

**SEMINOLE COUNTY PORT AUTHORITY  
MINUTES OF THE REGULAR BOARD MEETING  
SEPTEMBER 20, 2023**

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 20, 2023.

The Chairman called the meeting to order at 4:02 p.m. with the following Directors constituting a quorum: Matthew Criswell, Chairman; Bill Spivey, Secretary; Michael Caraway, Treasurer; Dana McBroom, Member; Steve Powell, Member; Cliff Miller, Member; Harry Ellis, Member; and Andria Herr, BCC Member.

Members Absent: Amy Guilfoyle, Member.

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

Also present: Darren Elkind, SCOPA Attorney.

An invocation was given by Bill Spivey followed by the pledge to the Flag.

The Chair opened the floor for corrections or additions to the minutes of the August 16, 2023.

**MOTION WAS MADE BY DANA MCBROOM, SECONDED BY COMMISSIONER HERR TO APPROVE THE MINUTES OF THE AUGUST 16, 2023, BOARD MEETING.**

**MOTION CARRIED UNANIMOUSLY.**

The Administrator presented the Balance Sheet and Budget Statement for the month of August 2023. Revenues for the month of August were over budget by \$42,449. Revenues for the year-to-date are over budget by \$610,061. Expenses for the month of August were over budget by \$97,630, but remain under budget by \$247,583 for the year-to-date. The Administrator reported that occupancy remained at 100%. Bill Spivey inquired about when the unit previously occupied by F4W Strike Team would be considered vacant. The Administrator explained that until the abandoned property within the unit is able to be sold, the unit is unavailable for release, but that storage fees are being charged.

The Administrator then presented the Outstanding Bills for September 20<sup>th</sup> and October 1<sup>st</sup> for review and approval. He explained that item#15, the \$1,300.00 payment to Florida Sealcoating, represents the installation of street signs including No Trespassing signs along the river. Item #16, the \$3,900.00 payment to Exact Plumbing, represents six different plumbing repairs. Item #23, the \$220,817.77 payment to Cathcart Construction, represents pay application six on the 1500 Dolgner Place Redevelopment project. Item

#26, the \$300,000.00 payment to Seminole County General Fund, represents the budgeted fiscal year 2022-2023 contribution. The Administrator opened the floor for questions on the bills to be paid. Matthew Criswell asked about item #7, the \$9,874.50 payment to CPH Consulting, Inc. The Administrator explained that the building plans for the 1500 Dolgner Place redevelopment project were 90% complete. He also stated that CPH provides consulting on the ongoing site contract and progress payments. Matthew Criswell asked if any change orders had been received from Cathcart Construction. The Administrator confirmed that none had been received to date.

**MOTION WAS MADE BY DANA MCBROOM, SECONDED BY HARRY ELLIS TO APPROVE THE SEPTEMBER 20<sup>TH</sup> AND OCTOBER 1<sup>ST</sup> 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 updated the board that the public sale for the property abandoned by F4W Strike Team, Inc. was scheduled for Friday, September 22<sup>nd</sup>. He explained that the sale would include everything as one lot except the vehicle which Mr. Elkind was researching the appropriate process to deal with the title issues. Matthew Criswell inquired about the value of the contents. The Administrator explained that he met with a local auctioneer who estimated the valuation at \$3,900.00 and, therefore, was not interested in handling the auction. Steve Powell inquired as to how the auction would be handled. The Administrator explained that he would be running the sale himself and would be offering everything as one lot. Commissioner Herr inquired about the required time to remove the contents once purchased. The Administrator stated that he intended to require a cashier's check within two hours of sale and removal of contents within five days. Harry Ellis asked if there were any prospects on renting the unit. The Administrator stated that the tenant occupying the other three-fourths of the building has been wanting to take over the space for years. Hopefully, the space will be refurbished and available for rent by November 1<sup>st</sup>.

The Administrator explained to the board that he spoke with Rob Kimelman who advised that the F4W Strike Team debt could be written off to bad debt after the sale of the property. Dana McBroom stated that she would not recommend a write-off if the board intended to pursue collection on the debt. A short discussion ensued. It was agreed that Mr. Elkind would run an asset check on the personal guarantor for F4W Strike Team, Inc., and report back.

