

OCEAN HIGHWAY & PORT AUTHORITY



Port of Fernandina

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

Monthly Meeting Minutes

January 11, 2022

The Ocean Highway and Port Authority of Nassau County held its Monthly Meeting on Wednesday, January 11, 2023 at the Fernandina Beach Police Dept., 1525 Lime Street, Fernandina Beach, FL 32034.

The meeting was called to order at 6:08 PM by Chairman Fullwood.

The invocation was given by Commissioner Cole. The Pledge of Allegiance was led by Chairman Fullwood. Roll call was conducted by Rossana Hebron, Administrative Office Manager. All Commissioners were present. Also in attendance were David Kaufman, Port Executive Director; Patrick Krechowski, Port Attorney; Pierre LaPorte, Port Accountant; and Butch Gilbert, Port Operator.

1. **Comments** - Audience (Comments submitted prior to the meeting)

- Roger Conrad – 1853 Neighbor St, Fernandina Beach
- Jean Collins – 95003 Golden Glow Dr, Fernandina Beach
- David Eisenbraun – 416 N 3rd St, Fernandina Beach
- Steve Collins – 95003 Golden Glow Dr, Fernandina Beach
- Steve Damerow – 95128 Summer Crossing, Fernandina Beach
- Gary Klopp – 310 Escambia St, Fernandina Beach
- Frances Griffiths – 309 N 5th St, Fernandina Beach

The majority of the public comments and questions pertained to the cruise ship business at the Port of Fernandina and elements of OHPA's Master Plan. Chairman Fullwood reassured the public answers will be forthcoming. He also reiterated from the Workshop prior to the meeting the Master Plan is still in draft form. The Board will review the contents of the draft in the following weeks. Then it will be presented to the public on January 26th at a Public Open House for public review. Subsequently, the Board will discuss further and perhaps approve the Master Plan at the first meeting in February.

In addition, Vice Chairperson Hill reiterated the concerns and inquiries mentioned by the public. She suggested validating the Board decisions with hard numbers/verifiable data. She expects the final draft of the Master Plan to include the aforementioned items. She

thanked the public for voicing their concerns/comments and promised to take them into account when considering the Master Plan.

2. Approval of Minutes

a. December 14, 2022 Monthly Meeting

Both Commissioner Cole and Vice Chairperson Hill reiterated the TPO only allows one member assigned to the TPO Board. This will be amended in the minutes.

Commissioner Cole motioned to adopt the December 14th minutes as amended. Commissioner Taylor second the motion.

With the aforementioned amendment to the minutes, Chairman Fullwood declared the December 14th minutes stood adopted at the sound of the gavel.

3. Port Attorney Report

Mr. Krechowski submitted a written report included in the meeting packet.

First, he addressed HB 267, "Key West cruise law", that was passed in 2021. It does not strip local or any other port its authority under its respective Charter. Therefore, it does not impact what OHPA can decide under its responsibilities and obligations per the OHPA Charter. It prohibits any local ballot or referendum from restricting "port business." It also prohibits local county municipal law from restricting "port business."

Second, he explained his written report is self-explanatory and was limited in discussing the pending cases. The report included; Nassau County Property Appraiser, COFB V. OHPA, Maintenance Dredging contract, "Additional" revenue, Operating agreement, and miscellaneous items. The Port Executive Director covered some of the items in his report.

Discussion: Mr. Krechowski confirmed OHPA can restrict type/size/nature of cruise ships it allows to its port. Local ballot/referendum/Nassau County/City of Fernandina Beach cannot restrict Port business.

4. Port Accountant Report

a. Financial report – December 2022

Mr. LaPorte submitted a written financial report included in the meeting packet. He reported no unusual activities.

b. ARPA reimbursement update

Mr. LaPorte reported he will send an invoice for reimbursement for the payroll (November 2022, December 2022, and January 2023).

5. Port Executive Director Report

Mr. Kaufman submitted a written report included in the meeting packet. It included updates on items; Meeting/Office space, Port Resiliency Plan, Port Master Plan, Permits and Authorizations, and meeting with the Port Operator.

