

Strategic Plan  
(2012-2014 Version 1)

Virginia Port Authority (407)  
Agency Plan

Mission Statement

It shall be the duty of the Authority (the Port of Virginia), on behalf of the Commonwealth, 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.

Vision Statement

The Port of Virginia will be North America's preferred Atlantic Coast general cargo port by working collaboratively with its customers, labor and the Hampton Roads Port Community to meet customers' needs.

Information Technology

**Current Operational IT Investments**

The VPA is exempt from VITA pursuant to Item 428 B of Chapter 3 in the 2012 Acts of Assembly. In addition, the VPA is authorized to maintain independent payroll and nonpayroll disbursement systems pursuant to Item 456 C of the same Act. VPA utilizes the services of VIT's extensive IT staff on a contract basis for IT support.

**Factors Impacting the Current Agency IT**

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.

**Proposed IT Solutions**

Financial Overview

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 for specific capital projects. These projects are normally maritime or transportation related, and benefits other entities outside of the VPA, as well as the VPA.

Budget Component	2013 GF	2013 NGF	2014 GF	2014 NGF
Base	950,000	135,234,122	950,000	135,234,122
Changes to Base	0	0	1,000,000	10,008,834
<b>Total</b>	<b>950,000</b>	<b>135,234,122</b>	<b>1,950,000</b>	<b>145,242,956</b>

Agency Goals

- To foster and stimulate commerce of the Commonwealth's ports.

*Goal Summary and Alignment*

The mission statement of the Virginia Port Authority (VPA) mandates that the primary goal is to stimulate cargo movement through the state-owned terminals. This is accomplished through direct customer contact and a well-developed strategic plan that results in a distribution network valued by port users.

*Long Term Goal*

Be a national leader in the preservation and enhancement of our economy.

*Societal Indicator:* Business Startups

*Objectives for this Agency Goal*

**Objective**

Number of Jobs

*Description*

Increase the number of jobs provided by port-related businesses

*Objective Strategies*

- The Business Analysis and Strategy department compiles and analyzes data on cargo moving through the Port of Virginia and other ports in the U.S. and worldwide. The department analyzes market trends to assist in identifying customers and industry sectors to target for new and additional business.
- The Development division of the Virginia Port Authority is responsible for developing an ongoing strategic plan to preserve and increase general cargo tonnage. This plan is carried out by VPA Development and VIT Sales
- The Port Promotion department directs commerce advertising, trade show promotions and customer events.

*Measures*

- Number of Jobs

Measure Class  Measure Type  Preferred Trend  Frequency

*Data Source and Calculation*

Economic Impact Study from outside consultants that measures the direct and indirect job counts associated with port related activities. Economic Impact Study from outside consultants using IMPLAN, an interactive model based on government data in Social Accounts Matrix Mode (SAM) and other specific state and local information to adjust IMPLAN coefficients. Other sources of this data include the U.S. Bureau of Labor Statistics, U.S. Census Bureau, VA Employment Commission, and VA Department of Taxation. These organizations provided the data that was used in the Social Accounts Matrix to determine the impacts of the Port directly and indirectly. Also, the induced impacts were determined. NOTE: There is no simple calculation to show here. The study was completed by the College of William and Mary for FY 2006 and reported in January 2008. The study will then be conducted bi-annually, thereafter. \*This study will not be conducted for FY2010 or FY 2011. the target measure has been held lower to reflect the known economic downturn.

- To promote the shipment of goods.

*Goal Summary and Alignment*

To inform and educate customers on the various services the VPA has to offer, to meet the needs of clients, and to encourage use of VPA ports by shippers.

*Long Term Goal*

Be a national leader in the preservation and enhancement of our economy.

*Objectives for this Agency Goal*

**Objective**

Volume of Rail Business

*Description*

Increase the volume of rail business (containers moving over marine terminals located in the Port of Hampton Roads).

*Objective Strategies*

- The Business Analysis and Strategy department compiles and analyzes data on cargo moving through the Port of Virginia and other ports in the U.S. and worldwide. The department analyzes market trends to assist in identifying customers and industry sectors to target for new and additional business.
- The Development division of the Virginia Port Authority is responsible for developing an ongoing strategic plan to preserve and increase general cargo tonnage. This plan is carried out by VPA Development and VIT Sales.
- The Port Promotion department directs commerce advertising, trade show promotions and customer events.

*Measures*

- Volume of Rail Business

Measure Class **Other Agency** Measure Type **Outcome** Preferred Trend **Increase** Frequency **Quarterly**

Data Source and Calculation

Virginia International Terminals (VIT) Number of rail containers

- To secure necessary navigable tidal waters.

Goal Summary and Alignment

To protect the volumes of cargo that move through the ports, and to safeguard against possible terrorist acts against the Commonwealth, the United States, or the ports.

Long Term Goal

Protect the public's safety and security, ensuring a fair and effective system of justice and providing a prepared response to emergencies and disasters of all kinds.

Societal Indicator: Recidivism

- To develop, improve, or increase commerce of the Commonwealth's ports.

Goal Summary and Alignment

As an operating port, the primary responsibility of the VPA is to promote use of the state-owned general cargo terminals by increasing general cargo tonnage from existing customers and identifying and securing new potential business. The VPA concentrates its efforts on identifying and satisfactorily meeting all customer requirements. To accomplish this, sales representatives are strategically located in the marketplace, both domestically and internationally, where they develop and implement a customer-focused marketing plan.

Long Term Goal

Be a national leader in the preservation and enhancement of our economy.

Objectives for this Agency Goal

**Objective**

Container Throughput

Description

Increase container throughput (TEUs = twenty-foot equivalent container units) passing through marine terminals located under the umbrella of the Ports of Virginia

Objective Strategies

- The Port Promotion department directs commerce advertising, trade show promotions and customer events.
- The Business Analysis and Strategy department compiles and analyzes data on cargo moving through the Port of Virginia and other ports in the U.S. and worldwide. The department analyzes market trends to assist in identifying customers and industry sectors to target for new and additional business.
- The Development division of the Virginia Port Authority is responsible for developing an ongoing strategic plan to preserve and increase general cargo tonnage. This plan is carried out by VPA Development and VIT Sales.

