February 12th

2003

Key Largo Wastewater Treatment District
Board of Commissioners Meeting Agenda
4:00 PM Wednesday, February 12, 2003
Key Largo Civic Club
209 Ocean Bay Drive
Key Largo, Monroe County, Florida

A. Call to Order

B. Pledge of Allegiance

C. Minutes – February 5, 2003

D. General Manager Report

1. Discussion and update of the Critical Events Master Schedule for DEP Agreement No. LP0338

E. Legal Counsel Report

F. Engineering Report

G. Action Items

1. Approval of Final Professional Consultant Services Agreement by and between KLWTD and Government Services Group, Inc. for management services
2. Approval of Final Professional Consultant Services Agreement by and between PRMG for rate consulting services
3. Approval and Execution of Final Professional Consultant Services Agreement by and between KLWTD and Gartek Engineering, Inc.
4. Consideration and Approval of the Transition Interlocal Agreement

H. Additions, Deletions or Corrections to the Agenda

I. Committee Reports

J. Commissioner's Items

1. Discussion regarding holding a vendors presentation meeting, requested by Chairman Tobin
2. Discussion and update on SFWMD funding, requested by Commissioner Brooks

3. Discussion regarding the Key Largo Park drawings, project manual and quantity take-off, requested by Commissioner Wilkinson

J. Meeting Adjournment

DRAFT

Key Largo Wastewater Treatment District

Board of Commissioners Meeting Minutes

4:00 PM Wednesday, February 5, 2003
Key Largo Civic Club
209 Ocean Bay Drive
Key Largo, Monroe County, Florida

Commissioners Present

Chairman, Andrew Tobin, Esq.
Gary Bauman
Cris Beaty
Charles Brooks
Jerry Wilkinson

Staff Present

Robert Sheets, General Manager
Charles L. Sweat, Director of Operations
Amy Dukes, Esq., Legal Counsel
Faith Doyle, Board Clerk

Guests Present

Robert Betancourt, PE, Gartek Engineering
Charles Fishburn, PE, Gartek Engineering
David Refling, PE, Boyle Engineering
Steve Gibbs, Reporter, Key Largo Free Press
Commissioner Murray Nelson, Monroe County

A. Open Public Hearing to consider adoption of Resolution approving the use of FKAA non-rule policies.

Chairman Tobin opened the public hearing at 4:07 PM.

Ms. Amy Dukes, Legal Counsel stated that with time being of the essence KLWTD drafting their own rules was impractical. At present to have policies on the record adopting the FKAA's as non-rule policies would bridge the gap. Ms. Dukes stated that copies of the document had been emailed to all commissioners and a copy was provided for those assembled to review.

1. Public Comment

Mr. Steve Gibbs, Key Largo resident asked how these rules would affect the KLWTD. Ms. Dukes stated that KLWTD would be adopting these as non-rule policy, meaning they will be policy and not as stringent as rules. The policy gives guidance on

operations. The Board can choose to follow the policy provided but if necessary they could be revised by resolution. Mr. Gibbs asked when KLWTD would draft theirs. It was stated that a timeframe would be established in the near future.

2. Board Discussion

Commissioner Brooks stated that presently the policy would not be in affect until the projects are on line and until that time the Board has the option to set up their own procedures. Ms. Dukes stated that this was correct and what the Board is adopting would be a template that could be adjusted as necessary. Ms. Dukes stated that the terminology "non-rule policy" was used because chapter 120, which mandates use of rules and regulations, would not apply in this instance.

Chairman Tobin stated that by adopting the FKAA Rules as non-rule policy is intended to work within the framework of the law and this action would satisfy the grant requirement to have policy in place before funding is received and the plants were in operation.

3. Action on Resolution

Commissioner Wilkinson made a motion to approve Resolution 2003-9. Commissioner Brooks seconded the motion. All were in favor and the motion was unanimously approved.

4. Close Public Hearing

Chairman Tobin closed the public hearing at 4:19 PM

B. Call to Order – KLWTD Regular Meeting

Chairman Tobin continued the regular KLWTD meeting at 4:20 PM, which had been called to order at 4:06 PM.

Chairman Tobin stated that it would be a policy of the Board to present action items as follows: board discussion; formal motion; second to the motion; public comment; then if no further discussion the Board will vote on the motion.

C. Pledge of Allegiance

The pledge was lead by Commissioner Brooks prior to the opening of the public hearing.

D. Additions, Deletions or Corrections to the Agenda

Chairman Tobin requested that the additions, deletions or corrections to the agenda section be moved to after action items on the next agenda. Chairman Tobin stated that there should be a deadline implemented for the agenda and he suggested Friday at 5:00 PM. Chairman Tobin suggests that if any additional items are given to the clerk

after that time they should be forwarded to all other board members and then discussed at the end of the meeting. These "emergency items" would only be accepted by the end of the workday on Monday prior to the meeting.

E. Minutes – January 15, 2003; January 22, 2003; January 29, 2003

Commissioner Brooks made a motion to approve the minutes of the January 15, 2003; January 22, 2003 and January 29, 2003 meetings. Commissioner Beaty seconded the motion. All were in favor and the item was unanimously approved.

F. General Manager Report

1. Discussion and update of the Critical Events Master Schedule for DEP Agreement No. LP0338

Mr. Sheets stated that attached to the agenda at item F1 was a memorandum detailing his meeting with Dick Smith of the FDEP, which is made part of this record as "Attachment A".

Mr. Sheets gave an overview of the memorandum emphasizing that the level of commitment from the KLWTD needs to be demonstrated to the FDEP to move forward. The need for a five year capito=al improvement plan with the impact on the rate payer will be required, the FDEP is aware that the present Board can not bind any future Boards so any plan submitted could be amended when necessary.

Mr. Sheets meet with George Garrett of Monroe County who was extremely helpful with accomplishing the goals and solidifying the local commitment of funds per project. The total commitment of dollars to date is more than sufficient to fund the projects, however, the funds need to be segregated for the two projects. Mr. Smith sees the final Transitional Interlocal Agreement ("TIA") as satisfying many of the FDEP's requirements.

The FDEP wants to have an implementation plan to address the removal of facilities on private property, including the anticipated costs and what mechanism will make the financial burden more bearable for the ratepayer. The plan must demonstrate that the KLWTD is serious on implementing a mandatory connection plan.

Mr. Sheets stated that a fully executed TIA should be forwarded to the FDEP by February 21, 2003 if available, if not a letter from the chairman stating it was forthcoming would be sufficient. Mr. Sheets stated that a public hearing is to be held prior to March 1, 2003 to receive public comment on the financial impact of the projects.

Commissioner Brooks asked what would be involved with implementing assessments on connecting laterals. Mr. Sheets stated that there are several options to be discussed. The board has options because of its taxing ability to take a loan to cover costs and then assess the property owners on the county tax bill over time. At this point prior to March 1, 2003 it does not need to be decided but the options must be defined.

Commissioner Brooks stated that at the Monroe BOCC February 19, 2003 meeting the KLWTD should be represented. Chairman Tobin suggested the Jim Roberts of Monroe County be contacted for the BOCC protocol for presenting items. Mr. Sheets stated that the KLWTD items are on the agenda per George Garrett. It was suggested that the General Manager, Legal Counsel and the Chairman of the Board attend the meeting.

2. Discussion and consideration of appointing technical committee to evaluate RFP's

Mr. Sheets stated that the conference call held between staff and the engineers had initially answered all the issues raised by Gartek. However, after the conference call was memorialized in writing Gartek raised further issues that must be acted on by the Board.

Chairman Tobin called for a recessed at 5:20 PM.

Chairman Tobin reconvened the meeting at 5:28 PM.

Mr. Betancourt stated that out of the original 47 comments the following would require input from the Board: 1, 3, 4, 9, 12, 23 and 31.

1. Concerning the ranking procedures the RFP must be changed to create an evaluation committee. It was suggested the Director of Operations, a Gartek representative, a Boyle representative and two Board members be included on the committee. The point system needs to be revised with the Boards approval because staff had not reached consensus. The point award for local experience was the point of contention. Discussion ensued. It was determined that two submittals, a technical submittal to be received on 2/19/03 and a cost submittal to be received on 2/26/03. The technical committee would meet in publicly noticed meetings to rank the technical submittals. The rankings would be presented to the Board as the selection committee. The ranking process was described to the Board as having a total point value of 100. The local experience points were discussed and the consensus was that it should be weighted at zero and the points assigned to local experience are to be distributed equally between the remaining categories.

3. Concerning which equipment should be mandatory pre-purchase. Mr. Refling stated the benefit to pre-purchase is sales tax savings, however, there are possible liabilities for taking this course of action. Presently the RFP states this option is at the sole discretion of the Board to initiate after the project is designed. After design the Board can pre-purchase equipment and reduce the contract price by the amount of pre-purchased equipment needed. Gartek believes the RFP should list the specific items to be pre-purchased prior to the bids being received. Staff and Boyle contend that this would remove all flexibility the Board would have in using this option or to enact changes to the equipment list after design. Discussion ensued.

Commissioner Bauman made a motion to not identify the pre-purchase equipment in the RFP. Commissioner Brooks seconded the

Faith Foreman

From: Jerry Wilkinson <jerry142@terranova.net>
To: Faith Foreman <fforeman@peoplepc.com>
Sent: Sunday, February 09, 2003 11:52 PM
Subject: RE: KLWTD draft 2-5 meeting minutes

Faith:

I only glanced through it and saw what I thing is on omission of "not." I believe it is item 3 where I did NOT think the sales tax "stuff" should even be mentioned in the RFP and therefore voted in opposition.

If I get a chance I will read it again tomorrow - kind of busy.

Jerry

-----Original Message-----
From: Faith Foreman [mailto:fforeman@peoplepc.com]
Sent: Sunday, February 09, 2003 2:24 PM
To: g.bauman@dolphinpatioandgrill.com; cris.beaty@westin.com; cbrooks442@aol.com; adukes@llw-law.com; tobinlaw@terranova.net; jerry142@terranova.net; rsheets@govserv.com; csweat@govmserv.com; Faith Doyle
Subject: KLWTD draft 2-5 meeting minutes

Hello everyone,

Please don't let the email address confuse you!!!!

This is 'Clerk Doyle' sending you the draft meeting minutes from my home computer!!

I hope you are all having a wonderful weekend! Please let me know if you have any additions, corrections or deletions from the minutes.

thank you!!!

Faith

motion for discussion. Discussion ensued on if the benefit of listing equipment is to avoid contractor mark ups or sales tax savings. Boyle stated that it is for sales tax savings however there is some liability to naming the equipment in the RFP, not identifying it permits flexibility later, ~~you leave~~ the option opened to do it or not. Gartek stated if the specific equipment is not named you could receive lopsided bids. Boyle states verbiage that the bidders are not to consider the pre-purchase clause when bidding is included in the RFP. Commissioner Bauman amended his motion to state that the RFP is not to identify the pre-purchase equipment and the verbiage is to be added to clearly state the bidders are not to consider this option in their bid price. Commissioner Wilkinson stated that he believes a pre-purchase option should not be considered in any form. The question was called. Commissioners Tobin, Beaty, Bauman and Brooks voted in favor. Commissioner Wilkinson was not in favor. The motion carried.

4. Concerning naming County employees in the RFP. Boyle had no counter point they feel it is not necessary to name the County employees. However, if so the County should be made aware of the provision. All were in agreement and the County would be advised.

9. Concerning experience working in the Keys had been covered along with item one.

12. Relating to Boyle providing a PDR via addendum. Boyle stated that a PDR was sent when the bid packs were issued. It was also made available to those at the pre-bid. Mr. Sheets stated all additional information should be sent as addendum because it is documented as being received. Mr. Sweat stated that he has a signed sheet stating the PDR was received at the pre-bid. Boyle is to place on the addendum receipt sheet stating that the PDR was received.

23. Concerning safety procedures. Legal Counsel stated that OSHA safety standard prevail if listed or not this can be done at the Boards pleasure either is legally acceptable.

Commissioner Brooks made a motion to add that OSHA Safety Standards prevail. Commissioner Wilkinson seconded the motion. All were in favor and the item was unanimously approved.

31. Concerning two vacuum system manufactures being named as equal vendors for the RFP. Boyle stated that both were to be named and if there was an oversight it would be corrected.

Commissioner Brooks requested that the members of the Technical Evaluation Committee be given by name. Commissioner Wilkinson stated that a financial

representative should be appointed if possible. Discussion ensued on the need for the meetings to be public, the specific procedures and if the Board should be the committee or if it should be a mixture of staff and the Board. It was noted that publicly noticed meetings to provide rankings for the selection committee (the Board) and interviews by the selection committee would be acceptable. **A motion was made by Commissioner Brooks that the Technical Evaluation Committee will consist of the following persons: Charles L. Sweat, Robert Betancourt, David Refling, Charles Brooks, Jerry Wilkinson, Cris Beaty and Andrew Tobin as an alternate. All committee meetings will be held with public notice. Commissioner Bauman seconded the motion. All were in favor and the motion was unanimously approved.**

Robert Betancourt asked if the vendor demonstration should be held when scheduled (2/17/03) and be attended by the evaluation committee, or should the meeting be changed. It was asked if the meeting were held would there be legal ramifications. Mr. Sheets does not believe the demonstrations are needed at the moment, but should proceed once the short list of prospective bidders is developed. Commissioner Tobin believes that due to the time constraints and because the bids are out it is not prudent to meet with anyone. Board input was requested. Commissioner Wilkinson stated that he would like to see both systems to know the differences and benefits of each. Commissioner Brooks has seen a demonstration on one of the systems and the other system working in the field but would appreciate the complete overview. Commissioner Beaty would like to have as much information as possible prior to the technical committee meetings. **Commissioner Brooks made a motion to hold a joint meeting with both vendors on February 17, 2003. Commissioner Beaty seconded the motion amending that the meeting be publicly noticed. Chairman Tobin stated that Legal Counsel is to clarify the legal ramifications of holding the meeting and gave Legal Counsel the authority to cancel the meeting if necessary. Commissioners Tobin, Beaty, Brooks and Wilkinson were in favor. Commissioner Bauman was not in favor. The motion carried.**

3. Discussion and consideration of procuring insurance coverage for the KLWTD

Mr. Sheets presented two insurance quotes from Florida Cities on basic insurance coverage. One quote was for the minimum million-dollar general liability policy and the second was for five million dollars in coverage. Board action is required to establish the policy. The insurance will be reviewed again after the facilities are in the ground. **Commissioner Brooks made a motion to approve the five million dollar general liability policy from the League of Cities. Commissioner Wilkinson seconded the motion for discussion. Chairman Tobin asked if all coverage listed were necessary. Mr. Sheets stated that no but removing them had no affect on the**

premium. With no further discussion, all were in favor and the item was unanimously approved.

G. Legal Counsel Report

Ms. Dukes presented the legal counsel report, which is made part of this record as "Attachment B". The highlights are that the Transitional Interlocal Agreement is moving quickly and well with all comments managed by Ms. Dukes. It appears that it should be complete and executed before the March 1, 2003 deadline. The Board gave consensus that it is permissible to distribute the TIA in draft form to the other parties. Commissioner Bauman asked if any more policy issues needed to be resolved. Ms. Dukes stated that no there was not. The document was drafted with flexible language to provide repayment options on monies being provided by the County. The draft would be forwarded tomorrow and any comments are needed as soon as possible. Commissioner Brooks comments that Legal Counsel has made remarkable progress on the TIA and that it is appreciated.

Ms. Dukes stated that two issues remain on the GARTEK Professional Consulting Services Agreement that need to be resolved prior to Mr. Betancourt agreeing to sign it. The insurance deductible guarantee and to who the engineer is to report. Legal Counsel suggests that KLWTD amend our limits to be equivalent to Gartek's present insurance noting that this is a fair request if it is the pleasure of the Board. Gartek asked that the Board consider furnishing insurance to guarantee his deductible. Chairman Tobin stated that it is not required and that the KLWTD should not set precedence by covering a consultant's deductible. Mr. Betancourt is concerned because of exposure from Boyle and FKAA for malpractice. Mr. Betancourt respectfully disagreed with the position of the Chair. **Commissioner Brooks made a motion that the KLWTD not guarantee the insurance deductible for Gartek Engineering. Mr. Bauman seconded the motion with the amendment that the KLWTD reduce its two million dollar coverage requirement to one million dollar and deny the request for a guarantee of the $20,000 deductible. All were in favor. The motion was unanimously approved.**

The other issue of concern to Gartek was whom do they report to. The first draft of the agreement stated that Gartek was to report to the Board. The revised agreement stated that Gartek was to report to the Board and the General Manager. **Commissioner Brooks made a motion that Gartek report to the Board and the General Manager. Commissioner Beaty seconded the motion. Commissioner Brooks stated that he does not want to take away from the Managers position, however, with notices going to both parties it would retain optimum communications. Commissioner Wilkinson wants to retain communication directly with the engineering firm. Chairman Tobin would like the chain of commend stated in a policy with the General Manager as Chief Executive Officer of the KLWTD and all contractors employed by the KLWTD to report to the Manager,**

however, he has no problem with the contractors reporting to the Manager and the Board when disagreements arise, but with a clear understanding that the day to day operations must go through one person, the Manager. With no further discussion it was stated that Gartek is to report to the General Manager and the Board. All were in favor and the motion was unanimously approved.

Also covered in the Legal Counsel report was an update on the PRMG agreement, the letter forwarded to Commissioner Nelson concerning the BOCC 2/19/03 meeting and the Chapter 197 notifications to the County Property Appraiser and Tax Collector.

Commissioner Brooks stated that he had contacted staff concerning an additional amendment to Resolution 2003-4 requesting a MSTU from the County that would add language stating that the funds could be used to cover administrative costs. Ms. Dukes stated that staff had made her aware of the request, however, after discussion with Terry Lewis, Esq. of LLW, Legal Counsel advised the Board that specific language could be used against the KLTWD and limit the use of the funds. Presently MSTU funds can be used for all costs permissible under the charter that are incurred by the KLWTD. Mr. Sheets stated that it should remain flexible and that MSTU funds could be used for any purposes listed in the charter.

H. Engineering Report

It was noted that the 100% drawings from Boyle Engineering were being Federal Expressed to all for receipt on Thursday the sixth of February.

