

# OCEAN HIGHWAY & PORT AUTHORITY



Miriam R. Hill – Chairwoman, District 1  
Danny Fullwood – Commissioner, District 2  
Justin Taylor – Vice Chairman, District 3  
Ray Nelson – Secretary/Treasurer, District 4  
Mike Cole – Commissioner, District 5

Monthly Meeting Minutes

May 8, 2024

The Ocean Highway and Port Authority, Nassau County, held an Executive and Monthly meeting on Wednesday, May 8, 2024 at the Peck Center, Willie Mae Ashley Auditorium, 516 S 10<sup>th</sup> Street, Fernandina Beach, FL 32034.

**1. Executive meeting** (Case No. 45-2022-CA-000077, Property Appraiser matter)

The OHPA Board public meeting was called to order at 5:00 PM by Chair Hill. Mr. Krechowski, Port Attorney, made a statement requesting a shade meeting to discuss Case #45-2022-CA-000077, Property Appraiser matter. The shade meeting was convened with the full Board; Mr. Krechowski, Port Attorney; and a court reporter present. The shade meeting concluded at approximately 5:40 PM and the public meeting was reconvened by Chair Hill. The conclusion and termination of the shade meeting was announced.

**2. Public meeting (Call to Order) - Chair**

Chair Hill called the public meeting to order at 5:58PM.

**3. Invocation**

The invocation was given by Commissioner Nelson.

**4. Pledge of Allegiance**

The pledge was led by Chair Hill.

**5. Roll Call:** Miriam Hill, District 1; Danny Fullwood, District 2, Justin Taylor, District 3; Ray Nelson, District 4; Mike Cole, District 5.

Roll call was conducted by Rossana Hebron, Administrative Office Manager. All Commissioners were present. Also in attendance were Patrick Krechowski, Port Attorney; Pierre LaPorte, Port Accountant; and Greg Haehl, Port Operator.

**6. Recognition of elected Officials, Honored guests, Industry and Professional representatives, and others in attendance** (Chair)

Chair Hill acknowledged the meeting attendees including: Nassau County team, Jennifer Liston (Zyscovich), Bob Virtue, Scott Moore (OHPA candidate District 2), and Mike Lednovich (FB Observer).

**7. Public Comments** on agenda items (Comments submitted prior to the meeting)

➤ **Bob Virtue;** Fernandina Beach resident

Mr. Virtue agreed with the Port access protocol for the OHPA Commissioners and inquired about the Board's decision on the relocation of the fabric warehouse.

Chair Hill explained Mr. Krechowski researched the matter and will provide his findings during his Port Attorney report. Also, the findings did not merit action from the Board. She thanked Mr. Virtue for attending the meeting and providing his opinion on Port matters.

## 8. Presentation:

### a. Taco Pope – Nassau County Manager (Development of Northeast section of Nassau County)

Mr. Pope was accompanied by his team that included:

- Robert Companion, Deputy County Manager/County Engineer
- Brandy J. Carvahlo, Director of Strategic Advancement
- Holly Coyle, Economic Resources Coordinator
- Elizabeth Backe, Planning Director

Mr. Pope thanked Chair Hill for recently providing updates regarding the Port at the County Commission meeting on April 22<sup>nd</sup>. He explained the County team's reports were high-level updates on capital improvements within Nassau County, specifically, Wildlight and central and northeastern portions of the County. He offered to provide detailed presentation on a separate occasion regarding the different County projects.

The 2050 Nassau County Vision Plan, infrastructure improvements/developments/maintenance and the Bicentennial celebration events were highlighted among other Nassau County matters.

Chair Hill and Vice Chair Taylor both thanked the Nassau County team for their updates and efforts for the County. She also reminded Mr. Pope that OHPA submitted a proclamation request for the National Maritime Day (May 22<sup>nd</sup>) to the County Commission in recognition of the long-time Port of Fernandina team members. Vice Chair Taylor added that Amelia Island was chosen as the 2024 "Best Island in the United States."

### b. Zyscovich, LLC (USCBP Concept Design)

Jennifer Liston represented Zyscovich, LLC to provide the U.S. Customs and Border facility concept design. After much research/assessments and working in tandem with the U.S. CBP and Savage teams, Ms. Liston reported five options:

- A. Renovation and expansion of existing structure
- B. New building on OHPA parcels C and D
- C. New building on alternate site
- D. Renovation of warehouse and house
- E. Modularity on-site

The consensus among CBP, Commissioner Fullwood, and Savage was option D, to renovate the existing structures and modify to satisfy CBP's requirements. Option D would be the most economically and fastest option as compared to the pros and cons of the others. If acceptable to the Board, the Zyscovich team will finalize their report and proceed with next actions: Programming and scope validation, site analysis and planning concepts, design charrette/alternatives/and refinement of design, and draft report. Commissioner Fullwood added every CBP department had "buy-in" with the space components.

