

BOARD OF DIRECTORS MEETING
Jacksonville Port Authority
2831 Talleyrand Avenue
June 18, 2019

A meeting of the Jacksonville Port Authority Board of Directors was held on Tuesday, June 18, 2019 at the Port Central Office Building, 2831 Talleyrand Avenue, Jacksonville, Florida. Chairman Falconetti called the meeting to order at 9:15 a.m. and welcomed all attendees. Ms. Wendy Hamilton led the audience in the Pledge of Allegiance and moment of silence.

Board Members Attending:

Mr. John Falconetti, Chairman
Mr. John Baker, Vice Chairman
Mr. Jamie Shelton Treasurer
Ms. Wendy Hamilton, Secretary
Dr. John A. Newman, Member
Mr. Ed Fleming, Member

Absent: Mr. Palmer Clarkson, Member

Other Attendees:

Mr. Eric Green, CEO
Mr. Fred Wong, COO
Ms. Beth McCague, CFO
Ms. Linda Williams, Chief Adm. & Corporate Performance
Ms. Kristen DeMarco, CCO
Mr. James Bennett, Sr. Director, Facilities Development
Mr. Mike McClung, Director of Finance
Mr. Gil Feltel, Chief Legal Officer
Ms. Rebecca Dicks, Board Liaison

Approval of Minutes

Chairman Falconetti called for approval of the May 6, 2019 Board of Directors Meeting Minutes. After a motion by Mr. Baker and a second by Mr. Shelton, the Board unanimously approved the minutes as submitted.

Public Comments

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

Presentations

Ms. Kristen DeMarco, CCO of JAXPORT, recognized employee Jeff Price, Manager, Marketing Department, for reaching his 20-year milestone and thanked him for his service.

New Business

BD2019-06-01 Authorize and Approve the Sale of Property Located at 1583 Jessie Street to Duenas Trailers Florida, Inc.

Mr. Fred Wong presented this submission for Board of approval of the sale of 22.62 acres more or less of property located at 1583 Jessie Street to Duenas Trailers Florida, Inc.

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

BD2019-06-02 Twelfth Amendment to APS East Coast Inc. (“AMPORTS”) Blount Island Marine Terminal (“BIMT”) Facilities Lease Agreement

Ms. Linda Williams presented this submission for Board approval of the Twelfth Amendment to APS East Coast Inc. (“AMPORTS”) Blount Island Marine Terminal (“BIMT”) Facilities Lease Agreement. Said amendment includes amended terms of adjusting leased acreage to 150 acres on BIMT, extending the lease term an additional 10 years through June 2044, and adding language for the future inclusion of performance standards/minimum annual guaranty.

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

BD2019-06-03 APS East Coast Inc. (“AMPORTS”) Facilities Lease Agreement

Ms. Linda Williams presented this submission for Board approval of a Facilities Lease Agreement for between JAXPORT and AMPORTS for a 25-year lease with an option for an additional 5 years. This new lease will allow AMPORTS to expand and develop another 40 to 45 acres on additional JAXPORT property on Dames Point by 2023 which will be paid for upfront by AMPORTS and reimbursed up to \$10 million by JAXPORT through rebated lease payments.

After a motion was made by Mr. Baker and a second by Ms. Hamilton, the Board voted unanimously to approve this submission.

BD2019-06-04 Proposed Operating and Capital Budget for FY2020

Ms. Beth McCague presented this submission for Board approval of JAXPORT's proposed FYE2020 Operating and Capital Budgets as presented and its submission in the appropriate format to the Finance Committee of the Jacksonville City Council. This submission was approved earlier by the Audit Committee subject to its recommendation relating to the treatment of revenue recognition of certain payments from SSA, and its recommendation that the CFO and Director of Finance meet with the external and City auditors to ensure that the payments are reflected accurately and with total transparency.

Prior to entertaining a motion, Ms. McCague asked Mr. John Baker, Chairman of the Audit Committee, if he would like to add anything to her report. Mr. Baker thanked the Committee, which went through the budget in detail and voted to pass it subject to the recommendation noted.

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

BD2019-06-05 Reaffirmation of Participation in City of Jacksonville's Property and Casualty Insurance Program

Ms. Beth McCague presented this submission for Board approval of JAXPORT's continued participation in the City of Jacksonville's Independent Agency Self Insurance Program.

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

BD2019-06-06 Harbor Deepening Project – Contract B, Phase II

Ms. Beth McCague presented this submission for Board approval of JAXPORT entering into a Public Transportation Grant Agreement with the Florida Department of Transportation (FDOT), wherein FDOT will provide funds of \$25,906,001 under Advanced Payment Provisions for funding of harbor deepening, Contract B, Option A.

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

CEO Report

Mr. Green stated that since the port's maintenance dredging numbers have gone up significantly over the last three years, he has decided to make an effort to try to mitigate the increased cost of dredging. The port is currently in a three-year contract with Manson Construction for maintenance dredging. Manson's current contract includes three one-year renewal options of which the port decided not to execute. We have decided to look at putting our dredging contract out for bid. He stated that he hopes to have at least three proposals from contractors to bid on this process and that the evaluation process is

scheduled to be completed by July 9. Negotiations will then follow with the companies that fall within the competitive bid range, and the best and final offers are due by July 22. Mr. Green stated that he is hoping to bring a recommendation on this process to the Board by the August or September Board meeting. Mr. Green then asked Chairman Falconetti to appoint Board Member Ed Fleming as part of the evaluation committee.

Mr. Green informed the Board that he, along with CFO Beth McCague and Director of Finance Mike McClung, would be presenting the port's budget to the Mayor's Budget Review Committee on June 26. This meeting will give the City a first look at the port's budget before we present it to City Council sometime in August.

Mr. Green stated that he has been asked to address the membership at the 55th Quadrennial ILA Convention on July 23 in Hollywood, Florida. He stated that it is an honor to receive this invitation and feels that it shows that JAXPORT is definitely on the radar of the maritime community.

Mr. Green introduced the port's new Director of Security, Mr. Ron Lendvay and Mr. Dan Deptula who is JAXPORT's new Public Safety Compliance Officer and welcomed them to the team.

Mr. Green then introduced Mr. Tony Otero, Vice President at Crowley Marine Services, Inc., who provided the Board with an overview of Crowley's plans in Jacksonville.

Reports

R2019-06-01 Engineering and Construction Update

Mr. James Bennett provided an overview of the key capital and engineering projects.

R2019-06-02 Financial Highlights

Ms. Beth McCague provided Financial Highlights to the Board in their books for the month of May 2019.

R2019-06-03 Monthly Financials/Vital Statistics

Mr. Mike McClung provided an overview of the monthly financials and vital statistics.

R2019-06-04 Commercial Highlights

Ms. Kristen DeMarco provided updated commercial highlights.

Other Business

After a motion by Dr. Newman and a second by Mr. Fleming, 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 July/August 2019.

Miscellaneous

There were no emergency purchases or unbudgeted transactions.

There being no further business of the Board, the meeting adjourned at 10:22 a.m.