



Minutes for Special Board of Directors Meeting

02/14/2022 | 09:00 AM - 09:38 AM - Eastern Time (US and Canada)

2831 Talleyrand Avenue, Jacksonville, FL 32206

Board Members Attending:

Mr. Palmer Clarkson, Vice Chairman
Mr. Daniel Bean, Treasurer
Mr. Ed Fleming, Member
Mr. Jamie Shelton, Member
Mr. Ceree Harden, Member

Absent: Ms. Wendy Hamilton, Chairwoman
Mr. Brad Talbert, Secretary

Other Attendees:

Mr. Eric Green, Chief Executive Officer
Mr. Fred Wong, Chief Operating Officer
Ms. Beth McCague, Chief Financial Officer
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. Reese Wilson, Office of General Counsel
Ms. Rebecca Dicks, Board Liaison

Agenda

A special meeting of the Jacksonville Port Authority Board of Directors was held on Monday, February 14, 2022 at the Port Central Office Building, 2831 Talleyrand Avenue, Jacksonville, Florida. Vice Chairman Palmer Clarkson called the meeting to order at 9:00 a.m. and welcomed all attendees. He informed the Board that Chairwoman Wendy Hamilton had a scheduling conflict so she asked him to conduct this meeting. He also stated for the record that Board Secretary Brad Talbert was also unable to attend this meeting due to a conflict. Board Member Jamie Shelton led the audience in the Pledge of Allegiance and a moment of silence.

Vice Chairman Clarkson recognized special guests in attendance at today's meeting from Ceres, CEO Craig Mygatt & Chief Investment Officer Gareth Maguire, and thanked them for attending.

Approval of Minutes - Board of Directors Meeting - December 6, 2021

Vice Chairman Clarkson called for approval of the December 6, 2021 Board of Directors Meeting Minutes. After a motion by Mr. Bean and a second by Mr. Fleming, the Board unanimously approved the minutes as submitted.

Public Comments

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

Before moving on to New Business, Vice Chairman Clarkson gave an update on the 2021 JAXPORT Charity Drive. He stated that JAXPORT employees and port partners raised nearly \$20,000 for the United Way of Northeast Florida and Creating Healthier Communities. Vice Chairman Clarkson thanked all JAXPORT employees who participated in the 2021 charity drive, as well as port partners AMPORTS, Crowley, Watco, and Taylor Engineering for their support. He also recognized JAXPORT Charity Drive Chair John Taylor, Director of Human Resources, and thanked him for organizing the drive.

New Business

AC2022-01-01 Bartram Island DMMA Cell "C" Services During Construction - Taylor Engineering, Inc.

Mr. James Bennett presented this submission for Board approval of the issuance of Change Order No. 6 to Taylor Engineering, Inc. for Bartram Island DMMA Cell "C" Services during construction in the not to exceed amount of \$777,417.80. The total amount of the contract including this change order will be \$1,745,472.

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

BD2022-02-01 Sovereignty Submerged Land Lease Renewal BIMT Main Wharf (SSLL NO: 160223992)

Mr. Fred Wong presented this submission for the Board to approve a renewal of the lease agreement JAXPORT entered into with the Board of Trustees of the Internal Improvement Trust Fund of the State of Florida in 2001 for the purpose of operating a six-slip commercial docking facility to be used exclusively for mooring of vessels in conjunction with an Upland Marine Terminal. The lease has subsequently been renewed every five (5) years for continued operation on the same terms and conditions as the original lease.

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

BD2018-04-01 Carnival Corporation Berthing & Terminal Use Agreement – Reinstatement

Mr. Nick Primrose presented a resolution for Board approval authorizing the CEO to negotiate reinstatement of the Carnival Corporation berthing and terminal use agreement. The Board approved the original contract on April 30, 2018. Cruising services had been suspended due to a combination of COVID-19 and the Centers for Disease Control and Prevention's (CDC) No Sail Order and Conditional Sailing Order issued two years ago which prevented Carnival Corporation and JAXPORT from performing their duties and responsibilities under the Agreement. Now that the CDC's No Sail Order and Conditional Sailing Order have both expired, Carnival Corporation intends to restart cruises at JAXPORT on March 7, 2022.

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

BD2022-02-02 Termination of Hedge Transaction Associated with Special Purpose Bonds Series 2007

Ms. Beth McCague presented this submission for Board approval of termination of the Hedge Transaction associated with Special Purpose Bonds Series 2007 that were issued to assist in funding the build out of the TraPac terminal at Dames Point. MOL/TraPac Jacksonville has notified JAXPORT of its intention to call for early redemption of the Special Purpose bonds and termination of the Hedge Transaction according to terms of the MOL/TraPac lease agreement.

