



January 23, 2015

Charting a Course for Continuous Improvement

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CEO and Executive Director



Stewards of Tomorrow



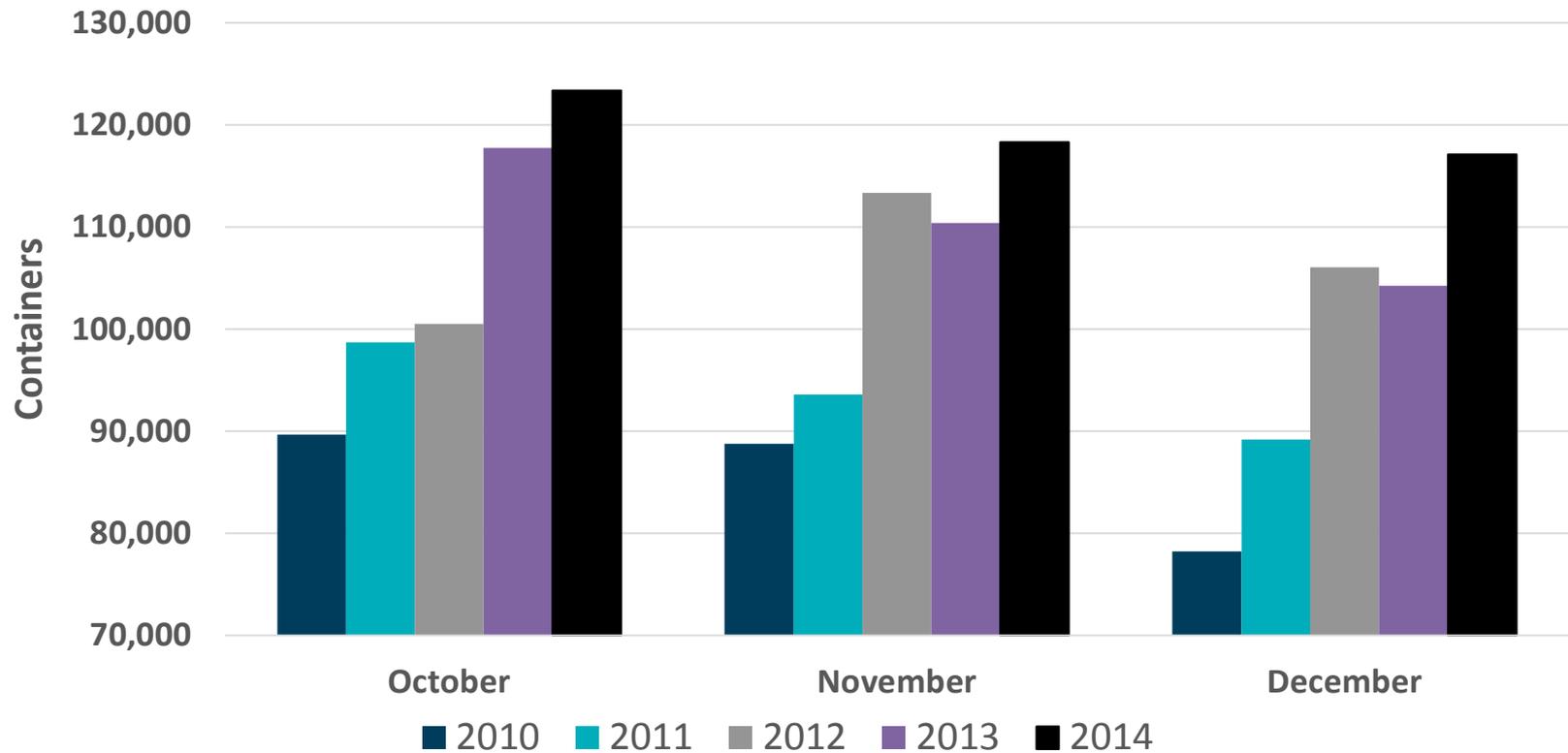
Volume and Congestion Initiatives

- Gate Update
- Chassis Update
- NIT and VIG
- PPCY
- Technology
