

November 2018 Financial Report

Regency W. Oliver
Chief Financial Officer



AGENDA

- November Financial Results
- Administration Services and Compliance Report



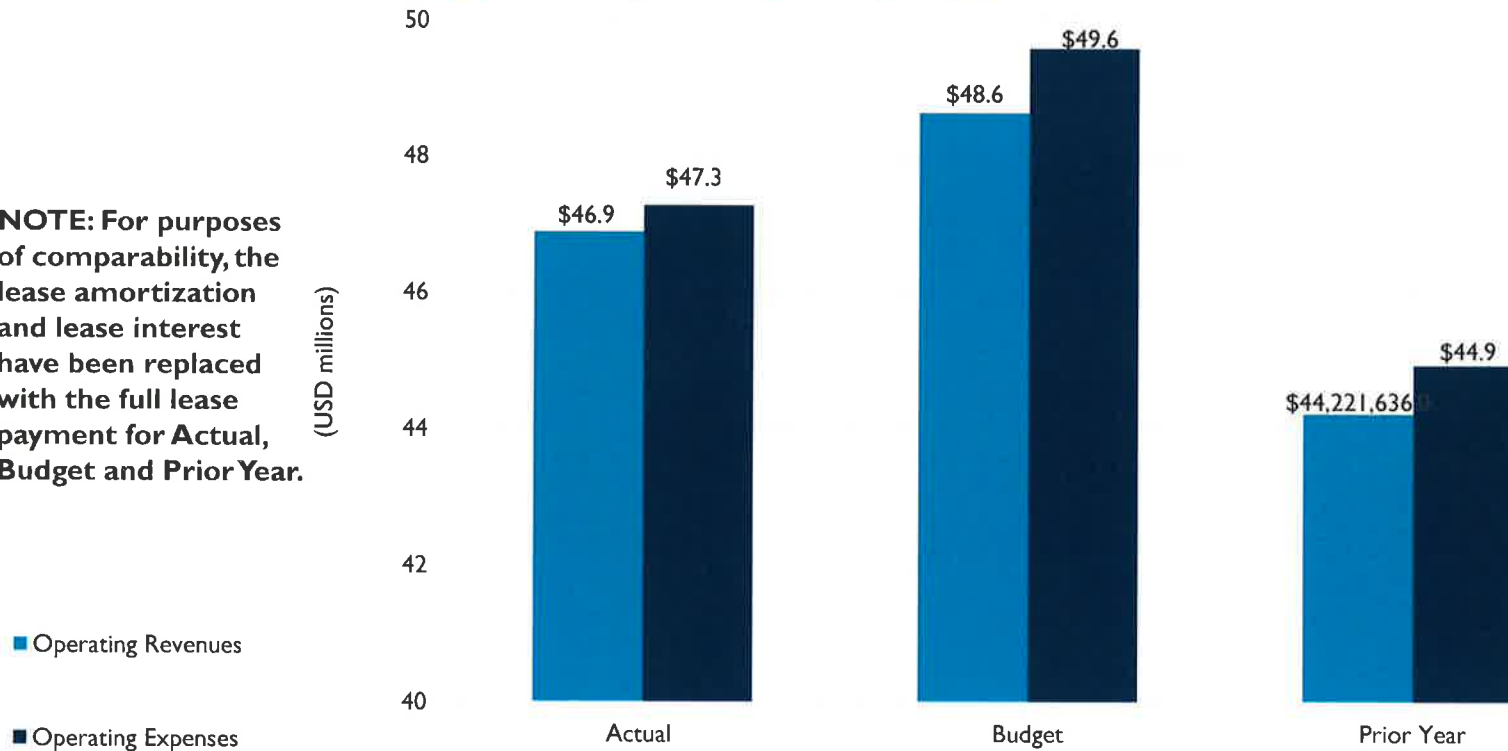
THE PORT OF
VIRGINIA

Stewards of Tomorrow

OPERATING REVENUES AND EXPENSES:

For the Month Ended November 30, 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.



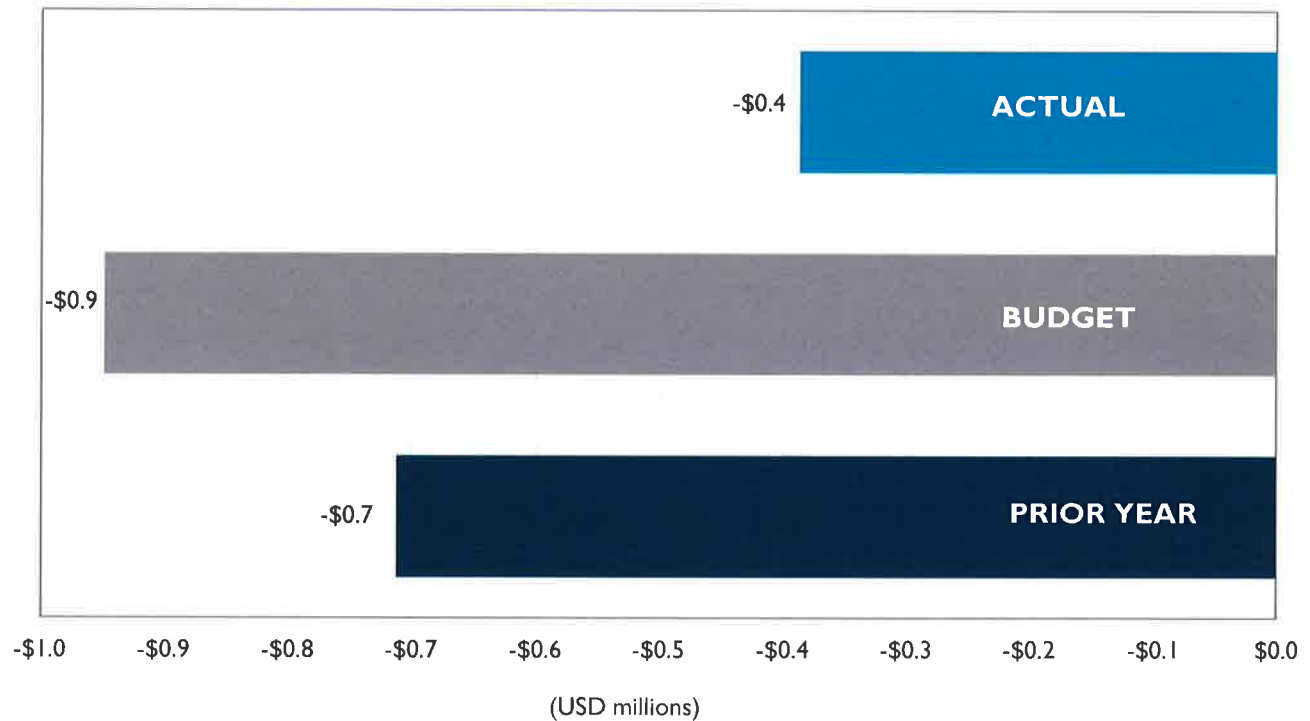
**THE PORT OF
VIRGINIA**

Stewards of Tomorrow

OPERATING INCOME (LOSS):

For the Month Ended November 30, 2018

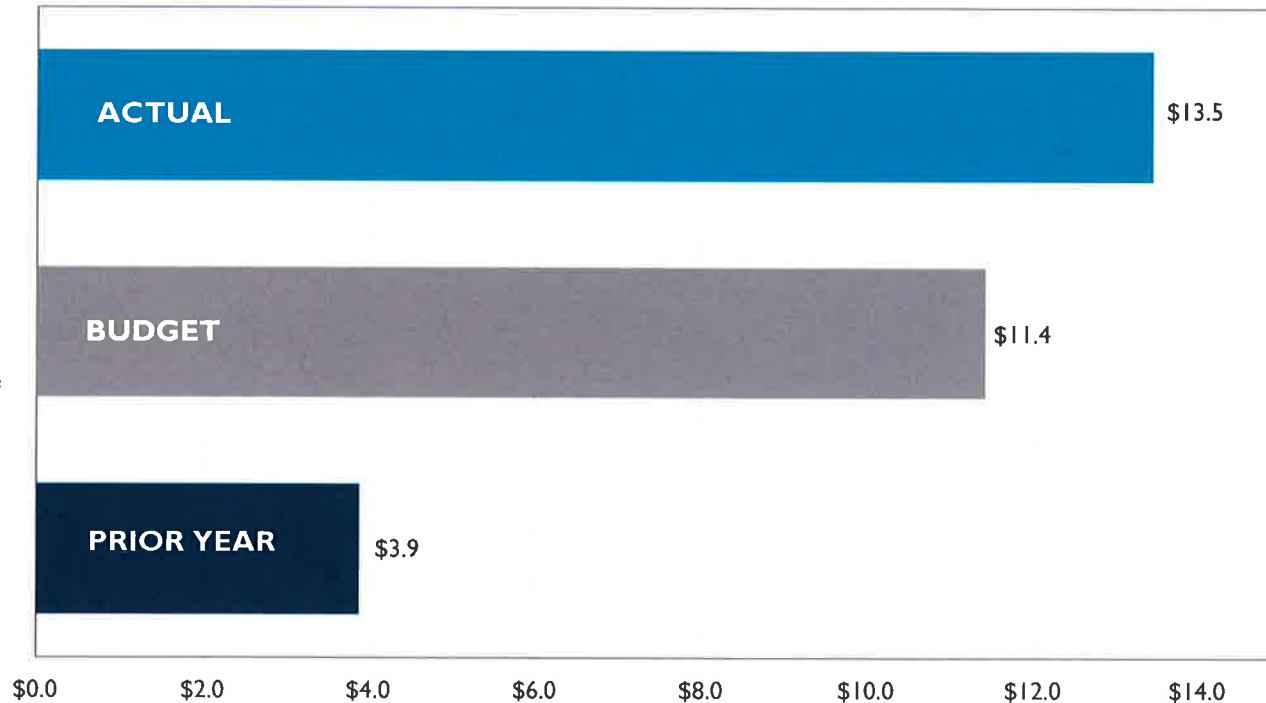
NOTE: For purposes of comparability, the lease amortization and lease interest have been replaced with the full lease payment for Actual, Budget and Prior Year.



CHANGE IN NET POSITION:

For the Month Ended November 30, 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:

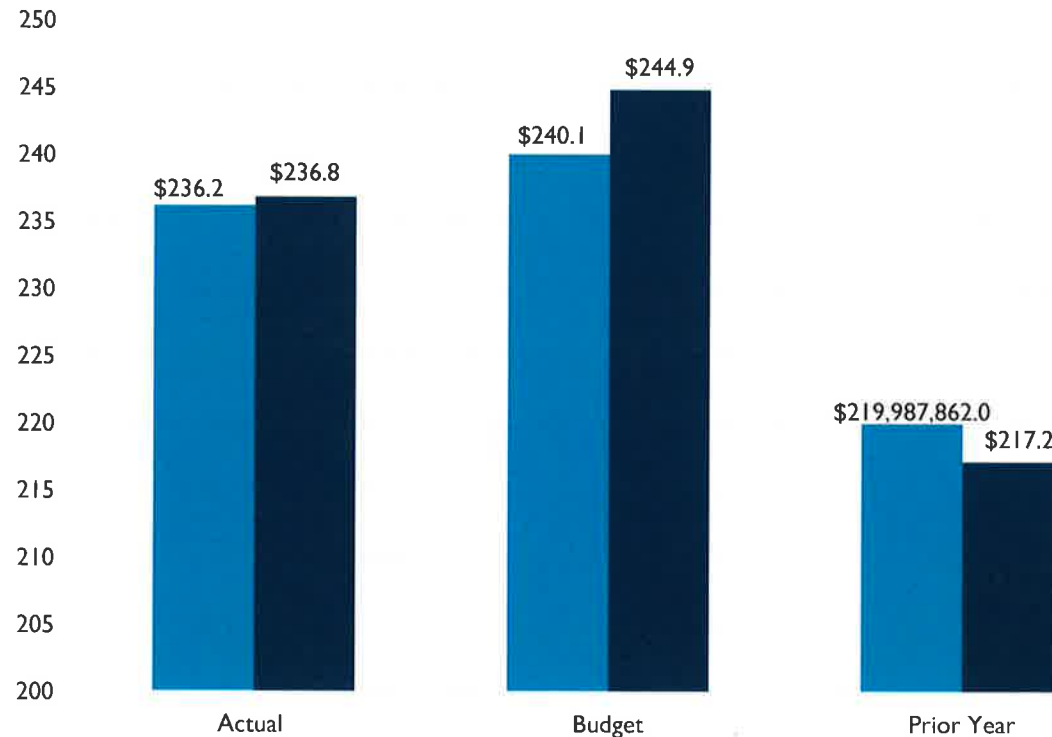
For the Five Months Ended November 30, 2018

