

**SPECIAL BOARD OF DIRECTORS MEETING
Jacksonville Port Authority
2831 Talleyrand Avenue
May 6, 2013**

A special meeting of the Jacksonville Port Authority Board of Directors was held on Monday, May 6, 2013 at the Port Central Office Building, 2831 Talleyrand Avenue, Jacksonville, Florida. Chairman Jim Citrano called the meeting to order at 10:00 a.m. and welcomed all attendees. Mr. John Anderson led the audience in the Pledge of Allegiance and moment of silence.

Committee/Board Members Attending:

Mr. Jim Citrano, Chairman
Mr. Joe York, Vice Chairman
Mr. John Anderson, Treasurer
Mr. John Falconetti, Secretary
Dr. John Allen Newman, Member
Mr. Robert Spohrer, Member

Other Attendees:

Mr. Roy Schleicher, Interim CEO
Mr. Alan Fromowitz, Heidrick & Struggles
Mr. Charles Commander, Heidrick & Struggles
Mr. John Germany, Office of General Counsel
Ms. Becky Dicks, Board Secretary

Public Comments

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

New Business

Chairman Citrano asked Alan Fromowitz and Charles Commander to step up to the podium to give their reports to the board as to why the CEO candidate the board unanimously chose had withdrawn his candidacy. Chairman Citrano then stated that it was noted in this morning's paper that Board Member Reginald Gaffney would not be joining them today due to an issue regarding his reappointment.

Mr. Fromowitz began his report by saying that unfortunately Mr. Juan Kuryla chose to withdraw from the process and accepted a counter offer from Port Miami. He stated that he and Mr. Commander were present today to fully discuss this issue with the board and to discuss the board's options going forward. He believes that there are a

number of other candidates who can be developed and presented to the board and that he and Mr. Commander were here today to express to the board that Heidrick & Struggles are fully committed to see the search through until the board makes a selection on their next CEO of JAXPORT.

Chairman Citrano then opened up a discussion with his fellow board members on how to proceed.

Mr. John Anderson asked Mr. Fromowitz to better explain exactly what happened with Mr. Kuryla since he was quite taken aback by the news, particularly due to the fact that he had addressed this issue with Mr. Kuryla during the interview process, and also in addition to Mr. Kuryla's statement to the board on the day of the selection. Mr. Anderson also wanted to know what the board could learn from this and take away from the process.

Mr. Fromowitz stated that his comments are purely speculation, since they never know how forthright a candidate is being with them, but that Mr. Kuryla had an overwhelming outpour of support for him in Miami. The Mayor of Miami, as well as the Board of County Commissioners, received significant support inquiries lobbying them to do what could be done to retain him in Miami. Mr. Fromowitz believes that some promises were made to Mr. Kuryla and at the end of the day, and he wasn't sure as to what exactly changed his mind from the commitment he had made to us all, but he did, in fact, decide to remain in Miami.

Mr. Anderson asked Mr. Commander if he had anything to add to Mr. Fromowitz's comments and he stated that he had never personally spoken to Mr. Kuryla, but he had several discussions with Mr. Fromowitz and that he had heard the news late Thursday evening that Mr. Kuryla was withdrawing due to personal and professional reasons. As to lessons learned, Mr. Commander stated that in these instances it is hard to draw any lessons as to what we could have done differently or better and he does not think the board should look at the process any different than what they had before. These things happen in the search process and you move on.

Mr. Fromowitz stated that he did not think it had anything to do with JAXPORT, Jacksonville, or the process, nor was it the opportunity or the ability to attract top talent. It was just a series of events that happened with Mr. Kuryla personally that ultimately had him change his mind.

Dr. Newman stated that his take on the matter showed how strong their choice was and how well the board chose because when confronted with the possibility of losing him, Miami decided to do whatever they had to do to keep him. So in that context, we have nothing to be ashamed of and it shows how strong our choice was.