Measures

- Container Throughput

Measure Class **Agency Key** Measure Type **Outcome** Preferred Trend **Increase** Frequency **Quarterly**

Data Source and Calculation

Virginia International Terminals (VIT) Calculated by TEU (twenty-foot equivalent unit) Contain throughput refers to the TEU's counted when these containers exit the terminal. On average, this is the container count divided by 1.74, though the actual TEU's are tracked. Containers have several standard sizes. Using TEUs makes throughput numbers comparable to other industry reporting. 1.74 is the factor used based on the average number of 40 ft vs 20 foot containers when we approximate container counts. Many ports use both container counts and TEU's. A TEU is a 20 foot equivalent. So if a 20 ft container comes in it is 1 TEU and 1 Container, if a 40 foot container comes in it is 2 TEUs but still only 1 container. Based on historical counts, the conversion factor of 1.74 is used to approximate container counts from TEUs because not all containers are 40 footers, when a conversion is necessary.

**Objective**

Noncontainer volume

Description

Increase bulk/breakbulk/ro-ro cargo volume through the Ports of Virginia. With the closing of PMT to container operations, PMT is now open for noncontainer cargo opportunities.

Objective Strategies

- The Port Promotion department directs commerce advertising, trade show promotions and customer events.
- The Business Analysis and Strategy department compiles and analyzes data on cargo moving through the Port of Virginia and other ports in the U.S. and

worldwide. The department analyzes market trends to assist in identifying customers and industry sectors to target for new and additional business.

- The Development division of the Virginia Port Authority is responsible for developing an ongoing strategic plan to preserve and increase general cargo tonnage. This plan is carried out by VPA Development and VIT Sales.

*Measures*

- Noncontainer Volume

Measure Class  Measure Type  Preferred Trend  Frequency

Data Source and Calculation

Terminal Statistics Shipline/Rail/Truck Reports and Virginia International Terminals (VIT)/Terminal Operator Volume of Virginia Port Authority statistics which include Lambert's Point Docks(LPD) figures and short tons.

- To strengthen the culture of preparedness throughout the Agency, our employees, and customers

*Goal Summary and Alignment*

This goal ensures alliance with federal and state regulations, policies and procedures for Commonwealth preparedness, as well as guidelines promulgated by the Assistant to the Governor for Commonwealth Preparedness, in collaboration with the Governor's Cabinet, the Commonwealth Preparedness Working Group, the Department of Planning and Budget and the Council on Virginia's Future. The goal supports achievement of the Commonwealth's statewide goal of protecting the public's safety and security, ensuring a fair and effective system of justice and providing a prepared response to emergencies and disasters of all kinds.

*Long Term Goal*

Protect the public's safety and security, ensuring a fair and effective system of justice and providing a prepared response to emergencies and disasters of all kinds.

*Objectives for this Agency Goal*

**Objective**

We will be prepared to act in the interest of the citizens of the Commonwealth and its infrastructure during emergency situations by actively planning and training both as an agency and as individuals.

*Description*

Protect the public's safety and security, ensuring a fair and effective system of justice and providing a prepared response to emergencies and disasters of all kinds.

*Objective Strategies*

No Strategies for this Objective

Programs and Service Areas for Agency

- 53413: National and International Trade Services
- 53425: Port Traffic Rate Management
- 53426: Commerce Advertising
- 62601: Maintenance and Operations of Ports and Facilities
- 62606: Port Facilities Planning
- 62607: Debt Service for Port Facilities
- 62801: Aid to Localities
- 62802: Payment in Lieu of Taxes
- 699: Administrative and Support Services
- 69923: Security Services

Customers

Pre-Defined Customer Group	User Specified Customer Group	Customers Served Annually	Potential Annual Customers	Projected Trend in # of Customers
Transportation	Shiplines	40	40	Stable
Transportation	Importers/Exporters	500	1,000	Stable
Consumer	Intermodal Customers	50	100	Increase
Consumer	General Public (VA population based on US 2010 consensus data)	8,001,024	8,001,024	Stable
Transportation	International Freight Forwarders/Custom House Brokers	35	100	Stable
Consumer	Other Members of Maritime Community	1,000	2,000	Increase
State Agency(s),	Virginia Port Authority Departments	10	10	Stable

Local or Regional Government Authorities	Governmental Agencies and Organizations	10	100	Increase
Transportation	Terminal Operators	2	5	Stable
Local or Regional Government Authorities	Localities	5	5	Stable

#### 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.

#### Products and 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.

#### Trends

##### **Rankings & Customer Trends**

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.

Trend Name	Trend Area
Container Volumes	Increase
Breakbulk Volumes	Decrease
Rail Volumes	Increase

#### Performance Highlights: Service Performance & Productivity Initiatives

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.

## **Future Direction, Expectations, and Priorities**

### **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.

**53413: National and International Trade Services**

**Description**

To promote the use of the state-owned general cargo terminals by increasing container volume and general cargo tonnage from existing customers and identifying and securing new potential business.

**Mission Alignment and Authority**

The mission statement of the Virginia Port Authority (VPA) mandates that the primary goal is to stimulate cargo movement through the leased and state-owned terminals. This is accomplished through direct customer contact and a well-developed strategic plan.