He highlighted his continuing efforts with the Permits and Authorizations. He needs to address permit compliance requirements, State lands authorizations and permit renewals. He also scheduled a call with the Florida Department of Environmental Protection on January 17th to discuss a sovereign submerged land lease. Additionally, he will further pursue conversations with the Terminal Operator to discuss issues with the Operating Agreement and to report back on any recommended modifications. He asked the Board's concurrence to allow him, Mr. Krechowski, and Commissioner Nelson to have discussions with the Port Operator. Vice Chairperson Hill requested Chairman Fullwood participate in the discussions instead to provide history and experience with the Operating agreement. Mr. Krechowski requested each Commissioner review the current Operating agreement and provide feedback/comments before meeting with the Port Operator. He suggested deciding on a meeting date to coordinate with the Savage team. The Board granted Mr. Krechowski permission to coordinate the meeting.

Lastly, Mr. Kaufman reported he became aware via email regarding actions on the Bond Reserve account by the Port Operator. He will provide updates as he receives them. He received no explanation on said actions. Vice Chairperson Hill questioned why OHPA did not receive any notices prior to the action. Mr. Kaufman explained he is now registered with the EMMA website and will receive notifications. Vice Chairperson Hill reminded this is the second major action related to the Bond that OHPA did not receive any notification. The former being the sale of the Port contract. OHPA has not issued a formal letter to the Bond trustee stating the issue. She asked Mr. Krechowski to research what needs to be done.

6. Port of Fernandina Report (Operator)

a. Tonnage report – December 2022

Mr. Gilbert submitted a written tonnage report included in the meeting packet. December presented good numbers with 25,811 total tons, 14 dockage days, 7 Port calls, and 140 rail cars. The average trucks per day was down at 22 versus 37 from the previous month. The 2022 year-to-date total was 376,276 total tons.

In review of the past year: missed vessel call, fire incident (Pack Lines), and hurricanes. Mr. Gilbert apologized on behalf of the company for the non-notification of the draw on the Bond Reserve. There was no malintent. The Treasury department was not aware of the procedure to notify OHPA prior to said action. He reassured the Board it would not happen again.

Mr. Gilbert explained the City of Fernandina paid for extinguishing the fire on one of the vessels at the Port. In turn, Savage replenished the supplies expended by the firefighters. The supplies are maintained on-site and available at the City's disposal.

Savage has queuing technology. However, Mr. Gilbert explained they are trying to handle the truck traffic at the Port. The challenge is with the brokers who are not versed on Port protocols. He reassured they are considering options to mitigate the truck traffic in Fernandina.

Vice Chairperson Hill suggested perhaps rearranging the tonnage report to include line items for steel, metrics (efficiencies), or seasonal/quarterly comparisons to illustrate the Port's progression and efficiencies. Mr. Gilbert explained they are working on defining KPIs (Key Performance Indicators) and will share the information with the Board.

Finally, Vice Chairperson Hill congratulated Mr. Gilbert for receiving positive remarks from Commissioner Ross.

7. Pending Business

a. Office space update (Payment)

Mr. Kaufman reported no new updates. He is still verifying the office space available at the Peck Center. There is a timing issue, waiting for the current tenant to move out of the space. He continues to research other options. OHPA has until the end of February to vacate the office space at the Tax Collector's building.

b. Meeting space update

Chairman Fullwood explained he chose the Fernandina Police Department location to hold OHPA meetings for convenience to the majority involved. It costs \$120 per meeting to provide security, \$40 per hour with 3 hours minimum. The facility is more accessible to the public on the island who are more interested with Port matters than those from the west side of Nassau County.

Commissioner Nelson conveyed his discontent with the change in meeting arrangement with the County. He believes OHPA should have a designated location for its meeting. He offered to address the matter with the new County Chairman. Chairman Fullwood delegated him to do so. Commissioner Taylor is in communications with the County as well.

The Board consensus was to schedule the next meetings at the Fernandina Police Department until OHPA finds a permanent meeting location.

Commissioner Nelson motioned to utilize the FB Police Department facility until OHPA finds a permanent one. Commissioner Taylor second the motion.

The Board voted unanimously in favor of the motion.

c. Cruise ship update

Per Mr. Kaufman, cruise ships are expected in April and May 2023. He will confirm their itineraries.

