

Key Largo Wastewater Treatment District
Board of Commissioners Meeting
Agenda Item Summary

Meeting Date:
August 6, 2024

Agenda Item Number: F-1

Action Required:
Yes

Department:
Legal

Sponsor:
Nick Mulick

Subject:
Minutes of July 16, 2024

Summary:
Staff to present the minutes of July 16, 2024 board meeting for approval.

<u>Reviewed / Approved</u>	<u>Financial Impact</u>	<u>Attachments</u>
Operations: _____	\$	1. Minutes
Administration: _____		
Finance: _____	Funding Source:	
District Counsel: _____	N/A	
District Clerk: _____	Budgeted:	
Engineering: _____	N/A	

Approved By: _____

General Manager

Date: _____

8-1-24



Key Largo Wastewater Treatment District
103355 Overseas Hwy, Key Largo, FL
Tuesday, July 16, 2024

MINUTES

CALL TO ORDER (A)

Chairman Nicolas Rodriguez called the meeting to order at 4:01 p.m.

PLEDGE OF ALLEGIANCE (B)

Mr. Nick Mulick led the Pledge of Allegiance.

ROLL CALL (C)

Present were: Chairman Nicolas Rodriguez; Commissioners Tim Maloney, Sue Heim, and Robert Majeska.

Present Virtually: Commissioner Philip Schwartz (non-voting)

Also present: General Manager Peter Rosasco; General Counsel Nicholas Mulick; District Clerk Shannon McCully; Finance Manager Connie Fazio; Plant/Facilities Manager Ryan Dempsey; Weiler Engineering Lexi Connor; IT Support Manny Santana.

Appeared Virtually: Project Administration and HR Coordinator Laura Weinstock; IT Consultant Randy Redmond

AGENDA ADDITIONS, CORRECTIONS, OR DELETIONS (D)

Approval of Agenda (D-1)

Chairman Rodriguez requested Item *O-7 South Cliff Holdings LLC SIC* be presented before item *H-1*

Commissioner Heim requested the addition of items *P-1 Request a workshop* and *Q-1 Ask Commissioners to review*

Motion: Commissioner Maloney made a motion to approve the agenda as amended. Commissioner Majeska seconded the motion. Motion passed without objection.

PUBLIC COMMENT (E)

Name and Address
Kevin Wilson

Subject
Agenda Item O-7

APPROVAL OF MINUTES (F)

Minutes of July 2, 2024 (F-1)

Motion: Commissioner Majeska made a motion to approve the minutes of July 2, 2024. Commissioner Heim seconded the motion. Motion

passed without objection.

GENERAL MANAGER (G)

No report in agenda.

CUSTOMER SERVICE (H)

Customer Service Report – June 2024 (H-1)

Ms. Fazio presented the Customer Service monthly report.

IT (I)

IT Report – June 2024 (I-1)

Mr. Redmond presented the IT monthly report.

BUDGET AND FINANCE (J)

Budget and Finance Report – June 2024 (J-1)

Ms. Fazio presented the Budget and Finance monthly report.

FIELD (K)

No report in agenda.

PLANT/FACILITIES (L)

Plant/Facilities Report – June 2024 (L-1)

Mr. Dempsey presented the Plant/Facilities monthly report.

CAPITAL PROJECTS (M)

Capital Projects Report – June 2024 (M-1)

Ms. Connor presented the Capital Projects monthly report.

ENGINEERING (N)

No report in agenda.

LEGAL REPORT (O)

Amendment of 2007 Assessment Roll (Reso. 09-2024) (O-1)

Mr. Mulick requested adoption of Resolution 09-2024 amending the 2007 assessment roll.

Motion: Commissioner Majeska made a motion to adopt Resolution 09-2024.
Commissioner Maloney seconded the motion.

Vote on Motion:

Commissioner Majeska – Aye
Commissioner Maloney – Aye
Commissioner Heim – Aye
Chairman Rodriguez – Aye

Amendment of the 2008 Assessment Roll (Reso. 10-2024) (O-2)

Mr. Mulick requested adoption of Resolution 10-2024 amending the 2008 assessment roll.

Motion: Commissioner Heim made a motion to table item O-2 and bring back
Resolution 10-2024 without Parent Parcel AK1618942/New Parcel
AK9105322. Commissioner Maloney seconded the motion.

Vote on Motion:

**Commissioner Heim – Aye
Commissioner Maloney – Aye
Commissioner Majeska – Aye
Chairman Rodriguez – Aye**

Amendment of the 2009 Assessment Roll (Reso. 11-2024) (O-3)

Mr. Mulick requested adoption of Resolution 11-2024 amending the 2009 assessment roll.

