

Virginia Port Authority Board of Commissioners
Finance and Audit Committee Meeting
March 23, 2015

The Virginia Port Authority (“VPA”) Finance and Audit Committee (“Committee”) held a meeting on March 23, 2015, in the VPA’s Conference Room, 600 World Trade Center, Norfolk, Virginia. Finance and Audit Committee Vice Chairman, Gary T. McCollum, called the meeting to order at 3:45 p.m.

The following were then in attendance:

Finance and Audit Committee Members Present:

Gary T. McCollum, Vice Chair
Kim Scheeler
Deborah C. Waters

Committee Members Absent:

Manju S. Ganeriwala, State Treasurer

Board Members Present:

John G. Milliken, VPA Chairman
J. William Cofer
Alan A. Diamonstein
Faith B. Power

VPA Staff:

John F. Reinhart, CEO/Executive Director
Rodney W. Oliver, Chief Financial Officer
Cathie France, Chief Public Affairs Officer
James Bibbs, Chief Human Resources Officer
Joseph P. Ruddy, Chief Innovation Officer
Matthew Barnes-Smith, Vice President, Strategic Planning
Chris Harrell, Director, Risk Management
Carla Welsh, Director, Creative Services and Brand Management
Debra J. McNulty, Clerk to the Board

VIT Staff:

Thomas D. Capozzi, Chief Sales Officer
Shawn Tibbetts, Chief Operations Officer

Guests:

Elizabeth Dwyer, Office of the Attorney General
William W. Harrison, Jr., Williams Mullen (VPA Bond Counsel)
JoAnne Carter, PFM Group (VPA Financial Advisor)

Media:

Bob McCabe, *The Virginian-Pilot*

Mr. Ruddy conducted the safety briefing at this time.

Motion for Closed Session

At 3:46 p.m., Mr. McCollum asked for a motion, as noted below, to go into closed session. Motion was made by Ms. Waters (not read) and seconded by Mr. Scheeler.

As indicated on the agenda, the Finance and Audit Committee went into closed session in accordance with the Virginia Freedom of Information Act, pursuant to the requirements of Code §2.2-3711(A)(38), and the provisions of §62.1-132.4, to discuss proprietary financial and budgetary information and data, as well as confidential enterprise risk management matters, furnished to the VPA in confidence.

End of Closed Session

At 4:45 p.m., the Finance and Audit Committee came out of closed session and the following resolution was read by Ms. Waters:

“Whereas, the Virginia Port Authority Finance and Audit Committee had convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of The Virginia Freedom of Information Act; and

Whereas, Section 2.2-3712 of the Code of Virginia requires a certification by Committee members that such closed meeting was conducted in conformity with Virginia law;

Now, therefore be it resolved, that the Finance and Audit Committee hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered by the Committee.”

The resolution was seconded by Mr. Scheeler and passed by a roll call vote of the Finance and Audit Committee members and Chairman as follows:

Ayes: 4 (McCollum, Scheeler, Waters, Milliken)

Nays: 0

Absent During Vote: 1 (Ganeriwala)

Absent During Meeting: 1 (Ganeriwala)

The following open session topics were then discussed:

1. Update on Bond Issue Savings

Mr. Oliver reported on the results of the recent sale of \$141.8 million of port facilities revenue refunding bonds. He announced that a press release was issued earlier in the month, and that the VPA realized a net savings of \$14.7 million on a present value basis, equal to 9.9 per cent of the refinanced debt. He also reported that Fitch Ratings upgraded its long-term rating of the VPA’s outstanding port facilities revenue bonds from A to A+ with a “stable” rating.

Mr. Oliver referred to the final version of the bond Official Statement that was included with the Commissioners' agenda materials and he noted that the document contains historical information, information on the terminals, Consulting Engineering report, and information about the issue.

2. Consideration of Resolution 15-3, authorizing a Commonwealth Port Fund (CPF) Bond Issue (Series 2015) to finance certain facilities and equipment at NIT, PMT, Port of Richmond, and VIP, and expenses incurred in connection with the issuance – Mr. Oliver; William Harrison, Williams Mullen (Bond Counsel)

Mr. Harrison presented Resolution 15-3, Series Resolution supplementing Resolution 02-4 of the Virginia Port Authority and authorizing the issuance of up to \$66,800,000 of the Authority's Commonwealth Port Fund Revenue Bonds, Series 2015 and related matters.

Mr. Harrison reviewed key provisions that are outlined throughout the resolution, beginning with the description of projects in paragraph 2. Mr. Harrison explained the "Governor's Amendment" that is described in paragraph 3. He continued throughout the resolution, noting certain parameters and terms of the issue, delegation of authority to the Executive Director, and Treasury Board approval.

Mr. McCollum asked for a motion to approve Resolution 15-3 at this time.

Action: Upon motion by Mr. Scheeler, seconded by Ms. Waters, the Finance and Audit Committee agreed to recommend that the full Board adopt Resolution 15-3, authorizing a Commonwealth Port Fund (CPF) Bond Issue (Series 2015) to finance certain facilities and equipment at NIT, PMT, Port of Richmond, and VIP, and expenses incurred in connection with the issuance.

There were no public comments and the meeting adjourned at 4:56 p.m.

Respectfully submitted,



Debra J. McNulty
Clerk to the Board