



CHESAPEAKE BAY BRIDGE AND TUNNEL COMMISSION

Regular Meeting
CBBT Administration Building

March 12, 2024

9:30 a.m.

Minutes

Commission Members Present: Frederick T. Stant, III; Keith Colonna; Reeves W. Mahoney; Phillip R. Custis; Mark C. Bundy; Patrick E. Corbin; George B. Clarke; Thomas W. Meehan, Sr.

Commission Telephonically Present: None.

Commission members Absent: Chris Snead; Gregory L. Duncan, Sr.

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

District Advisors Present: Bryan Plumlee, Commission Counsel.

Guests Present: Delegate, Robert S. Bloxom Jr.; Lily Parker, East Coast Infrastructure; Annette Husick, Sunbelt Rentals; Pat Kuhlman, Shaw Industrial Solutions; Paul Dillard, Shaw Industrial Solutions; Kevin Kelly, 7 Cities Rebar.

1. CALL TO ORDER:

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

Mr. Holland introduced Delegate Bloxom and also requested that the guest in attendance introduce themselves.

2. PUBLIC COMMENT:

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

3. APPROVAL OF MINUTES – JANUARY 9, 2024 MEETING, as distributed:

Motion made by Mr. Meehan, seconded by Mr. Colonna, to approve the minutes of the January 9, 2024 Commission meeting, as distributed. The motion was approved unanimously. Absent: Chris Snead; Gregory L. Duncan, Sr.

4. LEGISLATIVE UPDATE:

Delegate Robert S. Bloxom, Jr. reported to the Commission that the General Assembly has adjourned with the session being completed with the vote on the two-year budget. This is typically the last vote of the session. The Governor now has a time period to act on the budget and the legislation that was passed this session. The major changes in the Governor's budget were eliminating the structural changes to the tax code that would have resulted in a \$900 million tax reduction for the citizens of Virginia. The budget included funding for education by fully funding the benchmarking cost as well as including funding to replace lost revenues from the elimination of the grocery sales tax. There is a salary increase for teachers in both years and all state employees will receive raises. Funds were also appropriated for higher education to help keep tuition costs from rising and invested a lot in capital, mainly on deferred maintenance. Lastly, mental health services received much support, as well as farmers with fully funded best management practices. There are a few things the Governor will not agree to, such as legalizing a retail market for marijuana, rejoining the Regional Greenhouse Gas Initiative, and raising the minimum wage. The tax increase, along with these policies, intertwined throughout the budget in the more than four hundred pages. Nothing is final until the Governor signs the legislation into law. He has 30 days to act on this legislation.

Delegate Bloxom departed the meeting at this time.

RESOLUTION OF APPRECIATION FOR SERVICE:

Mr. Stant read a Resolution of Appreciation for Mr. Wood for thirty-nine years of dedicated service employed at the District.

RESOLUTION OF APPRECIATION FOR ODELL R. WOOD, JR.

WHEREAS, Mr. Wood, began his career with the Chesapeake Bay Bridge and Tunnel District as a Police Officer on July 16, 1985, and was reclassified to Electronics Technician Trainee on October 1, 1986, and promoted to Electronics Technician on July 1, 1987. He was promoted yet again to Electronics Communication Supervisor on February 1, 2000, and in 2010 he became Electronics Communication Superintendent. The District reclassified the Division in 2016, whereby he was promoted to the Director of Management Information Systems; and,

WHEREAS, he is well-respected among staff, Commissioners, community partners, and is admired for his leadership, sincerity, sense of humor, integrity, and deep institutional knowledge; and,

WHEREAS, he has instilled a level of impeccable quality and professionalism which he applied to each and every task, consistently fulfilling the responsibilities given him with outstanding accuracy and competency as he worked tirelessly for the good of the District; and,

WHEREAS, he has been an integral part of the District team during his thirty-nine years of service and has coordinated and led numerous initiatives and brought a wealth of knowledge to projects that affect the daily operation of the facility; and,

WHEREAS, during his time at the District, he has served as a great leader, role model, mentor and ambassador; and,

NOW, THEREFORE, BE IT RESOLVED that the Chesapeake Bay Bridge and Tunnel Commission formally expresses its deep gratitude and appreciation to Odell R. Wood, Jr. for his thirty-nine years of loyal, reliable and dedicated service to the District and extends congratulations and best wishes to his upon his retirement.

