

Virginia Port Authority Board of Commissioners Session 404



Agenda

- Approval of minutes
- Reports of committees
- Unfinished business
- New business
- Other business, opportunity for public comment, and adjournment



COVID-19 Task Force Update



COMMONWEALTH OF VIRGINIA Department of Emergency Management

9711 Farrar Court, Suite 200, North Chesterfield, Virginia 23236
TEL 804.267.7600 TDD 804.674.2417 FAX 804.272.2046

CURTIS C. BROWN

State Coordinator of
Emergency Management

Melissa Fularon
Manager, Grant Administration
Virginia Port Authority
600 World Trade Center
Norfolk, VA, 23510-1781

RE: Public Assistance Award Letter for COVID-19
CFDA #: 97.036
FIPS #: 000-UOZ67-00
Award #: PA-03-VA-4512

Dear Mrs. Melissa Fularon,

The Virginia Department of Emergency Management is pleased to notify you that the Federal Emergency Management Agency has awarded project worksheets (PWs) for **FEMA-DR-4512 - VA**. The funds have been obligated through the Public Assistance Grant Program, CFDA #97.036. Included in this award package is a Sub-recipient Grant Agreement that can be accessed through our grants management system, <https://vdem.emgrants.com/>.

Reimbursements will be processed upon receipt of the executed grant agreement, which must be uploaded and advanced to Step 4 in vdem.emgrants.com.

If you have any questions regarding this award, please contact Robbie Coates, grants manager for disaster programs, at robert.coates@vdem.virginia.gov

Sincerely,

A handwritten signature in cursive script that reads "Cheryl Adkins".

Cheryl Adkins, Governor's Authorized Representative

- Restriction of visitors, in-person meetings, port tours and all travel
- Development of cluster guidelines policy
- Update Operations COOP in the event of a cluster
- Continuation of enhanced cleaning at all locations
- Pro-active fogging of locations during holiday breaks
- Supply of PPE and sanitizing products on hand through the spring
- Masks required at all locations unless colleague is within personal work space
- POV first responders (MIRT & Port Police) are in group 1B for vaccine
- Port colleagues are in group 1C for vaccine
- Second reimbursement request is being finalized (June 1 – September 15) for approximately 1.6m
- POV held a fall virtual pumpkin carving contest for all colleagues to support engagement
- The total number of blank sailings scheduled in CY20 was 108

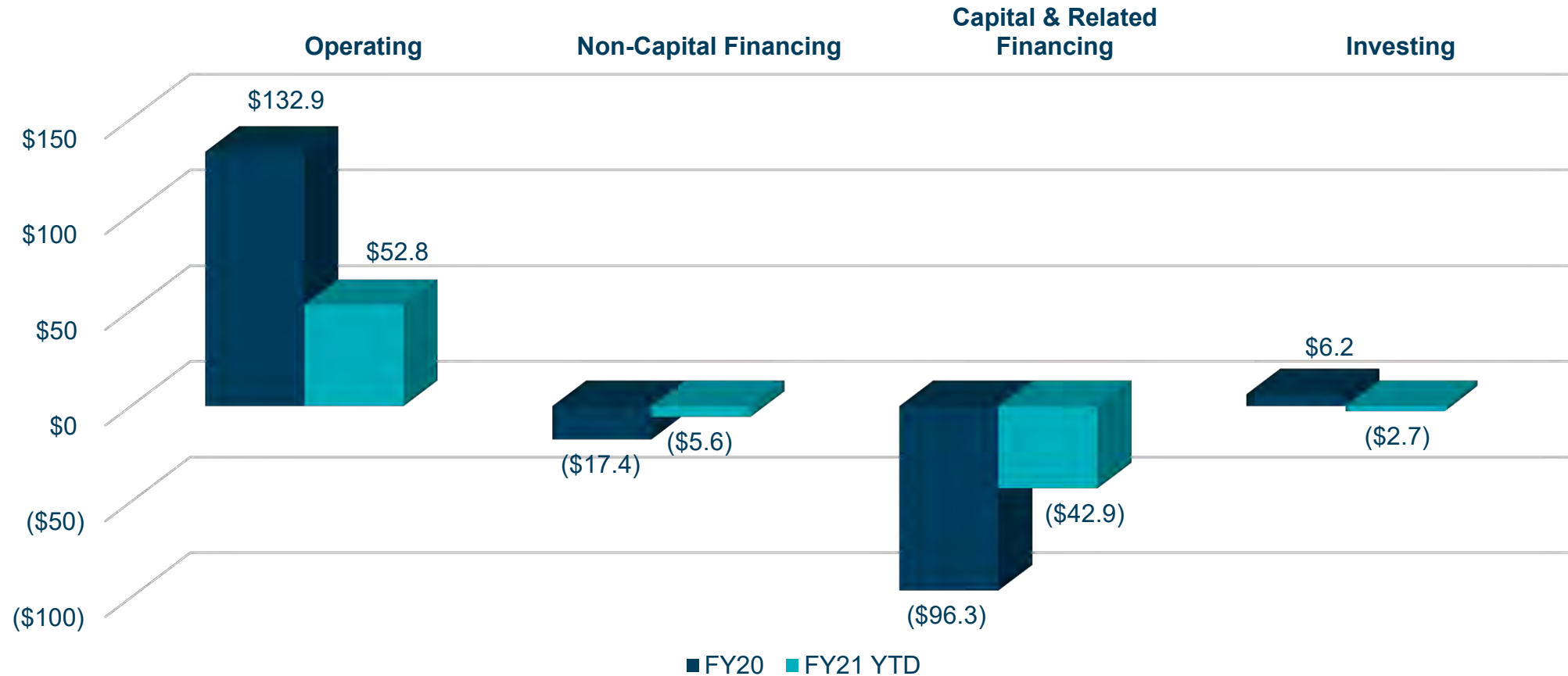


Finance and Audit Committee Report

Fiscal Year 2021 YTD Highlights

	Category	Budget	Actual
Jul - Nov	Volume	653,218	701,656
	Operating Revenues	\$222.8 million	\$241.6 million
	Operating Expenses	\$211.5 million	\$205.8 million
	Operating Income	\$11.3 million	\$35.8 million
	EBITDA	\$59.4 million	\$84.6 million
Dec			
	Volume	126,673	In-Process
	Operating Income	\$1.03 million	In-Process

Cash Flow FY20 vs FY21 YTD – USD millions



Cash and Investments as of 11/30/2020: \$342.0 million
Residual Fund and Operating: \$214.7 million

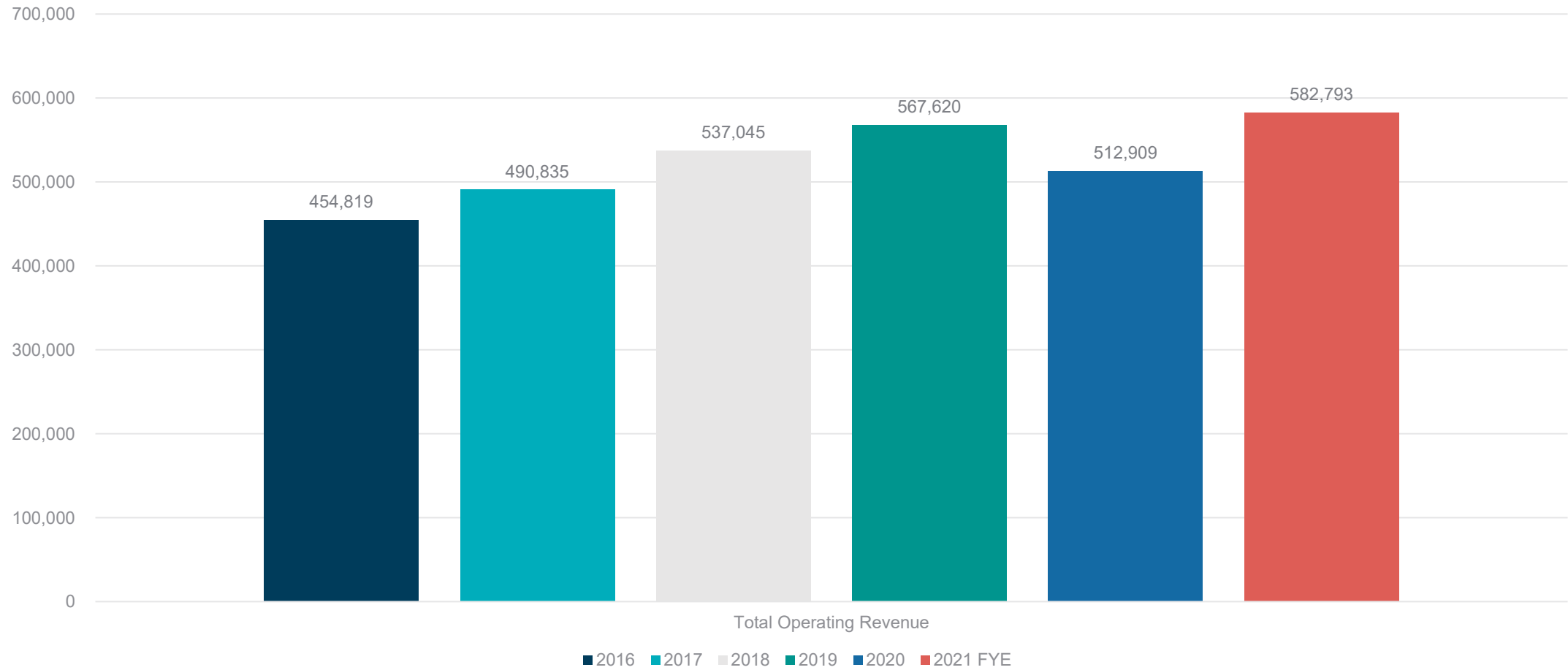
Capital & Related Financing Activities – USD millions

Category	FY20	FY21 YTD
Net refunding proceeds	\$ -	\$9.9
CPF contribution	\$44.0	\$19.1
Acquisition of capital assets	\$(165.7)	\$(30.5)
Transfer from primary government	\$106.9	\$18.3
Facility capital lease payments	\$(88.9)	\$(36.9)
Proceeds from MELP financing	\$37.1	\$ -
Principal paid on long-term debt	\$(18.5)	\$(19.0)
Interest paid on long-term debt	\$(22.6)	\$(11.6)
Other	\$11.4	\$7.8
Total	\$(96.3)	\$(42.9)

Trended Performance Statistics

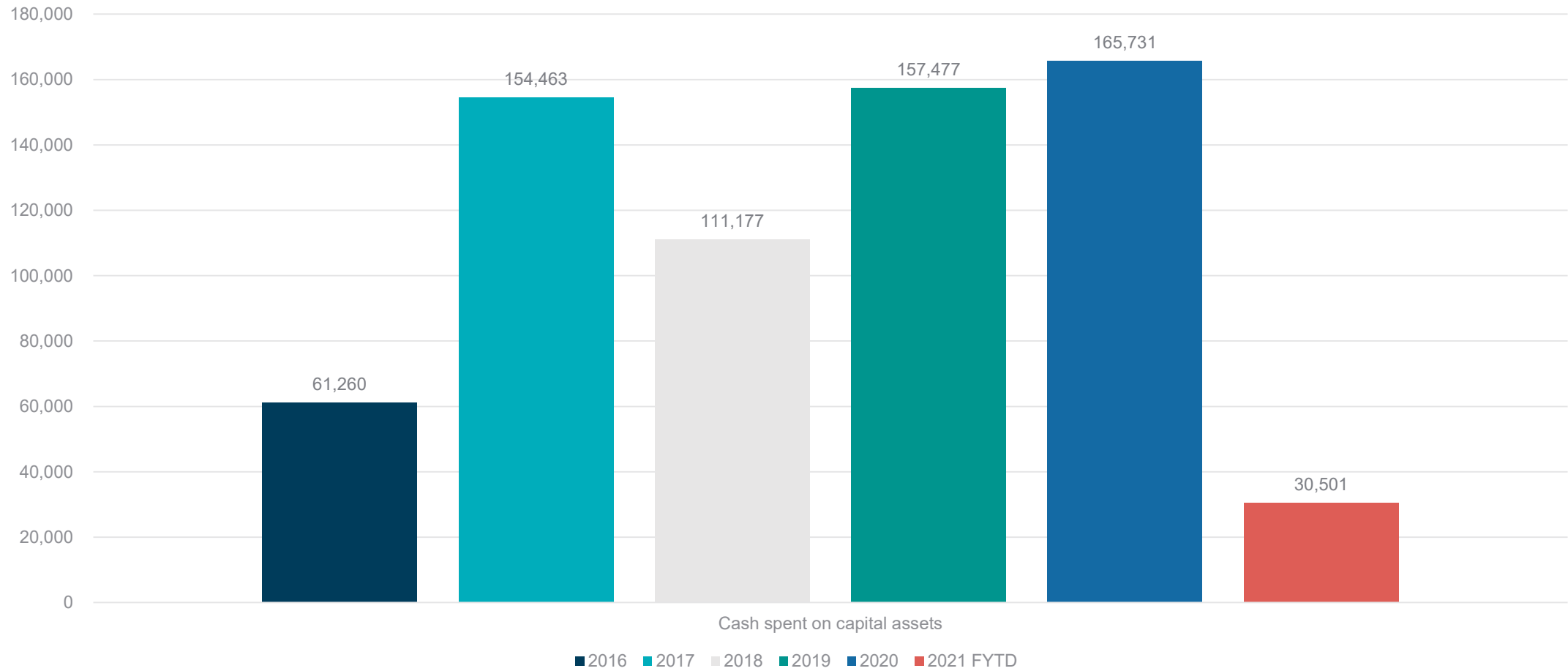
Operating Revenue

(Dollars in '000s)



