

St. Lucie West Services District
Workshop Minutes
June 5, 2017, 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

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
Maddie Maldonado, Office Manager, SLWSD
Josh Miller, Assistant Utilities Director, SLWSD
Jason Pierman, District Treasurer, Special District Services, Inc. ("SDS")
Michael McElligott, SDS

Guests Present (Sign-In Sheet Attached)

A. Call to Order

Chairman D'Amico called the Workshop to order at 9:00 a.m.

B. Pledge of Allegiance

C. Roll Call

It was noted that all 5 Supervisors were in attendance.

D. Approval of Minutes

- 1. May 1, 2017, Workshop**
- 2. May 2, 2017, Regular Board Meeting**

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

Chairman D'Amico referred to Page 1 of the May 2, 2017, Regular Board Meeting Minutes, under Item C, noting that only 4 Supervisors were present at the meeting.

Vice Chairman Ney referred to Page 4 of the same set of minutes, Item J, the first sentence. He recommended removing the word "further" from the sentence.

Mr. Pierman indicated that he would advise Ms. Archer of the revisions.

There were no further revisions or discussion regarding either set of minutes.

E. Public Comment

There was no public comment at this time.

F. District Attorney DA 1 – Status Report/Updates

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

G. District Engineer DE 1 – Consider Approval of Work Authorization No. 4E-30-1704-R between SLWSD and MotorCoach Resort St. Lucie West, LLC

Mr. Pickle presented the item indicating that the application was for construction of the final phase of the Outdoor Resorts project located in Basin 7B2, directly west of California Boulevard, along the C-108 canal. Mr. Pickle indicated that there were two additional stormwater lakes in this phase of the development and the District will secure rights over the lakes and lake to lake interconnect pipes by way of St. Lucie West Plat No. 183, when recorded.

Mr. Pickle advised that the project is comprised of 68 additional RV lots and will include water, sewer, drainage, and roadway improvements to serve the new lots. All water and sewer improvements within the project will remain in private ownership and the Applicant will be responsible for their maintenance. Street to lake drainage will be privately maintained, while lake to lake drainage will become the District's maintenance responsibility, as was the case in previous phases of development.

Mr. Pickle indicated that all policies and procedures of the District had been adhered to, including payment of application and inspection fees, as well the required water management deposit. Mr. Pickle noted that staff had reviewed the application and recommended approval, with the following one special condition:

1.) All water and sewer facilities to be constructed within this project are to remain in private ownership and will remain the maintenance responsibility of the Applicant.

Vice Chairman Ney asked if the District inspects their system to which Mr. Pickle responded that we do not because it is private property.

There was no further discussion regarding this item.

H. District Manager

Action Items

DM 1 – Consider Approval of United Healthcare Dental Insurance Provider

Mr. Pickle presented the item indicating that staff had received proposals for the renewal of the dental insurance coverage provided by Principal, in which they proposed a 3.49% increase. After reviewing the 9 proposals, it was determined that United Healthcare's proposal package was the best plan. Their plan offers similar benefits of the current plan at a 17.99% decrease. An annual savings of \$6,315.48 will be realized, if the United Healthcare coverage is approved by the Board. The annual premium based on 58 participants will be \$28,789.08. Staff recommends the Alternate plan from United Healthcare, which coverage extended until June 30, 2018.

There was no discussion regarding this matter.

DM 2 – 2016 Financial Report

Mr. McElligott presented the item and explained the finding of the auditor. Mr. Pierman noted that the finding was for a bank reconciliation mistake that had been corrected prior to the audit, made by a new employee who did not follow procedure, and is no longer with the company. Staff had identified the error and corrected it, but because reconciliations are a "snapshot in time", the mistake was noted by the auditors, resulting in a minor finding in an otherwise clean audit.

Vice Chairman Ney asked where the net income shows up in the audit to which Mr. McElligott replied that it appears on Page 12 for the General Fund and Page 15 for the Water and Sewer Fund.

There was no further discussion regarding this item.

DM 3 – St. Lucie Trail Golf Club Purchase Update

Mr. Pickle advised the Board that PGA had contacted him over the weekend and that they were rejecting the District's offer at this time so that they could go out to the open market to list the property for \$2.5 Million. Mr. Pickle requested that PGA send an official statement he could read it into the record so that there would be no misunderstanding; however, as of this meeting, he had not yet received anything from PGA to that effect. Mr. Pickle gave the facts as he understood them by stating that PGA is not rejecting the District's offer, but rather they want to accept other offers. He personally recommended that he withdraw the offer.

