

**SEMINOLE COUNTY PORT AUTHORITY
MINUTES OF THE REGULAR BOARD MEETING
FEBRUARY 16, 2022**

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 February 16, 2022.

Chairwoman Dana McBroom called the meeting to order at 4:01 p.m. with the following Directors constituting a quorum: Dana McBroom, Chairwoman; Bill Spivey, Secretary; Michael Caraway, Treasurer; Matthew Criswell, Member; Cliff Miller, Member; Amy Guilfoyle, Member; and Andria Herr, BCC Member.

Members Absent: Susan Sherman, Member; and Harry Ellis, Member.

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

Also, present: Rob Kimelman and Matthew Frank, Greene, Dycus & Co., P.A.

An invocation was given by Cliff Miller followed by the pledge to the Flag.

The Chair opened the floor for corrections or additions to the minutes of the January 19, 2022, meeting.

MOTION WAS MADE BY MATTHEW CRISWELL, SECONDED BY COMMISSIONER HERR TO APPROVE THE MINUTES OF THE JANUARY 19, 2022, BOARD MEETING, AS PRESENTED.

MOTION CARRIED UNANIMOUSLY.

The Administrator presented the Balance Sheet and Budget Statement for the month of January 2022. The Administrator reported that revenues for January were over budget by \$27,114 and over budget by \$99,283 for the year-to-date. Expenditures for January were under budget by \$151,318 and remain underbudget by \$474,129 for the year-to-date. The Administrator reported that the occupancy for January maintained at 99.9%. There were no questions or comments on the January 2022 financial statements.

The Administrator presented the Outstanding Bills list for February 16th and March 1st. He explained that item #6, the \$10,774.63 payment to CPH, Inc., represents payment on 1500 Dolgner Place redevelopment. Item #9, the \$1,100.00 payment to Peter Stone, represents cleaning services. Item #18, the \$13,545.07 payment to Brightview Landscape Services, represents tree trimming, irrigation repairs and new plants at 1510 Kastner. The Administrator explained that Items #20 and 21, the \$1,350.00 payment to R.L. Surfacing Corp. and the \$2,625.00 payment to Syntech Group, represent payments for work done at 1980 Dolgner Place which is being released. Finally, he noted the standard first of the

month bills for March. Cliff Miller inquired about how the needed landscaping and irrigation repairs were identified. The Administrator explained that he received a detailed inspection report with photographs and estimates for approval from Brightview at his request. He further clarified that a lot of the work has line-item costs agreed upon in the maintenance contract. There were no other questions or comments about the bills to be paid.

MOTION WAS MADE BY CLIFF MILLER, SECONDED BY BILL SPIVEY TO APPROVE THE FEBRUARY 16TH AND MARCH 1ST 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 explaining that all seven tenants listed were current only owing for February. He reported that B & N Fabricating and F4W owe small balances, Matthew Bauer has promised payment tomorrow, Driftwood Arts just paid their January bill, Meraki Business Enterprises is the new tenant whose lease is up for approval today, and Network Electric has been in contact and plans to have their balance cleared up before the end of the month. There were no questions on the aged receivables report.

ADMINISTRATOR'S REPORT

The Administrator requested volunteers for the attorney selection committee to begin planning for Mr. Coover's retirement especially as we approach budget preparation. The following board members volunteered to be part of the selection committee: Matthew Criswell, Dana McBroom, Bill Spivey, and Cliff Miller. It was agreed that a committee meeting would be scheduled and properly advertised.

The Administrator reported that the 1500 Dolgner Place redevelopment project engineer is no longer with CPH, and Irene Boyles has been assigned to the project. Ms. Boyles has worked with the Port on project in the past and has a lot of local experience. Currently Ms. Boyles is answering a list of questions for St. Johns Water Management District and the project is in Seminole County review. The Administrator explained that there are several old paper streets that appear on old plats of the property from the time before the development of the Port. There are also utility easement questions for the water and sewer line because of the private roads. Therefore, a boundary survey is required obtain control points that were not included in the topographical survey previously prepared. CPH is also working with the County on the proposed buildings regarding fire truck access radius and the uses. Also, Ms. Boyles is working with the County because the Port has not yet contracted with tenants, we do not have a designated usage. The sprinkler requirements are now based on usage and no longer solely based on size. Commissioner Herr inquired if buildings with sprinkler systems would bring a higher rent. The

Administrator replied that sprinklers might allow for different industry to operate out of the buildings but would not necessarily affect the rental rates. He reiterated that the goal of the site redevelopment was to allow for flexibility and a large target market.

The Administrator the reported that the Dolgner Place Paving project was out to bid with pre-bid meeting scheduled for February 28th and a bid opening scheduled for 2:00 pm on March 16th. He stated that he hopes to have a preliminary recommendation for approval at the March board meeting. The Administrator also confirmed that the bid is posted on Vendor Link.

The Administrator reported that Marinas, LLC has ordered aluminum dock replacements for A&B docks to be completed during the first quarter of 2022 before the summer boating season.

OLD BUSINESS

There was no old business presented.

