



CHESAPEAKE BAY BRIDGE AND TUNNEL COMMISSION
Regular Meeting
CBBT Administration Building
November 12, 2024
9:30 a.m.
Minutes

Commission Members Present: Frederick T. Stant, III; Keith Colonna; Thomas W. Meehan, Sr.; Gregory L. Duncan, Sr.; Mark C. Bundy; Patrick E. Corbin; Phillip R. Custis; Stephen M. Mallon.

Commission Members Absent: George B. Clarke; Charity Volman-Winn.

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

District Advisors Physically Present: Bryan Plumlee, Commission Counsel.

District Advisors Virtually Present: David Miller, PFM Asset Management; David Calvert, PFM Asset Management.

Guests Present: None.

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 –SEPTEMBER 10, 2024 MEETING, as distributed:

Motion made by Mr. Corbin, seconded by Mr. Colonna, to approve the minutes of the September 10, 2024 Commission meeting, as distributed. The motion was approved unanimously.

Commission Members Absent: George B. Clarke; Charity Volman-Winn.

3. PUBLIC COMMENT:

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

4. RESOLUTION OF APPRECIATION FOR COMMISSIONER SERVICE:

Mr. Bundy read a Resolution of Appreciation for Mr. Miller for his 26 years of trusted financial advisory services.

RESOLUTION OF APPRECIATION
FOR
DAVID C. MILLER

WHEREAS, David C. Miller has served as the District's trusted financial advisor since 1998; and,

WHEREAS, Mr. Miller, as Senior Managing Consultant, guided the Commission through the advance refunding of the 1995 Revenue Bonds and the 1995 General Resolution Bonds with the issuance of \$30,390,000 of Series 2001 Revenue Bonds and \$22,835,000 of Series 2001 General Resolution Bonds providing debt service savings of approximately \$937,000; and,

WHEREAS, Mr. Miller, promoted to Managing Director, assisted the Commission in issuing \$76,650,000 of the 2004 Auction Rate Certificates in association with a synthetic fixed rate swap agreement in order to advance refund the 1996 General Resolution Bonds and thereby provide debt service savings of approximately \$16,250,000; and,

WHEREAS, Mr. Miller, in 2006, advised the Commission during the execution of a new Constant Maturity Swap agreement to effectively convert the variable leg of the 2004 synthetic fixed rate swap agreement from a short term rate to a long term rate thus providing additional debt service savings over the life of the transaction of \$4,300,000; and,

WHEREAS, in 2008 during a tumultuous period in the credit markets, Mr. Miller assisted the Commission with converting the 2004 Auction Rate Certificates into the Series 2008 Variable Rate Demand Obligations; and,

WHEREAS, in 2010 and 2011, Mr. Miller assisted the Commission with refunding the Series 2008 Variable Rate Demand Obligations through a private placement of bonds with Branch Banking & Trust Company and simultaneously novating the two existing swaps transactions to an alternative counterparty; and,

WHEREAS, starting in 2013, Mr. Miller provided extensive financial analysis and long-range planning in addition to thoughtful consideration of alternative project delivery methods during the conception of the Parallel Thimble Shoal Tunnel Project; and,

WHEREAS, his efforts regarding the parallel tunnel project culminated in the Project's successful award and financing via the issuance of \$321,515,000 in Series 2016 General Resolution Bonds, \$338,528,672 in a TIFIA Loan and \$50,000,000 in a VTIB Loan; and,

WHEREAS, in 2019, Mr. Miller guided the Commission through the issuance of \$378,140,000 of Series 2019 Bond Anticipation Notes to provide interim financing for the Project in lieu of drawing on the TIFIA and VTIB loans there by creating \$22,200,000 in economic benefits for the District; and,

WHEREAS, Mr. Miller assisted the Commission with negotiating the refinancing of the TIFIA Loan in 2021 at a much lower interest rate resulting in projected debt service savings of \$41,870,000.

NOW, THEREFORE, BE IT RESOLVED that David C. Miller has provided the Chesapeake Bay Bridge and Tunnel District with expert financial advisory services for 26 years and the Chesapeake Bay Bridge and Tunnel Commission formally expresses its deep appreciation for his dedicated service and extends congratulations and best wishes to him on his retirement.

Unanimously passed by the Chesapeake Bay Bridge and Tunnel Commission on this 12th day of November, 2024.

Motion made by Mr. Duncan, seconded by Mr. Meehan and unanimously carried, the Commission adopted the Resolution of Appreciation for Mr. Miller.

Commission Members Absent: George B. Clarke; Charity Volman-Winn.

Mr. Holland wished Mr. Miller a successful retirement and announced that we would mail him a framed resolution and an aerial keepsake.

