Commission Members Present: Frederick T. Stant, III; Thomas W. Meehan, Sr.; John F. Malbon; Chris Snead; Karen S. James; Reeves W. Mahoney; Stephen A. Johnsen.

Commission Members participating telephonically: Jeffrey A. Rowland; Robert S. Bloxom, Sr.

Commission Member Absent: Paul E. Bibbins, Jr., PhD

District Staff Present: Jeffrey B. Holland; Thomas R. Anderson, III; Michael T. Crist; Brittany E. Cannon.

District Advisors Present: Hugh L. Patterson, Commission Counsel.

Guests: George B. Clarke, IV, Alumni Commission member; Ken Schiebel; Dave Calvert, Public Financial Management - Financial Advisors.

Guests participating telephonically: None.

1. CALL TO ORDER:

The Chairman, Frederick T. Stant, III, called the meeting to order at 9:30 a.m. at the offices of Williams Mullen located at 222 Central Park Avenue, Suite 1700, Virginia Beach, VA 23462, and welcomed everyone.

2. PUBLIC COMMENTS:

There were no public comments to be heard, nor any comments submitted in writing prior to the meeting.

3. APPROVAL OF MINUTES:

Motion made by Ms. Snead, seconded by Mr. Johnsen, to approve the minutes of the September 18, 2017 Commission Regular meeting, as distributed. The motion was approved by unanimous vote. Commission Member Absent: Paul E. Bibbins, Jr., PhD; Reeves W. Mahoney.
4. Update on Parallel Thimble Shoal Tunnel (PTST) Construction:

For the purpose of Committee member George B. Clarke IV being in attendance, District staff wanted to provide the Commission along with Mr. Clarke the Project construction update. Mr. Crist provided a brief update on project activities; including Detailed Design is 50% Complete; Installation of Guide Walls at Two Island; E&S Measures at One Island; “Soft Demolition” of Restaurant; Maintenance of Traffic (MOT) Signs for One and Two Island Access; and Environmental & Permitting.

5. Design Manager Amendment:

Mr. Crist reviewed with the Commission Jacobs’ Supplemental Proposal for an amendment to the Design Manager contract for services during the design – build phase of the project. This proposal reflects the level of support the District is likely to need through the end of the design-builder’s activities and based on a thorough review of the progress CTJV is making and the level of effort that is required to deliver the remaining design management services for the District. Included in the proposal is a summary of technical reviews, project control, resource management and package coordination as well as the projected budget for the design-build phase of the Project for November 2017 through October 2018. Jacobs’ supplemental proposal requests an additional $1,297,600, bringing the total DM contract funding to $6,963,797 including $2,965,100 for services during the design-build phase of the project.

Motion made by Mr. Meehan, seconded by Mr. Malbon, to authorize approval of an amendment to Jacobs Design Manager Contract for November 2017- October 2018. The motion was approved by unanimous vote. Commission Member Absent: Paul E. Bibbins, Jr., PhD; Reeves W. Mahoney.

Mr. Mahoney entered the meeting at this time.

6. TRAFFIC & REVENUE REPORT:

Mr. Holland reported that traffic and revenue for September 2017, totaled 346,845 vehicles, which was an increase of 6,620 vehicles or 1.9% over September 2016 traffic. E-ZPass utilization totaled 62.2%. Revenue for September 2017 totaled $5,028,408, which was an increase of $74,631 or 1.5% over the previous year. Gas prices were $2.64 in September 2017, versus $2.22 in September 2016. There were a total of 9 hours of wind restrictions in September 2017, versus 15 hours in September 2016. There were 31 hours of tunnel lane closures in September 2017, versus 92 hours in September 2016.

For the calendar year-to-date through September 2017, vehicles were up 0.9% and revenue was up 0.4%. For the fiscal year-to-date through September 2017, vehicles were down 0.3% and revenue was down 1.0%.
7. PRESENTATION OF ANNUAL AUDIT:

The discussion opened with the Finance Committee updating the Commission from their recent meeting. Mr. Anderson then reported that the District received an unmodified or clean opinion on the financial statements. Mr. Anderson reviewed with the Commission the Basic Financial Statements for the years ended June 30, 2017 and 2016. There were neither material problems nor significant deficiencies in internal controls regarding the statements. New this year, was the adoption of a new General Revenue Bond Resolution for the Tunnel Project. Mr. Anderson highlighted the changes included in the audited statements caused by the defeasance of the District’s prior bonds and the issuance of the new Series 2016 Bonds.