Mr. Refling of Boyle Engineering stated that the project bids would be delivered to the FKAA in Key West. He noted that the park and village are two separate bids. That technical proposals are due 2/19/03. Mr. Refling asked where the bid opening for the park should be. He stated that cost proposals for the village are due on 2/26/03 and that he needs to work with the General Manager on holding them unopened until the technical evaluations are done. The cost proposals should be held for opening at a public meeting after the technical rankings have been presented to the Board. Mr. Sheets stated that he would forward a schedule of the evaluation committee meetings and events.

I. Committee Reports

Commissioner Brooks stated that he and Chairman Tobin had attended the Intergovernmental task force meeting that was for County groups. Several of cities, municipalities and county entities are under the present comprehensive plan to distribute federal monies without dispute. The group is planning a trip to Washington DC to lobby the senate and congress on various local issues. Commissioner Brooks will forward letters to the Board members concerning the matter with background information and documentation on how the 3 million dollars being lobbied for will be spent.

J. Action Items

1. Discussion and consideration of policy and procedure for simple contracts

Chairman Tobin stated that he would like future resolutions for contracts to include "approval by the Board and to be executed in final form by the Chair". Commissioner Brooks stated that he has strong feeling that a contract needs to be seen by the full Board prior to it being finally approved and executed. Commissioner Bauman asked if after Board approval of a general contract if email drafts could be forwarded to all Board members for review and if any objections are found then take it back to the Board. If no objections are received then the Chairman would sign the final contract without additional Board action. Commissioner Brooks believes contracts should be approved in final form at an open meeting and not by the internet and not by conference call. Chairman Tobin stated that with the time constraints on the KLWTD that as long as there are checks and balances in the process simple contracts could be executed without bringing them back for a formal vote. Discussion ensued. Commissioner Brooks suggested that in the future a consent agenda section be added to the agenda to eliminate discussion on every item brought up for consideration. Mr. Sheets stated that in the future general services contracts would be entered into with contractors and then work authorizations would be issued against the contract for projects.

Commissioner Brooks made a motion stating that all contracts are to be approved in their final form by the Board. Commissioner Wilkinson seconded the motion. Commissioners Bauman, Beaty, Brooks and Wilkinson were in favor. Chairman Tobin was not in favor. The motion carried.

2. Approval of Professional Consultant Services Agreement by and between KLWTD and Government Services Group, Inc.

The item was tabled and will be considered at the February 12, 2003 meeting.

3. Approval of Professional Engineering Consultant Services Agreement by and between KLWTD and Gartek Engineering Corporation

The Board has given its approval as noted above in the discussion under Legal Counsel report. The contract has been forwarded to Gartek Engineering for execution.

4. Approval of Resolution appointing PRMG as the KLWTD's rate consultant

It was noted that at the January 29, 2003 meeting the Board had approved the Resolution contracting with PRMG for rate consulting, however, the contract was to be considered at the present meeting. Legal Counsel was instructed to have the contract finalized and executed by the consultant for presentation to the Board at it's February 12, 2003 meeting.

5. Approval of Resolution adopting an Expenditure Policy

Commissioner Brooks made a motion to approve the Resolution adopting an Expenditure Policy. Commissioner Bauman seconded the motion for discussion. Commissioner Wilkinson stated a financial statement should be provided to the Board on a monthly basis. Chairman Tobin requested that information on GSG's bonding and insurance status be made part of the policy. Mr. Sheets stated that GSG as the treasurer would provide monthly financial statements. Also, the requested information on bonding and insurance would be provided. Chairman Tobin asked if there was anyone present who wished to give public comment. There was none. With no further discussion, all were in favor and the item was unanimously approved.

J. Meeting Adjournment

Chairman Tobin adjourned the meeting at 8:40 PM.

MEMORANDUM TO THE BOARD

TO: DICK SMITH

FROM: ROBERT SHEETS, GENERAL MANAGER

SUBJECT: KEY LARGO WASTEWATER TREATMENT DISTRICT

DATE: 2/10/03

Attached for your review are six spreadsheets, which provide the latest analysis regarding projected engineering costs and funds available for Key Largo Park and Key Largo Trailer Village.

Chart Number One provides Boyle's latest estimated costs for Key Largo Park broken down between construction, project planning and construction management. It shows a total cost of $2,965,000.

Chart Number Two provides Boyle's latest estimated costs for Key Largo Trailer Village showing total engineering and construction costs of $7,760,000, project planning, $620,000, construction management, $1,120,000 and the land purchase by the County of $826,234. This provides a total estimated projected cost of $10,326,234 for KLTV.

Chart Number Three. This is the latest and greatest effort in identifying the Federal, State and Local match currently committed to fund both KLP and KLTV. I have broken it down by resources and by project. Please note that I have moved all but $50,000 of the DCA Cess Pit Grant from Key Largo Park to Key Largo Trailer Village. I have also added the category called "Loan Commitment" from the County, but have currently left this blank. It is my assumption that the District will need to see how we are going to fill the shortfall.

Chart Number Four combines Boyle's most recent estimated costs by project category and funding source. As you can see, Key Largo Park currently has sufficient funds to fund the entire project assuming that the engineer's costs estimates are not exceeded.

Chart Number Five, Key Largo Trailer Village project costs versus funding availability. As you can see, we have provided the same breakdown by project category and funding source. As is illustrated, there still remains an $848,479 funding source shortfall for Key Largo Trailer Village. Again, assuming that the

actual bids received and construction costs do not exceed Boyle's current engineering estimates.

Chart Number Six is a summary of the funding source and project costs.

Based on this information, we are projecting an $850,000 funding shortfall based on current local commitments. To address this, there will be explicit wording in the Inter-local Agreement, which outlines a loan commitment from the County of $1,000,000 to insure that KLTV moves forward. This loan commitment will be accessed only after all other local funds have been expended.

It is our hope that after the KLTV proposals have been received and a vendor selected, that we would be able to negotiate a price that will fall within the current funding commitment.

I know this will raise additional questions, please do not hesitate to call me. I will be in the office for the remainder of today, and then will be traveling, but can be reached on my cell phone at 321-7794 Tuesday through Thursday.

ENGINEERS COST ESTIMATE AS OF 2/7/03
KEY LARGO PARK

KEY LARGO PARK		COST
Vacuum Collection System- Construction		$1,540,000.00
Tie-In to Trailer Village/Vacuum Valves		$200,000.00
Proportionate Share of Key Largo Trailer Village WWTP Construction		$600,000.00
SUB-TOTAL CONSTRUCTION		**$2,340,000.00**
Project Planning, Design, Permitting & Bidding		$325,000.00
Construction Management & Project Administration		$300,000.00
SUB-TOTAL MANAGEMENT/DESIGN		**$625,000.00**
TOTAL ESTIMATED PROJECT COSTS		**$2,965,000.00**

ENGINEERING COSTS ESTIMATES AS OF 2/7/03
KEY LARGO TRAILER VILLAGE

KEY LARGO TRAILER VILLAGE		COST
Vacuum Collection System - Construction		$5,960,000.00
WWTP and Associated Facilities		$1,800,000.00
SUB-TOTAL CONSTRUCTION		**$7,760,000.00**
Project Planning, Design, Permitting & Bidding		$620,000.00
Construction Management & Project Administration		$1,120,000.00
Land Purchase (Actual)		$826,234.00
SUB-TOTAL MANAGEMENT/DESIGN		**$2,566,234.00**
TOTAL ESTIMATED PROJECT COSTS		**$10,326,234.00**

SOURCE OF FUNDING KEY LARGO PARK AND KEY LARGO TRAILER VILLAGE

	KEY LARGO PARK	KEY LARGO TRAILER VILLAGE
FEDERAL		
FEMA Phase 1	$0.00	$1,097,143.00
FEMA Phase 2	$0.00	$4,388,571.00
TOTAL	**$0.00**	**$5,485,714.00**
STATE		
FDEP	$1,660,000.00	$0.00
DCA - Cess Pit Grant	$50,000.00	$1,337,731.00
DCA - Unmet Needs	$0.00	$914,286.00
TOTAL	**$1,710,000.00**	**$2,252,017.00**
LOCAL		
304 Fund FEMA Phase 1 & 2 Match (Loan)	$0.00	$914,285.00
148 Fund	$356,000.00	$0.00
304 Cess Pit Fund	$929,527.00	$0.00
304 Land Purchase	$0.00	$826,234.00
TOTAL	**$1,285,527.00**	**$1,740,519.00**
LOAN COMMITMENT		
From County	$0.00	$0.00
TOTAL	**$0.00**	**$0.00**
TOTAL FUNDS AVAILABLE	**$2,995,527.00**	**$9,478,250.00**

PROJECT COSTS KEY LARGO PARK AS OF FEBRUARY 7, 2003 @ 5:42 P.M.

THESE NUMBERS ARE BASED ON BOYLE'S MOST RECENT REVISIONS

Key Largo Park	Federal	State	Local	Total
Preliminary Engineering	$0.00	$0.00	$325,000.00	$325,000.00
Construction	$0.00	$1,150,000.00	$390,000.00	$1,540,000.00
Tie in to KLTV Vacuum Valves	$0.00	$0.00	$200,000.00	$200,000.00
Share of KLTV (Wastewater Treatment Plant)	$0.00	$560,000.00	$40,000.00	$600,000.00
Construction Management	$0.00	$0.00	$300,000.00	$300,000.00
Total Key Largo Park	**$0.00**	**$1,710,000.00**	**$1,255,000.00**	**$2,965,000.00**
Funds Available	$0.00	$1,710,000.00	$1,285,527.00	$2,995,527.00
Funds Balance/Needed	**$0.00**	**$0.00**	**$30,527.00**	**$30,527.00**

*This funding level is based on providing sewer services to half of Key Largo Park

PROJECT COSTS KEY LARGO TRAILER VILLAGE AS OF FEBRUARY 7, 2003 @ 5:42 P.M.
THESE NUMBERS ARE BASED ON BOYLE'S MOST RECENT REVISIONS

Key Largo Trailer Village	Federal	State	Local	Total
Preliminary Engineering	$0.00	$0.00	$620,000.00	$620,000.00
Design Build	$5,485,714.00	$2,251,517.00	$22,764.00	$7,759,995.00
Construction Management	$0.00	$0.00	$1,120,000.00	$1,120,000.00
Land	$0.00	$0.00	$826,234.00	$826,234.00
Total Key Largo Trailer Village	**$5,485,714.00**	**$2,251,517.00**	**$2,588,998.00**	**$10,326,229.00**
Funds Available	$5,485,714.00	$2,252,017.00	$1,740,519.00	$9,478,250.00
Funds Balance/Needed	**$0.00**	**$500.00**	**($848,479.00)**	**($847,979.00)**

PROJECT COST VS. PROJECT FUNDING

		Key Largo Park	Key Largo Trailer Village
Estimated Cost		$2,965,000.00	$10,326,229.00
Funds Committee		$2,995,000.00	$9,478,250.00
BALANCE		**$30,000.00**	**($847,979.00)**

NEED $850,000 LOAN GUARANTEE FROM COUNTY

MANAGEMENT SERVICES AGREEMENT

by and between

KEY LARGO WASTEWATER TREATMENT DISTRICT

and

GOVERNMENT SERVICES GROUP, INC.

TABLE OF CONTENTS

PAGE

ARTICLE I
DEFINITIONS AND CONSTRUCTION

SECTION 1.01. DEFINITIONS 2
SECTION 1.02. INTERPRETATION. 3
SECTION 1.03. SECTION HEADINGS. 3

ARTICLE II
BASIC SERVICES

SECTION 2.01. BOARD MEETINGS. 4
SECTION 2.02. GENERAL ADMINISTRATION. 4
SECTION 2.03. ACCOUNTING. 5
SECTION 2.04. BUDGETS AND FINANCIAL REPORTS. 6
SECTION 2.05. OTHER FINANCIAL SERVICES 6
SECTION 2.06. OPERATIONAL OVERSIGHT 6
SECTION 2.07. CAPITAL IMPROVEMENT PLANNING 7
SECTION 2.08. COMPENSATION FOR BASIC SERVICES 8

ARTICLE III
ADDITIONAL SERVICES

SECTION 3.01 UTILITY SYSTEM IMPROVEMENTS. 10
SECTION 3.02. CONNECTIONS AND EXTENSIONS 10
SECTION 3.03 SPECIAL ASSESSMENTS. 10
SECTION 3.04 UTILITY OPERATIONS AGREEMENT. 11
SECTION 3.05 OTHER SERVICES. 11
SECTION 3.06 COMPENSATION FOR ADDITIONAL SERVICES. 11

ARTICLE IV
GENERAL PROVISIONS

SECTION 4.01.	DISTRICT RESPONSIBILITIES.	13
SECTION 4.02.	TERM OF AGREEMENT.	14
SECTION 4.03.	INSURANCE.	14
SECTION 4.04	INDEMNIFICATION	16
SECTION 4.05.	SUBCONTRACTORS.	16
SECTION 4.06	DEFAULT AND TERMINATION.	17
SECTION 4.07	DISCLOSURE.	17
SECTION 4.08	GENERAL COUNSEL APPROVAL REQUIRED.	17
SECTION 4.09	ENTIRE AGREEMENT	17
SECTION 4.10	AMENDMENTS AND WAIVERS.	18
SECTION 4.11	NOTICES	18
SECTION 4.12	ASSIGNMENT AND BINDING EFFECT	18
SECTION 4.13	SEVERABILITY.	19
SECTION 4.14	EXECUTION IN COUNTERPARTS.	19
SECTION 4.15	APPLICABLE LAW.	19

MANAGEMENT SERVICES AGREEMENT

THIS AGREEMENT is made and entered into this _____ day of _____, 2003, by and between Key Largo Wastewater Treatment District, (hereinafter referred to as the "District") and Government Services Group, Inc., a Florida corporation, whose business address is 1500 Mahan Drive, Suite 250, Tallahassee, Florida 32308 (hereinafter referred to as the "General Manager").

W I T N E S S E T H:

WHEREAS, the District desires to obtain the professional management and planning services of the General Manager to provide administration, management, and consulting services to the District; and

WHEREAS, the General Manager represents that it has expertise in the type of professional services required by the District;

NOW, THEREFORE, in consideration of the following mutual promises, covenants, provisions, representations, agreements and provisions, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS AND CONSTRUCTION

SECTION 1.01. DEFINITIONS. As used in this Agreement, the following terms shall have the following meanings unless the context hereof otherwise requires.

"Additional Services" means the administration, management and consulting services described in Sections 3.01 through 3.07 hereof.

"Agreement" means this Management Services Agreement, including any amendments and supplements hereto executed and delivered in accordance with the terms hereof.

"Basic Services" means the administration, management and consulting services described in Sections 2.01 through 2.07 hereof.

"Billing Contractor" means the firm contracting with the District to provide customer service and utility billing for the Utility Systems.

"Board" shall mean the governing board of the District.

"Financing Documents" shall mean the resolution or resolutions duly adopted by the Board, as well as any indenture of trust, trust agreement or other instrument relating to the issuance or security of the obligations by the District.

"Fiscal Year" means the period commencing on October 1 of each year and continuing through the next succeeding September 30, or such other period as may be prescribed by law as the fiscal year for the County.

"District" means Key Largo Wastewater Treatment District, a legal entity and public body created pursuant to Chapter 2002-337.

"General Manager" means Government Services Group, Inc., a Florida corporation.

"Operations Contractor" means the firm contracting with the District to operate the Utility Systems.

SECTION 1.02. INTERPRETATION. Words importing the singular number shall include the plural in each case and vice versa, and words importing persons shall include firms and corporations. The terms "herein," "hereunder," "hereby," "hereto," "hereof," and any similar terms, shall refer to this Agreement; the term "heretofore" shall mean before the effective date of this Agreement; and the term "hereafter" shall mean after the effective date of this Agreement. This Agreement shall not be construed more strongly against any party regardless that such party, or its counsel, drafted this Agreement.

SECTION 1.03. SECTION HEADINGS. Any headings preceding the texts of the several Articles and Sections of this Agreement and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall neither constitute a part of this Agreement nor affect its meaning, construction or effect.

ARTICLE II

BASIC SERVICES

SECTION 2.01. BOARD MEETINGS. The General Manager will furnish the following administrative support to meetings of the Board:

(A) provide timely notice of all regular and special Board meetings to the District directors and comply with all applicable public notice requirements;

(B) prepare and distribute an agenda to the District directors for all Board meetings, including appropriate supporting documentation; and

(C) Maintain minutes and records of regular and special Board meetings consistent with Florida statutes.

SECTION 2.02. GENERAL ADMINISTRATION. The General Manager will furnish the following general administrative support to the Board:

(A) Assist in identifying, selecting and contracting with rate consultants, auditors, insurance consultants, lab service contractors, consulting engineers, hydro-geologists and other consultants or professionals required by the District;

(B) Act as custodian of the District's books and records, which shall be maintained in accordance with Section 189.9, Florida Statutes;

(C) Serve as inter-governmental liaison between the Board and the local governments in which the District provides utility service as follows: (1) coordinate service extensions with the local government's comprehensive plan; (2) communicate with local public officials on all matters that pertain to the District; and (3) attend city and county governing board and staff meetings, when requested, to discuss District issues;

(D) Prepare an annual consumer confidence report, as required by law;

(E) Oversee at least two customer mailings each year to all District customers regarding Board initiatives;

(F) Provide the Board, or individual members thereof, upon request, with data or information concerning the Utility Systems provide advice and recommendations on Utility System operations to the Board;

(G) Develop and maintain accounting, budgeting and purchasing procedures;

(H) Negotiate leases, contracts, and other agreements, including consultant services, for the District, subject to approval of the Board;

(I) Oversee and advise the District on all local, state or federal filings identified to the General Manager; and

(J) Monitor the performance of all terms and conditions in all leases, contracts, and agreements and notify the Board of any noted violation thereof.

SECTION 2.03. ACCOUNTING. The General Manager will provide the following accounting services to the District:

(A) The General Manager will oversee the District's accounting system and coordinate the utility billing function with the Billing Contractor to facilitate the management and investment of all cash in accordance with law, the Financing Documents, Board policy, and generally accepted accounting principles.

(B) The General Manager will require the Billing Contractor to provide a daily financial transactions report and a monthly financial report for each Utility System.

