



Key Largo Wastewater Treatment District Board of Commissioner's Meeting Agenda

5:00 PM Wednesday, February 4, 2004
Key Largo Civic Club, 209 Ocean Bay Drive
Key Largo, Monroe County, Florida

Board members present

Gary Bauman
Cris Beaty
Charlie Brooks
Andrew Tobin
Jerry Wilkinson

Staff Present

Charles Sweat, GSG
David Miles, GSG
Thomas Dillon, Board Attorney
Ed Castle, WEC, Board Engineer
Michael Hatfield, WEC, Board Engineer
Faith Doyle, Board Clerk

Guest present

A. Call to Order

Chairman Bauman called the meeting to order at 5:08 p.m.

B. Pledge of Allegiance

C. Additions, Deletions or Corrections to the Regular Meeting Agenda

Mr. Wilkinson stated that certain discussion items have been neglected because of the lengthy agendas. Chairman Bauman agreed that certain items merit further consideration and should be carried over if the members consider them relevant.

D. Minutes – Draft January 7, 2004, Draft January 14, 2004, Draft December 3, 2004, Draft November 19, 2003, Draft November 5, 2003

Commissioner Brooks motioned to approve all the minutes except for the January 14, 2004. Commissioner Brooks stated that he did not have difficulty with the minutes but with what was discussed at the meeting. Commissioner Tobin seconded for discussion. Mr. Tobin does not believe that a verbatim transcript is needed but only a summary with the motions, seconds and votes. The audio tapes are the also available. Commissioner Brooks asked Mr. Dillon if he bills

for review of the minutes. Mr. Dillon confirmed that review of the minutes is considered part of the \$100 charge for attending a meeting. Discussion ensued on the need for summary minutes which are more detailed or motion minutes which include only the final actions taken by the Board. Commissioner Wilkinson asked Mr. Dillon what his position is concerning the minutes. Mr. Dillon advised that the meeting minutes are hearsay, and that the recording is the actual record of the meeting; whether the minutes are summary in form or more descriptive of the discussions was not legally significant. Commissioners Wilkinson, Brooks and Beaty expressed a preference for more detailed minutes. Chairman Bauman called for a vote on the January 7, 2004; December 3, 2003; November 19, 2003; and the November 5, 2003. All were in favor and the motion was approved. The Board requested that the January 14, 2004 minutes be placed on the next agenda.

E. Public Comment

Mr. Tobin introduced Mr. Bill Guy who is a local contractor who could do laterals because he is an underground utility contractor. Commissioner Tobin suggested he introduce himself to Mr. Messer of D.N. Higgins.

Mr. Michael Hatfield of WEC was introduced and it was noted that he will be involved with the KLTV and KLP projects.

F. Action Items

1. Pending Payments List

Chairman Bauman brought the pending payment list to the floor for consideration. Commissioner Tobin discussed flat fee billing and payment options of the GSG Contract. He has concerns with the construction management contract. Commissioner Tobin stated that because of the notice of resignation this should be reconsidered. He is open to suggestions for a resolution of how the payments should be made on a contract that is not going to be fulfilled. Commissioner Brooks also stated concerned with making payments for services that may be a duplication of effort and it appears that some of the tasks being performing are purely administrative.

Commissioner Wilkinson asked if there was a formal resignation. Chairman Bauman stated that an official notice had not been received. Mr. Sweat was asked if he had a letter with him to present to the Board. Mr. Sweat stated that he did not but he would provide one if the Board wishes. Chairman Bauman stated that a letter was to be provided and Mr. Sweat stated that he would insure that one was provided.

Discussion continued concerning Chairman Bauman's instructions to Mr. Dillon to prepare a time and material contract with strict documentation of time spent and that the fixed fees should be removed so that a final payment can be determined. Commissioner Tobin doesn't believe that would rectify the situation and that the payments should be discussed among Mr. Dillon and Mr. Miles who should be able to determine an equitable figure to conclude the contract. Chairman Bauman requested that Commissioner Tobin, Mr. Miles and Mr. Dillon review the GSG invoices, contract and work authorizations and provide him with a time and materials contract. Commissioner Tobin wants a reconciliation of the flat fee contract.

