

**SEMINOLE COUNTY PORT AUTHORITY
MINUTES OF THE REGULAR BOARD MEETING
DECEMBER 19, 2012**

The regular Board Meeting of the Seminole County Port Authority was held in the Board Room of the Administration Building at the Port of Sanford on December 19, 2012.

Chairman Damon Chase called the meeting to order at 4:00 p.m. with the following Directors constituting a quorum: Damon Chase, Chairman; Taylor Pancake, Vice Chairman; Cliff Miller, Treasurer; Matthew T. Brown, Member; Kyle Kilger, Member; Dana McBroom, Member; and Thomas Kuhn, Member (arriving late).

Directors Absent: William H. Poe, Secretary; and Dick Van Der Weide, BCC Member.

Staff present: Andrew Van Gaale, Administrator; and Irene Dolgner, Administrative Assistant.

Others present: Daniel A. Levesque, D. A. Levesque Corporation; Mike McDonald, Samsula Demolition; Irene Boyles, CPH Engineers, Inc.; and Stephen H. Coover, SCOPA Attorney.

The invocation was given by Cliff Miller followed by the pledge to the Flag.

The Chairman introduced Daniel Levesque, Mike McDonald and Irene Boyles.

The Chairman asked for corrections or additions to the minutes of the November 20, 2012 Board Meeting.

MOTION WAS MADE BY MATTHEW BROWN, SECONDED BY CLIFF MILLER TO APPROVE THE MINUTES OF THE NOVEMBER 20, 2012 BOARD MEETING, AS PRESENTED.

MOTION CARRIED UNANIMOUSLY.

The Balance Sheet and Budget Statement for the month of November, 2012 were presented to the Board for discussion and approval. The Administrator referred to the revenues and expenditures charts explaining that revenues for the month were over budget by \$3,541 and \$11,063 for the year. Expenditures for the month were under budget by \$23,867 and \$48,183 for the year. Profit totals \$162,421 (54.7%), and occupancy fell slightly to 88.6%.

MOTION WAS MADE BY MATTHEW BROWN, SECONDED BY KYLE KILGER TO APPROVE THE BALANCE SHEET AND BUDGET STATEMENT FOR THE MONTH OF NOVEMBER, 2012, AS PRESENTED.

MOTION CARRIED UNANIMOUSLY.

SEMINOLE COUNTY PORT AUTHORITY
MINUTES OF THE REGULAR BOARD MEETING
DECEMBER 19, 2012

The Outstanding Bills and Aged Receivables lists were presented to the Board for discussion and approval. The Administrator reviewed the list of bills explaining that the payment to Venture Properties, Inc. in the amount of \$1,440.00 is a 6% commission on a new two year Lease with Miller Lights, Inc. that we hope to have approved today. The payment to Greene, Dycus & Co. P.A. in the amount of \$13,750.00 is for our annual audit; the payment to Exact Plumbing, Inc. in the amount of \$1,559.40 is for more backflow testing and repair; and the payment to Sanford Carpet Incorporated in the amount of \$1,598.97 is for re-carpeting two offices for new tenants. The payment to Hydrotech Solutions in the amount of \$1,038.00 is for pressure washing the 1900, 1950 and 1980 Dolgner Place buildings. The Administrator informed the Board that Hydrotech Solutions is a new tenant of ours and we are happy to give them the business.

MOTION WAS MADE BY MATTHEW BROWN, SECONDED BY KYLE KILGER TO APPROVE THE BILLS FOR PAYMENT, AS PRESENTED. THE LIST OF BILLS APPROVED TO BE PAID IS ATTACHED AND MADE A PART OF THESE MINUTES.

MOTION CARRIED UNANIMOUSLY.

The Administrator referred to the Aged Receivables list explaining that Acme Recycling Industries, LLC indicated that they will pay one month's past due rent on December 28th. Alicia Diagnostics, Inc. is in the process of vacating their unit and should be out within the next few days. They have been delayed in their move due to sick employees. We are holding their deposit until they are fully out of the unit, and then it will be applied to their outstanding balance. R & R Sheet Metal made a payment about a week ago, and Edvarado Rojas has a small \$28.25 balance in the 31-60 day column.