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

■ Operating Expenses

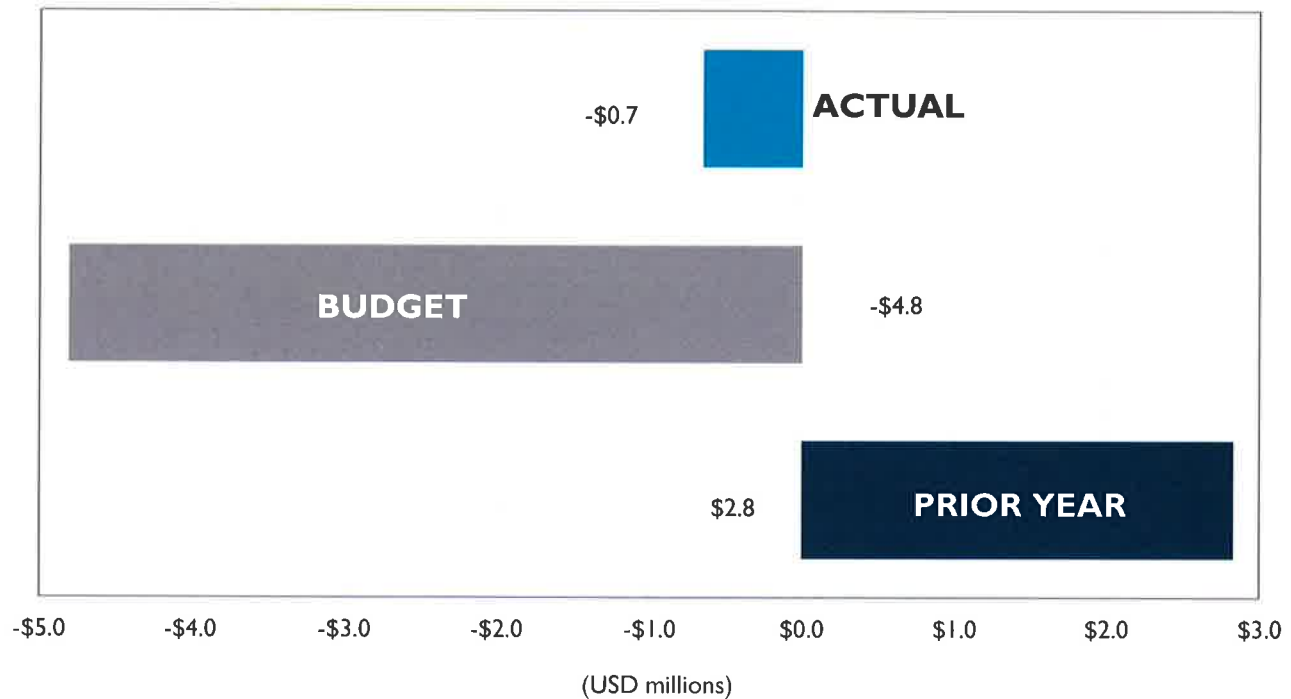
(USD millions)



OPERATING INCOME (LOSS):

For the Five Months Ended November 30, 2018

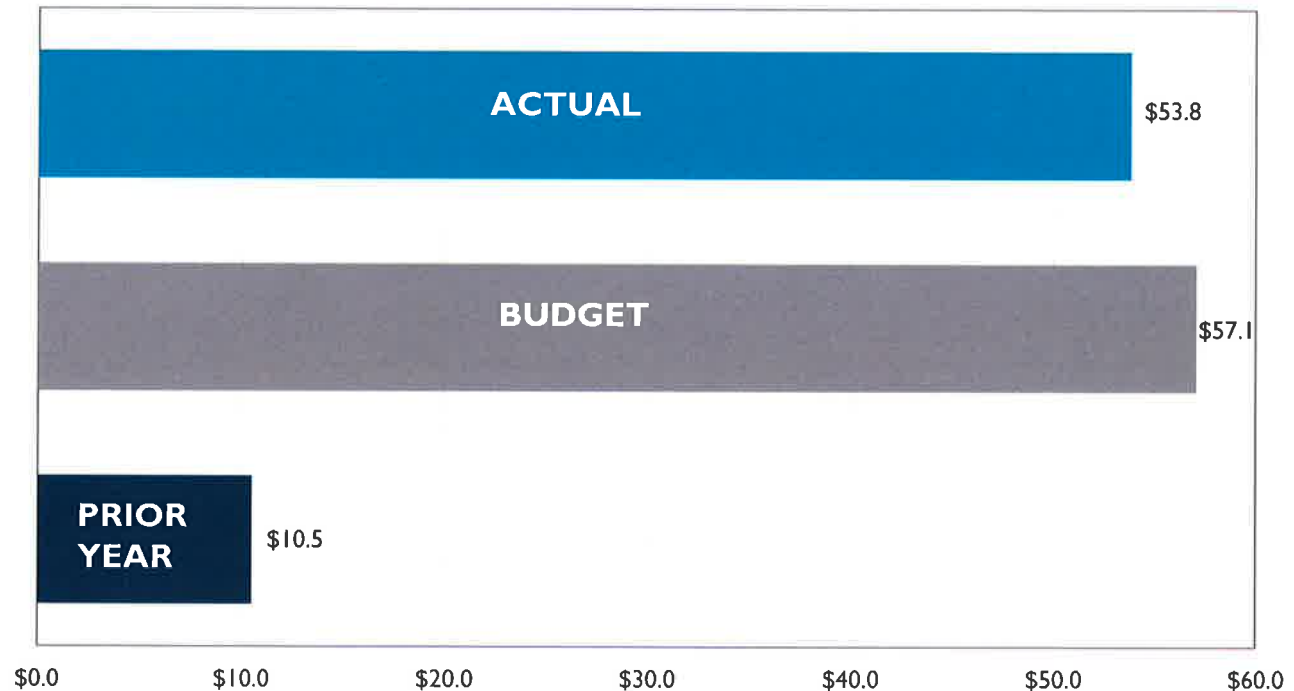
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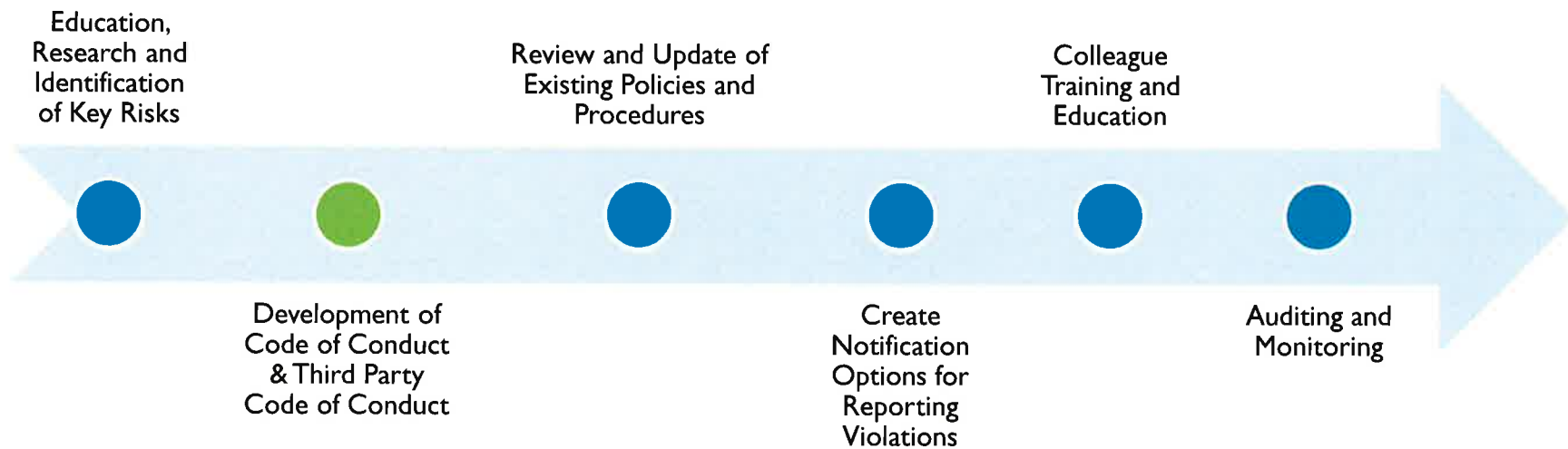
CHANGE IN NET POSITION:

For the Five Months Ended November 30, 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.



COMPLIANCE AND ETHICS PROGRAM



COMPLIANCE OUTREACH



SCCETM
Society of Corporate
Compliance and Ethics



Stewards of Tomorrow

WAREHOUSE INITIATIVE PROJECT

- Centralization of inventory
- Process driven moving to predictability
- Data supported decision making



ASSET MANAGEMENT OBJECTIVES



Complete
an accurate
database
of all
organizational
assets



Collaborate
with vendor on
accurate
assessment
enterprise



Identify
process
gaps in
reporting



Collaborate
with vendor to
enhance
structure of
team and
communication



Update each
asset in
database with
proper
replacement and
insurance costs

FY 2019 YTD

FY 2019	VPA Discretionary Expenditures	Total SWaM Dollars	% SWaM Dollar Growth
FY19 Q1	\$ 42,619,236	\$ 22,343,135	52.43%
FY19 Q2	\$ 53,245,942	\$ 21,008,403	39.46%
FY19 YTD	\$ 95,865,179	\$ 43,351,538	45.22%

FY 16 – FY 19 SWaM RESULTS

FY	VPA Discretionary Expenditures	Total SWaM Dollars	% SWaM Dollar Growth	Goal Set	Goal Actual
FY16	\$50,315,411	\$9,559,928	-21%	42%	19%
FY17	\$68,710,428	\$8,389,543	-12%	20%	12.21%
FY18	\$189,518,850	\$61,330,069	587%	22.5%	32.36%
FY19	\$ 95,865,179*	\$ 43,351,538*	101.33%**	27.5%	45.22%

*Q1-Q2 FY19

** Compared to FY18 Q1-Q2

POV SWaM and DBE EVENT

THE PORT OF VIRGINIA 2019

Small, Woman-Owned & Minority-Owned Businesses (SWaM)
And Disadvantaged Business Enterprise (DBE)
INFORMATION & NETWORKING EVENT



- Discover new business opportunities
- Establish new business relationships
- Meet the port's procurement and purchasing teams
- Network with other SWaM's/DBE's
- Meet our prime construction contractors
- Learn how to do business with the port
- Learn about SWaM and DBE certifications and their benefits
- Hear from a successful SWaM



A woman with dark hair and bangs, wearing a dark blue striped shirt and large hoop earrings, is smiling at the camera. She is in an office environment with blurred desks and other people in the background. The text 'STEWARDS OF TOMORROW' is overlaid in blue on the left side of the image.

STEWARDS OF TOMORROW

INNOVATION

HELPFULNESS

ACCESSIBILITY

MINDFULNESS

FORTITUDE

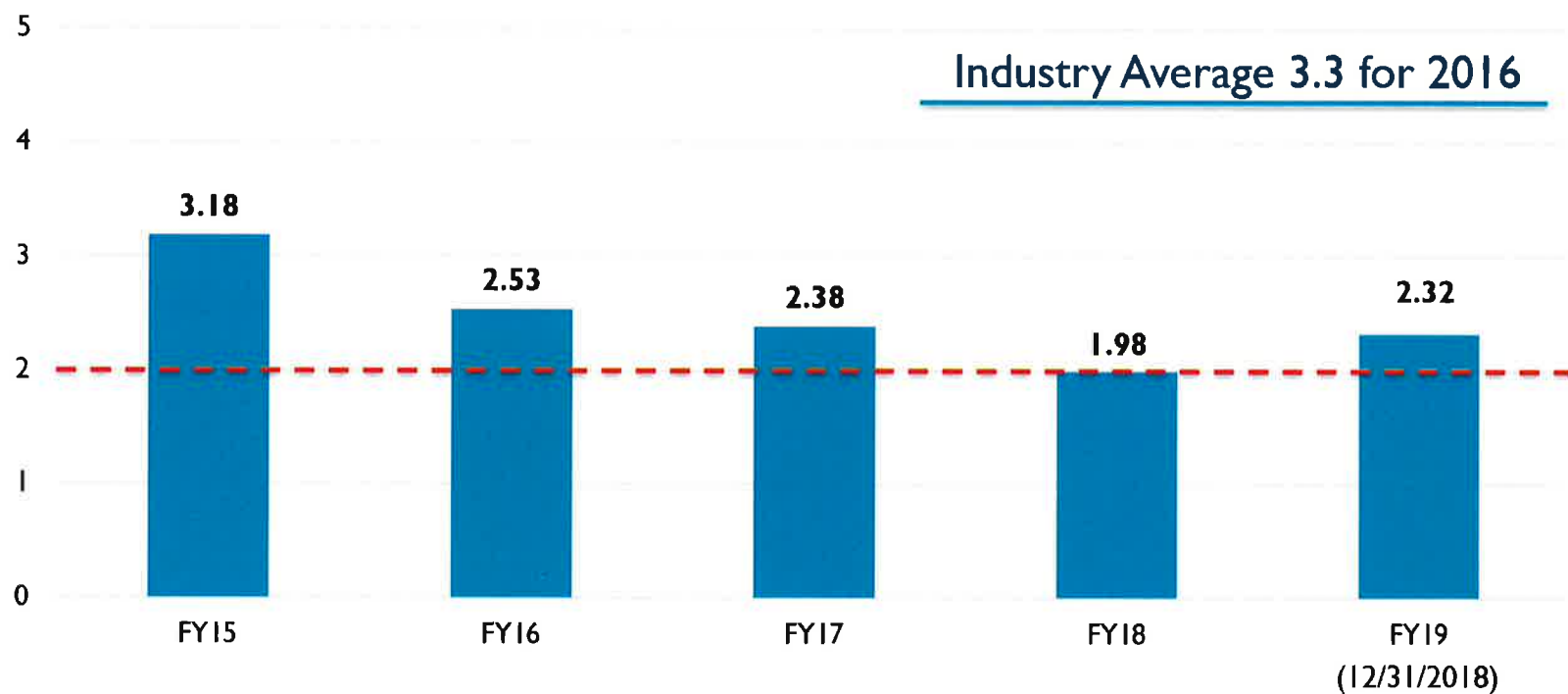
SUSTAINABILITY

Virginia Port Authority Board of Commissioners, Session 391, January 29, 2019
Operations Report