(C) The General Manager will prepare statements of accounts payable, reconcile accounts receivable, maintain the general ledger, prepare monthly financial reports for each Utility System and the District in its entirety, and coordinate with outside auditors in conducting an annual audit.

(D) On or before the 20th of each month, the General Manager will submit to the Board a statement of income and expenses for the District Board, together with a list of vouchers paid, if requested by the Board, and any financial matters requiring Board attention.

SECTION 2.04. BUDGETS AND FINANCIAL REPORTS. The General Manager will provide the following budgeting and reporting services to the District:

(A) On or before July 1 of each year, the General Manager will prepare a proposed operating budget and capital improvement program for the ensuing Fiscal Year to be submitted to the Board for its review and approval. Each water and/or wastewater system, designated as such by the Board, shall be maintained as an independent enterprise fund.

(B) The General Manager will prepare and file all financial reports required by the Financing Documents, Board policy and applicable law.

SECTION 2.05. OTHER FINANCIAL SERVICES. The General Manager will provide the following additional financial services to the District:

(A) The General Manager will coordinate with the District's utility rate consultant to develop rates that comply with the Financing and Grant Documents.

(B) The General Manager will coordinate with the District's insurance consultant to insure the District's assets in accordance with industry standards.

SECTION 2.06. OPERATIONAL OVERSIGHT. The General Manager will monitor the performance of the Operations Contractor and Billing Contractor, as follows:

(A) The General Manager shall monitor lab performance of the Operations Contractor to ensure compliance with the Operations and Billing Agreement and the Board's policy and direction.

(B) The Operations Contractor and Billing Contractor will be required to provide the reports as required in the Operations and Billing Agreement.

(C) The General Manager will visit each Utility System and review the following issues with the Operations Contractor and Billing Contractor: (1) customer service, (2) operations and contract performance, (3) annual maintenance needs of the

Utility Systems, (4) any unforeseen events that may affect the District's agreement with the Operations Contractor or Billing Contractor.

(D) The General Manager shall manage District's lab service contractor for quality control and performance, shall order necessary sampling events to meet regulatory needs and requirements, shall review all laboratory analyses conducted by District's lab service contractor, and shall require appropriate explanations for all deviations to the permits under which treatment facilities are to be operated.

(E) Not later than April 1 of each year beginning April 1, 2003, the General Manager shall compile and prepare:

(1) An annual report summarizing the performance of each treatment facility;

(2) A summary of treatment capacity and capacity needs;

(3) A status report of all capital projects; and

(4) An annual systems report which summarizes (a) work performed by the Operations Contractor and Billing Contractor, (b) other significant operations issues that have arisen during the preceding twelve months, (c) intergovernmental coordination issues, and (d) acquisition and transition concerns.

The General Manager shall secure any work orders necessary to complete the annual report and manage the activities of the consulting engineers, hydro-geologist - professional services to ensure timely completion of the annual systems report.

SECTION 2.07. CAPITAL IMPROVEMENT PLANNING.

(A) The General Manager shall be responsible for coordinating the development of a capital improvement plan to facilitate compliance with applicable regulatory standards and provide adequate capacity for current and future customers. In this regard, the General Manager shall (1) prepare and update, as needed, a strategic master plan for each Utility System, and (2) not later than May 1, prepare an annual

capital improvement program for facilities needed to repair, replace, enhance or provide additional service to District's customers.

(B) The General Manager shall prepare connections and extensions to the Utility Systems. In this regard, the General Manager shall (1) maintain an extension policy for said water and sewer line extensions, (2) maintain standardized specifications for use on all Utility Systems, and (3) provide standardized construction and professional service agreements for use on all Utility Systems.

SECTION 2.08. COMPENSATION FOR BASIC SERVICES.

(A) In consideration for the Basic Services to be provided, the District agrees to pay the General Manager a monthly fee equal to one-twelfth of the following annual amounts:

Phase I	-	$5,000.00

(As described in the Proposed System Manager Agreement, Dated January 13, 2003)

Phase II	-	$10,800.00

(This fee will begin on or about June 1, 2003 when construction begins on the Key Largo Park and the Key Largo Trailer Village)

Phase III	-	To Be Determined

(Prior to completion of the Key Largo Park and the Key Largo Trailer Village, GSG will submit a revised Scope of Fees and Schedule)

Monthly fees for Basic Services shall be payable at the end of each monthly period. In addition to the monthly fees for Basic Services, the District shall reimburse the General Manager for its expenses of reproduction, postage and express delivery incurred by the General Manager in connection with the provision of Basic Services. All expenses will be in accordance with Section 112.061, Florida Statutes. Additional Services as described in Section 3.01 through 3.08 will be collected and reimbursed on the same basis.

(B) If a Utility System is sold or otherwise transferred by the District without the timely advance written notice required in this Section, the District shall pay General Manager, in addition to all other fees and costs provided for in this Agreement, an amount equal to the Basic Services fee for that Utility System for 180 days.

(C) If the District acquires a water and/or wastewater utility system, District and General Manager agree to negotiate in advance a change order to the Basic Services to be provided hereunder.

On each October 1, beginning in 2003, Basic Service Fees and the hourly rates for Additional Services performed on an hourly rate basis for the immediately ensuing year shall be adjusted upward or downward on the basis of the percentage of upward or downward change, if any, in the consumer Price Index - U.S. City Average - All Urban Customers - Services (1982-84=100), as published by the U.S. Department of Labor, Bureau of Labor Statistics (the "Index"), from the Index number of the Index most recently published prior to August 31, 2003 (the "Base Index Number"). Utilizing the Index most recently published prior to August 31, thereafter beginning in 2004 (the "Current Index Number"), the foregoing adjustment shall be calculated and become effective for a particular year on October 1st first occurring after each such August 31st beginning in 2003. If at any time of calculation on the Current Index Number is greater or less than the Base Index Number, the fees for the immediately ensuing year, beginning on the said April 1st, shall be increased or decreased, as the case may be, form the fees which were in effect on the Commencement Date of this Agreement by an amount equal to the percentage by which the Current Index Number exceeds or is less than the Base Index Number. In the event the U.S. Department of Labor, Bureau of Labor Statistics, ceases to publish the CPI, the parties hereto agree to substitute another equally authoritative measure of change in the purchasing power of the U.S. dollar as may be then available as to carry out the intent of this provision. In no event shall the annual adjustment exceed four and one-half (4 ½) percent.

ARTICLE III

ADDITIONAL SERVICES

SECTION 3.01. UTILITY SYSTEM IMPROVEMENTS. The parties acknowledge that capital improvements to the Utility Systems may be required during the term of this Agreement. In connection therewith, the General Manager shall perform the following tasks:

(A) Secure necessary work orders for design and supervision of construction of capital improvements from District's consulting engineers, hydro-geologists and other professionals for Board approval;

(B) Manage activities of the consulting engineers, hydro-geologists and other professionals to facilitate timely completion and permitting of capital improvement facilities;

(C) Coordinate new facility construction with activities of the Operations Contractor in order to minimize service disruptions; and

(D) Secure bids for the construction of said capital improvement facilities in accordance with Florida law and Board policy.

SECTION 3.02. CONNECTIONS AND EXTENSIONS. The parties acknowledge that it may be necessary to make service extensions or enter into service or improvement agreements with developers during the term of this Agreement. The General Manager will be responsible for negotiating the terms of such agreements and making recommendations to the Board on matters relating to specific service extensions or developer agreements.

SECTION 3.03. SPECIAL ASSESSMENTS. The parties acknowledge that the District may desire to implement special assessment programs during the term of this Agreement to finance the installation, rehabilitation and maintenance of water and wastewater facilities. The General Manager will prepare information necessary for development of the apportionment methodology, calculation of rates, and the data

processing and mechanical implementation required to collect special assessments on the ad-valorem tax bill.

SECTION 3.04. UTILITY OPERATIONS AGREEMENT. The General Manager will be responsible for developing a request for proposals from Operations Contractors and Billing Contractors, evaluating the proposals received and making recommendations to the Board for selection.

SECTION 3.05. OTHER SERVICES.

(A) The District may request the General Manager to serve as a general rate consultant for the District or to independently review and make recommendations on specific fees and charges.

(B) The General Manager shall be responsible for development of any emergency preparation plans and pretreatment programs required by the Utility Systems.

(C) The General Manager will assist the District's consulting engineers, if required, in connection with the renewal of water withdrawal, operating or other permits required by the Utility Systems.

(D) The General Manager will perform construction inspection on all capital projects and supervise District engineers to aid in such services.

SECTION 3.08. COMPENSATION FOR ADDITIONAL SERVICES.

(A) The General Manager shall be responsible for submitting a written proposal to the District specifying any Additional Services to be performed and the method of compensation therefore. The Agreement between the General Manager and the District shall be set forth in a Memorandum of Understanding ("MOU") that shall constitute a supplement to this Agreement and become binding upon the General Manager and the District. The General Manager shall not be entitled to compensation for Additional Services provided without prior authorization from the Board.

(B) Additional Services may be provided on a negotiated lump sum professional fee or hourly basis. Whenever work is done on an hourly basis the following hourly rates will apply:

(1) General Manager $175/hour;

(2) Director of Operation $140/hour;

(3) Chief Financial Officer $130/hour;

(4) Consultants $80/hour, and

(5) Secretarial or administrative support $35/hour.

Where applicable, all expenses will be in accordance with Section 112.061, Florida Statutes.

ARTICLE IV

GENERAL PROVISIONS

SECTION 4.01. DISTRICT RESPONSIBILITIES.

(A) The Board shall timely transmit instructions, receive information, interpret and define District policies and provide policy direction on decisions with respect to General Manager's services for a project.

(B) The Board shall:

(1) Review and make appropriate recommendations on all requests submitted by the General Manager for payment for services and work provided and performed in accordance with this Agreement;

(2) Provide all criteria and information requested by General Manager as to District requirements for any Basic Services or Additional Services, including inter-local matters, policy and policy direction;

(3) Upon request from General Manager, assist General Manager by placing at General Manager's disposal all information available to the District;

(4) Arrange for access to and make all provisions for General Manager to enter the District facilities to perform the services to be provided by General Manager under this Agreement;

(5) Appropriately direct and delegate management oversight to the General Manager concerning all contract and relations of the District. For all such purposes General Manager is hereby and shall hereafter be deemed the "District Representative" or "District General Manager" as such terms may be defined elsewhere, including the Financing Documents.

(6) Provide notice to General Manager of any deficiencies or defects discovered by the District with respect to the services to be rendered by the General Manager hereunder as well as all notices received or provided under any operations,

billing, financing, acquisition or other agreements entered into which in any way affect or pertain to the Utility Systems.

SECTION 4.02. TERM OF AGREEMENT. This Agreement shall be for a term commencing on the date first above written and ending on September 30, 2003. However, the term hereof may be extended by mutual agreement of the parties for successive 36-month periods. Upon any renewal the parties agree that the monthly fee for Basic Services and the applicable hourly rates for Additional Services will be subject to an adjustment based on the increase in the Consumer Price Index, the deletion or addition of Utility Systems, and the most current hourly rate of the General Manager.

SECTION 4.03. INSURANCE.

(A) During the term of this Agreement, the General Manager shall provide, pay for, and maintain, with companies satisfactory to the District, the types of insurance described herein. All insurance shall be from responsible companies duly authorized to do business in the State of Florida and/or responsible risk retention group insurance companies registered with the State of Florida. The insurance coverages and limits required must be evidenced by properly executed certificates of insurance on forms, which are acceptable to the District. The certificates must be personally, manually signed by the authorized representatives of the insurance company/companies shown on the certificates with proof that he/she is an authorized representative thereof. In addition, certified, true and exact copies of all insurance policies required shall be provided to the District, on a timely basis, if required by the District. These certificates and policies shall contain provisions that thirty days' written notice by registered or certified mail shall be given the District of any cancellation, intent not to renew, or reduction in the policies' coverages, except in the application of the aggregate limits provisions. In the event of a reduction in the aggregate limit of any policy, the General Manager shall immediately take steps to have the aggregate limit reinstated to the full extent permitted under such policy. The acceptance by the District of any certificate of insurance evidencing the

insurance coverages and limits required in this Agreement does not constitute approval or agreement by the District that the insurance requirements have been met or that the insurance policies shown on the certificates of insurance are in compliance with the requirements of this Agreement.

(B) All liability insurance policies, other than the Professional Liability, Worker's Compensation and Employers' Liability policies, obtained by General Manager to meet the requirements of this Agreement shall name District as an additional insured as to the operations of the General Manager under this Agreement and shall contain severability of interests provisions.

(C) Commercial General Liability Insurance shall be maintained to cover liability for bodily injury and property damage. Exposures to be covered are: premises, operations, products/completed operations, and contractual. Coverage must be written on an occurrence basis, with no less than the following limits of liability:

(1) Single Limit Bodily Injury & Property Damage

(a) Each Occurrence $ 500,000

(b) Annual Aggregate 1,000,000

(2) Personal Injury (Annual Aggregate) — $1,000,000

(D) Comprehensive Automobile Liability shall be maintained for all vehicles in the performance of this Agreement:

(1) Single Limit Bodily Injury & Property Damage (Each Occurrence) — $1,000,000

(2) Coverage shall include owned, hired and/or non-owned vehicles. The District must be named as an additional insured for the Automobile and Commercial General Liability coverage.

(E) Professional Liability shall be maintained with limits not less than $2,000,000. If coverage is provided on a "claims made" basis then coverage must be

continued for the duration of this Agreement and for not less than one year thereafter, or in lieu of continuation, provide an "extended reporting clause" for one year.

(F) Workers' Compensation Insurance shall be maintained during the life of this Agreement to comply with statutory limits for all employees, and in the case any work is sublet, the General Manager shall require any subcontractors similarly to provide Workers' Compensation Insurance for all the latter's employees unless such employees are covered by the protection afforded by the General Manager. The General Manager and his subcontractors shall maintain during the life of this Agreement Employer's Liability Insurance. The following must be maintained:

(1) Workers' Compensation - Statutory

(2) Employer's Liability - $100,000 per accident

(G) If any insurance provided pursuant to this Agreement expires during the term hereof, renewal certificates of insurance and, if requested by District, certified, true copies of the renewal policies shall be furnished by General Manager thirty days prior to the date of expiration.

SECTION 4.04. INDEMNIFICATION. The Consultant agrees to indemnify and hold harmless the Authority, its officers, agents and employees against any loss, damage or expense (including all costs and reasonable attorneys' fees) suffered by Authority from any claim, demand, judgment, decree, or cause of action of any kind or nature arising out of any negligent error, omission, or act of Consultant, its agents, servants, or employees in the performance of services under this Contract.

SECTION 4.05. SUBCONTRACTORS. The services to be performed hereunder shall be performed by General Manager's staff unless otherwise authorized in writing by the District, which shall not be unreasonably withheld. The employment of, contract with, or use of the services of any other person or firm by General Manager, as independent contractor or otherwise, shall be subject to the prior written approval of the District. No provision of this Agreement shall, however, be construed as constituting an

agreement between the District and any such other person or firm. Nor shall anything contained herein be deemed to give any such party or any third party any claim or right of action against the District beyond such as may otherwise exist without regard to this Agreement.

SECTION 4.06. DEFAULT AND TERMINATION. Either party shall have the right to terminate this Agreement upon 180 calendar days' written notice to the other party. The General Manager shall be entitled to payment for professional fees earned and reimbursable costs incurred prior to the date of such termination.

SECTION 4.07. DISCLOSURE.

(A) The General Manager represents that it presently has no interest and shall acquire no interest, either direct or indirect, which would conflict in any manner with the performance of services required hereunder. General Manager further represents that no persons having such interest shall be employed to perform those services.

SECTION 4.08. GENERAL COUNSEL APPROVAL REQUIRED. This Agreement, although executed by the District and the General Manager, shall not become a binding contract between the parties unless and until the District General Counsel has reviewed and approved the Agreement. Should the General Manager, at the request of the Board, render services contemplated by this Agreement prior to approval of the Agreement by the General Counsel, the District shall compensate the General Manager for said services rendered and expenses as contemplated by this Agreement, but no other requirements or conditions of the Agreement shall apply unless and until the General Counsel approves the Agreement.

SECTION 4.09. ENTIRE AGREEMENT. This Agreement constitutes the entire agreement among the parties pertaining to the subject matter hereof, and supersedes all prior other and contemporaneous agreements, understandings, negotiations and discussions of the parties, whether oral or written, and there are no warranties,

representations or other agreements between the parties in connection with the subject matter hereof, except as specifically set forth herein.

SECTION 4.10 AMENDMENTS AND WAIVERS. No amendment, supplement, modification or waiver of this Agreement shall be binding unless executed in writing by all parties hereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision of this Agreement, whether or not similar, unless otherwise expressly provided.

SECTION 4.11 NOTICES. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when hand delivered or mailed by registered or certified mail, postage prepaid, to the parties at the following addresses:

District: Terry Lewis
Attorney at Law
Lewis, Longman & Walker
1700 Palm Beach Lakes Blvd., Suite 1000
West Palm Beach, FL 33401

General Manager: Government Services Group, Inc.
1500 Mahan Drive, Suite 250
Tallahassee, Florida 32308

Attention: Robert E. Sheets, CEO

Either of the parties may, by notice in writing given to the other party, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent. Any notice shall be deemed given on the date such notice is delivered by hand or facsimile transmission or three days after the date mailed.

SECTION 4.12. ASSIGNMENT AND BINDING EFFECT. This Agreement may not be assigned by either party without the prior written consent of the other party. To the extent provided herein, this Agreement shall be binding upon the

parties, their respective successors and assigns and shall inure to the benefit of the parties, their respective successors and assigns. This Agreement shall not become effective until reviewed and approved by General Counsel for the District.

SECTION 4.13. SEVERABILITY. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

SECTION 4.14. EXECUTION IN COUNTERPARTS. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 4.15. APPLICABLE LAW. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida.

IN WITNESS WHEREOF, the parties hereto have executed this Management Services Agreement on the day and year first written above.

KEY LARGO WASTEWATER TREATMENT DISTRICT

(SEAL)

By:_____
Chairman

ATTEST

_____
Secretary-Treasurer

Reviewed by:

_____
General Counsel

GOVERNMENT SERVICES GROUP, INC.

