

Hampton Roads Transportation Accountability Commission

Finance Committee Meeting *In Person Meeting*

March 16, 2023
9:00 a.m.

1. Call to Order and Roll Call

2. Approval of Agenda

3. Public Comment Period

- Limit 5 minutes per individual

4. Consent Items

- Recommended Action: Approval

A. Minutes of the December 15, 2022 Finance Committee Meeting (Attachment 4A)

5. Action Items

- Recommended Action: Discussion/Endorsement/Recommendation

Approval

A. HRTAC Highway Regional High Priority Projects Funding Plan of Finance and Debt Management Plan Update (Attachment 5A) - Executive Director Page and David Miller, PFM Financial Advisors – **Recommended Action:** Endorsement and Recommendation to the Commission to Approve

B. Defeasance of the Hampton Roads Transportation Fund Senior Lien Bond Anticipation Notes, Series 2021A (Attachment 5B) - Executive Director Page, Bond Counselor Ballou, General Counselor Inglima, Nelson Bush, PFM Asset Management, and David Miller, PFM Financial Advisors - **Recommended Action:** Endorsement and Recommendation to the Commission to Approve

C. Approved HRTAC FY2023-FY2028 Plan of Finance Update – Six Year Operating and Capital Program of Projects – Highway Regional High Priority Projects - Adjustment of HRELN Values to: (i) Deallocate Funds From the HRELN Segment 4C Project; (ii) Allocate Said Funds to Support the HRELN Transportation Management Plan; and (iii) Authorization to Execute Necessary Agreements (Attachment 5C) - Executive Director Page and Liang Shan, PFM Financial Advisors – **Recommended Action:** Endorsement and Recommendation to the Commission to Approve

D. FY2024 Administrative and Project Development Budget (Attachment 5D) - Executive Director Page – **Recommended Action:** Endorsement and Recommendation to the Commission to Conduct a Public Hearing and Approve

- E. FY2024-FY2030 Plan of Finance Update – Six Year Operating and Capital Program of Projects – Highway Regional High Priority Projects (Attachment 5E)** - Executive Director Page and Liang Shan, PFM Financial Advisors – **Recommended Action:** Endorsement and Recommendation to the Commission to Conduct a Public Hearing and Approve
- F. FY2024-FY2030 Plan of Finance Update – Six Year Operating and Capital Program of Projects – Transit Regional High Priority Projects (Attachment 5F)** - Executive Director Page and Liang Shan, PFM Financial Advisors - **Recommended Action:** Endorsement and Recommendation to the Commission to Conduct a Public Hearing and Approve
- G. 2045 Long Range Plan of Finance Update for the Region’s High Priority Highway Projects and the Hampton Roads Regional Transit Fund (Attachment 5G)** - Executive Director Page – **Recommended Action:** Endorsement and Recommendation to the Commission to Conduct a Public Hearing and Approve

6. Information Items

- A. HRTAC Monthly Financial Report – (Attachment 6A)** – Executive Director Page

7. Adjournment

Agenda Item 4A
Consent Item

To: Chair Hipple and the other members of the Finance Committee

From: Kevin B. Page, Executive Director

Date: March 16, 2023

Re: December 15, 2022 Meeting Minutes

Recommendation:

The Finance Committee is asked to approve the December 15, 2022 Finance Committee meeting minutes.

Background:

The Finance Committee approves meeting minutes for the permanent record of the Finance Committee.

Fiscal Impact:

There is no fiscal impact in relation to this Consent Item.

Suggested Motion:

Motion is to approve the minutes of the HRTAC Finance Committee meeting on December 15, 2022.

**Hampton Roads Transportation
Accountability Commission (HRTAC)
Summary Minutes of the December 15, 2022 Finance Committee
Meeting**

The Hampton Roads Transportation Accountability Commission (HRTAC) Finance Committee Meeting was called to order at 9:30 a.m. with the following in attendance:

HRTAC Members in Attendance:

Supervisor Michael Hipple, JC, Chair	Supervisor Thomas Shepperd, YK
Supervisor William McCarty, IW	Senator Monty Mason, VGA
Mayor Shannon Glover, PO*	

HRTAC Executive Director

Kevin Page

Other Participants:

Nelson Bush, PFM	Liang Shan, PFM
David Miller, PFM	Tom Inglima, Willcox & Savage

*Denotes Late Arrival or Early Departure

Others Recorded Attending:

Jim Calpin, Scott Detar (Bank of America); Danetta Jankosky, Sheila Wilson (HRTPO); Jennifer Hodnett (HRTAC); Racheal Steck (Veterans Reporters)

Call to Order and Roll Call

HRTAC Finance Committee Chair, Supervisor Michael Hipple, called the meeting to order and a roll call vote of all Members was taken:

Chair Michael Hipple: Present
Supervisor William McCarty: Present
Mayor Shannon Glover: No Response
Supervisor Thomas Shepperd: Present
Senator Monty Mason: Present

Approval of Agenda

Supervisor William McCarty Moved to approve the agenda as presented; Seconded by Supervisor Thomas Shepperd. The Motion Carried.

Public Comment Period (limit 5 minutes per individual)

No one from the public requested to make a public comment.

Consent Item

- A. Minutes of the September 15, 2022 Finance Committee Meeting

Supervisor Shepperd Moved to approve the consent agenda item; Seconded by Supervisor McCarty. The Motion Carried.

Action Items

A. Approved HRTAC FY2023-FY2028 Plan of Finance Update – Six Year Operating and Capital Program of Projects – Highway Regional High Priority Projects – Adjustments to Values to Support HRELN Segment 1A Cost Increase

HRTAC Executive Director, Kevin Page, stated that the update was to make line item adjustments within the approved HRTAC FY2023-FY2028 Plan of Finance and would not result in an overall addition or reduction in funds allocated to the HRTAC FY2023-FY2028 Plan of Finance. He explained that in order to increase the amount allocated to the Hampton Roads Express Lanes Network (HRELN) Segment 1A, certain unused monies would need to be deallocated from the first six projects and other segments of the HRELN. He also stated that a portion of the deallocated funds would be returned to the Hampton Roads Transportation Fund (HRTF) to be applied to other projects.

HRTAC Finance Committee Members discussed the movement of funds within the projects.

Executive Director Page stated that HRTAC seeks to identify unused dollars from its initial proposed budgets and reallocate those funds to projects that are ready to move forward.

Ms. Liang Shan, PFM, reminded the Committee of the debt management plan that was presented in September 2022 and stated that no change has occurred to the plan. She summarized the upcoming debt issuances, which include a 2023 TIFIA loan, 2023/2024 Bonds and a 2024 TIFIA loan, noting that they are on course. She also highlighted the addition of the I-464/ 64 Interchange IAR Project.

Executive Director Page discussed the I-464/64 Interchange Access Report Project with the Committee. He explained that as part of the tolling policy for the HRELN pursuant to the Master Tolling Agreement, the Virginia Department of Transportation (VDOT) and HRTAC were required to conduct a safety study and identify any issues that may affect the operations of the HRELN. Executive Director Page noted that VDOT proposed the application of Interstate Operations and Enhancement Program funds to enhance the I-464 ramp at the Battlefield Interchange, and that the IAR Project will provide a study of the entire interchange. Executive Director Page explained that if the I-464/ 64 Interchange IAR Project produces findings that not all improvements contemplated by HRTAC's 2045 Plan are necessary, the I-464/ 64 Interchange IAR Project could create cost savings in the 2045 Plan.

Ms. Shan reviewed the allocation and deallocation activities referenced by Executive Director Page at the beginning of the meeting and indicated that HRTAC staff would be active with debt financing in the upcoming year.

Mr. Nelson Bush, PFM, explained that HRTAC could lawfully draw the TIFIA loan, which has a 1.86% rate and would result in \$6M in debt service, and achieve an investment return of \$14M a year. He also indicated that the timing of the market was advantageous.

Supervisor McCarty Moved that the Finance Committee, (1) Recommends that the Commission endorse adjustments to values within the approved FY2023-FY2028 Update Six Year Operating and Capital Program of Projects – Highway Regional High Priority Projects that include: (A) deallocation and reduction of \$35,106,018 from the Hampton Roads Transportation Fund pay go sourced project allocations identified as: 1. \$9,35,457.00 from HRELN Segment 4C Advanced Activity/Preliminary Engineering Phase 1 – UPC 117841; 2. \$4,474,367.00 HRELN Segment 4C Full Build Project PE Phase – UPC 119638; 3. \$5,000,000.00 (\$4M PE Phase; \$1M Right of Way Phase) HREL Segment 4A/4B Full Build Project - UPC 119824; and 4. \$16,273,194.00 from the I-64 Peninsula Widening (Segment 2) – UPC 106665 project; (B) allocation and increase of \$30,749,486.00 HRTF Pay-go Sourced project allocations to the HRELN Segment 1A Full Build Project – UPC’s 119637; and (C) return the remaining \$4,365,532.00 to the Hampton Roads Transportation Fund unobligated fund balance; and, (2) Authorizes the Finance Committee Chair to communicate said recommendation to the Commission at its next meeting, Seconded by Senator Monty Mason. The Motion Carried.

B. Amendment to the Executive Director Employment Agreement – Closed Session as needed.

Supervisor McCarty Moved that a closed session be held to discuss and consider the performance and salary of the Executive Director of the Commission, which closed session will be held in accordance with Virginia Code Section 2.2-3711(a)(1) for the purpose of discussion and consideration of assignment, employment, performance, promotion, demotion, salary, disciplining, or resignation of specific employees of the Commission; Seconded by Chair Michael Hipple.

Closed Session began at 9:52.

Tom Inglima, HRTAC General Counsel, read the following certification: The Finance Committee hereby certifies that (1) to the best of each member’s knowledge only public business matters lawfully exempted from open meeting requirements under the Virginia Freedom of Information Act, and (2) only such public business matters as were identified in the motion by which the closed meeting was convened were heard, discussed, or considered in the closed meeting just concluded. Closed session ended at 10:20 a.m.

A roll call vote was taken:

Chair Hipple: Aye
Supervisor Shepperd: Aye
Supervisor McCarty: Aye
Mayor Glover: Aye
Senator Mason: Aye

Supervisor McCarty Moved the Finance Committee recommends that the Commission (1) amend the Executive Director's employment agreement to increase the annual rate of base salary reflected therein to the annual rate of base salary that the Commission is currently paying the Executive Director and (2) authorize the Finance Committee Chair to communicate said recommendation to the Commission at its next meeting, Seconded by Supervisor Shepperd. The Motion Carried.

Information Item

A. HRTAC Monthly Financial Report

Executive Director Page reviewed the HRTAC Monthly Financial Report with the Committee.

Adjournment

With no further business to come before the Finance Committee the meeting adjourned at 10:23 a.m.

Michael Hipple,
HRTAC Finance Committee Chair



Finance Committee Meeting Agenda Items 5A-5B & 5E-5G

March 16, 2023



Agenda Item 5A:

Highway Regional High Priority Projects Funding and Debt Management
Plan Update

HRTAC's Debt Financings: To Date and Near-Term Planning

HRTAC Project	HRTAC Debt Funding	Outstanding Par/Drawn Loan
Six Initial Projects <i>Draw TIFIA to pay off the BANs</i>	HRTF Senior Lien 2018A Bonds	\$135,925,000
	HRTF Intermediate Lien 2019A Notes (2019A BANs)	\$0
	HRTF Subordinate Lien 2021 Successor TIFIA Loan ("2021 Successor HRTF Loan")	\$430,000,000
HRBT <i>Draw TIFIA to pay off the BANs</i>	HRTF Senior Lien 2020A Bonds	\$614,615,000
	HRTF Senior Lien 2021A Notes ("2021A BANs")	\$817,990,000
	HRTF Subordinate Lien 2021 TIFIA Loan ("2021 HRTF Loan")	\$0
	Toll Revenue Senior Lien 2021 TIFIA Loan ("2021 Toll Loan")	\$0
	HRTF Senior Lien 2022A Bonds	\$407,875,000
HRELN	Additional HRTF Bonds and TIFIA Loan (CY 2023)	n.a.
	Additional Toll Revenue TIFIA Loan (CY 2024)	n.a.

- In addition, VDOT is requesting HRTAC's funding for the Hampton Roads Group 3 Projects (shown on page 9). HRTAC plans to provide funding with HRTF paygo.

Hampton Roads Express Lanes Network – Phased Delivery

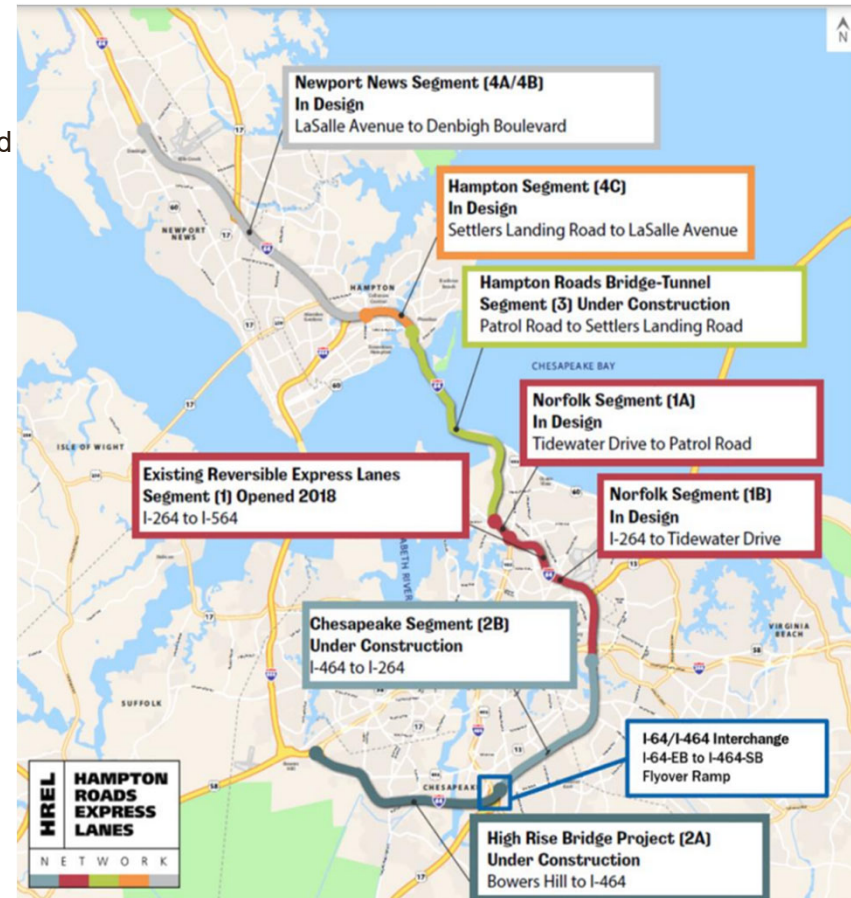
HRELN is a continuous network of Express Lanes in each traffic direction on I-64 from the Jefferson Avenue interchange in Newport News to the I-64/I-264/Bowers Hill interchange complex in Chesapeake. It is divided into four segments.

Under Construction

- **Segment 2** – completion by 2023
- **Segment 3 (HRBT Expansion Project)** – completion scheduled for September 2026
- **Segment 4C** – completion scheduled for December 2026
- **Segment 1A** – completion scheduled for January 2026

In Design

- **Segment 1B**
 - notice to proceed – July 2024
 - construction completion – November 2027
- **Segment 4A/4B**
 - notice to proceed – March 2024
 - construction completion – July 2026
- **I-64 and I-464 Exit 291 Interchange Improvements**
 - notice to proceed – January 2024
 - construction completion – December 2027



HRTF Revenue Historical Performance

- Sales and Uses tax, historically 64%-84% of the entire HRTF revenues, has generally increased steadily each year since FY 2016.
- Fuels tax has been rebounding since FY 2020.
- As of March 1, 2023, HRTAC has collected \$125.4M for FY 2023, 7.0% higher than the same period in FY 2022.

FY	Sales and Uses Tax	YoY	Fuels Tax	YoY	Total	YoY
2014	\$108		\$37		\$145	
2015	\$130	20.5%	\$41	9.7%	\$171	17.7%
2016	\$127	-2.7%	\$27	-34.7%	\$153	-10.4%
2017	\$132	4.0%	\$25	-6.4%	\$157	2.2%
2018	\$137	3.8%	\$33	30.8%	\$169	8.1%
2019	\$145	5.9%	\$81	148.0%	\$226	33.4%
2020	\$146	1.1%	\$55	-32.2%	\$201	-10.9%
2021	\$172	17.4%	\$56	1.6%	\$228	13.1%
2022	\$185	7.7%	\$59	4.9%	\$244	7.0%
YTD 2023	\$99	8.5%	\$26	1.6%	\$125	7.0%

(in millions)

*Certain accounting changes were implemented and affected FY 2019 and FY 2020.

HRTF Revenue Forecast

- In December 2022, Virginia Department of Tax prepared a revenue forecast update through FY 2030, which shows an optimistic upward trajectory.

<i>in millions</i>	Previous Forecast			Actual and Current Forecast			Difference		
	Sales Tax	Fuels Tax	Total	Sales Tax	Fuels Tax	Total	Sales Tax	Fuels Tax	Total
FY 2022	\$173.9	\$56.3	\$230.2	\$184.9 (act.)	\$58.7 (act.)	\$243.5 (act.)	\$11.0	\$2.4	\$13.4
FY 2023	\$186.8	\$58.9	\$245.7	\$197.2	\$63.5	\$260.7	\$10.4	\$4.6	\$15.0
FY 2024	\$192.2	\$59.7	\$251.9	\$201.6	\$67.6	\$269.2	\$9.4	\$7.9	\$17.3
FY 2025	\$197.0	\$60.2	\$257.2	\$208.4	\$70.4	\$278.8	\$11.4	\$10.2	\$21.6
FY 2026	\$198.2	\$60.7	\$258.9	\$213.9	\$72.7	\$286.6	\$15.7	\$12.0	\$27.7
FY 2027	\$199.2	\$61.7	\$260.9	\$215.8	\$74.7	\$290.5	\$16.6	\$13.0	\$29.6
FY 2028	\$200.0	\$63.1	\$263.1	\$218.2	\$76.7	\$294.9	\$18.2	\$13.6	\$31.8
FY 2029				\$220.6	\$78.7	\$299.3			
FY 2030				\$223.0	\$80.5	\$303.5			

HRBT Funding Plan

- All HRBT debt financing was originally completed in September 2021 and amended in April 2022. As of today, there have been no changes to HRTAC's total funding.
- HRBT's completion has been delayed by one year to August 2026; there is no current impact to the funding plan.
- As proposed in Agenda Item 5B, the HRTAC team has identified an opportunity of generating significant economic benefits by drawing the HRTF 2021 TIFIA Loan early to retire the 2021A BANs.

HRBT	
Costs - HRTAC Obligation	\$3,762,000,000
HRTAC Funds	
Federal Funding Award	\$200,000,000
HRTF Paygo	\$1,149,710,091
HRTF Senior 2020A Bonds	\$742,943,666
HRTF Senior 2022A Bonds	\$412,791,056
HRTF Senior 2021A TIFIA BANs (Project Fund)	\$792,555,186
HRTF Senior 2021A TIFIA BANs (CAPI Fund Release)	\$119,000,000
Toll 2021 TIFIA Loan	\$345,000,000
Total	\$3,762,000,000

Updated HRELN Funding Plan

- Changes in costs and correspondingly in funding since December 2022:
 - Segment 1B has increased \$47M, which will be absorbed by HRTF paygo.
 - HRTAC will contribute \$41M HRTF paygo towards the I-464/I-64 Interchange Exit 291 Ramp Improvements.
 - \$8M Traffic Management Plan (TMP) work is separated from the Segment 4C's budget as a non-federal participation project.

HRELN Cost Breakdown and Sponsors' Contributions

	Total Cost	HRTAC	Federal Funding	VDOT Funding				Total VDOT
				Bridge Funds	CTB	IOEP	TFRA	
HRELN Phase 1 - HRTF Loan Project								
Segment 4C	\$407,922,054	\$405,216,054		\$2,706,000				\$2,706,000
HRELN Phase 2 - Toll Loan Projects								
Segment 1A	\$197,612,207	\$94,061,245		\$10,450,962	\$93,100,000			\$103,550,962
Segment 1B	\$321,185,943	\$259,785,943	\$40,000,000			\$21,400,000		\$21,400,000
Segment 4AB	\$172,220,184	\$151,220,184	\$18,000,000			\$3,000,000		\$3,000,000
I-464 Interchange*	\$183,362,923	\$43,362,923				\$140,000,000		\$140,000,000
Tolling Integration	\$25,799,914						\$25,799,914	\$25,799,914
Total	\$900,181,171	\$548,430,295	\$58,000,000	\$10,450,962	\$93,100,000	\$164,400,000	\$25,799,914	\$293,750,876
HRELN - Non TIFIA Project								
Transportation Management Plan	\$8,000,000	\$8,000,000						
HRELN Total	\$1,316,103,225	\$961,646,349	\$58,000,000	\$13,156,962	\$93,100,000	\$164,400,000	\$25,799,914	\$296,456,876

*Include \$2.5M IAR study that HRTAC has previously committed

HRELN Funding Plan – HRTAC Portion

HRELN - Phase 1 (Segment 4C)	
Costs - HRTAC Obligation	\$405,216,054
HRTAC Funds	
HRTF Paygo	\$270,601,776
HRTF Subordinate 2023 TIFIA Loan	\$134,614,278
Total	\$405,216,054

HRELN - Phase 2	
Costs - HRTAC Obligation	\$548,430,295
HRTAC Funding Obligation	
HRTF Paygo	\$154,110,925
HRTF Senior 2023A/2024A Bonds	\$164,319,370
Toll 2024 TIFIA Loan	\$230,000,000
Total	\$548,430,295

HRELN - TMP	
Costs - HRTAC Obligation	\$8,000,000
HRTAC Funding Obligation	
HRTF Paygo	\$8,000,000

- In implementation phase
 - Creditworthiness review meeting expected by early April
 - Closing expected by fall
 - TIFIA-backed BANs, a strategy that has been used in the past, may be proposed if proven beneficial
 - Will seek authorizing approvals at the June Commission meeting (TIFIA loan as well as the potential TIFIA-backed BANs)

Hampton Roads Group 3 Projects – Phased Delivery

The Group 3 Projects represent the next set of projects following HRELN for phased delivery in Hampton Roads:

In Study/Design:

- **I-64/Denbigh Boulevard Interchange**
 - **Phase 1:**
 - Notice to Proceed – April 2023
 - Construction completion – April 2030
 - **Phase 2:**
 - Notice to Proceed – July 2023
 - Construction completion – October 2032
- **I-264/Independence Boulevard Interchange**
 - IAR Notice to Proceed – October 2022
 - IAR Complete – March 2024
 - Design Start – 2025
 - Construction Complete - 2032
- **I-264/I-64 Phase III-A (CN)**
 - Notice to Proceed – January 2024
 - Construction completion – October 2029
- **Bowers Hill IAR**
 - Notice to Proceed – June 2023
 - IAR Complete – May 2025



Group 3 Projects – Funding Plan

- HRTAC plans to use HRTF paygo to support its funding portion.

Group 3's Cost Breakdown and Sponsors' Contributions

	Total Cost	HRTAC Funding	State/Federal Funding
I-64/Denbigh Boulevard Interchange	\$261,866,822	\$188,063,070	\$73,803,752
I-264/Independence Boulevard Interchange	\$207,000,000	\$207,000,000	
I-264/I-64 Phase III-A	\$438,686,000	\$438,686,000	
Bowers Hill IAR*	\$11,904,630	\$11,904,630	
Total	\$919,457,452	\$845,653,700	\$73,803,752

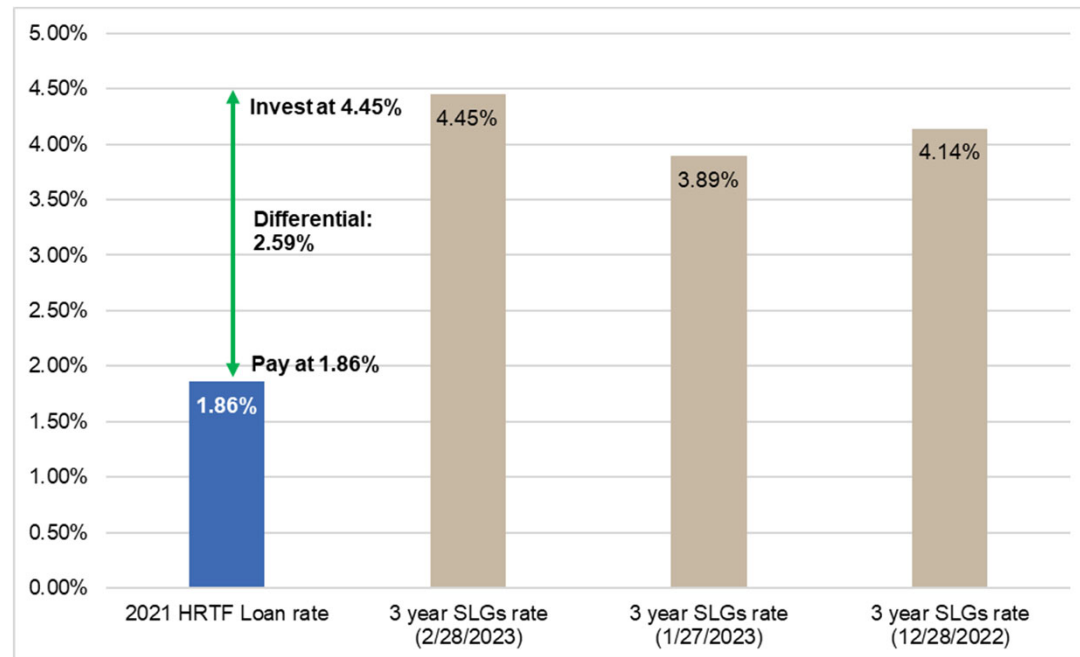
* HRTAC has previously committed \$7.9M

Agenda Item 5B:

Early Draw of HRBT TIFIA Loan and Defeasance of HRTF Senior Lien Bond Anticipation Notes, Series 2021A

Introduction

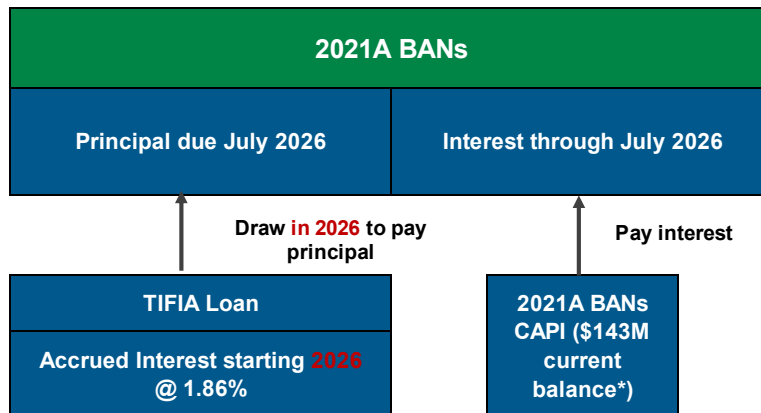
- HRTAC closed an \$817,990,000 HRTF backed TIFIA loan to fund HRBT in September 2021. HRTAC locked the loan maturing in 2060 at an interest rate of 1.86%.
- At the same time, HRTAC sold HRTF backed BANs with an interest rate of only 0.56% for interim construction funding, with the BANs originally to be repaid from the TIFIA loan in 2026.
- At present, interest rates are significantly higher, which creates a unique opportunity for HRTAC to draw on the TIFIA loan, fund an escrow, and ultimately retire the related 2021 BANs at their maturity.
- HRTAC will earn a higher interest rate through escrow investment securities than the 1.86% borrowing rate.



2021A BANs Defeasance

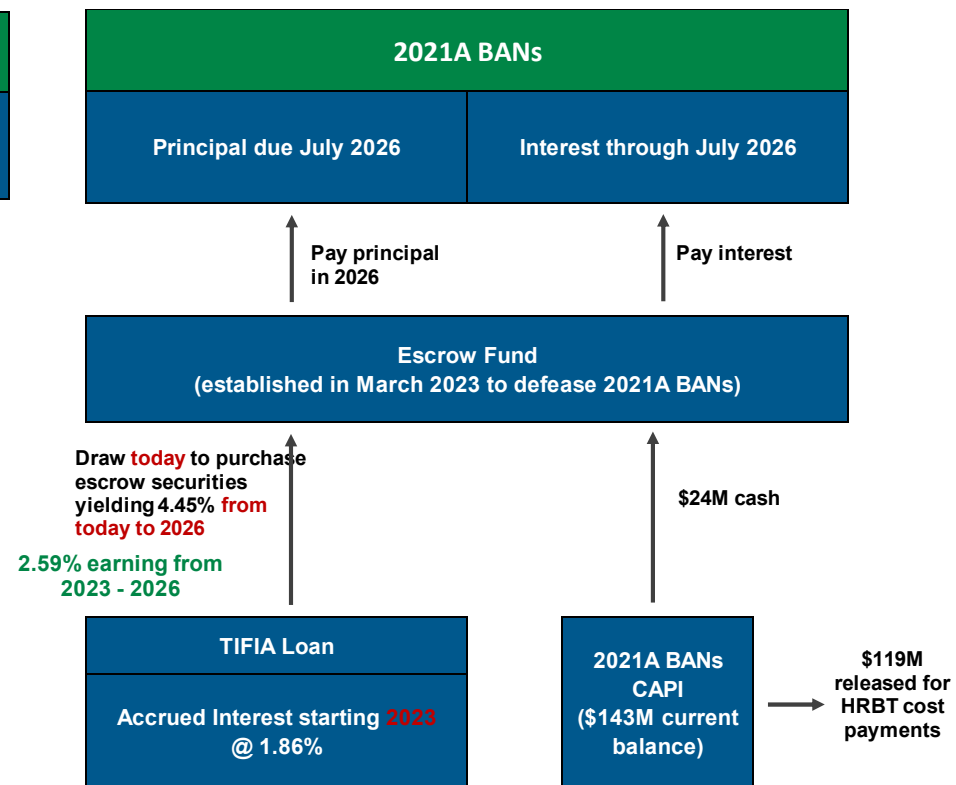
Initial Plan

- Draw the \$818M loan **in 2026** to pay off principal of the 2021A BANs
- BANs capitalized interest fund (CAPI) pays interest through 2026.



Proposed Plan*

- Draw the \$818M loan **this month** to purchase securities which will be deposited to an Escrow Fund
 - The loan carries interest @ 1.86%; the securities earn in the range of 4.45%
- The CAPI will contribute some funds to the Escrow Fund.
- The remaining CAPI will be released to pay HRBT costs, which reduces HRTF pay go.



*Based on market conditions as of 2/28/2023; the CAPI fund balance does not include interest earnings.

