

BOARD OF DIRECTORS MEETING
Jacksonville Port Authority
2831 Talleyrand Avenue
October 28, 2013

A meeting of the Jacksonville Port Authority Board of Directors was held on Monday, October 28, 2013 at the Port Central Office Building, 2831 Talleyrand Avenue, Jacksonville, Florida. Chairman Joe York called the meeting to order at 9:04 a.m. and welcomed all attendees. Mr. John Falconetti led the audience in the Pledge of Allegiance and moment of silence.

Committee/Board Members Attending:

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

Other Attendees:

Mr. Brian Taylor, Chief Executive Officer
Mr. Roy Schleicher, Executive VP, Chief Commercial Officer
Mr. Chris Kauffmann, Chief Operating Officer
Mr. Michael Poole, Chief Financial Officer
Mr. Eric Green, Sr. Director, Government & Community Affairs
Mr. Gayle Petrie, Assistant General Counsel, City of Jacksonville
Mr. Matt Schellenberg, City Council Liaison to JAXPORT
Ms. Becky Dicks, Board Secretary

Approval of Minutes

Chairman York called for approval of the September 23, 2013 Board Meeting Minutes. After a motion by Mr. Anderson and a second by Mr. Falconetti, the Board unanimously approved the minutes as submitted.

Public Comments

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

Presentations

CEO Brian Taylor recognized the following JAXPORT team members celebrating their employee milestones:

Aaron Kendrick, Sr. Director, Finance – 10 years

Priscilla Perry, Executive Assistant – 15 years

Kathran Cintron, Accountant I, AP/Wireless Specialist – 15 years

Brenda Dewitt, Senior Finance & Budget Administrator – 15 years

Joanne Kazmierski, Mgr., Community Outreach & Environmental Advocacy – 10 years

James Carleton, Sr. Accountant, AR Credit and Collection – 15 years

New Business

BD1310-01 Trailer Bridge Facilities Lease Agreement

This submission was presented by Mr. Roy Schleicher for Board approval of the Facilities Lease Agreement between JAXPORT and Trailer Bridge for a new 10 year contract.

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

BD1310-02 Zoo Parkway Lease Agreement

This submission was presented by Mr. David Stubbs for Board approval of an agreement to lease property off Zoo Parkway for 4 years.

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

AC1310-01 Engineering Services for Design and Construction/Bid for Reconstruction of Berths 32-35 at BIMT

Mr. Chris Kauffmann presented this award for Board approval of the issuance of a contract with HDR Engineering, Inc. for them to provide engineering services for the design and preparation of bid documents related to upgrades of berths 32-35 at Blount Island.

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

CEO Update

Mr. Taylor informed the Board that the past few weeks had been very eventful in regards to the passage of the 2013 WRDA bill and the impact it had on our deepening initiative. He then recapped where we are as of today and what will be happening next.

First, Mile Point has been included as a named project in the House version of the Bill. Mr. Taylor stated that this will allow us to proceed with the Corps as soon as the Bill has been signed into law. Before that happens, the House and Senate version of the WRDA must be merged in conference. He stated that we are still not clear on the timing of the conference review and when the Bill might be ready for the President, so in the meantime we must continue to pursue a dual path of WRDA and do it ourselves. Mr. Taylor stated we will just have to wait and see how long it may take to get this process moving. He also stated that it is critical that we complete this project concurrent with the opening of the expanded Panama Canal. If we feel the WRDA approval process is not moving quickly enough, he may come to the board with a recommendation that will allow us to complete this project by the end of 2015, or early 2016.

Mr. Taylor stated that while the Senate version of the Harbor Deepening project appears to provide more flexibility, unfortunately it is not currently included in the House version of the bill. He stated that we will continue to work closely with our Florida delegation on this process because they clearly understand and know the best way to get this done. In the meantime, PED funding from non-federal funds is in the bill and it allows us to seamlessly keep the project moving once our Chiefs Report is available in April, 2014. Mr. Taylor stated that once we have a confirmed Chiefs Report, we must also begin focusing attention on the next WRDA which is something that the Transportation and Infrastructure Committee and Chairman Shuster says is essential.

Mr. Taylor spoke briefly about the ICTF which is another critical project for the future. He informed the board that this past week the team met with bidders who are interested in the design/build work on our ICTF. He stated that this project continues to move ahead on schedule and we are expecting to make a recommendation to the board at the December Board meeting, and the plan is to issue a Notice to Proceed in January, 2014.

Mr. Taylor stated that our business remains financially sound and that our efforts to pay off debt continue to enhance our financial position. We actually reduced liabilities by \$30 million. While this news is good, as he has stated at previous meetings and in our guiding principles, he feels that we need to focus on business growth. He stated that he is pleased with the progress we are making in ramping up our commercial activities.

In conclusion, Mr. Taylor stated that he would like to briefly address the recent article in the Florida Times Union regarding the Mason Tillman study that was completed regarding contract awards to minorities and women owned vendors. He stated this is

clearly an issue we take very seriously and one that will get the full attention that it deserves. He reminded the Board that we currently have a Small and Emerging Business initiative at the Port headed by Yetunde Oyewole. Mr. Taylor stated that while we have not yet had the time to fully digest all of the findings in the report, we are quickly going through that process to ensure there is an understanding and agreement on the most critical issues. He stated that to help ensure that this is properly and proactively addressed by all the independent authorities, the CEO's met last week and agreed to form a working group with members from each entity. This group will review the issues and come back to them with recommendations that can be implemented heading into 2014.

Mr. Taylor then recognized Florida Department of Transportation (FDOT) Urban Transportation Development Manager James Bennett for being named the FDOT District 2 Leader of the Year and thanked him for his partnership and contributions to JAXPORT, including helping to secure more than \$157 million for port projects during the past five years.

Dr. John Newman, Board Secretary, recognized members of JAXPORT's security team for their contributions during President Obama's July visit to the port. Dr. Newman thanked the team for their efforts preceding and during the event, noting their work had impressed the White House advance teams so much they had personally offered him their compliments on a job well done during his recent visit to Washington, D.C.

Reports

R1310-01 Business Development Report

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

R13010-02 Engineering and Construction Update

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

R1310-03 Monthly Financials/Vital Statistics

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

R1310-04 Legislative Update

Mr. Green provided an overview on legislative issues and gave an update.

Other Business

After a motion by Mr. Spohrer and a second by Dr. Newman, 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 November/December, 2013.

Submitted For Information

The Awards Committee meeting minutes for October 22, 2013 were submitted for information. There were no emergency purchases or unbudgeted transactions.

Mr. Taylor also made mention of JAXPORT's 10 year cruise anniversary to be commemorated this evening at an event hosted by Visit Jacksonville and JAXPORT at the Sandollar Restaurant off Heckscher Drive.

There being no further business of the Board, the meeting was adjourned at 10:30 a.m.