

**Summary Minutes of the HRPDC/HRTPO
Community Advisory Committee (CAC) Meeting
December 9, 2021**

The December 9, 2021 meeting of the Hampton Roads Planning District Commission (HRPDC)/Hampton Roads Transportation Planning Organization (HRTPO) Community Advisory Committee (CAC) was called to order by the CAC Chair Terry Danaher at 12:05 PM in the Board Room of the Regional Building located at 723 Woodlake Drive, Chesapeake, Virginia, with the following in attendance:

CAC Members in Attendance:

Terry Danaher, Chair (PO)	Christian Strange (NO)
Carlton Hardy, Vice-Chair (NN)	Mark Geduldig-Yatrofsky (PO)
Cecil Jenkins (CH)	Dianna Howard (VB)
John Kish (CH)	Shawnta Howard-Spence (VB)
Jim Bowie (HA)	Brad Martin (VB)
Cynthia Taylor (IW)	Delceno Miles (VB)
Lamont Curtis (NN)	

CAC Members Absent:

Susan Archer (CH)	Jay Leach (VB)
Robert Carter (CH)	Scott MacFarlane (VB)
Henry Branscome (JCC)	Waverly Woods (VB)
Garry Harris (PO)	

HRPDC/HRTPO Staff:

Robert A. Crum, Jr.	Robert Cofield
Keith Cannady	Joseph Turner
Pavithra Parthasarathi	

Other Participants:

Bruce Duvall (VDOT)	Todd Halacy (VDOT)
Angela Effah-Amponsah (VDOT)	Eric Stringfield (VDOT)

Approval of Agenda

Chair Terry Danaher asked for a motion to approve December 9, 2021, CAC Meeting Agenda as presented.

Mr. Jenkins made a motion to approve the agenda as presented; seconded by Ms. Miles. The Motion Carried.

Public Comments

A. Public Comment Period

Chair Danaher invited members of the public to address the CAC. There were no in-person requests to provide public comment.

B. Submitted Public Comments

Mr. Robert A. Crum, Jr., HRPDC/HRTPO Executive Director, reported that there were no submitted public comments.

Summary Minutes

Ms. Danaher referred CAC members to the series of meeting minutes included with the agenda distribution:

- A. Summary Minutes of the March 11, 2021, CAC Meeting
- B. Summary Minutes of the June 10, 2021, CAC Meeting
- C. Summary Minutes of the September 23, 2021, CAC Meeting
- D. Summary Minutes of the October 14, 2021, CAC Meeting

Ms. Danaher noted that there is a quorum of CAC members in attendance at today's meeting, and thus the Summary Minutes of these four meetings can be considered for approval. She asked that the spelling of her first name be corrected in the September 23 Summary Minutes. Mr. Crum advised that the meeting minutes could be approved with a single motion, second, and vote.

Mr. Taylor made a motion to approve the minutes as presented for the March 11, 2021, June 10, 2021, and October 14, 2021 meetings and as corrected for the September 23, 2021 meeting; seconded by Mr. Bowie. The Motion Carried.

Elizabeth River Crossing (ERC) Toll Agreement

Mr. Crum indicated that he would brief the CAC members on the Elizabeth River Crossing (ERC) Agreement, provide historical background information on this Agreement, review the impact it has on our region, and discuss recent efforts to take steps to mitigate the impact of these tolls. He referenced a handout that was provided to each CAC member and noted that he would use this handout as talking points for this briefing. He noted that he was interested in the CAC's input and guidance on future steps that should be taken to address this agreement.

As general background information, Mr. Crum noted that in 2011, an Agreement was signed between Skanska, USA, Macquarie, and the Commonwealth of Virginia to build the Downtown and

Mid-Town Tunnels and Martin Luther King Extension to I-264. This Agreement runs through the year 2070 and is referred to as the ERC Agreement.

Mr. Crum noted that the cost of these projects was \$2.16 billion. Neither the Hampton Roads Transportation Planning Organization (HRTPO) nor the local governments were party or signatory to this Agreement. Under the ERC Agreement, the ERC was responsible to finance, build, operate, and maintain the facilities during the term of the Agreement. The Virginia Department of Transportation (VDOT) retained ownership and oversight of the tunnels.