Mr. Haehl inquired if using the existing office as the public access was considered. Ms. Liston explained options A and D may be combined to satisfy that requirement. However, any modifications will have to be approved by the Historic District. Mr. Haehl added they would seek funding for the floor plan and construction similar to the one that funded the conceptual design or perhaps repurpose an existing grant. Commissioner Fullwood suggested applying for a federal grant to supplement an existing State grant.

Commissioner Fullwood motioned to accept option D and proceed to the next step. Commissioner Cole second the motion for discussions.

**Discussion:** Commissioner Fullwood added step 2 is for the design and construction floor plans. The Zyscovich team is prepared to execute said task. Then, the floor plans would be submitted to CBP for approval. To clarify, Zyscovich will finish their scope to include a cost estimate on the selected option before proceeding with step 2.

Chair Hill asked Commissioner Fullwood to consider amending his initial motion to add a second option E (modular unit). Mr. Haehl explained the latter option would impact container spaces. Chair Hill recommended submitting two options for CBP to consider with option D as the preferred one.

Commissioner Fullwood reported that CBP requested a 5-year lease with the option to reassess because of the cruise business element. He assured them the cruise business is not an option anymore. CBP accepted.

Commissioner Fullwood held fast with his initial motion without amending. Commissioner Cole followed by staying with his initial second motion.

The motion carried by a vote of 4 to 1 with Chair Hill dissenting.

Mr. Haehl suggested once this current scope is completed, scope B will proceed with floor plans based on the selected option D to submit to CBP for approval. Scope C will include the construction phase of the project.

## **9. Regular Business:**

### **a. Consent item**

- **AOM Mileage expense**

Vice Chair Taylor explained he was unable to attend the May 1<sup>st</sup> TAC meeting due to work commitments, so he asked Mrs. Hebron to attend in his stead.

Mrs. Hebron submitted a mileage expense to the full Board prior to the meeting via email for consideration.

Mr. LaPorte suggested reallocating funds from another line item on the budget.

Vice Chair Taylor motioned to approve the mileage expense. Commissioner Nelson second the motion.

**The Board voted unanimously in favor of the motion.**

Commissioner Fullwood questioned why the Board is sending the AOM to meetings instead of one of the Commissioners. Chair Hill explained that the AOM is a connection between OHPA and the different committees. Commissioner Fullwood suggested in the future that one of the Commissioners should be asked to go before sending the AOM.

### **b. Approval of Minutes**

- **April 24, 2024**

There were no amendments to the April 24<sup>th</sup> meeting minutes.

Commissioner Cole motioned to approve. Commissioner Nelson second the motion.

**The Board voted unanimously in favor of the motion.**

### **c. Port Attorney Report**

Mr. Krechowski submitted a written report included in the meeting packet. He provided updates on the on-going legal matters.

He researched the fabric warehouse grant and confirmed that it did not specify the location of the structure except it had to be located within the Port confines.

He also reminded the Board that the public mediation is scheduled for July 2<sup>nd</sup> the City Commission Chambers.

There were no questions from the Board.

**d. Port Accountant Report**

Mr. LaPorte submitted a written report included in the meeting packet. He summarized the Treasurer and the second quarter (Q2 ending in March 31, 2024) financial reports for the Board. There were no unusual activities to report.

The Executive Director's severance pay ended on April 3<sup>rd</sup>. OHPA has fulfilled its commitment.

The annual fixed fee contribution for May to July months was submitted to the Operator and is expected to come in within the next few weeks.

It was suggested to begin considering the budget for FY 2024-25 in June. Mr. LaPorte will include a draft budget at the June 12<sup>th</sup> meeting.

- **Financial report – April 2024**
- **ARPA reimbursement update**  
An invoice for approximately \$100K was submitted for reimbursement for the January to April 2024 payroll. It is expected that the July/August timeframe will be the last ARPA reimbursement. Mr. LaPorte explained legal fees continue to be an issue; however, the Commission should be able to operate with the fixed fee contributions from the Operator.

