

Virginia Port Authority Board of Commissioners, Session 374, August 9, 2016

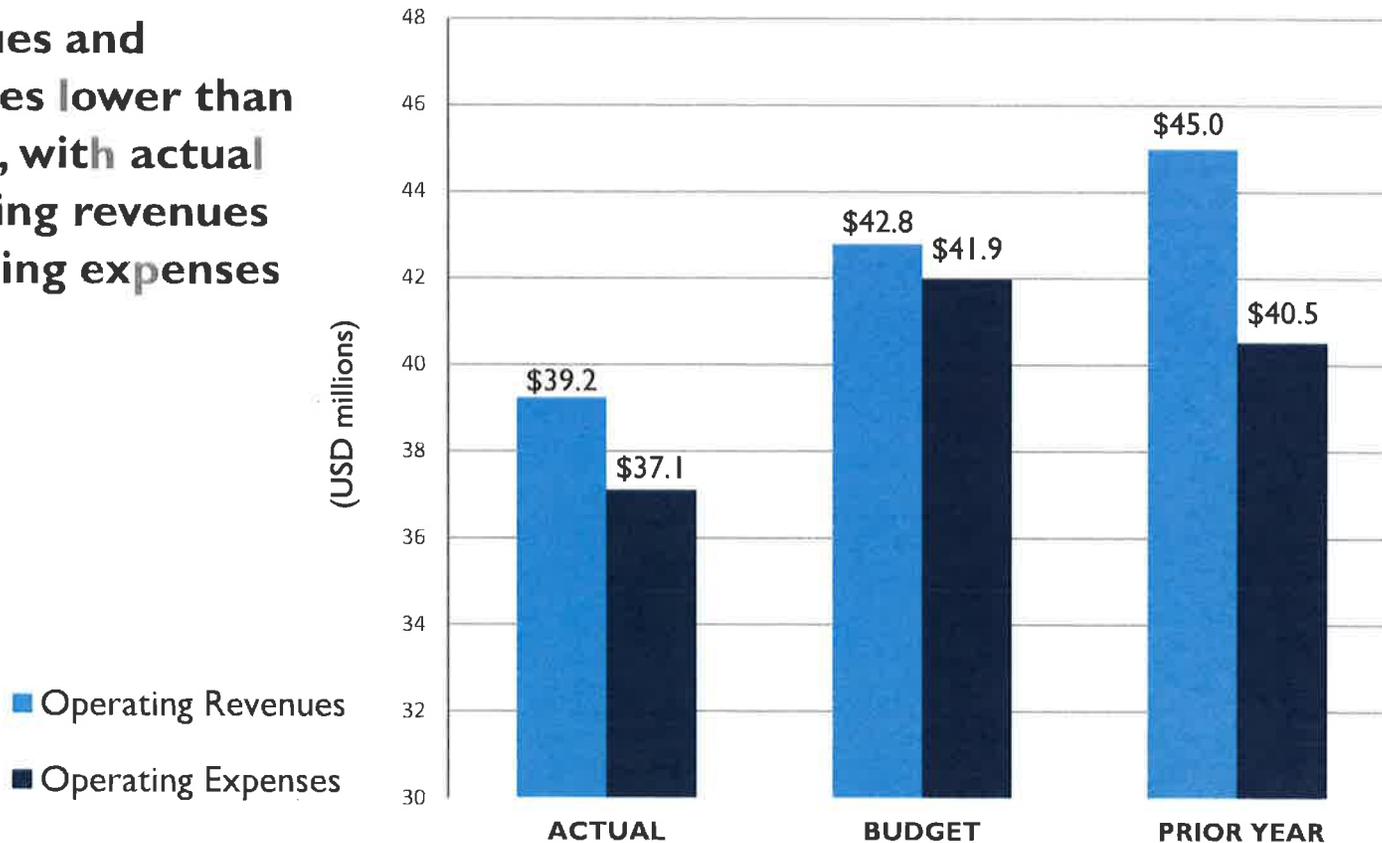
May 2016 Financial Report

Rodney W. Oliver
Chief Financial Officer



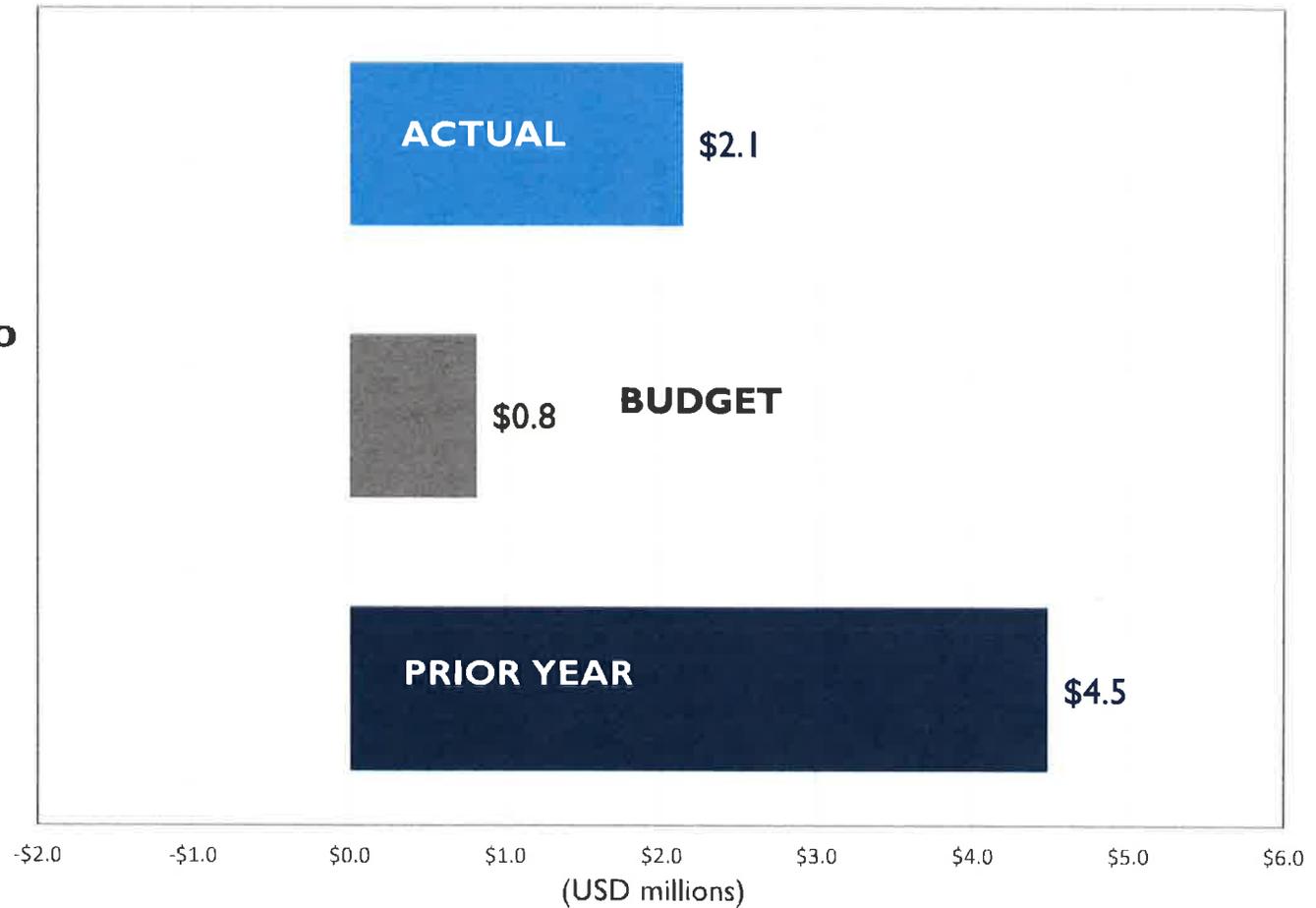
OPERATING REVENUES AND EXPENSES: For the Month Ended May 31, 2016

Revenues and expenses lower than budget, with actual operating revenues exceeding expenses



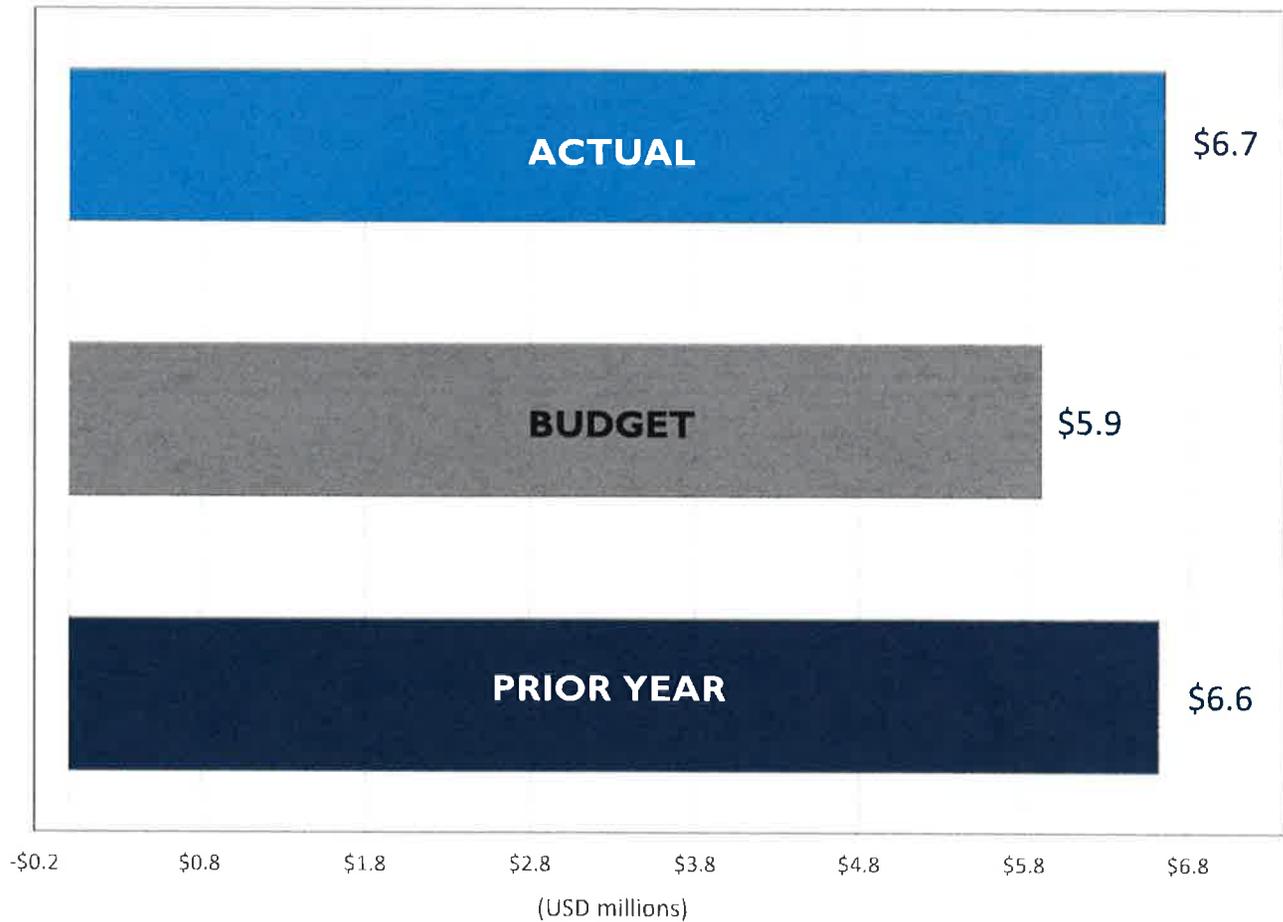
OPERATING INCOME (LOSS): For the Month Ended May 31, 2016

Favorable
variances to
Budget and
Unfavorable to
Prior Year



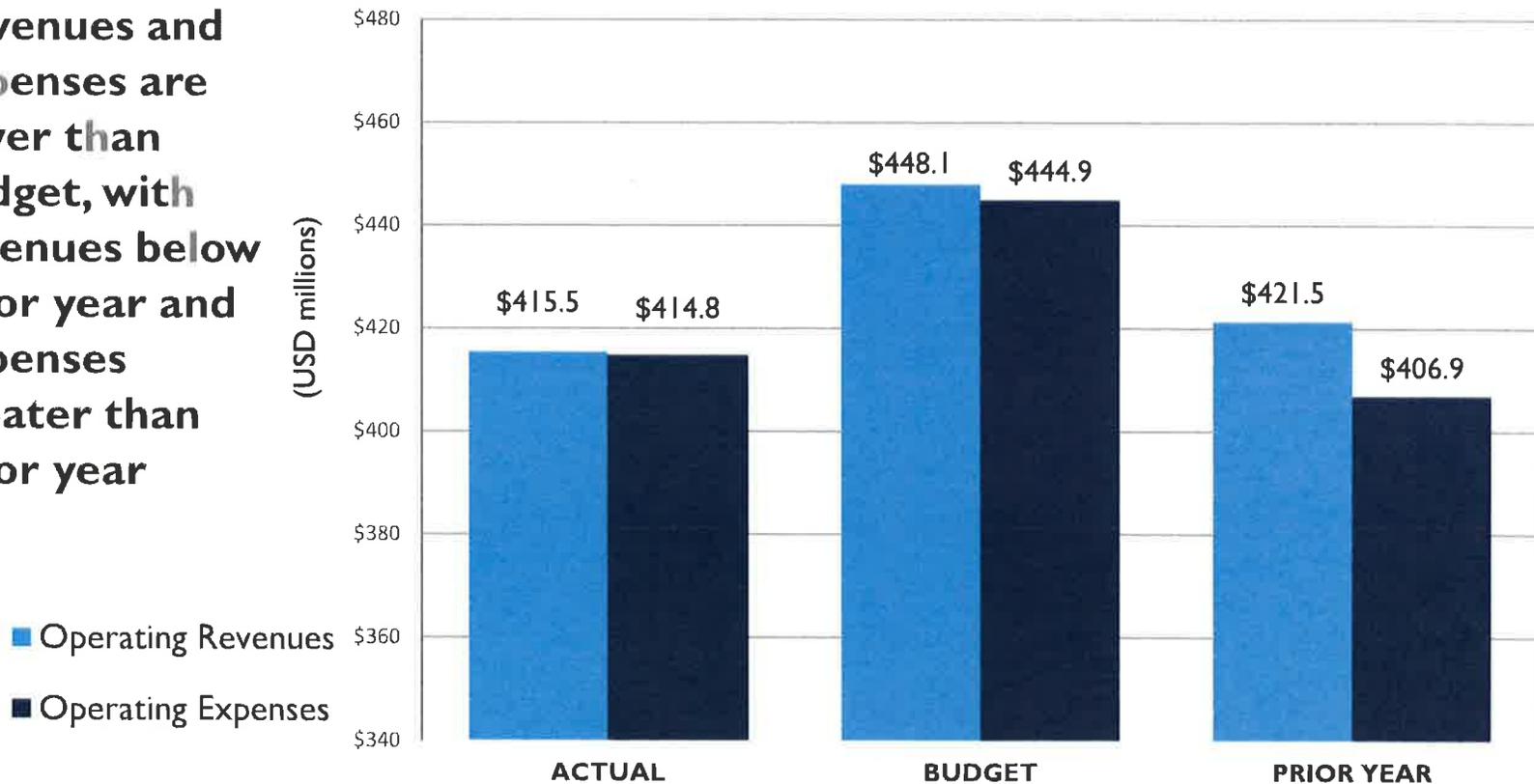
CHANGE IN NET POSITION: For the Month Ended May 31, 2016