Mr. Crum noted that the Agreement was established through the year 2070, with an annual toll increase of 3.5 % permitted as part of the agreement. The ERC sets toll rates per the formula, instructions, and table included in the Toll Rate Schedule (Exhibit J of the Agreement). Annual rates are then reviewed by VDOT to ensure compliance with the Agreement. Current toll rates for the ERC facilities with and without transponder accounts are as follows:

	With Transponder	Without Transponder
○ Cars		
▪ Off-peak	\$1.85	\$ 5.54
▪ Peak	\$2.33	\$ 6.02
○ Trucks (including port trucks)		
▪ Off-peak	\$5.54	\$ 9.23
▪ Peak	\$9.29	\$12.98

Assuming an inflation rate of 3.5%, the toll rate in 2072 for a one-way off-peak journey using a transponder will be about \$11, as compared to \$1.85 today. Mr. Crum referenced an April 11, 2012 article in the Virginia Pilot, noting that the concessionaire could collect as much as \$21 billion in tolls (mostly from local users) over the term of the Agreement.

Mr. Crum explained that the HRTPO staff used StreetLight data from 2018 to determine trip ends for passengers using the Downtown and Mid-Town Tunnels and how they were distributed across the Southside localities, as well as the corresponding poverty rate using Census 2019 1-year estimates. This information showed the following:

	% of Trips Using DT and MT Tunnels	City Poverty Rate
Portsmouth	31.0%	19.2%
Norfolk	31.0%	17.9%
Virginia Beach	13.0%	6.8%
Chesapeake	12.0%	8.0%
Suffolk	8.0%	8.4%
Other	3.8%	—
Newport News	1.2%	14.8%

Mr. Crum continued by reviewing concerns regarding the Compensation Events described in the Agreement. Per the Agreement, ERC has the right to receive compensation for financial damages resulting from improvements to Alternate Facilities. ERC damages are based on the difference in the projected cost and revenue related to the project immediately prior to the occurrence of the Compensation Event after taking into account the impact of the Compensation Event. ERC damages are determined by completing a Traffic and Revenue Analysis and considering the Net Cost Impact or Net Revenue Impact Analysis.

Mr. Crum noted that the ERC Agreement defines Alternative Facilities which trigger the compensation event. Some of these projects are currently under construction and are being funded through the Hampton Roads Transportation Accountability Commission (HRTAC) with local/regional tax dollars to address critical congestion problems:

- Construction of additional general purpose lanes on Interstate 64, including the High Rise Bridge, between I-464 and Bowers Hill (currently under construction with High Occupancy Toll Lanes)
- Expansion of the Hampton Roads Bridge Tunnel (currently under construction with High Occupancy Toll Lanes)
- Construction of Patriots Crossing/Hampton Roads Third Crossing or any other crossing of the James River between the HRBT and Monitor Merrimac Memorial Bridge Tunnel.
- Construction or capacity expansion of any other facility owned or operated by VDOT that crosses the Elizabeth River or the Southern Branch of the Elizabeth River north of I-64.

As noted above, the HRBT/I-64 and I-64 Southside/ High Rise Bridge improvement projects are under construction and are being supported by a regional gas tax and sales and use tax managed through HRTAC and its partner localities. Each of these projects is of national significance due to its importance to the region's military facilities and the Port of Virginia.

Mr. Crum noted that In December 2020, an announcement was made about the sale of the ERC assets to Abertis and Manulife Investment Management. Abertis is a Spanish toll company that operates approximately 5,000 miles of toll roads in 16 countries. Manulife Investment Management participated on behalf of John Hancock Life Insurance Company. The sale required and received State consent. The asset(s) were sold to Abertis and Manulife for a total of \$2.3 billion (\$625 million to Skanska, \$625 million to Macquarie, and \$1.13 billion in debt for a total of \$2.3 billion).

Mr. Crum briefed the CAC on a recent announcement that was made by Governor Northam regarding an expansion of the low income toll relief program for users of the ERC facilities. He noted that the HRTPO formed an ERC Task Force to work to develop solutions to mitigate the impact that the ERC tolls were having on our region, particularly in the Cities of Portsmouth and Norfolk. He noted that Mayors and elected officials from throughout the region supported efforts to mitigate the impacts of these tolls, and he was pleased with this regional cooperation. He thanked Ms. Danaher for her participation and efforts in the ERC Task Force. Mayor Tuck from Hampton, Mayor Glover from Portsmouth, Senator Lucas, Delegate Scott, and others joined Governor Northam on November 15 in announcing an expansion of the low income toll assistance program. This program will be

expanded from \$500,000 per year to \$3.2 million per year. In addition, the current program requires drivers to use the tunnel a certain number of times per month before the toll assistance begins, this requirement will be eliminated. Mr. Crum noted that residents who make less than \$30,000 per year could save up to \$650 per month through this program.

