

AGENDA ITEM #6: SUMMARY MINUTES OF THE JULY 11, 2013 CTAC MEETING

SUBJECT:

Summary Minutes of the July 11, 2013 CTAC meeting.

BACKGROUND:

Summary Minutes of the Citizen Transportation Advisory Committee meeting held on July 11, 2013.

Attachment 6

RECOMMENDED ACTION:

Approve the minutes.

**Summary Minutes of the
HRTPO Citizen Transportation
Advisory Committee (CTAC) Meeting
July 11, 2013**

The HRTPO Citizen Transportation Advisory Committee (CTAC) Meeting was called to order at 12:06 p.m. in the Regional Building Board Room, 723 Woodlake Drive, Chesapeake, Virginia, with the following in attendance:

HRTPO CTAC Members in Attendance:

Shepelle Watkins-White, Chair (CH)	Carlton Hardy (NN)
John Kish (CH)	Robbyn Gayer (NO)
Bernie Whitlock (CH)	Theresa Danaher (PO)
Philip Olekszyk (GL)	Kirsten Tynch (PO)
Teresa Schmidt (HA)	Barry Dunn (PQ)
Michael Jones (IW)	Greg Edwards (VB)
Don Cherry (JC)	Delceno Miles (VB)
Sharyn Fox (NN)	Allan Parrott (VB)

HRTPO CTAC Members Absent:

Yukari Hughes (NN)	Jay Ford (VB)
William Christopher (NO)	Casey Funk (VB)
Randy Lougee (NO)	John Malbon (VB)
James Openshaw (NO)	Dewey Hurley (WM)
Richard Green (SU)	Henry Lewis (YK)

HRTPO Staff:

Brian Chenault	Camelia Ravanbakht
Dwight Farmer	Joe Turner
Kendall Miller	Chris Wichman

Others Recorded Attending:

Michael Todd (DRPT); Ronald Broughton (HRT TRAC); Sarah Steele (Olde Town Civic League)

Public Comment Period

There were no public comments.

Submitted Public Comments

There were no submitted public comments.

Approval of Agenda

Chair Watkins-White asked for any additions or deletions to the agenda. Hearing none, Ms. Delceno Miles Moved to approve the agenda as written; seconded by Ms. Sharyn Fox. The Motion Carried.

Summary Minutes of March 13, 2013 CTAC Meeting

Chair Watkins-White asked for any additions or corrections to the March 13, 2013 minutes. Hearing none, Ms. Kirsten Tynch Moved to approve the minutes as written; seconded by Ms. Miles. The Motion Carried.

CTAC Membership Update

Dr. Camelia Ravanbakht, HRTPO Deputy Executive Director, welcomed CTAC's four newest members, Barry Dunn, Carlton Hardy, John Kish, and Allan Parrott, and stated they received official HRTPO Board approval at the June 20, 2013 HRTPO Board meeting.

She indicated Ms. Carolyn McPherson of Virginia Beach tendered her resignation and HRTPO staff is working to fill the vacancy.

Chair Watkins-White asked whether a thank you letter should be sent to Ms. McPherson. Dr. Ravanbakht replied that a letter was mailed to Ms. McPherson.

Election of CTAC Vice-Chair

Chair Watkins-White stated the Vice-Chair has the responsibility of chairing CTAC meetings and attending HRTPO Board monthly meetings in the absence of the CTAC Chair.

Mr. Carlton Hardy recommended Ms. Theresa Danaher for the Vice-Chair position. Ms. Danaher expressed her appreciation for the nomination; however, she declined the offer.

Ms. Fox Moved to nominate Ms. Miles for the CTAC Vice-Chair position; seconded by Ms. Tynch. The Motion Carried.

Regional Transportation Funding

Mr. Farmer outlined the statewide revenues generated from HB2313, as follows

- Elimination of the 17.5 cents per gallon motor fuels tax
- Implementation of a 3.5% tax on the wholesale price of gasoline
- Implementation of a 6% tax on the wholesale price of diesel
- \$64 registration fee for alternative fuel vehicles
- Increase of the motor vehicles sales tax from 3% to 4.15%
- Increase of the general sales tax from 5.0% to 5.3%
- Marketplace Equity Act (MEA) transportation share
- Increase of the transportation share of existing sales & use tax from 0.5% to 0.675%

Mr. Farmer stated these revenues will be guided by the CTB and might reach \$842 million by 2018. Over the next twenty years, the region's amount from the statewide revenues should be roughly \$3 billion.