8. AUTHORIZATION OF AN AMENDMENT TO THE TIFIA LOAN AGREEMENT:

The discussion opened with the Finance Committee updating the Commission that at their recent meeting they approved recommending to the full Commission for approval a series of resolutions to authorize District staff to move forward with a transaction to buydown the interest rate of the TIFIA Loan. The District has been working with representatives from PFM on an updated financial model showing buying down the rate by the max possible of 0.53% and with two options. Option 1 uses the same principal and interest payment schedule so the debt is retired 3 years early which yields savings of $79 million but it’s all back loaded in to the final years of the loan so the present value of those savings is only $28.5 million. Option 2 uses a principal and interest payment schedule that has been reduced proportionally over the life of the loan. Option 2 only yields $57.7 million in total savings but because it is not back loaded the present value of those savings is $31 million. Mr. Anderson advised that the cost of the buydown will be approximately $4 million but that the final cost will be determined on the date of closing the transaction when OMB will advise TIFIA of the discount rate that they need to use which will be based on 30 year US Treasury rate. Currently, 30 year US Treasury yield is 2.85%. JP Morgan’s forecast for the 4th Quarter of 2017 is 2.95% and remains flat through mid-2018. In regards to moving forward, the transaction will get cheaper if the rate goes higher. Mr. Anderson reviewed the 3 proposed resolutions necessary to execute the transaction: a First Amendment to the Second Supplemental Resolution, a First Amendment to the TIFIA Loan Agreement, and an Authorizing Resolution. The intent of the 3 resolutions is to 1) change the TIFIA Loan interest rate from 2.88% to 2.35%, 2) replace the TIFIA Series 2016 Bond with a revised version with the new interest rate; 3) replace the debt service schedule with an updated version showing a pro-rata reduction of interest and principal payments over the life of the loan, 4) authorize a payment of up to $5 million to TIFIA, and 5) authorize District staff to negotiate the final amount of the payment to TIFIA and to make any other minor revisions necessary to the documents to carry out the intent of the resolutions.
Motion made by Mr. Meehan, seconded by Mr. Johnsen, to approve the attached resolutions as recommended by the Commission Finance Committee. The motion was approved by unanimous vote. Commission Member Absent: Paul E. Bibbins, Jr., PhD

9. PFM Update:

Mr. Schiebel and Mr. Calvert reviewed the District’s Investment Portfolio and the Annual Performance Update with the Commission. Mr. Schiebel, Managing Director of PFM, provided an overall report on the national economy. Mr. Calvert then reviewed PFM’s economic summary and portfolio update, as pertains to the District’s portfolios and allocations, the General Fund issuer and maturity distribution, and investment performance.

10. Parallel Thimble Shoal Tunnel (PTST) Expenditures to Date:

Attached to the minutes is the PTST Expenditures to Date report.

*Mr. Malbon left the meeting at this time.*

11. CTJV Little Creek Lease Approval:

Mr. Bloxom gave the Commission an overview of the Little Creek Real Estate Committee meeting that took place earlier in the week. The Little Creek Real Estate Committee affirmed to approve the lease as proposed by District Staff for Chesapeake Tunnel Joint Venture (CTJV) to commence December 1, 2017 and approve early termination of the Precon Lease effective December 1, 2017.

Motion made by Mr. Rowland, seconded by Mr. Walker, to authorize approval of the revised Chesapeake Tunnel Joint Venture Little Creek Lease effective December 1, 2017. The motion was approved by unanimous vote. Commission Member Absent: Paul E. Bibbins, Jr., PhD; John F. Malbon.

12. OTHER BUSINESS:

**Chicks Beach Nourishment Project**

Mr. Crist updated the Commission on the status of the Chicks Beach Nourishment Project. The City of Virginia Beach has applied for a permit to dredge sand for beach nourishment. The Borrow site is located adjacent to the east side of A Trestle. The reduction of overall Bay bottom could approach Allowable Scour Depth (ASD) in this area. The city and The District are working on an Agreement to: limit the amount of sand removed per cycle; conduct monitoring; stop future dredging if area does not accrete; city to provide scour mitigation if required. The District will keep the Commission apprised of this ongoing project.
**Navigation Improvement, Thimble Shoal Channel**

