

**Hampton Roads Transportation
Accountability Commission (HRTAC)
Summary Minutes of the March 19, 2015 Regular Meeting**

The Hampton Roads Transportation Accountability Commission (HRTAC) Regular Meeting was called to order at 12:42 p.m. in the Regional Board Room, 723 Woodlake Drive, Chesapeake, Virginia, with the following in attendance:

HRTAC Voting Members in Attendance:

Alan Krasnoff, Chair	Dallas Jones
Rex Alphin	McKinley Price
Paul Fraim	William Sessoms, Jr.
Michael Hipple	Tom Shepperd, Jr.
W. Eugene Hunt, Jr.	George Wallace
Delegate Johnny Joannou	Kenneth Wright
Linda Johnson	Delegate David Yancey
Delegate Chris Jones	

HRTAC Ex-Officio Members in Attendance:

Amy Inman (Alternate)
Charlie Kilpatrick
John Malbon

HRTPO Interim Executive Director:

Camelia Ravanbakht

Other Participants:

Deputy Secretary Grindly Johnson*
Tom Inglima
James Utterback

HRTAC Voting Members Absent:

Clyde Haulman
Raystine Johnson-Ashburn
Senator Louise Lucas
Senator Frank Wagner

HRTAC Ex-Officio Members Absent:

Jennifer Mitchell
John Reinhart

* Denotes Late Arrival or Early Departure

Others Recorded Attending:

Bill Cashman, Delegate Bill DeSteph, John R. Gergely, Frank W. Hay, John P. Kuchta Jr., Kathleen McCarthy, Philip Rinehart, Donna Sayegh, Anil Sharma, Dale Thompson, Waverly Woods (Citizens); James Baker, Jan Proctor, Earl Sorey (CH); Randy Martin (FR); Brian DeProfio (HA); Bryan Hill, Mary Jones (JC); Brittany Forman, Joe Howell, Jeffrey Raliski (NO); Britta Ayers, Bryan Stilley (NN); Robert Baldwin, John Rowe (PO); Randy Wheeler (PQ); Michael Johnson, Barry Porter (SH); Selena Cuffee-Glenn, Eric Nielsen (SU); Angela Bezik, Bob Matthias, Jim Spore (VB); Mark Macintire (CH2M Hill); John Herzke (Clark Nexsen); Scott Forehand, Don Quisenberry, Susan Shomon (eScribeSolutions); Bert Ramsay (Lane Construction); Tracy Baynard (McGuire Woods Consulting); Karen McPherson (McPherson Consulting); Rhonda Murray (Navy Region Mid-Atlantic); Mike Yeager (Old Point National Bank); Deborah Brown, Ronaldo T. Nicholson (Parsons Brinckerhoff); Mark Geduldig-Yatrofsky (Portsmouthcitywatch.org); L. Gail Henderson (Senator L. Louise Lucas); Joey Funaro (SunTrust); Dianna Howard (TLP, VBTA, VBTP); Robert K. Dean (Tidewater Libertarian Party); Julie Bartley, Robyn D. Clark (Union Bank & Trust); Tony Gibson, Laurie Simmons, Rick Walton, (VDOT); David Forster (Virginian-Pilot); Stuart Goodpasture (Wells Fargo Bank); Amber Randolph (Willcox & Savage); Kelli Arledge, Melton Boyer, Nancy Collins, Randy Keaton, Mike Long, Joe Turner, Chris Vaigneur (HRPDC); Sam Belfield, Robert Case, Kathlene Grauberger, Danetta Jankosky, Mike Kimbrel, James McNamara, Keith Nichols, Joe Paulus, Seth Schipinski, Dale Stith (HRTPO)

Call to Order

After the call to order, Chair Alan Krasnoff noted that Senator Louise Lucas would be excused from the meeting. In addition, he recommended that whenever there is new business, unless an emergency, that it be announced and then brought up at the next meeting. This would allow for the Commission members to get to know the new matters and better allow the Commission and public to give prior consideration to the new Items. Chair Krasnoff provided an example of a proposed policy to permit remote participation in certain circumstances.

