

**St. Lucie West Services District**  
**Public Hearing & Regular Board Meeting Minutes**  
**September 9, 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 Regular Board Meeting is available on file.)

**Board Members Present**

Harvey Cutler, Chairman  
Everett Child, Vice Chairman  
Charles B. Altwein, Secretary  
Vincent D'Amico, Supervisor (via Skype)  
Sal Mancuso, Supervisor

**Staff Present**

Dennis Pickle, District Manager, St. Lucie West Services District ("SLWSD")  
Bill Hayden, Public Works Director/Assistant District Manager, SLWSD  
Lisa-Marie 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, Recording Secretary, SDS

**Guests Present (Sign-In Sheet Attached)**

**A. Call to Order**

Chairman Cutler 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.

Chairman Cutler explained the procedure for today's meeting, given the fact that two Public Hearings will also be heard.

As there were several people who signed up for Public Comment, Chairman Cutler wished to take up that matter at this time.

**D. Public Comment**

Several members of the public who had signed up for Public Comment wished to give their allotted time to Mr. Robert Poller.

Mr. Poller indicated that he was a resident of the Cascades and that there was an issue regarding the quality of life in that community due to the management of the ponds. He brought photographs of the ponds within the community which showed some type of growth on top. He indicated that he knew one lady who suddenly suffered from allergies in recent months, which seemed to coincide with the appearance of the growth on the ponds. Mr. Poller indicated that he paid between \$30,000 and \$40,000 more to be on lakefront property. Mr. Poller expressed his concern that if someone with an open wound were to be exposed to the pond water, what could they possibly contract? Mr. Poller indicated that other lakes in neighboring communities seemed to not have the same issues. He also noted that animal life surrounding the ponds within the community has ceased to exist. Mr. Poller asked that the Board take a different approach to the maintenance of the lakes rather than relying, solely, on the harvester. At the conclusion of Mr. Poller's presentation, he thanked the Board for listening to his concerns.

Chairman Cutler thanked Mr. Poller and indicated he made an excellent presentation. He then asked Mr. Pickle to address Mr. Poller's concerns.

Mr. Pickle indicated that he had provided at yesterday's Workshop a copy of the Memorandum regarding Management/Maintenance/Restoration/Lakes/Retention Ponds in the Cascades, along with a spreadsheet outlining the pond work done in each community from September, 2013 thru August, 2014; and 2 independent opinions on the District's lake maintenance in the Cascades.

Mr. Pickle noted that the spreadsheet clearly indicates that an overwhelming amount of algae has been removed out of the Cascades. He also noted that the ponds are stormwater retention ponds and not aesthetic ponds. They are not recreational ponds.

Mr. Pickle indicated that Mr. Brent Montgomery of Wetlands Management, SF, LLC has seen the same situation in Tradition.

Mr. Pickle stated that Ken Gioeli, Extension Agent IV/Natural Resources & Environment from the St. Lucie County Cooperative Extension, was present at today's meeting and had a Power Point presentation to make in response to the situation in the Cascades. Mr. Gioeli introduced himself and noted that the main issue is the Vallisneria, which is a native aquatic plant that is commonly planted in littoral zones of the stormwater retention and went on to explain its benefits. He noted that it is known for its shedding potential and could do so on a daily basis, especially during the summer months when the plant grows rapidly. He emphasized that this is a natural occurrence and is not indicative of an unhealthful aquatic system. Mr. Gioeli advised that the District's staff have been properly trained and are licensed aquatic systems managers. He then advised that although aesthetics are important to the residents living in the community and should be a priority, the primary emphasis should be the utilization of pond management practices which facilitate

healthy ecological function and stormwater protection. He also emphasized that there is a continuous need to educate residents about pond ecology and management. Mr. Gioeli closed his presentation by emphasizing that there is a continuous need to educate residents about pond ecology and management.

Chairman Cutler and Mr. Pickle thanked Mr. Gioeli for his informative presentation.

Chairman Cutler stated that he appreciates the concerns of the residents and asked what could be done about it. Discussion ensued about littoral shelves and the cost for additional employees to be hired in order to focus more on the Cascades.

