



## Minutes for Board Workshop

08/07/2023 | 09:00 AM - 12:55 PM - Eastern Time (US and Canada)

North Florida TPO Office, 980 N. Jefferson Street, Jacksonville, FL 32209

Board Members Attending:

Mr. Palmer Clarkson, Chairman  
Mr. Daniel Bean, Vice Chairman  
Ms. Wendy Hamilton, Treasurer/Secretary  
Mr. Jamie Shelton, Member  
Ms. Soo Gilvarry, Member

Absent:

Mr. Ed Fleming, Member

Other Attendees:

Mr. Eric Green, Chief Executive Officer  
Ms. Beth McCague, CFO/Chief of Staff  
Ms. Linda Williams, Chief Administrative Officer  
Mr. Nick Primrose, Chief, Regulatory Compliance  
Mr. James Bennett, Chief Operating Officer  
Ms. Chelsea Kavanaugh, Chief Communications Officer  
Dr. John Martin, Martin & Associates - via Zoom  
Mr. Frank Ward, Ward Maritime Consulting Services - via Zoom  
Mr. Jeff Sheffield, Executive Director, North FL TPO  
Mr. Mike Weinstein, Interim CFO, City of Jacksonville  
Ms. Rebecca Dicks, Board Liaison

A workshop of the Jacksonville Port Authority Board of Directors was held on Monday, August 7, 2023 at the North Florida TPO office, 980 N. Jefferson Street, Jacksonville, Florida. Chairman Clarkson called the workshop to order at 9:00AM. The CEO, Eric Green, opened the workshop by extending a warm welcome to all participants. He informed the Board that the primary objective of the workshop was to present an updated progress report covering the years 2020 to 2023. This report focuses on the implementation and advancements made within the context of the initial 2020-2025 Strategic Plan. During the workshop, Mr. Green emphasized to the Board members that the session would not involve any voting or necessitate major decisions. Instead, the focus was on knowledge-sharing and information dissemination. Mr. Green introduced the key speakers for the event, including Dr. John Martin from Martin & Associates, an economist industry consultant, and Mr. Frank Ward, a specialist in breakbulk cargo. The objective of these presentations was to broaden the Board's understanding and facilitate informed discussions regarding the port's operations and strategic

direction. Mr. Eric Green then introduced Mr. Nick Primrose to the Board members. Mr. Primrose reiterated the earlier message that the workshop was not intended for voting or making significant decisions. He highlighted that the workshop adhered to public notice protocols. Ms. Beth McCague provided an overview of the progress showing quantitative results compared to forecast the strategic plan up until June 30, 2023. She highlighted the two strategic initiatives that have been successfully completed – harbor deepening and rebuilding of the cruise business segment. She also reviewed major projects in the strategy prioritizing investment in infrastructure, including crane refurbishment, and Blount Island berth expansions. She noted the 2024 Capital Budget at over \$430 million was the highest in history. The Capital Budget will fund multiple improvement projects that are preparing the port to handle more cargo activity. Finally, Ms. McCague reviewed key actions the port has taken to improve safety throughout the terminals and to provide training to raise the competence levels across the organization. Mr. Robert Peek delivered an update to the Board regarding the commercial sales processes and outcomes. His presentation centered around three core areas: Expanding Container Business: Mr. Peek highlighted the successful efforts undertaken to grow the container business. He discussed strategic initiatives and actions that contributed to the expansion of this segment, showcasing how the port has effectively won additional container-related activities by attracting new shipping lines calling on JAXPORT. He reported that he expects container TEU counts will meet 2025 forecast goals. Mr. Peek indicated the port has future capacity to grow container volume to 2.4 million TEU's annually.

Maintaining Vehicle Business: Mr. Peek noted one of the major strategies was to facilitate the relocation of Southeast Toyota to Blount Island. He also intends to focus on growing Ro-Ro (high and heavy) volumes. JAXPORT will remain a top vehicle handling port and to grow this business segment, more land is needed.

Growing Breakbulk Business: Mr. Peek elaborated on the port's success in growing the breakbulk business. He shared insights into the targeted strategies and endeavors that have led to positive outcomes and increased tonnage in this particular area.