Public Comment Period (limit 5 minutes per individual)

Ms. Diana Howard asked about the agenda item on banking services and investments. She stated that there was nothing in the handout or online to address the topic and that the public has not been given any information. Ms. Howard also questioned the agenda item on House Bill 2, noting that attachment 7 includes the same information given at the first stakeholders' meeting and that apparently comments during subsequent meetings did not change the available information.

Chair Krasnoff commented that the reason there was no back up was that the bids were sealed.

Ms. Donna Sayegh stated that at the previous HRTC meeting, there was a motion to approve the Commission's Interim Project Agreements and Right of Way Acquisition. Ms. Sayegh spoke about individual liberty and state government infringement on individual rights. She asked who would show her the signed Interim Project Agreements, provide information on the Right of Way Acquisition, and explain why information on House Bill 2 was in the packet.

Mr. Mark Geduldig-Yatrofsky spoke about funding for the expansion of the High Rise Bridge on Interstate 64. He stated that the HOT model is both viable and equitable. He believes it is viable because it provides additional revenue and equitable because existing lanes would be untolled.

Ms. Waverly Woods addressed several items. First she noted that SB1459 allowing public speaking passed in the Senate, so apparently that body approves of public speaking at this meeting. She questioned when the topic would be added to the bylaws. Second, she asked when the next HRTAC Bylaws Committee meeting would be held. She stated that the last meeting was a few months ago, during which time no bylaw changes or suggestions were considered. Third, she noted that they spoke months ago with Ms. Kendall Miller and asked when she would be having a Town Hall meeting on HRTAC in Virginia Beach. She said she would coordinate with Mayor William Sessoms, who stated that he would look into it. Ms. Woods requested a Town Hall meeting be held at a time convenient for people to attend after they get off work.

Delegate Bill DeSteph stated that he hoped a an HRTAC Bylaws Committee meeting would be held soon and requested that he be included as a copy on the email. Delegate DeSteph also commented on the fact that the HOT lanes model has worked well in Northern Virginia. He expressed hope that we could proceed down that path and arrange a public/private partnership to accomplish it.

Minutes of the January 8, 2015 and February 19, 2015 HRTAC Regular Meetings

Mayor W. Eugene Hunt Moved to approve the minutes of January 8, 2015 and February 19, 2015; seconded by Mayor McKinley Price.

Chair Krasnoff stated that unless he has a request for a roll call vote, they will use a voice vote. He further stated that if there is even one nay or anyone wishes to abstain, they will then determine a motion to be carried and proceed with a roll call vote. Chair Krasnoff then held a voice vote to approve the minutes of January 8, 2015 and February 19, 2015. The Motion Carried unanimously.

I-64/High Rise Bridge Corridor Study Environmental Assessment

Chair Krasnoff thanked Mayor Price, Chair of the HRTPO and stated that they were able to come to a unanimous vote and according to the language identified by the Commonwealth Transportation Board, Chair Krasnoff asked Mr. John Malbon to read the language and see if there was any further discussion. Mr. Malbon read the following Motion for Alternative

Two: Adding two lanes to the facility in each direction including the construction of a new bridge and eventual replacement of the existing bridge. Existing in proposed capacity could accommodate multiple options and/or contain toll and faster management provisions.

Chair Krasnoff stated to Delegate Johnny Joannou that this does not mean there will be a toll, and Delegate Joannou remarked that he had not said a word. Chair Krasnoff asked if there was any further discussion, and if not, a motion was now in order.

Mayor Sessoms Moved to approve Alternative Two: Adding two lanes to the facility in each direction including the construction of a new bridge and eventual replacement of the existing bridge. Existing in proposed capacity could accommodate multiple options and/or contain toll and faster management provisions; seconded by Mayor Linda Johnson. The Motion Carried unanimously.

