

Vice Chairman: Larry Ewan, Continental Terminals  
Liaison: Jay Stecher, 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
- Donna Coleman, Norfolk Portsmouth Belt Line
- Erin Maley, MRS
- Frank Borum, Atlantic Intermodal
- Keith Helton, Givens Logistics
- Larry Bachtell, ILA
- Larry Ewan, Continental Terminals
- Mark Laria, U.S. Customs & Border Protection
- Venetia Huffman, CV International
- Whiting Chisman, Virginia Pilot Association

Port of Virginia Staff in attendance:

- John Reinhart, CEO/Executive Director
- Andrew Sinclair, Director, Federal Government Affairs
- Artie Ellermann, General Manager, HRCF
- Bill Burket, Director, MIRT & Emergency Operations
- Cary Hagen, Vice President, Cargo Sales
- Jay Stecher, Vice President, Marketing & Communications
- Kit Chope, Vice President, Sustainability
- Melissa Fularon, Executive Administrative Assistant, Public Affairs
- Michael Brewer, Chief, Port Police
- Sarah McCoy, Director, State & Local Government Affairs
- Tiffany Green, Assistant Director, Terminal Technology
- Travis Hill, Vice President, Container Operations

**I. Call to order**

Jay Stecher 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 June 14<sup>th</sup> meeting were approved as previously distributed.

#### IV. Opening Remarks from Vice Chairman

Vice Chairman, Larry Ewan, led the meeting in Roger Giesinger's absence. Mr. Ewan urged to the committee members to think about lessons learned over the past year and ways in which the committee has given valuable feedback and input to the port. This topic will be addressed at a future meeting.

#### V. Port of Virginia Updates

##### a) Commercial:

Cary Hagen, Vice President, Cargo Sales: Cary provided an overview of overall volumes for the fiscal year – see attached presentation. Total TEU numbers are up: export load TEU's up 6.8 percent and import load TEU's up 10.8 percent. During the first half of the year, the port experienced growth in the rail market. More recently, the port has seen growth in the trucking side of the business as well. Breakbulk tonnage numbers are down but revenue is up. While the port is not handling much of the heavier equipment on the breakbulk side, we are handling cargo that produces more revenue. Volumes at the Virginia Inland Port are down due to the loss of Mercury Paper who is now sourcing pulp domestically. In addition, vessel calls are also down. This, of course, is due to the larger vessels now calling the port. Vehicle units are down which is reflective of the Fiat Chrysler business we received last year as overflow from Baltimore which we no longer handle. Our vehicle units are actually up year over year due to the Nissan business we have been handling.

Cary also provided additional updates on other Port of Virginia business opportunities. The International Coffee Exchange (ICE) volumes continue to grow. The port has also serviced three steel vessels this year. This is steel that is going out to projects within the Commonwealth. Additionally, the port will be submitting an application through the London Metals Exchange (LME) to serve as an exchange port. If the port receives authorization, traded material can then flow across our docks. We would then encourage our warehouse partners to pursue warehouse certification to increase the amount of business moving under exchange port status.

The Sales Team has attended several conferences and participated in several carrier visits over the past few months to include the Columbus Logistics Conference, the AgTC Conference and visits to Asia. The Port of Virginia was very well received at all events.

As of August 1<sup>st</sup>, Norfolk Southern has commenced a Harrisburg Rail service. We hope to see some movement soon as this would be new business for the port.

On August 28<sup>th</sup>, the port will be receiving the CMA CGM Theodore Roosevelt which is a 14,414 TEU vessel.

##### b) Operations:

Artie Ellermann, General Manager, HRCP: The chassis pool is running at 80 percent utilization with 6 percent out of service. HRCP will be adding 200 specialized chassis to the fleet in October. We continue to create efficiencies on the ground. Currently, 20 percent of chassis are in a wheeled status and we are looking to reduce that by another 5 percent which would create another 100 assets available. Going into peak season we could have another 1000 chassis available to handle the surge in volumes that may arise.

An off dock reefer service area will be established adjacent to the PPCY. The intent is to take empty returns off of gate traffic as we move through construction at NIT and PMT. This will be a full reefer service area with only empties being returned. The hours will mirror the current hours at the PPCY. We will target the carriers who have the largest daily returns to take that traffic off of the gates.

Travis Hill, Vice President, Container Operations: The gate hours at VIG have been extended by one hour on Saturdays (0600 opening). The motor carriers are responding well to this earlier opening time.

**c) PRO-PASS Update / NIT/VIG Projects:**

Tiffany Green, Assistant Director, Terminal Technology: Tiffany provided an update of the new traffic pattern at the NIT North Gate, an update on Pro-Pass, and an overview of the construction at VIG – see attached presentation.

The Port of Virginia's Information Technology division will be hosting two trainings for motor carriers in the coming months regarding cyber security. One training will be held at the World Trade Center and another will be held at the Financial Services Center. If any other stakeholders are interested in this training, please inform Tiffany.