**Customers for this Service Area**

*Anticipated Changes to Customers Base*

*Current Customer Base*

Pre-Defined Customer Group	User Specified Customer Group	Customers Served Annually	Potential Annual Customers	Projected Trend in # of Customers
Transportation	Shiplines	40	40	Stable
Transportation	Importers/Exporters	500	1,000	Stable
Transportation	Intermodal Customers	50	100	Stable
Consumer	General Public (VA population based on US 2010 census data)	8,001,024	8,001,024	Stable
Transportation	International Freight Forwarders/Custom House Brokers	35	100	
Transportation	Other Members of Maritime Community	35	100	

**Partners for this Service Area**

Partner	Description
Railroads	Service from the port facilities to the hinterlands.
Real Estate Developers	Work with VPA to provide capacity for distribution centers, manufacturers, etc.
Trucking Companies	Service from the port facilities to the ultimate end user

**Products and Services**

**Factors Impacting the Products and/or Services**

APM Terminal - APM purchased a nearly 600-acre waterfront tract in Portsmouth and built a 291-acre terminal facility. Phase I opened in 2007 and can handle approximately 1.25 million TEUs. Phase II will be built when needed and double capacity to 2.1 million TEUs. VPA negotiated a 20 year lease with APM for the operation of the facility in 2010 and all shiplines are now serviced by VPA's operating company (VIT).

Union Contract Agreement – VIT, through the Hampton Roads Shipping Association, enters into collective bargaining agreements with various International Longshoremen's Association ("ILA") locals, which are involved in the handling, transfer and storage of cargo passing through the port facilities. It is critical that relations remain positive between VIT and the ILA to continue to retain the port's customer base and to allow the successful ongoing operations of the port. Over the last 20 years, there have been no labor disputes between the VPA or VIT and the ILA that resulted in work stoppages, and VPA believes its relationship and VIT's relationship with the ILA to be good. The current labor agreement runs through September 30, 2012.

Distribution Center Development - A major component of the Port's future and current growth has been the development of many port-related distribution facilities throughout the Commonwealth. There are more than 100 port-related distribution facilities within the borders of Virginia that make the Port more attractive to shiplines. The VPA staff has made the recruitment and development of these facilities a very high priority and this will continue into the foreseeable future.

**Anticipated Changes to the Products and/or Services**

**Listing of Products and / or Services**

Summary - Virginia's strategic mid-Atlantic location and unparalleled transportation infrastructure offer unbeatable access to two-thirds of the U.S. population and one of the most frequent direct sailing schedules of any port. Virginia has the best natural deep-water harbor on the U.S. East Coast. Fifty-foot-deep, unobstructed channels provide easy access and maneuvering room for the largest of today's container ships. Virginia ports are located just 18 miles from the open sea on a year-round, ice-free harbor. Virginia ports have long maintained a reputation for efficient and uncongested intermodal service. A modern network of rail, interstate, and local highways permits fast, direct inland motor-freight transportation to any point in the United States.

Shiplines - As coordinated through VIT: provide berth space, reliable and available cranes, inside and outside storage, intermodal connections, price competitiveness, well-trained labor and ample importer/exporter base.

Importer/Exporters - Provide shipline service to all trade lanes, efficient intermodal connections, security/safety, price competitiveness, customer service and ample inside and outside storage.

Intermodal Customers (railroad, truckers, barge services, etc.) - Provide sufficient cargo volume, import and export balance, efficient access to state-of-the-art facilities, and trade information.

General Public - Job generation, community support and responsiveness, and trade information.

International Freight Forwarders/Custom House Brokers - Provide effective communications between the terminal and state and federal agencies (i.e., U.S. Customs, USDA), and other customer service.

Other Members of Maritime Community - Provide customer service, reliable transportation modes, port management, and strategic planning.

Financial Overview

Budget Component	2013 GF	2013 NGF	2014 GF	2014 NGF
Base	0	4,356,038	0	4,356,038
Changes to Base	0	18,327	0	18,327
<b>Total</b>	<b>0</b>	<b>4,374,365</b>	<b>0</b>	<b>4,374,365</b>

Objectives for this Service Area

Objectives for this Service Area

**Objective**

Noncontainer volume

*Description*

Increase bulk/breakbulk/ro-ro cargo volume through the Ports of Virginia. With the closing of PMT to container operations, PMT is now open for noncontainer cargo opportunities.

*Objective Strategies*

No Strategies for this Objective

*Alignment to Agency Goals*

No Agency Goals for this Objective

*Measures*

- Breakbulk tonnage

Measure Class **Other Agency** Measure Type **Output** Preferred Trend **Increase** Frequency **Annually**

Data Source and Calculation

Volume of Virginia Port Authority statistics which include Lamberts Point Docks(LPD) figures in short tons

**Objective**

Container throughput

*Description*

Increase container throughput (TEUs = twenty-foot equivalent container units) passing through marine terminals located under the umbrella of the Ports of Virginia.

*Objective Strategies*

- The Development division of the Virginia Port Authority is responsible for developing an ongoing strategic plan to preserve and increase general cargo tonnage. This plan is carried out by VPA Development and VIT Sales.
- The Business Analysis and Strategy department compiles and analyzes data on cargo moving through the Port of Virginia and other ports in the U.S. and worldwide. The department analyzes market trends to assist in identifying customers and industry sectors to target for new an

*Alignment to Agency Goals*

- To foster and stimulate commerce of the Commonwealth's ports.
- To promote the shipment of goods.
- To develop, improve, or increase commerce of the Commonwealth's ports.

*Measures*

- The container throughput for the Port of Virginia.

Measure Class **Agency Key** Measure Type **Outcome** Preferred Trend **Increase** Frequency **Annually**

Data Source and Calculation

Virginia International Terminals (VIT) Calculated by TEU (twenty-foot equivalent unit) as the number exiting the terminals by gate, ship, rail or other means (completion of service).

**Objective**

Volume of rail business

*Description*

Increase the volume of rail business (containers moving over marine terminals located in the Port of Hampton Roads.

*Objective Strategies*

- The Development division of the Virginia Port Authority is responsible for developing an ongoing strategic plan to preserve and increase general cargo tonnage. This plan is carried out by VPA Development and VIT Sales.
- The Business Analysis and Strategy department compiles and analyzes data on cargo moving through the Port of Virginia and other ports in the U.S. and worldwide. The department analyzes market trends to assist in identifying customers and industry sectors to target for new and additional business.
- The Port Promotion department directs commerce advertising, trade show promotions and customer events.

