

**SEMINOLE COUNTY PORT AUTHORITY**  
**MINUTES OF THE REGULAR BOARD MEETING**  
*January 15, 2014*

*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 January 15, 2014.*

*Vice Chairman Dana McBroom called the meeting to order at 4:04 p.m. with the following Directors constituting a quorum: Dana McBroom, Vice Chairman; Matthew Brown, Secretary; Kyle Kilger, Treasurer; William H. Poe, Member; Cliff Miller, Member; Thomas Kuhn, Member; and Brenda Carey, BCC Member.*

*Staff present: Andrew Van Gaale, Administrator; and Jennifer Parker, Administrative Aide.*

*Others present: Taylor Pancake, past Chairman; and Stephen H. Coover, SCOPA Attorney.*

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

*The Vice Chairman welcomed former Chairman Taylor Pancake and all expressed appreciation for his attendance. The Administrator asked that, in light of the new Board appointments, a motion be made to appoint the Vice Chairman, Dana McBroom, as Chairman and to allow Matthew T. Brown to split the duties of Vice Chair and Secretary. He further explained that Mr. Coover confirmed that there is no issue with Mr. Brown performing both functions.*

**MOTION WAS MADE BY WILLIAM POE, SECONDED BY CLIFF MILLER TO APPOINT DANA MCBROOM AS CHAIRMAN AND MATTHEW T. BROWN AS VICE CHAIRMAN AND SECRETARY.**

**MOTION CARRIED UNANIMOUSLY.**

*Mrs. McBroom inquired as to a Resolution honoring former Chairman Taylor Pancake's service to the Board. The Administrator expressed his desire to present such Resolution at the February 19, 2014 Board meeting.*

**MOTION WAS MADE BY MATTHEW T. BROWN, SECONDED BY WILLIAM POE FOR A RESOLUTION TO THANK FORMER BOARD MEMBER, TAYLOR PANCAKE, FOR HIS SERVICE TO THE SCOPA BOARD.**

**MOTION CARRIED UNANIMOUSLY.**

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*The Chairman asked for corrections or additions to the minutes of the December 18, 2013 Board Meeting.*

**MOTION WAS MADE BY MATTHEW T. BROWN, SECONDED BY CLIFF MILLER TO APPROVE THE MINUTES OF THE DECEMBER 18, 2013 BOARD MEETING, AS PRESENTED.**

**MOTION CARRIED UNANIMOUSLY.**

*The Balance Sheet and Budget Statement for the month of December 2013 and year-to-date were presented to the Board. The Administrator referred to the revenues and expenditures charts explaining that revenues for the month were over budget by \$12,773, and \$49,675 for the year. Expenditures for the month were under budget by \$16,176, and \$5,102 for the year. Profit totals \$199,413 (42.3%), and occupancy increased to 93.4%. Mr. Kilger inquired as to whether there were any large units not leased. The Administrator explained that the 4,000 square feet of freestanding offices at 1510 Kastner Place was presently unoccupied along with a portion of 1490 Kastner Place. Commissioner Carey inquired as to whether the SCOPA website listed available properties and pertinent details. The Administrator confirmed that the SCOPA website, along with LoopNet, was kept up-to-date with the available units, the listing details and photographs.*

*The Outstanding Bills and Aged Receivables lists were presented to the Board for discussion and approval. The Administrator explained that the largest item, the payment to Samsula Demolition in the amount of \$67,500.00, represents the final draw on the Tank Farm remediation. He further explained that all of the Notice to Owners and Releases are in place and the engineer has signed off on the project. The property is complete and ready for leasing. The payment to Public Risk Management, in the amount of \$8,930.00, is the quarterly payment for SCOPA's liability insurance. The payment to Exact Plumbing, Inc., in the amount of \$3,265.00, is the annual backflow testing and certification, as required by the County Water Department. In answer to Commission Carey's inquiry, the Administrator stated that the invoice applied to 19 backflow valves, nine of which required repairs prior to completing the certification. Also, the Administrator explained that the check to Irene Dolgner, the former Administrative Assistant, was a refund of employee health insurance withholdings for January 2014, due to back to her. Following her December 31, 2013 retirement, Mrs. Dolgner will be making any further health insurance payments directly to the County independent of SCOPA.*

