

A large container ship, the MSC ASYA, is shown at night, illuminated by its own lights and the lights of a nearby port. The ship is loaded with numerous colorful shipping containers. In the background, port cranes and city lights are visible across the water.

## May 2018 Financial Report

Rodney W. Oliver  
Chief Financial Officer



THE PORT OF  
VIRGINIA

*Stewards of Tomorrow*



# AGENDA

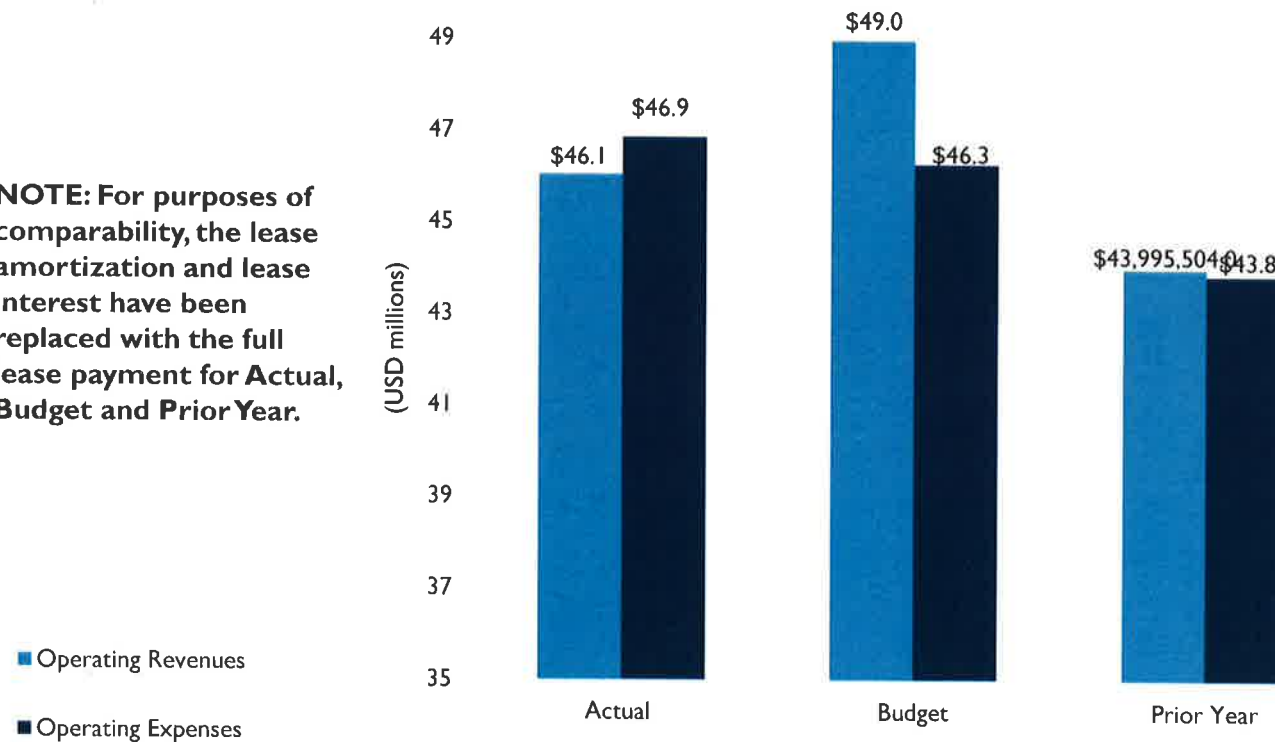
- May Financial Results
- Commonwealth Port Fund (CPF) Debt Refunding Update



# OPERATING REVENUES AND EXPENSES:

## For the Month Ended May 31, 2018

**NOTE:** For purposes of comparability, the lease amortization and lease interest have been replaced with the full lease payment for **Actual**, **Budget** and **Prior Year**.



**THE PORT OF  
VIRGINIA**

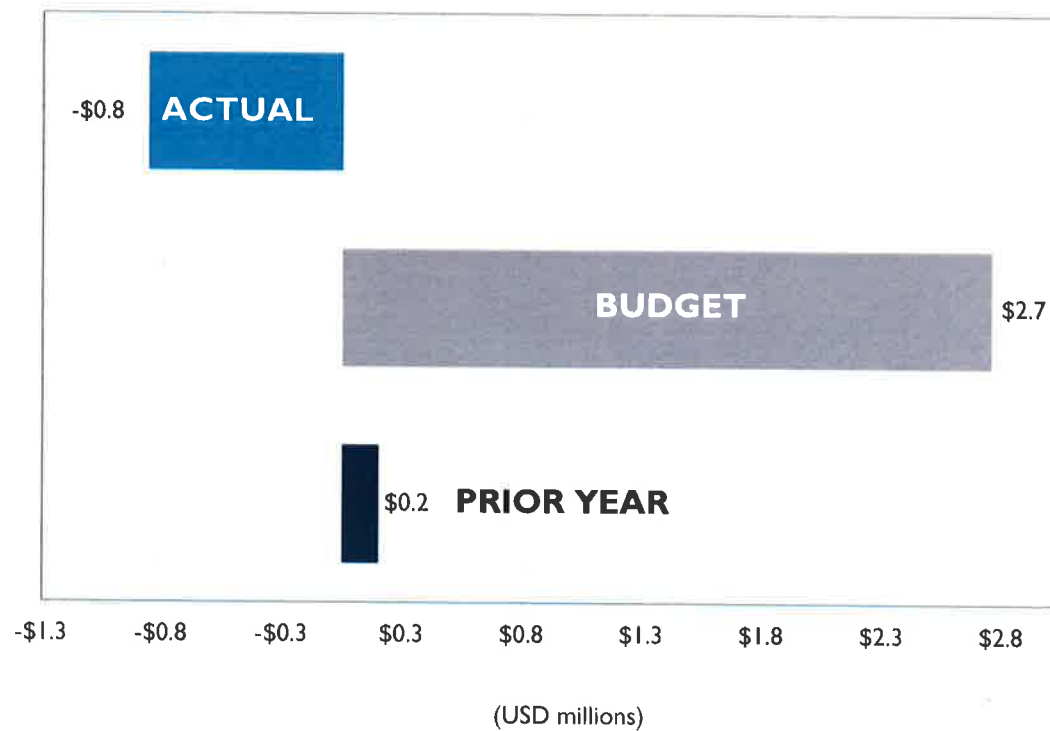
*Stewards of Tomorrow*



# OPERATING INCOME (LOSS):

For the Month Ended May 31, 2018

**NOTE:** For purposes of comparability, the lease amortization and lease interest have been replaced with the full lease payment for Actual, Budget and Prior Year.

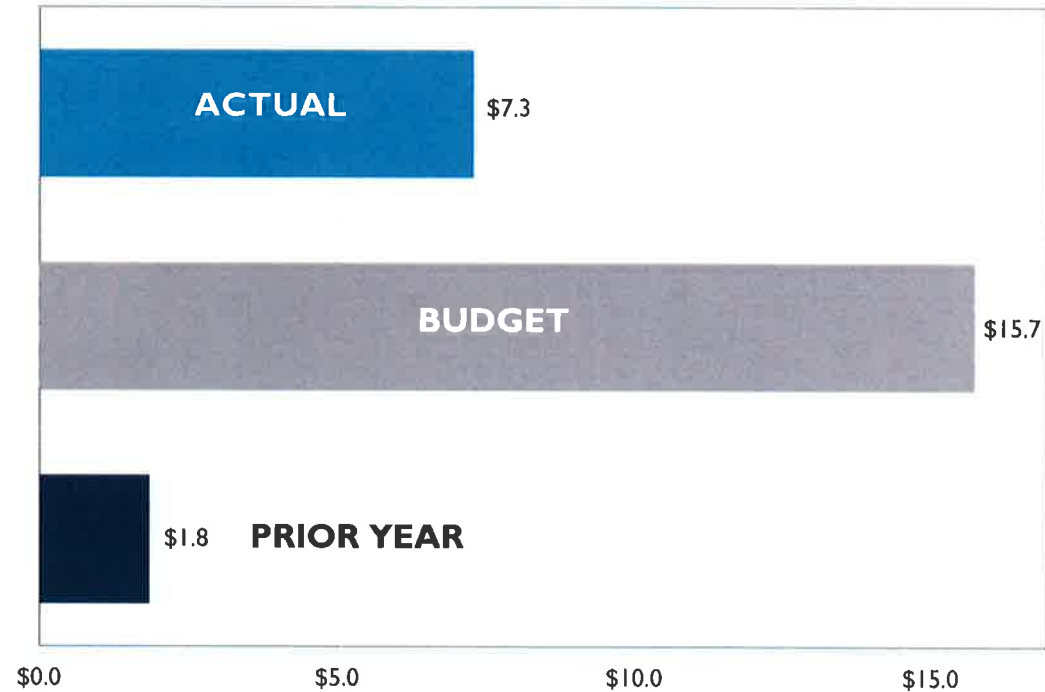




# CHANGE IN NET POSITION:

## For the Month Ended May 31, 2018

**NOTE:** For purposes of comparability, the lease amortization and lease interest have been replaced with the full lease payment for Actual, Budget and Prior Year.

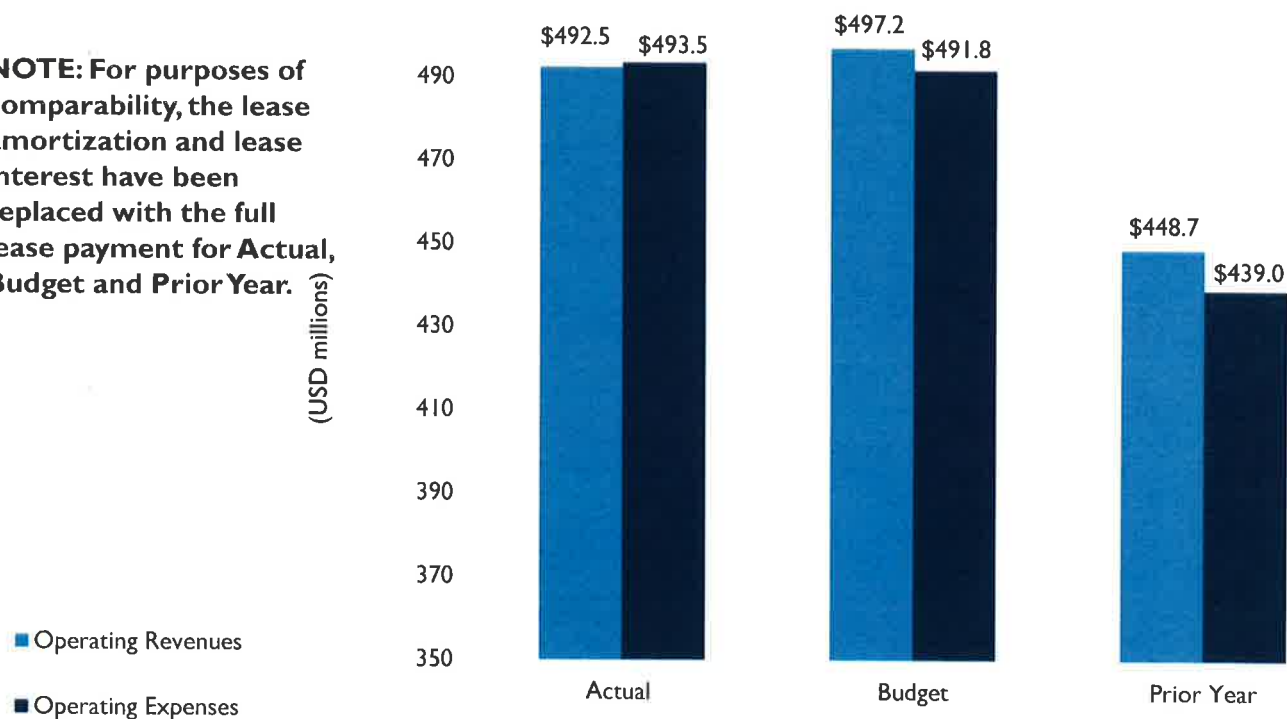




# OPERATING REVENUES AND EXPENSES:

For the Eleven Months Ended May 31, 2018

**NOTE:** For purposes of comparability, the lease amortization and lease interest have been replaced with the full lease payment for Actual, Budget and Prior Year.

