

**SEMINOLE COUNTY PORT AUTHORITY  
MINUTES OF THE REGULAR BOARD MEETING  
APRIL 17, 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 April 17, 2013.*

*Chairman Damon Chase called the meeting to order at 4:02 p.m. with the following Directors constituting a quorum: Damon Chase, Chairman; Taylor Pancake, Vice Chairman; William H. Poe, Secretary; Cliff Miller, Treasurer; Matthew T. Brown, Member; Kyle Kilger, Member; Thomas Kuhn, Member; Dana McBroom, Member; and Brenda Carey, BCC 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 welcomed Bob Williams from Millennium Luxury Coaches, and rearranged the agenda to accommodate him.*

OLD BUSINESS

*a) Millennium Luxury Coaches - The Administrator referred to an email from Bob Williams outlining the improvements they would like the Authority to help pay for. He turned the floor over to Mr. Brown.*

*Mr. Brown explained that he and Mr. Van Gaale met with Mr. Williams as directed by the Chairman, and he encouraged the Board members to go see their operation. He stated that certain things such as cabinetry that were not helpful to the Port, he does not feel the Authority should consider. Items that he felt fell well within our realm as a Board to maintain our property such as some paving out back, painting on the front of the building, and repair of the industrial bathrooms, would keep our property on a status quo. He recommends that if we do help with the funding of these improvements, that it be done after the improvements are made.*

*The Administrator informed the Board that after talking with Mr. Coover, the best way to do this would be to have the tenant do the improvements, and then we would enter into an agreement to do a rent abatement, as requested by the tenant. Chairman Chase asked if there is any legal prohibition against doing this, and Mr. Coover replied that the only prohibition is against trying to do something like this to avoid the bidding process. Since this Board hasn't made any decision to improve an existing leasehold, he doesn't see any reason why we couldn't allow the tenant to handle the process of selecting the contractors to do the work; and then after the work is satisfactorily completed, reimburse them. The Board can put whatever other conditions they want in addition to*

SEMINOLE COUNTY PORT AUTHORITY  
MINUTES OF THE REGULAR BOARD MEETING  
APRIL 17, 2013

*that. If the Board is more comfortable that they provide a couple estimates for each project, they can require that, or simply trust them to get the best deal.*

*Mrs. McBroom stated that the only problem she has is with sales tax. If we give them a rent abatement, we are not paying the State of Florida sales tax on that rent, not to mention the fact that they're going to have to capitalize the leasehold improvements and write them off over a pretty long period of time as opposed to taking a deduction for rent.*

*Commissioner Carey asked what their monthly rent is and how much longer they have on their Lease, and Mr. Van Gaale replied \$21,000 and Mr. Williams replied just under 2½ years. Commissioner Carey stated that if we are going to invest \$21,000 in the building, she would like to see the Lease extended for a longer period of time to make sure we recover the investment.*

*Chairman Chase asked Mr. Williams what his time line is to get these improvements made, and Mr. Williams replied that it is in their best interest to get them done as soon as possible. Chairman Chase stated that there seems to be a consensus of the Board to help with the improvements, but they need to figure out the best way to do it. He asked Mr. Williams if he could get together with Mr. Van Gaale and talk with their respective accountants to figure out the best way to structure it, then present a solid written recommendation to the Board at their next meeting.*

*Commissioner Carey stated that from what he presented on the email, she calculates about \$19,200 in improvements, but she would also like to see an extension of the Lease.*

*Mr. Williams stated that they greatly appreciate the Board entertaining the idea of doing something like this, but he would like to get the Board's consensus on the specific details they have a concern about. Chairman Chase replied that he thinks that there is consensus on the improvements he wants to do; we value you being here and are willing to work with you on the rent to do that, although, there seems to be some question on the best way to structure that from a tax standpoint. Some of the Board members would like to see an extension of the Lease. Commissioner Carey stated that once they determine the tax implication and what needs to happen there, the Administrator can draft an Amendment to their Lease. Mr. Brown stated that what we are spending the money on is basically maintaining our property.*