**e. Port Operator Report (Port of Fernandina)**

A copy of the April 2024 tonnage report was submitted after the deadline; therefore, it was not included in the meeting packet.

- **Tonnage report – April 2024**  
Mr. Haehl summarized the tonnage report. The April 2024 total tonnage was 29,004. He announced acquiring a new customer formerly based out of Mobile, Alabama.
- **Growth Strategy summary**  
An executive summary was included in the meeting packet. In sum, the target tonnage by end of 2026 is 560K tons. The commitment to safety and operational excellence were highlighted.

Mr. Haehl ensured communications with OHPA to succeed with the projected targets. He added some of the commodities require assets (mobile equipment or permanent structures) that are currently not on hand at the Port. As opportunities develop, the Operator will communicate the needs with OHPA.

- **Port issues/repairs (update)**  
Discussed together with the item below per the Chair.
- **Capital Improvements (list update)**
  - R&M Engineering report  
Mr. Haehl summarized his report pertaining to the needs assessment that was included in the meeting packet. It included status report on the items identified as "high severity" items. This engineering assessment is part of the bond requirement every five years; the last was in 2018.

Chair Hill clarified that the report is publicly accessible via the EMMA website and was not a secret kept by OHPA or the Operator. Moving forward, if these types of reports come in, Chair Hill requested that the Operator present it to the Board during an OHPA meeting. Mr. Haehl concurred.

## 10. Old Business

### a. OHPA document request to the Port Operator (update)

Mr. Krechowski reported receiving recently more documents and information from Mrs. Hebron. He is still reviewing said documents.

Chair Hill clarified some of the requested documents relate to maintenance, tonnage, and business revenues. She explained this request starts a cadence ahead of the revenue-sharing that begins this fall. The revenue share includes dockage (lay-berthing) and wharfage (tonnage). Mr. La Porte confirmed that it was a \$1.50 per ton fee. He will search for the past reports submitted by the past Operators. It was basically a per ton - per ship information on a quarterly basis. The auditors would also examine those documents for OHPA's financial reports.

### b. MARAD (Disposition of Fort Clinch tugboat, six trucks, update)

Chair Hill clarified that the grant also includes six trucks in addition to the Fort Clinch tugboat. She reported that MARAD requested updates on the disposition of the tugboat. She added Savage is willing to pay off the grant.

Mr. Krechowski emphasized the urgency for the Board to make a decision and reply to MARAD's request for updates. He stated he has not received additional information from the Port Operator regarding their commitment to "pay off" the grant. He summarized the two options: 1) liquidate the equipment and reimburse MARAD based on the formula of 85% of the sale **or** pay in full to terminate the grant. The latter action will not impact OHPA's future grant qualification.

Mr. Haehl stated Savage was waiting for MARAD's response whether said options were viable. MARAD specifically instructed that the funds must come from OHPA and not from a third party. Mr. Krechowski suggested entering into an agreement with the Operator stipulating that Savage will provide the funds to OHPA, and OHPA, in turn, pays MARAD and terminate the grant. A sale agreement of the vessel can be separate or together with the aforementioned agreement. Mr. Haehl will confirm with his legal team.

Commissioner Nelson reminded the Board that he has a tentative appointment with McCallister to evaluate the vessel for a possible sale. He suggested allowing them to do so for fair value pricing and transparency.

Commissioner Fullwood motioned to approve the Port Operator to purchase the Fort Clinch tugboat. Commissioner Cole second the motion.

**Discussion:** Mr. Krechowski suggested a more appropriate way was to provide consensus from the Board to explore and return with a path forward to reimburse MARAD and terminate the grant. Separate from that, there needs to have a separate agreement on transfer of the vessel to the Operator with some conditions.

Commissioner Fullwood rescinded his motion.

Chair Hill suggested to resolve the reimbursement to MARAD first, then negotiate the transfer of the vessel. Mr. Haehl offered a confirmation by the end of next week. Mr. Krechowski suggested that any evaluation of the vessel should be put on hold to avoid any confusion with OHPA's intent to allow the Operator the first right of refusal. Commissioner Nelson held his ground and requested that McCallister should be allowed to evaluate the vessel. It might be an opportunity to receive more information on fair value and satisfy the transparency aspect. Mr. Haehl offered to agree to keep the vessel at the Port as long as Savage operates at the Port.