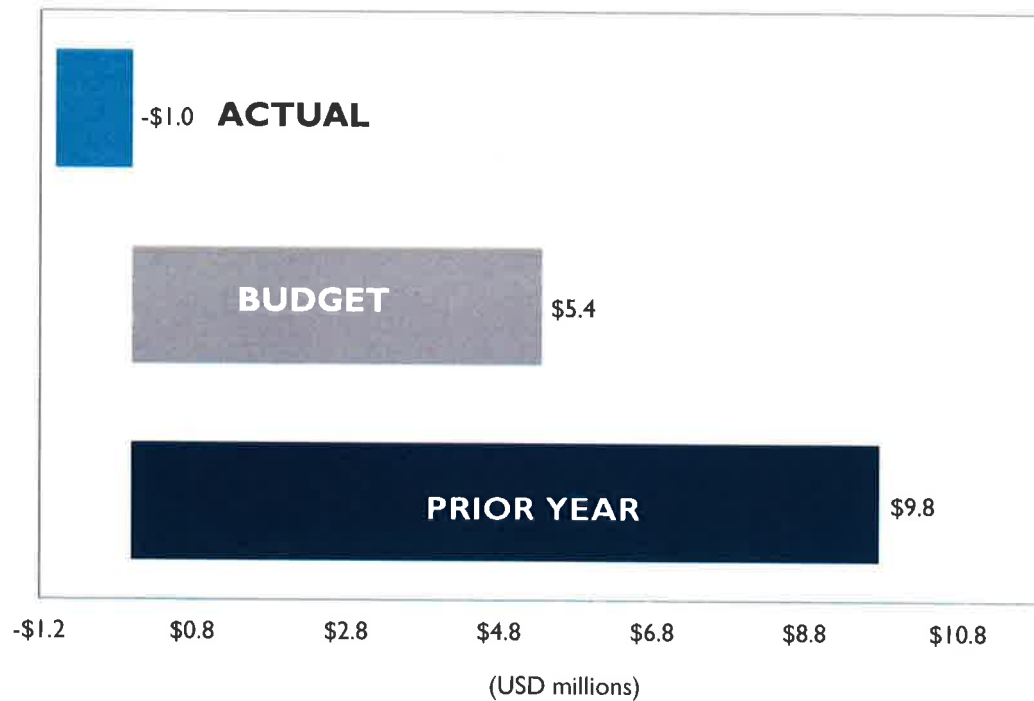




# OPERATING INCOME (LOSS):

## For the Eleven Months Ended May 31, 2018

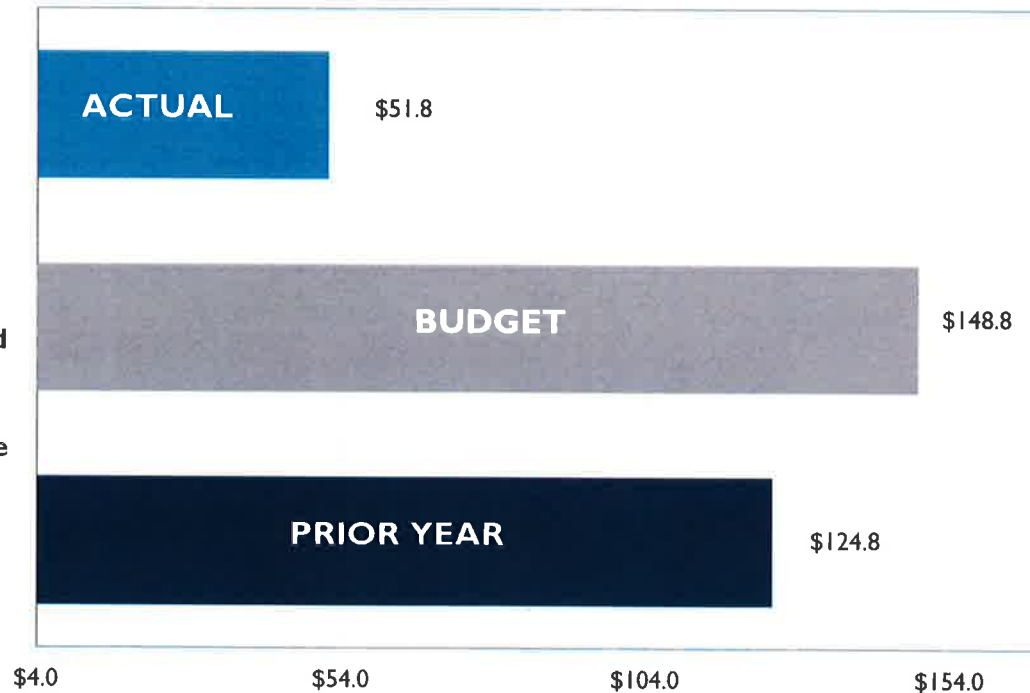
**NOTE:** For purposes of comparability, the lease amortization and lease interest have been replaced with the full lease payment for Actual, Budget and Prior Year.





## Change in Net Position: For the Eleven Months Ended May 31, 2018

**NOTE:** For purposes of comparability, the lease amortization and lease interest have been replaced with the full lease payment for Actual, Budget and Prior Year.





# SUMMARY RESULTS

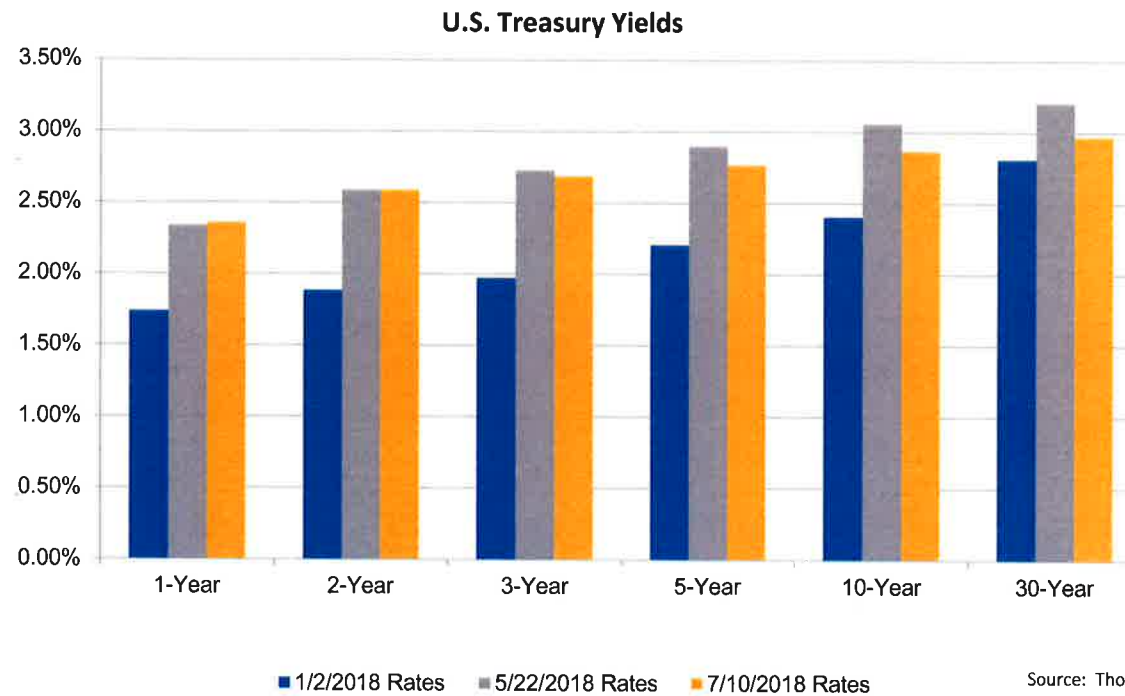
*On July 10, 2018, VPA successfully priced its 2018 refunding bonds, achieving well in excess of the minimum net present value (NPV) savings target of 3%.*

Commonwealth Port Fund Revenue Refunding Bonds, Series 2018 (Taxable)	
Principal Amount	\$60,345,000
Credit Ratings	Aa1/AA+/AA+
Purpose	To refinance \$57.370 million of Series 2011 Bonds due in 2028 to 2036 & callable for early redemption on 7/1/2020 for savings
Net Present Value Savings as % of Refunded Par	7.81%
Net Present Value Savings (\$)	\$4,482,980
Average Annual Cash Flow Savings (FY2020 to FY 2036)	\$364,752
True Interest Cost (TIC)	3.86%
Average Life	14.4 years



# U.S. TREASURY RATES

*Taxable municipal bonds are priced relative to U.S. Treasury yields which have generally been rising for the most of the year with more pronounced increases in short term rates, resulting a fairly flat yield curve.*



Source: Thomson Municipal Market Monitor, as of July 10, 2018



# STEWARDS OF TOMORROW

INNOVATION

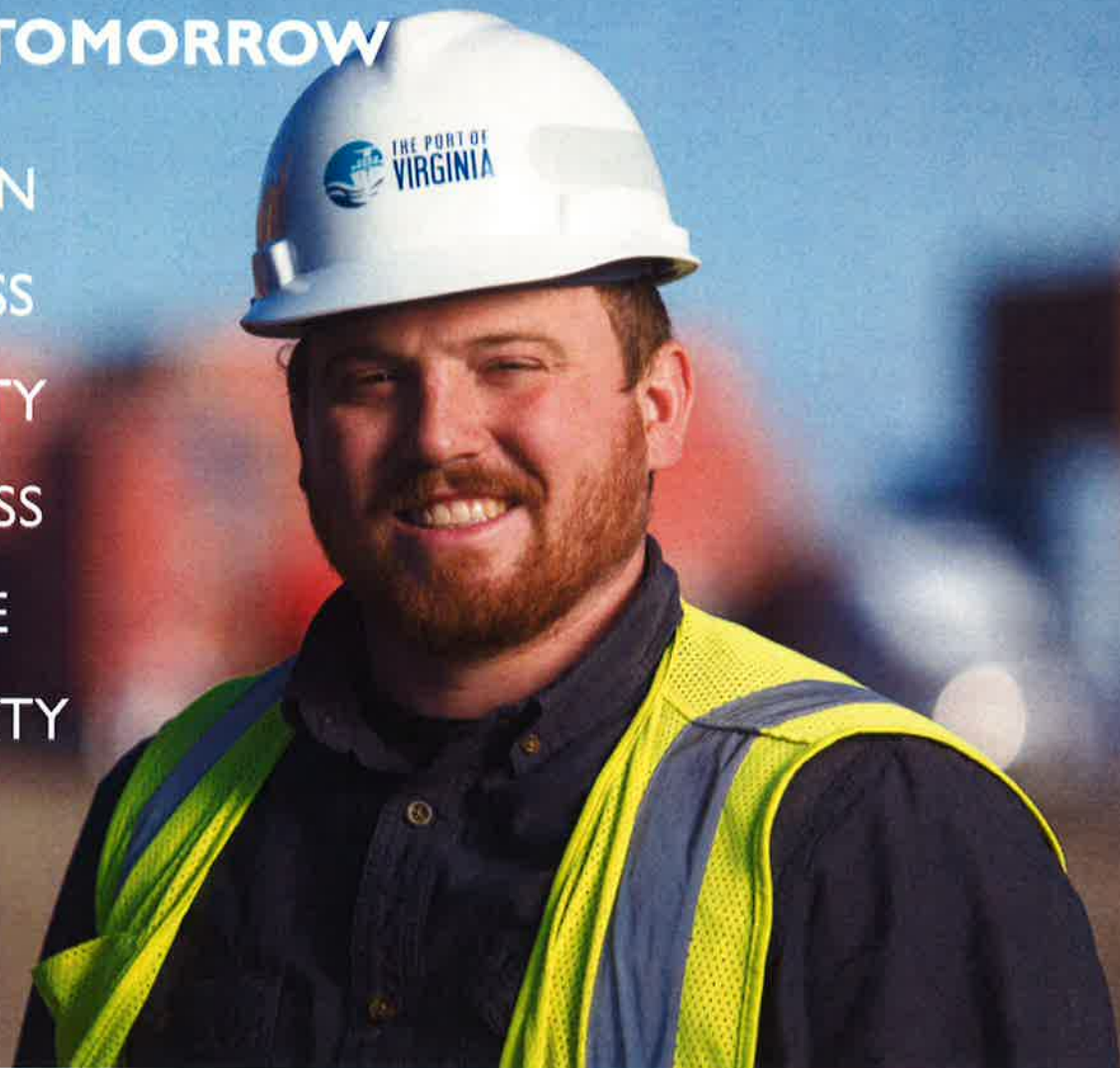
HELPFULNESS

ACCESSIBILITY

MINDFULNESS

FORTITUDE

SUSTAINABILITY





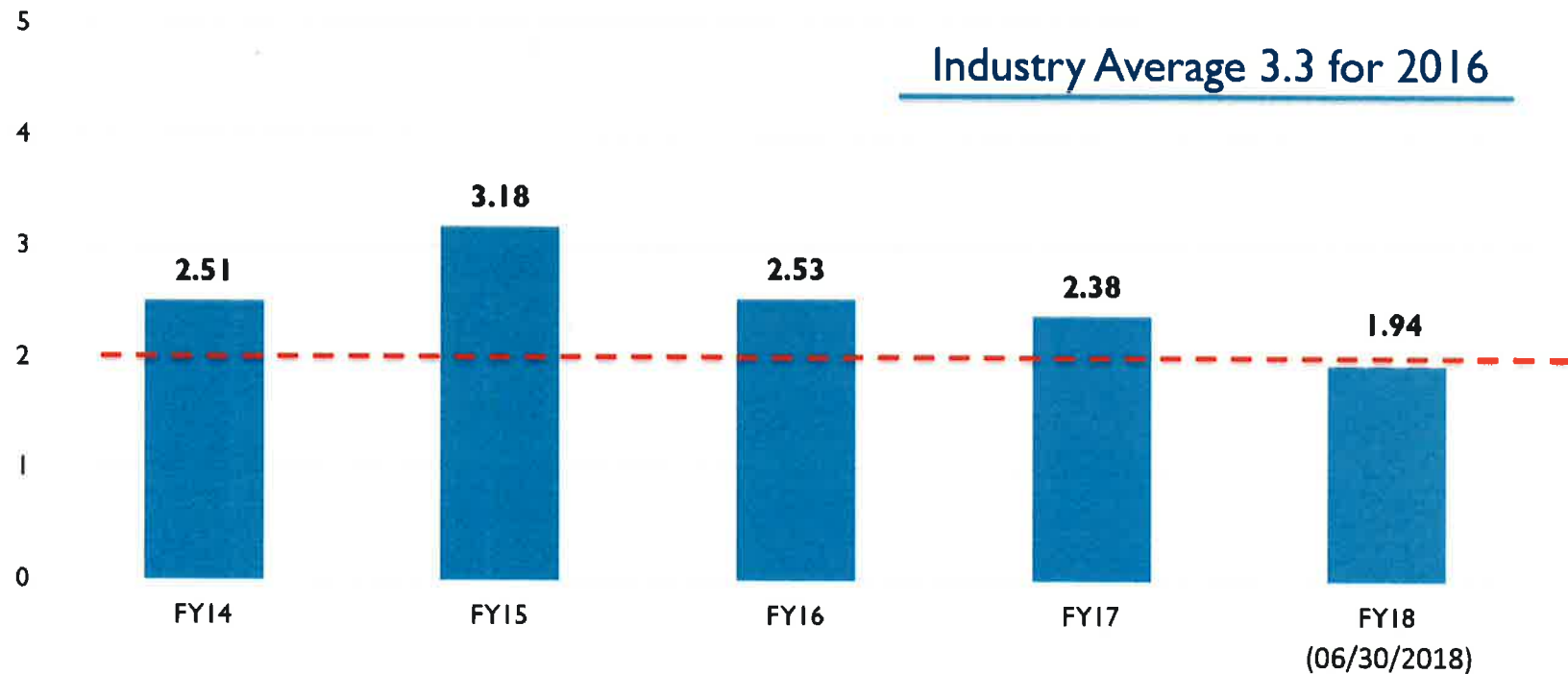
**Virginia Port Authority Board of Commissioners, Session 388, July 24, 2018**  
**Operations Report**

