

**SEMINOLE COUNTY PORT AUTHORITY
MINUTES OF THE REGULAR BOARD MEETING
MARCH 20, 2013**

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 March 20, 2013.

Chairman Damon Chase called the meeting to order at 4:05 p.m. with the following Directors constituting a quorum: Damon Chase, Chairman; William H. Poe, Secretary; Cliff Miller, Treasurer; Matthew T. Brown, Member; Kyle Kilger, Member; Thomas Kuhn, Member; and Brenda Carey, BCC Member.

Directors Absent: Taylor Pancake, Vice Chairman; and Dana McBroom, Member.

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

Others present: Bob Williams, Office Manager, Millennium Luxury Coaches; and Stephen H. Coover, SCOPA Attorney.

The invocation was given by Bill Poe followed by the pledge to the Flag.

Chairman Chase introduced and welcomed Bob Williams from Millennium Luxury Coaches.

The Chairman asked for corrections or additions to the minutes of the February 20, 2013 Board Meeting.

MOTION WAS MADE BY MATTHEW BROWN, SECONDED BY CLIFF MILLER TO APPROVE THE MINUTES OF THE FEBRUARY 20, 2013 BOARD MEETING, AS PRESENTED.

MOTION CARRIED UNANIMOUSLY.

The Balance Sheet and Budget Statement for the month of February, 2013 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 under budget by \$19,924, and \$23,947 for the year. Expenditures for the month were under budget by \$30,791 and \$162,700 for the year. Profit totals \$392,172 (56.6%), and occupancy decreased to 85.7%. He stated that we leased about 7,500 s.f. in March, so occupancy will increase next month.

Chairman Chase explained that historically the Board has approved the financial statement; and at his request, Mr. Coover researched whether it was necessary to approve "reality", and found that it is at the Chairman's discretion to make that decision. Therefore, Chairman Chase chose to discontinue that practice, and from now on it is informational purposes only, not an action item.

SEMINOLE COUNTY PORT AUTHORITY
MINUTES OF THE REGULAR BOARD MEETING
MARCH 20, 2013

Commissioner Carey asked the Administrator if he does a six month analysis, and Mr. Van Gaale replied that we do after March when we get the final numbers, which is included in the budget process.

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 Wiginton Fire Systems in the amount of \$600.00 is for the inspection at 1690 Fitzpatrick Point; and the payment to Samsula Waste, Inc. in the amount of \$53,954.10 is the first payment on the tank removal. Mr. Van Gaale stated that the tanks are gone along with the piping and associated dock equipment. The payment to The Sanford Herald in the amount of \$416.93 is for three legal ads; the payment to City Electric Supply Co. in the amount of \$1,857.44 is for materials used in building renovations; and the payment to Home Depot Credit Services in the amount of \$1,798.77 is for drywall and various materials for building renovations.

MOTION WAS MADE BY MATTHEW BROWN, SECONDED BY CLIFF MILLER 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 we have a written payment agreement with Acme Recycling Industries, LLC and we have received our first payment as agreed to on March 8, 2013, and the second payment is due the end of March. We have sent certified letters to Allstar Concrete Cutting & Coring, Inc. with no response, therefore, we are turning the file over to Mr. Coover. Treetop Concept, LLC indicated that they will pay their March rent on Friday; we are hoping for a payment from Bandit Performance by the end of the week; we sent William J. Leon a Three Day Notice and he has given us possession of the unit, and we are turning his file over to Mr. Coover; Ocean State Event Services, Inc. indicated they will make payment at the end of the month; Odd Rodz, LLC indicated that they will be in today to make a payment; and Mr. Coover will report on U. S. Hydraulics, LLC.

ATTORNEY'S REPORT

Mr. Coover reported that he will start out with a letter to the three files that the Administrator just gave him to see if he can get them to respond and work something out. The filing fees and service process is about \$500-\$600 per case.

a) U. S. Hydraulics, LLC - Mr. Coover reported that there are two principals who signed personal guarantees and he filed a lawsuit. Their first shot at service process at the best known addresses failed. He stated that he used his paralegal, who is a computer whiz, to do the first two serves at the most likely place and they have information that one of them moved to Volusia County but she cannot locate them. The next step, if the Board wants to do it, is to hire a private

SEMINOLE COUNTY PORT AUTHORITY
MINUTES OF THE REGULAR BOARD MEETING
MARCH 20, 2013

investigator at the cost of about \$75-\$100 and about \$40-\$80 each for the Sheriff's services. Commissioner Carey stated that she would spend \$1,000 to get \$5,000; and Chairman Chase responded that you're not going to get the \$5,000, you're just chasing a piece of paper that says \$5,000 on it. People like that don't have any money. Our smaller tenants are just trying to make very small businesses work.

