

Vice Chairman: Larry Ewan, Continental Terminals
Liaison: Greg Edwards, The Port of Virginia
Recording Secretary: Melissa Fularon, The Port of Virginia

Committee members in attendance:

- Amanda Nelson, Norfolk Southern
- Art Moye, Virginia Maritime Association
- Brian Jeffreys, CMA-CGM
- Danny Glover, GTL Transport
- David White, Virginia Maritime Association
- Donna Coleman, Norfolk Portsmouth Belt Line
- Frank Borum, Atlantic Intermodal
- George Brown, CP&O
- Jim Diaz, MRS
- Larry Ewan, Continental Terminals
- Mark Laria, U.S. Customs & Border Protection
- Peter Cooke, Ceres Global
- Whiting Chisman, Virginia Pilot Association

Port of Virginia Staff in attendance:

- John Reinhart, CEO/Executive Director
- Artie Ellermann, General Manager, HRCP
- Bill Burket, Director, MIRT & Emergency Operations
- John Jackson, Director, Customer Service
- Kit Chope, Vice President, Sustainability & Process Excellence
- Melissa Fularon, Executive Administrative Assistant, Public Affairs
- Michael Brewer, Chief, Port Police
- Tiffany Green, Assistant Director, Terminal Technology
- Tom Capozzi, Chief Sales Officer
- Travis Hill, Vice President, Container Operations

I. Call to order

Greg Edwards called the meeting to order at 8:30 a.m. and provided the safety briefing.

II. Introductions

All attendees introduced themselves.

III. Approval of previous meeting minutes

The minutes of the April 12th meeting were approved as previously distributed.

IV. Opening Remarks from Vice Chairman

Vice Chairman, Larry Ewan, led the meeting in Roger Giesinger's absence. All aspects of the port community have handled the arrival of the larger container vessels very well. Thank you to all port stakeholders for making these arrivals a success.

V. Port of Virginia Updates

- a) Discussion regarding the FMC Filing between the VPA/GPA:

James Noel, General Counsel: James provided a high level overview of the agreement between the Virginia Port Authority (VPA) and the Georgia Port Authority (GPA). The Federal Maritime Commission (FMC) authorized the agreement between the VPA and GPA to begin "talking" under the terms of the agreement. The agreement allows the parties to collaborate in terms of marketing efforts, finance initiatives, operational efficiencies, and best practices in the business. It expressly prohibits any discussion between the parties regarding pricing or commercial components. To date, several meetings have occurred and minutes of those meetings must be filed with the FMC.

Tom Capozzi, Chief Sales Officer, also provided comments. Tom reiterated that several meetings have taken place among the different divisions of the company (i.e. Sales, Innovation, etc.). Tom commented that the agreement will provide opportunities for collaboration in many areas of the business.

Larry Ewan inquired as to why the VPA chose to partner with the GPA. Mr. Reinhart informed the committee that the GPA was chosen based on operational tempos, the familiarity of GPA leadership team, and the network deployments. Together we have a stronger voice with our common BCO's and federal partners. In addition, we do not compete that much in overlapping markets. As mentioned, meetings have already begun. Seven committees have been established and the next meeting of the larger group will occur during the last week of June. An official signing of the agreement will take place at the end of the month with each organization's leadership and board chairman.

More information regarding this topic can be found on our website: www.portofvirginia.com - click "Newsroom".

- b) Commercial:

Tom Capozzi, Chief Sales Officer: The port experienced a record month in May - the greatest month in the port's history. The port processed over 141,000 containers which was an increase of 16,400 from the previous month (see attached slide). Calendar year the port has grown 8.6 percent which puts us 3 percent over our projection for the year. The Richmond barge continues to grow at a steady pace. The port has seen more and more businesses interested in this service.

Following last year's peak season, a process was put in place to survey a number of large customers to gain their input on lessons learned and how we could improve in dealing with the next peak season. The Sales Team met with 31 of the port's largest accounts to survey them on their projections for the upcoming peak season. These customers are projecting a 5 percent increase from last year.

Since the arrival of the COSCO Development, the port has received two larger OOCL vessels. All were handled very well even with the delays in arrival.

Mr. Reinhart commented that the month of May was also a record month for truck moves. The port appreciates the support of the motor carrier community.

