



## Port Productivity Summit, Session 4

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Virginia Port Authority

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Stewards of Tomorrow





# Agenda

- FY15 results
- Terminal revenue and capital investment update
- Workforce
- NIT North Gate Project
- Reservation System
- Customer Service
- Peak season performance indicators
- Port of Virginia-owned action items
- Conclusion/Questions





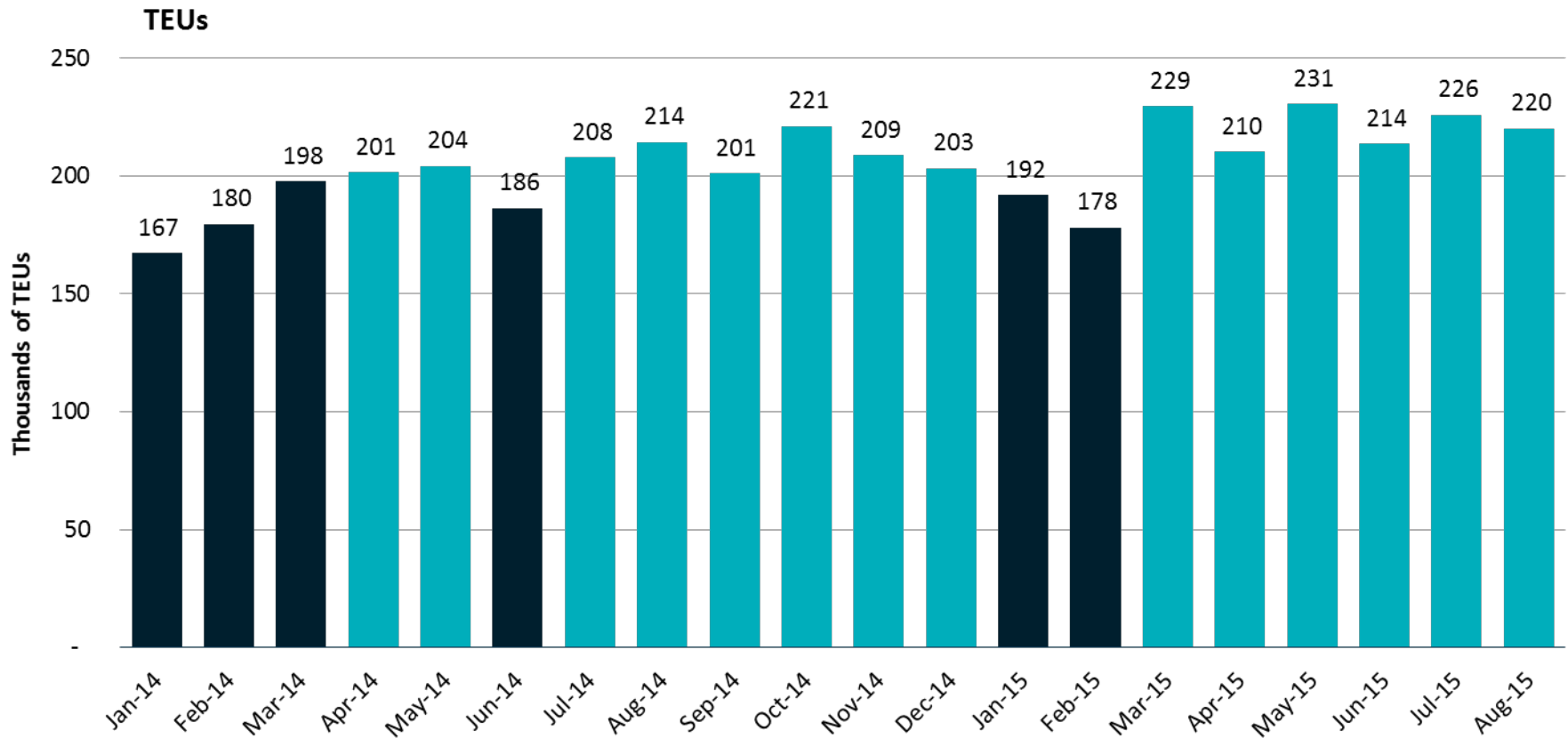


## FY2015: Another Record Setting Year

- 2.51M TEUs handled
  - Rail containers: +4.2%
  - Barge containers: +10.9%
  - Truck containers: +12.0%
  - Ship calls: +5.9%
- Increase of **8.9%** when compared with FY2014



