

Ocean Highway & Port Authority

Robert Sturgess – Commissioner, District 1
Danny Fullwood – Commissioner, District 2
Adam Salzburg – Chairman, District 3
Carroll Franklin – Vice Chairman, District 4
Lissa Braddock – Secretary/Treasurer, District 5

Minutes

October 10, 2018

The Ocean Highway and Port Authority of Nassau County held their regular monthly meeting on Wednesday, October 10, 2018 in the Meeting Room of the James S. Page Government Complex at 96135 Nassau Place, Yulee, Florida.

The meeting was called to order at 6:01 PM by Chairman Salzburg.

The invocation was given by and Pledge of Allegiance was led by Commissioner Sturgess. Roll call was conducted Ms. Amergian. All Commissioners were present. Also present were Mr. Clyde Davis, Attorney for the Board; Mr. Pierre LaPorte, Accountant for the Board; and Ms. Laura DiBella, Port Director.

Chairman Salzburg invited City Commissioner Chip Ross to the podium as he has signed up to speak prior to the commencement of the meeting.

City Commissioner Chip Ross has two issues to address:

- Mr. Ross asked the OPHA to entertain the possibility of televising the OHPA Monthly Meetings through the City network. The cost would be no more than \$100 per meeting. Chairman Salzburg stated that the Commissioners would take it under advisement.
- Mr. Ross also urged the Commissioners not to vote on the proposed operating agreement that is on the agenda as it had not been publicly noticed on the OHPA website.

Commissioner Fullwood made the motion to approve the Meeting Minutes from September 10, 2018 and September 12, 2018. Seconded by Commissioner Sturgess. Motion carried unanimously.

Chairman Salzburg invited Mr. Ragucci to discuss final version of the operating agreement. Discussion ensued regarding the Special District Statute of posting the final version of the operating agreement seven days for public access prior to the vote.

Commissioner Franklin made the motion to table the Operating Agreement vote until there is time to review on October 30, 2018. Motion failed.

Commissioner Sturgess asked for clarification on the Special District statute before the vote is postponed.

Chairman Salzburg called for a recess at 6:21 PM to investigate the Special District statute for public notice posting.

Meeting called back to order at 6:25 pm.

A Special Meeting was scheduled for Friday, October 19, 2018 at 4:00 PM, location to be determined, to vote on the proposed operating agreement; this would enable the final version of the contract to be on the website for 7 days prior to the meeting, as according to the Special District rule.

Mr. Davis asked for review on Section 4.4 regarding property insurance. Either delete the section in its entirety or include the language in the Second Amendment to the Operating Agreement dated April 2003.

Mr. Ragucci agreed to replace the Section 4.4 with the language in the Second Amendment.

Mr. Davis stated that the language in Section 11.8 was changed after the last meeting. Mr. Davis circulated a document with three alternatives to the language. Mr. Ragucci remind the Board that the language was voted on 4:1 on the language as it was presented in the current proposed operating agreement. Mr. Davis articulated his objection to the current proposed operating agreement language.

Chairman Salzburg asked for the opinion from the Commissioners on Section 11.8. Commissioner Franklin asked the Board to accept the language Mr. Davis' presented.

Chairman Salzburg asked Mr. Ragucci if, in Section 11.8, the word SHALL will be changed to MAY – Mr. Ragucci will check with his legal counsel on the change of the word.

Chairman Salzburg reviewed other changes in the contract to be consistent with what had been decided on previously; he then asked the Commissioners if here were any other concerns regarding the proposed operating agreement.

Commissioner Franklin made the motion to the change the term of the operating agreement from 35 years to 10 years. No second motion. Motion failed for lack of a second motion.

Mr. LaPorte reviewed Section 6.6 with the Commissioners.

A Memorandum of Understanding was presented regarding using the Maintenance Reserve Fund as the payoff of the accrued interest and legal fees related to the BB&T loan used to purchase the Leibheer Mobile Harbor Crane. The MOU was signed by Mr. Ragucci.

Commissioner Fullwood made the motion to accept the MOU. Motion was seconded by Commissioner Sturgess. Motion carried unanimously.

Commissioner Fullwood made the Motion to post the contract with the changes on the website with the changes that have been discussed at the October 10, 2018 meeting. Voting for the operating agreement will be done on Friday, October 19, 2018. Motion was seconded by Commissioner Braddock. Motion carried unanimously.

Chairman Salzburg asked the Commissioners to show their approval for the Agreement in Principal. Motion was carried four to one. Commissioner Franklin opposed.

Mr. Ragucci presented Exhibit 3 (Clyde and Hitachi Crane schematics) to be attached to the proposed operating agreement.

