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# VIRGINIA STATE BUDGET

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2006 Special Session I

## Budget Bill - HB5002 (Chapter 3)

Bill Order » Office of Transportation » Item 453

Virginia Port Authority

Item 453	First Year - FY2007	Second Year - FY2008
<b>Port Facilities Planning, Maintenance, Acquisition, and Construction (62600)</b>	<b>\$56,626,635</b>	<b>\$57,180,143</b>
Maintenance and Operations of Ports and Facilities (62601)	\$4,000,000	\$4,000,000
Port Facilities Planning (62606)	\$647,827	\$680,218
Debt Service for Port Facilities (62607)	\$51,978,808	\$52,499,925
Fund Sources:		
Special	\$23,318,549	\$24,186,991
Commonwealth Transportation	\$33,308,086	\$32,993,152

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Authority: Title 62.1, Chapter 10; Title 33.1, Chapter 1, Code of Virginia.

A.1. It is hereby acknowledged that, in accordance with § 62.1-140, Code of Virginia, the Virginia Port Authority issued bonds on October 22, 1996, in the amount of \$38,300,000 for the purposes of completing the Phase II Expansion at Norfolk International Terminals and replacing and improving equipment at other port facilities. The Director of the Department of Planning and Budget is authorized to adjust the fund sources for Capital Project 407-14271 for the cited bonds, provided that the total appropriations for the project does not exceed the \$75,482,880 previously authorized. It is also hereby acknowledged that, in accordance with § 62.1-140, Code of Virginia, the Virginia Port Authority issued bonds on April 2, 1998, in the amount of \$71,015,000 for the purposes of refunding the outstanding series 1988 Bonds. Debt service on bonds referenced in this paragraph is estimated to be \$13,978,055 in the first year and \$13,973,733 the second year.

2. It is hereby acknowledged that, in accordance with § 62.1-140, Code of Virginia, the Virginia Port Authority issued Commonwealth Port Fund bonds on July 11, 2002, in the amount of \$135,000,000 to reconstruct the Norfolk International Terminal (South), Capital Project 407-16644, Phase I. The project also includes the replacement of equipment, the purchase of the Physical Oceanographic Real-Time System, and other equipment required to enhance the security and protection of the port properties. Debt service on bonds referenced in this paragraph is estimated to be \$10,205,818 the first year, and \$10,203,143 the second year.

3. It is hereby acknowledged that, in accordance with § 62.1-140, Code of Virginia, the Virginia Port Authority issued Commonwealth Port Fund bonds on April 14, 2005, in the amount of \$60,000,000, for the purpose of regrading and reconstruction of Norfolk International Terminals (South), Phase III, land acquisition, and other improvements, Capital Project 407-16644. The debt service on bonds referenced in this paragraph is estimated to be \$4,248,106 the first year and \$4,279,356 the second year.

4. In the event revenues of the Commonwealth Port Fund are insufficient to provide for the debt service on the Virginia Port Authority Commonwealth Port Fund Revenue Bonds; Series 1996, Series 2002, Series 2005, or refunding Series 1998; bonds authorized by paragraphs A. 1., A. 2., and A. 3.; or any bonds payable from the revenues of the Commonwealth Port Fund, there is hereby appropriated a sum sufficient first from the legally

available moneys in the Transportation Trust Fund and then from the general fund to provide for this debt service. Total debt service on the bonds referenced in paragraphs A. 1., A. 2., and A. 3. is estimated at \$28,431,979 the first year and \$28,456,232 the second year.

5. Notwithstanding § 62.1-140, Code of Virginia, the aggregate principal amount of Commonwealth Port Fund bonds, and including any other long-term commitment that utilizes the Commonwealth Port Fund, shall not exceed \$265,000,000.

B.1. In accordance with § 62.1-140, Code of Virginia, the Virginia Port Authority has issued Port Facilities Revenue Bonds, Series 1997, in the amount of \$98,065,000 to finance the cost of capital projects for the Virginia Port Authority marine and intermodal terminals. Total debt service on the bonds referenced in this paragraph is estimated at \$6,857,257 the first year and \$6,854,057 the second year from special funds. The Virginia Port Authority is authorized to transfer to the Virginia International Terminals Inc. (VIT), from the revenues of the Authority's port facilities, funds that are available for the purpose under the Authority's applicable Bond Resolution.

2. In accordance with § 62.1-140, Code of Virginia, the Virginia Port Authority on June 18, 2003, issued additional Port Facilities Revenue bonds in the amount of \$55,155,000 to regrade and reconstruct the Norfolk International Terminal (South) backlands (Phase II, capital outlay project 407-16644), and to construct security related facilities at Norfolk International Terminals (North) and Portsmouth Marine Terminal (capital outlay project 407-16961). Total debt service on these bonds referenced in this paragraph is estimated at \$3,484,900 the first year and \$3,484,150 the second year from special funds.

3. It is hereby acknowledged that, in accordance with § 62.1-140, Code of Virginia, the Virginia Port Authority may issue additional bonds, in an amount of up to \$90,000,000, for the purposes of the reconstruction and expansion of Norfolk International Terminals, and other improvements to port facilities (capital outlay project 407-17252). The debt service on these bonds, estimated to be \$6,600,000 the first year and \$6,600,000 the second year, will be paid from special funds.

4. Prior to this biennium, the Virginia Port Authority purchased, through their master equipment lease program, equipment at a total cost of \$47,663,170 (capital outlay projects 407-16962 and 407-16989). Total debt service on the equipment leases referenced in this paragraph is estimated at \$5,728,566 the first year and \$5,728,566 the second year from special funds.

5. It is hereby acknowledged that, in accordance with § 62.1-140, Code of Virginia, the Virginia Port Authority is authorized to purchase, through a purchase agreement (master equipment lease program), terminal operating equipment at a total estimated cost of \$12,500,000 (capital outlay project 407-16962). Total debt service referenced in this paragraph is estimated at \$840,000 the second year from special funds.

C. In order to remain consistent with the grant of authority as provided in Chapter 10, § 62.1-128 et seq. of the Code of Virginia, the Virginia Port Authority is authorized to maintain independent payroll and nonpayroll disbursement systems and, in connection with such systems, to open and maintain an appropriate account with a qualified public depository. As implementation occurs, these systems and related procedures shall be subject to review and approval by the State Comptroller. The Virginia Port Authority shall continue to provide nonpayroll transaction detail to the State Comptroller through the Commonwealth Accounting and Reporting System.