

Board of Directors Meeting

June 28, 2021 09:15 AM



Agenda Topic

Presenter

Agenda

I. Pledge of Allegiance/Moment of Silence

Dr. John Newman

II. [Approval of Minutes](#)

Chairman Shelton

Board of Directors Meeting Minutes - April 26, 2021

III. Public Comments

IV. Presentations

Milestone:

Fred Wong

Ronald (Ron) Alford, Assistant Manager, Facilities - 25 years

Safety Initiatives Update

Nick Primrose

V. New Business

[BD2021-06-01](#)

Linda Williams

SSA Lease Agreement - Second Amendment

[BD2021-06-02](#)

Beth McCague

Proposed Operating & Capital Budget for FY2022

VI. CEO Update

Eric Green

Jacksonville University St. Johns River Educational Partnership

Speakers from Jacksonville University:

Dr. Quinton White, Executive Director, Marine Science Research Institute/Professor of Biology, Marine Service

Dr. Melinda Simmons, Assistant Professor of Marine Science

Dr. Raymond Oldakowski, Professor of Geography & Principle Investigator for PPI Polling

VII. Reports

[R2021-06-01 Engineering and Construction Update](#)

James Bennett

[R2021-06-02 Financial Highlights by Beth McCague](#)

Info Only

[R2021-06-03 Financials/Vital Statistics](#)

Mike McClung

[R2021-06-04 Commercial Highlights](#)

Robert Peek

VIII. Other Business

Chairman Shelton

Approval of Travel - Chairman Shelton recommends approval of travel by one or more Board Members of the Authority for business solicitation purposes or to attend any necessary conferences during the months of June/July 2021.

IX. Miscellaneous

A. Emergency Purchases - None

B. Unbudgeted Transactions - None

X. Adjourn

Chairman Shelton

The next Board of Directors meeting is scheduled for Monday, July 26, 2021 @9:00AM.



Minutes for Board of Directors Meeting

04/26/2021 | 09:06 AM - 10:02 AM - Eastern Time (US and Canada)

JAXPORT Cruise Terminal, 9810 August Drive, Jacksonville, FL 32226

Board Members Attending:

Mr. Jamie Shelton, Chairman
Ms. Wendy Hamilton, Vice Chair
Mr. Palmer Clarkson, Treasurer
Mr. Daniel Bean, Secretary
Mr. Ed Fleming, Member
Dr. John Allen Newman, Member

Mr. Brad Talbert - Absent

Other Attendees:

Mr. Eric Green, Chief Executive Officer
Mr. Fred Wong, Chief Operating Officer
Ms. Beth McCague, Chief Financial Officer
Ms. Linda Williams, Chief, Adm. & Corporate Performance
Mr. Nick Primrose, Chief, Regulatory Compliance
Mr. James Bennett, Sr. Director, Engineering & Construction
Mr. Robert Peek, Director & GM, Business Development
Ms. David Migut, Office of General Counsel
Mr. Ron Salem, City Council Liaison
Ms. Rebecca Dicks, Board Liaison

Agenda

A meeting of the Jacksonville Port Authority Board of Directors was held on Monday, April 26, 2021 at the JAXPORT Cruise Terminal, 9810 August Drive, Jacksonville, Florida. Chairman Jamie Shelton called the meeting to order at 9:06 a.m.

Pledge of Allegiance/Moment of Silence

Board Member Ed Fleming led the audience in the Pledge of Allegiance and a moment of silence.

Chairman Shelton welcomed all attendees and recognized the elected and appointed officials who were in attendance that would be participating in the signing ceremony with the Puerto Rico Ports Authority immediately following the Board meeting.

Approval of Minutes

Chairman Shelton called for approval of the March 22, 2021 Board of Directors Meeting Minutes. After a motion by Mr. Fleming and a second by Mr. Bean, the Board unanimously approved the minutes as submitted.

Public Comments

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

Reports

R2021-04-01 Engineering and Construction Update

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

R2021-04-02 Financial Highlights by Beth McCague

Ms. Beth McCague provided Financial Highlights to the Board in their books for the month of March 2021.

R2021-04-03 Financials/Vital Statistics

Ms. Beth McCague provided an overview of the financials and vital statistics.

R2021-04-04 Commercial Highlights

Mr. Robert Peek provided commercial highlights to the Board for the month of April 2021.

CEO Update

Mr. Green informed the Board that Fitch Ratings recently affirmed its “A” rating on JAXPORT’s \$129.8 million in outstanding revenue bonds, issuing the port a “Stable” rating outlook. According to Fitch, this rating reflects the port’s versatile financial and operating position, in addition to JAXPORT’s growing automobile and container activity, increasingly diverse revenue base, and our desirable location in the Southeast U.S.

Mr. Green stated that the First Coast Worksite Wellness Council awarded JAXPORT with a Platinum Level award for its wellness program. He stated the port continues to support its employees’ health. As an example, the port hosted COVID-19 mobile clinics the week of April 19 at the Blount Island and Talleyrand terminals to make it easier for employees, customers and tenants to have access to the vaccine.

Mr. Green thanked Port leaders, local elected officials and others in celebrating JAXPORT's most significant and longest running partnerships – trade with the island of Puerto Rico. He stated that immediately following the Board meeting, JAXPORT and the Puerto Rico Ports Authority would be signing a memorandum of understanding to affirm and strengthen the relationship between JAXPORT and Puerto Rico.

Mr. Green stated that JAXPORT's partnership with Puerto Rico began more than six decades ago, and it is a critical part of JAXPORT's success to this day. He stated that trade with Puerto Rico represents about half of JAXPORT's container business. This percentage has held steady even as JAXPORT's international volumes have also grown. He stated that the key to JAXPORT's success is diversification and partnerships and that Puerto Rico is critically important to both.

