



Minutes for Board of Directors Meeting

09/26/2022 | 09:00 AM - 10:35 AM - Eastern Time (US and Canada)

JAXPORT Security Operations Center, Training Room, 9530 New Berlin Court, Jacksonville, FL

Board Members Attending:

Ms. Wendy Hamilton, Chair
Mr. Palmer Clarkson, Vice Chair
Mr. Daniel Bean, Treasurer
Mr. Brad Talbert, Secretary
Mr. Jamie Shelton, Member
Mr. Ed Fleming, Member

Other Attendees:

Mr. Eric Green, Chief Executive Officer
Ms. Beth McCague, Chief Financial Officer/Chief of Staff
Mr. Nick Primrose, Chief, Regulatory Compliance
Mr. James Bennett, Sr. Director, Engineering & Construction
Mr. Robert Peek, Director & GM, Business Development
Mr. Mike McClung, Director of Finance
Mr. Reece Wilson, Office of General Counsel
Mr. Ron Salem, City Council Liaison
Ms. Rebecca Dicks, Board Liaison

A meeting of the Jacksonville Port Authority Board of Directors was held on Monday, September 26, 2022 in the Training Room at the Security Operations Center, 9530 New Berlin Court, Jacksonville, Florida. Chairwoman Wendy Hamilton called the meeting to order at 9:00 a.m. and welcomed all attendees. Board Member Brad Talbert led the audience in a moment of silence and the Pledge of Allegiance.

Approval of Minutes - Board of Directors Meeting - June 27, 2022

Board Chair Hamilton called for approval of the June 27, 2022 Board of Directors Meeting Minutes. After a motion by Mr. Bean and a second by Mr. Talbert, the Board unanimously approved the minutes as submitted.

Public Comments

Board Chair Hamilton called for comments from the public. Mr. Mike Noon, COO of Tote spoke to the Board regarding Tote's current storm berthing agreement. Tote is requesting emergency use of Crowley's berth due to incoming storm Hurricane Ian. Kyle Winham, Sr. Counsel for Crowley, advised the Board that Crowley is not opposed to Tote using their berth during the upcoming storm. After discussion by the Board, it was decided that all parties would meet with management following the Board meeting to discuss a potential plan to include insurance policy coverages.

Presentations:

Milestones

Mr. Derrick Lewis recognized Corey Bell, Public Safety Administration, for reaching his 10-year milestone and thanked him for his service.

Mr. James Bennett recognized Ronald Tucker, Marine Terminal Welder, for reaching his 25-year milestone and thanked him for his service.

Port Partner Recognition: US Coast Guard, CBP & FBI

CEO Eric Green and Board Chair Wendy Hamilton recognized division leaders from the three federal agencies who help facilitate the safe and secure movement of cargo through JAXPORT's facilities and then presented commemorative plaques to Capt. Janet Espino-Young, Commander of U.S. Coast Guard Sector Jacksonville; Area Port Director Jennifer Bradshaw, from U.S. Customs and Border Protection Area Port of Jacksonville; and Special Agent in Charge Sherri Onks from the FBI Jacksonville Field Office.

Board Chair Hamilton thanked them for their service and for the important roles they serve in keeping the supply chain safely moving for the people of Florida and throughout the United States.

Chair Update - Audit Committee Update

Board Chair Hamilton called on Palmer Clarkson, Chair of the Audit Committee, for a brief recap of the CEO's annual performance review and evaluation presentation made earlier today at the Audit Committee meeting.

Mr. Clarkson stated that the Audit Committee discussed Mr. Green's compensation bonus for FY22. He stated that the Audit Committee believes that Mr. Green did a masterful job in 2022 and that the port is in very good condition and has great leadership. He stated that the port's performance allowed the CEO to achieve a 25% bonus based on the previous agreement that the Audit Committee approved a year ago. Mr. Clarkson stated that the entire Audit Committee voted to give Mr. Green the full 100% bonus which is 25% of his current salary. He stated that the Audit Committee appreciates the great job Mr. Green is doing and expects it to continue.