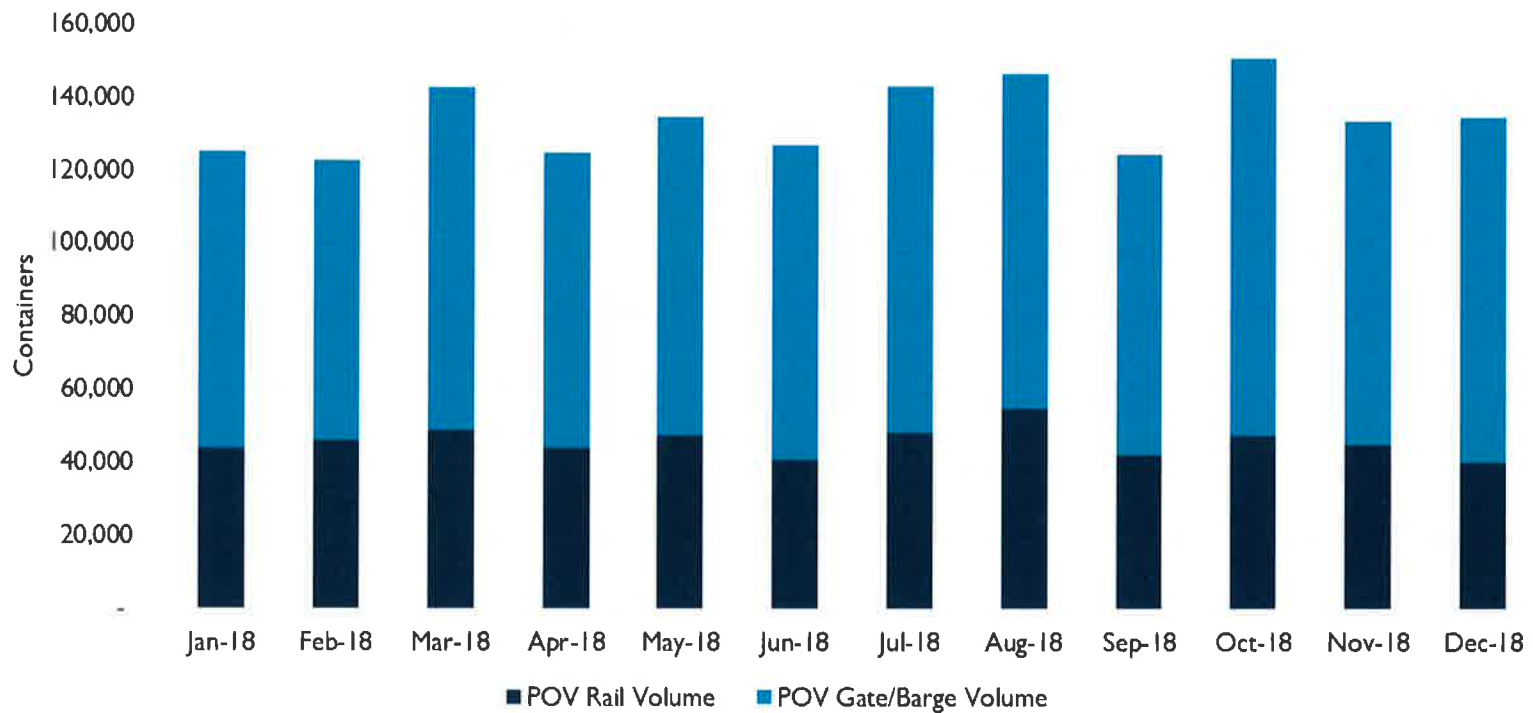
Shawn Tibbetts
Chief Operations Officer



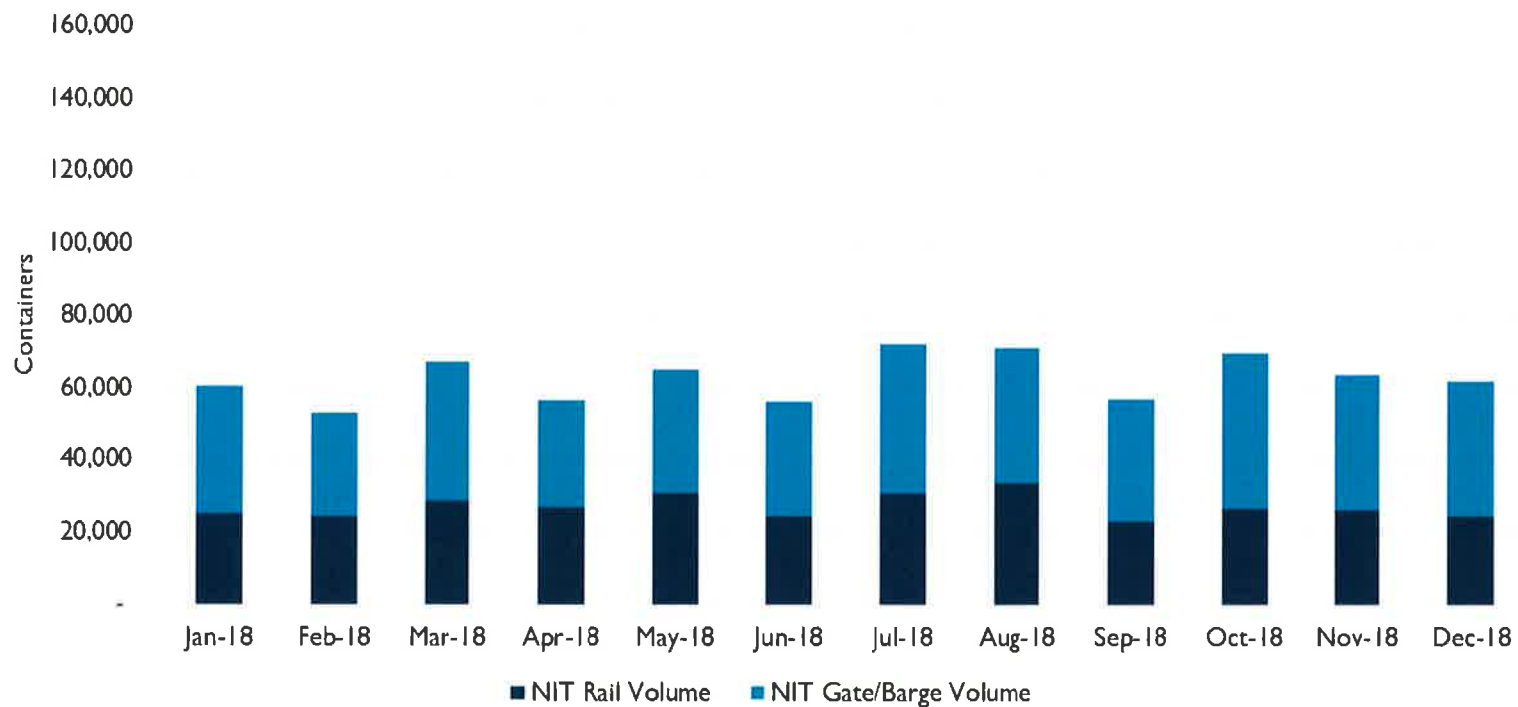
POV OSHA LOST WORK DAY RATE



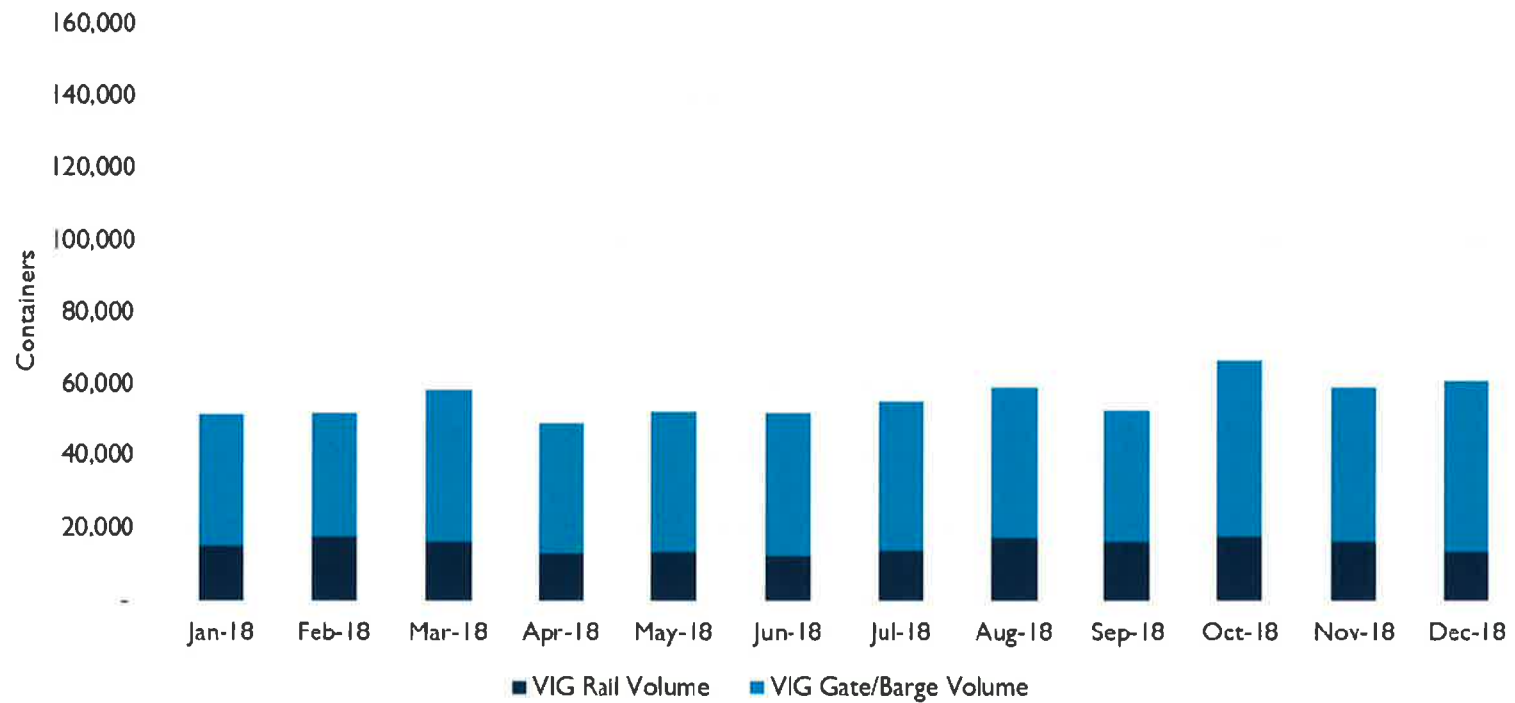
POV RAIL VS GATE/BARGE VOLUME



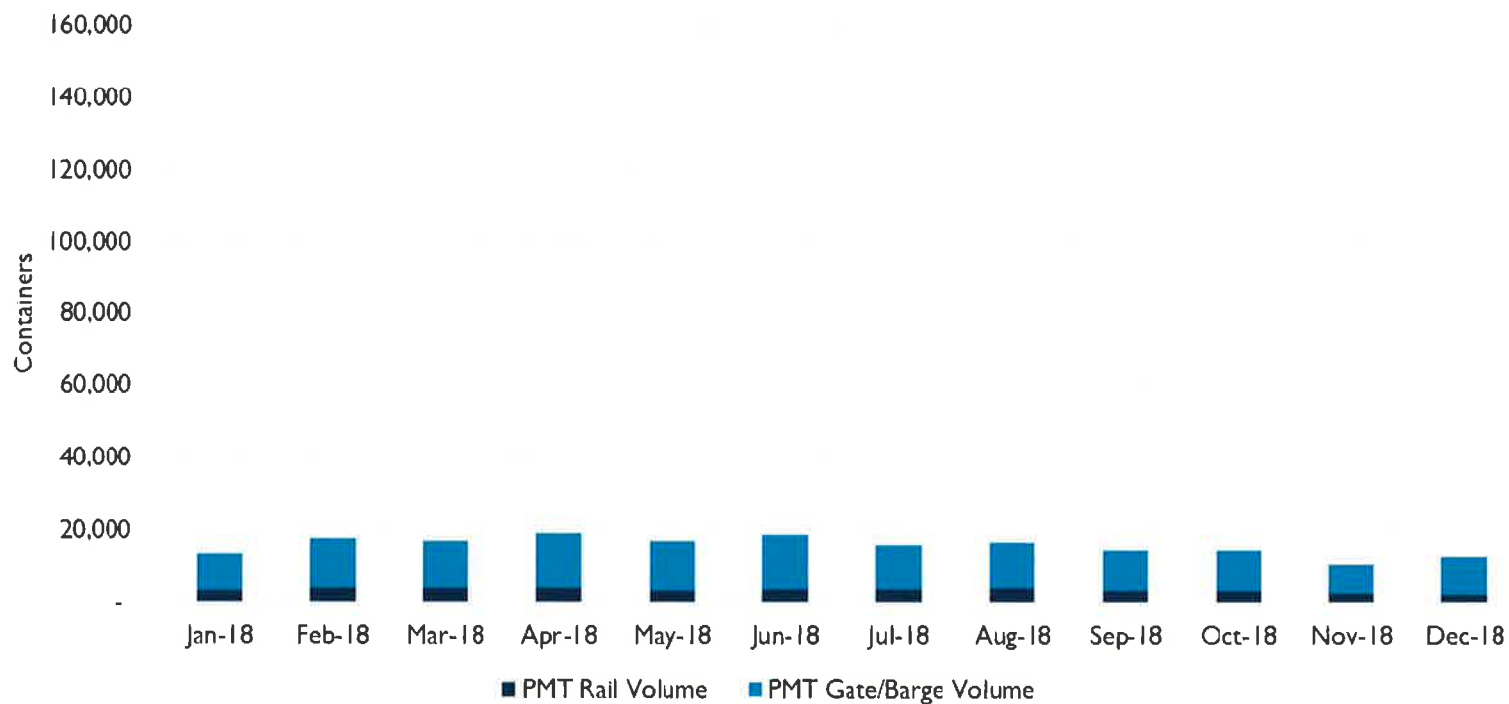
NIT RAIL VS GATE/BARGE VOLUME



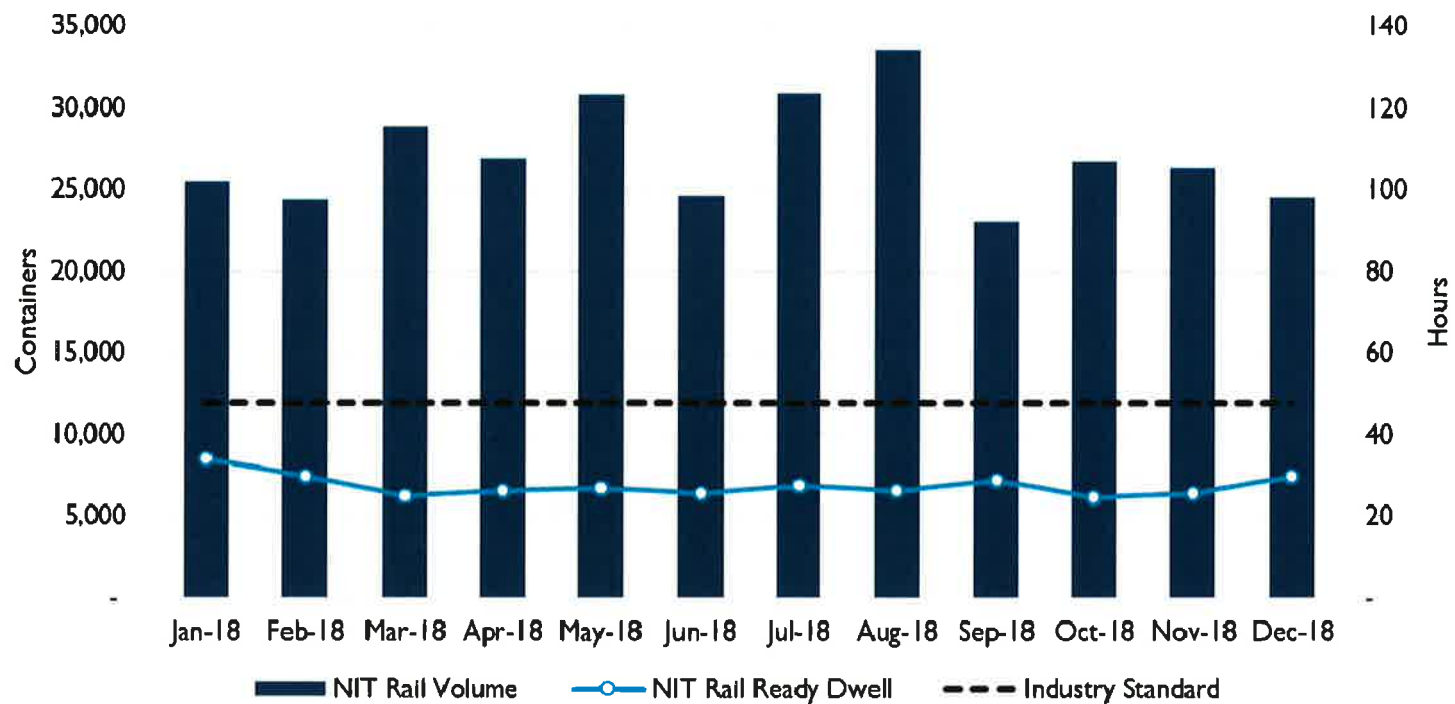
VIG RAIL VS GATE/BARGE VOLUME



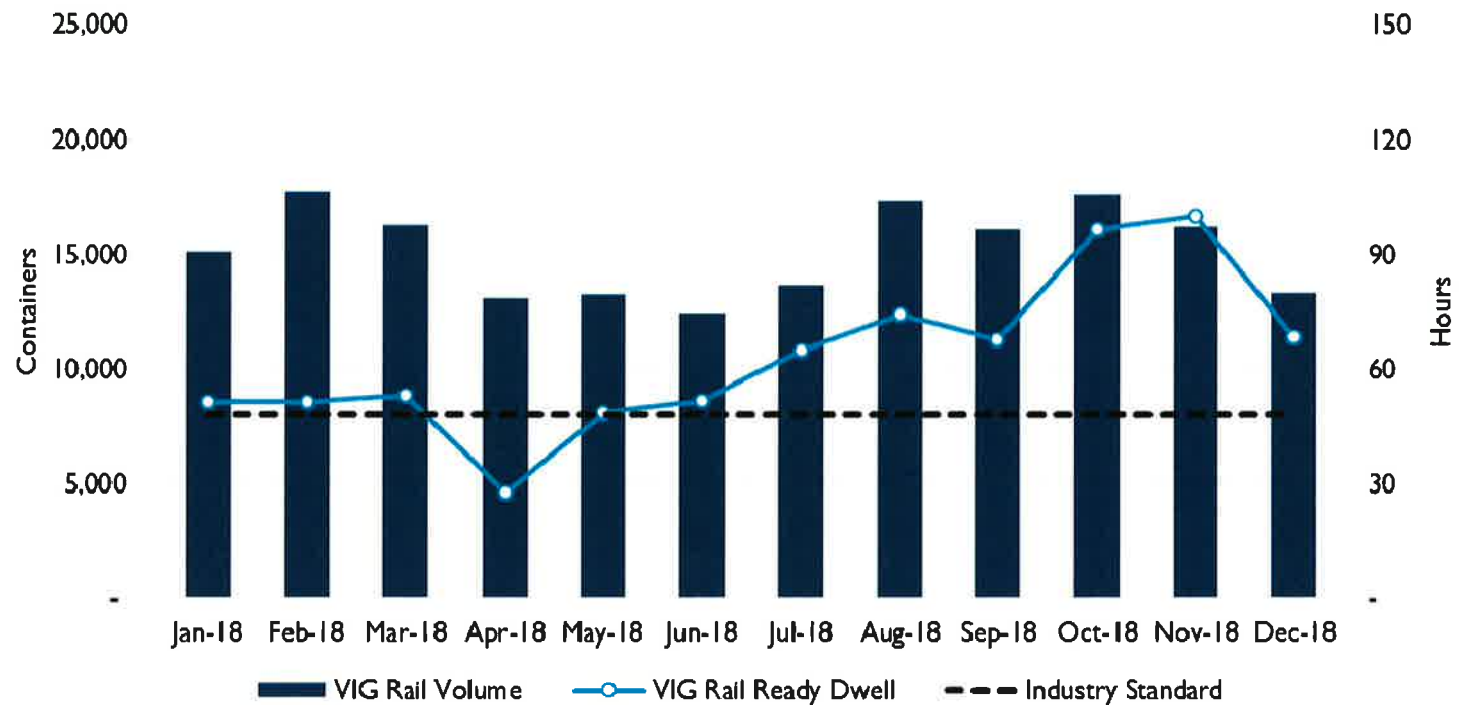
PMT RAIL VS GATE/BARGE VOLUME



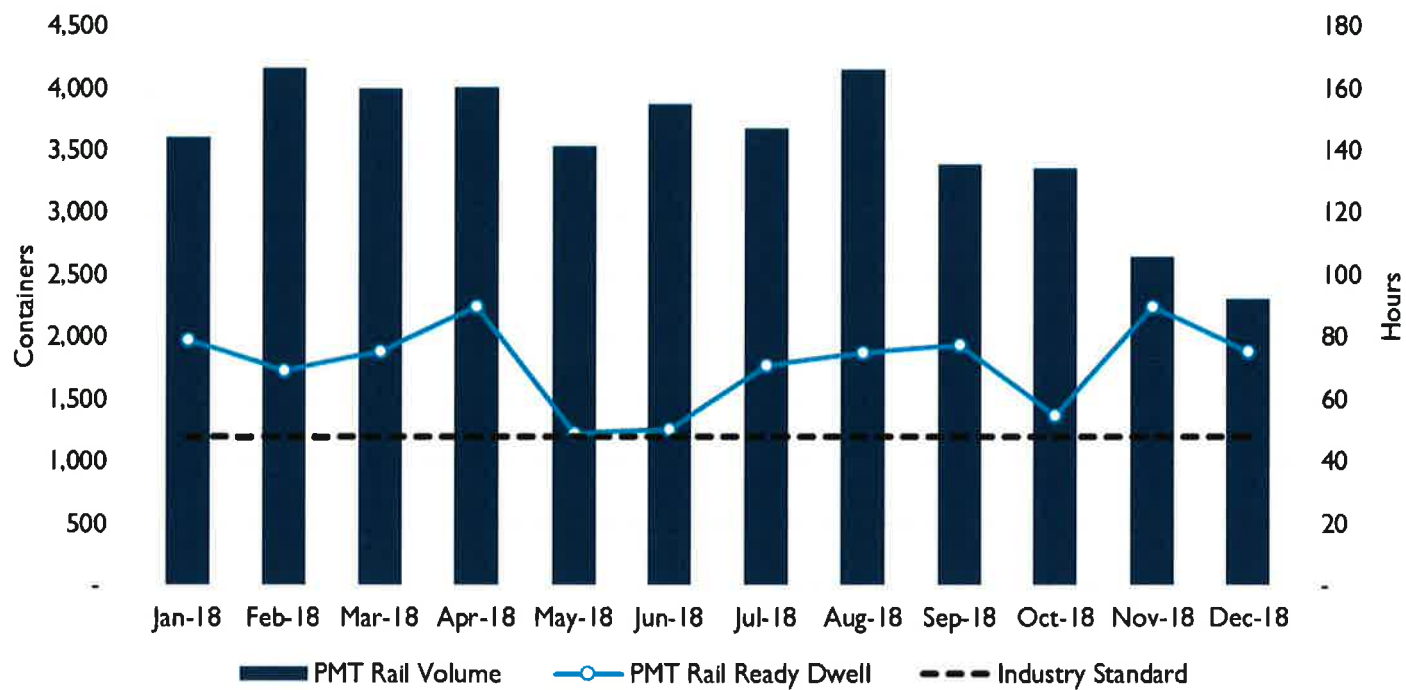
NIT RAIL VOLUME



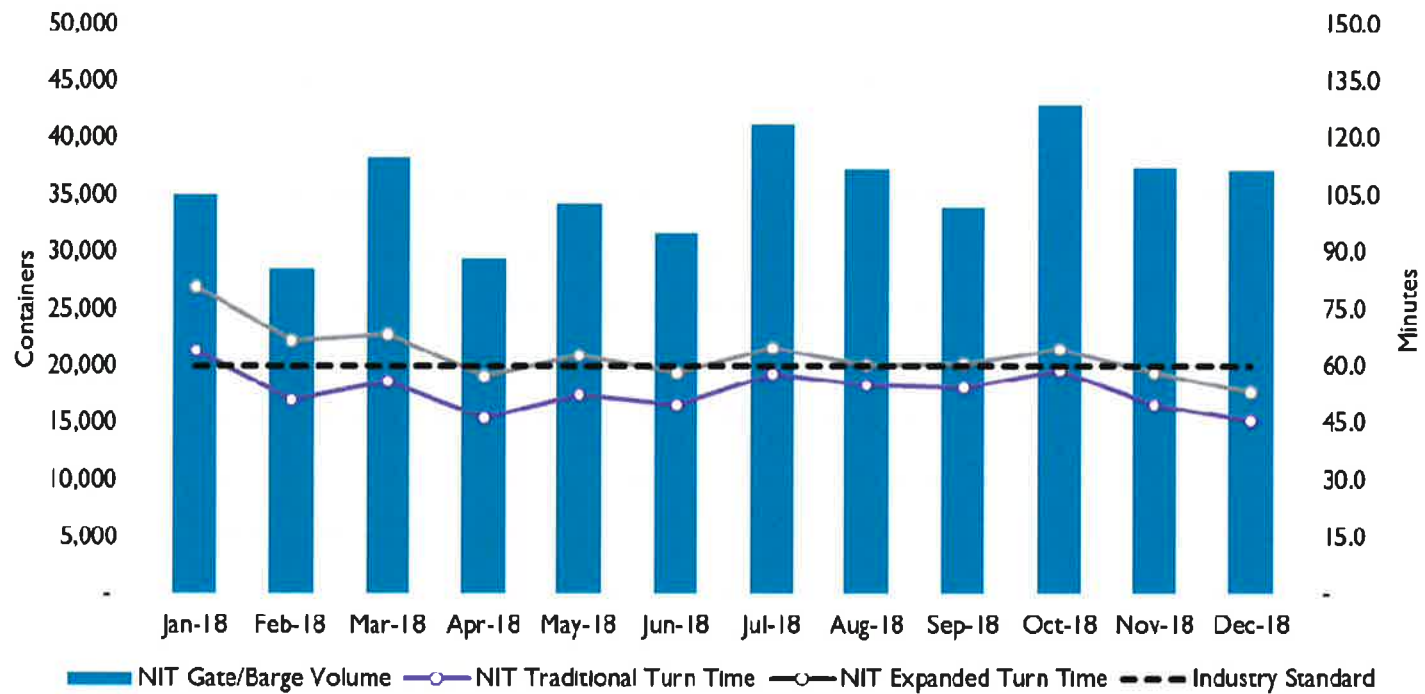
VIG RAIL VOLUME



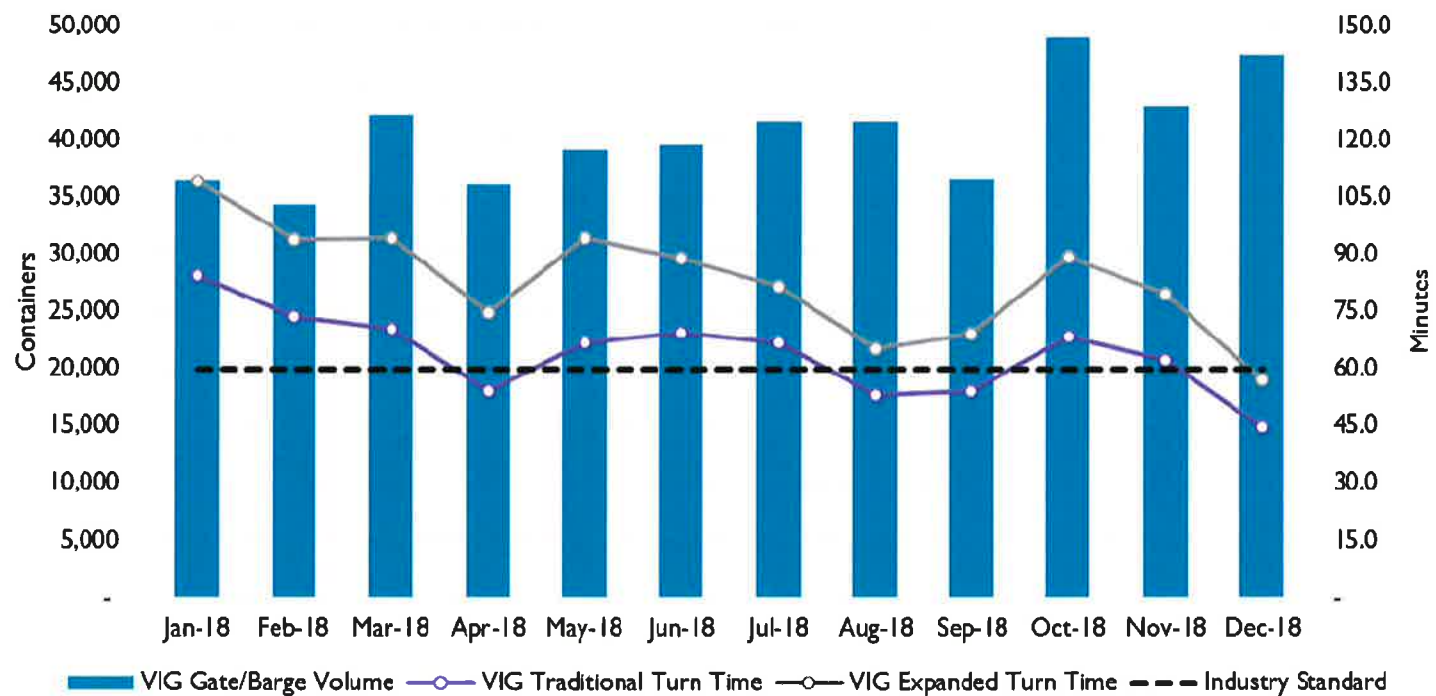
PMT RAIL VOLUME



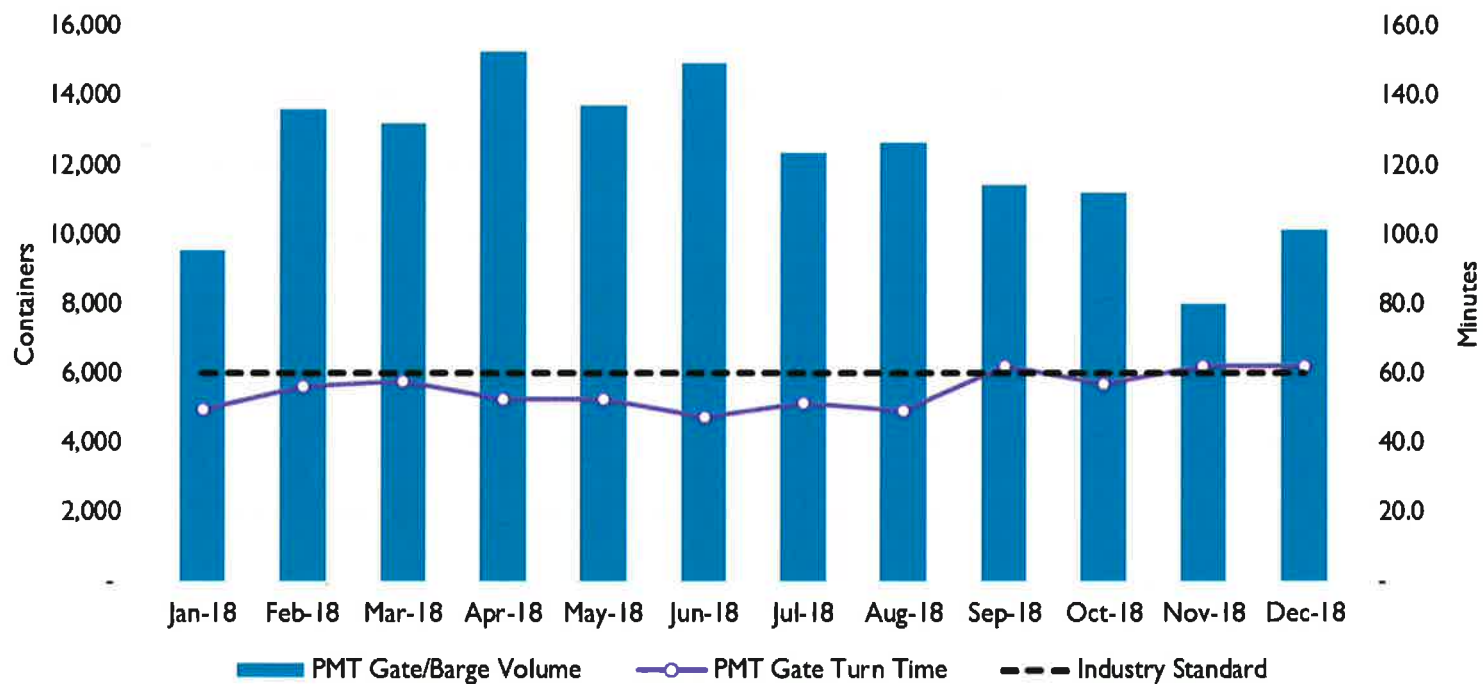
NIT GATE TURN TIMES



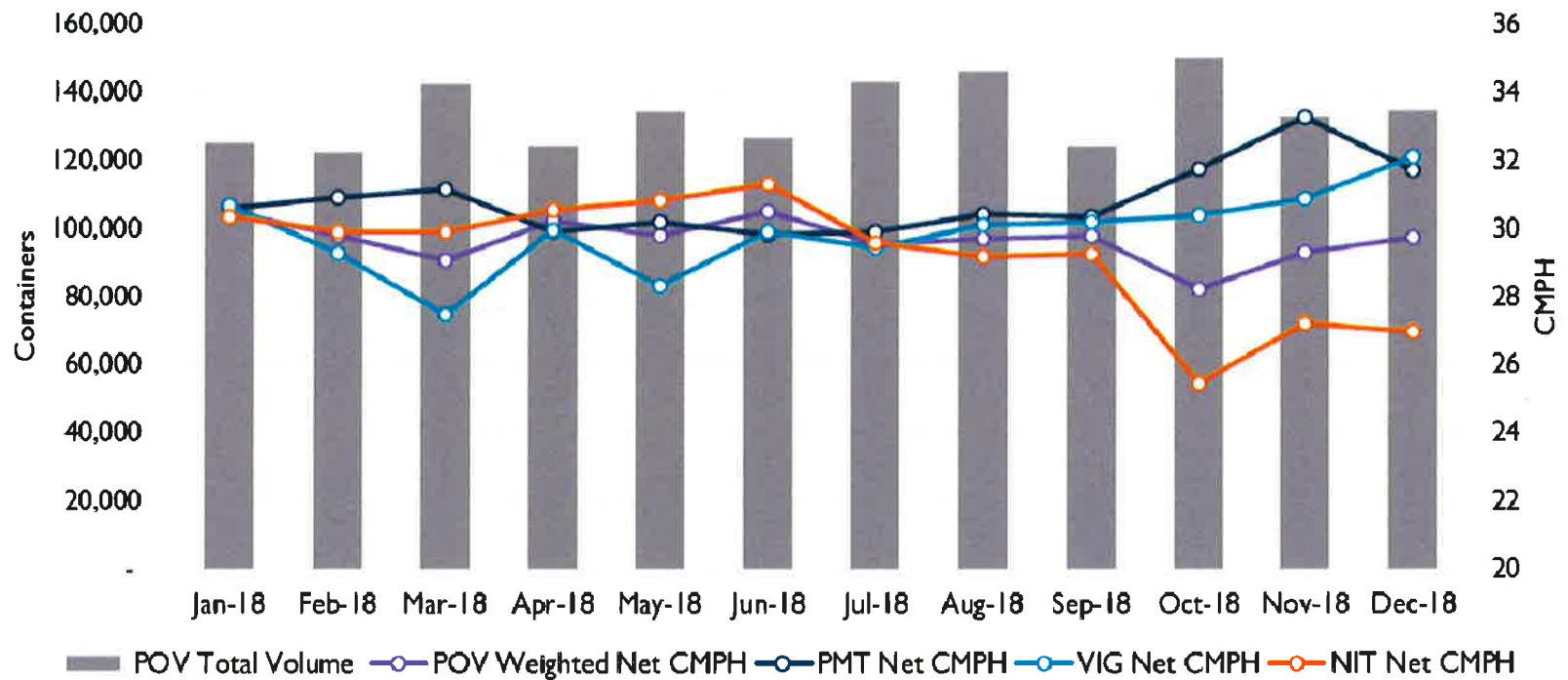
VIG GATE TURN TIMES



PMT GATE TURN TIMES



NET CRANE MOVES PER HOUR



STEWARDS OF TOMORROW

INNOVATION

HELPFULNESS

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FORTITUDE

SUSTAINABILITY



Virginia Port Authority Board of Commissioners, Session 391, January 29, 2019
Sales Report

Thomas D. Capozzi
Chief Sales Officer



POV VOLUMES – CY2018

	CY 2017	CY 2018	Change	% Change
Total TEUs	2,841,016	2,855,904	14,888	0.5%
Export Loaded TEUs	1,014,570	977,786	(36,784)	-3.6%
Export Empty TEUs	506,737	528,049	21,313	4.2%
Import Loaded TEUs	1,276,335	1,327,409	51,074	4.0%
Import Empty TEUs	43,375	22,660	(20,715)	-47.8%
Total Containers	1,612,760	1,612,886	126	0.01%
General Cargo Tonnage	21,971,718	21,974,863	3,145	0.01%
Container Tonnage	21,784,594	21,785,434	840	0.004%
Breakbulk Tonnage	187,124	189,429	2,305	1.2%
Total Rail Containers	570,001	552,318	(17,683)	-3.1%
VIP Containers	35,738	38,540	2,802	7.8%
