

**St. Lucie West Services District  
Workshop Minutes  
November 3, 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  
Everett Child, Vice Chairman  
Charles B. Altwein, Secretary  
Vincent D'Amico, Supervisor – arrived at approximately 9:02 a.m.  
Sal Mancuso, Supervisor

**Staff Present**

Dennis Pickle, District Manager, St. Lucie West Services District ("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**

It was noted that all 5 Supervisors were present, after Supervisor D'Amico arrived at approximately 9:02 a.m.

**D. Approval of Minutes**

- 1. October 6, 2014, Workshop**
- 2. October 7, 2014, Regular Board Meeting**

Chairman Cutler indicated that the name "Mr. Grasso" should actually be spelled "Mr. Graci," which appears in the Workshop Minutes on Pages 4, 5 and 6. Secretary Altwein also indicated that on Page 4 of the Regular Board Meeting Minutes, the first line of the last Paragraph should read, "Secretary Altwein expressed his concern..."

Ms. Archer indicated she would make the requested corrections.

There were no further comments or corrections on the minutes.

**E. PUBLIC HEARING 1**

- **PH 1 – Consider Resolution No. 2014-11 – Amending the Employee Pay Grade Schedule**

Mr. Pickle introduced Resolution No. 2014-11, entitled:

**RESOLUTION NO. 2014-11**

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE ST. LUCIE WEST SERVICES DISTRICT AMENDING THE EMPLOYEE PAY GRADE SCHEDULE; PROVIDING AN EFFECTIVE DATE.**

There were no questions or comments regarding the resolution, as it had been discussed at a previous meeting.

**F. District Attorney**

**DA 1 – Status Report/Updates**

Mr. Pickle was not aware of any legal matters to come before the Board.

**G. District Engineer**

**DE 1 – Status Report/Updates**

Mr. Pickle was not aware of any engineering matters to come before the Board.

**I. 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 September, 2014**

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

Mr. Pickle presented the Consent Agenda items for discussion.

A brief discussion ensued regarding irrigation and why residents are allowed to water twice per week for 30 minutes each, instead of three times per week at 20 minutes each. Josh Miller, SLWSD Assistant Utilities Director, indicated that, in the past, South Florida Water Management District were the ones who dictated the watering schedule of twice per week.

Supervisor Mancuso made reference to The Reserve and read into the record, Florida Statutes, Chapter 190.012, Paragraph 4, Subsection (d):

"(d) The owners of property located outside the boundary of the district shall elect an advisor to the district board pursuant to paragraph (e). The sole responsibilities of the district board advisor are to review enforcement actions proposed by the district board against properties located outside the district and make recommendations relating to those proposed actions. Before the district board may enforce its rules against any owner of property located outside the district, the district board shall request the district board advisor to make a recommendation on the proposed enforcement action. The district board advisor must render a recommendation within 30 days after receiving a request from the district board or is deemed to have no objection to the district board's proposed decision or action."

Chairman Cutler indicated that the District works with The Reserve within the bounds of a contract. Mr. Pickle indicated that he believes the statute refers to if the District carries a waterline over into that area and are servicing it and therefore, maintaining it. In contrast, the District supplies the water to a point of entry and the District's responsibility ends at that point. Mr. Pickle reminded Supervisor Mancuso that the District does not own the infrastructure within The Reserve, that the District merely supplies a product.

Discussion ensued regarding the location of the valves for potable water going into and wastewater coming out of The Reserve. Mr. Pickle explained that both valves are located at the Scripps location and are accessible by the District.

Supervisor Mancuso expressed his concern about the District accepting 100% of The Reserve's wastewater and their potential for growth. Chairman Cutler indicated that all projections for the wastewater facility include The Reserve at maximum capacity. It is Supervisor Mancuso's belief that it is unfortunate that the District has to include The Reserve in projections; that we should only be concerned about our own. Mr. Pickle indicated that accepting 100% of The Reserve's wastewater actually lowers the strength of the District's BOD (Biochemical Oxygen Demand) and TSS (Total Suspended Solids) and increases the capacity.

