin Fee	Investment Fees	Bond Expenses	Operating Expenses	
<i>July 2013 - May 2021</i>	\$ 1,082,960,687	\$ 350,223,776	\$ 4,289,396	\$ 73,789,367	\$ 1,780,692,030	\$ 3,291,955,206	\$ 1,533,606,420	\$ 909,463	\$ 1,571,514	\$ 115,002,571	\$ 12,869,538	\$ 1,663,959,506
<i>June 2021</i>	11,824,489	4,517,324	20,778	(197,842)	-	16,169,751	179,466,747	67,190	19,596	(4,159,414)	724,897	176,119,017
<i>July 2021</i>	13,730,101	5,237,330	23,605	718,274	-	19,709,310	-	-	20,216	4,501,211	65,198	4,586,624
<i>August 2021</i>	14,021,121	5,458,598	19,948	59,130	-	19,558,796	29,247,514	-	20,242	4,501,211	237,386	34,006,351
<i>September 2021</i>	16,003,232	5,079,849	33,138	(119,892)	988,769,952	1,009,766,281	37,799,809	-	19,329	5,410,089	1,500,077	44,729,304
<i>October 2021</i>	15,945,662	4,985,494	18,248	(570,149)	-	20,379,256	44,884,841	-	19,433	4,913,362	692,328	50,509,964
<i>November 2021</i>	15,214,446	4,723,160	21,998	(383,178)	-	19,576,426	45,568,181	-	18,984	4,913,362	457,040	50,957,567
<i>December 2021</i>	16,758,962	4,802,130	35,049	(312,488)	-	21,283,653	68,569,919	-	19,729	4,913,362	24,372	73,527,383
<i>January 2022</i>	12,219,816	4,228,911	24,920	(1,421,893)	-	15,051,753	50,048,580	-	19,701	4,913,362	110,834	55,092,478
<i>February 2022</i>	13,085,257	4,628,446	27,793	(830,660)	-	16,910,836	55,264,823	-	17,773	4,913,362	595,280	60,791,238
<i>March 2022</i>	16,371,293	5,040,152	37,942	(2,524,576)	-	18,924,811	112,597,893	-	19,705	4,913,362	84,191	117,615,151
<i>April 2022</i>	16,269,047	4,878,728	13,237	(430,767)	-	20,730,244	93,002	-	19,083	(1,333,120)	187,288	(1,033,748)
<i>May 2022</i>	15,841,010	4,950,936	17,772	2,123,520	-	22,933,237	65,164,937	-	19,727	4,421,500	1,193,985	70,800,149
<i>Total 12 Months</i>	\$ 177,284,436	\$ 58,531,058	\$ 294,427	\$ (3,885,520)	\$ 988,769,952	\$ 1,220,994,353	\$ 688,706,246	\$ 67,190	\$ 233,518	\$ 42,821,648	\$ 5,872,876	\$ 737,701,478
<i>Grand Totals</i>	\$ 1,260,245,123	\$ 408,754,784	\$ 4,583,823	\$ 69,903,847	\$ 2,769,461,982	\$ 4,512,949,559	\$ 2,222,312,666	\$ 976,653	\$ 1,805,032	\$ 157,824,219	\$ 18,742,414	\$ 2,401,660,984
<i>Less Balance of Encumbered</i>												\$ (2,480,816,498)
<i>Total Net Available*</i>												\$ (369,527,922)

Notes:

* Total Net Available does not include TIFIA loans not drawn on or HRTF future revenues through FY2027.

Table 1 - Total HRTF Revenues

Hampton Roads Transportation Fund (HRTF)