Total Barge Containers	49,074	50,332	1,258	2.6%
RMT Containers	23,994	31,544	7,550	31.5%
Total Truck Containers	993,685	1,010,236	16,551	1.7%
Ship Calls	1,746	1,655	(91)	-5.2%
Vehicle Units	37,006	24,448	(12,558)	-33.9%

POV VOLUMES – FYTD2019

	FY 2018	FY 2019	Change	% Change
Total TEUs	1,456,234	1,484,403	28,169	1.9%
Export Loaded TEUs	493,613	468,737	(24,876)	-5.0%
Export Empty TEUs	277,367	308,381	31,015	11.2%
Import Loaded TEUs	673,734	697,615	23,881	3.5%
Import Empty TEUs	11,522	9,670	(1,851)	-16.1%
Total Containers	825,630	834,726	9,096	1.1%
General Cargo Tonnage	11,039,730	10,907,103	(132,627)	-1.2%
Container Tonnage	10,942,162	10,816,592	(125,570)	-1.1%
Breakbulk Tonnage	97,568	90,511	(7,057)	-7.2%
Total Rail Containers	286,504	279,515	(6,989)	-2.4%
VIP Containers	18,270	20,100	1,830	10.0%
Total Barge Containers	25,077	25,927	850	3.4%
RMT Containers	12,719	16,637	3,918	30.8%
Total Truck Containers	514,049	529,284	15,235	3.0%
Ship Calls	873	824	(49)	-5.6%
Vehicle Units	20,403	11,801	(8,602)	-42.2%

AgTC WORKSHOP



DOMESTIC SALES TEAM MEETING



PRODUCE MARKETING ASSOCIATION FRESH SUMMIT



THE ALLIANCE 2019 ANNOUNCEMENT

TransAtlantic Services calling Port of Virginia (4 of 7 Services)

Service	Port Rotation	Notes
AL1 (First-in)	Rotterdam–Hamburg–Antwerp–London Gateway– Norfolk –Philadelphia–New York–Halifax–Rotterdam	Norfolk remains first-in; dropped Bremerhaven; added Hamburg
AL3 (Last out)	Antwerp–Hamburg–London Gateway–Charleston–Port Everglades–Houston–Savannah– Norfolk –Antwerp	Norfolk remains last out; dropped Bremerhaven; added Hamburg
