

**SEMINOLE COUNTY PORT AUTHORITY
MINUTES OF THE REGULAR BOARD MEETING
MAY 19, 2021**

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 May 19, 2021.

Chairman Matthew Criswell called the meeting to order at 4:04 p.m. with the following Directors constituting a quorum: Matthew Criswell, Chairman; Dana McBroom, Vice-Chairwoman; Cliff Miller, Treasurer; Michael Caraway, Member; Amy Guilfoyle, Member; and Bill Spivey, Member.

Members Absent: Susan Sherman, Secretary; Harry Ellis, Member; and Andria Herr, BCC Member.

Staff present: Andrew Van Gaale, Administrator; and Jennifer Sykes, Business Office Manager.

An invocation was given by Matthew Criswell followed by the Pledge of Allegiance.

Chairman Criswell opened the floor for corrections or additions to the minutes of the April 21, 2021, meeting. None were presented.

MOTION WAS MADE BY DANA MCBROOM, SECONDED BY CLIFF MILLER, TO APPROVE THE MINUTES OF THE APRIL 21, 2021, BOARD MEETING, AS PRESENTED.

MOTION CARRIED UNANIMOUSLY.

The Administrator presented the Balance Sheet and Budget Statement for the month of April 2021. The Administrator reported that revenues for the month of April 2021 were over budget by \$38,554 and the year-to-date revenues were over budget by \$179,971. Expenditures for the month of April 2021 were under budget by \$104,413. The Administrator noted for the board that the year-to-date expenditures are also under budget by \$406,034 and the year-to-date profit was 31.9%. Occupancy for April maintained at 99.2%. Chairman Criswell asked what factors are attributing to the high revenues. The Administrator explained that with low turnover, staff can better vet new tenants as well as maintain their diligent collection efforts. Cliff Miller asked when 1510 Kastner Place, Suite B, could be removed from the rolls. For the benefit of new members, the Administrator explained that within the SCOPA administration building there are two rooms that used to be rented out. However, due to security and other concerns, it will require a unique tenant. Mr. Miller stated that it should be removed from the rolls but rented if the right tenant is found. The Administrator explained that could be done during the 2021/2022 budget process. There were no other questions.

The Administrator presented the outstanding bills for May 19, 2021, along with the standard bills for June 1st, 2021. He noted item #14, The \$4,130.00 payment to Exact Plumbing, Inc., represents several repair calls. Item #19, the \$6,720.00 payment to Sunstate Awnings, Inc., represents payment to replace the awning covers at 1450 and 1470 Kastner Place. The Administrator explained that Sunstate had initially installed the awnings in 2008, which have held up very well, and will be installing new ones next week. The Administrator then noted the standard first of the month bills for June. There were no questions on the bills.

MOTION WAS MADE BY CLIFF MILLER, SECONDED BY DANA MCBROOM TO APPROVE THE BILLS, AS PRESENTED. 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. He explained that the principal of Rhoades Construction was also the principal of Southeast Custom Auto which is now closed. Thomas Companies has vacated the unit and left it in better-than-expected condition. The Administrator explained that the unit was getting cleaned and painted with a new tenant ready to occupy it starting June 1st. There were no questions on the aged receivables.

NEW BUSINESS

The Administrator explained that staff has prepared a draft budget for fiscal year 2021-2022 and requested to schedule the Budget Committee Meeting for the beginning of June. Discussion ensued. It was agreed that the Budget Committee would meet on June 1st at noon. Chairman Criswell volunteered to join the Budget Committee. Dana McBroom requested that staff email copies of the current year's budget to the committee members for review.

ADMINISTRATOR'S REPORT

Project Updates - The Administrator updated the board on the current redevelopment projects. Port engineer, CPH, is preparing a task order for the repaving of Schilke Way and Dolgner Place. It has been recommended that we do some core sampling. He explained that typically we would do a full-depth reclamation, however, it may not be necessary. There is some cracking and issues at the entranceways, therefore, it is prudent to see what is going on with the road base. The sampling will ensure accurate exhibits and specifications to bid a quality product. Chairman Criswell inquired if there was a preliminary number on the project. The Administrator explained that the CPH task order is for \$10,000 and the current budget includes \$150,000 for paving.

