



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

Monthly Meeting Minutes – Amended

January 12, 2022

The Ocean Highway and Port Authority of Nassau County held its Monthly Meeting on Wednesday, January 12, 2022 at the County Commissioners Chambers, James S. Page Government Complex, 96153 Nassau Place, Yulee, Florida 32097.

The meeting was called to order at 6:05 PM by Chairman Fullwood.

The invocation was given and the Pledge of Allegiance was led by Vice Chairman Cole. All Commissioners were present with Commissioner Hanna joining via Zoom. Also in attendance were Patrick Krechowski, Port Attorney, Pierre LaPorte, Port Accountant, and Chris Ragucci, Port Operator.

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

- No public comments were submitted.

2. **Approval of Minutes**

- December 8, 2021 Monthly Meeting Minutes
- December 30, 2021 Special Meeting Minutes

Vice Chairman Cole motioned to approve both minutes as they stand. Commissioner Hanna second the motion. With no further discussions, the Board unanimously approved both minutes.

3. **Port Accountant Report**

- **Financial Report** – December 2021
All expenses accounted and the largest item was the membership dues for the Florida Ports Council, \$12,025.

Commissioner Hill noted there is approximately \$65,000 deficit for the year, confirmed by Mr. LaPorte. He also reminded the Board the budgeted amount for the Port Attorney needs amending for additional funds. A \$32,500 amount was deposited into the bank account on Friday by Worldwide Terminals (WWT) for the

settlement payment. He explained the total expense of \$128,795.92 will be offset by this payment next month.

Mr. LaPorte asked directions regarding the administration of the Master Plan grant. OHPA received two invoices from RS&H thus far. Portions of the payment will come from the FDOT Master Plan grant, \$118,000, and the balance from the ARPA grant. Chairman Fullwood directed Mr. LaPorte to begin administration of the grants for the Master Plan invoices.

4. Port Attorney Report

The following items are from Mr. Krechowski's report:

- **Nassau County Property Appraiser**
Ruling in favor of OHPA to reinstate tax exempt status.
- **Public Records Requests**
Nassau Terminals (NT) requests have been withdrawn. Nassau Terminals has filed dismissal notices in court.
- **COFB Interlocal Agreements**
Navigation Channel interlocal agreement has been approved. COFB has submitted letter to US Army Corps.
Final version of Port Development interlocal agreement has been revised and submitted for approval. See discussions below.
- **COFB v. OHPA (PILOT Payment)**
Hearing on OHPA's Motion to Dismiss is set for January 26, 2022, 10:45 AM, Zoom meeting.
- **Ross v. OHPA & Worldwide Terminals**
Nassau Terminals has reimbursed OHPA for legal fees associated with matter.
Hearing on Nassau Terminals Motion to Dismiss scheduled for January 30th.
Marks Gray (Ed Birk) to be retained to represent OHPA in Ross matter going forward.
- **Miscellaneous**

Contacted bond counsel at direction of Board.

Presented Chairman Fullwood a new legal contract, executed after the meeting.

Requested more clarity and directions pertaining to the COFB Comp Plan response/objections. Commissioner Hill recalled objecting to the buffer language. Chairman Fullwood instructed the Board to submit each individual comments to Mr. Krechowski to submit a general objection from the Board.

Remaining OHPA assigned tasks actively being worked on.

- **Discussions**

COFB/OHPA Interlocal Agreement (Port Development)

Chairman Fullwood reported that Representative Cord Byrd filed the Bill to the Legislation in Tallahassee.

There was some concern from the public regarding the Coal Ash incident, off the coast south of the Port. Chairman Fullwood suggested to add this item on the Interlocal agreement as a good gesture to ensure the public the Port does not and will not handle coal ash.

Vice Chairman Cole motioned to accept the Interlocal agreement with the City of Fernandina Beach. Commissioner Hanna second the motion.

Mr. Krechowski advised regarding the second “whereas” clause on the Interlocal agreement...

“WHEREAS, the City and OHPA believe it is in the best interests of the citizens of Fernandina Beach to prohibit the construction and operation of an oil/ fuel refinery and/or paper mill within the Port facilities...”

The City does not deem it necessary to include, and the City will not object if that portion was deleted from the agreement. Chairman Fullwood affirmed OHPA will not participate in the operation of an oil/fuel refinery or paper mill.

Commissioner Hill expressed her confusion regarding the first “whereas” clause that considered the economic development initiatives for the Port including state and federal grant applications.