AL6	La Spezia–Genoa–Fos–Barcelona–Valencia–New York– Norfolk –Savannah–Miami–Algeciras–La Spezia	New JV with OA (CMA, COSCO, OOCL); No change to Norfolk call; dropped Salerno, Livorno, Lisbon; added Barcelona, Valencia, Miami, Algeciras
AL7 (Zim/ZCA)	Livorno–Barcelona–Halifax–New York– Norfolk –Savannah–Valencia–Tarragona	No change to Norfolk call (middle port); dropped Algeciras; added Livorno

TransPacific Services calling Port of Virginia (4 of 5 Services)

Service	Port Rotation	Notes
EC1 (Last out)	Ningbo–Shanghai–Pusan–Tokyo–[Panama Canal]–Manzanillo–Savannah–Jacksonville–Charleston– Norfolk –Manzanillo–[Panama Canal]–Balboa–Tokyo–Kobe–Ningbo	Norfolk remains last out; WC ports dropped
EC3 (Last out)	Kaohsiung–Xiamen–Hong Kong–Yantian–Shanghai–[Panama Canal]–Manzanillo–Savannah–Jacksonville– Norfolk –Manzanillo–[Panama Canal]–Balboa–Pusan–Kaohsiung	Norfolk remains last out; no change to port rotation
EC4	Kaohsiung–Hong Kong–Yantian–Cai Mep–Singapore–[Suez Canal]–New York– Norfolk –Savannah–Charleston–New York–[Suez Canal]–Singapore–Kaohsiung	No change to port rotation
EC5 (Last out USEC)	Laem Chabang–Cai Mep–Singapore–Colombo–[Suez Canal]–Halifax–New York–Savannah–Jacksonville– Norfolk –Halifax–[Suez Canal]–Jebel Ali–Singapore–Laem Chabang	Norfolk remains last out USEC - no change to port rotation



Stewards of Tomorrow





STEWARDS OF TOMORROW

INNOVATION

HELPFULNESS

ACCESSIBILITY

MINDFULNESS

FORTITUDE

SUSTAINABILITY

Virginia Port Authority Board of Commissioners, Session 391, January 29, 2019

Joseph Ruddy
Chief Innovation Officer



MINDFUL MESSAGING CONTINUES

We continue to “flatten the curve,” earn positive coverage, and anchor our messaging with key audiences.



