

MINUTES
Virginia Port Authority Board of Commissioners - Session 340
VPA Conference Room
600 World Trade Center, Norfolk, Virginia
September 27, 2011

Pursuant to call by Chairman Michael J. Quillen, the Board of Commissioners convened its regular meeting September 27, 2011 at 2:40 p.m., in the VPA Conference Room, 600 World Trade Center, Norfolk, Virginia. The following were in attendance:

Commissioners:

Michael J. Quillen, Chairman
Jennifer D. Aument
Scott R. Bergeron
James M. Boyd
Juliann J. Clemente
The Hon. William H. Fralin, Jr.
Frank E. Laughon, Jr.
John N. Pullen
Robert M. Stanton
Jeffrey D. Wassmer
Ting Xu
Manju Ganeriwala, State Treasurer

Staff:

Jerry A. Bridges, Executive Director
J. J. (Jeff) Keever, Senior Deputy Executive Director, External Affairs
Rodney Oliver, Deputy Executive Director and CFO
Jeffrey Florin, Deputy Executive Director, Operations and COO
Russell J. Held, Deputy Executive Director, Development
Linda G. Ford, Director, Port Promotion
Ed Merkle, Director, Port Security and Emergency Operations
Elaine Smith, Director, Human Resources
David James, Director, Contracts and Real Estate
Greg Edwards, Director of External Affairs
Heather Wood, Director of Environmental Affairs
Carla Welsh, Manager, Creative Services
Joe Harris, Media/Public Relations Manager
Jodie Love, Community Relations Coordinator
Debra J. McNulty, Clerk to the Board
Jodie Asbell, Executive Secretary Senior/Deputy Clerk

Guests:

David Tyeryar, Deputy Secretary of Transportation and CFO
Jeffrey R. Allen, Assistant Attorney General
Charlie Kilpatrick, Deputy Commissioner of VDOT
John Lawson, VDOT
William M. Grace, VIT Director
Thomas R. Brooks, CPA, Witt Mares
John Ryan, Vandeventer Black, LLP (VIT Corporate Counsel)
Brian Ball, Williams Mullen
Marc Marling, Williams Mullen
Evelyn Traub, Troutman Sanders LLP
Joseph A. Dorto, President and CEO, VIT

Guests (continued):

Joseph P. Ruddy, Executive Vice President and Chief Operating Officer, VIT
Thomas Capozzi, Vice President, Global Sales and Customer Service
Regina P. Brayboy, Vice President, Administration and Financial Services, VIT
Robert Nestor, Manager, Pricing and Strategic Planning
Robert McCabe, *The Virginian-Pilot*
Peter Frost, *The Daily Press*

INTRODUCTIONS

Ms. Linda Ford introduced guests in attendance and announced that there were two members of the media in attendance – Mr. McCabe and Mr. Frost.

ELECTION OF VICE CHAIR to the VPA BOARD

Chairman Quillen opened the floor for nominations for Vice Chair of the Board. Nominations were made, votes taken, and Commissioner James Boyd, who was nominated by Mr. Stanton, received a majority of the vote.

Action: Upon motion made by Ms. Aument, seconded by Mr. Laughon, the VPA Board of Commissioners appointed Mr. Boyd, Vice Chairman of the Board.

APPOINTMENTS TO STANDING COMMITTEES

Chairman Quillen announced that, as Vice Chairman, Mr. Boyd would serve on the Board's Executive Committee and he is also an ex officio member of all committees. The Chairman announced the following membership of Standing Committees:

Executive Committee

Michael J. Quillen, Chair
James M. Boyd, Vice Chair
Jennifer D. Aument
Scott R. Bergeron
William H. Fralin, Jr.
Jeffrey D. Wassmer

Facilities Committee

William H. Fralin, Jr., Chair
John N. Pullen, Vice Chair
Jennifer D. Aument
Frank E. Laughon, Jr.
Robert M. Stanton

Security Committee

Jeffrey D. Wassmer, Chair
Frank E. Laughon, Jr., Vice Chair
James M. Boyd,
William H. Fralin, Jr.
Manju S. Ganeriwala
Robert M. Stanton

Finance/Planning Committee

Scott R. Bergeron, Chair
Juliann J. Clemente, Vice Chair
Manju S. Ganeriwala (State Treasurer)
John N. Pullen
Ting Xu

Marketing/Business Development Comm.

