

**Hampton Roads Transportation
Accountability Commission (HRTAC)
Summary Minutes of the November 21, 2019 Regular Meeting**

The Hampton Roads Transportation Accountability Commission (HRTAC) Regular Meeting was called to order at 10:36 a.m. in the Regional Building Board Room, 723 Woodlake Drive, Chesapeake, Virginia, with the following in attendance:

HRTAC Members in Attendance:

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| Linda T. Johnson, Chair | Shannon Glover (in for John Rowe), PO |
| Linda Curtis (in for Donnie Tuck), Vice Chair | Herbert Green (in for Eugene Hunt), PQ |
| Rick West, CH | Barry T. Porter, SH |
| Barry Cheatham (in Frank Rabil), FR | Thomas G. Shepperd, YK |
| Joel Acree, IW* | Robert Dyer, VB* |
| Michael Hipple, JC | Delegate Christopher Stolle, VGA |
| McKinley Price, NN | Delegate David Yancey, VGA |
| Kenneth Alexander, NO* | |

HRTAC Executive Director

Kevin Page

HRTAC Ex-Officio Members in Attendance:

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| Stephen Brich, VDOT | Cathy Vick, VPA |
| John Malbon, CTB | |

Other Participants:

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| Nick Donohue, Deputy Secretary of Transportation | Cynthia Rohlf, NN |
| John Lawson, Deputy Secretary of Transportation | Wynter Benda, NO |
| Chris Price, CH | Bob Baldwin, PO |
| Terry Danaher, CTAC | J. Randall Wheeler, PQ |
| Shep Miller, CTB | Patrick Roberts, SU |
| Scott Denny, FAA | Tom Leahy, VB |
| Ivan Rucker, FHWA | Andrew Trivette, WM |
| Brent Fedors, GL | Capt. Michael Moore, US Navy |
| Mary Bunting, HA | Christopher Hall, VDOT |
| William Harrell, HRT | Neil Morgan, YK |
| Randy Keaton, IW | Zach Trogdon, WATA |
| Scott Stevens, JC | Tom Inglima, Willcox & Savage |

HRTAC Voting Members Absent:

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| Senator John Cosgrove, VGA | Delegate Chris Jones, VGA |
| Paul Freiling, WM | Senator Monty Mason, VGA |

HRTAC Ex-Officio Members Absent:

Jennifer Mitchell, DRPT

* Denotes Late Arrival or Early Departure

Others Recorded Attending:

Earl Sorey, Ella Ward (CH); Brian DeProfio (HA); Bridgette Parker, Amy Inman, (NO); Sherri Neil (PO); Leroy Bennett (SU); Mark Bellamy, Sheila Noll (YK); Mark Geduldig-Yatrofsky (Atlantishr.us); Tyler Grzegorezzk (CDM Smith); Kirsten Krug (Citigroup); Doug Wilson (ERC); Will Christopher (FHR); Jamik Alexander (FHWA); Mary DiMartino (J.P. Morgan); Eric Ballou (Kaufman and Canoles); Karen McPherson (McPherson Consulting); Nelson Bush, David Miller, Liang Shan (PFM); Brenda Roberts (Principal Advantage); Lui Zukosky (RK&K); Michael King, (U.S. Navy); Krystel Jordan, David Wickersham (U.S. Representative Elaine Lauria's Office); Drew Lumpkin (U.S. Senator Warner's Office); Dianna Howard (VBTP, VBTA, TLP, CAC); Tony Gibson, Robin Grier, Sonya Hallums-Ponton, Tim Haynam, Dawn Odom, Eric Stringfield (VDOT); Julie Burger (Wells Fargo Securities); Courtney Gilmore Whelan (Willcox & Savage); John Gergely, Judy Hinch, Vic Nicholls, Rex Viray (Citizens); Kelli Arledge, Keith Cannady, Andrea Gayer, Logan Grimm, Andrew Margason, Cynthia Mulkey, Matt Smith, Joe Turner, Chris Vaigneur, Sheila Wilson (HRPDC); Lynn Coen, Jennifer Hodnett (HRTAC); Sam Belfield, Natalie Brown, Rob Case, Rob Cofield, Bob Crum, Kathlene Grauberger, Mike Kimbrel, Sharon Lawrence, John Mihaly, Keith Nichols, Jeffrey Raliski, Dale Stith (HRTPO)

Approval of Agenda

Mr. Michael Hipple Moved to approve the agenda, Mr. Christopher Stolle seconded. The Motion Carried.

Public Comment Period (limit 5 minutes per individual)

A member of the public addressed the HRTAC.

Mr. Mark Geduldig-Yatrofsky, Portsmouth Citizen, voiced his opinion regarding the HOT lanes. He noted the need for consistency between the ridership levels in Northern Virginia and Hampton Roads. Additionally, he urged that the HOT lanes should have a ceiling, the toll calculation algorithm should be publicly available, and tolls should be in effect at all times due to the irregular backup patterns.

The HRTAC stood at ease at 10:48 a.m. to allow the HRTPO to act on HRTPO agenda items. The HRTPO stood at ease at 10:56 a.m. and HRTAC re-convened at 10:57 a.m.

Consent Items

- A. Minutes of the October 17, 2019 Regular Meeting
- B. Route 460/58/13 Study – Amendment and Termination of the Standard Project Agreement

Mr. Thomas Shepperd Moved to approve the consent agenda items; seconded by Mr. Hipple. The Motion Carried.

