



## CHESAPEAKE BAY BRIDGE AND TUNNEL COMMISSION

### Regular Meeting CBBT Administration Building

March 22, 2022

9:30 a.m.

Minutes

**Commission Members Physically Present:** Frederick T. Stant, III; John F. Malbon; Chris Snead; Jeffrey K. Walker; Karen S. James; Keith Colonna; Jeffrey A. Rowland; Reeves W. Mahoney; Gregory L. Duncan, Sr.; William T. Ferguson.

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

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

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

**Guests Present:** Alumni Commissioner, Stephen A. Johnsen.

#### 1. CALL TO ORDER:

The Chairman, Frederick T. Stant, III, called the meeting to order at 9:30 a.m. and welcomed everyone.

#### 2. APPROVAL OF MINUTES – JANUARY 18, 2022 MEETING, as distributed:

**Motion made by Mr. Duncan, seconded by Dr. Bibbins, to approve the minutes of the January 18, 2022 Commission meeting, as distributed. The motion was approved unanimously.**

#### 3. PUBLIC COMMENT:

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

#### 4. TRAFFIC & REVENUE REPORT – JANUARY & FEBRUARY, 2022:

Mr. Holland reported that traffic for January 2022 totaled 210,369 vehicles, which was a decrease of -3,488 vehicles or -1.6% under January 2021. E-ZPass utilization totaled 76.2%. Revenue for January 2022 totaled \$3,376,044 which was a decrease of \$8,813 or -0.3% under January 2021. Gas prices were \$3.31 in January 2022, versus \$2.45 in January 2021. There were 66 hours of wind restrictions in January 2022, versus 19 hours in January 2021.

2021. There were 12 hours of tunnel lane closures in January 2022, versus 9 hours in January 2021.

Traffic for February 2022 totaled 234,866 vehicles, which was an increase of 45,765 vehicles or 24.2% over February 2021. E-ZPass utilization totaled 76.4%. Revenue for February 2022 totaled \$3,688,810, which was an increase of \$698,036 or 23.3% over February 2021. Gas prices were \$3.56 in February 2022, versus \$2.46 in February 2021. There were 7.5 hours of wind restrictions in February 2022, versus 9 hours in February 2021. There were 13 hours of tunnel lane closures in February 2022, versus 13.5 hours in February 2021.

For the calendar year-to-date through February 2022, vehicles were up 10.5% and revenue was up 10.8%. For the fiscal year-to-date through February 2022, vehicles were up 23.2% and revenue was up 22.4%.

#### **5. LEGISLATIVE UPDATE**

Senator Lynwood Lewis provided an update to the Commission on the General Assembly session. Senator Lewis reported on legislation regarding transportation, appropriations, the budget, and Governor Youngkin's gas tax holiday proposal.

#### **6. ACTUAL TO BUDGET ANALYSIS FOR SIX MONTHS ENDED DECEMBER 31, 2021:**

Mr. Anderson reported that for the six months ended December 31, 2021, actual expenditures totaled \$7,540,740; budgeted expenditures totaled \$8,181,100; with a variance of \$640,360 or -7.8% under budget.

#### **7. COMPARISON OF ACTUAL TO PROJECTED LONG TERM FINANCIAL MODEL:**

Mr. Anderson provided an overview of the District's actual financial performance in comparison to the projections in the financial model prepared to support the debt financing that was utilized to finance the Project.

#### **8. AUTHORIZATION OF AWARD OF BRIDGE FLOATER INSURANCE TO FINANCE COMMITTEE:**

Mr. Anderson provided an overview of the renewal process and stated that the final market prices were not yet available.

**Motion made by Mr. Ferguson, seconded by Mr. Duncan, to authorize the Finance Committee to approve the award of Bridge Floater Insurance renewal pricing when it becomes available. The motion was approved unanimously.**

**9. APPROVAL OF FY2023 PRELIMINARY BUDGET:**

Mr. Holland stated that final approval of the budget would be made in May.