Favorable in
Net Position
to Budget and
Prior Year



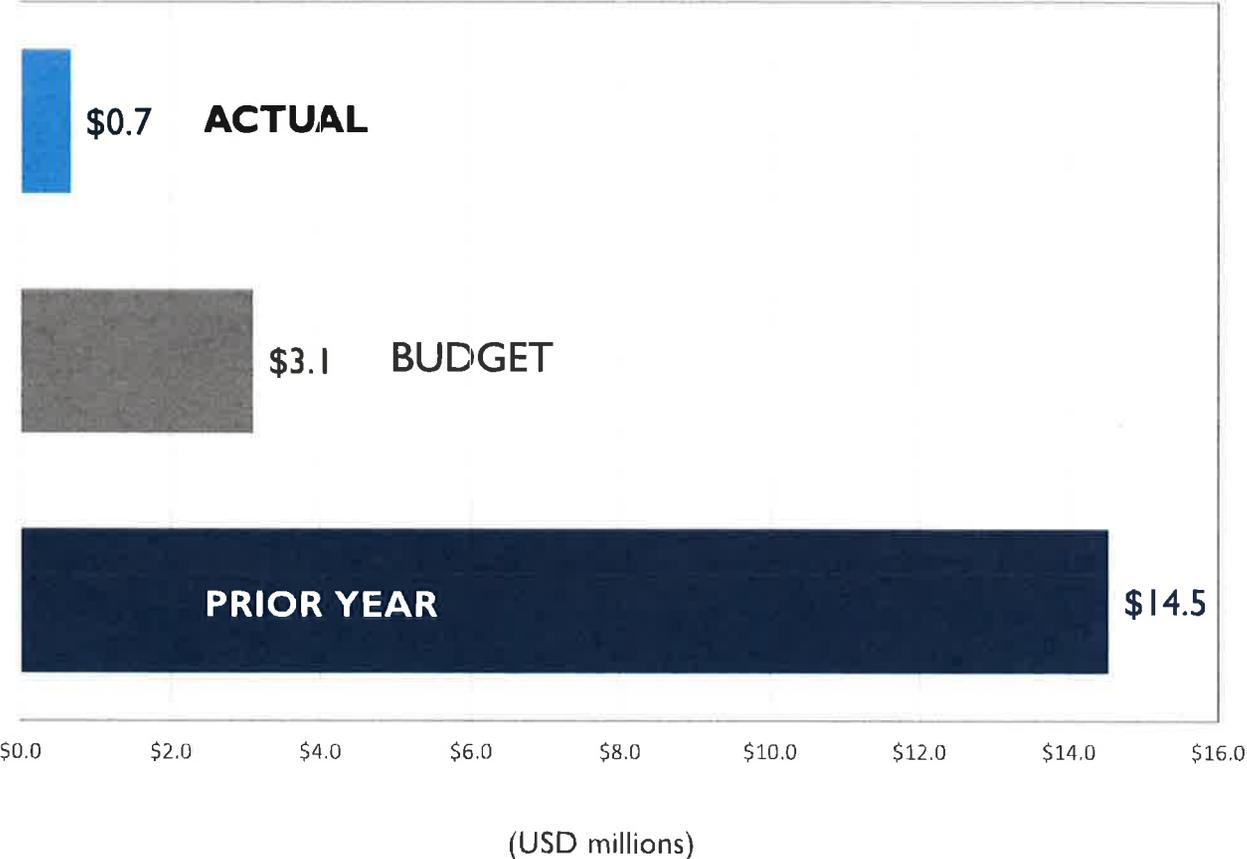
OPERATING REVENUES AND EXPENSES: For the Eleven Months Ended May 31, 2016

Revenues and expenses are lower than budget, with revenues below prior year and expenses greater than prior year



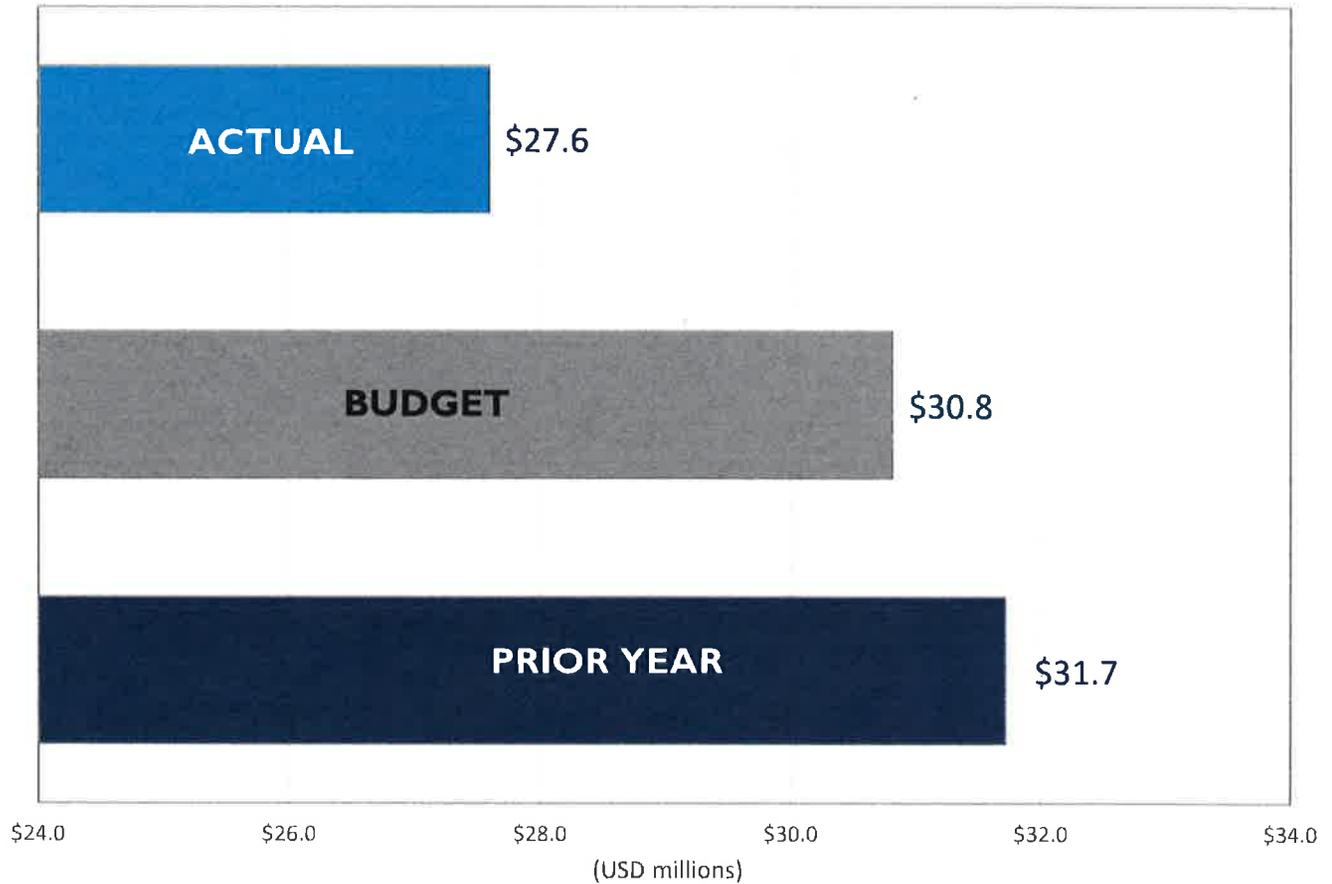
OPERATING INCOME(LOSS): For the Eleven Months Ended May 31, 2016