Mr. Rick Ferrin, VP at TranSystems presented the proposal to perform a structural inspection of the main wharf, both above and below the waterline and provide the OHPA with safe operating perimeters. Mr. Ferrin anticipate the inspection will take 60 days to complete. **Commissioner Fullwood made the Motion to accept the TranSystems proposal for inspection. Commissioner Sturgess seconded. Motion carried unanimously.**

Commissioner Fullwood made the motion to authorize Chairman Salzburg to execute the contract for the TranSystems inspection. Motion seconded by Commissioner Sturgess. Motion carried unanimously.

Commissioner Braddock noted that the water bill at the Customs House was up from last month to \$112.

Mr. LaPorte apologized to the Board for not being able to provide the financial statement for this month. He advised the Board that the OHPA checking account balances are running low and there are some large bills due. Dockage, wharfage, annual fees are due from Worldwide Terminals on October 1, 2018 under the current contract.

Mr. Davis presented his monthly report. He told the Board that work needs to begin on a new Port Strategic Master Plan and hopefully work in tandem with City of Fernandina Beach to come up with a plan that enables the waterfront to benefit everyone in Nassau County. Mr. Davis suggested seeking out funding options to help pay for the Plan. Mr. Ferrin from TranSystems advised the Board that his company can assist OHPA with their Port Strategic Master Plan.

Chairman Salzburg suggested starting "from scratch" with the new Master Plan due to the contentious nature of the last process.

Mr. Davis finished reviewing his report and his time spent on OHPA business.

Ms. DiBella presented her list of things pending to do:

- Travel authorization for the crane inspection. This needs to be posted on the website asap due to a tight timeline. Due to limited pool of qualified people to do the inspection, a single source route can be done on this item.
- TranSystem needs to do the inspection and Chairman Salzburg will be certifying the commodity and Mr. Davis will do the Port certification.
- Payments to Hal Jones are almost complete. One more reimbursement to come in from FDOT.
- Railroad and North Dock Ramp improvements were discussed at a meeting with DOT.
- Army Corp of Engineers needs a written request to back up the verbal request.
Commissioner Fullwood made a motion to have Chairman Salzburg do a formal written request to do Maintenance Dredging. Motion Seconded by Commissioner Sturgess. Motion carried unanimously.
- Funding for maintenance dredging in the Harbor is on the radar. There are no matching funds available at this time.

- There is a complaint from a resident at North 4th and Dade Street. Trucks are idling in the early morning waiting for the Port to open. Mr. Ragucci will ask Security to patrol the area in the AM. Chairman Salzburg will ask the City if signage can be posted.
- Ms. DiBella attended, with Nick Ratti of WTF, the Breakbulk Conference in Texas last week. Being an exhibitor at the show next year would make sense.
- Follow up from the Breakbulk Conference has occurred, she will keep the Board updated.
- There is a Trade Mission to the Dominican in November which she plans on attending. Economic Development and port related, business recruiting trip.

Economic Development:

- Wildlight is very active. Crawford Diamond prospect is still in play. A decision should be made soon. Another site visit for a very large "end user" in Yulee is happening.
- Next meeting for the Economic Development Board is on 10/23, Room 204A. A new representative from OHPA will need to be decided. This will be done in December.

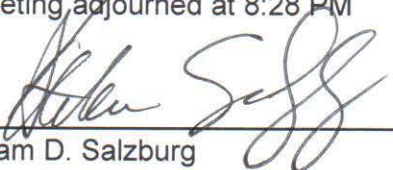
Ms. DiBella informed the Board that she will be away on vacation next week.

Mr. Ragucci presented the Monthly Tonnage Report. September totals – tonnage was up with KLB. The modular classrooms for FEMA are wrapping up (560 total.) There is more business opportunities with shipping additional classrooms to Puerto Rico with the shipper, Marex. They are committed to use Port of Fernandina for all their work. Railcars: Westrock is increasing production, WTF is at storage capacity for the paper indoors. 12,000 tons above last year's totals. Crane delivery is expected close to the end of November, due to needing to procure a third party inspector to Belgium. Dock inspection should be done in 45 days. WTF is actively focusing on new business.

Mr. Davis asked Mr. Ragucci about funds that are due to the OPHA on October 1st. Mr. Davis calculated that there is approximately \$300,000 due. Mr. Ragucci and Chairman Salzburg will meet with Pierre to pay pending bills and present WTF with what is owed.

Ms. Amergian presented her Administrative office report. She reminded the Board that she is away October 18 through 22nd. Ms. Joanna Cason will sit in at the October 19th Special Meeting for her.

Meeting adjourned at 8:28 PM



 Adam D. Salzburg