

**Virginia Port Authority (VPA) Board of Commissioners
Regular Meeting – Session – 424**

Tuesday, January 28, 2025 – 9:00 AM

Meeting Location:

VPA Boardroom, 101 W. Main Street, 600 World Trade Center, Norfolk

1. Call to Order

2. Safety Briefing – Joseph P. Ruddy, Chief Operations Officer, Virginia International Terminals, LLC (VIT)

3. Approval of Minutes

A. Approval of the minutes of the VPA Board of Commissioners meetings held October 29, 2024

4. Introductions and Opportunity for Public Comment

5. Reports of Committees

A. Executive Committee – Aubrey L. Layne, Chair

1. Report of Executive Committee
2. Report of Executive Session

B. Finance and Audit Committee – James C. Burnett, Committee Chair

1. Report of Finance and Audit Committee
2. Financial Performance: Financial Results through Second Quarter of the 2025 Fiscal Year – Rodney W. Oliver, Chief Financial Officer
3. Consideration of Resolution 25-01 – Approval of Empty Equipment Handler Purchase - Rodney W. Oliver, Chief Financial Officer
4. Consideration of Resolution 25-02 – Approval of Procurement and Capital Outlay Manual - Rodney W. Oliver, Chief Financial Officer
5. Consideration of Resolution 25-03 – Approval of NIT Berth Dredging Contract - Rodney W. Oliver, Chief Financial Officer
6. Consideration of Resolution 25-04 – Approval of Dominion NIT Substation Contract - Rodney W. Oliver, Chief Financial Officer
7. Consideration of Resolution of 25-05 – Approval of VPA Waterway Maintenance Grant Fund Request – Dredging in Broad Creek – Barbara Nelson, VP, Transportation and Government Affairs

C. Safety and Operations Update – John W. Kirk, Committee Chair

1. Report on Safety and Operations – Joseph P. Ruddy, Chief Operations Officer, Virginia

International Terminals, LLC (VIT)

2. Infrastructure Projects Update – Joseph P. Ruddy, Chief Operations Officer, Virginia International Terminals, LLC (VIT)

D. Growth Update – John C. Asbury, Committee Chair

1. Report on Sales and Volume – Thomas C. Capozzi, Chief Sales Officer, VIT
2. USEC Ports Market Comparison - Thomas C. Capozzi, Chief Sales Officer, VIT

6. Report of CEO/Executive Director – Stephen A. Edwards

7. Other Business

8. Adjourn

The next meeting of the VPA Board of Commissioners will be held on April 29, 2025 at the Virginia Inland Port in Front Royal, Virginia.

RESOLUTION 25-01

RESOLUTION AUTHORIZING THE VIRGINIA PORT AUTHORITY TO ENTER INTO AN AMENDMENT TO CONTRACT DOCUMENTS FOR THE ACQUISITION OF CARGO HANDLING EQUIPMENT – EMPTY CONTAINER HANDLERS

WHEREAS, the Virginia Port Authority (the “Authority”), a body corporate and a political subdivision of the Commonwealth of Virginia, has been established pursuant to Chapter 10, Title 62.1 of the Code of Virginia of 1950, as amended (the “Act”);

WHEREAS, 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 and issue revenue bonds therefore without pledging the faith and credit of the Commonwealth;

WHEREAS, pursuant to the Act, it is the duty of the Authority to foster and stimulate the commerce of the ports of the Commonwealth and related facilities by serving as the United States Eastern Seaboard gateway for the global import and export of freight throughout the world, to promote the shipment of freight through the maritime and inland ports, to seek to secure necessary improvements of navigable tidal waters within the Commonwealth, and in general to perform any act or function that may be useful in developing, improving, or increasing the commerce, both foreign and domestic, of all maritime and inland ports of the Commonwealth and related facilities;

WHEREAS, in furtherance of this duty, the Authority is making significant capital improvements to the container yards and terminals. These improvements include the purchase of equipment, namely empty container handlers, to support operations at Pinnars Point Container Yard;