A question arose as to whether there would be any commercial property in The Reserve to which Mr. Pickle indicated that there would be some light industrial/storage and minor manufacturing.

Supervisor Mancuso asked about the Vac-Con usage, noting that there were no service orders for the previous month. Mr. Pickle indicated that he believed Supervisor Mancuso was looking at the General Fund and noted that the Vac-Con is more often used in the Utility Fund. He assured Supervisor Mancuso that it does not sit around.

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

**J. District Manager  
Action Items**

**DM 1 - Consider Acceptance of Annual Engineer Certification of the Utility Systems**

Mr. Pickle presented the item indicating that acceptance of the Annual Engineer Certification of the Utility Systems is a bond requirement.

There was no discussion regarding this item.

**DM 2 - Consider Approval of the Agreement with Odyssey Manufacturing Company**

Mr. Pickle presented the item and explained that Odyssey Manufacturing Company is a bleach manufacturing facility with its principal office in Tampa. Mr. Pickle indicated that Odyssey has provided sodium hypochlorite to the SLW water, wastewater and irrigation treatment plants since 2010 and are offering to piggy-back the Florida Municipal Power Agency/Kissimmee Utility Authority Bid No. 019-12, titled Annual Requirement for Utility Chemicals. The contract is for twelve months and a twelve month renewal thereafter. Mr. Pickle indicated that these services are vital in order to keep the treatment plant in compliance with State guidelines. The price for their delivery of liquid sodium hypochlorite would be \$0.58 per gallon and would include transportation. He also noted that Odyssey would accept partial loads. Mr. Pickle indicated that the current delivery price is \$0.68 per gallon and would provide an estimated savings of \$10,000 annually. He recommended approval of the agreement.

There was no discussion regarding this item.

**DM 3 – Consideration and Approval for the Purchase of Two Ford F-150 4x4 Pick Up Trucks**

Mr. Pickle presented the item indicating that this purchase would replace 2 trucks and is included in the budget. Both trucks being replaced are between 7 and 8 years old. Mr. Pickle pointed out that Velde Ford of Vero Beach came in as the lowest bidder and he recommended approval.

Supervisor D'Amico asked if maintenance of the new vehicles would require taking them back to the dealership in Vero Beach. Mr. Pickle indicated that the vehicles could be taken to any Ford dealership for repair/maintenance.

Secretary Altwein brought up the topic of converting vehicles to LPG. Mr. Pickle indicated he would look into that possibility. He did note that when they had previously looked into the conversions, the cost was approximately \$3,000 per vehicle, but that he would look to see if the cost had come down.

There was no further discussion regarding this item.

**DM 4 – Consider Approval of SW078 Water Treatment Plant Painting and Sealing**

Mr. Pickle presented the item noting that this was for the painting and sealing of various outside water storage tanks and buildings. Of the three bids received, M & P Painting had initially quoted \$29,970; which was the lowest. However, M & P was asked to revise their bid to provide the proper paint and bid came back at \$32,970, which was still the lowest bid. Mr. Pickle indicated that M & P Painting had done work for the District in the past and he was happy with their work. He noted that they were a small company with the proper insurance/documentation and he recommended approval of the proposal, indicating that it come in well under budget. A brief discussion ensued regarding the big difference in the other bids: \$111,800 and \$52,720.

There was no further discussion on this item.

**DM 5 – Consider Approval for the Purchase of an Excavator for the Underground Utilities Division**

Mr. Pickle presented this item noting that they had received three proposals:

- 1.) Florida Coast Equipment of Boynton Beach - \$42,252.45;
- 2.) Florida Coast Equipment of Fort Pierce - \$42,888.00; and
- 3.) United Rental of Port St. Lucie - \$43,016.00

Mr. Pickle indicated that Proposals 1 and 2 were for a Kubota Excavator and Proposal 3 was for a Takeuchi Excavator. He recommended approval of the proposal from Florida Coast Equipment of Boynton Beach.

