

**SEMINOLE COUNTY PORT AUTHORITY
MINUTES OF THE REGULAR BOARD MEETING
MARCH 15, 2017**

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 15, 2017.

Vice-Chairman Michael McLean called the meeting to order at 4:05 p.m. with the following Directors constituting a quorum: Michael McLean, Vice-Chairman; Michael Bowdoin, Secretary; Matthew Criswell, Member; Thomas Kuhn, Member; and Michael Caraway, Member.

Members Absent: Cliff Miller, Chairman; Dana McBroom, Treasurer; Kyle Kilger, Member; and Carlton Henley, BCC Member.

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

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

The invocation was given by Michael McLean followed by the pledge to the Flag.

Vice-Chairman McLean welcomed Mr. Morton and asked the Board for corrections or additions to the minutes of the February 15, 2017, meeting. None were presented.

MOTION WAS MADE BY THOMAS KUHN, SECONDED BY MICHAEL BOWDOIN TO APPROVE THE MINUTES OF THE FEBRUARY 15, 2017, BOARD MEETING AS PRESENTED.

MOTION CARRIED UNANIMOUSLY.

The Administrator presented the Balance Sheet and Budget Statement for the month of February 2017, and year-to-date, to the Board. The revenues were over budget by \$56,763 for the month and \$123,878 for the year-to-date. The Administrator explained that a check was received from the Trustee in the Acme Recycling Industries, LLC, bankruptcy. Jennifer Sykes confirmed that SCOPA received \$3,118.79 towards SCOPA's claim for rents in the bankruptcy and \$22,434.05 in administrative rents. The Administrator reminded the Board that the remaining administrative rents were designated by the Trustee to be the responsibility of ARI Electronics, LLC, who was occupying that portion of the leasehold. Those administrative rents amounts have been included in ARI's current lease. The Administrator suggested postponing the discussion of writing off the remaining Acme Recycling debt until the April Meeting.

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Matthew Criswell inquired about the higher than budgeted revenues even with the \$25,000 received in the Acme matter. The Administrator explained that our occupancy has remained consistently above 95% this fiscal year. However, due to the high concentration of recreational industries here at the Port, including the boat and marina industries along with high end motor coaches, the SCOPA annual budget includes a 15% contingency for vacancy.

The Administrator explained that operational expenditures for the month were under budget by \$189,505, leaving the year-to-date expenses under budget by \$475,582. He further reported a year-to-date profit of \$326,154 or 37.1%. The Administrator stated that when budgeting for this year, it was anticipated that phase I of the stormwater improvements would be further underway by this time. However, he would be discussing a contract with the low bidder later in the meeting. The Administrator pointed out that occupancy remained strong at 98.9%.

MOTION WAS MADE BY MICHAEL BOWDOIN, SECONDED BY MATTHEW CRISWELL TO APPROVE THE FINANCIAL STATEMENTS AS PRESENTED FOR FEBRUARY 2017.

MOTION CARRIED UNANIMOUSLY.

The Administrator presented the Outstanding Bills to the Board for discussion and approval. He noted that the expenditures were light, consisting of the normal bills and a few maintenance items. The Administrator explained that item #8, the \$4,576.00 payment to Greene, Dycus & Co., P.A., represented the final draw on the audit and GASB68 work performed for the 2015/2016 financial statements. Item # 25, the \$36,031.52 payment to McKee Construction, Co., represents a 60% draw on the contracted roof-over at 1520 Kastner Place. The Administrator explained that the April 1st payables were the standard bills presented each month. He asked the Board to review the list and invited questions. There were no questions regarding the Outstanding Bills presented for payment.

MOTION WAS MADE BY MICHAEL BOWDOIN, SECONDED BY MATTHEW CRISWELL TO APPROVE THE BILLS FOR PAYMENT. THE LIST OF BILLS APPROVED TO BE PAID IS ATTACHED AND MADE A PART OF THESE MINUTES.

MOTION CARRIED UNANIMOUSLY.

The Administrator presented the Aged Receivables List to the Board for review explaining that the money received from the Trustee in the Acme Recycling bankruptcy was applied as previously stated and he recommended discussing the write off the remaining Acme Recycling debt next month. He stated that ARI Electronics made a \$5,000 payment today and Pure Comfort has promised a check next week. Harry Timmons, Fitness Equipment Resources and Thomas Companies are current. The

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Administrator explained that the principle of GS Plant Foods provided a letter of intent to pay and was in the office yesterday promising a \$1,500 check on March 22nd. The Administrator invited the Board to read the letter provided, stating that he believed GS Plant Foods was going to pull out of debt. There were no questions on the aged receivables.

ATTORNEY'S REPORT

Mr. Coover stated that he had nothing to present to the Board.