*Chairman Chase stated that if the Administrator were to draft a Lease extension from 2½ years to 3 years, the rent abatement isn't necessarily a taxable event, that could just be something you bargained for. If I took out a one year Lease, and I get two months free rent up front, that's not a taxable event to him and it's not a taxable event for the Port, it's just a bargain for exchange. If we agreed to extend your Lease to three years and in consideration of that, we agreed to give you one month free, and there's also a clause in there that you will make improvements and pay for them, then you would get to capitalize. You could put language in the Lease that it's not a requisite of the Lease, but they are volunteering to do it, and he thinks that covers you from a tax standpoint. He asked Mr. Williams to talk to his accountant about the best language we could put in the Lease that would cover them that says that we're going to give you this month free, but you are also going*

SEMINOLE COUNTY PORT AUTHORITY  
MINUTES OF THE REGULAR BOARD MEETING  
APRIL 17, 2013

*to make some improvements.*

*Chairman Chase asked Mr. Williams if they would be agreeable to a six month Lease extension, and Mr. Williams replied that he could propose it to them, but the understanding was that they didn't want to commit to a longer Lease because of competitive reasons. He stated he completely understands the Board's position, but they're still 2½ years in and almost \$650,000 is guaranteed that you're going to get. They continue to make improvements above and beyond, that will stay with the property. It's not an indication that they want to jump ship, but they want to keep their options open so they're not locked into a bad situation. He feels that they will initially be opposed to the six month extension, but it's something he would really need to discuss with them. Chairman Chase replied that we value Millennium being here and we want to make sure that you're happy and profitable, but at the same time we have fiduciary responsibilities, and we're under public scrutiny.*

*Mr. Kuhn asked Mr. Brown if Millennium were not here, how much does he feel we would spend to fix that property up, and Mr. Brown replied \$15,000-\$20,000 easily. Chairman Chase asked the Administrator how long does he think it would take to get a comparable tenant in that building, and Mr. Van Gaale replied probably up to a year. Commissioner Carey stated that they are obligated to stay for the next 2½ years whether we give them a rent abatement or not, so the incentive for her to give them a rent abatement would be to have some kind of Lease extension, and she is agreeable to six months.*

*Mr. Williams thanked the Board and left the meeting.*

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

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

*Under discussion, Mr. Coover corrected the minutes on the last sentence of page 4, stating that the (?) should be replaced with 443.036 (30), and that Mrs. Dolgner had already made that correction, but he wanted it on the record.*

**MOTION WAS WITHDRAWN BY MATTHEW BROWN, AND THE SECOND WAS WITHDRAWN BY CLIFF MILLER.**

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

SEMINOLE COUNTY PORT AUTHORITY  
MINUTES OF THE REGULAR BOARD MEETING  
APRIL 17, 2013

**MOTION CARRIED UNANIMOUSLY.**

*The Balance Sheet and Budget Statement for the month of March, 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 over budget by \$26,177, and \$2,229 for the year. Expenditures for the month were over budget by \$8,230 and under budget by \$154,470 for the year. Profit totals \$471,424 (54.7%), and occupancy increased to 87.8%.*

*Commissioner Carey questioned the \$200,000 difference between the actual and budgeted "building leases" line item, and Mr. Van Gaale replied that the difference is in the "provision for vacancy" he believed, and Mrs. Dolgner concurred.*

*The Outstanding Bills and Aged Receivables lists were presented to the Board for discussion and approval. The Administrator entertained questions on the bills list, and Mrs. McBroom asked about the payment to McKee Construction Co. in the amount of \$28,583.72. Mr. Van Gaale replied that it is full payment for Project #162, Re-roofing/Roof Over 10,000 sq.ft. Metal Building.*

**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.**

*Under discussion, Commissioner Carey questioned whether we receive a materials Release of Lien on our projects, and Mr. Coover replied that all our projects are bonded because we are a public property, so the Administrator should be doing diligence on making sure everybody is getting paid, but everybody who works on a project can look to the bond to get paid.*

**MOTION CARRIED UNANIMOUSLY.**

*The Administrator referred to the Aged Receivables list explaining that we received \$10,000 today from Acme Recycling Industries, LLC and they are on target with their payment plan; and Odd Rodz, LLC indicated that they will get us a payment this week.*

