



Minutes for Board of Directors Meeting

06/28/2021 | 09:15 AM - Eastern Time (US and Canada)

2831 Talleyrand Avenue, Jacksonville, FL 32206

Board Members Attending:

Mr. Jamie Shelton, Chairman
Ms. Wendy Hamilton, Vice Chair
Mr. Palmer Clarkson, Treasurer
Mr. Daniel Bean, Secretary
Dr. John Allen Newman, Member
Mr. Brad Talbert, Member

Mr. Ed Fleming, Member - Absent

Other Attendees:

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

Agenda

A meeting of the Jacksonville Port Authority Board of Directors was held on Monday, June 28, 2021 at the Port Central Office Building, 2831 Talleyrand Avenue, Jacksonville, Florida. Chairman Jamie Shelton called the meeting to order at 9:15 A.M. and welcomed all attendees.

Chairman Shelton welcomed special guests Dr. Quinton White and Dr. Raymond Oldakowski from Jacksonville University who would be making a presentation later in the meeting.

Pledge of Allegiance/Moment of Silence

Board Member Dr. John Newman led the audience in the Pledge of Allegiance and a moment of silence.

Approval of Minutes

Chairman Shelton called for approval of the April 26, 2021 Board of Directors Meeting Minutes. After a motion by Mr. Bean and a second by Mr. Clarkson, the Board unanimously approved the minutes as submitted.

Public Comments

Chairman Shelton called for comments from the public. There being none, he moved on to Presentations.

Presentations

Milestone:

Mr. Fred Wong recognized Ron Alford, Assistant Manager, Facilities, for reaching his 25-year milestone and thanked him for his service.

Safety Initiatives Update

Mr. Nick Primrose presented a Safety Initiatives Update. He stated the goal is to create a zero-accident work place. He along with Risk Manager Chris Crouch have developed some short, mid and long-term strategies to implement this goal. Short term strategies include 100% mandatory CPR training for all employees, bringing in an environmental health and safety field officer, adding more traffic control safety devices on the terminals and revamping the safety security violations. Mid and long-term strategies include monthly safety talks, developing a safety inspection schedule to go out to the port's warehouses and tenants to make sure everything is in compliance, and creating a safety plan and checklist for every single job so employees are aware of what they need to do to be safe.

New Business

BD2021-06-01 SSA Lease Amendment – Second Amendment

Ms. Linda Williams presented this submission seeking Board approval to amend the SSA contract to eliminate the 2021 \$6,000,000 lease prepayment scheduled, refund an additional \$4,000,000 reducing the total amount of the sublease prepayment to \$18 million, and increasing the short ton rate going forward rather than adhere to the original agreement.

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

BD2021-06-01 Proposed Operating and Capital Budget for FY2022

Ms. Beth McCague presented this submission for Board approval of JAXPORT's proposed FYE2022 Operating and Capital Budget as presented and its submission in the appropriate format to the Finance Committee of the Jacksonville City Council. This submission was approved earlier by the Audit Committee and recommended for approval by the full board.

Chairman Shelton asked Wendy Hamilton, Chair of the Audit Committee, if she would like to add any remarks. Ms. Hamilton stated that the Audit committee did meet earlier this morning and unanimously voted to approve the Proposed Operating and Capital Budget for FY2022. She thanked Beth and her team for putting together a good budget and providing useful background information for their review.

After a motion by Dr. Newman and a second by Ms. Hamilton, the Board voted to approve this submission.

CEO Update

Mr. Green informed the Board that JAXPORT is assisting in the mitigation issues associated with the pandemic. The operations and security team led a corroborative effort with the State of Florida to provide COVID-19 vaccinations to seafarers and port workers at JAXPORT. In addition, the two agencies worked with vessel agents to offer vaccines to crew members aboard vessels that called on JAXPORT. They also visited a number of the port's tenants and approximately 500 people have been vaccinated.

Mr. Green stated that JAXPORT is patiently awaiting the restart of cruise. As it waits, the first US cruise ship departed Port Everglades this past weekend since the start of the pandemic. The ship has a capacity of 3,000 people, however, it sailed at 42%. 100% of the crew members were vaccinated, 2 adults were unvaccinated, and 24 children were not vaccinated. As of Sunday evening, Mr. Green spoke with the Port Everglades Port Director and he stated that there have not been any issues on this cruise. Fred Wong continues to work closely with Carnival Cruise Lines and it seems as though JAXPORT is looking at a restart of no later than November of this year.

Mr. Green reminded everyone that we are in hurricane season. The staff is going through the appropriate protocols. For Board members who are not registered with the port's Everbridge weather alert program and would like to be, they should let staff know and they can get them registered.

Mr. Green stated that he, along with Fred Wong and Alberto Cabrera, traveled to Puerto Rico recently. Ninety percent of all U.S. goods that go to the island of Puerto Rico are shipped through JAXPORT. Mr. Green said that he did not realize the lifeline of Puerto Rico and JAXPORT. It was a very eye opening

and humbling trip to realize that if anything happened to JAXPORT's ability to handle cargo, the island of Puerto Rico would be completely shut off. One of the items agreed upon during their meeting was that there will be an annual, collaborative workshop between JAXPORT and the Puerto Rico Ports Authority to discuss ideas of what Plan B should look like if something were to happen at JAXPORT and/or Puerto Rico.

Mr. Green informed the Board that on October 1, 2021, JAXPORT will be entering the last year of a three-year Union Contract Agreement. He stated that we have started negotiations with our Union, and it looks like we may actually execute another three-year contract ahead of schedule. The Board could be looking at a new Union contract soon, but it will not take effect until October of 2022.

Mr. Green stated that one of the most important aspects of the port's new strategic master plan is its commitment to environmental stewardship. He then introduced Dr. Quinton White, Executive Director, Marine Science Research Institute/Professor of Biology, Marine Science and Dr. Raymond Oldakowski, Professor of Geography & Principle Investigator for PPI Polling to discuss a new program between Jacksonville University and JAXPORT called CONNECTED, a St. Johns River Educational Partnership. This partnership will educate the public, including schools and civic organizations about the important role the river plays in Northeast Florida's ecosystem as well as in our community and economy.

Jacksonville University St. Johns River Educational Partnership

Dr. Quinton White discussed the essence of the JU-JAXPORT partnership and the service the St. Johns River provides Northeast Florida. He stated that the goal is to connect people through education and outreach such as public speaking events, experiential learning on the river, hands-on learning, social media, a website with links to calendar events, educational videos, lesson plans, activity sheets and links to the St. Johns River Report and to Dr. White's River Life column as resources everyone can use learn about the river. He stated as part of the initial program, they conducted a preliminary online survey of the Jacksonville area resident's awareness of the river. They will return in three years to do a post survey to evaluate the outcome and determine how to move forward. Dr. White then turned the presentation over to Dr. Oldakowski.

Dr. Raymond Oldakowski shared several of the questions and preliminary results of the survey conducted through the partnership and found that 99% of people surveyed believed that it is either very important or at least somewhat important for people in Jacksonville to learn about the St. Johns River. That number clearly speaks to the importance of the partnership.

Reports

R2021-06-01 Engineering and Construction Update

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

R2021-06-02 Financial Highlights by Beth McCague

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

R2021-06-03 Financials/Vital Statistics

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

R2021-06-04 Commercial Highlights

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

Other Business

After a motion by Mr. Talbert and a second by Mr. Clarkson, 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 June/July 2021.

Miscellaneous

There were no emergency purchases or unbudgeted transactions.

Adjourn

There being no further business of the Board, the meeting adjourned at 10:36 A.M.