

OCEAN HIGHWAY & PORT AUTHORITY

NASSAU COUNTY

AGENDA

Wednesday, February 13, 2019

6:00 PM

Commissioner Chambers
James Page Government Complex
96135 Nassau Place, Yulee, FL 32097

6:00 PM – Meeting Called to Order – Chairman

Invocation and Please of Allegiance - Commissioner Fullwood

Roll Call: Robert Sturgess, District 1; Danny Fullwood, District 2, Scott Hanna, District 3; Carrol Franklin, District 4; Mike Cole, District 5

- Comments - Audience (Sign in sheets on the Press Table)
- Comments (Requested items to be addressed, turned in prior to monthly meeting)

1. Approval of Minutes

- January 9, 2019 Regular Meeting
- February 1, 2019 Emergency Meeting

2. Consent Items

- Moody's Investor Services (Nov 2017 – March 2018) \$2,083.00

4. Report by Pierre LaPorte

- Financial Report – January 2019
- Financial Statement – Quarter Ending December 31, 2018
- Mauldin & Jenkins Engagement Letter

5. Report by Jeb Branham, Port Attorney

- Attorney Report – January 2019
- Summary of Bond Issuance Powers of OPHA and Process Description

6. Laura DiBella, Port Director

- Fiscal and Economic Impact Analysis for Port of Fernandina with Exhibit

7. Port of Fernandina Report

- Port Operations & Commercial Report

8. Unfinished Business

- Adoption of Resolution 2019-1 - Department of Transportation Grant Agreement

9. New Business

- Website Updates
- Ratify the Emergency Meeting on February 1, 2019.
- Authorization for Crane Spare Parts Purchase from Liebherr to be added as part of the crane grant package.
- Conservation Wetlands Rezoning Request
- TranSystem Proposal for Structural Analysis and Development of Crane Positioning Options
- Discussion of Bond Issue with OHPA serving as conduit issuer, and authorization to move forward
- Formal Authorization to Retain Joe Stanton as OHPA's Bond Counsel

Committee Reports

- Port Security – Commissioner Fullwood
- Customs House – Commissioner Franklin
- Economic Development – Commissioner Fullwood
- Emergency Management – Commissioner Franklin
- Technical Coordinating Committee – Commissioner Hanna
- TPO – Commissioner Cole
- Nassau Chamber East Side – Commissioner Sturgess
- Nassau Chamber West Side – Commissioner Cole

10. Administrative Office Manager Report

11. Other items to be brought by Commissioners

12. Adjourn

If a person decides to appeal any decision made by the board, agency, or commission with respect to any matter considered at such meeting or hearing, he or she will need a record of the proceedings, and that, for such purpose, he or she may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. Fla. Stat. § 286.0105.

Ocean Highway & Port Authority

Robert Sturgess – Chairman, Commissioner, District 1
Danny Fullwood – Vice Chairman, Commissioner, District 2
Scott Hanna – Chairman, District 3
Carroll Franklin – Secretary/Treasurer, District 4
Mike Cole – District 5

Monthly Meeting Minutes

January 9, 2019

The Ocean Highway and Port Authority of Nassau County held its regular Monthly Meeting on Wednesday, January 9, 2019 in the Commissioners Chambers at the James Page Government Complex, 96135 Nassau Place, Yulee, Florida.

The meeting was called to order at 6:15 PM by Chairman Sturgess.

The invocation was given by and Pledge of Allegiance was led by Commissioner Scott Hanna. Roll call was conducted by Ms. Barbara Amergian. All Commissioners were present. Also in attendance was Ms. Laura DiBella, Port Director, Mr. Pierre LaPorte, Port Accountant, and Mr. Chris Ragucci, Port Operator.

Chairman Sturgess recognized City Commissioner Chip Ross, 210 N. 3rd Street, Fernandina Beach, to speak. City Commissioner Ross explained that the City is looking for additional conservation land to assist the City with lower flood ratings. There is a conservation easement on several acres of the Port's land, and he asked to have it on the agenda for next month to discuss the waterfront industrial easement area and converting that to future conservation land. There is a conservation easement currently in place on this piece of land. Mr. Ross is asking as a private citizen and as a representative of the City Commissioners to the OPHA. Chairman Sturgess said it would be added to the February agenda.

Commissioner Fullwood asked where the land is located that he is asking for the change in zoning. Mr. Ross pointed out the area on the handout that he presented to the Commissioners. If the OPHA Board is willing to do this, City Commission Ross will then take it to the City Commissioners.

Commissioner Fullwood made the motion to adopt the minutes from the December 12, 2018 meeting with changes (OPHA Commissioner Junior Boatright to County Commissioner Junior Boatright.) Commissioner Franklin seconded the motion. Motion passed unanimously.

Consent Items:

- Outdated printer and old recording equipment was been declared surplus and can be disposed.

Chairman Sturgess recognized Port Accountant Pierre LaPorte. Mr. LaPorte presented the December 2018 financials.

- He reminded the Board that the Auditors would be here the first week of February. If they wish to speak to the Auditors, they need to let Ms. Amergian or Mr. LaPorte know or call them directly.

Chairman Sturgess recognized Miriam Hill, Interim Port Attorney. Ms. Hill's December report was included in the Commissioners' notebooks.

- Ms. Hill reported on the status of the FDOT Security Lighting grant application. The commitment for the local match (\$51,800) from the Port Operator needs to be secured by letter through the Maintenance account. This was referred to as Exhibit B in Resolution 2019-1. The resolution and grant will be tabled until the local match is secured. Mr. LaPorte pointed out that the line of credit at BB&T could be used for the local match.
- She also reported that the 4th fiscal quarter wharfage and dockage fees are still outstanding (the last quarter under the old operating agreement.) The Board will need to take action if the amount is not paid.
- City of Fernandina Beach Comprehensive Plan – In comparing the previous (Port Facility Element, Goal Nine) to the current draft, there are drastic changes. She proposed a meeting with Planning Staff to understand what the goals are.
- Sunshine (Ethics) Training is available through the City of Fernandina Beach. OHPA Commissioners are asked to attend one of the meetings being held on March 7th or March 8th.

Chairman Sturgess recognized Port Director, Laura DiBella.

- Ms. DiBella reported on her conversation with Mayor Miller. She will be arranging a joint tour of the port with new city and county commissioners.
- The City provided plans of the Port through a public records request. The plans have been digitized. These will be helpful to TranSystems in completing their structural inspections.
- March 26th will be the date for Workshop for the City and OHPA Commissioners to meet to discuss the City Comprehensive Plan.
- Telephone conference call with Beau Corbett of Army Corp of Engineers has been rescheduled. She will let Chairman Sturgess know when the new date and time has been determined.
- Florida FSTED and FDOT – the lighting grant is to be continued. She is also seeking out-of-cycle funding from FSTED for master plan preparation.

- Seaport Mission Plan was presented to the City Commissioners December meeting and she was at the meeting to field any questions.
- The crane delivery and reimbursements from FDOT are in the works.
- Following up from the December meeting, a letter was sent to FSTED Chair requesting the \$28,965.71 from the Fender System project be moved to the Pier Maintenance and Improvement Contract. This project will have a balance of \$225,000 once the funds are moved.
- The current Government shutdown has halted the Marine Highway application progress.
- American Journal of Transportation will highlight the new crane in an upcoming edition.
- The Jacksonville Business Journal – she will be touring with them on Tuesday and she will bring them to see the crane arrive.
- Economic Development – The Crawford Diamond project has been delayed their decision until Q2 due to grant issues. The grant for \$5,000,000 was passed - the town of Callahan for water and sewer.
- She will be speaking to the Men’s Newcomers’ Club about the Port on Thursday, January 17th. She has done some major research on the history on the Port. She will pass that information along to OHPA.

Chairman Sturgess recognized Port Operator, Chris Ragucci. Mr. Ragucci presented the tonnage report to the Board.

- The 2018 tonnage report total shows that 290 tons were handled.
- The crane will arrive on January 15, 2019. The crane will be lifted off the ship on January 16, 2019. It should be commissioned and in use in approximately two weeks after delivery.
- Commissioner Fullwood asked Mr. Ragucci about the \$682,000 payment that is pending. Mr. Ragucci stated this was the first he had heard of the figure and strongly disagreed with the 4th quarter revenues being owed to OHPA. His understanding is that, under the old Operating Agreement, the operator had the right to withhold funds to apply to debt service and then to the maintenance account. Next payment will be due in February, 2019 under the new operating agreement.

There will be a meeting with the new Port Attorney and the Port Accountant to get the legal interpretation of what is owed from Worldwide Terminals to OHPA.

Chairman Sturgess reviewed Resolution 2015-3. He explained to the Board that the Chairman of the meeting may vary or amend the agenda, with the consent of the Board, in order to facilitate the efficient conduct of the public's business. Issues of parliamentary procedure can be determined by the OHPA board by setting rules. Chairman Sturgess informed the Board that he will draft a new set of rules that suits the OHPA needs, that conforms to customs over the years, and reflects the wish to act ethically and transparently and uses Roberts Rule as a backdrop. Until then, OHPA will be operating under the Small Board rules.

Motion to draft a new set rules passed by unanimous consent.

Chairman Sturgess addressed the hiring of the Non-Interim Port Attorney. There are two very good candidates for the position.

There was unanimous consent with the Board to proceed with the hiring of the non-interim attorney.

Commissioner Hanna asked for clarification of the hourly rate presented by both attorneys. Chairman Sturgess explained Mr. Barnham's fee structure and that it was in line with what a government attorney would charge. Ms. Hill explained her rationalization for the fee structure presented, and that moving forward, she would be keeping the usage rates low and pointed out that by not using a flat fee, there would be no billing for time not utilized.

Commissioner Fullwood asked both attorneys about their experience with Ports and with Special Districts. Mr. Branham has not had any experience representing a port or a special district. Ms. Hill has experience in representing a special district and had drafted language for special districts when she was in law school but does not have any port experience. Commissioner Fullwood asked Ms. Hill about a conflict with working with the City of Fernandina. She reminded the Board that she presented OHPA with a Conflict letter signed by City Attorney Tammi Bach and there would be no conflicts with the City. She thought that her past experience in dealing with the City would be helpful. Mr. Branham has not dealt with City of Fernandina Beach but does have experience working with Nassau County. He feels there would be no conflicts. Both attorneys have experience in dealing with lawsuits involving cities. Ms. Hill stated she was not a litigation lawyer, Mr. Branham stated most of his business is dealing with litigation.

Chairman Sturgess called a brief recess at 7:50 PM. Meeting resumed at 7:52 PM

Commissioner Fullwood continued his questions to the port attorney candidates. Both attorneys had read the OHPA Charter. Commissioner Franklin asked about travel time for Mr. Branham and communications with the OHPA office. Mr. Branham stated that he did not foresee any issues communicating with the office and did not charge for travel time.

Ms. Hill and Mr. Barnham stepped out of the room at 7:57 pm.

Commissioner Fullwood made the motion hire Miriam Hill as the Non-Interim Port Attorney. Chairman Sturgess indicated no second was necessary. Discussion continued.

Commissioner Hanna was concerned with Ms. Hill's potential conflicts with dealing with the City. Chairman Sturgess concurred that it could potentially be a problem. Commissioner Fullwood did not see that it would be an issue and felt that Ms. Hill's experience with people in the city government would be beneficial as well as her knowledge of contract law and special districts. Chairman Sturgess felt that those were not "real world" benefits and that Jeb Branham is the better person for the position. Commissioner Cole shared that he had seen Jeb Branham in "action" and thought both attorneys were outstanding. No further discussion.

Chairman Sturgess made the motion to hire Jeb Branham as the Non-Interim Port Attorney. The motion was seconded by Commissioner Cole. Those in favor: Commissioners Hanna, Franklin, Sturgess, Cole. Those opposed: Commissioner Fullwood. Motion carries four votes to one.

Ms. Hill and Mr. Branham returned to the meeting at 8:05 PM.

Chairman Sturgess congratulated Attorney Jeb Branham as being selected as the Non-Interim Port Attorney.

New Business:

Chairman Sturgess asked to schedule a workshop prior to meeting with the City Commissioners on the Comprehensive Plan which is March 26th. A date of early to mid-March (prior to the March 13th regular meeting) was suggested. Ms. Amergian will advise the Board of the location, date, and time.

Video taping the OPHA Board meeting to be transparent to the public. Ms. Amergian reported on the live streaming. There is an ADA suit currently that needs to be settled. That settlement will take about 3-4 months and then will revisit.

Committee Reports:

Port Security – Commissioner Fullwood: Commissioner Fullwood reported that there have been no port security meetings due to low attendance at the meeting. Jeff Singer told Commissioner Fullwood that he would let him know if there were any issues that need to be addressed. Commissioner Franklin was concerned about the lack of meetings and that the Customs and Law Enforcement attendees need to be followed up with and the reason that Commissioner Fullwood was on the Committee was to report back to the Board on any security issues.

Customs House – Commissioner Franklin: Commissioner Franklin reported that the cleaning company, Raysor Industries, is no longer cleaning the Customs House, as of November 2018. Commissioner Franklin received a quote from Commercial Building Maintenance out of Jacksonville. This company will charge \$280 a month. Commissioner Fullwood would like to explore a cleaning company that is local. Ms. Amergian offered to contact local cleaning companies and get estimates. Commissioner Franklin will check with CBM to see if they would clean the building for two months while a new local cleaning company is secured.

Commissioner Franklin is investigating the increase in the water bill. Fumigation at the Customs House will be started on January 15th.

Economic Development – Commissioner Fullwood: Commissioner Fullwood had nothing to add to Ms. DiBella's report.

Emergency Management – Commissioner Franklin: Commissioner Franklin has not heard from them about any meetings. He will follow up with the Director again.

Technical Coordinating Committee – Commissioner Hanna: Commissioner Hanna reported that there was no meeting this month and meetings will resume in February.

TPO – Commissioner Cole: Commissioner Cole met with the Director and had a tour of the building. He reported that Danny Leper is the new chair of the TPO. The January meeting was cancelled.

Nassau County Chamber of Commerce, East Side – Commissioner Sturgess: Nothing to report.

Nassau County Chamber of Commerce, West Side – Commissioner Cole: Commissioner Cole reported that he had attended the December and January meetings.

Administrative Office Manager Report: Report was included in the meeting packet and there was nothing out of the ordinary.

Other items:

Commissioner Hanna asked if there is a possibility of setting up port tours for school aged children. Chairman Sturgess suggested he coordinate with Mr. Ragucci.

Chairman Sturgess has asked Ms. DiBella to do research on the all the economics benefits of the Port to use in presentations, etc.

Commissioner Fullwood discussed the need to rebrand the Port. His suggestion is to change the name from *Ocean, Highway & Port Authority* to *Nassau County Port Authority* and have a new logo designed. Commissioner Fullwood asked for permission to explore these changes and present some options, spending no more than \$100 for a new logo that represents all of Nassau County. **Unanimous consent was given to explore the new logo.**

Commissioner Cole brought up the increase of the commissioners' salary from \$1,000 to \$1,500 a month with the new budget. The OHPA Charter, Section 5 provides for a salary of not more than \$24,000 annually. Mr. LaPorte will prepare an analysis for the February meeting to show the consequences of increasing the salaries.

Mr. Ragucci suggested a formal economic impact study for the Port. Ms. DiBella would contact the group she uses.

No further business, the meeting adjourned at 8:50 PM.

Robert H. Sturgess, Chairman

Ocean Highway & Port Authority

Robert Sturgess – Chairman, Commissioner, District 1
Danny Fullwood – Vice Chairman, Commissioner, District 2
Scott Hanna – Chairman, District 3
Carroll Franklin – Secretary/Treasurer, District 4
Mike Cole – District 5

Emergency Meeting Minutes

February 1, 2019

The Ocean Highway and Port Authority of Nassau County held an Emergency Meeting on Friday, February 1, 2019 in the OHPA Conference Room at the John Drew Building, 86130 License Road #9, Fernandina Beach, FL.

The meeting was called to order at 10:03 AM by Chairman Sturgess.

The invocation was given by and Pledge of Allegiance was led by Chairman Sturgess. Roll call was conducted by Ms. Barbara Amergian. All Commissioners were present. Also in attendance was Jeb Branham, Port Attorney; Ms. Laura DiBella, Port Director; and Mr. Chris Ragucci, Port Operator.

Port Attorney Jeb Branham explained the Special Meeting criteria and what constitutes a *bona fide Emergency Meeting* in order to waive the 7-day newspaper posting period. The issue for this Emergency Meeting was in regards to the scope items for the crane acquisition grant and those needs qualified as an emergency due to the crew needing to return to Europe. The finding of this Emergency Meeting needs to be determined at the February 13, 2019 Regular Meeting.

Discussion followed about the procedures and the process for calling an Emergency Meeting or a Special Meeting.

Chairman Sturgess recognized Port Director Chris Ragucci. Mr. Ragucci explained that the crane is expected to be ready for hand over next Wednesday. A load test will be conducted at 125% (this percentage figure will be confirmed) of capacity to be sure that Federal statutes are covered. Three additional items need to be approved before the commissioning of the crane:

1. Final inspection to be done and all punch list items are done. Amount: \$9,200
2. Load Test Item – Contractor will come in with weights next week to conduct the test. Amount: \$16,464
3. Spare Parts to have available on site at the Port of Fernandina – no price yet, a price list is due next week. Cost is estimated between \$30-50,000

Mr. Ragucci is only asking for approval on the first two items today. The third item will be presented at the regular meeting on February 13, 2019.

Commissioner Franklin made the motion to accept the contracts from Laurence & Associates and Alloy Crane and Machinery, totaling \$25,664 and the Board finds that the procurement is from a sole source to maintain the continuity of the crane from initial inspection through final inspection and testing. Motion seconded by Commissioner Hanna. Motion approved unanimously.

Adjourned at 10:25 am.