He asked the CAC members for their questions and input. Several members expressed questions and comments including the following:

- How will eligible residents be able to sign up for and participate in the toll relief program? Mr. Crum noted that the ERC will promote the program and residents will need to register to participate in the program.
- Can businesses participate in the toll assistance program? Mr. Crum noted that it is his understanding that the program is focused on residents rather than businesses.
- Members asked questions regarding the compensation events.
- The CAC stressed the significant impacts that the ERC Agreement and tolls continue to have on our region.
- The expansion of the low income assistance program is a positive step, but members agreed with Mr. Crum that more needs to be done to address this issue.

Mr. Crum thanked the CAC members for their input on this topic.

Regional Fiber Ring Update

Mr. Crum introduced this item by noting that the HRPDC has endorsed a regionally interconnected fiber network that will interconnect with the subsea cables that have come ashore in Virginia Beach and spread this ultrafast service across the region's 17 local governments. He presented a PowerPoint presentation with maps and graphics to illustrate this proposed regional plan. He noted that this effort has the potential to decrease internet service costs, create a foundation for smart regional approaches to address challenges and opportunities and assist in strengthening the Hampton Roads economy.

Mr. Crum noted that Phase I of this Regional Fiber Network will be the construction of the southside fiber ring which will interconnect the five southside cities of Chesapeake, Norfolk, Portsmouth, Suffolk, and Virginia Beach. He explained that future phases will extend to the Peninsula and then move westward to interconnect the entire Hampton Roads region.

Mr. Crum noted that the Southside Network Authority was established to provide oversight for the first phase of the effort, which is the construction of the southside fiber ring. The Authority has completed design and engineering work for the southside ring, and the estimated construction cost is about \$24 million. He noted that the Authority is nearing the completion of a two-pronged procurement process. Several bids were received for construction of the fiber ring, with two coming

in at or below the \$24 million cost estimate. In addition, the Authority also completed a process for the receipt of Public/Private Partnership or P3 proposals. The Authority has decided to enter into negotiations for the construction bids, as well as beginning discussions on a P3 arrangement for the marketing and operation of the system. The fiber ring/network would be owned by the Authority.

Mr. Crum noted that this project has received regional endorsement. He noted that financing is being finalized and that he expected that construction could begin on this fiber network in calendar year 2022. He requested any comments or input from the CAC members.

CAC members discussed the information presented and offered the following questions/comments:

- Members asked how this service would be delivered to residents' homes. Mr. Crum noted that the regional fiber network would be a middle-mile dark fiber network that would be owned by the Authority. Internet service providers would ride the fiber network and would then be responsible for providing the last-mile service to residents and businesses.
- Concerns were raised about the current cost of broadband service in our region and how this project would address this issue. Mr. Crum explained that a major goal of the fiber ring was to encourage more competition among internet service providers in the marketplace. He noted that our goal is to have several internet service providers using the ring which would create competition and lower price points.
- Questions were raised about public-private partnerships and how the region would avoid some of the problems experienced with P3 arrangements in the past. Mr. Crum noted that the Authority will own the fiber network. The construction contract will only be for the build of the fiber ring. If a P3 is established for the marketing and maintenance of the ring, it is important to note that the Authority will still maintain ownership and that the Authority Board will be the decision-making authority.
- Many areas of our region are rural, low density areas where there is not a strong business case for broadband service to be provided. How do we address these areas? Mr. Crum noted that the Virginia Telecommunication Initiative (VATI) focuses on last-mile broadband service to rural areas. He explained that the HRPDC recently assisted Isle of Wight County, Southampton County, and the city of Suffolk with a VATI grant, and is pleased to announce that over \$22 million was awarded to support last-mile service to rural areas in these localities. This system will eventually be able to connect into the southside fiber ring to provide an interconnected network.
- CAC members stressed the need for public involvement as this effort moves forward. A recommendation was made that a public meeting be held to explain this project and request feedback. Mr. Crum indicated that he would share this input with the Authority leadership.

There being no further comment, Mr. Crum and Ms. Danaher thanked the CAC members for their discussion and comments.

Air Terminal Interchange (ATI)

Ms. Angela Effah-Amponsah, Assistant District Planner, VDOT Hampton Roads District, started the briefing by providing an overview of the project's background, timeline, current work progress, environmental review, and the path forward.