**d) MIRT and Port Police Updates:**

Bill Burket, Director, MIRT/Emergency Operations: The port has been working with the Coast Guard's cyber security subcommittee and the Governor's office on a maritime focused cyber exercise. In addition, the Coast Guard will be holding their second annual Cyber Symposium at the HRPDC building on September 19<sup>th</sup>. Melissa will forward a flyer to all committee members regarding the event.

**e) Mike Brewer, Chief of Police:** The port is very interested in keeping up with cyber security. There has been a lot in the media recently about the carbon monoxide poisoning in police Ford Explorers. All of these vehicles owned by the port police have been tested and cleared by the Norfolk Fire Department.

**f) John Reinhart, Executive Director & CEO:** The Southern Association of Transportation Authorities will be in town over the weekend at The Main and the Norfolk Marriott. The Governor will be speaking on Monday.

In terms of July results, volumes are up eight percent year over year. Truck volumes are up 13 percent year over year.

Cathie Vick is serving on VEDP's strategic plan committee and Mr. Reinhart serves on the VEDP board. The group is working very aggressively with VEDP leadership to work on a strategy to enhance growth and business in Virginia. The port in partnership with the VMA is also working to add a maritime related focus to this plan.

**VI. Virginia Maritime Association Update**

Art Moyer, Executive Vice President: The VMA is working on a five year strategic plan which will be presented to their board next month for approval. A major part of the strategic plan will focus on promotion of the VMA Chapters.

The VMA has begun preparing for the upcoming General Assembly session by engaging with legislators and keeping them up to speed on maritime issues. The main focus this session will be the need for dredging as this issue is extremely important to the future of our port. Mr. Reinhart reiterated the importance of Mr. Moye's comments. Mr. Reinhart informed the committee that Secretary Layne would be pulling a meeting together of key legislators to discuss the importance and timeliness of the dredging issues. In addition, leadership from the port will be meeting with the Army Corps of Engineers on August 24<sup>th</sup> and 25<sup>th</sup> to discuss a path moving forward.

Art Moye is also involved in VEDP's strategic planning process. VEDP is partnering with other economic development groups around the state to produce a comprehensive plan and roadmap to attract business in Virginia.

The port and industry stakeholders have done a great job accommodating the ultra large container vessels.

## **VII. Other Industry Updates**

Whiting Chisman, Virginia Pilot Association: In regards to the ultra large container vessels, issues have been very minimal.

Mark Laria, Customs & Border Protection: In terms of recruiting for veterans, a few have come on board and we anticipate things will ramp up over the next few months. These positions are positions that are being backfilled. There has been no real increase or new positions. On the legislative front, there is a Homeland Security bill in the House that calls for 5000 additional CBP officers. This number would put every port in the United States whole. CBP does not have an official budget for October as of yet.

Amanda Nelson, Norfolk Southern: Norfolk Southern is gearing up for peak season and continuing to focus on providing a good level of service during a strong peak season.

Larry Bachtell, ILA: Continuing to handle the larger vessels and working to ensure we have enough labor assigned especially going into peak season. Mr. Bachtell has spent more time at PMT to gain a better knowledge of the technology being used at that facility. Mr. Ewan commended Mr. Bachtell for the hard work put in by the ILA.

**VIII. Industry Segment:** Givens Logistics – Keith Helton, Executive Vice President: Mr. Helton provided a presentation on the history and background of Givens Logistics (see attached presentation).

## **IX. Old Business**

- a) Lessons learned regarding operational impacts from recent arrivals of ultra large container vessels.  
It appears from all sectors of the industry, operational impacts have been minimal and all parties have worked well together to resolve any issues that have arisen.

## **X. Future Initiatives/Open Agenda Items**

- a) Feedback from the committee regarding the use of the NIT North Gate and Pro Pass – Larry Ewan  
In the interest of time, Mr. Ewan requested the committee revisit this issue at the next meeting.

- b)** From the movement of freight perspective, is there anyone who can project how the increase in projected freight will be moved given the limited infrastructure and transportation network we have in Hampton Roads? I think within a decade it is projected that 2 million more containers will need to be handled by rail and truck (a million each), but how will this be done by these two industries?  
With the road and rail networks existing and planned, how will it move efficiently given the timeframes customers will want it moved? – Frank Borum

Sarah McCoy, Director of State and Local Government Affairs addressed Mr. Borum's questions. With the support Hampton Roads Transportation Planning Organization (HRTPO), the port is commissioning the "Connecting Corridors of Commerce" study. The study will examine the freight corridors of Hampton Roads overlaid with key areas for future economic growth and determine what transportation improvements must be initiated to support future economic development. In addition, this will help in elevating individual transportation projects to show how they are important to the entire region. As the study progresses, stakeholder input will be very important.

**XI.** Adjournment

The meeting was adjourned at 9:55 a.m.

Next meeting date: Wednesday, October 11<sup>th</sup>