Positive
Operating
Income but
unfavorable
variances to
Budget and
Prior Year



CHANGE IN NET POSITION: For the Eleven Months Ended May 31, 2016

Lower Change
in Net Position
compared to
Budget and
Prior Year



STEWARDS OF TOMORROW

INNOVATION

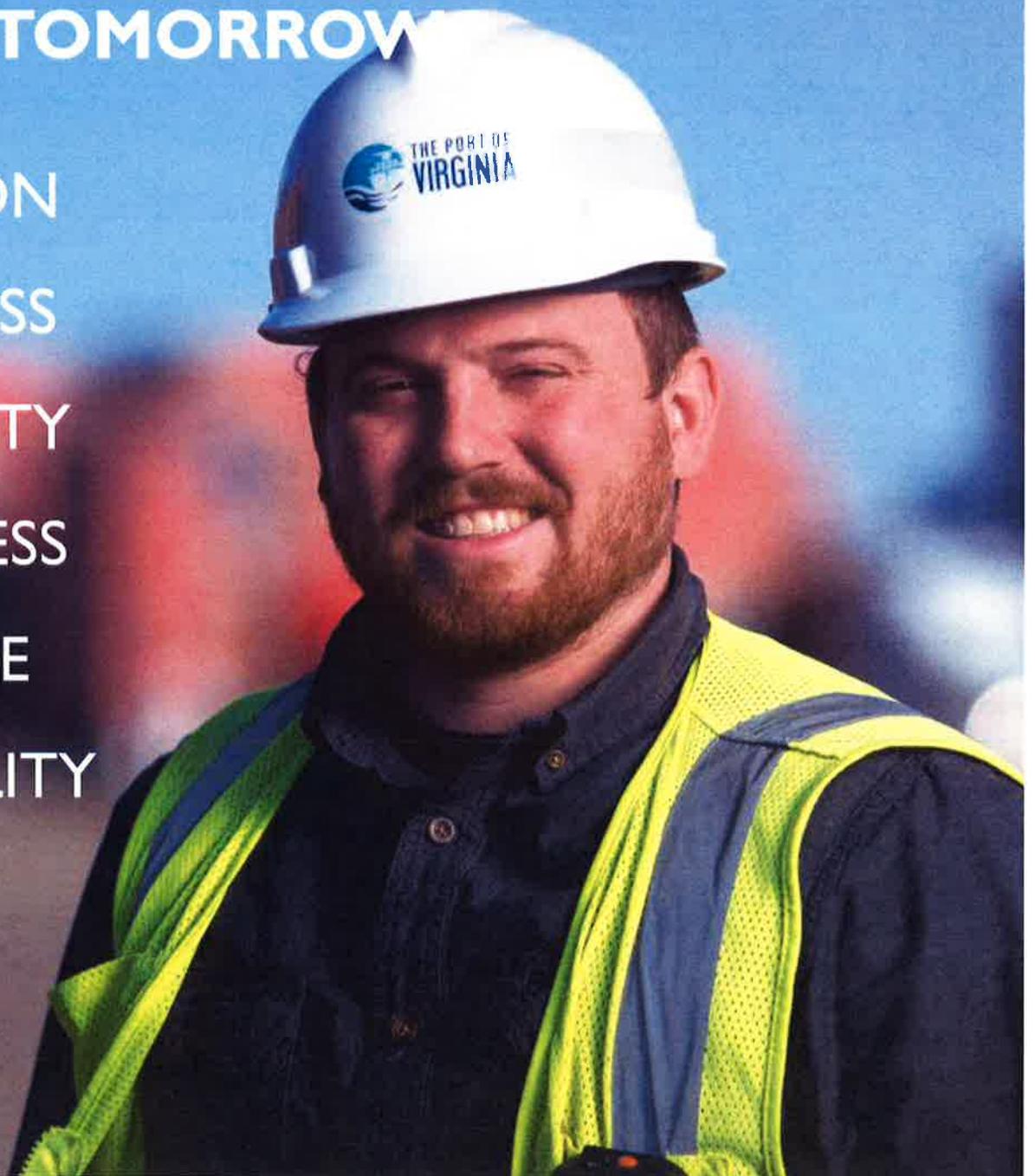
HELPFULNESS

ACCESSIBILITY

MINDFULNESS

FORTITUDE

SUSTAINABILITY

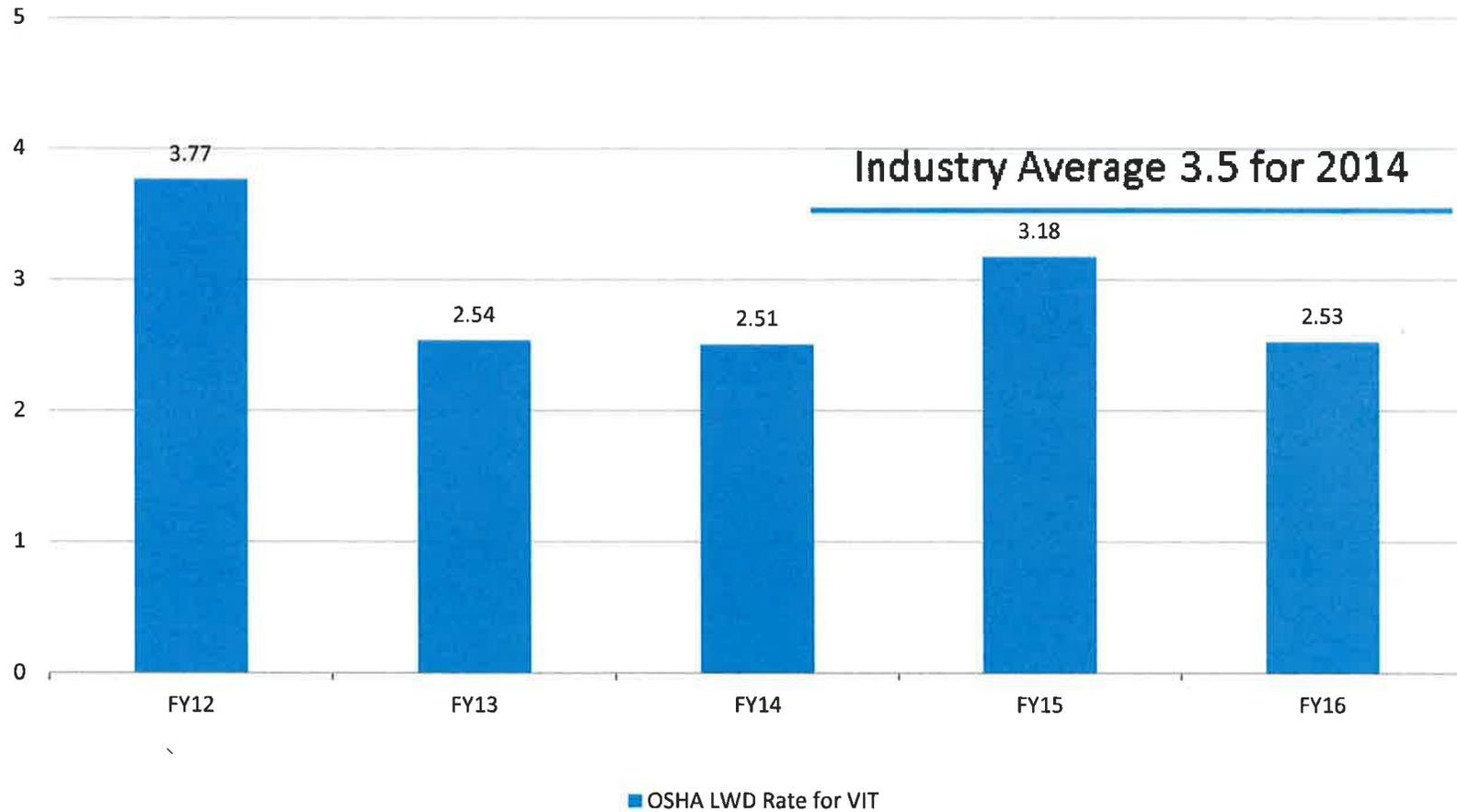


Virginia Port Authority Board of Commissioners, Session 374, August 9, 2016
Operations Report