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

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

Absent: Chris Snead; Gregory L. Duncan, Sr.

Mr. Wood departed the meeting at this time.

5. TRAFFIC & REVENUE REPORT – JANUARY & FEBRUARY 2024:

Mr. Holland reported that traffic for January 2024 totaled 248,073 vehicles, which was a decrease of 10,429 vehicles or -4% over January 2023. E-ZPass utilization totaled 78%. Revenue for January 2024 totaled \$4,369,054 which was an increase of \$313,017 or 7.7% over January 2023. Gas prices were \$3.47 in January 2024, versus \$3.08 in January 2023. There were 133 hours of wind restrictions in January 2024, versus 34 hours in January 2023. There were 26 hours of tunnel lane closures in January 2024, versus 130 hours in January 2023.

Traffic for February 2024 totaled 246,894 vehicles, which was an increase of 7,124 vehicles or 3% over February 2023. E-ZPass utilization totaled 76%. Revenue for February 2024 totaled \$4,704,816, which was an increase of \$22,860 or 0.5% over February 2023. Gas prices were \$3.24 in February 2024, versus \$3.24 in February 2023. There were 38 hours of wind restrictions in February 2023, versus 50 hours in February 2024. There were 64 hours of tunnel lane closures in February 2024, versus 134 hours in February 2023.

For the calendar year-to-date through February 2024, vehicles were down -0.7% and revenue was up 11.1%. For the fiscal year-to-date through February 2024, vehicles were up 0.6% and revenue was up 2.3%.

Chief Spencer reported that the District partnered with the Eastern Shore Community College to provide Operations personnel a Customer Service Training on February 6 – 7, 2024. The Customer Service Training was attended by 32 District employees consisting of emergency crewmen and toll collection staff.

6. 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.

7. APPROVAL OF FY2025 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 \$625,750 or 3.24% in the FY 2025 budget over the FY 2024 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 2025 Preliminary Budget for Current Expenses be approved: (1) a salary scale increase for all employees of 3.4%, (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.

Absent: Chris Snead; Gregory L. Duncan, Sr.

Motion made by Mr. Colonna, seconded by Mr. Clarke, on behalf of the Finance Committee, to recommend Commission approval of the Preliminary Operating Budget for Current Expenses for Fiscal Year 2025 Preliminary Operating Budget in the amount of \$19,917,700 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 2025.

Absent: Chris Snead; Gregory L. Duncan, Sr.

Mr. Holland provided an update on Operations personnel retention, recruitment and succession planning. Current recruitment is focused on local Military employees who are nearing retirement or have fulfilled their length of service as potential candidates. The District has its certification with the Virginia Values Veterans Program. The Virginia Values Veterans Program is a free training and certification program for employers to help them implement nationally recognized best practices in recruiting, hiring, and retaining highly-skilled and dependable Veterans.

8. RENEWAL OF THE BRIDGE & TUNNEL PROPERTY POLICY:

Mr. Anderson provided an overview of the current 2 year policy, which is expiring April 1, 2024. The coverage terms that the District is seeking would remain the same. The total insured values will increase 2.1%. The program rate for total annual premium will be greater than 10.% based on feedback from the market. District Staff requested time to obtain a

hopefully improved pricing and grant authorization to the Executive Committee to review and authorize binding coverage.

Motion made by Mr. Bundy, seconded by Mr. Meehan and unanimously carried, the Commission authorized the Executive Committee to make the final decision on the insurance binder to be effective April 1, 2024.

Absent: Chris Snead; Gregory L. Duncan, Sr.

9. APPROVAL OF FY2025- FY2030 DISTRICT’S PRELIMINARY CAPITAL PLAN:

Mr. Crist provided an overview of the projects for FY 2024 through FY 2030, 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 2025 – FY 2030; ii) Replace District Fleet Vehicles FY 2024 – FY 2030; iii) Replace Elevators in all 4 Ventilation Buildings FY 24; iv) Ventilation Building Concrete Repairs FY 2027; v) Electronic Toll System Upgrades FY 2024– FY 2025; vi) Steel Bridge Painting Project FY 2025 – FY 2028; vii) Police Video System Upgrades FY 2026; viii) Replace Island Oil Filled Transformers FY 2029; ix) Toll System Refresh and Update FY 2029; x) Administration Building Roof Replacement FY 2030; xi) CCTV System Upgrade FY 2030; xii) Substructure Repair FY 2030;

- a. **On motion by Mr. Corbin, seconded by Mr. Meehan, and unanimously carried, the Commission granted authorization to advertise a request for proposals for contractor services for the Elevator Replacement Project in the four ventilation buildings.**

Absent: Chris Snead; Gregory L. Duncan, Sr.