- Updates

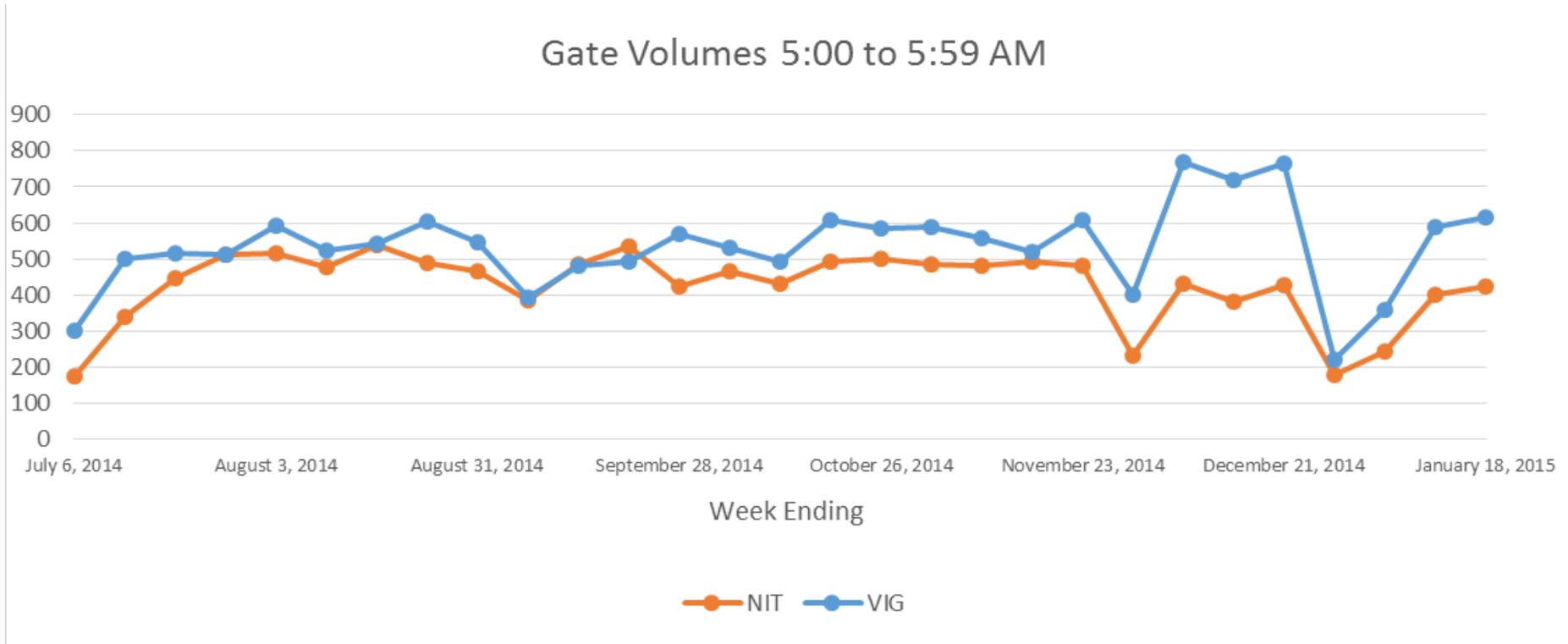
Gate Update

- Gate volumes
- Gate extensions (six-day week)
- Saturday and 0500 hours
 - Alignment of opportunity and truck power
 - Shipper flexibility
 - Dray availability / behavior change
- Increased hours through 2014 peak season including Sundays

