

**Hampton Roads Transportation
Accountability Commission (HRTAC)
Summary Minutes of the May 28, 2020 Special Meeting**

The Hampton Roads Transportation Accountability Commission (HRTAC) Special Meeting was called to order at 10:00 a.m. by conference call due to COVID-19, with the following in attendance by telephone:

HRTAC Members in Attendance:

Linda T. Johnson, Chair	Herbert Green (in for Eugene Hunt), PQ*
Donnie Tuck, Vice Chair	Christopher Cornwell, SH
Rick West, CH	Thomas G. Shepperd, YK
Frank Rabil, FR	Robert Dyer, VB*
Michael McCarty, IW	Delegate Clint Jenkins, VGA
Michael Hipple, JC	Delegate Joseph Lindsey, VGA
David Jenkins (in for McKinley Price), NN	Senator Monty Mason, VGA
Kenneth Alexander, NO	Delegate Mike Mullins, VGA
John Rowe, PO	

HRTAC Executive Director

Kevin Page

HRTAC Ex-Officio Members in Attendance:

Stephen Brich, VDOT	Cathie Vick, VPA*
John Malbon, CTB	

Other Participants:

Chris Price, CH	Bob Baldwin, PO
Shep Miller, CTB	Patrick Roberts, SU
Amanda Jarratt, FR	Tom Leahy, VB
Mary Bunting, HA	Christopher Hall, VDOT
Randy Keaton, IW	Neil Morgan, YK
Scott Stevens, JC	Andrew Trivette, WM
Wynter Benda, NO	Tom Inglima, Willcox & Savage
J. Randall Wheeler, PQ	

HRTAC Voting Members Absent:

Paul Freiling, WM	Senator John A. Cosgrove, VGA
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HRTAC Ex-Officio Members Absent:

Jennifer Mitchell, DRPT

* Denotes Late Arrival or Early Departure

Others Recorded Attending:

Jerri Wilson (NN); Megan Gilliland (Kaufman and Canoles); David Miller (PFM); Faizan Habib (VDOT); Cheryl Lane (Veteran Reporters); Danetta Jankosky, Tiffany Smith, Sheila Wilson (HRPDC); Lynn Coen, Jennifer Hodnett (HRTAC); Bob Crum, Mike Kimbrel, John Mihaly (HRTPO)

Declaration re: Purpose of Meeting, Call to Order and Roll Call

Mr. Tom Inglima, HRTAC General Counsel, reminded all members to mute phone lines when not speaking, to maintain a clear call quality, and to state their name before speaking. He indicated all votes would require a roll call and proceeded to read the following declaration for the members:

In light of the Governor’s Declared State of Emergency due to COVID-19, it is impracticable and unsafe for the Commission to assemble in a single location, so the meeting will be held electronically, by telephone, pursuant to the 2020 Amendments to the 2019 Appropriation Act; the purpose of the meeting is to discuss or transact the business statutorily required or necessary to continue operations of the Commission and the discharge of its lawful purposes, duties, and responsibilities. The public is welcome to use the number to attend the meeting electronically. The Commission will make available a recording or transcript of the meeting on its website in accordance with timeframes established in Sections 2.2-3707 and 2.2-3707.1 of the Code of Virginia.

A roll call vote was taken in order to confirm a quorum:

Mayor Rick West: Present
Mayor Frank Rabil: Present
Mayor Donnie Tuck: Present
Mr. Michael McCarty: Present
Mr. Michael Hipple: Present
Mr. David Jenkins: Present
Mayor Kenneth Alexander: Present
Mr. Herbert Green: No Response
Mayor John Rowe: Present
Mr. Christopher Cornwell: Present
Chair Linda Johnson: Present
Mayor Robert Dyer: Present
Mayor Paul Freiling: No Response
Mr. Thomas Shepperd: Present
Senator John Cosgrove: No Response
Senator Monty Mason: Present
Delegate Clint Jenkins: Present
Delegate Joseph Lindsey: Present
Delegate Mike Mullin: Present
Mr. John Malbon: Present
Mr. Stephen Brich: Present

Ms. Jennifer Mitchell: No Response
Ms. Cathie Vick: No Response

The quorum was confirmed by Mr. John Mihaly.

