

**SEMINOLE COUNTY PORT AUTHORITY  
MINUTES OF THE REGULAR BOARD MEETING  
NOVEMBER 18, 2009**

*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 November 18, 2009.*

*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; Dana McBroom, Member; Elizabeth Dorworth, Member; Cliff Miller, Member; Michael Bowdoin, Member; and Dick Van Der Weide, BCC Member.*

*Director Absent: Kyle Kilger, Treasurer.*

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

*Others present: Rob Kimelman and Bill Royster, Greene, Dycus & Co., P.A.; Stephen H. Coover, SCOPA Attorney.*

*The invocation was given by Michael Bowdoin, followed by the pledge to the Flag.*

*2008/2009 Audit Presentation*

*The Administrator referred to the Variance Report prepared by our Auditors. Mr. Kimelman explained that this document is required by the Authority's governing documents to reallocate the budget line items, which is part of housekeeping before the audit is presented.*

***MOTION WAS MADE BY DANA MCBROOM, SECONDED BY CLIFF MILLER TO APPROVE THE VARIANCE REPORT, AS PRESENTED.***

***MOTION CARRIED UNANIMOUSLY.***

*Under discussion, Mr. Kimelman explained that we are not over spending the budget, we're just reallocating out of those categories. The biggest line item is Maintenance and Repairs-Property of which some of those items were reclassified to "Capital" expenditures. He stated that this is just confirming the expenditures that have been approved by the Board each month.*

*Mr. Kimelman stated that he would keep his report brief, hitting only on the highlights. He referred to page 2, Independent Auditors' Report, explaining that basically it is a clean opinion; the financial statements are prepared in accordance with GAP (Government Auditing Standards).*

*He referred to page 8, Balance Sheet, explaining that last year we had \$8,723,857 in total assets, and this year we have \$9,036,406. One of the four \$100,000 C.D.'s expired and management opted to put it into the money market account which was getting a better interest*

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rate than what is currently available for C.D.'s. The Administrator added that we still keep our \$400,000 base minimum requirement even though it's not entirely in C.D.'s. Mr. Kimelman stated that the biggest change from this year to last year is we have two categories, "accounts receivable" and "notes receivable". Accounts receivable are the receivables from tenants that have not been paid, and the notes receivable are trade receivables that have been converted into Notes. We have approximately \$25,000 in accounts receivable and approximately \$50,000 in notes receivable, which considers a 50% reserve for collection. The biggest part of the receivables is from Featherlite Coaches. The 50% reserve is an estimate of collectability, which can later be adjusted as the number becomes more accurate.

Mr. Kimelman referred to page 9, Profit and Loss Statement, explaining that operating revenue is slightly lower than last year, \$1,982,866 compared to \$2,026,902, which is due to keeping rental rates static because of market conditions and lower occupancy rates, currently at 95%. The operating expenses are slightly up, \$1,108,217 compared to \$1,089,487, in part due to legal issues and bad debts. The operating income is slightly less, \$874,649 compared to \$937,415, although still very favorable. Interest income is approximately \$10,000 less than the previous year due to lower C. D. interest rates. The County contribution was reduced to \$600,000 from \$950,000 the previous year which resulted in an increase in net assets to \$316,974 from \$39,442. He stated that when you compare apples to apples, the years are fairly consistent, with the exception of the contribution to the County.

Mr. Kimelman referred to page 17, Note 7-Commitments, explaining that they are basically making a comment that you have these potential claims arising in the ordinary course of business which is expected to be covered by insurance and that the affect is not going to cause a material harm to the financial statements. He stated that is based upon their discussion with the Attorney, and underlying facts and circumstances.

Mr. Kimelman stated that the books and records have been kept in excellent shape, which makes it easier to perform the audit and gives the Board the information needed to make decisions on a monthly basis. He stated that we still have only two people running the operation and it's hard to have separation of duties, but the Board mitigates that by approving the financials and expenditures every month, which serves its purpose.

The Chairman thanked Mr. Kimelman for a good report.