*Total of Sales & Use Taxes and Fuels Taxes**Fiscal Year 2022*

Locality	Total FY2014 - FY2021	Previous FY2022	May 2022	Total YTD FY2022	Total
<i>Chesapeake</i>	\$ 266,103,968	\$ 36,319,995	\$ 3,812,472	\$ 40,132,467	\$ 306,236,434
<i>Franklin</i>	15,887,289	2,068,664	208,486	2,277,150	18,164,440
<i>Hampton</i>	105,769,245	14,543,834	1,500,143	16,043,978	121,813,223
<i>Isle of Wight</i>	23,105,977	3,166,378	325,881	3,492,258	26,598,236
<i>James City</i>	62,885,144	8,934,819	1,056,514	9,991,333	72,876,477
<i>Newport News</i>	154,446,946	20,960,205	2,181,223	23,141,428	177,588,374
<i>Norfolk</i>	203,710,857	27,799,340	3,016,070	30,815,410	234,526,267
<i>Poquoson</i>	3,888,635	583,401	58,413	641,813	4,530,448
<i>Portsmouth</i>	51,763,311	7,187,800	729,452	7,917,251	59,680,562
<i>Southampton</i>	7,632,617	1,031,633	107,952	1,139,585	8,772,202
<i>Suffolk</i>	76,263,338	11,301,452	1,114,120	12,415,572	88,678,910
<i>Virginia Beach</i>	385,270,813	53,206,177	5,626,035	58,832,212	444,103,025
<i>Williamsburg</i>	28,954,564	3,012,297	177,140	3,189,437	32,144,000
<i>York</i>	63,843,522	8,565,741	878,046	9,443,787	73,287,309
Total ^d	1,449,526,226	198,681,735	20,791,946	219,473,681	1,668,999,907
Interest ^a	4,310,173	255,878	17,772	273,650	4,583,823
Investment Income ^b	73,596,527	(5,816,200)	2,123,520	(3,692,680)	69,903,847
Bond Proceeds	1,780,692,030	988,769,952	-	988,769,952	2,769,461,982
Total Revenues	3,308,124,956	1,181,891,366	22,933,237	1,204,824,603	4,512,949,559
Project Expenses	(1,713,073,168)	(444,074,561)	(65,164,937)	(509,239,498)	(2,222,312,666)
DMV & Dept. of Tax Admin Fees	(976,653)	-	-	-	(976,653)
Investment Fees (PFMAM)	(1,591,109)	(194,196)	(19,727)	(213,922)	(1,805,032)
Bond Interest Expenses ^e	(110,843,157)	(42,559,562)	(4,421,500)	(46,981,062)	(157,824,219)
Operating Expense	(13,594,435)	(3,953,994)	(1,193,985)	(5,147,979)	(18,742,414)
Cash Balance	\$ 1,468,046,432	\$ 691,109,053	\$ (47,866,912)	\$ 643,242,142	\$ 2,111,288,575
Less Balance of Encumbered	(2,945,491,388)				(2,480,816,498)
Net Available Cash	\$ (1,477,444,956)				\$ (369,527,922)
Updated forecast ^c	1,399,854,685	169,174,101	24,185,127	193,359,228	1,593,213,913
Total Revenue - Forecast (under)/over	\$ 49,671,541	\$ 29,507,634	\$ (3,393,181)	\$ 26,114,453	\$ 75,785,994

Notes:^a Includes interest from Union Bank money market, sweep, and general accounts, as well as Regional Tax Interest/Interest Refund Adjustments.^b FY2019 and FY2020 include income from PFMAM (US Bank), LGIP, and SNAP accounts. FY2014-2018 includes income from Sterling and Union Bank.^c 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 1A - State Sales & Use Tax

Hampton Roads Transportation Fund (HRTF)

State Sales & Use Tax

Fiscal Year 2022

Locality	Total FY2014 - FY2021	Previous FY2022	May 2022	Total YTD FY2022	Total
Chesapeake	\$ 199,026,505	\$ 27,372,273	\$ 2,888,610	\$ 30,260,884	\$ 229,287,389
Franklin	8,305,493	1,017,830	103,804	1,121,634	9,427,127
Hampton	77,006,417	10,308,700	1,078,331	11,387,032	88,393,449
Isle of Wight	13,314,438	2,111,796	225,351	2,337,147	15,651,585
James City	51,818,316	6,996,972	882,119	7,879,091	59,697,407
Newport News	120,158,841	16,155,262	1,664,446	17,819,708	137,978,548
Norfolk	159,545,962	21,360,837	2,355,571	23,716,408	183,262,370
Poquoson	2,785,976	463,251	47,946	511,197	3,297,173
Portsmouth	35,946,617	5,118,419	524,434	5,642,853	41,589,470
Southampton	3,268,679	454,353	53,417	507,770	3,776,449
Suffolk	49,410,649	7,408,959	767,770	8,176,729	57,587,378
Virginia Beach	303,628,218	42,031,626	4,455,430	46,487,055	350,115,273
Williamsburg	22,410,873	2,380,931	126,798	2,507,729	24,918,602
York	48,158,193	6,437,727	666,984	7,104,711	55,262,903
Total¹	\$ 1,094,785,176	\$ 149,618,937	\$ 15,841,010	\$ 165,459,947	\$ 1,260,245,123
Updated Forecast	1,043,862,676	117,698,693	19,010,391	136,709,084	1,180,571,760
Diff(under)/over	50,922,500	31,920,244	(3,169,381)	28,750,863	79,673,363

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 1B - Local Fuels Tax

Hampton Roads Transportation Fund (HRTF)