Approval of Agenda

Mr. Michael Hipple Moved to approve the agenda, Mayor John Rowe Seconded. The following roll call vote was taken:

Mayor Rick West: Yes
Mayor Frank Rabil: Yes
Mayor Donnie Tuck: Yes
Mr. Michael McCarty: Yes
Mr. Michael Hipple: Yes
Mr. David Jenkins: Yes
Mayor Kenneth Alexander: Yes
Mr. Herbert Green: No Response
Mayor John Rowe: Yes
Mr. Christopher Cornwell: Yes
Chair Linda Johnson: Yes
Mayor Robert Dyer: Present
Mayor Paul Freiling: No Response
Mr. Thomas Shepperd: Yes
Senator John Cosgrove: No Response
Senator Monty Mason: Yes
Delegate Clint Jenkins: Yes
Delegate Joseph Lindsey: Yes
Delegate Mike Mullin: Yes

Mr. John Mihaly confirmed The Motion Carried.

Public Comment Period (limit 5 minutes per individual)

No one of the public addressed the HRTAC.

Ms. Cathy Vick arrives

Chair's Comments

HRTAC Chair, Linda T. Johnson welcomed three new members from the Virginia House of Delegates and a new member from Isle of Wight County. Additionally, she appointed a Nominating Committee comprised of Mayor Frank Rabil, Mayor Kenneth Alexander and Mr. Michael Hipple.

Consent Items

- A. Minutes of the December 12, 2019 Regular Meeting
- B. Hampton Roads Express Lanes Network Investment Grade Traffic and Revenue Study
– Funding of and Actions RE: Work Order

C. HRBT PAFA Bridge Repair Option

Mr. Hipple Moved to approve the consent agenda items; Seconded by Mr. Shepperd. The following roll call vote was taken:

Mayor Rick West: Yes
Mayor Frank Rabil: Yes
Mayor Donnie Tuck: Yes
Mr. Michael McCarty: Yes
Mr. Michael Hipple: Yes
Mr. David Jenkins: Yes
Mayor Kenneth Alexander: Yes
Mr. Herbert Green: No Response
Mayor John Rowe: Yes
Mr. Christopher Cornwell: Yes
Chair Linda Johnson: Yes
Mayor Robert Dyer: Present
Mayor Paul Freiling: No Response
Mr. Thomas Shepperd: Yes
Senator John Cosgrove: No Response
Senator Monty Mason: Yes
Delegate Clint Jenkins: Yes
Delegate Joseph Lindsey: Yes
Delegate Mike Mullin: Yes

Mr. John Mihaly confirmed The Motion Carried.

Action Item

A. HRTAC Proposed FY2021 Administrative and Project Development Budget – HRTF and HRTTF Cost Sharing – Endorsement and Authorization to Conduct a Public Hearing

Mr. Kevin Page, HRTAC Executive Director, stated the proposed Administrative and Project Development Budget for Fiscal Year 2021 is \$7,270,701 and that the Finance Committee had discussed and moved for recommendation at its May 14, 2020 meeting.

Mayor Bobby Dyer arrives.

Mayor Donnie Tuck Moved to endorse the proposed HRTAC FY2021 Administrative and Project Development Budget and authorized the Executive Director to conduct a public hearing on the proposed HRTAC FY2021 Administrative and Project Development Budget; Seconded by Mr. Hipple. The following roll call was taken:

Mayor Rick West: Yes
Mayor Frank Rabil: Yes
Mayor Donnie Tuck: Yes
Mr. Michael McCarty: Yes

Mr. Michael Hipple: Yes
Mr. David Jenkins: Yes
Mayor Kenneth Alexander: Yes
Mr. Herbert Green: No Response
Mayor John Rowe: Yes
Mr. Christopher Cornwell: Yes
Chair Linda Johnson: Yes
Mayor Robert Dyer: Yes
Mayor Paul Freiling: No Response
Mr. Thomas Shepperd: Yes
Senator John Cosgrove: No Response
Senator Monty Mason: Yes
Delegate Clint Jenkins: Yes
Delegate Joseph Lindsey: Yes
Delegate Mike Mullin: Yes

Mr. John Mihaly confirmed The Motion Carried.

B. Master Tolling Agreement Update and Timing RE: HRBT Construction Notice to Proceed

Mr. Tom Inglima, HRTAC General Counsel, reminded the Commission that the Master Tolling Agreement (MTA) is a framework agreement for the design and development of the Hampton Roads Express Lanes Network (“HREL” or the “Network”). He stated that the MTA includes all aspects of the HREL, such as the design, building, operation and maintenance of the Network.

He explained that development of the Network would be in phases with VDOT and HRTAC working collaboratively under similar protocols that were implemented for the procurement of the six initial projects.

