

**SEMINOLE COUNTY PORT AUTHORITY
MINUTES OF THE REGULAR BOARD MEETING
SEPTEMBER 21, 2016**

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 September 21, 2016.

Chairman Michael McLean called the meeting to order at 4:00 p.m. with the following Directors constituting a quorum: Michael McLean, Chairman; Cliff Miller, Vice-Chairman; Dana McBroom, Treasurer; William H. Poe, Secretary; Thomas Kuhn, Member; Michael Bowdoin, Member; and Carlton Henley, BCC Member.

Staff present: Andrew Van Gaale, Administrator; and Jennifer Sykes, Administrative Assistant.

Others present: Stephen H. Coover, SCOPA Attorney, Jeremy Morton of CPH, Inc.

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

The Chairman asked for corrections or additions to the minutes of the August 17, 2016, Board Meeting.

MOTION WAS MADE BY WILLIAM POE, SECONDED BY THOMAS KUHN TO APPROVE THE MINUTES OF THE AUGUST 17, 2016, BOARD MEETING AS PRESENTED.

MOTION CARRIED UNANIMOUSLY.

The Balance Sheet and Budget Statement for the month of August 2016 and year-to-date were presented to the Board. The revenues for the month were over budget by \$30,137 and over budget in the amount of \$213,954 for the year. Expenditures for the month were over budget by \$11,765, but still under budget in the amount of \$449,425 for the year. The Administrator reported the year to date profit at \$903,448 or 48.5%. The occupancy remained stable at 95.7%. The Administrator also stated that the annual audit was scheduled for early October. There were no questions on the August 2016 Financial Statements.

MOTION WAS MADE BY DANA MCBROOM, SECONDED BY MICHAEL BOWDOIN TO APPROVE THE AUGUST 2016 FINANCIAL STATEMENTS, AS PRESENTED.

MOTION CARRIED UNANIMOUSLY.

The Administrator presented the Outstanding Bills to the Board for discussion and approval. He explained that item #7, the \$300,000.00 payment to the Seminole

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County General Fund, represents the budget approved surplus fund contribution for fiscal year 2015/2016. Item #9, the \$11,087.75 payment to CPH, Inc., represents progress payments on the master drainage plans and the 1490 Kastner build out. Item #20, the \$6,467.75 payment to DH Pace Company, represents overhead door replacements and repairs. Items #30, 31 and 32 are payments to Morton Construction, Inc., for progress payments on the 1490 Kastner Place office build out. Cliff Miller inquired about item #15, the \$4,138.14 payment to Roger Pinkerton, asking what extra work was done during the past month. The Administrator explained that on top of the normal maintenance items, Platinum Granite has left the Port and Mr. Pinkerton has been working on cleaning out the now empty double unit. Jennifer Sykes also noted that the check included five weeks rather than four. No other questions on the Outstanding Bills were presented.

MOTION WAS MADE BY THOMAS KUHN, SECONDED BY CLIFF MILLER TO APPROVE THE BILLS FOR PAYMENT AND THE SURPLUS FUND CONTRIBUTION, 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 there was no activity on the balances of Acme Recycling Industries, LLC. He explained that ARI Electronics, LLC, has no outstanding balances. He noted that, Ocean State Event Services, Inc., presently owe two months' rent. The Administrator further explained that Ocean State is a long time tenant that is historically slow during the summer months and he would like to continue working with them. The Administrator explained that Thomas Companies, Inc., was downsized a few months ago and is consistently paying down their outstanding balance. There were no questions on the Aged Receivables.

ATTORNEY'S REPORT

a) Acme Recycling Industries, LLC – Mr. Coover explained that in February when he contacted the bankruptcy attorney they said they were waiting to sell another asset. He stated that he recently followed up again and was told that the Trustee was waiting until a 2015 IRS tax audit was completed. Mr. Coover explained that a tax liability would be a priority claim and, while our claim is also a priority claim, an IRS claim trumps it. He stated that they did not give him any kind of timetable. Dana McBroom asked if Mr. Coover knew what they were being audited for. Mr. Coover responded that he did not but that if Dana McBroom would like to draft a letter he would be happy send it to the Trustee and inquire further. Mr. Coover stated that he had nothing else to report.

