

Trends

No Data Available

Legend:

⬆ Increase, ⬇ Decrease, ➡ Steady

Key Performance Areas

No Data Available

Productivity

No Data Available

Legend:

⬆ Improving, ⬇ Worsening, ➡ Maintaining

For more information on administrative key, and productivity measures, go to www.vaperforms.virginia.gov/agencylevel/index.cfm

Background & History

§ 62.1-132.3 of the code of Virginia specifies that:

It shall be the duty of the Authority, on behalf of the Commonwealth, to foster and stimulate the commerce of the Ports of the Commonwealth, to promote the shipment of goods and cargoes through the ports, to seek to secure necessary improvements of navigable tidal waters within the Commonwealth and, in general, to perform any act or function which may be useful in developing, improving, or increasing the commerce, both foreign and domestic, of the Ports of the commonwealth (1981, c. 589).

Primary Product & Services

The Virginia Port Authority, through its terminal operator Virginia International Terminals, Inc., provides container and noncontainer handling services for international businesses. The Authority owns three marine terminals and an inland intermodal terminal to provide these services. The Authority also leases a fourth marine terminal and could consider leasing other Virginia facilities.

Customer Base

The Authority and its operating company VIT have worked to get Mediterranean Shipping Co (MSC) as a first port of call on the South American East Coast Service String 1 opening opportunities for new business in the Caribbean ports.

VPA, ecoFUELS Come to terms on lease of space at PMT. The facility will service export operations for pellets being shipped into the growing European biomass market. Pellets will arrive at the facility by both truck and train.

A new third sailing of the container-on-barge service that connects the Hampton Roads Harbor with the Port of Richmond will be a factor in doubling the volume of cargo moved by the service. An increase in barge traffic and greater utilization of the Port of Richmond could serve as a catalyst for economic growth and development around that facility.

Customer Listing

No Data Available

Key Agency Statistics

The following statistics provide a glimpse of other items affecting the agency.

Finances

Agency Executive Progress Report

The Virginia Port Authority has the following funding sources:

Terminal Revenues:

The VPA receives (net) terminal revenues from VIT on a monthly basis. In addition, VPA generates a small amount of revenue from other sources (security surcharge per container or breakbulk ton, license agreements, advertising, special security detail, etc.) Terminal revenues fund all operating expenses for the VPA as well as certain capital expenditures.

Commonwealth Port Fund:

The VPA receives 4.2% of Transportation Trust Fund taxes collected on a monthly basis. The allocation is called the "Commonwealth Port Fund". Tax collections allocated to the Transportation Trust Fund are derived from a half percent of the Commonwealth's retail sales and use tax, motor vehicle sales and use taxes, motor fuel taxes, and motor vehicle registration fees. As required by statute, CPF revenues are used by the VPA to pay for capital projects, terminal maintenances expenses, and aid to local ports. The VPA often utilizes CPF revenues to support the issuance of bonds to finance capital projects.

Other Sources:

The VPA periodically receives funds from the federal government, primarily in the form of port security grants, though environmental grants are common too. The grant funding is used to fund capital equipment, construction and studies pursuant to the award criteria. The VPA also periodically receives pass-through appropriation from the Commonwealth

Fund Sources

No Data Available

Revenue Summary Statement

Though the Authority has no taxing abilities, Commonwealth Port Fund Allocations are based on tax revenues collected by the Commonwealth, hence the detailed revenue sources listed below represent the components of the CPF Allocation. The major revenues of the Authority are collections for services provided by the operations of the terminals through our operating company.

Key Risk Factors

Economy:

The economic outlook for the U.S. is a concern, just coming out of a recession, with the possibility of another recession in the near future. The Authority's infrastructure is built for growth. Should that growth not materialize, the Authority would suffer.

Infrastructure:

The Virginia Port Authority has numerous natural advantages and related infrastructure that puts the Commonwealth in a great position for growth. Other states, most notably New York, Maryland, South Carolina, and Georgia are actively working on major infrastructure issues associated with handling the ever increasing size of container vessels. The Authority's time to capitalize on those advantages is now.

Facilities:

Ultimately the market will determine how PMT is reused. Ground improvements to address poor soil conditions are likely if the market wants to handle heavy cargo at PMT. Our goal, however, is to lease PMT for its best future use focusing on 1) revenue, 2) jobs for the Commonwealth, and 3) business activity for the City of Portsmouth.

