



CHESAPEAKE BAY BRIDGE AND TUNNEL COMMISSION

Regular Meeting

CBBT Administration Building

May 25, 2023

9:30 a.m.

Minutes

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

Commission Member Absent: Chris Snead; Mark C. Bundy; Phillip R. Custis.

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; Jeannette Edwards, Eastern Shore Rural Health; David Calvert, Public Financial Management Inc; Senator Lynwood Lewis.

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 – MARCH 14, 2023 MEETING, as distributed:

Motion made by Mr. Ferguson, seconded by Mr. Rowland, to approve the minutes of the March 14, 2023 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. LEGISLATIVE UPDATE:

Senator Lewis provided a legislative update of the Virginia General Assembly including the appropriations relative to the Eastern Shore in the Senate budget and House budget.

5. RESOLUTION OF APPRECIATION FOR SENATOR LEWIS:

Mr. Duncan read a Resolution of Appreciation for Senator Lewis for years of dedicated service to the Eastern Shore as a representative of the Virginia House of Delegates and as a representative of the Virginia Senate.

Motion made by Mr. Duncan, seconded by Mr. Ferguson and unanimously carried, the Commission adopted the following Resolution of Appreciation for The Honorable Lynwood Lewis, Jr. upon his retirement.

Mr. Holland presented Senator Lewis with a plaque and stretched canvas of an aerial view of the CBBT.

**RESOLUTION OF APPRECIATION
FOR
THE HONORABLE SENATOR LYNWOOD W. LEWIS, Jr.**

WHEREAS, The Honorable Lynwood W. Lewis, Jr. was elected to the Virginia House of Delegates to serve from 2004 to 2014, representing the 100th District; and,

WHEREAS, in 2014 he was elected to the Virginia Senate, representing Senate District 6; and,

WHEREAS, Senator Lewis has served the citizens of the Eastern Shore, Coastal Virginia and the Commonwealth with selfless distinction; and,

WHEREAS, Senator Lewis has been active in the education of and lobbying for the Chesapeake Bay Bridge-Tunnel Commission and District with General Assembly members in Richmond, as well as the gubernatorial administrations to make certain that he had their support to be able to be the best ambassador that he could be for the Commission and District; and,

WHEREAS, during this time his efforts were integral to the success of protecting the autonomy of the Chesapeake Bay Bridge and Tunnel Commission and District, maintaining the Commission’s ability to construct parallel tunnels, and assure the preservation of the Commission’s goals for the future; and,

WHEREAS, Senator Lewis has received many honors during his career, including Chesapeake Bay Foundation Legislator of the Year (2015); Distinguished Friend of Agriculture, Agribusiness Council Award (2016); Virginia Sheriff’s Legislator of the Year (2021); Virginia Seafood Legislator of the Year (2019); and Virginia Soil and Water Conservation District’s Legislator of the Year (2016); and,

NOW, THEREFORE, BE IT RESOLVED that the Chesapeake Bay Bridge and Tunnel Commission formally expresses its deep appreciation to The Honorable Lynwood W. Lewis, Jr. for 20 years of exemplary service in the General Assembly, first as a Delegate and then as Senator for the past decade, and extends congratulations and best wishes to him upon his retirement from the General Assembly.

Senator Lewis departed the meeting at this time.

6. RESOLUTION OF APPRECIATION FOR COMMISSIONER SERVICE:

Mr. Malbon read a Resolution of Appreciation for Ms. James for eight years of dedicated service on the Commission and inducted her into the Alumni Society.

Motion made by Mr. Duncan, seconded by Mr. Ferguson and unanimously carried, the Commission adopted the Resolution of Appreciation for Ms. Karen James.

Mr. Holland presented Ms. James with a plaque and stretched canvas of an aerial view of the CBBT.

**RESOLUTION OF APPRECIATION
FOR
THE HONORABLE KAREN S. JAMES**

WHEREAS, The Honorable Karen S. James was appointed by Governor Terry McAuliffe on May 15, 2015, to serve as a member of the Chesapeake Bay Bridge and Tunnel Commission; and,

WHEREAS, She was reappointed to the Commission by Governor Ralph Northam for an additional four-year term on May 15, 2019, and served with distinction until May 15, 2023; and,

WHEREAS, She served as a member of the Little Creek Property Committee in 2018 through 2022, Renewable Energy Committee 2016 through 2022, and the Personnel Committee in 2017; and,

WHEREAS, She offered wise counsel as a member of the Commission in the governing of the Chesapeake Bay Bridge and Tunnel District; in the commencement of the construction of the Thimble Shoal Parallel Tunnel; in shepherding major capital repair contracts that have been contracted since 2015; in the development of several bond issues that have strengthened the financial posture of the District; and have contributed greatly to its successful operation; and,

NOW, THEREFORE, BE IT RESOLVED That the Chesapeake Bay Bridge and Tunnel Commission formally expresses its deep appreciation to The Honorable Karen S. James for her eight years of dedicated service as an honored member of this Commission, and hereby inducts her into the Chesapeake Bay Bridge and Tunnel Commission Alumni Society.