Mr. Green stated that over the years, state leaders, including the Florida Department of Transportation, have invested in JAXPORT which enabled its relationship with Puerto Rico to continue to grow.

He stated that under this MOU, JAXPORT will collaborate on a number of key areas including: business development and marketing, relationship building with current and potential ocean carriers and shippers, and best practices in environmental protection, operations and security.

Mr. Green stated that JAXPORT and the Puerto Rico Ports Authority will also work together to support each other's growth. JAXPORT will use its experience in completing major growth projects, including the harbor deepening project, to provide best practices that can be used in Puerto Rico. At the same time, JAXPORT will look to Puerto Rico's tremendous maritime experience for lessons it can apply here. JAXPORT's growth benefits the Puerto Rico Ports Authority and their growth benefits JAXPORT.

Lastly, Mr. Green stated that JAXPORT is proud to do its part to grow this relationship, build on past successes and create jobs and economic opportunity for both communities for generations to come. The important relationship JAXPORT has with Puerto Rico, would not be possible without the people that are in the room today.

He then turned the meeting over to Chairman Shelton who introduced special guest speakers Mayor Lenny Curry, FDOT Secretary Kevin Thibault, Puerto Rico Ports Director Joel Pizá Batiz, USACE Jacksonville District Commander Col. Andrew Kelly, JAXUSA Partnership CEO Aundra Wallace, TOTE, Inc. President and CEO Tim Nolan, Crowley Maritime Chairman and CEO Tom Crowley, and Trailer Bridge CEO Mitch Luciano.

Mayor Lenny Curry stated that the signing of this MOU highlights the strong connection between Jacksonville and Puerto Rico and strengthens our efforts to collaborate when and where both communities can benefit.

Department of Transportation Secretary Kevin Thibault stated that the investments being made by the state of Florida and JAXPORT will have multigeneration benefits and continue to support this important relationship for decades to come.

Puerto Rico Ports Authority Executive Director Joel A. Pizá Batiz stated that there are historical ties and a decades-long relationship between the two ports. The benefits to both ports and both cities of inter-port cooperation will achieve the goals of building deeper business relationships of mutual benefit and promoting economic growth.

Adjourn

There being no further business of the Board, the meeting adjourned at 10:02 a.m. and Chairman Shelton invited everyone to attend the signing ceremony.



**SUBMISSION
FOR
BOARD APPROVAL**

SUBJECT: SSA Lease Agreement – Second Amendment

COST: NA

BUDGETED: NA

BACKGROUND:

In July 2019 JAXPORT executed a 25-year lease with SSA at the SSA Container Terminal at Blount Island. Among other things, that lease called for:

- an initial throughput rate at \$2.50 per short ton with CPI adjustments;
- a Minimum Annual Guarantee;
- agreement to expand the terminal from 50 to ultimately 93 acres as adjacent property came available with significant improvements to be made by SSA;
- and included a sublease of 3 ZPMC cranes for the life of the 25-year lease.

Payment terms for this sublease for the use of these cranes was scheduled as follows: August 1, 2019 \$16,000,000; August 1, 2020 \$6,000,000, and August 1, 2021 \$6,000,000.

The sublease payments were used as contributions to JAXPORT's Harbor Deepening project, Contract B.

As Contract B is now complete and Contract C is underway, JAXPORT is confident that no additional contributions from JAXPORT for the Harbor Deepening project will be required. In addition, JAXPORT has liquidity available today that was not available when the July 2019 agreement was executed. As a result, we have determined that it is our

BD2021-06-01



best interest to amend the terms of the lease to include the charge for crane usage in the short ton rate going forward rather than adhere to the original agreement.

RECOMMENDATION:

Management recommends JAXPORT amend the SSA contract to eliminate the 2021 \$6,000,000 payment scheduled, refund an additional \$4,000,000 reducing the total amount of the sublease prepayment to \$18 million, and increase the short ton rate as listed.

ATTACHMENTS:

- Lease Amendment



RECOMMENDED FOR APPROVAL:

Linda Williams
Chief, Administration & Corp. Performance

Linda Williams 06/24/2021
Signature and Date

SUBMITTED FOR APPROVAL:

Eric Green
Chief Executive Officer

Signature and Date

BOARD APPROVAL:

Meeting Date:

June 28, 2021

Rebecca Dicks/Recording Secretary

ATTEST:

Daniel K. Bean, Secretary

Jamie Shelton, Chairman

**SECOND AMENDMENT TO
AMENDED AND RESTATED FACILITIES LEASE AGREEMENT BETWEEN
JACKSONVILLE PORT AUTHORITY
AND
SSA JACKSONVILLE, LLC**

This Second Amendment to Amended and Restated Facilities Lease Agreement (“Second Amendment”) is entered into as of August 1, 2021, by and between **JACKSONVILLE PORT AUTHORITY**, a body politic and corporate created and existing under Chapter 2004-465, Laws of Florida, as amended (the “Authority”) and **SSA JACKSONVILLE, LLC.**, a Delaware limited liability company (the “Lessee”).

WHEREAS, the Authority and Lessee entered into that certain Facilities Lease Agreement commencing August 1, 2019 (the “Original Agreement as Amended and Restated”) and that certain Equipment Sublease Agreement (the “Original Crane Sublease” and, together with the Original Agreement as Amended and Restated, the “Original Agreements”), as amended by that First Amendment to the Amended and Restated Facilities Lease Agreement dated March 15, 2021 (the “First Amendment”), (the Original Agreements, and the First Amendment, are referred to collectively as the “Agreement”); and

WHEREAS, pursuant to Section 23.3 of the Agreement, no change in, modification to, or amendment to this Agreement shall be valid or enforceable unless it is approved by the Lessee and the Authority, reduced to writing and executed by the duly authorized representatives of the Authority and the Lessee; and

WHEREAS, the Authority and Lessee now desire to refund a portion of the 2020 crane rental payment, eliminate the 2021 crane rental payment, and increase the throughput rate per ton to include the crane usage charges going forward; and

WHEREAS, the parties have agreed to so amend the Agreement.