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

BD2022-02-03 Ceres/TraPac Lease Agreement

CEO Eric Green made a few comments prior to Mr. Primrose bringing this submission to the Board for approval. He stated that sometimes decisions and negotiations aren't popular with current JAXPORT tenants, but they are made with the best interest of the port and the community and he is certain that the agreement with Ceres/TraPac that Mr. Primrose would be presenting today is a very sound deal that will speak to a positive financial boost with a partner that is just as creative as JAXPORT. He then introduced the Chief Executive Officer of Ceres Craig Mygatt.

Mr. Mygatt stated that Ceres was very excited about its long-term commitment to JAXPORT and the local community. He stated that a significant investment by Ceres in the Dames Point Terminal will provide and an excellent gateway for South Atlantic-based distribution centers well into the future.

Mr. Primrose then presented Submission BD2022-02-03 for Board approval of:

(1) Authorizing the CEO, or his designee, to sign the Letter of Consent for the transfer of controlling interest in TraPac Jacksonville, LLC to Ceres; (2) Authorizing the CEO, or his designee, to sign a Surrender and Termination of Lease Agreement between Jacksonville Port Authority and TraPac Jacksonville, LLC, under the exclusive ownership of MOL upon final closing; (3) Approve the new Operating and Lease Agreement between Jacksonville Port Authority and TraPac Jacksonville, LLC, under the exclusive ownership of Ceres Terminals; and (4) Authorize the CEO, or his designee, to execute the new Operating and Lease Agreement between Jacksonville Port Authority and TraPac Jacksonville, LLC, under the exclusive ownership of Ceres Terminals.

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

Vice Chairman Clarkson thanked the Ceres guests for attending the meeting and for continuing to grow their business in Jacksonville. He stated that this investment will go a long way toward growing JAXPORT's cargo handling capabilities and the jobs they support.

CEO Update

Mr. Green began his report by stating that he's sure everyone had noticed a fresh new look in the lobby. He stated that the immediate past chairman, Jamie Shelton, had encouraged him to take a hard look at the space and make it more visually appealing. Mr. Green stated that some of the work is still in progress and it will include one of his favorite pieces, a fish tank. Mr. Green feels that the JAXPORT lobby is now a better reflection of the port's brand. He is very proud that much of the work was actually done in-house by talented port employees. He recognized James Baity, Rodney Love, Brian Capprotti, Donnie Effler, James Bennett, Amy Klinkenberg, and Marv Grieve and thanked them for their hard work. He noted an interesting fact about the new reception desk is that it is truly a one-of-a-kind piece based off the JAXPORT brand and Amy's drawings which were brought to life by James, Rodney and Brian.

Mr. Green informed the Board that the Propeller Club will be hosting this year's annual State of the Port event on March 8th at UNF's University Center. At this event, Mr. Green stated that he will give an update on the past year in review and then hold a panel discussion with tenants and industry experts. News Anchor Mary Baer will be the master of ceremonies for this discussion.

Mr. Green stated that he will be traveling with the sales team to Long Beach to attend the Trans-Pacific Maritime Conference (TPM) at the end of the month. He stated that this is an opportunity to meet with major ocean carriers, shippers and big box distribution centers. TPM is one of the largest and most important conferences of its kind in the industry.

Mr. Green stated that at next month's board meeting, he is hopeful to present another deal to the Board that could be categorized as one of the best in the history of this organization. He stated that the port is very close to concluding negotiations.

Mr. Green also stated that he has an update on the harbor deepening estimated completion date. He stated that it has been moved up to May or June from the previously estimated date of November or December, so he's very excited about that possibility. He thanked the Board for all for their hard work and support that they have been giving to the port on this project.

Reports

R2022-02-01 Engineering and Construction Update

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

R2022-02-02 Financial Highlights by Beth McCague

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

R2022-02-03 Financials/Vital Statistics by Mike McClung

Mr. Mike McClung provided an overview of the financials and vital statistics to the Board in their books as info only.

R2022-02-04 Commercial Highlights by Robert Peek

Mr. Robert Peek provided commercial highlights to the Board in their books for the month of February 2022 as info only.

Other Business

After a motion by Mr. Fleming and a second by Mr. Bean, 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 March/April 2022.

Miscellaneous

There were no emergency purchases or unbudgeted transactions.

Adjourn

There being no further business of the Board, the meeting adjourned at 9:38 a.m. and Vice Chairman Clarkson invited everyone to attend the signing ceremony between Ceres Terminals and JAXPORT.