



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

August 11, 2021

The Ocean Highway and Port Authority of Nassau County held its Monthly Meeting on Wednesday, August 11, 2021 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 Commissioner Hanna. The Pledge of Allegiance was led by Vice Chairman Cole. Roll call was conducted by Rossana Hebron. All Commissioners were present. Also in attendance were Patrick Krechowski, Port Attorney, and Chris Ragucci, Port Director/Operator. Pierre LaPorte, Port Accountant, was absent.

Comments - Audience (Comments submitted prior to the meeting)

1. Chip Ross; 210 N 3rd St., Fernandina Beach, FL
2. Tammi Kosack; 322 N. 3rd St., Fernandina Beach, FL
3. Michael Spino; 317 S. 5th St., Fernandina Beach, FL
4. Gary Klopp; 310 Dade St., Fernandina Beach, FL
5. Polly M.; 511 Dade St., Fernandina Beach, FL (form not submitted)
6. Frances G.; address inaudible from audio recording (form not submitted)

First, per Mr. Ross, there is a Municipal Securities website named "EMMA," where documents are accessible, in particular, information pertaining to the Port Operator. Second, the question and views expressed by Mr. Ross represented those of the consensus from the audience. Mr. Ross submitted multiple questions to the Board via email on August 9, 2021. He emphasized one question, in particular, regarding the RAISE Grant application. It reads, "On 12 July 2021 OHPA's representative submitted a RAISE Grant application to the Federal Government. The proposed plan requires expanding the Port footprint outside the current Port's current footprint into the Historic District, abandoning and closing current City roads on Front Street, North 2nd Street and Dade Street, widening Dade Street, and creating 20 new truck loading bays. The grant proposal states in pertinent part; "the approval of this project was conducted over multiple OHPA meetings that are conducted in public forums with the ability for all citizens of Nassau County to make their voices heard regarding this project. In addition,

the OHPA commissioners, acting as duly elected officials of Nassau County elected unanimously to move forward with this project".¹

Do the Commissioners unanimously support this grant proposal with the proposed port expansion outside the current foot print, road closures, street widening and 20 new truck loading bays?"

Additionally, Ms. Kosack requested the Board rescind the RAISE application citing misinformation and misguidance from the Port Operator when seeking support from the City Commission. Mr. Klopp also added there is no justification to expand the footprint according to its projected goals. The Port is unable to meet what it projected or what it is able to do with what they have, thus far.

Chairman Fullwood thanked the public for their comments. He explained the Board usually does not respond to public comments immediately. He added the RAISE grant is an application to apply for grants. The Port has not received any grants. The Board gave permission to the Port Operator to submit the application and follow the parameters set by the grant application. In the event the Port wins a grant award, it has to pass through the Board. It will consider every grant with the City's and public's interests in mind. Chairman Fullwood declared he does not support closing any streets especially Dade Street.

Furthermore, Vice Chairman Cole indicated to rescind the grant application is detrimental to the Port's opportunity for growth and improvement. Commissioner Hanna added the Port is assessing every available avenue to support growth. Commissioner Hill expressed her gratitude for the public's engagement and concerns. She did not have the opportunity to review the application prior to submission. She relied on the federal government to furnish a copy. She professed that the Board as elected entities accountable to the public, it will ensure to follow the public's requirements and what is best for the economy.

Lastly, Mr. Ross quoted the USDOT RAISE application, in part, "Ready to go. Preliminary architectural and engineering work is complete. Once funding is secured, this project will be able to start with completion scheduled in three years." He points that this is a contradiction to Chairman Fullwood's explanation of an application for an application. Mr. Ragucci countered that it is an application for grants. Any award has conditions with one year time frame for negotiations between OHPA and the federal government based on specific projects. If selected for an award, the dialogue starts with the City and other stakeholders. Then the federal government will have to agree with the plans before monies are distributed. It is a creative application based on conceptual plans.

¹ Page 23 U.S Department of Transportation – Rebuilding American Infrastructure for Sustainability and Equity Grant 2021

Chairman Fullwood invited the public to stay to hear the other agenda items perhaps answering some of the public's concerns. He promised to involve the community in considering the projects and plans. He recommended a five-minute intermission before moving to the next agenda item.

Approval of Minutes

- July 14, 2021 Monthly Meeting Minutes
- July 28, 2021 Budget Workshop Minutes

Mr. Ragucci requested the name of Rhonda Poteat be stricken from the minutes because she requested to maintain her privacy. He added Ms. Poteat is not the Grant Administrator rather he is. Commissioner Hill objected to Mr. Ragucci's request. She reiterated the conversation pertaining to Ms. Poteat as the Grant Administrator. The minutes should reflect what was said during the meeting. The Board concurred.

