

Key Largo Wastewater Treatment District

Board of Commissioners Meeting Minutes

4:00 PM Wednesday, April 9, 2003

**Key Largo Civic Club
209 Ocean Bay Drive
Key Largo, Monroe County, Florida**

Commissioners Present

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

Staff Present

Robert Sheets, General Manager
David Miles, Chief Financial Officer
Charles L. Sweat, Director of Operations
Terry Lewis, Legal Counsel
Robert Betancourt, P.E. Engineer
Faith Doyle, Clerk to the Board

Guests Present

Nos Espat, Randazza
Stu Oppenheim, Brown and Caldwell
Pete Kinsley, The Haskell Company
Joe Palerinit, Brown and Caldwell
Robert E. Burt, KLTV Homeowners Association
Jerry Cox, CPH Engineers
David Gierach, CPH Engineers
Steve Gibbs, Reporter, Free Press
Michael Longenecker, Key Largo Resident

A. Call to Order

Chairman Tobin called the meeting to order at 4:03 p.m.

B. Pledge of Allegiance

The pledge was recited.

C. Additions, Deletions or Corrections to the Agenda

I. Minutes – February 26 2003 and March 5, 2003

COMMISSIONER BAUMAN MADE A MOTION TO APPROVE THE MINUTES OF THE FEBRUARY 26, 2003 AND MARCH 5, 2003 MEETINGS. COMMISSIONER BEATY SECONDED THE MOTION. ALL WERE IN FAVOR AND THE MOTION WAS UNANIMOUSLY APPROVED.

J. Meeting Adjournment

Chairman Tobin adjourned the meeting at 7:25 p.m.

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Commissioners Present

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

Staff Present

Robert Sheets, General Manager, Government Services Group
Charles L. Sweat, Director of Operations, Government Services Group
Richard Betancourt, P.E., Gartek Engineering
Faith Doyle, Board Clerk

Guests Present

Milton Vost, Boyle Engineering
Doug Eckman, Boyle Engineering
Charles Fishburn, Gartek Engineering
Kevin Matick
John Stone, Resident KLP
Robert Burt, Resident KLT
Gaile Jelinek, Resident KLT
Eva Richards, Resident KLT
John Henry Scheidel, I, Resident KLP
Fred O. Ackerman, Resident KLP
Ovida Bell, Resident KLP
Harlen Brown, Resident KLT
Alice Butler, Resident KLT
Vivian H. Crawford, Resident KLT
Irene Gajdos, Resident KLT
Doyle G. Bailey, Resident KLT
Georgina Foster, Resident KLT
Esther Fletcher, Resident KLT
Margaret Walston, Resident KLT
Werner Basch, Resident KLT
Dottie Moses, Key Largo Resident
David Adamusko, Resident KLP
Linda Mallison, Resident KLP

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Pauline Cray, Resident KLP
Jeff Gossweller, Resident KLP
Martha Richard, Resident KLP
James Gallagher, Resident Key Largo
Lee Ellsworth, Resident KLP
Winifred Ellsworth, Resident KLP
Jim Van Tassel, Resident KLT
Lewis Fletcher, Key Largo Resident
Janet Woodward, Resident KLT
Kent Van Winkle, Resident KLT
Walter Lasbury, Resident KLP
Dave Shine, Resident KLT
Eileen Albury, of KLP Investment
Priscilla Stone, Resident KLP
Bob Maxey, Resident KLT
Robert Dash, Resident KLP
Jose Fernandez, Resident KLT
John E. Gannaway, Resident KLP

A. Public Hearing to consider and to obtain public comment on the plan to construct and maintain Wastewater Treatment Facilities in the Key Largo Trailer Village and Key Largo Park per DEP Agreement No. LP0338 and as detailed in the Transitional Interlocal Agreement by and between the KLWTD, Monroe County and Florida Keys Aqueduct Authority

1. KLWTD Staff presentation
 - a. Introduction – Robert Sheets

Robert Sheets, General Manager of the KLWTD opened the hearing and stated the agenda to those assembled. Mr. Sheets presented information which is included as part of this document as "Attachment A".

