

OCEAN HIGHWAY & PORT AUTHORITY



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

Monthly Meeting Minutes - Amended

November 8, 2023

The Ocean Highway and Port Authority of Nassau County held its Monthly meeting on Wednesday, November 8, 2023 at the Peck Center, Willie Mae Ashley Auditorium, 516 S 10th Street, Fernandina Beach, Florida 32034.

Executive (Shade) Meeting

The OHPA Board public meeting was called to order at 4:30 PM by Chairman Fullwood. Mr. Krechowski, Port Attorney, made a statement requesting a shade meeting to discuss Case #2020-CA-284, *PILOTI City of Fernandina v. OHPA* case. The shade meeting was convened with the full Board; Mr. Krechowski, Port Attorney; and a court reporter present; and David Kaufman, Port Executive Director. ~~was absent~~. The shade meeting concluded at approximately 5:30 PM, and the conclusion and termination of the shade meeting was announced.

1. Public meeting Call to Order – Chairman

The public meeting was reconvened by Chairman Fullwood at 6:00 PM.

2. Invocation

3. Pledge of Allegiance

The invocation was given by Commissioner Nelson. The Pledge of Allegiance was led by Chairman Fullwood.

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

Roll call was conducted by Rossana Hebron, Administrative Office Manager. All Commissioners were present. Also in attendance were David Kaufman, Port Director Pro tem; Patrick Krechowski, Port Attorney; Pierre LaPorte, Port Accountant; and Matt McPhail, Savage Senior Commercial Director (for Port Operator).

5. Election of new Officers (Chair, Vice Chair, Secretary/Treasurer)

Chairman/Chairwoman:

Commissioner Fullwood nominated Commissioner Cole. Commissioner Cole accepted the nomination and explained he was prepared to serve as Chairman unlike the previous years when he had other obligations.

Commissioner Taylor nominated Commissioner Hill for Chairwoman. Commissioner Hill accepted the nomination and acknowledged Commissioner Cole's years of service to OHPA.

Commissioner Fullwood motioned to elect Commissioner Cole as Chairman. Commissioner Cole second the motion.

The Board voted against the motion by a vote of 2 to 3 with Commissioners Hill/Taylor/Nelson dissenting.

Commissioner Taylor motioned to vote Commissioner Hill for Chairwoman. Commissioner Nelson second the motion.

The Board voted unanimously in favor of the motion.

Commissioner Fullwood thanked the Board for allowing him to serve as Chairman for 3 years and other positions in previous years. He intends to continue serving OHPA if elected.

Vice Chairman:

Commissioner Hill nominated Commissioner Taylor for Vice Chairman. She acknowledged his contributions to OHPA for the past year as Secretary/Treasurer. Commissioner Taylor accepted the nomination.

There were no other nominations.

Chairwoman Hill motioned to elect Commissioner Taylor as Vice Chairman. Commissioner Nelson second the motion.

The Board voted unanimously in favor of the motion.

Secretary/Treasurer:

Vice Chairman Taylor nominated Commissioner Nelson for Secretary/Treasurer. Commissioner Nelson accepted the nomination.

There were no other nominations.

Vice Chairman Taylor motioned to elect Commissioner Nelson as Secretary/Treasurer. Commissioner Cole second the motion.

The Board voted unanimously in favor of the motion.

6. Recognition of elected Officials, Honored guests, Industry and Professional representatives, and others in attendance (Chairwoman)

Chairwoman Hill acknowledged City Commissioner Ross and former City Mayor, Mike Lednovich in attendance. She also acknowledged Joel Dimick, Savage Project Manager; Matt McPhail, Savage Senior Commercial Director; and Julia Roberts, Newsleader.

7. Public Comments on agenda items (Comments submitted prior to the meeting)
All speakers were Fernandina Beach residents.

- Daniel Griebel- (Keller Williams), discussed OHPA property parcel A and advocated to represent OHPA as its broker.
- Bob Virtue- urged the Board to reconsider John Hillman, Cabana Lane, as its broker. If not, he suggested to follow the deed restrictions.
- Katherine Tharin- suggested to review the deed restrictions.

Discussion:

Commissioner Fullwood explained his calls/voicemails to Mr. Hillman received no replies.

8. Regular Business:

a. Approval of Minutes

- October 3, 2023 Emergency/Special meeting (Port Dir. contract)
Chairwoman Hill offered amendments to the October 3rd minutes.
Mrs. Hebron will apply the changes accordingly.

