

**St. Lucie West Services District
Workshop Minutes
June 6, 2016, 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
Charles Altwein, 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
Jason Pierman, District Treasurer, Special District Services, Inc. ("SDS")
Michael McElligott, Finance, 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 present.

D. Approval of Minutes

- 1. May 2, 2016, Workshop**
- 2. May 3, 2016, Regular Board Meeting**

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

Vice Chairman Ney noted on Page 6 of the Workshop minutes, the second paragraph should read, "There was discussion on combining certain line items." instead of "...combing certain line items."

There was no further discussion regarding the minutes.

E. Public Comment

There was no public comment at this time.

F. District Attorney

DA 1 – Consider Approval of Fourth Amendment to Purchase and Sale Agreement

Mr. Pickle presented the item indicating that the purchaser was requesting further clarification to remove the Upland Habitat designation from the involved real property to make plain that such obligation includes recording a conservation easement over new or replacement upland preserve area properties. It was noted that an additional deposit in the amount of \$75,000 had been paid into escrow. Secretary Smith asked if there had been any further discussions regarding the lift station location. Mr. Pickle indicated that it appeared that Chick-Fil-A wants to relocate the lift station on their own so the sale price for the property would be \$1 Million. Mr. Pickle noted that the project was moving along through the City at this time.

There was no further discussion on this item.

DA 2 – Consider Approval of Corrective Quit Claim Deed

Mr. Pickle indicated that this matter was also regarding the transaction of the sale real property to Ross Realty Investments, Inc. and was a corrective Quit Claim Deed correcting a legal description error in the deed which had been discovered by the purchaser's title agent.

There was no discussion regarding this matter.

DA 3 – Consider Approval of Partial Release of Water Management Easement

Mr. Pickle indicated that this was being presented because a dwelling located at 703 SW Lake Charles Circle encroaches approximately 20 inches into the District's easement and that did not show on the survey. The owners were asking for a 2-foot release of easement because they are in the process of trying to sell the dwelling and the survey came up as not clear. It was noted that a leak had been found and that they would be lining the pipe this week. Mr. Pickle indicated that the air conditioner is still on the easement, but the owner understands that it may have to be moved, if necessary. Discussion ensued about slip lining all the pipes to which Mr. Hayden indicated that they only slip line them as needed. Secretary Smith asked if there may be more of these issues to arise to which Mr. Pickle noted that we were not aware of this situation and it only came up because of the title search.

There was no further discussion on this item.

G. District Engineer

DE 1 – Consider Approval of Work Authorization No. 4A-81-1605-SU between SLWSD and ALN Holdings, LLC

Mr. Pickle presented the item indicating that the application requests approval for the construction of a one-story, 7,521 SF pediatric dentistry office building on Lot 3 in St. Lucie West Plat No. 138 and that the 2.24 acre site is located on the SW corner of SW Chamber Court.

Mr. Pickle noted that the required ½ inch water quality pre-treatment is being provided by a dry storage area located on the eastern portion of the site and that the grades used on the paving grading and drainage plan appear to conform to the grades assumed in the South Florida Water Management District conceptual permit. He stated that overflow from the on-site dry storage area discharges into the Lake Charles lake system upstream of the Basin 4A control structure.

Mr. Pickle indicated that the water, sewer and irrigation services for the site are being accommodated by the extension of services installed at the time SW Chamber Court was constructed and that a Point of Service (POS) designating the split between SLWSD and landowner maintenance responsibility has been added to the plan. The proposed water meter and fire services are located just outside the 50 private utility easement underlying the ingress egress easement used to access the site and as such, a condition requiring additional easement area to cover the meter is being required.

Mr. Pickle noted that Staff had reviewed the application and recommends approval of Work Authorization 4A-81-1605-SU with the following two (2) conditions:

- 1.) Applicant shall supply an additional utility easement covering the location of the water meter. No water services will be provided until such time as the easement is reviewed, accepted by the Board of Supervisors, and recorded in the public records of St. Lucie County, Florida; and
- 2.) All utility lines past the SLWSD Point of Service and water meter will be maintained by the property owner.