Board Chair Hamilton asked if any other Audit Committee members had comments. Mr. Bean stated that it was an easy decision and thanked Eric and his team for all the great work they

did. Mr. Talbert stated that he concurs with Mr. Bean and that he has no issues and is very excited for the future of the port.

Ms. Hamilton then called for a vote on the Audit Committee's recommendation to approve the CEO's review and evaluation for FY22. After a motion by Mr. Clarkson and a second by Mr. Bean, the Board unanimously voted to approve the CEO's FY22 review and evaluation and approve the full targeted 25% bonus award.

Proposed Slate of Board Officers

Board Chair Hamilton asked Mr. Clarkson to give an update on the Audit Committee's recommendation as to the proposed slate of board officers to serve a term starting October 1, 2022 through September 30, 2023.

Mr. Clarkson stated that the Audit Committee recommended that the current slate of Board officers immediately move up which would make Palmer Clarkson Chairman, Daniel Bean, Vice Chairman, Brad Talbert, Treasurer, and Wendy Hamilton, Secretary for a term beginning October 1, 2022 through September 30, 2023.

After a motion by Mr. Fleming and a second by Mr. Talbert, the Board unanimously approved this slate of officers to serve a term beginning October 1, 2022 through September 30, 2022. Mr. Clarkson stated that the Audit Committee proposed that beginning October 1, 2022 through September 30, 2023, the Audit Committee will be chaired by Daniel Bean and Brad Talbert, Ed Fleming and Wendy Hamilton will serve as Audit Committee members.

After a motion by Mr. Clarkson and a second by Mr. Bean, the Board unanimously approved this slate of Audit Committee officers to serve a term beginning October 1, 2022 through September 30, 2022.

Ms. Hamilton also thanked Board Member Daniel Bean for continuing to serve as JAXPORT's representative on the TPO. Mr. Bean has been serving as JAXPORT's TPO rep since former Chairman John Baker asked him to take on this role in December of 2019.

New Business

BD2022-09-01 Foreign Trade Zone Service Area Expansion Eastern Alachua County

Mr. Justin Ryan presented this submission for Board approval of a resolution authorizing the addition of Eastern Alachua County to the zone area of FTZ No. 64.

After a motion by Mr. Bean and a second by Mr. Talbert, the Board voted to approve this submission.

AC2022-09-01 Purchase of Six (6) Caterpillar 3516B Diesel Generator Sets (Used) - RECISSION of Award AC2022-06-05)

Mr. James Bennett presented this submission for the Board to approve the rescission of a contract to Power System Services in the amount of \$1,650,000 for the purchase of six (6) Caterpillar 3516B Diesel Generator Sets.

After a motion by Mr. Clarkson and a second by Mr. Bean, the Board voted to approve this submission.

AC2022-09-02 Purchase of Five (5) Caterpillar 3516B Diesel Generator Sets (Used) – Mid-America Engine

Mr. James Bennett presented this submission for Board approval of a contract to Mid-America Engine in the amount of \$1,327,000 for the purchase of five (5) Caterpillar 3516B Diesel Generator Sets.

After a motion by Mr. Bean and a second by Mr. Talbert, the Board voted to approve this submission.

AC2022-09-03 Facilities-Wide Concrete Pile Cleaning Underwater Mechanix Services, LLC

Mr. James Bennett presented this submission for Board approval of a contract to Underwater Mechanix Services, LLC for facilities-wide concrete pile cleaning at TMT and BIMT in the amount of \$877,182.

After a motion by Mr. Talbert and a second by Mr. Clarkson, the Board voted to approve this submission.

AC2022-09-04 Professional Hydrographic Surveying Services Arc Surveying & Mapping, Inc.