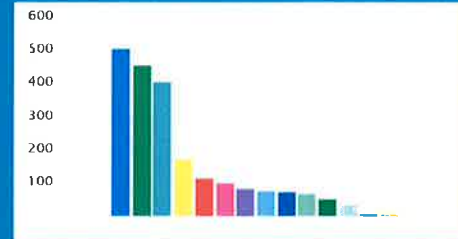
OVER \$7.6MILLION
IN AD EQUIVALENCY

+25% compared to CY17.



95% OF MENTIONS

were “good” or “neutral” in sentiment.



5X FOCUSED MESSAGING

“capacity” mentioned over
“congestion” in 2018.

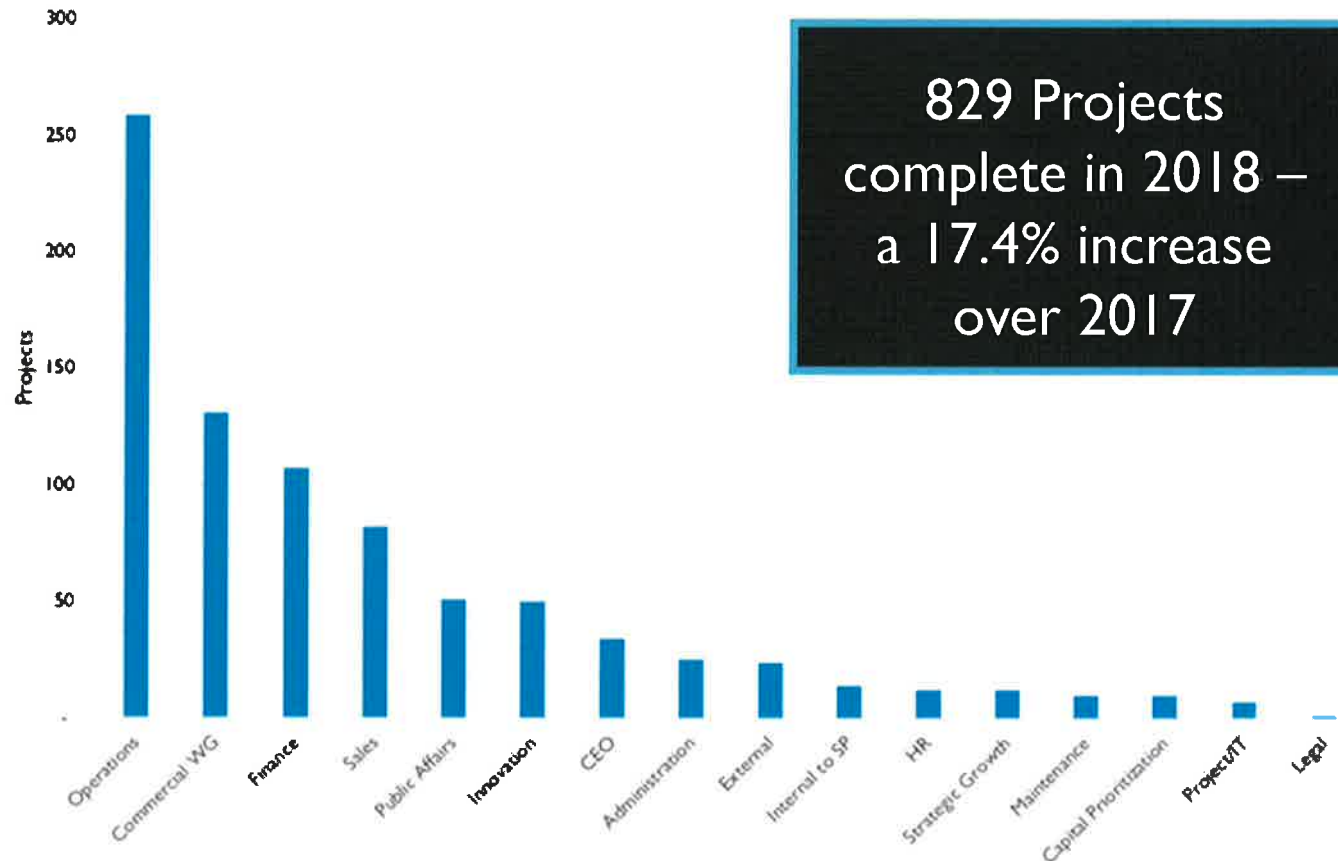


**INTERNATIONAL
COVERAGE**

10 countries ran stories mentioning
The Port of Virginia in 2018

CONVERTING DATA INTO WISDOM

The Strategic Planning & Analytics Team continues to help foster a data-driven decision-making environment.



COMMERCIAL PRICING WEBSITE

A new tool to provide fast and accurate information.

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1

2

3

Customer Confirmation

Submitting this form indicates all information provided is accurate, and confirms your request for quotation. [Click here for more information on the provided shipment details.](#)

Once your request is processed and reviewed, you will receive your PDF quotation via the email address you provided. In case any additional information is required, a pricing specialist will contact you regarding your request.

Terms and conditions are published in the VIT Schedule of Rates (SOR) apply to all cargo moving over The Port of Virginia owned and VIT operating facilities.

Company Name	Virginia Port Authority
Contact Name	John Doe
Email Address	jdoe@portofvirginia.com
Phone Number	+1 7576632147
Country	United States
Zip Code	23510
City	Norfolk
State	Virginia
Relationship to Cargo	Ocean Carrier
Type of Shipment	Trans-Loading
Terminal	NHMT
Direction of Cargo Movement	Import
Foreign Origin Port	Durban
US Destination City	Newport News
US Destination State	Virginia
Equipment Type	20' Open Top, 40' Open Top
Commodity Category	Rubber
Please specify	1140tp FR - 2 cases
Cargo Details	each case @ 18.1ft x 12.2 ft x 16.535 lbs each
Cargo Hazardous	No

By checking below, you indicate you have read and agree to the above information.

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1

2

3

Quote form development

[Operations Alerts](#)
[Tracking Services](#)
[Trucker Resources](#)
[Vessel Schedules](#)
[Terminal Cameras](#)
[Tax and Grant Incentives](#)
[Rate / Tariff Information](#)
[Ocean Services Guide](#)
[Credit Application](#)
[Warehouse Guide](#)
[Interactive Site Selection](#)
[Carbon Calculator](#)

Company Details

* Company Name

* Contact Name

* Email Address

* Phone Number

* Country

* Zip Code

* City

* State

* Relationship to Cargo

* Required Fields

TRACK YOUR CONTAINER

Select terminal and hit submit:

Select a Terminal

FAST FACTS - Select a PDF and hit download:

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1

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3

Quote form development

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[Warehouse Guide](#)
[Interactive Site Selection](#)
[Carbon Calculator](#)

Thank you for your submission.

The Port of Virginia Pricing Department has received your request. Upon review, a quotation will be provided. In case any additional information is required, a pricing specialist will contact you regarding your request.

Please take two minutes to provide us feedback on this form and how we can improve by [clicking here](#).

YOUR CONTAINER

Select terminal and hit submit:

Select a Terminal

FAST FACTS - Select a PDF and hit download:

[Contact Information](#)
[Useful Links](#)
[Twitter Feed](#)
[Newsroom](#)

LEARNING TO SEE

Process Excellence is equipping colleagues with the lenses to clearly see change opportunities and the tools to act on them.

Identifying and eliminating DOWNTIME improves our processes



Colleague Involvement:

- Lean Awareness training
- Process improvement projects
- Brown Bag sessions
- ISO 9001 internal audits
- Catalyst Academy (soft launch)

Impactful Results:

- 10% of workforce trained
- Realigned and streamlined processes to support customer requirements
- Seven processes identified as best practices during external ISO 9001 audit
- Tools put into hands of doers to improve their own processes

MAJOR PORT PROJECTS

PROJECT	BUDGET	SCHEDULE
VIG Phase II	●	●
NIT Vessel Auto Stow	●	●
NIT Optimization	●	●
Finance Projects – Billing	●	●
Finance Projects – Peoplesoft	●	●
Business Intelligence	●	●
IT Business Continuity	●	●
RMG Refurbishment	●	●

