



Minutes for Board of Directors Meeting

02/22/2021 | 09:00 AM - 10:15 AM - Eastern Time (US and Canada)

2831 Talleyrand Avenue, Jacksonville, FL 32206

Board Members Attending:

Ms. Wendy Hamilton, Vice Chair
Mr. Palmer Clarkson, Treasurer
Mr. Daniel Bean, Secretary
Mr. Ed Fleming, Member
Dr. John Allen Newman, Member

Mr. Jamie Shelton, Chairman - Absent

Other Attendees:

Mr. Fred Wong, Chief Operating Officer
Ms. Beth McCague, Chief Financial Officer
Ms. Linda Williams, Chief, Adm. & Corporate Performance
Mr. Robert Peek, Director & GM, Business Development
Mr. James Bennett, Sr. Director, Engineering & Construction
Mr. Mike McClung, Director of Finance
Mr. Nick Primrose, Chief, Regulatory Compliance
Mr. David Migut, Office of General Counsel
Ms. Rebecca Dicks, Board Liaison

Agenda

A meeting of the Jacksonville Port Authority Board of Directors was held on Monday, February 22, 2021 at the Port Central Office Building, 2831 Talleyrand Avenue, Jacksonville, Florida. Vice Chairwoman Wendy Hamilton called the meeting to order at 9:00 a.m. and welcomed all attendees. She informed the Board that Chairman Jamie Shelton had a scheduling conflict so he asked her to conduct this meeting. She also informed the Board that CEO Eric Green was unable to attend this meeting as well, so COO Fred Wong would be delivering the CEO update.

Pledge of Allegiance/Moment of Silence

Board Member Palmer Clarkson led the audience in the Pledge of Allegiance and a moment of silence.

Approval of Minutes

Vice Chairwoman Hamilton called for approval of the January 25, 2021 Board of Directors Meeting Minutes. After a motion by Mr. Fleming and a second by Mr. Bean, the Board unanimously approved the minutes as submitted.

Public Comments

Chairwoman Hamilton called for comments from the public. There being none, she moved on to New Business.

New Business

AC2021-02-01 Services During Construction Wharf Rehabilitation Phase II at BIMT - HDR Engineering, Inc.

Mr. James Bennett presented this submission seeking Board approval of the issuance of Change Order No. 2 to HDR Engineering, Inc. for services during construction wharf rehabilitation phase II at BIMT in the amount of \$801,800.00. The total amount of the contract including Change Order No. 1 and 2 will be \$2,641,478.78.

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

BD2021-02-01 FDOT Public Transportation Grant Agreement for Talleyrand Marine Terminal Cargo Improvements

Mr. James Bennett presented this submission seeking Board approval of executing a Public Transportation Grant Agreement between the Florida Department of Transportation (FDOT) and JAXPORT for state funding in FDOT FY2021 for the Talleyrand Marine Terminal cargo improvements initiative.

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

BD2021-02-02 FY2020 Audited Financial Statements

Ms. Beth McCague presented this submission for Board approval to accept the FY2020 clean opinion of JAXPORT's audited financials prepared by RSM US, LLP.

Vice Chairwoman Wendy Hamilton stated that the Audit Committee met earlier this morning. She called on Audit Committee member Palmer Clarkson to share some of the highlights of this meeting.

Mr. Clarkson stated that it is very unusual to have such a clean, unadjusted audit and that it is quite an accomplishment from the employees and leadership at JAXPORT. He stated that he believes the Board should wholeheartedly approve this audit, and he thanked the Finance Team for an outstanding job.

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

**BD2021-02-03 U.S. Department of Transportation (USDOT) Grant Agreement
Under FY2019 BUILD Transportation Grant Program**

Ms. Beth McCague presented this submission for Board approval of the acceptance of a BUILD grant from the USDOT in the amount of \$20,000,000.00. This grant will assist with the buildout of the SSA International Cargo Terminal Modernization Project at Blount Island.