Shawn Tibbetts
Chief Operations Officer

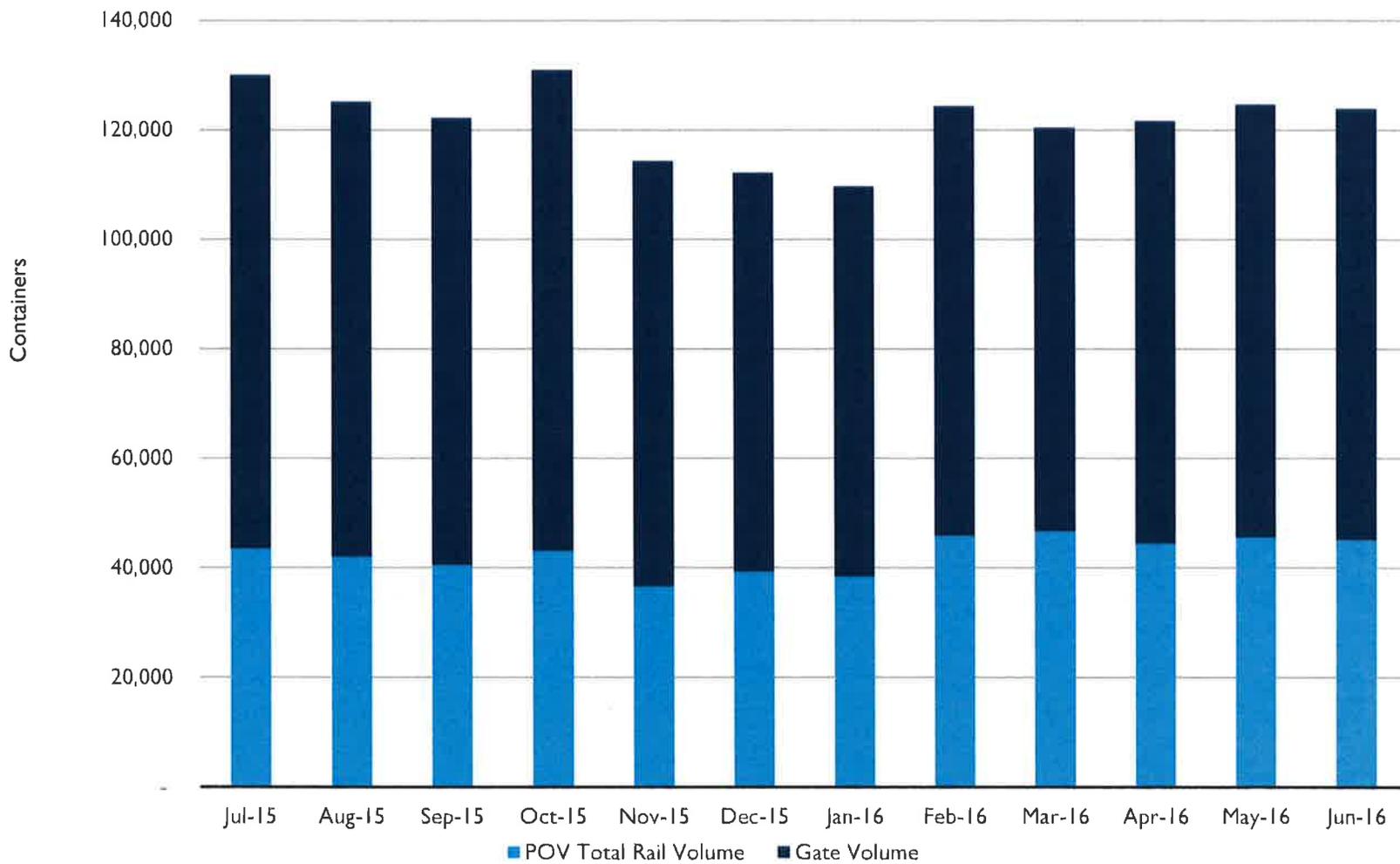


Safety Report



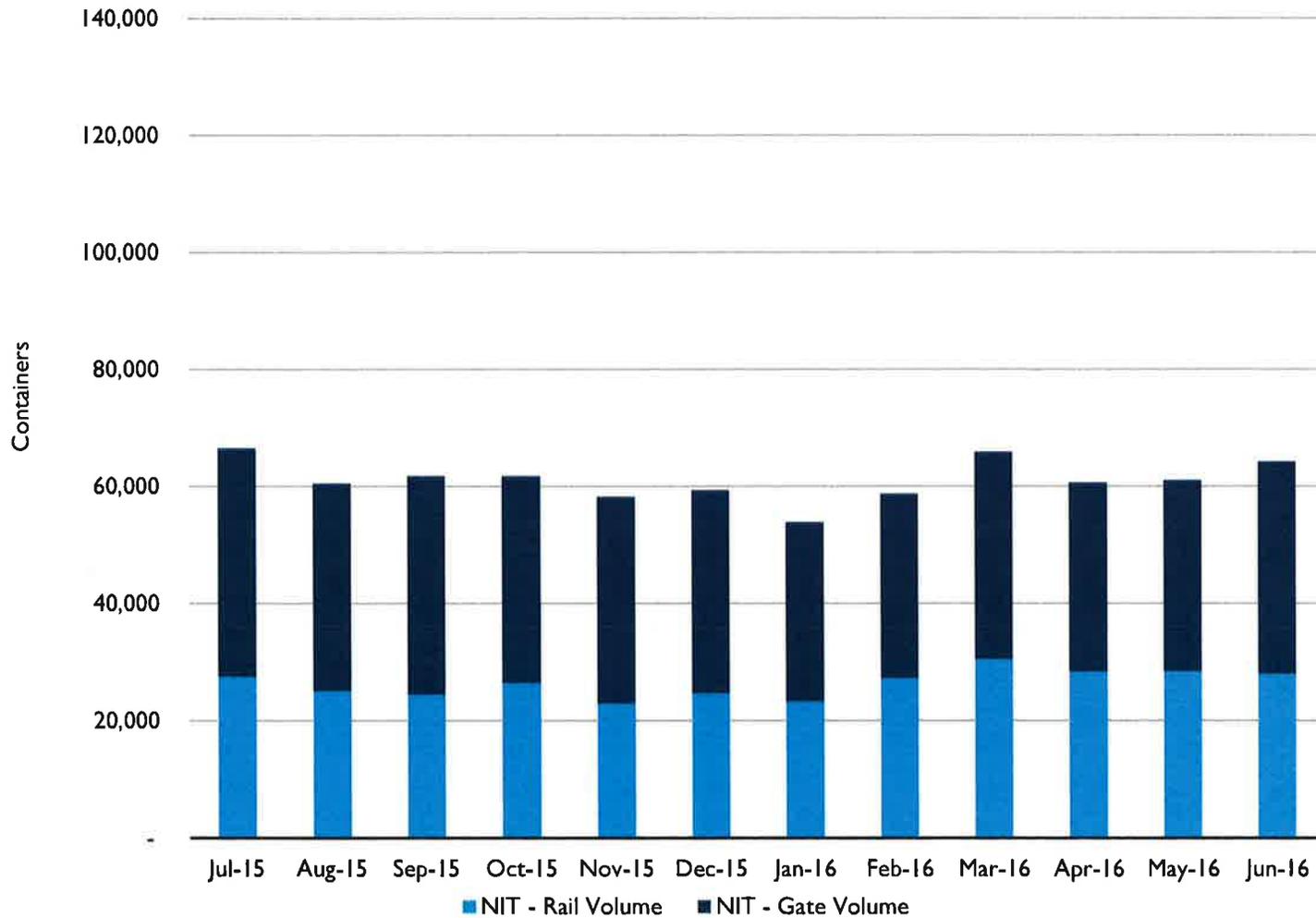
POV Rail vs. Gate/Barge Volume

POV



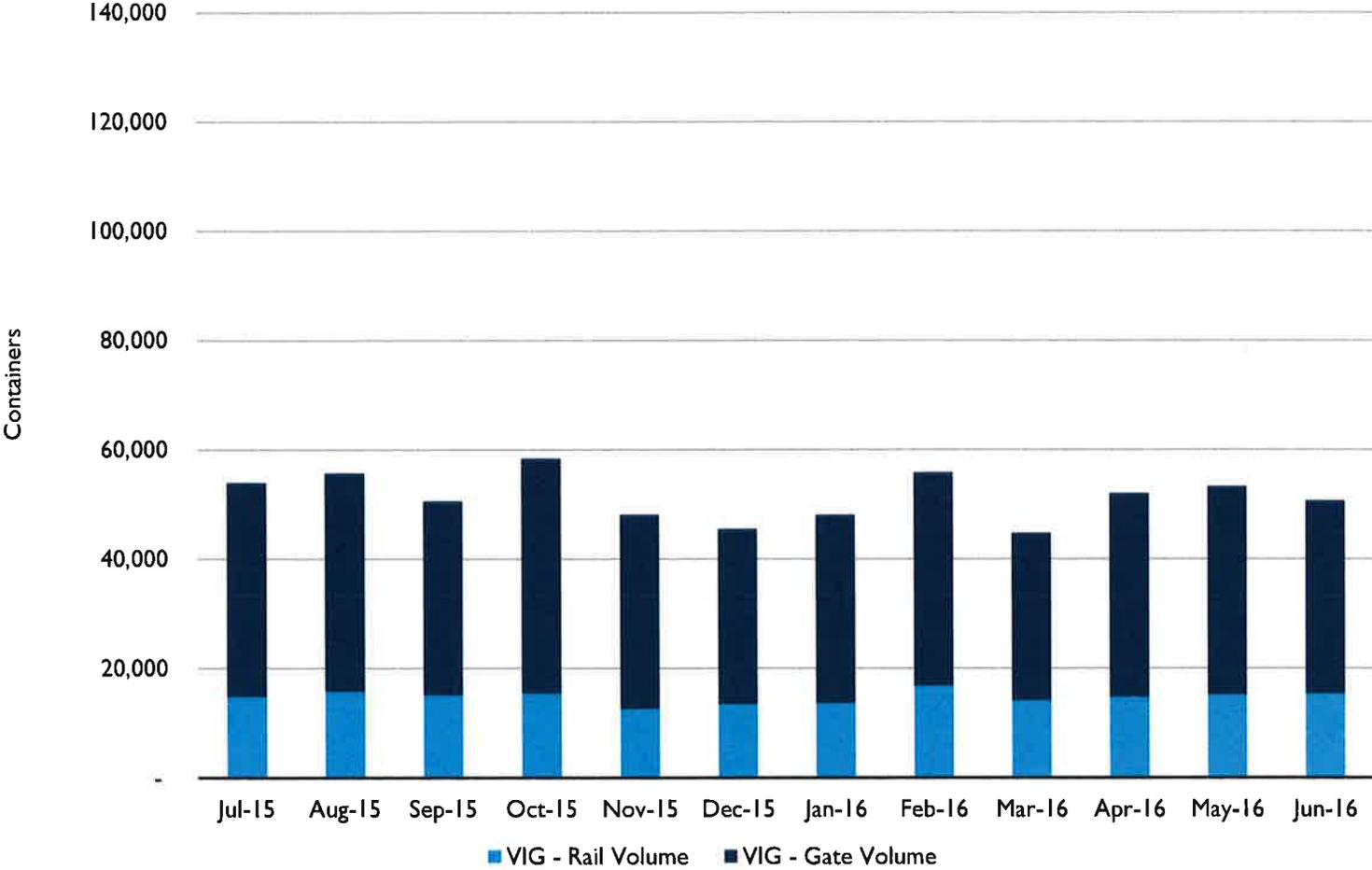
NIT Rail vs. Gate/Barge Volume

NIT

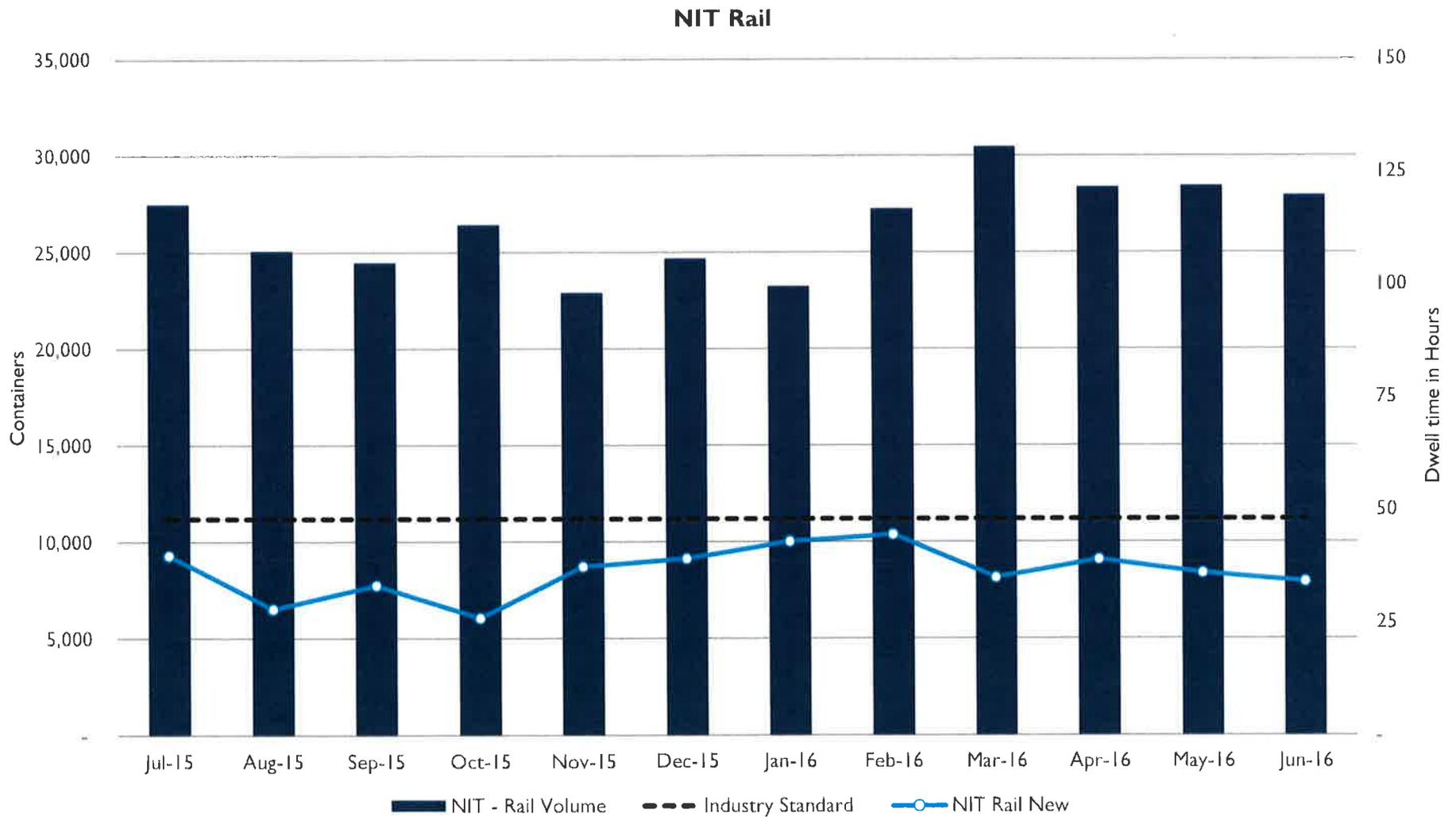


VIG Rail vs. Gate/Barge Volume

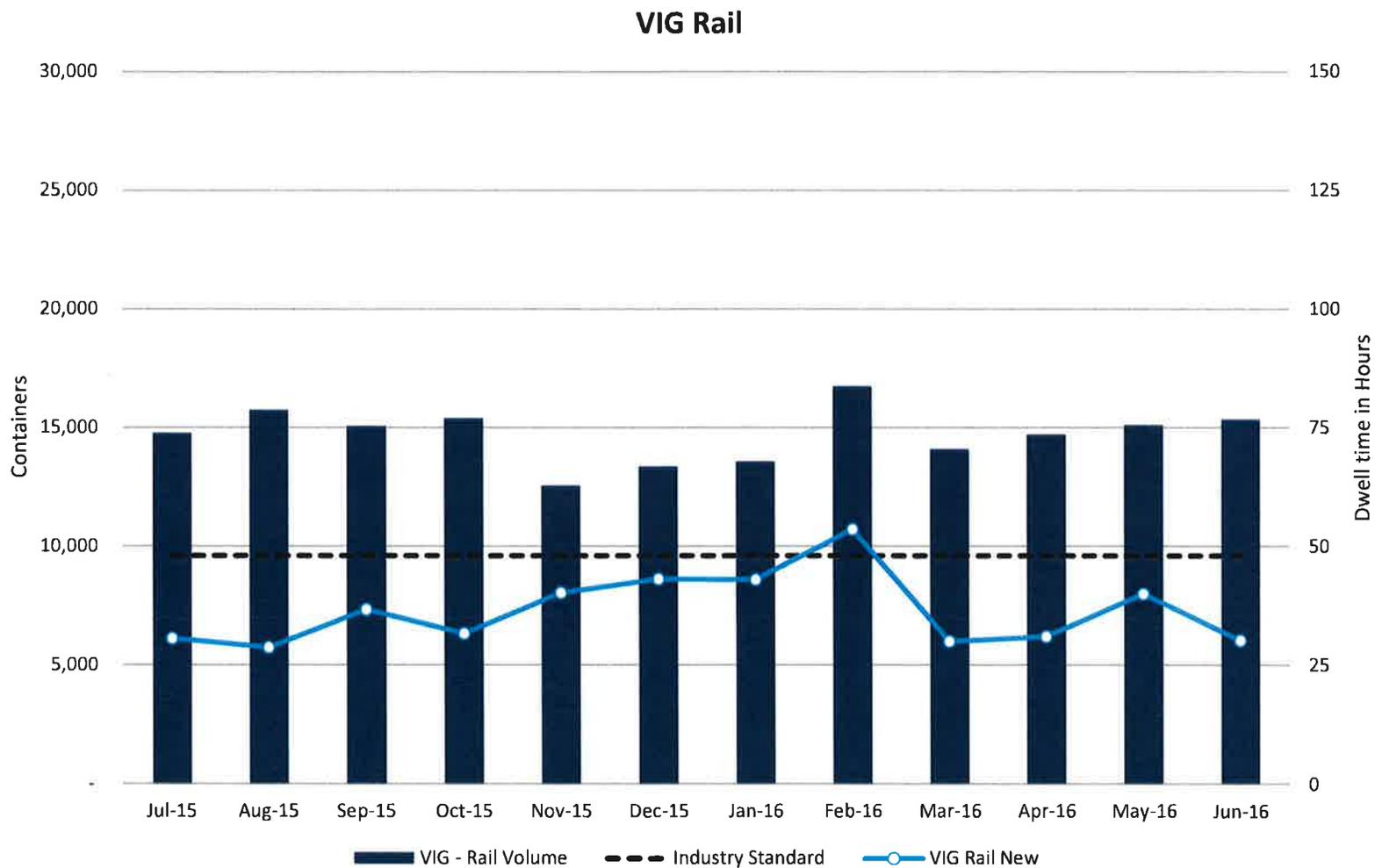
VIG



NIT Rail Volume

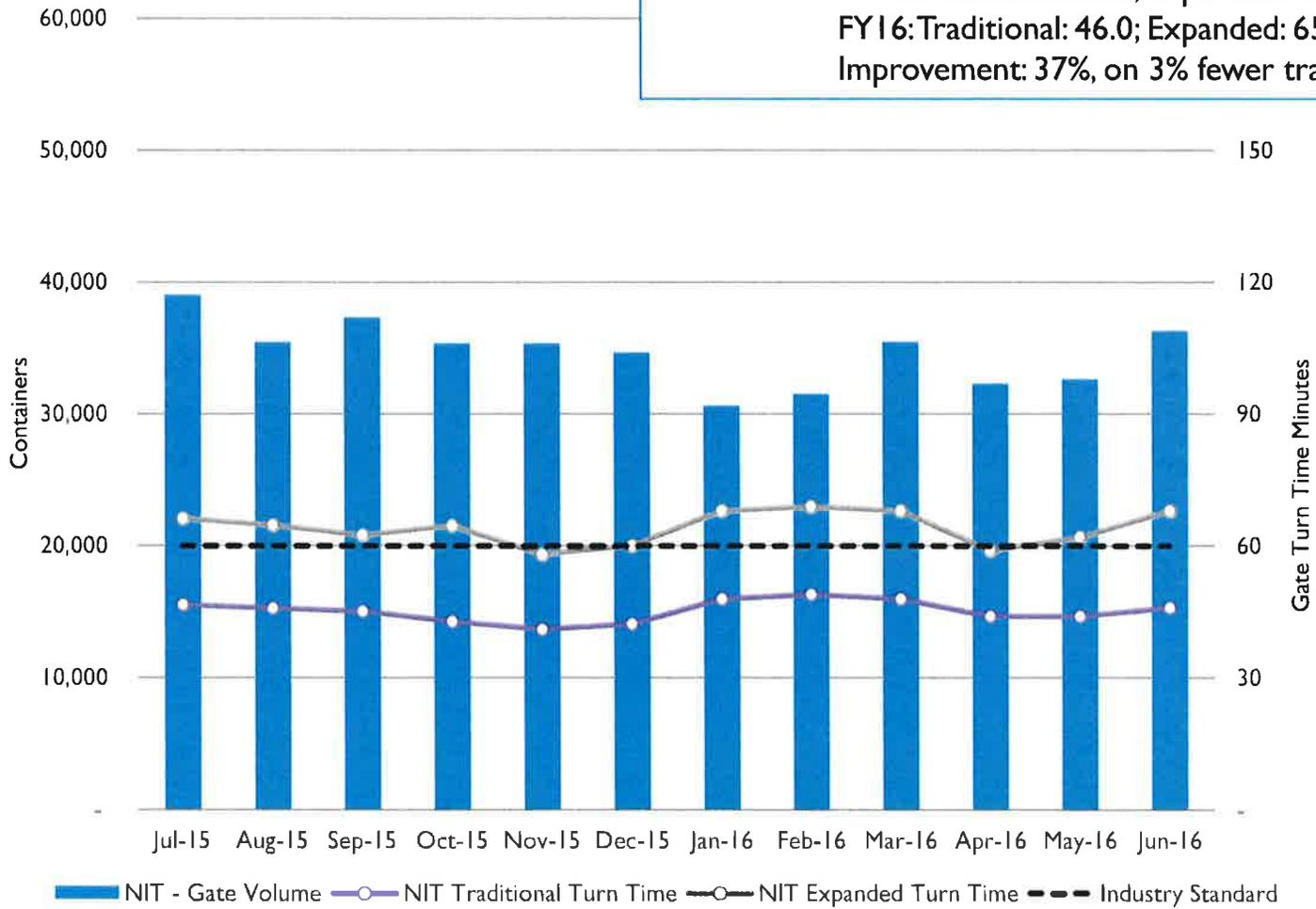


VIG Rail Volume



NIT Gate Turn Times

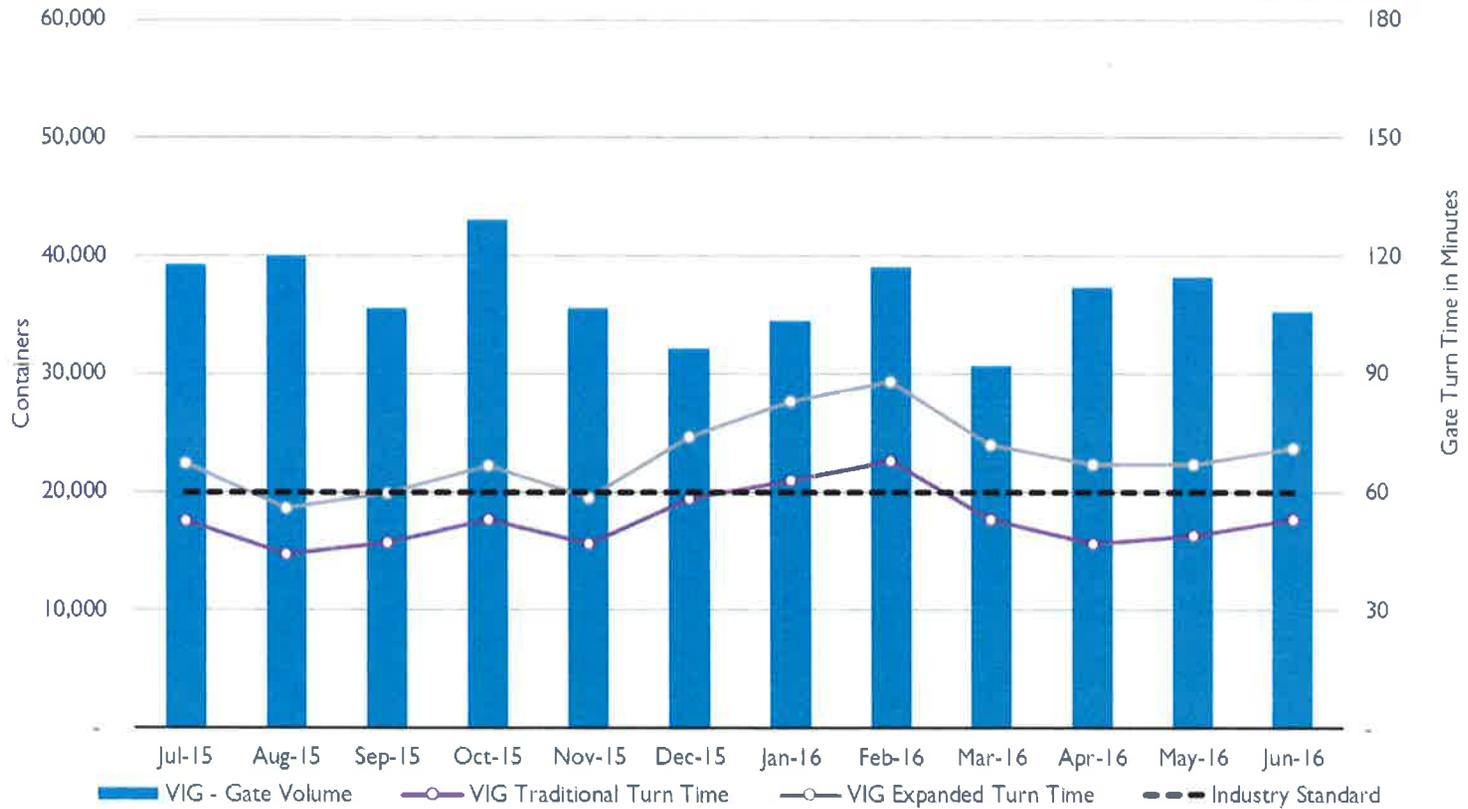
Fiscal Year over Year Comparisons:
 FY15: Traditional: 72.8; Expanded: Not Recorded
 FY16: Traditional: 46.0; Expanded: 65.8
 Improvement: 37%, on 3% fewer transactions