Mr. Anderson stated that there was an increase of \$1,269,600 or 7.92% in the FY 2023 budget over the FY 2022 budget and reviewed the increases and decreases in each division.

**Motion made by Mr. Duncan, seconded by Ms. Snead, on behalf of the Personnel Committee, to approve the proposals made by staff and propose the following items be included in the Fiscal Year 2023 Preliminary Budget for Current Expenses: (1) a salary scale increase for all employees of 7% reflective of the change in the cost of living increase, (2) merit increases for employees whose Employee Performance Appraisal is satisfactory or better, and (3) all associated grade and contract changes. The motion was approved unanimously.**

**Motion made by Mr. Malbon, seconded by Mr. Duncan, on behalf of the Finance Committee, to recommend Commission approval of the Preliminary Operating Budget for Current Expenses for Fiscal Year 2023 Preliminary Operating Budget in the amount of \$17,658,800 and, further move that as there are sufficient funds in the GR Reserve Maintenance Fund and the GR General Fund to cover all expected reserve maintenance expenditures, that no additional funds from the Revenue Fund be provided to the GR Reserve Maintenance Fund for Fiscal Year 2023. The motion was approved unanimously.**

**10. TITLE VI IMPLEMENTATION PLAN:**

Mr. Anderson provided an overview of the required laws and regulations according to the Code of Virginia for compliance of prohibiting discrimination in contracting and hiring. To be able to incorporate the Title IV provisions into the Districts procurement policy as required, District staff reached out to the United States Department of Transportation and Federal Highway Administration personnel to request a Title VI template from their procurement policy.

**Motion made by Mr. Rowland, seconded by Mr. Ferguson, and unanimously carried, the Commission approved the recommended implement plan for the Title IV provisions.**

**11. ADOPT REVISED DISTRICT PROCUREMENT POLICY:**

Mr. Crist reported that the District's Procurement Policy was originally approved in 2009 and last amended in 2017. District staff propose the following amendments for Commission approval: i) modify limits on bids versus quotes; ii) public notices; iii) include

USDOT/FHWA Title IV clauses; iv) retainage limits; v) bonding limits; vi) incorporate Commission Resolution on purchase of used equipment.

**Motion made by Mr. Walker, seconded by Ms. James, and unanimously carried, the Commission approved the recommended amendments to the Districts Procurement Policy effective March 22, 2022.**

## **12. APPROVAL OF FY2023 DISTRICT'S PRELIMINARY CAPITAL PLAN:**

Mr. Crist provided an overview of the projects for FY 2023 through FY 2028, and provided details on the current and upcoming projects that were above \$250,000 and new to the recommended Preliminary Capital Plan or involved a change of over \$250,000 from the existing plan including: i) Underwater Inspections FY 2023 – FY 2028; ii) Girder Repairs FY 2023 – FY 2028; iii) Replace Elevators FY 23; iv) Replace Toll Equipment System FY 2023; v) Deck Repair and Waterproof North Channel Bridge FY 2019; vi) New Fender System Little Creek FY 2019; vii) Annual Underwater Inspections FY 2019 – FY 2024 viii) Load Rating Trestles and Invert Slabs FY 2019; ix) Replace Lighting Unit Substations FY 2020 – FY 2022; x) Upgrade Fan Motor Controls FY 2021; xi) Replace Elevators FY 2020; xii) Thimble Tunnel Invert Slab Repairs FY 2022; xiii) Replace Toll Equipment System FY 2022 – FY 2023; xiv) Steel Bridge Paint Project FY 2023 – FY2024; xv) Replace 13.8kV Cable in Tunnels FY 2023; xvi) Replace Scrub Truck FY 2023; xvii) Replace Existing Tunnel CO Monitors FY 2024; xviii) Repave North and South Approaches & Fishermans Island Causeway FY 2024; xix) Deck Repair and Waterproof Fishermans Inlet Bridge FY 2024; xx) Bridge Inspection/ Maintenance Vehicle FY 2024; xxi) Replace EZ-Pass Readers FY 2024.

