

OCEAN HIGHWAY & PORT AUTHORITY



Miriam R. Hill – Commissioner, District 1
Danny Fullwood – Chairman, District 2
Scott Hanna – Secretary/Treasurer, District 3
Carrol Franklin – Commissioner, District 4
Mike Cole – Vice Chairman, District 5

Monthly Meeting Minutes

November 16, 2022

The Ocean Highway and Port Authority of Nassau County held its Monthly Meeting on Wednesday, November 16, 2022 at the FSCJ-Betty P. Cook, Nassau Center (David Yulee Room, Bldg. A-114), 76346 William Burgess Blvd., Yulee, FL 32097.

The meeting was called to order at 6:00 PM by Chairman Fullwood.

The invocation was given by and the Pledge of Allegiance was led by Chairman Fullwood. Roll call was conducted by Rossana Hebron, Administrative Office Manager. All Commissioners were present. Also in attendance were David Kaufman, Port Executive Director; Patrick Krechowski, Port Attorney; and Pierre LaPorte, Port Accountant. Butch Gilbert, Port Operator, was absent.

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

- **Chip Ross:** 201 N. 3rd St, Fernandina Beach
Mr. Ross inquired about the upcoming itinerary of two Oceana cruises that are scheduled to stop at the Port in 2025 with a capacity of 1200 and 557 passengers, respectively. The neighbors are concerned about the Port's business with cruise ships. Chairman Fullwood explained that OHPA will have an answer soon.

2. Approval of Minutes

- October 12, 2022 Monthly Meeting Minutes
- October 18, 2022 Master Plan Workshop Minutes

Discussion: Mr. Kaufman provided correction for the October 12th minutes. Corrected the spelling of the name Villanueva to Villalona. Mrs. Hebron will apply the correct spelling to the amended minutes.

Commissioner Franklin motioned to accept the October 12th minutes as amended. Commissioner Hanna second the motion.

The Board voted unanimously in favor of the motion.

No revisions for the October 18th minutes.

Commissioner Hill motioned to approve the October 18th minutes. Vice Chairman Cole second the motion.

The Board voted unanimously in favor of the motion.

3. Port Attorney Report

- **Special agent status (DEO, Resolution 2022-R05)**

Mr. Krechowski introduced the Resolution 2022-R05 for Board discussion and vote. It designates Mr. Kreschowski and Balch & Bingham, LLC, as OHPA's registered agent. A copy of the resolution will be forwarded to the Department of Economic Opportunity (DEO).

Commissioner Hill motioned to approve the resolution. Commissioner Franklin second the motion. There were no discussions.

The Board voted unanimously in favor of the motion.

Additionally, Mr. Krechowski submitted a written report attached to the meeting packet. The majority of the report contained pending litigations and were subject to attorney/client privilege. There is a calendar deadline to set mediation for the Property Appraiser case end of January 2023. Prior to the mediation, there will be a shade meeting to discuss the matter. Mr. Krechowski offered to discuss the cases one on one.

The following list was taken from the report:

Nassau County Property Appraiser

Current case remains pending – no substantive action.

VAB Petition to appeal 2022 tax exempt denial voluntarily withdrawn.

Active litigation is subject to attorney-client confidentiality privilege.

COFB v. OHPA

Discovery phase.

Active litigation is subject to attorney-client confidentiality privilege.

"Additional" Revenue

Agreement with Operator to share additional (non-cargo handling/warehousing) revenue being discussed and negotiated, pursuant to Sec. 6.10 of Operating Agreement.

Savage Services Ownership

Actively working on transition with staff, Chairman and attorneys from Savage team meeting held Aug. 9. Another team meeting likely needed.

Miscellaneous

Remaining OHPA assigned tasks actively being worked on.

4. Port Accountant Report

- **Financial report – October 2022**

A copy of the financial report was attached to the meeting packet. The new fiscal year started October 1st.

Chairman Fullwood asked when the annual fixed fees are due from the Port Operator. Mr. LaPorte explained, per the Operating agreement, payments are due quarterly in advance.

The TPO invoice is \$100 more than last year's assessment. The Special District fee invoice of \$225 has not been received.

Commissioner Hill inquired if there is an issue with cashflows. Mr. LaPorte explained payments are scheduled and the cashflow is managed accordingly. Chairman Fullwood added the issue is OHPA has to remit payments first, then submit for reimbursement. There are outstanding invoices, and they are paid when funds are available, specifically, the legal invoices.

- **Qtr. 4 Financials**

The report showed the period from July to September 2022, end of fiscal year. Mr. LaPorte reported nothing remarkable.

The auditors, Mauldin & Jenkins, are currently conducting audits. The reports are expected in January/February 2023. Mr. LaPorte is providing necessary documents and assistance.