Local Fuels Tax

Fiscal Year 2022

Locality	Total FY2014 - FY2021	Previous FY2022	May 2022	Total YTD FY2022	Total
<i>Chesapeake</i>	\$ 67,077,466	\$ 8,947,722	\$ 923,861	\$ 9,871,583	\$ 76,949,049
<i>Franklin</i>	7,581,798	1,050,834	104,682	1,155,516	8,737,314
<i>Hampton</i>	28,762,830	4,235,134	421,812	4,656,946	33,419,776
<i>Isle of Wight</i>	9,791,540	1,054,581	100,530	1,155,111	10,946,651
<i>James City</i>	11,066,824	1,937,847	174,396	2,112,242	13,179,066
<i>Newport News</i>	34,288,108	4,804,943	516,777	5,321,721	39,609,829
<i>Norfolk</i>	44,164,893	6,438,503	660,499	7,099,002	51,263,895
<i>Poquoson</i>	1,102,659	120,150	10,467	130,616	1,233,275
<i>Portsmouth</i>	15,816,700	2,069,381	205,017	2,274,398	18,091,098
<i>Southampton</i>	4,363,938	577,280	54,535	631,815	4,995,753
<i>Suffolk</i>	26,852,698	3,892,492	346,350	4,238,843	31,091,541
<i>Virginia Beach</i>	81,642,586	11,174,552	1,170,605	12,345,157	93,987,743
<i>Williamsburg</i>	6,543,686	631,366	50,342	681,708	7,225,394
<i>York</i>	15,685,325	2,128,014	211,062	2,339,076	18,024,401
Total¹	\$ 354,741,050	\$ 49,062,799	\$ 4,950,936	\$ 54,013,734	\$ 408,754,784
Updated Forecast	355,992,009	51,475,408	5,174,736	56,650,144	412,642,153
Diff(under)/over	(1,250,959)	(2,412,609)	(223,801)	(2,636,410)	(3,887,369)

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)

*Allocations
Fiscal Year 2022*

Project	Total FY2014 - FY2021	Previous FY2022	May 2022	Total YTD FY2022	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	175,832,897	-	-	-	175,832,897
UPC 109790/106689 - Segment 3 - PE	10,000,000	-	-	-	10,000,000
UPC 109790/106689 - Segment 3 - Construction	112,893,996	-	-	-	112,893,996
<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	10,000,000	-	-	-	10,000,000
<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>HR Express Lanes Network</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	15,421,200	-	-	-	15,421,200
UPC 119637 - Segment 1A - PE/ROW/Construction	-	12,079,075	-	12,079,075	12,079,075
UPC 120863 - Segment 1B - PE/ROW/Construction	-	5,860,180	-	5,860,180	5,860,180
UPC 119824 - Segment 4A/4B - PE/ROW/Construction	-	12,421,553	-	12,421,553	12,421,553
UPC 119638 - Segment 4C - PE/ROW/Construction	-	14,203,800	-	14,203,800	14,203,800
<i>HRCS Preferred Alternative Refinement - HRBT</i>	30,000,000	-	-	-	30,000,000
UPC 110577 - SEIS					
460/58/13 Connector Study - UPC 106694 - PE	1,095,368	-	-	-	1,095,368
Bowers Hill Interchange Study - UPC 111427	7,904,630	-	-	-	7,904,630
HR Regional Connector Study - HRTPO (Remaining Projects of Third Crossing)	7,000,000	-	-	-	7,000,000
Total	\$ 4,658,564,556	\$ 44,564,608	\$ -	\$ 44,564,608	\$ 4,703,129,164

Table 3 - Expenditures
Hampton Roads Transportation Fund (HRTF)
Expenditures
Fiscal Year 2022