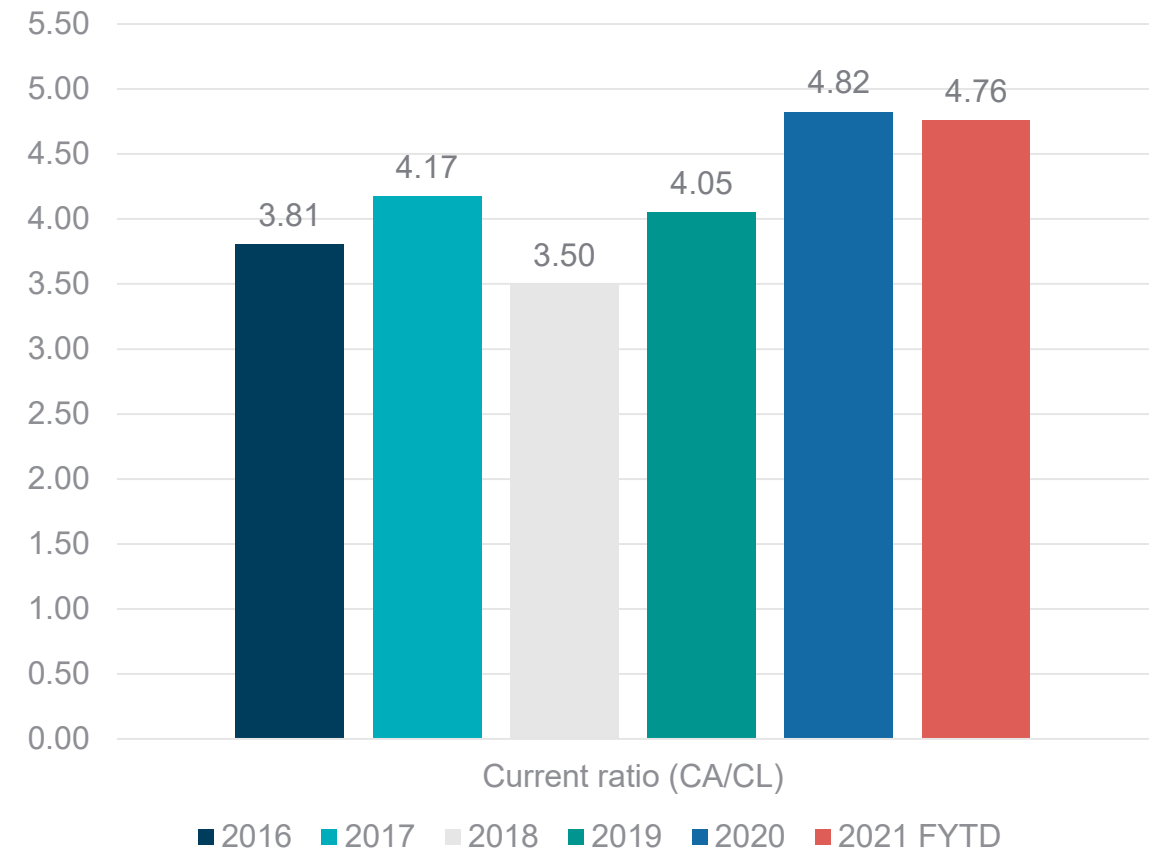
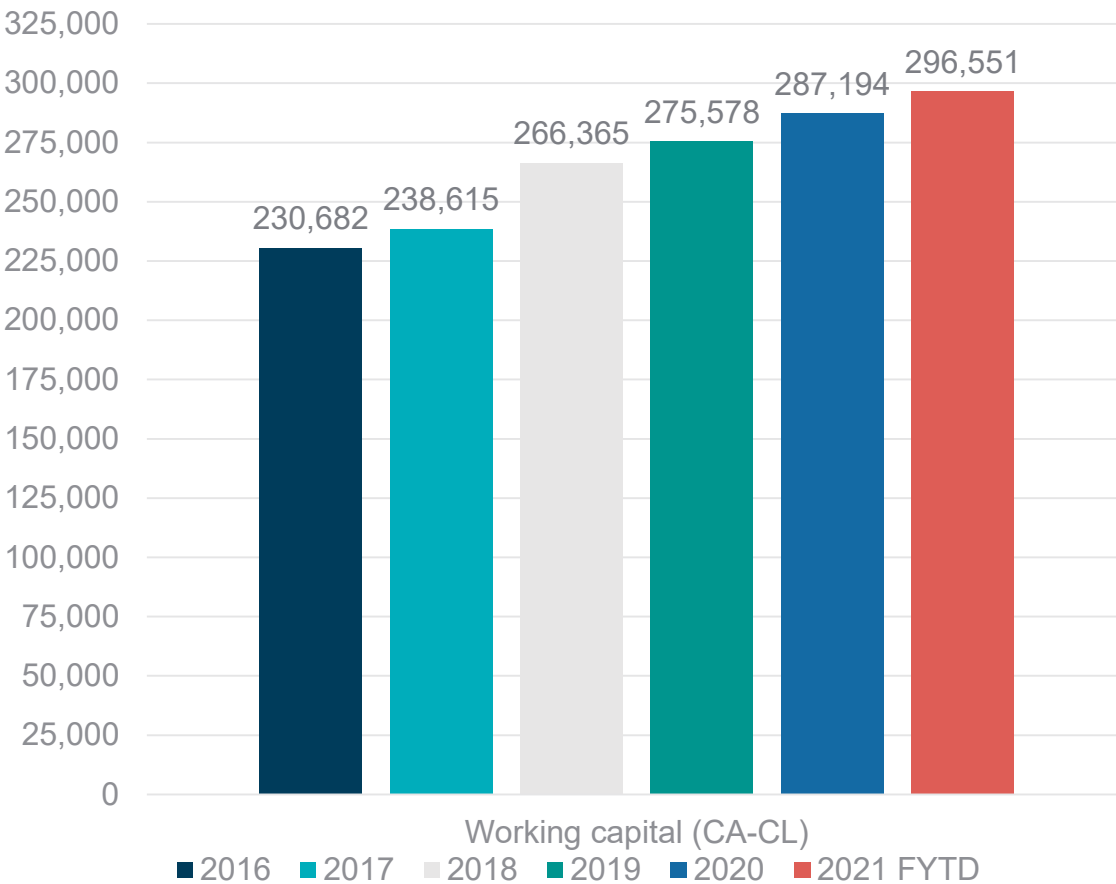
Cash Spent on Capital Assets

(Dollars in '000s)



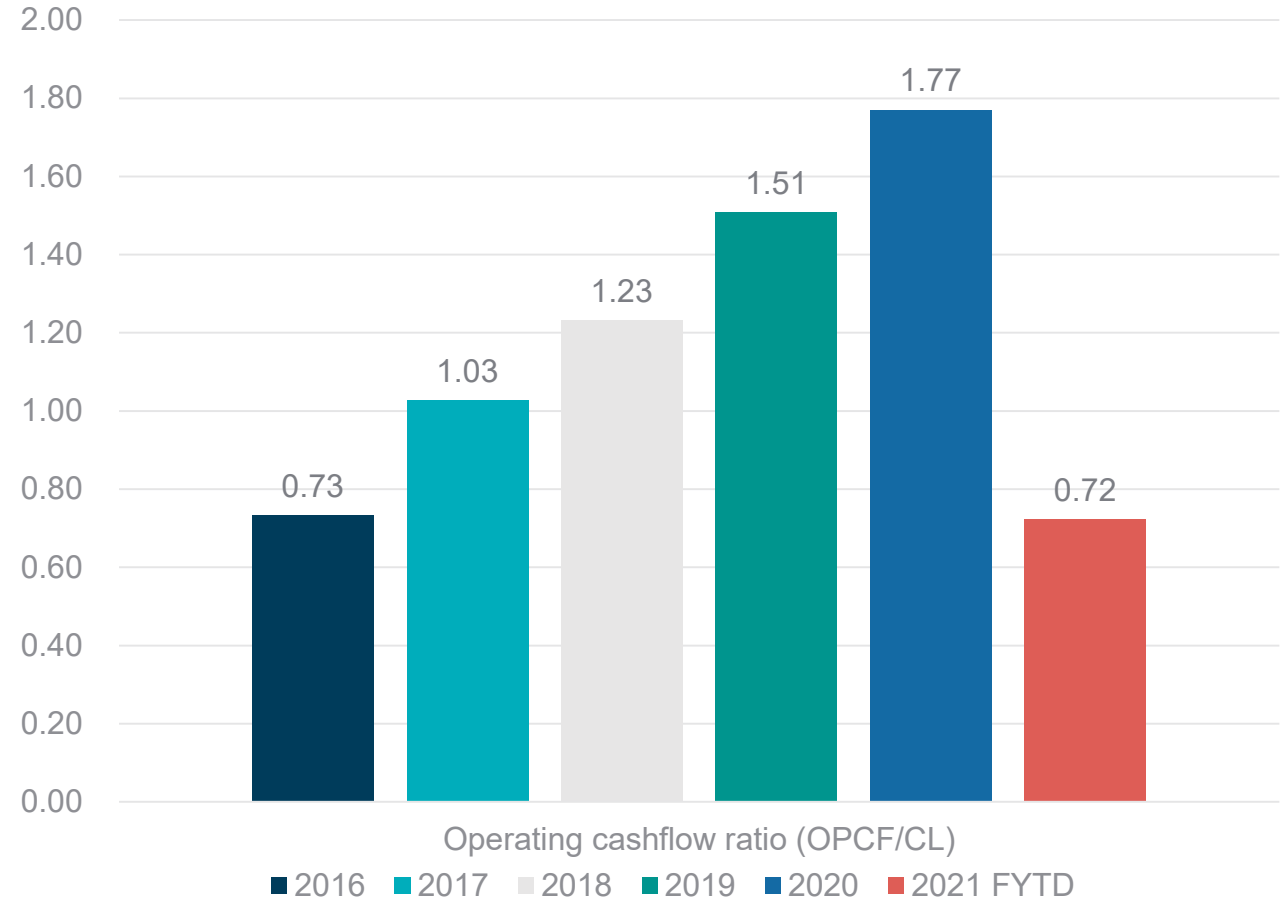
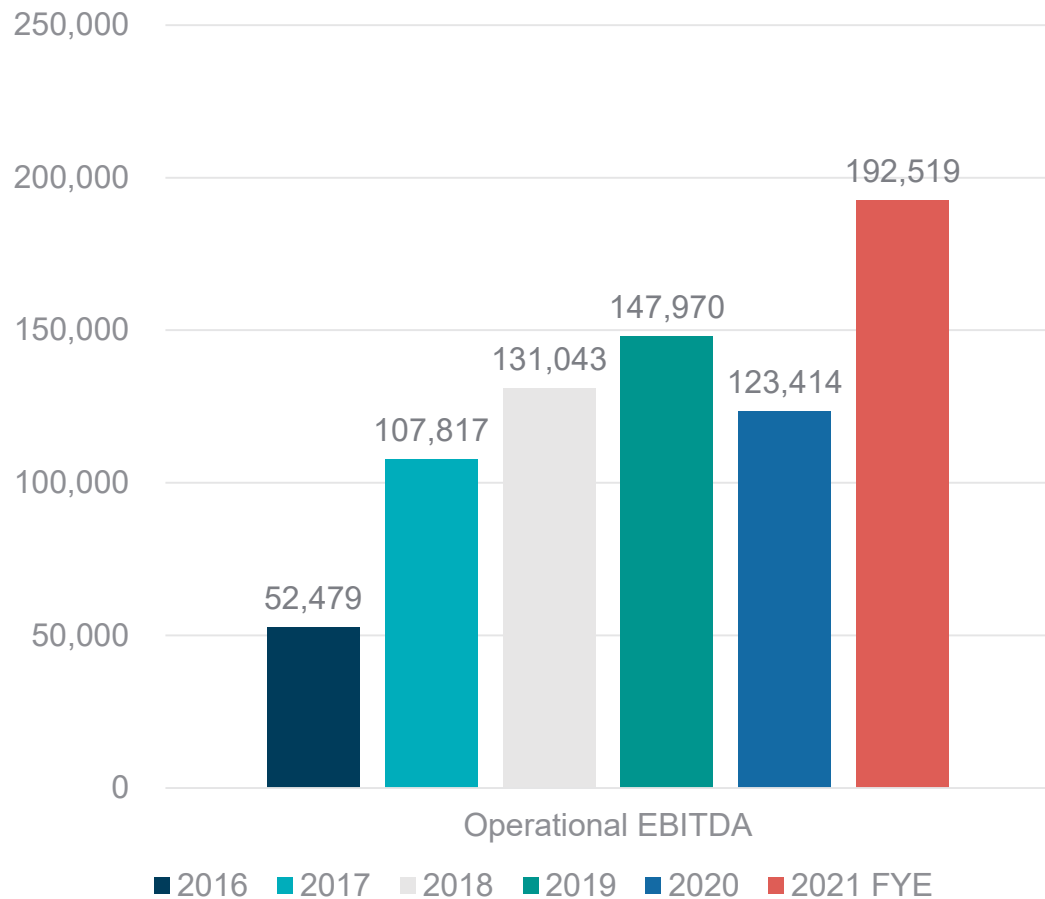
Working Capital | Current Ratio

(Dollars in '000s)

