

**SEMINOLE COUNTY PORT AUTHORITY
MINUTES OF THE REGULAR BOARD MEETING
OCTOBER 18, 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 October 18, 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; Cliff Miller, Member; Amy Guilfoyle, Member; and Andria Herr, BCC Member.

Members Absent: Dana McBroom, Member; Steve Powell, Member; and Harry Ellis, Member;

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

Also present: Darren Elkind, SCOPA Attorney.

An invocation was given by Matthew Criswell followed by the pledge to the Flag.

The Chair opened the floor for corrections or additions to the minutes of the September 20, 2023. None were presented.

MOTION WAS MADE BY COMMISSIONER HERR, SECONDED BY CLIFF MILLER TO APPROVE THE MINUTES OF THE SEPTEMBER 20, 2023, BOARD MEETING.

MOTION CARRIED UNANIMOUSLY.

The Administrator presented the Balance Sheet and Budget Statement for the month of September 2023. Revenues for the month of September were over budget by \$43,439. Revenues for the year-to-date are over budget by \$653,481. Expenses for the month of September were over budget by \$126,743, but remain under budget by \$838,215 for the year-to-date. The Administrator explained that the budget anticipated completion of the 1500 Dolgner Place site redevelopment project along with the postponed 1601 Dolgner Place re-roof project. Matt Criswell pointed out that the revenue also includes the property sales to Seminole County and FDOT. The Commissioner asked why the financial charts were different than the financial statements. Jennifer Sykes explained that the monthly financial charts are an overview of the operational expenses and the contribution to Seminole County General Fund is classified as a non-operational expense. The Administrator pointed out that the LGIP investments were continuing to produce a strong return. There were no other questions on the monthly financials.

The Administrator then presented the Outstanding Bills for October 18th and November 1st for review and approval. He explained that item#6, the \$1,198.75 payment to Stephen Coover, PLLC, represents the final payment for his prior service as general counsel. Item #14, the \$26,560.00 payment to Public Risk Management, represents the first quarterly insurance premium for the new fiscal year. Item #22, the \$108,419.93 payment to Cathcart Construction Company, represents draw number seven on the 1500 Dolgner Place redevelopment contract. The Administrator then presented the list of standard bills due November first and invited questions. Matt Criswell inquired about when the Brightview Contract was up for renewal. The Administrator explained that he was getting aerial photos taken to generate a detailed landscape plan to include in the bid packet. There were no other questions.

MOTION WAS MADE BY CLIFF MILLER SECONDED BY BILL SPIVEY TO APPROVE THE OCTOBER 18TH AND NOVEMBER 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. He reported that D.T. Diesel, LLC, has promised a check by Friday. He reported that after the sale of property abandoned by F4W Strike Team, Inc., he and the attorney are working on how to get the title for the vehicle and doing a search to see if the personal guarantee is worth pursuing. Network Electric has communicated that they are waiting for a check and will get caught up by the end of the week. Paul Newman's Dazzling Detailing, Inc., promised a check that has not shown up yet. The Administrator asked for direction from the board. A discussion ensued.

MOTION WAS MADE BY COMMISSIONER HERR, SECONDED BY CLIFF MILLER, TO FOLLOW SCOPA GENERAL COUNSEL'S ADVICE AND ISSUE A THREE-DAY NOTICE FOLLOWED BY A NOTICE OF NONRENEWAL OF LEASE.

MOTION CARRIED UNANIMOUSLY.

OLD BUSINESS

No old business was presented.

NEW BUSINESS

Leases – The Administrator presented item #1, a new lease for the unit previously occupied by F4W Strike Team, Inc. He explained that the tenant occupying the other two-thirds of the building have agreed to rent the space. He explained that operationally this makes sense as it eases the parking burden in this area of the Port. Also, they took the

space as-is, therefore, the only turnover cost the Port incurred was the cost to re-key the locks.

1. New Lease – Seminole Fleet, LLC; 1481 Kastner Place, Suite 113; 1-year Lease; term Nov. 1, 2023 – Oct. 31, 2024; at the rate of \$1,875.00/month (1,400 sq.ft. warehouse w/ 1,100 sq.ft. office at a rate of \$9.00/sq.ft./yr.) Personal guarantee.

The Administrator then presented lease renewals #2-7 and recommended approval.