Mr. Crist provided an overview of the annual underwater inspection stating that FHWA required an underwater inspection every five years, but because of the size of the facility, 1/5 of the facility is inspected every year. Inspections for FY23 included CSB. A proposal from Jacobs and Crofton Diving had been received, not to exceed \$744,000.

**Motion made by Mr. Duncan, seconded by Mr. Ferguson, and unanimously carried to approve awarding General Consulting Engineer Services for FY2023 to Jacobs Engineering to perform the FY2023 Underwater Inspection.**

**On motion by Mr. Walker, seconded by Mr. Ferguson, and unanimously carried, the Commission approved the Preliminary Long-Term Capital Plan Improvements.**

**Motion made by Mr. Rowland, seconded by Ms. James, and unanimously carried, the Commission awarded contract to Nasir and Associates for the CCTV Camera Support Structures Projects in the amount of \$166,750.**

**13. COMMITTEE APPOINTMENTS:**

Mr. Stant made the following Committee appointments effective March 1, 2022 through February 28, 2023:

Nominating Committee: Snead, Colonna, Stant

Executive Committee: Stant (chair), Malbon, Duncan

Finance Committee: Malbon (chair), Mahoney, Colonna, Duncan, Ferguson, Stant

Personnel Committee: Duncan (chair), Snead, Stant

Project Construction Committee: Stant (chair), Meehan, Malbon, Walker, Clarke, Rowland, Colonna

Little Creek Real Estate Committee: Rowland (chair), James, Ferguson, Stant

Renewable Energy Committee: Snead, James, Stant

Mr. Stant is an ex-officio member of each Committee. All Commissioners were reminded that their participation is welcomed and encouraged at all Committee meetings.

**14. DISTRICT FUEL SERVICE PROCUREMENT AUTHORIZATION:**

Mr. Crist provided an update of the existing fixed price Petroleum Contract with James River Solutions, which expires June 30, 2022. Below is a comparison to the variable pricing that we would otherwise be experiencing.

PRODUCTS	CURRENT FIXED	RACK PRICING	
	PRICING	3/22/2022	%
Heating Oil - Wise Point	\$2.6900	3.58	33%
Gasoline - Wise Point	\$2.1200	3.43	61%
On Road Diesel - Wise Point	\$2.5400	3.78	48%

**On motion by Mr. Duncan, seconded by Mr. Walker, and unanimously carried, the Commission approved the District to advertise for bids for fuel procurement with the options of pricing open and to be advertised with an electronic bid submission.**

**15. UPDATE ON PARALLEL THIMBLE SHOAL TUNNEL (PTST) DESIGN AND CONSTRUCTION:**

Mr. Crist reported the following: i.) CTJV personnel continued driving the interlocking pipe pile support of excavation (SOE). The SOE will create a box through which the tunnel-boring machine will pass, and thus safeguard the existing facility from potentially detrimental movement. CTJV personnel is driving pipe piles for the east and west walls; ii.) February 28, 2022, CTJV had installed approximately 76% of the piles; iii.) Excavation of the open-approach is complete, and CTJV is installing the concrete slabs, which will support the roadway.

**16. PARALLEL THIMBLE SHOAL TUNNEL EXPENDITURES TO DATE:**

Mr. Anderson presented the attached report of Project expenditures to date.

**17. OTHER BUSINESS:**

- a. Mr. Crist provide an update on the Port of Virginia and the US Army Corps of Engineers (USACE) dredging project to deepen and widen Norfolk Harbor, a clear signal that the federal agency and the port authority are committed to completing the project within the next two years. The Virginia Port Authority (VPA) began in late 2019 planning to dredge over the Thimble Shoals Channel Tunnel, which will deepen Norfolk Harbor to 55 feet and widen the channel to allow for two-way vessel traffic.
- b. The 2021 Governors report was mailed to Governor Youngkin on February 20, 2022.
- c. Mr. Holland reported on the Chen case that on consideration of the Supreme Court of Virginia of the petition of the appellant to set aside the judgment rendered herein on December 20, 2121, and grant a rehearing thereof, the prayer of the said petition is denied. Mr. Holland expressed his sympathy for the family of Mr. Chen.