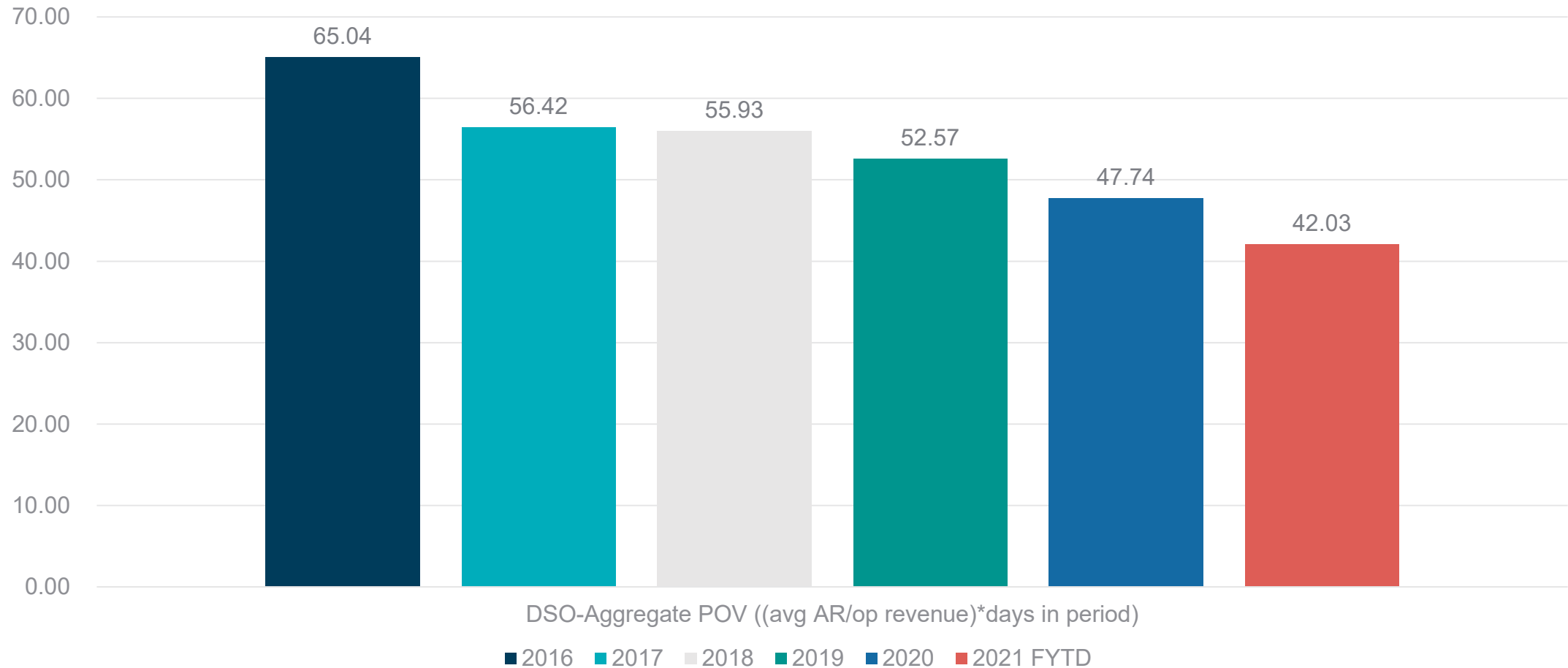


EBITDA | Operating Cashflow Ratio

(Dollars in '000s)



Days Sales Outstanding (DSO)

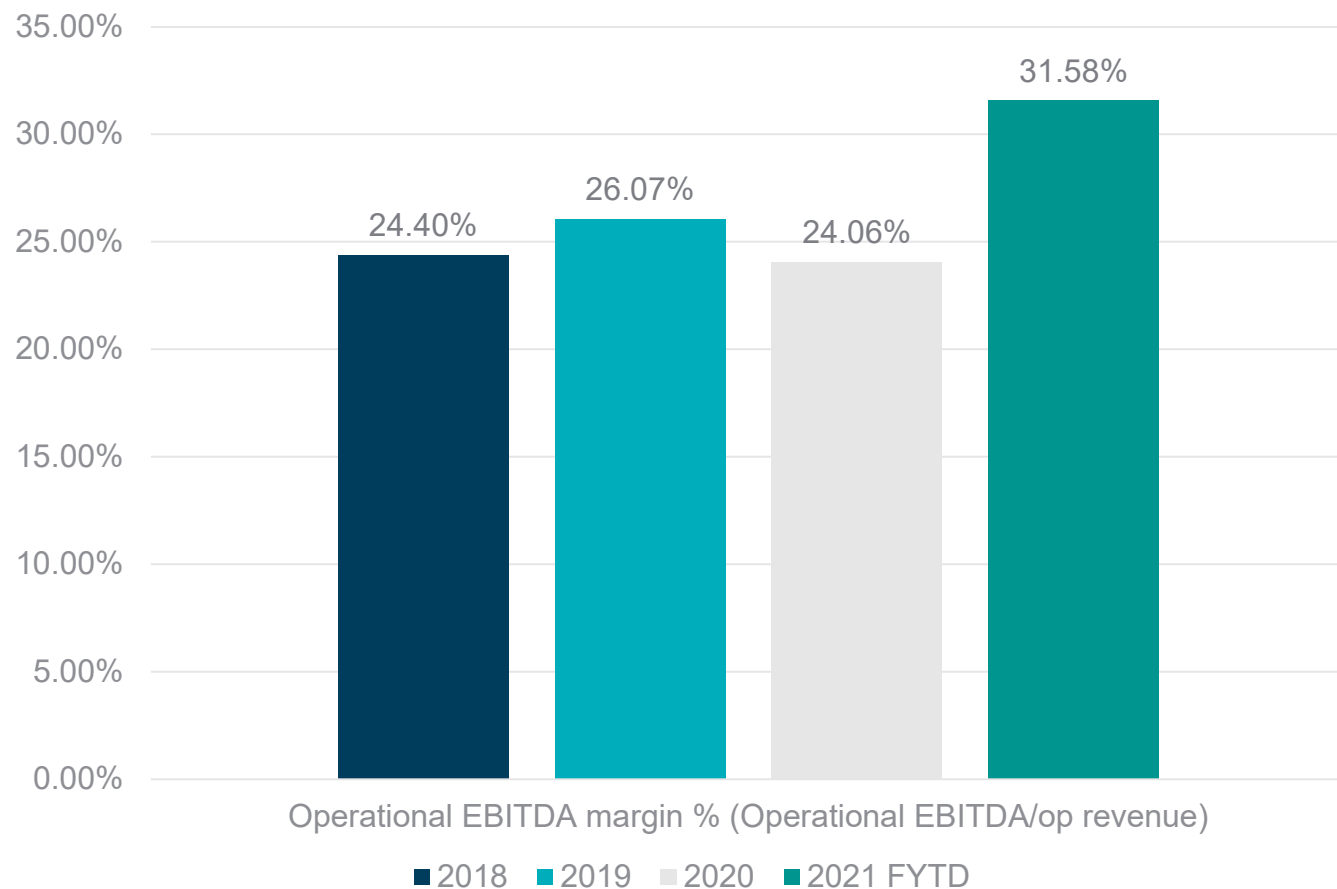
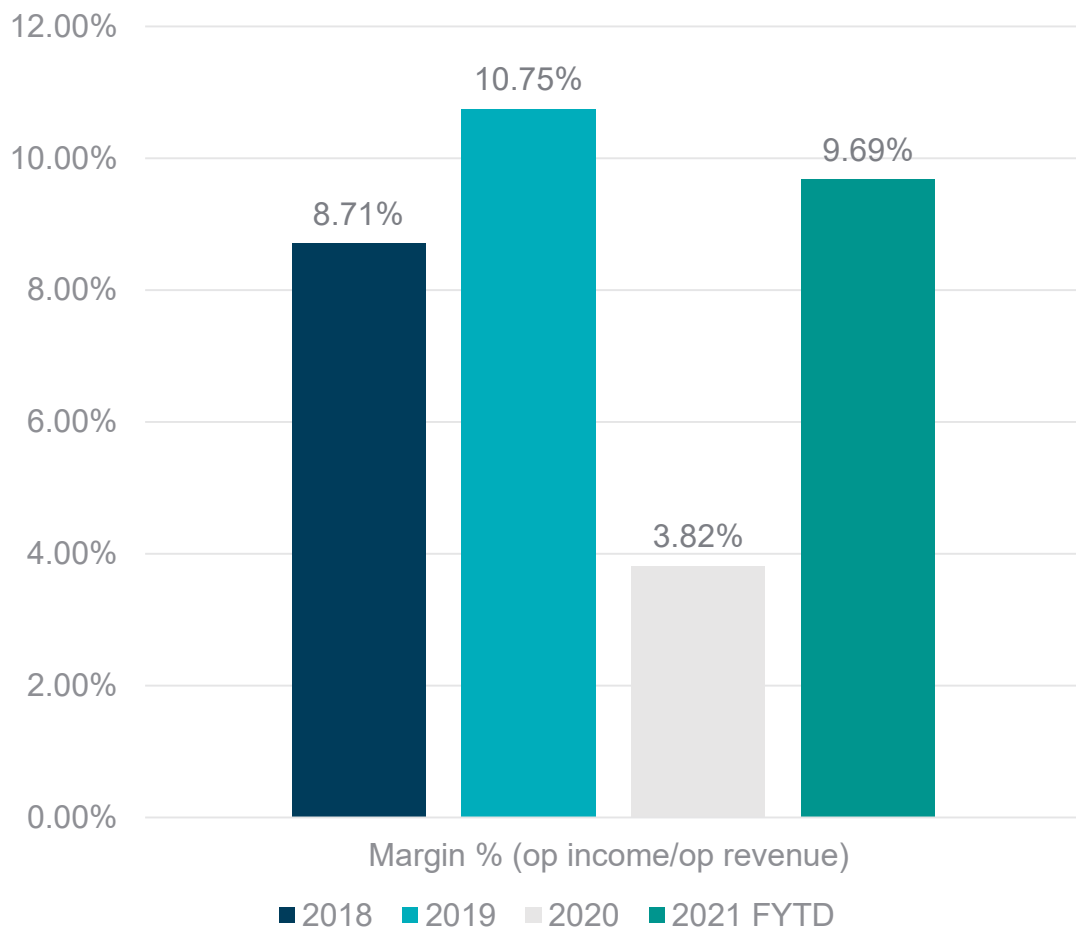