5. PFM INVESTMENT ADVISORY UPDATE:

Mr. Calvert, Managing Director of PFM, was present via WEBEX 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 District's Portfolio due to the rising consumer price index.

6. TRAFFIC & REVENUE REPORT – SEPTEMBER AND OCTOBER OF 2024:

Mr. Holland reported that traffic for September 2024 totaled 352,155 vehicles, which was a decrease of -14,021 vehicles or -3.8% under September 2023. E-ZPass utilization totaled 76.2%. Revenue for September 2024 totaled \$6,425,849 which was an increase of \$5,871,195 or 9.4% over September 2023. Gas prices were \$3.06 in September 2024, versus \$3.41 in September 2023. There were 39 hours of wind restrictions in September 2024, versus 23 hours in September 2023. There were 38 hours of tunnel lane closures in September 2024, versus 18 hours in September 2023.

Traffic for October 2024 totaled 346,070 vehicles, which was a decrease of 4,820 vehicles or -1.4% under October 2023. E-ZPass utilization totaled 77%. Revenue for October 2024 totaled \$6,079,060, which was an increase of \$5,443,612 or 11.7% over October 2023. Gas prices were \$3.04 in October 2024, versus \$3.32 in October 2023. There were 17.5 hours of wind restrictions in October 2024, versus 36 hours in October 2023. There were 66 hours of tunnel lane closures in October 2024, versus 102 hours in October 2023.

For the calendar year-to-date through October 2024, vehicles were down -2.1% and revenue was up 11.1%. For the fiscal year-to-date through October 2024, vehicles were down -3.1% and revenue was up 10.3%.

7. AUDITED FINANCIAL STATEMENTS:

Mr. Anderson reported that the District received an unmodified or clean opinion on the financial statements and reviewed with the Commission the Basic Financial Statements for the year ended June 30, 2024. There were neither material problems nor significant deficiencies in internal controls regarding the statements. The Financial statements have been issued.

8. AWARD OF GENERAL CONSULTING ENGINEER SERVICES CONTRACT:

Mr. Crist gave an overview of the General Consulting Engineering Services (GCES), stating that requirements included: i) annual inspections (required by bond covenants); ii) bridge inspections (required by FHWA); iii) tunnel inspections (required by FHWA); and iv) other engineering services as required.

Mr. Crist recommended awarding two contracts, one for the annual inspection and a second contract for other engineering services as required. Beyond the annual inspection, the District will have miscellaneous repairs that cannot be performed in house, the second contract would allow the District to negotiate each scope and issue a task order specific to the scope of the work. Contract scope task orders will be reported and approved for each task separately.

On motion by Mr. Corbin and seconded by Mr. Duncan, and unanimously carried, the Commission awarded contract to Moffatt and Nichol and a second contract to Pennoni Associates, Inc.

Commission Members Absent: George B. Clarke; Charity Volman-Winn.

9. APPROVAL OF OPERATIONS MANUAL UPDATE:

Chief Spencer reported that the District's Operation Manual for Law Enforcement Officers, has been updated and developed with assistance, input, and comments from Poole Brooke Plumlee P.C. employment law workers. District staff propose that it is in the best interest of the District and its employees to adopt this revised version of the Operation Manual for Law Enforcement Officers.

Lieutenant Lilliston provided an overview of a few revisions to the Operation Manual that serve to further inform employees of District personnel policies and general applicability. He also discussed the benefits of a manual for police management and accreditation.

On motion by Mr. Corbin and seconded by Mr. Meehan, and unanimously carried, the Commission adopted the District Operation Manual for Law Enforcement Officers.

Commission Members Absent: George B. Clarke; Charity Volman-Winn.

10. LONG TERM CAPITAL PLAN PROJECTS UPDATE:

Mr. Crist provided an update of the following projects:

- a. District personnel conducted testing on the new snooper vehicle and it has been placed in the current fleet as of October 23, 2024. District personnel continue hydraulic and operations training on the maintenance vehicle.

11. TRIMI TOLL SYSTEM CONTRACT UPDATE:

At its March meeting the Commission awarded contract to TRIMI to design, fabricate, and install the software and hardware needed for an Electronic Toll System Upgrade. Mr. Crist provided an update of the current upgrade to the toll collection system, the toll booth lane equipment, the air toll classification system installation, replacement of servers and data storage system and workstations. TRIMI will then migrate all data from the existing database to a new database. As well as upgrade TCS services, web applications, and data processors. This project is anticipated to be complete in December, 2025.