“WHEREAS, the City and OHPA believe it is in the best interests of the citizens of Fernandina Beach and Nassau County to coordinate and work together regarding economic development initiatives for the Port of Fernandina including but not limited to, state and federal grant applications.”

Chairman Fullwood explained that may be an extension of the City’s concerns about OHPA unaware of the details of recent federal grant applications submitted by the Port Operator.

Commissioner Hill continued by objecting to other portions of the agreement, namely:

“(e) For development of authority-owned properties located in the Downtown Historic District of the City of Fernandina Beach as of 2021, the authority must comply with the requirements of the City of Fernandina Beach Historic District

requirements delineated in the City of Fernandina Beach Land Development Code; and

(f) Further expansion of the Port of Fernandina and authority-owned facilities into the Downtown Historic District of Fernandina Beach is prohibited...”

She suggested, specifically (f), should be “by agreement with the City” instead of prohibited. This will allow negotiations or discussions with the City for future projects. Mr. Krechowski confirmed the City, per the City Attorney, may be receptive to the change in language allowing negotiations other than prohibiting because of the unknown in the future.

Commissioner Hill also requested to change the term of four years to one year to allow for renegotiations more often. Chairman Fullwood rejected the request.

Vice Chairman Cole amended his motion to accept the agreement with the caveat of changing the language on part “f” from prohibited to ‘by agreement with the City.”

A poll vote resulted as follows: Hill – NO, Hanna – YES, Franklin – YES, Cole – YES, and Fullwood – YES. The motion passed by a vote of 4 to 1 with Commissioner Hill voting against.

5. Port of Fernandina Report (Operator)

- **Tonnage Report – December 2021**

Mr. Ragucci reported the total tonnage is up for the month of December 2021, 40,343 tons. This was the third highest mark of the 2021 year with a variance of 92.952 tons compared to the previous year, 2020. All commodities are up across the board with rail cars finishing at 312 variance from the previous year. He predicts January 2022 will be a blockbuster month.

Mr. Ragucci also reported signing two additional multi-year contracts with three customers with more expected to sign on. Currently, there is a shift to more imported goods than exports, approximately a ratio of 60:40. He verified there are no cruise ships slated to come in at the present.

- **Port Tariff (review and approve new Port tariff and rates from Operator)**

Mr. Ragucci explained they are still in the process of revising the tariff. He promised to submit the new rates before the January 26th meeting for Board review and discussions.

Chairman Fullwood reiterated the Board needs to review the new rates as soon as possible and by January 26th. Mr. Ragucci confirmed.

- **Fort Clinch Tugboat Title**

Mrs. Hebron reported OHPA still does not have receipt of the original copy of the Fort Clinch Title as promised by the Port Operator in previous meetings. Mr. Ragucci does not recall having the original copy and stated the tugboat is registered with the Coast Guard. He requested Mrs. Hebron to send an email reminder to search for the copy of the Title.

- **Master Plan grant**

Chairman Fullwood reiterated WWT cannot participate in paying for the Master Plan grant local match. Mr. Ragucci explained, according to his bond parameters, it is not hard asset or capital improvement. His bond council in New York advised against such participation. Commissioner Hill asked if they advised not using conduit bond proceeds or revenues. Mr. Ragucci explained the bond proceeds are allotted for capital improvements and cannot be used for studies or business strategies and the like. She continued to ask if there was a prohibition on using those proceeds. Mr. Ragucci answered he has not reviewed that question. Chairman Fullwood informed him that OHPA may subtract the amount of the expense from the ARPA contribution to WWT. Mr. Ragucci acknowledged and promised to continue to consider methods to assist with the expenses.

Commissioner Hill stated Mr. Ragucci signed a resolution (Resolution 2020-R03) that designated him as responsible for payment of the grant's local match. She requested Mr. Krechowski examine the resolution for clarification.

6. Unfinished Business

- **Interim Port Director Recruitment**

The deadline to submit proposals/resume ended on January 3, 2022. Mrs. Hebron reported OHPA received no submissions.

Commissioner Hill reported she received an inquiry. That individual requested for an extension to submit a proposal.

Commissioner Hill motioned to extend a deadline for 30 days. Commissioner Franklin second the motion.

The Board voted in favor of the motion by a vote of 4 to 1 with Chairman Fullwood opposing.

- **Master Plan (RS&H)**

Justin Cole, Project Manager/RS&H, reported progress with the Master Plan efforts. He plans to schedule a stakeholder meeting early February and a public workshop thereafter. The venue is still to be determined.