Mr. Crist provided the Commission a scope of the Norfolk Harbor Deepening Project. This project is a US Army Corps of Engineers project with the Virginia Port Authority as the non-Federal sponsor. The Corps and the VPA are studying deepening the channels to 55-ft. The deepening over the existing Thimble Shoal Channel Tunnel requires a modification of the existing tunnel cover. Currently the existing protective cover is 10 feet of sand. The 55-ft channel would require the cover to be modified to 5 feet of cover. The modified cover will be rock or concrete to provide adequate protection to the tunnel structure. The Virginia Port Authority is responsible for “Lands, Easements, Rights-of-Way, and Relocations” (LERRs). The modification of the existing tunnel cover is a LERR, which means that the Virginia Port Authority will pay for all planning, design, permitting, and construction costs. The District will cooperate and have final approval of a design concept and construction to bring before the Commission once available.

**TBM Naming Contest**

Mr. Holland gave an update on the development of the contest to be ran among schools within the Bridge-Tunnel’s districts middle schoolers. The contest’s intent is to encourage the middle schoolers to develop a creative name for the Tunnel Boring Machine to be used for the construction of the Parallel Thimble Shoal Tunnel Project. The Contest development planning is on-going.

13. **ANNOUNCEMENTS:**
   The next Regular Commission meeting is scheduled for Tuesday, January 9, 2018, at 9:30 a.m. at the CBBT Administration Building.

14. **ADJOURN:**
   With no further business coming before the Commission, the meeting was adjourned.

   [Signature]
   Frederick T. Stant, III, Chairman

John F. Malbon, Secretary-Treasurer

Brittany E. Cannon, Assistant Secretary

Attachments
### Parallel Thimble Shoal Tunnel Project
#### Total Project Budget
##### As of September 30, 2017

<table>
<thead>
<tr>
<th>Project Tasks &amp; Components</th>
<th>July 2016 Revised Budget</th>
<th>Total Expended To Date</th>
<th>Remaining Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Geotechnical</td>
<td>$4,706,342</td>
<td>$4,701,140</td>
<td>$5,202</td>
</tr>
<tr>
<td>Mapping &amp; Surveying</td>
<td>179,250</td>
<td>179,980</td>
<td>(730)</td>
</tr>
<tr>
<td>Testing for Ocean Disposal</td>
<td>2,388,013</td>
<td>2,339,590</td>
<td>48,423</td>
</tr>
<tr>
<td>NEPA</td>
<td>905,796</td>
<td>798,680</td>
<td>107,116</td>
</tr>
<tr>
<td>Project Design &amp; RFP Doc Prep</td>
<td>4,695,000</td>
<td>4,694,860</td>
<td>140</td>
</tr>
<tr>
<td>Strategic Advisor</td>
<td>750,000</td>
<td>491,950</td>
<td>258,050</td>
</tr>
<tr>
<td>Risk Management Consultant</td>
<td>89,450</td>
<td>89,430</td>
<td>40</td>
</tr>
<tr>
<td>Project Counsel</td>
<td>750,000</td>
<td>536,910</td>
<td>213,090</td>
</tr>
<tr>
<td>Scrips</td>
<td>2,500,000</td>
<td>2,500,000</td>
<td>-</td>
</tr>
<tr>
<td>District Project Management Staff</td>
<td>208,000</td>
<td>172,590</td>
<td>35,410</td>
</tr>
<tr>
<td>Commission General Counsel</td>
<td>95,000</td>
<td>96,520</td>
<td>(1,520)</td>
</tr>
<tr>
<td>Commission Approved District Development Expenses</td>
<td>177,753</td>
<td>172,820</td>
<td>4,933</td>
</tr>
<tr>
<td><strong>Total CBBT Development Phase Budget</strong></td>
<td><strong>$17,444,604</strong></td>
<td><strong>$16,774,420</strong></td>
<td><strong>$670,184</strong></td>
</tr>
</tbody>
</table>

### CBFT Construction Phase

| Construction Mgmt          | $21,920,000              | $131,140               | $21,788,860      |
| Design Mgmt/Design QA      | 4,234,000                | 1,599,640              | 3,634,360        |
| Dispute Review Panel       | 31,210                   | (31,210)               | -                |
| Risk Management Consultant | 125,000                  | 125,000                | -                |
| Project Counsel            | 340,000                  | 340,000                | -                |
| District Project Management Staff | 1,451,000     | 202,990                | 1,248,010        |
| Commission General Counsel | 125,000                  | 4,390                  | 120,610          |
| Commission Approved District Development Expenses | 250,000 | 48,900 | 201,100 |
| **Total CBFT Construction Phase Budget** | **$28,445,000** | **$1,612,270** | **$26,832,730** |