Long term capacity for the Port of Virginia is the fourth marine terminal at Craney Island. However, that facility will not be open until at least 2026. The VPA can renovate existing terminals to handle only an additional 1 million TEUs. Should container traffic grow significantly for an extended period of time, the ability to handle that growth, both on-terminal and off would be a concern. The new APM terminal will help bridge the shortfall in capacity.

Performance Highlights

Agency Executive Progress Report

Pursuant to its mission statement, the primary responsibilities of VPA are to: Stimulate economic development through global trade, Market the ports of the Commonwealth, Provide security for the Port of Virginia, Develop and maintain the port infrastructure and improve operating efficiency, and Monitor and support the activity of VPA's operating company, Virginia International Terminals, Inc.

The VPA is the Commonwealth's leading agency for international transportation and maritime commerce, and has a long history of generating business through the Port of Virginia. The Port of Virginia consists of four state-owned facilities: Newport News Marine Terminal, Norfolk International Terminals, Portsmouth Marine Terminal, and the Virginia Inland Port in Front Royal, Virginia and a leased facilities : APM Terminals in Portsmouth, Virginia and the Port of Richmond.

Officially charged with operating, marketing, and securing the state-owned and leased marine facilities and the inland port, the VPA has become one of the world's leading maritime organizations. The Port of Virginia consistently ranks as one of the leading ports in the United States, in the movement of total foreign waterborne commerce.

Performance Measures

Management Discussion & Analysis

General Information about the Ongoing Status of the Agency

APM Buildout

APM Phase I was opened in 2007 and is essentially a new facility. As the most automated, technologically advanced terminal in the U.S., APM attracts international attention and brings more cargo to Virginia. In 2014, the Panama Canal will open the new "third set of locks" which will enable the world's largest container ships more direct access from Asia to the U.S. east coast. As a result, the Port of Virginia will become a first port of call and a major international hub with rail service on Norfolk Southern and CSX. In anticipation of an expected increase in container volumes, it will be necessary to expand APM Terminal and increase capacity at NIT.

Rail Corridors and Access

The Heartland Corridor will continue to provide a more direct rail intermodal route from the Port of Virginia, opening up a significant portion of Appalachia currently excluded from international intermodal markets, and connecting to a center of existing domestic and international distribution in the Midwest, thereby strengthening the economic vitality of the region and enhancing the efficiency and capacity of the nation's transportation network. This cleared network will provide for the intermodal movement of goods between Virginia, North Carolina, West Virginia and Ohio and the rest of the Midwest in a highly efficient double-stack configuration.

Another potential boost will come by way of the National Gateway, a CSX project that will open routes for double-stacked container trains between mid-Atlantic ports & the Midwest.

Information Technology

Proper disaster recovery planning requires adequate offsite backup systems and data to be maintained. VPA is updating disaster recovery procedures and plans to implement a number of new measures to ensure data is secure and available in case of a failure of the primary systems.

Electronic access, distribution, storage, and disposal of documentation greatly enhancing employee efficiency and reduces document handling costs. VPA is working on enhancing current document management practices to significantly limit the amount of hard copy paperwork, improve employee access to documentation outside of the standard office, and improve record retention policies and procedures to adhere to the Commonwealth's record retention policy.

Several projects are planned concentrating on physical access to terminal facilities, monitoring activities on the facilities, and increasing the use of technology to comply with federal and state mandates.

Workforce Development

VPA plans on initiating an ambitious plan to 1) develop hiring policies and procedures appropriate for the level of employees being hired and ensuring new hires have the appropriate education, training, skills and experience, and 2) complete implementation of new/revised employee benefit offerings identified during a review in FY2011 to ensure they reflect the needs of the current workforce to help attract and retain personnel.

Physical Plant

Projected growth in international trade, in particular projected growth in container traffic through East Coast ports.

Agency Executive Progress Report

- Constraints on the availability of land for use in terminal operations. However, the Authority is best positioned on the East Coast to handle any significant increase in container volume.
- Federal regulations regarding the security of port facilities.
- Funding availability and debt capacity limitations.
- The rapidly changing nature in technology.
- Taxes, fees, or physical restrictions from localities impacting goods movement