

**St. Lucie West Services District**  
**Workshop Meeting Minutes**  
June 4, 2018, 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 Meeting is available on file.)

**Board Members Present**

Vincent D'Amico, Chairman  
Gregg Ney, Vice Chairman  
Wayne Smith, Secretary  
John Doughney, Supervisor  
Everett Child, Supervisor

**Staff Present**

Dennis Pickle, District Manager, St. Lucie West Services District ("SLWSD")  
Bill Hayden, Public Works Director/Assistant District Manager, SLWSD  
Josh Miller, Assistant Utilities Director, SLWSD  
Jason Pierman, District Treasurer, Special District Services, Inc. ("SDS")

**Guests Present (Sign-In Sheet Attached)**

**A. Call to Order**

Chairman D'Amico called the Workshop Meeting to order at 9:02 a.m.

**B. Pledge of Allegiance**

**C. Roll Call**

It was noted that all 5 Supervisors were in attendance.

**D. Approval of Minutes**

- 1. April 30, 2018, Workshop Minutes**
- 2. May 1, 2018, Regular Board Meeting Minutes**

Vice Chairman Ney pointed out that the header on page 6 of the Workshop minutes should reflect that it was a Workshop, not a Special Board Meeting.

Vice Chairman Ney also pointed out that the last motion on page 2 of the Regular Board Meeting minutes, the word "pas" should be "past."

Those were the only corrections to the minutes.

**E. Public Comment**

There was no public comment at this time.

**F. District Attorney  
Action Items**

**DM 1 – Status Report/Updates**

Mr. Pickle indicated that he was not aware of any updates from Mr. Harrell.

**G. District Engineer  
DE 1 – Status Report/Updates**

Mr. Pickle indicated that Mr. Lawson would have a walk on item, which Mr. Pickle had distributed to the Board Members for their review.

**DE 1 – Consider Approval of Work Authorization No. 4A-83-1804-SU between the St. Lucie West Services District (the “District”) and Texas Roadhouse Holdings, LLC related to the Texas Roadhouse Restaurant Site**

Mr. Pickle indicated that this was a Work Authorization for the stormwater to go in at that location with the following conditions:

- 1.) Applicant shall supply a letter from the owner of Parcel 2 indicating that they have reviewed the plans and that they do not have an issue with the installation of some of the drainage system serving both Parcels 1 and 2 on Parcel 2 property;
- 2.) All water and sewer facilities servicing this project will be privately owned and maintained by the applicant or subsequent property owner;
- 3.) A 10-foot ingress/egress/utility easement shall be prepared to cover the domestic and fire flow lines being extended to service this property. The easements shall be prepared, submitted for review and acceptance by SLWSD, and be recorded in the public records prior to the site receiving its water meter; and
- 4.) All drainage system components serving this project will be privately owned and maintained by the applicant or subsequent property owner.

Mr. Pickle indicated that staff was recommending approval.

There was a brief discussion about the location of the restaurant.

Mr. Pickle noted that Real Estate Broker, Christine Skurka, was present at the meeting and indicated that Ross was the Buyer and would be bringing in Texas Roadhouse. She also noted that the other parcel was for sale and that they have a lot of interest in that one, as well as the 1.4 acre lot in the back near the hotel.

Mr. Pickle then noted that Christine Skurka was at today's meeting regarding a proposal from 2 prospective buyers for the property at California and St. Lucie West Boulevard. One is for \$1.5 Million and one is for \$1.25 Million. One prospective buyer wants the District to get the site work more ready for a pad ready site and the other wants to be able to come in and do their own pad ready development, but will still require the District to back fill the stormwater retention pond. Mr. Pickle did note that there was no real urgency to put this property on the market because the District was not purchasing the clubhouse. He recommends rejecting both offers for now, until we know what we need for stormwater development and the costs. He noted that the potential buyers indicated that they would still be interested in purchasing the property in the next 4 to 6 months.

Vice Chairman Ney asked what the acreage was on the Chick-Fil-A (CFA) property. It was noted that it was 1.46 acres. He then asked how much property was involved in this potential sale. It was indicated as being approximately 2.2 acres. Vice Chairman Ney noted that this property was roughly 75% larger than the CFA property, which sold for \$1 Million. He indicated that this property is so much larger and the fact that it is a corner lot, he believes that we should not entertain an offer short of \$3 Million; thereby agreeing with Mr. Pickle's suggestion of rejecting both offers.

Discussion then ensued regarding additional stormwater storage.

#### **H. District Manager Action Items**

##### **DM 1 – Consider Approval of Contract with the Florida Department of Corrections Contract #W1109 Amendment #1**

Mr. Pickle presented the item indicating that this would amend the existing contract between the District and the Florida Department of Corrections (FDC), which would extend the contract until October 1, 2019, and would not exceed \$57,497. Mr. Pickle indicated that the amount of the annual contract is within the budget under the Exotic Plant Removal Division. Mr. Pickle indicated that they were very happy with the work being performed and he recommended approval.

Vice Chairman Ney asked how much it would cost the District handled this project instead of contracting it out to the FDC. Mr. Pickle indicated that the cost would probably triple.