*Alignment to Agency Goals*

- To foster and stimulate commerce of the Commonwealth's ports.
- To promote the shipment of goods.

*Measures*

- The volume of rail business through the Port of Virginia.

Measure Class  Measure Type  Preferred Trend  Frequency

Data Source and Calculation

Virginia International Terminals (VIT) Number of containers moved to or from the terminals via rail

**Objective**

Number of jobs

*Description*

Increase the number of jobs provided by port-related businesses.

*Objective Strategies*

- The Development division of the Virginia Port Authority is responsible for developing an ongoing strategic plan to preserve and increase general cargo tonnage. This plan is carried out by VPA Development and VIT Sales.
- The Business Analysis and Strategy department compiles and analyzes data on cargo moving through the Port of Virginia and other ports in the U.S. and worldwide. The department analyzes market trends to assist in identifying customers and industry sectors to target for new and additional business.
- The Port Promotion department directs commerce advertising, trade show promotions and customer events.

*Alignment to Agency Goals*

- To foster and stimulate commerce of the Commonwealth's ports.
- To promote the shipment of goods.
- To develop, improve, or increase commerce of the Commonwealth's ports.

*Measures*

- The number of jobs provided by port-related businesses.

Measure Class  Measure Type  Preferred Trend  Frequency

Data Source and Calculation

Economic Impact Study from outside consultants that measures the direct and indirect job counts associated with port related activities

**53425: Port Traffic Rate Management**

Description

Port Traffic Rate Management supports the efforts of Marketing to monitor and influence the control of transportation rates, service charges, and practices for rail, truck, and water transportation to, from, and in Virginia ports in maintenance of the competitive position of Virginia Ports.

**Service Area will be discontinued effective 2013, budget and staff will be moved to 40762606**

Mission Alignment and Authority

Through specific customer contacts, this service area provides logistical support and monitoring of traffic and rates to ensure competitive operation of the terminals.

Customers for this Service Area

*Anticipated Changes to Customers Base*

*Current Customer Base*

Pre-Defined Customer Group	User Specified Customer Group	Customers Served Annually	Potential Annual Customers	Projected Trend in # of Customers
Wholesale/Retail Trade	Shiplines	40	40	Decrease
Wholesale/Retail Trade	Commerce Advertising	50	100	Decrease
Wholesale/Retail Trade	Commerce Advertising	5	5	Decrease

Partners for this Service Area

Partner	Description
No partners currently entered in plan	

Products and Services

**Factors Impacting the Products and/or Services**

Constant changes to shipline schedules and traffic patterns on the terminals. Tariff rate changes locally and at other ports. Timeliness, accuracy of data, and comparison validity is crucial in the Port's ability to plan strategically.

**Anticipated Changes to the Products and/or Services**

**Listing of Products and / or Services**

Financial Overview

Budget Component	2013 GF	2013 NGF	2014 GF	2014 NGF
Base	0	251,963	0	251,963
Changes to Base	0	-251,963	0	-251,963
<b>Total</b>	0	0	0	0

Objectives for this Service Area

**53426: Commerce Advertising**

Description

The Department of Port Promotion is responsible for Commerce Advertising. This advertising activity is a vital area within which design, development and printing of promotional literature, brochures, audiovisual materials, and institutional advertising are executed.

Mission Alignment and Authority

To inform and educate customers on the various services the VPA has to offer, to meet the needs of clients, and to encourage use of VPA ports by shippers.

Customers for this Service Area

*Anticipated Changes to Customers Base*

*Current Customer Base*

Pre-Defined Customer Group	User Specified Customer Group	Customers Served Annually	Potential Annual Customers	Projected Trend in # of Customers
	Shiplines	40	40	
	Importers/Exporters	500	1,000	
	Intermodal Customers	50	100	
	General Public	8,001,024	8,001,024	

Partners for this Service Area

Partner	Description
No partners currently entered in plan	

Products and Services

**Factors Impacting the Products and/or Services**

**Anticipated Changes to the Products and/or Services**

**Listing of Products and / or Services**

Promotional literature, brochures, audiovisual materials, and institutional advertising media presentations.

Financial Overview

Budget Component	2013 GF	2013 NGF	2014 GF	2014 NGF
Base	2,546,830	2,732,364	2,546,830	2,732,364
Changes to Base	0	0	0	0
<b>Total</b>	<b>2,546,830</b>	<b>2,732,364</b>	<b>2,546,830</b>	<b>2,732,364</b>

Objectives for this Service Area

*Objectives for this Service Area*

**Objective**

Inform and educate customers and interested parties on the various services the Virginia Port Authority has to offer through the Ports of Virginia

*Description*

Inform and educate customers and interested parties on the various services the Virginia Port Authority has to offer through the Ports of Virginia

*Objective Strategies*

- o The primary responsibilities of the Port Promotion department are to direct, manage, and implement the international and domestic port advertising, management and production of VPA printed and audio-visual promotional and marketing materials, management of trade show programs, and direct mail distribution of promotional collateral materials to existing and prospective customers, and management of promotional multimedia technologies. The VPA External Affairs department is responsible for the publication and distribution of the Virginia Maritimer magazine, management and production of VPA media relations, and media outreach programs.

*Alignment to Agency Goals*

- To foster and stimulate commerce of the Commonwealth's ports.

*Measures*

- Count of Social Media subscribers or "friends" visiting Port of Virginia sites

Measure Class **Other Agency** Measure Type **Outcome** Preferred Trend **Increase** Frequency **Quarterly**

Data Source and Calculation

Number of hits or visits to the VPA web sites

- Number of Distributions of promotional and educational materials

Measure Class **Other Agency** Measure Type **Output** Preferred Trend **Stable** Frequency **Annually**

Data Source and Calculation

Number of promotional items distributed via mail, personal presentations or presence at public events

**62601: Maintenance and Operations of Ports and Facilities**

**Description**

Maintenance and Operations of Ports and Facilities, under the supervision of the Chief Engineer, is responsible for maintenance and improvements to the infrastructure on the state-owned port facilities. Major work areas of this function are the planning, design, and construction activities to accommodate cargo-handling requirements, which ensure compliance with project plans and specifications. In order to adequately maintain the more than 1,500 acres of fully developed, state-of-the-art marine terminals, the VPA must also manage a maintenance program sufficient to protect the Commonwealth's extensive marine terminal investment. Maintenance policies and standards are developed to process work required, to promote efficient operation and to ensure an extended life of state owned facilities.