Commissioner Fullwood motioned to adopt the minutes for October 3rd as amended. Vice Chairman Taylor second the motion.

The Board voted unanimously in favor of the motion.

- October 11, 2023 Monthly meeting
- October 25, 2023 Board meeting

Commissioner Fullwood motioned to adopt the minutes for October 11th and 25th together. Vice Chairman Taylor second the motion.

The Board voted unanimously in favor of the motion.

b. Port Attorney Report

Mr. Krechowski submitted a written report included in the meeting packet. Still active litigations were the Property Appraiser and PILOT matters. He continues to contribute to some miscellaneous items: Real Estate RFQ, OHPA investment account, architectural services RFP, OHPA Advisory Board draft charter, and the like.

Chairwoman Hill inquired about the 10% discount towards the full payment for the outstanding total amount. Mr. Krechowski explained if OHPA can pay in full before or by the end of the year, the discount can apply. Mr. LaPorte directed Mrs. Hebron to make a payment for November without applying said discount. Balch & Bingham will submit the November 2023 invoices in early December. OHPA will then confirm the total amount with the firm, calculate the 10% discount, and pay in full before the end of December.

c. Port Accountant Report

- **Financial report – October 2023**

Mr. LaPorte submitted a written report included in the meeting packet. Since the start of the new fiscal year (October) 2023-24 Budget, Mr. LaPorte reported no revenues yet. There were no unusual activities to report.

Commissioner Fullwood inquired about the procedure to withdraw from the Maintenance account. Mr. LaPorte explained the Port Operator submits a request for funds, and the Board approves. He added the Board cannot deny the request per the Operating agreement. OHPA will then make the payment to the Operator or the vendor. Additionally, Mr. LaPorte reminded the Board the Operator is financially responsible for the maintenance and repairs at the Port. The Operator is responsible for the first \$15K and OHPA will pay the balance. However, if the money is not available in the Maintenance account, the Operator is still responsible to pay for the balance per the contract.

Mr. LaPorte also submitted a copy of the 4Q financial statements ended in September 30, 2023 included in the meeting packet. This was the subject of the current audit. He reported no unusual activities to report. He noted the significant difference in income between 2021-22 and 2022-23 because of the grants and the Operator's contributions toward the local matches. The auditors' report will come in February 2024. Chairwoman Hill requested to invite the auditors to present their report to the Board. Mr. LaPorte will coordinate with Mauldin & Jenkins when the time comes. They are in Sarasota. He will also confirm if their attendance at an OHPA meeting is an additional charge.

- **ARPA reimbursement update**

The August- October 2023 payroll was submitted for reimbursement.

- **FY 2023-24 Budget amendment**

A copy of the amended budget was included in the meeting packet. It reflected the re-application of the Port Director's salary to the budget as his contract permitted for the 60-day notice plus

severance pay. Mr. Kaufman's contract ends on December 12th. The net effect on the budget is zero since the Port Director's salary and severance will be reimbursed by the ARPA funds.

Vice Chairman Taylor motioned to approve the budget as amended to reflect the addition of Mr. Kaufman's salary and severance to the budget. Commissioner Nelson second the motion.

The Board voted unanimously in favor of the motion.

d. Port of Fernandina Report (Operator)

- **Tonnage report (October 2023)**
Mr. McPhail provided the October 2023 tonnage report. Total tonnage was 17,326; with a steady container business (644 Total Equivalent units -TEUs), two woodpulp shipments from Europe- 14,133 tons, and KLB export slipped into November, and received cargo via rail throughout the month.
- **Port customer service (update)**
OHPA received complaints from Port customers unable to reach anyone at the Port for inquiries. Mr. McPhail reported they are in the process of updating their phone systems and website with the appropriate contact information (nassauterminal.com). Also, the Port of Fernandina website is linked to the new Nassau Terminal website, directing customers to the OHPA site for Board and Port information. Mr. McPhail also gave consent to provide his direct contact information for the Board.
- **Port issues/repairs (update)**
Mr. McPhail reported the cost for the tug repairs doubled. The new expenses for the terminal repairs are in-progress. He was told there was a two-week wait on parts. He submitted a formal request (included in the meeting packet) for funds from the Maintenance account to repair the security cameras at the Port. Commissioner Nelson confirmed the camera systems were on his list of repairs. He urged the Port Operator to expedite the repairs on said systems because if not operational, the Coast Guard needs to be notified so that they may apply their due diligence for security at the Port.

e. Port Director Pro tem Report

Mr. Kaufman submitted a written report included in the meeting packet. He reported the draft report for the Resiliency Plan is expected in the next week or two. He also received a late notification from the Army Corps of Engineers (ACOE) regarding the channel realignment. The project will be fully funded by the federal government at no cost to OHPA and the City. The ACOE requests a written letter of concurrence from OHPA. Commissioner Fullwood reminded the Board that OHPA agreed to an interlocal agreement with the City to address the realignment. He

requested that Mrs. Hebron distribute a copy of the Interlocal agreement for Board review and reference. This item will be added to the next meeting agenda.