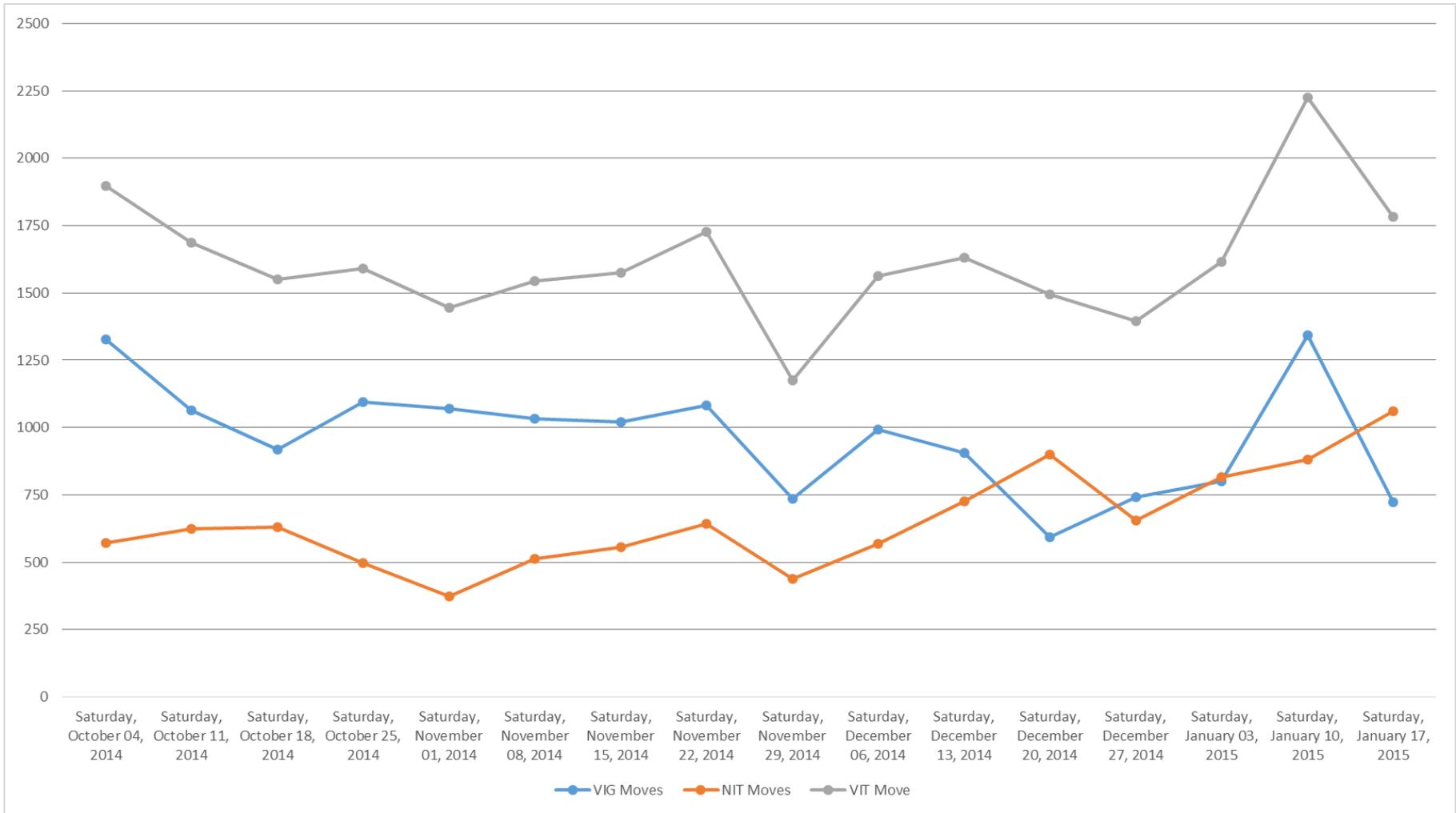
Peak Season Container Volumes



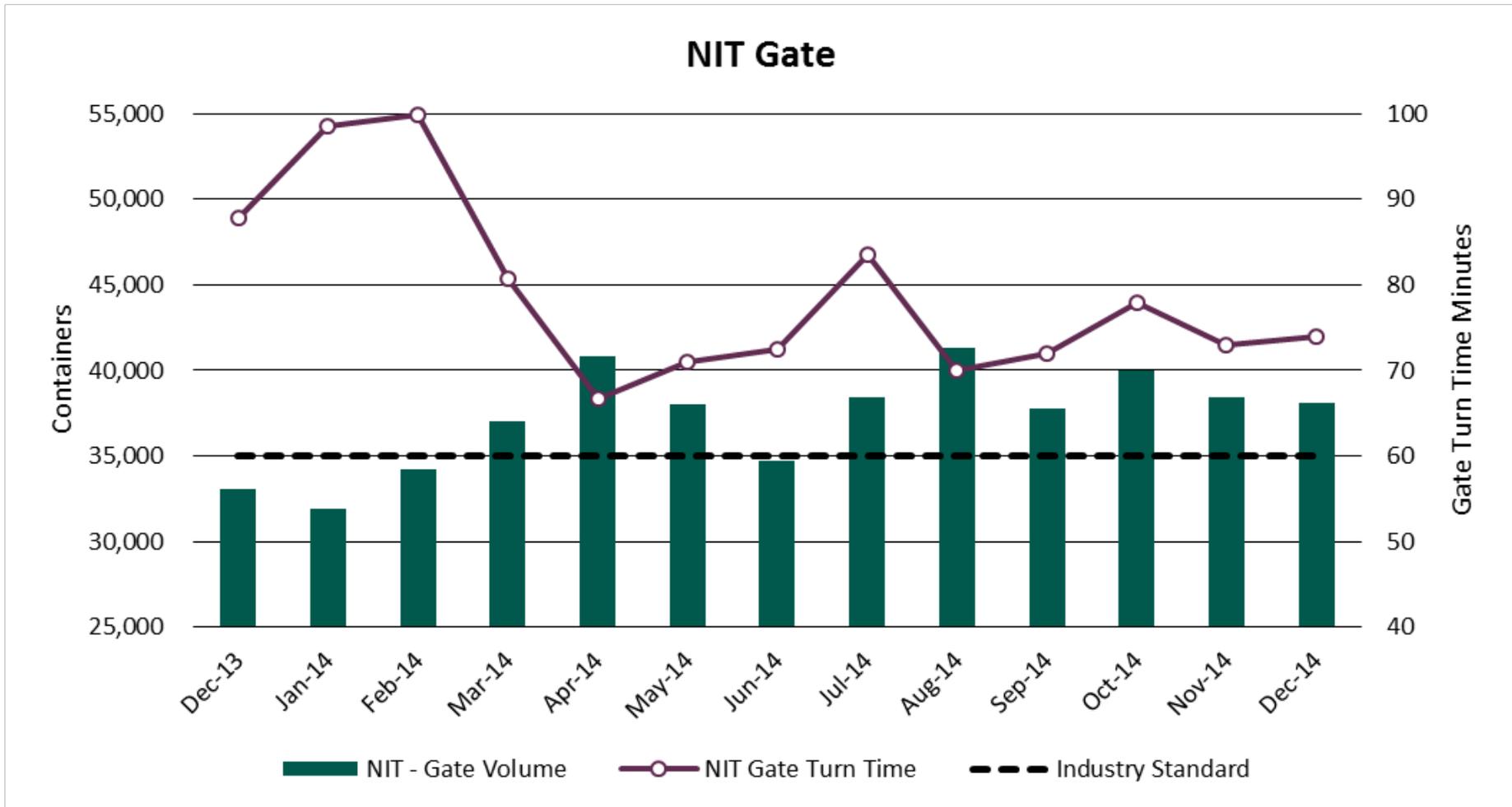
Gate Volumes at 05:00



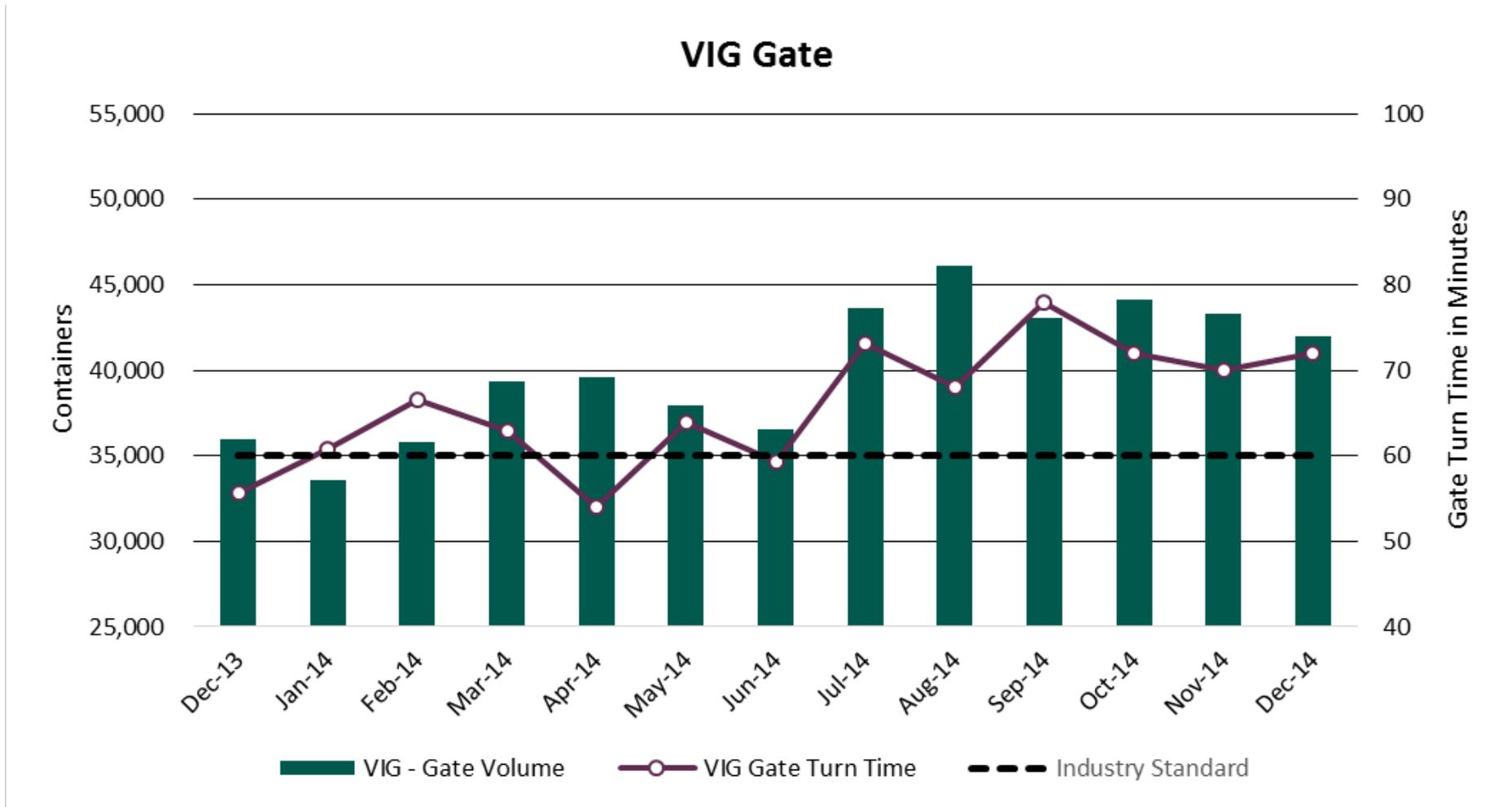
Saturday Gate Volumes



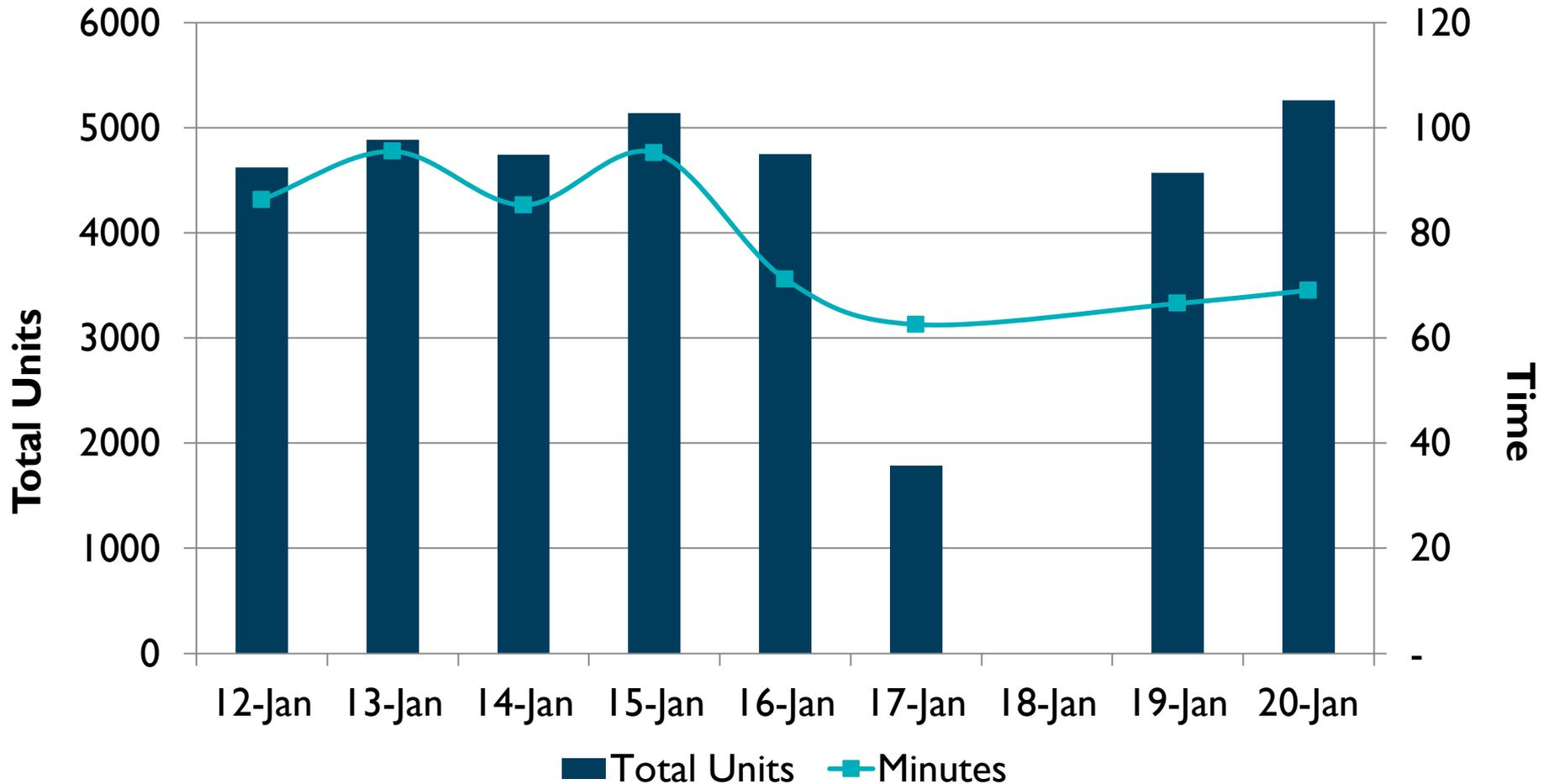
NIT Gate Turn Times



VIG Gate Turn Times



VIT Weighted Average Turn Times



Moves per Man Hour % Change

	FY 2014	FY 2015 YTD Dec	% Change
VIG	1.19	1.29	8.82%
NIT	0.51	0.56	10.52%
PMT	-	0.29	N/A
POV	0.68	0.76	11.97%

Chassis Update

- Increase Hampton Roads' fleet size by 300 chassis
- Reduce wheeled containers at NIT and VIG
- Reduce OOS units – OT M&R hours
- Utilization trends
 - November utilization ran at 90%
 - December utilization dropped to 86%
- Out of service rates
 - OOS in November averaged between 3- 4%
 - OOS in December averaged between 4 – 6%

HRCP saw heavy chassis returns at VIG late December and early January causing a dislocation of assets. Daily repositioning is underway to correct the imbalance.

