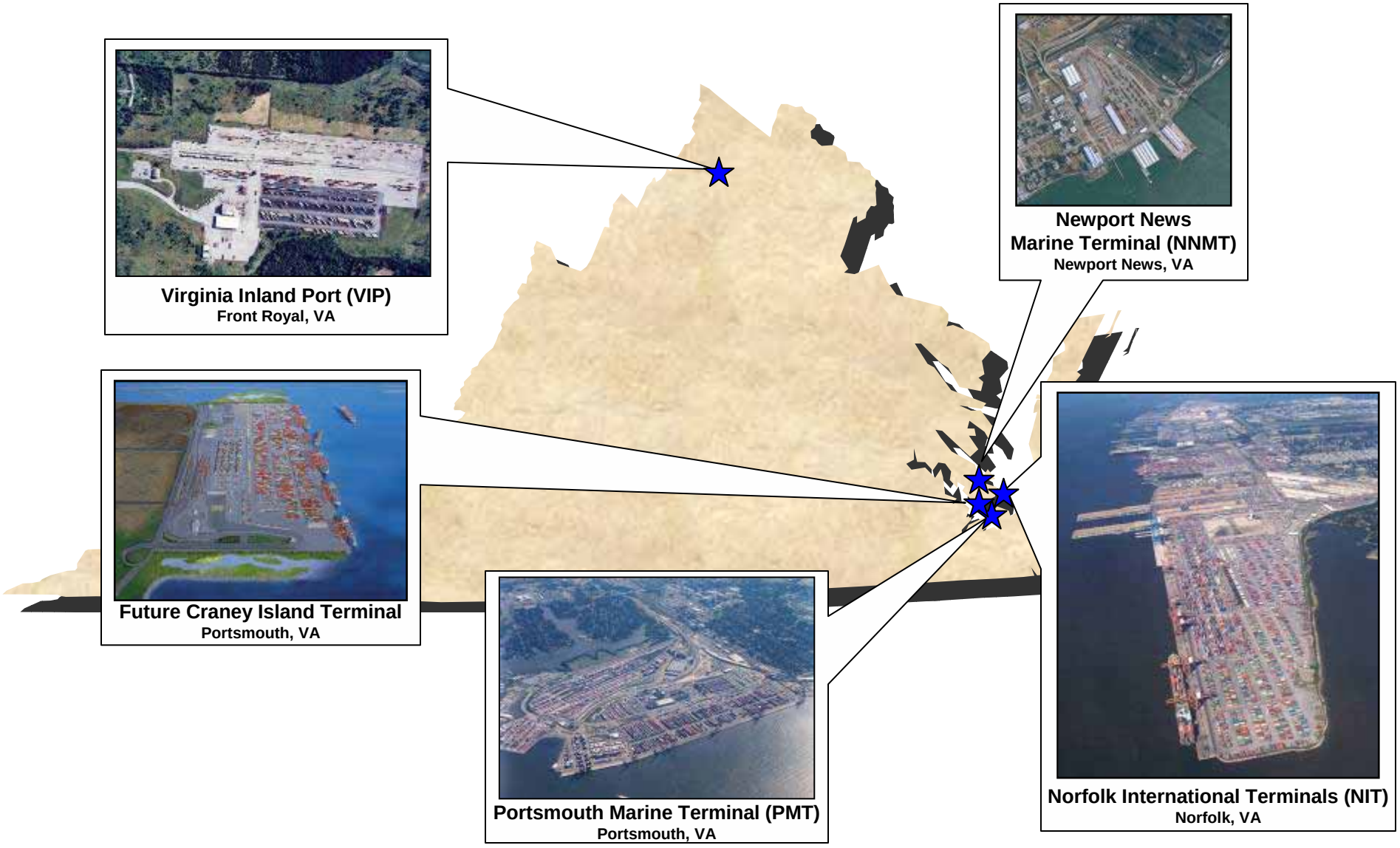
HRCP II
"Chassis Pools 101"
April 24, 2007

American Association of Port Authorities

The Port of Virginia

Owned and operated by the Virginia Port Authority for the Commonwealth of Virginia, The Port of Virginia is the third largest volume port on the U.S. East Coast (TEU's) and one of the most successful commercial shipping ports in the world.