# Record-setting volumes in 14 of the last 20 months



# Revenue

| \$000's                        |  | Budget FY 2015   | Forecast FY 2015 | Budget FY 2016   |
|--------------------------------|--|------------------|------------------|------------------|
| <b>Terminal Revenues</b>       |  | \$419,053        | \$434,660        | \$475,200        |
| <b>Other Revenues</b>          |  | \$8,732          | \$8,760          | \$10,014         |
| <b>Grants</b>                  |  | \$4,413          | \$5,137          | \$4,455          |
| <b>Total Operating Revenue</b> |  | <b>\$432,199</b> | <b>\$448,557</b> | <b>\$489,689</b> |

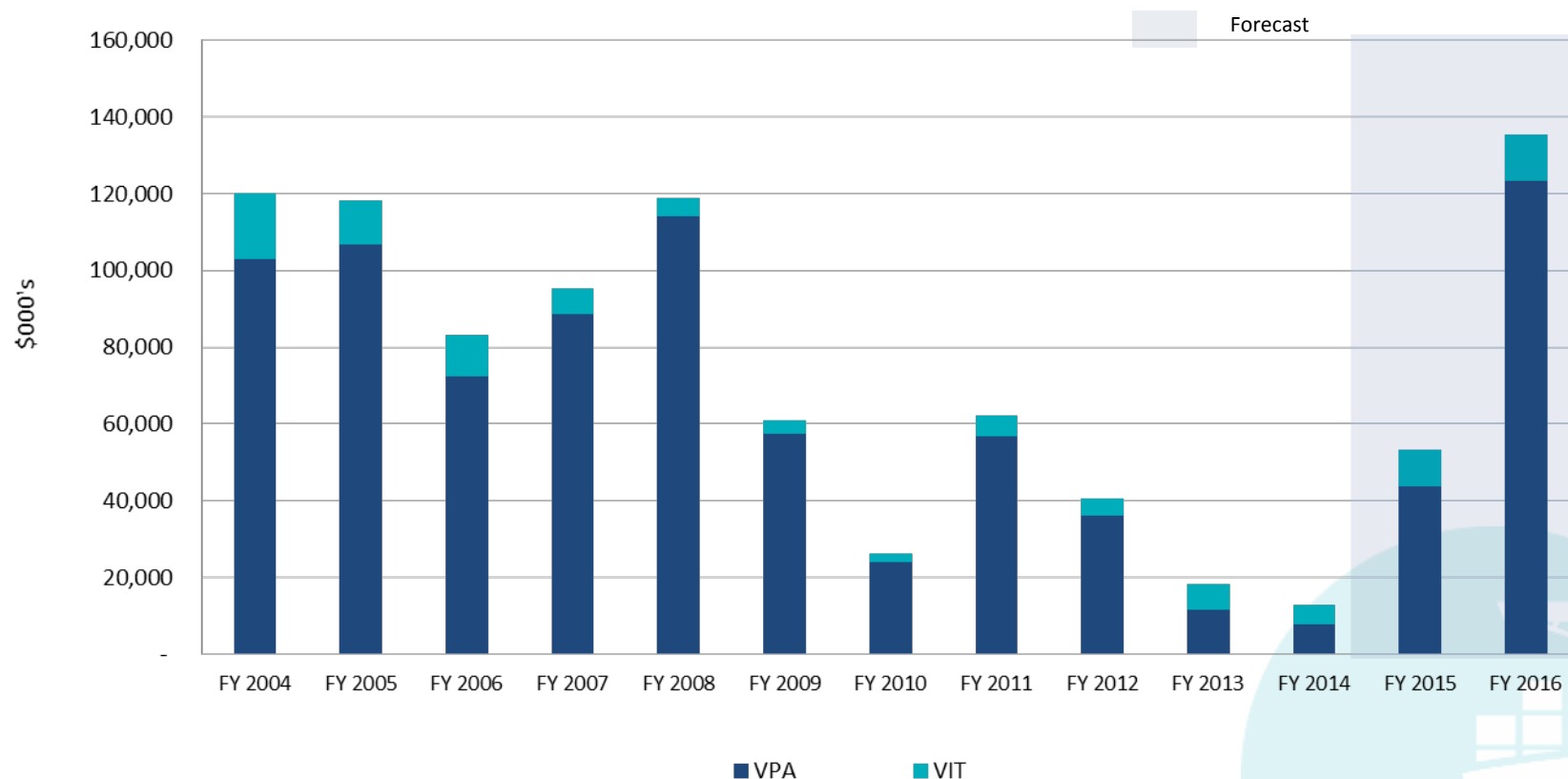
- Overall terminal operating revenue will increase by \$41.1 million or 9.2% from the FY2015 forecast
- Volume will increase by approximately 5.2% or 1.5 million containers, equating to a \$14.8 million increase in revenue
- Schedule of Rates (SOR) will increase by 1.9% resulting in a \$7.0 million increase to revenue across all revenue line items