**Shawn Tibbetts**  
**Chief Operations Officer**



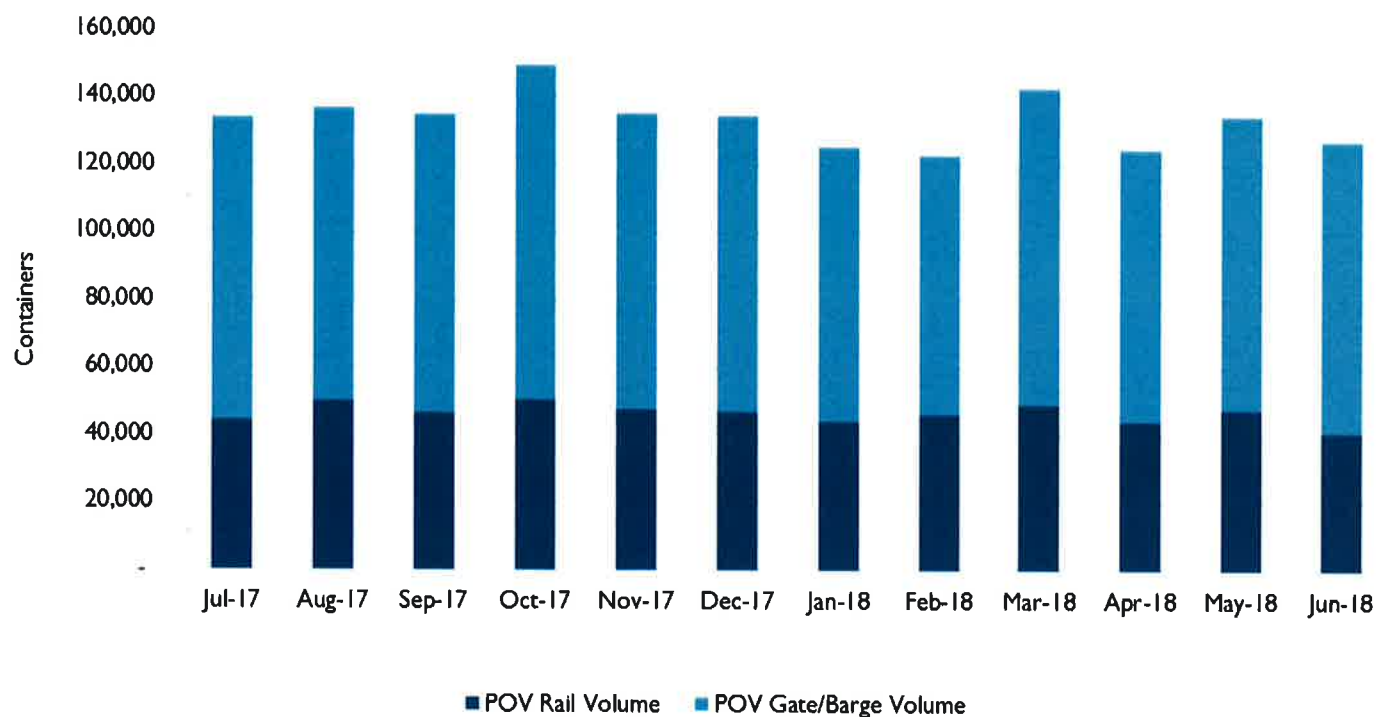


# POV OSHA LOST WORK DAY RATE



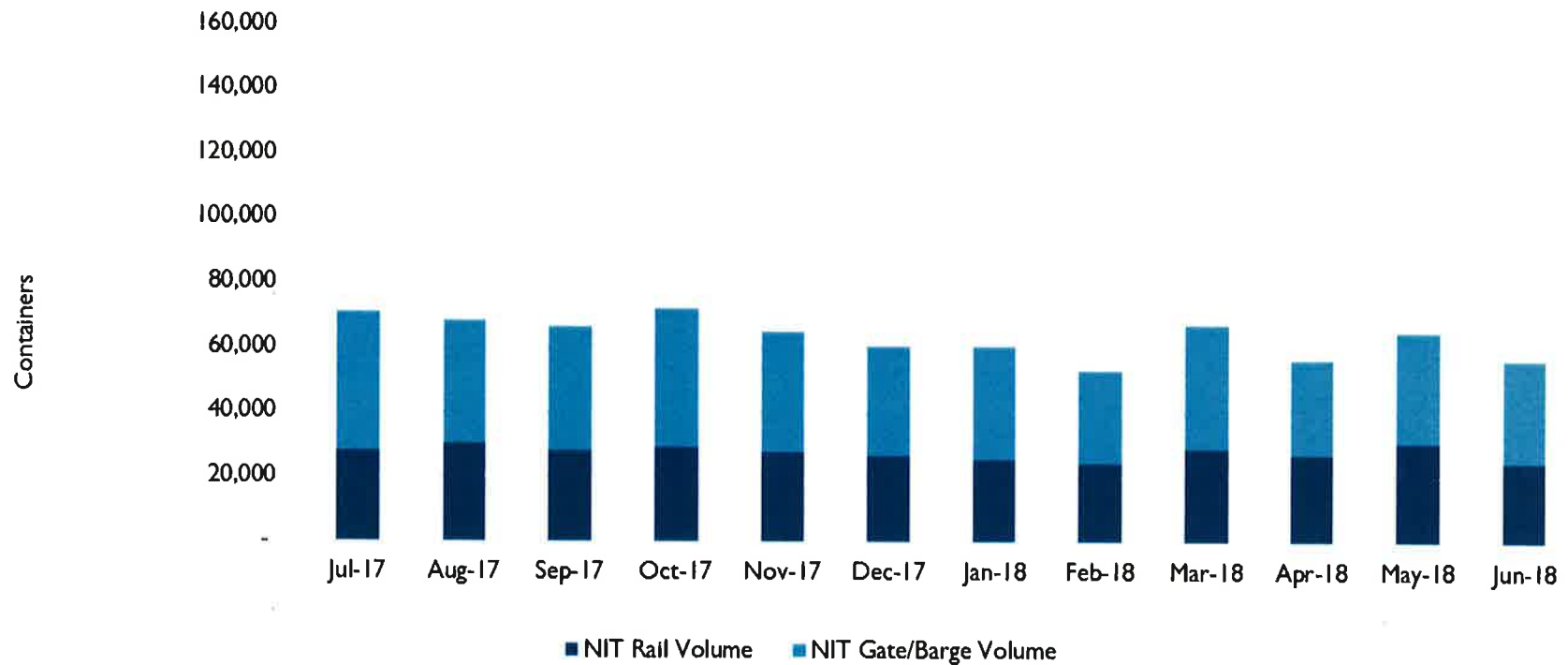


# POV RAIL VS GATE/BARGE VOLUME



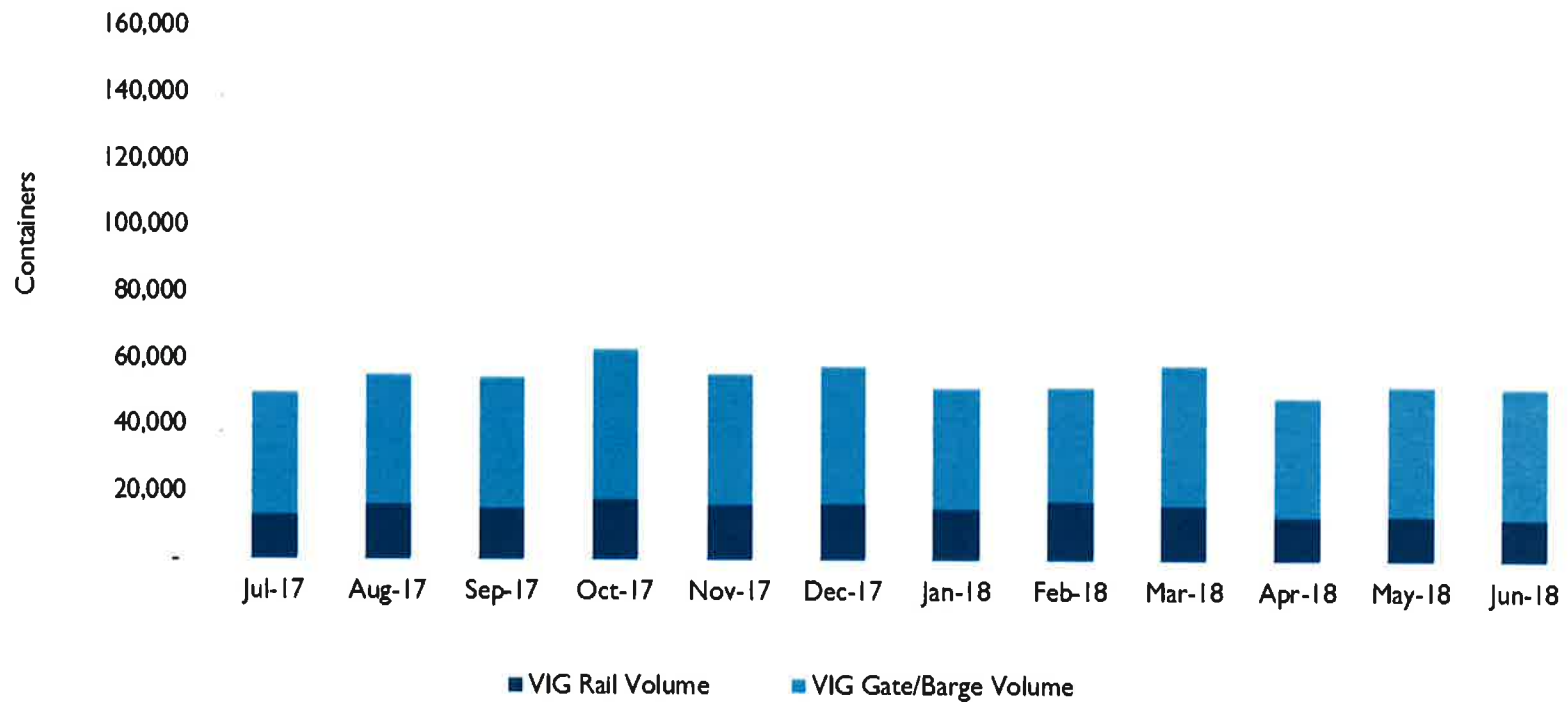


# NIT RAIL VS GATE/BARGE VOLUME



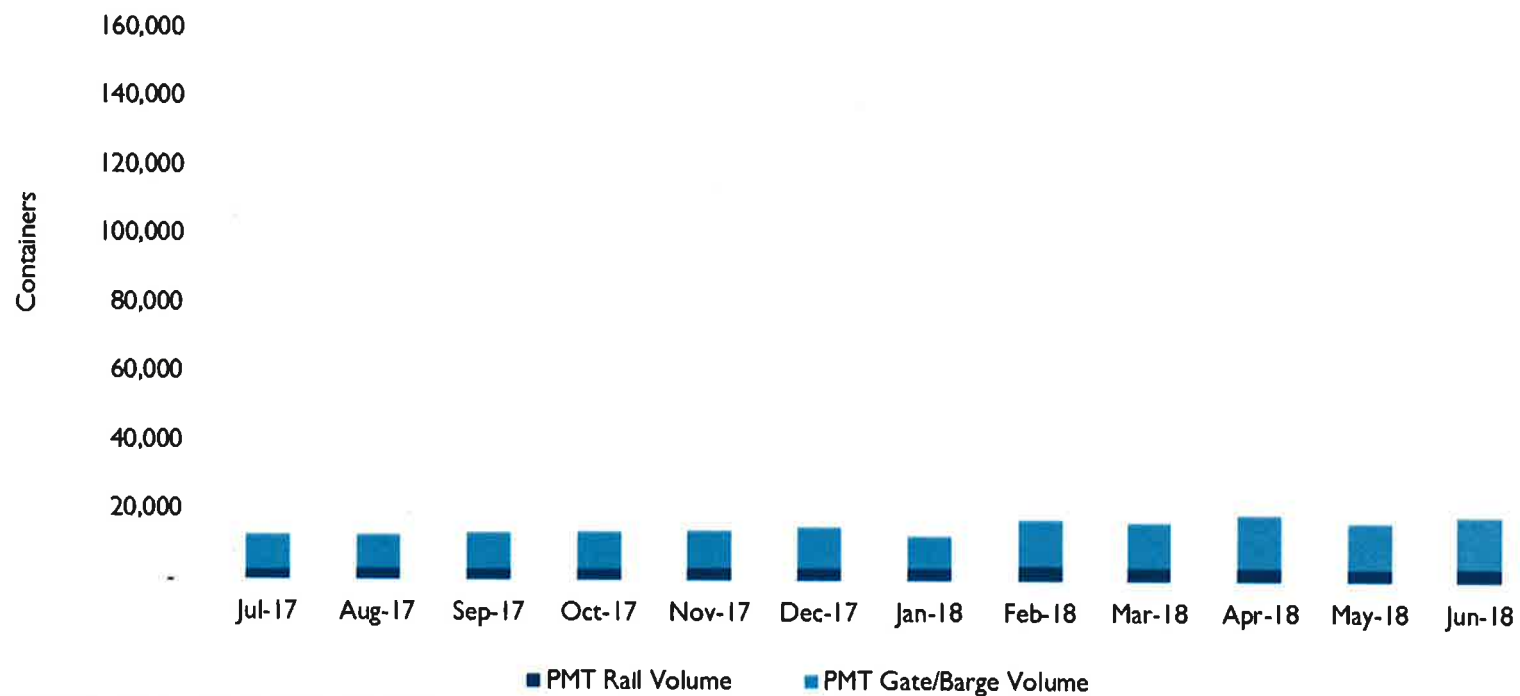


# VIG RAIL VS GATE/BARGE VOLUME



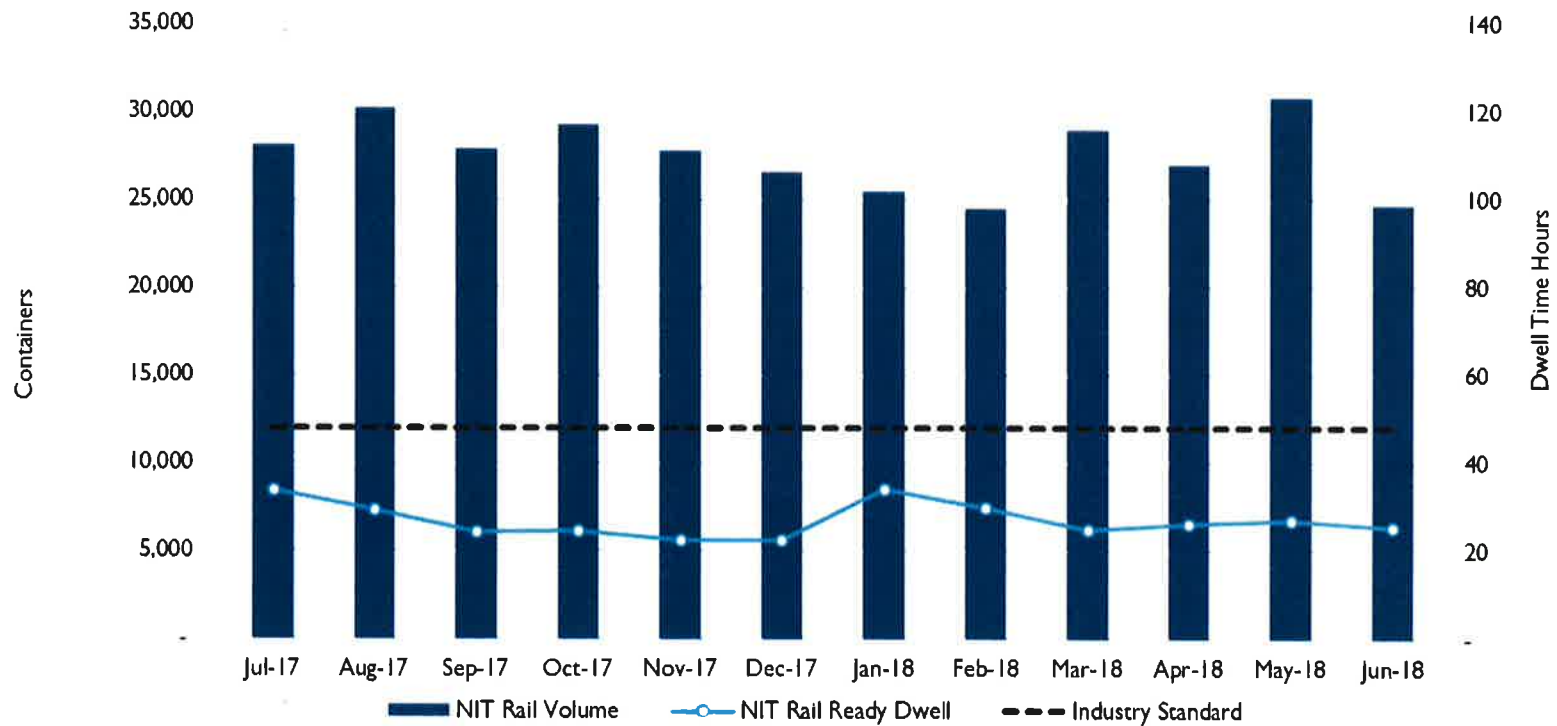


# PMT RAIL VS GATE/BARGE VOLUME



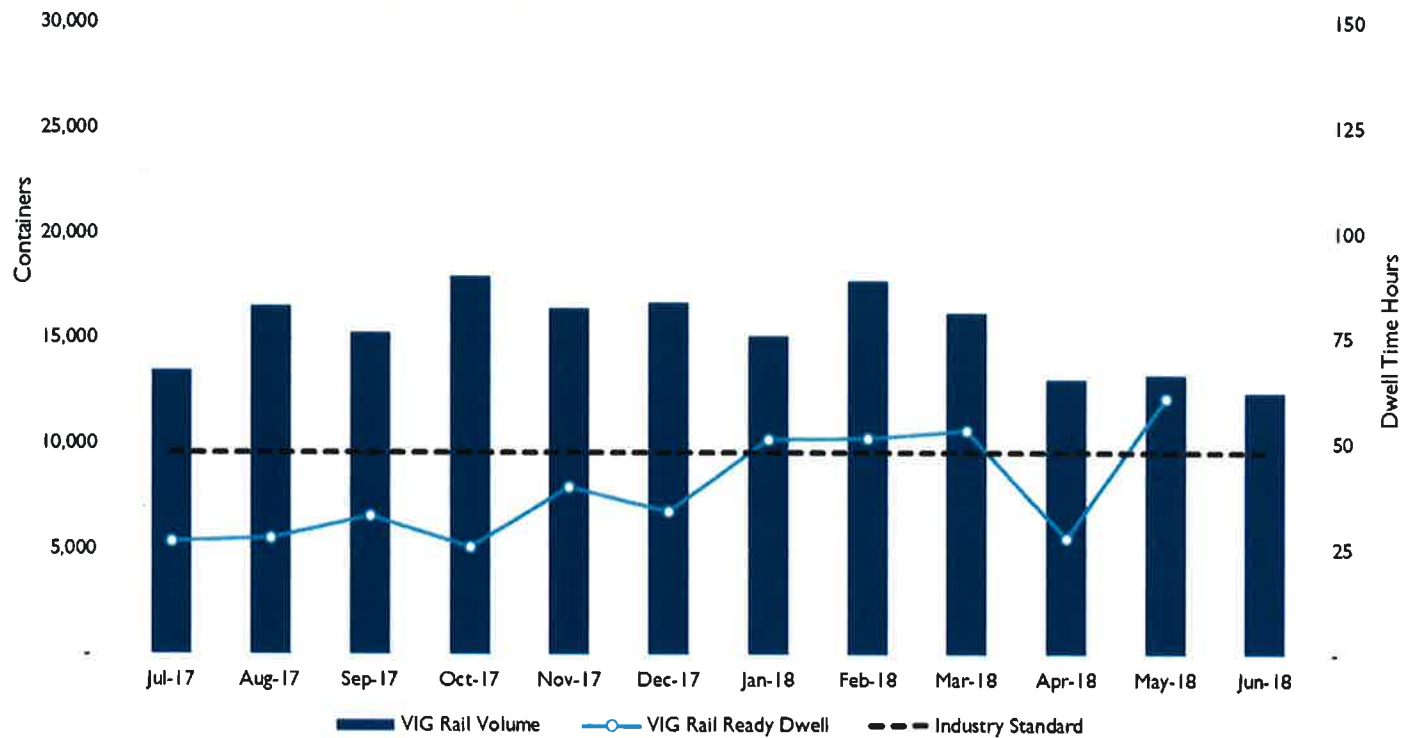


# NIT RAIL VOLUME



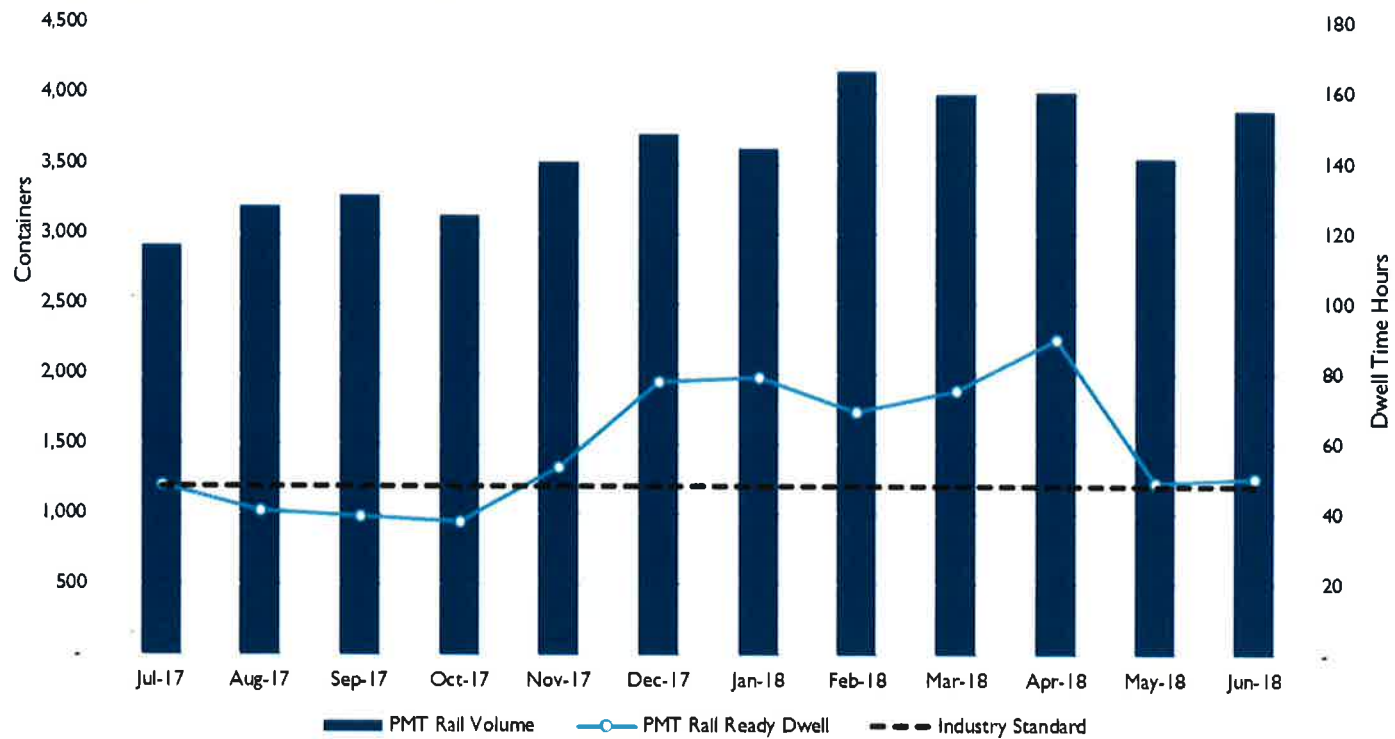


