

# 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

## **Regular Meeting Minutes - Amended**

**January 26, 2022**

The Ocean Highway and Port Authority of Nassau County held its monthly meeting on Wednesday, January 26, 2022 at 6:05PM at the County Commissioners Chambers, James S. Page Government Complex, 96153 Nassau Place, Yulee, Florida 32097.

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

### **Chairman Fullwood announced:**

1. There were no comments by the audience.
2. Port Attorney Reports – Patrick Krechowski is not present, but has given permission to discuss some issues in part only.
  - **Update on Resolution 2020 Masterplan** signed by the Port Operator will not be discussed unless someone has a question on it.

- **Pilot Case Update** – This morning there was a hearing on our Motion To Dismiss The City of Fernandina Beach Pilot Case. The judge granted in part and denied in part our motion. The city's declaratory action claim was dismissed by the judge, ruled as a matter of law he could not dismiss the city's breach of contract claim at this stage. The judge did indicate that he understands and may agree with portions of our arguments against having to pay the pilot payments, but that more evidence and argument are needed to decide the case. Patrick and Jeremy will keep us posted on further developments in this case.
- **NEEDED** – Board instructions on general or specific objections for the City of Fernandina Beach Comprehensive Plans. . . A clear understanding is needed as to what the Board objects to. An answer awaits as to the question raised; Has the time to respond expired?

**Chris Ragucci, Port Operator:**

3. Rates Analysis/Port Tariffs – A straight analysis was performed based upon a study provided by Chairman Fullwood. In most cases, we brought rates up slightly to be equal to Jaxport. Most of the time that's still lower than Brunswick. Ratings have changed per foot per day for a 24-hour period: see the Rate Analysis illustration.

Per the operating agreement, we can be competitive, but not higher than the surrounding ports. The size of ships varies (even an 800-footer within the past 4 years). Now that we have the new ~~birth~~ berth stripping and channel maintenance ~~drenching~~ dredging, we can now accommodate the larger ships.

Regarding an increase across the board; for context, it was suggested that validation be provided to support how OHPA is equal to Jaxport (in preparation for answering customers' questions regarding rate changes). Once approved by the board, a formal tariff document will be provided for approval. Presently, OHPA does business with 3 or 4 agents and what is available in the free market. Tariffs are published; after that, negotiable contracts may be used.

Regarding prior discounts being honored or changed: FDOT Administrators made it very clear existing contracts do not matter – Federal Procurement Guidelines and requirements must be met. Those requirements involve the posting of security contracts and employee wages to reclaim funds. There's a possibility of posting the security agreement as a federal contract. All the different pieces are being reviewed to determine what should be used for the Federal Procurement Contract. This will be discussed further at the next meeting.

The Advance Payment Method is what we signed. The Reimbursement Method will be used moving forward wherein expenses are paid first, and then those expenses are submitted for reimbursement. Wages are ready to submit; however,

the new contract awaits to be signed. Borrowed money from maintenance will not be used for operations. The criteria used to determine how the Federal Procurement process assesses professional services is still to be confirmed and that information should be forthcoming by the next Board Meeting. Monies must be spent strategically in order to build up reserves to where they were prior. The timeframe to use the \$800,000 is from present to December. The Master Plan cannot be paid with those funds which are on pause, until the funding issues with FDOT have been resolved.

The plan moving forward is to 1) Re-bid via RFQ, 2) Re-submit a new RFQ, 3) Pay employees, and 4) Refill our coffers.

Part I, of the resolution agreement put forth and signed by Chris explains that Nassau Terminals provide funding only if . . . No express language affirmatively requires Nassau Terminals to provide funding.

Rossana will locate the April 4, 2020 minutes for the next meeting.

### **ADDITIONAL OPEN DISCUSSION**

#### **Wages-**

- Funding will be needed and factored in to determine the final number of employees. Wages are calculated to be \$150,000 which can get funded monthly through the harbor grant.

#### **Final approval of the 50,000 square foot Fabric Warehouse –**

- The structural design and figures have been signed and sealed by a state of Florida professional engineer.
- Adherence to city guidelines and requirements is key and must be submitted.
- The 2020 process was successful, and plans came back with one exception involving the flap for the flood release which was taken care of.
- Proposals have gone out with the same cost, timeframe and specifications as the last building. Rug, Clearspan and Allsite couldn't meet the specs. Big Top is the premier manufacturer and the clear selection of choice and also FDOT approved. The materials used will be provided. **A resolution is needed for the Big Top contract and time is of the essence to honor commitment to customers.**
- Other bids have come in on the pavement which needs sealant and leveling out.

### **Hypothetical Proposed by Chairman Fullwood –**

- A warehouse arrangement leaving space open in order to avoid traffic issues by coming in on Escambia Street and then moving them east and west to route incoming traffic and also to make an exit off of the port. In response to this hypothetical, it was noted that the arrangement was previously suggested a few months ago, and caused quite an uproar. However, the road can be split in a manner that water flow is able to accommodate the proposed bird sanctuary.

### **The Barge Service – Open Federal Project**

- Appropriate barge and tug boat operators are needed for the offshore ~~lake~~ lane.
- Scales would need to be at the entrance gate. Engineers will need to study the plan to determine feasibility and helpfulness.
- A new location involves a new application to move the building and reconstruct.
- Savannah and Charleston are disasters now with all the global logistic issues.

### **Warehouse – (comments by Chris Ragucci)**

- The paving project went to the lowest bidder.
- Timing is of the essence. Ships are waiting offshore in the harbor.
- Physical storage space is needed.

### **Unfinished Business –**

- Two phone calls have been received for the open position (Office Manager) and one likely submission by February 2<sup>nd</sup>. Application to be reviewed before the next meeting.
- ~~4<sup>th</sup> Quarter Bonus~~
- Commissioner Hill Suggested that salaries be raised to align with the ~~Harbor Fund Requirement.~~ local governments.
- There have been no new submissions for the position of Office Manager. An ad has been placed in the newspaper. This will be discussed further at the next meeting.

## City of Fernandina Beach Interlocal Agreement

- As per the January 12<sup>th</sup> meeting, Chairman Fullwood stated, if changes are submitted, they will not be approved. The bill will go to Tallahassee and ~~will~~ not would be approved. The original version has a provision that the Interlocal agreement can be revisited in 4 years lending an opportunity for possible changes as opposed to the revised agreement which would still need approval, does not offer the 4-year revisit clause, and would also change the charter.
- Chairman Fullwood made the Motion that the revised city agreement be withdrawn and the original version they agreed to be approved. There was disagreement expressed as to the signing of forceful paperwork as well as heavy doubt regarding the revisit in 4 years ever happening and thus, an insufficient basis for the signing of forceful paperwork. In addition, it was argued that there is an opportunity to make changes in the bill which is a direct result of grants and untruth and a city bill must go through legislation. A vote was taken on the Motion.
  - Motion: "The Agreement approved at the January 12<sup>th</sup> meeting be withdrawn, and the original version be approved". Vice Chairman Cole second the motion.
- **The Board was polled: Hill - NO, Hanna - NO, Franklin - NO, Cole - YES, and Fullwood - YES. Motion Denied.**

### New Business -

- Per Mrs. Hebron, The hiring of a Grant Administrator was suggested after the FDOT meeting; however, no further developments.

**Meeting Adjourned – 7:25 PM.**

Danny Fullwood

**Danny Fullwood, Chairman**

02/09/2022

**Date**