Mr. Inglima noted that House Bill 1438, passed by the 2020 General Assembly, allows HRTAC to impose tolls on the HREL and issue toll-backed debt. Mr. Inglima indicated that operation of the HREL will occur in the following two phases: (1) pre-handover, VDOT will manage operations and maintenance; and (2) post-handover, HRTAC will. He stated that the “handover” will occur no later than the launch of the Network at the Hampton Roads Bridge Tunnel (HRBT). He clarified that, post-handover, HRTAC may subcontract with VDOT or a third party, and that at all times roadway maintenance would continue to be a responsibility of VDOT.

He explained that HRTAC would set the initial tolling policies and, if approved by the Toll Policy Committee, HRTAC has the ability to modify the tolling policies.

Mr. Inglima reviewed the primary open issues, which include the use of toll revenues, establishment of reserves, compensation events and insurance, and the term and termination of the MTA.

He further explained the urgency of finalizing the MTA as HRTAC's financial obligation increases once the Notice to Proceed is issued, which is imminent. He stated the Commonwealth Transportation Board (CTB) would require at least two meetings to approve the MTA.

Commission members questioned why the start of the Network begins at Jefferson Avenue in Newport News.

Mr. Stephen Brich, VDOT Commissioner, explained that an Operational Analysis was performed two years ago to determine where underserved HOV lanes existed and to assist in the creation of a reliable travel network with unencumbered travel with speeds 45 miles and above. Among other things, the Operational Analysis indicated that underserved HOV lanes exist in the Jefferson Avenue area of Newport News.

Commission members next inquired about the six-person membership of the Toll Policy Committee and how a tie breaker would be determined.

Mr. Page answered that a consensus would be needed.

Further Committee discussion ensued in regards to the concern of the membership of the Toll Policy Committee and potential conflicts.

Chair Johnson reminded the members that this item was for discussion only and discussions among the parties were still ongoing.

Mr. Herbert Green arrives.

This agenda item was for discussion purposes only and no roll call vote was required.

Due to quality of the conference call, Mayor Rick West Moved to have a five-minute recess; seconded by Mr. Herbert Green. The following roll call vote was taken:

Mayor Rick West: Yes
Mayor Frank Rabil: Yes
Mayor Donnie Tuck: Yes
Mr. Michael McCarty: Yes
Mr. Michael Hipple: Yes
Mr. David Jenkins: Yes
Mayor Kenneth Alexander: Yes
Mr. Herbert Green: Yes
Mayor John Rowe: Yes
Mr. Christopher Cornwell: Yes
Chair Linda Johnson: Yes
Mayor Robert Dyer: Yes
Mayor Paul Freiling: No Response
Mr. Thomas Shepperd: Yes

Senator John Cosgrove: No Response
Senator Monty Mason: Yes
Delegate Clint Jenkins: Yes
Delegate Joseph Lindsey: Yes
Delegate Mike Mullin: Yes

The meeting went into recess at 10:30 a.m.

The meeting was called back to order at 10:35 a.m. with a roll call vote being taken:

Mayor Rick West: Yes
Mayor Frank Rabil: Yes
Mayor Donnie Tuck: Yes
Mr. Michael McCarty: Yes
Mr. Michael Hipple: Yes
Mr. David Jenkins: Yes
Mayor Kenneth Alexander: Yes
Mr. Herbert Green: Yes
Mayor John Rowe: Yes
Mr. Christopher Cornwell: Yes
Chair Linda Johnson: Yes
Mayor Robert Dyer: Yes
Mayor Paul Freiling: No Response
Mr. Thomas Shepperd: Yes
Senator John Cosgrove: No Response
Senator Monty Mason: Yes
Delegate Clint Jenkins: Yes
Delegate Joseph Lindsey: Yes
Delegate Mike Mullin: Yes

Mr. John Mihaly confirmed a quorum.

C. HRTAC Current Approved FY2020-FY2026 Plan of Finance Update – COVID-19 Potential Impact Review – Continuation of Current Approved Debt Management Plan with Stress Test Adjustments

Mr. David Miller, PFM, stated that all of the information with respect to the current approved Fiscal Year 2020 to 2026 Plan of Finance Update was previously presented to the Finance Committee on May 14, 2020, and that due to time constraints during today's meeting, some of the information had been moved to the appendices.