Wayne Smith, President of the Cascades HOA, indicated he learned a lot from Mr. Gioeli's presentation and suggested that the District respond to communities in which this situation arises rather than the current rotating schedule of maintenance.

A lengthy discussion ensued about possible alternatives.

Chairman Cutler reminded the residents that the District wants to help, but if it requires additional expenditures, then it becomes a process for the Board and it must be an equitable distribution of services. Chairman Cutler asked that the residents give staff until the next meeting to try to come up with constructive suggestions on how we can help.

At the conclusion of the discussion, Chairman Cutler called for a brief recess at 10:27 a.m.

Chairman Cutler called the meeting back to order at 10:44 a.m.

**D. Approval of Minutes**

- 1. August 4, 2014, Workshop**
- 2. August 5, 2014, Regular Board Meeting**
- 3. August 19, 2014, Special Board Meeting**

A motion was made by Secretary Altwein, seconded by Vice Chairman Child approving the minutes of the August 4, 2014, Workshop, the August 5, 2014, Regular Board Meeting and the August 19, 2014, Special Board Meeting, as presented. Upon being put to a vote, the motion carried 5 to 0.

Relative to Public Hearing 1, Mr. Pickle introduced Mr. Robert Ori of Public Resources Management Group. Mr. Ori presented his Water, Wastewater and Irrigation System – 2015 Revenue Sufficiency Update and Review. He noted that issues facing the utility include persistent, but improving economic conditions' marginal account growth for the forecast period because the utility is mature; however, the growth that is expected will primarily be commercial-based; there are continued inflationary impacts on operating expenses including a reduction in sludge disposal costs which is expected to begin in 2015 with further reduction expected in 2016. Major capital needs of the utility include the WWTP expansion with an estimated total cost of \$11.2 M and completion anticipated in fiscal year 2015; lift

station, manhole and other R&R projects; WTP reliability addition and transfer pump expansion; and the R.O. water treatment reliability improvement. Mr. Ori went over the debt service requirements indicating that no additional new debt is assumed for the forecast period. The results of his analysis are as follows: last rate increase effective fiscal year 2010; no rate increase proposed for fiscal year 2015; a reduction in annual budgeted O&M for fiscal year 2015, primarily due to reduced sludge disposal costs; and a continued inflationary pressure on O&M during the forecast period. Mr. Ori also compared rates with other local utilities, but noted that none offer both irrigation and wastewater services. It is his recommendation that the fiscal year 2015 utility budget is reasonable; and that no rate increase is necessary for fiscal year.

There were no comments or questions regarding Mr. Ori's presentation.

At this time, Chairman Cutler then recessed the Regular Board Meeting and called to order Public Hearing 1.

**E. Public Hearing 1**  
**1. Call to Order**

Chairman Cutler opened Public Hearing 1.

**2. Roll Call**

It was noted that all 5 Supervisors were present.

**3. Receive Public Comment on Adopting Resolution No. 2014-07 – Adopting the Fiscal Year 2014/2015 Operating, Debt Service and Capital Projects Budgets through the Adoption of Resolution No. 2014-07**

There was no public comment on the adoption of Resolution No. 2014-07 – Adopting the Fiscal Year 2014/2015 Operating, Debt Service and Capital Projects Budgets through the Adoption of Resolution No. 2014-07.

**PH 1 – Consider Resolution No. 2014-07 of the St. Lucie West Services District Fiscal Year Ending September 30, 2015, for the District; Providing Authority for the District Manager to Expend Funds on Behalf of the District; Providing an Effective Date**

Resolution No. 2014-07 was presented, entitled:

**RESOLUTION NO. 2014-07**

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE ST. LUCIE WEST SERVICES DISTRICT ADOPTING THE BUDGETS FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2015 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 Secretary Altwein, seconded by Supervisor Mancuso to adopt Resolution No. 2014-07, as presented. Upon being put to a vote, the motion carried unanimously.

Chairman Cutler then closed Public Hearing 1 and called to order Public Hearing 2.

**F. Public Hearing 2**

**1. Call to Order**

Chairman Cutler opened Public Hearing 2.

**2. Roll Call**

It was noted that all 5 Supervisors were present.