Project	Total FY2014 - FY2021	Previous FY2022	May 2022	Total YTD FY2022	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	155,254,086	4,305,617.31	-	4,305,617	159,559,703
UPC 109790/106689 - Segment 3 - PE	5,611,689	80,170.56	12,161	92,331	5,704,021
UPC 109790/106689 - Segment 3 - Construction	57,467,586	29,645,842.84	513,757	30,159,600	87,627,186
<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	121,035,247	285,230.12	95,098	380,328	121,415,575
UPC 17630/108041 - Phase II - PE/ROW	54,592,576	-	-	-	54,592,576
UPC 17630/108041 - Phase II - Construction	49,616,398	15,801,164.37	5,346,664	21,147,829	70,764,227
UPC 106693 - Phase III - PE & ROW	2,317,884	74,316	249,590	323,906	2,641,791
<i>I-64 Southside Widening/High-Rise Bridge</i>					
UPC 106692 - Phase I - PE	12,384,497	(195,399)	-	(195,399)	12,189,098
UPC 106692/108990 - Phase I - ROW/Construction	199,906,667	57,625,612	26,909,744	84,535,356	284,442,023
<i>I-64 HRBT Expansion Project</i>					
UPC 115008 - I-64 HRBT Expansion Project D-B Contract	935,437,999	305,702,479	30,858,773	336,561,253	1,271,999,252
UPC 115009 - I-64 HRBT Expansion Project Owners Oversight	44,329,676	24,825,855	306,430	25,132,285	69,461,961
<i>HRELN Segment 1 Phase 1 PE - UPC</i>					
UPC 117840 - Segment 1 Phase 1 - PE	4,133,745	1,487,755	-	1,487,755	5,621,500
UPC 117839 - Segment 4A/4B Phase 1 - PE	3,714,819	2,201,606	-	2,201,606	5,916,425
UPC 117841 - Segment 4C Phase 1 - PE	3,207,672	1,261,957	505,454	1,767,411	4,975,084
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	-	-	-	-	-
<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>	1,095,368	-	-	-	1,095,368
<i>Bowers Hill Interchange Study - UPC 111427</i>	3,776,804	766,234	367,266	1,133,500	4,910,304
<i>HR Regional Connector Study - HRTPO (Remaining Projects of Third Crossing)</i>	3,710,718	206,121	-	206,121	3,916,840
Total	\$ 1,713,073,167	\$ 444,074,561	\$ 65,164,937	\$ 509,239,498	\$ 2,222,312,665

Table 3A - Bond-Reimbursed Expenditures

Hampton Roads Transportation Fund (HRTF)

Bond Reimbursements

Fiscal Year 2022

Project	Total FY2014 - FY2021	Previous FY2022	May 2022	Total YTD FY2022	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	155,254,086	4,305,617.31	-	4,305,617	159,559,703
UPC 109790/106689 - Segment 3 - PE	5,611,689	80,170.56	1,944	82,115	5,693,804
UPC 109790/106689 - Segment 3 - Construction	57,467,586	29,645,842.84	97,044	29,742,887	87,210,472
<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	121,035,247	285,230.12	44,234	329,464	121,364,711
UPC 17630/108041 - Phase II - PE/ROW	54,592,576	-	-	-	54,592,576
UPC 17630/108041 - Phase II - Construction	49,616,398	15,801,164.37	369,340	16,170,505	65,786,903
UPC 106693 - Phase III - PE & ROW	-	-	-	-	-
<i>I-64 Southside Widening/High-Rise Bridge</i>					
UPC 106692 - Phase I - PE	12,384,497	(195,399)	-	(195,399)	12,189,098
UPC 106692/108990 - Phase I - ROW/Construction	199,906,667	57,625,612	369,365	57,994,977	257,901,644
<i>I-64 HRBT Expansion Project</i>					
UPC 115008 - I-64 HRBT Expansion Project D-B Contract	436,991,392	305,702,479	30,858,773	336,561,253	773,552,645
UPC 115009 - I-64 HRBT Expansion Project Owners Oversight	5,411,257	24,825,855	306,430	25,132,285	30,543,542
<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	-	-	-	-	-
<i>HRCS Preferred Alternative Refinement - HRBT</i>					
UPC 110577 - SEIS	-	-	-	-	-
460/58/13 Connector Study - UPC 106694 - PE	-	-	-	-	-
Bowers Hill Interchange Study - UPC 111427	-	-	-	-	-
<i>HR Regional Connector Study - HRTPO (Remaining Projects of Third Crossing)</i>					
Total	\$ 1,123,406,341	\$ 438,076,572	\$ 32,047,131	\$ 470,123,703	\$ 1,593,530,044

Table 3B - Non-Bond Reimbursed Expenditures

Hampton Roads Transportation Fund (HRTF)