Mr. LaPorte clarified that there is a history of not all assets are owned by OHPA, specifically, the crane (now decommissioned) that was purchased by the former Operator because OHPA did not have the funds. Mr. Krechowski reiterated the two options: liquidation and termination. He will respond to MARAD and inform that OHPA's intent is to reimburse and

terminate. Vice Chair Taylor concurred and suggested to allow McCallister to examine the vessel.

The Board gave consent for Commissioner Nelson to meet with McCallister.

**c. Resiliency Plan (update)**

Chair Hill spoke with Jim McDonald, HNTB. He summarized the content of the Plan. He confirmed revisions to some of the language in the document and change any reference to Savage to Nassau Marine Terminal. The final draft is due in two weeks. Basically, he emphasized that OHPA needs to prioritize actions to procure funding together with the Port Operator. He added OHPA is in a good position, with the City poised to build a seawall along the marina and Container Corp. with its railway system. The Plan may be included as documentation for a grant application.

Chair Hill emphasized the items (repairs/improvements) identified in the Plan are impactful investments. In particular; the eroded wharf on the north end of the Port; the raising of the rail line; extending the dock; opening up the Escambia slough; just to name a few. She suggested perhaps the Board needs to consider conducting additional meetings in the coming months and designating points of contacts for the project.

There were no questions from the Board.

**d. Resolution 2024-R06 (Commissioners admission to Port of Fernandina, attachment)**

This item was extended from the last meeting for approval.

Mr. Krechowski reported receiving minor Board comments on the Port access recommendations from the Port Operator submitted last month. He amended the list of six recommendations down to two; required PPE and notice of Port visit in advance.

Commissioner Nelson affirmed that he follows the aforementioned requirements. He will support the resolution as it is written but not with any attachments. Chair Hill added the Board does not wish to impede with the Port's operation, and that the resolution is important.

Commissioner Nelson motioned to approve the resolution (2024-R06) as it is written without additions. Vice Chair Taylor second the motion.

There were no further discussions.

**The Board voted unanimously in favor of the motion.**

**e. EPA Clean Ports Grant (Board to approve application)**

There was no draft application to review and approve, but OHPA received an executive summary of the application from the Operator.

Mr. Krechowski suggested a Board approval for the Operator to submit the grant application consistent with the executive summary document.

Commissioner Fullwood moved to authorize the Operator to compile the grant application consistent with the executive summary. Commissioner Cole second the motion for discussions.

**Discussion:** The deadline for the application is May 28<sup>th</sup>. Mr. Krechowski added the EPA requires an attached statutory partnership agreement between OHPA and the Port Operator stipulating that both parties are applying together for this grant since the Operating agreement was not comply with federal guidelines. The Board has yet to receive and review the statutory partnership agreement.

The Operator explained he plans to conduct a public workshop after the application submittal to satisfy the community engagement portion of the application. Chair Hill offered to schedule said workshops in the coming months.

Commissioner Nelson offered his misgivings and reservations about the rush to approve the application. He wished to have more time to give the application his due diligence and research. Chair Hill stated that she has reservations with submitting a grant application without reviewing and cited past experience.

Board consensus to receive the draft is May 22<sup>nd</sup> for Board review and approval. Mr. Haehl will try to meet said deadline.

**The Board voted 4 to 1 in favor of the motion with Commissioner Nelson dissenting.**

**f. Coast Guard (dockage or lay berthing fee)**

Mrs. Hebron reminded the Board that Commissioner Fullwood inquired at the last meeting if the Coast Guard was charged a dockage or lay-berthing fee. This was a shareable revenue.

Commissioner Nelson explained during his tenure at the Port, any military or government agency was given a berth space at the Port at no charge. Commissioner Fullwood disagreed; the agencies were charged in the past. Mr. Haehl stated they were charged dockage fees by Nassau Terminals.

Mr. Krechowski explained the Operating agreement mentions the additional revenues may be shared but OPHA is not entitled to anything. OPHA is entitled to a share of cargo and warehousing only, anything else is open for discussions.

There was no Board action taken on this item.

**11. New business**

**a. Seaport Trade Mission (Argentina)**

This item was brought to OPHA's attention by the Florida Ports Council (FPC). They are arranging a seaports trade mission to Argentina to reestablish seaports relationships between Florida and Argentina. Subsequently, there will be opportunities for business and government interests. No firm date yet and more information to come.

Mr. Haehl stated Savage may be interested.