*Referring to the accounts of Allstar Concrete Cutting & Coring, Inc. and William J. Leon, Commissioner Carey stated that she previously mentioned that Small Claims Court is an option and she would like to propose that Mr. Van Gaale look into this process. The threshold for Small Claims Court is \$5,000, and she would like Staff to pursue it instead of Mr. Coover. She stated that she will give the forms to Mr. Van Gaale. Discussion ensued, and it was the consensus of the Board that the Administrator handle this process.*

SEMINOLE COUNTY PORT AUTHORITY  
MINUTES OF THE REGULAR BOARD MEETING  
APRIL 17, 2013

ATTORNEY'S REPORT

a) William J. Leon, b) Allstar Concrete Cutting & Coring, Inc./Daimon McNamara, and c) Kenneth Gogue/Cup-A-Coffee (Promissory Note) - Mr. Coover reported that as soon as we understand the fee schedule and confirm that Staff can appear on our behalf in Small Claims Court, then these items can come back to the Board later, unless the tenants should call his office and offer a payment plan in the meantime.

d) Administrator's Performance Evaluation & Attorney General's Opinion - Mr. Coover reported that the Board directed him to get the Attorney General's rule on the issue regarding the Administrator's severance pay. He was required to provide a memorandum to the Attorney General's office and Chairman Chase offered a letter to Pam Bondi, and so far we received a response on April 3<sup>rd</sup> that said since it involved a complicated legal issue, it would take them some time to respond. Mr. Coover stated that we will probably get a response in the next month or two.

Mr. Coover distributed a summary of the Administrator's Performance Evaluations he received from the Board members. He stated that the Sunshine Law suggests that the Board discuss the evaluation. As in past years, there are minor mistakes on the summary which he will have to revise, but none of the mistakes make a difference to the overall effect of the evaluation. He stated that Mr. Van Gaale received very good marks. Commissioner Carey added that since she has not been on the Board for very long, she didn't give an overall rating. The rest of the Board members rated him "excellent" on the overall. Chairman Chase stated that we are very fortunate to have Mr. Van Gaale here, and commended him on a great job.

ADMINISTRATOR'S REPORT

a) Tank Farm Project Update - The Administrator reported that the soil sampling is underway along with the closure reports.

b) Project #162-Re-Roofing/Roof-Over 10,000 s.f. Metal Roof-Update - The Administrator reported that this project is complete.

c) Project #163-Re-Roofing/Roof-Over 4,000 s.f. Metal Roof-Update - The Administrator reported that this project is being engineered.

d) Project #164-Re-Roofing 14,000 s.f. Metal Roof-Update - The Administrator reported that this project is in permitting and should start Monday.

e) Project #165-Re-Roofing/Roof-Over 16,000 s.f. Metal Roof-Update - The Administrator reported that this project is also in engineering. It's easier to remove a roof and put a new one on than to fix one, because there is more engineering involved.

SEMINOLE COUNTY PORT AUTHORITY  
MINUTES OF THE REGULAR BOARD MEETING  
APRIL 17, 2013

f) *Insurance - The Administrator reported that last year we had Florida Municipal Insurance Trust with Florida League of Cities, and then switched to Public Risk Management (PRM) this year, and after FMIT's audit, they refunded us \$9,656.00. So it may be beneficial to stay with these types of insurance trusts in the future.*

NEW BUSINESS

a) *Leasing Policy Committee Report - Commissioner Carey, Chairman of the Committee, reported that the Committee met for an hour today and Mr. Coover will prepare a draft of the new Policy before their next scheduled meeting on May 15, 2013 at 3:30 p.m., and they should have something to present to the Board in the next couple months.*

