

MINUTES

MEETING - Board of Commissioners - Session 362

Virginia Port Authority
600 World Trade Center
Norfolk, Virginia
November 18, 2014

The Board of Commissioners (“Board”) of the Virginia Port Authority (“VPA”) held its regular meeting on November 18, 2014, in the VPA’s Conference Room located at 600 World Trade Center, Norfolk, Virginia. VPA Board Chairman John G. Milliken called the meeting to order at 9:00 a.m.

The following were then in attendance:

Commissioners:

John G. Milliken, Chairman
John N. Pullen, Vice Chairman
G. Robert Aston, Jr.
Jennifer D. Aument
J. William Cofer
Alan A. Diamonstein
Gary T. McCollum
Val S. McWhorter
Kim Scheeler
Deborah C. Waters
Manju S. Ganeriwala, State Treasurer

Commissioners Absent:

Martin J. Briley
Faith B. Power

VPA Staff:

John F. Reinhart, CEO/Executive Director
Rodney W. Oliver, Chief Financial Officer
James Bibbs, Chief Human Resources Officer
Cathie France, Chief Public Affairs Officer
James W. Noel, III, General Counsel
Russell Held, Vice President, Economic Development
Laura Godbolt, Development and Foreign-Trade Zone Specialist
Carla Welsh, Director, Creative Services and Brand Management
Joe Harris, Vice President, Communications and Spokesperson
Andrew Sinclair, Director, Government Affairs
Bevan Calo, Web Designer and Social Media Coordinator
Debra J. McNulty, Clerk to the Board

Virginia International Terminals, LLC (VIT) Staff:

Joseph P. Ruddy, Chief Innovation Officer
Thomas D. Capozzi, Chief Sales Officer
Shawn Tibbetts, Chief Operations Officer
Matthew Barnes-Smith, Financial Planning & Analytics

Guests:

Aubrey L. Layne, Jr., Secretary of Transportation
Jeffrey R. Allen, Office of the Attorney General
Brice Fiske, Office of the Attorney General
Evelyn S. Traub, Troutman Sanders LLP
JoAnne Carter, PFM Group (VPA Financial Advisor)
William W. Harrison, Jr., Williams Mullen (VPA Bond Counsel)
Larry Bachtell, International Longshoremen's Association, Local 1624
George Brown, CP&O, LLC
Arthur W. Moye, Jr., Virginia Maritime Association
Nick Ochsner, 13 News Now
Charlie Hatfield, 13 News Now
Robert McCabe, *The Virginian-Pilot*
Jamaal O'Neal, *Daily Press Newspaper*

Introductions

Chairman Milliken called the meeting to order and Mr. Ruddy conducted the safety briefing at this time. Mr. Harris introduced guests in attendance. Mr. Noel introduced Mr. Allen and Mr. Fiske from the Attorney General's office.

I. Approval of Minutes

Action: Upon motion made by Mr. Pullen, seconded by Mr. Diamonstein, the Board unanimously approved the minutes of the regular meeting held September 16, 2014, as circulated.

II. Reports of Committees

A. Executive Committee – John G. Milliken, VPA Chairman

The Chairman announced that there would not be a closed session.

Chairman Milliken reported that the Executive Committee met in closed session to discuss several topics, including personnel-related issues and growth strategies for The Port of Virginia (POV).

B. Finance and Audit Committee – G. Robert Aston, Jr., Committee Chair

Mr. Aston reported that the Finance and Audit Committee met at length and discussed various closed session topics. At this time, he turned the meeting over to Mr. Oliver to report on fiscal year-to-date financials.

Mr. Oliver reviewed the VPA/VIT consolidated income statement for the month ended September 30, 2014 and for the first three months of FY15 (July 1-September 30). He reported that operating expenses remained below budget in spite of volumes increases due to the operational efficiencies at the terminals. Overall, for the three months ended September 30, 2014, Mr. Oliver reported an increase in net assets of \$8.1 million. A copy of the presentation with Mr. Oliver's comments is attached.

Chairman Milliken commented that it was a good start to the fiscal year and he expressed appreciation to all of the staff for their efforts.

Secretary Layne expressed satisfaction with the progress-to-date and he emphasized the need to put money back into the operation to continue to make The Port of Virginia an economic engine for the Commonwealth. The Secretary thanked the Board and the management under Mr. Reinhart's leadership.

Mr. Aston reported that the Finance and Audit Committee discussed harmonization of pension benefits for VPA and VIT, general counsel update, final results of the fiscal year-end June 30, 2014 audits for VPA and VIT, debt refunding opportunities, fiduciary responsibilities by the Board, and recommendations for replacement of two investment funds for the VPA's Defined Contribution and Deferred Compensation Plans. Mr. Aston presented Resolution 14-11 at this time for consideration by the Board.

Action: Upon motion made by Mr. Aston, on behalf of the Finance and Audit Committee, and seconded by Mr. Diamonstein, the Board unanimously adopted Resolution 14-11, approving Pension, Defined Contribution, and Deferred Compensation Plan changes in connection with reorganization/harmonization.

Mr. Aston reported that Resolution 14-12 appoints an Investment Committee consisting of the Chairman of the Board, the Chairman of the Finance and Audit Committee, the CEO/Executive Director, Chief Financial Officer, and Chief Human Resources Officer.

Action: Upon motion made by Mr. Aston, on behalf of the Finance and Audit Committee, and seconded by Mr. Diamonstein, the Board unanimously adopted Resolution 14-12, authorizing delegation of fiduciary and administrative duties under Pension, Defined Contribution, and Deferred Compensation Plans.

Mr. Aston reported that the Committee also received an update from VPA's General Counsel, Mr. Noel. Mr. Aston announced that the Committee also received VPA and VIT financial audit reports.

Mr. Aston also reported that the Board heard presentations from VPA's bond counsel, Mr. Harrison (Williams Mullen) and financial advisor, Joanne Carter (PFM Group), on a proposed debt refunding.

At this time, Mr. Aston presented Resolutions 14-13 and 14-14 for consideration. Chairman Milliken explained that there had been discussion in committee with regard to the financial benefits of the refunding that would necessitate revisions to the resolutions.

Mr. Harrison suggested additional language to both resolutions to include a “refunding condition” that he read as follows:

The principal amortization of each series of the Series 2015 Bonds shall be substantially similar to the principal amortization of the Bonds to be refunded so as to achieve approximately level debt service savings, unless the Chairman of the Authority and the Chairman of the Authority’s Finance and Audit Committee shall have each approved an alternative financing structure.

Mr. Aston and Mr. Diamonstein concurred with the insertion of additional language to both resolutions. Secretary Layne noted that the bond issues would not incur additional debt to the Commonwealth. Ms. Waters also requested that the Board receive a copy of the amended resolutions for their records.

Action: Upon motion made by Mr. Aston, on behalf of the Finance and Audit Committee, and seconded by Mr. Diamonstein, the Board unanimously adopted Resolution 14-13 (as amended), supplementing Resolution 97-5, as previously amended and supplemented, authorizing the issuance of Port Facilities Revenue Refunding Bonds in Calendar Year 2015, granting authority to the Executive Director of Virginia Port Authority to approve the issuance of such bonds and related matters.

Action: Upon motion made by Mr. Aston, on behalf of the Finance and Audit Committee, and seconded by Mr. Diamonstein, the Board unanimously adopted Resolution 14-14 (as amended), supplementing Resolution 02-4, as previously amended and supplemented, authorizing the issuance of Commonwealth Port Fund (CPF) Revenue Refunding Bonds in Calendar Year 2015, granting authority to the Executive Director of Virginia Port Authority to approve the issuance of such bonds and related matters.

Mr. Aston reported that the Finance and Audit Committee also reviewed Mr. Cory’s recommendation for the replacement of two underperforming funds within the pension plan (as outlined in the resolution) and he presented Resolution 14-15 for adoption by the Board.

Action: Upon motion made by Mr. Aston, on behalf of the Finance and Audit Committee, and seconded by Mr. Diamonstein, the Board unanimously adopted Resolution 14-15, approving revisions to available investment funds in Defined Contribution Plan and Deferred Compensation Plan.

C. Growth and Operations Committee – Alan A. Diamonstein, Committee Chair

Mr. Diamonstein reported that the Growth and Operations Committee met yesterday and heard updates from Mr. Capozzi, Mr. Tibbetts, and Mr. Ruddy in their respective areas of sales, operations, and innovation/port development.

Mr. Capozzi provided an overview of calendar year-to-date (January-October) volumes with total TEUs up by 7.1% with exports outpacing imports two-to-one. A discussion ensued with the Secretary relating to jobs as a result of growth in container cargo, rail vs. truck, and the complexities of the port business. Mr. Reinhart mentioned that barge services and Virginia

Inland Port business also develop economic activities. Mr. Capozzi reviewed East Coast market share, ocean/cargo/break-bulk sales highlights, and POV customer survey volumes.

Mr. Tibbetts reported that POV is currently averaging 1.50 for Lost Work Days (LWD) compared with the industry average of 5.1. He reviewed total rail vs. gate/barge volumes at NIT and VIG, net crane moves per hour at NIT and VIG compared with the industry standard, and reviewed gate volume and initiatives; shipper support initiatives; rail volume; and PMT's re-opening and transition.

Mr. Ruddy reviewed several areas of strategic planning and analytics that were performed in support of the organization.

Mr. Ruddy reviewed project elements of the NIT North Gate Complex that will be funded in part by a \$15M TIGER Grant which was announced at the September board meeting. Gate Complex construction is scheduled for completion by August 2016. He also described the I-564 Intermodal Connector which is scheduled for completion by June 2017 and will tie in to the North Gate. Mr. Ruddy briefly described the Sustainability Team's projects - Energy Management/Lighting Strategic Plan at PMT and NIT, and the ISO 14000/ISO 9000 Sustainability Program Planning.

Mr. Ruddy reported that the latest version of N4 terminal operating system was installed at PMT and that Information Technology assisted operations on the installation of the first phase of the automated gate at NIT on September 27th.

At this time, Mr. Diamonstein presented Resolution 14-16, proposed revisions to the VPA Bylaws. Mr. Noel explained that the revisions include a change of start time for the board meeting from 11:00 a.m. to 9:00 a.m., and the addition of the Growth and Operations Committee and description of its duties, functions, and oversight.

Action: Upon motion made by Mr. Diamonstein, on behalf of the Growth and Operations Committee, and seconded by Mr. Pullen, the Board unanimously adopted Resolution 14-16, approving changes to the VPA Bylaws to include Growth and Operations Committee language and approving the change of start time for the full board meeting from 11:00 a.m. to 9:00 a.m.

III. Report by Chief Public Affairs Officer – Cathie France

Ms. France reviewed Community/Government Affairs projects that included the re-opening of PMT, Stakeholder Summits, and Vice President Biden's visit. Ms. France also described The Port of Virginia's communications efforts through POV's newly-designed website and economic development activities/announcements.

Ms. France announced that Public Affairs will be coordinating meetings in D.C. for December 8-9 with the Office of Management and Budget, the White House, and the Vice President's staff as well as meetings with Congressional delegations of our customers outside of Virginia, in preparation for the President's FY16 budget.

Ms. France reviewed Aid to Local Ports Policy revisions and gave a brief history of the grant program that is appropriated by the General Assembly.

Action: Upon motion made by Mr. McWhorter and seconded by Mr. McCollum, the Board unanimously adopted Resolution 14-17, approving changes to the “Policy on Grants to Local Government for Financial Assistance for Port Facilities” (Aid to Local Ports Policy).

Ms. France reported that Bill Burkett was invited by the Commander of the Dutch Royal Navy Fire Brigade to visit the Ports of Amsterdam and Rotterdam to review their emergency response infrastructure and processes and provide recommendations on procedures to develop regional Maritime Incident Response Teams (MIRT) across the Netherlands.

Secretary Layne recognized Mr. Burkett and the Coast Guard for their efforts on the weekly monitoring of the Ebola crisis.

Ms. France announced that POV received a 2014 Port Security Grant for \$949,000 for interoperability, communications, and cyber security, and a 2014 UASI Grant for \$75,000 to support training and the sustainment of our regional dive operations. Ms. France reported that POV is working with our port partners on updating our risk assessment to a Tier 1 port facility that will enable our port to have access to additional security grant funds.

VI. Report by Chief Human Resources Officer – James Bibbs

Mr. Bibbs provided a recap of progress-to-date on the organizational structure and vision of the Port since the arrival of Mr. Reinhart in February of this year. Mr. Bibbs mentioned the various documents relating to the reorganization that were approved by the Board in July on the financial structure, shared services, and operating agreements for VPA, VIT and HRCPII.

Mr. Bibbs complimented the work of our consultant, Maria Hildebrandt, who worked with colleagues across The Port of Virginia to formulate our values/branding and development of SMART goals. He also noted Mr. Tibbett’s promotion to Chief Operations Officer and Mr. Ruddy’s transition to Chief Innovation Officer.

Mr. Bibbs reported that the first phase of transitioning VIT colleagues to VPA is scheduled for January 2015 with Finance and Innovation and the second phase taking place in July 2015 with the Information Technology group. Mr. Bibbs also mentioned the pension benefits that have been harmonized between VPA and VIT as well as health benefits.

