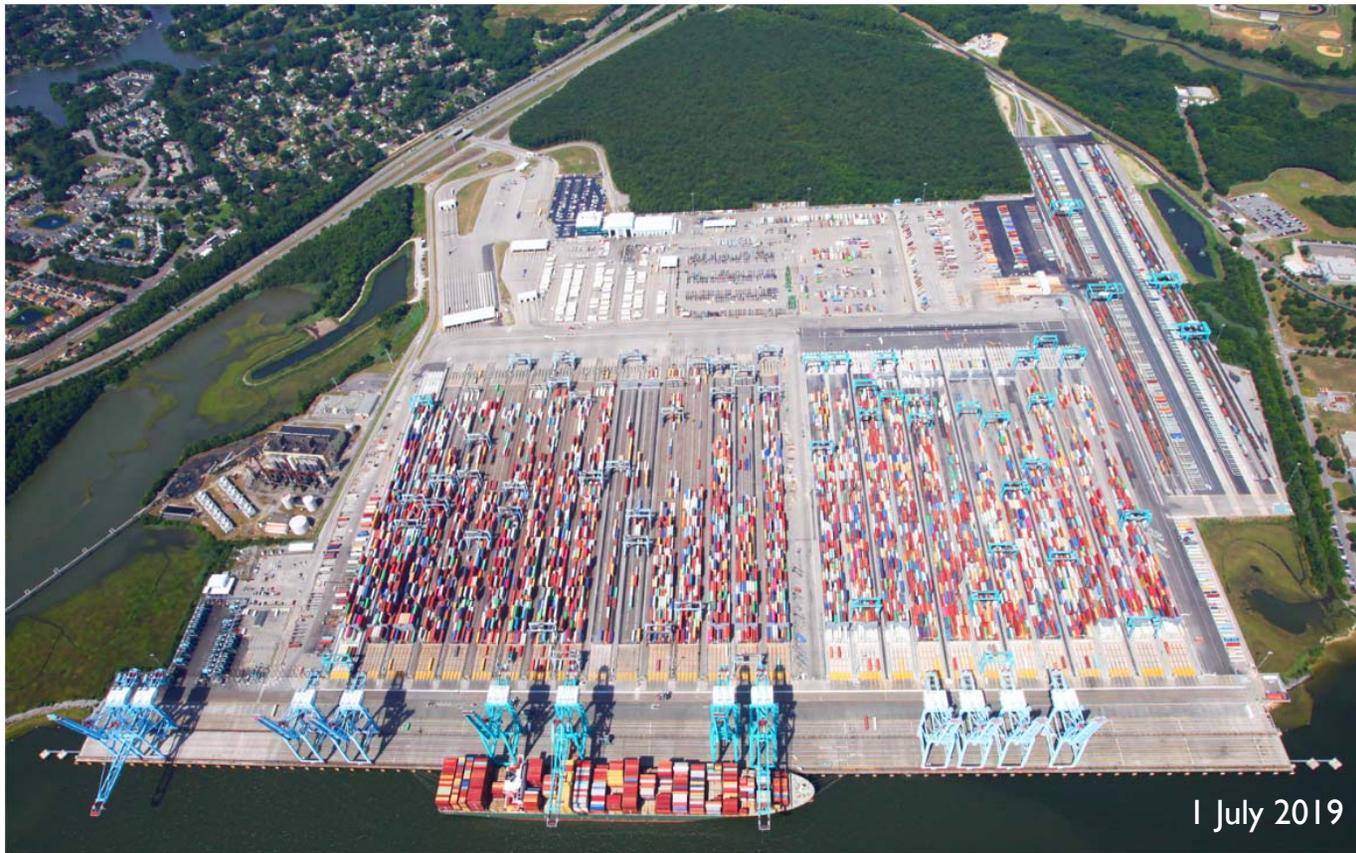


Virginia Port Authority Board of Commissioners, Session 395, July 23, 2019



AGENDA

- Committee Reports and Chief Reports
 - Finance and Audit
 - Growth and Operations
 - Innovation
 - Human Resources
 - Public Affairs

FINANCE and AUDIT COMMITTEE

Rodney W. Oliver
Chief Financial Officer

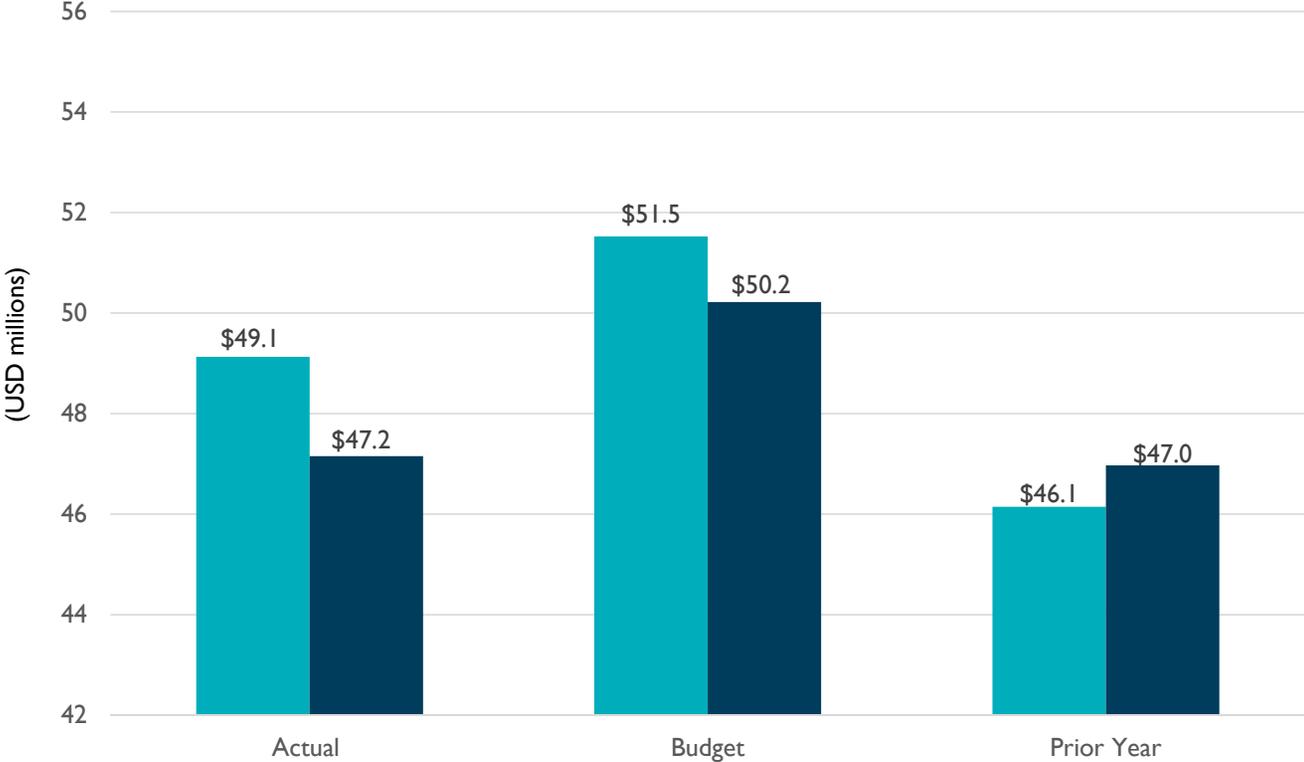
MAY FINANCIAL PERFORMANCE

OPERATING REVENUES AND EXPENSES:

For the Month Ended May 31, 2019

NOTE: For purposes of comparability, the lease amortization and lease interest have been replaced with the full lease payment for Actual, Budget and Prior Year.

- Operating Revenues
- Operating Expenses

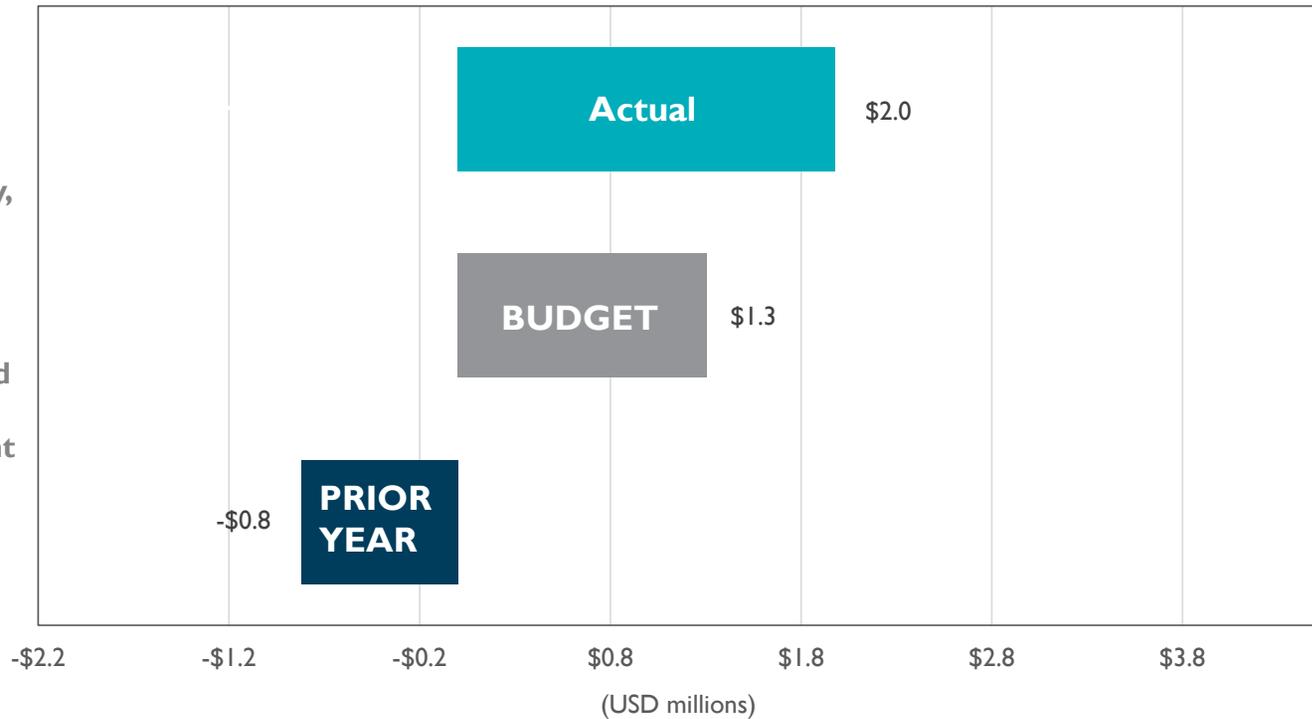


OPERATING INCOME (LOSS):

For the Month Ended May 31, 2019

PERFORMANCE

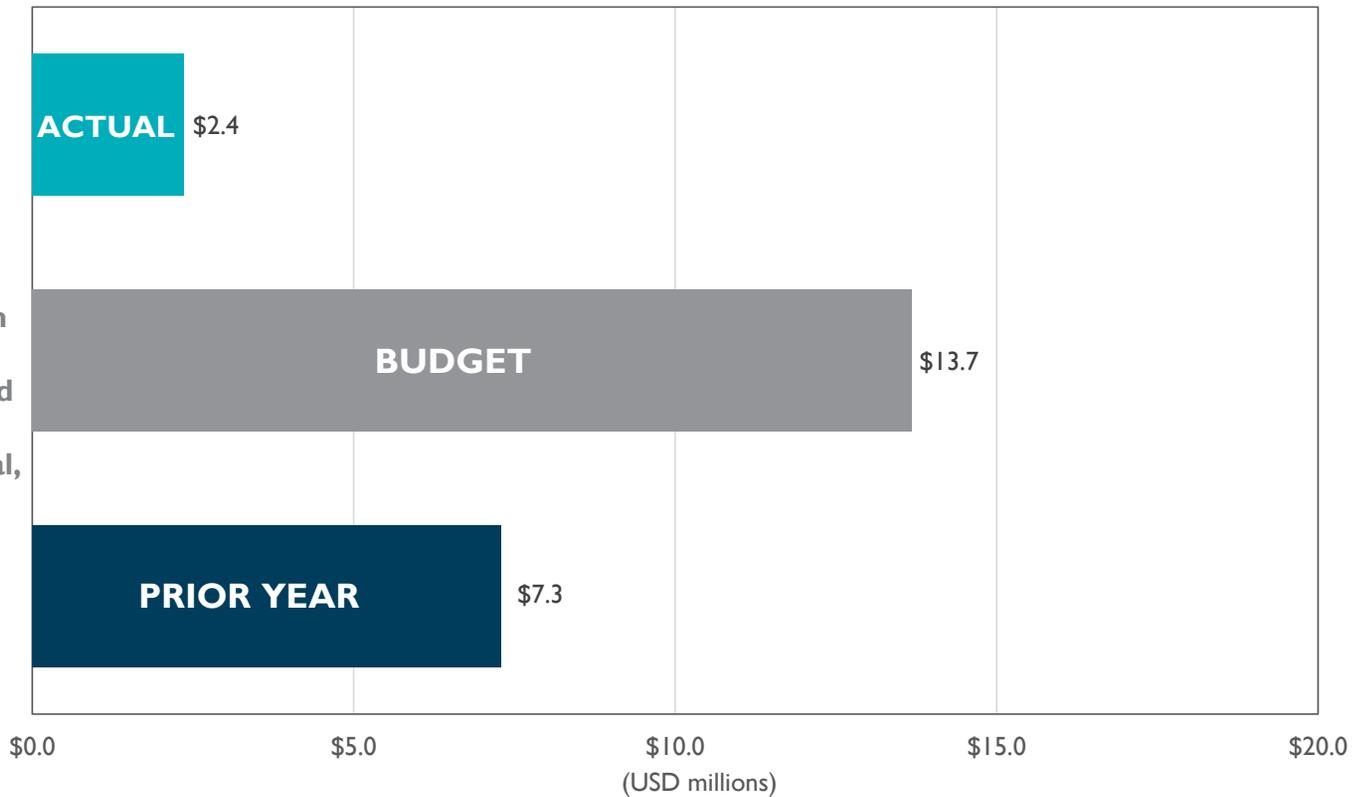
NOTE: For purposes of comparability, the lease amortization and lease interest have been replaced with the full lease payment for Actual, Budget and Prior Year.



CHANGE IN NET POSITION:

For the Month Ended May 31, 2019

NOTE: For purposes of comparability, the lease amortization and lease interest have been replaced with the full lease payment for Actual, Budget and Prior Year.



OPERATING REVENUES AND EXPENSES:

For the Eleven Months Ended May 31, 2019

NOTE: For purposes of comparability, the lease amortization and lease interest have been replaced with the full lease payment for Actual, Budget and Prior Year.