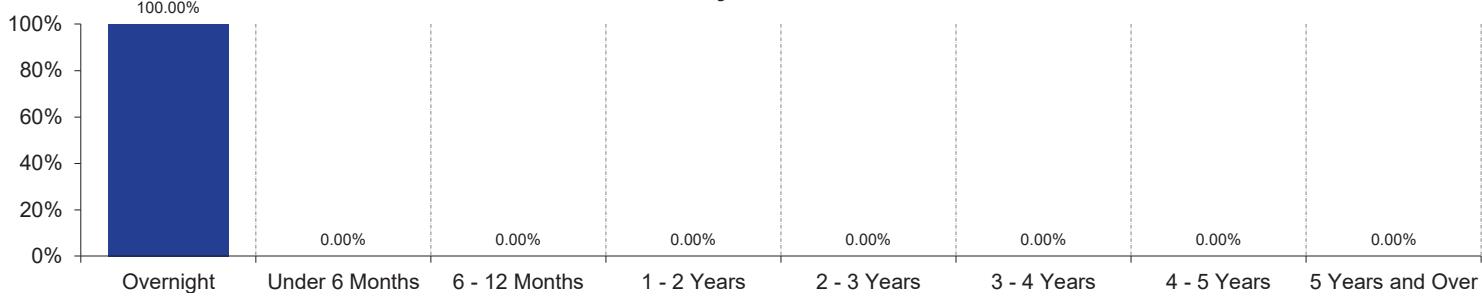
*Expenditures
Fiscal Year 2022*

Project	Total FY2014 - FY2021	Previous FY2022	May 2022	Total YTD FY2022	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	-	-	10,216	10,216.49	10,216
UPC 109790/106689 - Segment 3 - Construction	-	-	416,713	416,713.15	416,713
<i>I-64/264 Interchange Improvement</i>					
UPC 57048/108042 - Phase I - PE/ROW	-	-	-	-	-
UPC 57048/108042 - Phase I - Construction	-	-	50,864	50,864	50,864
UPC 17630/108041 - Phase II - PE/ROW	-	-	-	-	-
UPC 17630/108041 - Phase II - Construction	-	-	4,977,324	4,977,323.87	4,977,324
UPC 106693 - Phase III - PE & ROW	2,317,884	74,316	249,590	323,906	2,641,791
<i>I-64 Southside Widening/High-Rise Bridge</i>					
UPC 106692 - Phase I - PE	-	-	-	-	-
UPC 106692/108990 - Phase I - ROW/Construction	-	-	26,540,379	26,540,379	26,540,379
<i>I-64 HRBT Expansion Project</i>					
UPC 115008 - I-64 HRBT Expansion Project D-B Contract	498,446,607	-	-	-	498,446,607
UPC 115009 - I-64 HRBT Expansion Project Owners Oversight	38,918,419	-	-	-	38,918,419
<i>HRELN Segment 1 Phase 1 PE</i>					
UPC 117840 - Segment 1 Phase 1 - PE	4,133,745	1,487,755	-	1,487,755	5,621,500
UPC 117839 - Segment 4A/4B Phase 1 - PE	3,714,819	2,201,606	-	2,201,606	5,916,425
UPC 117841 - Segment 4C Phase 1 - PE	3,207,672	1,261,957	505,454	1,767,411	4,975,084
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	-	-	-	-	-
<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>	1,095,368	-	-	-	1,095,368
<i>Bowers Hill Interchange Study - UPC 111427</i>	3,776,804	766,234	367,266	1,133,500	4,910,304
<i>HR Regional Connector Study - HRTPO (Remaining Projects of Third Crossing)</i>	3,710,718	206,121	-	206,121	3,916,840
Total	\$ 589,666,826	\$ 5,997,989	\$ 33,117,807	\$ 39,115,795	\$ 628,782,622

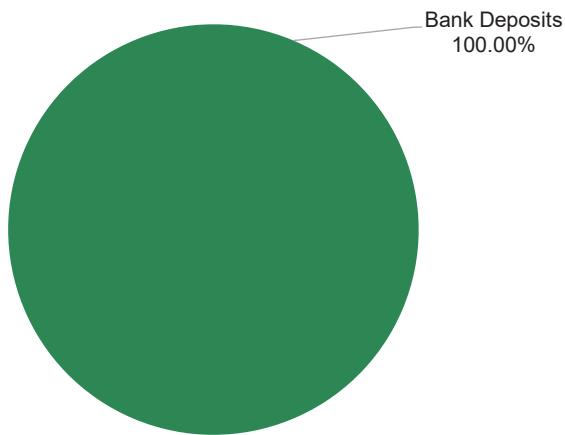
Hampton Roads Regional Transit Fund
Summary of Cash and Investments
For May 2022

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	1.72%
Union Sweep	0.39%	0.39%	57,226,867	57,226,867	98.28%
Total			\$ 58,226,867	\$ 58,226,867	100.00%