12. PARALLEL THIMBLE SHOAL TUNNEL EXPENDITURES TO DATE:

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

13. CLOSED SESSION –CONSULTATION WITH LEGAL COUNSEL:

In accordance with Section 2.2-3711 of the Code of Virginia, Mr. Meehan 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 purposes: Section 2.2-3711.A 3. Discussion or consideration of the acquisition of real property for a public purpose, or of the disposition of publicly held real property, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public body; and Section 2.2-3711.A 7. for the purpose of briefing by staff and legal recommendations regarding dispute matters. The motion was seconded by Mr. Corbin, and unanimously carried.

Commission Members Absent: George B. Clarke; Charity Volman-Winn.

14. 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

the requirements (i) and voted in the affirmative: (ii) Colonna, yes; Corbin, yes; Duncan, yes; Meehan, yes; Bundy, yes; Mallon, yes; Stant, yes. *Commission Members Absent: George B. Clarke; Charity Volman-Winn.*

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


Mr. Crist reported approximately 96% of the tunnel excavation was complete. The two westernmost sections of the conveyor system have been removed. All of the remaining tunnel muck will be hauled off by truck. CTJV personnel are carrying out modifications to the primary conveyor, the one coming out of the new tunnel, so that it can be used to carry ballast material inside for placement after mining ops are complete. CTJV completed most of the work necessary to accept the break out of the TBM, and two of the temporary settlement basins on eastern side of the island have been removed.

16. ANNOUNCEMENTS:

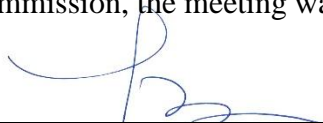
- a. The Retiree picnic dinner was held in Cheriton on October 19 with 80 in attendance.
- b. Mr. Holland announced that each Commissioner has been given a Christmas food gift selection memo and to please return them to Ms. Cannon.
- c. Mr. Holland announced that the District’s annual United Way Campaign has begun and that an informational package has been provided to each Commissioner for individual contributions.
- d. Mr. Holland announced that the next Regular Commission is scheduled for Tuesday, January 14, 2025.

17. ADJOURN:

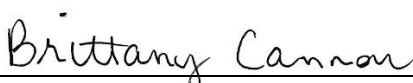
With no further business coming before the Commission, the meeting was adjourned.



Thomas W. Meehan, Sr., Vice-Chairman



Frederick T. Stant, III, Chairman



Brittany E. Cannon, Assistant Secretary

Attachment

Parallel Thimble Shoal Tunnel Project
Total Project Budget
As of September 30, 2024

| Project Tasks & Components | February 2024 Revised Budget | Total Expended To Date | Expended @ 08/31/24 | 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 | 838,010 | 836,010 | 2,000 | 27,990 |
| CBBT Financing Budget | 3,912,210 | 3,884,220 | 3,882,220 | 2,000 | 27,990 |
| <u>CBBT Construction Phase</u> | | | | | |
| Construction Mgmt | 11,000,000 | 4,912,360 | 4,912,360 | - | 6,087,640 |
| Project Counsel | 5,000,000 | 420,810 | 419,530 | 1,280 | 4,579,190 |
| Arbitration Counsel | - | 6,602,600 | 5,576,330 | 1,026,270 | (6,602,600) |
| Dispute Review Panel | 1,500,000 | 687,120 | 687,120 | - | 812,880 |
| Arbitration Panel | 1,500,000 | 110,010 | 110,010 | - | 1,389,990 |
| 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 | 4,700,000 | 1,420,260 | 1,359,100 | 61,160 | 3,279,740 |
| Design Mgmt/Design QA | 9,583,200 | 6,624,160 | 6,570,140 | 54,020 | 2,959,040 |
| Risk Management Consultant | 125,000 | | | - | 125,000 |
| District Project Management Staff | 2,100,000 | 1,771,210 | 1,746,470 | 24,740 | 328,790 |
| Commission General Counsel | 125,000 | 17,470 | 17,470 | - | 107,530 |
| Commission Approved District Development Expenses | 550,000 | 484,920 | 479,670 | 5,250 | 65,080 |
| Total CBBT Construction Phase Budget | 46,074,940 | 30,944,220 | 29,771,500 | 1,172,720 | 15,130,720 |
| <u>Design-Builder Construction Phase</u> | | | | | |
| Direct Construction Cost | 817,452,609 | 579,093,450 | 577,081,260 | 2,012,190 | 238,359,159 |
| 5% Withholding | - | 13,700,080 | 13,381,650 | 318,430 | (13,700,080) |
| NCR Work Withholding | - | - | - | - | - |
| Total Design-Builder Construction Phase Budget | 817,452,609 | 592,793,530 | 590,462,910 | 2,330,620 | 224,659,079 |
| Project Contingency | 38,826,405 | - | - | - | 38,826,405 |
| Total Project Budget | 924,790,724 | 646,146,530 | 642,641,190 | 3,505,340 | 278,644,194 |