Debt Service Coverage

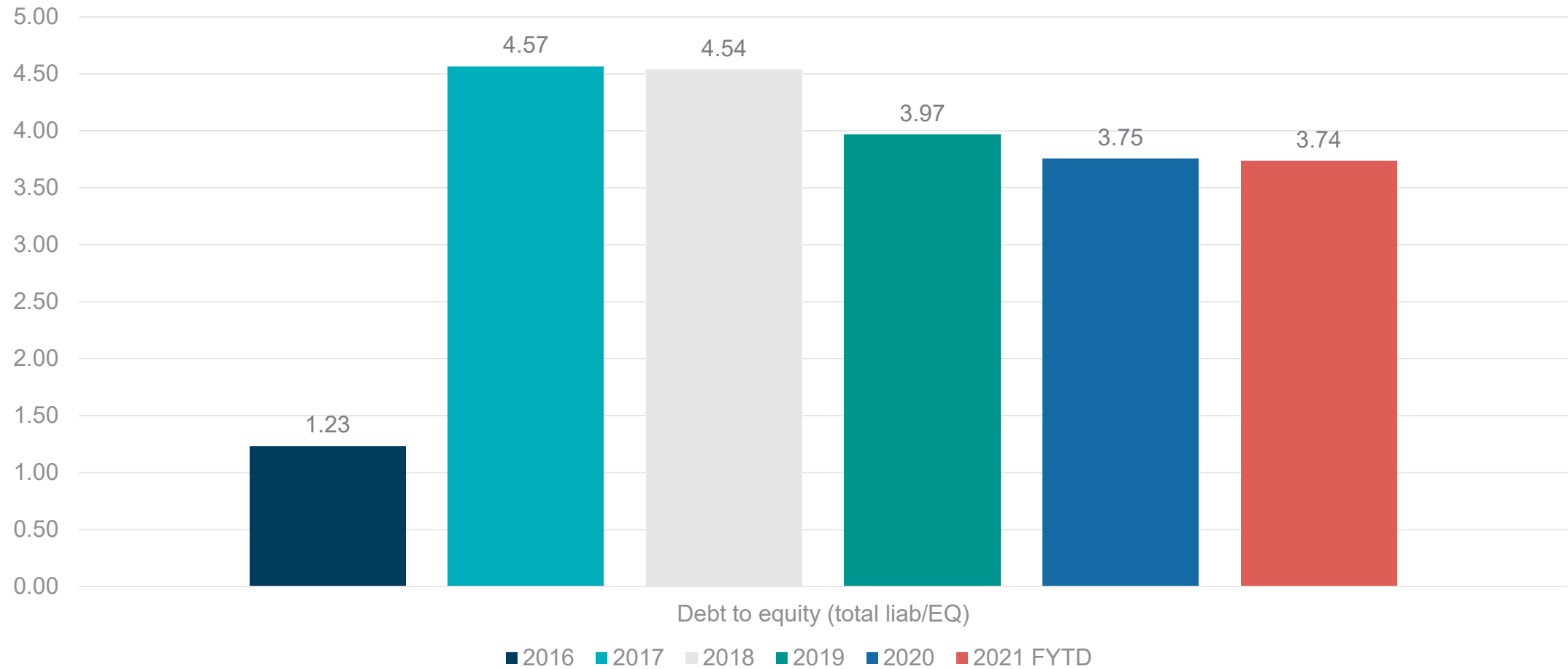
Net Revenue Coverage – 1x Test



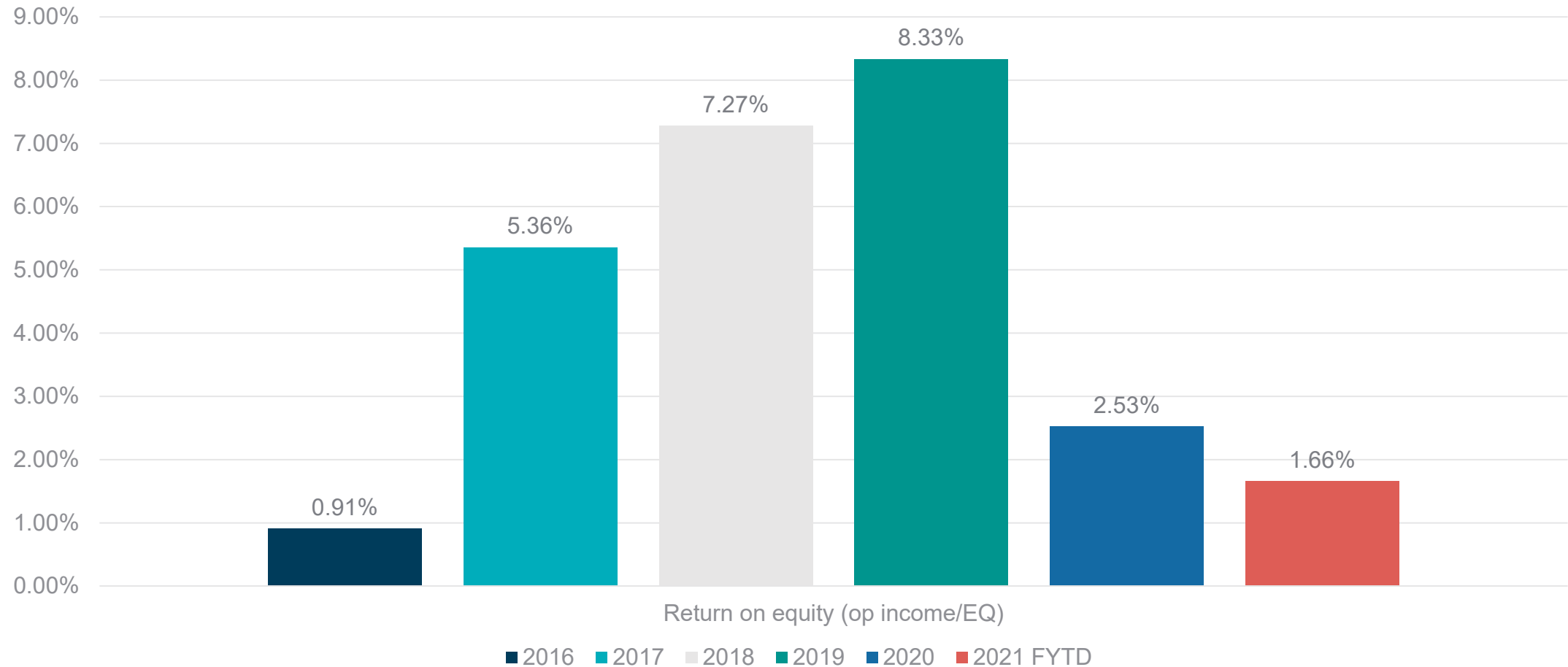
Margin % | EBITDA Margin %



Debt to Equity



Return on Equity





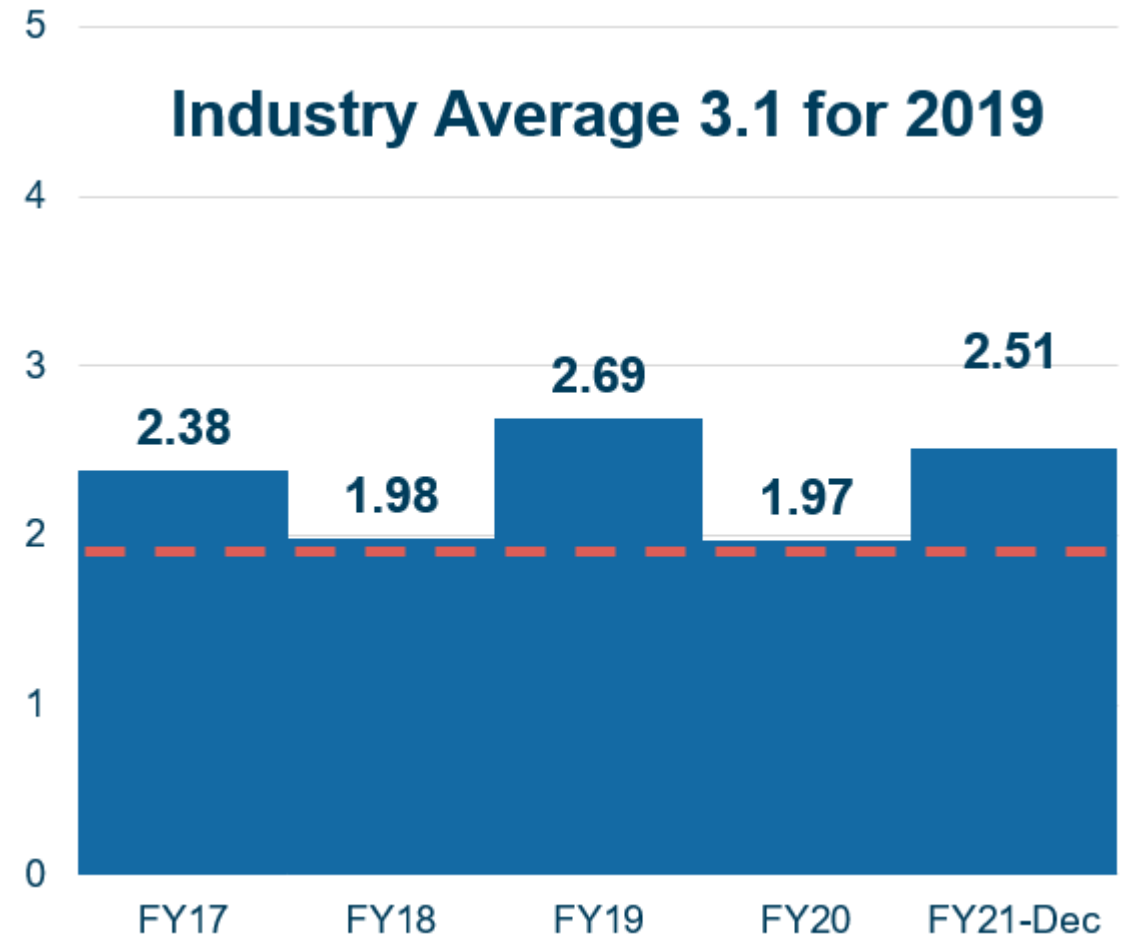
Growth and Operations Committee Report

Operations Report

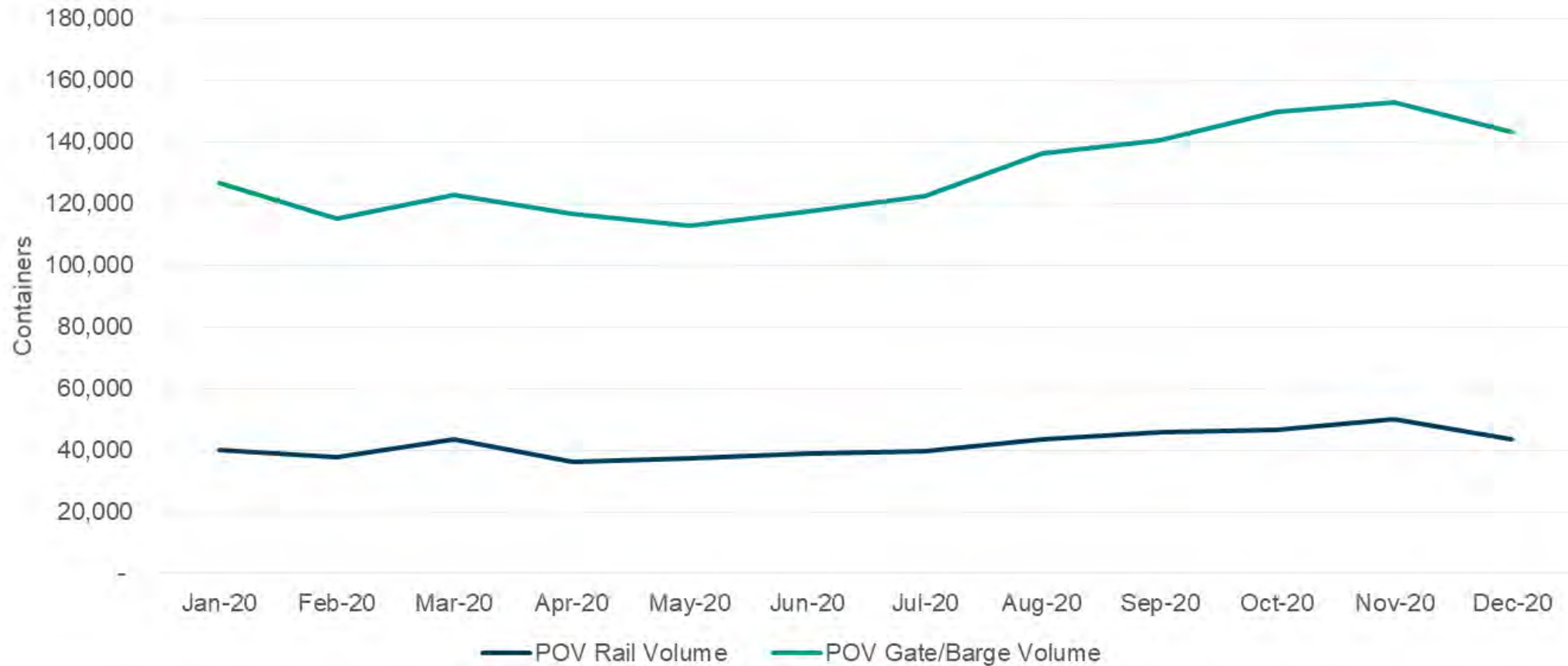


POV OSHA Lost Work Day Rate

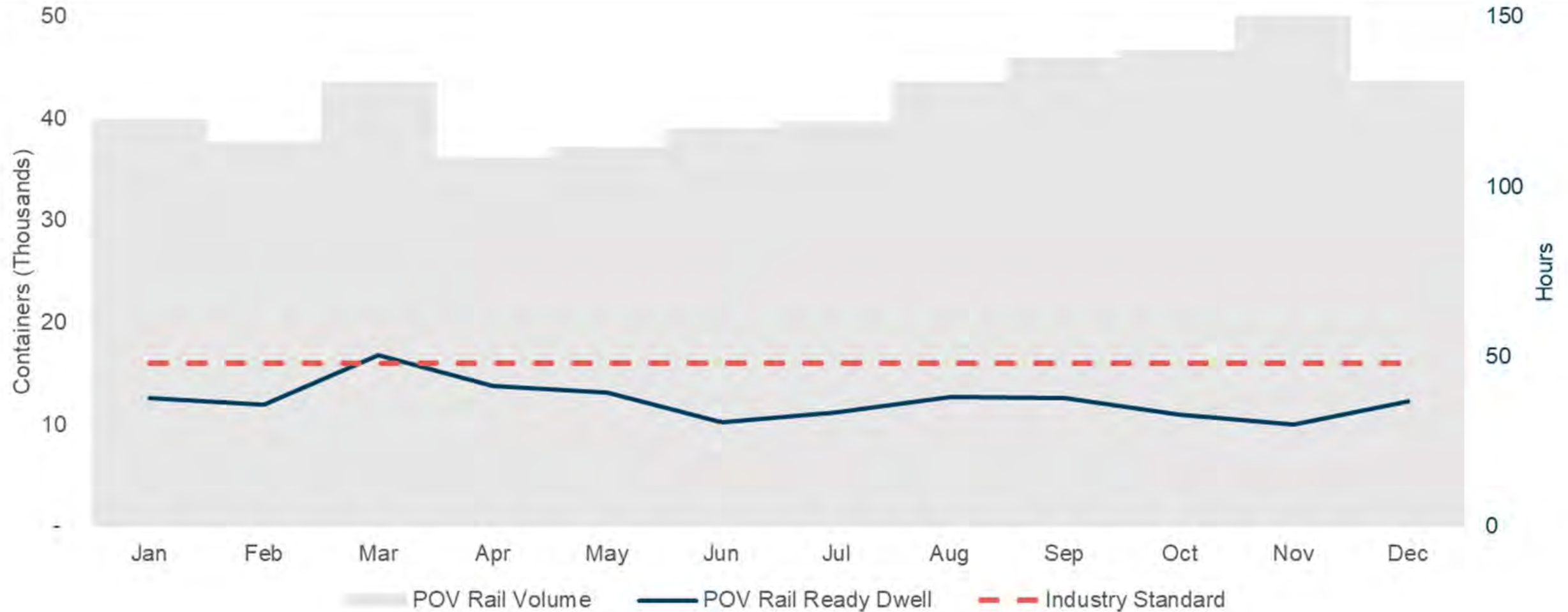
As of December 31st the POV
FY21 LWD rate of 2.51 is
27.4% increase from FY20
6.7% decrease from FY19
FY21 year end goal is 1.9



