



Minutes for Board of Directors Meeting

03/27/2023 | 09:00 AM - 09:46 AM - Eastern Time (US and Canada)

2831 Talleyrand Avenue, Jacksonville, FL 32206

Board Members Attending:

Mr. Daniel Bean, Vice Chair
Ms. Wendy Hamilton, Treasurer/Secretary
Mr. Jamie Shelton, Member
Mr. Ed Fleming, Member

Absent: Mr. Palmer Clarkson, Chair

Other Attendees:

Mr. Eric Green, Chief Executive Officer
Ms. Beth McCague, Chief Financial Officer/Chief of Staff
Mr. Nick Primrose, Chief, Regulatory Compliance
Mr. James Bennett, Chief Operating Officer
Mr. Mike McClung, Director of Finance
Mr. Ron Salem, City Council Liaison
Mr. Reece Wilson, Office of General Counsel
Ms. Soo Gilvarry, Incoming Board Member
Ms. Rebecca Dicks, Board Liaison

A meeting of the Jacksonville Port Authority Board of Directors was held on Monday, March 27, 2023 at the Port Central Office Building, 2831 Talleyrand Avenue, Jacksonville, Florida. Vice Chairman Daniel Bean called the meeting to order at 9:00AM and welcomed all attendees. Board Member Wendy Hamilton led the audience in a moment of silence and the Pledge of Allegiance.

Vice Chairman Bean informed the Board that he was filling in for Chairman Clarkson who was unable to attend the meeting due to travel delays. Vice Chairman Bean then introduced and welcomed nominated incoming Board Member Soo Gilvarry who attended this meeting as a guest since she is still going through City Council confirmation process.

Vice Chairman Bean also advised the Board members and audience that there would be a signing ceremony with the Island of Aruba immediately following this Board meeting. He also welcomed and acknowledged several guests who were in attendance for this special event such as the State of Florida Chief Financial Officer Jimmy Patronis, the Prime Minister of

Aruba – Mrs. Evelyn Wever Croes, along with other members of the Aruba Delegation, representatives from Eagle LNG, and JAXUSA Partnership.

Approval of Minutes - Board of Directors Meeting - February 27, 2023

Vice Chairman Bean called for approval of the February 27, 2023 Board of Directors Meeting Minutes. After a motion by Mr. Shelton and a second by Ms. Hamilton, the Board unanimously approved the minutes as submitted.

Public Comments

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

New Business

BD2023-03-01 2022 Report on Compliance Audit

Ms. Beth McCague presented this submission for Board approval to accept the final report of Compliance Audit prepared by RSM US, LLP.

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

BD2023-03-02 Sovereignty Submerged Land Lease Modification

Mr. James Bennett presented this submission for Board approval of modifying the sovereign submerged land lease agreement No. 160529609 (SSLL) between JAXPORT and the Board of Trustees of the Internal Improvement Trust Fund of the State of Florida. Due to modifications to Berth 22 to add additional breasting and mooring dolphins, the current lease must be modified to account for the placement of the additional structures to support larger vessel placement at the berth. There is no cost to JAXPORT for lease Renewal and Modification. The State will finalize the renewal upon acceptance.

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

BD2023-03-03 JAXPORT/JEA Interlocal Agreement

Mr. Nick Primrose presented this submission for Board approval of the Interlocal Agreement between the Jacksonville Port Authority and the Jacksonville Electric Authority to support the raising of the Fulton Cut Crossing Electric Transmission lines.

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

CEO Update

Mr. Green informed the Board that JAXPORT has secured another new European container service from the world's largest ocean carrier, Mediterranean Shipping Company (MSC). The service is called "ScanBaltic to USA" and it is JAXPORT's only direct container service with Scandinavia. The ships will arrive in Jacksonville every two weeks beginning in late April. MSC now offers 5 container services through JAXPORT, and they are the port's largest container customer by the number of ocean carrier services offered through our port. This marks the 5th new container service added at JAXPORT in the last 24 months.

Mr. Green then welcomed representatives from the U.S. Army Corp of Engineers Jacksonville District – Howie Gonzales, Deputy District Engineer for Programs and Project Management; Milan Mora, Chief, Water Resources Branch; and Jason Harrah, Sr. Project Manager.

Mr. Green informed the Board that they were here today to share some special news about the harbor deepening project. Since the project was completed in May 2022 ahead of schedule and under budget, JAXPORT anticipated this would result in a refund. He then introduced Mr. Jason Harrah to discuss the specifics.

Mr. Harrah shared with the Board that the Jacksonville District had the distinct pleasure of announcing that the interim cost share balancing at this stage of the Jacksonville Harbor deepening project made it possible to return a check in the amount of \$35 million dollars of excess non-federal funding to JAXPORT. He stated that the return of these excess funds is the result of the Corps of Engineers successfully navigating advantageous bigger competition for each of the three contracts of the project.