Robert H. Sturgess, Chairman

INVOICE

Ms. Rhonda Poteat
Accounting Manager
Nassau Terminals, Inc
501 North 3rd Street
Fernadina Beach, FL 32034

INVOICE No.: C2012778 - 001
REFERENCE No.: US18018531
CUSTOMER No.: 198133
INVOICE DATE: August 31, 2018

For Professional Services:

INVOICE AMOUNT > > >

US\$ 2,083.00

Payment inquiries contact:

Collections Team
Phone: 212/553-1134
Email: MISCollections@moodys.com

Please do not contact your Analytic Team regarding this invoice or any other fee-related matter.

Return This Portion With Your Payment

Invoice Amount: US\$ 2,083.00

INVOICE PAYABLE IN U.S. DOLLAR

Fed Wire or ACH with Invoice Number to :

OR

Mail Payment with Invoice Stub to:

SUNTRUST BANK
Transit Routing # 061000104
ACH # 061000104
Moody's Account # 8801939847
Account Name: Moody's Investors Service, Inc.
Swift Code: SNTRUS3A

MOODY'S INVESTORS SERVICE
P.O. Box 102597
Atlanta, Georgia 30368-0597
USA

PAYMENT DUE UPON RECEIPT
Moody's Taxpayer ID #: 13-195-9883

Inv No.: C2012778 - 001 (August 31, 2018)

Ref No.: US18018531



Supporting Detail

Invoice Comment

For period covered 11/01/2017 to 03/31/2018

Issuer: **OCEAN HIGHWAY & PORT AUTHORITY, FL**
MSP - Letter of Credit - Annual Fee - Dual Rating

Deal Name:	Ser. 1990	
Borrower:	Nassau Terminals Inc.	2,083
Debt Type:	Industrial Revenue Bonds	
Debt Num:	41910	
Issue Amount:	38,500,000	
Period Covered:	Nov 2017 - Mar 2018	

NASSAU COUNTY OCEAN HIGHWAY & PORT AUTHORITY

Monthly Financial Report - January 2019

	Jan	YTD ACTUAL	BUDGET 2018-2019
Revenues			
Nassau Terminal Annual Fee	0.00	88,768.45	88,068.00
Quarterly Fee	0.00	0.00	167,783.33
Insurance Reimbursement	0.00	10,548.00	10,548.00
PILOT Payment	0.00	0.00	50,000.00
Interest	0.00	15.78	20.00
TOTAL REVENUES	0.00	99,332.23	316,419.33
EXPENSES			
COMMISSION DIRECT			
Salaries - Commissioners	7,500.00	30,000.00	90,000.00
Payroll Taxes	913.07	2,655.79	8,521.00
Unemployment	0.00	0.00	75.00
Conferences & Travel	0.00	0.00	1,000.00
Insurance	0.00	100.00	102.00
Salaries - Board Attorney	2,130.00	21,582.50	30,000.00
TOTAL COMMISSION DIRECT	10,543.07	54,338.29	129,698.00
COMMISSION OPERATION			
Salaries- Accountant	1,500.00	4,500.00	18,000.00
Salaries - Office Administrator	1,210.85	5,052.52	19,350.00
Expenses - Office Administrator	340.55	1,348.25	3,000.00
Travel - Office Administrator	0.00	68.95	1,000.00
TOTAL COMMISSION OPERATION	3,051.40	10,969.72	41,350.00
COMMISSION DISCRETIONARY			
Dept. of Revenue (Special Dist. Fee)	0.00	175.00	175.00
TPO. - Membership	0.00	1,257.00	1,217.00
GNCCC-Membership	0.00	0.00	250.00
AIFBY Chamber	0.00	280.00	280.00
Advertisement	0.00	254.83	500.00
Special Meeting - Court Reporter	0.00	0.00	0.00
Web Site	0.00	0.00	2,500.00
Awards & Presentations	0.00	450.00	120.00
Discretionary	10.00	31.50	100.00
TOTAL COMMISSION DISCRETIONARY	10.00	2,448.33	5,142.00
PORT OPERATIONS			
FB Annual Fee - PILOT	0.00	0.00	50,000.00
Insurance	224.00	10,872.00	11,499.00
Audit	0.00	0.00	25,800.00
FL Ports Council Dues	0.00	20,500.00	24,250.00
Nassau Cty Economic Dev Board	0.00	10,000.00	10,000.00
TOTAL PORT OPERATIONS	224.00	41,372.00	121,549.00
TOTAL EXPENSES	13,828.47	109,128.34	297,739.00
Excess Revenues over Expenditures	-13,828.47	-9,796.11	18,680.33
CASH CARRY FORWARDS			
Cash CarryForward - MM		7,416.07	7,416.07
Cash CarryForward - MM Special Account		16,190.58	16,190.58
Operating Cash Carry Forward		9,619.38	3,200.35
TOTAL CASH CARRY FORWARDS		33,226.03	26,807.00

NASSAU COUNTY OCEAN HIGHWAY & PORT AUTHORITY

Customs House

Monthly Financial Report - January 2019

	<u>Jan</u>	<u>YTD ACTUAL</u>	<u>BUDGET 2018-2019</u>
INCOME			
GSA - Customs House - RENTAL INCOME	2,285.06	9,140.24	27,649.00
Interest			
TOTAL INCOME	2,285.06	9,140.24	27,649.00
CUSTOMS HOUSE			
Bug Out Pest Control	25.00	50.00	300.00
River Pest Control Termite Bond	275.00	275.00	290.00
Bug Out Termite Bond	0.00	250.00	225.00
Trim-all Lawn Service	0.00	200.00	1,440.00
Raysor Cleaning Service	0.00	560.00	3,660.00
City of Fernandina Beach (Water)	152.91	480.66	1,500.00
Florida Public Utilities (Electric)	240.56	805.08	5,000.00
Maintenance	0.00	10,274.58	8,223.00
TOTAL CUSTOMS HOUSE	693.47	12,895.32	20,638.00
<u>Net Increase(decrease) in Funds</u>	1,591.59	-3,755.08	7,011.00

NASSAU COUNTY OCEAN HIGHWAY & PORT AUTHORITY

Account Balances - January 31, 2019

Account Name	Acct Num	31-Jan	31-Dec
Operating	x3328	22,320.42	31,383.60
Money Market	x3310	7,422.43	7,420.85
Special Fund	x1552	16,215.55	16,209.35
Admin	x7287	912.04	912.04
Other	x6714	15.76	108.30
Port Revenue	x2860	2,033.06	2,033.06
Port Maintenance	x2879	0.00	71,927.53
BBT Maintenance	x1591		31,064.87

Nassau County, Florida

Ocean Highway & Port Authority

FINANCIAL STATEMENTS

for the

Quarter ended December 31, 2018





To the Board of Commissioners of
The Ocean Highway and Port Authority
of Nassau County, Florida

Management is responsible for the accompanying financial statements of the Ocean High and Port Authority of Nassau County (a not for profit Special District chartered by the Legislature of the State of Florida), which comprise the balance sheet as of December 31, 2018, and December 31, 2017 and the related statement of income and retained earnings for one quarter ended December 31, 2018 and December 31, 2017, in accordance with accounting principles generally accepted in the United States of America.

We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

A statement of cash flows for the quarter ended December 31, 2018 and December 31, 2017, has not been presented. Accounting principles generally accepted in the United States of America require that such a statement be presented when financial statements purport to present financial position and results of operations.

Management has elected to omit substantially all of the disclosures required by generally accepted accounting principles. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Ocean Highway and Port Authority's financial position. Accordingly, these financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to the Ocean Highway and Port Authority of Nassau County.

Courson and Stam LLC

February 4, 2019

OCEAN HIGHWAY & PORT AUTHORITY

Balance Sheet

As of December 31, 2018, and September 30, 2018

	As of Dec 31, 2018	As of Sep 30, 2018
ASSETS		
Current Assets		
Bank Accounts		
1010 Petty Cash	150.00	150.00
1044 Cash in Bank-First Fed MM-1552	16,209.35	16,190.58
1045 BBT - Maintenance Acct	44,418.74	0.00
1047 1047 BB&T	981.00	0.00
FF Bank Project Account	912.04	912.04
First Federal - Operating	26,806.10	17,519.38
First Federal -MMA	7,420.85	7,416.07
First Federal-Admin	108.30	13.48
Port Maintenance Account	71,927.53	34,103.84
Port Revenue Account	2,033.06	5,183.06
Total Bank Accounts	\$ 170,966.97	\$ 81,488.45
Other Current Assets		
1060 Accounts Receivable	681,982.98	579,054.34
1062 Annual Fee Receivable	84,170.00	88,768.45
1064 Grant Receivable	0.00	113,327.25
1065 Prepaid Expense	10,271.80	10,271.80
Total Other Current Assets	\$ 776,424.78	\$ 791,421.84
Total Current Assets	\$ 947,391.75	\$ 872,910.29
Fixed Assets		
2010 Land - Port	3,183,736.29	3,183,736.29
2020 Buildings	772,000.00	772,000.00
2025 1997,1998,1999 - Warehouse	2,060,166.47	2,060,166.47
2026 1997,1998,1999 - Bulk Pier	191,099.29	191,099.29
2027 Warehouse #1 - Refurbish	918,327.92	918,327.92
2028 Road Project	347,150.95	347,150.95
2030 Equipment	805,054.69	805,054.69
2031 Leibherr Crane	1,347,219.20	128,000.00
2040 Port Improvements	24,678,447.68	24,678,447.68
2043 Tradeplex Improvements	1,013,339.04	1,013,339.04
2045 Dredge Project	929,083.69	929,083.69
2046 Gate Entry/Storage Yard	251,709.73	251,709.73
2047 New Pier - 2003	611,546.36	611,546.36
2050 Security	762,117.44	762,117.44
2090- Construction in Progress	0.00	0.00
2100 Accumulated Depreciation	-27,029,266.78	-26,765,458.78
Total Fixed Assets	\$ 10,841,731.97	\$ 9,886,320.77
TOTAL ASSETS	\$ 11,789,123.72	\$ 10,759,231.06

LIABILITIES AND EQUITY

Liabilities

Current Liabilities

Other Current Liabilities

3020 Accounts Payable	9,982.73	29,835.73
3021 Due to Kinder Morgan	0.00	0.00
3022 Annual Fee Payble	62,498.00	50,000.00
3023 BBT Line of Credit	1,347,219.20	128,000.00
3030 Accrued Payroll	5,000.00	5,000.00
3040 Payroll Taxes Payable	2,379.24	1,249.97
3042 Unemployment Taxes Payable	0.00	0.00
3055 Current Portion Long Term Debt	0.00	0.00
3056 Advanced Revenue Bond	0.00	0.00
3509 Unearned Revenue	404,194.00	416,824.00
3510 Interest Payable	0.00	0.00

Total Other Current Liabilities	\$ 1,831,273.17	\$ 630,909.70
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Total Current Liabilities	\$ 1,831,273.17	\$ 630,909.70
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Long-Term Liabilities

4011 Revenue Bonds Payable	0.00	0.00
4012 Advance Revenue Payable	0.00	3,887,812.56
4013 Derivative Financial Instrument	0.00	0.00
4014 Escrow Deposit	0.00	0.00
Bond Premium Discount	0.00	0.00

Total Long-Term Liabilities	\$ 0.00	\$ 3,887,812.56
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Total Liabilities	\$ 1,831,273.17	\$ 4,518,722.26
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Equity

5006 Contrib. Capital - Audit 9/98	442,681.32	442,681.32
5007 Contrib. Capital - Audit 9/97	8,813.00	8,813.00
5008 Contrib. Capital - Audit 9/96	59,665.00	59,665.00
5009 Contrib. Capital - Audit 9/95	854,456.00	854,456.00
5010 Contrib. Capital - Dot 2012	389,750.24	389,750.24
5020 Beginning Fund Deficit	-9,270,843.41	-9,270,843.41
5025 YTD Fund (Deficit)/Excess	7,670,898.01	7,508,669.88
6500 Contributed Capital-operator	6,085,088.64	6,085,088.64
6501 Operator Contrib - Nov 2018	3,887,812.56	0.00
Net Income	-170,470.81	162,228.13

Total Equity	\$ 9,957,850.55	\$ 6,240,508.80
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TOTAL LIABILITIES AND EQUITY	\$ 11,789,123.72	\$ 10,759,231.06
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OCEAN HIGHWAY & PORT AUTHORITY
Statement of Operations
For the One Quarter Ended Dec 31, 2018 and Dec 31, 2017

	Oct - Dec, 2018	Oct - Dec, 2017
Income		
6015 Interest Income	23.55	3,818.55
6020 Port Revenue	110,962.28	375,339.51
6023 Port Security Reimbursement	32,142.62	
6024 Port Security Revenue		40,721.45
6025 Rental Income	6,855.18	6,776.70
6028 Annual Fee	84,170.00	21,570.00
6035 State of Florida - DOT Funds	12,630.00	
6050 Miscellaneous Income	10,548.00	
Total Income	\$ 257,331.63	\$ 448,226.21
Gross Profit	\$ 257,331.63	\$ 448,226.21
Expenses		
8020 Advertising	254.83	
8050 Bank Charges	422.21	
8065 Commissioners Fees	19,959.18	12,799.50
8068 Office Mngr Payroll	3,541.50	
8075 Depreciation	263,808.00	263,813.48
8080 Dues & Subscriptions	22,251.99	22,172.00
8100 Insurance	10,648.00	11,394.80
8110 Interest Expense	1,730.44	22,067.75
8120 Janitorial	280.00	840.00
8121 Lawn Maintenance	200.00	100.00
8122 Customs House Maintenance	3,439.58	
8125 Letter of Credit Expense (deleted)		40,500.00
8128 Quarterly Marketing Fees		2,906.25
8130 Office Supplies	851.19	222.50
8135 Office Manager Travel	68.95	108.00
8140 Outside Services	117.00	3,769.74
8150 Payroll Taxes - Commissioer	1,719.60	3,348.00
8151 Payroll Taxes - Office Manager	184.17	
8154 State Unemployment Tax		15.02
8165 Pest Control	3,425.00	565.00
8166 Port Security	40,246.22	40,721.45
8180 Professional Fees		
8180- Professional Fees-Other	10,000.00	
8180A Accountant	3,000.00	2,250.00
8180B Port Attorney	19,452.50	3,750.00
Total 8180 Professional Fees	\$ 32,452.50	\$ 6,000.00

8235 Taxes - Annual Fee	12,498.00	12,498.00
8270 Utilities		
8270A FPU	805.08	743.80
8270B City of FB Utility	327.75	525.32
Total 8270 Utilities	<u>\$ 1,132.83</u>	<u>\$ 1,269.12</u>
8280 Miscellaneous Expense	241.00	28.00
Awards & Presentations	414.00	87.00
Project Engineer fees	7,916.25	
Transfer		0.00
Total Expenses	<u>\$ 427,802.44</u>	<u>\$ 445,225.61</u>
Net Operating Income	<u>-\$ 170,470.81</u>	<u>\$ 3,000.60</u>
Net Income	<u>-\$ 170,470.81</u>	<u>\$ 3,000.60</u>



August 7, 2018

The Board of Commissioners
Ocean Highway and Port Authority of Nassau County
86130 License Road, Suite 9
Fernandina Beach, Florida 32034

Attention: Barb Amerigan, Office Manager

We are pleased to confirm our understanding of the services we are to provide the Ocean Highway and Port Authority of Nassau County (the "Authority"), for the year ended September 30, 2018. We will audit the financial statements including the related notes to the financial statements which collectively comprise the basic financial statements of the Authority as of and for the year then ended.

Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the Authority's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. As part of our engagement, we will apply certain limited procedures to the Authority's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1. Management's Discussion and Analysis.

We have also been engaged to report on supplementary information other than RSI that accompanies the Authority's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and will provide an opinion on it in relation to the financial statements as a whole:

1. Schedule of expenditures of federal and/or state awards, (if necessary).

Audit Objectives

The objective of our audit is the expression of opinions as to whether your basic financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. The objective also includes reporting on -

- Internal control over financial reporting and compliance with the provisions of laws, regulations, contracts and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and/or the Florida Single Audit Act and Chapter 10.550 Rules of the Auditor General, as applicable.

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will include a paragraph that states: (1) the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The Uniform Guidance and/or the Florida Single Audit Act, as applicable, will report on internal control over compliance and will include a paragraph that states the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and/or the Florida Single Audit Act. Both reports will state the report is not suitable for any other purpose.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; the Uniform Guidance; the Florida Single Audit Act; and the provisions of Chapter 10.550, Rules of the Auditor General, as applicable, and will include tests of accounting records, a determination of major programs in accordance with the Uniform Guidance and/or the Florida Single Audit Act, and other procedures we consider necessary to enable us to express such opinions. We will issue written reports upon completion of our Single Audits, if applicable. Our reports will be addressed to management and Members of the Board of Commissioners of the Ocean Highway and Port Authority of Nassau County. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions on the financial statements or the Single Audit compliance opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to

complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or may withdraw from this engagement.

Management Responsibilities

Management is responsible for the financial statements, schedule of expenditures of federal awards and or state projects, and all accompanying information as well as all representations contained therein.

Management is responsible for: (1) designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including internal controls over federal awards, and for evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal awards and state projects, and all accompanying information in conformity with U.S. generally accepted accounting principles; and for compliance with applicable laws and regulations (including federal statutes) and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with: (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance, (3) additional information that we may request for the purpose of the audit, and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities also include identifying significant vendor relationships in which the vendor has responsibility for program compliance and for the accuracy and completeness of that information. Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving: (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected

fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants. Management is also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements, or abuse that we report. Additionally, as required by the Uniform Guidance and the Florida Single Audit Act, it is management's responsibility to follow up and take corrective action on reported audit findings and to prepare a summary schedule of prior audit findings and a corrective action plan. The summary schedule of prior audit findings should be available for our review subsequent to the start of fieldwork.