Off the agenda, Chair Hill inquired about planning an event to celebrate National Maritime Day (May 22<sup>nd</sup>), perhaps prepare a County proclamation to honor some of the long-time Port team members and customers. MARAD inquired if the Port had any plans for that day. She suggested inviting some of the Representatives to tour the Port. Vice Chair Taylor prepared and arranged the proclamation to be read at the County Commission meeting on May 13<sup>th</sup>. Mr. Haehl suggested to contact Virginie to forward an invite to the Port team members. It was also planned to present the proclamation at the next OPHA meeting.

**12. Commissioners Reports and Comments**

**a. New development reports**

No report.

**b. Committee reports**

• **Port Security – Nelson**

No issues reported except the security team is excited to have the new security structure.

- **Port Facilities – Nelson**

Mr. Clark submitted a written report included in the meeting packet. Commissioner Nelson read the report and it follows:

Tug Boat:

Nothing to report

Security:

No concerns, guards like the new shack.

Crane #9:

In operation, working on electrical improvements to storm brakes.

Crane #10:

Running well, still working on elevator electrical control.

Mobile Harbor:

Running well, no concerns.

OHPA Trucks:

Trucks are running well. Typical maintenance

.  
Have not located requested bill of sales yet, are you sure OHPA doesn't have this?

Warehouse #3 Roof:

Added to future projects for FDOT, need funding secured.

- **FDOT – Nelson**

Commissioner Fullwood attended the meeting in lieu of Commissioner Nelson. It was the annual FDOT meeting and updates of the active grants were provided. A list of the Port's unfunded needs was submitted to inform FDOT. SeaCIP was renamed SeaHub, an updated and improved system.

Mrs. Hebron attended the meeting as well. She added OHPA was placed on the delinquent list for non-action of three active grants. Deadline to submit grant applications into SeaCIP is June 17<sup>th</sup>. Chair Hill explained the Resiliency Plan may be used as support for engineering studies for the applications. Mr. Haehl stated they do not have plans to apply for grants and offered assistance to OHPA if needed. Chair Hill suggested to contact Jim McDonald, HNTB, for guidance.

- **Customs House – Fullwood**

Discussed under Zyscovich presentation.

- **Army Corp of Engineers – Fullwood**

No report.

- **Economic Development – Cole**

Commissioner Cole reported the group plans to schedule a Hurricane Preparedness workshop.

He also requested to add the Friendly Road study on the next meeting agenda. Chair Hill concurred.

Chair Hill reported that Sherri Mitchell, EDB Executive Director, requested a letter of support for a grant. The Board consented. Additionally, the Chair requested the new trade route to Puerto Rico on their website as well as on Jax USA website to highlight Nassau County.

- **Emergency Management – Cole**

No report.

- **Transportation Planning Organization (TPO) – Hill**

Survey ended on FDOT spending plan. Next step is for TPO to approve said plan.



- **Technical Advisory Committee (TAC) – Taylor**  
Mrs. Hebron attended the meeting in lieu of Vice Chair Taylor. She reported updates were provided of the work in progress (WIP) projects. She emphasized TAC values public feedback. There will be a public meeting on May 21<sup>st</sup> for the public to partake and learn about Nassau County projects.
- **Nassau Chamber of Commerce – Taylor**  
Business After Hours event is next Thursday and also the graduation for the Nassau Leadership class.
- **City of Fernandina Beach – Taylor**  
No report.
- **Keep Nassau Beautiful – Taylor**  
Wild Amelia events are scheduled. Check the website for information.
- **Community Outreach – Fullwood**  
No report.

### **13. Administrative Office Manager Report**

Mrs. Hebron submitted a written report included in the meeting packet. She reiterated that the grant application submission deadline is June 17<sup>th</sup>.

### **14. Other items to be brought by Commissioners**

Chair Hill recognized Mike Lednovich, FB Observer, to speak. He encouraged the OHPA Board to reach out to the City Commission to read a resolution for the National Maritime Day.

Commissioner Fullwood requested to invite Phil Griffin, Amelia Coastal Realty, to the next meeting to restart discussions on the sale of OHPA property.

Commissioner Cole addressed Mr. Lednovich and requested that he start reporting responsibly about OHPA and the Port. He added the Operator is on task about repairs and safety at the Port. Chair Hill denied rebuttal from Mr. Lednovich. She gave her appreciation for the press attending the OHPA meetings.

### **15. Adjournment**

With no other items brought before the Board, the meeting was adjourned by Chair Hill at approximately 9:00 PM.

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**Date**