



Minutes for Board of Directors Meeting

08/28/2023 | 09:01 AM - 09:54 AM - Eastern Time (US and Canada)

2831 Talleyrand Avenue, Jacksonville, FL 32206

Board Members Attending:

Mr. Palmer Clarkson, Chair
Mr. Daniel Bean, Vice Chair
Ms. Wendy Hamilton, Treasurer/Secretary – via Zoom
Mr. Ed Fleming, Member
Mr. Jamie Shelton, Member
Ms. Soo Gilvarry, Member

Other Attendees:

Mr. Eric Green, Chief Executive Officer
Ms. Beth McCague, Chief of Staff
Mr. Joey Greive, Chief Financial Officer
Ms. Linda Williams, Chief Administrative Officer
Mr. Nick Primrose, Chief, Regulatory Compliance
Mr. James Bennett, Chief Operating Officer
Mr. Robert Peek, Chief Commercial Officer
Mr. Mike McClung, Director of Finance
Mr. Reece Wilson, Office of General Counsel
Ms. Rebecca Dicks, Board Liaison

A meeting of the Jacksonville Port Authority Board of Directors was held on Monday, August 28, 2023 at the Port Central Office Building, 2831 Talleyrand Avenue, Jacksonville, Florida. Chairman Clarkson called the meeting to order at 9:01AM and led the audience in the Pledge of Allegiance a moment of silence honoring former Board Member Ceree Harden who passed away on August 14th.

Chairman Clarkson recognized and welcomed Chris Miller as JAXPORT's new City Council Liaison. He also stated for the record that Board Treasurer/Secretary, Wendy Hamilton was attending today's meeting via Zoom.

Approval of Minutes

Chairman Clarkson called for approval of the June 26, 2023 Board of Directors Meeting Minutes and the August 7, 2023 Board of Directors Workshop Meeting Minutes. After a motion by Mr. Bean and a second by Mr. Fleming, the Board unanimously approved the minutes as submitted.

Public Comments

Board Chairman Clarkson called for comments from the public. There were no public comments.

Presentation

Crane Appropriation Check Presentation by Duval Legislative Delegation

Chairman Clarkson welcomed members of the Duval Legislative Delegation who presented JAXPORT with a \$30 million dollar check that will be used to purchase two new container cranes for the port's Blount Island Marine Terminal.

New Business

BD2023-08-01 Public Transportation Grant Agreement JAXPORT Crane Replacement

Mr. Justin Ryan presented this submission for approval of the Public Transportation Grant Agreement for the design, purchase, delivery, and commissioning of new ship-to-shore cranes which will be located at Blount Island Marine Terminal and the Talleyrand Marine Terminal.

After a motion by Mr. Fleming and a second by Mr. Bean, the Board voted to approve this submission.

AC2023-07-01 Terminal Development for SET CM at Risk – Early Procurement of HVAC and Electrical Equipment

Mr. James Bennett presented this submission for Board ratification of a total expenditure of \$4,609,876 to JE Dunn, Construction Manager at Risk for this project that includes sub-contracts with Trane Commercial Systems and City Electric Supply. Since there was no board meeting held in July, the CEO provisionally approved this contract after consultation with the Board Chairman.

After a motion by Mr. Bean and a second by Mr. Shelton, the Board voted to ratify this action by the CEO.

AC2023-08-01 SSA Jacksonville Container Terminal - Phase 8 Baker Constructors, Inc.

Mr. James Bennett presented this submission for Board approval of the issuance of a contract to Baker Constructors, Inc. for SSA Jacksonville Container Terminal Phase 8 in the amount of \$16,246,000 for asphalt pavement upgrades.

After a motion by Mr. Bean and a second by Ms. Gilvarry, the Board voted to approve this submission.

AC2023-08-03 Cruise Terminal Canopy Upgrades ACON Construction Co., Inc.

Mr. James Bennett presented this submission for Board approval of the issuance of a contract to ACON Construction Co., Inc. for cruise terminal canopy upgrades in the amount of \$715,863.00.

After a motion by Mr. Bean and a second by Mr. Fleming, the Board voted to approve this submission.

CEO Update

CEO Eric Green began his update by introducing two new additions to the team: Joey Greive as the new Chief Financial Officer (CFO) and Brian Simmons as the new Director of Procurement. Additionally, he confirmed that Beth McCague will continue on in her role as Chief of Staff.