NOW THEREFORE, in consideration of said Agreement and for other good and valuable consideration, the receipt and sufficiency of which the parties jointly acknowledge, the parties agree as follows:

- a. Amendment to Exhibit B, Section III. A. (Throughput Fees). Section III. A. of Exhibit B of the Agreement is hereby amended to increase the existing container throughput rate from \$2.50 per short ton to \$2.80 per short ton plus applicable Consumer Price Index (CPI) adjustments in accordance with Section VII. of Exhibit B. Once the Minimum Annual Guarantee (MAG) has been met the container throughput rate shall be reduced by \$0.15 (fifteen cents).
- b. Amendment to Equipment Sublease Agreement Schedule II (Rent Schedule). Schedule II of the Equipment Sublease Agreement is hereby amended to delete the existing Rent Schedule and replace it with the following:

SCHEDULE II
Rent Schedule

August 1, 2019	\$16,000,000
August 1, 2020	\$ 2,000,000

- c. Capitalized terms used in this Second Amendment but not defined herein shall be defined as set forth in the Agreement.
- d. Except as specifically and expressly amended herein, all the terms and conditions of the Agreement prior to this Second Amendment remain in full force and effect.
- e. This Second Amendment may be executed in any number of facsimile counterparts.

IN WITNESS WHEREOF, Authority and Lessee have caused this Second Amendment to be executed by their respective authorized representative as of the date first written above.

WITNESSES:

Print Name: _____

Print Name: _____

Form Approved:

By: _____

Office of General Counsel

JACKSONVILLE PORT AUTHORITY,
a body politic and corporate created and
existing under Chapter 2004-465, Laws of
Florida

By: _____

Eric B. Green
Chief Executive Officer

WITNESSES:

Print Name: _____

Print Name: _____

SSA JACKSONVILLE, LLC., a Delaware
limited liability company

By: _____

Print Name: _____

Its: _____



**SUBMISSION
FOR
BOARD APPROVAL**

SUBJECT: Proposed Operating and Capital Budget for FY2022

COST: \$ NA

BUDGETED: N/A

SOURCE OF FUNDS: NA

BACKGROUND:

The Jacksonville Port Authority (JAXPORT) is required by Section 5 of its Charter to prepare and submit its Annual Budget to the Council of the City of Jacksonville on or before July 1 for the ensuing fiscal year. Senior Management has reviewed the proposed Operating and Capital Budget for the Fiscal Year Ending of September 30, 2022. After Board approval, the proposed budget will be submitted to the Council of the City of Jacksonville in the format requested by the Council Auditors on July 1. It will be formally submitted to the Finance Committee of the City Council in late August and the full Council in late September.

RECOMMENDATION:

It is recommended that the Board approve the proposed FYE 2022 Operating and Capital Budget as presented and its submission in the appropriate format to the Finance Committee of the Council of the City of Jacksonville.

ATTACHMENTS:

- Board Resolution
- FY 2022 Budget



**SUBMISSION
FOR
BOARD APPROVAL**

RECOMMENDED FOR APPROVAL:

Beth McCague
Chief Financial Officer

A handwritten signature in black ink that reads "Beth McCague".

Signature

SUBMITTED FOR APPROVAL:

Eric Green
Chief Executive Officer

A handwritten signature in black ink that reads "Eric Green".

Signature

BOARD APPROVAL:

Meeting Date:

June 28, 2021

Rebecca Dicks/Recording Secretary

ATTEST:

Daniel K. Bean, Secretary

Jamie Shelton, Chairman

A RESOLUTION OF THE JACKSONVILLE PORT AUTHORITY APPROVING A PROPOSED OPERATING AND CAPITAL BUDGET FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2022 DIRECTING THAT SUCH BUDGET BE SUBMITTED TO THE COUNCIL OF THE CITY OF JACKSONVILLE, FLORIDA; PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Jacksonville Port Authority (the Authority) has prepared a proposed Operating and Capital Budget for the Fiscal Year Ending September 30, 2022 and,

WHEREAS, Section 5 of the Authority's Charter requires the Authority to prepare and submit its Budget to the Council of Jacksonville on or before July 1 for the ensuing fiscal year.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Jacksonville Port Authority:

Section 1: The Authority hereby approves a proposed Operating and Capital Budget for the Fiscal Year Ending September 30, 2022.

Section 2: Management is hereby authorized and directed to formally submit the proposed Operating and Capital Budget in the appropriate format to the Council of the City of Jacksonville on or before July 1, 2021.

Section 3: Effective Date. This Resolution shall take effect immediately upon its adoption.

APPROVED AND ADOPTED 28th day of June 2021.