Defeasance Benefits – Preliminary Result*

- Drawing the TIFIA loan this month vs. in 2026 will result in result in the TIFIA loan bearing interest earlier than originally anticipated, by approximately 39 months.
- The present value of the additional TIFIA loan interest payments are estimated to be \$47 million.
- However, after establishing the Escrow Fund, \$119 million of the BANs capitalized interest fund can be released to pay project capital costs and other costs:
- The economic benefits of the strategy is estimated to be \$72 million:
 - \$119 million released BANs proceeds *minus* \$47 million present value of additional TIFIA debt service

*Based on market conditions as of 2/28/2023

Agenda Item 5E:

Six Year Operating and Capital Program of Projects –
Highway Regional High Priority Projects

Agenda Item 5F:

Six Year Operating and Capital Program of Projects –
Transit Regional High Priority Projects

Agenda Item 5G:

2045 Long Range Plan of Finance Update

Highway Regional Priority Projects (in \$MM)

Highway Regional Priority Projects Costs and Expenses

	Prior Years	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	Total	HRTAC HRTF Paygo	HRTAC HRTF Debt	HRTAC Toll Debt	VDOT & Other	Federal
Admin & Project Development Costs	\$24	\$7	\$8	\$8	\$8	\$9	\$9	\$9	\$10	\$93	\$93				
I-64 Peninsula Widening	\$515									\$515		\$294		\$221	
I-64/I-264 Interchange Improvement	\$352									\$352		\$280		\$72	
I-64 Southside/High Rise Bridge	\$527									\$527		\$432		\$95	
Project Development ⁽¹⁾	\$46	\$4								\$50	\$50				
HRBT	\$2,284	\$546	\$532	\$369	\$32					\$3,762	\$1,150	\$2,067	\$345		\$200
HRELN ⁽²⁾	\$26	\$145	\$231	\$356	\$333	\$174	\$52			\$1,318	\$433	\$299	\$230	\$299	\$58
I-64/Denbigh Boulevard Interchange ⁽³⁾		\$0	\$3	\$4	\$13	\$12	\$4	\$30	\$32	\$98	\$26			\$71	
I-264/Independence Boulevard Interchange ⁽³⁾	\$1			\$4	\$5	\$11	\$56	\$50	\$44	\$171	\$171				
I-264/I-64 Phase III-A	\$8	\$4	\$9	\$9	\$62	\$106	\$100	\$100	\$42	\$439	\$439				
Total	\$3,783	\$706	\$783	\$750	\$453	\$312	\$221	\$189	\$127	\$7,325	\$2,361	\$3,372	\$575	\$758	\$258

Funding Sources

	Prior Years	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	Total
Federal		\$151	\$36	\$25	\$31	\$15				\$258
VDOT & Other	\$389	\$48	\$108	\$61	\$65	\$29	\$1	\$27	\$30	\$758
HRTAC HRTF Paygo	\$301	\$416	\$567	\$223	\$211	\$195	\$189	\$162	\$98	\$2,361
HRTAC HRTF Debt	\$3,093	\$91	\$73	\$115						\$3,372
HRTAC Toll Debt				\$325	\$146	\$73	\$31			\$575
Total	\$3,783	\$706	\$783	\$750	\$453	\$312	\$221	\$189	\$127	\$7,325

- (1) Include \$11.9M Bower's Hill IAR
- (2) Include \$2.5M I-64/I-464 Interchange IAR
- (3) Costs after FY 2030 not shown.

HRTF Cash Flow

	Prior Years	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	Total
Revenues										
HRTF Tax Revenues:										
Sales Tax	\$1,279,682,177	\$197,200,000	\$201,600,000	\$208,400,000	\$213,900,000	\$215,800,000	\$218,200,000	\$220,600,000	\$223,000,000	\$2,978,382,177
Fuels Tax	\$413,352,140	\$63,500,000	\$67,600,000	\$70,400,000	\$72,700,000	\$74,700,000	\$76,700,000	\$78,700,000	\$80,500,000	\$998,152,140
Total	\$1,693,034,317	\$260,700,000	\$269,200,000	\$278,800,000	\$286,600,000	\$290,500,000	\$294,900,000	\$299,300,000	\$303,500,000	\$3,976,534,317
Investment Revenues:										
Interest Income	\$5,209,445	\$1,400,000	\$2,300,000	\$1,800,000	\$1,800,000	\$1,800,000	\$1,800,000	\$1,900,000	\$1,800,000	\$19,809,445
Investment Income	\$52,192,903	\$18,500,000	\$25,700,000	\$13,400,000	\$11,900,000	\$10,800,000	\$10,800,000	\$10,200,000	\$10,800,000	\$164,292,903
Total	\$57,402,347	\$19,900,000	\$28,000,000	\$15,200,000	\$13,700,000	\$12,600,000	\$12,600,000	\$12,100,000	\$12,600,000	\$184,102,347
Total Revenues	\$1,750,436,664	\$280,600,000	\$297,200,000	\$294,000,000	\$300,300,000	\$303,100,000	\$307,500,000	\$311,400,000	\$316,100,000	\$4,160,636,664
Payments										
HRTF Debt Payments:										
	\$179,922,882	\$54,516,619	\$61,346,175	\$78,058,330	\$78,570,829	\$112,501,163	\$117,483,868	\$118,085,459	\$123,787,143	\$924,272,468
HRTF Subordinate Lien DSRF - Ongoing Deposit										
			\$644,107	\$679,890			\$1,053,977	\$928,945	\$963,693	\$4,270,612
HRTF Admin & Proj. Dev. Budget										
	\$24,130,360	\$7,140,611	\$8,086,517	\$8,288,680	\$8,495,896	\$8,708,294	\$8,926,001	\$9,394,616	\$9,887,834	\$93,058,809
HRTF Operating Reserve Fund Deposit (Release)										
	\$7,854,673	\$1,040,496	\$222,379	\$227,939	\$233,637	\$239,478	\$515,477	\$542,539	\$571,022	\$11,447,639
Total	\$31,985,033	\$8,181,107	\$8,308,896	\$8,516,618	\$8,729,534	\$8,947,772	\$9,441,478	\$9,937,155	\$10,458,856	\$104,506,449
Paygo Allocation to Highway Projects										
	\$277,184,391	\$408,465,747	\$558,431,473	\$215,093,729	\$202,578,394	\$186,325,951	\$180,103,612	\$152,108,204	\$87,825,638	\$2,268,117,140
Paygo Payments to Financing Costs:										
Toll TIFIA DSRF - Initial Deposit								\$40,353,569		\$40,353,569
Tolling M&R Reserve - Initial Deposit						\$9,000,000				\$9,000,000
Toll Revenue Stabilization Fund								\$10,000,000		\$10,000,000
HRTF TIFIA DSRF - Initial Deposit		\$23,831,947			\$41,844,212	\$13,343,167				\$79,019,326
Toll Revenue Reimbursement										
2021 Successor Loan Reimbursement		-\$100,270,061								-\$100,270,061
2018A Cash Defeasance	\$412,791,056									\$412,791,056
HRTF TIFIA DSRF Release										
Total	\$412,791,056	-\$76,438,114			\$41,844,212	\$22,343,167		\$50,353,569		\$450,893,891
Total Payments	\$894,028,690	\$394,725,359	\$628,730,650	\$302,348,568	\$331,722,969	\$330,118,053	\$308,082,934	\$331,413,333	\$223,035,330	\$3,752,060,559
HRTF Cash Unobligated										
Annual Deposit (Draws)		-\$114,125,359	-\$331,530,650	-\$8,348,568	-\$31,422,969	-\$27,018,053	-\$582,934	(20,013,333)	93,064,670	\$408,576,105
Carry Over from Prior Year		\$848,553,302	\$734,427,943	\$402,897,293	\$394,548,725	\$363,125,756	\$336,107,703	335,524,768	315,511,436	
Ending Balance	\$848,553,302	\$734,427,943	\$402,897,293	\$394,548,725	\$363,125,756	\$336,107,703	\$335,524,768	315,511,436	408,576,105	

Toll Revenue Cash Flow

	Prior Years	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	Total
Revenues							
Gross Revenues		\$11,797,530	\$31,703,272	\$44,897,789	\$50,103,168	\$52,687,796	\$191,189,556
Investment Earnings			\$34,748	\$186,347	\$264,622	\$283,532	\$769,249
<i>Total Revenues</i>		<i>\$11,797,530</i>	<i>\$31,738,021</i>	<i>\$45,084,137</i>	<i>\$50,367,790</i>	<i>\$52,971,328</i>	<i>\$191,958,805</i>
Payments							
Tolling O&M Expenditure		\$6,619,907	\$12,623,835	\$14,937,569	\$15,852,459	\$16,460,261	\$66,494,031
Tolling O&M Reserve Deposit				\$578,433	\$228,722	\$151,951	\$959,106
Debt Service Fund - Mandatory							
Debt Service Fund - Scheduled					\$21,799,491	\$22,388,640	\$44,188,131
TIFIA DSRF Deposit						\$409,506	\$409,506
Tolling M&R Reserve		\$2,588,811	\$11,463,195	\$17,786,320	\$12,644,135	\$13,827,806	\$58,310,268
VDOT Repayment Fund					-\$157,017	-\$266,835	-\$423,853
<i>Total Payments</i>		<i>\$9,208,719</i>	<i>\$24,087,030</i>	<i>\$33,302,322</i>	<i>\$50,367,790</i>	<i>\$52,971,328</i>	<i>\$169,937,190</i>
Toll Revenues Unobligated							
Annual Deposit(Draws)		\$2,588,811	\$7,650,990	\$11,781,814	-	-	\$22,021,616
Carry Over from Prior Year			\$2,588,811	\$10,239,802	\$22,021,616	\$22,021,616	
Ending Balance		\$2,588,811	\$10,239,802	\$22,021,616	\$22,021,616	\$22,021,616	

Transit Regional Priority Projects (in \$MM)

Transit Regional Priority Projects Costs and Expenses

	Prior Years	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	Total
Admin & Project Development Costs	\$0.40	\$0.25	\$0.28	\$0.30	\$0.31	\$0.33	\$0.35	\$0.36	\$0.38	\$2.97
Transit Bus Expansion Project (Group A&B)	\$9.31	\$4.38	\$0.77							\$14.46
Bus Shelter	\$3.27									\$3.27
Regional Transit System Technology	\$0.60									\$0.60
Net Center Replacement	\$0.06									\$0.06
New Bus Operating Facility - Southside	\$1.00									\$1.00
Robert Hall Transfer Center Replacement	\$0.10									\$0.10
Evelyn T. Butts Project	\$0.10									\$0.10
RTS Operations and Maintenance	\$5.73	\$18.67	\$25.98	\$36.44	\$37.72	\$38.77	\$39.72	\$40.71	\$41.73	\$285.47
RTS Development and Support Services	\$4.95									\$4.95
New Bus Operating Division	\$6.71	\$0.60	\$11.51	\$8.39	\$2.49	\$1.96				\$31.66
Bus Stop Amenity Program RTS Network	\$5.33		\$1.07							\$6.39
Paratransit Fleet		\$0.47								\$0.47
Non-Revenue Fleet		\$0.95	\$0.33							\$1.28
Total	\$37.54	\$25.32	\$39.93	\$45.13	\$40.52	\$41.06	\$40.07	\$41.08	\$42.12	\$352.76

Funding Sources

	Prior Years	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	Total
HRTAC HRRTF	\$37.54	\$25.32	\$39.93	\$45.13	\$40.52	\$41.06	\$40.07	\$41.08	\$42.12	\$352.76

*Include a funding application presented to HRTAC for FY 2024 funds and projected Operation and Maintenance costs in future years

HRRTF Cash Flow

Revenues										
Grantor's Tax	\$16,984,115	\$7,400,000	\$6,300,000	\$6,500,000	\$6,800,000	\$7,100,000	\$7,400,000	\$7,400,000	\$7,400,000	\$73,284,115
Transient Occupancy Tax	\$9,865,950	\$11,200,000	\$11,000,000	\$11,200,000	\$11,400,000	\$11,700,000	\$11,900,000	\$12,100,000	\$12,400,000	\$102,765,950
Recordation Tax Transfer	\$40,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$200,000,000
Total	\$66,850,065	\$38,600,000	\$37,300,000	\$37,700,000	\$38,200,000	\$38,800,000	\$39,300,000	\$39,500,000	\$39,800,000	\$376,050,065
HRRTF Investment Revenues:										
HRRTF Interest Income	\$154,476	\$83,771	\$253,450	\$175,397	\$186,109	\$196,334	\$200,072	\$223,654	\$158,301	\$1,631,565
HRRTF Investment Income		\$1,106,978	\$2,832,025	\$1,305,734	\$1,230,388	\$1,178,004	\$1,200,431	\$1,200,670	\$949,808	\$11,004,038
Total	\$154,476	\$1,190,749	\$3,085,474	\$1,481,131	\$1,416,497	\$1,374,338	\$1,400,503	\$1,424,324	\$1,108,110	\$12,635,602
Total Revenues	\$67,004,541	\$39,790,749	\$40,385,474	\$39,181,131	\$39,616,497	\$40,174,338	\$40,700,503	\$40,924,324	\$40,908,110	\$388,685,667
Payments										
HRRTF Admin & Proj. Dev. Budget	\$391,749	\$253,228	\$281,885	\$296,684	\$312,260	\$328,654	\$345,908	\$364,068	\$383,182	\$2,957,619
Paygo Allocation for Transit Projects Deallocated Funding Returned	\$37,142,096	\$25,062,529	\$39,651,804	\$44,835,980	\$40,205,183	\$40,729,910	\$39,721,432	\$40,714,468	\$41,732,329	\$349,795,731
Total Payments	\$37,533,845	\$25,315,757	\$39,933,689	\$45,132,664	\$40,517,443	\$41,058,564	\$40,067,340	\$41,078,536	\$42,115,512	\$352,753,351
HRRTF Cash Unobligated										
Annual Deposit (Draws)	\$29,316,220	\$14,474,992	\$451,785	-\$5,951,534	-\$900,947	-\$884,226	\$633,163	-\$154,212	-\$1,207,402	\$35,932,317
Carry Over from Prior Year		\$29,470,696	\$43,945,688	\$44,397,473	\$38,445,940	\$37,544,993	\$36,660,767	\$37,293,930	\$37,139,718	
Ending Balance	\$29,316,220	\$43,945,688	\$44,397,473	\$38,445,940	\$37,544,993	\$36,660,767	\$37,293,930	\$37,139,718	\$35,932,317	

2045 LRTP – Highway Projects

HRTAC Highway Regional Priority Projects - Proposed 2045 Long Range Plan of Finance Update

	Six Initial Projects	HRBT	HRELN	I-64/I-264 Interchange: Phase IIIA	I-264/Independence Boulevard Interchange	I-64/Denbigh Boulevard Interchange	Bowers Hill Interchange	I-664 Widening to College Blvd	I-64/I-464 Loop Ramps	I-264 Widening	VA-164 Widening	VA-168 Bypass
Inflated Costs (\$MM)	\$1,394	\$3,762	\$1,316	\$438	\$207	\$261	\$771	\$1,529	\$339	\$669	\$493	\$355
Construction End Year	2024	2027	2028	2030	2033	2034	2034	2035	2037	2040	2045	2045

Total YOE Costs (\$MM) ^[1]	\$11,534
Funded by (\$MM):	
Existing HRTAC HRTF Debt	\$3,172
Existing HRTAC Toll Debt	\$345
Existing HRTAC HRTF Paygo	\$1,494
Future HRTAC HRTF Debt ^[2]	\$1,089
Future HRTAC Toll Debt ^{[2], [3]}	\$230
Future HRTAC HRTF Paygo ^[2]	\$3,302
VDOT - SMART SCALE ^{[4],[5]}	\$1,559
VDOT - IOEP Funding ^[6]	\$164
VDOT - Other Funding ^[7]	\$121
IJA Funding ^[8]	\$58
Total Funding	\$11,534

Assumptions:

- [1] Inflation costs provided by VDOT or HRTPO
- [2] Future HRTAC paygo and debt funding depend on revenue availabilities and interest rates at the time of debt issuance
- [3] \$230M assumed in the HRELN financing; pending public hearing results and further developments, Bowers Hill Interchange and I-664 Widening to College Blvd may contain managed lanes that produce toll revenues
- [4] \$588M existing VDOT and other local funding for the Six Initial Projects and HRBT
- [5] Assume additional \$971M SMART SCALE awarded prior to FY 2034 for new projects after HRELN; I-664 Widening to College Blvd completion in FY 2034 conditioned upon this assumption
- [6] \$164M assumed for HRELN; additional IOEP funding may be available
- [7] \$93M General Assembly Appropriation for HRELN approved in June 2022; assume \$28M VDOT Funding for HRELN toll integration costs
- [8] \$58M Infrastructure Investment & Jobs Act (IJA) funding assumed for HRELN; additional IJA funding may be available

2045 LRTP – Transit Projects

HRTAC Transit Regional Priority Projects - Proposed 2045 Long Range Plan of Finance Update

	HRRTF Supported Projects
O&M Costs ¹	\$878
Capital Costs ^{2,3}	\$119
Fiscally Constrained Construction End Year	2045

Total FV Cost	\$997
Funded by HRRTF Debt	\$0
Funded by HRRTF Pay-Go	\$997

1. Assume annual O&M costs after FY 2028 same as the FY 2028 estimate provided by HRT
2. Assume HRRTF annual revenue grows by 0.5% after the FY 2030 estimate provided by the VA Department of Tax
3. Assume capital project costs are aggregate HRRTF revenues net of O&M costs

To: Chair Hipple and the other members of the Finance Committee

From: Kevin B. Page, Executive Director

Date: March 16, 2023

Re: HRTAC Highway Regional High Priority Projects Funding Plan of Finance and Debt Management Plan Update

Recommendation:

The Executive Director recommends that the Commission approve the Proposed HRTAC Highway Regional High Priority Projects Funding Plan of Finance and Debt Management Plan Update that includes adjusted cost estimates, funding analysis, and determination of revenue debt issuance assumptions as reflected in the enclosed presentation.

Background:

As Commission staff, financial advisors, and VDOT continue to further refine project readiness, cost estimation, and financing options, an update to the HRTAC Highway Regional High Priority Projects Funding Plan of Finance and Debt Management Plan is warranted. The proposed update reflects the review of ongoing and new projects, current HRTF revenue projections provided by the Commonwealth, current projections of toll revenues, ongoing and near debt financings, and updated project cost estimates provided by VDOT. HRTAC's financial advisors will provide details to the proposed update at the Finance Committee meeting. Once approved, the HRTAC Highway Regional High Priority Projects Funding Plan of Finance and Debt Management Plan Update will be used to guide Commission Staff and advisors in the development and execution of the six-year and long-range programs of projects. A copy of the presentation detailing the proposed update is enclosed for reference.

Fiscal Impact:

The fiscal impact to the Hampton Roads Transportation Fund in relation to the Proposed HRTAC Highway Regional High Priority Projects Funding Plan of Finance and Debt Management Plan Update will be included in the FY2024-FY2030 Plan of Finance Update – Six Year Operating and Capital Program of Projects – Highway Regional High Priority Projects.

Suggested Motion:

Motion: The Finance Committee recommends that the Commission approve the Proposed HRTAC Highway Regional High Priority Projects Funding Plan of Finance and Debt Management Plan Update that includes adjusted cost estimates, funding analysis, and determination of revenue debt issuance assumptions and authorizes the Finance Committee



Chair to recommend to the Commission at its next meeting that it approve such Proposed Highway Regional High Priority Projects Funding Plan of Finance and Debt Management Plan Update and determination.

To: Chair Hipple and the other members of the Finance Committee

From: Kevin B. Page, Executive Director

Date: March 16, 2023

**Re: Defeasance of the Hampton Roads Transportation Fund Senior Lien Bond
Anticipation Notes, Series 2021A**

Recommendation:

The HRTAC Executive Director and financial advisors recommend that the Commission adopt Resolution 2023-01 to implement a “bond defeasance” for certain HRTF-backed indebtedness, which involves: (i) the requisition of \$817,990,000 of the Subordinate Lien Revenue Bond, TIFIA Series 2021 (TIFIA – 20211008A); (ii) use of such funds along with certain unexpended proceeds to “defease” the Commission’s HRTF Senior Lien Bond Anticipation Notes, Series 2021A; and (iii) associated actions to execute the requisition of funds and defeasance of the Series 2021A Bond Anticipation Notes.

Background:

In September, 2021, the Commission continued the funding of the HRBT Expansion Project with its \$817,990,000 TIFIA Series 2021 Bond (TIFIA – 20211008A) (the “2021 TIFIA Bond”) and the related \$817,990,000 Senior Lien Bond Anticipation Notes, Series 2021A (the “2021 BANs”). Interest rates at the time of issuance allowed the Commission to utilize the 2021 BANs to provide short-term lower cost construction funding, rather than immediately drawing the 2021 TIFIA Bond for long-term construction funding, which carried a higher interest rate than the 2021 BANs. While issued under and secured by the Commission’s HRTF Master Indenture, the intent at the time of issuance was to fully draw on the 2021 TIFIA Bond when the 2021 BANs mature in 2026, following the completion of construction of the HRBT Expansion Project.

Due to interest rate increases since 2021 and in light of the nearly complete expenditure of the 2021 BANs proceeds on project construction, the Commission can benefit from drawing the 2021 TIFIA Bond now, rather than at the 2021 BANs’ maturity, and investing the 2021 TIFIA Bond proceeds at today’s higher rates in an escrow that provides for the payment of the 2021 BANs through and including their maturity date.

Fiscal Impact:

The ability to draw the 2021 TIFIA Bond and invest the proceeds at today’s higher rates should enable the Commission to earn a positive return on such amounts. Savings realized by this will be spent on the HRBT Expansion Project.

Suggested Motion:



Motion: The Finance Committee endorses Resolution 2023-01 and authorizes the Finance Committee Chair to communicate the Finance Committee's endorsement to the Commission at its March 16, 2023 Regular Meeting.

HRTAC RESOLUTION 2023-01

**RESOLUTION AUTHORIZING THE DEFEASANCE OF THE
HAMPTON ROADS TRANSPORTATION FUND SENIOR
LIEN BOND ANTICIPATION NOTES, SERIES 2021A**

WHEREAS, the Hampton Roads Transportation Accountability Commission (the “Commission”) is a political subdivision of the Commonwealth of Virginia (the “Commonwealth”) having the powers set forth in Chapter 26, Title 33.2, of the Code of Virginia of 1950, as amended (the “HRTAC Act”);

WHEREAS, to provide financing on an interim basis for the costs of the Hampton Roads Bridge Tunnel Expansion Project, which constitutes in accordance with the HRTAC Act a construction project for congestion relief on a new or existing highway, bridge, and/or tunnel in the localities comprising Planning District 23 (the “HRBT Expansion Project”), the Commission issued its \$817,990,000 Senior Lien Bond Anticipation Notes, Series 2021A (the “2021A BANs”), pursuant to the terms of the HRTAC Act, a Master Indenture of Trust (as amended and supplemented from time to time, the “Master Indenture”) between the Commission and Wilmington Trust, National Association, as trustee (the “Trustee”) and dated as of February 1, 2018, and a Sixth Supplemental Series Indenture of Trust (the “Sixth Supplemental Indenture”), between the Commission and the Trustee and dated as of September 15, 2021;

WHEREAS, to provide long-term financing for the HRBT Expansion Project, the Commission has also issued its \$817,990,000 Subordinate Lien Revenue Bond, TIFIA Series 2021 (TIFIA – 20211008A) (the “TIFIA Series 2021 Bond”), pursuant to the terms of the HRTAC Act, the Master Indenture, and a Fifth Supplemental Series Indenture of Trust (the “Fifth Supplemental Indenture”), between the Commission and the Trustee and dated as of September 1, 2021, and in connection therewith entered into a TIFIA Loan Agreement (HRTF Revenues), dated as of September 21, 2021 (the “2021 TIFIA Loan Agreement”), between the Commission and the United States Department of Transportation, an agency of the United States of America, acting by and through the Executive Director of the Build America Bureau (the “TIFIA Lender”);

WHEREAS, proceeds of the TIFIA Series 2021 Bond may be used to pay or redeem the 2021A BANs, and therefore provide long-term financing for eligible costs of the HRBT Expansion Project originally paid through the interim financing provided by the 2021A BANs;

WHEREAS, the 2021A BANs mature and are due for payment on July 1, 2026, and the Commission originally planned to draw on the TIFIA Series 2021 Bond to repay the 2021A BANs at or in close proximity to their maturity;

WHEREAS, it may prove fiscally advantageous for the Commission to utilize proceeds of the TIFIA Series 2021 Bond, together with certain unspent proceeds of the 2021A BANs in the capitalized interest account, to prepay and defease the 2021A BANs prior to their maturity;

WHEREAS, the Commission intends to cause the TIFIA Lender to disburse funds under the TIFIA Series 2021 Bond and the 2021 TIFIA Loan Agreement (the “TIFIA Proceeds”) to be used, together with unspent proceeds of the 2021A BANs in the capitalized interest account, to defease the 2021A BANs;

WHEREAS, there has been presented at this meeting a draft Escrow Agreement, between the Commission and Wilmington Trust, National Association, as escrow agent, to be dated the date of its execution and delivery (the “Escrow Agreement”); and

WHEREAS, the Commission desires to authorize and approve (i) the defeasance of all or a portion of the 2021A BANs from the TIFIA Proceeds and available unexpended amounts of the 2021A BANs in the capitalized interest account, (ii) the payment of any and all costs associated with such defeasance, (iii) the Escrow Agreement, and (iv) such other action as may be necessary or incidental in connection with the foregoing (collectively, the “Defeasance Transaction”);

NOW, THEREFORE, BE IT RESOLVED BY THE HAMPTON ROADS TRANSPORTATION ACCOUNTABILITY COMMISSION:

1. The Commission authorizes and approves the Defeasance Transaction, including the use of amounts in the capitalized interest account for the 2021A BANs, in connection therewith. Proceeds of the 2021A BANs that remain following the Defeasance Transaction, along with any net financial benefit realized by the Commission as a result of the Defeasance Transaction, shall continue to be spent on eligible costs of the HRBT Expansion Project.

The Commission hereby authorizes and approves the execution and the delivery of the Escrow Agreement, in substantially the form presented at this meeting, with such changes, insertions and omissions as may be approved and made by the Chair or Vice Chair of the Commission, either of whom may act (the “HRTAC Representative”). The HRTAC Representative’s execution of the Escrow Agreement shall constitute conclusive evidence of the approval of such Escrow Agreement as executed, and any changes, insertions and omissions.

2. The HRTAC Representative and the Executive Director, each of whom may act (each, a “Designated Financial Officer”) on behalf of the Commission, and the Escrow Agent (as defined below) are hereby authorized and directed (i) to make the necessary arrangements for the purchase of government securities referenced in the Escrow Agreement and the delivery thereof to the Escrow Agent for deposit to the credit of the escrow fund under the Escrow Agreement, and (ii) to execute any subscription forms for the purchase and issuance of the “United States Treasury Securities - State and Local Government Series” for deposit to the credit of the Escrow Agreement.

3. In order for the Commission to satisfy in a timely manner all of its obligations under this Resolution, each Designated Financial Officer is hereby authorized and directed to take from time to time all actions that are reasonably necessary to provide for the defeasance of the 2021A BANs, including, without limitation, executing and delivering on behalf of the Commission all certificates, consents, receipts, requests, notices, escrow reinvestment agreements, float contracts, any supplements and/or amendments to the Fifth Supplemental Indenture and the Sixth Supplemental Indenture, and other documents as may be reasonably necessary to instruct the bond trustee for the 2021A BANs to make transfers to and from any necessary or appropriate

accounts in connection with the Defeasance Transaction and the application and use of proceeds of the 2021A BANs; to engage a certified public accountant to prepare a verification of the sufficiency of the deposit of cash and/or investments under the Escrow Agreement to accomplish the defeasance of the 2021A BANs; to direct bond counsel to prepare and deliver any necessary legal opinions in connection with the defeasance of the 2021A BANs; and to file any and all notices of such defeasance as specified or required in compliance with the Commission's continuing disclosure undertaking with respect to the 2021A BANs.

4. As trustee under the Master Indenture, Wilmington Trust, National Association, Richmond, Virginia, is the trustee for the 2021A BANs, and is hereby appointed as the escrow agent (the "Escrow Agent") with respect to the Defeasance Transaction. The Commission hereby delegates to the Executive Director the authority to select a bidding agent and a verification agent, and to the extent necessary or advisable an alternative escrow agent, with respect to the Defeasance Transaction.

5. Each Designated Financial Officer is hereby authorized and directed (without limitation except as may be expressly set forth herein) to take such action and to execute and deliver any such documents, letters of instruction, certificates, undertakings, agreements or other instruments as such officer, with the advice of counsel, may deem necessary or appropriate to effect the Defeasance Transaction and any other action contemplated by this Resolution.

6. In case any one or more of the provisions of this resolution or of any agreement, document or instrument executed and delivered in connection herewith shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this resolution or of any such agreement, document or instrument, but this resolution and any such agreement, document or instrument shall be construed and enforced as if such illegal or invalid provision had not been contained therein.

7. This Resolution shall take effect immediately.

The undersigned hereby certify that this is a true and correct copy of a resolution duly adopted at a meeting of the Hampton Roads Transportation Accountability Commission held on March __, 2023.

Chair, Hampton Roads Transportation
Accountability Commission

Vice Chair, Hampton Roads Transportation
Accountability Commission

ESCROW AGREEMENT

This **ESCROW AGREEMENT** dated _____, 2023 (this “Agreement”), by and between the **HAMPTON ROADS TRANSPORTATION ACCOUNTABILITY COMMISSION**, a body politic and a political subdivision of the Commonwealth of Virginia (“HRTAC” or the “Commission”), and **WILMINGTON TRUST, NATIONAL ASSOCIATION**, a national banking association, and its successors, as escrow agent under this Agreement (the “Escrow Agent”).

WITNESSETH:

WHEREAS, HRTAC has issued its Subordinate Lien Revenue Bond, TIFIA Series 2021, in the maximum principal amount of \$817,990,000 (the “Series 2021 TIFIA Bond”), pursuant to a TIFIA Loan Agreement (HRTF Revenues) for the I-64 Hampton Roads Bridge-Tunnel Connecting Hampton and Norfolk Project (TIFIA – 20211008A), dated as of September 21, 2021 (the “TIFIA Loan Agreement”), between HRTAC and the United States Department of Transportation, an agency of the United States of America, acting by and through the Executive Director of the Build America Bureau (the “TIFIA Lender”), and a Master Indenture of Trust (as supplemented and amended from time to time, the “Master Indenture”), as supplemented by a Fifth Supplemental Series Indenture of Trust dated as of September 1, 2021, between HRTAC and Wilmington Trust, National Association (the “Trustee”) to pay, together with other available funds, the costs of the Hampton Roads Bridge Tunnel Expansion Project (and as more particularly defined as the “Project” in the TIFIA Loan Agreement, the “HRBT Expansion Project”);

WHEREAS, HRTAC has issued its Senior Lien Bond Anticipation Note, Series 2021A, in the principal amount of \$817,990,000 (the “Series 2021A Note”), pursuant to the Master Indenture, as supplemented by a Sixth Supplemental Series Indenture of Trust dated as of September 15, 2021 (the “Sixth Supplement”), between HRTAC and the Trustee, to pay, together with other available funds, the costs of the HRBT Expansion Project;

WHEREAS, under the TIFIA Loan Agreement, the proceeds of the Series 2021 TIFIA Bond shall be disbursed solely in respect of Eligible Project Costs (as defined in the TIFIA Loan Agreement) paid or incurred by or on behalf of the HRTAC in connection with the HRBT Expansion Project, and to pay or redeem Series 2021A Note;

WHEREAS, on March [27], 2023, pursuant to a requisition submitted by HRTAC under the TIFIA Loan Agreement, the TIFIA Lender disbursed the maximum principal amount of the Series 2021 TIFIA Bond (\$[817,990,000]) (the “TIFIA Proceeds”) to [the Trustee] [the Escrow Agent] for the payment of the Series 2021A Note; and

WHEREAS, on March __, 2023, HRTAC will transfer, or cause the transfer of the TIFIA Proceeds, and amounts on deposit in the 2021A Capitalized Interest Subaccount established under the Sixth Supplement in the amount of _____ (\$_____) (the “Restricted Defeasance Funds,” and together with the TIFIA Proceeds, the “Defeasance Funds”), to the Escrow Agent, and the parties desire to provide for the investment and application of such

funds by the Escrow Agent through the Series 2021A Note's maturity date of July 1, 2026, on the terms and conditions and as further provided herein.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, the parties agree as follows:

ARTICLE I DEFINITIONS

Capitalized terms used in this Agreement shall have the respective meanings given to them in the preamble or recitals hereof or in this Article I, unless the context or use clearly indicates a different meaning:

“Code” means the Internal Revenue Code of 1986, as amended, including all applicable regulations and revenue rulings.

