

**SEMINOLE COUNTY PORT AUTHORITY
MINUTES OF THE REGULAR BOARD MEETING
APRIL 21, 2010**

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 April 21, 2010.

Chairman Jeffrey Triplett called the meeting to order at 4:00 p.m. with the following directors constituting a quorum: Jeffrey Triplett, Chairman; Thomas Kuhn, Vice Chairman; Matthew T. Brown, Secretary; Kyle Kilger, Treasurer; Cliff Miller, Member; Elizabeth Dorworth, Member; Damon Chase, Member; and Dick Van Der Weide, BCC Member.

Director Absent: Michael Bowdoin, Member.

Staff present: Andrew Van Gaale, Administrator; and Irene Dolgner, Administrative Assistant.

Other present: Stephen H. Coover, SCOPA Attorney.

The invocation was given by Tom Kuhn, followed by the pledge to the Flag.

The Chairman asked for corrections or additions to the minutes of the March 17, 2010 Board Meeting.

MOTION WAS MADE BY ELIZABETH DORWORTH, SECONDED BY DAMON CHASE TO APPROVE THE MINUTES OF THE MARCH 17, 2010 BOARD MEETING, AS PRESENTED.

MOTION CARRIED UNANIMOUSLY.

The Balance Sheet and Budget Statement for the month of March, 2010 were presented to the Board for discussion and approval. The Administrator referred to the revenues and expenditures charts explaining that revenues for the month were over projections by \$23,027 mainly due to the rent payment from our new tenant, Millennium Luxury Coaches. Revenues for the year are under projections by \$42,833 due to non-payment of the Note from Featherlite Coaches, Inc. budgeted in February. Expenditures were over projections for the month by \$77,954, and under for the year by \$203,943. Profit totals \$375,035 or 38.6%, and occupancy increased to 97%.

MOTION WAS MADE BY ELIZABETH DORWORTH, SECONDED BY DAMON CHASE TO APPROVE THE BALANCE SHEET AND BUDGET STATEMENT FOR THE MONTH OF MARCH, 2010, AS PRESENTED.

MOTION CARRIED UNANIMOUSLY.

The Outstanding Bills and Aged Receivables lists were presented to the Board for discussion and approval. The Administrator reviewed the list of bills explaining that the

SEMINOLE COUNTY PORT AUTHORITY
MINUTES OF THE REGULAR BOARD MEETING
APRIL 21, 2010

payment to CitiBusiness Card for "Maintenance & Repair-Property" in the amount of \$3,419.80 is mainly for purchase of concrete for driveways. Mr. Brown questioned the excessive gas purchase of \$588.81 and Mr. Van Gaale replied that he made a couple trips to Tallahassee, and that the entire VISA bill covers two months of expenses. Mr. Van Gaale further explained that the payment to Exact Plumbing, Inc. in the amount of \$3,328.25 is for two locations: plumbing work for our new tenant, Millennium Luxury Coaches in the 1601 Dolgner Place building, and a new water heater for the Administration building. The payment to Cloud 9 Services in the amount of \$565.00 is for jetvac and cleaning of a storm drain between 1601 Dolgner Place and the Marina. The payment to Commercial Fence Contractors, Inc. in the amount of \$29,088.50 is for Project #154, which is now completed and closed out; payment to Wal-Rose, Inc. in the amount of \$5,215.00 is for the double-check valve we had to put in at 1451 Kastner Place per instruction by the County when they upgraded the water lines; payment to Yahn Electric Co., Inc. in the amount of \$1,065.00 is for miscellaneous electrical work done at 1601 Dolgner Place for Millennium Luxury Coaches; payment to McKee Construction Co. in the amount of \$750.00 is for a leaky roof repair at 1601 Dolgner Place; payment to Legacy Glass & Supply, Inc. in the amount of \$140.00 is for replacement of door glass that had the previous tenant's name etched into it at 1601 Dolgner Place; and payment to Nanak's Landscaping in the amount of \$3,250.00 is for additional work at the Millennium site and trimming of palm trees throughout the Port.

MOTION WAS MADE BY MATTHEW BROWN, SECONDED BY KYLE KILGER TO APPROVE THE BILLS FOR PAYMENT, AS PRESENTED. THE LIST OF BILLS APPROVED TO BE PAID IS ATTACHED AND MADE A PART OF THESE MINUTES.