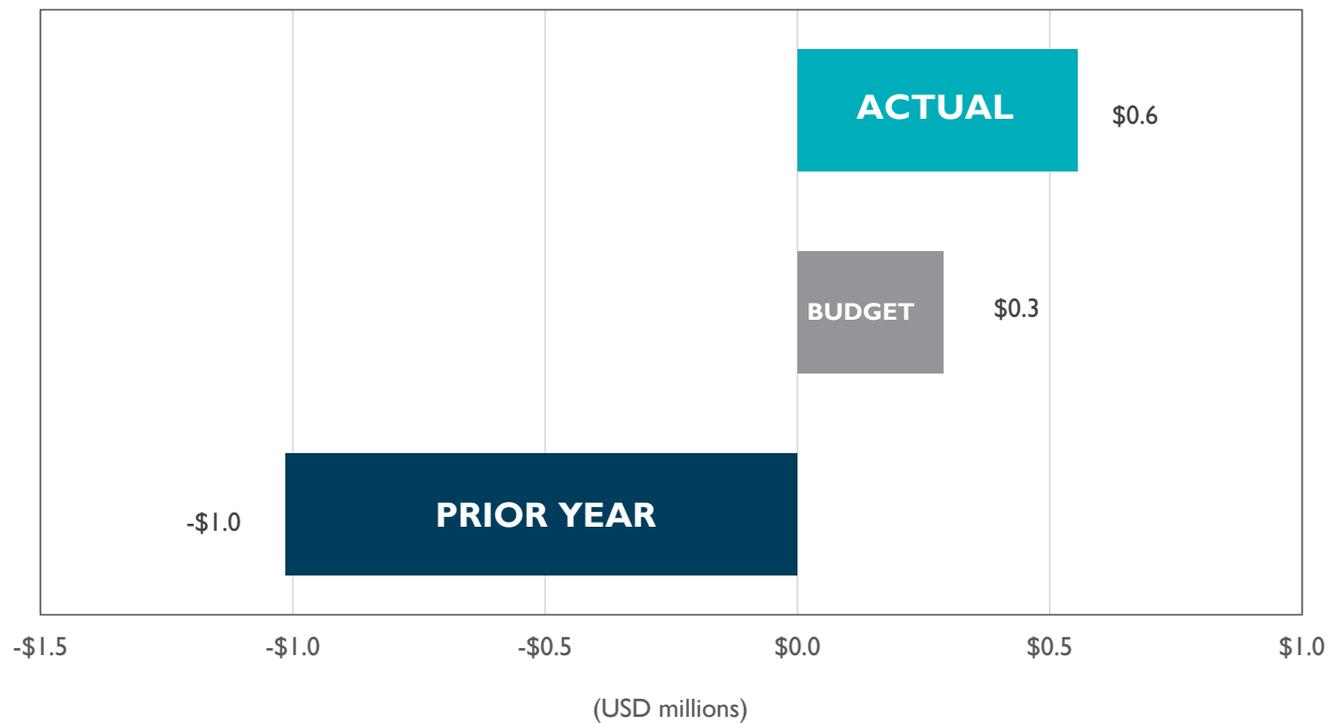
- Operating Revenues
- Operating Expenses



OPERATING INCOME (LOSS):

For the Eleven Months Ended May 31, 2019

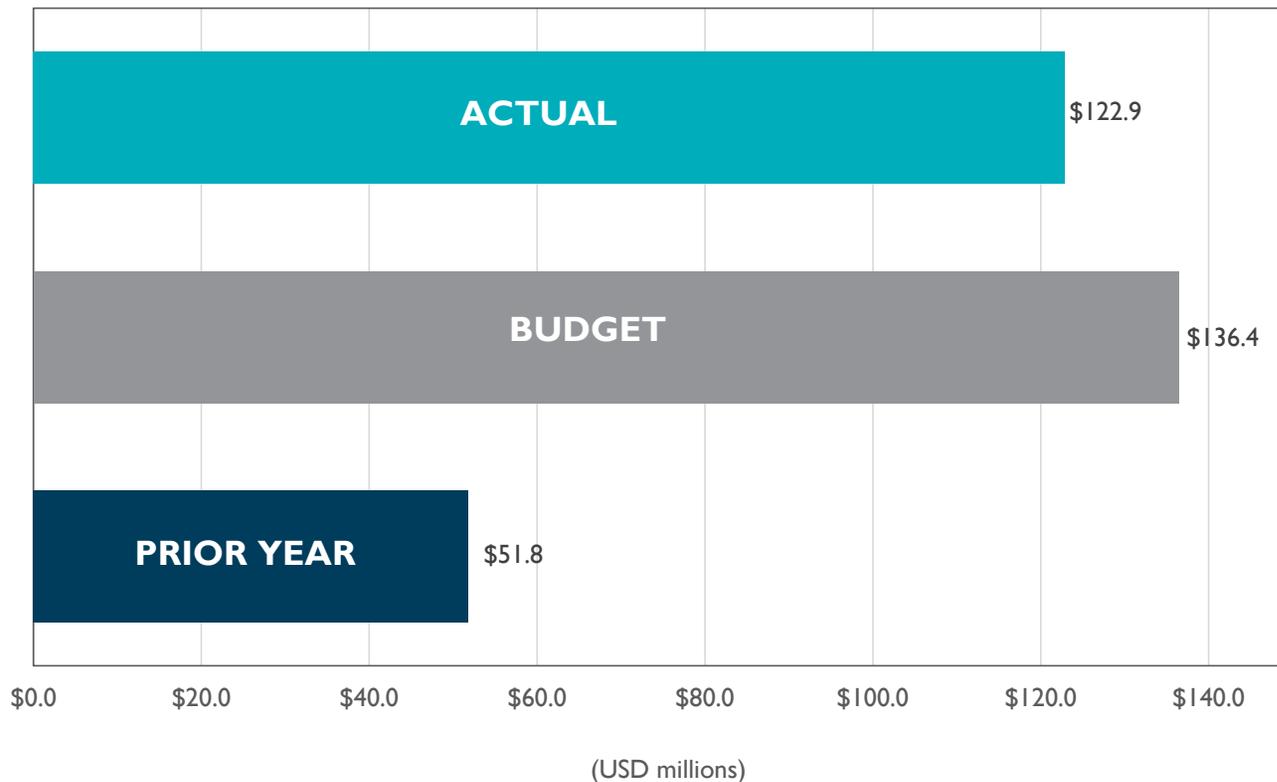
NOTE: For purposes of comparability, the lease amortization and lease interest have been replaced with the full lease payment for Actual, Budget and Prior Year.



CHANGE IN NET POSITION:

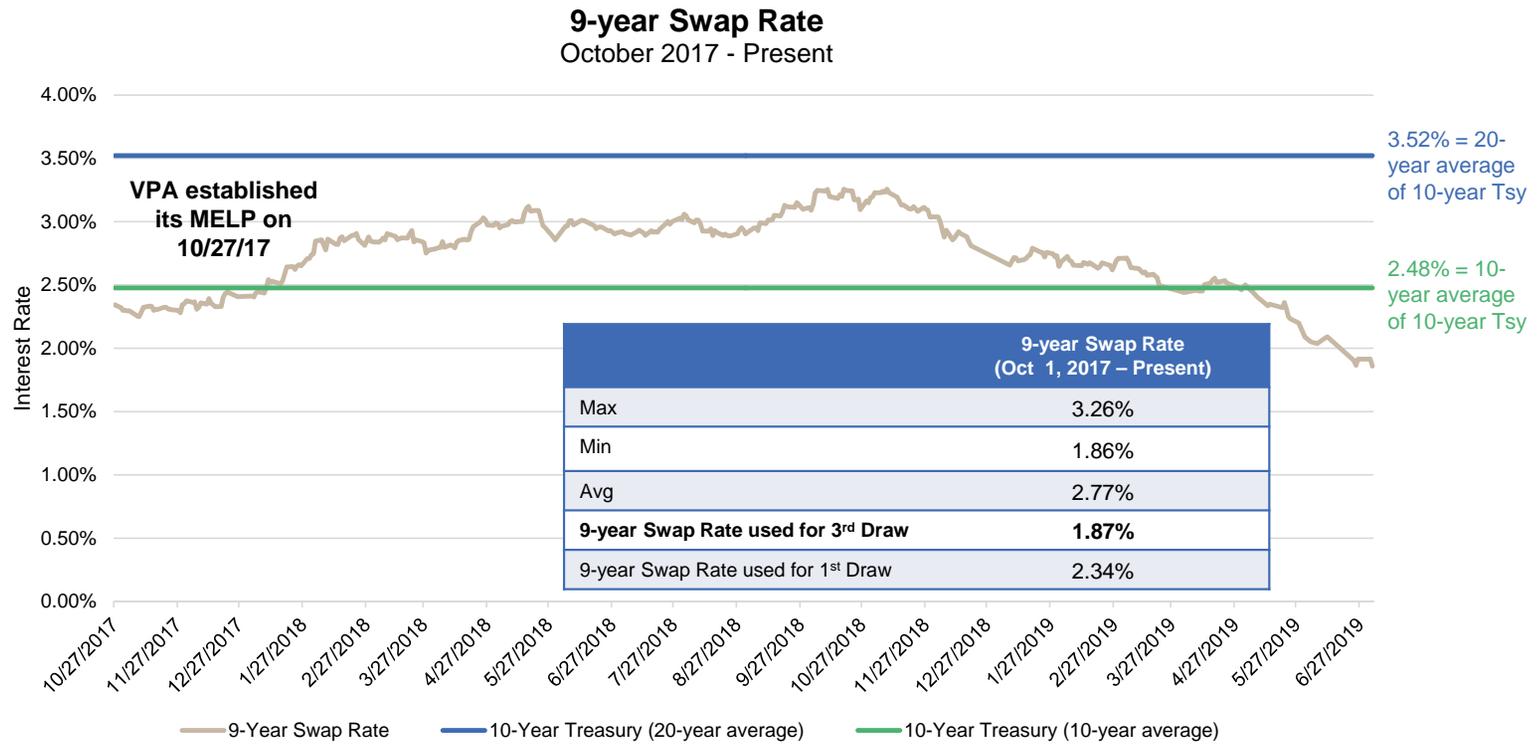
For the Eleven Months Ended May 31, 2019

NOTE: For purposes of comparability, the lease amortization and lease interest have been replaced with the full lease payment for Actual, Budget and Prior Year.





Recent Interest Rates





Overview of the Third Draw under the Port's Master Equipment Lease Program

The Port intends made its third draw under the Master Equipment Lease Program (MELP) for approximately \$22 million on July 15, 2019. Original funding available under the MELP was \$37 million, and in February of 2019, the funding amount was increased by an additional \$30 million to \$67 million. The Port now has \$15.12 million of funding remaining.

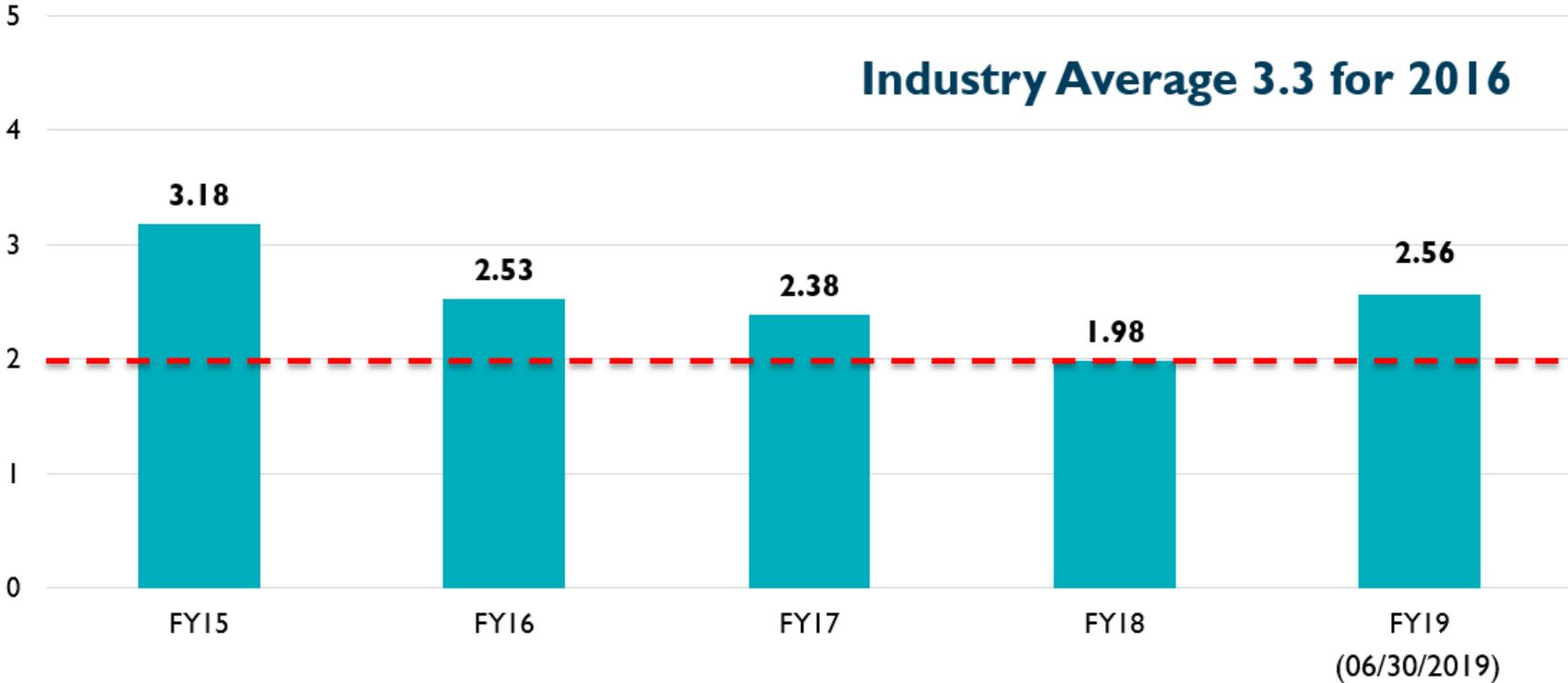
	Finalized Statistics for Draw #3	Finalized Statistics for Draw #2	Finalized Statistics for Draw #1
Funding Date	July 15, 2019	May 10, 2018	December 27, 2017
Estimated Draw Amount	\$21.95 million	\$8.15 million	\$21.78 million
Purpose	To purchase two ship-to-shore cranes	To purchase eight shuttle carriers at NIT	To purchase eight RMG cranes at NIT
Tax Status	Tax-Exempt, subject to AMT	Tax-Exempt, subject to AMT	Tax-Exempt, subject to AMT
Financing Term	15 years	10 years	15 years
Lease Payment Date	7/1/2034	7/1/2028	1/1/2033
Annual Lease Payment	\$1.77 million	\$954k	\$1.79 million
Borrowing Rate	2.52%	3.01%	2.83%

Questions?