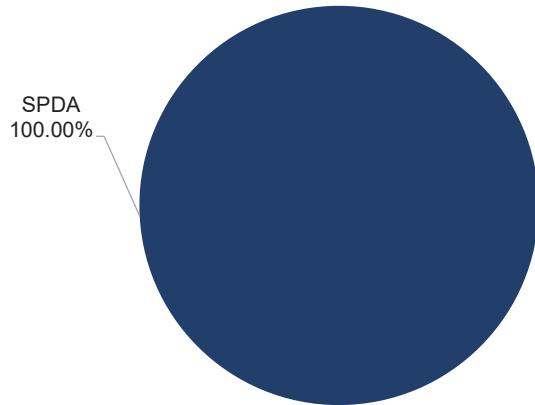
Total Maturity Distribution



Sector Distribution



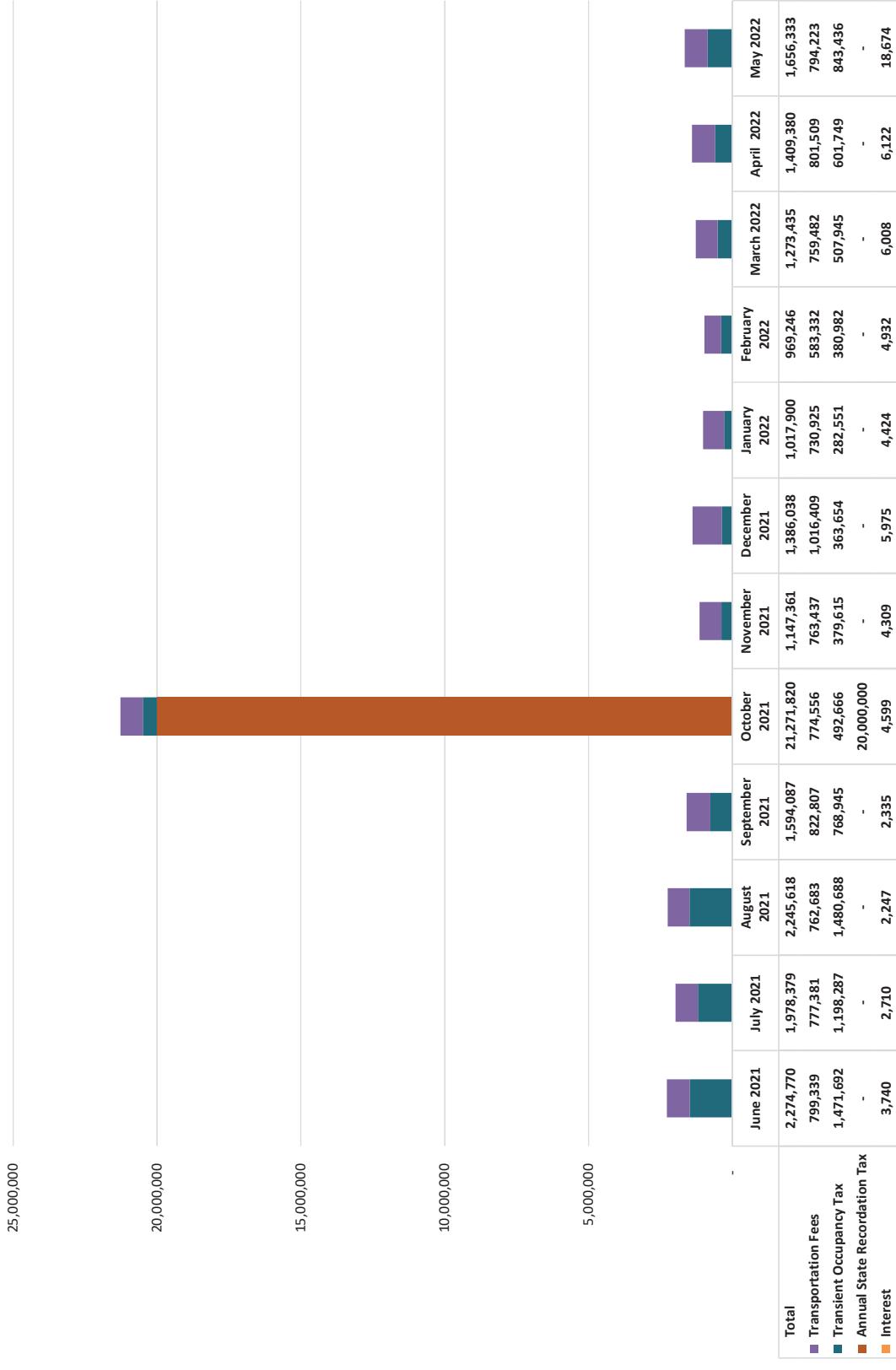
Credit Distribution



All charts are based on market value as of 5/31/22

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 2022

	<u>FY2021</u>	<u>FY2022</u>	<u>Total</u>
Interest Income	\$ 57,044	\$ 62,334	\$ 119,378
Investment Income	—	—	—
Total	<u>\$ 57,044</u>	<u>\$ 62,334</u>	<u>\$ 119,378</u>