Mr. Peek's presentation shared an overview of the port's commercial sales team, highlighting their achievements in expanding container business, maintaining vehicle business, and fostering growth in the breakbulk sector.

Ms. Linda Williams presented the Fiscal Year 2024 Revenue and Expense Budget to the Board. Her report included a detailed breakdown of anticipated revenues and expenditures for

the upcoming fiscal year. Additionally, Ms. Williams provided a forward-looking perspective by sharing a 5-year revenue forecast.

Dr. John Martin and Frank Ward delivered a comprehensive presentation shedding light on the historical and present conditions at JAXPORT. The analysis focused on the forest products and breakbulk market segments. Dr. Martin also identified promising opportunities for growth and outlined specific measures that should be taken to capitalize on these prospects. This included the need for additional warehouse space. He stressed the need for consistent maintenance of the 40ft channel at Talleyrand, underlining its critical role in ensuring smooth maritime access.

Additionally, Dr. Martin brought attention to vital improvements such as the efficient rail services and enhanced car availability required for successful breakbulk operations. He also said efficient truck turn times at the terminal is a priority.

The presentation further identified challenges, including rising terminal charges and elevated truck rates due to constrained backhaul availability. Dr. Martin's insights underscored the importance of mitigating these issues to foster a more favorable operating environment. Lastly, the presentation recognized the potential benefits of increased rail car availability, further highlighting its impact on operational optimization.

In summary, Dr. John Martin's presentation offered a review of the historical and current state of breakbulk activity at JAXPORT. Importantly, he forecasts the import paper market is expected to double over the next 5 years. Through actionable recommendations and an identification of areas needing improvement, his insights provided a roadmap for addressing challenges and leveraging opportunities for sustainable growth.

Mr. Jeff Sheffield, the Executive Director of the North Florida Transportation Planning Organization (TPO), presented a concise overview of the organization's role in guiding the transportation development and maintenance across Clay, Duval, Nassau, and St. Johns counties. Mr. Sheffield's presentation outlined the TPO's crucial responsibilities, which include planning, securing funding, and effectively mobilizing resources to support the growth and sustainability of the transportation system within the mentioned counties. This overview served to provide the board with a clear understanding of the TPO's pivotal role in orchestrating collaborative efforts to enhance the regional transportation infrastructure. Mr. Sheffield highlighted the technology arm of the TPO, Smart North Florida, which is funding a study for JAXPORT. This study will help identify how the port's current infrastructure, i.e., 500 security

cameras, can be teamed with technology to provide more real time data on terminal operations.

During a working lunch, Ms. McCague reviewed a history of interlocal government revenue. There was a discussion about the need to have a reliable, increasing inflow from this source. Mr. Weinstein commented on potential annual increase metrics that could be considered.

Mr. Eric Green provided the board with an update on the ongoing process of prioritizing potential property acquisitions. His presentation outlined the strategic considerations, evaluation criteria, and decision-making framework being employed to identify properties that align with the port's long-term goals and objectives.

Continuing the workshop, Mr. Green gave highlights of proposals for future use of the Southeast Toyota property at Talleyrand which will be vacated in 2025.

Mr. James Bennett presented an update outlining the timeline for the raising the JEA transmission lines.

Mr. Eric Green discussed the 25-acre JEA parcel located on Blount Island. This property will be used by JEA during construction of raising the power lines. JAXPORT has the first right of refusal to purchase this parcel until December 2026.

Additionally, Mr. Green presented JEA's process for proposing the development of the St. Johns River Power Park (SJRPP). JEA has engaged the consulting firm CBRE to guide the process.

Mr. Green concluded the workshop by expressing gratitude to the attending Board members for their participation and engagement. He acknowledged their contributions throughout the session. Mr. Green emphasized an open-door approach, welcoming any insights, suggestions, or input the Board members may have regarding the presented plan and discussed matters. This collaborative approach underscores the port's commitment to transparent communication and the importance of a shared vision in shaping the port's future direction.

Chairman Clarkson then thanked all participants for their attendance. The workshop adjourned at 12:55PM.