- b. Project Descriptions – Doug Eckman & Ray Vost

Mr. Doug Eckman of Boyle Engineering, Fort Myers, Florida the engineer of record that was hired under an agreement with the Florida Keys Aqueduct Association. Stated that there are two separate projects the Key Largo Trailer Village (KLT) project and the Key Largo Park (KLP) project. The KLT proposal was a request for design build proposals and the submitting firm who is selected will do the design. The KLP project has already been designed and is a construction project only. The projects were designed per the master plan of the county, which states that vacuum systems should be used. A vacuum system was explained to those assembled. There were location maps and plan drawing available for those assembled to review.

Mr. Milton Vost of Boyle Engineering was also present to answer questions on the KLP project.

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Mr. John Stone a resident of KLP asked how the vacuum pits would be designed. He is concerned because after viewing the preliminary plans his property, which is located on the bay, shows the connection pipe as being two feet under seawater. Milt Voss of Boyle Engineering explained that there will be a way of handling this difficulty and that there is flexibility to cover odd situations.

c. Funding – Robert Sheets

Mr. Sheets stated that the county had formed the KLWTD Board and the commissioners elected on 11/19/03. The Board has moved quickly and accomplished a great deal since its inception. The KLWTD is a local government entity and is required to have an approved budget to operate. The budget could only be approved by the Board after a public hearing. Further details on the budget were presented and are included in Attachment A to this document.

d. Mandatory Connection Program - Charles L. Sweat

Mr. Charles Sweat was introduced and presented information on the mandatory connection program. The information is made part of this document and is included in Attachment A.

e. Question and Answer Session

Ms. Martha Richard a resident asked if each property would have a 'candy cane' (vacuum interface sump pump). Mr. Sweat stated most would have two houses on one pump and the pump would be located in the right of way. ~~Jim Van Tassel asked if when connecting to the pump would it be possible for the individual to design and install it, to save money. Mr. Sweat stated that it would be best to check with the local health department.~~

A resident asked if odors vent from the pump. Mr. Sweat stated that no, odors do not vent from the pump.

Mr. Jeff Gossweller asked if those who where mandated by Monroe County to install septic systems could expect any reimbursement for their efforts and would those with working septic systems be required to connect to the sewage system. Mr. Sweat stated that connection is mandatory. Discussion ensued concerning the options available in this situation. The Board requested that staff contact the county to verify if there are any remedies for this situation.

Kent Van Winkle asked how long the MSTU would be collected if it is enacted. Mr. Sheets stated that it could be indefinitely. He added that the MSTU is for covering the systems operations and once more customers come on line it may not be needed. It was asked if the MSTU is charged against all property owners. Mr. Sheets stated that all property owners are charged no mater where the property owner resides.

Mr. David Adamusko asked if one home were located on four lots would four capacity fees be charged. Mr. Sheets stated that the capacity fee is charged per buildable lot. It was asked if all for lots had buildings on them would the capacity fee be charged. Mr. Sheets stated that if they are built on then the capacity fee applies.

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Mr. John Stone stated that if Key Largo residents are to be wastewater 'guinea pigs' the homeowners should not be required to pay \$2,700 to finance those who connect in the future.

It was asked why Key Largo had been chosen to be the first wastewater system. Commissioner Brooks stated that the County's Master Wastewater Plan that included a study on the entire Keys had developed priority areas and Key Largo had twenty-one high priority polluters. KLV was second on the list combined with the fact that the FEMA has approved the best place for a plant as mile marker 100.5, KLV was the most practical location to hook up first.

It was asked if because this is a first time projects would there be problems because the system is not tested. Commissioner Brooks stated that we are in a position to use top technology that has been used in other areas. It was asked if because Key Largo Park was not as high on the priority list could be removed from the project. Mr. Sheets stated that the projects have been planned and have to be implemented to secure the funding.

Mr. Sheets stated that for the March 29, 2003 meeting a comparison of impact fees and connection costs charged in other communities would be available.