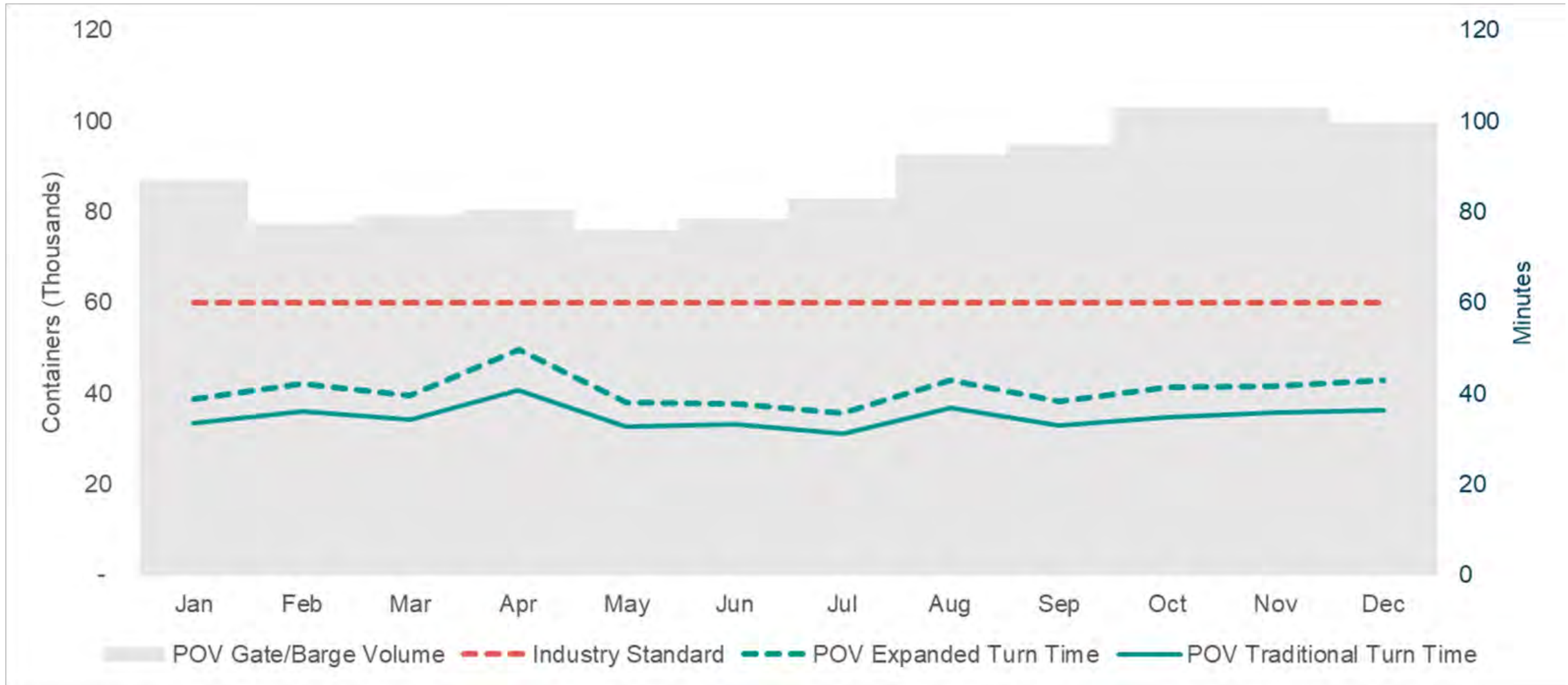
POV Rail vs Gate/Barge Volume



POV Rail Volume

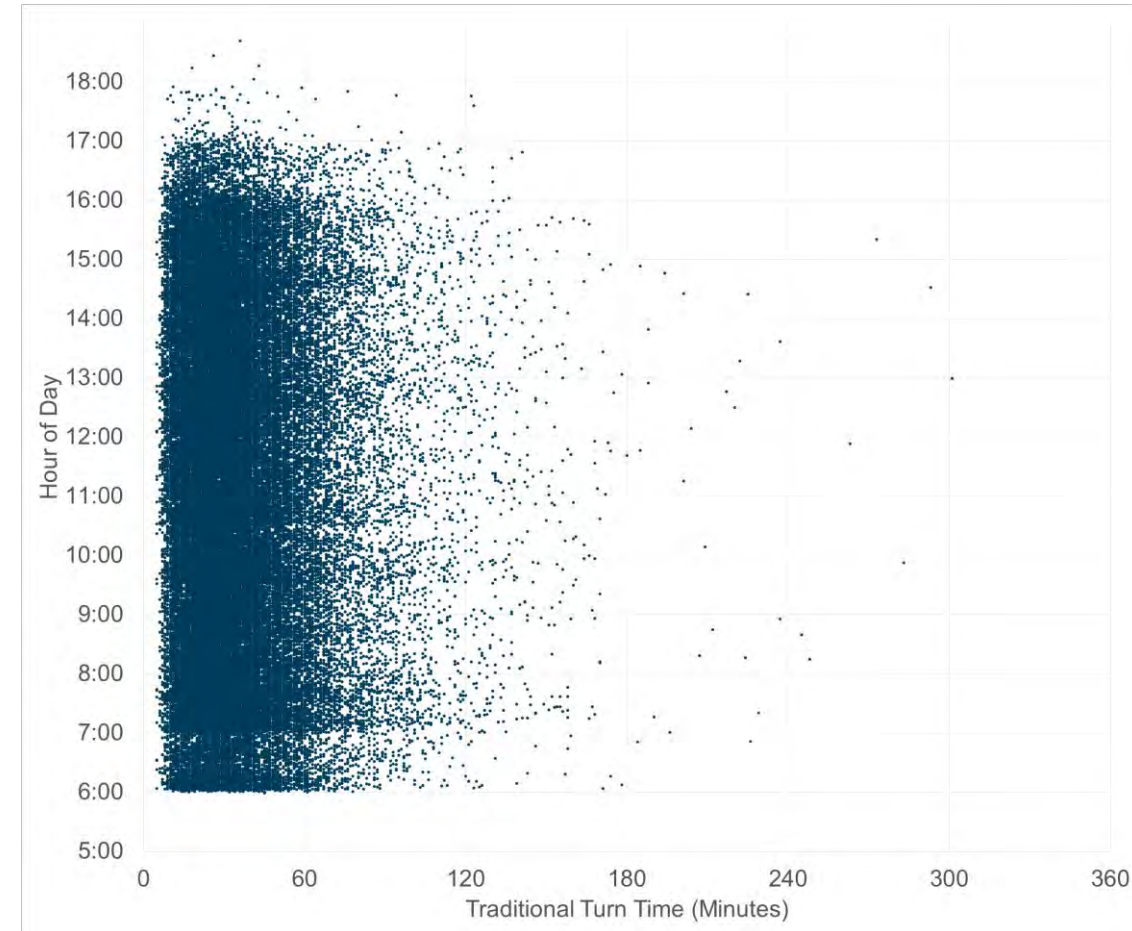


POV Gate Turn Times

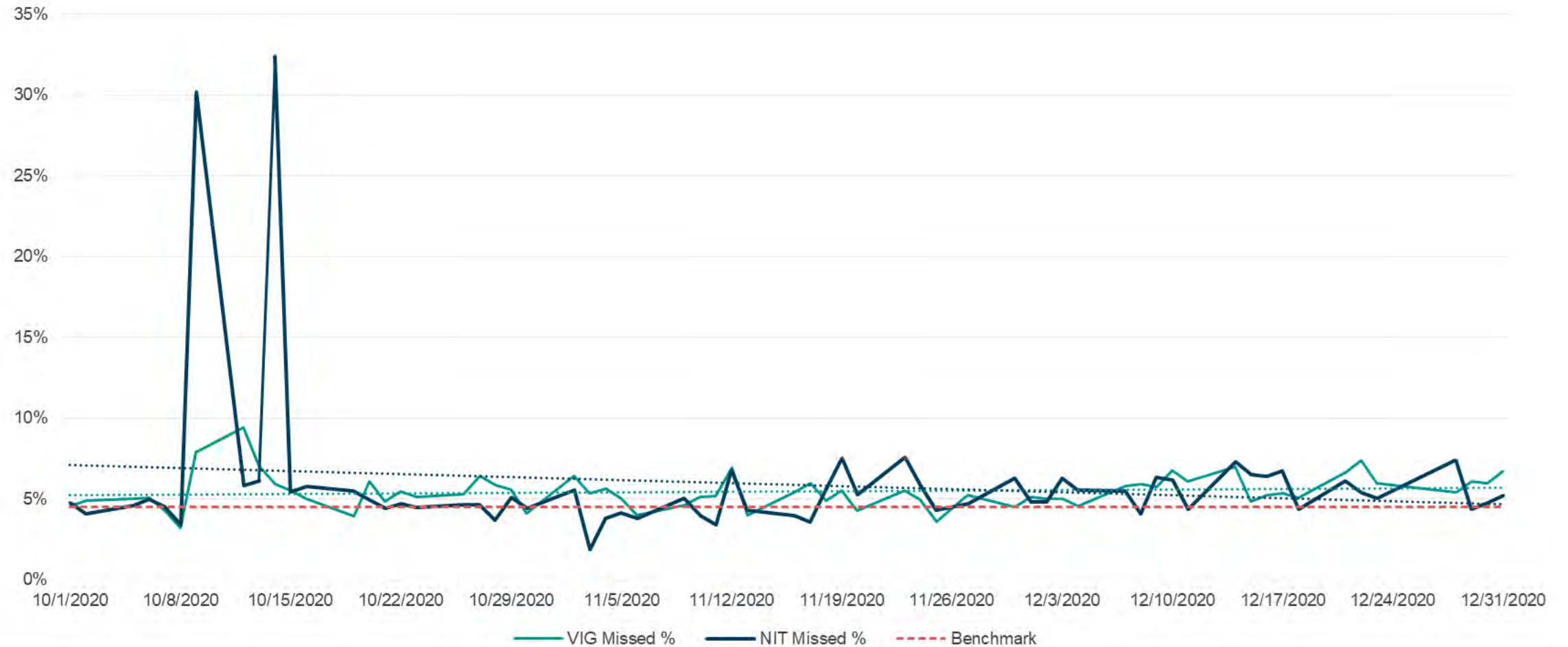


Traditional Turn Time – Dec 2020

- In December POV handled 79,765 truck visits:
 - 35,987 at NIT
 - 43,778 at VIG
- 88.6% under 1 hour
- 10.7% in 1-2 hours
- 0.67% or 534 visits over 2 hours



Missed Reservations





Sales Report

POV CY20 Volumes

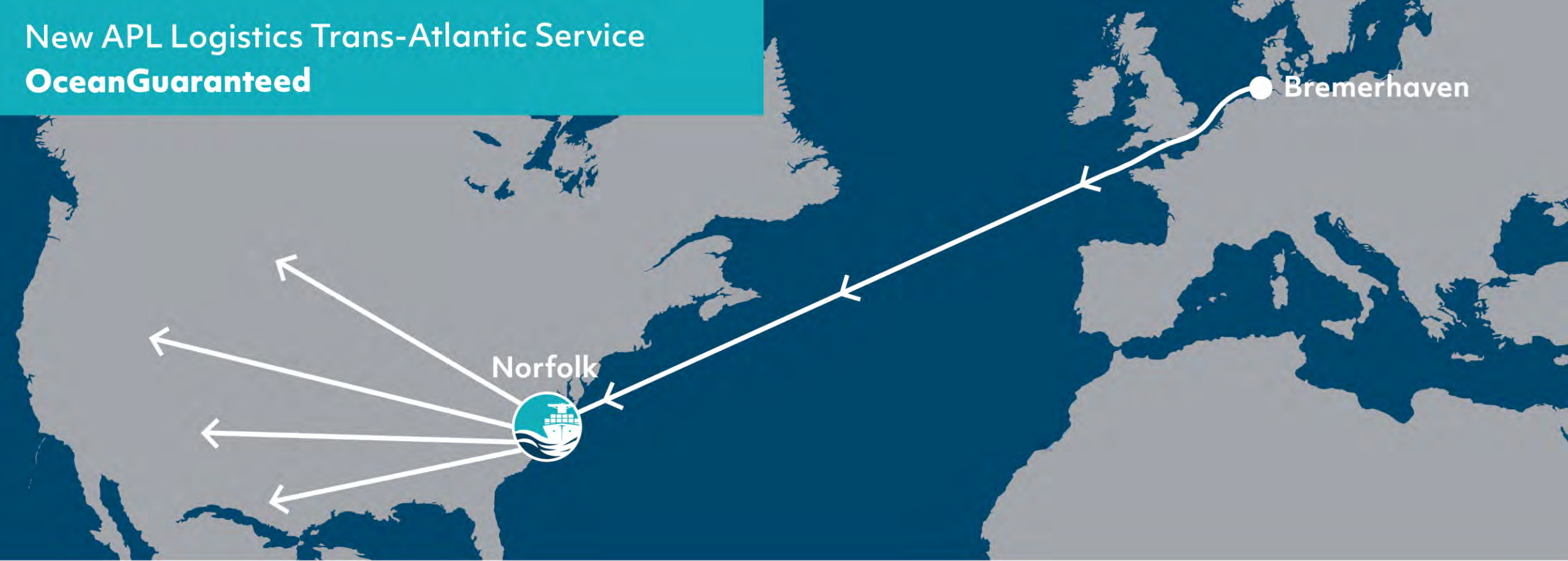
	CY 2019	CY 2020	Change	% Change
Total TEUs	2,937,962	2,813,415	(124,548)	-4.2%
Import Loaded TEUs	1,366,381	1,316,976	(49,406)	-3.6%
Total Rail Containers	550,862	502,691	(48,171)	-8.7%
RMT Containers	37,705	42,254	4,549	12.1%

POV FYTD21 Volumes

	FY 2020	FY 2021	Change	% Change
Total TEUs	1,483,509	1,539,299	55,790	3.8%
Import Loaded TEUs	692,707	727,922	35,215	5.1%
Total Rail Containers	265,198	269,326	4,128	1.6%
RMT Containers	20,858	22,093	1,235	5.9%

New APL Logistics Trans-Atlantic Service

OceanGuaranteed



Alternative to air freight

Provides an alternative to air cargo where capacity constraints have cut reliability



Direct

Direct ocean service between Bremerhaven, Germany and Norfolk, Virginia



Cost Savings

Significant cost savings compared to air freight



Fast Transit

Expedited Ocean-Truck service up to 23 days faster than standard Ocean-Intermodal Rail moves with door delivery to virtually any destination in the continental United States