NIT and VIG

- Winter severe weather plan ready to execute
- NIT and VIG
 - Separate empty stacks outside of transfer zones and landside
 - Drivers assistance pick-up trucks- increased visibility
 - Yard stacking management to improve efficiencies
- NIT
 - 20 strads minimum at 0500
 - Lighting at NIT South Transfer Zone in progress
 - Railroad Ave. upgrades
 - Strad management
- VIG
 - Increased resources for 0500 starts

PPCY

- Increase equipment
- Increase capacity
- Harper Ave. traffic flow
- Tunnel facility road alternative access / gate
- Lighting
- Dust management
- Survey underway to pave main roadway at PPCY

Technology

- NIT Technology Introductions
 - Gate Portals – OCR Cameras and RFID readers
 - Gate Lanes – kiosks, cameras and badge readers
 - Landside Transfer Zones – booths and badge readers
 - Position Detection System (PDS)
 - Rail Portals – OCR cameras and RFID readers



Updates

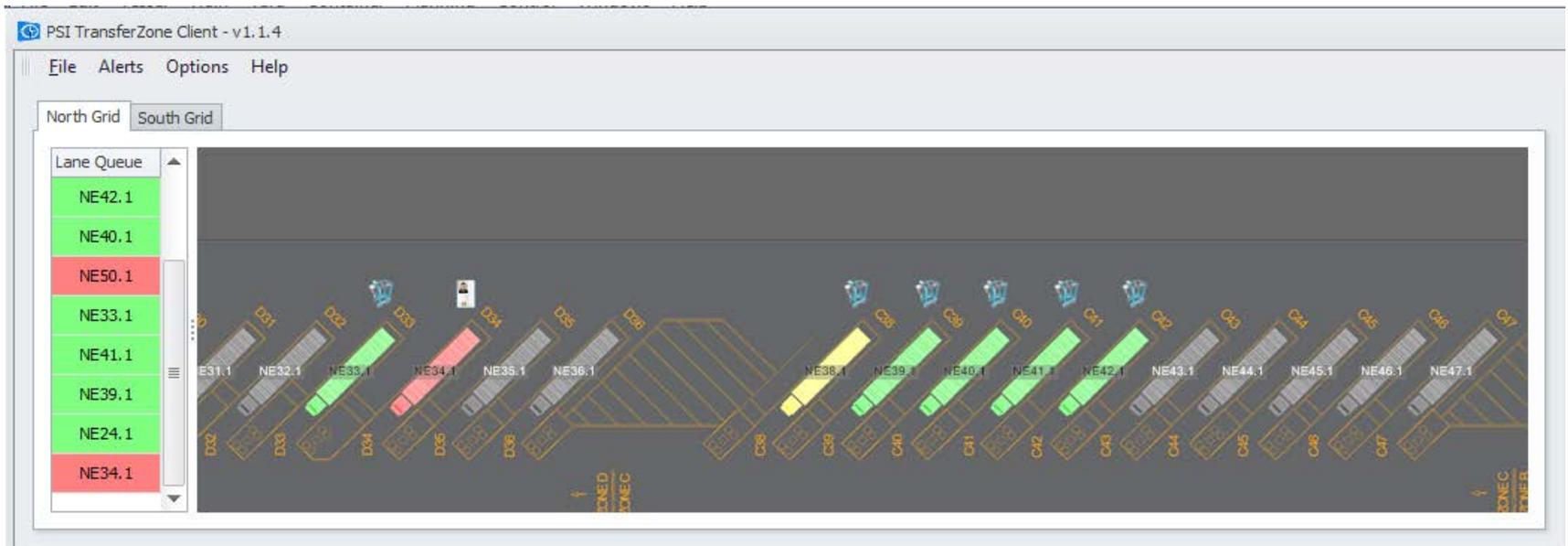
- NIT Appointment System
- NIT Automated Transfer Zone
- Customer Service Group
- NIT - Pop and Go lanes discontinued with implementation of automated transfer zones



NIT Appointment System Status

- Early goals
 - Training/education/awareness for motor carriers/gate users
 - Live testing late spring/early summer
 - Fully-integrated, multi-vendor (Advent, NAVIS, Nascent, ILA) solution with TOS automated gate and transfer zones
 - Overarching goal is to meter the flow of trucks in and out of terminal and improve turn times

NIT Transfer Zone



Help Requested on Lane NE34.1
Connect to lane NE34.1 now?