HRTAC Financial Services
HRTAC Banking Services and Investments

As requested by Chair Krasnoff, Mr. Tom Inglima explained that after being advised of the names of the four banks presenting proposals, members may have to disqualify themselves if they have a conflict of interest. Delegate David Yancey, Mayor Kenneth Wright, and Mayor Price sent letters to the Commission stating that they may have a disqualifying conflict and have therefore disqualified themselves from participating in the RFP award. Mr. Inglima explained that because of the disqualification, Delegate Yancey, Mayor Wright and Mayor Price may not participate in the discussion of the RFP or any vote thereon, but could remain in the meeting room unless the Commission decides to go into closed session to discuss the RFP.

Chair Krasnoff asked Ms. Nancy Collins, HRTPO Chief Financial Officer, to explain the RFP process. Ms. Collins explained that a RFP was issued on October 9, 2014. She noted that the RFP information was posted on three websites, those of the HRTAC, HRTPO, and HRPDC, and was published in a local newspaper. Local financial institutions received a copy by mail. Questions regarding the RFP were solicited and received before the Pre-Proposal Conference, and an addendum to the RFP was published before the Pre-Proposal Conference on all three websites. A Pre-Proposal Conference held on October 22, 2014, was attended by five institutions. Four submitted proposals on November 13, 2014. The Evaluation Committee and staff members reviewed them and developed a list of matters requiring further inquiry. The Evaluation Committee and staff members interviewed each of the four institutions. Consensus of the Evaluation Committee was that two institutions be engaged to provide banking and investment services for HRTAC. The two banks were to have distinct but complementary roles. Once the HRTAC approves these institutions, an Intent to Award must be posted for ten days before accounts are established. Ms. Collins explained that if the institutions were approved today, the earliest action could take place was Monday, March 30, 2015. Ms. Collins then stated that Mayor Hunt will now brief the Commission on the proposed institutions.

Mayor Hunt, member of the Evaluation Committee and Vice-Chair of the HRTAC Finance Committee, briefed the Commission on the proposed institutions. He stated that the Evaluation Committee was pleased with all four proposals and all of the institutions were prepared to team. The Evaluation Committee decided on the expertise of two institutions, Union First Market Bank for day to day banking and BB&T for investment strategy.

Chair Krasnoff asked for questions before a motion. Mayor George Wallace asked about the other institutions, and Mayor Hunt stated that Old Point National Bank, SunTrust, BB&T and Union First Market Bank proposed and were considered.

Mr. Tom Shepperd made the following Motion: (i) to approve the Commission's award of a contract under the Commission's Request for Proposal for HRTAC Financial Services issued October 9, 2014 (the "RFP") to Branch Banking and Trust Co. for depository and investment services, and the Commission's award of a contract under the RFP to Union First Market Bank for checking services, each award to be upon the terms and conditions of the RFP for the services awarded, including the final pricing proposal made by the applicable bank for those services, and (ii) to authorize the Chair to finalize, execute and deliver each awarded contract and related documentation on behalf of the Commission in accordance with the foregoing; seconded by Mayor Sessoms

Chair Krasnoff called for further discussion. Mayor Wallace asked for the names of the members of the Evaluation Committee, and Mayor Hunt responded that he was a member of the Committee as was Dr. Camelia Ravanbakht and, from the HRTPO staff, Ms. Nancy Collins. Mayor Wallace stated that he had no further questions.

Delegate Joannou questioned whether this was adopted to be looked at by the entire Commission or a special committee of four or five members. Chair Krasnoff responded that it was the HRTAC Finance Committee that these were the names that were appropriate. Mayor Hunt explained that many people had potential conflicts.

Delegate Joannou asked whether only Mayor Hunt did not have any conflicts. Mayor Hunt responded that he did not say that, but that many members were waiting for guidance from the Attorney General and were concerned. Mr. Inglima added that Senator Lucas also disqualified herself from participating in that Committee decision.

Delegate Joannou asked why others were not appointed to the Evaluation Committee. Chair Krasnoff responded that he felt they had people who were qualified. Delegate Joannou stated he was not questioning the people on the Evaluation Committee, but noted that there was only one person who is an HRTAC Voting member who made the decision. Chair Krasnoff pointed out that the entire Commission is now making the decision.

Delegate Joannou asked if Old Point National Bank and SunTrust were found not to be qualified. Mayor Hunt stated that all four banks were very solid in their presentations.

