

**BOARD OF DIRECTORS MEETING**  
**Jacksonville Port Authority**  
**2831 Talleyrand Avenue**  
**September 25, 2017**

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A meeting of the Jacksonville Port Authority Board of Directors was held on Monday, September 25, 2017 at the Port Central Office Building, 2831 Talleyrand Avenue, Jacksonville, Florida. Chairman Citrano called the meeting to order at 9:02AM and welcomed all attendees. Mr. John Falconetti led the audience in the Pledge of Allegiance and moment of silence.

Board Members Attending:

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

Other Attendees:

Mr. Eric Green, Interim CEO  
Mr. Chris Kauffmann, Chief Operating Officer  
Mr. Mike Poole, Chief Financial Officer  
Ms. Becky Dicks, Board Liaison

**Approval of Minutes**

Chairman Citrano called for approval of the August 28, 2017 Board Meeting Minutes. After a motion by Mr. Baker and a second by Mr. Falconetti, the Board unanimously approved the minutes as submitted.

**Public Comments**

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

**Reports**

All of the Reports for the month of September were submitted as info only in the members Board book. Chairman Citrano did ask CFO Mike Poole to give a brief update on revenues to the Board at this time.

## New Business

### **AC2017-09-01 Retrofit Metal Roof System at AMPORTS B14 & B15**

Mr. Chris Kauffmann presented this submission to award a contract to Kent Consolidated Construction for roof repairs at the AMPORTS Blount Island processing facility.

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

Chairman Citrano then asked Mr. Ken Bloom and Mr. Zack Deming of Korn Ferry to present an update to the Board on the search for CEO.

Mr. Bloom stated that as the nation's next deep water port, the maritime community has its eyes on JAXPORT. He stated this is a very exciting opportunity for JAXPORT and a very daunting moment for the Board. Mr. Bloom stated that Korn Ferry has been very dedicated to this search since they were hired on June 30, 2017 and he's very pleased to present this report today.

Mr. Bloom stated that Korn Ferry performed a five step process for the CEO search and that they were at the end of the fourth step which is the selection process. The steps included interviewing each of the Board members to get an understanding of the success criteria associated with a successful CEO; meeting with all members of the management team; and meeting with key customers who are currently using JAXPORT. As a result of these conversations, they developed a CEO success profile which identifies all the priorities, skills, competencies, traits and drivers of a successful candidate. Mr. Bloom stated that Korn Ferry presented this information individually to all of the Board members and then received Board approval of the success profile of the job description for the CEO role.

Mr. Bloom stated they then moved on to Market Outreach preparation. It was their job to find the best candidates both in the Jacksonville community and also amongst all top port executives in the country. He stated that JAXPORT was fortunate to have an internal candidate to be considered. Korn Ferry then collected the names of all these people and began to create an outreach. They assessed who might be interested, what their capabilities are, and then they then began to externally benchmark each of those candidates against the success criteria that the Board developed and approved. In addition, Korn Ferry ran national advertisements in the American Journal of Transportation. He stated they reached out to 374 executives in the national market and they received interest from 70 candidates. They then created a short list of five candidates for the Board.

Mr. Bloom stated that in partnership with the Board of Directors, Korn Ferry had weekly calls with Chairman Citrano and other Board members. He stated they provided updates on candidate development, assessments, and offered market feedback to Board members who asked about working conditions at JAXPORT.

Mr. Bloom stated that in the end, Korn Ferry created a list of five candidates and presented those candidates for individual meetings with each of the Board Members on September 8 and 9. They provided full resumes, assessments and scorecards to determine candidate rankings and scores, and he is here today to make this presentation along with some recommendations.

He stated that as he moves through the recommendations, he will then propose another assessment, and then there will be an offer made by the Board of Directors to the successful candidate. Korn Ferry will then help the Board execute an offer to the successful candidate.

Mr. Deming then presented the list of five candidates that met with the Board of Directors. The top three candidates with the highest scores and scores closest to each other based on the scorecard metrics were Jonathan Daniels, Eric Green and Mike O'Malley. Mr. Deming recommended that the Board continue with more interviews with the three finalists during the week of October 2 – 9 since the three scores were so close.

After much Board member discussion, Mr. Shelton made a motion to terminate the process and to move forward with the selection of the CEO and it was seconded by Mr. Falconetti. The motion passed 5-2 with board members Mr. Baker and Mr. Fleming opposing. Mr. Baker and Mr. Fleming wished to proceed with Korn Ferry's recommended second round of interviews.

Chairman Citrano stated that being the vote, they would then move on to phase two which is the nomination of candidates.

Mr. York stated that before they move forward, he really feels there should be Board consensus among the seven members when you hire a CEO, and since there are two members that are not prepared to make that decision today, he thinks it is worthy of more discussion.