(Official Seal)

JACKSONVILLE PORT AUTHORITY

ATTEST:

Daniel K. Bean, Secretary

Jamie Shelton, Chairman

JACKSONVILLE PORT AUTHORITY
ANALYSIS OF FY 2021/2022 OPERATING BUDGET

	2020/2021 ORIGINAL BUDGET	2020/2021 PROJECTED (per JPA)	2021/2022 PROPOSED BUDGET	% Increase (Decrease) of 2021/2022 JPA Budget Over 2021/2022 ORIGINAL		% Increase (Decrease) of 2021/2022 JPA Budget Over 2021/2022 PROJECTED		
OPERATING REVENUES								
Containers	\$ 31,064,366	\$ 27,957,481	\$ 29,856,732	\$ (1,207,634)	-3.89%	\$ 1,899,251	6.79%	
Autos	14,985,447	15,361,184	15,220,500	235,053	1.57%	(140,684)	-0.92%	
Military	1,270,000	850,603	998,133	(271,867)	N/A	147,530	17.34%	
Break Bulk	4,093,136	4,665,518	4,133,415	40,279	0.98%	(532,103)	-11.41%	
Liquid Bulk	1,312,622	1,443,414	1,490,922	178,300	13.58%	47,508	3.29%	
Dry Bulk	2,018,956	1,989,760	2,078,202	59,246	2.93%	88,442	4.44%	
Cruise	2,000,000	-	1,224,130	(775,870)	-38.79%	1,224,130	N/A	
Other Operating Revenues	2,550,480	4,142,402	2,778,721	228,241	8.95%	(1,363,681)	-32.92%	
TOTAL OPERATING REVENUES	\$ 59,295,007	\$ 56,410,362	\$ 57,780,755	\$ (1,514,252)	-2.55%	\$ 1,370,393	2.43%	
OPERATING EXPENDITURES								
Salaries	\$ 12,229,040	\$ 12,063,530	\$ 13,120,191	\$ 891,151	7.29%	\$ 1,056,661	8.76%	
Employee Benefits	5,356,482	5,319,122	5,913,133	556,651	10.39%	594,011	11.17%	
Services & Supplies	4,090,702	3,885,088	4,948,700	857,998	20.97%	1,063,612	27.38%	
Security Services	5,009,338	4,781,209	5,402,169	392,831	7.84%	620,960	12.99%	
Business Travel & Training	443,111	280,388	576,725	133,614	30.15%	296,337	105.69%	
Promotion, Advertising, Dues	631,897	598,087	734,327	102,430	16.21%	136,240	22.78%	
Utility Services	803,875	727,678	781,944	(21,931)	-2.73%	54,266	7.46%	
Repairs & Maintenance Projects	1,812,165	1,705,161	2,077,416	265,251	14.64%	372,255	21.83%	
Crane Maintenance Pass Thru	(450,000)	(401,140)	(450,000)	-	0.00%	(48,860)	12.18%	
Berth Maintenance Dredging	5,499,738	5,499,738	5,335,165	(164,573)	-2.99%	(164,573)	-2.99%	
Miscellaneous	234,457	195,542	163,115	(71,342)	-30.43%	(32,427)	-16.58%	
TOTAL OPERATING EXPENDITURES	\$ 35,660,805	\$ 34,654,403	\$ 38,602,885	\$ 2,942,080	8.25%	\$ 3,948,482	11.39%	
OPERATING INCOME	\$ 23,634,202	\$ 21,755,959	\$ 19,177,870	\$ (4,456,332)	-18.86%	\$ (2,578,089)	-11.85%	
NON-OPERATING REVENUES/(EXPENSES)								
Debt Service	\$ (22,929,363)	\$ (16,229,363)	\$ (16,785,534)	\$ 6,143,829	-26.79%	\$ (556,171)	3.43%	
Investment Income	146,344	10,000	8,688	(137,656)	-94.06%	(1,312)	-13.12%	
Shared Revenue from Primary Govt	9,588,317	9,757,089	9,600,000	11,683	0.12%	(157,089)	-1.61%	
Crane Relo/Demo	-	(706,429)	-	-	-	706,429	-100.00%	
Operating Grant	-	-	73,440	73,440	-	73,440	-	
Other Revenue	8,500	4,430	8,500	-	0.00%	4,070	91.87%	
Other Expense	(3,360)	(4,003,704)	(3,360)	-	0.00%	4,000,344	-99.92%	
NET INCOME BEFORE CAPITAL CONTRIBUTION AND CONTINGENCY	\$ 10,444,640	\$ 10,587,982	\$ 12,079,604	\$ 1,634,964	15.65%	\$ 1,491,622	14.09%	
TRANSFER TO OPERATING CAPITAL OUTLAY	\$ (10,444,640)	\$ (10,587,982)	\$ (12,079,604)	(1,634,964)	15.65%	(1,491,622)	14.09%	
CAPITAL PROJECT RESERVE	\$ -	\$ -	\$ -	\$ -	-	\$ -	-	