By:_____
Chief Executive Officer

(SEAL)

ATTEST

_____
Secretary

G:\RENEE\UCP\District\General Counsel Services\clean management services agree.wpd

UTILITY CONSULTING SERVICES AGREEMENT

by and between

KEY LARGO WASTEWATER TREATMENT DISTRICT

and

PUBLIC RESOURCES MANAGEMENT GROUP, INC.

TABLE OF CONTENTS

PAGE

ARTICLE I 2

DEFINITIONS AND CONSTRUCTION 2

SECTION 1.01. DEFINITIONS. 2

SECTION 1.02. INTERPRETATION. 3

SECTION 1.03. SECTION HEADINGS. 3

ARTICLE II 4

UTILITY CONSULTING SERVICES AGREEMENT 4

SECTION 2.01. UTILITY CONSULTING SERVICES TO BE PROVIDED BY PRMG. 4

SECTION 2.02. COMPENSATION FOR UTILITY CONSULTING SERVICES 4

ARTICLE III 5

GENERAL PROVISIONS 5

SECTION 3.01. DISTRICT RESPONSIBILITIES 5

SECTION 3.02. TERM OF AGREEMENT. 5

SECTION 3.03. INDEMNIFICATION. 5

SECTION 3.04 SUBCONTRACTORS. 5

SECTION 3.06 DEFAULT AND TERMINATION. 6

SECTION 3.07 DISCLOSURE. 6

SECTION 3.08 GENERAL COUNSEL APPROVAL REQUIRED. 6

SECTION 3.09 ENTIRE AGREEMENT. 6

SECTION 3.10 AMENDMENTS AND WAIVERS. 7

SECTION 3.11 NOTICES. 7

SECTION 3.12 ASSIGNMENT AND BINDING EFFECT. 7

SECTION 3.13 SEVERABILITY. 8

SECTION 3.14 EXECUTION IN COUNTERPARTS. 8

SECTION 3.15 APPLICABLE LAW. 8

UTILITY CONSULTING SERVICES AGREEMENT

THIS AGREEMENT is made and entered into this _____ day of _____, 2003, by and between Key Largo Wastewater Treatment District, (hereinafter referred to as the "District") and Public Resources Management Group, Inc., (hereinafter referred to as "PRMG"), a Florida corporation, whose business address is 341 North Maitland Avenue, Suite 300, Maitland, Florida 32751.

W I T N E S S E T H:

WHEREAS, the District desires to obtain the services of a professional utility rate consultant for the Key Largo Trailer Village and Key Largo Park wastewater projects; and

WHEREAS, pursuant to the letter attached hereto and made a part hereof (Exhibit A) from PRMG dated January 28, 2003, and the recommendation of the General Manager, PRMG represents that it has expertise in the type of professional utility rate consulting services required by the District;

NOW, THEREFORE, in consideration of the following mutual promises, covenants, provisions, representations, agreements and provisions, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS AND CONSTRUCTION

SECTION 1.01. DEFINITIONS. As used in this Agreement, the following terms shall have the following meanings unless the context hereof otherwise requires.

"Agreement" means this Utility Consulting Services Agreement, including any amendments and supplements hereto executed and delivered in accordance with the terms hereof.

"Board" shall mean the governing board of the Key Largo Wastewater Treatment District.

"Fiscal Year" means the period commencing on October 1 of each year and continuing through the next succeeding September 30, or such other period as may be prescribed by law as the fiscal year for the County.

"District" means Key Largo Wastewater Treatment District, a legal entity and public body created pursuant to Chapter 2002-337.

"General Manager" means Government Services Group, Inc., a Florida corporation.

SECTION 1.02. INTERPRETATION. Words importing the singular number shall include the plural in each case and vice versa, and words importing persons shall include firms and corporations. The terms "herein," "hereunder," "hereby," "hereto," "hereof," and any similar terms, shall refer to this Agreement; the term "heretofore" shall mean before the effective date of this Agreement; and the term "hereafter" shall mean after the effective date of this Agreement. This Agreement shall not be construed more strongly against any party regardless that such party, or its counsel, drafted this Agreement.

SECTION 1.03. SECTION HEADINGS. Any headings preceding the texts of the several Articles and Sections of this Agreement and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall neither constitute a part of this Agreement nor affect its meaning, construction or effect.

ARTICLE II

UTILITY CONSULTING SERVICES AGREEMENT

SECTION 2.01. UTILITY CONSULTING SERVICES TO BE PROVIDED BY PRMG. PRMG will assist the General Manager in meeting the establishment of financial, rate and funding mechanism requirements by March 1, 2003, as set forth and strictly required by the State Financial Assistance Agreement between the State of Florida and the District, DEP Agreement No. LP0338, attached hereto and made a part hereof (Exhibit B). PRMG will perform the following services:

(A) PRMG will assist the General Manager in developing Performa financials for the March 1, 2003, deadline, which will include, but not necessarily be limited to the following revenue funding sources:

1. Assessments (millage and non-ad valorem);
2. Hook-up fees; and
3. Grants.

(B) PRMG will assist the General Manager in the development of projected operating costs;

(C) PRMG will assist the General Manager with development of the general impact of the operating costs of the District on the rate-payers;

(D) PRMG will assist the General Manager in determining the impact of over $1.6 million in debt the District must factor in its calculations.

(E) PRMG will perform any and all other tasks as outlined in Exhibit A (and its attachments) as necessary and as directed by the General Manager.

SECTION 2.02. COMPENSATION FOR UTILITY CONSULTING SERVICES. In consideration for the utility consulting services to be provided by PRMG to the District as provided above, the District agrees to pay PRMG on an hourly basis **not to exceed $6,000** based on the rates as outlined on the attached Exhibit A.

(A) PRMG will provide an invoice to the Board each month. After review and authorization by the Board, the Board will pay PRMG in accordance with its Expenditure Policy.

(B) The $6,000 not-to-exceed fee includes direct costs of personnel anticipated to be assigned to the various components of this project, as well as an allowance for indirect costs such as travel, telephone and shipping charges. The costs incurred by PRMG for such indirect costs, if any, will be billed to the District at the actual cost incurred by PRMG.

(C) All expenses incurred by PRMG will be in accordance with Section 112.061, Florida Statutes.

ARTICLE III

GENERAL PROVISIONS

SECTION 3.01. DISTRICT RESPONSIBILITIES. The General Manager and the Board shall timely transmit instructions, receive information, interpret and define District policies and provide policy direction on decisions with respect to PRMG's utility consulting services.

SECTION 3.02. TERM OF AGREEMENT. This Agreement shall be for a term commencing on _____, 2003, and ending at the end of the District's Fiscal Year 2003 (September 30, 2003), unless earlier terminated.

SECTION 3.03. INDEMNIFICATION. The District agrees that PRMG, including its employees, sub-consultants, officers and principals, are acting solely as agents or representatives of the District under the terms of this agreement and shall be entitled to any legal defense authorized by law for actions taken by public officials.

SECTION 3.04. SUBCONTRACTORS. The services to be performed hereunder shall be performed by PRMG's staff unless otherwise authorized in writing by the District, which shall not be unreasonably withheld. The employment of, contract with, or use of the services of any other person or firm by PRMG, as independent contractor or

otherwise, shall be subject to the prior written approval of the District. No provision of this Agreement shall, however, be construed as constituting an agreement between the District and any such other person or firm, nor shall anything contained herein be deemed to give any such party or any third party any claim or right of action against the District beyond such as may otherwise exist without regard to this Agreement.

SECTION 3.06. DEFAULT AND TERMINATION. Either party shall have the right to terminate this Agreement upon 30 calendar days' written notice to the other party. PRMG shall be entitled to payment for professional fees earned and reimbursable costs incurred prior to the date of such termination.

SECTION 3.07. DISCLOSURE. PRMG represents that it presently has no interest and shall acquire no interest, either direct or indirect, which would conflict in any manner with the performance of services required hereunder. PRMG further represents that no persons having such interest shall be employed to perform those services.

SECTION 3.08. GENERAL COUNSEL APPROVAL REQUIRED. This Agreement, although executed by the District and PRMG, shall not become a binding contract between the parties unless and until the District General Counsel has reviewed and approved the Agreement. Should PRMG, at the request of the Board, render services contemplated by this Agreement prior to approval of the Agreement by the General Counsel, the District shall compensate the General Manager for said services rendered and expenses as contemplated by this Agreement, but no other requirements or conditions of the Agreement shall apply unless and until the General Counsel approves the Agreement.

SECTION 3.09. ENTIRE AGREEMENT. This Agreement constitutes the entire agreement among the parties pertaining to the subject matter hereof, and supersedes all prior other and contemporaneous agreements, understandings, negotiations and discussions of the parties, whether oral or written, and there are no warranties,

representations or other agreements between the parties in connection with the subject matter hereof, except as specifically set forth herein.

SECTION 3.10 AMENDMENTS AND WAIVERS. No amendment, supplement, modification or waiver of this Agreement shall be binding unless executed in writing by all parties hereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision of this Agreement, whether or not similar, unless otherwise expressly provided.

SECTION 3.11 NOTICES. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when hand delivered or mailed by registered or certified mail, postage prepaid, to the parties at the following addresses:

PRMG: PRMG
Attention: Robert J. Ori, President
341 North Maitland Avenue, Suite 300
Maitland, Florida 32751

District: Key Largo Wastewater Treatment District
Attention: Robert E. Sheets, General Manager
P.O. Box 419
Key Largo, Florida 33037

Either of the parties may, by notice in writing given to the other party, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent. Any notice shall be deemed given on the date such notice is delivered by hand or facsimile transmission or three days after the date mailed.

SECTION 3.12. ASSIGNMENT AND BINDING EFFECT. This Agreement may not be assigned by either party without the prior written consent of the other party. To the extent provided herein, this Agreement shall be binding upon the parties, their respective successors and assigns and shall inure to the benefit of the parties,

their respective successors and assigns. This Agreement shall not become effective until reviewed and approved by General Counsel for the District.

SECTION 3.13. SEVERABILITY. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

SECTION 3.14. EXECUTION IN COUNTERPARTS. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 3.15. APPLICABLE LAW. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida.

IN WITNESS WHEREOF, the parties hereto have executed this Utility Consulting Services Agreement on the day and year first written above.

KEY LARGO WASTEWATER TREATMENT DISTRICT

(SEAL)

By:_____
Chairman

ATTEST

_____
Secretary-Treasurer

Reviewed by:

_____
General Counsel

PUBLIC RESOURCES MANAGEMENT GROUP, INC.

By:_____
President

(SEAL)

ATTEST

_____
Secretary

I:\Client Documents\Key Largo WTD\1724-000\Misc\PRMG Utility Consulting Services Agreement.doc

PROFESSIONAL ENGINEERING CONSULTANT SERVICES AGREEMENT

by and between

KEY LARGO WASTEWATER TREATMENT DISTRICT

and

GARTEK ENGINEERING CORPORATION

TABLE OF CONTENTS

PAGE

ARTICLE I 1

DEFINITIONS AND CONSTRUCTION 1

SECTION 1.01. DEFINITIONS. 1

SECTION 1.02. INTERPRETATION. 2

SECTION 1.03. SECTION HEADINGS. 2

ARTICLE II 2

PROFESSIONAL ENGINEERING CONSULTANT SERVICES 2

SECTION 2.01. PROFESSIONAL ENGINEERING CONSULTANT SERVICES TO BE PROVIDED BY GARTEK 2

SECTION 2.02. COMPENSATION FOR PROFESSIONAL ENGINEERING CONSULTANT SERVICES. 3

ARTICLE III 4

ADDITIONAL PROFESSIONAL ENGINEERING CONSULTANT SERVICES 4

SECTION 3.01. ADDITIONAL PROFESSIONAL ENGINEERING CONSULTANT SERVICES NOT INCLUDED IN NOT TO EXCEED FEE. 4

ARTICLE IV 4

GENERAL PROVISIONS 4

SECTION 4.01. DISTRICT RESPONSIBILITIES. 4

SECTION 4.02. TERM OF AGREEMENT. 5

SECTION 4.03. INSURANCE. 5

SECTION 4.04. INDEMNIFICATION. 6

SECTION 4.05 SUBCONTRACTORS..... 6

SECTION 4.06 DEFAULT AND TERMINATION. 7

SECTION 4.07 DISCLOSURE..... 7

SECTION 4.08 GENERAL COUNSEL APPROVAL REQUIRED..... 7

SECTION 4.09 ENTIRE AGREEMENT. 7

SECTION 4.10 AMENDMENTS AND WAIVERS. 8

SECTION 4.11 NOTICES..... 8

SECTION 4.12 ASSIGNMENT AND BINDING EFFECT..... 8

SECTION 4.13 SEVERABILITY. 9

SECTION 4.14 EXECUTION IN COUNTERPARTS..... 9

SECTION 4.15 APPLICABLE LAW. 9

PROFESSIONAL ENGINEERING CONSULTANT SERVICES AGREEMENT

THIS AGREEMENT is made and entered into this _____ day of _____, 2003, by and between Key Largo Wastewater Treatment District, (hereinafter referred to as the "District") and Gartek Engineering Corporation, a Florida corporation, whose business address is 7210 S.W.39th Terrace, Miami, Florida 33155 (hereinafter referred to as the "Gartek").

W I T N E S S E T H:

WHEREAS, the District desires to obtain the services of a professional engineer for consultant services for the Key Largo Trailer Village and Key Largo Park wastewater projects; and

WHEREAS, Gartek represents that it has expertise in the type of professional engineering consultant services required by the District;

NOW, THEREFORE, in consideration of the following mutual promises, covenants, provisions, representations, agreements and provisions, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS AND CONSTRUCTION

SECTION 1.01. DEFINITIONS. As used in this Agreement, the following terms shall have the following meanings unless the context hereof otherwise requires.

"Agreement" means this Professional Engineering Consultant Services Agreement, including any amendments and supplements hereto executed and delivered in accordance with the terms hereof.

"Board" shall mean the governing board of the Key Largo Wastewater Treatment District.

"Fiscal Year" means the period commencing on October 1 of each year and continuing through the next succeeding September 30, or such other period as may be prescribed by law as the fiscal year for the County.

"District" means Key Largo Wastewater Treatment District, a legal entity and public body created pursuant to Chapter 2002-337.

"General Manager" means Government Services Group, Inc., a Florida corporation.

SECTION 1.02. INTERPRETATION. Words importing the singular number shall include the plural in each case and vice versa, and words importing persons shall include firms and corporations. The terms "herein," "hereunder," "hereby," "hereto," "hereof," and any similar terms, shall refer to this Agreement; the term "heretofore" shall mean before the effective date of this Agreement; and the term "hereafter" shall mean after the effective date of this Agreement. This Agreement shall not be construed more strongly against any party regardless that such party, or its counsel, drafted this Agreement.

SECTION 1.03. SECTION HEADINGS. Any headings preceding the texts of the several Articles and Sections of this Agreement and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall neither constitute a part of this Agreement nor affect its meaning, construction or effect.

ARTICLE II

PROFESSIONAL ENGINEERING CONSULTANT SERVICES

SECTION 2.01. PROFESSIONAL ENGINEERING CONSULTANT SERVICES TO BE PROVIDED BY GARTEK.

(A) Gartek will review the Key Largo Trailer Village Request for Proposals ("RFP") prepared by Boyle Engineering, including Volumes I through IV dated January 2003, received by Gartek on January 15, 2003.

(B) Gartek will review a complete set of the Key Largo Park 100% complete drawings and specifications.

(C) Gartek will provide written comments with recommendations to the Board with regard to the Key Largo Trailer Village RFP review and the Key Largo Park drawings and specifications review.

(D) Gartek will attend meetings with Boyle Engineering Corporation and the General Manager to review comments, possible addendums and any other issues that may arise.

(E) Gartek will review the bids for the Key Largo Trailer Village RFP and will attend meetings with Boyle Engineering Corporation and the General Manager to assist in selecting a contractor.

(F) Gartek will report to the Board and the General Manager as to any and all outstanding issues and services.

(G) Gartek will attend all scheduled or emergency Board meetings and bid meetings.

SECTION 2.02. COMPENSATION FOR PROFESSIONAL ENGINEERING CONSULTANT SERVICES.

(A) In consideration for the Professional Engineering Consultant Services to be provided as described above, the District agrees to pay Gartek on an hourly basis **not to exceed $20,000** based on the following rates:

Principals	$120.00/hour
Engineer	$100.00/hour
CAD operator	$70.00/hour
Clerical	$45.00/hour

(B) Gartek will provide an invoice to the Board each month. After review and authorization by the Board, the Board will pay Gartek in accordance with the adopted Expenditure Policy.

(C) The not to exceed fee does not include expenses for travel, lodging and meals that may be required outside of Miami or the Keys. If such travel outside of Miami or the Keys is required, and is first approved by the Board, such expenses shall be reimbursed to Gartek at cost plus a 10% administration fee.

(D) The not to exceed fee does not include printing of documents, special mailings or delivery services. If such expenses are required, and are first approved by the Board, such expenses will be reimbursed to Gartek at cost plus a 10% administration fee.

(E) All expenses incurred by Gartek will be in accordance with Section 112.061, Florida Statutes.

ARTICLE III

ADDITIONAL PROFESSIONAL ENGINEERING CONSULTANT SERVICES

SECTION 3.01. ADDITIONAL PROFESSIONAL ENGINEERING CONSULTANT SERVICES NOT INCLUDED IN NOT TO EXCEED FEE. The following additional services are not included in the not to exceed ($20,000) fee described above. Gartek is not authorized to perform the following additional services unless requested and approved by the Board. If the Board does request and authorize Gartek to perform the following services, a separate agreement for Professional Engineering Consultant Services, or an addendum to this Agreement, will be required.

(A) Re-design that might be required as a result of Gartek's review and recommendations to the Board regarding the Key Largo Trailer Village RFP or the Key Largo Park designs and specifications.

(B) Issuance of addendums that might be required as a result of Gartek's review and recommendations to the Board regarding the Key Largo Trailer Village RFP or the Key Largo Park designs and specifications. Addendums should be approved by Boyle Engineering Corporation.

ARTICLE IV

GENERAL PROVISIONS

SECTION 4.01. DISTRICT RESPONSIBILITIES.

(A) The Board shall timely transmit instructions, receive information, interpret and define District policies and provide policy direction on decisions with respect to Gartek's professional engineering consultant services.

