



CHESAPEAKE BAY BRIDGE AND TUNNEL COMMISSION

Regular Meeting

CBBT Administration Building

March 11, 2025

9:30 a.m.

Minutes

Commission Members Present: Frederick T. Stant, III; Thomas W. Meehan, Sr.; George B. Clarke, IV; Phillip R. Custis; Patrick E. Corbin; Charity Volman-Winn; Stephen M. Mallon; Jennifer Lee.

Commission Members Virtually Present: Keith Colonna; Gregory L. Duncan, Sr.; Mark C. Bundy.

District Staff Present: Jeffrey B. Holland; Thomas R. Anderson, III; Edward A. Spencer; Brittany E. Cannon; Lieutenant Steven Wilson.

District Advisors Virtually Present: Bryan Plumlee, Commission Counsel.

Guests Present:

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 16, 2025 MEETING, as distributed:

Motion made by Mr. Corbin, seconded by Mr. Mallon, to approve the minutes of the January 16, 2025 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:

Delegate Robert S. Bloxom, Jr. reported to the Commission the major items that were included in the amendment package to the budget that was sent to Governor Youngkin. The budget bill will potentially give rebate checks to taxpayers, makes large investments in our schools and to public employees, and it does not raise taxes. The budget provides a \$200 rebate for individual filers and a \$400 rebate for joint filers. It also included an increase to the earned income tax credit from 15% to 20% until 2027. The next largest item is an additional \$782 million in state funds to our public schools. It lifts the cap on support personnel imposed during the recession of 2008. This adds over \$400 million to the state's

expenses yearly, but it was promised to be returned when the state could afford it. Included in the amount above is a \$1,000 bonus to teachers in June, with no local match required. State and state supported local employees will receive a 1.5% bonus this summer. Flexible spending was received to rejuvenate the old ferry dock on the backside of Wallops Island. The language in the budget also included some direction to use the dredge material for beneficial usage for marsh replenishment. I am hoping the timing works and that we will be able to harden the shoreline to help protect the southern tip of Chincoteague and Curtis Merritt Harbor. Also received funds for the natural gas pipeline permitting and detailed engineering to bring this project one step closer to reality. In the upcoming weeks there will be more to update on with a few of the bills we sent to the Governor to veto, amend, or sign into law. *Delegate Bloxom departed the meeting at this time.*

5. TRAFFIC & REVENUE REPORT – JANUARY AND FEBRUARY OF 2025:

Mr. Holland reported that traffic for January 2025 totaled 236,443 vehicles, which was a decrease of -11,630 vehicles or -4.7% under January 2024. E-ZPass utilization totaled 78.6%. Revenue for January 2025 totaled \$4,173,115 which was a decrease of \$195,939 or -4.5% under January 2024. Gas prices were \$3.10 in January 2025, versus \$3.47 in January 2024. There were 117 hours of wind restrictions in January 2025, versus 134 hours in January 2024. There were 44 hours of tunnel lane closures in January 2025, versus 26 hours in January 2024.

Traffic for February 2025 totaled 215,897 vehicles, which was a decrease of 30,997 vehicles or -12.6% under February 2024. E-ZPass utilization totaled 78.5%. Revenue for February 2025 totaled \$3,811,526, which was a decrease of \$492,353 or -11.4% under February 2024. Gas prices were \$3.01 in February 2025, versus \$3.24 in February 2024. There were 43 hours of wind restrictions in February 2025, versus 43 hours in February 2024. There were 64 hours of tunnel lane closures in February 2025, versus 64 hours in February 2024.

For the calendar year-to-date through February 2025, vehicles were down -8.6% and revenue was under -7.9%. For the fiscal year-to-date through February 2025, vehicles were down -3.5% and revenue was up 7.3%.

Lieutenant Wilson provided an overview of the accident that occurred on the facility on Wednesday, February 19 at 1:41 a.m. At approximately Mile Post 5 (shaft of TST) a southbound tractor-trailer ran off the right side of the roadway and struck the Impact Cushion belonging to CTJV at the entrance of Thimble Shoals Tunnel. The collision caused the tractor-trailer to jack knife before coming to rest across both lanes of travel and catching on fire from a ruptured fuel tank. There were no personal injuries, approximately \$100,000 in vehicle damages and no damages to District property.