The Administrator informed the board that the survey for 1500 Dolgner Place redevelopment is complete with elevations and limitations. Staff recently met with the owner and operator of Millennium Luxury Coaches. He is interested in a 10,000-12,000 square foot facility with parking and storage on this site. There has also been interest from other existing tenants desiring to expand their operations. The Administrator explained that the guywires for the powerlines on the site will require some finesse during site design. Dana McBroom inquired if there was an opportunity to go underground with the power. The Administrator explained that the guywires being discussed were for the overhead transmission lines which are within the FPL easement and, therefore, will have to be worked around. He continued stating that you can use that area for parking if designed well.

OLD BUSINESS

The Administrator updated the board that he has met with Seminole County Code enforcement. First, he met with Vicki Hathaway regarding unpermitted structures and then with Officer Navarro regarding junk and debris. Unfortunately, structures built before 1983 are not in the current system whether permitted or not. Ms. Hathaway also explained that it was not unusual for many years within the County to allow unpermitted outbuildings and other miscellaneous structures on farms and industrial properties. Apparently in Booker Town, just across the way, there are a lot of unpermitted structures. They are classified as existing, legal, non-conforming uses which will have to be brought up to code if they decide to improve or expand upon them in the future. Officer Navarro oversees code enforcement of junk and debris. He agreed that the structures were legal, non-conforming uses and he stated that a fire within the records storage department in the 1980's destroyed almost all of the old records within the County building. Both Ms. Hathaway and Officer Navarro stated that currently if there is a violation, it is the landowner who is cited and held responsible. Officer Navarro explained that the County was starting a citation program for users rather than owners, as it currently stands. Unfortunately, the Covid Pandemic has delayed the implementation of that new citation program. He offered assistance in getting reduced disposal fees with the transfer station and suggest that an ECAP program may be able to help, as well as mosquito control has resources to assist with clean up. The Administrator explained that he contacted the new tenant, Mr. Smith II, requesting a site meeting to discuss getting the site cleaned up. Mr. Smith was cooperative, expressing a desire to clean up the site, and a meeting is scheduled for Saturday, May 29th, as he lives in Miami. Chairman Criswell inquired as to the remaining term of the Smith lease. Staff explained it was a five-year lease that renewed in November of 2019, with options to renew under like terms. The Administrator also explained that with the property being zoned MI2, medium industrial, the storage aspect is difficult to enforce. Bill Spivey inquired if a policy could be implemented at some point to restrict storage stating that cities and counties have restrictions. The Administrator explained that there are policies on hazardous materials, fire extinguishers, and the diesel mechanic has the proper containment area. He stated that the lease language states that leaseholds be kept in good condition, which

unfortunately is not very tangible. Chairman Criswell concurred that the Sanford Airport hangar leases are worded likewise.

Bill Spivey asked for clarification regarding the proposed fiscal year 2021/2022 budget package he received. The Administrator explained that the draft created by staff based off historical costs, with line-item explanations and estimates on predicted increases. Likewise, all revenues were detailed with line-items for every lease. The Administrator continued explaining that staff had worked to keep costs down, removing unnecessary items and including only a \$10,000 contingency for insurance claims. The last tab of the proposed budget includes a comparison between the current year and prior year along with the five-year capital improvement plan. Dana McBroom inquired if the Administrator had heard from the County regarding their expectations on the surplus fund transfer. The Administrator stated that he had not yet heard from the County, but that interestingly the County is getting \$92 million in CARES ACT money to help with general government and has already distributed \$32 million in PPP, rental assistance, and small business assistance programs. The Administrator explained that the Port was fortunate to not have a loss of income due to COVID and, therefore, does not qualify for CARES ACT grants. Whereas the County experienced a large loss of revenue with decreased tourist tax and sales tax revenue, along with parks and sports complexes closed, etc. The Administrator explained that the draft budget was a working document for the committee's use. The final budget is due to Seminole County prior to July 15th, therefore, should be approved by the Board at the June 16th meeting. The Administrator explained that the draft budget included a \$500,000 surplus fund transfer to the County general fund in September 2022, which has been the amount that the SCOPA Board has expressed as sustainable over the last several years. Bill Spivey inquired if that was on top of debt service. The Administrator explained that SCOPA has no debt. Mr. Spivey inquired about the surplus fund contribution on top of paying for the capital improvements. Dana McBroom explained that it would be outlined within the budget package and discussed at length in the budget committee meeting. The Administrator explained the Board has worked hard to create the necessary capital reserve fund allowing them to pay cash for improvement projects. Mr. Spivey explained that rates are so low, it might be beneficial to not use all the cash, when it could be borrowed, and the cost passed on to the tenants. Chairman Criswell stated those discussions could be held during committee once everyone has had a chance to review the proposed budget in detail.