Delegate Joannou also asked how the money coming in would be allocated to each bank, why they chose two banks, and where the banks are headquartered. Mayor Hunt explained the choices and provided the location of each bank's headquarters. He noted that two of the banks came into the process prepared to team. He continued that Union First Market Bank specialized in day to day banking, and was a Virginia bank. He stated that BB&T was a North Carolina bank. He indicated that HRTAC should not put all its eggs in one basket, and remarked that to be the process by which the decision was made.

Delegate Joannou asked why the Evaluation Committee chose a bank headquartered in Richmond as opposed to one in Hampton Roads. Mayor Hunt replied that the important factor is where the money is housed, not where its home office is located. Mayor Wallace asked if Mayor Hunt was saying that the money would be housed in Hampton Roads, to which Mayor Hunt responded affirmatively. Mayor Hunt continued that they did not know in which locality in Hampton Roads the money would be housed.

Delegate Joannou asked if they had any choice in where it was housed, to which Mayor Hunt responded that he did not know. Mayor Hunt went on to explain that they considered the state in which each bank's headquarters were located as a factor, but did not consider where the money would be housed. Mayor Hunt stated that considering where the money would be housed was a slippery slope, as each mayor on the Commission would want the money housed in their locality. Chair Krasnoff noted that the Commission is a regional body.

Chair Krasnoff noted the Commission was now discussing a motion, and that these questions could be appropriate for the Finance Committee.

Delegate Joannou voiced concerns about depositing money without having regulations of its use. Chair Krasnoff explained that the process they were working through was to streamline the cash flow because the current location of the funds (held by the State) creates a delay. Chair Krasnoff continued that this process will also save the Commission money.

Delegate Joannou again stated his concern regarding depositing the money without regulation. Mayor Hunt clarified that the motion is substantially within the agreements that the banks brought in their bid. Mayor Hunt continued that Delegate Joannou's questions could be answered by reading their bids. Delegate Joannou said that he did not have a copy of the report, nor a copy of the questions that were answered.

Chair Krasnoff stated that he was informed by Mr. Inglima that the discussion was getting to a point where they may need to go into closed session. Mr. Inglima further clarified that to be FOIA compliant, a motion to go to closed session would need to be made. Delegate Joannou stated that he did not have a desire to delay anything, but he wanted every member of the Commission to understand how the Commission would be obligated to the banks. Chair Krasnoff suggested that Delegate Joannou make a motion to move into closed session. Delegate Joannou stated he was reluctant to make the motion because he would then be accused of delaying the process, and he did not want to delay.

Mayor Wallace agreed that Delegate Joannou's questions were legitimate. Mayor Wallace stated that he was fine with deferring the process if it allowed the Commission to make the right decision and that every member would then receive all the facts. Mayor Sessoms expressed his opinion that a closed session was not needed and asked if the Evaluation Committee could provide a snapshot and comparison of the analysis used in evaluating the banks.

Mr. Inglima remarked that his suggestion of moving to a closed session was to make sure that the negotiating strategy with the banks was not compromised.

Mayor Hunt stated the Evaluation Committee did not believe that any party had a clear competitive advantage and that there was no significant difference on pricing. Mayor Hunt stated that the Evaluation Committee selected Union First Market Bank based on its superior level of service, and selected BB&T based on its history of investment expertise and ability to reach into different investment markets. Mayor Hunt stated that the HRTAC Finance Committee will have to come back to HRTAC to outline the planned distribution of funds.

Delegate Joannou asked about the contracts with the banks. Mr. Inglima noted that the contracts with the banks may be terminated for convenience with 30-days' notice and that the banks would then be obligated to assist the Commission in transitioning the funds to a successor. Mr. Inglima stated that the banks would take direction from the Commission, not from each other.

Delegate Chris Jones indicated that this process was putting in place a mechanism of placement of funds into chosen banks.

Delegate Joannou asked Mr. Inglima whether the 30-day termination clause in the contracts with the banks permits the Commission to terminate for convenience and whether the Commission could later request other changes to its arrangement with the banks. Mr. Inglima confirmed to Delegate Joannou that the contracts each have a 30-days' termination for convenience clause. Chair Krasnoff remarked that he appreciated the questions from Delegate Joannou providing clarity on the bank contracts.