V. Report by CEO/Executive Director – John F. Reinhart

Mr. Reinhart thanked everyone for their presentations and the Board for their support and guidance.

Mr. Reinhart referred to the copy of the presentation that was provided to each of the Board members, entitled, “The Port of Virginia – Charting a Course for Success in Economic Development”, that he presented at the Governor’s Transportation Conference in Roanoke,

hosted by Secretary Layne, on November 12th. Mr. Reinhart offered to provide the presentation to Board members in a format that they can use to relay the Port's message.

Chairman Milliken advised that Board members should consider themselves "Ambassadors of the Port" by taking this message to all of their constituents and reaching out to whomever they can to help the Port and the Commonwealth.

Secretary Layne complimented Mr. Reinhart on his presentation. He emphasized supporting economic development and he agreed with Chairman Milliken's advice to the Board.

At this time, Mr. Reinhart announced October financials – another record month. (Press Release attached.)

In closing, Mr. Reinhart talked about the importance of constituent outreach, satisfying our customers and providing them with the best services possible. He expressed appreciation to all POV colleagues for their efforts to live the POV Values and for their accomplishments over the last nine months.

VI. Unfinished Business

There was no unfinished business to report.

VII. New Business

There was no new business to report at this time.

VIII. Other Business, Opportunity for Public Comment, and Adjournment

Chairman Milliken announced the **2015 meeting dates** for the VPA Board of Commissioners as follows:

January 27

March 24

May 19 (rescheduled from May 26 due to Memorial Day holiday)

July 28 (Annual Meeting)

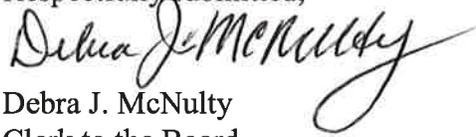
September 22

November 17 (rescheduled from November 24 due to Thanksgiving holiday)

Committee meetings would be scheduled the Monday before the full Board meeting.

There being no further business and no public comments, the meeting adjourned at 10:25 a.m.

Respectfully submitted,



Debra J. McNulty
Clerk to the Board

The next meeting of the VPA Board of Commissioners is scheduled for **Tuesday, January 27, 2015, at 9:00 a.m.**, in the Authority's Conference Room, 600 World Trade Center, Norfolk. Committee meetings will be scheduled on Monday, January 26.

All open session presentations have been posted to VPA's website, along with the 2015 meeting schedule at: <http://www.portofvirginia.com/about/our-board/board-room-meetings/>



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News Release
Nov. 18, 2014

Contact: Joe Harris
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Port Posts Another Month of Operating Income in Positive Territory

Norfolk – The Port of Virginia completed October with record cargo volumes and an operating income of \$314,000, continuing the port’s consecutive string of profitable months.

The port’s operating profit in the four months since the beginning of fiscal 2015 is \$4.6 million, compared with an operating loss of \$4.8 million in the same period of fiscal 2014. The October result is \$1.8 million better than the result for the October of the prior year. Moreover, the port has generated an operating profit and in seven of the last eight months in calendar 2014.

“When comparing the fiscal-year-to-date performances, we are looking at a swing of \$9 million, so we are continuing to find solid financial ground” said John F. Reinhart, CEO and executive director of the Virginia Port Authority.

“And while we have an improving financial picture, we are still not where we want to be in terms of delivery of service at VIG and NIT,” he said. “The challenge of congestion at our gates continues and impedes the ability for motor carriers to do their job with efficiency. At the gates, execution, consistency and adaptability is a primary focus.

“We are stabilizing the port and have a long, hard road ahead of us to revitalize the port and invest in critical infrastructure to deliver superior service and sustainability.”

On Nov. 7, The Port of Virginia reported that for the first time in its history, it handled more than 220,000 TEUs in a month and thus made October the busiest month in the port’s history.

In October, the port handled 221,105 TEUs, an increase of 7 percent, or 14,508 TEUs, when compared with October 2013. In a year-to-date comparison (Jan. – Oct. 2014 vs. Jan. – Oct. 2013) the port is tracking 7.1 percent ahead of the same period last year: 1,980,999 TEUs vs. 1,849,524 TEUs.

In October, truck volume increased by 8.7 percent. The port moved 81,375 containers by truck in October, which is 6,518 more than what was handled last October.

In a year-to-date comparison, rail volume is up 3.9 percent; Virginia Inland Port up 16 percent; barge containers up 12.3 percent; truck containers up 8.6 percent; ship calls up 4.1 percent; and vehicle units up 5 percent.

The port has exceeded the 200,000-TEU mark in April, May, July, August, September and October.

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The Virginia Port Authority (VPA) is a political subdivision of the Commonwealth of Virginia. The VPA owns and through its private operating subsidiary, Virginia International Terminals, LLC (VIT), operates four general cargo facilities Norfolk International Terminals, Portsmouth Marine Terminal, Newport News Marine Terminal and the Virginia Inland Port in Warren County. The VPA leases Virginia International Gateway and the Port of Richmond.

VPA/Virginia International Terminals, LLC

CONSOLIDATED INCOME STATEMENT FOR THE MONTH ENDED SEPTEMBER 30,

2014

	<u>Actual</u>	<u>Budget</u>	<u>\$ Variance</u>	<u>% Variance</u>
Operating Revenues	\$ 35,431,115	\$ 35,058,225	\$ 372,890	1.1%

- **Actual container volume was 115,827 vs. 110,297 budget, a 5.0% Increase**
- **Operating revenue was 1.1% over budget, primarily due to higher volume and favorable mix**

VPA/Virginia International Terminals, LLC

CONSOLIDATED INCOME STATEMENT FOR THE MONTH ENDED SEPTEMBER 30,

	Actual ²⁰¹⁴	Budget	\$ Variance	% Variance
Operating Revenues	\$ 35,431,115	\$ 35,058,225	\$ 372,890	1.1%
Operating Expenses:				
Terminal operations	15,229,248	15,482,717	253,469	1.6%
Terminal maintenance	7,560,096	7,021,948	(538,148)	-7.7%
General and administrative	3,953,515	4,336,884	383,369	8.8%
Facility Rental	4,621,019	4,603,768	(17,251)	-0.4%
Depreciation and amortization	3,964,410	3,956,869	(7,540)	-0.2%
Total operating expenses	35,328,288	35,402,187	73,899	-0.2%

- **Terminal operating expense was \$253,000 under budget primarily due to reduced premium pay and increased efficiencies.**
- **Terminal maintenance was \$538,000 over budget due to additional utility costs, and additional repairs**
- **Remaining expense categories combined to be \$358,000 less than budget**

VPA/Virginia International Terminals, LLC

CONSOLIDATED INCOME STATEMENT FOR THE MONTH ENDED SEPTEMBER 30,

	Actual ²⁰¹⁴	Budget	\$ Variance	% Variance
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General and administrative	3,953,515	4,336,884	383,369	8.8%
Facility Rental	4,621,019	4,603,768	(17,251)	-0.4%
Depreciation and amortization	3,964,410	3,956,869	(7,540)	-0.2%
Total operating expenses	35,328,288	35,402,187	73,899	-0.2%
Operating income (loss)	102,827	(343,962)	446,789	129.9%

- **The higher than budgeted revenue combined with operating expenses in line with budget resulted in an operating income of \$103,000 or \$447,000 above budget for the month of September**

VPA/Virginia International Terminals, LLC

CONSOLIDATED INCOME STATEMENT FOR THE MONTH ENDED SEPTEMBER 30,

	Actual ²⁰¹⁴	Budget	\$ Variance	% Variance
Operating Revenues	\$ 35,431,115	\$ 35,058,225	\$ 372,890	1.1%
Operating Expenses:				
Terminal operations	15,229,248	15,482,717	253,469	1.6%
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Facility Rental	4,621,019	4,603,768	(17,251)	-0.4%
Depreciation and amortization	3,964,410	3,956,869	(7,540)	-0.2%
Total operating expenses	35,328,288	35,402,187	73,899	-0.2%
Operating income (loss)	102,827	(343,962)	446,789	129.9%
Non-operating revenues (expenses)	(2,167,644)	349,105	(2,516,750)	-720.9%
Capital contributions and transfers	3,415,278	3,230,611	184,667	5.7%

- **Non-operating expenses consist primarily of interest expense and revenues from primary government which is lower than budget due to zone grant funding not yet received**
- **Capital contributions consist primarily of Commonwealth Port Fund Revenue and was 5.7% above budget**

VPA/Virginia International Terminals, LLC

CONSOLIDATED INCOME STATEMENT FOR THE MONTH ENDED SEPTEMBER 30,

	Actual ²⁰¹⁴	Budget	\$ Variance	% Variance
Operating Revenues	\$ 35,431,115	\$ 35,058,225	\$ 372,890	1.1%
Operating Expenses:				
Terminal operations	15,229,248	15,482,717	253,469	1.6%
Terminal maintenance	7,560,096	7,021,948	(538,148)	-7.7%
General and administrative	3,953,515	4,336,884	383,369	8.8%
Facility Rental	4,621,019	4,603,768	(17,251)	-0.4%
Depreciation and amortization	3,964,410	3,956,869	(7,540)	-0.2%
Total operating expenses	35,328,288	35,402,187	73,899	-0.2%
Operating income (loss)	102,827	(343,962)	446,789	129.9%
Non-operating revenues (expenses)	(2,167,644)	349,105	(2,516,750)	-720.9%
Capital contributions and transfers	3,415,278	3,230,611	184,667	5.7%
Increase (decrease) in Net Assets	\$ 1,350,461	\$ 3,235,755	\$ (1,885,294)	-58.3%

- **The overall results show an increase in Net Assets of \$1.4 million, which was \$1.9 million below budget**

VPA/Virginia International Terminals, LLC

CONSOLIDATED INCOME STATEMENT FOR THE THREE MONTHS ENDED SEPTEMBER 30,

	Actual²⁰¹⁴	Budget	\$ Variance	% Variance
Operating Revenues	\$ 111,176,936	\$ 106,737,586	\$ 4,439,350	4.2%

- **Actual container volume was 360,324 vs. 343,964 budget, a 4.8% Increase**
- **Operating revenue was 4.2% over budget, primarily due to higher volume and favorable mix**

VPA/Virginia International Terminals, LLC

CONSOLIDATED INCOME STATEMENT FOR THE THREE MONTHS ENDED SEPTEMBER 30,

	Actual ²⁰¹⁴	Budget	\$ Variance	% Variance
Operating Revenues	\$ 111,176,936	\$ 106,737,586	\$ 4,439,350	4.2%
Operating Expenses:				
Terminal operations	47,543,685	47,027,377	(516,308)	-1.1%
Terminal maintenance	22,064,018	20,797,471	(1,266,548)	-6.1%
General and administrative	11,461,606	13,185,766	1,724,160	13.1%
Facility Rental	13,863,057	13,811,305	(51,752)	-0.4%
Depreciation and amortization	11,939,544	11,854,479	(85,065)	-0.7%
Total operating expenses	106,871,910	106,676,398	(195,512)	-0.2%

- **Terminal operating expense was \$516,000 over budget primarily due to increased volumes**
- **Terminal maintenance was \$1.3 million over budget due to the additional utility costs, and additional repairs to equipment**
- **Remaining expense categories combined to be \$1.6 million less than budget**

VPA/Virginia International Terminals, LLC

CONSOLIDATED INCOME STATEMENT FOR THE THREE MONTHS ENDED SEPTEMBER 30,

	Actual ²⁰¹⁴	Budget	\$ Variance	% Variance
Operating Revenues	\$ 111,176,936	\$ 106,737,586	\$ 4,439,350	4.2%
Operating Expenses:				
Terminal operations	47,543,685	47,027,377	(516,308)	-1.1%
Terminal maintenance	22,064,018	20,797,471	(1,266,548)	-6.1%
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Facility Rental	13,863,057	13,811,305	(51,752)	-0.4%
Depreciation and amortization	11,939,544	11,854,479	(85,065)	-0.7%
Total operating expenses	106,871,910	106,676,398	(195,512)	-0.2%
Operating income (loss)	4,305,025	61,187	4,243,838	6935.8%

- The higher than budgeted revenue combined with operating expenses in line with budget resulted in an operating income of \$4.3 million above budget for the first three months of FY 15

VPA/Virginia International Terminals, LLC

CONSOLIDATED INCOME STATEMENT FOR THE THREE MONTHS ENDED SEPTEMBER 30,

	Actual ²⁰¹⁴	Budget	\$ Variance	% Variance
Operating Revenues	\$ 111,176,936	\$ 106,737,586	\$ 4,439,350	4.2%
Operating Expenses:				
Terminal operations	47,543,685	47,027,377	(516,308)	-1.1%
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Facility Rental	13,863,057	13,811,305	(51,752)	-0.4%
Depreciation and amortization	11,939,544	11,854,479	(85,065)	-0.7%
Total operating expenses	106,871,910	106,676,398	(195,512)	-0.2%
Operating income (loss)	4,305,025	61,187	4,243,838	6935.8%
Non-operating revenues (expenses)	(5,050,015)	1,047,316	(6,097,331)	-582.2%
Capital contributions and transfers	8,803,468	9,168,933	(365,465)	-4.0%

- **Non-operating expenses consist primarily of interest expense and revenues from primary government which is lower than budget due to zone grant funding not yet received**
- **Capital contributions consist primarily of Commonwealth Port Fund Revenue and was 4.0% below budget**

VPA/Virginia International Terminals, LLC

CONSOLIDATED INCOME STATEMENT FOR THE THREE MONTHS ENDED SEPTEMBER 30,

	Actual ²⁰¹⁴	Budget	\$ Variance	% Variance
Operating Revenues	\$ 111,176,936	\$ 106,737,586	\$ 4,439,350	4.2%
Operating Expenses:				
Terminal operations	47,543,685	47,027,377	(516,308)	-1.1%
Terminal maintenance	22,064,018	20,797,471	(1,266,548)	-6.1%
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Depreciation and amortization	11,939,544	11,854,479	(85,065)	-0.7%
Total operating expenses	106,871,910	106,676,398	(195,512)	-0.2%
Operating income (loss)	4,305,025	61,187	4,243,838	6935.8%
Non-operating revenues (expenses)	(5,050,015)	1,047,316	(6,097,331)	-582.2%
Capital contributions and transfers	8,803,468	9,168,933	(365,465)	-4.0%
Increase (decrease) in Net Assets	\$ 8,058,479	\$ 10,277,437	\$ (2,218,958)	-21.6%

- **The overall results show an increase in Net Assets of \$8.1 million, which was \$2.2 million below budget**

RESOLUTION 14-11

**ADOPTION OF PENSION, DEFINED CONTRIBUTION AND
DEFERRED COMPENSATION PLAN CHANGES
IN CONNECTION WITH REORGANIZATION/HARMONIZATION**

WHEREAS, the Board desires to harmonize the employment experience between the Virginia Port Authority (VPA) and Virginia International Terminals, LLC (VIT) and to provide for the smooth transition for employees who transfer from one employer to another.

