



OCEAN HIGHWAY & PORT AUTHORITY

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

Special Meeting Minutes

October 28, 2021

The Ocean Highway and Port Authority of Nassau County held its Special Meeting on Thursday, October 28, 2021 at the County Commissioners Chambers at the James S. Page Government Complex, 96153 Nassau Place, Yulee, Florida 32097.

The meeting was called to order at 5:00 PM by Chairman Fullwood.

The invocation was given and the Pledge of Allegiance was led by Vice Chairman Cole. Roll call was conducted by Rossana Hebron. All Commissioners were present. Also in attendance were Patrick Krechowski, Port Attorney, and Pierre LaPorte, Port Accountant. Chris Ragucci, Port Operator, was absent.

Mr. Ragucci's legal team, Jimerson Birr, submitted a letter* to Chairman Fullwood prior to the meeting explaining the absence of the Port Operator in tonight's meeting. It read, in part:

"It has come to our attention that the agenda for the October 28, 2021 Special Board meeting contains an item regarding Operator attendance at Board meetings. As NT does not foresee a reason to attend the October 28, 2021 meeting, it will provide the Board with brief, hopefully helpful, comments on certain items on that agenda, including meeting attendance by the Operator.

As the Board is fully aware, attendance at OHPA's Board meetings by the Operator is entirely voluntary and not obligated by the Operating Agreement, or otherwise. The CEO of the Port Operator previously has attended virtually all meetings as a courtesy to the Board."

"Please note that the Operator's contributions or commitment to the Port will not be recast... In support of that commitment and in the interest of being helpful, the Operator offers the following comments on certain other items on OHPA's Special Meeting agenda."

The Operator's response to specific items on the agenda will be cited accordingly throughout this document.

1. Port Attorney Position

Mrs. Hebron reported there was only one inquiry for the position thus far but the individual did not have a Florida license to practice. Chairman Fullwood expects there will be more applicants to come.

2. Recovery Director Position

Commissioner Hill intended to provide the Board with some ideas for the position but reported the individual she spoke with for the position has withdrawn from consideration. She added the position is for an individual who is prepared for a short-term position, assist OHPA to utilize the Covid Relief funds appropriately, and assist with composing a job description for the long term. She explains it is apropos to spend a portion of the Covid funds toward compensation for the position. The funds explicitly dictate that monies are not for ongoing salaries but for temporary programs that have long-lasting effects.

Chairman Fullwood requested Commissioner Hill compose a job description for the position. She invited the Board to determine the length of the term (3-month, 6-month, one year), the qualifications/experience, and the scope of the responsibilities. Vice Chairman Cole suggested the scope should encompass the Port and OHPA, and the candidate does not necessarily have to have port experience. Commissioner Franklin concurred, and he expects full reports of Port activities and operations from the incumbent. Chairman Fullwood also considered Nassau County to be included in the scope. He emphasized OHPA's obligations to the people of the County. Commissioner Hanna suggested a minimum of six months with the option to extend for the position. Mr. Krechowski will compose a draft for the interim position.

At this point, the Board decided not to proceed with seeking recruiting assistance from David McDonald, Alliance Resource Consulting LLC.

3. Covid Relief Fund

Chairman Fullwood reiterated the request for the share of the Covid Relief funds from the Port Operator. He noted the absence of Mr. Ragucci from the meeting. He hoped to discuss some items from the request submitted by Mr. Ragucci but he was not present to comment. Chairman Fullwood questioned some of the items on the request. The Board will wait for dialogue from the Operator before dispersing any funds to him.

Mr. LaPorte completed and submitted the Spending plan to the Florida Department of Transportation (FDOT) for approval. FDOT, in turn, requested for documents (canceled checks) that support the expenditures from March 3, 2021 to current. Mrs. Hebron will procure those bank documents.

Commissioner Hill clarified that she voted against the Spending plan at the last monthly meeting because she hoped the Board make some commitment to allocate a good portion of the funds to frontline workers. She suggested utilizing

programs or third-party organizations to provide benefits for the workers. Chairman Fullwood was unsure if third-parties are allowed to be conduits for dispersing the funds or benefits of the funds to the workers. He is also not in favor of that idea. He hopes to acquire a guarantee from the Operator that the funds will go to the frontline workers. He requested a list or the total number of the Port employees. The Operator declined for confidentiality purposes.

