OCEAN HIGHWAY & PORT AUTHORITY
Nassau County, Florida

Peck Center
Willie Mae Ashley Auditorium
516 S 10th Street
Fernandina Beach, FL 32034

AGENDA
January 14, 2025

1. **Public Meeting Call to Order, 6:00 PM –** Chairman
2. **Invocation**
3. **Pledge of Allegiance**
4. **Roll Call:** Miriam Hill, Sec/Treasurer-District 1; Scott Moore, Vice Chair-District 2; Justin Taylor, District 3; Ray Nelson, Chair-District 4; Mike Cole, District 5
5. **Welcome Guests** (Chair)
6. **Public Comments** on non-agenda items (Comments submitted prior to the meeting, limit 3 minutes per speaker)
7. **Approval of Minutes**
   a. December 03, 2025
8. **OHPA Attorney Report**
9. **OHPA Accountant Report**
   a. Financial report – December 2025
10. **Port Operator Report**
    a. Tonnage Report – December 2025
    b. Facilities Report/Port repair update
    c. New Business Report
11. **Old Business** (Public comments permitted. Limit 3 minutes per speaker)
    a. Fabric Warehouse (Update, surveys/permits from Operator)
    b. RFP Security Services (Action Item, Selection of vendor) ******Decision deferred to January 28, 2026***
    c. OHPA 2026 Meeting Calendar/Location (Action Item)
12. **New Business** (Public comments permitted. Limit 3 minutes per speaker)
    a. Court Order (Property Appraiser Matter, Updates)
    b. Notice of Appeal (Property Appraiser Matter, Updates)
    c. Property Appraiser Final Judgment and OHPA PILOT Payment Agreement With the City
    d. Renegotiation of Operating Agreement
    e. PTGA for USCBP on Port Facility #425897-2-94-01 (Action Item)
    f. Maintenance Dredging at the Port (Update)

g. Legislative Lobby Days - 2026 Session (Information, Moore)
h. Incidents at the Port of Fernandina (Updates)
i. Committee Assignments (Action Item)

13. Office Manager Report

14. Port Commissioner Items (Other business to come before the Board)

15. Adjournment

If a person decides to appeal any decision made by the board, agency, or commission with respect to any matter considered at such meeting or hearing, he or she will need a record of the proceedings, and that, for such purpose, he or she may need to ensure that verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. Fla. Stat. § 286.0105.

Minutes

OCEAN HIGHWAY & PORT AUTHORITY

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

Monthly Meeting Minutes

December 3, 2025

The Ocean Highway and Port Authority, Nassau County, held its monthly meeting on Wednesday, December 3, 2025 at the Peck Center, Willie Mae Ashley Auditorium, 516 S 10th Street, Fernandina Beach, FL 32034.

1. **Public meeting (Call to Order) –** Chair
   Chair Taylor called the public meeting to order at 6:00 PM.

2. **Invocation**
   Vice Chair Nelson gave the invocation.

3. **Pledge of Allegiance**
   Commissioner Cole led the pledge.

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

   Rossana Hebron, Administrative Office Manager, conducted the roll call. All Commissioners were present. Also in attendance were Tammi E. Bach, OHPA Attorney; Pierre LaPorte, OHPA Accountant; and Ted McNair, Port Operator.

5. **Welcome Guests** (Chair)
   Chair Taylor acknowledged and welcomed the audience.

   The Chair expressed appreciation to the Board for their support and trust over the past year, noting the privilege of serving in the role and leading meetings. The Chair then turned the proceedings over to Tammi Bach to conduct the election of Chair.

6. **Election of OHPA Officers** (Chair, Vice Chair, Sec/Treasurer)

   Chairman:

   Commissioner Cole nominated Commissioner Nelson for the Chair position. Commissioner Hill seconded.

   With no further discussion, the Board elected Ray Nelson to serve as Chairman.

   Chair Nelson assumed the gavel to preside over the remainder of the officer elections and the public meeting.

   Vice Chairman:

   Commissioner Hill nominated Commissioner Moore for the Vice Chair position. Commissioner Taylor seconded.

   With no further discussion, the Board elected Scott Moore to serve as Vice Chairman.

Secretary/Treasurer:

Vice Chair Moore nominated Commissioner Hill for the Sec/Treasurer position. Commissioner Taylor seconded.

With no further discussion, the Board elected Miriam Hill to serve as Secretary/Treasurer.

7. **Public Comments** on non- agenda items (Comments submitted prior to the meeting, limit 3 minutes per speaker)

There were no speaker cards submitted for this session.

8. Approval of Minutes

a. November 12, 2025 (Executive and Monthly Meetings)

Commissioner Taylor motioned to approve the November 12th minutes as presented. Vice Chair Moore seconded the motion.

The Board unanimously approved the motion.

9. OHPA Attorney Report

Mrs. Bach explained the draft website RFP was well prepared, and additional research was done to ensure vendors understand ADA compliance requirements, with an April 2027 compliance deadline included. The RFP will come before the Board later in the agenda for consideration, after which Mrs. Hebron will publish it. The proposal deadline is set for mid-January, allowing the Board to review submissions at its first January meeting and approve a selection at the second session. As with the security services RFP, the Board will serve as the evaluation committee.

Mrs. Bach is coordinating with Amy Poulson at Savage regarding reimbursement of Patrick Krakowski's legal fees related to the property appraiser case. She is also researching, at Vice Chair Moore's request, additional categories of fees that ports or port authorities may charge beyond existing tariffs and current fees. She has not yet determined whether the identified fees are new or simply different terminology and will report back once the research is complete.

She and Mr. McNair are developing two template letters for the Operator to formally document agreements—one for matching grant funds and another potentially for fee-sharing on new business. She is currently drafting the matching-funds grant letter, which aligns with the resolution stating that the Operator is expected to cover required matching funds for any grant they choose to pursue; if the Operator does not agree to the match, OHPA will not apply for that grant.

She noted that for new business, particularly potential opportunities like Green Tide, she does not yet have enough specifics to draft a fee-sharing letter. She asked the Board for guidance on how they want new business discussions handled—whether terms should be discussed openly during meetings before she formalizes them, or whether they prefer a different process.

Commissioner Hill emphasized new business opportunities fall under the operating agreement, which requires the Port and the Operator to jointly establish fee-sharing terms. Any such terms must be approved and formally documented by the Board. While details of unannounced or ongoing negotiations cannot be discussed publicly, if new business prospects progress to the point where terms can be shared, the full Board should receive that information before any vote.

Mr. LaPorte explained "New business" refers specifically to new, non-cargo revenue opportunities. Cargo-related revenue is already covered under the Operating agreement through existing per-count fees and revenue-sharing provisions, so only non-cargo activities would require additional Board-approved fee-sharing terms.

Commissioner Hill discussed with Pierre whether benchmarks exist for typical port-authority fees. Current revenues and fee-sharing arrangements are already publicly reported through bond disclosures, giving a clear picture of existing terms. However, fee structures may differ for new types of business and would need to be negotiated in good faith. She also acknowledged and appreciated Mr. McNiar's proactive efforts to pursue creative new business opportunities despite broader challenges in the cargo market.

Mr. McNair noted that fee-sharing for new business is still uncertain and premature to formalize since no opportunity is finalized. Rather than drafting terms too early, she will continue gathering information and plans to provide a clearer update at the next meeting.

Mr. LaPorte emphasized that while revenue sharing for new business is important, the primary mission of the Port Authority should be fostering new economic opportunities—creating jobs and generating broader benefits for Nassau County. Revenue increases are positive, but secondary to supporting the operator's ability to grow and diversify the port's business beyond what is covered in the existing contract.

Mrs. Bach noted that, given the ambiguities in the Operating agreement, there may be situations where OHPA believes new business should involve fee sharing, but the Operator disagrees because it is not explicitly covered.

10. OHPA Accountant Report

a. **Financial report** – November 2025
The financial report was not included in the packet due to its late receipt.

The November Treasurer's report reflects receipt of the first formal payment of $80,000 (annual fixed fee), along with Port administration and bunkering fees. The miscellaneous income includes reimbursement related to drainage/easement costs. All revenues reported represent normal operating activity.

The auditors completed their on-site work in November. A Management Discussion and Analysis (MD&A) will be prepared as part of the audit reporting process and presented to the Board possibly in February 2026.

11. Port Operator Report (Port of Fernandina)

a. **Tonnage Report** – November 2025
The tonnage report was not included in the packet due to its late receipt.

Mr. McNair reported monthly activity dipped due to timing shifts, but there was positive movement with the return of KLB export business after a five-month pause. The partner involved is a long-established and reputable trading company, making the renewed activity a promising development.
He also talked about his upcoming trip to South Florida to meet with a major Brazilian pulp manufacturer, aiming to expand their business in that sector.

b. Facilities Report
Mr. Zittrauer provided an update on maintenance, mentioning that all machines were now working properly and that new forklifts were on the way. He explained that the LP equipment runs on 20-gallon tanks, typically providing about three and a half hours of operation under heavy use. In terms of power, LP performs comparably to diesel but produces less combustible exhaust and is generally cleaner and better suited for the environment. Overall, LP machines are strong and reliable, with no significant loss of power. Commissioner Hill explained she will be attending the North Florida Clean Fuels Coalition meeting on Friday, which will focus on alternative fuel sources such as LP. She is gathering information in advance of that discussion.

Mr. McNair confirmed that materials for fender replacement were in transit and should be completed by February 1st. The project should be finished prior to the grant's expiration date.

Mr. Zittrauer discussed a recent fire incident where 1,250 gallons of water were used to extinguish it, with no significant damage reported. He mentioned that the fire department was deployed, and the chief was on-site to ensure there was no residual contamination on the river. He reported that Salonen is responsible for any cost incurred.

Chair Nelson commended Mr. Zittrauer on a job well done and transparency pertaining to the stacker issue at the Port.

c. New Business Report
Mr. McNair mentioned the opportunity with the Brazilian pulp manufacturer under the tonnage report portion.

12. Old Business (Public comments permitted. Limit 3 minutes per speaker)

a. Fabric Warehouse (surveys, permits from Operator)
Mr. Zittrauer provided an update on a warehouse survey, noting delays in obtaining permits and measurements, but emphasized progress in mapping utilities. Commissioner Hill suggested to request an elevation survey for flooding.

Mr. McNair highlighted the need for further action regarding a dredging operation due to shallow water depths. Chair Nelson plans to contact Beau Corbett at the Army Corps of Engineers the next day to get guidance on the issue and gather information to report back at the next meeting. He noted that similar work was previously funded with assistance from Congressman Rutherford. Mr. Zittrauer also acknowledged that the permitting environment is new to him and may require support from the full Board, with the option of arranging a joint call with Mr. Corbett and Chair Nelson for further assistance.

b. AOM Contract Renewal FY25-26 (Final draft, Action item)
A copy of the final draft AOM contract FY 25-26 was included in the meeting packet for reference.

The Board reviewed and approved a severance package for Mrs. Hebron, which includes specific terms for termination without cause.

Mrs. Bach reviewed the severance provisions. If Mrs. Hebron is terminated without cause, OHPA must provide 14 calendar days' notice. Regardless of whether notice is given, she is entitled to one month of severance pay, equal to 140 hours (based on her 35-hour workweek), approximately $4,000. If OHPA chooses not to provide the 14-day notice, it must additionally compensate her for those two weeks—about 70 hours of pay, or roughly $2,000. Mrs. Hebron is likewise required to provide OHPA with two weeks' notice if she chooses to resign.

Vice Chair Moore motioned to approve the agreement as presented. Commissioner Hill seconded the motion.

The Board voted unanimously in favor of the motion.

c. RFP Security Services (Proposals, Action item)
Mrs. Bach led the discussion on the evaluation and selection process for security services providers, noting that 11 bids were received and evaluated by the OHPA Commissioners and Mr. McNair.

Chair Nelson noted that he was the only Board member opposed to bidding out the Port's security services. He emphasized the importance of quality service over cost and shared personal experiences with the current security team's professionalism and dedication, particularly during the pandemic.

The Chair opened the floor to the other bidders present to provide brief presentations of their services to the Board. Representatives were Tom Gramiak, Giddens; Matthew Jones, Weiser; and Shelley Wilson, Allied.
The Board reviewed the overall quality and value. Mrs. Bach discussed negotiating pricing and possibly separating certain cost components, such as vehicle expenses. Commissioner Hill also considered how to

evaluate proposals that lacked full disclosure of benefit-related costs, including PTO and overtime. The conversation underscored the need for clearer requirements in future RFPs to ensure greater transparency and comparability across submissions. She expressed concerns about the RFP process, highlighting the need for clear guardrails, standardized formats, and objective verifiable metrics to ensure fair evaluation of bids. She emphasized the importance of avoiding subjective criteria and requested that security footage not be included in proposals, as it could compromise public worker safety. She also noted that while Allied's performance was satisfactory, periodic reviews were necessary to validate market competitiveness and ensure cost efficiency. The Board discussed potential cost savings, particularly regarding golf cart usage, and agreed to further investigate this area before making any decisions.

Vice Chair Moore motioned to authorize Mrs. Bach to begin negotiation with the three security companies: Allied, Giddens, and Weiser. Commissioner Taylor seconded the motion.

The Board voted unanimously in favor of the motion.

Chair Nelson honored the Allied security officers who were in attendance.

Commissioner Hill emphasized that all parties must follow the cone of silence as outlined in the RFP.

d. RFP Website (ADA Compliance, Action item)
A copy of the RFP was included in the meeting packet for reference.

The Board reviewed the draft RFP for website and ADA compliance work with an $8,000 budget.

Commissioner Taylor motioned to approve the RFP for posting. Vice Chair Moore seconded the motion.

The Board voted unanimously in favor of the motion.

Mrs. Hebron will publish the RFP to begin the bidding process.

e. Compliance with Section 189.0694, Florida Statute- Special District (Update, FSTED/FDOT Annual Seaport Data Collection- New portal Kraken submission)

Mr. Zittrauer reported the questionnaires were completed in the new Kraken portal. Mrs. Hebron submitted in time prior to the deadline. Relay team, Mrs. Hebron, and Commissioner Hill contributed to the completion of the task. Updates will be posted annually.

Vice Chair Moore reported the administrative relationship between FSTED and FPC was severed recently.

f. OHPA Property (Front Street, Nassau County Appraisal)
A copy of the appraisal was included in the meeting packet for reference.

Commissioner Taylor reviewed the appraisal values for the property, noting a sales range of $765,000–$960,000 and a potential annual lease value of $46,000–$57,000. The County indicated it is not interested in a long-term lease and prefers a purchase, citing stewardship of taxpayer dollars. A 30-year lease could generate roughly $1.5 million, but future Boards might question the long-term value compared to a sale. He acknowledged the tension between preserving assets and supporting a public-safety use, such as a marine unit near the Port.

Commissioner Hill noted that the County is not willing to consider a land lease for the acreage. Given their firm position and the Board's lack of interest in selling, members agreed that further analysis would be unnecessary, as it would not change the outcome. They concluded that OHPA should not expend additional resources on the matter. She also considered fire safety legislation and the possibility of entering into an MOU with Jacksonville for emergency response support. Chair Nelson will discuss the idea with Fernandina Beach Fire Marshall, Jason Higginbothom. He added Fernandina and Nassau County worked in harmony with their response to a fire incident at the Port.

g. **New Public Transportation Grant Agreements** (FDOT PTGA, Resolutions 2025-R11 and R12, Action item)
Both resolutions were included in the meeting packet for reference.

Commissioner Taylor motioned to approve both resolutions. Commissioner Cole seconded the motion.

The Board voted unanimously in favor of the motion.

13. New Business (Public comments permitted. Limit 3 minutes per speaker)

a. **FY 25-26 Budget Amendment** (North Florida TPO Assessment Fee)
The North Florida TPO assessment fee increased by $100 to renew.

Vice Chair Moore motioned to amend the FY 25–26 budget to increase the TPO assessment fee allocation by $100. Commissioner Hill seconded the motion.

Discussion: Mr. LaPorte noted that the fund is currently showing a surplus of approximately $3,000. He acknowledged that any additional allocation would need to be reallocated from another area, and that a future determination will be required to identify the appropriate funding source.

Commissioner Cole noted that the previously approved salary deduction adjustments may not have been implemented correctly and requested a review of the amounts discussed.

The Board voted unanimously in favor of the motion.

Mrs. Bach noted that a grant-related document referenced OHPA working with the Nassau County Economic Development Board, despite OHPA not currently funding its annual contribution. She emphasized that, given increased state oversight of special districts, OHPA should be cautious about indicating partnerships it is not actively supporting. Davis Bean, The Fiorentino Group, clarified that the reference appeared in a non-binding appropriation request form, which can still be edited.

Commissioner Hill commented on the need for greater engagement and accountability in the various boards and organizations to which OHPA contributes or appoints representatives. She noted past budget constraints, reduced services following the end of ARPA funding, and limited returns from certain memberships. She emphasized that Commissioners should actively participate in their assigned boards and bring back meaningful information, citing the TPO's long-term transportation planning and current study on port queuing as examples of valuable engagement. She concluded that funding external organizations is only worthwhile when OHPA receives measurable benefit and active advocacy.

b. **OHPA 2026 Meeting Calendar**
The Board discussed the 2026 meeting calendar, including prior interest in moving meetings to Mondays and possibly changing the venue. Commissioner Taylor stated that City Chambers is available for use, though live-streaming through the City would cost $900 per month. Current OHPA equipment would still function at that location. The City will prepare a facilities-use agreement for review. The Board will need to determine preferred meeting days and venue.

Chair Nelson recommended waiting for Commissioner Taylor to report back on the City Chambers option before making a final decision on meeting days or venue, noting a preference for Thursdays and the need for more concrete information before proceeding.

Vice Chair Moore moved to publish the existing meeting schedule, set for the second and fourth Wednesday of each month, on an interim basis, with revisions to be considered following the first January 2026 meeting. Commissioner Hill seconded the motion.

The Board voted unanimously in favor of the motion.

c. Port of Fernandina CBP Senate Form (Action item)
Davis Bean reviewed the Senate funding request form, which represents the second half of the House form previously approved. The Senate version is shorter but contains the same information, including the $1.875 million funding request. Approval was requested to submit the completed Senate form to Senator Yarborough's office.

Commissioner Taylor motioned to approve the Senate funding request form. Commissioner Cole seconded the motion.

The Board voted unanimously in favor of the motion.

Mr. Bean provided an update on Senate Bill 184 regarding seaport security and the related Fire Prevention Bill. There are no new developments, and no House companion has been filed. With the legislative session beginning January 13, the filing deadline is approaching, and although a draft exists, the original sponsor is not expected to file it. The Council, OHPA, and Jaxport remain opposed, and that position has been communicated to Representative Black and Senator Yarborough. The likelihood of the bill advancing this session was described as low.

Additionally, A brief update was provided on a newly filed House bill proposing the repeal of Florida Statute 189.0694 related to special districts. The likelihood of the bill advancing was described as low, but members were advised to monitor it. The bill is sponsored by Representative Sam Greco (St. Johns/Flagler), with a Senate companion sponsored by Senator Trunel of Lake County.

14. Administrative Office Manager Report

A copy of the AOM report was included in the meeting packet for reference.
Mrs. Hebron reminded the Board of the scheduled OHPA–FDOT meeting on December 9 at Mr. LaPorte's office

15. Port Commissioner Items (Other business to come before the Board)

Vice Chair Moore
He noted the upcoming legislative session and emphasized the need for commissioners to engage directly with legislators and participate actively in lobbying efforts.

Commissioner Hill
She included updates on the mural project.

An update was provided on the North Florida Clean Fuels Coalition meeting scheduled for Friday at 8:30 a.m. at the TPO offices in Jacksonville. The meeting is open to public and private fleet managers, and attendance was encouraged. She noted that significant federal and state funding opportunities exist for clean fuels, transportation studies, and programs such as Safe Routes to School, but local participation—particularly from school districts—remains limited. Efforts continue to share information and encourage engagement. It was also reported that Nassau County currently has no representation on the TPO's Citizens Advisory Committee following recent resignations, and community involvement is needed to support regional transportation issues.

Chair Nelson
An update was provided that the Army Corps of Engineers is currently completing work in front of the port, expected to finish this week or early next week. Follow-up will be made with Mr. Corbett and project manager Mr. Miller for a status update, and commissioners will be notified accordingly.

Commissioner Taylor
He announced that he and Commissioner Cole serve on the Education Foundation and invited the Board to attend the Foundation's "Shark Tonight" event at Mocama at 6 p.m. the following evening. The event features a Shark Tank–style format where six teachers will present grant proposals for a chance to win up to $10,000 each. He encouraged attendance as a way to support and celebrate local educators.

Commissioner Hill reported that she has received the photos (and frames) of the Port tour with FDOT Secretary Jared Purdue and Senator Clay Yarborough. She requested that Mrs. Hebron mail a photo packet to each recipient.

Chair Nelson wished everyone a Merry Christmas and a prosperous New Year.

16. Adjournment

With no other items brought before the Board, Chair Nelson adjourned the meeting at approximately 8:03 PM.

_____

Date _____

OHPA Accountant Report

NASSAU COUNTY OCEAN HIGHWAY & PORT AUTHORITY

Monthly Financial Report - December 2025

	December	YTD ACTUAL	BUDGET 2025-2026
Revenues			
Quarterly Fee	0.00	80,842.71	323,371
FEDERAL/STATE/DOT GRANTS	0.00	0.00	0
Port Revenue - Harbor Admin	810.00	3,780.00	14,500
Port Revenue - Bunkering	0.00	866.25	7,500
Facility Use Fee (Tonnage)	0.00	0.00	0
Administrative Fee (PILOT)	0.00	0.00	50,000
Misc Income	0.00	2,996.49	1,500
TOTAL REVENUES	810.00	88,485.45	396,871
EXPENSES			
COMMISSION DIRECT			
Salaries - Commissioners	8,333.35	33,333.38	100,000
Payroll Taxes-Commissioners	695.85	4,402.52	9,468
Unemployment-Commissioners	0.00	0.00	75
Travel-Commissioners	0.00	0.00	1,000
Insurance	0.00	21,268.00	1,612
W/C Insurance	0.00	0.00	1,319
Salaries- Board Attorney Specific Cases	2,670.00	8,430.00	10,000
Salaries - Board Attorney General	4,500.00	10,380.00	54,000
TOTAL COMMISSION DIRECT	16,199.20	77,813.90	177,474
COMMISSION OPERATION			
Salaries- Accountant	1,841.67	3,741.67	22,800
Salaries - Office Administrator	5,730.42	15,588.44	68,365
Expenses - Office	144.63	508.24	4,000
Travel - Office Admin	0.00	0.00	300
Rent-Peck Center	593.16	889.74	3,559
TOTAL COMMISSION OPERATION	8,309.88	20,728.09	99,024
COMMISSION DISCRETIONARY			
Dept of Revenue Special District Fee	200.00	200.00	225
TPO Membership	0.00	1,625.00	1,574
Greater Nassau Chamber of Commerce	0.00	335.00	335
Website/IT Support	28.54	84.64	9,445
Awards & Presentations	0.00	0.00	120
Advertisement	0.00	0.00	600
Discretionary	0.00	0.00	720
TOTAL COMMISSION DISCRETIONARY	228.54	2,244.64	13,019
PORT OPERATIONS			
FB Annual Fee - PILOT	0.00	50,000.00	50,000
CSX Right of Way Fee	700.00	700.00	700
Insurance	0.00	0.00	18,337
Audit	15,000.00	15,000.00	29,300
FL Ports Council Dues	0.00	0.00	0
Nassau Cty Economic Dev Board	0.00	0.00	1,000
TOTAL PORT OPERATIONS	15,700.00	65,700.00	99,337
TOTAL EXPENSES	40,437.62	166,486.63	388,854
Excess Revenues over Expenditures	-39,627.62	-78,001.18	8,017

NASSAU COUNTY OCEAN HIGHWAY & PORT AUTHORITY

Account Balances - December 31, 2025

Account Name	Acct Num	31-Dec	28-Nov
Operating	x3328	56,932.44	94,548.10
Other - Admin Acct	x6714	241.24	110.41
Maintenance	x4519	31,558.27	25,985.23

Port Operator Report

AOM Ocean Highway & Port Authority <admin@portoffernandina.org>

Utilities at Port

AOM Ocean Highway & Port Authority <admin@portoffernandina.org> Mon, Jan 5, 2026 at 8:52 AM
To: AOM Ocean Highway & Port Authority <admin@portoffernandina.org>

---------- Forwarded message ---------
From: **Travis Zittrauer** <traviszittrauer@relayterminals.com>
Date: Mon, Dec 29, 2025 at 11:30 AM
Subject: Re: Utilities at Port
To: AOM Ocean Highway & Port Authority <admin@portoffernandina.org>
Cc: Ray Nelson <rnelson@portoffernandina.org>, Ted McNair <tedmcnair@relayterminals.com>

Good morning, Rossana,

I wanted to provide an update for the Board for the permitting for the fire suppression for the fabric buildings.

As stated in the last meeting on December 3rd, the utilities have been mapped out. Since that meeting, We have been in contact with the manufacture, and they had additional questions regarding the static and residual water pressures and water flow. In order for us to provide the correct and accurate information, we have reached out to the city of Fernandina. We made payment on the services requested and we are expecting the city to come to the terminal this week.

Once Relay terminals receive accurate static/residual pressures and flow, we will work diligently for scheduling of the next available Technical Review Committee (TRC) Meeting for permitting requirements. The TRC typically meets the second and forth Thursdays of each month. To be completely transparent, the intent would be on the agenda for January 8th but due to holidays and timing January 22nd may be more realistic.

Regards,

Travis Zittrauer
General Manager
501 N 3rd St
Fernandina Beach, FL 32034
M: 904 525 2606
relayterminals.com

Old Business

2nd and 4th Wednesdays

2026 MONTH	DATES		
January	14	28	
February	11	25	
March	11	25	
April	8	22	
May	13	27	
June	10	24	
July	8	22	
August	12	26	
September	9	23	
October	14	28	
November	11	25	Thanksgiving
December	9	23	Christmas

1st and 3rd Mondays

Jan	5	19	
Feb	2	16	
Mar	2	16	
Apr	6	20	
May	4	18	
Jun	1	15	
Jul	6	20	
Aug	3	17	
Sep	7	21	
Oct	5	19	
Nov	2	16	
Dec	7	21	Christmas

Financial and Tonnage reports will be impacted

2nd and 4th Thursdays

Jan	8	22	
Feb	12	26	
Mar	12	26	
Apr	9	23	
May	14	28	
Jun	11	25	
Jul	9	23	
Aug	13	27	
Sep	10	24	
Oct	8	22	
Nov	12	26	Thanksgiving
Dec	10	24	Christmas

OHPA-FDOT Coordination meeting every fourth Thurs will be impacted

New Business

Property Appraiser Matter

IN THE CIRCUIT COURT OF THE
FOURTH JUDICIAL CIRCUIT, IN AND
FOR NASSAU COUNTY, FLORIDA

Consolidated Case No.: **45 2022-CA-077**

A. MICHAEL HICKOX, as Nassau County Property Appraiser,

Plaintiff,

vs.

OCEAN HIGHWAY AND PORT AUTHORITY, an independent special district; **JOHN M. DREW**, Nassau County Tax Collector; and **JIM ZINGALE**, Executive Director of the Florida Department of Revenue,

Defendants.
_____/

OCEAN HIGHWAY AND PORT AUTHORITY, an independent special district;

Case Nos: 45 2022-CA-0397
45 2024-CA-0372

Plaintiff,

vs.