WHEREAS, the VPA and VIT each sponsors a defined benefit pension plan that is frozen to new participants.

WHEREAS, the VPA, VIT and Hampton Roads Chassis Pool, LLC (HRCP II) each sponsors a deferred compensation plan described in Section 457 of the Internal Revenue Code and a defined contribution plan described in section 401(a) of the Internal Revenue Code.

WHEREAS, the Board desires that colleagues move between organizations with no loss of benefit.

WHEREAS, to accomplish this, all plans of VPA and VIT will be revised and the plans of HRCP II will be frozen and eventually merged into the corresponding plan sponsored by VIT.

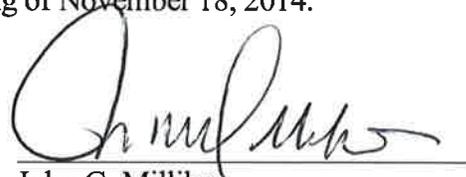
WHEREAS, counsel for the Authority has prepared a Restatement of the Virginia Port Authority Defined Benefit Plan and Trust, a First Amendment to the Virginia Port Authority Deferred Compensation Plan and a Second Amendment to the Virginia Port Authority Defined Contribution Plan, copies of which have been provided to the Board.

WHEREAS, counsel for the Authority has prepared a Restatement of the Virginia International Terminals, LLC Pension Plan, a Restatement of the Virginia International Terminals, LLC Deferred Compensation Plan and a Restatement of the Virginia International Terminals, LLC Matching Savings Plan, copies of which have been provided to the Board, and which will be adopted by VIT through action of its Manager.

NOW, THEREFORE, BE IT RESOLVED, the Restatement of the Virginia Port Authority Defined Benefit Plan and Trust, the First Amendment to the Virginia Port Authority Deferred Compensation Plan and the Second Amendment to the Virginia Port Authority Defined Contribution Plan are hereby adopted.

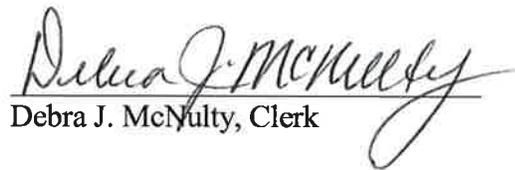
FURTHER RESOLVED, that a copy of this resolution shall be attached to and maintained as a permanent record of the Plans and the proper officers of the Authority are hereby directed to take all necessary and appropriate actions as may be required to execute the restatement.

BE IT STILL FURTHER RESOLVED that a copy of this Resolution be attached to the minutes of the Virginia Port Authority Board Meeting of November 18, 2014.



John G. Milliken
Chairman

Attest:



Debra J. McNulty, Clerk

**FIRST AMENDMENT TO
VIRGINIA PORT AUTHORITY
DEFERRED COMPENSATION PLAN
(As Restated Effective January 1, 2011)**

Pursuant to Section 7.01 of the Virginia Port Authority Deferred Compensation Plan (As Restated Effective January 1, 2011) (the "Plan"), the Board of Commissioners hereby amends the Plan as follows, effective January 1, 2015 or as otherwise expressly provided herein:

1. A new subsection 2.01(d) is added to the Plan, effective January 1, 2015, to read as follows:

- (d) Effective January 1, 2015, each Employee who is hired or rehired on or after January 1, 2015, shall become a Participant as of the first day of the pay date following the ninetieth (90th) day of employment through a deemed Participation Agreement to contribute three percent (3%) of Compensation per pay period as a Pre-tax Contribution, which shall increase by 1% effective as of the first day of the pay period of the calendar year, up to a maximum of six percent (6%), unless the Employee affirmatively revokes the deemed Participation Agreement and withdraws pursuant to Section 6.03 any contributions made to the Plan prior to such affirmative revocation. Thereafter, such Employee may elect to become a Participant under the Plan and to defer a portion of future Compensation by executing and filing a written Participation Agreement in the manner set forth in Section 2.04 hereof. Alternatively, an eligible Employee may elect to become a Participant earlier, by executing and filing a written Participation Agreement in the manner set forth in Section 2.04 hereof at any time after becoming an Employee. .

2. Subparagraph (i) of Subsection 2.04(b) is amended, effective January 1, 2015, to read as follows:

- (i) A Participant enrolled pursuant to a deemed Participation Agreement prior to January 1, 2015 shall make a contribution of six percent (6%) of Compensation as a Pre-tax Contribution each payroll period unless or until the Participant either revokes the election or changes the amount or percentage of the contribution. A Participant enrolled pursuant to a deemed Participation Agreement on or after to January 1, 2015 shall make a contribution of three percent (3%) of Compensation as a Pre-tax Contribution each payroll period unless or until the Participant either revokes the election or changes the amount or percentage of the contribution, or the amount increases according to the escalation schedule in Section 2.01(d) of the Plan.

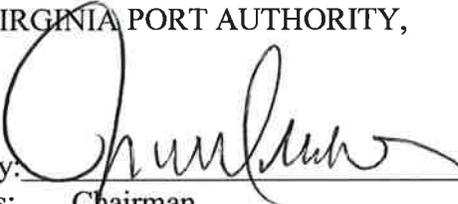
3. Section 6.03 is amended, effective January 1, 2015, to read as follows:

- 6.03 Withdrawal from Automatic Enrollment Arrangement. A Participant who was enrolled in the Plan pursuant to the deemed Deferred Compensation Election provisions of Subsections 2.01(c) or (d) and 2.03(b), may elect to receive a withdrawal of the amount of

elective deferrals (and the earnings attributable thereto) made with respect to payroll periods beginning before the effective date of the election to receive the withdrawal. Such election must be made within 90 days after the date the first deemed elective deferral is made to the Plan.

IN WITNESS WHEREOF, the Board of Commissioners has caused its name to be signed to this Amendment by its Chairman, as of the 18th of November, 2014.

VIRGINIA PORT AUTHORITY,

By: 
Its: Chairman

**SECOND AMENDMENT TO
VIRGINIA PORT AUTHORITY
DEFINED CONTRIBUTION PLAN
(As Restated Effective January 28, 2014)**

Pursuant to Section 10.02 of the Virginia Port Authority Defined Contribution Plan (formerly the Virginia Port Authority Matching Plan) (as restated effective January 28, 2014) (the "Plan"), the Plan is hereby amended as follows, effective January 1, 2015 or as otherwise expressly provided herein:

1. Section 1.01 of the Plan is amended to add the following clause (f), effective January 1, 2015, to read as follows:

(f) "Incentive Bonus Account": The account of that portion of a VIT Plan Participant (as defined in Section 1.18) attributable to the Incentive Bonus Contributions allocated to such Participant pursuant to Section 3.04 and the proportionate share of the adjustment attributable to his Incentive Bonus Account.

2. The paragraph of Section 1.07 of the Plan is amended, effective January 1, 2015, to read as follows:

1.07 Compensation for any Plan Year means base pay received by the Participant during the Plan Year. Base pay shall be determined as of July 1 of each Plan Year, and shall exclude any special items of pay such as overtime and bonuses, but shall include increase in base pay awarded during the Plan Year. Compensation shall include any amounts deferred pursuant to Sections 125 (flexible benefit plans); 132(f) (qualified transportation fringe benefit); 402(e)(3) (cash or deferred arrangements); or 402(h) (simplified employee plans). Notwithstanding the foregoing, for a VIT Plan Participant, the Salary and Hourly Pay Plan Bonus, if any awarded to such Participant as an integral part of the Participant's annual compensation review is included.

In no event shall Compensation taken into account hereunder during a Plan Year exceed the maximum amount that may be taken into account for such Plan Year under IRS Section 401(a)(17) as adjusted by statute or by the Secretary of Treasury or his delegate.

3. Section 1.08 of the Plan is amended, effective January 1, 2015, to read as follows:

1.08 Contributions means Base Contributions, Matching Contributions, Discretionary Contributions, Incentive Bonus Contributions (for VIT Plan Participants only), and Rollover Contributions as provided herein by the Employer or Employee to the Trustee for the purpose of providing the benefits under this Plan.

4. Section 1.14 of the Plan is amended, effective January 1, 2015, to read as follows:

1.14 Employer means Virginia Port Authority, an independent government authority, or any successor thereto. Solely for purposes of termination of employment with the Employer, the term "Employer" shall include VIT and Hampton Roads Chassis Pool II LLC ("HRCP II")

5. Section 1.16 of the Plan is amended, effective January 1, 2015, to read as follows:

1.16 Enhanced Plan Participant means an Employee who becomes a Participant and who is hired or rehired after January 28, 2014, other than a VIT Plan Participant.

6. A new Section 1.17A is added to the Plan, effective January 1, 2015, to read as follows:

1.17A Incentive Bonus Contributions means Incentive Contributions made by the Employer pursuant to Section 3.04.

7. A new Section 1.35 is added to the Plan, effective January 1, 2015, to read as follows:

1.35 VIT Plan Participant means any Employee who was transferred from Virginia International Terminals, LLC after December 31, 2014 and who was an active participant in the Virginia International Terminals, LLC Pension Plan immediately prior to his transfer.

8. A new subparagraph (iv) is added to Section 3.02(a), effective January 1, 2015, to read as follows:

(iv) With respect to a VIT Plan Participant, fifty percent (50%) of the Deferred Compensation which does not exceed three percent (3%) of eligible Compensation of such Participant deferred into the Deferred Compensation Plan.

9. A new Section 3.03(c) is added to the Plan, effective January 1, 2015, to read as follows:

3.03(c) Incentive Bonus Contributions – The Employer may contribute all or any portion of an Incentive Bonus to the Plan for VIT Plan Participants. Such Incentive Bonus Contributions shall be credited to VIT Plan Participants’ Incentive Bonus Accounts. For purposes of this Section 3.03(c), an Incentive Bonus shall mean additional compensation awarded at the discretion of the Board or its designee. Notwithstanding the provisions of Section 6.01, a VIT Plan Participant (or his Beneficiary(ies)) shall be vested in, and may withdraw from his Incentive Bonus Account only as provided in Section 6.04.

10. The following sentence is added at the end of clause (i) of Section 6.01(c) of the Plan , effective January 1, 2015, to read as follows:

For this purpose, service with the VIT by an Employee who transfers directly from the Employer to VIT on or after December 31, 2014 prior to any termination of employment shall count as Service toward vesting in the Matching and Discretionary Accounts under this Plan

11. A new Section 6.01(d) is added to the Plan, effective January 1, 2015, to read as follows:

6.01(d) If a VIT Plan Participant has not attained his Normal Retirement Age or become Disabled at the date of termination, he shall be vested in his Matching Plan Account and Discretionary Account in accordance with the following table:

<u>Years of Service</u>	<u>Non forfeitable Percentage</u>
Less than 5 years	0%
5 years or more	100%

Notwithstanding the foregoing, the non-forfeitable percentage of a VIT Plan Participant shall be the greater of the non-forfeitable percentage of his non-forfeitable percentage determined under Section 6.01(d) hereof at such time or the non-forfeitable percentage determined under the

Virginia International Terminals LLC Matching Savings Plan as of the date the VIT Plan Participant transfers to the Employer.

VIT Plan Participants shall receive vesting credit under the above table for any period of employment in which the VIT Plan Participant was an employee of Virginia International Terminals, Inc.

Notwithstanding the above vesting schedule, if a VIT Plan Participant's employment is terminated for cause before he or she has completed three (3) Years of Service, the amount of the Participant's Discretionary Account and Matching Plan Account shall be forfeited. Termination for cause shall be determined as specified in the Employer's Policy Manual.

