2023 Special Session I

Budget Bill - HB6001 (Chapter 1)

Virginia Port Authority

Item 464	First Year - FY2023	Second Year - FY2024
Port Facilities Planning, Maintenance, Acquisition, and Construction (62600)	**$121,067,624**	**$125,881,499**
Maintenance and Operations of Ports and Facilities (62601)	$35,955,014	$34,968,889
Port Facilities Planning (62606)	$1,280,247	$1,280,247
Debt Service for Port Facilities (62607)	$83,832,363	$89,632,363
Fund Sources:		
Special	$62,695,191	$68,495,191
Commonwealth Transportation	$53,372,433	$52,386,308
Federal Trust	$5,000,000	$5,000,000

Authority: Title 62.1, Chapter 10; Title 33.2, 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 Commonwealth Port Fund bonds on January 25, 2012 in the amount 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 $9,100,000 the first year and $9,100,000 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.

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 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 this paragraph is estimated to be $3,100,000 the first 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 issued Commonwealth Port Fund Revenue Refunding Bonds on July 26, 2018 in the amount of $60,345,000 to refund Commonwealth Port Fund bonds originally issued in July 2011. Debt service on bonds referenced in this paragraph is estimated to be $2,600,000 the first year and $2,600,000 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. It is hereby acknowledged that, in accordance with § 62.1-140, Code of Virginia, the Virginia Port Authority issued Commonwealth Port Fund Revenue Refunding Bonds on August 4, 2020 in the amount of $97,615,000 to refund Commonwealth Port Fund bonds originally issued in September 2012 and June 2015. Debt service on bonds referenced in this paragraph is estimated to be $3,800,000 the first year and $6,400,000 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.

5. It is hereby acknowledged that, in accordance with § 62.1-140, Code of Virginia, the Virginia Port Authority is authorized to issue Commonwealth Port Fund Revenue Bonds in the amount of $166,000,000 to finance improvements to Norfolk International Terminals. Debt service on bonds referenced in this paragraph is estimated to be $7,000,000 the first year and $7,000,000 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.

6. 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 A1, A2, A3, A4 and A5; 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 A1, A2, A3, A4 and A5 is estimated at $25,600,000 the first year and $25,100,000 the second year.

7. 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 $440,000,000.

B.1. It is hereby acknowledged that, in accordance with § 62.1-140, Code of Virginia, the Virginia Port Authority on November 17, 2016, issued Port Facilities Revenue Refunding bonds in the amounts of $143,965,000, $99,230,000 and $37,335,000 for the purposes of defeasing and refunding special fund debt previously authorized. The debt service on these bonds, estimated to be $17,600,000 the first year and $17,600,000 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.

2. 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.

3. It is hereby acknowledged that, in accordance with § 62.1-140, Code of Virginia, the Virginia Port Authority has purchased, through a purchase agreement (master equipment lease program), terminal operating equipment at a total estimated cost of $67,000,000. Total debt service referenced in this paragraph (including any interim financing issued in anticipation of such program), is estimated at $6,200,000 the first year and $6,200,000 the second year from special funds, and such lease purchases may be refunded by the Authority.

4. 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 $63,000,000. Total debt service referenced in this paragraph (including any interim financing issued in anticipation of such program), is estimated at $7,400,000 the first year and $7,400,000 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 estimated cost of $90,000,000. Total debt service referenced in this paragraph (including any interim financing issued in anticipation of such program), is estimated at $5,800,000 the first year and $11,600,000 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 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

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.

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 appropriate accounts with a qualified public depository, or depositories. 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 (Cardinal).

D. Out of the amounts in this Item, $10,000,000 the first year and $10,000,000 the second year from the Commonwealth Port Fund may be used to make lease payments associated with the Virginia International Gateway capital lease.