



# OCEAN HIGHWAY & PORT AUTHORITY

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

## Regular Meeting Minutes

May 25, 2022

The Ocean Highway and Port Authority of Nassau County held its Regular Meeting on Wednesday, May 25, 2022 at the County Commissioners Chambers, James S. Page Government Complex, 96153 Nassau Place, Yulee, Florida 32097.

The meeting was called to order at 6:00 PM by Chairman Fullwood.

The invocation was given by Chairman Fullwood. The Pledge of Allegiance was led by Chairman Fullwood. Roll call was conducted by Rossana Hebron. All Commissioners were present except for Commissioner Hanna. Also in attendance were Patrick Krechowski and Chris Ragucci, Port Operator. Pierre LaPorte, Port Accountant was absent.

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

No public comment request submitted.

**2. Port Attorney Report**

Mr. Krechowski reported the Hickox case is due next month. There are still two on-going litigation matters, no action required on those.

There were no questions for Mr. Krechowski.

**3. Port Accountant Report**

Mr. LaPorte was not present. Chairman Fullwood directed the Board to contact Mr. LaPorte directly with their inquiries.

**4. Unfinished Business**

• **Executive Director contract approval**

The Board had the opportunity to review the draft contract prior to this meeting. Mr. Krechowski reported there was one minor change to section 6, Termination. OHPA proposed to revise the portion to reflect a cap at 16 weeks of compensation upon termination by OHPA without cause, consistent with Florida law. He will discuss with Mr. Kaufman.

Commissioner Franklin asked for definition of “without cause.” Commissioner Hill explained it is defined in section 6, as written, “Termination for Cause shall mean termination due to Employee’s personal dishonesty, incompetence, willful misconduct, gross negligence, any breach of fiduciary duty, intentional failure to perform stated duties, willful violation of any law, rule or regulation (other than traffic violations or similar offenses) or material breach of any provision of this Agreement.” Mr. Krechowski added that essentially if there is termination for a cause, OHPA is not obligated to pay out additional compensation. If a non-cause termination, the employee will be provided no more than 16 weeks of compensation.

Vice Chairman Cole motioned to approve the contract. Commissioner Franklin second the motion.

Commissioner Hill suggested adding a performance review starting this fall, at least 90 days. The Board agreed.

**The Board voted unanimously in favor of the motion with a vote of 4. Commissioner Hanna was not present to cast a vote.**

Mr. Kaufman thanked the Board for their confidence and will get started with the duties and tasks.

- **Port Tariff approval**

Chairman Fullwood expected to discuss and vote on the tariff tonight; however, the tariff draft was submitted 10 minutes prior to the meeting by Mr. Ragucci. He suggested to hold discussions until the Board reviews the draft for the next meeting. He requested Mr. Kaufman reviews the draft with him. Mr. Kaufman agreed.

- **Security services RFP approval**

The Board had the opportunity to review the draft Security RFP prior to the meeting. Mr. Krechowski asked for a deadline to submit the proposals and time limit for posting. The deadline was set for June 24<sup>th</sup>. Mrs. Hebron will post on OHPA’s website by the end of the week. Discussion and selection of candidate is set for July 13<sup>th</sup> meeting.

Commissioner Hill asked for the date of the last security contract. It was determined approximately at least 8 years old.

No other questions.

- **Discussion of Proposals received for the Fabric Warehouse and Selection of Winning Bidder**

It was determined there was only one applicant, Coast to Coast. Their bid was \$1,335,000. Per Mr. Ragucci the grant is \$1.5 million, 50:50 match at \$750,000.

Vice Chairman Cole motioned to accept the bid. Commissioner Franklin second the motion.

**Discussion:**

Commissioner Hill reiterated she has not been in favor with this project because she would like to review a use case for the warehouse. She stated OHPA does not have any information on fees and rates for the warehousing or current utilization of the Port's warehouses. That information is available to Mr. Ragucci but not to OHPA. She stated it is difficult to validate assigning a large portion of the Port's surface area and devoting it for break bulk storage. She does not believe the Board validated the investment and the direction of the project in the long-term. Commissioner Franklin explained the Port needs storage and the warehouse can be utilized for that need especially for overflow and other commodities.

Mr. Ragucci tried to place proper perspective by reminding the Board this project had been discussed for six months. There was a majority vote to proceed with the project. He explained the warehouse is a temporary structure that OHPA will own, removable, "storable", transferable, and marketable. The trend favors break bulk, and the Port business follows that trend and for other commodities. Port customers also tend to favor storage on Port property as opposed to off-site warehouses. The latter includes additional cost for moving the cargo to and from the Port.

Chairman Fullwood was concerned about the language in the contract specifically the warranty. Mr. Ragucci explained the warranty is for 20 years. He added if repairs are needed, the Port Operator will take that burden and cost on.

Commissioner Hill asked what are the permitting and impact fees on a \$1.3 million project. She read the exclusions and clarifications from Coast-to-Coast bid, as follow:

- Permitting and/or impact fees.
- Design fees of any kind.
- Abatement or testing of any kind.
- Geotechnical testing of any kind.
- Underground utility locates.
- After hours work: 7AM – 5PM Monday through Sunday

Chairman Fullwood explained the abovementioned are standard language in a contract. He stated the Operator must be responsible for those costs without reimbursement from OHPA. Commissioner Hill asked Mr. Ragucci to confirm. He did not confirm or decline. She asked if OHPA will be billed for the designs provided by the Operator. Mr. Ragucci explained those designs were included in the bid; therefore, no invoice. The second item on the above list (Design fees of any kind) are for the designs beyond what is included in the bid. She requested the Board should be clear on who pays for the permitting and impact fees.