Vice Chairman Child pointed out that all 3 proposals were very close.

Mr. Pickle indicated that the old excavator would be kept as a back-up and that the Available Balance of \$5,747.55 after the purchase would be used to purchase a trailer for the excavator, which runs about \$5,400.

There was no further discussion on this matter.

**DM 6 – Consider Extension of Auditor Engagement**

Mr. Pierman presented the item indicating that the Board had previously approved amending the original contract with Grau & Associates, extending it for two additional years. Being presented today is reaffirmation of the last year of their contract for the 2013/2014 audit. Mr. Pierman confirmed that there was no increase in their fee.

Supervisor D'Amico brought to Mr. Pierman's attention page 161 of the Meeting Booklet, the paragraph entitled, "Audit Procedures – Internal Control" – and asked for confirmation that the auditor would not tell us how are internal controls are. Mr. Pierman indicated that the language contained within the contract is standard.

Supervisor D'Amico asked Mr. Pickle if he was concerned with this language to which Mr. Pickle indicated that they receive monthly reports from SDS and did not see it to be an issue. Supervisor D'Amico indicated he would speak with Mr. Pickle outside this meeting regarding this particular matter.

There was no further discussion regarding this matter.

#### **DM 7 – Presentation of Management Staff's Fraud Prevention Steps**

Mr. Pierman presented Special District Services' Management Staff's Financial Risk Management Policy, which is in compliance with the annual audit review practices. Mr. Pierman went over the 5 fraud risk prevention steps, as follows:

- a. Each month the District's bank account is reconciled by someone who has not deposited fund to or written checks from that particular account;
- b. Every check requires two signatures and neither signature may be from the preparer of the check;
- c. A Member of the Board, typically the Chair, has an opportunity to review expenditures prior to the checks being mailed;
- d. The District hires an independent firm to audit the prior year's financial activities; and
- e. Within 60 days of the end of the fiscal year, the District's Board of Supervisors reviews the prior year's budget relative to actual revenues and expenditures.

There was no discussion related to this matter.

#### **DM 8 – Consider Resolution No. 2014-12 – Expressing Appreciation to Everett Child for His Dedicated Service to the District**

Mr. Pickle presented Resolution No. 2014-012, entitled:

##### **RESOLUTION 2014-12**

##### **RESOLUTION OF APPRECIATION OF THE BOARD OF SUPERVISORS OF ST. LUCIE WEST SERVICES DISTRICT TO EVERETT CHILD**

Mr. Pickle indicated that the Resolution was self-explanatory and that a plaque would be presented to Vice Chairman Child at tomorrow's meeting.

There was no discussion on this item.

#### **DM 9 – Consider Resolution No. 2014-13 – Adopting an Amended Budget for Fiscal Year 2013/2014**

Mr. Pickle presented Resolution No. 2014-13, entitled:

**RESOLUTION NO. 2014-13**

**A RESOLUTION OF THE ST. LUCIE WEST SERVICES DISTRICT  
ADOPTING AN AMENDED FISCAL YEAR 2013/2014 BUDGET; AND  
PROVIDING AN EFFECTIVE DATE.**

Mr. Pickle indicated that an amended budget must be adopted within 60 days of the close of the fiscal year and stated that this was not the actual final budget. Mr. Pierman indicated that it was, essentially, a true-up of expenditures through September 29, 2014.

Supervisor Mancuso asked about the legal services line item in the General Fund, specifically the \$76,000 for special counsel. He noted that the same amount appears in the Water & Sewer Fund and asked if it was a total of \$76,000 or \$152,000. Mr. Pickle indicated that special counsel legal services are split between the funds, as most General Fund expenditures are and that the total amount is, in fact, \$152,000. He noted that the special counsel services include that of the labor attorney, who stays on top of employee related matters.