### CBFT Financing Budget

| Bond Counsel                          | 400,000                  | 451,840                | (51,840)         |
| Underwriter's Discount               | 957,000                  | 804,430                | 152,570          |
| Underwriter's Counsel                | 75,000                   | 75,000                 | -                |
| Traffic & Revenue Consultant         | 527,145                  | 489,850                | 37,295           |
| TIFIA Fees                            | 600,000                  | 672,240                | (72,240)         |
| Rating Agency Fees                   | 600,000                  | 460,000                | 140,000          |
| Printing Fees                        | -                        | 7,850                  | (7,850)          |
| Escrow Structuring & Verification    | -                        | 47,500                 | (47,500)         |
| Trustee's Counsel                    | -                        | 7,500                  | (7,500)          |
| Swap Advisor Fees                    | -                        | 30,000                 | (30,000)         |
| Interest Rate Hedges                 | 2,000,000                | 2,000,000              | -                |
| **Total CBFT Financing Budget**      | **$5,941,145**           | **$3,716,360**         | **$2,224,785**   |
| **Total Project Budget**             | **$807,818,049**         | **$146,176,300**       | **$661,641,749** |

### Project Contingency

| Project Contingency             | $116,972,675 |

**Note:** Figures are in thousands of dollars.
FIRST AMENDMENT

dated _____, 2017

to

TIFIA LOAN AGREEMENT
dated as of November 10, 2016

For Up to $338,528,672

UNITED STATES
DEPARTMENT OF TRANSPORTATION

with

CHESAPEAKE BAY BRIDGE AND TUNNEL DISTRICT

for the

THIMBLE SHOAL PROJECT
(TIFIA – 2017-1001A)
This FIRST AMENDMENT (the “First Amendment”), dated ____, 2017 (the “First Amendment Effective Date”), to TIFIA LOAN AGREEMENT, dated November 10, 2016, is entered into by and between CHESAPEAKE BAY BRIDGE AND TUNNEL DISTRICT, a political subdivision of the Commonwealth of Virginia, created by Chapter 22 of Title 33.2 of the Code of Virginia, with an address of 32386 Lankford Highway, Cape Charles, VA 23310 (the “Borrower” or the “District”), and 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 “Executive Director”), with an address of 1200 New Jersey Avenue, S.E., Washington, D.C. 20590 (the “TIFIA Lender”). Terms used herein with initial capital letters and not otherwise defined shall have the respective meanings attributed thereto in the Agreement (as defined below).

I. RECITALS

WHEREAS, the Borrower and the TIFIA Lender have entered into that certain TIFIA Loan Agreement, dated as of November 10, 2016 (the “Original Agreement” and as amended by this First Amendment, the “Agreement”);

WHEREAS, as evidence of the loan extended by the TIFIA Lender under the Agreement, and to provide for the repayment thereof, the District issued a Series of Bonds, designated the Chesapeake Bay Bridge and Tunnel District Subordinate General Resolution Revenue Bonds, TIFIA Series 2016 (the “TIFIA Series 2016 Bond”) to the TIFIA Lender in the initial aggregate principal amount (excluding any capitalized interest) of up to $338,528,672 to finance certain Eligible Project Costs with respect to the Parallel Thimble Shoal Tunnel Project;

WHEREAS, the original principal amount of the TIFIA Series 2016 Bonds was $0, and the principal amount increases in accordance with the provisions of Section 7(a) of the Agreement; and,

WHEREAS, the Borrower and the TIFIA Lender have agreed that, in return for the payment by the Borrower of a certain amount agreed to by the TIFIA Lender, the TIFIA Interest Rate will be reduced;

NOW, THEREFORE, in consideration of the respective agreements contained herein and in the Agreement and for other valuable consideration the receipt of which is hereby acknowledged, and intending to be legally bound, the Borrower and the TIFIA Lender hereby agree as follows.

II. AMENDMENTS

The Original Agreement is hereby amended as follows:

(1) The first sentence of Section 6 of the Original Agreement is hereby amended by the deletion of the first sentence and replacing the same with the following:

“The interest rate with respect to the Outstanding TIFIA Loan Balance (the “TIFIA Interest Rate”) shall be two and _____ hundredths percent (2.____%) per annum.”
The “Interest Rate” at the top of the TIFIA Series 2016 Bond Form in Exhibit A of the Original Agreement is hereby amended by the deletion of the number “2.88%” and replacing the same with the number “2.__%”).