Priority

Priority access to vessel space and equipment



Greener Alternative

Up to 95% reduction in carbon emissions when compared to air freight

MSC Contract Update



New Services

COSCO/OOCL/ONE/YML East Mediterranean America (EMA)



Started May 2020

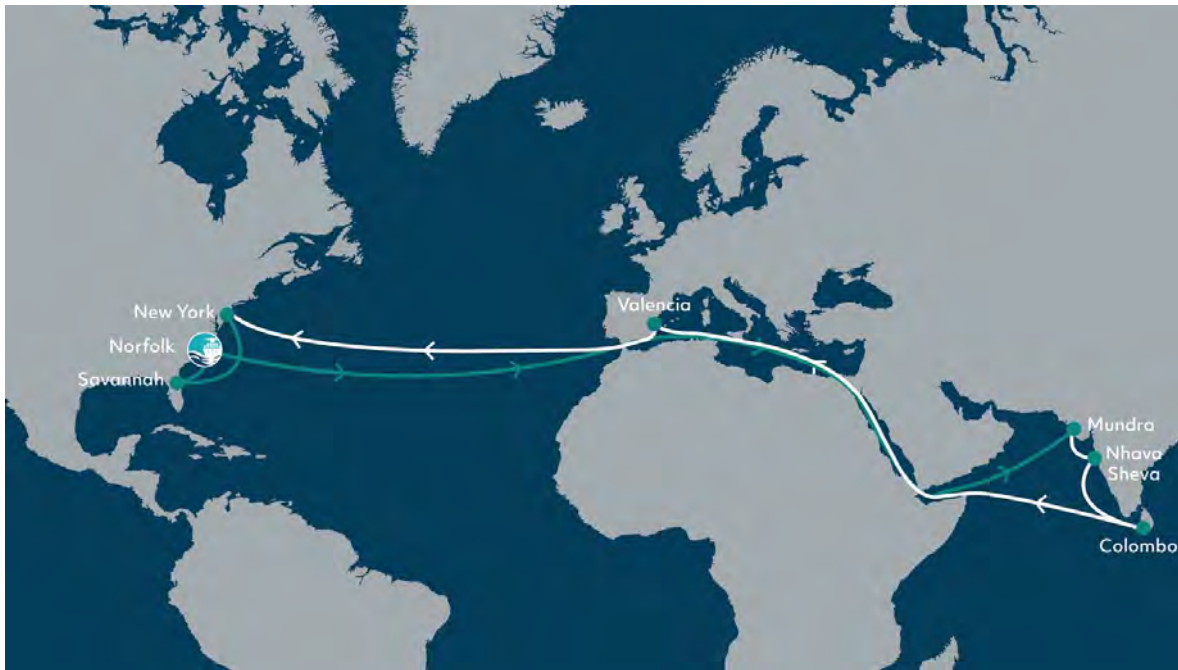
THE Alliance East Coast Loop 2 (EC2)



Started July 2020

New Services

- MSC service, INDUSA – POV last out



Started October 2020

- Hapag Lloyd service, Caribbean Express Service (CES) – POV first-in/last out



Started December 2020

THE Alliance Services – April 2021

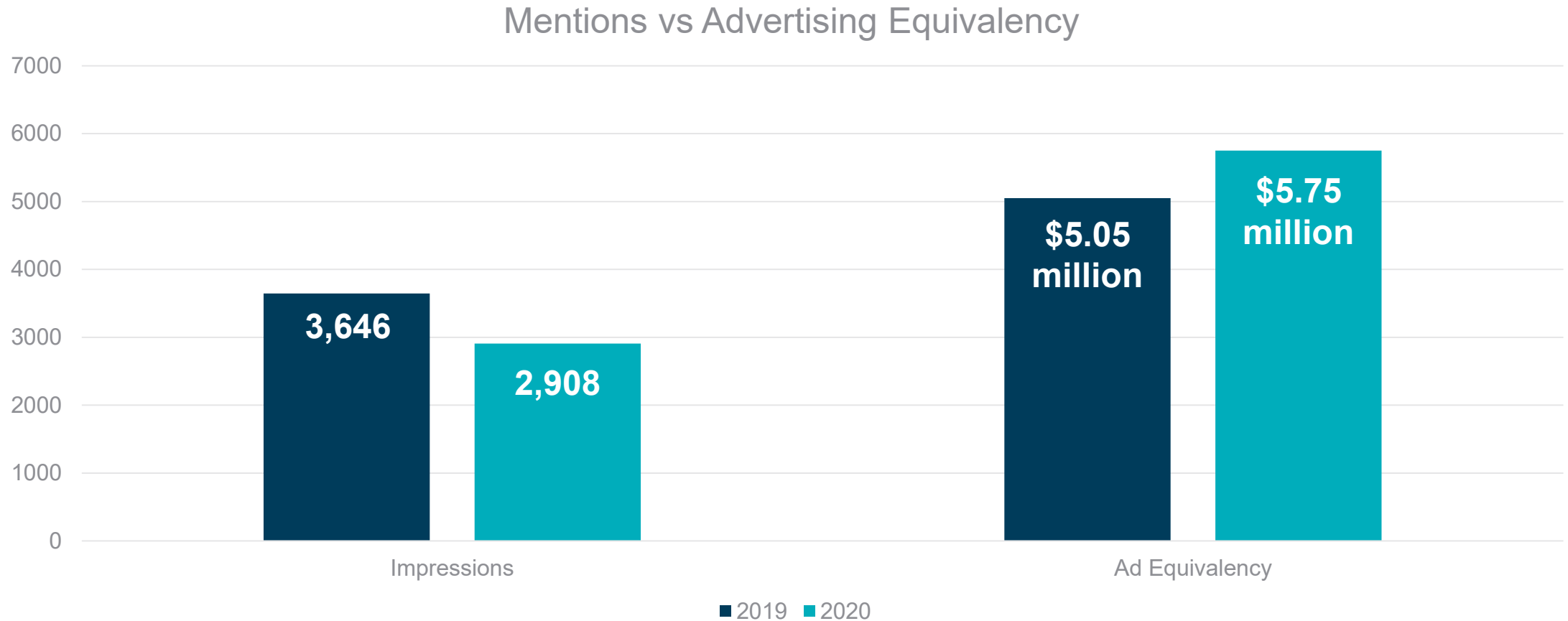
Transpacific Services (4 of 5 calling POV)

SERVICE	EC1	EC2	EC3	EC4	EC5	EC6
CHANGES	EC1 & EC3 merging Upgrading vessels to 13,500 TEUs <i>Norfolk remains last out</i> Dropped: Xiamen, Yantian, Tokyo, Kobe & Jacksonville	No changes	Service will be dropped and merged with EC1	No changes	<i>Norfolk remains last out USEC</i> Dropped: Port Kelang	New Gulf service



Marketing Update

In front of the right people in the right places: Earned Media

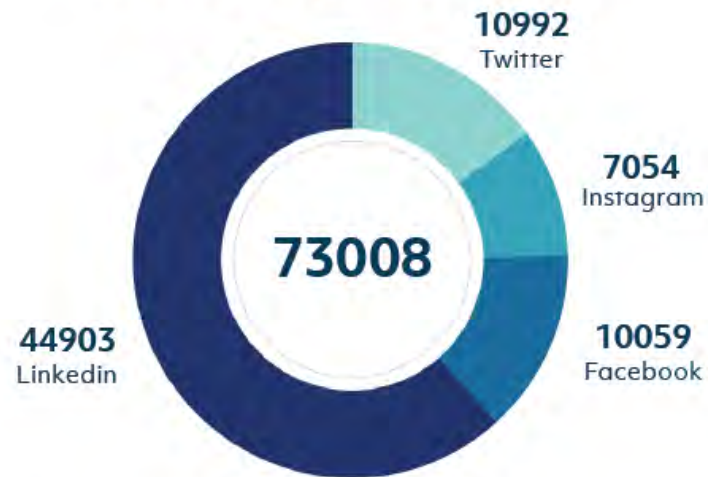


In front of the right people in the right places: Owned Media

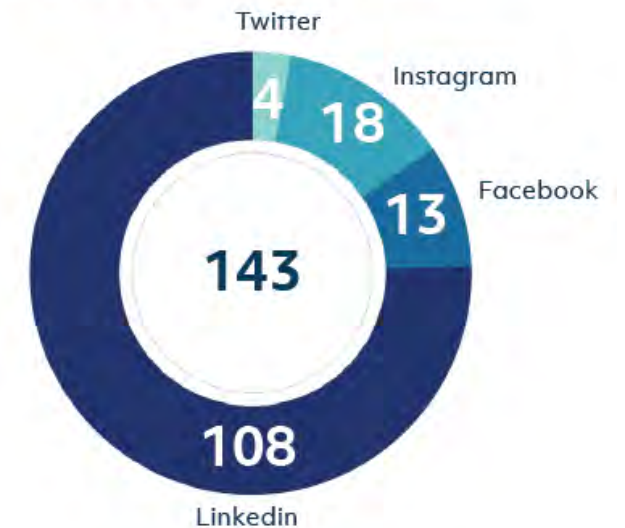
Type of Post



Total Impressions



Follower Increase



In front of the right people in the right places: Paid Media

One million lift capacity increase in 2020

Size.
Speed.
Service.

THE PORT OF VIRGINIA

Start Now

34.6 minute average turn times (9/28 – 12/11)

Size.
Speed.
Service.

THE PORT OF VIRGINIA

Start Now

Personal customer support

Size.
Speed.
Service.

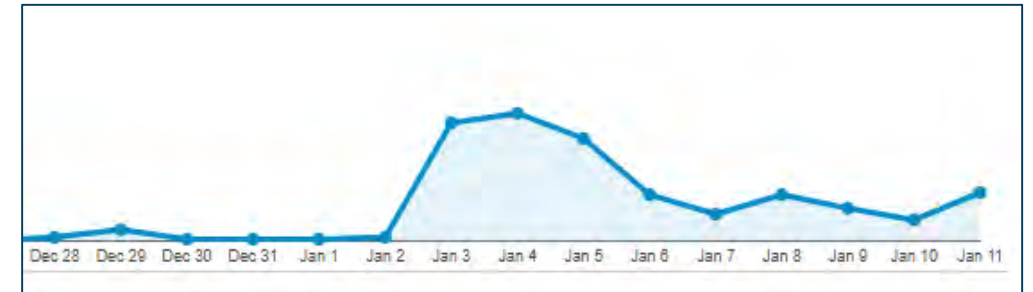
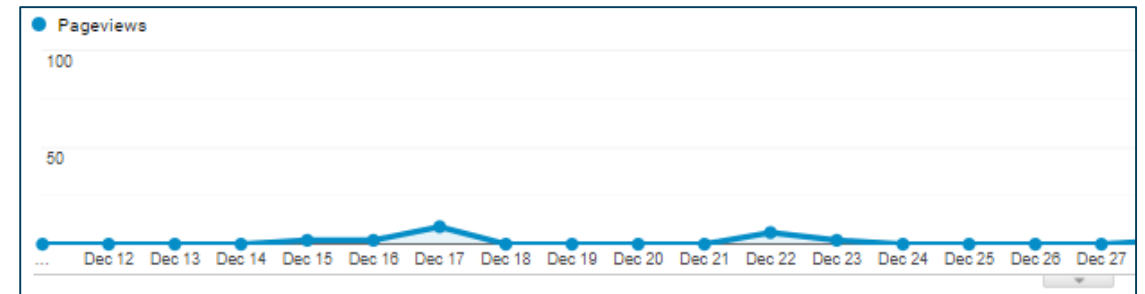
THE PORT OF VIRGINIA

Start Now

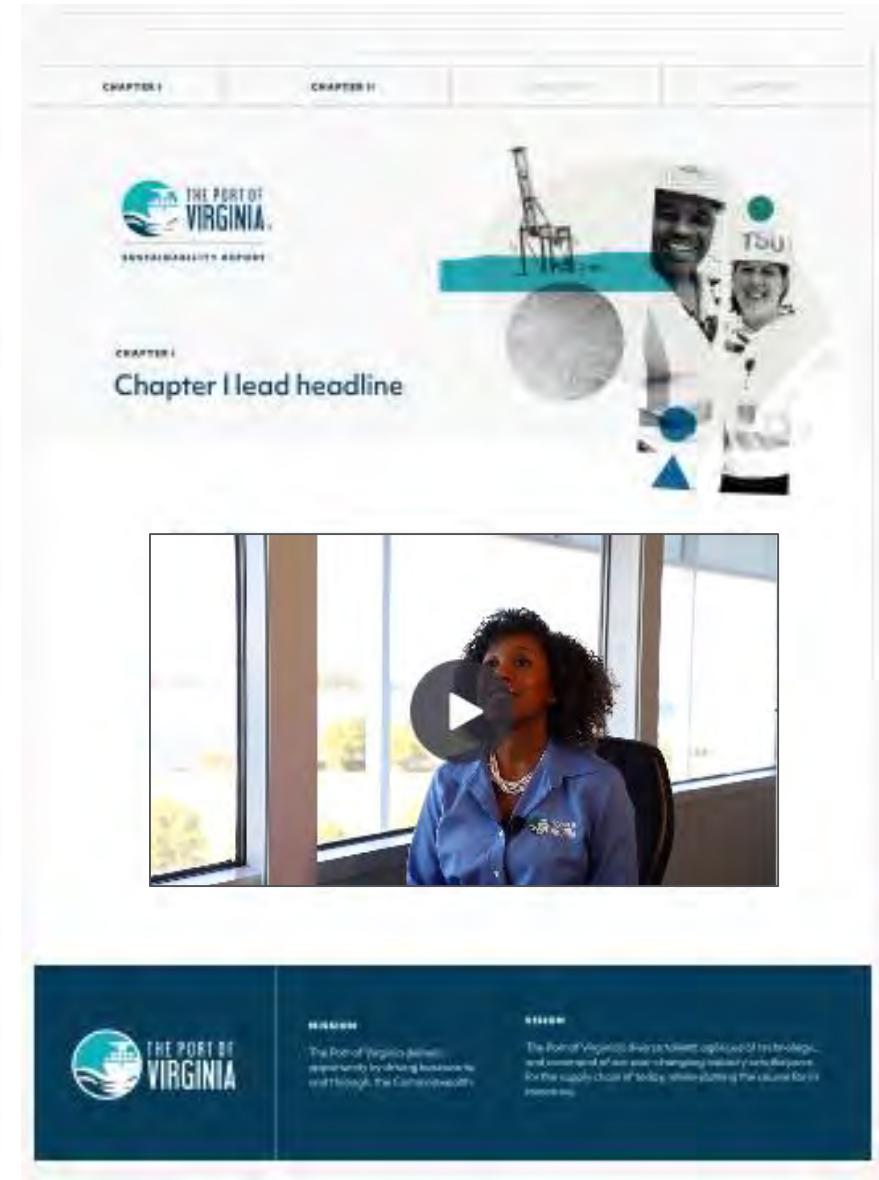
Size.
Speed.
Service.