Jacksonville Port Authority

Proposed Capital Projects - Budget 2021-2022

Location	Description	Amount							
			STATE	FEDERAL	TENANT CONTRIBUTION	JPA OPERATING FUNDS	CASH RESERVE	JPA FINANCING	
Blount Island	Container Terminal Upgrades	\$ 72,000,000							
	Breasting Dolphin - Berth 22 - Design & Construction	\$ 2,750,000	2,062,500					687,500	
	Rehabilitate Berths 33 & 34	\$ 1,500,000	1,125,000					375,000	
	Intersection Improvements @ Wm Mills/Dave Rawls (WB rt Turn slip, SSA queue, DR Left)	\$ 750,000	375,000				375,000		
	Tenant Asphalt Facility Rehab	\$ 282,000					282,000		
	Install Rail Gates at Crossings (CNST) - 2 Locations (Berth 20 & Dave Rawls)	\$ 250,000					250,000		
	Pile, Cap and Beam Rehab BIMT	\$ 200,000						200,000	
	RoRo Entrance Design	\$ 200,000	100,000					100,000	
	Crane Rail Grout 100 - 200 linear feet per year	\$ 150,000					150,000		
	Transit Shed #1 Rehab Design	\$ 100,000					100,000		
	Resurface ACC and add parking and curbing	\$ 65,000					65,000		
	Roof Replacement Access Control/Operations Bldg	\$ 50,000						50,000	
	HVAC Upgrades at Tenant Office Building	\$ 50,000					50,000		
	Intersection Impvts at BI Blvd/Intermodal/Berth 20	\$ 50,000					50,000		
	Refurbish and Paint Maintenance Shed and Areas	\$ 40,000						40,000	
	Terminal Wide Striping (Thermoplastic)	\$ 40,000					40,000		
Stormwater Pond Outfall upgrades for Tenants	\$ 20,000					20,000			
Total Blount Island	\$ 78,497,000	\$ 3,662,500	\$ 20,000,000	\$ 52,000,000	\$ 1,382,000	\$ 1,452,500	\$ -		
Dames Point	Slope Protection between Cruise Terminal & Tenant (Design & Construction)	\$ 1,000,000	500,000			500,000			
	August Drive Bridge Sheet Pile Wall Replacement Construction	\$ 500,000	250,000					250,000	
	Asphalt Rehab Tenant	\$ 250,000					250,000		
Total Dames Point	\$ 1,750,000	\$ 750,000	\$ -	\$ -	\$ 500,000	\$ 250,000	\$ 250,000		
Talleyrand	Tenant Warehouse Rehab - ROOF only	\$ 2,000,000	1,000,000				1,000,000		
	Rehabilitate Under Deck Concrete	\$ 1,900,000	1,425,000				475,000		
	Pile, Cap and Beam Rehab TMT-Berth 5 - (Cleaning, Design, Construction)	\$ 950,000	712,500				237,500		
	Tenant Processing Bldg-Upgrade 3 Air Handlers	\$ 250,000	125,000				125,000		
	Terminal Facility Maintenance Building	\$ 250,000					250,000		
	Dock Curbing upgrade 900 LF (remove and replace from 1420 to 2935)	\$ 250,000				250,000			
	Resurface Leased Areas - TMT	\$ 200,000	100,000			100,000			
	Westrock Property Development PH 1 (Design & Demo)	\$ 150,000	75,000				75,000		
	Crane Rail Grout 100 - 200 linear feet per year	\$ 150,000				150,000			
	South Rail Crossing Arms installation on Talleyrand	\$ 72,000	72,000						
	Tenant Warehouse 9 roof repairs	\$ 35,000					35,000		
Total Talleyrand	\$ 6,207,000	\$ 3,509,500	\$ -	\$ -	\$ 500,000	\$ 2,197,500	\$ -		
General Port Related	Upland Dredge Material Mgmt Area-Bartram Island-"C"-Construction	\$ 11,000,000				6,704,755		4,295,245	
	Upland Dredge Material Management Area Construction Buck B - Phase 2	\$ 5,800,000	2,900,000				2,900,000		
	PSGP Rd 20 Security Grant	\$ 1,308,853		981,640		327,213			
	Property Acquisition adjacent to TMT South	\$ 1,000,000					1,000,000		
	PSGP Rd 21 Security Grant	\$ 500,000		375,000			125,000		
	Capitalize In-House Engineering Services	\$ 400,000				400,000			
	PCOB Renovations	\$ 350,000				350,000			
	FSTED 20 Security Grant	\$ 155,000	116,250			38,750			
	Misc Land Acquisition	\$ 100,000				100,000			
	Strategic Master Plan	\$ 100,000				100,000			
	Buck Island Access Road Bridge (Concept Development)	\$ 20,000					20,000		
	FSTED 19 Security Grant	\$ 19,344	14,508			4,836			
Total General Port Related	\$ 20,753,197	\$ 3,030,758	\$ 1,356,640	\$ -	\$ 8,025,554	\$ 4,045,000	\$ 4,295,245		
Total Other Capital	\$ 1,672,050	\$ -	\$ -	\$ -	\$ 1,672,050	\$ -	\$ -		
TOTAL CAPITAL PROJECTS	\$ 108,879,247	\$ 10,952,758	\$ 21,356,640	\$ 52,000,000	\$ 12,079,604	\$ 7,945,000	\$ 4,545,245		