Jennifer D. Aument, Chair
Scott R. Bergeron, Vice Chair
Juliann J. Clemente
Jeffrey D. Wassmer
Ting Xu

Chairman Quillen also announced that the following Board officers make up the membership of two additional sub-committees:

Compensation Committee

VPA Board Chair
VPA Board Vice Chair
VPA Chair of Finance/Planning Committee

Investment and Administrative Committee

VPA Board Chair
VPA Chair of Finance/Planning Committee
Executive Director

W. WRIGHT HARRISON AWARD

Chairman Quillen presented Ms. Heather Wood with the VPA Board’s annual W. Wright Harrison Award. Ms. Wood was commended for her efforts on the VPA’s environmental program as Director of Environmental Affairs, earning the Port recognition world-wide as a leader in “green” port operations. The Chairman acknowledged Ms. Wood’s work in securing environmental grants and federal stimulus funds, ISO 14001 certification for Environmental Management, reduction of diesel emissions, and numerous awards on the state and national levels that she has received on behalf of the Port Authority.

Mr. Bridges announced that VPA received the American Association of Port Authorities (AAPA) Environmental Improvement Award at last week’s annual conference in Seattle and he credited Ms. Wood for her efforts with the Port of Virginia’s Green Operator Program. Ms. Wood remarked that she was very surprised to be a recipient of the annual W. Wright Harrison Award.

I. APPROVAL OF MINUTES

Action: Upon motion made by Ms. Ganeriwala, seconded by Mr. Fralin, the minutes of the regular meeting, held July 26, 2011, were unanimously approved.

II. REPORTS OF COMMITTEES

A. Executive Committee

Chairman Quillen appointed the following members to serve on a Nominating Committee to recommend a replacement for VIT Director, Mr. Franklin (Lin) Earley. Mr. Earley is the Norfolk/Virginia Beach representative and his term expires November 30, 2011, after serving a full six-year term.

Nominating Committee:
Robert M. Stanton, Chair
James M. Boyd
Jeffrey D. Wassmer

The Nominating Committee will present their recommendation for a candidate for the appointment at the November 22nd meeting.

B. Finance/Planning Committee

1. VPA/VIT Combined Financial Reports

Mr. Oliver presented the combined financial results for the first two months of the fiscal year (July-August). He reported that operating revenues year-to-date were \$1.4 million below budget which was primarily due to the disruptions from the August 27-28 hurricane, causing a number of ships to be rerouted. Operating expenses were \$975,000 above budget (hurricane preparations and assessment of damage to terminals) and maintenance expenses were \$1.3 million below budget. Mr. Oliver reported that VIT is taking a conservative approach to catch up on deferred maintenance projects and efficiency measures continue to be evaluated and implemented.

Mr. Oliver reported that general and administrative expenses were down by \$2.1 million - \$1.2 million of that was due to lower volumes as a result of hurricane Irene. He reported that non-operating revenue and expenses should remain under budget until the end of the fiscal year. He reported that interest expense was under budget primarily due to a bond issue in July that was smaller than anticipated (\$57.4 million actual vs. \$88 million budgeted). Mr. Oliver explained that the proposed PMT warehouse project was pulled from the bond issue.

Mr. Oliver concluded with a report on the Commonwealth Port Fund allocation, which was \$2.5 million under budget. He advised that the budgeted number includes the revised CPF estimate provided by VDOT in May 2011.

2. Report on VPA FY2012 Appropriation Requests

Mr. Bergeron asked Mr. Oliver to summarize the discussion that took place in the Finance/Planning Committee meeting earlier with regard to the Secretarial Budget Requests list. Mr. Oliver reported that VPA submitted 11 appropriation requests for the next biennium and five were initially not approved by the Secretary's office. Mr. Oliver advised that two requests will be resubmitted to the Secretary's office with more detailed information and he will report back to the Board at the next meeting.

3. Consideration of a motion to approve a Memorandum of Agreement for financial assistance for Route 460

Mr. Bergeron reported that Route 460 is a high priority project for the Governor and that the draft MOA outlines a plan for funding from a portion of VPA's share of the Transportation Trust Fund (Commonwealth Port Fund). Mr. Bergeron announced that the Finance/Planning Committee wholeheartedly supported the project but recommended some revisions to the MOU. Mr. Bergeron reported that the Committee recommended endorsing the project in principal with revisions to the MOA pending.