THE PORT OF VIRGINIA

Start Now



Sustainability starts with people





Innovation Report

SWaM CY20

\$92,894,198

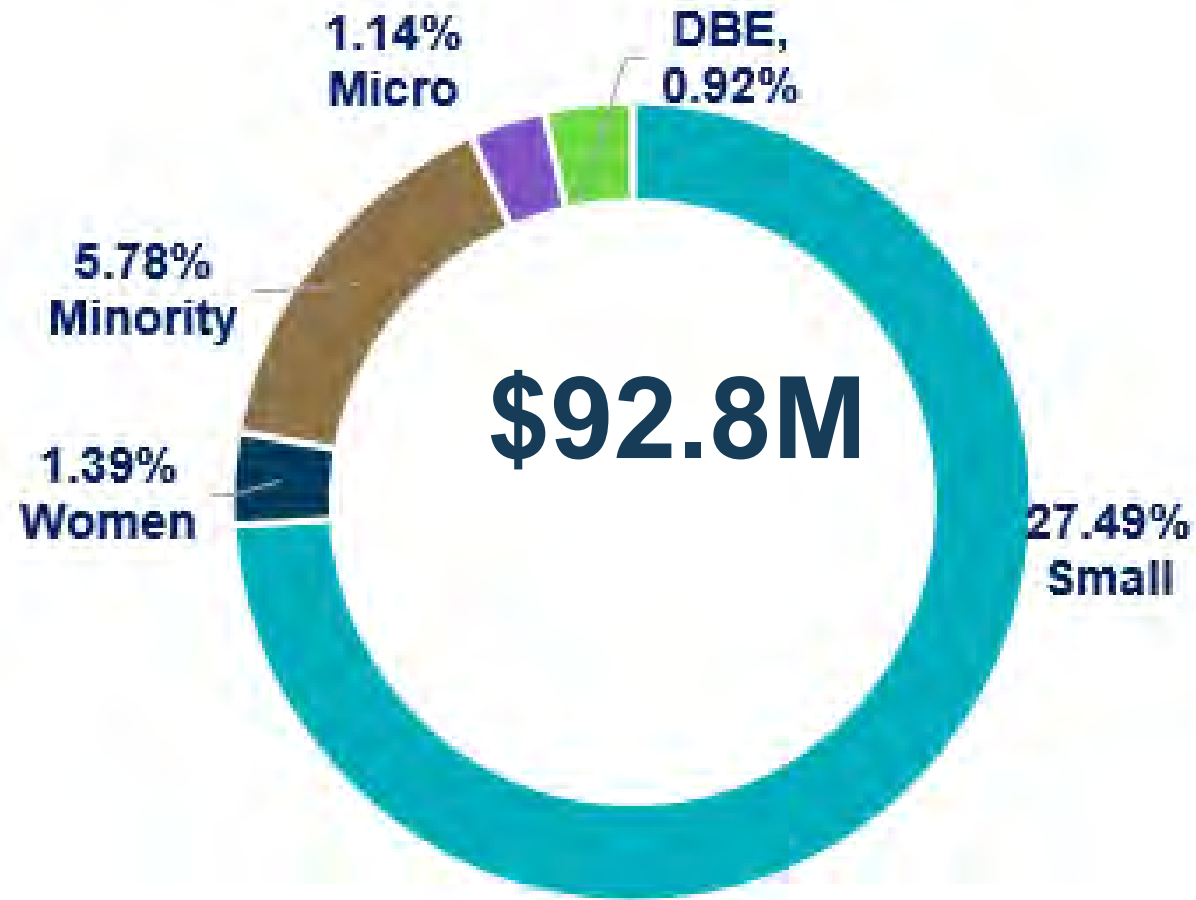
Total Discretionary Spend

\$34,466,484

Total SWaM Spend

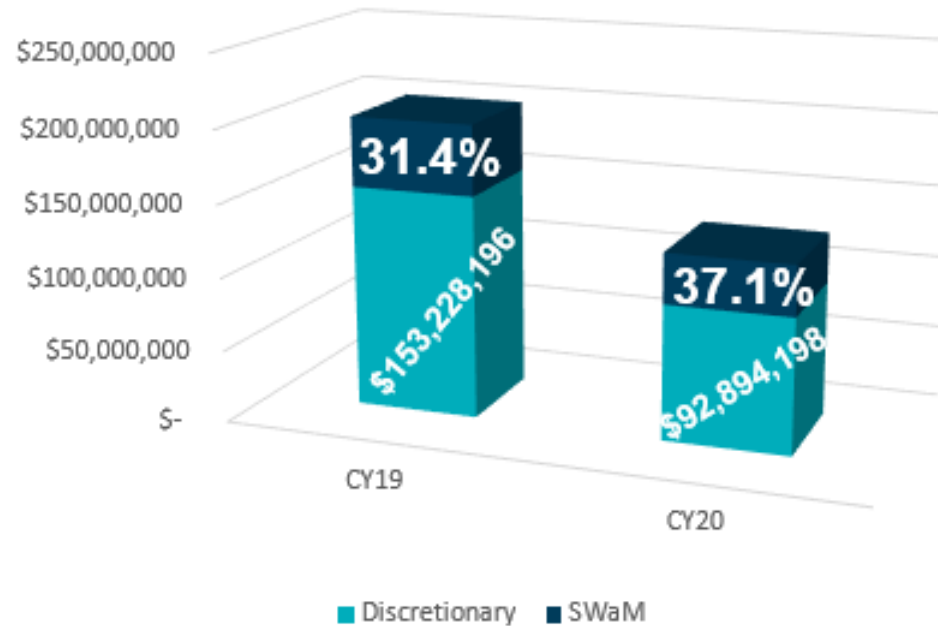
37.1%

CY20 Port of Virginia SWaM by Type



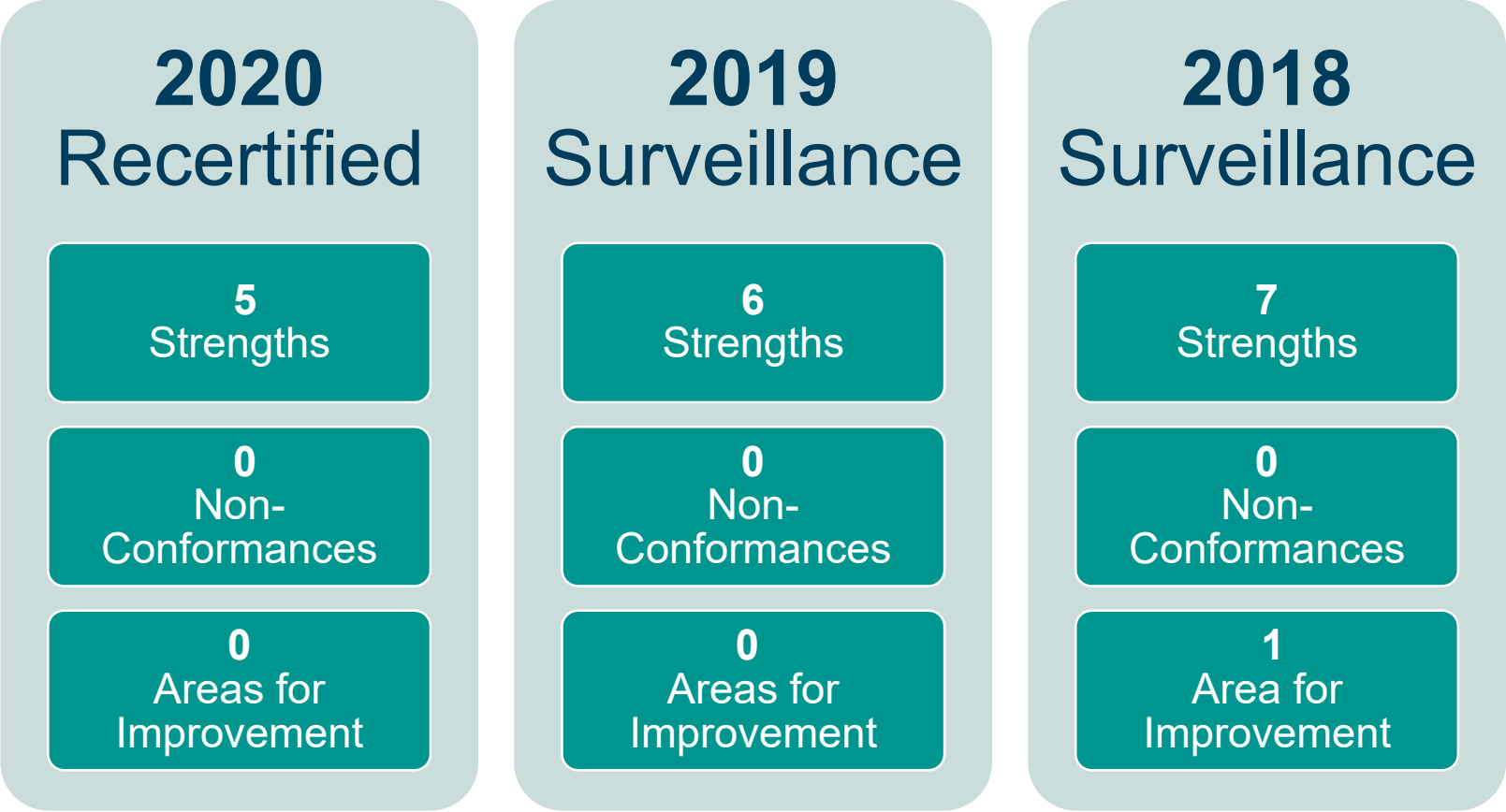
CY19 vs CY20

CY	VPA Discretionary Expenditures	Total SWaM Dollars	%
CY19	\$ 153,228,196	\$ 48,122,517	31.4%
CY20	\$ 92,894,198	\$ 34,466,484	37.1%





VPA is an ISO 9001:2015 certified organization.
This international standard specifies requirements for a quality management system (QMS) and is used to demonstrate the ability to consistently provide products and services that meet customer and regulatory requirements.



External audits are performed annually to verify the standards are being met.
Above provides a summary of the last three audits.



Human Resources Report

Continuity and Looking Forward





Development and Government Affairs Report

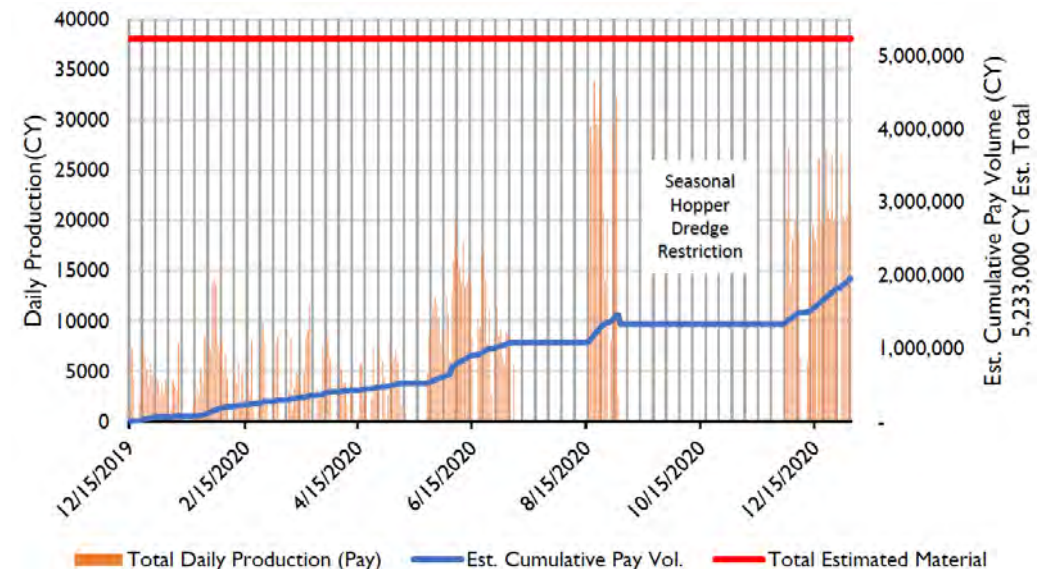
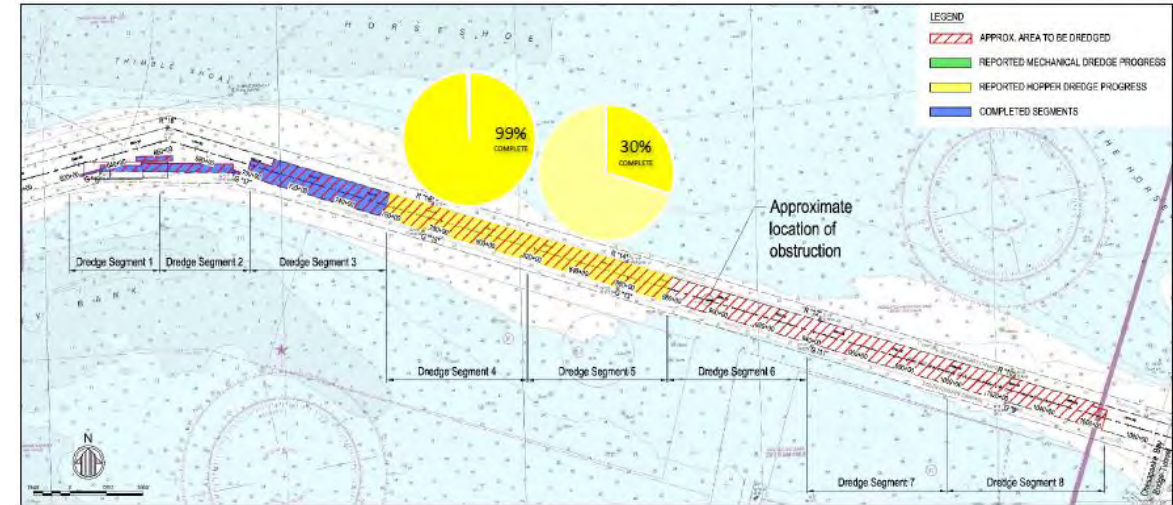
MIRT & Emergency Operations