Discussion ensued on the details of the 30% design meeting that had taken place amongst staff earlier. Commissioner Brooks had attended the meeting and observed the actions of staff and thought that it was a very productive meeting.

Commissioner Tobin doesn't want to pay the GSG bills until time and attendance records and a brief description of what the hours were for has been provided. Mr. Miles stated in the January 7th agenda book the information requested had been provided. Commissioner Tobin stated that the time sheets and detail given were not sufficient. Mr. Miles discussed the information noting the hours attributed to financial management, CIP projects, etc. Commissioner Tobin stated the monthly breakdown doesn't give you a great indicator and assuming that the information is true we have to understand how much money is owed. Mr. Miles noted that a ½ a man year of time has been accrued by GSG for the Key Largo work.

Commissioner Beaty suggested that installment 5 of 24 be paid to true things up and have GSG work for a time and materials basis from this point forward. Commissioner Tobin agreed that installment 5 of 24 should be paid today and then reconcile what to do from this point forward and that the termination date should be April 1, 2004. Mr. Miles cautioned the Board that time and materials would increase the KLWTD costs greatly.

Discussion continued concerning when notification was given, if 90 days severance pay is required, on the effective date of the notice and monies owed. Mr. Sweat stated that GSG would not leave the board high and dry, and would provide service until the transition.

Mr. Sweat stated that the termination letter would terminate the fixed price contract and initiate the time and material option. Commissioner Wilkinson asked Mr. Dillon if a letter is required to be sent. Mr. Dillon stated that a letter would provide documentation.

Chairman Bauman asked if there were any other questions on the payments pending list. Commissioner Wilkinson stated that the legal invoices should be reviewed to verify if some of the costs could be reimbursed from project funds. Discussion ensued concerning shortfalls in the project funds if it is financially prudent.

Commissioner Tobin made a motion to approve the pending payments list. Commissioner Beaty seconded the motion adding that the KLWTD would evaluate and reconcile the GSG invoices. All were in favor and the motion was approved.

At 6:06 p.m. Commissioner Brooks requested to change the agenda to have David Andrews of Mull & Associate present the Comprehensive Annual Financial Report. Mr. Andrews reviewed the document which had been provided to the Board. Mr. Andrews stated that Gatsby 34 brings government accounting more similar to corporate accounting and that the independent auditors report states that the accounting provides a reasonable basis and standards for an audit and to develop an opinion. Commissioner Tobin asked what Mull does in relationship to over site of GSG. Mr. Andrews stated that Mull reviews contracts in comparison with financial transactions.

Mr. Miles stated that the Board should accept the information and then it can be filed as per act 189. The Annual Financial Report must be forwarded to the Department of Banking and Finance. It must be executed by the Chairman and will be brought to the Board on February 18th for consideration. It must go within 45 days to the Department of Banking and Finance. A copy will be forwarded to Monroe County and it needs to be forwarded to the bank and any

grantor agency. Mr. Andrews notes that on page 16 the \$78,000 deficit that if it remains in the CAFR for two years extra reporting would be required. Discussion ensued concerning the CAFR report.

Commissioner Tobin moved to accept the report as information only. Commissioner Wilkinson seconded for discussion. He questioned the populations and the acreage reported. Discussion ensued if Monroe County might forgive the loan. Commissioner Wilkinson stated that Mayor Nelson told him that the loan could be forgiven by submitting qualifying paid invoices to the County Clerk's office. All were in favor and the motion carried.

Mr. Sweat stated that he and Mr. Messer had discussed presenting a purchase order to Roovac for the pits because it is a two month lead time item and the risk would be Roovac's and not the Board's. Mr. Messer would take possession of the pits until they are used for construction. Discussion ensued. Mr. Messer stated that Higgins would issue the purchase order. Discussion ensued concerning the Board issuing the purchase order to save on the sales tax. Chairman Bauman and commissioner Beaty supported the idea. Commissioner Brooks wants the KLWTD to sign the purchase order. Mr. Dillon stated that he should review the Higgins prepared purchase order prior to the KLWTD signing it.