The Available Project Budget: \$59,000; this Project: \$57,497; leaving an Available Balance of \$1,503.

There was a brief discussion on the item.

##### **DM 2 – Consider Approval of Owner Direct Purchasing of Necessary Pipe Fitting Appurtenances for the SW069 Reuse Irrigation Pump Station Project**

Mr. Pickle presented the item, indicating that this pump station would replace the old main reuse pump station that is in need of a complete replacement. He noted that the old pump station is not only in a low area subject to flooding, but it has also reached its reasonable life expectancy. He also noted that a new pump station would be more energy efficient and provide better control capabilities.

Staff received the following pipe supplier proposals:

- 1.) Core & Main of Fort Pierce in the amount of \$188,693.53;
- 2.) Fortiline of Miami in the amount of \$165,695.36; and
- 3.) Ferguson Waterworks of Fort Pierce in the amount of \$161,171.07

Mr. Pickle indicated that this project was funded out of the Utility Fund R&R Fund for the current fiscal year and he recommended approval of the proposal from Ferguson Waterworks.

Vice Chairman Ney asked when we would receive it. Mr. Pickle indicated late July, so it does not have to be stored. He also noted that we would receive the materials ahead of the tariff increases on metals.

The Available Project Budget: \$720,310.24; this Project: \$161,171.07; leaving an Available Balance of \$559,139.17.

There was a brief discussion regarding the specifics of the project.

### **DM 3 – Consider Resolution No. 2018-01 – Adopting a Fiscal Year 2019 Proposed Annual Budget and Setting a Public Hearing Date**

This item was moved to the end of District Manager items.

### **DM 4 – Receive and Accept 2017 Financial Report**

Mr. Pickle presented the item, indicating that there were no findings and the District was in compliance. It also indicates that the District is in good financial condition. Mr. Pickle indicated if the Board so desired, Michael McElligott could come to tomorrow's meeting to make a formal presentation.

Secretary Smith noted that he does not believe it is necessary to have a presentation on the audit.

Supervisor Child questioned whether it would be a good idea to make the presentation so that the public could be made aware of the District's financial good standing. It was noted that if there was a finding, a formal presentation would be good, but since it was clean, it should not be necessary.

Secretary Smith asked if there were any statutory requirements announcing that the audit was available for view. Mr. Pickle indicated that the only requirements were

that the Financial Report is received and accepted at a Regular Board Meeting and that it is available on the website.

Vice Chairman Ney asked what accounts for the \$3 Million liability that was eliminated from the Balance Sheet. Mr. Pickle noted that part of it was most likely bond payments.

There was no further discussion on this matter.

### **DM 5 – Other Items/Updates**

Mr. Pickle then presented the District's newsletter to customers. He asked that the Board review the newsletter and advise him of any revisions by tomorrow, so that it may go out with the next billing.

Supervisor Doughney asked if the clean audit could be added to the newsletter. Mr. Pickle agreed and indicated he would also note that the Fiscal Year 2017 Audit could be found on the District's website or they could request a hard copy of it.

Mr. Pickle Vice Chairman Ney noted the 6B Stormwater Gate Relocation Project and indicated that it might be a good idea to include something along the lines of "For more information on current projects, please see the District's website" and list the various projects accordingly. Mr. Pickle suggested maybe telling the customers to contact the District office for additional information. Mr. Pickle agreed that it was a good idea.

Mr. Pickle advised that the District had received 10.68 inches of rain over 4 days due to Subtropical Storm Alberto. Mr. Pickle opined that the system worked flawlessly with some minor ponding, but nothing major. The Board agreed that the system worked well during this rain event. Staff was praised for their work keeping everyone updated.

Mr. Pickle then gave an update on the 6B Stormwater Gate Relocation Project, indicating that they want to relocate the gate further downstream. He noted that they had begun seeing staging of water. Mr. Pickle indicated that the design was based on bad information from the City Engineer and noted that relocating the gate further downstream would give more storage since the elevation downstream is 2-feet lower.

Discussion ensued regarding specifics of the water flow during the recent rain event.

The cost of the project is estimated to be approximately \$600,000. He'd like to have the majority of it completed by August, before school is back in session. Mr. Pickle estimates that the project will take 2 to 3 weeks to complete.

Mr. Pickle then updated on the landscaping and interlocal agreement with the City on Lake Harvey. He noted that he believed the City had committed to \$100,000+ worth of plantings along Cashmere near Magnolia Lakes, of which the District had committed \$15,000 towards, which will, hopefully, provide some sound proofing. Mr.

Pickle also mentioned the gazebo, the pergola and the possibility of installing a fountain for the health of Lake Harvey, which is estimated to cost about \$7,000.

Vice Chairman Ney indicated he had received some feedback about lighting the gazebo to deter kids. Motion activated lights were suggested. Mr. Pickle indicated that it would have to go through the City.

Mr. Pickle then updated the Board on the Trails Golf Course. He noted that CGI had turned down the District's offer to purchase the clubhouse, tennis courts, swimming pool and 13 acres. They indicated they would sell us the tennis courts, swimming pool and the 13 acres for \$360,000. Mr. Pickle indicated that the District was interested in the 13 acres for \$166,000, but are not interested in the tennis courts or the swimming pool.