**Mission Alignment and Authority**

As a result of the Maintenance and Operations of Ports and Facilities, the VPA's terminal operators, have the tools needed to operate more efficiently, resulting in lower operating costs, while at the same time increasing revenues and capacity for additional cargo volume and protecting the Commonwealth's investment.

**Customers for this Service Area**

*Anticipated Changes to Customers Base*

*Current Customer Base*

Pre-Defined Customer Group	User Specified Customer Group	Customers Served Annually	Potential Annual Customers	Projected Trend in # of Customers
Transportation	Shiplines/Shippers	40	40	Stable
Consumer	Contractors	30	50	Stable
Consumer	Security Services	80	80	Stable
State Agency(s),	State and Federal Agencies (potential only includes agencies necessary)	6	6	Stable
Non-Profit Agency (Boards/Foundations),	Virginia International Terminals	1	1	Stable

**Partners for this Service Area**

Partner	Description
No partners currently entered in plan	

**Products and Services**

**Factors Impacting the Products and/or Services**

**Anticipated Changes to the Products and/or Services**

**Listing of Products and / or Services**

Developing, expanding, improving, and maintaining state-owned port facilities.

**Financial Overview**

Budget Component	2013 GF	2013 NGF	2014 GF	2014 NGF
Base	0	4,000,000	0	4,000,000
Changes to Base	0	3,250,000	0	3,250,000
<b>Total</b>	<b>0</b>	<b>7,250,000</b>	<b>0</b>	<b>7,250,000</b>

**Objectives for this Service Area**

*Objectives for this Service Area*

**Objective**

We will improve and maintain facilities

*Description*

To enhance the cargo handling capability of the Port of Virginia.

*Objective Strategies*

- Continue with improvements to NIT South backlands, railyard at NIT, and transfer zone at PMT. Expand terminal operating area for the storage of containers by developing property at NIT North, and recently acquired land at PMT. Continue maintaining wharfs, roads, warehouses and rail infrastructure to ensure efficient operation of the terminals.

*Alignment to Agency Goals*

- To develop, improve, or increase commerce of the Commonwealth's ports.

*Measures*

- Percentage of Projects Completed within the fiscal year

Measure Class  Preferred Trend  Frequency

Data Source and Calculation

Sum of the percentage complete at year end of projects divided by the number of projects undertaken during the fiscal year.

**62606: Port Facilities Planning**

**Description**

Port Facilities Planning, under supervision of the Deputy Executive Director of Operations, is responsible for developing, expanding, improving, and maintaining state-owned port facilities. In addition, Port Facilities Planning is responsible for all environmental management programs, including environmental compliance related to port development and terminal operations. They also perform pre-planning work necessary to assist in capital budget and grant requests. Major work areas of this function include the selection of engineering design consultants; the management of the design process; the project public bid process; and the oversight of construction activities to accommodate cargo handling requirements which ensure compliance with project plans and specifications.

**Mission Alignment and Authority**

As a result of the Port Facilities Planning work performed/supervised by the Chief Engineer, the VPA's terminal operators, have the tools they need to operate more efficiently, resulting in lower operating costs, while at the same time increasing revenues and capacity for additional cargo volume and protecting the Commonwealth's investment.

The Director of Environmental Affairs works with the Chief Engineer and the VPA's terminal operators to promote sustainability and ensure that port development and terminal operations are in compliance with government regulations. The goals of this support are to prevent construction delays and losses in operating efficiency, and achieve lower operating costs.

**Customers for this Service Area**

*Anticipated Changes to Customers Base*

*Current Customer Base*

Pre-Defined Customer Group	User Specified Customer Group	Customers Served Annually	Potential Annual Customers	Projected Trend in # of Customers
Transportation	Shiplines/shippers	40	40	Stable
Consumer	Contractors	30	50	Stable
Consumer	Security Services	80	80	Stable
State Agency(s),	State Agencies	10	100	Stable
Non-Profit Agency (Boards/Foundations),	VIT	1	1	Stable

**Partners for this Service Area**

Partner	Description
No partners currently entered in plan	

**Products and Services**

**Factors Impacting the Products and/or Services**

**Anticipated Changes to the Products and/or Services**

**Listing of Products and / or Services**

Developing, expanding, improving, and maintaining state-owned port facilities.

**Financial Overview**

Budget Component	2013 GF	2013 NGF	2014 GF	2014 NGF
Base	0	865,690	0	865,690
Changes to Base	0	325,884	0	325,884
<b>Total</b>	<b>0</b>	<b>1,191,574</b>	<b>0</b>	<b>1,191,574</b>

**Objectives for this Service Area**

*Objectives for this Service Area*

**Objective**  
 Manage Port Facilities Planning

*Description*

Providing the terminal operators with the tools they need to operate more efficiently, resulting in lower operating costs, while at the same time increasing revenues and capacity for additional cargo volume and protecting the Commonwealth's investment.

*Objective Strategies*

- ACHIEVE ISO 14001 CERTIFICATION OF ENVIRONMENTAL MANAGEMENT SYSTEM The VPA has initiated development and implementation of an

Environmental Management System to ensure that future environmental improvement initiatives are in accord with established operational improvement strategies. It is the VPA's intent to integrate environmental costs, risks, and impacts into port project development and facility improvements and to continually evaluate and improve operational efficiencies and practices to achieve established environmental and business objectives. ISO 14001 Certification has been achieved at the following terminals: APM, NIT, NNMT, and PMT. Our goal in the coming years is to achieve certification at both the Virginia Inland Port and the Port of Richmond.

