



Agenda Motor Carrier Committee Meeting- Meeting 26

February 5, 20120 @ 8:30am

POV Main Board Room- World Trade Center

Chair: Frank Borum

Vice Chair: Danny Glover

MCC Liaison: Brian Bashara

Attendees:

John Reinhart – POV

Tom Capozzi – POV

Rob Cannizzaro – POV

Vance Griffin – POV

Patrick Jefferson – POV

Greg Edwards – POV

Tiffany Green – POV

Kara Matzko – POV

Kit Chope – POV

Ron Green – POV

Vanessa Evans – POV

Tom Christman – POV

John Jackson – POV

Brian Bashara – POV

Anja Sparenberg – POV

Melissa Fularon – POV

Daniel LeGrande – POV

Frank Borum – AIS

Susie Gresham – AIS

Chris Columbus – CBT

Nicole Sapienza – Hale Intermodal

Marilynn Ryan – AW Trucking

Jake Darrell – DB3

Robert McNichols – Givens

Allen Campbell – Givens

Bob Eveleigh – Port City Transportation

Ray Jalkio – Service Transfer

George Berry – Pioneer Transport

Stafford Claud – XPO

Brian Compton – Salson Logistics

Brynn Gordon – CST

Ronald Kemp – Hudd Transportation

Stacey Gilliland – Gilco
Dwayne Webb – Time Dispatch
Tracey Webb – Time Dispatch
Jacqueline Wilson – Time Dispatch
Leonard Walston – Time Dispatch
David McLellan – MCO Transport
Charles Glover – GTL Transport
Cory Blackburn – Port Technology Services

Invitees: Dwayne Paschall, Bob McNichols, Nicole Sapienza, Jeff Begin, Linda Kelley, Danny Glover, Dale Ledbetter, Marilyn Ryan, Benny Brent, Brenda Woods, Tommy White, Shirley Roebuck, Frank Borum, Chris Columbus, Brynn Gordon, Patrick Foley, Greg Edwards, Tom Capozzi, Kit Chope, Kyle Bassham, John Jackson, Peter Trocchiano, Travis Hill, Mark Thorsen, Vance Griffin, Cary Hagen, Matt Barnes Smith, George Berry, James Bibbs, Joe Ruddy, Cathie Vick, Jay Stecher, John Reinhart, Bob Eveleigh, Mike Davis, Lauren Creech, Daniel LeGrande, Brian Bashara, Mark Higgins, Cindy Morgan, Mike Davis, Tiffany Green, Jake Darrell, Ernest Stevenson, Jim Diaz, Brendan Tompkins, Cory Blackburn, Maureen Walter, Phillip McCall, Stacey Bolen, Diane Newell, Dave Lindquist, Allen Campbell, Stafford Claud, Chris Thompson, Brook Deems, Ronald Kemp, Susie Gresham, Charles Glover, Dwayne Webb

- 1) Emergency/Safety Briefing
- 2) MCC Chairman Opening Remarks
 - a) New MCC Membership

Frank Borum officially announced and welcomed the new MCC membership for the new MCC term, starting CY2020 through CY2023. The group was selected based on the MCC By-Laws drafted and signed off on in 2016.

- b) Hampton Blvd.

Frank Borum was asked to address the motor carrier community regarding the traffic restrictions on Hampton Blvd. “Trucks towing chassis, bare or not, are by city ordinance not allowed on Hampton Blvd between the hours of 1600-0600.” By not adhering to the ordinance, drivers run the risk of being pulled over by city police and being cited/ticketed for the infraction. Speed was also an emphasis of the conversation. Driver speed will be monitored more closely, and there are now red light cameras that are lined down Hampton Blvd.

- 3) December 4th Meeting Minutes

The December meeting minutes were accepted by the room. If anyone is in need of a copy of the minutes or meeting presentations, please reach out to Brian Bashara by email, at bbashara@portofvirginia.com.

John Reinhart addressed the new membership group, as well as the original leadership of the MCC.

- 4) Sales Update - Tom Capozzi

Tom Capozzi presented the POV Sales presentation to the group and discussed the state of the economy vs the state of trade on the USEC. There are two factors playing into a slower growth in trade.

- 1) The trade dispute between the United States and China

2) A slump in manufacturing in the US, Europe, and China.

Despite the friction in trade, the POV finished the year up 2.9% in TEUs. POV experienced strong increases in export empties (10.4%), as well as import loads (2.9%). Although our CY2019 export loads were down slightly at -1.2%, we have experienced an increase in our FY2020 export loaded volumes. There has been strong anecdotal evidence that the agriculture exports are going to pick up in the coming months.

POV signed Turkon to a new two year agreement. Turkon is one of our only direct calls to the eastern Mediterranean, so this service connects us to a vital trade lane. Hapag Lloyd (2nd largest shipline customer of the POV), has added a sixth ship to their Loop 3 service and have agreed to move more volumes through the POV. POV is the last out call on the Loop 3 service. Tom shared recent trips and conferences our Sales Team has attended, including the AgTC (Agriculture Transportation Coalition) Winter Workshop, Intermodal of Chicago, and the JOC Shipper Roundtable. AgTC will conduct their first ever Mid-Atlantic workshop here in Norfolk on April 8th.

What the US/China Phase I agreement means to the POV.