Mr. Van Gaale explained that U. S. Hydraulics, LLC has vacated their leasehold. They did not respond to the Three Day Notice we issued to them. After discussions with Mr. Coover, he conveyed to them by letter that they could leave if they're not going to pay. They are under Lease through May 31, 2013, and we have taken possession of the unit and are currently in the process of cleaning it up. We have applied their deposit to their account leaving a balance of \$2,072.30, and based on Mr. Coover's advice, it may be wise to write it off.

MOTION WAS MADE BY THOMAS KUHN, SECONDED BY CLIFF MILLER FOR DISCUSSION PURPOSES, TO WRITE-OFF U. S. HYDRAULICS, LLC OUTSTANDING BALANCE OF \$2,072.30.

Mr. Miller asked if it is wise to do it this year, and if there is a reason we are rushing this. Mr. Coover responded by saying that he didn't actually recommend writing it off, he recommended that we try and get possession of the property back without doing any legal action, and Mr. Van Gaale was able to get possession. Mr. Van Gaale stated that we have not been able to contact them; they haven't returned our phone calls, and they have a post office box in Lake Monroe. Mrs. McBroom stated that she would like to see us pursue it.

SEMINOLE COUNTY PORT AUTHORITY
MINUTES OF THE REGULAR BOARD MEETING
DECEMBER 19, 2012

MOTION FAILED BY A VOTE OF 3 TO 4.

The Chairman directed the Administrator to send a letter to U. S. Hydraulics, LLC in an effort to collect the rents due. Mr. Coover suggested he concentrate on the personal guarantees.

ATTORNEY'S REPORT

Mr. Coover had nothing to report, but wished everyone a Merry Christmas and presented them with gift baskets.

ADMINISTRATOR'S REPORT

a) Project #161-Re-Sheeting and Re-Roofing 7,500 s.f. Metal Building-Update - The Administrator reported that the project is complete and the building is totally leased out.

b) Tank Farm Project-Bid Results - The Administrator referred to a letter from CPH Engineers recommending the low and only bid from Samsula Waste, Inc. d/b/a Samsula Demolition in the amount of \$69,949.00 to remove the five tanks and associated piping. He explained that we initially had several prospective bidders, but only one bid. CPH has checked references and done the due diligence.

Mr. Brown questioned the Engineer on the one bid. Ms. Boyles responded by saying that we had 5 or 6 prospective bidders, and one was from St. Louis, Missouri who was very interested, but they had a question which came up within the 7 day time period that she couldn't answer; therefore, they didn't bid. She stated that she doesn't know what happened to the other bidders. Mr. Van Gaale reminded the Board that we have \$100,000 budgeted for this project, so the bid is within budget. Mr. Brown stated that we hired an outside engineer to facilitate this project, and he would have liked to have seen at least 2 or 3 bids.

MOTION WAS MADE BY CLIFF MILLER, SECONDED BY TAYLOR PANCAKE TO AWARD THE TANK FARM PROJECT TO THE LOW BIDDER, SAMSULA WASTE, INC. D/B/A SAMSULA DEMOLITION, IN THE AMOUNT OF \$69,949.00, AS PRESENTED.

MOTION CARRIED UNANIMOUSLY.

c) Employment Contract - Chairman Chase explained that Mrs. Dolgner will be retiring next year and Mr. Van Gaale's employment contract is up for renewal. After discussions with Mr. Van Gaale, he wanted to point out some things to the Board. He stated that Mr. Van Gaale has been here since 2006 and our total assets have grown 277% since then, and net assets have grown 6.7%. The occupancy rate has stayed stable and has been consistently above the industry average even

SEMINOLE COUNTY PORT AUTHORITY
MINUTES OF THE REGULAR BOARD MEETING
DECEMBER 19, 2012

though the economy tanked. He and Irene have handled building renovations and infrastructure repairs and completed everything that the Board has asked of him. He saved significantly on the Authority's insurance premium, and we'll be saving some money when Irene retires because her replacement will certainly not start at the same salary. Also, Andrew will have a whole lot more to do once Irene leaves. He's maintained professional relationships with Seminole County and the community, he's retained a dedicated employee, subcontractors and vendors, he has a Master's Degree in Public Administration, a Bachelor's Degree in Urban Planning, he has a professional accreditation as a certified urban planner and airport manager, executive experience in local government and airport management, chairman of local boards for Seminole County and Sanford International Airport. Chairman Chase stated that he has done a lot, he's highly qualified and is sought after. He feels he is underemployed right now and he thinks that he'd be crazy not to take other offers that may come along. He's done a great job, and he thinks he should be rewarded and there should be some incentive to try and keep him from jumping ship.