Mr. Kilger asked if the other two cases were like this one, and Mr. Van Gaale replied that they are reputable companies which he feels are collectible.

Chairman Chase stated that in business school they teach you about decision making when you're deciding whether or not to invest more money in a project, and you cannot look backward in what you've already invested in; that money is already gone, you have to look forward and decide whether the money you spend today is going to be worth it. We've already paid the filing fee and spent some attorney's fees, and that money is gone. Now we're deciding today if we should spend another \$200 plus attorney's fees. If they are not showing up in a computer database, then they are living with their buddy; and if they are living with their buddy, they don't have any money. He feels we're throwing good money after bad.

Commissioner Carey asked what the amounts are owed on the other two cases, and Mr. Van Gaale replied Allstar's is \$1,723 and he thinks that's collectible. He's a local guy in business who we should be able to find and he thinks he would step up to the plate if threatened legally. He had promised to pay last month, but didn't follow through. The other one is a Promissory Note from Kenneth Gogue, owner of Cup-A-Coffee (owing \$1,801.80), who only made the first two payments.

Commissioner Carey stated that if you had a credit report on somebody, at least you know if they're in the community and own a house which would give you something to go back to; so if you had a Judgment, you could probably collect at some point in time.

Mr. Coover asked the Board if they want him to hire a private investigator. Mr. Kuhn asked how much we have into it so far, and Mr. Coover replied close to \$1,000. Mr. Kuhn asked how much they owe us, and Mr. Coover replied \$5,000+. Mr. Van Gaale stated that includes accelerated rent until we re-leased the unit.

Chairman Chase passed the gavel to Mr. Miller.

MOTION WAS MADE BY DAMON CHASE, SECONDED BY MATTHEW BROWN TO CLOSE THE FILE ON U. S. HYDRAULICS, LLC, WRITE OFF THE BALANCE OF \$5,062.90, AND ALLOW THE CASE TO STAY OPEN UNTIL WE RECEIVE NOTICE FROM THE COURT TO DISMISS FOR LACK OF PROSECUTION, IN CASE THEY ARE FOUND.

MOTION CARRIED UNANIMOUSLY.

SEMINOLE COUNTY PORT AUTHORITY
MINUTES OF THE REGULAR BOARD MEETING
MARCH 20, 2013

Mr. Miller passed the gavel back to Mr. Chase.

Chairman Chase requested that Mr. Coover include in his letters that they contact his office to work out a payment plan, and Mr. Coover agreed.

MOTION WAS MADE BY COMMISSIONER CAREY, SECONDED BY WILLIAM POE TO DIRECT COUNSEL TO INCLUDE IN HIS LETTERS TO THE THREE TENANTS THAT THEY CONTACT HIS OFFICE TO WORK OUT A PAYMENT PLAN, AS REQUESTED.

MOTION CARRIED UNANIMOUSLY.

Referring to the comment from Commissioner Carey regarding credit checks, Mr. Miller told her not to sell her soul on credit statements, because there are people who go bankrupt after 20 years of beautiful living. Commissioner Carey stated she feels that when you are working for a public agency, you owe it to the public to do at least a little bit of homework.

b) Administrator's Employment Agreement - Mr. Coover referred to his Memorandum of March 18, 2013 that he sent to the Board regarding the Administrator's severance pay (copy of said Memorandum is attached and made a part of these minutes). He stated that he is pretty sure the statute enacted in 2011 to allow only five months severance pay applies to Mr. Van Gaale's contract, but he's not 100% and he is only one opinion. A decision has to be made today, so it can be done one of two ways: If Mr. Van Gaale is willing to reduce his severance to five months, we can do it that way; or, we could get the Attorney General's opinion. Chairman Chase felt that Mr. Van Gaale and Mr. Coover should write a letter to the Attorney General to seek guidance as to this provision and whether it applies to us. He told Mr. Coover that he agrees with him that the Legislature put this provision in a very odd place and he could see how it was overlooked.

Mr. Van Gaale stated that he agreed to get the Attorney General's opinion whether it be now or in the future if the issue arises, and he will be happy to reduce his severance package, if need be. Commissioner Carey explained how the issue came up at the BCC meeting when she gave her report.

MOTION WAS MADE BY CLIFF MILLER, SECONDED BY COMMISSIONER CAREY TO INSTRUCT COUNSEL TO CONTACT THE ATTORNEY GENERAL BY LETTER FOR HER OPINION AS TO THE ADMINISTRATOR'S SEVERANCE PAY, AS DISCUSSED.

MOTION CARRIED UNANIMOUSLY.