WHEREAS, pursuant to its Procurement Manual, the Authority issued a single source justification identifying Gregory Poole Lift Systems as the source for the procurement of six (6) empty container handlers. The parties entered into Contract #2025-04-VPA for purchase of the empty container handlers and related equipment and systems (the “Contract”) for a purchase price of Two Million, Five Hundred Nineteen Thousand, Eight Hundred and Two dollars (\$2,519,802) following Board Resolution 24-11, passed and adopted July 30th, 2024;

WHEREAS, VPA wishes to exercise the option available in Contract #2025-VPA-04, and as a result the parties wish to enter into a contract amendment (the “First Amendment to the Gregory Poole Contract”) to achieve the following: 1) to upgrade the original order of six (6) empty container handlers from Hyster Model H180XD-EC6 to Model H200XD-EC8, 2) to purchase four (4) additional Hyster Model H200XD-EC8 ECH’s, and 3) to update the not-to-exceed amount to support the additional purchase;

WHEREAS, the additional cost to upgrade the six (6) units, as part of the original order, to the Hyster Model H200XD-EC8 is \$65,310 per unit and the order of four (4) additional Hyster Model H200XD-EC8's for \$485,277 per unit, the Contract total not-to-exceed value is being increased from \$2,519,802 to \$4,852,770 (the "First Amendment Price");

WHEREAS, the First Amendment Price will be funded by terminal revenue approved by the Authority's Board of Commissioners in Resolution 24-5;

WHEREAS, the Board has determined that it is necessary and appropriate to delegate to the Executive Director the authority to approve the final terms, and execute and deliver the First Amendment to the Gregory Poole Contract consistent with the foregoing Recitals; and

NOW THEREFORE, IT IS RESOLVED by the Board of Commissioners of the Virginia Port Authority, as follows:

Section 1. Approval of First Amendment to the Gregory Poole Contract. The execution and delivery of the First Amendment to the Gregory Poole Contract by the Authority, consistent with the foregoing Recitals is hereby authorized. The Board hereby authorizes the Executive Director to approve the form and content of, and to execute and deliver, the First Amendment to the Gregory Poole Contract on behalf of the Authority. The execution of the First Amendment to the Gregory Poole Contract by the Executive Director shall be conclusive evidence of the Authority's approval of the First Amendment to the Gregory Poole Contract. The Board hereby authorizes the Executive Director to execute and deliver all ancillary documents which he deems necessary to further the intent of this Resolution.

Section 2. Ratification; Further Action. All actions previously taken by the Commissioners, officers, and staff of the Authority in furtherance of the First Amendment to the Gregory Poole Contract are hereby ratified and confirmed. The officers and employees of the Authority are hereby authorized to take such actions, and deliver such additional documents and certificates, as they may in their discretion deem necessary or proper in furtherance of the Gregory Poole Contract and the transactions described herein and therein.

Section 3. Effective Date. This Resolution shall take effect immediately upon its adoption. The Secretary of the Authority shall file this Resolution with the books and records of the Authority maintained according to Section 3.11 of the Authority's Bylaws.

SIGNATURES ON FOLLOWING PAGE

PASSED AND ADOPTED this 28th day of January, 2025.

Aubrey L. Layne
Chairman

ATTEST:

Lisa Nelson, Secretary to the Board

RESOLUTION 25-02

AUTHORIZING THE ADOPTION OF THE PROCUREMENT AND CAPITAL OUTLAY MANUAL IN ACCORDANCE WITH SECTION 2.2-4343 OF THE CODE OF VIRGINIA OF 1950 AS AMENDED

WHEREAS, Section 2.2-4343 of the Code of Virginia of 1950 as amended exempts the Virginia Port Authority (“Authority”) from the Virginia Public Procurement Act, provided the Authority implements, by policy or regulation adopted by the Authority’s Board of Commissioners, procedures to ensure fairness and competitiveness in the procurement of goods and services in the administration of its capital outlay program. This exemption shall be applicable only so long as such policies and procedures meeting the requirements remain in effect.