Commissioner Hanna motioned to approve both minutes as written. The Board unanimously voted for the approval.

Consent Items

- None

Port Accountant Report

- Financial Report – July 2021
- 2020-21 Annual Audit Engagement Letter
- 2021-2022 Budget

Mr. LaPorte was absent for the meeting; therefore, was unable to personally deliver the reports for the above agenda items under Port Accountant Report. Documents for this portion were attached to the meeting packet for the Board's access and review.

The Annual Audit Engagement Letter for Mauldin & Jenkins will be discussed at another meeting.

As for the budget, Chairman Fullwood announced the Port's will receive a Relief fund (Covid). After much discussion with Florida Department of Transportation (FDOT), the fund may assist to mitigate most of the budget's deficit. Instructions and parameters will be provided within the next month detailing all allowable costs for the funds. Chairman Fullwood suggested to postpone further discussions of the budget for the next fiscal year until OHPA has receipt of said instructions and parameters.

Accordingly, Commissioner Hill spoke with Mike Rubin after the Budget Workshop. He supports and will advocate a 25% reduction across the board on the Florida Ports Council dues for all ports. He will also accept a written request/proposal from the ports to save travel costs and forego attending the upcoming meeting in Panama City. Vice

Chairman Cole emphasized the opportunity and benefit to represent the Port at the meeting. Commissioner Hill concurred.

Another Budget Workshop will be scheduled before September.

Port Attorney Report

Chairman Fullwood called on Mr. Krechowski to present his reports.

First, regarding the Sewer line matter with the City, Mr. Krechowski reviewed a Memorandum of Understanding submitted by the City. He requested some revisions specifically with some indemnity language before the Board approves the project. He is still waiting for a reply from Tammy Bach, City Attorney. This item will be added to the Special Meeting agenda.

Second, the Tax Exemption status is still pending. The Property Appraiser still needs to schedule a tour of the Port to assess the property. Chairman Fullwood will handle the scheduling. A hearing on OHPA's Motion to Dismiss is postponed until early next year. This was collectively decided by the City and Mr. Krechowski, acting on behalf of OHPA. The Board agreed with the decision to postpone.

Lastly, a development from the public records request lawsuit is Judge Steven Fahlgren recused and disqualified himself from the case based on the motion filed by Nassau Terminals. The case will be reassigned. A call is scheduled with the attorney for Nassau Terminals to discuss reimbursement of legal fees for OHPA.

Port Operator Report

- **Tonnage – July 2021**

Chairman Fullwood called on Mr. Ragucci to present the Operator's report. Total tonnage for the month of July was 39,128 tons, averaging ~43,000 metric tons per month, and with a 65,000 metric ton variance YTD.

Commissioner Hill asked how many new additional, non-cargo related lines of business that were started during Covid. She explained the information is pertinent when OHPA considers supplementary revenue that is negotiable with WWT. Mr. Ragucci clarified the lay-berthing, for example, is part and parcel of the normal operations under the operating agreement. It is not new business or new revenue but traditional port revenue. Dockage and wharfage are collected from those vessels just like from the cargo vessels. Chairman Fullwood added there is disagreement between OHPA and the Port Operator on that matter and will have Mr. Krechowski interpret the specifics and advise accordingly.

On a different note, Chairman Fullwood asked Mr. Krechowski about the public request submitted by Michele Fox, New York attorney. Mr. Krechowski explained most of the items she requested are not documents that OHPA keeps but, in fact, the Port Operator

keeps. The request was in regards to the operations of the Operator. He forwarded the request to the Port Operator. Mr. Ragucci indicated there is ongoing litigation in New York against Nassau Terminals/WWT. Mr. Krechowski directed Mr. Ragucci that it is a public records request, regardless of who asks, records must be provided. Nonetheless, at this time, Ms. Fox only requested a copy of her initial request that Mrs. Hebron forwarded provided in response.

Port Director Report

Chairman Fullwood acknowledged Mr. Ragucci to present a Port Director report. Mr. Ragucci gave an update on the grant process with FSTED/FDOT. Vice Chairman Cole will attend the upcoming meeting in Panama City as will Mr. Ragucci at his own cost and expense for the FSTED portion of the meeting on behalf of OHPA. There are no feedbacks from the committee allocating the grants. He will update the Board as soon as he hears from that committee.