- Increased agricultural purchases, particularly soybeans, cotton and wheat
- Increased poultry purchases
- Increased pork purchases
- Increased export opportunities through The Port of Virginia

POV overall reefer volumes are up 11.6% from CY18 to CY19. Of note, Smithfield Foods volumes are up 300% year over year. The reefer volumes are expected to continue to rise into CY2020. Another strategic commodity the POV has targeted is synthetic plastic resins. The market capacity in the Gulf has been exhausted, so shippers are looking for other outlets of trade. Through KTN, POV has begun handling resin shipments that are railed up in hopper cars and transloaded into ocean containers for export. Our big opportunity lies in the Ohio Valley, where plants are being constructed to help produce similar volumes like seen in the Gulf.

POV has a new ocean service starting in April out of the Eastern Mediterranean with ONE, COSCO, OOCL, and Yang Ming. The service will have 4,250 TEU vessels/weekly. Best Buy will also begin increasing their volumes through POV in April.

John Reinhart addressed the impacts of the Coronavirus on the POV, and stressed for the community to stay current on the news. There is a possibility that the virus can dampen some of the volumes. Over the past year we lost 55,000 loads, because of the tariffs, and we are only down 11,000 (-1.2%). The POV is aggressively marking the port, and we continue to prove our capabilities with the trade.

5) Project Update - Tiffany Green

Tiffany Green presented the POV terminal project update. Stacks 8 & 9 at VIG are back in service as of February 1st. Both stacks have since become rail dedicated stacks. Stacks 12 & 13 were taken out of service on 2/10 and are estimated to be back up in service by late April 2020. POV targeted eight original stacks to be refurbished in FY2020 and have since completed four stacks, with four stacks remaining to be refurbished.

South NIT update: Phases 1 & 2 are complete, with Phases 3 & 4 are under construction. We just received the first shipment of RMG's for Phase 3 for stacks 19-21 on January 9th. The stacks should be in service by the end of this month. Our next RMG shipment will be coming in on 2/22, those stacks will be online by the middle of April. The first 13 of 25 shuttle trucks will be coming in April with the last of the shuttle trucks coming in by the end of June. The last stacks are expected to come online in August. NIT's new ship to shore cranes will arrive in August and operational by October 2020.

6) Operations Update- Vance Griffin

Vance Griffin, Mark Higgins, Art Ellermann, and Patrick Jefferson presented the Ops Update. Rob Cannizzaro, VP of Operations, was introduced to the MCC.

Vance presented the turn times for VIG, NIT, and PMT (in the meeting presentation attachments). Gate performance with mandatory v non-mandatory hours were displayed for VIG and NIT. 86.77% of all gate moves at VIG are handled within mandatory reservation hours. By the same token, 88.17% of all NIT gate transactions are handled within mandatory reservation hours. With respect to the new wind energy lease agreement at PMT, all changes to operations or traffic practices will be communicated with our motor carrier community, as well as the MCC. Although the group has met the first goals to reducing the amount of 2-4 hour visits, the target has been shrunk down to a goal of 90 minutes or fewer. A targeted campaign to help reduce these turn times have been dedicated to reefer visits.

POV has recently made changes to gate hours on terminal. With the improved efficiencies and reduction in turn times, the terminal gates now open at 0600 and close at 1700, with the mandatory hours being from 0600-1500. Moreover, all terminal gates have been closed on weekends. Marilyn Ryan expressed her thoughts regarding the changes in operating hours and the closure of weekend gates, and notified the group of the stance that the TMTA has taken, regarding the changes.

Mark Higgins presented the TRS update. Mark discussed the relationship between used and unused capacity within the reservation system at both NIT and VIG (attached presentation). There has been a growing concern with the amount of same day reservations being made. Same day reservations, although available to the community, do not give POV Ops the needed time to groom and house keep containers based on reservation hours. POV encourages the motor carrier community to make reservations the prior day when the opportunity exists. When our ability to house keep containers diminishes, there are inefficiencies introduced to the TRS system and the motor carrier experience also diminishes. Rob Cannizzaro echoed Mark's statement and emphasized the critical need to work with the system to continue to grow our efficiencies. Rob mentioned the fact that the POV is positioning ourselves to maintain the efficiencies we experience now with our current volumes with our future growth in volume.

Art Ellermann presented the HRCF update. 5,895 assets have been removed and we are tracking on our target of 8,000. The current fleet age of HRCF chassis is 11 years (2009). All 3,600 OEM assets for FY20 will be delivered to us by the end of March 2020. Our lift volumes at PPCY continue to rise, with our inventory still low. Our four new Empty Container Handlers (ECH) were delivered in January 2020. There has also been a third lane created in the yard for an emphasis on safety and improved throughput (diagram in attached presentation).

An issue of booking tallies was brought up to the group and will be actioned by the Pier Committee. The problem is occurring when damaged/poor quality containers are dispatched to the motor carrier and subsequently filling the booking. In turn, the motor carrier has to contact the shipline to have the booking increased, which can take some time and delay the process.

7) MCC Chair/Vice Chair & Membership Transition

As mentioned in the beginning of the meeting, the MCC has transitioned into new membership (in attachment) based on the MCC By-Laws constructed in 2016. The new Chair and Co-Chair listed below.

Chair – Marilyn Ryan, AW Trucking

Co-Chair – Nicole Sapienza, Hale Intermodal

8) Open items

Next meeting is tentatively scheduled for Thursday, April 2nd. The date will be finalized with Marilyn Ryan and Nicole Sapienza and will be communicated out with the meeting invite.