



Minutes for Board of Directors Meeting

05/22/2023 | 09:00 AM - 10:12 AM - Eastern Time (US and Canada)

2831 Talleyrand Avenue, Jacksonville, FL 32206

Board Members Attending:

Mr. Palmer Clarkson, Chair
Mr. Daniel Bean, Vice Chair
Mr. Jamie Shelton, Member
Ms. Soo Gilvarry, Member

Absent: Ms. Wendy Hamilton, Treasurer/Secretary
Mr. Ed Fleming, Member

Other Attendees:

Mr. Eric Green, Chief Executive Officer
Ms. Linda Williams, Chief Administrative Officer
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. Rebecca Dicks, Board Liaison

A meeting of the Jacksonville Port Authority Board of Directors was held on Monday, May 22, 2023 at the Port Central Office Building, 2831 Talleyrand Avenue, Jacksonville, Florida. Chairman Clarkson called the meeting to order at 9:00AM and welcomed all attendees. Board Member Jamie Shelton led the audience in a moment of silence and the Pledge of Allegiance.

Chairman Clarkson officially welcomed new board member Soo Gilvarry who was confirmed by City Council on March 28, 2023. He also noted for the record that Board members Wendy Hamilton and Ed Fleming were unable to attend today's meeting.

Chairman Clarkson also acknowledged that City Councilman Ron Salem would be stepping down as JAXPORT's liaison after this meeting. He stated that Mr. Salem has been a fantastic help and a great partner to the port and that he will be greatly missed.

Chairman Clarkson advised the Board that there would be a special guest joining them later this morning, and he will introduce him once he arrives, so he proceeded with the agenda.

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

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

Public Comments

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

New Business

BD2023-05-01 Jacksonville Port Authority Participation in City of Jacksonville Independent Agency Property Insurance Program

Mr. Nick Primrose presented this submission for Board approval of JAXPORT's continued participation in the City of Jacksonville's comprehensive insurance program for the budget year beginning October 1, 2023 and thereafter, and to reimburse the City of Jacksonville for JAXPORT's allocation of the 2023-2024 premium expense in the amount of \$914,170.54; and to delegate authority to the CEO to authorize future comprehensive insurance program annual premium payments, including those exceeding \$500,000, so long as those comprehensive insurance program premium amounts are included in the annual budget approved for that year.

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

Before proceeding with additional New Business, Chairman Clarkson recognized and welcomed back former JAXPORT Board member and two-time Chairman Mr. Jim Citrano. Mr. Citrano was in attendance today to help Linda Williams, JAXPORT's Chief Administrative Officer, present a 10 Year Milestone Award to Bradley Burch, Cyber Security Administrator, and thank him for his service.

Chairman Clarkson then continued with additional New Business.

BD2023-05-02 Moran Towing Corporation - Facilities Lease Agreement

Ms. Linda Williams presented this submission for Board approval of the continuation of the Facilities Lease Agreement with Moran Towing for a term of 10 years with one (1) ten (10) year renewal option.

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

AC2023-05-01 Rehabilitate Underdeck Concrete - Phase 4

Mr. James Bennett presented this submission for Board approval of the issuance of Change Order No. 3 to Sothern Road & Bridge, LLC in the amount of \$826,100.00 to rehabilitate underdeck concrete – phase 4. The total contract cost to include Change Order No. 3 is \$2,856,460.97.

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

AC2023-05-02 Terminal Development for SET - CM at Risk - Early Sitework & Deep Foundations

Mr. James Bennett presented this submission for Board approval of the issuance of Continuation Project Order No. 1 to JE Dunn Construction Company in the amount of \$18,011,789.00 for Terminal Development at SET – CM Risk, early sitework and deep foundations. The total contract cost to include Continuation Project Order No. 1 is \$18,711,789.00.

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

CEO Update

CEO Eric Green gave an update on various matters related to JAXPORT.

The port set a new record on May 9, 2023 with the arrival of the vessel ONE STORK, the largest container ship to ever call on JAXPORT. It carried 14,000 containers, surpassing the previous record of 12,000 containers.

The arrival of ONE STORK marks the beginning of nine similarly sized vessels calling on JAXPORT weekly through the EC5 service operated by THE Alliance. This service takes advantage of the deeper channel created by the harbor deepening project.

The larger ships offer more capacity for cargo, which brings economic impact and job opportunities to the community. The rotation connects Jacksonville to ports in Thailand, Vietnam, Singapore, and Sri Lanka.

The budget, including a capital program exceeding \$400 million, is being finalized by our team. The budget will be presented at the June meeting for Board approval.

There's progress with the JEA power lines project, and by December, a guaranteed maximum price for their installation will be determined.

The delivery of SSA cranes is expected in mid-June. It will take approximately 90 days for the cranes to be fully commissioned. These cranes will enhance terminal capacity and efficiency, supplementing the three existing 100-gauge cranes on Blount Island.

JAXPORT secured \$30 million towards the purchase of two cranes during the successful legislative session in Tallahassee. The equipment department will determine specifications of these cranes so that the procurement process may begin.

Mr. Green's travel has been steady and constant, focusing on meeting with shipping lines worldwide to promote the benefits of calling on JAXPORT.

Mr. Green has scheduled a meeting with the new CEO of CSX, along with Robert Peek, to discuss matters of mutual interest.

Chairman Clarkson noted that an article in the Wall Street Journal highlighted the challenges faced by U.S. seaports. It stated that U.S. seaports experienced a 26 percent decline in container trade on crucial Asia to North America shipping lanes in the first quarter compared to the previous year. Additionally, imports at the Port of Savannah have been consistently declining over the past six months, while the revenue at the Port of New York and New Jersey is down 21 percent this year.

On the other hand, JAXPORT has had a successful year so far. The operating income of JAXPORT has increased by 10.43 percent, with \$34 million last year and \$37.7 million this year. Chairman Clarkson expressed his pride and gratitude for the fantastic year JAXPORT is having and encourages everyone to continue signing deals to maintain the momentum and achieve record-breaking success.

Reports

R2023-05-01 Safety & Training Update

Mr. Nick Primrose provided a Safety & Training Update.

R2023-05-02 Engineering and Construction Update

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

R2023-05-03 Financial Highlights by Beth McCague

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

R2023-05-04 Financials/Vital Statistics

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

R2023-05-05 Commercial Highlights

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

Other Business

After a motion by Mr. Bean and a second by Mr. Shelton, 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 2023.

There were no emergency purchases or unbudgeted transactions.

There being no further business of the Board, the meeting adjourned at 10:12AM.