The Administrator pointed out the G&C Welding Specialists, LLC, were making monthly payments and catching up on their outstanding balance. Another check was anticipated before the end of the month. He reported that Maintenance Management has promised a check tomorrow and that Paul Newman's Dazzling Detailing, Inc., had been issued a Three-Day Notice which has expired. Therefore, he would be working with Mr. Elkind on eviction. There were no other questions on the aged receivables for September.

## **OLD BUSINESS**

Market Rent Study Proposal – The Administrator updated the board that he is attempting to coordinate the timing of the appraisals with the new lease that Mr. Elkind is working on. He added that Jennifer Sykes was working on the onboarding of the new Buildium software which would provide additional analytics on the rentals and maintenance and repairs. He stated that currently he's met with Newmark who provided an estimate for appraisals of 30 properties at approximately \$600 per address. He explained that because of the different features of each unit, even within the same building, he was not sure that this would provide all the information required to negotiate the new lease rates within the current lease language. However, if every unit was appraised individually the cost would be about \$58,000. He explained that he also met with Owens Realty group and was looking into other appraisal providers. Harry Ellis asked if the intention was to increase the rental rates as the leases renewed. The Administrator explained that Owens Realty group recommended a global reset and to do it all at one time giving the tenants a few months' notice. He explained that at the \$58,000 price point the project would have to go out for public bid. A short discussion was held, and it was agreed that the Administrator would put together a Request for Proposal (RFP) requiring a sample, details on their approach, and anticipated outcome as part of the proposals. The Chairman asked how soon the Administrator could go out for bid. He stated it could be next month.

## **NEW BUSINESS**

Leases – The Administrator presented leases one through five and recommended approval.

1. Lease Renewal – B & N Fabricating, Inc.; 1535 Dolgner Place; 1-year Lease Addendum; term Oct. 1, 2023 – Sept. 30, 2024; with the budgeted 5% rate increase to \$850.86/month (2,000 sq.ft. warehouse @ a rate of \$5.11/sq.ft./yr.) Personal guarantee.
2. Lease Renewal – Driftwood Arts and Design, LLC; 1517 Dolgner Place; 1-year Lease Addendum; term Oct. 1, 2023 – Sept. 30, 2024; with the budgeted 5% rate increase to \$1,033.19/month (2,000 sq.ft. warehouse @ a rate of \$6.20/sq.ft./yr.) Personal guarantee.
3. Lease Renewal – Freeport Fountains, LLC; 1471 Kastner Place, Suite 121; 1-year Lease Addendum; term Oct. 1, 2023 – Sept. 30, 2024, with an existing 60-day termination clause; with the budgeted 5% rate increase to \$889.72/month (2,000 sq.ft. warehouse @ \$5.34/sq.ft./yr.) Personal guarantee.
4. Lease Renewal – GenStar Service, LLC; 1980 Dolgner Place, Suite 1028; 1-year Lease Addendum; term Oct. 1, 2023 – Sept. 30, 2024; with the budgeted 5% rate increase

to \$1,050.00/month (1,212 sq.ft. warehouse w/ 288 sq.ft. office @ a rate of \$8.40/sq.ft./yr.) Personal guarantee.

5. Lease Renewal – Radios OEM, Inc.; 1470 Kastner Place, Suite 108; 1-year Lease Addendum; term Oct. 1, 2023 – Sept. 30, 2024; with the budgeted 5% rate increase to \$1,084.85/month (1,500 sq.ft. warehouse @ a rate of \$8.68/sq.ft./yr.) Personal guarantee.
6. Lease Renewal – La Mesa RV Center, Inc. (Florida); 1430 & 1440 Dolgner Place; 1-year Lease Addendum; term Oct. 1, 2023 – Sept. 30, 2024; with the budgeted 5% rate increase to \$7,293.04/month (11,500 sq.ft. warehouse w/ 1,000 sq.ft. office @ a rate of \$7.00/sq.ft./yr.) Corporate guarantee.

Dana McBroom asked if staff had let the tenants know about the anticipated changes when they renew next year. The Administrator stated that he was waiting until we had a better understanding of the extent of the changes before announcing anything. Mr. Elkind confirmed that he had reviewed the current lease document and identified some changes. However, he anticipated that the of the changes it will be the cost increases that the tenants care the most about. Mr. Elkind agreed that it was a little premature for any announcements.

