



Minutes for Board of Directors Meeting

04/25/2022 | 09:00 AM - 09:47 AM - Eastern Time (US and Canada)

2831 Talleyrand Avenue, Jacksonville, FL 32206

Board Members Attending:

Ms. Wendy Hamilton, Chairwoman
Mr. Palmer Clarkson, Vice Chairman
Mr. Daniel Bean, Treasurer
Mr. Brad Talbert, Secretary
Mr. Jamie Shelton, Member
Mr. Ed Fleming, Member
Mr. Ceree Harden, Member

Other Attendees:

Mr. Eric Green, Chief Executive Officer
Mr. Fred Wong, Chief Operating Officer
Ms. Beth McCague, Chief Financial Officer/Chief of Staff
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. Ron Salem, City Council Liaison
Mr. Reece Wilson, Office of General Counsel
Ms. Rebecca Dicks, Board Liaison

Agenda

A meeting of the Jacksonville Port Authority Board of Directors was held on Monday, April 25, 2022 at the Port Central Office Building, 2831 Talleyrand Avenue, Jacksonville, Florida. Chairwoman Wendy Hamilton called the meeting to order at 9:00 a.m. and welcomed all attendees. Board Member Palmer Clarkson led the audience in the Pledge of Allegiance and a moment of silence. Chairwoman Hamilton also acknowledged and welcomed special guests from Toyota.

Approval of Minutes - Board of Directors Meeting - March 28, 2022

Chairwoman Hamilton called for approval of the March 28, 2022 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

Chairwoman Hamilton called for comments from the public. There were no public comments.

New Business

AC2022-03-28-09 Milling & Asphalt Maintenance & Repair Services Escalation Pars Construction Services, LLC

Mr. James Bennett presented this submission for Board approval of Amendment No. 2 (unit price escalation) to Pars Construction, LLC for milling and asphalt maintenance and repair services.

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

Chairwoman Hamilton asked CEO Eric Green to introduce the next two submissions.

Mr. Green stated that JAXPORT has been working with one of its longest standing tenants, Southeast Toyota Distributors, as they explored alternative sites to their current Talleyrand location where they have grown into the largest independent distributor of Toyota vehicles in the world. Mr. Green then introduced special guests from Southeast Toyota, Group Vice President Casey Gunnell, and Vice President of Capacity and Operational Systems Sharon Ruiz. He also recognized Union representatives Charles Spencer, George Spencer from ILA Local 1408, and Danny Teague from ILA Local1593.

Mr. Green stated that he was pleased to announce that Southeast Toyota and JAXPORT have reached an agreement on a \$210 million-dollar public/private partnership to grow their operations at JAXPORT. Southeast Toyota's Jacksonville operations supports 800 area jobs, and Mr. Green is pleased to announce that a Florida headquarter company of this stature continues to grow their business in Jacksonville. He stated that with assistance of the Florida Department of Transportation, he is asking the Board to first consider a grant from FDOT for terminal development as part of Toyota's relocation from the current Talleyrand location to Blount Island. Southeast Toyota will provide the matching capital to modernize 88 acres at Blount Island with new facilities, including two new state-of-the-art buildings for auto processing and employee work areas, as well as the addition of new on-site rail connections and truck loading areas.

Mr. Green then asked James Bennett to present the submission for Board approval of the FDOT Public Transportation Grant Agreement.

BD2022-04-01 Public Transportation Grant Agreement - Blount Island Upland Improvements (facility & rail improvements)

Mr. James Bennett presented this submission for Board approval and acceptance of the Florida Department of Transportation (FDOT) Public Transportation Grant Agreement (PTGA) for JAXPORT’s Blount Island Upland Improvements initiative for construction of new Auto Facilities and Two New Rail Spurs at Blount Island.

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

Mr. Green then continued with his introduction of the next submission by thanking FDOT and Secretary Perdue for their support of JAXPORT’s growth and the jobs and economic impact it supports for the people of Florida. He then stated that Mr. Nick Primrose will be presenting the new lease agreement for Southeast Toyota and that Nick will show how this is another transformational project. He stated that this new lease agreement provides for a construction period and extends the port’s partnership for up to an additional 40 years. It also allows Southeast Toyota to consolidate its port operations onto a single property increasing processing efficiencies.

