

St. Lucie West Services District
Workshop Minutes
April 6, 2015, at 9:00 a.m.
450 SW Utility Drive
Port St. Lucie, Florida 34986

(Please note: This is not verbatim. A CD recording of the Workshop is available on file.)

Board Members Present

Harvey Cutler, Chairman
Vincent D'Amico, Vice Chairman
Gregg Ney, Secretary
Everett Child, Supervisor

Staff Present

Dennis Pickle, District Manager, St. Lucie West Services District ("SLWSD")
Bill Hayden, Public Works Director/Assistant District Manager, SLWSD
Maddie Maldonado, Office Manager, SLWSD
Jason Pierman, District Treasurer, Special District Services, Inc. ("SDS")
Laura Archer, Recording Secretary, SDS

Guests Present (Sign-In Sheet Attached)

A. Call to Order

Chairman Cutler called the Workshop to order at 9:00 a.m.

B. Pledge of Allegiance

C. Roll Call

It was noted that all Supervisors were present with the exception of Supervisor Altwein.

D. Approval of Minutes

- 1. March 2, 2015, Workshop**
- 2. March 3, 2015, Regular Board Meeting**

The minutes were presented and the Board was asked if they had any revisions and/or corrections.

There being no revisions and/or corrections, Chairman Cutler moved on to the next agenda item.

E. District Attorney
DA 1 – Status Report/Updates

Mr. Pickle was not aware of any updates from Mr. Harrell.

- G. Consent Agenda**
- CA 1 - Monthly Report on Public Works Operations**
 - CA 2 - Monthly Report on Utilities Operations**
 - CA 3 - Monthly Report on Capital Improvement Projects**
 - CA 4 - Monthly Report on Billing and Customer Service**
 - CA 5 - Financial Statements for February, 2015**
 - CA 6 - Consider Approval to Transfer Funds for the R&R Account, WCF Account and the UCF Account Requisitions**

Chairman Cutler asked if any of the Board Members wished to discuss anything on Consent Agenda Items CA 1 through CA 6. There were no questions or comments regarding Consent Agenda Items CA 1 through CA 6.

F. District Engineer
DE 1 – Consider Approval of Work Authorization No. 4D-20-1410-SU between SLWSD and Menin Development, Inc.

Mr. Pickle presented the item indicating that the application submitted for consideration was for the construction of two free standing buildings on the site (in the Shoppes of St. Lucie West) and were being developed for a Pollo Tropical (a restaurant) and a retail store. He noted that a portion of the required ½-inch water quality pre-treatment would be provided by an existing dry storage area along the eastern edge of the site and the remainder would be provided by the installation of 122 feet of exfiltration trench on site. He also indicated that an existing SLWSD water line adjacent to the site will be tapped to provide separate potable and fire protection services to each building and that sewer service would be provided by extending an existing sewer lateral that is on site. One of the water meters will be able to be placed within an existing public utility easement, but due to site constraints, the second meter location will require that a new public utility easement be granted to the District. Mr. Pickle indicated that all policies and procedures of the District have been adhered to and he recommended approval with the following conditions:

1. Applicant shall supply a utility easement located over the Building #1 water meter location. No water meter will be provided for Building #1 until such time as the easement is reviewed and accepted by the Board of Supervisors, and recorded in the public records of St. Lucie County, Florida; and

2. The exfiltration pipe to be installed on site will remain the maintenance responsibility of the applicant.

There was no discussion regarding this item.

H. District Manager Action Items

DM 1 - Consider Approval of Change Order No. 1 to Work Authorization No. SLWSD/BDI 14-03 with Baskerville-Donovan, Inc.

Mr. Pickle then presented this item indicating that staff had originally approved Work Authorization No. SLWSD/BDI 14-03 for the High Service Pump Station Modifications Services during construction in the amount of \$22,970, and due to additional permitting RFIs, minor electrical modifications, SCADA related design input and additional biweekly project meetings, resulted in an increase in engineering hours. He indicated that BDI was requesting an additional \$22,030 for work performed and the additional professional engineering services to complete the project. He noted that this additional amount would bring the total engineering costs for this project to \$45,000. Mr. Pickle noted that the actual amount expended by BDI was much higher than the amount being requested for reimbursement, \$22,030, would allow them to recoup at least some of the losses.