It was asked if any vacuum systems had been installed in a coral rock bed. Boyle Engineering stated that one is being built in Marathon. Mr. Vost stated that one advantage of a vacuum system is that it is not as deep as other systems adding that the Marathon system has been very successful. Another advantage is that a vacuum system is sealed so ~~that during a hurricane there is not water intrusion.~~ Also, there is a working plant in Ocean Reef and that was on completed on schedule and under budget.

Mr. Dottie Moses of Harbor Drive in the Sunset Water Ways subdivision asked if it was to be included in this phase of the project. Mr. Sheets stated that, no they are not even though they are located between the KLV and KLP.

Mr. John Stone asked that if the 12.3 million dollars for the project is coming from government grant money, which comes from tax dollars, why do the resident have to pay an additional \$2,700 impact fee.

Commissioner Wilkinson stated his opinion as basically the same, however, if every one in the district pays on a water meter assessment that would keep residents paying way into the future. He added that Key Largo maybe the guinea pigs and the KLWTD is moving quickly there are 13,000 EDU's in the district to potentially hook up with a mandate for it to be done by 2010. Commissioner Wilkinson stated that KLWTD would proceed at the speed of money and that the \$2,700 capacity fee was mid point of the suggested hook-up fees outlined in the master plan.

Mr. Stone asked why with KLP being on the priorities list at number fifteen was it chosen before other higher priority areas. Commissioner Brooks stated that it was because of the proximity to the plant that was being built and to use the balance of funding available. Also, he stated that part of the reason why residents are required to pay \$2,700 if because federal agencies require a local share and if there are no local dollars there would be no grant.

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A concern was stated that for those who live in Monroe County and the Keys would be subsidizing the people visiting to Keys. Mr. Sheets stated that presently it appears there is a funding equity issue however, once commercial connections take place the commercial entities capacity would be charged by EDU's and if the business is using 100 EDU's the charge would be 100 times the \$2,700 capacity fee.

It was asked how much of \$2,700 is used for construction of the plant. Mr. Sheets stated that the \$2,700 is all for capital projects (no administrative fees, etc). Boyle Engineering stated concerning growth capacity for the plant that it has been initially sized for the park and village without extra capacity but it is being designed for later expansion.

Mr. Sheets concluded the program and stated that if those in attendance require additional information or have any other questions to forward them to the clerk. Mr. Sheets stated that there would be a program at the KLV community picnic being held on March 29, 2003 along with other community programs to be scheduled in the future.

Chairman Tobin thanked those who participated.

Kevin Matick a member of the local council stated that no one likes the process, but the council believed the KLWTD Board would be able to do a better job from a local level. He stated that he would also be looking at options for those mandated to install septic systems by the County.

2. Board Discussion

Commissioner Wilkinson stated that the cost of decommissioning the septic systems listed on page 10 of the handout was unrealistic and requested it be changed.

Commissioner Brooks thanked the staff for their presentations stating that the information was well prepared and the public is accepting the idea of Key Largo becoming sewered even with the costs as outlined. Commissioner Brooks is pleased with the spirit of cooperation that is being demonstrated.

The Board requested that a letter of thanks be drafted to the KLV Homeowners Association for their assistance with distributing the meeting flyers.

Chairman Tobin stated that the presentation was extremely informative. The issue of reimbursing residents who were affected by the mandatory septic system program promoted by the County will be a recurring issue in his opinion. Chairman Tobin stated that staff should contact Marlene Conaway the Planning Director of Monroe County to determine what lots are considered build-able. Chairman Tobin would also like to look at an alternative to destroying septic tanks, if there is a way to maintain the septic tanks for emergency use only. Commissioner Wilkinson believes it is possible to install an emergency switchover in a septic system.

Commissioner Tobin would like staff to look at financing plans that would spread the burden more evenly among all the residents of Key Largo. Mr. Sheets stated that capacity fees can

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be amortized and they can be assessed against undeveloped properties. Mr. Sheets will perform a cost of service analysis that would show what a true impact fee should be.

3. Public Comments

Please see the question and answer section above.

4. Close Public Hearing

Chairman Tobin closed the public hearing at 6:06 PM.