Stewards of Tomorrow

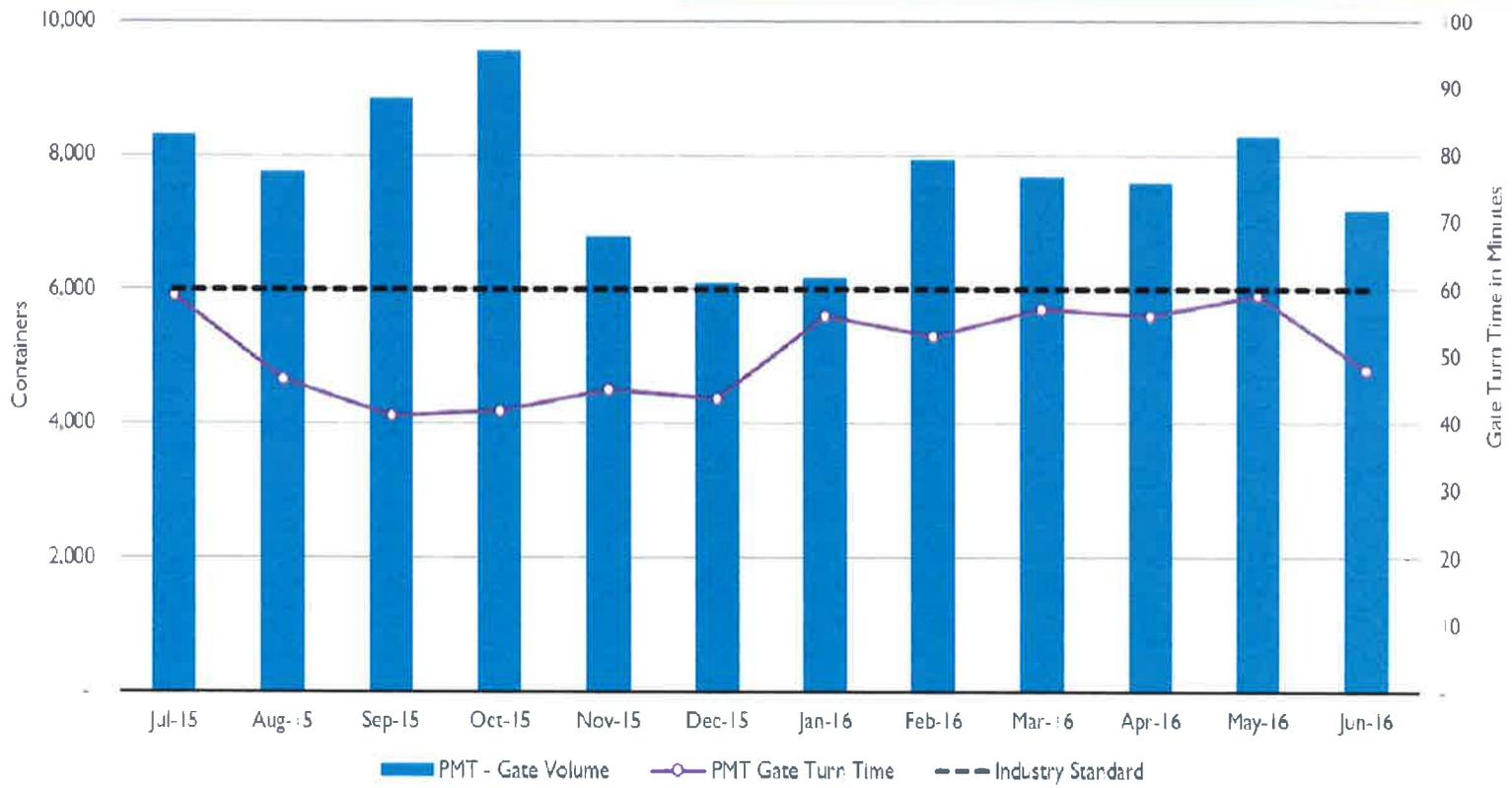
VIG Gate Turn Times

Fiscal Year over Year Comparisons:
 FY15: Traditional: 77.4; Expanded: 97.8
 FY16: Traditional: 55.6; Expanded: 72.5
 Improvement: 28% and 26% on 9% fewer transactions

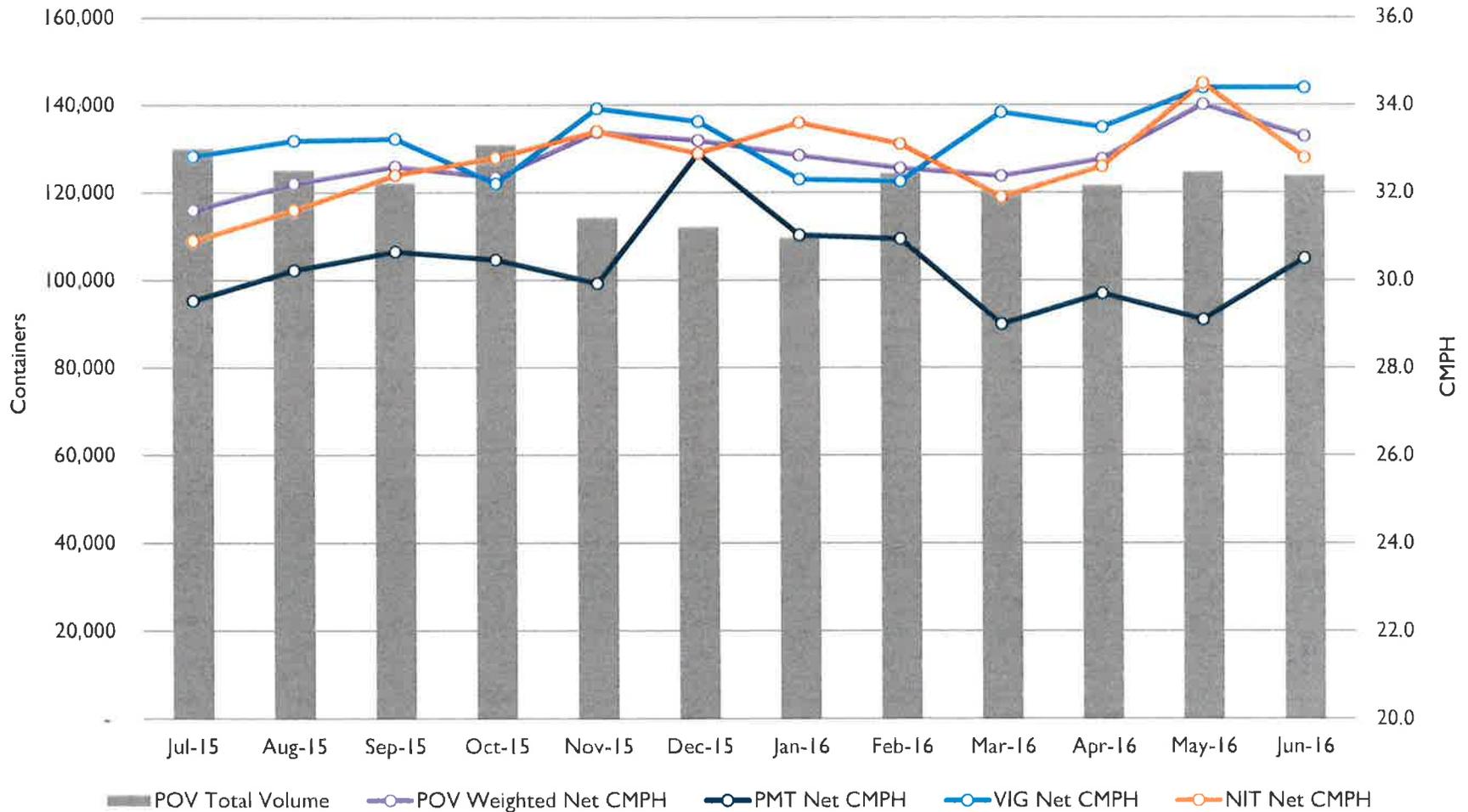


PMT Gate Turn Times

Fiscal Year over Year Comparisons:
 FY15: Traditional: 61.1 (Oct - Jun)
 FY16: Traditional: 51.1
 Improvement: 16% on 164% more transactions



Net Crane Moves per Hour



STEWARDS OF TOMORROW

INNOVATION

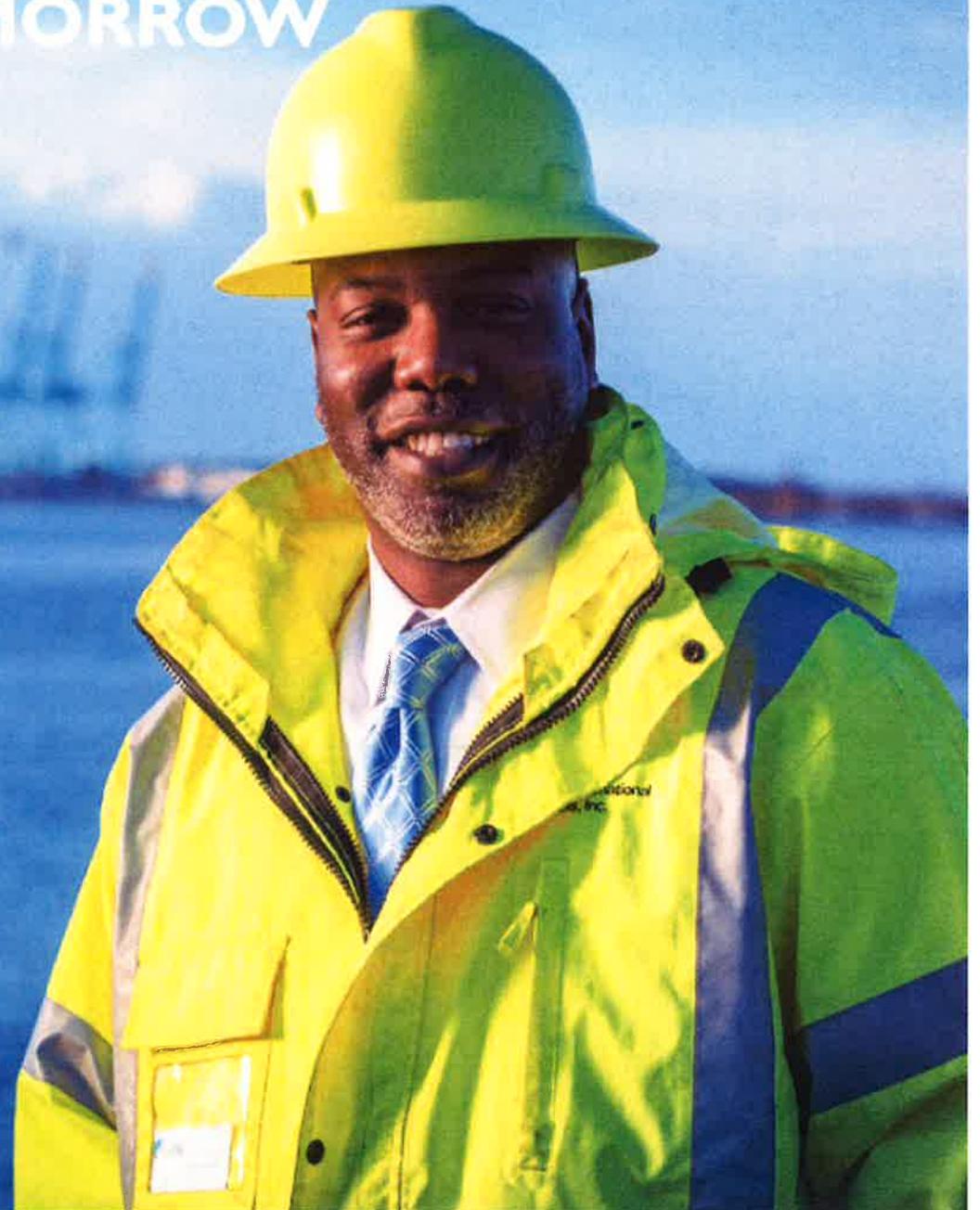
HELPFULNESS

ACCESSIBILITY

MINDFULNESS

FORTITUDE

SUSTAINABILITY



Virginia Port Authority Board of Commissioners, Session 374, August 9, 2016
Sales Report