Exhibit G of the Original Agreement is hereby amended by the deletion thereof and replacing the same with the revised Exhibit G attached to this First Amendment.

Unless otherwise specifically set forth herein, references hereinafter to the Agreement shall be deemed to be references to the Original Agreement as amended hereby and terms defined in the Original Agreement shall, unless otherwise modified in this First Amendment, be used herein as defined therein.

III. CONDITIONS TO DELIVERY OF THIS FIRST AMENDMENT

(a) The amendments to the Original Agreement set forth in this First Amendment shall become effective on the First Amendment Effective Date; provided, that each of the following conditions shall be fulfilled to the satisfaction of the TIFIA Lender:

(i) delivery by the Borrower of a certified copy of the resolutions of the Commission authorizing, among other things, the execution and delivery of this First Amendment and an amendment to the Series Resolution relating to the TIFIA Series 2016 Bond amending the TIFIA Interest Rate;

(ii) delivery by the Borrower of an executed counterpart of this First Amendment signed by an officer of the Borrower duly authorized to execute and deliver the foregoing and the execution thereof by the Executive Director;

(iii) delivery by the Borrower of a certified copy of the amendment to the Series Resolution relating to the TIFIA Series 2016 Bond amending the TIFIA Interest Rate;

(iv) delivery by the Borrower of a substitute TIFIA Series 2016 Bond reflecting the amended TIFIA Interest Rate, executed by the Borrower and attested by the Trustee in his capacity as authenticating agent;

(v) delivery by the Borrower of a certified Base Case Financial Model reflecting the amended TIFIA Interest Rate and principal amortization of the TIFIA Series 2016 Bond as agreed to between the TIFIA Lender and the Borrower;

(vi) the receipt by the TIFIA Lender of $___ in immediately available non-federal funds in consideration for the reduction in the TIFIA Interest Rate; and

(vii) all other legal matters pertaining to the execution and delivery of this First Amendment shall be satisfactory to the TIFIA Lender and the execution and delivery
hereof and thereof by the TIFIA Lender shall constitute conclusive evidence that all such
legal matters have been completed to the satisfaction of the TIFIA Lender.

(b) **Representations and Warranties of the Borrower.**

(i) (A) The representations and warranties of the Borrower contained in
Section 14 of the Agreement (except to the extent a representation or warranty relates
specifically to an earlier date, in which case, such representation or warranty shall have
been true and correct as of such earlier date), and (B) the representations and warranties
contained in this First Amendment shall, in each case, be true and correct with the same
effect as though made on and as of the First Amendment Effective Date.

(ii) In addition to the foregoing representations, the Borrower hereby
represents and warrants as follows:

(A) the execution, delivery and performance by the Borrower of this
First Amendment are within its powers, have been duly authorized by all necessary action
and do not contravene any law or any contractual restriction binding on or affecting the
Borrower,

(B) the Agreement, as amended by this First Amendment, constitute
valid and legally binding obligations of the Borrower, which obligations are enforceable
against the Borrower in accordance with their respective terms, except as such
enforceability may be limited by applicable reorganization, insolvency, liquidation,
readjustment of debt, moratorium or other similar laws effecting the enforcement of the
rights of creditors generally and by general principles of equity (regardless of whether
such enforceability is considered in a proceeding in equity or at law), and each of the
such documents are or will be on the First Amendment Effective Date in full force and
effect, and

(C) no event has occurred or condition exists that, with the giving of
notice or the passage of time or both, would constitute an Event of Default under the
Agreement.

(c) **Representations and Warranties of, and Waiver by, the TIFIA Lender.**

(i) The TIFIA Lender hereby represents and warrants that (A) it is the owner
of 100% of the aggregate principal amount of the TIFIA Series 2016 Bonds, (B) the
outstanding aggregate principal amount of the TIFIA Series 2016 Bonds is $0, and (C)
the delivery by the TIFIA Lender of its signature page to this First Amendment
constitutes acknowledgement of its receipt of the amount set forth in Section III(a)(vi) of
this First Amendment.

(ii) The TIFIA Lender hereby waives the notice requirements relating to the
amendment of the Series Resolution in accordance with Section 902 of the Bond
Resolution.
(d) **Other Approvals.** The TIFIA Lender shall have received such other approvals, opinions, certificates, instruments and documents as it may reasonably request.