b) *Leases - The following Leases were presented for approval:*

1. *Lease Renewal - Dynamic Aspects, Inc., 1940 Dolgner Place, beginning May 1, 2013 through April 30, 2014, at the budgeted monthly rate of \$1,036.00 (1,212 s.f. warehouse, 288 s.f. offices @ a blended rate of \$8.29/s.f.), a 5% increase. Personal guarantee.*
2. *Lease Renewal - J. Dalton Enterprises, Inc., 1980 Dolgner Place, Suite 1000, beginning May 1, 2013 through April 30, 2014, at the budgeted monthly rate of \$1,575.00 (2,181 s.f. warehouse, 819 s.f. offices @ a blended rate of \$6.30/s.f.), a 5% increase. Personal guarantee.*
3. *Lease Renewal - Maintenance Management Group, Inc., 1471 Kastner Place, Suite 109, beginning May 1, 2013 through April 30, 2014, at the budgeted monthly rate of \$800.00 (1,856 s.f. warehouse, 144 s.f. office @ a blended rate of \$4.80/s.f.). Personal guarantee.*
4. *Lease Renewal - Daniel E. Wurl, 1450 Kastner Place, Suites 124 & 128, beginning May 1, 2013 through April 30, 2014, at the budgeted monthly rate of \$1,737.00 (2,328 s.f. warehouse, 672 s.f. offices @ a blended rate of \$6.95/s.f.), a 5% increase. Tenant requests rate remain the same at \$1,654.00, per letter.*
5. *New Lease - Steven Giampietro, 1924 Dolgner Place, beginning May 1, 2013 through April 30, 2014, at the monthly rate of \$760.00 (1,500 s.f. warehouse @ \$6.08/s.f.).*
6. *New Lease - NuFocusMediaGroup, Inc. d/b/a G S Plant Foods, 1980 Dolgner Place, Suite 1016, beginning May 1, 2013 through April 30, 2014, at the monthly rate of \$790.00 (1,500 s.f. warehouse @ \$6.32/s.f.). Personal guarantee.*
7. *Lease Termination - J. Dalton Enterprises, Inc., 1980 Dolgner Place, Suite 1024, August 1, 2013 through July 31, 2014, effective April 30, 2013.*

SEMINOLE COUNTY PORT AUTHORITY  
MINUTES OF THE REGULAR BOARD MEETING  
APRIL 17, 2013

8. *New Lease - Five Star Plumbing, Inc., 1980 Dolgner Place, Suite 1024, beginning May 1, 2013 through April 30, 2014, at the monthly rate of \$840.00 (1,212 s.f. warehouse, 288 s.f. office @ a blended rate of \$6.72). Personal guarantee.*
9. *Lease Termination - Network Electrical Systems, Inc., 1958 Dolgner Place, beginning November 1, 2012 through October 31, 2013, effective April 30, 2013.*
10. *New Lease - Network Electrical Systems, Inc., 1932 & 1958 Dolgner Place, beginning May 1, 2013 through April 30, 2014, at the monthly rate of \$1,550.00 (2,712 s.f. warehouse, 288 s.f. offices @ a blended rate of \$6.20/s.f.). Personal guarantees.*
11. *New Lease - Mass Fitness Resource, LLC, 4421 Schilke Way, Suites 116 & 120, beginning May 1, 2013 through April 30, 2014, at the monthly rate of \$1,525.00 (4,000 s.f. warehouse @ \$4.58/s.f.). Tenant requested a 90 day termination clause. Personal guarantee.*
12. *New Lease - Transmission Specialties, Inc., 1521 Dolgner Place, beginning June 1, 2013 through May 31, 2014, at the monthly rate of \$800.00 (2,000 s.f. warehouse @ \$4.80/s.f.). Personal guarantee.*

*The Administrator reviewed the list of Leases explaining that Item 4 has a special request that he would like to discuss later. J. Dalton Enterprises, Inc. (Item 7) is requesting a Lease termination and Five Star Plumbing, Inc. (Item 8) is taking over their warehouse at a higher rate. Network Electrical Systems, Inc. (Item 9) is expanding to an additional unit (item 10). Mass Fitness Resource, LLC (item 11) is moving into Acme Recycling Industries, LLC unit they vacated in an effort to reduce their space. He recommended approval of items 1-12, with the exception of item 4.*

*The Board reviewed the letter from Dan Wurl (Item 4) requesting that his rate remain static at \$1,654.00 per month, and that the Authority install a bathroom in his unit. The Administrator explained that Mr. Wurl has a real estate business, and the common bathrooms are being used by all the tenants of the building.*