Chairman Quillen announced that there were representatives from VDOT to brief the Board on the Route 460 project. Mr. Charlie Kilpatrick, Chief Deputy Commissioner for VDOT, distributed a hand-out on the Route 460 Corridor Improvements Project.

Mr. John Lawson, VDOT's Chief Financial Officer was also in attendance. Mr. Kilpatrick reviewed the purpose, project overview and background information, procurement schedule, and key project issues. He reported that VDOT had issued a Request for Detailed Proposals on July 28, 2011, and that VDOT plans to execute a comprehensive agreement in the second quarter of 2012 with construction beginning late next year. Completion is scheduled for 2017.

Mr. Kilpatrick reported that project cost estimates range from \$1.5 to \$2.0 billion for design and construction. He explained that the project has funding challenges and will be tolled but that toll revenue is insufficient to cover project costs and that a public subsidy is necessary. Mr. Kilpatrick reported that VDOT proposes a 55-mile an hour corridor with proposed tolls of \$7.70 for cars; \$24.00 for trucks; \$38.00 for 5-axle; and \$46.00 for 6-axle. VDOT has committed \$500 million as public subsidy.

Mr. Kilpatrick explained that access to the new Route 460 would be provided with interchanges according to the environmental study and that VDOT has visited localities along the corridor to provide updates. He advised that further information can be found at:

www.route460ppta@vdot.virginia.gov

Chairman Quillen announced that the Finance/Planning Committee members agreed conceptually with the plan and he said it was important to look at options that would move traffic away from the port. The Board members concurred. The Chairman reported that the Finance/Planning Committee recommended revisions to certain areas of the MOA, such as the modeling of toll fees and anticipated traffic from the port moving along Route 64 to Route 460. The Chairman reported that the Board would consider a revised MOA at the next regularly-scheduled meeting in November, or possibly an earlier meeting in October.

4. Consideration of Resolution 11-10, approval of Early Retirement Incentive Plan and Related Documents

Mr. Oliver reported that the Finance/Planning Committee heard staff's recommendation that the Board authorize an Early Retirement Incentive Plan for eligible sworn (police) and non-sworn staff. He reported that the Committee recommended that Resolution 11-10 for approval by the full Board. There was some discussion regarding the eligible non-sworn staff and the likelihood of those accepting the offer. Mr. Oliver reported that there is a fairly large range of salaries from the \$50K range to over \$100K. He advised that the total benefit is about \$471,000 if seven (7) employees accept. Mr. Oliver did not have salary ranges available for the sworn employees.

Mr. Bergeron summarized that the Board needed to consider early retirement offers that, he said, were primarily driven by the longer term objective to reduce sworn staff into a more contractual make-up that will produce cost-reductions overall. He advised that, short-term, it would cost more money to offer the early retirement but after an 18-24 month period, VPA would expect to see savings in expenses. Mr. Bergeron reported that it was suggested by staff to offer the same early retirement benefit to the non-sworn staff, of which 14 are eligible, and it was anticipated that seven would accept. He noted that the pay-back period for the non-sworn staff is also 18-24 months, or longer, depending on the position. Mr. Bergeron announced that it was the unanimous decision by the Finance/Planning Committee to seek full Board approval.

Mr. Fralin recommended that some of the offers include a non-compete/non-solicitation/non-disclosure agreement for certain employees due to the competitive environment of the port business. Ms. Traub advised that the retirement form includes an agreement that would release the port from any age-related claims or other employment claims but does not currently include a non-compete clause.

Mr. Oliver requested that the Board approve the resolution as it stands and that he would work with Ms. Traub on the specific language needed in accordance with Mr. Fralin's suggestion. Ms. Traub advised that a rank-in-file police officer would not need to sign that type of agreement but that it should apply to higher management.

After concerns were expressed by Chairman Quillen as to how the specific language and terms of the non-compete language would be structured, Mr. Fralin agreed to allow management staff the discretion to work out the specific language with the attorneys. He also suggested that the Board be advised of any employees who waive the agreement and their reasons.

Action: Upon motion by Mr. Fralin, seconded by Mr. Bergeron, the Board approved Resolution 11-10, as written, and authorized staff to work with counsel to include a non-compete/non-disclosure/non-solicitation agreement for certain high-level employees who are offered the VPA Early Retirement Incentive Plan.