ADMINISTRATOR'S REPORT

a) Project Updates - The Administrator introduced Jeremy Morton with the consulting engineering firm of CPH, Inc., stating that the Phase I Stormwater Improvement plans went out to bid. Jeremy Morton explained that the bid opening was held on February 27th with three respondents. The bids were evaluated with Lee Crest, LLC, being the low bidder. Mr. Morton explained that Lee Crest is a local firm that used to have an office here at the Port. They have been in business since 2009, seem to have a good track record and their employees previously worked with other firms and have more than twenty years experience. Mr. Morton explained that the engineer's estimate was \$850,000 with Lee Crest coming in at \$786,961.70. Michael McLean inquired about the gap between the two lowest bidders. Jeremy Morton proceeded to explain that the third company, with a considerably higher bid, is based out of Miami and actually did not recognize the addendum making their bid incomplete. Jeremy Morton stated that it was a unit price bid and the unit prices were fairly consistent with the engineer estimate. He explained that it appears to be more of a difference in mark up than anything else. Michael McLean asked if Jeremy Morton had experience working with Lee Crest on any previous jobs. Jeremy Morton replied that he did not, but the owner and project managers of Lee Crest used to work for firms that CPH has worked with on prior jobs. He went on to explain that Lee Crest's references all checked out as well as the additional information on their experience that they submitted in response to CPH's request. Mr. Morton also noted for the record that the second lowest bidder is a company out of Melbourne where as Lee Crest is locally based. He also stated that his contact with the Briar Corporation stated that Lee Crest is who they recommend for work that they can't do. After further discussion, SCOPA attorney, Steve Coover, stated that the Board's job was to award the bid to the lowest responsible bidder. Jeremy Morton explained that Lee Crest would have fourteen days from the Notice of Award to procure the required performance bond.

The Administrator explained that he has requested CPH, Inc., to present a proposal for the construction engineering and supervision of this project. Under such an agreement, CPH would perform site inspections throughout the construction and they have proposed to do so an amount not to exceed \$35,360. Michael McLean agreed that would be money well spent. Matthew Criswell also agreed stating that he felt if Lee

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Crest received the bid bond than they would not have an issue getting the performance bond. He explained that the bonding companies would run for a performance bond before issuing the bid bond because they are on the hook there as well.

MOTION WAS MADE BY MICHAEL BOWDOIN, SECONDED BY MATTHEW CRISWELL TO AWARD THE PHASE I STORMWATER IMPROVEMENTS CONTRACT TO THE LOWEST RESPONSIVE BIDDER, LEE CREST, LLC. IF FOR SOME REASON CONTRACT NEGOTIATIONS WITH LEE CREST, LLC, FAIL THE AWARD WILL THEN GO TO THE NEXT LOWEST RESPONSIVE BIDDER.

MOTION CARRIED UNANIMOUSLY.

MOTION WAS MADE BY MICHAEL BOWDOIN, SECONDED BY MATTHEW CRISWELL TO APPROVE THE EXTRA WORK AUTHORIZATION TO CPH, INC., FOR CONSTRUCTION ENGINEERING INSPECTION SERVICES FOR THE PHASE I STORMWATER IMPROVEMENT PROJECT NOT TO EXCEED AN AMOUNT OF \$35,360.00.

MOTION CARRIED UNANIMOUSLY.

OLD BUSINESS

a) Personnel Manual Update – *The Administrator referred to Memorandum # 2269 and asked the Members present to read through the information presented within. Matthew Criswell stated that he had worked with Mr. Van Gaale on the proposed amendment. The Administrator explained that the Board has talked for many years about making personnel changes at a time other than during budgeting. He explained that the proposed manual update was a vehicle to create another position within our organization. The Administrator clarified that it was not the intent of this change to add another member to the staff, but rather to allow another classification that more fully recognizes the requirements of this office in present day. Creating the position does not mean that it would be filled immediately, but rather budgeted for to allow for the current Administrative Assistant to move into a classification which more accurately reflects her duties, experience and education. Matthew Criswell interjected that he did not perceive it as creating a new position, but rather recognizing the position that was already in place even though it was not outlined in the personnel manual created in 1976 and last updated in 1985.*

The Administrator stated that the current Administrative Assistant is highly qualified, timely, stays late, fills in when he's out and has done an exemplary job. He explained he would like her to have a classification that more accurately fits the skills that the present day market demands of this four million dollar operation. The Administrator went on to explain that the receivables are very low and that the Board is

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aware of how well the business is run and that Jennifer Sykes is a large part of that success. He stated that this policy amendment created a way to recognize talent, have an option for a position that is more skilled, and an avenue for retention. The Administrator explained that he would like to administratively give a promotion, but needs a classification to promote to because presently there is nothing between the Assistant and Administrator positions. He went on to explain that he was looking at a 10% increase for next year if this were to go in place which is why he has included the proposed pay bands.

The Administrator referred to the memo attachments explaining that he proposes to replace pages 47 and 48 of the personnel manual. The prior version includes redundant positions that will not be needed here at the Port and he recommended streamlining the classifications to eliminate the duplicate maintenance man and secretary/bookkeeper positions. He explained that the proposed pay bands were translated directly from what is used by the Seminole County Board of County Commissioners. The Administrator explained that the proposed classifications gave flexibility allowing for the evolving needs of the Port. He stated that, as an example, if he retired and Jennifer Sykes were to assume the role of Administrator she would not need a Business Office Manager like herself, but would probably only require an Administrative Aide.