David Kaufman, President/Checkmate Consulting, met with the City officials (Manager, Attorney, and Planning Director), as well as with Sherri Mitchell (EDB) and Lisa Finklestein (Main Street Program).

- **Joint meeting with the City of Fernandina (Fullwood)**
Chairman Fullwood announced a scheduled joint meeting on February 23rd, 6 P, at the Board of County Commissioners Chambers. He requested the Board keep that date open.

7. New Business

- **Public Records Policy (Hill)**
Commissioner Hill obtained an idea from her Nassau Leadership class to draft a new Public Records Request policy for OHPA that incorporates some elements from the Nassau County Sheriff's Office (NCSO) guidelines.

Mr. Krechowski suggested perhaps drafting some by-laws for OHPA to have governing documents on file. He and Commissioner Hill will collaborate to submit a first draft subject to the Board's review and approval, to be discussed during the first February OHPA meeting.

- **New Office Manager position**
Mrs. Hebron announced her resignation. She added the matter was discussed and voted on by the Board in a prior meeting. She respects the Board's decision that providing medical coverage for the Office Manager is simply not in the budget. Chairman Fullwood suggested hiring a replacement who will not require medical coverage.

Job postings for the position have been placed in different forums for a couple of weeks. Mrs. Hebron reported no resumes or inquiries received thus far.

Mr. Krechowski offered his staff to assist in the transition. Mrs. Hebron will start her new position on January 24th. She will be available for Port business after 5PM starting that date until a replacement is hired.

- **Employee bonuses**
Chairman Fullwood suggested rewarding each Port employee (approximately 60 to 61 count) a \$2,500 bonus to be distributed directly to each employee. The funds will be allocated from the ARPA grant. Subsequently, each employee will provide the necessary information (Social Security numbers/SSN) at the end of the year for a 1099 Tax submission.

As for the security guards, Chairman Fullwood placed a hold on including those staff members for now.

Commissioner Hanna motioned to move forward with the aforementioned proposal of \$2,500 per Port employee bonus. Vice Chairman Cole second the motion.

The Board voted unanimously in favor of the motion.

Chairman Fullwood directed Mr. Ragucci to provide the employees' SSN as soon as possible for distribution of funds. Mr. LaPorte will provide updates regarding ARPA reimbursements.

Commissioner Hill suggested to consider including the lone staff member of OHPA, the Administrative Office Manager.

- **Customs House windows** (Certificate of Approval)
Chairman Fullwood reported receiving the Certificate of Approval from the Historic District Council. The windows have been ordered; therefore, the project is well underway.

8. Committee Reports

Port Security – Chairman Fullwood
No report.

FDOT – Chairman Fullwood
Grant G0L06 expired and G1700 (Lighting grant) expires on February 28, 2022.

The following reports were taken from FDOT meeting minutes, January 5, 2022, regarding some of the grants:

- ~~**G1700 (Lighting)**~~
 - ~~33 months with no activity~~
 - ~~Grant expires 2/28/22~~
 - ~~Time extension not feasible due to lack of incremental progress over last 33 months~~
 - ~~OHPA has 120 to submit final invoice after the expiration of the PTGA~~
 - ~~Mr. Ragucci advised the grant would be utilized prior to its expiration on 2/28/2022~~
 - ~~FDOT advised OHPA to provide all applicable compliance documents required per the PTGA once procurement process completed and Notice to Proceed (NTP) request submitted to the Department prior to commencing construction~~
- ACTION ITEM:**
- ~~OHPA to provide compliance documents and NTP request prior to the Department prior to commencing construction~~

Additionally, Mr. Ragucci reported completion of scope of work and conducting interviews for contractors, via sole source or bidding process. He is also following procurement guidelines according to FDOT's requirement with the assistance of Mr. Krechowski.

- ~~**G0L06 (North Deck Ramp & Pilings)**~~
- ~~Confirmed JPA expired 12/31/2021~~
- ~~OHPA has 120 days to submit final invoice after the expiration of the JPA~~

- ~~FDOT discussed requested changes & additional information needed to process the final invoice. This information was also provided to OHPA in a 12/29/21 e-mail~~
- ~~FDOT discussed required compliance documents needed to pay the final invoice and close the agreement. This information was also provided to OHPA in a 12/29/21 e-mail~~
- ~~Reviewed process to reallocate remaining funds to G1938~~
- ~~Discussed time sensitive nature of requested invoice changes/additional information and compliance documents as it relates to the Departments ability to reallocate funding/~~

