

**St. Lucie West Services District**  
**Workshop Minutes**  
September 12, 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")

**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. August 1, 2016, Workshop**
- 2. August 2, 2016, Regular Board Meeting**

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

Chairman D'Amico noted on Page 2 of the Workshop Minutes, under Item G – DE 1, a reference is made "...at the rear of the lost." It should read, "...at the rear of the lot."

There was no further discussion regarding either set of minutes.

## **E. PRMG Presentation**

Mr. Pickle indicated that no increase in rates would be made for this year, nor most likely for 2018. He noted that the refinancing of the bonds and the in-house sludge housing have saved the District quite a bit. Mr. Pickle surmised that the in-house sludge housing saved the District approximately \$250,000 and that the refunding save the District approximately \$400,000 annually. Mr. Pickle noted that the City was proposing an increase in their stormwater fees of which the District receives 75%, which is not reflected in our budget.

Supervisor Altwein asked if the District was renegotiating the 75% to which Mr. Pickle responded that the City was funding Lake Harvey, so it is his belief that we've gotten as much as we will be able to get out of them. Mr. Pickle noted that the District may be able to lower special assessments due to the City's increase next year.

## **F. Public Hearing 1**

### **1. Call to Order**

### **2. Proof of Publication**

### **3. Receive Public Comment on the Fiscal Year Ending September 30, 2017, Budgets for the District; Providing Authority for the District Manager to Expend Funds on Behalf of the District**

Mr. Pickle noted that there were no members of the public present at the Workshop.

- **PH 1 – Consider Resolution No. 2016-04 – Adopting the Budgets for the Fiscal Year Ending September 30, 2017, for the District; Providing Authority for the District Manager to Expend Funds on Behalf of the District**

Mr. Pickle noted that the budgets being presented were, overall, more favorable than those which had been initially proposed. He briefly went over the most notable changes, noting that Rob Ori will more than likely want to increase the Utility R&R Fund from the present \$250,000, but he believes the Unrestricted Fund balance makes up for it.

Vice Chairman Ney asked why the General and Utility Unrestricted Funds were separate. Mr. Pickle noted that one is non-profit and the other is for-profit (enterprise).

Discussion ensued about PRMG's projections for consumption and how conservative they are. Mr. Pickle indicated that he believes they should actually come in better than budgeted.

Supervisor Child asked when the bank site sale funds would show in the budget. Mr. Pickle indicated that all deposits are currently in escrow and are not reflected in this budget.

There was no further discussion regarding this matter.

**G. Public Hearing 2**

**1. Call to Order**

**2. Proof of Publication**

**3. Receive Public Comment on Levying a Non Ad Valorem Assessment for Water Management Bonds, Operations and Maintenance Costs, and the Series 2010 Capital Improvement Revenue Bonds (Cascades Project) within the St. Lucie West Services District for the Period October 1, 2016, through September 30, 2017**

Mr. Pickle indicated that approval of this resolution gives non-ad valorem assessment authorization.

Vice Chairman Ney asked if an additional assessment was necessary in order to offset the increase of expenses due to the street to lake additional services. Mr. Pickle indicated that it would not be necessary because the District was in good financial shape.

There was no further discussion regarding this item.

- **PH 2 – Consider Resolution No. 2016-05 – Levying a Non Ad Valorem Assessment for Water Management Bonds, Operations and Maintenance Costs, and the Series 2010 Capital Improvement Revenue Bonds (Cascades Project) within the St. Lucie West Services District for the Period October 1, 2016, through September 30, 2017**

**H. Public Comment**

There was no public comment.

**I. District Attorney**

**DA 1 – Consider Request to Advertise for a Public Hearing to Consider Adoption of Proposed Amendments to Chapter A-1, General and Procedural Rules of the Board of Supervisors**

Messrs. Pickle and Pierman explained the policy, noting that it protects the Board. The proposed amendment includes the addition of a new section, A-1.20, Legal Defense and Indemnification. A brief discussion of the policy and who is covered took place.

**J. District Engineer**

**DE 1 – Status Report/Updates**

Mr. Pickle was not aware of any items that Mr. Lawson had to bring to the Board's attention with the exception of several updates.

**K. District Manager  
Action Items**

**DM 1 – Consider Approval of the District's Holiday Schedule for the 2017 Calendar Year**

Mr. Pickle presented the schedule and noted that it was identical to the 2016 holiday schedule approved by the Board last year.

There was no discussion on this item.

**DM 2 – Consider Approval of the Environmental Impairment Liability Insurance Renewal**

Mr. Pickle presented the item and indicated that the quote assumes coverage for the underground storage tanks as well as the 100+ miles of sewer lines within the District. He indicated that several proposals had been received and that Great American E&S Insurance Company located in Cincinnati, Ohio, had submitted the best rate for a three-year policy. Mr. Pickle noted that Great American E&S Insurance Company has a Long-Term Issuer Credit Rating of A+.

The renewal policy for 3 years remains the same as in 2013 with the Environmental premium at \$39,402 and the Acts of Terrorism portion is \$394. Mr. Pickle noted that the quote came in below the estimated budgeted amount of \$46,000.

Secretary Smith asked if the District had ever filed a claim to which Mr. Pickle responded that we did so for an acid spill in 2009. Secretary Smith confirmed that the premium amount would be a lump sum payment and Mr. Pickle indicated that it would be, but that the auditor may spread it out over a period of time.

There was no further discussion on this matter.

**DM 3 – Accept and Receive the Annual Engineering Certification of the Utility Systems from Infrastructure Solution Services, dated August 30, 2016**

Mr. Pickle presented the item and noted that the only item which requires attention is the Water Use Permit with the South Florida Water Management District.