Mr. Messer requested that if the Haskell change order is approved that Mr. Messer be given his bonds back.

Chairman Bauman requested that the Roediger valve pit purchase order to the next agenda.

Mr. Castle informed the Board that the staff had met at 1:00 p.m. to review the 30% design of the KLTV collection system and gravity maintenance issues were discussed. The 30% design of the treatment plant was received. Mr. Castle's initial review was positive, but several items from Appendix G need to be addressed. Mr. Dillon comments that a design protocol must be submitted and that some legal issues were raised including the Haskell notices of delay. Mr. Dillon stated that he appreciated the opportunity to attend the meeting and be present for legal issues. Mr. Castle will do the final review of the design protocol and it would be presented to the Board at the next meeting. It was noted that copies of the final concept review had been provided to the Board Chair.

Commissioner Tobin noted that Mr. Castle was impressive with his attention to detail on future maintenance issues and anticipating problems. Mr. Fishburn comments that all went well at the review and he has no issues with the 30% design and the 60% designs will be much more complete and detailed.

Mr. Will English, of the Haskell Company stated that he is meeting with George Garrett concerning site mitigation and other issues concerning the treatment plant.

Commissioner Brooks stated that he attended the staff meeting and that it was pleasant and encouraging to see the staff working well together. Commissioner Brooks believes the 60% designs would ease concerns.

Chairman Bauman recessed the meeting at 7:10 p.m.
Chairman Bauman reconvened at 7:25 p.m.

Commissioner Tobin excused himself at 7:28 p.m. stating that he recommends approval of the Haskell change order only if it notes that they don't get paid if KLWTD doesn't get grant funds.

Commissioner Bauman requested that the legal counsel report be next. Mr. Dillon informed the Board that he met with Mr. Collins the Monroe County Attorney and that the County Attorney said he would write an opinion that County funds could be used for the Board's salary and other general administrative costs. The County Attorney interprets the Interlocal Agreement to require a budget line item for Board compensation. Mr. Dillon will work with Mayor Nelson to have the County add a budget line to the County budget, which should correct it.

He noted that Representative Sorenson's office had requested draft legislation to cover District issues. Mr. Dillon drafted a paragraph that amends the enabling legislation to provide for appointment by the remaining Board members of a person to fill a vacancy. Discussion ensued on the default mechanism of the 189 statute and filing vacancies.

The Board requested that the legislative changes proposed be considered as an action item on the next agenda. Discussion ensued on the cost of holding a special election and constitutional issues of making requirements on appointed officials.

2. Standard Engineering Contracts with the top ranked firms from the April 2003 CCNA process. (Please note these include all revisions that were made to the WEC contract that was previously approved by the Board)
 - a. ARCADIS
 - b. Boyle
 - c. CPH
 - d. Calvin, Giordano & Associates, Inc.
 - e. Malcolm Pirnie, Inc.
 - f. Metcalf & Eddy
 - g. PBS&J

Commissioner Brooks made a motion to approve the Standard Engineering Contracts with the top ranked firms. Commissioner Beaty seconded the motion. Commissioner Wilkinson stated that he does not like the CCNA process. Commissioner Beaty noted that the process is required by law. Commissioner Brooks noted that on page 5 he would like the wording to be changed to reflect that the Board would make the decisions on issues with work authorizations. Mr. Miles noted that by previous Board resolution that the staff only has approval to enter into work authorizations under \$2,500 and then must seek retroactive Board approval at the next meeting. Mr. Dillon suggested drafting an amendment to the agreement to reflect the Board's desire. The Board requested that the amendment be drafted and placed as an action item on the next agenda. Commissioner Brooks noted that on page 7 article seven paragraph 3 refers to termination or suspension. Mr. Dillon stated that it is standard and is included for the event that a contract is terminated for convenience. Mr. Dillon recommended the contracts be approved. Discussion ensued on the CCNA process and the bidding process. Chairman Tobin requested a roll call vote, which was as follows:

Commissioner Beaty	Yes
Commissioner Brooks	Yes

Commissioner Tobin
Commissioner Wilkinson
Chairman Bauman

NOT PRESENT
No
Yes

The motion was approved.