Hampton Roads Regional Transit Fund
 Revenue and Expenditures
 Summary

	Gross Revenue					Expenditures			Cumulative Balance
	Regional Transportation Imprv. Fees	Transient Occupancy Tax	Annual Recordation Tax Distribution	Interest	Total Revenue	Project Expenses	Operating Expenses	Total	
		7/1/20 - 5/31/2022							
July 2020 - May 2021	\$ 6,756,123	\$ -	\$ 20,000,000	\$ 53,304	\$ 26,809,427	\$ -	\$ 135,750	\$ 135,750	\$ 26,673,677
June 2021	799,339	1,471,692	-	3,740	2,274,770	599,531	30,625	630,157	28,318,291
July 2021	777,381	1,198,287	-	2,710	1,978,379	-	2,525	2,525	30,294,144
August 2021	762,683	1,480,688	-	2,247	2,245,618	-	7,758	7,758	32,552,004
September 2021	822,807	768,945	-	2,335	1,594,087	-	915	915	34,125,176
October 2021	774,556	492,666	20,000,000	4,599	21,271,820	-	2,237	2,237	55,394,758
November 2021	763,437	379,615	-	4,309	1,147,361	-	1,423	1,423	56,540,696
December 2021	1,016,409	363,654	-	5,975	1,386,038	-	79,874	79,874	57,846,861
January 2022	730,925	282,551	-	4,424	1,017,900	-	3,465	3,465	58,861,296
February 2022	583,332	380,982	-	4,932	969,246	-	20,534	20,534	59,810,008
March 2022	759,482	507,945	-	6,008	1,273,435	-	1,529	1,529	61,081,914
April 2022	801,509	601,749	-	6,122	1,409,380	-	5,435	5,435	62,485,858
May 2022	794,223	843,436	-	18,674	1,656,333	-	749	749	64,141,443
<i>Total 12 months</i>	<i>\$ 9,386,083</i>	<i>\$ 8,772,209</i>	<i>\$ 20,000,000</i>	<i>\$ 66,074</i>	<i>\$ 38,224,366</i>	<i>\$ 599,531</i>	<i>\$ 157,069</i>	<i>\$ 756,601</i>	
Total	\$ 16,142,206	\$ 8,772,209	\$ 40,000,000	\$ 119,378	\$ 65,033,793	\$ 599,531	\$ 292,819	\$ 892,350	
Less Balance of Encumbered (through FY2027)									(36,542,565)
Total Net Available									\$ 27,598,878

Table 1 - Revenues
Hampton Roads Regional Transit Fund (HRRTF)
Fiscal Year 2022

Locality	FY 2021	Previous FY 2022	May 2022	Total YTD FY2022	Total
Regional Taxes and Fees					
<i>Chesapeake</i>	\$ 1,751,607	\$ 2,362,937	\$ 243,852	\$ 2,606,789	\$ 4,358,396
<i>Hampton</i>	788,625	1,154,992	127,064	1,282,056	2,070,681
<i>Newport News</i>	855,312	1,230,821	125,045	1,355,866	2,211,178
<i>Norfolk</i>	1,134,671	2,164,310	322,966	2,487,276	3,621,948
<i>Portsmouth</i>	470,791	550,037	58,388	608,425	1,079,216
<i>Virginia Beach</i>	4,026,147	6,786,504	760,344	7,546,848	11,572,995
Total Regional Taxes and Fees	9,027,154	14,249,602	1,637,659	15,887,261	24,914,415
Annual Recordation Tax Distribution	20,000,000	20,000,000	-	20,000,000	40,000,000
Total Tax and Fees Revenue	29,027,154	34,249,602	1,637,659	35,887,261	64,914,415
Interest ^a	57,044	43,660	18,674	62,334	119,378
Total Revenues	29,084,198	34,293,263	1,656,333	35,949,595	65,033,793
Project Expenses	(599,531)	-	-	-	(599,531)
Operating Expense	(166,376)	(125,695)	(749)	(126,444)	(292,819)
Cash Balance	\$ 28,318,291	\$ 34,167,568	\$ 1,655,584	\$ 35,823,151	\$ 64,141,443
Less Balance of Encumbered					(36,542,565)
Net Available Cash					\$ 27,598,878
Updated forecast	26,100,000	30,250,001	1,025,000	31,275,001	57,375,001
Total Revenue - Forecast (under)/over	\$ 2,927,154	\$ 3,999,601	\$ 612,659	\$ 4,612,260	\$ 7,539,414

Table 1A - Regional Transit Improvement Fees

Hampton Roads Regional Transit Fund (HRRTF)

