



## TMTA May 2017 Membership Meeting

May 23, 2017  
Sheraton Waterside

Meeting called to order at 6:15pm

Pledge of Allegiance – Marilyn Ryan (MR)

Marilyn opened meeting.

- Touched briefly again on the Truck Purchase program for trucks 2010 or later. Can get up to \$30,000. Look for info in upcoming flashes.
- June 13<sup>th</sup> is Election Day. Marilyn and Bill Jackson have been attending some political speakers. We encourage you to vote for folks who are trucker-friendly. Learn what issues each representative is passionate about and GET OUT THE VOTE.
- Talked about the upcoming Truck Driver Championships coming up in Wythefield Community College on June 16-17. To enter drivers, you must be a member of the VTA. They are our advocate in Richmond each year when the legislature is in session in Q1.
- Took a tour of the Northgate complex recently. Trying to get a dispatcher tour to help our drivers navigate the new facility.

Collis Bryant gave the benediction. We then adjourned to dinner. Reconvened at 6:50pm.

- MR introduced Stella McClain from Taylor Made Diagnostics presented info on their company's services for industrial medicine and what they offer TMTA members – discounted pricing on DOT physicals, drug testing and WC medicine.

MR then introduced our first speaker from the Port of VA Rich Ceci (RC)

- Rich spoke on the technologies and innovations being implemented to increase capacity at the Port of Virginia, including the RFID readers. RC commented that the port "was well aware that if it doesn't work at the gate, it doesn't work". They are well aware how important what they do is for the trucking industry.
- He designed the technology that runs VIG. Changed the way terminals have been designed around the world since. The Port of VA is THE PLACE. Understands the challenges of taking apart a working port and putting it back together in better terminal. He has already done this in NJ and it was very successful.
- Ordered 86 cranes, delivery date to be announced soon.
- Northgate will be open by June 30<sup>th</sup>. Need RFID tag to enter.
- 564 connector open by end of 2017.

- NIT gate technology-kiosks remain, RFID significantly better, biometric TWIC facility, express out-gate process, PROPASS reservations system being turned on soon, will expedite gate entry and exit. Only port in US with a short-term investment plan and a long-term investment plan. Could soon be the largest port on the East Coast.
- Building a million-lifts of capacity. More capacity than any port on East Coast except NJ. Game changer for the port and its cargo transporters.
- South NIT-construction starting Q3 (9/1). Most cargo in Phase 1 has been moved to PMT. By the time Phase 1 and 2 are completed, more capacity and faster. Then finish the terminal with Phase 3. Last stack finishes in Q3 2020. Wider, shorter and faster than ones you see in VIG now. 900,000-container capacity when done. Total NIT capacity at end of expansion will 1.2 million containers.
- VIG-buying 4 more cranes, arriving beginning of 2019. Capacity now about 650,000 marine lifts per year with rail service from NS and CSX. \$320 Million \$ investment in June 2019. 1.2 Million containers, doubling current capacity. Rail and stack operation improved. Rail yard will be a model for the world. Extend berth by 350' allowing 3 large ships at once.
- RFID replacement project: technology concern has been worked out, working very well for the last 10 years. Truckers can move between the ports northward on the East Coast, we'll see about the southern ports later. A lot of truckers haven't purchased them yet, which is of concern to the port. Will need them to enter the Northgate by June 2017. Price goes up July 1<sup>st</sup>. Owners of the trucks should be purchasing the tags. One tag per truck, order ASAP.
- Truck reservation system is working very well. Meeting all expectations. Helps regulate the flow to the stacks so folks don't wait on terminal in stacks that are running slow. Stack utilization has been key for him. Truckers can plan their work, the port can organize the containers so they flow according to the appointments and folks wait less time for boxes.