There was no further discussion regarding this item.

**DM 10 – Other Items/Updates**

Mr. Pickle indicated that he had several updates.

The first was the Water Conservation Program. He indicated that Gregg Ney had recently spoken about it in *The Voice* and since then they had received a flood of applications. One issue that has arisen was that a resident had installed a low discharge commode in 2011 and only recently had applied for a rebate. Mr. Pickle reminded the Board that the policy was that applications for a rebate had to be submitted within one year of the installation. The individual indicated that they were not aware of the policy at the time of installation. Mr. Pickle advised them to apply for a waiver and that he would either award the rebate or it would go before the Board. He asked if the Board was okay with that. Chairman Cutler asked how many people were seeking rebates to which Mr. Pickle responded that there were two.

Discussion ensued regarding the program, policy and the budget for the program. A question arose as to whether the program should be discontinued and Chairman Cutler asked if the matter should be put on next month's agenda. Mr. Pickle indicated that there is nothing to table; he noted that the program is funded in the budget and if the rebates amount to that mark, the matter will be brought to the Board at that time.

Mr. Pickle then brought up the renewal of the Florida Association of Special Districts (FASD) membership. A brief discussion ensued regarding the membership dues and whether it was worth the money. Mr. Pierman advised those present that SDS was

active in the FASD with Mr. Wodraska on the Board. He indicated that if anything that would affect SLW were to occur, that SDS would notify the District at that time. The consensus of the Board was not to renew their membership in the FASD.

Mr. Pickle then advised the Board that an RFP for the Wetland #1 Relocation was out for bid and that the District had received a grant from the Department of Environmental Protection for the project.

Mr. Pickle then advised the Board that he would be going out of town at the end of the week and would be out the following week as well. He indicated he would be available by phone or e-mail, if necessary.

Mr. Pickle indicated that he would be proposing a General Fund Department restructuring and would bring back to the Board at the December meeting an organizational chart.

Mr. Pickle then advised the Board that SunTrust was reluctant to lend the District money with regard to the new park project because of the Interlocal Agreement with the City of Port St. Lucie. He noted that Kevin Mulshine had contacted Fifth Third Bank who has stepped up and would like to work with us. Mr. Pickle was optimistic of the deal with Fifth Third Bank and noted that he would get more details on the loan. Another option posed to Mr. Pickle was for Mr. Mulshine to fund the loan for a year or two until the District gets permanent funding. Mr. Pickle reminded the Board that funding must be in place by January 1, 2015.

There were no further updates from Mr. Pickle.

#### **K. Supervisors' Requests**

Supervisor Mancuso had no requests.

Vice Chairman Child had no requests.

Supervisor D'Amico had no requests

Secretary Altwein indicated that there was an article in today's newspaper about a mapping tool which would be able to forecast the vulnerability of roads with rising sea levels. He indicated that the Department of Transportation was funding it.

Supervisor Mancuso stated that he believed it was time for the District to discontinue the Water Conservation Program, indicating that the residents have had sufficient time to take advantage of it. He noted that there should be a deadline date for the program.

Chairman Cutler advised Supervisor Mancuso that he should make a motion to that effect at tomorrow's meeting.

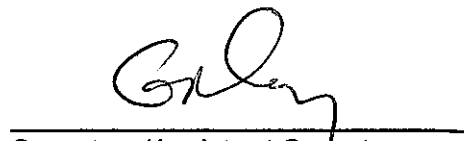
Chairman Cutler had no requests.

## **L. Adjournment**

There being no further items to be addressed, the Workshop was adjourned at 11:47 a.m. on a motion made by Secretary Altwein. There were no objections.

Workshop Minutes Signature Page

  
Chairman/Vice Chairman

  
Secretary/Assistant Secretary

Date Approved 12/02/14