Motion: Commissioner Heim made a motion to table item O-3 and bring back Resolution 11-2024 without Parent Parcel AK1623857/New Parcel AK9105304. Commissioner Maloney seconded the motion.

Vote on Motion:

**Commissioner Heim – Aye
Commissioner Maloney – Aye
Commissioner Majeska – Aye
Chairman Rodriguez – Aye**

Amendment of the 2012 Assessment Roll (Reso. 12-2024) (O-4)

Mr. Mulick requested adoption of Resolution 12-2024 amending the 2012 assessment roll.

Motion: Commissioner Heim made a motion adopt Resolution 12-2024. Commissioner Maloney seconded the motion.

Vote on Motion:

**Commissioner Heim – Aye
Commissioner Maloney – Aye
Commissioner Majeska – Aye
Chairman Rodriguez – Aye**

Amendment of the 2016 Assessment Roll (Reso. 13-2024) (O-5)

Mr. Mulick requested adoption of Resolution 13-2024 amending the 2016 assessment roll.

Motion: Commissioner Heim made a motion to table item O-5 and bring back Resolution 13-2024 without New Parcel AK9105238. Commissioner Maloney seconded the motion.

Vote on Motion:

**Commissioner Heim – Aye
Commissioner Maloney – Aye
Commissioner Majeska – Aye
Chairman Rodriguez – Aye**

2024 Assessment Roll (Reso. 14-2024) (O-6)

Mr. Mulick requested adoption of the 2024 Assessment Resolution.

Motion: Commissioner Majeska made a motion adopt Resolution 14-2024. Commissioner Heim seconded the motion.

Vote on Motion:

Commissioner Majeska – Aye
Commissioner Heim – Aye
Commissioner Maloney – Aye
Chairman Rodriguez – Aye

South Cliff Holdings LLC SIC (O-7) (Laydown)

Mr. Kevin Wilson discussed the status of the County's purchase of South Cliff Holdings LLC property. The Board tabled item O-7 and requested the item be brought back to the Board at the August 6, 2024, Board meeting.

COMMISSIONER ITEMS (P)

Request a workshop (P-1)

Commissioner Heim asked whether the Board was interested in having a workshop to discuss policy issues in the Board's General Rules and Regulations. The Board agreed to have a workshop on August 1, 2024.

ROUNDTABLE DISCUSSION (Q)

Ask Commissioners to review (Q-1)

Commissioner Heim asked the Board to review specific sections of the General Rules and Regulations which she will forward to the Board prior to the scheduled workshop on August 1, 2024.

ADJOURNMENT (R)

The meeting was adjourned at 6:04 p.m.

Nicolas Rodriguez, Chairman

Shannon McCully, Clerk

Seal _____

COUNTY of MONROE
The Florida Keys



BOARD OF COUNTY COMMISSIONERS

Mayor Holly Merrill Raschein, District 5
Mayor Pro Tem James K. Scholl, District 3
Craig Cates, District 1
Michelle Lincoln, District 2
David Rice, District 4

Board of County Commissioners Meeting
July 17, 2024
Agenda Item Number: P5
2023-2673

BULK ITEM: No

DEPARTMENT: Administration

TIME APPROXIMATE:

STAFF CONTACT: Kevin Wilson (305)453-8788

AGENDA ITEM WORDING:

Discussion, direction and possible approval of modified terms with respect to a previously approved unexecuted contract to purchase a parcel (RE#00484390-000000) in Key Largo from South Cliff Holdings LLC, at a price of \$11,950,000 plus the cost of the construction bond (\$532,914.00) for workforce housing and authorization.

ITEM BACKGROUND:

The subject property (identified as RE#00484390-000000) is located at 95295 Overseas Highway, Key Largo FL 33037. At its March 17, 2021, meeting, the Monroe County Board of County Commissioners (BOCC) reserved twenty-eight (28) affordable ROGO allocations (14 low income and 14 median income) for this project. South Cliff Holdings LLC ("South Cliff Holdings"), the current owner of the property, approached the County about the possibility of the County acquiring the parcel for workforce housing. Staff obtained two (2) appraisals as required by F.S. 125.355 and evaluated the property both as existing and with contracted units fully constructed. Pursuant to F.S. 125.355, the proposed purchase requires an super majority vote (4/5ths) by the BOCC. Due to the fact that this is discussion and direction regarding a modification to the purchase, a super majority vote would still be required.

At its May meeting, the BOCC approved a purchase contract and leaseback agreement with South Cliff Holdings for the subject property. Neither document has been executed by the County or South Cliff Holdings. Modifications to the previously approved Purchase and Sale Agreement and the Ground Lease Agreement are being presented as follows:

1. Ground Lease Agreement. The Ground Lease Agreement should read "South Cliff Holdings LLC" instead of "South Cliff Estates LLC" as Lessee.
2. Financial Breakdown. Due to the need for a construction bond, the actual amounts being allocated to the construction were clarified and necessitated changes to the amounts listed in the Purchase and Sale Agreement and the Ground Lease Agreement. The overall purchase price remains the same--\$11,900,000.00 plus the cost of the bond (\$532,914.00) as does the schedule of

payments, other than the modifications requested below.