MOTION CARRIED UNANIMOUSLY.

The Administrator referred to the Aged Receivables list explaining that he received a letter from Mostafa Abolfathi, owner of Americ Design, explaining that he is exercising his 30 day termination clause and will be leaving on May 31, 2010. After discussions with him, he has agreed to make two monthly payments on May 3rd, and after applying his deposit, he will owe one month's rent, which may have to be converted to a Note. Mr. Coover asked the Administrator to write him a letter documenting what he said he's going to do, if the Board agrees. It was the general consensus of the Board to agree with the plan offered by Mr. Abolfathi.

Mr. Van Gaale explained that Amick Custom Woodcraft & Design, Inc. has vacated their leasehold, we have applied their deposit covering one month and we converted the balance into a Promissory Note in the amount of \$2,152.51. Payments are in the amount of \$365.06 for six months at 6% interest. Ms. Dorworth asked how enforceable are the Promissory Notes and whether we have any other options, and Mr. Coover replied that a Note reduces the balance, or liquidates it and makes it simpler to go for a Judgment if you want to spend the time and money to do it. Ms. Dorworth stated that it sometimes seems that we're asking them to complete an exit survey when they leave. Mr. Van Gaale stated that he knows it is frustrating, but this is better than just letting them walk out the door without spending more money on attorney's fees.

SEMINOLE COUNTY PORT AUTHORITY
MINUTES OF THE REGULAR BOARD MEETING
APRIL 21, 2010

MOTION WAS MADE BY ELIZABETH DORWORTH, SECONDED BY CLIFF MILLER TO APPROVE THE \$2,152.51 PROMISSORY NOTE FROM AMICK CUSTOM WOODCRAFT & DESIGN, INC. AND SCOT AMICK, PERSONALLY, AS PRESENTED.

MOTION CARRIED UNANIMOUSLY.

The Administrator stated that Bandit Performance will be issued a Three Day Notice next week if we don't receive payment. He recommended that the outstanding balance owed by Cyril International, LLC be written off.

MOTION WAS MADE BY MATTHEW BROWN, SECONDED BY TOM KUHN TO WRITE-OFF THE OUTSTANDING BALANCE OF \$620.50 OWED BY CYRIL INTERNATIONAL, LLC.

MOTION CARRIED UNANIMOUSLY.

The Administrator further explained that we received a payment yesterday from EPSEC Corporation although they still owe two months rent. He stated that we are probably going to lease this unit to another entity, apply the deposit and hopefully collect the balance owed next month. A Three Day Notice has already been issued.

Mr. Van Gaale stated that he picked up a check from Florida Extruders yesterday for over \$24,000.00, so the balance owed is for late charges. The Chairman questioned the intentions of Florida Extruders, and Mr. Van Gaale replied that he was told that they are not renewing their Lease which expires the end of June. When he picked up the check from their office, he found that they were very busy working. Another tenant of ours in the business, CoverAll Aluminum, has had several deliveries of windows from Florida Extruders recently. Mr. Kuhn asked where they would go when they leave here, and Mr. Van Gaale replied that they will consolidate their fencing division into their warehouse in downtown Sanford.

Mr. Van Gaale explained that Matthew Johnson is leaving at the end of the month, so his deposit will be applied to the April rent. Ken's Tuff Trux brought us \$900 the other day, so they have a small balance in the 31-60 day column. We understand that Ocean State Production Services has picked up a lot of work and will be on the road for the next three months, so we anticipate payment from them.

Mr. Van Gaale informed the Board that R. J. Arnold, LLC was issued a Three Day Notice and he surrendered possession of the building at 1500 Dolgner Place, and now we are collecting rent from his sub-tenant at the rate of \$8,000 per month. Acme Recycling Industries is interested in the space and has indicated that they will most likely enter into a new Lease on June 1st. At that time, we will be able to tally the damages from R. J. Arnold and go after him then. When Acme Recycling occupies the site, the plan is to lease the sub-tenant part of the

SEMINOLE COUNTY PORT AUTHORITY
MINUTES OF THE REGULAR BOARD MEETING
APRIL 21, 2010

Florida Extruders building at 1490 Kastner Place at the same rate of \$8,000 per month. The building is in very poor shape, and this would give us an opportunity to re-hab it in phases. He feels this will be a good interim solution because the sub-tenant is in the boat business and they won't have sensitive equipment in the building that could be damaged during the re-hab process. Mr. Kilger asked how much space the boat company is now occupying, and Mr. Van Gaale replied about 20,000 sq. ft., so he will need about half of the 1490 Kastner Place building.