Commissioner Taylor suggested perhaps to provide impact analysis (economic, benefit, adverse effects) of the cruise business at the Port. Mr. Kaufman explained Dr. Martin, Martin Associates/subconsultant for the Master Plan, is finishing the economic impact analysis report to incorporate into the final plan. He reiterated the confirmation of HB 267 provisions by Mr. Krechowski.

Chairman Fullwood responded to the security concerns. He explained the passengers are not vagrants but high-end customers willing to spend money. The City merchants welcome the cruise business in Fernandina. Mr. Kaufman added the passengers are mostly looking for experiences from what Fernandina and Amelia Island has to offer. Vice Chairperson Hill requested feedback from the Operator and Port staff regarding impacts to the overall operations of the Port. She wonders how it will affect the resiliency of the Port's ability to attract and retain Port staff for the industrial operations. Mr. Gilbert explained they want to be good partners with OHPA. The cruise business, done in balance, can be successful for both parties.

d. **Dredging contract update** (Brance Diversified, Inc.)

There were two items for the Board to approve that pertained to the dredging project; Brance Diversified, Inc. (BDI) work and Savage letter agreements. Mr. Kaufman ensured the Port Operator will serve as OHPA's daily contact and monitor the dredging activities to safeguard the facility. This project is jointly funded through a State grant and contribution from the Port Operator. He explained the details of the simultaneous invoicing process that is described in the contract.

Per Mr. Krechowski, BDI has not approved the current draft of the contract. Tonight's Board action would lock in the language in the contract. If BDI have substantive changes, the contract will be brought back to the Board for re-review. Mr. Krechowski confirmed he prepared and reviewed the contract. The dredging activity will begin early February, a week to 10-day effort.

Vice Chairperson Hill motioned to approve the BDI/OHPA Work agreement. Commissioner Nelson second the motion.

The Board unanimously voted in favor of the motion.

Vice Chairperson Hill motioned to approve the letter agreement between Savage and OHPA. Commissioner Cole second the motion.

Discussion: Vice Chairperson Hill discussed the structure of the agreement. Mr. Krechowski confirmed the Port Operator reserves the right to review and approve the BDI agreement which they have done. The Board will have to review again if there any substantive changes.

The Board voted unanimously in favor of the motion.

e. **Interlocal agreement update** (BOCC)

Commissioner Taylor reported the County Manager and his staff are in receipt of the agreement, but was advised it may take a few weeks to review.

f. **Customs House** (Pest control – BugOut)

Mrs. Hebron reported the BugOut representative, Ron Dinkel, reached out for an update on renewing the contract with them. She reminded the Board transferred

its responsibility of the pest control for the Customs House to the Port Operator. Mr. Gilbert explained he needs to follow up with Stan Herrington at the Port. He understands that they are in the process of interviewing other vendors. Savage has multiple sites with different vendors providing such services. They hope to consolidate to just one main vendor.

8. New Business

a. Discussion of Master Plan Workshop

Discussed throughout the meeting.

b. Master Plan update and scheduling

The public Open House #2 is scheduled on January 26th at the Peck Center on the island. The Board will receive a draft of the Master Plan by January 18th for review.

c. Bond Reserve Account

Discussed under the Port Executive Director report.

d. Harbor Admin fee

Mr. Kaufman reported OHPA is now receiving funds from the Harbor Administration and Bunkering fee as a result of the new Tariff. Mr. LaPorte will include the item on the January 2023 report, approximately \$1200.

e. Port projects

Discussed under the Port Executive Director report.

9. Committee Reports

Commissioner Nelson provided a written report for his committee reports.

- **Port Security** – Commissioner Nelson

On Tuesday, January 3, 2023 at 1030 hours, he met with Savage Services and Allied Universal management to discuss several internal security issues at the Port and to go over Post Order criteria. The discussion also included TWIC criteria for visitors and truck drivers that have applied for a TWIC, but have not yet received it. The meeting lasted for approximately 1.5 hours. Most of the issues were rectified during the meeting with a couple of issues requiring follow up from the Savage Management Team for Post Order application clarification. No further action required at this time.

- **FDOT** – Commissioner Fullwood

Nothing to report.

- **Customs House and Port Facilities** – Commissioner Nelson
Facility Maintenance:

On Wednesday, January 11, 2023, he met with Stan Herrington, Savage Services Facility Maintenance Manager to go over all maintenance issues currently being addressed.