Thomas Capozzi
Chief Sales Officer



Stewards of Tomorrow

Port of Virginia Volumes FY2016

Fiscal Year-to-Date: July - June

	FY15: Jul-June	FY16: Jul-June	Change	% Change
Total TEUs	2,510,099	2,573,635	63,536	2.5%
Export TEUs	1,356,486	1,410,090	53,604	4.0%
Import TEUs	1,153,613	1,163,545	9,932	0.9%
Total Containers	1,442,645	1,460,704	18,059	1.3%
General Cargo Tonnage	19,727,380	19,774,034	46,654	0.2%
Container Tonnage	19,433,772	19,524,006	90,234	0.5%
Breakbulk Tonnage	293,608	250,028	(43,580)	-14.8%
Total Rail Containers	465,898	511,096	45,198	9.7%
VIP Containers	36,060	40,499	4,439	12.3%
Total Barge Containers	55,506	41,323	(14,183)	-25.6%
RMT Containers	14,114	16,347	2,233	15.8%
Total Truck Containers	921,241	908,285	(12,956)	-1.4%
Ship Calls	1,989	2,023	34	1.7%
Vehicle Units	36,793	36,134	(659)	-1.8%



Stewards of Tomorrow

Port of Virginia Volumes CY2016

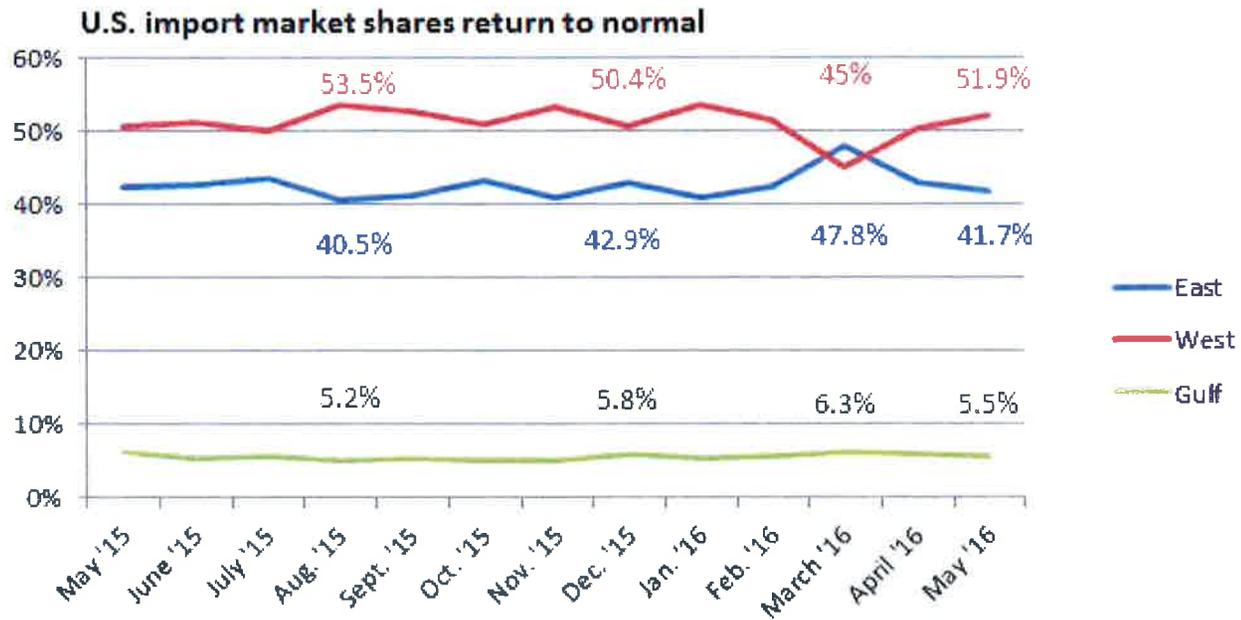
Calendar Year-to-Date: January - June

	CY15: Jan-June	CY16: Jan-June	Change	% Change
Total TEUs	1,253,716	1,278,081	24,365	1.9%
Export TEUs	676,770	694,648	17,878	2.6%
Import TEUs	576,946	583,432	6,486	1.1%
Total Containers	719,261	725,217	5,956	0.8%
General Cargo Tonnage	10,285,434	10,081,761	(203,673)	-2.0%
Container Tonnage	10,131,674	9,973,692	(157,982)	-1.6%
Breakbulk Tonnage	153,760	108,069	(45,691)	-29.7%
Total Rail Containers	239,084	266,099	27,015	11.3%
VIP Containers	17,016	20,261	3,245	19.1%
Total Barge Containers	24,030	17,747	(6,283)	-26.1%
RMT Containers	6,790	8,377	1,587	23.4%
Total Truck Containers	456,147	441,371	(14,776)	-3.2%
Ship Calls	973	999	26	2.7%
Vehicle Units	27,899	14,560	(13,339)	-47.8%