12. Section 6.03 of the Plan is amended, effective January 1, 2015, to read as follows:

6.03 Use of Forfeitures. Forfeitures shall be reallocated to the remaining active Participants' Accounts in the following manner:

- (a) Forfeitures from an Enhanced Plan Participant's Base Account shall be allocated to the remaining Participant's Enhanced Plan Base Account in proportion to their Compensation.
- (b) Forfeitures from an Enhanced Plan Participant's Matching Account shall be allocated to the remaining Participant's Enhanced Plan Matching Account in proportion to their Deferred Compensation.
- (c) Forfeitures from a Matching Plan Participant's Matching Account (other than the Matching Plan Accounts of VIT Plan Participants) shall be allocated to the remaining Participant's Matching Plan Matching Account (other than the Matching Plan Accounts of VIT Plan Participants) in proportion to their Deferred Compensation.
- (d) Forfeitures from a Participant's Discretionary Account shall be allocated to the remaining Participant's Discretionary Account in the same manner as the Discretionary Contribution that gave rise to the forfeiture.
- (e) Forfeitures from a VIT Plan Participant's Matching Account shall be allocated to the remaining VIT Participant's Matching Plan Matching Account in proportion to their Deferred Compensation.

13. A new Section 6.04 is added to the Plan, effective January 1, 2015, to read as follows:

6.04 Vesting and Forfeitures of Incentive Bonus Accounts- The foregoing provisions of ARTICLE VI shall not apply to Incentive Bonus Accounts, which shall vest one hundred percent (100%) and become non forfeitable upon the VIT Plan Participant's death, Disability, or termination of employment, except for termination of employment for cause.

If a VIT Plan Participant is terminated for cause prior to his death, Disability, or Normal Retirement Date, any Employer contributions to his Incentive Bonus Account, and any earnings attributable to those contributions, shall be deemed a forfeiture and shall be used to offset future plan funding or expenses. Termination for cause shall be determined as specified in the Employer's Policy Manual.

14. A new Section 7.05 is added to the Plan, effective January 1, 2015, to read as follows:

7.05 Withdrawal and Loans for VIT Plan Participants - A VIT Plan Participant (or his Beneficiary(ies)) may apply for Unforeseen Hardship Distribution from his Matching or Discretionary Account in the same manner described in Section 7.02 and request a loan as provided under Section 7.03.

IN WITNESS WHEREOF, the Board of Commissioners has caused its name to be signed to this Amendment by its Chairman, as of the 18th of November, 2014.

VIRGINIA PORT AUTHORITY,

By:  _____
Its: Chairman

RESOLUTION 14-12

DELEGATION OF FIDUCIARY AND ADMINISTRATIVE DUTIES UNDER PENSION, DEFINED CONTRIBUTION AND DEFERRED COMPENSATION PLANS

WHEREAS, Virginia law requires that when a local government or political subdivision, such as the Virginia Port Authority, establishes a retirement plan, then any funds segregated or designated for the retirement plan shall be invested with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in like capacity and familiar with such matters would use in the conduct of an enterprise of like character and similar aims. Such investments shall be diversified so as to minimize the risk of large losses unless under the circumstances it is clearly improper to do so. Collectively these duties are referred to as Fiduciary Duties.

WHEREAS, Pursuant to certain enabling statutes, the Board has established three retirement plans for employees of the Authority, two of which are defined contribution plans (that is, the Deferred Compensation Plan and the Matching Plan) and one of which is a defined benefit pension plan intended to pay retirement benefits under a formula described in the plan to plan participants. The assets of each of these plans must be invested under the standard just described. With respect to the two defined contribution plans, the plans permit participants to direct the investment of their own account balances among the investment funds made available under the plans.

WHEREAS, in order to fulfill its Fiduciary Duties with respect to the Plan, the Board has determined that it shall appoint an Investment Committee to oversee the operation of the Plans and act as plan administrator and to oversee the investment of the assets of the Plans, including 1) the appointment and removal of the trustees for the plans and 2) the appointment of various investment managers as the committee deems appropriate for the defined benefit plan and 3) to review and select the investment funds to be made available for investment direction by participants under the defined contribution plans.

WHEREAS, the Virginia International Terminals LLC (VIT) has similar Fiduciary Duties with respect to its retirement plans and desires to delegate such duties to the Investment Committee. The Board has determined that it would be desirable to permit such a delegation and empower the Investment Committee to accept the delegation of such duties from VIT.

WHEREAS, under each Plan, the Authority has delegated to the Plan Administrator the right to modify, alter, or amend the Plan in whole or in part to make any technical modification, alteration or amendment which in the opinion of counsel for the Plan Sponsor is required by law and is deemed advisable by the Administrator and to make any other modification, alteration or amendment which does not, in the Administrator's view, substantially increase costs, contributions or benefits and does not materially affect the eligibility, vesting or benefit accrual or allocation provisions of the plans.

WHEREAS, in addition, under Virginia law, the Board of Commissioners is authorized to set the policy and procedures for the administration of the plans. This includes making determinations with respect to the interpretation of the terms of the plans and their application to various situations as they arise. While the staff of the Authority will generally perform the day to day tasks of plan administration, with the assistance of third parties hired for that purpose, there will be instances where the staff and its third party assistants are unable or are not empowered to make a decision or interpretation. Collectively these duties are referred to as Administrative Duties.

WHEREAS, the Virginia International Terminals LLC (VIT) has similar Administrative Duties with respect to its retirement plans and desires to delegate such duties to the Chief Human Resources Officer of the Authority. The Board has determined that it would be desirable to permit such a delegation and empower the Chief Human Resources Officer of the Authority to accept the delegation of such duties from VIT.

NOW, THEREFORE, BE IT RESOLVED, the Board hereby appoints an Investment Committee consisting of the Chairman of the Board, the Chairman of the Finance & Audit Committee of the Board, and the following officers of the Authority: the Executive Director/CEO, the Chief Financial Officer, and the Chief Human Resources Officer, until such time as the Board determines otherwise.

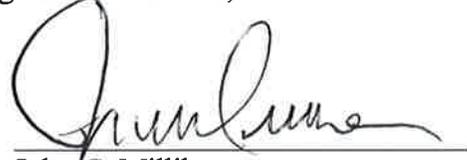
BE IT FURTHER RESOLVED, that the Board hereby delegates to the Investment Committee its Fiduciary Duties with respect to the plans, including 1) the duty and responsibility to oversee the investment of the assets of the Plans, 2) the appointment and removal of the trustees for the plans 3) the appointment of various investment managers as the committee deems appropriate for the defined benefit plan and 4) to review and select the investment funds to be made available for investment direction by participants under the defined contribution plans.

BE IT FURTHER RESOLVED, that authority to amend the plans on behalf of the Plan Administrator to the extent that such amendments do not, in his view, substantially increase costs, contributions or benefits and does not materially affect the eligibility, vesting or benefit accrual or allocation provisions of the Plan and the Administrative Duties are hereby delegated to the Chief Human Resources Officer of the Authority.

BE IT FURTHER RESOLVED, that the Board recognizes that actions by the Investment Committee taken under the delegation by VIT of its Fiduciary Duties are within the scope of the authority of the Investment Committee.

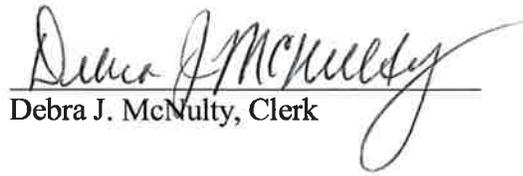
BE IT FURTHER RESOLVED, that the Board recognizes that actions by the Chief Human Resources Officer of the Authority taken under the delegation by VIT of its Administrative Duties are within the scope of the authority the Chief Human Resources Officer of the Authority.

BE IT STILL FURTHER RESOLVED that a copy of this Resolution be attached to the minutes of the Virginia Port Authority Board Meeting of November 18, 2014.



John G. Milliken
Chairman

Attest:



Debra J. McNulty, Clerk

Resolution No. 14-13

RESOLUTION SUPPLEMENTING RESOLUTION 97-5, AS PREVIOUSLY AMENDED AND SUPPLEMENTED, AUTHORIZING THE ISSUANCE OF PORT FACILITIES REVENUE REFUNDING BONDS IN CALENDAR YEAR 2015, GRANTING AUTHORITY TO THE EXECUTIVE DIRECTOR OF VIRGINIA PORT AUTHORITY TO APPROVE THE ISSUANCE OF SUCH BONDS AND RELATED MATTERS

The Virginia Port Authority (the "Authority") acting by its Board of Commissioners (the "Board") adopted Resolution No. 97-5 on May 27, 1997 (as previously amended and supplemented, the "Bond Resolution"), which in Section 210 permits the issuance of bonds of the Authority for the purpose of, among other things, providing funds for refunding all or, if then permitted by law, any Bonds of any one or more Series of Bonds then outstanding, including the payment of any redemption premium and accrued interest thereon and any expenses in connection with such refunding.

The Authority has previously issued Bonds under the Bond Resolution pursuant to Series Resolutions adopted on May 20, 2003 (the "Series 2003 Bonds") with an outstanding principal balance of \$15,295,000, October 17, 2006 (the "Series 2006 Bonds") with an outstanding principal balance of \$80,820,000, January 23, 2007 (the "Series 2007 Bonds") with an outstanding principal balance of \$59,615,000, and March 23, 2010 (the "Series 2010 Bonds") with an outstanding principal balance of \$68,630,000. The Series 2003 Bonds, the Series 2006 Bonds, the Series 2007 Bonds and the Series 2010 Bonds are collectively referred to as the "Bonds". To take advantage of potential low interest rates as they may exist from time to time in calendar year 2015, the Board has now determined to refund all or a portion of the callable maturities of one or more series of the Bonds by the issuance and sale of refunding bonds pursuant to Section 210 of the Bond Resolution to be designated the "Virginia Port Authority Port Facilities Revenue Refunding Bonds, Series 2015" (the "Series 2015 Bonds"), which Series 2015 Bonds may be issued in one or more series throughout calendar year 2015 and shall be appropriately designated to differentiate one series from another. The Series 2015 Bonds shall be issued as tax-exempt or taxable refunding issue(s) subject to certain Refunding Conditions, herein defined.

The Board has found and determined that the issuance and sale of the Series 2015 Bonds on the terms contemplated hereby are in conformity with the purposes of the Authority set forth in the Act and are in the public interest and otherwise beneficial to the Commonwealth of Virginia.

In Item 454 of Chapter 2 of the Acts of Assembly of 2014, Special Session I, the General Assembly of the Commonwealth has authorized the Authority to refund the Bonds.

Section 210 of the Bond Resolution contemplates that in a Series Resolution supplementing the Bond Resolution the Board will authorize the issuance of its refunding bonds, fix the amount and the details thereof and describe the bonds to be refunded. The definition of

“Series Resolution” in the Bond Resolution states that if the Board shall delegate to the Finance and Audit Committee of the Board or the Executive Director the power to determine specifically the matters generally authorized by a Series Resolution of the Board, the resolution of the Finance and Audit Committee, or the certificate of the Executive Director, as the case may be, in furtherance of such Series Resolution shall be deemed to be part of the Series Resolution.

The Board has determined that it is necessary to delegate to the Executive Director the authority to approve the form and content of any preliminary official statement, final official statement, continuing disclosure agreement, bond purchase agreement, escrow agreement and any other documents deemed necessary by the Authority’s bond counsel to consummate the refunding of the Bonds and the issuance of the Series 2015 Bonds (collectively, the “Refunding Documents”). As the actual terms of the Series 2015 Bonds and the identity of the Bonds to be refunded cannot be determined until the time the Authority enters the market, the Board has determined that it is necessary to delegate to the Executive Director the power to approve the issuance of the Series 2015 Bonds, the details thereof and the Bonds to be refunded, subject to the Refunding Conditions herein set forth, by the execution and delivery of one or more certificates of the Executive Director which shall be deemed to be part of this Series Resolution.

NOW THEREFORE IT IS RESOLVED by the Board of Commissioners of Virginia Port Authority, as follows:

Section 1. Authorization of Bonds. (a) The Authority is authorized to issue the Series 2015 Bonds on a tax-exempt or taxable basis, in one or more series throughout calendar year 2015 pursuant to Section 210 of the Bond Resolution, as determined by the Executive Director, for the purpose of providing funds, with other funds as may be available therefor, for refunding all or a part of one or more series of the Bonds, including the payment of any redemption premium and accrued interest thereon; paying costs of issuance of the Series 2015 Bonds; and as necessary, funding reserves for the payment of principal of and interest on the Series 2015 Bonds, subject, however, to the following conditions (the “Refunding Conditions”):

(i) The aggregate principal amount of the Series 2015 Bonds shall not exceed \$235,000,000;

(ii) If issued in more than one series, the Series 2015 Bonds shall be appropriately designated to differentiate one series from another;

(iii) The final maturity of any series of the Series 2015 Bonds is not later than one year after the final maturity of the Bonds to be refunded;

(iv) The net present value savings to be achieved by the Authority upon issuance of each series of the Series 2015 Bonds shall not be less than 3.0% of the aggregate principal amount of the related refunded Bonds; and

(v) The principal amortization of each series of the Series 2015 Bonds shall be substantially similar to the principal amortization of the Bonds to be refunded so as to achieve approximately level debt service savings, unless the Chairman of the Authority and the Chairman

of the Authority's Finance and Audit Committee shall have each approved an alternative financing structure.