You are responsible for identifying all federal and state awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal and state awards (including notes and noncash assistance received) in conformity with the Uniform Guidance and the Florida Single Audit Act. You agree to include our report on the schedule of expenditures of federal and state awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal and state awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal and state awards that includes our report thereon or make the audited financial statements readily available to intended users of the schedule of expenditures of federal and state awards no later than the date the schedule of expenditures of federal and state awards is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that: (1) you are responsible for presentation of the schedule of expenditures of federal and state awards in accordance with the Uniform Guidance and the Florida Single Audit Act; (2) you believe the schedule of expenditures of federal and state awards, including its form and content, is fairly presented in accordance with the Uniform Guidance and the Florida Single Audit Act; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal and state awards.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon or make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that: (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

With regard to an exempt offering document with which Mauldin & Jenkins is not involved, you agree to clearly indicate in the exempt offering document that Mauldin & Jenkins is not involved with the contents of such offering document.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

You agree to assume all management responsibilities relating to the financial statements, schedule of expenditures of federal awards and state projects, related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, schedule of expenditures of federal awards and state projects, and related notes and that you have reviewed and approved the financial statements, schedule of expenditures of federal awards, and related notes prior to their issuance and have accepted responsibility for them. You agree to oversee the nonaudit services by designating an individual, preferably from senior management, who possesses suitable skill, knowledge or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from: (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us, even though

the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance and the Florida Single Audit Act, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal and/or state award program, as applicable. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance and the Florida Single Audit Act, if applicable.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, the Uniform Guidance, and the Florida Single Audit Act, as applicable.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the Authority's compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The Uniform Guidance and the Florida Single Audit Act requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with applicable laws and regulations and the provisions of contracts and grant agreements applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* and *State Projects Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the Authority's major programs, as applicable. The purpose of these procedures will be to express an opinion on the Authority's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance and the Florida Single Audit Act, as applicable.

Other Services

We will also assist in preparing the financial statements, schedule of expenditures of federal awards and state projects and related notes of the Authority in conformity with U.S. generally accepted accounting principles and the Uniform Guidance based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform these services in accordance with applicable professional standards. The other services are limited to the financial statements, schedule of expenditures of federal awards, and related notes services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Audit Administration, Fees and Other

We understand that your employees will prepare all cash or other confirmations we request and will locate any documents selected by us for testing.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and corrective action plan) along with the Data Collection Form to the Federal audit clearinghouse. We will coordinate with you the electronic submission and certification. The Data Collection Form and the reporting package must be submitted within the earlier of 30 days after receipt of the auditors' reports or nine months after the end of the audit period, unless a longer period is agreed to in advance by the cognizant or oversight agency for audits.

We will provide copies of our reports to the Authority; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Mauldin & Jenkins, LLC and constitutes confidential information. However, pursuant to authority given by law or regulation, we may be requested to make certain audit documentation available to a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Mauldin & Jenkins personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by a regulatory body. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our audit on a mutually agreed upon date, and to issue our reports no later than May 31, 2019. Wade P. Sansbury, CPA, is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. Our fee for these services will be \$25,800 for the financial and compliance audit (includes financial statement preparation) and \$3,500 for each major federal and/or state program if a federal and/or Florida Single Audit are required for the year ended September 30, 2018. Our hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered as work progresses and are payable upon presentation. In accordance with our Firm policies, work may be suspended if your account becomes overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report(s). You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fees are based on anticipated cooperation from your personnel (including complete and timely receipt by us of the information on the respective client participation listings to be prepared annually) and the assumption that unexpected circumstances (including scope changes) will not be encountered during the audit. If significant additional time is necessary, we will discuss it with management and arrive at a new fee estimate before we incur the additional costs.

As a result of our prior or future services to you, we might be requested or required to provide information or documents to you or a third party in a legal, administrative, arbitration, or similar proceeding in which we are not a party. If this occurs, our efforts in complying with such requests will be deemed billable to you as a separate engagement. We shall be entitled to compensation for our time and reasonable reimbursement for our expenses (including legal fees) in complying with the request. For all requests, we will observe the confidentiality requirements of our profession and will notify you promptly of the request.

We appreciate the opportunity to be of service to the Authority and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign these letters and return one to us.

Sincerely,
MAULDIN & JENKINS, LLC



Wade P. Sansbury, CPA

RESPONSE:

This letter correctly sets forth the understanding of the Ocean Highway and Port Authority of Nassau County.

Management signature: _____

Title: _____

Governance signature: _____

Title: _____

Jeb T. Branham, Esq.
419 3rd Street North
Jacksonville Beach, FL 32250

Invoice submitted to:
Ocean Highway and Port Authority

February 05, 2019

Invoice # 12912

Professional Services

	<u>Hrs/Rate</u>	<u>Amount</u>
1/14/2019 Emails with M. Lee and B. Armengian regarding transition (.1); telephone conference with L. DiBella regarding purchasing (.2); review purchasing requirements (.6); telephone conference with B. Sturgess regarding comprehensive planning (.2);	1.10 200.00/hr	220.00
1/16/2019 Meet with B. Armegian and M. Lee regarding transition;	1.50 200.00/hr	300.00
1/18/2019 Telephone conference with C. Ragucci regarding bond issuance;	0.20 200.00/hr	40.00
1/22/2019 Telephone conference with R. Sturgess regarding bond issuance and comprehensive planning;	0.20 200.00/hr	40.00
1/24/2019 Telephone conference with C. Ragguci regarding bond issuance; email to L. DiBella regarding crane inspection;	0.20 200.00/hr	40.00
1/25/2019 Telephone conference with UBS regarding bond issuance (.2); telephone conference with R. Sturgess regarding special meeting and bond issuance (.1); review law governing OHPA special and regular meetings (.4); email to B. Armegian regarding special meeting (.1); prepare memorandum regarding meetings and notices (1.7); telephone conference with B. Armergian regarding meeting notices (.2); email to B. Amergian regarding meeting advertisements (.1); email to C. Ragucci regarding meeting notice (.1);	2.90 200.00/hr	580.00
1/28/2019 Telephone conference with J. Stanton regarding bond conduit issuance (.2); email to J. Stanton regarding OHPA charter (.1); telephone conference with C. Raggucci regarding emergency	0.80 200.00/hr	160.00

	<u>Hrs/Rate</u>	<u>Amount</u>
meetings for crane matters and bond counsel (.2); email regarding emergency meeting for crane matters (.1); telephone conference with B. Amergian regarding emergency meeting (.2);		
1/30/2019 Review Florida and federal tax law governing conduit issuance of bonds (1.3); email to B. Amergian regarding filing of meeting schedule with local governments (.1); telephone conference with C. Lanz and M. Lexton of UBS regarding bond issuance (.2);	1.60 200.00/hr	320.00
2/1/2019 Attend emergency meeting regarding crane work (.4); confer with R. Sturgess and C. Ragucci regarding bond issuance (.3);	0.70 200.00/hr	140.00
2/4/2019 Email to R. Sturgess regarding bond issuance; telephone conference with R. Sturgess regarding bond issuance;	0.10 200.00/hr	20.00
2/5/2019 Email to R. Strugess regarding bond issues and public meetings (.2); review public meetings law (.2);	0.40 200.00/hr	80.00
For professional services rendered	<hr/> 9.70	<hr/> \$1,940.00
Accounts receivable transactions		
2/1/2019 Credit		<hr/> (\$40.00)
Total payments and adjustments		<hr/> (\$40.00)
Balance due		<hr/> <hr/> \$1,900.00

Summary of Conduit Bond Issuance Powers of the Ocean Highway and Port Authority (the “Authority”) and Brief Description of the Conduit Issuance Process

Statutory Authority: Chapter 2005-293, Laws of the State of Florida, as amended (the “Act”)

Pertinent Powers:

- *Section 7, paragraph (2)* of the Act authorizes the Authority “to ... finance ... office and administrative buildings to be used and occupied in whole or in part by the authority, and various other harbor, port, transportation and other improvements as well as ancillary and related facilities described in the Act.”
- *Section 16, paragraph (1)* of the Act provides, in part, that:
 - the Authority is “hereby authorized to issue negotiable revenue bonds or negotiable revenue certificates to finance or refinance, in whole or in part, the cost of any of the works, undertakings, improvements, or facilities expressed in this act and to pledge to the payments of the bonds or certificates and the interest thereon all or any part of the revenues of any one or more of such works, undertakings, improvements, or facilities.”
 - “no encumbrance, mortgage, or pledge of property of the Authority ... or of the County of Nassau or of any municipality or district therein is created hereby, and provided no debt on the credit of the state, of the County of Nassau, or of any municipality is incurred in any manner for any purpose.”
- *Section 20* of the Act provides in part that revenue bonds or certificates issued under the Act “shall not be payable from, or charged upon, any funds other than the revenues pledged to the payment thereof, nor shall the County of Nassau or any political subdivision or taxing district therein be subject to any pecuniary liability thereon, and no holder or holders of such bonds or certificates shall ever have the right to compel any exercise of the taxing power of the County of Nassau or of any political subdivision or taxing district therein to pay any such bonds or certificates or the interest thereon ... nor shall any such bond or certificate constitute a charge, lien, or encumbrance, legal or equitable, upon any property in the county. Each such bond or certificate which shall not have been authorized at an election ... shall recite in substance that such bond or certificate, including interest thereon, is payable solely from the revenues pledged to the payment thereof and that the holder of the bond or certificate shall have no recourse to the power of taxation.”

Conduit Issuance Process:

Project intake- The Authority considers the proposed project and initially determines whether to offer financing for the project.

Kick off Call and Tax Diligence- The Authority, the Underwriter and various professionals conduct a kick off call to confirm project details and undertake the preliminary tax analysis of the project.

TEFRA Notice, Hearing and Approval – depending upon the type of project, a TEFRA hearing in accordance with Section 147(f) of the Internal Revenue Code may need to be conducted. Prior notice of the hearing must be published and the governing board of the Authority must provide a TEFRA approval solely for the purposes of acknowledging that the appropriate TEFRA procedure was followed. Such approval will specifically state that such approval does not constitute a recommendation of the bonds to the purchasers thereof, that neither the Authority nor its officers, directors or board members shall be obligated in any fashion with respect to such bonds, that such bonds are payable solely by the Borrower/Obligor for the Bonds from the revenues of the Borrower/Obligor.

Bond Allocation (if applicable)- If the Bonds constitute government qualified 501(c)(3) bonds or certain exempt facilities Bonds, such as docks and wharves, private activity bond allocation may not be required. If the Bonds are allowable private activity bonds, private activity Bond allocation may be required from the State.

Document Preparation and Review – Documents for the transaction are prepared and reviewed by the transaction parties. Such documents may include authorizing resolutions of the Authority and the Borrower/Obligor, the form of Bond or Note, the forms of an Indenture, Loan Agreement, Financing Agreement and other collateral or security agreements, and the form of an Offering Document or prospectus used to sell the bonds, if applicable. The document forms are dependent upon the method of sale of the Bonds.

Bank Loan- Simplest form of transaction. Bonds are sold to a bank similar to a commercial loan transaction like a mortgage loan or a line of credit. Parties are the Authority, the Borrower/Obligor and Bank or financial institution and their respective counsels or advisors.

Private Placement- Simple form of transaction. Bonds are issued and sold directly to an investor based upon a term sheet or commitment letter with the proposed purchaser. In addition to the Authority and its counsels, such a transaction typically includes a Borrower, a Placement Agent and the purchaser of the Bonds.

Public or Limited Offering- A more complex form of transaction. Bonds are marketed and sold to various investor types using a prospectus or offering document, such as an Official Statement (for sales to the general public) or Limited Offering Memorandum (for sales to more limited groups of investors, such as accredited investors and qualified institutional buyers).

The documents will include appropriate disclaimers related to the limited nature of the Authority's obligations regarding the Bonds, the limits on the Authority's obligation to the pay the Bonds (solely from the revenues of the Borrower/Obligor securing payment of the Bonds) and the fact that neither the board members, officers or directors of the Authority shall have any personal liability or responsibility for the payment of the Bonds.

Board Approval- The Board approves the issuance of the Bonds and authorizes and approves the primary documents for the transaction. The Board can accomplish the TEFRA approval and Bond and Bond documents approval contemplated by the proposed bond issuance by the Authority.

Public or Limited Sale of the Bonds- depending on the Bond structure, the Bonds may be sold using the disclosure document applicable to the sale (Official Statement or Limited Offering Memorandum).

Closing/Post Closing- All documents applicable to the transaction are signed and opinions and certificates are prepared, reviewed, finalized and executed by the parties. After closing, a transcript of all documents for the financing are signed and compiled in a closing transcript.



Ms. Laura DiBella
Port Director
OCEAN HIGHWAY & PORT AUTHORITY OF NASSAU COUNTY
76346 William Burgess Blvd
Yulee, FL 32097
904-225-8878
laura@nassauflorida.com

Sent via e-mail
January 31, 2019
C6-14063.01

SUBJECT: Fiscal and Economic Impact Analysis for Port of Fernandina; Nassau County, Florida

Dear Ms. DiBella:

We are pleased to present this proposal-agreement for professional services related to the above subject.

We have prepared this proposal based on our conversations from the week of January 25th, a review of background information shared regarding the subject properties and your business planning objectives, and our firm's extensive experience in preparing fiscal and economic impact analyses across the country and in Florida, specifically.

We have organized our proposal response as follows:

- Assignment Background and Objectives
- Consulting Qualifications
- Scope of Work
- Time and Professional Fee

ASSIGNMENT BACKGROUND AND OBJECTIVES

It is our understanding that you require a fiscal and economic impact analysis for the Port of Fernandina in order to better understand the impact that operations at the port have on Nassau County and the surrounding region. Further, you would like to quantify this impact in order to illustrate the potential benefit of conducting dredging operations at the port, which would likely increase its volume of business. Presently, the channel depth is advertised at about 36 feet, but due to a lack of maintenance dredging is actually 2-4 feet lower than advertised in certain locations. It is your hypothesis that a dredging operation to increase channel depth to the advertised length, or larger, will have a direct impact on port operations which could be quantified using a fiscal and economic impact analysis.

We anticipate that the creation of a fiscal and economic analysis model for the Port of Fernandina will be a collaborative process between RCLCO and the Ocean Highway & Port Authority of Nassau County, or "Client", where client will assist in providing the necessary data inputs which may include such metrics as total current employment at the port (broken out by job type) and total port revenues, along with other available quantitative metrics. In order to understand the potential impact of dredging operations, Client will also provide RCLCO with a projection of additional employment or additional revenue which will likely be attained as a result of these operations. RCLCO assumes that all data inputs can be provided by Client, and that RCLCO will work collaboratively with Client to determine the proper inputs for the dredging scenario (or scenarios), given that there is no direct way to determine what these may be. We anticipate that a "sensitivity" analysis could be done, such that an answer could be provided that states "if dredging operations increase port revenues by \$X (or total port employment by X jobs), then an increase in \$X in total economic impact is attained." If Client is unable to provide the data inputs as described above, significant additional costs which are not currently incorporated in this proposal will likely be incurred due to the need to conduct extensive interviews and research into all business entities at the Port of Fernandina.

Utilizing the data outlined above as provided by Client, RCLCO will create an IMPLAN-based fiscal and economic model to determine, as a result of port operations, the amount of jobs which are supported, the volume of personal income which is generated, the total volume of business activity which is generated, and the estimated tax revenues generated on a local, state, and federal level. There are many benefits to creating an IMPLAN-based model for the Port of Fernandina, including its adaptability to analyze multiple economic metrics based upon data availability, the ability to study multiple regions and the indirect or induced impacts through a larger geography, and the ability to replicate the analysis for future studies in order to provide direct comparisons to performance in prior years using similar data inputs. There are multiple options in terms of which geographies are analyzed for their level of impact from operations at the Port of Fernandina, including: Nassau County only, Nassau County and the State of Florida only, Nassau County and surrounding Counties in Florida, or Nassau County and surrounding Counties in the region including those in Georgia. The breakdown in costs for each of these options is provided in more detail in the Time and Professional Fee section of this proposal.

COMPANY BACKGROUND AND QUALIFICATIONS

RCLCO (Robert Charles Lesser & Co.) is the nation’s leading independent real estate advisory firm, providing market, financial, and economic analysis and strategic planning for a broad spectrum of clients.

We are recognized in the industry as having the ability to address specific project situations as well as our clients’ overall long-term strategic needs. Our services are customized to address our clients’ particular needs, supported by both quantitative analysis and creative problem solving.

RCLCO has unsurpassed experience in market and feasibility analysis, fiscal and economic impact analysis, and strategic programming. Our client base includes developers, major investors, lenders, and government agencies.

In each engagement, we strive to add value to our clients’ real estate activities and to provide ways for them to gain a competitive advantage in the marketplace. Our advice is market-driven, analytically based, practical, actionable, and financially sound.

SCOPE OF WORK

The analytical tasks leading to the fulfillment of the above objectives are outlined below.

1. Conduct a kick-off meeting with Client and relevant project team members to discuss the necessary data inputs for current Port of Fernandina impacts and the potential data inputs for a dredging scenario.
2. Utilize an IMPLAN-based model to determine the fiscal and economic impacts of operations at the Port of Fernandina on the surrounding region. Run multiple scenarios on the potential change in impacts resulting from a scenario in which dredging operations were conducted at the port to increase current channel depth.
3. Conduct a working session via web meeting or at our office¹, at which time we will present the findings and conclusions from this analysis. Supporting documentation in the form of exhibits, tables, and charts will be made available at the working session.
4. Prepare an Executive Report summarizing the key findings and conclusions, following any feedback resulting from the working session.

TIME AND PROFESSIONAL FEE SCHEDULE

The time to complete the scope of work outlined above through the working session is **4 to 6** working weeks. The written report will be issued once all follow-up items resulting from the working session are completed. The above time frame may vary depending on when we receive your written authorization and retainer and our commitments at that time, as well as on turnaround and response time from client, client consultants and employees, and other team members regarding necessary information requests, review of progress reports and/or drafts; scheduling conflicts; and so on.

The professional fee to complete the scope of work outlined above is described in the table below showing the various geographic options that can be studied. Please note that these fees are net of any additional expenses that may be incurred for data, travel, etc. Please refer to the enclosed appendix for information regarding our reimbursable expense schedule, billing arrangements, additional services, and limiting conditions.