**MOTION WAS MADE BY WILLIAM POE, 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.**

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*The Administrator referred to the Aged Receivables list explaining that Acme Recycling Industries, LLC would be discussed during the Attorney's Report to follow. He further explained that Wayne Edwards made a payment today, as well as promised another payment on Friday and has committed to clearing up his outstanding balance. Integrity Management also brought in a check today paying more than one month's rent on his land Lease. Ryan and Reed committed to sending a check on January 10<sup>th</sup>; however, it has not yet been received. Edvardo Rojas did bring in a payment; however, due to the arrears SCOPA has an active Three Day Notice in place which will most likely require further action. The last one, Sanford Boat Storage, has also committed to bringing in a payment on Friday, January 17<sup>th</sup>.*

*Commissioner Carey asked the Administrator about the procedure taken with the habitual late tenants and the Administrator confirmed that SCOPA consistently charges 5% late fees which is an effective discouragement to most tenants. Commissioner Carey asked about the date of Ryan and Reed's last payment and it was confirmed that they made their agreed to payment of \$500.00 in December 2013. Mr. Coover explained that there was a post judgment stipulation, it was then agreed they would make \$500 a month payments, that there are legal fees as well and further action can be taken at such time the Board feels it would be beneficial. Mr. Coover also explained that a judgment was obtained against the company as well as the personal guarantee that was attached to the Lease. The Administrator added that Mr. Coover's interventions in the past have proven effective; however, they do increase the associated legal fees and encouraged the Board to weigh that cost before taking further action. The Administrator also explained that staff has called all tenants with outstanding balances. Ryan and Reed was included in those calls and promised that the January 2014 payment would be mailed.*

ATTORNEY'S REPORT

*a) Acme Recycling Industries, LLC - Mr. Coover reported that the situation with Acme did not seem to be improving. The lawsuit by BMO Harris against Acme based on Notes executed back in 2007-2011 is progressing. A Notice for Trial has been issued to file a Motion for Judgment against Acme. BMO is also seeking recovery and possession of all of Acme's assets which were pledged as collateral in 2007. Mr. Coover is filing a Motion to Intervene in the coming week and will attempt to work out some arrangement to protect SCOPA's interest in this matter. Mr. Coover also stated that once we become a party to the suit, a closed attorney-client Meeting might be necessary to further discuss in detail the prudent course of action for the Board in this matter. Otherwise, Mr. Coover confirmed he would report back on this issue at the next Board meeting.*

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*Mr. Miller inquired as to whether Acme was still operating to which the Administrator confirmed that, although closed for some time over the holidays, Acme was in fact still doing daily business. Mr. Kuhn inquired about the anticipated timeline. Mr. Coover stated it was usually dependent upon the ability to get on the Judge's busy calendar.*

ADMINISTRATOR'S REPORT

*a) Resolution for Damon Chase – The Administrator asked that the Resolution recognizing Damon Chase's contributions to the SCOPA Board be added to the written minutes of the January 15, 2014, Board meeting with the official plaque thereof subsequently mailed to Mr. Chase.*