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ADMINISTRATOR'S REPORT

a) Task Order #1-Master Drainage Plan update – The Administrator invited Jeremy Morton from CPH to update the Board on the status of the drainage project. Mr. Morton reported that the specs are complete, the plans are ready and they are hoping to go to bid next month. Seminole County is looking into making improvements to Orange Boulevard. Mr. Morton explained that he has spoken with them and that it is going to be a fairly large project that is a few years out. He has sent them our plans so that the County has them for their study, but it does not look like it will affect the Port. The Administrator also met with Public Works regarding the Orange Boulevard improvements. Mr. Van Gaale explained that he was encouraging them to take the drainage underground, trying to get bike lanes, sidewalks and a trail spur. Mr. Van Gaale also explained that he wants to make a 3-way and a 4-way stop at each of the Schilke Way intersections to slow people down within the Port.

b) Task Order #3-Driveway Improvements – The Administrator explained that 1511 and 1515 Kastner Place share a drive and parking lot. The existing layout does not work well with the volume of tankers and semi trucks servicing Water Specialists on top of RESSI's employees. CPH, Inc., has proposed a \$7,500.00 task order to design and spec the needed modifications. Mr. Morton stated that there would be a little drainage modification, but mostly it would consist of straightening out the curvy entryway. The Administrator asked for Board approval of Task Order #3 to CPH, Inc.

MOTION WAS MADE BY DANA MCBROOM, SECONDED BY WILLIAM POE TO APPROVE TASK ORDER #3 TO CPH, INC. IN THE AMOUNT OF \$7,500.00 FOR THE DESIGN OF DRIVEWAY IMPROVEMENTS FOR 1511 & 1515 KASTNER PLACE.

MOTION CARRIED UNANIMOUSLY.

Dana McBroom presented a follow-up question regarding the drainage plans. Mrs. McBroom inquired if the County gave any verbal confirmation that anything they do will affect what SCOPA is planning. Mr. Morton replied that they are in the early stages of planning. For example, he explained that they were not even aware of some of the existing pipes, but said they would keep us posted. Mr. Morton explained that they cannot send any more water onto the Port property than they already do.

The Administrator asked what the timing would be on remaining stages of phase 1 drainage. Mr. Morton explained that they would be advertising the bid for thirty days, followed by bid approval, contract and they are hoping to start construction in January. There were no other questions presented.

OLD BUSINESS

There was no old business to be presented.

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NEW BUSINESS

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

1. Lease Renewal – Amerigas Propane, L.P.; 4350 Carraway Place; 1 year Lease; lease term Nov. 1, 2016 through Oct. 31, 2017; with a 5% rate increase to \$141.12/month. (0.127 acre lot @ a rate of \$13,334.17/ac./yr.).
2. Lease Renewal – B&N Fabricating, Inc., 1535 Dolgner Place; 1 year Lease; lease term Oct. 1, 2016 through Sept. 30, 2017; with a 5% rate increase to \$735.00/month. (2,000 sq. ft. warehouse @ a rate of \$4.41/sq.ft./yr.) Personal guarantee.
3. Lease Renewal – Freeport Fountains, LLC; 1471 Kastner Place, Suite 121; 1 year Lease; lease term Oct. 1, 2016 through Sept. 30, 2017; at the budgeted rate of \$731.85/month. (2,000 sq. ft. warehouse @ a rate of \$4.39/sq.ft./yr.) Personal guarantee.
4. Lease Renewal – Freeport Fountains, LLC; 1510 Kastner Place, Suite 3; 1 year Lease; lease term Oct. 1, 2016 through Sept. 30, 2017; at the budgeted rate of \$1,684.00/month. (1,375 sq. ft. office @ a rate of \$15.43/sq.ft./yr.) Personal guarantee.
5. Lease Renewal – Don Hachenberger; 1451 Kastner Place, Suite 113-125; 1 year Lease; lease term Oct. 1, 2016 through Sept. 30, 2017; with a 5% rate increase to \$2,730.00/month. (8,000 sq.ft. warehouse, plus lot @ a blended rate of \$4.10/sq.ft./yr.)
6. Lease Renewal – Legacy Glass & Supply, Inc.; 1980 Dolgner Place, Suite 1060; 1 year Lease; lease term Oct. 1, 2016 through Sept. 30, 2017; at the budgeted rate of \$1,470.00/month. (2,712 sq.ft. warehouse with 288 sq. ft. office @ a blended rate of \$5.88/sq.ft./yr.) Personal guarantee.
7. Lease Renewal – Legacy Glass & Supply, Inc.; 1980 Dolgner Place, Suite 1052; 1 year Lease; lease term Oct. 1, 2016 through Sept. 30, 2017; with a 5% rate increase to \$813.75/month. (1,500 sq.ft. warehouse @ \$6.51/sq.ft./yr.) Personal guarantee.
8. Lease Renewal – United Coachworks, Inc. d/b/a Millennium Luxury Coaches; 5 year Lease; lease term Oct. 1, 2016 through Sept. 30, 2021; with a 5% increase to \$22,050.00/month. (90,496 sq.ft. office/warehouse @ a blended rate of \$2.92/sq.ft./yr.) Personal guarantee.