Board of Directors Meeting - R2021-06-01 Engineering and Construction Update

KEY CAPITAL PROJECTS											
No.	Contract Number	Project Description	Vendor	Scope	Original Contract Amt. (\$)	Approved Change Orders To Date	Total Contract as Amended	Payments to Date	Work Remaining To Invoice	Proposed Change Orders (PCOs)	Remarks
1	AE-1436D	Rehabilitate Berths 33 & 34	HDR Eng., Inc.	Engineering Services During Construction BIMT Wharf Reconstruction Phase II	\$1,813,479	\$25,000	\$2,641,479	\$2,039,993	\$601,486	\$0	HDR awarded contract for Services During Construction. HDR is performing on-site daily observation including reports. Their services are critical in answering RFI's to keep the contractor working expeditiously. Change Order #4 increased contract to provide funding for contract completion.
	C-1436C		Manson Construction	BIMT Wharf Rehabilitation Phase II	\$51,021,172	\$349,537	\$51,370,709	\$40,570,258	\$10,800,451	\$166,241	Manson Construction Co was awarded the construction contract to build Phase 2A and 2B on BIMT wharf. Construction NTP was issued on December 3, 2018. Contract completion date is February 6, 2021. Contractor is behind schedule but making every effort to improve the schedule. Change Order #6 included added bollards to protect transformers and relocating bollard on Berth 22. Phase 2B Construction: Manson has completed driving landside pile. They have completed 60% of waterside pile. Final demolition of existing waterside beam and piles will be completed by mid-July. Critical path is now on forming, placing rebar and pouring concrete for bents to support precast panels.
2	AE-1658	Upland Dredge Material Management Design & Construction	HDR Engineering	Engineering Design & Services During Construction for Toe Dike at Buck Island	\$340,055	\$58,967	\$399,022	\$337,416	\$61,606	\$0	HDR completed the design documents and will be performing administrative services during construction which includes reviewing submittals,RFI's, change order requests, and monthly inspections.
	C-1737		Branche Diversified Inc.	Upland DMMA Construction Phase 1 - Buck Island	\$3,987,200	\$173,500	\$4,160,700	\$2,955,657	\$1,205,043	\$0	Branche Diversified received a Notice to Proceed on November 24, 2020. Contract duration is 450 calendar days. Change Order #1 added moving an additional 50,000 CY of sand from Toe Dike construction area to Cell A. Branche Diversified has completed the construction of the toe dike and has placed 60% of material in new holding cell. Construction is progressing very well.
	AE-1737A		C&ES	Engineering & Inspection Services for Buck Island DMMA	\$116,032	\$0	\$116,032	\$25,547	\$90,485	\$0	C & ES is performing on-site inspection services as needed to confirm that testing and construction procedures are in accordance with plans and specifications.
3	AE-1728	Westrock Property Improvements	Tetra Tech, Inc	Westrock Property Concept & Design	\$262,600	\$3,500	\$266,100	\$0	\$266,100	\$0	Tetra Tech, Inc has completed the survey of the property. Change Order 1 authorized a wetland survey that confirmed no wetlands on the property. Design to start when utility locates are completed.
	C-1728		Realco Recycling Co., Inc.	TMT Westrock Buildings Demolition	\$606,570		\$606,570	\$0	\$606,570	\$0	Realco Wrecking was issued a Notice To Proceed on June 2, 2021. Contract duration is 180 days. They have received the COJ Demolition permit. The construction fence was installed on June 23. Demolition will begin this week.
4	C-1681	Rehabilitate Railroad Trestle	Intron Technologies	Railroad Trestle Repairs	\$340,699	\$418,801	\$759,500	\$610,542	\$148,958	\$0	Intron Technologies has completed the underdeck repairs and completed repairs on the expansion joints on the top of the bridge. They are working on punch list items.
5	C-1671	August Drive Sheet Pile Wall Replacement	Poseidon Dredge & Marine, Inc.	August Drive Sheet Pile Wall Replacement	\$2,276,305	\$46,402	\$2,322,707	\$1,415,850	\$906,857	\$0	Poseidon Dredge & Marine, Inc has been awarded the contract to replace the sheetpile walls at the August Drive Bridge. Change Order #3 added additional demolition of concrete wing walls. The sheet pile has been installed on both sides of the bridge. PD&M is working on tie-backs, cathodic protection and the approach slabs. They are ahead of schedule.
6	AE-1611A	Pile Cap & Beam Rehab - TMT	HDR Engineering, Inc.	Design Services for Pile Jacket Program	\$141,569	\$71,200	\$212,769	\$146,220	\$66,549	\$0	HDR Engineering provided design services and is providing Services During Construction for the pile jacket repair project at Berth 4 at TMT.
	C-1611		Underwater Mechanix, Inc.	TMT Pile Jacket Repair - Berth 4	\$630,299	\$111,767	\$742,066	\$475,676	\$266,390	\$0	Underwater Mechanix, Inc. was awarded the contract to provide pile jacket repairs at TMT Berth 4. CO #1 added an additional 66 LF of pile jackets required after demo was completed. Materials have been received and UMX is proceeding with the installation of the jackets.
	AE-1780		JACOBS Engineering Group	Engineering Inspection & Design Services Pile Jacket Repairs Berth 5	\$143,950	\$0	\$143,950	\$0	\$143,950	\$0	JACOBS was directed to design the pile jacket repairs on Berth 5 on May 25, 2021. They will start inspection and design of repairs after Underwater Mechanix cleans the pile.
7	AE-1742	Bartram Island Cell C Expansion Design/Permitting	Taylor Engineering, Inc.	Bartram Island DMMA Cell C Concept Development Design & Permitting	\$854,134	\$0	\$854,134	\$566,845	\$287,289	\$0	Taylor Engineering has completed surveys and geotechnical investigation. Recommendations have been made to investigate 2 options. Construct a toe wall and off-load existing material into toe wall and determine optimum height to raise existing walls to create more capacity. Taylor Engineering has provided 60% design documents on June 11 for review.
Grand Totals					\$64,810,369		\$66,872,043	\$49,144,004	\$15,451,734	\$166,241	
Tax Saving Totals											
Tax Savings Percentage of Total Contracts Awarded											

Financial Highlights

May 2021

May was another solid month of good performance. Total Operating Revenues were \$5.439 million with most cargo categories outperforming budget. In particular, Container revenue was \$3.126 million, \$537 thousand over budget. **TEU's totaled 128,927. This is a record for monthly container activity at JAXPORT.** Auto Revenue at \$1.322 million was just over budget at \$73 thousand. 52,527 vehicles were processed during the month. This exceeds 2020 results, but activity in imports remains lackluster as production of autos has not returned to pre-Pandemic levels. Other Operating Revenues added \$227 thousand, \$15 thousand above plan.

EXPENSES

Operating Expenses came in \$159 thousand under budget. Salaries and Benefits was just slightly (\$13 thousand) under plan. Regular Salaries exceeded plan by \$16 thousand as the organization has filled most vacant positions that were frozen during 2020 due to COVID. We have also added a Sr. Accountant position to the Finance staff. Security Services at \$361 thousand was \$56 thousand under plan. This is the result of the difficulty G4S, our major security provider, has had attracting workers into the first line security jobs. All key positions have been covered, largely through overtime payments to current workers working second shifts. G4S bears the burden of that overtime. All other categories remain under budget except Repairs and Maintenance. The increased activity on cranes resulting from heavier container activity requires increased consumption of oil and additional maintenance.

Noteworthy, for the second month, Berth Maintenance Dredging was lighter than expected. Dames Point berths were dredged removing only 21 thousand cubic yards. While not yet a trend, these lighter events are a welcome indication that dredging expense may be returning to normalized levels.