Modern Terminals



Intermodal Gateway

The 1.98 Million TEUs exported/imported from the Port of Virginia in 2005 were transported to inland markets using:

Barges 10%

Rail 24%

Trucks 66%

Source of Distribution of Traffic= Profiles

HRCP II - Justification

- 2003 Retail peak season volumes proved that we were at operating capacity
- Port responded that 3 initiatives were going forward which should improve current conditions:

  - Empty Container Yards (CY)
  - Reconstruction of NIT South
  - Portwide Chassis Pool

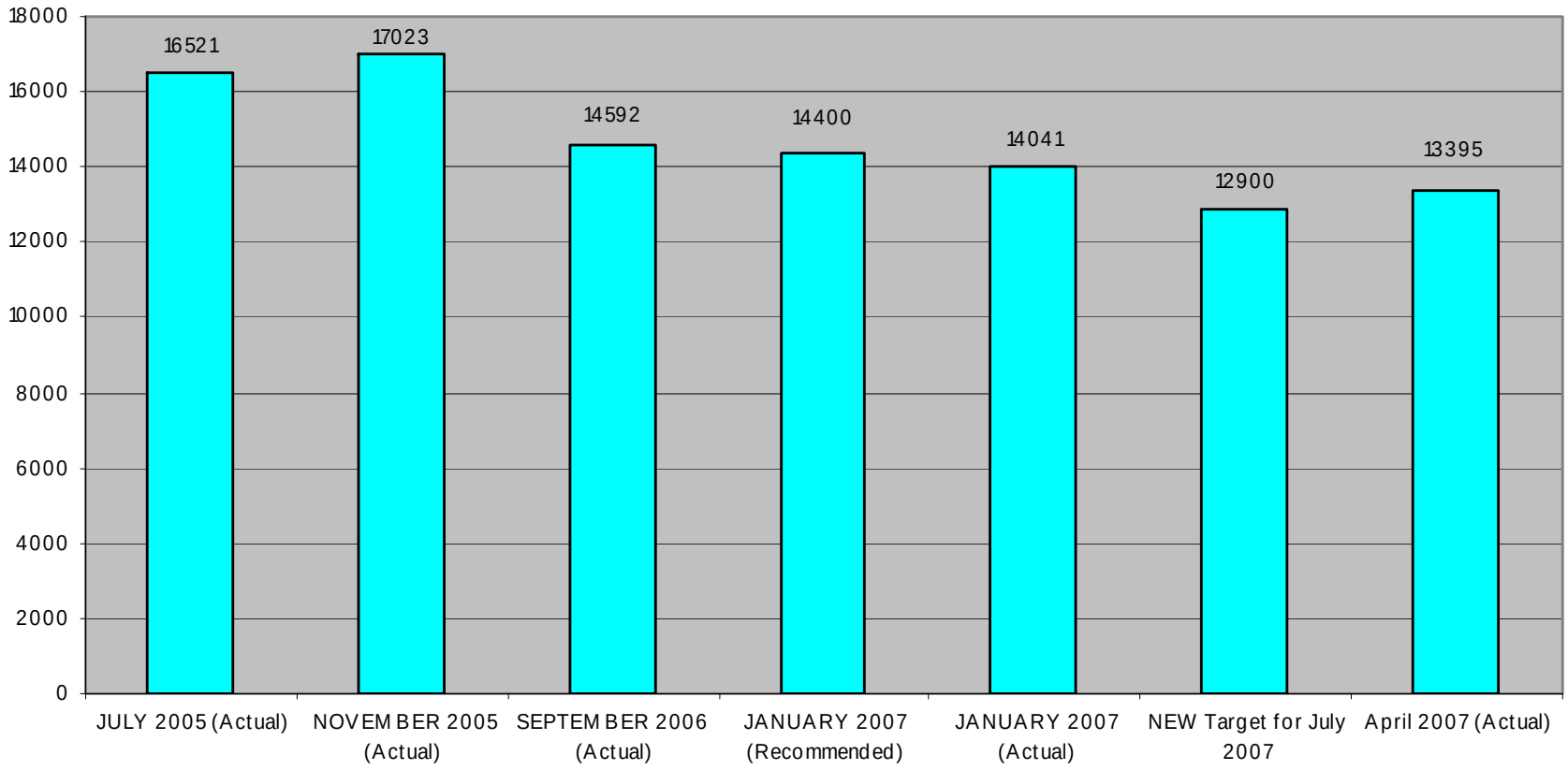
HRCP II – Operational Guidelines

- Steamship Lines will contribute 20's, 40's and 45 foot chassis currently being used in the Hampton Roads area.
- The contributed units will be managed in whole by Virginia Intermodal Management, L.L.C.
- VIM will be responsible for the day to day operations including tracing and tracking, inspection, maintenance & repair, and monitoring of utilization level.
- Units will be added or removed from the pool based on 80% utilization of the total amount of contributed assets.
- VIM will invoice the steamship lines monthly based on daily utilization.
- HRCP II will operate at all 3 marine facilities, VIP, and both rail depots.
- HRCP II will accommodate both contributors and non-contributors.