# Historical Capital Outlay Spending

Port of Virginia 10 Year CAPEX Spend

Actual Plus Forecast

Forecast begins Feb 2015



# Capital Budget Projects

## CAPITAL PROJECTS:

### FY2016:

|   |                |
|---|----------------|
| Container Handling Equipment                    | 44,353,680     |
| NIT Rail/3rd Street Improvements                | 2,000,000      |
| VIG II Rail Portal                              | 250,000        |
| VIG II Modeling and Simulation (also see maint) | 1,825,000      |
| IT Projects (DR, GPS for equipment, etc.)       | 1,749,000      |
| NIT North Gate/Yard (TIGER)                     | 15,000,000     |
| Rebuild VIP Rail                                | 750,000        |
| VIP Rail Expansion                              | 5,000,000      |
| NIT Infrastructure                              | 3,500,000      |
| NIT Rail Expansion                              | 13,400,000     |
| Dredging  | 7,700,000      |
| PMT landside Infrastructure Improvements        | 2,000,000      |
| PMT Wharf and Fender Improvements               | 3,640,000      |
| Richmond Infrastructure Improvements            | 2,600,000      |
| VPA - CIEE Corp Support (2011 Funds)            | 3,500,000      |
| CIEE - Fill to maintain elev 10                 | 3,500,000      |
| VPA - CIEE Project Operations & Management      | 2,000,000      |
| CIEE Pre-dredge debris removal                  | 3,000,000      |
| CIEE Wick Drains                                | 5,200,000      |
| CIEE CIRRC Permitting                           | 1,000,000      |
| FED Port Security Grant                         | 1,484,250      |
| Total   | \$135,451,930* |

\*Note: Includes \$12m from VIT capital budget

# Maintenance Expenses

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- Total maintenance expenses are estimated to increase by \$11.9 million, or 13.3% due primarily to the following:
  - The opening of the PMT terminal will add \$4.5 million, or 6.1% of maintenance's overall budget for FY 2016
  - HRCP maintenance expenses are expected to increase \$3.3 million, or 16%, due to the 14% increase in the chassis fleet and a labor increase



# Personnel

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- Headcount for FY 2016 is budgeted at 536 which is an 80 position increase from the budgeted FY 2015 headcount of 441
- The positions are budgeted to be brought in over the course of this fiscal year
- Headcount request takes us back to 2010 levels when our TEU volume was 2 million vs the current 2.6 million