# VIG RAIL VOLUME



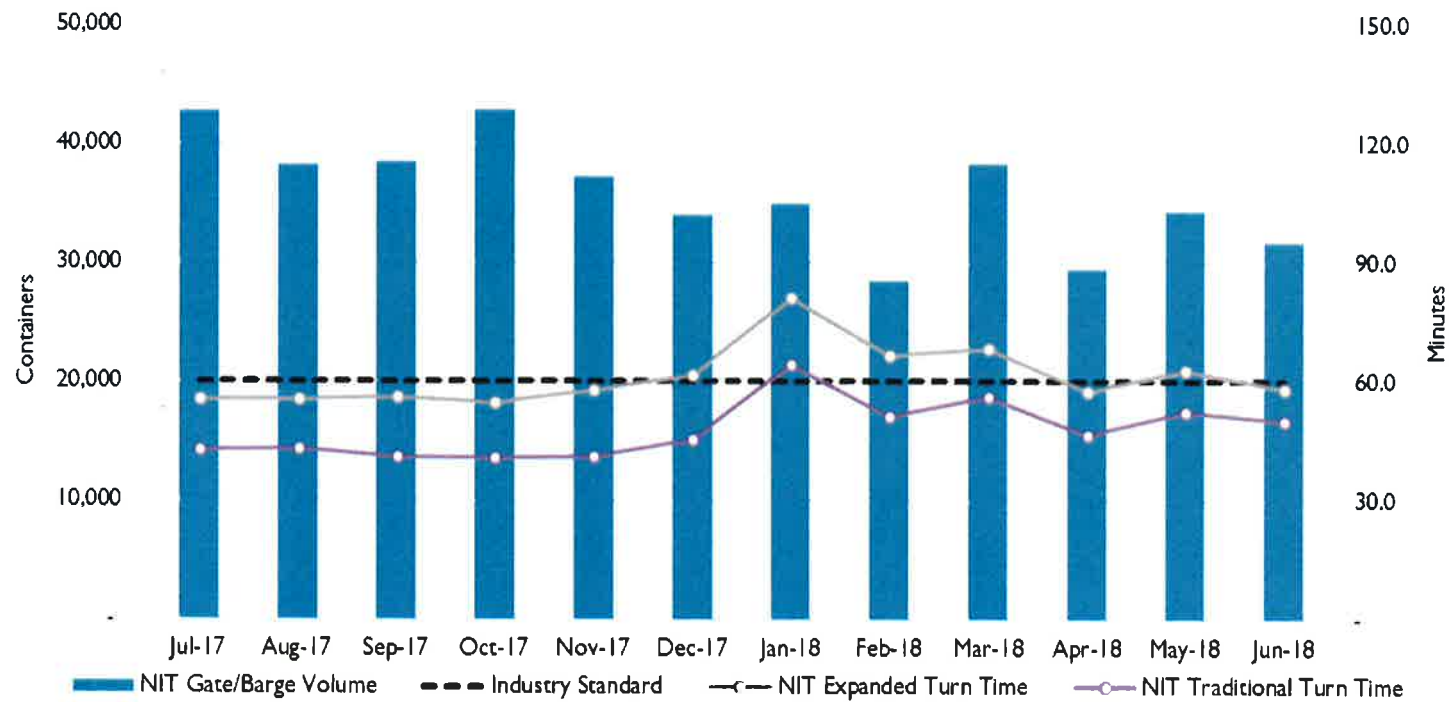


# PMT RAIL VOLUME



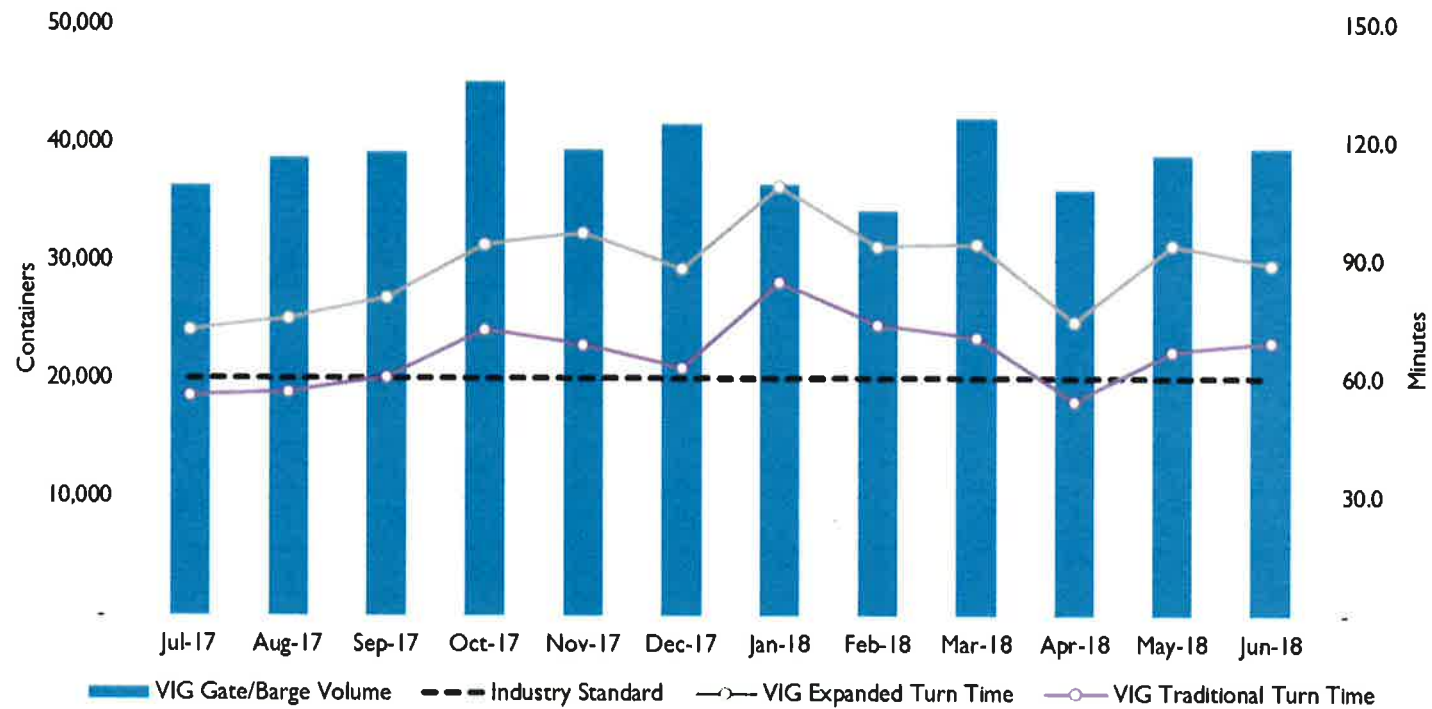


# NIT GATE TURN TIMES



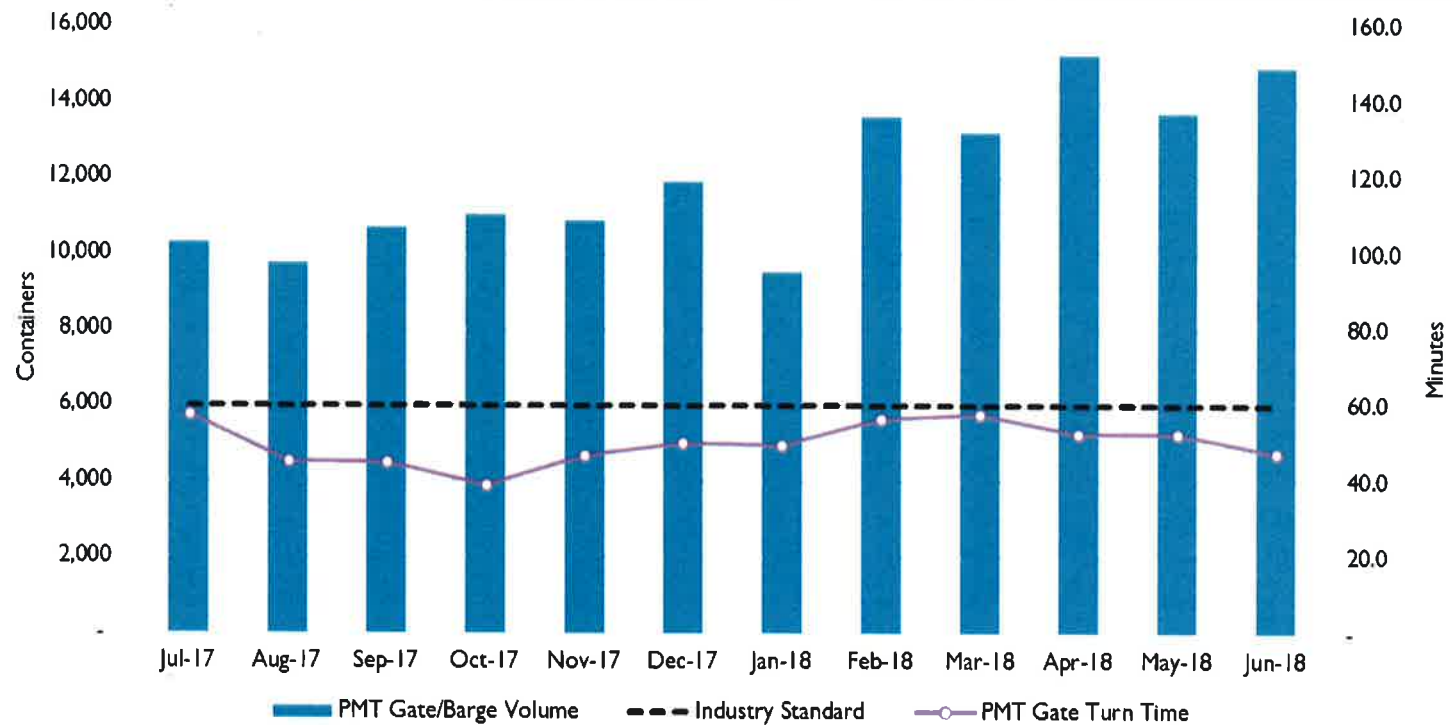


# VIG GATE TURN TIMES



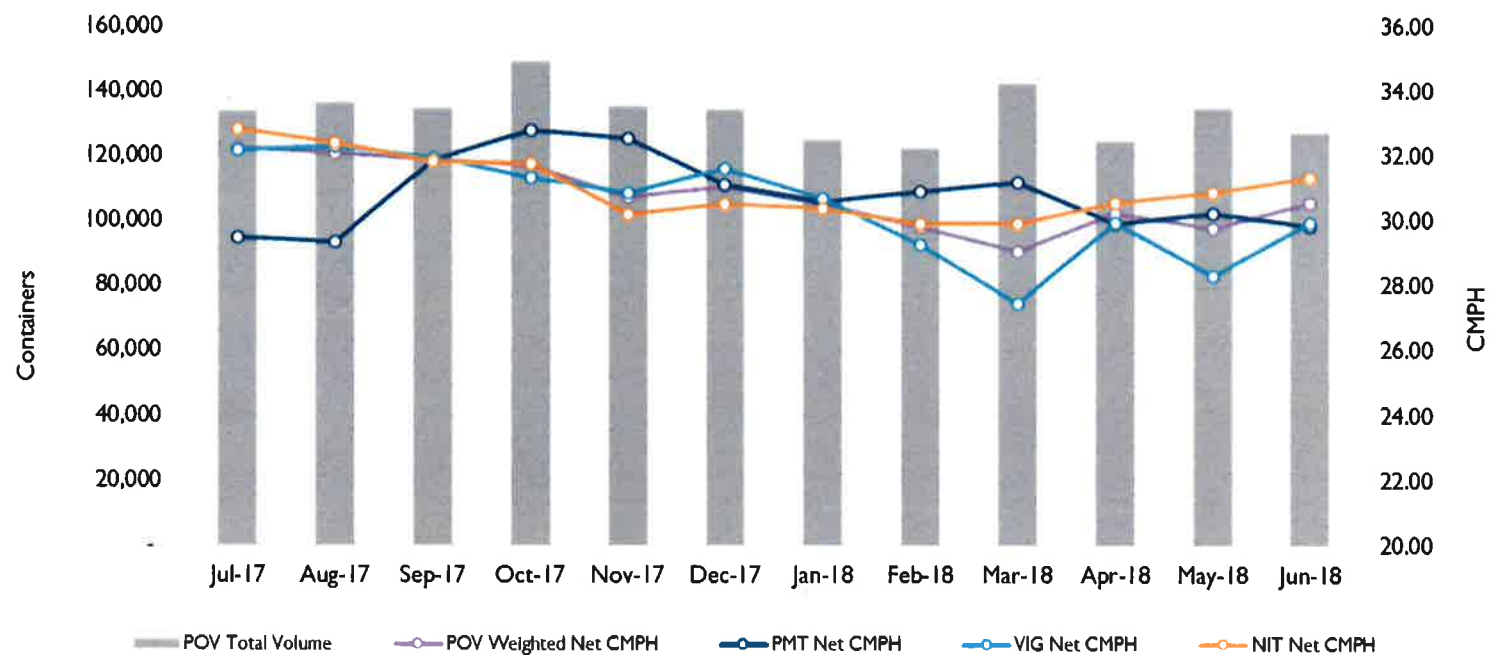


# PMT GATE TURN TIMES





# NET CRANE MOVES PER HOUR





# PROJECT STATUS - UPDATE (some changes to format will be needed)

PROJECT	BUDGET	SCHEDULE
VIG Phase II	●	●
NIT North Gate	●	●
NIT PDS	●	●
NIT Optimization	●	●
Business Intelligence	●	●
IT Business Continuity	●	●



# STACK YARD

Stacks 26-29





# STACK YARD

Stacks 29 - 24





# WHARF EXTENSION





# RAIL YARD

North Rail Bundle  
progress









# GATE & RAIL PORTAL

Inbound Gate  
canopy  
extension







07/03/18



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# SNIT PROJECT





# SNIT PROJECT | LANDSIDE TRANSFER ZONE





# SNIT PROJECT | WATERSIDE TRANSFER ZONE



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# SNIT PROJECT | STACK RAIL 7 & 8