**IV. HEADINGS**

Section headings in this First Amendment are included herein for convenience of reference only and shall not have any effect for purposes of interpretation or construction of the terms of this First Amendment.

**V. GOVERNING LAW**

This First Amendment shall be governed by the federal laws of the United States of America if and to the extent such federal laws are applicable and the internal laws of the State, if and to the extent such federal laws are not applicable.

**VI. SEVERABILITY**

In case any provision in or obligation under this First Amendment shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby.

**VII. COUNTERPARTS**

This First Amendment and any amendments, waivers, consents or supplements hereto or in connection herewith may be executed in any number of counterparts and by the different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute one and the same instrument; signature pages may be detached from multiple separate counterparts and attached to a single counterpart so that all signature pages are physically attached to the same document.

**VIII. ELECTRONIC SIGNATURES**

The parties agree that the electronic signature of a party to this First Amendment shall be as valid as an original signature of such party and shall be effective to bind such party to this First Amendment.

**IX. MISCELLANEOUS**

(a) The parties hereto acknowledge and confirm that, from and after the First Amendment Effective Date, any reference in the Agreement shall mean and refer to, collectively, the Original Agreement, as amended by this First Amendment.

(b) From and after the First Amendment Effective Date, the Agreement shall remain in full force and effect and unaffected hereby except as set forth herein.
IN WITNESS WHEREOF, the parties hereto have caused this First Amendment to be executed by their respective duly authorized signatories as of the day and year first written above.

CHESAPEAKE BAY BRIDGE AND TUNNEL DISTRICT

By: ________________________________
Name: 
Title: 

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

By: ________________________________
Name: 
Title: 


This FIRST AMENDMENT TO SECOND SUPPLEMENTAL RESOLUTION, adopted October 19, 2017 (the “First Amendment”), amends the Second Supplemental Resolution, adopted October 24, 2016 (the “Original Second Supplemental Resolution” and as amended by this First Amendment, the “Second Supplemental Resolution”), Governing the Issuance of and Securing Up To $338,528,672 Initial Principal Amount Chesapeake Bay Bridge and Tunnel District Subordinate General Resolution Revenue Bonds, TIFIA Series 2016 (the “TIFIA Series 2016 Bond”). The First Amendment is adopted in accordance with the provisions of the Chesapeake Bay Bridge and Tunnel District General Revenue Bond Resolution, adopted October 24, 2016 (the “Original Bond Resolution,” the Original Bond Resolution, as amended or supplemented from time to time, including as amended by this First Amendment, the “Resolution”).

WHEREAS, the District 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”), have entered into a TIFIA Loan Agreement, dated as of November 10, 2016 (the “TIFIA Loan Agreement”), pursuant to which the TIFIA Lender has agreed to extend a loan to the District to finance a portion of the Cost of the Parallel Thimble Shoal Tunnel Project; and,

WHEREAS, as evidence of the loan extended by the TIFIA Lender under the TIFIA Loan Agreement, and to provide for the repayment thereof, the District issued a Series of Bonds, designated the Chesapeake Bay Bridge and Tunnel District Subordinate General Resolution Revenue Bonds, TIFIA Series 2016 (the “TIFIA Series 2016 Bonds”) to the TIFIA Lender in the initial aggregate principal amount (excluding any capitalized interest) of up to $338,528,672 to finance certain Eligible Project Costs with respect to the Parallel Thimble Shoal Tunnel Project; and,

WHEREAS, the District and the TIFIA Lender have agreed that, in return for the payment by the Borrower of a certain amount agreed to by the TIFIA Lender, the TIFIA Interest Rate will be reduced;

NOW, THEREFORE, THIS FIRST AMENDMENT TO SECOND SUPPLEMENTAL RESOLUTION WITNESSETH, That the District does hereby covenant and agree with the Trustee and with the respective Owners, from time to time, of the Outstanding TIFIA Series 2016 Bond, as follows:

ARTICLE I

FIRST AMENDMENT

Section 101. First Amendment.

This First Amendment is authorized by the Commission and delivered to the Trustee pursuant to and in accordance with the Original Bond Resolution. All covenants, conditions and agreements of the Original Bond Resolution and the Second Supplemental Resolution shall apply with full force and effect to the TIFIA Series 2016 Bonds and to the Owners thereof, except as otherwise provided herein.
Section 102. Definitions.

Except as otherwise defined herein, terms used in this First Amendment that are defined in the Original Bond Resolution as supplemented by the Second Supplemental Resolution shall have the meaning assigned to them in the Original Bond Resolution and the Second Supplemental Resolution.