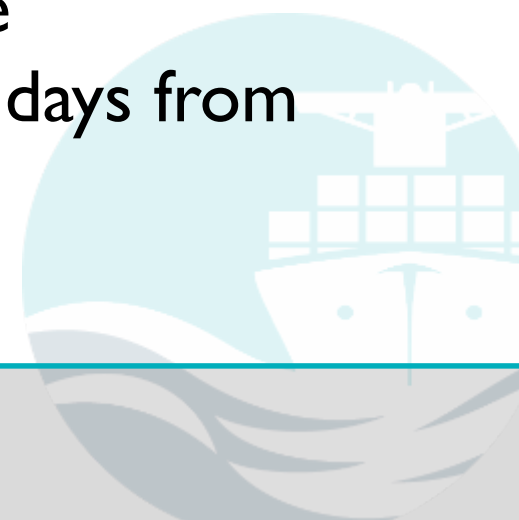
# Operations Staffing

| Jobs filled from January 1, 2015 - September 14, 2015 |                                 |        |
|---|---------------------------------|--------|
| Type  | Jobs                            | Number |
| Operations  | Director, NIT Operations        | 1      |
|   | Assistant Operations Managers   | 25     |
| Maintenance   | Crane Mechanics                 | 7      |
|   | M & R Field Auditor             | 2      |
|   | HRCP Administrator              | 2      |
|   | Electronics Technicians         | 4      |
|   | Vehicle Mechanics               | 14     |
|   | Misc Maintenance                | 2      |
| Police  | Police Command Center Operators | 2      |
|   | Police Officer                  | 1      |
| Grand Total   |                                 | 60     |

# NIT North Gate Enhancements

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- Will improve throughput of trucks at NIT
- Provides 26 lanes of ingress and egress to the terminal's North Berth, doubling the gate capacity
- Schedule
  - North gate bids are due September 24, 2015
  - Notice to proceed anticipated within 10 days
  - North Gate closes on Oct. 09
  - All cargo traffic routed to South Gate
  - Project substantial completion is 450 days from NTP

