

St. Lucie West Services District
Public Hearing & Regular Board Meeting Minutes
September 13, 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 Regular Board Meeting 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
Lisa Beans, Administrative Assistant, SLWSD
Dan Harrell, District Counsel, Gonano & Harrell
Bob Lawson, District Engineer, ARCADIS-US, Inc.
Jason Pierman, District Treasurer, Special District Services, Inc. ("SDS")
Laura Archer, SDS

Guests Present (Sign-In Sheet Attached)

A. Call to Order

Chairman D'Amico called the Regular Board Meeting 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 for Board approval.

A **motion** was made by Supervisor Child, seconded by Supervisor Altwein approving the Workshop Minutes of August 1, 2016, as amended, and the August 2, 2016, Regular Board Meeting Minutes, as presented. Upon being put to a vote, the **motion** carried 5 to 0.

E. PRMG Presentation

Mr. Rob Ori of Public Resources Management Group, Inc. (PRMG) introduced himself and distributed material relative to his slideshow on the Water, Wastewater and Irrigation System 2017 Revenue Sufficiency Update and Review. He noted that he was not recommending a rate increase and that he believed the budget was reasonable. Mr. Ori happily reported that the District has not had to increase rates since 2010 and probably will not have to for 2018 either.

Mr. Ori then went into his presentation by noting the basis for the financial forecast and highlighted the revenue sufficiency determinants. He then went over issues facing the utility and noted major projects. Mr. Ori indicated that there were no additional new debt assumed for the forecast period and went over the results of the analysis. He also noted that the District's rates fall in line with other utilities.

Supervisor Child praised Mr. Ori for an excellent report.

Vice Chairman Ney highlighted that the District should be proud of the significant increase in services, such as the main line irrigation takeovers of residential and commercial properties with no significant increases.

Secretary Smith cautioned about taking too much time before raising rates to which Mr. Ori agreed and noted that was why their forecast is for 5 years.

Chairman D'Amico thanked Mr. Ori for his presentation.

F. Public Hearing 1

1. Call to Order

The Regular Board Meeting was recessed at approximately 9:26 a.m. and Public Hearing 1 was called to order.

2. Roll Call

It was noted that all 5 Supervisors were present.

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

There was no 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.

- **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**

Resolution No. 2016-04 was presented, entitled:

RESOLUTION NO. 2016-04

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE ST. LUCIE WEST SERVICES DISTRICT 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; PROVIDING AN EFFECTIVE DATE.

A **motion** was made by Vice Chairman Ney, seconded by Secretary Smith to adopt Resolution No. 2016-04, as presented. Upon being put to a vote, the **motion** carried 5 to 0.

4. Close the Public Hearing

Public Hearing 1 was then adjourned at approximately 9:28 a.m.

G. Public Hearing 2

1. Call to Order

Public Hearing 2 was called to order at 9:28 a.m.

2. Roll Call

It was noted that all 5 Supervisors were present.

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. Ed Bock, representing the 6 religious organizations in the District, introduced himself and provided a history of the religious organizations in St. Lucie West and noted that they have only paid 1 ERU until this year where the new TRIM notice indicates his church has to pay for 4.36 ERUs. Referring to his discussions with Michael McElligott of Special District Services over the past several weeks, wherein

Mr. McElligott assured him that the TRIM notice would be changed to reflect the 1 ERU for Grace Lutheran, Mr. Bock was requesting confirmation that the other religious organizations within the District would only be required to pay for 1 ERU as well.

Mr. Pickle explained the situation to the Board and assured Mr. Bock that the tax rolls have been changed back to the 1 ERU because of the historical precedent. Mr. Harrell agreed that it was best to honor the historical precedent of 1 ERU.

Discussion ensued regarding HOA clubhouse to which Mr. Pickle indicated that that situation had already been addressed and that it was a different situation than that which was being brought up today.

At the request of Mr. Bock, Mr. Pickle indicated that he would advise the other religious organizations by e-mail of the correction to the TRIM notice.

There were no further comments.

- **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**

Resolution No. 2016-05 was presented, entitled:

RESOLUTION 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**

A **motion** was made by Secretary Smith, seconded by Supervisor Altwein and passed unanimously to adopt Resolution No. 2016-05, as presented.

Mr. Pickle explained, for the benefit of those in attendance, that the reason the items were being approved so quickly was because the Board had held a Workshop the day before that ran in excess of 3 ½ hours to hash out all the details and to answer any questions the Board Members may have regarding any of the items on the agenda.

4. Close the Public Hearing

Public Hearing 2 was then adjourned at approximately 9:54 a.m. and the Regular Board Meeting was reconvened.

At this point, the members of the public left the meeting.

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

Mr. Harrell presented the item, noting that statutory provisions state that a state agency must defend a Board Member if acting in the interest/scope of their position. Mr. Harrell indicated that Special District Services had brought the legal defense policy and believes it is a good idea to add it as a rule.

A **motion** was made by Vice Chairman Ney, seconded by Supervisor Child approving the advertisement for a Public Hearing to Consider Adoption of Proposed Amendments to Chapter A-1 General and Procedural Rules of the Board of Supervisors, setting the Public Hearing for November 1, 2016.

Discussion ensued regarding “employees” to the language. The maker and the second to the motion agreed to the amendment.

Vice Chairman Ney’s **motion** was amended, seconded by Supervisor Child approving the advertisement for a Public Hearing to be held on November 1, 2016, to Consider the Adoption of Proposed Amendments to Chapter A-1, General and Procedural Rules of the Board of Supervisors and to include in the language of the amendment “other District employees.” Upon being put to a vote, the **motion** carried 5 to 0.