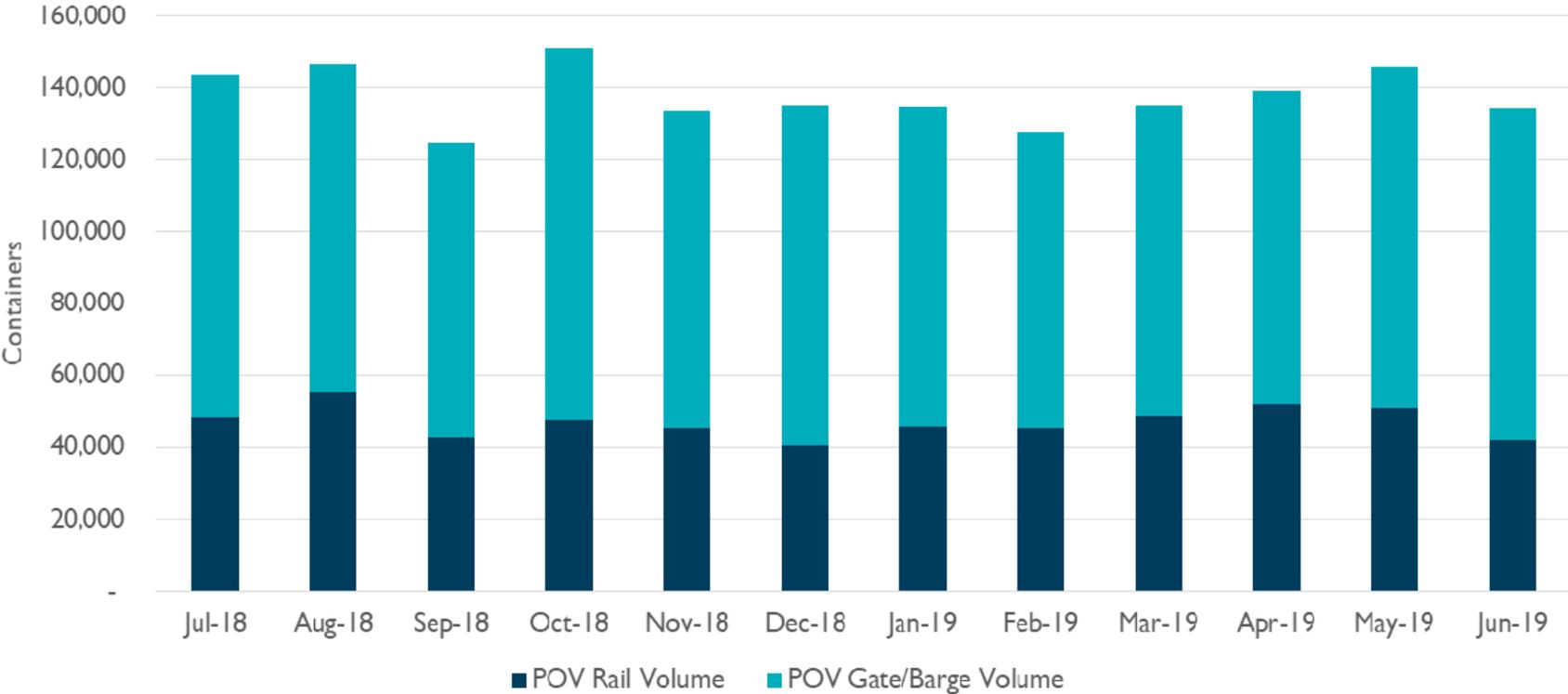
OPERATIONS REPORT

Shawn Tibbetts
President and Chief Operations Officer

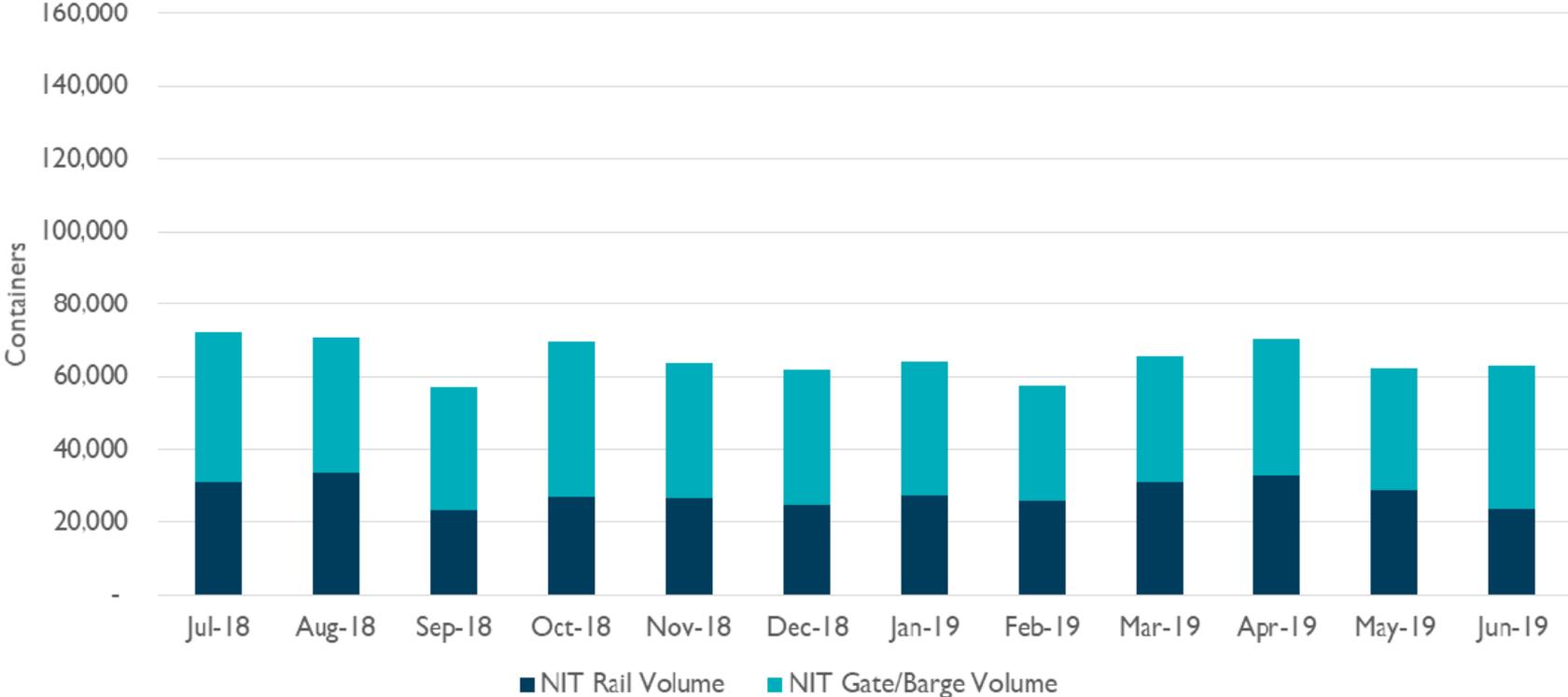
POV OSHA LOST WORK DAY RATE



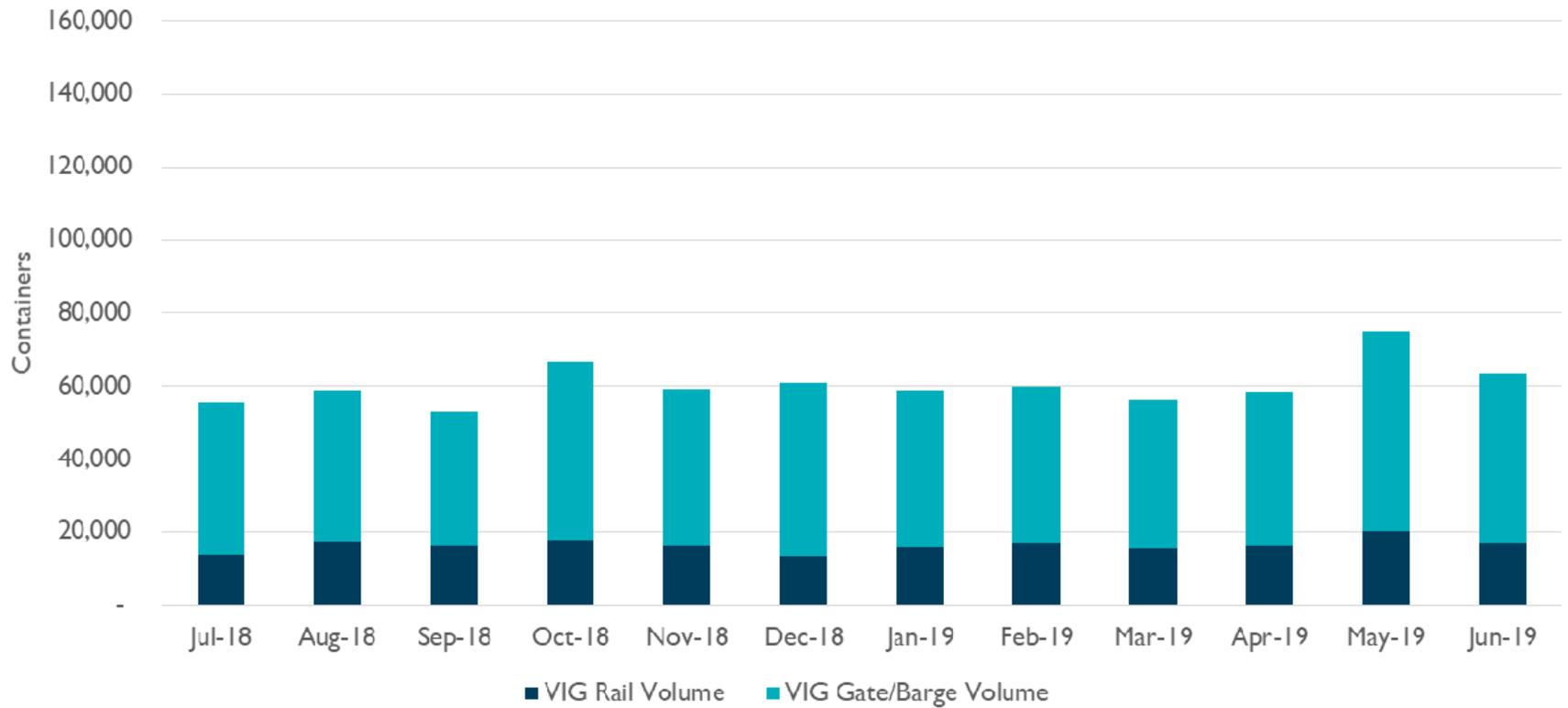
POV RAIL VS GATE/BARGE VOLUME



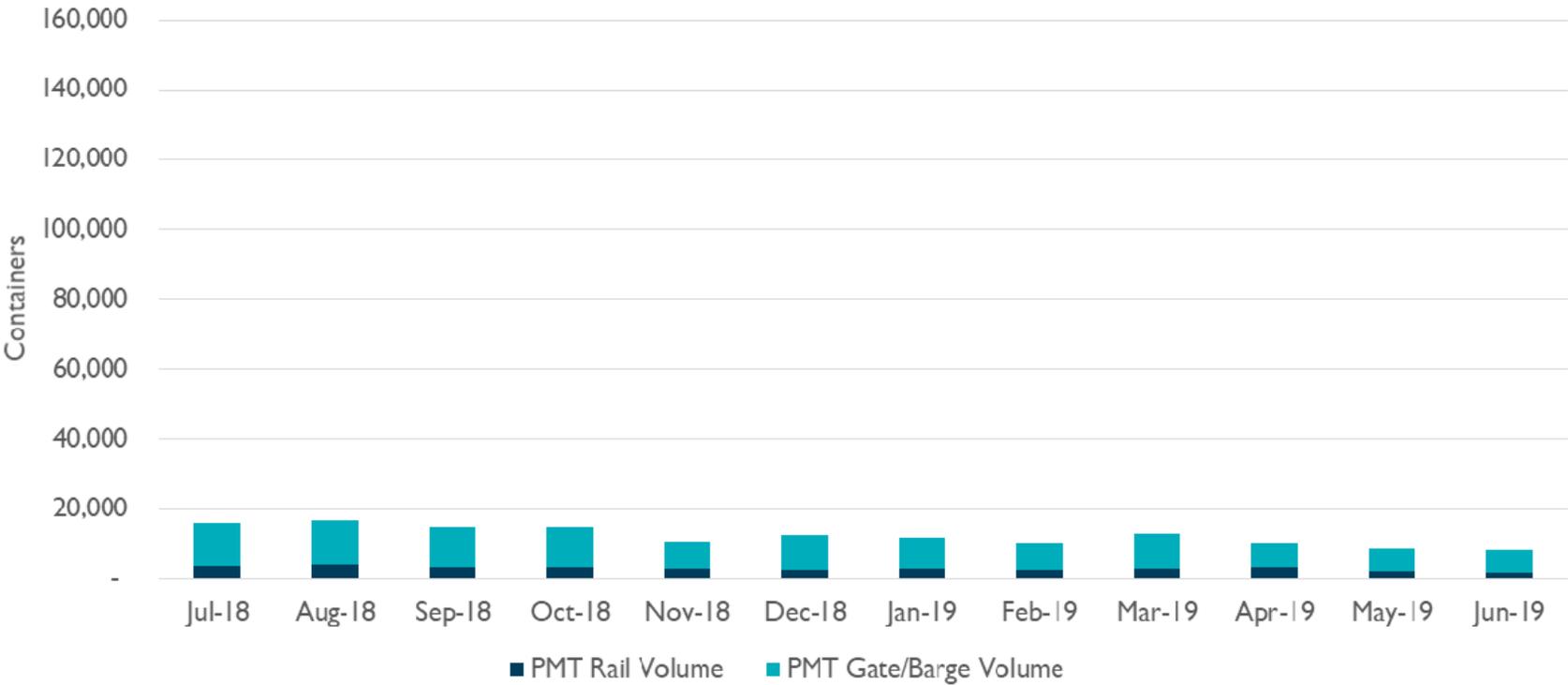
NIT RAIL VS GATE/BARGE VOLUME



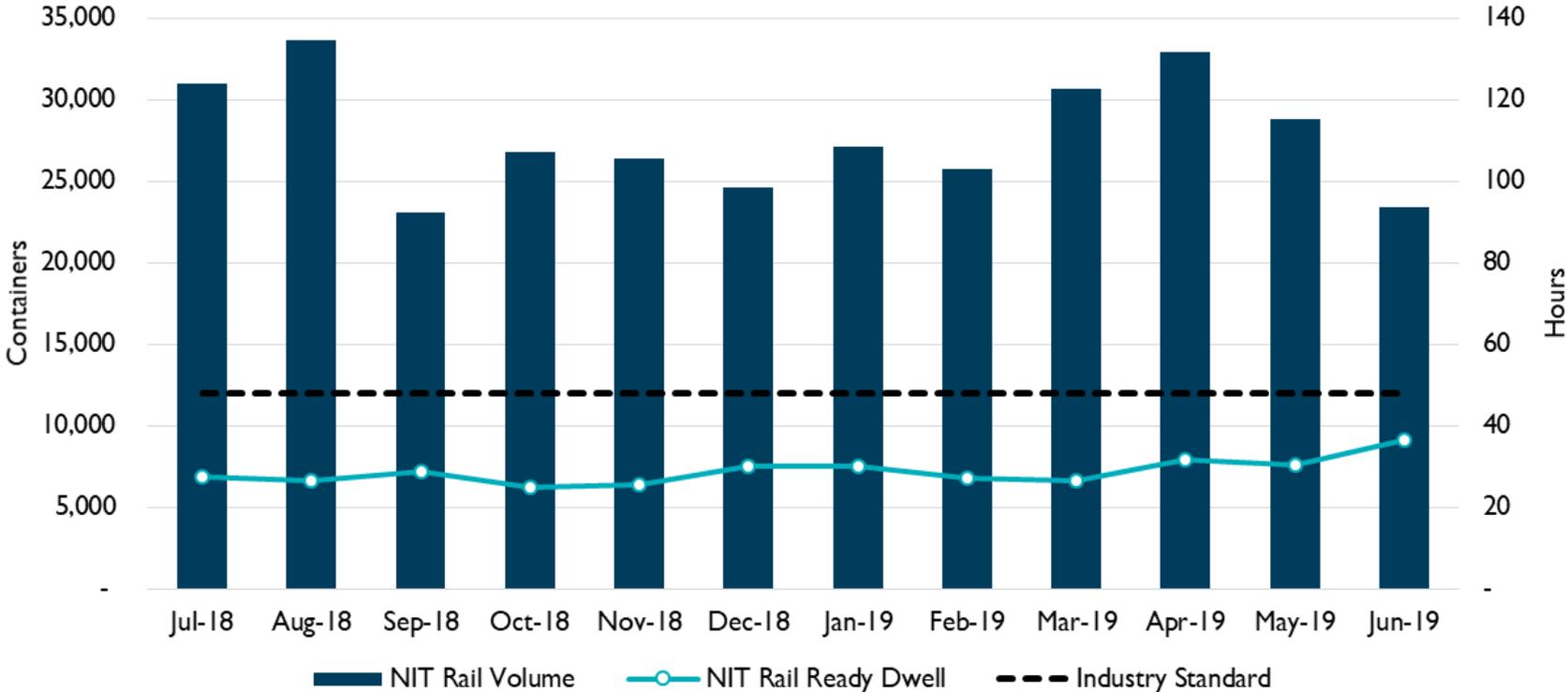
VIG RAIL VS GATE/BARGE VOLUME



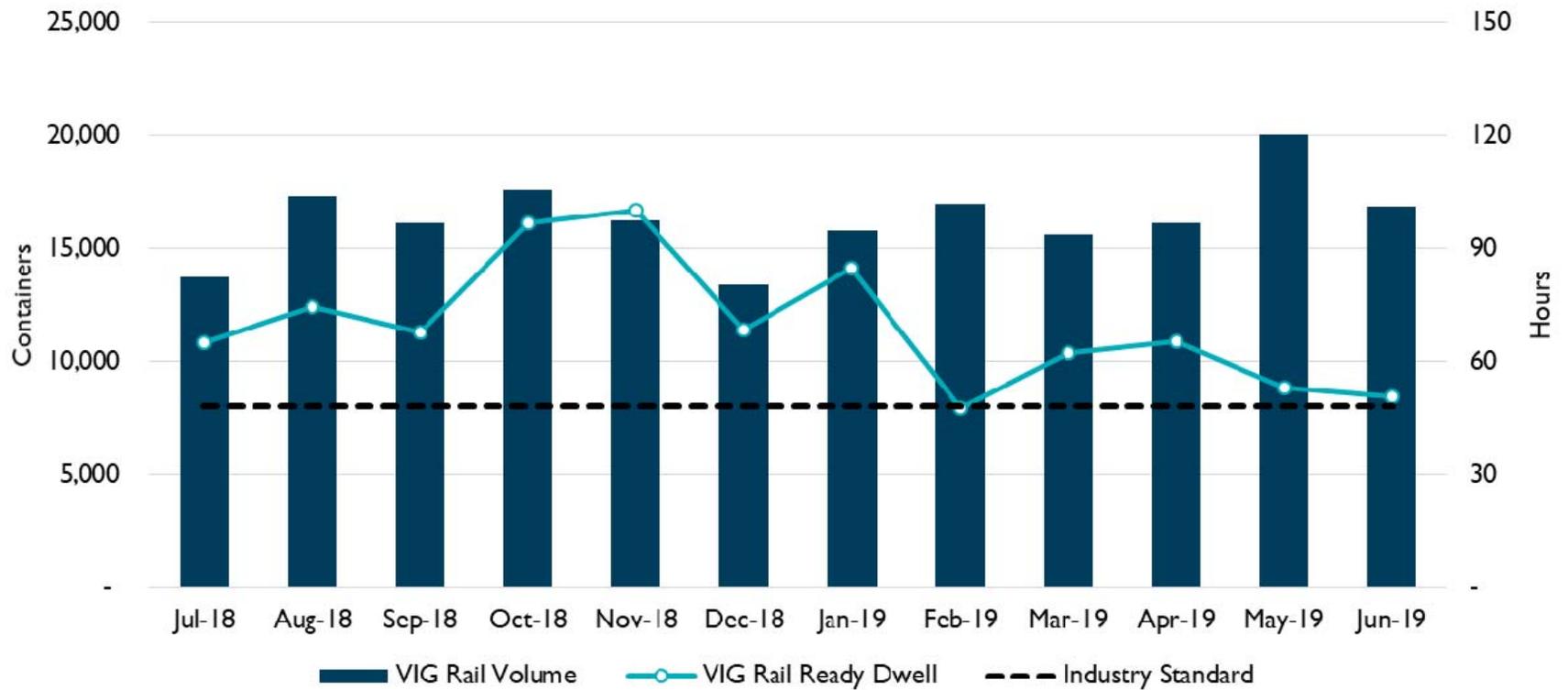
PMT RAIL VS GATE/BARGE VOLUME



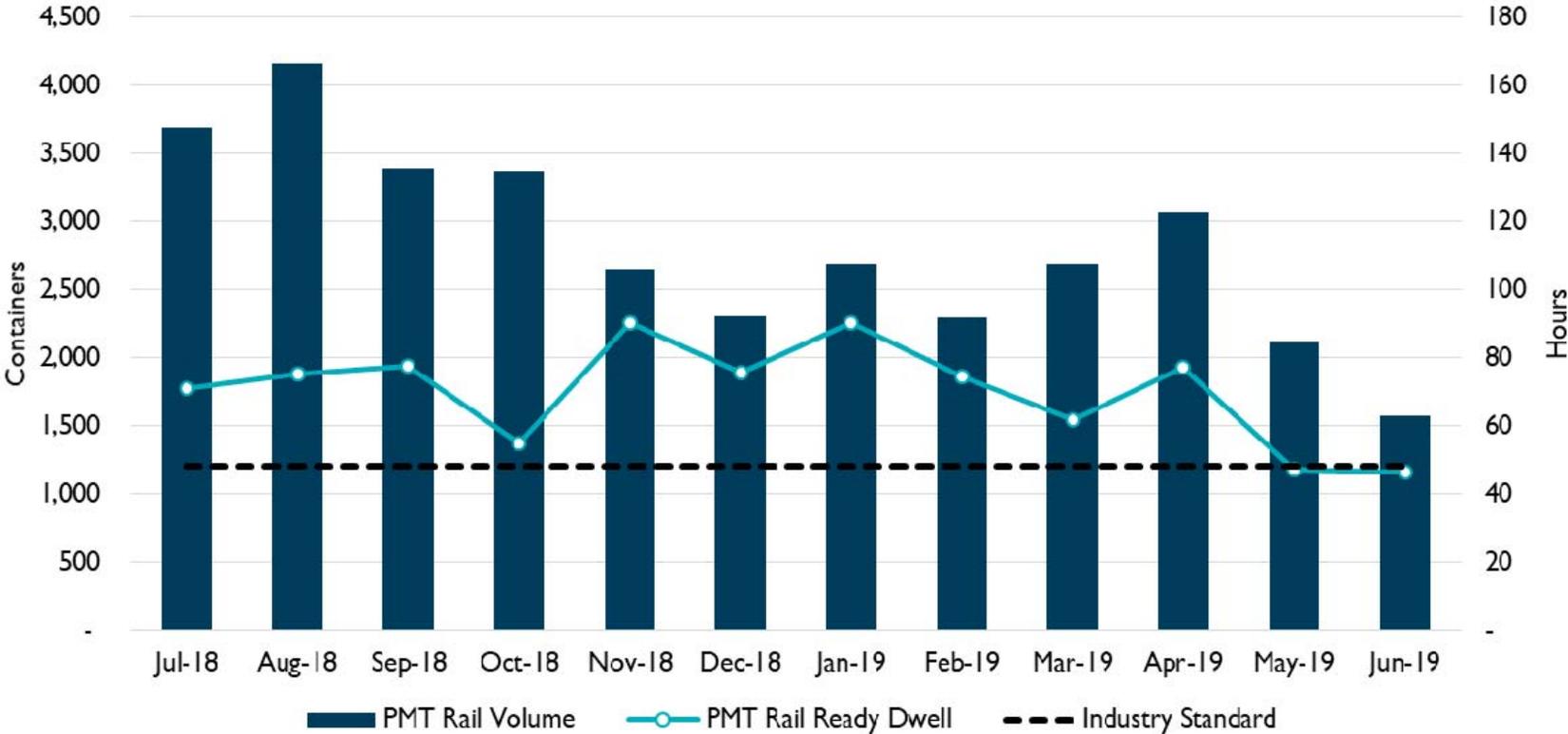
NIT RAIL VOLUME



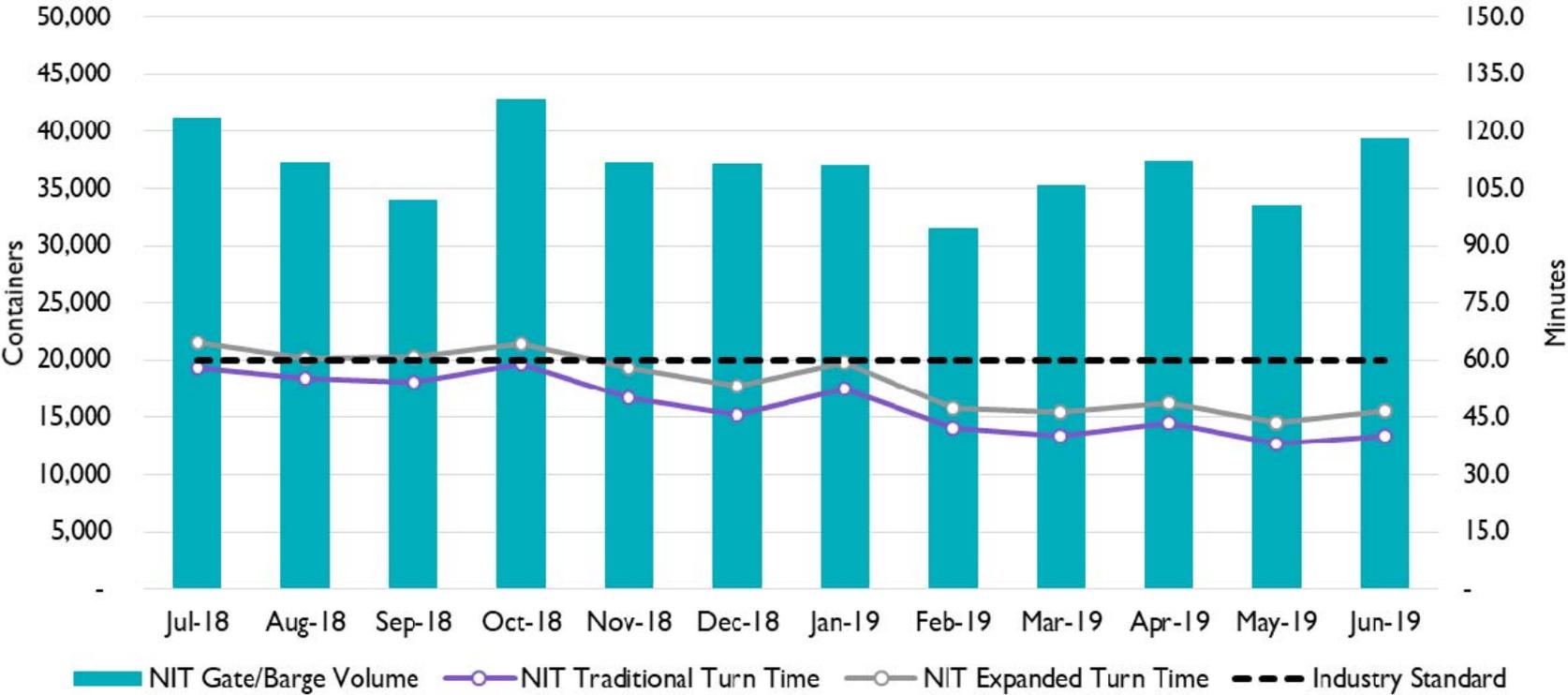
VIG RAIL VOLUME



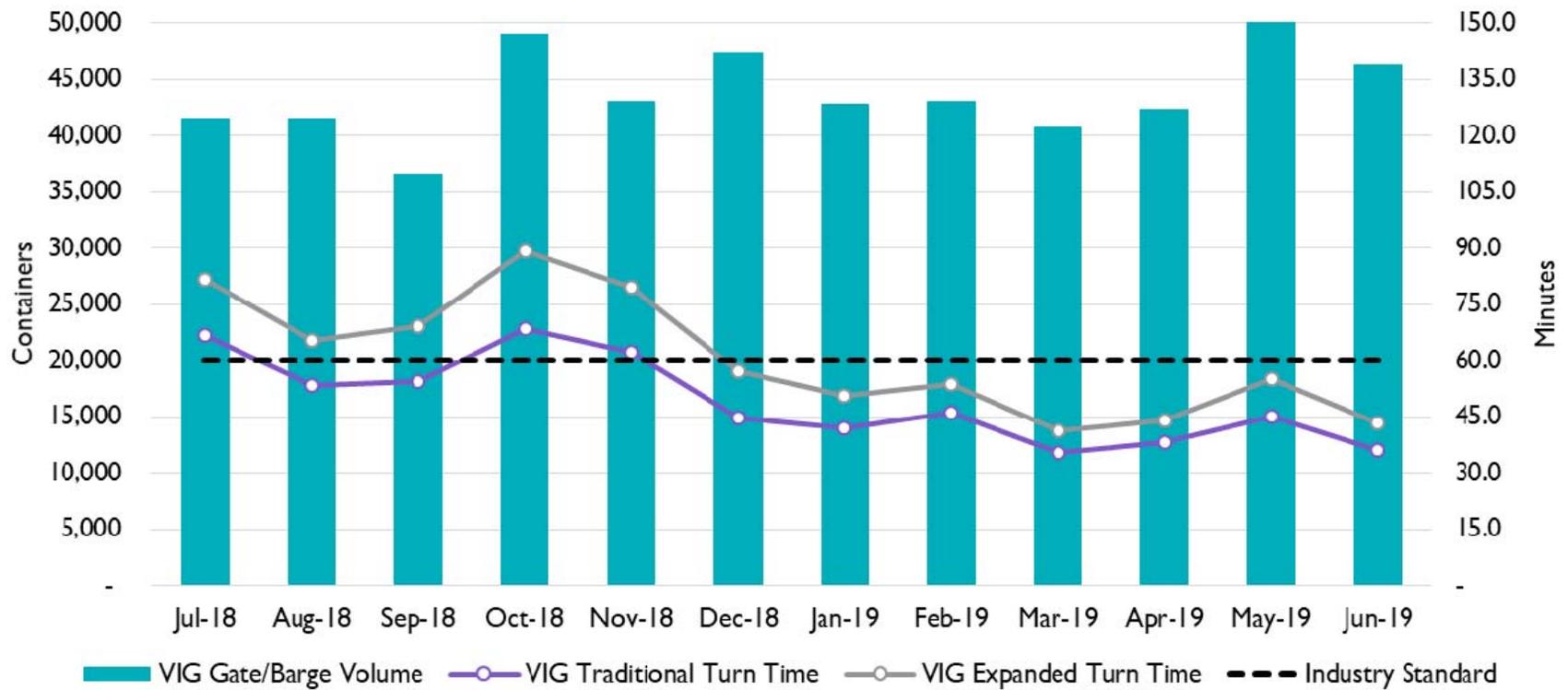
PMT RAIL VOLUME



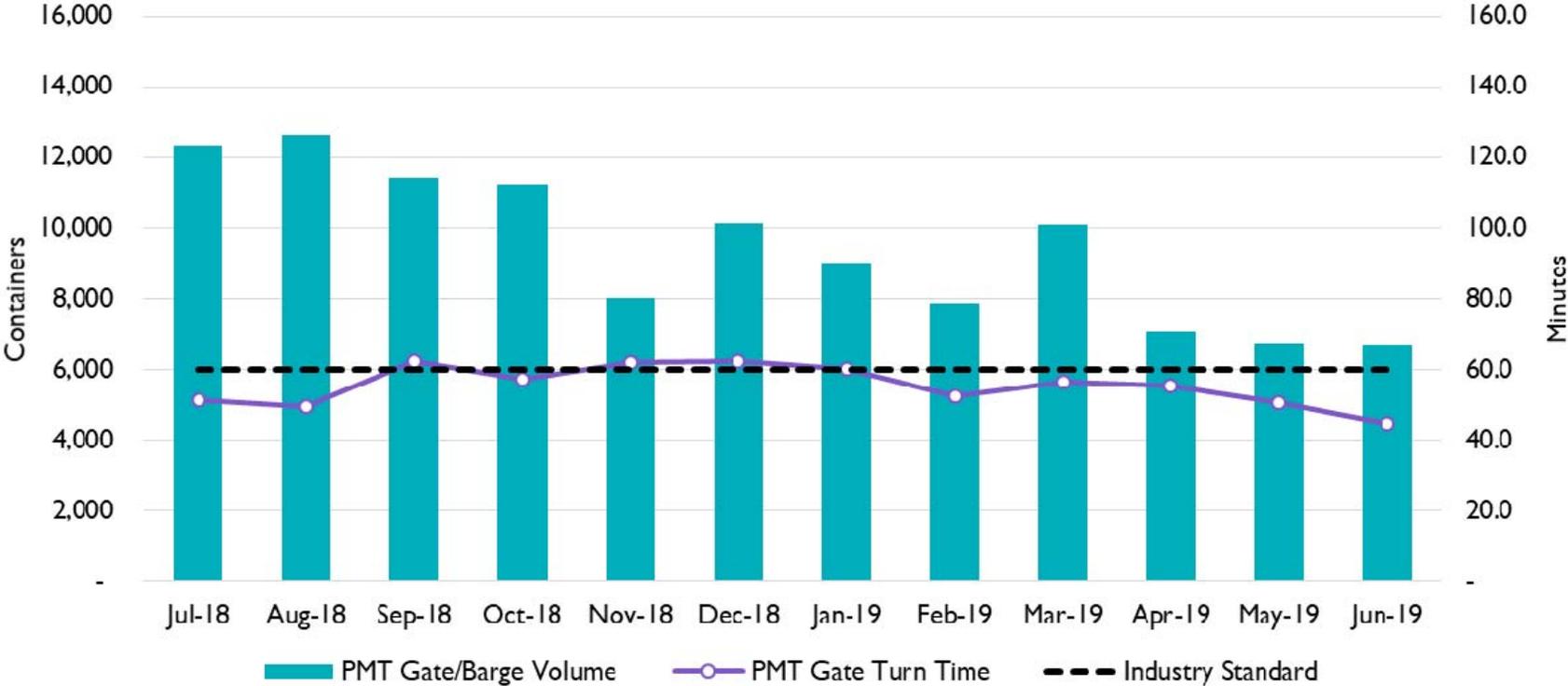
NIT GATE TURN TIMES



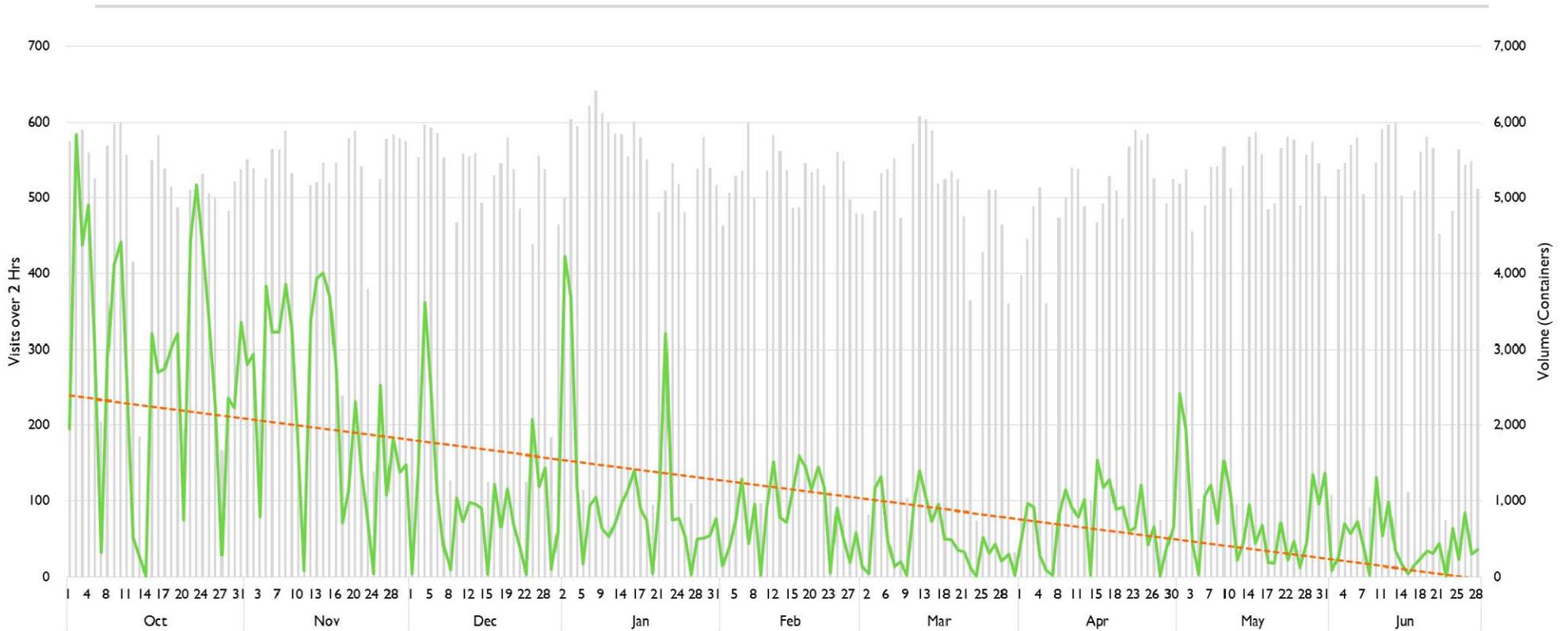
VIG GATE TURN TIMES



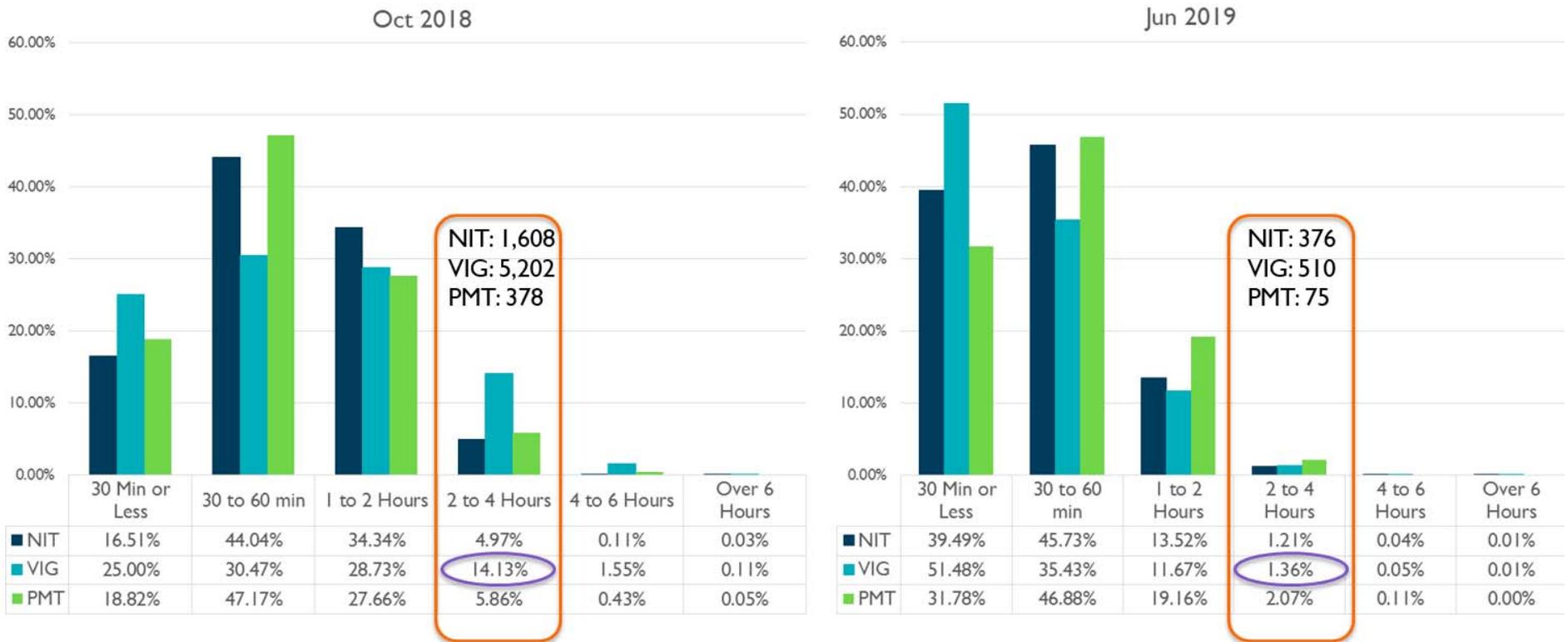
PMT GATE TURN TIMES



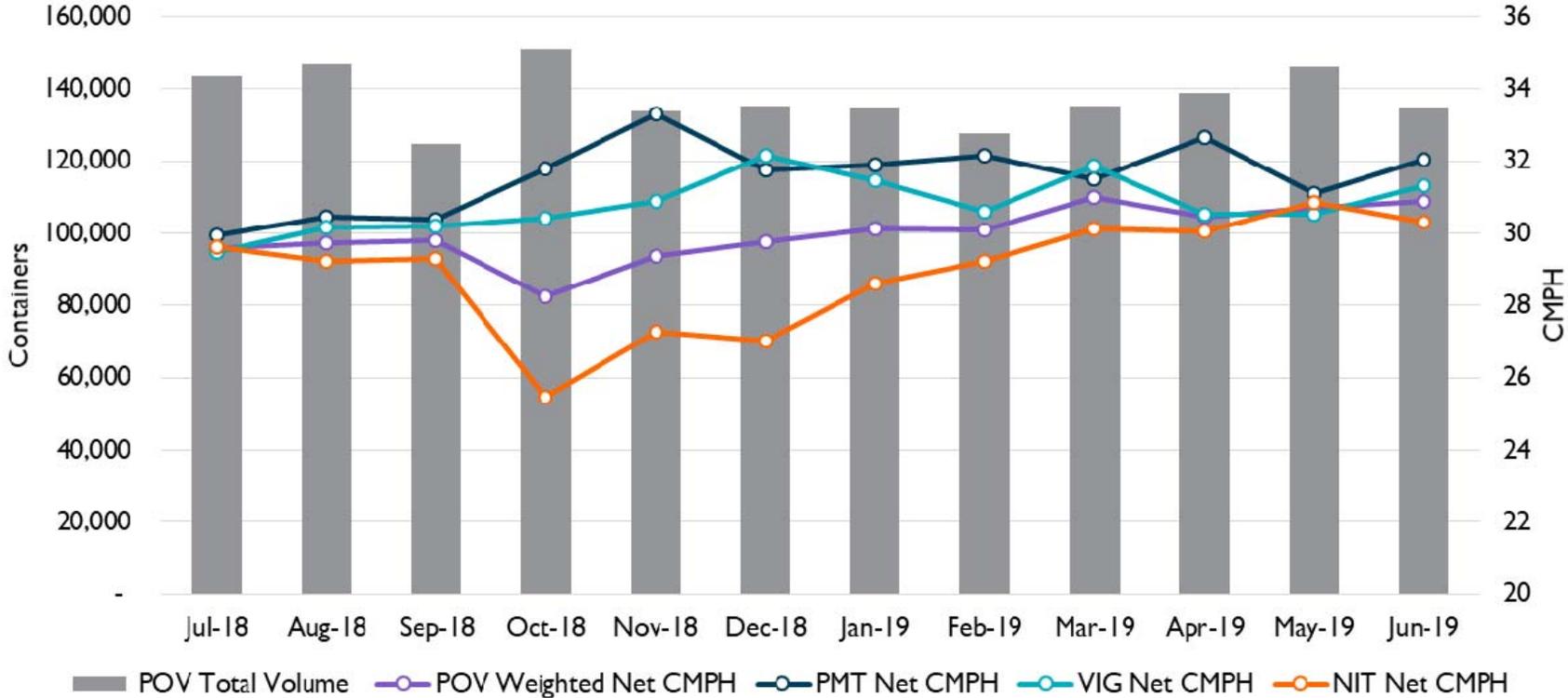
POV TRUCK VISITS WITH TURN TIME OVER 2 HOURS



TRADITIONAL TURN TIME – OCT 2018 vs JUN 2019



NET CRANE MOVES PER HOUR



Questions?

SALES REPORT

Tom Capozzi
Chief Sales Officer

POV FISCAL YEAR-TO-DATE VOLUMES JULY-JUNE 2019

	FY 2018	FY 2019	Change	% Change
Total TEUs	2,827,736	2,938,856	111,120	3.9%
Export Loaded TEUs	1,002,662	962,586	(40,076)	-4.0%