The Liebherr Container Crane # 9 is still experiencing operator control issues. A new program card was purchased by Savage Services in hopes it will take care of the control issue. This is a work still in progress. Liebherr Container Crane # 10 has no issues and is in full service.

Warehouse # 2 had a 20' section of 4" steel pipe replaced in the fire suppression system due to a leak. The repair was completed just prior to my arrival on 1/11/2023. The fire system was returned to full operation following the repair.

OHPA Truck # 622 was due back any day from having major repairs due to a previous roll over causing extensive damage to the truck cab and other major components. He will follow up at a later date to ensure proper repairs were completed to OEM Standards. On the date of my visit the truck was still located at the repair shop in Jacksonville and was scheduled to be returned to the Port any day.

OHPA Truck # 624 was out of service and in repair due to an operating sensor failure. Kenworth of Jacksonville was scheduled to make a service call to the Port to replace the bad sensor. This will also be followed up on at a later date to ensure the truck is back in service.

He reported the tugboat is up to par. He explained the escorting procedure for the tugboat. Normally, the agents handling the inbound and outbound operations are responsible for noticing escort services. They communicate with the stevedores and tugboat captain. Fort Clinch tugboat has a number one rated Captain.

Customs Office:

He spoke to CBP Port Director Steve Parrott concerning any new issues with the Customs office and was advised that no new issues were noted. Steve did advise CBP is still working on the IT update on the current equipment being used. He will continue to publish updates as they become available.

- **Army Corp of Engineers – Commissioner Fullwood**
He received an email from Bo Corbett, ACOE Project Manager, notifying OHPA needs to submit an LOI (Letter of Intent) to undergo a feasibility study of deepening and widening the channel. Mr. Kaufman explained the item is not included in the Master Plan, and OHPA will not submit one at this time.
- **Economic Development – Commissioner Cole**
Nothing to report.
- **Emergency Management – Commissioner Cole**
Nothing to report.
- **Technical Coordinating Committee (TCC) – Commissioner Taylor**
Nothing to report.
- **Transportation Planning Organization (TPO) – Commissioner Cole**

He hopes to receive a list of proposed projects in Nassau County next month. The road by the bridge on SR 200 will be repaved. Mr. Krechowski suggested to mention the truck traffic queuing (SMART North Florida) to Jeff Sheffield, TPO Executive Director.

- **Nassau Chamber of Commerce**– Commissioner Hill
She attended the Chamber's Kickoff 101 and explained the membership benefits, impacts, and resources. The Chamber plans to host more regional County events. She encouraged members of the Board and Mrs. Hebron to attend the events and meetings. It is an opportunity to interact with the public.
- **City of Fernandina Beach** – Commissioner Fullwood
Nothing to report.
- **Community Outreach** – Commissioner Hill
She explained community outreach is the Board's job. She asked if the Board wishes to form a committee, Port Advisory Board. She asked the Board to consider. The Chairman directed Vice Chairperson Hill to report if anything comes up in the community.

10. Administrative Office Manager Report

Mrs. Hebron submitted a written report included in the meeting packet.

Mr. Krechowski explained the County reiterated they will continue to support the newspaper and post their notices there, not on their website. Therefore, they will not post OHPA's notices on their website.

11. Other items to be brought by Commissioners

Mr. Kaufman reported the Seaport Mission Plan is provided every year by the State. He distributed a Port profile survey to the Board for review and comments. Updating some of the data is still in progress. He intends to submit the profile report on Friday.

He also informed the Board about the upcoming Florida Ports Council Spring Board meeting/Legislative forum on March 20-22. He intends to attend the event and will submit an expense report, < \$1,000.

Vice Chairperson Hill thanked Chairman Fullwood for attending both meetings tonight amidst personal family matters.

The Chairman thanked his wife, Joanne, for her support especially tonight was her birthday.

Finally, the Chairman mentioned OHPA's old files and records need to be digitalized. He is considering student internships to scan the files and records under the supervision of Mrs. Hebron. He will reach out to both Yulee and Fernandina Beach high schools. Vice Chairperson Hill also suggested offering internships that are Port related, perhaps painting murals on the warehouses or host Port tours.

Adjourn

With no other questions brought before the Board, the meeting was adjourned at 7:45 PM.



Danny Fullwood, Chairman

01-25-2023

Date