Mr. Pickle then advised that the property next door may be for sale. It's approximately 13 acres, of which it could possibly be subdivided and purchase maybe 7 acres of it, which would benefit Country Club Estates in stormwater storage and would allow us to put a new administrative building on it without having to pay mitigation for upland preserve.

Christine Skurka was asked if about \$15,000 per acre was a reasonable offer. She indicated that she does not know off the top of her head, but she could run some numbers and get them back to Mr. Pickle.

Mr. Pickle then indicated he was seeking direction on moving forward with "Plan A" for the new building. There was a Board consensus to move forward with "Plan A" for a new building.

Mr. Pickle then advised that the building plans were 90% completed. He noted that they needed to enlarge the planned meeting room to a 100-person occupancy, indicating that it could be put on either site, depending on the timing of the closing and the zoning for timing if it will be built on the site next door.

Mr. Pickle then advised that he had met with the Magnolia Lakes HOA, noting that the District owns the preserve, but that portion of the preserve is to be maintained by the HOAs. Mr. Pickle indicated that the District cleared out a few to help, but brought to their attention the fact that they are responsible for the maintenance so that they could budget the work accordingly. The HOA wants the District to maintain the preserves, which we will need to look at that cost and possibly come up with an agreement to do so, because it makes sense, just as we did with the street to lake maintenance.

The Board gave Mr. Pickle the direction to move forward with the new building plans and to look at the new parcel next door.

Supervisor Doughney suggested that we make it a practice, when referencing articles that copies of said articles be sent out to the Board. Anything related to the official statements of the District Manager, our Attorney or our Engineer that are published in

the local newspaper, we can make them part of our records. Mr. Pickle indicated they would be glad to do so.

Mr. Pickle then distributed a copy of the Second Amendment to Employment Agreement. He also provided a copy of his physical statement, which is not public record. The revisions/additions are highlighted. He noted that he was going to propose hiring a full-time Utilities Director in the next fiscal year, somewhere in the April to July timeframe and Mr. Pickle would then focus on the District Manager duties at that time. Mr. Pickle went over some of the highlighted areas of the amendment.

Mr. Pickle noted that he would meeting with the Board Members on a one-on-one basis to discuss the timing of hiring of a full-time Utilities Director and making some long term decisions.

There was a brief break.

The Workshop was reconvened.

Mr. Pickle advised that he was taking vacation from June 11 through June 19, 2018.

**DM 3 – Consider Resolution No. 2018-01 – Adopting a Fiscal Year 2019 Proposed Annual Budget and Setting a Public Hearing Date**

Mr. Pickle presented Resolution No. 2018-01, entitled:

**RESOLUTION NO. 2018-01**

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE ST. LUCIE WEST SERVICES DISTRICT APPROVING A PROPOSED BUDGET FOR FISCAL YEAR 2018/2019.**

Mr. Pickle then addressed the Fiscal Year 2019 Budget, indicating that the budget had been changed to reflect the new building with an expanded meeting room. He also noted that the 6B Stormwater Gate Relocation Project and land purchase was included. Mr. Pickle also noted that there was a 30% unreserved fund balance versus the 17% per policy. Mr. Pickle advised that the interest rate change reduced savings from \$25 Million to \$21.5 Million. He advised that the Cascades bond had been paid off.

Vice Chairman Ney noted that he would like to see a graph showing assets and liabilities with liabilities reducing, to show the net worth.

Mr. Pickle noted that there were no substantial changes since the last review of the budget.

Mr. Pickle then indicated that there was a change in the District Manager line item due to the proposed contract amendment. He also noted that the new Water

Treatment Operator is shown on page 33 of the budget due to the requirements of having a licensed operator 16 hours per days.

Vice Chairman Ney questioned the end of year estimates to which Mr. Pickle explained the seasonality of line items.

Mr. Pickle noted, bottom line, that rates would not be increased in 2019 or 2020.

Mr. Pickle then reviewed the R&R schedule.

There was no further discussion regarding the Proposed Fiscal Year 2019 Budget.

**I. Consent Agenda**

**CA 1 – Monthly Report on Public Works Department**

**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 April, 2018**

**CA 6 – Consider Approval to Transfer Funds for the R&R Requisition**

Consent Agenda items CA 1 through CA 6 were presented.

There was no discussion regarding these items.

**J. Supervisors' Requests**

Supervisor Doughney indicated that he knew someone who could look at the preserve issue, if the District would like to debate the issue with the City. Discussion ensued regarding the City's requirements about landscaping with new projects. Mr. Pickle indicated that the City could not just tell the District that we need to landscape; it needs to be stated in the ordinance.

**K. Adjournment**

There being no further items to be addressed, the Workshop Meeting was adjourned at 11: a.m. There were no objections.



Workshop Meeting Minutes Signature Page

Vincent J. Amico  
Chairman/Vice Chairman

W. K. A. Smith  
Secretary/Assistant Secretary

Date Approved 07/10/18