



OCEAN HIGHWAY & PORT AUTHORITY

Miriam R. Hill – Commissioner, District 1
Danny Fullwood – Chairman, District 2
Scott Hanna – Secretary/Treasurer, District 3
Carrol Franklin – Commissioner, District 4
Mike Cole – Vice Chairman, District 5

Workshop Minutes

July 7, 2022

The Ocean Highway and Port Authority of Nassau County held its Port Tariff Workshop on Thursday, July 07, 2022 at the John Drew Tax Collector, 86130 License Road #9, Fernandina Beach, Florida 32034.

The meeting was called to order at 1:00 PM by Chairman Fullwood.

The invocation was given and the Pledge of Allegiance was led by Chairman Fullwood. Roll call was conducted by Rossana Hebron. All Commissioners were present except Vice Chairman Cole. Also in attendance were David Kaufman, Executive Director, and Chris Ragucci, Port Operator. Patrick Krechowski, Port Attorney, and Pierre LaPorte, Port Accountant, were not present.

1. Port of Fernandina Tariff

Since the second Board meeting in June was cancelled, both Chairman Fullwood and Mr. Kaufman had the opportunity to review and compose a redline draft of the Port Tariff days prior to the workshop. Mr. Kaufman also sought input and feedback from Mr. Ragucci, Port Operator.

Mr. Kaufman provided recommendations and revisions of the current Port Tariff to the Board. It has not been updated in about 8 years. For comparisons, he reviewed tariffs from different ports, namely; Jacksonville, Brunswick, Canaveral, Pensacola, Charleston, and Savannah.

The following are some of the recommendations/revisions/clarifications discussed at the workshop:

Discontinue the service from the publishing company of Descartes Systems Group. They published and offered revision guidance of the Port tariff for a fee.

Establish a current and effective date of the revised Port Tariff.

Eliminate any reference to Kinder Morgan and replace with Nassau Terminals, LLC.

The tariff applies to all except those with an existing service agreement with the Operator. Any terms not included in the service agreement but exist in the current tariff will apply.

References to "Commercial Director" is interpreted as the Port Operator/Nassau Terminals, LLC. As such, can designate or delegate another in his stead to make certain Port management decisions. The U.S. Coast Guard Captain is added as a designee to provide directions pertaining to the turning basin or the channel of the Port.

Revised the working hours at the Port from 8 AM-5 PM to 7 AM-4 PM. Holidays remain the same.

Limit storage free time to 30 days, a standard in the industry.

Change the language as it relates to cruise vessels and activities, similar to that of Charleston's port of call fees. Commissioner Hill inquired if West Rock provided a written legal confirmation/permission relating to cruise activities at the Port. Mr. Kaufman reminded the parcel intended to receive the cruise ships does not encroach that restricted area acquired from West Rock. There had been documentation via email correspondence between OHPA and West Rock's legal team but still no written legal opinion letter. Mr. Ragucci offered to follow and obtain a written letter.

Rate adjustments to follow the Consumer Price Index (CPI) will be applied via an amendment each year as necessary. Rates follow those of Jax port's, on the lower end of the spectrum to be competitive and establish rates that the market can bear.

Smoking is restricted on OHPA property but the Operator will accommodate or designate an area for staff breaks.

Permission to solicit or advertise on OHPA property must be granted by OHPA. The Operator is open to have food trucks available for the Port staff off the premises.

Rates were discussed for line handling based on the size of the vessel in comparison to those of Canaveral's and Savannah's. The consensus was to follow Canaveral's rates and categories, revising the smallest size vessel to 325' LOA at \$.74 (Length Overall) and the largest to 500' and over at \$.91.

Storage fees comparable to those of Georgia's and Pensacola's apply to warehouse use beyond the 30 days free time. The consensus was to follow Pensacola's rates. Chairman Fullwood inquired who will get the revenue from the storage fees. Mr. Ragucci advised, per the Operating agreement, the Operator collects said fees. Mr. Kaufman suggested the matter is subject for negotiations. Mr. Ragucci added the average storage time is less than 30 days because the warehouse activities are dynamic. Revenue comes from the stevedoring across the dock that generates OHPA's use fee. Commissioner Hill conveyed her concern pertaining to delays on the part of the Port. Mr. Ragucci assured adjustments will be applied when necessary.

The Security fees were adjusted to follow those of Jax port's and reflect fees per LOA per day instead of per ton.

The Harbor Administrative fee follows Jax port's rates and is a revenue for OHPA. It does not pertain to the tugboat. The consensus was to use Somers Isle as a low LOA benchmark at \$140 and anything above at \$280. Commissioner Hill suggested offer an incentive for multiple returns to the Port. Mr. Ragucci suggested renaming to Port Administrative fee instead of Harbor.

The Fort Clinch tugboat fee follows the Jax port fee at \$.32 per Net Registered Ton (NRT) with a minimum charge of \$3,500.00. Mr. Ragucci advised to review the current rate sheet for differences but he consented to the minimum charge.

There is no container freight station at the Port. Somers Isle requires it, and the Operator provides that services (consolidating loads) at Friendly Road. The Port does not charge for empty containers. Mr. Ragucci suggested to apply a wharfage on empty containers with the exception of Somers Isle per their current service agreement.

The break bulk cargo (rules and regulations) was condensed to three categories: commodity, wharfage per ton, and storage.

The last recommendation by Mr. Kaufman is to hire an individual, Bob Zuckerman, who will review the language in the tariff for a fee. The consensus was to pay a lump sum of \$300 for Mr. Zuckerman's service. Chairman Fullwood asked the Operator to absorb that cost. Mr. Ragucci will review and check with his consultants.

Mr. Kaufman will apply the aforementioned revisions and will submit the draft for Board review and approval at the next meeting.

2. Other items to be brought by Commissioners


Mrs. Hebron asked for Board directions regarding Mr. Kaufman's expense report specifically reimbursement for his TWIC registration, \$125.25. The consensus was to defer to Mr. LaPorte's, Port Accountant, recommendation at the next meeting.

Adjourn

With no other questions brought before the Board, the meeting was adjourned at 2:05 PM.



Danny Fullwood, Chairman



Date