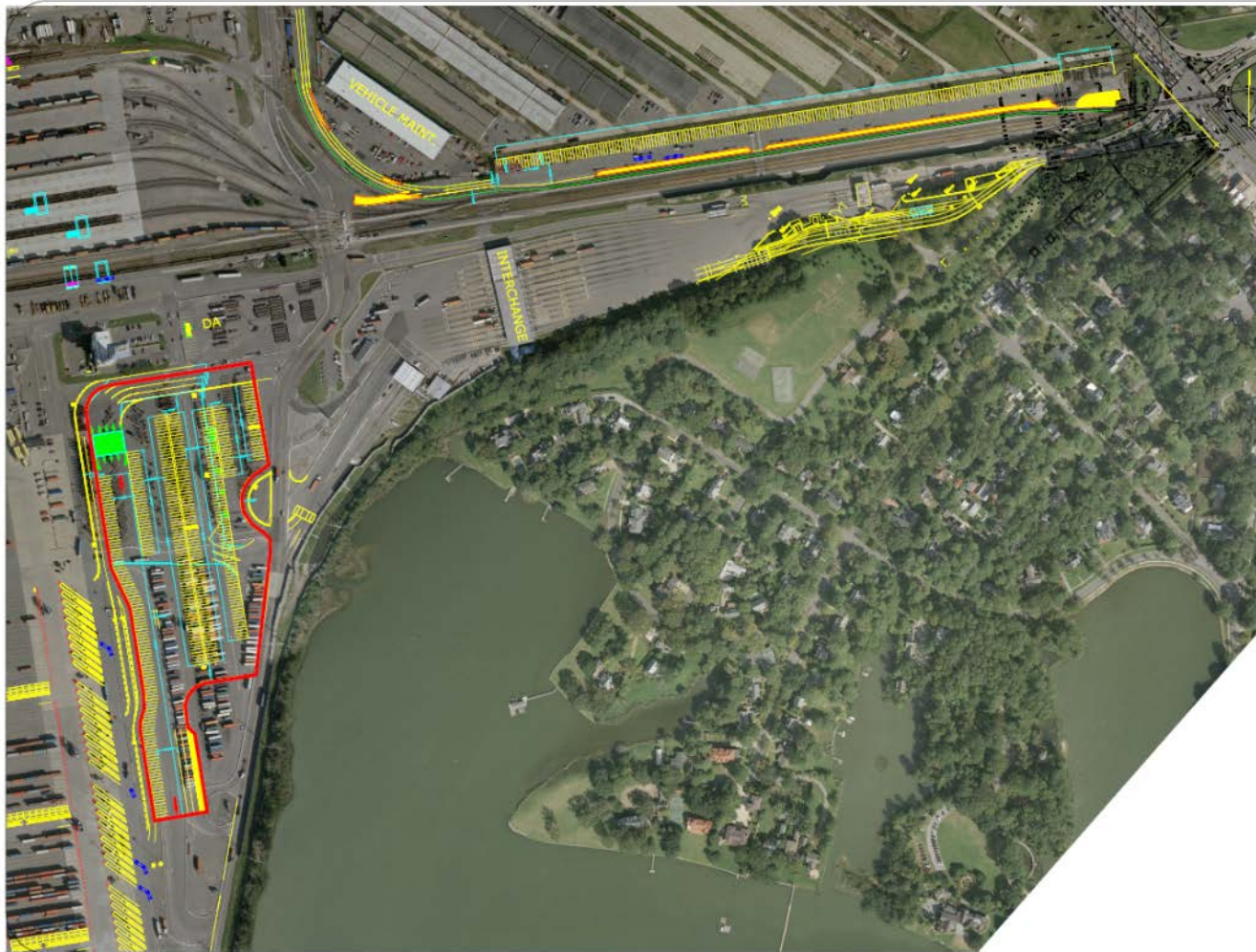


# NIT: Changes Due to North Gate Closure





# NIT: Chassis Storage Locations





# Truck Reservation System

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- POV will demo to motor carriers within the next two weeks
- Final delivery date of Advent software to-be-determined
- For truckers with “reservations” new gate software creates a more efficient transaction



# Customer Service Interactions



- Emails and Phone Calls
  - June 12,737
  - July 16,444
  - August 14,490
- Breakdown of Phone Calls Received
  - Truckers – 37%
  - Shiplines – 12%
  - Broker/Forwarders – 37%
  - Shipper/BCO – 4%
  - Internal – 6%
  - Other – 6%