3. Payments.

- Approved Agreement: County shall make the initial annual payment of \$1,750,000.00 no later than 12/31/2024.
- South Cliff's proposed Modification: County shall make the initial annual payment of \$1,750,000.00 no later than 01/31/2025.

4. Construction Bond.

- Approved Agreement: County agrees to cover the cost of the bond in the amount of \$532,914.00, payable no later than December 31, 2030.
- South Cliff's proposed Modification: South Cliff requests that the cost of the bond in the amount of \$532,914.00, be payable no later than January 31, 2025.

5. Mortgage Financing.

- Approved Agreement: Initial Lessee shall have the right to mortgage its leasehold interest in the premises in an amount not-to-exceed \$600,000.00 (the approximate cost of the construction bond before the cost was finalized).
- South Cliff's proposed Modification: Initial Lessee shall have the right to mortgage its leasehold interest in the premises in an amount not-to-exceed the outstanding payments due by the County. In the event Lessee encumbers its leasehold interest, County will make its annual payments directly to the Lender instead of the Lessee. At no time shall the outstanding principal and interest due by the Lessee exceed the outstanding amount due by Lessor pursuant to the payment schedule.

Staff requests discussion and direction as to the requested modifications and approval of the final drafts of the Purchase and Sale Agreement and the Ground Lease Agreement. Proposed versions of the Purchase and Sale Agreement and the Ground Lease Agreement with the requested modifications redlined are attached should the BOCC approve the modifications.

PREVIOUS RELEVANT BOCC ACTION:

May 15, 2024 – BOCC approved a purchase and sale contract and a leaseback agreement with South Cliff for the purchase of real property, in Key Largo, which will consist of twenty-eight (28) affordable housing units and one (1) office and will be constructed in phases.

July 20, 2022 – BOCC passed and adopted Resolution No. 201-2022, extending the waiver of building permit fees in the amount of \$211,215.00 for the 28 affordable housing allocations (14 low income and 14 median income) on the subject parcels, until such time of building permit issuance contingent on the recording of an Affordable Housing Deed Restriction.

June 15, 2022 – BOCC passed and adopted Resolution No. 171-2022, extending the reservation for 28 affordable housing allocations (14 low income and 14 median income) on the subject parcels, until October 17, 2022 for building permit issuance.

August 21, 2021 – BOCC passed and adopted Resolution No. 265-2021, waiving building permit fees for the 28 affordable housing allocations (14 low income and 14 median income) on the subject parcels, until July 17, 2022 for building permit issuance.

March 17, 2021 – BOCC passed and adopted Resolution No. 116-2021, reserving 28 affordable housing allocations (14 low income and 14 median income) on the subject parcels, until July 17, 2022 for building permit issuance.

INSURANCE REQUIRED:

Yes

CONTRACT/AGREEMENT CHANGES:

N/A

STAFF RECOMMENDATION: Approval

DOCUMENTATION:

Proposed Amended Purchase and Sale Agreement
Proposed Amended Ground Lease Agreement
Employee Housing Deed Restriction
Resolution 116-2021: Reservation of Affordable ROGOS
Resolution 265-2021: Waiver of Building Permit Fees
Notice of Public Hearing
2024-02-20 Southcliff Appraisal (AOKW)
2024-03-04 Southcliff Appraisal (Duke)
Agenda Item Summary for May 15, 2024 BOCC Meeting

FINANCIAL IMPACT:

Effective Date: Upon execution by the Acting County Administrator
Expiration Date:
Total Dollar Value of Contract: \$12,483,000
Total Cost to County: \$12,483,000
Current Year Portion: \$1,450,000.00
Budgeted: Yes
Source of funds: General Fund
CPI: No
Indirect Costs: Staff time / legal fees / title insurance / 2 appraisals / closing costs / Environmental Assessments, if applicable
Estimated Ongoing Costs Not Included in above dollar amounts: Maintenance and repair
Revenue Producing: Yes If yes, amount: Not determined at this time
Grant: N/A
County Match: N/A
Insurance Required: Yes - Provided prior to recording with the clerk.

Text Message Received by Commissioner Heim on 07/16/2024, at 10:42 PM from Ed Castle:

We have not received the buffer tank record drawings for Southcliff yet. Those are required for the District's records. But if KLWTD staff says the buffer tank is properly built according to the plans, we would not strenuously object to placing it into operation. However, the District should have signed and sealed record drawings as we require of everyone.