In addition to the statewide funds, two revenue streams are specifically dedicated to Hampton Roads:

- Increase of the regional sales tax by 0.7%
- Implementation of a 2.1% regional tax on the wholesale price of gasoline

The HRTPO will have full purview and discretion on how and when to spend these dollars. Beginning in 2014, funding will be approximately \$175 million, growing to \$200 million in 2015, and then by \$7 or \$8 million a year through 2018. Over the next twenty years, an estimated \$5 or \$6 billion should be available from this stream for the HRTPO Board to move projects forward in the next 20 years.

Mr. Farmer summarized strategies on how to maximize the HB2313 regional component to fund projects including:

- Bond Funded – Mega Projects
- Cash Match Funded – Interstate and Interchange Projects
- Cash Funded – Committed and Local Projects

He indicated that at some point, the HRTPO Board will need to provide HRTPO staff, VDOT, CTB members, and the General Assembly guidance on the percentage of the revenue stream to utilize for bonding.

The Mega Interstate projects eligible for bonding are:

- Third Crossing/Patriots Crossing: \$3 billion project
- Third Crossing/Craney Island Connector: \$500 million project
- Third Crossing/I-664 Widening (Hampton to Chesapeake): \$2.5 billion project
- I-64 Southside Widening (including the High Rise Bridge): \$1.7 billion project

Projects that could be considered for Cash Matching are:

- I-64 Peninsula Widening: \$350 million project with a \$70 million match
- Fort Eustis Boulevard Interchange: \$150 million project with a \$30 million match
- I-64/I-264 Interchange: \$350 million project with a \$70 million match
- Bowers Hill Interchange: \$350 million project with a \$70 million match

Regarding cash funded projects, Mr. Farmer stated it is likely the CTB and VDOT will recommend the HRTPO look to cash fund committed projects and those in the SYIP pipeline. Over the next twenty year period, the HRTPO may want to allocate a significant amount of cash into what the City Managers have suggested as a package of local projects funded with the regional revenue stream from HB2313. There is currently a \$7.5 billion balance to complete the committed projects in the FY 2013-2018 SYIP.

Mr. Farmer reported HRTPO staff conducted an analysis on bonding capacity in order to potentially leverage HB2313 funds and used the Patriots Crossing, a \$3.5 billion project, for illustrative purposes.

Mr. Farmer stated that different toll amounts will generate various revenues and explained there is a threshold at which a project could be tolled because volumes will drop off and negatively impact revenues.

The following three scenarios were utilized in the analysis:

- A. Use \$1 billion regional bond proceeds with \$1, \$2, and \$3 toll rates. Tolls did not cover the debt service.
- B. Use \$750 million regional bond proceeds and \$750 million State contribution with \$1, \$2, and \$3 toll rates. The \$3 toll rate covered the debt service.
- C. Use \$700 million regional bond proceeds, \$700 million (20%) State contribution, and \$700 million (20%) Federal contribution with \$1, \$2, and \$3 toll rates. The \$2 toll rate covered the debt service.

Mr. Farmer noted that HRTPO staff studied congestion impacts by calculating volume/capacity by applying different toll rates to the harbor crossings with expanded capacity over the next 20 years. Results indicated that a \$2 toll rate almost solves the capacity issue at the Hampton Roads Bridge Tunnel (HRBT) and eliminates congestion from the Monitor Merrimac Memorial Bridge Tunnel (MMMBT).

Mr. Carlton expressed concern that hybrid vehicles were targeted in the legislation. Mr. Farmer replied that he was not the correct person to answer that question; however, it was his assumption that the legislation only applied to electric vehicles.

Mr. Don Cherry indicated he was billed the new fee for his hybrid vehicle and noted that Senator John Miller is seeking to repeal this component of HB2313. Mr. Farmer stated it was his understanding that language referring to hybrid vehicles was removed from the bill via a compromise within the General Assembly. He noted the General Assembly may address the issue in a subsequent session.