Mr. Colonna read a Resolution of Appreciation for Mr. Rowland for eight years of dedicated service on the Commission and inducted him into the Alumni Society.

Motion made by Mr. Ferguson, seconded by Ms. James and unanimously carried, the Commission adopted the Resolution of Appreciation for Mr. Jeffrey Rowland.

Mr. Holland presented Mr. Rowland with a plaque and stretched canvas of an aerial view of the CBBT.

**RESOLUTION OF APPRECIATION
FOR
THE HONORABLE JEFFREY A. ROWLAND**

WHEREAS, The Honorable Jeffrey A. Rowland was appointed by Governor Terry McAuliffe on May 15, 2015, to serve as a member of the Chesapeake Bay Bridge and Tunnel Commission; and,

WHEREAS, He was reappointed to the Commission by Governor Ralph Northam for an additional four-year term on May 15, 2019, and served with distinction until May 15, 2023; and,

WHEREAS, He served as a member of the Little Creek Property Committee in 2016 through 2022; and the Project Construction Committee in 2017 through 2022; and,

WHEREAS, He offered wise counsel as a member of the Commission in the governing of the Chesapeake Bay Bridge and Tunnel District: in the commencement of the construction of the Thimble Shoal Parallel Tunnel; in shepherding major capital repair contracts that have been contracted since 2015; in the development of several bond issues that have strengthened the financial posture of the District; and have contributed greatly to its successful operation; and,

NOW, THEREFORE, BE IT RESOLVED That the Chesapeake Bay Bridge and Tunnel Commission formally expresses its deep appreciation to The Honorable Jeffrey A. Rowland for his eight years of dedicated service as an honored member of this Commission, and hereby inducts him into the Chesapeake Bay Bridge and Tunnel Commission Alumni Society.

7. PFM INVESTMENT ADVISORY UPDATE:

Mr. Calvert, Managing Directors of PFM, were present to provide the Commission an economic summary and an update on the District's investments. The review showed the effects on the economy and the conservative changes PFM has implemented to the Districts Portfolio due to the rising consumer price index.

8. MEDICAL TOLLS PROGRAM OVERVIEW FOR FY 2022 BY JEANNETTE EDWARDS OF EASTERN SHORE RURAL HEALTH:

Mrs. Edwards, Interim CEO of Eastern Shore Rural Health System, INC. (ESRH) was present to provide an annual update on the Medical Tolls Program to the Commission. ESRH currently provides health care at six locations on the Eastern Shore. Medical toll

tickets are distributed from four of those locations. Administrative functions were reviewed, as well as the requirements for patients receiving medical tolls, the permitted uses, distribution and income limitations. During FY 22, 3,324 tickets were distributed from Atlantic, Onley, and Eastville, which demonstrated the need for the program. Mrs. Edwards thanked the Commission for their support of this program.

Gregory L. Duncan, Sr and Mrs. Edwards departed the meeting at this time.

9. CLOSED SESSION –CONSULTATION WITH LEGAL COUNSEL

In accordance with Section 2.2-3711 of the Code of Virginia, Mr. Malbon moved that the Commission go into Closed Meeting under the provisions of Section 2.2-3711 of the Virginia Freedom of Information Act for the following purpose:

Section 2.2-3711.A 8. Consultation with legal counsel employed or retained by a public body regarding specific legal matters requiring the provision of legal advice by such counsel. The motion was seconded by Mr. Rowland, and unanimously carried.

Absent: Chris Snead; Mark C. Bundy; Phillip R. Custis; Gregory L. Duncan, Sr.

10. OPEN SESSION

A roll call vote was taken pursuant to Section 2.2-3712.D. of the Code of Virginia immediately after reconvening in Open Meeting, at which time each member certified by his vote that to the best of his or her knowledge (i) only public business matters lawfully exempt from Open Meeting requirements under this chapter and (ii) only public business matters as were identified in the motion by which the Closed Meeting was convened were heard, discussed, or considered in the meeting by the Commission. No member prior to the vote stated that he or she believed there was a departure from requirements (i) and (ii) Malbon, yes; Ferguson, yes; Colonna, yes; James, yes; Rowland, yes; Mahoney, yes; Stant, yes.

