

## **Motor Carrier Committee Minutes: Meeting 10- Wednesday June 7, 2017**

### **Opening Remarks from Frank Borum:**

Changes and challenges coming over the next three years with the expansion at both NIT and VIG. We will need to work together to move the freight efficiently and effectively during this expansion time.

### **Intermodal Mechanic Training Institute:**

Tuesday Monts with IMTI gave an overview of the training they offer for container and chassis mechanics. They stated there is not enough trained mechanics nor is their standardized training. Companies want mechanics to come through with the skills needed and not on the job training. In many cases on the job training can lead to learning incorrect job skills. They teach in coordination with Federal Regulations. They train mechanics, they have them perform the repairs necessary, and they test them on what they have learned.

There was a question posed to MRS, who started a mechanic hiring committee 4.5 years ago. Jim Diaz gave an overview of the program, which starts with the interview process and then with a 3 week orientation program to be completed by testing the potential candidate. They go to welding school if needed, which is funded by the HRSA. They then go through and intense 6 week training program on the job with existing mechanics from MRS, ECS, and JAZ. They cannot do the FMCSA until they have been on the job 1 year. The committee is always looking to improve the process and welcome a professional company that offers services like IMTC. They will be having a meeting with the HRSA later today to go over the training curriculum that they have to offer to see if the HRSA would be interested in partnering. The thought is to us an outside company like IMTC to assist in recertification of senior level employees that may not have learned the skills properly in the beginning.

Question posed from the group about the inspection process at the terminals on the inbound and outbound moves and what is considered damaged and/ or the level of damage? Zach stated that we strive to be as consistent as possible on containers and chassis and we will need to continue to have consistent guidelines, because there are items that can be subjective, therefore one mechanic may see as a minor damage vs. another that may view something as major. The gate mechanics are in the Local 1970 just like the other M&R inspectors working on chassis in the field. The group has asked for specific examples so that Max and/or Zach can research to find out where the discrepancy lies and address with a particular mechanic or M&R company.

### **Sales Volumes:**

The Port continues to see strong volumes for April, with TEU's up at 4.6% and May is showing an even greater increase at 12%. We saw the largest vessel to call POV or the East Coast at VIG, May 8<sup>th</sup>, which was the COSCO Development. We have since seen even larger vessels, which is the reason we continue to see strong growth which vessel calls continue to be reduced.

The vessels are getting larger and The Port is working on the expansion to be able to handle the surge capacity of what will be coming in on these vessels for each call. Tom and Shawn were going down to Bentonville, AR to see WalMart and get a clear picture of what peak season will look like this year at each terminal.

Empty equipment had reached a high in the port to a critical amount of 23,000 empties. There were two offending lines that were forced to evacuate the empties on vessels. There was some concern raised that empties were taking precedence on the vessels, but Tom stated it comes down to the

Alliances on the vessels with one carrier not have loaded containers, so they took additional empty equipment. Levels have been reduced to a much more manageable level of around 15,000 empties on the terminals. The ocean carriers pay a storage fee and it was stated that they now incur a second tier storage fee, if they go over their benchmark by 30%.

The Hanjin empties are at 200 on the Port, so not as much of a concern as they were in months past. The lines paid motor carriers to dray their empties for evacuation and they did so by the tune of 10,000 containers.

**Green Operator Program:**

Kit gave an updated on the Green Operator program and stated that 425 trucks have been replaced and millions of dollars have been expended- to be able to give them a more reliable vehicle. They will be phasing out incentives for 2007-2009 engines, but there is an updated rebate which will be up to 30K, for 2010 or newer emission engine or half of the cost of the vehicle.

There was a question about who was an approved vendor? There is not an approved vendor list, but there are better vendors than others. Talk through with Susan to see the good and bad experiences that she has witnessed and/ or speak with Danny Glover at GTL who has had interaction with some good vendors on this program. Some vendors will wait for the grant to come through as your down payment, which is helpful to the motor carriers looking at participating. There was also a question about the "The Green Operator lane" which was present on the facilities in times past, but is not in the plans right now with the expansion projects that are going on. That is not to say that it will not be looked at again in the future.

**PRO-PASS/ North Gate/ Reservation System:**

We were shown aerial photos of the new north gate which shows large changes from the "sneak peak" tour last month to now. The motor carriers will experience separate inbound and outbound lanes at this gate that are not interchangeable. A checker and a mechanic will be viewing the interchange remotely as they do for the main gate now. If the driver does not have the new RFID tag, they will receive a message after the inbound portal but before the inbound gate which will direct him to DA, to the right of the lanes at inbound gate. There will be clear signage when entering the North Gate, which will direct them through a cutout to get to the North Zone or make a right onto Railroad Ave. to proceed to the South Zone. Either gate can handle transactions for North or South transactions.

There will be new strad rows on the North side of the terminal, which opened up when they moved a one lane road that takes you to the berth.

There was a question about new gates adding congestion on terminal. Max Sanders stated that the "hot" spot will be monitored and will have additional equipment sent there to reduce congestion.