A. MICHAEL HICKOX, as Nassau County Property Appraiser, et al.,

Defendant.
_____/

ORDER GRANTING PROPERTY APPRAISER'S CROSS MOTION FOR SUMMARY JUDGMENT AND DENYING OCEAN HIGHWAY AND PORT AUTHORITY'S MOTION FOR FINAL SUMMARY JUDGMENT

THIS CAUSE came before the Court for hearing on October 27, 2025, after proper notice, on the cross motions for summary judgment filed by Kevin J. Lilly, successor to A. Michael Hickox, Nassau County Property Appraiser (property appraiser), and the Ocean Highway and Port Authority (OHPA). The Court having reviewed the court file, the parties' motions for summary

judgment and the respective responses in opposition thereto, having heard the argument of counsel, being otherwise duly advised in the premises, and for the reasons set forth herein, hereby **GRANTS** the property appraiser's cross-motion for summary judgment as to the 2021 and 2024 tax years, and **DENIES** OHPA's motion for final summary judgment.

Procedural Background

1. This consolidated ad valorem tax case involves whether certain property owned by the Ocean Highway and Port Authority (OHPA), but used by a private, for-profit company, Nassau Terminals, LLC (Nassau Terminals) pursuant to the terms of an operating agreement is entitled to an ad valorem tax exemption for the 2021 and 2024 tax years. This Court previously dismissed OHPA's challenges to the 2022 and 2023 tax years due to the lack of subject matter jurisdiction under section 194.171, Florida Statutes (2025).

2. For the 2021 tax year, OHPA had challenged the property appraiser's denial of an ad valorem tax exemption for those portions of its property used by Nassau Terminals by filing a petition with the value adjustment board (VAB). The VAB ultimately determined that the property was exempt, and the property appraiser filed suit against OHPA as authorized under section 194.036(1), Florida Statutes (2025). For the 2024 tax year, OHPA challenged the property appraiser's denial of an exemption by filing suit pursuant to section 194.171.

3. OHPA filed its Motion for Summary Final Judgment on February 14, 2025. The property appraiser filed his Second Amended Response in Opposition to OHPA's motion and cross motion for summary judgment on October 22, 2025. OHPA filed a reply to the property appraiser's cross-motion on October 23, 2025. No objections have been raised as to the timeliness of these pleadings.

4. In connection with the competing summary judgment motions, the parties have filed documentary evidence consisting of an Operating Agreement between Nassau Terminals and OHPA dated October 19, 2018, a Closing Memorandum and Index, Ocean Highway and Port Authority Facilities Revenue Bonds (Worldwide Terminals Fernandina, LLC Project), Series 2019A (AMT) and Ocean Highway and Port Authority Facilities Revenue Bonds (Worldwide Terminals Fernandina, LLC Project), Taxable Series 2019B dated May 23, 2019, a Loan Agreement dated May 1, 2019, among Ocean Highway and Port Authority as Issuer, U.S. Bank National Association, as Trustee, and Worldwide Terminals Fernandina, LLC, as Borrower, and OHPA's responses to the property appraiser's First Set of Interrogatories dated September 3, 2025.

5. The depositions of Ray Nelson, an OHPA board member, Pierre LaPorte, OHPA's accountant, and the property appraiser also were filed, along with an affidavit of Nelson filed in support of OHPA's summary judgment motion and dated February 12, 2025.

6. No objections have been raised to the use of these documents, depositions, or affidavit for purposes of summary judgment. The parties have not asserted that there are any disputed issues of material fact that would preclude summary judgment. The question of whether the portions of OHPA's property that are used by Nassau Terminals pursuant to the Operating Agreement are subject to ad valorem taxation for the 2021 and 2024 tax years presents an issue of law appropriate for resolution on the competing summary judgment motions.

Undisputed Facts

7. OHPA is an entity created by special act of the legislature. Ch. 2005-293, § 1, Laws of Fla. (2005). OHPA is described as an independent special district that is governed

by a board of port commissioners consisting of five members serving staggered terms of four years each. *Id.* at § 3. The board members are elected by the voters of Nassau County. *Id.*

8. Among other powers, OHPA is authorized to "lay out, construct, condemn, purchase, own, acquire, add to, extend, enlarge, maintain, conduct, operate, build, equip, manage, furnish, replace, enlarge, improve, lease, sell, regulate, finance, control, repair, and establish office and administrative buildings to be used and occupied in whole or in part by the authority," and all other necessary harbor improvements and facilities; and to perform all customary services, including the handling, weighing, measuring, regulation, control, inspection, and reconditioning of all commodities and cargoes received or shipped through any port or harbor within the jurisdiction of the authority. *Id.* at § 7(1). The authority also is authorized to fix rates of wharfage, dockage, warehousing, storage, and port and terminal charges and rates and charges for the use of all improvements, port, or harbor facilities located within the county that it owns or operates. *Id.* at § 7(5). OHPA is further authorized to issue revenue bonds to finance or refinance the costs of any of the improvements or facilities at the port. *Id.* at §§ 16-24.

9. Attached to OHPA's motion for summary judgment was the Operating Agreement between OHPA and Nassau Terminals. (Exhibit "A" to Ocean Highway and Port Authority's Motion for Final Summary Judgment) The Agreement states that OHPA desired to contract for services to have Nassau Terminals "perform all functions necessary to load, unload, transfer, store and handle cargo of all types in, out and through the facilities of the Port of Fernandina, Florida, and to include the collection of all fees. All services such as stevedoring, warehousing, storage and reclaim are part of OPERATOR's responsibility and OPERATOR is willing to provide such services necessary." (*Id.* at p. 2) The scope of work provision provided that Nassau Terminals would "provide the necessary labor, machinery and equipment to

accomplish cargo handling and warehousing functions in the Port." (*Id.* at § 2.1) "OPERATOR at its own expense will provide skilled personnel to maintain and operate equipment." (*Id.* at 2.2)

10. Nassau Terminals had the obligation to perform "all ordinary day to day repairs and maintenance to port facilities and equipment owned by" OHPA. (*Id.* at 2.3) If the cost of any single repair, preventive maintenance job, or refurbishment exceeded $15,000, the excess costs should be submitted to OHPA for reimbursement. Each year, Nassau Terminals was required to provide OHPA with a written maintenance report together with projected expenses for the maintenance, replacement or repair of the facilities for the next fiscal year. (*Id.*) OHPA and Nassau Terminals were to meet annually throughout the term of the Agreement to "mutually develop a plan and budget for capital improvements and repairs for the subsequent five (5) years on a rolling basis." (*Id.* at § 6.9)

11. The term of the Agreement was for a period of 10 years and subject to renewal for two additional terms of 12 years each. (*Id.* at § 1.1) During that term, Nassau Terminals agreed to pay OHPA $251,675 annually, adjusted for inflation based on the CPI, "toward the annual operating budget of PORT AUTHORITY for the entire term of this Operating Contract." (*Id.* at § 6.1) In addition, Nassau Terminals agreed to contribute $50,000 for 2019 and again in 2020 towards DRI payments due from OHPA to the City of Fernandina Beach. (*Id.* at § 6.2) Nassau Terminals also agreed to pay OHPA facility use fees as follows:

> a. For Container and Breakbulk cargo:
> 1. $1.50 per short ton up to 549,999 tones per annum;
> 2. $1.25 per short ton from 550,000 tons up to 649,999 tons per annum; and
> 3. $1.00 per short ton over 650,000 tons per annum.
>
> b. For Bulk and general cargo, OPERATOR shall pay Facility Use Fees of $.91 per short ton, respectively.

(*Id.* at § 6.3)

12. In exchange for the consideration paid by Nassau Terminals, OHPA granted it "first priority access to and use and operation of all land, buildings, docks wharves and equipment owned or leased by" OHPA. (*Id.* at § 7.5) OHPA agreed to take no action which would impede Nassau Terminals' ability to fully perform its obligations pursuant to the Agreement or its obligations to service customers of the port. As long as Nassau Terminals was preforming its obligations under the Agreement, OHPA agreed "not to engage another entity to provide such services at the Port." (*Id.*)

13. OHPA set tariffs and negotiated rates and dockage and wharfage fees "in consultation with and subject to the approval of OPERATOR, which approval shall not unreasonably be withheld." (*Id.* at § 3.1) Both parties agreed that wharfage and dockage fees "shall be charged at competitive rates and shall not exceed those charged at neighboring ports North and South of the Port of Fernandina Beach." (*Id.*) All "other revenues, fees or charges collected by OPERATOR resulting from the rendering by OPERATOR of services, including but not limited to Dockage and Wharfage Fees, shall be the property of OPERATOR." (*Id.*) Nassau Terminals was authorized to advertise and solicit shipping business through the port "in such manner as it shall deem advisable in its sole judgment." (*Id.* at § 2.5)

14. In its answers to the property appraiser's first set of interrogatories, OHPA stated that Nassau Terminals undertook the following activities on the property for 2021 and 2024:

- Performed all necessary labor, machinery, and equipment to accomplish cargo handling and warehousing functions at the Port;
- Provided all employees to maintain and operate equipment necessary to run the Port;
- Performed all day-to-day repairs and maintenance to facilities and equipment at the Port and maintained logs evidencing same.

(OHPA's Response to Property Appraiser's First Set of Interrogatories, Ans. #2)

15. In his deposition, OPHA board member Nelson testified that OHPA has no role in deciding the day-to-day operations occurring on the property. (Nelson deposition at 13) If an OHPA board member wanted to inspect or tour the on-going operations of the port, he or she would have to contact the terminal manager with Nassau Terminals and arrange a date and time. (*Id.* at 11) Likewise, OHPA has no role in the negotiations between Nassau Terminals and customers of the port for the tonnage of cargo coming into the port and the handling, storage and delivery of that cargo and is not involved in setting the tonnage and cargo handling fees. (*Id.* at 30, 84-5) Nassau Terminals provides a tonnage report to the board at its twice monthly meetings which includes the previous month's activity on the number of vessel calls, the tonnage of cargo, and the number of containers that were handled. (*Id.* at 29)

16. Nelson further explained that the fees that the tariff rate is based on is a vessel's length overall. (*Id.*) The tariff rate only was imposed on "lumber and paper products, forestry products." (*Id.* at 32) If the cargo was not within that category, Nassau Terminals "would be just directly negotiating with the customer for whatever services the customer requires." (*Id.* at 33) Charges for products in shipping containers also would be negotiated between the customer and Nassau Terminals. Those charges are not reviewed or approved by OHPA. (*Id.* at 34)

17. Nelson explained that Nassau Terminals has "no input into the Port Authority's budget." (*Id.* at 35) The only information Nassau Terminals provides to OHPA is the maintenance report, capital expenditure plan, and tonnage report. (*Id.* at 36-6) Nassau Terminals ultimately is responsible for paying for the capital expenditures, although some of those expenditures are paid with grants for which both it and OHPA apply. (*Id.* at 37)

18. OHPA does not conduct any operations at the port. (*Id.* at 43) When asked what control over the operations at the port was maintained by OHPA, Nelson identified the security rules and regulations dictated by Homeland Security. "Everything else to me would be under the operator. The daily control, employees, scheduling all would be under the operator." (*Id.* at 43-4) The operator also was responsible for the security compliance and security measures. (*Id.* at 44)

19. LaPorte, OHPA's accountant, stated in his deposition that most of OHPA's revenues are from the fixed fee paid by Nassau Terminals. (LaPorte deposition at 30) Nassau Terminals is responsible for the operation of the port and the fees charged for that operation, and the fixed fee it pays is OHPA's main revenue source.

20. LaPorte also testified that Nassau Terminals is required to maintain certain records and provide reports to OHPA. For example, Nassau Terminals must maintain maintenance logs and records, together with repair reports, and shall, on July 1 of each year, provide OHPA with a written maintenance report. OHPA and Nassau Terminals must meet annually throughout the term of the Operating Contract to mutually develop a plan and budget for capital improvements and repairs for the subsequent five years on a rolling basis. (*Id.* at 8) Nassau Terminals is required to notify OHPA at monthly meetings of certain circumstances such as: (1) initiation of processes otherwise needed to invoke a proceeding for civil administrative or criminal liability; (2) breach of security at the port; (3) arrival or expected arrival of any dangerous cargo as defined in the U.S. Code of Federal Regulations; and (4) inspections of the port facility or off-loaded cargo conducted by any state or federal governmental entity and local safety/fire inspections. (*Id.* at p. 10)

21. LaPorte testified regarding the issuance of revenue bonds to provide financing for Nassau Terminals to make improvements to the port facilities. OHPA served as a

conduit for Nassau Terminals to obtain funds to be used for port improvements and pay off prior debt by issuing Series 2019A bonds and Series 2019B bonds through OHPA. (*Id.* at 35) OHPA did not guarantee those bonds, but Nassau Terminals was able to benefit from a lower interest rate by using OHPA as the conduit. (*Id.*) Although none of the port property was pledged as collateral to the bonds, Nassau Terminals' rights under the 2018 operating agreement were pledged as collateral. (*Id.* at 37) Even though the bond issuance took place in 2019, Mr. LaPorte stated that it was still in place in 2021 and 2024. (*Id.* at 46)

22. The bond issuance declared that the purpose was to finance and/or refinance acquisition of certain port facilities, including new warehouse space, dredging and deepening of the berths at the port facility, and acquisition of cargo handling equipment. (Notice of Filing 2019 Closing Memorandum and Index, Ocean Highway and Port Authority Facilities Revenue Bonds at p. 2 of Trust Indenture) As the bond issuance declared:

> WHEREAS, the proceeds of the Series 2019A Bonds will be used for the purposes of, among other things: *(a) financing or refinancing the acquisition, construction, and equipping of certain capital improvements constituting port facilities under the Act, including construction of approximately 78,000 square feet of new warehouse space, dredging and deepening of the berths at the port facility to 40 feet, and acquisition of additional cargo handling equipment*; (b) funding a deposit to the Debt Service Reserve Account with respect to the Series 2019A Bonds; (c) funding capitalized interest on the Series 2019A Bonds; and (d) paying certain expenses incurred in connection with the issuance of the Series 2019A Bonds, all as permitted under the Act; and
>
> WHEREAS, the proceeds of the Series 2019B Bonds will be used for the purposes of, among other things: *(a) refinancing the acquisition, construction, and equipping of certain capital improvements constituting port facilities under the Act,* (b) funding a deposit to the Debt Service Reserve Account with respect to the Series 2019B Bonds; (c) funding a deposit to the Operating Reserve Fund in an amount equal to the Operating Reserve Requirement; (d) funding a deposit to the Capital Reserve Fund in an amount equal to the Capital Reserve Requirement; (e) funding a deposit to the

> Rolling Coverage Fund in an amount equal to the Rolling Coverage Requirement; (f) funding a deposit to the Repair and Replacement Fund in an amount equal to the Repair and Replacement Reserve Requirement; (g) funding capitalized interest on the Series 2019B Bonds; (h) providing certain working capital funding to the B01Tower; and (i) paying certain expenses incurred in connection with the issuance of the Series 2019B Bonds, all as permitted under the Act;

(*Id.*, emphasis added)

23. The Loan Agreement executed in accordance with the bond issuance reflected that OHPA was the issuer of the bonds and Nassau Terminals was the borrower of the funds. (*Id.* at 114; Notice of Filing Loan Agreement Dated May 1, 2019 at p. 2 of Loan Agreement) Nassau Terminals was recognized to be the operator of the terminal facilities pursuant to the operating agreement, and had the right to utilize the capital improvements and equipment pursuant to the operating agreement "and such right shall remain so long as the Series 2019 Bonds remain outstanding." (*Id.* at 119, Loan Agreement)

The Loan Agreement included the following Warranty of Interest:

> Section 3.8 Warranty of Interest. The Borrower warrants that (a) the Borrower *is either (i) the holder of a valid, binding and enforceable leasehold interest in all real and personal property included in the Project or (ii) has the legal right to use and operate all real and personal property included in the Project that is the property of the Issuer*, and (b) the Project is and will be free from all adverse claims, security interests, and encumbrances, other than Permitted Encumbrances.

(*Id.* at p. 16 of Loan Agreement, emphasis added) Under the Loan Agreement, Nassau Terminals also agreed to pay all real property taxes and assessments along with taxes and assessments of any personal property, equipment, or other facilities. (*Id.* at 135, p. 22 Loan Agreement)

24. The property appraiser's denial notice for the 2021 tax year explained the basis for the denial of an exemption for the property owned by OHPA but used by Nassau Terminals as follows:

> The property owned by the Ocean Highway & Port Authority of Nassau County was being used by a private, for-profit entity (Nassau Terminals LLC) for the purposes of generating business profits through its operation of the port facilities pursuant to the 'Operating Agreement' dated October 19, 2018. Such a proprietary use of the property requires taxation under sections 196.199(2)(a) and (4), Florida Statutes, which provide that property owned by certain governmental units - including authorities - but used by nongovernmental lessees are exempt only when the lessee performs governmental, municipal, or public purposes. Such purposes are limited to the administration of some phase of government as discussed in *Sebring Airport Auth. v. McIntyre*, 783 So.2d 338 (Fla. 2001), and *Sebring Airport Auth. v. McIntyre*, 642 So.2d 1072 (Fla. 1994). The Florida Constitution requires ad valorem taxation of property owned by certain governmental entities - including authorities - when it is not used exclusively by the entity itself but, instead, by a private for-profit corporation using the property for proprietary purposes. Art. VII, § 3(a), Fla. Const.
>
> In addition, ad valorem taxation is required pursuant to Art. VII, § 10(c), Fla. Const. because the Ocean Highway & Port Authority has issued revenue bonds to finance or refinance the cost of capital projects for its port facilities. 'If any project so financed, or any part thereof, is occupied or operated by any private corporation, association, partnership or person pursuant to contract or lease with the issuing body, the property interest created by such contract or lease shall be subject to taxation to the same extent as other privately owned property.' The private, for-profit entity (Nassau Terminals LLC) occupies and operates the port facilities pursuant to the 'Operating Agreement' dated October 19, 2018. Such facilities are therefore subject to ad valorem taxation.

(Complaint in case no. 22-CA-77 at exh. #4) The basis of the denial for the 2024 tax year was the same. (Complaint in case no. 24-CA-372, exh. #1)

Burden of Proof

The burden of proof applicable to ad valorem tax cases is set forth in section 194.301, Florida Statutes (2024). The party initiating the action, has the "burden of proving by a preponderance of the evidence that the classification or exempt status assigned to the property is incorrect." § 194.301(2)(d), Fla. Stat. (2025). The property appraiser was the party initiating the challenge to the 2021 assessment and has the burden of proof for that tax year. OHPA was the party initiating the challenge to the 2024 assessment and has the burden of proof for that tax year.

All real property is subject to ad valorem taxation, moreover, unless it is expressly exempted. *See* § 196.001(1), Fla. Stat. (2024). For this reason, exemptions from ad valorem taxation are strictly construed against the taxpayer and in favor of the taxing authority. *Dade Cnty. Taxing Auth. v. Cedars of Lebanon Hosp. Corp.*, 355 So.2d 1202 (Fla. 1978). The burden is on the taxpayer to show clearly any entitlement to a tax exemption. *Volusia Cnty. v. Daytona Bch. Racing & Rec. Facilities Dist.*, 341 So.2d 498 (Fla. 1976). Any ambiguity in the statutory language is to be resolved against the taxpayer and against exemption. *Nat'l Ctr. for Constr. Educ. & Research Ltd. v. Crapo*, 248 So.3d 1256, 1257-58 (Fla. 1st DCA 2018); *Parrish v. Pier Club Apts., LLC*, 900 So.2d 683 (Fla. 4th DCA 2005). Tax exemptions are highly disfavored and are strictly construed against the party claiming the exemption. *Genesis Ministries, Inc. v. Brown*, 250 So.3d 865 (Fla. 1st DCA 2018).

Conclusions of Law

I. Legal principles regarding governmental exemption from ad valorem taxation.

The Florida Constitution requires, with few exceptions, that all property in the state be taxed. *See* Art. VII, § 4, Fla. Const. One of those exceptions is an exemption from ad valorem taxation for certain municipally-owned property. Art. VII, § 3(a), Fla. Const. To qualify for the

exemption, the property must be "both owned by a municipality and used exclusively by the municipality for municipal or public purposes." *Dep't of Revenue v. City of Gainesville*, 918 So.2d 250, 255 (Fla. 2005). The constitutional provision states in its entirety:

> *All property owned by a municipality and used exclusively by it for municipal purposes shall be exempt from taxation.* A municipality, owning property outside the municipality, may be required by general law to make payment to the taxing unit in which the property is located. Such portions of property as are used predominantly for educational, literary, scientific, religious, or charitable purposes may be exempted by general law from taxation.

Art. VII, § 3(a) Fla. Const. (emphasis added).

The supreme court has held that a "reading of section 3(a) of article VII clearly establishes that it is a self-executing provision and therefore does not require statutory implementation." *City of Sarasota v. Mikos*, 374 So.2d 458, 460 (Fla. 1979); *see also City of Gainesville v. Crapo*, 953 So.2d 557, 561–62. (Fla. 1st DCA 2007) ("Because this constitutional provision is self-executing, it does not require legislative authorization to activate the exemption for property owned and used exclusively by the municipality for municipal or public purposes."). "Stated differently, the exemption is not contingent on the legislature declaring that an activity serves a municipal purpose and is, therefore, tax exempt." *Crapo*, 953 So.2d at 561–62. Any legislative attempt to expand the exemption beyond that which is constitutionally authorized is improper. *City of Gainesville*, 918 So.2d at 259; *Sebring Airport Auth. v. McIntyre* (*Sebring Airport II)*, 783 So.2d 238, 252–53 (Fla. 2001). As one commentator has explained:

> The municipal purpose exemption is unique. Unlike the other 'use' exemptions authorized in the constitution, it is mandatory and self-executing; it prescribes the identity of the owner and requires *exclusive (rather than predominant) use by such owner for the specified exempt purpose*; and (unlike other governmental purpose exemptions), it is expressly contemplated in the constitution.

Fla. State & Local Taxes, Vol. II, ¶ 5.03[4], (The Fla. Bar 1984) (emphasis added).

The supreme court explained in *City of Gainesville* that the requirement that city-owned property be used exclusively by the city for municipal or public purposes to be entitled to an ad valorem tax exemption was added to the constitution in 1968 in response to *Daytona Bch. Racing & Rec. Facilities Dist. v. Paul*, 179 So.2d 349, 353 (Fla. 1965). "Perceiving decisions [such as *Daytona Beach Racing*] as creating inequities in the tax structure, the draftsmen of the Constitution of 1968 limited the municipal purpose exemption to 'property owned by a municipality and used exclusively by it for municipal or public purposes.'" *Volusia Cnty. v. Daytona Bch. Racing & Rec. Facilities Dist.*, 341 So.2d 498, 501 (Fla. 1976).

The supreme court in *City of Gainesville* specifically distinguished the test for exemption for property owned by a municipality and used exclusively by it from the test for private interests in municipally owned property. "Our review of the history of article VII, section 3(a) and the pertinent case law demonstrates that the test for private interests in municipally owned property was never intended to apply to property both owned and used exclusively by a municipality for municipal or public purpose." *City of Gainesville*, 918 So.2d at 261. The test applicable when the property is not used exclusively by the municipality has become known as the "governmental-governmental" versus "governmental-proprietary" use test. *Id.* at 260 (collecting cases); *see Williams v. Jones*, 326 So.2d 425, 433 (Fla. 1976) (Taxation of leasehold interest in governmentally-owned property on Santa Rosa Island is required because all "privately used property bears a tax burden in some manner and this is what the Constitution mandates."); *cf. St. John's Assocs. v. Mallard*, 366 So.3d 34 (Fla. 1st DCA 1978) (lessee's use of port property for profit competes with other private business operations and requires taxation).

In 1994, the Florida Supreme Court reiterated the continued application of the governmental-governmental versus governmental-propriety use test with regard to exemptions

from ad valorem taxation first announced in the Court's 1976 decision in *Williams*. *Sebring Airport Auth. v. McIntyre* (*Sebring Airport I*), 642 So.2d 1072 (Fla. 1994). That case involved the exempt status of the Sebring Raceway, which was owned and operated by the airport authority and leased to a for-profit operator to alleviate the authority's financial difficulties so that the racing activities could be continued. *Id.* at 1073. The supreme court stated:

> Serving the public and a public purpose, although easily confused, are not necessarily analogous. *A governmental-proprietary function occurs when a nongovernmental lessee utilizes governmental property for-proprietary and for-profit aims.* We have no doubt that Raceway's operation of the racetrack serves the public, but such service does not fit within the definition of a public purpose as defined by section 196.012(6). Raceway's operating of the race for profit is a governmental-proprietary function; therefore, a tax exemption is not allowed under section 196.199(2)(a).

Sebring Airport I, 642 So.2d at 1073–74 (emphasis added).

The supreme court specifically rejected the airport authority's argument that "a governmental lease to a nongovernmental lessee is exempt from ad valorem taxation if the lessee serves a public purpose, *regardless of the for-profit motive*." 642 So.2d at 1073 (emphasis added). The supreme court then described the difference between governmental and proprietary functions as "[p]roprietary functions promote the comfort, convenience, safety and happiness of citizens, whereas governmental functions concern the administration of some phase of government." 642 So.2d at 1074, n. 1. "A governmental function has been defined as one having to do with the administration of some phase of government, that is, exercising or dispensing of some element of sovereignty." *Sebring Airport Auth. v. McIntyre*, 718 So.2d 296, 299 (Fla. 2d DCA 1998).

After *Sebring Airport I*, the legislature effectively attempted to overrule that decision by enacting language modifying the definition of municipal or public purpose set forth in section 196.012(6), Florida Statutes (1994), as follows:

> The use *by a lessee, licensee, or management company* of real property or a portion thereof as a convention center, visitor center, sports facility with permanent seating, concert hall, arena, stadium, park, or beach is deemed a use that serves a governmental, municipal, or public purpose or function when access to the property is open to the general public with or without a charge for admission.

Ch. 94-353, § 59, Laws of Fla. (1994) (emphasis added).

The case subsequently returned to the supreme court. *Sebring Airport II*, 783 So.2d at 238. After discussing the lengthy history regarding the taxation of governmentally-owned property, the court emphasized the continuing viability of the governmental-governmental test and held that "it has long been clear that, based upon the amendments which resulted in the 1968 Constitution, the 'public purpose' standard applicable in tax exemption cases is the 'governmental-governmental' standard first established in *Williams*, later confirmed in *Volusia County*, and consistently applied in subsequent cases involving claimed tax exemptions for private leasehold interests." *Id.* at 247. Because the legislature lacked the ability to expand the scope of the municipal exemption by statute, this Court declared the 1994 amendment unconstitutional. *Id.* at 253. As the supreme court held:

> We certainly understand that there is enormous competition to secure professional athletic teams and other forms of entertainment and economic development which benefit Florida citizens. We also recognize the tremendous economic forces and implications that become involved in this type of issue and the good faith legislative attempts to balance these concerns. However, as long as the people of Florida maintain the constitution in the form we are required to apply today, neither we nor the Legislature may expand the permissible exemptions based on this type of argument. The people of Florida have spoken in the organic law and we honor that voice. *It is not for this Court or the Legislature to grant ad valorem taxation exemptions not provided for in the present constitutional provisions. That decision rests solely with the people of Florida as voiced in our constitution, and not through legislation.*

Id. (emphasis added).

The Florida Supreme Court has consistently noted the importance of ownership and exclusive use by a municipality in cases involving article VII, section 3(a) of the Florida Constitution. *Treasure Coast Marina, LC v. City of Fort Pierce*, 219 So.3d 793, 796 (Fla. 2017); *City of Gainesville*, 918 So.2d at 261. In *City of Gainesville* the supreme court "recognized that although the constitutional tax exemption provision was revised from its counterpart contained in the 1885 Constitution to curb perceived abuses in favor of private operators seeking a profit, that end was not advanced by changing the definition of 'municipal or public purposes,' but rather by requiring ownership and use by the municipality." *Treasure Coast Marina*, 219 So.3d at 796.

In accord with the test set forth in *City of Gainesville*, and later clarified in *Treasure Coast Marina*, a marina owned and used exclusively by a municipality was entitled to ad valorem tax exemption as serving an activity essential to the general welfare of the people within the municipality. *Treasure Coast Marina*, 219 So.3d at 800; *see Islamorada, Village of Islands v. Higgs*, 882 So.3d 1009, 1010-11 (Fla. 3rd DCA 2003) (marina is a recreational facility available to residents and non-residents that is "operated without involvement of a non-governmental lessee or *operator*" and is exempt) (emphasis added). The exempt status of a marina, however, changes when it is no longer used exclusively by the municipality for municipal or public purposes.