- Continue with improvements to NIT South backlands, railyard at NIT, and transfer zone at PMT. Expand terminal operating area for the storage of containers by developing property at NIT North, and recently acquired land at PMT. Continue maintaining wharfs, roads, warehouse, and rail infrastructure to ensure efficient operation of the terminals.
- **REDUCE EMISSIONS PER TEU** While the increase in cargo volume that moves through the port increases the economic benefits, the emissions generated by moving those additional volumes increase. The VPA has several strategies to reduce emissions on a per TEU basis. Moving cargo by rail instead of truck reduces the emissions per TEU significantly. Upgrading equipment with more efficient power sources and the use of ultra-low sulfur fuel are also strategies for the VPA. A study completed in 2005 showed a per TEU reduction from the previous year for four common emission types that ranged from 8% to 36%. Future strategies to reduce emissions include evaluating the use of hybrid vehicles and alternative fuels such as ethanol or bio-diesel blends.
- **REDUCE WATER QUALITY IMPACTS** Increased cargo handling can also lead to increased discharges of total suspended solids and metal particulates. Through the development and use of innovative structural controls and water quality master planning, the VPA has exceeded the Commonwealth's pollutant removal requirements by 23%. Additional training and environmental education programs are under development and are expected to improve pollution prevention awareness among employees and tenants.

*Alignment to Agency Goals*

- To secure necessary navigable tidal waters.
- To develop, improve, or increase commerce of the Commonwealth's ports.

*Measures*

- Percentage of projects finished on time and within budget.

Measure Class  Measure Type  Preferred Trend  Frequency

Data Source and Calculation

Terminal operating results - # of projects completed both on time and within budget / total # of projects completed at fiscal year end (completions within the year)

**62607: Debt Service for Port Facilities**

**Description**

The VPA utilizes the issuance of tax-exempt debt and lease-purchase financing to support its capital investment in port development projects and equipment acquisition. The VPA issues both terminal revenue (Special Fund) and Commonwealth Port Fund (CPF) revenue supported debt instruments, which require regularly scheduled debt service payments.

**Mission Alignment and Authority**

Debt financing funds the majority of the port's major capital projects and improvements. These enhancements allow the Port to provide modern and efficient cargo-handling facilities, and expand those facilities, to be competitive.

**Customers for this Service Area**

*Anticipated Changes to Customers Base*

*Current Customer Base*

Pre-Defined Customer Group	User Specified Customer Group	Customers Served Annually	Potential Annual Customers	Projected Trend in # of Customers
Business and Finance	Banking Institutions	7	25	
Consumer	Bondholders (actual=unknown, potential=unlimited)	0	0	
State Agency(s),	Commonwealth of Virginia	1	1	
State Agency(s),	VPA	1	1	
Non-Profit Agency (Boards/Foundations),	VIT	1	1	

**Partners for this Service Area**

Partner	Description
<i>No partners currently entered in plan</i>	

**Products and Services**

**Factors Impacting the Products and/or Services**

**Anticipated Changes to the Products and/or Services**

**Listing of Products and / or Services**

Debt service instruments for the acquisition of capital assets and improvements.

**Financial Overview**

Budget Component	2013 GF	2013 NGF	2014 GF	2014 NGF
Base	0	59,902,485	0	59,902,485
Changes to Base	0	0	0	0
<b>Total</b>	<b>0</b>	<b>59,902,485</b>	<b>0</b>	<b>59,902,485</b>

**Objectives for this Service Area**

*Objectives for this Service Area*

**Objective**

Pay scheduled principal and interest amounts in a timely manner

*Description*

The payment of the scheduled principal and interest amounts when due on all VPA obligations.

*Objective Strategies*

- CPF and Special Fund revenues are subject to fluctuation due to national and world economic conditions and competition. With this in mind, the VPA has a number of contingencies/mitigating factors that ensure funds are not over committed or expended: • Conservative forecasts are prepared prior to any debt issuance to ensure that appropriate debt service coverage ratios are met. • Requested appropriations do not exceed current, debt service coverage requirements. • Maintenance of operating account reserves, required by bond covenants, to ensure all commitments can be met.
- To issuance debt in amounts necessary to fund the needed projects of the Port at the most desirable interest rates available. Once issued, ensure the payment of

all principal and interest requirements are funded and paid.

*Alignment to Agency Goals*

- To develop, improve, or increase commerce of the Commonwealth's ports.

*Measures*

- Percentage of Payments made on time.

Measure Class **Other Agency** Measure Type **Output** Preferred Trend **Stable** Frequency **Semi-Annually**

Data Source and Calculation

VPA Finance accounting records- Number of debt service payments made on time divided by the total number of debt service payments

**62801: Aid to Localities**

Description

The Virginia General Assembly, in September, 1986, established the Commonwealth Port Fund (CPF) in order to "support port capital needs and the preservation of existing capital needs of all ocean, river, or tributary ports within the Commonwealth," as presented by the Governor's Commission on Virginia's enactment of this legislation. In conjunction with establishing the CPF, the VPA also established the Aid to Local Ports (ALP) program. The ALP program is a grant program through which the Commonwealth Port Fund is used to support port capital and preservation needs for existing ocean, river, or tributary ports within the Commonwealth of Virginia. Local governments within the Commonwealth may apply for capital improvement support for their local port facilities. The grants will foster and stimulate the flow of commerce through the ports of Virginia.

Mission Alignment and Authority

Aid to Local Port grants foster and stimulate the flow of commerce through the ports of Virginia, which is VPA's primary mission.

Customers for this Service Area

*Anticipated Changes to Customers Base*

*Current Customer Base*

Pre-Defined Customer Group	User Specified Customer Group	Customers Served Annually	Potential Annual Customers	Projected Trend in # of Customers
	Localities w/ ocean, river, and tributary ports	9	25	

Partners for this Service Area

Partner	Description
No partners currently entered in plan	

Products and Services

**Factors Impacting the Products and/or Services**

**Anticipated Changes to the Products and/or Services**

**Listing of Products and / or Services**

Grant funding to local governments, which apply and qualify for ALP.