- **Authorization for RFQ (architectural services, U.S. Customs & Border Protection facility)**

Mr. Kaufman requested the Board to approve advertising a request for qualifications (RFQ) for architectural services to design and provide cost estimates for the US Customs and Border Protection (CBP) Administrative office facility requirements.

Chairwoman Hill confirmed this procurement will be made in accordance with the Florida Consultants Competitive Negotiation Act (CCNA). She suggested that qualifiers be experienced with the federal procurement process since the project could potentially require federal funding. Mr. Kaufman confirmed that requirement is included in the RFQ. He continued by explaining the process of first selecting the top-ranked firm and then OHPA will negotiate an agreement with that firm. The Operator will provide the 25% match and also the project management. This will be in the agreement with the Port Operator.

Commissioner Fullwood motioned to authorize Mr. Kaufman to advertise the RFQ as amended (addition of a fourth option of the modular structure). Commissioner Cole second the motion.

Discussion:

There will be a total of four options for the site/review analysis, with the fourth being a modular structure within the secured area of the Port. Mr. Kaufman advised that the CBP is open to all four options. Chairwoman Hill suggested providing some flexibility with the options instead of limiting the analysis to four options. Mr. Kaufman agreed to modify the RFQ. He reminded the Chairwoman that the RFQ is merely asking for qualifications of candidates. The Board can negotiate a more detailed scope and fee with the selected firm.

The Board voted unanimously in favor of the motion.

- **Authorization for construction contract (RFB Covered Storage facility candidates)**

There were three bids received for the RFB Covered Storage facility. All bids were reviewed by the Savage staff headed by Joel Dimick, Project Manager, and Mr. Kaufman. The recommendation was to award the bid to Coast to Coast Contracting, LLC. The amount was \$1,050,000 to construct the facility. The contract will be negotiated with Coast to Coast and brought back to the Board for final approval. Incidentally, Coast to Coast was the company

who constructed the existing fabric warehouse at the Port and also at the Wilmington facility for Savage as well.

Commissioner Fullwood motioned to award the bid to Coast to Coast Contracting, LLC and negotiate a contract to bring before the Board for approval. Commissioner Cole second the motion.

Discussion:

Commissioner Nelson inquired about the total amount of the project. Mr. Kaufman explained the total amount including installation was \$1,050,000. It was the lowest of the three bids and best value for the Port. Savage/Port Operator supported the choice.

Mr. McPhail provided a needs assessment for the warehouse. The Port Operator is currently pursuing cargo (import/export) that require internal storage space. The majority of the times, the Port is at 85% capacity, that is not efficient sufficient to attract more business and store more cargo. Commissioner Nelson cautioned to ensure utilization of all available storage to maximum capacity before building and spending. He explained the need does not reflect what is reported in the tonnage report.

Chairwoman Hill inquired about the possibility of the Operator remitting a portion of the warehousing rental fees. She advocated for the idea to show responsibility when using public dollars to build assets. Additionally, OHPA has constrained avenues for funding. Mr. McPhail reminded the Board that the Operator is responsible for 50% of the cost, and the OHPA's contribution is through State grant funding that expires at the end of April 2024. The expiration date may be extended if OHPA moves forward with the project. Otherwise, the funds go back to the State.

The Board voted unanimously in favor of the motion.

Further discussion:

Mr. Kaufman will present the contract to the Board when completed with the additional agreement with the Operator as it relates to the funding for the project. The latter should be approved before the construction agreement to ensure there is funding in place.

Chairwoman Hill requested a fee list for the warehousing for remittance from the Operator as part of the Operating agreement. Commissioner Fullwood disagreed with the idea since OHPA is not paying for the warehouse structure. Mr. Kaufman added that the Port is not in the warehousing business. Commissioner Nelson stated the storage charge is a deterrent for customers to keep the cargo in the warehouses for long periods. Additionally, Mr.

Kaufman disagreed with the idea of hold backs that may require amending the Operating agreement. The Operator is opposed to the latter. However, the structure will be OHPA's asset within the secured area of the Port.