“DTC” means The Depository Trust Company, New York, New York.

“Escrow Fund” means the segregated and irrevocable fund established under Section 2.1(a) of this Agreement.

“Escrowed Securities” means the Government Securities described on Exhibit A attached hereto.

“Government Securities” means [direct noncallable, nonprepayable full faith and credit obligations of the United States of America, excluding any investments in unit investment trusts and mutual funds].

“Letter of Representations” means the Blanket Issuer Letter of Representations from HRTAC to DTC dated January 22, 2018.

“Maturity Date” means July 1, 2026.

“Substitute Securities” has the meaning set forth in Section 3.2(b) of this Agreement.

“Verification Report” means the report of _____, attached hereto as Exhibit B, verifying among other things certain calculations demonstrating that the initial cash balance and the principal of and premium and interest on the Escrowed Securities, when received, will be sufficient at all times, without reinvestment, to pay all principal of and accrued interest when due on the Series 2021A Note to and including the Maturity Date.

ARTICLE II ESTABLISHMENT AND INVESTMENT OF ESCROW FUND

Section 2.1 Establishment of Escrow Fund; Deposits.

(a) There is hereby established with the Escrow Agent a special, segregated and irrevocable escrow fund designated as the “HRTAC 2021A Note Defeasance Escrow Fund”

(the “Escrow Fund”), with two subaccounts therein: the TIFIA Funded Subaccount (the “TIFIA Funded Subaccount”), and the Restricted Subaccount (the “Restricted Subaccount”). The Escrow Agent shall hold the Escrow Fund in its custody for the benefit of the holders of the Series 2021A Note, separate and apart from other funds of HRTAC and the Escrow Agent, and such Escrow Fund and all amounts in it are irrevocably pledged to the payment of the principal of and accrued interest on the Series 2021A Note when due, to and including the Maturity Date.

(b) As of March __, 2023, HRTAC has caused the irrevocable deposit with the Escrow Agent of the Defeasance Funds, of which the TIFIA Proceeds (\$ _____) shall be deposited in the TIFIA Funded Subaccount, and the Restricted Defeasance Funds (\$ _____) shall be deposited in the Restricted Subaccount.

Section 2.2 Investment of Funds; Sufficiency.

(a) The Escrow Agent shall on March __, 2023, (i) apply \$ _____ of the amounts in the TIFIA Funded Subaccount to the purchase of the Escrowed Securities described on Exhibit A-1 attached hereto, and shall hold the balance of the TIFIA Funded Subaccount (in the amount of \$[1.00]), uninvested, as the initial cash balance of the TIFIA Funded Subaccount, and (ii) apply \$ _____ of the amounts in the Restricted Subaccount to the purchase of the Escrowed Securities described on Exhibit A-2 attached hereto, and shall hold the balance of the Restricted Subaccount (in the amount of \$[1.00]), uninvested, as the initial cash balance of the Restricted Subaccount.

(b) In reliance upon the Verification Report, HRTAC represents that the Escrowed Securities deposited in the Escrow Fund, together with the initial cash balances of the Escrow Fund, are sufficient to assure that moneys will be available to make the payments described in Section 2.3 below.

Section 2.3 Payments of Principal of and Accrued Interest on the Series 2021A Note. Subject to Section 3.3, the Escrow Agent shall release the funds in the Escrow Fund and wire transfer to DTC, in accordance with the Letter of Representations, sufficient moneys to pay the principal of and accrued interest on the Series 2021A Note when due, to and including the Maturity Date.

ARTICLE III COVENANTS OF ESCROW AGENT

Section 3.1 General Covenants. The Escrow Agent shall hold the Escrowed Securities purchased for or deposited in the Escrow Fund, and all interest, income, and profit derived therefrom and the cash balance therein, and all other uninvested cash in the Escrow Fund, as an irrevocable segregated and separate fund for the sole and exclusive benefit of the holders of the Series 2021A Note until final payment of the Series 2021A Note. The Escrow Agent shall keep the Escrow Fund wholly segregated from other funds and securities on deposit with it, shall never commingle the Escrow Fund with other funds or securities held by it, and shall never at any time use, lend, or borrow the same in any way other than as provided in this Agreement. Nothing contained in this Agreement shall be construed as requiring the Escrow Agent to keep the identical money, or any part thereof, in the Escrow Fund if it is impractical,

but money of an equal amount, except to the extent represented by the Escrowed Securities and any Substitute Securities purchased or deposited pursuant to this Agreement, must always be maintained on deposit in the Escrow Fund held by the Escrow Agent in its capacity as Escrow Agent under this Agreement.

Section 3.2 Reinvestments; Substitution.

(a) Neither the maturing principal of nor interest on the Escrowed Securities shall be reinvested, and the Escrow Agent shall hold the cash balance in the Escrow Fund not invested or reinvested as provided in Section 3.5 of this Agreement.

(b) If at any time HRTAC provides the Escrow Agent: (i) any cash or Government Securities (“Substitute Securities”) for deposit in the Escrow Fund in substitution for any of the cash or Escrowed Securities then in the Escrow Fund, (ii) a report of an independent certified public accountant, a firm of independent certified public accountants or a qualified arbitrage consulting firm (a “Substitute Verification Report”) acceptable to the Escrow Agent verifying that such cash and/or Substitute Securities at their maturity, together with any remaining cash and Escrowed Securities in the Escrow Fund, will be sufficient to pay when due the principal of and interest on the Series 2021A Note on the dates required by this Agreement, and (iii) an unqualified opinion of nationally recognized bond counsel, or tax counsel nationally recognized as having an expertise in the area of tax-exempt municipal bonds, to the effect that such substitution of Substitute Securities will not cause the interest on the Series 2021A Note to become includable in gross income for federal income tax purposes, then the Escrow Agent shall accept such cash and/or Substitute Securities and release to HRTAC such of the cash and Escrowed Securities in the Escrow Fund as are no longer necessary to provide for payment of the Series 2021A Note. HRTAC shall not request the Escrow Agent to exercise any of the powers described in the preceding sentence in any manner that would cause the Series 2021A Note to be an “arbitrage bond” within the meaning of Section 148 of the Code.

Section 3.3 Disclaimers. The Escrow Agent shall not be liable or responsible for (a) the accuracy of the Verification Report or any Substitute Verification Report or (b) the sufficiency of the Escrow Fund and the earnings on it to pay the principal of and interest on the Series 2021A Note.

Section 3.4 Reserved.

Section 3.5 Collection and Application of Income. The Escrow Agent will promptly collect the principal of, premium and interest on, and income and profit from the Escrowed Securities or Substitute Securities held under this Agreement and promptly apply the same solely to the payment of the principal of and interest on the Series 2021A Note as the same become due and to the other purposes expressly stated in this Agreement. The Escrow Agent shall have no obligation to reinvest such income and profits unless requested by HRTAC or required by this Agreement, provided that such funds are secured in the manner required by the Virginia Security for Public Deposits Act, or any successor provision of law.

Section 3.6 Duties Under Escrow Agreement.

(a) The Escrow Agent will have no duties or responsibilities to HRTAC or any other person in connection herewith except those specifically provided herein and will not be responsible for anything done or omitted to be done by it except for its own negligence or willful misconduct in the performance of any obligation imposed on it hereunder. The Escrow Agent, except as specifically provided in this Agreement, is not a party to, nor is it bound by nor need it give consideration to the terms or provisions of any other agreement or undertaking between HRTAC and any other person, and the Escrow Agent assents to and is to give consideration only to the terms and provisions of this Agreement.

(b) Unless specifically provided herein, the Escrow Agent has no duty to determine or inquire into the happening or occurrence of any event or contingency, or the performance or failure of performance of HRTAC with respect to arrangements or contracts with others, the Escrow Agent's sole duty under this Agreement being to safeguard the Escrow Fund and to dispose of and deliver the same in accordance with this Agreement. If, however, the Escrow Agent is called upon by the terms of this Agreement to determine the occurrence of any event or contingency, the Escrow Agent will be obligated, in making such determination, to exercise reasonable care and diligence, and in event of error in making such determination the Escrow Agent will be liable only for its own willful misconduct or negligence.

(c) If the Escrow Agent is called upon by the terms of this Agreement to determine the occurrence of any such event or contingency, the Escrow Agent may request from HRTAC or any other person, and conclusively rely upon, such reasonable additional evidence as the Escrow Agent in its discretion may deem necessary to determine any fact relating to the occurrence of such event or contingency, and in connection therewith the Escrow Agent may inquire of and consult with HRTAC at any time. The Escrow Agent may consult with legal counsel, and the opinion of such counsel will be full and complete authority and protection to the Escrow Agent as to any action taken or omitted by it in good faith and in accordance with such opinion.

(d) The Escrow Agent shall not be responsible or liable for any failure or delay in the performance of its obligations under this Agreement arising out of or caused, directly or indirectly, by circumstances beyond its reasonable control, including, without limitation, acts of God; earthquakes; fire; flood; hurricanes or other storms; wars; terrorism; similar military disturbances; sabotage; epidemic; pandemic; riots; interruptions; loss or malfunctions of utilities, computer (hardware or software) or communications services; accidents; labor disputes; acts of civil or military authority or governmental action; it being understood that the Escrow Agent shall use commercially reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as reasonably practicable under the circumstances.

Section 3.7 Additional Costs. The Escrow Agent shall be under no obligation to institute any suit or action or other proceeding under this Agreement or to enter any appearance in any suit, action, or proceeding in which it may be a defendant or to take any steps in the enforcement of its, or any, rights and powers hereunder, nor shall the Escrow Agent be deemed to have failed to take any such action, unless and until provisions satisfactory to the Escrow Agent shall have been made for the payment of, any and all costs and expenses, outlays, counsel fees, and other disbursements, including the Escrow Agent's own reasonable fees.

Section 3.8 Liability of Escrow Agent. The Escrow Agent shall have no other responsibilities to HRTAC or any other person in connection with this Agreement except as specifically provided in this Agreement. So long as the Escrow Agent applies and reinvests funds from the Escrow Fund to pay the Series 2021A Note in strict conformance with this Agreement, the Escrow Agent shall not be liable for any deficiencies in the amounts necessary to pay the Series 2021A Note. The Escrow Agent shall not be liable for any acts or omissions, except for such losses, damages or expenses which have been finally adjudicated by a court of competent jurisdiction to have directly resulted from the Escrow Agent's negligence or willful misconduct. The Escrow Agent shall exercise such of the rights and powers vested in it by this Agreement and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of his own affairs. The Escrow Agent shall have no liability for any action taken, or errors in judgment made, in good faith by it or any of its officers, employees or agents, unless it shall have been negligent in ascertaining the pertinent facts. The Escrow Agent shall be entitled to rely on and shall not be liable for any action taken or omitted to be taken by the Escrow Agent in accordance with the advice of counsel or other professionals retained or consulted by the Escrow Agent. The Escrow Agent may act through attorneys or agents and shall not be responsible for the acts or omissions of any such attorney or agent appointed with due care. The Escrow Agent shall not be responsible or liable for any failure or delay in the performance of its obligations under this Agreement arising out of or caused, directly or indirectly, by circumstances beyond its control, including without limitation, any act or provision of any present or future law or regulation or governmental authority; acts of God; earthquakes; fires; floods; wars; terrorism; civil or military disturbances; sabotage; epidemics; riots; interruptions, loss or malfunctions of utilities, computer (hardware or software) or communications service; accidents; labor disputes; acts of civil or military authority or governmental actions; or the unavailability of the Federal Reserve Bank wire or telex or other wire or communication facility.

Section 3.9 Dealing in Bonds. The Escrow Agent may in good faith buy, sell, hold and deal the Series 2021A Note.]

Section 3.10 Statements. For so long as any amounts are in the Escrow Fund, the Escrow Agent shall submit to HRTAC monthly statements itemizing, in the aggregate and for each subaccount within the Escrow Fund, all moneys received by it and all investments and payments made by it during the preceding month, and also listing for such period the Escrowed Securities or Substitute Securities and cash balance on deposit in the Escrow Fund and all moneys received as interest on or profit from the collection of the Escrowed Securities or Substitute Securities.

Section 3.11 Notice of Defeasance. The Escrow Agent shall cause a notice of defeasance of the Series 2021A Note, substantially in the form attached hereto as Exhibit C, to be transmitted on the date specified in such form to DTC in accordance with the Letter of Representations and to the Municipal Securities Rulemaking Board ("MSRB") in an electronic format as prescribed by the MSRB. No defect in such notice and no failure to give all or any portion of any further notice shall in any manner affect the effectiveness of such notice of defeasance.

Section 3.12 Reserved.

Section 3.13 Insufficiency. If at any time it shall appear to the Escrow Agent that funds available in the Escrow Fund will not be sufficient to make any payment due to the holders of the Series 2021A Note, the Escrow Agent shall promptly notify HRTAC, and HRTAC agrees that it will from any funds lawfully available for such purpose make up the anticipated deficit so that no default in the making of any such payment will occur. Nothing in this Agreement shall require the Escrow Agent to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties or in the exercise of any of its rights or powers hereunder.

Section 3.14 Concerning the Escrow Agent. Notwithstanding any provision contained herein to the contrary, the Escrow Agent, including its officers, directors, employees and agents, shall:

(a) not be required to risk, use or advance its own funds or otherwise incur financial liability in the performance of any of its duties or the exercise of any of its rights or powers hereunder; and

(b) have the right to perform any of its duties hereunder through agents, attorneys, custodians or nominees, and shall not be responsible for the misconduct or negligence of such agents, attorneys, custodians and nominees appointed by it with due care.

ARTICLE IV COVENANTS OF HRTAC

Section 4.1 Limitation of Escrow Agent's Liability. HRTAC acknowledges that the Escrow Agent shall have no responsibility or liability whatsoever for (i) any of HRTAC's recitals in this Agreement, and (ii) any undertaking of HRTAC under this Agreement. In the event that the Escrow Agent renders any service not contemplated in this Agreement, or if any material controversy arises hereunder, or the Escrow Agent is made a party to any litigation pertaining to this Agreement or the subject matter hereof, then the Escrow Agent shall be compensated for such extraordinary services and any services or work performed by Escrow Agent in connection with any delay, controversy, litigation or event, and reimbursed for all costs and expenses, including reasonable attorneys' fees and expenses, occasioned by any such delay, controversy, litigation or event.

Section 4.2 Reserved.

Section 4.3 No Further Direction. HRTAC acknowledges that all payments to be made by, and all acts and things required to be done by, the Escrow Agent under the terms and provisions hereof shall be made and done by the Escrow Agent without any further direction or authority of HRTAC except as provided in Section 5.1.

Section 4.4 Escrow Agent Compensation. HRTAC agrees to pay to the Escrow Agent the compensation and reimbursement to which the Escrow Agent is entitled for exercising its duties hereunder in accordance with the Escrow Agent's proposal submitted to HRTAC and its advisors on or about _____, 2023. The terms of this paragraph shall survive termination of this Agreement and/or the earlier resignation or removal of the Escrow Agent.

ARTICLE V
AMENDMENTS, IRREVOCABILITY OF AGREEMENT

Section 5.1 Amendments.

(a) Subject to Section 5.1(b) below, this Agreement may be amended or supplemented for any one or more of the following purposes: (i) to make provision for the curing of any ambiguity, or of curing or correcting any defective provision contained in this Agreement, (ii) to grant to, or confer upon, the Escrow Agent for the benefit of the holders of the Series 2021A Note, any additional rights, remedies, powers or authority that may lawfully be granted to, or conferred upon, such holders or the Escrow Agent, (iii) to subject to this Agreement any additional funds, securities or properties, and (iv) to sever any provision of this Agreement that has been determined to be illegal by a court of competent jurisdiction.

(b) No amendment to this Agreement shall be effective unless and until HRTAC submits to the Escrow Agent the following items:

(1) Certified copies of the proceedings of HRTAC authorizing the amendment and a copy of the document effecting the amendment signed by duly designated officers of HRTAC and the Escrow Agent.

(2) An unqualified opinion of HRTAC's bond counsel, or tax counsel nationally recognized as having an expertise in the area of tax-exempt municipal bonds, to the effect that (A) the amendment will not cause interest on the Series 2021A Note to become includable in gross income for federal income tax purposes, and (B) the amendment does not adversely affect the legal rights of the holders of the Series 2021A Note.

(3) A substitute Verification Report of an independent certified public accountant, a firm of independent certified public accountants or a qualified arbitrage consulting firm to the effect that the amounts available or to be available in the Escrow Fund for payment of the Series 2021A Note will be sufficient to pay when due all principal of and interest on the Series 2021A Note after the effective date of the amendment.

Section 5.2 Obligations of the Escrow Agent Irrevocable. Except as provided in Section 5.1, all of the rights, powers, duties, and obligations of the Escrow Agent hereunder shall be irrevocable and shall not be subject to amendment by the Escrow Agent and shall be binding on any successor to the Escrow Agent during the term of this Agreement. The Escrow Agent undertakes to perform such duties and only such duties as are specifically and expressly set forth in this Agreement. These duties shall be deemed purely ministerial in nature, and the Escrow Agent shall not be liable except for the performance of such duties, and no implied covenants or obligations shall be read into this Agreement against the Escrow Agent.

Section 5.3 Obligations of HRTAC Irrevocable. Except as provided in Section 5.1, all of the rights, powers, duties, and obligations of HRTAC under this Agreement shall be irrevocable and shall not be subject to amendment by HRTAC and shall be binding on any successors of HRTAC during the term of this Agreement.

**ARTICLE VI
NOTICES**

Section 6.1 **Notices to HRTAC.** All notices and communications to HRTAC shall be addressed in writing to:

Hampton Roads Transportation Accountability Commission
723 Woodlake Drive
Chesapeake, Virginia 23220
Attention: Executive Director

or at such other address as is furnished from time to time by HRTAC.

Section 6.2 **Notices to Escrow Agent.** All notices and communications to the Escrow Agent shall be addressed in writing to:

Wilmington Trust, National Association
3951 Westerre Parkway
Suite 300
Richmond, Virginia 23233
Mail Code MD1-RR03
Attention: Global Capital Markets, Public Finance & Agency
Phone: (804) 754-4809
E-mail: jeholloway@wilmingtontrust.com

or at such other address as is furnished from time to time by the Escrow Agent.

**ARTICLE VII
REPLACEMENT OF ESCROW AGENT,
ACTS BY ESCROW AGENT**

Section 7.1 **Reliance by Escrow Agent.** The Escrow Agent may act upon any notice, request, waiver, consent, certificate, receipt, authorization, power of attorney or other written or oral communication that the Escrow Agent in good faith believes to be genuine and correct and to have been signed or sent or communicated by the proper person or persons.

Section 7.2 Resignation and Discharge of Escrow Agent.

(a) The Escrow Agent may resign and thereby become discharged from its duties hereunder, by written notice mailed to HRTAC by registered or certified mail. Such resignation shall take effect upon the appointment of a new Escrow Agent hereunder and acceptance of the obligations and duties herein. The Escrow Agent shall continue to serve as Escrow Agent until a successor is appointed, and the Escrow Agent may, after thirty (30) days subsequent to its resignation, petition the Circuit Court of the County of Henrico, Virginia, for the appointment of a successor Escrow Agent if one has not yet been appointed.

(b) If the Escrow Agent resigns before this Agreement expires, the Escrow Agent shall rebate to HRTAC a ratable portion of any fee theretofore paid by HRTAC to the Escrow Agent for its services under this Agreement.

(c) Any banking association or corporation into which the Escrow Agent may be merged, converted or with which the Escrow Agent may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Escrow Agent shall be a party, or any banking association or corporation to which all or substantially all of the corporate trust business of the Escrow Agent shall be transferred, shall succeed to all the Escrow Agent's rights, obligations and immunities hereunder without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

**ARTICLE VIII
TERMINATION OF AGREEMENT; MISCELLANEOUS**

Section 8.1 Termination. This Agreement is irrevocable prior to its termination. Upon the final disbursement for the payment of the Series 2021A Note as provided for above, the Escrow Agent will transfer any balance remaining in the Escrow Fund to HRTAC and thereupon this Agreement shall terminate.

Section 8.2 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia, without reference to its conflict of laws principles.

Section 8.3 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original and all of which together shall constitute but one and the same instrument.

Section 8.4 Severability. If any clause, provision or section of this Agreement shall be held illegal or invalid by any court, the illegality or invalidity of such clause, provision or section shall not affect the remainder of this Agreement which shall be construed and enforced as if such illegal or invalid clause, provision or section had not been contained in this Agreement. If any agreement or obligation contained in this Agreement is held to be in violation of law, then such agreement or obligation shall be deemed to be the agreement or obligation of HRTAC or the Escrow Agent, as the case may be, only to the extent permitted by law.

Section 8.5 Entire Agreement. This Agreement, together with its exhibits, constitutes the entire agreement and understanding of HRTAC and the Escrow Agent with respect to the subject matter hereof.

Section 8.6 Patriot Act. To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. Accordingly, the Escrow Agent will require documentation from each non-individual person such as a business entity, a charity, a trust or other legal entity verifying its formation and existence as a legal entity. The Escrow Agent may also request, and each party hereto agrees that it shall provide, identifying information to sufficiently verify the identities of the individuals claiming authority to represent HRTAC.

Section 8.7 Waiver of Trial By Jury. Each of the parties hereto hereby waives the right to trial by jury with respect to any litigation directly or indirectly arising out of, under or in connection with this Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, HRTAC and the Escrow Agent have caused this Escrow Agreement to be executed in their respective corporate names by their duly authorized representatives, all as of the date first above written.

**HAMPTON ROADS TRANSPORTATION
ACCOUNTABILITY COMMISSION**

By: _____

Its: _____

**WILMINGTON TRUST, NATIONAL
ASSOCIATION, as Escrow Agent**

By: _____

Its: _____

EXHIBIT B
VERIFICATION REPORT

[Attached]

EXHIBIT C

NOTICE OF DEFEASANCE

**HAMPTON ROADS TRANSPORTATION ACCOUNTABILITY COMMISSION
HAMPTON ROADS TRANSPORTATION FUND
SENIOR LIEN BOND ANTICIPATION NOTE
SERIES 2021A**

Dated Date: September 23, 2021

Maturity Date: July 1, 2026

NOTICE IS HEREBY GIVEN, by Wilmington Trust, National Association, as trustee (the “Trustee”) under an a Master Indenture of Trust (as supplemented and amended from time to time, the “Indenture”), between the Hampton Roads Transportation Accountability Commission (“HRTAC”) and the Trustee, that all of the above-referenced note (the “Series 2021A Note”) has been defeased with the proceeds of HRTAC’s Subordinate Lien Revenue Bond, TIFIA Series 2021, and lawfully available monies deposited with the Trustee in its capacity as escrow agent (the “Escrow Agent”) under an Escrow Agreement dated March __, 2023, and used to purchase Defeasance Obligations (as defined in the Indenture). The principal of and premium and interest on such Defeasance Obligations, together with cash deposited with the Escrow Agent, will be sufficient to pay the entire outstanding principal of and accrued interest on the Series 2021A Note on its maturity date of **July 1, 2026**. The maturity, principal amounts, interest rate, and CUSIP number of the Series 2021A Note are as follows:

<u>Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>CUSIP Number</u>
July 1, 2026	\$817,990,000	5.00%	40934T AV5

This notice is provided solely for informational purposes and is not a notice of redemption of the Series 2021A Note. There is no need for the holders of the Series 2021A Note to take any action with respect to the Series 2021A Note at the present time.

IMPORTANT: The CUSIP number printed herein are inserted for the convenience of the holders, and no representation is made as to the correctness of such numbers either as printed on the Note or as contained herein. The provisions of the current tax laws require noteholders to submit their Taxpayer Identification Number (either their social security or employer identification number, as appropriate) with each Note presented for payment. Failure to comply will subject the payment of any principal portion to the withholding of the applicable percentage of such principal portion, in accordance with the current tax laws. To avoid being subject to such withholding, noteholders should submit an IRS Form W-9, which is available from your local bank or broker and at the IRS website.

Dated: March __, 2023

**WILMINGTON TRUST, NATIONAL
ASSOCIATION, as Escrow Agent**

Agenda Item 5C
Action Item

To: Chair Hipple and the other members of the Finance Committee

From: Kevin B. Page, Executive Director

Date: March 16, 2023

Approved HRTAC FY2023-FY2028 Plan of Finance Update – Six Year Operating and Capital Program of Projects – Highway Regional High Priority Projects - Adjustment of HRELN Values to: (i) Deallocate Funds From the HRELN Segment 4C Project; (ii) Allocate Said Funds to Support the HRELN Transportation Management Plan; and (iii) Authorization to Execute Necessary Agreements

Recommendation:

The HRTAC Staff recommends that the Finance Committee make recommendation to the Commission to (a) approve adjustments to values within the Approved HRTAC FY2023-FY2028 Plan of Finance Update – Six Year Operating and Capital Program of Projects – Highway Regional High Priority Projects to: (i) Deallocate \$8,000,000.00 from the HRELN Segment 4C Full Build Project (UPC 119638); and (ii) Allocate Said Funds to Support the HRELN Transportation Management Plan (UPC 122999); and (b) Provide Authorization to Execute Necessary Agreements

Background:

As the Hampton Roads Express Lanes Network (“HRELN”), projects advance to construction, VDOT and HRTAC have determined that a network Transportation Management Plan was necessary to provide effective traffic and transportation management throughout the development and construction of the HRELN. It has been identified that unused funds from the existing HRELN Segment 4C project may be redirected to support the Transportation Management Plan. Following analysis and development of a Transportation Management Plan for the HRELN, VDOT has requested \$8,000,000.00 of HRTAC controlled funds be deallocated from the HRELN Segment 4C Full Build project (UPC 119638) and allocated to the HRELN Transportation Management Plan project (UPC 122999).

Fiscal Impact:

There is no fiscal impact to the deallocation and allocation adjustments to the values within Approved HRTAC FY2023-FY2028 Plan of Finance Update – Six Year Operating and Capital Program of Projects – Highway Regional High Priority Projects.



Suggested Motion:

Motion is that the Finance Committee: Recommends that the Commission (a) approve adjustments to values within the Approved HRTAC FY2023-FY2028 Plan of Finance Update – Six Year Operating and Capital Program of Projects – Highway Regional High Priority Projects to: (i) Deallocate \$8,000,000.00 from the HRELN Segment 4C Full Build Project (UPC 119638); and (ii) Allocate Said Funds to Support the HRELN Transportation Management Plan (UPC 122999); and (b) Provide Authorization to Execute Necessary Agreements; and Authorizes the Finance Committee Chair to communicate said recommendation to the Commission at its next meeting.



COMMONWEALTH of VIRGINIA

DEPARTMENT OF TRANSPORTATION
HAMPTON ROADS DISTRICT
7511 Burbage Drive
SUFFOLK, VIRGINIA 23435

Stephen C. Brich, P.E.
Commissioner
February 27, 2023

Mr. Kevin B. Page
Executive Director
Hampton Roads Transportation Accountability Commission
The Regional Building
723 Woodlake Drive
Chesapeake, VA, 23320

RE: Transportation Management Plan (TMP) – Hampton Roads Express Lanes Funding Request

Dear Mr. Page,

We are writing to follow up on our recent discussion to request funding for the implementation of work identified in the Transportation Management Plan (TMP) for the Hampton Roads Express Lanes Network (HRELN).

The Virginia Department of Transportation (VDOT), along with key local and regional stakeholders have prepared a TMP that identifies strategies to enhance mobility and safety during construction of the HRELN. The strategies identified in the TMP will be implemented by this multi-modal, multi-jurisdictional team of stakeholders using a coordinated approach to operations and incident management.

VDOT requests an investment of \$8.0 million to perform various strategies identified within this TMP. VDOT is anticipating a surplus of HRTAC funding on the HREL 4C project (UPC 119638) in the amount of \$8,000,000 for the TPM work. We respectfully request that HRTAC redirect \$8,000,000 to implement the necessary steps to allocate funds to proceed with the implementation of the strategies for the Transportation Management Plan.

In addition, since work is currently underway on the Hampton Roads Bridge Tunnel (HRBT) and several segments of the HRELN, VDOT needs to expedite the implementation of various strategies within the TMP. Accordingly we are requesting that the \$8.0M in funding be made available for the TMP whether incurred prior to or subsequent to the execution of the Standard Project Agreement (SPA).

Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Chris Hall'.

Christopher G. Hall, P.E.
District Engineer

**FOURTH AMENDMENT TO
STANDARD PROJECT AGREEMENT FOR FUNDING AND ADMINISTRATION
BETWEEN
THE HAMPTON ROADS TRANSPORTATION ACCOUNTABILITY COMMISSION
AND THE VIRGINIA DEPARTMENT OF TRANSPORTATION
(HREL Segment 4C – Full Build Potential Scope Project (UPC 119638) – Float Down)**

THIS FOURTH AMENDMENT TO STANDARD PROJECT AGREEMENT FOR FUNDING AND ADMINISTRATION (this “Amendment”), dated as the date of last execution below (the “Effective Date”), is made by and between the HAMPTON ROADS TRANSPORTATION ACCOUNTABILITY COMMISSION (“HRTAC”) and the VIRGINIA DEPARTMENT OF TRANSPORTATION (“VDOT”).

RECITALS:

A. The parties have entered into a Standard Project Agreement for Funding and Administration for Segment 4C (Full Build Potential Scope) Project (UPC 119638) (Advanced Activity UPC 117841 linked) dated as of December 16, 2021 (the “Initial SPA”)

B. The parties have also entered into an amendment to the Initial SPA dated as of June 17, 2022, the “First Amendment”, a second amendment dated as of September 2, 2022, the “Second Amendment”, and a third amendment dated as of **TBD**, the “Third Amendment” (the First Amendment, Second Amendment, Third Amendment and, together with the Initial SPA, the “Segment 4C SPA”).

C. Pursuant to Attachment 2 of the First Amendment, the parties amended and restated Appendix B of the Initial SPA with a new Appendix B and Annex I thereto, and pursuant to Attachment 1 of the Second Amendment and the Third Amendment, the parties further amended and restated Annex I to Appendix B with a new Annex I thereto (such annex as amended, “Annex I”).

D. Pursuant to Attachment 3 of the First Amendment, the parties amended and restated the Paygo Request Form of Appendix C of the Initial SPA, and pursuant to Attachment 2 of the Third Amendment, the parties further amended and restated the Paygo Request Form of Appendix C.

E. Capitalized terms not defined when used herein shall have the meanings given those terms under the Segment 4C SPA.

F. VDOT has notified HRTAC that VDOT has determined that \$8,000,000 of the funds that had been allocated to the Construction Phase of the Segment 4C SPA should be deallocated from that use and redirected to the Transportation Management Plan (TMP) for the Hampton Roads Express Lane Network (HRELN).

G. The parties now desire to further amend and restate Appendices B (including Annex I thereto) and C of the Segment 4C SPA on the terms set forth below to effect the deallocation.

H. Once deallocated, the parties intend to apply the deallocated funds towards the implementation of strategies identified for the Hampton Roads Express Lanes Network Transportation Management Plan (“HRELN Transportation Management Plan Project”) and, to the extent any portion of the deallocated funds is not needed for HRELN Transportation Management Plan Project, said portion will be returned to the unobligated fund balance of the Hampton Roads Transportation Fund.

I. The parties now desire to amend the Segment 4C SPA on the terms set forth below.

AGREEMENT:

NOW, THEREFORE, in consideration of the premises, the mutual covenants and agreements set forth in this Amendment, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree to amend the Segment 4C SPA as follows:

1. Appendix B of the Segment 4C SPA, including Annex I, is hereby amended and restated in its entirety as set forth in the document attached hereto as Attachment 1.

2. The Paygo Request Form of Appendix C is hereby amended and restated as set forth in the document attached hereto as Attachment 2.