Financial Overview

Budget Component	2013 GF	2013 NGF	2014 GF	2014 NGF
Base	2,546,830	2,732,364	2,546,830	2,732,364
Changes to Base	0	0	0	0
<b>Total</b>	<b>2,546,830</b>	<b>2,732,364</b>	<b>2,546,830</b>	<b>2,732,364</b>

Objectives for this Service Area

*Objectives for this Service Area*

**Objective**

Distribute and manage grant funds.

*Description*

To support local port capital and preservation needs to existing ocean river, or tributary ports within the Commonwealth of Virginia.

*Objective Strategies*

- VPA staff meets with state delegates whose districts encompasses many of the localities that normally make ALP fund grant requests, along with most of the potential grant applicants in February, during the General Assembly's session. These preliminary meetings are held to determine the amount and nature of the likely grant requests. If it appears, as is often the case, that requests will exceed available funds, the potential applicants try to sequence their requests over several fiscal years or simply forebear for a year or two in deference to others with more pressing needs. (Those needs are often driven by the necessity to provide local "match" funds to the Corps of Engineers simultaneously with the availability of the federal money.) This informal system has worked well and has spared the Board from having to pick and choose among a number of worthy projects, all of which are important to the economic well-being of the communities involved.

*Alignment to Agency Goals*

- To secure necessary navigable tidal waters.
- To develop, improve, or increase commerce of the Commonwealth's ports.

*Measures*

- Percentage of timely distribution of grant awards.

Measure Class **Other Agency** Measure Type **Output** Preferred Trend **Stable** Frequency **Annually**

Data Source and Calculation

VPA Board minutes and locality invoices (# of localities fully disbursed)/(number of localities with awards)

**62802: Payment in Lieu of Taxes**

**Description**

In lieu of paying real property taxes, in accordance with §58.1-3043 of the Code of Virginia, the VPA pays a service charge to the localities where VPA property is located based on the assessed value of state-owned tax exempt real estate and the amount that the locality spent on fire, police and refuse collection/disposal.

**Mission Alignment and Authority**

The Payments in Lieu of Taxes (PILOT) fees are less than the actual real property tax that the Port would have to otherwise pay. This reduction in expenses allows the Port to utilize its money towards furthering the commerce through the Ports of Virginia, resulting in job creation, increased state and local tax revenues, and economic development.

**Customers for this Service Area**

*Anticipated Changes to Customers Base*

*Current Customer Base*

Pre-Defined Customer Group	User Specified Customer Group	Customers Served Annually	Potential Annual Customers	Projected Trend in # of Customers
Local or Regional Government Authorities	Newport News	1	1	
Local or Regional Government Authorities	Norfolk	1	1	
Local or Regional Government Authorities	Portsmouth	1	1	
Local or Regional Government Authorities	Warren County	1	1	

**Partners for this Service Area**

Partner	Description
No partners currently entered in plan	

**Products and Services**

**Factors Impacting the Products and/or Services**

The localities are regularly requesting a change to the PILOT fee language to increase the service charge. However, the properties at NIT and PMT have never been subject to real estate and property taxes (NIT was a federal military installation, and PMT was created primarily from dredged material), and the NNMT property was purchased by the city in 1965 and taken off of the property tax registers prior to the acquisition by VPA. Any increase in payments in lieu of real property taxation required to be paid from VPA revenues sources would severely limit the Authority's ability to complete robust plans for expansion required to meet industry demands.

**Anticipated Changes to the Products and/or Services**

**Listing of Products and / or Services**

Provides revenues to the localities to offset fire, police, and refuse collection/disposal costs.

**Financial Overview**

Budget Component	2013 GF	2013 NGF	2014 GF	2014 NGF
Base	950,000	1,157,625	950,000	1,157,625
Changes to Base	0	0	0	0
<b>Total</b>	950,000	1,157,625	950,000	1,157,625

**Objectives for this Service Area**

*Objectives for this Service Area*

**Objective**  
 Manage Statutory Requirement

*Description*

Maintain reasonable payments in lieu of real property taxation in accordance with the Code of Virginia.

*Objective Strategies*

- The VPA is pro-active in its efforts to support the locality's need for increased revenue while at the same time saving the Port money to increase commerce coming into Virginia.

*Alignment to Agency Goals*

- To develop, improve, or increase commerce of the Commonwealth's ports.

*Measures*

- Percentage of timely payments made to the localities.

Measure Class **Other Agency** Measure Type **Output** Preferred Trend **Stable** Frequency **Annually**

Data Source and Calculation

VPA Financial Records Number of timely payments to localities/total number of locality payments

**699: Administrative and Support Services**

**Description**

The Administrative and Support Services area provides the funding, staffing, technology, managerial, and administrative services to help the other service areas achieve their goals and objectives. Included in this service area are the following departments: Executive Director, Deputy Executive Director & CFO, Finance, Human Resources, Contracts & Real Estate, Quality Affairs, and Technology Resource Management.

**Mission Alignment and Authority**

This service area provides support to the other service areas to help them achieve agency goals and objectives.

**Customers for this Service Area**

*Anticipated Changes to Customers Base*

*Current Customer Base*

Pre-Defined Customer Group	User Specified Customer Group	Customers Served Annually	Potential Annual Customers	Projected Trend in # of Customers
	Bondholders (number unknown)	0	0	
	Virginia Port Authority Departments/Employees	146	146	
	Other State Agencies	4	4	

**Partners for this Service Area**

Partner	Description
No partners currently entered in plan	

**Products and Services**

**Factors Impacting the Products and/or Services**

**Anticipated Changes to the Products and/or Services**

**Listing of Products and / or Services**

Funding, staffing, technology, managerial, and administrative services, including payment of rent on the APM terminal in Portsmouth Virginia.