Export Empty TEUs	497,035	583,044	86,009	17.3%
Import Loaded TEUs	1,303,528	1,371,289	67,761	5.2%
Import Empty TEUs	24,512	21,937	(2,575)	-10.5%
Total Containers	1,603,790	1,651,491	47,701	3.0%
General Cargo Tonnage	22,107,490	22,080,857	(26,633)	-0.1%
Container Tonnage	21,911,004	21,908,166	(2,838)	0.0%
Breakbulk Tonnage	196,486	172,691	(23,795)	-12.1%
Total Rail Containers	559,307	563,898	4,591	0.8%
VIP Containers	36,710	37,940	1,230	3.4%
Total Barge Containers	49,482	54,303	4,821	9.7%
RMT Containers	27,626	33,484	5,858	21.2%
Total Truck Containers	995,001	1,033,290	38,289	3.8%
Ship Calls	1,704	1,570	(134)	-7.9%
Vehicle Units	33,050	22,810	(10,240)	-31.0%

GPT: North American Trade Outlook, July 2019

Port of Virginia

Quarterly Import Volumes

Year	Q2	Q3	Q4	Q1																	
2014	249	272	269	262	269	283	269	275	278	308	314	298	305	332	342	318	312	346	351	322	
2015																					
2016																					
2017																					
2018																					
2019																					
2020																					

Quarterly Change

Year	Quarter	Percent Change	
		vs Prior Quarter	vs Prior Year
2016	Q4	2.0%	16.8%
	Q1	-5.0%	8.3%
	Q2	2.3%	9.4%
	Q3	9.0%	8.0%
2017	Q4	2.9%	8.9%
	Q1	-7.0%	6.6%
	Q2	-1.7%	2.4%
	Q3	10.9%	4.2%
2018	Q4	1.5%	2.9%
	Q1	-8.3%	1.4%