Vice Chairman Ney suggested putting this item on the project tracker to which Mr. Pickle concurred.

There was no further discussion regarding this item.

**DM 4 – Consider Resolution No. 2016-06 – Authorizing the Establishment of a District Checking/Operating Account, Designating District Officials and/or**

## **Authorized Staff to Review, Approve and Issue Payment of Expenditures, Selecting the Signatories**

Mr. Pierman explained that this resolution will update the authorized signers and reviewers for District payments, due to the recent retirement of Ashlyn Miner from Special District Services. She is being replaced as a signer by Tricia LasCasas. Mr. Pierman went on to explain the benefits of electronic payments in the future and that this resolution will allow staff the option of making District payments electronically in the future.

### **DM 5 – Other Items/Updates**

Mr. Pickle brought up the Employee Benefits Program, in particular the Personal Leave Policy. He noted that the District encourages employees to use their sick leave because they cannot cash it out, if they leave the District. Mr. Pickle proposed using “PTO” (Paid Time Off) instead of sick time and vacation time and putting the current sick time into emergency leave that does not increase. He noted that employees would have the option of cashing out PTO at the end of the year and that emergency leave would only be used in instances of illness. Mr. Pickle noted that in order to make this change, a Public Hearing needed to be scheduled for adoption. He reiterated that changing this policy would not take anything from the employees, but rather it would allow them to cash out at the end of the year.

Discussion ensued regarding this matter. Mr. Pickle indicated that he would formally bring this item to an upcoming meeting in the hopes of scheduling a December Public Hearing.

Mr. Pickle then brought up implementing a new Cellular Phone Stipend Policy. He noted that the District currently pays current rates to employees for using their own cell phones and that the allowance is voluntary.

In reviewing the Stipend Cell Phone Policy Statement, Vice Chairman Ney noted that Blackberrys are virtually obsolete. Discussion ensued regarding reimbursements. Mr. Pickle indicated that he will formally bring the matter back to the Board for consideration to set a Public Hearing.

Mr. Pickle then brought up the office hours of the District, proposing to change them to 8:00 a.m. until 4:00 p.m. Mr. Pickle made a PowerPoint presentation of the current schedule and the proposed schedule. His reasons for the change were due to a decline in customer activity and the ability of customers to pay their bills online. Mr. Pickle also had a comparison of other utilities and their business hours.

Discussion ensued regarding online payments versus payment by check. Secretary Smith’s opinion was that the online bill pay was not user friendly.

Mr. Pickle indicated that he would formally have this item on the next meeting agenda for consideration. Vice Chairman Ney suggested maybe changing office hours to

8:30 a.m. until 4:30 p.m. or 8:00 a.m. to 4:40 p.m. Mr. Pickle noted that he would look at other options.

Chairman D'Amico indicated he was fine with the office hours being changed to 8:00 a.m. to 4:00 p.m.

Supervisor Altwein does not like that the employees would have to sacrifice their lunch hour and believes that they should take a lunch hour along with a break.

Mr. Pickle indicated that it is his intention to stay consistent with other departments and that the employees are proposing this change.

Vice Chairman Ney opined that as long as the customers are taken care of, the change of business hours is fine.

Supervisor Child noted that he was okay with it since staff has justified it.

The Board agreed with Mr. Pickle's decision to change the business hours to 8:00 a.m. to 4:00 p.m.

Mr. Pickle then advised that the District had recently been awarded for dedicated and outstanding service to District customers and award winning accomplishments for the year 2016 as Medium Wastewater System of the Year from the Florida Rural Water Association (FRWA). Mr. Pickle noted that FRWA presents 10 different awards at their annual conference and in order to be eligible, the system must be in total compliance with the Department of Environmental Protection (DEP). He also noted that the award winner is picked from a panel of DEP personnel and FRWA employees.

Mr. Pickle then distributed a new office building drawing and indicated that it is budgeted for the next fiscal year. Mr. Pickle noted that permitting is expected to take roughly 9 months and that the current administrative building could be sold inside Florida for about 30% less than the purchase price. He reminded the Board that the structure has a 20-year life span so it could stay here for a while.

A brief discussion ensued regarding specifics of the layout.

Mr. Pickle then advised that the City was working on a roundabout at California and University and that it would be brought to the City Council for approval on September 12<sup>th</sup> and that construction was expected to run from October through February.

Mr. Pickle then read a letter from the President of Lake Forrest HOA regarding staff repairing a water leak in the community. He noted that they were professional and a pleasure to work with.

Mr. Pickle indicated that he had attended a Men's Club Meeting last week in King's Isle where he gave updates on the District's projects.

Mr. Pickle advised that the 4E/5 Canal project is moving along and that they had a Change Order for time only. He anticipates another Change Order for money for sidewalks next month and that completion of the project is expected to wrap up at the end of October.

#### **L. 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 July, 2016**

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

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


#### **M. Supervisor Requests**

Secretary Smith noted that elections were coming up in November and that District 2 will have a new Commissioner and thus, we will be losing Michelle Berger. He suggested inviting Ms. Berger to the October meeting to thank her for all her assistance over the years. Mr. Pickle indicated that he would draft a resolution of thanks.

#### **N. Adjournment**

There being no further items to be addressed, the Workshop was adjourned at 12:10 p.m. There were no objections.

Workshop Minutes Signature Page

  
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Chairman/Vice Chairman

  
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Secretary/Assistant Secretary

Date Approved 10/04/16