

From: Newsome, Jim <JNewsome@SCSPA.com>
To: Patel, SwatiSwatiPatel@gov.sc.gov
Adams, ChaneyChaneyAdams@gov.sc.gov
CC: Eisenhauer, ClintCEisenhauer@scspa.com
Melvin, BarbaraBMelvin@SCSPA.com
Date: 6/23/2016 4:27:03 PM
Subject: RE: New Gate Technology Wando Terminal

Just to give you some numbers, we had 3900 gate transactions at Wando on Wednesday, we operated from 6 am to 9 pm. Such hours of operations normally would yield about 4500 moves. We were on a good pace this morning, having done about 1900 moves when the system crashed in reaction to a software enhancement put in at our request last night. Between that crash and subsequent truck rerouting we lost about 2.5 hours of productive time today. Trucks are coming back in now so we are getting back in business.

Once again, we are pulling all levers to restore normalcy. The system actually works very well when proper procedures are followed.

Regards.
Jim

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From: Newsome, Jim
Sent: Thursday, June 23, 2016 4:14 PM
To: 'Patel, Swati'
Cc: Eisenhauer, Clint; Melvin, Barbara
Subject: FW: New Gate Technology Wando Terminal

Swati,

I want you to be in copy on this, it is an update to our board and legislative oversight. The question was asked as to what we did to inform the local businesses along Longpoint Road. We distributed flyers last week to the local businesses in this area. But, in fairness,

it is hard to know what can be done with such warnings, it is a bit like saying the TSA line will be longer than normal. And it does not really help them for us to say to discourage traffic to their business during normal business hours. If our system goes down for one hour, that leads to an accumulation of 400 trucks and that pretty much backs them up on I-526 to the bridge. They stay in the emergency lane, it is not optimal but it means two lanes of traffic are open each way. We maximize the use of our space on our terminals to sequence trucks (again sort of like TSA lines) so that we minimize impact on Longpoint. But, as of right now, our gates are empty and we are waiting for trucks to be allowed in. This points up the problem of reacting to severely to issues, we are losing capacity which will only catch us later.

We have asked Christy Hall to recommend to the Governor, if legal, a suspension of the hours of service rules for 24 hours starting at 5 pm today. This would help us meet weekend ship requirements. This terminal needs to handle 350 trucks per hour of operation to maintain its fluidity.

We are pulling every lever humanly possible to get back on track. We are normally the best performing port in the country. I will keep you posted.

Regards.
Jim

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From: Newsome, Jim
Sent: Thursday, June 23, 2016 3:54 PM
To: 'David Owens'; Pat McKinney
Cc: Larry Grooms; Jim Merrill; Melvin, Barbara
Subject: RE: New Gate Technology Wando Terminal

OK, that is fine. We were going along well today (not at our normal standard) until 1 pm when the system crashed again for one hour due to a software change the vendor made last night to assist us. That bug got fixed at 2 pm. But, one hour delay costs us 400 trucks of back up in a terminal like this and puts us behind the 8 ball. We have good cooperation between the port police and Mt. Pleasant police and the latter are metering trucks in to our gates now as a result of the one hours shut down. We are open until 9 pm tonight and will be open over

the weekend with extended gates as needed. We are also adding some clerks and mechanics although that means we will get hung with them probably for a long time but so be it. We have an additional issue which is that the system is dependent on codes that the truckers bring and many do not bring the codes or have the right code. So, we are trying to sort that out at the first security gate so they do not go further. We have all hands on deck here trying to solve the issues, bottom line is we have to process 400 trucks per hour here to win. We are also not able to not do inspections this is a safety issue and an ILA issue. The ILA is giving us excellent cooperation in working through this, they bear no blame. We have also asked the Governor to suspend the hours of service restrictions for 24 hours for dray trucks to let us catch up. If I take a picture and send it to you of our gates right now they are empty. That is the problem with extreme reactions like were necessary when our system crashed. All of these boxes have to come here so we just postpone the problem.

Regards.
Jim

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From: David Owens [<mailto:DavidOwens@scsenate.gov>]
Sent: Thursday, June 23, 2016 3:31 PM
To: Newsome, Jim; Pat McKinney
Cc: Larry Grooms; Jim Merrill; Melvin, Barbara
Subject: RE: New Gate Technology Wando Terminal

Thank you. Please keep us updated. We have received a couple of calls from upset folks.