Chairman Chase stated that after discussions with Mr. Van Gaale, he agrees with him to adjust his salary to \$125,000 annually; the terms and conditions would remain the same as his current three year contract with a three year extension, plus an additional 80 hours of compensatory time non-accrued per year.

Mr. Miller asked when the new contract has to be done, and Chairman Chase replied that it will have to be done today because the current one already expired. Mr. Miller stated that the only problem he has is that he has nothing in writing to look at, and he's a visual person.

Mrs. McBroom questioned where his contract is now, and Mr. Van Gaale replied that his contract expired on the 15th of December and he currently receives 10 days of vacation time annually. He stated that he's been at this type of business for 15-20 years and he would like to have a little more time to spend with his family, etc. He's very happy here, and as we look at the future, there's room to redevelop and look at acquiring other properties.

Mrs. McBroom stated that she thinks Andrew has done a great job and she doesn't think there is any question about that or his credentials. Her concern is where the economy is right now, and a 25% increase is huge.

Chairman Chase suggested extending the Administrator current contract until the next meeting; and in the interim, have Mr. Van Gaale put together a package that answers the Board's concerns that will be given to the Board prior to the next meeting. Chairman Chase further suggested that the Board email Mr. Van Gaale with any additional questions they would like addressed in the package. Mr. Pancake stated that he feels the job market is heating up for really qualified people. Mr. Miller stated that he wants to be able to defend his decision if questioned, and he is not able to do that right now.

Mr. Coover, upon reviewing the current contract, suggested extending it for an additional 60 days because if we do it for 30, he will be out of contract again before the next meeting.

SEMINOLE COUNTY PORT AUTHORITY
MINUTES OF THE REGULAR BOARD MEETING
DECEMBER 19, 2012

MOTION WAS MADE BY DANA MCBROOM, SECONDED BY KYLE KILGER TO EXTEND THE ADMINISTRATOR'S EMPLOYMENT CONTRACT FOR AN ADDITIONAL 60 DAYS.

Under discussion, Mr. Kuhn asked if the Administrator will be presenting a new contract to them. Mr. Miller stated that he would like to say that this is not a negative thing, he would just like clarification. Mrs. McBroom asked for a copy of the Personnel Policy and a spreadsheet. Mr. Van Gaale mentioned that even with the previous Administrator's salary which was still higher than his proposal, he feels his credentials and education off-sets that.

MOTION CARRIED UNANIMOUSLY.

d) Roger Pinkerton - The Administrator asked the Board's approval of a \$250 Christmas bonus for Mr. Pinkerton.

MOTION WAS MADE BY MATTHEW BROWN, SECONDED BY DANA MCBROOM TO APPROVE A \$250.00 BONUS FOR ROGER PINKERTON.

MOTION CARRIED UNANIMOUSLY.

e) Fencing - The Administrator presented two fence quotes for fencing along 1500 Dolgner Place, stating that he is waiting on one more quote from Preferred Fencing. He received a quote from Duncan Fence Designs, Inc. in the amount of \$9,200.00 and another from Commercial Fence Contractors, Inc. in the amount of \$9,725.00. He asked that the Board approve the expenditure for the lowest written quote.

MOTION WAS MADE BY DANA MCBROOM, SECONDED BY MATTHEW BROWN TO APPROVE THE LOWEST QUALIFIED BID FOR THE FENCING PROJECT, AS REQUESTED.

MOTION CARRIED UNANIMOUSLY.

OLD BUSINESS

There was no old business.