	Q2	10.5%	14.1%
	Q3	-1.1%	1.7%
2019	Q4	-0.4%	-0.2%
	Q1	-2.7%	6.0%
	Q2		
	Q3		
2020	Q1		
	Q2		
	Q3		
	Q4		

Headlines

- Imports increased by 0.3 percent in May to 120,000 TEUs. The less-than 500 TEU increase equates to a 10.1 percent jump over the same month of 2018 and is a record high for the month of May.
- Compared to the 100-point base year of 2012, the import index for May is 164.9. This is 15.2 points higher than the 149.7 that was recorded in the same month of 2018.
- The volume imported through the first five months totals 561,000 TEUs for a 7.1 percent increase year-on-year (which is up from last month's 6.3 percent gain).
- The forecast projects a 4.9 percent increase in imports between June and November versus the past six months (December through May), compared to a 9.9 percent gain between the same two periods of last year.
- Year-on-year growth is forecast in three of the four upcoming quarters.
- The first half of 2019 is forecast to increase by 7.7 percent over the equivalent period of 2018, with 678,000 TEUs.
- The second half of 2019 is forecast to increase by 0.8 percent (to 703,000 TEUs) versus the equivalent period of 2018.
- The forecast volume for 2019 is 1.38 million TEUs, which would be a 4.0 percent increase over last year.