3. Except as modified by the provisions of this Amendment, all other terms of the Segment 4C SPA shall remain in full force and effect.

4. This Amendment may be executed in any number of counterparts, and by each party on a separate counterpart, each of which, when so executed and delivered, shall be deemed to be an original and all of which taken together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have executed this Amendment by their duly authorized representatives, intending it to be effective on the date of last execution.

**VIRGINIA DEPARTMENT OF
TRANSPORTATION**

**HAMPTON ROADS TRANSPORTATION
ACCOUNTABILITY COMMISSION**

By: _____
Stephen C. Brich, P.E.
Commissioner of Highways

By: _____
Donnie R. Tuck
Chair

Date: _____

Date: _____

ATTACHMENT 1

APPENDIX B (AS AMENDED AND RESTATED)

HAMPTON ROADS EXPRESS LANES NETWORK ELEMENTS

SEGMENT 4C FULL BUILD POTENTIAL SCOPE PROJECT - UPC 119638

PROJECT BUDGET AND PROJECT SCHEDULE

Project Budget: SEGMENT 4C (FULL BUILD POTENTIAL SCOPE) PROJECT:

*Preliminary Engineering (PE)	\$104,433
Right of Way (RW)	\$8,000,000
**Construction (CN)	\$391,048,878
<hr/>	
Total Cost	\$399,153,311

*VDOT and HRTAC entered into a Standard Project Agreement dated April 1st, 2021 to address some initial preliminary engineering and right of way activities relating to this project (the “Linked Activities”), using UPC 117841 (the “Linked Activities SPA”). The Linked Activities SPA remains in effect, only a portion of the funds made available through the Linked Activities SPA have been drawn, and the unexpended funds will remain available for the Linked Activities. The PE and RW activities administered under UPC 119638 will be funded under this Standard Project Agreement.

**Notwithstanding the sequence of events as set forth in Section 3.01 (c) of the Master Agreement, which contemplates a SPA for preliminary engineering and a separate SPA for project delivery, the Parties agree that this SPA, as amended, addresses Preliminary Engineering, Right of Way, and Construction phases and additional project delivery details and funding on an integrated basis. The line item for Construction costs includes (i.e. subsumes) a 15% contingency.

The work associated with this Standard Project Agreement for the Segment 4C, as amended, is to continue and complete the Preliminary Engineering activities that were started under the Phase 1 PE agreement (UPC 117841), including development of the RFP package, to complete the anticipated Right of Way (RW) activities including the early acquisition of parcels 036 and 037 located at 538 River Street, Hampton, Virginia, in accordance with the Early Acquisition Statute of 23 CFR 710.50 in support of, and to complete, the construction of Segment 4C of the Hampton Roads Express Lane Network.

These tasks include but are not limited to the following:

NEPA Categorical Exclusion investigation and documentation, cost estimate & schedule refinements, HREL Network communication plan, public information meetings with localities and others as requested, finalize RFP plans and contract requirements, acquire RW, obtain permits, complete two phase best value Design-Build contractor procurement processes necessary to award for construction, scheduled for an estimated date of July 2022, and complete construction of the Segment 4C (Full Build Potential Scope) project as set forth in Appendix A.

Project Schedule: Segment 4C (FULL BUILD POTENTIAL SCOPE) Project (all dates are estimates):

- **Preliminary Engineering (PE):**
 - PE Start (Adv Act): September 22, 2020 (Advanced Activity UPC 117841)
 - PE Start (Full Build Potential Scope): October 21, 2021
 - PE End: July 30, 2022
- **Right of Way (RW):**
 - RW Early Acquisition Start (Parcels 036, 037): November 23, 2021
 - RW Start: July 30, 2022
 - RW End: August 1, 2022
- **Construction (CN):**
 - CN Start: August 1, 2022
 - CN End: December 30, 2026

Project Cash Flow Schedule: See Annex I to this Appendix B (which is incorporated herein by this references as if set out in full).

ANNEX I TO APPENDIX B (As Amended and Restated)

PROJECT BUDGET AND CASH FLOW

PROJECT IDENTIFICATION AND PROPOSED FUNDING

HRTAC Project Title: Hampton Roads Express Lane (HREL) - Segment 4C
 Scope of Project Services: Amendment to Standard Project Services to Support PE/RW/CN Phases for HREL Segment 4C (UPC 119638)
 Recipient Entity: Virginia Department of Transportation
 VDOT Project Contact: Todd Halaey (757) 956-3010

Baseline Schedule:	PE: Start Oct 2021, End July 2022
	RW: Early Acquisition Nov 2021; RW Start July 2022, End Aug 2022
	CN: Start Aug 2022, End Dec 2026

PROJECT COSTS & FUNDING SOURCE

Project Cost Category	Total Project Costs	HRTAC PayGo Funds	HRTAC Financed Funds	Description Other Sources of Funds	Amount Other Sources of Funds	Recipient Entity Funds
Design Work	\$ 104,433.00	\$ 104,433.00	\$ -		\$ -	\$ -
Engineering						
Environmental Work						
Right-of-Way Acquisition	\$ 8,000,000.00	\$ 8,000,000.00				
Construction	\$ 391,048,878.00	\$ 391,048,878.00				
Contract Administration						
Testing Services						
Inspection Services						
Capital Asset Acquisitions						
Other						
Total Estimated Cost	\$ 399,153,311.00	\$ 399,153,311.00	\$ -	\$ -	\$ -	\$ -

FISCAL YEAR ANNUAL PROJECT CASH FLOW

Project Phase	Total Fiscal Year 2023		Total Fiscal Year 2024		Total Fiscal Year 2025		Total Fiscal Year 2026		Total Fiscal Year 2027	
	PayGo	Financed	PayGo	Financed	PayGo	Financed	PayGo	Financed	PayGo	Financed
Design Work	\$ 104,433.00									
Engineering										
Environmental Work										
Right-of-Way Acquisition	\$ 2,333,331.00		\$ 3,999,996.00		\$ 1,666,673.00					
Construction	\$ 81,161,091.00		\$ 88,539,372.00		\$ 88,539,372.00		\$ 88,539,372.00		\$ 44,269,671.00	
Contract Administration										
Testing Services										
Inspection Services										
Capital Asset Acquisitions										
Other										
Total Estimated Cost	\$ 83,598,855.00	\$ -	\$ 92,539,368.00	\$ -	\$ 90,206,045.00	\$ -	\$ 88,539,372.00	\$ -	\$ 44,269,671.00	\$ -

Please Note: If additional years are needed, please submit a separate form with additional columns

FISCAL YEAR ESTIMATED PROJECT CASH FLOW

	FY 23 Mthly Cash Flow		FY 24 Mthly Cash Flow		FY 25 Qtrly Cash Flow		FY 26 Qtrly Cash Flow		FY 27 Qtrly Cash Flow	
	PayGo	Financed	PayGo	Financed	PayGo	Financed	PayGo	Financed	PayGo	Financed
July	\$104,433		7,711,614.00		7,711,614.00		7,378,281.00		7,378,281.00	
August	\$ 7,378,281.00		7,711,614.00		7,711,614.00		7,378,281.00		7,378,281.00	
September	\$ 7,378,281.00		7,711,614.00		7,711,614.00		7,378,281.00		7,378,281.00	
October	\$ 7,378,281.00		7,711,614.00		7,711,614.00		7,378,281.00		7,378,281.00	
November	\$ 7,378,281.00		7,711,614.00		7,711,622.00		7,378,281.00		7,378,281.00	
December	\$ 7,711,614.00		7,711,614.00		7,378,281.00		7,378,281.00		7,378,266.00	
January	\$ 7,711,614.00		7,711,614.00		7,378,281.00		7,378,281.00			
February	\$ 7,711,614.00		7,711,614.00		7,378,281.00		7,378,281.00			
March	\$ 7,711,614.00		7,711,614.00		7,378,281.00		7,378,281.00			
April	\$ 7,711,614.00		7,711,614.00		7,378,281.00		7,378,281.00			
May	\$ 7,711,614.00		7,711,614.00		7,378,281.00		7,378,281.00			
June	\$ 7,711,614.00		7,711,614.00		7,378,281.00		7,378,281.00			
Total per Fiscal Year	\$83,598,855	\$ -	\$ 92,539,368.00	\$ -	\$ 90,206,045.00	\$ -	\$ 88,539,372.00	\$ -	\$ 44,269,671.00	\$ -

Please Note: If additional years are needed, please submit a separate form with additional columns

This attachment is certified and made an official attachment to the Standard Project Agreement document by the parties of this agreement.

Virginia Department of Transportation

Hampton Roads Transportation Accountability Commission

 Signature
 Commissioner
 Title

 Signature
 HRTAC Chairman
 Title

 Date
 Stephen C. Brich, P.E.
 Print name of person signing

 Date
 Donnie R. Tuck
 Print name of person signing

ATTACHMENT 2

DETAILED PAYGO REQUEST – AS AMENDED AND RESTATED

Draw Request Number: _____ Request Date: _____
 HRTAC Project Number: UPC 119638 Project Title: HRELN Segment 4C

Cost Category	HRTAC Approved Project Costs		Total PayGo Requests Previously Received	PayGo Requisition Amount this Period	Remaining PAYGO Project Budget (Calculation)
Project Starting Balance	\$104,433				\$ -
Design Work/ Engineering	\$104,433		\$ -	\$ -	\$ -
Engineering	-		-	-	\$ -
Environmental Work	-		-	-	\$ -
Right-of-Way Work	\$8,000,000		-	-	\$ -
Construction	\$391,048,878		-	-	\$ -
Contract Administration	-		-	-	\$ -
Testing Services	-		-	-	\$ -
Inspection Services	-		-	-	\$ -
Capital Asset Acquisitions	-		-	-	\$ -
Other (please explain)	-		-	-	\$ -
TOTALS	\$399,153,311		\$ -	\$ -	\$ -

LISTING OF ATTACHED INVOICES

Vendor/Contractor Name	Item Number	Invoice Number	Cost Category	Amount
	1			\$ -
	2			-
	3			-
	4			-
	5			-
	6			-
	7			-
	8			-
	9			-
	10			-
	11			-
	12			-
Requisition Amount				\$ -

Instructions

1. Column B-Please list approved PayGo Project Cost per category.
2. Column C-Please list Total PayGo Amounts per Category Previously Reimbursed by HRTAC
3. Column D- Please list invoice amounts summarized by Category from the Listing of Attached Invoices

4. Column E - Is a calculation of the Remaining PAYGO Budget per Category

Instructions-Listing of Attached Invoices: (please list each invoice separately)

1. Column A- Please list the name as it appears on the Invoice
2. Column B- Please manually number the invoices attached with the corresponding Item number in this schedule.
3. Column C- Please list the invoice number as it appears on the Invoice
4. Column D- Please list the appropriate Cost Category based on the Project Category breakout above
5. Column E- Please enter the dollar amount listed on the invoice.
6. The calculated Requisition Amount should equal the total in Column D in the Schedule above.

**Standard Project Agreement for Funding and Administration
between
Hampton Roads Transportation Accountability Commission
and
Virginia Department of Transportation
(Hampton Roads Express Lanes Network Project Elements)**

HRTAC Project Title: HREL - Transportation Management Plan (TMP) Project

HRTAC Project Number: UPC 122999

This Standard Project Agreement for Funding and Administration (the "Agreement") is made and effective as of the date of last execution below, as between the Hampton Roads Transportation Accountability Commission ("HRTAC") and the Virginia Department of Transportation ("VDOT").

WITNESSETH

WHEREAS, Chapter 766 of the 2013 Acts of Assembly established the Hampton Roads Transportation Fund (the "HRTF"), and provides that moneys deposited in the HRTF are to be used solely for new construction projects on new or existing highways, bridges, and tunnels in the localities comprising Planning District 23;

WHEREAS, Chapter 678 of the 2014 Acts of Assembly (now codified in Section 33.2-2600 *et seq.* of the Code of Virginia, as amended) (the "HRTAC Act") created HRTAC as a political subdivision of the Commonwealth of Virginia, and moved the responsibility to determine the projects that will be funded by the HRTF from the Hampton Roads Transportation Planning Organization to HRTAC;

WHEREAS, under Sections 33.2-2606 and 33.2-2607 of the Code of Virginia, HRTAC is also authorized to issue bonds and other evidences of debt, and to impose and collect certain tolls;

WHEREAS, under Chapter 703 of the 2020 Acts of Assembly (H1438)(the "HREL Tolling Legislation"), HRTAC is also authorized to impose and collect tolls in designated high-occupancy toll lanes on certain portions of Interstate 64;

WHEREAS, HRTAC is required to use all moneys that it receives, whether from the HRTF, bond proceeds, collections from any tolls imposed by HRTAC or otherwise (collectively, "HRTAC-Controlled Moneys"), for the benefit of those counties and cities that are embraced by HRTAC and in accordance with applicable law;

WHEREAS, VDOT is the Virginia state agency responsible for building, maintaining and operating the interstate, primary, and secondary state highway systems ("VDOT Highways");

WHEREAS, in light of (i) VDOT's responsibilities with respect to VDOT Highways and HRTAC's responsibilities with respect to the application of the HRTAC-Controlled Moneys, and (ii) the determinations of VDOT and HRTAC to coordinate their efforts with respect to, among other things, the development, tolling, financing, procurement and delivery of the Hampton Roads Express Lanes Network Project (the "HREL Project"), VDOT and HRTAC entered into a Master Agreement for Development and Tolling of Hampton Roads Express Lanes Network dated August 18, 2020 (such agreement as thereafter amended and modified from time to time, the "Master Agreement");

WHEREAS, the Master Agreement contemplates that HRTAC may from time to time enter into Standard Project Agreements for Funding and Administration pursuant to which VDOT will procure all goods and services necessary to design and construct elements of the HREL Project;

WHEREAS, pursuant to the Master Agreement, the parties are prepared to have VDOT proceed with the services described on Appendix A in respect of the project set forth and described on Appendix A to this Agreement (the "Project");

WHEREAS, HRTAC has determined that the Project would benefit the cities and counties that are embraced by HRTAC, it otherwise satisfies the requirements of the HRTAC Act, and it is consistent with the HREL Tolling Legislation;

WHEREAS, VDOT agrees to administer and/or develop the Project in accordance with the budget (the "Project Budget") and cashflow and construction schedule (the "Project Schedule") set forth and described on Appendix B to this Agreement (this Agreement and its appendices may be amended from time to time by mutual agreement of the parties to address mutually agreed changes relating to, among other things, Project scope, design, funding and regulatory approvals);

WHEREAS, HRTAC desires to provide funding for the administration and/or development of the Project out of HRTAC-Controlled Moneys, subject to the terms, conditions and limitations set forth herein;

WHEREAS, the Commonwealth Transportation Board ("CTB") has the authority, pursuant to Section 33.2-214 of the Code of Virginia, to cause VDOT to enter into this Agreement and has authorized the Commissioner of Highways to enter into agreements with HRTAC for project administration and development purposes, and Section 33.2-2608 of the Code of Virginia authorizes HRTAC to enter into this Agreement;

WHEREAS, the CTB, by resolution passed on January 14, 2015, resolved that any agreement between VDOT and HRTAC for project services shall provide that overruns or other additional project costs shall be prorated between HRTAC and VDOT so that each party bears a proportionate share of the additional costs based on each party's percentage responsibility of the project budget; and

WHEREAS, HRTAC's governing body and the CTB have each authorized that their respective designee(s) execute this Agreement on their respective behalf(s) as

evidenced by copies of each such entity's clerk's minutes or such other official authorizing documents which are appended hereto as Appendix E.

NOW THEREFORE, in consideration of the foregoing premises and the mutual promises, covenants, and agreements contained herein, the parties hereto agree as follows:

A. VDOT's Obligations

VDOT shall:

1. Complete or perform or cause to be completed or performed all work relating to the Project, as described in Appendix A, advancing such work diligently and ensuring that all work is completed in accordance with (i) any and all applicable federal, state, and local laws and regulations, and (ii) all terms and conditions of the Master Agreement and this Agreement, including, without limitation, the Project Budget and Project Schedule reflected in Appendix B, which Project Budget and Project Schedule (A) VDOT represents have been prepared in good faith, in accordance with the practices and procedures that VDOT uses for projects where the state or VDOT bears the cost of the project (including, without limitation, the practices used to price and budget services that may be internally sourced, such as Construction Engineering Inspection/CEI), and (B) the parties acknowledge may be amended pursuant to Section A.8 below or as follows:
 - (a) In the event that VDOT determines, after receipt of proposals or bids for any work related to the Project, that the cost of the contract for said work will result in a significant reduction in costs associated with a portion of the Project Budget reflected in Appendix B that is allocated to work covered by the contract, then VDOT shall notify HRTAC's Executive Director of the significant reduction in costs. For purposes of this Section A.1(a), HRTAC and VDOT agree that a "significant reduction in costs" shall mean a reduction in costs that has the effect of reducing, in Appendix B, (x) the costs for the particular portion of the Project Budget allocated to work covered by the contract by more than 20 percent or (y) the entire Project Budget either by more than 10 percent or \$10,000,000, whichever applies. In the event there is a significant reduction in costs, VDOT and HRTAC will work reasonably and in good faith to amend Appendix B to fairly reflect the effect of the reduction on the commitments of the funding sources (by way of example, if the Appendix B costs are to be paid initially from both HRTAC-Controlled Moneys and state or federal contributions, then the commitment of each funding source would be reduced by its proportionate share of the reduction in costs, which proportionate share will be based on the funding source's proportionate

responsibility for the total budgeted costs before the reduction was realized) (for the avoidance of doubt, the amount by which a commitment is reduced shall be considered deobligated from the Project).

- (b) In the event that any federal or state funding not previously available for the Project becomes available for any portion of the Project Budget reflected in Appendix B, then VDOT and HRTAC will work reasonably and in good faith to amend Appendix B to fairly reflect the benefit of the additional funding (by way of example, if the Appendix B costs are to be paid initially from both HRTAC-Controlled Moneys and state contributions, but federal funding subsequently becomes available, then the respective commitments of HRTAC and the state would be reduced by each party's proportionate share of the additional funds, which proportionate share will be based on the party's proportionate responsibility for the total budgeted cost before the additional funding became available).
- (c) In the event that application is made for federal or state funding or loans not previously available for the Project, then VDOT will, to the extent within its reasonable control, provide reasonable support to such application and, if any such funding or loans are awarded or otherwise become available, take action to satisfy conditions and comply with requirements of such funding or loans, in each case as may be reasonably requested by HRTAC.

2. Without limiting the foregoing, VDOT shall:

- (a) Select contractors, contract with contractors, and administer and enforce contracts all in a manner that is consistent in all material respects with the policies, procedures and practices that VDOT uses where the state or VDOT bears the cost of a project; for example, VDOT shall use its customary policies, procedures and practices relating to requesting bids/proposals, negotiating/finalizing terms and conditions of contracts (using, where applicable, standard terms/forms), and monitoring and enforcing performance of contracts;
- (b) Not enter into any contract to perform the work related to the Project if (i) the cost of that contract would exceed the portion of the Project Budget reflected in Appendix B that is allocated to the work covered by that contract, (ii) the cost of that contract, when aggregated with the cost of all other contracts relating to the Project that have been, or are expected to be, entered into would exceed the Project Budget reflected in Appendix B, or (iii) the schedule in the contract for performing and paying for the work related to the

Project would be materially different (whether accelerated or delayed) from the Project Schedule set forth in Appendix B; in addition, if the bids or proposals received for any portion of the Project are not qualitatively consistent with VDOT's standards for that work or quantitatively within VDOT's projections for that work, each as determined by VDOT in its good faith judgment, VDOT shall (i) undertake a new procurement, or (ii) recommend alternative measures to HRTAC, and seek HRTAC's advice and consent regarding pursuit of those alternative measures. If HRTAC grants its written consent to a modification to the Project Budget and/or Project Schedule in order to permit VDOT to enter into a contract to perform the work, VDOT and HRTAC will work reasonably and in good faith to amend Appendix B to reflect the modified Project Budget and Project Schedule.

- (c) Involve HRTAC in any procurement consistent with the terms of the Master Agreement.
3. Perform or have performed in accordance with VDOT's standards for highways, bridges and tunnels (or that are otherwise applicable to the work under the Project) all design and engineering, all environmental work, and all right-of-way acquisition, construction, contract administration, testing services, inspection services, or capital asset acquisitions, as is required by this Agreement or that may be necessary for completion of the Project pursuant to the terms of this Agreement. If VDOT determines that a delay will more likely than not prevent the completion of a material phase of the Project (e.g., PE or ROW acquisition), or the entire Project, in accordance with the Project Schedule, VDOT shall notify HRTAC in writing and provide HRTAC with such information as HRTAC may reasonably request, including information pertaining to potential corrective measures and remedies against the contractor (if VDOT and HRTAC mutually develop a model notice for such purposes, VDOT's notice will follow the format of the model).
 4. Not use any funds provided by HRTAC, including the funds specified on Appendix B, to pay any Project cost if, as applicable, the HRTAC Act or HREL Tolling Legislation does not permit such Project cost to be paid with HRTAC funds.
 5. Recognize that, if the Project contains "multiple funding phases" (as such "multiple funding phases" are set out for the Project on Appendix A), for which HRTAC will provide funding for such multiple funding phases (as scheduled on Appendix B), HRTAC may not have sufficient cash flows to permit accelerated funding to VDOT and to advance the funding schedule for the Project. In any circumstance where VDOT seeks to advance the funding schedule for the Project, VDOT shall submit a written request to HRTAC's Executive Director explaining VDOT's reasons why HRTAC

should authorize acceleration to the next funding phase. (As used in this Agreement, “Executive Director” shall mean HRTAC’s Chairman if at any applicable time, HRTAC has not engaged a dedicated, full-time Executive Director.) HRTAC’s Executive Director will thereafter review the circumstances underlying the request in conjunction with Appendix B and HRTAC’s current and projected cash flow position and make a recommendation to HRTAC whether to authorize VDOT’s requested accelerated funding. The foregoing shall not prohibit VDOT from providing its own funds to advance a future funding phase of the Project and from requesting reimbursement from HRTAC for having advance funded a future phase of the Project; however, VDOT further recognizes that HRTAC’s reimbursement to VDOT for having advance funded a phase of the Project will be dependent upon HRTAC’s cash flow position at the time such a request for reimbursement is submitted and may be dependent upon the extent to which the reimbursement of any such advanced funding is otherwise consistent with the terms of this Agreement, including Appendix B.

6. (a) Permit (and assist) HRTAC’s Executive Director to periodically update HRTAC’s cash flow estimates for the Project with the objective toward keeping those estimates accurate throughout the performance of the Project. VDOT shall provide all available information reasonably required by HRTAC so as to ensure and facilitate accurate cash flow estimates and accurate updates to those cash flow estimates throughout the performance of the Project as described in Appendix B.
- (b) Provide HRTAC’s Executive Director with the monthly reports described on Appendix D.
7. Provide to HRTAC’s Executive Director requests for payment consistent with Appendix C (and the most recently approved HRTAC cash flow estimates) that include (a) HRTAC’s standard payment requisition(s), containing detailed summaries of actual project costs incurred with supporting documentation as determined by HRTAC, and (b) certifications that all such costs were incurred in the performance of work for the Project as authorized by this Agreement. Each payment requisition shall be in substantially the same form as set forth in Appendix C of this Agreement. If approved by HRTAC, VDOT can expect to receive payment within twenty (20) days upon receipt by HRTAC. Approved payments may be made by means of electronic transfer of funds from HRTAC to or for the account of VDOT.
8. (a) Promptly notify HRTAC’s Executive Director if VDOT determines that any additional, unbudgeted costs may be incurred to perform and complete the Project (“Additional Costs”), which notice shall include a description of the Additional Costs, an explanation of

how they arose and the assumptions in the initial budget regarding those costs, and a detailed estimate of the Additional Costs. VDOT shall make recommendations regarding any curative actions that may be available relating to such Additional Costs, including any potential modification or reduction that may be made to the Project scope or design, or any other action, in order to stay within the initial budget for the Project. If the Additional Costs can be absorbed in the Project Budget by modifying or reducing the scope or design of the Project (or avoided by cancelling the Project or any portion thereof), HRTAC may, in its sole discretion, elect to (i) authorize VDOT to proceed with such modifications or reductions, (ii) authorize the Additional Costs (or if a combination of (i) and (ii) is feasible, HRTAC may elect such combination), or (iii) elect to cancel the Project or a portion thereof; provided, however, in any case, the respective obligations of VDOT and HRTAC, as modified by the elected alternative, shall be set forth in an amendment to this Agreement (VDOT and HRTAC shall work in good faith to finalize and execute such amendment). If the Additional Costs cannot be absorbed in the initial budget by modifying or reducing the scope or design of the Project (and HRTAC elects option (ii) above), then, subject to Section F below, such Additional Costs shall be paid from HRTAC-Controlled Moneys and state and federal funds prorated based on the respective proportionate share of HRTAC-Controlled Moneys and state and federal funds in the Project Budget. In the event that HRTAC elects to cancel the Project (or any portion thereof) pursuant to this Section A.8(a)(iii), (A) all compensation due and owing to any and all contractors for work on the Project that has been completed at the time of cancellation, shall be paid in accord with Appendix B, and (B) subject to Section F, all reasonable costs associated with the cancellation due and owing to said contractors pursuant to the terms of the contracts with the contractors, which terms shall be consistent with VDOT's standard contract terms relating to contract cancellation and termination, (the "Breakage Compensation"), shall be paid with HRTAC-Controlled Moneys, unless VDOT and HRTAC mutually determine that cancellation of the Project is necessary or warranted, in which case, the Breakage Compensation shall be paid from HRTAC-Controlled Moneys and state and federal funds prorated based on the respective proportionate share of HRTAC-Controlled Moneys and state and federal funds in the Project Budget.

- (b) VDOT shall not include in any contract with a contractor working on the Project any term, condition or remedy in respect of Additional Costs that is more favorable to the contractor than the terms, conditions or remedies VDOT includes in standard contracts where the state or VDOT bears the cost of the project.

- (c) The Additional Costs may include costs incurred by VDOT as a result of contractor claims relating to the Project made pursuant to the VDOT Roads and Bridge Specifications and §§ 33.2-1101 through 33.2-1105 of the Code, as amended. VDOT shall promptly notify HRTAC if any such claims are made or VDOT receives a notice of intent to file a claim or other written communication from a contractor relating to a claim or contractual dispute that could result in increased contract costs, and whether in each such case the claimed amount is expected to become, or result in, Additional Costs (and the estimate thereof) or is expected to have a material adverse effect on the contingency reserves established as part of the Project Budget (and the estimated effect thereon). VDOT shall be responsible to handle all such claims and notices of intent, but VDOT may not settle any claim or notice of intent to file a claim and thereafter submit it as an Additional Cost pursuant to Section A.8(a) unless the settlement has been approved by HRTAC. Funding for the settlement will be prorated based on the respective proportionate share of the HRTAC-Controlled Moneys and state and federal funds in the Project Budget. Should the claim not be settled, any final judgment from a court of competent jurisdiction shall be paid in accordance with the proration rule set forth in the preceding sentence.
- (d) Notwithstanding anything to the contrary set forth herein, if any additional cost (including, without limitation, any additional cost relating to a contractor claim described in Section A.8(c) above) arises out of or results from VDOT's negligence, breach of contract, willful misconduct or violation of law ("VDOT Fault"), HRTAC shall not be responsible for such additional costs. Any notice provided by VDOT to HRTAC pursuant to Section A.8(c) above shall be accompanied by a certification from VDOT that it has determined in good faith that any Additional Costs do not arise out of or result from VDOT Fault.
9. Release or return any unexpended funds to HRTAC no later than 90 days after final payment has been made in respect of the Project.
10. Maintain complete and accurate financial records relative to the Project for all time periods as may be required by the Virginia Public Records Act and by all other applicable state or federal records retention laws or regulations.
11. Maintain all original conceptual drawings and renderings, architectural and engineering plans, site plans, inspection records, testing records, and as built drawings for the Project for the time periods required by the Virginia Public Records Act and any other applicable records retention laws or regulations.

12. Reimburse HRTAC (or such other entity as may have provided funds) for all funds provided by HRTAC (or on behalf of HRTAC) and, to the extent applicable and permitted by law, with interest earned at the rate earned by HRTAC, (a) that VDOT misapplied, used or requisitioned in contravention of the HRTAC Act or any other applicable law, or any term or condition of this Agreement or (b) the expenditure of which arose out of VDOT Fault.
13. Be solely responsible for the administration and/or development of the Project and all engagements, commitments and agreements with contractors (and, without limiting the foregoing, shall ensure that such engagements, commitments and agreements contain all terms that, pursuant to the Master Agreement or this Agreement, are required to be included therein). VDOT shall ensure that VDOT's contractors maintain surety bonds and insurance in amounts and with coverages that VDOT requires under its Road and Bridge Specifications for all work to be performed for the Project, and name HRTAC and its members, officers, employees and, if applicable, any HRTAC lender or any bond trustee, as additional insureds on any such insurance policy, and present HRTAC with satisfactory evidence thereof before any work on the Project commences.
14. If in connection with the work VDOT engages outside legal counsel approved by the Attorney General (as opposed to utilizing the services of the Office of the Attorney General), VDOT will give HRTAC notice of the engagement so as to ensure that no conflict of interest may arise from any such representation (VDOT also shall ensure that such engagements are consistent with the practices and terms that VDOT uses where it is solely responsible for project costs).
15. Subject to and consistent with the requirements of Section E of this Agreement, upon final payment to all contractors for the Project, if the Project is or is part of a VDOT Highway, VDOT will use the Project (a) for its intended purposes for the duration of the Project's useful life, and (b) in accordance with, and subject to, the terms of the Master Agreement (including, without limitation, the license granted to HRTAC pursuant to Section 3.08(b) thereof). If the Project is or is part of a VDOT Highway, VDOT shall be responsible to operate and/or maintain the Project (which duty and obligation excludes the Tolling O&M Duties, as defined in the Master Agreement, except as otherwise provided in the Master Agreement or in any other contract between VDOT and HRTAC under which VDOT is responsible to perform such duties as a contractor to HRTAC) after its completion (including responsibility to correct any defects or to cause any defects to be corrected)(and, without limiting the foregoing, shall perform its operations and maintenance obligations in accordance with the terms of the Master Agreement), and, except as and to the extent provided under the Master Agreement (with respect to Tolling O&M Duties), under no circumstances will HRTAC have any responsibility or obligation to

operate and/or maintain the Project (or correct defects with respect to the Project).

16. Comply with all applicable federal, state and local laws and regulations, including without limitation requirements of the Virginia Public Procurement Act.
17. Recognize that VDOT or its contractors are solely responsible for obtaining, and shall obtain, all permits, permissions and approvals necessary to construct and/or operate the Project, including, but not limited to, obtaining all required VDOT and local land use permits, zoning approvals, environmental permits, and regulatory approvals.
18. Recognize that if the Project is being funded, in whole or in part, with federal and/or state funds (in addition to HRTAC-Controlled Moneys), that VDOT shall (a) take any and all necessary actions to satisfy any conditions to such additional federal and/or state funding (provided that such actions are within the control of VDOT) and to enforce any commitments made in connection therewith, (b) comply with all applicable federal and Commonwealth funding requirements within the control or purview of VDOT, and (c) include in its contracts with contractors provisions that permit such contracts to be terminated, without penalty, if the funding is rescinded or otherwise becomes unavailable (for clarification, a provision shall not be deemed to include a penalty solely as a result of terms that require payment of compensation due and owing at the time of cancellation and reasonable costs associated with cancellation provided that such costs are consistent with costs paid pursuant to VDOT's standard contract terms relating to contract cancellation and termination). VDOT acknowledges and agrees that if funding from such an additional federal or state source is rescinded or otherwise becomes unavailable HRTAC (i) shall not be responsible for any amount in excess of its commitment set forth on Appendix B, and (ii) may (A) replace said reduced funding with HRTAC Controlled-Moneys or (B) may request VDOT to immediately suspend or discontinue all work relating to the Project, provided if HRTAC requests suspension HRTAC shall be responsible for the costs reasonably incurred in connection with such suspension. Should HRTAC not replace the reduced funding or request VDOT to suspend or discontinue work, VDOT may reduce the Project scope or take any other actions needed to reduce the Project costs to the Project Budget.
19. Provide a certification to HRTAC no later than 90 days after final payment for the Project that VDOT adhered to all applicable laws and regulations and all requirements of this Agreement.
20. Notify HRTAC if VDOT determines that a delay will more likely than not prevent the timely completion of a material phase of the Project, including

information regarding potential corrective measures and remedies against the contractor.