GEOGRAPHY OF IMPACTS	FEE ²
1. Nassau County, FL Only	\$13,500
2. Nassau County, FL and State of Florida Only	\$16,000
3. Multi-Regional Analysis Including Nassau County, FL and surrounding Florida Counties	\$22,000
4. Multi-Regional Analysis including Nassau County, FL and surrounding Counties in both Florida and Georgia	\$32,000

¹ At your option, this session could be held at another location. Per Diem rates based on a 10-hour day apply to all out-of-town meetings. Travel time for days longer than 10 hours is charged at 50% of the normal hourly rate. The additional cost for travel time and expenses to such meeting will be billed over and above the professional fees quoted herein.

² Fee assumes client will provide the necessary data inputs including such metrics as total current employment at the port (broken out by job type) total port revenues, along with other available quantitative metrics outlined above, without which completing the work within the above outlined time and fee schedule will be impacted.

If the above meets with your approval, we are prepared to commence work on this assignment as soon as practical after receipt of an executed proposal-agreement and a retainer of 50% of the authorized fee, which will be credited against the final invoice(s). An invoice for the retainer has been included for your convenience.

We are truly excited about working with you on this interesting project and sincerely appreciate your consideration of our firm. We look forward to hearing from you in the very near future.

Very truly yours,



Gregg Logan
Managing Director

GEOGRAPHY OF IMPACTS	FEE	SELECTION (CHOOSE ONE)
1. Nassau County, FL Only	\$13,500	
2. Nassau County, FL and State of Florida Only	\$16,000	
3. Multi-Regional Analysis Including Nassau County, FL and surrounding Florida Counties	\$22,000	
4. Multi-Regional Analysis including Nassau County, FL and surrounding Counties in both Florida and Georgia	\$32,000	

AGREED AND ACCEPTED:

OCEAN HIGHWAY & PORT AUTHORITY OF NASSAU COUNTY

By: _____

Title: _____

Signature: _____

Date: _____

Unless informed to the contrary in the space provided below, the monthly invoices and reports will be sent via e-mail to the attention of the individual who executed this agreement.

Name: _____

Title: _____

Invoicing Address: _____

Telephone Number: _____

Fax Number: _____

Mailing Address: _____

Email Address: _____

STANDARD APPENDIX TO PROPOSAL AGREEMENT

SECTION 1: PAYMENT TERMS

An initial payment of 50% of the authorized fee shall be sent upon execution of this Agreement, which amount will be credited to the outstanding balance on the final invoice(s) submitted to Client. Payment of the retainer should be sent, along with one executed copy of this proposal-agreement, to:

Please mail checks and documents to:	Below are wiring instructions for your convenience:												
Robert Charles Lesser & Co, LLC 7200 Wisconsin Avenue, Suite 1110 Bethesda, MD 20814 Phone: (240) 644-1300 Fax: (240) 644-1311	<table> <tr> <td>Bank Name:</td> <td>First Republic Bank</td> </tr> <tr> <td>Bank Address:</td> <td>111 Pine Street San Francisco, CA 94111</td> </tr> <tr> <td>Bank Account:</td> <td>80006181426</td> </tr> <tr> <td>Bank ABA:</td> <td>321081669</td> </tr> <tr> <td>SWIFT (International):</td> <td>FRBBUS6S</td> </tr> <tr> <td>Reference:</td> <td>C6-14063.01</td> </tr> </table>	Bank Name:	First Republic Bank	Bank Address:	111 Pine Street San Francisco, CA 94111	Bank Account:	80006181426	Bank ABA:	321081669	SWIFT (International):	FRBBUS6S	Reference:	C6-14063.01
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SWIFT (International):	FRBBUS6S												
Reference:	C6-14063.01												

For each monthly billing period ("Billing Period"), RCLCO (Robert Charles Lesser & Co.) will submit invoices to Client for professional services and expenses. Amounts invoiced will be in proportion to the services performed during the preceding billing period. Amounts invoiced for reimbursable expenses, consultants' fees, and additional services will be based on amounts incurred and services performed through the invoice date. Invoices will be sent via e-mail to the individual that executed this agreement, or otherwise as specified on the signature page.

All payments will be made in the U.S. and in U.S. currency. All taxes and tariffs associated with paying for our services will be paid by Client or, if levied on RCLCO, will be charged back to Client over and above the professional fees and expenses billed in accordance with this Agreement.

Invoices are due and payable upon receipt. Interest, at the highest rate permitted under the applicable law, will accrue on all accounts not paid within thirty (30) days of the invoice receipt date, at which point the account will be deemed overdue. RCLCO retains the right to halt work pending receipt of any overdue payments, and the right to withhold delivery of the final report until payment in full has been received if payment history does not meet the above terms. Client shall pay all costs and expenses, including, without limitation, reasonable attorney's fees and expenses incurred by RCLCO in connection with the collection of the overdue accounts of Client.

SECTION 2: ESTIMATED EXPENSES

Client will be billed for out of pocket expenses including travel and other project related expenses, which will be billed at cost plus a 10% handling charge as incurred. In addition, the client will be assessed a Data and Materials Charge calculated at 7% of professional fee. This charge covers an allocation of costs associated with the extensive set of databases and information resources that RCLCO will rely upon to complete this work. Data and Materials charges will be billed monthly, proportional to the professional fee.

SECTION 3: ACCEPTANCE AND EXPIRATION

Acceptance of this proposal-agreement is completed upon receipt of one executed copy of the proposal-agreement and the retainer fee specified. If we are not in receipt of a fully executed copy within thirty (30) days from the date thereof, this proposal-agreement shall be of no further force and effect and shall be deemed withdrawn.

SECTION 4: ADDITIONAL SERVICES

In addition to the scope of work covered in this Agreement, we will be available for additional work, including team meetings; planning and design review work; litigation support work; presentations to investors, lenders, and/or public agencies; periodic updating of reports; financial analysis; marketing plan; consumer opinion research work; and other activities related to this engagement.

Additional team meetings and planning and design review sessions will be billed for professional time and expense based on our normal hourly or per diem rates. Proposals for other services, indicating scope of work and time and fee schedule, will be submitted upon request.

Professional time for court appearances, depositions, and public hearings will be billed at 150% of our normal hourly rates.

SECTION 5: CLIENT'S RESPONSIBILITIES

Client agrees to provide full and reliable information about its requirements for the engagement and, at its expense, shall furnish the information, surveys, and reports, if any. In addition, Client agrees to provide, at its expense and in a timely manner, the cooperation of its personnel and such additional information with respect to the engagement as may be required from time to time, to be provided by Client for the performance of RCLCO's work. Client shall designate a Project Representative authorized to act on behalf of Client with respect to this Agreement and agrees to render any decisions promptly to avoid unreasonable delay to the engagement and the performance of RCLCO's work.

SECTION 6: TERMINATION

Either Client or RCLCO may terminate this Agreement by giving written notice at least three (3) days prior to the date of termination. In the event of such termination, Client shall pay RCLCO for services and reimbursable expenses performed or incurred to the termination date.

SECTION 7: USE OF DOCUMENTS

It is understood by RCLCO that the findings from this engagement ("Report") are the proprietary property of the Client and that for a period of one year, unless otherwise instructed by the Client in writing, they will not be made available to any other organization or individual without consent of the Client. It is agreed by the Client that the Report, unless specifically designated by RCLCO as an internal document, will be presented to third parties only in its entirety and that no abstracting of the Report will be made without first obtaining the permission of RCLCO.

Client agrees to indemnify RCLCO against any losses or claims for damage and liabilities under Federal and State laws that may arise as a result of statements or omissions in public or private offering of securities.

SECTION 8: CONFIDENTIAL INFORMATION AND LIMITATION OF LIABILITY

Non-Disclosure. Each party agrees not to use, disclose, sell, license, publish, reproduce, or otherwise make available the Confidential Information of the other party except and only to the extent necessary to perform under this Agreement. Each party agrees to secure and protect the other party's Confidential Information in a manner consistent with the maintenance of the other party's confidential and proprietary rights in the information and to take appropriate action by instruction or agreement with its employees, consultants, or other agents who are permitted access to the other party's Confidential Information to satisfy its obligations under this Section. The provisions of this paragraph shall survive the term of the contract.

RCLCO and Client expressly limit their liability to each other for direct damages caused by negligence of one to the other, and for direct damages caused by the breach of any term of this Agreement. RCLCO's total liability to the Client shall not exceed the total fee and expenses actually paid by the Client to RCLCO for the scope of work covered in this Agreement. In no event shall either party be liable to the other for any indirect or consequential damages, including but not limited to lost business profits.

SECTION 9: GENERAL LIMITING CONDITIONS

It is understood by the Client that RCLCO can make no guarantees about the recommendations resulting from the proposed engagement because these recommendations must be based upon facts discovered by RCLCO during the course of the study and those conditions existing as of the date of the Report.

To protect the Client, and to assure that RCLCO's research results will continue to be accepted as objective and impartial by the business community, it is understood that RCLCO's fee for the undertaking of this engagement is in no way dependent upon the specific conclusions reached or the nature of the advice given by RCLCO in its Report to the Client.

The final Report furnished by RCLCO will contain a statement of General Limiting Conditions, as follows:

"Reasonable efforts have been made to ensure that the data contained in this study reflect accurate and timely information and are believed to be reliable. This study is based on estimates, assumptions, and other information developed by RCLCO from its independent research effort, general knowledge of the industry, and consultations with the client and its representatives. No responsibility is assumed for inaccuracies in reporting by the client, its agents and representatives, or in any other data source used in preparing or presenting this study. This report is based on information that to our knowledge was current as of the date of this report, and RCLCO has not undertaken any update of its research effort since such date.

Our report may contain prospective financial information, estimates, or opinions that represent our view of reasonable expectations at a particular time, but such information, estimates, or opinions are not offered as predictions or assurances that a particular level of income or profit will be achieved, that particular events will occur, or that a particular price will be offered or accepted. Actual results achieved during the period covered by our prospective financial analysis may vary from those described in our report, and the variations may be material. Therefore, no warranty or representation is made by RCLCO that any of the projected values or results contained in this study will be achieved.

Possession of this report does not carry with it the right of publication thereof or to use the name of "Robert Charles Lesser & Co." or "RCLCO" in any manner without first obtaining the prior written consent of RCLCO. No abstracting, excerpting, or summarization of this study may be made without first obtaining the prior written consent of RCLCO. This report is not to be used in conjunction with any public or private offering of securities or other similar purpose where it may be relied upon to any degree by any person other than the client without first obtaining the prior written consent of RCLCO. This study may not be used for any purpose other than that for which it is prepared or for which prior written consent has first been obtained from RCLCO."

SECTION 10: ARBITRATION

Any disputes, claims, or other matters arising out of or relating to this Agreement or the breach hereof shall be settled by arbitration in Maryland in accordance with the Rules of the American Arbitration Association. Judgment upon the award rendered by the arbitrators may be entered into any court having jurisdiction hereof. In the event of any arbitration or other legal proceedings pertaining to this Agreement, including the enforcement of any arbitration award, the prevailing party shall be entitled to recover all legal expenses, including reasonable attorney's fees.

SECTION 11: MISCELLANEOUS

By executing the proposal-agreement for this engagement, Client and RCLCO each bind themselves and their successors and assigns to this Agreement. Neither Client nor RCLCO shall assign or transfer their interest in this Agreement without the written consent of the other. This Agreement represents the entire Agreement between Client and RCLCO. No agreements or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by either party that are not set forth expressly in the agreement. This Agreement may be amended only in writing, signed by both Client and RCLCO.

Florida law shall govern this Agreement.



RETAINER INVOICE

Ms. Laura DiBella
Port Director
OCEAN HIGHWAY & PORT AUTHORITY OF NASSAU COUNTY
76346 William Burgess Blvd
Yulee, FL 32097
904-225-8878
laura@nassauflorida.com

Sent via e-mail
January 31, 2019
C6-14063.01

SUBJECT: Fiscal and Economic Impact Analysis for Port of Fernandina; Nassau County, Florida

	AMOUNT
DUE NOW:	50% of Authorized Fee
TOTAL RETAINER	50% of Authorized Fee

PLEASE MAIL CHECKS AND DOCUMENTS TO:

Robert Charles Lesser & Co, LLC
7200 Wisconsin Avenue, Suite 1110, Bethesda, MD 20814

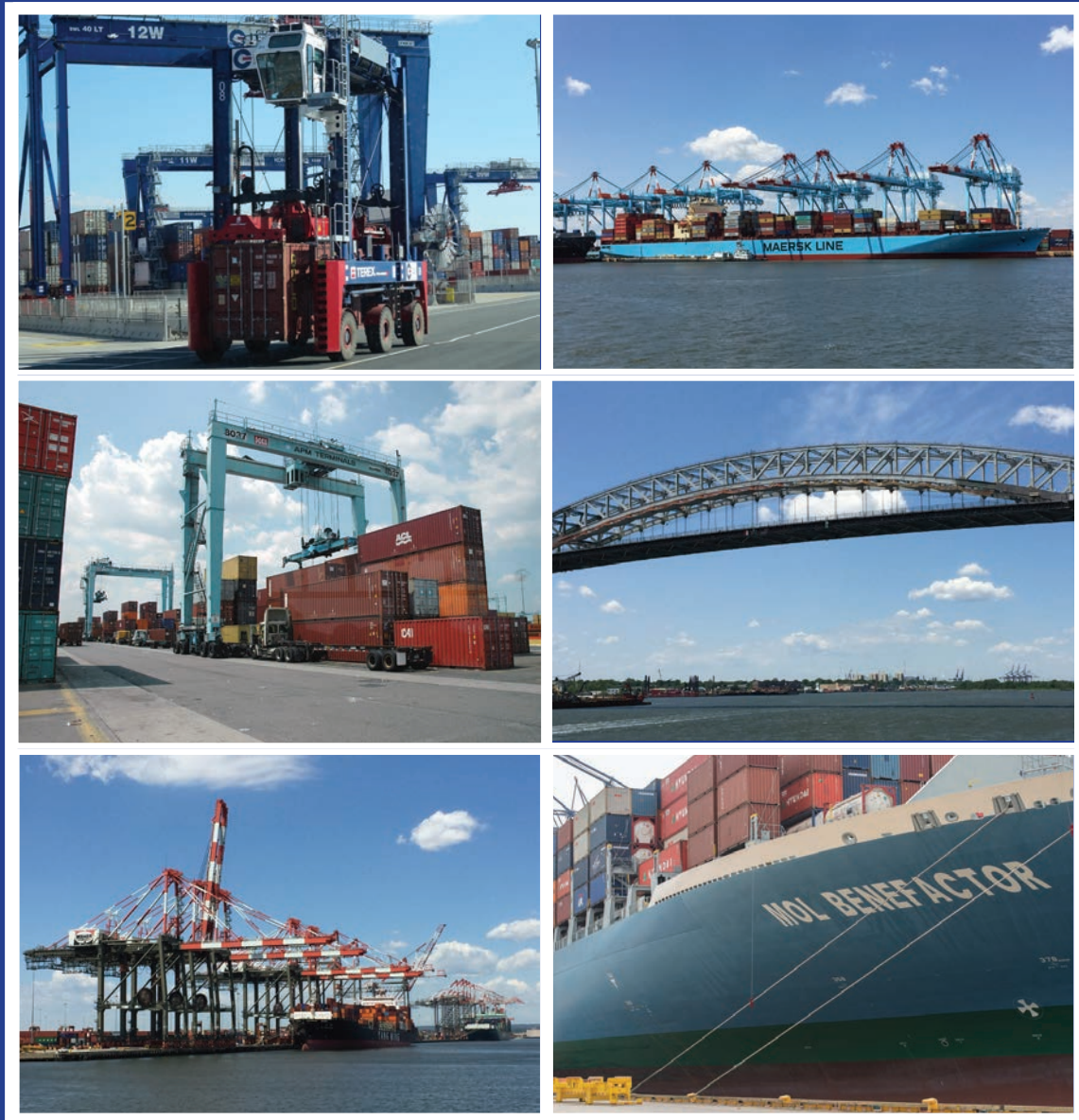
Phone: (240) 644-1300
Fax: (240) 644-1311

BELOW ARE WIRING INSTRUCTIONS FOR YOUR CONVENIENCE:

Bank Name:	First Republic Bank
Bank Address:	111 Pine Street San Francisco, CA 94111
Bank Account:	80006181426
Bank ABA:	321081669
SWIFT (International):	FRBBUS6S
Reference:	C6-14063.01

EXHIBIT A

The Economic Impact of the New York-New Jersey Port Industry



2017 Report

Prepared by:

Anne Strauss-Wieder

Director, Freight Planning

North Jersey Transportation Planning Authority
As a member of the Council on Port Performance

*In collaboration with the
New York Shipping Association and our Port Partners*





ATLANTIC STAR

UNITLE CONTAINER
OR TWENTY CONTAINER
MAX CARGO BEAM

REPAIRS
FOR THE SHIP'S HULL AND
FOR THE SHIP'S STRUCTURE

The Economic Impact of the 2016 New York-New Jersey Port Industry



John Nardi
President
New York Shipping Association, Inc.

The significant economic contribution the Port of New York and New Jersey makes to this region is demonstrated once again in this the 7th iteration of the Economic Impact Study of the New York-New Jersey Port Industry.

The value of this study as a resource is noteworthy, especially when you hear the facts and figures often referenced in speeches or see it quoted in national and international publications. However, more importantly, these numbers provide a quantitative measurement of the jobs, incomes, production of goods and services and revenue for the respective states and federal government produced by the maritime activities taking place in the region. Clearly the regional economy is interwoven with the Port.

When decisions are being made in terms of investment in infrastructure that connects the Port to the roads, rails and bridges that facilitate the movement of cargo, there is no more important and necessary information to emphasize the critical connection.

As we look towards continued growth in cargo and port efficiencies, we will continue to evolve in the Port of New York and New Jersey to remain a substantial, lasting and stable economic driver for our regional economy.