- **ARPA Funds Reimbursement update**

The fourth reimbursement for payroll was submitted to ARPA. Both the ARPA and the Master Plan reimbursements are expected before the end of the year.

5. Port Executive Director report

- **2022 FSTED grant funds application**

Mr. Kaufman asked for Board direction for the allocation of funds, \$204K. He recommended the OHPA Board request the allocation of \$40,000 towards the Planning Initiative Project (G1L46, Master Plan) and \$164,000 to the On-Dock Cargo Facilities Initiative (G1W55, covered storage). The funds will supplement those projects, respectively. He reminded the Board the original resolution authorizes the Chairman to execute the amendments. A Board consensus was needed to designate which projects will receive the allocation.

Commissioner Hill wanted to understand the specifics of each projects mentioned above before making a decision. Mr. Kaufman provided explanations

for each of the project. Chairman Fullwood added FSTED gave permission to split the funds for whichever projects the Board chooses to designate. There is a 50:50 local match for each of the aforementioned grants. Mr. Kaufman summated the Board will be voting on allocating the money to the broad definition of the projects. Additionally, before OHPA engages with contractors, the Board will have oversight with project approval. FSTED requested a Board decision on the allocation by early December 2022. A 5-year term or no less than 3-year term is expected on the grants.

Commissioner Franklin motioned for the Board to designate said FSTED funds for allocation to the chosen projects deemed necessary. Commissioner Hanna second the motion.

Discussion: Commissioner Hill convey her concern on voting for grants without knowledge of underlying project information. Before taking money from one award to another, she requested for project backups (need and plan of action). Mr. Kaufman explained the funds will supplement those projects previously approved.

The Board voted unanimously in favor of the motion.

- **Office space update**

Mr. Kaufman reported the resolution on office space is still in progress. OHPA is expected to move out of the current office space it occupies at the Tax Collector's building. He is researching other options. He is waiting to receive a draft of an Interlocal agreement from the County to allow OHPA to move back and hold its Board meetings at the Commission Chamber. Chairman Fullwood explained as soon as he receives the Interlocal draft, he will forward to Mr. Krechowski for review. He asked for a motion to allow him to approve the draft after review.

Vice Chairman Cole motioned to allow the Chairman to approve the Interlocal agreement after Mr. Krechowski's review. Commissioner Franklin second the motion.

Discussion: Commissioner Hill asked for the budgetary commitment. Chairman Fullwood explained OHPA will not be allowed to use the facility's Wi-Fi, screen, and must provide security during the sessions. Mr. Krechowski explained caution should be taken before voting on something unseen. He will contact the County tomorrow to get an update on the Interlocal draft. Mr. Kaufman explained his impression was the County does not want external groups to have access to their IT systems for security purposes. They will not allow the use of their A/V systems even with payment. It was decided to wait until OHPA receives the draft and hold an emergency meeting to discuss and vote. The Chairman tabled Vice Chairman Cole's motion.

Mr. Kaufman reminded the Board he sent a draft of the Seaport Mission Plan. Each year the Florida Legislature requires the Florida Ports Council to publish a description of each of the deep-water ports in Florida and provides a summary of their facilities, capabilities, and outlook. He collaborated with Mr. Gilbert in drafting a report of the Port and asked the Board to provide their comments/questions/revisions by the end of the week.

Commissioner Hill added there is a response to the top 3 Capital projects for the 5-year planning horizon. Some of them have not been finalized, still in the Master Plan process. So, she requested to add those to the aforementioned draft as exploratory alternatives. Mr. Kaufman asked her to provide a written copy of that suggestion.

Mr. Kaufman reported the Pattillo company was selected to develop the Wildlight Industrial Park. He mentioned to them about OHPA's conduit financing.

Finally, there are still no bid submission for the Dredging RFB. Bids are due December 2, 2022.

6. Port Operator Report

- **Tonnage – October 2022**

Mr. Gilbert was absent. The written report was included in the meeting packet. Mr. Kaufman commented all line items are consistent from a month-to-month perspective.

7. Pending Business

- **Legal invoices (pending, Matter #126166.007, FMIT reimbursement)**
This item was addressed prior to the meeting.

8. New Business

- **COFB resiliency grant opportunities (Front Street, riverfront-downtown area)**

Mr. Kaufman reported he is working with DOT to provide funding for the Port resiliency plan. It is needed to mitigate floodings at the Port after storm events. It is still pending. He asked the City members to be part of OHPA's technical group to draft the resiliency plan.