(b) The Series 2015 Bonds will be issued in fully registered form, and may be sold in a public offering or a private placement. Any such series of the Series 2015 Bonds offered in a public sale shall be issued in the name of Cede & Co., a nominee of the Depository Trust Company, New York, New York ("DTC"), and immobilized in the custody of DTC or otherwise as may be permitted by DTC's rules. One Series 2015 Bond in each series will be issued for the original principal amount of each maturity. Unless any such series of the Series 2015 Bonds are offered in a private placement, beneficial owners will not receive physical delivery of the Series 2015 Bonds. Unless any such series of the Series 2015 Bonds are offered in a private placement, individual purchases of the Series 2015 Bonds may be made in book-entry form only in original principal amounts of \$5,000 and integral multiples of \$5,000.

Unless any such series of the Series 2015 Bonds are offered in a private placement, payments of the principal of and premium, if any, and interest on the Series 2015 Bonds will be made to DTC or its nominee as registered owner of the Series 2015 Bonds on the applicable payment date.

So long as Cede & Co., or its successor, as nominee, is the registered owner of the Series 2015 Bonds, references in the Bond Resolution or this Series Resolution to the Holders of the Series 2015 Bonds mean Cede & Co. and do not mean the beneficial owners of the Series 2015 Bonds.

Replacement Series 2015 Bonds (the "Replacement Bonds") will be issued directly to beneficial owners of Series 2015 Bonds rather than to DTC, or its nominee, but only in the event that:

- (1) DTC determines not to continue to act as securities depository for the Series 2015 Bonds;
- (2) the Authority has advised DTC of its determination that DTC is incapable of discharging its duties;
- (3) the Authority has determined that it is in the best interests of the beneficial owners of the Series 2015 Bonds not to continue the book-entry system of transfer; or
- (4) the Series 2015 Bonds being replaced were originally issued in a private placement.

Upon occurrence of the events described in clause (1) or (2), the Authority will attempt to locate another qualified securities depository. If DTC makes the determination described in clause (1) and the Authority fails to locate another qualified securities depository to replace DTC, the Authority will execute, and the Bond Registrar will authenticate and deliver to the Participants (as defined in DTC's rules), the Replacement Bonds to which such Participants are entitled. In the event the Authority makes the determination described in clause (2) or (3) (the

Bond Registrar has no obligation to make any investigation to determine the occurrence of any events that would permit the Authority to make any such determination), and if the determination under clause (2) has also been made, and the Authority has failed to locate another qualified securities depository and has made provisions to notify the beneficial owners of the Series 2015 Bonds by mailing an appropriate notice to DTC, the Authority will execute, and the Bond Registrar will authenticate and deliver to the Participants, the appropriate Replacement Bonds to which Participants are entitled. The Bond Registrar is entitled to rely on the records provided by DTC as to the Participants entitled to receive Replacement Bonds.

The Series 2015 Bonds will be issued substantially in the form set forth in Section 202 of the Bond Resolution, with appropriate variations, omissions and insertions as may be permitted or required by the Bond Resolution, this Series Resolution and any certificate of the Executive Director deemed a part of this Series Resolution. There may be endorsed on the Series 2015 Bonds such legend or text as may be necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or any usage or requirement of law.

(c) Subject to the Refunding Conditions, the Series 2015 Bonds shall be issued in such principal amount; shall be dated a date that is on or before the date of their delivery; shall be Current Interest Bonds and shall be Serial Bonds and/or Term Bonds; shall mature, subject to mandatory sinking fund redemption with such Amortization Requirements and to the right of prior redemption in accordance with the Refunding Conditions and Section 2 hereof; and shall bear interest payable on January 1 and July 1 in each year commencing on such date, at such rates per annum, as may be determined by a certificate of the Executive Director delivered at the Closing.

(d) If any issue of the Series 2015 Bonds are offered in a public offering, the Authority delegates to the Executive Director the authority to appoint the underwriting syndicate for such issue of the Series 2015 Bonds to be offered at public sale, and to designate the senior manager and co-senior manager, if any, of such underwriting syndicate.

(e) The Executive Director is authorized to obtain the services of a firm qualified under the Bond Resolution to verify the mathematical computations associated with the refunding of the Bonds to be refunded, including its provision of an independent confirmation of the sufficiency and yield of the Defeasance Obligations deposited in the escrow fund created under any Escrow Agreement approved by the Executive Director.

Section 2. Optional Redemption. The Series 2015 Bonds shall be subject to the right of prior redemption at the option of the Authority upon such terms as the Executive Director shall determine with the advice of the Authority's financial advisor.

Section 3. Terms of Purchase; Approval of Bond Purchase Agreement. The Executive Director is hereby authorized, if the Authority's Financial Advisor shall so recommend, to accept an offer of the underwriters in a public offering or an offer of an institutional buyer in a private placement, in the form of the Bond Purchase Agreement, to purchase all of any issue of the Series 2015 Bonds at the price stated therein. Multiple Bond Purchase Agreements may be executed by the Executive Director to consummate the sale of more than one issue of Series

2015 Bonds. The Executive Director's execution and delivery of the Bond Purchase Agreement(s) shall constitute conclusive evidence of his acceptance of the purchase price of an issue of Series 2015 Bonds and his approval of the form and content of any Bond Purchase Agreement.

Section 4. Approval of Official Statement. In any public offering of an issue of Series 2015 Bonds, the form and content of the Preliminary Official Statement shall be approved by the Executive Director. Subject to the approval of its form and content by the Executive Director, the use and distribution by the underwriters selected by the Executive Director of the Preliminary Official Statement in connection with the offering of the Series 2015 Bonds, prior to the availability of the Official Statement, are hereby authorized. The Executive Director is hereby authorized to deem the Preliminary Official Statement final for purposes of Rule 15c2-12 of the Securities and Exchange Commission, and the distribution of such Preliminary Official Statement shall be conclusive evidence that the Authority has deemed such Preliminary Official Statement final. The Chairman or Vice Chairman of the Board and the Executive Director of the Authority are hereby authorized and directed to execute and deliver to the underwriters for their use and distribution in making a public offering of an issue of the Series 2015 Bonds (but only upon the terms and conditions set forth herein and in the Bond Purchase Agreement applicable thereto) a final Official Statement, together with any amendment or supplement to such final Official Statement as may be necessary to comply with the Bond Purchase Agreement, which in the case of such final Official Statement shall be substantially in the form of the Preliminary Official Statement approved by the Executive Director, with such changes, insertions and omissions as the Chairman or Vice Chairman of the Board and the Executive Director of the Authority may approve, and which in the case of any such amendment or supplement shall be in such form as the Chairman or Vice Chairman of the Board and the Executive Director of the Authority may approve. The execution and delivery by the Chairman or Vice Chairman and the Executive Director of the final Official Statement or any such amendment or supplement thereto shall be conclusive evidence that the Authority has approved any such changes, insertions and omissions, amendment or supplement, as the case may be.

Section 5. Approval of Other Refunding Documents. The Executive Director shall approve the form and content of the other Refunding Documents and is hereby authorized to execute and deliver the other Refunding Documents, his execution of such Refunding Documents to be conclusive evidence of such approval.

Section 6. Execution of the Bonds. The Series 2015 Bonds shall be executed with the original or facsimile signature of the Executive Director and the original signature of the Secretary of the Authority, and the seal of the Authority shall be impressed, or a facsimile of the seal of the Authority shall be imprinted, on the Series 2015 Bonds. The Series 2015 Bonds shall be authenticated by the Bond Registrar and shall be delivered by the Trustee to or for the account of the underwriters in the case of a public offering or to or for the account of the institutional buyer in the case of a private placement upon receipt of the purchase price set forth in the Bond Purchase Agreement accepted by the Executive Director.

Section 7. Application of Proceeds. (a) The proceeds of any issue of the Series 2015 Bonds shall be applied by the Trustee as follows:

(i) an amount equal to accrued interest, if any, received upon the delivery of the applicable issue of Series 2015 Bonds and an amount sufficient to provide for capitalized interest, if any, shall be deposited to the applicable Series 2015 Subaccount in the Debt Service Account of the Debt Service Fund held by the Trustee under the Bond Resolution;

(ii) an amount equal to the Reserve Account Requirement for the applicable issue of Series 2015 Bonds shall be deposited to the applicable series 2015 Subaccount of the Debt Service Reserve Account of the Debt Service Fund; provided that in lieu thereof, such amount, or any lesser amount, may be used to acquire any instrument permitted by the Bond Resolution to satisfy such Reserve Account Requirement;

(iii) an amount may be deposited to the applicable issue's 2015 Project Account of the Construction Fund to be used to pay Cost of Issuance; and

(iv) the balance of the proceeds shall be transferred by the Trustee to the Escrow Agent for deposit, together with other available funds as set forth in paragraph (b) below, in the escrow fund and applied by the Escrow Agent as required by the Escrow Agreement.

(b) Simultaneously with the application of the proceeds of any issue of the Series 2015 Bonds as provided above, the Trustee shall take the following actions:

(i) the amount held in the applicable series Debt Service Account of the Debt Service Fund for the payment of principal and interest due on the Bonds to be refunded shall be transferred to the escrow fund; and

(ii) the amount held in the applicable series Debt Service Reserve Account of the Debt Service Fund that constitutes the Reserve Account Requirement for the Bonds to be refunded shall be transferred to the escrow fund.

Section 8. Defeasance. The Executive Director is authorized to purchase Defeasance Obligations to be held under the Escrow Agreement on any date (which needs not be the same date in each case) between the dated date of the applicable Bond Purchase Agreement and the delivery date of the Series 2015 Bonds.

Section 9. Tax Covenant. If a tax-exempt issuance of any series of the Series 2015 Bonds is pursued, the Authority covenants that it will comply with the provisions of the Internal Revenue Code of 1986, as amended, so that interest on the Series 2015 Bonds will remain exempt from existing federal income taxes to which they are subject on the date of the issuance of such Series 2015 Bonds.

Section 10. Ratification; Further Action. The actions previously taken by the officers and staff of the Authority are hereby ratified and confirmed. The officers and staff of the Authority are hereby authorized to take such actions, and deliver such additional documents and

certificates, as they may in their discretion deem necessary or proper in connection with the issuance of the Series 2015 Bonds.

Section 11. Other Definitions. All terms not otherwise defined herein shall have the meanings given to them in the Bond Resolution.

Section 12. Series Resolution. This Resolution supplements the Bond Resolution and constitutes a Series Resolution as defined therein.

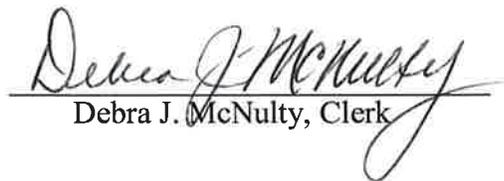
Section 13. Effective Date; Termination of Effectiveness. This Series Resolution shall take effect immediately upon its adoption. If no Series 2015 Bonds are issued by the Authority prior to midnight on December 31, 2015, this Resolution shall expire and terminate.

PASSED AND ADOPTED this 18th day of November, 2014.



John G. Milliken, Chairman

Attest:



Debra J. McNulty, Clerk

Resolution No. 14-14

RESOLUTION SUPPLEMENTING RESOLUTION 02-4, AS PREVIOUSLY AMENDED AND SUPPLEMENTED, AUTHORIZING THE ISSUANCE OF COMMONWEALTH PORT FUND REVENUE REFUNDING BONDS IN CALENDAR YEAR 2015, GRANTING AUTHORITY TO THE EXECUTIVE DIRECTOR OF VIRGINIA PORT AUTHORITY TO APPROVE THE ISSUANCE OF SUCH BONDS AND RELATED MATTERS

The Virginia Port Authority (the “Authority”) acting by its Board of Commissioners (the “Board”) adopted Resolution No. 02-4 on May 28, 2002 (as previously amended and supplemented, the “Bond Resolution”), which in Section 2.10 permits the issuance of bonds of the Authority for the purpose of, among other things, providing funds for refunding all or, if then permitted by law, any Bonds of any one or more Series of Bonds then outstanding, including the payment of any redemption premium and accrued interest thereon and any expenses in connection with such refunding.

The Authority has previously issued Bonds under the Bond Resolution pursuant to Series Resolutions adopted on May 24, 2011 (the “Series 2011 Bonds”) with an outstanding principal balance of \$57,370,000, July 24, 2012 (the “Series 2012B Taxable Bonds”) with an outstanding principal balance of \$43,885,000 and (the “Series 2012C Bonds”) with an outstanding principal balance of \$4,795,000. The Series 2011 Bonds, the Series 2012B Taxable Bonds and the Series 2012C Bonds are collectively referred to as the “Bonds”. To take advantage of potential low interest rates as they may exist from time to time during calendar year 2015, the Board has now determined to refund all or a portion of the callable maturities of one or more series of the Bonds by the issuance and sale of refunding bonds pursuant to Section 2.10 of the Bond Resolution to be designated the “Virginia Port Authority Commonwealth Port Fund Revenue Refunding Bonds, Series 2015” (the “Series 2015 Bonds”), which Series 2015 Bonds may be issued in one or more series throughout calendar year 2015 and shall be appropriately designated to differentiate one series from another. The Series 2015 Bonds shall be issued as tax-exempt or taxable refunding issue(s) subject to certain Refunding Conditions, herein defined.