WHEREAS, the Board of Commissioners has been presented at its meeting the proposed amended and restated form of the Procurement and Capital Outlay Manual with an effective date of February 1, 2025, in compliance with the requirements of Section 2.2-4343 of the Code of Virginia for consideration and approval.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE VIRGINIA PORT AUTHORITY, as follows:

Section 1. Approval of the Procurement and Capital Outlay Manual. The amended and restated Procurement and Capital Outlay Manual with an effective date of February 1, 2025 (the “Manual”) presented to the Board is hereby approved in the form presented at this meeting. The Executive Director is further authorized to approve omissions and insertions to the Manual as may be necessary from time to time to accommodate changes in the Virginia Code and any non-material changes reasonably required by modifications to organizational policy or structure. Any such changes shall be reported to the Board of Commissioners at their next regularly scheduled meeting and be subject to veto by simple majority.

Section 2. Supersede and Replace. This Manual supersedes and replaces the previously approved October 2022 Virginia Port Authority Procurement and Capital Outlay Manual through Resolution 22-11, passed and adopted September 12th, 2022.

Section 3. Ratification; Further Action. The actions previously taken by the officers and staff of the Authority in furtherance of this Resolution are hereby ratified and confirmed. The officers and staff of the Authority, any of whom may act, are hereby authorized to take such actions, and deliver such additional documents and certificates, as they may, in their discretion, deem necessary or proper in connection with the adoption of this Resolution.

Section 4. Effective Date. This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED this 28th day of January, 2025.

Aubrey L. Layne
Chairman

Attest:

Lisa Nelson, Secretary to the Board

RESOLUTION 25-03

AUTHORIZING THE VIRGINIA PORT AUTHORITY TO ENTER INTO A CONTRACT FOR THE NORFOLK INTERNATIONAL TERMINALS-SOUTH DREDGING PROJECT

WHEREAS, the Virginia Port Authority (the "Authority"), a body corporate and a political subdivision of the Commonwealth of Virginia, has been established pursuant to Chapter 10, Title 62.1 of the Code of Virginia of 1950, as amended (the "Act"); and

WHEREAS, 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 and issue revenue bonds therefore without pledging the faith and credit of the Commonwealth; and

WHEREAS, the Authority owns the port facility known as Norfolk International Terminals ("NIT"); and

WHEREAS, pursuant to the Act, the Authority is empowered to cooperate with, and to act as an agent for, the United States of America or any agency, department, corporation or instrumentality thereof in the maintenance, development, improvement, and use of harbors and seaports of the Commonwealth; and

WHEREAS, in furtherance of its powers and duty, the Authority intends to complete berth and access channel improvements at the southern portion of NIT to encompass maintenance and new work dredging to an elevation of mean lower low water (MLLW) of 55' (the "SNIT Dredging Project"); and

WHEREAS, the SNIT Dredging Project will be funded by the Commonwealth of Virginia through the Virginia Public Building Authority bonds; and

WHEREAS, the Authority issued an invitation for bids for the SNIT Dredging Project, whereby five responsive bids were received; and

WHEREAS, the lowest responsive bid submitted by a responsible bidder, Curtin Maritime Corporation, was for a project cost of up to Fifteen Million Three Hundred Fifty Thousand Three Hundred and Fifteen Dollars (\$15,350,315.00); and

WHEREAS, the Board has determined that it is appropriate to delegate to the Executive Director the authority to approve the final terms, and execute and deliver, the contract for the SNIT Dredging Project with Curtin Maritime Corporation and any sub-agreements thereto.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Virginia Port Authority, as follows:

Section 1. Approval of Contracts. The execution and delivery of the SNIT Dredging Contract by the Authority consistent with the foregoing Recitals is hereby authorized. The Board of Commissioners hereby authorizes the Executive Director to approve the form and content, and to execute and deliver, the SNIT Dredging Contract on behalf of the Authority. The execution of the SNIT Dredging Contract by the Executive Director shall be conclusive evidence of the Authority's approval of the SNIT Dredging Contract and issue the Notice to Proceed. The Board of Commissioners hereby authorizes the Executive Director to execute and deliver all ancillary documents which he deems necessary to further the intent of this Resolution.

Section 2. Ratification; Further Action. All actions previously taken by the Commissioners, officers and employees of the Authority in furtherance of the SNIT Dredging Contract and any sub-agreements thereto are hereby ratified and affirmed. The officers and employees of the Authority are hereby authorized to take such actions, and deliver such additional documents and certificates, as they may in their discretion deem necessary or proper in furtherance of the SNIT Dredging Contract.