Mr. Holland reminded the group of the news release notification that has been distributed to local media outlets of the recent increase in fraudulent text messages pretending to be toll road agencies or services. Known as smishing, these text messages are sent to users' mobile phones, impersonating legitimate toll authorities or financial institutions. These

messages often contain urgent requests for personal information, such as account details or payment confirmation, with the aim of defrauding individuals.

Chief Spencer reported that on February 24 – 28, the Chesapeake Bay Bridge Tunnel Police Department hosted a 40-hour In-Service School held at the Sunset Beach Resort. The In-Service School was attended by nine District Police Officers as well as officers from 4 other local agencies.

6. ACTUAL VS MODELED PERFORMANCE:

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.

7. APPROVAL OF FY2026 PRELIMINARY BUDGET:

Mr. Holland provided a schedule of the budget process and stated that final approval of the budget would be made in May. Mr. Anderson stated that there was an increase of \$635,600 or 3.19% in the FY 2026 budget over the FY 2025 budget and reviewed the increases and decreases in each division.

Motion made by Mr. Meehan, seconded by Mr. Corbin, on behalf of the Personnel Committee, to approve the proposals made by staff and propose the following items be included in the Fiscal Year 2026 Preliminary Budget for Current Expenses be approved: (1) a salary scale increase for all employees of 2.9%, (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. Duncan, seconded by Mr. Corbin, on behalf of the Finance Committee, to recommend Commission approval of the Preliminary Operating Budget for Current Expenses for Fiscal Year 2026 Preliminary Operating Budget in the amount of \$20,553,300 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 2026.

8. RENEWAL OF THE BRIDGE & TUNNEL PROPERTY POLICY:

Mr. Anderson provided an overview of the current policy, which is expiring April 1, 2025. The coverage terms that the District is seeking would remain the same. Mr. Anderson concluded that Aon's option of coverage is overall the best comprehensive value approach for the renewal of the District's insurance policy and he recommended approval to the full Commission.

Motion made by Mrs. Volman-Winn, seconded by Mr. Corbin, the Commission authorized staff to bind coverage on Aon’s second option that included a \$225 million policy limit, a \$10 million deductible, a 2 year rate lock, assuming a satisfactory loss ratio and a \$166,868,972 change in total insured values, a stand-alone terrorism policy procured through Aon UK and total premium cost of \$ 1,683,343, not including Aon’s annual broker fee of \$52,500. The motion was approved unanimously.

9. APPROVAL OF FY2026- FY2031 DISTRICT’S PRELIMINARY CAPITAL PLAN:

Mr. Holland provided an overview of the projects for FY 2026 through FY 2031, 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) Pavement Striping FY 2025; ii) Steel Bridge Painting FY 2025, FY 2027, FY 2028; iii) Pave Approach Roads, Tunnels, Parking Lots and Islands FY 2026 –FY 2027; iv) Ventilation Building Renovations FY 2026; v) Bridge Inspection Vehicle FY 2026; vi) Scour Remediation FY 2027 – FY 2028; vii) Replace Island Oil Filled Transformers FY 2027–FY 2031 ; viii) Underwater Inspections FY 2026, –FY 2031; ix) Roadway Striping FY 2031.

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

10. PARALLEL THIMBLE SHOAL TUNNEL EXPENDITURES TO DATE:

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

11. 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 7. for the purpose of briefing by staff and legal recommendations regarding dispute matters. The motion was seconded by Mr. Mallon, and unanimously carried.

12. 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) Corbin, yes; Meehan, yes; Custis, yes; Bundy, yes; Duncan, yes; Colonna, yes; Clarke, yes; Volman-Winn, yes; Mallon, yes; Lee, yes; Stant; yes.

13. THAYERMAHAN LEASE:

The District has agreed to a multi-phased term lease with ThayerMahan Offshore for the utilization of separate parcels at the Little Creek property. Phase I Parcel shall be a period of five (5) years commencing on April 15, 2026 and continuing through March 30, 2031.