A brief discussion ensued regarding the change of scope and the modifications.

Secretary Ney asked about the status of the extension for the laundry company to pay their impact fees. Mr. Pickle indicated that all is going as outlined in the agreement and that the payments come in the early part of each month. He also noted that Golden Corral had completed their obligation to the District.

DM 2 - Review 2014 Annual Drinking Water Quality Report

Mr. Pickle presented the item indicating that the 2014 Annual Drinking Water Quality Report for the District had been received. He noted that the report is required by the State Department of Environmental Protection and that they had reviewed the report and approved the content for distribution to the District's customers. Mr. Pickle further noted that the report is tentatively scheduled to be included in the May 2015 monthly billing cycle.

DM 3 – Consider Approval of Basin 4E-2015 Stormwater Storage Project Proposal No. 15-003 from Arcadis Engineering

Mr. Pickle presented the item indicating that the proposal includes the preliminary design, final construction plans, permitting of the project, coordination and specialized services from sub-contractors for environmental and survey work. Mr. Pickle pointed out that this project was the canal between 4E and 5 and once completed, would help out the northeast side of the SLW property along with the purchase of the Martin Memorial property. He noted that funding for the project would

come from the Unencumbered General Fund Renewal & Replacement Fund Balance and would be in the amount of \$49,180.

There was no discussion regarding this item.

DM 4 – Consider Approval of Change Order No. 4 for the Water Treatment High Services/Hydro Tank Expansion Project with Wharton-Smith

Mr. Pickle explained the benefits of redundancy and indicated that this change order was for additional electrical work not included in the initial contract and was required due to additional SCADA instrumentation requirements. The amount being requested, \$4,990, is for additional conduit work and will increase the contract from \$639,000 to the not to exceed amount of \$643,090.

There was no discussion regarding this matter.

It was later noted that the correct total contract amount should be indicated as \$643,990, not \$643,090.

Chairman Cutler went back to the Consent Agenda items, specifically Pages 39 through 43 in the Meeting Booklet, wherein the Budget vs. Actual is shown for the different funds. He asked about the negative numbers in the "\$ Over Budget" columns. It was noted that the budget is based on the yearly amount wherein the actual shows the first 5 months of the fiscal year. Mr. Pierman was asked if a column could be added that shows the budget for the first 5 months of the fiscal year as well. Mr. Pierman noted that the District does not budget monthly, but that he would revisit the matter with Michael McElligott in the Finance Department to see what could be included. In addition, Mr. Tony Roach, a resident of the District, indicated that the column entitled, "\$ Over Budget" should actually read, "+/-". Mr. Pickle noted that the District could prepare a report, internally, which would be in addition to the reports generated by SDS.

Secretary Ney asked if the water Culligan is bottling was water from the tap being put into bottles or is it being treated. Mr. Pickle indicated that they do have a process and they had toured their facility, once they found out how much water they were using. He noted that they do treat it and installed a meter to determine how much waste is coming off. He noted that they would continue to monitor them to determine whether they need to increase their wastewater capacity fees. He further noted that they have their own RO system in there, so they're taking the District's RO water and treating it with another RO treatment process on top of that and then putting it into a large vat and from there they are bottling it. Mr. Pickle indicated that they did discuss bottling the water and putting on labels that indicate that it is SLWSD water. Culligan will gather the costs estimated with that and will advise of those figures, but they noted that it has been cost prohibitive in the past. Secretary Ney indicated he would not mind seeing the fact that they are using our water in an upcoming newsletter.

DM 5 – Other Items/Updates

Mr. Pickle noted that the irrigation report is close to being finalized.

Mr. Pickle indicated that he had sent a letter to the Governor last month requesting that he look into the FDEP grant process. Mr. Pickle indicated he noted his disappointment by stating that they had received notification of the award in November and that the contract was finally received in January. He further indicated that after review by our legal counsel, it was passed along to their legal counsel and laid dormant for 3 months. Mr. Pickle then indicated approximately one week later he received a phone call from the Director of FDEP who advised him that they were very disappointed with the process and how long it took; she explained that it was a new program and a new contract manager and that the legal department had a change over as well. She was very apologetic and advised Mr. Pickle that he would hear something by Friday. He noted that the process will, hopefully, be resolved shortly and then they can moved forward with the 2C Basin Project.

