

St. Lucie West Services District
Regular Board Meeting Minutes
December 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 Regular Board Meeting is available on file.)

Board Members Present

Harvey Cutler, Chairman
Charles B. Altwein, Secretary
Vincent D'Amico, Supervisor
Sal Mancuso, Supervisor
Gregg Ney, 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
Dan Harrell, District Counsel, Gonano & Harrell (via conference call)
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 five (5) Supervisors were present.

D. Election of Officers

Mr. Pierman indicated that it would be appropriate to re-organize the officers, noting that all three (3) elected Supervisors (Harvey Cutler, Vince D'Amico and Gregg Ney) had previously taken their Oaths of Office. He then opened the floor to nominations for Chairman. Supervisor Altwein nominated Harvey Cutler as Chairman. Supervisor Mancuso nominated Gregg Ney as Chairman. Supervisor Ney declined the nomination stating that he was too new to the Board to accept such a nomination.

A RESOLUTION OF ST. LUCIE WEST SERVICES DISTRICT APPROVING THE SALE AND TERMS OF SALE OF ST. LUCIE WEST SERVICES DISTRICT STORMWATER UTILITY REVENUE BONDS, SERIES 2014 (THE "BONDS"); ESTABLISHING INTEREST RATE, MAXIMUM MATURITY DATE, AND REDEMPTION PROVISIONS THEREOF; APPOINTING A PLACEMENT AGENT FOR THE SERIES 2014 BONDS; APPROVING THE FORM OF FIFTEENTH SUPPLEMENTAL TRUST INDENTURE AND THE ESCROW DEPOSIT AGREEMENT AND AUTHORIZING THE EXECUTION AND DELIVERY THEREOF BY CERTAIN OFFICIALS AND OFFICERS OF ST. LUCIE WEST SERVICES DISTRICT; AUTHORIZING CERTAIN OFFICIALS AND EMPLOYEES OF ST. LUCIE WEST SERVICES DISTRICT TO TAKE ALL ACTIONS REQUIRED AND EXECUTE AND DELIVER ALL DOCUMENTS, INSTRUMENTS AND CERTIFICATES NECESSARY IN CONNECTION WITH THE ISSUANCE, SALE AND DELIVERY OF SAID BONDS; AUTHORIZING CERTAIN OFFICIALS AND EMPLOYEES OF ST. LUCIE WEST SERVICES DISTRICT TO TAKE ALL ACTIONS AND ENTER INTO ALL AGREEMENTS REQUIRED IN CONNECTION WITH THE REFUNDING OF THE REFUNDED BONDS; SPECIFYING THE APPLICATION OF THE PROCEEDS OF SAID BONDS; PROVIDING CERTAIN OTHER DETAILS WITH RESPECT TO SAID BONDS; AND PROVIDING AN EFFECTIVE DATE.

Rhonda Mossing of MBS Capital Markets, LLC made a presentation on the Series 201 Stormwater Bonds. Ms. Mossing indicated that the bond amount was \$4,810,000 and that the City of Port St. Lucie has committed to funding up to \$400,000, or the Maximum Annual Debt Service of \$392,663. She noted that the price for the property being purchased from Martin Memorial Health Systems is \$4,410,000 and that the balance of the loan will be applied to closing costs. A brief discussion ensued regarding assessments. Ms. Mossing continued with her presentation indicating that payments will be due as the money comes in from the City, in January and July. She noted that there was a 10 year put on the bonds with no pre-payment penalty after 2017, at which time the bonds may be refinanced. She indicated that the bank is proposing both fixed and variable rates and she recommends the fixed rate. Mr. Harrell indicated that the pre-closing target date is December 15, 2014, with a closing date of December 22, 2014. At the conclusion of Ms. Mossing's presentation, Mr. Harrell recommended approval of Resolution No. 2014-13, subject to Bond Counsel and District Counsel revisions.