Monthly Change

Year	Month	Percent Change		
		vs Prior Month	vs Prior Year	
2018	Apr	-13.7%	-3.5%	
	May	11.2%	8.0%	
	Jun	-2.4%	2.9%	
	Jul	13.4%	10.0%	
	Aug	-2.6%	3.4%	
	Sep	-6.9%	-0.7%	
	Oct	17.2%	2.1%	
	Nov	-12.1%	1.4%	
	Dec	-0.6%	5.4%	
	2019	Jan	-1.6%	5.4%
		Feb	-4.0%	5.0%
		Mar	1.6%	-5.4%
Apr		11.4%	22.2%	
May		0.3%	10.1%	
Jun		-2.0%	10.6%	
2020	Jul	1.8%	-0.7%	
	Aug	0.1%	2.0%	
	Sep	-5.0%	4.1%	
	Oct	5.6%	-6.1%	
	Nov	-2.8%	3.8%	

Monthly Import Volumes

Year	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
2018	112	110	100	107	119	110	117	110	119	113	120	116
2019												
2020												

CONFERENCES ATTENDED IN FY19



Stewards of Tomorrow

SALES DIVISION FY19 WRAP UP

- Carrier Sales – Seven contracts signed representing 37.3% of our overall business
- Cargo Sales – Targeted commodities are up 1.1% despite tariff impacts
- Breakbulk/Ro-Ro – Leadership transition brings new opportunities
- Customer Service – Realigned structure and implemented a new CRM system
- Inland Terminals – RMT is up 21.2% over last FY

Questions?

INNOVATION REPORT

Joseph P. Ruddy
Chief Innovation Officer

COMMERCIAL PRICING WEBSITE: PHASE 2 COMPLETE

A NEW TOOL TO PROVIDE FAST AND ACCURATE INFORMATION.

Navigation: About, Facilities, Tools, Stewardship, Contact

Customer Confirmation

Submitting this form indicates all information provided is accurate, and confirms your request for quotation from VIT based on the provided shipment details.

Once your request is processed and reviewed, you will receive your PDF quotation via the email address you provided. In case any additional information is required, a pricing specialist will contact you regarding your request.

Terms and conditions are published in the VIT Schedule of Rates (SOR) apply to all cargo moving over The Port of Virginia owned and VIT operating facilities.

Company Name	Virginia Port Authority
Contact Name	John Doe
Email Address	jdoe@portofvirginia.com
Phone Number	+1 7576832147
Country	United States
Zip Code	23510
City	Norfolk
State	Virginia
Relationship to Cargo	Ocean Carrier
Type of Shipment	Trans-Loading
Terminal	NNMT
Direction of Cargo Movement	Import
Foreign Origin Port	Durban
US Destination City	Newport News
US Destination State	Virginia
Equipment Type	20' Open Top, 40' Open Top
Commodity Category	Rubber
Please specify	Pre-Palletized or Skidded
Cargo Details	1x40tp FR - 2 cases Each case @ 18.1ft. x 12.2 ft. 16,535 lbs. each
Cargo Hazardous	No

By checking below, you indicate you have read and agree to the above information.

Tools

Operations Alerts

Tracking Services

Trucker Resources

Vessel Schedules

Terminal Cameras

Tax and Grant Incentives

Rate / Tariff Information

Ocean Services Guide

Credit Application

Warehouse Guide

Interactive Site Selection

Carbon Calculator

ACCESS STORIES

The Importance of the Port of Virginia to the economy of the Commonwealth of Virginia as a whole, and the Hampton Roads region in particular, cannot be overstated.

Darryl Gosnell
President & CEO
Hampton Roads Economic Development Alliance (HREDA)

Home // Tools // Request a Quote

Request a Quote

Customer Information | Shipment Information | Confirm | Complete

Cargo Shipment Details

* Terminal:

* Direction of Cargo Movement:

* Type of Shipment

- Breakbulk - Cargo non-containerized and transported as individual pieces
- RoRo - Cargo rolled on/off vessel either self-propelled or roll trailer/mafi
- Trans-Loading - Flat rack, open tops, standard containers and high cubes

* Required Fields

BACK NEXT

Navigation: About, Facilities, Tools, Stewardship, Contact

Quote form development

Thank you for your submission.

The Port of Virginia Pricing Department has received your request. Upon review, a quotation will be provided. In case any additional information is required, a pricing specialist will contact you regarding your request.

Please take two minutes to provide us feedback on this form and how we can improve by [clicking here](#).

START NEW REQUEST

FAST FACTS - Select a PDF and hit download: Pick a PDF

Information

- Carrier and Break-Bulk Sales
- Site Communications
- Site Development
- Others

Useful Links

- Trucker Resources
- Tracking Services
- Terminal Cameras
- Maps + Directions
- Services Directory
- Carriers
- Tax Incentives Program

Twitter Feed

The Port of Virginia

We hope you enjoyed your visit! #AccessAbility #Catalyst on Commerce

Follow Us on Twitter

Newsroom

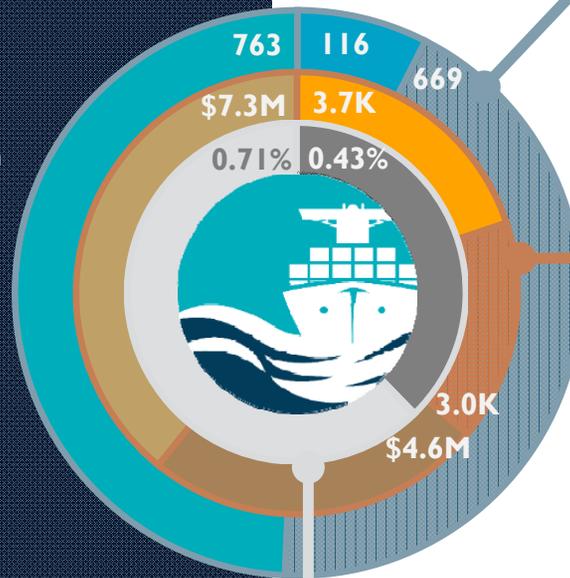
Testing Featured Images

MINDFUL MESSAGING CONTINUES

Our proactive approach to feeding journalists article ideas and our helpfulness as a quick and accurate resource for pieces they're working on has further established us a "go to" for information in our industry.



The port earned 4 Communications Awards from AAPA in 2019 – bringing the total to 37 awards since 2015.



STRATEGIC MESSAGES ENTERING THE MEDIA

- Congestion - 116
- Capacity - 669
- Cranes - 763

BETTER QUANTITY AND QUALITY OF COVERAGE

- FY18 Mentions: 3,002
- FY19 Mentions: 3,697 (+22%)**
- FY18 Ad value: \$4.6 million
- FY19 Ad value: \$7.3 million (+53%)**

DIGITAL AD TEST YIELDS POSITIVE RESULTS

- Industry Avg LinkedIn CTR: 0.43%
- POV linkedin CTR: 0.71%

PROCESS SUPPORT ACROSS THE PORT

ONGOING AND COMPLETED PROJECTS IN FY19



Operations & Maintenance

- AOM-Process Rotation Program
- Vessel Productivity Improvement
 - Training repository
 - Handheld equipment issue
 - Cargo-handling equipment uptime



Shared Services & Port-Wide

- Centralized Warehouse Planning
 - Supply Management Planning & Support
- Dispute Resolution

Process Improvement • Training • Process Documentation • Project Mentoring • Quality Management

STRATEGIC PLANNING & ANALYTICS

BERTH PLANNER & VESSEL PERFORMANCE DASHBOARD



THE PORT OF VIRGINIA PROJECTS UPDATE

PROJECT	BUDGET	SCHEDULE
VIG Phase II	●	●
NIT Vessel Auto Stow	●	●
NIT Optimization	●	●
Finance Projects – Billing	●	●
Finance Projects – PeopleSoft	●	●
Business Intelligence	●	●
IT Business Continuity	●	●
RMG Refurbishment	●	●

SNIT OPTIMIZATION UPDATE



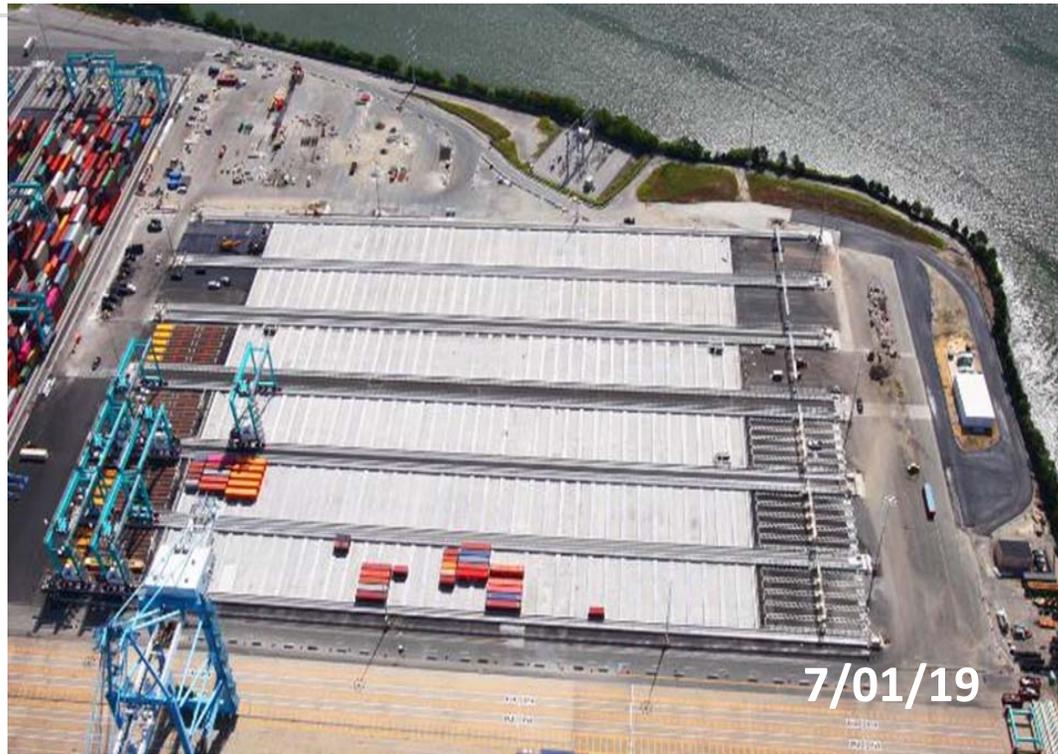
7/01/19

A MINDFUL APPROACH...CONTINUED

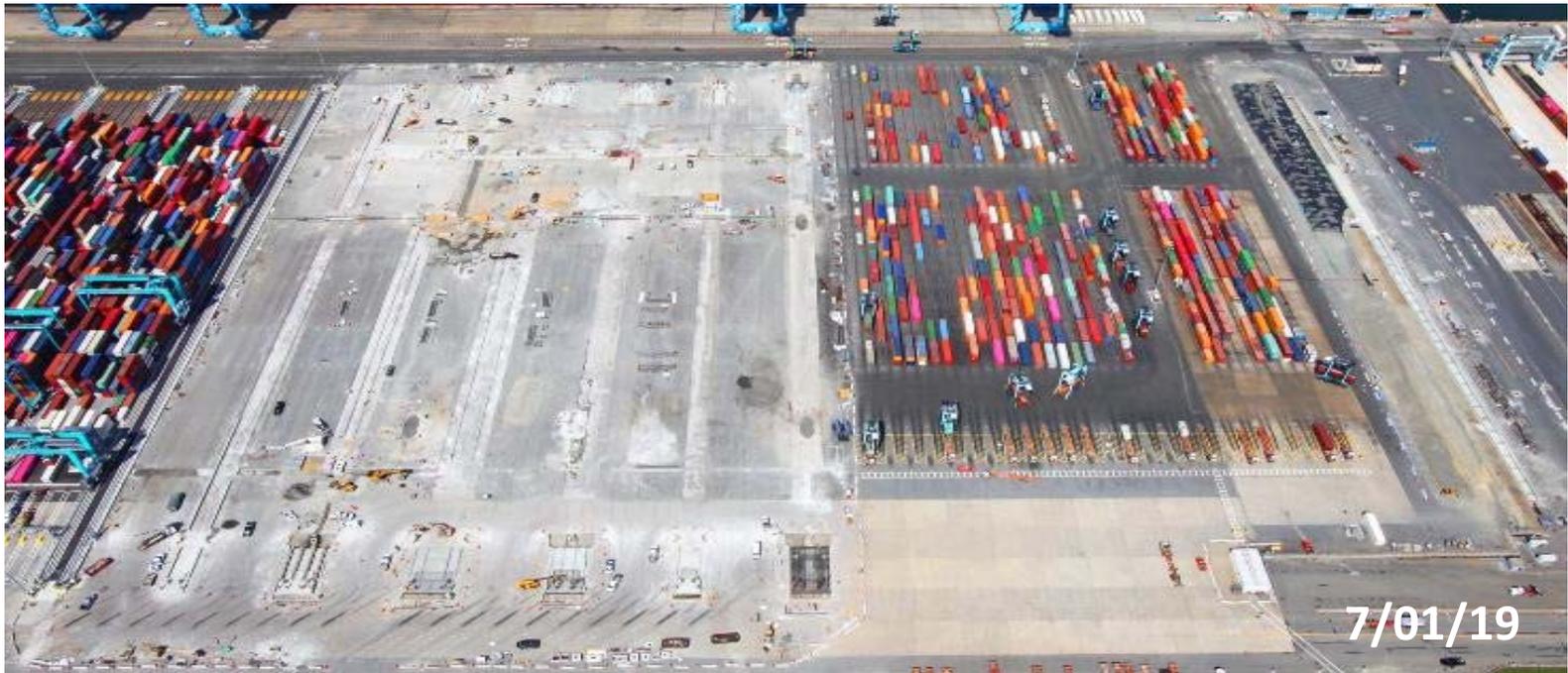


SNIT OPTIMIZATION UPDATE

PHASE 2



SNIT OPTIMIZATION UPDATE PHASE 3



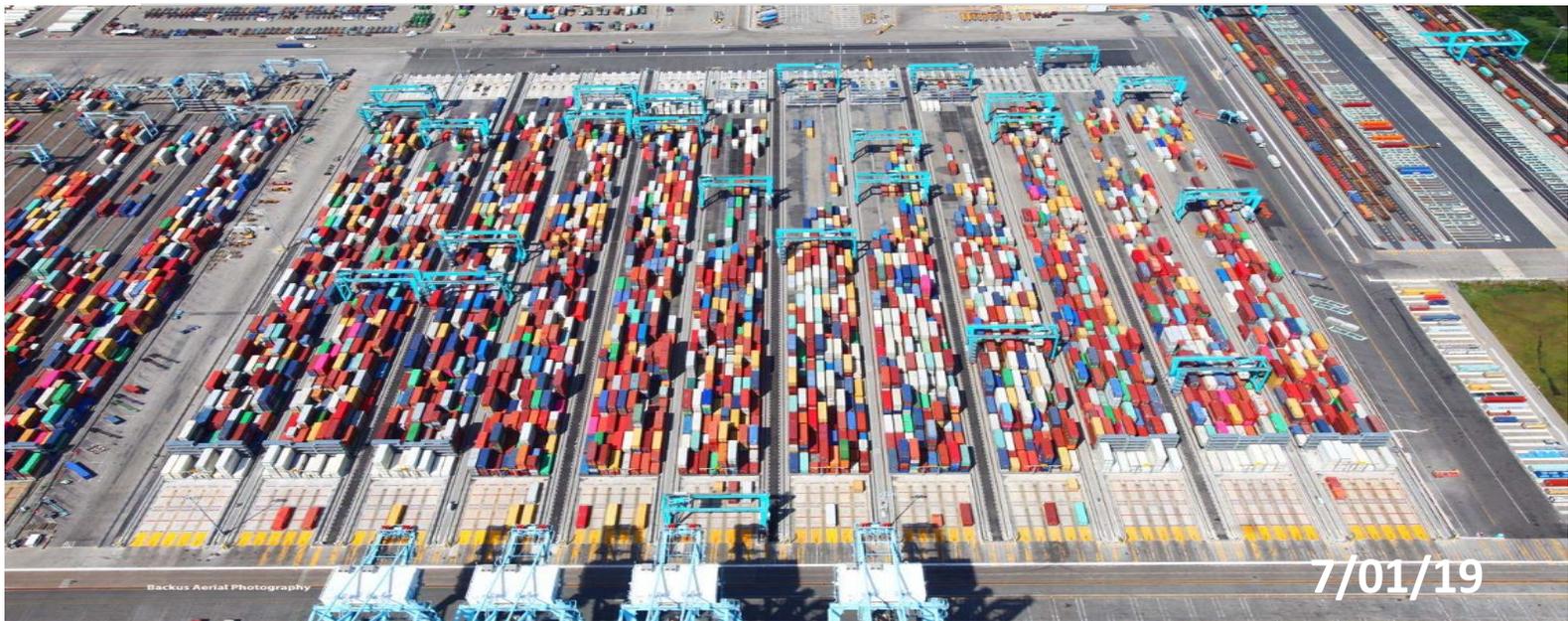
VIG PROJECT UPDATE



RAILYARD



STACK YARD





VIG PHASE II RENDERING TO REALITY



7/01/19

Questions?