Commissioner Nelson explained the fabric warehouses are temporary, not maintenance free. They will require repairs at some point.

Incidentally, Mr. Kaufman added that the future plan is to construct a second warehouse structure. He recommended the Board consider paying for that structure with its own equity and possibly charge for the warehousing fee that is outside of the Operating agreement as a source of revenue. Chairwoman Hill clarified per the Operating agreement, it allows OHPA to receive a revenue share from all the assets at the Port of Fernandina regardless who is contributing to the local match (OHPA or the Port Operator). Mr. Kaufman explained OHPA is under no obligation to provide a grant funded project. The matter is subject to further negotiations with the Operator according to their needs or amending the Operating agreement. It was also not proposed by the Operator, merely a suggestion. Mr. McPhail affirmed that the Operator is requesting for only one warehouse at this time.

- **Acknowledgement of notice and pay (written)**
Mr. Kaufman confirmed his attorney acknowledged the notice and pay via email.

Continuation of discussion from the Port Operator (Port issues/repairs):

Mr. McPhail mentioned during his Port Operator report above that he submitted a formal request (included in the meeting packet) for funding from the Maintenance account for the Port repairs, specifically the security cameras. The amount requested was \$19,249.19.

Commissioner Fullwood moved to approve the request for funds from the Maintenance account, a total of \$19,249.19. Commissioner Nelson second the motion.

The Board voted unanimously in favor of the motion.

9. Old Business

a. Customs & Border Protection facility (update)

This item was previously discussed under the Port Director report. Commissioner Fullwood explained the Board will wait for the results of the RFQ. Chairwoman Hill advised to keep this item on the next meeting agenda.

Mr. Kaufman will communicate with Director Bradshaw of CBP the action taken by the Board tonight regarding the RFQ. He requested from her to establish a process for entering a new lease for the Customs House when the current one expires. Perhaps consider a year-to-year lease since the required items will not be completed by the expiration date. The CBP is receptive to that idea per Commissioner Fullwood.

b. **Fort Clinch tugboat (Haul-out inspection update)**

Mr. McPhail mentioned this item under his Port Operator report/Port issues and repairs.

Commissioner Nelson added that the media blasting on the Fort Clinch continues. They are prepping the hull for two weeks coats. The tug will be painted from the handrails to the keel for protection. There are 125 zinc antidotes that will be removed before painting and reinstalled after. Otherwise, the tug will be subject to hull damage and electrolysis. The company will not commit to a completion date because of the weather. They will notify the Port when the tug repairs are complete. Commissioner Nelson is receiving periodic updates and will keep the Board posted. There are also some additional repairs to some pipes in-progress. All in all, the work is moving forward and is being supervised as required.

c. **OHPA property sale (selection of broker)**

The brokers' information was not included in the meeting packet. These were provided from a past meeting (July 27, 2023). The Board was notified which remaining brokers are still interested for Board consideration via email prior to the meeting.

Commissioner Fullwood questioned if the Board should choose from the remaining candidates or issue a new RFQ.

Commissioner Taylor confirmed that the remaining candidates were notified for further consideration minus John Hillman, Cabana Lane, who withdrew. Commissioner Taylor thought that Mr. Hillman was the qualified candidate. He explained he cannot support the sale of the property if there are no plans for the funds.

Commissioner Fullwood reiterated his motion from the last meeting to sell *the property located at 332 N 3rd Street; to choose one of the remaining brokers from the RFP broker services to act as OHPA's agent to sell said property; and to compose a resolution to place the funds from the sale into an investment account to be used for any identified future projects chosen and voted by this commission. The money cannot be used on Operations.* This motion was passed by a vote of 3 to 2. Chairwoman Hill questioned whether to move forward on the motion, to rescind this motion, or to award one of the remaining bidders. Mr. Krechowski explained the Board cannot rescind the motion that was voted on. The Board can entertain another motion to rescind said motion or something different to supersede that

motion. Chairwoman Hill suggested the Board can table the item. Mr. Krechowski gave directions on how the Board can proceed that is to select a broker.

Commissioner Fullwood motioned to identify a broker and enter a listing agreement with that broker.

Chairwoman Hill asked which brokers wished to remain for consideration. Mrs. Hebron reported Mr. Griebel, Mr. Griffin, and the two ladies representing eXp Commercial, Ms. Land and Ms. Mroczkowski. Commissioner Cole suggested to review the proposals from the three mentioned. Chairwoman Hill concurred and tabled the item until next meeting to select the broker.