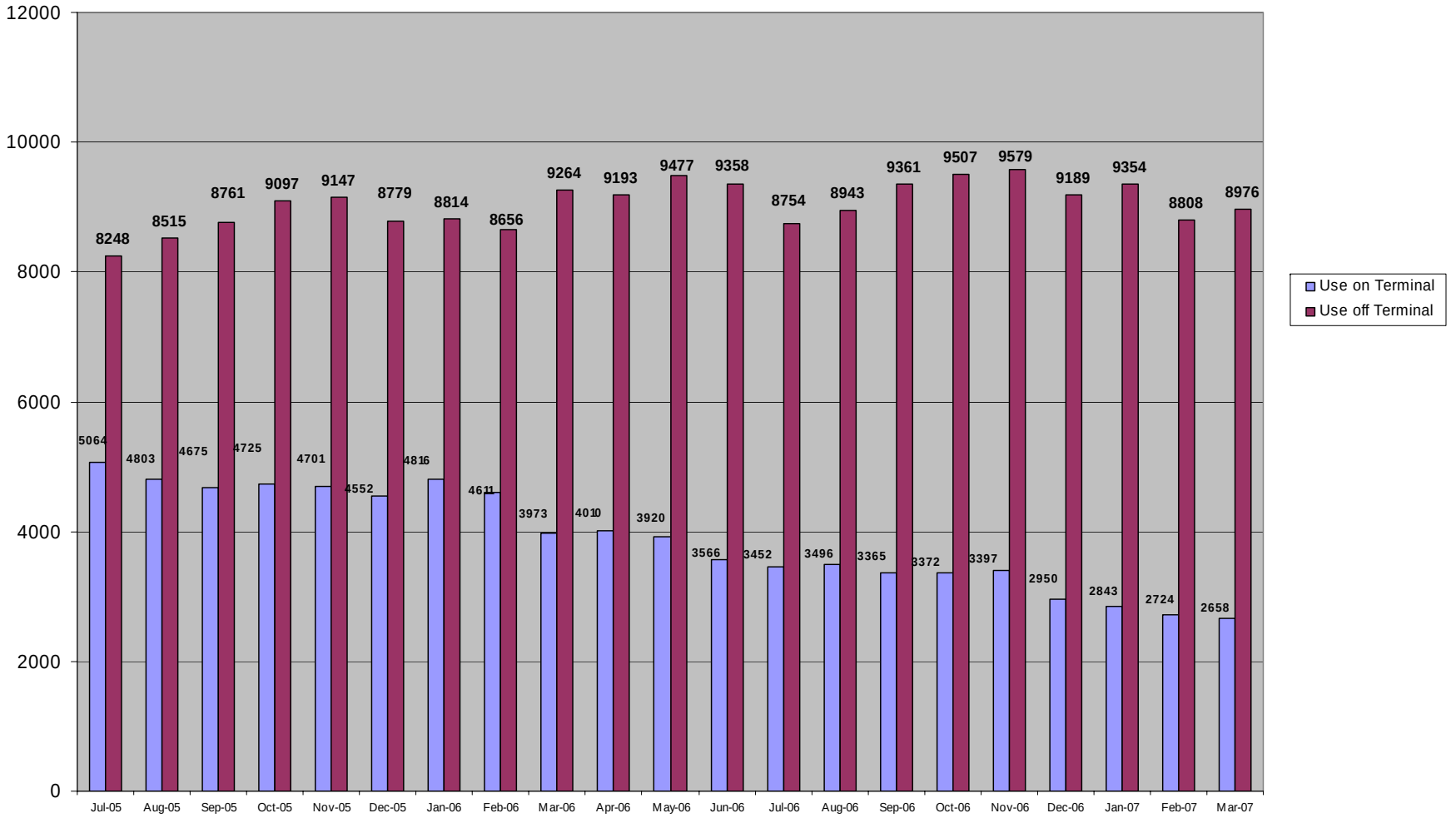
HRCP II – Operational Objectives

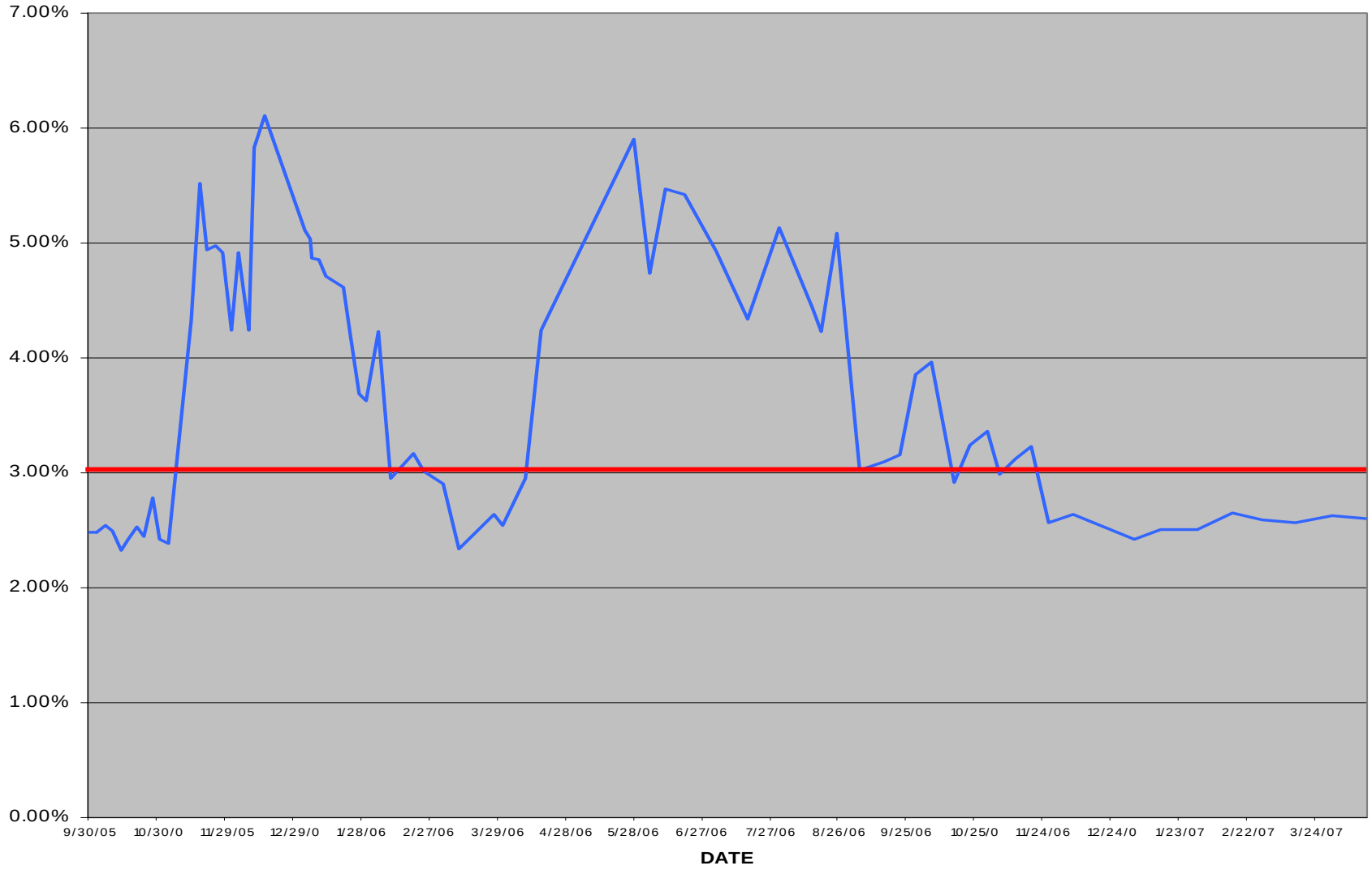
- To decrease chassis amounts on the terminals so to relieve congestion
- To standardize and improve the quality of the chassis available at the Terminals, including standardizing the quality of the maintenance and repair
- To increase the speed, efficiency, and safety of the interchange of containers at the Terminals
- To increase commerce at the Terminals
- To lower the cost of chassis use at the Terminals
- To charge for the use of chassis based only on the cost of operating the Chassis Pool