Mr. Miller indicated the original plan had been presented to the Finance Committee in March; however due to the pandemic a review was needed. He noted the methodology used and reviewed the formulas to adjust the FY20-FY26 amounts. He referenced a graph displaying the FY20-26 revenue with various stress tests applied to those revenues based on reports from certain rating agencies and stated that the average was taken from all of those rating

agencies. He clarified that the amounts shown reflect only the stress test results and are not an economic forecast.

He indicated that although growth occurs after 2020, HRTAC revenues never reach original projections. He stated the stress test results would be used in the subsequent agenda items, 6D and 6E.

Mr. Miller displayed a graph for annual debt issuance and reiterated this graph had been shared with the Commission previously. Additionally, he shared illustrations with the Commission in regards to the HRTF debt service and HRTF aggregate debt coverage ratio.

In conclusion, Mr. Miller stated that even applying the stress test, HRTAC is still able to fund its \$3.762 Billion obligation to support the HRBT's current completion schedule in FY26.

Mayor John Rowe, Moved to approve that in the absence of updated revenue projections from the Commonwealth, the Commission (i) endorses the continuation of the HRTAC Current Approved Debt Management Plan for HRTAC's approved projects (including the I-64 Hampton Roads Bridge-Tunnel Expansion Project) with stress test adjustments based on a COVID-19 Potential Impact Review and (ii) approves the application of the stress test adjustments based on the COVID-19 Potential Impact Review; Seconded by Mr. Herbert Green.

The following roll call vote was taken:

Mayor Rick West: Yes
Mayor Frank Rabil: Yes
Mayor Donnie Tuck: Yes
Mr. Michael McCarty: Yes
Mr. Michael Hipple: Yes
Mr. David Jenkins: Yes
Mayor Kenneth Alexander: Yes
Mr. Herbert Green: Yes
Mayor John Rowe: Yes
Mr. Christopher Cornwell: Yes
Chair Linda Johnson: Yes
Mayor Robert Dyer: Yes
Mayor Paul Freiling: No Response
Mr. Thomas Shepperd: Yes
Senator John Cosgrove: No Response
Senator Monty Mason: Yes
Delegate Clint Jenkins: Yes
Delegate Joseph Lindsey: Yes
Delegate Mike Mullin: Yes

Mr. John Mihaly confirmed The Motion Carried.

D. HRTAC Current Approved FY2020-FY2026 Plan of Finance Update – COVID-19 Potential Impact Review – Continuation of Current Approved Plan of Finance with Stress Test Adjustments

Mr. Miller reviewed the Six Year Improvement Plan with the members. He identified the HRTAC projects, associated cost and expenses, and funding sources.

He displayed the projected cash flow in two tables: (1) the original projections and; (2) the original projections with the revenue stress test applied.

Commission members questioned the large fluctuations in the HRTF and toll revenue debt service amounts.

Mr. Miller answered that the fluctuations were due to sale of the 2019 BANS.

Mayor Rick West Moved to approve that in the absence of updated revenue projections from the Commonwealth, the Commission (i) endorses the continuation of the HRTAC Current Approved FY2020-FY2026 Plan of Finance for HRTAC’s approved projects (including the I-64 Hampton Roads Bridge Tunnel Expansion Project) with stress test adjustments based on a COVID-19 Potential Impact Review, and (ii) approves the application of the stress test adjustments based on the COVID-19 Potential Impact Review; seconded by Mr. Herbert Green.

The following roll call was taken:

Mayor Rick West: Yes
Mayor Frank Rabil: Yes
Mayor Donnie Tuck: Yes
Mr. Michael McCarty: Yes
Mr. Michael Hipple: Yes
Mr. David Jenkins: Yes
Mayor Kenneth Alexander: Yes
Mr. Herbert Green: Yes
Mayor John Rowe: Yes
Mr. Christopher Cornwell: Yes
Chair Linda Johnson: Yes
Mayor Robert Dyer: Yes
Mayor Paul Freiling: No Response
Mr. Thomas Shepperd: Yes
Senator John Cosgrove: No Response
Senator Monty Mason: Yes
Delegate Clint Jenkins: Yes
Delegate Joseph Lindsey: Yes
Delegate Mike Mullin: Yes

Mr. John Mihaly confirmed The Motion Carried.

E. HRTAC Bond Resolution – HRTF Bond Financings – Authorization to Issue Bonds

Ms. Megan Gilliland, Kaufman and Canoles, reviewed and explained HRTAC Resolution 2020-01, which authorizes the issuance of up to \$800 Million in aggregate principal amount of Hampton Roads Transportation Fund Revenue Bonds. She explained the parameters set forth in the Resolution and indicated that the full disclosure documents were included in the agenda packet.