Thomas Kuhn stated he understood what the Board was trying to accomplish, but asked if the Board put something into motion today how easy was it to change a year from now if needed. The Administrator explained that the Personnel Policy was very straight forward with the expressed mission to allow for the promotion and retention of employees. He went on to state that the Board of Directors at any time can amend the personnel policies. The Administrator explained that the impact of the subsequent promotion would be minimal at just over seven thousand dollars a year and would occur after being included in the budget for the following year. Michael McLean thanked Matthew Criswell for his assistance in this matter. He went on to state that it is clear the personnel policies have not been addressed in quite some time, that the environment has changed and the skill set needs have changed. He suggested looking at it from an acquisition and retention point of view questioning who could the Board acquire and what would it take to get someone of Jennifer's caliber and keep them. Mr. McLean stated he felt it was a very reasonable cost and agreed with the idea of mimicking Seminole County's pay bands.

Matthew Criswell stated that after pouring over the numbers and looking at funds budgeted for a tradesman, there is sixty thousand that the Administrator plans to only use half of this year. He stated that the requirements of the Administrative Assistant position are minimal while the requirements of the proposed Business Office Manager position are what Jennifer already does. Mr. Criswell went on to clarify that the seven thousand dollars figure was inclusive of the taxes and retirement associated with the proposed increase. He explained that the idea is that hopefully Jennifer, or whoever is in her position, would eventually move into the Administrator's role. Then she could hire

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an Aide to work under her who would then also have room to grow. Michael McLean agreed reiterating that the Board can always readdress the issue at any time. Matthew Criswell explained that he asked the Administrator to clarify the pay band he intended which he did in the memo as the midpoint of D2 and that would not take effect until the next budget year.

MOTION WAS MADE BY MICHAEL CARAWAY, SECONDED BY MATTHEW CRISWELL TO APPROVE THE ADDITION OF THE NEW POSITION OF BUSINESS OFFICE MANAGER ALONG WITH AMENDING THE CURRENT PERSONNEL POLICY TO REPLACE PAGES 47 AND 48 WITH THE UPDATED CLASSIFICATION AND PAY BAND SCHEDULES.

MOTION CARRIED UNANIMOUSLY.

NEW BUSINESS

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

1. Lease Renewal – Executive Auto Connect, LLC; 1954 Dolgner Place; 1 year lease; lease term Apr. 1, 2017-Mar. 31, 2018; at the budgeted rate of \$840.00/month. (1,068 sq.ft. warehouse with 432 sq. ft. office @ a blended rate of \$6.72/sq.ft./yr.) Personal guarantee.
2. Lease Renewal – Monica Jenkins; 1980 Dolgner Place, Suite 1028; one year lease; lease term Apr. 1, 2017-Mar. 31, 2018; at the budgeted rate of \$875.00/month. (1,212 sq.ft. warehouse with 288 sq. ft. office @ a blended rate of \$7.00/sq.ft./yr.).
3. Lease Renewal – LaRue Steel, LLC; 4421 Schilke Way, Suites 100-104; one year lease; lease term Apr. 1, 2017-Mar. 31, 2018; with the budgeted 5% rate increase to \$1,575.00/month. (4,000 sq.ft. warehouse @ a rate of \$4.73/sq.ft./yr.) Personal guarantee.
4. Lease Renewal – Roger Pinkerton; 4419 Schilke Way; one year lease; lease term Apr. 1, 2017-Mar. 31, 2018; with the budgeted 5% rate increase to \$304.29/month. (0.40 acre m.o.l. @ a rate of \$9,128.70/ac./yr.)
5. Lease Renewal – Rampart Gun Works, Inc.; 1450 Kastner Place, Suite 104; 1 year lease; lease term Apr. 1, 2017-Mar. 31, 2018; at a rate of \$840.00/month (1,500 sq.ft. warehouse @ a rate of \$6.72/sq.ft./yr.) Personal guarantee.

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6. New Lease – Matthew Bauer; 1509 Dolgner Place; 1 year lease; lease term Apr. 1, 2017-Mar. 31, 2018; at a rate of \$800.00/month (1,500 sq.ft. warehouse @ a rate of \$6.40/sq.ft./yr.).

The Administrator reviewed the list of Leases recommending approval as presented. There were no questions on the leases.

MOTION WAS MADE BY MICHAEL BOWDOIN, SECONDED BY MICHAEL CARAWAY TO APPROVE THE LIST OF LEASES AS PRESENTED.

MOTION CARRIED UNANIMOUSLY.

The Administrator also noted that forms were provided to all board members for the annual Administrator Evaluation explaining that they were due to Mr. Coover's office by March 31st. He expressed his sincere appreciation to the Board.

There being no further business, the meeting was adjourned at 4:55 p.m. by Vice-Chairman McLean.

Cliff Miller, Chairman

Michael Bowdoin, Secretary