(B) The Board shall request that Boyle Engineering Corporation provide three (3) complete sets and an electronic version of Requests for Proposals, drawings, specifications, cost estimates and calculations for Gartek's review for each project Gartek is asked to review by the Board in a timely manner.

SECTION 4.02. TERM OF AGREEMENT. This Agreement shall be for a term commencing on January 15, 2003 and ending at the end of the District's Fiscal Year 2003 (September 30, 2003), unless earlier terminated.

SECTION 4.03. INSURANCE.

(A) During the term of this Agreement, Gartek shall provide, pay for, and maintain, with companies satisfactory to the District, commercial and professional liability insurance. All insurance shall be from responsible companies duly authorized to do business in the State of Florida and/or responsible risk retention group insurance companies registered with the State of Florida. The insurance coverages and limits required must be evidenced by properly executed certificates of insurance on forms, which are acceptable to the District. The certificates must be personally, manually signed by the authorized representatives of the insurance company/companies shown on the certificates with proof that he/she is an authorized representative thereof. In addition, certified, true and exact copies of all insurance policies required shall be provided to the District, on a timely basis, if required by the District. These certificates and policies shall contain provisions that thirty days' written notice by registered or certified mail shall be given the District of any cancellation, intent not to renew, or reduction in the policies' coverages, except in the application of the aggregate limits provisions. In the event of a reduction in the aggregate limit of any policy, Gartek shall immediately take steps to have the aggregate limit reinstated to the full extent permitted under such policy. The acceptance by the District of any certificate of insurance evidencing the insurance coverages and limits required in this Agreement does not constitute approval or agreement by the District that the insurance requirements have been met or that the insurance policies shown on the certificates of insurance are in compliance with the requirements of this Agreement.

(B) All liability insurance policies, other than the Professional Liability, obtained by Gartek to meet the requirements of this Agreement shall name District as an additional insured as to the operations of Gartek under this Agreement and shall contain severability of interests provisions.

(C) Commercial General Liability Insurance shall be maintained to cover liability for bodily injury and property damage. Exposures to be covered are: premises, operations, products/completed operations, and contractual. Coverage must be written on an occurrence basis, with no less than the following limits of liability:

(1)	Single Limit Bodily Injury & Property Damage		
	(a)	Each Occurrence	$ 500,000
	(b)	Annual Aggregate	$1,000,000
(2)	Personal Injury (Annual Aggregate) —		$1,000,000

(E) Professional Liability shall be maintained with limits not less than $1,000,000. If coverage is provided on a "claims made" basis then coverage must be continued for the duration of this Agreement and for not less than one year thereafter, or in lieu of continuation, provide an "extended reporting clause" for one year.

(F) If any insurance provided pursuant to this Agreement expires during the term hereof, renewal certificates of insurance and, if requested by District, certified, true copies of the renewal policies shall be furnished by Gartek thirty days prior to the date of expiration.

SECTION 4.04. INDEMNIFICATION. The District agrees that Gartek, including its employees, sub-consultants, officers and principals, is acting solely as agents or representatives of the District under the terms of this agreement and shall be entitled to any legal defense authorized by law for actions taken by public officials.

SECTION 4.05. SUBCONTRACTORS. The services to be performed hereunder shall be performed by Gartek's staff unless otherwise authorized in writing by the District, which shall not be unreasonably withheld. The employment of, contract with, or use of the services of any other person or firm by Gartek, as independent contractor or otherwise, shall be subject to

the prior written approval of the District. No provision of this Agreement shall, however, be construed as constituting an agreement between the District and any such other person or firm, nor shall anything contained herein be deemed to give any such party or any third party any claim or right of action against the District beyond such as may otherwise exist without regard to this Agreement.

SECTION 4.06. DEFAULT AND TERMINATION. Either party shall have the right to terminate this Agreement upon 30 calendar days' written notice to the other party. Gartek shall be entitled to payment for professional fees earned and reimbursable costs incurred prior to the date of such termination.

SECTION 4.07. DISCLOSURE.

(A) Gartek represents that it presently has no interest and shall acquire no interest, either direct or indirect, which would conflict in any manner with the performance of services required hereunder. Gartek further represents that no persons having such interest shall be employed to perform those services.

SECTION 4.08. GENERAL COUNSEL APPROVAL REQUIRED. This Agreement, although executed by the District and Gartek, shall not become a binding contract between the parties unless and until the District General Counsel has reviewed and approved the Agreement. Should Gartek, at the request of the Board, render services contemplated by this Agreement prior to approval of the Agreement by the General Counsel, the District shall compensate the General Manager for said services rendered and expenses as contemplated by this Agreement, but no other requirements or conditions of the Agreement shall apply unless and until the General Counsel approves the Agreement.

SECTION 4.09. ENTIRE AGREEMENT. This Agreement constitutes the entire agreement among the parties pertaining to the subject matter hereof, and supersedes all prior other and contemporaneous agreements, understandings, negotiations and discussions of the parties, whether oral or written, and there are no warranties, representations or other agreements

between the parties in connection with the subject matter hereof, except as specifically set forth herein.

SECTION 4.10 AMENDMENTS AND WAIVERS. No amendment, supplement, modification or waiver of this Agreement shall be binding unless executed in writing by all parties hereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision of this Agreement, whether or not similar, unless otherwise expressly provided.

SECTION 4.11 NOTICES. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when hand delivered or mailed by registered or certified mail, postage prepaid, to the parties at the following addresses:

Gartek: Gartek Engineering Corporation
Attention: Robert L. Betancourt, P.E.
7210 S.W. 39th Terrace
Miami, Florida 33155

District: Key Largo Wastewater Treatment District
Attention: Robert E. Sheets, General Manager
P.O. Box 419
Key Largo, Florida 33037

Either of the parties may, by notice in writing given to the other party, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent. Any notice shall be deemed given on the date such notice is delivered by hand or facsimile transmission or three days after the date mailed.

SECTION 4.12. ASSIGNMENT AND BINDING EFFECT. This Agreement may not be assigned by either party without the prior written consent of the other party. To the extent provided herein, this Agreement shall be binding upon the parties, their respective successors and assigns and shall inure to the benefit of the parties, their respective successors and assigns. This Agreement shall not become effective until reviewed and approved by General Counsel for the District.

SECTION 4.13. SEVERABILITY. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

SECTION 4.14. EXECUTION IN COUNTERPARTS. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 4.15. APPLICABLE LAW. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida.

IN WITNESS WHEREOF, the parties hereto have executed this Professional Engineering Consultant Services Agreement on the day and year first written above.

KEY LARGO WASTEWATER TREATMENT DISTRICT

(SEAL)

By:_____
Chairman

ATTEST

_____
Secretary-Treasurer

Reviewed by:

_____
General Counsel

GARTEK ENGINEERING CORPORATION

By:_____
President

(SEAL)

ATTEST

_____
Secretary

I:\Client Documents\Key Largo WTD\1724-000\Misc\Professional Engineering Consultant Services Agreement.doc

2-11-03
Draft #2

INTERLOCAL AGREEMENT
RELATING TO THE TRANSITION OF WASTEWATER JURISDICTION AND SERVICES FROM THE FLORIDA KEYS AQUEDUCT AUTHORITY TO THE KEY LARGO WASTEWATER TREATMENT DISTRICT

BY AND BETWEEN
MONROE COUNTY,
THE FLORIDA KEYS AQUEDUCT AUTHORITY AND
KEY LARGO WASTEWATER TREATMENT DISTRICT

ADOPTED _____, 2003

TABLE OF CONTENTS

PAGE

ARTICLE I

INTRODUCTION

SECTION 1.01. FINDINGS 2
SECTION 1.02. CONSTRUCTION AND INTERPRETATION .....

ARTICLE II

INTERLOCAL AGREEMENT

SECTION 2.01. PURPOSE OF THE INTERLOCAL AGREEMENT 5
SECTION 2.02. DUTIES AND RESPONSIBILITIES OF FKAA 5
SECTION 2.03. DUTIES AND RESPONSIBILITIES OF MONROE COUNTY 6
SECTION 2.04. DUTIES AND RESPOSIBILITIES OF KEY LARGO 7

ARTICLE III

GENERAL PROVISIONS

SECTION 3.01. RECORDING; EFFECTIVE DATE 8
SECTION 3.02. AMENDMENT 8

INTERLOCAL AGREEMENT

THIS INTERLOCAL AGREEMENT is made and entered into as of this _____day of _____ 2003, by and between Monroe County, Florida (the "County"), the Florida Keys Aqueduct Authority (the "Authority") and Key Largo Wastewater Treatment District ("Key Largo").

W I T N E S S E T H:

WHEREAS, pursuant to Chapter 76-441, Laws of Florida, as amended, and certain agreements executed between the County and the Authority, the Authority had exclusive wastewater jurisdiction in the Key Largo wastewater district ~~concurrent with the County to obtain, supply, and distribute an adequate water supply, and to collect, treat and dispose of wastewater in the Florida Keys;~~ and,

WHEREAS, Key Largo was formed in 2002 by the Legislature of the State of Florida pursuant to House Bill 471, Chapter 2002-37, Laws of Florida, for the purpose of performing such acts as shall be necessary for the sound planning, acquisition, development, operation and maintenance of a wastewater management system within the district, including all business facilities necessary and incidental thereto; and,

WHEREAS, Chapter 2002-37, Laws of Florida, provides Key Largo with exclusive jurisdiction over the acquisition, development, operation and management of a wastewater management system in and for the district boundaries; and,

WHEREAS, the County is a political subdivision of the State of Florida with home rule authority to provide waste treatment and disposal services throughout Monroe County and may enter into agreements with the Authority and Key Largo relative to such activities; and

WHEREAS, the County has entered into agreements with the Authority as its agent and Key Largo in order to assist Key Largo with the establishment and operation of a wastewater management system within its jurisdiction; and

WHEREAS, the County and the Authority have worked to identify funding sources and grants from local, state and federal sources to advance the provision of central wastewater and wastewater services and programs within Key Largo; and

WHEREAS, it was imperative to the health, safety and welfare of the citizens of Key Largo that the delivery of such wastewater facilities and programs be expeditiously advanced, and therefore, the County and the Authority entered into certain joint resolutions and interlocal agreements to utilize the resources of two grants and County Capital Infrastructure Funds for the benefit of Key Largo; and

WHEREAS, Key Largo is not expected to have a revenue stream for approximately 30~~2~~4 months from the date of this Agreement; and

WHEREAS, the County has the legal authority to provide funding to Key Largo to accomplish its purposes until Key Largo has an established stream of revenue.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and for other good and valuable consideration each to the other, receipt of which is hereby acknowledged by each party, the County, the Authority and Key Largo hereby agree, stipulate and covenant as follows:

ARTICLE I
SOURCES OF FUNDING

SECTION 1.01. GRANTS. It is hereby ascertained, determined and declared that:

A. Federal Grant. Under Public Law 106-31, the Emergency Supplemental Appropriations Act for Fiscal Year 1999 (1249 and 1259 Unmet Needs Program), a supplemental appropriation by the United States Congress was made available to Monroe County for wastewater projects in the Key Largo area.

1. The Authority has been designated as recipient/sub-grantee under the Unmet Needs Program to receive and expend grant funds for wastewater project(s) in the Key Largo area. The Federal Emergency Management Agency ("FEMA") and the State of Florida Department of Community Affairs ("DCA") are charged with administering grants under the Unmet Needs Program.

2. A Joint Resolution between the County and the Authority was entered into under County Resolution 093-2002 and Authority Resolution 02-08 (a copy of which is attached hereto and marked as Exhibit A) to secure this grant and to name the Authority as the wastewater authority to accept this grant. ~~until Key Largo was ready to undertake a project funded by said grant.~~ This Resolution also provides that the County would fund twenty percent (20%) of the required local match to the Authority, to be recovered by the County through user fees and/or through special assessments. The payment by the County of $182,850~~7~~.00 has been made to the Authority pursuant to this commitment. This Resolution also established that the site at Mile Marker 100.5 would serve the system funded by this grant.

3. The total grant includes project funding as follows:

~~Total $7,314,285.00~~

Federal Share	$5,485,714.00
State Share	$ 914,286.00
Local Share	$ 914,286.00
Total	$7,314,285.00

4. DCA (the grantee of this federal grant) and the Authority entered into a Disaster Relief Funding Agreement to fund implementation of the Key Largo Trailer Village wastewater treatment project on the 30th day of August, 2002 (a copy of which is attached hereto and marked as Exhibit B), pursuant to DCA's authority to administer federal financial assistance from FEMA, and to disburse the grant funds to the Authority, as further described in the Disaster Relief Funding Agreement.

5. **Transition of Key Largo Trailer Village to Key Largo.** Pursuant to FEMA's guidelines under this grant, as set forth in a letter dated September 18, 2002 from FEMA to the Florida Division of Emergency Management, (attached hereto and marked as Exhibit C), the Key Largo Trailer Village Project will be fully transferred to Key Largo and Key Largo will become the recipient/sub-grantee for the project when the following conditions have been met: (1) Completion of the entire environmental assessment process per the National Environmental Policy Act (NEPA) and related statutes (including completion of a site specific environmental review document and associated public meeting); (2) the funds have been obligated in an approval letter from FEMA to the State of Florida; (3) the State of Florida has developed a contract with the Authority (agreement for Phase I funding for planning and engineering is complete); and (4) a transition plan between the Authority and Key Largo has been executed with assurances that the original scope of work and its associated site development requirements will be implemented (this Transition Interlocal Agreement).

a. Responsibility for the Key Largo Trailer Village Project will be ~~partially~~ transferred to Key Largo following receipt by the Authority of proposals for design/build services for the project. Before March 1, 2003, the Authority will provide Key Largo with the design/build proposals for Key Largo Trailer Village. The Authority's continued involvement in the project will be exclusively limited to meetings and responsibilities directly related to the FEMA site-specific environmental assessment (EA) process.

b. The Authority is using FEMA grant funds for the planning and preliminary design and engineering of the Key Largo Trailer Village and all monies not utilized at the transition stated heretofore shall be either returned to FEMA or assigned to Key Largo as per the direction of FEMA.

c. The Key Largo Trailer Village project anticipates a wastewater plant and a collection system for ~~of~~ approximately 850~~750~~ Equivalent Dwelling Units ("EDU's), which includes 15% EDUs for future growth and a wastewater collection system for 567 EDUs. The~~is~~ plant will also receive collection system flows

from the state grant-funded project described below (Key Largo Park) consisting of a collection system for 283 EDUs.

B. **State Grant**. Under State of Florida 2002-03 General Appropriations Act, Line Item 1765-A, Fixed Capital Outlay, Keys Wastewater Management Plan Implementation from Land Acquisition Trust Fund, a specific appropriation by the State of Florida was made available to Monroe County for Key Largo in the amount of $1,660,000.

1. Pursuant to the requirements of this grant, the Authority on behalf of the County initiated a proposed project in Key Largo on or before August 19, 2002.

2. The grant established that the sites necessary to project viability must be acquired; construction bids or design/build proposals must be received; and a system of user charges, fees, or assessments must be established no later than March 1, 2003.

3. The County has selected the community known as Key Largo Park as the designated project area. A copy of Joint Resolution confirming selection (County Resolution 349-2002 and Authority Resolution 02-25), is attached hereto and marked as Exhibit D.

4. The grant is only for capital improvements, not including engineering and planning. Therefore, the County has agreed to pay up to $356,000.00 for project engineering, design, bidding services, ~~and~~ planning and District administration as reflected by County Resolution 349-2002 and Authority Resolution 02-25 as amended, attached hereto and marked as Exhibit D.

5. The State of Florida Department of Environmental Protection ("DEP") has prepared a draft State Financial Assistance Agreement, DEP Agreement No. LP0338, between DEP and Key Largo, for the purposes of facilitating the $1,660,000 state grant, a copy of which is attached hereto and marked as Exhibit E.

Section 1.02. COUNTY FUNDING. See Section 2.03 of this Agreement.

ARTICLE II
INTERLOCAL AGREEMENT

SECTION 2.01. PURPOSE OF INTERLOCAL AGREEMENT. The purpose of this interlocal agreement is to cause a smooth transition of both projects,

grants, engineering and all related administrative activities from the Authority to Key Largo so that the intent of the Key Largo Legislation may be implemented and both grants mentioned heretofore may be preserved, utilized and result in projects as anticipated by them. Therefore, the parties agree that each entity will have the following duties and responsibilities.

SECTION 2.02. DUTIES AND RESPONSIBILITIES OF THE AUTHORITY.

A. **Key Largo Trailer Village**. The Authority agrees to complete the following duties and responsibilities with regard to the Key Largo Trailer Village project.

1. Complete a design/build request for proposals ("RFP").

2. Solicit and receive design/build technical proposals and cost proposals.

3. Deliver the design/build technical proposals and cost proposals received to Key Largo for evaluation and selection.

4. Provide information and assistance to FEMA as necessary to complete the site-specific environmental assessment of the projects as required under the National Environmental Policy Act (NEPA).

5. The Authority agrees that its contractual design professional may be utilized by Key Largo at the discretion of Key Largo, and subject to the design professional's consent, to assist Key Largo with the design/build proposal evaluation process, subject to the availability of sufficient grant funding or other sources of funding to reimburse the contractual design professional for their continuing services. ~~Assist Key Largo on an as-needed basis with the RFP process, evaluation process, and technical process.~~

B. **Key Largo Park**. The Authority agrees to complete the following duties and responsibilities with regard to the Key Largo Park project.

1. Complete design drawings, technical specifications and bid documents.

2. Solicit and receive construction bids.

3. Deliver the construction bids received to Key Largo for evaluation and selection.

4. Not later than February 19, 2003, negotiate an agreement with the County for the reimbursement of the Authority administrative costs incurred in association with project engineering and planning.

5. The Authority agrees that its contractual design professional may be utilized by Key Largo, at Key Largo's election and expense, to assist Key Largo in evaluating RFP responses.

C. Transition. The Authority agrees to assist Key Largo with the transition of projects and to effect an orderly transition in the governance, operation and maintenance of wastewater services in the Key Largo boundaries, and specifically to assist Key Largo in meeting the March 1, 2003 deadlines imposed by the State.