Section 3. Effective Date. This Resolution shall take effect immediately upon its adoption. The Secretary of the Authority shall file this Resolution with the books and records of the Authority maintained according to Section 3.11 of the Authority's Bylaws.

PASSED AND ADOPTED this 28th day of January, 2025

Aubrey L. Layne
Chairman

Attest:

Lisa Nelson, Secretary to the Board

RESOLUTION 25-04

AUTHORIZING THE VIRGINIA PORT AUTHORITY TO ENTER INTO A CONTRACT FOR THE NIT SUBSTATION PROJECT WITH VIRGINIA ELECTRIC AND POWER COMPANY

WHEREAS, the Virginia Port Authority (the "Authority"), a body corporate and a political subdivision of the Commonwealth of Virginia, has been established pursuant to Chapter 10, Title 62.1 of the Code of Virginia of 1950, as amended (the "Act"); and

WHEREAS, 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 and issue revenue bonds therefore without pledging the faith and credit of the Commonwealth; and

WHEREAS, the Authority owns the port facility known as Norfolk International Terminals ("NIT"); and

WHEREAS, pursuant to the Act, it is the duty of the Authority to foster and stimulate the commerce of the ports of the Commonwealth and related facilities by serving as the United States Eastern Seaboard gateway for the global import and export of freight throughout the world, to promote the shipment of freight through the maritime and inland ports, to seek to secure necessary improvements of navigable tidal waters within the Commonwealth, and in general to perform any act or function that may be useful in developing, improving, or increasing the commerce, both foreign and domestic, of all maritime and inland ports of the Commonwealth and related facilities;

WHEREAS, in furtherance of this duty, the Authority has requested service located at 1600 Baker Street, Norfolk 23505, Virginia in the operation of NIT from Virginia Electric and Power Company d/b/a Dominion Energy Virginia ("Dominion"), in accordance with the agreement dated July 14, 2003, to include Installation of 1-84MVA substation transformer w/ a second 84MVA substation transformer for redundancy (the "NIT Substation Project");

WHEREAS, the Authority wishes to enter into an agreement with Dominion to provide the installation of the aforementioned equipment for a total price of Three Million Seven Hundred Seventy Thousand Two Hundred Twenty-Nine and 60/100 Dollars (\$3,770,229.60);

WHEREAS, the NIT Substation Project will be funded by the Commonwealth of Virginia and approved under HB6001 Item C-64; and

WHEREAS, the Board has determined that it is appropriate to delegate to the Executive Director the authority to approve the final terms, and execute and deliver, the contract for the NIT Substation Project (the "NIT Substation Contract") and any sub-agreements thereto.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Virginia Port Authority, as follows:

Section 1. Approval of Contracts. The execution and delivery of the NIT Substation Contract by the Authority consistent with the foregoing Recitals is hereby authorized. The Board of Commissioners hereby authorizes the Executive Director to approve the form and content, and to execute and deliver, the NIT Substation Contract on behalf of the Authority. The execution of the NIT Substation Contract by the Executive Director shall be conclusive evidence of the Authority's approval of the NIT Substation Contract and issue the Notice to Proceed. The Board of Commissioners hereby authorizes the Executive Director to execute and deliver all ancillary documents which he deems necessary to further the intent of this Resolution.

Section 2. Ratification; Further Action. All actions previously taken by the Commissioners, officers and employees of the Authority in furtherance of the NIT Substation Contract and any sub-agreements thereto are hereby ratified and affirmed. The officers and employees of the Authority are hereby authorized to take such actions, and deliver such additional documents and certificates, as they may in their discretion deem necessary or proper in furtherance of the NIT Substation Contract.

Section 3. Effective Date. This Resolution shall take effect immediately upon its adoption. The Secretary of the Authority shall file this Resolution with the books and records of the Authority maintained according to Section 3.11 of the Authority's Bylaws.