*Commissioner Carey questioned why Mass Fitness Resource, LLC (item 11) is requesting a 90 day termination clause, and Mr. Van Gaale replied that it's a new company taking a risk on being out here for a year, and it's an incentive and a way to make him feel comfortable. She asked what is the point of having a Lease. Chairman Chase stated he likes the flexibility because other landlords are not so flexible, and the fact that we don't have to be so bureaucratic as to say no, this is the way we do it, period. He stated flexibility makes us an attractive landlord.*

**MOTION WAS MADE BY MATTHEW BROWN, SECONDED BY THOMAS KUHN, TO APPROVE ITEMS 1-12, EXCLUDING ITEM 4, AS PRESENTED.**

**MOTION CARRIED UNANIMOUSLY.**

SEMINOLE COUNTY PORT AUTHORITY  
MINUTES OF THE REGULAR BOARD MEETING  
APRIL 17, 2013

*Discussion ensued regarding Item 4, and Chairman Chase asked what it would cost to put a bathroom in his unit. Mr. Van Gaale replied about \$5,000.00. Commissioner Carey stated that the issue she has with this is that he's in a unit where he's only paying \$6.95/s.f.; it's not like he's paying \$10.00-\$12.00/s.f. Chairman Chase stated that it would be a lot higher if he had a bathroom in there. Commissioner Carey stated that, in her opinion, if he wants to have an office with bathrooms in it, he should move into one and pay that rent; or he's welcome to build a bathroom at his own expense. Chairman Chase agreed.*

***MOTION WAS MADE BY COMMISSIONER CAREY, SECONDED BY WILLIAM POE TO AUTHORIZE THE ADMINISTRATOR TO NEGOTIATE WITH DANIEL E. WURL A 2½% INCREASE ON HIS CURRENT RENT, WITH NO IMPROVEMENTS TO THE FACILITY.***

***AFTER DISCUSSION, COMMISSIONER CAREY WITHDREW HER MOTION, AND WILLIAM POE WITHDREW HIS SECOND.***

***MOTION WAS MADE BY COMMISSIONER CAREY, SECONDED BY WILLIAM POE TO AUTHORIZE THE ADMINISTRATOR TO NEGOTIATE WITH DANIEL E. WURL EITHER A 2½% INCREASE ON A ONE YEAR LEASE RENEWAL, OR A TWO YEAR LEASE WITH A 1½% INCREASE THE FIRST YEAR AND A 1½% INCREASE THE SECOND YEAR, WITH NO IMPROVEMENTS TO THE FACILITY.***

***AFTER DISCUSSION, COMMISSIONER CAREY WITHDREW HER MOTION, AND WILLIAM POE WITHDREW HIS SECOND.***

***MOTION WAS MADE BY COMMISSIONER CAREY, SECONDED BY WILLIAM POE TO AUTHORIZE THE ADMINISTRATOR TO NEGOTIATE WITH DANIEL E. WURL ONE OF THE FOLLOWING:***

***OPTION 1. A 2½% INCREASE ON A ONE YEAR LEASE RENEWAL, WITH NO IMPROVEMENTS TO THE FACILITY.***

***OPTION 2. A TWO YEAR LEASE WITH A 1½% INCREASE THE FIRST YEAR AND A 1½% INCREASE THE SECOND YEAR, WITH NO IMPROVEMENTS TO THE FACILITY.***

***OPTION 3. A TWO YEAR LEASE WITH A 1½% INCREASE THE FIRST YEAR AND A 1½% INCREASE THE SECOND YEAR, AND AMORTIZE THE BATHROOM IMPROVEMENT MADE BY THE AUTHORITY UP TO THREE YEARS.***

***MOTION CARRIED UNANIMOUSLY.***

*SEMINOLE COUNTY PORT AUTHORITY  
MINUTES OF THE REGULAR BOARD MEETING  
APRIL 17, 2013*

*c) Appoint Budget Committee - Chairman Chase appointed Dana McBroom, as Chairman, Taylor Pancake and Bill Poe to the Budget Committee. He stated that the meeting will be held on Wednesday, May 8, 2013 at 12:00 noon, if that is in agreement with the members.*

*There being no further business, the meeting was adjourned at 5:10 p.m. by Chairman Chase.*

---

*Damon Chase, Chairman*

*William H. Poe, Secretary*