Marilynn introduced the rest of the POV speaker panel to address questions developed from the BOD that address concerns of TMTA members. The speaker panel consisted of Shawn Tibbetts, COO for POV (ST); Vance Griffin, (VG), Pete Trocchiano, VP of multiservice terminals – PMT, NNMT VIP, RMT (PT); Kyle Basham, Director of Operations at VIG (KB); Art Ellerman, GM for HR Chassis Pool (AE), Chris Sykes, GM of Maintenance at VIG (CS).

- Reinhart announced recently March was 4<sup>th</sup> busy month in the port's history with a 9% growth rate over March 2016, can you provide a forecast of volume for the rest of the year and how will it compare to last year's numbers? Shawn Tibbetts: 131,800 lifts, not as high as May and June 2017. Projecting about 6.8% growth over last year. May will be strongest ever. Couple of thousand containers. Can the forecast be broken down by facility? New fiscal year - July 1, 2017 ~5% growth next year to 1.64 million lifts. 2016 1.46 million lifts. Do break down by month/facility – about 13% of volume pulling off NIT due to losing 15% of the ground space will reclaim with semi-automated stacks. How does that impact volume? Moves into PMT. 10,000 lifts per month moving the PMT from NIT.
- 50% of South zone under construction soon, how will affect the MC community? Traffic patterns and productivity? How will it be redesigned to offset the level of acreage, will there still be activity when construction starts and how will you notify us of the new traffic patterns? RC: part under construction is not 50% and we chose the part to operate that was least used part of the terminal. Vacated all services from that area by moving the traffic pattern. When Phase 1 comes up will significantly increase capacity and Phase 3 will continue to operate. By the time they start

on Phase 2, Phase 1 will be operational. 50% number doesn't match the plan. Not a lot of traffic in that part of the terminal, so traffic patterns won't be that disruptive. Shouldn't impede functionality. Will communicate heavily.

- PMT was reopened during a period of severe congestion after being dormant for 4-5 years. More equipment has been installed and more services have moved over there, but gate hours and container handling equipment hasn't been increased to keep up with this volume. Will there continue to be additional services and equipment allocated to PMT and if so what services/equipment? Pete Trocchiano: Yes, more services will be added as they need the land at NIT for construction. Have added two new RTGs which doubled the capacity to ground imports. Will continue to evaluate equipment and resources needed to make PMT efficient.
- Appreciate the extended gate hours, but wondering how we could get more hours and is there ever a chance for a Saturday gate at PMT? PT, added two hours already, will continue to add more hours as needed. Can more gate lanes be added to PMT? PT-no we cannot add more physical gate lanes, can have satellite lanes, truck that can perform out gate functions at the terminal. Did that last year, can do again this year. MR: Trying to guarantee efficient gate flow and increase productivity at PMT, how are you going to do that? PT: Add more equipment, staffed properly and make sure we get same turn times at PMT as at other terminals. ST: to start with PMT back up has been a challenge, will see new pavement there, 6-7 acres to create new pad space. Ensure the service level is where you need it to be same as other facilities, committed to this being a success for both groups. PMT will be sustainable and have a high service level. Living through this construction together.
- What worked well with the COSTCO DEVELOPMENT and what areas of concern did a vessel of this size reveal? Kyle Basham: Planning went well, started with the new alliance announcement, where were the volumes coming from, what steamship lines, what ports, months ago started planning. Realigned all the berth windows, painful process, not easy, but watched all the way through the Panama Canal, discharges continued to change, working through informational processes, getting to know each other. Brought in additional line handlers, met with the Pilots several times to coordinate tugs, increased both tugs and line handlers, what types of pins do they use, are they 8 high...went through all of the vessel making sure they had everything planned for. Operationally a great success...worked it in 4 bays. 32 gross moves per hour. MR: How many lifts/ TEUs were done? KB: Costco-1477 lifts, Cape Tenero-2300 lifts, next call about 2200-2300 lifts. MR: Larger vessels taking 2-3 days to work, how will the last free days work? KB: As soon as the discharge gets off, let customer plan from there.
- Any plans on the PPCY mirroring VIG hours? AE: PPCY is in place to support all three marine facilities, we look at each facility and expand the hours as needed. There is no plan at this time to mirror hours but if volume dictates, will take another look. MR: chassis usage at 81%, with peak coming up...what is the highest percentage before chassis are overused? AE: evaluate monthly, add/remove. Have some tentative plans to add additional capacity and maybe some specialized equipment as well.
- Feb MC Committee Mtg. Eric Casey presented on the preventive maintenance program. All in-place cranes will be taken down for maintenance. In addition, all POV mechanics will be attending KONE University for advanced education to better serve the facility. \$7 million investment. Work to bring the cranes back to new has been going on for 4 months. Yet everyday we receive info that 2-3 cranes are operating at reduced capacity due to the maintenance work, some even at a hard stop. Concerns about current equipment at VIG and new equipment being