**MOTION WAS MADE BY COMMISSIONER VAN DER WEIDE,  
SECONDED BY THOMAS KUHN TO APPROVE THE 2008/2009 AUDIT  
REPORT AS PRESENTED BY GREENE, DYCUS AND CO., P.A.**

**MOTION CARRIED UNANIMOUSLY.**

The Chairman asked for corrections or additions to the minutes of the October 21, 2009 Board Meeting.

**MOTION WAS MADE BY MATTHEW BROWN, SECONDED BY CLIFF**

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**MILLER TO APPROVE THE MINUTES OF THE OCTOBER 21, 2009  
BOARD MEETING, AS PRESENTED.**

**MOTION CARRIED UNANIMOUSLY.**

*The Balance Sheet and Budget Statement for the month of October, 2009 were presented to the Board for discussion and approval.*

*The Administrator referred to the revenues and expenditures charts explaining that revenues for the first month of the new fiscal year were under projections by \$9,801, and expenditures were \$82,300 over projections for the month. He explained that the reason expenditures were so high is because we paid for a few projects that were carried over from the previous fiscal year. Profit/Loss totals (\$93,164) or (62.68%), and occupancy is at 95.5%.*

**MOTION WAS MADE BY CLIFF MILLER, SECONDED BY DANA  
MCBROOM TO APPROVE THE BALANCE SHEET AND BUDGET  
STATEMENT FOR THE MONTH OF OCTOBER, 2009, 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 majority of the payment to CitiBusiness Card for maintenance & repair-property in the amount of \$5,861.00 is for cement for some driveways and pads for our tenants. The payment to Yahn Electric Co., Inc. in the amount of \$1,658.13 is for replacing outside lights on the Dolgner Place buildings near the river, and the payment to Wal-Rose, Inc. in the amount of \$3,916.00 is for the driveway replacement for Water Specialists, approved at the last meeting. Mrs. McBroom questioned the payment to Home Depot in the amount of \$815.41, and Mr. Van Gaale replied that it is for form lumber and inside lights for several warehouses.*

**MOTION WAS MADE BY MATTHEW BROWN, SECONDED BY MIKE  
BOWDOIN 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 Americ Design has committed to pay two months rent by this Thursday or Friday after he collects a draw on a project he is finishing. If that does not happen, we will issue a Three Day Notice. The past due balance owed by Cyril International, LLC is for a small Promissory Note. Mr. Van Gaale explained that Cyril was a tenant who vacated and just recently had a new baby, but we have talked to him about bringing his Note current. Dirk's Motorworks' business has been slow, but we're hoping things will pick up for him before Christmas because he builds racing go-carts for*

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*children and this is usually a productive time of year for him.*

*The Administrator explained that Florida Extruders has a late fee past due in the 31-60 day column, but recently paid the September rent after he made a personal visit to their Sanford office. According to Nina in Accounts Payable, they are trying to refinance and clear up their balance by the end of the year.*

*The Administrator explained that Ocean State Production Services brought us their August rent last week, and we have also received their September rent check, but it is not considered on the list. They have indicated that they now have some new contracts and are back working again, but we will wait to renew their Lease until they are fully caught up. We are hoping to receive something from R & R Sheet Metal today or tomorrow, and we received \$4,187.16 from Ryan & Reed, Inc. that is not considered on the list. Southeast Conveyor, LLC has indicated that they will catch up on their rent around the first of December.*

*Mr. Van Gaale explained that Trijyen, Inc. was emailed a Three Day Notice today. The last time we mailed Trijyen a Three Day Notice it was never picked up and came back to us, but we will mail one certified in order to have a hard copy. Mr. Coover stated that we need to serve it according to the Lease or Florida Statute. Right now they don't permit emailing them that he is aware of. Mr. Brown stated that his understanding is that if it is sent by registered mail, whether they pick it up or not, it's considered delivered. Mr. Coover replied that is correct, and it can be sent regular mail unless your Lease says otherwise. Mrs. Dolgner added that she spoke with Mr. Stewart a couple days ago and he was shocked that he owed that much money and wanted to know what the amount would be to prepay an additional six months, but she hasn't heard from him since.*

*Mr. Van Gaale further explained that Featherlite Coaches, Inc. paid their rent and past due Note payments, but still owes a late fee.*

