

**BOARD OF DIRECTORS MEETING**  
**Jacksonville Port Authority**  
**Cruise Terminal, 9810 August Drive**  
**December 11, 2013**

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A meeting of the Jacksonville Port Authority Board of Directors was held on Wednesday, December 11, 2013 at the Cruise Terminal, 9810 August Drive, Jacksonville, Florida. Chairman Joe York called the meeting to order at 10:20 a.m. and welcomed all attendees. Dr. John A. Newman led the audience in the Pledge of Allegiance and moment of silence. Chairman York then introduced new Board Member Ambassador Nancy Soderberg and welcomed her to the JAXPORT Board of Directors.

**Committee/Board Members Attending:**

Mr. Joe York, Chairman  
Mr. John Falconetti, Treasurer  
Mr. Dr. John Allen Newman, Secretary  
Mr. Robert Spohrer, Member  
Mr. Jim Citrano, Member  
Ms. Nancy Soderberg, 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  
Ms. Becky Dicks, Board Secretary

**Approval of Minutes**

Chairman York called for approval of the October 28, 2013 Board Meeting Minutes. After a motion by Mr. Citrano and a second by Mr. Spohrer, the Board unanimously approved the minutes as submitted.

**Public Comments**

Chairman York called for comments from the public. Representative Lake Ray addressed the board and gave an update on the Freight Logistics Zone.

## Chairman's Update

Chairman York stated that with the departure of Vice Chairman John Anderson, he wanted to propose a new slate of officers so as to start the meeting with an understanding of the board members respective roles moving forward - John Falconetti as Vice Chairman, Dr. John A. Newman as Treasurer, and Robert Spohrer as Secretary, and that they will serve in these roles until June 30, 2014. After a motion was made by Mr. Spohrer and a second by Mr. Citrano, the Board voted unanimously to approve this new slate of officers.

The Board also picked new officers for the Audit Committee. After a motion was made by Mr. Spohrer and a second by Dr. Newman, the board unanimously agreed that the Audit Committee will consist of Vice Chairman John Falconetti as Chair of the Audit Committee, Dr. John A. Newman, Treasurer, and Board Member Jim Citrano, and they will serve in these roles until June 30, 2014.

Chairman York then stated to the board that after much thought, and discussions with the General Counsel's Office and City Council Liaison Matt Schellenberg, he would like to recommend moving the monthly board meetings to bi-monthly meetings starting in February, 2014, as he feels this would be a more productive use of resources to keep the people of the port focused on the management and growth of the business. He stated that many large corporations operate on a quarterly schedule for precisely the same reason.

Chairman York stated that we can supplement these bi-monthly meetings with ad-hoc meetings as needed to address specific issues. He also stated that to continue to maintain focus on the financial performance of the business, the Audit Chair or Treasurer will be briefed on the financials during the months there are no meetings. He reiterated that all financial reports and other public documents will continue to be available on the JAXPORT website as is the practice today.

After much discussion by the board members, it was decided to implement this new schedule over the next six months and then re-evaluate the effectiveness of it at that time. The board will now meet every other month beginning in February, 2014 and as necessary on important issues. It was also decided that the Audit Committee will meet more regularly on the off months.

## New Business

### **BD1312-01 Seaport Investment Program Bond Funded Agreements with FDOT for Blount Island and Talleyrand Terminal Improvements**

This submission was presented by Mr. Mike Poole for Board approval of JAXPORT to enter into two agreements to receive funding from the FDOT to be used for berth reconstruction projects at the Blount Island and Talleyrand Terminals. After a motion was made by Mr. Citrano and a second by Mr. Falconetti, the Board voted unanimously to approve this submission.

**BD1312-02 Property Exchange Agreement between JAXPORT and CSX for Development of ICTF at Dames Point**

This submission was presented by Mr. David Kaufman for Board approval of the property exchange agreement between JAXPORT and CSX covering certain easement rights to be exchanged by the parties to accommodate construction of the intermodal container transfer facility at Dames Point.

