



VIRGINIA PORT AUTHORITY
600 World Trade Center, Norfolk, VA 23510
(757)683-8000

To: Virginia Port Authority Board of Commissioners

From: Aubrey Layne, Chair of the Board of Commissioners
Jim Burnett, Chair of the Finance and Audit Committee

Date: May 9, 2023

Subject: Action taken pursuant to Bylaws Section 3.4.1: The Executive Director's authority to execute an agreement with Konecranes, Inc. for the acquisition of thirty-six (36) Automated Stacking Cranes at Norfolk International Terminals.

Legal Authority:

The Virginia Port Authority (the "Authority"), a body corporate and a political subdivision of the Commonwealth of Virginia, was established pursuant to Chapter 10, Title 62.1 of the Code of Virginia of 1950, as amended (the "Act"). Pursuant to the Act, the Authority is empowered to rent, lease, buy, own, acquire, construct, reconstruct and dispose of harbors, seaports, port facilities and such property, whether real or personal, as it may find necessary or convenient.

Section 3.4.1 of the Authority's Bylaws states that upon obtaining prior written approval by the Chairman of the Board and the Chair of the Finance and Audit Committee, the Executive Director may enter into a contract, agreement or arrangement on the Authority's behalf in excess of \$2,500,000.

Action(s) Taken:

- Pursuant to the Authority's Procurement and Capital Outlay Manual, the Authority seeks to enter into a contract with Konecranes, Inc. for the acquisition of thirty-six (36) Automated Stacking Cranes (ASC) for use at north Norfolk International Terminals (NIT).
- Upon evaluation of the two responsive proposals submitted in response to the request for proposals, the VPA determined that the proposal of Konecranes, Inc. represented the best value based on the criteria.
- The acquisition is funded by terminal revenue.
- Pursuant to the Authority's Bylaws, Section 3.4.1, on April 19, 2023, the CEO and Executive Director/CEO requested the written approval of the Chairman of the Board and Chair of Finance and Audit Committee to authorize the CEO and Executive Director to approve the form and content, and to execute and deliver contract 2023-27-VPA for the acquisition of thirty-six (36) ASCs for a total contract price of \$149,011,740, and deliver all such ancillary documents and certificates, as deemed necessary and proper, in furtherance of contract 2023-27-VPA.



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- On April 20, 2023, the written consent of the Chairman of the Board and the Chair of the Finance and Audit Committee was granted. See *attached* communications granting authorization.

Conclusion:

Upon obtaining the written approval of the man of the Board and the Chair of the Finance and Audit Committee, the Executive Director executed contract 2023-27-VPA.

Attachment:

Electronic Correspondence dated April 19-20, 2023 between Stephen Edwards, Chair Layne, and Finance and Audit Chair Burnett.

Jodie Asbell

From: AUBREY L LAYNE <allayne@sentara.com>
Sent: Thursday, April 20, 2023 7:54 AM
To: Stephen Edwards; Jim Burnett, Commissioner
Cc: Rodney Oliver; Sarah McCoy
Subject: RE: Approval Requested- ZPMC, Konecrane and Allan Myers Contracts

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I approve both requests for authorization for the Executive Director to execute the contracts identified below.
Aubrey Layne

From: Stephen Edwards <sedwards@PortofVirginia.com>
Sent: Wednesday, April 19, 2023 4:50 PM
To: AUBREY L LAYNE <allayne@sentara.com>; Jim Burnett, Commissioner <jburnett@WMJordan.com>
Cc: Rodney Oliver <roliver@PortofVirginia.com>; Sarah McCoy <smccoy@PortofVirginia.com>
Subject: Approval Requested- ZPMC, Konecrane and Allan Myers Contracts

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Chair Layne and Finance and Audit Committee Chair Burnett,

The VPA is requesting the action of the Chairs in accordance with the authority granted in section 3.4.1 of the Bylaws to approve a contract in excess of \$2.5M for each of the three contracts as outlined below. These contracts are all for the modernization and expansion of North NIT and were briefed at prior board meetings. I am happy to answer any questions.

1. **Subject: Approval Requested: Authorization of Executive Director to Execute Contract 2023-34-VPA for the Acquisition of Ship-to-Shore Cranes**

Context:

- As briefed at the January and March board meetings, the VPA seeks to enter into a contract with Shanghai Zhenhua Heavy Industries Company (ZPMC) Limited for acquisition of four (4) low-profile ship-to-shore cranes for use at north Norfolk International Terminals (NIT).
- The VPA issued a sole source justification citing ZPMC as the only source capable of producing the desired low-profile ship-to-shore.
- The proposed acquisition is funded by a combination of the general fund revenue along with terminal revenue.