**18. ANNOUNCEMENTS:**


- a. Mr. Holland announced that the next Regular Commission is scheduled for Tuesday, May 10, 2022.

**19. ADJOURN:**

With no further business coming before the Commission, the meeting was adjourned.

  
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John F. Malbon, Secretary-Treasurer

  
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Frederick T. Stant, III, Chairman

  
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Brittany E. Cannon, Assistant Secretary

Attachment

**Parallel Thimble Shoal Tunnel Project  
Total Project Budget  
As of February 28, 2022**

Project Tasks & Components	May 2021 Revised Budget	Total Expended To Date	Expended @ 01/31/22	Monthly Expenditures	Remaining Budget
<b><u>CBBT Development Phase</u></b>					
CBBT Development Phase Budget	<u>18,524,560</u>	<u>18,524,560</u>	<u>18,524,560</u>	-	-
<b><u>CBBT Financing Budget</u></b>					
Municipal Advisor	866,000	775,950	775,950	-	90,050
CBBT Financing Budget	<u>3,912,210</u>	<u>3,822,160</u>	<u>3,822,160</u>	-	<u>90,050</u>
<b><u>CBBT Construction Phase</u></b>					
Construction Mgmt	11,000,000	2,764,490	2,720,570	43,920	8,235,510
Project Counsel	2,000,000	215,410	215,410	-	1,784,590
Arbitration Counsel	3,000,000	285,950	285,950	-	2,714,050
Dispute Review Panel	1,500,000	423,130	423,130	-	1,076,870
Arbitration Panel	1,500,000				1,500,000
CNC/LUS Relocation	4,591,740	4,562,730	4,562,730	-	29,010
Garage	550,000	375,080	331,250	43,830	174,920
Fan Motor Control Center	4,000,000	2,530,230	2,530,230	-	1,469,770
CCTV Software Upgrade	500,000	335,410	335,410	-	164,590
Existing Tunnel Ventilation Study	250,000				250,000
Vent Buildings Emergency Power Upgrades	3,150,000	97,800	97,800	-	3,052,200
Design Mgmt/Design QA	9,583,200	5,704,270	5,704,270	-	3,878,930
Risk Management Consultant	125,000			-	125,000
District Project Management Staff	2,100,000	1,102,220	1,083,340	18,880	997,780
Commission General Counsel	125,000	13,940	13,940	-	111,060
Commission Approved District Development Expenses	550,000	314,160	311,760	2,400	235,840
<b>Total CBBT Construction Phase Budget</b>	<u><b>44,524,940</b></u>	<u><b>18,724,820</b></u>	<u><b>18,615,790</b></u>	<u><b>109,030</b></u>	<u><b>25,800,120</b></u>
<b><u>Design-Builder Construction Phase</u></b>					
Direct Construction Cost	756,244,069	408,627,840	405,744,500	2,883,340	347,616,229
5% Withholding	-	7,016,830	6,865,080	151,750	(7,016,830)
NCR Work Withholding	-	2,500	2,500	-	(2,500)
<b>Total Design-Builder Construction Phase Budget</b>	<u><b>756,244,069</b></u>	<u><b>415,647,170</b></u>	<u><b>412,612,080</b></u>	<u><b>3,035,090</b></u>	<u><b>340,596,899</b></u>
<b>Project Contingency</b>	<u><b>101,584,945</b></u>	-	-	-	101,584,945
<b>Total Project Budget</b>	<u><b>924,790,724</b></u>	<u><b>456,718,710</b></u>	<u><b>453,574,590</b></u>	<u><b>3,144,120</b></u>	<u><b>468,072,014</b></u>