Mr. Harrah stated that the Corp takes pride in returning these substantial savings to JAXPORT. He stated that in a project of this size, the fiscal closeout, including the Project's total cost, does take some time to complete, and he expects to have the final fiscal accounting completed by the beginning of next year. He stated that if there are remaining savings after that fiscal closeout that they will be back.

CEO Eric Green and Vice Chairman Daniel Bean then joined Mr. Gonzalez, Mr. Moran and Mr. Harrah for a check presentation. Mr. Green said the refund is about being good stewards

of public dollars by working to keep costs down and completing the project as efficiently as possible. This refund is a direct result of those efforts.

Vice Chairman Daniel Bean stated that he appreciated the magnitude of the project and he couldn't think of another large project that has come in under budget. He stated that the JAXPORT team is working hard to determine the distribution amounts for each funding partner and that will be announced in the near future. Mr. Bean stated the ability to provide a substantial refund to the port's partners at the state and city level is a significant milestone that needs to be commended.

Mr. Green continued with his CEO update by introducing the guests who traveled from Tallahassee and the Island of Aruba to be at the Board meeting today. First, he introduced State of Florida Chief Financial Officer Jimmy Patronis and then he introduced several special guests from Aruba which included Prime Minister Evelyn Wever-Croes, Minister of Tourism and Public Health Dangui Oduber and Ministry of Tourism and Public Health Sr. Legal Advisor Andin Bikker. He also introduced the port's partners from Eagle LNG - President Sean Lalani and Vice President of Business Development Filipe Pinto.

Mr. Green stated that all of these guests were joining us today to participate in a signing ceremony between JAXPORT and Aruba. This MOU will affirm the ongoing efforts by JAXPORT and Aruba to mutually promote business and tourism opportunities between the two regions, share best practices on port operations and environmental sustainability, and explore the potential for trade and business development.

As Mr. Green previously mentioned to the Board following his business trip to Aruba in January, the International Monetary Fund found that Aruba was one of the countries hardest hit by the economic impacts of the pandemic due to of the shutdown of tourism to the island. The Aruban government is working to strengthen its economy through business diversification. Mr. Green stated that JAXPORT certainly wants to help with those efforts and that strong business diversification is something the State of Florida and JAXPORT have both found success in. Through this partnership, everyone can work together to mutually benefit both communities. He stated that CFO Patronis was the driving force behind this agreement, and then introduced CFO Patronis to discuss the growth opportunities in this trade lane.

State of Florida Chief Financial Officer Jimmy Patronis stated that he was honored to have been part of this historic event to strengthen the trade relationship between the State of Florida and Aruba. He stated that our ports sustain Florida's exponential growth and the trade

agreement to be signed today is a clear example of how we are keeping Florida's fiscal health fixed on the future. CFO Patronis then introduced Prime Minister Evelyn Wever-Croes.

Prime Minister Evelyn Wever-Croes stated that it was an honor for her and her colleagues to be here today to sign this memorandum of understanding between Aruba and JAXPORT. She stated that Aruba is in recuperation after the pandemic and that that not only does Aruba want to bounce back, but it also wants to bounce forward to become stronger and more resilient. The Prime Minister stated that this MOU is a cornerstone of economic growth for Aruba.

Mr. Green then introduced Sean Lalani, President of Eagle LNG who discussed LNG's new long-term agreement to export cleaner, greener, liquefied natural gas from Jacksonville to Aruba. Mr. Lalani stated that LNG's agreement with the electric utility of Aruba marks a key step forward for clean power generation helping transition Aruba from expensive and dirty fuels, creating substantial investment and new energy transition job opportunities in both Florida and Aruba. He stated that Aruba and JAXPORT's support for these projects opens the way for new opportunities and economic pillars.

Mr. Green concluded his CEO update by stating that the Aruba delegation will tour JAXPORT after today's signing ceremony. He stated that the port will host a roundtable discussion with some of its customers, as well as business and tourism development experts, to explore opportunities for growing connections between Aruba and JAXPORT on Tuesday, March 28, 2023.

Vice Chairman Bean asked CFO Patronis, Prime Minister Wever-Croes, the full Aruba Delegation, and Sean Lalani of LNG to join him and CEO Eric Green for presentation of a gift symbolizing this new partnership.

Vice Chairman Bean then thanked everyone who traveled here to be with us today. He stated that this is a very important partnership and that he looked forward to the MOU signing at the conclusion of the board meeting.

Reports

R2023-03-01 Engineering and Construction Update by James Bennett

Mr. James Bennett provided an overview of the key capital and engineering projects to the Board in their books as info only.

R2023-03-02 Financial Highlights by Beth McCague

Ms. Beth McCague provided Financial Highlights to the Board in their books for the month of February 2023.

R2023-03-03 Financials/Vital Statistics

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

R2023-03-04 Commercial Highlights by Robert Peek

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

Other Business

After a motion by Mr. Fleming and a second by Ms. Hamilton, 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 month of May 2023.

There were no emergency purchases or unbudgeted transactions.

There being no further business of the Board, the meeting adjourned at 9:46AM. Vice Chairman Bean invited everyone to stay for the signing ceremony between JAXPORT and Aruba.