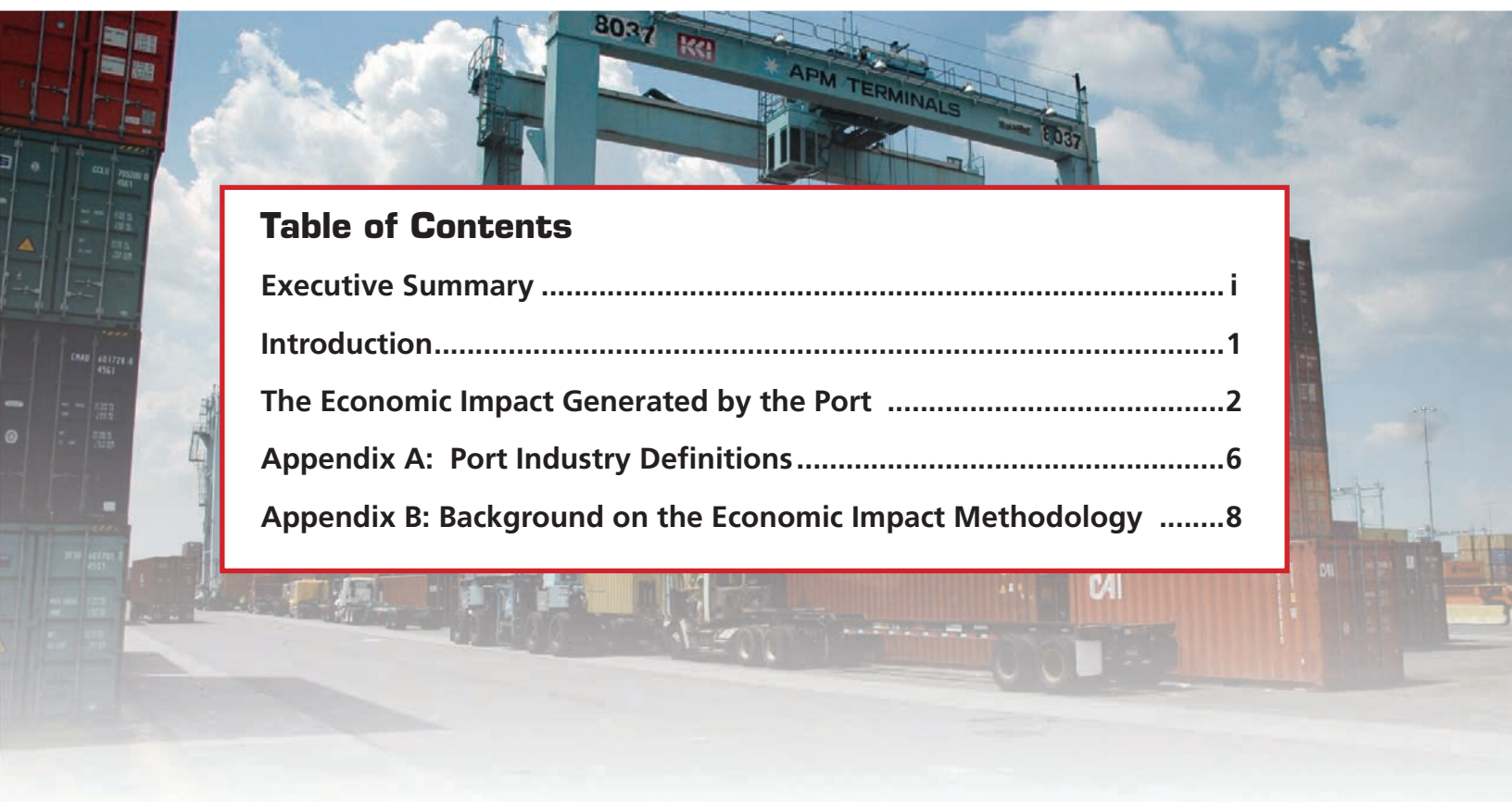
Sincerely,



John J. Nardi
President

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Executive Summary

In 2016, the Port Industry solidified the 31 county New Jersey-New York-Pennsylvania Region's position as one of the leading distribution platforms for North America. Cargo movements grew, the cruise industry in New Jersey expanded, and the region's industrial space increased at an unprecedented rate. What was glimpsed at in the previous economic impact assessment in 2014 became evident in 2016 and provides a vision of what the future now holds.

In 2016, the region's maritime facilities handled:

- Nearly 6.3 million twenty-foot equivalent containers (TEUs)
- Close to 663,000 vehicles
- Nearly 47.4 million tons of bulk cargo
- Nearly 140,000 tons of breakbulk cargo
- 260 cruise vessels

The Port Industry's impact grew, with nearly 400,000 jobs supported, an increase over the 336,600 supported in 2014 and 296,000 jobs supported in 2012. The impacts generated by Port Industry operations included:

- 229,000 direct jobs
- 400,000 total jobs in the Region
- More than \$25.7 billion in personal income
- More than \$64.8 billion in business income
- Close to \$8.5 billion in federal, state and local tax revenues, with local and state tax revenues of more than \$2.8 billion and federal tax revenues of more than \$5.7 billion



Already home to one of the largest concentrations of industrial and distribution space, the region added tens of millions of square feet of capacity between 2014 and 2016. Further, occupancy rates grew substantially, with companies seeking buildings in close proximity to the region's crucial consumer markets. Many of the new operations involve ecommerce, which has a higher employment per square foot than traditional distribution buildings. With such high concentrations of consumers and distribution space in close proximity to a major port, the amount of cargo flowing directly between the Port of New York and New Jersey and these buildings increased. Such volumes make the Port more attractive to those shipping cargo to more distant North American markets.

The Port Industry's impact grew from 336,600 jobs in 2014 to 400,000 jobs in 2016

Introduction

This report summarizes the economic contributions of the New York-New Jersey Port Industry's 2016 operations and reflects activity that occurred and the resulting economic impacts generated in the region, New York, New Jersey and New York City.

The report is the latest in a continuing series of economic impact assessments produced by the New York Shipping Association, Inc., with the input and the support of the port community. The North Jersey Transportation Planning Authority, a member of the Council on Port Performance, performed the current assessment, continuing the consistent methodology used for nearly 20 years.

For the New York-New Jersey Port Industry, activity in 2016 solidified the region's position as one of the leading distribution platforms for North America. Cargo movements grew, the cruise industry in New Jersey expanded, and the region's industrial space increased at an unprecedented rate. What was glimpsed at in 2014 became evident in 2016 and provides a vision of what the future now holds.

The raising of the Bayonne Bridge roadbed moved towards completion in 2017, with the progress evident in 2016. Container vessels with upwards of 10,000 twenty foot container (TEU) capacity called at the Port at GCT Bayonne. New workers joined the ranks at the terminals and elsewhere in the region. The Council on Port Performance continued its collaborative work on crucial issues, including a task force focused on workforce development.

The region's position as one of the top concentrations of industrial space in North America solidified. Tens of millions of square feet of Class A state-of-the-art buildings were completed and occupied. Occupancy rates at all industrial buildings increased. Ecommerce was embraced by consumers and businesses, with the need for proximity to consumers becoming an increasing priority as delivery times offered moved from two-day to same-day. With the Region offering e-retailers the densest concentration of affluent consumers in the country, the demand for such space has become red hot. The Region's high concentration of these operations continued to grow increasing the efficiency of bringing and sending products through the port.

This 2016 analysis continues to define the Region as a 31-county area that reaches beyond New York City and northern New Jersey to include parts of southern New Jersey and eastern Pennsylvania where warehouses and distribution centers are closely tied to the New York-New Jersey Port. The 31-county region includes:

- 12 counties in New York State: Bronx, Dutchess, Kings, Nassau, New York, Orange, Putnam, Queens, Richmond, Rockland, Suffolk and Westchester
- 15 New Jersey counties: Bergen, Burlington, Essex, Hudson, Hunterdon, Mercer, Middlesex, Monmouth, Morris, Ocean, Passaic, Somerset, Sussex, Union, and Warren
- Four PA counties: Northampton, Lehigh, Monroe and Pike Counties

The 31-County New York – New Jersey – Pennsylvania Region



The Economic Value Generated in 2016

This economic impact assessment provides a snapshot of the contributions made by the New York/New Jersey Port Industry, as measured in jobs, personal and business income and tax revenues. This economic value is ongoing – the continuing activities of the Port Industry generates and sustains jobs and revenues. As those activities grow and change, the economic value generated reflect the new conditions.

The Region Solidifies its Position as a Leading Distribution and Supply Chain Platform for North America.

In 2016, the New York-New Jersey Port handled:

- Nearly 6.3 million twenty-foot equivalent containers (TEUs)
- Close to 663,000 vehicles
- Nearly 47.4 million tons of bulk cargo
- Nearly 140,000 tons of breakbulk cargo
- 260 cruise vessel calls

In general, maritime operations through the Port have increased since 2014 with:

- 500,000 additional TEUs
- More than 5 million additional tons of bulk cargo
- More than 30,000 more breakbulk tons



Overall, slightly fewer cruise vessels called on the Port although the number of cruise vessels berthing in New Jersey increased.

In the New Jersey portion of the region alone, overall industrial space capacity grew by 9 million square feet, exceeding 811 million square feet with more than 11 million additional square feet under construction at the end of 2016.¹ The Lehigh Valley portion of the region had over 98 million square feet of total industrial space at the end of 2016, with over 6 million additional square feet under construction.²

In 2016, the economic value supported by ongoing Port Industry operations in the 31-county region included:

- 229,000 direct jobs
- 400,000 total jobs in the Region
- More than \$25.7 billion in personal income
- More than \$64.8 billion in business income
- Nearly \$8.5 billion in federal, state and local tax revenues, including more than \$2.8 billion in local and state tax revenues and federal tax revenues of more than \$5.7 billion

**Nearly \$8.5 billion
in federal, state and
local tax revenue**

The industry's impact grew, with nearly 400,000 jobs supported, compared to 336,600 supported in 2014, 296,000 in 2012 and 279,200 jobs supported in 2010. As a comparison, in 1993 the industry supported a total of 166,500 jobs and generated \$6.2 billion in personal income. (Note: these figures were measured for a smaller region in 1993)

The Port continued to hire and train new workers. More cargo through the port required more services and workers to process shipments and move them to and from distribution and industrial facilities. More distribution centers, many with more labor intensive ecommerce operations, meant more workers were needed.

¹ Source: CBRE

² Ibid

Details of the 2016 Regional Economic Value of the Port

Use	Direct Employment	Total Employment	Personal Income	Business Activity	State and Local Taxes	Federal Tax Revenue	Total Tax Revenues
Bulk	3,129	11,044	\$ 867.1	\$ 3,318.1	\$ 136.2	\$ 214.0	\$ 350.2
Breakbulk	179	491	\$ 38.3	\$ 134.8	\$ 5.8	\$ 9.0	\$ 14.7
Roll-On/Roll-Off	1,279	3,216	\$ 233.8	\$ 782.7	\$ 32.4	\$ 55.1	\$ 87.4
Container	29,628	68,619	\$ 4,861.7	\$ 15,348.2	\$ 627.7	\$ 1,106.2	\$ 1,733.8
Cruise	3,490	5,021	\$ 290.4	\$ 748.2	\$ 53.5	\$ 60.0	\$ 113.5
Warehousing	166,657	261,141	\$ 14,914.4	\$ 33,188.7	\$ 1,400.0	\$ 3,301.5	\$ 4,701.5
Freight Forwarding	10,107	17,194	\$ 1,226.8	\$ 2,434.6	\$ 133.5	\$ 236.0	\$ 369.5
HQ and other maritime fcns	5,800	14,746	\$ 1,345.2	\$ 4,160.1	\$ 185.1	\$ 301.0	\$ 486.1
Government	2,752	5,216	\$ 445.6	\$ 1,086.6	\$ 36.8	\$ 95.2	\$ 132.0
Insurance	3,259	7,299	\$ 781.3	\$ 1,933.1	\$ 103.3	\$ 172.0	\$ 275.3
Banking	2,671	5,992	\$ 701.5	\$ 1,701.2	\$ 79.3	\$ 153.6	\$ 232.9
TOTAL ECONOMIC IMPACT	228,951	399,979	\$ 25,706.2	\$ 64,836.3	\$ 2,793.6	\$ 5,703.4	\$ 8,497.0

In millions of 2017 dollars

Note that the total impacts include direct, indirect and induced effected.

The New York/New Jersey Port Industry Generates Significant Economic Impacts throughout New York and New Jersey

The New York/New Jersey Port Industry encompasses a wide range of activities, including physical movements, information and financial flows, transportation arrangements and the work of public agencies. These activities take place throughout New York and New Jersey and extend into Pennsylvania, primarily the Lehigh Valley area.

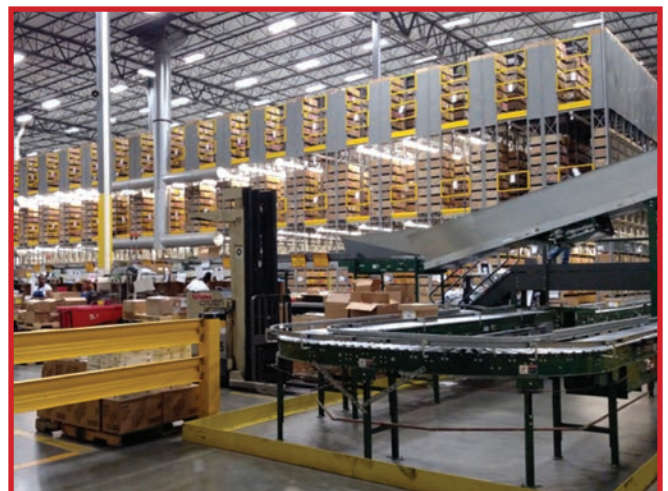
State of New Jersey

In the State of New Jersey, the Port Industry supports:

- 200,350 direct jobs
- 344,470 total jobs in New Jersey
- Nearly \$21 billion in personal income
- More than \$53.8 billion in business income
- Nearly \$7 billion in federal, state and local tax revenues, with local and state tax revenues of more than \$2.2 billion and federal tax revenues of nearly \$4.8 billion

New Jersey saw the construction of millions of square feet of industrial and distribution centers, with occupancy rates greatly increasing. Indeed, as 2016 progressed, demand for industrial space appeared to accelerate. Many ecommerce operations located or expanded in the state. Production facilities also located and expanded in New Jersey. The “perfect trifecta” noted in the 2014 economic impact report – a growing economy, high population density and expansion of ecommerce combined with extensive multi-modal infrastructure – has made New Jersey a leading location for such operations.

344,470 total jobs in the State of New Jersey



New York City

In New York City, the Port Industry supports:

- 17,420 direct jobs
- 35,860 total jobs in the city
- Nearly \$3.6 billion in personal income
- More than \$8.4 billion in business income
- Close to \$1.2 billion in federal, state and local tax revenues, with local and state tax revenues of more than \$450 million and federal tax revenues of more than \$702 million

**More than
\$8.4 billion in
business income**

New York City saw increases in freight forwarding, distribution and insurance industry workers.

State of New York

In the State of New York, the Port Industry supports:

- 23,490 direct jobs
- 47,960 total jobs in the State
- Nearly \$4.2 billion in personal income
- Close to \$10.2 billion in business income
- More than \$1.4 billion in federal, state and local tax revenues, with local and state tax revenues of more than \$555 million and federal tax revenues greater than \$845 million

**47,960
total jobs in
New York State**

The New York State impacts include the New York City impacts, as well as activity in Long Island and other parts of the state. New York also benefits from the ripple effects of port industry suppliers and workers in the state.

Lehigh Valley

In the Lehigh Valley area of Pennsylvania, the New York-New Jersey port industry supports warehousing and distribution center activities estimated to include:

- 18,330 direct jobs
- 29,490 total jobs in the four Lehigh Valley counties included in the region
- More than \$1.4 billion in personal income
- Nearly \$3.3 billion in business income
- Close to \$420 million in federal, state and local tax revenues, with local and state tax revenues of nearly \$130 million and federal tax revenues of more than \$290 million.

**More than
\$1.4 billion in
personal income**

Similar to New Jersey, the Lehigh Valley area has seen millions of square feet of industrial space developed and occupied since 2014.





Appendix A: Port Industry Definitions

This section provides definitions for the Port Industry Terminology.

Port Cargo Movements

- **Containerized cargo handling** refers to the handling of cargo loaded in maritime containers. Each container, which can accommodate a nearly complete range of commodities, is handled as a single unit. The most commonly used types of containers are either 20 or 40 feet long. A common measure used in the maritime industry refers to a “twenty-foot equivalent unit” or TEU. A TEU equals one 20-foot container. A 40-foot container would equate to two TEUs.
- **Breakbulk cargo handling** is the traditional means of handling general cargo. It describes the handling of a broad variety of commodities as individual pieces or as palletized cargo. Breakbulk handling techniques are used to move such commodities as forest products, paper, bananas, fresh fruit, steel and cocoa beans.
- **Bulk cargo handling** refers to the handling, in a continuous operation, of dry and liquid uniform commodities, such as petroleum, petrochemicals, grain and coal. The cargo is not divided into individual units.
- **Auto and vehicle transport** describes the waterborne movement of motorized, wheeled units. Typically these vehicles are “rolled on and rolled off” (RO/RO) vessels with multiple decks by terminal workers.