Mr. Robbyn Gayer asked for clarification regarding the phasing process of the motor vehicle sales tax. Mr. Farmer replied he was unsure; however, he commented that it might be another compromise within the legislation. He indicated that Virginia's 4.15% motor vehicle sales tax is still one of the lowest along the East Coast.

Chair Watkins-White inquired as to how the cash funded option relates to the HRTPO Board-approved prioritization tool. Mr. Farmer replied any cash funded project would be subject to the prioritization process established by the Board.

Ms. Miles asked whether Northern Virginia was also creating a process in which to utilize its regional HB2313 funds. Mr. Farmer replied that the language in HB2313 is considerably different in its reference to Hampton Roads and Northern Virginia. Hampton Roads is the only region in the Commonwealth with a formalized, objective prioritization process.

HB2313 states that Northern Virginia will have 70% of its funds allotted to the Northern Virginia Transportation Authority (NVTA) with the remaining 30% divided among its localities.

Mr. Hardy asked for clarification regarding the toll rate figures contained in the footnotes of the Bonding Capacity presentation. Mr. Farmer replied the toll rates would be applied individually to each facility.

Ms. Fox inquired as to whether the James River Bridge would be tolled under the scenarios offered in the presentation. Mr. Farmer replied the James River Bridge would remain a free option.

Mr. Bernie Whitlock asked whether the staff analysis assumed that Route 460 was completed with an associated toll. Mr. Farmer replied affirmatively.

Mr. Whitlock inquired as to whether any funds from the HB2313 regional component were utilized for Route 460. Mr. Farmer replied the Governor allocated \$900 million from the State's discretionary funds to build Route 460. The toll will cover approximately \$300 million of the \$900 million. The remaining \$600 million is classified as a gift from the Governor.

Mr. Hardy asked whether any of the facilities would have a reduced commuter toll. Mr. Farmer replied that toll strategy had not yet been discussed and flat fee tolls were used for the simulation.

Chair Watkins-White asked if the congestion relief produced by the \$3.00 toll was a result of driver behavioral change. Mr. Farmer replied CTAC members will view a video from Stockholm, Sweden which explains that if volume is reduced by only 10%, severe congestion will be eliminated.

Ms. Danaher commented that people are moving out of the region because of tolls. Mr. Farmer replied that Hampton Roads is not the only area with tolls, and indicated that in some cases, tolling can drastically change travel behavior and demand. Congestion pricing is not implemented to collect revenue; rather, it is employed to change behavior, and revenue that is collected, can be used towards mass transit, rail, or other transportation modes.

Mr. Gayer inquired as to how inflation might affect the tolls. Mr. Farmer replied there would be the threat of a higher toll rate if the value of the dollar decreased.

Ms. Fox inquired as to whether lost revenue from the removal of the HRBT and Route 44 (now I-264) tolls has had an impact on current congestion issues. Mr. Farmer replied today's scenario would be completely different if those tolls were still in place. He noted that each year a mega project is delayed, the project increases by \$100 million.

Ms. Schmidt stated there is a different cost associated for drivers in traffic congestion. Mr. Farmer agreed, and indicated that for every hour a citizen is idling in traffic, it burns a gallon and a half of fuel.

Chair Watkins-White stated Mr. Farmer's presentation was delivered to the HRTPO Board at the June meeting and staff has drafted CTAC Resolution 2013-01 for approval consideration as a method of providing feedback to the HRTPO Board. She indicated the Board will be discussing the HB2313 programming options at the July HRTPO Board meeting.

Ms. Fox asked whether the cash match funded option provided the biggest bang for the buck. Mr. Farmer replied it lures discretionary interstate monies that VDOT might place elsewhere in the State.

Ms. Fox asked for clarification with regards to whether CTAC had to select one programming option over another. Mr. Farmer stated CTAC did not have to choose a particular option and that by approving the resolution, CTAC is only agreeing to the concept of the three programming options. The details of the options would still need to be discussed by the HRTPO Board.