From: Newsome, Jim [<mailto:JNewsome@SCSPA.com>]
Sent: Thursday, June 23, 2016 1:45 AM
To: Pat McKinney <pwmckinney@me.com>; pl4151@att.com; Siskmike6@gmail.com; 'Willie Jeffries' <williejeffries640@yahoo.com>; Bill Stern <bill@sternproperties.biz>; Kurt Grindstaff <kgrindstaff01@gmail.com>; rstanleynd80@gmail.com; David Posek <david.j.posek@daedalusllp.com>; Whitmarsh S. Smith III <wsmith@charlestonpilots.com>; Christy A. Hall <hallca@scdot.org>; Hitt, Bobby <bhitt@scommerce.com>
Cc: Larry Grooms <voteegrooms@aol.com>; Jim Merrill <jmgeechee@homesc.com>; David Owens <DavidOwens@scsenate.gov>; Melvin, Barbara <BMelvin@SCSPA.com>
Subject: New Gate Technology Wando Terminal

Dear Board Members with copy to Senator Grooms and Representative Merrill,

Good morning, I am delinquent in giving you an update on the implementation of the Automated Gate System at the Wando Terminal. I will make this as brief as

possible. As you have seen in press reports, this has created some long lines at the terminal with back-ups occasionally onto I-526 and some inconvenience to local residents. In short:

- (1) This is technology which is not much different than that used in Top 10 container ports in the U.S. At its most basic level, I would describe it as not dissimilar to the use of an ATM or on-line check-in to an airline prior to going to the airport and getting a boarding pass at a kiosk (before you could do on your I phone app). We do not use the industry standard operating system (Navis) so contracted to have our own application developed with ABB.
- (2) We implemented this in Greer as reported at our board meetings with success after quite some adjustments in technology. The AGS calls for remote inspection of containers by cameras and the identification of terminal missions by gate codes and truck license plates. If a trucker comes to the terminal without a pre-arranged gate code or the system cannot read a license plate, this produces a delay in handling and we have not up to now been able to kick truckers out of line due to uncertainties in technology performance, i.e. was it their not having a gate code or they got hung up in a glitch in technology in spite of having a proper gate code. Greer is however about 400 gate moves a day, Wando is 4000.
- (3) The implementation in Charleston is also more complex because the work is split among 2 ILA crafts, clerks and mechanics, and both have to touch the mission. Equally, due to FMCSA and ocean carrier safety rules, we are not able to blow off inspections when we get behind and lines are created. We always expect some disruptions and delays when we implement new technology. We implemented this technology by asking truckers to begin putting in gate codes two weeks earlier and then converting to the remote camera and portal handling on Monday.
- (4) We are three days into this, Monday was a bad day, we have improved on Tuesday and Wednesday in terms of number of missions handled but still with unacceptable delays. Wednesday we were up to 3500 missions, the average at Wando in a week is about 3800. We were doing great on Wednesday then a printer server went down at 1:30 pm which put us behind again. We compensated for this by keeping gates open longer at night and opening earlier. By 6 pm Tuesday/Wednesday our gates were back to normal. We also have ABB on site and have made some technology corrections each night to the system which bore fruit the next day.
- (5) Major reasons for these delays:
 - Unforeseen technology snafus which only materialized in a larger volume application and with split crafts
 - Learning curve issues for all==clerks/mechanics in use of the system, truckers showing without codes or with license plates than cannot be properly read.

- Some delay in training due to resistance from ILA union leadership, which interestingly and positively is not shared by the rank and file (very good news).
- (6) When a trucker shows up with proper gate code and the license plate can be read, the transaction moves quite well. We have to get to a procedure whereby a trouble issue with a truck causes the trucker to get kicked out of line so that they do not hold up those behind them. We will do this when we are sure our system is stable. There are some inexplicable errors occasionally occurring.
- (7) My assessment is that, while I am not pleased with the result up to now, I am extremely pleased with the effort and commitment of all (port, ILA clerks and mechanics and truckers) to overcome this and I believe we will get a handle on this by the weekend. We have acted proactively to extend gate hours Thursday and Saturday and will make a call on Sunday by Friday. We have to take some care here as our staff is literally exhausted and the truckers have so many hours where they can legally drive.
- (8) Some have suggested "why not go back to the old system until you get a handle on the issues?" . That is simply not possible in the type of integrated process and high velocity world in which we live. Of course, all of this is difficult to explain to the layman, many of whom just write this off as a bungled effort, which it is not.

I am happy to answer any questions that you may have.

Regards.

Jim

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