In Item 454 of Chapter 2 of the Acts of Assembly of 2014, Special Session I, the General Assembly of the Commonwealth has authorized the Authority to refund the Bonds.

The Board also wishes to authorize the Authority to obtain Treasury Board approval of the Series 2015 Bonds and the associated plan of finance.

The Board has found and determined that the issuance and sale of the Series 2015 Bonds on the terms contemplated hereby are in conformity with the purposes of the Authority set forth in the Act and are in the public interest and otherwise beneficial to the Commonwealth of Virginia.

Section 2.10 of the Bond Resolution contemplates that in a Series Resolution supplementing the Bond Resolution the Board will authorize the issuance of its refunding bonds, fix the amount and the details thereof and describe the Indebtedness to be refunded. The definition of “Series Resolution” in the Bond Resolution states that if the Board shall delegate to the Finance and Audit Committee of the Board or the Executive Director the power to determine specifically the matters generally authorized by a Series Resolution of the Board, the resolution of the Finance and Audit Committee, or the certificate of the Executive Director, as the case may be, in furtherance of such Series Resolution shall be deemed to be part of the Series Resolution.

The Board has determined that it is necessary to delegate to the Executive Director the authority to approve the form and content of any preliminary official statement, final official statement, continuing disclosure agreement, bond purchase agreement, escrow agreement and any other documents deemed necessary by the Authority’s bond counsel to consummate the refunding of the Bonds and the issuance of the Series 2015 Bonds (collectively, the “Refunding Documents”). As the actual terms of the Series 2015 Bonds and the identity of the Bonds to be refunded cannot be determined until the time the Authority enters the market, the Board has determined that it is necessary to delegate to the Executive Director the power to approve the issuance of the Series 2015 Bonds, the details thereof and the Bonds to be refunded, subject to the Refunding Conditions herein set forth, by the execution and delivery of one or more certificates of the Executive Director which shall be deemed to be part of this Series Resolution.

NOW THEREFORE IT IS RESOLVED by the Board of Commissioners of Virginia Port Authority, as follows:

Section 1. Authorization of Bonds. (a) The Authority is authorized to issue the Series 2015 Bonds on a tax-exempt or taxable basis, in one or more series throughout calendar year 2015 pursuant to Section 2.10 of the Bond Resolution, as determined by the Executive Director, subject to the approval of the Treasury Board, for the purpose of providing funds, with other funds as may be available therefor, for refunding all or a part of one or more series of the Bonds, including the payment of any redemption premium and accrued interest thereon; paying costs of issuance of the Series 2015 Bonds; and as necessary, funding reserves for the payment of principal of and interest on the Series 2015 Bonds, subject, however, to the following conditions (the “Refunding Conditions”):

(i) The aggregate principal amount of the Series 2015 Bonds shall not exceed \$105,000,000;

(ii) If issued in more than one series, the Series 2015 Bonds shall be appropriately designated to differentiate one series from another;

(iii) The final maturity of any series of the Series 2015 Bonds is not later than one year after the final maturity of the Bonds to be refunded;

(iv) The net present value savings to be achieved by the Authority upon issuance of each series of the Series 2015 Bonds shall not be less than 3.0% of the aggregate principal amount of the related refunded Bonds; and

(v) The principal amortization of each series of the Series 2015 Bonds shall be substantially similar to the principal amortization of the Bonds to be refunded so as to achieve approximately level debt service savings, unless the Chairman of the Authority and the Chairman of the Authority's Finance and Audit Committee shall have each approved an alternative financing structure.

(b) The Series 2015 Bonds will be issued in fully registered form, and may be sold in a public offering or a private placement. Any such issue of the Series 2015 Bonds offered in a public sale shall be issued in the name of Cede & Co., a nominee of the Depository Trust Company, New York, New York ("DTC"), and immobilized in the custody of DTC or otherwise as may be permitted by DTC's rules. One Series 2015 Bond in each series will be issued for the original principal amount of each maturity. Unless any such issue of the Series 2015 Bonds are offered in a private placement, beneficial owners will not receive physical delivery of the Series 2015 Bonds. Unless any such issue of the Series 2015 Bonds are offered in a private placement, individual purchases of the Series 2015 Bonds may be made in book-entry form only in original principal amounts of \$5,000 and integral multiples of \$5,000.

Unless any such issue of the Series 2015 Bonds are offered in a private placement, payments of the principal of and premium, if any, and interest on the Series 2015 Bonds will be made to DTC or its nominee as registered owner of the Series 2015 Bonds on the applicable payment date.

So long as Cede & Co., or its successor, as nominee, is the registered owner of the Series 2015 Bonds, references in the Bond Resolution or this Series Resolution to the Holders of the Series 2015 Bonds mean Cede & Co. and do not mean the beneficial owners of the Series 2015 Bonds.

Replacement Series 2015 Bonds (the "Replacement Bonds") will be issued directly to beneficial owners of Series 2015 Bonds rather than to DTC, or its nominee, but only in the event that:

- (1) DTC determines not to continue to act as securities depository for the Series 2015 Bonds;
- (2) the Authority has advised DTC of its determination that DTC is incapable of discharging its duties;
- (3) the Authority has determined that it is in the best interests of the beneficial owners of the Series 2015 Bonds not to continue the book-entry system of transfer; or
- (4) the Series 2015 Bonds being replaced were originally issued in a private placement.

Upon occurrence of the events described in clause (1) or (2), the Authority will attempt to locate another qualified securities depository. If DTC makes the determination described in clause (1) and the Authority fails to locate another qualified securities depository to replace

DTC, the Authority will execute, and the Bond Registrar will authenticate and deliver to the Participants (as defined in DTC's rules), the Replacement Bonds to which such Participants are entitled. In the event the Authority makes the determination described in clause (2) or (3) (the Bond Registrar has no obligation to make any investigation to determine the occurrence of any events that would permit the Authority to make any such determination), and if the determination under clause (2) has also been made, and the Authority has failed to locate another qualified securities depository and has made provisions to notify the beneficial owners of the Series 2015 Bonds by mailing an appropriate notice to DTC, the Authority will execute, and the Bond Registrar will authenticate and deliver to the Participants, the appropriate Replacement Bonds to which Participants are entitled. The Bond Registrar is entitled to rely on the records provided by DTC as to the Participants entitled to receive Replacement Bonds.

The Series 2015 Bonds will be issued substantially in the form set forth in Section 2.02 of the Bond Resolution, with appropriate variations, omissions and insertions as may be permitted or required by the Bond Resolution, this Series Resolution and any certificate of the Executive Director deemed a part of this Series Resolution. There may be endorsed on the Series 2015 Bonds such legend or text as may be necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or any usage or requirement of law.

(c) Subject to the Refunding Conditions, the Series 2015 Bonds shall be issued in such principal amount; shall be dated a date that is on or before the date of their delivery; shall be Current Interest Bonds and shall be Serial Bonds and/or Term Bonds; shall mature, subject to mandatory sinking fund redemption with such Amortization Requirements and to the right of prior redemption in accordance with the Refunding Conditions and Section 2 hereof; and shall bear interest payable on January 1 and July 1 in each year commencing on such date, at such rates per annum, as may be determined by a certificate of the Executive Director delivered at the Closing.

(d) If any issue of the Series 2015 Bonds are offered in a public offering, the Authority delegates to the Executive Director the authority to appoint the underwriting syndicate for such series of the Series 2015 Bonds to be offered at public sale, and to designate the senior manager and co-senior manager, if any, of such underwriting syndicate.

(e) The Executive Director is authorized to obtain the services of a firm qualified under the Bond Resolution to verify the mathematical computations associated with the refunding of the Bonds to be refunded, including its provision of an independent confirmation of the sufficiency and yield of the Defeasance Obligations deposited in the escrow fund created under any Escrow Agreement approved by the Executive Director.

Section 2. Optional Redemption. The Series 2015 Bonds shall be subject to the right of prior redemption at the option of the Authority upon such terms as the Executive Director shall determine with the advice of the Authority's financial advisor.

Section 3. Terms of Purchase; Approval of Bond Purchase Agreement. The Executive Director is hereby authorized, subject to the prior approval of the Treasury Board, if the Authority's Financial Advisor shall so recommend, to accept an offer of the underwriters in a

public offering or an offer of an institutional buyer in a private placement, in the form of the Bond Purchase Agreement, to purchase all of any issue of the Series 2015 Bonds at the price stated therein. Multiple Bond Purchase Agreements may be executed by the Executive Director to consummate the sale of more than one issue of Series 2015 Bonds. The Executive Director's execution and delivery of the Bond Purchase Agreement(s) shall constitute conclusive evidence of his acceptance of the purchase price of an issue of Series 2015 Bonds and his approval of the form and content of any Bond Purchase Agreement.

Section 4. Approval of Official Statement. In any public offering of an issue of Series 2015 Bonds, the form and content of the Preliminary Official Statement shall be approved by the Executive Director. Subject to the approval of its form and content by the Executive Director, the use and distribution by the underwriters selected by the Executive Director of the Preliminary Official Statement in connection with the offering of the Series 2015 Bonds, prior to the availability of the Official Statement, are hereby authorized. The Executive Director is hereby authorized to deem the Preliminary Official Statement final for purposes of Rule 15c2-12 of the Securities and Exchange Commission, and the distribution of such Preliminary Official Statement shall be conclusive evidence that the Authority has deemed such Preliminary Official Statement final. The Chairman or Vice Chairman of the Board and the Executive Director of the Authority are hereby authorized and directed to execute and deliver to the underwriters for their use and distribution in making a public offering of an issue of the Series 2015 Bonds (but only upon the terms and conditions set forth herein and in the Bond Purchase Agreement applicable thereto) a final Official Statement, together with any amendment or supplement to such final Official Statement as may be necessary to comply with the Bond Purchase Agreement, which in the case of such final Official Statement shall be substantially in the form of the Preliminary Official Statement approved by the Executive Director, with such changes, insertions and omissions as the Chairman or Vice Chairman of the Board and the Executive Director of the Authority may approve, and which in the case of any such amendment or supplement shall be in such form as the Chairman or Vice Chairman of the Board and the Executive Director of the Authority may approve. The execution and delivery by the Chairman or Vice Chairman and the Executive Director of the final Official Statement or any such amendment or supplement thereto shall be conclusive evidence that the Authority has approved any such changes, insertions and omissions, amendment or supplement, as the case may be.

Section 5. Approval of Other Refunding Documents. The Executive Director shall approve the form and content of the other Refunding Documents and is hereby authorized to execute and deliver the other Refunding Documents, his execution of such Refunding Documents to be conclusive evidence of such approval.

Section 6. Execution of the Bonds. The Series 2015 Bonds shall be executed with the original or facsimile signature of the Executive Director and the original signature of the Secretary of the Authority, and the seal of the Authority shall be impressed, or a facsimile of the seal of the Authority shall be imprinted, on the Series 2015 Bonds. The Series 2015 Bonds shall be authenticated by the Bond Registrar and shall be delivered by the Trustee to or for the account of the underwriters in the case of a public offering or to or for the account of the institutional buyer in the case of a private placement upon receipt of the purchase price set forth in the Bond Purchase Agreement accepted by the Executive Director.

Section 7. Application of Proceeds. The proceeds of the Series 2015 Bonds shall be transferred by the Trustee to the Escrow Agent for deposit, together with other available funds, in the escrow fund and applied by the Escrow Agent as required by the Escrow Agreement or used by the Authority to pay costs of issuance of the Series 2015 Bonds.

Section 8. Defeasance. The Executive Director is authorized to purchase Defeasance Obligations to be held under the Escrow Agreement on any date (which needs not be the same date in each case) between the dated date of the applicable Bond Purchase Agreement and the delivery date of the Series 2015 Bonds.

Section 9. Tax Covenant. If a tax-exempt issuance of any series of the Series 2015 Bonds is pursued, the Authority covenants that it will comply with the provisions of the Internal Revenue Code of 1986, as amended, so that interest on the Series 2015 Bonds will remain exempt from existing federal income taxes to which they are subject on the date of the issuance of such Series 2015 Bonds.

Section 10. Treasury Board Approval. The Authority requests the Treasury Board of the Commonwealth to approve the terms and conditions and structure of each issue of the Series 2015 Bonds in accordance with the provisions of Section 2.2-2416.5 and 2.2-2416.7 of the Code of Virginia of 1950, as amended. The Authority is authorized and directed to make application(s) for such approval(s) to the Treasury Board and to furnish such materials and do such things as may be required to obtain such approval(s).

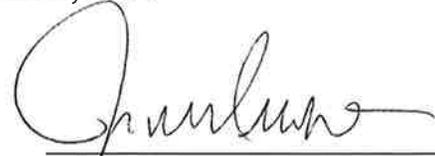
Section 11. Ratification; Further Action. The actions previously taken by the officers and staff of the Authority are hereby ratified and confirmed. The officers and staff of the Authority are hereby authorized to take such actions, and deliver such additional documents and certificates, as they may in their discretion deem necessary or proper in connection with the issuance of the Series 2015 Bonds.