ARTICLE II

AMENDMENTS TO THE SECOND SUPPLEMENTAL RESOLUTION

Each of the following provisions shall amend the Second Supplemental Resolution (and supersede the corresponding provisions of the Second Supplemental Resolution) and shall remain in effect only until the irrevocable payment in full of the TIFIA Series 2016 Bond and the payment to the TIFIA Lender of all other amounts due under the TIFIA Loan Agreement, as provided in Section 706 of the Second Supplemental Resolution.

Section 201. Section 102 of the Second Supplemental Resolution is hereby amended by the deletion of the definition “TIFIA Interest Rate” and replacing the same with the following:

“TIFIA Interest Rate” means 2.__% per annum.

Section 202. The “Interest Rate” noted at the top of the TIFIA Series 2016 Bond Form in Exhibit A of the Second Supplemental Resolution is hereby amended by the deletion of the number “2.88%” and replacing the same with the number “2.__%”.

ARTICLE III

MISCELLANEOUS

Section 301. Delivery of Substitute TIFIA Series 2016 Bond.

The District is hereby authorized to execute and deliver to the TIFIA Lender a substitute TIFIA Series 2016 Bond containing the amendments set forth herein, and the TIFIA Series 2016 Authenticating Agent is hereby authorized and directed to deliver such substitute TIFIA Series 2016 Bond to the TIFIA Lender.

Section 302. Waiver by Owners of Notice of Amendment.

This First Amendment is a Supplemental Resolution adopted with the consent of the Owners of 100% of the principal amount of the TIFIA Series 2016 Bond in accordance with the provisions of Section 902 of the Original Bond Resolution. The Trustee is hereby authorized to waive the notice requirements set forth in the second paragraph of Section 902 of the Original Bond Resolution upon the receipt of a written waiver thereof by the owners of 100% of the principal amount of the TIFIA Series 2016 Bond.


Section 304. Severability.

If any one or more sections, clauses, sentences or parts hereof shall for any reason be questioned in any court of competent jurisdiction and shall be adjudged unconstitutional or invalid, such judgment shall not affect, impair or invalidate the remaining provisions hereof, or the TIFIA Series 2016 Bonds issued pursuant hereto, but shall be confined to the specific sections, clauses, sentences and parts so adjudged.

Section 305. Governing Law.

This First Amendment is a contract made under the laws of the Commonwealth of Virginia and shall be governed and construed in accordance with such laws.

Section 306. Counterparts.

This First Amendment may be executed in several counterparts, each of which shall be an original and all of which shall constitute one instrument.
GENERAL REVENUE BOND RESOLUTION – AMENDING SUPPLEMENTAL RESOLUTION

CHESAPEAKE BAY BRIDGE AND TUNNEL DISTRICT

A RESOLUTION (1) APPROVING THE FORMS OF A FIRST AMENDMENT TO THE SECOND SUPPLEMENTAL RESOLUTION AND A FIRST AMENDMENT TO TIFIA LOAN AGREEMENT; (2) AUTHORIZING THE PAYMENT TO THE TIFIA LENDER OF AN AGREED UPON AMOUNT IN ORDER TO REDUCE THE TIFIA INTEREST RATE ON THE TIFIA SERIES 2016 BOND; (3) AUTHORIZING THE DELEGATION OF CERTAIN POWERS TO COMMISSION REPRESENTATIVES IN CONNECTION WITH THE FOREGOING TRANSACTIONS; AND (4) AUTHORIZING THE COMMISSION REPRESENTATIVES TO CARRY OUT THE PURPOSES AND INTENT OF THIS RESOLUTION.

WHEREAS, the District has previously obtained a loan from 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”) in accordance with the provisions of a loan agreement (the “TIFIA Loan Agreement”) and evidenced the repayment by the District of such loan by delivering to the TIFIA Lender a subordinate general resolution revenue bond (the “TIFIA Series 2016 Bond”); and

WHEREAS, the District and the TIFIA Lender are in the process of negotiating an agreement whereby the District will pay to the TIFIA Lender an agreed upon amount in return for which the TIFIA Lender will agree to reduce the interest rate on the TIFIA Series 2016 Bonds; and

WHEREAS, in anticipation of the agreement relating to the amount of such payment to the TIFIA Lender, the Commission must approve the forms of the amendments to the TIFIA Loan Agreement, the TIFIA Series 2016 Bond and the Second Supplemental Resolution adopted by the Commission on October 24, 2016 (the “Second Supplemental Resolution”) that provided for the issuance of the TIFIA Series 2016 Bond;

NOW, THEREFORE, BE IT RESOLVED by the Chesapeake Bay Bridge and Tunnel Commission as follows:

SECTION 1. Definitions.