Icon Legend

-  Twic Card
-  Help Requested
-  Single Move
-  Potential Issue
-  Dual Move

Customer Service Group

- Central point of contact for inquiries
- Seven dedicated staff members monitoring emails and phones constantly; hours are 7:30 a.m. - 7 p.m. M-F
- Average of 7,406 inquiries per month since October 2014
- New CRM system implemented in late June
- CustomerService@vit.org / 757-440-7160

Investing in the Port: FY 2014 / FY 2015

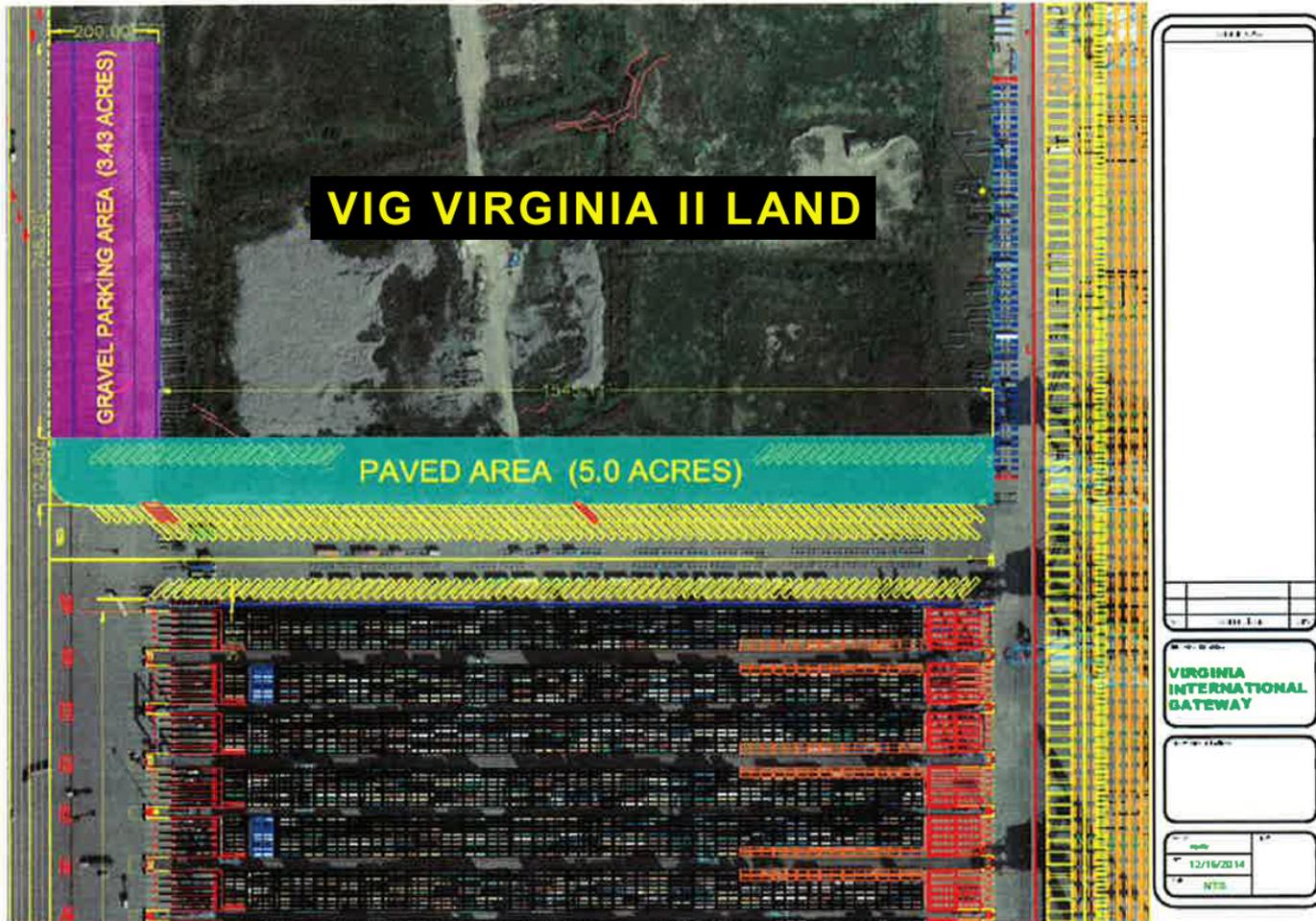
- Purchased and leased 54 new hustlers port-wide
- \$7M invested to reactivate PMT
- Leased 300 additional chassis that arrived Oct.-Dec. 2014
- \$1M investment in two new top loaders
- \$3.4M invested in three new shuttle carriers
- \$4.2M invested in container crane for Port of Richmond
- Investment in NAVIS N4 terminal operating system at NIT
- Planned investment of \$2.4M in additional cargo handling equipment