Mr. Van Gaale continued stating that most likely R & R Sheet Metal is going out of business; they have exercised their 60 day termination as of April 1st. They are a long-time tenant, approximately 15 years, and very nice people. Their deposit will be applied to their account and the balance put into a Note, if they cannot pay off their account. Mrs. Dolgner mentioned that they are planning on holding an auction to sell off their equipment, which they intend to pay us with.

Mr. Van Gaale explained that Ryan & Reed, Inc. has indicated that they will pay their March rent on April 30th. Edvardo Rojas just came in and paid the \$9.36 balance in the 61-90 day column; and payment was received from Legacy Glass & Supply, Inc. in the amount of \$866.00 which is not indicated on the Aged Receivables list. He stated that he had three hotel liquidators look at the armoires in Suite Upgrades leasehold, and one indicated that they agreed to pay \$900.00 and remove them from the unit yesterday, but never showed up. If that deal falls through, he may have to junk them to free-up the unit. At that time, he will continue the legal process with Suite Upgrades and James Rinker, Managing Member.

ATTORNEY'S REPORT

a) Suite Upgrades, LLC - Mr. Coover had nothing further to report.

b) Featherlite Coaches, Inc. - Mr. Coover reported that he basically gave Featherlite three options: 1) be sued, 2) pay up, or 3) give us a plan, and he got the last one. Conrad Clement, the owner, is pouring money into the company to keep it going so he can sell all his coaches. He wanted him to remind the Board how many buildings he's built out here and how many millions of dollars he's paid in rent, and he said it would be beneficial to him to capitalize the Note, give us the deposit and start \$5,000 per month payments over a period of one year. Mr. Coover stated that after applying their deposit of \$27,160.88, the new Note would be for \$58,483.56 at 6% interest. If the Board is in agreement, he'll have a Note drawn up and send it to him to sign. Ms. Dorworth asked if Mr. Clement will be the signer on the Note, and Mr. Coover replied that he won't sign it because he says it violates all his bank covenants. Mr. Coover stated that the choice is he will sue them, get a Judgment and he'll see if he can collect it, or see if he'll pay us \$5,000 a month. Mr. Chase suggested discounting the outstanding debt to see if he'd pay that, and Mr. Coover replied it was up to the Board but he preferred 100% pay back. Mr. Coover stated that we always have the option to start legal action, getting a Judgment, levying on anything we can find and see how we come out, but we already know we're behind a lot of other people.

SEMINOLE COUNTY PORT AUTHORITY
MINUTES OF THE REGULAR BOARD MEETING
APRIL 21, 2010

The Chairman asked how they paid their previous Note at \$5,000 a month, and Mr. Van Gaale replied that they started out paying and stopped the last few months, but continued to pay their rent. Mr. Triplett asked for the Administrator's opinion, and he recommended that we accept the Note and if they default, bring it back to the Board and either offer a discount or sue them. Mr. Coover stated that he wouldn't mind sending the Note to them with a letter that says the Board has approved this, but they're not going to accept the payment process that they went through last time, either pay on time or we'll file suit.

MOTION WAS MADE BY CLIFF MILLER, SECONDED BY TOM KUHN TO ACCEPT THE PROMISSORY NOTE FROM FEATHERLITE COACHES, INC. IN THE AMOUNT OF \$58,483.56 BEGINNING MAY 1, 2010 THROUGH APRIL 1, 2011 AT 6% INTEREST.

Under discussion, Mr. Coover stated that if they default on the Note, the logical thing to do is to shut down their operation by taking their office furniture and equipment, since we are third in line for the coaches.