There was a question about how to enter the port police building. You will need to drive around the building and then park in the front of the police station. If there is a problem with the container or chassis, Lane 16 will be for those drivers as well as OOG equipment. There was a question about the CSA at NIT and what is the future for that area. That will be the new queueing area for the south zone expansion project. The CSA will move to the location on the North side of the terminal, which was the NCY of years past.

By the end of the year, there will be the access to NIT with the I-564 connector. It was also discussed that there will be **no access to Hampton Blvd. from the North Gate or from The North Gate to Hampton Blvd.** The I-564 connector will give access to the Naval Base or the NIT North Gate

PRO-PASS numbers are strong, but hoping to see a large increase over the next few weeks. We are seeing increases every single day, but we want to reiterate that when the north gate opens, the only way you can enter is with the new RFID tag.

If an OTR driver goes to North Gate and does not have a tag, the system will have a way to facilitate that driver. This will help facilitate drivers that do not come to the Port very frequently.

There are currently 7 companies entered into the lottery drawing for the ribbon cutting ceremony which will be held on Monday June 26, 2017.

The Reservation System was previously through the e-modal system, but now it will be through the PRO-PASS site and we will hopefully be rolling that out in the upcoming weeks.

Question: will the reservation system be able to determine if all reservations happen to be in the same stack? The answer is YES, it is a flexible system that will be able to limit the amount of reservations in any hour that will be in a zone or stack, etc. (NIT vs. VIG).

Question: When will the program be expanded to the other facilities? We should know this soon.

Max Sanders stated that there will be a bobtail lane at the CSA in the interim, until it moves to the North side of the terminal.

Art Ellermann stated that there is a bid out now for triaxles, to bring them into HRCP for lease by the Motor Carriers. They are also looking at removing 300 older pieces of equipment with upgrades including radial tires and LED lights.

Question: Motor Carriers confused how the 10 trip rule works at the terminals? Mark Higgings shared that the 10 trip rule was specific to VIG when that facility opened, but once all the facilities are on the same operating system, there will be that visibility in the system to make the 10 trip rule work as designed. We will address the 10 trip rule in future, before the next meeting

**PMT Update:** Zach stated that two newer RTG's sent to PMT and they can deploy 5 at any given time. There was paving done as well to improve the driver's experience. They will continue to increase signage and boots on the ground to direct the motor carriers on the facility. He reiterated that they are seeing great participation from 6-8 am, stating that 1/3 of the total moves for that facility can come through during that time.

Question about additional hours? Zach wanted to get an idea where additional hours would be the most beneficial? They stated that weekend hours may be good to have at PMT. He stated that Thursdays and Fridays they do not deploy all 5 RTG's, but Monday and Tuesday they do, since it all depends on how the vessels We can deploy all if necessary and will continue to monitor.

Zach is interested to know how things are going and will work on getting a map out to show the layout of the land at PMT. We can work on a handout as well to give the drivers at the gate, or may just be better to have the link on the POV website. PMT specific turn times are posted on the website. We

are focused on having the same service levels at PMT as all other terminals. Putting more people on the ground, should be seeing improvements there.

Update by Eric Casey- Finishing last assessment for 30<sup>th</sup> crane- 1.6M dollars this year with 1.9M booked for the refurbishment program. Gantry and trolley improvements and for the rest of the summer we will not be taking equipment down for these assessments and have also help with the PM maintenance. They have equipment ordered to prevent additional down time, which will minimize the impact to the drivers and to Operations and we will see significant improvements in the coming months.

Question: Any way to not put containers in stack 13? This is down for 14 days because of a wheel issue and crane is skewed. They will turn off all receivables to the truck gate and we stop discharging boxes to that stack, but what had already been discharged in that lane will continue to have to be worked out of that stack. Eric coordinates with Ops every morning so everyone on the same page on the flow and how long RMG's will be OOS.

Question: What is involved in the assessment of the cranes? Kone employees came over to review RMG's from top to bottom, including a price and what it will do to improve the productivity of the crane. Started ordering parts on these from the assessments.

Question: Will there be free time granted proactively when a crane is down? There will not be a blanket statement regarding free time, because in many cases it is difficult to know how long a crane will be down. It will continue to be handled on a case by case basis. The Motor Carriers were hoping to be able to reduce the communication between the Port and Ocean Carriers on free time when this occurs. Customer Service goes through the same channels with the Ocean Carriers. Cannot unilaterally make a decision by the Port potentially without the agreement of the Ocean Carriers.

Observance of Holidays: There was some concern raised that when the terminal is open on a holiday, many times the Motor Carriers are unable to get drivers to work that day and/ or the warehouse/ facility they pull for is not open, so they will have to charge a pre-pull to their yard. Most Ocean Carriers follow the Port when charging free time, so if the terminal is open on a holiday, that could potentially be the last free day.

Question: Is there any way around this? FMC not looking at taking a stance on Ocean Carrier charges.

Question: When there is an IT issue at VIG, should there be a contingency plan in place to send drivers to another facility for equipment or to drop equipment, i.e. the PPCY. The concern always comes back to the Ocean Carriers charging for incorrect drop location for their equipment.