A motion was made by Secretary Ney, seconded by Supervisor Altwein adopting Resolution No. 2014-13 and acceptance of the term sheet at a fixed rate, subject to revisions the District Manager deems appropriate. Upon being put to a vote, the motion carried 5 to 0.

H. District Engineer

DE 1 – Consider Acceptance of Bid from Melvin Bush Construction, Inc. for the Lake Ernie Pump Station Project

Mr. Lawson presented the item indicating that he had previously only received 1 bid in response to the Invitation to Bid the project. Not satisfied with only one bid, the Invitation to Bid was again advertised and this time, two bids were received. Mr. Lawson indicated that the bid received from Melvin Bush Construction, Inc. was the lower of the two and then reiterated Mr. Pickle's comments at the Workshop yesterday that because of the limited number of bids received and the difference in the bid pricing, the contractor was requested to provide written confirmation that the prices included in the bid represented the full price for all scope items required in the plans. He noted that the project will increase the size of the pipe leaving the pump station and the District would be purchasing the filters for the project. Once the project has been completed it will increase the capacity and redundancy and will improve the drainage in Lake Forest. He recommended approval.

A **motion** was made by Secretary Ney, seconded by Vice Chairman D'Amico accepting the bid from Melvin Bush Construction, Inc. in the amount of \$88,760.65 for the Lake Ernie Pump Station Project, which sum includes the Base Bid and Alternate 1 and directing Staff to prepare a Notice of Award and contract documents for execution by the Board Chairman when approved by District Counsel. Funds for this project will come from the Utility R&R Fund. Available Project Budget: \$539,822; This Project: \$88,760.65; leaving an Available Balance of \$451,061.35. Upon being put to a vote, the **motion** carried 5 to 0.

DE 2 – Consider Bid Results for Wetland No. 1 Vertical Relocation Project

Mr. Lawson presented the item indicating that five bids had been received with the lowest bidder being Guettler Brothers Construction, LLC in the amount of \$269,816. Mr. Lawson reiterated Mr. Pickle's statements from yesterday's Workshop that the District had received notice from the Florida Department of Environmental Protection (FDEP) that grant funding would be made available for use in partial funding of this project and that he and Staff were working with the FDEP to prepare the required grant funding contract that will need to be reviewed and accepted by the Board of Supervisors prior to any construction commencing. It is anticipated that the funding contract will be available for execution soon. However, since there is no reason for a Special Meeting to be called later in the month, the FDEP contract will be brought to the January meeting for Board consideration. In the meantime, Mr. Lawson recommended approval of the Guettler Brothers, LLC bid in the amount of \$269,816 and holding it until the FDEP contract has been executed for grant funding. A brief discussion regarding the project details ensued with Mr. Lawson going to the map to point out specifics.

A **motion** was made by Supervisor Altwein, seconded by Vice Chairman D'Amico accepting the Guettler Brothers, LLC bid in the amount of \$269,816 for the Wetland No. 1 Vertical Relocation Project and that a Notice of Award be prepared, but

withhold execution of the contract until such time as the FDEP grant Funding agreement has been executed. Upon being put to a vote, the **motion** carried 5 to 0.

That concluded Mr. Lawson's updates.

Chairman Cutler asked Mr. Lawson about the City's approval for a Charter School to go in on Cashmere, specifically has anything been submitted for examination. Mr. Lawson replied that he had not seen anything as of this date.

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 October, 2014

CA 6 - Consider Approval to Transfer Funds for WCF Account and the UCF Account Requisitions

Consent Agenda items CA 1 through CA 6 were presented for consideration.

A **motion** was made by Vice Chairman D'Amico, seconded by Supervisor Altwein approving Consent Agenda items CA 1 through CA 6, as presented.

Under discussion Secretary Ney made a comment on the new format, indicating that it was easier to read and thanked Mr. Pickle.

Vice Chairman D'Amico's **motion** was reiterated, seconded by Supervisor Altwein approving Consent Agenda items CA 1 through CA 6, as presented. Upon being put to a vote, the **motion** carried 5 to 0.