Mr. Baker then stated that as one of nays, he has no problem moving forward. He just wanted to be completely comfortable with his decision, but he does have a clear choice moving forward.

Chairman Citrano stated that if a board member does not have a clear choice and that another round of interviews would change their opinion on a candidate, that is one thing. If they have an opinion that another round of candidate interviews is not going to change their ultimate outlook to another candidate, then that's why they voted to go forward, but what he's hearing today is that the choice has pretty much been made by the Board members who want to stop the process and vote.

Chairman Citrano stated that he doesn't feel another round of interviews is going to change his mind, but he's open to doing it if that's what the Board wants to do because it is a more thorough way to do it. He's concerned about the comment Mr. Bloom made in the initial search that the outside world felt that this was already a lock-in for the local candidate. It doesn't change his vote on the candidate, but it says am I really yielding to outside pressure of what the maritime world thinks? We are not getting any new

candidates out of this. We are just voting on the three. Clearly the gap between number three and number four were significant. The other thing is that we have been out there long enough that no other candidate is going to surface other than the seventy that we didn't take in the first cut. So he thinks they are at a clear position.

Mr. Fleming stated that in his mind, the candidates were pretty close, so he would benefit from having a bit more time with them; however, if the Board is ready to vote, then we need to ask Korn Ferry what the real scores were. What was the gap between candidates one, two and three?

Mr. Deming had stated that Eric Green came in at number one, followed by Mr. Daniels at number two and Mr. O'Malley at number three. Mr. Bloom stated that Korn Ferry's recommendation is that the top three candidates are so close it is really indistinguishable. That's the reason their recommendation is to continue with a second round of interviews focusing on traits and drivers which were not focused on in the first round of interviews.

Mr. Fleming stated that as Mr. York mentioned, this is his and Mr. Citrano's third time hiring a CEO. Mr. Fleming really feels like the Board is rushing this process. It is evident that the candidates are close and he thinks the Board should listen to the experts and follow their recommendations.

Chairman Citrano stated that he understood Mr. Fleming's point, however, there is a motion that has passed so now at this point he was prepared to call for motions for the top candidate from the Board.

Mr. York made a motion to nominate Eric Green as the next CEO of JAXPORT. Mr. York stated that what Eric has shown in his time as Interim CEO is a thoughtfulness, decisiveness, insightfulness and willingness to take risks. He didn't take the status quo path that we were on. His local relationships and ingrained community value will take years for the other candidates to obtain, and for that reason he thinks Eric has earned the right to be the next CEO of JAXPORT. The motion was seconded by Dr. Newman.

Chairman Citrano stated that he's worked hard to be as fair and open as he can be on this process because of the local candidate issue and he thinks the Board has done that. He thinks Eric has demonstrated in his service as the Interim CEO that he would be a great asset as CEO of JAXPORT. Chairman Citrano enthusiastically endorsed Mr. Green's candidacy and requested that if the board members feel a unanimous vote for Mr. Green as the next CEO would be an endorsement, it would be the right thing to do. He then called for a vote from the other board members.

Mr. Shelton stated that he agreed with Chairman Citrano's comments. He felt that Korn Ferry did an excellent job in keeping him informed throughout the process. Mr. Shelton stated that he had very candid conversations with Mr. Bloom about the Interim CEO and his relationship in Jacksonville, his ties to the city, the community, political leaders here and in D.C. Mr. Shelton believes that Korn Ferry would not have brought Mr. Green to the level in which they did initially if they didn't believe he had the skills and qualifications to be one of our top candidates and then analytically and quantitatively through the interview process they put him in the top three. So he hopes that the critics understand

that this process was vetted very professionally and independently and he has full confidence in this process.

Chairman Citrano then called for a vote for naming Eric Green as the next CEO of JAXPORT. The vote was unanimous by all seven Board members.

Chairman Citrano thanked Korn Ferry for their work in vetting all the candidates and stated that he was pleased with the quality and level of expertise they provided.

### **Other Business**

After a motion by Mr. Shelton 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 month of October, 2017.

Chairman Citrano asked Mr. Baker to form a Nominating Committee to elect the new Board officers for the term beginning October 1, 2017 and ending September 30, 2018 and bring these recommendations back to the full Board at the next meeting.

Mr. Baker accepted this role and asked that Jamie Shelton and Ed Fleming serve on this committee.

### **Miscellaneous**

There was one emergency purchase for fueling canopies located at the Talleyrand Marine Terminal that were badly damaged by high winds during Hurricane Irma on September 11, 2017.

The Board then asked Mr. Green to step back into the meeting to let him know that he was selected as the next CEO of JAXPORT with a unanimous vote. Mr. Green accepted the job and stated that he was very grateful and humbled by their selection.

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