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9. Lease Renewal – Radios OEM, Inc.; 1470 Kastner Place, Suite 108; 1 year Lease; lease term Oct. 1, 2016 through Sept. 30, 2017; at the budgeted rate of \$892.50/month. (1,500 sq.ft. warehouse/office @ a blended rate of \$7.14/sq.ft./yr.) Personal guarantee.
10. Lease Renewal – Seminole State College; 1433-1453 Dolgner Place; 1 year Lease; lease term Oct. 1, 2016 through Sept. 30, 2017; at the budgeted rate of \$3,280.00/month. (10,500 sq. ft. offices @ a blended rate of \$3.75/sq.ft./yr.)
11. Lease Renewal – Kurt Shirley; 1470 Kastner Place, Suite 120; 1 year Lease; lease term Oct. 1, 2016 through Sept. 30, 2017; with a 60 day termination clause; at the budgeted 5% rate increase to \$839.00/month. (1,500 sq. ft. warehouse @ a rate of \$6.71/sq.ft./yr.)
12. Lease Renewal – Ultimate Woodworks, Inc.; 1551 & 1555 Dolgner Place; 1 year Lease; lease term Oct. 1, 2016 through Sept. 30, 2017; with a 5% rate increase to \$1,597.52/month. (4,000 sq.ft. warehouse @ \$4.79/sq.ft./yr.) Personal guarantee.

The Administrator reviewed the list of Leases explaining that all of the leases were standard with the exception of item # 8, the five year flat lease with United Coachworks, Inc. Chairman McLean stated that while we normally have increases every two years, to lock them into a five year lease was worthwhile. The Administrator explained that it was also a triple net lease. Dana McBroom inquired if they gave any reason because usually stays in rent are approved due to hardship and it was her understanding that they were doing well. The Administrator stated that he invited them here to present their case. He also explained that it is a large 90,496 square foot facility requiring a lot more maintenance than the Port's more common leaseholds and the insurance cost is substantial. Chairman McLean stated that there probably were not that many tenants who could come in and takeover such a large lease.

Cliff Miller asked if the sixty day termination clause on item #8 was new. The Administrator responded that it was not. There were no additional questions.

MOTION WAS MADE BY CLIFF MILLER, SECONDED BY WILLIAM POE TO APPROVE THE LIST OF LEASES AS PRESENTED.

MOTION CARRIED UNANIMOUSLY.

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b) Election of Officers for FY 2016/2017—Committee Chairman Michael McLean presented the following nominations for Office for the 2016/2017 fiscal year:

CLIFF MILLER - CHAIRMAN
MICHAEL MCLEAN - VICE-CHAIRMAN
DANA MCBROOM – TREASURER
MICHAEL BOWDOIN – SECRETARY

MOTION WAS MADE BY WILLIAM POE, SECONDED BY THOMAS KUHN TO ACCEPT THE FOLLOWING SLATE OF OFFICERS FOR THE 2016/2017 FISCAL YEAR:

**CLIFF MILLER - CHAIRMAN
MICHAEL MCLEAN - VICE-CHAIRMAN
DANA MCBROOM – TREASURER
MICHAEL BOWDOIN – SECRETARY**

MOTION CARRIED UNANIMOUSLY.

There being no further business, the meeting was adjourned at 4:34 p.m. by Chairman McLean.

Cliff Miller, Chairman

Michael Bowdoin, Secretary