Cargo Movement Activities

VESSEL ACTIVITIES	TERMINAL ACTIVITIES	TRANSACTION ACTIVITIES	INLAND MOVEMENT ACTIVITIES
Pilotage, Tugs, Provisions, Fuel, Crew Shore Leave, etc.	Cranes, Stevedoring, Yard Handling, Cargo Manipulation, Inspections, etc.	Banking, Insurance, Data Processing, Freight Forwarding, Customhouse Brokers, etc.	Trucking, Rail, Barge and/or Pipeline

Cargo moves inland in a variety of ways, including:

- **Long Distance Truck** – The fee charged by trucking firms for the inland movement of the cargo beyond the port region. Usually, long distance trucking rates are developed and drivers compensated on a mileage basis.
- **Short Distance Truck** – The fee charged by trucking firms for the inland movement of cargo to a destination or from an origin within the port region (such as a warehouse or manufacturing facility). Usually, shorter distance trucking rates are quoted and drivers compensated on a flat-rate basis.
- **Barge** – Barges are a means used for conveying cargo between vessels and ports/terminals other than the one where the vessel is docked.
- **Rail** – Inland rail movements are defined as including the truck drayage fee associated with moving the cargo from the terminal to the rail yard, along with the costs incurred by the railroad(s) for moving the shipment. Rail costs include expenditures associated with rail terminal operations, switching and line haul movements.
- **Pipeline** – Pipeline movements are generally associated with the movement of liquid bulk commodities.

Cruise Passenger Movements

- Cruise passenger movements include the vessels that carry passengers on recreational cruises of various durations.
- Cruise passengers may also spend time in the region before or after their voyages, generating additional economic impacts through their visitor expenditures. The cruise operations, based on surveying, reflect the various characteristics of the three terminals in New York and New Jersey and the cruise lines that call on this region.
- Inland transportation involving cruise passengers includes air, private car, bus, transit, limousines, taxis, and walking.

Passenger Movement Activities

VESSEL ACTIVITIES	TERMINAL ACTIVITIES	TRANSACTION ACTIVITIES	INLAND MOVEMENT ACTIVITIES
Pilotage, Tugs, Provisions, Fuel, Crew Shore Leave, etc.	Stevedoring, Passenger Services, Inspections, Immigration, etc.	Hotels, Restaurants, Local Attractions and Other Visitor Activities In The Port Area	Private Car, Taxi/Limo, Bus/Transit/Airline, Walking, etc.



Appendix B: Background on the Economic Impact Methodology

The information used in this assessment was provided by New York Shipping Association, the Port Authority of New York and New Jersey, New York City Economic Development Corporation, and many port partners. Data from the 2016 US Census County Business Patterns on such sectors as freight forwarding, finance and insurance was used, along with industrial space information from CBRE, NAI and field work.

The 2016 Port Industry analysis continues the use of an IMPLAN multi-region economic impact model customized to reflect the New York-New Jersey-Pennsylvania region. This is the same economic impact model that has been used since the 2012 analysis. The current analysis and results are in 2017 (current year) dollars. Please note that some definitions and impacts will differ from economic impact studies prior to 2012, which used a different input-output model as a base.

The IMPLAN model includes economic data, enables multi-regional and county-level assessments and is used by public agencies throughout the United States, including transportation authorities in the New York-New Jersey region. Implan is a complete economic assessment package including data and software. More information on Implan can be found at <http://implan.com>.

Multi-Regional Input-Output (MRIO) models capture the economic impacts occurring in several connected economic regions, along with “trade flows,” which are defined as the purchase of goods and services among each of the identified regions. In addition to the trade flows, the models consider and reflect the purchase of goods and services from sources outside the identified regions. These leakages reduce impacts. For example, some suppliers and workers may come from outside of New Jersey. The impacts associated with these expenditures accrue to the locations outside the state rather than to New Jersey itself.

The economic impacts were identified for:

- The 31-county New York-New Jersey-Pennsylvania Region
- New York City
- The State of New Jersey
- The State of New York

The impacts shown are total impacts at each geographical level, with the impacts originating in the various regions. For example, maritime cargo and passenger operations originate at the terminals where the vessels call. Warehousing locations are found throughout the 31-county region, with key clusters along the New Jersey Turnpike, the Lehigh Valley area of Pennsylvania and in the immediate vicinity of port terminals.

MRIO analyses require several considerations and reviews beyond single region economic impact models:

- Each region within a MRIO model is separate and does not overlap with other regions. The NYSA MRIO model has separate regions for:
 - New York City
 - The rest of the New York counties in the 31-county region
 - The rest of New York State
 - The New Jersey counties in the 31-county region
 - The rest of New Jersey
 - The four Pennsylvania counties in the 31-county region

Without the creation of separate regions, impacts could be counted more than once.

- In general, the economic characteristics within each region in a MRIO model will vary, which reflects the differences in costs and other considerations in each area. Indeed, costs can be different between locations in New York City and the Lehigh Valley area of Pennsylvania. These differences (such as in employee/output ratios) are considered in developing the inputs for the model.

Definitions

The economic impact assessment estimates the total impacts, which are defined to include:

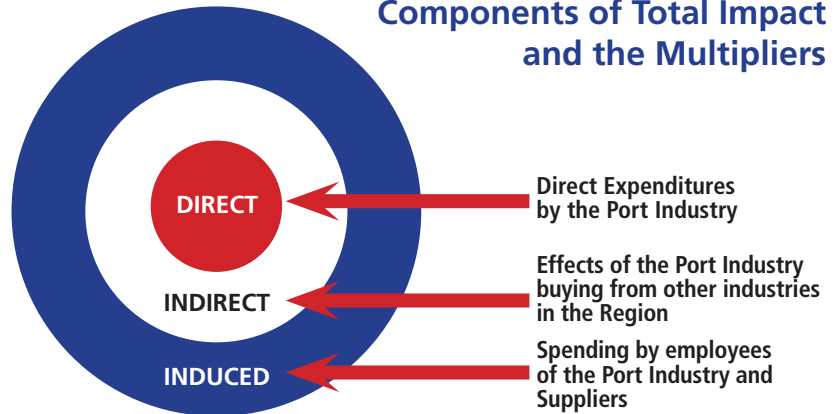
- **Direct** – The spending at the site of the economic activity. Direct effects are the focal point of an impact analysis.
- **Indirect** – The purchases of goods and services by suppliers. By definition, the first round of indirect impacts includes the purchase of supplies and services that are required to produce the direct effects. Subsequent purchases of supplies and services generate other rounds of indirect impacts. Such purchases continue to ripple through the economies of each of the regions in the MRIO model.
- **Induced** – The purchases (of items such as food, clothing, personal services, vehicles, etc.) that arise, in turn, from the increase in the aggregate labor income of households.

The **total economic impact** consists of the direct, indirect and induced effects as shown above.

The economic measurements included in this analysis are:

- **Employment Effects** – Jobs generated or supported, including:
 - Direct employment: Onsite full- and part-time equivalent jobs or jobs in the initial Industry/business development.
 - Total employment: The total number of full-time equivalent jobs (direct, indirect and induced) generated in each of the geographically defined regions.
- **Business Output/Revenue** – Output represents the value of industry production. In IMPLAN, these are annual production estimates for the year of the data set and are in producer prices. For manufacturers this would be sales plus/minus change in inventory. For service sectors production equals sales. For retail and wholesale trade, output equals gross margin and not gross sales.
- **Personal Income Effects** – Includes all forms of employment income, including employee compensation (wages and benefits) and proprietor income.
- **State and Local Tax Effects** – Defined as revenues collected by state and sub-state governments. The taxes include employee, personal, proprietor, business, household and corporate taxes.
- **Federal Tax Effects** – Defined as revenues collected by the federal government from corporate income, personal income, social security and excise taxes.

Components of Total Impact and the Multipliers

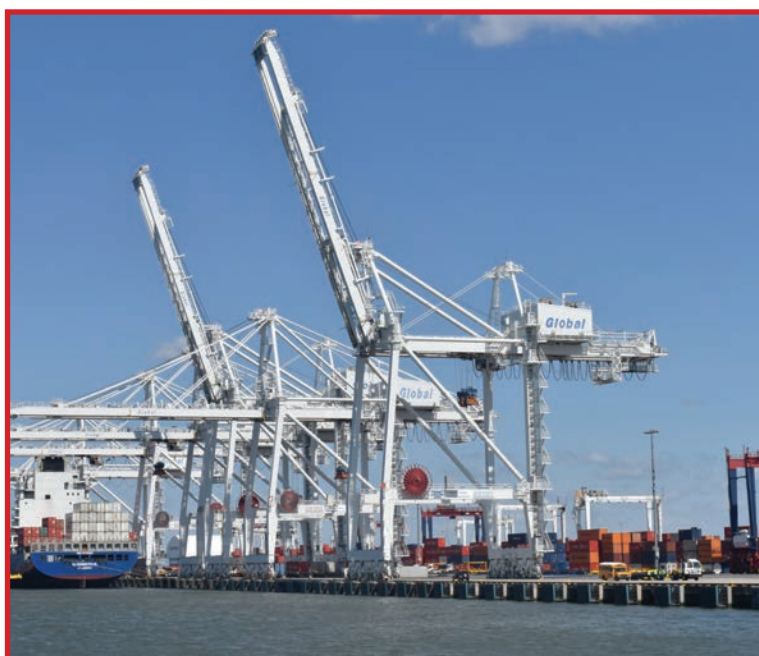


Background on Input-Output Analysis

Input-output (I-O) modeling is among the most accepted means for assessing economic impacts. The approach provides a concise and accurate means for articulating the interrelationships among industry sectors. I-O modeling focuses on the interrelationships among sectors in an economy. Within the I-O model, the economy of an area is mapped out in table form, with each industry listed across the top as a consuming sector (or market) and down the side as a producing sector.

The basic framework for I-O analysis originated more than 250 years ago when François Quesenay published *Tableau Economique* in 1758. Quesenay's "tableau" graphically and numerically portrayed the relationships between sales and purchases of the various industries of an economy. More than a century later, his description was adapted by Leon Walras, who advanced input-output (I-O) modeling by providing a concise theoretical formulation of an economic system (including consumer purchases and the economic representation of "technology").

Wassily Leontief greatly advanced Walras's theoretical formulation and was awarded the Nobel Prize in 1973. Leontief first used his approach in 1936 when he developed a model of the 1919 and 1929 U.S. economies to estimate the effects of the end of World War I on national employment. Recognition of his work awaited wider acceptance and use of the approach. This meant development of a standardized procedure for compiling the requisite data (today's national economic census of industries) and enhanced capability for calculations (i.e., the computer). The federal government immediately recognized the importance of Leontief's development and has been publishing input-output tables of the U.S. economy since 1939.



The models can be quite detailed.

The current U.S. and IMPLAN models have more than 400 sectors. This level of detail provides a consistent and systematic approach, as well as a more accurate means for assessing the multiplier effects of changes in economic activity.

I-O Analysis makes several key assumptions. First, the information used to create an input-output model is for a given point in time. The information in the model reflects a "snapshot" of the technical requirements and industry relationships at a given point in time. Because of this, input-output models are regularly updated.

Regional input-output models, such as the one used in this economic impact assessment, need to account for the percentage of the demand for an industry's output or the requirements for a transportation project that can be readily supplied by firms within the specified region. Firms within the specified region may not be able to supply all the products needed. Therefore, goods and services may need to be purchased from outside of the specified region. The default "regional purchase" coefficients within the IMPLAN model were used for this analysis.





New York Shipping Association, Inc.



*New York/New Jersey
Port Employers and Ocean Carriers*

333 Thornall Street
Suite 3A
Edison, NJ 08837
(732) 452-7800 Phone
(732) 452-6315 FAX
www.nysanet.org

 @NYSANEWS

RESOLUTION NUMBER 2019- 1

**A RESOLUTION OF THE OCEAN HIGHWAY
AND PORT AUTHORITY, NASSAU COUNTY,
FLORIDA, ADOPTING FLORIDA
DEPARTMENT OF TRANSPORTATION
GRANT AGREEMENT AND PROVIDING AN
EFFECTIVE DATE:**

WHEREAS: The Ocean, Highway, and Port Authority (“Authority”) is an independent, special district created and chartered under the laws of the State of Florida at Chapter 2005-293, as authorized by F.S. Ch. 189;

WHEREAS: The Authority recognizes that there is an urgent need for lighting upgrades at the Port of Fernandina;

WHEREAS: The State of Florida Department of Transportation (“FDOT”) has awarded the Authority a Public Transportation Grant in the amount of \$155,553 for lighting upgrades at the Port of Fernandina, as more particularly described in the State of Florida Department of Transportation Grant Agreement attached hereto as Exhibit A (the “Grant Agreement”);

WHEREAS: The Grant Agreement includes a local match of \$51,851;

WHEREAS: Worldwide Terminals Fernandina, LLC has committed to provide funding for the local match of \$51,851 as provided in a letter dated December __, 2018, attached hereto as Exhibit B;

WHEREAS: The foregoing is consistent with the public purpose of Authority; and

WHEREAS: The foregoing is consistent with the 2018-2019 Budget as previously adopted and approved.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSION OF THE OCEAN HIGHWAY AND PORT AUTHORITY, NASSAU COUNTY, FLORIDA, THAT:

1. The Ocean, Highway and Port Authority, Nassau County, Florida, adopts and ratifies the Grant Agreement in Exhibit A, which is incorporated herein and made a part hereof by this reference; and

2. The Grant Agreement shall be effective as of the date of adoption by FDOT.

RESOLVED, FURTHER THAT: The Ocean Highway and Port Authority hereby adopts the foregoing Resolution, dated this ____ day of January, 2019.

**OCEAN HIGHWAY AND PORT AUTHORITY,
NASSAU COUNTY**

BY: _____
ROBERT STURGESS, ITS CHAIRMAN

ATTEST:

BY: _____
CARROL FRANKLIN, ITS SECRETARY

CES Cover Sheet

Checked for Duplicate Document

DM ID

Document Type: **CONSERVATION EASEMENTS**

Document Date: **11-09-1990**

Section: **39**

Township: **02N**

Range: **28E**

Total Area / Area Unit: (A) Acreage (S) Square Feet

County Book / Page / Type: | **NASSAU** | **B 641** | **P1038** | **Q**

Instrument #

Comments:

➤ **RELATIVE TO; DER #451730689**

➤ **GRANTED BY; OCEAN HWY PORT AUTHORITY**

**DATE PREPPED:
12/11/2008**

**INVENTORY #:
28554**

MAA'D For Rescan & Additional Pgs

CONSERVATION EASEMENT TRANSMITTAL MEMO TO DSL

TO: Kathy Miklus
Planning Manager
DSL, Title and Land Records Section
MS #108
3900 Commonwealth Blvd.
Tallahassee, FL 32399-3000

FROM: Miranda LeMaster
Compliance and Enforcement
Submerged Lands and Environmental Resources Program
Northeast District

DATE: December 8, 2008

SUBJECT: Site No.: 45-128870
PATS No.: 45-1730689
Applicant: Ocean Highway & Port Authority

Attached is the executed and recorded conservation easement including all attachments for inclusion in the Title and Land Records Section's permanent files/records of BOT ownership and interest in lands.

Please send the conservation easement to DSL's Director's Office, Technology Management Section for scanning and entry into DSL's Board of Trustees Lands Database System (BTLDS) document data and mapping system.

If you have any questions, please call me at 904-807-3308.

Enclosure

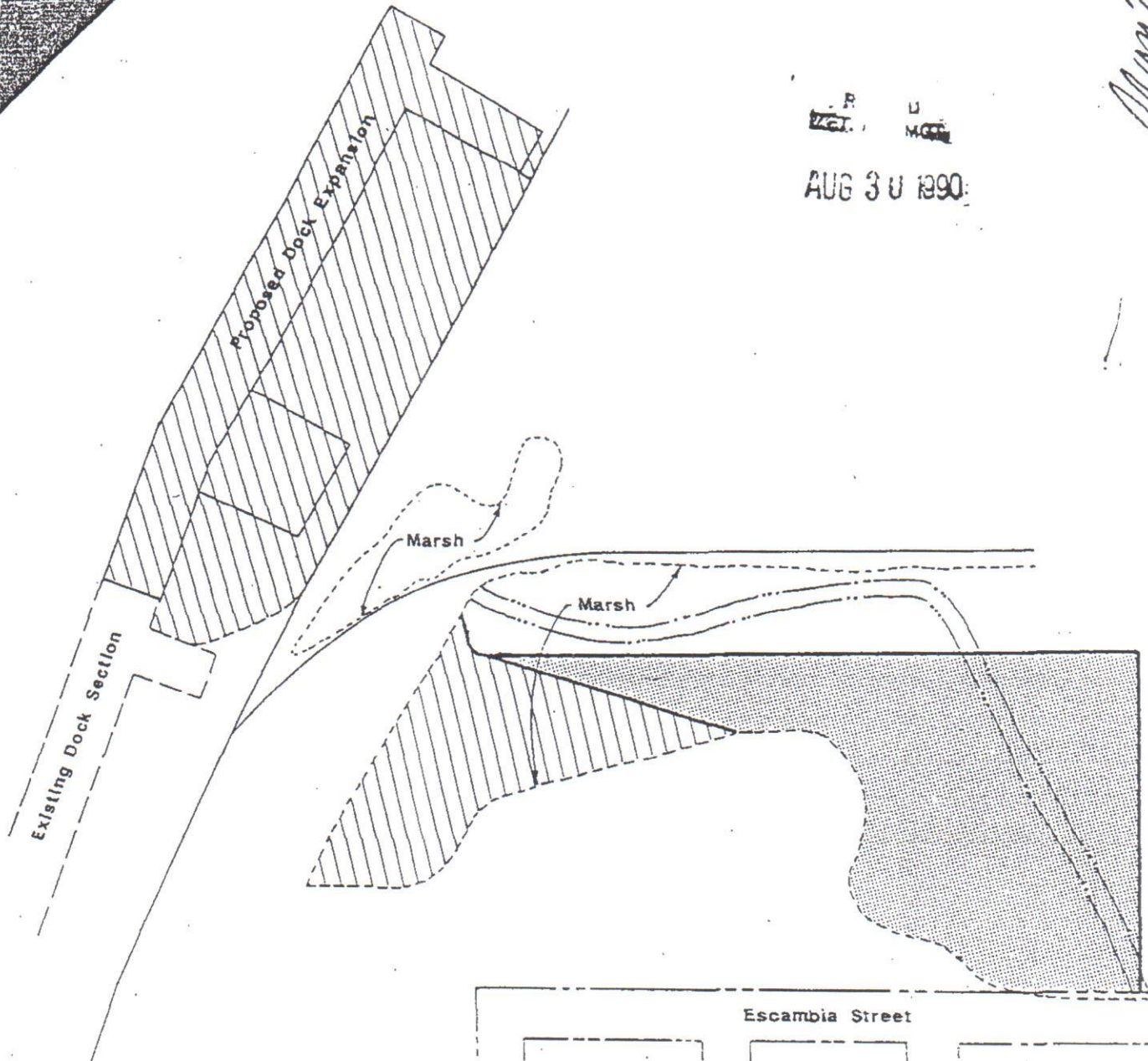
cc: District permitting file





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R U
MGT MGT

AUG 30 1990



-  -Conservation Easement
Area Total Area - 4.06 ac.
-  -Proposed Work in Wetlands

PERMIT NO. 451730689



England-Thimms & Miller, Inc.
 Consulting & Design Engineers
 3131 St. Johns Blvd. P.O. Box 1000000, Ft. Lauderdale, FL 33216

ENVIRONMENTAL SERVICES, INC.