Mr. Coover further mentioned that there is another provision in that statute where we are going to have to tweak his contract, and it says that "termination for a cause will be as set forth in Section 443.036 (30), Fla. Stat.". Mr. Van Gaale has agreed to that, and we will make that change

SEMINOLE COUNTY PORT AUTHORITY
MINUTES OF THE REGULAR BOARD MEETING
MARCH 20, 2013

when the time comes. It is basically a laundry list of "for cause" terminations, which event he wouldn't get severance.

ADMINISTRATOR'S REPORT

a) Tank Farm Project Update - The Administrator reported that the tanks are down, and they are now in the environmental reporting and testing phase.

- b) Project #163-Re-Roofing/Roof-Over 4,000 s.f. Metal Roof-Bid Results
- c) Project #164-Re-Roofing 14,000 s.f. Metal Roof-Bid Results
- d) Project #165-Re-Roofing/Roof-Over 16,000 s.f. Metal Roof-Bid Results

The Administrator referred to Memorandum #2193 showing the bid results for projects #163, #164 and #165, which took place on March 15, 2013 at 3:00 p.m., as follows:

Project #163: McKee Construction Co., 790 Monroe Road, Sanford, FL 32771
Bid Amount: \$19,140.00

Uniqco Group, LLC, 14350 Eastside Drive, Groveland, FL 34736
Bid Amount: \$19,400.00

Architectural Metals and Roofing, LLC, 9101 Parkers Landing, Orlando, FL 32824
Bid Amount: \$24,500.00

Project #164: McKee Construction Co., 790 Monroe Road, Sanford, FL 32771
Bid Amount: \$37,285.00

Uniqco Group, LLC, 14350 Eastside Drive, Groveland, FL 34736
Bid Amount: \$48,300.00

Project #165: McKee Construction Co., 790 Monroe Road, Sanford, FL 32771
Bid Amount: \$41,450.00

Uniqco Group, LLC, 14350 Eastside Drive, Groveland, FL 34736
Bid Amount: \$55,200.00

Architectural Metals and Roofing, LLC, 9101 Parkers Landing, Orlando, FL 32824
Bid Amount: \$65,510.00

The Administrator recommended approving the low bids from McKee Construction Co.

MOTION WAS MADE BY COMMISSIONER CAREY, SECONDED BY KYLE KILGER TO APPROVE THE LOW BID FROM MCKEE CONSTRUCTION CO.

SEMINOLE COUNTY PORT AUTHORITY
MINUTES OF THE REGULAR BOARD MEETING
MARCH 20, 2013

IN THE AMOUNT OF \$19,140.00 FOR PROJECT #163 RE-ROOFING/ROOF-OVER 4,000 S.F. METAL ROOF, AS PRESENTED.

MOTION CARRIED UNANIMOUSLY.

MOTION WAS MADE BY COMMISSIONER CAREY, SECONDED BY KYLE KILGER TO APPROVE THE LOW BID FROM MCKEE CONSTRUCTION CO. IN THE AMOUNT OF \$37,285.00 FOR PROJECT #164 RE-ROOFING 14,000 S.F. METAL ROOF, AS PRESENTED.

MOTION CARRIED UNANIMOUSLY.

MOTION WAS MADE BY COMMISSIONER CAREY, SECONDED BY KYLE KILGER TO APPROVE THE LOW BID FROM MCKEE CONSTRUCTION CO. IN THE AMOUNT OF \$41,450.00 FOR PROJECT #165 RE-ROOFING/ROOF-OVER 16,000 S.F. METAL ROOF, AS PRESENTED.

MOTION CARRIED UNANIMOUSLY.

OLD BUSINESS

There was no old business.

NEW BUSINESS

a) Millennium Luxury Coaches - Bob Williams from Millennium took the floor and thanked the Board for adding him to the agenda. He stated that they will be celebrating their third year here in April, and there is no doubt that being here has added to their success. Since they moved in, their business has expanded by increasing the production of 45' R.V.'s, their service department has expanded, they have taken on consignment sales, they opened a customer boutique selling clothing and accessories, and they opened a collision center and body shop. They are at a point now that looking to their future the next thing is to market themselves as a bigger destination for customers. Most of their customers are not from this area, but rather from the east coast and northeast U.S., so they only come here because Millennium is here. They would love to make themselves more marketable to the west coast, and they just got compliance to export into Canada and there is a vast Canadian market. In order to accommodate them, they really need to market themselves and upgrade their facility here. He stated that since they've been here, they've spent about \$55,000 just in grounds related maintenance, and of that \$37,000 since the beginning of the year. Referring to his letter to the Board dated February 19, 2013, he stated that he wanted to show that they have a lot invested in this property and didn't want it to look like they're simply trying to make a couple of minor improvements and hit up the Board for it. In the past several months they have spent approximately \$200,000 for facility improvements, getting new equipment so they can market, and their big rally. In order to get new customers in they would like to do additional paving and

SEMINOLE COUNTY PORT AUTHORITY
MINUTES OF THE REGULAR BOARD MEETING
MARCH 20, 2013

additional sewer systems so they can accommodate more people, and they would like to do some office remodeling.