21. With respect to modifications to any agreement with a contractor, concede to HRTAC any resulting savings, if HRTAC-Controlled Moneys are funding 100% of the applicable work, or if the cost savings relate to work funded with HRTAC-Controlled Moneys and state and/or federal funds, concede such savings to such parties *pro rata*, based on the respective proportionate share of HRTAC-Controlled Moneys and state and federal funds in the Project Budget for such work.
22. Include in any agreement with a contractor an assessment of liquidated damages in accordance with the Master Agreement if either substantial completion or final acceptance is not achieved by the applicable deadline. Unless otherwise agreed by the parties acting reasonably, any liquidated damages (as well as other damages paid by a contractor, insurance proceeds, or recoveries from third parties) received by VDOT in respect of the Project shall be administered in accordance with the terms of the Master Agreement.
23. Terminate any agreement with a contractor upon the written request of HRTAC if (a) VDOT has failed to exercise the right to terminate such agreement for cause, but only (i) if such failure is reasonably expected to have a material adverse effect on HRTAC and (ii) following consultation between HRTAC and VDOT regarding the reasons, if any, for VDOT's failure to exercise such right; or (b) HRTAC determines in good faith that HRTAC has suffered a material adverse change in its ability to satisfy its obligations under this Agreement and it is in HRTAC's best interests for VDOT to terminate the contractor's agreement for convenience.

B. HRTAC's Obligations

HRTAC shall:

1. Subject to the limitations as to amounts set forth in Appendix B (and subject to Section F of this Agreement), provide to VDOT the funding authorized by HRTAC for the Project, on a reimbursement basis as set forth in this Agreement and as specified in Appendix B to this Agreement or the most updated amendment thereto, as approved by HRTAC.
2. Assign a person to serve as a Program Coordinator for the Project, who will be responsible for review of the Project on behalf of HRTAC for purposes of ensuring it is being completed in compliance with this Agreement and all HRTAC requirements. (In the absence of an assigned person, HRTAC's Executive Director shall serve as the Program Coordinator.) HRTAC's Program Coordinator will be responsible for overseeing, managing, reviewing, and processing, in consultation with

HRTAC's Executive Director and its Chief Financial Officer ("CFO"), all payment requisitions submitted by VDOT for the Project. HRTAC's Program Coordinator will have no independent authority to direct changes or make additions, modifications, or revisions to the scope of the Project as set forth on Appendix A or to the Project Budget and Project Schedule as set forth on Appendix B.

3. Route to HRTAC's assigned Program Coordinator all VDOT payment requisitions and the summaries of actual costs submitted to HRTAC for the Project. After submission to HRTAC, HRTAC's Program Coordinator will conduct an initial review of all payment requisitions and supporting documentation for the Project in order to determine the submission's legal and documentary sufficiency. HRTAC's Program Coordinator will then make a recommendation to the HRTAC's CFO and Executive Director whether to authorize payment, refuse payment, or seek additional information from VDOT. If the payment requisition is sufficient as submitted, payment will be made within twenty (20) days from receipt. If the payment requisition is, in HRTAC's reasonable judgment, deemed insufficient, within twenty (20) days from receipt, HRTAC's Program Coordinator will notify VDOT in writing and set forth the reasons why the payment requisition was declined or why and what specific additional information is needed in order to authorize the payment request. Payment will be withheld until all deficiencies identified by HRTAC have been corrected to HRTAC's reasonable satisfaction. Under no circumstances will HRTAC authorize payment for any work performed by or on behalf of VDOT that is not in conformity with the requirements of the HRTAC Act or this Agreement.
4. Route all of VDOT's accelerated or supplemental requests for funding from HRTAC under Sections A.5 and A.8, respectively, of this Agreement to HRTAC's Executive Director. HRTAC's Executive Director will initially review those requests and all supporting documentation with HRTAC's CFO. After such initial review, HRTAC's Executive Director will make a recommendation to HRTAC's Finance Committee for its independent consideration and review. HRTAC's Finance Committee will thereafter make a recommendation on any such request to HRTAC for final determination by HRTAC.
5. Conduct periodic compliance reviews scheduled in advance for the Project so as to determine whether the work being performed remains within the scope of this Agreement, the HRTAC Act and other applicable law. Such compliance reviews may entail (i) review of VDOT's financial records for the Project, (ii) on-Project site inspections and (iii) review of a contractor's books and records in relation to the Project to the extent VDOT has access thereto.

6. Acknowledge that if, as a result of HRTAC's review of any payment requisition or of any HRTAC compliance review, HRTAC staff determines that VDOT is required under Section A.12 of this Agreement to reimburse funds to HRTAC, HRTAC staff will promptly advise HRTAC's Executive Director and will advise VDOT's designated representative in writing. VDOT will thereafter have thirty (30) days to respond in writing to HRTAC's initial findings. HRTAC's staff will review VDOT's response and make a recommendation to HRTAC's Finance Committee. HRTAC's Finance Committee will thereafter conduct its own review of all submissions and make a recommendation to HRTAC. If HRTAC makes a final determination that VDOT is required under Section A.12 of this Agreement to reimburse funds to HRTAC, the parties should engage in dispute resolution as provided in Section D of this Agreement. Pending final resolution of the matter, HRTAC will withhold further funding on the Project. Nothing herein shall, however, be construed as denying, restricting or limiting the pursuit of either party's legal rights or available legal remedies.
7. Upon making final payment to VDOT for the Project, retain copies of all contracts, financial records, design, construction, and as-built project drawings and plans, if any, developed pursuant to or in association with the Project for the time periods required by the Virginia Public Records Act and as may be required by other applicable records retention laws and regulations.
8. Be the sole determinant of the amount and source of HRTAC funds to be provided and allocated to the Project and the amounts of any HRTAC funds to be provided in excess of the amounts specified in Appendix B.
9. Have no obligation to pay or reimburse VDOT for any cost (including, without limitation, compensation paid or payable to any contractor) arising out of VDOT Fault.

C. Term

1. This Agreement shall (i) be effective upon adoption and execution by both parties and (ii) unless terminated earlier in accordance with its terms, expire ninety (90) days after the date on which VDOT makes final payment to Project contractor(s) and all contractor claims have been resolved or are barred.
2. VDOT may terminate this Agreement, for cause, in the event of a material breach by HRTAC of this Agreement. If so terminated, HRTAC shall pay for all Project costs incurred in accordance with the terms of this Agreement through the date of termination and all reasonable costs incurred by VDOT to terminate all Project-related contracts. The Virginia General Assembly's failure to appropriate funds to HRTAC as described in

Section F of this Agreement and/or repeal or amendment of the legislation establishing the HRTF or HRTAC's powers shall not be considered material breaches of this Agreement by HRTAC if such failure to appropriate or such repeal or amendment eliminates funds in the HRTF to be used for the Project or renders HRTAC without legal authority to provide funding for the Project. Before initiating any proceedings to terminate under this Section, VDOT shall give HRTAC sixty (60) days written notice of any claimed material breach of this Agreement and the reasons for termination; thereby allowing HRTAC an opportunity to investigate and cure any such alleged breach.

3. HRTAC may terminate this Agreement, for cause, resulting from VDOT's material breach of this Agreement. If so terminated, VDOT shall refund to HRTAC all funds HRTAC provided to VDOT for the Project and, to the extent permitted by law, with interest earned at the rate earned by HRTAC. Before initiating any proceedings to terminate under this Section, HRTAC shall give VDOT sixty (60) days' written notice of any claimed material breach of this Agreement and the reasons for termination; thereby allowing VDOT an opportunity to investigate and cure any such alleged breach. Prior to termination, if VDOT has substantially completed the Project or a portion that is severable (meaning it is subject to independent use), VDOT may request that HRTAC excuse VDOT from refunding funds paid in respect of the substantially completed Project or portion, and HRTAC may, in its sole discretion, excuse VDOT from refunding all or a portion of the funds HRTAC provided to VDOT for the substantially completed Project or portion thereof. No such request to be excused from refunding will be allowed (a) where VDOT has either misused or misapplied HRTAC funds in contravention of this Agreement or applicable law, or (b) without the prior written consent of any lender to HRTAC, if the terms of HRTAC's loan agreement with such lender require such consent.
4. Upon (a) expiration or earlier termination of this Agreement and (b) payment of all eligible expenses as set forth in Section C.3 above, VDOT will release or return to HRTAC all unexpended HRTAC funds and, to the extent permitted by law, with interest earned at the rate earned by HRTAC, no later than sixty (60) days after the date of such expiration or earlier termination.

D. Dispute

In the event of a dispute under this Agreement, the parties agree to meet and confer promptly in order to ascertain if the dispute can be resolved informally without the need of a third party or judicial intervention. HRTAC's Executive Director and the Commissioner shall be authorized to conduct negotiations on behalf of their respective entities. If a resolution of the dispute is reached via a meet and confer dispute resolution method, it shall be presented to HRTAC and to the Commissioner for formal confirmation and approval. If no satisfactory

resolution can be reached via the meet and confer method, either party is free to pursue whatever remedies it may have at law or in equity, including all judicial remedies. The foregoing dispute resolution method shall not bar either party's right to seek equitable relief on an emergency basis. Neither party will seek or accept an award of attorneys' fees or costs incurred in connection with resolution of a dispute.

E. HRTAC's Interest in Project Assets

VDOT agrees to use the real property and appurtenances and fixtures thereto, capital assets, equipment and all other transportation facilities that are part of the Project and funded by HRTAC under this Agreement ("Assets") for the designated transportation purposes of the Project, in accordance with applicable law throughout the useful life of each such Asset, and in accordance with, and subject to, the terms of the Master Agreement (including, without limitation, the license granted to HRTAC pursuant to Section 3.08(b) thereof). If VDOT intends to sell, convey, or dispose any Asset funded with HRTAC funds or intends to use any Asset for a purpose inconsistent with this Agreement or the Master Agreement, VDOT shall notify HRTAC's Executive Director in writing of any such intent before further action is taken by VDOT in furtherance thereof. Upon receiving notification from VDOT, HRTAC's Executive Director shall notify HRTAC of VDOT's intended action(s). The parties shall, thereafter, meet and confer to discuss what measures need to be taken regarding VDOT's proposed sale, conveyance, disposition, or use of any such Asset(s) so as to ensure compliance with all applicable requirements and terms of the HRTAC Act and the Master Agreement (without limiting the foregoing, VDOT acknowledges that (i) under the HRTAC Act and applicable law, HRTAC is vested with the right to impose and collect tolls on facilities constructed by the Commission and holds a license to, among other things, use the tolling infrastructure and system), and (ii) under the HREL Tolling Legislation, HRTAC is vested with the right to impose and collect tolls on the portion of the HREL Project facility that has been designated by the CTB for use as high-occupancy toll lanes). All recommendations and/or proposed remedial actions developed by the parties' designated representatives during the meet and confer process shall be formally presented to HRTAC and the Commissioner for their respective approval.

F. Appropriations Requirements

1. Nothing herein shall require or obligate HRTAC to commit or obligate funds to the Project beyond those funds that have been duly authorized and appropriated by its governing body for the Project.
2. The parties acknowledge that all funding provided by HRTAC pursuant to the HRTAC Act is subject to appropriation by the Virginia General Assembly. The parties further acknowledge that: (i) the moneys allocated to the HRTF pursuant to applicable provisions of the Code of Virginia and any other moneys that the General Assembly appropriates for deposit into

the HRTF are subject to appropriation by the General Assembly and (ii) HRTAC's obligations under this Agreement are subject to such moneys being appropriated to the HRTF by the General Assembly.

3. The parties agree that VDOT's obligations under this Agreement are subject to funds being appropriated by the General Assembly and allocated by the Commonwealth Transportation Board and otherwise legally available to VDOT for HRTAC projects.
4. Should VDOT be required to provide additional funds in order to proceed or complete the funding necessary for the Project, VDOT shall certify to HRTAC that such additional funds have been allocated and authorized by the CTB and/or appropriated by the Virginia General Assembly as may be applicable or have been obtained through another independent, lawful source.

G. Representations and Warranties

1. VDOT hereby represents and warrants to HRTAC as of the date of this Agreement as follows:
 - (a) VDOT is an agency of the Commonwealth of Virginia, and it has full power, right, and authority to execute, deliver, and perform its obligations under, in accordance with, and subject to the terms and conditions of this Agreement;
 - (b) VDOT has taken or caused to be taken all requisite action to authorize the execution and delivery of, and the performance of its obligations under, this Agreement, and each person executing this Agreement on behalf of VDOT has been duly authorized to execute and deliver it on behalf of VDOT;
 - (c) the execution and delivery by VDOT of this Agreement, and the performance of its obligations hereunder, will not conflict with, and will not result, at the time of execution, in a default under or violation of, (i) any other agreements or instruments to which it is a party or by which it is bound or (ii) to its knowledge, any law, where such violation will have a material adverse effect on the ability of VDOT to perform its obligations under this Agreement;
 - (d) this Agreement has been duly authorized, executed, and delivered by VDOT and constitutes a valid and legally binding obligation of VDOT, enforceable against it in accordance with the terms hereof, subject to (i) bankruptcy, insolvency, reorganization, moratorium and other laws affecting the rights of creditors generally, (ii) principles of equity, whether considered at law or in equity, and (iii) sovereign immunity under the law of the Commonwealth of Virginia; *provided, however,* that, for the avoidance of doubt, sovereign

immunity shall not bar an action to enforce a claim based on a breach of this Agreement presented in accordance with the law of the Commonwealth of Virginia; and

- (e) there is no action, suit, proceeding, investigation, or litigation pending and served on VDOT which challenges VDOT's authority to execute, deliver or perform, or the validity or enforceability of, this Agreement, or which challenges the authority of the VDOT official executing this Agreement, and VDOT has disclosed to HRTAC any pending and unserved or threatened action, suit, proceeding, investigation, or litigation with respect to such matters of which VDOT is aware.

2. HRTAC hereby represents and warrants to VDOT as of the date of this Agreement as follows:

- (a) HRTAC is a body politic and a political subdivision of the Commonwealth of Virginia, and it has full power, right, and authority to execute, deliver, and perform its obligations under, in accordance with, and subject to the terms and conditions of this Agreement;
- (b) HRTAC has taken or caused to be taken all requisite action to authorize the execution and delivery of, and the performance of its obligations under, this Agreement, and each person executing this Agreement on behalf of HRTAC has been duly authorized to execute and deliver it on behalf of HRTAC;
- (c) the execution and delivery by HRTAC of this Agreement, and the performance of its obligations hereunder, will not conflict with, and will not result, at the time of execution, in a default under or violation of, (i) any other agreements or instruments to which it is a party or by which it is bound or (ii) to its knowledge, any law, where such violation will have a material adverse effect on the ability of HRTAC to perform its obligations under this Agreement;
- (d) this Agreement has been duly authorized, executed, and delivered by HRTAC and constitutes a valid and legally binding obligation of HRTAC, enforceable against it in accordance with the terms hereof, subject to (i) bankruptcy, insolvency, reorganization, moratorium and other laws affecting the rights of creditors generally, (ii) principles of equity, whether considered at law or in equity, and (iii) sovereign immunity under the law of the Commonwealth of Virginia; *provided, however*, that, for the avoidance of doubt, sovereign immunity shall not bar an action to enforce a claim based on a breach of this Agreement presented in accordance with the law of the Commonwealth of Virginia; and

- (e) there is no action, suit, proceeding, investigation, or litigation pending and served on HRTAC which challenges HRTAC's authority to execute, deliver or perform, or the validity or enforceability of, this Agreement, or which challenges the authority of the HRTAC official executing this Agreement, and HRTAC has disclosed to VDOT any pending and unserved or threatened action, suit, proceeding, investigation, or litigation with respect to such matters of which HRTAC is aware.

H. Tax Covenants for Bond-Funded Projects

VDOT shall comply in all material respects with the Tax Covenants for Bond-Funded Projects set forth in Appendix F (*Tax Covenants for Bond-Funded Projects*).

I. Notices

All notices under this Agreement to either party shall be in writing and forwarded to the other party by U.S. mail, care of the following authorized representatives:

1) to: HRTAC, to the attention of its Executive Director and Chairman;
723 Woodlake Drive
Chesapeake, VA 23320

2) to: VDOT, to the attention of:
Commissioner, Virginia Department of Transportation
1401 East Broad Street
Richmond, VA 23219

J. Assignment

This Agreement shall not be assigned by either party unless express written consent is given by the other party.

K. Modification or Amendment

(a) This Agreement may not be modified or amended, except pursuant a written agreement that is duly authorized, executed and delivered by both parties.

(b) If HRTAC is able to obtain a source of funding for the Project that would reduce or replace the amount of HRTAC-Controlled Moneys expended on the Project, VDOT and HRTAC will work in good faith to amend this Agreement so it takes into account that other funding.

(c) VDOT and HRTAC will work in good faith to adopt such amendments to this Agreement as VDOT and HRTAC may mutually agree are necessary and desirable in connection with any bond financing.

L. No Personal Liability or Creation of Third Party Rights

This Agreement shall not be construed as creating any personal liability on the part of any officer, member, employee, or agent of the parties; nor shall it be construed as giving any rights or benefits to anyone other than the parties hereto.

M. No Agency

VDOT represents that it is not acting as a partner or agent of HRTAC; and nothing in this Agreement shall be construed as making any party a partner or agent with any other party.

N. Sovereign Immunity

This Agreement shall not be construed as a waiver of either party's sovereign immunity rights.

O. Incorporation of Recitals and Appendices

The recitals and Appendices to this Agreement are hereby incorporated into this Agreement and are expressly made a part hereof. The parties to this Agreement acknowledge and agree that the recitals are true and correct.

P. Mutual Preparation and Fair Meaning

The parties acknowledge that this Agreement has been prepared on behalf of all parties thereto and shall be construed in accordance with its fair meaning and not strictly construed for or against either party.

Q. Governing Law

This Agreement is governed by the laws of the Commonwealth of Virginia.

R. Survival

The following provisions shall survive the expiration or earlier termination of this Agreement: Sections A.4, A.9, A.12, A.15, A.17, A.19, A.22, B.5 and B.7, and Sections C through R.

[Signature page follows]

IN WITNESS WHEREOF, each party hereto has caused this Agreement to be executed by their duly authorized representatives, intending it to be effective on the date of last execution.

Hampton Roads Transportation Accountability Commission

By: _____

Name: _____

Title: _____

Date: _____

Virginia Department of Transportation

By: _____

Name: _____

Title: _____

Date: _____

APPENDIX A

HAMPTON ROADS EXPRESS LANES NETWORK PROJECT ELEMENTS

HREL – TRANSPORTATION MANAGEMENT PLAN (TMP) PROJECT – UPC 122999

Scope: The HREL network encompasses a multi-phased effort that has numerous improvements in multiple segments. Development of the network will involve a combination of use of existing congestion relief improvements underway, converting existing or newly designated HOV-2+ lanes to HOT (high occupancy toll, or “Express Lanes”), and constructing additional Express Lanes on I-64.

As with all construction projects, construction of the HREL network is expected to have an impact on the corridor. To help minimize delays and impacts to congestion and supply chain performance—and to maintain safety in and around work zones—a Transportation Management Plan (TMP) is being implemented. While construction of the HREL network is being done in segments and led by different project teams, a coordinated and holistic approach to managing the impacts of construction is desired to provide the traveling public and other stakeholders a seamless experience, to the extent practicable. A coordinated TMP will enable VDOT, and other agencies responsible for operating the transportation network, to deploy more efficient strategies that maximize resources to achieve the greatest public benefit.

Such a transportation management plan (TMP) will identify strategies to enhance mobility and safety during construction. The strategies identified in the TMP will be implemented by a multi-modal, multi-jurisdictional team of stakeholders using a coordinated approach to operations and incident management.

The TMP encompasses:

- A comprehensive Public Information Program (PIP), involving both the selected developers and VDOT, outlining a communications strategy to convey the potential impacts of construction in a timely manner to minimize confusion and maximize the opportunity for the traveling public to make suitable travel choices.
- A broad effort led by VDOT to minimize traffic disruptions through the management of the transportation system, including improvements to local road networks, and enhanced traffic monitoring and incident management.

APPENDIX B

HAMPTON ROADS EXPRESS LANES NETWORK ELEMENTS

HREL – TRANSPORTATION MANAGEMENT PLAN (TMP) PROJECT – UPC 122999

PROJECT BUDGET AND PROJECT SCHEDULE

Project Budget - UPC 122999:

- Total Project Cost Estimate:
 - Construction (CN): \$8,000,000
 - Total Cost: \$8,000,000

- Breakdown of Total Project Cost Estimate by Strategy:
 - Program Management Support: \$1,000,000
 - VDOT Communications Support: \$2,030,000
 - Updated Incident Response & Detour Plans & Major Bridge Crossing Decision Support Tool: \$770,000
 - Detection Upgrades at Signalized Intersections: \$1,150,000
 - Updated Signal Timings: \$450,000
 - Performance Monitoring Tools and Dashboards: \$500,000
 - Funding for Local Spot Improvements: \$1,200,000
 - Portable CCTV Cameras and PCMS: \$500,000
 - Traffic Analysis Support: \$400,000
 - Total: \$8,000,000

The work performed under this Agreement will provide funding to implement various strategies identified for the components above that have been scoped and prioritized as a part of the Hampton Roads Express Lanes Transportation Management Plan (TMP). These strategies include the proposed implementation of efforts for the entire HREL Network.

The parties agree that \$8,000,000 in funding shall be made available by HRTAC under this Agreement for the Transportation Management Plan (TMP), whether such work is undertaken before or subsequent to execution of this Agreement.

The details and descriptions for each of the strategies identified above are included the 'Detailed Strategy Forms' that were developed for the HREL Network TMP:

Project Schedule: (all dates are estimates):

- Construction (CN):
 - CN Start: April 2023
 - CN End: June 2025

ANNEX I TO APPENDIX B -PROJECT BUDGET & CASH FLOW

PROJECT IDENTIFICATION AND PROPOSED FUNDING

HRTAC Project Title: Hampton Roads Express Lane (HREL) - Transportation Management Plan (TMP) Project
 Scope of Project Services: Standard Project Services to Support CN Phase for HREL Transportation Management Plan (TMP) Project (UPC 122999)
 Recipient Entity: Virginia Department of Transportation
 VDOT Project Contact: Todd Halacy (757) 956-3010

Baseline Schedule:	PE: N/A	VDOT Programming Schedule:	PE: N/A
	RW: N/A	(SPA Project Schedule)	RW: N/A
	CN: Start April 2023; End June 2025		CN: Start April 2023; End June 2025

PROJECT COSTS & FUNDING SOURCE

Project Cost Category	Total Project Costs	HRTAC PayGo Funds	HRTAC Financed Funds	Description Other Sources of Funds	Amount Other Sources of Funds	Recipient Entity Funds
Design Work	\$ -	\$ -	\$ -		\$ -	\$ -
Engineering						
Environmental Work						
Right-of-Way Acquisition	\$ -	\$ -				
Construction	\$ 8,000,000.00	\$ 8,000,000.00				
Contract Administration						
Testing Services						
Inspection Services						
Capital Asset Acquisitions						
Other						
Total Estimated Cost	\$ 8,000,000.00	\$ 8,000,000.00	\$ -		\$ -	\$ -

FISCAL YEAR ANNUAL PROJECT CASH FLOW

Project Phase	Total Fiscal Year 2023		Total Fiscal Year 2024		Total Fiscal Year 2025	
	PayGo	Financed	PayGo	Financed	PayGo	Financed
Design Work	\$ -		\$ -		\$ -	
Engineering						
Environmental Work						
Right-of-Way Acquisition	\$ -		\$ -		\$ -	
Construction	\$ 3,384,616.00		\$ 2,307,696.00		\$ 2,307,688.00	
Other						
Total Estimated Cost	\$ 3,384,616.00	\$ -	\$ 2,307,696.00	\$ -	\$ 2,307,688.00	\$ -

Please Note: If additional years are needed, please submit a separate form with additional columns

FISCAL YEAR ESTIMATED PROJECT CASH FLOW

	FY 23 Mthly Cash Flow		FY 24 Mthly Cash Flow		FY 25 Mthly Cash Flow	
	PayGo	Financed	PayGo	Financed	PayGo	Financed
July	\$ -		192,308.00		192,308.00	
August	\$ -		192,308.00		192,308.00	
September	\$ -		192,308.00		192,308.00	
October	\$ -		192,308.00		192,308.00	
November	\$ -		192,308.00		192,308.00	
December	\$ -		192,308.00		192,308.00	
January	\$ -		192,308.00		192,308.00	
February	\$ -		192,308.00		192,308.00	
March	\$ -		192,308.00		192,308.00	
April	\$ 3,000,000.00		192,308.00		192,308.00	
May	\$ 192,308.00		192,308.00		192,308.00	
June	\$ 192,308.00		192,308.00		192,300.00	
Total per Fiscal Year	\$ 3,384,616.00	\$ -	\$ 2,307,696.00	\$ -	\$ 2,307,688.00	\$ -

Please Note: If additional years are needed, please submit a separate form with additional columns

This attachment is certified and made an official attachment to the Standard Project Agreement document by the parties of this agreement.

Virginia Department of Transportation

Hampton Roads Transportation Accountability Commission

 Signature
 Commissioner
 Title

 Signature
 HRTAC Chairman
 Title

 Date
 Stephen C. Brich, P.E.
 Print name of person signing

 Date
 Donnie R. Tuck
 Print name of person signing

APPENDIX C

FORM OF PAYMENT REQUISITION

HRTAC Project Title and Number: Hampton Roads Express Lanes Network Elements – Transportation Management Plan (TMP) - UPC 122999

Project Scope/Services Description: Implement various strategies identified in the Transportation Management Plan (TMP) that has been prepared for the Hampton Roads Express Lanes Network.

Draw Request Number: _____

Date: _____, 20__

Hampton Roads Transportation Accountability Commission
723 Woodlake Drive
Chesapeake, VA 23320

Attention _____, Program Coordinator:

This requisition is submitted in connection with the Standard Project Agreement for Funding and Administration for the project services noted above and dated _____, 20__ (the "Agreement") between the Hampton Roads Transportation Accountability Commission ("HRTAC") and the Virginia Department of Transportation ("VDOT"). VDOT hereby requests \$_____ of HRTAC funds, to pay the costs of the project services described and set forth in Appendices A and B of the Agreement ("Project Services") and in accordance with the Agreement. Also included are copies of each invoice relating to the items for which this requisition is requested.

The undersigned certifies (i) the amounts included within this requisition will be applied solely and exclusively for the payment or the reimbursement of VDOT's costs of the Project Services, (ii) VDOT is responsible for payment to vendors/contractors, (iii) VDOT is not in breach or default with respect to any of its obligations under the Agreement, including without limitation (but only if applicable) the tax covenants set forth in another Appendix to the Agreement, (iv) the representations and warranties made by VDOT in the Agreement are true and correct as of the date of this Requisition and (v) to the knowledge of VDOT, no condition exists under the Agreement that would allow HRTAC to withhold the requested advance.

VIRGINIA DEPARTMENT OF TRANSPORTATION

By: _____
Name: _____
Title: _____

Recommended For Payment

By: _____
Name: _____
Title: HRTAC Program Coordinator

DETAILED PAYGO REQUEST

Draw Request Number: _____
 HRTAC Project Number: UPC 122999

Request Date: _____
 Project Title: HRELN TMP Project

Cost Category	HRTAC Approved Project Costs	Total PayGo Requests Previously Received	PayGo Requisition Amount this Period	Remaining PAYGO Project Budget (Calculation)
Project Starting Balance	\$8000,000.00			\$ -
Design Work/ Engineering	\$0.00	\$ -	\$ -	\$ -
Engineering	-	-	-	\$ -
Environmental Work	-	-	-	\$ -
Right-of-Way Work	-	-	-	\$ -
Construction	\$8,000,000.00	-	-	\$ -
Contract Administration	-	-	-	\$ -
Testing Services	-	-	-	\$ -
Inspection Services	-	-	-	\$ -
Capital Asset Acquisitions	-	-	-	\$ -
Other (please explain)	-	-	-	\$ -
TOTALS	\$8,000,000.00	\$ -	\$ -	\$ -

LISTING OF ATTACHED INVOICES

Vendor/Contractor Name	Item Number	Invoice Number	Cost Category	Amount
	1			\$ -
	2			-
	3			-
	4			-
	5			-
	6			-
	7			-
	8			-
	9			-
	10			-
	11			-
	12			-
Requisition Amount				\$ -

Instructions

1. Column B-Please list approved PayGo Project Cost per category.
2. Column C-Please list Total PayGo Amounts per Category Previously Reimbursed by HRTAC
3. Column D- Please list invoice amounts summarized by Category from the Listing of Attached Invoices
4. Column E - Is a calculation of the Remaining PAYGO Budget per Category

Instructions-Listing of Attached Invoices: (please list each invoice separately)

1. Column A- Please list the name as it appears on the Invoice
2. Column B- Please manually number the invoices attached with the corresponding Item number in this schedule.
3. Column C- Please list the invoice number as it appears on the Invoice
4. Column D- Please list the appropriate Cost Category based on the Project Category breakout above

5. Column E- Please enter the dollar amount listed on the invoice.

6. The calculated Requisition Amount should equal the total in Column D in the Schedule above.

APPENDIX D

REPORTS TO BE PROVIDED BY VDOT

1) Monthly Project Expenditure Report which lists, by category of expense (*e.g.*, engineering, ROW, utility relocations, construction), (a) information regarding expenditures to date against the budget, both monthly and for the life of the project, and a statement of the percent completed; and (b) such other information as VDOT customarily provides with monthly expenditure reports.

2) Monthly Project Report which provides (a) an overview of progress on major project tasks; (b) information regarding the budget (such as, the baseline planned forecast, any approved changes thereto, the monthly expenditures, the cumulative expenditures, and the cumulative forecasted expenditures); (c) future key tasks; and (d) significant issues.

APPENDIX E

OFFICIAL AUTHORIZING DOCUMENTS

APPENDIX F

TAX COVENANTS FOR BOND-FUNDED PROJECTS

1. (A) VDOT (the Department) shall not permit the "Proceeds" of any "Commission Bonds" or any "Financed Property" to be used in any manner that would result in either: (1) 5% or more of such proceeds being considered as having been used in any trade or business carried on by any person other than a governmental unit as provided in Section 141(b) of the "Code;" (2) 5% or more of such Proceeds being used with respect to any "output facility" (other than a facility for the furnishing of water) within the meaning of Section 141(b)(4) of the Code; (3) 5% or more of such Proceeds being considered as having been used directly or indirectly to make or finance loans to any person other than a governmental unit, as provided in Section 141(c) of the Code; or (4) more than an aggregate of \$15,000,000 of Proceeds of any single Commission Bond issue being considered as having been used in any trade or business, any output facility or to make or finance loans as described in (1), (2) or (3) above; **provided, however**, that if HRTAC (the Commission) and the Department receive an opinion of nationally recognized bond counsel concluding that such use or action will not affect the exclusion of interest on the Commission Bonds from gross income of the holders thereof for federal tax purposes under existing law, the Department need not comply with such restrictions.