D. Transfer of Funds. The Authority agrees to transfer any remaining funds it received from the County for the projects to the extent such funds remain after project development to date. This includes, but is not limited to, the $182,~~500~~857 transferred to the Authority from the County for the Key Largo Trailer Village project, described below, less the sum of $8,900 to reimburse the Authority for administrative expenses incurred in association with management and coordination of the Key Largo Park project.

SECTION 2.03. DUTIES AND RESPONSIBILITIES OF THE COUNTY.

A. **Financial Commitments.** The County agrees to provide funds as it has available to support the development of the Key Largo Trailer Village and Key Largo Park projects. These commitments are outlined in Exhibits A and D and are provided specifically in Exhibit G. Exhibit G outlines approximately all financial commitments to date, including state and federal funds commitments. The County will provide funds through several different committed funding sources with conditions for the use of these funds, as outlined below.

1. **Administrative Loan.** Pursuant to an Interlocal Agreement entered into on December 18, 2002 between the County and Key Largo, attached hereto and marked as Exhibit H, the County loaned Key Largo $100,000. Unless otherwise agreed to between the County and Key Largo, this $100,000 is to be reimbursed to the County, the terms of which are outlined in the referenced Interlocal Agreement.

2. **Capital Funds for Key Largo Trailer Village.** Pursuant to County Resolution 093-2002, attached hereto and marked as Exhibit A, the County will commit to provide capital funds in order to secure a commitment to the ~~for~~ Key Largo Trailer Village project up to $914,285, as needed, to complete the project, on a reimbursement basis.

~~a. This Capital Funds loan is a "bridge loan" which secured a commitment to the project.~~

~~b~~a. To date, 20% of the $914,285 has been transmitted to the Authority ($182,85~~0~~7).

e~~b~~. The County will direct that the Authority transfer these funds to Key Largo to the extent that such funds remain after project development to date.

~~d~~c. ~~Unless otherwise agreed to by the County and Key Largo,~~ ~~t~~These funds will be provided to Key Largo as a grant and are not required to be ~~must be~~ reimbursed to the County. ~~on a regular basis pursuant to a written agreement as the Key Largo Trailer Village project is completed, users are requested to connect, and users are required to pay connection fees.~~

3. **Cesspit Grant Funds**. Pursuant to DCA Contracts, $1,225,600~~387~~37,~~731~~ will be provided to Key Largo for Key Largo Trailer Village, and $50,000 will be provided to Key Largo for Key Largo Park.

a. DCA Contract DR-1W-11-54-01-00, and DCA Contract 01-DR-01-DR-16-11-54-001 are attached hereto and marked as Exhibit I.

b. Key Largo must be able to provide an audit trail identifying that funds have been used to replace cesspits equivalent to approximately $10,100 per cesspit replaced.

c. The County will continue to administer these funds and will be disbursed to Key Largo on a reimbursement basis. The County agrees that these funds can be utilized for construction as a part of the overall project.

4. **County Match to Cesspit Grant**. The County agrees to match the DCA Cesspit Grant in the amount of approximately $929,527 for Key Largo Park.

a. This amount ($929,527) is dependent on remaining dollars from the Cesspit Identification and Elimination Grant Program, currently administered by the Florida Department of Health for the County. The County has the authority to disburse these funds to Key Largo after they are requested and received from the Florida Department of Health.

b. These funds were originally used as a match to State Cesspit replacement dollars, but they do not have to be utilized for replacement.

5. **County Capital Infrastructure Funds**. Pursuant to County Resolution 349-2002, attached hereto and marked as Exhibit D, the County agrees to fund Key Largo in the amount of $356,000 for engineering, planning, legal and administrative expenses during fiscal year 2003/2004 for Key Largo Park. ~~These~~ Any and all funds remaining out of the County Capital Infrastructure Funds are to be transferred within 30 days of execution of this Agreement.

a. A portion of these funds are currently being utilized to pay Boyle Engineering for engineering design on the collection system for the entire Key Largo Park area.

b. The County, with Key Largo's concurrence, will continue to provide these funds directly to Boyle (not to exceed $356,000) until design work and other obligations are completed.

6. **County Land Authority Funds**. These funds ($826,234.31~~56,000~~) have been expended and the land will be transferred to Key Largo within 90 days of the date of execution of this Agreement.~~on _____~~.

7. **Administrative Loan**. The Interlocal Agreement between the County and Key Largo entered into on December 18, 2002, is attached hereto and marked as Exhibit H. Pursuant to the terms of this Agreement, the County provided Key Largo with an administrative loan in the amount of $100,000.

8. **$250,425 Grant**. Pursuant to Key Largo's Fiscal Year 2003 budget, attached hereto and marked as Exhibit I, the estimated additional funding shortfall is $250,425. Thus, Key Largo's total adopted budget for Fiscal Year 2003 is $350,425 and the County agrees to provide $250,425 as a grant, in addition to the $100,000 loan already provided to Key Largo, as set forth in the Interlocal Agreement attached hereto and marked as Exhibit H and described in paragraph 7 above.

9. **$1,000,000 Loan**. The County agrees to loan Key Largo $1,000,000, or whatever amount is necessary to fund any shortfalls, to be used by Key Largo for either project or for any other authorized purpose as outlined in Key Largo's charter. This loan is to be used by Key Largo as the last available source of funding, and is to be refunded to the County out of

the connection fees to be collected by Key Largo until such debt is refunded to the County.

10. ~~B.~~ The County agrees to consider adopting a **Municipal Services Taxing Unit** ("MSTU") for Key Largo, pursuant to Key Largo's Amended Resolution 2003-4. This item will be placed on the County Commission meeting agenda for the February 19, 2003 meeting.~~in February for advertisement in order to be heard in March.~~

~~C. The County agrees to provide Key Largo with a loan or a grant to fund the remainder of Fiscal Year 2003 in the amount of $3250,425.~~

~~1. The Interlocal Agreement between the County and Key Largo entered into on December 18, 2002, is attached hereto and marked as Exhibit H. Pursuant to the terms of this Agreement, the County provided Key Largo with an administrative loan in the amount of $100,000.~~

~~2. Pursuant to Key Largo's Fiscal Year 2003 budget, attached hereto and marked as Exhibit I, the estimated additional funding shortfall is $250,425. Thus, Key Largo's total adopted budget for Fiscal Year 2003 is $350,425 and the County agrees to provide $250,425 as a grant, in addition to the $100,000 loan already provided to Key Largo, as set forth in the Interlocal Agreement attached hereto and marked as Exhibit H.this amount as a loan or a grant to Key Largo.~~

B. ~~3.~~ Key Largo is required to, and has in fact established a federally-insured account for the funds at a financial institution authorized by State law to receive deposits of public funds. Key Largo must deposit the funds in said account, and account for all expenditures as required by Florida law and accepted government accounting standards.

~~4. Unless otherwise agreed to by the County and Key Largo, Key Largo must repay the $350,425 pursuant to a written agreement to the County within five (5) years from the date the County tenders the funds to the District, together with interest at the adjusted rate per annum established by the State Revolving Loan Fund calculated from the date the County tenders the $350,425 to Key Largo.~~

~~B.~~C. **Transfer of Real Property.**

1. The County agrees to transfer the land known as the "Mile Marker 100.5" Parcel to Key Largo for the purposes of establishing a wastewater treatment plant or for any other function associated with the legitimate business of Key Largo within 90 days of execution of this Agreement.

2. As identified in documents provided by the U.S. Fish & Wildlife Service ("FWS") and FEMA, attached hereto and marked as Exhibits J & K, approximately two (2) acres of Mile Marker 100.5 property may be utilized for wastewater treatment plant construction, defined as "development area." The remaining portion of the property shall be deemed the "protected area."

3. Key Largo agrees to meet all conditions of the FWS letter of coordination with FEMA, including all mitigation requirements.

4. The County will retain a conservation easement in perpetuity on the protected area ~~remaining portion~~ of the property not intended for construction.

~~C.~~**D. Affordability and Financing Obligations.**

1. FEMA requires that the County meet Environmental Justice standards relating to project affordability in order to receive FEMA funds for Key Largo Trailer Village.

2. The County believes that the Environmental Justice criteria will be necessary at a minimum throughout the County to provide grant funds to Low and Very Low Income homesteaded property owners and has adopted a policy in this regard, pursuant to Resolution 306-2002, attached hereto and marked as Exhibit L. The County has defined Low and Very Low Income levels in accordance with the HUD definition of 80% and 50%, respectively, of the median household income for the County. The Commission adopted this standard based on staff recommendations, attached hereto and marked as Exhibit M.

3. The County and Key Largo have adopted a guideline for wastewater system hook-up fees of $2,700 and monthly Operation and Maintenance Fees of $35. These figures do not include the on-site decommissioning of existing wastewater systems or of the amortization into monthly fees of any capital costs (lateral hook-up fees).

4. The County will adopt an Ordinance establishing a revolving loan fund and low and very low income grant programs by June ~~mid~~-2003 and will work with Key Largo and the Authority to ensure that the programs adopted and implemented are fair and equitable across wastewater jurisdictions.

~~E.~~**D.** **Assistance during transition.** The County agrees to continue working with Key Largo, as is reasonable, to effect an orderly transition in the governance of Key Largo wastewater services.

SECTION 2.04. DUTIES AND RESPONSIBILITIES OF KEY LARGO.

A. Financial Commitment.

1. Key Largo must establish, and has established, a federally-insured account for the funds received by the County at a financial institution authorized by State law to receive deposits of public funds. The District must deposit the County loan funds or other funds provided directly to Key Largo in said account.

2. Unless otherwise agreed to by the County and Key Largo, Key Largo must repay the County's local share commitment to the Key Largo Trailer Village project as users are asked to connect to the system and Key Largo collects connection fees. Payments may be made on a regular basis as connection fees are collected, pursuant to a written agreement.

~~*3.* Unless otherwise agreed to by the County and Key Largo, Key Largo must repay the $350,425 loan from the County within five (5) years from the date the County tenders the funds to Key Largo, per written agreement, together with interest at the adjusted rate per annum established by the State Revolving Loan Fund, calculated from the date the County tenders the $350,425 to Key Largo.~~

B. Transfer of Real Property. Key Largo agrees to provide a conservation easement for the area known as the protected area for the County. The County will provide a boundary survey of the development area and the protected area prior to the final transfer.

C. Affordability and Financing Obligations. Key Largo agrees to adopt similar affordability and user financing standards as provided in Exhibit L attached hereto and contemplated in the near future by the County, including the establishment of low interest revolving loan fund programs or grant programs for low and very low income homesteaded households.

D. Records.

1. Key Largo must keep records pertaining to County loans and any other funds provided to Key Largo in accordance with standard government accounting practices.

2. Said records must be available for public scrutiny during regular hours of operation and must be available within a reasonable time to auditors employed by the County or the Clerk of the Circuit Court upon request.

E. Projected Commitment. Key Largo acknowledges the time and financial commitment put into completing the Key Largo Trailer Village and the Key Largo Park projects to date by the County and the Authority.

1. To the best of its ability, Key Largo commits to completing the Key Largo Trailer Village and Key Largo Park projects within the constraints of the funds appropriated to date.

2. Key Largo agrees to pursue agreements through FEMA and DCA to have committed Phase II funds for initiating and completing final design and construction of Key Largo Trailer Village as the Authority completes its commitment for Phase I funds to develop and follow through with preliminary engineering documents and finalization of the site specific environmental assessment process for Key Largo Trailer Village.

ARTICLE III
GENERAL PROVISIONS

SECTION 3.01. RECORDING; EFFECTIVE DATE.

A. This Agreement, and any amendment hereto, shall be filed with the Clerk of the Circuit Court for Monroe County, Florida, as required by Section 163.01(11), Florida Statutes.

B. This Agreement shall become effective upon execution hereof by the County, the Authority and Key Largo as provided herein.

C. This Agreement must be approved by FEMA and the Department of Environmental Protection of the State of Florida.

SECTION 3.02. AMENDMENT.

This Agreement shall not be modified or altered except by another written agreement executed by the County, the Authority and Key Largo.

IN WITNESS WHEREOF, the County, the Authority and Key Largo have caused this Interlocal Agreement to be duly executed and entered into on the date first above written.

BOARD OF COUNTY COMMISSIONERS OF MONROE COUNTY, FLORIDA

(SEAL)

By: _____
Mayor/Chairperson

Danny L. Kolhage, Clerk
By: _____
Deputy Clerk

THE FLORIDA KEYS AQUEDUCT AUTHORITY

(SEAL)

By: _____
Chairman

ATTEST:

_____
Clerk

KEY LARGO WASTEWATER TREATMENT DISTRICT

(SEAL)

By: _____
Chairman

ATTEST:
Clerk

Faith Doyle

From: Jerry Wilkinson [jerry142@terranova.net]
Sent: Wednesday, February 12, 2003 1:06 AM
To: Amy Dukes; Terry Lewis; Andrew Tobin; Charles Brooks; Cris Beaty; Gary Bauman; George Garrett; Jim Quinn; Mayor Pro Tem Murray Nelson; Miles Anderson; Richard Smith; Robert Feldman; Robert Sheets; Robert Wolf
Cc: Faith Doyle; Charles Sweat
Subject: RE: Transition ILA 2-11-03 Draft (DRAFT #2)

Amy:

Thanks for all the work and it looks much, much better. The work is obvious in the results.

Attached are my comments highlighted in fuchsia. I am sticking by the residents of the two subdivisions. If we cannot complete the projects with grants plus the $2,700 connection and $35 monthly O&M fees, then the projects must be reduced in scope or they are dead. I prefer the $1600 and $25 monthly fees which is the Master Plan's first choice. These residents have serious personal and financial ties to their home as well as constitutional rights. In fact, their on-site lateral costs should be all they should have to personally cover. No additional loans.

The parcel at MM 100.5 needs at least 4 acres for the total treatment plant expansion for homes and businesses (some very large hotels) from MM 97 to MM 103.6. If we take FS 99-395 at face value, we must have space for the Master Plans regional WWTP. Two acres of the 20 acres are not enough and the LDR's allow four acres to be cleared. Florida Fish and Wildlife will just have to change their minds. There won't be any fish and wildlife if they do not. Do NOT transfer the property until the WWTP is totally completed and all EDU's are connected or 2010. This is within the jurisdiction of 2002-337, LOF. Besides, $450,000 per acre is too much, but so is $225,000.

I do not know what to do with the acronym EDU. It means something different for each person AND use. What I hate worse EDU is not a fixed term, it is variable. The industry defines EDU or ERC different for a residence, a hotel room, a motel room and an apartment. KLPark is different than KLTVillage. I do not think it should be used in legal documents without a specific definition. Whether you legals accept it or not, the only specific is gallons per unit of time - that can be quantified. Whatever it is the treatment plant has to process what ever it is plus 15 percent.

Jerry

-----Original Message-----
From: Amy Dukes [mailto:adukes@llw-law.com]
Sent: Tuesday, February 11, 2003 5:57 PM
To: Terry Lewis; Andrew Tobin; Charles Brooks; Cris Beaty; Gary Bauman; George Garrett; Jerry Wilkinson; Jim Quinn; Mayor Pro Tem Murray Nelson; Miles Anderson; Richard Smith; Robert Feldman; Robert Sheets; Robert Wolf
Cc: Faith Doyle; Charles Sweat
Subject: Transition ILA 2-11-03 Draft (DRAFT #2)

Hello all -

Attached please find Draft #2 of the Transition Interlocal Agreement. This draft of the Agreement is the result of a lot of hard work on the part of everyone, including all the commenters on Draft #1. We (Amy Dukes and Terry Lewis) have incorporated everyone's comments to the best of our ability in a fair, concise and logical manner. You will see the Draft is in redline format, so everyone can see what has changed since Draft #1 was distributed. This took a lot of work in coordinating and revising, but the end result is a draft which logically flows, makes good sense, answers many of the open-ended questions that were left in Draft #1 and hopefully addresses everyone's concerns. If any of you want to know who submitted which comments/revisions, you are welcome to ask. I have retained all of the comments submitted to me in written form.

In sticking with the original Timeline forwarded to all of you last week, this is our plan - tomorrow the KLWTD Board meets at 4:00 at the Key Largo Civic Club. The Board members will have reviewed this Agreement in its entirety before that time and will come to the meeting ready for comments/questions/answers. It is doubtful the Board will be able to "adopt" this Agreement tomorrow because I probably will not have heard back from all of you by that point, nor will I be able to incorporate any necessary changes by 4:00 tomorrow (I will be leaving the office around 12:00). The plan is to have a special/emergency meeting on Feb. 19th at 10:00 am in order to adopt the Agreement prior to

the BOCC meeting (4:00). Based on this past week's experience, we think this is realistic, as long as all of you continue to devote time and effort into reviewing and forwarding your comments back to me in a timely manner. **To have the Agreement ready for Board approval by Feb. 19th, I will need all of your comments back on this draft (Draft #2) by Feb. 14 (that's this Friday) since Feb. 17 is a holiday**.

Thanks to all for your input on this Transition Interlocal Agreement. We're almost there.

-Amy

Faith Doyle

From: Jerry Wilkinson [jerry142@terranova.net]
Sent: Tuesday, February 11, 2003 10:29 PM
To: Faith Doyle
Subject: RE: PRMG AGREEMENT FOR REVIEW

Faith:
The contract appears to be very complete. Too bad we do not have time to talk about the methodology for assigning the hook-up fees. I am curious how PRMG will know how those of us who have been following this farce all along wish to say, handle capital costs for vacant lots which are provided wastewater capability?
Jerry

-----Original Message-----
From: Faith Doyle [mailto:FDoyle@govmserv.com]
Sent: Tuesday, February 11, 2003 9:42 AM
To: Amy Dukes Esq. (E-mail); Andrew M. Tobin Esq. (E-mail); Charles S. Brooks (E-mail); Charles Sweat; Cris BEaty (E-mail); Gary Bauman (E-mail); Jerry Wilkinson (E-mail); Robert Sheets
Subject: PRMG AGREEMENT FOR REVIEW

PLEASE BE ADVISED THAT THIS ITEM WILL BE CONSIDERED FOR ACTION AT TOMORROW'S
MEETING

The attached is the final version that is being executed by PRMG. It is the
same as the draft version that was provided in the 2/5 agenda booklet.