Unfinished Business

- **RS&H Scope of Work**

Justin Cole, Project Manager, presented a revised Scope of Work with omissions of some elements to satisfy OHPA's budgetary shortfall for its Master Plan. However, in light of the Relief fund, Chairman Fullwood suggested to defer those omissions until said fund is finalized. The Board is hesitant to omit specifically the public engagement and sustainability elements.

Commissioner Hill suggested to Mr. Cole to also focus on projects for optimizing the existing Port's footprint without exploring so much on expansion. Mr. Cole concurred.

- **City of Fernandina Beach Comprehensive Plan**

A draft of the Comprehensive Plan (Comp Plan) was presented for approval to the Planning Advisory Board (PAB), and they will, in turn, present it to the City Commission. At the workshop, Commissioner Hill reported the PAB will not change the prescriptive language, and they did not accept the buffer language as suggested. She added some members of the Committee truly support maintaining the Port. Chairman Fullwood reiterated the Comp Plan is the City's plan not OHPA's. In the end, they have to adopt OHPA's Master Plan.

- **Customs House**

Repair discussions were deferred until the Port Operator's report.

- **Port Director**

Commissioner Hill deferred her discussion on this topic towards the end of the meeting.

- **Port Tariff**

Commissioner Hill conducted research and submitted the documents specifically the relevant regulations to Mr. Krechowski. Review is still pending.

New Business

- **2021 Annual Written Report from Operator of all Maintenance on OHPA Equipment per S. 2.3 of Operating Agreement**

Chairman Fullwood confirmed receipt of maintenance records submitted by the Port Operator. The records reflect maintenance on Port facilities, the Liebherr crane, fire systems, and the scales. Commissioner Hill asked if the files contain written maintenance reports per section 2.3 of the Operating agreement. Mr. Ragucci explained he was only asked for the records not reports but will compile one for the Board. He shared that WWT follows its obligations to maintain the equipment and facilities to keep those in working condition. WWT has spent millions of dollars on maintenance and purchase of services from third party vendors, parts, materials, and supplies. He added he will include in the report the man hours of mechanics and electricians (a six-man team) who perform many of the work themselves. They are highly experienced port mechanics and electrician; most have been employed at the Port for 15 years. Commissioner Hill asked if there are any Port equipment that needs replacing. Mr. Ragucci explained those items included in the maintenance mandate are the Liebherr crane (13 years old), buildings, and systems associated with the warehouses (rooves, fire systems), and loading docks. The Customs House is not included albeit WWT spent dollars to bring it up to code without asking for reimbursement from OHPA.

- **Relief Fund Information**

Mr. Krechowski read and submitted a resolution (2021-R04) to accept the Relief fund. The amount awarded to the Port of Fernandina is \$806,772. A copy of the resolution is included in the meeting packet and on the website. In sum, the resolution states OHPA accepts the grant and will comply with the parameter of the grant.

Commissioner Hill motioned to approve Resolution 2021-R04 to accept the grant. Commissioner Hanna second the motion. The Board unanimously voted in favor of the motion.

- **Port/OHPA Operating Agreement**

Commissioner Hill appealed the Board should review the Operating agreement and identify those elements where the Operator lacks performance and adherence. She requested the Board ask Mr. Krechowski to enforce the terms of the agreement. Chairman Fullwood asked Mr. Krechowski to list those terms that the Operator is in violation for future discussions.

For the record, Mr. Ragucci objected to the characterization of non-performance under the Operating agreement. Per his view, he is 100% in compliance with fee

payments, services provided, and maintenance of facilities. Outside of that, he will further review report submissions.

- **Bonding Agent Presentation**

Chairman Fullwood asked the bonding agent to present an update on bonding documents (Conduit agent). Unfortunately, the representative could not attend the meeting. She lives in St. Petersburg and will attend the next meeting. He added there are inquiries about OHPA as a conduit for a bond. Further discussions regarding this matter will be at the next meeting.

- **FSTED/FDOT**

Commissioner Hill spoke with Mike Rubin and others at FDOT regarding existing grants awarded to OHPA. In particular, there is a grant that expires in December 2021 (G0L06, awarded to OHPA in 2015). If it expires, it will reflect against OHPA for future grant allocations. Therefore, she explains if OHPA does not have a "shovel-ready" project posthaste, then OHPA should yield the grant back to FDOT.

Mr. Ragucci addressed the concern by explaining there is active project of dock repairs against the grant (G0L06) and will be invoicing against it in the next 30 days. He is prepared to surrender the balance of the grant if it cannot be reallocated.