Mitigation Plan for
 Port of Fernandina
 Expansion

Proj No.	89-115
Date	8/23/90
Scale	N.T.S.
Drawing No.	10



REV. 9-90
REV. 6-90
REV. 5-90

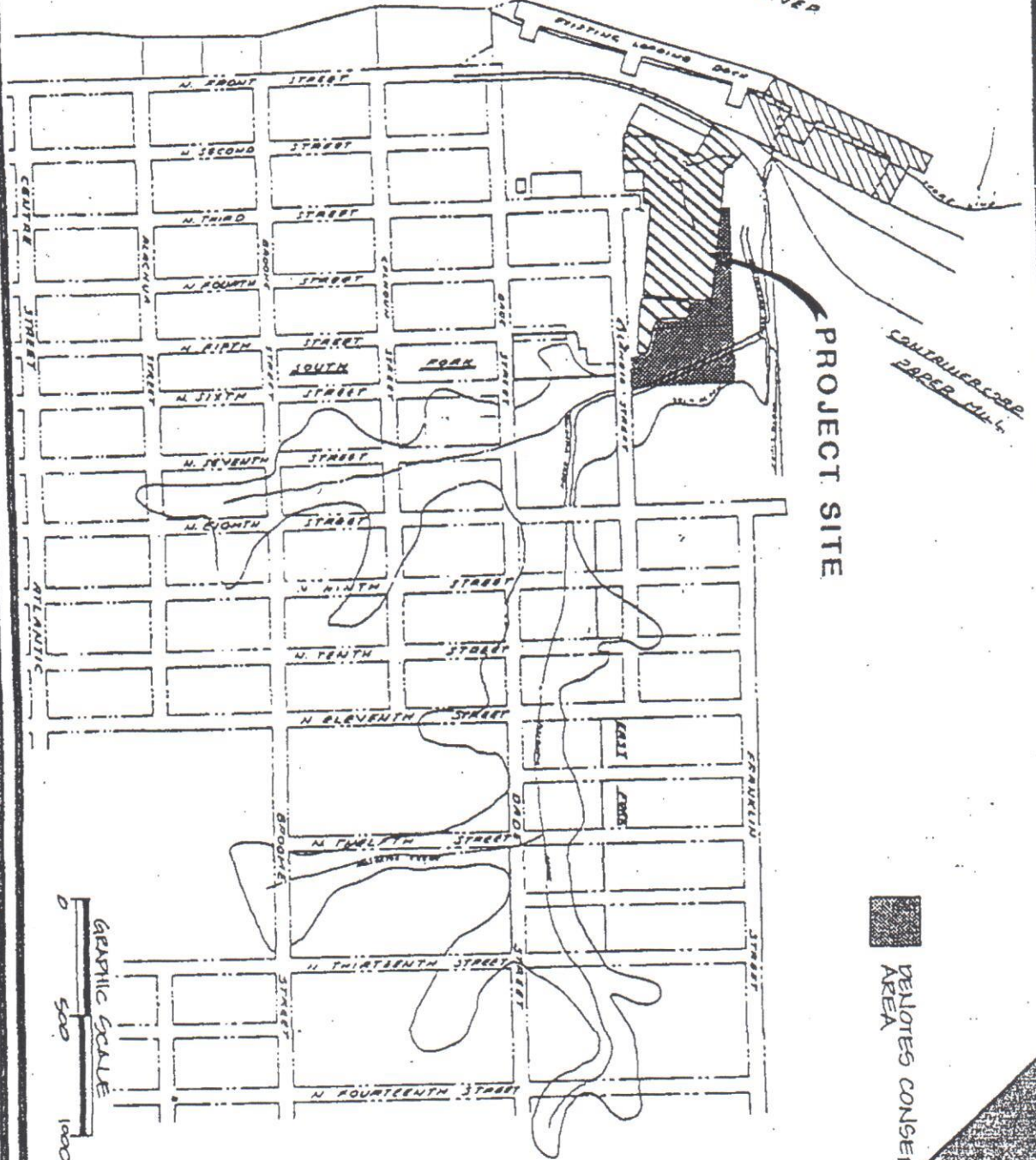
SEP 20 1990
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MET. RES. DIV.

PERMIT NO. 451730689

AMELIA



RIVER



PROJECT SITE

CONTAINER CORE
PAPER MILL

DEVELOPER'S CONSERVED
AREA

VICINITY MAP

PORT OF FERNANDINA

PROJ. NO. 89-116

DATE 1-9-90

SCALE SEE GRAPHIC SCALE

DRAWING NO. 1A

DRAFT//

05/25/

PERMIT NO.

451730689

Form 28

~~XXXXXXXXXX~~ (Handwritten mark)

NOV 20 1991

CONSERVATION EASEMENT

BK 064 | PG 1038
OFFICIAL RECORDS

STATE OF FLORIDA
COUNTY OF NASSAU

KNOW ALL PERSONS BY THESE PRESENTS THAT in consideration for the issuance of State of Florida Department of Environmental Regulation permit number 451730689 to Ocean Highway & Port Authority on 11/9/90, 1990, Ocean Highway & Port Authority (Grantor) has granted to the State of Florida Department of Environmental Regulation, 2600 Blair Stone Road, Tallahassee, Florida (Grantee), a Conservation Easement in accordance with Section 704.06, Florida Statutes, in and over the real property in Nassau County, Florida, as set forth in the legal description attached hereto as Exhibit A.

As used herein, the term Grantor shall include any successor or assignee of the Grantor, and the term Grantee shall include any successor or assignee of the Grantee.

It is the purpose and intent of this Conservation Easement to assure that the subject lands (with the exception of included wetlands which are to be enhanced or created as specified in the aforementioned permit) will be retained and maintained forever predominantly in the natural vegetative and hydrologic condition existing at the time of execution of this Conservation Easement. The included wetlands which are to be enhanced or created shall be maintained forever in the enhanced or created conditions required by the aforementioned permit.

Except for such specific activities as authorized pursuant to Department of Environmental Regulation Permit No. 451730689, including but not limited to creation, enhancement and maintenance of wetlands as specified mitigation in said permit, the following activities are prohibited on the property subject to this Conservation Easement:

1. Construction or placing of buildings, roads, signs, billboards or other advertising, utilities, or other structures on or above the ground;
2. Dumping or placing of soil or other substances or material as landfill, or dumping or placing of trash, waste, or unsightly or offensive materials;
3. Removal or destruction of trees, shrubs, or other vegetation; with exception of nuisance and exotic plant species as may be required by Grantee;
4. Excavation, dredging, or removal of loam, peat, gravel, soil, rock or other material substance in such manner as to affect the surface;
5. Surface use except for purposes that permit the land or water area to remain predominantly in its natural condition;

BK 0541 PG 1039
OFFICIAL RECORDS

- 6. Activities detrimental to drainage, flood control, water conservation, erosion control, soil conservation, fish and wildlife habitat preservation;
- 7. Acts or uses detrimental to such aforementioned retention and maintenance of land or water areas; and
- 8. Acts or uses detrimental to the preservation of any features or aspects of the property having historical, archaeological or cultural significance.

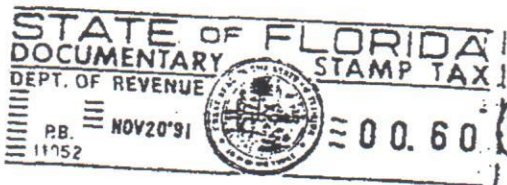
It is understood that the granting of this Conservation Easement entitles the Grantee or its authorized representatives to enter the above-described land in a reasonable manner and at reasonable times to assure compliance.

The Grantor on behalf of itself and its successors or assigns hereby agrees to bear all costs and liability relating to the operation and maintenance of the lands subject to this Conservation Easement in the natural vegetative and hydrologic condition existing at the time of execution of this Conservation Easement, including the maintenance of enhanced or created wetlands in the vegetative and hydrologic condition required by the aforementioned permit, and Grantor does hereby indemnify and hold harmless the Grantee from same. The Conservation Easement hereby granted and the obligation to retain and maintain the land forever predominantly in the vegetative and hydrologic condition as herein specified shall run with the land and shall be binding upon the Grantor and its successors and assigns, and shall inure to the benefit of the Grantee and its successors and assigns.

The terms and conditions of this Conservation Easement may be enforced by the Grantee by injunctive relief and other appropriate available remedies, and Grantor consents that venue for such enforcement actions shall lie exclusively in the circuit court of the Second Judicial Circuit, in Leon County, Florida. In any enforcement action in which the grantee prevails, Grantee shall be entitled to recover reasonable attorney's fees and costs in the trial and appellate courts, in addition to the cost of restoring the land to the natural vegetative and hydrologic condition existing at the time of execution of this Conservation Easement or to the vegetative and hydrologic condition required by the aforementioned permit. These remedies are in addition to any other remedy, fine or penalty which may be applicable under Chapter 403, Florida Statutes.

Any forbearance on behalf of the Grantee to exercise its rights in the event of the failure of Grantor to comply with the provisions of this Conservation Easement shall not be deemed or construed to be a waiver of the Grantee's rights hereunder in the event of any subsequent failure of the Grantor to comply.

100153



PERMIT NO.

451730689

VERNON N. DRAKE & ASSOCIATES

103 SOUTH 10TH STREET
FERNANDINA BEACH, FLORIDA 32034

REGISTERED
LAND SURVEYORS

February 5th, 1991

BK 064 | PG 104 |

OFFICIAL RECORDS

DESCRIPTION FOR NASSAU COUNTY OCEAN, HIGHWAY AND PORT AUTHORITY

39
02N
28E

CONSERVATION EASEMENT

A PORTION OF MARSHLANDS LYING IN A PORTION OF BLOCKS 56, 59, 60 AND A PORTION OF THIRD, FOURTH, FIFTH, SIXTH AND FRANKLIN STREET RIGHT-OF-WAYS, CITY OF FERNANDINA BEACH, NASSAU COUNTY, FLORIDA.

As shown on the Official Plat of said City (as lithographed and issued by the Florida Railroad Company in 1857 and enlarged, revised and re-issued by the Florida Town Improvement Company, in 1887 and 1901).

Being more particularly described as follows: Begin at an iron pin with cap No. PLS 1558 set where the centerline of Franklin Street aforesaid intersects with the centerline of Sixth Street aforesaid; and run South 7°-28'-42" West along the centerline of said Sixth Street, a distance of 430.0' feet to an iron pin with cap No. PLS 1558 set on the Northerly right-of-way line of Escambia Street; run thence North 82°-31'-18" West along said Northerly right-of-way, a distance of 205.0' feet more or less to a point on the division line of the uplands and marshlands, said point being designated as Point "X" in this description. Return to the Point of Beginning and run North 82°-31'-18" West along the centerline of Franklin Street aforesaid, a distance of 805.0' feet to an iron pin with cap No. PLS 1558 set where said centerline intersects with the centerline of Third Street aforesaid; run thence South 7°-28'-42" West along the centerline of said Third Street, a distance of 18.39' feet; run thence South 67°-31'-18" East a distance of 349.0' feet more or less to the division line of the uplands and marshlands aforementioned; run thence in a Southeasterly direction along said division line, a distance of 480.0' feet more or less to Point "X" aforementioned for the Closing Point. (All Streets mentioned have a right-of-way of 60.0' feet).

The portion of land thus described contains 4.11 acres, more or less.

FILED & RECORDED IN PUBLIC RECORDS
RECORD YEAR 1991

9116471

91 NOV 20 PH 3:37

Prepared by

Vernon N. Drake
Vernon N. Drake,
P. L. S. No. 1558

[Signature]
CLERK OF COURTS
NASSAU COUNTY, FLORIDA

RECEIVED
DEPT. RES. MGT.
NOV 27 1991

IN WITNESS WHEREOF, Grantor has hereunto set Grantor's hand and seal on this 26 day of June, 1991, ~~1990~~.

BK 064 | PG 1040

OFFICIAL RECORDS

Signed, sealed, and delivered in our presence of

[Signature]

WITNESS

[Signature]

WITNESS

[Signature]

GRANTOR Chairman, Ocean Highway & Port Authority

GRANTOR

ACKNOWLEDGEMENT

The foregoing instrument was acknowledged before me this 6/26/91 (date), by Nick Deonas, Chairman (name of officer or agent), of Ocean Highway & Port Authority (name of Corporation), a Florida (State or place of incorporation) corporation, on behalf of the corporation.



[Signature]

Notary Public
State of Florida

My Commission
Expires: NOTARY PUBLIC, STATE OF FLORIDA
My commission expires April 5, 1992

Prepared by:

ARTHUR I. JACOBS, P.A.

P.O. Drawer I

(Name)

Fernandina Beach, Florida 32034

(Address)

PERMIT NO. 451730689

CES Cover Sheet

Checked for Duplicate Document

DM ID

Document Type: **CONSERVATION EASEMENTS**

Document Date: **11-09-1990**

Section: **39**

Township: **02N**

Range: **28E**

Total Area / Area Unit: (A) Acreage (S) Square Feet

County Book / Page / Type: | **NASSAU** | **B 641** | **P1038** | **Q**

Instrument #

Comments:

> **RELATIVE TO; DER #451730689**

> **GRANTED BY; OCEAN HWY PORT AUTHORITY**

**DATE PREPPED:
12/11/2008**

**INVENTORY #:
28554**

MAA'D For Rescan & Additional Pgs

CONSERVATION EASEMENT TRANSMITTAL MEMO TO DSL

TO: Kathy Miklus
Planning Manager
DSL, Title and Land Records Section
MS #108
3900 Commonwealth Blvd.
Tallahassee, FL 32399-3000

FROM: Miranda LeMaster
Compliance and Enforcement
Submerged Lands and Environmental Resources Program
Northeast District

DATE: December 8, 2008

SUBJECT: Site No.: 45-128870
PATS No.: 45-1730689
Applicant: Ocean Highway & Port Authority

Attached is the executed and recorded conservation easement including all attachments for inclusion in the Title and Land Records Section's permanent files/records of BOT ownership and interest in lands.

Please send the conservation easement to DSL's Director's Office, Technology Management Section for scanning and entry into DSL's Board of Trustees Lands Database System (BTLDS) document data and mapping system.

If you have any questions, please call me at 904-807-3308.

Enclosure

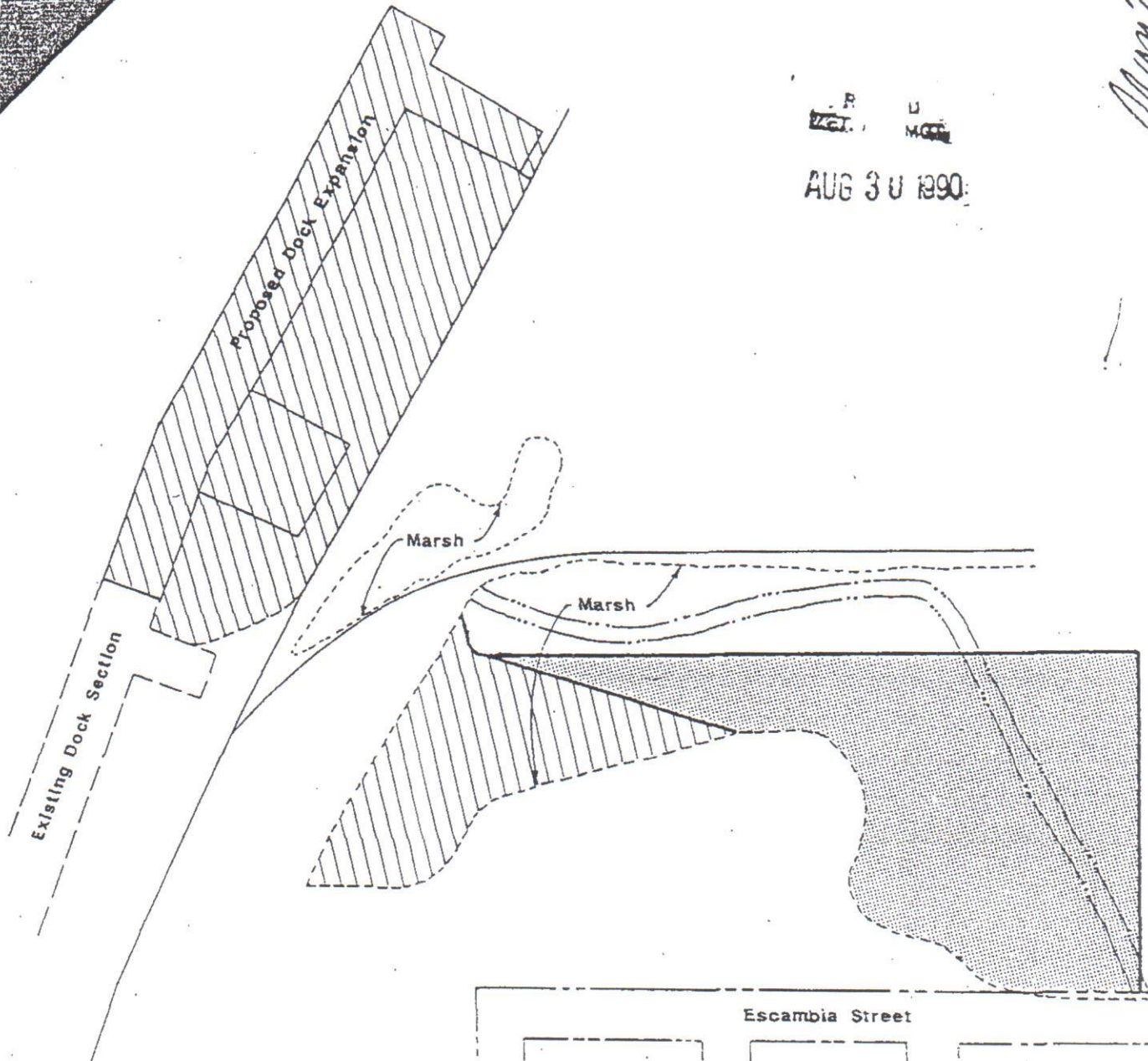
cc: District permitting file





R U
MCE MCE

AUG 30 1990

Handwritten signature



-  -Conservation Easement
Area Total Area - 4.06 ac.
-  -Proposed Work in Wetlands

PERMIT NO. 451730689



England-Thimys & Miller, Inc.
 Consulting & Design Engineers
 3131 St. Johns Blvd. P.O. Box 1000000, Ft. Lauderdale, FL 33216

ENVIRONMENTAL SERVICES, INC.