**3. Receive Public Comment on Adopting Resolution No. 2014-08 to Levy 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, 2014, through September 30, 2015**

There was no public comment on the adoption of Resolution No. 2014-08 to Levy 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, 2014, through September 30, 2015.

**PH 2 – Consider Resolution No. 2014-08 to Levy 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, 2014, through September 30, 2015**

Resolution No. 2014-08 was presented, entitled:

**RESOLUTION 2014-08**

**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, 2014, THROUGH  
SEPTEMBER 30, 2015**

A **motion** was made by Vice Chairman Child, seconded by Supervisor Mancuso to adopt Resolution No. 2014-08, as presented. Upon being put to a vote, the **motion** carried unanimously.

Chairman Cutler then closed Public Hearing 2 and reconvened the Regular Board Meeting.

**G. District Attorney**

**DA 1 – Addendum #1 to the Agreement for Sale and Purchase between Martin Memorial and St. Lucie West Services District**

Mr. Harrell presented Addendum #1 to the Board, explaining that 3 provisions were added to the Agreement. The first is the Special Exception Approval wherein the District will apply to the City of Port St. Lucie for a Special Use permit or exception for the real property that is the subject of the Agreement for Sale and Purchase. The District will make clear in the application that it requests that such permit or exception not be effective until and unless the District acquires title to such property; secondly, On or before the expiration of the Purchaser's Inspection Period, the Seller has received from the City of Port St. Lucie written confirmation that the Special Exception Approval shall not terminate or otherwise affect the Seller's existing site plan on the Real Property and that the special exception shall not take effect until the legal title to the Real Property has been transferred to the Purchaser; and thirdly, the Real property shall be a maximum of 12.45 acres. If the Survey demonstrates that the Real Property comprises less than 12.45 acres (542,322 square feet), the legal description and Survey shall be amended accordingly and the Purchase Price shall be reduced by an amount equal to \$8.13 per square foot of the difference.

Mr. Harrell recommended approval.

A **motion** was made by Vice Chairman Child, seconded by Secretary Altwein approving Addendum #1 to the Agreement for Sale and Purchase between Martin Memorial and St. Lucie West Services District, as presented. Upon being put to a vote, the **motion** carried 5 to 0.

**DA 2 – Consider Approval of Amended and Restated Interlocal Agreement to Provide Maintenance of the Stormwater Management System for the St. Lucie West Services District**

Mr. Harrell presented the Amended and Restated Interlocal Agreement noting the changes that had been made. He noted that although the majority of revisions had been made there may be other minor changes forthcoming. He suggested the following motion be made:

A motion approving the Amended and Restated Interlocal Agreement, in substantially the format presented, subject to District Counsel's acceptance, authorizing the Chairman and District Manager to execute the necessary documents.

Discussion ensued regarding the details of the agreement as it currently stands and the possible changes. Although Mr. Harrell cannot guarantee the outcome, he noted that they would present the best case and it is his belief that we will get most of what we want.

A **motion** was made by Vice Chairman Child, seconded by Secretary Altwein approving the Amended and Restated Interlocal Agreement to Provide Maintenance of the Stormwater Management System for the St. Lucie West Services District, in substantially the format presented, subject to District Counsel's acceptance, authorizing the Chairman and District Manager to execute the necessary documents.

Discussion ensued about the effects to the stormwater system and Mr. Pickle showed on a map those areas of the District which would be effected. Supervisor D'Amico noted that he believed the District was proceeding in the right direction with the Interlocal Agreement.

Vice Chairman Child's **motion** was reiterated, seconded by Secretary Altwein approving the Amended and Restated Interlocal Agreement to Provide Maintenance of the Stormwater Management System for the St. Lucie West Services District, in substantially the format presented, subject to District Counsel's acceptance, authorizing the Chairman and District Manager to execute the necessary documents. Upon being put to a vote, the **motion** carried 5 to 0.

**I. District Engineer**  
**DE 1 – Status Report/Updates**

Mr. Lawson indicated that he had submitted the Special Exception Use Agreement with the City for the Martin Memorial project and the City is trying to work with us to expedite the matter.

Mr. Lawson noted that the 2C and 3B gate project contracts had been delivered.