Mr. Fromowitz stated that it is indeed unfortunate that Mr. Kuryla withdrew and that he totally agreed with Dr. Newman's sentiments.

Board Member Falconetti agreed and stated that even though the board went out of their way to question Mr. Kuryla on this issue, he was glad they found out the result of this question today as opposed to a year or two after the board had set course with a new leader. Mr. Falconetti stated that through this process, he saw the board come together in an extraordinary way and they all independently rallied around a candidate, not only to a slight degree but from what he understood from a scoring process, this applicant scored significantly higher than the number 2 or 3. Again, he thinks this speaks to the process. Mr. Falconetti then questioned Mr. Fromowitz why if there were other applicants that were as outstanding as Mr. Kuryla, were they not part of that initial selection and interview process as well?

Mr. Falconetti also wanted to know from John Germany of the Office of General Counsel what kind of latitude the board has in the agreement with Heidrick & Struggles as far as a second round of interviews.

Mr. Germany stated that the board is entitled to an additional search at no cost.

Mr. Fromowitz stated that Heidrick & Struggles is completely committed and engaged to the board until a successor or until an appointment is made to be the next CEO of JAXPORT – until there is a transition and a start date. We are here in partnership to work with the board until you have the next CEO of JAXPORT.

Board Member Joe York stated that agrees with what his fellow board members have said, but he feels that as the board contemplates the next step that it is important to reevaluate the candidates. He would be open to reopening the search and going through the process again as opposed to trying to make a decision today as to who the second place candidate was. He recommended that the board take full advantage of Heidrick & Struggles ability to open up the search again because some of the candidates withdrew their names as we were going through this process and some may resubmit and some may not. He feels that it is important to open the search back up with a shorter time frame and take another look.

Mr. Fromowitz stated that it was important to share with the board that there will be new candidates who were not previously in the mix from the first time around. This was due purely to a function of timing due to when they launched the search. Some people were staying where they were until bonuses were paid out because it was the end of January, early February, so he thinks there were a number of factors which influenced what the first slate ultimately looked like. Some people withdrew, some people we did not advance last time, but this time it will also include newly identified candidates who are being developed.

Dr. Newman stated that he agreed with Board Member York that they should go through the process again.

Board Member Spohrer stated that we are in need of a permanent CEO to lead this organization and he doesn't want to take three more months to go through this process again. Mr. Spohrer told Mr. Fromowitz that he was surprised to hear there were new

names to be added to the slate of candidates since he had done an exhaustive search the last time. He asked Mr. Fromowitz if he was going to start recruiting other names.

Mr. Fromowitz stated that there would have been other candidates that they may have wanted to introduce last time, but just because of timing, they were not available. It will be a combination of going back to the people that we previously engaged, as well as circling back to people we wanted to attract and engage, but for one reason or another the timing was not right.

Mr. Spohrer stated that if the consensus of the board is to reopen the search that it should be done sooner rather than later because time is of the essence. He wanted to know what the time frame would be for the board to sit down with the candidates for the next round of interviews.

Mr. Fromowitz stated that practically speaking, much of the heavy lifting and up front work has been done, so Heidrick & Struggles has not lost ground or momentum. He would ask that the board give them between two and three weeks to come back with a newly developed slate of candidates.

Chairman Citrano stated that there is a board meeting scheduled for May 20, 2013 and he feels that is a reasonable amount of time for an update. He then called for a motion to reopen the CEO search. He also stated that there has been no loss of business due to the fine interim management that Roy Schleicher has delivered to them. He would like to ask Roy Schleicher to continue on as Interim CEO particularly with all the activities this week with our customers and the TPC events and continue business as usual.

After a motion was made by Mr. Falconetti to reopen the search for CEO candidates to assume the position of JAXPORT Chief Executive Officer and to do so with great dispatch and an expedited deadline, and a second by Dr. Newman, the board voted unanimously to pass this motion.

Chairman Citrano complimented the staff and especially Mr. Roy Schleicher. He encouraged the board to continue on and see what they can come up with in the next month or so.

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