Chairman Fullwood suggested to specify that on the contract with Mr. Kaufman and Mr. Krechowski's assistance. Commissioner Hill asked once the bid is awarded, does OHPA have the liberty to not contract with Coast to Coast? Mr. Krechowski explained it depends on the language of the motion. He suggested based on the bid, the Board should move forward with finalizing a contract. Additionally, any contract will have to come before the Board for approval.

Vice Chairman Cole revised his motion to accept this bid and use it to proceed in finalizing a contract that will then come back before the Board for final approval. Commissioner Franklin second the motion.

Commissioner Hill stated she was still against the project. She requested to include warehouse fee-sharing. Mr. Ragucci explained the fee is included in the stevedoring. No customer pays additional storage fees for the warehouse. She questioned about the 30-day storage limit. The shippers are given 30 days to store their cargo, beyond that there is a fee. Mr. Ragucci could not remember the fee rate and suggested it is included in the tariff.

Mr. Krechowski reiterated the revised motion.

**The motion passed by a vote of 3 to 1 with Commissioner Hill delivering the dissenting vote. Commissioner Hanna was not present to cast a vote.**

- **New meeting space approval**

Chairman Fullwood read a letter from the County Manager, Taco Pope, regarding the use of the Commission Chambers. Basically, it requires OHPA to execute an Interlocal Agreement to memorialize conditions and responsibilities (presence and cost of a NC Sheriff's office bailiff and NC facilities staff). Chairman Fullwood requested a list of costs of said conditions and responsibilities. He will present it to the Board as soon as he receives a reply.

Accordingly, a space had been offered at the FSCJ facility by Donna Martin. She waived the usual fees except for set up and clean up. The fee is \$20 per meeting. The total cost will be \$200 from June to November 2022 including accommodations for live streaming and the usual meeting operations. OHPA will be billed \$40 (two meetings per month) on a monthly basis.

- **Florida Ports Council**

Chairman Fullwood announced that since OHPA has a new Executive Director, Mr. Kaufman should represent OHPA at the Port Directors meeting with the new FDOT Secretary, Jared Purdue, in Tallahassee. Mr. Kaufman agreed.

- **Master Plan update**

There is a Master Plan Stakeholders' meeting on June 8<sup>th</sup>, 3 PM at the John Drew Tax Collector's facility. Chairman Fullwood will represent the Board and report at the next Board meeting. The list includes individuals from different aspects of the County, 11 count, with Board recommendation and approval from a prior meeting. Only these individuals are invited. It is not a public meeting; therefore, the public is not invited and will not be noticed.

## 5. New Business

- **CBP (Customs and Border Protection) Letter**

Chairman Fullwood reported he received a letter from Tammi Gibbons, U.S. Customs and Border Protection, regarding CBP facility requirements. These include OHPA providing the “CBP with proper facility that meets current CBP Standards (Information Technology needs/requirements) ... (the agency) is in dire need of a circuit upgrade and equipment refresh...critical for CBP operations at the Port.” The executed lease between CBP and OHPA expires in April 2024.

Additionally, Ms. Gibbons requested OHPA to fund said requirements and provided a list of IT documents to execute by September 1, 2022. The required “equipment will not be processed/ordered until after October 1, 2022 (FY23).” Subsequently, OHPA will be billed the latter part of FY23.

Mr. Ragucci reminded there is an agreement to allow the CBP to stay in the Customs House until 2024. At that time, OHPA will search for a conforming space to accommodate CBP. He requested for assistance from Mr. Kaufman, Mr. Krechowski, and the Board to discuss possible alternatives within reason. Mr. Krechowski asked Mrs. Hebron to forward a copy of the contract and will review and advise at a later time.

Mr. Kaufman added he received an email from John Quintara, Assistant Area Port Director in Jacksonville, requesting a meeting. He will discuss the CBP matter with Mr. Quintara.

## 6. Other items to be brought by Commissioners

- **HB 7049 (Public Notices)**

Mr. Krechowski explained the requirements of the Bill specifically pertaining to OHPA notices. It requires for entities like OHPA to post notices on County-owned and operated website foregoing publishing in the newspaper. However, Nassau County indicated their website is not available for such postings. They will continue to publish their notices in the newspaper.

Ultimately, OHPA will continue to publish its notices in newspaper.

- **Resolution 2022-R01 (new grant)**

Mr. Krechowski presented the draft for the Port of Fernandina Pier Improvements grant. It will provide \$204,294 funding with an equal match from OHPA via Nassau Terminals/Worldwide Terminals (NT/WWT). The adoption of the resolution is contingent upon agreement by NT/WWT to pay for said match.

Mr. Ragucci explained this is a new grant awarded summer of 2020 but never executed. Initially, it was allocated for a space off-terminal to expand the existing Port footprint outside the terminal. Subsequently, he requested FDOT to allow him to apply the funds toward the fabric warehouse project. FDOT included that on the agreement.

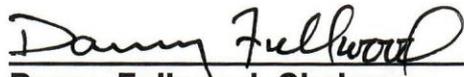
Chairman Fullwood has inquiries about the specifics and requirements of the grant; specifically, solar rays and existing gate facilities. He suggested to hold discussions on this item until the next meeting. Mr. Ragucci stated the funds are needed mostly for the fabric warehouse to add to another existing grant, \$550K. The total for the fabric warehouse project is \$750K.

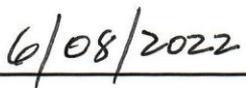
- **Executive Director request**

Mr. Kaufman requested to meet with each Commissioner at their leisure to discuss OHPA matters. The Commissioners will comply.

**Adjourn**

**With no other questions brought before the Board, the meeting was adjourned at 7:00 PM.**

  
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Danny Fullwood, Chairman

  
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Date