

**Hampton Roads Transportation
Accountability Commission (HRTAC)
Summary Minutes of the April 19, 2018 Regular Meeting**

The Hampton Roads Transportation Accountability Commission (HRTAC) Regular Meeting was called to order at 12:30 p.m. in the HRTPO Regional Board Room, 723 Woodlake Drive, Chesapeake, Virginia, with the following in attendance:

HRTAC Members in Attendance:

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| Michael Hipple, Chair | McKinley Price |
| Linda T. Johnson, Vice Chair | Barry T. Porter |
| Kenneth Alexander | Thomas G. Shepperd |
| Joel Acree | Frank Rabil |
| John Cosgrove | John Rowe |
| Paul Freiling | Christopher Stolle |
| Herbert Green | Frank Wagner |
| Chris Jones | Rick West |
| Louis Jones (in for William D. Sessoms) | David Yancey |

HRTAC Executive Director

Kevin Page

HRTAC Ex-Officio Members in Attendance:

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| Stephen Brich | John Malbon |
|---------------|-------------|

Other Participants:

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|-----------------|---------------------|
| James Baker | Randy Keaton |
| Marvin Collins | John Lawson |
| Kit Chope | Randy Martin |
| Quintin Elliot | Lydia Pettis Patton |
| Chris Hall | Patrick Roberts |
| Rick Holcolmb | Doug Smith |
| Tom Inglima | James Utterback |
| Michael Johnson | J. Randall Wheeler |

HRTAC Voting Members Absent:

Donnie Tuck

HRTAC Ex-Officio Members Absent:

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| Jennifer Mitchell | John Reinhart |
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* Denotes Late Arrival or Early Departure

Others Recorded Attending:

Earl Sorey (CH); Brian DeProffio (HA); Bryan Stilley, Jerri Wilson (NN); Thelma Drake, Jeff Raliski, Morgan Wayland (NO); Bob Baldwin (PO); Randolph Cook (SH); Bob Matthias, Douglas Pons, Brian Solis (VB); W. Dewey Hurley (Branscome); Kevin Johnson, Briana Graham, Donna Sayegh (Citizens); Phil Damuth (Damuth Trane); Patrick Andrews, Scott Cummings, Joseph Hill, Rena Hussey, Matt Leary, Tammy West (DMV); Dean McClain (Hampton Roads Chamber of Commerce); George Consolvo, Kevin White (Kaufman & Canoles); Karen McPherson (McPherson Consulting); Rhonda Murray (Navy Region Mid Atlantic); Liang Shan (PFM); Mark Geduldig-Yatrofsky (Portsmouthcitywatch.org); Dianna Howard (VBTP, CTAC); Tony Gibson, Paula Miller, Dawn Odom, Pete Riley (VDOT); Tyson Rosser (VHB); Mark Burns (Wells Fargo Securities); Dawn Merkle (Willcox and Savage); Nancy Collins, Greg Grootendorst, Danetta Jankosky, Whitney Katchmark, Mike Long, Chris Vaigneur (HRPDC); Jennifer Coleman (HRTAC); Rob Cofield, Bob Crum, Mike Kimbrel, John Mihaly, Dale Stith (HRTPO)

Approval of Agenda

Mr. Rick West Moved to add item 5F, a Resolution of Appreciation for Virginia Beach Mayor William D. Sessoms and an amendment to Information Items; Ms. Linda Johnson seconded. The Motion Carried.

Public Comment Period (limit 5 minutes per individual)

Ms. Donna Sayegh, Portsmouth citizen, voiced her concern in regards to Public Private Partnership projects and its effects on citizens.

Mr. Mark Geduldig-Yatrofsky agreed with previous comments made in regards to Public Private Partnerships and urged the Commission a robust public involvement campaign will be included in any PPTA deal made by the Commonwealth.

Consent Items

- A. Minutes of December 14, 2017 HRTAC Regular Meeting**
- B. Authorization of a Public Hearing – Draft HRTAC P3 Guidelines**
- C. Amendments to Project Agreements relating to Bond Trustee and Tax Covenants**
- D. De-Allocation of HRTAC Project Funds returned by VDOT – HRTAC Adopted FY2016-FY2023 Funding Plan Adjustments**
- E. Post Issuance Bond Compliance Policy**

Dr. McKinley Price Moved to approve the consent agenda items; seconded by Ms. Linda Johnson. The Motion Carried.

Chair Comments

Chair Hipple noted the first HRTAC bond sale was successful and welcomed the new Deputy Secretary Quentin Elliott, VDOT Commissioner Stephen Birch, VDOT District Administrator Chris Hall. He further notified the Commission of Mr. James Utterback being named the Hampton Roads Bridge Tunnel Project Manager.

Chair Hipple indicated the following members of the HRTAC Personnel Committee were: Mayor Linda Johnson, Mayor Frank Rabil, and Mayor Donnie Tuck. Additionally, he indicated the following members of the HRTAC Nominating Committee were: Mayor John Rowe, Mayor Frank Rabil and Supervisor Barry Porter.

