

Virginia Port Authority Board of Commissioners
Operations Committee Meeting Minutes
January 27, 2014

The Virginia Port Authority (“VPA”) Operations Committee (“Committee”) met, in Open Session, at 2:00 p.m., on January 27, 2014, in the VPA Waterside Conference Room, 600 World Trade Center, Norfolk, Virginia; Robert M. Stanton, Chair, presided.

The following were then in attendance:

Operations Committee Members:

Robert M. Stanton, Committee Chair
Frank E. Laughon, Jr., Committee Vice Chair
Jennifer D. Aument
Craig P. Coy

VPA Staff:

Cathie France, Chief Public Affairs Officer
Mike Brewer, Chief of Port Police
Jodie Asbell, Deputy Clerk to the Board

Virginia International Terminals, LLC (“VIT”) Staff:

Joseph R. Ruddy, Chief Operations Officer
Shawn Tibbetts, Vice President, Operations and Maintenance
Mark Thorsen, Vice President, Chief Information Officer

Mr. Stanton called the meeting to order. Mr. Boyd was not in attendance. Mr. Ruddy conducted the Safety Briefing.

Operations Division Reorganization and Overview

Mr. Ruddy provided an update on the Operations Division reorganization and explained that Matthew Barnes-Smith is now under the Finance Division at VIT, providing business intelligence and analytics. Mr. Ruddy reported his division continues to develop and define metrics in accordance with Vision Forward and he presented FY2013-2014 Objectives for review (copy attached).

Mr. Ruddy reported on Safety Leading Indicators. He reviewed the Lost Work Days (LWDs) chart and announced that the Port is currently at 2.79 LWDs compared to the industry average of 5.1. Mr. Ruddy commended Mr. Babski for his efforts in reducing LWDs.

Mr. Ruddy reviewed the cyber-security metric and reported system availability is at 99.99% at NIT, including failover efforts, with APMT slightly below that figure. Ms. Aument asked about the frequency of system failures. Mr. Thorsen explained the types of system failures that information technology experiences almost daily. Ms. Aument advised that the Board needed to focus on system reliability and receive information from staff on the current IT systems that are in place.

Mr. Ruddy provided a brief status update on specifications for APMT II and RTG orders (rubber-tired gantry cranes).

Mr. Ruddy reported that the Navis N4 (terminal operating system) installation will be complete and scheduled to “go live” by March 28. Mr. Ruddy mentioned that the appointment system is scheduled to be installed during the second quarter.

Mr. Ruddy also reviewed metrics on vessel productivity, gate turn times, rail dwell times, and gate processing, operational costs, and support costs.

At this time, Mr. Stanton asked for a motion to go into closed session.

Motion for Closed Session

At 2:30 p.m. the Operations Committee went into closed session and Ms. Aument read the following motion:

“I move that the Operations Committee convene a closed meeting in accordance with the Virginia Freedom of Information Act, Code §2.2-3711(A)(38) and the provisions of §62.1-132.4, to discuss proprietary information and data relating to terminal operations and relating to the metrics used to implement the directions established by the VPA Board.”

The motion was seconded by Mr. Laughon.

End of Closed Session

At 4:15 p.m., the Committee came out of closed session and the following resolution was read by Ms. Aument:

“Whereas, the Virginia Port Authority Operations Committee had convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of The Virginia Freedom of Information Act; and

Whereas, Section 2.2-3712 of the Code of Virginia requires a certification by the Committee members that such closed meeting was conducted in conformity with Virginia law;

Now, therefore be it resolved, that the Operations Committee hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered by the Committee.”

The resolution was seconded by Mr. Laughon and passed by a roll call vote of the Operations Committee members as follows:

Ayes: 3 (Aument, Laughon, Stanton)

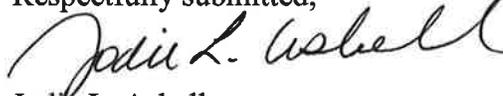
Nays: 0

Absent During Vote: 2 (Boyd, Coy)

Absent During Meeting: 1 (Boyd)

There were no public comments and the meeting adjourned.

Respectfully submitted,

A handwritten signature in cursive script that reads "Jodie L. Asbell". The signature is written in black ink and is positioned above the printed name.

Jodie L. Asbell

Deputy Clerk to the Board

Port of Virginia Operations Committee 2013-2014 FYE Objectives

	Description	Objective	Department
1.1 Safety First	Compliance	VIT will achieve operational procedure compliance (through Audit) of minimum 75% by the end of FY 2014.	Operations
	LWD Rate	VIT will perform with a LWD no more than 2.45 LWD/200 K Man hours (FY 2013 YTD: VIT LWD = 2.54)	Operations
1.2 Security Always	MTSA	TBD	Security
	Cyber	System Availability at 99.99% Including fallover efforts	Information Technology
1.3 Environmental Awareness	ISO 14001	Maintain ISO 14001 Certification through FY 2014	Operations
1.4 Modernized Infrastructure	APMT	Complete the specification for APMT II expansion including equipment specifications, cost and timeline no later than July 1, 2014	Operations
	NIT	Finalize, specifications for RTG orders (as a function of standard CAPEX replacement no later than April 2014	Operations
	N4	Installation of N4 TOS by March 28, 2014	Information Technology
1.5 Optimized for Efficiency	Vessel Productivity	The Port of Virginia will achieve an overall crane productivity (NMPH) of 34.5 during FY 2014	Operations
	Gate Turn Times	The Port of Virginia will average overall turn times of 60 minutes (gate arm up to gate arm up - current consistent measurement)	Operations
	Rail Dwell Times	The Port of Virginia will achieve an overall average rail dwell of 48 hours for FY 2014	Operations
	Gate Processing	Time badge scan to gate arm up median of 4 minutes	Information Technology
	N4	Installation of N4 TOS by March 28, 2014	Information Technology
1.6 Competitive Cost Structure	Operational Costs	The Port of Virginia will achieve operational costs per container during FY 2014 as presented in the current budget.	Operations
	Support Costs	The Port of Virginia Security/IT/Engineering will achieve costs of no more than presented budget.	Operations Division