The HRTPO reconvened at 10:57 a.m. to allow for discussion of the I-64 Regional Express Lanes Update concurrently with HRTAC.

Concurrent HRTAC and HRTPO Discussion Item

A. I-64 Regional Express Lanes Update

Mr. Kevin Page, HRTAC Executive Director, thanked the VDOT Commissioner for being present and noted the ongoing collaborative effort among the parties. He noted this is an important part of the many regional decisions to be made by Spring 2020 to keep projects on track.

Mr. Stephen Brich, VDOT Commissioner, introduced today's presentation (Traffic and Revenue Results and Bonding Capacity Analysis) as a follow up on the September and October presentations. Mr. Brich summarized the information provided to the Commission at the October 17, 2019 Concurrent Meeting with the HRTPO. He reviewed the nine scenarios analyzed in VDOT's traffic and revenue study under two different tolling approaches: (1) throughput maximization; and (2) revenue maximization.

Mr. John Lawson, Deputy Secretary of Transportation, highlighted four of the scenarios presented by Mr. Brich, noting the debt capacity range for 9(c) General Obligation Bonds using TIFIA versus the debt capacity range for standalone, non-recourse toll revenue bonds (TRB) using TIFIA. Mr. Lawson emphasized that the debt capacity ranges were only in draft form and that the true impact of revenues obtained from weekend traffic on the HOT lanes had not yet been integrated into the analysis. Mr. Lawson indicated that the debt capacity ranges were substantially lower for the TRB with TIFIA.

Mr. Nick Donohue, Deputy Secretary of Transportation, reiterated the commitment from the Secretary of Transportation's office to cooperate with the Region in regard to a tolling policy. He further stated that the tolling policy should reflect and advance the needs of the Region. Finally, he said that the tolling policy is a regional decision with the Commonwealth providing the applicable information.

Commission Members questioned why there was such a large difference in the scenario debt ranges.

Mr. Donohue identified the fixed costs associated with the projects and noted the varying factors of ridership and duration of toll collection.

Members of HRTAC and the HRTPO proceeded to discuss the impacts on the citizens of the Region of higher ridership requirements to ride free in the HOT lanes.

Members noted that the tolling policy should:

- be used for congestion management;
- have a minimum impact on residents; and
- maximize throughput, not revenue.

Mr. Lawson then clarified that all four of the scenarios he discussed were based on the maximum throughput model.

A Commission member questioned whether the revenue numbers driving the debt capacity numbers from the analyzed scenarios were available and requested clarification regarding previous discussions in which the Commonwealth had committed to maintaining the projects.

Mr. Donohue confirmed that regular maintenance of the highways, bridges and tunnel would be the responsibility of the Commonwealth and then clarified that he was referring to the costs associated with tolling system maintenance being supported by the toll revenues.

Further discussion occurred regarding the feasibility and effectiveness of implementing HOT-3 lanes in the Region and whether any additional investments will be necessary.

Mr. David Miller, PFM, reviewed the 2018A Bond Series issued by HRTAC and the actions taken thus far in connection with the 2019 TIFIA Loan and the 2019 Bond Anticipation Notes. Mr. Miller shared with the Commission a graphic depicting the funding plan for the six initial projects and the HRBT.

Mr. Page reviewed the implications of integrating the HOT lane network costs into the current HRTAC funding plan. He noted that improvements realized by the HOT lane network would allow the High Rise Bridge Phase II Project to be delayed and those funds to be re-allocated.

Mr. Brich discussed the timeline of toll collection. He explained the proposed laddered opening of projects and the subsequent upgrades to the tolling system that would be necessary.

Mr. Miller reviewed the costs associated with the HOT lane network and how those costs would affect HRTAC's finance plan and the ability to leverage debt. He indicated the effect of

toll revenue on HRTAC's financing plan will develop as the Master Tolling Agreement is negotiated in addition to tolling policies implemented across all of the projects.

Mr. Joel Acree, Mr. Kenneth Alexander and Mr. Robert Dyer depart

HRTPO Pro Tempore Chair Thomas Shepperd noted the loss of a quorum and indicated that no action items could be voted upon. He continued the meeting as an informational session only.

Commission Members asked how confident and sustainable HRTAC's Finance Plan was.

Mr. Miller responded that the Hampton Roads Transportation Fund is a reliable source; however, the team still needed to receive the final Traffic and Revenue Analysis and run the scenarios presented by the Commonwealth.

A Commission member questioned whether electric vehicles were a hindrance to HRTAC revenues. Mr. Miller noted the presence of the fuel tax floor.

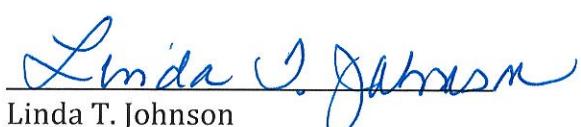
Commission discussion ensued regarding improvements to the 64/464 interchange and the effectiveness of the HOT lane network.

Mr. Page reviewed with the Commission the motion that would have been presented for action if a quorum existed.

Members discussed the motion language, including what party would be issuing the debt to build the HOT lane network.

Adjournment

With no further business to come before the Hampton Roads Transportation Accountability Commission, the meeting adjourned at 12:18 p.m.



Linda T. Johnson
HRTAC Chair