For example, the same city-owned marina in Fernandina Beach that was exempt when used exclusively by the City became taxable upon use by a private, for-profit operator. *Page v. City of Fernandina Bch.*, 714 So.2d 1070 (Fla. 1st DCA 1998). As the First District stated:

> Municipal operation of a marina is a legitimate municipal corporate undertaking for the comfort, convenience, safety, and happiness of the municipality's citizens. Indeed, the uncontradicted expert testimony was that operation of this marina constituted a proper municipal or public function. *When a city operates a marina it owns, marina property it has not leased to a nongovernmental entity is exempt from ad valorem taxation.* Evidence indicated that some of these marina facilities had previously been operated by the City, and

> that, by the time of trial in January of 1996, operational responsibilities had once again been assumed by the City. *But operating a marina partakes of no aspect of sovereignty and does not warrant an exemption for a marina leased to a nongovernmental operator seeking profits.*

Id. at 1076–77 (emphasis added).

In addition to marinas, the issue of whether leased property is exempt from taxation has also been addressed in the context of legislatively-created ports and port authorities. *See Canaveral Port Auth. v. Dep't of Revenue*, 690 So.2d 1226 (Fla. 1996); *St. John's Assocs. v. Mallard*, 366 So.2d 34 (Fla. 1st DCA 1978); *Ocean Highway Port Auth. v. Page*, 609 So.2d 84 (Fla. 1st DCA 1992); *Gulf Marine Repair Corp. v. Henriquez*, 375 So.3d 306 (Fla. 2d DCA 2023).

The Florida Supreme Court addressed whether real property owned by the Canaveral Port Authority (CPA) and leased to private entities who were using the property for warehouses, gas stations, deli restaurants, fish markets, charter boat sites, and docks was exempt from taxation. *Canaveral Port Auth.*, 690 So.2d at 1227. After determining CPA was not immune from taxation because it was not expressly recognized by the Florida Constitution as performing a function of the state, the court addressed whether CPA was exempt from taxation. *Id.* at 1228. The court addressed CPA's argument that it was exempt from taxation pursuant to section 315.11, Florida Statutes (1991), and stated:

> We find that by passing chapter 71-133, [the legislature] imposed a limitation on the exemption. In view of the express language used in sections 196.001, 196.199(2), and 196.199(4), particularly the term "authorities," *we conclude that the legislature intended to provide only a limited exemption for fee interests in port authority property.*

Id. at 1229 (emphasis added). The supreme court ultimately held that the fee interest in the property was not exempt from ad valorem taxation because the property was leased to nongovernmental entities for nongovernmental uses. *Id.* at 1229–30.

Most recently, the Second District Court of Appeal has addressed whether property owned by a port authority and leased by Gulf Marine, a for-profit corporation conducting a commercial shipyard business, was exempt from ad valorem taxation. *Gulf Marine Repair Corp.*, 375 So.3d at 310. After inspecting the properties, the property appraiser denied Gulf Marine's exemption applications because he determined that the properties were being used for proprietary purposes. *Id.*

The Second District agreed with the property appraiser. In determining that the subject property was not exempt from taxation, the district court relied on the principles established in *Williams* and the distinction between governmental-governmental functions and governmental-proprietary ones. *Id.* at 313–314. The court stated:

> Governmental-governmental uses are limited to the administration of some phase of government or some aspect of sovereignty; they do not include governmental-proprietary activities, defined as 'when a nongovernmental lessee utilizes governmental property for-proprietary and for-profit aims.' *Sebring Airport Auth. v. McIntyre (Sebring II)*, 642 So.2d 1072, 1074 (Fla. 1994). 'Proprietary functions promote the comfort, convenience, safety and happiness of citizens, whereas government functions concern the administration of some phase of government.' *Id.* at 1074 n.1 (citing *Black's Law Dictionary* 1219 (6th ed. 1990)).
>
> *The property involved in this case fails the governmental-governmental use test because Gulf Marine's shipyard business has nothing to do with the administration of the Port Authority.* The summary judgment record reflected, instead, that it is a commercial enterprise that sells inspection, repair, and maintenance services to ships that use the port. In its order, the VAB described this amenity as 'integral' to the port. But, as *Williams* held, that is not the proper test. And for that matter, the VAB pointed to no law, regulation, or other factor that requires a port to offer shipyard services. To the contrary, the record disclosed that only two of Florida's fourteen deepwater ports have shipyards.

Id. at 314 (emphasis added).

The district court was not persuaded by Gulf Marine's argument that, because the port authority's enabling act permitted it to maintain a shipyard, Gulf Marine's operation of a shipyard ipso facto exempted the property from taxation under section 196.012(6). *Id.* at 315. The district court again relied on the governmental-governmental use test and held that even though the shipyard function legally could have been performed by the port authority, this did not automatically make the property exempt from taxation. *Id.* The district court concluded that "Gulf Marine's use of its leased property for its own profit does not serve a governmental-governmental function. As such, the property is not tax exempt." *Id.* at 316.

II. Whether port facilities owned by OHPA but used by Nassau Terminals are entitled to an ad valorem tax exemption.

In view of the long body of case law concluding that the use of municipally-owned property by lessees must be for governmental-governmental purposes as opposed to governmental-proprietary purposes to retain the ad valorem tax exemption, it would appear that Nassau Terminals' use of the port facilities for proprietary purposes would require the property to be subject to taxation if the agreement with OHPA were a lease. Indeed, this Court observes that the Operating Agreement partakes of many of the attributes of a lease. It conveys exclusive use of the port facilities to Nassau Terminals for a term of years in exchange for payment of a fee (rent) and the tenant's responsibility to maintain the property.

The analysis of OHPA's entitlement to an ad valorem tax exemption must begin with the source of that exemption. OHPA is an independent special district but would not be considered immune from taxation as part of the state or county. *Canaveral Port Auth.*, 690 So.2d at 1227-8. OHPA's entitlement to exemption therefore depends upon section 189.055, Florida Statutes (2025), which provides that, for "the purpose of s. 196.199(1), special districts shall be

treated as municipalities." Although an independent special district is to be treated like a municipality for the purpose of section 196.199(1), it does not have the same constitutional basis for exemption as a municipality. *Sun 'N Lake of Sebring Imp. Dist. v. McIntyre*, 800 So.2d 715, 720-1 (Fla. 2d DCA 2001).

Section 196.199(1) provides in pertinent part:

> (1) Property owned and used by the following governmental units shall be exempt from taxation under the following conditions:
>
> * * * * *
>
> (c) All property of the several political subdivisions and municipalities of this state or of entities created by general or special law and composed entirely of governmental agencies, or property conveyed to a nonprofit corporation which would revert to the governmental agency, which is used for governmental, municipal, or public purposes shall be exempt from ad valorem taxation, except as otherwise provided by law.

"Pursuant to sections 189.403(1) [now 189.055] and 196.199(1), the District [OHPA] is to be treated as a municipality, and as such is entitled to an exemption if its property is used exclusively for a public purpose." *Sun 'N Lake*, 800 So.2d at 722.

The parties agree that proper analysis of the exempt status of the property requires careful consideration of *City of Gulf Breeze v. Brown*, 397 So.3d 1009 (Fla. 2024). In that case, the City of Gulf Breeze owned and operated a public golf course that, for several years, the Santa Rosa County Property Appraiser determined was exempt from ad valorem taxation. *Id.* at 1011. The property appraiser began denying the exemption after the City entered into a management agreement with a private entity. *Id.* The property appraiser reasoned that the agreement was a lease and that the property was no longer being "used exclusively by [the City]," so the City was no longer entitled to the exemption. *Id.*

The circuit court granted final summary judgment in favor of the City, concluding that the agreement was a management agreement (not a lease) and that the property remained owned and used exclusively by the City. *Id.* The property appraiser appealed the circuit court's decision to the First District Court of Appeal. *Id.* The First District reversed and remanded for final judgment to be entered in favor of the property appraiser. *Brown v City of Gulf Breeze*, 336 So.3d 1226, 1232 (Fla. 1st DCA 2022). Relying on the agreement's compensation structure, under which the management company was compensated by a formula tied to the difference between revenue and expenses, the First District effectively treated the agreement like a lease without determining it to be one. *City of Gulf Breeze*, 397 So.3d at 1011. Because the First District treated the agreement like a lease, it determined that the property was not exempt from taxation. *Id.* The First District certified a question of great public importance, and the supreme court accepted jurisdiction. *Id.* at 1011–12.

In reversing the First District's decision, the supreme court stated that the district court improperly focused on the agreement's compensation structure, rather than on whether the City "retained and exercised extensive control over the property" under the management agreement. *Id.* at 1012. The supreme court determined that under the agreement, the City's extensive control over the property "and its concomitant exclusive use" entitled the property to the ad valorem tax exemption. *Id.*

The Court's analysis of the control exercised over the golf course involved review both of the management agreement and testimony of witnesses. Under the agreement, the City retained ownership and control of the golf course and appurtenant facilities. Not only did the City retain the "absolute and unfettered right" to continue to use the property for the disposal of treated effluent, but the agreement provided that the City "shall at all times have access to the [golf course

property] for any purpose," and that "nothing in this Agreement shall be deemed to limit the City's right to do anything regarding the [golf course] which the City would otherwise be entitled to do." *Id.*

The City also retained extensive control of the operations of the golf course, including the direct oversight by the City's Director of Parks and Recreation, who testified that his role was that of a "contract manager" who met with the operator weekly. Under the agreement, the operator was required to manage the property "as an 18-hole championship golf course" and "in a first-class manner." "No other uses" of the property were "allowed" under the agreement. Among other things, the operator was required to keep the golf course open to the public every day (with certain exceptions), operate the golf course in accordance with terms and conditions of an operating budget agreed to by the City and under rules and regulations established by the City, and comply with public records laws. The operator was also prohibited from doing certain things, including subcontracting any of its duties. *Id.*

In reaching its decision, the supreme court recognized the line of its prior decisions involving the taxable status of governmentally-owned property leased to a for-profit company and used for governmental-proprietary purposes. *Id.* at 1016. When property is leased, the "property is typically under the control of the leaseholder. It then is no longer available for use of the owner but has been committed to the use of the leaseholder. There is an undeniable linkage between control and use." *Id.* at 1017. The Court concluded as follows:

> The City-owned golf course property continued to be 'used exclusively by' the City—for purposes of article VII, section 3(a) of the Florida Constitution and its ad valorem tax exemption for certain municipally owned property—*after the City entered into a management agreement under which the City retained and exercised extensive control over the golf course property and the management company's operation of the property.* The agreement

> and its formula-based compensation structure thus did not defeat the City's ad valorem exemption.

Id. at 1018 (emphasis added).

OHPA relies on the supreme court's analysis in *City of Gulf Breeze* to assert that it is entitled to the exemption because the subject property is used exclusively by OHPA for municipal or public purposes. OHPA argues that it has retained the same extensive control and use of the subject property as the City in *City of Gulf Breeze*.

This Court disagrees with OHPA's characterization of the Operating Agreement and testimony in this case. OHPA lacks the same extensive control and "concomitant exclusive use" of the port facilities required under the constitution as explained in *City of Gulf Breeze*.

Unlike the agreement in *City of Gulf Breeze*, there is no provision in the Operating Agreement preventing the operator from limiting OHPA's right to do anything regarding the subject property that OHPA would otherwise be entitled to do. Instead, Section 7.5 of the Operating Agreement clearly states:

> PORT AUTHORITY agrees, in further consideration of the obligations of OPERATOR and Facility Use Fee paid to it pursuant to Section 6 of this Contract, and in consideration of guarantees and assurances OPERATOR must provide to customers of the Port, *to grant OPERATOR first priority access to and use and operation of all land, buildings, docks wharves and equipment owned or leased by the PORT AUTHORITY, comprised of the marine terminal, warehouses, and appurtenances that are the subject of this Agreement.* When OPERATOR is providing services to the public users of the Port, *PORT AUTHORITY agrees to take no action which would impede OPERATOR'S ability to fully perform its obligations pursuant to this Operating Contract or its obligations pursuant to this Operating Contract*, the PORT AUTHORITY agrees not to engage another entity to provide such services at the Port.

(Exhibit "A" to Ocean Highway and Port Authority's Motion for Final Summary Judgment at p. 10-11) (emphasis added). Contrary to the provision in the *City of Gulf Breeze* agreement, the

Operating Agreement states that the operator has first priority access to the use and operation of the port and OHPA will not impede the *operator's* ability to perform its functions under the agreement. The Operating Agreement is clear that Nassau Terminals, not OHPA, has priority access to the use and operation of the port. The Agreement lacks any language authorizing OHPA to continue to access and use the port facilities at the same time as Nassau Terminals.

Furthermore, the supreme court relied on the City's retention of control over the golf course's operations when determining that the City maintained exclusive use of the property. In contrast, OHPA does not retain control of the port's operations. Section 2.1 of the Operating Agreement states, "OPERATOR shall provide the necessary labor, machinery and equipment to accomplish cargo handling and warehousing functions in the Port." (*Id.* at p. 3) The operator is responsible for providing skilled personnel to maintain and operate equipment and for performing all ordinary day to day repairs and maintenance to the port facilities and equipment owned by OHPA. (*Id.* at p. 3-4) The operator, in its sole judgment, advertises and solicits shipping business through the port. (*Id.* at p. 4) Although Nassau Terminals is required to provide reports to OHPA and engage in discussions involving future port activities, this involvement is not the same as the City's involvement in the golf course operations in *City of Gulf Breeze* where the City maintained direct oversight through its Director of Parks and Recreation.

The Court in *City of Gulf Breeze* also based its holding in part on the language in the management agreement disavowing that it constituted a lease or granted any tenancy or proprietary interest in the golf course. 397 So.3d at 1012. Such language is absent from the Operating Agreement in the instant case. Furthermore, the loan agreement entered into in conjunction with the bond issuance specifically declares that Nassau Terminals warranted that it was either the "holder of a valid, binding and enforceable leasehold interest in all real and personal

property included in the Project" or had the "legal right to use and operate all real and personal property included in the Project." (Notice of Filing Loan Agreement at p. 16)

In sum, Nassau Terminals has control and the exclusive right to use the port. Nassau Terminals has priority access, use, and operation of all land, buildings, docks, wharves, and equipment at the port. Nassau Terminals oversees the day-to-day operations of the port, including providing skilled labor and equipment to accomplish cargo handling and warehousing functions. Nassau Terminals advertises and solicits shipping business and is responsible for determining the fees associated with the port other than the tariff rates. Although Nassau Terminals must provide reports to OHPA, there is no indication that these reports are not already maintained as part of the port operations and they do not require extensive involvement from OHPA. There is nothing in the Operating Agreement that allows OHPA to maintain an absolute right to any use of the port as the City maintained in *City of Gulf Breeze.* OHPA completely lacks the right to any "concomitant exclusive use" relied upon in that case. The Court required both extensive control and the continued right to use the property to establish the exclusive use necessary to be entitled to the exemption.

The Operating Agreement deprives OHPA of the exclusive use and control of the subject property. Nassau Terminals' use of the subject property does not equate to the governmental functions required under the governmental-governmental test. *Sebring Airport I*, 642 So.2d at 1074 n. 1. Governmental-governmental uses are limited to the administration of some phase of government or some aspect of sovereignty; they do not include governmental-proprietary activities which promote the comfort, convenience, safety and happiness of citizens. *Gulf Marine Repair Corp.*, 375 So.3d at 314. The operation of the port does not qualify as a governmental-governmental use where it does not involve the administration of some phase of

government or some aspect of sovereignty. *See Page*, 714 So.2d at 1077. This is clear based on the language in Chapter 2005-293 which states that the "public purpose" of the creation of OHPA was declared to be a "benefit to the citizens of the County of Nassau and the state." This public purpose of benefitting the citizens of Nassau County and the state more closely tracks the purpose of governmental-proprietary activities, which are described as those that promote the comfort, convenience, safety, and happiness of citizens.

The conclusion that the property would be subject to ad valorem taxation also is required pursuant to Article VII, Section 10(c) of the Florda Constitution. The Florida Supreme Court has recognized that the ad valorem governmental exemption set forth in Article VII, Section 3 parallels Article VII, Section 10(c) of the Florida Constitution. *See Sebring Airport II*, 783 So.2d at 251; *Volusia Cnty.*, 341 So.2d at 498; *Straughn v. Camp*, 293 So.2d 689 (Fla. 1974). That constitutional provision provides that:

> (c) the issuance and sale by any county, municipality, special district or other local governmental body of (1) revenue bonds to finance or refinance the cost of capital projects for airports or port facilities, or (2) revenue bonds to finance or refinance the cost of capital projects for industrial or manufacturing plants to the extent that the interest thereon is exempt from income taxes under the then existing laws of the United States, when, in either case, the revenue bonds are payable solely from revenue derived from the sale, operation or leasing of the projects. *If any project so financed, or any part thereof, is occupied or operated by any private corporation, association, partnership or person pursuant to contract or lease with the issuing body, the property interest created by such contract or lease shall be subject to taxation to the same extent as other privately owned property.*

Art. VII, § 10(c), Fla. Const. (emphasis added). Thus, the constitution requires the taxation of any property so financed if it is "*occupied*" or "*operated*" by any private corporation pursuant to "contract" or "lease."

The supreme court in *Sebring Airport II* observed the impact of section 10(c) in rejecting the argument that the "public purpose" necessary to support a bond issue was the same test to be applied in ad valorem tax exemption cases. The court stated:

> Additionally, Raceway's argument predicated upon bond validation cases falls far short of complete analysis and fails to accommodate other constitutional provisions. As previously noted, the Florida Constitution expressly contemplates that, even when it is determined in the bond validation context that a particular project is appropriate under the standards of article VII, section 10, when certain projects are *occupied* or *operated privately* pursuant to *contract* or *lease*, the property interest *shall be subject to taxation to the same extent as other privately owned property. See* art. VII, § 10(c).

Sebring Airport II, 783 So.2d at 251 (italics in original, emphasis added); *Volusia Cnty.*, 541 So.2d at 501 ("The present Constitution further provides that where any project financed by revenue bonds 'is occupied or operated by any private corporation ... pursuant to [contract or] lease ... the property interest created by such [contract or] lease shall be subject to taxation to the same extent as other privately owned property."); *accord Straughn* ("Also see Section 10, Article VII, 1968 Florida Constitution, which requires taxation of leaseholds of similar nature to those here involved."); *Paul v. Blake*, 376 So.2d 256 (Fla. 3d DCA 1979) (taxpayers had standing to contest property appraiser's decision to grant exemption to holders of private leasehold and other possessory interests in governmentally-owned property at airport, the construction of which was financed with revenue bonds, as in conflict with Article VII, Section 10(c)).

Pursuant to Article VII, Section 10(c) of the Florida Constitution, any property interest created by a project financed by revenue bonds operated by a private corporation pursuant to contract or lease is subject to taxation. *See Sebring Airport II*, 783, So. 2d at 251; *Volusia Cnty.*, 541 So.2d at 501. Nassau Terminals' use of the port facilities under the operating agreement falls squarely within the language of Article VII, Section 10. The property owned by OHPA but used

by Nassau Terminals pursuant to the operating agreement, therefore, must be subject to ad valorem taxation.

NOW THEREFORE, it is hereby **ORDERED** and **ADJUDGED** as follows:

1. Ocean Highway and Port Authority's Motion for Final Summary Judgment is hereby **DENIED**.

2. The Property Appraiser's Cross Motion for Summary Judgment is hereby **GRANTED.**

3. Final judgment is hereby entered in favor of the property appraiser and against the Ocean Highway and Port Authority.

4. The Ocean Highway and Port Authority shall take nothing by this action and the property appraiser shall go hence without day.

5. The Court reserves jurisdiction to consider a timely motion to tax costs.

DONE and **ORDERED** in Nassau County, Florida, on the 16th day of December 2025.

Marianne Lloyd Aho

MARIANNE L. AHO
Circuit Court Judge

Conformed copies via the E-Filing Portal to:

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IN THE CIRCUIT COURT OF THE FOURTH JUDICIAL CIRCUIT
IN AND FOR NASSAU COUNTY FLORIDA

A. MICHAEL HICKOX, as Nassau County Property Appraiser,

Plaintiff,

v. Case No.: 2022-CA-0077

OCEAN HIGHWAY AND PORT AUTHORITY, an independent special district; JOHN M. DREW, Nassau County Tax Collector; and JIM ZINGALE, Executive Director of the Florida Department of Revenue

Defendants.
_____/

OCEAN HIGHWAY AND PORT AUTHORITY, an independent special district;

Plaintiff,

v. Case Nos. 2022-CA-000397
2024-CA-000372

A. MICHAEL HICKOX, as Nassau County Property Appraiser,

Defendant.
_____/

NOTICE OF APPEAL OF OCEAN HIGHWAY AND PORT AUTHORITY

PLEASE TAKE NOTICE that, pursuant to Florida Rules of Appellate Procedure 9.110, **Ocean Highway and Port Authority**, hereby appeals to Florida's Fifth District Court of Appeal this Court's Orders as set forth below:

1. November 25, 2025, *Order Granting Property Appraiser's Motion for Partial Summary Judgment as to the 2022 and 2023 Tax Years*; and
2. December 16, 2025, *Order Granting Property Appraiser's Cross Motion for Summary Judgment and Denying Ocean Highway and Port Authority's Motion for Final Summary Judgment*.

The nature of the Orders is final judgment on motions for summary judgment as to subject matter jurisdiction and an ad valorem tax exemption. Copies of the Orders are attached as **Exhibit A** and **Exhibit B**, respectively.

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that the foregoing was electronically filed through the Florida Courts E-Filing Portal on December 23, 2025, which will send a notice of electronic filing to all counsel of record.

/s/ *Joseph W. Jacquot*

ACTIVE:38973880.1

EXHIBIT A

IN THE CIRCUIT COURT OF THE
FOURTH JUDICIAL CIRCUIT, IN AND
FOR NASSAU COUNTY, FLORIDA

Consolidated Case No.: **45 2022-CA-077**

A. MICHAEL HICKOX, as Nassau County Property Appraiser,

Plaintiff,

vs.

OCEAN HIGHWAY AND PORT AUTHORITY, an independent special district; **JOHN M. DREW**, Nassau County Tax Collector; and **JIM ZINGALE**, Executive Director of the Florida Department of Revenue,

Defendants.
_____/

OCEAN HIGHWAY AND PORT AUTHORITY, an independent special district;

Case Nos: 45 2022-CA-0397
45 2024-CA-0372

Plaintiff,

vs.

A. MICHAEL HICKOX, as Nassau County Property Appraiser, et al.,

Defendant.
_____/

ORDER GRANTING PROPERTY APPRAISER'S MOTION FOR PARTIAL SUMMARY JUDGMENT AS TO THE 2022 AND 2023 TAX YEARS

THIS CAUSE came before the Court for hearing on October 27, 2025, after proper notice, on the Property Appraiser's Motion for Partial Summary Judgment e-filed April 16, 2025. The Department of Revenue (department) joined in and adopted the property appraiser's motion. The Court having reviewed the court file, the motion for partial summary judgment and the response in opposition thereto, having heard the argument of counsel, and being otherwise duly

advised in the premises, hereby **GRANTS** the motion because it lacks subject matter jurisdiction over the challenges filed by the Ocean Highway and Port Authority (OHPA) to the property appraiser's 2022 and 2023 tax year assessments due to its failure to comply with sections 194.171(2), (3), and (5), Florida Statutes (2025).

Procedural Background

1. This consolidated ad valorem tax case involves whether certain property owned by the Ocean Highway and Port Authority (OHPA), but used by a private, for-profit company pursuant to the terms of an operating agreement is entitled to an ad valorem tax exemption for the 2021-2024 tax years.

2. Case No. 2022-CA-077 was filed by the property appraiser to contest the Nassau County Value Adjustment Board's (VAB) decision granting a governmental exemption for the 2021 tax year for five parcels of real property (subject property) owned by OHPA. Case No. 2022-CA-0397 was filed by OHPA to challenge the property appraiser's denial of its applications for ad valorem tax exemption for the subject property for the 2022 tax year. The cases were consolidated for purposes of discovery and trial by order dated March 27, 2023.

3. On April 23, 2024, OHPA filed its motion requesting leave of court to file an amended complaint to add allegations challenging the property appraiser's exemption denials for the subject property for the 2023 tax year. The property appraiser filed a response in opposition to the motion and, after conducting a hearing on October 1, 2024, this Court entered its order granting the motion on October 17, 2024.

4. The property appraiser subsequently filed a motion to dismiss, arguing that this Court lacked subject matter jurisdiction to adjudicate the challenges to the 2022 and 2023 tax year assessments under sections 194.171(2), and (5), Florida Statutes (2025). This Court denied

the motion to dismiss. The order specifically authorized the property appraiser and department to either answer the amended complaint or "in lieu of an answer, they may move for summary judgment and assert issues related to subject matter jurisdiction under section 194.171, Florida Statutes." (Order Denying Motion to Dismiss Amended Complaint entered March 20, 2025)

5. In accordance with this Court's previous order denying the property appraiser's motion to dismiss, the issues previously raised in that procedural posture are now re-asserted by summary judgment motion. It is the property appraiser's contention, joined by the department, that summary judgment is appropriate because there are no disputed issues of material fact that (1) OHPA failed to timely file suit contesting the 2023 tax year, and (2) OHPA did not pay the 2023 taxes prior to delinquency thereby failing to comply with the provisions of sections 194.171(2), (3), and (5), and resulting in the loss of subject matter jurisdiction over the 2022 tax year.

Undisputed Facts

6. In support of the property appraiser's partial summary judgment motion, the following facts are undisputed:

(a) The date the 2023 tax rolls were certified for collection under section 193.122(2), Florida Statutes (2024), was October 11, 2023.

(b) On October 11, 2023, copies of the Certificates to Roll dated October 11, 2023, were publicly displayed in the Property Appraiser's Office.

(c) On October 11, 2023, notice of the first certification of the 2023 tax rolls was published on the Nassau County Property Appraiser's website.

(d) On October 13, 2023, notice of the initial certification of the Nassau County tax rolls for the 2023 tax year was published in the *News-Leader*.

(e) No request for written notice of the 2023 tax roll certification dates was received from OHPA

(f) For the 2023 tax year, OHPA did not file a petition with the value adjustment board challenging the property appraiser's assessments of the subject property.

(g) Taxes due on the subject property for the 2023 tax year were unpaid as of April 1, 2024. The taxes for the 2023 tax year became delinquent due to nonpayment prior to April 1, 2024.

(h) OHPA filed its motion for leave to file an amended complaint to assert a challenge to the 2023 tax year assessment of the subject property on April 23, 2024.

Conclusions of Law

Section 194.171 is a jurisdictional non-claim statute. *Ward v. Brown*, 894 So.2d 811, 812 (Fla. 2004). Section 194.171(6), Florida Statutes (2025), specifically provides that the "*requirements of subsections (2), (3), and (5) are jurisdictional.* No court shall have jurisdiction in such cases until after the requirements of both subsections (2) and (3) have been met. A court shall lose jurisdiction of a case when the taxpayer has failed to comply with the requirements of subsection (5)." (Emphasis added.)

Jurisdictional statutes of non-claim are distinct in that they operate to deny a court of the power to adjudicate an untimely claim. *Tampa Port Auth. v. Henriquez*, 377 So.3d 187, 195 (Fla. 2d DCA 2023). A nonclaim statute does not merely withhold a remedy but takes "away the right of recovery when a claimant fails to present his or her claim as provided in the statute." *Henriquez*, 377 So.3d at 195, quoting *Adhin v. First Horizon Home Loans*, 44 So.3d 1245, 1253 (Fla. 5th DCA 2010). It is well settled that the 60-day jurisdictional non-claim period set forth in

section 194.171(2) "applies broadly to taxpayers' actions challenging the assessment of taxes against their property regardless of the legal basis of the challenge." *Ward,* 894 So.2d at 812.