STACK RAIL 7



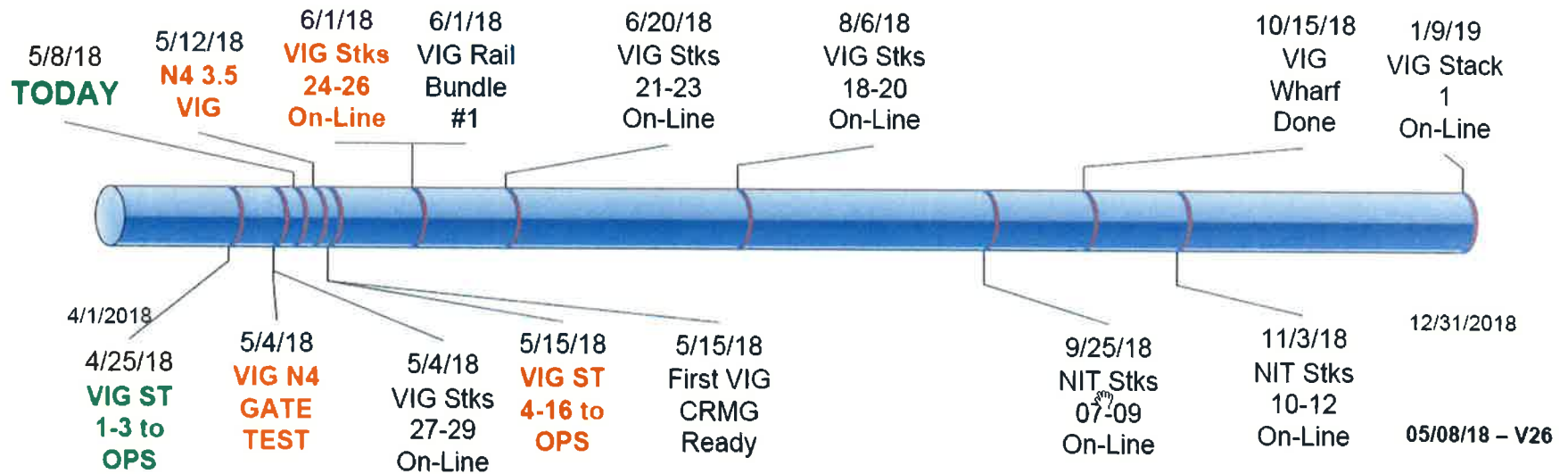
STACK RAIL 8



# TIMELINE

## 2018 Milestones

TO BE UPDATED

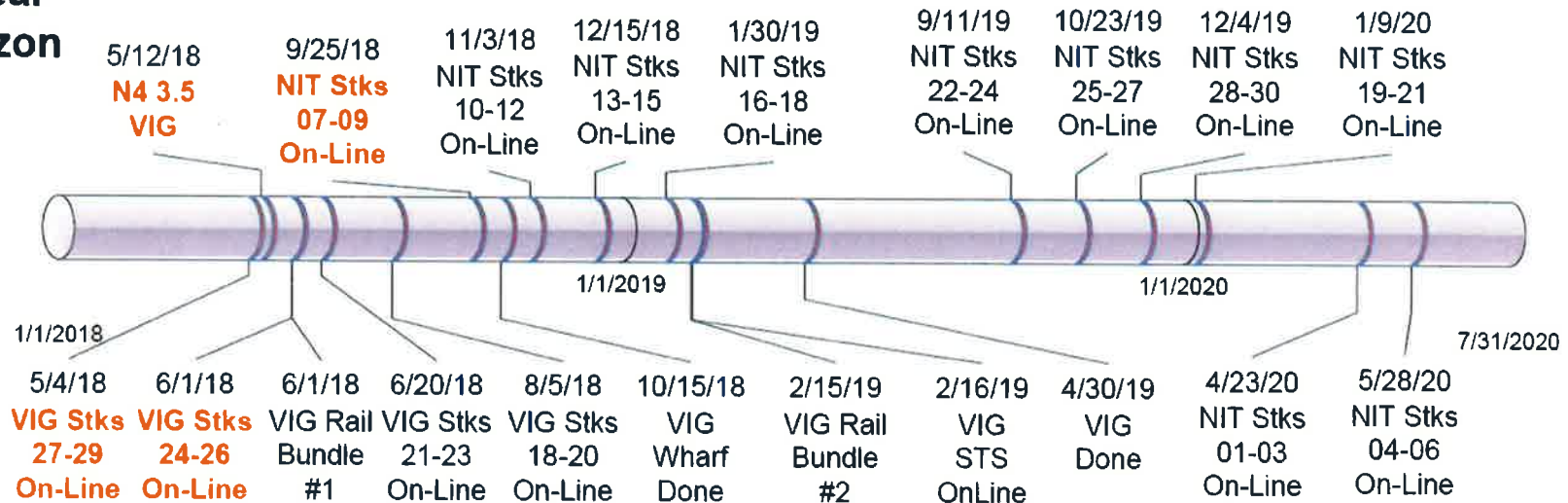




# TIMELINE

TO BE UPDATED

3 Year  
Horizon



05/08/18 – V26



# **STEWARDS OF TOMORROW**

**INNOVATION**

**HELPFULNESS**

**ACCESSIBILITY**

**MINDFULNESS**

**FORTITUDE**

**SUSTAINABILITY**



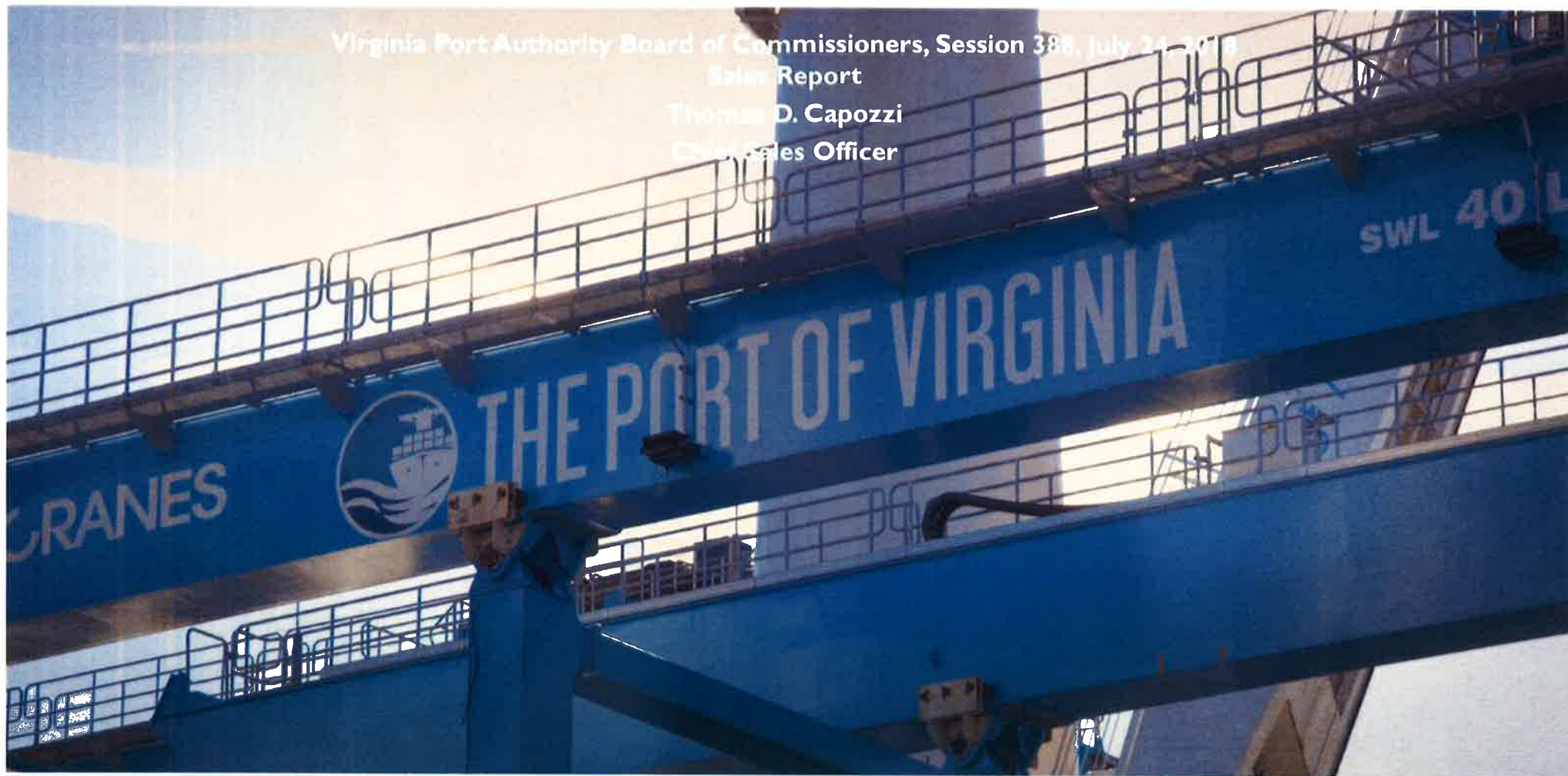


Virginia Port Authority Board of Commissioners, Session 388, July 24, 2018

Sales Report

Thomas D. Capozzi

Chief Sales Officer



*Stewards of Tomorrow*



# POV VOLUME - FY 2018

	FY 2017	FY 2018	Change	% Change
<b>Total TEUs</b>	<b>2,762,407</b>	<b>2,827,740</b>	<b>65,333</b>	<b>2.4%</b>
Export Loaded TEUs	1,034,336	1,002,662	(31,674)	-3.1%
Export Empty TEUs	450,305	497,039	46,733	10.4%
Import Loaded TEUs	1,223,870	1,303,528	79,658	6.5%
Import Empty TEUs	53,896	24,512	(29,384)	-54.5%
<b>Total Containers</b>	<b>1,565,799</b>	<b>1,603,792</b>	<b>37,993</b>	<b>2.4%</b>
<b>General Cargo Tonnage</b>	<b>21,719,540</b>	<b>22,107,490</b>	<b>387,950</b>	<b>1.8%</b>
Container Tonnage	21,533,626	21,911,004	377,379	1.8%
Breakbulk Tonnage	185,914	196,486	10,572	5.7%
<b>Total Rail Containers</b>	<b>568,894</b>	<b>559,307</b>	<b>(9,587)</b>	<b>-1.7%</b>
VIP Containers	34,933	36,710	1,777	5.1%
<b>Total Barge Containers</b>	<b>46,594</b>	<b>49,482</b>	<b>2,888</b>	<b>6.2%</b>
RMT Containers	22,500	27,626	5,126	22.8%
<b>Total Truck Containers</b>	<b>950,311</b>	<b>995,003</b>	<b>44,692</b>	<b>4.7%</b>
<b>Ship Calls</b>	<b>1,796</b>	<b>1,705</b>	<b>(91)</b>	<b>-5.1%</b>
<b>Vehicle Units</b>	<b>32,249</b>	<b>33,050</b>	<b>801</b>	<b>2.5%</b>



THE PORT OF  
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# POTENTIAL U.S. TARIFF IMPACTS AT THE PORT OF VIRGINIA

## Imports

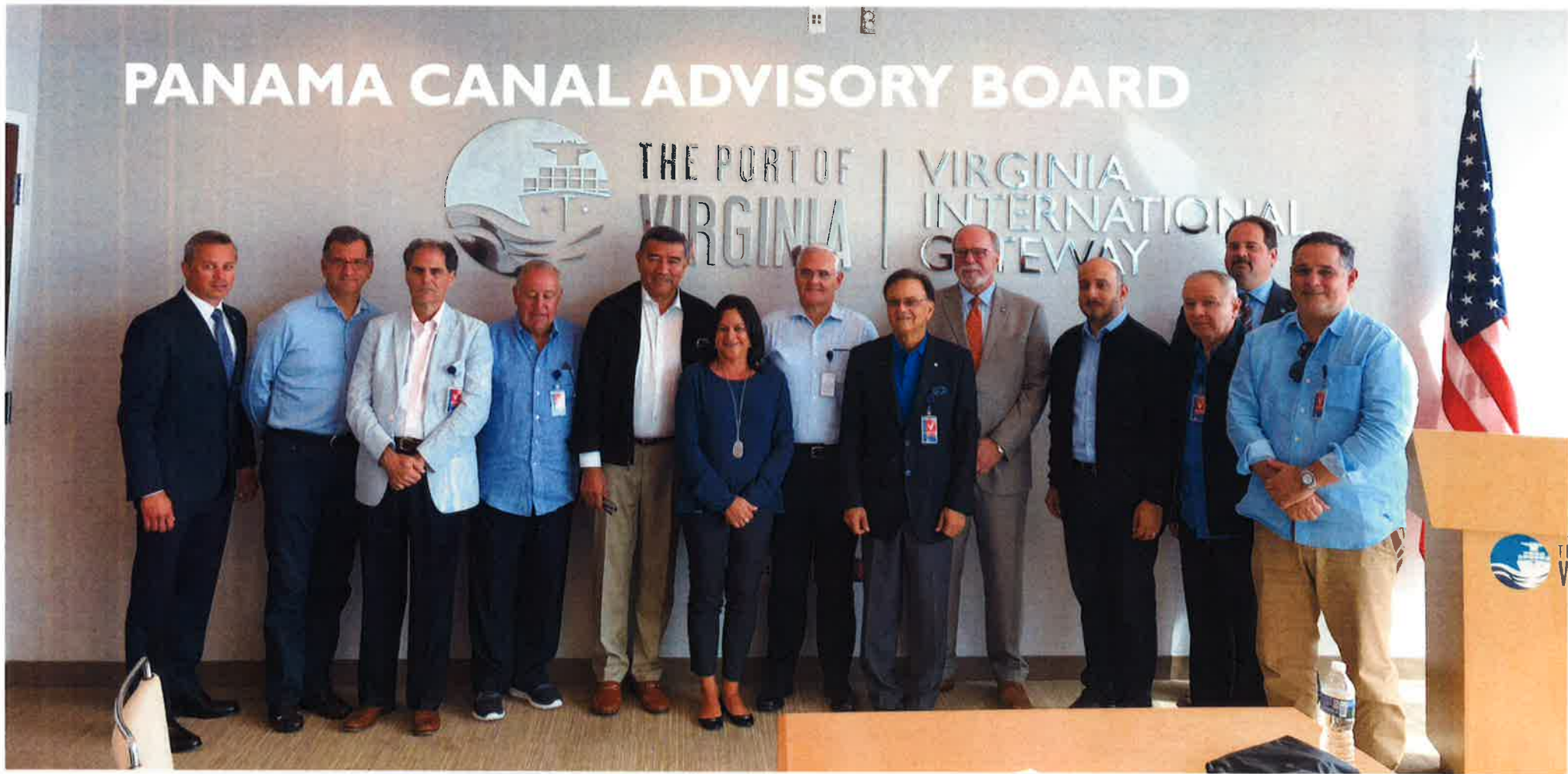
- Machine Parts
- Electric Parts
- Medical Equipment
- Vehicles/parts
- % of POV Loaded Imports: 1.6%

## Exports

- Meat
- Soybeans/Grains/Cereals
- Vehicles/parts
- Cotton
- Fruit & Nuts
- Dairy/Fish
- % of POV Loaded Exports: 0.7%