# Customer Support Portal

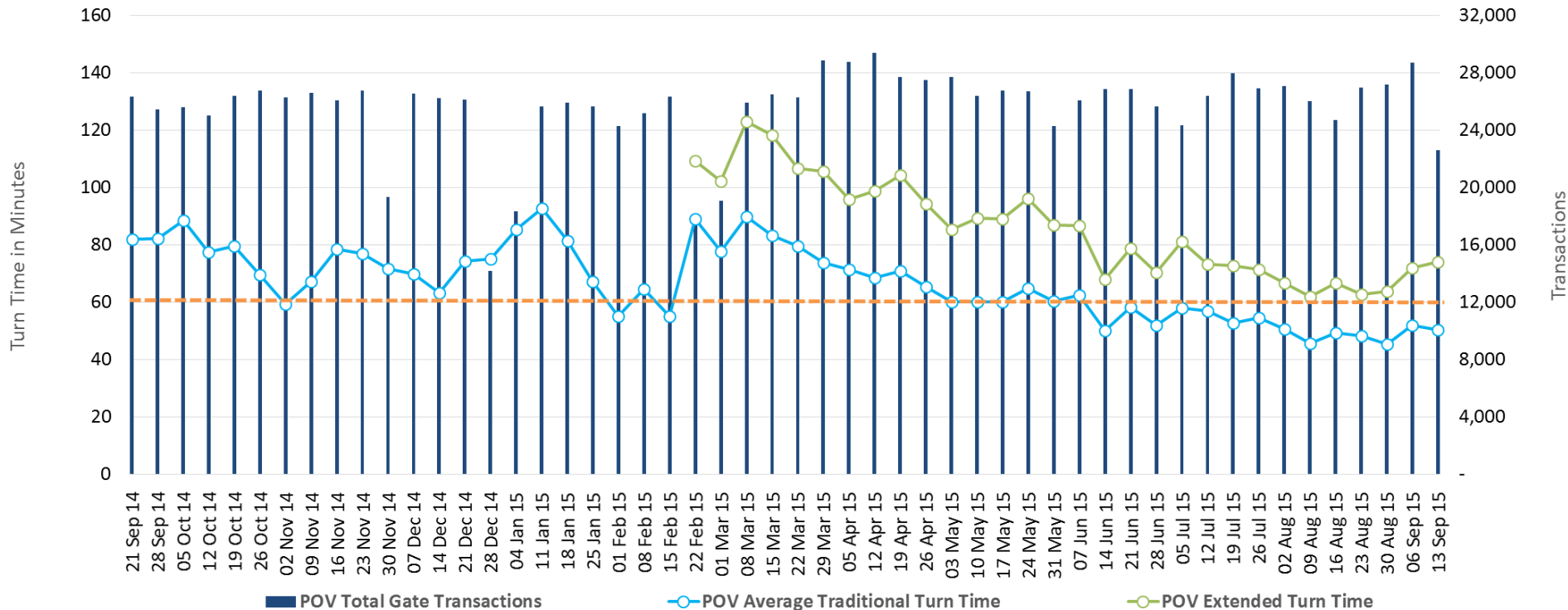
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Available on [portofvirginia.com](http://portofvirginia.com) within two weeks

- Knowledge Base
  - A constantly-updated library of solutions available 24/7
  - As our customers use the portal, we will build and continuously update the library to ensure you can quickly find the answers that you need
- New Service Ticket System
  - The new system will allow better access to our customer service staff
  - In addition, submitting a service ticket will enable us to better monitor your requests and for you to track and establish a history of our service interactions

# Peak Season Performance Indicators

POV Total Gate Transactions and Turn Times





## Monthly Average Chassis Utilization

15,393 total fleet  
1,493 chassis added last  
12 months (10% increase)

|        | % Utl |
|--------|-------|
| Jan-15 | 87.69 |
| Feb-15 | 89.38 |
| Mar-15 | 94.33 |
| Apr-15 | 94.4  |
| May-15 | 91.2  |
| Jun-15 | 90.63 |
| Jul-15 | 88.5  |
| Aug-15 | 83.55 |



# Actions Items from June 2015

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- Expand PMT Gate Hours to allow full service transactions.
- At PMT, encourage terminal workforce to be more responsive to motor carriers.
- Review daily straddle carrier deployment at NIT.
- Clarify traffic change at NIT South Gate (communicated June 18, 2015)
- Communicate NIT North Gate project updates on a regular basis.
- Clarify PPCY Annex protocols and procedures.
- Encourage better utilization of VIG reservation system.
- Fine-tune turn data in order for BCOs to make more data-driven decisions.
- Share results of optimized vessel scheduling project.
- Evaluate merits of expanding group code dispatch.
- Communicate updates on reservation system, based on feedback from key stakeholders.
- Increase participation of stevedore partners in vessel planning process.



# Facility Related Action Items: PMT

- I. Expand PMT Gate Hours to allow full service transactions.

## **PMT's Peak Season Gate Hours**

August 19, 2015

Effective Monday, August 31, through Friday, November 27, 2015, PMT's gate hours will be modified to accommodate peak season volumes.