Mayor Rowe Moved the approval of Resolution 2020-01, which authorizes the issuance of HRTF Revenue Bonds for up to \$800 Million; Seconded by Mr. Green. The following roll call vote was taken:

Mayor Rick West: Yes
Mayor Frank Rabil: Yes
Mayor Donnie Tuck: Yes
Mr. Michael McCarty: Yes
Mr. Michael Hipple: Yes
Mr. David Jenkins: Yes
Mayor Kenneth Alexander: Yes
Mr. Herbert Green: Yes
Mayor John Rowe: Yes
Mr. Christopher Cornwell: Yes
Chair Linda Johnson: Yes
Mayor Robert Dyer: Yes
Mayor Paul Freiling: No Response
Mr. Thomas Shepperd: Yes
Senator John Cosgrove: No Response
Senator Monty Mason: Yes
Delegate Clint Jenkins: Yes
Delegate Joseph Lindsey: Yes
Delegate Mike Mullin: Yes

Mr. John Mihaly confirmed The Motion Carried.

F. Authorization to Conduct a Public Hearing for each of the following:

(i) HRTAC Proposed Debt Management Plan to Include Hampton Roads Express Lanes Network – COVID-19 Potential Impact Review; (ii) HRTAC Proposed FY2021-FY2026 Plan of Finance Update – COVID-19 Potential Impact Review; (iii) HRTAC Proposed 2045 Long Range Plan of Finance Update -COVID-19 Potential Impact Review

Mr. Miller discussed the debt management plan with the HREL, the Bowers Hill Interchange and the Fort Eustis Interchange being incorporated.

He noted that the stress test results pushed completion of Bowers Hill and Ft. Eustis back to 2035 and 2037, respectively. He further stated that HRTAC would maintain its coverage ratios.

HRTAC Finance Chair Hipple thanked the PFM team for the effort put into the implementation of the stress test and stated that the Finance Committee endorsed the six year and long range plans.

Mayor Tuck Moved that the Commission (i) endorses the (a) HRTAC Proposed Debt Management Plan to include Hampton Roads Express Lanes Network – COVID-19 Potential Impact Review, (b) HRTAC Proposed FY2021-FY2026 Plan of Finance Update – COVID-19 Potential Impact Review, and (c) HRTAC Proposed 2045 Long Range Plan of Finance Update -COVID-19 Potential Impact Review, and (ii) authorizes the Finance Committee Chair or Executive Director to conduct a public hearing for each; Seconded by Mr. Herbert Green. The following roll call was taken:

Mayor Rick West: Yes
Mayor Frank Rabil: Yes
Mayor Donnie Tuck: Yes
Mr. Michael McCarty: Yes
Mr. Michael Hipple: Yes
Mr. David Jenkins: Yes
Mayor Kenneth Alexander: Yes
Mr. Herbert Green: Yes
Mayor John Rowe: Yes
Mr. Christopher Cornwell: Yes
Chair Linda Johnson: Yes
Mayor Robert Dyer: Yes
Mayor Paul Freiling: No Response
Mr. Thomas Shepperd: Yes
Senator John Cosgrove: No Response
Senator Monty Mason: Yes
Delegate Clint Jenkins: Yes
Delegate Joseph Lindsey: Yes
Delegate Mike Mullin: Yes

Mr. John Mihaly confirmed The Motion Carried.

Information Items

A. HRTAC Monthly Financial Report

Mr. Page reviewed the Monthly Financial Report with the Commission.

B. HRTAC Market and Profile Update

Mr. Page indicated PFM had provided a Market and Profile Update for HRTAC

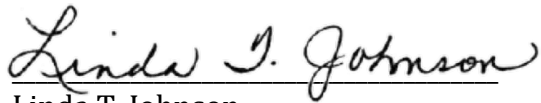
C. VDOT Project Updates

Mr. Page acknowledged the project updates were included for the Commissioners review.

D. Next meeting: HRTAC Annual Organizational Meeting – June 18, 2020, 12:30 p.m.
Mr. Page reminded the Commission that HRTAC’s annual organizational meeting will occur on June 18th at 12:30 p.m.

Adjournment

With no further business to come before the Hampton Roads Transportation Accountability Commission, the meeting adjourned at 11:38 a.m.

A handwritten signature in cursive script that reads "Linda T. Johnson". The signature is written in black ink and is positioned above a horizontal line.

Linda T. Johnson
HRTAC Chair