Mr. Green informed the Board that JAXPORT is currently monitoring the upcoming storm. At 6:00PM yesterday, the US Coast Guard placed the port under "Condition Whiskey." JAXPORT is maintaining close coordination with its valued partners, including the Coast Guard, CBP, State of Florida, National Weather Service, and the City of Jacksonville, to ensure preparedness and response measures are in place.

Mr. Green stated that the Department of Defense has awarded JAXPORT a \$6 million dollar grant to construct a replacement fire station at Blount Island. The City has committed to matching this grant, resulting in a total budget of \$12 million dollars for the new fire station. He stated that his will give us an opportunity to replace an aging building that was constructed in 1978 and utilize the existing space for tenant purposes. Mr. Green thanked Justin and the team for successfully securing this grant on short notice.

Mr. Green stated that he was pleased to announce the arrival of SSA's three new post-Panamax cranes which are currently undergoing commissioning. He stated that these cranes are notably 34 feet taller than the port's current post-Panamax cranes. The first of these cranes is anticipated to be operational by December of this year.

Mr. Green announced that JAXPORT's budget successfully passed the City Council Finance Committee. The budget is scheduled to be presented to the full Council on September 26. He thanked City Council Liaison, Chris Miller, for his invaluable assistance throughout this process.

Mr. Green informed the Board that cruises are currently operating at an average occupancy rate of 130 percent which is a remarkable achievement for JAXPORT. He stated that in the coming six months, JAXPORT will be working closely with Carnival Cruise Line to extend our existing contract which is set to expire in 2025.

Mr. Green reminded the Board that JAXPORT signed a Memorandum of Understanding (MOU) with the island of Puerto Rico last year, and to further strengthen this partnership, the port will be hosting a summit in Washington, DC from September 12th to the 14th. During this event, Mr. Green will be joined by the Executive Director of the Port Authority in Puerto Rico along with representatives from the three major Puerto Rican carriers: TOTE, Crowley, and Trailer Bridge. Together, they will engage in advocacy efforts, both with Congress and the Executive Branch, to emphasize the importance of this partnership.

Mr. Green stated that in the past year, the port successfully completed the construction phase of berths 33 and 34, which coincided with our deepening project; however, there have been some challenges related to this project as it has extended beyond its original timeline by 478 days due to issues with the contractor. To address these issues, the port has initiated a dispute resolution process. This process involves the contractor notifying Mr. James Bennett and his team of change orders. If a resolution cannot be reached at that level, the matter is escalated to the CEO. Mr. Green states that his team collectively disagrees with the change

orders proposed by the contractor. The next stage of this process involves bringing the dispute before the Chairman of the Board and the Board itself.

Mr. Green stated that we have now reached the point in this process where the contractor has expressed their desire to dispute the claims before the Board. Mr. Green stated that he has had prior discussion with Chairman Clarkson and recommends that we allow the contractor the opportunity to present their case before the Board. However, Mr. Green also recommends that the Board be fully prepared for this discussion by holding a meeting for the Board to ensure they are well informed about the issues the contractor will be addressing. He recommended a Shade meeting be scheduled some time before the next Board meeting scheduled for September 28th.

After confirmation from legal, Chairman Clarkson confirmed that the Shade meeting can be held the same day as the dispute resolution. Chairman Clarkson asked for a motion to hold the Shade meeting on Thursday, September 28, 2023 at 9:00AM, or immediately following the 8:00AM Audit Committee meeting scheduled on that day, and move the Board meeting to 10:00AM.

After a motion by Mr. Fleming, and a second by Mr. Bean, the Board voted unanimously to hold a Shade meeting on Thursday, September 28, 2023 at 9:00AM, or immediately following the 8:00AM Audit Committee meeting.

Reports

R2023-08-01 Engineering and Construction Update

Mr. James Bennett provided an overview of the key capital and engineering projects.

R2023-08-02 Financial Highlights by Beth McCague

Ms. Beth McCague provided Financial Highlights to the Board in their books for the month of July 2023.

R2023-08-03 Financials/Vital Statistics

Ms. Beth McCague provided an overview of the financials and vital statistics.

R2023-08-04 Commercial Highlights

Mr. Robert Peek provided updated commercial highlights to the Board for the month of August 2023.

Other Business

After a motion by Mr. Bean and a second by Ms. Gilvarry, the Board unanimously approved travel by one or more Board Members of the Authority for business solicitation purposes or to attend any necessary conferences and/or meetings during the months of September/October 2023.

There was one emergency purchase for one (1) I-Beam Festoon System and one (1) 4x25mm² Cable.

There being no further business of the Board, the meeting adjourned at 9:54AM.