Greg Edwards reminded all members that all news releases (volumes, etc.) are posted to the port's website.

c) Operations:

Artie Ellermann, General Manager, HRCP: Chassis pool utilization is at 80 percent with out of service at 6 percent. HRCP is in good shape moving into peak season and in the event more assets are needed due to volumes, there are assets available to pull from locally. The port will be adding some specialized equipment to the fleet in the coming months to include 100 20ft tri-axels and 100 40ft tri-axels. Artie also met with Flexi-Van recently regarding their proposal for the upgrade to the fleet and we expect to move forward in FY18.

Travis Hill, Vice President, Container Operations: There were some questions submitted regarding the ultra large container vessels. The move counts average around 1700 moves which is not putting a strain on the terminal in any way. Presently, there are no infrastructure constraints. Operations is very pleased with the performance overall in handling these larger vessels.

Operations is beginning to look at early peak season planning. Gate hours have been expanded at VIG and the team has seen very positive results thus far. In addition, hours at PMT have been expanded. Several changes have been made at PMT to improve the experience on terminal. An RTG from VIG and one from NIT were moved to PMT to create two parallel import paths. RTGs are optimal for delivering imports. There are now a total five RTGs at PMT. The facility has also undergone a huge repaving project. Mr. Reinhart complimented the maintenance team for all of their hard work on the repaving project. Eric Casey, Vice President for Maintenance also provided updates to additional improvements underway at PMT. An RMG refurbishment project is ongoing and should be completed within the next 12 months. The team just finished an inspection of all of the ship to shore cranes at PMT through a third party audit. The port will reprioritize the work needed on the ship to shore cranes to improve their optimization in anticipation of peak season. New ILA maintenance workers have been hired in order to have a more responsive time during peak hours of the day.

d) PRO-PASS Update / NIT/VIG Projects:

Tiffany Green, Assistant Director, Terminal Technology: The opening ceremony for the North Gate is scheduled for Monday, June 26th. Tiffany walked the group through the traffic flow at the new North Gate entrance (see attached presentation). The 12 acres next to the North Gate entrance will be used for additional capacity that may be needed at the north end.

Tiffany also provided an update on PRO-PASS. At this time, 557 trucking companies have registered and 2047 Wherenet tags have been purchased. As a reminder, these tags will allow trucks to access the NIT North Gate. Tags will be \$25.00 until July 1st and will increase to \$103.00 after that date.

Included in the presentation Tiffany provided was a rendering of VIG Phase II at completion and updates on how the project is progressing (see attached presentation).

Greg Edwards also informed the group that the NIT animation shown at the last meeting is available on YouTube with narration in six different languages.

- VI.** Industry Segment: CP&O – George Brown, CEO: Mr. Brown provided a presentation on the history and background of CP&O (**see attached presentation**).
- VII.** Future Initiatives/Open Agenda Items: Lessons learned regarding operational impacts from recent arrivals of ultra large container vessels.

David White provided comments. These large container vessels provide new challenges and produce impacts that are not visible to everyone. It may be beneficial for this group to revisit from time to time. The Coast Guard is currently drafting business rules for how vessel operations will be managed when there are channel restrictions for the arrival and departure of these ships. Brian Jeffreys reiterated Mr. White's comments. When these vessels arrive late due to delays it has impacts across the network.

Art Moyer also assured the committee that the VMA will be actively involved in discussions regarding the business rules being drafted by the Coast Guard. Whiting Chisman commented that the vessels that arrived produced no impacts or conflicts with non-container traffic. The Coast Guard is being consistent in the way they are handling late arrivals of these vessels as compared to how they handle the Navy's large vessels.

Art provided comments on the VMA Chapters and their progress. There has been a lot of interest in the Chapters and the Central Chapter had a recent meeting. In addition, the VMA has had a lot of interaction with legislators over the past month and have received inquiries and interest about port activity. John Reinhart informed the committee that our Government Affairs team provides quarterly updates on our projects via an e-mail distribution.

Moving forward, Mr. Ewan suggested that we include the VMA as a regular item on our meeting agenda to provide updates from the maritime community.

VIII. Adjournment

The meeting was adjourned at 9:48 a.m.

Next meeting date: Wednesday, August 9th