In its response to the property appraiser's summary judgment motion, OHPA argues that section 194.171 does not apply because it is a political subdivision of the state. In support of its argument, OHPA relies upon *Cason v. Fla. Dep't of Mgmt. Servs.*, 944 So.2d 306 (Fla. 2006).

The certified question presented in *Cason* was as follows:

> DO THE JURISDICTIONAL NON-CLAIM PROVISIONS OF SECTION 194.171, FLORIDA STATUTES, APPLY TO BAR A CLAIM OF THE STATE THAT ASSERTS AN ASSESSMENT IS VOID BECAUSE IT WAS MADE ON PROPERTY IMMUNE FROM AD VALOREM TAXATION.

944 So.2d at 308. The Court answered the question by holding that "because of its sovereign immunity from ad valorem taxation, the State is not a 'taxpayer' subject to the sixty-day jurisdictional nonclaim provisions of section 194.171." *Id.* at 308. The Court further held that section 194.171 did not "apply to a claim by the State challenging a tax assessment as void on the ground that the property assessed is immune from taxation." *Id.* at 316.

The Court began its discussion of the case by observing the distinction between those entities that were immune as opposed to merely exempt from ad valorem taxation. "It is well settled that the State is immune from taxation." *Id.* at 309. "Exemption presupposes the existence of a power to tax whereas immunity connotes the absence of that power. The state and its political subdivisions, like a county, are immune from taxation since there is no power to tax them." *Id.* Despite that immunity from taxation, the Court recognized that the legislature could provide for the taxation of state-owned lands provided that such authority was "manifested by 'clear and direct expression of the State's intention to subject itself to' the tax." *Id.* at 310.

The Court next observed that, if section 194.171 were "construed to apply to an action brought by the State to challenge an assessment on grounds that property it owns is immune from ad valorem taxation, the immunity would be nullified by the State's failure to challenge the assessment within sixty days after it is certified for collection." *Id.* at 311-2. Thus, the question then turned to whether the language of section 194.171 "clearly and unambiguously demonstrates legislative intent to apply this section to challenges by the State on State-owned property." *Id.* at 312. The Court resolved that question by holding that the State would not be considered a taxpayer for purposes of section 194.171. "In short, a 'taxpayer' under section 194.171 is a taxable entity. This definition excludes the State and its political subdivisions, which are 'immune from taxation since there is no power to tax them.' Accordingly, where the State files suit challenging ad valorem taxation on grounds of sovereign immunity, the State's assertion that it is not a taxable entity takes it outside the category of 'taxpayer' targeted by section 194.171." *Id.* at 313.

The legal status of a port authority for purposes of ad valorem taxation has been previously resolved in *Canaveral Port Auth. v. Dep't of Revenue*, 690 So.2d 1226 (Fla. 1996). There, the port authority argued that its property was immune from taxation because it was a political subdivision of the state. The Court rejected that argument, concluding that "only the State and those entities which are expressly recognized in the Florida Constitution as performing a function of the state comprise 'the state' for purposes of immunity from ad valorem taxation. What comprises 'the state' is thus limited to counties, entities providing the public system of education, and agencies, departments, or branches of state government that perform the administration of state government." *Id.* at 1228. The Court further held that the port authority would not be considered a political subdivision of the state merely because the legislature designated it as such. *Id.*

OHPA is an independent special district. Ch. 2005-293, § 3, Laws of Fla. (2005). It is not included among the entities described as consisting of "the state" for ad valorem taxation delineated in *Canaveral Port Auth.* In addition, OHPA would be considered merely exempt – as opposed to immune – from ad valorem taxation. *Canaveral Port Auth.*, 690 So.2d at 1228-9; § 189.055, Fla. Stat. (2025).

Section 194.171 applies to claims by entities that are merely exempt, as opposed to immune, from ad valorem taxation. *See Ward*, 894 So.2d at 816 (applying section 194.171 where "petitioners are seeking some form of the 'exemption' related to government-owned and leased property"); *Merrick Park*, 299 So.3d at 1103-4 (applying section 194.171 to bar untimely counterclaim by the City); *City of Fernandina Bch. v. Page*, 682 So.2d 573 (Fla. 1st DCA 1996) (applying section 194.171 in action filed by City); *Hall v. Leesburg Regional Med. Center*, 651 So.2d 231 (Fla. 5th DCA 1995) (section 194.171 applies to actions challenging the failure to receive an exemption).

OHPA's reliance upon *Cason* is unavailing. OHPA is not part of the "state" and would not be considered an immune entity for purposes of ad valorem taxation as set forth in *Canaveral Port Auth.* Section 194.171 therefore applies to the instant case.

(a) <u>The 2023 tax year.</u>

The portion of the Amended Complaint challenging the property appraiser's exemption denials for the subject property for the 2023 tax year must be dismissed as untimely filed under section 194.171(2). Section 194.171 provides in pertinent part:

> (2) *No action shall be brought to contest a tax assessment after 60 days from the date the assessment being contested is certified for collection under s. 193.122(2)*, or after 60 days from the date a decision is rendered concerning such assessment by the value adjustment board if a petition contesting the assessment had not

> received final action by the value adjustment board prior to extension of the roll under s. 197.323.

(Emphasis added.)

OHPA has failed to comply with the provisions of section 194.171(2) because it did not file suit or seek to amend its complaint within 60 days of October 11, 2023, the date that the 2023 assessments of the subject property were certified for collection by the property appraiser. OHPA's motion for leave to file an amended complaint was not filed until April 23, 2024, which date was 195 days after the tax roll certification date of October 11. Florida requires an annual determination of ad valorem tax exemptions and each tax year "stands on its own" merit regardless of the status of the property in any prior or succeeding year. *Sowell v. Panama Commons, L.P.*, 192 So.3d 27, 31 (Fla. 2016); *Crapo v. Academy for Five Element Acupuncture, Inc.*, 278 So.3d 113, 122-3 (Fla. 1st DCA 2019). Arguments that an amended complaint challenging a subsequent tax year relate back to the date of the initial filing have been rejected. *Gulf Marine Repair Corp. v. Henriquez*, 375 So.3d 306, 319-20 (Fla. 2d DCA 2023); *Merrick Park, LLC v. Garcia*, 299 So.3d 1096, 1103 (Fla. 3d DCA 2019). Accordingly, this Court lacks jurisdiction to consider any challenge with regard to the 2023 tax year assessment of the subject property under sections 194.171(2) and (6).

(b) <u>The 2022 tax year.</u>

This Court also lacks jurisdiction over the portion of the Amended Complaint challenging the denial of the exemption for the 2022 tax year because the taxes due for the 2023 tax year on the subject property were unpaid as of April 1, 2024, and became delinquent. Section 194.171 provides in pertinent part:

> (5) No action to contest a tax assessment may be maintained, and any such action shall be dismissed, *unless all taxes on the property assessed in years after the action is brought, which the*

> *taxpayer in good faith admits to be owing, are paid before they become delinquent.*
>
> (6) The requirements of subsections (2), (3), and (5) are jurisdictional. No court shall have jurisdiction in such cases until after the requirements of both subsections (2) and (3) have been met. *A court shall lose jurisdiction of a case when the taxpayer has failed to comply with the requirements of subsection (5).*

§§ 194.171(5), (6), Fla. Stat. (2025) (emphasis added).

Prior to filing the motion for leave to amend, OHPA had not paid the taxes due on the subject property for the 2023 tax year and those taxes became delinquent by operation of law pursuant to section 197.333, Florida Statutes (2025) ("Taxes shall become delinquent on *April 1 following the year in which they are assessed* or immediately after 60 days have expired from the mailing of the original tax notice, whichever is later.").

OHPA argues that it made a good faith payment of taxes by virtue of a payment in lieu of taxes (PILOT) to the City of Fernandina Beach in the amount of $137,000 pursuant to a settlement agreement with regard to separate litigation with the City. It does not contest, however, that no payment of taxes for the 2023 tax year was made to the tax collector prior to April 1. It also does not suggest that a full payment of taxes was made, albeit through the PILOT payment to the City. The settlement agreement attached to OHPA's response was not executed until August 16, 2024, and required payment within 60 days of that date.

The First District Court has previously addressed a taxpayer's failure to pay taxes due in tax years subsequent to a lawsuit challenging an ad valorem assessment in *Washington Square Corp. v. Wright*, 687 So.2d 1374 (Fla. 1st DCA 1997). There, the taxpayer filed suit challenging an assessment for the 1993 tax year. For the 1994 tax year, the taxpayer made only a "good faith" payment but did not file suit challenging the assessments. The district court held that

the trial court lost jurisdiction once the taxes became delinquent, relying on *Bystrom v. Diaz*, 514 So.2d 1072 (Fla. 1987). As the court stated:

> *Once the deadlines for challenges passed, the tax assessments for the taxable years 1994 and 1995 were no longer subject to adjustment. Thereafter, payment of anything less than the full amounts levied could no longer be deemed payment of amounts 'which the taxpayer in good faith admits to be owing.' § 194.171(5), Fla. Stat. (1995).* The full amounts were then indisputably owed. Because judicial review of the assessments for the 1994 and 1995 taxable years was not sought in a timely fashion, and because the taxes were not paid in full, taxes for those years became delinquent on April 1, 1995, and April 1, 1996, respectively, partial payments notwithstanding. *These delinquencies required dismissal of Washington Square's complaint challenging its assessment for the tax year 1993.*

Wright, 687 So.2d at 1375 (emphasis added).

The Third District Court reached the same conclusion as *Wright*. *Higgs v. Armada Key West Ltd. P'ship*, 903 So.2d 303 (Fla. 3d DCA 2005). There, the taxpayers challenged the 2001 ad valorem tax assessment. They subsequently filed suit challenging the 2002 assessment and made a good faith payment of taxes in connection therewith but, because the action was untimely filed, it was dismissed. As a result, the taxes owing for the 2002 assessment became delinquent because they had not been paid in full and thereby required dismissal of the challenge to the 2001 assessment. *Higgs*, 903 So.2d at 306.

In the instant case, the failure to timely file suit to contest the 2023 tax year precludes this Court from retaining jurisdiction over the 2022 tax year. Payment of anything less than the full amount of taxes levied cannot be considered a good faith payment under *Wright* or *Higgs*. It is undisputed that the taxes were unpaid and became delinquent as of April 1, a date prior to the filing of OHPA's motion for leave to file an amended complaint. Accordingly, this Court lacks subject matter jurisdiction to consider the 2022 tax year.

NOW THEREFORE, it is hereby **ORDERED** and **ADJUDGED** as follows:

1. The Property Appraiser's Motion for Partial Summary Final Judgment, joined by the Department of Revenue, is hereby **GRANTED.**

2. This Court lacks subject matter jurisdiction over OHPA's challenges to the 2022 and 2023 tax year assessments pursuant to section 194.171.[1]

DONE and **ORDERED** in Nassau County, Florida, on the 25th day of November 2025.

Marianne Lloyd Aho

MARIANNE L. AHO
Circuit Court Judge

Conformed copies via the E-Filing Portal to:

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[1] Because this Court has concluded that it lacks subject matter jurisdiction as to the 2022 and 2023 tax years under section 194.171 alone, the department's ore tenus motion to dismiss for lack of subject matter jurisdiction as to the 2022 and 2023 tax years (for the nonjoinder of Jim Zingale, Executive Director of the Florida Department of Revenue, in the Complaint filed on 12/22/2022 in Case No. 45 2022-CA-0397, and in the Amended Complaint filed thereafter on 10/17/2024), pursuant to *Bonavista Condominium Ass'n v. Bystrom,* 520 So.2d 84 (Fla. 3d DCA 1988)(affirming motion to dismiss with prejudice for lack of subject matter jurisdiction for nonjoinder of the Executive Director of the Florida Department of Revenue, a necessary and indispensable party), sections 194.171(2), (6), and 194.181(5), Fla. Stat., and Rule 1.140 (b)(1), (7), and (h)(2), is moot.

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EXHIBIT B

IN THE CIRCUIT COURT OF THE
FOURTH JUDICIAL CIRCUIT, IN AND
FOR NASSAU COUNTY, FLORIDA

Consolidated Case No.: **45 2022-CA-077**

A. MICHAEL HICKOX, as Nassau County Property Appraiser,

Plaintiff,

vs.

OCEAN HIGHWAY AND PORT AUTHORITY, an independent special district; **JOHN M. DREW**, Nassau County Tax Collector; and **JIM ZINGALE**, Executive Director of the Florida Department of Revenue,

Defendants.
_____/

OCEAN HIGHWAY AND PORT AUTHORITY, an independent special district;

Case Nos: 45 2022-CA-0397
45 2024-CA-0372

Plaintiff,

vs.

A. MICHAEL HICKOX, as Nassau County Property Appraiser, et al.,

Defendant.
_____/

ORDER GRANTING PROPERTY APPRAISER'S CROSS MOTION FOR SUMMARY JUDGMENT AND DENYING OCEAN HIGHWAY AND PORT AUTHORITY'S MOTION FOR FINAL SUMMARY JUDGMENT

THIS CAUSE came before the Court for hearing on October 27, 2025, after proper notice, on the cross motions for summary judgment filed by Kevin J. Lilly, successor to A. Michael Hickox, Nassau County Property Appraiser (property appraiser), and the Ocean Highway and Port Authority (OHPA). The Court having reviewed the court file, the parties' motions for summary

judgment and the respective responses in opposition thereto, having heard the argument of counsel, being otherwise duly advised in the premises, and for the reasons set forth herein, hereby **GRANTS** the property appraiser's cross-motion for summary judgment as to the 2021 and 2024 tax years, and **DENIES** OHPA's motion for final summary judgment.

Procedural Background

1. This consolidated ad valorem tax case involves whether certain property owned by the Ocean Highway and Port Authority (OHPA), but used by a private, for-profit company, Nassau Terminals, LLC (Nassau Terminals) pursuant to the terms of an operating agreement is entitled to an ad valorem tax exemption for the 2021 and 2024 tax years. This Court previously dismissed OHPA's challenges to the 2022 and 2023 tax years due to the lack of subject matter jurisdiction under section 194.171, Florida Statutes (2025).

2. For the 2021 tax year, OHPA had challenged the property appraiser's denial of an ad valorem tax exemption for those portions of its property used by Nassau Terminals by filing a petition with the value adjustment board (VAB). The VAB ultimately determined that the property was exempt, and the property appraiser filed suit against OHPA as authorized under section 194.036(1), Florida Statutes (2025). For the 2024 tax year, OHPA challenged the property appraiser's denial of an exemption by filing suit pursuant to section 194.171.

3. OHPA filed its Motion for Summary Final Judgment on February 14, 2025. The property appraiser filed his Second Amended Response in Opposition to OHPA's motion and cross motion for summary judgment on October 22, 2025. OHPA filed a reply to the property appraiser's cross-motion on October 23, 2025. No objections have been raised as to the timeliness of these pleadings.

4. In connection with the competing summary judgment motions, the parties have filed documentary evidence consisting of an Operating Agreement between Nassau Terminals and OHPA dated October 19, 2018, a Closing Memorandum and Index, Ocean Highway and Port Authority Facilities Revenue Bonds (Worldwide Terminals Fernandina, LLC Project), Series 2019A (AMT) and Ocean Highway and Port Authority Facilities Revenue Bonds (Worldwide Terminals Fernandina, LLC Project), Taxable Series 2019B dated May 23, 2019, a Loan Agreement dated May 1, 2019, among Ocean Highway and Port Authority as Issuer, U.S. Bank National Association, as Trustee, and Worldwide Terminals Fernandina, LLC, as Borrower, and OHPA's responses to the property appraiser's First Set of Interrogatories dated September 3, 2025.

5. The depositions of Ray Nelson, an OHPA board member, Pierre LaPorte, OHPA's accountant, and the property appraiser also were filed, along with an affidavit of Nelson filed in support of OHPA's summary judgment motion and dated February 12, 2025.

6. No objections have been raised to the use of these documents, depositions, or affidavit for purposes of summary judgment. The parties have not asserted that there are any disputed issues of material fact that would preclude summary judgment. The question of whether the portions of OHPA's property that are used by Nassau Terminals pursuant to the Operating Agreement are subject to ad valorem taxation for the 2021 and 2024 tax years presents an issue of law appropriate for resolution on the competing summary judgment motions.

Undisputed Facts

7. OHPA is an entity created by special act of the legislature. Ch. 2005-293, § 1, Laws of Fla. (2005). OHPA is described as an independent special district that is governed

by a board of port commissioners consisting of five members serving staggered terms of four years each. *Id.* at § 3. The board members are elected by the voters of Nassau County. *Id.*

8. Among other powers, OHPA is authorized to "lay out, construct, condemn, purchase, own, acquire, add to, extend, enlarge, maintain, conduct, operate, build, equip, manage, furnish, replace, enlarge, improve, lease, sell, regulate, finance, control, repair, and establish office and administrative buildings to be used and occupied in whole or in part by the authority," and all other necessary harbor improvements and facilities; and to perform all customary services, including the handling, weighing, measuring, regulation, control, inspection, and reconditioning of all commodities and cargoes received or shipped through any port or harbor within the jurisdiction of the authority. *Id.* at § 7(1). The authority also is authorized to fix rates of wharfage, dockage, warehousing, storage, and port and terminal charges and rates and charges for the use of all improvements, port, or harbor facilities located within the county that it owns or operates. *Id.* at § 7(5). OHPA is further authorized to issue revenue bonds to finance or refinance the costs of any of the improvements or facilities at the port. *Id.* at §§ 16-24.

9. Attached to OHPA's motion for summary judgment was the Operating Agreement between OHPA and Nassau Terminals. (Exhibit "A" to Ocean Highway and Port Authority's Motion for Final Summary Judgment) The Agreement states that OHPA desired to contract for services to have Nassau Terminals "perform all functions necessary to load, unload, transfer, store and handle cargo of all types in, out and through the facilities of the Port of Fernandina, Florida, and to include the collection of all fees. All services such as stevedoring, warehousing, storage and reclaim are part of OPERATOR's responsibility and OPERATOR is willing to provide such services necessary." (*Id.* at p. 2) The scope of work provision provided that Nassau Terminals would "provide the necessary labor, machinery and equipment to

accomplish cargo handling and warehousing functions in the Port." (*Id.* at § 2.1) "OPERATOR at its own expense will provide skilled personnel to maintain and operate equipment." (*Id.* at 2.2)

10. Nassau Terminals had the obligation to perform "all ordinary day to day repairs and maintenance to port facilities and equipment owned by" OHPA. (*Id.* at 2.3) If the cost of any single repair, preventive maintenance job, or refurbishment exceeded $15,000, the excess costs should be submitted to OHPA for reimbursement. Each year, Nassau Terminals was required to provide OHPA with a written maintenance report together with projected expenses for the maintenance, replacement or repair of the facilities for the next fiscal year. (*Id.*) OHPA and Nassau Terminals were to meet annually throughout the term of the Agreement to "mutually develop a plan and budget for capital improvements and repairs for the subsequent five (5) years on a rolling basis." (*Id.* at § 6.9)

11. The term of the Agreement was for a period of 10 years and subject to renewal for two additional terms of 12 years each. (*Id.* at § 1.1) During that term, Nassau Terminals agreed to pay OHPA $251,675 annually, adjusted for inflation based on the CPI, "toward the annual operating budget of PORT AUTHORITY for the entire term of this Operating Contract." (*Id.* at § 6.1) In addition, Nassau Terminals agreed to contribute $50,000 for 2019 and again in 2020 towards DRI payments due from OHPA to the City of Fernandina Beach. (*Id.* at § 6.2) Nassau Terminals also agreed to pay OHPA facility use fees as follows:

> a. For Container and Breakbulk cargo:
> 1. $1.50 per short ton up to 549,999 tones per annum;
> 2. $1.25 per short ton from 550,000 tons up to 649,999 tons per annum; and
> 3. $1.00 per short ton over 650,000 tons per annum.
>
> b. For Bulk and general cargo, OPERATOR shall pay Facility Use Fees of $.91 per short ton, respectively.

(*Id.* at § 6.3)

12. In exchange for the consideration paid by Nassau Terminals, OHPA granted it "first priority access to and use and operation of all land, buildings, docks wharves and equipment owned or leased by" OHPA. (*Id.* at § 7.5) OHPA agreed to take no action which would impede Nassau Terminals' ability to fully perform its obligations pursuant to the Agreement or its obligations to service customers of the port. As long as Nassau Terminals was preforming its obligations under the Agreement, OHPA agreed "not to engage another entity to provide such services at the Port." (*Id.*)

13. OHPA set tariffs and negotiated rates and dockage and wharfage fees "in consultation with and subject to the approval of OPERATOR, which approval shall not unreasonably be withheld." (*Id.* at § 3.1) Both parties agreed that wharfage and dockage fees "shall be charged at competitive rates and shall not exceed those charged at neighboring ports North and South of the Port of Fernandina Beach." (*Id.*) All "other revenues, fees or charges collected by OPERATOR resulting from the rendering by OPERATOR of services, including but not limited to Dockage and Wharfage Fees, shall be the property of OPERATOR." (*Id.*) Nassau Terminals was authorized to advertise and solicit shipping business through the port "in such manner as it shall deem advisable in its sole judgment." (*Id.* at § 2.5)

14. In its answers to the property appraiser's first set of interrogatories, OHPA stated that Nassau Terminals undertook the following activities on the property for 2021 and 2024:

- Performed all necessary labor, machinery, and equipment to accomplish cargo handling and warehousing functions at the Port;
- Provided all employees to maintain and operate equipment necessary to run the Port;
- Performed all day-to-day repairs and maintenance to facilities and equipment at the Port and maintained logs evidencing same.

(OHPA's Response to Property Appraiser's First Set of Interrogatories, Ans. #2)

15. In his deposition, OPHA board member Nelson testified that OHPA has no role in deciding the day-to-day operations occurring on the property. (Nelson deposition at 13) If an OHPA board member wanted to inspect or tour the on-going operations of the port, he or she would have to contact the terminal manager with Nassau Terminals and arrange a date and time. (*Id.* at 11) Likewise, OHPA has no role in the negotiations between Nassau Terminals and customers of the port for the tonnage of cargo coming into the port and the handling, storage and delivery of that cargo and is not involved in setting the tonnage and cargo handling fees. (*Id.* at 30, 84-5) Nassau Terminals provides a tonnage report to the board at its twice monthly meetings which includes the previous month's activity on the number of vessel calls, the tonnage of cargo, and the number of containers that were handled. (*Id.* at 29)

16. Nelson further explained that the fees that the tariff rate is based on is a vessel's length overall. (*Id.*) The tariff rate only was imposed on "lumber and paper products, forestry products." (*Id.* at 32) If the cargo was not within that category, Nassau Terminals "would be just directly negotiating with the customer for whatever services the customer requires." (*Id.* at 33) Charges for products in shipping containers also would be negotiated between the customer and Nassau Terminals. Those charges are not reviewed or approved by OHPA. (*Id.* at 34)

17. Nelson explained that Nassau Terminals has "no input into the Port Authority's budget." (*Id.* at 35) The only information Nassau Terminals provides to OHPA is the maintenance report, capital expenditure plan, and tonnage report. (*Id.* at 36-6) Nassau Terminals ultimately is responsible for paying for the capital expenditures, although some of those expenditures are paid with grants for which both it and OHPA apply. (*Id.* at 37)

18. OHPA does not conduct any operations at the port. (*Id.* at 43) When asked what control over the operations at the port was maintained by OHPA, Nelson identified the security rules and regulations dictated by Homeland Security. "Everything else to me would be under the operator. The daily control, employees, scheduling all would be under the operator." (*Id.* at 43-4) The operator also was responsible for the security compliance and security measures. (*Id.* at 44)

19. LaPorte, OHPA's accountant, stated in his deposition that most of OHPA's revenues are from the fixed fee paid by Nassau Terminals. (LaPorte deposition at 30) Nassau Terminals is responsible for the operation of the port and the fees charged for that operation, and the fixed fee it pays is OHPA's main revenue source.

20. LaPorte also testified that Nassau Terminals is required to maintain certain records and provide reports to OHPA. For example, Nassau Terminals must maintain maintenance logs and records, together with repair reports, and shall, on July 1 of each year, provide OHPA with a written maintenance report. OHPA and Nassau Terminals must meet annually throughout the term of the Operating Contract to mutually develop a plan and budget for capital improvements and repairs for the subsequent five years on a rolling basis. (*Id.* at 8) Nassau Terminals is required to notify OHPA at monthly meetings of certain circumstances such as: (1) initiation of processes otherwise needed to invoke a proceeding for civil administrative or criminal liability; (2) breach of security at the port; (3) arrival or expected arrival of any dangerous cargo as defined in the U.S. Code of Federal Regulations; and (4) inspections of the port facility or off-loaded cargo conducted by any state or federal governmental entity and local safety/fire inspections. (*Id.* at p. 10)

21. LaPorte testified regarding the issuance of revenue bonds to provide financing for Nassau Terminals to make improvements to the port facilities. OHPA served as a

conduit for Nassau Terminals to obtain funds to be used for port improvements and pay off prior debt by issuing Series 2019A bonds and Series 2019B bonds through OHPA. (*Id.* at 35) OHPA did not guarantee those bonds, but Nassau Terminals was able to benefit from a lower interest rate by using OHPA as the conduit. (*Id.*) Although none of the port property was pledged as collateral to the bonds, Nassau Terminals' rights under the 2018 operating agreement were pledged as collateral. (*Id.* at 37) Even though the bond issuance took place in 2019, Mr. LaPorte stated that it was still in place in 2021 and 2024. (*Id.* at 46)

22. The bond issuance declared that the purpose was to finance and/or refinance acquisition of certain port facilities, including new warehouse space, dredging and deepening of the berths at the port facility, and acquisition of cargo handling equipment. (Notice of Filing 2019 Closing Memorandum and Index, Ocean Highway and Port Authority Facilities Revenue Bonds at p. 2 of Trust Indenture) As the bond issuance declared:

> WHEREAS, the proceeds of the Series 2019A Bonds will be used for the purposes of, among other things: *(a) financing or refinancing the acquisition, construction, and equipping of certain capital improvements constituting port facilities under the Act, including construction of approximately 78,000 square feet of new warehouse space, dredging and deepening of the berths at the port facility to 40 feet, and acquisition of additional cargo handling equipment*; (b) funding a deposit to the Debt Service Reserve Account with respect to the Series 2019A Bonds; (c) funding capitalized interest on the Series 2019A Bonds; and (d) paying certain expenses incurred in connection with the issuance of the Series 2019A Bonds, all as permitted under the Act; and
>
> WHEREAS, the proceeds of the Series 2019B Bonds will be used for the purposes of, among other things: *(a) refinancing the acquisition, construction, and equipping of certain capital improvements constituting port facilities under the Act,* (b) funding a deposit to the Debt Service Reserve Account with respect to the Series 2019B Bonds; (c) funding a deposit to the Operating Reserve Fund in an amount equal to the Operating Reserve Requirement; (d) funding a deposit to the Capital Reserve Fund in an amount equal to the Capital Reserve Requirement; (e) funding a deposit to the

> Rolling Coverage Fund in an amount equal to the Rolling Coverage Requirement; (f) funding a deposit to the Repair and Replacement Fund in an amount equal to the Repair and Replacement Reserve Requirement; (g) funding capitalized interest on the Series 2019B Bonds; (h) providing certain working capital funding to the B01Tower; and (i) paying certain expenses incurred in connection with the issuance of the Series 2019B Bonds, all as permitted under the Act;

(*Id.*, emphasis added)

23. The Loan Agreement executed in accordance with the bond issuance reflected that OHPA was the issuer of the bonds and Nassau Terminals was the borrower of the funds. (*Id.* at 114; Notice of Filing Loan Agreement Dated May 1, 2019 at p. 2 of Loan Agreement) Nassau Terminals was recognized to be the operator of the terminal facilities pursuant to the operating agreement, and had the right to utilize the capital improvements and equipment pursuant to the operating agreement "and such right shall remain so long as the Series 2019 Bonds remain outstanding." (*Id.* at 119, Loan Agreement)

The Loan Agreement included the following Warranty of Interest:

> Section 3.8 Warranty of Interest. The Borrower warrants that (a) the Borrower *is either (i) the holder of a valid, binding and enforceable leasehold interest in all real and personal property included in the Project or (ii) has the legal right to use and operate all real and personal property included in the Project that is the property of the Issuer*, and (b) the Project is and will be free from all adverse claims, security interests, and encumbrances, other than Permitted Encumbrances.