installed at NIT, have any cranes been certified back to new and if so, which ones? Chris Sykes: Assessment being chosen is very good, but these cranes are running 24/7/365, even when terminal is not working. Still in Phase 1. KONE Cranes has evaluated each and every crane and last week they did 5 of them, so each day there has been an extra crane out of service all day each day. Doing 50 different checks telling us what needs repairing now, what can wait a few months and info on plans for Phase 2. There are 5 cranes left to inspect/rebuild that will happen two weeks from now and we will begin ordering parts. Some take 2-3 months to receive parts. Phase 2 is doing repairs...what you are seeing now is triage repair, stuff that needs fixing immediately. Very few things can be repaired in a couple of hours, most things take 12-14 hours. One crane will take 4 days to repair its hoist wires. When we take them out, we are selective. We may take an entire stack out of service in order to fix and rebuild from scratch. Doing in conjunction with RC project. Will take months if not into next year to finish. Still in evaluation process. MR: How many crane mechanics does VIG have? CS: a good many, have what we need, but are hiring more. If you know any with 10-15 years experience, send them to me now. Hiring 6 right now, more next year. MR: Any plans to shut down individual stacks for major overhaul? CS: Yes, but not until more new stacks online. Backups would be too significant. Work in conjunction with Rich Ceci's project.

- With NIT's reduced footprint, will it be the same amount of productivity on the yard, despite the decreased yard capacity. ST: are the assets going to be there to move the containers? Yes, we are prepared to keep same level of service. No intent to draw down on service level.
- Rich Ceci: concerns about stacks and out of service for refurbishment. This goes to reservation system – if we have a stack down, we can adjust the appointment levels so you aren't trying to get boxes from an area with no efficient service. You can look at your list of boxes and assign them out based on open availability of those stacks. Knowing you will come to terminal to get boxes you can receive and not wait for boxes you can't. We can tell your driver before they arrive on port they can't get that box and make plans for one they can.

Opened up for questions from the floor.

Nicole Sapienza: Question for Rich-haven't been able to use the new PROPASS website. The eModal system didn't allow us to make a morning appt for a container that was not off a vessel yet. Vessel comes in at 9am and finishes working at 7pm, I can't make an appointment to come in the next morning to pick my container, will I be able to do that in PROPASS before I leave the office for the night? RC totally a policy question, not a question of the website. All data sent everyday with continuous updating every 15 mins to hour. Decision of available is made by port, not by eModal, so that is a policy stance, not a software malfunction. MR: this functionality addition would be useful, please look into it.

Tommy White: You are saying you have record volume right now, but this is one of the worst year's since I've been in business. How does the truck volume at the gate factor into your record volume statement? ST: this fiscal year has not been the strongest we have seen from a drayage perspective, we agree with you. First half of the year we saw negative volume for trucking. Catching up this second half. Wont' be the same level of growth we have seen in past years, but growing at an organic rate. Rail growth is strong which is what is driving the larger growth number we presented earlier. 3-4% growth this year.