- b. **Chesapeake Bay Bridge and Tunnel District Statement of Determination Electronic Toll System Upgrade:**

Introduction: The Purpose of this determination is to document the reason for a sole source procurement to award the Electronic Toll System Upgrade to TRMI (The Toll Revenue Markets).

Background: The Chesapeake Bay Bridge and Tunnel District’s (District) existing toll system was developed and installed by TRMI. In addition, the District has an annual maintenance contract with TRMI for routine software upgrades and patches necessary to keep the system working efficiently. The toll system includes all of the software and hardware (including the EZ-Pass readers) necessary to complete a customer transaction.

The flow of traffic through the toll plazas at the North and South ends of the Chesapeake Bay Bridge and Tunnel complex is facilitated by a computer-based

electronic monitoring system that was designed and installed in 2007 by TRMI Systems, a company located in Accord, New York.

Electronic Toll System Upgrade: An upgraded windows platform is needed to be updated to the Windows 2025 version, as the current windows 2012 version is now “End of Life” and security updates are no longer available. Additionally, much of the computer hardware the system utilizes is at the end of its useful life. It is in the best interest of the District to contract with TRMI to complete this work for the following reasons:

In as much as TRMI designed and installed the system presently in use, that company is intimately familiar with the complexities of the system and is uniquely aware of its operational complexities. For another Company unfamiliar with the complexities of the current system to acquire the level of familiarity and expertise currently possessed by TRMI would require a large, unproductive, and unnecessarily costly expenditure of time, effort, and money.

Whereas much of the hardware in the system will get replaced during this upgrade, much of the software and existing database components are building blocks and will be reused. All of the current business rules for handling vehicles and reporting both internally and to the VDOT service center would be migrated into the new system resulting in a significant cost savings over needing to recreate the processes and fully verify the functionality.

TRMI has already developed and tested an extensive pre-classification system for use in the upgraded toll lanes based around the District’s vehicle classification system resulting in a significant savings in development time and cost.

Therefore, District staff has recommended to the Chesapeake Bay Bridge Tunnel Commission to award contract to TRMI to design, fabricate, and install the software and hardware needed for the Electronic Toll System Upgrade, with a not-to-exceed amount of \$3,600,000.

Motion by Mr. Clarke, seconded by Mr. Meehan, and unanimously carried, that the Commission authorized that the contract be awarded to TRMI to design, fabricate, and install the software and hardware needed for the Electronic Toll System Upgrade, with a not-to exceed amount of \$3,600,000.

Absent: Chris Snead; Gregory L. Duncan, Sr.

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

Absent: Chris Snead; Gregory L. Duncan, Sr.

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

Mr. Crist reported that CTJV is currently operating in the intervention plan to repair the cutterhead tools as necessary. Once corrective actions have been complete, mining will resume. On Two Island, work on the mass excavation of the receiving pit continues as mud mats are installed and waterproofing is underway. On the south end of Two Island, the installation of the pipe pile wall continues.

11. PARALLEL THIMBLE SHOAL TUNNEL EXPENDITURES TO DATE:

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

All guest departed the meeting at this time.

12. 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 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. Corbin, and unanimously carried.**

13. 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) Bundy, yes; Clarke, yes; Meehan, yes; Custis, yes; Corbin, yes; Mahoney, yes; Colonna, yes; Stant, yes.
*Absent: Chris Snead; Gregory L. Duncan, Sr.***

14. APPROVAL OF CO-10 AND CO-11:

**On motion by Mr. Meehan, seconded by Mr. Corbin, and unanimously carried, the Commission authorized the Executive Committee to approve execution of the CO #10 and CO #11 on the Project.
*Absent: Chris Snead; Gregory L. Duncan, Sr.***

15. COMMITTEE APPOINTMENTS:

Mr. Stant made the following Committee appointments effective March 1, 2024 through February 28, 2025:

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

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

Finance Committee: Mr. Duncan (chair), Mr. Mahoney, Mr. Colonna, Mr. Corbin, Stant

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

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

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

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

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

16. OTHER BUSINESS:

RESOLUTION OF APPRECIATION FOR SERVICE:

Mr. Custis read a Resolution of Appreciation for Mr. Moorefield for forty-eight years of dedicated service employed at the District.