*b) CCNA Selection Committee – The Administrator requested that, due to the recent Board appointment changes, the Board appoint Taylor Pancake's replacement on the CCNA Selection Committee approved at last month's Board meeting. Mr. Coover explained that the SCOPA Purchasing Policy states that the Administrator, as a one man committee, should interview and make the recommendation of qualified consultants to present to the Board. Mr. Coover further explained that last month's appointment of a three person CCNA Selection Committee was a slight deviation from the Purchasing Policy and recommended that the Board authorize the Chairman to appoint a committee of three to handle the CCNA evaluations. Commissioner Carey clarified that any project over \$250,000.00 must be put out to bid rather than use the CCNA process. The Administrator agreed and confirmed that the CCNA presently requested was for smaller SCOPA projects under that threshold. Commissioner Carey also recommended that the scope of local preference encompass Central Florida, not just Seminole County. She explained that historically the Central Florida scope that most agencies have adopted prevents other municipalities from excluding our Seminole County contractors out of their local preference and is in the best economic interest of Seminole County businesses.*

**MOTION WAS MADE BY BRENDA CAREY, SECONDED BY CLIFF MILLER TO ALLOW THE CHAIRMAN TO APPOINT A THREE PERSON COMMITTEE TO HANDLE THE INITIAL CCNA EVALUATIONS TO MAKE RECOMMENDATIONS TO THE BOARD, AS DISCUSSED.**

**MOTION CARRIED UNANIMOUSLY.**

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Dana McBroom then inquired as to who the Administrator would recommend be Taylor Pancake's replacement to the CCNA Selection Committee. The Administrator confirmed that he would appreciate Dana McBroom, for her accounting knowledge, and Matthew T. Brown, for his construction knowledge, to remain as previously appointed on the CCNA Selection Committee in conjunction to himself and one other Director. William Poe volunteered as the third member of the CCNA Selection Committee. Mr. Coover noted that the Motion just passed did not allow for the Administrator to vote on the CCNA Selection Committee. After some discussion, the Administrator requested that the Motion be amended as his initial intent with regards to the CCNA Selection Committee was to allow three members of the Board to join him in making the Consultant recommendation. He further reiterated that the current SCOPA Purchasing Policy allows for the Administrator to act as a one man committee in such recommendations.

**THE PREVIOUS MOTION WAS AMENDED BY BRENDA CAREY, SECONDED BY MATTHEW T. BROWN TO ALLOW THE CHAIRMAN TO APPOINT A FOUR PERSON COMMITTEE, WHICH WILL INCLUDE THE ADMINISTRATOR, TO HANDLE THE INITIAL CCNA EVALUATIONS TO MAKE RECOMMENDATIONS TO THE BOARD, AS DISCUSSED.**

**MOTION CARRIED UNANIMOUSLY.**

Dana McBroom then clarified that the four person CCNA Selection Committee would be comprised of Andrew Van Gaale, Matthew T. Brown, William Poe, and Dana McBroom.

OLD BUSINESS

Mr. Coover then asked to revisit the Leasing Policy questions that arose in the December 2013 Board meeting. He explained that the current SCOPA Leasing Policy states, "a prospective or renewal tenant whose annual obligation to SCOPA does or will exceed \$100,000.00 shall provide access to all entity financial records as may be reasonably required by the Administrator. The financial records shall demonstrate financial strength sufficient to support the rent obligation to SCOPA. A renewal tenant who has not had a lease default for the preceding twelve (12) months shall be exempt from this financial record review requirement. Any existing tenant seeking a renewal or seeking to expand its' leasehold area shall be subject to such financial record review as the Administrator deems reasonably necessary (including credit report). Any existing tenant who has not been in lease default for the preceding twelve (12) months shall be exempt from this financial record review requirement." Mr. Coover further explained that the Administrator shall do a financial review of a renewal tenant to the extent he deems necessary within the Leasing Policy guidelines.

