

BOARD OF DIRECTORS MEETING
Jacksonville Port Authority
2831 Talleyrand Avenue
May 21, 2012

A meeting of the Jacksonville Port Authority Board of Directors was held on Monday, May 21, 2012 at Port Central Office Building, 2831 Talleyrand Avenue, Jacksonville, Florida. Chairman Reginald Gaffney called the meeting to order at 10:05 a.m. and welcomed all attendees. Chairman Gaffney led the audience in the Pledge of Allegiance and legislative prayer.

Committee/Board Members Attending:

Mr. Reginald L. Gaffney, Chairman
Mr. Stephen D. Busey, Vice Chairman
Mr. James P. Citrano, Treasurer
Mr. Joe York, Secretary
Mr. John Anderson, Member
Mr. John Falconetti, Member

Excused absence:

Dr. John Allen Newman, Member

Other Attendees:

Mr. Paul Anderson, Chief Executive Officer
Mr. Roy Schleicher, Executive Vice President
Mr. Michael Poole, Chief Financial Officer
Mr. Chris Kauffmann, Chief Operating Officer
Mr. Eric Green, Sr. Director, Government & External Affairs
Dr. Johnny Gaffney, City Council Liaison to JAXPORT
Mr. Gayle Petrie, Office of General Counsel
Ms. Becky Dicks, Board Secretary

Approval of Minutes

Chairman Gaffney called for approval of the April 23, 2012 Board Meeting minutes. After a motion by Mr. John Anderson and a second by Mr. York, the Board unanimously approved the minutes as submitted.

Public Comments

Chairman Gaffney called for comments from the public. There being none, moved on to New Business.

New Business

BD1205-01 Sublease Agreement between TraPac, Inc. and Jacksonville Port Authority

Mr. Roy Schleicher presented this submission for Board approval of a Resolution authorizing the execution of the sublease agreement by and between TraPac, Inc. and the Jacksonville Port Authority, wherein the Port desires to sublease approximately 15 acres of land located at the Dames Point Terminal from TraPac in order to assist the Department of Defense with the storage requirements needed in support of the foreign military sales to Afghanistan.

After a motion was made by Mr. Jim Citrano and a second by Mr. John Anderson, the Board voted unanimously to approve this submission.

BD1205-02 Mile Point Design Agreement

Mr. Chris Kauffmann presented this submission for Board approval of a Resolution authorizing the execution of a design agreement between the Department of the Army and the Jacksonville Port Authority for the Mile Point Project.

After a motion was made by Mr. York and second by Mr. Citrano, the Board voted unanimously to approve this submission.

Reports

R1205-01 Engineering and Construction Update

Mr. Chris Kauffmann provided an overview of the key capital projects.

R1205-02 Monthly Financials/Vital Statistics

Mr. Michael Poole provided an overview of our monthly financials and vital statistics and answered questions.

R1205-03 Business Development Report

Mr. Roy Schleicher provided an overview of the business development report.

Chairman's Update

Chairman Reginald Gaffney recognized the hard work and dedication the staff has accomplished since the last board meeting. He also recognized and thanked the Army Corp of Engineers for their help with the Mile Point project and stated that the upcoming signing ceremony would allow us to bring more jobs to this region. Chairman Gaffney also gave thanks to the individuals that helped with the Customer Appreciation events and dinner during the TPC week. The Chairman also mentioned that he appreciated Mayor Brown and Council President Joost's attendance at the Customer Appreciation dinner.

Chairman Gaffney then requested that the board members take out their calendars and explained that the date regarding board terms of the officers was changed from October to June, so it's that time of year again. The Chairman then stated that he wanted to table activating the nominating committee and asked the board members to check their calendars for the board workshop which could be held within the next couple of weeks. The Chairman suggested June 7-8 and June 14-15. Chairman Gaffney stated that he checked with the Office of General Counsel to establish the agenda for the workshop. He also stated that he would be following up with each member to talk about what he would like to discuss at this workshop. The Chairman stated that time is moving and he wanted to make sure that the board keeps the momentum moving. Chairman Gaffney then thanked the board again and moved on to other business.

Other Business

After a motion by Mr. York and a second by Mr. John Anderson, the Board unanimously approved travel by one or more Board Members and/or employees of the Authority for business solicitation purposes or to attend any necessary conferences and/or meetings during the months of June 2012.

CEO's Update

Mr. Paul Anderson stated that exciting, positive things were going on at JAXPORT. Even today, JAXPORT is hosting the Caribbean Shipping Association's Annual Conference in Amelia Island, which for the first time in their 40 year history is being held in Northeast Florida. He stated that over 200 executives were present for this event and that it would change the world with the expansion of the Panama Canal. Mr. Anderson then thanked JAXPORT staff for their dedication and service for this event. Mr. Anderson had the privilege of introducing Lt. Governor Jennifer Carroll to speak to this group on behalf of the state of Florida. He stated that her ability to articulate the state's strategic investment regarding Florida's ports is game changing for JAXPORT and Northeast Florida. Mr. Anderson stated that he also spent quite a bit of time yesterday with Alberto Aleman, President of the Panama Canal, who has been leading efforts of that nation to building the most important project of our lifetime. It will change the world

and a lot of what we talk about and spend our time doing is directly related to the expansion of the Panama Canal. Mr. Anderson stated that he had a chance to speak with several people at the CSA reception Sunday evening from Trinidad, Guyana, the U.S. Virgin Islands, and basically all of the Caribbean nations which are our largest trading partners for the state of Florida. It was a very big event for Jacksonville and we have a very engaged staff helping with all of these events.

Paul Anderson also thanked the Chairman for acknowledging the staff for their outstanding work performance and multi-tasking. Many staff members work long weekends and handle very complex issues. They are what really make this port work. Mr. Anderson mentions that by the next board meeting, he should have some significant announcements to share with the public and the board regarding major new customers at this port which will have a significant impact. JAXPORT is on rise with a clear momentum behind us; we got our cruise contract, new auto service customers, and we are aggressively pushing the envelope in finding creative ways in Congress to fund and approve our projects but we have huge challenges ahead and are working at every level to improve our Port.

Mr. Anderson stated that the board members carry quite a bit of weight in the community, and he thought it might be helpful if the board members could identify and arrange speaking engagements for him, or even themselves, to speak to certain groups that they think would like to hear the Port's story. He stated that the Port could put together a program that helps the board members help the port. There are many positive items on our agenda that would help people understand what we are trying to do. Mr. Anderson stated that he continues to speak with companies from all over the world that are interested investing both with us in this port and in the infrastructure. It continues to be in the American Association of Port Authorities, his colleagues from around the country and world are looking for alternative funding mechanisms in the event there is a worldwide catastrophe. Mr. Anderson states that the Port is engaged with dozens of financial institutions and investors and equity funds, both local and national, that are interested and that this continues to be a positive sign. He states that we have lots of people sincerely interested in doing business with this Port. He then thanked the board for their continued support.

Submitted For Information

There were no emergency purchases or unbudgeted transactions.

There being no further business of the Board, the meeting was adjourned at 11:10 a.m.