NEW BUSINESS

FISCAL YEAR 2020/2021 AUDIT PRESENTATION

The Chair turned to floor over to Mr. Rob Kimelman with Greene, Dycus & Co., P.A., for the presentation of the final fiscal year 2020/2021 audited financial statements. Mr. Kimelman reminded the board that when he attended the November meeting, he explained that the audited financial statements were complete except for the GASB68 actuarial data from the Florida Retirement System. The report being presented includes the incremental difference that data makes to the financial statements. Mr. Kimelman directed the board's attention to page thirty of the auditor's report. He continued stating that the FRS hires independent actuaries to do an analysis of the retirement system. The system has thousands of employers participating with SCOPA being one of them, however, SCOPA has only two employees participating. Therefore, SCOPA has a very low fraction of a percentage of liability. He pointed out that in 2014 when the data started being reported to the agencies, the actuaries assigned SCOPA a net pension liability of \$63,980 and that has increased every year all the way up to \$439,614 in 2020. He noted that in 2021 the actuaries reported a significant drop in SCOPA's net pension liability back down to \$74,374. Mr. Kimelman explained that he reached out to the County office and other CPA firms, and all are reporting the same drop. He explained that the only explanation he was able to find was those prior years the FRS was reporting around a five percent return on investment and in 2021 they reported a 30% return on investment. He reiterated that SCOPA pays their required amount monthly, therefore, the item in question is simply a reporting method of the pension liability. Mr. Kimelman then directed the board's attention to page fourteen of the auditor's report. He pointed out that the

net pension liability dropped from \$504,308 in 2020 to \$139,242 in 2021 making the financial statements better than the prior year. Commissioner Herr explained that the County Commission had not discussed it yet but that she wonders if the change may be a result of the thirty percent return in addition to the prior several high impact years. She surmised that could make up for the prior under funding and that hopefully the fund is now sitting where it needs to be. Bill Spivey asked if the Treasurer had reviewed the audited financial statements. Mr. Caraway said that he had not seen the changes prior to today explaining that while he is a CPA, he does not perform audit work. The Chair confirmed that she had reviewed it in November and the revision prior to today's meeting. Mrs. McBroom explained that the SCOPA Treasurer is not always a CPA and, therefore, for the last fifteen years she's reviewed the audited financials. Mr. Kimelman stated that at the board's motion, he would transmit the audit to Seminole County as well as the Florida Auditor General. The Administrator reminded the Board that the only change in the audited financials from when the board reviewed and received them in November was the addition of the FRS pension liability information. He explained that prior to 2014, when the pension liabilities began being distributed, the board would approve the audited financial statements at the November meeting. The Chair asked that going forward the auditor and staff would make sure the treasurer was also copied, to which they agreed.

MOTION WAS MADE BY CLIFF MILLER, SECONDED BY MATTHEW CRISWELL TO AUTHORIZE THE TRANSMITTAL OF THE FISCAL YEAR 2020/2021 AUDITED FINANCIAL REPORTS TO SEMINOLE COUNTY AND THE FLORIDA AUDITOR GENERAL.

MOTION CARRIED UNANIMOUSLY.

LEASES

The Administrator presented the following Leases Agreements approval:

1. Lease Termination – Concrete Sculpting, LLC; 1980 Dolgner Place, Suite 1044; 1-year Lease; term May 1, 2021-Apr. 30, 2022; at the rate of \$900.00/month (1,212 sq.ft. warehouse w/ 288 sq.ft. office @ a rate of \$7.79/sq.ft./yr.) Personal guarantee.
2. New Lease – Meraki Business Enterprises, LLC; 1980 Dolgner Place, Suite 1044; 1-year Lease; term Feb. 15, 2022-Feb. 14, 2023; at the rate of \$1,050.00/month (1,212 sq.ft. warehouse w/ 288 sq.ft. office @ a rate of \$8.99/sq.ft./yr.) Personal guarantee.
3. Lease Renewal – Acme Industrial Surplus, LLC; 1461 Kastner Place, Suites 117& 129; 1-year Lease Addendum; term Mar. 1, 2022-Feb. 28, 2023; at the budgeted rate of \$3,529.84/month (8,000 sq.ft. warehouse @ a rate of \$5.58/sq.ft./yr.) Personal guarantee.

4. Lease Renewal – Boutinot USA, Inc.; 1450 Kastner Place, Suite 100; 1-year Lease Addendum; term Mar. 1, 2022-Feb. 28, 2023; at the budgeted rate of \$992.25 (1,050 sq.ft. office w/ 450 sq.ft. warehouse @ a blended rate of \$8.85/sq.ft./yr.). (Personal guarantee waived at lease initiation, tenant has maintained good standing.)
5. Lease Renewal – Grace Missions, Inc.; 1513 Dolgner Place; 1-year Lease Addendum; term Mar. 1, 2022-Feb. 28, 2023, with existing 60-day termination clause; with a 5% rate increase to \$989.43/month (2,000 sq.ft. warehouse @ a rate of \$6.19/sq.ft./yr.) Personal guarantee.

The Administrator confirmed that new lease to Meraki Business Enterprises would incur the revised leasing policy inclusion of 2 ½% annual increases.

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

MOTION CARRIED UNANIMOUSLY.

OLD BUSINESS

There being no further business, the meeting was adjourned at 4:39 p.m. by the Chair.

Dana McBroom, Chairwoman

Bill Spivey, Secretary