Mr. Phil Olekszyk suggested incorporating a tolling scenario into the bonding programming option as mega projects are much more effective when a toll is utilized. Mr. Farmer replied that if all HB2313 funds were used on a single mega project, a toll would still be necessary to close the funding gap.

Ms. Miles Moved to approve CTAC Resolution 2013-01; seconded by Ms. Fox.

Ms. Danaher expressed concern with the lack of any mass transit language in the resolution. Mr. Farmer replied the resolution strictly pertains to the use of the HB2313 regional component funds which only includes highways, bridges, and tunnels.

Mr. Olekszyk reiterated his suggestion to modify the bond funding option to include the possible benefits of tolls on mega projects. Chair Watkins-White replied that for the purpose of this resolution, CTAC's discussion is to suggest recommendations on how the HB2313 funds should be allocated. The determination of how to more beneficially allocate the funds will be discussed at a later date.

Mr. Farmer stated that if the HRTPO Board members approve the bonding option, toll rates will still need to be determined.

Regarding the Motion on the floor, The Motion Carried.

June 20, 2013 HRTPO Board Meeting: Resolutions

Mr. Dwight Farmer, HRTPO Executive Director, reported the HRTPO Board approved two resolutions at its June 20, 2013 meeting. The first resolution, I-64 Peninsula Widening: HRTPO Preferred Alternative, endorses the VDOT 6-Lane Option Segments 1 and 2 (Jefferson Avenue/Exist 255 to Humelsine Parkway/Exit 242) for immediate and intermediate congestion relief on I-64 Peninsula on the condition that this preference would not preclude the I-64 Peninsula 8-Lane expansion or future associated funding.

The second resolution, Hampton Roads Crossing: HRTPO Preferred Alternative, reaffirms the HRMPO action of July 1997 to endorse the construction of the Third Crossing in phases, as well as endorse the continued maintenance of the existing Hampton Roads Bridge Tunnel (HRBT) and the study of the feasibility of congestion pricing on the HRBT and Monitor Merrimac Memorial Bridge Tunnel (MMMBT).

Congestion Pricing

Mr. Dwight Farmer, HRTPO Executive Director, reported that at the HRTPO Retreat in May 2013, the Board was briefed on congestion pricing to reduce peak hour congestion by impacting driver behavior and travel decisions. Specifically, the discussion involved the potential capability of demand management as an interim solution tool to ease severe congestion at the I-64 HRBT and I-664 MMMBT during peak rush hours.

The educational video from “TED Talks” documenting Stockholm, Sweden’s success with congestion pricing, presented to the HRTPO Board at its Retreat, was viewed by the CTAC members.

Ms. Danaher asked for the number of people in Stockholm at the time of the congestion pricing study since the study only took into account the number of vehicles on the roadways. Mr. Farmer replied he was unsure; however, he noted the toll imposed was a 24-hour a day charge and Stockholm has roughly the same population as Hampton Roads with similar congestion problems. He stated the Stockholm experiment will be implemented in Hampton Roads in February 2014 if the Virginia Supreme Court overrules Judge James Cales’ decision regarding the Downtown/Midtown Tunnel tolls.

Ms. Schmidt inquired as to the length of time congestion pricing would be utilized if implemented in Hampton Roads. Mr. Farmer replied congestion pricing would be in place until a mega project could be delivered.

Mr. Carlton asked for clarification regarding the peak hours of congestion pricing. Mr. Farmer replied peak hours would involve 4-6 hours a day.

Future CTAC Meeting Agenda Items

Chair Watkins-White highlighted the agenda items for the next CTAC meeting.

For Your Information

Chair Watkins-White noted the items in the For Your Information section of the agenda packet.

Mr. Farmer stated that both the CTAC and HRTPO Board meetings could be found on YouTube.

Ms. Kendall Miller, HRTPO Public Involvement & Title VI Administrator, indicated that after the HRTPO Board meetings, CTAC members would receive an email from her with the link to the meeting, highlighting agenda items of interest.

Old/New Business

There was no Old/New Business.

Adjournment

With no further business to come before the Citizen Transportation Advisory Committee, the meeting adjourned at 1:44 p.m.