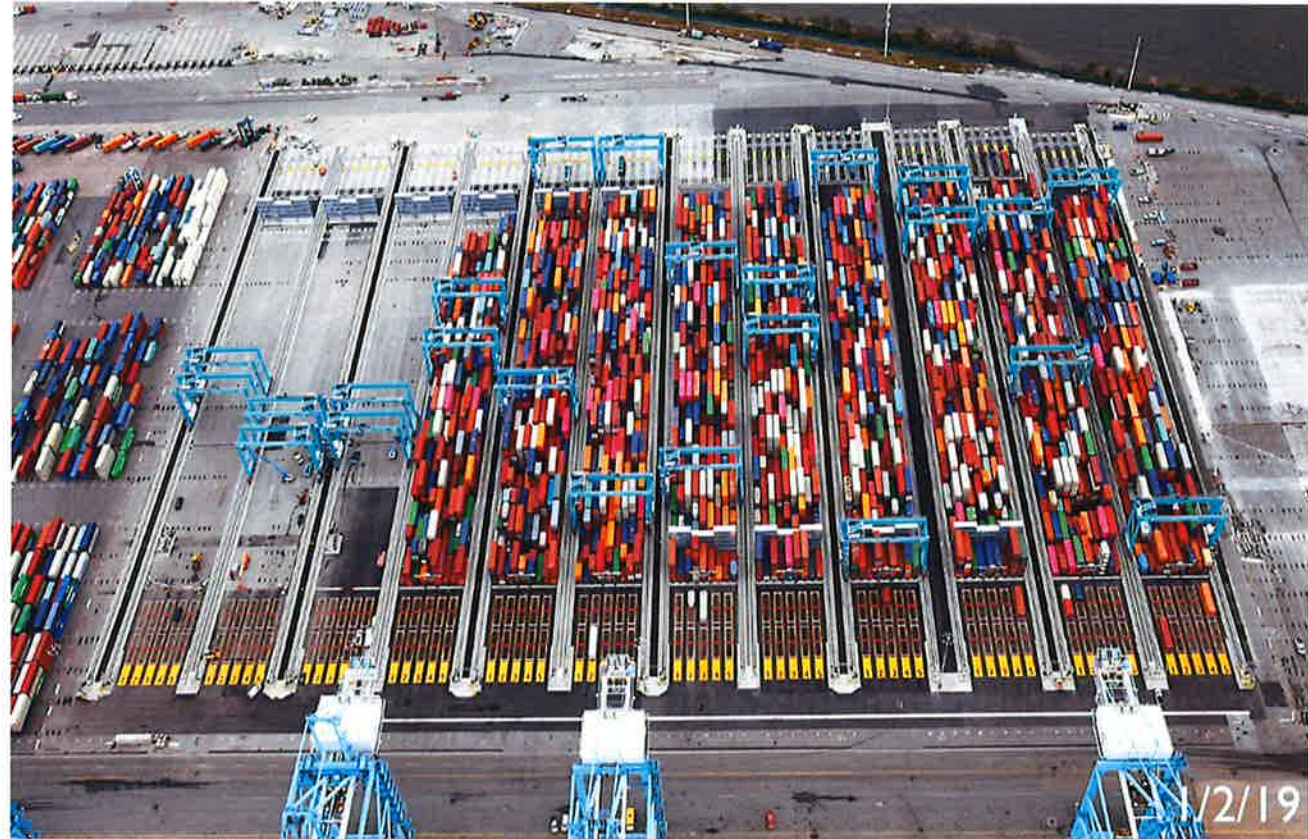
SNIT OPTIMIZATION UPDATE



1/2/19

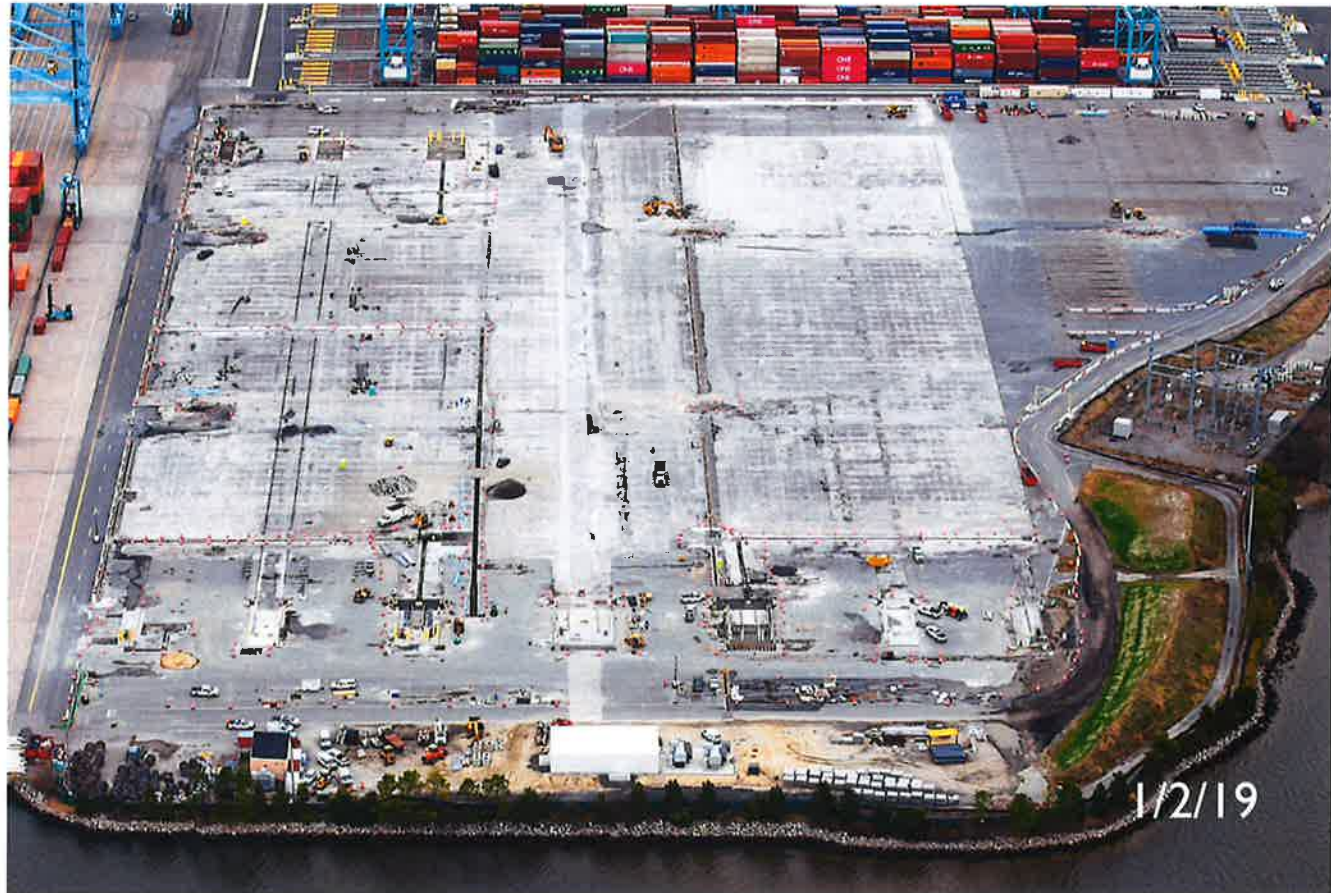
SNIT OPTIMIZATION UPDATE

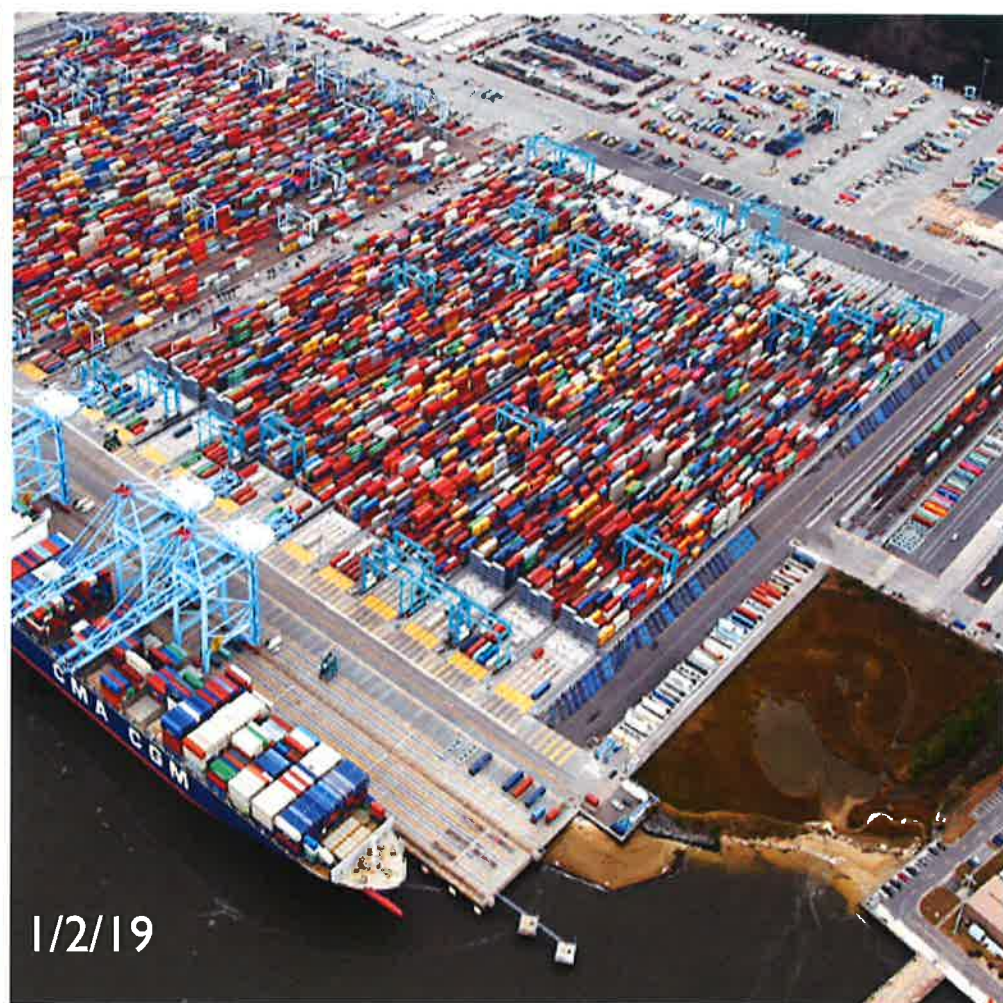
Stacks 7-15 in service



SNIT OPTIMIZATION UPDATE

Phase II construction



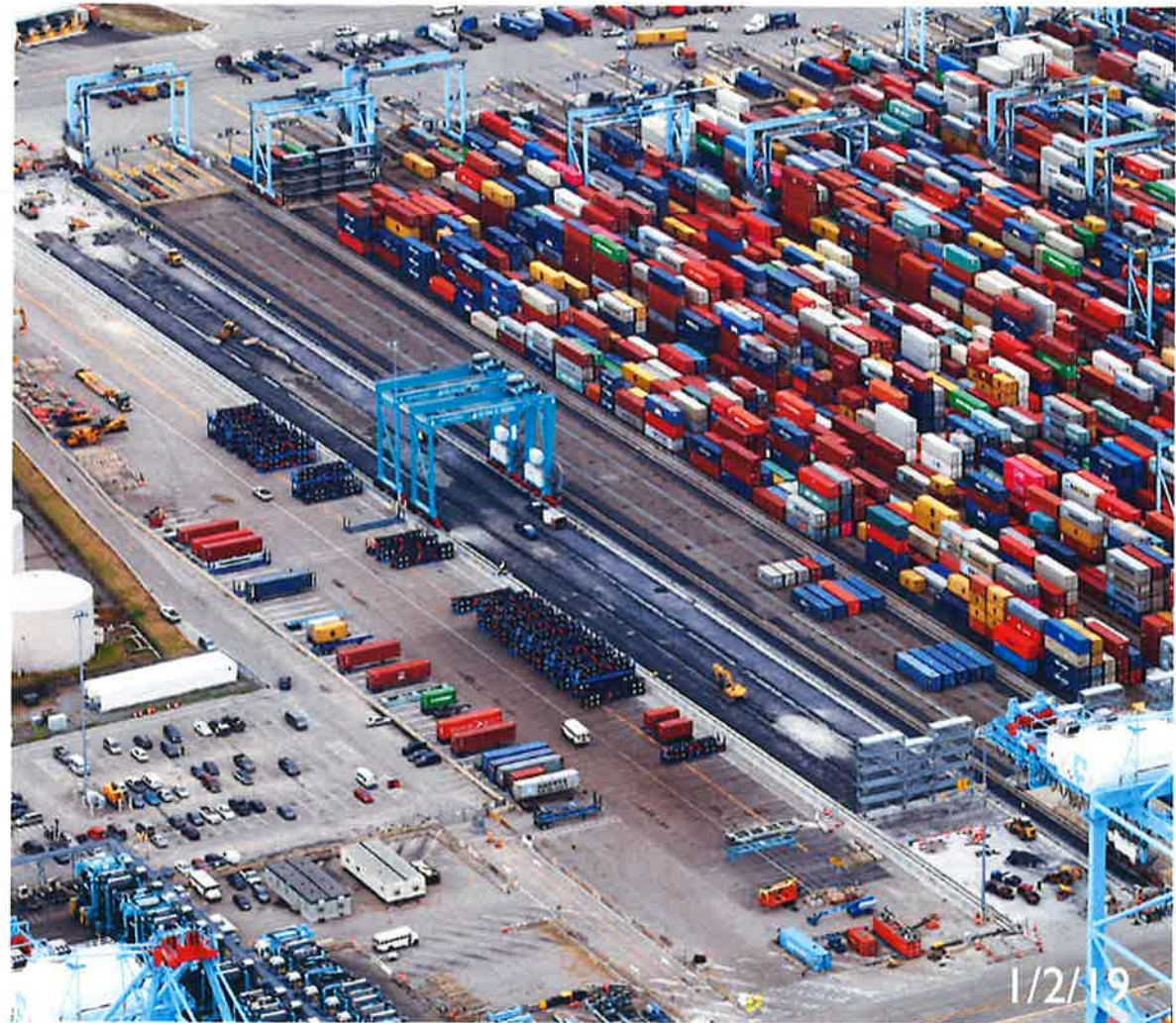


VIG STACK YARD

Stack 1 - under construction
should be in service by 2/1/19

Stack 2 – testing underway

Stack 3 – in service



VIG Phase II UPDATE-WHARF CONSTRUCTION



COMPLETE

1/2/19

RAIL YARD

Forecasted
completion April 2019



1/2/19

Barker Aerial Photography

VIRGINIA INTERNATIONAL GATEWAY RENDERING



VIRGINIA INTERNATIONAL GATEWAY REALITY



1/2/19



STEWARDS OF TOMORROW

INNOVATION

HELPLEFULNESS

ACCESSIBILITY

MINDFULNESS

FORTITUDE

SUSTAINABILITY

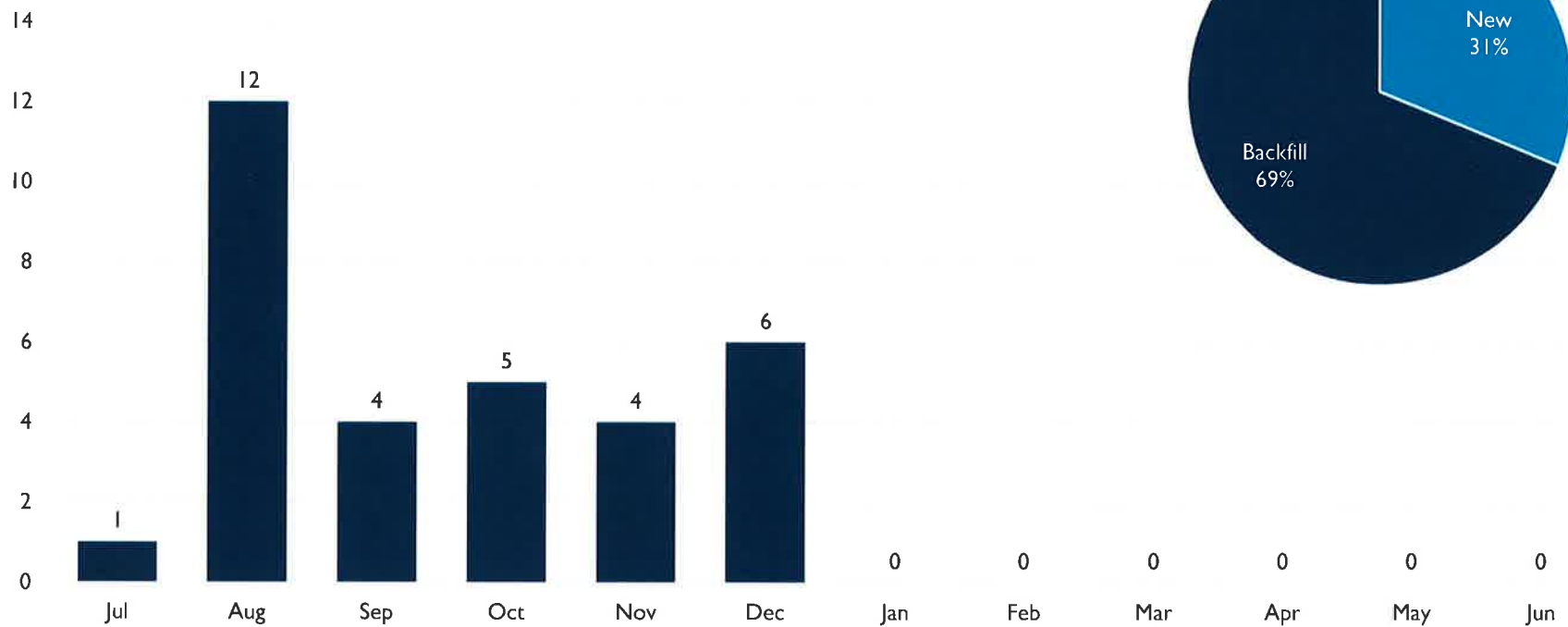


Virginia Port Authority Board of Commissioners, Session 391, January 29, 2019
Human Resources Report