Mr. Shepperd questioned whether there is a term limit on this RFP, and Mr. Inglima said he believed it is a three year contract with two one-year options for renewal for the Commission. Mr. Shepperd noted that the Commission could negotiate with the banks for changes in the contract at the end of each contract term based on the Commission's experience with the banks up to that point.

Chair Krasnoff, hearing no further discussion, called for the roll call vote. A roll call vote was conducted, and the results were as follows:

Mayor Alan Krasnoff	Yes
Mayor Raystine Johnson-Ashburn	Absent
Mayor George Wallace	Yes
Mr. Rex Alphin	Yes
Mr. Michael Hipple	Yes
Mayor McKinley Price	Abstain
Mayor Paul Fraim	Yes
Mayor W. Eugene Hunt, Jr.	Yes
Mayor Kenneth Wright	Abstain
Mr. Dallas Jones	Yes
Mayor Linda Johnson	Yes
Mayor William Sessoms, Jr.	Yes
Mayor Clyde Haulman	Absent
Mr. Tom Shepperd, Jr.	Yes
Senator L. Louise Lucas	Absent
Senator Frank Wagner	Absent
Delegate Johnny Joannou	Yes
Delegate Chris Jones	Yes
Delegate David Yancey	Abstain

Regarding the Motion on the Floor, the Motion Carried.

HRTAC Financial Services Authorized Signatories for HRTAC Bank Accounts

Chair Krasnoff asked Ms. Collins to speak on the authorized signatories for Commission bank accounts. Ms. Collins stated that the bylaws direct that checks be signed and countersigned by the Chair, or in the Chair's absence, the Vice-Chair and also the Executive Director, or in the Director's absence, those persons authorized by this Commission from time to time. She stated that in order to establish accounts at financial institutions, the Commission must designate authorized signatories for its accounts. Ms. Collins stated it is recommended that HRTAC designate the following individuals as authorized signatories for HRTAC financial accounts: the Chair and Vice-Chair, Mayor Alan Krasnoff and Senator Frank Wagner, respectively; in the absence of staff for the HRTAC at this time, Mayor W. Eugene Hunt, the HRTAC Finance Committee Vice-Chair, and Ms. Nancy Collins, the HRTPO Chief Financial Officer. The above list of other authorized signatories will be updated once HRTAC staff has been hired. Ms. Collins stated that the Commission is asked to approve the stated list of signatories.

Mr. Shepperd Moved (i) to ratify each of Mayor Alan Krasnoff , Chair of the Commission, and Senator Frank Wagner, Vice-Chair of the Commission, individually, as authorized signatories for the Commission's accounts with Branch Banking and Trust Co. and Union First Market Bank, with power to sign checks and drafts, and (ii) as contemplated pursuant

to Article VII, Section A of the Bylaws of the Commission, in the absence of an Executive Director, to approve each of Mayor W. Eugene Hunt, Jr., Vice-Chair of the Commission's Finance Committee, and Ms. Nancy K. Collins, HRTPO Chief Financial Officer, individually, as authorized signatories for each of those accounts, with power to countersign checks and drafts; seconded by Mayor Sessoms.

Chair Krasnoff, hearing no further discussion, called for the roll call vote. A roll call vote was conducted, and the results were as follows:

Mayor Alan Krasnoff	Yes
Mayor Raystine Johnson-Ashburn	Absent
Mayor George Wallace	Yes
Mr. Rex Alphin	Yes
Mr. Michael Hipple	Yes
Mayor McKinley Price	Abstain
Mayor Paul Fraim	Yes
Mayor W. Eugene Hunt, Jr.	Yes
Mayor Kenneth Wright	Abstain
Mr. Dallas Jones	Yes
Mayor Linda Johnson	Yes
Mayor William Sessoms, Jr.	Yes
Mayor Clyde Haulman	Absent
Mr. Tom Shepperd, Jr.	Yes
Senator L. Louise Lucas	Absent
Senator Frank Wagner	Absent
Delegate Johnny Joannou	Yes
Delegate Chris Jones	Yes
Delegate David Yancey	Abstain

Regarding the Motion on the Floor, the Motion Carried.

