

On September 24, 2008, the joint subcommittee studying public-private partnerships regarding seaports in Virginia held its second meeting at 1:00 pm at Old Dominion University in Norfolk, Virginia.

Legislative members of the joint subcommittee in attendance were Delegates Purkey (Chairman), Joannou, and Melvin and Senators Wagner (Vice-Chairman) and John Miller. Nonlegislative members of the joint subcommittee in attendance were Messrs. Coffey, Godfrey, Milliken, Moye, and Taylor.

Delegate Purkey called the second meeting of the joint subcommittee to order and delivered opening remarks.

Edward L. Brown, Sr., *International Vice President of Port of Hampton Roads*,
International Longshoremen's Association.

Mr. Brown first delivered a presentation to the joint subcommittee. He began describing the membership and charitable activities of the International Longshoremen's Association in Hampton Roads. By detailing his many experiences working at the ports over the past decades, Mr. Brown explained why he prefers the current operations of the ports. In addition, Mr. Brown suggested that the current operations of the ports in Virginia have contributed to increased economic growth and attractiveness in the Hampton Roads region. Furthermore, longshoremen have received extensive training in containerization and incomes due to the current operations of the ports, according to Mr. Brown.

Captain Patrick B. Trapp, *Commander of Coast Guard Sector Hampton Roads*
United States Coast Guard.

Captain Trapp delivered a presentation in which he discussed the Coast Guard's relationship to Virginia's seaports. In doing so, Captain Trapp first stated the mission statement of the Coast Guard with respect to the Sector Hampton Roads area. In addition, he explained that the Commander, Sector Hampton Roads serves, concurrently and ex-officio, as the Captain of the Port; Officer in Charge, Marine Inspection; Federal On-Scene Coordinator; Federal Maritime Security Coordinator; and Search and Rescue Mission Coordinator. After explaining the duties associated with the aforementioned titles, Captain Trapp shared some local port security challenges facing the Coast Guard, e.g., nearby chemical and power plants, nearby major fuel pipelines. Finally, Captain Trapp discussed the new regulations relating to the Transportation Worker Identification Credentials and the mandates and composition of the Area Maritime Security Committee.

Dr. Wayne K. Talley, *Executive Director*
International Maritime Ports and Logistics
Management Institute, Old Dominion University.

Dr. Talley delivered a presentation entitled "Global Port Governance, Privatization and Operation." After delivering opening remarks about Old Dominion University's business programs that relate to port management, Dr. Talley described four types of ports: "the service port; (2) the tool port; (3) the landlord port; and (4) the private port."

Port Type	Owned by?	Managed by?
Service Port	Government (owns land/all assets)	Port Authority (operations controlled by port authority)
Tool Port	Government (owns land and assets)	Port Authority (staff operates port-owned equipment; private cargo-handling firms operate other cargo handling activities)
Landlord Port	Government	Port Authority (leases port's infrastructure to private terminal operator, who may hire dockworkers, purchase and install own equipment, and maintain own buildings, to operate port)
Private Port	Private Owner (owns land and infrastructure)	Private Operator (leases port operations)

Dr. Talley reported that service ports have decreased in number as privatization of port operations has increased. Privatization is a process in which governments seek "to increase the efficiency of port operations" through asset and service privatization. Note that asset privatization, according to Dr. Talley, is "the transfer of assets from a public port to the private sector (e.g., to a private port terminal operator)" and service privatization is "the transfer of a public port service (but not public port assets) to the private sector its provision."

After explaining port privatization in the United Kingdom, Dr. Talley detailed the process by which port privatization has occurred. He also shared examples of the works of and speculative interests in private port terminal operators.

* Information used in the above chart is solely attributable to Dr. Malley and can be found in his presentation at <http://dls.state.va.us/GROUPS/ports/MEETINGS/092408/global.pdf>.

Jerry A. Bridges, *Executive Director*, Virginia Port Authority, Joseph A. Dorto, *President & CEO*, Virginia International Terminals, Inc., and Barbara Reese, *Deputy Secretary*, Office of the Secretary of Transportation all offered statements in response to the presentations made and the discussions that took place. In particular, Ms. Reese discussed the Public-Private Transportation Act with members of the joint subcommittee.

The next meeting is scheduled for October 22.