MOTION CARRIED UNANIMOUSLY.

c) Administrator's Evaluation - Mr. Coover distributed a summary of the responses he received from the Board regarding the Administrator's evaluation. The compilation shows that the Administrator received an excellent overall rating. Mr. Van Gaale thanked the Board and added that it's a pleasure working here.

d) Millennium Luxury Coaches - Mr. Coover reported that Millennium has tendered to the Administrator a Landlord's Lien Subordination "Subordination" document from Volvo Financial Services, who is their supplier. He stated that the only change he has to make is paragraph 4 because he doesn't think we should just stand by and let this company come in and do whatever they want without any obligation to us. Other than that, it's a pretty standard Subordination and is within the discretion of the Board. Mike Good's office (previous landlord) called and said that they had given them the Subordination back in 2005 which is still in effect. The Administrator has reviewed the financial records of corporation and of the guarantors. He turned the floor over to the Administrator.

Mr. Van Gaale informed the Board that he looked at their profit/loss statement and revenues and expenditures for 2009. They asked him not to reveal the numbers in a public meeting, but he found their revenues to be very healthy and expenditures were under the revenues. Their assets included finished coaches, inventory, equipment, machinery and cash. He stated he is very comfortable with their finances and we have a personal guarantee from both owners (husband and wife), so he would recommend the Subordination. He explained that Volvo is the financing arm of Prevost chassis and motors. The lesson learned is that we don't enter into a rent abatement or similar agreement that we did in the past with Featherlite. If things were to go south, we would approach it in a different way.

Mr. Kuhn asked Mr. Coover if he is comfortable with it, and he said he would revise

SEMINOLE COUNTY PORT AUTHORITY
MINUTES OF THE REGULAR BOARD MEETING
APRIL 21, 2010

paragraph 4 unless anyone else has any other objections to it. Mr. Brown stated that paragraph 4 is basically saying that Volvo can come in and take over the operation and we cannot stop them. Mr. Coover replied that it's basically a situation where they have rights in the assets that are inside the building and they don't want us to interfere while they're in there, but those processes can take days, weeks and months. Therefore, what he would say is they have a right to do that so long as they either cure any defaults that exist and maintain the integrity of the Lease, or they don't have that right.

Mr. Chase asked what improvements are on the property, and Mr. Van Gaale replied that the improvements are the buildings, offices, land and fencing. Mr. Coover stated the Subordination is requested as to personalty only. Mr. Chase disagreed saying that it says the premises, and the premises is defined as the real estate and the improvements located at 1601 Dolgner Place. Mr. Coover replied that he would give him the big picture. He explained that this is government property that cannot be mortgaged or pledged, so we own the property and the building. No matter what this document says or defines, they have no interest in the real estate or improvements. The purpose of this document is for us to subordinate our landlord's lien under Section 83.08. Section 83.08 says that the landlord has a lien on any personal property of the tenant on the leasehold. That's where our lien is; that's the right that the statutes give us to do a distress for rent when one of our tenant's doesn't pay and shut them down and say that we have a lien on everything that's in the building. To the extent we haven't subordinated our lien and to the extent that the property that came on to the premises didn't already have a lien on it, we have priority on those assets. Millennium is giving a blanket lien to Volvo, just like Featherlite gives to its banks. Mr. Coover stated that he would tweak the wording a little bit to make it clearer that they don't have any interest in the real estate and improvements.

MOTION WAS MADE BY DAMON CHASE, SECONDED BY ELIZABETH DORWORTH TO AUTHORIZE THE CHAIRMAN TO EXECUTE THE LANDLORD'S LIEN SUBORDINATION FOR MILLENNIUM LUXURY COACHES, WITH CHANGES TO PARAGRAPH ONE AS DISCUSSED, TO EXCEPT OUT THE LAND AND EXISTING IMPROVEMENTS, TO TWEAK PARAGRAPH FOUR SO THAT THEY WILL HAVE TO CURE ANY EXISTING DEFAULTS IN ORDER TO PREVENT US FROM TAKING POSSESSION.

MOTION CARRIED UNANIMOUSLY.

ADMINISTRATOR'S REPORT

a) Millennium Luxury Coaches - The Administrator referred to a proposal from Dynamic Aspects, Inc. for a 5' x 14' free-standing, internally illuminated sign for Millennium. He stated that he recommends reducing the size of the sign to no more than 50 sq. ft. per side, which they agreed with. The sign will be located on the corner of Dolgner Place and Orange Blvd., and

SEMINOLE COUNTY PORT AUTHORITY
MINUTES OF THE REGULAR BOARD MEETING
APRIL 21, 2010

Millennium will be responsible for the power and permitting.