Mr. Laporte explained it is preferred through the ARPA directives that the Operating agreement meets federal procurement guideline so that payments can be made to the contractor, Port Operator. This needs to be confirmed yet. Per Mr. Krechowski, the general comment from FDOT representatives is the funds cannot go directly to Nassau Terminals. Vice Chairman Cole emphasized OHPA's main objective is to give the funds to the Port workers. Commissioner Hanna suggested providing a day of recognition/appreciation to benefit the Port workers. However, Mr. LaPorte explained the funds are set to assist the economic recovery of the Port.

Commissioner Hill acknowledged ARPA requirements include community-based non-profits partnership with local governments. For example, Regina Duncan, Chamber of Commerce, was successful in lobbying for ARPA funds to be allocated to certain programs (job training, childcare reimbursement, and the like). Commissioner Hill offered to extend an invitation to Ms. Duncan to provide a presentation on the subject that would help the Port.

In sum, the Operating agreement needs to be confirmed if it meets federal procurement guidelines before proceeding to allocate monies to the Port Operator for the Port workers.

The Operator's response to this item read as follows:

"Item 3 relating to the Covid Relief Funds: NT has provided OHPA with multiple letters regarding proper use of the Funds and the needs of the Port's employees, yet OHPA has so far refused to act responsibly. NT has provided invoices for reimbursement under the Operating Agreement for pandemic-related losses, and additional invoices will follow shortly. OHPA has to date failed to acknowledge receipt of or take action on same."

4. Port Operating Agreement (Customs House Maintenance invoices)

Commissioner Hill reiterated the Board requested a Maintenance report from the Operator and instead received a file of invoices reflective of the work/repairs completed at the Port. She asked the Board to determine if that satisfies a Maintenance report. Chairman Fullwood affirmed OHPA owns three cranes and a tugboat.

Commissioner Hill cannot recall receiving a copy of the tugboat title. Commissioner Franklin recommended the Board receive a report (date, rate, Pilot name) every time the tugboat is used. Chairman Fullwood requested Mr. Krechowski send a records request to the Operator.

Furthermore, Chairman Fullwood questioned if the Operator should pay for the Customs House invoices (janitorial services, AC repair, termite control service renewal) incurred by OHPA. Commissioner Franklin suggested the invoices should be paid upon receipt. Chairman Fullwood acknowledged that WWT paid for the August Security invoice and September is still pending.

The Operator's response to this item read as follows:

"Item 4 relating to the Customs House maintenance invoices: NT currently is evaluating OHPA's request. It will provide payment to the extent required under Section 2 of the Operating Agreement. NT has dutifully, at the request of OHPA addressed immediate demands by the USCBP for corrective action of unsafe and unsightly conditions at the Customs House building that OHPA failed to prevent and was unable itself to correct. NT additionally will soon provide OHPA with invoicing in accordance with Section 6.10 of the Operating Agreement for NT's share of the previous rental revenue stream."

Commissioner Hill requested the letter received earlier today from Jimerson Birr titled OHPA equipment inventory maintenance status report be forwarded to RS&H for consideration on drafting the Master Plan. Chairman Fullwood called on Justin Cole, RS&H Project Manager, to provide directions for the Master Plan project. Mr. Cole requested a list of stakeholders from the Board. The Commissioners were asked to send their list to Mrs. Hebron to compile for the next meeting. Chairman Fullwood asked Mr. Cole to incorporate a Strategic Plan in the Master Plan. Mr. Cole confirmed. The Chairman thanked Mr. Cole for attending the meeting.

5. Port Operator (Outstanding items)

- **Port Employee count - Recruitment and status report**

This item is still pending for discussion.

The Operator's response to this item read as follows:

"Item 5 relating to the Port employee count: NT will be seeking additional information from OHPA in order to respond to this request."

- **Fort Clinch Lien Release from Operator**

This item is still pending for discussion.

The Operator's response to this item read as follows:

"Item 5 relating to the Fort Clinch lien release: NT already has provided OHPA with such information. To the extent additional information is requested, please clarify as to what is being requested."

- **Fort Clinch Captain Employment information**

This item is still pending for discussion.

- **Fort Clinch Maintenance Report**

This item is still pending for discussion.

