

St. Lucie West Services District
Workshop Minutes
June 2, 2014, 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

Harvey Cutler, Chairman
Vice Chairman Everett Child
Charles B. Altwein, Secretary
Vincent D'Amico, Supervisor
Sal Mancuso, 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")
Laura Archer, Recording Secretary, SDS

Guests Present (Sign-In Sheet Attached)

A. Call to Order

Chairman Cutler called the Workshop to order at 9:00 a.m.

B. Pledge of Allegiance

C. Roll Call

Ms. Archer took roll and noted that all 5 Supervisors were present.

D. Approval of Minutes

- 1. May 5, 2014, Workshop**
- 2. May 6, 2014, Regular Board Meeting**

Chairman Cutler asked if there were any changes or corrections. It was noted at the top of the May 6, 2014, Regular Board Meeting minutes a reference was made to "...a CD recording of the Workshop..." but should indicate "...a CD recording of the Regular Board Meeting..." Ms. Archer indicated she would make the correction.

There were no further changes or corrections to the minutes presented.

E. Public Hearing 1

1. Consider Adoption of Resolution No. 2014-02 – A Resolution Amending Job Descriptions of the Board of Supervisors of the St. Lucie West Services District

Mr. Pickle presented the item indicating that the proposed amendments had been previously circulated to the Board for their review and comments. Mr. Pickle briefly went over the changes.

There was no discussion regarding this item.

F. District Attorney

DA 1 – Consider Execution of a Quit Claim Deed from the Lake Forest Homeowners Association to the St. Lucie West Services District for Rights of all Upland Preserve Tract No. 6, Wetland No. 1 and Conservation Tract No. 1, St. Lucie West Plat No. 139

Mr. Pickle presented the item indicating that this was a parcel of property located within the Lake Forest subdivision and is currently owned and deeded to the Lake Forest HOA. He further indicated that this property lies within the future 2C vertical wetland relocation project and noted that the District's attorney felt that this Quit Claim Deed would clean up any issues concerning ownership of the preserve tract and conservation tract. Mr. Pickle indicated that although the preserve tract and conservation tract are owned by the HOA, the execution of the Quit Claim Deed will release any rights the HOA has to the property.

There was no discussion regarding this matter.

G. District Engineer

Mr. Pickle indicated that Mr. Lawson would be presenting 2 walk-on items at tomorrow's meeting, to wit:

DE 1 – Approval of Work Authorization No. 3B-31-1405-R between SLWSD and Lake Forest Pointe at St. Lucie West Homeowners' Association, Inc.

and

DE 2 – Approval of Work Authorization No. 3B-32-1405-R between SLWSD and Lake Forest Pointe at St. Lucie West Homeowners' Association, Inc.

Mr. Hayden explained that both Work Authorizations were applications for the installation of an Areca Palm hedges within the Lake Forest Pointe community and were being requested for the sole purpose of blocking out oncoming headlights. He noted that Staff had no issues approving the installation of these hedges.

There was no discussion regarding these matters.

H. Consent Agenda

CA 1 - Monthly Report on Public Works Operations

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, 2014

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

Mr. Pickle presented Consent Agenda items CA 1 through CA 6. There was no discussion regarding these matters.

**I. District Manager
Action Items**

DM 1 - Builders Risk Policy for the Wastewater treatment Plant Expansion Project

Mr. Pickle presented the item indicating that obtaining such coverage was a requirement of the General Conditions in the Wastewater treatment Plant Expansion Project. He noted that they had obtained a quote from Praetorian Insurance Company in the amount of \$37,504.30 for a twelve (12) month policy term.

Discussion ensued about why the District needed to purchase the policy versus Wharton-Smith. Mr. Pickle indicated that the District would be the primary covered and Wharton-Smith would be secondary. Mr. Pickle further indicated that District's legal counsel and the insurance agent advised that the District purchasing the coverage would provide more protection in case of a storm/event that could occur. He further noted that the contract specifies that the District would supply this coverage.

There was no further discussion regarding this item.

**DM 2 - Other Items/Updates
Authorization to Change Dental Insurance Provider**

Mr. Pickle presented the item indicating that Staff had received proposals for the renewal of the Dental Insurance Coverage provided by Humana, in which they proposed a 3.6% increase for this renewal year. He noted that after evaluating the 8 proposals it was determined that Principal was proposing a package with the same benefits at a 5% decrease from the current plan and offered the same rates through June 30, 2016. He noted that said proposal would garner an annual savings of \$1,582.56. The annual premium, based on 51 participants, is \$30,072. Mr. Pickle

indicated that Staff's recommendation was to approve the Alternate II Dental Plan Proposal as provided by Principal.

There was no discussion regarding this matter.

Consider Acceptance of Financial Report for the Fiscal Year Ended September 30, 2013, as Prepared by Grau & Associates

Mr. Pickle acknowledged that Mr. Pimentel of Special District Services had been instrumental in the completion of the audit by the deadline and reminded the Board that a Bond requirement stated that the audit must be completed within 240 days of the end of the fiscal year or the District would be assessed \$100 per day for each day that the audit is late. Mr. Pickle was happy to report that there were no findings. Mr. Pierman noted that Grau & Associates had gone above and beyond in helping to clear the previous capital assets findings/recommendations.

Supervisor Mancuso asked about the (\$129,000) in Uncollectibles on Page 25 of the audit. Mr. Pickle explained the difference between bankruptcies and foreclosures and the unpaid fees associated with each.

Supervisor Mancuso then referred to the Interlocal Agreement with the Reserve Community Development District, noted on Page 30 of the audit, asking when the District would stop expanding for outside communities. Mr. Pickle explained the ERC purchase plan. Discussion ensued regarding what other communities pay for District services and bulk rates.

There was no further discussion regarding this matter.

The Board was then advised that the District had recently participated in a Hurricane Preparedness Expo held at the Port St. Lucie Civic Center. Mr. Hayden indicated that the expo had gone well and that several District residents had approached them with questions. He noted that resident participation had been good.

Mr. Pickle then advised that he had recently signed a contract with Arcadis for the final phase of the irrigation report. It was expected that the report would be brought to the Board at the July meeting.

At approximately 9:58 a.m., with all the District's business having been discussed, Chairman Cutler called for a brief recess before going into the Budget Workshop.

Chairman Cutler called the Budget Workshop to order at approximately 10:10 a.m.

Mr. Pickle explained that the budget being presented today was in its preliminary stage and that over the coming weeks would be further tweaked in response to Board inquiries and Staff input.

Mr. Pickle began with the cover letter highlighting the major projects that had been completed during the 2013/2014 fiscal year.

Mr. Pickle briefly went over specific details of the budget including upcoming projects, equipment replacement, employee salaries and debt service. He also noted that Staff was looking into the possible refinancing of the 2004 Series Bonds, which could lower the interest rate.

Chairman Cutler asked how large the Cascades Fund was to which Mr. Pickle estimated at approximately \$1.8 million. Mr. Pierman indicated he would have to look to be sure, but guessed in the neighborhood of \$1.5 million. Chairman Cutler asked about the possibility of the District paying off the bond and continue collecting from the residents. Mr. Pierman stated that he did not believe the District had the funds to pay it off, but could look into the possibility of doing so.


Mr. Pickle noted that he would like the budget to fund an Assistant Mechanic position, but would know more at the July meeting.

There was no further discussion on the Budget Workshop.

J. Adjournment

There being no further items to be addressed, the Workshop was adjourned at 11:05 a.m. There were no objections.

Workshop Minutes Signature Page



Chairman/Vice Chairman



Secretary/Assistant Secretary

Date Approved 07/01/14