- Continue to support the POV COVID Planning and Response Team
- Planning for upcoming SAR and MFF School
- Assisted Sector VA with truck accident at the CBBT
 - Unified Command
 - Coordinated Sonar Operations



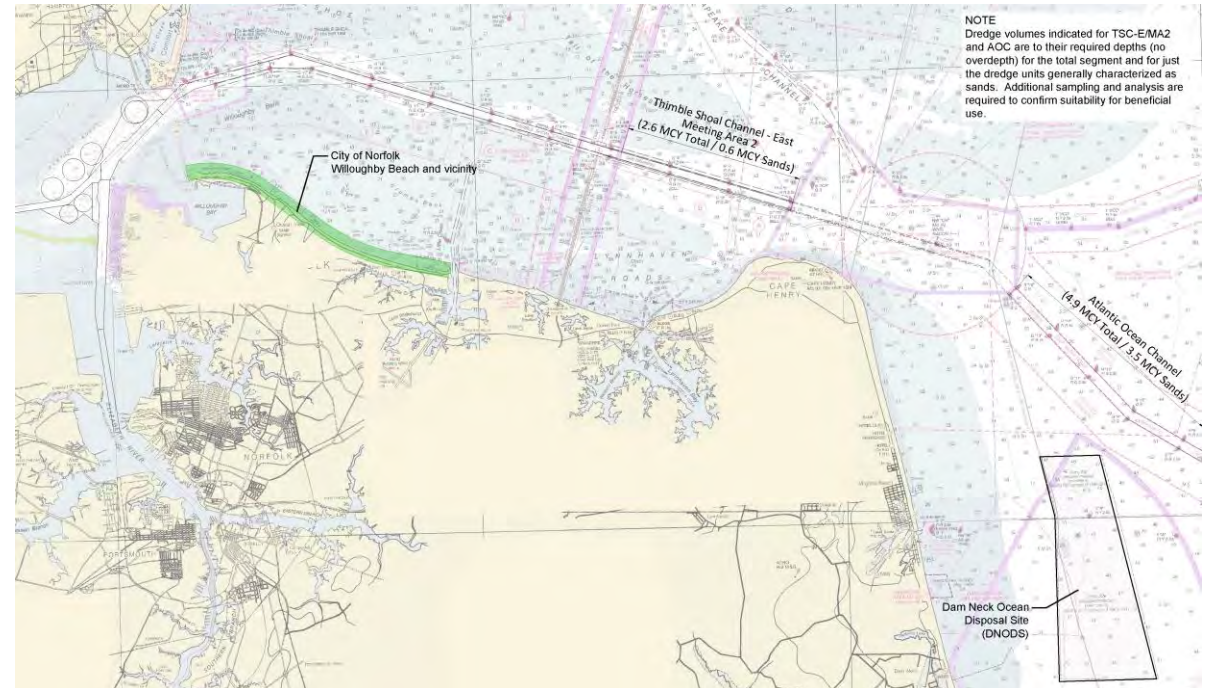
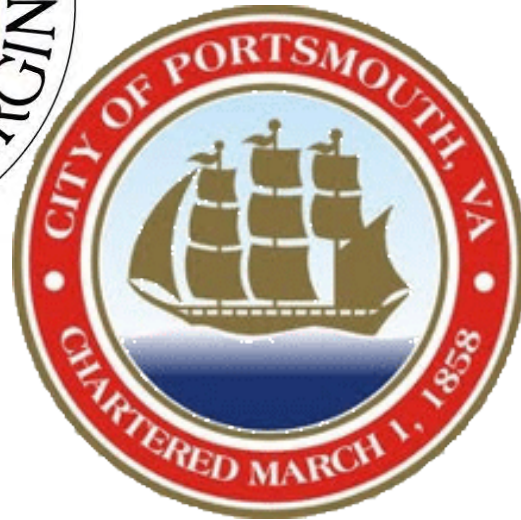
Harbor Deepening & Widening Update

- **This past summer**, four dredges worked on the project.
- **Last month**, the Weeks Magdalen resumed dredging as the seasonal dredge restrictions lifted.
- **Last week**, the Paula Lee joined the Magdalen in dredging efforts.
- **This summer**, we will be ready to advertise the next segment (Thimble Shoal Channel – East)



Local Government Affairs

New Local Leaders



Beneficial Reuse of Dredging Sediment

Advanced Transportation & Congestion Management Technologies Deployment (ATCMTD) Grant Award



2021 *Virtual* General Assembly Legislative Session

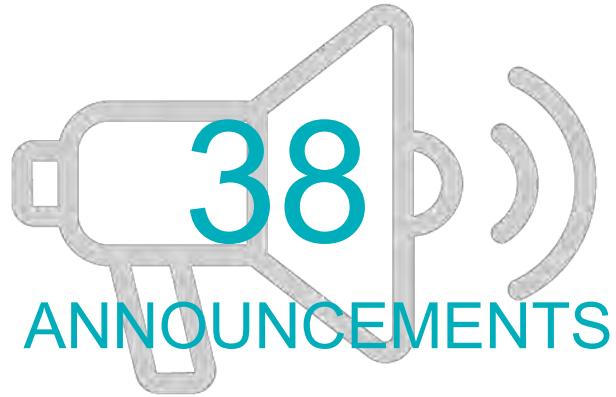


Governor's Proposed COVID Budget

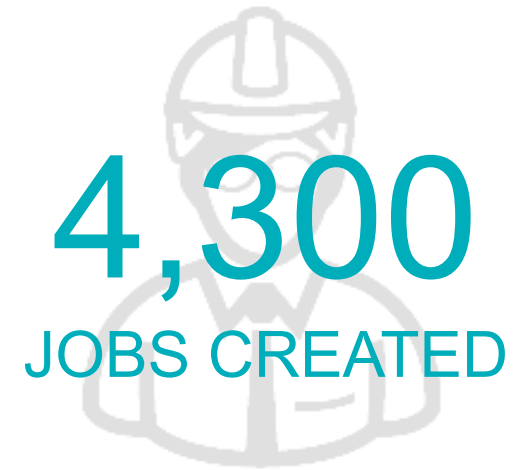


30 day or 45 day short session

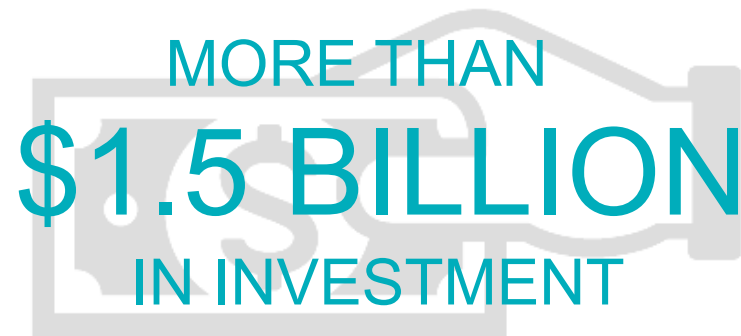
CYTD 2020 Economic Development Totals



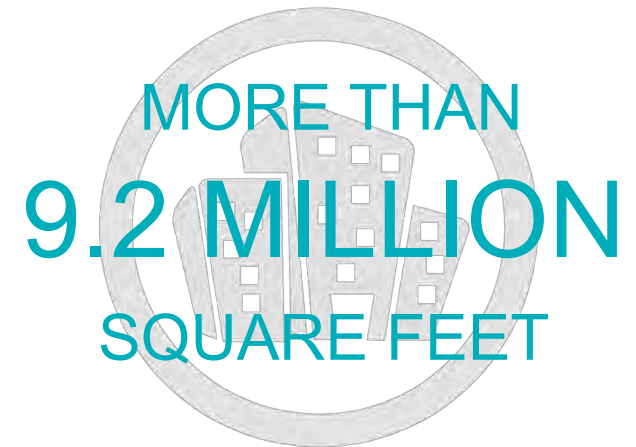
38
ANNOUNCEMENTS



4,300
JOBS CREATED

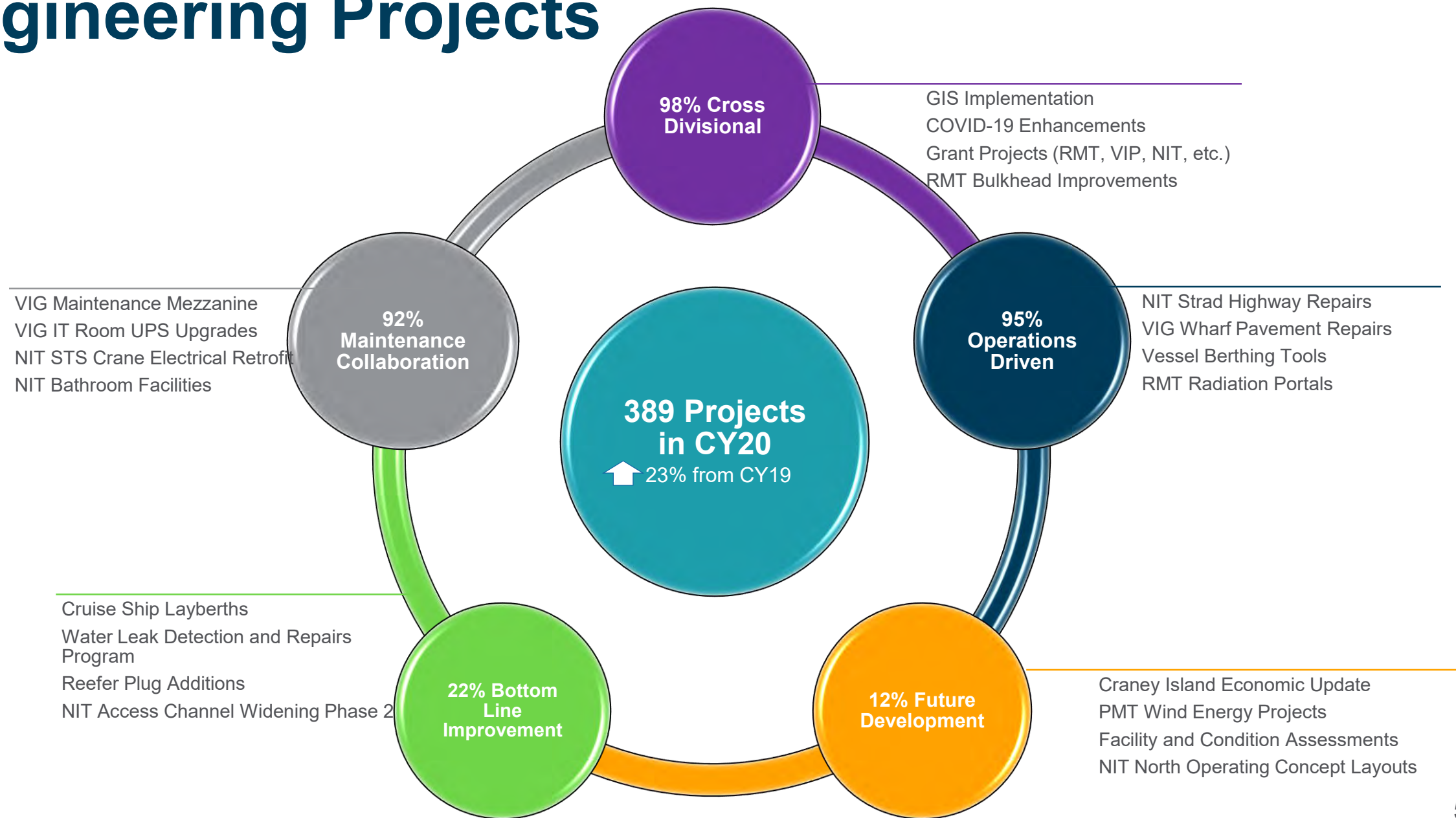


MORE THAN
\$1.5 BILLION
IN INVESTMENT



MORE THAN
9.2 MILLION
SQUARE FEET

Engineering Projects



- 
- Report from CEO
 - Unfinished business
 - New business
 - Other business, opportunity for public comment, and adjournment