MOTION WAS MADE BY DAMON CHASE, SECONDED BY ELIZABETH DORWORTH TO APPROVE THE SIGN FOR MILLENNIUM LUXURY COACHES, NOT TO EXCEED 50 SQ. FT. PER SIDE, 100 SQ. FT. TOTAL, SUBJECT TO FINAL APPROVAL BY THE COUNTY.

MOTION CARRIED UNANIMOUSLY.

b) Project #153-Re-Sheeting 16,000 s.f. Metal Building (1461 Kastner Place)/Update - The Administrator reported that we should be getting materials delivered on Monday to start this project.

OLD BUSINESS

There was no old business.

NEW BUSINESS

a) Appoint Budget Committee - The Chairman appointed Tom Kuhn, Damon Chase and Elizabeth Dorworth to the Budget Committee.

Mr. Kilger asked when the County is going to finish their water line project here at the Port, and Mr. Van Gaale replied that he talked with them today and they told him another two weeks. He knows it's a mess and he's been struggling with them to get it done.

b) Leases - The following list of Leases was presented for approval:

1. Lease Termination - Helping Hand Lawn Care, Inc., 4421 Schilke Way, Suites 100-104, beginning September 1, 2009 through August 31, 2010, at the monthly rate of \$1,500.00, effective March 31, 2010.
2. New Lease - Helping Hand Lawn Care, Inc., 1980 Dolgner Place, Suite 1000, beginning April 1, 2010 through March 31, 2011 at the monthly rate of \$2,000.00 (2,181 s.f. warehouse, 819 s.f. office @ a blended rate of \$8.00/s.f.). Personal guarantee.
3. Lease Renewal - Alicia Diagnostics, Inc., 1450 Kastner Place, Suite 100, beginning May 1, 2010 through April 30, 2011, at the budgeted monthly rate of \$1,175.00 (1,050 s.f. offices, 450 s.f. warehouse @ a blended rate of \$9.40/s.f.). Personal guarantee.
4. Lease Renewal - CoverAll Aluminum, Inc., 1980 Dolgner Place, Suite 1060, beginning May 1, 2010 through April 30, 2011, at the budgeted monthly rate of \$1,804.00 (2,712 s.f. warehouse, 288 s.f. office @ a blended rate of \$7.22/s.f.), a 5%

*SEMINOLE COUNTY PORT AUTHORITY
MINUTES OF THE REGULAR BOARD MEETING
APRIL 21, 2010*

increase. Personal guarantee.

5. Lease Renewal - Daniel E. Wurl, 1450 Kastner Place, Suites 124 & 128, beginning May 1, 2010 through April 30, 2011, at the budgeted monthly rate of \$1,654.00 (2,328 s.f. warehouse, 672 s.f. office @ a blended rate of \$6.62/s.f.).
6. Lease Renewal - Dynamic Aspects, Inc., 1940 Dolgner Place, beginning May 1, 2010 through April 30, 2011, at the budgeted monthly rate of \$987.00 (1,212 s.f. warehouse, 288 s.f. office @ a blended rate of \$7.90/s.f.), a 5% increase. Personal guarantee.
7. New Lease - Orchid Blossom, Inc., 1980 Dolgner Place, Suite 1044, beginning May 1, 2010 through April 30, 2011, at the monthly rate of \$1,000.00 (1,212 s.f. warehouse, 288 s.f. offices @ a blended rate of \$8.00/s.f.). Personal guarantees.

The Administrator explained that Helping Hand Lawn Care moved from 4421 Schilke Way, Suites 100-104 to 1980 Dolgner Place, Suite 1000 at an increase of \$1,500 per month to \$2,000 per month (items 1 & 2). Daniel Wurl came in today and requested a 90 day termination clause, so that has been added to his Lease (item 5). Orchid Blossom, Inc. is a company from Miami that imports orchids and orchid accessories for re-sale (item 7).

**MOTION WAS MADE BY ELIZABETH DORWORTH , SECONDED BY
KYLE KILGER TO APPROVE ITEMS 1-7, AS PRESENTED.**

MOTION CARRIED UNANIMOUSLY.

There being no further business, the meeting was adjourned at 4:57 p.m. by Chairman Triplett.

Jeffrey Triplett, Chairman

Matthew Brown, Secretary