

**BOARD OF DIRECTORS MEETING
Jacksonville Port Authority
2831 Talleyrand Avenue
March 25, 2013**

A meeting of the Jacksonville Port Authority Board of Directors was held on Monday, March 25, 2013 at the Port Central Office Building, 2831 Talleyrand Avenue, Jacksonville, Florida. Vice Chairman Joe York called the meeting to order at 9:05 a.m. and welcomed all attendees. Mr. Robert Spohrer led the audience in the Pledge of Allegiance and moment of silence.

Committee/Board Members Attending:

Mr. Joe York, Vice Chairman
Mr. John Anderson, Treasurer
Mr. John Falconetti, Secretary
Mr. Reginald L. Gaffney, Member
Dr. John Allen Newman, Member
Mr. Robert Spohrer, Member

Excused absence:

Mr. James Citrano, Chairman

Other Attendees:

Mr. Roy Schleicher, Interim CEO
Mr. Chris Kauffmann, Chief Operating Officer
Mr. Michael Poole, Chief Financial Officer
Mr. Jim Love, City Council Liaison to JAXPORT
Mr. Gayle Petrie, Deputy General Counsel
Ms. Becky Dicks, Board Secretary

Approval of Minutes

Vice Chairman York called for approval of the February 25, 2013 Board Meeting and Workshop Minutes. After a motion by Mr. Gaffney and a second by Dr. Newman, the Board unanimously approved the minutes as submitted.

Public Comments

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

New Business

BD1303-01 Resolution Authorizing the Acquisition of Real Property By the Use of Eminent Domain

Mr. David Kaufman presented this submission for Board approval of acquisition of interests in certain lands for port facility development, including but not limited to an Intermodal Container Transfer Facility (ICTF), by acquiring property interests in two parcels from the CertainTeed Corporation. Mr. Kaufman asked the Board to authorize the acquisition of Parcels 100 and 700, consensually if possible and by condemnation through eminent domain if necessary.

Mr. John Anderson asked Mr. Kaufman to modify the submission to clarify that JAXPORT will be purchasing a temporary construction easement over Parcel 700.

After a motion was made by Mr. Anderson and a second by Dr. Newman, the Board voted unanimously to approve this submission along with Board Member Anderson's addendum to said submission.

BD1303-02 Litigation Support Services

Mr. Chris Kauffmann presented this submission for Board approval authorizing the Office of General Counsel to procure the services of Pictera Solutions in the not to exceed amount of \$360,000 for litigation support services in regards to the lawsuit JAXPORT has filed against W.G. Yates & Sons Construction Company, Thompson Engineering, Inc. and Halcrow, Inc. due to a construction defect with the asphalt at the TraPac terminal.

After a motion was made by Dr. Newman and a second by Mr. Falconetti, the Board voted unanimously to approve this submission.

AC1302-02 Command & Control Software Tyco Integrated Security, LLC

Mr. Chris Kauffmann presented this award for Board approval of the issuance of Contract No. IT-1396A to Tyco Integrated Security, LLC, in the not to exceed amount of \$396,397 for purchase and integration of Command and Control Software (PSIM).

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

**AC1303-03 Design, Purchase, Deliver and Install Diesel Oxidation Catalysts
NETT Technologies, Inc.**

Mr. Chris Kauffmann presented this award for Board approval of the issuance of Contract No. EQ-1399 to NETT Technologies, Inc. for the design, purchase, delivery and installation of diesel oxidation catalysts.

After a motion was made by Mr. Spohrer and a second by Dr. Newman, the Board voted unanimously to approve this submission.

Reports

R1303-01 Engineering and Construction Update

Mr. Chris Kauffmann provided an overview of the key capital projects and gave an update. Board Member Falconetti also gave a Mile Point update at this time. He stated that he, along with senior staff and other business leaders in the community, developed a strategy on how to leverage local relationships to influence the decision making process on Mile Point and develop a process so we can help MARAD and the USACE to allow us to move forward with this construction without the necessary Congressional legislation that would typically be required. He stated that they have seen some great results the last couple of weeks and that funding is in place. He also stated that they have had some very positive conversations on a regular basis in Washington, DC with the appropriate parties at the appropriate levels. Mr. Falconetti stated that he is very optimistic because they have identified May as a date that they should get a concrete resolution on whether or not MARAD and the USACE will be able to work together. If not, they have other strategies in place.

R1303-02 Monthly Financials/Vital Statistics

Mr. Michael Poole provided an overview of our monthly financials and vital statistics and gave an update.

R1303-03 & 1303-04 Legislative Update and Business Development Report

Mr. Roy Schleicher provided a legislative update in the absence of Mr. Green. He also provided an overview of the business development report.

Interim CEO Update

Mr. Schleicher began his remarks by thanking Robert Peek and all the volunteers for their help in making the 2013 Logistics & Intermodal Conference such a success. They had 365 registrants and more than 200 companies from 23 states, Puerto Rico, Haiti, Mexico, and Canada participate in this event. Mr. Schleicher also reported that the ILA

agreement is final. He stated that the G6, a Panama and Suez service, will join with the New World Alliance, which already calls on JAXPORT. He also mentioned that Hapag Lloyd and our long term tenant, Hamburg SUD, are still in negotiations on a merger.

Mr. Schleicher stated that he was able to negotiate a new contract with Hanjin to bring in a new weekly service from Asia. This will bring more business here because of service contracts that are already in place. He stated that we will see not only an additional weekly service but we will see more and more customers utilize this port which is very encouraging. The positives are that we won't lose any revenue because we still have cruise revenue of \$4 million; we didn't have to bond \$250-300 million dollars; we still have Hanjin vessels calling on JAXPORT; there will be more containers and more jobs; it will increase business for other terminal operators; and there will be other opportunities that exist for the land. This will result in 15 of the top 16 Asian services calling on JAXPORT.

Other Business

After a motion by Dr. Newman and a second by Mr. Spohrer, 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 and April, 2013.

Dr. Newman inquired as to when the board would be getting an update on the CEO search. Mr. Louis Naranjo stated that he and Sheryl Williams are working with Heidrick and Struggles and that they are moving in accordance with their proposed schedule. Ms. Sheryl Williams stated that Heidrick and Struggles were on target and that they have come up with a good selection of CEO candidates already and that she would be reaching out to the board members for some potential dates for interviews.

Submitted for Information

The following items were submitted for information:

- A. The Awards Committee minutes for March 13, 2013
- B. Emergency Purchases for month of February, 2013 - None
- C. There were no unbudgeted transactions.

There being no further business of the Board, the meeting was adjourned at 10:15 a.m.