Mr. Mark Knudsen, SSA President and Mr. Ari Steinberg, SSA's VP of Project Engineering & Implementation, video conferenced into the meeting to give a project update to the Board on the SSA Jacksonville Container Terminal. Mr. Knudsen stated that the BUILD grant is a huge help in making this terminal come together. He stated that SSA appreciates the opportunity to take advantage of the federal grant. Mr. Steinberg stated that the project includes expanding the facility from 50 acres to 93 acres, repaving the terminal to allow stacked container operations, and installing new truck gates. SSA will be responsible for overseeing the project and will submit confirmation of its compliance with federal guidelines to JAXPORT. This project is expected to create 4,988 direct induced and indirect additional jobs per consultant John Martin.

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

CEO Update

COO, Fred Wong, presented the CEO update on behalf of CEO Eric Green who was not able to attend the Board meeting. He stated that the JAXPORT family unfortunately experienced three losses over the past month. There was an accident at Blount Island that resulted in the death of Kim Abdul, an ILA union employee, who was working for one of the port's tenants. Mr. Wong stated that JAXPORT continues to work with its port partners, including all labor unions, to do everything possible to protect JAXPORT's users and stakeholders to promote a culture of safety. The second loss was one of JAXPORT's own employees, Project Manager Robert Kretzschmar who passed away unexpectedly this month. Finally, Seafarers International Union foreman Tony Brown died suddenly at the end of his shift at Blount Island. JAXPORT again sends condolences to the families who lost their loved ones.

As to the business side, Mr. Wong stated that January was a solid month and the port continues to see volumes rebound from the pandemic. Four months into this fiscal year, the port is doing well in containers and autos. Activity in both cargo types are up over the first quarter of last year which was prior to the pandemic.

Mr. Wong stated that the executive and senior teams have been engaged in regular calls with ocean carriers and developers. These businesses are eagerly anticipating the completion of the port's harbor deepening project in 2022. He stated that the port continues to see tremendous interest as decision makers from the industry see JAXPORT getting closer to completion of the deepening project.

Mr. Wong stated that JAXPORT celebrated another clean-fuel milestone. Port partners JAX LNG and TOTE Services completed their first ship-to-ship bunkering of a foreign flagged vessel at Blount Island. They utilized North America's first LNG bunker barge named Clean Jacksonville. Clean Jacksonville fueled a new LNG-powered Ro/Ro ship operated by Siem Car Carriers. This vessel, and her sister ship, are among the world's most eco-friendly ships of their kind, and both regularly call on JAXPORT. This is another milestone in the evolution of Jacksonville being a global leader in the use of LNG as a clean marine fuel.

Mr. Wong informed the Board that JAXPORT will host its third Small Business Appreciation Day on March 24. This event will be virtual and it provides Northeast Florida small businesses with free training and resources. It also connects small businesses with contract opportunities at JAXPORT and at other public agencies in Jacksonville.

Mr. Wong stated that JAXPORT will participate in the Propeller Club's annual state of the port event on February 23. He stated that nearly 800 people from the industry have registered for this virtual event. Chairman Jamie Shelton and CEO Eric Green will discuss details about JAXPORT's new Strategic Master Plan. This plan serves as JAXPORT's roadmap to success over the next five years. Mr. Wong then presented a sneak peek of the video put together by JAXPORT's communication and marketing team that will air during the event. This portion of the video looks back at how JAXPORT navigated through 2020.

In conclusion, Mr. Wong stated that the port is grateful for all of the port workers who have kept cargo moving throughout the pandemic. He also thanked the communications team for putting the video together.

Reports

R2021-02-01 Engineering and Construction Update

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

R2021-02-02 Financial Highlights by Beth McCague

Ms. Beth McCague provided Financial Highlights to the Board in their books for the month of January 2021.

R2021-02-03 Financials/Vital Statistics

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

R2021-02-04 Commercial Highlights

Mr. Robert Peek provided commercial highlights to the Board for the month of February 2021.

Miscellaneous

There were no emergency purchases or unbudgeted transactions.

Adjourn

There being no further business of the Board, the meeting adjourned at 10:15 a.m.