



OCEAN HIGHWAY & PORT AUTHORITY

Miriam R. Hill – Secretary/Treasurer - Commissioner, District 1

Danny Fullwood – Chairman, District 2

Scott Hanna – District 3

Carrol Franklin – Commissioner, District 4

Mike Cole – Vice Chairman, District 5

Revised Special Meeting Minutes

March 30, 2021

The Ocean Highway and Port Authority of Nassau County held its Special Meeting on Tuesday, March 30, 2021 at the County Commissioners Chambers at the James S. Page Government Complex, 96153 Nassau Place, Yulee, Florida 32097.

The meeting was called to order at 3:30 PM by Chairman Fullwood.

The invocation was given and the Pledge of Allegiance was led by Commissioner Cole. Roll call was conducted by Mrs. Barbara Amergian. All Commissioners were present. Also in attendance were Robert Sturgess, Interim Port Attorney; Pierre LaPorte, Port Accountant; and Chris Ragucci, Port Director/Operator.

Approval of Port Authority Engagement Letter for Patrick Krechowski

There were questions and discussions regarding elements of Patrick Krechowski's engagement letter.

Commissioner Hill questioned the terms of the fee amount, per meeting or per hour. Mr. Krechowski explained the terms are similar to that of the past interim Port Attorney, Jeb Branham. A correction was suggested by Chairman Fullwood that part of the Fees terms should read \$250 per meeting in excess of two meetings per month. Mr. Krechowski will confirm the terms. The Port Authority is hiring a firm and will be represented by Patrick Krechowski. Other attorneys may be involved for additional legal support and are subject to the same rates and terms. Termination of Engagement, OHPA may, at any time, terminate representation upon 90 days' written notice to the firm. Ancillary expenses such as travel beyond meetings and retainers (experts, investigators, consultants) are paid by OHPA upon Board's approval. Payment due upon receipt of Mr. Krechowski's statement pending Board's approval. Mr. Krechowski agreed.

Commissioner Hanna made the motion to accept the Engagement Letter for Patrick Krechowski. All Commissioners voted in favor of the motion.

Crane Acquisition

Chairman Fullwood recognized Chris Ragucci for an update on the Crane acquisition. Mr. Ragucci requested Robert Sturgess stay for the discussion of the Crane acquisition. Two final agreements, ZPMC and Guaranty and Indemnification, were presented.

Guaranty and Indemnification agreement holds OHPA completely harmless from any risks or exposure on the project and also guarantees Worldwide Terminals will cover OHPA's 50% local share equaling to slightly more than \$2.5 million. Commissioner Hill questioned the inclusion and definition of the term "bad acts" in the agreement. Mr. Sturgess explained that the language of "bad acts" within the agreement satisfies the Florida Common law. Mr. Krechowski concurred.

Upon execution of the ZPMC agreement, ZPMC will lock down the charter of a barge to move cranes from North Carolina to Fernandina Beach. Within 30 days of the contract execution, the cranes will be loaded and secured on the barge with several days of travel time to the port.

First crane possibly commissioned by late May and the second by mid to late June.

A previous Grant agreement was changed and fitted-reprogrammed for the use of the cranes. The grant of \$2.9 million was fully executed by FDOT and Chairman Fullwood along with two OHPA Resolutions.

Commissioner Hanna motioned for the Chair to execute the agreements to move forward with the cranes. Commissioner Franklin second the motion. All Commissioners voted in favor of the motion.

Port Master Plan RFP

Chairman Fullwood recognized Chris Ragucci to present a full briefing of the Port Master Plan (MP). He requested input to finalize the draft document for the next monthly meeting. The RFP is a procedural document of the process. He wants to discuss points of criteria in detail so the Board may apply addition, subtraction, or conditions to the plan. Chairman Fullwood emphasized the need to review the document for approval prior to the next monthly meeting.

Under the Florida statutes, Section 311.14, requires a MP every ten years. The existing MP, prepared by OHPA in 2014 is still technically and legally valid. However, Mr. Ragucci stated that since February 2018, no one in Worldwide organization nor in the current Board administration has reviewed the existing MP. In his view, it is no longer relevant and was not prepared by the appropriate consultants. Mr. Ragucci believes there should be a coordinated effort to update the existing MP with input from current administration. After an April launch, consultants can begin to work on a new MP in May. One of the components of the RFP is to have a formal community outreach with listening sessions and presentations. The ideas will be explained and vetted by the community to the extent that is feasible. In turn, the community can provide input and concerns. The Port's strategic plans must be consistent with the local government comprehensive plans and the units of local government in which the port is located. In addition, the statutory components will have a business and development plans, a road map for future projects so that all stakeholders can view and comment, and identification of capital improvements including which ones are eligible for state capital funding. More important, the MP will have an economic development component to closely align and coordinate the Port's

future strategic growth and development with that of Nassau County. The County has tremendous asset in having a deep-water port that is served by a railway that runs throughout the county and connects with the North American Continental Railroad network.

Mr. Ragucci suggested to look into the existing infrastructure of the Port and construct a plan to improve and make it sustainable. Issues related to rising water level, subsidence of land, and various environmental concerns are some elements to examine.

Beyond the statutes, Mr. Ragucci further suggests the importance of finding a nationally recognized economic Port expert who can identify the business trends in the shipping industry globally that could be captured by Fernandina. In addition, one who is familiar with the logistics of distribution infrastructure in the region, a detailed economic benefit cost analysis on each project, report on economic impact in Port of Fernandina in a quantified way in terms of job creation and economic development impact and all the peripheral economic benefits derived from the Port.