<<PRMG Utility Consulting Services Agreement.doc>>

Faith Doyle

c/o Government Services Group, Inc.
614 N. Wymore Road
Winter Park, FL 32789
Phone (407) 629-6900
Fax (407) 629-6963

Faith Doyle

From: Jerry Wilkinson [jerry142@terranova.net]
Sent: Tuesday, February 11, 2003 9:57 PM
To: Faith Doyle
Subject: RE: Revised Engineering Estimates for KLP & KLTV

Faith:
Thanks. I learn something everyday. CU tomorrow.
Jerry

-----Original Message-----
From: Faith Doyle [mailto:FDoyle@govmserv.com]
Sent: Tuesday, February 11, 2003 7:25 AM
To: 'Jerry Wilkinson'
Subject: RE: Revised Engineering Estimates for KLP & KLTV
Importance: High

Commissioner Wilkinson--

Please try 'clicking' on the 'sheet 1', 'sheet 2', 'sheet 3'.....

across the bottom of the excel attachment.....

if the information is not displayed for printing, let me know and if you
have a fax I'll fax it or bring you copies tomorrow,

sorry for any inconvenience,

Faith

-----Original Message-----
From: Jerry Wilkinson [mailto:jerry142@terranova.net]
Sent: Tuesday, February 11, 2003 9:39 AM
To: Robert Sheets; Andy Tobin; Charles Brooks; Charles Brooks (E-mail);
Charles Sweat; Chris Beaty; Faith Doyle; Gary Bauman; Jerry Wilkinson
Cc: Amy Dukes (E-mail); Jack Teague (E-mail); Paul Feldman (E-mail);
Terry Lewis (E-mail); Charles Sweat; David Miles; Faith Doyle;
drefling@boyleengineering.com; 'Robert Betancourt'
Subject: RE: Revised Engineering Estimates for KLP & KLTV

Robert:
Please send me the other charts. I only received one which was a
summary chart with six numbers. Should not the Funds Committee be
Funds Committed?
I do not understand $620,000 construction planning? Is this something
new or accounting for past $$?
Likewise, I assume the $1,120,000 is future costs including
contingencies. Is this correct?
I OPPOSE ANY PAST, PRESENT OR FUTURE LOANS FROM MONROE COUNTY OR ANY
OTHER ENTITY TO COMPLETE THESE PROJECTS (Other than the $100K).
DONATIONS WILL BE ACCEPTED. THERE WILL BE AT THE MOST 600 FAMILIES TO
REPAY THESE IMAGINARY LOANS.
Time is flying,
Jerry
****
-----Original Message-----

From: Robert Sheets [mailto:rsheets@govserv.com]
Sent: Monday, February 10, 2003 1:55 PM
To: Andy Tobin; Charles Brooks; Charles Brooks (E-mail); Charles Sweat; Chris Beaty; Faith Doyle; Gary Bauman; Jerry Wilkinson
Cc: Amy Dukes (E-mail); Jack Teague (E-mail); Paul Feldman (E-mail); Terry Lewis (E-mail); Charles Sweat; David Miles; Faith Doyle; 'drefling@boyleengineering.com'; 'Robert Betancourt'
Subject: Revised Engineering Estimates for KLP & KLTV

Attached for your information is a copy of a memo and attached spreadsheets
that were forwarded to Dick Smith of DEP this morning.

The memo explains each chart in detail. As you will see, based on the latest engineering costs estimates, KLTV has an $850,000 funding shortfall.
It is our recommendation that the inter-local agreement be revised to reflect that the County will commit to a $1,000,000 loan guarantee to fund
any anticipated revenue shortfall. This loan commitment will be a last
source of funding and will not be spent until the very end of the project.

It is our hope that as a result of negotiations with the selected proposal
for KLTV that no additional funds will be required from the County.

It is imperative however, that this commitment of additional funding be
clearly articulated in the inter-local agreement or I believe that the FDEP
funding would be in jeopardy.
<<Board memo 2-10-03.doc>> <<Funding Spreadsheets.xls>>

Faith Doyle

From: Amy Dukes [adukes@llw-law.com]

Sent: Tuesday, February 11, 2003 6:57 PM

To: Terry Lewis; Andrew Tobin; Charles Brooks; Cris Beaty; Gary Bauman; George Garrett; Jerry Wilkinson; Jim Quinn; Mayor Pro Tem Murray Nelson; Miles Anderson; Richard Smith; Robert Feldman; Robert Sheets; Robert Wolf

Cc: Faith Doyle; Charles Sweat

Subject: Transition ILA 2-11-03 Draft (DRAFT #2)

Hello all -

Attached please find Draft #2 of the Transition Interlocal Agreement. This draft of the Agreement is the result of a lot of hard work on the part of everyone, including all the commenters on Draft #1. We (Amy Dukes and Terry Lewis) have incorporated everyone's comments to the best of our ability in a fair, concise and logical manner. You will see the Draft is in redline format, so everyone can see what has changed since Draft #1 was distributed. This took a lot of work in coordinating and revising, but the end result is a draft which logically flows, makes good sense, answers many of the open-ended questions that were left in Draft #1 and hopefully addresses everyone's concerns. If any of you want to know who submitted which comments/revisions, you are welcome to ask. I have retained all of the comments submitted to me in written form.

In sticking with the original Timeline forwarded to all of you last week, this is our plan - tomorrow the KLWTD Board meets at 4:00 at the Key Largo Civic Club. The Board members will have reviewed this Agreement in its entirety before that time and will come to the meeting ready for comments/questions/answers. It is doubtful the Board will be able to "adopt" this Agreement tomorrow because I probably will not have heard back from all of you by that point, nor will I be able to incorporate any necessary changes by 4:00 tomorrow (I will be leaving the office around 12:00). The plan is to have a special/emergency meeting on Feb. 19th at 10:00 am in order to adopt the Agreement prior to the BOCC meeting (4:00). Based on this past week's experience, we think this is realistic, as long as all of you continue to devote time and effort into reviewing and forwarding your comments back to me in a timely manner. **To have the Agreement ready for Board approval by Feb. 19th, I will need all of your comments back on this draft (Draft #2) by Feb. 14 (that's this Friday) since Feb. 17 is a holiday**.

Thanks to all for your input on this Transition Interlocal Agreement. We're almost there.

-Amy

MEMORANDUM TO THE BOARD

TO: DICK SMITH

FROM: ROBERT SHEETS, GENERAL MANAGER

SUBJECT: KEY LARGO WASTEWATER TREATMENT DISTRICT

DATE: 2/10/2003

Attached for your review are six spreadsheets, which provide the latest analysis regarding projected engineering costs and funds available for Key Largo Park and Key Largo Trailer Village.

Chart Number One provides Boyle's latest estimated costs for Key Largo Park broken down between construction, project planning and construction management. It shows a total cost of $2,965,000.

Chart Number Two provides Boyle's latest estimated costs for Key Largo Trailer Village showing total engineering and construction costs of $7,760,000, project planning, $620,000, construction management, $1,120,000 and the land purchase by the County of $826,234. This provides a total estimated projected cost of $10,326,234 for KLTV.

Chart Number Three. This is the latest and greatest effort in identifying the Federal, State and Local match currently committed to fund both KLP and KLTV. I have broken it down by resources and by project. Please note that I have moved all but $50,000 of the DCA Cess Pit Grant from Key Largo Park to Key Largo Trailer Village. I have also added the category called "Loan Commitment" from the County, but have currently left this blank. It is my assumption that the District will need to see how we are going to fill the shortfall.

Chart Number Four combines Boyle's most recent estimated costs by project category and funding source. As you can see, Key Largo Park currently has sufficient funds to fund the entire project assuming that the engineer's costs estimates are not exceeded.

Chart Number Five, Key Largo Trailer Village project costs versus funding availability. As you can see, we have provided the same breakdown by project category and funding source. As is illustrated, there still remains an $848,479 funding source shortfall for Key Largo Trailer Village. Again, assuming that the

actual bids received and construction costs do not exceed Boyle's current engineering estimates.

Chart Number Six is a summary of the funding source and project costs.

Based on this information, we are projecting an $850,000 funding shortfall based on current local commitments. To address this, there will be explicit wording in the Inter-local Agreement, which outlines a loan commitment from the County of $1,000,000 to insure that KLTV moves forward. This loan commitment will be accessed only after all other local funds have been expended.

It is our hope that after the KLTV proposals have been received and a vendor selected, that we would be able to negotiate a price that will fall within the current funding commitment.

I know this will raise additional questions, please do not hesitate to call me. I will be in the office for the remainder of today, and then will be traveling, but can be reached on my cell phone at 321-7794 Tuesday through Thursday.

ENGINEERS COST ESTIMATE AS OF 2/7/03
KEY LARGO PARK

KEY LARGO PARK		COST
Vacuum Collection System- Construction		$1,540,000.00
Tie-In to Trailer Village/Vacuum Valves		$200,000.00
Proportionate Share of Key Largo Trailer Village WWTP Construction		$600,000.00
SUB-TOTAL CONSTRUCTION		**$2,340,000.00**
Project Planning, Design, Permitting & Bidding		$325,000.00
Construction Management & Project Administration		$300,000.00
SUB-TOTAL MANAGEMENT/DESIGN		**$625,000.00**
TOTAL ESTIMATED PROJECT COSTS		**$2,965,000.00**

ENGINEERING COSTS ESTIMATES AS OF 2/7/03
KEY LARGO TRAILER VILLAGE

KEY LARGO TRAILER VILLAGE		COST
Vacuum Collection System - Construction		$5,960,000.00
WWTP and Associated Facilities		$1,800,000.00
SUB-TOTAL CONSTRUCTION		**$7,760,000.00**
Project Planning, Design, Permitting & Bidding		$620,000.00
Construction Management & Project Administration		$1,120,000.00
Land Purchase (Actual)		$826,234.00
SUB-TOTAL MANAGEMENT/DESIGN		**$2,566,234.00**
TOTAL ESTIMATED PROJECT COSTS		**$10,326,234.00**

SOURCE OF FUNDING KEY LARGO PARK AND KEY LARGO TRAILER VILLAGE

	KEY LARGO PARK	KEY LARGO TRAILER VILLAGE
FEDERAL		
FEMA Phase 1	$0.00	$1,097,143.00
FEMA Phase 2	$0.00	$4,388,571.00
TOTAL	**$0.00**	**$5,485,714.00**
STATE		
FDEP	$1,660,000.00	$0.00
DCA - Cess Pit Grant	$50,000.00	$1,337,731.00
DCA - Unmet Needs	$0.00	$914,286.00
TOTAL	**$1,710,000.00**	**$2,252,017.00**
LOCAL		
304 Fund FEMA Phase 1 & 2 Match (Loan)	$0.00	$914,285.00
148 Fund	$356,000.00	$0.00
304 Cess Pit Fund	$929,527.00	$0.00
304 Land Purchase	$0.00	$826,234.00
TOTAL	**$1,285,527.00**	**$1,740,519.00**
LOAN COMMITMENT		
From County	$0.00	$0.00
TOTAL	**$0.00**	**$0.00**
TOTAL FUNDS AVAILABLE	**$2,995,527.00**	**$9,478,250.00**

PROJECT COSTS KEY LARGO PARK AS OF FEBRUARY 7, 2003 @ 5:42 P.M.
THESE NUMBERS ARE BASED ON BOYLE'S MOST RECENT REVISIONS

Key Largo Park	Federal	State	Local	Total
Preliminary Engineering	$0.00	$0.00	$325,000.00	$325,000.00
Construction	$0.00	$1,150,000.00	$390,000.00	$1,540,000.00
Tie in to KLTV Vacuum Valves	$0.00	$0.00	$200,000.00	$200,000.00
Share of KLTV (Wastewater Treatment Plant)	$0.00	$560,000.00	$40,000.00	$600,000.00
Construction Management	$0.00	$0.00	$300,000.00	$300,000.00
Total Key Largo Park	**$0.00**	**$1,710,000.00**	**$1,255,000.00**	**$2,965,000.00**
Funds Available	$0.00	$1,710,000.00	$1,285,527.00	$2,995,527.00
Funds Balance/Needed	**$0.00**	**$0.00**	**$30,527.00**	**$30,527.00**

*This funding level is based on providing sewer services to half of Key Largo Park

PROJECT COSTS KEY LARGO TRAILER VILLAGE AS OF FEBRUARY 7, 2003 @ 5:42 P.M.

THESE NUMBERS ARE BASED ON BOYLE'S MOST RECENT REVISIONS

Key Largo Trailer Village	Federal	State	Local	Total
Preliminary Engineering	$0.00	$0.00	$620,000.00	$620,000.00
Design Build	$5,485,714.00	$2,251,517.00	$22,764.00	$7,759,995.00
Construction Management	$0.00	$0.00	$1,120,000.00	$1,120,000.00
Land	$0.00	$0.00	$826,234.00	$826,234.00
Total Key Largo Trailer Village	**$5,485,714.00**	**$2,251,517.00**	**$2,588,998.00**	**$10,326,229.00**
Funds Available	$5,485,714.00	$2,252,017.00	$1,740,519.00	$9,478,250.00
Funds Balance/Needed	**$0.00**	**$500.00**	**($848,479.00)**	**($847,979.00)**

PROJECT COST VS. PROJECT FUNDING

		Key Largo Park	Key Largo Trailer Village
Estimated Cost		$2,965,000.00	$10,326,229.00
Funds Committee		$2,995,000.00	$9,478,250.00
BALANCE		**$30,000.00**	**($847,979.00)**

NEED $850,000 LOAN GUARANTEE FROM COUNTY

Key Largo Wastewater Treatment District

Guest Sign In Sheet

Wednesday, February 12, 2003

****Please Print****

Name & Title	Representing	Phone
1. Alfred Mittl	Boyle Engineering	239 278 7996
2. Robert Sheets	GSG	
3. Faith Doyle	GSG	
4. Amy DeRees	LLW	
5. Martha Richard	Key Largo Home Owner Park	
6. Charles Fishburn		
7. Robert E. Burt	email - rootsear@excite.com - agenda Key Largo Village	305-451-4894
8. Burke Cannon	agenda prior to KLFHA.	fax - 852-2065 305-852-6129
9.		
10.		
11. John Stone	Park (250)	305-453 0078 home
12. 1 Sunset Blvd		
13. Key Largo 33037	Restaurant (Tower of Pizza	(R) down at 100.5) and
14.	B4 civic club	
15.		make right @ bottle and on (R)
16.		Tan house w/awning
17.		
18. POBox 370134		Robert E Burt
19. Key, 33037		219 Allon Avenue Key Largo FL 33037
20.		

NOTES

380-resi
2 large

Key Largo Wastewater Treatment District
Board of Commissioners Meeting Minutes
4:00 PM Wednesday, February 12, 2003
Key Largo Civic Club
209 Ocean Bay Drive
Key Largo, Monroe County, Florida

Commissioners Present

Chairman, Andrew Tobin, Esq.
Gary Bauman
Cris Beaty
Charles Brooks
Jerry Wilkinson

Staff Present

Robert E. Sheets, General Manager
Amy Dukes, Esq., Utility Counsel
Robert Betancourt, P.E., Engineer
Fred Mittl, P.E., Engineer
Faith Doyle, Board Clerk

Guests Present

Martha Richard — K L Mobile Home Park
Charles Fishburn
Robert Burt
Burke Cannon
& John Stone & Steve Gobbs & Murray Nelson

A. Call to Order

The Chairman called the meeting to order at 4:07 PM.

B. Pledge of Allegiance

The pledge was recited and lead by Chairman Tobin.

C. Minutes – February 5, 2003

Commissioner Brooks suggested moving the minutes until later in the meeting.

The Board requested that addition, deletions and corrections to the agenda be moved to it's previous location in the agenda. Chairman Tobin asked if there were any.

The General Manager requested that item G1 be removed from the agenda and it will be presented to the Board in the future.

The Chairman requested that item J1 be removed because the issue had been resolved at the previous meeting.

TRAILER VILLAGE, KEY LARGO PARK AND ALL KEYLARGO DUE TO MSTU. tobin reporter, free press, citizen, times for the special hearing for 2/26 state the community willb e affected by the decision of the board.

fla stats states the weeklys are considered newspapers of general circulation but to be sure in a daily and smallin the daily and larger in the reporter and free press. FAITH TODO

public comment from john stoner no homeowners association no community infor to all. gentleman from kltv has a newsletter get a notic to the owners Robert burt new president, could move up the news letter. COME TO THE MARCH 29TH PICNIC for the board to talk to. TOBIN SUGGEST SHEETS AND BURT get together to share mailing list , etc. lady in office cant give out the mailing list –tobin give a flyer to them to send them out.

bauman asked about the rfp noted in her report – there was a question about the w.m.b.e. just set to the fkaa language. dukes states we don't have any reg sched meeting after 3/5 no need to act tonight but thought must be givin. board states legal and manager to develop plan for board review. brooks notses wed at civic at 4pm avail.

F. Engineering Report

fred mittl engineer doing the design all infor on street and bids are out on the street. two project kltv is a design build larger has wwtp, has issued 3 addend and 4th answering tech question being detaled. 1st was for dates, 2nd on tech props for 2/19 at fkaa then they will passed to committee to for eval. 2/26 costs prop will be received and held until tech committee is finished with review and ranking to be provided to the board. contractors were asked if the eng estimates seem to be in line. keylargopark is the 2nd is designed in detail a set of plans and specs have been developed that show where tings will go and is out to bid with 8 potentials bidders. the prebid was 2/11 on the park the bids are due 2/25 and these are hard firm costs. garteks comments on 90/100percent plans will be responded to and forwarded to gsg. BAUMAN ASKED OF ADVANTAGES OF SAME FIRM GETTING BOTH. fred says cost advantage because of front end costs and mobilization of the equipment and labor force itcould be significant cost savings. several teams could be looking at bidding on both but contractors are busy at this time to much work out there right now. brooks asked what anticipated after construction start what would the inconvenience to the neighborhood be disruption. fred on in little Venice because of bedrock and difficultiy in trenching they get homeowner input on location and the large trenching and back hoe machines first, actual pipe in is short, then upon return temporary seal on trench to keep dust down then asphalt overlay-time frame prox a week-10days in a section but in the neighborhood several months. it is in there best interest to go quickly. Wilkinson open trench rull how long. tobin asked advantages of one firm are we looking to encourage it can it be in the bid docs, fred sayz it will come naturally in the process.

public comment -

steve gibbs, omeowners can give input on where to put lines, fred contractors will work with them for final location. gibbs what about the out of town owner. fred contractor responsibility to contact the homeowner-=-it is not 100% freedom it is within limits it will be give and take. no contact from homewoner it will be as designed. fred to verify and

the house to curb. RES ADDS it will be an inconvenience but how can we minimize it and answer individual concerns who to contact, issue of connection to the lateral with the boards concerunce to find resource to so that it is organized effort to connect laterals 'in order'; to minimize the discomfort. the plan will be developed and shown to the citizens. Robert if we meet the 3/1 deadline with dep then there will be meetings before there is any disrubtion, we need street captians to contact to spread the work we will hang door hangers and once a quarter as the project moves forward we will have community people to get input try to avoid the 'I don't knows' , tonight you might get bits and pieces hopefully the the hires will do it the best and we are here to make sure the go by there contracts. the cost of connection is a concern and we want to get the answers. stone asked one falicy the plans are laid out but the plans change he would like the community input to but them in the plan. res—not total flexibility ut we will get input and the critical issues could be addressed will everyone be happy-no, will most yes. Martha Richards asked the engineer the containers not on every yard how big, are they ugly. fred-we would like to give a lot of info not peicmil when a community meeting is arranged we can have the plans out. brooks no lift station or vacuum pits on your property. fred maybe candy canes but you can paint them or decorate. burt cannon hammer point and ky fed of homeowners—this will be dug twice. fred cant say it depends on the contractor who designs it but cant say for sure.