# LME UPDATE

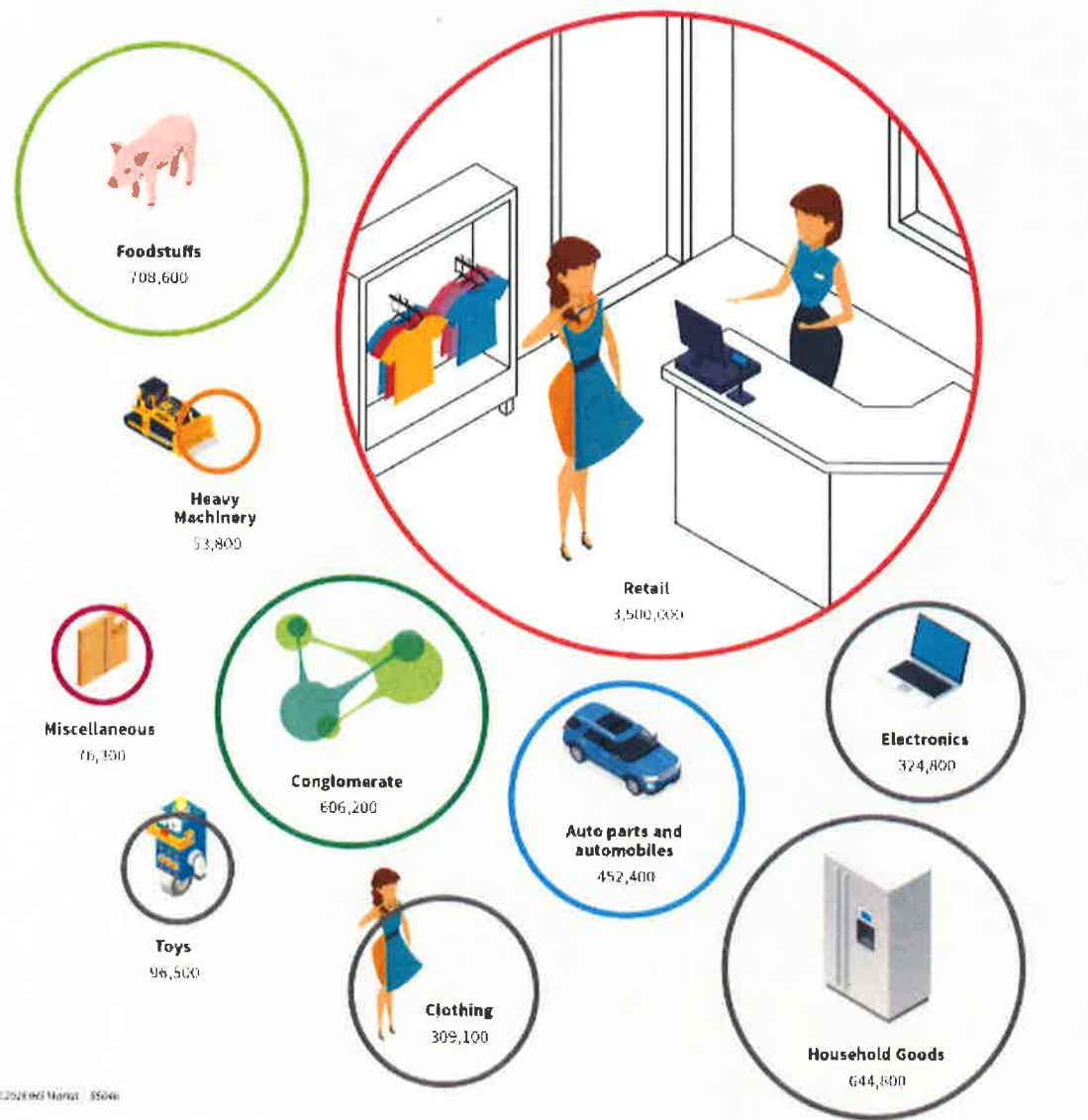




# USDA COLD TREATMENT PILOT PROGRAM







# JOURNAL OF COMMERCE

## 2017 TOP 100 IMPORTS





# JOURNAL OF COMMERCE

## 2017 TOP 100 EXPORTS



# CARRIER VISITS



MSC Headquarters Visit



CMA Headquarters Visit



ONE Headquarters Visit



# PORT OF VIRGINIA INDUSTRY EVENTS



Columbus Logistics Conference



AgTC Conference



Breakbulk Europe



*Stewards of Tomorrow*



# CRM AND CUSTOMER SERVICE





# **STEWARDS OF TOMORROW**

**INNOVATION**

**HELPFULNESS**

**ACCESSIBILITY**

**MINDFULNESS**

**FORTITUDE**

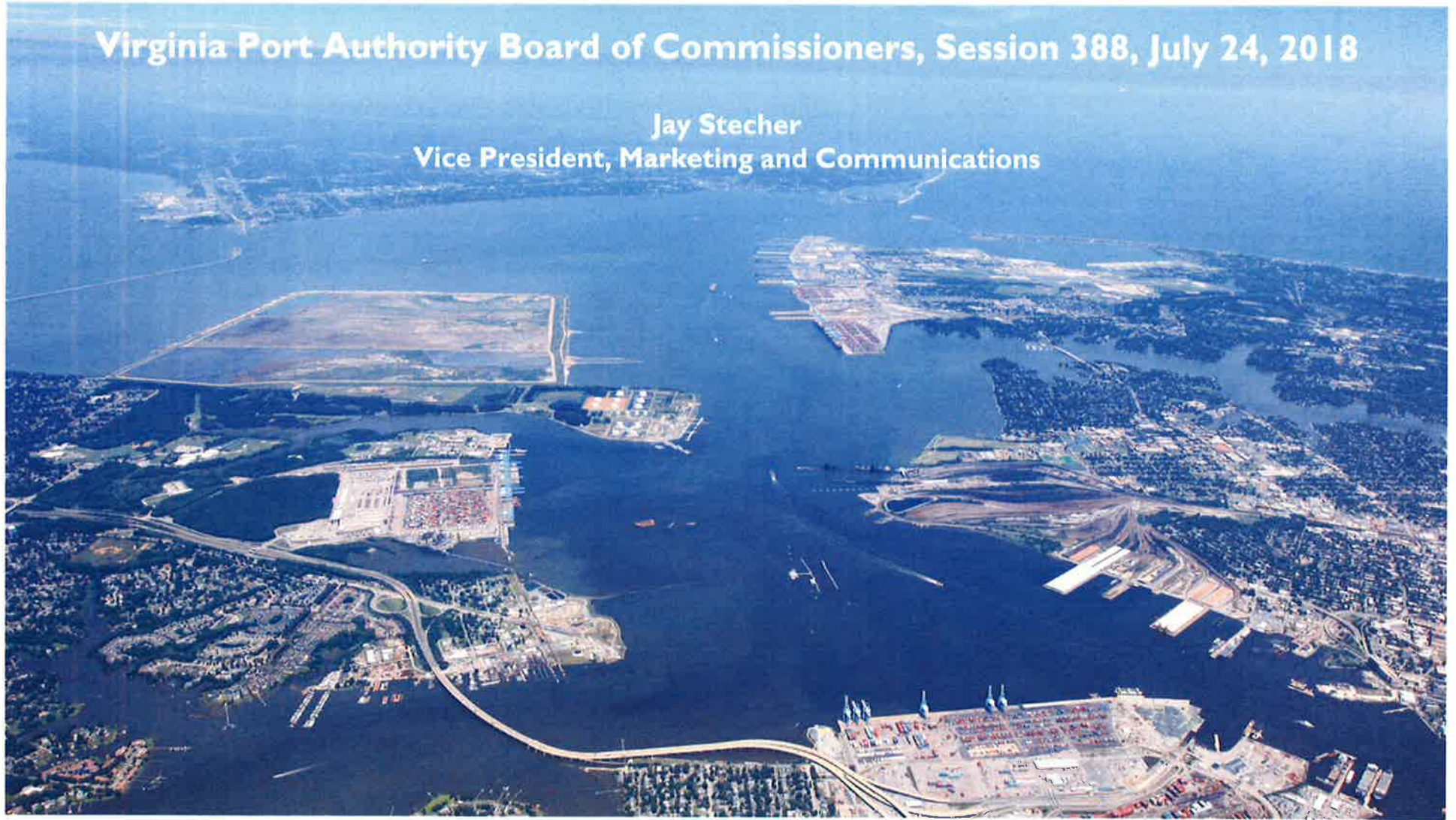
**SUSTAINABILITY**





# Virginia Port Authority Board of Commissioners, Session 388, July 24, 2018

Jay Stecher  
Vice President, Marketing and Communications





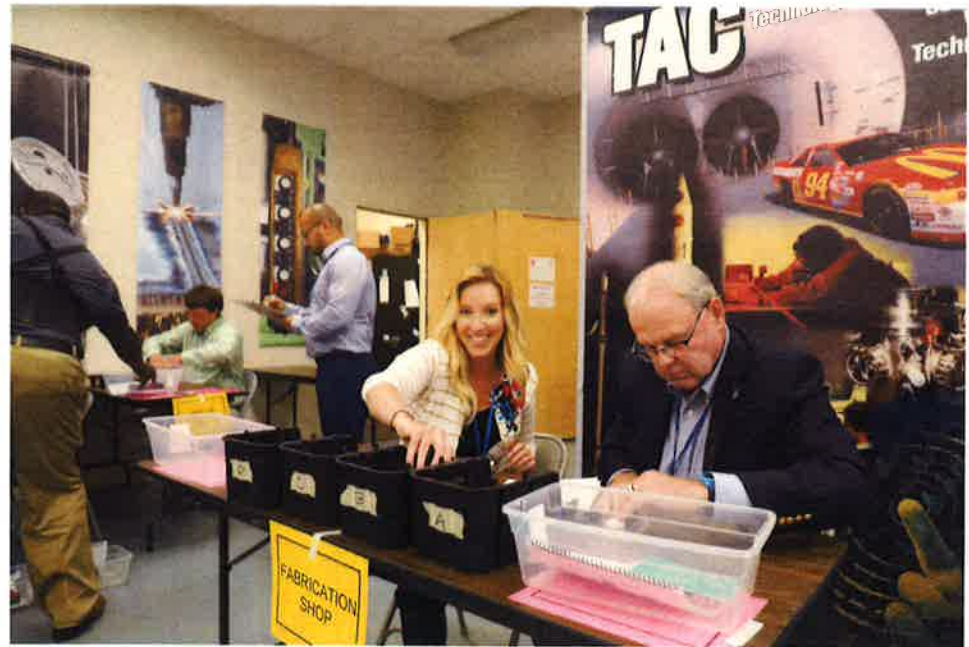
# AGENDA

---

- Process Excellence POV/ODU update
- Marketing and Communications Update
- App Demonstration



# Establishing a culture of continuous improvement



*Stewards of Tomorrow®*



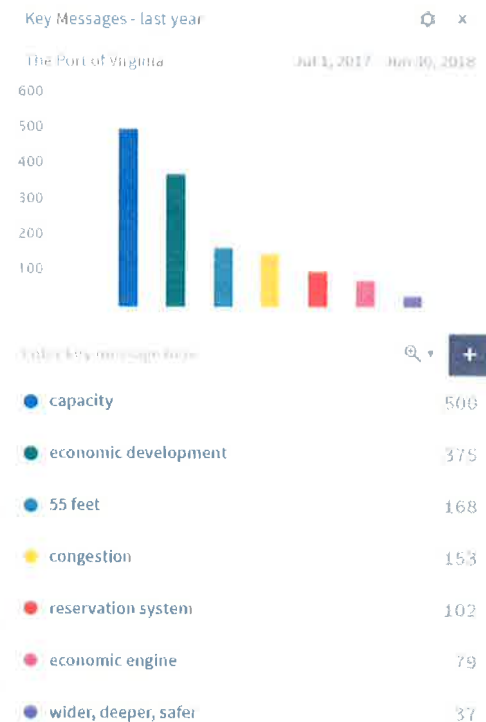
# EFFECTIVE MESSAGING CONTINUES

Fiscal Year 2018

**2,924 MENTIONS**

**\$4.9 MILLION IN AD EQUIVALENCY**

## KEY MESSAGE MENTIONS



Stewards of Tomorrow®



# How The Port of Virginia is Using Augmented Reality to Encourage Stakeholder Engagement and Buy-In



- 4  
Direct Service to  
45 Countries
- 15  
Weekly Vessel  
Calls With Asia
- 13  
Weekly Vessel  
Calls With Europe
- 1  
Weekly Service to East  
Coast South America



- 2  
Weekly Calls with  
India Sub-Continent  
& Middle East
- 1  
Weekly Vessel Call  
With Africa
- ↔  
Transshipment service from  
WCSA Sub-Continent to  
USEC Virginia



© 2014 The Port of Virginia















## THE PORT OF VIRGINIA (VA)

[Home](#) [Quick Facts](#) [Connectors](#) [Rail Capacity](#) [Rest of Facts](#)



**Columbus, OH**  
Travel Time: 39 Hours

CSX  
NORFOLK SOUTHERN



### NORFOLK SOUTHERN (NS) DOUBLE-STACK

Atlanta, GA | Chicago, IL  
Cleveland, OH | Columbus, OH  
Dallas, TX | Detroit, MI  
Front Royal, VA | Greensboro, NC  
Heartland Intl. Gateway, WV  
Kansas City, MO | Louisville, KY  
St. Louis, MO | Sharonville, OH

### CSX DOUBLE-STACK

Chicago, IL | Cincinnati, OH  
Cleveland, OH | Columbus, OH  
Detroit, MI | Kansas City, MO  
Louisville, KY | Northwest  
Ohio, OH | St. Louis, MO  
Valleyfield, Quebec

### HIGHEST RAIL-VOLUME PORT ON THE EAST COAST

Gateway to the Midwest

### SUSTAINABILITY

One train (round trip) eliminates 640 containers from the road

### TRAIN EMISSION

1/3 Lower Environmental Impact







## VIRGINIA INTERNATIONAL GATEWAY

Gateway for Expansion 7-10-2015



Construction Begins on VIG  
*Start in 2014 (Dates subject to change)*

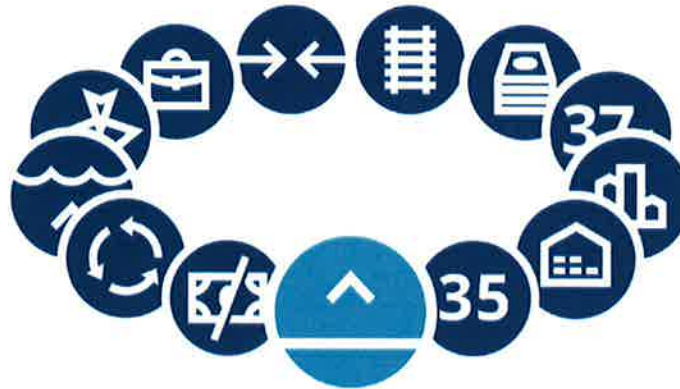






## THE PORT OF VIRGINIA (VA)

Map Quick Stats Commerce Rail Capacity Reelers Tackle



## 50 FOOT CHANNELS & BERTHS

*Deepest on the coast, with congressional approval to expand to 55 feet.*





A man with a beard, wearing a yellow hard hat and a high-visibility yellow jacket over a white shirt and blue tie, stands on the deck of a ship. The background shows the blue sea and a distant ship under a clear sky.

## STEWARDS OF TOMORROW

INNOVATION

HELPFULNESS

ACCESSIBILITY

MINDFULNESS

FORTITUDE

SUSTAINABILITY



**Virginia Port Authority Board of Commissioners, July 24, 2018, Session 388**  
**Human Resources Report**

Jim Bibbs  
Chief Human Resources Officer





# AGENDA

---

- University of Denver Transportation Institute
- Talent Management
  - FY18 Highlights
  - Development Programs
  - Toastmasters
- Metrics
  - Wellness (Financial and Benefits)
  - Recruitment
  - Training
  - Demographics



Transportation Institute Executive Master's Program

# UNIVERSITY OF DENVER

- July 16 – 23, 2018
- Hosting classroom time in WTC Boardroom
- Visits:
  - Harbor Tour - USCG Sector Hampton Roads
  - CMA CGM (America) LLC
  - Target Distribution Center
  - Norfolk Southern
  - Ocean Carrier Vessel
  - VIG
  - NIT



**TRANSPORTATION INSTITUTE  
UNIVERSITY OF DENVER**



*Stewards of Tomorrow*



# FY18 TALENT MANAGEMENT



Outreach Ambassadors attended **29** outreach events expanding our community and career related outreach efforts.