Expenditures

	FY 2014 YTD to December	FY 2015 YTD to December	% Change
Volume (Containers)	669,746	723,384	8.01%
Terminal Operations (\$Millions)	\$85.5 M	\$93.4 M	9.25%
Terminal Maintenance (\$Millions)	\$39.2 M	\$44.6 M	13.97%
Terminal Operations Per Unit (\$)	\$127.62	\$129.08	1.15%
Terminal Maintenance Per Unit (\$)	\$58.46	\$61.68	5.52%

* Terminal Maintenance consolidates HRCP II in both years for comparative purposes

VIG Virginia II Land Improvements



VIG Virginia II – Improvements Timeline

Milestone	Date(s)/Times	Notes
Planning - Initial	Jan. 15, 2015	Environmental plan submitted by VPA to VDEQ.
Permitting Approval	30-60 Days	DEQ to review and approve VPA submitted environmental plan.
Planning – Final	Feb. 6, 2015	Final Engineering plans submitted to VPA.
	Feb. 9, 2015	VPA to provide Lessor with final engineering plans.
Construction Commencement	Mar. 15, 2015	VPA issues notice to proceed to construction contractor.
Completion	Jun. 30, 2015	Construction complete.

Investing for the Future

- By the end of FY2016, the port's total planned investment will be \$85M. This includes:
 - \$46M in new cargo handling equipment
 - A new, \$31M NIT North Gate complex with expanded container yard (\$15M from the federal TIGER Grant program)
 - Additional infrastructure projects valued at \$8M

Improved Efficiencies

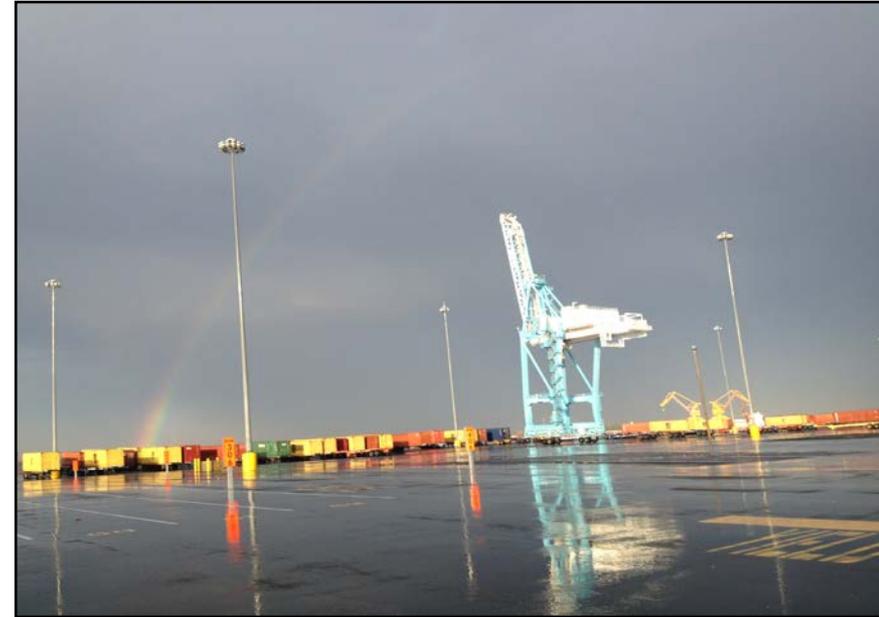
- **Empty Container Handling:**
 - An RTG is dedicated to grounding empties arriving by gate at VIG, easing empty container transactions
 - Empty container handlers block stow empties arriving by gate at NIT, reducing congestion in the transfer zone
- NIT North Transfer Zone fully automated on Jan. 10 and South Transfer Zone on Jan. 17, reducing lane confusion
- Export allocations recently created at NIT deck containers by POD and service, increasing marine operational efficiencies

Services Relocated to PMT

- MSC Indus Express moved to PMT
- CMA-CGM Liberty Bridge moves 1/28
- Negotiating with 2-3 more ship lines

PMT Update

- Container Service Movements
- Extra Loader Import Vessel
- New Opportunities



Proactive Communication with Port Partners

From October 1, 2014, through January 15, 2015:

- 28 Operations Alerts posted to www.portofvirginia.com and social media (Facebook and Twitter)
- 85 texts sent via the port's text notification system