(B) Notwithstanding the foregoing, the Department and the Commission agree that the provisions herein shall not apply to Proceeds of Commission Bonds derived from "qualified bonds" (as defined in Section 141(e) of the Code (or any successor provisions thereto or regulations thereunder)) the Commission may from time to time issue. In the event any such "qualified bonds" are issued by the Commission, the Department agrees that it will not permit Proceeds of Commission Bond derived from such "qualified bonds" to be used in a manner that fails to comply with the provisions of Section 141(e) and 142(a) of the Code (or any successor provisions thereto or regulations thereunder). The provisions of this subparagraph (B) shall not negate any provision in the Agreement or other agreement between the Commission and the Department that requires mutual consent of the parties or Commission approval of a concession arrangement in respect of the Project.

2. the Department agrees not to requisition or spend the proceeds of any the Commission Bond for any cost of the Project not constituting a "Capital Expenditure."

3. Except as may be described in writing to the Commission, the Department neither has on the date of this Agreement nor expects to have after this date any funds that are restricted, segregated, legally required or otherwise intended to be used, directly or indirectly, for the purposes for which the Department is receiving or may receive Proceeds of Commission Bonds.

4. The Department acknowledges that it may have to provide detailed information about the investment of the amount of any requisition unless (i) payments are remitted directly by the Commission to the contractors/vendors, or (ii) the Department remits payment to the contractors/vendors within five banking days after the date on which the Commission advances the amount of the requisition. The Commission may request the detailed information in order to compute the rebate liability to the U.S. Treasury on the Commission's bonds or other debt financing pursuant to Section 148 of the Code. In addition, the Department shall provide the Commission with any further

information reasonably requested by the Commission from time to time concerning the matters described in this Appendix F.

5. The following terms have the meanings assigned to them below whenever they are used in this Appendix F.

“Capital Expenditure” means any cost of a type that is properly chargeable to capital account (or would be so chargeable with (or but for) a proper election or the application of the definition of “placed in service” under Treas. Reg. § 1.150-2(c)) under general federal income tax principles, determined at the time the expenditure is paid.

“Code” means the Internal Revenue Code of 1986, as amended.

“Financed Property” means any property financed in whole or in part by any allocation of Commission Bond Proceeds.

“Commission Bond” means any Commission bond or other debt instrument that is a “tax-exempt bond” or a “tax-advantaged bond” (as defined in Treasury Regulations Section 1.150-1(a)).

“Proceeds” means the sale proceeds of any Commission Bond, together with the investment earnings on such proceeds, to the extent allocated to the Project.

To: Chair Hipple and the other members of the Finance Committee

From: Kevin B. Page, Executive Director

Date: March 16, 2023

Re: FY2024 HRTAC Administrative and Project Development Budget

Recommendation:

The Finance Committee is asked by Staff to recommend that the Commission endorse the Proposed HRTAC FY2024 Administrative and Project Development Budget reflected in the enclosed Budget (the “Proposed HRTAC FY2024 Administrative and Project Development Budget”) and authorize the Executive Director to hold a public hearing regarding the proposed budget.

Background:

Each year, HRTAC develops, adopts, and tracks its annual operating budget to provide for the Administrative and Project Development activities of the Commission. For FY2024, the HRTAC Staff has developed the Proposed HRTAC FY2024 Administrative and Project Development Budget for the Finance Committee’s review and input. The Proposed HRTAC FY2024 Administrative and Project Development Budget is based on Staff review of prior expenditure flows and anticipated additional needs of the Commission for the upcoming business year. The proposed budget of \$8,368,402 includes: (i) the transition of one full-time accountant position currently staffed through the HRPDC/HRTPO MOU to provide staff support to the Commission; (ii) one full-time deputy director and one full time chief financial officer position; and, (iii) a five percent cost of living increase for the three current full-time employees and transitioning HRPDC/HRTPO employee of the Commission. The discussion of the Executive Director’s performance of good standing for FY2023 occurred at the December 15, 2022 meeting. Pursuant to § 33.2-2605 of the Code of Virginia, the budgeted General Administrative expenses will be paid from the Hampton Roads Transportation Fund and the Hampton Roads Regional Transit Fund on an approximately pro rata basis determined by the most recent audited fiscal year (FY2022).

Fiscal Impact:

There is a \$8,368,402 fiscal impact in relation to this Action Item.

Suggested Motion:

Motion: The Finance Committee endorses the Proposed HRTAC FY2024 Administrative and Project Development Budget and authorizes the Finance Committee Chair to recommend the proposed budget to the Commission and request that the Commission authorize the



Executive Director to conduct a public hearing on the Proposed HRTAC FY2024 Administrative and Project Development Budget.





Proposed FY2024 Administrative and Project Development Budget

CATEGORY	FY2024	FY2024	FY2024	FY2024	FY2024	FY2024	FY2024	FY2024
	Proposed HRTAC Budget**	Proposed Shared General Administrative **	Proposed HRTF General Administrative **	Proposed HRRTF General Administrative **	Proposed HRTF Direct Administrative	Proposed HRRTF Direct Administrative	Proposed HRTF Program/Project Development	Proposed HRRTF Program/Project Development
REVENUES								
HRTF Revenues	\$ 8,086,517	\$ -	\$ 1,750,921	\$ -	\$ 809,007	\$ -	\$ 5,526,589	\$ -
HRRTF Revenues	281,885	2,022,806	-	271,885	-	-	-	10,000
TOTAL REVENUE	\$ 8,368,402	\$ 2,022,806	\$ 1,750,921	\$ 271,885	\$ 809,007	\$ -	\$ 5,526,589	\$ 10,000
EXPENDITURES								
PERSONNEL*								
HRTAC Staff/Fringes/Leave Reserve	\$ 1,330,621	\$ 1,330,621	\$ 1,151,772	\$ 178,849	\$ -	\$ -	\$ -	\$ -
HRTPO/HRPDC Support Staff*	241,685	241,685	209,200	32,485	-	-	-	-
SUBTOTAL PERSONNEL	1,572,306	1,572,306	1,360,972	211,334	-	-	-	-
PROFESSIONAL SERVICES								
Audit	128,500	53,000	45,876	7,124	75,500	-	-	-
Rating Agency Annual Fees	100,000	-	-	-	100,000	-	-	-
Trustee	40,000	-	-	-	40,000	-	-	-
TIFIA Annual Fees	138,507	-	-	-	138,507	-	-	-
Bank Fees & Investment Services	455,000	-	-	-	455,000	-	-	-
Legal	1,175,000	220,000	190,430	29,570	-	-	955,000	-
Financial Advisors	500,000	-	-	-	-	-	490,000	10,000
Consulting Engineer	450,000	-	-	-	-	-	450,000	-
Insurance - D&O/Liability	10,000	10,000	8,656	1,344	-	-	-	-
Recruiting	2,000	2,000	1,731	269	-	-	-	-
Debt Program/T&R Study	3,626,589	-	-	-	-	-	3,626,589	-
SUBTOTAL PROFESSIONAL SERVICES	6,625,596	285,000	246,693	38,307	809,007	-	5,521,589	10,000
TECHNOLOGY/COMMUNICATION*								
IT/Communications	17,000	17,000	14,715	2,285	-	-	-	-
LAN system/Computer Equipment/Cloud	25,000	25,000	21,640	3,360	-	-	-	-
Website Consultant	22,400	22,400	19,389	3,011	-	-	-	-
SUBTOTAL TECHNOLOGY/COMMUNICATION	64,400	64,400	55,744	8,656	-	-	-	-
ADMINISTRATIVE *								
Public Notices/Advertising	4,000	4,000	3,462	538	-	-	-	-
Office Space	25,000	25,000	21,640	3,360	-	-	-	-
Office Supplies*	9,000	8,000	6,925	1,075	-	-	1,000	-
Furniture	3,000	3,000	2,597	403	-	-	-	-
Printing/Copying*	6,000	2,000	1,731	269	-	-	4,000	-
Dues/Subscriptions/Computer Licenses	3,000	3,000	2,597	403	-	-	-	-
Travel	8,000	8,000	6,925	1,075	-	-	-	-
Meeting Expenses*	18,500	18,500	16,013	2,487	-	-	-	-
Telephone*	9,000	9,000	7,790	1,210	-	-	-	-
Postage*	1,000	1,000	866	134	-	-	-	-
General Consulting Services*	10,000	10,000	8,656	1,344	-	-	-	-
Secured Document Storage	4,600	4,600	3,982	618	-	-	-	-
Professional Development	5,000	5,000	4,328	672	-	-	-	-
SUBTOTAL ADMINISTRATIVE	106,100	101,100	87,511	13,589	-	-	5,000	-
TOTAL EXPENDITURES	\$ 8,368,402	\$ 2,022,806	\$ 1,750,921	\$ 271,885	\$ 809,007	\$ -	\$ 5,526,589	\$ 10,000

*Includes items to be reimbursed to HRPDC/HRTPO

** Pursuant to § 33.2-2605 of the Code of Virginia, Administrative expenses shall be paid from the Hampton Roads Transportation Fund and the Hampton Roads Regional Transit Fund on an approximately pro rata basis.

Fund	Audited Revenue by Fund FY2022	% of FY2022 Audited Tax Revenue by Fund	FY2023 Budget Administrative Costs to be Shared (Total General Administrative Costs x % of FY2022 Audited Tax Revenue by Fund)	Proposed FY2024 Direct Administrative by Fund	Proposed FY2024 Program Development Costs by Fund	Proposed Total FY2024 Budget Costs by Fund
HRRTF	\$ 37,822,912.00	13.44%	\$ 271,885.37	\$ -	\$ 10,000.00	\$ 281,885.37
HRTF	\$ 243,576,607.00	86.56%	\$ 1,750,920.59	\$ 809,007.00	\$ 5,526,589.00	\$ 8,086,516.59
Total	\$ 281,399,519.00	100.00%	\$ 2,022,805.95	\$ 809,007.00	\$ 5,536,589.00	\$ 8,368,401.95

Fund	FY2022 Audit Revenue	% of Tax Revenue by Fund	Administrative Costs Shared
HRRTF	\$ 37,822,912.00	13.44%	\$ 29,848.89
HRTF	\$ 243,576,607.00	86.56%	\$ 192,241.08
Total	\$ 281,399,519.00	100.00%	\$ 222,089.97



Agenda Item 5E
Action Item

To: Chair Hipple and the other members of the Finance Committee

From: Kevin B. Page, Executive Director

Date: March 16, 2023

Re: FY2024-FY2030 Plan of Finance Update – Six Year Operating and Capital Program of Projects – Highway Regional High Priority Projects

Recommendation:

The Finance Committee is requesting that the Commission authorize HRTAC Staff to conduct a public hearing on the Proposed FY2024-FY2030 Plan of Finance Update – Six Year Operating and Capital Program of Projects – Highway Regional High Priority Projects, as an update to the HRTAC-adopted Financial Plan to include certain modifications for the Region’s High Priority Projects and additional revenues based on new or updated information.

Background:

During FY2023, HRTAC Staff developed a Proposed FY2024-FY2030 Plan of Finance Update – Six Year Operating and Capital Program of Projects – Highway Regional High Priority Projects as an update to the Commission’s adopted Financial Plan. This effort to update the Financial Plan included employing financial consultant services, general and bond counsel, and traffic and revenue estimators, and included input provided by VDOT, HRTAC and HRTPO Staff. The purpose of updating the Financial Plan is to provide current direction on project financing, revenue assumptions, and timing that will be used as the Commission’s current financial plan. The proposed FY2024-FY2030 Plan of Finance Update – Six Year Operating and Capital Program of Projects – Highway Regional High Priority Projects updates the amounts included with respect to the Hampton Roads Express Lanes Network. This update will guide the Commission and inform others through advancing project construction readiness, project finance, bonding, tolling, and environmental planning. The Commission will need to conduct a public hearing on the Proposed FY2024-FY2030 Plan of Finance Update – Six Year Operating and Capital Program of Projects – Highway Regional High Priority Projects to receive public comments for consideration in the Commission’s action, which action is expected to be taken not later than at its June 15, 2023 Annual Organizational meeting.



Fiscal Impact:

There is no fiscal impact in relation to this Action Item authorizing a public hearing. Once adopted, the proposed FY2024-FY2030 Plan of Finance Update – Six Year Operating and Capital Program of Projects – Highway Regional High Priority Projects updates the funding plan for the Commission to provide \$7,325 million (a \$817M increase to the Approved FY2023-FY2028 Plan of Finance Update to support the Hampton Roads Express Lanes Network and advance projects in the Plan) for highway regional high priority congestion relief projects FY2014 through FY2030.

Suggested Motion:

Motion: The Finance Committee endorses the Proposed FY2024-FY2030 Plan of Finance Update – Six Year Operating and Capital Program of Projects – Highway Regional High Priority Projects as an update to the HRTAC-adopted 2023-2028 Financial Plan and authorizes the Finance Committee Chair to communicate the action of the Finance Committee and to request the Commission to authorize the Executive Director to conduct a public hearing and report back public comments for consideration in the Commission’s action which action is expected to be taken not later than at its June 15, 2023 Annual Organizational meeting.



COMMONWEALTH of VIRGINIA

DEPARTMENT OF TRANSPORTATION
HAMPTON ROADS DISTRICT
7511 Burbage Drive
SUFFOLK, VIRGINIA 23435

Stephen C. Brich, P.E.
Commissioner

February 27, 2023

Mr. Kevin B. Page
Executive Director
Hampton Roads Transportation Accountability Commission
The Regional Building
723 Woodlake Drive
Chesapeake, VA, 23320

RE: Hampton Roads Express Lanes (HREL) Segment 1B Funding Request

Dear Mr. Page,

I am writing to follow up on our recent discussions regarding the need for additional funding to cover costs estimate increases to the HREL Segment 1B project (UPC's 117840/120863).

The Virginia Department of Transportation (VDOT) is currently in the design phase of the above referenced project. Recent inflation and cost escalations due to market adjustments have increased the overall cost of this project. In order to keep this project on schedule, we are requesting that HRTAC allocates an additional \$47,285,943 for the construction phase of this project

We respectfully request that HRTAC implement the necessary steps to allocate funds to continue with the delivery of this HREL Segment 1B project.

Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink, appearing to read "Chris Hall".

Christopher G. Hall, P.E.
District Engineer



COMMONWEALTH of VIRGINIA

DEPARTMENT OF TRANSPORTATION
HAMPTON ROADS DISTRICT
7511 Burbage Drive
SUFFOLK, VIRGINIA 23435

Stephen C. Brich, P.E.
Commissioner

February 27, 2023

Mr. Kevin B. Page
Executive Director
Hampton Roads Transportation Accountability Commission
The Regional Building
723 Woodlake Drive
Chesapeake, VA, 23320

RE: I-64/Denbigh Blvd Interchange (Phase 2 – Eastbound Movements) Funding Request

Dear Mr. Page,

I am writing to follow up on our recent discussion on accelerating funding for the I-64/Denbigh Boulevard Interchange.

As you are aware, the Virginia Department of Transportation (VDOT) has been working closely with the City of Newport News in securing necessary approvals from Federal Highway Administration (FHWA) to construct a new interchange on I-64 at Denbigh Boulevard. FHWA has recently approved an Interstate Access Report (IAR) allowing for the design and construction of this interchange.

However, the approval is contingent upon the design and construction of the complete interchange. VDOT has secured Smart Scale and Priority Transportation funding in the amount of \$73.8M for the I-64 westbound on and off ramps and improvements at the intersections of Denbigh Blvd/ Jefferson Ave and Denbigh Blvd/ Warwick Blvd (Phase 1). We are requesting HRTAC's approval to accelerate the funding for the I-64 eastbound on and off ramps (Phase 2) in the amount of \$188M in order to allow design and right of way acquisition to begin starting in FY24 and construction to begin in FY30.

We respectfully request that the HRTAC implement the necessary steps to allocate funds to proceed with the Phase 2 work as outlined.

Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink, appearing to read "Chris Hall".

Christopher G. Hall, P.E.
District Engineer



COMMONWEALTH of VIRGINIA

DEPARTMENT OF TRANSPORTATION
HAMPTON ROADS DISTRICT
7511 Burbage Drive
SUFFOLK, VIRGINIA 23435

Stephen C. Brich, P.E.
Commissioner

February 27, 2023

Mr. Kevin B. Page
Executive Director
Hampton Roads Transportation Accountability Commission
The Regional Building
723 Woodlake Drive
Chesapeake, VA, 23320

RE: I-464/I-64 Interchange, Exit 291 Flyover Ramp Project Funding Request

Dear Mr. Page,

I am writing to follow up on our recent discussion on providing funding to continue with the development and delivery of the I-464/I-64 Interchange, Exit 291 Flyover Ramp project. These improvements are necessary to reduce congestion at this interchange with the opening of the Hampton Roads Express Lanes Network (HRELN).

The Virginia Department of Transportation (VDOT) is currently in the design phase of the above referenced project. VDOT has secured Interstate & Operations Enhancement Program funding in the amount of \$140M for this improvement project.

Recent inflation and cost escalations due to market adjustments have increased the cost of this interchange improvement project. In order to keep this project on schedule, we are requesting that HRTAC allocates \$40,862,923 to cover the increased cost estimate for the construction of this project.

We respectfully request that the HRTAC implement the necessary steps to allocate funds to continue with the I-464/I-64 Interchange, Exit 291 Flyover Ramp project as outlined.

Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink, appearing to read "C. G. Hall".

Christopher G. Hall, P.E.
District Engineer



COMMONWEALTH of VIRGINIA

DEPARTMENT OF TRANSPORTATION
HAMPTON ROADS DISTRICT
7511 Burbage Drive
SUFFOLK, VIRGINIA 23435

Stephen C. Brich, P.E.
Commissioner

February 27, 2023

Mr. Kevin B. Page
Executive Director
Hampton Roads Transportation Accountability Commission
The Regional Building
723 Woodlake Drive
Chesapeake, VA, 23320

RE: Bowers Hill Interchange Access Report (IAR) Request

Dear Mr. Page,

I am writing to follow up on our recent discussion on accelerating the development of a full Interchange Access Report (IAR) for the Bowers Hill Interchange.

The Virginia Department of Transportation (VDOT) is in the process of finalizing the development of the National Environmental Policy Act (NEPA) documentation for the long term improvements to the Bowers Hill Interchange, extending north to the College Drive Interchange on Interstate 664 (I-664). Under previous agreement dated August 28, 2017 and as amended on April 12, 2021, HRTAC has allocated \$7,904,630 for this effort.

With the pending completion of the NEPA document and prior to moving forward with any improvements identified in the NEPA document for this interchange, VDOT is recommending an IAR to further evaluate the Bowers Hill Interchange and I-664 corridor.

In order to complete this effort, VDOT requests an additional investment of \$4.0 million to perform the full IAR referenced above.

We respectfully request that the HRTAC implement the necessary steps to allocate funds to proceed with this Interchange Access Report.

Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink, appearing to read "Chris Hall".

Christopher G. Hall, P.E.
District Engineer

Agenda Item 5F
Action Item

To: Chair Hipple and the other members of the Finance Committee

From: Kevin B. Page, Executive Director

Date: March 16, 2023

Re: FY2024-FY2030 Plan of Finance Update – Six Year Operating and Capital Program of Projects – Transit Regional High Priority Projects

Recommendation:

The Finance Committee is requesting that the Commission authorize HRTAC Staff to conduct a public hearing on the Proposed FY2024-FY2030 Plan of Finance Update – Six Year Operating and Capital Program of Projects – Transit Regional High Priority Projects, as an update to the HRTAC-adopted Financial Plan to include certain modifications for the Region’s High Priority Transit Projects and additional revenues based on new or updated information.

Background:

During FY2023, HRTAC Staff developed a Proposed FY2024-FY2030 Plan of Finance Update – Six Year Operating and Capital Program of Projects – Transit Regional High Priority Projects as an update to the Commission’s adopted Financial Plan. This effort to update the Financial Plan included HRTAC Staff, employing financial consultant services, general counsel, and Hampton Roads Transit Staff. The purpose of updating the Financial Plan is to provide current direction on project financing, revenue assumptions, and timing that will be used as the Commission’s current financial plan. The proposed FY2024-FY2030 Plan of Finance Update – Six Year Operating and Capital Program of Projects – Transit Regional High Priority Projects includes the FY2024 funding request made by Hampton Roads Transit and the related continued support of the operations and maintenance of eligible regional transit services. This update will guide the Commission and inform others through advancing project construction readiness, operations, and planning. The Commission will need to conduct a public hearing on the Proposed FY2024-FY2030 Plan of Finance Update – Six Year Operating and Capital Program of Projects – Transit Regional High Priority Projects to receive public comments for consideration in the Commission’s action, which action is expected to be taken not later than at its June 15, 2023 Annual Organizational meeting.



Fiscal Impact:

There is no fiscal impact in relation to this Action Item authorizing a public hearing. Once adopted, the proposed FY2024-FY2030 Plan of Finance Update – Six Year Operating and Capital Program of Projects – Transit Regional High Priority Projects updates the funding plan for the Commission to provide \$352.7 million (a \$99.3M increase to the Approved FY2023-FY2028 Plan of Finance Update) for transit regional high priority projects FY2021 through FY2030.

Suggested Motion:

Motion: The Finance Committee endorses the Proposed FY2024-FY2030 Plan of Finance Update – Six Year Operating and Capital Program of Projects – Transit Regional High Priority Projects as an update to the HRTAC-adopted 2023-2028 Financial Plan and authorizes the Finance Committee Chair to communicate the action of the Finance Committee and to request the Commission to authorize the Executive Director to conduct a public hearing and report back public comments for consideration in the Commission’s action, which action is expected to be taken not later than at its June 15, 2023 Annual Organizational meeting.



HAMPTON ROADS TRANSIT

February 28, 2023

Kevin B. Page
Executive Director
HRTAC
723 Woodlake Drive
Chesapeake, VA 23320

Subject: Application for Hampton Roads Regional Transit Fund (HRRTF) FY2024 disbursements

Kevin
Mr. Page,

I have enclosed an application for funding from the Hampton Roads Regional Transit Fund (HRRTF) in accordance with the provisions of Virginia Code § 33.2-2600.1.

This application is in the amount of \$1,061,563. This amended application covers project increases for two capital projects for the Hampton Roads Regional Transit Program as incorporated in the strategic plan adopted by the Transportation District Commission of Hampton Roads (d/b/a Hampton Roads Transit, "HRT") on December 9, 2022.

I certify that the projects comprising this application are direct component parts to the approved Program as documented in the Transit Strategic Plan and fully meet all eligibility requirements for the disbursement and use of HRRTF funds as prescribed by law, including subsection D of Virginia Code § 33.2-286.

Sincerely,

William E. Harrell
President and CEO

Thanks for your support!

Enclosure/ HRRTF Application #202301 (two pages)

AMENDED

Applicant: Transportation District Commission of Hampton Roads (d/b/a Hampton Roads Transit)

Project Name: Transit Bus Expansion (Group B)

Project ID: 202301H Programmed into Transit Strategic Plan: Yes Type of Project: Major Expansion

Summary

Total HRRTF Request: **\$769,142**

Project Cost: **\$7,406,294 AMENDED**

Asset Type: Vehicles

Description: Project to procure new buses for system expansion to support the implementation of HRT's Regional Transit System. The need is split between three "Groups." Group A required 24 buses (20 for operation, 4 spares), Group B will require 12 buses (10 for operation, 2 spares), and Group C will require 12 buses (10 for operation, 2 spares).

Costs and Funding (\$1,000s)

Source	FY2021	Amount \$	Source	FY2022	Amount \$	Source	FY2023	Amount \$	Source	FY2024	Amount \$
						HRRTF (FY 23)	\$4,380,520		HRRTF (FY 24)	\$769,142	
						State (FY22)	\$2,256,632				
Total			Total			Total	\$6,637,152		Total	\$769,142	

Source	FY2025	Amount \$	Source	FY2026	Amount \$
Total		\$3,580	Total		\$0

HRRTF Disbursement Schedule

Date	Amount \$
10/01/2023	\$769,142
Total	\$769,142

Notes: This amendment includes an increase of \$769,142 over the original submission to complete the purchase purchase of Group B buses (12).

AMENDED

Applicant: Transportation District Commission of Hampton Roads (d/b/a Hampton Roads Transit)

Project Name: RTS Non-Revenue Fleet

Project ID: 202301J **Programmed into Transit Strategic Plan:** Yes **Type of Project:** Major Expansion

Summary

Total HRRTF Request: \$292,421

Project Cost: \$1,243,421 AMENDED

Asset Type: Vehicles

Description:

This project funds the non-revenue vehicles dedicated to the RTS network for street supervisors, security, vehicle maintenance, and facility maintenance. HRT programmed funds in FY 2022 to purchase 20 vehicles for RTS operations as part of the approved 10-Year Transit Strategic Plan.

Costs and Funding (\$1,000s)

Source	FY2021	Amount \$	Source	FY2022	Amount \$	Source	FY2023	Amount \$	Source	FY2024	Amount \$
			HRRTF (FY 22)		\$951,000				HRRTF (FY 24)		\$292,421
Total			Total		\$951,000	Total			Total		\$292,421

Source	FY2025	Amount \$	Source	FY2026	Amount \$
Total			Total		\$0

HRRTF Disbursement Schedule

Date	Amount \$
10/01/2023	\$292,421
Total	\$292,421

Notes: This amendment includes an increase of \$292,421 over the original submission to cover price increases.



HAMPTON ROADS TRANSIT

February 24, 2023

Kevin B. Page
Executive Director
HRTAC
723 Woodlake Drive
Chesapeake, VA 23320

Subject: Application for Hampton Roads Regional Transit Fund (HRRTF) FY2024 disbursements

Kevin
Mr. Page,

I have enclosed an application for funding from the Hampton Roads Regional Transit Fund (HRRTF) in accordance with the provisions of Virginia Code § 33.2-2600.1.

This application is in the amount of \$38,590,241. In addition to capital items, this funding is to cover Operations and Maintenance through June 30, 2024, for the Hampton Roads Regional Transit Program as incorporated in the strategic plan adopted by the Transportation District Commission of Hampton Roads (d/b/a Hampton Roads Transit, "HRT") on December 9, 2021.

I certify that the projects comprising this application are direct component parts to the approved Program as documented in the Transit Strategic Plan and fully meet all eligibility requirements for the disbursement and use of HRRTF funds as prescribed by law, including subsection D of Virginia Code § 33.2-286.

Sincerely,

William E. Harrell
President and CEO

Enclosure/ HRRTF Application #202401 (four pages)

Project Name: RTS Bus Operations/ Program Costs

Project ID: 202401C Programmed into Transit Strategic Plan: Yes Type of Project: Operations and Maintenance

Summary

HRRTF Request: \$25,975,300

Project Cost: \$25,975,300

Asset Type: Operations and Maintenance

Description: This project covers expenses for Bus Operations that are part of the Regional Transit Service program in fiscal year 2024 (July 1, 2023 through June 30, 2024). This includes twelve (12) regional Metro Area Express (MAX) in addition to five (5) Peninsula Commuter Service (PCS) routes (Hampton and Newport News) connecting to the Newport News Shipyard. Additionally, RTS routes 101, 112, and 114 will begin operation as part of Group A and R121 extension the circulator service will begin on Norfolk Naval Station. Covers costs to develop, maintain, improve, and operate a core and connected regional network of transit routes and related infrastructure, rolling stock, and support facilities. These costs are segmented in six discrete categories: Planning, Human Resources; Marketing and Communications; Technology; Safety and Security; Engineering and Facilities

HRRTF Disbursement Schedule

Date	Amount \$
10/01/2023	\$6,493,825
01/01/2024	\$6,493,825
04/01/2024	\$6,493,825
06/01/2024	\$6,493,825
Total	\$25,975,300

Service Costs and Funding

Table A: FY2024 RTS Bus Operations / Program Costs

Item	Description	Expenses (YOES Millions)
RTS Bus Operations	146,571 total service hours on: Limited/Express routes: MAX 64, MAX 121, MAX 919, MAX 922, MAX 960, MAX 961, MAX 966, MAX 967, MAX 970, MAX 972, MAX 980, MAX 962, PCS 403, PCS 405, PCS 414, PCS 415, PCS 430. Regional Backbone routes: Route 1, Route 15, Route 20, Route 36, Route 45, Route 47, Route 101, Route 112, Route 114.	\$16,100,000
Planning	RTS Program annual update (Transit Strategic Plan); 10-year RTS Capital Program update.	\$300,000
Human Resources	Direct RTS Program staffing (see positions listed in Table 6-15)	\$5,500,000
Marketing and Communications	Recruitment advertising; Promo media buys; Collateral development/printing; Contract services; Outreach software licensing	\$600,000
Technology	CCTV; Client technology software and hardware; Communication services; Datacenter hardware and software; Endpoint protection; Google Maps call increase; Microsoft Dynamics 365 Finance and Operations; Microsoft licenses; PaaS; Networking; Printing capacity expansion; Real-time displays; Training; Telephony software; Transit WiFi; Website re-branding; Cell phone Services.	\$1,275,300
Security	Enhanced security personnel; Transit security officer program gear	\$300,000
Safety and Risk	Insurance; Facility safety and security certification; Compliance with 26 CFR part 1910 and 1926 audit; Inspection and training programs	\$100,000
Facilities	Contracted cleaning; Shelter maintenance and material	\$1,800,000
	Net of fare revenue and grant funds	
	Total	\$25,975,300

Note: HRT will apply to HRTAC for additional HRRTF funding to cover any negative end-of-year variance(s), should they occur, due to expenses or farebox revenues being different than shown in Table A. In the case of any positive end-of-year variance, HRT will apply to HRTAC for remaining funds to be credited toward the following year's RTS Bus Operations expenses

Project Name: New Bus Operating Division – Southside

Project ID: 202401E **Programmed in Transit Strategic Plan:** Yes **Type of Project:** Major Expansion

Summary

HRRTF Request: \$11,514,000

Project Cost: \$44,106,000

Asset Type: Operations and Maintenance Facility

Description: Project to relocate and replace the Parks Avenue operating and maintenance base with a new facility that can serve the Southside. This project is critical to meet both existing operating needs and future Regional Transit System (RTS) needs. A new facility will address operating shortcomings at Parks Avenue and accommodate an expanded bus fleet. The existing facility has several deficiencies: it is past its useful life, lacks space for additional vehicles, cannot accommodate most bus maintenance functions, and lacks the facilities to operate outside the peak summer season. A new facility will allow for all-year operations and will be large enough to accommodate maintenance work locally. The facility would be designed from the onset to accommodate battery electric buses, with implementation of an initial 40 electric bus chargers. The facility will be constructed with the capacity to phase in charging of 100 electric buses, aligning with the fleet replacement needs, as well as trolley operations

Costs and Funding (\$1,000s)

Source	FY2024	Amount \$	Source	FY2025	Amount \$	Source	FY2026	Amount \$	Source	FY2027	Amount \$
HRRTF (FY24)		\$2,490	HRRTF (FY 25)		\$2,490	HRRTF (FY 26)		\$2,490	Fed. 5307 (FFY 23)		\$1,778
State (FY 24)		\$4,980*	State (FY 25)		\$4,980*	State (FY 26)		\$4,980*	State (FY 27)		\$1,957
Fed. 5307 (FFY 21)		\$2,490	Fed. 5307 (FFY22)		\$2,490	Fed. 5307 (FFY 22)		\$2,419	Fed. Discretionary (FFY 26)		\$1,957
State (FY 24)		\$11,400	State (FY 25)		\$11,400	Fed. 5307 (FFY 21)		\$71	HRRTF (FY27)		\$1,957
HRRTF (FY 24)		\$8,340	Fed. 5307 (FFY 22)		\$2,000				Fed. 5307 (FFY 24)		\$178
Fed. 5307 (FFY 22)		\$5,986	Fed. Discretionary (FF 25)		\$22,500						
Fed. Discretionary (FFY 22)		\$5,000*	HRRTF (FY 25)		\$5,902						
HRRTF (FY 24)		\$684									
Fed. 5307 (FY 22)		\$2,736									
Total		\$44,106	Total		\$50,952	Total		\$9,960	Total		\$7,827

HRRTF Disbursement Schedule

Date	Amount \$
10/01/2023	\$2,878,500
01/01/2024	\$2,878,500
04/01/2024	\$2,878,500
06/01/2024	\$2,878,500
Total	\$11,514,000

Notes: * Indicates Federal with State funding already committed.