He thanked the General Assembly members for their hard work in passing the regional gas tax floor and the positive effects it will have on HRTAC in the long run.

Action Items

A. Authorization of Public Hearing on the FY2019 Budget

HRTAC Executive Director reviewed the FY2019 budget by line item and indicated the Draft FY2019 Budget had been reviewed and endorsed by the Finance Committee, highlighting the basic expenses of HRTAC were reduced from the previous year. He further explained two increases of the budget were the TIFIA Loan application and HRPDC/HRTPO seconded staff charges.

Senator Frank Wagner Moved to approve the consent agenda items; seconded by Senator John Cosgrove. The Motion Carried.

B. Authorization of Public Hearing on the Proposed HRTAC FY2019-FY2024 Plan of Finance Update

HRTAC Executive Director, Kevin Page, reminded the Commission the FY2019-2024 Plan of Finance update, developed by the HRTAC Finance Committee and HRTAC consultants, PFM, was a legislative requirement.

He reviewed the updated cost estimates for the Hampton Road Bridge Tunnel (HRBT) project and indicated the estimates were conservative and aligned with VDOT and the Commonwealth Transportation Board's Six Year Improvement Plan.

Ms. Liang Shan, PFM, briefed the Commission in regards to the recent interest rate increases and stated changes were made to the HRTAC investment portfolio to ensure the financial cushion was unchanged.

Senator Frank Wagner Moved to endorse the Proposed HRTAC FY2019-2024 Six Year Operating and Capital Program of Projects for the Region's High Priority Projects (With Toll Revenues to HRTAC) and authorize HRTAC Staff to conduct a public hearing; Seconded by Mr. Rick West. The Motion Carried.

C. Authorization of a Public Hearing on the HRTAC Proposed 2045 Plan of Finance Update

HRTAC Executive Director, Kevin Page, explained high priority projects included in the 2040 Long Range Plan of Finance was unaffected and the Finance Committee made adjustments to deliver the HRBT by 2024 and other potential projects by 2037.

Ms. Liang Shan, PFM, stated the VDOT estimate of the HRBT project was \$3.66 Billion, which can be completely financed by HRTAC due to toll revenues being returned to HRTAC

and using the historical HRTAC revenue projections. She further stated there would be a \$100 Million gap should HRTAC use VDOTs revenue projections.

Mr. Page informed the Commission the funding plan did not include any SMART SCALE award monies due to the competitive nature of the program.

Mr. Thomas Shepperd confirmed toll revenues would be returned to HRTAC

Ms. Shan reviewed the individual projects and costs by fiscal years for FY2019 to FY2024.

Senator Frank Wagner Moved to endorse the Proposed 2045 Long Range Plan of Finance Update for the HRTAC High Priority Projects (With Toll Revenues to HRTAC) and authorizes HRTAC Staff to conduct a public hearing; Seconded by Mr. Rick West. The Motion Carried.

Information Items

A. Legislative Update

Senator Frank Wagner highlighted the cooperation of the entire Hampton Roads Caucus in regards to the passing of the fuels tax.

B. Regional Fuels Tax Collection

Mr. Richard Holcomb, Commissioner of Virginia Department of Motor Vehicles (DMV), informed the Commission DMV collects funds for other State agencies besides HRTAC and stated adaptations to collecting the sales tax on fuel had been made since legislation passed in 2013.

He indicated the auditing process was efficient and noted the current legislative changes including gas tax floor and collections on cent per gallon will be helpful. Additionally, he reviewed the potential equation for determining the price of the gas tax floor.

Mr. Holcomb briefed the Commission DMV was given authority to share data with HRTAC and the new system for collections will begin July 1 2018 with minimal disruptions to the taxpayers.

C. HRTAC Initial HRTF Revenue Bond Sale

Mr. Kevin Page, HRTAC Executive Director, briefed the Commission on the HRTAC 2018 A bond sale that occurred on January 30, 2018. He noted it was positive and thanked all personnel who assisted.

Ms. Liang Shan, PFM, explained the high demand of the bonds on the open market and indicated HRTAC was able to sell the bonds at a higher price than expected.

D. HRTAC Monthly Financial Report

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

Mr. Page briefed the Commission on the current and upcoming activities associated with the TIFIA loan.

E. VDOT HRTAC Project Update, HRBT

Mr. James Utterback, VDOT District Administrator, provided an update to the Commission in regards to the status of the Regional Priority Projects.

Next Meeting

Annual Organization meeting to be held on June 21, 2018 at 12:30 p.m. in the Regional Building Board Rooms, 723 Woodlake Drive, Chesapeake VA.

Adjournment

With no further business to come before the Hampton Roads Transportation Accountability Commission, the meeting adjourned at 1:38 p.m.



Michael J. Hipple
HRTAC Chair