Commissioner Hill asked if there are any specific grants/fundings identified for the resiliency plan. Mr. Kaufman explained the suggestion came from the DOT. The funding and contract will remain with DOT. They will execute the necessary work. The Port will be the beneficiary of the project. The study will provide a list of suggestions/solutions for potential projects. The impact areas are mostly on the north end of the terminal.

- **Cruise ship agreement (Port Operator)**
Mr. Kaufman is working with the Operator to better define the arrangements for the cruise activities and operations at the Port.
- **Wi-Fi for meetings**
Chairman Fullwood explained Wi-Fi is necessary for future OHPA Board meetings regardless of the chosen location. He is researching for different modes specifically Mi-Fi. Commissioner Hanna suggested T-Mobile offers Wi-Fi for business for \$50 per month with unlimited data. Chairman Fullwood will check into it.

9. Committee Reports

- **Port Security** – Chairman Fullwood
Nothing to report.
- **FDOT** – Chairman Fullwood
A meeting is scheduled for December 5th at 2 PM.
- **Customs House** – Commissioner Franklin
Commissioner Franklin informed the staff at the Customs House that December 14th is his last day. He suggested they contact Mrs. Hebron if there are any issues. She will, in turn, connect them to the appropriate person.
- **Army Corp of Engineers (ACOE)** – Chairman Fullwood
The ACOE sent a survey of the harbor that was forwarded to the full Board including the Commissioners-elect prior to the meeting. The Chairman instructed the Board to review the survey. Mr. Kaufman added there is a conference tomorrow for the maintenance dredging at Kings Bay.
- **Economic Development Board (EDB)**– Commissioner Cole
Nothing to report, meeting was cancelled due to the hurricane.
- **Emergency Management** – Commissioner Cole
EOC was activated for hurricane Nicole on a smaller scale than the previous hurricane. The Port eventually went on ZULU condition. After the storm, the Coast Guard and the river Captains did a survey of the area.
- **Technical Coordinating Committee (TCC)** – Commissioner Hanna
Nothing to report, meeting was cancelled.
- **Transportation Planning Organization (TPO)** – Commissioner Cole
Nothing to report, meeting was cancelled.

- **Nassau Chamber of Commerce – Commissioner Hill**
Commissioner Hill spoke with some folks from Main Street who asked about the cruises. They are doing a survey of local businesses to gauge sentiments about cruises.

Vice Chairman Cole added the Chamber on the west side is planning to start again.

- **City of Fernandina Beach – Commissioner Hill**
In response to Commissioner Ross' inquiry at the beginning of the meeting, Commissioner Hill asked the Board to respond to the statements made by the public at the City commission meeting against the cruise ships. Chairman Fullwood explained the Board does not have the full information and added that most of the merchants he spoke with support the cruises. There will be conversations about numbers. As Chairman, he will try to establish a committee that consists of local merchants, the Chamber of Commerce, and the like to develop a plan of strategy to address the cruise ships and tourists in Fernandina.

Commissioner Hill added there is a new statute, 311.25, that passed in Tallahassee in 2021. It limits local government, through local law, that a local ballot initiative/a referendum may not restrict maritime commerce. Some have interpreted it as if it is not a local ballot initiative, it would not be an issue. However, the statute language further states any local law, charter amendment, ordinance, resolution, regulation or policy adopted is prohibited, void, and expressly preempted to the state. She questioned if OHPA has the ability to dictate the size of the ships once the Port has a terminal to receive passengers. She added Key West is challenging traffic flows in that area. They are being told the statute preempts their ability to control the traffic flow. Chairman Fullwood explained the cruise ships in Key West have thousands of passengers. OHPA can control what ships come into Fernandina without approval from anybody. She requested Mr. Krechowski confirm the specifics. Commissioner Franklin added Fernandina is a tourist community and offers many local destinations for tourists not just the downtown area.

10. Administrative Office Manager (AOM) Report

A written report was included in the meeting packet.

Mrs. Hebron asked for Board directions regarding the TPO assessment fee that is \$100 more than what was approved on the budget.

Commissioner Franklin motioned to approve the assessment fee. Commissioner Hill second the motion.

The Board voted unanimously in favor of the motion.

Mrs. Hebron asked for confirmation if the second meeting in November is cancelled. The Chairman confirmed, pending if an emergency meeting is necessary to discuss; specifically, the Interlocal agreement with the County. The December 7th meeting was changed to December 14th. The December 28th meeting is tentatively cancelled pending the need for an emergency meeting.

11. Other items to be brought by Commissioners

Chairman Fullwood presented a plaque each to Commissioner Hanna and Commissioner Franklin, in appreciation for 4 and 12 years of service, respectively.

Adjourn

With no other questions brought before the Board, the meeting was adjourned at 7:06 PM.

Danny Fullwood
Danny Fullwood, Chairman

12-14-2022
Date