YEAR-TO-DATE

At 8 months we report revenue of \$43.645 million, \$4.591 million ahead of plan and level with prior year. The favorable revenue to budget is driven by Container Revenue being over budget by \$2.129 million and Other Operating Revenue over budget by \$1.969 million, largely the result of tipping fees, and layup of a vessel in the month of January. Operating Expenses are below plan by \$1.905 million. We continue to benefit from Shared Revenue from the City which totals \$6.566 million through May. Net Income Before Depreciation is \$13.402 million. This is \$6.845 million ahead of plan, the result of heavier than expected Container activity, Shared Revenue from the City and well controlled expenses.

BALANCE SHEET

The Balance Sheet remains stable. Cash balances exceed \$17 million. Receivables total \$7 million, higher than normal, but not a cause for alarm at this time of the year.

CONCERNS

No major concerns at this time.

VITAL STATISTICS

MAY FY2021 - Cargo Performance

CARGO INDICATORS

	VARIANCE					YEAR-TO- DATE			VARIANCE	
	Actual	Budget	Prior	Budget	Prior	Actual	Budget	Prior	Budget	Prior
Vessel Calls	134	124	105	8%	28%	1,018	989	1,034	3%	-2%
Total Tons	988,880	796,421	749,052	24%	32%	7,041,720	6,371,367	6,451,845	11%	9%
Total Revenue	5,438,762	5,060,302	4,669,652	7%	16%	\$43,645,089	\$39,053,841	\$43,800,537	12%	0%

OPERATING REVENUE / STATISTICS

	VARIANCE					YEAR-TO- DATE			VARIANCE	
	Actual	Budget	Prior	Budget	Prior	Actual	Budget	Prior	Budget	Prior
Container Revenue	\$3,125,609	\$2,588,698	\$2,612,536	21%	20%	\$22,838,899	\$20,709,584	\$21,536,276	10%	6%
Container TEU's	128,927	105,423	94,134	22%	37%	948,507	843,383	823,587	12%	15%
ICTF Rail Lifts	1,593	1,500	1,091	6%	46%	10,815	12,000	9,555	-10%	13%
Auto Revenue	\$1,322,027	\$1,248,788	\$891,617	6%	48%	\$10,412,047	\$9,990,304	\$10,559,573	4%	-1%
Auto Units	52,527	49,063	16,544	7%	217%	435,361	392,503	379,568	11%	15%
Military Revenue	\$135,183	\$105,834	\$28,454	28%	375%	\$824,781	\$846,672	\$1,113,938	-3%	-26%
Military Units	436	356	246	22%	77%	4,603	2,849	5,657	62%	-19%
Breakbulk Revenue	\$306,765	\$341,094	\$387,966	-10%	-21%	\$3,502,483	\$2,728,752	\$2,604,755	28%	34%
Breakbulk Tons	44,894	65,484	67,435	-31%	-33%	483,776	523,875	501,790	-8%	-4%
Liquid Bulk Revenue	\$115,143	\$109,386	\$124,934	5%	-8%	\$969,567	\$875,088	\$957,542	11%	1%
Liquid Bulk Tons	30,102	24,125	38,020	25%	-21%	287,412	192,997	270,382	49%	6%
Dry Bulk Revenue	\$206,910	\$168,247	\$203,973	23%	1%	\$1,427,070	\$1,345,976	\$1,350,791	6%	6%
Dry Bulk Tons	114,698	66,819	78,676	72%	46%	566,426	534,549	488,369	6%	16%
Cruise Revenue	\$0	\$285,715	\$0	-100%	0%	\$0	\$857,145	\$1,896,597	-100%	-100%
Cruise Passengers	-	11,429	-	-100%	0%	-	34,286	74,865	-100%	-100%
Total Cargo Revenue	\$5,211,637	\$4,847,762	\$4,249,480	8%	23%	\$39,974,848	\$37,353,521	\$40,019,473	7%	0%
Other Revenue	\$227,125	\$212,540	\$420,172	7%	-46%	\$3,670,240	\$1,700,320	\$3,781,064	116%	-3%

Jacksonville Port Authority
Comparative Income Statement (Unaudited)
For the 8 months ending 05/31/2021