During this 13 week period, PMT's gate will be "full service" during open hours. ALL GATE TRANSACTIONS – including pulling import loads – can be accomplished between 0500 – 1900.

Mondays – Fridays: 0500 – 1900

Saturdays: CLOSED



## Facility Related Action Items: PMT

2. Encourage terminal workforce to be more responsive to motor carriers.
  - Consistent presence of no less than two Assistant Operations Managers at the gate. During volume spikes, additional AOMs are deployed.

|                   |             |
|-------------------|-------------|
| Operations        | 6 new hires |
|                   | 4 transfers |
| Crane Maintenance | 1 new hire  |
|                   | 8 transfers |
| TOTAL             | 19          |



## Facility Related Action Items: PMT

Equipment additions to PMT since January 2015

Top loaders Total - 13

- Owned- 6
- Rented – 7

Hustlers – 30

ECH – 3 rental at PPCY







# Facility Related Action Items: NIT

## 3. Review daily straddle carrier deployment at NIT.

We are consistently deploying 40 strads per day to service the truck transfer zones.

In addition:

2 ECH since January 2015

12 contracted maintenance technicians, nimble allocation as needed at marine terminals





# NIT

- Rail construction



# Facility Related Action Items: NIT

## 4. Clarify traffic change at NIT South Gate (communicated June 18, 2015)

### NIT Traffic Pattern Change – 3rd Street/Main Gate Bypass

June 18, 2015

Beginning Saturday June 20th, NIT's 3rd Street/Main Gate bypass road will be limited to out-of-gauge (OOG) and cargo division traffic only.

No container traffic, bare chassis, or bobtails will be allowed to use the Main Gate Bypass Road. Outbound trouble tickets and turnaround traffic will use lane zero to re-enter NIT. All non-cargo division traffic must enter NIT through the Main Gate Interchange.







## Facility Related Action Items: NIT

5. Communicate NIT North Gate project updates on a regular basis.

NIT north gate will close to truck traffic on October 9. Chassis will be relocated from the NY to NIT.

As construction plans move forward, POV will communicate access alternatives in advance of any disruption



# Facility Related Action Items: PPCY

## 6. Clarify PPCY Annex protocols and procedures.

Major damage of any type regardless of equipment is accepted at annex.

Minor damage is not.

### New Process for Damaged Containers – PPCY Annex Opens May 18

*May 14, 2015*

In our continual effort to improve the on-terminal experience for our motor carrier partners, The Port of Virginia is pleased to announce the establishment of the PPCY Annex. Effective Monday, May 18, 2015, the PPCY Annex will commence operations. The mission of the PPCY Annex is to simplify and streamline the processing of damaged containers as they are returned to the port.

Important facts regarding the PPCY Annex:

- › The PPCY Annex will be co-located with the Portsmouth Chassis Yard (PCY) and drivers should access the Annex via the PCY gate
- › The operating hours of the PPCY Annex will mirror the hours of the PPCY empty depot
- › Effective May 18, containers with major damage, including special equipment, WILL NOT be accepted at VIG, PMT or the PPCY
- › Empty containers directed to NIT by the daily matrix will be accepted at NIT, regardless of damage
- › Drivers may proceed directly to the PPCY Annex if major damage is noted prior to return
- › Damaged containers arriving at the PPCY Annex will be unloaded from the driver's chassis
- › On an exception basis, drivers may be directed to drop a container on wheels and secure a new chassis at the PCY
- › Once repaired, empty containers will be dispatched from the PPCY Annex

We believe this new facility, and the processes associated with it, will benefit all port partners. Questions should be directed to the port's Customer Service Team: 757-440-7160 or [customerservice@vit.org](mailto:customerservice@vit.org)

# Facility Related Action Items:VIG

7. Encourage better utilization of VIG Reservation System.

POV to share regular messaging regarding the benefits of the reservation system to truck dispatchers.