Stewards of Tomorrow

HUMAN RESOURCES REPORT

Jim Bibbs
Chief Human Resources Officer



Personal
Development
Opportunities



Professional
Development
Opportunities



Summer
Internships



Metrics

Personal Development Opportunities



College Roadshow



MBTI



The Book Galley

Professional Development Opportunities



Outreach Ambassador

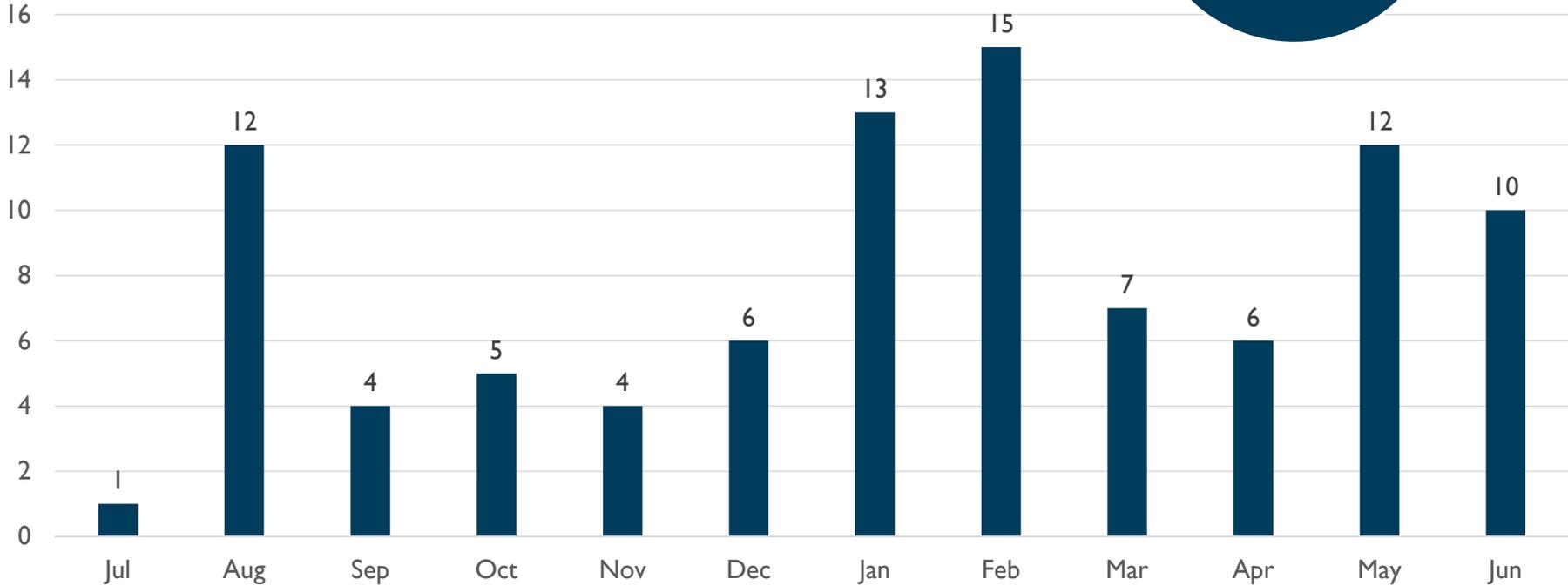
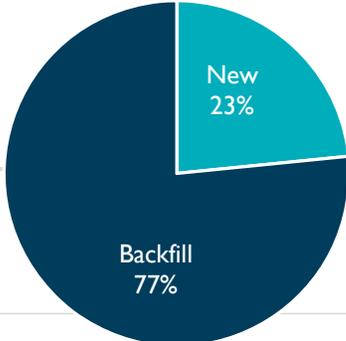
Toastmasters

Leadership Development Program

Summer Interns 2019

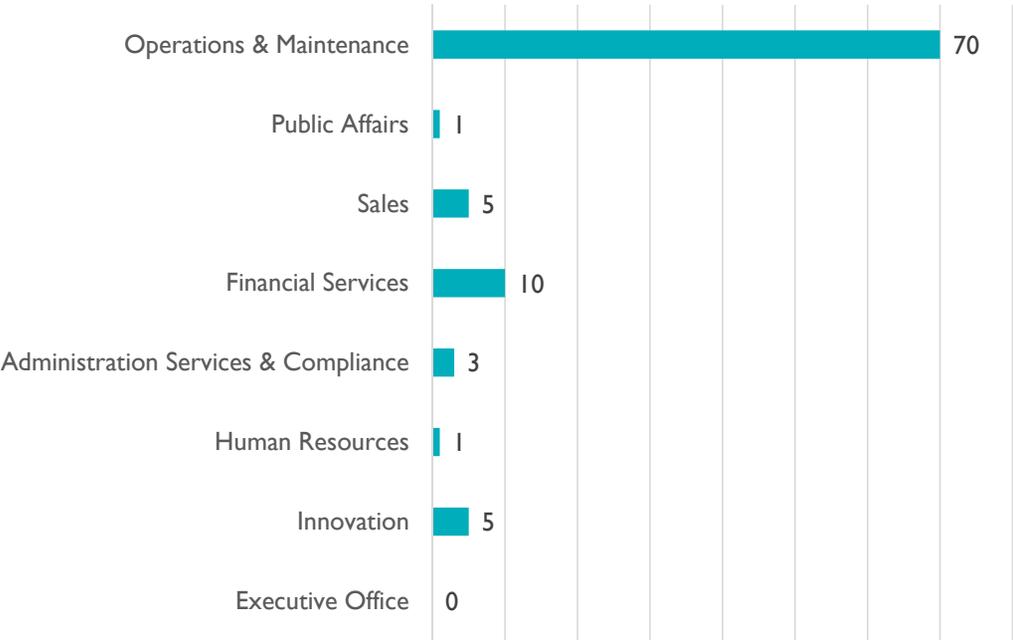


Recruitment Metrics

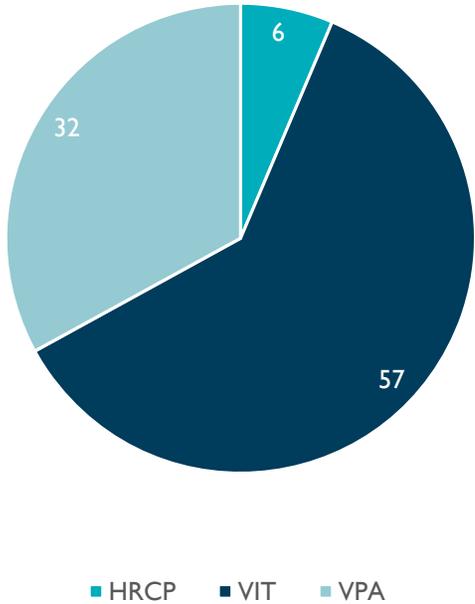


Recruitment Metrics

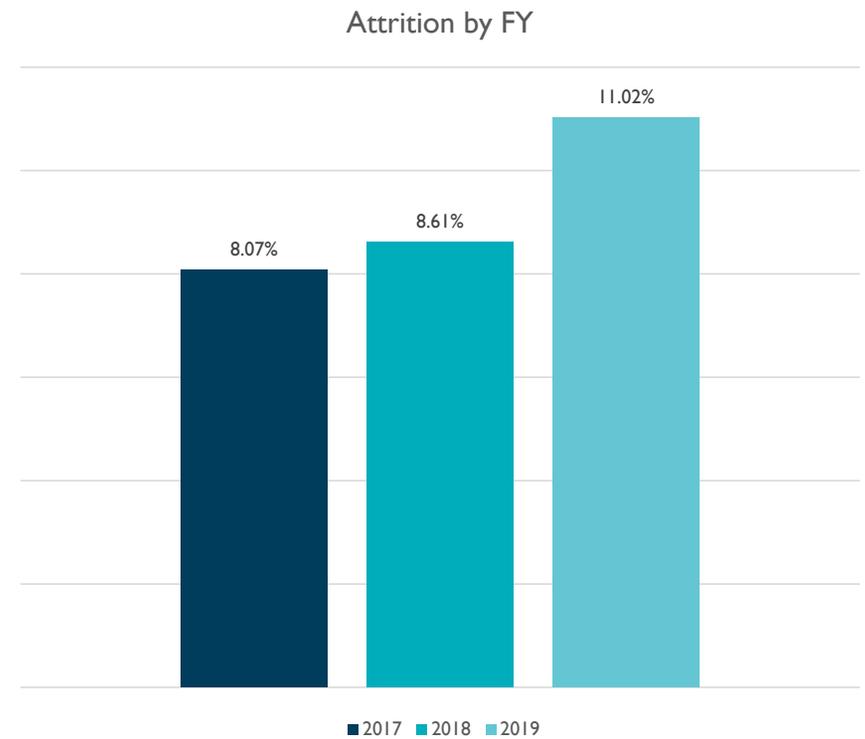
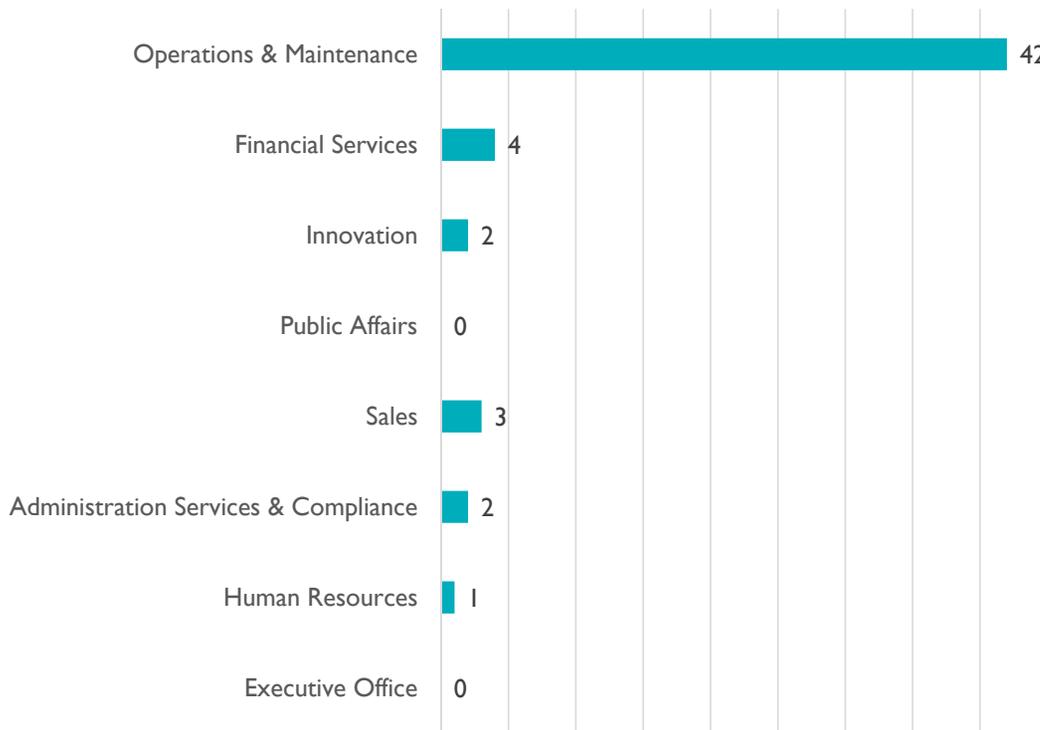
New Hires by Business Unit



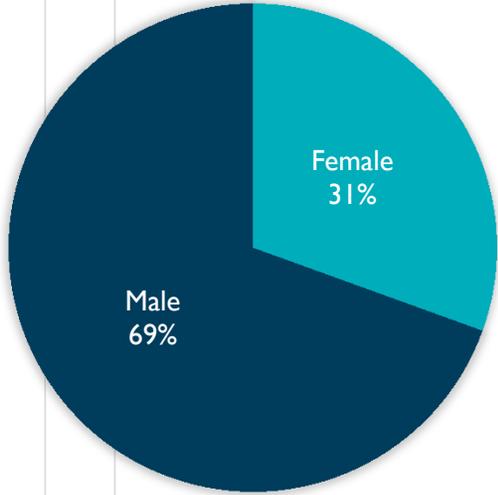
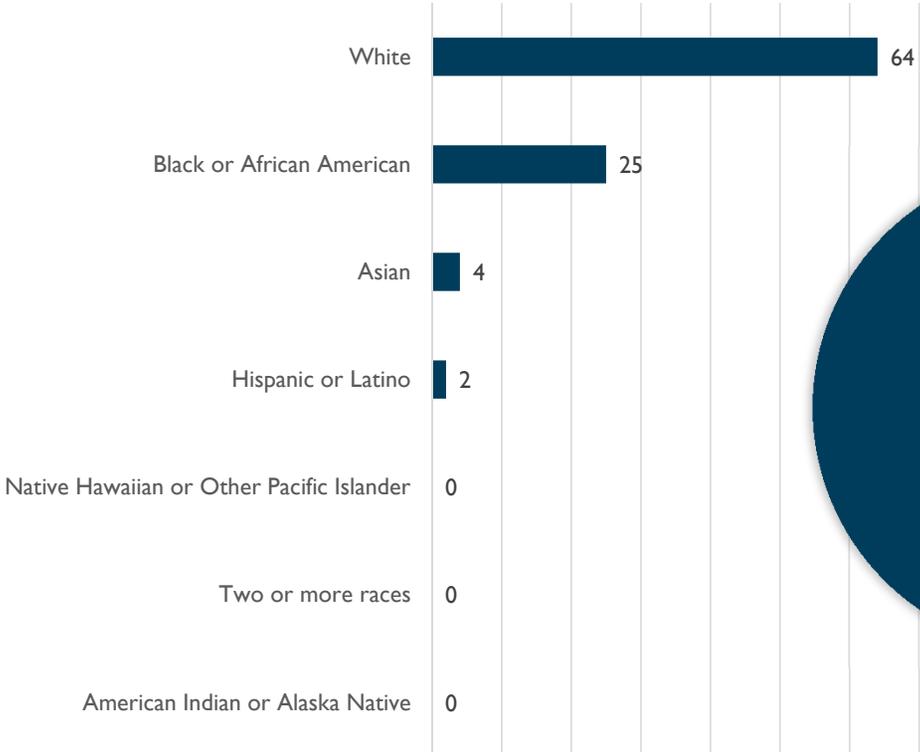
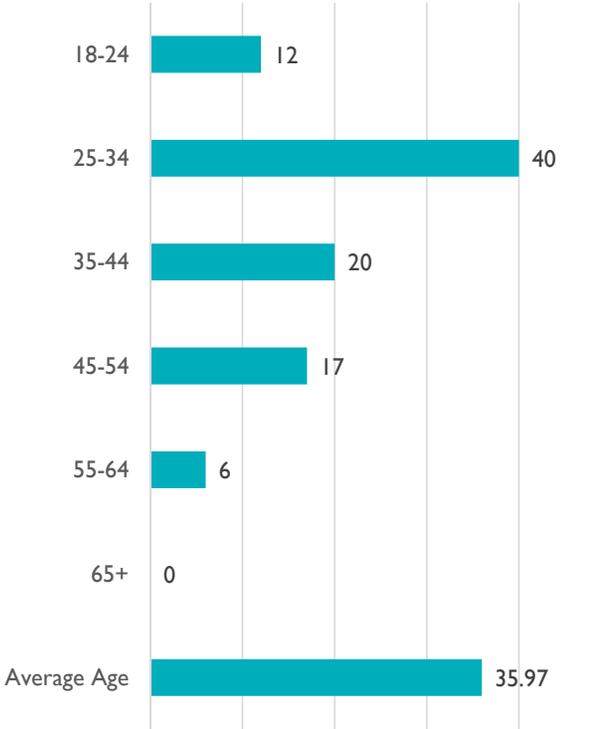
New Hires by Entity