**95%** completion rate for Engagement Survey.  
Favorability rating of **70%**  
(up 1% from prior year)



**11** interns this year  
from **11** different  
colleges and universities



2017-2018

# PROGRAM GRADUATIONS

FLDP – 17 graduates



EDP – 8 graduates



**100%** satisfaction with program  
experience and developmental value

**43%** of ALDP graduates promoted  
since program commencement



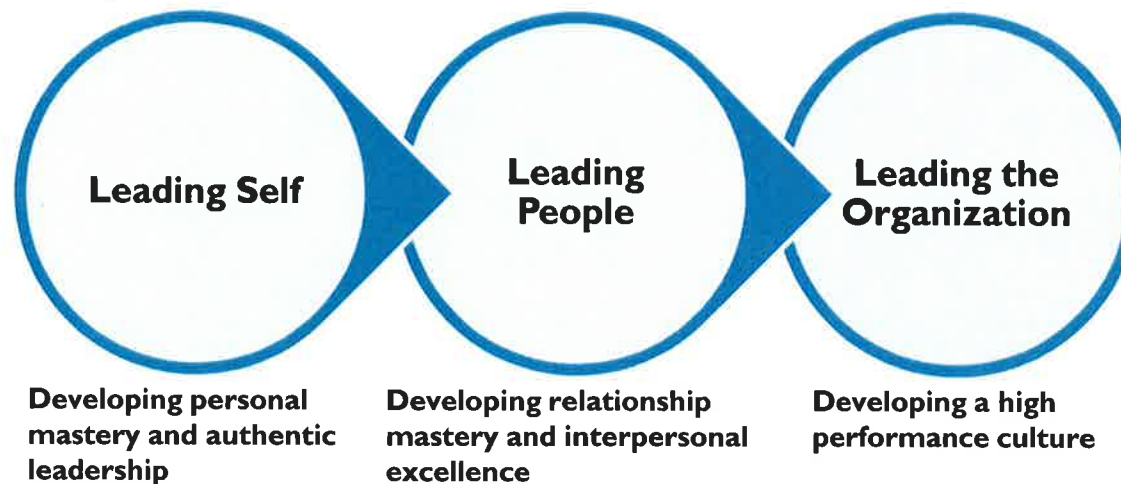
ALDP – 21 graduates



2018-2019

# DEVELOPMENT PROGRAM LINEUP

- Aspiring Leader Development Program
- 20 Colleagues





# POV TOASTMASTERS CLUB

2018 – 2019

Officer

Induction

Ceremony





# FY18 FINANCIAL WELLNESS

196

TOTAL PARTICIPANTS

550

ELIGIBLE PARTICIPANTS

36%

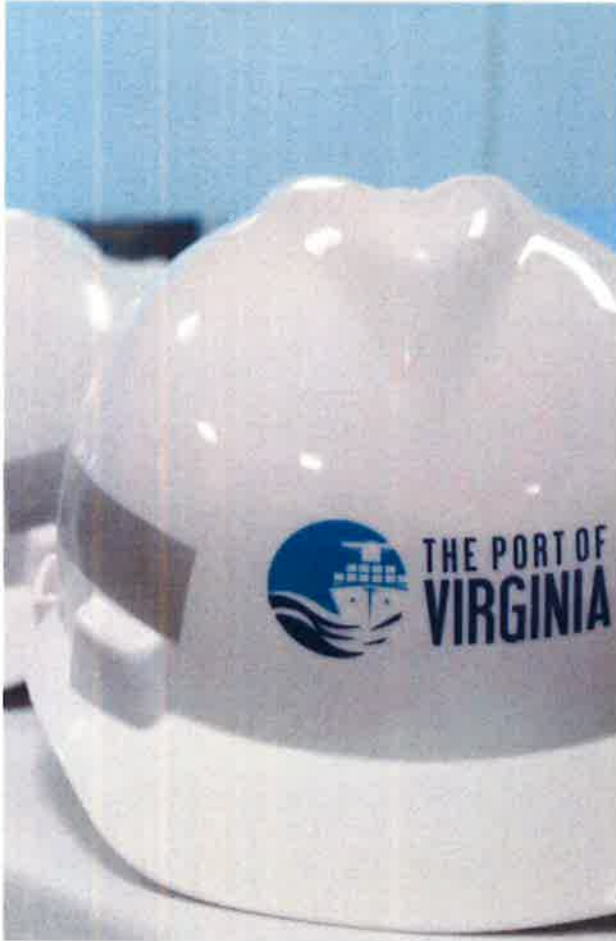
PARTICIPATION RATE

\$5,489

AVERAGE PARTICIPANT  
FINANCIAL TURNAROUND







## FY18 WELLNESS PROGRAM

**389**  
Colleagues

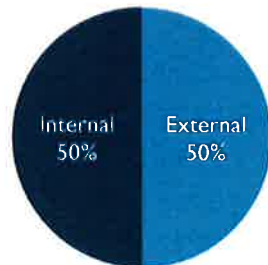


**122**  
Spouses



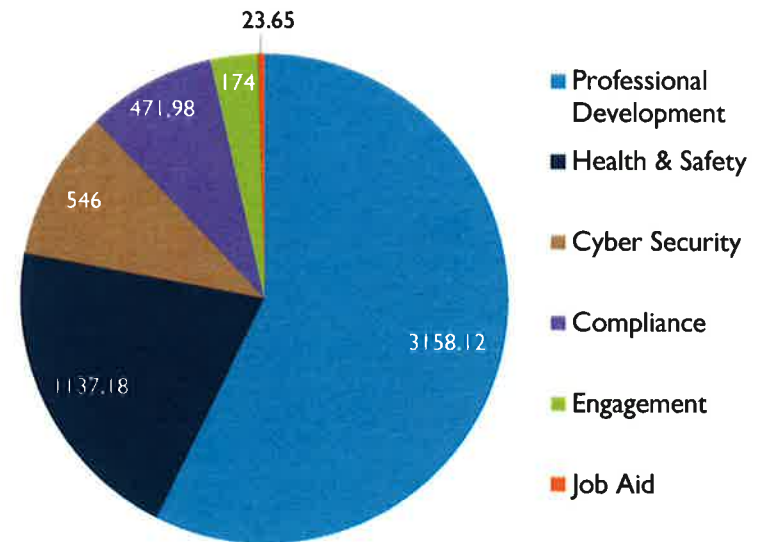
# TRAINING METRICS

Total Training Hours by Business Unit



Total Training by Source

Training Hours by Type





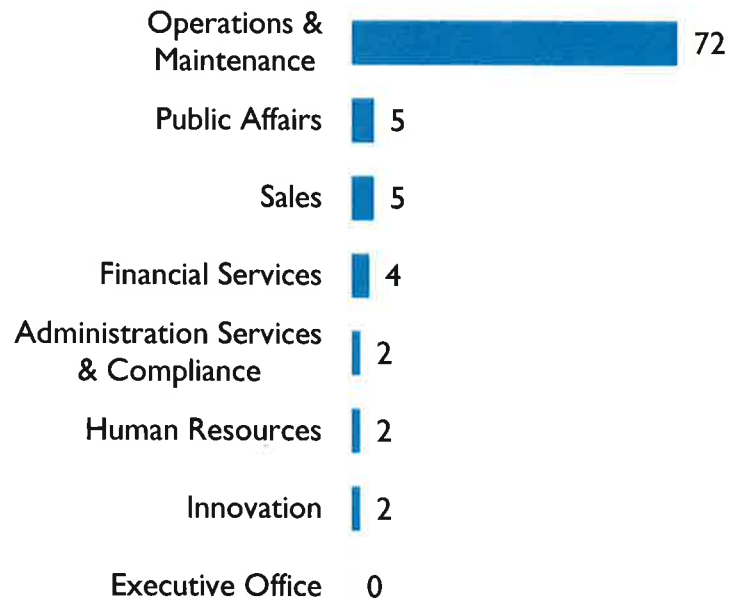
# RECRUITMENT METRICS



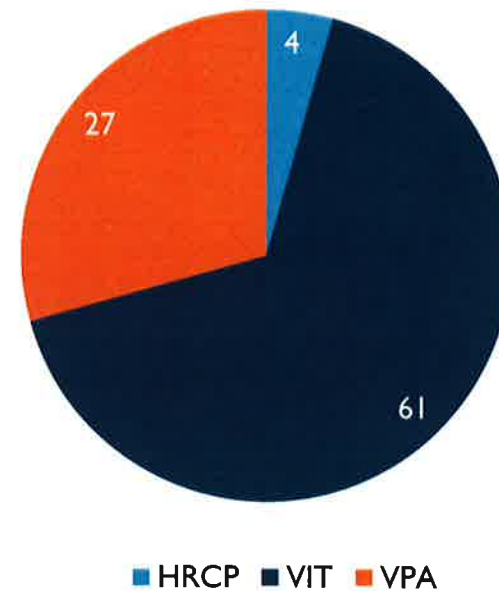


# RECRUITMENT METRICS

New Hires by Business Unit



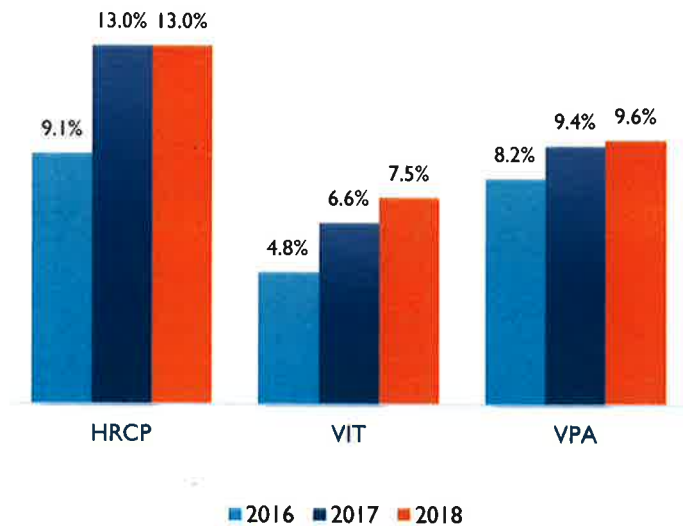
New Hires by Entity





# RECRUITMENT METRICS

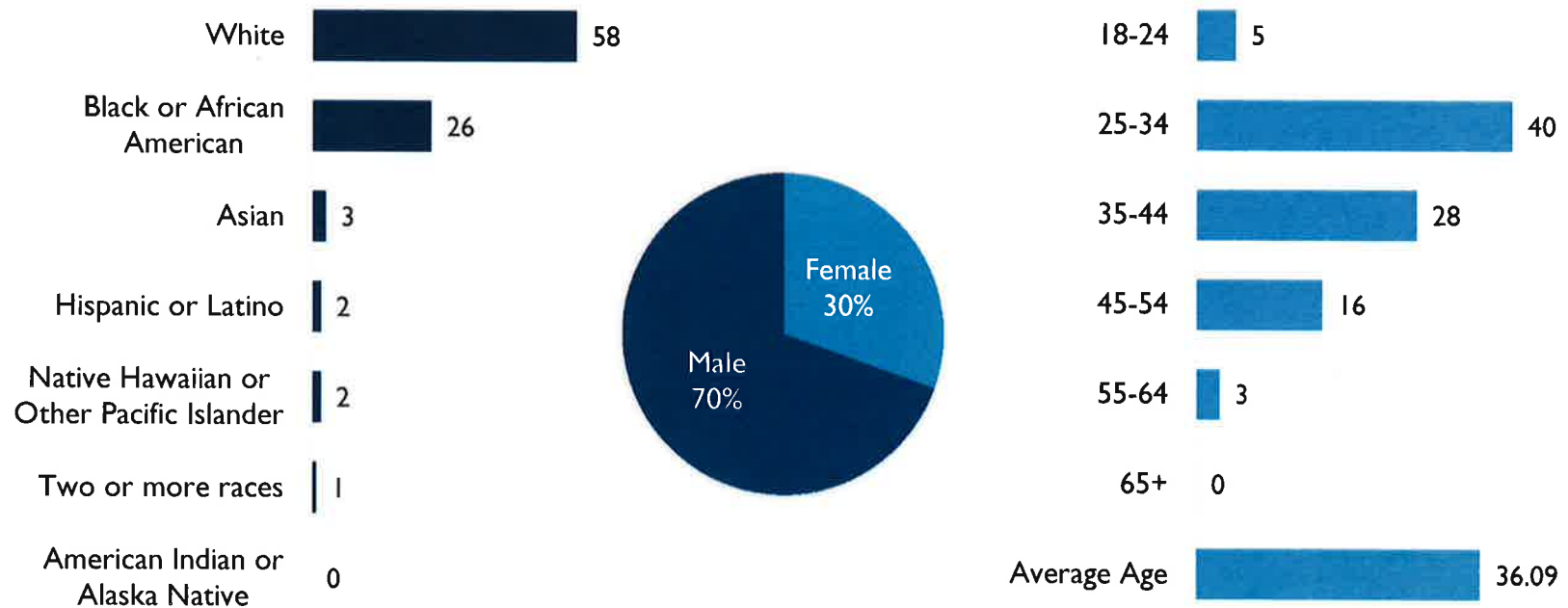
Attrition by Fiscal Year



FY18 POV  
Attrition  
8.4%



# NEW HIRE DEMOGRAPHICS





# STEWARDS OF TOMORROW

INNOVATION

HELPFULNESS

ACCESSIBILITY

MINDFULNESS

FORTITUDE

SUSTAINABILITY





**Virginia Port Authority Board of Commissioners, Session 388, July 24, 2018**  
**Public Affairs Update**

**Cathie Vick**

**Chief Public Affairs Officer**



**THE PORT OF  
VIRGINIA**

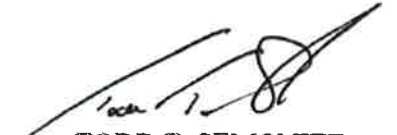
*Stewards of Tomorrow*



# WRDA 2018 – NORFOLK HARBOR



STRONGLY ENHANCE  
THIS CRITICAL PROJECTS -  
GREAT PROJECT FOR "ENERGIZING"  
THE ECONOMY" AND PROTECTING DODS  
MARITIME REQS - WHILE PROTECTING  
THE ENVIRONMENT!! STANDING  
BY TO BEGIN CONSTRUCTION!!  
REPORT IS 6 MONTHS AHEAD OF  
SCHEDULE-

  
TODD T. SEMONITE  
Lieutenant General, USA  
Chief of Engineers



THE PORT OF  
VIRGINIA

Stewards of Tomorrow



# STATE & LOCAL GOVERNMENT AFFAIRS

**\$20M PEDs & \$330M Bonds**





# CHANNEL DEEPENING PRE-CONSTRUCTION ENGINEERING AND DESIGN (PED) SCHEDULE

Task	Date	Status
Prelim PED Effort	June 18	Preparing initial scopes Memorandum of Understanding (MOU) Initiating design agreement
Chief's Report	6/29/18	On schedule
Stakeholder Engagement	9/2018	Seeking consensus to phase contracts and construction schedules (District, VPA, Industry, Pilots, EPA)
Design	8/2018 – 7/2020	Ship Simulator CBBT Cover Modification Channel / Meeting Area Design
Permitting (JPA)	Fall 2018 – Fall 2019	Jointly signed permit, flexible Sediment Sampling (EPA Concurrence, Section 103) Cultural Resources, Section 106 Marine Mammal Protection Act, Section 7
Bid Documents	Winter 2019	Several contracts expected First contract ready to advertise or initial award in July 2020
Construction	July 2020	To begin July 1, 2020



# VIRGINIA WATERWAY MAINTENANCE FUND



- \$1.35M annual grant administered by VPA
- Applicants provide a detailed review of their project within the written guidelines
- Use of funds are described within the application
- Aligns with Aid to Local Ports timeline



# LOCAL GOVERNMENT



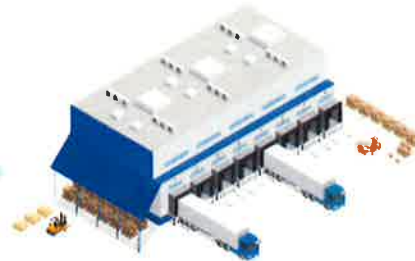
THE PORT OF  
VIRGINIA

*Stewards of Tomorrow*



# ECONOMIC DEVELOPMENT TOTALS FOR FY2018

**51 ANNOUNCEMENTS**



**MORE THAN 3,700,000 SQ.  
FT. OF SPACE**



**CREATED  
5,017 JOBS**

**INVESTED MORE  
THAN \$1.4 BILLION**



*Source: POV Economic Development 7/2018*



## SINCE LAST BOARD MEETING...



New Ravenna will expand its manufacturing Facility in Northampton County

- Announcements: 9
- Square Footage: Over 1.2 Million
- Investment: Over \$60 Million
- Jobs Created: 670



ONE establishing first U.S. operation in Richmond



# LogistXGames



THE PORT OF  
**VIRGINIA**

*Stewards of Tomorrow*



# PDCCC WAREHOUSE & DISTRIBUTION TRAINING FACILITY





# NIT SOUTH BERTH DREDGING UPDATE



- NIT South Channel Widening (Phase I)
  - Provides 1200' LOA (~14K TEU) vessels safe entrance and turning basin
  - Contracted with Norfolk Dredging
  - Access channel usable NLT September
- Phase 2 expected CY19



# NIT WAREHOUSE DEMOLITION



- Demolition of condemned Warehouses 6, 7, and 8 (NIT)
- \$500K total cost
- Complete by end of August 2018



## MIRT & EMERGENCY OPERATIONS

- Conducted 27<sup>th</sup> Annual Marine Firefighting School
- Coordinated Emergency Ops For Harborfest
- Multiple Regional SAR Cases
- Mass Rescue exercise is being planned for August







## STEWARDS OF TOMORROW

INNOVATION

HELPFULNESS

ACCESSIBILITY

MINDFULNESS

FORTITUDE

SUSTAINABILITY