~~ACTION ITEM:~~

~~OHPA to make requested invoice changes/ provide additional information and compliance documents ASAP to allow processing of final invoice~~

▪ ~~**G1K57 (lighting & fencing)**~~

- ~~Mr. Ragucci OHPA confirmed would like to do repairs to fencing and guard gates~~
- ~~FDOT advised OHPA to provide all applicable compliance documents required per the PTGA once procurement process completed and Notice to Proceed (NTP) request submitted to the Department prior to commencing construction~~

~~ACTION ITEM:~~

- ~~OHPA to provide compliance documents and NTP request prior to the Department prior to commencing construction~~

~~Mr. Ragucci confirmed proceeds from the G1K57 grant are allocated for upgrading security cameras around the Port.~~

▪ ~~**G1L46 (Master Plan)**~~

- ~~Chairman Fullwood indicated master plan work is underway~~
- ~~Chairman Fullwood discussed utilizing ARPA funding for the local match~~
- ~~FDOT indicated the ARPA PTGA had not been executed by the Department, and therefore could not be utilized for reimbursement of the local match at this time~~
- ~~FDOT recapped the 10/20/21 email sent to OHPA regarding outstanding items needed from OHPA for the Department to execute the PTGA~~
- ~~FDOT advised OHPA the vendor must have been procured in accordance with all federal procurement guidelines and requirements to be eligible for reimbursement under the ARPA PTGA once executed~~

~~ACTION ITEMS:~~

- ~~OHPA to provide CCNA certification from authorized official for G1L46.~~
- ~~OHPA will ultimately need to provide certification from an authorized official the Authority has met all federal procurement guidelines and requirements prior to receiving reimbursement from ARPA PTGA (yet to be executed).~~

Mr. Krechowski reported Mr. Cole from RS&H confirmed the company followed federal procurement guidelines. Commissioner Hill requested a written confirmation to serve as an authorized certification other than verbal confirmation in response to FDOT's requirement. Mr. Krechowski will verify with RS&H.

Customs House – Commissioner Franklin

Still waiting for the replacement windows to arrive. AC unit working accordingly.

Army Corp of Engineers (ACOE) – Chairman Fullwood

ACOE requested additional written documents regarding channel dredging. Chairman Fullwood and Mr. Ragucci will execute.

Economic Development – Commissioner Cole

Vice Chairman Cole will attend a luncheon tomorrow with the NCEDB to conduct open dialogue regarding challenges in 2022, specifically staffing shortages and supply chain issues. The guest speaker will be Lake Ray, former representative.

Emergency Management – Commissioner Cole

Vice Chairman Cole became an official Emergency Management volunteer. Mr. Cosgrove, Director of Homeland Security, will tour the Port.

Technical Coordinating Committee (TCC) – Commissioner Hanna

Commissioner Hanna reported no TCC meeting this month.

Transportation Planning Organization (TPO) – Commissioner Cole

Vice Chairman Cole was elected as TPO's Vice Chair.

Nassau Chamber of Commerce – Commissioner Hill

Leadership Nassau Day was canceled because of omicron virus. Commissioner Hill provided a hard copy of the NC Chamber of Commerce Annual report, also available in pdf form online.

City of Fernandina Beach – Commissioner Hill

No additional reports.

9. Administrative Office Manager Report

Administrator's report is included in the meeting packet.

10. Other items to be brought by Commissioners

Commissioner Franklin requested an update regarding the PILOT Payment case. Mr. Krechowski reported the case is still active. OHPA's motion to dismiss will be heard on January 26th. Pursuant to the Operating agreement and some discussions, NT placed two payments in escrow. Details of the matter will be discussed with the City after the hearing.

Vice Chairman Cole will attend the Florida Ports Council Legislative forum next month. Mr. LaPorte confirmed the travel expense budget is \$1,000.

Commissioner Franklin acknowledged Mr. Ragucci's television news interview regarding the Port accepting ships from China to address supply chain challenges. Mr. Ragucci advocated the Port as an alternative to the Savannah port without the high cost of Jacksonville.

Mr. Ragucci reported the tugboat is in dry dock for required maintenance.

Vice Chairman Cole acknowledged some of the positive actions from OHPA and the Port, namely; ARPA grant, FDOT grants, employee bonuses, Channel Interlocal agreement, Global agreement, exempt status reinstated, and tonnage is up, to name a few.

Adjourn

With no other questions brought before the Board, the meeting was adjourned at 8:02 PM.



Danny Fullwood, Chairman



Date