Commissioner Nelson explained the repairs needed at the Port are still pending. He urged to sell one property to address the repairs and make a definitive decision at the next meeting.

Mr. Krechowski suggested notifying the three interested candidates for the next meeting. Mrs. Hebron will send the notifications and will forward the three proposals.

d. **Port Authority Advisory Board (approval/nominations)**

The redlined Charter by Mr. Krechowski was included in the meeting packet.

Chairwoman Hill proposed the Board accept this item in concept as something the Board would enact. At the next meeting, the Board would be prepared to submit their nominations. She added an advisory board would give the community a sense of engagement.

Commissioner Fullwood was against the idea. He explained there are too many questions to be answered. He explained any one of the public can submit a public comment at the beginning of the meeting and express their concerns. Commissioner Cole concurred and confirmed he does not support it.

Vice Chairman Taylor added the idea would open the public to showcase specific skill sets. He inquired if the Commissioners are allowed to appoint someone outside their respective districts. Mr. Krechowski explained the latter was revised on the draft because from his experience, there is no way to confirm or gauge if a commissioner cannot find an individual from his/her district. There should be a structure to the plan. He questioned who will administer or govern the advisory board; who will approve and post the agenda; who will publish the notices; who will review and approve the minutes; or who will supervise the meetings. This can lead to complicated situations.

Commissioner Cole suggested if there is a specific project that calls for an advisory board, then OHPA can appoint one at that time to satisfy the need.

Commissioner Nelson added the stakeholders are the best source of information.

Commissioner Fullwood requested that the Chairwoman withdraw her request for an advisory board.

Chairwoman Hill explained the point was to present the Charter and get a sense of the Board's opinion. She believed the majority of the Board was not in favor of the idea. She did not withdraw the concept for future consideration.

10. New Business

None were submitted.

11. Commissioners Reports and Comments

a. New business development reports

This item was included from the Code of Ethics document that was approved by the Board.

Commissioner Nelson reported the CBP mentioned the IT project continues. They requested for updates as the RFQ for architectural service progresses.

Security: The cameras are an issue. Those are needed to monitor the rail gates at night and late evenings. He urged to address the current security office/gate that is in disrepair.

Liebherr #9: It is being used periodically but still with minor issues.

Liebherr #10: No issues to report.

Mobile harbor (blue): Hydraulic hoses were replaced and more needed.

OHPA trucks: #623 – was down today with computer issues.

Warehouse #3: The rail dock still has on-going issues. There were estimates received. He encouraged the Operator to move forward with repairs.

Chairwoman Hill requested Mr. Kaufman follow up on the abovementioned issues. He agreed.

Mr. Krechowski forwarded the repairs list to the Operator submitted by Commissioner Nelson from the last meeting. He did not get a reply from the Operator.

Commissioner Nelson affirmed that the Board gave the Operator consent to proceed with the camera repairs tonight. He hoped the same action will be given to repair the roof on warehouse #3 and rail camera canopy.

Mr. Kaufman added from his conversation with Mr. Haehl, they are moving forward with the repairs and will submit subsequent requests for funds from the Maintenance account for Board approval.

Commissioner Cole acknowledged Commissioner Nelson's diligence on the Port matters. Commissioner Nelson emphasized the urgency and safety for repairs at the Port. It has been a year since he first mentioned the need. Chairwoman Hill directed that this be kept as a recurring item on the agenda under the Port Operator report.

Commissioner Cole explained the cards he distributed prior to the start of the meeting were for the TPO requesting support for some legislative items. He will provide updates at the next meeting. Chairwoman Hill added the County is in the planning phase to submit projects. The County Manager's department submits such projects and coordinates with the City.

Chairwoman Hill requested Mrs. Hebron distribute a list of the committees for Board review and consideration. She will make her appointments at the next meeting.

12. Administrative Office Manager Report

Mrs. Hebron's report was included in the meeting packet. There were no questions from the Board.

She asked for Board permission to tour the Port to gain more knowledge and understanding. She asked Commissioner Nelson to accompany her. He agreed.

She acknowledged the veterans watching the live stream and in attendance and thanked them for their services. Commissioners Cole and Fullwood are veterans.

Finally, she asked assistance in putting away the chairs and tables after the meeting.

13. Other items to be brought by Commissioners

None were submitted.

14. Adjournment

With no other questions brought before the Board, the meeting was adjourned at 8:05 PM.


Justin Taylor Vice Chairman

11/08/2023 12

Date 1-24-2024