Jim Bibbs
Chief Human Resources Officer

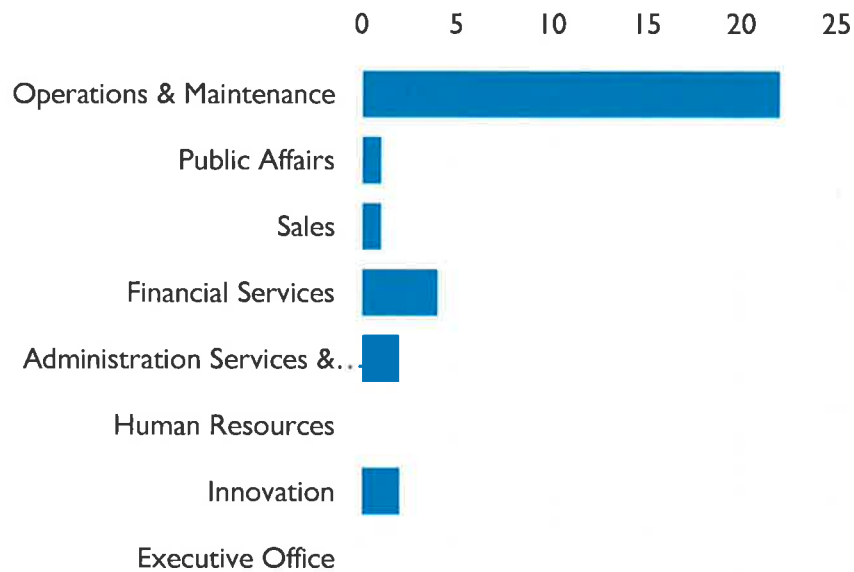


RECRUITMENT METRICS

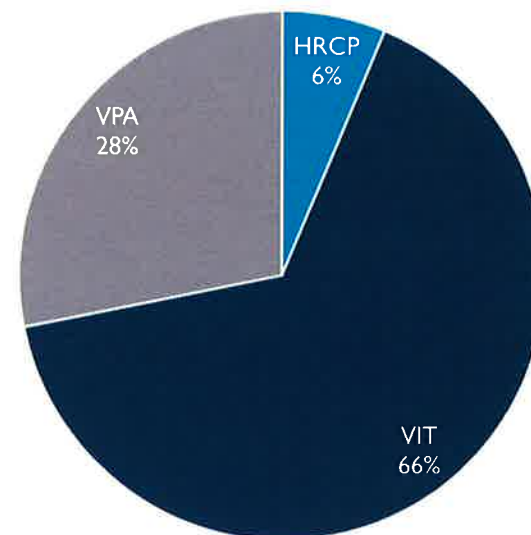


RECRUITMENT METRICS

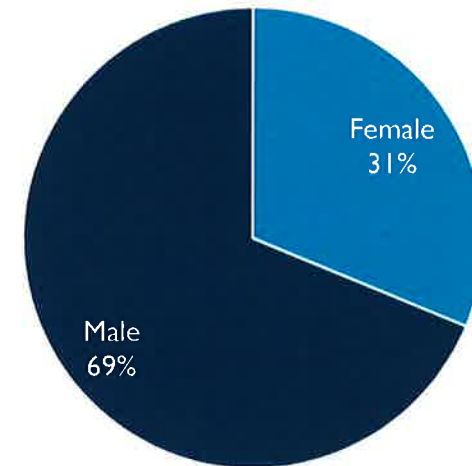
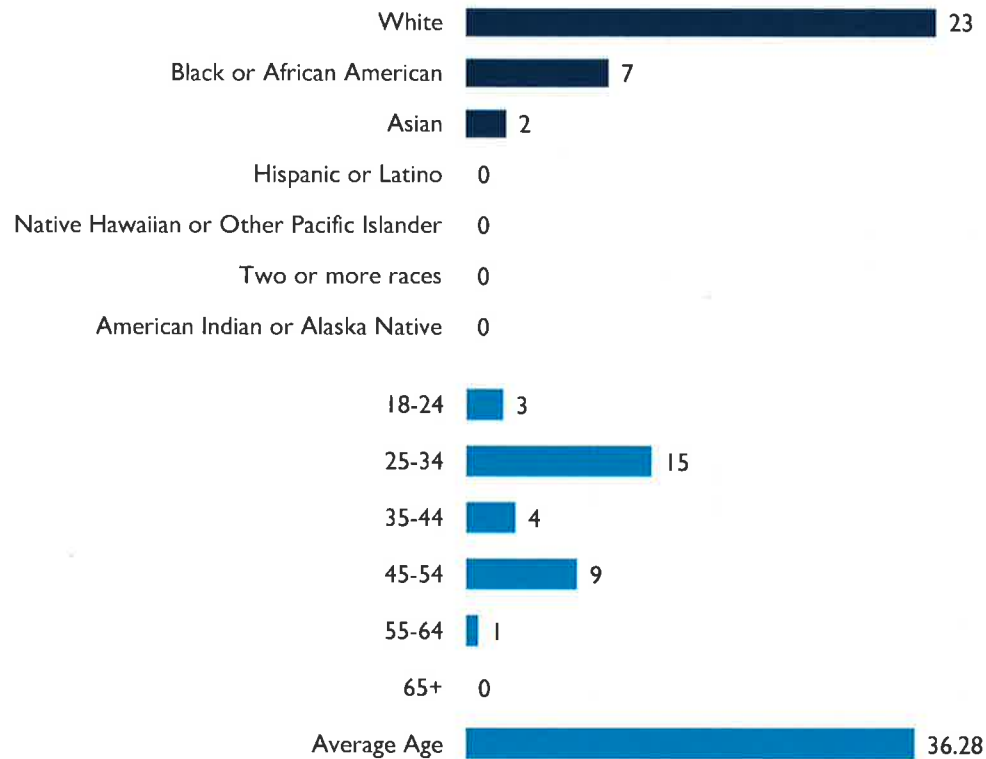
New Hires by Business Unit



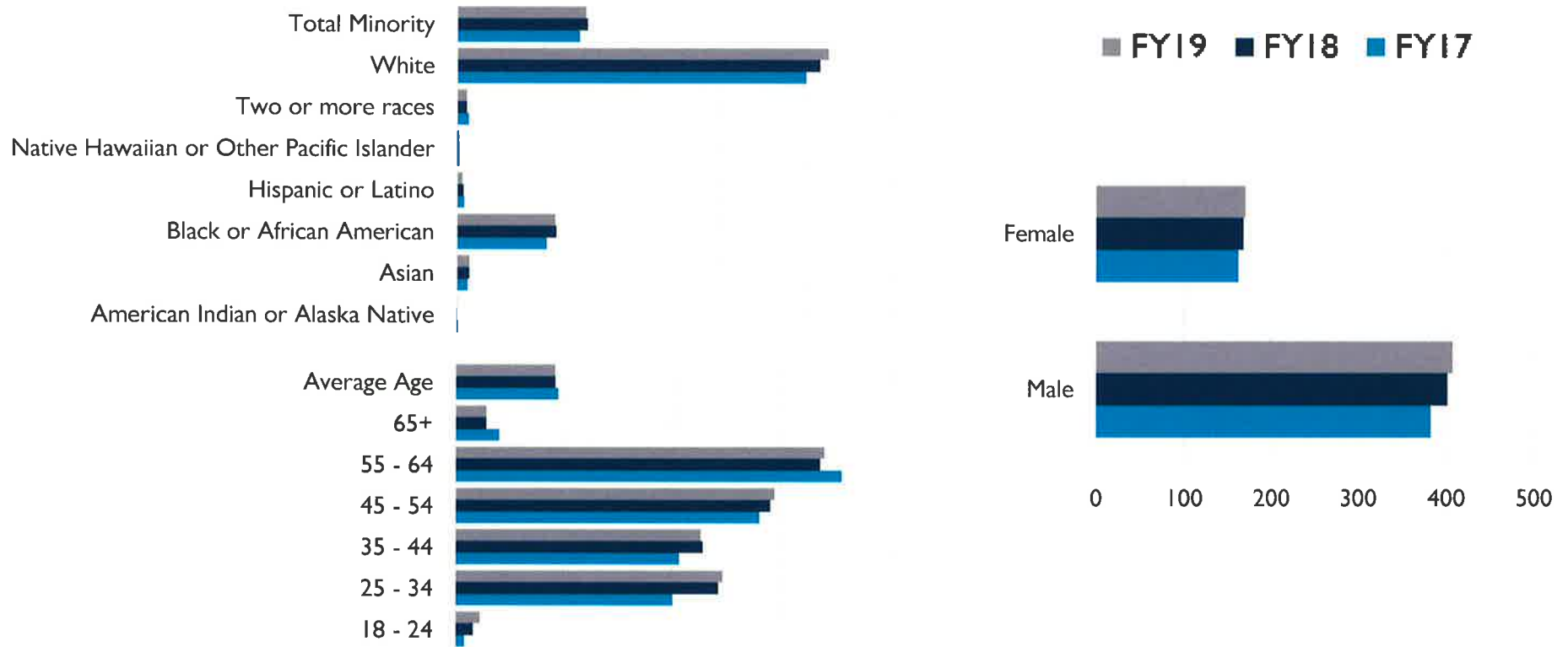
New Hires by Entity



NEW HIRE DEMOGRAPHICS

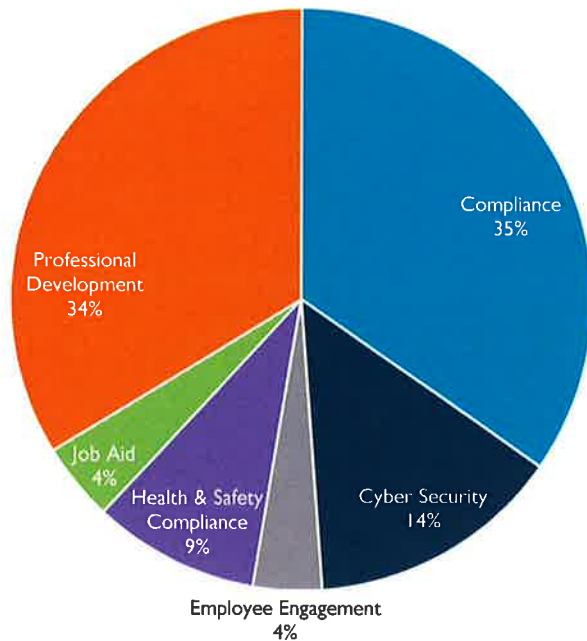


POV DEMOGRAPHICS

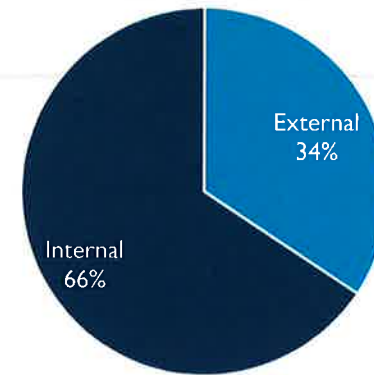


TRAINING METRICS

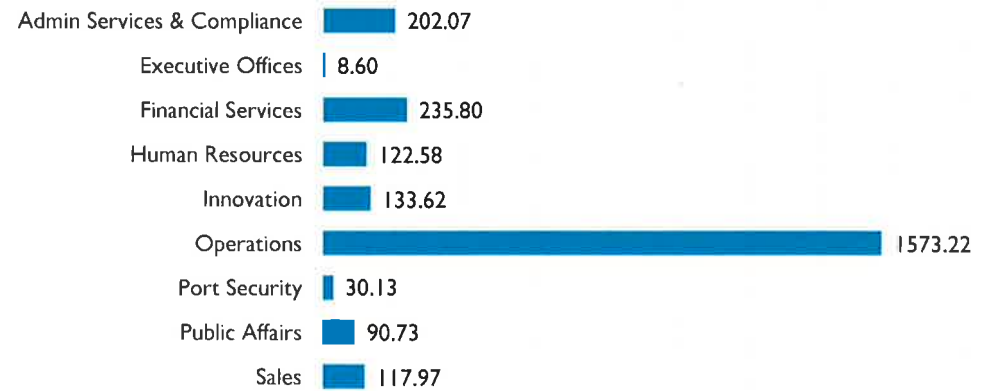
Training Hours by Type



Training Hours by Source



Training Hours by Business Unit



BENEFITS



STEWARDS OF TOMORROW

INNOVATION
HELPFULNESS
ACCESSIBILITY
MINDFULNESS
FORTITUDE
SUSTAINABILITY



Virginia Port Authority Board of Commissioners, Session 391, January 29, 2019

Public Affairs Update

Cathie Vick

Chief Public Affairs Officer



FEDERAL GOVERNMENT AFFAIRS



[illegible]

**THE PORT OF
VIRGINIA**

STATE & LOCAL GOVERNMENT AFFAIRS



Virginia
ExportVirginia.org
BUSINESS WITHOUT BORDERS



THE PORT OF
VIRGINIA

Stewards of Tomorrow

BUILD GRANT AWARD – VIRGINIA INLAND PORT

VIP Optimization



\$11 M funded by port and DRPT

Grade Separation



\$15.5 M funded by BUILD award

**Project Total:
\$26.5M**

WATERWAY MAINTENANCE FUND: PRINCE WILLIAM COUNTY GRANT REQUEST



CY 2018 ECONOMIC DEVELOPMENT TOTALS

48 ANNOUNCEMENTS



**MORE THAN 1,890,000 SQ. FT.
OF SPACE**



**CREATED
3,117 JOBS**

**INVESTED MORE
THAN \$984 MILLION**



Source: POV Economic Development 01/10/2019

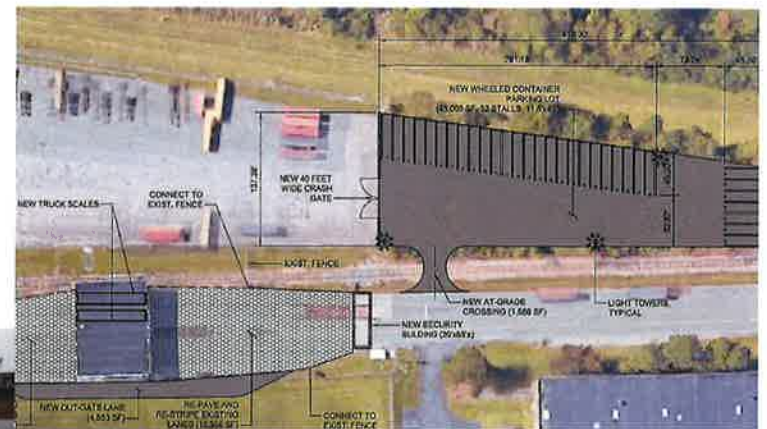
SINCE LAST BOARD MEETING...

- Announcements: 12
- Square Footage: 776,700
- Investment: Over \$164 Million
- Jobs Created: 683

Brother International



RMT PROJECT DEVELOPMENT



MIRT & EMERGENCY OPERATIONS



SDDC Efforts

TTX Completed
NNMT Outload
Charleston SC Visit

Training

Maritime RAD/ NUC

Grant Awards

UASI \$150,000.00



THE PORT OF
VIRGINIA

Stewards of Tomorrow



STEWARDS OF TOMORROW

INNOVATION

HELPLESSNESS

ACCESSIBILITY

MINDFULNESS

FORTITUDE

SUSTAINABILITY