(*Id.* at p. 16 of Loan Agreement, emphasis added) Under the Loan Agreement, Nassau Terminals also agreed to pay all real property taxes and assessments along with taxes and assessments of any personal property, equipment, or other facilities. (*Id.* at 135, p. 22 Loan Agreement)

24. The property appraiser's denial notice for the 2021 tax year explained the basis for the denial of an exemption for the property owned by OHPA but used by Nassau Terminals as follows:

> The property owned by the Ocean Highway & Port Authority of Nassau County was being used by a private, for-profit entity (Nassau Terminals LLC) for the purposes of generating business profits through its operation of the port facilities pursuant to the 'Operating Agreement' dated October 19, 2018. Such a proprietary use of the property requires taxation under sections 196.199(2)(a) and (4), Florida Statutes, which provide that property owned by certain governmental units - including authorities - but used by nongovernmental lessees are exempt only when the lessee performs governmental, municipal, or public purposes. Such purposes are limited to the administration of some phase of government as discussed in *Sebring Airport Auth. v. McIntyre*, 783 So.2d 338 (Fla. 2001), and *Sebring Airport Auth. v. McIntyre*, 642 So.2d 1072 (Fla. 1994). The Florida Constitution requires ad valorem taxation of property owned by certain governmental entities - including authorities - when it is not used exclusively by the entity itself but, instead, by a private for-profit corporation using the property for proprietary purposes. Art. VII, § 3(a), Fla. Const.
>
> In addition, ad valorem taxation is required pursuant to Art. VII, § 10(c), Fla. Const. because the Ocean Highway & Port Authority has issued revenue bonds to finance or refinance the cost of capital projects for its port facilities. 'If any project so financed, or any part thereof, is occupied or operated by any private corporation, association, partnership or person pursuant to contract or lease with the issuing body, the property interest created by such contract or lease shall be subject to taxation to the same extent as other privately owned property.' The private, for-profit entity (Nassau Terminals LLC) occupies and operates the port facilities pursuant to the 'Operating Agreement' dated October 19, 2018. Such facilities are therefore subject to ad valorem taxation.

(Complaint in case no. 22-CA-77 at exh. #4) The basis of the denial for the 2024 tax year was the same. (Complaint in case no. 24-CA-372, exh. #1)

Burden of Proof

The burden of proof applicable to ad valorem tax cases is set forth in section 194.301, Florida Statutes (2024). The party initiating the action, has the "burden of proving by a preponderance of the evidence that the classification or exempt status assigned to the property is incorrect." § 194.301(2)(d), Fla. Stat. (2025). The property appraiser was the party initiating the challenge to the 2021 assessment and has the burden of proof for that tax year. OHPA was the party initiating the challenge to the 2024 assessment and has the burden of proof for that tax year.

All real property is subject to ad valorem taxation, moreover, unless it is expressly exempted. *See* § 196.001(1), Fla. Stat. (2024). For this reason, exemptions from ad valorem taxation are strictly construed against the taxpayer and in favor of the taxing authority. *Dade Cnty. Taxing Auth. v. Cedars of Lebanon Hosp. Corp.*, 355 So.2d 1202 (Fla. 1978). The burden is on the taxpayer to show clearly any entitlement to a tax exemption. *Volusia Cnty. v. Daytona Bch. Racing & Rec. Facilities Dist.*, 341 So.2d 498 (Fla. 1976). Any ambiguity in the statutory language is to be resolved against the taxpayer and against exemption. *Nat'l Ctr. for Constr. Educ. & Research Ltd. v. Crapo*, 248 So.3d 1256, 1257-58 (Fla. 1st DCA 2018); *Parrish v. Pier Club Apts., LLC*, 900 So.2d 683 (Fla. 4th DCA 2005). Tax exemptions are highly disfavored and are strictly construed against the party claiming the exemption. *Genesis Ministries, Inc. v. Brown*, 250 So.3d 865 (Fla. 1st DCA 2018).

Conclusions of Law

I. Legal principles regarding governmental exemption from ad valorem taxation.

The Florida Constitution requires, with few exceptions, that all property in the state be taxed. *See* Art. VII, § 4, Fla. Const. One of those exceptions is an exemption from ad valorem taxation for certain municipally-owned property. Art. VII, § 3(a), Fla. Const. To qualify for the

exemption, the property must be "both owned by a municipality and used exclusively by the municipality for municipal or public purposes." *Dep't of Revenue v. City of Gainesville*, 918 So.2d 250, 255 (Fla. 2005). The constitutional provision states in its entirety:

> *All property owned by a municipality and used exclusively by it for municipal purposes shall be exempt from taxation.* A municipality, owning property outside the municipality, may be required by general law to make payment to the taxing unit in which the property is located. Such portions of property as are used predominantly for educational, literary, scientific, religious, or charitable purposes may be exempted by general law from taxation.

Art. VII, § 3(a) Fla. Const. (emphasis added).

The supreme court has held that a "reading of section 3(a) of article VII clearly establishes that it is a self-executing provision and therefore does not require statutory implementation." *City of Sarasota v. Mikos*, 374 So.2d 458, 460 (Fla. 1979); *see also City of Gainesville v. Crapo*, 953 So.2d 557, 561–62. (Fla. 1st DCA 2007) ("Because this constitutional provision is self-executing, it does not require legislative authorization to activate the exemption for property owned and used exclusively by the municipality for municipal or public purposes."). "Stated differently, the exemption is not contingent on the legislature declaring that an activity serves a municipal purpose and is, therefore, tax exempt." *Crapo*, 953 So.2d at 561–62. Any legislative attempt to expand the exemption beyond that which is constitutionally authorized is improper. *City of Gainesville*, 918 So.2d at 259; *Sebring Airport Auth. v. McIntyre* (*Sebring Airport II)*, 783 So.2d 238, 252–53 (Fla. 2001). As one commentator has explained:

> The municipal purpose exemption is unique. Unlike the other 'use' exemptions authorized in the constitution, it is mandatory and self-executing; it prescribes the identity of the owner and requires *exclusive (rather than predominant) use by such owner for the specified exempt purpose*; and (unlike other governmental purpose exemptions), it is expressly contemplated in the constitution.

Fla. State & Local Taxes, Vol. II, ¶ 5.03[4], (The Fla. Bar 1984) (emphasis added).

The supreme court explained in *City of Gainesville* that the requirement that city-owned property be used exclusively by the city for municipal or public purposes to be entitled to an ad valorem tax exemption was added to the constitution in 1968 in response to *Daytona Bch. Racing & Rec. Facilities Dist. v. Paul*, 179 So.2d 349, 353 (Fla. 1965). "Perceiving decisions [such as *Daytona Beach Racing*] as creating inequities in the tax structure, the draftsmen of the Constitution of 1968 limited the municipal purpose exemption to 'property owned by a municipality and used exclusively by it for municipal or public purposes.'" *Volusia Cnty. v. Daytona Bch. Racing & Rec. Facilities Dist.*, 341 So.2d 498, 501 (Fla. 1976).

The supreme court in *City of Gainesville* specifically distinguished the test for exemption for property owned by a municipality and used exclusively by it from the test for private interests in municipally owned property. "Our review of the history of article VII, section 3(a) and the pertinent case law demonstrates that the test for private interests in municipally owned property was never intended to apply to property both owned and used exclusively by a municipality for municipal or public purpose." *City of Gainesville*, 918 So.2d at 261. The test applicable when the property is not used exclusively by the municipality has become known as the "governmental-governmental" versus "governmental-proprietary" use test. *Id.* at 260 (collecting cases); *see Williams v. Jones*, 326 So.2d 425, 433 (Fla. 1976) (Taxation of leasehold interest in governmentally-owned property on Santa Rosa Island is required because all "privately used property bears a tax burden in some manner and this is what the Constitution mandates."); *cf. St. John's Assocs. v. Mallard*, 366 So.3d 34 (Fla. 1st DCA 1978) (lessee's use of port property for profit competes with other private business operations and requires taxation).

In 1994, the Florida Supreme Court reiterated the continued application of the governmental-governmental versus governmental-propriety use test with regard to exemptions

from ad valorem taxation first announced in the Court's 1976 decision in *Williams*. *Sebring Airport Auth. v. McIntyre* (*Sebring Airport I*), 642 So.2d 1072 (Fla. 1994). That case involved the exempt status of the Sebring Raceway, which was owned and operated by the airport authority and leased to a for-profit operator to alleviate the authority's financial difficulties so that the racing activities could be continued. *Id.* at 1073. The supreme court stated:

> Serving the public and a public purpose, although easily confused, are not necessarily analogous. *A governmental-proprietary function occurs when a nongovernmental lessee utilizes governmental property for-proprietary and for-profit aims.* We have no doubt that Raceway's operation of the racetrack serves the public, but such service does not fit within the definition of a public purpose as defined by section 196.012(6). Raceway's operating of the race for profit is a governmental-proprietary function; therefore, a tax exemption is not allowed under section 196.199(2)(a).

Sebring Airport I, 642 So.2d at 1073–74 (emphasis added).

The supreme court specifically rejected the airport authority's argument that "a governmental lease to a nongovernmental lessee is exempt from ad valorem taxation if the lessee serves a public purpose, *regardless of the for-profit motive*." 642 So.2d at 1073 (emphasis added). The supreme court then described the difference between governmental and proprietary functions as "[p]roprietary functions promote the comfort, convenience, safety and happiness of citizens, whereas governmental functions concern the administration of some phase of government." 642 So.2d at 1074, n. 1. "A governmental function has been defined as one having to do with the administration of some phase of government, that is, exercising or dispensing of some element of sovereignty." *Sebring Airport Auth. v. McIntyre*, 718 So.2d 296, 299 (Fla. 2d DCA 1998).

After *Sebring Airport I*, the legislature effectively attempted to overrule that decision by enacting language modifying the definition of municipal or public purpose set forth in section 196.012(6), Florida Statutes (1994), as follows:

> The use *by a lessee, licensee, or management company* of real property or a portion thereof as a convention center, visitor center, sports facility with permanent seating, concert hall, arena, stadium, park, or beach is deemed a use that serves a governmental, municipal, or public purpose or function when access to the property is open to the general public with or without a charge for admission.

Ch. 94-353, § 59, Laws of Fla. (1994) (emphasis added).

The case subsequently returned to the supreme court. *Sebring Airport II*, 783 So.2d at 238. After discussing the lengthy history regarding the taxation of governmentally-owned property, the court emphasized the continuing viability of the governmental-governmental test and held that "it has long been clear that, based upon the amendments which resulted in the 1968 Constitution, the 'public purpose' standard applicable in tax exemption cases is the 'governmental-governmental' standard first established in *Williams*, later confirmed in *Volusia County*, and consistently applied in subsequent cases involving claimed tax exemptions for private leasehold interests." *Id.* at 247. Because the legislature lacked the ability to expand the scope of the municipal exemption by statute, this Court declared the 1994 amendment unconstitutional. *Id.* at 253. As the supreme court held:

> We certainly understand that there is enormous competition to secure professional athletic teams and other forms of entertainment and economic development which benefit Florida citizens. We also recognize the tremendous economic forces and implications that become involved in this type of issue and the good faith legislative attempts to balance these concerns. However, as long as the people of Florida maintain the constitution in the form we are required to apply today, neither we nor the Legislature may expand the permissible exemptions based on this type of argument. The people of Florida have spoken in the organic law and we honor that voice. *It is not for this Court or the Legislature to grant ad valorem taxation exemptions not provided for in the present constitutional provisions. That decision rests solely with the people of Florida as voiced in our constitution, and not through legislation.*

Id. (emphasis added).

The Florida Supreme Court has consistently noted the importance of ownership and exclusive use by a municipality in cases involving article VII, section 3(a) of the Florida Constitution. *Treasure Coast Marina, LC v. City of Fort Pierce*, 219 So.3d 793, 796 (Fla. 2017); *City of Gainesville*, 918 So.2d at 261. In *City of Gainesville* the supreme court "recognized that although the constitutional tax exemption provision was revised from its counterpart contained in the 1885 Constitution to curb perceived abuses in favor of private operators seeking a profit, that end was not advanced by changing the definition of 'municipal or public purposes,' but rather by requiring ownership and use by the municipality." *Treasure Coast Marina*, 219 So.3d at 796.

In accord with the test set forth in *City of Gainesville*, and later clarified in *Treasure Coast Marina*, a marina owned and used exclusively by a municipality was entitled to ad valorem tax exemption as serving an activity essential to the general welfare of the people within the municipality. *Treasure Coast Marina*, 219 So.3d at 800; *see Islamorada, Village of Islands v. Higgs*, 882 So.3d 1009, 1010-11 (Fla. 3rd DCA 2003) (marina is a recreational facility available to residents and non-residents that is "operated without involvement of a non-governmental lessee or *operator*" and is exempt) (emphasis added). The exempt status of a marina, however, changes when it is no longer used exclusively by the municipality for municipal or public purposes.

For example, the same city-owned marina in Fernandina Beach that was exempt when used exclusively by the City became taxable upon use by a private, for-profit operator. *Page v. City of Fernandina Bch.*, 714 So.2d 1070 (Fla. 1st DCA 1998). As the First District stated:

> Municipal operation of a marina is a legitimate municipal corporate undertaking for the comfort, convenience, safety, and happiness of the municipality's citizens. Indeed, the uncontradicted expert testimony was that operation of this marina constituted a proper municipal or public function. *When a city operates a marina it owns, marina property it has not leased to a nongovernmental entity is exempt from ad valorem taxation.* Evidence indicated that some of these marina facilities had previously been operated by the City, and

> that, by the time of trial in January of 1996, operational responsibilities had once again been assumed by the City. *But operating a marina partakes of no aspect of sovereignty and does not warrant an exemption for a marina leased to a nongovernmental operator seeking profits.*

Id. at 1076–77 (emphasis added).

In addition to marinas, the issue of whether leased property is exempt from taxation has also been addressed in the context of legislatively-created ports and port authorities. *See Canaveral Port Auth. v. Dep't of Revenue*, 690 So.2d 1226 (Fla. 1996); *St. John's Assocs. v. Mallard*, 366 So.2d 34 (Fla. 1st DCA 1978); *Ocean Highway Port Auth. v. Page*, 609 So.2d 84 (Fla. 1st DCA 1992); *Gulf Marine Repair Corp. v. Henriquez*, 375 So.3d 306 (Fla. 2d DCA 2023).

The Florida Supreme Court addressed whether real property owned by the Canaveral Port Authority (CPA) and leased to private entities who were using the property for warehouses, gas stations, deli restaurants, fish markets, charter boat sites, and docks was exempt from taxation. *Canaveral Port Auth.*, 690 So.2d at 1227. After determining CPA was not immune from taxation because it was not expressly recognized by the Florida Constitution as performing a function of the state, the court addressed whether CPA was exempt from taxation. *Id.* at 1228. The court addressed CPA's argument that it was exempt from taxation pursuant to section 315.11, Florida Statutes (1991), and stated:

> We find that by passing chapter 71-133, [the legislature] imposed a limitation on the exemption. In view of the express language used in sections 196.001, 196.199(2), and 196.199(4), particularly the term "authorities," *we conclude that the legislature intended to provide only a limited exemption for fee interests in port authority property.*

Id. at 1229 (emphasis added). The supreme court ultimately held that the fee interest in the property was not exempt from ad valorem taxation because the property was leased to nongovernmental entities for nongovernmental uses. *Id.* at 1229–30.

Most recently, the Second District Court of Appeal has addressed whether property owned by a port authority and leased by Gulf Marine, a for-profit corporation conducting a commercial shipyard business, was exempt from ad valorem taxation. *Gulf Marine Repair Corp.*, 375 So.3d at 310. After inspecting the properties, the property appraiser denied Gulf Marine's exemption applications because he determined that the properties were being used for proprietary purposes. *Id.*

The Second District agreed with the property appraiser. In determining that the subject property was not exempt from taxation, the district court relied on the principles established in *Williams* and the distinction between governmental-governmental functions and governmental-proprietary ones. *Id.* at 313–314. The court stated:

> Governmental-governmental uses are limited to the administration of some phase of government or some aspect of sovereignty; they do not include governmental-proprietary activities, defined as 'when a nongovernmental lessee utilizes governmental property for-proprietary and for-profit aims.' *Sebring Airport Auth. v. McIntyre (Sebring II)*, 642 So.2d 1072, 1074 (Fla. 1994). 'Proprietary functions promote the comfort, convenience, safety and happiness of citizens, whereas government functions concern the administration of some phase of government.' *Id.* at 1074 n.1 (citing *Black's Law Dictionary* 1219 (6th ed. 1990)).
>
> *The property involved in this case fails the governmental-governmental use test because Gulf Marine's shipyard business has nothing to do with the administration of the Port Authority.* The summary judgment record reflected, instead, that it is a commercial enterprise that sells inspection, repair, and maintenance services to ships that use the port. In its order, the VAB described this amenity as 'integral' to the port. But, as *Williams* held, that is not the proper test. And for that matter, the VAB pointed to no law, regulation, or other factor that requires a port to offer shipyard services. To the contrary, the record disclosed that only two of Florida's fourteen deepwater ports have shipyards.

Id. at 314 (emphasis added).

The district court was not persuaded by Gulf Marine's argument that, because the port authority's enabling act permitted it to maintain a shipyard, Gulf Marine's operation of a shipyard ipso facto exempted the property from taxation under section 196.012(6). *Id.* at 315. The district court again relied on the governmental-governmental use test and held that even though the shipyard function legally could have been performed by the port authority, this did not automatically make the property exempt from taxation. *Id.* The district court concluded that "Gulf Marine's use of its leased property for its own profit does not serve a governmental-governmental function. As such, the property is not tax exempt." *Id.* at 316.

II. Whether port facilities owned by OHPA but used by Nassau Terminals are entitled to an ad valorem tax exemption.

In view of the long body of case law concluding that the use of municipally-owned property by lessees must be for governmental-governmental purposes as opposed to governmental-proprietary purposes to retain the ad valorem tax exemption, it would appear that Nassau Terminals' use of the port facilities for proprietary purposes would require the property to be subject to taxation if the agreement with OHPA were a lease. Indeed, this Court observes that the Operating Agreement partakes of many of the attributes of a lease. It conveys exclusive use of the port facilities to Nassau Terminals for a term of years in exchange for payment of a fee (rent) and the tenant's responsibility to maintain the property.

The analysis of OHPA's entitlement to an ad valorem tax exemption must begin with the source of that exemption. OHPA is an independent special district but would not be considered immune from taxation as part of the state or county. *Canaveral Port Auth.*, 690 So.2d at 1227-8. OHPA's entitlement to exemption therefore depends upon section 189.055, Florida Statutes (2025), which provides that, for "the purpose of s. 196.199(1), special districts shall be

treated as municipalities." Although an independent special district is to be treated like a municipality for the purpose of section 196.199(1), it does not have the same constitutional basis for exemption as a municipality. *Sun 'N Lake of Sebring Imp. Dist. v. McIntyre*, 800 So.2d 715, 720-1 (Fla. 2d DCA 2001).

Section 196.199(1) provides in pertinent part:

> (1) Property owned and used by the following governmental units shall be exempt from taxation under the following conditions:
>
> * * * * *
>
> (c) All property of the several political subdivisions and municipalities of this state or of entities created by general or special law and composed entirely of governmental agencies, or property conveyed to a nonprofit corporation which would revert to the governmental agency, which is used for governmental, municipal, or public purposes shall be exempt from ad valorem taxation, except as otherwise provided by law.

"Pursuant to sections 189.403(1) [now 189.055] and 196.199(1), the District [OHPA] is to be treated as a municipality, and as such is entitled to an exemption if its property is used exclusively for a public purpose." *Sun 'N Lake*, 800 So.2d at 722.

The parties agree that proper analysis of the exempt status of the property requires careful consideration of *City of Gulf Breeze v. Brown*, 397 So.3d 1009 (Fla. 2024). In that case, the City of Gulf Breeze owned and operated a public golf course that, for several years, the Santa Rosa County Property Appraiser determined was exempt from ad valorem taxation. *Id.* at 1011. The property appraiser began denying the exemption after the City entered into a management agreement with a private entity. *Id.* The property appraiser reasoned that the agreement was a lease and that the property was no longer being "used exclusively by [the City]," so the City was no longer entitled to the exemption. *Id.*

The circuit court granted final summary judgment in favor of the City, concluding that the agreement was a management agreement (not a lease) and that the property remained owned and used exclusively by the City. *Id.* The property appraiser appealed the circuit court's decision to the First District Court of Appeal. *Id.* The First District reversed and remanded for final judgment to be entered in favor of the property appraiser. *Brown v City of Gulf Breeze*, 336 So.3d 1226, 1232 (Fla. 1st DCA 2022). Relying on the agreement's compensation structure, under which the management company was compensated by a formula tied to the difference between revenue and expenses, the First District effectively treated the agreement like a lease without determining it to be one. *City of Gulf Breeze*, 397 So.3d at 1011. Because the First District treated the agreement like a lease, it determined that the property was not exempt from taxation. *Id.* The First District certified a question of great public importance, and the supreme court accepted jurisdiction. *Id.* at 1011–12.

In reversing the First District's decision, the supreme court stated that the district court improperly focused on the agreement's compensation structure, rather than on whether the City "retained and exercised extensive control over the property" under the management agreement. *Id.* at 1012. The supreme court determined that under the agreement, the City's extensive control over the property "and its concomitant exclusive use" entitled the property to the ad valorem tax exemption. *Id.*

The Court's analysis of the control exercised over the golf course involved review both of the management agreement and testimony of witnesses. Under the agreement, the City retained ownership and control of the golf course and appurtenant facilities. Not only did the City retain the "absolute and unfettered right" to continue to use the property for the disposal of treated effluent, but the agreement provided that the City "shall at all times have access to the [golf course

property] for any purpose," and that "nothing in this Agreement shall be deemed to limit the City's right to do anything regarding the [golf course] which the City would otherwise be entitled to do." *Id.*

The City also retained extensive control of the operations of the golf course, including the direct oversight by the City's Director of Parks and Recreation, who testified that his role was that of a "contract manager" who met with the operator weekly. Under the agreement, the operator was required to manage the property "as an 18-hole championship golf course" and "in a first-class manner." "No other uses" of the property were "allowed" under the agreement. Among other things, the operator was required to keep the golf course open to the public every day (with certain exceptions), operate the golf course in accordance with terms and conditions of an operating budget agreed to by the City and under rules and regulations established by the City, and comply with public records laws. The operator was also prohibited from doing certain things, including subcontracting any of its duties. *Id.*

In reaching its decision, the supreme court recognized the line of its prior decisions involving the taxable status of governmentally-owned property leased to a for-profit company and used for governmental-proprietary purposes. *Id.* at 1016. When property is leased, the "property is typically under the control of the leaseholder. It then is no longer available for use of the owner but has been committed to the use of the leaseholder. There is an undeniable linkage between control and use." *Id.* at 1017. The Court concluded as follows:

> The City-owned golf course property continued to be 'used exclusively by' the City—for purposes of article VII, section 3(a) of the Florida Constitution and its ad valorem tax exemption for certain municipally owned property—*after the City entered into a management agreement under which the City retained and exercised extensive control over the golf course property and the management company's operation of the property.* The agreement

> and its formula-based compensation structure thus did not defeat the City's ad valorem exemption.

Id. at 1018 (emphasis added).

OHPA relies on the supreme court's analysis in *City of Gulf Breeze* to assert that it is entitled to the exemption because the subject property is used exclusively by OHPA for municipal or public purposes. OHPA argues that it has retained the same extensive control and use of the subject property as the City in *City of Gulf Breeze*.

This Court disagrees with OHPA's characterization of the Operating Agreement and testimony in this case. OHPA lacks the same extensive control and "concomitant exclusive use" of the port facilities required under the constitution as explained in *City of Gulf Breeze*.

Unlike the agreement in *City of Gulf Breeze*, there is no provision in the Operating Agreement preventing the operator from limiting OHPA's right to do anything regarding the subject property that OHPA would otherwise be entitled to do. Instead, Section 7.5 of the Operating Agreement clearly states:

> PORT AUTHORITY agrees, in further consideration of the obligations of OPERATOR and Facility Use Fee paid to it pursuant to Section 6 of this Contract, and in consideration of guarantees and assurances OPERATOR must provide to customers of the Port, *to grant OPERATOR first priority access to and use and operation of all land, buildings, docks wharves and equipment owned or leased by the PORT AUTHORITY, comprised of the marine terminal, warehouses, and appurtenances that are the subject of this Agreement.* When OPERATOR is providing services to the public users of the Port, *PORT AUTHORITY agrees to take no action which would impede OPERATOR'S ability to fully perform its obligations pursuant to this Operating Contract or its obligations pursuant to this Operating Contract*, the PORT AUTHORITY agrees not to engage another entity to provide such services at the Port.

(Exhibit "A" to Ocean Highway and Port Authority's Motion for Final Summary Judgment at p. 10-11) (emphasis added). Contrary to the provision in the *City of Gulf Breeze* agreement, the

Operating Agreement states that the operator has first priority access to the use and operation of the port and OHPA will not impede the *operator's* ability to perform its functions under the agreement. The Operating Agreement is clear that Nassau Terminals, not OHPA, has priority access to the use and operation of the port. The Agreement lacks any language authorizing OHPA to continue to access and use the port facilities at the same time as Nassau Terminals.

Furthermore, the supreme court relied on the City's retention of control over the golf course's operations when determining that the City maintained exclusive use of the property. In contrast, OHPA does not retain control of the port's operations. Section 2.1 of the Operating Agreement states, "OPERATOR shall provide the necessary labor, machinery and equipment to accomplish cargo handling and warehousing functions in the Port." (*Id.* at p. 3) The operator is responsible for providing skilled personnel to maintain and operate equipment and for performing all ordinary day to day repairs and maintenance to the port facilities and equipment owned by OHPA. (*Id.* at p. 3-4) The operator, in its sole judgment, advertises and solicits shipping business through the port. (*Id.* at p. 4) Although Nassau Terminals is required to provide reports to OHPA and engage in discussions involving future port activities, this involvement is not the same as the City's involvement in the golf course operations in *City of Gulf Breeze* where the City maintained direct oversight through its Director of Parks and Recreation.

The Court in *City of Gulf Breeze* also based its holding in part on the language in the management agreement disavowing that it constituted a lease or granted any tenancy or proprietary interest in the golf course. 397 So.3d at 1012. Such language is absent from the Operating Agreement in the instant case. Furthermore, the loan agreement entered into in conjunction with the bond issuance specifically declares that Nassau Terminals warranted that it was either the "holder of a valid, binding and enforceable leasehold interest in all real and personal

property included in the Project" or had the "legal right to use and operate all real and personal property included in the Project." (Notice of Filing Loan Agreement at p. 16)

In sum, Nassau Terminals has control and the exclusive right to use the port. Nassau Terminals has priority access, use, and operation of all land, buildings, docks, wharves, and equipment at the port. Nassau Terminals oversees the day-to-day operations of the port, including providing skilled labor and equipment to accomplish cargo handling and warehousing functions. Nassau Terminals advertises and solicits shipping business and is responsible for determining the fees associated with the port other than the tariff rates. Although Nassau Terminals must provide reports to OHPA, there is no indication that these reports are not already maintained as part of the port operations and they do not require extensive involvement from OHPA. There is nothing in the Operating Agreement that allows OHPA to maintain an absolute right to any use of the port as the City maintained in *City of Gulf Breeze.* OHPA completely lacks the right to any "concomitant exclusive use" relied upon in that case. The Court required both extensive control and the continued right to use the property to establish the exclusive use necessary to be entitled to the exemption.