After outlining several reasons to withdraw the offer, Mr. Pickle made the presentation that he had given to the Country Club Estates' HOA. Mr. Pickle outlined 3 different options for the golf course: take the front 9 holes and convert it into stormwater storage, which would give the District 22 acres of additional stormwater storage, leaving the back 9 holes in play; if we kept the entire 18 holes and created additional stormwater storage, the District would have 10 additional acres, if they

gave up the driving range; if you took the back 9 holes, that would give the District an additional 15 acres and allow the front 9 holes to be in operation as a golf course. A fourth scenario was also outlined being that if the District could not work out an agreement with Country Club Estates to maintain the golf course, that the entire golf course be converted into stormwater storage, which would give the District an additional 48.5 acres of additional stormwater storage.

Discussion ensued amongst the Board Members regarding withdrawal of the offer. There was a Board consensus that Mr. Pickle send a withdrawal of the offer made to PGA.

There was no further discussion on this item.

A short break was taken from 10:13 a.m. until 10:19 a.m.

DM 4 – Consider Resolution No. 2017-02 – Adopting a Fiscal Year 2018 Proposed Annual Budget and Setting a Public Hearing Date

Mr. Pickle presented Resolution No. 2017-02, entitled:

RESOLUTION NO. 2017-02

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE ST. LUCIE WEST SERVICES DISTRICT APPROVING A PROPOSED BUDGET FOR FISCAL YEAR 2017/2018.

Mr. Pickle noted that the Public Hearing on the final budget would be scheduled for September 12, 2017. He also noted that the budget includes the proposal for the golf course, but that the final budget would not include it on September 12, 2017. Mr. Pickle indicated that the golf course purchase would be removed from the budget and brought back to tomorrow's meeting.

There was no further discussion regarding this matter.

DM 5 – Other Items/Updates

Mr. Pickle provided a copy of his physical, pursuant to his contact, which is not of public record.

Mr. Pickle indicated that the Lake Harvey project had been awarded and that clearing was scheduled for 2 weeks from now, with digging scheduled for July and completion sometime in September/October.

That concluded Mr. Pickle's updates.

I. Consent Agenda

Mr. Pickle presented Consent Agenda items CA 1 through CA 6.

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, 2017

CA 6 - Consider Approval to Transfer Funds for the R&R Account Requisitions

There was no discussion regarding Consent Agenda items CA 1 through CA 6.

J. Supervisor Requests

Chairman D'Amico asked how the new office hours were working out. Ms. Maldonado indicated that everything was going well for staff and they have not received any complaints from customers.

Supervisor Doughney expressed his appreciation that the District was represented at the Hurricane Forum.

Vice Chairman Ney asked for an update on the Boulevard property. Mr. Pickle indicated that there was no update. He noted that the District's deal is with Ross Realty, not Chick-Fil-A and that Chick-Fil-A is trying to get easement access to a drive-through from Bank of America.

Supervisor Child asked about the Lake Harvey timing. Mr. Pickle indicated that land clearing was expected in 2 weeks. Supervisor Child then asked about the administrative building. Mr. Pickle suggested discussing the admin building at tomorrow's meeting because if we start construction, we cannot buy the golf course.

Secretary Smith inquired about the lot next to Park Avenue BBQ, asking what was going in. Mr. Pickle advised that he did not know. Secretary Smith then asked about the lots next to Carrabba's. Mr. Pickle indicated that Home2 Suites was developing that site.

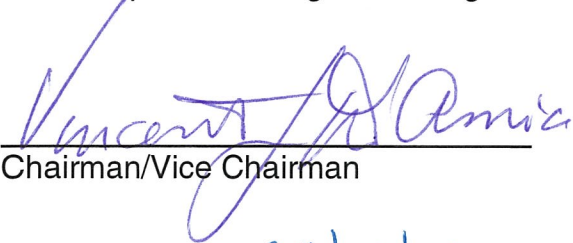
Vice Chairman Ney asked for clarification on the benefit of Lake Harvey. Mr. Pickle noted that 4E-5 and Lake Harvey will both provide benefit to King's Isle.

There were no further requests from the Supervisors.

K. Adjournment

There being no further items to be addressed, the Workshop was adjourned at 10:43 a.m. There were no objections.

Workshop Minutes Signature Page


Chairman/Vice Chairman


Secretary/Assistant Secretary

Date Approved 07/11/17