(a) Commission Representative and Borrower’s Authorized Representative. For the purposes of the Resolution, the term Commission Representative shall mean each of the following persons ex officio: the Chairman of the Commission, the Vice Chairman of the Commission, the Secretary-Treasurer of the Commission, the Executive Director of the District and the Deputy Executive Director, Finance and Operations of the District.
(b) **Other Terms.** All terms not defined in this Resolution shall have the respective meanings ascribed thereto by the General Revenue Bond Resolution adopted on October 24, 2016, as amended and supplemented (the “Bond Resolution”).

**SECTION 2. Authorization of First Amendment to Second Supplemental Resolution.** The form of the First Amendment to Second Supplemental Resolution submitted at this meeting providing for the Commission to amend the definition of TIFIA Interest Rate and to deliver to the TIFIA Lender a substitute TIFIA Series 2016 Bond to reflect the revised TIFIA Interest Rate and the completion of the information therein consistent with the delegations to Commission Representatives provided for herein is hereby authorized.

**SECTION 3. Authorization of First Amendment to TIFIA Loan Agreement.** The form of the First Amendment to TIFIA Loan Agreement submitted at this meeting providing for the Commission to amend the definition of TIFIA Interest Rate, to deliver to the TIFIA Lender a substitute TIFIA Series 2016 Bond to reflect the revised TIFIA Interest Rate, to provide to the TIFIA Lender a revised Base Case Financial Model and revised Exhibit G to the TIFIA Loan Agreement reflecting the revised anticipated debt service on the TIFIA Series 2016 Bond and the completion of the information therein consistent with the delegations to Commission Representatives provided for herein is hereby authorized.

**SECTION 4. Delegation of Certain Powers.** There is hereby delegated to the Commission Representative, subject to the limitations contained herein, the following powers with respect to the Series 2016 Bonds:

(a) to finalize the amount of the reduction in the TIFIA Interest Rate and the amount of the payment determined by the TIFIA Lender to be payable in connection therewith, provided such payment is not greater than $5 million; and

(b) to determine and carry out any other provisions deemed advisable by the Commission Representative, not in conflict with the provisions of this Resolution.

Such Commission Representative shall execute the First Amendment to TIFIA Loan Agreement evidencing determinations and actions taken pursuant to the authority granted in this Resolution, and such First Amendment to TIFIA Loan Agreement shall be conclusive evidence of the determinations and actions of such Commission Representative of the District as stated therein.

**SECTION 5. Execution, Authentication and Delivery of the Substitute TIFIA Series 2016 Bond.** The substitute TIFIA Series 2016 Bond reflecting the revised TIFIA Interest Rate shall be executed and delivered to the Bond Registrar upon satisfaction of the prerequisites required by the First Amendment to TIFIA Loan Agreement. The Bond Registrar shall authenticate such substitute TIFIA Series 2016 Bond and deliver it to the TIFIA Lender.

**SECTION 6. Miscellaneous.**

(a) **Form of Instruments.** The approval by the Commission of the forms of the First Amendment to TIFIA Loan Agreement and the First Amendment to the Second Supplemental Resolution shall be deemed to be of the forms of such instruments presented to the
Commission at this meeting and to extend to such changes and additions (including pricing details and information) to and omissions from such forms as those executing or approving the same shall approve as not being inconsistent with the purposes and intent of this Resolution, their certification, approval or execution and delivery of such instruments being conclusive evidence of their approval of such changes, additions and omissions. Copies of the forms of the First Amendment to TIFIA Loan Agreement, the First Amendment to the Second Supplemental Resolution and the TIFIA Series 2016 Bond shall be deposited with the minutes of the meeting at which they were approved.

(b) Further Actions. The officers and staff of the District, the Bond Registrar, the Depositary, the Trustee and the Paying Agent are hereby requested and authorized to take such further actions as may be required to implement the purposes and intent of the Resolution.

SECTION 7. Effective Date. This Resolution shall take effect immediately upon its adoption.

Adopted October 19, 2017.

Assistant Secretary of the Chesapeake Bay Bridge and Tunnel Commission and

Executive Director of the Chesapeake Bay Bridge and Tunnel District