Robert betancourt – klwtd engineer was at prebid for klargo park prelim review-boyle will get comments on the plans and spec and either issue an addendum or clarify the concerns he has. tobin stated we inherited boyle who was hired by fkaa, to make sure there was a check and balance the board hired gartek to review the work done by boyle for clarifications. bauman asked the cost bid is due on the park on the 2w/25 on the village on the 2/26. buaman must have out by the 20th can the diffs be hammered and out by then. yes states bothe engineers. tobin asked Robert didn't get coppied on last addendum, last night a set of all addendums out.

public – Martha Richards, boyle inherit and then gartek????? tobin states they are under contract with the county and fkaa. Richards we thought you were starting over because we didn't like any of it. brooks restates....

G. Action Items

1. Approval of Final Professional Consultant Services Agreement by and between KLWTD and Government Services Group, Inc. for management services

tabled until the future REMOVED

2. Approval of Final Professional Consultant Services Agreement by and between PRMG for rate consulting services

RES prmg to be retained to assist with the 5yr proforma and cost for the grant agreement that must be shown and identified and to certify local source of fund. 1-sceneraio with funds from bocc as loan and another with it being agrant. done by Friday(hopefully) for discussion wit the bocc the mstu of .35 make sure it is enough under both scenerios. provisions to address financial tools for the ratepayers. the

brooks asked about the 4pg under item (d) why 1.6. RES states it is a combo of the _____no 1.6 mil in debt . and in the draft inter local to be bad back from connection fees. this is not a debt service situation...assessments....700 some connection there will be several calculations showing how this will be addressed. brooks 900thou plus. discussion ensued. brooks is trouble by saying it is a debt. res no debt just running two scenerios one if they have to be repaid.
Wilkinson same concern with debt the money not there don't do it. he doesn't want the citizens to be in debt for 2700 if we cant cover the installation, unless we can scale down the project size. bauman states this agreement if for running the numbers only to see what happens under certain scenerios. nelson states that first –main- we don't know exect project costs it could come in less, it is a gustamet, second issue for dollar figure in for the land-bocc bought land four acres for the klwtd it makes no sense for this board to pay for all 20acres when we use 4acres. also some other costs on the dollars to operate (loan of 100,000 maybe forgiving by the bocc) looking at past contracts the funds were provided. nelson with a big concern of asking for an addition one million that if that message is sent to the board that it cant be done for the 12 million it is not going to send a good message—use dollars available. nelson with mcgeary tomorrow has met with dep in tally the bocc is committed to make this work and the dep and the dca and the governor is going to make it work. just do what you have to do or set unrealistic expectations—we wont know until the bids are in-before asking for unlimited dollars indentify the dollars needed. wants the board efficicint do due diligence—res no disagreement, but didn't have a chance to talk today-regardless of the dollar amount the dep needs to hear the word commitment-the commitment has to be articulated-expressed. the number extra million is pure math—nelson the point is that 800,000 is only 20% DISCUSSION ENSUED BROOKS CALLED FOR QUSTION LETS GET G2 BRROKS MADE MOTION TO APPROVE THE PRMG

******nelson doesn't want to see the one million additional in the Interlocal, the 800,000 cost of land does not exist, don't want to send a message to the contractors that there isnot an additional million available. BAUMAN dep wants 10 steps by 3/1 and wants a plan on how we cover the bids if they come overd???? the timing factor, place an addendum to Interlocal that if the bids come in high....; nelson-if the document was showing real costs- do it on real numbers not what ifs, if short it can be addressed later. the discussion tomorrow is bocc money going to be a loan or grant. WILKINSON-if you hint extra money they will come in high and thanked nelson for his support. res/legal can address nelsons concerns. nelson this needs to be done in a logical method. betancourt suggest if village rfp come in high one option to reject bids and have ....discussion ensued. NELSON AS FAR AS DEP /DCA IN TALLY IF YOU GET HIGH BIDS NELSON EXPECTS THROUGHING THEM OUT no facilities that meet affordability, if we need to do it again. concern with bid response from contractor prior to march first. gsg is doing a great job, how quickly the board was incorp and elected and staffed this has come together fantastic-great job in short time as much –final message if bids are high, reject them.

recessed at 5:31PM
RECONVENED AT 5:42 pm

mo on prmg moved by bauman and 2nd by Wilkinson all in favor mo carried

3. Approval and Execution of Final Professional Consultant Services Agreement by and between KLWTD and Gartek Engineering, Inc.

mo by borrooks and 2nd beaty all in favor

4. Consideration and Approval of the Transition Interlocal Agreement

Discussion ensued on several point of the draft TIA. Consensus was reached on all major points and Legal Counsel would present the final version for the Boards consideration at the February 19, 2003 meeting.

H. Additions, Deletions or Corrections to the Agenda

This item was moved to earlier in the agenda.

I. Committee Reports

Mr. Cris Beaty presented the KLWTD accounting books to the clerk which will be forwarded to the CFO.

J. Commissioner's Items

1. Discussion regarding holding a vendors presentation meeting, requested by Chairman Tobin

This item was removed from the agenda.

2. Discussion and update on SFWMD funding, requested by Commissioner Brooks

This item was tabled.

3. Discussion regarding the Key Largo Park drawings, project manual and quantity take-off, requested by Commissioner Wilkinson

Wilkinson asked why some business zones were not included in the . fred stated that the other area is included in the trailer village serv ice area. there are some that are excluded. fred mittl would address the issue by presenting the maps

J. Meeting Adjournment

motioned to adjourn at 8:30pm

The Chairman stated that the major issue is the Transitional Interlocal Agreement ("TIA") and that George Garrett would be attending the meeting by approximately 5:00 p.m. it was his request to postpone discussion until Mr. Garrett's arrival.

D. General Manager Report

Mr. Sheets stated that scenerios would be developed for five year capital improvement plans, one that would show the BOCC funding as loans that would need to be repaid and another that would treat all contributions as grants ~~except the final money~~. These will be ~~done~~ by February 29, 2003.

One of the items required by the DEP is to demonstrate a committement to implement mandatory connection to the system. This requirement could be met by considering to adopt the County's ordinance on the same issue.

It was requested that the County's ordinance on manadotry connection be presented for consideration by the Board at the next meeting.

Mr. Robert Betancourt is not available to be a member of the ~~Technical~~ Evaluation Committee. Mr. Bentancourt suggests Charles Fishburn of Gartek Engineering. The Board gave consensus to have Charles Fishburn replace Robert Betancourt as the Gartek Engineering representative to the ~~Technical~~ Evaluation Committee.

Mr. Sheets stated that the insurance coverage on the KLTWD is now in force.

~~visitors , the reportor gibbs, commissioner murray nelson.....~~

E. Legal Counsel Report

Ms. Amy Dukes stated that as outlined in her report the focus of her attention has been on the TIA. It was requested that all comments be given to her by Friday the 14th. The TIA must be finalized at the Wednesday the 19th meeting. Ms. Dukes stated that a special meeting has been scheduled and noticed for 10:00 AM.

ing has been noticed . as an emergency special meeting at 10 am at the westin..... and then at 4pm the boc c will be address the concerns of the board which terry will attend. for the 10am meeting legal counsel will be attending by telephone. so the tia would be officially adopted for the rpm meeting because the agreement will be on the bocc agenda.

faith to get the cost on the classified cost versus legal. discussion enused on the newspaper. ....blah,blah, res what to comply legally and what really gets to the citizeny, remind the 2/26 public hearing and it impact the key largo, check with prop appraiser so we can get a letter to remind the meeting. so they can make an informed decision. faith to check with the prop appraiser for info and forward the information. brooks states also a letter to the village home owners association. or the fkaa who has the meter who resides at the house. RES all correct but technically it is going to the owner, it should go to the owner. in the grant application we need community outreach beyond march 1 developing them after the 3/1 is imparative. but we can llok at TIMES IN KEY LARGO

PUBLIC NOTICE OF THE KEY LARGO WASTEWATER TREATMENT DISTRICT TECHNICAL EVALUATION COMMITTEE MEETINGS

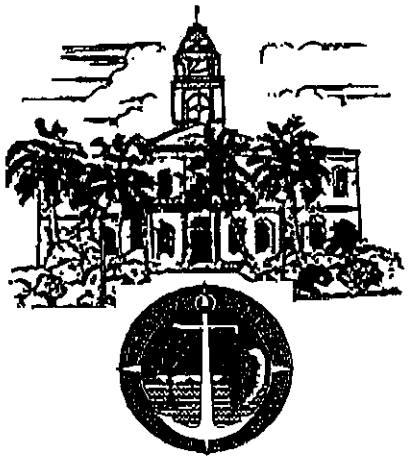
The KLWTD Board's Technical Evaluation Committee hereby gives notice pursuant to Chapter 189, Florida Statutes, of the following meetings:

The ~~Board~~ Committee will meet at the Key Largo Civic Club, 209 Ocean Bay Drive, Key Largo, FL, MM 99.5, on February 20, 2003 at 10:00 AM; March 3rd or 4th, ?time; and March 19, 2003 at 1:00 PM.

The Committee will be evaluating technical proposals received for the Key Largo Trailer Village wastewater system design/build project. In accordance with the Americans with Disabilities Act, persons needing special accommodations to participate in this proceeding should contact District Clerk Faith Doyle at 305-451-5105 or fdoyle@govmserv.com 72 hours prior to the meeting date.

Pursuant to Section 286.0105, Florida Statutes, notice is given that if a person decides to appeal any decision by the Board with respect to any matter considered at such hearings or meetings, he or she will need a record of the proceedings, and that, for such purpose, he or she may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.

COUNTY of MONROE
KEY WEST FLORIDA 33040
(305) 294-4641



BOARD OF COUNTY COMMISSIONERS
Mayor Dixie M. Spehar, District 1
Mayor Pro Tem Murray E. Nelson, District 5
George Neugent, District 2
Charles "Sonny" McCoy, District 3
David P. Rice, District 4

Mayor Pro Tem Murray E. Nelson
District Five
Damaron Building, Suite 2
99198 Overseas Highway
Key Largo, FL 33037
PHONE (305) 852-7175
FAX (305) 852-7162
EMAIL: boccdis5@monroecounty-fl.com

FAX TRANSMITTAL

TO: JIM ROBERTS, GEORGE GARRETT, ROBT BETANCOURT, BOB SHEETS, AMY DUKES SEWER BOARD ***DATE:*** 2-11-03

FAX: VARIOUS ***PHONE:***

3 ***# of pages including cover sheet***

FROM: ***Mayor Pro Tem Murray E. Nelson***

MESSAGE FYI - INFO ON DANIELS CONTRACTING CO.

V03

DANIELS CONTRACTING COMPANY

Firm's Office Location: Daniels Contracting Compnay is based in Lake Mary, Florida. In conjunction with CPH Engineers, Inc. and CPH Constructors, LLC., Daniels proposes to design and build a wastewater treatment plant and collection system.

Approach: Daniels' proposal is for the design and build of a Key Largo Wastewater Treatment System. The ownership of the wastewater treatment facilities and land will be conveyed to the County. The County (FKAA) will be responsible for operating the system.

The wastewater treatment system is to be operational within 30 months of contract execution. Both phases of the project will be completed and system operational at that time.

Service Area: The proposed area in Key Largo to be served by the project includes the following subdivisions and adjoining commercial areas: (Phase One) Lake Surprise; Sexton Cove; and Largo Highlands; and (Phase Two) Jelsena Trust; Ocean Isle Estates; Paradise Cove; Riviera Village; and Key Largo Mobile Homes. The system's proposed service area contains an estimated 1505 equivalent dwelling units (EDU), which include both residential and non-residential uses.[1]

Wastewater Treatment and Disposal Facilities: Daniels proposes to construct a 250,000 gallons per day (GPD) wastewater treatment plant on a 1.63 acre parcel, at MM 105.4, Oceanside. The treatment facility will utilize Sequence Batch Technology which will produce an effluent treatment level of 5 mg/l (Biological Oxygen Demand), 5 mg/l (Total Suspended Solids), 3 mg/l (Nitrogen), and 1 mg/l (Phosphorus) as required by Florida law.

The treated effluent is to be disposed of through a 90 foot injection well. A back-up injection well will also be provided on site. Residual waste (sludge) will be transported to Martin County for land application.

As described by Daniels, the wastewater treatment plant is anticipated to treat an average daily flow of approximately 218,000 gallons. The maximum average daily three-month flow is anticipated to be about 120 percent of the average daily flow.

Daniels did not provide a reuse option in its proposal.

Collection System: Daniels proposes to use vacuum sewer technology for its collection system, similar to what has been proposed for the Little Venice Community in Marathon. This technology relies on use of shallow trenching and small diameter piping and permits waste flow to be pumped uphill. It relies upon vacuum stations to transport waste to the wastewater treatment facility. Dwelling units will be connected to the

[1] Note: EDU is the average typical flow measured in gallons per day from a single residential dwelling unit. To calculate the EDU values for non-residential uses, this average gallons per day figure is divided by the total flows expected from the business or industry.

collection system through a vacuum sewer valve pit. Waste stored in these pits is mechanically emptied into the collection system when the waste volume reaches a specific level.

Included in the Daniels proposal is the decommissioning of all existing on-site residential wastewater treatment systems and the connection of individual residences to the sewer system. Up to 4 homes will be connected to each vacuum pit.

Capital Costs: Daniels proposes to construct the entire system for $12,536,650 which includes the wastewater treatment plant, collection system, disposal of effluent and residual wastes, decommissioning of on-site systems and hook-ups to residences, engineering and design, and land.

This proposed capital cost for the project results in a cost of $8,330 per EDU. [The $8,330 is the total cost of the system divided by the number ofEDUs or households. It is not the proposed hook-up fee for the system, nor does it include any interest costs resulting from the financing of the system improvements.]

Hook-Up and Monthly Fees: What is the project going to cost the residents? Since Daniels is not proposing to operate the facility, it was not required to provide any information on hook-up and monthly fees. However, Daniels did provide some estimates on the anticipated monthly operation and maintenance costs ($15.33) and retirement of debt ($46.67 per month-assuming obtaining a long-term loan from the State Revolving Loan Program). [It should be noted that since Daniels is not going to operate the facility, therefore, actual operations and maintenance costs could be higher or lower.]

The actual hook-up fees and monthly costs to residents will depend upon the financial mechanism to fund the debt, interest rates, financing length, application of any grants to write down capital costs, and the entity with responsibility for operating the facility. These issues will addressed during contract negotiations, if Daniels is awarded a contract by the Board of County Commissioners.

PUBLIC NOTICE OF THE KEY LARGO WASTEWATER TREATMENT DISTRICT SPECIAL MEETING

The KLWTD Board hereby gives notice pursuant to Chapter 189, Florida Statutes, of the following special meeting:

The Board will meet at ~~9AM-NOON ONLY~~ 10 am at the Howard Johnson's ~~Key Largo Civic Club, 209 Ocean Bay~~ Drive, Key Largo, FL, ~~MM 99.5~~, ~~OR~~ AT THE LIBRARY 9AM ~~OR 8 PM~~ on February ~~4~~ 19, 2003.

The Board will consider approval of the Transition Interlocal Agreement between the District, Monroe County and Florida Keys Aqueduct Authority. In accordance with the Americans with Disabilities Act, persons needing special accommodations to participate in this proceeding should contact District Clerk Faith Doyle at 305-451-5105 or fdoyle@govmserv.com 72 hours prior to the meeting date.

Pursuant to Section 286.0105, Florida Statutes, notice is given that if a person decides to appeal any decision by the Board with respect to any matter considered at such hearings or meetings, he or she will need a record of the proceedings, and that, for such purpose, he or she may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.

Howard Johnson Resort Key Largo work
102400 Overseas Highway
Key Largo 33037
305 451 1400

Chris (305) 453-5553 2060455

PUBLIC NOTICE OF THE KEY LARGO WASTEWATER TREATMENT DISTRICT TECHNICAL EVALUATION COMMITTEE MEETINGS

The KLWTD Board's Technical Evaluation Committee hereby gives notice pursuant to Chapter 189, Florida Statutes, of the following meetings:

The ~~Board~~ Committee will meet at the Key Largo Civic Club, 209 Ocean Bay Drive, Key Largo, FL, MM 99.5, on February 20, 2003 at 10:00 AM; March 3rd or 4th, ?time; and March 19, 2003 at 1:00 PM.

The Committee will be evaluating technical proposals received for the Key Largo Trailer Village wastewater system design/build project. In accordance with the Americans with Disabilities Act, persons needing special accommodations to participate in this proceeding should contact District Clerk Faith Doyle at 305-451-5105 or fdoyle@govmserv.com 72 hours prior to the meeting date.

Pursuant to Section 286.0105, Florida Statutes, notice is given that if a person decides to appeal any decision by the Board with respect to any ~~matter~~ considered at such hearings or meetings, he or she will need a record of the proceedings, and that, for such purpose, he or she may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.