Mr. Williams explained that they are hoping to get a rent abatement to allow them to get some of these processes in motion sooner. Some of the advantages for the County is property taxes they pay, and their customers are bringing in an influx of money that would otherwise not be here. They are very affluent people spending \$400,000 to \$2,000,000 for coaches and staying for days and weeks at a time.

Chairman Chase stated that we really like having Millennium here and they reflect well on all of us, and certainly there are things mutually we can do to help each other to the extent that they are making physical improvements to the property, that absolutely helps us. He asked Mr. Williams if he could meet with the Administrator and Mr. Brown (who is in the construction industry), and show them exactly what they would like to do and what he is asking from us. Then Mr. Van Gaale and Mr. Brown can report back to the Board and make a recommendation.

Commissioner Carey questioned whether it is an allowable use in our zoning classification for their customers to come in and stay overnight. Mr. Williams clarified that the overwhelming majority that are staying here is because they are having service work done on their vehicles. Millennium is working on them during the day, and the customer stays in them during the night. Commissioner Carey stated that she would hate for someone to make a major investment and then it becomes an issue. She recommended that Mr. Williams call the County. Discussion ensued.

Chairman Chase thanked Mr. Williams and said he believes the Board is open to working with them. Mr. Williams thanked the Board and left the meeting.

Commissioner Carey stepped out of the meeting momentarily.

b) Leasing Policy Committee Report - In the absence of Commissioner Carey, Chairman of the Committee, Mr. Coover reported that the Committee will continue meeting next month at 3:00 p.m. prior to the Board meeting.

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

- 1. Lease Renewal - Tree Top Concept, LLC, 1980 Dolgner Place, Suite 1060, beginning April 1, 2013 through March 31, 2014, at the budgeted monthly rate of \$1,575.00 (2,712 s.f. warehouse, 288 s.f. office @ a blended rate of \$6.30/s.f.), a 5% increase. Personal guarantee.*
- 2. New Lease - Petras Flooring, Inc. and S. Lee, LLC, 1966 Dolgner Place, beginning March 1, 2013 through February 28, 2014, at the monthly rate of \$850.00 (1,356 s.f. warehouse, 144 s.f. office @ a blended rate of \$6.80/s.f.). Personal guarantees.*

SEMINOLE COUNTY PORT AUTHORITY
MINUTES OF THE REGULAR BOARD MEETING
MARCH 20, 2013

3. *New Lease - Rampart Gun Works, Inc., 1450 Kastner Place, Suite 104, beginning April 1, 2013 through March 31, 2014, at the monthly rate of \$800.00 (1,356 s.f. warehouse, 144 s.f. office @ a blended rate of \$6.40/s.f.), first month free rent for new start-up company. Personal guarantee.*
4. *New Lease - Poland's Drywall, Inc., 1501-1505 Dolgner Place, beginning April 1, 2013 through March 31, 2014, at the monthly rate of \$1,600.00 (4,000 s.f. warehouse/office @ \$4.80/s.f.). Personal guarantees.*
5. *Lease Termination - All American Portable Air, LLC, 1539 Dolgner Place, beginning November 1, 2012 through October 31, 2013, at the monthly rate of \$775.00, effective March 31, 2013.*
6. *Lease Termination - All American Portable Air, LLC, 1521 Dolgner Place, beginning October 1, 2012 through September 30, 2013, at the monthly rate of \$750.00, effective March 31, 2013.*
7. *New Lease - All American Portable Air, LLC, 1401-1409 Dolgner Place, beginning April 1, 2013 through March 31, 2014, at the monthly rate of \$2,000.00 (3,924 s.f. warehouse, 576 s.f. offices @ a blended rate of \$5.33/s.f.). Personal guarantee.*

The Administrator explained that All American Portable Air, LLC is giving up two 2,000 sq. ft. units for a 4,500 sq. ft. unit (items 5, 6, 7).

MOTION WAS MADE BY MATTHEW BROWN, SECONDED BY KYLE KILGER, TO APPROVE ITEMS 1-7, AS PRESENTED.

MOTION CARRIED UNANIMOUSLY.

There being no further business, the meeting was adjourned at 5:02 p.m. by Chairman Chase.

Damon Chase, Chairman

William H. Poe, Secretary