**J. District Manager
Action Items**

DM 1 - Consider Approval of Contractor Services Agreements for Projects to Maintain, Construct or Reconstruct the Facilities of the St. Lucie West Services District

Mr. Pickle presented the item and indicated that Staff had solicited proposals from contractors for the purpose of entering into Master Agreements with contractors for services needed. He stated that three proposals were received from the following contractors:

- 1.) Armadillo Dirt Works of Fort Pierce, Florida;
- 2.) Environmental Land Development of Fort Pierce, Florida; and
- 3.) East Coast Earthworks & Excavating, LLC of Vero Beach, Florida

Mr. Pickle noted that specific projects or services would be incorporated into "Work Orders" that may be awarded to a qualified contractor with whom the Board has entered into a Master Agreement. Mr. Pickle indicated that entering into such agreements will secure rates up front for the duration of the agreement and that the District will be able to shop between all three contractors. He recommended approval.

A **motion** was made by Secretary Ney, seconded by Vice Chairman D'Amico approving the entering into Master Agreements for Projects to Maintain, Construct or Reconstruct the Facilities of the St. Lucie West Services District with the following contractors: Armadillo Dirt Works of Fort Pierce; Environmental Land Development of Fort Pierce; and East Coast Earthworks & Excavating, LLC, as presented. Upon being put to a vote, the **motion** carried 5 to 0.

DM 2 - Consider Approval of SW072 Change Order #2 for the Water Treatment High Service Pump Expansion Project

Mr. Pickle presented the item indicating that the contract price of \$679,000 includes the purchase of project equipment and materials totaling \$227,793.44 from vendors as identified by Wharton Smith. He noted that it was the intent of the District to directly purchase certain project components in order to realize tax savings. Approval of this Change Order #2 would authorize the District Manager to make owner direct purchases of project equipment and materials totaling \$227,793.44 directly from vendors. The District Manager would also be authorized to make further deductive change orders to the Wharton Smith contract, as equipment and materials are removed for direct purchase so that the total of the amounts paid to Wharton Smith under the project contract and for direct purchases of project equipment and materials does not exceed \$679,000. The recommendation in approving Change Order #2 includes 2 parts:

- a) Authorize the District Manager to make owner direct purchases of project equipment and materials totaling \$227,793.44 from vendors identified by Wharton Smith; and
- b) Authorize the District Manager to make further deductive change orders to the Wharton Smith contract, as project equipment and materials are removed for direct purchase by the District as owners, so that the total of amounts paid to Wharton Smith under the project contract and for direct purchases of project equipment and materials does not exceed \$679,000.

A **motion** was made by Vice Chairman D'Amico, seconded by Secretary Ney approving Change order #2 to SW072 for the Water Treatment High Service Pump Expansion Project in the amount of \$679,000, including Authorizations "a" and "b", as

indicated above. The project will be funded out of the Water Connection Fee Fund for the current fiscal year. The Water Connection Fee Fund Balance: \$907,006; This Project: \$679,000; leaving an Available Balance of \$228,006, as presented. Upon being put to a vote, the **motion** carried 5 to 0.

DM 3 –Other Items/Updates

Mr. Pickle had no other updates.

K. Supervisor Requests

Secretary Ney had no requests.

Vice Chairman D'Amico had no requests.

Supervisor Mancuso had no requests.

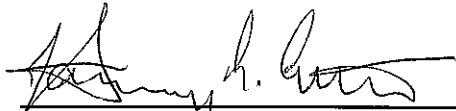
Supervisor Altwein asked Mr. Pickle if he had received his e-mail from yesterday to which Mr. Pickle replied that he had and that he had responded.

Chairman Cutler had no requests.

L. Adjournment

There being no further items to be addressed, the Regular Board Meeting was adjourned at 9:58 a.m. There were no objections.

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Chairman/Vice Chairman



Secretary/Assistant Secretary

Date Approved 01-06-15