



TMTA February 25, 2020 Membership Meeting Sheraton Norfolk Waterside

Meeting called to order at 6:13pm
Pledge of Allegiance – Marguerite Bates-Frier (MBF)

MBF opened the networking at 5:15pm with drinks and hors d'oeuvres already out, no intermission for dinner.

At 6:13pm MBF opened the meeting and gave a quick TMTA update. Mentioned was the upcoming POV Day hosted by the HRGCC, who has nominated the TMTA for an award to be presented at the POV Day. She introduced Dr. David Cook from ODU who is leading the students charged with Maritime Challenge. These students will work with Maritime companies to identify projects and submit case studies. The projects will be manned by seniors and grad students and MBF urged TMTA members to make themselves/companies available for the students' research. Project ideas are also welcomed.

MBF then announced our featured speaker, John Reinhart, CEO/Executive Director, Port of Virginia. Mr. Reinhart shared port data showing reduced turn times over the last 5 years, improved OSHA records over the past 5 years and spoke about our focused efforts through the Motor Carrier and Pier Committees who work together for the benefit of the port, our companies and our customers. He also updated us on work the POV is doing on behalf of VA commerce.

Analysis shows that 54% of container moves are under 30 min turn times, .70% are over 4 hours. POV had 67,000 moves last year, 91% under 60 mins.

Missed appointments are trending down, lots of same day reservations, but that doesn't allow his team to groom the stacks or perform necessary housekeeping that allows us to have improved turn times.

POV is a major player in economic development throughout the Commonwealth. VA was again ranked #1 place to do business by CNBC.

45 businesses expanded in VA last year due to commerce through the POV, creating 3300 jobs. The economic impact from the ports is 6% in job growth over 5 years, 21.5% increase in labor income.

Deepening and widening the Norfolk waterways makes Norfolk the deepest, widest port on the East Coast and other ports won't be able to catch up. When POV took over the Richmond Marine Terminal they moved 4000 containers/year, now they move 34,000 and next year the goal is to move 45,000.

PMT was idle in 2010 when it was reactivated. Now it is the staging area for VA's offshore energy production (wind energy). 2220 turbines will be installed by 2028 off VB coast with another 200 turbines installed by 2030 off NC coast near Kitty Hawk, NC. All will help us reduce our carbon footprint.

The POV is adding 6 more RMGs which will be operational by April 2020, 24 stacks by Summer 2020. However, the coronavirus is slowing delivery of construction and cranes. 2020 will see the completion of the Phase 1 at NIT and VIG, total port capacity will be 4.6 million TEUs, rail capacity will increase by over 40%. NIT Phase II will be complete by 2030 and capacity will be 6.0 million TEUs. In 2065 the lease at VIG will be up, Craney Island will be fully functional by then with 5.0 million TEUs. Total port capacity will be 9.6 million TEUs. 45% increase in volume by rail.

VA will continue to perform well with Amazon increasing its footprint in VA, taking over the Ace facility. 2019 was an outstanding service year with big box industries, Best Buy recently announced they are coming back to the POV, truck manufacturers will continue to use POV to ship in parts for their factories which will all lead to POV being a leader in economic development for the state of VA.

This port is competing at a level we have never seen before, setting up the future of VA commerce.

Q&A:

MBF – if we are doing 5 million containers, what are other ports doing? Halifax, NS and GA growing double digits, NY picked up a couple of percentage points. We have a shorter route by rail, working to get Ocean Lines to call on us first instead of last, using rail and local together to sell this port as a first stop.

Ed O'Callaghan (EOC) – in respect to our regional areas - NOVA, RVA and 757, why is SE VA ties into RVA? Reinhart suggests that we are more powerful when we combine ourselves with regions with similar features/needs. We are the 17th largest region in the nation, if we are tied together. We must unite and move away from regionalism so we can attract businesses with our labor pool, quality of life, etc. Expanded commerce and economic development will do that. Educate people about our connectivity, show the assets of our region, not just as one city. Must keep right to work laws to entice business to move here/stay in VA, be welcoming across communities, retain reliable workforce, stop exporting MBAs! Focus on how we can work together, not separately.

Correlation in election cycles to economic development. What does POV do to insulate itself from politicians who lean towards their region and not "state-wide" needs? Reinhart is a capitalist and believes that when we elect other capitalists, we push forth economic development across our state. Need to stay away from socialist politicians who are not as focused on economic development across the state.

Reinhart has been in front of Congress testifying to get the cranes removed from the tariff list as none of its components are made in the US, so there is no US substitute for this product.

Ashely McLeod said the VMA legislative day had 84 visits to congressmen, most she's seen involved.

POV lobbies the federal government, explains to other states how the business of the POV impacts their state's economic development.

EOC asked where will we get people to do jobs for wind energy and shipyard work? Reinhart says we need to get the word out to young people that there are good jobs here and more affordable housing than other areas. We just need to retell our story to reshape our future. Reinhart “Thank you Motor Carriers, YOU are an important link to growing our economy!”

Meeting adjourned at 7:15pm.