2. Lease Renewal –Amerigas Propane, L.P.; 4350 Carraway Place; 1-year Lease Addendum; term Nov. 1, 2023 – Oct. 31, 2024; with the budgeted 5% rate increase to \$163.37/month (0.127 acres MOL @ a rate of \$15,436.54/ac/yr.)
3. Lease Renewal – Brand O’ Guitar Company; 1920 Dolgner Place; 1-year Lease Addendum; term Nov. 1, 2023 – Oct. 31, 2024; with the budgeted 5% rate increase to \$1,914.80/month (3,000 sq.ft. office @ a rate of \$7.66/sq.ft./yr.) Personal guarantee.
4. Lease Renewal – Brand O’ Guitar Company; 1924 Dolgner Place; 1-year Lease Addendum; term Nov. 1, 2023 – Oct. 31, 2024; with the budgeted 5% rate increase to \$892.50/month (1,500 sq.ft. warehouse @ a rate of \$7.14/sq.ft./yr.) Personal guarantee.
5. Lease Renewal – Dragon Recovery, LLC; 1904 Dolgner Place; 1-year Lease Addendum; term Nov. 1, 2023 – Oct. 31, 2024; at the budgeted rate of \$926.10/month (1,500 sq.ft. warehouse @ a rate of \$7.41/sq.ft./yr.) Personal guarantee.
6. Lease Renewal –Kurt Shirley; 1470 Kastner Place, Suite 120; 1-year Lease Addendum; term Nov. 1, 2023 – Oct. 31, 2024, with existing 60-day termination clause; with the budgeted 5% rate increase to \$971.25/month (1,500 sq.f.t warehouse @ a rate of \$7.77/sq.ft./yr.) Personal guarantee.
7. Lease Renewal – Sanford Boat Storage, Inc.; 1490 Kastner Place, Suite 1000; 1-year Lease Addendum; term Nov. 1, 2023 – Oct. 31, 2024; with the budgeted 5% rate increase to \$9,967.15/month (32,650 sq.ft. warehouse @ a rate of \$3.66/sq.ft./yr.) Personal guarantee.

MOTION WAS MADE BY CLIFF MILLER, SECONDED BY BILL SPIVEY TO APPROVE LEASES ONE THROUGH SEVEN, AS PRESENTED.

MOTION CARRIED UNANIMOUSLY.

ATTORNEY’S REPORT

La Mesa RV Center, Inc. (Florida) – SCOPA General Counsel, Darren Elkind, updated the board that he conveyed the board’s September decision to continue the existing personal guarantee requirement to La Mesa’s attorney. La Mesa’s new, in-house general counsel

expressed that he is attempting to clean up the some of the things done by the previous administration. Darren Elkind explained that LaMesa could present financial statements for review, but they do not want their financials to become public record. Mr. Elkind reported that he and Andrew Van Gaale have discussed the situation and agree to have the leasehold appraised, then SCOPA can present a new lease at the current market rate with a three-month deposit in lieu of the personal guarantee. Darren Elkind commented that it is doubtful that banks would require personal guarantees from a company the size of La Mesa. Matthew Criswell agreed but noted that banks are reviewing their financial statements, which is information SCOPA is not privy to. Darren Elkind explained that bring the lease up to market rates and getting a three-month deposit is better for SCOPA because it provides the money to cover the cost during an eviction process.

Bill Spivey inquired about how the board intends to maintain consistency and fairness in the rates being charged. The Administrator explained that all the leaseholds are slightly different, therefore, there will never be a flat per square foot price across the board. Darren Elkind commented that the board has a fiduciary responsibility to charge all tenants market rates unless there is a compelling reason not to. He continued stating that the only way to maintain consistency is to appraise everything and charge the recommended market rate. The Administrator explained that the approved new lease with Seminole Fleet is based off market reports. Matthew Criswell reminded the board that the appraisals are important because the market reports include a lot of new, tilt-wall construction which should bring higher rents. He stated that likewise, the corner lot La Mesa is renting should also be at a higher rate than parcels in the back of the Port. It was the consensus of the board to keep La Mesa on a month-to-month status until the appraisal is received and new terms negotiated.

Revised Lease – Mr. Elkind advised the board that he would be sending a red-lined copy of the lease revisions for review and discussion at the November meeting.

ADMINISTRATOR’S REPORT

Market Study - The Administrator reported that he had a meeting with Lee & Associates who cover Orange and Seminole Counties. They walked the property and are providing a proposal. He explained that as a local company they may have a better pulse on the market. He stated that he intends to compare their proposal to the study New Mark is generating for the La Mesa leaseholds to determine the best path forward.

Fiscal Year 2022-2023 Audit- The Administrator explained that the required fiscal audit was in process and the draft audit report should be complete in November. As in recent years, the audit cannot be finalized until the State releases the GASB68 information for the retirement plans.

1500 Dolgner Place redevelopment – The Administrator updated the board that the plans were going through final revision before submittal to Seminole County.

Millennium Luxury Coaches- The Administrator informed the board that he met with representatives of Rick Scott and Marco Rubio that were touring Millennium Luxury Coaches operation here on Port property. The Administrator reported that CPH has found a better system that may save the Port money on the re-roof of the Millennium leasehold. He explained that he intends to recycle the bid package put out a few months ago with the alternative product in the hopes of getting a more reasonable contract price.

Software integration- The Administrator reported that Jennifer Sykes has been working hard on the Buildium integration. He explained that all the bank and investment accounts, properties, tenants, leases, chart of accounts, recurring charges, security deposits, prepaid rents, aged receivables, and new tenant application have been created. In process are the monthly payables, tenant, and vendor insurance data. Still to do will be creating the online lease, once the board approves the lease revisions, along with customizing and integrating the public websites for tenants and applicants. Matthew Criswell noted that Seminole County will not accept digital notary and Mrs. Sykes said she would investigate that issue further.

Finally, the Administrator wished Cliff Miller a happy birthday and thanked him for his long standing and faithful service to the Port.

There being no further business, the meeting was adjourned at 4.57 p.m. by Matthew Criswell.

Matthew Criswell, Chairman

Bill Spivey, Secretary