Authority:

Pursuant to Section 3.4.1 of the Amended and Restated Bylaws of the VPA, in the interim of a Board Meeting, approval of the Chairman of the Board and Chair of the Finance and Audit Committee may authorize the Executive Director to execute the contract. The action of the Board will be memorialized in a Memorandum of Board Action to be briefed and published at the May 2023 Board of Commissioners meeting.

Request:

The VPA is writing to request your approval to authorize the Executive Director to approve the form and content, and to execute and deliver contract 2023-34-VPA for the acquisition of four low-profile ship-to-shore cranes for a total contract price of \$65,200,000 and deliver all such ancillary documents and certificates, as deemed necessary and proper, in furtherance of contract 2023-34-VPA.

2. Subject: Approval Requested: Authorization of Executive Director to Execute Contract 2023-27-VPA for the Acquisition of Automated Stacking Cranes (ASC)

Context:

- As briefed at the March board meeting, the VPA seeks to enter into a contract with Konecranes, Inc. for the acquisition of thirty-six (36) Automated Stacking Cranes (ASC) for use at north Norfolk International Terminals (NIT).
- Upon evaluation of the two responsive proposals submitted in response to the request for proposals, the VPA determined that the proposal of Konecranes, Inc. represented the best value based on the criteria.
- The proposed acquisition is funded by terminal revenue.

Authority:

Pursuant to Section 3.4.1 of the Amended and Restated Bylaws of the VPA, in the interim of a Board Meeting, approval of the Chairman of the Board and Chair of the Finance and Audit Committee may authorize the Executive Director to execute the contract. The action of the Board will be memorialized in a Memorandum of Board Action to be briefed and published at the May 2023 Board of Commissioners meeting.

Request:

The VPA is writing to request your approval to authorize the Executive Director to approve the form and content, and to execute and deliver contract 2023-27-VPA for the acquisition of thirty-six (36) ASCs for a total contract price of \$149,011,740, and deliver all such ancillary documents and certificates, as deemed necessary and proper, in furtherance of contract 2023-27-VPA.

3. Subject: Approval Requested: Authorization of Executive Director to Execute Contract 2023-03-VPA for the Acquisition of Civil Works Performed by Allan Myers, Inc.

Context:

- As briefed at the March board meeting, the VPA seeks to enter into a contract with Allan Myers, Inc. for the acquisition of civil works at north Norfolk International Terminals (NIT).
- Upon evaluation of the two responsive bidders submitted in response to the invitation for bids, the VPA determined that the bid of Allan Myers, Inc. represented the best price.
- The proposed acquisition of civil works is funded by a combination of general fund revenue along with proceeds from the 2023 Commonwealth Port Fund Bond issuance.

Authority:

Pursuant to Section 3.4.1 of the Amended and Restated Bylaws of the VPA, in the interim of a Board Meeting, approval of the Chairman of the Board and Chair of the Finance and Audit Committee may authorize the Executive Director to execute the contract. The action of the Board will be memorialized in a Memorandum of Board Action to be briefed and published at the May 2023 Board of Commissioners meeting.

Request:

The VPA is writing to request your approval to authorize the Executive Director to approve the form and content, and to execute and deliver contract 2023-03-VPA for the acquisition of civil works associated with the optimization of the north NIT stack yards for a contract amount not to exceed \$295,736,936, and deliver all such ancillary documents and certificates, as deemed necessary and proper, in furtherance of contract 2023-03-VPA.

If you could respond by e-mail of your concurrence with this request, it would be greatly appreciated.

With Regards,

Stephen

Stephen A. Edwards

CEO and Executive Director

Virginia Port Authority

600 World Trade Center

Norfolk, VA 23510

Office: 757-683-2101

Cell: 757-705-1491



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Jodie Asbell

From: Jim Burnett <jburnett@WMJordan.com>
Sent: Thursday, April 20, 2023 8:37 AM
To: Stephen Edwards; Aubrey Layne, Board Chair
Cc: Rodney Oliver; Sarah McCoy
Subject: RE: Approval Requested- ZPMC, Konecrane and Allan Myers Contracts

CAUTION: This email originated from an External Source. Please use proper judgment and caution when opening attachments, clicking links, or responding to this email.

I approve awarding the 3 contracts as presented below.

Regards,
Jim



Jim Burnett, CPA
Vice President, Chief Financial Officer
757.596.6341
757.572.3764
jburnett@wmjordan.com
Licenses: VA 2701-004636A, NC 29260, SC G116926

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