Mr. Van Gaale stated that Ocean State was the tenant in question and they are current; however, the principal is out of the country at this time. The Administrator stated he intends to bring that Lease back to the Board next month after having time to personally speak to Mr. Wendt. He further stated that he supports the current Leasing Policy's case-by-case approach and the review of financials as outlined. After some discussion, the Board agreed to maintain the

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*current Leasing Policy with the Administrator reviewing financials and reporting to the Board on any Lease renewals in which the tenant is already in default.*

NEW BUSINESS

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

- 1. Lease Renewal - Bryan Riesbeck, 1962 Dolgner Place, beginning February 1, 2014 through January 31, 2015 (1 year), with a 5% rate increase to the budgeted monthly rate of \$882/mo. (1,500 s.f. warehouse @ \$7.06/s.f.).*
- 2. Lease Renewal - Lentec Machining, Inc., 1563 Dolgner Place, beginning February 1, 2014 through January 31, 2015 (1 year), at a budgeted monthly rate of \$725/mo. (2,000 s.f. warehouse @ \$4.35/s.f.). Personal Guarantee.*
- 3. Lease Renewal - Mid-Continent Energy Co., Inc., 1510 Kastner Place, Suite 1, beginning February 1, 2014 through January 31, 2015 (1 year), at a budgeted monthly rate of \$413/mo. (234 s.f. office @ \$20.18/s.f.). Personal Guarantee.*
- 4. Lease Renewal - R.C. Cabinets, Inc., 4421 Schilke Way, Suite 108, beginning on February 1, 2014 through January 31, 2015 (1 year) with a 5% rate increase to the budgeted monthly rate of \$891/mo. (1,928 s.f. warehouse, 72 s.f. office @ a blended rate of \$5.35/s.f.). Personal Guarantee.*
- 5. Lease Renewal - Southern Aquatic Management, Inc., 1980 Dolgner Place, Suite 1048, beginning February 1, 2014 through January 31, 2015, with a 5% rate increase to the budgeted monthly rate of \$ 909/mo. (1,212 s.f. warehouse, 288 s.f. office @ blended rate of \$7.27/s.f.). Personal Guarantee.*
- 6. Lease Termination - CFLSS, Inc., 1543 Dolgner Place, one year lease at a budgeted monthly rate of \$800/mo., terminating on January 31, 2014. (2,000 s.f. warehouse @ \$4.80/s.f.). Moving to 1509 Dolgner Place.*
- 7. New Lease - CFLSS, Inc., 1509 Dolgner Place, commencing on February 1, 2014 through January 31, 2015, at a monthly rate of \$800.00/mo. (1,500 s. f. warehouse, 500 s.f. office @ a blended rate of \$4.80/ s.f.). Personal Guarantee.*

*The Administrator reviewed the list of Leases explaining that unfortunately Mid-Continent Energy (item 3) has decided not to renew. The Administrator noted that Richard Coomes, of R.C. Cabinets, Inc., (item 4) has written a letter requesting the Board waive his scheduled 5% rate increase. However, due to the four years time lapse since their last increase, the Administrator recommended following SCOPA Leasing Policy and including the normal rate increase for R.C. Cabinets. Finally, CFLSS, Inc., desires to move from 1543 Dolgner Place to*

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*1509 Dolgner Place with both units being the same size and at the same rental rate. Therefore, the Administrator requested that the Board terminate the 1543 Dolgner Place Lease and approve the new Lease for 1509 Dolgner Place (item 6 & 7).*

***MOTION WAS MADE BY WILLIAM POE, SECONDED BY KYLE KILGER TO APPROVE THE LIST OF LEASES, WITH THE EXCEPTION OF MID-CONTINENT ENERGY, INC. (ITEM 3), AS PRESENTED.***

***MOTION CARRIED UNANIMOUSLY.***

*Mr. Brown then requested to add to next month's Agenda the discussion of a feasibility study on a possible convention hall to be included in the future development of the Port. He further suggested that it behooved the public that the Board looks at the best use of the water front properties and the views that the Marina provides. After some discussion regarding the cost of operation, zoning, and parking it was agreed that the topic would be added to next month's Board meeting Agenda for further discussion.*

*There being no further business, the meeting was adjourned at 4:59 p.m. by Chairman McBroom.*

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*Dana McBroom, Chairman*

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*Matthew T. Brown, Secretary*