The Operating Agreement deprives OHPA of the exclusive use and control of the subject property. Nassau Terminals' use of the subject property does not equate to the governmental functions required under the governmental-governmental test. *Sebring Airport I*, 642 So.2d at 1074 n. 1. Governmental-governmental uses are limited to the administration of some phase of government or some aspect of sovereignty; they do not include governmental-proprietary activities which promote the comfort, convenience, safety and happiness of citizens. *Gulf Marine Repair Corp.*, 375 So.3d at 314. The operation of the port does not qualify as a governmental-governmental use where it does not involve the administration of some phase of

government or some aspect of sovereignty. *See Page*, 714 So.2d at 1077. This is clear based on the language in Chapter 2005-293 which states that the "public purpose" of the creation of OHPA was declared to be a "benefit to the citizens of the County of Nassau and the state." This public purpose of benefitting the citizens of Nassau County and the state more closely tracks the purpose of governmental-proprietary activities, which are described as those that promote the comfort, convenience, safety, and happiness of citizens.

The conclusion that the property would be subject to ad valorem taxation also is required pursuant to Article VII, Section 10(c) of the Florda Constitution. The Florida Supreme Court has recognized that the ad valorem governmental exemption set forth in Article VII, Section 3 parallels Article VII, Section 10(c) of the Florida Constitution. *See Sebring Airport II*, 783 So.2d at 251; *Volusia Cnty.*, 341 So.2d at 498; *Straughn v. Camp*, 293 So.2d 689 (Fla. 1974). That constitutional provision provides that:

> (c) the issuance and sale by any county, municipality, special district or other local governmental body of (1) revenue bonds to finance or refinance the cost of capital projects for airports or port facilities, or (2) revenue bonds to finance or refinance the cost of capital projects for industrial or manufacturing plants to the extent that the interest thereon is exempt from income taxes under the then existing laws of the United States, when, in either case, the revenue bonds are payable solely from revenue derived from the sale, operation or leasing of the projects. *If any project so financed, or any part thereof, is occupied or operated by any private corporation, association, partnership or person pursuant to contract or lease with the issuing body, the property interest created by such contract or lease shall be subject to taxation to the same extent as other privately owned property.*

Art. VII, § 10(c), Fla. Const. (emphasis added). Thus, the constitution requires the taxation of any property so financed if it is "*occupied*" or "*operated*" by any private corporation pursuant to "contract" or "lease."

The supreme court in *Sebring Airport II* observed the impact of section 10(c) in rejecting the argument that the "public purpose" necessary to support a bond issue was the same test to be applied in ad valorem tax exemption cases. The court stated:

> Additionally, Raceway's argument predicated upon bond validation cases falls far short of complete analysis and fails to accommodate other constitutional provisions. As previously noted, the Florida Constitution expressly contemplates that, even when it is determined in the bond validation context that a particular project is appropriate under the standards of article VII, section 10, when certain projects are *occupied* or *operated privately* pursuant to *contract* or *lease*, the property interest *shall be subject to taxation to the same extent as other privately owned property. See* art. VII, § 10(c).

Sebring Airport II, 783 So.2d at 251 (italics in original, emphasis added); *Volusia Cnty.*, 541 So.2d at 501 ("The present Constitution further provides that where any project financed by revenue bonds 'is occupied or operated by any private corporation ... pursuant to [contract or] lease ... the property interest created by such [contract or] lease shall be subject to taxation to the same extent as other privately owned property."); *accord Straughn* ("Also see Section 10, Article VII, 1968 Florida Constitution, which requires taxation of leaseholds of similar nature to those here involved."); *Paul v. Blake*, 376 So.2d 256 (Fla. 3d DCA 1979) (taxpayers had standing to contest property appraiser's decision to grant exemption to holders of private leasehold and other possessory interests in governmentally-owned property at airport, the construction of which was financed with revenue bonds, as in conflict with Article VII, Section 10(c)).

Pursuant to Article VII, Section 10(c) of the Florida Constitution, any property interest created by a project financed by revenue bonds operated by a private corporation pursuant to contract or lease is subject to taxation. *See Sebring Airport II*, 783, So. 2d at 251; *Volusia Cnty.*, 541 So.2d at 501. Nassau Terminals' use of the port facilities under the operating agreement falls squarely within the language of Article VII, Section 10. The property owned by OHPA but used

by Nassau Terminals pursuant to the operating agreement, therefore, must be subject to ad valorem taxation.

NOW THEREFORE, it is hereby **ORDERED** and **ADJUDGED** as follows:

1. Ocean Highway and Port Authority's Motion for Final Summary Judgment is hereby **DENIED**.

2. The Property Appraiser's Cross Motion for Summary Judgment is hereby **GRANTED.**

3. Final judgment is hereby entered in favor of the property appraiser and against the Ocean Highway and Port Authority.

4. The Ocean Highway and Port Authority shall take nothing by this action and the property appraiser shall go hence without day.

5. The Court reserves jurisdiction to consider a timely motion to tax costs.

DONE and **ORDERED** in Nassau County, Florida, on the 16th day of December 2025.

Marianne Lloyd Aho

MARIANNE L. AHO
Circuit Court Judge

Conformed copies via the E-Filing Portal to:

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Resolution 2026-R01
PTGA USCBP Facility

STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION

PUBLIC TRANSPORTATION GRANT AGREEMENT

Form 725-000-01
STRATEGIC DEVELOPMENT
OGC 10/25

Financial Project Number(s): (item-segment-phase-sequence)		Fund(s):	PORT	FLAIR Category:	088794
425897-2-94-01		Work Activity Code/Function:	215	Object Code:	751000
		Federal Award Identification Number (FAIN) – Transit only:		Org. Code:	55022020229
				Vendor Number:	F591976292007
Contract Number:		Federal Award Date:			
CFDA Number:	N/A	Agency UEI Number:	80-939-7102		
CFDA Title:	N/A				
CSFA Number:	55.005				
CSFA Title:	Seaport Grant Program				

THIS PUBLIC TRANSPORTATION GRANT AGREEMENT ("Agreement") is entered into _____, by and between the State of Florida, Department of Transportation, ("Department"), and Ocean Highway and Port Authority, ("Agency"). The Department and the Agency are sometimes referred to in this Agreement as a "Party" and collectively as the "Parties."

NOW, THEREFORE, in consideration of the mutual benefits to be derived from joint participation on the Project, the Parties agree to the following:

1. **Authority.** The Agency, by Resolution or other form of official authorization, a copy of which is attached as **Exhibit "D", Agency Resolution** and made a part of this Agreement, has authorized its officers to execute this Agreement on its behalf. The Department has the authority pursuant to Section(s) 311, Florida Statutes, to enter into this Agreement.

2. **Purpose of Agreement.** The purpose of this Agreement is to provide for the Department's participation in PORT OF FERNANDINA USCBP ON PORT FACILITY, as further described in **Exhibit "A", Project Description and Responsibilities**, attached and incorporated into this Agreement ("Project"), to provide Department financial assistance to the Agency, state the terms and conditions upon which Department funds will be provided, and to set forth the manner in which the Project will be undertaken and completed.

3. **Program Area.** For identification purposes only, this Agreement is implemented as part of the Department program area selected below (select all programs that apply):

   _ **Aviation**
   X **Seaports**
   _ **Transit**
   _ **Intermodal**
   _ **Rail Crossing Closure**
   _ **Match to Direct Federal Funding** (Aviation or Transit)
   (Note: Section 15 and Exhibit G do not apply to federally matched funding)
   _ **Other**

4. **Exhibits.** The following Exhibits are attached and incorporated into this Agreement:

   X Exhibit A: Project Description and Responsibilities
   X Exhibit B: Schedule of Financial Assistance
   _ *Exhibit B1: Deferred Reimbursement Financial Provisions
   _ *Exhibit B2: Advance Payment Financial Provisions
   _ *Exhibit B3: Alternative Advanced Pay (Transit Bus Program)
   X *Exhibit C: Terms and Conditions of Construction
   X Exhibit D: Agency Resolution
   X Exhibit E: Program Specific Terms and Conditions
   X Exhibit E1: Prohibition Based on Health Care Choices
   _ Exhibit E2: Exterior Vehicle Wrap, Tinting, Paint, Marketing and Advertising (Transit)

__ Exhibit E3: Geoengineering and Weather Modification Reporting (Aviation)
__ Exhibit E4: Energy Policy Goals Reporting
X Exhibit F: Contract Payment Requirements
X *Exhibit G: Audit Requirements for Awards of State Financial Assistance
__ *Exhibit H: Audit Requirements for Awards of Federal Financial Assistance
__ *Exhibit I: Certification of Disbursement of Payment to Vehicle and/or Equipment Vendor
__ *Additional Exhibit(s):

*Indicates that the Exhibit is only attached and incorporated if applicable box is selected.

5. Time. Unless specified otherwise, all references to "days" within this Agreement refer to calendar days.

6. Term of Agreement. This Agreement shall commence upon full execution by both Parties ("Effective Date") and continue through October 31, 2030. If the Agency does not complete the Project within this time period, this Agreement will expire unless an extension of the time period is requested by the Agency and granted in writing by the Department prior to the expiration of this Agreement. Expiration of this Agreement will be considered termination of the Project. The cost of any work performed prior to the Effective Date or after the expiration date of this Agreement will not be reimbursed by the Department.

a. __ If this box is checked the following provision applies:

Unless terminated earlier, work on the Project shall commence no later than the __ day of __, or within __ days of the issuance of the Notice to Proceed for the construction phase of the Project (if the Project involves construction), whichever date is earlier. The Department shall have the option to immediately terminate this Agreement should the Agency fail to meet the above-required dates.

7. Amendments, Extensions, and Assignment. This Agreement may be amended or extended upon mutual written agreement of the Parties. This Agreement shall not be renewed. This Agreement shall not be assigned, transferred, or otherwise encumbered by the Agency under any circumstances without the prior written consent of the Department.

8. Termination or Suspension of Project. The Department may, by written notice to the Agency, suspend any or all of the Department's obligations under this Agreement for the Agency's failure to comply with applicable law or the terms of this Agreement until such time as the event or condition resulting in such suspension has ceased or been corrected.

a. Notwithstanding any other provision of this Agreement, if the Department intends to terminate the Agreement, the Department shall notify the Agency of such termination in writing at least thirty (30) days prior to the termination of the Agreement, with instructions to the effective date of termination or specify the stage of work at which the Agreement is to be terminated.

b. The Parties to this Agreement may terminate this Agreement when its continuation would not produce beneficial results commensurate with the further expenditure of funds. In this event, the Parties shall agree upon the termination conditions.

c. If the Agreement is terminated before performance is completed, the Agency shall be paid only for that work satisfactorily performed for which costs can be substantiated. Such payment, however, may not exceed the equivalent percentage of the Department's maximum financial assistance. If any portion of the Project is located on the Department's right-of-way, then all work in progress on the Department right-of-way will become the property of the Department and will be turned over promptly by the Agency.

d. In the event the Agency fails to perform or honor the requirements and provisions of this Agreement, the Agency shall promptly refund in full to the Department within thirty (30) days

of the termination of the Agreement any funds that were determined by the Department to have been expended in violation of the Agreement.

e. The Department reserves the right to unilaterally cancel this Agreement for failure by the Agency to comply with the Public Records provisions of Chapter 119, Florida Statutes.

9. Project Cost:

a. The estimated total cost of the Project is $292,628. This amount is based upon **Exhibit "B", Schedule of Financial Assistance**. The timeline for deliverables and distribution of estimated amounts between deliverables within a grant phase, as outlined in **Exhibit "B", Schedule of Financial Assistance**, may be modified by mutual written agreement of the Parties and does not require execution of an **Amendment to the Public Transportation Grant Agreement**. The timeline for deliverables and distribution of estimated amounts between grant phases requires an amendment executed by both Parties in the same form as this Agreement.

b. The Department agrees to participate in the Project cost up to the maximum amount of $146,314 and, the Department's participation in the Project shall not exceed 50.00% of the total eligible cost of the Project, and as more fully described in **Exhibit "B'', Schedule of Financial Assistance**. The Agency agrees to bear all expenses in excess of the amount of the Department's participation and any cost overruns or deficits involved.

10. Compensation and Payment:

a. Eligible Cost. The Department shall reimburse the Agency for allowable costs incurred as described in **Exhibit "A"**, **Project Description and Responsibilities**, and as set forth in **Exhibit "B", Schedule of Financial Assistance**.

b. Deliverables. The Agency shall provide quantifiable, measurable, and verifiable units of deliverables. Each deliverable must specify the required minimum level of service to be performed and the criteria for evaluating successful completion. The Project and the quantifiable, measurable, and verifiable units of deliverables are described more fully in **Exhibit "A", Project Description and Responsibilities**. Modifications to the deliverables in **Exhibit "A", Project Description and Responsibilities** requires a formal written amendment.

c. Invoicing. Invoices shall be submitted no more often than monthly by the Agency in detail sufficient for a proper pre-audit and post-audit, based on the quantifiable, measurable, and verifiable deliverables as established in **Exhibit "A", Project Description and Responsibilities**. Deliverables and costs incurred must be received and approved by the Department prior to reimbursement. Requests for reimbursement by the Agency shall include an invoice, progress report, and supporting documentation for the deliverables being billed that are acceptable to the Department. The Agency shall use the format for the invoice and progress report that is approved by the Department.

d. Supporting Documentation. Supporting documentation must establish that the deliverables were received and accepted in writing by the Agency and must also establish that the required minimum standards or level of service to be performed based on the criteria for evaluating successful completion as specified in **Exhibit "A", Project Description and Responsibilities** has been met. All costs invoiced shall be supported by properly executed payrolls, time records, invoices, contracts, or vouchers evidencing in proper detail the nature and propriety of charges as described in **Exhibit "F", Contract Payment Requirements**.

e. Travel Expenses. The selected provision below is controlling regarding travel expenses:

X Travel expenses are NOT eligible for reimbursement under this Agreement.

__ Travel expenses ARE eligible for reimbursement under this Agreement. Bills for travel expenses specifically authorized in this Agreement shall be submitted on the Department's Contractor Travel Form No. 300-000-06 and will be paid in accordance with Section 112.061, Florida Statutes, and the most current version of the Department's Disbursement Handbook for Employees and Managers.

f. Financial Consequences. Payment shall be made only after receipt and approval of deliverables and costs incurred unless advance payments are authorized by the Chief Financial Officer of the State of Florida under Chapters 215 and 216, Florida Statutes, or the Department's Comptroller under Section 334.044(29), Florida Statutes. If the Department determines that the performance of the Agency is unsatisfactory, the Department shall notify the Agency of the deficiency to be corrected, which correction shall be made within a time-frame to be specified by the Department. The Agency shall, within thirty (30) days after notice from the Department, provide the Department with a corrective action plan describing how the Agency will address all issues of contract non-performance, unacceptable performance, failure to meet the minimum performance levels, deliverable deficiencies, or contract non-compliance. If the corrective action plan is unacceptable to the Department, the Agency will not be reimbursed. If the deficiency is subsequently resolved, the Agency may bill the Department for the amount that was previously not reimbursed during the next billing period. If the Agency is unable to resolve the deficiency, the funds shall be forfeited at the end of the Agreement's term.

g. Invoice Processing. An Agency receiving financial assistance from the Department should be aware of the following time frames. Inspection or verification and approval of deliverables shall take no longer than 20 days from the Department's receipt of the invoice. The Department has 20 days to deliver a request for payment (voucher) to the Department of Financial Services. The 20 days are measured from the latter of the date the invoice is received or the deliverables are received, inspected or verified, and approved.

If a payment is not available within 40 days, a separate interest penalty at a rate as established pursuant to Section 55.03(1), Florida Statutes, will be due and payable, in addition to the invoice amount, to the Agency. Interest penalties of less than one (1) dollar will not be enforced unless the Agency requests payment. Invoices that have to be returned to an Agency because of Agency preparation errors will result in a delay in the payment. The invoice payment requirements do not start until a properly completed invoice is provided to the Department.

A Vendor Ombudsman has been established within the Department of Financial Services. The duties of this individual include acting as an advocate for Agency who may be experiencing problems in obtaining timely payment(s) from a state agency. The Vendor Ombudsman may be contacted at (850) 413-5516.

h. Records Retention. The Agency shall maintain an accounting system or separate accounts to ensure funds and projects are tracked separately. Records of costs incurred under the terms of this Agreement shall be maintained and made available upon request to the Department at all times during the period of this Agreement and for five years after final payment is made. Copies of these records shall be furnished to the Department upon request. Records of costs incurred include the Agency's general accounting records and the Project records, together with supporting documents and records, of the Contractor and all subcontractors performing work on the Project, and all other records of the Contractor and subcontractors considered necessary by the Department for a proper audit of costs.

i. Progress Reports. Upon request, the Agency agrees to provide progress reports to the Department in the standard format used by the Department and at intervals established by the

Department. The Department will be entitled at all times to be advised, at its request, as to the status of the Project and of details thereof.

j. Submission of Other Documents. The Agency shall submit to the Department such data, reports, records, contracts, and other documents relating to the Project as the Department may require as listed in **Exhibit "E", Program Specific Terms and Conditions** attached to and incorporated into this Agreement.

k. Offsets for Claims. If, after Project completion, any claim is made by the Department resulting from an audit or for work or services performed pursuant to this Agreement, the Department may offset such amount from payments due for work or services done under any agreement that it has with the Agency owing such amount if, upon written demand, payment of the amount is not made within 60 days to the Department. Offsetting any amount pursuant to this paragraph shall not be considered a breach of contract by the Department.

l. Final Invoice. The Agency must submit the final invoice on the Project to the Department within 120 days after the completion of the Project. Invoices submitted after the 120-day time period may not be paid.

m. Department's Performance and Payment Contingent Upon Annual Appropriation by the Legislature. The Department's performance and obligation to pay under this Agreement is contingent upon an annual appropriation by the Legislature. If the Department's funding for this Project is in multiple fiscal years, a notice of availability of funds from the Department's project manager must be received prior to costs being incurred by the Agency. See **Exhibit "B", Schedule of Financial Assistance** for funding levels by fiscal year. Project costs utilizing any fiscal year funds are not eligible for reimbursement if incurred prior to funds approval being received. The Department will notify the Agency, in writing, when funds are available.

n. Limits on Contracts Exceeding $25,000 and Term more than 1 Year. In the event this Agreement is in excess of $25,000 and has a term for a period of more than one year, the provisions of Section 339.135(6)(a), Florida Statutes, are hereby incorporated:

> "The Department, during any fiscal year, shall not expend money, incur any liability, or enter into any contract which, by its terms, involves the expenditure of money in excess of the amounts budgeted as available for expenditure during such fiscal year. Any contract, verbal or written, made in violation of this subsection is null and void, and no money may be paid on such contract. The Department shall require a statement from the comptroller of the Department that funds are available prior to entering into any such contract or other binding commitment of funds. Nothing herein contained shall prevent the making of contracts for periods exceeding 1 year, but any contract so made shall be executory only for the value of the services to be rendered or agreed to be paid for in succeeding fiscal years; and this paragraph shall be incorporated verbatim in all contracts of the Department which are for an amount in excess of $25,000 and which have a term for a period of more than 1 year."

o. Agency Obligation to Refund Department. Any Project funds made available by the Department pursuant to this Agreement that are determined by the Department to have been expended by the Agency in violation of this Agreement or any other applicable law or regulation shall be promptly refunded in full to the Department. Acceptance by the Department of any documentation or certifications, mandatory or otherwise permitted, that the Agency files shall not constitute a waiver of the Department's rights as the funding agency to verify all information at a later date by audit or investigation.

p. Non-Eligible Costs. In determining the amount of the payment, the Department will exclude all Project costs incurred by the Agency prior to the execution of this Agreement, costs incurred after the expiration of the Agreement, costs that are not provided for in **Exhibit "A"**, **Project Description and Responsibilities**, and as set forth in **Exhibit "B", Schedule of Financial Assistance**, costs agreed to be borne by the Agency or its contractors and subcontractors for not meeting the Project commencement and final invoice time lines, and costs attributable to goods or services received under a contract or other arrangement that has not been approved in writing by the Department. Specific unallowable costs may be listed in **Exhibit "A"**, **Project Description and Responsibilities.**

11. General Requirements. The Agency shall complete the Project with all practical dispatch in a sound, economical, and efficient manner, and in accordance with the provisions in this Agreement and all applicable laws.

a. Necessary Permits Certification. The Agency shall certify to the Department that the Agency's design consultant and/or construction contractor has secured the necessary permits.

b. Right-of-Way Certification. If the Project involves construction, then the Agency shall provide to the Department certification and a copy of appropriate documentation substantiating that all required right-of-way necessary for the Project has been obtained. Certification is required prior to authorization for advertisement for or solicitation of bids for construction of the Project, even if no right-of-way is required.

c. Notification Requirements When Performing Construction on Department's Right-of-Way. In the event the cost of the Project is greater than $250,000.00, and the Project involves construction on the Department's right-of-way, the Agency shall provide the Department with written notification of either its intent to:

i. Require the construction work of the Project that is on the Department's right-of-way to be performed by a Department prequalified contractor, or

ii. Construct the Project utilizing existing Agency employees, if the Agency can complete said Project within the time frame set forth in this Agreement.

d. __ If this box is checked, then the Agency is permitted to utilize its own forces and the following provision applies: **Use of Agency Workforce.** In the event the Agency proceeds with any phase of the Project utilizing its own forces, the Agency will only be reimbursed for direct costs (this excludes general overhead).

e. __ If this box is checked, then the Agency is permitted to utilize **Indirect Costs: Reimbursement for Indirect Program Expenses** (select one):

i. __ Agency has selected to seek reimbursement from the Department for actual indirect expenses (no rate).

ii. __ Agency has selected to apply a de minimus rate of 15% to modified total direct costs. Note: The de minimus rate is available only to entities that have never had a negotiated indirect cost rate. When selected, the de minimus rate must be used consistently for all federal awards until such time the agency chooses to negotiate a rate. A cost policy statement and de minimis certification form must be submitted to the Department for review and approval.

iii. __ Agency has selected to apply a state or federally approved indirect cost rate. A federally approved rate agreement or indirect cost allocation plan (ICAP) must be submitted annually.

f. **Agency Compliance with Laws, Rules, and Regulations, Guidelines, and Standards.** The Agency shall comply and require its contractors and subcontractors to comply with all terms and conditions of this Agreement and all federal, state, and local laws and regulations applicable to this Project.

g. **Claims and Requests for Additional Work.** The Agency shall have the sole responsibility for resolving claims and requests for additional work for the Project. The Agency will make best efforts to obtain the Department's input in its decisions. The Department is not obligated to reimburse for claims or requests for additional work.

12. Contracts of the Agency:

a. **Approval of Third Party Contracts.** The Department specifically reserves the right to review and approve any and all third party contracts with respect to the Project before the Agency executes or obligates itself in any manner requiring the disbursement of Department funds, including consultant and purchase of commodities contracts, or amendments thereto. If the Department chooses to review and approve third party contracts for this Project and the Agency fails to obtain such approval, that shall be sufficient cause for nonpayment by the Department. The Department specifically reserves unto itself the right to review the qualifications of any consultant or contractor and to approve or disapprove the employment of the same. If Federal Transit Administration (FTA) funds are used in the Project, the Department must exercise the right to third party contract review.

b. **Procurement of Commodities or Contractual Services.** It is understood and agreed by the Parties hereto that participation by the Department in a project with the Agency, where said project involves the purchase of commodities or contractual services where purchases or costs exceed the Threshold Amount for CATEGORY TWO per Section 287.017, Florida Statutes, is contingent on the Agency complying in full with the provisions of Section 287.057, Florida Statutes. The Agency's Authorized Official shall certify to the Department that the Agency's purchase of commodities or contractual services has been accomplished in compliance with Section 287.057, Florida Statutes. It shall be the sole responsibility of the Agency to ensure that any obligations made in accordance with this Section comply with the current threshold limits. Contracts, purchase orders, task orders, construction change orders, or any other agreement that would result in exceeding the current budget contained in **Exhibit "B", Schedule of Financial Assistance**, or that is not consistent with the Project description and scope of services contained in **Exhibit "A", Project Description and Responsibilities** must be approved by the Department prior to Agency execution. Failure to obtain such approval, and subsequent execution of an amendment to the Agreement if required, shall be sufficient cause for nonpayment by the Department, in accordance with this Agreement.

c. **Consultants' Competitive Negotiation Act.** It is understood and agreed by the Parties to this Agreement that participation by the Department in a project with the Agency, where said project involves a consultant contract for professional services, is contingent on the Agency's full compliance with provisions of Section 287.055, Florida Statutes, Consultants' Competitive Negotiation Act. In all cases, the Agency's Authorized Official shall certify to the Department that selection has been accomplished in compliance with the Consultants' Competitive Negotiation Act.

d. **Disadvantaged Business Enterprise (DBE) Policy and Obligation.** It is the policy of the Department that DBEs, as defined in 49 C.F.R. Part 26, as amended, shall have the opportunity to participate in the performance of contracts financed in whole or in part with Department funds under this Agreement. The DBE requirements of applicable federal and state laws and regulations apply to this Agreement. The Agency and its contractors agree to ensure that DBEs have the opportunity to participate in the performance of this Agreement. In this regard, all recipients and contractors shall take all necessary and reasonable steps in accordance with applicable federal and state laws and regulations to ensure that the DBEs

have the opportunity to compete for and perform contracts. The Agency and its contractors and subcontractors shall not discriminate on the basis of race, color, national origin or sex in the award and performance of contracts, entered pursuant to this Agreement.

13. **Maintenance Obligations**. In the event the Project includes construction or the acquisition of commodities then the following provisions are incorporated into this Agreement:

    a. The Agency agrees to accept all future maintenance and other attendant costs occurring after completion of the Project for all improvements constructed or commodities acquired as part of the Project. The terms of this provision shall survive the termination of this Agreement.

14. **Sale, Transfer, or Disposal of Department-funded Property:**

    a. The Agency will not sell or otherwise transfer or dispose of any part of its title or other interests in real property, facilities, or equipment funded in any part by the Department under this Agreement without prior written approval by the Department.

    b. If a sale, transfer, or disposal by the Agency of all or a portion of Department-funded real property, facilities, or equipment is approved by the Department, the following provisions will apply:

        i. The Agency shall reimburse the Department a proportional amount of the proceeds of the sale of any Department-funded property.

        ii. The proportional amount shall be determined on the basis of the ratio of the Department funding of the development or acquisition of the property multiplied against the sale amount, and shall be remitted to the Department within ninety (90) days of closing of sale.

        iii. Sale of property developed or acquired with Department funds shall be at market value as determined by appraisal or public bidding process, and the contract and process for sale must be approved in advance by the Department.

        iv. If any portion of the proceeds from the sale to the Agency are non-cash considerations, reimbursement to the Department shall include a proportional amount based on the value of the non-cash considerations.

    c. The terms of provisions “a” and “b” above shall survive the termination of this Agreement.

        i. The terms shall remain in full force and effect throughout the useful life of facilities developed, equipment acquired, or Project items installed within a facility, but shall not exceed twenty (20) years from the effective date of this Agreement.

        ii. There shall be no limit on the duration of the terms with respect to real property acquired with Department funds.

15. **Single Audit.** The administration of Federal or State resources awarded through the Department to the Agency by this Agreement may be subject to audits and/or monitoring by the Department. The following requirements do not limit the authority of the Department to conduct or arrange for the conduct of additional audits or evaluations of Federal awards or State financial assistance or limit the authority of any state agency inspector general, the State of Florida Auditor General, or any other state official. The Agency shall comply with all audit and audit reporting requirements as specified below.