Section 12. Other Definitions. All terms not otherwise defined herein shall have the meanings given to them in the Bond Resolution.

Section 13. Series Resolution. This Resolution supplements the Bond Resolution and constitutes a Series Resolution as defined therein.

Section 14. Effective Date; Termination of Effectiveness. This Series Resolution shall take effect immediately upon its adoption. If no Series 2015 Bonds are issued by the Authority in accordance with the terms hereof prior to midnight on December 31, 2015, this Resolution shall expire and terminate.

PASSED AND ADOPTED this 18th day of November, 2014.



John G. Milliken, Chairman

Attest:



Debra J. McNulty, Clerk

RESOLUTION 14-15

**REVISIONS TO AVAILABLE INVESTMENT FUNDS IN
DEFINED CONTRIBUTION PLAN AND
DEFERRED COMPENSATION PLAN**

WHEREAS, the Virginia Port Authority Defined Contribution Plan and the Virginia Port Authority Deferred Compensation Plan (collectively the “account balance plans”) and related trusts under which plan participants are permitted to direct the investment of their account balances from among funds selected and made available by the Authority.

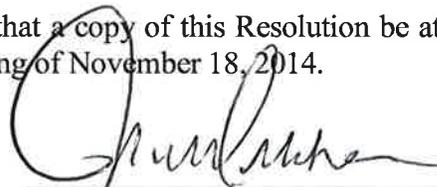
WHEREAS, following review and consultation with qualified investment advisors, the Authority has determined that certain changes should be made to the investment funds available for participant investment direction under the account balance plans.

NOW, THEREFORE, BE IT RESOLVED, that the following investment funds shall be removed and replaced with designated replacement fund and that participant account balances currently invested in such funds shall be automatically mapped to the respective institutional share:

Fund to be Removed	Replacement Fund
American Funds Growth Fund of America R-6	Harbor Capital Appreciation Inst
Royce Low Price Stock Fund Instl	Cambiar Small Cap Inst

BE IT FURTHER RESOLVED, that the appropriate officers are authorized to take such action as may be required to accomplish these investment fund changes and communicate such changes to the Participants as soon as administratively possible.

BE IT STILL FURTHER RESOLVED that a copy of this Resolution be attached to the minutes of the Virginia Port Authority Board Meeting of November 18, 2014.



John G. Milliken
Chairman

Attest:



Debra J. McNulty, Clerk

RESOLUTION 14-16

A RESOLUTION AMENDING THE BYLAWS OF THE VIRGINIA PORT AUTHORITY

WHEREAS, the Virginia Port Authority Board of Commissioners, at the recommendation of the Growth and Operations Committee, desires to amend the Bylaws of the Virginia Port Authority.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Virginia Port Authority that Article III, Section 3.8, entitled "Time and Place of Meetings", contain a revised start time for the meeting, from 11:00 a.m. to 9:00 a.m.; and that Section 3.10, entitled "Committees of the Board", be revised to change the number of committees to three (3) to include the Growth and Operations Committee, which includes the addition of Section 3.10.3, entitled "Growth and Operations Committee" followed by a description of the Committee's duties, as outlined in red, underlined language appearing in the attachment hereto.

PASSED AND ADOPTED this 18th day of November, 2014.



John G. Milliken
Chairman

Attest:



Debra J. McNulty, Clerk

AMENDED AND RESTATED BYLAWS

of the

VIRGINIA PORT AUTHORITY

ARTICLE I

MISSION

SECTION 1.1 Mission. It shall be the duty of Virginia Port Authority (the “Authority”), on behalf of the Commonwealth of Virginia (the “Commonwealth”), to foster and stimulate the commerce of the ports of the Commonwealth and related facilities by serving as the United States Eastern Seaboard gateway for the global import and export of freight throughout the world, to promote the shipment of freight through the maritime and inland ports, to seek to secure necessary improvements of navigable tidal waters within the Commonwealth, and in general to perform any act or function that may be useful in developing, improving or increasing the commerce, both foreign and domestic, of all maritime and inland ports of the Commonwealth and related facilities.

ARTICLE II

OFFICES AND RECORDS

SECTION 2.1. Virginia Office. The Authority shall, in the Hampton Roads Area, have and maintain its principal office, the location of which shall be recommended by its CEO and Executive Director (the “Executive Director”) and approved by its Board of Commissioners (the “Board”), at which all of its records shall be kept, and from which its business shall be transacted.

SECTION 2.2. Other Offices. The Authority may, if necessary, establish a branch office or offices within or without the Commonwealth or the United States of America, in such locations as may be approved by the Board.

ARTICLE III

BOARD AND OFFICERS

SECTION 3.1. General Powers of the Board. All powers, rights and duties conferred by the Code of Virginia (the “Code”), or other provisions of law, upon the Authority shall be exercised by the Board. Without limiting the foregoing, the Board shall also have the exclusive power to hire and fire the Executive Director of the Authority and to approve the budget of the Authority.

SECTION 3.2 Board Makeup. The Board shall consist of those members as set forth in the Code.

SECTION 3.3 Officers. At each annual meeting of the Board, the Board shall elect from its membership a Chairman and Vice-Chairman and shall also elect from its membership, or appoint from its staff, a Secretary and Treasurer and prescribe their powers and duties. The Board may also appoint from the staff an Assistant Secretary and an Assistant Treasurer, who shall, in addition to other duties, discharge such functions of the Secretary and Treasurer, respectively, as may be directed by the Board. All officers of the Board, as long as they continue to serve as members of the Board or staff members, shall hold office until the next annual meeting of the Board or until their successors are elected or appointed and duly qualified.

3.3.1 Chairman. The Chairman shall preside at all meetings of the Board. The Chairman shall appoint the chairman, vice-chairman and members of all committees and subcommittees of the Board and shall, where required by statute or action of the Board, execute any documents or legal instruments on behalf of the Authority, and shall perform such other duties as the Board may from time to time direct. The Chairman shall see that the laws of the Commonwealth pertaining to the purposes and functions of the Authority are faithfully observed and executed.

3.3.2 Vice-Chairman. In the absence or disability, for any cause, of the Chairman of the Board, his or her duties shall be performed by the Vice-Chairman, who shall act in the Chairman's place and stead and shall, in addition, perform such other duties as are usually incumbent upon the Chairman of the Board.

3.3.3 Acting Chairman. In the event the offices of the Chairman and Vice-Chairman of the Board are both vacant, or in the event that the Chairman and Vice-Chairman of the Board are both unable to perform their duties by reason of illness, disability or absence, the Chairman of the Finance and Audit Committee shall become, ex officio, the Acting Chairman of the Board, and shall perform the duties of the Chairman of the Board. In the event that the Chairman of the Finance and Audit Committee is unable to perform his or her duties as Acting Chairman of the Board by reason of illness, disability or absence, the voting Board members shall select one of the voting members of the Board to serve as temporary Chairman of the Board.

3.3.4 Secretary. The Secretary shall be the custodian of all records and the Seal of the Authority and shall keep accurate minutes of all committee and subcommittee meetings, and the meetings of the Board. He or she shall, when required, certify copies of records of the Authority and shall execute legal instruments and documents on behalf of the Board when ordered to do so and affix the Seal of the Authority to same, and shall perform such other duties as may be directed by the Board.

3.3.5 Treasurer. Except as otherwise provided herein or as required by law, the Treasurer shall be responsible for all monies of the Authority from whatever sources received and for all securities in the possession of the Authority and for the deposit of such monies in the name of the Authority in a bank or banks approved by the Finance and Audit Committee, and he

or she shall be responsible for all disbursements of such funds for the purposes for which intended or as authorized or directed by the Board. The Treasurer shall be bonded and shall make periodic accountings for all such funds as determined by the Board, and the books and records shall be available for inspection by any member of the Board during business hours.

SECTION 3.4 Chief Executive Officer of the Authority. The Board shall appoint the Executive Director of the Authority who shall be the Chief Executive Officer of the Authority, who shall not be a member of the Board, and who shall serve at the pleasure of the Board. The Executive Director shall whenever possible be in attendance at all meetings of the Board and its committees. The Executive Director's compensation from the Commonwealth shall be fixed by the Board in accordance with law. This compensation shall be established at a level which will enable the Authority to attract and retain a capable Executive Director.

3.4.1 Powers and Duties. The Executive Director shall exercise such of the powers and duties relating to ports conferred upon the Board as may be delegated to him by the Board, including powers and duties involving the exercise of discretion. The Executive Director shall also exercise and perform such powers and duties as may be lawfully delegated to him, and such powers and duties as may be conferred or imposed upon him by law. Notwithstanding anything herein to the contrary, the Executive Director may not, without first obtaining the written consent of the Board, bind the Authority by entering into any contract, agreement or arrangement on the Authority's behalf in excess of \$1,000,000; provided, however, that the Executive Director may enter into a contract, agreement or arrangement on the Authority's behalf in excess of \$1,000,000 without the written consent of the Board if the Executive Director has obtained the prior written consent of the Chairman of the Board and the Chairman of the Finance and Audit Committee.

3.4.2 Senior Leadership Team. The Executive Director shall employ or retain such other agents or employees subordinate and reporting to the Executive Director as may be necessary, including without limitation a Chief Financial Officer and a Director of Human Resources. The duties and functions of such agents and employees shall be established by the Executive Director and approved by the Board.

SECTION 3.5 Maritime Advisory Council. The Board may, at its discretion and from time to time, also form a Maritime Advisory Council, consisting of representatives from the maritime industry, to provide advice and counsel to the Board on all matters associated with the Authority with the exception of the annual budget and personnel matters.

SECTION 3.6 Regular and Annual Meetings of the Board. Regular meetings of the Board shall be held on the fourth Tuesday of January, March, May, July, September and November, unless otherwise previously agreed upon by the Board. Written notice of each regular meeting specifying the time and place of the meeting together with an agenda setting forth the items proposed to come before the Board at that particular regular meeting shall be given to members by mail or otherwise at least three (3) business days in advance of the meeting, but any other matters may be considered at the meetings in the Chairman's discretion. The annual meeting of the Board for the election of officers shall be held preceding the regular meeting of the Board in the month of July each year.

SECTION 3.7 Special Meetings. Special meetings of the Board may be called at any time by the Chairman or at the request of any five (5) members of the Board. Written notice of each special meeting specifying the time and place of the meeting and the purpose or purposes for which called shall be given to the members by mail or otherwise at least three (3) business days in advance of the meeting, but any other matters may be considered at the meeting by unanimous consent of those members present, whether or not specified in the notice.

SECTION 3.8 Time and Place of Meetings. Unless called by the Chairman to be held at another hour and place within the Commonwealth, annual, regular and special meetings shall be held at ~~11~~9:00 a.m. in the Boardroom at the principal office of the Authority, of which notice shall be sent to the members.

SECTION 3.9 Quorum. A majority of the members of the Board, not counting any nonvoting ex officio members, shall constitute a quorum for the transaction of all business. Action by the Board shall be by simple majority vote of the voting members of the Board present and voting.

SECTION 3.10 Committees of the Board. There shall be ~~two~~three (23) standing committees of the Board: the Executive Committee, ~~and the Finance and Audit Committee, and the Growth and Operations Committee.~~ There shall be such other committees and subcommittees as may be established by the Chairman and approved by the Board. The chair of each standing committee shall be a voting member of the Board. Each committee and subcommittee shall consist of a chairman and vice-chairman and such other members as the Chairman of the Board shall appoint, but shall not consist of less than four (4) members. The Executive Committee shall consist only of voting members of the Board. Each committee and subcommittee shall perform the duties set forth in these Bylaws or conferred upon them by the Board. Each of the Chairman of the Board and the Vice-Chairman of the Board shall be an ex officio member of each committee and subcommittee. A quorum of any committee or subcommittee shall consist of a number equal to the majority of the appointed members, including those who serve as non-voting ex officio. Action by any committee or subcommittee shall be by simple majority vote of the members present and voting. All substantive votes taken by any committee, other than the Executive Committee, shall be reported to the Board for final action and recordation in the minutes of the Authority at the next regular meeting of the Board following such committee action. All substantive votes of the Executive Committee shall be reported to the Board for recordation in the minutes of the Authority at the next regular meeting of the Board following such Executive Committee action.

3.10.1 Executive Committee. The Executive Committee shall oversee the administrative operations of the Authority and may take such action on any matter not reserved for the Board as may be necessary to effectuate decisions of the Board. The Executive Committee shall support the Authority's policies with respect to federal, state and local legislative proposals pertaining to matters within the scope of the Authority's powers, functions and duties or otherwise affecting the ports of Virginia, its waters and adjacent lands. The Executive Committee shall also act in support of the Authority's recommendations concerning port charges, rules and practices in effect at the several ports in the Commonwealth or at ports in

competition with the ports of the Commonwealth and otherwise assist in matters concerning the uniformity of rates and practices at the Commonwealth's ports. The Executive Committee shall not have the authority to rescind or amend any action previously taken by the Board, or to fix or change the salaries or compensation for any executive positions or fill vacancies in its own membership; however, the Executive Committee shall, unless further restricted by resolution of the Board in creating or later limiting the authority of the Executive Committee, have and may exercise all other powers of the Board between meetings of the full Board as needed. All members of the Board shall be informed promptly of any action taken by the Executive Committee. In addition to its other responsibilities, the Executive Committee may make recommendations to the full Board for the filling of any executive positions.