*Further discussion ensued regarding Florida Extruders, and Mr. Van Gaale mentioned that their Lease expires in June, 2010, and they use the plant here for assembling custom aluminum fencing and storing materials.*

*Mrs. Dorworth questioned when we received the \$10,000 Note payments from Featherlite, and Mr. Van Gaale replied yesterday, and that he will discuss them later in the meeting.*

**ATTORNEY'S REPORT**

*a) Acteon Networks FL, LLC - Mr. Coover reported that since the last meeting, we gave the gentlemen credit for his security deposit and added in attorney's fees for his non-performance and non-compliance with Court Orders. He sent him a proposed Final Judgment as amended and asked him to sign and return the letter, but he hasn't gotten it back yet.*

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ADMINISTRATOR'S REPORT

a) *Project #149, Re-Sheeting Two (2) 16,000 s.f. Metal Buildings (1501-1529 Dolgner Place and 1535-1563 Dolgner Place) Update - The Administrator reported that the first building is complete, and the second building is about 80% complete. The back of the building needs to be re-sheeted, but the rest looks really nice. The Chairman questioned whether it will be finished within budget, and Mr. Van Gaale replied that with the change orders it will be about \$160,000 total, but had a budget of approximately \$225,000.*

b) *2010 Legislative Amendment Update - The Administrator reported that last Thursday, November 12<sup>th</sup>, he attended the Seminole County Legislative Delegation meeting and presented our proposed amendments and codification to our existing legislation. The meeting went well although one Legislator, Representative Sandy Adams, voted against it because of the tax provision, which is part of the original language. He stated that any tax that we would ever consider would have to go through Seminole County. Regardless, the bill passed with one nay. Mr. Brown questioned the tax, and Mr. Van Gaale replied that it gives us the ability to tax up to .5 mil. of Seminole County taxpayers. The comments from the Legislators were that the State doesn't want to impede on the County's rights to be able to tax out of their authority. Mr. Van Gaale stated that he believes when the Port was first established, that tax was used to build the facility and establish the Port until the Authority became self-sufficient. Mr. Brown stated that it's prudent to leave it in the legislation in case something were to happen where we would need the funding. Mrs. Dorworth told Mr. Van Gaale that he did very well; she watched it on television. Mr. Van Gaale stated that we advertized appropriately and did everything correctly, and he will continue to track the bill.*

OLD BUSINESS

*Featherlite Coaches, Inc. - The Administrator stated he would like to clarify some issues regarding Featherlite. A prospect (Millennium Coaches) contacted us and Mrs. Dorworth regarding Featherlite's space. He explained that the September minutes are not necessarily accurate, and he would like to clear that up. He met with Millennium Coaches on Monday, November 16<sup>th</sup>. They had asked us back in July whether we had any space around 20,000 sq. ft., and at that point we replied that we did not; but Featherlite's Lease would expire in 2010, and if we had something else available in the meantime, we'd contact them. He stated he met with them because he felt that he should at least do the due diligence based on their interest. For the record, when we were talking about Featherlite in the September meeting and the question was asked by Mrs. Dorworth whether we knew there was no interest in the unit and whether we tried to market it, the minutes are wrong saying that he replied that we've had no interest. Mr. Van Gaale stated that after remembering that we discussed Millennium Coaches and listening to the tape of the meeting, Mrs. Dolgner said "Millennium", and he responded "yes, they wanted a quarter of the space, about 20,000 sq. ft. and Featherlite has nearly 100,000 sq. ft. combined". Therefore, we did have interest, but he really didn't think they could afford it. He stated that, furthermore, Featherlite had expressed interest in subleasing some of their*

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space, so in the past couple months we've brought the two parties together by meeting with Featherlite and suggesting they contact Millennium and visa versa. The Chairman asked when that was, and Mr. Van Gaale replied about a month ago.