NEW BUSINESS

a) Leases - The following Leases were presented for approval:

- 1. Lease Renewal - Big Mike's Boats, LLC, 4421 Schilke Way, Suites 100 & 104, beginning January 1, 2013 through December 31, 2013 at the budgeted monthly rate of \$1,500.00 (4,000 s.f. warehouse @ \$4.50/s.f.). Personal guarantees.*

SEMINOLE COUNTY PORT AUTHORITY
MINUTES OF THE REGULAR BOARD MEETING
DECEMBER 19, 2012

2. *Lease Renewal - Lentec Machining, Inc., 1559 Dolgner Place, beginning January 1, 2013 through December 31, 2013 at the budgeted monthly rate of \$735.00 (2,000 s.f. warehouse @ \$4.41/s.f.). Personal guarantee.*
3. *Lease Renewal - Ocean State Event Services, Inc., 1461 Kastner Place, Suites 101-113, beginning January 1, 2013 through December 31, 2013 at the budgeted monthly rate of \$2,977.00 (8,000 s.f. warehouse, plus lot @ \$4.47/s.f.), a 5% increase. Personal guarantee.*
4. *Lease Renewal - Rust-Off, Inc., 1471 Kastner Place, Suite 101, beginning January 1, 2013 through December 31, 2013 at the budgeted monthly rate of \$833.00 (2,000 s.f. warehouse \$5.00/s.f.). Personal guarantee.*
5. *New Lease - Orlando Pump & Equipment Co., LLC, 4421 Schilke Way, Suite 112, beginning December 1, 2012 through November 30, 2013, at the budgeted monthly rate of \$800.00 (2,000 s.f. warehouse @ \$4.80/s.f.). Personal guarantee.*
6. *New Lease - Compass Building Services, LLC, 1980 Dolgner Place, Suite 1032, beginning January 1, 2013 through December 31, 2013 at the monthly rate of \$775.00 (1,500 s.f. warehouse @ \$6.20/s.f.). Personal guarantee.*
7. *New Lease - Brand o' Guitar Company, 1413 Dolgner Place, beginning January 1, 2013 through December 31, 2013 at the monthly rate of \$800.00 (1,084 s.f. warehouse, 312 s.f. offices @ a blended rate of \$6.40/s.f.). Personal guarantees.*
8. *New Lease - Miller Lights, Inc., 1441 Kastner Place, Suite 101, beginning February 1, 2013 through January 31, 2015 (2 years), at the monthly rate of \$975.00 for the first year (2,356 s.f. warehouse, 144 s.f. office @ a blended rate of \$4.68/s.f.), and \$1,025.00 for the second year (\$4.92/s.f.). Personal guarantees. A 6% commission paid to Venture Properties, Inc. in the amount of \$1,440.00.*

Mr. Brown asked if we are paying commission on the two years, referring to item #8, and the Administrator replied that we are. Mr. Brown stated that a lot of tenants move out two months later. A lot of commercial properties pay one year at a time. Mr. Van Gaale stated that he is pretty confident in this company, they've been in business for a number of years, and if they fail, he feels they will have assets we can go after.

MOTION WAS MADE BY MATTHEW BROWN, SECONDED BY THOMAS KUHN TO APPROVE ITEMS 1-8, AS PRESENTED.

MOTION CARRIED UNANIMOUSLY.

MOTION WAS MADE BY DANA MCBROOM, SECONDED BY CLIFF MILLER TO DIRECT THE ADMINISTRATOR TO CONFER WITH MR.

SEMINOLE COUNTY PORT AUTHORITY
MINUTES OF THE REGULAR BOARD MEETING
DECEMBER 19, 2012

COOVER TO IMPLEMENT A POLICY WHEREBY THE COMMISSION THAT IS CHARGED ON NEW LEASES IS PAID OVER THE ENTIRE LEASE ON AN ANNUAL BASIS.

Under discussion, Mr. Coover stated that we have a Leasing Policy, but he can't remember whether it addresses this issue, but the motion is to amend the policy to add a provision that when we pay commission, we pay it annually.

MOTION CARRIED UNANIMOUSLY.

There being no further business, the meeting was adjourned at 4:36 p.m. by Chairman Chase.

Damon Chase, Chairman

William H. Poe, Secretary