

[Reimbursement Bond Resolution]

RESOLUTION 23-01

**REIMBURSEMENT BOND RESOLUTION REGARDING THE ISSUANCE BY THE
VIRGINIA PORT AUTHORITY OF COMMONWEALTH PORT FUND REVENUE BONDS
IN CALENDAR YEAR 2023**

WHEREAS, the Virginia Port Authority (the “Authority”) acting by its Board of Commissioners (the “Board”) adopted Resolution No. 02-4 on May 28, 2002 (as thereafter amended and supplemented, the “Bond Resolution”), which in Section 2.09 permits the issuance of bonds of the Authority for the purpose of, among other things, providing funds for various improvements to Norfolk International Terminals owned and operated by the Authority (“NIT”), including (i) certain costs associated with the acquisition and installation of equipment expected to consist of low height ship to shore cranes, additional stacking cranes and replacement parts, together with improvements that will result in an improved container stack area, extension to the wharf area and associated upgrades to the stack yard facilities, docks, and other structures, and (ii) the payment of certain expenses incurred in connection with such financing and costs of issuance in connection with respect to the bonds (the “Series 2023 Project”).

WHEREAS, the Authority intends to consider the issuance of Bonds for the Series 2023 Project under the Bond Resolution (the “Series 2023 Bonds”) at a Board meeting to be held later this year.

WHEREAS, in Item 464 of the 2022 Appropriations Act, Chapter 2, Special Session I, Virginia Acts of Assembly (H.B. 30), the General Assembly of the Commonwealth of Virginia has previously authorized the Authority to issue the Series 2023 Bonds.

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

Section 1. Reimbursement. Officers of the Authority have represented to the Board that it may be necessary to proceed with the establishment of certain contracts and other actions related to the acquisition, construction, rehabilitation and equipping of the Project. The Board hereby agrees that the officers and staff of the Authority may proceed with the plans and enter into contracts, advance monies and take such other steps as it may deem necessary and appropriate therefor. The Authority hereby declares its intention to be reimbursed from the proceeds of the Series 2023 Bonds for all costs expended by it prior to the issuance of the Series 2023 Bonds within sixty (60) days prior to the date of this Resolution with respect to the planning and the acquisition, construction, rehabilitation and equipping of the Series 2023 Bonds Project. The Authority reasonably expects to reimburse itself with up to \$24,395,998 in estimated proceeds of the Series 2023 Bonds for Series 2023 Project costs (the “Expenditures”). The declaration and expectations stated in this Section 1 are intended to be evidence of official intent within the meaning of Treasury Regulation Section 1.150-2 promulgated under the Internal Revenue Code of 1986, as amended. Each Expenditure will be, unless otherwise approved by Bond Counsel, (a) of a type properly chargeable to a capital account under general federal income tax principles (determined in each case as of the date of the Expenditure), (b) a cost of issuance with respect to the Series 2023 Bonds or (c) a nonrecurring item that is not customarily payable from current revenues. The Authority intends to make a reimbursement allocation, which is a written allocation by the Authority that evidences the Authority’s use of proceeds of the Series 2023 Bonds to reimburse the Expenditure no later than eighteen (18) months after the later of the

date on which the Expenditure is paid or the Series 2023 Project is placed in service or abandoned, but in no event more than three (3) years after the date on which the Expenditure is paid. The Authority recognizes that exceptions are available for certain “preliminary expenditures,” cost of issuance, certain de minimus amounts, expenditures by “small issuers” (based on the year of issuance and not the year of expenditure), and expenditures for construction projects of at least five (5) years.

Section 2. Ratification; Further Action. All actions previously taken by the officers and staff of the Authority in connection with the planning of the proposed issuance of Series 2023 Bonds for the Series 2023 Project are hereby ratified and confirmed.

Section 3. Other Definitions. All terms not otherwise defined herein shall have the meanings given to them in the Bond Resolution.

Section 4. Effective Date. This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED this 10th day of January, 2023.

Aubrey L. Layne, Board Chair

Attest:

Ryanne A. Shields, Secretary