Steve (Meidinger maybe, no last name heard) Is there a plan with VIG to integrate their systems with N4 so everything is unified across the board? RC: yes, there is a plan, the N4 launch at VIG will happen January 14, 2018 or slightly thereafter. Must be done by March 1<sup>st</sup>. Will be a challenging project, lots to

do to make it work properly. Tried it out on Sunday night as a test. When not working on NIT, the Northgate or figuring out what to do with VIG, working on the N4 conversion. PROPASS will roll out as soon as N4 does. Looking to see if can rollout PROPASS at VIG earlier.

George Berry: Innovation is great, but drivers' perspective is what are you doing for us right now? NIT is fairly smooth, PMT appreciate hearing some of the things you are doing there. What is disheartening to me now is we have every representative in this room for this industry except for longshoreman. They are an intricate part of this operation. This is who the driver sees on the ground day in and day out. At PMT we wait for some guy to get off his personal phone call, finish reading his book before he comes over to direct us. We need leadership on the ground, not just in the office. Need to have leadership talking to drivers and seeing what is going on in the yard. VIG is my biggest concern. Truckers need more respect and better customer service. Why can we not get more than one drivers' assistance person over at VIG? We should have 3-4 DAs. Innovation not working at VIG, lights aren't working in booths, service gaps at the interchanges. Not enough oversight of the longshoreman to give us better productivity at the terminals. MR: we have never invited the longshoreman to this meeting, would have to talk to the board to see if it's appropriate to have them come, maybe we can figure out a format we could use to make that happen. Maybe the MC Committee could help us get this done.

Mike Hirsch: If a stack is down for a whole day, why aren't the free days extended on those containers? If today is my last free day my customer has demurrage the next day. This should automatically be done. (Not sure who answered him) If crane is down one hour, different from being down 12 hours. It would be automatic if down longer than 1-2 hours. ST: said that they would take this under advisement. MR and Kara will work to nail down what TMTA needs and get that addressed. MR said she had an incident last week – 40 last free day containers were in a lane that was down, customer service went to bat with Med Shipping for us and Med Shipping extended the free day an extra day. Mike said Customer Service does a great job if you call, but if the stack is going to be down a majority of the day, why do we have to call, why isn't this automatically done? Kara will take under advisement.

Brooke Deems: why are the seal numbers not showing on the TIR interchanges? They are outbound boxes, but not inbound boxes. When everything goes as it should, folks are recording along the way, but what about when it doesn't go right, it would be great to have them recorded. Can we get them back on this interchange? ST: Seal question is very expensive question. Our customers who pay us directly are the steamship lines. A few years back they got out of the business of wanting to update seal numbers, so we update the presence of seal, not the number. If you need to number, we need to have an offline conversation of how to solve that problem for you. Extremely expensive solution to have the seal show on the interchange.

Neil Boothby: Based on your port numbers, does that number include empties? KB or ST: yes it does. How many, what % are empties do you project? If it is a significant amount, what is the port going to do in busier months, we don't excessive gate volumes because of the empty evacuation. How do we spread out over all months? PPCY was surging, so we partnered with the steamship lines to get the empties out so we could handle loads effectively through the terminal. Went from 22,000 empties down to 14,000, making space so we don't have to shift boxes. Peak season creates empties. They pay different rates up and down the seaboard, so they aren't always motivated to move empty boxes that they don't get paid for. Very dynamic situation, so I don't have an answer to your question. With the big ships coming, maybe we can get rid of some of those empties. Think 14,000 is a good number.

Nicole Sapienza: If I pull a bare chassis out on Friday and don't put a box on it until Monday, that is acceptable to you guys and I don't get charged for the chassis. But if I use it for a local repositioning and drop off the container, getting a bare chassis again by end of day, I'll get charged for the day. Chassis charges – HRCP's model wants me to go back in and check in and check out bare. AE: We are the only chassis pool in the country that offers any type of grace period. MC receives a charge for one day...you can use it for several moves, billing your customers as you see fit. MR suggested an offline conversation to get this discussed.

Meeting adjourned at 8:40pm after the 50/50 raffle.