Ms. Effah-Amponsah noted that Public Law 106-65, Section 2858 of the FY2000 National Defense Authorization Act called for the Commonwealth to work with the Secretary of the Navy to construct an interchange on I 564 providing improved access to the new air terminal at Naval Air Station. The Interstate Access Study, completed in 2002, identified the first location for the ATI. Since this study, the project timeline has included the following: a new purpose and need established in 2012; a fatal flaw analysis to determine the new location along with the initiation of the Interchange Justification Report (IJR) and subsequent identification of a preferred concept (2013 – 2015); and the re-initiation and completion of the IJR in 2020.

Mr. Bruce Duvall, Assistant District Engineer for Project Development, VDOT Hampton Roads District, then elaborated on the IJR's recommended Alternative of a grade-separated elevated facility spanning both eastbound and westbound lanes of I-564 Intermodal Connector (IMC) with an estimated project cost of \$150-\$160 million. The high project cost necessitated VDOT re-evaluating interim solutions that address funding challenges, and meet current needs while also ensuring that future facility needs are addressed.

The result of this effort is an interim at-grade signalized concept at the West and East intersections that enables multi-directional traffic flow and provides access to the major highways (I-64/I-564), local arterials, critical Naval facilities, and Port infrastructure. The at-grade intersection concept does not preclude future improvements and results in a substantial cost savings of approximately \$100 million. The east intersection costs approximately \$35-\$40 million, and the west intersection costs approximately \$15-\$20 million resulting in a total cost of approximately \$40-\$60 million.

Mr. Duvall noted that the major stakeholders, including the U.S. Navy, City of Norfolk, Virginia Port Authority, Norfolk Southern Railroad/ Norfolk – Portsmouth Belt Line Railroad, have been briefed on this effort. VDOT is using current funding of \$10 million to enhance design on the interim east and west at-grade intersections while looking for funding opportunities to advance this project. Mr. Duvall expects the Preliminary Field Inspection plans to be wrapped up in Summer 2022.

Several members expressed questions and comments, including the following:

- Connectivity to Hampton Boulevard and the movement of trucks
- Impact on Rail movement in the vicinity of the at-grade intersections
- Liabilities relating to Sea Level Rise
- Effects of project advancement as it relates to Base Realignment and Closure Act (BRAC)

Next Meeting

Ms. Danaher noted that the next meeting of the CAC will be held on February 10, 2022.

CAC Leadership Transition

Ms. Danaher and Mr. Crum discussed a leadership transition for the CAC. Both Ms. Danaher (CAC Chair) and Mr. Carlton Hardy (CAC Vice-Chair) have served for approximately ten years, and both have indicated an interest in stepping down to allow new participation in the CAC. Ms. Danaher noted that per the CAC Bylaws, the HRPDC/HRTPO staff and the CAC leadership recommend a new Chair to the HRPDC and HRTPO Boards. Based on his experience with the CAC and various regional issues, it is recommended that Mark Geduldig-Yatrofsky from Portsmouth be appointed as the new CAC Chair by the HRPDC and HRTPO Boards. Ms. Danaher will announce her resignation from the CAC at the January HRPDC and HRTPO Board meetings, and Mr. Geduldig-Yatrofsky will begin his tenure as Chair at the February meeting.

The CAC membership is responsible for appointing the next CAC Vice-Chair. Ms. Danaher asked CAC members to think about potential candidates, and to be prepared to make a nomination and appointment at the February CAC meeting.

Mr. Crum thanked Ms. Danaher and Mr. Hardy for their service to the CAC. He also noted that staff would reach out to the localities asking for appointments to the CAC to fill vacant positions. He noted that an emphasis should be placed on diversity in age, race, ethnicity, and geography when these appointments are made.

Old/New Business

Mr. Hardy shared with the CAC the Little Book of Big Data which was prepared by the HRPDC about seven years ago. He noted that he found this an excellent source of data about our region which could be fit in a coat pocket and referenced in a quick and efficient manner. He shared that when he worked to advocate for arts and cultural investments at the General Assembly, he often referred to this excellent pocket guide as a source of data and information. He suggested that the CAC ask the HRPDC staff to update and re-publish this resource.

Mr. Crum concurred with this recommendation.

Adjournment

With no further business to come before the CAC, the meeting adjourned at 2:03 PM.