Mr. Pickle indicated there was no update on the PGA situation and noted that the life expectancy of this building was 20 to 25 years and that we are currently in the fifth year. He noted that somewhere along the way, discussions need to take place about putting money away for replacement of this building. Mr. Pickle indicated that he had been thinking along the lines of the possibility of relocating the administrative building into the building next door, which used to house admin, and building a two-story complex there; the first floor would house everyone from this building plus a little larger meeting area and a better configured Customer Service area; and the second floor could be for other supportive administrative staff that are currently in that building and relocate the garage to the back portion of the property. He noted that the estimate for that scenario came in a lot higher than he had anticipated, but it could be scaled back; it came in at approximately \$1.4 Million in today's dollars. He noted that it was not something that needed to be done today or to even plan in our budget process for the next five years, but it is something that we need to keep in the back of our minds for a future permanent facilities.

Chairman Cutler spoke of the requirements of the District at final build-out, i.e., how many more employees will be needed; what will the operation require, etc. The goal is to match the need of the facilities to what the operation will require. He further indicated that he was not present at last month's meeting to hear the discussion on PGA and he is sure that Mr. Ney will have additional information once it becomes available.

Secretary Ney indicated that he did bring up PGA with the Presidents' Council and it was his belief that he did not receive a negative response from anybody in terms of the concept. He noted that they had formed an informal committee and they have met once, invited Terri Penny and her husband, Steve Penny, to come to the meeting. Discussions were held and it was agreed upon that it would not be politically expedient for the District to take the lead on this. Ms. Penny suggested forming a 501(c)(3) non-profit corporation which opens you up to all kinds of grant possibilities. Representing that corporation would be 4 or 5 major governmental entities, such as SLWSD, the Presidents' Council, which would represent the POAs,

the commercial association, which would represent the merchants, and the industrial association, which would represent manufacturing. The estimated cost to incorporate would be \$1,500. Secretary Ney spoke with Tiffany Jackson who is the property manager for the commercial association and she believes it's a good idea, but her Board will not spend any money on it. She did not believe she would have any need for office space there. Secretary Ney indicated that he had done some research on the property appraiser's website and found that the current market value for the property is \$550,000 and that commercial rental space has a going rate of \$14 per square foot. One option would be for some entity to purchase that and then the District could rent space from them, if they wanted to move out there. Secretary Ney indicated he was still collecting information.

Vice Chairman D'Amico asked Mr. Ney, referring to Page 3 and thereafter that there seemed to be quite an emphasis by PGA asking, "Country Club Estates, are you interested in this?" He asked if that Board has taken a look at this to which Secretary Ney indicated not really because it was still pretty early. Secretary Ney stated that Steve Penny, Terri Penny's husband, called him after the meeting indicating that he had been thinking about it and he was wondering why Country Club Estates just didn't buy it. Secretary Ney indicated that was certainly a possibility; but his concern, in speaking with the people from Kings Isle who have a very elaborate clubhouse, was that their residents pay \$179 per month to maintain that clubhouse, which would triple the assessments for Country Club Estates. Although there is no real revenue coming in from their clubhouse, whereas we would have the potential for some revenue. Vice Chairman D'Amico indicated that Country Club Estates does not have a clubhouse and having one would be nice. Secretary Ney indicated that he believed having a clubhouse would increase property values.

Mr. Pickle referred to Chairman Cutler's reference to long-term planning and indicated that the number of employees are sometimes driven by State regulation changes. He noted that he can give you what the requirements are today and possibly give you a forecast. He further noted that they are not looking at increasing the infrastructure. Discussion ensued regarding the golf course, facilities rentals and swimming pool at PGA.

Mr. Pickle then referred to the old Martin Memorial property indicating that a decision should be made as to what to call it and that, eventually, they will need Board action on same. Discussion ensued regarding possible names and how other retention ponds are named within the District. It was noted that this matter could be brought up under Supervisors' Requests, if a Board Member so chooses to do so.

Mr. Pickle had nothing further.

I. Supervisors' Requests

There were no Supervisors' Requests.

J. Adjournment

There being no further items to be addressed, the Workshop was adjourned at 10:07 a.m. There were no objections.

Workshop Minutes Signature Page



Chairman/Vice Chairman



Secretary/Assistant Secretary

Date Approved 05/05/15