PASSED AND ADOPTED this 28th day of January, 2025

Aubrey L. Layne
Chairman

Attest:

Lisa Nelson, Secretary to the Board

**VIRGINIA PORT AUTHORITY
RESOLUTION 25-05**

**A RESOLUTION AUTHORIZING WATERWAY MAINTENANCE GRANT FUNDING (FY26) TO
MIDDLESEX COUNTY**

WHEREAS, in 2018, the Virginia General Assembly established the Virginia Waterway Maintenance Grant Program, to be administered by the Virginia Port Authority (the “Authority”), in order to support shallow draft dredging projects throughout the Commonwealth; and

WHEREAS, on July 24, 2018 the Board of Commissioners of the Authority adopted guidelines administering the Virginia Waterway Maintenance Grant Program (the “Policy”) in accordance with Virginia Code Section 62.1-132.3:4; and

WHEREAS, in accordance with the Policy, Section II.A.8, Middlesex County has submitted a statement declaring the need for urgent funds and why the regular schedule for review set forth in the Policy could not be met based on the statement provided below:

Broad Creek supports a variety of maritime activities to include specialized and general vessel repair, storage, manufacturing, commercial and military contracts, and commercial seafood landings. The channel shoaling of Broad Creek, which was last dredged in 2010, has accelerated rapidly over the last six to eight months, causing a marked increase in vessels running aground which has resulted in the U.S. Coast Guard issuing warnings to mariners navigating this channel. Middlesex County is requesting Two Million, Three Hundred Seventy Two Thousand, Five Hundred and Twenty-Six Dollars and 00/100 (\$2,372,526) in Waterway Maintenance Funds to address the urgent dredging needs of Broad Creek. In addition, the County will provide funding to assist with the channel dredging in the amount of \$386,074. This funding is a combination of County funds (\$50,074) and grant funds provided by the Virginia Department of Conservation and Recreation through the Virginia Community Preparedness Fund (\$336,000) which is set to expire in February 2025.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE VIRGINIA PORT AUTHORITY, that the requested Waterway Maintenance Grant Program funding, in the amount of Two Million, Three Hundred Seventy Two Thousand, Five Hundred and Twenty-Six Dollars and 00/100 (\$2,372,526), shall be appropriated for the dredging of Broad Creek in Middlesex County.

PASSED AND ADOPTED this 28th day of January, 2025.

Aubrey L. Layne
Chairman

Attest:

Lisa Nelson, Secretary to the Board



AMERICA'S MOST MODERN GATEWAY

Virginia Port Authority
Board of Commissioners
Regular Meeting
Session 424
January 28, 2025

Agenda



Approval of Minutes - October 29, 2024 (Public Meeting)



Introductions and Opportunity for Public Comment



Committee/Regular Reports



CEO / Executive Director Report



Other Business and Adjournment

Executive Committee Report

Chair Layne

Executive Session Report

Chair Layne

Finance and Audit Committee Report

Committee Chair Burnett

2nd Quarter Financials

Rodney W. Oliver, Chief Financial Officer

Fiscal Year 2025 YTD Highlights

July - December	Actual	Budget	Fav. (Unfav.) % Variance
Volume	957,078	959,509	(0.3)%
Operating Revenues	\$408.2m	\$386.9m	5.5%
Operating Expenses	\$348.0m	\$356.7m	2.4%
Operating Income	\$60.2m	\$ 30.2m	99.1%
EBITDA	\$159.8m	\$130.6m	22.4%

Cash Flow – USD millions

	FY24 YTD	FY25 YTD
Net cash provided by operating activities	\$ 134.9	\$ 172.7
Net cash used in noncapital financing activities	(7.1)	(5.1)
Payments made on VIG lease	(54.1)	(55.8)
Payments made on long-term debt and other leases	(46.8)	(51.8)
Acquisition of capital assets	(231.4)	(189.6)
Other cash provided by (used in) financing activities	95.7	106.1
Net cash used in investing activities	(2.2)	(48.7)
Net change in cash and cash equivalents	\$ (111.0)	\$ (72.2)