    Federal Funded:

a. In addition to reviews of audits conducted in accordance with 2 CFR Part 200, Subpart F – Audit Requirements, monitoring procedures may include but not be limited to on-site visits by Department staff and/or other procedures, including reviewing any required performance and financial reports, following up, ensuring corrective action, and issuing management decisions on weaknesses found through audits when those findings pertain to Federal awards provided through the Department by this Agreement. By entering into this Agreement, the Agency agrees to comply and cooperate fully with any monitoring procedures/processes deemed appropriate by the Department. The Agency further agrees to comply and cooperate with any inspections, reviews, investigations, or audits deemed necessary by the Department, State of Florida Chief Financial Officer (CFO), or State of Florida Auditor General.

b. The Agency, a non-Federal entity as defined by 2 CFR Part 200, Subpart F – Audit Requirements, as a subrecipient of a Federal award awarded by the Department through this Agreement, is subject to the following requirements:

i. In the event the Agency expends a total amount of Federal awards equal to or in excess of the threshold established by 2 CFR Part 200, Subpart F – Audit Requirements, the Agency must have a Federal single or program-specific audit conducted for such fiscal year in accordance with the provisions of 2 CFR Part 200, Subpart F – Audit Requirements. **Exhibit "H", Audit Requirements for Awards of Federal Financial Assistance**, to this Agreement provides the required Federal award identification information needed by the Agency to further comply with the requirements of 2 CFR Part 200, Subpart F – Audit Requirements. In determining Federal awards expended in a fiscal year, the Agency must consider all sources of Federal awards based on when the activity related to the Federal award occurs, including the Federal award provided through the Department by this Agreement. The determination of amounts of Federal awards expended should be in accordance with the guidelines established by 2 CFR Part 200, Subpart F – Audit Requirements. An audit conducted by the State of Florida Auditor General in accordance with the provisions of 2 CFR Part 200, Subpart F – Audit Requirements, will meet the requirements of this part.

ii. In connection with the audit requirements, the Agency shall fulfill the requirements relative to the auditee responsibilities as provided in 2 CFR Part 200, Subpart F – Audit Requirements.

iii. In the event the Agency expends less than the threshold established by 2 CFR Part 200, Subpart F – Audit Requirements, in Federal awards, the Agency is exempt from Federal audit requirements for that fiscal year. However, the Agency must provide a single audit exemption statement to the Department at FDOTSingleAudit@dot.state.fl.us no later than nine months after the end of the Agency's audit period for each applicable audit year. In the event the Agency expends less than the threshold established by 2 CFR Part 200, Subpart F – Audit Requirements, in Federal awards in a fiscal year and elects to have an audit conducted in accordance with the provisions of 2 CFR Part 200, Subpart F – Audit Requirements, the cost of the audit must be paid from non-Federal resources (*i.e.*, the cost of such an audit must be paid from the Agency's resources obtained from other than Federal entities).

iv. The Agency must electronically submit to the Federal Audit Clearinghouse (FAC) at https://harvester.census.gov/facweb/ the audit reporting package as required by 2 CFR Part 200, Subpart F – Audit Requirements, within the earlier of 30 calendar days after receipt of the auditor's report(s) or nine months after the end of the audit period. The FAC is the repository of record for audits required by 2 CFR Part 200, Subpart F – Audit Requirements. However, the Department requires a copy of the audit reporting package also be submitted to FDOTSingleAudit@dot.state.fl.us within the earlier of

30 calendar days after receipt of the auditor's report(s) or nine months after the end of the audit period as required by 2 CFR Part 200, Subpart F – Audit Requirements.

v. Within six months of acceptance of the audit report by the FAC, the Department will review the Agency's audit reporting package, including corrective action plans and management letters, to the extent necessary to determine whether timely and appropriate action on all deficiencies has been taken pertaining to the Federal award provided through the Department by this Agreement. If the Agency fails to have an audit conducted in accordance with 2 CFR Part 200, Subpart F – Audit Requirements, the Department may impose additional conditions to remedy noncompliance. If the Department determines that noncompliance cannot be remedied by imposing additional conditions, the Department may take appropriate actions to enforce compliance, which actions may include but not be limited to the following:

1. Temporarily withhold cash payments pending correction of the deficiency by the Agency or more severe enforcement action by the Department;
2. Disallow (deny both use of funds and any applicable matching credit for) all or part of the cost of the activity or action not in compliance;
3. Wholly or partly suspend or terminate the Federal award;
4. Initiate suspension or debarment proceedings as authorized under 2 C.F.R. Part 180 and Federal awarding agency regulations (or in the case of the Department, recommend such a proceeding be initiated by the Federal awarding agency);
5. Withhold further Federal awards for the Project or program;
6. Take other remedies that may be legally available.

vi. As a condition of receiving this Federal award, the Agency shall permit the Department or its designee, the CFO, or State of Florida Auditor General access to the Agency's records, including financial statements, the independent auditor's working papers, and project records as necessary. Records related to unresolved audit findings, appeals, or litigation shall be retained until the action is complete or the dispute is resolved.

vii. The Department's contact information for requirements under this part is as follows:

Office of Comptroller, MS 24
605 Suwannee Street
Tallahassee, Florida 32399-0450
FDOTSingleAudit@dot.state.fl.us

State Funded:

a. In addition to reviews of audits conducted in accordance with Section 215.97, Florida Statutes, monitoring procedures to monitor the Agency's use of state financial assistance may include but not be limited to on-site visits by Department staff and/or other procedures, including reviewing any required performance and financial reports, following up, ensuring corrective action, and issuing management decisions on weaknesses found through audits when those findings pertain to state financial assistance awarded through the Department by this Agreement. By entering into this Agreement, the Agency agrees to comply and cooperate fully with any monitoring procedures/processes deemed appropriate by the Department. The Agency further agrees to comply and cooperate with any inspections, reviews, investigations, or audits deemed necessary by the Department, the Department of Financial Services (DFS), or State of Florida Auditor General.

b. The Agency, a "nonstate entity" as defined by Section 215.97, Florida Statutes, as a recipient of state financial assistance awarded by the Department through this Agreement, is subject to the following requirements:

i. In the event the Agency meets the audit threshold requirements established by Section 215.97, Florida Statutes, the Agency must have a State single or project-specific audit conducted for such fiscal year in accordance with Section 215.97, Florida Statutes; applicable rules of the Department of Financial Services; and Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General. **Exhibit "G", Audit Requirements for Awards of State Financial Assistance,** to this Agreement indicates state financial assistance awarded through the Department by this Agreement needed by the Agency to further comply with the requirements of Section 215.97, Florida Statutes. In determining the state financial assistance expended in a fiscal year, the Agency shall consider all sources of state financial assistance, including state financial assistance received from the Department by this Agreement, other state agencies, and other nonstate entities. State financial assistance does not include Federal direct or pass-through awards and resources received by a nonstate entity for Federal program matching requirements.

ii. In connection with the audit requirements, the Agency shall ensure that the audit complies with the requirements of Section 215.97(8), Florida Statutes. This includes submission of a financial reporting package as defined by Section 215.97(2)(e), Florida Statutes, and Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General.

iii. In the event the Agency does not meet the audit threshold requirements established by Section 215.97, Florida Statutes, the Agency is exempt for such fiscal year from the state single audit requirements of Section 215.97, Florida Statutes. However, the Agency must provide a single audit exemption statement to the Department at FDOTSingleAudit@dot.state.fl.us no later than nine months after the end of the Agency's audit period for each applicable audit year. In the event the Agency does not meet the audit threshold requirements established by Section 215.97, Florida Statutes, in a fiscal year and elects to have an audit conducted in accordance with the provisions of Section 215.97, Florida Statutes, the cost of the audit must be paid from the Agency's resources (*i.e.*, the cost of such an audit must be paid from the Agency's resources obtained from other than State entities).

iv. In accordance with Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General, copies of financial reporting packages required by this Agreement shall be submitted to:

Florida Department of Transportation
Office of Comptroller, MS 24
605 Suwannee Street
Tallahassee, Florida 32399-0405
FDOTSingleAudit@dot.state.fl.us

And

State of Florida Auditor General
Local Government Audits/342
111 West Madison Street, Room 401
Tallahassee, FL 32399-1450
Email: flaudgen_localgovt@aud.state.fl.us

v. Any copies of financial reporting packages, reports, or other information required to be submitted to the Department shall be submitted timely in accordance with Section 215.97, Florida Statutes, and Chapters 10.550 (local governmental entities) or

10.650 (nonprofit and for-profit organizations), Rules of the Auditor General, as applicable.

vi. The Agency, when submitting financial reporting packages to the Department for audits done in accordance with Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General, should indicate the date the reporting package was delivered to the Agency in correspondence accompanying the reporting package.

vii. Upon receipt, and within six months, the Department will review the Agency's financial reporting package, including corrective action plans and management letters, to the extent necessary to determine whether timely and appropriate corrective action on all deficiencies has been taken pertaining to the state financial assistance provided through the Department by this Agreement. If the Agency fails to have an audit conducted consistent with Section 215.97, Florida Statutes, the Department may take appropriate corrective action to enforce compliance.

viii. As a condition of receiving state financial assistance, the Agency shall permit the Department or its designee, DFS, or the Auditor General access to the Agency's records, including financial statements, the independent auditor's working papers, and project records as necessary. Records related to unresolved audit findings, appeals, or litigation shall be retained until the action is complete or the dispute is resolved.

c. The Agency shall retain sufficient records demonstrating its compliance with the terms of this Agreement for a period of five years from the date the audit report is issued and shall allow the Department or its designee, DFS, or State of Florida Auditor General access to such records upon request. The Agency shall ensure that the audit working papers are made available to the Department or its designee, DFS, or State of Florida Auditor General upon request for a period of five years from the date the audit report is issued, unless extended in writing by the Department.

16. Notices and Approvals. Notices and approvals referenced in this Agreement must be obtained in writing from the Parties' respective Administrators or their designees.

17. Restrictions, Prohibitions, Controls and Labor Provisions:

a. Convicted Vendor List. A person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid on a contract to provide any goods or services to a public entity; may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work; may not submit bids on leases of real property to a public entity; may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity; and may not transact business with any public entity in excess of the threshold amount provided in Section 287.017, Florida Statutes, for CATEGORY TWO for a period of 36 months from the date of being placed on the convicted vendor list.

b. Discriminatory Vendor List. In accordance with Section 287.134, Florida Statutes, an entity or affiliate who has been placed on the Discriminatory Vendor List, kept by the Florida Department of Management Services, may not submit a bid on a contract to provide goods or services to a public entity; may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work; may not submit bids on leases of real property to a public entity; may not be awarded or perform work as a contractor, supplier,

subcontractor, or consultant under a contract with any public entity; and may not transact business with any public entity.

c. Non-Responsible Contractors. An entity or affiliate who has had its Certificate of Qualification suspended, revoked, denied, or have further been determined by the Department to be a non-responsible contractor, may not submit a bid or perform work for the construction or repair of a public building or public work on a contract with the Agency.

d. Prohibition on Using Funds for Lobbying. No funds received pursuant to this Agreement may be expended for lobbying the Florida Legislature, judicial branch, or any state agency, in accordance with Section 216.347, Florida Statutes.

e. Unauthorized Aliens. The Department shall consider the employment by any contractor of unauthorized aliens a violation of Section 274A(e) of the Immigration and Nationality Act. If the contractor knowingly employs unauthorized aliens, such violation will be cause for unilateral cancellation of this Agreement.

f. Procurement of Construction Services. If the Project is procured pursuant to Chapter 255, Florida Statutes, for construction services and at the time of the competitive solicitation for the Project, 50 percent or more of the cost of the Project is to be paid from state-appropriated funds, then the Agency must comply with the requirements of Section 255.0991, Florida Statutes.

g. E-Verify. The Agency shall:

i. Utilize the U.S. Department of Homeland Security's E-Verify system to verify the employment eligibility of all new employees hired by the Agency during the term of the contract; and

ii. Expressly require any subcontractors performing work or providing services pursuant to the state contract to likewise utilize the U.S. Department of Homeland Security's E-Verify system to verify the employment eligibility of all new employees hired by the subcontractor during the contract term.

h. Projects with Non-profit Organizations. Pursuant to Section 216.1366. Florida Statutes, if the Agency is a nonprofit organization as defined in Section 215.97(2)(m), Florida Statutes, the Agency shall provide documentation to indicate the amount of state funds:

i. Allocated to be used during the full term of this Agreement for remuneration to any member of the board of directors or an officer of the Agency

ii. Allocated under each payment by the Department to be used for remuneration of any member of the board of directors or an officer of the Agency. The documentation must indicate the amounts and recipients of the remuneration.

Such information will be posted by the Department to the Florida Accountability Contract Tracking System maintained pursuant to Section 215.985, F.S., and must additionally be posted to the Agency's website, if the Agency is a non-profit organization and maintains a website. The Agency shall utilize the Department's Form 350-090-19, Compensation to Non-Profits Using State Funds, for purposes of documenting the compensation. The subject Form is required for every contract for services executed, amended, or extended on or after July 1, 2023, with non-profit organizations.

Pursuant to Section 216.1366, F.S., the term:

i. "Officer" means a chief executive officer, chief financial officer, chief operating officer, or any other position performing and equivalent function.
ii. "Remuneration" means all compensation earned by or awarded to personnel, whether paid or accrued, regardless of contingency, including bonuses, accrued paid time off, severance payments, incentive payments, contributions to a retirement plan or in-kind payments, reimbursements, or allowances for moving expenses, vehicles and other transportation, telephone services, medical services, housing and meals.
iii. "State Funds" means funds paid from the General Revenue Fund or any state trust fund, funds allocated by the Federal Government and distributed by the state, or funds appropriated by the Federal Government and distributed by the state, or funds appropriated by the state for distribution through any grant program. The term does not include funds used for the Medicaid program.

i. Design Services and Construction Engineering and Inspection Services. If the Project is wholly or partially funded by the Department and administered by a local governmental entity, except for a seaport listed in Section 311.09, Florida Statutes, or an airport as defined in Section 332.004, Florida Statutes, the entity performing design and construction engineering and inspection services may not be the same entity.

18. Indemnification and Insurance:

a. It is specifically agreed between the Parties executing this Agreement that it is not intended by any of the provisions of any part of this Agreement to create in the public or any member thereof, a third party beneficiary under this Agreement, or to authorize anyone not a party to this Agreement to maintain a suit for personal injuries or property damage pursuant to the terms or provisions of this Agreement. The Agency guarantees the payment of all just claims for materials, supplies, tools, or labor and other just claims against the Agency or any subcontractor, in connection with this Agreement. Additionally, the Agency shall indemnify, defend, and hold harmless the State of Florida, Department of Transportation, including the Department's officers and employees, from liabilities, damages, losses, and costs, including, but not limited to, reasonable attorney's fees, to the extent caused by the negligence, recklessness, or intentional wrongful misconduct of the Agency and persons employed or utilized by the Agency in the performance of this Agreement. This indemnification shall survive the termination of this Agreement. Additionally, the Agency agrees to include the following indemnification in all contracts with contractors/subcontractors and consultants/subconsultants who perform work in connection with this Agreement:

"To the fullest extent permitted by law, the Agency's contractor/consultant shall indemnify, defend, and hold harmless the Agency and the State of Florida, Department of Transportation, including the Department's officers and employees, from liabilities, damages, losses and costs, including, but not limited to, reasonable attorney's fees, to the extent caused by the negligence, recklessness or intentional wrongful misconduct of the contractor/consultant and persons employed or utilized by the contractor/consultant in the performance of this Agreement.

This indemnification shall survive the termination of this Agreement."

b. The Agency shall provide Workers' Compensation Insurance in accordance with Florida's Workers' Compensation law for all employees. If subletting any of the work, ensure that the subcontractor(s) and subconsultant(s) have Workers' Compensation Insurance for their employees in accordance with Florida's Workers' Compensation law. If using "leased employees" or employees obtained through professional employer organizations ("PEO's"), ensure that such employees are covered by Workers' Compensation Insurance through the PEO's or other leasing entities. Ensure that any equipment rental agreements that include operators or other personnel who are employees of independent contractors, sole

proprietorships, or partners are covered by insurance required under Florida's Workers' Compensation law.

c. If the Agency elects to self-perform the Project, then the Agency may self-insure. If the Agency elects to hire a contractor or consultant to perform the Project, then the Agency shall carry, or cause its contractor or consultant to carry, Commercial General Liability insurance providing continuous coverage for all work or operations performed under this Agreement. Such insurance shall be no more restrictive than that provided by the latest occurrence form edition of the standard Commercial General Liability Coverage Form (ISO Form CG 00 01) as filed for use in the State of Florida. The Agency shall cause, or cause its contractor or consultant to cause, the Department to be made an Additional Insured as to such insurance. Such coverage shall be on an "occurrence" basis and shall include Products/Completed Operations coverage. The coverage afforded to the Department as an Additional Insured shall be primary as to any other available insurance and shall not be more restrictive than the coverage afforded to the Named Insured. The limits of coverage shall not be less than $1,000,000 for each occurrence and not less than a $5,000,000 annual general aggregate, inclusive of amounts provided by an umbrella or excess policy. The limits of coverage described herein shall apply fully to the work or operations performed under the Agreement, and may not be shared with or diminished by claims unrelated to the Agreement. The policy/ies and coverage described herein may be subject to a deductible and such deductibles shall be paid by the Named Insured. No policy/ies or coverage described herein may contain or be subject to a Retention or a Self-Insured Retention unless the Agency is a state agency or subdivision of the State of Florida that elects to self-perform the Project. Prior to the execution of the Agreement, and at all renewal periods which occur prior to final acceptance of the work, the Department shall be provided with an ACORD Certificate of Liability Insurance reflecting the coverage described herein. The Department shall be notified in writing within ten days of any cancellation, notice of cancellation, lapse, renewal, or proposed change to any policy or coverage described herein. The Department's approval or failure to disapprove any policy/ies, coverage, or ACORD Certificates shall not relieve or excuse any obligation to procure and maintain the insurance required herein, nor serve as a waiver of any rights or defenses the Department may have.

d. When the Agreement includes the construction of a railroad grade crossing, railroad overpass or underpass structure, or any other work or operations within the limits of the railroad right-of-way, including any encroachments thereon from work or operations in the vicinity of the railroad right-of-way, the Agency shall, or cause its contractor to, in addition to the insurance coverage required above, procure and maintain Railroad Protective Liability Coverage (ISO Form CG 00 35) where the railroad is the Named Insured and where the limits are not less than $2,000,000 combined single limit for bodily injury and/or property damage per occurrence, and with an annual aggregate limit of not less than $6,000,000. The railroad shall also be added along with the Department as an Additional Insured on the policy/ies procured pursuant to the paragraph above. Prior to the execution of the Agreement, and at all renewal periods which occur prior to final acceptance of the work, both the Department and the railroad shall be provided with an ACORD Certificate of Liability Insurance reflecting the coverage described herein. The insurance described herein shall be maintained through final acceptance of the work. Both the Department and the railroad shall be notified in writing within ten days of any cancellation, notice of cancellation, renewal, or proposed change to any policy or coverage described herein. The Department's approval or failure to disapprove any policy/ies, coverage, or ACORD Certificates shall not relieve or excuse any obligation to procure and maintain the insurance required herein, nor serve as a waiver of any rights the Department may have.

e. When the Agreement involves work on or in the vicinity of utility-owned property or facilities, the utility shall be added along with the Department as an Additional Insured on the Commercial General Liability policy/ies procured above.

19. Miscellaneous:

a. Environmental Regulations. The Agency will be solely responsible for compliance with all applicable environmental regulations and for any liability arising from non-compliance with these regulations, and will reimburse the Department for any loss incurred in connection therewith.

b. Non-Admission of Liability. In no event shall the making by the Department of any payment to the Agency constitute or be construed as a waiver by the Department of any breach of covenant or any default which may then exist on the part of the Agency and the making of such payment by the Department, while any such breach or default shall exist, shall in no way impair or prejudice any right or remedy available to the Department with respect to such breach or default.

c. Severability. If any provision of this Agreement is held invalid, the remainder of this Agreement shall not be affected. In such an instance, the remainder would then continue to conform to the terms and requirements of applicable law.

d. Agency not an agent of Department. The Agency and the Department agree that the Agency, its employees, contractors, subcontractors, consultants, and subconsultants are not agents of the Department as a result of this Agreement.

e. Bonus or Commission. By execution of the Agreement, the Agency represents that it has not paid and, also agrees not to pay, any bonus or commission for the purpose of obtaining an approval of its application for the financing hereunder.

f. Non-Contravention of State Law. Nothing in the Agreement shall require the Agency to observe or enforce compliance with any provision or perform any act or do any other thing in contravention of any applicable state law. If any of the provisions of the Agreement violate any applicable state law, the Agency will at once notify the Department in writing so that appropriate changes and modifications may be made by the Department and the Agency to the end that the Agency may proceed as soon as possible with the Project.

g. Execution of Agreement. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which shall constitute the same Agreement. A facsimile or electronic transmission of this Agreement with a signature on behalf of a party will be legal and binding on such party.

h. Federal Award Identification Number (FAIN). If the FAIN is not available prior to execution of the Agreement, the Department may unilaterally add the FAIN to the Agreement without approval of the Agency and without an amendment to the Agreement. If this occurs, an updated Agreement that includes the FAIN will be provided to the Agency and uploaded to the Department of Financial Services' Florida Accountability Contract Tracking System (FACTS).

i. Inspector General Cooperation. The Agency agrees to comply with Section 20.055(5), Florida Statutes, and to incorporate in all subcontracts the obligation to comply with Section 20.055(5), Florida Statutes.

j. Law, Forum, and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida. In the event of a conflict between any portion of the contract and Florida law, the laws of Florida shall prevail. The Agency agrees to waive forum

and venue and that the Department shall determine the forum and venue in which any dispute under this Agreement is decided.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the day and year written above.

AGENCY Ocean Highway and Port Authority

By: _____

Name: _____

Title: _____

STATE OF FLORIDA, DEPARTMENT OF TRANSPORTATION

By: _____

Name: Authorized Official or James M. Knight, P.E.

Title: Urban Planning & Modal Administrator

STATE OF FLORIDA, DEPARTMENT OF TRANSPORTATION
Legal Review:

_____

EXHIBIT A

Project Description and Responsibilities

A. Project Description (description of Agency's project to provide context, description of project components funded via this Agreement (if not the entire project)): PORT OF FERNANDINA USCBP ON PORT FACILITY

B. Project Location (limits, city, county, map): Fernandina Beach, FLORIDA

C. Project Scope (allowable costs: describe project components, improvement type/service type, approximate timeline, project schedule, project size): This Project includes the work required to complete the on-port planning and/or construction activities related to the development of a United States Customs & Border Patrol (USCBP) facility including: consulting services including consultant and design fees; cost estimates; economic assessments; environmental assessments; equipment requirements; geographic analysis; geotechnical analysis; historic resource studies; landside planning studies; mitigation assessment; stormwater management plans; operational analysis; space planning; physical planning; plan development (e.g., 30 / 60 / 90 / 100 % and as-builts); facilitation of plan reviews; finalize design documents, including detailed drawings and specifications; architectural layouts; permitting; preconstruction engineering and design.

Construction work required to complete the building development, including: aluminum; anchoring components; asphalt paving activities; assemblage; backfilling; compaction; concrete; concrete repair; concrete sealing treatment; construction; construction inspection services; construction management services; consulting services; contractor stand-by; conveyor systems; costs estimates; demobilization; demolition; dewatering; drainage systems; doors; drywall; dust control systems; earthwork; electrical systems; elevators; engineering services; entrance canopies; erection of pre-fabricated structure(s); exterior finishes; environmental assessments; fasteners and connectors; fencing; fire protection systems; flooring; framing; form work; geotechnical services; glass and glazing; ground covering; handrails; insulation; interior divider walls; interior finishes; lighting systems; loading dock leveler; masonry; mitigation assessments; mobilization; permitting; plan development (e.g., 30 / 60 / 90 / 100 % and as-builts); plumbing systems; precast concrete; preconstruction engineering and design; procurement cost; ramps; rebar; roofing systems; security systems; soil improvement work; shore and slope protection; siding; signage and way finding; steel; stairways; storage rack systems; stormwater management; structural components; surveying; temporary structures; temperature control system; thermal barriers; ventilation systems; utilities; and, windows.

D. Deliverable(s):

The project scope identifies the ultimate project deliverables. Deliverables for requisition, payment and invoice purposes will be the incremental progress made toward completion of project scope elements. Supporting documentation will be quantifiable, measurable, and verifiable, to allow for a determination of the amount of incremental progress that has been made, and provide evidence that the payment requested is commensurate with the accomplished incremental progress and costs incurred by the Agency.

E. Unallowable Costs (including but not limited to): Travel costs are not allowed

F. Transit Operating Grant Requirements (Transit Only):

Transit Operating Grants billed as an operational subsidy will require an expenditure detail report from the Agency that matches the invoice period. The expenditure detail, along with the progress report, will be the required deliverables for Transit Operating Grants. Operating grants may be issued for a term not to exceed three years from execution. The original grant agreement will include funding for year one. Funding for years two and three will be added by amendment as long as the grantee has submitted all invoices on schedule and the project deliverables for the year have been met.

EXHIBIT B

Schedule of Financial Assistance

FUNDS AWARDED TO THE AGENCY AND REQUIRED MATCHING FUNDS PURSUANT TO THIS AGREEMENT CONSIST OF THE FOLLOWING:

A. Fund Type and Fiscal Year:

Financial Management Number	Fund Type	FLAIR Category	State Fiscal Year	Object Code	CSFA/ CFDA Number	CSFA/CFDA Title or Funding Source Description	Funding Amount
425897-2-94-01	PORT	088794	2026	751000	55.005	Seaport Grant Program	$146,314.00
425897-2-94-01	LF	088794	2026	--	--	Local Matching Funds	$146,314.00
	Total Financial Assistance						$292,628.00

B. Estimate of Project Costs by Grant Phase:

Phases*	State	Local	Federal	Totals	State %	Local %	Federal %
Land Acquisition	$0.00	$0.00	$0.00	$0.00	0.00	0.00	0.00
Planning	$0.00	$0.00	$0.00	$0.00	0.00	0.00	0.00
Environmental/ Design/ Construction	$146,314.00	$146,314.00	$0.00	$292,628.00	50.00	50.00	0.00
Capital Equipment/ Preventative Maintenance	$0.00	$0.00	$0.00	$0.00	0.00	0.00	0.00
Match to Direct Federal Funding	$0.00	$0.00	$0.00	$0.00	0.00	0.00	0.00
Mobility Management (Transit Only)	$0.00	$0.00	$0.00	$0.00	0.00	0.00	0.00
Totals	$146,314.00	$146,314.00	$0.00	$292,628.00			

*Shifting items between these grant phases requires execution of an Amendment to the Public Transportation Grant Agreement.

Scope Code and/or Activity Line Item (ALI) (Transit Only)	
Common Name/UZA Name (Transit Only)	

BUDGET/COST ANALYSIS CERTIFICATION AS REQUIRED BY SECTION 216.3475, FLORIDA STATUTES:

I certify that the cost for each line item budget category (grant phase) has been evaluated and determined to be allowable, reasonable, and necessary as required by Section 216.3475, Florida Statutes. Documentation is on file evidencing the methodology used and the conclusions reached.