Fiscal Year 2022

Locality	FY 2021	Previous FY 2022	May 2022	Total YTD FY2022	Total
Regional Transit Improvement Fees					
<i>Chesapeake</i>	\$ 1,751,607	\$ 1,632,320	\$ 169,851	\$ 1,802,171	\$ 3,553,778
<i>Hampton</i>	650,700	774,986	56,999	831,986	1,482,686
<i>Newport News</i>	709,171	817,147	67,900	885,047	1,594,218
<i>Norfolk</i>	1,127,962	1,311,677	150,805	1,462,482	2,590,443
<i>Portsmouth</i>	443,948	472,002	43,743	515,745	959,693
<i>Virginia Beach</i>	2,872,074	2,784,388	304,926	3,089,313	5,961,387
Total RTI Fees	\$ 7,555,462	\$ 7,792,521	\$ 794,223	\$ 8,586,744	\$ 16,142,206
Forecast	6,100,000	6,166,668	616,667	6,783,335	12,883,335
Total Revenue - Forecast (under)/over	\$ 1,455,462	\$ 1,625,853	\$ 177,556	\$ 1,803,409	\$ 3,258,871

Table 1B - Transient Occupancy Tax

Hampton Roads Regional Transit Fund (HRRTF)

Fiscal Year 2022

Locality	FY 2021	Previous FY 2022	May 2022	Total YTD FY2022	Total
Transient Occupancy Tax					
<i>Chesapeake</i>	\$ -	\$ 730,616	\$ 74,002	\$ 804,618	\$ 804,618
<i>Hampton</i>	137,925	380,006	70,064	450,071	587,995
<i>Newport News</i>	146,141	413,674	57,145	470,819	616,960
<i>Norfolk</i>	6,710	852,633	172,161	1,024,795	1,031,505
<i>Portsmouth</i>	26,843	78,035	14,645	92,680	119,523
<i>Virginia Beach</i>	1,154,073	4,002,117	455,419	4,457,535	5,611,608
Total Transient Occupancy Tax	\$ 1,471,692	\$ 6,457,081	\$ 843,436	\$ 7,300,517	\$ 8,772,209
Forecast	-	4,083,333	408,333	4,491,666	4,491,666
Total Revenue - Forecast (under)/over	\$ 1,471,692	\$ 2,373,748	\$ 435,103	\$ 2,808,851	\$ 4,280,542

Table 2 - Allocations

Hampton Roads Regional Transit Fund (HRRTF)
Allocations
Fiscal Year 2022

Project	FY 2021	Previous FY 2022	May 2022	Total YTD FY2022	Total
<i>Regional Transit System - 757 Express</i>					
Transit Bus Expansion (Group A) - Project 202101A	\$ 9,306,000	\$ -	\$ -	\$ -	\$ 9,306,000
<i>Bus Stop Amenity Program</i>					
- Project 202101B	3,265,000	-	-	-	3,265,000
- Project 202201F	-	5,326,000	-	5,326,000	5,326,000
<i>Regional Transit System Technology</i>					
- Project 202101C	80,000	-	-	-	80,000
- Project 202201G	-	518,000	-	518,000	518,000
<i>Regional Transit Services</i>					
Operations and Maintenance RTS - Project 202201C	-	5,730,123	-	5,730,123	5,730,123
Development and Support Services RTS - Project 202201D	-	4,946,973	-	4,946,973	4,946,973
<i>Net Center Replacement/Passenger Facility</i>					
- Project 202101D	62,000	-	-	-	62,000
Robert Hall Blvd (Chesapeake) - Project 202201A	-	100,000	-	100,000	100,000
Evelyn T. Butts (Norfolk) - Project 202201B	-	100,000	-	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	6,708,000
Total	\$ 13,713,000	\$ 23,429,096	\$ -	\$ 23,429,096	\$ 37,142,096

Table 3 - Expenditures
Hampton Roads Regional Transit Fund (HRRTF)
Expenditures
Fiscal Year 2022

Project	FY 2021	Previous FY 2022	May 2022	Total YTD FY2022	Total
<i>Regional Transit System - 757 Express</i>					
<i>Bus Stop Amenity Program - 202101B</i>	\$ 399,516	\$ -	\$ -	\$ -	\$ 399,516
<i>Regional Transit System Technology - 202101C</i>	-	-	-	-	-
<i>Net Center Replacement - 202101D</i>	14,056	-	-	-	14,056
<i>New Bus Operating Division - Southside - 202101E</i>	185,959	-	-	-	185,959
Total	\$ 599,531	\$ -	\$ -	\$ -	\$ 599,531