**MOTION WAS MADE BY DANA MCBROOM, SECONDED BY COMMISSIONER HERR TO APPROVE LEASES ONE THROUGH FIVE, AS PRESENTED.**

**MOTION CARRIED UNANIMOUSLY.**

The Administrator presented lease six, the one-year renewal of LaMesa RV Center, Inc. (Florida) explaining that the former principal has retired, and his son has taken over. They no longer want to personally guarantee the lease and have proposed a corporate guarantee. Mr. Elkind explained that when a corporation signs the guarantee the corporation is on the hook. He stated that personal guarantees are typically requested when a business does not have enough credit. He stated that the board has to make the determination that a company has enough assets. Cliff Miller stated that the current governmental policies on fuels leaves the recreational vehicle market volatile. He pointed out that LaMesa has numerous locations and could rack up expenses very quickly changing their net position within months. Harry Ellis suggested requesting a current balance sheet. The Administrator stated that he would recommend the board exploring corporate guarantee options considering the clientele staff is hoping to attract with the new building projects. Dana McBroom stated that while the board can review the financials, she agreed with Cliff Miller that a lot can change in six months. She recommended requesting higher security deposit in lieu of the personal guarantee. Matthew Criswell stated that he just recently was required to sign a personal guarantee in his role as a corporate officer for a company. Harry Ellis suggested a bond as an option. Mr. Elkind advised that a personal guarantee is better than a bond. Commissioner Herr

commented that accepting a corporate guarantee if they have personal guarantees on other properties could place the Authority in last place should their financial position change drastically. Harry Ellis asked if it was the Authority's policy to require personal guarantees. Cliff Miller stated that the only exceptions made were for publicly traded or international companies. Michael Caraway commented that due to the recreational vehicle dealers being a large part of the Port's tenancy, he felt less risk is wiser.

**MOTION WAS MADE BY COMMISSIONER HERR, SECONDED BY DANA MCBROOM TO APPROVE THE LEASE ADDENDUM WITH LA MESA RV CENTER, INC. (FLORIDA) SUBJECT TO A PERSONAL GUARANTEE.**

#### **NEW BUSINESS**

Election of fiscal year 2023-2024 Officers - The Chairman opened the floor for nominations for board officers for the upcoming fiscal year.

**MOTION WAS MADE BY COMMISSIONER HERR, SECONDED BY STEVE POWELL THAT THE EXISTING CHAIRMAN, TREASURER AND SECRETAY REMAIN IN THEIR POSITIONS FOR FISCAL YEAR 2023-2024.**

Chairman Matthew Criswell, Treasurer Michael Caraway, and Secretary Bill Spivey all accepted the nomination.

**MOTION CARRIED UNANIMOUSLY**

**MOTION WAS MADE BY COMMISSIONER HERR, SECONDED BY HARRY ELLIS TO NOMINATE DANA MCBROOM TO THE POSITION OF VICE CHAIR FOR FISCAL YEAR 2023-2024.**

Dana McBroom accepted the Vice-Chair nomination.

**MOTION CARRIED UNANIMOUSLY**

#### **ATTORNEY'S REPORT**

The Administrator stated that Mr. Elkind and his office had been very responsive in addressing the outstanding issues. Mr. Elkind informed the board that he was reviewing the Authority's existing lease documents for a best practice tune up. He confirmed that he would provide a red-lined draft for review prior to the meeting. Bill Spivey asked for a copy of the leasing policy as well. Mr. Elkind stated that all other pending items had been previously discussed in the meeting and there were no other questions.

#### **ADMINISTRATOR'S REPORT**

The Administrator reported that DEP clearance had been received for the 1500 Dolgner Place redevelopment site. That the streetlights would be going up and that 90% plans for the buildings had been received. He informed the board that he wanted to get the buildings in for permit within a few weeks and was hoping for a three-month turn around. Matthew Criswell stated that he would expect a much longer turn around from the building department. Commissioner Herr asked the Administrator to submit the plans then schedule a review meeting agreeing to attend. The Administrator thanked her. He reported that the engineers cost estimate came in at \$1,166,733.85 per building which equates to \$153 per square foot or \$193 per square foot if you include design costs. Steve Powell asked if the Administrator had any potential tenants yet. The Administrator stated that several existing tenants have expressed a lot of interest, however, until the rental analysis is complete, he has not yet entered any negotiations.

There being no further business, the meeting was adjourned at 5:20 p.m. by Matthew Criswell.

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Matthew Criswell, Chairman

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Bill Spivey, Secretary