Absent: Chris Snead; Mark C. Bundy; Phillip R. Custis; Gregory L. Duncan, Sr.

11. PARALLEL THIMBLE SHOAL TUNNEL EXPENDITURES TO DATE:

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

12. TRAFFIC & REVENUE REPORT – MARCH & APRIL 2023:

Mr. Holland reported that traffic for March 2023 totaled 299,557 vehicles, which was an increase of 19,523 vehicles or 7% over March 2022. E-ZPass utilization totaled 76%. Revenue for March 2023 totaled \$4,656,381 which was an increase of \$239,851 or 5.4% over March 2022. Gas prices were \$3.23 in March 2023, versus \$4.09 in March 2022.

There were 13 hours of wind restrictions in March 2023, versus 12 hours in March 2022. There were 125 hours of tunnel lane closures in March 2023, versus 111 hours in March 2022.

Traffic for April 2023 totaled 362,955 vehicles, which was a decrease of 184 vehicles or -0.1% under April 2022. E-ZPass utilization totaled 75.3%. Revenue for April 2023 totaled \$5,520,450, which was a decrease of \$23,169 or -0.4% under April 2022. Gas prices were \$3.54 in April 2023, versus \$3.98 in April 2022. There were 14 hours of wind restrictions in April 2023, versus 14 hours in April 2022. There were 112 hours of tunnel lane closures in April 2023, versus 23 hours in April 2022.

For the calendar year-to-date through April 2023, vehicles were up 6.6% and revenue was up 5.6%. For the fiscal year-to-date through April 2023, vehicles were down -.01% and revenue was down -0.2%.

Chief Spencer reported that on Friday, May 12 at 6:52 p.m., at approximately Mile Post 8 a northbound vehicle failed to merge striking the 3 orange traffic barrels then continued straight impacting multiple yellow sand filled barrels and the arrow board, the vehicle then veered left striking the left hand curb, guardrail, and another set of sand barrels. The driver did not stop and continued north until the police could conduct a traffic stop. There were no personal injuries, approximately \$30,000 in vehicle damages and approximately \$7,000 in damages to District property. The driver was arrested for D.U.I. A video of the incident was reviewed.

13. ADOPTION OF FINAL OPERATING BUDGET FOR CURRENT EXPENSES FY 2024:

Mr. Malbon, Vice-Chair of the Finance Committee moved move to approve the Fiscal Year 2024 Operating Budget in the amount of \$19,291,950 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 2024.

Absent: Chris Snead; Mark C. Bundy; Phillip R. Custis; Gregory L. Duncan, Sr.

14. APPROVAL OF REVISED LONG TERM CAPITAL PLAN, FY 2024-2029:

Mr. Crist provided an overview of the one increase made to the preliminary Long Term Capital Plan. The first change is on the Steel Bridge Repairs that is included in FY 2023. This change is an increase to the budget from \$1,100,000 to \$2,500,000. The second change is the Ventilation Building Power Upgrades cost of an increase to the budget from \$3,100,000 to \$3,700,000. The last change to report is the addition of the End Dam Repair Project that has been included in FY 2024 at a cost of \$4,000,000.

Motion made by Mr. Mahoney, seconded by Mr. Rowland and unanimously carried, the Commission approved the Revised Long Term Capital Projects Plan Improvements for FY 2024 through FY 2029 in the amount of \$71,807,100.

Absent: Chris Snead; Mark C. Bundy; Phillip R. Custis; Gregory L. Duncan, Sr.

15. TRANSFER OF FUNDS FROM GENERAL FUND TO RESERVE MAINTENANCE FUND:

Mr. Holland provided an overview of the transfer fund requirement.

Mr. Malbon, Vice-Chair of the Finance Committee moved that, in accordance with the TIFIA Loan Agreement and the District’s General Revenue Bond Resolution, District Staff be authorized to transfer funds from the General Fund to the Reserve Maintenance Fund in an amount up to \$25,801,708 so that the balance of the Reserve Maintenance Fund on June 30, 2023 matches the recommendation from our Consulting Engineers at Jacobs for the upcoming Fiscal Year ending June 30, 2024. The Reserve Maintenance Fund Requirement represents the remaining funds to be spent from FY 2023 of \$12,677,903, the budgeted amount for capital projects in FY 2024 of \$9,335,500 and a \$3,788,305 reserve as adjusted by the change in the Consumer Price Index for All Urban Consumers between January 2022 and January 2023.