LEASES

The Administrator presented the following list of Leases Agreements for approval:

1. Lease Addendum – Acme Industrial Surplus, LLC; 1461 Kastner Place, Suites 101 & 113; 1-year lease addendum; term Jun. 1, 2021 – May 30, 2022; with the budgeted 5%

rate increase to \$3,150.00/mo. (8,000 sq.ft. warehouse @ a rate of \$4.72/sq.ft./yr.)
Personal guarantee.

2. Lease Addendum – F4W Strike Team, Inc.; 1481 Kastner Place, Suite 101; 1-year lease addendum; term Jun. 1, 2021 – May 30, 2022; at the budgeted rate of \$1,389.15/mo. (1,400 sq.ft. warehouse, 1,100 sq.ft. office @ a blended rate of \$6.67/sq.ft./yr.) Personal guarantee.
3. Lease Addendum – Florida Sealcoating, LLC; 1511 Kastner Place Lot; 1-year lease addendum; term Jun. 1, 2021 – May 30, 2022; at the budgeted rate of \$900.00/mo. (0.40 acres MOL @ a rate of \$27,000/ac./yr.) Personal guarantee.
4. Lease Addendum – Freeport Fountains, LLC; 1450 Kastner Place, Suite 120; 1-year lease addendum; term Jun. 1, 2021 – May 30, 2022; at the budgeted rate of \$606.38/mo. (1,212 sq.ft. warehouse w/ 288 sq.ft. office @ \$4.85/sq.ft./yr.) Personal guarantee.
5. Lease Addendum – J. Dalton Enterprises, Inc.; 1980 Dolgner Place, Suite 1000; 1-year lease addendum; term Jun. 1, 2021 – May 30, 2022; with the budgeted 5% rate increase to \$1,914.42/mo. (2,181 sq. ft. warehouse w/ 819 sq.ft. office @ a blended rate of \$7.65/sq.ft./yr.) Personal guarantee.
6. Lease Addendum – Kevin B. Hays Fire Consulting, LLC; 1470 Kastner Place, Suite 112 & 116; 1-year lease addendum; term Jun. 1, 2021 – May 30, 2022; with the budgeted 5% rate increase to \$1,701.71/mo. (2,907 sq.ft. warehouse @ a rate of \$7.02/sq.ft./yr.) Personal guarantee.
7. Lease Addendum – Transmission Specialties & Auto Repair 1, LLC; 1521 Dolgner Place; 1-year lease addendum; term Jun. 1, 2021 – May 30, 2022; with the budgeted 5% rate increase to \$972.41/mo. (2,000 sq.ft. warehouse @ a rate of \$5.83/sq.ft./yr.) Personal guarantee.
8. New Lease – Aqua Cops Water Systems, Inc.; 1980 Dolgner Place, Suite 1032; 1-year Lease; lease terms Jun. 1, 2021 – May 31, 2022; at the budgeted rate of \$1,000.00/month (1,500 sq.ft. warehouse @ a rate of \$8.00/sq.ft./yr.) Personal guarantee.

MOTION WAS MADE BY DANA MCBROOM, SECONDED BY TO CLIFF MILLER TO APPROVE ALL THE LEASE AGREEMENTS, AS PRESENTED.

Chairman Criswell inquired if lease #7, Transmission Specialties, was the last automotive lease within the Port. The Administrator explained that there were still four other automotive businesses within the Port, but they are fairly clean and staying contained within their individual footprints. There were no other questions on the leases.

MOTION CARRIED UNANIMOUSLY.

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There being no further business, the meeting was adjourned at 4:45 p.m. by Chairman Criswell.

Matthew Criswell, Chairman

Susan Sherman, Secretary