C. Facilities Committee

Mr. Florin presented the Capital Outlay Program and Facilities Maintenance Overview and he described each of the following projects:

- Median Rail 2nd Track:
 - Provides a second parallel connection to APMT; improves rail capacity and efficiency
 - ARRA stimulus funds allocated by FHWA and VDOT
 - Final completion by November 2011.
- Norfolk-Portsmouth Beltline Railroad (NPBR):
 - Approximately 6,000 linear-feet of storage track on former NPBR rail yard site
 - Will improve overall rail operations at NIT without affecting traffic flows on Hampton Boulevard
 - Estimated project cost: \$3M
 - Funded by \$3.5M Rail Enhancement Fund
 - Current status: property transfer complete
 - Final completion by April 1, 2012
- Craney Island Eastward Expansion (CIEE):
 - Provided brief history and purpose of Craney Island
 - Build the expansion so that a terminal can be built on top of the expanded cell
 - Dikes are a 50/50 cost share with the Corps of Engineers
 - With a long lead time needed to construct the land, VPA has the opportunity to build the terminal when needed (2026)
 - Project does not generate revenue until the terminal is built
 - Only location in the Port adjacent to 50-ft. channel with transportation connections
 - Complete land by 2022 - Terminal open by 2026 (VPA, PPTA, or private operator funded)
 - Build conservatively to ensure land is ready when APM lease ends -
 - 8-10 years needed to build land
 - Monitor federal funds availability
 - Leave adequate capacity in terminal revenue

Mr. Florin described progress-to-date on Stage 1 of the South and Division Cross Dikes, which is scheduled for completion by November 2011.

Mr. Florin described the work involved for Stage IIA and he presented Resolution 11-11, authorizing the VPA to enter into a contract with Weeks Marine, Inc., to continue construction of the CIEE South & Division Cross Dikes, Stage IIA. He explained that the Army Corps permit allows only a five-month window for dredging (December 1–April 30) per year.

Mr. Florin reported that Stage 1 was under budget and that VPA bids for Stage IIA were above the engineer's cost estimate. He advised that VPA is currently negotiating a reduced scope of work to reduce costs. Resolution 11-11 would authorize an amount not to exceed \$19M.

For the next board meeting, Chairman Quillen asked Mr. Florin to provide dollars spent broken down into federal, state and VPA, and a projection going forward with the same breakdown for an approximate timeline assuming that the APMT lease is extended. The Chairman advised that the information would be helpful as the Board considers the extension of the APMT lease and expansion of Craney Island. Mr. Florin reported that VPA has currently spent approximately \$85M; Federal share spent is about \$15M; the President's budget for FY12 includes \$27.4M; and Senator Webb included \$35M in the FY13 budget.

Chairman Quillen advised Mr. Florin that the information can also be posted to VPA's website.

Mr. Tyeryar asked about the capacity for APMT I and II and Craney Island. Mr. Florin reported that the port will have enough capacity at APMT II through 2026, after which time he advised the port will need Craney Island.

In answer to Mr. Boyd's inquiry, Mr. Florin reported that VPA has requested Weeks Marine, Inc. to reduce the scope with regard to the elevation of sand. Mr. Boyd suggested waiting until after the negotiations to approve the project and Mr. Florin mentioned the tight dredging schedule.

Chairman Quillen asked Mr. Oliver to review the source of funding for the project. Mr. Oliver reported that the Authority completed a \$60M bond issue this year and that \$25M of the issue was for work that was already contracted for Stage I, with some funds allocated for Stage II, along with some environmental mitigation work.

Action: Upon motion made by Mr. Fralin, seconded by Ms. Aument, the Board voted 9-2, authorizing VPA to enter into a contract with Weeks Marine, Inc., to continue construction of the Craney Island Eastward Expansion South & Division Cross Dikes, Stage IIA, for an amount not to exceed \$19M.

Ayes – Ms. Aument, Mr. Bergeron, Ms. Clemente, Mr. Fralin, Ms. Ganeriwala, Mr. Pullen,
Mr. Stanton, Mr. Wassmer, Ms. Xu

Nays - Mr. Boyd, Mr. Laughon

D. Marketing/Business Development Committee

Mr. Held presented the 2011 calendar year-to-date business report for January-August, compared with the same period for 2010 as follows:

	<u>CY2011</u>	<u>CY2010</u>	<u>% Change</u>
Total TEUs	1,262,959	1,264,831	-0.1
Total Rail Containers	215,012	164,059	+31.1
VIP Containers	22,177	20,364	+8.9
Import TEUs	586,449	593,990	-1.3
Export TEUs	676,510	173,783	+0.8
Ship Calls	1,202	1,235	-4.1
Breakbulk Tonnage	222,961	164,945	+35.2

Mr. Held presented a revised graph based on feedback from the Board which showed budgeted container units compared with actual units for the entire FY2011 fiscal year. He reported that VPA exceeded budget in July 2011 but not in August which shows the effects of the hurricane.