New Business Items for Next Month's Agenda (Additional Agenda Item)

Mayor Sessoms requested to add to next month's agenda an item regarding additional environmental and engineering on the remainder of the needed interchange improvements (totaling \$10 million) to the I-64/I-264 Interchange Improvements project. He also requested to add environmental and engineering (totaling \$5 million) to the Route 460/58/13 Connector (I-64/I-664 at Bowers Hill to the Eastern End of Suffolk Bypass, including interchanges at the SPSA Facility and the Hampton Roads Executive Airport). Chair Krasnoff asked that the items mentioned by Mayor Sessoms be placed on the agenda for the Commission meeting next month and noted that any member can ask to place an item on the agenda for the meeting next month. Chair Krasnoff noted that a vote is not required to place an item on the agenda for the next month's meeting.

Mayor Sessoms asked about applications for the HRTAC Executive Director. Chair Krasnoff remarked that Deputy Secretary Grindly Johnson was going to speak about that topic today, but has been delayed and is not yet at the meeting, and deferred to Mr. Charlie Kilpatrick. Mr. Kilpatrick could not provide any additional information. Mayor Sessoms stated that this item must be addressed and asked Mr. Kilpatrick to call Deputy Secretary Johnson and ask for an update.

Mayor Paul Fraim suggested scheduling a Bylaws Committee meeting in May.

Mr. Inglima noted that the Commission cannot permit remote participation of members at HRTAC meetings by phone under FOIA unless the Commission first adopts a policy. Mr. Inglima suggested a policy determining an HRTAC member's remote participation by phone be included on the agenda next month.

Delegate Chris Jones suggested that the HRTAC Executive Director Search Committee be scheduled to meet at the next meeting to provide an update and facilitate the process. Mayor Sessoms expressed agreement.

Mayor Sessoms asked whether the MOU between VDOT and HRTAC had been signed. Mr. Inglima responded that the MOU has not been signed yet due to a delay stemming from the General Assembly session. Mr. Inglima noted that he expected entering into that agreement next week and that the Commission already approved the agreement.

Deputy Secretary Johnson, who arrived from Jury Duty, shared progress on the search stating that they believe an HRTAC Executive Director will be found by July 15, 2015. Chair Krasnoff stated that the Commission has approved Deputy Secretary Johnson to continue moving forward with the process.

Hampton Roads Transportation Fund Financial Report

Mr. Shepperd thanked Chair Krasnoff for setting up the HRTAC New Member Orientation. Mr. Shepperd referred to a few elements in the Fund Financial Report, including the funding list, total gross revenues, expenditures, and cost of delay. Mr. Shepperd noted that the Commission had total gross revenues of \$246 million for the last nine months and expenditures of \$2.165 million for the last nine months. Mr. Shepperd stated that inflation alone is costing the Commission \$700,000 a day. Mr. Shepperd stated that the Financial Report indicated that \$44 million was allocated to be spent in 2014 on the Peninsula I-64 segment. Mr. Shepperd requested that the Commission pick up momentum on the projects.

Mayor Fraim remarked that the bids for the I-64 Segment I project came in under the \$144 million projection and he questioned how they would reapportion the difference. Mr. James Utterback of VDOT responded that the Commission had discussed that last month and that a decision had not been made.

For Your Information
HB2 Statewide Transportation Prioritization Process

Chair Krasnoff thanked Mr. Malbon for updating the HRTAC earlier in the meeting.

Next HRTAC Regular Meeting

Mayor Johnson Moved that the next HRTAC Regular Meeting be held at 12:30 p.m. on April 16, 2015 in the Regional Building; seconded by Mr. Shepperd. Chair Krasnoff called for a voice vote. The Motion Carried unanimously.

With no further business to come before the Hampton Roads Transportation Accountability Commission (HRTAC), the meeting adjourned at 1:44 p.m.

Alan P. Krasnoff
HRTAC Chair