3. Approval of the Revised Haskell Change Proposal for Key Largo Park

Chairman Bauman brought the item to the floor for discussion. Mr. Dillon stated that he approves of the document as to form. **Mr. Beaty made a motion to approve the change order. Commissioner Wilkinson seconded for discussion. Commissioner Wilkinson stated that he believes the District is being over charged for the markup fees. Discussion ensued on the cost plus five percent issue and the contract provisions. Chairman Bauman asked the Manager to go back to Haskell to accept absorbing the cost of the change order. Commissioner Brooks moved to table the item.**

G. General Manager's Report

1. Annual Audit and CAFR Presentation

See above.

2. Financial Update

Moved to the next meeting.

3. Update on the Tax Exempt Status

Moved to the next meeting.

4. Discussion on Rescheduling of the Transition Plan and Administrative Procedures Workshops

Moved to the next meeting.

H. Legal Counsel's Report

1. Meeting with Monroe County Attorney Richard Collins concerning the reimbursement of Board payroll from County funds

See above.

I. Engineer's Report

1. Design-Build Agreement design requirements (30% design submittal)

See above.

2. Calusa Campground Presentation

Mr. Castle began the presentation at 8:30 p.m. Mr. Castle concluded the presentation at 8:55 p.m. Discussion ensued on the issue of complying with the County master plan, the private land issue and RV influent.

3. Haskell Monthly Progress Reports for October, November and December

Mr. English noted that the reports are not detailed because the projects haven't begun construction. Commissioner Brooks questioned the progress reports and why they haven't been updated. Mr. Castle stated that a revised schedule should be submitted. Mr. Dillon comments

that the first two reports and the schedule provided do conflict and do demonstrate delay. Mr. English stated that MPR's usually don't start until the construction starts. Mr. Dillon noted that the contract states that the project manager was to be approved by the Board. Mr. English stated that he would provide a resume to the Board and address the issues raised concerning the progress reports with Mr. Kinsley

4. WEC Engineering Status Report

Mr. Castle reviewed his report and stated that they will get much more detailed as time progresses and construction begins.

J. Public Comment

No one present wished to address the Board.

K. Commissioner's Items

1. Discussion of Strategic Planning and Consulting Strategic Planning Firm – Chairman Bauman (CARRIED OVER FROM 1-14-04 AGENDA)

Chairman Bauman deferred his item to the next meeting.

2. Discussion of near shore water testing – Chairman Bauman (CARRIED OVER FROM 1-14-04 AGENDA)

Chairman Bauman deferred his item to the next meeting.

3. Discussion of "Decision Time" email dated 1-22-04 -- Commissioner Wilkinson

Commissioner Wilkinson deferred his item to the next meeting.

4. Discussion of all e-mail and other communications since our last meeting – Commissioner Brooks

Commissioner Brooks deferred his item to the next meeting.

5. Update and discussion of the PMP (Project Management Plan) regarding future Federal funding through the Army Corps of Engineers/South Florida Water Management District – Commissioner Brooks

Item K-5 was brought to the floor for discussion by Chairman Bauman. Commissioner Brooks stated that information was needed to be given to the Army Corp of Engineers by the 20th of January. He provided copies to the Board members. He reviewed the schedule of existing and possible projects that he had provided to assist in securing the funds available. He provided the information on his own because he had no direction from the Board. Commissioner Brooks passed out an email concerning the issue.

L. Meeting Adjournment

Commissioner Beaty made a motion to adjourn at 9:12 p.m. Commissioner Wilkinson seconded the motion. All were in favor.