Resolution 25-01

Approval of Empty Equipment Handler Purchase

Rodney W. Oliver, Chief Financial Officer

Resolution 25-02

Approval of Procurement and Capital Outlay Manual

Rodney W. Oliver, Chief Financial Officer

Resolution 25-03

Approval of NIT Berth Dredging Contract

Rodney W. Oliver, Chief Financial Officer

Resolution 25-04

Approval of Dominion Substation Contract

Rodney W. Oliver, Chief Financial Officer

Resolution 25-05

Approval of VPA Waterway Maintenance Grant Fund
Request for Dredging in Broad Creek

Barbara Nelson, VP, Transportation and Government Affairs

Operations and Infrastructure Update

Committee Chair Kirk

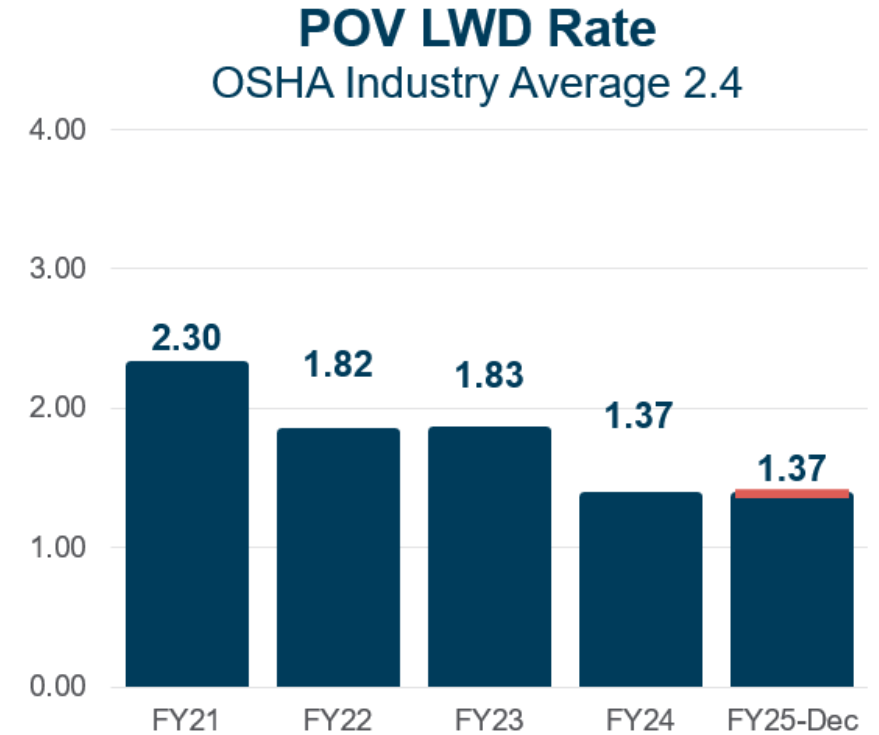
Safety Update

Joseph P. Ruddy, Chief Operations Officer, VIT

OSHA Safety Metrics – FY25 Dec

As of Dec 31st the POV FY25
Lost Work Day (LWD) rate of **1.37** is:

