

BOARD OF DIRECTORS MEETING
Jacksonville Port Authority
2831 Talleyrand Avenue
September 28, 2023

A meeting of the Jacksonville Port Authority Board of Directors was held on Thursday, September 28, 2023 at the Port Central Office Building, 2831 Talleyrand Avenue, Jacksonville, Florida. Chairman Clarkson called the meeting to order at 9:07AM and welcomed all attendees. Board Member Soo Gilvarry led the audience in the Pledge of Allegiance and a moment of silence.

Board Members Attending:

Mr. Palmer Clarkson, Chair
Mr. Daniel Bean, Vice Chair
Ms. Wendy Hamilton, Treasurer/Secretary
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. Mike McClung, Director of Finance
Mr. Reece Wilson, Office of General Counsel
Mr. Chris Miller, City Council Liaison
Ms. Rebecca Dicks, Board Liaison

Approval of Minutes

Chairman Clarkson called for approval of the August 28, 2023 Board of Directors Meeting Minutes. After a motion by Mr. Shelton and a second by Mr. Bean, the Board unanimously approved the minutes as submitted.

Public Comments

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

Presentation

Mr. James Bennett recognized Adam Conner, Assistant Manager, Equipment, for reaching his 10-year milestone, and thanked him for his service.

Chairman's Update

Chairman Clarkson called on Daniel Bean, Chair of the Audit Committee, for a brief recap of the CEO's annual performance review and evaluation presentation made earlier today at the Audit Committee meeting.

Mr. Bean stated that the Audit Committee had a robust discussion on the CEO annual performance review and evaluation, and he thanked Linda Williams and the team for their help in gathering all the information necessary for this discussion. He stated that after reviewing the information, the Audit Committee unanimously approved the CEO's merit-based compensation for the terms of his contract which includes a 5% increase for FY2024 and a performance-based compensation bonus up to approximately 35%.

Mr. Bean stated that the Audit Committee determines the CEO bonus by looking at the financial performance of the company, the CEO's leadership skills, which includes the key stake-holders satisfaction review, and the CEO's goals to grow the business. Mr. Bean stated that the Audit Committee felt that based on the growth of the port and the CEO's leadership skills over the past year that they recommended a bonus of 91%.

As Chair of the Audit Committee, Mr. Bean made a motion that the Board approve the CEO annual performance review and evaluation which includes the recommendation of the FY22-23 bonus award. After the motion was seconded by Ms. Hamilton, the full Board voted to approve the CEO's FY22-23 review and evaluation and approve the 91% bonus award.

Proposed Slate of Board Officers

Chairman Clarkson asked Mr. Bean to give an update on the Audit Committee's recommendation as to the proposed slate of board officers to serve a term starting October 1, 2023 through September 30, 2024.

Mr. Bean asked fellow Audit Committee member Wendy Hamilton to bring forward this discussion. Ms. Hamilton stated that the Audit Committee proposed that Daniel Bean will serve as Chair, Wendy Hamilton will move into the role of Vice Chair, Palmer Clarkson will serve as Treasurer, and Soo Gilvarry will serve as Secretary for a term beginning October 1, 2023 through September 30, 2024.

After a motion by Ms. Hamilton and a second by Mr. Fleming, the Board unanimously approved this slate of officers to serve a term beginning October 1, 2023 through September 30, 2024.

Chairman Clarkson asked Mr. Bean to continue with the proposed slate of Audit Committee members. Mr. Bean stated that the Audit Committee met and proposed that beginning October 1, 2023 through September 30, 2024, the Audit Committee will be chaired by Wendy Hamilton and Palmer Clarkson, Soo Gilvarry and Ed Fleming will serve as Audit Committee members.

After a motion by Mr. Shelton and a second by Mr. Fleming, the Board unanimously approved this slate of Audit Committee officers to serve a term beginning October 1, 2023 through September 30, 2024.

New Business

BD2023-09-01 Office of Local Defense Community Cooperation (OLDCC) Grant Agreement

Mr. Justin Ryan presented this submission for approval of the Office of Local Defense Community Cooperation (OLDCC) Grant Agreement under the FY23 Defense Community Infrastructure Pilot Program (DCIP) to replace Fire Station 48 (FS48) with a modern fire station facility in a new location outside of the Blount Island Marine Terminal (BIMT). In addition to JAXPORT's BIMT, FS48 will provide emergency services to the Marine Corps Support Facility Blount Island (MCSF-BI), the Naval Supply Systems Command (NAVSUP) Fleet Logistics Center (FLC) Southeast Regional Fuels Depot and the surrounding Jacksonville community.