Commissioner Hill emphasized the State Department of Transportation inquired about not receiving any response to their fee requests remitted to WWT. There is a 1.7% fee to be paid for the dispersed grants. Mr. Ragucci stated it is OHPA's obligation to pay and OHPA, in turn, requested WWT pay the local match. Chairman Fullwood concurred that any matching portion of a grant is, in fact, OHPA's obligation to pay. Mr. Ragucci has graciously agreed to pay for those portions. OHPA, in return, applies a credit (\$5,000) for the maintenance on a monthly basis against the fees that WWT has paid thus far. Commissioner Hill believes per the Operating agreement, the Operator has to pay the matches to which Chairman Fullwood and Mr. Ragucci disagreed. Chairman Fullwood asked Mr. Krechowski to check the agreement and confirm.

Committee Reports

- **Port Security – Commissioner Fullwood**

No issues to report over the last month.

- **Customs House – Commissioner Franklin**

Nothing to report per Commissioner Franklin.

Commissioner Hill commented that she heard at the PAB meeting about complaints from the neighborhood that they felt unsafe and that truckers were urinating on the streets. She explained at that meeting the Port security safeguards the Port side of the fence. The neighbors should call 911 if they feel unsafe.

- **Army Corp of Engineers – Commissioner Fullwood**
Nothing to report.
- **Economic Development – Commissioner Cole**
Vice Chairman Cole confirmed there are active projects that could come through the Port, but he is not at liberty to discuss.
- **Emergency Management – Commissioner Franklin**
Nothing to report.
- **Technical Coordinating Committee – Commissioner Hanna**
Nothing to report. The committee met last Wednesday but Commissioner Hanna did not attend because he was out of town. Chairman Fullwood emphasized the need to attend those meetings.
- **TPO (Transportation Planning Organization) – Commissioner Cole**
There is a presentation for the Port that the Port Director is unable to assist at this time because of schedule conflicts. It is rescheduled for September 9th. Vice Chairman Cole asked the other Board members to attend.
- **Nassau Chamber East Side – Commissioner Hill**
The Leadership Nassau program had its kick-off meeting. Commissioner Hill suggested extending an invite to the class for a Port visit. Chairman Fullwood agreed. The group also released its dashboard and may be added to future OHPA agenda.
- **Nassau Chamber West Side – Commissioner Cole**
Nothing to report.
- **City of Fernandina Beach – Commissioner Hill**
Commissioner Hill confirmed the City recommends calling 911 if there are safety issues. She requested Ms. Bach convey to COPD to give notices of any disturbances near the Port so OHPA can be responsive. Chairman Fullwood suggested placing a camera facing Dade Street. Mr. Ragucci agreed.

Administrative Office Manager Report

Mrs. Hebron's report is included in the meeting packet. She received two public records requests last month. There were two Commissioners who had IT issues and will mitigate with the assistance of an IT support.

Other items to be brought by Commissioners

- Commissioner Hill prepared a resolution (2021-R05) that she shared with Mr. Krechowski addressing the position of the Port Director. It identifies the resolution that appointed Mr. Ragucci to the position on January 6, 2020. It continues to affirm that OHPA determined in its best interest to declare said position vacant until filled and appoint a new temporary representative to FSTED. She nominated Chairman Fullwood because he has sat in at the FDOT meetings, has experience with grants, and is responsive. The Port Director position shall remain vacant. She asked the Board to reflect upon the sworn statements made and widely reported on the newspaper, and the filings made with the court. For Mr. Ragucci to continue as Port Director in that capacity is impractical. She asked the Board to support the removal of Mr. Ragucci as Port

Director and support the resolution. Commissioner Hill added Vice Chairman Cole should remain as Florida Ports Council (FPC) representative. OHPA is not required to have a Port Director under its Charter.

Chairman Fullwood was hesitant in accepting the nomination, explaining that time may be an issue in attending the meetings. He asked Vice Chairman Cole to represent OHPA in both the FSTED and FPC meetings scheduled later in the month, August 24-26 in Panama City.

The Board unanimously voted in favor of the motion to accept the resolution as written.

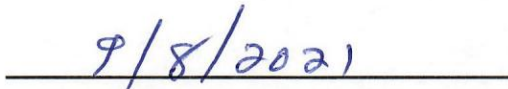
- Chairman Fullwood asked the Board to refrain from requesting Mrs. Hebron to perform other duties that does not pertain to her role as Administrative Office Manager.

Adjourn

With no further business to come before the Board, the meeting was adjourned at 8:10 PM.



Danny Fullwood, Chairman



Date