- **OHPA Equipment inventory, Maintenance status report**

This item previously discussed above, item #4. Port Operating Agreement.

The Operator's response to this item read as follows:

"Item 5 relating to maintenance status report: NT already has provided OHPA with such information, including a second letter confirming compliance sent yesterday. To the extent additional information is requested, please clarify as to what is being requested."

- **Status of Corporate Espionage Allegations**

Chairman Fullwood reported the item is still under investigation; therefore, no further discussion is allowed.

The Operator's response to this item read as follows:

"Item 5 relating to corporate espionage against the Port: As this is a pending law enforcement investigation, NT is unable to comment. This is a serious matter and NT is pursuing its remedies to the fullest extent of the law. It is certainly not "baloney" as a certain commissioner with no first-hand knowledge of the facts has repeatedly publicly stated."

- **Capital Improvement Plan**

Chairman Fullwood cannot recall receiving an invite to meet with the Operator to discuss this item. Mr. Cole confirmed it will be incorporated in the Master Plan.

The Operator's response to this item read as follows:

"Item 5 relating to the Capital Improvement Plan: NT has provided OHPA with a letter on this topic and awaits OHPA's response."

Further discussions focused on the repair of security cameras at the Port. Chairman Fullwood met with the terminal manager, Ray Nelson, and Secure Space manager/Executive Operator, Mike Clark. Both are aware of the camera issue and submitted a repair and funding request to the Operator. They plan to install digital cameras for better resolution specifically on Dade Street to observe the truck traffic and parking. Additionally, it was reported there is a huge hole on the side of the warehouse. It is secured and scheduled for repair. Also, a sign will be posted by the ramp to prevent the public from taking a short cut.

6. Navigational Channel (letters from Port Operator and Pilot)

Chairman Fullwood highlighted from the map provided the area where sediments collected on the channel. The pilots explained the sediments may impede and restrict ship traffic to the Port. The issue is the funding to complete the maintenance dredging has to come from the federal government. The administrator from the Army Corp of Engineers (ACOE), Milan Mora, stated the funds are limited and Port of Fernandina may experience difficulty acquiring said funding. Chairman Fullwood encouraged the Board to speak to the State representatives (specifically Congressman Rutherford, Senators Rubio and Scott) to solicit assistance in securing funds. An option may be to "piggy-back" with the Navy for the small area to clear the sediments. He recommended the dredging be completed before the issue becomes complicated. He, along with Mr. Ragucci and one of the pilots, sent a letter to the ACOE emphasizing the need to dredge the channel. Commissioner Hill wondered if OHPA may use one

of the existing grants for the dredging. The Chairman did not think so. Additionally, neither of the mills are affected by the sediments issue.

7. Operator attendance at meetings

Chairman Fullwood explained there is no requirement in the Operating agreement or the Charter for the Operator to attend the meetings. It is only a courtesy to attend and provide tonnage reports and other Port activities. Admittedly, he stated it is difficult to have discussions about matters without the Operator present. Commissioner Franklin emphasized the Operator is an integral part of the Port and should be present in all the meetings.

Commissioner Hill argued Section 7.4 of the Operating agreement requires the Operator to attend the meetings. She asked if OHPA has ever had an Operator not attend or walk out from any meetings. Chairman Fullwood answered in all his 13 years, he has never experienced such action from any Operator save the present one. Mr. Krechowski explained there are obligations to provide information in the Operating agreement. However, it does not obligate an in-person attendance at the meetings. The Operator may send information via other means (letter, a proxy).

Other Discussions

Mr. Krechowski encourage the Chairman to invite the public for comments before adjourning. There were no public comments form submitted by members of the public prior to the meeting.

Chairman Fullwood invited Chip Ross, City Commissioner/210 N. 3rd Street, Fernandina Beach, to speak. Commissioner Ross noted the next OHPA meeting is scheduled on the same day as the Legislative meeting, November 10th.


Finally, Chairman Fullwood reported he spoke to Representative Cord Byrd about the proposed change in the Charter that the Board will need to make a decision. Mr. Krechowski will contact each Commissioner to garner a consensus on the matter.

With no other questions brought before the Board, the meeting was adjourned at 6:17 PM.

*Reference: Jimerson Birr, Operator OHPA Board Meeting Attendance, 2021.10.28



Danny Fullwood, Chairman



Date