

**BOARD OF DIRECTORS MEETING**  
**Jacksonville Port Authority**  
**2831 Talleyrand Avenue**  
**August 22, 2016**

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A meeting of the Jacksonville Port Authority Board of Directors was held on Monday, August 22, 2016 at the Port Central Office Building, 2831 Talleyrand Avenue, Jacksonville, Florida. Chairman Newman called the meeting to order at 9:02AM and welcomed all attendees. Mr. Citrano led the audience in the Pledge of Allegiance and a moment of silence.

Board Members Attending:

Dr. John Allen Newman, Chairman  
Mr. Jim Citrano, Vice Chairman  
Mr. Ed Fleming Treasurer  
Mr. Joe York, Secretary  
Mr. John Falconetti, Member  
Mr. John Baker, Member

Other Attendees:

Mr. Brian Taylor, Chief Executive Officer  
Mr. Roy Schleicher, Executive VP, Chief Commercial Officer  
Mr. Chris Kauffmann, Chief Operating Officer  
Mr. Mike Poole, Chief Financial Officer  
Mr. Aaron Bowman, City Council Liaison  
Mr. Gayle Petrie, Assistant General Counsel, City of Jacksonville  
Ms. Becky Dicks, Board Secretary

**Approval of Minutes**

Chairman Newman called for approval of the June 27, 2016 Board Meeting Minutes and after a motion by Mr. York and a second by Mr. Citrano, the Board unanimously approved the minutes as submitted.

**Public Comments**

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

## Presentations

Mr. Jim Dillman, CEO of Diversified Port Holdings, discussed the company's focus on bringing a wood pellet export facility to Talleyrand.

Mr. Taylor recognized the following JAXPORT employees celebrating their employee milestones and thanked them for their service:

Mike Poole, CFO - 10 years

Jill Mashburn, Sr. Executive Assistant - 15 years

Roy Schleicher Executive VP/CCO - 15 years

Pat Baden, - Facilities Maintenance Tech I, TMT - 20 years

James Baity, Facilities Maintenance Tech II, TMT– 20 years

## New Business

### **BD2016-08-01 Approval of 1<sup>st</sup> Amendment to the Memorandum of Agreement for a Restrictive Covenant with FDEP for Talleyrand Marine Terminal**

Mr. David Stubbs presented this submission for Board approval of an amendment expanding the area covered by an existing covenant with the Florida Department of Environmental Protection to include rail lines west of the Talleyrand Marine Terminal.

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

### **AC2016-08-02 Berths 7 & 8 Bulkhead Rehabilitation – TMT Hal Jones Contractor, Inc.**

Mr. Chris Kauffmann presented this submission for Board approval of a contract with Hal Jones Contractor, Inc. for berth enhancements at the Talleyrand Marine Terminal.

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

## CEO Update

Mr. Brian Taylor thanked the Board for allowing him to represent JAXPORT at the new Panama Canal opening back in June. He stated that it was a great day and a thrill for him to be at such a historic event. The pride that all the people of Panama feel about this project was prominently on display. For nine years Panama has been in the forefront of maritime transportation with one of the most important infrastructure projects of the 21<sup>st</sup> century. He stated that the ceremony was full of energy and excitement, and to see that first ship come through the canal was a memory of a lifetime. He then showed a short video which captured his experience.

Mr. Taylor stated that this only serves to reinforce in him the continued commitment to position this port for the future. Just like this project is the future of Panama, our deepening project plays a significant role in the future growth of Jacksonville and NE Florida.

Mr. Taylor stated that since his trip, we have seen several Neo-Panamax container vessels and Roro vessels arrive in our Port, all of which are contributing to a strong finish in the fiscal year. Mr. Poole will speak to you about another good financial report for this period. Mr. Taylor stated that we did see some continued softness in our auto volume mostly related to the strength of our dollar and a reduction in the number of used vehicle exports. Mr. Taylor reminded the Board that with all the Alliance shuffling that is still taking place, and with all three of these new alliances calling in Jacksonville, that he believes this will bode well for JAXPORT's future.

Mr. Taylor informed the Board that the Riverkeeper has withdrawn their State petition for a hearing regarding our DEP permit and that two weeks ago our deepening permit was issued. He stated that a federal filing is still possible.

Mr. Taylor stated that Friday marked the arrival of our three new cranes and he thanked this Board for having the foresight to invest in the future. He also stated that though not yet fully complete, we also got a glimpse of the quality of work done on Berth 35. He thanked Hugh West for his diligence, commitment and tenacity in keeping our contractor on their toes. He then showed a short video put together by the communications team of the crane arrival on Friday, August 19<sup>th</sup> for those who were unable to attend the event.

Mr. Taylor stated that he and Mike Poole recently went to New York to visit with Fitch and Moody's, who have already reaffirmed the Port's A2 stable rating. These meetings gave them the opportunity to discuss where we are going and it also helped give them a glimpse of the future.

Lastly, Mr. Taylor stated that he wanted to mention two awards recently received by JAXPORT. First, a quality award was received by JAXPORT'S Logistics Magazine a few weeks ago which is a testament to the commitment of JAXPORT employees, and secondly, this past Friday DBK and JAXPORT were awarded the Excellence in Construction award for the ICTF project. ABC's Excellence in Construction awards program is considered the premier competition within the construction industry in Northeast Florida, recognizing quality and innovation in construction.

## Reports

### **R2016-08-01 Legislative Update**

Mr. Taylor provided a legislative update in the absence of Mr. Green.

### **R2016-08-02 Business Development Report**

Mr. Roy Schleicher provided a business development update.

### **R2016-08-03 Engineering and Construction Update**

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

### **R2016-08-04 Monthly Financials/Vital Statistics**

Mr. Michael Poole provided an overview of the monthly financials and vital statistics.

## Chairman's Update

Chairman Newman stated that since his term as Chairman would be ending at the end of September, it was time to have a discussion about a new slate of board officers. Dr. Newman then asked Vice Chairman Citrano if he had any thoughts on how to proceed with this slate. Mr. Citrano stated that he would like to form a Nominating Committee consisting of himself, Dr. Newman, and Mr. York to select new board officers for the term beginning October 1, 2016 and ending on September 30, 2017, and after this committee meets, they will then announce at the next board meeting. Chairman Newman then asked the other Board members if they had any objections to this, and there being none, he stated that they will proceed with the Nominating Committee and bring back recommendations to the full Board under Mr. Citrano's leadership.

## Other Business

After a motion by Mr. Fleming and a second by Mr. Falconetti, 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 September through October, 2016.

## Miscellaneous

There were no emergency purchases or unbudgeted transactions.

There being no further business of the Board, the meeting was adjourned at 10:21AM.