Stewards of Tomorrow

Change in US Import Market

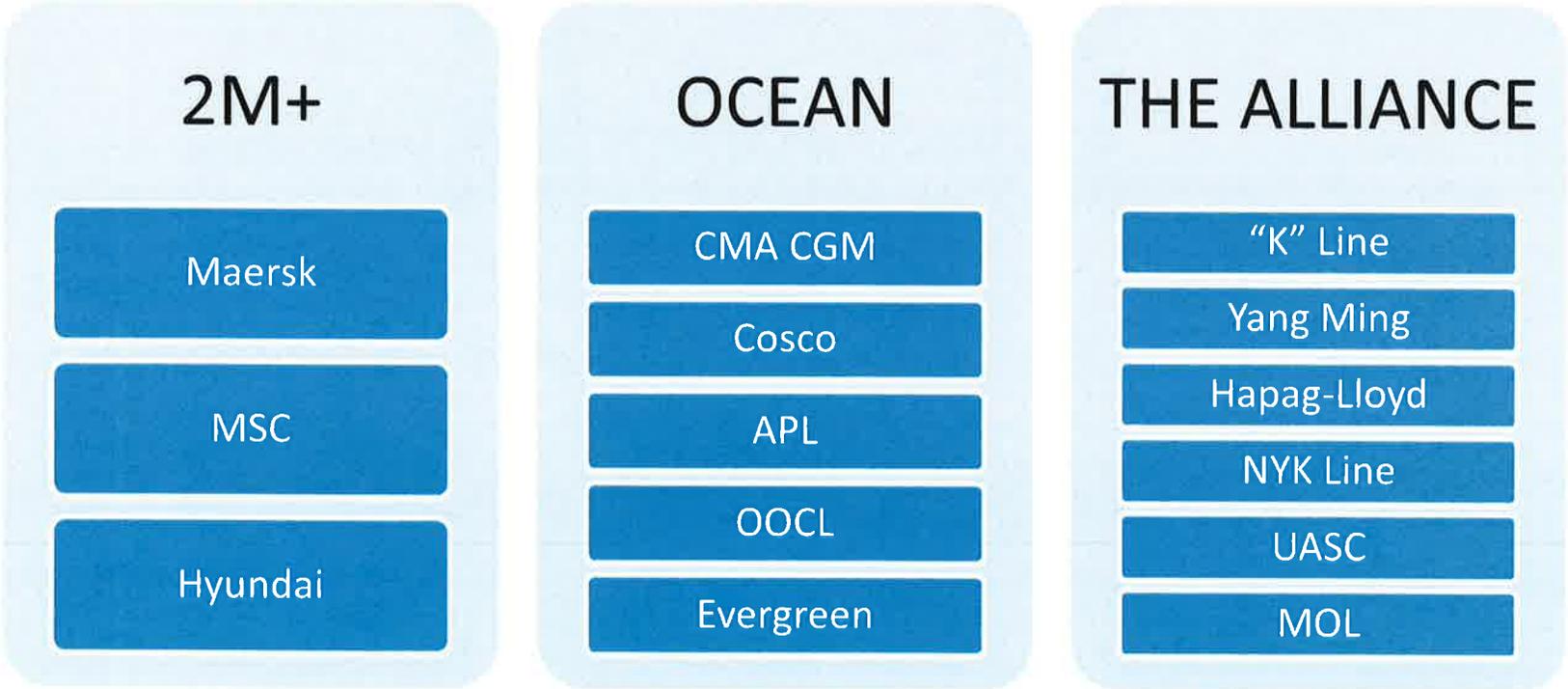


Source: PIERS, a sister product of JOC.com within IHS

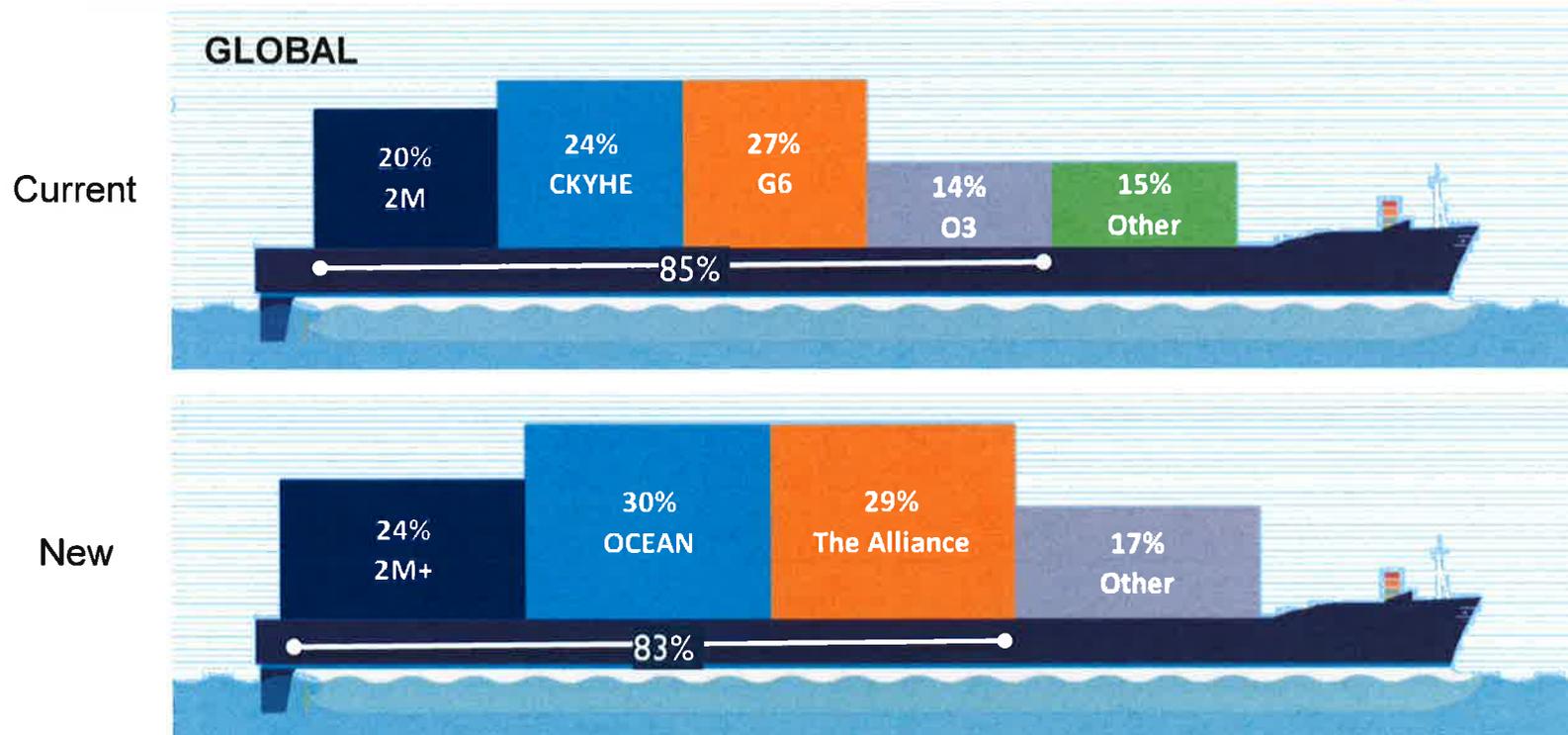


Stewards of Tomorrow

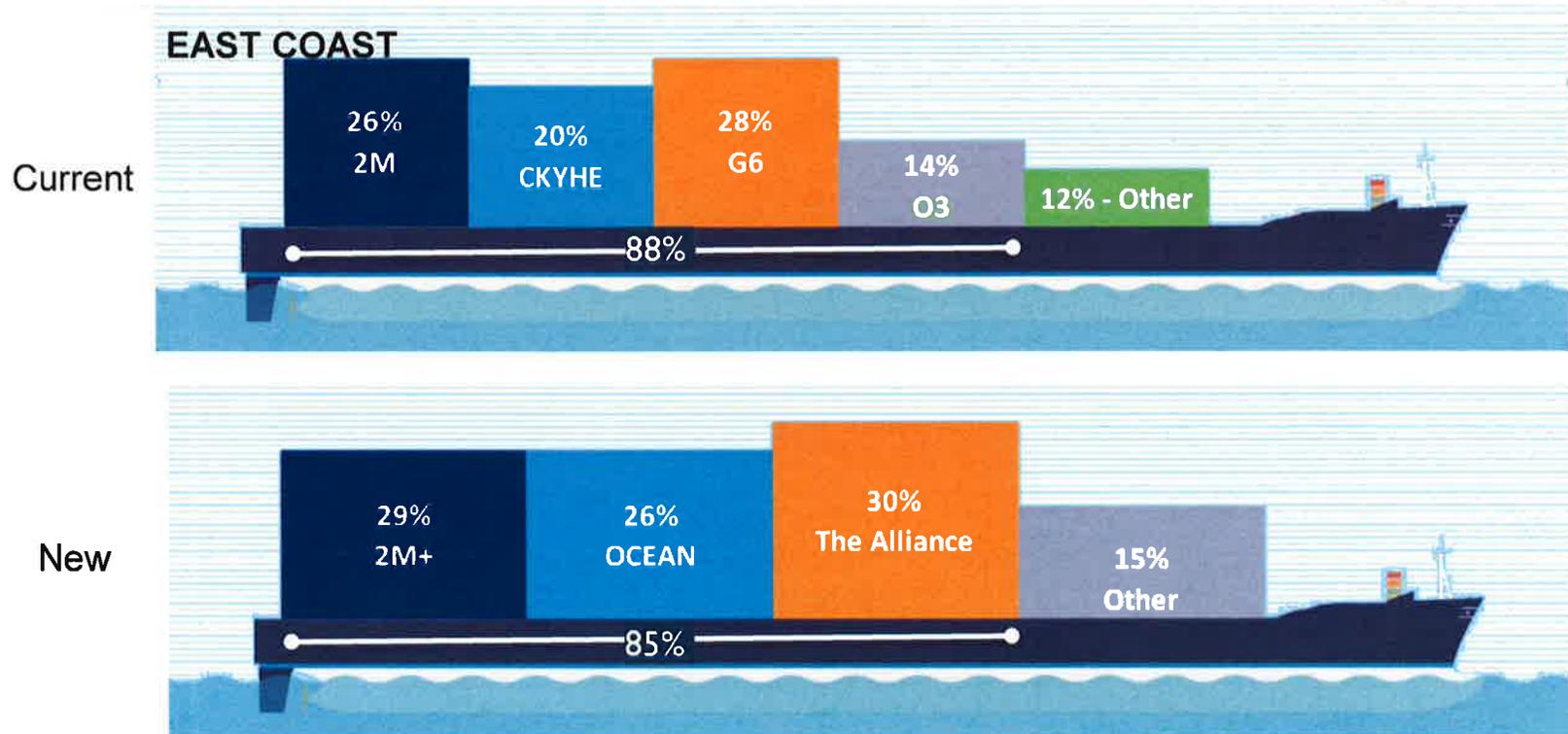
Upcoming Alliance Reorganizations



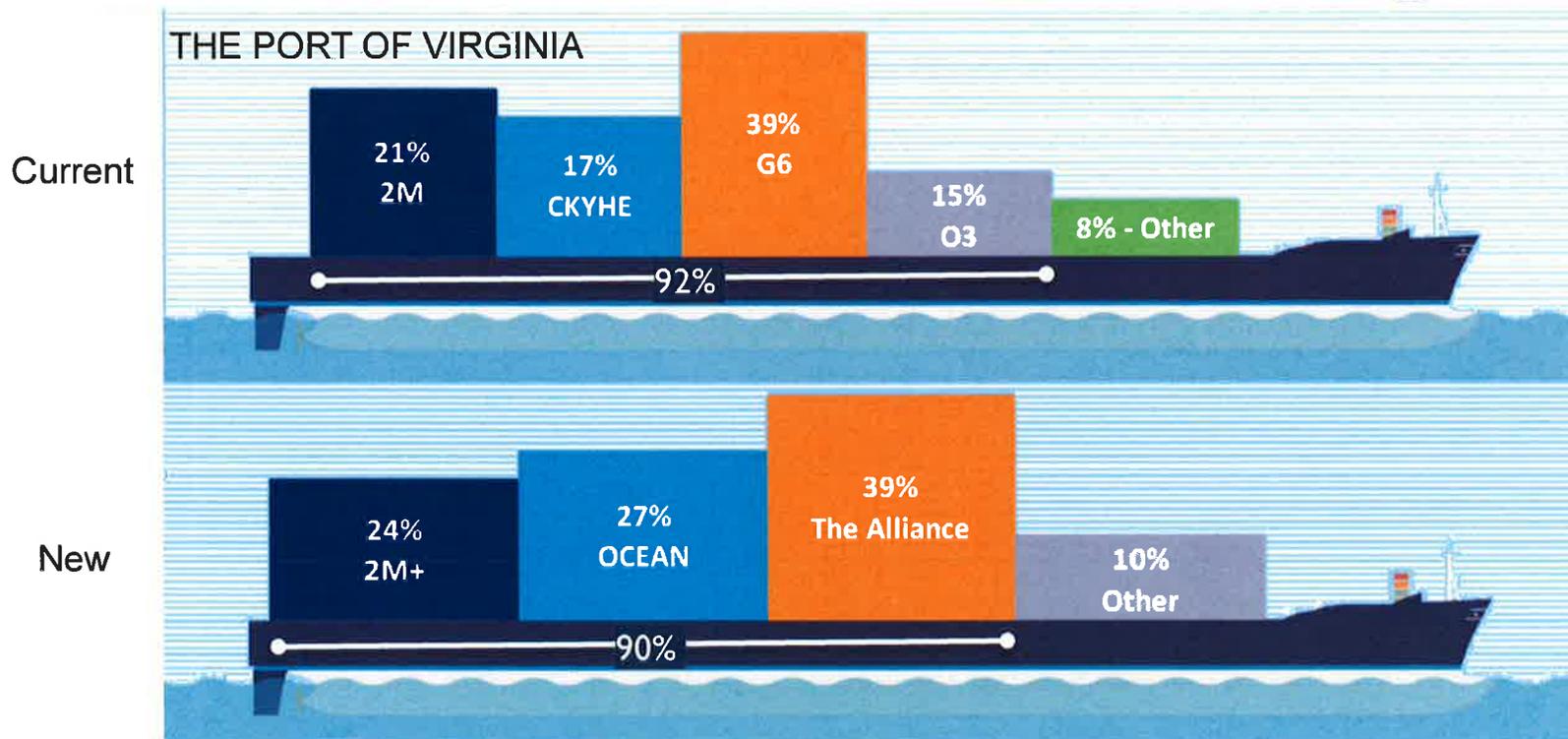
Market Share after Alliance Changes



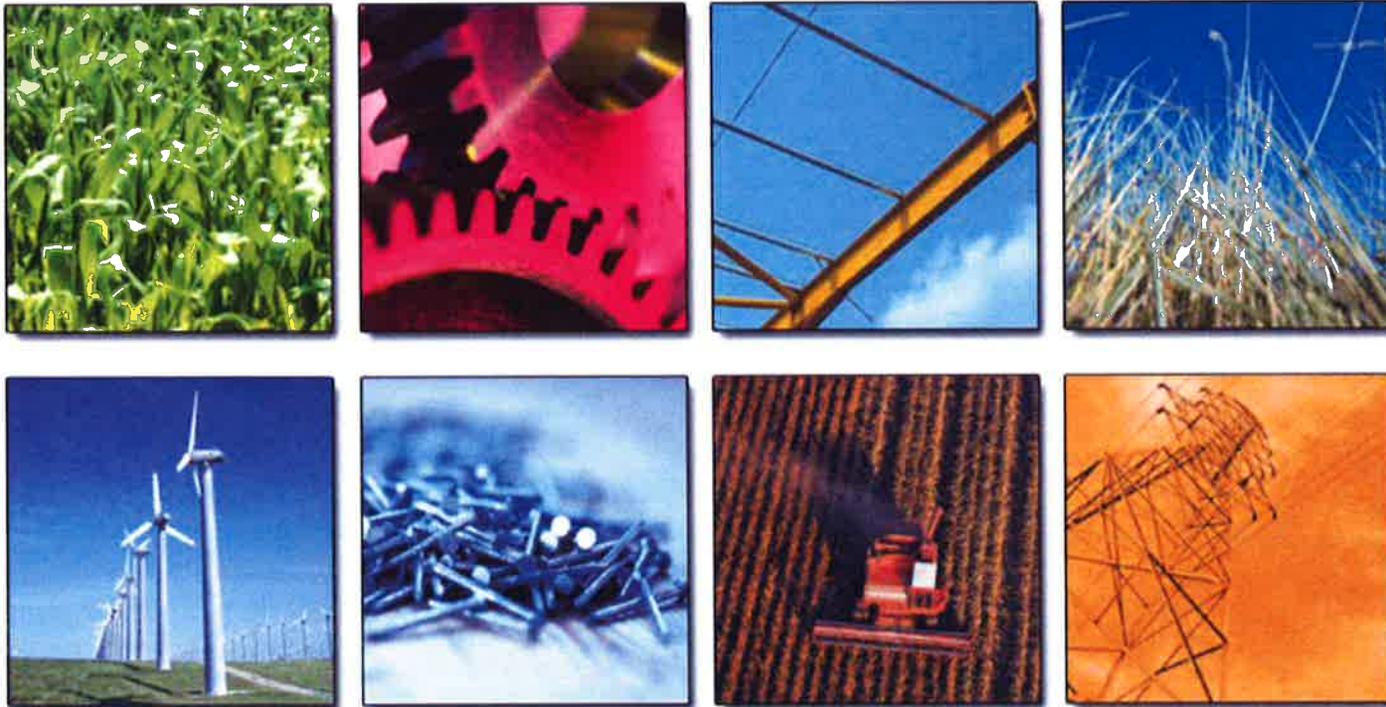
Market Share after Alliance Changes



Market Share after Alliance Changes



Market Shift



Panama Canal Opening



Europe Trade Mission



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STEWARDS OF TOMORROW

INNOVATION

HELPLESSNESS

ACCESSIBILITY

MINDFULNESS

FORTITUDE

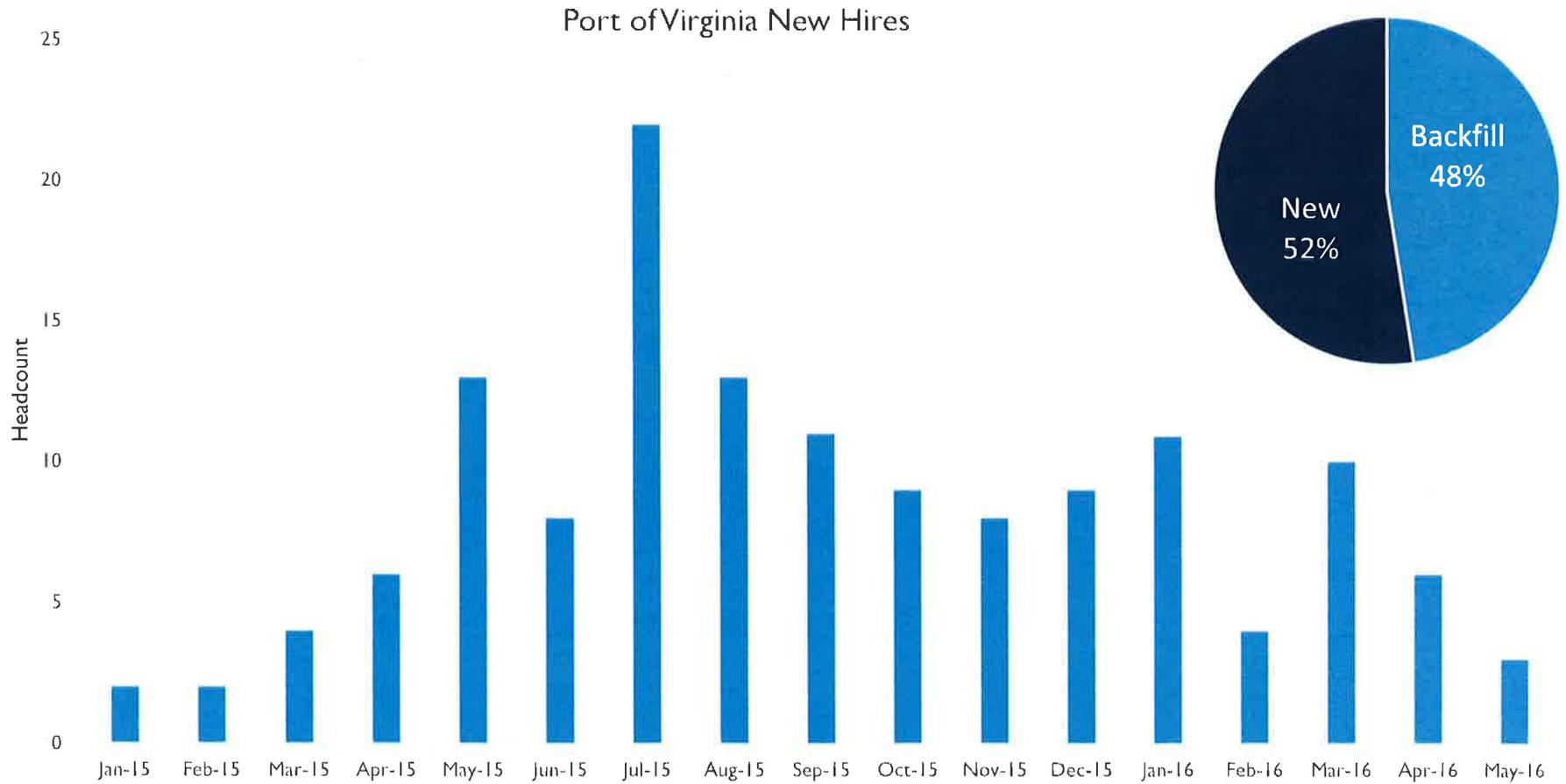
SUSTAINABILITY

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Human Resources Report

Jim Bibbs
Chief Human Resources Officer



CY15-CY16 YTD HR Metrics - Recruitment



SUMMER INTERNSHIP PROGRAM



- Currently have 15 interns representing 12 different departments
- Strong positive response from supervisors and SLT
- Intern's Presentation Fair was held on Thursday, July 28th
- Last day of internship program was Friday, July 29th

TRAINING HIGHLIGHTS

- To date, POV has over 6,783 hours of live, tracked training
- Began RMT Crane Training Project in partnership with Liebherr
- Maintained ISO 14001 certification by passing recent audit with zero non-compliance issues



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Public Affairs Report

Cathie J. Vick
Chief Public Affairs Officer



FEDERAL ACTIVITIES



GENERAL ASSEMBLY

**MOVING THE GOODS THAT
MOVE THE ECONOMY**



Norfolk Southern | **THE PORT OF VIRGINIA**



MOL BENEFACTOR EVENT AT NIT



SOUTH NIT EXPANSION DEDICATION



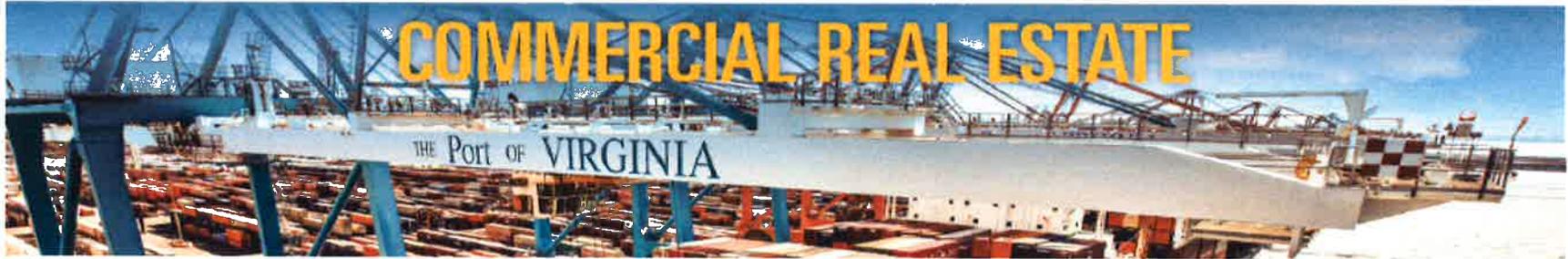
CYTD 2016 ECONOMIC DEVELOPMENT ANNOUNCEMENTS



CYTD 2016 ECONOMIC DEVELOPMENT TOTALS

- Announcements: 28
- Square Footage: Over 2,570,000
- Investment: Over \$619 million
- Jobs Created: 3,060

Re:PORT / PANATTONI/ INTERCHANGE



MARKETING AND COMMUNICATIONS

EXTERNAL COMMUNICATIONS

WE ARE CATALYSTS FOR COMMERCE

CREATING CAPACITY TO HANDLE AN ADDITIONAL
1 MILLION MORE
CONTAINERS ANNUALLY BY 2019

The containers you see on ship tracks, trails, and in our port hold the blood of our economy, and The Port of Virginia is at the center of it all. We are increasing our ability to handle 1,000,000 additional containers annually at our two major terminals by 2019 to meet the needs of our customers today – and for years to come.