RESOLUTION OF APPRECIATION FOR JAMES MOOREFIELD

WHEREAS, James Moorefield, began his career with the Chesapeake Bay Bridge and Tunnel District as a part-time Highway Maintenance Helper on June 6, 1975, becoming a full-time employee with the District on June 10, 1976. He was re-classified to Highway Equipment Mechanic Assistant on January 1, 1982, and promoted to Equipment Mechanic Assistant on July 1, 1985. He was promoted yet again to Equipment Mechanic Apprentice on September 1, 1985; and,

WHEREAS, At the time of his retirement, with forty-eight years of service, he is the longest serving employee of the Chesapeake Bay Bridge and Tunnel since it was established in 1964; and,

WHEREAS, On November 16, 2014, he was promoted to the position of Maintenance Worker and he has consistently performed his duties in a hardworking and responsible manner; and,

NOW, THEREFORE, BE IT RESOLVED that the Chesapeake Bay Bridge and Tunnel Commission formally expresses its deep gratitude and appreciation to James Moorefield for his forty-eight years of loyal, reliable and dedicated service to the District and extends congratulations and best wishes to his upon his retirement.

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

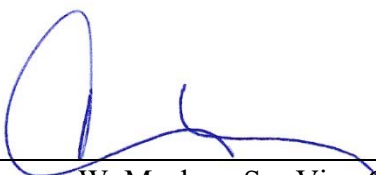
Absent: Chris Snead; Gregory L. Duncan, Sr.

17. ANNOUNCEMENTS:


- a. Mr. Holland reported that the District continues to support the Eastern Shore's United Way campaign which provides valuable support to the community. If you made a donation this year, your chosen gift was at your place setting. He thanked the group for their support.
- b. Mr. Holland reported that copies of the 2023 Annual Governor's Report were available.
- c. Mr. Holland reported on the annual Alumni Society meeting was held on February 22, 2024 and well attended.

18. 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 January 31, 2024**

Project Tasks & Components	Sept 2023 Revised Budget	Total Expended To Date	Expended @ 12/31/23	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	823,950	821,950	2,000	42,050
CBBT Financing Budget	3,912,210	3,870,160	3,868,160	2,000	42,050
<u>CBBT Construction Phase</u>					
Construction Mgmt	11,000,000	4,498,270	4,339,920	158,350	6,501,730
Project Counsel	5,000,000	382,580	373,880	8,700	4,617,420
Arbitration Counsel	-	3,132,040	2,792,800	339,240	(3,132,040)
Dispute Review Panel	1,500,000	663,120	663,120	-	836,880
Arbitration Panel	1,500,000	38,730	38,730	-	1,461,270
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	782,270	607,280	174,990	3,917,730
Design Mgmt/Design QA	9,583,200	6,412,050	6,332,050	80,000	3,171,150
Risk Management Consultant	125,000	-	-	-	125,000
District Project Management Staff	2,100,000	1,583,090	1,560,300	22,790	516,910
Commission General Counsel	125,000	17,470	17,470	-	107,530
Commission Approved District Development Expenses	550,000	385,560	384,360	1,200	164,440
Total CBBT Construction Phase Budget	46,074,940	25,788,480	25,003,210	785,270	20,286,460
<u>Design-Builder Construction Phase</u>					
Direct Construction Cost	794,332,665	513,062,610	508,882,380	4,180,230	281,270,055
5% Withholding	-	10,913,890	10,749,780	164,110	(10,913,890)
NCR Work Withholding	-	-	-	-	-
Total Design-Builder Construction Phase Budget	794,332,665	523,976,500	519,632,160	4,344,340	270,356,165
Project Contingency	61,946,349	-	-	-	61,946,349
Total Project Budget	924,790,724	572,159,700	567,028,090	5,131,610	352,631,024