Chassis Fleet Size



Chassis Use Per Day




Percent OOS HRCP 2
7.00%
6.00%
5.00%
4.00%
3.00%
2.00%
1.00%
0.00%
9/30/05
10/30/0
11/29/05
12/29/0
1/28/06
2/27/06
3/29/06
4/28/06
5/28/06
6/27/06
7/27/06
8/26/06
9/25/06
10/25/0
11/24/06
12/24/0
1/23/07
2/22/07
3/24/07
DATE

Terminal Efficiency Highlights

•Transtainer/RTG Operations – Since the inception of HRCP II, operators during transtainer/RTG operations no longer have to search for line-specific chassis, rather simply correct size.

•Operators also have designated areas for available chassis. This has resulted in a net gain of productivity of 2 additional containers per hour

•Rail Operations – in similar fashion to transtainer/RTG operations, operators do not search by line, but rather size. This has resulted in a net gain of productivity of 3 additional containers per hour.

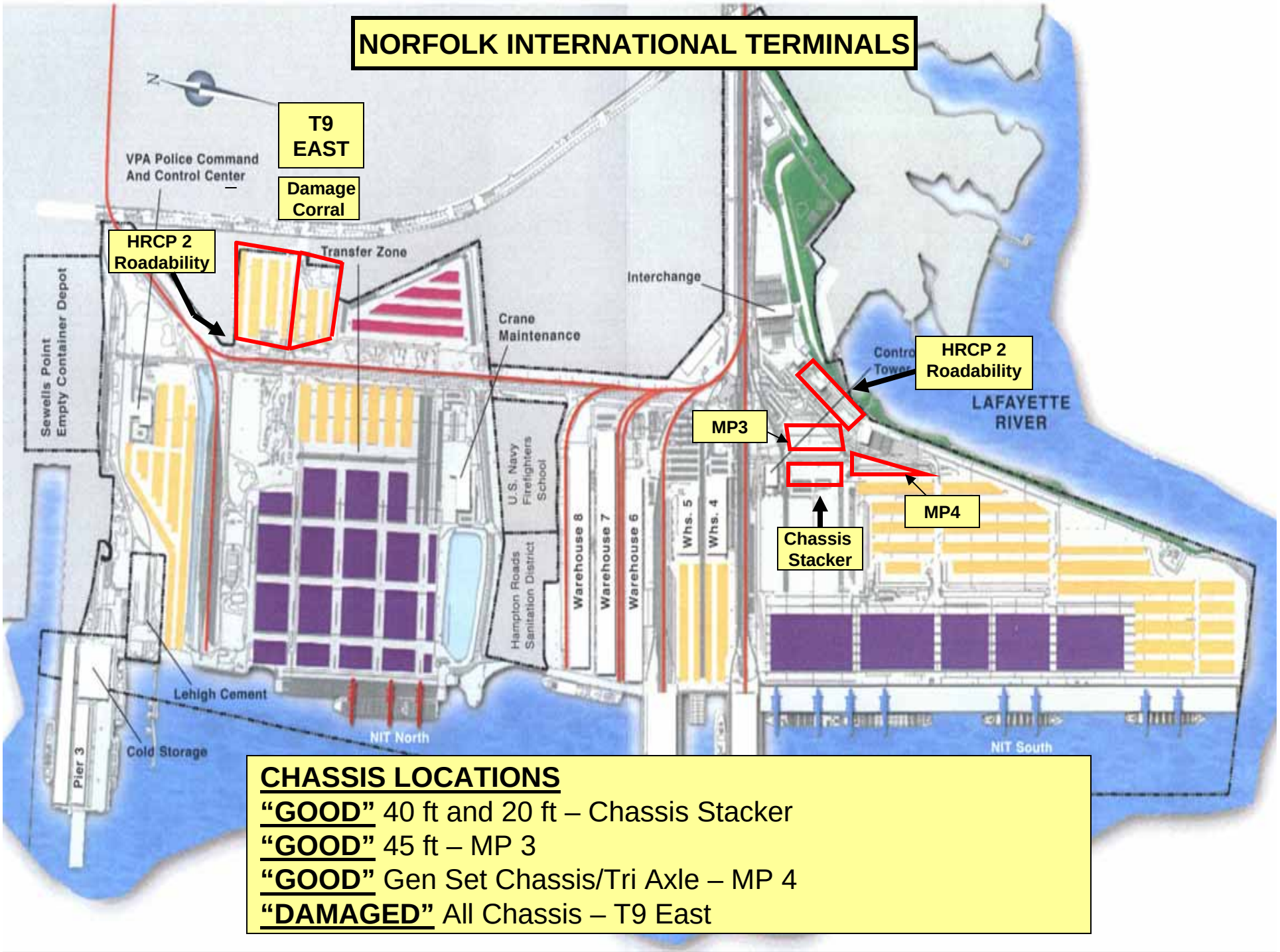
•Coordination of Outbound Roadability has resulted in a reduction of rejected units and chassis changes causing Motor Carrier delays. Rejection Rates have been reduced by 4%.

•Return of Operating Land at VIT facilities due to the reduction of space for approximately 7000 chassis and consolidation of Maintenance and Repair vendors.

•Live Gate Operations/Transfer Zone – Motor Carrier are more able to make dual moves using HRCP 2 chassis. Reduction of dwell times at these zones range from 10 to 15 minutes

