2014 Special Session I

Budget Bill - HB5002 (Substitute)

Bill Order » Office of Transportation » Item 454

Virginia Port Authority

Item 454	First Year - FY2015	Second Year - FY2016
Port Facilities Planning, Maintenance, Acquisition, and Construction (62600)	**$80,827,638**	**$85,625,159**
Maintenance and Operations of Ports and Facilities (62601)	$8,000,000	$14,500,000
Port Facilities Planning (62606)	$1,191,574	$1,191,574
Debt Service for Port Facilities (62607)	$71,636,064	$69,933,585
Fund Sources:		
General	$0	$6,500,000
Special	$45,721,219	$44,018,740
Commonwealth Transportation	$32,106,419	$32,106,419
Federal Trust	$3,000,000	$3,000,000

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 refunded bonds issued 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 debt service on the 2006 refunding bonds is estimated to be $3,118,750 the first year and $1,440,075 the second year and all or a portion of such 2006 refunding bonds may be refunded by the authority pursuant to § 62.1-140, Code of Virginia.

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 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 $2,008,856 the first year and $4,033,856 the second year, and all or a portion of such bonds may be refunded by the Authority pursuant to § 62.1-140, Code of Virginia.

3. It is hereby acknowledged that, in accordance with § 62.1-140, Code of Virginia, the Virginia Port Authority may issue Commonwealth Port Fund bonds up to the amount of $125,000,000, for the purpose of developing the Craney Island Marine Terminal and creating road and rail access to such terminal, capital project 407-17513. Such bonds may also be used for the purpose of constructing warehouses at a facility owned by the Virginia Port Authority. All or a portion of such bonds may be refunded by the authority pursuant to § 62.1-140, Code of Virginia. The debt service on the bonds referenced in this paragraph is estimated to be $9,500,000 the first year and $9,500,000 the second year.

It is hereby acknowledged that the Virginia Port Authority issued $57,370,000 of such Commonwealth Port Fund

bonds noted in the paragraph above in July 2011 for the purpose of developing the Craney Island Marine Terminal and creating road and rail access to such terminal, capital project 407-17513. The debt service on bonds referenced in this paragraph is estimated to be $2,868,500 the first year and $2,868,500 the second year, and all or a portion of such bonds may be refunded by the Authority pursuant to § 62.1-140, Code of Virginia.

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 authorized by paragraphs A 1, A 2, A 3, and A 4; 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, A 3, and A 4 is estimated at $29,209,175 the first year and $31,578,591 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 $420,000,000.

6. It is hereby acknowledged that, in accordance with § 62.1-140, Code of Virginia, the Virginia Port Authority issued Commonwealth Port Fund bonds on January 25, 2012 in the amound of $108,015,000 to refund Commonwealth Port Fund bonds originally issued on July 11, 2002. Debt service on bonds referenced in this paragraph is estimated to be $9,057,692 the first year and $9,055,967 the second year, and all or a portion of such bonds may be refunded by the Authority pursuant to § 62.1-140, Code of Virginia.

7. It is hereby acknowledged that, in accordance with § 61.1-140, Code of Virginia, the Virginia Port Authority issued Commonwealth Port Fund bonds on September 26, 2012 in the amount of $50,025,000 to refund a portion of Commonwealth Port Fund bonds originally issued on April 14, 2005. Debt service on bonds referenced in the paragraph is estimated to be $2,655,377 the first year, and $4,680,193 the second year, and all or a portion of such bonds may be refunded by the Authority pursuant to § 62.1-140, Code of Virginia.

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. In accordance with § 62.1-140, Code of Virginia, the Virginia Port Authority refunded certain maturities of the bonds in 2007. The debt service on the 2007 refunding bonds is estimated at $6,345,750 the first year and $6,347,500 the second year from special funds and all or a portion of such bonds may be refunded by the authority pursuant to § 62.1-140, Code of Virginia. 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 $688,275 the first year and $688,275 the second year from special funds, and all or a portion of such bonds may be refunded by the authority pursuant to § 62.1-140, Code of Virginia.

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 $3,983,188 the first year and $3,983,188 the second year, will be paid from special funds, and all or a portion of such bonds may be refunded by the authority pursuant to § 62.1-140, Code of Virginia.

4. Prior to the 2006-2008 biennium, the Virginia Port Authority purchased, through their master equipment lease program, equipment at a total cost of $60,163,170 (capital outlay projects 407-16962 and 407-16989). Total debt service on the equipment leases referenced in this paragraph is estimated at $5,389,678 the first year and $2,227,023 the second year from special funds, and such lease purchases may be refunded by the authority.

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 cost of $41,493,035 (capital outlay project 407-16962). Total debt service referenced in this paragraph, including any interim financing issued in anticipation of such program, is estimated at $4,705,242 the first year and $4,705,242 the second year from special funds, and such lease purchases may be refunded by the authority.

6. It is hereby acknowledged that, in accordance with § 62.1-140, Code of Virginia, the Virginia Port Authority on April 21, 2010, issued Port Facilities Revenue Refunding bonds in an amount of $68,630,000, for the purposes of the reconstruction and expansion of Norfolk International Terminals (NIT), reconstruction and expansion of Portsmouth Marine Terminal (PMT), land acquisitions adjacent to NIT and PMT, and other improvements to port facilities (capital outlay project 407-16644). The debt service on these bonds, estimated to be $3,308,319 the first year and $4,823,319 the second year, will be paid from special funds, and all or a portion of such bonds may be refunded by the authority pursuant to § 62.1-140, Code of Virginia.

7. It is hereby acknowledged that, in accordance with § 62.1-140, Code of Virginia, the Virginia Port Authority may issue short-term debt on a revolving basis as interim or anticipation financing in order to cover costs of planning, design, and construction pending the receipt of bond or master equipment lease program proceeds authorized in paragraphs A 4, B 5, and B 6 in an amount not to exceed the authorized amount for the projects. In the aggregate, the short-term debt shall not exceed $200,000,000 at any point in time and all or a portion of such debt may be refunded by the Authority pursuant to § 62.1-140, Code of Virginia. The debt service, including associated fees, on the short-term debt may be paid, as recommended by the authority and approved by the Board, from the bond or master equipment lease proceeds, special funds, or other revenues or proceeds.

8. 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 up to $105,500,000 for purposes of expanding port terminal capacity (capital outlay project 407-17956). All or a portion of such bonds may be refunded by the authority pursuant to § 62.1-140, Code of Virginia. The debt service on these bonds, estimated to be $8,500,000 the first year and $8,500,000 the second year, will be paid from special funds.

9. Total debt service paid from special funds for all bonds, lease agreements, and short-term debt noted herein shall not exceed $45,000,000 the first year and $45,000,000 the second year.

10. It is hereby acknowledged that, in accordance with § 62.1-140, Code of Virginia, the Virginia Port Authority issued Port Facilities Revenue bonds on October 22, 3013, in the amount of $37,945,000 to refund a portion of Port Facilities Revenue bonds originally issued on June 18, 2003 and October 17, 2006. Debt service on bonds referenced in this paragraph is estimated to be $1,172,500 the first year and $1,172,500 the second year, and all or a portion of such bonds may be refunded by the Authority pursuant to § 62.1-140, Code of Virginia.

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.