3.10.2 Finance and Audit Committee. The Finance and Audit Committee shall consider and make recommendations on all questions relating to the financial affairs of the Authority, including but not limited to all revenues and operating expenses of the Authority, the financing of any capital improvements, the financing and administration of the Authority's retirement plans, and any other matters dealing with finance which the Board may from time to time refer to it. The Finance and Audit Committee shall approve all depositories used by the Authority. The Finance and Audit Committee shall also provide advice, information and recommendations to the Board on the Authority's financial reporting process, system of internal controls, audit process and the Authority's process for monitoring compliance with laws and regulations and the Authority's policies.

3.10.3 Growth and Operations Committee. The Growth and Operations Committee shall monitor the communication and economic development strategies, government relations, and marketing and branding efforts of the Authority; consider and make recommendations concerning the short- and long-term plans, strategies, sustainability, programs, goals and objectives of the Authority. It also shall be made aware of material matters relating to information technology, terminal operations, engineering, and the maintenance of the Authority's facilities, as well as Port operations outside the facilities of the Commonwealth. The Growth and Operations Committee shall have general supervision over the planning and construction of all major capital improvements and additions to facilities owned or controlled by the Authority. The Growth and Operations Committee shall provide advice, information and recommendations to the Board on the Authority's commercial sales strategy and its consistency with the Authority's mission. It shall also monitor the marine terminal security and safety programs of the Authority as well as the operations of the Police Department of the Authority and consider any other security and safety-related matters as the Board may from time to time refer to it.

SECTION 3.11 Records. The Board shall cause to be kept a record containing the minutes of the proceedings of the meetings of the Board and such books of records and accounts as may be necessary for the proper conduct of the business of the Authority.

ARTICLE IV

MISCELLANEOUS PROVISIONS

SECTION 4.1. Fiscal Year. The fiscal year of the Authority shall begin on the first day of July and end on the thirtieth day of June of each year.

SECTION 4.2. Seal. The seal of the Authority (the “Seal”) shall consist of two (2) sides, each having an ornamental border of dogwood blossoms with words and figures engraved on the obverse side as follows: three (3) ships identified as the “Godspeed”, the “Susan Constant” and the “Discovery”, and above the figures of the ships, the legend “Jamestown Landing 1607”. Positioned circularly between the ornamental border and centered at the bottom shall be 1952. On the reverse side, the title “Virginia Port Authority” will appear as on the obverse, and within this circular lettering there will be figures of a seagoing merchant vessel, a railroad locomotive, a highway carrier and an aircraft. When impressed on official documents, the Seal shall be the obverse design and shall be two (2) inches in diameter. Reproductions of the Seal for other purposes shall be of such dimensions as may be appropriate.

SECTION 4.3. Waiver of Notice. Whenever any notice is required to be given under the provisions of the Code or these Bylaws, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice. Neither the business to be transacted at, nor the purpose of, any annual, regular or special meeting of the Board or committee thereof need be specified in any waiver of notice of such meeting. A Board member’s attendance at or participation in a meeting waives any required notice to him of the meeting unless at the beginning of the meeting or promptly upon such member’s arrival, the member objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting.

SECTION 4.4. Amendment. These Bylaws may be amended by resolution duly adopted by the Board at any meeting, regular or special, provided that notice of intention to present such resolution shall be given at least three (3) business days in advance of the meeting at which the motion to adopt such resolution is to be made. Such notice may be given by any member of the Board or any committee or by the Secretary at the request of any member of the Board or any committee and shall be given in writing, mailed or delivered, to all members of the Board. The notice of intention to amend these Bylaws shall include the language of the suggested change together with a reference to the Article subject to the proposed amendment.

SECTION 4.5. Inconsistency. In the event of any inconsistency between these Bylaws and any provisions of the Code, the Code will govern.

(Amended and Restated Bylaws of the VPA – Adopted November 18, 2014)

RESOLUTION 14-17

A RESOLUTION AMENDING THE POLICY ON GRANTS TO LOCAL GOVERNMENTS FOR FINANCIAL ASSISTANCE FOR PORT FACILITIES

WHEREAS, in September 1986, the Virginia General Assembly established the Commonwealth Port Fund; and

WHEREAS, the Board of Commissioners found it necessary and in the public interest, pursuant to its statutory responsibility, to establish a policy governing disbursement of a portion of the Commonwealth Port Fund to local governmental entities in order to foster and stimulate the flow of commerce through the ports of Virginia, such policy being adopted on July 28, 1987, and last amended on November 28, 1995; and

WHEREAS, the Board believes that the policy should be further amended to better enable it to carry out its fiduciary responsibilities in connection with such disbursements.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Virginia Port Authority that the Policy on Grants to Local Governments for Financial Assistance for Port Facilities is amended as follows:

A new section, I.F is added:

Carryover Funds—refers to unused funds for awarded projects. Funds must be reapplied for each year.

Section II.A.4 is amended as indicated by the strike through of deleted language:

Requests for funding and their disposition shall be as follows:

Requests for funding shall be made by March 1. Applicants may be required to make oral presentation of the requests to VPA. Funds will be allocated by VPA at its May Board of Commissioners meeting and available for successful applicants July 1 of that year. ~~Preference will be given to those requests accompanied by a six-year development plan, where appropriate, which can be used as a basis for projecting future funding requests.~~

A new section, II.A.5 is added:

Application Guidelines: The applicant shall submit an application to the VPA that contains the following information: statement of need and urgency, total project cost, timeline and phases of project, rendering or picture of proposed improvements, potential impact to the community, total amount of funding being requested, and all other pertinent information. Additionally, a formal application for carryover funds must be submitted. The carryover application must contain a project update and specify what project the funds will be used for. If carryover funds are to be used for a new project, the applicant must state this as well.

Section II.A.6 is amended as indicated by the shading of new language:

Disbursements: The applicant shall submit a requisition to VPA for payment. The requisition shall be accompanied by supporting invoices or other documentation as well as a certification of the applicant that the work has been performed or that payment is otherwise properly due. The requisition shall further set forth the name of person or entity to whom payment is to be made, the amount of payment, and the project for which the payment is to be made. **Requisitions may be submitted periodically or at the completion of the project. The applicant must show that local share requirements have been met.** When the project is completed, the applicant shall certify its completion date to VPA.

Section II.B.6 is amended as indicated by the strike through of deleted language and the shading of new language:

Local interests must pay ~~50%~~ **25%** of the costs of the total non-federal share of the project, to include items of local cooperation.

Section II.C.1 is amended as indicated by the strike through of deleted language:

Local interests must pay:

- a. 25 % of total project costs ~~for projects up to \$500,000.~~
- b. ~~50% of total project costs for projects whose total cost exceeds \$500,000.~~

PASSED AND ADOPTED this 18th day of November, 2014


John G. Milliken, Chairman

Attest:


Debra J. McNulty, Clerk

**VIRGINIA PORT AUTHORITY
POLICY ON GRANTS TO LOCAL GOVERNMENTS FOR
FINANCIAL ASSISTANCE FOR PORT FACILITIES**

PREFACE The Virginia General Assembly, in September, 1986, established the Commonwealth Port Fund in order to “*support port capital needs and the preservation of existing capital needs of all ocean, river, or tributary ports within the Commonwealth,*” as presented by the Governor’s Commission on Virginia’s enactment of this legislation, several ports of Virginia made requests for portions of the Commonwealth Port Fund. For this reason, the Virginia Port Authority finds it necessary and in the public body interest, and pursuant to its statutory responsibility, to establish a policy for application of the Commonwealth Port Fund “*to foster and stimulate the flow of commerce through the ports of Virginia.*” This policy shall be as follows:

I. DEFINITIONS

- A. Marine Facilities—include main and access channels, berthing areas, piers and landside facilities necessary for handling and storing waterborne commerce.
- B. Items of Local Cooperation—include specific requirements on the applicant for implementation of a Federal project. Such items include but are not limited to lands, easements, rights-of way, relocations, disposal areas, and cash contributions.
- C. Project—shall mean a capital expenditure proposal.
- D. Applicant—refers to the public body that is pursuing the implementation of a project.
- E. Study—refers to any preconstruction planning investigation.
- F. Carryover Funds—refers to unused funds for awarded projects. Funds must be reapplied for each year.

II. ADMINISTRATION

The following elements will guide the application, allocation, and distribution of the Commonwealth Port Fund:

- A. FOR ALL PROJECTS FOR WHICH COMMONWEALTH PORT FUNDS ARE REQUESTED.
 - 1. The Virginia Port Authority (VPA) will serve as the responsible agency for administering the Commonwealth Port Fund.
 - 2. Funds will be used to support capital needs of publicly-owned ocean, river, and tributary ports and their marine facilities within the Commonwealth whose primary purpose is the flow-through of goods for consumption.
 - 3. For a project to be eligible for funds, VPA, in its sole discretion, must determine that the proposed project is economically feasible based on preplanning study or current level of business, will not directly competitively disadvantage existing

publicly-owned port facilities, and will further the interests of the Commonwealth of Virginia. Development and presentation of information needed to determine project feasibility will be the responsibility of the applicant.

4. Requests for funding and their disposition shall be as follows:

Requests for funding shall be made by March 1. Applicants may be required to make oral presentation of the requests to VPA. Funds will be allocated by VPA at its May Board of Commissioners meeting and available for successful applicants July 1 of that year.

5. Application Guidelines: The applicant shall submit an application to the VPA that contains the following information: statement of need and urgency, total project cost, timeline and phases of project, rendering or picture of proposed improvements, potential impact to the community, total amount of funding being requested, and all other pertinent information. Additionally, a formal application for carryover funds must be submitted. The carryover application must contain a project update and specify what project the funds will be used for. If carryover funds are to be used for a new project, the applicant must state this as well.
6. Disbursements: The applicant shall submit a requisition to VPA for payment. The requisition shall be accompanied by supporting invoices or other documentation as well as a certification of the applicant that the work has been performed or that payment is otherwise properly due. The requisition shall further set forth the name of person or entity to whom payment is to be made, the amount of payment, and the project for which the payment is to be made. Requisitions may be submitted periodically or at the completion of the project. The applicant must show that local share requirements have been met. When the project is completed, the applicant shall certify its completion date to VPA.
7. Request not made within the schedule of Paragraph 4 above, shall be considered only when accompanied by a statement declaring the need for funds an emergency, with consequences of non-funding clearly specified, or a statement explaining why the schedule in Paragraph 4 above could not be met. Requests must be received no later than three weeks prior to the next regular Board of Commissioners meeting to be considered at that meeting. Paragraph 4 below applies to the Board's decision.
8. VPA will allocate an amount appropriated by the General Assembly for projects which are adjudged to meet the criteria above.
9. VPA, in its sole discretion, may allocate the total amount requested to an applicant, any portion thereof, or may decline to allocate funds for the project.
10. No Commonwealth Port Funds monies shall be used to fund studies to determine project feasibility, except as hereinbelow provided.
11. VPA will establish priorities of funding for projects based on importance of the projects toward promoting the interests of the Commonwealth of Virginia and financing needs of the applicant both in terms of amount of the request and ability to pay.

12. Local share of project costs shall be reduced by an amount equal to the costs incurred by successful applicants to fund studies to determine project feasibility. Local shares of project costs may also be reduced by up to 50% by contributions of real or personal property necessary for development of the project, as well as any out-of-pocket costs for technical evaluation, survey, engineering, among others. The value of, and extent to allow, such contributions shall be determined solely by VPA.
13. Local share requirements must be met with an applicant's locally generated funds excluding state and federal grants. This requirement is imposed to insure that an applicant has carefully considered whether or not a proposed project will justify the investment of funds from the Commonwealth Port Fund.

B. ADDITIONALLY, FOR PROJECTS WITH POTENTIAL FEDERAL INTEREST:

1. Applicant must have made previous, or must make simultaneous, "application" for federal funds.
2. VPA recognizes that local sponsors for federal projects must agree to share with the federal government in the cost of studies and construction as a condition necessary for the initiation of federal study of the project. VPA agreement to provide support necessary to allow for the initiation of any project is conditional upon the later determination of VPA that the standards in II.A.3 above are met and that funds are available.
3. At the completion of the federal reconnaissance study of the project, applicant may make application to VPA for funding of further studies for project implementation. Similarly, upon federal approval of construction of the project, applicant may request construction funds.
4. VPA shall be given the opportunity to review and comment on all cost sharing agreements between the local sponsor and federal government prior to releasing any funds.
5. If undertaken prior to the receipt of federal funds, but for which federal funds are committed, projects must be completed within the time frame determined reasonable by the Corps of Engineers in project studies.
6. Local interests must pay 25% of the costs of the total non-federal share of the project, to include items of local cooperation.
7. Maintenance dredging projects are not eligible for funding.

C. ADDITIONALLY, FOR NONFEDERALLY-FUNDED PROJECTS:

1. Local interests must pay:
 - a. 25 % of total project costs