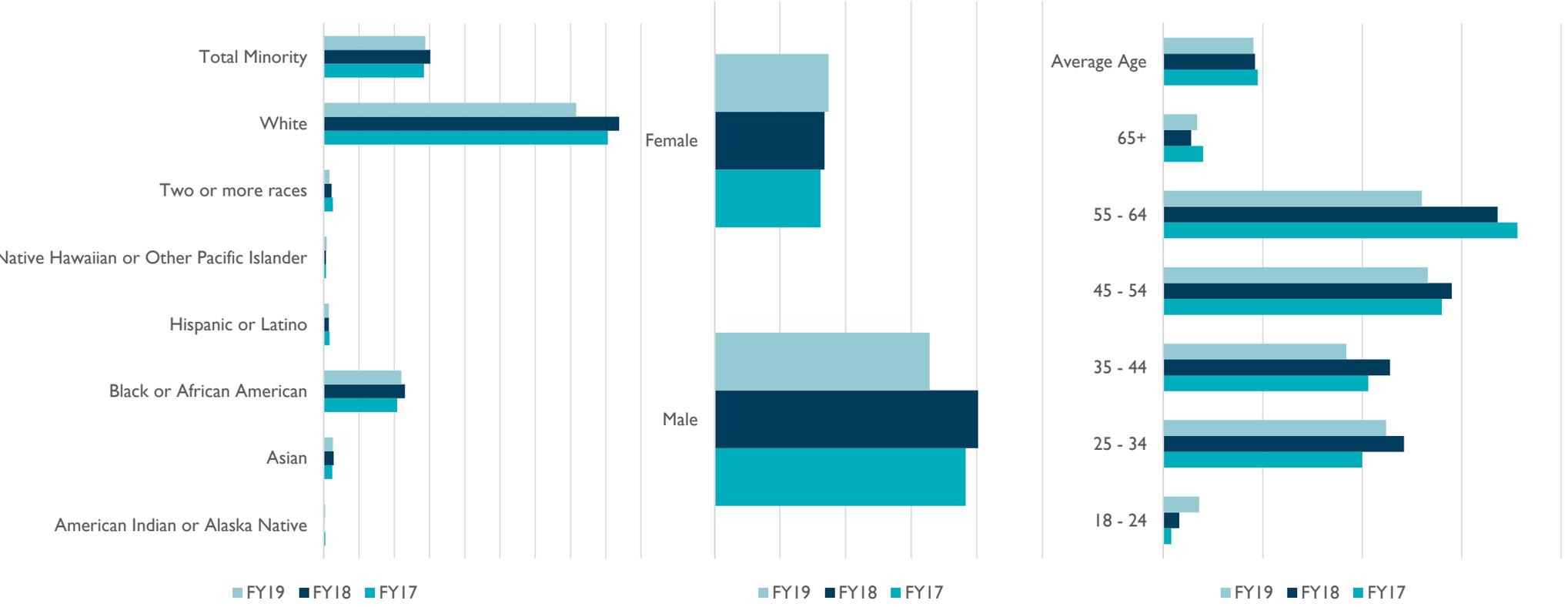
Attrition Metrics



New Hire Demographics

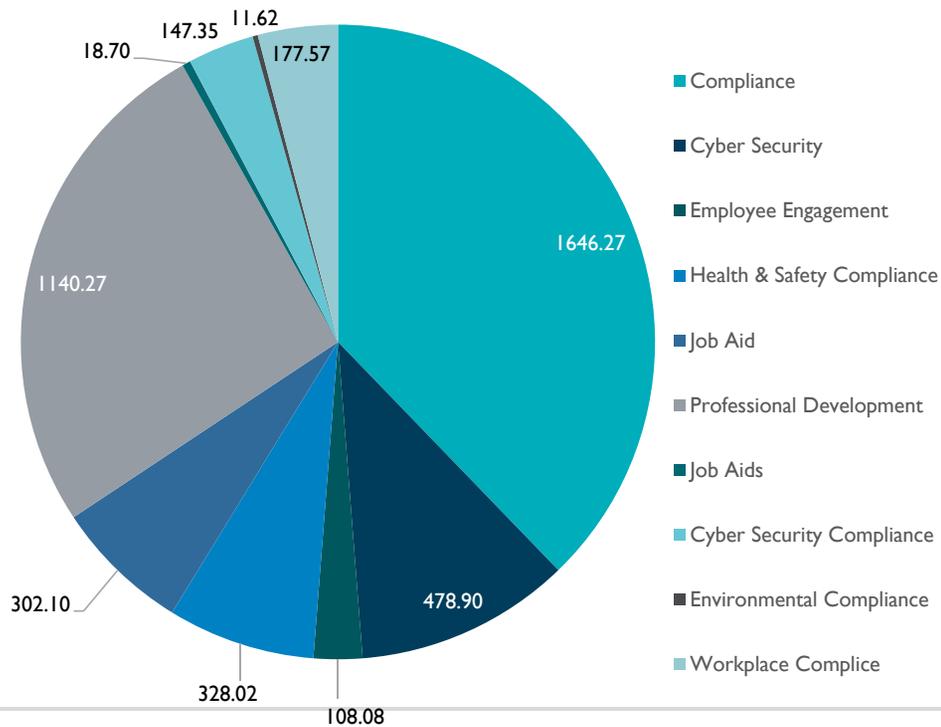


POV Demographics

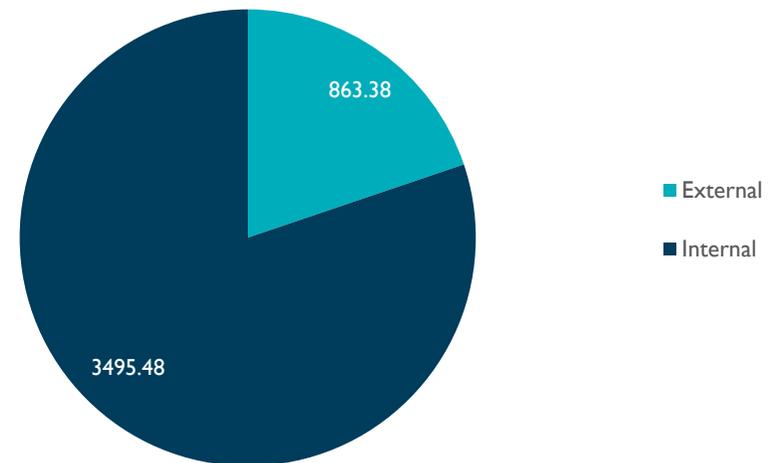


Training Metrics

Training Hours by Type

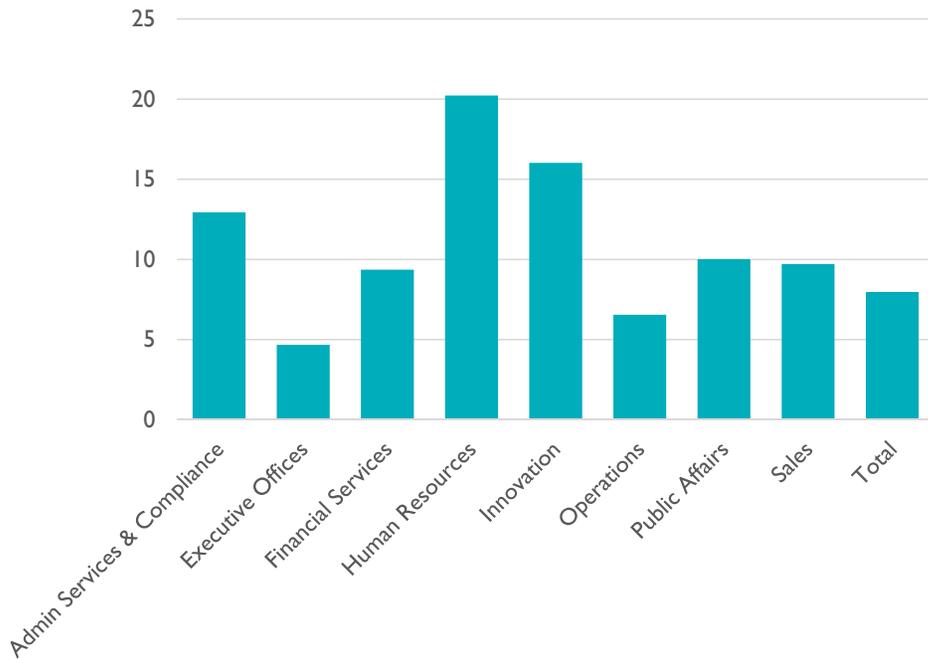


Training Hours by Source

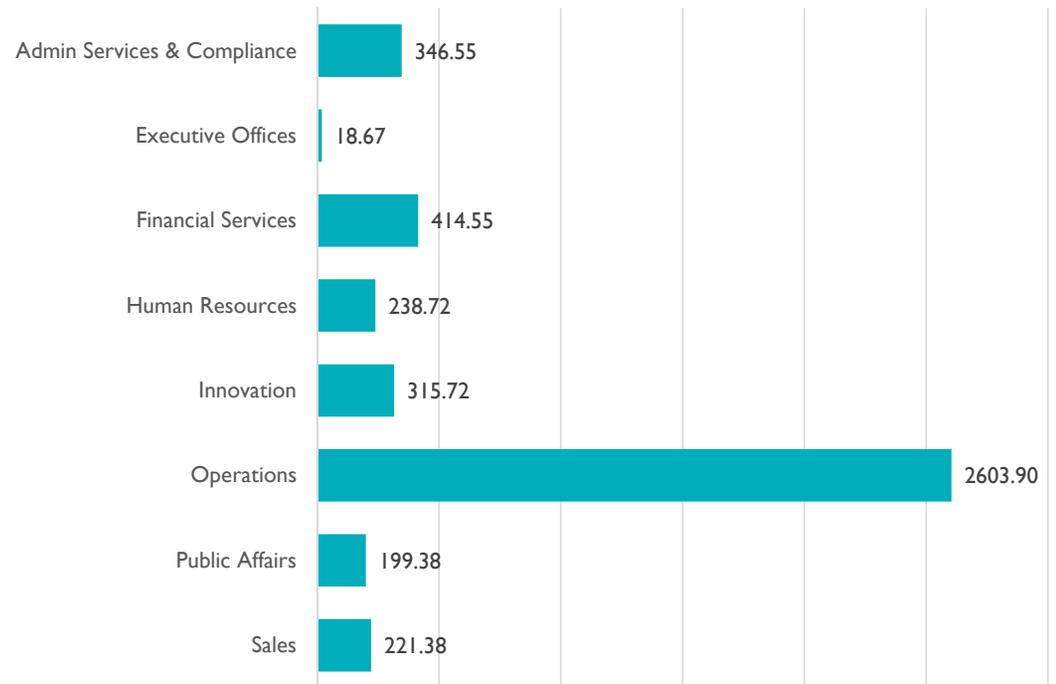


Training Metrics

Average Training Hours Per Person



Training Hours by Business Unit



Questions?

PUBLIC AFFAIRS REPORT

Cathie Vick
Chief Public Affairs Officer

NORFOLK HARBOR & CHANNELS DEEPENING



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
 REGION III
 1650 Arch Street
 Philadelphia, Pennsylvania 19103-2029

Mr. Keith Lockwood, Chief
 Operations Branch
 U.S. Army Corps of Engineers, Norfolk District
 Fort Norfolk, 803 Front Street
 Norfolk, Virginia 23510-1096

JUN 20 2019

Dear Mr. Lockwood:

Thank you for your May 16, 2019 request for concurrence on the suitability for ocean disposal of dredged material from the Thimble Shoals Channel-West pursuant to Section 103 of the Marine Protection Research and Sanctuaries Act (MPRSA). Section 103 of the MPRSA specifies that all proposed operations involving transportation and dumping of dredged material into ocean waters be evaluated for potential environmental impacts. The Secretary of the Army has responsibility for this evaluation using criteria developed by the Administrator of the U.S. Environmental Protection Agency (EPA).

EPA Region 3 has completed its review of the draft final Evaluation of Dredged Material, Norfolk Harbor Deepening Project: Thimble Shoal Channel-West dated May 2019, and contingent upon the conditions included in this letter, concurs that the proposed dredged material meets the Ocean Disposal Criteria (40 CFR 227).

VIRGINIA PORT AUTHORITY
 CONTRACT DOCUMENTS FOR
 NORFOLK HARBOR NAVIGATION IMPROVEMENTS
 THIMBLE SHOAL CHANNEL
 WEST OF CHESAPEAKE BAY BRIDGE-TUNNEL
 Norfolk, Virginia
 Project Code: 1839000



In partnership with
 U.S. Army Corps of Engineers Norfolk District

Authorized for Bid	
<i>Zac Canody</i>	<i>6/16/19</i>
Zac Canody, P.E., BCEE	Date
Virginia Port Authority	
Director, Engineering	

Prepared by
 Moffatt & Nichol
 Norfolk, Virginia

June 2019



Stewards of Tomorrow

FEDERAL GOVERNMENT AFFAIRS



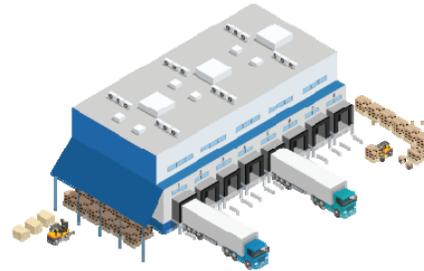
STATE & LOCAL GOVERNMENT AFFAIRS

2019 Special Session – July 9



FY 2019 ECONOMIC DEVELOPMENT TOTALS

45 ANNOUNCEMENTS

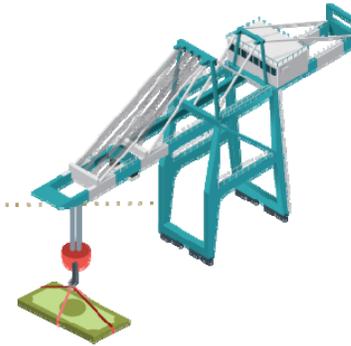


MORE THAN 2,950,000 SQ. FT. OF SPACE



CREATED 2,801 JOBS

INVESTED MORE THAN \$2.0 BILLION



Source: POV Economic Development July 2019

AMAZON FULFILLMENT CENTER



PDC WAREHOUSE AND DISTRIBUTION TRAINING FACILITY



EQUUS SPECULATIVE DEVELOPMENT



Questions?