There was no discussion regarding this matter.

DE 2 – Consider Approval of Work Authorization No. 4A-82-1605-R between SLWSD and Scott VanDuzer as Current Owner of Lot 5, Block 23, SLW Plat No. 104, Lake Charles Phase 3A, as Recorded in Plat Book 37, Page 28, St. Lucie County Public Records

Mr. Pickle presented the item indicating that this Work Authorization is in conjunction with Item DA – 3, the Partial Release of Water Management Easement. Approval of this Work Authorization will allow the air conditioning unit serving the dwelling to remain in its current location by the District, essentially, abandoning its interest in the

northernmost 2-feet of the easement. One special condition was being recommended, as follows:

1.) Applicant shall be responsible for removal/relocation/re-installation of the air conditioning unit upon written request by the District, should the District determine that the removal/relocation/re-installation is necessary in order for the District to service the 24-inch drainage pipe located within the existing easement.

There was no discussion regarding this item.

H. District Manager Action Items

DM 1 - Consider Approval of the Renewal Contract, W1000 Amendment 1, between the Florida Department of Corrections and St. Lucie West Services District to Provide Use of Inmate Labor in Work Programs

Mr. Pickle stated that the Florida Department of Corrections had provided Amendment 1 to the original agreement executed on August 16, 2015, which will extend the inmate labor work program for the period October 2, 2015, through October 1, 2017, and includes the following changes:

- Renews the contract for one (1) year pursuant to Section I., B., Contract Renewal: and revises the end date of the contract referenced in Section I., A., Contract Term. The Department is exercising its renewal option for the final renewal period; and
- Replaces Addendum A with Revised Addendum A, effective October 2, 2016, pursuant to Section III., A. Payment to the Department, 5.

Mr. Pickle indicated that the contract extends another year and that the program is going well. Secretary Smith asked specifically what they do to which Mr. Hayden indicated that they work 4 days per week, 10 hours per shift to remove exotics from the I-95 bridge slopes, upland preserves and outside community sub-divisions. Vice Chairman Ney asked how far in advance they know what area they will be working in. Mr. Hayden indicated that the guards are advised approximately 4 weeks in advance.

There was no further discussion regarding this item.

DM 2 – Consider Approval of Change Order for Basin 4E-2015 Stormwater Storage Project Proposal No. 15-003

Mr. Pickle presented the Change Order indicating that it was for Arcadis Engineering and that the proposal had included the preliminary design, final construction plans, permitting of the project, coordination and specialized services from sub-contracts for environmental work and survey work. Mr. Pickle noted that due to the extensive permitting reviews with the Army Corps of Engineers and the U.S. Fish and Wildlife Service, Arcadis depleted the project budget for these services. The Change Order

requests an additional \$2,700 over the original proposal of \$49,180. Secretary Smith asked if permit review were included in the scope of work to which Mr. Pickle indicated that there was a permitting line item, but maybe not specifically for the Army Corps of Engineers.

There was no further discussion on the matter.

DM 3 – 2015 Financial Report

Mr. Pickle presented and explained the audit process. Mr. McElligott explained the history of their audits and indicated that the District was in good shape. Chairman D'Amico asked about restricted funds in third party hands. Mr. McElligott indicated they were with the Trustee, U.S. Bank, to make bond payments, and for capital accounts, reserve fund, surplus fund, and impact accounts. He noted that the operating accounts are with SunTrust. Vice Chairman Ney asked about depreciation. Mr. Pickle indicated that the District does not budget for depreciation and Mr. McElligott explained that because the District does not pay taxes, depreciation is not calculated. Secretary Smith asked about depreciating a surplus item to which Mr. McElligott explained how fixed assets work. Vice Chairman Ney asked how the net worth of the District go up \$2 Million. Mr. Pickle noted that the wastewater plant and the RO plant increased in value.

There was no further discussion regarding the 2015 Financial Report.