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

**BD1312-03 Memorandum of Agreement for a Restrictive Covenant with FDEP for Talleyrand Terminal**

This submission was presented by Mr. David Kaufman for Board approval to authorize and approve a memorandum of agreement for a restrictive covenant with the Florida Department of Environmental Protection for the Talleyrand Marine Terminal.

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

**BD1312-04 JAXPORT Letter Supporting Local Funds for GRRII Preconstruction Engineering and Design (PED)**

This submission was presented by Mr. Chris Kauffmann for Board approval authorizing the Chief Executive Officer to sign a letter to the USACE which commits JAXPORT to fund \$7,203,125 for the PED Phase.

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

**AC1312-08 Rehabilitate Bulkhead at Berths 5 & 6 at the Talleyrand Marine Terminal**

Mr. Chris Kauffmann presented this award for Board approval of the issuance of a contract to Hal Jones Contractor, Inc., in the not to exceed amount of \$5,246,370 for rehabilitation of bulkhead at berths 5 & 6.

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

**AC1312-03 Engineering Services During Construction for Bulkhead Rehabilitation & Underdeck Concrete Repairs for Berths 5 & 6 at the Talleyrand Marine Terminal**

Mr. Chris Kauffmann presented this award for Board approval of the issuance of a contract to HDR Engineering, Inc. for the provision of engineering services during

construction for bulkhead rehabilitation of berths 5 and 6 for Talleyrand Marine Terminal in the not to exceed amount of \$304,702.

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

### CEO Update

Mr. Taylor stated that we are still not clear on the timing of the conference review process for Mile Point, but that it is unlikely that the final version of this bill will be completed by the end of 2013. Since we have no certainty date as to when this bill will be approved, we will continue to pursue a dual path strategy of WRDA and a do-it-ourselves approach, and we will see how long it may take to get this process moving in January, 2014. It is critical that we complete this project concurrent with the opening of the expanded Panama Canal.

Mr. Taylor stated that he would be able to make a recommendation to the board regarding the ICTF before the next regularly scheduled meeting in February. If everything goes as expected, he stated that there may be a need for a special board meeting to address this topic.

He stated that business remains financially sound. Mr. Taylor stated that our efforts to grow our international container presence continue to pay off. He stated that we have now more than doubled our business since 2010 to 230,000 TEU's annually, and that the international container business now represents more than 30% of our total container volumes. Mr. Taylor stated that Roy and his team are making solid progress in the development of other growth initiatives in all sectors of the business.

Mr. Taylor told the board that during the mid-November time frame, he was able to spend some time in Tallahassee with Secretary Ananth Prasad and his team. This was important because he wanted to provide an update on Mile Point to the administration since they are providing the funding to us and also to update them on the status of our dock rebuilding program. He stated that he plans on meeting with them on a quarterly basis to ensure we have regular opportunities to discuss status and funding issues.

In conclusion, Mr. Taylor stated that he wanted to also give an update on the Mason Tillman study that was discussed at the last Board meeting. He stated that 5 years ago, the Jacksonville Small and Emerging business program was set up as a race and gender neutral program. Our program essentially mirrors the program put in place and operated by the City of Jacksonville. When the program was established, the recommendation was that after 5 years an evaluation should be done to determine if there was any disparity. The review completed by Mason Tillman has indicated that there are results we must address. Louis Naranjo and Yetunde Oyewole are the JAXPORT representatives who are sitting on the joint authority working group and this committee will help formulate recommendations that we can implement in the New Year. He stated that this working group has now had 3 meetings since our last Board meeting and that good process is being made. Mr. Taylor stated that it is critical that we

get this right and that he will bring these recommendations to the Board for review and discussion as soon as he can.

### Reports

#### **R1312-01 Business Development Report**

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

#### **R1312-02 Engineering and Construction Update**

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

#### **R1312-03 Monthly Financials/Vital Statistics**

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

#### **R1312-04 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 January, 2014.

### Submitted For Information

The Awards Committee meeting minutes for December 4, 2013 were submitted for information. There were no emergency purchases or unbudgeted transactions.

There being no further business of the Board, the meeting was adjourned at 11:55 a.m.