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

AC2023-09-01 Terminal Development for SET CM at Risk – Structural Steel & Concrete JE Dunn Construction Company

Mr. James Bennett presented this submission for Board approval of Change Order No. 4 to JE Dunn Construction Company in the amount of \$18,216,036.00 for Terminal Development at SET – CM Risk, structural steel and concrete. The total contract cost to include Change Order No. 1 – 4 is \$41,751,706.88.

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

**AC2023-09-25-01 BIMT Wharf Rehabilitation Phase II
Manson Construction Company**

Mr. James Bennett presented this submission for Board approval of the issuance of Change Order No. 12 to Manson Construction Company in the deductive amount \$547,081.44 for close out of the BIMT Wharf Rehabilitation Project (Phase II). The total cost, including this Change Order is \$29,000,000.00.

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

CEO UPDATE

CEO Eric Green began his update by expressing his gratitude to the Board for their ongoing support and trust in his leadership of the organization. He stated that he feels his success is primarily attributed to the exceptional team he was able to build, and he is most proud of his team's hard work and dedication.

Mr. Green provided an update on the closure of the port on August 30th in anticipation of Hurricane Idalia. Fortunately, the storm did not cause any significant damage. Following the storm, the team conducted a post-storm debrief. He stated that the team has identified significant improvements that will allow the port and tenants to resume their operations more quickly. He acknowledged the dedication and hard work of his team during this time and thanked them for their contributions to this effort.

Mr. Green informed the Board about the forthcoming joint meeting with SSA in mid-October. He stated that the primary goal for this meeting is to negotiate an MOU for the development of the area currently occupied by SET at Talleyrand. He emphasized that this area is expected to be vacated by 2025, following the relocation of SET's facilities to Blount Island. He stated that the proposed MOU aims to solidify the details pertaining to the development of warehouse space, along with outlining specific timelines for a phased build-out strategy. Mr. Green assured the Board that the outcome of this meeting and the MOU negotiations would be presented to them for their input and recommendations.

Mr. Green revealed to the Board that another major national brand has joined the port's foreign trade zone Gildan, which is one of the nation's largest clothing manufacturers, is activating a foreign trade zone designation for its Jacksonville Distribution Center which covers an extensive area of nearly half-a-million square feet. Gildan's decision to join the foreign trade zone not only creates significant import-related cost savings for the company, but also paves the way for additional volume growth for JAXPORT in the future.

Mr. Green informed the Board that JAXPORT leadership and executives from the three ocean carriers servicing Puerto Rico traveled to Washington, D.C., to discuss the growth of the Puerto Rico trade lane. The group met with dozens of members of Congress and other legislative leaders, and plan a follow-up trip next year.

Mr. Green concluded his update by reporting the successful passage of JAXPORT's budget by City Council last Tuesday. This achievement marked another significant milestone for the port. Mr. Green thanked Beth, Joey, Mike, and the entire Finance Team for their dedicated efforts and hard work which were instrumental in ensuring the smooth passage of the budget.

Mr. Nick Primrose provided a Public Safety Update.

Reports

R2023-09-01 Engineering and Construction Update

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

R2023-09-02 Financial Highlights

Mr. Joey Greive provided Financial Highlights to the Board in their books for the month of August 2023.

R2023-09-03 Monthly Financials/Vital Statistics

Mr. Mike McClung provided an overview of the financials and vital statistics.

R2023-09-04 Commercial Highlights

Mr. Robert Peek provided updated commercial highlights to the Board in their books for the month of September 2023.

Other Business

After a motion by Mr. Fleming and a second by Mr. Shelton, 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 October/November 2023.

Incoming Chairman Daniel Bean approved the CEO's business travel for single trips which shall not exceed \$2,500.00 for the period of 10/1/2023-9/30/2024.

Before adjourning the meeting, Chairman Clarkson reflected on his tenure as Board Chairman. He acknowledged the favorable conditions the port has experienced during his time as Board Chairman, with the port benefiting from significant customer, state and federal funding. However, he cautioned the Board about an impending shift towards increased competitiveness, emphasizing the need for greater efficiency, agility and robust sales efforts to sustain the port's current growth trajectory. He praised the exceptional work of the staff and CEO Green and underscored JAXPORT's geographical advantage on the East Coast, envisioning its potential to become the region's leading port.

Chairman Clarkson expressed his gratitude for the opportunity to serve as Chairman and expressed confidence in his successor, Daniel Bean. He concluded by encouraging the Board to continue to pursue ambitious goals along with a shared commitment to achieving outstanding results.

There being no further business of the Board, the meeting adjourned at 10:03AM.