Project Name: RTS Non-Revenue Fleet

Project ID: 202401J Programmed into Transit Strategic Plan: Yes Type of Project: Minor Enhancement

Summary

HRRTF Request: \$35,941

Project Cost: \$112,316

Asset Type: Vehicles

Description:

This project funds the non-revenue vehicles dedicated to the RTS network for street supervisors, security, vehicle maintenance, and facility maintenance. This project is to purchase two security vehicles to support staff additions.

Costs and Funding

Source	FY2021	Amount \$	Source	FY2022	Amount \$	Source	FY2023	Amount \$	Source	FY2024	Amount \$
									HRRTF (FY 24)		\$35,941
									State (FY 24)		\$76,375
Total			Total			Total			Total		\$112,316

Source	FY2025	Amount \$	Source	FY2026	Amount \$
Total			Total		\$0

HRRTF Disbursement Schedule

Date	Amount \$
10/01//2023	\$35,941
Total	\$35,941

Notes:

Project Name: Bus Stop Amenity Program

Project ID: 202401F Programmed into Transit Strategic Plan: Yes Type of Project: Major Expansion

Summary

HRRTF Request: \$1,065,000

Project Cost: \$24,721,000

Asset Type: Passenger Amenities

Description: Supports delivery of bus stop amenities throughout the RTS network, including approximately 623 new shelters, benches, trash cans, and lighting. Project is critical to meet the goals of RTS and deliver an enhanced experience for HRT riders. The expected useful life of a sheltered bus stop is approximately 20 years.

Costs and Funding (\$1,000s)

Source	FY2021	Amount \$	Source	FY2022	Amount \$	Source	FY2023	Amount \$	Source	FY2024	Amount \$
HRRTF (FY 21)		\$3,625	HRRTF (FY 22)		\$5,326				HRRTF (FY 24)		\$1,065
Total		\$3,625	Total		\$5,326	Total			Total		\$1,065

Source	FY2025	Amount \$	Source	FY2026	Amount \$	Source	FY2027	Amount \$
HRRTF (FY 25)		\$2,573	HRRTF (FY 26)		\$3,523	HRRTF (FY 27)		\$1,790
Total		\$2,573	Total		\$3,523	Total		\$1,790

HRRTF Disbursement Schedule

Date	Amount \$
10/01/2023	\$1,065,000
Total	\$1,065,000

Notes:

Agenda Item 5G
Action Item

To: Chair Hipple and the other members of the Finance Committee

From: Kevin B. Page, Executive Director

Date: March 16, 2023

Re: 2045 Long Range Plan of Finance Update for the Region's High Priority Highway Projects and the Hampton Roads Regional Transit Fund

Recommendation:

HRTAC Staff and advisors have developed the 2045 Long Range Plan of Finance Update. Staff is requesting that the Finance Committee endorse the Proposed 2045 Long Range Plan of Finance Update for the HRTAC High Priority Projects, including Highway Projects and Transit Projects, as reflected in the enclosed presentation and authorize the Executive Director to hold a public hearing regarding the proposed 2045 Long Range Plan of Finance Update.

Background:

Five years ago, HRTAC Staff developed a 2045 Long Range Plan of Finance for the HRTAC High Priority Projects and communicated the plan to the HRTPO. HRTAC efforts to update the Commission's 2045 Long Range Plan of Finance have included employing financial consultant services, general and bond counsel, and included input provided by VDOT, HRTAC, HRT, and HRTPO Staff. The Commission will need to conduct a public hearing on the Proposed 2045 Long Range Plan of Finance Update to receive public comments for consideration in the Commission's action, which action is expected to be taken not later than at its June 15, 2023 Annual Organizational meeting.

Fiscal Impact:

Once adopted, the proposed HRTAC 2045 Long Range Plan of Finance Update represents \$11,534 million in regional congestion relief Highway Projects and \$997 million in Transit Projects.

Suggested Motion:

Motion: The Finance Committee endorses the HRTAC 2045 Long Range Plan of Finance Update for the Region's High Priority Projects and the Hampton Roads Regional Transit



Fund and authorizes the Finance Committee Chair to recommend the proposed 2045 Long Range Plan of Finance Update to the Commission and request that the Commission authorize the Executive Director to conduct a public hearing on the proposed HRTAC 2045 Proposed Long Range Plan of Finance Update.





**HAMPTON ROADS TRANSPORTATION FUND and
HAMPTON ROADS REGIONAL TRANSIT FUND
FINANCIAL REPORTS
FY2014 – FY2023
Period Ending November 30, 2022**

The HRTAC staff has prepared the attached November 2022 financial report based on data received to date from the Virginia Department of Transportation.

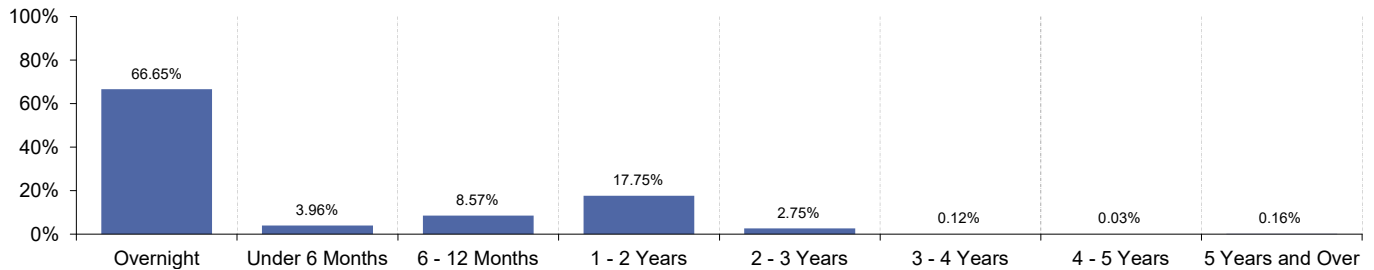
<u>Revenues</u>	<u>Inception to Nov 2022</u>	<u>FY2023 YTD</u>	<u>Nov 2022</u>
Total Gross Revenues¹	4,734,706,820	33,081,336	28,711,357
HRTF - State Sales Tax & Local Fuels Tax	1,796,822,663	103,719,831	20,024,175
HRRTF – Fees, Taxes & other Revenue	94,875,958	28,025,893	1,076,370
Interest and Investment Income	91,643,687	16,680,612	7,610,812
Other Income	759,274	-	-
Bond and Debt Proceeds	2,750,605,238	(115,345,000)	-
 <u>Expenditures</u>			
Total Expenditures	2,607,487,340	68,574,598	14,812,474
Projects	2,401,459,282	44,288,750	9,683,717
Operating Expenses & Investment Fees	23,154,370	782,999	94,138
Bond Interest Expenses	182,873,688	23,502,849	5,034,619
 Modified Cash Position at November 30, 2022	 2,127,219,480		
 <u>Items not using or providing cash since inception:</u>			
Amortization of Bond Premium	(96,668,794)		
Depreciation expense	8,773		
Gain not affecting cash	(759,274)		
Capitalized interest added to long term-debt	1,524,455		
Assets not providing current sources of cash	(50,941,258)		
Liabilities not requiring current use of cash	39,178,521		
 <u>Actual cash and investments at November 30, 2022</u>	 <u>\$ 2,019,561,903</u>		

¹ Beginning in June 2020, State Sales Tax and Local Fuels Tax are recorded either one month (sales tax) or two months (fuels tax) earlier than in previous periods, due to additional information received from the Commonwealth of Virginia on the timing of the source transactions for tax revenues.

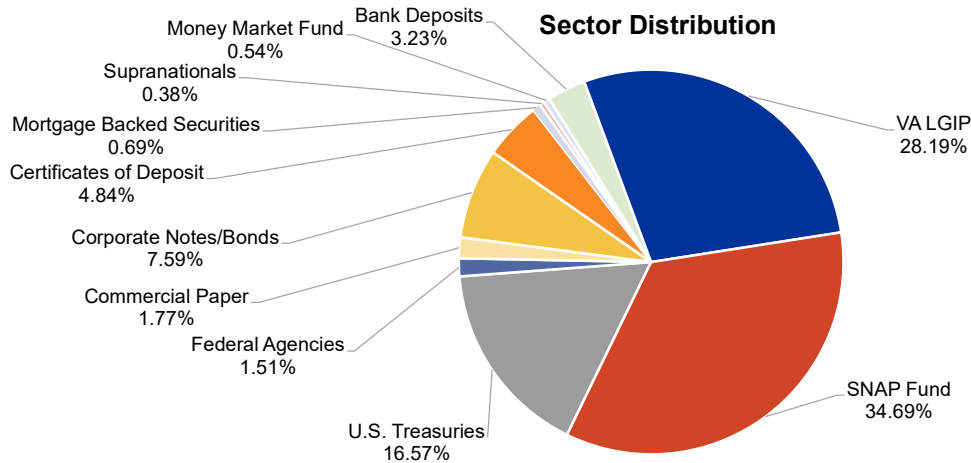
Hampton Roads Transportation Fund Summary of Cash and Investments For November 2022

Portfolio	Yield at Cost	Yield at Market	Balances at Cost	Balances at Market	% of Total
Union Checking	0.00%	0.00%	1,000,000	1,000,000	0.05%
Union Sweep	2.87%	2.87%	7,795,504	7,795,504	0.40%
Union Money Market	2.87%	2.87%	17,148	17,148	0.00%
Union General	2.87%	2.87%	53,362,893	53,362,893	2.77%
VA LGIP	3.74%	3.74%	543,289,440	543,289,440	28.19%
Enhanced Cash Portfolio	3.67%	4.72%	523,208,010	520,125,544	26.99%
Core Portfolio	1.53%	4.55%	138,907,285	133,048,513	6.90%
SNAP Fund	3.96%	3.96%	668,573,784	668,573,784	34.69%
Total			\$ 1,936,154,064	\$ 1,927,212,826	100.00%

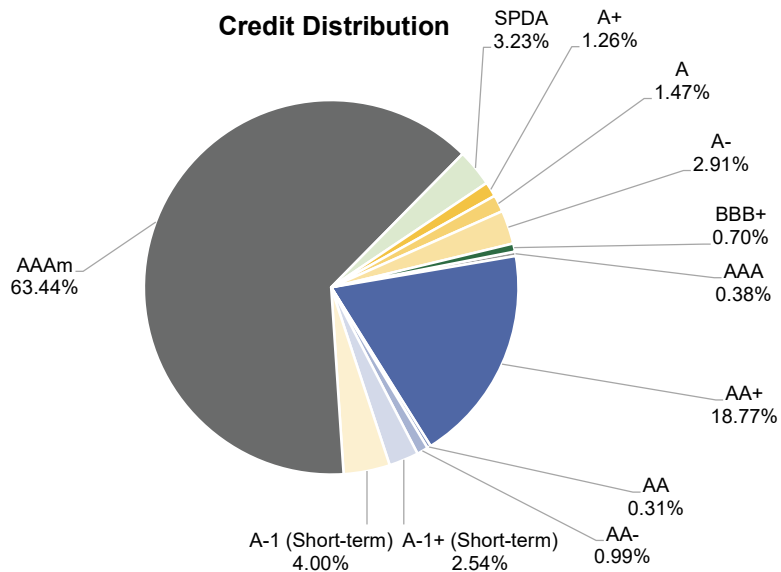
Total Maturity Distribution



Sector Distribution



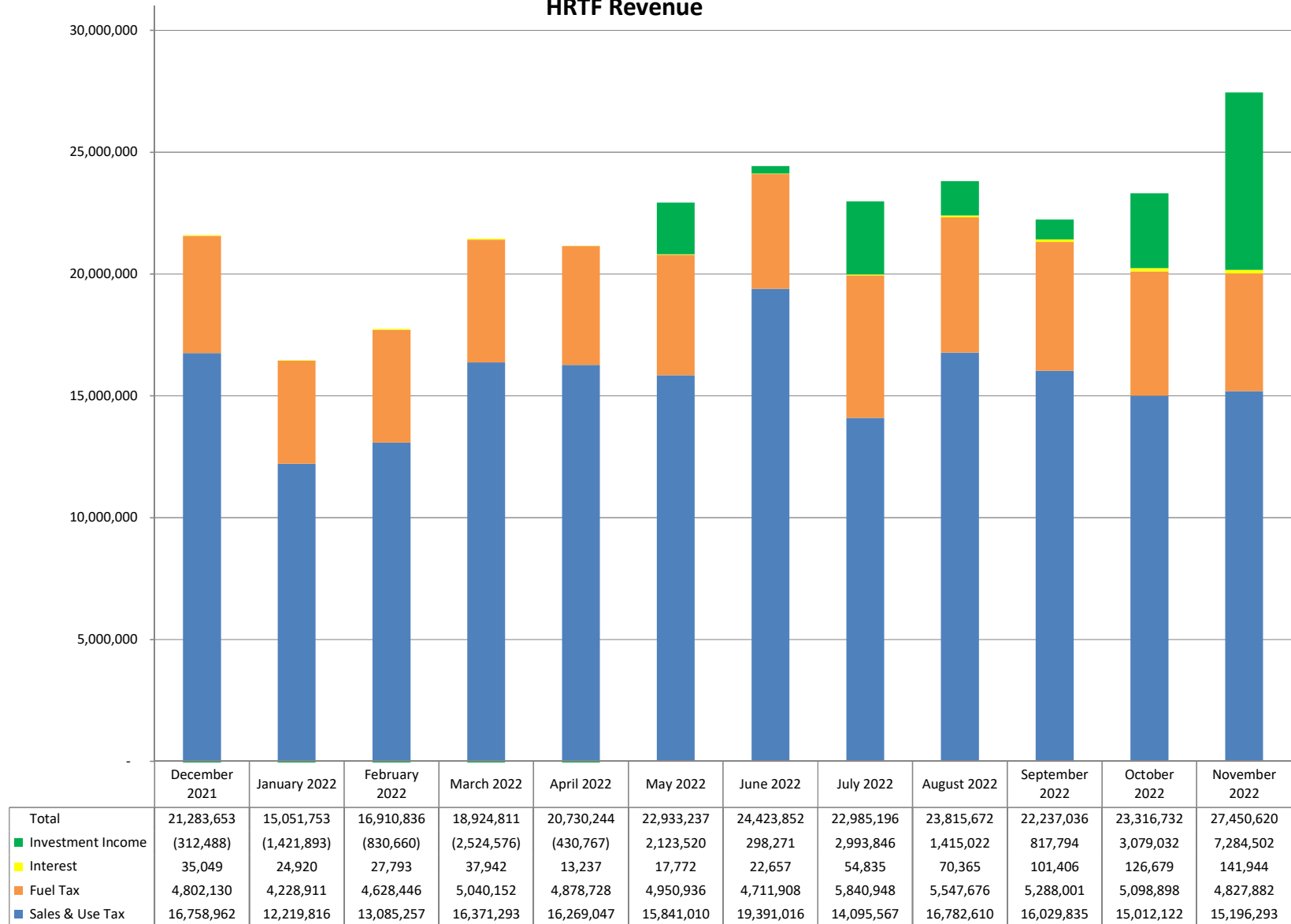
Credit Distribution



All charts are based on market value as of 11/30/22

This material is for general informational purposes only and is not intended to provide specific advice or a specific recommendation.

HRTF Revenue



Notes: November 2018 Wholesale Fuels Tax revenue includes a \$9,865,900 Special Audit Assessment adjustment sourced from vendor audit settlement.
 January 2019 Wholesale Fuels Tax revenue includes \$510,330 in adjustments from a Special Audit Assessment and a vendor audit settlement.
 February 2019 Wholesale Fuels Tax revenue includes \$806,491 from a vendor audit assessment.
 June 2019 Sales & Use Tax includes \$7,424,592 of FY2019 AST Estimated Sales & Use Tax revenue.

Hampton Roads Transportation Fund (HRTF)
Interest and Investment Income
Inception - November 2022

	<u>FY2014</u>	<u>FY2015</u>	<u>FY2016</u>	<u>FY2017</u>	<u>FY2018</u>	<u>FY2019</u>	<u>FY2020</u>	<u>FY2021</u>	<u>FY2022</u>	<u>FY2023</u>	<u>Total</u>
HRTF Interest Income	\$ 363,854.46	\$ 1,027,957	\$ 272,261	\$ 291,738	\$ 321,499	\$ 1,000,093	\$ 669,108	\$ 363,660	\$ 296,307	\$ 495,228	\$ 5,101,709
HRTF Investment Income	<u>-</u>	<u>368,310</u>	<u>3,993,773</u>	<u>980,870</u>	<u>8,868,404</u>	<u>29,869,111</u>	<u>26,275,750</u>	<u>3,240,310</u>	<u>(3,394,409)</u>	<u>15,590,196</u>	<u>\$ 85,792,313</u>
Total	<u>\$ 363,854</u>	<u>\$ 1,396,267</u>	<u>\$ 4,266,034</u>	<u>\$ 1,272,608</u>	<u>\$ 9,189,903</u>	<u>\$ 30,869,204</u>	<u>\$ 26,944,858</u>	<u>\$ 3,603,970</u>	<u>\$ (3,098,102)</u>	<u>\$ 16,085,425</u>	<u>\$ 90,894,022</u>

Notes:

"HRTF Interest Income" includes interest from Union Bank money market, sweep, and general accounts, as well as Regional Tax Interest/Interest Refund Adjustments.

"HRTF Investment Income" in FY2019 and FY2020 includes income from PFMAM (US Bank) core and enhanced cash, LGIP, and SNAP accounts. FY2014-2018 totals also include income from Sterling and Union Bank.

Hampton Roads Transportation Fund (HRTF)
Total of HRTF Revenue and Expenditures Activities
Summary

	Gross Revenue							Expenditures						Cumulative Balance 7/1/13 - 11/30/22
	Sales & Use Tax	Fuels Tax	Interest	Investment Income	Other Income	Bond Proceeds	Total	Projects	Dept of Tax Admin Fee	Investment Fees	Bond Expenses	Operating Expenses	Total	
<i>July 2013 - November 2021</i>	\$ 1,169,699,739	\$ 380,225,481	\$ 4,427,111	\$ 73,300,708	\$ -	\$ 2,769,461,982	\$ 4,397,115,021	\$ 1,870,573,512	\$ 976,653	\$ 1,689,313	\$ 132,123,555	\$ 16,524,516	\$ 2,021,887,549	\$ 2,375,227,472
<i>December 2021</i>	16,758,962	4,802,130	35,049	(312,488)	-	-	21,283,653	68,569,919	-	19,729	4,913,362	24,372	73,527,383	2,322,983,742
<i>January 2022</i>	12,219,816	4,228,911	24,920	(1,421,893)	-	-	15,051,753	50,048,580	-	19,701	4,913,362	110,834	55,092,478	2,282,943,017
<i>February 2022</i>	13,085,257	4,628,446	27,793	(830,660)	-	-	16,910,836	55,264,823	-	17,773	4,913,362	595,280	60,791,238	2,239,062,615
<i>March 2022</i>	16,371,293	5,040,152	37,942	(2,524,576)	-	-	18,924,811	112,597,893	-	19,705	4,913,362	84,191	117,615,151	2,140,372,275
<i>April 2022</i>	16,269,047	4,878,728	13,237	(430,767)	759,274	(417,562,348)	(396,072,830)	93,002	-	19,083	(1,330,614)	187,288	(1,031,242)	1,745,330,687
<i>May 2022</i>	15,841,010	4,950,936	17,772	2,123,520	-	414,050,604	436,983,841	65,164,937	-	19,727	4,424,005	1,193,985	70,802,655	2,111,511,873
<i>June 2022</i>	19,391,016	4,711,908	22,657	298,271	-	100,000,000	124,423,852	134,258,335	65,967	19,133	4,500,444	392,370	139,236,248	2,096,699,477
<i>July 2022</i>	14,095,567	5,840,948	54,835	2,993,846	-	(414,345,000)	(391,359,804)	-	-	19,640	4,567,360	64,869	4,651,869	1,700,687,804
<i>August 2022</i>	16,782,610	5,547,676	70,365	1,415,022	-	-	23,815,672	20,549,037	-	19,529	4,567,360	118,381	25,254,308	1,699,249,168
<i>September 2022</i>	16,029,835	5,288,001	101,406	817,794	-	-	22,237,036	5,197,310	-	-	4,567,360	95,697	9,860,367	1,711,625,837
<i>October 2022</i>	15,012,122	5,098,898	126,679	3,079,032	-	299,000,000	322,316,732	(240,612)	-	40,430	4,766,150	285,919	4,851,887	2,029,090,682
<i>November 2022</i>	15,196,293	4,827,882	141,944	7,284,502	-	-	27,450,620	9,683,717	-	33,505	5,034,619	59,890	14,811,730	2,041,729,573
<i>Total 12 Months</i>	\$ 187,052,827	\$ 59,844,615	\$ 674,598	\$ 12,491,605	\$ 759,274	\$ (18,856,744)	\$ 241,966,175	\$ 521,186,941	\$ 65,967	\$ 247,956	\$ 50,750,133	\$ 3,213,076	\$ 575,464,073	
<i>Grand Totals</i>	\$ 1,356,752,566	\$ 440,070,096	\$ 5,101,709	\$ 85,792,313	\$ 759,274	\$ 2,750,605,238	\$ 4,639,081,196	\$ 2,391,760,453	\$ 1,042,620	\$ 1,937,269	\$ 182,873,688	\$ 19,737,592	\$ 2,597,351,623	
Less Balance of Encumbered														\$ (2,708,792,590)
Total Net Available*														\$ (667,063,017)

Notes:

* Total Net Available does not include TIFIA loans not drawn on or HRTF future revenues through FY2028.

Table 1 - Total HRTF Revenues
Hampton Roads Transportation Fund (HRTF)
Total of Sales & Use Taxes and Fuels Taxes
Fiscal Year 2023

Locality	Total FY2014 - FY2022	Previous FY2023	November 2022	Total YTD FY2023	Total
<i>Chesapeake</i>	\$ 310,639,869	\$ 14,958,103	\$ 3,724,400	\$ 18,682,503	\$ 329,322,372
<i>Franklin</i>	18,395,035	873,798	230,817	1,104,615	19,499,650
<i>Hampton</i>	123,481,299	6,120,965	1,449,187	7,570,152	131,051,452
<i>Isle of Wight</i>	26,966,714	1,290,475	320,423	1,610,898	28,577,612
<i>James City</i>	73,982,088	3,759,366	906,751	4,666,118	78,648,206
<i>Newport News</i>	179,991,908	8,912,085	2,071,932	10,984,018	190,975,925
<i>Norfolk</i>	237,813,894	11,530,681	2,799,968	14,330,649	252,144,543
<i>Poquoson</i>	4,598,136	227,975	68,864	296,839	4,894,975
<i>Portsmouth</i>	60,548,668	2,964,096	772,083	3,736,179	64,284,847
<i>Southampton</i>	8,896,316	431,078	100,814	531,892	9,428,208
<i>Suffolk</i>	90,043,620	4,866,329	1,233,871	6,100,200	96,143,820
<i>Virginia Beach</i>	450,843,920	22,908,698	5,142,650	28,051,348	478,895,268
<i>Williamsburg</i>	32,548,165	1,254,031	322,750	1,576,781	34,124,946
<i>York</i>	74,353,197	3,597,976	879,665	4,477,641	78,830,839
Total ^d	1,693,102,832	83,695,657	20,024,175	103,719,831	1,796,822,663
Interest ^a	4,606,480	353,285	141,944	495,228	5,101,709
Investment Income ^b	70,202,117	8,305,694	7,284,502	15,590,196	85,792,313
Other Income	759,274	-	-	-	759,274
Bond Proceeds	2,865,950,238	(115,345,000)	-	(115,345,000)	2,750,605,238
Total Revenues	4,634,620,941	(22,990,364)	27,450,620	4,460,256	4,639,081,196
Project Expenses	(2,356,571,000)	(25,505,735)	(9,683,717)	(35,189,452)	(2,391,760,453)
DMV & Dept. of Tax Admin Fees	(1,042,620)	-	-	-	(1,042,620)
Investment Fees (PFMAM)	(1,824,165)	(79,599)	(33,505)	(113,104)	(1,937,269)
Bond Interest Expenses ^e	(159,370,839)	(18,468,230)	(5,034,619)	(23,502,849)	(182,873,688)
Operating Expense	(19,112,837)	(564,866)	(59,890)	(624,756)	(19,737,592)
Modified Cash Position	\$ 2,096,699,481	\$ (67,608,795)	12,638,890	\$ (54,969,905)	\$ 2,041,729,573
Less Balance of Encumbered	(2,346,558,163)				(2,708,792,590)
Net Modified Cash Position	\$ (252,839,463)				\$ (667,063,017)
Updated forecast ^c	1,606,365,276	84,638,428	20,396,033	105,034,461	1,711,399,737
Total Revenue - Forecast (under)/over	\$ 86,737,556	\$ (942,771)	\$ (371,858)	\$ (1,314,630)	\$ 85,422,926

Notes:

^a Includes interest from Union Bank money market, sweep, and general accounts, as well as Regional Tax Interest/Interest Refund Adjustments.

^b FY2019 and FY2020 include income from PFMAM (US Bank), LGIP, and SNAP accounts. FY2014-2018 includes income from Sterling and Union Bank.

^d Beginning in June 2020, State Sales Tax and Local Fuels Tax are recorded either one month (sales tax) or two months (fuels tax) earlier than in prior accounting periods, due to additional information received from the Commonwealth of Virginia on the timing of the source transactions for tax revenues. The change is retroactive and the prior year amounts have been restated.

Table 1A - State Sales & Use Tax

Hampton Roads Transportation Fund (HRTF)

State Sales & Use Tax

Fiscal Year 2023

Locality	Total FY2014 - FY2022	Previous FY2023	November 2022	Total YTD FY2023	Total
<i>Chesapeake</i>	\$ 232,829,672	\$ 11,143,336	\$ 2,837,649	\$ 13,980,986	\$ 246,810,658
<i>Franklin</i>	9,556,921	400,944	101,047	501,992	10,058,912
<i>Hampton</i>	89,655,275	4,268,985	1,041,735	5,310,720	94,965,995
<i>Isle of Wight</i>	15,919,297	866,775	241,680	1,108,455	17,027,752
<i>James City</i>	60,618,756	2,856,893	688,180	3,545,073	64,163,829
<i>Newport News</i>	139,917,840	6,287,121	1,583,961	7,871,082	147,788,922
<i>Norfolk</i>	185,930,714	8,791,594	2,156,439	10,948,032	196,878,746
<i>Poquoson</i>	3,353,467	182,016	56,746	238,762	3,592,229
<i>Portsmouth</i>	42,259,168	2,086,321	576,595	2,662,916	44,922,083
<i>Southampton</i>	3,845,447	199,908	54,823	254,731	4,100,178
<i>Suffolk</i>	58,582,311	3,230,462	851,489	4,081,951	62,664,262
<i>Virginia Beach</i>	355,779,234	17,884,212	4,060,679	21,944,890	377,724,125
<i>Williamsburg</i>	25,263,298	1,100,267	279,133	1,379,401	26,642,698
<i>York</i>	<u>56,124,741</u>	<u>2,621,299</u>	<u>666,136</u>	<u>3,287,436</u>	<u>59,412,176</u>
Total ¹	<u>\$ 1,279,636,139</u>	<u>\$ 61,920,133</u>	<u>\$ 15,196,293</u>	<u>\$ 77,116,426</u>	<u>\$ 1,356,752,566</u>
Updated Forecast	<u>1,188,744,349</u>	<u>64,270,131</u>	<u>15,660,078</u>	<u>79,930,209</u>	<u>1,268,674,558</u>
Diff(under)/over	90,891,790	(2,349,998)	(463,785)	(2,813,783)	88,078,008

1 Beginning in June 2020, State Sales Tax and Local Fuels Tax are recorded either one month (sales tax) or two months (fuels tax) earlier than in prior accounting periods, due to additional information received from the Commonwealth of Virginia on the timing of the source transactions for tax revenues. The change is retroactive and the prior year amounts have been restated.

Table 1B - Local Fuels Tax

Hampton Roads Transportation Fund (HRTF)

Local Fuels Tax

Fiscal Year 2023

Locality	Total FY2014 - FY2022	Previous FY2023	November 2022	Total YTD FY2023	Total
<i>Chesapeake</i>	\$ 77,810,200	\$ 3,814,767	\$ 886,750	\$ 4,701,517	\$ 82,511,718
<i>Franklin</i>	8,838,116	472,854	129,769	602,623	9,440,739
<i>Hampton</i>	33,826,026	1,851,980	407,452	2,259,433	36,085,459
<i>Isle of Wight</i>	11,047,418	423,700	78,743	502,443	11,549,861
<i>James City</i>	13,363,328	902,473	218,571	1,121,044	14,484,373
<i>Newport News</i>	40,074,071	2,624,964	487,972	3,112,936	43,187,006
<i>Norfolk</i>	51,883,179	2,739,087	643,530	3,382,617	55,265,796
<i>Poquoson</i>	1,244,669	45,959	12,118	58,077	1,302,746
<i>Portsmouth</i>	18,289,506	877,775	195,488	1,073,263	19,362,769
<i>Southampton</i>	5,050,870	231,170	45,991	277,161	5,328,030
<i>Suffolk</i>	31,461,318	1,635,867	382,382	2,018,249	33,479,567
<i>Virginia Beach</i>	95,064,677	5,024,486	1,081,971	6,106,457	101,171,134
<i>Williamsburg</i>	7,284,863	153,763	43,617	197,380	7,482,243
<i>York</i>	18,228,452	976,677	213,529	1,190,206	19,418,657
Total ¹	<u>\$ 413,466,691</u>	<u>\$ 21,775,523</u>	<u>\$ 4,827,882</u>	<u>\$ 26,603,405</u>	<u>\$ 440,070,097</u>
Updated Forecast	417,620,927	20,368,297	4,735,955	25,104,252	442,725,179
Diff(under)/over	(4,154,236)	1,407,226	91,927	1,499,153	(2,655,082)

Note: November 2018 Wholesale Fuels Tax revenue included a \$9,865,900 Special Audit Assessment adjustment sourced from vendor audit settlement.

1 Beginning in June 2020, State Sales Tax and Local Fuels Tax are recorded either one month (sales tax) or two months (fuels tax) earlier than in prior accounting periods, due to additional information received from the Commonwealth of Virginia on the timing of the source transactions for tax revenues. The change is retroactive and the prior year amounts have been restated.