DM 4 – Consider Resolution No. 2016-02 – Adopting a Fiscal Year 2016/2017 Proposed Annual Budget and Setting a Public Hearing Date

Mr. Pickle gave an overview of the budget, indicating that the beginning balance had increased due to audited numbers. Secretary Smith asked if the District still anticipates a rate increase in 2018 to which Mr. Pickle replied that they do, but it is his hope to be able to put it off. Mr. Pickle noted that FPL is estimated to increase to 17%, up from a 10% estimate. Mr. Pickle indicated that the 5 year forecast is still being used because the rate consultant recommended it for future bond issues. Mr. Pickle also noted that some codes have been eliminated to consolidate the budget. Mr. Pickle then directed the Board's attention to Page 11 wherein the exotic plant removal OT formula showed a repetitive amount. He indicated that it would be corrected in the final budget. Secretary Smith asked when the new building would show on the budget. Mr. McElligott indicated that it would show as construction in progress and Mr. Pickle noted that permitting would begin this year so that the contract could be awarded October 1st. Discussion ensued about the financial stability of the District and the fact that no increases have been made.

There was no further discussion regarding the Fiscal Year 2016/2017 Proposed Annual Budget.

A short recess was taken at approximately 10:55 a.m. The Workshop was called back to order at 11:01 a.m.

DM 5 – Other Items/Updates

Mr. Pickle distributed to the Board a copy of his annual physical report, pursuant to the terms of his contract.

Mr. Pickle then distributed a copy of the Unregulated Contaminants Report, which was an addendum to the 2015 Annual Water Quality Report.

Mr. Pickle noted that lake levels have been lowered to control and in doing so, they were ready for the anticipated rains tonight.

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

Secretary Smith referred to Project WM019 – Lake Harvey Project. He noted that it had been 7 months and that he assumed that it includes permitting, not just design. Mr. Pickle indicated he was correct. Mr. Pickle indicated that they were looking at a possible grant for the project, but that it may not be worth delaying the project. Supervisor Altwein asked if the lake would be surrounded by grass for people to walk around it. Mr. Pickle indicated it would, but signs will be posted indicating “No Trespassing” which is rarely enforced. Mr. Pickle indicated that the lake would be a hybrid – deep in front and elevated wetland in the back. Secretary Smith noted that the plans show a parking lot to which Mr. Pickle noted that there would be no parking lot; that the plans only show what could be done. Mr. Pickle indicated that once the \$1 Million is firm, they would come back to the Board with a plan on how to use it for stormwater.

Mr. Pickle noted that they were looking at another location for the cell phone tower.

CA 4 - Monthly Report on Billing and Customer Service

CA 5 - Financial Statements for April, 2016

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

CA 7 – Surplus Items

There was no further discussion regarding any of the Consent Agenda items presented.

J. Supervisor Requests

Secretary Smith noted with summer here, he would like to make sure that the lakes are in good shape and that key people are informed about algae.

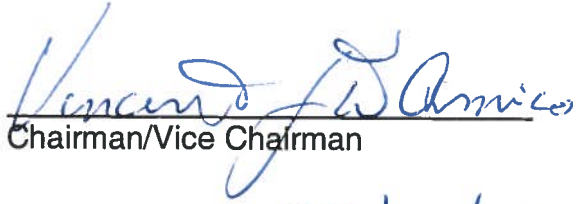
Vice Chairman Ney asked what happens when the lakes are sprayed for algae; if it releases nutrients when it dies or is it a continuing process. Mr. Hayden indicated that it decomposes and gives off nitrogen. He indicated that fertilizer is a bigger issue with nitrogen.

Supervisor Child expressed kudos to SDS for the audit and to Mr. Pickle and staff for the budget.

K. Adjournment

There being no further items to be addressed, the Workshop was adjourned at 11:36 a.m. There were no objections.

Workshop Minutes Signature Page


Chairman/Vice Chairman


Secretary/Assistant Secretary

Date Approved 07/12/16