Mr. Van Gaale stated that Featherlite and Millennium had another meeting yesterday, but to keep in mind that they are competitors. So we've brought them together and we have been working with them; although early on they were looking for about 20,000 sq. ft. Featherlite's Lease is through February, so it's really not available unless they defaulted, which is also what he told Millennium. Apparently, that answer was not appropriate for them, so they contacted Mrs. Dorworth; and he's heard that essentially the Port is not willing to work with these people. So he just wants to say that's not really the case, we have been working with them and it's clear on public record that he did mention them as a prospect though unlikely. Mrs. Dorworth stated that we need to amend them, because they got her name from the minutes and called her. She talked with them and said that it is not exactly accurate, and he did say there was someone who expressed some interest. The public record isn't clear, so we're going to have to amend it. Mr. Van Gaale stated that by clarifying it now, it is in the public record. He doesn't want the Board to think we are not exploring all avenues, and last week the Marina also expressed interest in the facility.

He stated that Millennium indicated that they want Featherlite's paint booths and their equipment. He feels we owe it to Featherlite to give them the benefit of the doubt and try to help them stay for the long term, since their intention is to stay and be a sales and service organization. If we wanted to get into a legal situation it could be a lot of expense and the facility could be tied up for a long time, and that's why we haven't done aggressive marketing. Mrs. McBroom stated that since they are meeting the terms of the agreement, we wouldn't foreclose on them; and Mr. Coover responded that he wouldn't at this time without writing a letter asking them to pay the late fee.

Mr. Brown stated that he commends the Administrator for trying to at least help two business people in the County, because if they can connect up, it means two businesses survive; so he feels it could be a positive outcome.

Mrs. McBroom left the meeting.

NEW BUSINESS

- a) Leases - The following list of Leases was presented for approval:
- a) Lease Termination - Amick Custom Woodcraft & Design, Inc., 1450 Kastner Place, Suites 112 & 116, beginning November 1, 2009 through October 31, 2010 at the monthly rate of \$1,900.00, effective October 31, 2009.
  - b) New Lease - Crown Custom Woodwork, LLC, 1450 Kastner Place, Suites 112 & 116, beginning November 1, 2009 through October 31, 2010 at the monthly rate of \$1,900.00 (2,436 s.f. warehouse, 492 s.f. office @ a blended rate of \$7.60/s.f.). Personal guarantee.

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- c) New Lease - Carlos Saiz, 1962 Dolgner Place, beginning November 1, 2009 through October 31, 2010 at the monthly rate of \$800.00 (1,500 s.f. warehouse @ \$6.40/s.f.).
- d) New Lease - Logoworks Embroidering & Printing, Inc., 1950 Dolgner Place, beginning November 15, 2009 through November 14, 2010 at the monthly rate of \$850.00 (1,212 s.f. warehouse, 288 s.f. office @ a blended rate of \$6.80/s.f.), 30 day termination clause. Personal guarantee.
- e) Land Lease Renewal - Leonard S. Smith and Jacqueline P. Smith, 4501 Schilke Way (3.3449 acres m.o.l.), beginning December 1, 2009 through November 30, 2014 (5 years). The first year's current monthly rate of \$1,899.00 (\$6,813/acre/yr), and 3% annual rate increases thereafter.
- f) Lease Renewal - Southeast Conveyor, LLC, 4421 Schilke Way, Suites 124 & 128, beginning December 1, 2009 through November 30, 2010, at the current monthly rate of \$1,575.00 (4,000 s.f. warehouse @ \$4.73/s.f.). Personal guarantees.

The Administrator explained that Amick Custom Woodcraft & Design, Inc. (item #1) was having difficulty paying their rent so another company, Crown Custom Woodwork, LLC (item #2) picked up their leasehold. Amick has had a long business relationship with Crown Custom's other company, Crown Audio. Logoworks Embroidering & Printing, Inc. (item #4) requested a 30 day termination clause because they are waiting for a larger space to open up when one becomes available. Southeast Conveyor, LLC (item #6) has requested a 90 day termination clause.

**MOTION WAS MADE BY COMMISSIONER VAN DER WEIDE, SECONDED BY MICHAEL BOWDOIN TO APPROVE ITEMS 1-6, AS PRESENTED, INCLUDING THE 90 DAY TERMINATION CLAUSE FOR SOUTHEAST CONVEYOR, LLC.**

**MOTION CARRIED UNANIMOUSLY.**

There being no further business, the meeting was adjourned at 4:53 p.m. by Chairman Triplett.

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Jeffrey Triplett, Chairman

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Matthew Brown, Secretary