Mr. Lawson then advised that the Walmart had submitted paperwork for an additional 3,904 square foot building for a liquor store which will replace pavement. The project will have no significant impact on the stormwater management system.

**DE 2 – Approval of Work Authorization No. 3A-13-1407-SU between SLWSD and MF PSL, LLC (Mattress Firm)**

Mr. Lawson indicated that the application requests approval for the construction of a 7,116 square foot, two-user building on a 1.06acre lot within the Mecca Commercial

Center Plat located on the south side of St. Lucie West Boulevard immediately adjacent to the entrance to the Club. He indicated that the site is currently vacant and is being developed. He stated that drainage improvements for the site will include the installation of 180 feet of exfiltration trench to satisfy the minimum ½” pretreatment requirement for commercial projects and connection to an existing drainage manhole intended for use by this parcel. Mr. Lawson further indicated that service connections to the water, sewer, and irrigation facilities located within easements along the south side of the project are being proposed and as a result, two 1 ½” potable water meters are being proposed. Mr. Lawson noted that staff was recommending approval of this Work Authorization with one special condition:

- 1) Applicant, by acceptance of this Work Authorization, shall be responsible for maintenance of the exfiltration trench.

Discussion ensued regarding the amount of parking and maintenance of the exfiltration trench.

A **motion** was made by Vice Chairman Child, seconded by Secretary Altwein approving Work Authorization No. 3A-13-1407-SU between the SLWSD and MF PSL, LLC (Mattress Firm), with the following special condition: Applicant, by acceptance of this Work Authorization, shall be responsible for maintenance of the exfiltration trench, as presented. Upon being put to a vote, the **motion** carried 5 to 0.

**DE 3 – Approval of Work Authorization No. 1C-03-1407-R between SLWSD and the Vineyards at St. Lucie West Residents’ Association, Inc.**

Mr. Lawson presented the item indicating that the applicant requests approval for the extension of an aluminum security fence within Water Management Tract 5 of St. Lucie West Plat No. 45, in which the fence will extend between the secondary vehicular gate for the Vineyards community, westward down the lake slop to the water’s edge to discourage foot traffic. Mr. Lawson indicated that staff is recommending approval of this Work Authorization with two special conditions:

- 1.) Applicant, by acceptance of this Work Authorization, shall be responsible for maintenance of the fence; and
- 2.) Should the District find it necessary to remove a portion of the fence to perform maintenance on the lake, replacement of the fencing shall be at the applicant’s expense.

A **motion** was made by Vice Chairman Child, seconded by Supervisor Mancuso approving Work Authorization No. 1C-03-1407-SU between the SLWSD and the Vineyards at St. Lucie West Residents’ Association, Inc., with the following 2 special conditions: Applicant, by acceptance of this Work Authorization, shall be responsible for maintenance of the fence; and should the District find it necessary to remove a portion of the fence to perform maintenance on the lake, replacement of the fencing shall be at the applicant’s expense, as presented.



Discussion ensued regarding how long the fence had been there and the reason for it. Some concern arose as to setting a precedent of installing fences to the water's edge.

Vice Chairman Child's **motion** was reiterated, seconded by Supervisor Mancuso approving Work Authorization No. 1C-03-1407-SU between the SLWSD and the Vineyards at St. Lucie West Residents' Association, Inc., with the following 2 special conditions: Applicant, by acceptance of this Work Authorization, shall be responsible for maintenance of the fence; and should the District find it necessary to remove a portion of the fence to perform maintenance on the lake, replacement of the fencing shall be at the applicant's expense, as presented. Upon being put to a vote, the **motion** carried 3 to 2 with Secretary Altwein and Chairman Cutler dissenting.

**J. 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 July, 2014**

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

A **motion** was made by Secretary Altwein, seconded by Vice Chairman Child approving Consent Agenda items CA 1 through CA 6, as presented. Upon being put to a vote, the **motion** carried 5 to 0.