Mr. Bergeron asked Mr. Held to discuss the significant increase in rail. Mr. Held reported that the Heartland Corridor is a major reason for the increases. Mr. Dorto said the rail business has helped offset decreased vessel cargo (TEUs).

Mr. Held announced the new six-day-a-week service by Norfolk Southern that will commence in October from the Port of Virginia (Norfolk) to Greensboro. Mr. Capozzi mentioned that there are two ship lines that have committed freight for the new rail service. Mr. Held mentioned the taxpayer incentive of \$25 per TEU moved by rail that will be available to customers.

Mr. Held concluded with two new economic development announcements:

- Coastal Logistics Group, Inc. (CLG) opened a new operation in Suffolk, in order to serve their customers in The Port of Virginia market. The new location will be used for packing, sales, logistics support and distribution.
- Best Brakes recently announced they will lease 42,000 SF at Virginia Regional Commerce Center in Suffolk. Expected port volumes are 20-25 TEUs per month.

E. Security Committee

Mr. Merkle's presentation focused on the Maritime Incidence Response Team (MIRT) and safety. He explained that MIRT was established in 1989 by the Hampton Roads Maritime Association (now Virginia Maritime Association) and was chartered under the Virginia Port Authority in 1995. Mr. Merkle reported that VPA provides specialized equipment funded through security grants and UASI grants for firefighting and all-hazardous response in the maritime arena. He advised that over 100 firefighters make up the MIRT team.

Mr. Merkle described two major incidents that involved MIRT:

- November 2009 – A Northeaster grounded a container barge that was heading to New Jersey from Puerto Rico onto the Sandbridge beach. It was removed in 4 days.
- In 1999, the vessel Hough Duke experienced a fire in a cargo hold resulting from welding operations, ignited palletized rubber while at anchor. Once the fire was under control, it was brought to NIT to remove topside containers and overhaul the fire.

Mr. Merkle presented several Safety Incident Reports that are prepared by VIT which track lost work days (LWD) at the Port (2010 vs. 2011), industry statistics, and OSHA reportable events.

Mr. Merkle explained the purpose of each report and he also explained the difference between LWD and OSHA reportable events. Ms. Aument asked if VPA had a more comprehensive view that reflects other personnel at the terminals besides VIT. Mr. Dorto advised that they plan to include the count for stevedores with the new safety initiative.

Mr. Bergeron explained that management had identified safety as one of the areas that need improvement and deserves the Board's attention and he suggested that the Security Committee be renamed "Security/Safety Committee". Chairman Quillen agreed.

(A revision to the VPA Bylaws will be presented at the November 22, 2011 board meeting.)

III. REPORT OF EXECUTIVE DIRECTOR

Mr. Bridges commended Mr. Merkle, Director of Port Security and Emergency Operations, and Mr. Joe Ruddy, Executive Vice President and Chief Operating Officer of VIT, on their excellent leadership and preparedness during hurricane Irene. He reported that there was marginal damage to the port and also minimal loss of business as only one ship call was redirected. The port was up and running within 24 hours.

Chairman Quillen expressed appreciation on behalf of the Board to all of the employees at VPA and VIT and he said they "are doing a good job, that there is nothing broken", and he acknowledged the stress of having an entirely new Board with lots of questions. The Chairman explained that the new Board members are very experienced and very intelligent but they have a lot of questions and that the Board is charged with making this Port even better.

Chairman Quillen advised that the Board needs to obtain as much in-depth information as they can receive in order to move the Port forward and he apologized to the media for having so many closed sessions. The Chairman concluded by saying that our competitors are trying to get our business and we need to get aggressive and come up with new ways of doing business.

At this time, the Chairman explained that the Board would conduct three successive closed sessions and return to open session later.