- Flat to FY24
- 25.1% decrease from FY23
- FY25 year-end goal is 1.36

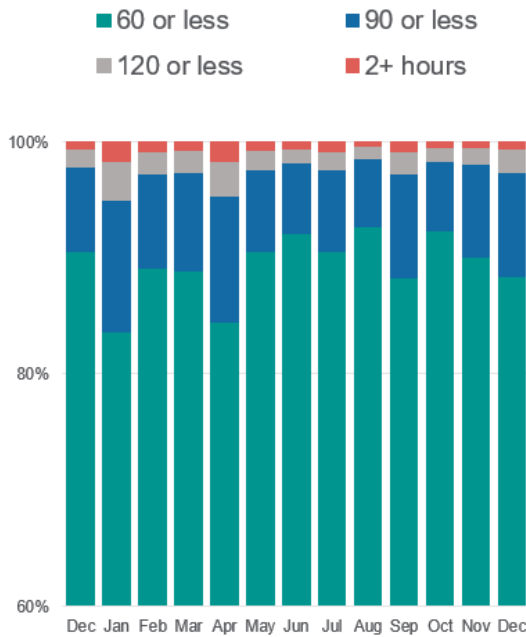


Operations Update

Joseph P. Ruddy, Chief Operations Officer, VIT

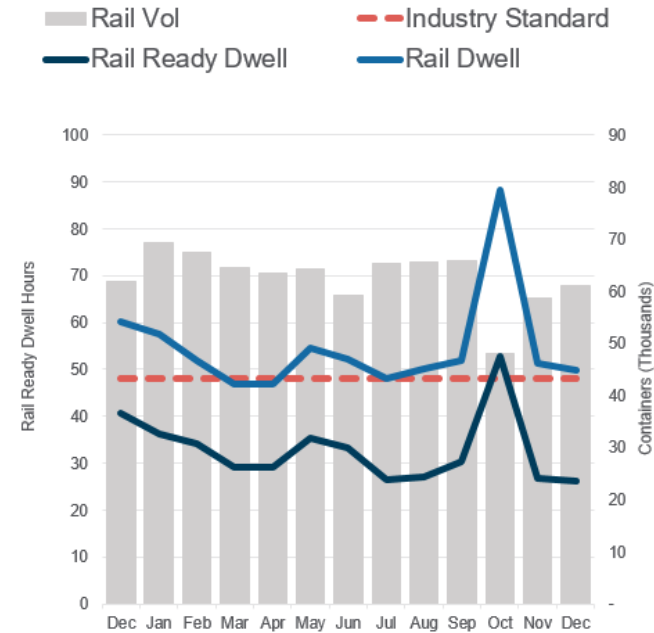
Operations KPI – FY25 Dec

Gate Performance



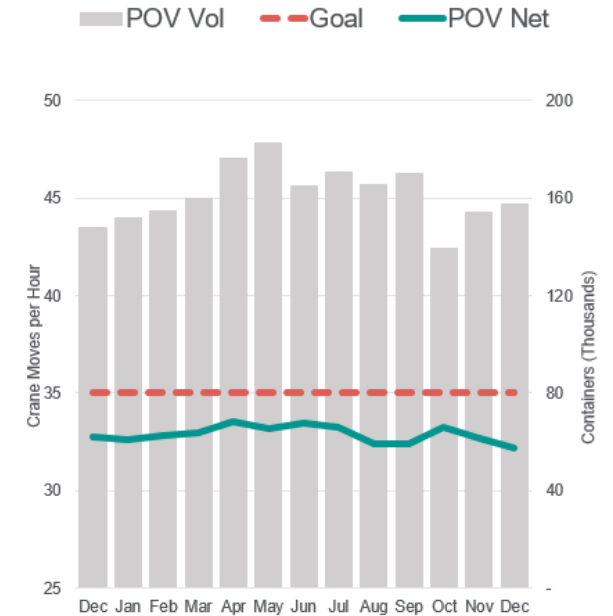
73,629 truck visits, 88.1% under 1 hour
0.7% or 483 truck visits over 2 hours
Turn Time: 36.5 min traditional
and 44.1 min expanded

Rail Performance



60,996 rail containers, down 1.4% YOY
Rail Ready Dwell: 26.1 hours
Rail Dwell: 49.8 hours

Net Productivity



Net Productivity: 32.2 crane moves per hour, 1.7% lower year over year

Infrastructure and Projects Update

Joseph P. Ruddy, Chief Operations Officer, VIT

Infrastructure Projects Dashboard

NIT Central Rail Yard (CRY) Expansion

Design



Complete

Construction



Complete

Overall



On-Time

North NIT Optimization

Design



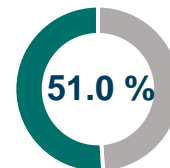
Complete

Construction



On-Time

Overall



On-Time

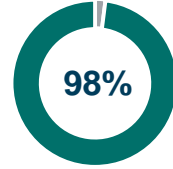
PMT Offshore Wind Staging Port

Design



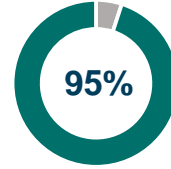
Land design complete Mar 22
Dredging design complete Apr 23