**K. District Manager  
Action Items**

**DM 1 - Consider Approval of General Liability Insurance and Workers' Compensation Insurance Provided by Preferred Governmental Insurance Trust**

Mr. Pickle presented the item indicating that staff had received the renewal proposal for the General Liability Insurance and Workers' Compensation Insurance from Preferred Governmental Insurance Trust in which the annual premium for the General Liability Insurance went up from \$259,687 to \$264,904, which is equal to a 2.0% increase. He noted that some of the increase was due to new assets being added over the course of the previous year. Mr. Pickle further noted that the Workers' Compensation Insurance had gone down from \$62,906 to \$52,645, which calculates to a 16.3% decrease and is due to the District's safety program. Mr. Pickle indicated that both rates are within the proposed budget for this fiscal year and recommended approval.

A **motion** was made by Secretary Altwein, seconded by Vice Chairman Child approving the General Liability Insurance Proposal No. PK FL1 0564202 14-09 in the amount of \$264,904 and the Workers' Compensation Insurance Proposal No. WK FL1 0564202 14-06 in the amount of \$52,645, provided by Preferred Governmental Insurance Trust, as presented. Upon being put to a vote, the **motion** carried 5 to 0.

### **DM 2 - Consider Approval of the Supplement to Investment Banking Agreement**

Mr. Pickle presented the item indicating that this agreement specifies the particular planned transaction currently being contemplated for which such investment banking services are to be provided by the Underwriter. Mr. Pickle noted that the District is considering the issuance of approximately \$5 Million in Stormwater Management Bonds, Series 2014, in order to generate funds to acquire additional stormwater property.

A **motion** was made by Vice Chairman Child, seconded by Secretary Altwein approving the Supplement to Investment Banking Agreement Dated April 2, 2013, regarding Stormwater Management Bond Issuance by the St. Lucie West Services District with MBS Capital Markets, LLC. Upon being put to a vote, the **motion** carried 5 to 0.

### **DM 3 – Other Items/Updates**

Mr. Pickle then advised that there were clerical errors in the District Employee Pay Grade Schedule that needed to be corrected and that a Public Hearing was necessary. He indicated that the Board would be receiving the proposed amendments, but he was requesting that the Board approve the setting of a Public Hearing for November 4, 2014, in order to meet statutory requirements.

A **motion** was made by Secretary Altwein, seconded by Vice Chairman Child setting a Public Hearing for November 4, 2014, at 9:00 a.m. to adjust salaries to meet the minimums of like jobs for the Aquatics Division. Upon being put to a vote, the **motion** carried 5 to 0.

### **DM 4 – Change Order #5 for the Wastewater Treatment Plant Expansion Project with Wharton-Smith**

Mr. Pickle explained that the WWTP Expansion Project had allocated \$50,000 for electrical service and permit fees which had been exhausted due to the permit fees and needs to be increased by \$30,000 to cover future permit fees.

Questions arose as to how this amount could have been so inaccurately miscalculated. Mr. Pickle noted that it is an \$11 Million construction project and when they were trying to estimate how much permit fees would run, they were not sufficient.

A brief discussion ensued regarding fixed amount contracts versus over & above.

A **motion** was made by Vice Chairman Child, seconded by Secretary Altwein approving Change Order #5 for the Wastewater Treatment Plant Expansion Project with Wharton-Smith in the not to exceed amount of \$30,000 to cover future permit fees. Upon being put to a vote, the **motion** carried 5 to 0.

Mr. Pickle had no further items.

#### **L. Supervisor Requests**

Supervisor Mancuso had no requests.

Vice Chairman Child had no requests.

Secretary Altwein had no requests.

Supervisor D'Amico had not requests.

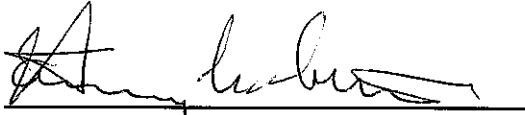
Chairman Cutler asked about the Albertson's parcel to which Mr. Pickle indicated that a meeting with the Planning Division had been scheduled for September 26 or 28<sup>th</sup>.

There were no other comments or requests.

#### **M. Adjournment**

There being no further items to be addressed, the Regular Board Meeting was adjourned at 12:22 p.m. There were no objections.

Regular Board Meeting Minutes Signature Page



Chairman/Vice Chairman



Secretary/Assistant Secretary

Date Approved 10/07/14