Absent: Chris Snead; Mark C. Bundy; Phillip R. Custis; Gregory L. Duncan, Sr.

16. PILE JACKET DEMONSTRATION PROJECT:

Mr. Crist reported that the original Pile Project was approved in March of 2022. District staff continues to evaluate a system that can apply across 200 pilings across the facility and be cost effective.

17. ADOPTION OF THE CBBT HANDBOOK POLICY:

Deferred to the July meeting.

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

Mr. Crist reported the following: i.) The TBM, now resting in the jet grout plug at the north end of One Island. This has enabled CTJV to empty the material in the muck chamber behind the cutter head, which permits personnel to enter. The various cutting parts are inspected for wear and replaced as needed; ii.) CTJV completed most of the armor stone placement on the berm; iii.) CTJV continues to slowly remove the Omega trestle and the IPP SOE iv.) CTJV started erection of the rail-mounted gantry crane that will be used to lower segments into the open approach and placed on the buggy serving the TBM; v.) CTJV removed the jacking frame and starter push rings, then re-installed the TBM plumbing leads and electrical feeds; vi) Jet grouting operations continue in the area at the southwestern corner of Two Island; vii) CTJV continues driving the IPP SOE walls along the future path of the TBM. Approximately

57% of the interlocking pipe piles have been installed; viii) Excavation of the open approach continues, as does concrete mud mat installation in the open approach on Two Island.

19. ANNOUNCEMENTS:


- a. Mr. Holland announced that the next Regular Commission is scheduled for Tuesday, July 11, 2023.

20. ADJOURN:

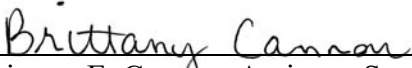
With no further business coming before the Commission, the meeting was adjourned.



John F. Malbon, Vice-Chairman



Frederick T. Stant, III, Chairman



Brittany E. Cannon, Assistant Secretary

Attachment

Parallel Thimble Shoal Tunnel Project
Total Project Budget
As of March 31, 2023

Project Tasks & Components	May 2021 Revised Budget	Total Expended To Date	Expended @ 02/28/23	Monthly Expenditures	Remaining Budget
<u>CBBT Development Phase</u>					
CBBT Development Phase Budget	18,524,560	18,524,560	18,524,560	-	-
<u>CBBT Financing Budget</u>					
Municipal Advisor	866,000	803,950	801,950	2,000	62,050
CBBT Financing Budget	3,912,210	3,850,160	3,848,160	2,000	62,050
<u>CBBT Construction Phase</u>					
Construction Mgmt	11,000,000	3,683,660	3,604,720	78,940	7,316,340
Project Counsel	2,000,000	273,430	271,340	2,090	1,726,570
Arbitration Counsel	3,000,000	1,326,720	1,127,810	198,910	1,673,280
Dispute Review Panel	1,500,000	457,720	457,720	-	1,042,280
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	385,120	385,120	-	164,880
Fan Motor Control Center	4,000,000	2,544,510	2,544,510	-	1,455,490
CCTV Software Upgrade	500,000	400,940	400,940	-	99,060
Existing Tunnel Ventilation Study	250,000				250,000
Vent Buildings Emergency Power Upgrades	3,150,000	104,090	104,090	-	3,045,910
Design Mgmt/Design QA	9,583,200	6,125,600	6,094,470	31,130	3,457,600
Risk Management Consultant	125,000			-	125,000
District Project Management Staff	2,100,000	1,363,770	1,342,780	20,990	736,230
Commission General Counsel	125,000	15,510	13,940	1,570	109,490
Commission Approved District Development Expenses	550,000	345,930	345,090	840	204,070
Total CBBT Construction Phase Budget	44,524,940	21,589,730	21,255,260	334,470	22,935,210
<u>Design-Builder Construction Phase</u>					
Direct Construction Cost	756,703,840	461,274,190	451,450,690	9,823,500	295,429,650
5% Withholding	-	9,787,690	9,270,660	517,030	(9,787,690)
NCR Work Withholding	-	-	-	-	-
Total Design-Builder Construction Phase Budget	756,703,840	471,061,880	460,721,350	10,340,530	285,641,960
Project Contingency	101,125,174	-	-	-	101,125,174
Total Project Budget	924,790,724	515,026,330	504,349,330	10,677,000	409,764,394