At 3:40 p.m., at the request of Chairman Quillen, Ms. Clemente presented a motion for the Board of Commissioners to go into a closed executive session in accordance with the Virginia Freedom of Information Act, §2.2-3711(A)(1), the personnel exemption, to review suggested personnel improvements and efficiencies for management of the Port. The motion was seconded by Mr. Laughon.

The Board came out of closed session at 3:45 p.m., and Ms. Clemente read the following resolution certifying the closed session. The motion was seconded by Mr. Bergeron.

Whereas, the Virginia Port Authority Board of Commissioners 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 Board of Commissioners that such closed meeting was conducted in conformity with Virginia law; Now, therefore be it resolved, that the Board 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 Board of Commissioners.

The resolution passed by a roll call vote of the VPA Board as follows:

Ayes: Full Board Membership

Nays: 0

Absent During Vote: 0

Absent During Meeting: 0

At 3:46 p.m., at the request of Chairman Quillen, Ms. Clemente presented a motion for the Board of Commissioners to go into a closed executive session for an overview of the VIT organizational structure, in accordance with the Virginia Freedom of Information Act, §2.2-3711(A)(38), to discuss proprietary information gathered by or for the VPA by VIT and pursuant to §62.1-132.4. The motion was seconded by Mr. Fralin.

The Board came out of closed session at 5:16 p.m., and Ms. Clemente read the resolution (above) certifying the closed session. The motion was seconded by Mr. Bergeron.

The resolution passed by a roll call vote of the VPA Board as follows:

Ayes: Full Board Membership

Nays: 0

Absent During Vote: 0

Absent During Meeting: 0

At 5:17 p.m., at the request of Chairman Quillen, Ms. Clemente presented a motion for the Board of Commissioners to go into a closed executive session in accordance with the Virginia Freedom of Information Act, §2.2-3711(A)(1), the personnel exemption, to discuss the Executive Director's Goals and Objectives for the FY2012 Compensation Plan.

The Board came out of closed session at 5:20 p.m., and Ms. Clemente read the resolution (above) certifying the closed session. The motion was seconded by Mr. Bergeron.

The resolution passed by a roll call vote of the VPA Board as follows:

Ayes: Full Board Membership

Nays: 0

Absent During Vote: 0

Absent During Meeting: 0

IV. UNFINISHED BUSINESS

No Report

V. NEW BUSINESS

No Report

VI. ADJOURNMENT

Mr. Bergeron requested a status report on proposals for Portsmouth Marine Terminal and he advised that people have been contacting him.

Mr. Bridges reported that there would be a meeting next Tuesday to determine which proposals would be considered for the terminal and that he would brief the Board in October.

Mr. Bridges mentioned that there is a proposal for a breakbulk operation and that VPA needs to consider the engineering report with regard to the weigh capacity at PMT for warehousing operations. He advised that VPA has three criteria for PMT - generate jobs; provide a sustainable revenue flow; and ensure that there are opportunities for the City of Portsmouth to benefit from taxes.

Chairman Quillen requested that Board members provide available dates to Ms. McNulty for a special board meeting to be held within the last two weeks of October, in order to review proposals for PMT. Mr. Oliver suggested that the Board also consider a revised MOA for Route 460 at that time.

Chairman Quillen said he would distribute the email comments he received from several Board members on the Route 460 (draft) MOA.

Mr. Fralin recommended that the Board affirmatively embrace VIT's "Port Plus" program at the November 22nd board meeting.

Chairman Quillen reviewed the Executive Director's Goals and Objectives for 2012 that were considered by the Board in closed session and they are:

1. Financial Goal (20%)
2. Container Volume (20%)
3. Big Ship Initiative (20%)
4. Rail Initiative (20%)
5. Safety (20%)

Action: Upon motion made by Mr. Fralin, seconded by Mr. Laughon, the Board approved the five goals and objectives for inclusion in the Executive Director's FY2012 Compensation Plan.

Vice Chairman Boyd expressed his opinion that VPA needed to seriously consider having a breakbulk operation at PMT.

There being no further business and no public comments, the open meeting adjourned at 5:45 p.m.

(A copy of all presentations can be viewed on VPA's website:
<http://www.portofvirginia.com/corporate/board-room.aspx>)

The next regularly scheduled meeting of the Board of Commissioners will be held in the Authority's Conference Room, 600 World Trade Center, Norfolk, on Tuesday, November 22, 2011, at 11:00 a.m.

Respectfully submitted,

Debra J. McNulty
Clerk to the Board