*We are catalysts for commerce. We are stewards of tomorrow.
We are The Port of Virginia.*

THE PORT OF VIRGINIA

portvirginia.com/askastyletoacommerce

The Virginian-Pilot
PilotOnline.com

NEWS OPINION BUSINESS SPORTS LIFE OBITUARIES CLASSIFIEDS SEARCH

PORTS & RAIL

Friday may be the "Y2K" of the shipping industry. Here's why the Port of Virginia expects to take it in stride

By Arlene McCoo
The Virginian-Pilot

FOLLOW US

TODAY'S FORECAST

ICYMI: TOP STORIES

- How a 100-year-old Virginia company is still thriving
- USF Flight will have 3.0 training to...
International Space Station
- Shuttle launch set for Monday, 11:58 a.m. EDT
- After 100 years, the...
18th-century...
18th-century...
- How we're going to...
18th-century...

The sight of a massive ship stacked high with containers might lead you to take for granted that somebody somewhere must know exactly how much each one weighs.

Continuing to tell our story through earned and paid media.

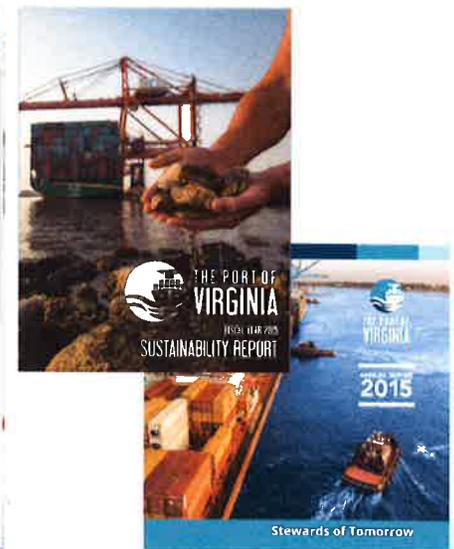
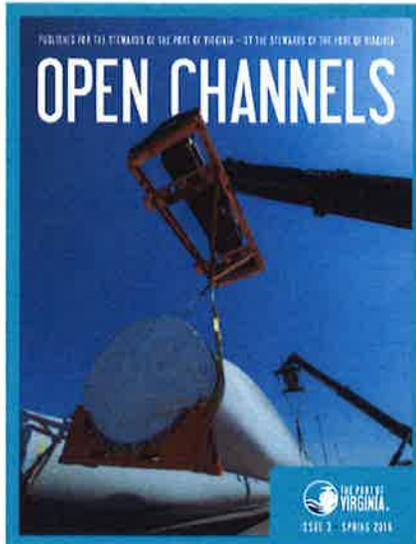
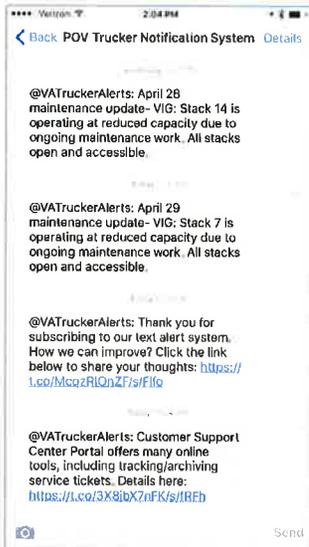
Broadening our reach to include non-trade business media outlets.



Stewards of Tomorrow

MARKETING AND COMMUNICATIONS

AAPA COMMUNICATIONS AWARDS



Six of 10 AAPA Communications Awards submissions were recognized for awards.

Up from one award in 2015.



Stewards of Tomorrow

MIRT & EMERGENCY OPERATIONS

Training

- Conducted 1st in the Nation Rad/NUC Maritime Operations Training
 - 31 Attendees (LE and Fire)
 - 12 Agencies
 - Supported by DNDO



MIRT & EMERGENCY OPERATIONS



- Supported 40 Annual Harborfest
- Assisted USCG with coordination of Sonar Operations at Smith Point
- Coordinated assets to support safety zone due to US Navy Helicopter crash

STEWARDS OF TOMORROW

INNOVATION

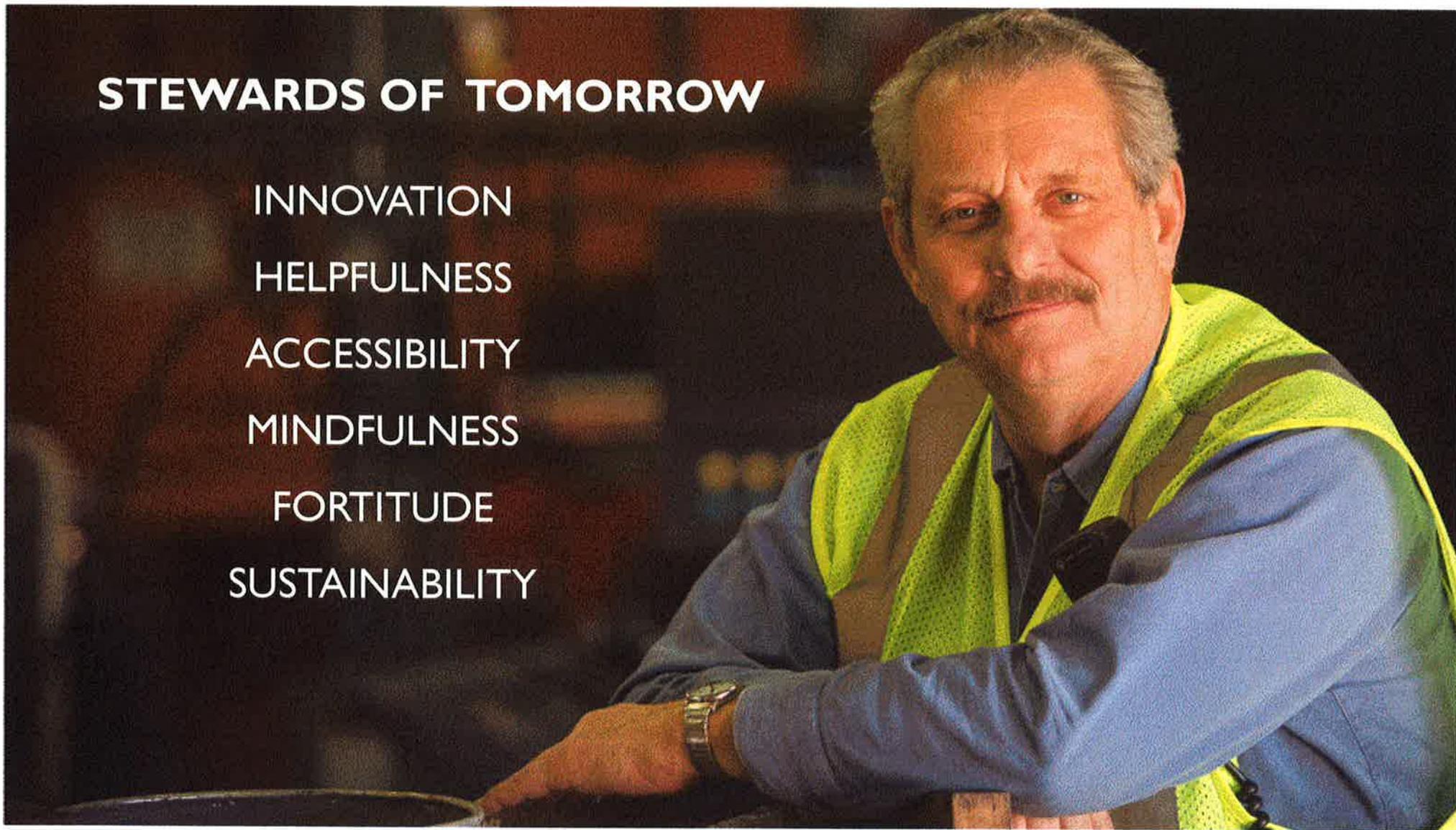
HELPFULNESS

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Innovation Report

Joseph P. Ruddy
Chief Innovation Officer





AGENDA

- SOLAS (Safety of Life at Sea) gross verified weight update
- ISO 9001 Audit Results
- North Gate/Optimization/Projects Update

VERIFIED GROSS MASS

- Effective Date – July 1, 2016
- The Port of Virginia Position
 - Option 1
 - Option 2
- FMC Agreement – June 24, 2016

How to meet the container weight mandate

As a shipper, what are your options?

METHOD 1
Take a loaded container over a weighbridge, subtract the weight of the truck, chassis, and fuel to get the weight of the packed container.

METHOD 2
Weigh each item - including its packaging, palleting, dunnage and other packing and securing materials - going into the box. Add that sum to the weight of the container to find the weight of the packed container.

TOTAL WEIGHT
- TRUCK, FUEL, etc.
LOADED WEIGHT

GOODS
• PACKING, etc.
• **CONTAINER**
LOADED WEIGHT

Scales must be certified and calibrated in line with the national standards of the country where the weighing occurred and Method 2 is subject to national certification and approval.

What are you required to do?

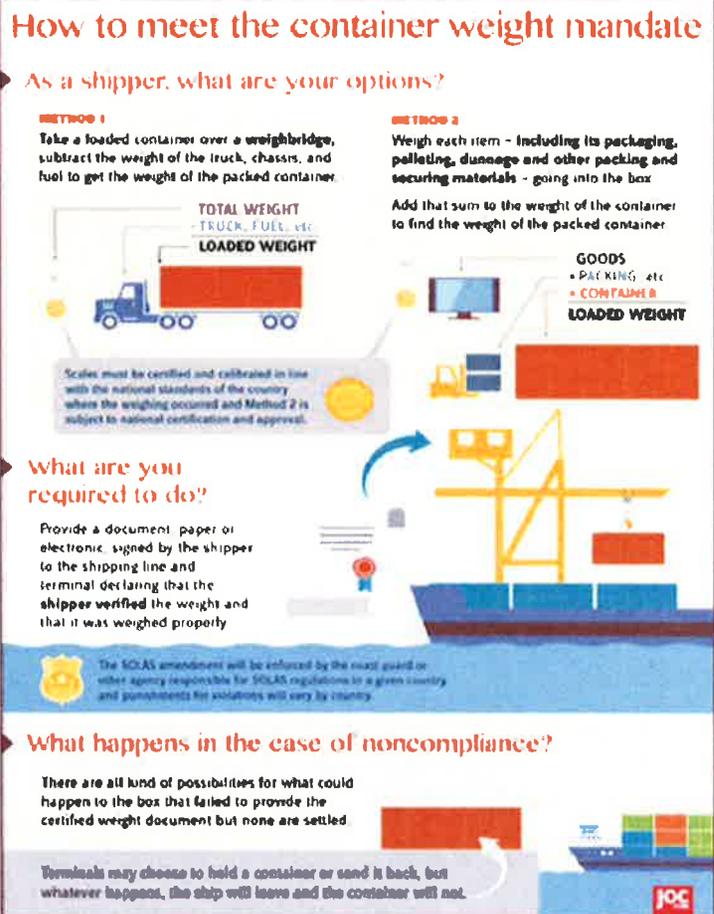
Provide a document, paper or electronic, signed by the shipper to the shipping line and terminal declaring that the shipper verified the weight and that it was weighed properly.

The SOLAS amendment will be enforced by the coast guard or other agency responsible for SOLAS regulations in a given country and punishments for violations will vary by country.

What happens in the case of noncompliance?

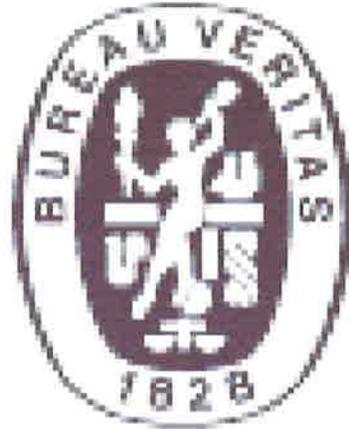
There are all kind of possibilities for what could happen to the box that failed to provide the certified weight document but none are settled.

Terminals may choose to hold a container or send it back, but whatever happens, the ship will leave and the container will not.



The infographic illustrates two methods for determining container weight. Method 1 shows a truck on a weighbridge with a callout for 'TOTAL WEIGHT - TRUCK, FUEL, etc.' and 'LOADED WEIGHT'. Method 2 shows a scale weighing 'GOODS' (including 'PACKING, etc.') and a 'CONTAINER' to find the 'LOADED WEIGHT'. A central diagram shows a container being loaded onto a ship. A note states that scales must be certified and calibrated. A section on requirements asks 'What are you required to do?' and states that a signed document must be provided to the shipping line and terminal. A note mentions that the SOLAS amendment is enforced by the coast guard or other agency, with varying punishments. A final section asks 'What happens in the case of noncompliance?' and notes that terminals may hold or return containers, but the ship will leave.

ISO 9001 SURVEILLANCE AUDIT



- Completed

NIT NORTH GATE/OPTIMIZATION



NIT NORTH GATE AERIAL



NIT NORTH GATE – INBOUND/OUTBOUND LANES



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