*Approximately half of all daily VIG transactions have a reservation associated with them.*

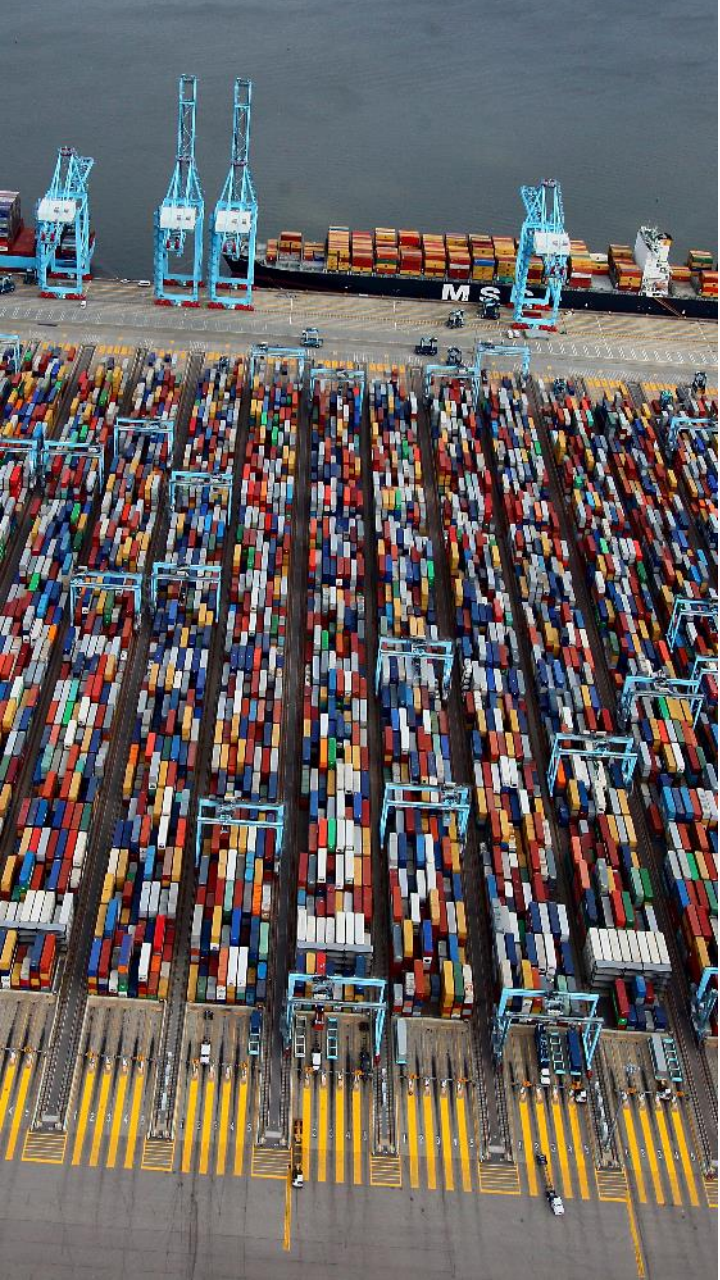




# VIG







# Data-related

8. Fine-tune turn time data in order for BCOs to make more data-driven decisions.
  - Appointment system will provide a greater level of transparency and insight to enable optimal decision making.
9. Share results of optimized vessel scheduling project.
10. Evaluate merits of expanding group code dispatch.
  - Only one POV customer using group code dispatch. The POV is using group coding for its drays.

## Communication-related

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- II. Communicate updates on reservation system, based on feedback from key stakeholders.

POV advised that further more detailed communication and training would be forthcoming soon.



# Communication-Related

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I 2. Increase participation of stevedore partners in vessel planning process.

Actively holding weekly meetings with Stevedores.





# Building on the momentum: additional opportunities

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- Opportunity to use block stow at PMT
- Opportunity at night gate hours
- Other ideas and suggestions



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Mindfulness • Fortitude • Sustainability



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