Mr. Ragucci has a list of firms interested in bidding for the position. Chairman Fullwood has one or two to add to the list of applicants. The other Commissioners were invited to add to the list if they wish.

City of Fernandina Beach PAB Workshop Status

Chairman Fullwood recognized Commissioner Miriam Hill for an update on the PAB Workshop. Commissioner Hill attended the workshops and provided copies of the statutes for the Comprehensive Plan, similar to the aforementioned requirements referenced by Mr. Ragucci. The Port element section has not been revised since 1995. The City is required to include the Port's Strategic Plan within their Comprehensive Plan because they do have a port. Some of the provisions in Chapter 163.3178 are not included in the City's plan. In 2008, the City updated a draft, Port Master Plan, and presented it to the PAB in August 2014. All the meetings were public and available on the website. OHPA subsequently requested a meeting with the PAB and City staff that took place on October 1, 2014. The City Commission ultimately rejected the Port's 2014 Master Plan and would not incorporate the goals, objectives, and policies in their Comprehensive Plan. In 2016, the PAB reviewed a separate document drafted by OHPA Attorney and unanimously approved it in August 2016. Commissioner Hill has not seen said document but it is available on the PAB's website. The document was presented as Ordinance 2018-30 for first reading at the September 18th City Commission meeting. Then OHPA Chairman, Adam Salzburg, sent a letter dated August 27, 2018 on the City's proposed Comprehensive Plan and spoke at the meeting and provided remarks. Mayor Kreger, then mayor, directed the City Manager and Attorney to work together and form a joint committee with OHPA to review and resolve Port issues within six months. That resolution passed. However, since then the City underwent another iteration of reviewing its Comprehensive Plan led by their own PAB, a volunteer Advisory Board. Commissioner Hill was invited to join the sub-Committee as an individual to provide opinions. Ultimately, the efforts have not resulted in collaborative and cooperative relationship.

Under Florida statute 311, it requires OHPA's Strategic Plan to include mode and methods of coordinating with FDOT and local government in OHPA's jurisdiction. Commissioner Hill emphasized the need for a plan to coordinate with the City and County, specifically with the City because the Port is located in Fernandina Beach. She has concerns regarding the language contained in the draft. On April 7th, PAB sub-Committee will have a working draft for the Board

to consider. On April 28th, the sub-committee will hear public comments. Commissioner Hill requested Chairman Fullwood or Commissioner Franklin meet with Dale Martin, Tammy Bach, and Patrick Krechowski to discuss the modes and methods of collaborating with the City on this particular process. Chairman Fullwood has concerns regarding implementing some of the City's policies into the Master Plan. He wants to review the City's draft before agreeing to anything, and he asked Mr. Krechowski to study the document closely in conjunction with the Port MP and Charter.

Customs House Maintenance and Repairs Update

Chairman Fullwood recognized Chris Ragucci to present a plan and timeline for repairs to the Customs House. The repairs are as follow:

- Painting of clapboards: yellow, white, and gray (three colors on file). May take two to three weeks to complete subject to weather conditions.
- Reconnect the electrical cabinet cover to the clapboard
- Worldwide requested a permit from the City (FB) for maintenance repairs about 10 days ago and includes filing with Historic District Counsel (HDC)
- Cut the cost of the original proposal by 30% from contractor, Amelia Exterior, who will provide labor, replacement of boards and windows, and scraping. License registration is pending with the City.
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The building is not structurally in danger or unsafe. The above items are only maintenance and housekeeping type items. Mr. Ragucci explained that the building permit cost will not be significant since the above items are maintenance instead of new build.

PILOT Payment Case Status

Chairman Fullwood recognized Robert Sturgess to provide an update on PILOT Payment case. OHPA legal representative will prevail on a motion to dismiss. City of Fernandina has approximately 10 to 11 more days to file a first amendment complaint. Subsequently, OHPA will respond within 30 days or sooner. After the complaint is filed, there will be another hearing. The appellate process could take between 9 to 15 months. If no complaint filed within the 30 days after entry of order, legal will file a motion for default and ask the court to dismiss the case. Mr. Sturgess recommends to keep a statutory formal proposal for settlement. Patrick Krechowski stated he reviewed matters of concern pertaining to the case. He was not inclined to discuss strategies in a public forum at this time. He may request a shade meeting to further discuss the case. Mr. Krechowski stated he is confident he understands the issues in case litigation ensues. He is prepared to take over the case from Mr. Sturgess at the rate of \$200 per hour.

Commissioner Hill motioned to move forward with Balch and Bingham and Patrick Krechowski. Commissioner Hanna second the motion. All Commissioners voted in favor of moving forward with Patrick Krechowski as legal representative in the PILOT Payment case.

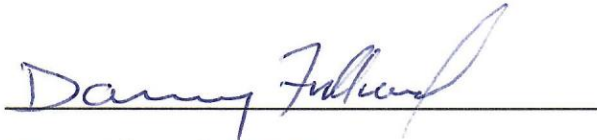
Administrative Office Manager Contract

The position was offered to Rossana Hebron. An employment agreement was presented that is similar to that of outgoing Administrative Office Manager, Barb Armergian. Pay rate is \$22.75/hourly, 80 hours per month. The pay rate was confirmed by Mr. LaPorte, Port Accountant.

Commissioner Franklin made the motion to hire Rossana Hebron for the Administrative Office Manager position. All Commissioners voted in favor of the motion.

Adjourn

With no further business to come before the Board, the meeting was adjourned at 4:55 PM.

A handwritten signature in blue ink, reading "Danny Fullwood", is written over a horizontal line.

Danny Fullwood, Chairman