Brian Austin

Department Grant Manager Name

Signature Date

EXHIBIT C

TERMS AND CONDITIONS OF CONSTRUCTION

1. Design and Construction Standards and Required Approvals.

a. The Agency understands that it is responsible for the preparation and certification of all design plans for the Project. The Agency shall hire a qualified consultant for the design phase of the Project or, if applicable, the Agency shall require their design-build contractor or construction management contractor to hire a qualified consultant for the design phase of the Project.

b. Execution of this Agreement by both Parties shall be deemed a Notice to Proceed to the Agency for the design phase or other non-construction phases of the Project. If the Project involves a construction phase, the Agency shall not begin the construction phase of the Project until the Department issues a Notice to Proceed for the construction phase. Prior to commencing the construction work described in this Agreement, the Agency shall request a Notice to Proceed from the Department's Project Manager, Kyle Coffman (email: kyle.coffman@dot.state.fl.us) or from an appointed designee. Any construction phase work performed prior to the execution of this required Notice to Proceed is not subject to reimbursement.

c. The Agency will provide one (1) copy of the final design plans and specifications and final bid documents to the Department's Project Manager prior to bidding or commencing construction of the Project.

d. The Agency shall require the Agency's contractor to post a payment and performance bond in accordance with applicable law(s).

e. The Agency shall be responsible to ensure that the construction work under this Agreement is performed in accordance with the approved construction documents, and that the construction work will meet all applicable Agency and Department standards.

f. Upon completion of the work authorized by this Agreement, the Agency shall notify the Department in writing of the completion of construction of the Project; and for all design work that originally required certification by a Professional Engineer, this notification shall contain an Engineer's Certification of Compliance, signed and sealed by a Professional Engineer, the form of which is attached to this Exhibit. The certification shall state that work has been completed in compliance with the Project construction plans and specifications. If any deviations are found from the approved plans or specifications, the certification shall include a list of all deviations along with an explanation that justifies the reason to accept each deviation.

2. Construction on the Department's Right of Way. If the Project involves construction on the Department's right-of-way, then the following provisions apply to any and all portions of the Project that are constructed on the Department's right-of-way:

a. The Agency shall hire a qualified contractor using the Agency's normal bid procedures to perform the construction work for the Project. The Agency must certify that the installation of the Project is completed by a Contractor prequalified by the Department as required by Section 2 of the Standard Specifications for Road and Bridge Construction (2016), as amended, unless otherwise approved by the Department in writing or the Contractor exhibits past project experience in the last five years that are comparable in scale, composition, and overall quality to the site characterized within the scope of services of this Project.

b. Construction Engineering Inspection (CEI) services will be provided by the Agency by hiring a Department prequalified consultant firm including one individual that has completed the Advanced Maintenance of Traffic Level Training, unless otherwise approved by the Department in writing. The CEI staff shall be present on the Project at all times that the contractor is working. Administration of the CEI staff shall be under the responsible charge of a State of Florida Licensed Professional Engineer who shall provide the certification that all design and construction for the Project meets the minimum construction standards established by Department. The Department shall approve all CEI personnel. The CEI firm shall not be the same firm as that of the Engineer of Record for the Project. The Department shall have the right, but not the obligation, to perform independent assurance testing during the course of construction of the Project. Notwithstanding the foregoing, the Department may issue a written waiver of the CEI requirement for portions of Projects involving the construction of bus shelters, stops, or pads.

c. The Project shall be designed and constructed in accordance with the latest edition of the Department's Standard Specifications for Road and Bridge Construction, the Department Design Standards, and the Manual of Uniform Traffic Control Devices (MUTCD). The following guidelines shall apply as deemed appropriate by the Department: the Department Structures Design Manual, AASHTO Guide Specifications for the Design of Pedestrian Bridges, AASHTO LRFD Bridge Design Specifications, Florida Design Manual, Manual for Uniform Minimum Standards for Design, Construction and Maintenance for Streets and Highways (the "Florida Green Book"), and the Department Traffic Engineering Manual. The Agency will be required to submit any construction plans required by the Department for review and approval prior to any work being commenced. Should any changes to the plans be required during construction of the Project, the Agency shall be required to notify the Department of the changes and receive approval from the Department prior to the changes being constructed. The Agency shall maintain the area of the Project at all times and coordinate any work needs of the Department during construction of the Project.

d. The Agency shall notify the Department a minimum of 48 hours before beginning construction within Department right-of-way. The Agency shall notify the Department should construction be suspended for more than 5 working days. The Department contact person for construction is __.

e. The Agency shall be responsible for monitoring construction operations and the maintenance of traffic (MOT) throughout the course of the Project in accordance with the latest edition of the Department Standard Specifications, section 102. The Agency is responsible for the development of a MOT plan and making any changes to that plan as necessary. The MOT plan shall be in accordance with the latest version of the Department Design Standards, Index 600 series. Any MOT plan developed by the Agency that deviates from the Department Design Standards must be signed and sealed by a professional engineer. MOT plans will require approval by the Department prior to implementation.

f. The Agency shall be responsible for locating all existing utilities, both aerial and underground, and for ensuring that all utility locations be accurately documented on the construction plans. All utility conflicts shall be fully resolved directly with the applicable utility.

g. The Agency will be responsible for obtaining all permits that may be required by other agencies or local governmental entities.

h. It is hereby agreed by the Parties that this Agreement creates a permissive use only and all improvements located on the Department's right-of-way resulting from this Agreement shall become the property of the Department. Neither the granting of the permission to use the Department right of way nor the placing of facilities upon the Department property shall operate to create or vest any property right to or in the Agency, except as may otherwise be provided in separate agreements. The Agency shall not acquire any right, title, interest or

estate in Department right of way, of any nature or kind whatsoever, by virtue of the execution, operation, effect, or performance of this Agreement including, but not limited to, the Agency's use, occupancy or possession of Department right of way. The Parties agree that this Agreement does not, and shall not be construed to, grant credit for any future transportation concurrency requirements pursuant to Chapter 163, F.S.

i. The Agency shall not cause any liens or encumbrances to attach to any portion of the Department's property, including but not limited to, the Department's right-of-way.

j. The Agency shall perform all required testing associated with the design and construction of the Project. Testing results shall be made available to the Department upon request. The Department shall have the right to perform its own independent testing during the course of the Project.

k. The Agency shall exercise the rights granted herein and shall otherwise perform this Agreement in a good and workmanlike manner, with reasonable care, in accordance with the terms and provisions of this Agreement and all applicable federal, state, local, administrative, regulatory, safety and environmental laws, codes, rules, regulations, policies, procedures, guidelines, standards and permits, as the same may be constituted and amended from time to time, including, but not limited to, those of the Department, applicable Water Management District, Florida Department of Environmental Protection, the United States Environmental Protection Agency, the United States Army Corps of Engineers, the United States Coast Guard and local governmental entities.

l. If the Department determines a condition exists which threatens the public's safety, the Department may, at its discretion, cause construction operations to cease and immediately have any potential hazards removed from its right-of-way at the sole cost, expense, and effort of the Agency. The Agency shall bear all construction delay costs incurred by the Department.

m. The Agency shall be responsible to maintain and restore all features that might require relocation within the Department right-of-way.

n. The Agency will be solely responsible for clean up or restoration required to correct any environmental or health hazards that may result from construction operations.

o. The acceptance procedure will include a final "walk-through" by Agency and Department personnel. Upon completion of construction, the Agency will be required to submit to the Department final as-built plans and an engineering certification that construction was completed in accordance to the plans. Submittal of the final as-built plans shall include one complete set of the signed and sealed plans on 11" X 17" plan sheets and an electronic copy prepared in Portable Document Format (PDF). Prior to the termination of this Agreement, the Agency shall remove its presence, including, but not limited to, all of the Agency's property, machinery, and equipment from Department right-of-way and shall restore those portions of Department right of way disturbed or otherwise altered by the Project to substantially the same condition that existed immediately prior to the commencement of the Project.

p. If the Department determines that the Project is not completed in accordance with the provisions of this Agreement, the Department shall deliver written notification of such to the Agency. The Agency shall have thirty (30) days from the date of receipt of the Department's written notice, or such other time as the Agency and the Department mutually agree to in writing, to complete the Project and provide the Department with written notice of the same (the "Notice of Completion"). If the Agency fails to timely deliver the Notice of Completion, or if it is determined that the Project is not properly completed after receipt of the Notice of Completion, the Department, within its discretion may: 1) provide the Agency with written authorization granting such additional time as the Department deems appropriate to correct the deficiency(ies); or 2) correct the deficiency(ies) at the Agency's sole cost and expense,

without Department liability to the Agency for any resulting loss or damage to property, including, but not limited to, machinery and equipment. If the Department elects to correct the deficiency(ies), the Department shall provide the Agency with an invoice for the costs incurred by the Department and the Agency shall pay the invoice within thirty (30) days of the date of the invoice.

q. The Agency shall implement best management practices for erosion and pollution control to prevent violation of state water quality standards. The Agency shall be responsible for the correction of any erosion, shoaling, or water quality problems that result from the construction of the Project.

r. Portable Traffic Monitoring Site (PTMS) or a Telemetry Traffic Monitoring Site (TTMS) may exist within the vicinity of your proposed work. It is the responsibility of the Agency to locate and avoid damage to these sites. If a PTMS or TTMS is encountered during construction, the Department must be contacted immediately.

s. During construction, highest priority must be given to pedestrian safety. If permission is granted to temporarily close a sidewalk, it should be done with the express condition that an alternate route will be provided, and shall continuously maintain pedestrian features to meet Americans Disability Act (ADA) standards.

t. Restricted hours of operation will be as follows, unless otherwise approved by the Department's District Construction Engineer or designee (insert hours and days of the week for restricted operation): Not Applicable

u. Lane closures on the state road system must be coordinated with the Public Information Office at least two weeks prior to the closure. The contact information for the Department's Public Information Office is:

Insert District PIO contact info:

Note: (Highlighted sections indicate need to confirm information with District Office or appropriate DOT person managing the Agreement)

3. **Engineer's Certification of Compliance.** The Agency shall complete and submit and if applicable Engineer's Certification of Compliance to the Department upon completion of the construction phase of the Project.

ENGINEER'S CERTIFICATION OF COMPLIANCE

PUBLIC TRANSPORTATION GRANT AGREEMENT
BETWEEN
THE STATE OF FLORIDA, DEPARTMENT OF TRANSPORTATION
and _____

PROJECT DESCRIPTION: _____

DEPARTMENT CONTRACT NO.: _____

FINANCIAL MANAGEMENT NO.: _____

In accordance with the Terms and Conditions of the Public Transportation Grant Agreement, the undersigned certifies that all work which originally required certification by a Professional Engineer has been completed in compliance with the Project construction plans and specifications. If any deviations have been made from the approved plans, a list of all deviations, along with an explanation that justifies the reason to accept each deviation, will be attached to this Certification. Also, with submittal of this certification, the Agency shall furnish the Department a set of "as-built" plans for construction on the Department's Right of Way certified by the Engineer of Record/CEI.

By: _____, P.E.

SEAL:

Name: _____

Date: _____

EXHIBIT D

AGENCY RESOLUTION

PLEASE SEE ATTACHED

EXHIBIT E
PROGRAM SPECIFIC TERMS AND CONDITIONS – SEAPORTS

A. General.

1. These assurances shall form an integral part of the Agreement between the Department and the Agency.
2. These assurances delineate the obligations of the parties to this Agreement to ensure their commitment and compliance with specific provisions of **Exhibit "A", Project Description and Responsibilities** and **Exhibit "B", Schedule of Financial Assistance** as well as serving to protect public investment in seaports and the continued viability of the State Seaport System.
3. The Agency shall comply with the assurances as specified in this Agreement.

B. Required Documents. The documents listed below, as applicable, are required to be submitted to the Department by the Agency in accordance with the terms of this Agreement:

1. Quarterly Progress Reports provided within thirty (30) days of the end of each calendar year quarter, if requested by the Department.
2. Electronic invoice summaries and backup information, including a progress report must be submitted to the District Office when requesting payment.
3. All proposals, plans, specifications, and third party contracts covering the Project.
4. The Agency will upload required and final close out documents to the Department's web-based grant management system (e.g., SeaCIP.com).

C. Duration of Terms and Assurances.

1. The terms and assurances of this Agreement shall remain in full force and effect throughout the useful life of a facility developed; equipment acquired; or Project items installed within a facility for a seaport development project, but shall not exceed 20 years from the effective date of this Agreement.
2. There shall be no limit on the duration of the terms and assurances of this Agreement with respect to real property acquired with funds provided by the State of Florida.

D. Compliance with Laws and Rules. The Agency hereby certifies, with respect to this Project, it will comply, within its authority, with all applicable, current laws and rules of the State of Florida and local governments, which may apply to the Project. Including but not limited to the following (current version of each):

1. Chapter 311, Florida Statutes (F.S.)
2. Local Government Requirements
    a. Local Zoning/Land Use Ordinance
    b. Local Comprehensive Plan

E. Construction Certification. The Agency hereby certifies, with respect to a construction-related project, that all design plans and specifications will comply with applicable federal, state, local, and professional standards, including but not limited to the following:

1. Federal Requirements
2. Local Government Requirements
    a. Local Building Codes
    b. Local Zoning Codes
3. Department Requirements
    a. Manual of Uniform Minimum Standards for Design, Construction and Maintenance for Streets and Highways (Commonly Referred to as the "Florida Green Book")
    b. Manual on Uniform Traffic Control Devices

F. Consistency with Local Government Plans.

1. The Agency assures the Project is consistent with the currently existing and planned future land use development plans approved by the local government having jurisdictional responsibility for the area surrounding the seaport.
2. The Agency assures that it has given fair consideration to the interest of local communities and has had reasonable consultation with those parties affected by the Project.

3. The Agency assures that the Comprehensive Master Plan, if applicable, is incorporated as part of the approved local government comprehensive plan as required by Chapter 163, F.S.

G. Land Acquisition Projects. For the purchase of real property, the Agency assures that it will:

1. Acquire the land in accordance with federal and state laws governing such action.
2. Maintain direct control of Project administration, including:
   a. Maintain responsibility for all related contract letting and administrative procedures.
   b. Ensure a qualified, State certified general appraiser provides all necessary services and documentation.
   c. Furnish the Department with a projected schedule of events and a cash flow projection within 20 calendar days after completion of the review appraisal.
   d. Establish a Project account for the purchase of the land.
   e. Collect and disburse federal, state, and local Project funds.
3. The Agency assures that it shall use the land for seaport purposes in accordance with the terms and assurances of this Agreement within 10 years of acquisition.

H. Preserving Rights, Powers and Interest.

1. The Agency will not take or permit any action that would operate to deprive it of any of the rights and powers necessary to perform any or all of the terms and assurances of this Agreement without the written approval of the Department. Further, it will act promptly to acquire, extinguish, or modify, in a manner acceptable to the Department, any outstanding rights or claims of right of others which would interfere with such performance by the Agency.
2. If an arrangement is made for management and operation of the funded facility or equipment by any entity or person other than the Agency, the Agency shall reserve sufficient rights and authority to ensure that the funded facility or equipment will be operated and maintained in accordance with the terms and assurances of this Agreement.
3. The Agency will not sell or otherwise transfer or dispose of any part of its title or other interests in the funded facility or equipment without prior written approval by the Department. This assurance shall not limit the Agency's right to lease seaport property, facilities or equipment for seaport-compatible purposes in the regular course of seaport business.

I. Third Party Contracts. The Department reserves the right to approve third party contracts, except that written approval is hereby granted for:

1. Execution of contracts for materials from a valid state or intergovernmental contract. Such materials must be included in the Department approved Project scope and/or quantities.
2. Other contracts less than $5,000.00 excluding engineering consultant services and construction contracts. Such services and/or materials must be included in the Department approved Project scope and/or quantities.
3. Construction change orders less than $5,000.00. Change orders must be fully executed prior to performance of work.
4. Contracts, purchase orders, and construction change orders (excluding engineering consultant services) up to the threshold limits of Category Three. Such contracts must be for services and/or materials included in the Department approved Project scope and/or quantities. Purchasing Categories and Thresholds are defined in Section 287.017, F.S., and Chapter 60, Florida Administrative Code. The threshold limits are adjusted periodically for inflation, and it shall be the sole responsibility of the Agency to ensure that any obligations made in accordance with this Agreement comply with the current threshold limits. Obligations made in excess of the appropriate limits shall be cause for Department non-participation.
5. In all cases, the Agency shall include a copy of the executed contract or other agreement with the backup documentation of the invoice for reimbursement of costs associated with the contract.

J. Inspection or verification and approval of deliverables. Section 215.422(1), F.S., allows 5 working days for the approval and inspection of goods and services unless the bid specifications, purchase orders, or contracts specifies otherwise. The Agreement extends this timeline by specifying that the inspection or verification and approval of deliverables shall take no longer than 20 days from the Department's receipt of an invoice.

K. Federal Navigation Projects

1. Funding reimbursed from any federal agency for this Project shall be remitted to the Department, in an amount proportional to the Department's participating share in the Project. The Agency shall remit such funds to the Department immediately upon receipt.
2. Department funding, as listed in **Exhibit "B", Schedule of Financial Assistance**, may not be used for environmental monitoring costs.

-- ***End of Exhibit E*** --

Exhibit E1

PROGRAM SPECIFIC TERMS AND CONDITIONS

(Prohibition on Discrimination Based on Health Care Choices)

This exhibit forms an integral part of the Agreement between the Department and the Agency.

1. **Statutory Reference.** Section 339.08, F.S. and Section 381.00316, F.S.

2. **Statutory Compliance.** Pursuant to Section 339.08, F.S., the Department may not expend state funds to support a project or program of certain entities if the entity is found to be in violation of Section 381.00316, F.S. The Department shall withhold state funds until the entity is found to be in compliance with Section 381.00316, F.S. This shall apply to any of the following entities:

    a. A public transit provider as defined in s. 341.031(1), F.S.;
    b. An authority created pursuant to chapter 343, F.S., chapter 348, F.S., or chapter 349, F.S.; c. A public-use airport as defined in s. 332.004, F.S.; or
    d. A port listed in s. 311.09(1), F.S.

- End of Exhibit E1 -

EXHIBIT F

Contract Payment Requirements
Florida Department of Financial Services, Reference Guide for State Expenditures
Cost Reimbursement Contracts

Invoices for cost reimbursement contracts must be supported by an itemized listing of expenditures by category (salary, travel, expenses, etc.). Supporting documentation shall be submitted for each amount for which reimbursement is being claimed indicating that the item has been paid. Documentation for each amount for which reimbursement is being claimed must indicate that the item has been paid. Check numbers may be provided in lieu of copies of actual checks. Each piece of documentation should clearly reflect the dates of service. Only expenditures for categories in the approved agreement budget may be reimbursed. These expenditures must be allowable (pursuant to law) and directly related to the services being provided.

Listed below are types and examples of supporting documentation for cost reimbursement agreements:

(1) Salaries: A payroll register or similar documentation should be submitted. The payroll register should show gross salary charges, fringe benefits, other deductions and net pay. If an individual for whom reimbursement is being claimed is paid by the hour, a document reflecting the hours worked times the rate of pay will be acceptable.

(2) Fringe Benefits: Fringe Benefits should be supported by invoices showing the amount paid on behalf of the employee (e.g., insurance premiums paid). If the contract specifically states that fringe benefits will be based on a specified percentage rather than the actual cost of fringe benefits, then the calculation for the fringe benefits amount must be shown.

Exception: Governmental entities are not required to provide check numbers or copies of checks for fringe benefits.

(3) Travel: Reimbursement for travel must be in accordance with Section 112.061, Florida Statutes, which includes submission of the claim on the approved State travel voucher or electronic means.

(4) Other direct costs: Reimbursement will be made based on paid invoices/receipts. If nonexpendable property is purchased using State funds, the contract should include a provision for the transfer of the property to the State when services are terminated. Documentation must be provided to show compliance with Department of Management Services Rule 60A-1.017, Florida Administrative Code, regarding the requirements for contracts which include services and that provide for the contractor to purchase tangible personal property as defined in Section 273.02, Florida Statutes, for subsequent transfer to the State.

(5) In-house charges: Charges which may be of an internal nature (e.g., postage, copies, etc.) may be reimbursed on a usage log which shows the units times the rate being charged. The rates must be reasonable.

(6) Indirect costs: If the contract specifies that indirect costs will be paid based on a specified rate, then the calculation should be shown.

Contracts between state agencies, and/or contracts between universities may submit alternative documentation to substantiate the reimbursement request that may be in the form of FLAIR reports or other detailed reports.

The Florida Department of Financial Services, online Reference Guide for State Expenditures can be found at this web address: https://myfloridacfo.com/docs-sf/accounting-and-auditing-libraries/manuals/agencies/reference-guide-for-state-expenditures.pdf?sfvrsn=b4cc3337_6

EXHIBIT G

AUDIT REQUIREMENTS FOR AWARDS OF STATE FINANCIAL ASSISTANCE

THE STATE RESOURCES AWARDED PURSUANT TO THIS AGREEMENT CONSIST OF THE FOLLOWING:

SUBJECT TO SECTION 215.97, FLORIDA STATUTES:~

Awarding Agency: Florida Department of Transportation
State Project Title: Seaport Grant Program
CSFA Number: 55.005
***Award Amount:** $146,314

*The award amount may change with amendments

Specific project information for CSFA Number 55.005 is provided at: https://apps.fldfs.com/fsaa/searchCatalog.aspx

COMPLIANCE REQUIREMENTS APPLICABLE TO STATE RESOURCES AWARDED PURSUANT TO THIS AGREEMENT:

State Project Compliance Requirements for CSFA Number 55.005 are provided at: https://apps.fldfs.com/fsaa/searchCompliance.aspx

The State Projects Compliance Supplement is provided at: https://apps.fldfs.com/fsaa/compliance.aspx

RESOLUTION NO. 2026-R01

A RESOLUTION OF THE OCEAN HIGHWAY AND PORT AUTHORITY OF NASSAU COUNTY, FLORIDA, AUTHORIZING ACCEPTANCE AND EXECUTION OF A FLORIDA DEPARTMENT OF TRANSPORTATION GRANT AGREEMENT FOR THE UNITED STATES CUSTOMS AND BORDER PROTECTION FACILITY AT THE PORT OF FERNANDINA; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Ocean Highway and Port Authority of Nassau County, Florida (OHPA), is the governing body responsible for the operation and oversight of the Port of Fernandina; and

WHEREAS, the Port of Fernandina is required to develop and update the United States Customs and Border Protection ("USCBP") on-port facility to maintain its port of entry designation; and

WHEREAS, funding has been made available through a grant agreement with the Florida Department of Transportation ("FDOT") to assist in funding the work required to complete the on-port planning and/or construction activities related to the development and updating of a USCBP facility; and

WHEREAS, this FDOT grant will pay for 50% of the total cost of this portion of the project for development and updating the USCBP on-port facility which is estimated to be a total cost of $292,628.00, and OHPA expects that Nassau Terminals/Relay Terminals, the Port Operator will pay the remaining 50% of the cost which is estimated to be $146,314.00; and

WHEREAS, OHPA has reviewed the terms and conditions of the grant agreement for FDOT Financial Project Number 425897-2-94-01 (the "Grant Agreement") and finds that acceptance of the Grant Agreement to be in the best interest of the Port and the community it serves; and

WHEREAS, execution of the Grant Agreement will provide financial support for the work required to complete the on-port planning and/or construction activities related to the development and updating of the USCBP facility at the Port of Fernandina.

NOW, THEREFORE, BE IT RESOLVED BY THE OCEAN HIGHWAY AND PORT AUTHORITY OF NASSAU COUNTY, FLORIDA, THAT:

1. The Ocean Highway and Port Authority hereby approves and authorizes acceptance and execution of the Grant Agreement for the on-port USCBP facility at the Port of Fernandina having FDOT Financial Project# 425897-2-94-01, see Grant Agreement attached hereto as Exhibit "A".

2. The Chairman of OHPA, or his designee, is authorized to sign the Grant Agreement and any related documents necessary to effectuate the grant and automated gates updates.
3. OHPA directs staff to take all necessary steps to implement the Grant Agreement, including procurement, compliance, and reporting obligations.
4. OHPA directs the OHPA Attorney to prepare a draft letter agreement between the Port Operator and OHPA formalizing the Operator's obligation for providing the 50% matching funds to complete the on-port USCBP facility project.
5. This Resolution shall become effective immediately upon adoption.

DULY ADOPTED by the Ocean Highway and Port Authority of Nassau County, Florida, this _____ day of _____, 2026.

OCEAN HIGHWAY AND PORT AUTHORITY,
NASSAU COUNTY, FLORIDA

_____

Ray Nelson, Chairman

ATTEST:

_____

Miriam Hill, Secretary/Treasurer

Legislative Lobby Dates

AOM Ocean Highway & Port Authority <admin@portoffernandina.org>

Legislative Lobby Days - 2026 Session

AOM Ocean Highway & Port Authority <admin@portoffernandina.org> Mon, Jan 12, 2026 at 9:39 AM
To: AOM Ocean Highway & Port Authority <admin@portoffernandina.org>

Jan 13-14	Legislative Fly-In	FL Chamber of Commerce
Jan 13-15	Visit Your Legislator	FL Association of Special Districts
Jan 20-21	Lobby Days	Republican Liberty Caucus
Jan 20-22	Lobby Days	FL Association for Women Lawyers
Jan 21	Legislative Day	FL Association of Counties (FAC)
Jan 21-22	Lobby Days	Rural Counties/Small County Coalition
Jan 27	Lobby Day	Florida Farm Bureau
Jan 26-28	Legislative Action Days	FL League of Cities
Feb 3	Florida Space Day	Space Florida
Feb 3-6	Seaport Day at the Capitol	Florida Ports Council

Committee Assignments

- Port of Fernandina Facilities Report – ~~All Commissioners~~
- FDOT – Hill
- Customs House – ~~Moore,~~ Hill
- Army Corp of Engineers - Nelson
- Economic Development - Cole
- Emergency Management - Taylor
- Transportation Planning Organization (TPO) - Hill
- Technical Advisory Committee (TAC) – Moore

Florida Ports Legislative Committee - Moore

AOM Report

ADMINISTRATIVE OFFICE MANAGER
REPORT
December 2025

Hours worked December 2025 – 145.25

- Attended December 3rd meeting. Minutes composed.
- Resolved issue with OHPA laptop
- Reviewed and updated Savage remittance (outstanding balances)
- Corresponded with TJ Smith (Savage outstanding balances)
- Organized RFP Security bid tabulations
- Invoiced for November 2025 Harbor Admin & Bunkering fees
- Corresponded with Cassie Smith (Peck Center setup, auditorium)
- Replied to RFP Security Services inquiries
- Posted and updated Demand Star platform (RFP Security Addenda)
- Received and distributed videos (Port incidents)
- Prepared and posted Notices of Gatherings
- Prepared documents for signatures
- Met with Chair Nelson and VC Moore for signatures
- Drafted resolutions 2025- R11 and R12
- Posted RFP Website (Demand Star and OHPA website)
- Replied to RFP Website inquiries
- Corresponded with Brian Austin (FDOT Coordination meeting scheduled, grant scopes)
- Researched FDEP grant (Volkswagen funds, per Operator's request)
- FPU support (autopay issue, resolved)
- Corresponded with Kat (Savage Accounts Payable, errors on remittance)
- Teams meeting with Space Florida (Com. Moore)
- Submitted Records Management Compliance statement (recmgt@dos.fl.gov)
- Submitted Florida Commerce Special Agent renewal form (corresponded with Jack Gaskins)
- Picked up mail at DMV
- FDOT-OHPA Coordination meeting (virtual, December 17th)
- Corresponded with Tammi Gibbons (CBP, scheduled meeting)
- Webinar Clean Air NE Florida
- FPC Legislative meeting (virtual, bi-weekly)

- Prepared meeting agendas and packets
- Invoiced Port Operator for Customs House utilities reimbursements (COFB, FPU, harbor Admin & Bunkering)
- Check payments processed (e-filed in system)
- Prepared memos for transferring funds (Sec/Treasurer signature)
- Bank transactions (QuickBooks, transfers, A/R, A/P online)
- Responded to all emails, voicemails, and corresponding documents/letters, Commissioners' and Port Accountant/Attorney/Operator requests
- Website (updates, postings)
- Electronic and hard-copy file organizing (e-filed documents for OHPA records)
- Set up and lock up for Board meetings at the Peck Center
- Back up (PC, external hard drive, weekly)
- Christmas holiday
- PTO December 23 (travel)

Public Records Request Received in November 2025- 0