Table 2 - Allocations
Hampton Roads Transportation Fund (HRTF)
Allocations
Fiscal Year 2023

Project	Total FY2014 - FY2022	Previous FY2023	November 2022	Total YTD FY2023	Total
<i>I-64 Peninsula Widening</i>					
<i>UPC 104905 - Segment 1 - Construction</i>	\$ 11,608,385	\$ -	\$ -	\$ -	\$ 11,608,385
<i>UPC 106665 - Segment 2 - PE/ROW/Construction</i>	175,832,897	-	-	-	175,832,897
<i>UPC 109790/106689 - Segment 3 - PE</i>	10,000,000	-	-	-	10,000,000
<i>UPC 109790/106689 - Segment 3 - Construction</i>	112,893,996	-	-	-	112,893,996
<i>I-64/264 Interchange Improvement</i>					
<i>UPC 57048/108042 - Phase I - PE/ROW</i>	15,071,063	-	-	-	15,071,063
<i>UPC 57048/108042 - Phase I - Construction</i>	137,023,653	-	-	-	137,023,653
<i>UPC 17630/108041 - Phase II - PE/ROW</i>	54,592,576	-	-	-	54,592,576
<i>UPC 17630/108041 - Phase II - Construction</i>	73,157,062	-	-	-	73,157,062
<i>UPC 106693 - Phase III - PE & ROW</i>	10,000,000	-	-	-	10,000,000
<i>I-64 Southside Widening/High-Rise Bridge</i>					
<i>UPC 106692 - Phase I - PE</i>	12,200,000	-	-	-	12,200,000
<i>UPC 106692/108990 - Phase I - ROW/Construction</i>	419,756,220	-	-	-	419,756,220
<i>I-64 HRBT Expansion Project</i>					
<i>UPC 115008 - I-64 HRBT Expansion Project D-B Contract</i>	3,004,569,251	-	-	-	3,004,569,251
<i>UPC 115009 - I-64 HRBT Expansion Project Owners Oversight</i>	548,900,330	-	-	-	548,900,330
<i>HR Express Lanes Network</i>					
<i>UPC 117840 - Segment 1 Phase 1 - PE</i>	5,621,500	-	-	-	5,621,500
<i>UPC 117839 - Segment 4A/4B Phase 1 - PE</i>	5,916,425	-	-	-	5,916,425
<i>UPC 117841 - Segment 4C Phase 1 - PE</i>	15,421,200	-	-	-	15,421,200
<i>UPC 119637 - Segment 1A - PE/ROW/Construction</i>	12,079,075	-	-	-	12,079,075
<i>UPC 120863 - Segment 1B - PE/ROW/Construction</i>	5,860,180	-	-	-	5,860,180
<i>UPC 119824 - Segment 4A/4B - PE/ROW/Construction</i>	12,421,553	-	-	-	12,421,553
<i>UPC 119638 - Segment 4C - PE/ROW/Construction</i>	14,203,800	397,423,878	-	397,423,878	411,627,678
<i>HRCS Preferred Alternative Refinement - HRBT UPC 110577 - SEIS</i>	30,000,000	-	-	-	30,000,000
<i>460/58/13 Connector Study - UPC 106694 - PE</i>	1,095,368	-	-	-	1,095,368
<i>Bowers Hill Interchange Study - UPC 111427</i>	7,904,630	-	-	-	7,904,630
<i>HR Regional Connector Study - HRTPO (Remaining Projects of Third Crossing)</i>	7,000,000	-	-	-	7,000,000
Total	\$ 4,703,129,164	\$ 397,423,878	\$ -	\$ 397,423,878	\$ 5,100,553,042

Table 3 - Expenditures
Hampton Roads Transportation Fund (HRTF)
Expenditures
Fiscal Year 2023

Project	Total FY2014 - FY2022	Previous FY2023	November 2022	Total YTD FY2023	Total
<i>I-64 Peninsula Widening</i>					
<i>UPC 104905/111926 - Segment 1 - PE/Construction</i>	\$ 11,608,384	\$ -	\$ -	\$ -	\$ 11,608,384
<i>UPC 106665 - Segment 2 - PE/ROW/Construction</i>	159,559,703	-	-	-	159,559,703
<i>UPC 109790/106689 - Segment 3 - PE</i>	5,711,500	144	1,506	1,650	5,713,149
<i>UPC 109790/106689 - Segment 3 - Construction</i>	88,736,547	4,468	38,943	43,410	88,779,958
<i>I-64/264 Interchange Improvement</i>					
<i>UPC 57048/108042 - Phase I - PE/ROW</i>	15,071,063	-	-	-	15,071,063
<i>UPC 57048/108042 - Phase I - Construction</i>	121,502,110	112	26,630	26,743	121,528,853
<i>UPC 17630/108041 - Phase II - PE/ROW</i>	54,592,576	-	-	-	54,592,576
<i>UPC 17630/108041 - Phase II - Construction</i>	73,157,062	-	-	-	73,157,062
<i>UPC 106693 - Phase III - PE & ROW</i>	3,975,409	3,429	21,425	24,855	4,000,264
<i>I-64 Southside Widening/High-Rise Bridge</i>					
<i>UPC 106692 - Phase I - PE</i>	12,189,098	-	-	-	12,189,098
<i>UPC 106692/108990 - Phase I - ROW/Construction</i>	319,643,390	4,530,174	8,809,327	13,339,502	332,982,891
<i>I-64 HRBT Expansion Project</i>					
<i>UPC 115008 - I-64 HRBT Expansion Project D-B Contract</i>	1,351,057,226	20,549,037	-	20,549,037	1,371,606,263
<i>UPC 115009 - I-64 HRBT Expansion Project Owners Oversight</i>	81,049,431	290,500	-	290,500	81,339,931
<i>HRELN Segment 1 Phase 1 PE</i>					
<i>UPC 117840 - Segment 1 Phase 1 - PE</i>	5,602,807	-	18,195	18,195	5,621,001
<i>UPC 117839 - Segment 4A/4B Phase 1 - PE</i>	5,916,425	-	-	-	5,916,425
<i>UPC 117841 - Segment 4C Phase 1 - PE</i>	5,356,437	8,795	600,652	609,448	5,965,884
<i>UPC 119637 - Segment 1A - PE/ROW/Construction</i>	1,769,885	-	143,143	143,143	1,913,028
<i>UPC 120863 - Segment 1B - PE/ROW/Construction</i>	606,480	-	46	46	606,526
<i>UPC 119824 - Segment 4A/4B - PE/ROW/Construction</i>	-	-	-	-	-
<i>UPC 119638 - Segment 4C - PE/ROW/Construction</i>	-	-	-	-	-
<i>HRCS Preferred Alternative Refinement - HRBT UPC 110577 - SEIS</i>	28,800,287	-	-	-	28,800,287
<i>460/58/13 Connector Study - UPC 106694 - PE</i>	1,095,368	-	-	-	1,095,368
<i>Bowers Hill Interchange Study - UPC 111427</i>	5,317,912	2,830	23,850	26,680	5,344,592
<i>HR Regional Connector Study - HRTPO (Remaining Projects of Third Crossing)</i>	4,251,901	116,245	-	116,245	4,368,146
Total	\$ 2,356,571,000	\$ 25,505,735	\$ 9,683,717	\$ 35,189,452	\$ 2,391,760,452

Table 3A - Bond-Reimbursed Expenditures

Hampton Roads Transportation Fund (HRTF)

Bond Reimbursements

Fiscal Year 2023

Project	Total FY2014 - FY2022	Previous FY2023	November 2022	Total YTD FY2023	Total
<i>I-64 Peninsula Widening</i>					
<i>UPC 104905/111926 - Segment 1 - PE/Construction</i>	\$ 10,063,882	\$ -	\$ -	\$ -	\$ 10,063,882
<i>UPC 106665 - Segment 2 - PE/ROW/Construction</i>	159,559,703	-	-	-	159,559,703
<i>UPC 109790/106689 - Segment 3 - PE</i>	5,693,804	-	-	-	5,693,804
<i>UPC 109790/106689 - Segment 3 - Construction</i>	87,210,472	-	-	-	87,210,472
<i>I-64/264 Interchange Improvement</i>					
<i>UPC 57048/108042 - Phase I - PE/ROW</i>	15,071,063	-	-	-	15,071,063
<i>UPC 57048/108042 - Phase I - Construction</i>	121,364,711	-	-	-	121,364,711
<i>UPC 17630/108041 - Phase II - PE/ROW</i>	54,592,576	-	-	-	54,592,576
<i>UPC 17630/108041 - Phase II - Construction</i>	65,786,903	-	-	-	65,786,903
<i>UPC 106693 - Phase III - PE & ROW</i>	-	-	-	-	-
<i>I-64 Southside Widening/High-Rise Bridge</i>					
<i>UPC 106692 - Phase I - PE</i>	12,189,098	-	-	-	12,189,098
<i>UPC 106692/108990 - Phase I - ROW/Construction</i>	257,901,644	-	-	-	257,901,644
<i>I-64 HRBT Expansion Project</i>					
<i>UPC 115008 - I-64 HRBT Expansion Project D-B Contract</i>	852,610,619	20,549,037	-	20,549,037	873,159,656
<i>UPC 115009 - I-64 HRBT Expansion Project Owners Oversight</i>	42,131,012	290,500	-	290,500	42,421,512
<i>HRELN Segment 1 Phase 1 PE</i>					
<i>UPC 117840 - Segment 1 Phase 1 - PE</i>	-	-	-	-	-
<i>UPC 117839 - Segment 4A/4B Phase 1 - PE</i>	-	-	-	-	-
<i>UPC 117841 - Segment 4C Phase 1 - PE</i>	-	-	-	-	-
<i>UPC 119637 - Segment 1A - PE/ROW/Construction</i>	-	-	-	-	-
<i>UPC 120863 - Segment 1B - PE/ROW/Construction</i>	-	-	-	-	-
<i>UPC 119824 - Segment 4A/4B - PE/ROW/Construction</i>	-	-	-	-	-
<i>UPC 119638 - Segment 4C - PE/ROW/Construction</i>	-	-	-	-	-
<i>HRCS Preferred Alternative Refinement - HRBT UPC 110577 - SEIS</i>					
<i>460/58/13 Connector Study - UPC 106694 - PE</i>	-	-	-	-	-
<i>Bowers Hill Interchange Study - UPC 111427</i>					
<i>HR Regional Connector Study - HRTPO (Remaining Projects of Third Crossing)</i>	-	-	-	-	-
Total	\$ 1,684,175,488	\$ 20,839,537	\$ -	\$ 20,839,537	\$ 1,705,015,025

Table 3B - Non-Bond Reimbursed Expenditures

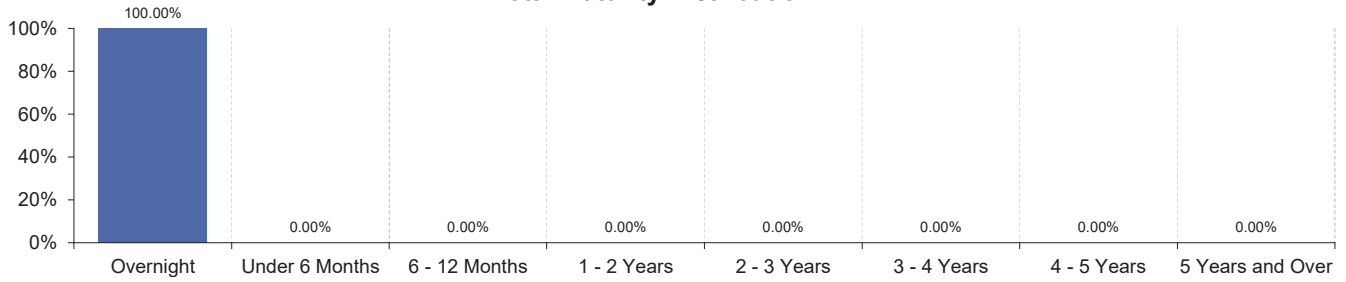
Hampton Roads Transportation Fund (HRTF) Expenditures Fiscal Year 2023

Project	Total FY2014 - FY2022	Previous FY2023	November 2022	Total YTD FY2023	Total
<i>I-64 Peninsula Widening</i>					
<i>UPC 104905/111926 - Segment 1 - PE/Construction</i>	\$ 1,544,502	\$ -	\$ -	\$ -	\$ 1,544,502
<i>UPC 106665 - Segment 2 - PE/ROW/Construction</i>	-	-	-	-	-
<i>UPC 109790/106689 - Segment 3 - PE</i>	17,695	144	1,506	1,650	19,345
<i>UPC 109790/106689 - Segment 3 - Construction</i>	1,526,075	4,468	38,943	43,410	1,569,485
<i>I-64/264 Interchange Improvement</i>					
<i>UPC 57048/108042 - Phase I - PE/ROW</i>	-	-	-	-	-
<i>UPC 57048/108042 - Phase I - Construction</i>	137,400	112	26,630	26,743	164,142
<i>UPC 17630/108041 - Phase II - PE/ROW</i>	-	-	-	-	-
<i>UPC 17630/108041 - Phase II - Construction</i>	7,370,159	-	-	-	7,370,159
<i>UPC 106693 - Phase III - PE & ROW</i>	3,975,409	3,429	21,425	24,855	4,000,264
<i>I-64 Southside Widening/High-Rise Bridge</i>					
<i>UPC 106692 - Phase I - PE</i>	-	-	-	-	-
<i>UPC 106692/108990 - Phase I - ROW/Construction</i>	61,741,746	4,530,174	8,809,327	13,339,502	75,081,247
<i>I-64 HRBT Expansion Project</i>					
<i>UPC 115008 - I-64 HRBT Expansion Project D-B Contract</i>	498,446,607	-	-	-	498,446,607
<i>UPC 115009 - I-64 HRBT Expansion Project Owners Oversight</i>	38,918,419	-	-	-	38,918,419
<i>HRELN Segment 1 Phase 1 PE</i>					
<i>UPC 117840 - Segment 1 Phase 1 - PE</i>	5,602,807	-	18,195	18,195	5,621,001
<i>UPC 117839 - Segment 4A/4B Phase 1 - PE</i>	5,916,425	-	-	-	5,916,425
<i>UPC 117841 - Segment 4C Phase 1 - PE</i>	5,356,437	8,795	600,652	609,448	5,965,884
<i>UPC 119637 - Segment 1A - PE/ROW/Construction</i>	1,769,885	-	143,143	143,143	1,913,028
<i>UPC 120863 - Segment 1B - PE/ROW/Construction</i>	606,480	-	46	46	606,526
<i>UPC 119824 - Segment 4A/4B - PE/ROW/Construction</i>	-	-	-	-	-
<i>UPC 119638 - Segment 4C - PE/ROW/Construction</i>	-	-	-	-	-
<i>HRCS Preferred Alternative Refinement - HRBT UPC 110577 - SEIS</i>	28,800,287	-	-	-	28,800,287
<i>460/58/13 Connector Study - UPC 106694 - PE</i>	1,095,368	-	-	-	1,095,368
<i>Bowers Hill Interchange Study - UPC 111427</i>	5,317,912	2,830	23,850	26,680	5,344,592
<i>HR Regional Connector Study - HRTPO (Remaining Projects of Third Crossing)</i>	4,251,901	116,245	-	116,245	4,368,146
Total	\$ 672,395,512	\$ 4,666,198	\$ 9,683,717	\$ 14,349,915	\$ 686,745,427

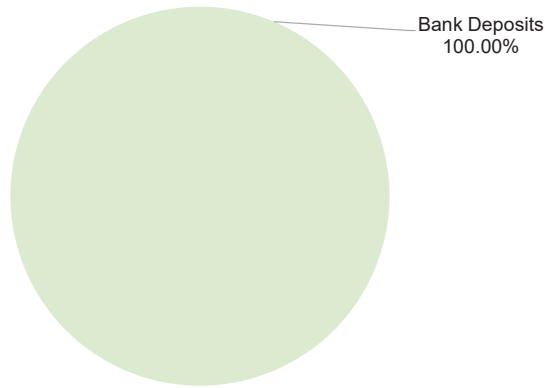
Hampton Roads Regional Transit Fund Summary of Cash and Investments For November 2022

Portfolio	Yield at Cost	Yield at Market	Balances at Cost	Balances at Market	% of Total
Union Checking	0.00%	0.00%	1,000,000	1,000,000	1.25%
Union Sweep	2.87%	2.87%	79,206,650	79,206,650	98.75%
Total			\$ 80,206,650	\$ 80,206,650	100.00%

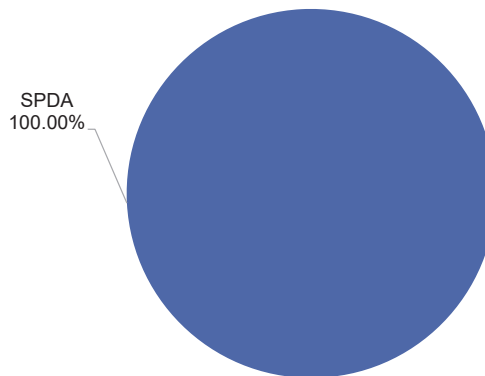
Total Maturity Distribution



Sector Distribution



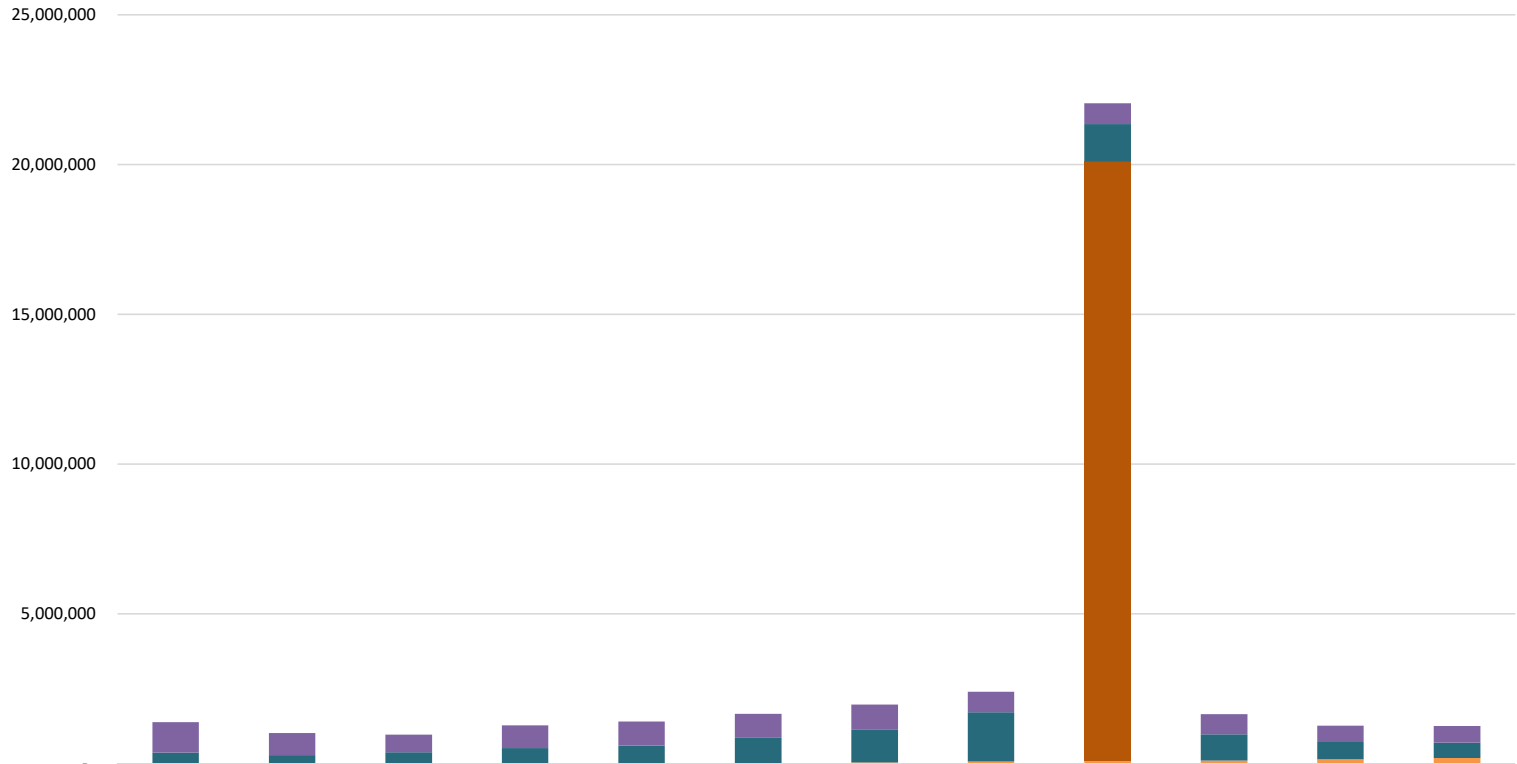
Credit Distribution



All charts are based on market value as of 11/30/22

This material is for general informational purposes only and is not intended to provide specific advice or a specific recommendation.

HRRTF REVENUE



	December 2021	January 2022	February 2022	March 2022	April 2022	May 2022	June 2022	July 2022	August 2022	September 2022	October 2022	November 2022
Total	1,386,038	1,017,900	969,246	1,273,435	1,409,380	1,656,333	1,970,749	2,393,085	22,048,612	1,648,728	1,269,920	1,260,736
■ Transportation Fees	1,016,409	730,925	583,332	759,482	801,509	794,223	841,909	679,357	704,303	673,644	548,535	560,548
■ Transient Occupancy Tax	363,654	282,551	380,982	507,945	601,749	843,436	1,093,742	1,644,119	1,252,402	872,553	574,610	515,822
■ Annual State Recordation Tax	-	-	-	-	-	-	-	-	20,000,000	-	-	-
■ Interest	5,975	4,424	4,932	6,008	6,122	18,674	35,098	69,610	91,906	102,531	146,775	184,366

Hampton Roads Regional Transit Fund
Interest and Investment Income
Inception - November 2022

	<u>FY2021</u>	<u>FY2022</u>	<u>FY2023</u>	<u>Total</u>
Interest Income	\$ 57,044	\$ 97,432	\$ 595,188	\$ 749,664
Investment Income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 57,044</u>	<u>\$ 97,432</u>	<u>\$ 595,188</u>	<u>\$ 749,664</u>

Hampton Roads Regional Transit Fund
Revenue and Expenditures
Summary

	Gross Revenue					Expenditures			Cumulative Balance
	Regional Transportation	Transient	Recordation Tax	Interest	Total Revenue	Project Expenses	Operating Expenses	Total	7/1/2020 - 11/30/2022
	Imprv. Fees	Occupancy Tax	Distribution						
<i>July 2020 - November 2021</i>	\$ 11,456,326	\$ 5,791,891	\$ 40,000,000	\$ 73,244	\$ 57,321,461	\$ 599,531	\$ 181,233	\$ 780,764	\$ 56,540,696
<i>December 2021</i>	1,016,409	363,654	-	5,975	1,386,038	-	79,874	79,874	57,846,862
<i>January 2022</i>	730,925	282,551	-	4,424	1,017,900	-	3,465	3,465	58,861,297
<i>February 2022</i>	583,332	380,982	-	4,932	969,246	-	20,534	20,534	59,810,009
<i>March 2022</i>	759,482	507,945	-	6,008	1,273,435	-	1,529	1,529	61,081,915
<i>April 2022</i>	801,509	601,749	-	6,122	1,409,380	-	5,435	5,435	62,485,859
<i>May 2022</i>	794,223	843,436	-	18,674	1,656,333	-	749	749	64,141,443
<i>June 2022</i>	841,909	1,093,742	-	35,098	1,970,749	-	98,931	98,931	66,013,261
<i>July 2022</i>	679,357	1,644,119	-	69,610	2,393,085	-	1,936	1,936	68,404,410
<i>August 2022</i>	704,303	1,252,402	20,000,000	91,906	22,048,612	-	630	630	90,452,392
<i>September 2022</i>	673,644	872,553	-	102,531	1,648,728	9,099,298	1,429	9,100,727	83,000,392
<i>October 2022</i>	548,535	574,610	-	146,775	1,269,920	-	40,399	40,399	84,229,913
<i>November 2022</i>	560,548	515,822	-	184,366	1,260,736	-	744	744	85,489,905
<i>Total 12 months</i>	<u>\$ 8,694,176</u>	<u>\$ 8,933,565</u>	<u>\$ 20,000,000</u>	<u>\$ 676,420</u>	<u>\$ 38,304,162</u>	<u>\$ 9,099,298</u>	<u>\$ 255,656</u>	<u>\$ 9,354,954</u>	
Total	<u>\$ 20,150,502</u>	<u>\$ 14,725,456</u>	<u>\$ 60,000,000</u>	<u>\$ 749,664</u>	<u>\$ 95,625,623</u>	<u>\$ 9,698,829</u>	<u>\$ 436,889</u>	<u>\$ 10,135,718</u>	
Less Balance of Encumbered (through FY2028)									(27,443,267)
Total Net Available									<u>\$ 58,046,638</u>

Table 1 - Revenues
Hampton Roads Regional Transit Fund (HRRTF)
Fiscal Year 2023

Locality	Total FY2021 2022	Previous FY 2023	November 2022	Total YTD FY2023	Total
Regional Taxes and Fees					
<i>Chesapeake</i>	\$ 4,606,443	\$ 973,313	\$ 191,101	\$ 1,164,414	\$ 5,770,858
<i>Hampton</i>	2,179,578	473,308	92,991	566,299	2,745,877
<i>Newport News</i>	2,346,834	466,334	105,619	571,953	2,918,787
<i>Norfolk</i>	3,902,056	1,002,725	175,993	1,178,718	5,080,774
<i>Portsmouth</i>	1,155,327	226,505	35,082	261,588	1,416,915
<i>Virginia Beach</i>	12,659,828	3,807,337	475,583	4,282,920	16,942,748
Total Regional Taxes and Fees	<u>26,850,066</u>	<u>6,949,523</u>	<u>1,076,370</u>	<u>8,025,893</u>	<u>34,875,958</u>
Annual Recordation Tax Distribution	40,000,000	20,000,000	-	20,000,000	60,000,000
Total Tax and Fees Revenue	<u>66,850,066</u>	<u>26,949,523</u>	<u>1,076,370</u>	<u>28,025,893</u>	<u>94,875,958</u>
Interest ^a	154,476	410,822	184,366	595,188	749,664
Total Revenues	<u>67,004,542</u>	<u>27,360,345</u>	<u>1,260,736</u>	<u>28,621,081</u>	<u>95,625,623</u>
Project Expenses	(599,531)	(9,099,298)	-	(9,099,298)	(9,698,829)
Operating Expense	(391,750)	(44,395)	(744)	(45,139)	(436,889)
Modified Cash Position	<u>\$ 66,013,261</u>	<u>\$ 18,216,652</u>	<u>\$ 1,259,992</u>	<u>\$ 19,476,644</u>	<u>\$ 85,489,905</u>
Less Balance of Encumbered	<u>(36,542,565)</u>				<u>(27,443,267)</u>
Net Modified Cash Position	<u>\$ 29,470,696</u>				<u>\$ 58,046,638</u>
Updated forecast	59,411,862	8,277,296	1,198,486	9,475,782	68,887,644
Total Revenue - Forecast (under)/over	<u>\$ 7,438,203</u>	<u>\$ 18,672,227</u>	<u>\$ (122,116)</u>	<u>\$ 18,550,111</u>	<u>\$ 25,988,314</u>

Table 1A - Regional Transit Improvement Fees

Hampton Roads Regional Transit Fund (HRRTF)

Fiscal Year 2023

Locality	Total FY2021 2022	Previous FY 2023	November 2022	Total YTD FY2023	Total
Regional Transit Improvement Fees					
<i>Chesapeake</i>	\$ 3,718,941	\$ 590,175	\$ 109,918	\$ 700,093	\$ 4,419,034
<i>Hampton</i>	1,541,762	243,769	52,692	296,461	1,838,223
<i>Newport News</i>	1,666,952	249,924	59,280	309,204	1,976,156
<i>Norfolk</i>	2,729,900	414,405	64,512	478,917	3,208,816
<i>Portsmouth</i>	1,022,751	181,861	23,946	205,807	1,228,558
<i>Virginia Beach</i>	<u>6,303,809</u>	<u>925,706</u>	<u>250,200</u>	<u>1,175,906</u>	<u>7,479,715</u>
Total RTI Fees	<u>\$ 16,984,115</u>	<u>\$ 2,605,839</u>	<u>\$ 560,548</u>	<u>\$ 3,166,387</u>	<u>\$ 20,150,502</u>
Forecast	<u>13,500,002</u>	<u>2,728,587</u>	<u>663,953</u>	<u>3,392,540</u>	<u>16,892,542</u>
Total Revenue - Forecast (under)/over	\$ 3,484,113	\$ (122,748)	\$ (103,405)	\$ (226,153)	\$ 3,257,960

Table 1B - Transient Occupancy Tax

Hampton Roads Regional Transit Fund (HRRTF)

Fiscal Year 2023

Locality	Total FY2021 2022	Previous FY 2023	November 2022	Total YTD FY2023	Total
Transient Occupancy Tax					
<i>Chesapeake</i>	\$ 887,502	\$ 383,138	\$ 81,183	\$ 464,322	\$ 1,351,824
<i>Hampton</i>	637,817	229,539	40,299	269,838	907,655
<i>Newport News</i>	679,881	216,410	46,339	262,750	942,631
<i>Norfolk</i>	1,172,156	588,321	111,481	699,801	1,871,957
<i>Portsmouth</i>	132,576	44,644	11,136.22	55,781	188,357
<i>Virginia Beach</i>	<u>6,356,018</u>	<u>2,881,631</u>	<u>225,383</u>	<u>3,107,015</u>	<u>9,463,033</u>
Total Transient Occupancy Tax	<u>\$ 9,865,951</u>	<u>\$ 4,343,684</u>	<u>\$ 515,822</u>	<u>\$ 4,859,506</u>	<u>\$ 14,725,456</u>
Forecast	<u>5,911,860</u>	<u>5,548,709</u>	<u>534,533</u>	<u>6,083,242</u>	<u>11,995,102</u>
Total Revenue - Forecast (under)/over	\$ 3,954,090	\$ (1,205,025)	\$ (18,711)	\$ (1,223,736)	\$ 2,730,354

Table 2 - Allocations

Hampton Roads Regional Transit Fund (HRRTF)

Allocations Fiscal Year 2023

Project	Total FY2021 2022	Previous FY 2023	November 2022	Total YTD FY2023	Total
<i>Regional Transit System - 757 Express</i>					
<i>Transit Bus Expansion (Group A) - Project 202101A</i>	\$ 9,306,000	\$ -	\$ -	\$ -	\$ 9,306,000
<i>Bus Stop Amenity Program</i>					
<i>- Project 202101B</i>	3,265,000	-	-	-	3,265,000
<i>- Project 202201F</i>	5,326,000	-	-	-	5,326,000
<i>Regional Transit System Technology</i>					
<i>- Project 202101C</i>	80,000	-	-	-	80,000
<i>- Project 202201G</i>	518,000	-	-	-	518,000
<i>Regional Transit Services</i>					
<i>Operations and Maintenance RTS - Project 202201C</i>	5,730,123	-	-	-	5,730,123
<i>Development and Support Services RTS - Project 202201D</i>	4,946,973	-	-	-	4,946,973
<i>Net Center Replacement/Passenger Facility</i>					
<i>- Project 202101D</i>	62,000	-	-	-	62,000
<i>Robert Hall Blvd (Chesapeake) - Project 202201A</i>	100,000	-	-	-	100,000
<i>Evelyn T. Butts (Norfolk) - Project 202201B</i>	100,000	-	-	-	100,000
<i>New Bus Operating Division - Southside</i>					
<i>- Project 202101E</i>	1,000,000	-	-	-	1,000,000
<i>- Project 202201E</i>	6,708,000	-	-	-	6,708,000
Total	\$ 37,142,096	\$ -	\$ -	\$ -	\$ 37,142,096

Table 3 - Expenditures
Hampton Roads Regional Transit Fund (HRRTF)
Expenditures
Fiscal Year 2023

Project	Total FY2021- 2022	Previous FY 2023	November 2022	Total YTD FY2023	Total
<i>Regional Transit System - 757 Express</i>					
<i>Transit Bus Expansion (Group A) - 202101A</i>	\$ -	\$ 9,099,298	\$ -	\$ 9,099,298	\$ 9,099,298
<i>Bus Stop Amenity Program - 202101B</i>	399,516	-	-	-	399,516
<i>Regional Transit System Technology - 202101C</i>	-	-	-	-	-
<i>Net Center Replacement - 202101D</i>	14,056	-	-	-	14,056
<i>New Bus Operating Division - Southside - 202101E</i>	185,959	-	-	-	185,959
Total	\$ 599,531	\$ 9,099,298	\$ -	\$ 9,099,298	\$ 9,698,829