Mitigation Plan for
 Port of Fernandina
 Expansion

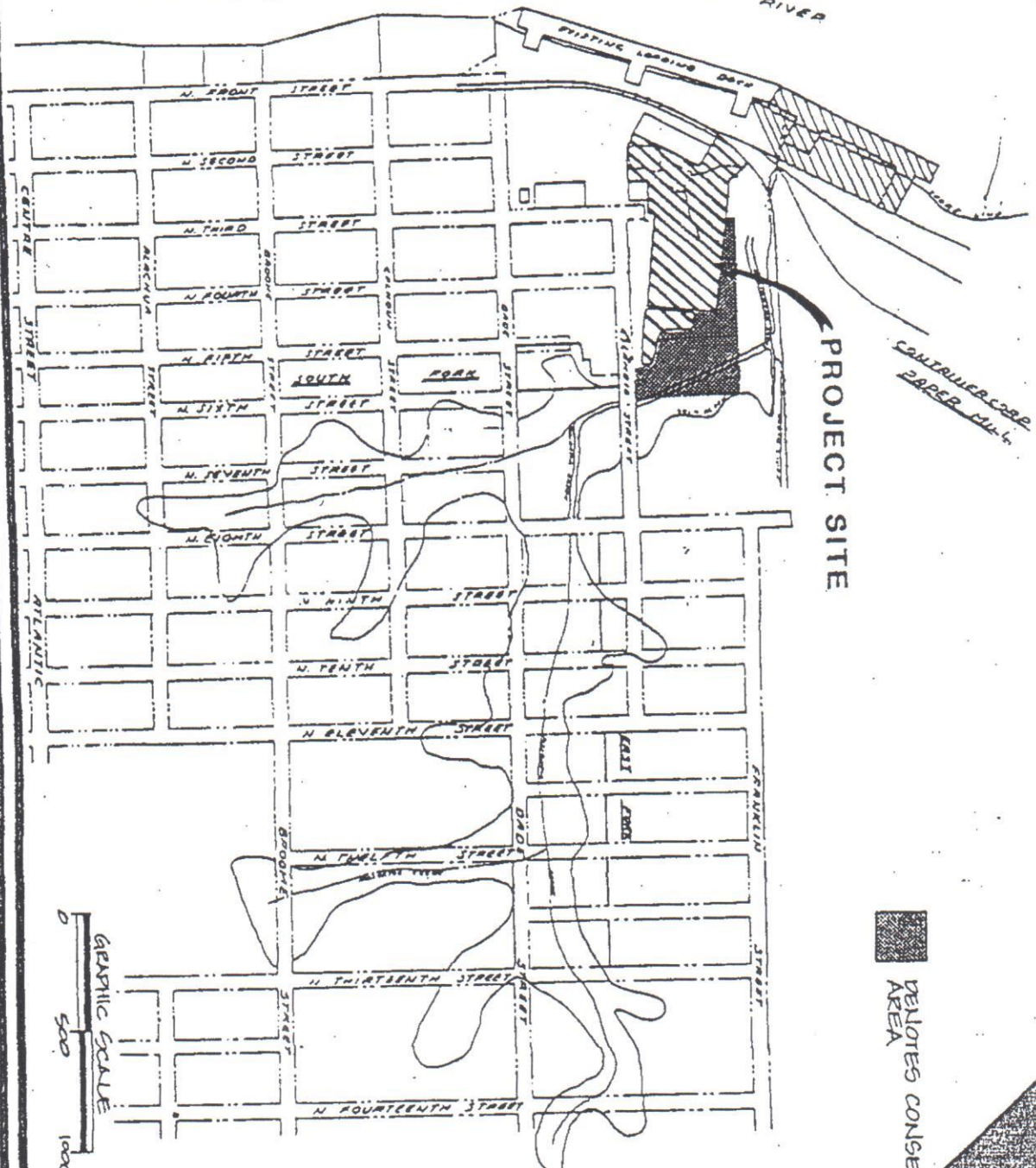
Proj No.	89-115
Date	8/23/90
Scale	N.T.S.
Drawing No.	10



REV. 9-90
REV. 6-90
REV. 5-90

SEP 20 1990
RECEIVED
SHEET NOS. 1182

PERMIT NO. 451730689



DEVELOPERS CONSENT AREA

PORT OF FERNANDINA

VICINITY MAP

PROJ. NO.	89-116
DATE	1-9-90
SCALE	SEE GRAPHIC SCALE
DRAWING NO.	1A

DRAFT//

05/25/

PERMIT NO.

451730689

Form 28

~~XXXXXXXXXX~~ (Handwritten mark)

NOV 20 1991

CONSERVATION EASEMENT

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STATE OF FLORIDA
COUNTY OF NASSAU

KNOW ALL PERSONS BY THESE PRESENTS THAT in consideration for the issuance of State of Florida Department of Environmental Regulation permit number 451730689 to Ocean Highway & Port Authority on 11/9/90, 1990, Ocean Highway & Port Authority (Grantor) has granted to the State of Florida Department of Environmental Regulation, 2600 Blair Stone Road, Tallahassee, Florida (Grantee), a Conservation Easement in accordance with Section 704.06, Florida Statutes, in and over the real property in Nassau County, Florida, as set forth in the legal description attached hereto as Exhibit A.

As used herein, the term Grantor shall include any successor or assignee of the Grantor, and the term Grantee shall include any successor or assignee of the Grantee.

It is the purpose and intent of this Conservation Easement to assure that the subject lands (with the exception of included wetlands which are to be enhanced or created as specified in the aforementioned permit) will be retained and maintained forever predominantly in the natural vegetative and hydrologic condition existing at the time of execution of this Conservation Easement. The included wetlands which are to be enhanced or created shall be maintained forever in the enhanced or created conditions required by the aforementioned permit.

Except for such specific activities as authorized pursuant to Department of Environmental Regulation Permit No. 451730689, including but not limited to creation, enhancement and maintenance of wetlands as specified mitigation in said permit, the following activities are prohibited on the property subject to this Conservation Easement:

1. Construction or placing of buildings, roads, signs, billboards or other advertising, utilities, or other structures on or above the ground;
2. Dumping or placing of soil or other substances or material as landfill, or dumping or placing of trash, waste, or unsightly or offensive materials;
3. Removal or destruction of trees, shrubs, or other vegetation; with exception of nuisance and exotic plant species as may be required by Grantee;
4. Excavation, dredging, or removal of loam, peat, gravel, soil, rock or other material substance in such manner as to affect the surface;
5. Surface use except for purposes that permit the land or water area to remain predominantly in its natural condition;

BK 0541 PG 1039
OFFICIAL RECORDS

- 6. Activities detrimental to drainage, flood control, water conservation, erosion control, soil conservation, fish and wildlife habitat preservation;
- 7. Acts or uses detrimental to such aforementioned retention and maintenance of land or water areas; and
- 8. Acts or uses detrimental to the preservation of any features or aspects of the property having historical, archaeological or cultural significance.

It is understood that the granting of this Conservation Easement entitles the Grantee or its authorized representatives to enter the above-described land in a reasonable manner and at reasonable times to assure compliance.

The Grantor on behalf of itself and its successors or assigns hereby agrees to bear all costs and liability relating to the operation and maintenance of the lands subject to this Conservation Easement in the natural vegetative and hydrologic condition existing at the time of execution of this Conservation Easement, including the maintenance of enhanced or created wetlands in the vegetative and hydrologic condition required by the aforementioned permit, and Grantor does hereby indemnify and hold harmless the Grantee from same. The Conservation Easement hereby granted and the obligation to retain and maintain the land forever predominantly in the vegetative and hydrologic condition as herein specified shall run with the land and shall be binding upon the Grantor and its successors and assigns, and shall inure to the benefit of the Grantee and its successors and assigns.

The terms and conditions of this Conservation Easement may be enforced by the Grantee by injunctive relief and other appropriate available remedies, and Grantor consents that venue for such enforcement actions shall lie exclusively in the circuit court of the Second Judicial Circuit, in Leon County, Florida. In any enforcement action in which the grantee prevails, Grantee shall be entitled to recover reasonable attorney's fees and costs in the trial and appellate courts, in addition to the cost of restoring the land to the natural vegetative and hydrologic condition existing at the time of execution of this Conservation Easement or to the vegetative and hydrologic condition required by the aforementioned permit. These remedies are in addition to any other remedy, fine or penalty which may be applicable under Chapter 403, Florida Statutes.

Any forbearance on behalf of the Grantee to exercise its rights in the event of the failure of Grantor to comply with the provisions of this Conservation Easement shall not be deemed or construed to be a waiver of the Grantee's rights hereunder in the event of any subsequent failure of the Grantor to comply.

1 0 0 1 5 3
 STATE OF FLORIDA
 DOCUMENTARY STAMP TAX
 DEPT. OF REVENUE
 NOV 20 '91
 P.B. 11752
 00.60

PERMIT NO. 451730689

VERNON N. DRAKE & ASSOCIATES

103 SOUTH 10TH STREET
FERNANDINA BEACH, FLORIDA 32034

REGISTERED
LAND SURVEYORS

February 5th, 1991

BK 064 | PG 104 |

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DESCRIPTION FOR NASSAU COUNTY OCEAN, HIGHWAY AND PORT AUTHORITY

39
02N
28E

CONSERVATION EASEMENT

A PORTION OF MARSHLANDS LYING IN A PORTION OF BLOCKS 56, 59, 60 AND A PORTION OF THIRD, FOURTH, FIFTH, SIXTH AND FRANKLIN STREET RIGHT-OF-WAYS, CITY OF FERNANDINA BEACH, NASSAU COUNTY, FLORIDA.

As shown on the Official Plat of said City (as lithographed and issued by the Florida Railroad Company in 1857 and enlarged, revised and re-issued by the Florida Town Improvement Company, in 1887 and 1901).

Being more particularly described as follows: Begin at an iron pin with cap No. PLS 1558 set where the centerline of Franklin Street aforesaid intersects with the centerline of Sixth Street aforesaid; and run South 7°-28'-42" West along the centerline of said Sixth Street, a distance of 430.0' feet to an iron pin with cap No. PLS 1558 set on the Northerly right-of-way line of Escambia Street; run thence North 82°-31'-18" West along said Northerly right-of-way, a distance of 205.0' feet more or less to a point on the division line of the uplands and marshlands, said point being designated as Point "X" in this description. Return to the Point of Beginning and run North 82°-31'-18" West along the centerline of Franklin Street aforesaid, a distance of 805.0' feet to an iron pin with cap No. PLS 1558 set where said centerline intersects with the centerline of Third Street aforesaid; run thence South 7°-28'-42" West along the centerline of said Third Street, a distance of 18.39' feet; run thence South 67°-31'-18" East a distance of 349.0' feet more or less to the division line of the uplands and marshlands aforementioned; run thence in a Southeasterly direction along said division line, a distance of 480.0' feet more or less to Point "X" aforementioned for the Closing Point. (All Streets mentioned have a right-of-way of 60.0' feet).

The portion of land thus described contains 4.11 acres, more or less.

FILED & RECORDED IN PUBLIC RECORDS
RECORD YEAR 1991

9116471

91 NOV 20 PH 3:37

Prepared by

Vernon N. Drake
Vernon N. Drake,
P. L. S. No. 1558

[Signature]
CLERK OF COURTS
NASSAU COUNTY, FLORIDA

RECEIVED
DEPT. RES. MGT.
NOV 27 1991

IN WITNESS WHEREOF, Grantor has hereunto set Grantor's hand and seal on this 26 day of June, 1991, ~~1990~~.

BK 064 | PG 1040

OFFICIAL RECORDS

Signed, sealed, and delivered in our presence of

[Signature]

WITNESS

[Signature]

WITNESS

[Signature]

GRANTOR Chairman, Ocean Highway & Port Authority

GRANTOR

ACKNOWLEDGEMENT

The foregoing instrument was acknowledged before me this 6/26/91 (date), by Nick Deonas, Chairman (name of officer or agent), of Ocean Highway & Port Authority (name of Corporation), a Florida (State or place of incorporation) corporation, on behalf of the corporation.



[Signature]

Notary Public
State of Florida

My Commission
Expires: NOTARY PUBLIC, STATE OF FLORIDA
My commission expires April 5, 1992

Prepared by:

ARTHUR I. JACOBS, P.A.

P.O. Drawer I

(Name)

Fernandina Beach, Florida 32034

(Address)

PERMIT NO. 451730689



TranSystems Corporation

6 Hutton Centre Drive
Suite 1250
Santa Ana, CA 92707
Tel 714 708 6890

www.transystems.com

January 16, 2019

Laura DiBella
Executive Director | Port Director
Nassau County Economic Development Board
Fernandina Ocean Highway and Port Authority
76346 William Burgess Blvd, Yulee, FL 32097

**Re: Proposal for Professional Consulting Services
For Crane Load Rating at Port of Fernandina, Fernandina Beach, FL**

Dear Ms. DiBella:

TranSystems Corporation is pleased to submit this proposal to provide professional consulting services for the crane load rating of the wharf at the Port of Fernandina. The wharf is approximately 1200 feet long by 84 feet wide with three 100 feet long by 60 feet wide approach piers. The wharf and approach piers consist of precast concrete deck planks with a topping slab supported by concrete pile caps and pre-stressed concrete piles. The bents are spaced at 20 feet on center and each bent has approximately 14 piles. The crane to be analyzed is a Liebherr Mobile Harbour Crane, Type LHM 400.

This letter details the services TranSystems proposes to perform in connection with the Project, the pricing at which TranSystems proposes to perform these services, the schedule for completing these services and the assumptions upon which TranSystems has based this proposal.

SCOPE OF SERVICES

In connection with the above referenced Project, TranSystems shall perform the following described Services:

1. Structural Analysis of the existing wharf to evaluate the wharf's ability to safely support the mobile harbor crane during travel and operations.
2. Development of crane positioning options and load restrictions.

DELIVERABLES

1. Calculations Package and Summary of Permitted Loading in electronic PDF format.
2. Wharf Drawing showing Allowable Loading Areas in electronic PDF format.

EXCLUSIONS

1. Preparation of Construction Plans & Specifications is excluded.
2. Analyzed of cranes in addition to the Liebherr Mobile Harbour Crane, Type LHM 400 is excluded.
3. Lateral Load analysis is excluded.



SCHEDULE

TranSystems anticipates that the analysis outlined above can be completed within 4 weeks of a Notice to Proceed.

COMPENSATION

As compensation for the performance of the above described Services, TranSystems will be reimbursed by the Client by payment of a lump sum fee of **Ten Thousand Eight Hundred Dollars (\$10,800.00)**. Invoices will be sent monthly and will be based on TranSystems' estimate of the total Services actually completed as of the time of billing.

ASSUMPTIONS

This proposal and TranSystems' agreement to perform the Services is based upon, and subject to, the following assumptions:

1. The crane will be analyzed for travel on all three approach piers and the full wharf area.
2. The crane will be analyzed for operations on the original 1000' south portion of the wharf.
3. The 200' north addition of the wharf will be considered a restricted crane operations area.

SPECIAL AND EXTRA SERVICES

Extra services will be provided in addition to those required to complete the scope of services described above, as requested by the Client. Such services may include: meetings with the design team, city or state personnel; attendance and presentation of the study results at public meetings; additional study elements identified by the Client; additional information requested by the Client; special trips requested by the Client other than those required to complete the original scope of services; special services which may be required if the work is suspended or abandoned; additional analyses due to changes in the proposed project; or any special engineering services not required to complete the original scope of service which may be requested by the Client. Payment to TranSystems as compensation for these services will be in addition to the contract amount identified above in the Compensation section. TranSystems will be reimbursed by the Client for these services on a time and materials basis according to our standard hourly rates in effect at the time the services are performed.

This proposal is valid for 60 days.

Please contact us if you require additional information.

Sincerely,

TranSystems Corporation

Rick Ferrin, PE
Vice President

ADMINISTRATIVE OFFICE MANAGER'S REPORT

January, 2019

Hours Worked – 80 Hours

Miles driven for OHPA purposes: 20

- Paid January invoices.
- Banking – deposits for First Federal
- Wire Transfers through BB&T
- Met with Pierre for updating accounting procedures
- Prepared Commissioner notebooks, meeting agenda and meeting packet posted to website for 1/9/18 regular meeting.
- Attended and completed meeting minutes for the 1/9/19 monthly meeting.
- Responded to email requests.
- Reviewed port attorney files and began scanning process for electronic filing.

Public Records Request Received – 0