Construction



In Progress

Overall



In Progress

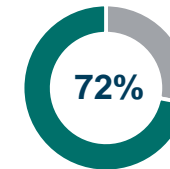
Channel Deepening and Widening

Design



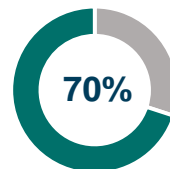
In Progress

Construction



In Progress

Overall



In Progress

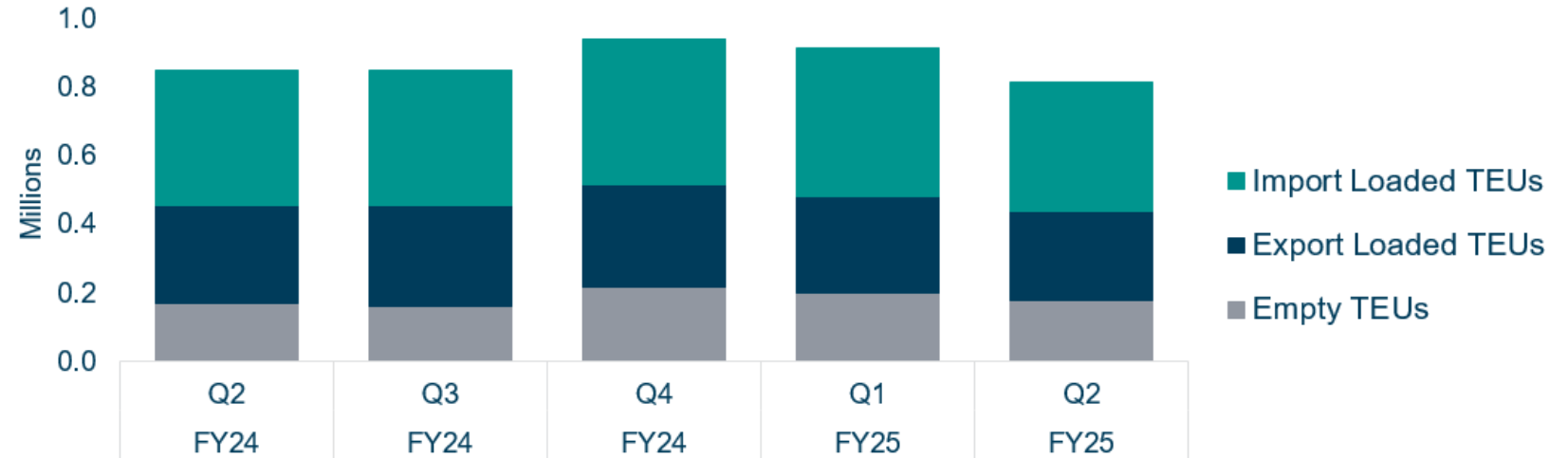
Growth Update

Committee Chair Asbury

Sales and Volume Report

Thomas C. Capozzi, Chief Sales Officer, VIT

Volumes: Q2 FY25



	FY25 Q2	FY24 Q2	Change	% Change
Total TEUs	815,858	850,686	(34,828)	(4.1%)
Export Loaded TEUs	263,718	285,975	(22,257)	(7.8%)
Import Loaded TEUs	374,980	396,247	(21,267)	(5.4%)
Empty TEUs	177,160	168,464	8,696	5.2%
Total Barge Containers	21,084	17,041	4,043	23.7%
RMT Containers	7,928	7,942	(14)	(0.2%)
Total Truck Containers	262,395	251,091	11,304	4.5%
Non-Containerized Tonnage	82,803	48,438	34,366	70.9%
Vessel Calls	397	417	(20)	(4.8%)

USEC Ports Market Comparison

	FY 2025	FY 2024	Change	% Change
New York / New Jersey	2,014,985	1,859,472	155,513	8.4%
Savannah	1,397,786	1,283,322	114,464	8.9%
The Port of Virginia	905,362	907,638	(2,276)	-0.3%
Charleston	630,997	655,571	(24,574)	-3.7%

*Source: Reported Actuals – Loaded TEUs

*Fiscal period included: July 2024 through October 2024

CEO/Executive Director Report

Stephen A. Edwards, CEO/Executive Director

Other Business

Chair Layne



AMERICA'S MOST MODERN GATEWAY

Virginia Port Authority
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Thank You