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

Mr. Holland reported of the tunnel excavation was complete. 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.

15. COMMITTEE APPOINTMENTS:

Mr. Stant made the following Committee appointments effective March 1, 2025 through February 28, 2026:

Nominating Committee: Mr. Colonna (chair), Mr. Custis, Mr. Stant

Executive Committee: Mr. Stant (chair), Mr. Meehan, Mr. Duncan

Finance Committee: Mr. Duncan (chair), Mr. Colonna, Mr. Corbin, Mrs. Volman-Winn, Mr. Stant

Personnel Committee: Mr. Meehan (chair), Mr. Bundy, Mr. Stant

Project Construction Committee: Mr. Stant (chair), Mr. Meehan, Mr. Malbon, Mr. Walker, Mr. Clarke, Mr. Colonna, Mr. Bundy

Little Creek Real Estate Committee: Mr. Malbon (chair), Mr. Custis, Mr. Ferguson, Mr. Meehan, Mr. Corbin, Mr. Mallon, Ms. Lee, Mr. Stant

Renewable Energy Committee: Mr. Custis (chair), Mr. Colonna, Ms. Lee, Mr. Stant

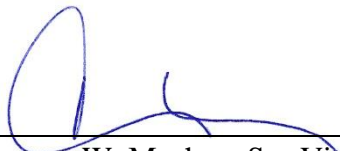
Tolls committee: Mr. Duncan (chair), Mr. Bundy, Mr. Colonna, Mr. Custis, Mr. Stant

16. ANNOUNCEMENTS:

- a. Mr. Holland reported that copies of the 2024 Annual Governor's Report were available.
- b. Mr. Holland reported that the Virginia General Assembly is in session and provided the group with a few highlights of the bills that could impact transportation.

17. ADJOURN:

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

A handwritten signature in blue ink, appearing to read 'Tom Meehan', written over a horizontal line.

Thomas W. Meehan, Sr., Vice-Chairman

A handwritten signature in black ink, appearing to read 'Frederick T. Stant, III', written over a horizontal line.

Frederick T. Stant, III, Chairman

A handwritten signature in black ink, appearing to read 'Brittany Cannon', written over a horizontal line.

Brittany E. Cannon, Assistant Secretary

Attachment

Parallel Thimble Shoal Tunnel Project
Total Project Budget
As of January 31, 2025

Project Tasks & Components	February 2024 Revised Budget	Total Expended To Date	Expended @ 12/31/24	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	848,010	846,010	2,000	17,990
CBBT Financing Budget	3,912,210	3,894,220	3,892,220	2,000	17,990
<u>CBBT Construction Phase</u>					
Construction Mgmt	11,000,000	5,365,590	5,162,570	203,020	5,634,410
Project Counsel	5,000,000	425,210	423,820	1,390	4,574,790
Arbitration Counsel	-	8,725,920	7,951,450	774,470	(8,725,920)
Dispute Review Panel	1,500,000	707,560	706,360	1,200	792,440
Arbitration Panel	1,500,000	358,340	358,340	-	1,141,660
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	2,200,750	1,441,060	759,690	2,499,250
Design Mgmt/Design QA	9,583,200	6,916,510	6,884,140	32,370	2,666,690
Risk Management Consultant	125,000			-	125,000
District Project Management Staff	2,100,000	1,866,980	1,842,240	24,740	233,020
Commission General Counsel	125,000	17,470	17,470	-	107,530
Commission Approved District Development Expenses	550,000	504,450	501,380	3,070	45,550
Total CBBT Construction Phase Budget	46,074,940	34,982,080	33,182,130	1,799,950	11,092,860
<u>Design-Builder Construction Phase</u>					
Direct Construction Cost	817,774,503	612,785,920	609,138,200	3,647,720	204,988,583
5% Withholding	-	14,593,660	14,451,360	142,300	(14,593,660)
NCR Work Withholding	-	-	-	-	-
Total Design-Builder Construction Phase Budget	817,774,503	627,379,580	623,589,560	3,790,020	190,394,923
Project Contingency	38,504,511	-	-	-	38,504,511
Total Project Budget	924,790,724	684,780,440	679,188,470	5,591,970	240,010,284