**Financial Overview**

Budget Component	2013 GF	2013 NGF	2014 GF	2014 NGF
Base	2,546,830	2,732,364	2,546,830	2,732,364
Changes to Base	0	0	0	0
<b>Total</b>	<b>2,546,830</b>	<b>2,732,364</b>	<b>2,546,830</b>	<b>2,732,364</b>

**Objectives for this Service Area**

*Objectives for this Service Area*

**Objective**

Document Management Phase II implementation

*Description*

Complete an electronic document management system to electronically manage Authority documentation. Complete all hardware and software configuration components and implement all reasonable workflow processes.

*Objective Strategies*

- The new document management system is expected to: • Improve efficiency and flexibility of staff • Improve compliance with record retention policies and procedures • Improve disaster recovery capabilities • Reduce environmental footprint and decrease operating costs

*Alignment to Agency Goals*

- To develop, improve, or increase commerce of the Commonwealth's ports.

*Measures*

- Number of departments using electronic document management

Measure Class **Other Agency** Measure Type **Outcome** Preferred Trend **Increase** Frequency **Annually**

Data Source and Calculation

Number of Complete department configurations of the Electronic Document Management system

**Objective**

Manage Financial Performance/Net Income

*Description*

Must meet or exceed the budgeted Operating Income (Loss)

*Objective Strategies*

- Approach will include employing effective business strategies and initiatives to achieve financial rewards. Utilize the additional net revenues to further promote and develop new business opportunities in support of the Agency's mission.

*Alignment to Agency Goals*

- To develop, improve, or increase commerce of the Commonwealth's ports.

*Measures*

- Operating Income (Loss) met or exceeded.

Measure Class  Measure Type  Preferred Trend  Frequency

Data Source and Calculation

Operating Income per Audited Financial Statements

**69923: Security Services**

**Description**

The Virginia Port Authority Police Department is responsible for providing a full range of law enforcement services at, and near, the Authority's facilities. Traditionally, this function has focused on theft prevention. In the past several years, emphasis has expanded to encompass terrorist threat protection and close access control to the facilities and to the vessels that utilized them. The police department functions on a 24-hour, seven-day per week basis and comprises more than 50 percent of the agency's personnel. Virginia consistently maintains the lowest pilferage rate of any port in the United States.

**Mission Alignment and Authority**

VPA's security mission is to serve as both the first and last line of security and law enforcement in place to ensure that the Ports of Virginia can operate at the highest level of security, on a continuous basis, without disruption to the flow of commerce.

**Customers for this Service Area**

*Anticipated Changes to Customers Base*

*Current Customer Base*

Pre-Defined Customer Group	User Specified Customer Group	Customers Served Annually	Potential Annual Customers	Projected Trend in # of Customers
	Shiplines	40	40	
	General Public (served-unknown, potential-unlimited)	0	0	
	US Customs	1	1	
	Anyone working on or using the port (served-unknown, potential-unlimited)	0	0	
	Commonwealth of Virginia	1	1	
	Department of Homeland Security	1	1	
	U.S. Government	5	5	
	Terminal Operators	3	3	

**Partners for this Service Area**

Partner	Description
<i>No partners currently entered in plan</i>	

**Products and Services**

**Factors Impacting the Products and/or Services**

Federal mandates have been enacted that require security enhancements at all waterfront facilities. The required enhancements include changes in perimeter security, surveillance, access control, and training of security personnel, background checks on persons with waterside access, and the detection of weapons hidden in shipping containers. VPA is in compliance and is a leader in the port industry.

Necessary capital-related security improvements have been estimated to be in the range of \$30 to \$35 million. To date, federal grants allocated to VPA in this area amount to \$25 million.

**Anticipated Changes to the Products and/or Services**

**Listing of Products and / or Services**

The protection of cargo and personnel that move through the ports, and to safeguard against possible terrorist acts against the ports, the Commonwealth, or the United States.

**Financial Overview**

Budget Component	2013 GF	2013 NGF	2014 GF	2014 NGF
Base	2,546,830	2,732,364	2,546,830	2,732,364
Changes to Base	0	0	0	0
<b>Total</b>	2,546,830	2,732,364	2,546,830	2,732,364

**Objectives for this Service Area**

*Objectives for this Service Area*

**Objective**

Maintain Agency Continuity of Operations Plan (COOP) Assessment Score

*Description*

The Agency Emergency Coordination Officer will stay in continuous communication with various agencies during emergencies and will ensure our Continuity of Operations plan is being followed

*Objective Strategies*

No Strategies for this Objective

*Alignment to Agency Goals*

- To strengthen the culture of preparedness throughout the Agency, our employees, and customers

*Measures*

- Agency Continuity of Operations Plan (COOP) Assessment Score

Measure Class  Measure Type  Preferred Trend  Frequency

Data Source and Calculation

The COOP Assessment Review is a 24-component assessment tool that helps measure the viability of the COOP plan.

**Objective**

Meet or exceed all local, state, and federal security and law enforcement requirements

*Description*

Security services will implement strategies to meet or exceed all local, state, and federal security and law enforcement requirements.

*Objective Strategies*

- The VPA security force will ensure a safe, secure, and competitive environment by aggressively implementing a holistic approach to security and law enforcement.

*Alignment to Agency Goals*

- To strengthen the culture of preparedness throughout the Agency, our employees, and customers

*Measures*

- Local, state, and federal mandates met or exceeded.

Measure Class  Measure Type  Preferred Trend  Frequency

Data Source and Calculation

Local, state, and federal performance reviews

**Objective**

Maintain low theft rate

*Description*

Maintain VPA's position as the port with the lowest theft rate of any port of its size in the world.

*Objective Strategies*

- Approach will include preparation of plans and assessments, further development of access controls, surveillance and monitoring, asset tracking and accountability, cargo screening efforts, staffing, training and exercises, communications and IT improvements, and command and control initiatives.

*Alignment to Agency Goals*

- To strengthen the culture of preparedness throughout the Agency, our employees, and customers

*Measures*

- Theft rate

Measure Class  Measure Type  Preferred Trend  Frequency

Data Source and Calculation

VPA financial and non-financial records Number of theft occurrences per quarter and then per year