Mr. Green then asked Mr. Nick Primrose to present the submission for Board approval of the Southeast Toyota Facilities Lease Agreement.

BD2022-04-02 Southeast Toyota Facilities Lease Agreement

Mr. Nick Primrose presented this submission for Board approval of a new Operating and Lease Agreement between the Jacksonville Port Authority (JAXPORT) and Southeast Toyota Distributors (SET) and authorizing the CEO, or his designee, to execute the Operating and Lease Agreement between JAXPORT and SET. This new lease agreement will allow SET to terminate its current lease agreement at Talleyrand and enter into a new long-term lease agreement for an expanded leasehold (approximately 86 acres) at Blount Island Marine Terminal.

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

Chairwoman Wendy Hamilton thanked Southeast Toyota for attending the Board meeting and also thanked them for continuing to grow their business in Jacksonville. She stated that this public/private partnership will help expand JAXPORT’s vehicle handling capabilities and support local jobs for generations to come.

CEO Update

As part of Mr. Green's CEO update, he invited Mr. Casey Gunnell of Toyota to say a few words.

Mr. Gunnell stated that this is an exciting day for Southeast Toyota. He stated that Toyota's distributorship started here in Jacksonville 54 years ago and that not too long after that, Toyota started to occupy the Talleyrand facility. Toyota has 800 associates here in Jacksonville and it's exciting for the company to be able to provide a new facility for them in an environment where they can have additional efficiencies and, from a Toyota standpoint, be able to process vehicles well into the future. Mr. Gunnell stated it's exciting to work with a partner like Toyota since a lot of their production is overseas which affords them the ability here in Jacksonville to process these vehicles. He stated that on behalf of Southeast Toyota, they appreciate the partnership with JAXPORT, and he looks forward to many more years to come.

Mr. Green continued his report by stating that he and Fred Wong will be traveling to Miami to attend the SeaTrade conference. He stated that it is the largest cruise conference in the world so obviously they will be talking to cruise partners and future potential partners.

He stated that the port's deepening project is very near to completion and that we will be having a celebration on May 23 in lieu of the regularly scheduled board meeting.

Mr. Green informed the Board members that we will have a very heavy agenda for the June board meeting along with the possibility of another major deal, possibly even two, as the port works through the negotiations of these two deals over the next 30 to 45 days.

Chairwoman Hamilton then asked everyone to stand by and join the Board after the meeting for a signing ceremony to commemorate the JAXPORT/Southeast Toyota agreement.

Reports

R2022-04-01 Engineering and Construction Update

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

R2022-04-02 Financial Highlights by Beth McCague

Ms. Beth McCague provided Financial Highlights to the Board in their books for the month of March 2022.

R2022-04-03 Financials/Vital Statistics

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

R2022-04-04 Commercial Highlights

Mr. Robert Peek provided updated commercial highlights to the Board for the month of April 2022.

Other Business

After a motion by Mr. Fleming 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 2022.

Board Member Jamie Shelton stated that he felt somewhat compelled to say a few words considering the dust storm he created at the last meeting about the raising of the power lines. He just wanted to thank JEA CEO Jay Stowe, who during this process over the last 30 days, has publicly committed to raising the lines. Obviously, there was no commitment on how to pay for the lines, but the lines of communication are open between that agency and ours and he knows that Eric is having conversations.

Mr. Shelton thanked the USACE for stepping up as well in the process and also thanked JEA Board Chairman John Baker for his support and his comments during JEA's meeting last week. Mr. Shelton just wanted to make sure that his comments were noted for the record and that he appreciates JEA's willingness to step up and make that public commitment.

There were no emergency purchases or unbudgeted transactions.

Adjourn

There being no further business of the Board, the meeting adjourned at 9:47 a.m. and Chairwoman Hamilton invited everyone to attend the signing ceremony between Southeast Toyota and JAXPORT.