Mr. James Bennett presented this submission for Board approval of a contract to Arc Surveying & Mapping, Inc. for Professional Hydrographic Surveying Services in the estimated amount of \$520,000. The initial contract period is three (3) years with three (3) one-year (1) renewal options made at the sole discretion of JAXPORT, based on vendor's performance and adherence to all terms and conditions of the contract.

After a motion by Mr. Fleming and a second by Mr. Talbert, the Board voted to approve this submission.

AC2022-09-05 Joint Agency Fuel – Gate Petroleum

Mr. James Bennett presented this submission for Board approval of the issuance of a master service agreement to Gate Petroleum for fuel in the annual estimated amount of \$1,577,544.

After a motion by Mr. Bean and a second by Mr. Clarkson, the Board voted to approve this submission.

CEO Update

Mr. Green began his update by saying our hearts and prayers are with the people of Puerto Rico. The island sustained significant flooding and widespread power outages as a result of Hurricane Fiona. Mr. Green stated that he has personally been in contact with the CEO of the Puerto Rico Ports Authority, as well as their leadership team, to gauge the amount of damage and to see what kind of assistance JAXPORT can give to them. He states that he also remains in discussion with Puerto Rican Ocean Carriers to engage in the relief effort and the amounts of volume that will be shipped to the island to assist them. Last week, JAXPORT set up a donation relief fund with the American Red Cross and a link is available on JAXPORT's website to donate.

Mr. Green informed the Board that JAXPORT has been voted the top port in the nation for value and the top port on the East Coast for overall customer satisfaction by readers of Logistics Management Magazine. Mr. Green thanked the JAXPORT team as they continue to work and show the port's efficiency.

Mr. Green stated that due to the significant increase in fuel, the JAXPORT's tariff fuel charge will take effect on October 1 of this year. The tariff fuel charge is set at a base rate of \$3.45 per gallon, and the user of diesel cranes will pay anything above that rate. The port will continue to monitor this as the surcharge goes into effect.

Mr. Green informed the Board that SSA will be receiving their three new 100-gauge Post-Panamax cranes on February 14, 2023. It will take about 60-90 days to commission those cranes and get them running. JAXPORT is in constant contact with SSA. The port met with them last week during the breakbulk conference and discussed using JAXPORT crane techs to take care of the maintenance on these cranes. Mr. Green stated that the port and SSA have actually come to an agreement on this issue. This will be the first time a tenant will split the cost with JAXPORT to cover administrative fees as well as the cost of using JAXPORT employees for maintenance.

Mr. Green then introduced and turned the meeting over to Mr. Cas Pouderoyen, Sea Lead's Managing Director, Americas.

Mr. Pouderoyen informed the Board that Sea Lead Shipping selected JAXPORT as its first port of call on its US East Coast service. The rotation connects Jacksonville to four locations in Asia. Mr. Pouderoyen stated that Jacksonville's uncongested berths and the completed 47-foot deepening project were key factors in Sea Lead's decision to choose JAXPORT. He stated that Sea Lead's plans for growth at JAXPORT include staffing a Jacksonville service and sales center; increasing cargo volumes per sailing; increasing frequency of sailings and reviewing potential for additional vessel service.

Ms. Hamilton thanked Mr. Pouderoyen for his presentation and stated that Sea Lead is an important partner for JAXPORT. She stated that the port looks forward to the continued success of this partnership and the positive impact it will have on our cargo customers and community.

Reports

R2022-09-01 Commercial Highlights

Mr. Robert Peek provided updated commercial highlights to the Board for the month of September 2022.

R2022-09-02 Engineering and Construction Update

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

R2022-09-03 Financials/Vital Statistics

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

R2022-09-04 Financial Highlights by Beth McCague

Ms. Beth McCague provided Financial Highlights to the Board in their books for the month of August 2022.

Other Business

After a motion by Mr. Bean 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 September/October 2022.

There was one emergency purchase of 2 Trolley Motors on 8/11/22.

Adjourn

There being no further business of the Board, the meeting adjourned at 10:35 a.m.