B. Call to Order – KLWTD Regular Meeting

Chairman Tobin called the regular meeting to order at 6:07 PM.

C. Pledge of Allegiance

All stood and recited the pledge of allegiance.

D. Minutes – February 5, 2003 and February 12, 2003

It was requested that the minutes be considered later in the meeting.

E. Additions, Deletions or Corrections to the Agenda

The following correction to the agenda was made.

Add action item number six authorizing signatory for FDEP and county permits.

A request was made by Gartek Engineering to discuss the status of the invoice submitted for payment of services rendered. The request was denied because of the legal nature of the item it would be placed on a future agenda.

F. Action Items

1. Ratification of the Transitional Interlocal Agreement by and between the Key Largo Wastewater Treatment District, Monroe County and the Florida Keys Aqueduct Authority

COMMISSIONER BEATY MOVED TO APPROVE ITEM ONE. COMMISSIONER BAUMAN SECONDED. DISCUSSION ENSUED WITH COMMISSIONER WILKINSON VOICING HIS CONCERN WITH THE ISSUE OF THE COUNTY REQUIRING THE MATCHING GRANT MONEY TO BE PAID BACK AS A LOAN. THE OTHER BOARD MEMBERS AGREED ADDING THAT IT IS IMPARITIVE TO APPROVE THE AGREEMENT SO THAT THE PROJECT COULD PROCEED. COMMISSIONER BAUMAN STATED THAT THERE IS NINETY DAYS TO RESOLVE THIS ISSUE WITH THE COUNTY. THE BOARD REQUESTED STAFF TO BEGIN FORMULATING A STRATEGY TO RESOLVE THE ISSUE. THE BOARD APPOINTED COMMISSIONER BROOKS TO ACCOMPANY STAFF WHEN MEETING WITH MONROE COUNTY. THE QUESTION WAS CALLED.

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COMMISSIONER WILKINSON WAS NOT IN FAVOR. COMMISSIONERS TOBIN, BAUMAN, BEATY AND BROOKS WERE IN FAVOR. THE MOTION CARRIED.

2. Approval of Florida Department of Environmental Protection Agreement LP0338 with Key Largo Wastewater Treatment District

Mr. Sheets stated that the item presented was the State Financial Assistance Agreement between Key Largo and the FDEP. The agreement and attachments presented included all information requested by the FDEP for items one through ten. The document would satisfy the requirements for the March 1st deadline.

Commissioner Wilkinson requested on correction to the septic system decommissioning charge chart. Commissioner Bauman asked if the manager had reviewed the loan/grant issue with the FDEP. Mr. Sheets stated that it had been reviewed with Mr. Smith who was aware of the issue.

COMMISSIONER BAUMAN MADE A MOTION TO APPROVE ACTION ITEM 2 WITH A REVISION TO THE SEPTIC SYSTEM DECOMMISSIONING CHARGE ATTACHMENT AS REQUESTED BY COMMISSIONER WILKINSON. COMMISSIONER WILKINSON SECONDED THE MOTION. ALL WERE IN FAVOR AND THE MOTION WAS UNANIMOUSLY APPROVED.

3. Approval of South Florida Water Management District Agreement with Key Largo Wastewater Treatment District
4. ~~Adoption of Monroe County's Mandatory Connection Ordinance as non-rule policy~~ Key Largo Wastewater Treatment District Resolution No. 2003-12
5. Approval of Key Largo Wastewater Treatment District Resolution No. 2003-13 designating the general manager and chief financial officer as signatories of the KLWTD bank accounts

COMMISSIONER BROOKS MOTIONED TO APPROVE ACTION ITEMS 3, 4 AND 5. COMMISSIONER WILKINSON SECONDED THE MOTION. ALL WERE IN FAVOR AND THE MOTION CARRIED.

G. General Manager's Report

1. Discussion of KLWTD Board meeting schedule March, April and May 2003

Mr. Sheets stated that the suggested schedule presented showed the regular meetings as being held on the first and third Wednesdays of the month for the next ninety days. Discussion ensued concerning the frequency of the meetings in relationship to the various tasks the Board is required to accomplish and if the coincide with BOCC meetings.