Mr. Harrell gave an update on the sale of the surplus property indicating that a third extension had been filed on September 9th and that additional extensions would require additional deposits.

J. District Engineer

DE 1 – Status Report/Updates

Mr. Lawson advised the Board that the 4E/5 Canal project was expected to be completed by the end of the October. He stated that the Lake Harvey plat provisions are done and he is trying to make sure that the City agrees that it should be exempt from stormwater fees.

Supervisor Child asked Mr. Lawson if there was any danger of mosquitoes breeding in the 4E/5 canal standing water before the pipes get connected. Mr. Lawson indicated that there was no more of a threat than any other lake in the District.

Mr. Pickle then thanked Rob Ori and his staff for their work on the budget process and for their efforts in keeping the budget low and saving money. He indicated it was a team effort and everyone involved contributed.

Mr. Pickle indicated that HOA clubhouses are not being assessed by the City for stormwater fees by ordinance and that the District has not applied assessments to approximately 80% of clubhouses. He noted that the 3 HOA clubhouse that were still being assessed have since been taken off the roll.

Supervisor Child noted that the District no longer has any reporter from *Your Voice* present at meetings to report on District matters. He suggested maybe issuing a press release. Vice Chairman Ney agreed with Supervisor Child's remarks about the loss of the reporter at District meetings and Secretary Smith agreed that it leaves a void. He suggested maybe looking into a freelance writer to report District matters. Mr. Pickle indicated he would look into this. Vice Chairman Ney also noted that *Your Voice* is always open to content and stated that if we send them a press release there is a good chance they will print it.

K. District Manager Action Items

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

Mr. Pickle presented the item for approval.

A **motion** was made by Supervisor Child, seconded by Supervisor Altwein approving the District's Holiday Schedule for the 2017 calendar year, as presented. Upon being put to a vote, the **motion** carried 5 to 0.

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

Mr. Pickle presented the item and requested Board approval.

A **motion** was made by Vice Chairman Ney, seconded by Secretary Smith and passed unanimously approving the Environmental Impairment Liability Insurance Renewal for a 3-year coverage cost of \$39,402 for the environmental policy and \$394 for the Acts of Terrorism policy from Great American E&S Insurance Company. Available Fund Balance: \$46,000; This Project from the Utility Fund: \$29,396; This Project from the General Fund: \$10,400; leaving an Available Balance of \$6,204, as presented.

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 indicated that it was a bond requirement. He requested approval from the Board.

A **motion** was made by Vice Chairman Ney, seconded by Supervisor Child and passed unanimously to accept and receive the Annual Engineering Certification of the Utility Systems from Infrastructure Solution Services, dated August 30, 2016, as presented. Upon being put to a vote, the **motion** carried 5 to 0.

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

Resolution No 2016-06 was presented, entitled:

RESOLUTION NO. 2016-06

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE ST. LUCIE WEST SERVICES DISTRICT, 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 THEREOF; AND PROVIDING AN EFFECTIVE DATE.

Mr. Pickle noted that this was an internal matter for Special District Services due to the recent retirement of an employee. He recommended approval.

A **motion** was made by Secretary Smith, seconded by Vice Chairman Ney to adopt Resolution No. 2016-06, as presented.

Vice Chairman Ney asked if this resolution removed anything. Mr. Pierman replied that it did not, that it merely changes signers.

Secretary Smith's **motion** was reiterated, seconded by Vice Chairman Ney to adopt Resolution No. 2016-06, as presented. Upon being put to a vote, the **motion** carried 5 to 0.

DM 5 – Other Items/Update

Mr. Pickle referred to the PTO Policy he introduced at yesterday's Workshop and noted that Mr. Harrell recommended looking at the liability that the District would be exposed to. Mr. Pickle presented a scenario of full liability if all employees left under the current policy. Mr. Pickle noted that it was highly unlikely, but he was making full disclosure. In order to make this change no Public Hearing is required however, the

budget would need to be amended. This proposed change would go into effect January 1, 2017. It was also noted that the cell phone stipend and new office hours would also go into effect January 1, 2017. A brief discussion ensued about the PTO policy and how it will effect employees.

Mr. Pickle had no further updates at this time.

Due to the time, Messrs. Harrell and Lawson excused themselves from the meeting at approximately 10:43 a.m.

L. 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 July, 2016

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

Consent Agenda Items CA 1 through CA 6 were presented for Board consideration.

<p>A motion was made by Vice Chairman Ney, seconded by Supervisor Child, approving Consent Agenda Items 1 through 6, as presented. Upon being put to a vote, the motion carried 5 to 0.</p>

M. Supervisor Requests

Supervisor Altwein asked if the District should continue to do preventive maintenance to the current administrative building if they were seriously considering a new facility. Mr. Pickle indicated they wanted to continue to keep the current building maintained.

Mr. Pickle noted that construction costs are going up and he asked from direction from the Board on whether to move forward with the next phase of the new building, i.e., the planning, zoning and permitting. He noted that he believed this phase would cost approximately \$60,000 to \$70,000. Secretary Smith asked if this needed to be an agenda item. Mr. Pickle indicated he only needed a consensus of the Board to request that the architect prepare Phase 2. A brief discussion ensued about each Board Member's position on the matter. It was the consensus of the Board to move forward with the next phase of the new building.

There were no further requests.

N. Adjournment

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

Regular Board Meeting Minutes Signature Page


Chairman/Vice Chairman


Secretary/Assistant Secretary

Date Approved 10/04/16