•Reduction of Terminal Operation Equipment and Housekeeping – Since inception, Motor carriers, stevedores, and terminal operators have been educated to deliver av units and damage units to area designated by HRCP 2. This has resulted in a reduction of hustler drivers to housekeep the marine facilities (17). It has also reduced dwell time for Motor carriers, in and out of the VIT facilities.

•Vessel Productivity – With operators no longer having to search for specific chassis and in fact being able to use the same chassis for a live dismount and then mount, productivity in regard to vessel operation when chassis are used has increased.


NORFOLK INTERNATIONAL TERMINALS
T9 EAST
Damage Corral
VPA Police Command And Control Center
HRCP 2 Roadability
Transfer Zone
Interchange
Crane Maintenance
Sewells Point Empty Container Depot
U.S. Navy Firefighters School
Hampton Roads Sanitation District
Warehouse 8
Warehouse 7
Warehouse 6
Whs. 5
Whs. 4
HRCP 2 Roadability
LAFAYETTE RIVER
MP3
MP4
Chassis Stacker
Lehigh Cement
Cold Storage
Pier 3
NIT North
NIT South
CHASSIS LOCATIONS
"GOOD" 40 ft and 20 ft – Chassis Stacker
"GOOD" 45 ft – MP 3
"GOOD" Gen Set Chassis/Tri Axle – MP 4
"DAMAGED" All Chassis – T9 East

THE Port OF VIRGINIA

Virginia International Terminals, Inc.

Virginia Intermodal Management, L.L.C.