COMMISSIONER BAUMAN MOTIONED TO HOLD THE MARCH 2003 REGULAR MEETINGS ON THE 5TH AND 26TH THEN ON THE SECOND AND FOURTH WEDNESDAYS FOR APRIL AND MAY 2003. COMMISSIONER BROOKS SECONDED THE MOTION. ALL WERE IN FAVOR AND THE MOTION WAS UNANIMOUSLY APPROVED.

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H. Legal Counsel's Report

There was not a Legal Counsel report presented.

I. Engineer's Report

1. Discussion of official signatory for federal, state and local permits and responsibility of permit fees

Mr. Doug Eckman of Boyle Engineering stated that signatures are required on permits by at the owner/applicant or their authorized representative for the KLP project. Mr. Eckman requires signatures on several documents to be included in the submittal to the FDEP. The Board must also designate the engineer who is to sign and seal the designs for the project. Letters stating the desire of the Board are required to be sent with the permit application. The manager recommends the Board approve Boyle Engineering's request to sign and seal the designs and appoint the manager to sign permits on behalf of the KLWTD.

COMMISSIONER BAUMAN MOTIONED TO APPOINT THE GENERAL MANAGER, ROBERT SHEETS OF GSG AS THE SIGNATORY FOR FDEP PERMITS AND FOR BOYLE ENGINEERING TO SIGN AND SEAL THE DESIGN PLANS. LETTERS STATING THE DIRECTION OF BOARD IN THIS RESPECT ARE TO BE DRAFTED BY STAFF AND FORWARDED TO THE FDEP AS SOON AS POSSIBLE. COMMISSIONER BEATY SECONDED THE MOTION. ALL WERE IN FAVOR AND THE MOTION WAS UNANIMOUSLY APPROVED.

Mr. Eckman stated that the bids were received on the KLP Project. The five bidders were close on cost with the apparent low bidder being D.L. Higgins. A letter of recommendation would be forwarded to the KLWTD manager after Boyle reviews the bids.

Commissioner Wilkinson requested that information be provided detailing the cost of the various alternatives for the March 5, 2003 meeting as a discussion item, adding that the Board has ninety days to award a contract and this would give time to see what might happen with the KLTV bids.

Mr. Eckman stated that four technical proposals had been received on the KLTV project, which, are being considered by the Evaluation Committee that was appointed by the KLWTD Board. Mr. Eckman was pleased with the response and is familiar with all the firms and that they are all qualified in his opinion. Mr. Eckman stated the cost proposals were received and forwarded to the manager and would be held until the KLWTD Evaluation Committee finishes the technical review. The cost proposals would then be opened at a public meeting.

Mr. Robert Betancourt of Gartek Engineering reported that he has completed the Key Largo Park 100% design review and cost estimates and had submitted the comments to Boyle Engineering some had been addressed and some had not. Mr. Betancourt is waiting for a written response. Mr. Milt Voss of Boyle stated that he has drafted a response to Gartek and would provide it to them as soon as possible.

J. Commissioner's Items

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1. Discussion of the costs for a special assessment, requested by
Commissioner Wilkinson

Commissioner Wilkinson does not want to spend a great deal of money to conduct studies for a special assessment. He asked when the deadline was to initiate a special assessment for 2004. Mr. Sheets stated the deadline would not be until late summer 2003 and that if the Board was inclined a proposal and work plan detailing the critical items needed to implement an assessment could be developed, however, a special assessment would fund the same thing the MSTU would and he suggested looking at a special assessment if the MSTU fails.

Chairman Tobin requested the item be placed on the March 5, 2003 agenda as a discussion item.

The Board requested an update on the progress of the South Florida Water Management District (SWFMD) grant. Mr. Sheets stated that the information provided to the Board would begin the grant process. The scope of work would be used for the grant application and the SFWMD would forward it to us.

K. Meeting Adjournment

Commissioner Brooks motioned to adjourn the meeting and Commissioner Bauman seconded. The meeting adjourned at 7:21 PM.