	Current Month Actual	Current Month Budget	Budget Variance	Prior Year Month Actual	Current YTD Actual	Current YTD Budget	Budget Variance	Prior Year YTD Actual
OPERATING REVENUES								
CONTAINERS	3,125,609	2,588,698	536,911	2,612,536	22,838,899	20,709,584	2,129,315	21,536,276
AUTOS	1,322,027	1,248,788	73,239	891,617	10,412,046	9,990,304	421,742	10,559,573
MILITARY	135,183	105,834	29,349	28,454	824,781	846,672	(21,891)	1,113,938
BREAK BULK	306,765	341,094	(34,329)	387,966	3,502,483	2,728,752	773,731	2,604,755
LIQUID BULK	115,143	109,386	5,757	124,934	969,567	875,088	94,479	957,542
DRY BULK	206,910	168,247	38,663	203,973	1,427,070	1,345,976	81,094	1,350,791
CRUISE	-	285,715	(285,715)	-	-	857,145	(857,145)	1,896,597
OTHER OPERATING REVENUE	227,125	212,540	14,585	420,172	3,670,240	1,700,320	1,969,920	3,781,064
TOTAL OPERATING REVENUES	5,438,762	5,060,302	378,459	4,669,652	43,645,089	39,053,841	4,591,247	43,800,537
OPERATING EXPENSES								
SALARIES & BENEFITS	1,381,227	1,394,216	(12,989)	1,352,540	11,447,178	11,666,693	(219,515)	11,395,570
SERVICES & SUPPLIES	322,406	340,895	(18,489)	289,123	2,487,614	2,727,160	(239,546)	2,831,760
SECURITY SERVICES	361,153	417,445	(56,292)	413,492	3,002,317	3,339,560	(337,243)	3,469,652
BUSINESS TRAVEL AND TRAINING	13,991	36,927	(22,936)	(2,420)	83,564	295,416	(211,852)	262,156
PROMO,ADV,DUES & MEMBERSHIPS	36,885	52,659	(15,774)	3,878	366,390	421,272	(54,882)	427,869
UTILITY SERVICES	51,743	66,989	(15,246)	42,665	423,448	535,912	(112,464)	507,957
REPAIRS & MAINTENANCE	232,139	151,017	81,122	140,886	1,132,447	1,208,136	(75,689)	1,326,304
CRANE MAINTENANCE PASS THRU	(50,576)	(37,500)	(13,076)	(23,332)	(259,524)	(300,000)	40,476	(287,814)
BERTH MAINTENANCE DREDGING	382,985	458,312	(75,327)	279,784	3,023,756	3,666,496	(642,740)	4,199,641
MISCELLANEOUS	9,230	19,541	(10,311)	9,414	104,485	156,328	(51,843)	115,497
TOTAL OPERATING EXPENSES	2,741,182	2,900,501	(159,319)	2,506,030	21,811,674	23,716,973	(1,905,299)	24,248,591
OPERATING INC BEFORE DS AND DEPR	2,697,580	2,159,801	537,779	2,163,621	21,833,415	15,336,868	6,496,547	19,551,946
NON OPERATING INCOME								
INVESTMENT INCOME	668	12,194	(11,526)	2,432	6,557	97,552	(90,995)	222,807
SHARED REVENUE FROM CITY	804,069	799,026	5,043	171,354	6,566,533	6,392,208	174,325	1,390,180
TOTAL NON OPERATING ITEMS	804,737	811,220	(6,483)	173,786	6,573,090	6,489,760	83,330	1,612,987
NON OPERATING EXPENSE								
DEBT SERVICE	1,772,413	1,908,117	(135,704)	1,657,711	14,291,857	15,264,933	(973,076)	13,667,747
CONTRIBUTIONS TO TENANTS	-	-	-	-	-	-	-	900,539
CRANE RELOCATION	-	-	-	-	706,429	-	706,429	-
OTHER NON OP EXPENSE	3,710	678	3,032	3,559	6,524	5,424	1,100	6,825
TOTAL NON OPERATING EXPENSE	1,776,123	1,908,795	(132,672)	1,661,270	15,004,810	15,270,357	(265,547)	14,575,112
INCOME BEFORE DEPRECIATION	1,726,194	1,062,226	663,967	676,137	13,401,694	6,556,271	6,845,422	6,589,822

Jacksonville Port Authority
Balance Sheet (in thousands)
At May 31, 2021

	<u>May 31, 2021</u>	<u>April 30, 2021</u>	<u>September 30, 2020</u>
Current Assets			
Cash & cash equivalents	17,136	16,016	16,788
Restricted cash & cash equivalents	4,259	6,054	7,867
Accounts receivable, net	6,916	6,037	6,056
Notes and other receivables	1,335	1,320	1,138
Grants receivable	23,887	22,935	21,216
Inventories and other assets	2,206	2,285	1,667
Total Current Assets	55,739	54,647	54,732
Noncurrent Assets			
Restricted cash & cash equivalents	15,987	15,990	16,087
Restricted Cash for Cap Projects	1,072	1,518	3,457
Deferred outflow of resources	11,041	11,071	11,284
Capital Assets, net	846,427	845,266	849,045
Total Noncurrent Assets	874,527	873,845	879,873
Total Assets	930,266	928,492	934,605
Current liabilities			
Accounts payable	1,607	1,404	1,755
Construction accounts payable	2,951	2,376	3,293
Accrued expenses	553	572	895
Accrued interest payable	570	3,432	3,365
Retainage payable	803	803	803
Unearned Revenue	7,401	7,401	7,401
Bonds and Notes Payable	7,163	7,163	7,163
Total Current Liabilities	21,048	23,151	24,675
Noncurrent liabilities			
Unearned Revenue	124,394	124,894	129,022
Accrued Expenses	3,356	3,343	3,406
Line of credit	14,207	13,207	19,346
Bonds and notes payable	214,864	215,400	222,152
Short Term Borrowings	34,100	34,100	37,700
Other Obligations	8,537	8,537	8,537
Net Pension Liability	18,069	18,069	18,069
Deferred inflow of resources	1,461	1,461	1,461
Total Non Current Liabilities	418,988	419,011	439,693
Total Liabilities	440,036	442,162	464,368
Net Position	490,230	486,330	470,237



COMMERCIAL

REPORT

JAXPORT BOARD MEETING

June 2021

COMMERCIAL OVERVIEW

ITEMS OF INTEREST

Industry Highlights

- **Containers**
- **Vehicles**
- **Breakbulk**



COMMERCIAL OVERVIEW

NEW BUSINESS EXAMPLES

BUSINESS

PROJECTED ANNUAL REVENUE

Project Bump

\$61,000

Project Sands

\$42,000

Project Sofia

\$31,000

Project Seminole

\$20,000

COMMERCIAL OVERVIEW

SAMPLE OPPORTUNITIES IN PIPELINE

TOTAL OPEN OPPORTUNITIES: \$13.5 MILLION in Pipeline

PROJECT	PROJECTED ANNUAL REVENUE
Container Carriers	\$460,000 - \$650,000
Project Video	\$118,000
Project Colonel	\$78,000
Project Reef	\$71,000



COMMERCIAL

REPORT

JAXPORT BOARD MEETING

June 2021